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SENATE

MONDAY, JULY 17, 1961

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The Right Reverend S. K. Mondol, senior bishop of the Methodist Church in southern Asia, Delhi, India, offered the following prayer:

O God, our loving Heavenly Father, we pause before Thee this morning for a few moments, in deep reverence and true humility. Touch our finite spirits with Thine eternal and lifegiving spirit, that new sources of strength and energy may be released through every fiber of our being.

Grant, this day, Thy special blessing upon the Members of this august body. Great is the responsibility Thou hast placed upon them for the welfare of this Nation and the larger human family around the globe. When the burdens become heavy, may the lifting power of Thy grace sustain them through dark moments and trying ordeals.

We lift our prayer in the cause of peace for which mankind hungers.

Remove from our human relations the elements of discord, suspicion, fear, bitterness, greed, and lust for power that make for war.

Teach us, O God, that one is our Father in heaven, and we all are brothers and part of one another.

Save us from pessimism and cynicism that tell us that war is inevitable.

Bestow Thy special favor and guidance upon the President and Vice President of this country and all others who exercise authority in this land and other lands.

Make them willing to subordinate their wills to Thy will, believing that in following Thy will there is peace for the individual and the nations.

We offer our prayer in the name of Him who came to bring peace to distraught humanity. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 14, 1961, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Ratchford, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 1710. An act to amend the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until December 31, 1961, and for other purposes;

H.R. 1986. An act to repeal the provisions of section 5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter;

H.R. 4591. An act to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes; and

H.R. 6441. An act to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control, and for other purposes.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MUSKIE, and by unanimous consent, the Subcommittee on Privileges and Elections of the Committee on Rules and Administration was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Leonard T. Heckathorn, of South Dakota, to be U.S. marshal for the district of South Dakota; and

Doyle W. Foreman, of Oklahoma, to be U.S. marshal for the northern district of Oklahoma.

The PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

COLLECTORS OF CUSTOMS

The Chief Clerk proceeded to read sundry nominations of collectors of customs.

Mr. MANSFIELD. I ask unanimous consent that these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MUSKIE subsequently said: Madam President, earlier today the Senate confirmed the President's appointment of Miss Lucia M. Cormier of Rumford, Maine, as collector of customs for the district of Maine, the First Customs District of the United States. Miss Cormier has a distinguished record of public service in the State of Maine as a teacher, town official, State representative, minority leader in the Maine Legislature, and candidate for Congress and for the U.S. Senate. I know that she will be an outstanding collector of customs, bringing to her new task the same intelligence, active interest, administrative ability, and capacity for hard work which she has applied in all her other responsibilities.

I had the good fortune to grow up in the same town with Miss Cormier. I have known her as a colleague in government and politics. I have seen her reputation grow among those of both parties as she has demonstrated her understanding and her fair-minded approach to legislative and administrative problems.

Miss Cormier is one of the two women appointed by President Kennedy as collector of customs. They are the first of their sex to be so honored. I consider this a tribute to Miss Cormier's ability

and to her place as a leading citizen of the State of Maine. Hers will not be an easy post, for Maine is an active customs district, with ports of entry on its 250-mile coast, and along its almost 500-mile border with Canada. I am confident that she will fulfill her responsibilities with distinction and with great credit to this administration.

U.S. MARSHAL

The Chief Clerk read the nomination of Jack D. Obbink, of Nebraska, to be U.S. marshal for the district of Nebraska for a term of 4 years.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COURT OF MILITARY APPEALS

The Chief Clerk read the nomination of Paul J. Kilday, of Texas, to be a judge of the Court of Military Appeals for a term of 15 years expiring May 1, 1976.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

U.S. NAVY

The Chief Clerk read the nomination of Vice Adm. Claude V. Ricketts, U.S. Navy, to be Vice Chief of Naval Operations in the Department of the Navy, under the provisions of title 10, United States Code, section 5085, and to hold the rank of admiral under section 5321 of such title while so serving.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

U.S. AIR FORCE

The Chief Clerk read the nomination of Col. Paul T. Cooper, 4861A, Regular Air Force, for appointment to the temporary grade of brigadier general in the U.S. Air Force.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk proceeded to read sundry nominations in the Air Force which had been placed on the Secretary's desk.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF SECTION 201(1) OF FEDERAL CIVIL DEFENSE ACT OF 1950

A letter from the Director, Office of Civil and Defense Mobilization, Executive Office of the President, transmitting a draft of proposed legislation to further amend section 201(1) of the Federal Civil Defense Act of 1950, as amended, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

NOTICE OF PROPOSED DISPOSITION OF CERTAIN PLATINUM SCRAP

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, a copy of a notice to be published in the Federal Register of a proposed disposition of approximately 4,471 troy ounces of platinum scrap and a quantity of nonferrous scrap consisting of approximately 520 short tons of brass, 74 short tons of silicon bronze and copper, 11 short tons of beryllium copper, and 106 short tons of zinc foil, now held in the national stockpile (with an accompanying paper); to the Committee on Armed Services.

REPORT OF PACIFIC MARINE FISHERIES COMMISSION

A letter from the Chairman, Pacific Marine Fisheries Commission, Portland, Oreg., transmitting, pursuant to law, a report of that Commission, for the year 1960 (with an accompanying report); to the Committee on Commerce.

DISBURSEMENT OF JUDICIARY FUNDS

A letter from the Attorney General, transmitting a draft of proposed legislation to provide for the disbursing of judiciary funds (with an accompanying paper); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF A CERTAIN ALIEN

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, a copy of an order suspending deportation in the case of Mario Norrito, together with a statement of the facts and pertinent provisions of law pertaining to said alien, and the reason for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MCCLELLAN, from the Committee on Government Operations, with amendments:

S. 1412. A bill to authorize the Administrator of General Services to convey certain land situated in the State of Arkansas to the city of Fayetteville, Ark. (Rept. No. 546).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 705. A bill for the relief of Norman T. Burgett, Lawrence S. Foote, Richard E. Forsgren, James R. Hart, Ordeen A. Jallen, James M. Lane, David E. Smith, Jack K. Warren, and Anne W. Welsh (Rept. No. 547);

S. 1347. A bill for the relief of Georgia Ellen Thomason (Rept. No. 548);

S. 1443. A bill for the relief of Mrs. Tyra Fenner Tynes (Rept. No. 549);

H.R. 1336. An act for the relief of Ana Catania Puglisi (Rept. No. 551);

H.R. 1379. An act for the relief of the dependents or estate of Carroll O. Switzer (Rept. No. 552);

H.R. 1383. An act for the relief of Hyacinth Louise Miller (Rept. No. 553);

H.R. 1390. An act for the relief of Jung Ngon Woon (Rept. No. 554);

H.R. 1391. An act for the relief of Mrs. Wong Lau Sau Kam (Rept. No. 555);

H.R. 1486. An act for the relief of Mrs. Vicenta A. Messer (Rept. No. 556);

H.R. 1499. An act for the relief of Manuel Nido (Rept. No. 557);

H.R. 1699. An act for the relief of Nick George Boudoures (Rept. No. 558);

H.R. 1704. An act for the relief of Lee Shee Won (Rept. No. 559);

H.R. 1706. An act for the relief of Adela Michiko Flores (Rept. No. 560);

H.R. 1891. An act for the relief of Enlc. William J. Stevens (Rept. No. 561);

H.R. 1903. An act for the relief of Mrs. Amina Youssif Cosino (nee Simaan) (Rept. No. 562);

H.R. 2354. An act for the relief of Mr. Louis Fischer, Feger Seafoods, and Mr. and Mrs. Thomas R. Stuart (Rept. No. 563);

H.R. 2674. An act for the relief of Eva Nowik (Rept. No. 564); and

H.R. 2750. An act to provide for the relief of certain enlisted members of the Air Force (Rept. No. 565).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 935. A bill for the relief of Lillian Frank Sclavi (Rept. No. 550).

By Mr. ELLENDER, from the Committee on Agriculture and Forestry, with an amendment:

S. 1643. A bill to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit service, to protect the interest of consumers, and for other purposes (S. Rept. No. 566).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY:

S. 2258. A bill to authorize the modification of the existing project for Milwaukee Harbor, Wis., in order to provide certain improvements for navigation purposes; to the Committee on Public Works.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. BUTLER:

S. 2259. A bill for the relief of Julia Kok; to the Committee on the Judiciary.

By Mr. TALMADGE:

S. 2260. A bill for the relief of Dr. Ramon Noel Borromeo; to the Committee on the Judiciary.

By Mr. MOSS:

S. 2261. A bill for the relief of Richard Kyrt Kooyman and Kimberly Ann Kooyman; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 2262. A bill for the relief of Charles Bernstein; to the Committee on the Judiciary.

(See the remarks of Mr. KEFAUVER when he introduced the above bill, which appear under a separate heading.)

By Mr. KEATING:

S. 2263. A bill for the relief of Dr. Duk Ho Lee; to the Committee on the Judiciary.

By Mr. JAVITS:

S. 2264. A bill to provide for the continuation of the Export-Import Bank for an additional 5 years; to the Committee on Banking and Currency.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 2265. A bill to establish a teaching hospital for Howard University, to transfer Freedman's Hospital to the university, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. WILLIAMS of Delaware (for himself and Mr. BENNETT):

S. 2266. A bill to amend the Internal Revenue Code of 1954 so as to provide that certain distributions of stock made pursuant to orders enforcing the antitrust laws shall not be treated as dividend distributions but shall be treated as a return of basis and result in gain only to the extent basis of the underlying stock is exceeded; and to further provide that the amount of a dividend in kind received by a corporation shall be its fair market value; to the Committee on Finance.

(See the remarks of Mr. WILLIAMS of Delaware when he introduced the above bill, which appear under a separate heading.)

By Mr. KEATING (for himself, Mr. BRIDGES, Mr. JAVITS, Mrs. NEUBERGER, Mr. SCOTT, and Mr. TOWER):

S.J. Res. 118. Joint resolution designating the rose as the national flower of the United States; to the Committee on the Judiciary.

(See the remarks of Mr. KEATING when he introduced the above joint resolution, which appear under a separate heading.)

HARBOR IMPROVEMENTS FOR MILWAUKEE, WIS.

Mr. WILEY. Mr. President, I introduce, for appropriate reference, a bill to provide for deepening and improving the harbor at Milwaukee, Wis.

I request unanimous consent to have the bill and a brief statement outlining the purposes of the proposed legislation printed at this point in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2258) to authorize the modification of the existing project for Milwaukee Harbor, Wis., in order to provide certain improvements for navigation purposes, introduced by Mr. WILEY, was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the modification of the existing project for Milwaukee Harbor, Wisconsin, in order to provide for certain improvements for navigation purposes, as recommended in the report of the Chief of Engineers, Department of the Army, is adopted and authorized to be prosecuted under the direction of the Secretary of the Army and the supervision of the Chief of Engineers in accordance with the plan recommended in such report and subject to the conditions set forth therein.

SEC. 2. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

The statement presented by Mr. WILEY is as follows:

WILEY PROPOSES IMPROVEMENT OF MILWAUKEE HARBOR

The economic future of the port of Milwaukee will depend largely upon the expansion of waterborne trade and commerce.

However, this will require further development of port facilities.

For this reason, I am introducing legislation for harbor improvement—to better handle deep-draft oceangoing vessels.

Following a special study by the Corps of Engineers, the Board of Engineers of Rivers and Harbors recommended modification and improvement of the harbor. The major features of my bill—to implement the Board recommendations—would include:

An approach channel 30 feet deep and 800 feet wide, narrowing to 300 feet through the breakwater opening;

A depth of 28 feet in the entrance channel to the inner end of the piers, over existing project widths, but no nearer than 50 feet of either pier;

A depth of 28 feet in the outer harbor south of the entrance channel to East Bay Street extended, between limits 50 feet east of the pierhead line and 400 feet west of the breakwater; and

A depth of 27 feet in the Milwaukee River to within 100 feet of the centerline of the bridge at mile 0.34, over existing project widths, and in the Kinnickinnic River to within 160 feet of the centerline of the bridge at mile 1 not nearer than 75 feet from adjacent docks.

The recommendations of the Board would, however, provide that, prior to construction, local interests:

(a) Hold and save the United States free from damages due to the construction and maintenance of the improvements;

(b) Accomplish without cost to the United States, when and as required, all necessary alterations to existing structures and utility facilities; and

(c) When and where necessary, provide, and maintain depths between channel limits and terminal facilities and in berthing areas commensurate with related project depths.

Procedurally, a bill of this nature—rather than being acted upon separately—normally would be incorporated in an omnibus rivers and harbors bill.

I am urging the Public Works Committee to move ahead on such necessary projects as rapidly as possible. Following authorization, there will, of course, be need for speedy approval of appropriations.

Financed on a Federal-local cost-sharing formula, the harbor-improvement project would cost an estimated $4½ million.

The annual benefits, however, would amount to an estimated $1,130,000.

CHARLES BERNSTEIN

Mr. KEFAUVER. Mr. President, I introduce, for appropriate reference, a bill which would authorize the payment of a sum of $25,000 to Charles Bernstein in full satisfaction of all claims against the United States for damages sustained by him as the result of his arrest, arraignment, trial, conviction, and incarceration for an offense of which he was innocent.

Mr. Bernstein was convicted in the District of Columbia of murder, and on October 7, 1933, was sentenced to death by electrocution. In 1935 the sentence was commuted to life imprisonment; in 1940 the sentence was commuted to the term already served; and in 1945 President Truman granted Bernstein a full and unconditional pardon.

Without going into details at this time, I would like to quote Austin H. MacCormick, executive director of the Osborne Association and professor of criminology at the University of California at Berkeley who in 1958 said:

In a career covering 40 years in the correctional field, I have never known a more striking case of a man suffering ineradicable injury from an erroneous conviction, or a man more deserving of whatever can be done in the way of rectification and compensation than Charles Bernstein.

Enactment of this bill will at least partly compensate Mr. Bernstein for the years he spent in prison for a crime of which he was innocent.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2262) for the relief of Charles Bernstein, introduced by Mr. KEFAUVER, was received, read twice by its title, and referred to the Committee on the Judiciary.

EXTENSION OF EXPORT-IMPORT BANK

Mr. JAVITS. Mr. President, I introduce a bill to extend the Export-Import Bank for an additional 5 years.

The Bank, which extends credits and guarantees to American exporters and foreign buyers to facilitate American exports, will go out of existence on June 30, 1963, under present law. My bill would extend it to June 30, 1968.

The Export-Import Bank is one of the most important instruments of our foreign economic policy. Its primary purpose has been and still is the expansion of foreign markets for U.S. goods. In the past decade, the Bank has placed increasing emphasis on the most vital task of stimulating exports to the developing nations of the free world to help in the acceleration of their economic development.

We should pass this legislation at the earliest possible date to enable the Export-Import Bank to plan more effectively for the future. It is especially important that continuity be assured in its activities in financing of U.S. exports and guarantees of export credits by U.S. exporters. Such activity is at least as vital to the newly developing nations as our foreign aid program and is indispensable to the prosperity of the United States.

The extension was recommended by Harold F. Linder, President and Chairman of the Export-Import Bank, in a letter reporting the Bank's position on my Export Promotion Act of 1960. Mr. Linder stated that the extension would "give the Bank continuity of operation and enable it to continue with maximum efficiency to carry out the objectives and purposes for which it was created."

I ask that the bill be appropriately referred.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2264) to provide for the continuation of the Export-Import Bank

for an additional 5 years, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Banking and Currency.

FORMULA OF TAXATION ON CERTAIN STOCK DIVIDENDS

Mr. WILLIAMS of Delaware. Mr. President, on behalf of the senior Senator from Utah [Mr. BENNETT] and myself, I introduce, for appropriate reference, a bill, the purpose of which is to amend the Internal Revenue Code of 1954 by providing a more equitable formula of taxation on stock dividends being distributed pursuant to antitrust orders.

This is a companion bill to the one being introduced today in the House by Representative MASON, of Illinois, and since legislation of this nature must originate in the House, it will be Representative MASON's bill that the Congress will consider.

Under existing law these forced distributions pursuant to orders enforcing the antitrust laws are taxable to individual stockholders at regular income tax rates computed upon the full market value of the stock on date of distribution.

It was recognized that this would in effect be confiscation; therefore, it was essential that we find a formula that would give relief to the innocent stockholders of these companies. It was agreed that any formula developed must be one that would work as general law, giving equitable relief to the stockholders of any company which in the future may find itself similarly placed.

This formula which we are presenting today has been worked out with the assistance of the Treasury Department, and the bill has been drafted to include its recommendations.

Simply stated, the formula provides that no tax will be paid by any individual stockholder receiving these stock dividends under forced distribution unless the market value of such dividend exceeds the original cost of his basic stock; then he will be subject to capital gains tax computed upon that amount by which the market value of his stock dividend exceeds his original cost.

The bill provides for the taxation of stock dividends to corporate stockholders at regular corporate rates on the full market value of the stock on date of distribution less the normal credit of 85 percent for intercorporate dividends.

I ask unanimous consent that an explanation of the bill be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the explanation will be printed in the RECORD.

The bill (S. 2266) to amend the Internal Revenue Code of 1954 so as to provide that certain distributions of stock made pursuant to orders enforcing the antitrust laws shall not be treated as dividend distributions but shall be treated as a return of basis and result in gain only to the extent basis of the underlying stock is exceeded; and to further provide that the amount of a dividend in kind received by a corporation shall be its fair market value, introduced by Mr. WILLIAMS of Delaware (for himself and Mr. BENNETT), was received, read twice by its title, and referred to the Committee on Finance.

The explanation presented by Mr. WILLIAMS of Delaware is as follows:

Section 1 of the bill would amend the code to provide that a distribution of stock to an individual pursuant to an antitrust order is not treated as a dividend distribution but is treated instead as a "return of capital." Accordingly, if the stock received in such a distribution is worth less than the basis of the underlying stock with respect to which the distribution is made, the basis of the underlying stock is simply reduced by the amount of the distribution. On the other hand, if the value of the stock distributed exceeds the basis of the underlying stock, the excess is recognized as gain and the basis of the underlying stock is reduced to zero. This may be illustrated by two simple examples:

Example 1: An individual (shareholder A) owns a single share of the stock of company X which has a basis to him of $100. In a distribution pursuant to the terms of an antitrust order he receives 1⅓ shares of company Y stock worth $60. Because of the distribution his basis for the company X stock ($100) is reduced by the fair market value of the company Y stock received ($60), so that after the distribution his basis for the company X stock is $40 ($100 minus $60). In this instance the stockholder would owe no tax upon receipt of his stock dividend, but if he later sells the company X stock, of course, his gain is computed using the remaining $40 basis for that stock.

Example 2: An individual (shareholder B) owns a single share of company X stock having an adjusted basis to him of $40. In a distribution pursuant to the terms of an antitrust order, he receives 1⅓ shares of company Y stock worth $60. Since the fair market value of the distribution received is more than his entire basis, all of his basis is wiped out by the distribution and the amount in excess of basis is recognized as a gain. Accordingly, he will have a gain of $20 ($60 minus $40) because of the distribution, and his basis for the company X stock after the distribution will be zero. In this instance the stockholder would owe a capital gains tax on the $20, and if he later sells the company X stock, of course, his gain will be computed using a basis of zero.

Since section 1 of the bill provides that the distributions within its terms are to be treated as a return of capital, it is necessary to prevent such distributions from diminishing the earnings and profits of the distributing corporation. Accordingly, under the first section of the bill, the earnings and profits would not be affected by the distributions described.

The first section of the bill does not apply to corporations which are entitled to a deduction for dividends received. However, this section provides that all distributions to corporations which are its terms (i.e., corporations not entitled to the deduction) will be taken into account at fair market value, without regard to the provisions of section 301.

The effect of section 2 of the bill is best illustrated by a number of examples:

Example 1: A corporation distributes a bond having a fair market value of $100 and a basis to it of $100 or more. The dividend income to a corporate shareholder is $100 and the basis of the bond to the corporate shareholder after receipt is also $100. If the corporation has more than $100 net income, the dividends received deduction is, of course, 85 percent of $100, so that the receiving corporation pays a tax on $15 resulting income.

Example 2: A corporation distributes a bond having a fair market value of $100 and a basis to it of $50. A corporate shareholder receiving this bond has dividend income of $100 and has a basis for the bond of $50. As in example No. 1, the dividends received deduction is $85, so that the resulting income is $15.

Example 3: A corporation distributes a bond having a fair market value of $100 and a basis to it of $8. The dividend income to a receiving corporate shareholder is $100 and the basis of the bond received is $15, which is the same as the resulting income subject to tax computed by subtracting the 85 percent dividends received deduction from the $100 dividend income.

Example 4: The statute also provides for an allocation of the dividends received deduction under regulations prescribed by the Secretary in cases where the dividends received deduction is less than 85 percent of all dividends received. It is assumed that the regulations will provide that the limitation on the dividends received deduction will first be applied against cash. Assume that a corporation has a wholly owned subsidiary and that during a taxable year of the parent the subsidiary makes one distribution of $100 cash and one distribution of $100 bond having a basis of $8. Assume further that all the other operations of the parent for the year result in a $20 loss, so that the parent's net income for the year is $200 dividend income minus the $20 loss or $180. The total dividends received deduction instead of being 85 percent of $200 or $170 is only 85 percent of 180, or $153. Thus, the entire dividend income is reduced by $153. However, under the authority of the statute the regulations will provide that the dividend income attributable to the bond is reduced by a full $85 (so that the dividend income attributable to the cash distribution is viewed as reduced by only $68). Accordingly, the basis of the bond to the corporation receiving it will be $15 despite the fact that the limitation in section 246(b) applies to the dividend received deduction.

Section 3 of the bill provides a special adjustment to earnings and profits which is necessary due to the fact that under the bill the increase in earnings and profits will not be the same as the increase in the basis of the receiving corporation's total assets. For example, if a corporate shareholder receives a bond having a fair market value of $100, its earnings and profits under the bill are increased by $100. However, if the basis of the bond of the distributing corporation was only $50, the receiving corporation's basis for the bond will likewise be $50, so that on the sale of the bond the receiving corporation will have $50 capital gain. Since, however, this $50 was already included in earnings and profits once (as part of the $100 dividend income), it should not be so included a second time when the bond is sold. Accordingly, the proposed section 312(k) eliminates this double inclusion in earnings and profits.

DESIGNATION OF THE ROSE AS OUR NATIONAL FLOWER

Mr. KEATING. Mr. President, on behalf of Senator BRIDGES, Senator JAVITS, Senator NEUBERGER, Senator SCOTT, Senator TOWER, and myself, I submit a joint resolution designating the rose as the national flower of the United States. This joint resolution recognizes officially a 35-million-year-old native of America—the rose—as the national floral symbol of the United States.

As the popular favorite for national flower honors, the rose is unparalleled. Today it is the choice of 1 of every 3

Americans—or some 60 million citizens. In a recent certified national election in which more than 1 million ballots were cast, better than one-third singled out the rose for national honors—more than twice the votes cast for its nearest competitor.

The rose has been immortalized in poetry and holds countless memories for many Americans all across our great land. The rose is the simpleness of our gardens and our homes—it possesses the dignity of solemn occasions, it has the beauty that is America. Its strength is demonstrated by the fact that it grows everywhere in our land. From Alaska to Florida and from Maine to Hawaii the hardy rose is found bringing beauty to its surroundings. Hardly a garden in our land is cultivated without finding a display of vividly colored roses.

Mr. President, we are the only major nation of the world without a national flower. Great Britain, Iran, Honduras, and Luxembourg have already adopted the rose as their national floral emblem. It is also the official flower of four States—Iowa, North Dakota, Georgia, and my own State of New York.

I hope before long Congress will designate the rose as our national flower. Its symbolic reflection of peace, loyalty, honor, and courage and its overwhelming popularity with the American people make its selection logical.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the complete text of the resolution.

Mr. JAVITS. Mr. President, I would like to join with my colleagues Senators KEATING, NEUBERGER, and SCOTT in support of the resolution to recognize officially the rose as the national flower of the United States. We in Congress are often compelled to concentrate our efforts on material things. However, we should not lose sight of the importance of observing the great natural beauty around us. For centuries, the rose has been part of the imagery of love for poets of many lands. The rose has its roots deep in our historial tradition; the first settlers on our shores compared the fragrance of their New World to that of the rose garden. The rose is the most prized flower of the normal American garden. Because of its overwhelming popularity and its symbolic reflection of peace, loyalty, honor, and courage, it is only right that we recognize the rose as our Nation's floral emblem.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S.J. Res. 118) designating the rose as the national flower of the United States, introduced by Mr. KEATING (for himself and other Senators), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Whereas the rose is known to men and women everywhere as the symbol of peace and hope; and

Whereas the rose is the acknowledged favorite of the vast majority of the American people; and

Whereas the rose is recognized as the badge of courage, loyalty, and devotion; and

Whereas the United States is the only major nation which has no official flower: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the flower commonly known as the "rose" is hereby designated and adopted as the national flower of the United States, and the President is requested to declare such fact by proclamation.

FREE ENTRY OF TOWING CARRIAGE FOR USE OF UNIVERSITY OF MICHIGAN—AMENDMENT

Mr. JAVITS submitted an amendment, intended to be proposed by him, to the bill (H.R. 5852) to provide for the free entry of a towing carriage for the use of the University of Michigan, which was referred to the Committee on Finance and ordered to be printed.

PRINTING OF REVIEW OF REPORTS ON MISSISSIPPI RIVER, BATON ROUGE TO GULF OF MEXICO, LOUISIANA (S. DOC. NO. 36)

Mr. KERR. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated March 31, 1961, from the Chief of Engineers, Department of the Army, together with accompanying papers and an illustration, on a review of reports on the Mississippi River, Baton Rouge to the Gulf of Mexico, Louisiana, requested by resolution of the Committee on Public Works, U.S. Senate. I ask unanimous consent that the report be printed as a Senate document, with an illustration, and referred to the Committee on Public Works.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PRINTING OF REVIEW OF REPORTS ON FRESNO RIVER BASIN, CALIF. (S. DOC. NO. 37)

Mr. KERR. Mr. President, I present a letter from the Secretary of the Army, transmitting a favorable report dated August 30, 1960, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on a review of reports on Fresno River Basin, Calif., requested by resolution of the Committee on Public Works, U.S. Senate, adopted June 26, 1958. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NOTICE OF HEARING ON NOMINATION OF ROBERT E. HAMPTON TO BE A MEMBER OF THE U.S. CIVIL SERVICE COMMISSION

Mr. JOHNSTON. Mr. President, as chairman of the Post Office and Civil Service Committee, I wish to announce that a public hearing on the nomination of Robert E. Hampton to be a member of the U.S. Civil Service Commission will be held Thursday, July 20, 1961, at 10 a.m. in room 6202 of the New Senate Office Building.

The hearing will be open to the public and will be held before the full committee.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. HUMPHREY:

Address by him at President's Safety Awards ceremony last month in the departmental auditorium.

Address entitled "World Peace Through World Law," delivered by Senator LONG of Missouri before Culver-Stockton College, Canton, Mo., on May 29, 1961.

By Mr. WILEY:

Excerpts from address delivered by him on the Berlin crisis and the Red threat elsewhere in the world.

By Mr. JAVITS:

Address delivered by Representative PAUL A. FINO, of New York, on June 10, 1961, before the New York Department, Jewish War Veterans, on the subject of the activities of the John Birch Society.

By Mr. METCALF:

Statement delivered by Secretary of the Interior Stewart L. Udall before the Subcommittee on Irrigation and Reclamation of the Committee on Interior and Insular Affairs of the House of Representatives on July 17, 1961, dealing with the saline water conversion program being administered by the Department of the Interior.

SENATOR WILLIAMS OF DELAWARE AND THE TRADE EMBARGO WITH CUBA

Mr. MANSFIELD. Mr. President, there are a number of Senators who more than earn their keep, so to speak, by acting as the conscience of this body as a whole. That does not mean that collectively the 100 Senators who comprise the membership of the Senate do not do good, patriotic, and outstanding jobs. They all do. But there are some who stand out.

I refer particularly to the distinguished senior Senator from Delaware [Mr. WILLIAMS]. Many look upon him as a gadfly. I think we need more gadflies like Senator WILLIAMS, who not only keeps Republican and Democratic administrations on their toes, but also keeps the Senate on its toes. I extend to him my thanks for his constant vigilance as well as my deep appreciation for the many—and often unsung—contributions he has made in making the Senate a better and more knowledgeable body.

In the Sunday Star for July 16 there appeared an article, written by George Sherman, on the complexities of the partial trade embargo with Cuba. The administration is confronted with an extremely difficult problem in this connection, as the article points out, and is handling it with a full awareness that there is no point in taking one step forward there if the result is two steps backward elsewhere.

No matter how complicated the situation, however, it is improper for the Government procedures in respect to trade with Cuba to lead to profiteering

on the situation by one particular U.S. company or another. The article notes that the senior Senator from Delaware [Mr. WILLIAMS] has pointed out that, in the eagerness to cut off Cuban imports, a profiteering loophole has been allowed to exist. In bringing this loophole to the attention of the Senate, the very able and distinguished Senator from Delaware has performed a highly useful service. I ask unanimous consent that this article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MOLASSES DEAL POINTS UP CUBAN TRADE FACT: ONLY SUGAR IMPORTS FROM ISLAND ARE BARRED

(By George Sherman)

The recent multimillion-dollar molasses deal between Fidel Castro and an American company has highlighted the pitfalls in the present informal embargo on trade with Cuba.

In order to stop the Publicker Co., of Philadelphia, from paying Mr. Castro 12 million precious dollars for 120 million gallons of molasses, President Kennedy had to use a combination of public persuasion and behind-the-scenes business bargaining.

The reason: Although the U.S. Government has embargoed all American exports to Cuba—except food and medicine—since last October, it has not outlawed any Cuban import here other than sugar.

In theory, any American citizen or company can still legally import a host of Cuban goods. In fact, however, sugar accounted for almost 90 percent of the $450 million yearly average value of products Cuba sent here before President Eisenhower cut the Cuban sugar quota last July.

TRADE DWINDLING

In the 2½ years since Mr. Castro came to power, overall trade between the two countries has steadily dwindled. Today exports and imports are almost evenly balanced at somewhere between $25 and $30 million a year. Mr. Castro pays for American food (mainly lard) and medicines with sales here of Cuban tobacco, seasonal vegetables, and (before the Publicker affair) molasses.

The only other legitimate source of dollars for Cuba remains the more than $5 million the U.S. Government pays every year to the 3,500 Cuban workers on Guantanamo Naval Base at the eastern tip of Cuba.

The United States has refrained from any counteraction, because it considers Guantanamo, and the Cuban workers who help run it, essential to the national security.

But why has the Kennedy administration not cut off all other sources of dollars? Does the legal machinery exist for a total embargo on Cuban imports?

What other devices exist for limiting trade and what are their loopholes?

THE MOLASSES MATTER

All these questions have been raised by that first small $200,000 shipment of molasses which arrived in New Orleans last month. It was secretly unloaded at the Publicker wharves before the walls of competitors and Government pressure could stop it.

The White House immediately declared that the import of the remainder of the $12 million order was not in the public interest. But the company was duly compensated.

Several days later the Department of Agriculture hastily concluded a long-disputed agreement with Publicker to sell 14 million bushels of surplus Government corn at bargain prices—as a substitute for the molasses used in producing industrial alcohol.

The transaction immediately caused an uproar. On the floor of the Senate, Senator WILLIAMS, Republican, of Delaware, charged the administration with paying an $8 million subsidy to dissuade the Philadelphia concern from dealing with Castro.

He noted that while Publicker—the largest producer of industrial alcohol in the country—is buying surplus corn at 64 cents a bushel, any of its competitors must pay between $1.21 and $1.31 a bushel on the open market.

LIMIT ON PROFITS SET

Publicker has answered that the molasses—and later the corn—was essential for keeping open its New Orleans distilling plant with 700 employees. Government officials added that all profits from the corn over 2 percent will revert to the U.S. Treasury.

But Senator WILLIAMS now says he can find no evidence that any of the corn is being shipped to the New Orleans plant. It is going from Government warehouses in Evanston, Ill., to Philadelphia—at Government expense of between 25 and 30 cents a bushel.

But the biggest question is, What happens after the present 12-month corn agreement ends?

The only sure-fire way to stop such transactions would be for President Kennedy to invoke the Trading With the Enemy Act. This act—which dates back to World War I—empowers the President to declare any country an enemy of the United States in time of national emergency, and to require all imports from that country to have a special license from the Treasury Department.

Since the national emergency declared at the outbreak of the Korean war in 1950 is still technically in force, the President could in fact make such a declaration about Cuba tomorrow. At the moment, the act is being used against only two countries: Communist China and North Korea.

THE COMPLICATIONS

The President has not extended it to Cuba, because he feels that the amount of trade at the moment is not worth the international and domestic repercussions its stoppage would cause.

Both the White House and the State Department are convinced that Castro would use such an embargo to launch a new propaganda broadside against "American Goliath" attempts to starve out the "Cuban David."

Officials here fear that in many Latin American ears the charges might ring true. The embargo could be construed as a violation of the charter of the Organization of American States, which forbids "economic warfare" against any neighbor in the hemisphere.

Furthermore, State Department officials note that the total embargo would involve this country in complicated international procedures. GATT, the General Agreement on Tariffs and Trade, forbids members to discriminate against one another. Both Cuba and the United States are members. The United States would have to get a special waiver to invoke an embargo against Cuba.

On the domestic front, cutting off the remaining Cuban imports overnight would cause serious unemployment in critical areas of the country. For instance, Cuban tobacco—the largest remaining import—is absolutely essential to the hand-rolling cigar industry in Tampa, Fla.

For all these reasons, the Government is hoping for lesser legal and psychological devices to strangle Cuban trade slowly instead of killing it in one fell swoop.

One such device under study is to raise preferential tariffs of the Reciprocal Trade Act to the highest levels permitted under the old Smoot-Hawley tariff.

FEW CONTACTS NOW POSSIBLE

On the other hand, this action only harasses trade; it does not stop it. Officials note that doubling or even tripling tariffs poses no problem to a state-controlled economy, provided the foreign government wants dollars badly enough. They say the Cuban Government could arbitrarily reduce all prices of exports to the United States to make them competitive on the American market whatever the tariff.

When all is said and done, the greatest barrier to Cuban imports is the lack of diplomatic relations with this country and the accompanying psychological attitudes on both sides. Very little opportunity for contact exists.

Any American businessman must have a special stamp in his passport to go to Cuba—a stamp the State Department does not give out freely.

Any American businessman who should get to the island would find the system of private trading wholly destroyed. The established banks have been nationalized along with most everything else, and all financial contacts are controlled by the state.

As he makes his way through the new labyrinth of state bureaucracy, he would find little concrete assurance about how, when, and where goods would be delivered or payments received.

NO GUARANTEE SEEN

Even if these obstacles were overcome, the businessman would still have no guarantee that Mr. Kennedy would not invoke the Trading With the Eenemy Act tomorrow or the next day. His whole investment could be wiped out overnight.

The Cuban dictator's reaction to the lard confiscation is a good example of how all trade with Cuba can be gradually eliminated without any blanket embargo. Mr. Castro claimed the United States was trying to starve out Cuba, said he would no longer buy lard from the United States.

If Mr. Castro is true to his word, he is cutting out his largest current import from the United States. Last year Cuban lard purchases here were $18 million—more than half of all American exports to Cuba.

It would not take many more such blows to reduce the current low level of Cuban-American trade to the zero mark, without the international embarrassment of a wholesale embargo.

Mr. KUCHEL. Mr. President, will the able majority leader yield?

Mr. MANSFIELD. I am delighted to yield.

Mr. KUCHEL. This is a deserved tribute by the leader of the majority party in the U.S. Senate, Mr. President, to a unique and highly able Senator who sits on this side of the aisle, and whose record has been studded with examples of successful devotion to the public trust.

I can remember, in the few years that I have had the honor to sit in this Chamber, many instances, let me say to my friend, the Senator from Montana, when Senator JOHN WILLIAMS, of Delaware, after studying a problem of importance, which nevertheless had not been brought clearly or forcefully to the attention of the rest of the Members of the Senate, made a telling point, stuck to it, and pushed and prodded the Senate into doing its duty, and accepting his point of view.

I can remember that on some occasions, after the Senate stood up in a particular instance, there was disagreement in the other body; but it was Senator JOHN WILLIAMS, of Delaware, who acted

as the Senate's conscience in obtaining in the Senate a decision that was in the interest of the American people.

I must add that, with the usual grace with which the able majority leader acts, it is he, rather than one of us on this side of the aisle, who has stood up and has embellished the RECORD with this editorial comment respecting one of our Republican colleagues. Once again I salute him.

Mr. MANSFIELD. I thank the Senator from California.

MILITARY AID HAS THREE GOALS

Mr. MANSFIELD. Mr. President, the Honorable Robert S. McNamara, our energetic Secretary of Defense, recently found time, despite the heavy burdens of his office, to serve for 1 day as a columnist for the Northern Virginia Sun. His contribution to that newspaper comprised a remarkably succinct and well prepared analysis entitled "Military Aid Has Three Goals." The Secretary accurately stated that the U.S. military aid program should serve a threefold purpose. These purposes are: First, to enable free and independent nations to protect their internal security; second, to make "local wars" so unprofitable that such wars will be deterred; and third, to play a strong role, especially with NATO, in the deterring of general war.

I commend a reading of Secretary McNamara's article to every Member of this body and to all other thoughtful Americans; and I ask unanimous consent that the editorial, from the July 12 edition of the Northern Virginia Sun, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DEFENSE SECRETARY WRITES: MILITARY AID HAS THREE GOALS

(By Robert S. McNamara)

WASHINGTON.—During the past months, along with my military and civilian associates, I have been reexamining a good many programs of the Department of Defense, programs ranging from communications satellites to guerrilla warfare training.

One of the factors that has been uppermost in my mind in evaluating these programs has been the ratio of their cost in dollars to their contribution to the security of the United States. Perhaps the least understood program in this connection, yet one of the programs with the highest ratio of value to cost, is the military assistance program.

Military assistance has always had to do a variety of jobs. The program began with President Truman's decision in 1947 to furnish military aid to Greece and Turkey, without which these countries would have succumbed to Soviet aggression and Communist subversion. Thereafter, military aid played a key role in the development of the first reasonably adequate NATO forces.

As the NATO area became more secure, higher proportions of the program were devoted to Far East areas in jeopardy—Japan, Korea, the Republic of China, and southeast Asia—and to areas south of the U.S.S.R. which historically have been the objects of Russian expansionism, notably Iran and Pakistan. It has helped to provide the stability that is essential for economic progress. As President Kennedy has pointed out, economic aid programs "cannot succeed without peace and order."

Today, as we consider the reasons which dictate continuance of the military assistance program, we look out upon a world still convulsed by rapid change and watched over by strong, resourceful, unscrupulous adversaries ready to take advantage of any show of weakness, indecision, timidity.

For evidence of the Communist threat, we have only to examine the pronouncements of Mr. Khrushchev himself. In his January 6 speech of this year he maintained that Communists are opposed to both world and local wars. There is, however, a third type of conflict, which we know as subversion and covert aggression, but which he calls "wars of national liberation" or "popular uprisings." Such conflicts, he says, "Communists fully and unreservedly support."

As President Kennedy pointed out on his return from Vienna:

"In the 1940's and the early 1950's the great danger was from Communist armies marching across free borders. Now we face a new and different threat. We no longer have a nuclear monopoly. Their missiles, they believe, will hold off our missiles, and their troops can match our troops should we intervene in these so-called wars of liberation.

"Thus the local conflict they support can turn in their favor through guerrillas or insurgents or subversion. The future for freedom in these areas rests with the local peoples and their government."

Our military assistance program is designed to meet these extensive and manifold threats to the security of the United States and the free world. It is an integral part of our defense effort. Through the assistance planned, we anticipate an improvement in our ability to deal with aggression in its incipient phases, to furnish help for friends and allies which will be more consistent with the kind of threat they face, and to maintain the facilities abroad required for the quick and effective deployment of appropriate U.S. forces.

We do not claim that what we propose is a cure-all for the complex, variegated threat the forces of freedom confront around the world. But the program we now propose we believe will provide additional flexibility and permit rapid response to a large variety of situations, either internal or direct aggression.

Military assistance should serve a threefold purpose.

It must be more active than ever in enabling free and independent nations to protect their internal security. Our objective here is to help provide the means for local military establishments, with the support and cooperation of local populations, to guard against external covert intrusion and internal subversion designed to create dissidence and insurrection. Internal stability is an essential component of economic progress.

It must continue to make "local war" clearly unprofitable, and thus deter such wars, or the mere threat of such wars. Countries contiguous to or near the Sino-Soviet bloc face a direct threat from without, and an indirect threat from within. We recognize the inadequacy of their forces to cope with an outright Communist invasion. Yet with our assistance we count on their courage and ability to deal with large-scale guerrilla warfare. Should they suffer an open attack across their borders, we look for local forces to resist the initial thrust until such time as free world forces may come to their support.

Third, military assistance must play its part, especially in NATO, in deterring any resort to general war.

It is an unreasonable expectation that a worldwide operation of the size and complexity of the military assistance program should be uniformly successful. But the American people have every reason to demand the maximum return from the substantial resources they are investing in this program. I have pledged the continuous and arduous efforts of the Department of Defense to this end.

Overall, the military assistance program is an essential element of our national defense and an essential tool of our foreign policy. It demonstrates our purpose far more convincingly than words and declarations.

CORPORATE CONSCIENCE AND SENSITIVITY

Mr. HART. Mr. President, William T. Gossett, vice president and general counsel of one of the great corporations of this country and the world, the Ford Motor Co., addressing the conference of the Federal judges of the sixth judicial circuit meeting at Dearborn, Mich., said:

> The present-day corporation stands not on the periphery of the democratic process, as it did in the last half of the 19th century, but in its dead center.

The thoughts expressed by this man who has contributed much to law, to business, and the benefit of the whole community, I believe, should be given the widest possible circulation. They show a corporate conscience and sensitivity which the critics of the American scene frequently deny or ignore. He makes most interesting comment on the role of the courts in their perpetual challenge to accommodate the law to change.

In order that many may read this expression by Mr. Gossett, I ask unanimous consent that the speech be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF WILLIAM T. GOSSETT BEFORE THE JUDICIAL CONFERENCE OF THE SIXTH CIRCUIT, DEARBORN, MICH., APRIL 29, 1961

I am honored to be with you today. An invitation to address an audience of judges—and such a distinguished one—is not to be taken lightly by any lawyer. Having looked up at judges for almost 33 years, it is not unpleasant to look down at a few even for a brief period. But aside from the obvious strain of appearing in this way, before the traditional high quality of the Federal bench, there is on this occasion a quantitative hazard. I am not only outlearned; I am outnumbered.

Both the Federal bench and the bar today live in perhaps the greatest period of intellectual challenge since the long, slow establishment of constitutionalism was accomplished at the hands of John Marshall in the last century. Social and economic realities, a continuous succession of scientific breakthroughs, unprecedented growth and skyrocketing population trends, the most important revolution in communications since the printing press—all these are transforming the society that the law serves.

As a live and a breathing thing the law will be profoundly concerned with these pervasive changes. You will recall Dean Pound's admonition: "The law must be stable, but it must not stand still,"[1] which today has greater force and relevance than ever.

As we move more surely and more deeply into this new age for mankind, with all its hopeful and unknown implications, one of our most reassuring comforts is that we in

[1] Roscoe Pound, "Introduction to the Philosophy of Law."

America are blessed with strong and flexible legal institutions—institutions that can stimulate our present without compromising our future or destroying our past. The Constitution remains a remarkable foundation and bulwark. Despite the imperfections inherent in representative democracies, our legislative processes are sound, responsive, alive. And the Presidency, through one ordeal after another, has proved its adaptability to new demands.

But the point I want to make today is that it is to the courts that we must look to give meaning to social change—which is to say to relate it to the past and to reconcile it with our continuing experience and our objectives as a people. "There are two principles inherent in the very nature of things," said Whitehead, "the spirit of change and the spirit of conservation. * * * Mere change without conservation is a passage from nothing to nothing. * * * Mere conservation without change cannot conserve. For after all, there is a flux of circumstance, and the freshness of being evaporates under mere repetition." [2]

Those words of Whitehead were cited more than once by Mr. Justice Cardozo; and one can see why. Cardozo was a great realist among judges, not just bowing to the inevitability of change but hospitable to it, going out to meet it. If changes that were impending, or indeed already there, seemed overwhelming, Cardozo was not only undisturbed but unsurprised. He saw all this as the business of the law and the business of the courts. Said he: "The reconciliation of the irreconcilable, the merger of antitheses, the synthesis of opposites, these are the great problems of the law." [3]

I emphasize change because it seems to me that, like it or not, we are headed for a volume and a degree of change in the whole fabric of our life wholly without precedent. We must be equipped, in our legal usages, in our vision, in the breadth of our reference, to deal with them. We must deal with them far more speedily than we have ever done before. We must be more than students of the law; we must be students of society, historians before the history has happened.

For the substance of our lives is not the law; we only use it. The substance of our life is the society in which we function—restless, aspiring, full of good intentions, full of errors, incredibly active, driven by the will to get things done.

In all this—if you will permit an inward reflection—the corporation lawyer sees some things with striking clarity. Perhaps more than anyone else in our profession, we live our workday lives outside the law office and outside the courtroom. We are concerned with conduct before the conduct is a concern of the law. We see the clashes of interests before the interests seek litigation. I have often pointed out that we are interested in laws before they are made, in the hope that they never will be necessary, or, if necessary, that they will be well-based and sound.

Now there is nothing very neat about all this. We do not draft quasi-legal codes and say that we will permit our companies to go just so far and no further out of fear that someone will shout, "There ought to be a law!" We often make a judgment that is social, not legal, mindful that the law necessarily must lag behind society.

It may sound as though I put a strain on the role of corporation counsel. Let me explain very briefly what I have said.

To begin with, the present-day corporation stands not on the periphery of the democratic process, as it did in the last half of the 19th century, but in its dead center.

The democratic process is a continuing and sensitive series of rising pressures and inevitable responses. As a major element in our capitalist society, the corporation occupies a unique place. It has a personality that can be credited or blamed; but unlike the individual, it has very little margin for error because it is without any inherent value. It is valuable only insofar as it serves people. It cannot, therefore, behave cavalierly, as some individuals can. If it makes a mistake, and certainly if it repeats a mistake, something will happen sooner or later to insure that it will never make the same one again. Pressures will rise to police it tighter, to impose new regulations, to restrict it in new ways, sometimes to punish it. And the response will come through the courts, through the legislatures, through labor unions, through consumers; indeed, through all the means available for the people in a democracy to express themselves.

Between the rising pressures and the inevitable responses stands the corporation counsel. His job is to contribute creatively, constructively, to forestall pressures that are overwhelming and to foresee responses that are crippling. He is not a partisan. He is vitally interested in the corporation's growth and survival; but he cannot afford to stand on the platform, "my company right or wrong." If he does, his corporation will not grow and may not survive.

If corporation counsel is to serve his company effectively, then, he will find himself deep in extralegal activity. But his standards of reference are broader than the statute books or the opinions of the courts. In recent times the lawyer too often has been no closer abreast of society than the present state of the law itself, which necessarily always lags behind. This is something with which some practitioners can still content themselves. But any corporation counsel worthy of his trust must appraise the imponderables involved in popular judgments that lead legislators to make new laws and judges to hit upon new interpretations of old ones.

This seems to me wholly appropriate. Laws exist to serve men and not to master them, and they don't come into being unless we see a need for them. We have not yet extended the reach of the commerce clause to cannibalism simply because—so far as we know—the occasion has not arisen. Similarly, I most devoutly hope—although it is too much to expect—that the volume of legislation touching upon the management of business will come along at a somewhat slower pace during the immediate future than it has in the past. As you—as judges—are concerned with the law and the needs of society, so also corporation lawyers, in their spheres, are concerned with the business of society and the need for laws. In this respect we practice a kind of a priori adjudication of matters before they occur, while the actions of business are still being contemplated.

Obviously, you ought not to hope for too much expertise in this matter—too gifted prophecy—or your own days will be less crowded. What we corporation lawyers are doing is extending the pronouncement of Holmes: "The prophecies of what the courts will do in fact, and nothing more pretentious, is what I mean by the law." [4] We go further. We try to prophesy what the legislatures or the administrative agencies will do—and if we can, we save them the trouble by making it unnecessary. This, I emphasize, is what we try to do.

It was my point to suggest that the corporation counsel—as much concerned with the social forces around him as with the law—has gone to school in this respect to the judges—particularly the Federal judges. For the effect of the Federal courts on the life of this Nation has been far from merely legalistic—or even, in some cases, primarily legalistic. Without Marshall this Republic would clearly have been headed for political wastes as barren as the Confederation. But equally important, the Federal courts at their best have addressed themselves, ever since their scope was defined, to the social realities that surround the legal controversies that confront them.

This has been the great strength of our whole legal system, so that we have provided a shock absorber to changes that we could not and would not want to stop, rather than an unyielding barricade against which a dynamic society would shatter itself to bits. And we have prized our great judges, not only because they have been exact craftsmen in the law, but because they have been penetrating students of the forces of history, keen observers of their own times, and—despite appropriate devotion to stare decisis—future minded.

I suppose that there is no more persuasive evidence of the extralitigatory power of the Federal bench than in the unique force that has attached to dissenting and concurring opinions. Even though it had its direct roots in the common law courts of England and with particular appositeness in the King's bench, the delivery of seriatim opinions in our courts has taken on both a legal and social usefulness unique among legal institutions. It would be a very careless reading of history, indeed, that did not leave one singularly impressed with the prophetic insight of our great judges in their opinions.

It is no accident, I think, that Chief Justice Hughes and Mr. Justice Cardozo hit upon very similar language in characterizing dissents. You will recall the familiar words of Hughes: "A dissent in a court of last resort," he said, "is an appeal to the brooding spirit of the law, to the intelligence of a future day, when a later decision may possibly correct the error into which the dissenting judge believes the court to have been betrayed. Nor is the appeal always in vain." [5] And from Cardozo: "The dissenter speaks to the future, and his voice is pitched to a key that will carry through the years. Read some of the great dissents, the opinion, for example, of Judge Curtis in *Dred Scott* v. *Sanford*, and feel after the cooling time of the better part of a century the glow and fire of a faith that was content to bide its hour." [6]

From this, of course, it would be easy to hope for great errors, or at least some judicial blind spots, in order to inspire great dissents. But it is not as simple as all that. We are all aware, too, of the great contributions to an understanding of our society as much as to the law that is implicit in many concurring opinions.

I am familiar with most of the worried arguments that have been advanced against the dangers of too numerous dissenting and concurring opinions and the nostalgic longing for the comfortable unanimity of the strongman court of a marshal. I am familiar with them, but I am not much impressed. The lack of certainty and the lack of infallibility—often cited as the price of a divided court—seemed to me the price rather of any human institution that seeks to read meaning into the affairs of others and to give guidance to their actions. In any case, it is far too late, in my opinion,

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[2] Alfred North Whitehead, "Science and the Modern World," 281.

[3] Benjamin N. Cardozo, "The Paradoxes of Legal Science," 4.

[4] Oliver Wendell Holmes, Jr., collected papers, 173.

[5] Charles Evans Hughes, "The Supreme Court of the United States." 8.

[6] Cardozo, "Law and Literature," selected writings, 354.

to try to scotch the rumors that judges are not infallible.

As for the certainty of the law, the genius of a court in a democratic society consists in its applying the laws—not in proclaiming them. That this application should be in any way absolute—or even that we should want it so—seems to me so manifestly crowded with perils that the most unsophisticated citizen would be alarmed and demand legislative relief from the threat of judicial tyranny.

Among the few inalterable principles of democracy (which otherwise has little that is inalterable) are that diversity and dissent are essential ingredients in a healthy society and that nothing is quite so suspect as unanimity. I do not know why courts alone should be exceptions to these propositions. Certainly there is little comfort to be derived from the likelihood that a monolithic judiciary would so tidy up the forever changing relationships of men and laws that we would simply line up a case with the appropriate statute, measure it by judicial calipers and let it go at that. We would soon have a society that derives its whole strength from a variety of interplaying forces straining and contorting to break out of its juristic straitjacket. And when it got through there would be very little law left and probably no courts at all.

Certainty goes against the grain of democracy, no matter on what grounds it puts itself forward. Room is always wanted to correct the error that may not be at first apparent, to modify the doctrine that may not work, and to reverse the decision that may be too narrow for new conditions.

Actually, the record of our courts for consistency of fundamental doctrine is more impressive for the observance than for the breach. During the entire life of the Supreme Court, from 1790 to 1957, for example, there were only 81 cases expressly overruling decisions of the Court, most of them in commerce and taxation and involving the changing facts of life far more than any judicial shift in principles.[7]

One should consider the substances of the roster of dissents that were later the bases of overrulings or legislative acts: patent restrictions, child labor, minimum wages, the Federal spending power, and the area of greatest change, the reach of the commerce clause. When one considers these, they indicate courts sensitive to the needs of a complex industrial society and thoughtful in the resolution of the dilemmas posed to old legal concepts.

Nor can the courts any longer be charged with concern for property rights as distinct from human rights, assuming, of course, that there is a valid distinction between the two. In 1915, Arthur Twining Hadley, the president of Yale, could say, "The small protection given to the rights of man, as compared with that which was accorded to the rights of property, is a salient feature in the history of the early American state—and continues in its later history as well."[8] Today, though, we see the Federal courts of this Nation frequently alone in the vanguard of the battle to give reality to human rights. And the vision of a truly free society was reflected a century or more earlier in such prophetic dissents as those of Mr. Justice Benjamin R. Curtis in *Dred Scott* v. *Sandford*,[9] and Mr. Justice John M. Harlan in *Plessy* v. *Ferguson*.[10]

Generally speaking, the utterances of our courts have followed closely the prevailing concerns of the Nation: First, the political question of relationship of Union to States; then, the economic conflicts that were inevitable in the industrial expansion following the Civil War; and, finally, the uneasy moral conviction that there was unfinished business in the field of civil rights. Moreover, the courts have spoken when others, from political opportunism or from a failure to perceive the issues, were reluctant or unable to speak as forcefully or as clearly.

Very often the most significant advances in all these areas have been presaged by dissents or concurring opinions or obiter dicta that strict constructionists of the judicial role have resented. But to have it otherwise would seem to me to deprive the law of one of its main sources of vitality and certainly to have impeded the capacity of this Nation to move forward without doing violence to old values.

If the Court of John Marshall's day was as much concerned with the political problems of an emerging nation as with the law, it was less to the glory of the Court—however triumphant Marshall's judicial achievement—than to the everlasting benefit of the Republic, which might otherwise have gone under. If the courts of our own era had not been constituted as much of industrial statesmen as of judges, it would not have been at all certain that our other institutions—political as well as social and economic—could have survived the violent upheavals of an exploding industrialism. And, finally, if the courts today did not take the lead in raising our sights to the true dimensions of equality among our citizens, our fortunes might go far worse in distant places whose respect is necessary to our world position.

Now let me try to clarify my position: I have not been supporting the notion of courts becoming legislatures. The compulsions under which courts act seem to me wholly different from those that impel and guide legislatures. Nor do I suggest sweeping decisions the effect of which is to change the meaning of statutes that the legislature has chosen not to amend; or opinions whose principal purpose is to express the political or economical views of the judge; or pedantic essays that philosophize on subjects that have little if any relevancy to the controversy before the court. What I am advocating here today is not only the right but the need for our judges to move freely—perhaps even venturesomely—among all the conditions and circumstances surrounding the issues; and then speaking fully, with deep perception and insight, to their colleagues on the bench, to the bar, and to their countrymen. When judgments are handed down with the rigor and finality and nakedness of mathematical propositions, when they reflect only a precise application of the letter of the law without regard to their impact upon the deeper aspirations of the time, then we—the courts as well as society—will be in far greater danger than we are from decisions that bear the hallmarks of thoughtfulness and vision.

I do not see that any of this has anything serious to do with weakening such doctrines, necessary to both social and legal stability, as stare decisis. What we are talking of here is the desirability of the courts fulfilling their social mission. There is a sharp distinction, it seems to me, between using the law as a springboard into judicious consideration of the possible implications of court decisions upon our total social position, on the one hand, and using it simply to render decisions of a narrow technical exactitude that ignore changes that are the law of life. The evidence of history shows that when the courts have used their powers with appropriate regard for that distinction, the law and everything else of value in our society have been strengthened, and that when, as during the long sterility of the Taney court, it has ignored that distinction, the price has been high indeed.

The essence of the matter is change—change that over the years alters the whole context in which the law has its existence and seeks to have its meaning. "We must all obey the great law of change," wrote Burke, who was a conservative and not an innovator, "it is the most powerful law of nature, and the means perhaps of its conservation."[11] The perpetual challenge to the courts is to accommodate the law to change—in Sir Frederick Pollock's words, "to keep the rules of law in harmony with the enlightened commonsense of the Nation."[12] There is no higher assurance of the performance of this endless duty than a judiciary that is independent in its judgments, broad in its interests and outspoken in its convictions.

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[7] S. Sidney Ulmer, "An Empirical Analysis of Selected Aspects of Lawmaking in the United States," Journal of Public Law, VIII, 2, 425.

[8] Hadley, "The Constitutional Position of the Property Owner," in Undercurrents in American Politics. For a full discussion, see Max Lerner, "The Supreme Court and American Capitalism," Yale Law Journal, XLII, 668–701.

[9] 60 U.S. (19 How.) 393 (1857).

[10] 163 U.S. 537 (1896).

[11] Edmund Burke, "Collected Works V," 360.

[12] Pollock, "Judicial Caution and Valour,"

IMPORTANCE OF INCREASING TARIFF RATES ON FOREIGN GLASS IMPORTS

Mr. BYRD of West Virginia. Mr. President, I rise to speak on the deepening crisis facing the glass industry of the United States—a crisis caused by growing imports of cheaply produced glass products from abroad.

This crisis has been particularly pernicious insofar as the State of West Virginia is concerned, not only because West Virginia produces more glass products than does any other State in the Union, but also because this virtually unrestricted flood of foreign imports has heaped further unemployment on a State which already has had to carry a distressing burden of jobless men and women.

Many Americans find it hard to believe that our foreign trade policies are so loosely designed as to permit the extinction of a long-established domestic industry by foreign competitors—competitors who are not competitors in the true sense of competition, because the substantially lower wage rates which they pay their workers make it possible for them to undersell our domestically produced products on our own domestic markets.

Americans delight in competition. It has been the yeast of our spectacular industrial growth. But insofar as our domestic glass industry is concerned, we would be guilty of indulging in the cruelest form of vanity if we smugly continue to believe that our free enterprise system can overcome the kinds of foreign competition which that industry faces.

For example, Mr. President, the American glassworker receives an average wage of around $4 an hour. In Japan, however, the glassworker is paid an average of 33½ cents an hour. In certain European countries, glassworkers are paid an average of 79 cents an hour. In Communist-dominated countries, the

wage rates of glassworkers are probably lower than those paid to Japanese workers, for these countries can ship sheet glass to our country, pay full duty, and still undersell the Japanese in our domestic markets.

In addition to the lower wage rates paid foreign glassworkers, ocean freight rates are cheaper than domestic freight rates. Thus, it costs 26 cents less per hundredweight to ship glass from Japan to San Francisco than it costs us to ship it from Henriette, Okla., to San Francisco. It costs 6 cents less to ship glass from Liverpool, England, to Miami, Fla., than it costs to ship it from Clarksburg, W. Va., to Miami.

This double-barreled margin—cheap labor costs and lower freight costs—is literally giving foreign glass producers a partiality over our domestic producers which can only result in the death of our domestic industry. A few days ago I visited the Adamson glass plant in Clarksburg. Today, the Adamson glass plant is totally shut down. Approximately 600 men are out of work, and more than $600,000 worth of glass is stockpiled in the plant's warehouse for want of customers. It costs in excess of $10,000 a week in maintenance charges to keep this closed plant in serviceable condition.

The situation endured by the Adamson plant is similar to that currently endured by almost every glass plant in the United States. I recently visited the Libby-Owens-Ford plant in Charleston, W. Va., where 1,150 men are working out of a labor force of about 2,000. Five furnaces out of nine are down and are not operating, and more than $3,500,000 worth of finished glass lies in unmoving inventory, stored up in boxes from floor to ceiling.

On March 14, 15, and 16 of this year, the U.S. Tariff Commission held escape clause hearings concerning the imports of glass from abroad. These hearings were held at the behest of the domestic industry, which had been clamoring for such hearings for several years. These hearings had to be held, because it was no longer possible to keep the injuries, being caused to domestic producers by foreign glass manufacturers, swept under the rug of our questionable economic foreign policy. I testified, as did my colleague, Senator RANDOLPH, at the hearings.

The U.S. Tariff Commission, when all the facts were before it, decided that the "peril point" has been reached insofar as the survival of the U.S. domestic glass industry is concerned. The Commission recommended prompt application of higher tariffs and passed this recommendation along to the President.

The President, however, has returned the recommendations to the Tariff Commission, asking for a supplemental report on certain technical economic questions. The Commission has allowed 60 days for interested parties to appear before it to testify on these questions. Sometime after the 60 days, the Commission will again send its recommendations to the President, along with answers to his questions.

Meanwhile, the glassworkers of the Nation are waiting impatiently for the needed Presidential action—the action which will take them off the relief roles, and out of the long lines waiting for Government surplus food packages. They hope that the required Presidential action will be forthcoming without further delay, after he hears once again from the Tariff Commission.

My State of West Virginia is the leading producer of glass. Of the 14 plants accounting for virtually all of the U.S. production of sheet glass, 4 are located in West Virginia, 2 each in Oklahoma and Pennsylvania, and 1 each in Arkansas, Illinois, Indiana, Louisiana, Ohio, and Tennessee. Thus, the unrestricted imports of sheet glass has had its hardest impact on the glassworkers of my State.

In 1959, for example, imports of glass were approximately 425 million square feet. Over 2,600 American glassworkers' jobs were replaced by these imports. In 1960, glass imports were approximately 354 million square feet additional, and another 2,150 workers were displaced from their jobs.

The 1959–60 total imports of 779 million square feet of window glass were enough to supply approximately 4,450-000 six-room dwellings with window glass—almost double the amount of homes built in this country during this 2-year period.

I might point out, Mr. President, that while the 1960 import figure is 71 million square feet less than the 1959 figure, it is, paradoxically, a relatively higher figure because of lower domestic production and domestic shipments.

In 1950, for example, U.S. glass manufacturers enjoyed 97.8 percent of the domestic sheet glass market. In 1955, this percentage dropped to 86.5. In 1960, it dropped to 74.4 percent.

The percentages which I have just quoted are actually far more severe than mere figures would indicate. The reason for this is that U.S. producers did not benefit at all, in terms of aggregate shipments, from the growth in the domestic market. This is highlighted by the fact that the average volume of shipments by U.S. producers to domestic markets in the 5 years after 1955 were about the same as the average volume of their shipments from 1950 to 1955. However, the average volume of U.S. consumption in the 5 years since 1955 was 20 percent higher than the average from 1950 to 1955.

Conversely, during the 1950–55 period, imports garnered an increasing share of the U.S. market. The ratio of the volume of imports to U.S. consumers increased from 2.2 percent, in 1950, to 13.4 percent in 1955. However, in 1958, this ratio jumped to 27.2 percent, and last year it reached an all-time high of 32.5 percent. Thus, not only did foreign imports of sheet glass take a hefty bite out of the domestic market formerly supplied by U.S. producers, but it also took most of the new growth in that market.

In the late 1940's and the early 1950's, our country undertook a foreign-aid program designed to rehabilitate war-torn Europe and Asia. While our own domestic industries were gallantly enduring the obsolescence of equipment and machinery, we supplied the free nations of the world with the very latest tools for manufacturing. We did this so that foreign manufacturers could produce as quickly and as efficiently as possible for the needs of their countries.

In a manner of speaking, we did not expect those foreign manufacturers to come back and literally bite the hand that helped them. I say this because it has been stated that foreign manufacturers of sheet glass are ignoring the full needs of their own domestic markets for the sake of reaping the tremendous profits inherent in sales to U.S. consumers. Certainly, this is not what our aid program was designed to achieve.

Ignoring the needs of one's own people can be expected of Communist countries. People have no standing with them when the Kremlin masters feel the need for obtaining U.S. dollars. That is why the glass industry today is faced with the added threat to its existence of shipments to this country from Communist countries.

Imports from free world countries pay a small duty upon entering the United States. Imports from Communist countries must enter at full duty rates. But even though imports of sheet glass from Communist countries account for less than 5 percent of the total 1960 sheet glass imports, they have attained a significant increase during the 1955–60 period, coming up from less than 1 percent prior to 1955. Now, however, they are in a position to make a sizable jump, because of increased capacity in their production facilities. And, because of their slave labor conditions, Communist countries are in a position to continue to pay full duty and still undersell not only American producers in our own domestic markets, but all other foreign producers as well.

Mr. President, to save the American glass industry from further harm, and possible total eclipse by foreign producers, it is imperative that President Kennedy immediately impose full duty on sheet glass shipments from non-Communist countries, and full duty plus extra ad valorem charges on imports from Communist countries. Any other course of action may be meaningless to the thousands of American glass workers who are jobless today.

COMMUNIST MENACE IN SOUTH AMERICA

Mr. DODD. Mr. President, while the eyes of the American public have been focused on Laos and Berlin and Cuba, a situation that poses an equal danger to our interests and security has been developing almost unnoticed on the mainland of South America.

On August 21 there will be an election in the British colony of British Guiana. The parliamentary leader, Dr. Cheddi Jagan, is an avowed Communist, as are many of his chief lieutenants. If Dr. Jagan and his Peoples Progressive Party win out in the forthcoming election, Jagan will become the first Premier of British Guiana, with full powers over

internal affairs under the constitution that goes into effect at that time.

Potentially this situation is even more dangerous than the emergence of Castro. Castro at least is cut off from the Latin American mainland by hundreds of miles of ocean. But a Communist British Guiana would for the first time give the Kremlin a bridgehead on the South American continent, a bridgehead through which Castro and the Soviets could feed in arms and provide support for Communist guerrilla movements in Venezuela, in Brazil, in Colombia, and in all the surrounding countries.

Castro by himself is reason enough for serious concern. But a combination of Castro and a Communist regime in British Guiana would bring us to the very brink of catastrophe in the whole of Latin America.

The people of British Guiana are not Communist. Basically they are Christian and anti-Communist.

There are strong opposition forces within the country. But unfortunately they are compelled to carry on their fight under the most severe handicaps. As of now, Jagan and the Communists have virtually unlimited funds, while the opposition has to scrape for every dollar; Jagan has a monopoly on local radio while the opposition has no radio facilities; Jagan is being given massive support by the Moscow radio, the Peiping radio and the Castro radio, while BBC and the Voice of America are doing nothing to support the opposition. If this totally unequal situation is permitted to persist, Britain and America have no one but themselves to blame if British Guiana goes Communist.

Mr. President, this is a situation we can no longer afford to neglect. I therefore wish to direct the attention of my colleagues to the statement recently issued by Lord Malcolm Douglas-Hamilton, former British Member of Parliament, on his return to the United States from a private factfinding mission to British Guiana.

For my own part, I wholeheartedly endorse Lord Douglas-Hamilton's proposal that the British and American Governments should hold consultations at the highest level to determine what action can be taken to safeguard the freedom of the people of Guiana and to prevent a Communist takeover in that country. I ask unanimous consent that his statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY LORD MALCOLM DOUGLAS-HAMILTON ON HIS RETURN TO THE UNITED STATES FROM A PRIVATE FACTFINDING MISSION TO BRITISH GUIANA

I have returned from British Guiana deeply concerned over the grave danger of Communist takeover following the election to be held on August 21. Unless immediate action is taken to support the political forces opposed to Dr. Chedi Jagan, leader of the majority party, the PPP, there is every possibility that British Guiana will become another Cuba and, this time, serve as a Communist bridgehead on the Northeast shores of South America itself.

I went to British Guiana entirely as a private individual, to examine the political situation first hand for myself and to determine whether new private enterprise from either Britain or the United States has a chance to survive. I have concluded that it has and that there are very considerable potential opportunities, provided only that there is a stable non-Communist government.

Although applauding the decision of Great Britain to grant full independence to British Guiana, I believe that the British Government has still a grave responsibility to the free world and not least to the people of British Guiana of all races, to oversee the perilous period of transition from limited authority to full independence to forestall the establishment of a Communist tyranny. At the present time, the British Government appears to have assumed a strictly hands-off policy in regard to the critical upcoming election.

There are three political parties in British Guiana, each of whom are struggling for power and hope to win the election on August 21, which will provide British Guiana with its first independent government with full control of internal affairs. Under the constitution, full independence from Britain, including control of its foreign affairs will follow by the end of 1962, leaving permission in the intervening period for the British Government to intervene only in grave emergencies.

Dr. Jagan's party is known as the PPP and its local strength is largely based on the Indian population. The two chief political parties opposing Jagan are the United Force, headed by Peter D'Aguiar, a successful and popular British Guiana businessman. The United Force is composed of moderate elements, European, Negro, and Indian, and D'Aguiar's position is that economic strength and the future of the nation lies in stable, anti-Communist government, and close association with the free world. The third party is the People's National Congress, headed by Mr. Forbes Burnham, an attorney, formerly chairman of the PPP before he split with Jagan, whose chief strength comes from the Negro vote and whose appeal is largely racial.

There is every evidence that Jagan is a convinced Communist as he was so described in the official report of the British Guiana Constitutional Commission in 1954, known as the Robertson report. He repeatedly repudiates and scorns the free way of life and democratic institutions except where they can be used to his advantage, and has recently referred to Castro as the great liberator.

Dr. Jagan has called for the creation of a Socialist state and in his own words "communism is only the advanced stage of socialism." In September 1960, Dr. Jagan said: "British Guiana can expect anything should his PPP lose the election, since I will be pursuing a program not only in British Guiana but all over the world." On May 12, 1961, he praised Marxist rules for economic development and described them as the only ones suitable for Latin America and called for Communist aid for British Guiana. In 1960, Mr. Brindley Benn, chairman of the PPP and Minister of Natural Resources in the government declared: "It is easier to stop tomorrow than to stop communism." Last Monday, July 3, he repeated this statement and said that he had meant every word of it. Quantities of rice are shipped from British Guiana to Cuba and on Jagan's recent trip to the United States he was given a $2-million loan from the World Bank which further bulwarked his political position.

I met all sections of the population and all three political leaders. I had lengthy conversations with men who had been trained under the auspices of the PPP and the Young Communist League as saboteurs. They reported to me that the jobs which they were required to perform such as dynamiting, were always personally ordered by Mrs. Janet Jagan, Chicago-born wife of Dr. Jagan. These men told me that the dynamite used was stolen from big industrial companies and there is still a considerable cache in the possession the PPP.

One hopeful aspect of the situation is the strong and united anti-Communist position taken by both the Roman Catholic Bishop Guilly and Archbishop Knight, Anglican archbishop of the West Indies against the recent Government takeover of the 51 denominational schools and their antireligious attitude. American Christian interest has been demonstrated by the assistance given in the fight against communism by World Harvest Evangelists, an American religious group.

Both British and American public opinion must understand the gravity of the situation in British Guiana, which, because of its geographical location cannot fail to be as much an American concern as it is British. During my stay in British Guiana, I was repeatedly told by members of the European population, "We fear the British Government will let us down as they have the people in Kenya," although I found that large numbers of Negroes and Indians retain deep faith that the British Government will eventually intervene and save them from Communist domination.

I have two proposals to suggest. First, that private sources in the United States, in Britain or indeed in any other country concerned with human and world freedom, should support with immediate financial aid the growth and maintenance of the anti-Jagan profreedom political forces in British Guiana who are prepared to stand for democracy and the free way of life and who still have a fighting chance to win the election. The second is a recommendation for governmental action. If, under false pretenses, and thanks to the understandable political ignorance and inexperience of the population, the well-oiled political machine firmly established by Dr. Jagan and his wife, the PPP is elected to power, I believe that the British and American Governments should hold consultations at the highest levels, to determine what action can be taken to safeguard the rights and political and economic freedom of the people of Guiana who would otherwise then be powerless to defend themselves. I can only add that since elections take place next month, there is no time to be lost.

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SOVIET AIRPOWER

Mr. MANSFIELD. Mr. President, notwithstanding the previous unanimous-consent agreement entered into, I ask unanimous consent that the Senator from Missouri [Mr. SYMINGTON] may be allowed to proceed at this time.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. SYMINGTON. Mr. President, I thank the able and distinguished majority leader.

Mr. President, once again the people of the United States find out about Soviet arms development as the result of their flying airplanes over Moscow for all to see.

This time they took up all cameras in the crowd, including and specifically cameras of members of the various legations.

But because again of the enterprise of one of the authorities in this field, Robert Hotz of Aviation Week, we now have more information than the Soviets were willing to give out, in some cases more than various agencies, including the Central Intelligence Agency, knew about.

The cameras of Mr. Hotz and his associates were not taken up—and I have these additional pictures with me on the floor today if any Member of the Senate would be interested.

Before going into any detail, and especially because of the growing controversy over nuclear test resumption, I ask unanimous consent that at this point there be inserted in the RECORD a statement by the Honorable John McCone, former Chairman of the Atomic Energy Commission. This statement bears on both the question of nuclear testing and these new Russian airplanes—and if anyone disagrees with it I would ask that he say so now.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY JOHN A. MCCONE, FORMER CHAIRMAN, U.S. ATOMIC ENERGY COMMISSION

Nuclear weapon development by underground and outer-space testing will give to either the United States or the Soviets an arsenal of weapons, both large and small, more powerful, more versatile and more useful in modern warfare than those now existent. The Soviets can proceed with these developments behind their walls of secrecy without detection as no present scientific means of discovering their actions exist or can be created without inspection posts within their country and the right for on-site inspection.

The Soviet's adamant refusal to accept a reasonable plan for policing a test ban agreement by refusing appropriate means for inspection is reason to believe they are developing new and improved weapons by clandestine testing. Thus they can develop a great military superiority and we, respecting a self-imposed moratorium, will take second place.

Efforts to reach agreement have now failed because of Soviet unreasonable positions. Our security is at stake. We must resume weapon testing as essential to the safety of our country and the free world. Soviet protestations that they are not interested in testing appear undependable as similar statements were made frequently regarding manned aircraft but now they display several new military planes secretly developed. Will they soon display new advanced nuclear weapons?

Mr. SYMINGTON. I would hope that we not be outmaneuvered to the point of disaster in the nuclear field, as we apparently, by listening to Mr. Khrushchev, have now been outtraded seriously in the manned aircraft field.

Nothing could be more important than sound decision in these two fields, because they may well embrace the core of the future security of the United States.

Note that this 1961 show is the first Soviet military airshow since 1956—the year when the Chief of Staff of the Air Force went to Moscow on invitation; and thereupon found the Soviets had accomplished far more in supersonic plane development than this country previously knew about.

Shortly thereafter, however, stories were planted in this and other countries of the free world that the Russians, in effect, were abandoning their long range manned aircraft to concentrate on missiles. Mr. Khrushchev said this himself, several times, and apparently we accepted his statement as fact, and we proceeded to rush, following him into the missile field, which latter field we now know has grave problems incident to operational reliability.

At least partly because of what Mr. Khrushchev said, however, for years the previous administration was explaining to the American people that one of the chief reasons for their new emphasis on missiles was because our intelligence had been wrong in saying the Soviets were pushing ahead rapidly with manned aircraft.

The American people were led to believe that the Communists were turning away from manned aircraft so as to concentrate on missiles.

Once again, because of fiscal considerations, we then decided to choose between the two programs of action, only to find out later that the Russians had gone ahead with both.

Nearly 3 years ago I protested, privately and then publicly, about the type and character of information coming out of our intelligence apparatus as against what was entering said apparatus.

Justification for holding down Soviet missile production estimates was primarily on the ground of relatively few firings—but to the best of my knowledge no one took the position that, if this were true, unless one wanted to agree the Russians were not continuing their military buildup, they were also concentrating on manned aircraft.

So for some 4 or 5 years we have, in effect, been hoodwinked as to some of the major plans for Soviet military buildup.

Why are so many people still anxious to believe what the Soviets tell us, when that information later proves so consistently incorrect?

Let us remember that manned aircraft are essential to the conduct of conventional war—and let all of us pray, if any war has to come, it will be conventional war.

Over the last 4 or 5 years we systematically eliminated the development of more modern aircraft, especially fighters, to the point where now the only combat plane left anywhere near production is the B–70; and the plans for that have been heavily reduced.

The Soviets have done exactly the reverse; in fact, perhaps the most startling plane they showed—this picture here has never been released before—is one which in effect duplicates the F–108 we gave up, a long-range supersonic interceptor carrying very large radar and air-to-air missiles.

Let us not forget that one of the reasons given for canceling our F–108, in addition to lack of money, was that we were going to concentrate on the B–70; and the latter could do much of the job the 108 was designed for.

Some of the new Russian bombers flown a few days ago were flown in quantity in operational formation.

Let every Member of the Senate, as he views these pictures, remember we were told in 1958 and 1959 and 1960 there would be no future manned bomber threat.

This was repeated again and again; and much of our defenses were planned accordingly.

The first picture I have here which belies that statement shows the previously known very long-range Bear, but modernized now to the point where it carries a very large air-to-ground missile, with radar guidance, and supersonic speed, a missile which appears even as large as our Matador.

This plane flew last week in operational formation.

The second picture shows the previously known Badger—their counterpart of our B–47; but now this plane has an air-to-ground missile, apparently quite similar to our Hound Dog.

Perhaps the star of the show was their new supersonic bomber, larger than any aircraft we now make except the subsonic B–52—so new that NATO authorities have no code name for it.

From an aerodynamic standpoint, the plane would appear so fine aerodynamically that those who took the picture named it Beauty. I prefer another code name—"Danger."

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. SYMINGTON. I am glad to yield to the distinguished Senator from Arizona.

Mr. GOLDWATER. I have seen these photographs. I would like to call attention to two facts related to the aircraft the Senator has just discussed. We know this aircraft is over mach 2 because of the size of the jet engines it has. I call attention to the fact that it has heat-resistant wings and that a very limited amount of glass is exposed, because glass absorbs heat, which indicates that those planes are now capable of flying at speeds where they run into heat barriers, which we have run into at speeds above mach 2.

I also call attention to some information that was not available to us prior to the release of the photographs. There is an air-to-ground missile suspended underneath. It is much like our Hound Dog missile, which we know will have a capability of at least 300 miles, and probably as much as 1,000 miles, which we have built into our missiles.

Mr. SYMINGTON. I thank the able Senator from Arizona, especially because of his great knowledge in this field, and his reputation as a jet pilot. The fact would seem to be that, with respect to this aircraft, the Russians have passed

the Hound Dog stage. It would appear they now have a ballistic air-to-ground missile slung in the belly of this particular plane.

Mr. GOLDWATER. Yes. If we knew more about that, we would know whether it is a ballistic missile. The Senator is correct; it could be a ballistic missile. It is large enough. It is a very large aircraft. In fact, we have estimated the engines themselves to be about 30 feet long. The diameter must be 4 to 5 feet. I do not think it is classified information to say that an engine of this size could put out 40,000 pounds thrust, which is a great deal more than we can get from our engines, because we do not make large engines.

Mr. SYMINGTON. The Senator is correct.

Mr. GOLDWATER. If the Senator does not mind, I might from time to time ask him to yield, because I have been interested in these pictures and I have been interested for a long time in the fact that the United States, under Republican administrations and Democratic administrations, has repeatedly refused to recognize that Russia can make aircraft comparable to ours and is making aircraft comparable to ours.

I fear that the last aircraft to which the Senator has referred might turn out to be a mach 3 airplane. It could possibly have that capability, although we do not now know.

Mr. SYMINGTON. Mr. President, it would be a privilege to yield to the able Senator at any time. My friend from Arizona has referred to the heat-resisting skin elements of the airplane. I would agree they definitely suggest the plane might be above mach 2 in capability. Based on the cabin, the estimate is the aircraft has a crew of three. In any case, it is larger than the B–58, and a definite breakthrough from the standpoint of supersonic relatively long-range capability with a ballistic missile, especially since it has on the nose a probe for refueling.

Mr. President, the first picture I have, as mentioned, is a more modernized Bear. Then there is a more modernized Badger. Then there is the plane to which the Senator from Arizona referred. We note that despite all the information we were given in past years, the Soviets were not continuing bomber development and production in substantial fashion, this plane was flown in formation numbers, indicating early operational capability.

Its chief developments are an aerial refueling probe located in the nose—which means its range is unlimited—and also, possibly the most disturbing characteristic of this air show, a ballistic missile located in its belly.

But, as mentioned, because there was no longer any bomber threat, we have stopped the development of a long-range fighter.

Again, the Russians have done exactly the opposite; in fact, apparently they have been concentrating on such fighters.

They now have one which carries unusually large air-to-air missiles, extensive airborne radar, and a rocket engine actually designed into the tail.

There is no code name for this fighter either, it is so new; but apparently it was designed by Mikoyan, brother of the Soviet Deputy Premier.

Finally there is the development of a new long-range fighter—the Blinder—another unusually symmetrical plane in design, with a speed of at least mach 2. This plane is heavily loaded with air-to-air missiles. Therefore, our subsonic B–52 bomber crews can only view it with apprehension.

In closing, some of the planes the Soviets flew 10 days ago were known publicly; some were known privately by our intelligence, and some were not known at all.

Mr. President, I have said for many years that the biggest fools of all are the fools who fool themselves; also, that the strength of a nation depends upon the will of the people, and in a democratic form of government that will can only function if the people are informed.

Again, there is no use in being the richest in the graveyard. We can do, if we set our minds to it, whatever the Russians can do.

Let us therefore concentrate on catching up with the Soviet Communists in the manned aircraft field, as we know now we must in the long-range missile and space fields.

In this connection, Mr. President, I ask unanimous consent that an article in Aviation Week and Space Technology of July 17, entitled "Tushino Stresses U.S.S.R. Aircraft Priority," by Cecil Brownlow, be inserted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TUSHINO STRESSES U.S.S.R. AIRCRAFT PRIORITY—FIRST SOVIET PUBLIC AIRSHOW OF IMPORTANCE IN 5 YEARS UNVEILS IMPRESSIVE ARRAY OF RUSSIAN AIRCRAFT

(By Cecil Brownlow)

MOSCOW.—Soviet Union, displaying a wide range of design techniques, demonstrated effectively last week at Tushino that it is moving steadily ahead at near top speed in the development of manned aircraft and their related missile systems to cover all required tactical and strategic missions.

Contradicting earlier pronouncements by their leaders, which were believed by many in the West, that they had turned from production of manned aircraft to rely solely on missile systems for defense and offense, the Soviets staged their first public air show of importance in the past 5 years, rolling out three supersonic bombers, two new delta-wing mach 2-plus interceptors, a jet-powered ASW reconnaissance seaplane, a convertiplane capable of airlifting 100 troops, an advanced Kamov jet helicopter design and a flying crane.

The Soviets climaxed the show at Tushino airfield in the Moscow suburbs with a series of low-level near-sonic military flybys, displaying publicly for the first time:

Bounder, an exceptionally large high delta-wing bomber of intercontinental range approaching the B–36 in size and with a supersonic dash capability in the configuration shown at Tushino. The aircraft has been flown and tested with various types of powerplants for the past 3 years. The Bounder, its design credited to a group headed by Vladimir Myasischev, has two large inboard engines slung from pylons beneath the delta wings that produce an estimated thrust of 45,000 pounds each plus two relatively smaller powerplants mounted on the wingtips. Large inboard engines of the aircraft shown here in a single flyby have an inlet diameter of about 6 feet and are believed to be turbofans by some qualified observers, although there appears to be no visible external evidence of this. Wingtip powerplants have barrel-shaped nacelles and are mounted on extremely heavy wingtip fittings.

Bounder sported light belly paint on both the fuselage engine nacelles and flaps with a large bulging ridge running about 15 feet along the rear fuselage just back of the rear wheel well doors of its bicycle landing gear. Two pairs of stubby sweptback antennas were attached to this bulge. The inboard engine nacelle pylons continue above the wing in a fence to curtail spanwise flow. Under the wing, the pylons of the Bounder displayed extended far beyond the engine tailpipes indicating that they may have been designed to accommodate much longer nacelles. Tailpipes of the inboard engines were almost twice as large as those of the wingtip-mounted engines on this Bounder which bore the operational number 12 on its nose.

Beauty, an advanced sweptwing mach 2.5 heavy bomber equipped with a retractable nose refueling probe whose use could boost it to intercontinental ranges. Beauty has twin-jet powerplants mounted to the rear of the fuselage along either side of the vertical tailfin. Engine nacelles, whose tailpipes project beyond the tailfin, are about 30 feet in length. Aircraft's overall size is slightly larger than the Convair B–58.

Beauty has a highly swept extremely thin wing with main landing gear housed in bulges at the trailing edges. It has a bombing radome under the nose and the entire fuselage has a slightly arched appearance. Cockpit indicates a crew of three and is obviously designed with a minimum of glass to hold down high-speed skin heating. Two auxiliary air intakes are located on either side of the nose. Tail warning radar was visible and the horizontal tail had a slight dihedral. Dorsal ridge running from cockpit to tailfin indicated control systems housing. Beauty flew by first as a single prototype with the number "24" and then in three formations of three planes each indicating at least limited operational service and production.

Blinder, a mach 2 sweptwing design that can perform the dual role of bomber and interceptor and is believed to be an advanced development of the mach 1.4 Backfin. Credited to designer Alexander Yakovlev, Blinder was first seen in 1959 and is powered by two turbojet engines mounted shoulder high in the fuselage with the two inlets located on either side of the fuselage just behind the cockpit. Twin exhausts for the engines are placed in the tail in a single housing. Two of the aircraft were seen in low-speed passes at Tushino.

Blinder had a large conical nose radar of extremely large diameter obviously designed for airborne interceptions and missile guidance. It carried a large delta-winged air-to-air missile under each of its highly swept wings. It also had a large bulging fairing under the fuselage that appeared to be an extra fuel tank similar to the belly fuel tank on the English Electric Lightning P–1. Cockpit indicates a two-man crew in tandem. Contours of two tailpipes were visible at the rear fuselage with the horizontal tail mounted midways on the tailpipes with a ventral fin extended down on each side.

New mach 2-plus long-range interceptor that appears to be an advanced version of the delta-wing Fishbed shown at Russia's last major air show in 1956 and developed by a team led by designer Artem Mikoyan. A large single air intake is in the nose, with a conical diffuser housing airborne radar that provides all-weather capability. The

aircraft appears to have three distinct tailpipes, two for the normal turbojets, the third for a large rocket boost motor. It is also believed to be the aircraft the Soviets designated the E–66 in claiming world speed and altitude records of 1,335 miles per hour and 112,294 feet. On the day of the show, the Soviet press announced that the E–66 would be on hand, but it was not publicly identified during the display. One of these advanced Mikoyan designs was shown in a high-speed pass and limited acrobatics. It carried two large air-to-air missiles with cruciform fins, and cruciform control surfaces at the missile's tail.

Second mach 2-plus fighter also with a rocket boost system. It is a large aircraft with an overall configuration resembling that of Fishbed and is believed to be powered by two turbine engines. Fuselage length is an estimated 90 feet. A single aircraft was displayed here.

New subsonic designs included:

Be–8 twin-jet seaplane designed by veteran seaplane builder G. M. Beriev that is smaller but similar in external appearance to the four-jet Martin P–6M whose development was canceled in the summer of 1959 after a total of 12 had been built, including six prototypes, two of which crashed. Engines are mounted in the high wing adjacent to and on either side of the fuselage. First prototype of the aircraft, designed primarily for antisubmarine search and kill missions, was flown several years ago, but the Tushino show marked its first public demonstration. Total of four Be–8's participated in the flyby.

Hoop, a turbine-powered convertiplane capable of transporting a maximum of 100 persons. Making use of a modified An–10 transport fuselage, this convertiplane is powered by two turboprop engines of an estimated 4,000 eshp. located at each wingtip. Propellers connected directly to the turboprops power the aircraft in horizontal flight, while vertical lift is provided by two rotor systems of four blades, each housed above a streamlined pylon on top of each wingtip nacelle. Development of convertiplane is officially credited to veteran helicopter designer Nikolai Kamov.

New turbine-powered helicopter with the same general appearance as the earlier piston-powered Kamov Ka–18 but approaching in size the larger 10-passenger Mi–4. Power is supplied by one or possibly two turbine engines housed above the fuselage. With three vertical stabilisers roughly resembling the tail of the Kaman HUK–1, the helicopter has a coaxial rotor system.

The supersonic bomber demonstrations were preceded by flights of the giant Bear Tupolev turboprop intercontinental bomber and the twin-turbojet Tu–16 Badger intermediate bomber, both carrying red-painted, radar-guided air-to-ground missile systems slung beneath their fuselages.

The Bear's supersonic missile, with a white radar nose, stubbed wings with sharp sweep, a horizontal tail, folding vertical fin and a jet tailpipe, has an estimated maximum range of about 300 nautical miles. Similar but smaller air-to-ground missiles carried by the Badgers have an estimated maximum range of between 50 and 100 nautical miles.

Boasting of Russia's aviation progress on the day after the show, Tass, the official Soviet news agency, reported that the aircraft "can launch their rockets to the target without entering the zone of the enemy's antiaircraft defense." The missiles, the article continued, have a range of "hundreds of kilometers * * * and no defense can save their targets."

The aging Bear, whose new missile weapon system will give it an added lease on life, has been modified with a section of the underside of the fuselage scooped out to accommodate the largest missile. In the flybys, a single Bear opened the bomber portion of the 2-hour show with its red air-to-ground missile prominent beneath the fuselage and with an escort of seven Mig–17's. It was followed by 15 Bears and then by 15 Badgers flying in formations.

Earlier, the Soviets demonstrated the maneuverability of their short-range surface-to-surface tactical missiles when six large Mil–6 turbine-powered helicopters landed on the grass strip in front of the Soviet dignitaries on hand for the show, including Premier Nikita Khrushchev, Defense Minister Rodion Y. Malinovsky, Chief Air Marshall Konstantin Vershinin, and Cosmonaut Maj. Yuri Gagarin.

Landing in groups of three, one Mi–6 carried two tactical missiles while its two partners brought in transport dollies and other support equipment. The missiles were unloaded and placed in position within a relatively short time.

Another three versions of the Hook, which reportedly was scheduled for only limited production, also were shown in the show, one of them ferrying from a cable what the Soviets reported to be the Vostok space capsule occupied by Gagarin on his orbit around the earth, another the model of a Lunik probe. These were the only two reminders of Soviet space achievements in a show largely devoted to displaying Russia's ability to wage war within the present realm of techniques.

Soviets also displayed a huge flying crane that was obviously the work of Mikhail Mil's design team. It differed from U.S. approaches to the flying crane design by retaining a personnel transport capacity in a large fuselage in addition to the cargo carrying capacity slung underneath between the long quadruped landing gear. Crane operator's station is visible just below the fuselage nose where he can observe both terrain and the cargo load.

Western observers believe the combination of personnel and cargo capacity in the Mil flying crane indicates it could be used for transporting fairly large missiles with their servicing and firing crews or several large armored vehicles with their crews and supporting troops.

In addition to a pilot's compartment considerably enlarged from the Mil–6, the crane had a large plexiglass compartment in the nose between the pilot's canopy and the crane operator's position apparently aimed at providing a number of other people with wide forward vision.

The Mil crane flew over Tushino carrying a large orange painted house about U.S. freight car size slung in the cargo position. It landed, released the house and then took off again without its load. Rotor system and powerplant installation appear similar to those in the Mil–6 but the crane carried large external fuel tanks on either side of its fuselage. Fuselage appeared to be capable of carrying 50 to 60 persons while the crane appeared to have a cargo lifting capacity of about 40,000 pounds.

The Hoop convertiplane has an estimated gross weight of between 50,000 and 60,000 pounds, and its fuselage appears to be about the size of the An–10 transport. Some observers believe an actual An–10 fuselage was used in the Hoop displayed at Tushino. Soviet announcers emphasized the Hoop's potential as a short-haul airliner but its capability as a high-density assault troop transport did not pass unnoticed.

The Hoop has two rotor systems each about the size of the Mil–4 rotors. The two rotors are mounted on a pylon which in turn sits on top of two turboprop engines mounted in wingtip pods. The turboprops look like the same type Ivchenko 4,000 eshp. engines used in the An–10 and Il–18 transports. These turboprops drive conventional propellers for forward speed and also power the two rotors for vertical lift.

The Hoop wing is mounted high on the fuselage just like the An–10 configuration and is about three-quarters the span of the An–10 wing. In its Tushino demonstration the Hoop required a short takeoff run before its rotors took hold for vertical lift. Pilot's cockpit is in a plexiglass dome raised about the normal fuselage while the fuselage nose also has a large plexiglass area. Two main double truck units of the fixed landing gear are suspended from long struts attached to the wing with a nose wheel mounted under the fuselage.

In its Tushino demonstration the Hoop exhibited excellent hovering and maneuvering characteristics. This model appeared to be experimental prototype.

Two of the three new supersonic bombers are in operational service with the status of the Bounder still not clear. Beauty is apparently in production since all 10 types flown were similar down to small details and it is probably in initial operational service with some units. Blinder also appears to be in production and is already equipping some operational units. Bounder still gives the general impression of still being in the development stage particularly since it has been observed with several different powerplant configurations.

BOUNDER DETAILS

In its flyby, the Bounder was accompanied by two stranded Fishbeds, one on either wingtip, and, as it pulled up into a sharp climb after its low-speed pass over Tushino, the pilot cut in the afterburners of the two large inboard engines for a brief period. Afterburners of the two smaller new bombers also were turned on during climbout after their passes over the field.

Shortly after the Bounder and its two fighters passed from sight into a patch of cloud cover, two distinct supersonic booms were heard on the ground, apparently made by the accelerating Fishbed escorts.

The Blinder, which followed Bounder in the flyby, has an estimated gross weight of well over 150,000 pounds and a 65° swept wing with a span of approximately 7 feet. Two fences on either wing-half were visible during the low-altitude passes by the two aircraft. Blinder has a low slab tail.

Soviet officials termed "Blinder" a small bomber, but in its flyby it carried a high-performance air-to-air missile under each wing. This, coupled with the exceptional climb capability demonstrated during pullout, led Western observers to speculate that it will be used for both bomber and long-range interceptor roles.

The advanced mach 2 follow-on to the Fishbed, which also carried large missiles, has a much longer fuselage than its predecessor, particularly forward of the leading edge of the 65°-sweep delta wing. Although only one was shown during the airshow, at least two were observed during the month-long rehearsals that preceded it.

DESIGN MODIFICATIONS

Formations of operational aircraft were also flown, indicating considerable design modification and armament change over the earlier prototypes first publicly displayed at the Tushino show in 1956. Second generation Flashlights (Yak–25) appeared in two versions. The production versions of the Flashlight B all-weather interceptor were armed with two air-to-air missiles and its engines appeared to be equipped with afterburners. Flashlight C, the light bomber version, also flew in formations with operational markings and had added a ventral fin.

Both the Mikoyan Fishbed and the Sukhoi Fishpot delta-winged fighters, first displayed as prototypes at Tushino in 1956, flew in operationally marked formations of up to 21 aircraft each. They were all equipped with air-to-air missiles. Both of these fighters are in the mach 2 class as are the Sukhoi Fitter and the Mikoyan Faceplate that use

the highly swept wing approach in contrast to the delta plus conventional empennage of the Fishbed and Fishpot.

Both Fitter and Faceplate flew across Tushino in operationally marked aircraft in formations of 21 planes each. Western observers believe the two delta types are the main Soviet all-weather interceptors because of their larger airborne radar housed in their conical nose air intakes.

The sweptwing Fitter and Faceplate have only limited all-weather capability with a small radar visible at the top of their air intakes.

During the civil portion of the show, the Soviets also demonstrated two of their later transport models—the TU–124 designed for feeder-liner service and said to be powered by two Soloviev turbofan engines and the high-wing An–24 passenger-cargo aircraft powered by two 2,000-horsepower Ivchenko turboprops.

In another exhibit, a group of Antonov transports were used to drop approximately 500 military and civil parachutists onto the field in individual and group jumps. Four ancient An–2 biplanes first maneuvered over the field, with their complement of paratroopers making individual jumps. Next in line, dropping parachutists in mass drops, were three 4-turboprop An–10's followed by 24 An–12's coming over the field in three-plane formations.

Two Fishbed fighters were demonstrated using rocket boost from a liquid-fueled rocket that had throttle controls. One made a takeoff from the grassy Tushino field with an extremely short run and steep climb while the other flew by at low altitude and executed an almost vertical climb after cutting in the rocket boost. On the Fishbeds the rockets are slung underneath the fuselage in what appears to be a quick modification. But on later fighters such as the giant new version of the Fishbed a rocket installation has been incorporated in the design and is housed internally between the two jet engine tailpipes. Addition of the rocket boost is an indication of Soviet concern with defensive capabilities against such extreme altitude penetration as the U–2 flights. Earlier model Fishbeds and Faceplates were unable to reach U–2 altitudes on their conventional turbojet powerplants.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. SYMINGTON. Mr. President, before yielding to the distinguished Senator from Arizona I wish to associate myself with remarks he made Friday in the RECORD. It was not possible to be on the floor when the Senator made his comments about a newspaper article, but I thank him for presenting the position he did, as that position is also mine.

I yield to the able Senator from Arizona.

Mr. GOLDWATER. Mr. President, I do not know whether the distinguished Senator from Missouri made similar remarks before I reached the floor, but I wish to remind him and my colleagues, as well as the American people, that as of today we have only the F–106, coming off the line in very limited numbers, at almost the end of the line; and the F–105, coming off in very limited numbers, at almost the end of the line. We have no frontline fighters on the boards or on the production line today which are capable of speeds much above mach 2. In effect, a competition is beginning for fighter aircraft which could be used jointly by the Air Force and the Army. It is a very fine small fighter, but it is not in production. We are in the position today of having the interceptor forces of the Air National Guard grounded because the F–104 engines have been declared unfit for use until they are modified. The F–102 is being used by the Air National Guard in decreasing numbers, because that plane is out of production.

Mr. President, we actually have no fighter force in this country worthy of the name.

We can thank those people—I do not know where they are and I do not know on whose payroll they are, though I have my suspicions—who have been advising our President and advising our executive department that we need think of the manned aircraft no longer. The missile is a fine thing, but the missile does not have a brain. Nobody has yet suggested that we put a second lieutenant in the nose cone of a missile. I do not think anyone will.

We must have a man in an aircraft who can make decisions. We must have a man to determine what damage has been done and what further damage is needed. Unless this country is willing to face up to the fact that airpower means manpower as well as machine power, I fear that our airpower will deteriorate.

I am very hopeful that the American people will impress upon the Congress that they do not wish to have sole reliance placed on missiles, which at their best can never be 100 percent reliable. We must depend upon human beings. The human in an airplane like the B–70 or the F–108, or more advanced models, can be a missile with a brain, which we do not have today.

Mr. President, I wish to associate myself with the remarks made by the Senator from Missouri and I urge him and others in this body who are concerned with our national defense to keep impressing upon this administration the need for manned aircraft in all categories.

Mr. SYMINGTON. Mr. President, I thank my friend from Arizona. In the previous administration, against odds, we worked together for a strong air force. I am sure we will do so in all administrations, as long as we are together.

I should like to ask the Senator to include in the fighter group he mentioned one of the great fighters of our current string; namely, the F–4–H, an outstanding fighter.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. SYMINGTON. I emphasize the importance of what the Senator has said. Because of what we were told by Mr. Khrushchev as to his plan for the future, namely, concentration on missiles with an almost complete lack of interest in combat manned planes, we in turn followed him into the missile field at the expense of our manned aircraft picture. Because Khrushchev said the Russians were not going ahead with manned aircraft we, then, in effect, abandoned most, if not all of our plans for future manned aircraft. Now we find once again, that what Mr. Khrushchev said was not true.

I hope those who are so anxious to trust the statements from the Kremlin about nuclear test cessation will keep in mind what has now happened as the result of our recognizing, in our manned aircraft program, statements made by Mr. Khrushchev about his planned military policy, which the recent air show in Moscow now demonstrates were incorrect. Let us learn from the past as we face the future.

Mr. MILLER. Mr. President, I wish also to be associated with the remarks of the Senator from Missouri [Mr. SYMINGTON] and the distinguished Senator from Arizona [Mr. GOLDWATER], particularly respecting the B–70, for their comments tie in precisely with what I said on the floor of the Senate a week ago. At that time I pointed out that the Soviets are not putting all of their national defense eggs in the missile basket, but they are going ahead with an advanced bomber design. It is necessary for us to do the same thing in order to maintain our superiority over them in airpower. I sincerely trust that the comments by the distinguished Senator from Missouri will be heeded when the appropriation bill comes before the Senate, and the proposed appropriation of approximately one half billion dollars for bomber procurement and production is tied in directly with the B–70 program.

ECONOMIC GROWTH AND INFLATION

Mr. MUSKIE. Mr. President, notwithstanding the order for the calendar call, I ask unanimous consent that the Senator from Iowa [Mr. MILLER], and other Senators who may desire to speak, be recognized.

The PRESIDING OFFICER (Mr. HICKEY in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. MILLER. Mr. President, recently the Commission on Money and Credit proposed, among other things, that the President be given the power to adjust the personal income tax rate up or down by as much as 5 percent where he determines that such action is needed to encourage business growth.

At a time when, due to nondefense, domestic spending programs of this administration, we are facing a serious budget deficit for the coming fiscal year, one wonders why the Commission did not recommend that the President be authorized to reduce expenditures under these programs by 5 percent, or more, to reduce the threat of inflation.

Such a proposal would seem to be consistent with the hope expressed by Secretary of the Treasury Dillon the other day that we would have an 8-percent growth in our economy by the end of 1962. I trust that Mr. Dillon is not relying upon inflation as the means of attaining such growth. If he is, we can certainly expect inflation to be accompanied by increased revenue from taxpayers whose wages and salaries will be thrown into higher tax brackets. If he is not relying on inflation, if he is predicting real purchasing power economic growth—then it will be necessary for Federal expenditures, at least in the areas of nondefense programs—to be reduced.

The way to improve our economy, to stimulate business investment and growth, is to avoid action that will dilute the value of our currency, not to give the President the power to make a Yo-yo out of our Federal income tax.

Actually, the Commission recommended that Federal spending programs be enacted for a number of years, with power in the President to increase outlays during bad times and to reduce them during good times; and during good times, to increase tax rates to provide more Government surplus. However, it appears that the administration is following the first recommendation of more spending and proposing to go counter to the second recommendation. Treasury Secretary Dillon recently said that he hopes for good times by the end of 1962, which would permit taxes to be cut, not increased, as the Commission recommends.

In the June 22 issue of the Waterloo Courier there appears a well-reasoned editorial which is highly critical of the Commission's proposal and which points out the inconsistency in policies I have related above. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DON'T GIVE PRESIDENT POWER TO ADJUST TAXES

After a 3-year study, the privately financed Commission on Money and Credit has come forward with a series of recommendations which merit the study of economists and of Congress.

But we doubt that one of the major recommendations has much chance of approval. The Commission recommended that the President be given the power to adjust the first-bracket personal income tax rate up or down 5 percent in an attempt to influence economic trends. "The duration of the adjustment," the Commission says, "should be limited to 6 months subject to renewal by the same process, unless Congress acts sooner by law to extend or supplant it."

Most will agree that the sensible way to handle fiscal policies would be to raise taxes in boom times to pay off the national debt and then lower them as a recession begins to stimulate the economy.

But the record plainly shows that such a sensible policy is politically unrealistic. During the great boom times following World War II only a negligible reduction in the national debt occurred. The Eisenhower administration put through a reduction in income tax rates, not as an attempt to influence the economic trend but as a demonstration of the advantages of the Republican way of life.

Almost inevitably a President would be forced to adjust tax rates for political rather than economic reasons. Few Presidents would have the political courage to increase tax rates in boom times because there would be no pressure from the precincts for such action. And he would have much incentive to lower tax rates just before key elections or in other situations where the economic situation would make the value of such action doubtful.

The foolhardiness of the Commission proposal is illustrated by a statement made only this week by Treasury Secretary Douglas Dillon. He predicted that "we can reasonably hope" for a gross national product of $555 billion by the end of 1962. This would mean an 8-percent growth of the economy in a year and should produce a budget surplus large enough to pave the way for lower taxes, he says.

Thus, the Treasury Secretary is proposing a tax cut at exactly the time when the Commission would presumably support a tax increase. And the fact that Dillon made his statement at this time when appropriation bills are being approved by Congress will only take the brakes off congressional spending. If there is hope for sensible money management, the job can only be done by an independent, nonelective agency like the Federal Reserve Board which is partly insulated from political pressures. Political decisions on fiscal policy are only too often on the side of inflation.

AUTHORIZATION FOR ATOMIC ENERGY APPROPRIATIONS

Mr. JACKSON. Mr. President, tomorrow the Senate will consider the atomic energy authorization bill. It is anticipated that one of the main issues in connection with the debate on the bill will be the so-called Hanford dual-purpose reactor. There has been a great deal of discussion on this proposal, and I am sorry that the House saw fit last week to delete this item from the authorization bill.

The Washington Evening Star, an independent and certainly conservative newspaper on economic subjects, wrote a very strong editorial criticizing the action taken by the House and supporting the Hanford dual-purpose atomic energy facility. I ask unanimous consent to have printed at this point in the RECORD the editorial entitled "The Hanford Issue," published in the Evening Star, issue of July 15.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE HANFORD ISSUE

The House used poor judgment in rejecting, by a vote of 176 to 140, the proposal to convert the new reactor at Hanford, Wash., into a dual-purpose facility capable of producing not only plutonium for weapons, but also between 700,000 and 800,000 kilowatt-hours of electricity for peaceful uses.

Unless the Senate reverses the House action, and the item is then restored in conference, the reactor—which is in the process of being built and which will be completed next year—will serve only a strictly military purpose. Yet, as it produces the plutonium, it will give off a byproduct of great potential economic value. This will be a tremendous quantity of heat that could be so utilized as to make the facility, wholly apart from its weapons role, by far the biggest of the world's present atomic electrical powerplants.

The proposal turned down by the House would create this facility by investing $95 million in equipping the reactor (which would more than pay for itself) to harness the heat and turn the resultant electricity into the Bonneville network for distribution—largely through private utility systems—in the Pacific Northwest. But the private utilities have lobbied vigorously against the idea, and so have coal interests, and it has been defeated primarily on the ground that it would put the Atomic Energy Commission in the public power business and thus constitute another socialistic encroachment on free enterprise.

In the debate on the issue, however, Representative CHET HOLIFIELD, chairman of the Joint Congressional Atomic Committee, has pretty well demolished these and kindred arguments. He has shown, for example, that the basic law governing the AEC specifically authorizes the sort of power output that the dual-purpose reactor would generate. He has made clear, too, that such a reactor at Hanford could not hurt the coal industry, and would actually make additional electricity available to private utilities "at a very cheap price." And Representative ROBERT E. JONES of Alabama has backed up Mr. HOLIFIELD with this telling point:

"* * * the installation of the electric generating facilities at the Hanford reactor is in the best interest of all of the American people. What could be more justified than to convert into electricity—at no cost to the taxpayers—the tremendous amounts of reactor heat which otherwise will be wasted? To blow this steam into the air or use it to heat up the Columbia River surely would be regarded by people everywhere as an incredible extravagance."

Everything considered, the weight of logic and commonsense rests heavily on the side of those who advocate the dual-purpose facility. Accordingly, we hope that the Senate will support the proposal and that the House will reconsider what it has done and enable the project to go forward.

REAPPRAISAL OF THE NATION'S DEFENSE

Mr. ERVIN. Mr. President, on July 11, the Kinston Daily Free Press of Kinston, N.C., published a very thoughtful editorial entitled "A Calm Reappraisal of Defense is in Order."

Since the editorial contains some sage advice which the Federal Government would do well to heed at this time, I ask unanimous consent that it be printed in the body of the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Kinston (N.C.) Daily Free Press, July 11, 1961]

A CALM REAPPRAISAL OF DEFENSE IS IN ORDER

The current reappraisal of the Nation's defenses, which has been authorized by the President in the wake of Soviet saber-rattling over the Berlin issue, is very much in order. It should be done calmly and without any further emphasis on militarism.

Defense Secretary Robert McNamara does well to point out that America is strong. It should be stronger than any potential aggressor. But the current study of defense plans and potentials should not be taken as any increase in militarism on the part of the United States or the free world.

The United States has repeatedly offered to work toward control of nuclear and other weapons through the Geneva Conference. The Soviet Union has declined to go along with controls that provide for inspection, hence no real progress has been achieved.

President Kennedy reminded the Soviets a few days ago that in Berlin now there is peace. It will remain peaceful unless the Soviets seek to create strife and armed conflict. In other words, if there is any change in the situation from its present status, to bring about violence or armed intervention, it will rest with the Reds. The West merely wants to keep the status quo and to protect the rights of the free citizens of West Berlin.

Soviet Premier Nikita Khrushchev has tossed out an appeal for a summit session on Berlin and the Germany peace treaty issue. But the real need is for the Soviets to show good faith on matters which divide the East and West. There is no dearth of machinery for negotiations. The United Nations has all the avenues for discussion and promotion of goodwill and accord that it needs for current cold war problems. But they are not used.

In the light of these facts, and the militaristic attitude the Red ruler is taking on Berlin, it just makes good sense to check the Western defense and to see that everything is in working order. It is a time for walking softly and carrying the big stick. In such situations it is always good to remember that an ounce of preparation can be worth many pounds of cure, especially when a prime bluffer like Nikita Khrushchev begins to toss his weight around.

PROPOSED REMOVAL OF AIR FORCE MUSEUM FROM WRIGHT-PATTERSON AIR FORCE BASE, DAYTON, OHIO, TO COLORADO SPRINGS, COLO.

Mr. LAUSCHE. Mr. President, I am concerned over rumors reaching my office that Gen. Thomas S. Power, commander of the Strategic Air Command, has proposed that the Air Force Museum, now located at Wright-Patterson Air Force Base, Dayton, Ohio, be moved to Colorado Springs, Colo. I am deeply disturbed by the possibility of this taking place, as are the civic organizations of the Dayton area; and I wish to voice a strong opposition to the proposal.

I need not declare that Dayton has been the cradle of the development of the air machinery of the world. Dayton was chosen as the place for the museum, because it is the center of air development activities. General Power now contemplates moving the Air Force Museum from Dayton to Colorado Springs. I voice objection to that proposal for a number of reasons:

First, if the move is made, it will mean the expenditure of taxpayers' money in huge amounts without justification.

Second, if such action were taken, it would belie the disclaimer made by the Department of Defense that there is in process a contemplated erosion of the activities at Wright-Patterson Field.

It has been my suspicion that quietly and clandestinely there has been put into operation a program to erode the activities at Wright-Patterson, to the point where nothing will be left.

The argument is made that there is not adequate space at Wright-Patterson to house the Air Force Museum. In reply to that argument, I point out that the flying activities and use of airlanes at Wright are contemplated for discontinuance in 1962. A master plan has already designated a land area of 125 acres as a place for its unlimited expansion.

In spite of the fact that in 1965 there will be available these 125 acres, it is still erroneously claimed that the area is not adequate.

In conclusion I declare to those in charge that Dayton and Ohio people and the Representatives in Congress of that area are now firmly convinced that in spite of all that is being said to the contrary there is a designed plan to erode the activities at Wright-Patterson Field. I serve notice upon General Power and those associated with this movement that the translation of activities will not take place without a most vigorous fight on the part of the taxpayers of Ohio and those men and women who represent Ohio in Congress.

This proposal has been kept very quiet and was not made known to the civic leaders in Dayton, though the museum officials have been holding this information for the last few weeks. It seems to be a studied policy of some officials of the Department of the Air Force to constantly take away functions and facilities at Wright-Patterson Air Force Base, and I greatly fear that this studied attrition if not firmly opposed will result in wasting the millions of dollars which have been expended to make this facility one of the finest Air Force bases in our Nation. This policy of a slow, erosive program which could result in Wright-Patterson being finally denuded of its great potentials without the people knowing it, should and must be reexamined by the appropriate officials of the Department of the Air Force.

This is but one of several proposed moves which would weaken Wright-Patterson Air Force Base which, if permitted, will cause both waste of the taxpayers' money and have an evil effect upon the economy of Dayton.

I propose in the near future to discuss again on the floor another proposal which I believe is wasteful and will be harmful to our national defense program.

Mr. YOUNG of Ohio subsequently said: Mr. President, I wish to associate myself with the remarks made by my colleague, the distinguished senior Senator from Ohio [Mr. LAUSCHE], concerning the proposed removal of the Air Force Museum from the Wright-Patterson Air Force Base, at Dayton, Ohio, to Colorado Springs, Colo. It seems unthinkable to me that this proposal by Gen. Thomas S. Power should be considered. The Dayton metropolitan area is within 500 miles of one-third of the population of the Nation. Indeed, to move this famous museum to Colorado Springs would be an extreme disservice to American taxpayers.

The present location is more accessible to the public and offers expansion possibilities. To remove it to Colorado Springs would show a careless disregard for taxpayers' money at a time when we are faced with the need for immense sums for the defense of the Nation.

It appears to me to be the policy of some officials of the Department of the Air Force to remove functions and facilities from Wright-Patterson Air Force Base. Unless firmly opposed, this policy will waste the millions of dollars spent to make this base one of the finest in the Nation.

Mr. President, I feel certain that the distinguished senior Senator from Georgia [Mr. RUSSELL], the chairman of the Committee on Armed Services, will not favor any such procedure.

AMERICAN "RIGHT" EMBRACES A CURIOUS MIXTURE

Mr. McGEE. Mr. President, I invite the attention of my colleagues to an article which was published in the Outlook section of the Washington Post of yesterday, July 16, entitled "American 'Right' Embraces a Curious Mixture." It is written by Edward T. Folliard.

I mention the article in particular because it has distilled in a relatively brief form the cross currents and forces that are at work in this critical moment in history.

Throughout our own national history we have always had small groups of Americans, it seems to me, who hold to the belief that whenever something goes wrong somebody has been guilty of conspiring to make it go wrong, and who find it difficult to accept the fact that there are great tides sweeping the world which even Republicans and Democrats in the United States cannot control or have anything to do with.

It is a matter of concern to us that extremists who find a conspirator behind every honest mistake or situation should be having a field day at this special moment when the crises of time require the very finest and the very best sobriety and stability that we can command.

Because the article itself contributes to a levelheaded assessment of what is going on both within the United States and without the United States, it is extremely timely, and I therefore ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMERICAN "RIGHT" EMBRACES A CURIOUS MIXTURE

(By Edward T. Folliard)

In this summer of 1961, clouded as it is by Soviet Premier Khrushchev's threat of war over Berlin, Americans are engaged in a strange controversy over the strength of communism at home.

Some of the foremost students of Red activity in the United States—notably the Reverend John F. Cronin, S.S., of the National Catholic Welfare Conference—say that the Communist Party in this country has been "drastically weakened." They say that the area of Red danger now is not at home but abroad.

However, rightwing activists like Robert Welch of the Birch Society insist that "our danger remains almost entirely internal, from Communist influence right in our midst and treason right in our Government." They say that the Red menace at home is now at a peak danger point.

To Father Cronin, the surprising upsurge of alarm over domestic Reds at this time is a paradox. He believes that even the claimed strength of the Communist Party, United States of America—10,000—is exaggerated.

A CALCULATED ASSAULT

But this is not merely an intellectual matter, a clash of viewpoints. Rightwing groups, refusing to accept the view that the danger is primarily overseas, are in full cry against the Kennedy administration's program for foreign aid to thwart the spread of communism, especially in Asia, Africa, and Latin America.

They are also demanding that the United States pull out of the United Nations, repeal the 16th amendment (which authorized the Federal income tax), invade Cuba, bring home the five American divisions in West Germany and "be prepared to stand alone."

The political right in this country is held down by a curious agglomeration representing a broad spectrum of ideas and relative degrees of respectability. Senator BARRY GOLDWATER, Republican, of Arizona, and his adherents are there. But there, too, are people whom GOLDWATER would detest and people who say that GOLDWATER is "tainted

with socialism." Also there are citizens, many of them wealthy who are outraged by big Government and the heavy tax bite on their bankrolls.

On the extreme right are the "hate groups," made up of men and women who invariably call themselves patriots and true Americans and pour their venom not only on Reds but on "niggers and Jews"—and who, furthermore, question the loyalty of any who disagree with them.

EMBARRASSING DUALITY

There is some overlapping on the right, of course, and this is often a cause for embarrassment. One of the most active and eloquent spokesmen for the aforementioned moneyminded group is Brig. Gen. Bonner Fellers, U.S. Army, retired, who was military secretary to Gen. Douglas MacArthur in World War II.

He has his headquarters at 1001 Connecticut Avenue NW., and he wears two hats. That is, he is national director of For America and also of the Citizens Foreign Aid Committee.

As the For America spokesman, General Fellers calls for repeal of the Federal income tax. He says also that the United States must end peacetime conscription, maintain overwhelming airpower and get the United States out of the U.N. and the U.N. out of the United States.

For America also favors congressional investigations "into Communist-Socialist activities" and an end to compulsory unionism.

In testifying on Capitol Hill recently for the Citizens Foreign Aid Committee, Fellers urged the return of American troops from West Germany. Appearing before the House Foreign Affairs Committee June 21, he argued against the Kennedy administration's foreign aid program and also against this country's lavish support of European nations which help make up the North Atlantic Treaty Organization.

"At all costs, it is imperative that we be prepared to stand alone," he said. To this end, he criticized President Kennedy for not spending more on air power.

How the United States would be able to finance airpower, or any kind of striking power, if For America had its way and the income tax were abolished, is hard to figure out.

General Fellers also told the House committee that foreign aid ought to be held to less than $1 billion. Other members of For America and the Citizens Foreign Aid Committee are much more vehement than Fellers on this subject.

Spruille Braden of New York, who was Ambassador to Argentina for a short period in 1954, has said, "Truly, foreign aid is a treacherous if not a treasonous adventure."

Braden is one of 16 men and women who are members of both For America and the Citizens Foreign Aid Committee. Among these 16 are 2 other well-known military figures besides Fellers—Gen. A. C. Wedemeyer, United States of America, retired, and Lt. Gen. George E. Stratemeyer, United States Air Force, retired.

Others are J. Bracken Lee, former Governor of Utah and national chairman of For America; Dean Clarence Manion, formerly with Notre Dame University; Samuel B. Pettengill, former Republican House member from Indiana, and Mrs. Garvin E. Tankersley of nearby Maryland.

At the headquarters at 1001 Connecticut Avenue, For America is described as a political activist group and the Citizens Foreign Aid Committee as a lobbying organization. The committee appears to be well-heeled.

Heading it as national chairman is Walter Harnischfeger, chairman of the board of the Harnischfeger Corp. of Milwaukee, producer of earthmoving and lifting equipment used in nearly every country in the world. Another prominent committee member is Willard F. Rockwell, chairman of the board of Rockwell Manufacturing Co., and Rockwell-Standard Corp. of Pittsburgh, which in 1959 had more than $400 million in sales.

THE FLUORIDATION FACTION

Whatever may be thought of the views of such men, not all of them are in the same class with those who are still further to the right. These not only favor abolition of the income tax, withdrawal from the U.N. and scrapping of foreign aid, but they call for the impeachment of Chief Justice Earl Warren, agree with Robert Welch's charge that General Eisenhower in his White House days was "a conscious agent of the Communist conspiracy" and charge that the fluoridation of water is a Red plot to poison and weaken Americans.

Is there a resurgence of political strength on the far right? No, according to Herman Edelsberg, Washington representative of the Antidefamation League of B'nai B'rith.

"There has, of course, been a measurable increase in activity—and recently an even greater increase in publicity—but there's no evidence of a growth in underlying, lasting strength," Edelsberg says.

"Some new faces have cropped up on the right, but the group picture looks much the same. The names of the organizations may be new, but the slogans are old and frayed.

"After all, how far can the John Birch Society go on a program of fighting communism by impeaching the Chief Justice of the United States, denouncing the loyalty of Mr. Eisenhower, and abolishing the income tax?

"It may not be fashionable now to be optimistic about the power of reason in human affairs, but I believe that in this basically healthy America the Birch nonsense is self-defeating. True, our history shows a wide tolerance of political quackery, but in the showdown such movements have always broken up on the rock of American common sense and fair play.

"The Birch Society carries another liability—it has a fatal attraction for the lunatic fringe. Its leader, Robert Welsh, has gone to some pains to disassociate the society from the anti-Semites and other bigots, but it is no reflection on his sincerity to note that inevitably he has failed. So long as his group is based on exploiting anxiety, suspicion, and mistrust, so long will it provide the climate and soil in which the professional bigot flourishes.

"There has always been a small minority of Americans who will not believe that our national difficulties and frustrations may be the result of powerful, impersonal tides in economics and politics but will insist on seeing history, particularly unpleasant history, as a conspiracy of secret plotters whom they can self-righteously hate. I don't believe this group has grown significantly larger in the last year. The trouble is that this is a most dangerous time to have our national ills diagnosed, and perscribed for, by witch doctors."

The extreme rightwingers are angry with Father Cronin for saying that the Communist Party, U.S.A., is no longer much of a threat, but they find it difficult to challenge his credentials. He is a Red hunter from way back and, unlike so many others, an effective one.

Father Cronin was professor of philosophy and economics at St. Mary's Seminary in Baltimore when, in 1940, he began looking into Communist infiltration in labor unions. In 1944 he made a more general study of Red activity for the Catholic bishops of the United States.

Earl Mazo, in his biography of Richard M. Nixon, relates that it was from Father Cronin that Nixon, then a freshman House Member, learned about Alger Hiss.

Now, Father Cronin says that "the problem of internal security had been substantially taken care of by 1950." The date is significant, for it was in 1950 that the late Senator Joseph R. McCarthy, Republican, of Wisconsin, began his career as a Red hunter. By that time, Father Cronin says, Communists had been cleaned out of the Government and out of labor unions.

What disturbs Father Cronin at the moment is a fear that today's Red hunters will weaken the Nation by questioning the loyalty of those who disagree with them. He mentioned this in a notable article he wrote for the April 22 issue of America, the Jesuit weekly review.

"Unfortunately," Father Cronin wrote, "several anti-Communist organizations in the United States today not only fail to distinguish between judgment and loyalty; they actively assail the loyalty of those whose views they oppose. They envision a vast, secret, conspiratorial Communist apparatus that is widely subverting Government, schools and universities, research organizations, the churches and the various media for affecting public opinion.

"Nor are they willing to let their targets off with the relatively mild indictment of being unwitting dupes of the Communist conspiracy. They are eager to allege formal, not merely material, guilt * * *."

J. Edgar Hoover, Director of the Federal Bureau of Investigation, is not one to downrate the threat of Communists in the United States. But even he is concerned about the thing that bothers Father Cronin—that is, the reckless charges Americans are hurling at one another. In the FBI Bulletin of April, Hoover said:

"The label of 'Communist' is too often indiscriminately attached to those whose views differ from the majority. Those whose lives are not led according to what one segment of society might decree to be the 'norm' are too frequently challenged as 'Reds'."

D. W. Brogan, professor of political science at Cambridge University, who knows the United States well, wrote an article for Harper's in 1952 that might possibly explain the attitude of some Americans who, filled with anger and frustration, put the blame on homebred Reds.

Brogan entitled his article, "The Illusion of American Omnipotence," and explained:

"This is the illusion that any situation which distresses or endangers the United States can only exist because some Americans have been fools or knaves * * *. Many, very many Americans, it seems to me, find it inconceivable that an American policy, announced and carried out by the American Government, acting with the support of the American people, does not immediately succeed.

"If it does not, this, they feel, must be because of stupidity or treason."

Also, there would seem to be people who have a need to hate, sometimes because of their own frustrations and failures. Stendahl remarked in "The Red and the Black" that it was only a step from anger at oneself to rage at others.

THE SPACE-HISTORY COURSE AT THE UNIVERSITY OF COLORADO

Mr. McGEE. Mr. President, I invite the attention of my colleagues in the Senate to an article which appeared in the Air Force Space Digest of February 1961. It was written by Dr. James G. Allen, head of the history department at the University of Colorado.

I call attention to the article in part because it is an excellently conceived article, which describes an exciting idea. It describes an experiment in the history department at the University of Colorado, the first course in space, entitled "The History of Space." The re-

ception it was accorded suggests the pioneering spirit of Professor Allen's insight and leadership.

My second reason for calling attention to it is that I have a history degree from the University of Colorado, and Dr. James G. Allen was my boss, so to speak, while I was studying there.

So it is with a great deal of personal gratification in addition to professional pride that I ask unanimous consent that this very short article published in the Air Force Space Digest be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STUDENTS AT THE UNIVERSITY OF COLORADO ARE GETTING A NEEDED PERSPECTIVE ON THE SPACE AGE THROUGH A UNIQUE HISTORY COURSE DESCRIBED IN THIS LETTER FROM BOULDER

(By James G. Allen)

(A pioneering educational experiment, a course in the history of space, believed to be the first such campus offering in U.S. educational history, has successfully completed its pilot phase at the University of Colorado, at Boulder, under the direction of Dr. James G. Allen, chairman of the university's department of history. Air Force Space Digest is especially proud to publish this report by Dr. Allen on the course. He graciously credits his attendance, at the Aerospace Education Workshop, during the first World Congress of Flight of the Air Force Association in 1959 at Las Vegas, Nev., with sparking his efforts in establishing the course at the university.—THE EDITORS.)

BOULDER, COLO.

Here at the history department of the University of Colorado, we inaugurated a course in the history of space during the 1960 summer session. Our experiment was well received, with a respectable student enrollment, and, gratifyingly, we received generous coverage in such newspapers as the New York Times and the Christian Science Monitor among others.

The course was given primarily in terms of the history of cosmological ideas and brought space thought from early times right up to the present. Introductory lectures indicated how primitive man at the very beginnings of civilization speculated on the nature of space and included it in his general picture of himself and his place in the universe. As conclusions began to form, man's concepts of space became closely related to other elements of scientific observation. Ideas of celestial mechanics were basic in the scientific revolution of the 17th century. Historical attitudes toward space aided the development of many branches of science. Moreover, man's ideas on space were closely related to the general cultural atmosphere of particular periods. All aided the advance from mythical cosmology to the Newtonian concept leading to the modern realistic and mechanistic view of the universe. The course concluded with a survey of present-day concepts, techniques, and practical values of space exploration.

To present the course, the history department brought two outstanding authorities to Boulder. They were Dr. Melvin Kranzberg, of the department of history, Case Institute of Technology, Cleveland, Ohio; and Dr. J. Allen Hynek, formerly Associate Director of the Smithsonian Geophysical Observatory, Cambridge, Mass., and now chairman, department of astronomy, Northwestern University. Dr. Kranzberg gave the historical background while Dr. Hynek covered the present-day aspects of space. There were 43 students enrolled in the first term and 65 in the second.

Students were asked to make written, unsigned comments at the end of the summer session. These were helpful in our future planning and included many requests that the course be extended in length to at least one semester. Here are some of the student comments:

"I think this course was very useful to me. Previously, I have taken some work in history and philosophy and I have done some reading in the field of astronomy. But my knowledge was rather unorganized. Now, having come to the end of the course, I think it gave me a perspective about man's ideas about space. The historical approach that you took was easy to follow and sensible."

"I took this course to assist me in developing a background for science instruction in the elementary school field. I found the course interesting and enlightening."

"For a person who has scant background in science and philosophy, this course is most interesting. In fact, this course should be required for any person attending the school of arts and sciences."

"As an aeronautical engineering student interested in space, I found the course enlightening and interesting."

"This is probably one of the most unusual but yet interesting courses I have ever taken. Since I took both [terms] this summer, I have received a general overall view of space concepts, modern and ancient. It is practical since we are now living in an age when space is playing a leading role, and one can follow newspaper articles with some knowledge * * * as to what is happening and what are the basic mechanical elements underlying these developments. I found it a most interesting course."

"With more time, much more could be covered. I think that there are more concepts of science which influenced ideas of space than we had a chance to cover."

"This course served my purpose for a brief history of space. I think that it is tremendously worthwhile, for in the 20th century we need people who are, at least, a bit informed. I do think that it deserves more than 5 weeks as it is too short a time to get much insight into the subject. As a semester course the detail it deserves would be achieved."

"Being an engineering student, some of the early history of space did not seem too interesting. Galileo to the present seemed to be the best. When I registered for the course I had perhaps the science viewpoint, in that I thought the content would be more along the lines of the history of the 'space' or cosmos itself instead of the viewpoints of historical characters concerning the concept of space."

"I took this course because I have been exposed to certain of the practical uses of celestial bodies (study of tides, weather, and celestial navigation). However, I knew little about space or the speculations about it. Since space is becoming more and more important, I thought it might be valuable to gain some knowledge in this area. I was required to have some history this summer, and the title of this course 'caught my eye.' I enjoyed the course and believe that I have profited from what I learned."

We had some difficulty with textbooks, since the course, certainly in a history department, was new and unrecognized. The first part was based on "Theories of the Universe From Babylonian Myth to Modern Science," Milton K. Munitz, editor (Glencoe, Ill., 1957). This, however, was not entirely applicable, especially for a 5-week term. Hynek relied principally upon articles, short descriptive pamphlets, and mimeographed material on current developments. Of particular value was the April 1960 number of "Air Force/Space Digest" ("Missile and Space Almanac").

The success of this project was gratifying. The course will be given again in the 1961 summer session, and arrangements are being concluded to make it a permanent offering of the history department. This is a logical step, as such a course provides a broad historical basis for the program of the high altitude observatory at the University of Colorado.

The observatory, under the direction of Walter Orr Roberts, is widely known in its own right. It is also in the process of joining forces with the newly created National Center for Atmospheric Research, now establishing its headquarters at Boulder. The national center will become a major laboratory devoted to research on the fundamental problems of the science of meteorology and of the upper atmosphere.

WHY A SPACE-HISTORY COURSE?

The exploration of space has become one of the most significant factors of the modern world. Its various aspects are major items in our national economy and dominate certain aspects of our foreign policy. Space, with its many challenges, problems, and opportunities becomes increasingly related to our daily life and to our national security.

There are sound reasons for a university to offer a history of space. Many of the ancient and medieval historians, philosophers, theologians, and scientists wrote about space, even though their observations were to a great degree speculative. Astronomical facts were uncertain and all relationships within the physical realm of the earth, the sea, and the sky, were based upon certain assumptions. However, these early scholars did make significant contributions. For example, some of the conclusions of Aristotle (384–322 B.C.) may be regarded as an inspiration to Columbus and the scientific theory he set forth to prove in 1492.

We know this because, among the many books he read was the "Imago Mundi" of Cardinal d'Ailly published in 1410. In this volume Columbus had marked the quotation, "Aristotle says that the sea is little between the farthest bound of Spain from the East and the nearest of India from the West." Columbus' own copy has been preserved with his marginal note. The accumulation of reliable facts proceeded slowly, surrounded and limited as they were by the sense of mysticism that dominated the early Middle Ages, finally broke through to the great age of discovery that opened in the 15th century, and which was punctuated by the astronomical advances of men like Galileo and Copernicus.

Today, the space era is modifying our concepts, with startling rapidity, and with day-to-day change even of essential things, even of time. We know time as it is on earth, affected and modified by terrestrial forces such as gravity. Time in space, freed from such factors, may well have an entirely different concept and relationship. Einstein's general theory of relativity indicates such modifications, and modern speculations, based upon the rapidly expanding knowledge of space, lead to the staggering conclusion that time itself may shrink as speeds approach the velocity of light. This is only one startling example of how the space age will change existing concepts.

These accomplishments in the discovery and exploration of the African coastline were great marvels of their day, even though they received none of the headlines and little of the fanfare accorded related explorations into space of our time. Our explorations of the heavens are indeed comparable to the advances of the great age of discovery. They, too, have advanced by gradual stages; the early ascent of balloons, the continual increase in the ceiling of our airplanes, the hurling of our satellites, rockets, space capsules, and our shots at the moon and the sun.

It is not fantastic to compare these few early navigators to the now so well known geographical landmarks of Africa and of the

other continents with those astronauts of our day who will make the first American manned flight of rockets into space. It does not stretch the imagination to compare those 15th-century barriers inhibiting ocean exploration to belts of radiation, zones of disintegration, areas of planetary dust and atomic particles that today are the obstacles to conquer before space travel comes out of the realms of imaginative fiction and into the fact of the 20th century. Such areas and zones are constantly being discovered or reexamined. These are examples of the modern hurdles requiring solution, not in terms of overcoming superstition, but in terms of an advanced technology. Our assaults on space have proceeded rapidly and within a short time.

Centuries have elapsed since Lucian of Samosata wrote in A.D. 160 of a voyage to the moon in a sailing ship. But it is less than 100 years since Jules Verne added the idea of escape velocity in his "From the Earth to the Moon" in 1869 and Edward Everett Hale first wrote of the artificial satellite in 1870. It is proper to compare Prince Henry of Portugal with those who, many more in number, now direct modern exploration into space.

All of these historic challenges, of superstition, fiction, and of fact, have been met, and we are now on the verge of an exploration of space comparable to those marvelous events and discoveries of the 15th century. It is upon these parallels that a history of space can be based.

With new ideas affecting us, enforcing such great changes in the very fundamentals of our thought, a history of space and an examination of its historical relationships becomes necessary. Such a course is not a fantastic addition to a time-honored curriculum. It is indeed a vital subject for modern education, because it is a great and interesting world in which we live.

No longer will one wish to have lived with Prince Henry and his navigators or to have taken part in the adventures of Elizabethan England and joined with the great captains of that day in exploring the oceans and the land and rivers beyond previously narrow confines. Quite truly are we doing the same things, engaging in the same adventures, and enjoying the thrill of the unknown and the unexplored. Their oceans are our skies and their ships are our rockets and space vehicles. Their problems are our problems. Their dangers are ours. Their accomplishments and successes will be ours also.

(James G. Allen has been chairman, department of history, at the University of Colorado since 1945. He has written frequently in professional journals, especially in the field of British constitutional history, is also author of "Naval History and Strategy—A Syllabus and Guide to Reading," and a recent study, entitled "Editorial Opinion in the British Commonwealth.")

THE FEDERAL COMMUNICATIONS COMMISSION

Mr. McGEE. Mr. President, I have before me a column written by Lawrence Laurent, published in this morning's Washington Post. It deals with the question of TV licenses, the judgment of TV licensees, and the surveillance which the FCC now promises to devote to all the circumstances. In general it applauds the recent action by the FCC in putting all petitions for a license renewal on notice that they must perform in the public interest and be capable of demonstrating that performance in order to obtain a renewal.

I likewise have before me a short article written by Drew Pearson in which he explains the difficulty the industry may have in trying to smear Mr. Newton N. Minow, Chairman of the FCC, whose own life seems to be in very fine order and not subject to the usual smears which are sometimes resorted to in trying to embarrass a man in public office with public responsibility.

I ask unanimous consent that both articles may be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 17, 1961]

FCC WARNS LICENSEES MUST MATCH PROMISES

(By Lawrence Laurent)

Ever since Newton N. Minow announced the get-tough policy of the Federal Communications Commission, broadcasters have feared that one of them would be held up as a horrible example. The great fear was that some broadcaster would lose the Federal license that enables him to do business.

Last week, in a decision of wide significance, the FCC passed up the opportunity to deny a license. Instead, the Commission issued a warning to all broadcasters, advising them that the promises made in order to get a license for a station will be carefully matched against the station's performance.

The example on which the FCC hung its warning notice was the performance of radio station KORD in Pasco, Wash.

In 1957, KORD told the FCC that 6 percent of the broadcasting schedule would be local, live programing.

"It's 1960 renewal application showed," said the FCC, "that KORD in its composite week had devoted no time to local, live, educational talks or miscellaneous programing. KORD also proposed in 1957, to have 700 commercial spot announcements during an 84-hour broadcast week. It broadcast 1,631 commercial spot announcements in an operating week only slightly longer, charged the FCC.

The station promised the FCC that it would improve its performance. This is a standard device, known at the FCC as "upgrading proposals at renewal time." In the past, a promise to improve was usually enough for the FCC to renew a station's license.

The FCC didn't put KORD out of business. Instead, the station got a 1-year renewal (instead of the customary 3-year license), and the Commission agreed with the station's own observation that "it is obvious that in any future license period KORD will be keenly aware that its performance will be scrutinized with great care."

The FCC also noted that it was impressed with recent improvements by the station. The Commission said: "KORD, through its principals and staff, has demonstrated fairly close and continuing contact with its service area in order to determine the area's needs. Further, the staff has been encouraged to participate in civic activities and at staff biweekly meetings there is discussion of ways and means to meet the area's needs and to participate in public service projects."

Obviously, the billion-dollar broadcasting industry would not be shattered over the fate of a 1,000-watt radio station in Pasco, Wash. What gives last week's "memorandum opinion and order" its impact was the warning issued to all broadcast licensees.

One Commissioner explained: "The Commission decided it would be unfair to single out KORD and that it would be better practice to apply the FCC's new policy prospectively and across the boards."

In its official notice, the FCC explained just why it would match promises against performance:

"It is one thing for a licensee to decide that its community has greater need for religious or educational programs than particular agricultural or talk, or entertainment programs—or, indeed, for an essentially new format.

"This is a judgment perculiarly within the licensee's competence. But it is quite another thing for the applicant to drastically curtail his proposed public service programing * * * and increase his advertising content and 'music-news,' without an appropriate and adequate finding of a change in the programing needs of his area.

"Nor can such an applicant mechanically recite, 'changing needs of the community.' He has a burden of demonstrating just why his community has less need for such public service programing than when he originally proposed it."

The KORD decision takes its place alongside the Suburban decision that was issued recently. In the case of Suburban the FCC turned down an applicant because no effort had been made to determine the needs of the community.

In the two decisions, it is obvious that public policy now demands two things. First, anyone who wants a broadcast license must seek out the "tastes, desires and needs of his community" and tell the FCC how he proposes to meet these needs. Secondly, he will have to make good on his promises.

[From the Washington Post, July 16, 1961]

MINOW'S A TOUGH ONE TO SMEAR

(By Drew Pearson)

It's supposed to be a trade secret, but word has been passed out from some of the top moguls of the broadcasting industry to "get Minow." This refers to the new Chairman of the Federal Communications Commission, Newton Minow, who had the temerity to blast crime, sex, and blood-and-thunder television.

Certain telecasters have been in a slow boil ever since and have started a quiet but intensive investigation of Minow's background. If they can come up with something in the way of a smear, they'll use it as hard as they know how.

Only trouble is that Minow has led a very circumspect and apparently righteous life. His chief public career was as law clerk to the late Chief Justice Fred Vinson, a rugged individualist and battler for human rights. After that, Minow joined the law firm of Adlai Stevenson in Chicago, where he kept his nose to the grindstone.

Minow is happily married, with a young family, and likes to spend his evenings at home. The broadcasters' hunt for skulduggery may be disappointing.

Meanwhile, the FCC is continuing to watch crime and sex on television, and the inside word is that TV stations using "The Untouchables" will have their licenses given careful scrutiny when they come up for renewal.

The National Association for Better Radio and Television has described "The Untouchables" as "not fit for the television screen." In a report on a typically brutal episode, the association comments:

"This demonstrates the victory of crime over law for 59 minutes less commercials. As always in this series, there was much crime, including five violent and horrible murders, one bombing, one stabbing in the back. The gangsters were well dressed, shown in important meetings, had a sense of power, outwitted authorities until the last minute when a mistake was made. They made huge amounts of money."

"The Untouchables" focuses on every horrible grimace in its scenes of violence and brutality. Here are a few typical scenes:

Gangsters free a kidnaped man after the ransom is paid, then gleefully machinegun

him in the back as he is running and rolling down a hill.

A wife watches with enjoyment as her husband is brutally beaten, the scene ending in a closeup of his bleeding head. Later he comes out of his stupor, goes to her hotel room and guns her down.

A pretty girl is slapped viciously by a gangster. Later 15 carefree girls are mowed down by machinegun fire, their terror and agony shown closeup for the audience to relish.

MONROE DOCTRINE VERSUS INTER-AMERICAN TREATIES

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the RECORD two excellently written letters which appeared in the Washington Evening Star of recent date under the heading "Monroe Doctrine Versus Inter-American Treaties."

I wish to make particular reference to one of them written by Mr. Herminio Portell-Vila, professor in exile, University of Havana.

He writes:

For the past few days I have been reading in your paper and in other papers a number of statements about the recent Cuban incident, the most recent one being the letter signed by Diego Aguila de Monteverde in the Star.

I am one of the seven Latin American delegates who in 1933, in Montevideo, drafted the Non-Intervention Pact of Montevideo. I was one of the Cuban plenipotentiary delegates to the VII International Conference of American States; but what is happening in Cuba today, and it is a pity that Mr. Aguila de Monteverde and some other people cannot see it, is that the Non-Intervention Pact has been violated by the Communist International. We never wanted to put a stop to the military and diplomatic intervention of the United States in Latin America, as practiced up to 1933, to open the way for the intervention of the Soviet Union in Latin America, that we have today. The case of Cuba is quite clear. There we have the intervention of Red China, openly flouting the principle of nonintervention.

Furthermore, all this sanctimonious respect for the Convention on Duties and Rights of the States, of Montevideo (Non-Intervention Pact), fails to take into consideration that inter-American treaties against intervention did not stop at Montevideo in 1933, but were reasserted in Lima, in Havana, in Panama, in Washington, in Rio de Janeiro, in Bogotá, in Caracas, and in Santiago de Chile as recently as 1959, all the time stating that the Republics of the two Americas were against intervention by the totalitarians of the right and the totalitarians of the left and should oppose it. Those who did not oppose Communist intervention in Hungary, Indochina, Greece, Tibet and so forth, by the Soviet Union and by Red China, now present themselves as the champions of nonintervention when there is Soviet and Chinese intervention in Cuba. Playing with words, with the sovereignty of the nations and with the freedom of peoples dominated by the Communists.

HERMINIO PORTELL-VILA,
Professor (in exile), University of Havana.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MONROE DOCTRINE VERSUS INTER-AMERICAN TREATIES

For the past few days I have been reading in your paper and in other papers a number of statements about the recent Cuban incident, the most recent one being the letter signed by Diego Aguila de Monteverde in the Star. Mr. Aguila de Monteverde talks about the Convention on Duties and Rights of the States (Non-Intervention Pact of Montevideo) as enjoining the United States from doing anything about the Communist regime of Fidel Castro in Cuba.

I am one of the several Latin American delegates who in 1933, in Montevideo, drafted the Non-Intervention Pact of Montevideo. I was one of the Cuban plenipotentiary delegates to the VII International Conference of American States; but what is happening in Cuba today, and it is a pity that Mr. Aguila de Monteverde and some other people cannot see it, is that the Non-Intervention Pact has been violated by the Communist International. We never wanted to put a stop to the military and diplomatic intervention of the United States in Latin America, as practiced up to 1933, to open the way for the intervention of the Soviet Union in Latin America, that we have today. The case of Cuba is quite clear. There we have the intervention of Red China, openly flouting the principle of nonintervention.

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HERMINIO PORTELL-VILA,
Professor (in exile), University of Havana.

In the letter by Diego Aguila de Monteverde in the April 29 issue of the Star under the caption "Monroe Doctrine Versus Inter-American Treaties" are to be found quotations from the Treaty of Montevideo and from the Charter of the Organization of American States, signed in Bogotá on April 30, 1948.

The writer, in the closing paragraph, states that the treaties of Montevideo and Bogotá must be respected by the U.S. Government if this country is to remain the land to which the world can look as the supporter of such basic principles as self-determination, liberty and justice for all men and for all nations.

Conceding the points in the preceding paragraph, it would be fair to ask whether Diego Aguila de Monteverde has given sufficient thought to whether his statements might further weaken the stand that must be taken in order to maintain freedom in this country and in all other countries not yet gobbled up by the Communists.

There is one thing that we must keep in mind: The Roosevelt era differs vastly from the Eisenhower and Kennedy era as far as the concert of nations is concerned. We must also remember the dignity of any one of the nations, including the United States of America. There must be a limit to the vilifications of one Castro, who, incidentally, is no respecter of the Charter of the Organization of American States. Why is it that Monteverde failed to make due note of that part of article 13 of the Treaty of Bogotá which reads: "* * * respecting at the same time the principle of universal morality and of human rights." In this connection, let us ask what excuses we can find for Castro that would outweigh his betrayal of his own country, now, essentially, a Russian satellite and a danger to all inter-American states. In the same connection we must also ask whether the time has come to slap down the traitor and tyrant in question and ask for the unqualified support of all other Latin American States and of those within Cuba who claim the right to be free—all in the name of human and of national dignity. Let us not forget that in the last analysis the Communists are engaging us in an unprecedented war, a real and ugly all-out war.

OSCAR E. MOLLARI.

COORDINATION OF INTELLIGENCE ACTIVITIES

Mr. SMATHERS. Mr. President, one of the most serious challenges confronting our Nation involves the collection, evaluation, and utilization of information—more technically referred to as intelligence—concerning the Soviet Union and world communism.

It is very understandable why we hear of frequent schemes relative to the organization and direction of our intelligence activities. I believe that all Members of Congress who have devoted attention to this matter share a common desire to assure that our intelligence activities are as effective as it is practicable to make them. However, in our desire to achieve increased effectiveness we must move with due prudence in this very delicate and vital area of national security endeavors. We must not take a precipitous course which would jeopardize the good features of our intelligence organizations and procedures.

Because of the seriousness of this problem, and the recognized necessity for clear thinking in this matter, I invite attention to the principal article "Unification of Intelligence" appearing in the June 1961 issue of the VFW American Security Reporter. This publication, devoted to national security matters, is published monthly by the Veterans of Foreign Wars of the United States, under the supervision of the VFW commander in chief, Ted C. Connell, of Texas. This article by Brig. Gen. J. D. Hittle, U.S. Marine Corps, retired, director of national security and foreign affairs of the VFW, discusses the dangers of arbitrary overcontrol of intelligence activities which could result from the establishment of an intelligence "czar."

Not only is this article in the VFW American Security Reporter important to the overall problem of intelligence, but it is of particular interest, as General Hittle points out the relationship of intelligence matters to the increasing—and in some respects dubious—reliance being placed upon electronic computers in attempting to prophesy the course of future warfare.

I am deeply impressed by the reasoning in this article, which reflects an unusually clear understanding of the intelligence functions and their relationship to the ultimate formulation of our national strategic policies. This article is another example of how the Veterans of Foreign Wars, whose membership

consists entirely of oversea veterans, continues to make important contributions to our national security thinking and thus to our defense posture itself. The VFW American Security Reporter exerts an important and constructive influence on defense thinking. I hope that all Senators will read this highly important article, "The Unification of Intelligence," because it will, I believe, provide a much better understanding of the need for extremely careful consideration of any of the reported proposals to centralize further the control of intelligence activities.

Mr. President, I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE UNIFICATION OF MILITARY INTELLIGENCE

(By Brig. Gen. J. D. Hittle, U.S. Marine Corps, retired, director, national security and foreign affairs, VFW)

According to persistent reports out of the Pentagon, the next major target for centralized control is military intelligence. If serious consideration actually is being given to setting up a "czar" over intelligence functions of the Army, Navy and Air Force, then there is genuine cause for concern.

There can be no question but what many financial and administrative aspects of defense are proper subjects for overall coordination and direction. Such has been demonstrated persuasively through the single manager system in overall Department of Defense supervision of procurement and distribution of common items. Also, centralized coordination of research and development is required to prevent unnecessary and wasteful types of duplication. Yet even in this field an arbitrary overall direction could lead to throttling original and bold thinking.

Centralized direction of military intelligence, however, must be approached with the greatest of caution. Such caution must be based upon an appreciation that the collection, evaluation and utilization of intelligence is not a precise science. Intelligence, relating to all aspects of actual or potential enemies, is probably the most abstract feature of the art of war. Such things as military morale, national determination, the mental power, the physical stamina, and the will of leadership are certainly not subject to precise calculation.

Also, it must be realized that intelligence functions of the Army, Navy and Air Force are highly specialized and involve complicated procedures within the services themselves at the present time. Whatever kind of overall intelligence "czar" may be contemplated, it is inconceivable that the specialized intelligence functions of the Army, Navy and Air Force could be merged into one sprawling system under a new authority. The service intelligence functions must of necessity be continued regardless of what labels are applied to the organization. If they are bundled up into one big ball, confusion in the intelligence field will be unavoidable. Confusion in intelligence activities inevitably leads to mistakes that snowball into disasters.

Yet, in approaching any proposal for unification of intelligence functions there is one fundamental fact that should be kept in mind: the intelligence process in the defense establishment is today certainly far from being a willy-nilly, freewheeling operation as might be inferred from those who are pushing for an even tighter type of control. The intelligence organization within each military service involves a carefully established organization based upon highly specialized experience. The joint staff under the Joint Chiefs of Staff includes a highly organized J–2 (intelligence) directorate. Above the defense level the blending of military and other intelligence is effected through the National Intelligence Board which produces the overall national intelligence estimates for the National Security Council and, of course, the President.

Of all the various types of military endeavors intelligence lends itself least readily to the neat package approach. If our national strategy is to be sound, it must be thoroughly objective. Objectivity depends in large measure upon intelligence as to the actual or potential enemy. The history of warfare demonstrates repeatedly and conclusively that there is no quicker way to have a military disaster than to lose objectivity in war planning. The loss of objectivity invariably results from wishful thinking in the intelligence process. Consequently, if there is any place for arbitrary direction as to what is to be searched for, what is to be done with such information, and what that information means, it is not in the intelligence field.

Any person who possessed power to direct all military intelligence would have the power to shape the nature of the intelligence that would be produced. By so shaping the nature of the intelligence produced, that individual would be, in turn, actually shaping the nature of our national strategy. There would be no guarantee that the enemy would be so cooperative as to make his war plans conform to our preshaped conclusions.

Total objectivity in the intelligence field is even more important today in view of the increasing use being made of electronic computers in war planning. As smart as a computer may be, it is still dependent in reaching its conclusions upon what is "cranked" into it in the way of initial data. Thus, what comes out of the electronic brain depends upon what goes into it. A "czar" who decided what intelligence goes into the computer could pretty well determine in advance what kind of decisions would come out of it. This, of course, underlines the pitfalls of lack of objectivity in the overcentralized control of intelligence; and it also points up the dangers inherent in overdependence upon electronics rather than human brains.

This is not to say that technological devices should not be used. But it does mean that, when the fate of the Nation and our civilization are at stake, wisdom, insight, and the rare attributes of inspired leadership will be found in the human brain and never in manmade electrical circuits.

If there is any place in the governmental process where a "clash of opinion" is appropriate in presentation of information to the responsible officials, it is in the matter of intelligence. Only those responsible for the decision and its results should have the power to judge major intelligence matters. By the same token such judgment must not be undermined by a subordinate having the authority to shape through administrative control the nature of intelligence that reaches his superiors.

The proper place for such clash of opinion to occur and for the judgments to be made is in the Joint Chiefs of Staff, the National Security Council, and the White House.

As a postscript, it seems appropriate to observe that we are indeed, through increasing reliance on electronic computers in attempting to predict the course of warfare, approaching a questionable situation. It has long been axiomatic in the field of military history that one of the most difficult tasks is trying to ascertain for sure what actually happened in war. Are we, in fact, unwittingly seeking escape from crucial decisions by delegating that responsibility to electronic computers; and are we thus trying to write history in advance? Are we succumbing to the same frailties as those ancients who before the battle consulted the oracles who were the then acknowledged experts in reading the future in tea leaves? If so, we have permitted electronics to bypass intellect and carry us full cycle into man's past, and man's mistakes.

DANGER OF TRAGIC CUBAN SITUATION BECOMING PERMANENT

Mr. SMATHERS. Mr. President, a new danger faces America today—as if we did not have enough already.

The tragic Cuban situation is in danger of becoming permanent if Fidel Castro is permitted to carry out his new troika formula. Castro hopes to solidify his Red dictatorship through a three-step program.

First, he seeks postponement of any hemispheric action against his regime at this time, to be followed by, second, toleration of his Communist rule, both by the nations of the Western Hemisphere and the whole world. Third, finally, he hopes to gain acceptance of his dictatorship in fact, if not in law.

The grave danger to this hemisphere if Castro continues in power has been pointed out in an important article written by Harold Milks, the Associated Press correspondent in Havana for the past 2 years, until he was forced to flee Cuba. Milks, who has been covering Communist trouble spots in the world for 15 years, said in this article:

Based on a knowledge of communism and its tactics learned firsthand in China, in the Soviet Union, and in Cuba, and in conversations with diplomats and competent observers in all these areas, I predict that communism will have a hold on much, if not all, of Latin America in 3 years, if the Castro regime remains in power in Cuba.

This is a sobering conclusion, but one which I believe is shockingly close to the truth.

I ask unanimous consent that Mr. Milks' article, as published in the Miami Herald of June 18, 1961, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW RUSSIA, CHINA ARE USING CUBA TO SUBVERT LATIN AMERICA

(By Harold K. Milks)

Communist China and the Red regime of Fidel Castro stemmed from a common front—agrarian reform—but the guiding hand behind both was that of the Kremlin.

Today Nikita Khrushchev and the Peiping Chinese are racing to see which can exploit Cuba fastest as a means of penetration to the rest of Latin America.

During the past 15 years of reporting news events abroad I have watched communism spread over once-free China, studied its rapid development in the Soviet Union, and witnessed its relentless envelopment of tiny Cuba.

The reaction to these developments and to their apparently placid acceptance by some Western peoples and governments, at times including our own, has been terrifying to one who knows what communism is.

There are profound similarities in the Chinese Communist revolution mounted from the cave-studded hills of remote Yenan after World War II and in the bearded Castro's adroit twist of a once popular demo-

cratic revolt against Cuban ex-Dictator Fulgencio Batista into a Russian and Red Chinese-guided regime.

These similarities represent to me further proof that both were shaped by the Kremlin in line with boasts I have heard Nikita Khrushchev make that the Soviet Union will some day bury the West.

When I first reached China in 1946 to report Gen. George Marshall's ill-fated peace mission, Communist leaders there had dropped their guise of agrarian reformers. They had emerged as full fledged, Moscow-directed and trained Communists as devoted to making their vast country Red as Khrushchev is to making ours a completely Communist world.

When I left Havana last month after 2 years of watching the Castro revolution swing steadily into the Communist camp, leaving many of his own lieutenants dead, in prison, or in exile, 6 million Cubans were trapped in a Communist military dictatorship as vicious and as cruel as any in the postwar years of Eastern Europe.

So, in the brief span of 15 years, world communism had routed the United States and its interests from a great area of the Pacific on the one hand and on the other given the Kremlin and its associates their own strategically placed "offshore" island only 90 miles from the American frontier.

LATINS TO FALL IN 3 YEARS

Based on a knowledge of communism and its tactics learned firsthand in China, in the Soviet Union, and in Cuba, and in conversations with diplomats and competent observers in all these areas, I predict that communism will have a hold on much, if not all, of Latin America in 3 years, if the Castro regime remains in power in Cuba.

The Castro philosophy and the Communist philosophy alike demand expansion. It is no secret today that Cuba and its 2-year-old revolutionary regime has been picked as the spearhead of Red penetration into other Latin American areas.

Castro himself announced publicly that he expected to see the Andes Mountains become the Sierra Maestra, or birthplace, of new Castro-type revolutions in South America.

The big support Russia and Red China are giving Castro today, especially in armaments, are far greater than he requires in Cuba alone. The natural inference is that Cuba is simply a staging area for an advance into Latin America.

BEGAN IN SAME MANNER

A study of revolutionary movements at firsthand in remote China and in neighboring Cuba produces some startling similarities.

Communist leaders in both nations—and Fidel Castro must now be included among them—began their campaigns with the promise of sweeping agrarian reforms aimed at helping the landless and the little people of the two nations.

Both battled admittedly corrupt regimes to achieve national power. In China the rule of Generalissimo Chiang Kai-shek and in Cuba that of Batista degenerated into a succession of terroristic activities—now replaced by new tyrannies. In both nations the United States became the favorite whipping boy, and "Hate America" became the theme song of Communists and their associates.

Perhaps as a natural result of these similarities in origin, Red China is competing with the Kremlin today for the right to guide Cuban policies and the overall program of Communist penetration into the rest of Latin America.

Cuban Communist leaders, who boasted in the past that they control Fidel Castro's mind, and so can afford to permit him to continue as head of the revolutionary government, give strong lipservice to both the Moscow and the Peiping regimes.

LATIN AMERICA FERTILE

During 3 years in China I talked with Mao Tze-tung and more frequently with Premier Chou En-lai and his top lieutenant, Wang Ping-nan, now Peiping's Ambassador in Poland.

All three spoke with interest about Latin America and all three even at that time regarded it as a fertile ground for Communist expansion once their war wth stubborn, faltering Chiang Kai-shek was won. It took more than a dozen years and Castro's victory over Batista to open the way into Latin America for them.

There was no less interest about Latin America evidenced in Moscow where from 1956 through 1959 I watched Premier Khrushchev whip his followers into a race to outproduce and outperform the United States in every part of the world.

There I watched in 1959 as Cuban Communists fresh from the Castro victory described to an international meeting the prominent place Communists played in Castro's successful revolution.

Later in Havana these same leaders denied their own statements, claiming they were misquoted in Moscow. At that time Cuban communism was not yet ready to emerge as the real power behind bearded Fidel and his "humanist" revolution.

PROGRESS TO TERROR

Similarities of origin and hate of the United States were not the only parallels I found in the Chinese and Cuban revolutions. The pattern of development from a relatively democratic rule into a regime of armed terror was the same in each country.

Round-faced Mao used to tell visitors to his old Communist capital of Yenan how the overthrow of Chiang Kai-shek would liberate all Chinese from political and economic slavery.

"Each man will be his own master," he promised. "And every man who wants it, will own his own land."

His promised liberty for the Chinese millions was brief. Almost before they knew what was happening, the Chinese people were herded into communes and their land expropriated for collective or State-operated farms.

Personal liberty became as remote under communism in China as economic freedom. My own Chinese assistant was tried by a people's court in Nanking and executed by a pistol shot in the head, presumably because he had been a long associate and good friend of Americans. Thousands more suffered a like fate.

SAME PATTERN IN CUBA

Exactly the same pattern prevailed a decade later in Castro's Cuba.

Two years ago last May, Fidel Castro led his entire cabinet—including a minister of agriculture he executed recently for counterrevolutionary activities—into the Sierra Maestra mountains to enact a stringent agrarian reform law. It promised land for the landless and reasonable reimbursement for those whose land was seized.

Today both promises have long since been forgotten.

Except for a few thousand showcase examples in which peasants were given plots of land as their own, Cuba's great agricultural holdings have passed into the hands of the state, controlled and operated by Castro's powerful Institute of Agrarian Reform.

Most of the land has been lumped into a variety of cooperatives or collective farms. As in Russia, the former peasants now work for the state instead of landlords, and frequently for far less income.

For a few months after the Institute of Agrarian Reform started, Castro and his lieutenants spoke loudly of government bonds to be issued as a reimbursement for seized property.

Then all mention of reimbursement—and bonds—was dropped. Even the pretense of repayment disappeared when President Eisenhower cut off Cuban sugar sales to the United States. Castro announced coldly that American holdings in Cuba had been confiscated.

PROMISES FORGOTTEN

Castro's promises of personal liberty, of freedom from army and police excesses he had condemned during the Batista regime, were forgotten as quickly as his pledges to pay for land.

For many months all Cubans—and some foreigners—not actively identified with his revolutionary program faced danger of arrest, a quick military trial, and imprisonment or execution against a brick wall.

Lawyers who defended victims of arrest and military trial said the hearings were farces, that frequently verdicts, even death penalties, were decided before the hearings began.

MILITARY POWER GROWING

Castro's growing military power in Cuba has kept almost exact pace with the emergence of communism as the dominant factor there. When his Communist trained militiamen beat back the invasion in April they did it largely with Communist weapons, and observers reported Russian, Chinese, and Czech military instructors played a big part in the fighting.

Russian, Czech, and Chinese advisers were not only on the Cuban battlefront but are in every activity of the Castro regime.

Thrice-weekly KLM planes bring them by the dozens from Europe by way of Curacao to avoid the United States. Every incoming cargo, oil, and sugar boat from the Iron Curtain has its quota of unannounced passengers.

As the last American correspondents left Cuba, diplomats were talking of the expected arrival of four Russian destroyers, gifts to the Castro regime. These sources claimed at least two were already on the way, flying Cuban flags but manned by Russian sailors in the absence of qualified and trained Cuban officers and men.

Today Castro has the strongest fighting force in Cuban history, if not in all Latin America, aside from a weak air force and a small navy. He has placed more than 400,000 men and women under arms.

IS THERE A SOLUTION?

Is there a possible solution to the Cuban "problem"?

Foreign diplomats and other observers with whom I talked before leaving Havana recommended various measures ranging from outright and immediate military intervention by the United States to a firm and complete embargo on all trade with Cuba.

Cubans were sharply and at times hysterically critical of the U.S. Government for announcing an embargo, then continuing to sell foodstuffs and medicines to Cuba and buying tobacco and fruits from the Communist government.

Less vitriolic but no less intense was a Cuban businessman who reminded me of Castro's steady military buildup.

"Castro had no Mig fighters during the April invasion," the businessman said. "But don't forget the next time he may have.

"Every day he remains in power makes it that much harder to dig him out."

PROPOSAL TO LIMIT EXPENSE ACCOUNTS TO $30 A DAY

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an interesting article entitled "If Adlai Had Only $30 a Day, He'd Flop Big," written by George Sokolsky and published in the Miami Herald of July 5, 1961.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IF ADLAI HAD ONLY $30 A DAY, HE'D FLOP BIG

(By George E. Sokolsky)

It would not be absurd for one who was accustomed to live in a log cabin to find a $30 a day expense account not only sufficient but with ample to spare. He might live on hamburgers and hot dogs, sleep wherever he could, sponge on his acquaintances, use kerosene instead of gasoline for his car, wear a beatnik costume and shave on Christmas and Easter only.

For the businessman, particularly salesmen, $30 a day is almost too little to bother about, particularly if it is necessary to keep books too. And that is the worst thing about all these tax matters—the keeping of books. Let the boss get indigestion. Let the Japanese or West Germans sell the goods.

United States pays $30,000 a year for Ambassador Adlai Stevenson's apartment at the Waldorf-Astoria. It is not too much. Such an Ambassador has to entertain constantly and he must have a suitable place for that purpose. We want votes in the United Nations and we need to do what is necessary and usual to get them.

What would happen to Adlai Stevenson's representation at the United Nations if he were permitted to spend only $30 a day? Offhand I would say that he would meet with complete failure. Many of the delegates would be insulted because they were not invited to dinner according to protocol. This is the way of the world. For $30 a day Stevenson could not do much entertaining at the Waldorf or any other hotel or restaurant in New York.

Of course, some businessmen have abused the expense accounts, for which there can be no justification. They charge everything that other men normally pay for themselves out of earnings to their business expense account. But the fact that some men are dishonest does not justify hog-tying American business so that it cannot do its work adequately. That is the fallacy of generalizing from the particular.

One of the most important phases of American business activity is the convention. There men meet those who are in the same line or who have similar or associated interests. There they listen to speeches on important subjects, often by representatives of Government. There new ideas are widely circulated and new products are exhibited. The convention is essential to the conduct of modern business because men live so far apart.

Such conventions are usually held in large cities where there are suitable convention halls or in such special places as Hot Springs where the hotels are adjusted for the purposes. New York City has recently built the Coliseum for convention purposes at great expense. Many large cities maintain convention bureaus to get the conventions to come to their cities. As regards political conventions cities are known to make a heavy contribution to the convention fund. The idea is that the shops, theaters, restaurants, and hotels benefit from conventions which bring considerable money into the town and they are worthwhile.

No one could attend a convention today on a top limit of $30 a day. It would hardly pay for food, drinks, and cigars. If it were one of those affairs to which the wife was brought to prove that the male animal really was a very busy man, doing honest and useful work, $30 a day would barely pay for the extra clothes mamma had to buy so that she might look as presentable as the rest of the folks. No man wants to hear:

"Business must be bad for Jack. Look at his wife. She wears clothes that a steno would not be seen in."

That can start sensitive business rumors that could do considerable damage. Business has many facets, not the least of which is establishing sound credit not only in the sence of current balance but confidence in the future. In this respect an expense account becomes as important as advertising or public relations.

When an expense account is used as untaxed salary, the twister should be punished for fraud. But when the expense account is used to stimulate business, to improve a product, to exchange ideas, to bring in customers, to be productive in the national welfare, then it is more than justified by the results it attains.

Certainly $30 a day, at present prices, is not enough for anything.

DEATH OF FORMER REPRESENTATIVE PAUL C. CUNNINGHAM, OF IOWA

Mr. HICKENLOOPER. Mr. President, it is with much personal sadness that I announce the death yesterday of former Representative Paul C. Cunningham, of Iowa. He died at his summer home near Nisswa, Minn.

Paul Cunningham was a longtime close personal friend of mine. We began our first public service together in the Iowa Legislature many years ago. Our friendship and association continued during that period of time.

I shall have more to say about former Representative Cunningham at some time in the near future. Meanwhile, I express my sincere sympathy to his wife, Gail, and to his children, who survive him.

I feel a deep sense of personal loss in the passing of a longtime, valued friend.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article relating to the death of former Representative Cunningham, which was published in the Washington Post of today, July 17, 1961.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REPRESENTATIVE CUNNINGHAM, IOWA, SERVED FROM 1940 TO 1958

Former Representative Paul C. Cunningham, Republican, of Iowa, died yesterday at his summer home near Nisswa, Minn., after suffering an apparent heart attack. He was 71.

According to his wife, Mr. Cunningham was stricken in the morning while they were preparing to go to church.

He served in Congress 18 years from Iowa's Fifth District, the area in and around Des Moines, from his first election in 1940 until his defeat by the present incumbent, Democrat Neal Smith, in 1958.

During his terms in the House he served successively on the Public Works, Veterans' Affairs, and Armed Services Committees.

Military and veterans' matters were his particular interest, stemming from his own service in the infantry in World War I and his two sons' service in World War II. One son, Edward, was killed on Saipan.

Mr. Cunningham was particularly proud of his part in helping to draft and enact the GI bill of rights.

He favored foreign aid and also backed the Benson farm program longer than most of his midwestern colleagues.

After his defeat, Mr. Cunningham returned to his law practice in Des Moines.

Mr. Cunningham was born in Indiana County, Pa., and was graduated from State Teachers College there in 1914. He received a law degree from the University of Michigan in 1915.

He served as a captain in the Iowa National Guard and in the State house of representatives before entering Congress.

He was a member of the American Legion and the Westminster Presbyterian Church in Des Moines.

Surviving are his wife, Gail, a son, Paul, and a daughter, Harriet, all of Des Moines.

Mr. KEATING. Mr. President, will the distinguished Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. KEATING. I wish to join with the distinguished Senator from Iowa in expressing sympathy to the family of Paul Cunningham, with whom I served for a number of years in the House of Representatives. We were close personal friends. We discussed many issues frankly and openly. Paul Cunningham was a man of conviction, a man who served his district, his State, and the Nation extremely well. He was a hard-working, intelligent sincere man. I deeply regret his passing.

CONGESTED CALENDAR OF COLORADO SUPREME COURT—ARTICLE BY ASSOCIATE JUSTICE WILLIAM E. DOYLE OF COLORADO SUPREME COURT

Mr. MOSS. Mr. President, one of my former classmates at the George Washington University Law School is William E. Doyle, who is now an associate justice of the Colorado Supreme Court. Bill Doyle has rendered outstanding service to Colorado and to the judicial system of this country by his substantive analysis and efforts in interpreting the law of the great State of Colorado.

But Bill Doyle has done more than this, in his efforts to regularize and systematize the disposition of cases in the court, that have built up into a great backlog. This is a common problem in our State courts of appeals, as well as in the Federal judiciary. The outstanding job he has done is certainly worthy of note.

He has written an article entitled "Battle of the Backlog," which was published in the Journal of the American Judicature Society for June 1961. I am very proud of the work of Judge Doyle, and I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BATTLE OF THE BACKLOG IN THE COLORADO SUPREME COURT

(By William E. Doyle)

The judicial machine, like any other, comes in need of repairs and sometimes replacement of worn or obsolete parts. Much effort has gone into both aspects in Colorado during the past 5 years. The instant discussion will deal with a limited part of the repair effort—that which has sought to get out from under the worrisome and frustrating docket congestion condition. It includes some analysis of the factors which have been responsible for the condition, and consideration of the administrative changes which have been employed to cope with it.

an evaluation of the permanent adequacy of these means and predictions as to the demands of the future. Needless to say these are one man's observations and do not purport to reflect the attitude of the court or any judge other than the author.

As of October 1959, which is the date when the backlog reached its peak, there were more than 330 cases at issue and ready for disposition. At that time there was a total of 538 pending cases. The waiting period from the date that the case came to issue until the date of decision was in excess of 2 years.[1] When the time required for perfecting of the review, including the obtaining of the record on error and the preparation of briefs, was added it meant that an appeal was consuming in excess of 2½ years. This must also be considered in the light of the fact that a period approaching or exceeding 2 years had been required to try and obtain the judgment which was to be reviewed. The net result was that the litigant often lost interest in his cause by the time of decision. He might even die or his lawyer would pass to his reward or the issues would become moot.

What forces were responsible for the development of this condition?

First, although somewhat axiomatic, the fact that court reform is difficult to achieve is one factor in the accumulation of undecided cases. The courts themselves are so absorbed in daily demands that they find themselves unable to find time for administrative planning and streamlining. They need staff assistance to help formulate and implement a program. The public does not become concerned until the condition reaches a notoriously high level and this also slows efforts to achieve improvements.

Second, Colorado experienced an unparalleled population increase during the 1950–60 decade. We grew from 1,325,089 to 1,735,315—an increase of more than 400,000. There was an accompanying financial expansion which necessarily increased litigation tremendously. The number of filings increased sharply, from less than 200 docketed in 1952 to over 400 in 1959. Using machinery, personnel, and methods geared to prewar conditions, the court was not prepared to cope with the surge.

DELAY BEGETS DELAY

Third, although there are no figures to prove it, delay appears to beget more delay. Once a long period of waiting becomes an established fact the filing rate seem to increase and there is reason to suppose that many reviews are filed for strategic purposes. This delay can serve to improve the bargaining position of the party appealing. Thus, the battle of the backlog becomes even more a losing fight by reason of the existence of a bulk of undecided cases.[2]

Other explanations could be cited, none of which involve any lack of substantive effort on the part of the judges. For example, protracted illness of one or more judges greatly contributed to the condition during the early 1950's.

A practice grew up prior to 1956 of affirming cases without written opinion. No doubt this expedient permitted the court to curtail somewhat the disparity between filings and dispositions, but it was abandoned in 1957 and thereafter the backlog increased sharply. This is not offered as a criticism of the action taken in 1957. The no-opinion decision is generally conceded to be undesirable. An opinion, even though it be limited memorandum, furnishes an important safeguard against inefficient review.

The explanations offered above are based somewhat on speculation but are considered to be worth mentioning with an effective program of planning looking to prevention.

Discussion of the steps taken to increase case dispositions requires a brief prefactory consideration of the significant background work which involved surveying of the entire judicial system and recommending improvements or reforms.

The logical forerunner of the judicial department and the methods now being employed was the creation of the judicial council. Soon after assuming office as chief justice, Judge O. Otto Moore requested the Governor to appoint a committee of lawyers, judges, representatives of the law schools, and members of the assembly. In November 1957, a council composed of three representatives was appointed by Governor McNichols and it immediately commenced its deliberations. The 41st general assembly passed house bill No. 14 which gave legislative approval to the judicial council. Chief Justice Moore was then appointed chairman. Committees were appointed and investigations went forward. The council completed its work and was succeeded by the committee on the administration of justice of the legislative council. The general assembly thereafter passed Joint Resolution No. 16.[3] This created a study group composed of 12 members of the assembly to be aided by an advisory committee consisting of members of the bar, judges, and faculty members of the law schools. An appropriation was made for a professional staff and to defray necessary expenses. This appears to be a relatively permanent committee with a broad mission which includes investigation of congestion in the courts and the recommendation of measures to alleviate this congestion. A new judicial article to replace the present 1876 one is in contemplation.

The 41st general assembly also passed legislation creating the judicial department.[4] This administrative arm of the supreme court has had a direct and significant hand in solving the court's docket problem. Its activities are not, of course, limited to the supreme court's problems, but its work in improving the administration of justice in all of the courts is beyond the scope of the present discussion.

The appellate committee of the judicial council attacked directly the problem of the sharply increased caseload. It considered the feasibility of substituting a discretionary method for the present writ of error. This proposal contemplated a summary review and disposition of the less significant cases. A companion recommendation called for an intermediate appellate court to work in conjunction with this restriction of supreme court review.

JUDICIAL COUNCIL AND ASSEMBLY EFFORTS

The efforts of the study committees of both the judicial council and of the assembly have focused attention on the docket problem in our court, as well as the trial court, and the urgent need for action, and in this way have accelerated the program. The recommendation of the judicial council that an intermediate appellate court be created offers a long term, but presently impractical, solution of the docket problem. This plan may be adopted at some future time, but in the meantime short-term solutions have had to be employed and the purpose of the present discussion is to describe and evaluate the steps which have been taken.

The primary objective of the judicial department pertains to "* * * the supervision of all courts of record in the State of Colorado." Accordingly, most of its efforts are directed to aiding the justices in department supervision of trial courts, the conducting of meetings for judges and clerks, and the promulgation of court rules and manuals. In addition, this department has been of great value to the court in developing its own program for clearing the docket. Some of the areas in which it has demonstrated its competency include:

1. By performing administrative detail in connection with supervision of the courts which the court itself would otherwise be required to perform, it has relieved the individual justices of much time-consuming effort.

2. By doing research and submitting draft rules, it has relieved the justices in this area of legislative duties.

3. It has aided in the formulation of internal policies and procedures looking to more effective disposition of cases.

4. By preparing reports and charts, it has helped the court to maintain a continuing audit or self-survey so that it can be aware of the extent of progress, if any, in its case disposition.

Apart from the items listed, the department has intangible and immeasureable value. Its mere presence reminds the court that it must be active in its effort to bring the docket under control and to adopt effective preventive methods looking to avoidance of the future congestion.

RECENT INCREASE IN CASE DISPOSITIONS

In 1960, cases disposed of with full opinions reached a total of 369 in contrast to only 250 in 1959, and a mere 159 in 1958.

The previous 16 years show an annual average of approximately 170 dispositions with full opinions with a low of 136 in 1951. Thus, the 1960 disposition rate was more than 2½ times the average. A survey of all the highest State appellate courts revealed that no other court had disposed of as many cases with full opinions in 1959.

The report of the judicial administrator, published in September 1960, attributes this increase to "* * * present procedures, imaginative work, and tireless effort." It further declares that these factors have "* * * pointed the way to reduction and ultimate elimination of the critical backlog of 331 cases at issue that confronted the court a year ago." The report predicts that "* * * continuation of the present procedures should reduce delay to 13 months from issue to decision by 1960 and will have the court substantially current by the end of 1961." This report also acknowledges the employment of district and county judges in the backlog reduction program to be a significant influence in the results achieved.

THE PRESENT PROCEDURES

It seems worthwhile to recapitulate the present procedures and at the same time to evaluate them as permanent or temporary aids.

1. Employment of law clerks for research assignments: The general assembly authorized the employment of clerks in 1904 (see C.R.S. '53, 37–2–11). However, during the ensuing years no appropriations were forthcoming and clerks were never employed. In fact, it is questionable whether they were ever requested. In any event, a measure was passed in 1959 which not only authorized the clerks but also appropriated money to pay the salaries of $5,000 per year. Most of the members of the court agree that the addition of law clerks to the court's staff has been highly successful. The extent of their effective use will vary in individual

[1] Report of Judicial Administrator, 1959, p. 11.

[2] See Report of Judicial Administrator, p. 13, as follows:

"The high appeal rate may grow out of delays in the court that permit appealing parties to stall, uncertainties in the law that are generated by doctrinal changes or speculation that stems from presence of a substantial reverse rate. The effects of these factors, however, is not demonstrable from statistical data now available."

[3] Colorado Sessions Laws 1959, p. 924.

[4] Colorado Sessions Laws 1959, ch. 93, sec. 1–2.

instances; however, experience has shown that they are capable of performing a wide variety of tasks. For example, they have proven highly useful in preparing memorandums for the use of judges in connection with oral arguments. They can be used to research and pinpoint legal questions which arise in the mind of the judge as opinions are being written. They can be assigned the tasks of discovering the essential facts lurking inside a record, or they can be assigned the job of preparing a memorandum opinion to the dictates of the justice. This writer considers the law clerks a highly important adjunct and personally hopes that they continue on a permanent basis.

2. The hearing of cases in departments: The constitution, article VI, section 5, has authorized for some time the department system for disposition of most cases, the exceptions being constitutional law issues and cases which have a high degree of public importance. The number of cases which can be ready for disposition is doubled by the use of the department method. It also has the advantage of less formality and less deliberation with respect to minor features in the opinion. As a consequence there can be many more case dispositions by proceeding in this manner and experience has now established this fact.

3. The use of oral arguments in all cases: This is somewhat time consuming and probably does not of itself increase the disposition rate, but it serves to improve the quality of the opinions by bringing into focus the issues of the cases and the important factual material which counsel considers a significant part of the case. By obtaining the aid of attorneys in the process of getting a case to decision, it is less likely that the case will be decided on some foreign basis, which is always a risk in cases submitted without oral argument. And so, it is believed that the oral argument's contribution is in the area of improvement in rendering decisions rather than in the area of increasing the number of them.

4. The use of district, county, and retired supreme court judges to assist in opinion writing: This program was started in 1960 as a result of a measure sponsored by the assembly committee. It authorized the payment of an honorarium to the judges. They hear oral arguments, attend the conferences of the court without voice or vote, and write opinions which reflect the court's decision. These opinions are modified and are finally approved or reassigned. Formerly, these were published as per curiam decisions of the court. Now, however, they are assigned to individual members of the court who are responsible for their form and content.

5. Docket planning: The chief justice, working with the clerk of the court and sometimes the judicial administrator, sets up the docket several weeks in advance. This assures the continuing flow of cases to the members of the court, the maximum effective use of the district and county court judges, and the scheduling of logical alinements of cases.

6. Analysis of pending cases: The staff of the judicial department make some study of pending cases with a view to logical groupings for oral arguments regardless of the position of the case on the docket. Oftentimes this permits numerous sovereign immunity or guest statute cases to be set for argument on a single day. This method prevents repetitious argument and serves also to bring maximum information on similar legal issues to the attention of the court.

7. Publication of assigned cases: The regular circulation among the justices of the list of cases assigned to individuals, together with the date of the assignment, serves as an effective, even though subtle, persuasion technique. This brings to life the old cases and also serves to remind the judge who is not current of this fact. If this subtle reminder proves insufficient, the chief justice can take more drastic steps such as the reassignment of the case.

By the use of the methods listed, together with the tireless effort mentioned in the report of the judicial administrator, considerable progress in the reduction of the backlog has been made. The question might well be asked how there can be progress, even when the disposition by written opinions reaches a high of 370, in view of the fact that the number of filings continues to be high. As of 1959, the filings exceeded 400; however, the number of cases filed in 1960 declined to 364. In addition, a substantial number of writs are disposed of on motions. Thus, if the filings stabilize at 350 and the court's opinions are maintained at a level in excess of 250, we can with other dispositions stay ahead of the intake without help from district and county judges.

SITUATION SHOULD BE REEVALUATED CONTINUOUSLY

The foregoing is perforce a very brief discourse of the battle of the backlog in the supreme court, emphasizing the necessity for a continuously aggressive attitude on this subject so as to conquer the present congestion and avoid a future backlog beyond reasonable limits. This can be achieved through a program of continuous comparison of population increase, case filings and case dispositions. It will not cease to be a battle at any time however. Even when the waiting period is no more than 6 months, the fight to maintain it in that condition will have to be continued. One ray of hope can be offered. The court has definitely demonstrated its ability to handle the caseload without the aid of outside judges. Therefore, if it achieves a victory over the present congestion, there is every assurance that it is capable of waging the continuing battle to avoid future backlogs.

All the emphasis given to the mechanics of defeating the backlog and maintaining docket controls must not be interpreted to mean that quality of the decision or opinion should be sacrificed in any respect. It is submitted, however, that the objective of staying on a current basis and at the same time upholding the quality of the decision are not at odds. In fact, there is no validity whatever to the suggestion that the adoption of sound principles of judicial administration result in mechanizing the judicial process. Actually, the contrary is true. If the judge is relieved of administrative demands he can devote himself to the really important task of deciding cases and the writing of knowledgeable opinions.

THE CALENDAR

The PRESIDING OFFICER. In accordance with the order previously entered, the Clerk will proceed to state the items on the calendar, beginning with Order No. 458, H.R. 4539.

BILLS PASSED OVER

The bill (H.R. 4539) to amend section 723 of title 38, United States Code, to provide for immediate payment of dividends on insurance heretofore issued under section 621 of the National Service Life Insurance Act of 1940, was again announced as first in order.

Mr. MUSKIE. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1690) to amend title VI of the Merchant Marine Act, 1936, as amended, in order to increase certain limitations in payments on account of operating-differential subsidy under such title, was announced as next in order.

Mr. MUSKIE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 879) to amend title 38, United States Code, to provide increases in rates of disability compensation, and for other purposes, was announced as next in order.

Mr. MUSKIE. Over.

The PRESIDING OFFICER. The bill will be passed over.

AUTHORIZATION OF ANNUAL APPROPRIATIONS TO REIMBURSE COMMODITY CREDIT CORPORATION

The bill (S. 763) to authorize annual appropriations to reimburse Commodity Credit Corporation for net realized losses sustained during any fiscal year in lieu of annual appropriations to restore capital impairment based on annual Treasury appraisals, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 1 and 2 of the Act of March 8, 1938, as amended (15 U.S.C. 713a–1, 2), are hereby repealed.

SEC. 2. There is hereby authorized to be appropriated annually for each fiscal year, commencing with the fiscal year ending June 30, 1961, out of any money in the Treasury not otherwise appropriated, an amount sufficient to reimburse Commodity Credit Corporation for its net realized loss incurred during such fiscal year, as reflected in its accounts and shown in its report of its financial condition as of the close of such fiscal year. Reimbursement of net realized loss shall be with appropriated funds, as provided herein, rather than through the cancellation of notes.

SEC. 3. In the event the accounts of the Commodity Credit Corporation reflect a net realized gain for any such fiscal year, the amount of such net realized gain shall be deposited in the Treasury by the Commodity Credit Corporation and shall be credited to miscellaneous receipts.

BILL PASSED OVER

The bill (H.R. 258) to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, and for other purposes, was announced as next in order.

Mr. MUSKIE. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

ACQUISITION OF LAND FOR ADDITION TO CUMBERLAND GAP NATIONAL HISTORICAL PARK

The bill (S. 1018) to authorize the Secretary of the Interior to acquire 9 acres of land for addition to Cumberland Gap National Historical Park, and for other purposes, was announced as next in order.

Mr. MUSKIE. Mr. President, I move that the Committee on Interior and Insular Affairs be discharged from the further consideration of House bill 5548, an identical bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I move that the Senate proceed to the consideration of House bill 5548.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 5548) to authorize the Secretary of the Interior to acquire approximately 9 acres of land for addition to Cumberland Gap National Historical Park, and for other purposes.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1018 will be indefinitely postponed.

SELECTION OF SUPERINTENDENTS OF NATIONAL CEMETERIES

The bill (S. 1492) to amend the act of March 24, 1948, which establishes special requirements governing the selection of superintendents of national cemeteries was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act of March 24, 1948 (ch. 143, 62 Stat. 84; 24 U.S.C. 275) is amended to read as follows: "Superintendents of national cemeteries shall be selected from among meritorious and trust worthy persons who served in the Armed Forces of the United States, and who either were retired for physical disability, or were discharged or released therefrom under honorable conditions and are entitled to receive compensation for disability under the laws administered by the Veterans' Administration."

ACQUISITION OF CERTAIN LAND FOR THE RICHMOND NATIONAL BATTLEFIELD PARK

The bill (S. 1775) to authorize the Secretary of the Interior to expend appropriated funds to acquire approximately 12 acres of land for the Richmond National Battlefield Park, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to further the purposes of the Act of March 2, 1936, chapter 113 (49 Stat. 1155; 16 U.S.C. 423j–4231), providing for the establishment of the Richmond National Battlefield Park in the State of Virginia, the Secretary of the Interior is hereby authorized to acquire, with funds which may be appropriated therefor, approximately twelve acres of land, or interests in land, which qualify for designation as a part of the park under the provisions of said Act of 1936.

SEC. 2. The Richmond National Battlefield Park is hereby redesignated the Richmond National Battlefield which shall be administered, protected, and developed by the Secretary of the Interior in accordance with the provisions of the Act of August 25, 1916, chapter 408 (39 Stat. 535; 16 U.S.C. 1–4), as amended and supplemented.

RELATIVE TO CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 31) relating to certain aliens was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244(a)(5) of the Immigration and Nationality Act (66 Stat. 214; 8 U.S.C. 1254(c)):

A–2151799, Arcobasso, Joseph,
A–5649963, Echevarria, Juan Domingo,
A–2079893, Kopi, George,
A–2753728, Lopez-Aldama, Marcelino,
A–4866820, Wong, Yuen Bo,
A–1956110, Ramirez-Cordova, Pedro,
A–11598412, Foon, Moy Wah,
A–4108177, Lial, Anastasio Leon,
A–4162490, Hlistowski, John,
A–4010788, Sisto, Anthony Vito,
A–5616068, Bruno, Vito,
A–9096677, Bustamante, Jose,
A–4864576, Nemeth, Paul,
A–4579619, Stewart, James,
A–2539330, Mikkelsen, Hans Christian Gunnar,
A–1893042, Steingesser, Benjamin,
A–5275541, Hedge, Alick Smith,
A–8957696, Salas-Araiza, Felipe,
A–10381924, Filippazzo, Salvatore,
A–11589558, Cantor, Louis,
A–4603964, LeNigris, Joseph,
A–1163875, Hay, Toy Wing,
A–4445005, Malicourtis, Vrasidas,
A–4310666, Mata-Molina, Socorro,
A–3699153, Miller, Jacob,
A–1969762, Sciacca, Antoniette,
A–11890548, Thing, Moy Nom,
A–5542123, Pagani, Aldo,
A–4028658, Newton, Harold,
A–3112318, Houy, Yee,
A–8196763, Parisi, Gioacchino.

SEC. 2. That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than six months:

A–10265245, Chan, Wan,
A–9167100, Chung, Young,
A–7463525, Katz, Manfred,
A–9777398, Key, Mok,
A–1990570, Kuo, Irene Hsing-Nee,
A–10401833, Wing, Chu,
A–9528675, Wong, Chan,
A–7651542, Yu, Bei Wun Tun,
A–9653774, Lin, Toh Jung,
A–6587841, Chung, Yin Own,
A–5966273, Loy, Jow,
A–6703136, Lydakis, George John,
A–6703135, Lydakis, Penelope George,
A–10258021, Shek, Tsang,
A–9678206, Nam, Chi,
A–6794998, Namkung, Helen Mineko,
A–9632204, Pavesic, Stojan,
A–9526171, Sam, Mak,
A–9752413, Kiviranta, Eino Aulis,
A–6943747, Partheniades, Nicholas.

KAZUO ITO AND SATOMI ITO

The bill (S. 1305) for the relief of Kazuo Ito and Satomi Ito was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Kazuo Ito and Satomi Ito shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

JAMES D. JALILI

The bill (S. 1527) for the relief of James D. Jalili was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, James D. Jalili shall be held and considered to have been lawfully admitted to the United States for permanent residence as of December 10, 1955, upon payment of the required visa fee.

DR. ALEXANDER CORPACIUS

The bill (S. 1716) for the relief of Dr. Alexander Corpacius was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Doctor Alexander Corpacius may be naturalized upon compliance with all of the requirements of title III of the Immigration and Nationality Act, except that—

(a) no period of residence or physical presence within the United States or any State shall be required in addition to his esidence and physical presence within the United States since August 1957, and

(b) the petition for naturalization may be filed with any court having naturalization jurisdiction.

MAX BLEIER

The bill (H.R. 1353) for the relief of Max Bleier was considered, ordered to a third reading, read the third time, and passed.

MANSUREH RINEHART

The bill (H.R. 1477) for the relief of Mansureh Rinehart was considered, ordered to a third reading, read the third time, and passed.

KEJEN PI CORSA

The bill (H.R. 1620) for the relief of Kejen Pi Corsa was considered, ordered to a third reading, read the third time, and passed.

JACK KONKO

The bill (H.R. 1626) for the relief of Jack Konko was considered, ordered to a third reading, read the third time, and passed.

RICAREDO BERNABE DELA CENA

The bill (H.R. 1911) for the relief of Ricaredo Bernabe Dela Cena was considered, ordered to a third reading, read the third time, and passed.

MRS. SODE HATTA

The bill (H.R. 1915) for the relief of Mrs. Sode Hatta was considered, ordered

to a third reading, read the third time, and passed.

MRS. TOME TAKAMOTO

The bill (H.R. 2360) for the relief of Mrs. Tome Takamoto was considered, ordered to a third reading, read the third time, and passed.

MANUEL MARTINEZ-LOPEZ

The bill (H.R. 4557) for the relief of Manuel Martinez-Lopez was considered, ordered to a third reading, read the third time, and passed.

GODOFREDO M. HERZOG

The Senate proceeded to consider the bill (S. 333) for the relief of Godofredo M. Herzog, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Godofredo M. Herzog shall be held and considered to have been lawfully admitted to the United States for permanent residence as of January 29, 1950.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

IVAN BALOG

The Senate proceeded to consider the bill (S. 1088) for the relief of Ivan Balog, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available." And, in lieu thereof, to insert "Upon the enactment of this Act, the Attorney General shall reduce by one number the number of refugees who may be paroled into the United States pursuant to sections 1 and 2(a) of the Act of July 14, 1960 (74 Stat. 504), during the fiscal year ending June 30, 1962."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Ivan Balog shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the enactment of this Act, the Attorney General shall reduce by one number the number of refugees who may be paroled into the United States pursuant to sections 1 and 2(a) of the Act of July 14, 1960 (74 Stat. 504), during the fiscal year ending June 30, 1962.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

HUAN-PIN TSO

The Senate proceeded to consider the bill (S. 1054) for the relief of Huan-pin Tso, which had been reported from the Committee on the Judiciary, with amendments, in line 4, after the word "Act", to insert "the minor child", and in line 6, after the word "born", to strike out "son" and insert "alien child"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child Huan-pin Tso shall be held and considered to be the natural-born alien child of Mr. and Mrs. Ting Hsien Wang, citizens of the United States: *Provided,* That the natural parents of the said Huan-pin Tso shall not, by virtue of such parentage be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

ROGER CHONG YEUN DUNNE

The Senate proceeded to consider the bill (S. 1205) for the relief of Roger Chong Yeun Dunne, which had been reported from the Committee on the Judiciary, with amendments, in line 6, after the word "of", where it appears the first time, to strike out "the date of the enactment of this Act" and insert "January 10, 1950,", and in line 8, after the word "fee", to insert "and head tax"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Roger Chong Yeun Dunne shall be held and considered to have been lawfully admitted to the United States for permanent residence as of January 10, 1950, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

AMENDMENT OF FEDERAL EMPLOYEES' GROUP LIFE INSURANCE ACT OF 1954

The Senate proceeded to consider the bill (S. 1070) to amend the Federal Employees' Group Life Insurance Act of 1954, as amended, so as to provide for an additional unit of life insurance, which had been reported from the Committee on Post Office and Civil Service, with an amendment, to strike out all after the enacting clause and insert:

That (a) subsection (a) of section 3 of the Federal Employees' Group Life Insurance Act of 1954, as amended, is amended by inserting "(1)" after the subsection designation and by adding at the end of such subsection the following new paragraph:

"(2) In addition to the insurance referred to in paragraph (1), each employee insured under this Act shall have additional group life insurance only as follows:

"If the annual compensation is—	The amount of additional group life insurance shall be—
Less than $10,000	$1,000
$10,000 or more	2,000."

(b) Subsection (b) of such section is amended by striking out "(a)" wherever it appears in such subsection and inserting in lieu thereof "(a)(1)".

SEC. 2. (a) Sections 4, 5(a), 6(b), and 6(c) of such Act are amended by inserting after the words "life insurance" and "life and accidental death and dismemberment insurance" where they appear in such sections the following: "(including additional group life insurance)".

(b) Section 6(b) of such Act is further amended by inserting after the words "such insurance" where they appear in the first sentence thereof a comma and the following: "other than additional group life insurance,".

SEC. 3. (a) Section 2(a) of such Act is amended by inserting before the period at the end thereof a comma and the following: "or solely because he was previously retired on annuity from Government civilian employment".

(b) Section 6(b) of such Act is amended by adding at the end thereof the following: "The life insurance of an insured retired employee who is reemployed under conditions which do not terminate his title to annuity shall cease if he again becomes insured as an employee, except that the amount of life insurance which shall be paid after his death shall in no case be less than the amount which would have been paid if he had not been reemployed."

SEC. 4. (a) The amendments made by the first section and section 2 shall take effect as of the first day of the first pay period which begins in the second month after the date of enactment and shall not be applicable in any case in which the employee's death or retirement occurred prior to such day.

(b) The amendments made by section 3 shall take effect as of the first day of the first pay period which begins after the date of enactment and shall be applicable in any case in which reemployment commences on or after such day or in which reemployment commenced and has not terminated prior to such date.

Mr. JOHNSTON. Mr. President, the Federal Employees' Group Life Insurance Act of 1954 made available to employees a plan of low-cost life insurance. In general, the plan provides insurance approximating an employees' salary rounded off to the nearest upper $1,000 with a maximum of $20,000 in the case of employees receiving a salary of $19,000 and above. Two-thirds of the cost of the insurance is paid by the employee and one-third is paid by the Government. The rate is now fixed at 37½ cents per thousand per biweekly pay period, of which 25 cents is paid by the employee and 12½ cents by the Government.

The insurance is subject to a reduction of 2 percent a month until it has been reduced to one-fourth of its original face value after the employee attains the age of 65 if he retired prior to such date or upon his retirement if he works beyond the age of 65. For example, an employee with a salary between $4,000 and $5,000 would have insurance with a face value of $5,000. Upon reaching the age of 65, if then retired or upon retirement if he has worked beyond the age of 65, the automatic reduction sets in.

In either case 3 years and 3 months later the insurance which once had a face value of $5,000 would be worth only $1,250. In most instances this small amount of residual insurance falls short of defraying final expenses let alone leaving anything to dependent survivors.

The measure before the Senate is designed to alleviate this situation to some extent. It does so by providing an additional small amount of insurance which will not be subject to reduction. It provides an additional $1,000 of insurance to employees whose salary is less than $10,000 and an additional $2,000 insurance to employees whose salary is in excess of $10,000. The cost of this additional insurance will be shared between the Government and the employee. In other words, the Government will pay one-third of the cost and the employee will pay two-thirds.

The total cost of this measure is estimated at $20.7 million a year of which the Government will pay $6.9 million and the employees through payroll deductions will pay $13.8 million. The committee believes that this is small cost compared with the great amount of additional benefits that will accrue to over 2 million Federal employees.

The bill as reported amends the existing Life Insurance Act in one other respect. It gives the Civil Service Commission authority to revise its regulations so as to correct an existing inequity. It will permit the Commission to provide insurance protection to reemployed annuitants whose reappointment is on a permanent basis or for a definite period in excess of 1 year. The Commission is in full agreement with the equity involved in this amendment and is prepared to amend its regulations in an appropriate manner as soon as the provision is enacted into law.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

BILLS PASSED OVER

The bill (H.R. 5143) to amend section 801 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, was announced as next in order.

Mr. MUSKIE. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 320) to amend the provisions in part II of the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce within a State was announced as next in order.

Mr. FONG. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

REPRINTING OF THE CONSTITUTION OF THE UNITED STATES OF AMERICA

The Senate proceeded to consider the resolution (S. Res. 165) to print "The Constitution of the United States of America, approved by the Continental Congress," and so forth, as a Senate document, which had been reported from the Committee on Rules and Administration, with an amendment, after line 8, to add a new section, as follows:

SEC. 2. There shall be printed ten thousand three hundred additional copies of such document for the use of the Senate.

So as to make the resolution read:

Resolved, That the revision of the document entitled "The Constitution of the United States of America, Approved by the Continental Congress, Transmitted to State Legislatures for Ratification and Ratified by Conventions of the Original Thirteen States, Literal Print. Historical Notes by Denys P. Myers" (Senate Document Numbered 126, Eighty-third Congress, second session), by Denys P. Myers be printed as a Senate document.

SEC. 2. There shall be printed ten thousand three hundred additional copies of such document for the use of the Senate.

The amendment was agreed to.

The resolution, as amended, was agreed to.

CONGRESSIONAL DELEGATION TO THE COMMONWEALTH PARLIAMENTARY ASSOCIATION

The resolution (S. Res. 168) authorizing attendance of a delegation from the Senate at a meeting of the Commonwealth Parliamentary Association was considered and agreed to, as follows:

Resolved, That the Vice President is authorized to appoint four Members of the Senate as a delegation to attend the next general meeting of the Commonwealth Parliamentary Association, to be held in London, England, at the invitation of the United Kingdom Branch of the Association, and to designate the chairman of said delegation.

SEC. 2. The expenses of the delegation including staff members designated by the chairman to assist said delegation shall not exceed $15,000 and shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

PRINTING AS SENATE DOCUMENT "STUDY MISSION TO EASTERN (AMERICAN) SAMOA"

The resolution (S. Res. 169) to print as a Senate document a committee print of a "Study Mission to Eastern (American) Samoa" was considered and agreed to, as follows:

Resolved, That there be printed with illustrations as a Senate document the committee print, with appropriate foreword, entitled "Study Mission to Eastern (American) Samoa" (report by Senators OREN E. LONG of Hawaii and ERNEST GRUENING, of Alaska), issued by the Committee on Interior and Insular Affairs during the Eighty-seventh Congress, first session.

FORMS FOR CERTIFICATES OF APPOINTMENT OR ELECTION OF SENATORS

The resolution (S. Res. 170) suggesting suitable forms for certificates of appointment or election of Senators was considered and agreed to, as follows:

Resolved, That S. Res. 110, suggesting suitable forms for certificates of appointment or election of Senators, agreed to on January 4, 1934, be, and the same is hereby, amended to read:

"*Resolved*, That, in the opinion of the Senate, the following are convenient and sufficient forms of the certificates of election of a Senator for a six-year term or an unexpired term, or for the appointment of a Senator to fill a vacancy, to be signed by the executive of any State in pursuance of the Constitution and the statutes of the United States:

"CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

"TO THE PRESIDENT OF THE SENATE OF THE UNITED STATES:

"This is to certify that on the — day of ——, 19—, A —— B —— was duly chosen by the qualified electors of the State of—— a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3d day of January, 19—.

"Witness: His excellency our governor ——, and our seal hereto affixed at —— this —— day of ——, in the year of our Lord 19——.

"By the governor:

"C—— D——,
"Governor.

"E—— F——,
"Secretary of State."

"CERTIFICATE OF ELECTION FOR UNEXPIRED TERM

"TO THE PRESIDENT OF THE SENATE OF THE UNITED STATES:

"This is to certify that on the — day of ——, 19—, A—— B—— was duly chosen by the qualified electors of the State of—— a Senator for the unexpired term ending at noon on the 3d day of January, 19—, to fill the vacancy in the representation from said State in the Senate of the United States caused by the —— of C—— D——.

"Witness: His excellency our governor, and our seal hereto affixed at —— this —— day of ——, in the year of our Lord 19—.

"By the governor:

"E—— F——,
"Governor.

"G—— H——,
"Secretary of State."

"CERTIFICATE OF APPOINTMENT

"TO THE PRESIDENT OF THE SENATE OF THE UNITED STATES:

"This is to certify that, pursuant to the power vested in me by the Constitution of the United States and the laws of the State of ——, I, A—— B——, the governor of said State, do hereby appoint C—— D—— a Senator from said State to represent said State in the Senate of the United States until the vacancy therein, caused by the —— of E—— F——, is filled by election as provided by law.

"Witness: His excellency our governor ——, and our seal hereto affixed at —— this——day of ——, in the year of our Lord 19—.

"By the governor:

"G—— H——,
"Governor.

"I—— J——,
"Secretary of State."

"*Resolved*, That the Secretary of the Senate shall send copies of these suggested forms and these resolutions to the executive and secretary of each State wherein an election is about to take place or an appointment is to be made in season that they may use such forms if they see fit."

CONGRESSIONAL DELEGATION TO THE COMMONWEALTH PARLIAMENTARY ASSOCIATION

The concurrent resolution (S. Con. Res. 29) authorizing attendance of delegations from the Senate and House of

Representatives at meetings of the Commonwealth Parliamentary Association was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Vice President and the Speaker of the House of Representatives are authorized to appoint four Members of the Senate and four Members of the House of Representatives, respectively, to attend the next general meeting of the Commonwealth Parliamentary Association, to be held in London, England, at the invitation of the United Kingdom Branch of the Association, and to designate the chairmen of the delegations from each of the Houses to be present at such a meeting.

SEC. 2. The expenses incurred by the members of the delegations and staff appointed for the purpose of carrying out this concurrent resolution shall not exceed $15,000 for each delegation and shall be paid from the contingent fund of the House of which they are Members, upon submission of vouchers approved by the chairman of the delegation of which they are members.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ENTITLED "COMMUNIST TRAINING OPERATIONS"

The concurrent resolution (H. Con. Res. 308) providing for additional copies of parts 1, 2, and 3 of hearings entitled "Communist Training Operations" was considered and agreed to.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ENTITLED "THE NORTHERN CALIFORNIA DISTRICT OF THE COMMUNIST PARTY"

The concurrent resolution (H. Con. Res. 309) providing for additional copies of hearings entitled "The Northern California District of the Communist Party" was considered and agreed to.

PRINTING OF ADDITIONAL COPIES OF HOUSE DOCUMENT 336

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 311) providing for additional copies of House Document 336 entitled "Facts on Communism—Vol. I," which had been reported from the Committee on Rules and Administration with an amendment on page 1, after line 11, to insert a new section, as follows:

SEC. 2. There shall be printed ten thousand three hundred additional copies of such document for the use of the Senate.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

PRINTING AS HOUSE DOCUMENT INAUGURAL ADDRESSES OF THE PRESIDENTS

The concurrent resolution (H. Con. Res. 320) authorizing the printing of the inaugural addresses of the Presidents as a House document and providing additional copies was considered and agreed to.

PRINTING OF ADDITIONAL COPIES OF HOUSE DOCUMENT NO. 198

The concurrent resolution (H. Con. Res. 327) authorizing the printing of additional copies of House Document No. 198 entitled "The Commission on Intergovernmental Relations," was considered and agreed to.

PRINTING AS HOUSE DOCUMENT TRIBUTES TO THE HONORABLE SAM RAYBURN

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 342) authorizing the printing as a House document of the tributes extended to the Honorable SAM RAYBURN and providing for additional copies, which had been reported from the Committee on Rules and Administration with an amendment in line 6, after the word "and", to strike out "twenty-five" and insert "twenty-seven".

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

OFFICE EQUIPMENT FOR MEMBERS OF THE HOUSE OF REPRESENTATIVES

The joint resolution (H.J. Res. 392) was considered, ordered to a third reading, was read the third time, and passed.

LUCY LEE SILCOX WOOD

The resolution (S. Res. 176) to pay a gratuity to Lucy Lee Silcox Wood was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Lucy Lee Silcox Wood, widow of Harlan Wood, an employee of the Senate at the time of his death, a sum equal to nine months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

JACQUELINE E. AUCHAMPAUGH

The resolution (S. Res. 177) to pay a gratuity to Jacqueline E. Auchampaugh was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Jacqueline E. Auchampaugh, widow of Lee M. Auchampaugh, an employee of the Senate at the time of his death, a sum equal to five months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

COMMENCEMENT OF TERM OF SERVICE OF SENATOR JOHN G. TOWER, OF TEXAS

The resolution (S. Res. 178) to establish the date of the commencement of the term of service of JOHN G. TOWER, a U.S. Senator, from the State of Texas was considered and agreed to, as follows:

Resolved, That the term of the service of the said JOHN G. TOWER shall be deemed to have commenced on the 15th day of June 1961.

BILL PASSED OVER

The bill (H.R. 7576) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, was announced as next in order.

Mr. MUSKIE. Over.

The PRESIDING OFFICER. The bill will be passed over.

PREPAID DUES INCOME OF CERTAIN MEMBERSHIP ORGANIZATIONS

The bill (H.R. 929) to amend the Internal Revenue Code of 1954 to permit the prepaid dues income of certain membership organizations to be included in gross income for the taxable years to which the dues relate was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H.R. 3279) to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes, was announced as next in order.

Mr. MUSKIE. Over. It is not a calendar matter.

The PRESIDING OFFICER. The bill will be passed over.

PERMANENT RETIREMENT INCREASES

The bill (H.R. 5432) to make permanent certain increases in annuities payable from the civil service retirement and disability fund was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. That concludes the call of the calendar.

LONGEVITY STEP INCREASES FOR POSTAL EMPLOYEES

Mr. MUSKIE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 443, Senate bill 1459.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1459) to amend the provisions of law relating to longevity step increases for postal employees.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maine.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with an amendment.

REVERSALS IN PRESIDENT KENNEDY'S POSITION ON MAJOR ISSUES

Mr. BENNETT. Madam President, we have seen many reversals in President Kennedy's position on major issues. One of the more recent is that relating

to the economic growth of our Nation. In speech after speech in the presidential campaign last fall, Mr. Kennedy did his best to convince the voters that Russia was rapidly overtaking the United States in its rate of economic growth. On one occasion he said:

> If we don't get going again, the Soviets will be on our heels momentarily.

He indicated that the Soviet Union was growing several times faster than the United States, and on one occasion put the figure at "between two and three times as fast." As late as April 1960, President Kennedy said:

> Why should we be satisfied when the Soviet Union moved ahead 10, 11, and 12 percent, and we move ahead 1 and 1½ percent?

In that statement President Kennedy suggested that the Soviet Union was moving ahead six to eight times as fast as the United States.

The reversal came at the President's last press conference, when he said that if our growth rate increases to just 4½ percent, from the current rate of 3½ percent, "the Soviet Union will not outproduce the United States in the 20th century."

And in the same press conference President Kennedy observed that while in 1913 the U.S.S.R. gross national product was 46 percent as large as ours, in 1959 it was still only 47 percent as large, a gain of only 1 percent in 46 years. The President then said:

> If both countries sustained their present rate of growth, 3½ percent in the United States and 6 percent in the Soviet Union, Soviet output will not reach two-thirds of ours by 1970, and our rate will be easier to sustain and improve than the Soviet rate.

I congratulate President Kennedy upon his forthright renunciation of the fallacious statistics which helped him win his election. It is unfortunate that he could not have accepted the Republican arguments about growth rate a little earlier—perhaps last September or October—but we are happy to welcome him to our ranks, even as a latecomer.

Looking over the 1960 campaign, I think we might say the three crucial issues were the missile gap, the question of U.S. prestige abroad, and the matter of the economic growth rate. As for the missile gap, the administration admitted during its first month in office that it did not really exist after all. As for U.S. prestige abroad, this is a subject about which the President has had very little to say ever since certain events occurred last April on the shores of Cuba.

And in connection with prestige, it is interesting to note that the USIA prestige polls, which seemed so important to Mr. Kennedy during the campaign, were discontinued by the new administration in February—a fact which was not disclosed until May.

As for the third major issue, the economic growth rate, the President has, as we have seen, reversed his position on this issue, and now agrees that the Republican arguments of last fall were quite sound.

So we can see the political education of John F. Kennedy is progressing rapidly. It is unfortunate that he is being forced to learn his lessons the hard way, when he could have learned them so much more easily if he had just paid a little more attention to the speeches of Richard M. Nixon, last fall.

THE CAPTIVE EUROPEAN NATIONS, AND BERLIN

Mr. JAVITS. Madam President——

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The Senator from New York.

Mr. JAVITS. I wish to address myself to a matter which I think is of very great seriousness to our country, the significance today of the national observance of Captive Nations Week. Senators will recall that with others of my colleagues I had the honor to sponsor the original resolution with reference to the designation of Captive Nations Week, together with Senator DOUGLAS, of Illinois. The purpose of Captive Nations Week is to keep vibrant and alive the spirit of hope in our Nation for the ultimate freedom through self-determination of the 100 million people of the Baltic countries, Estonia, Latvia, Lithuania, the middle European countries, Poland, Czechoslovakia, and Hungary, and the Balkan countries, Rumania, Bulgaria, and Albania, still held captive by the imperialism in the Kremlin.

It will be recalled that the Communist propaganda machinery literally "blew its top" when this resolution was first adopted and Captive Nations Week was inaugurated.

This year both the President of the United States and the Governor of the State of New York have by proclamation declared Captive Nations Week.

Why? There is a very important reason, for we face an international issue at this time which is of decisive significance to the peoples of the captive nations. That issue is the will and determination on Berlin which our Nation has shown and is showing together with its allies, the United Kingdom and France, and all the other nations of the North Atlantic Treaty Organization, who are about to give their answer to Khrushchev; and I am convinced it will be a decisive "no" to the request, demand, or invitation that we leave Berlin. The hope of the peoples of the captive nations for ultimate freedom is not dim and it is brighter now than before.

Berlin is the key to hope for the peoples of the captive nations.

Let me repeat that statement. Berlin is the key to hope for the peoples of the captive nations. If we back down on Berlin, it will be a signal to them that their hopes shall probably be unrealized for the proximate future. If we stand fast on Berlin—as we show every prospect of doing now—it will be a signal of hope to the 100 million captive peoples and the greatest single positive factor since World War II that they will yet have their freedom, for it will represent the determination of the United States and its allies that the obligations that captive peoples shall have self-determination, solemnly assumed by the Soviet Union at the end of World War II, and then violated, will yet be redeemed because we will hold the Soviet Union to its commitments.

Recently I read in the newspaper that whoever was speaking to certain groups in New York yesterday said that the ultimate hope for their freedom was dim. I do not think so. I think the hope for ultimate freedom is brighter now than ever before, and the reason for it is our stand on Berlin.

A right of national self-determination was incorporated in the agreements arrived at with the Soviet Union immediately after World War II and expressly made applicable to these captive European nations. It is a pillar of U.S. foreign policy and a basic principle of international justice. The United States can demonstrate by its attitude on Berlin that it cannot and will not accept the enslavement of the once-free captive nations of Europe, which violates the understandings arrived at with the Soviet Union, has no basis in international law, and is morally repugnant to free men.

Madam President, it is often said that we have no positive policy to pursue on Berlin; that we have to find alternatives, whether it be a "free city" or some other "gimmick." Madam President, there is a positive policy on Berlin. It is incorporated in Senate Resolution 164, which I had the honor of submitting, which is still pending before the Senate Committee on Foreign Relations. There is little we could do to more effectively signalize Captive Nations Week than to make the Communists understand that we have some power in the world, too, in terms of what will happen in their areas, as they seem to be exercising power in terms of what happens in the free world. We should act on this resolution with respect to Berlin. The resolution calls for four-power negotiations on the means whereby a free and united Germany may be created and within it a free and united Berlin; seeks means by which the security of Europe, both East and West, may be guaranteed; rejects a unilateral abrogation by the U.S.S.R. of the post-World War II agreements regarding access to Berlin, the rights of its people for reunification of Germany; and pledges of the United States to take whatever measures may be required, together with France and the United Kingdom, to maintain these agreements.

Madam President, nothing less will impress the Communists with our seriousness than concurrence by the Congress and the Executive in the fact that serious and portentous measures may have to be taken in respect to Berlin, and that they are worth taking. We are serious; we look a serious risk in the face.

We heard only the other day a rumor that the Soviet Ambassador, at a party, said he did not think the American people meant what our Government was saying in respect to Berlin. Madam President, the Congress has every opportunity to nail that down by acting on the resolution, or on some other resolution, expressing itself in accord with what I deeply feel to be the will of

the country and the will of the whole free world.

Captive Nations Week is a unique and significant time when this can be done.

I repeat, Madam President, the hope for ultimate freedom for these people is not dim. It is brighter than it was before. I think it is brighter than ever, so long as we take the position we are taking in respect to Berlin. Berlin is the key to hope for the peoples of the captive nations.

In conclusion I wish to compliment the National Captive Nations Committee, the Assembly of Captive European Nations, and the many other organizations and their leaders who are cooperating in the manifesto which signalizes this observance. I hope very much that the Committee on Foreign Relations will pay the most serious attention to the possibilities which this offers to us to act upon a resolution on Berlin now, during Captive Nations Week.

Madam President, I yield the floor.

TRIBUTE TO MAJORITY LEADER MIKE MANSFIELD

Mr. MUSKIE. Madam President, I am sure that all of us have been impressed by the quietly competent performance of the distinguished majority leader, the Senator from Montana [Mr. MANSFIELD]. His emphasis has been upon teamwork, upon sharing of responsibility, upon maximum consideration of differences of view with minimum strain upon time and energies of the Members of the Senate, and upon results.

The record of this session of the Senate attests to those results.

On this point an article by Russell Baker, published in the New York Times today, July 17, is an excellent analysis of the majority leader's kind of leadership. I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATE SHOWS HUSHED NEW LOOK; MANSFIELD SETTING QUIETER STYLE—"BAND" WILSON CALLED WILLFUL IS GIVING PRESIDENT MOST OF WHAT HE WANTS UNDER COLLECTIVE LEADERSHIP PLAN

(By Russell Baker)

WASHINGTON, July 16.—Like the Soviet Union after Stalin's death, the Senate has entered an unreal and puzzling transitional era of collective leadership.

Traditionally the focus of opposition to energetic Presidents, this meek, compliant new Senate has turned in the last 7 months into the quietest, most efficient and dullest fort on the New Frontier.

Under the new style of collective leadership directed by MIKE MANSFIELD of Montana, its results are startling. What President Kennedy wants, President Kennedy pretty much gets. His congressional troubles no longer come from the body whose Members have often worn with pride Woodrow Wilson's epithet—"a little band of willful men." Now the troubles come from the once herdlike House of Representatives.

MAJOR GAIN FOR KENNEDY

The change from the turbulent days when Joseph R. McCarthy, of Wisconsin, challenged the White House from Capitol Hill and LYNDON B. JOHNSON of Texas built the Democratic leadership into the second most powerful office in Washington has been one of President Kennedy's singular blessings.

With little more excitement than a meeting of General Motors stockholders, the Senate has given him very much what he requested in unemployment insurance, social security expansion, depressed-areas rehabilitation, education, farm law, and a score of other programs.

Its manner has been as startling as its results. The slashing personal attacks from the floor, the rollicking ructions of late night sittings, the open horse trading and personal vendettas that made the Senate a cockpit of drama have almost disappeared.

In its place is the bland, new throwaway style of the corporation board rooms heavy with understatement, dully efficient, disdaining debate and bombast and even the surgical stroke of wit.

In the gentlemanly hours between noon and teatime the Senate processes the President's programs so effortlessly that the papers find it hardly worth reporting.

LITTLE EXCITEMENT LEFT

Long holiday weekends are the rule. Night sessions are extraordinary. For days at a time, while it waits upon the obstreperous House, it offers the galleries no spectacle more exciting than a parade of Members offering old newspaper clippings and other such chaff for reprinting in the CONGRESSIONAL RECORD.

Over coffee in the Senate dining room, and there is plenty of time for coffee these days, conversation proceeds inevitably from self-congratulation on this year's performance to uneasy speculation that the Senate has lost its old tone and style.

The general feeling is that at the moment Washington has one Senate in search of a character.

"We're in one of those pauses between cycles," one member of the hierarchy suggests.

Part of the explanation of the new Senate is simple political arithmetic. Sixty-four Democrats under a Democratic President make for a much more placid political situation than 65 Democrats under a Republican President.

In the Eisenhower years, the big Democratic majority made the Senate a vaguely hostile power to the White House. Now the majority is simply troop strength.

JOHNSON'S ROLE CREATIVE

The change has been dramatized by the change of leadership. LYNDON JOHNSON'S problem as leader from 1954 to 1960 was essentially creative, his old colleagues now concede. He had to produce results that bore a Democratic imprint without going far enough to invite a Republican veto.

Senator MANSFIELD'S job is to get the troops up on the line. Creative leadership now comes from the White House. Mr. MANSFIELD'S duties are to keep up communications and sustain troop morale. Where Mr. JOHNSON had to make strategy and lead the battle, Mr. MANSFIELD has only to execute strategy backed by the awesome power of the White House.

Mr. JOHNSON tackled his problem with brilliance, ruthlessness, drive, and charm. His Senate was a six-ring circus with LYNDON JOHNSON performing in every ring—pulling a last-minute tie-breaking vote out of the Democratic cloakroom at midnight like Hairbreadth Harry rescuing the beautiful Belinda, forcing some chastened and humiliated nonentity to change his vote and tip the scales while the galleries chuckled.

It was magnificent and dramatic, but it inevitably left scarred egos in a body where vanity is often more powerful than logic.

Mr. MANSFIELD, by contrast, operates with the sweet benignity of a shepherd watching his flock. Under the collective leadership he has devised, responsibility is farmed out to the committee chairmen who know the most about the bill in question.

In Mr. MANSFIELD'S words:

"I'm not the leader, really. They don't do what I tell them. I do what they tell me."

The MANSFIELD philosophy is to lead without leading.

"We've had a dispersal of responsibility," he explains. "How can I know everything that's going on? The brains are in the committees."

"Arm twisting" is out for Mr. MANSFIELD, who enjoys the affection of all his colleagues and does not want to lose this valuable weapon. The assistant leader, HUBERT H. HUMPHREY, of Minnesota, acts not exactly as "arm twister," but as the "tireless persuader." Constantly he is arguing the administration's case with one of the most engaging and persuasive personalities in the Senate.

ALL FEEL A BIT BIGGER

Collective leadership has resulted in spreading a sense of responsibility and restoring self-importance to those who felt overshadowed by Mr. JOHNSON. In the words of one southerner, a warm friend and admirer of Mr. JOHNSON, "under MIKE, I guess all of us feel just a little bit bigger."

As a result, Mr. MANSFIELD has had southern conservatives and northern liberals taking their turn managing bills on the floor with admirable results for the administration.

WAYNE MORSE, of Oregon, and PAUL H. DOUGLAS, of Illinois, both known in the past for an unhappy talent for alienating votes on the floor, have taken their turns at managing the depressed-areas and education bills. They have come through with a tact and skill that impressed the crustiest southern parliamentarians.

Two other important factors are operating for Mr. Kennedy. One is his decision against requesting civil rights legislation. This foreclosed any Republican opportunity to create a successful coalition with the South against social and economic legislation.

Coupled with Mr. Kennedy's personal cultivation of the powerful southern committee leaders, the decision has also insured that even when the southerners oppose, they do not obstruct.

REPUBLICAN BLOC HELPFUL

Finally, the administration usually has with it the so-called liberal Republican group, a bloc varying from 8 to 13 members, depending on issues.

These are largely the Republicans from urban States, who complain that Mr. Kennedy has preempted the middle of the road and left them no alternative but to go along or yield the center and, with it, their grip on their constituencies.

The consequence is an unbeatable de facto coalition of northern and western Democrats and liberal Republicans on most socio-economic issues.

With his big Democratic majority in relative happiness and the liberal Republicans usually joining them, the President finds himself with more serene Senate relations than the White House has enjoyed since the first years of the New Deal.

Senator MANSFIELD'S problem, as one man puts it, is like that of a man driving a big, freshly fueled and greased bus down a straight, broad superhighway with no other traffic from any direction.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, notified the Senate that, pursuant to the provisions of section 1, Public Law 85–305, the Speaker had appointed Mr. SMITH, of Mississippi, as a

member of the Civil War Centennial Commission.

The message announced that the House had passed, without amendment, the joint resolution (S.J. Res. 116) to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 6874) to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BROOKS of Louisiana, Mr. GEORGE P. MILLER of California, Mr. TEAGUE of Texas, Mr. ANFUSO, Mr. MARTIN of Massachusetts, Mr. FULTON, and Mr. CHENOWETH were appointed managers on the part of the House at the conference.

ORDER OF BUSINESS

Mr. MUSKIE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MUSKIE. Madam President, I move that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

LONGEVITY STEP INCREASES FOR POSTAL EMPLOYEES

The Senate resumed consideration of the bill (S. 1459) to amend the provisions of law relating to longevity step increases for postal employees, which had been reported from the Committee on Post Office and Civil Service with an amendment, on page 1, after line 4, to strike out:

(a) There are established for each employee longevity steps A, B, and C. For each longevity step to which he is entitled each employee shall receive an amount equal to one step increase for his position.

And, in lieu thereof, to insert:

(a) There are established for each employee longevity steps A, B, and C. For each longevity step to which he is entitled—

(1) each employee, other than a postmaster at a post office of the fourth class or a rural carrier, shall receive an amount equal to one step increase for his position,

(2) each rural carrier shall receive an amount equal to one step increase for salary level PFS–4, and

(3) each postmaster at a post office of the fourth class shall receive an amount equal to one step increase for salary level PFS–1 or to 6 per centum of his basic salary, whichever is the lesser.

In computing the percentage increase under this subsection the amount of the increase shall be rounded to the nearest dollar. A half dollar or one-half cent shall be rounded to the next highest dollar or cent, respectively.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (a) and (b) of section 3558 of title 39 of the United States Code are amended to read as follows:

"(a) There are established for each employee longevity steps A, B, and C. For each longevity step to which he is entitled—

"(1) each employee, other than a postmaster at a post office of the fourth class or a rural carrier, shall receive an amount equal to one step increase for his position,

"(2) each rural carrier shall receive an amount equal to one step increase for salary level PFS–4, and

"(3) each postmaster at a post office of the fourth class shall receive an amount equal to one step increase for salary level PFS–1 or to 6 per centum of his basic salary, whichever is the lesser.

In computing the percentage increase under this subsection the amount of the increase shall be rounded to the nearest dollar. A half dollar or one-half cent shall be rounded to the next highest dollar or cent, respectively.

"(b) Each employee shall be assigned to—

"(1) longevity step A at the beginning of the pay period following the completion of ten years of service; and

"(2) longevity step B at the beginning of the pay period following the completion of thirteen years of service; and

"(3) longevity step C at the beginning of the pay period following the completion of sixteen years of service."

SEC. 2. No increase in compensation shall result from the amendment made by this Act prior to the first day of the first pay period following the date of its enactment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. MONRONEY. Madam President, the bill (S. 1459) was reported by the Subcommittee on Postal Affairs, of which I have the honor of being chairman. That is a subcommittee of the Committee on Post Office and Civil Service. We spelled out an amendment, to which the Senate has now agreed, and the bill received the unanimous approval of the Committee on Post Office and Civil Service, which reported it to the Senate.

The bill is designed to eliminate discrimination against postal employees with respect to longevity pay increases by providing benefits comparable to those enjoyed by regular civil service employees.

Under present law, Federal employees subject to the Classification Act receive longevity increases after 10, 13, and 16 years' service within a given grade, while postal employees receive longevity increases after 13, 18, and 25 years' service. This bill would grant postal employees longevity increases after 10, 13, and 16 years' service.

Each longevity pay increase under the Classification Act is equal to the regular within-step increase of the grade, varying from $105 in grade 1 to $260 for the top grades. Postal employees receive longevity pay increases in the fixed amount of $100. Under the bill, postal employees' longevity pay increases would be equal to the within-step pay increases for that grade, in exactly the same manner as other Government employees.

It was necessary to make two technical changes in the bill to provide comparable treatment for rural carriers and fourth-class postmasters by tying the amount of their longevity pay increases to the nearest equivalent salary grade in the regular postal field service. Thus, rural carriers are given the same longevity pay as city carriers in level 4 of the postal field service, and fourth-class postmasters are given longevity pay increases equal to that in level 1 of the postal field service or 6 percent of their basic salary, whichever is lesser.

The amounts of present and proposed longevity payments are set forth in detail in tables appearing on page 3 of the committee report, which is on the desk of each Senator.

This bill provides nothing more than common justice for postal employees, most of whom enter and retire from the postal service in the same grade level; namely, grade 4. No matter how good a letter carrier may be, the odds are 99 to 1 that he will retire at the end of 20, 30, or 40 years while still a letter carrier, at the top of grade 4, with only longevity increases to look forward to.

Equality of treatment in the matter of longevity increases is therefore even more important to these faithful and devoted Federal employees than to those whose salaries are fixed under the Classification Act.

Mr. SYMINGTON. Madam President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to the Senator from Missouri.

Mr. SYMINGTON. I am always interested in what the distinguished Senator from Oklahoma has to say, because he studies each bill carefully before he brings it to the Senate. As I understand, as chairman of the Subcommittee on Postal Affairs, the Senator from Oklahoma believes that the bill would merely bring about equalization of pay, and therefore corrects a current injustice from an economic standpoint.

Mr. MONRONEY. The Senator is correct. Unlike other employees of the Federal Government, the postal employees affected by the bill are now frozen at their starting grade and often die at their starting grade. Statistics reveal that classified workers such as young high school or business college graduates, who start at low grades, due to the ever-expanding work and the kinds of office and other work that they might do step up and have the opportunity to reach grade 6, 7, 8, or 10. A letter carrier, on the other hand, remains a letter carrier. Unfortunately, it has not been the policy of the Post Office Department to search the ranks of carriers for those in the postal field service who are deserving of promotions to supervisors, and jobs of that kind.

Mr. SYMINGTON. Madam President, I congratulate the Senator from Oklahoma for his clear and convincing presentation.

Mr. MONRONEY. I thank my distinguished friend from Missouri for his ever present support for civil service workers, and particularly the letter carriers.

Mr. KEATING. Madam President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. KEATING. I commend the committee for bringing the bill before the Senate. The bill would merely bring about elemental fairness in putting the postal workers in line with other Government workers. Certainly what is sauce for the goose is sauce for the gander.

Madam President, I am pleased to support S. 1459. This bill does no more than simple justice to the post office employees of this country. We must treat with fairness and sympathy the problems of the loyal and industrious workers who deliver the Nation's mail, and in a case of this kind, when they demand no more than treatment equal to that now given to other Government employees, I am happy to champion their cause.

I see no basis whatever for the argument that post office workers should continue to receive longevity increases after 13, 18, and 25 years of service, while other Government employees receive such increases after 10, 13, and 16 years. What is sauce for the goose should certainly be sauce for the gander.

Conversion of the longevity increases for post office workers from fixed to within-step increases is also a wise and fair provision of this bill. When the fixed increases were established for post office workers in 1949, they were roughly comparable to the within-step increases then enjoyed by other Government employees. Such is no longer the case. Within-step increases are now substantially greater than the fixed increases provided for post office employees.

S. 1459 will restore equality of treatment for all employees of the Federal Government.

Mr. MONRONEY. Madam President, the bill will eliminate one of the problems that we have had in the past when we have had to give special recognition to the field service postal workers in pay increases because they were denied the opportunity that the normal classified workers have to move upward in salary scales by promotion from starting grades. I thank my distinguished colleague, who has always been a friend of the letter carrier.

Mr. PASTORE. Madam President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. PASTORE. I wish to join the distinguished Senator from Missouri in commending the distinguished chairman of the subcommittee for bringing this subject to the attention of the Senate at this time. As a former member of the Post Office and Civil Service Committee I know firsthand the letdown in morale the situation which he has described has caused. I am very happy that it is now being brought to our attention. As I understand, the measure is merely an adjustment which would accord postal employees the same treatment as other Federal civil service employees. The bill is merely a matter of equity and justice, and I am glad that the situation is being corrected today.

Mr. MONRONEY. I thank my distinguished colleague, who has always been a most effective champion of Government employees. He has occupied the chairmanship of subcommittees of the Committee on Post Office and Civil Service for many years.

Mr. JOHNSTON. Madam President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. JOHNSTON. As chairman of the Committee on Post Office and Civil Service I commend the distinguished Senator from Oklahoma [Mr. MONRONEY] the chairman of the Postal Affairs Subcommittee and the other members of the subcommittee, the Senator from Texas [Mr. YARBOROUGH], the Senator from North Carolina [Mr. JORDAN], the Senator from Kansas [Mr. CARLSON], and the Senator from Delaware [Mr. BOGGS], for the attention given this measure in public hearings held on it and for their fine work in resolving minor differences so that the bill now before us is completely equitable to all concerned.

I was happy to introduce the bill for the reason that I think Congress has an obligation to correct inequities wherever they are found to exist.

The bill is designed to give postal employees the same treatment in the matter of longevity increases as currently enjoyed by employees subject to the Classification Act.

The bill simply provides that postal employees when they become entitled to a longevity increase shall receive an amount equal to the within-step increase of their grade. This is the way it is handled under the Classification Act and there is no reason why it should not be done in the case of postal employees.

It was brought out in the hearings that the principle of longevity increases for both classified and postal employees was established by law in 1949.

In the case of employees subject to the Classification Act, the law provided that they be in the same amount as the within-grade step increases. However, in the case of postal employees, longevity increases were fixed in a flat amount of $100.

Presumably, this happened because at that time $100 was the amount of within-step increases in the postal service. Thus, at that time the difference in the two laws amounted to little more than an inconsistency in the way they were worded. However, with the passing of time and the growth of within-step increases as the result of numerous pay adjustments, the inconsistency has grown into a real inequity.

My bill is designed to correct the inequity by placing postal employees on a basis similar to Federal employees under the Classification Act with respect to longevity increases.

I appreciate the consideration it has received on both sides of the aisle. Certainly, seeing that justice is done is not a partisan question and I am glad the bill has been approached in this manner.

Mr. MONRONEY. I thank the Senator from South Carolina. He has expedited the consideration of the bill in every way.

Mr. MORSE. Madam President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to the distinguished senior Senator from Oregon.

Mr. MORSE. I commend the Senator from Oklahoma and the Senator from South Carolina, who is the chairman of the Committee on Post Office and Civil Service, as well as all the members of the subcommittee who worked on the bill, because as one who has followed this subject for many years in the Senate I wish to say that enactment of the bill is long overdue.

However, there is one problem in connection with the committee report which I wish briefly to discuss with my friend from Oklahoma in connection with this colloquy on the floor. I turn to page 2 of the report, and read:

> An employee in the postal field service receives a within-step increase each year after entering the service until he reaches the top step of his pay level at the end of his sixth year of service. These within-step increases bear a direct relationship to his pay in very much the same manner as is the case under the Classification Act. In level 1, the within-step increase is $130. In level 2, it is $135. In level 3, it amounts to $145. In level 4, it is $160, and so on up to the top of the postal pay schedule. However, when a postal employee becomes eligible for a longevity increase, he receives only the flat $100.

Madam President, it is my understanding that this has been the practice from time immemorial in connection with postal employees. It is rank discrimination against them in comparison with the rights which have been bestowed upon civil service employees.

With that as my major premise, I move into the next paragraph of the report:

> The bill corrects this anomaly by providing that longevity increases shall be in the same amount as the regular periodic within-step increases of the various pay levels. Also, the bill changes the service requirement for longevity increases from 13, 18, and 25 years to 10, 13, and 16 years in order to more nearly correspond with the 10, 13, and 16 years within-grade requirement under the Classification Act.

In other words, Madam President, the committee seeks to eliminate this discrimination against postal employees, and they deserve our thanks. It is a discrimination which has prevailed for a long time. The enactment of the bill is therefore long overdue.

Now I read further:

> The Post Office Department objects to the "within service" concept in this measure as compared with the "within-grade concept" under the Classification Act. The committee does not consider this a valid objection on the basis of fact. In the postal service, "within service" and "within grade" are to all intents and purposes virtually one and the same thing. This is true because the majority of postal employees enter the service as a city carrier, a clerk, or as a rural carrier and retire at the end of their career from the same job and grade.

I wish to say to my friend from Oklahoma that I believe we need to make a little clearer legislative record of this matter this afternoon than the committee report does. Therefore I should like to ask him some questions. I will enumerate the questions first and then we can go back to them one by one.

First, I would like to have the Senator from Oklahoma tell the Senate the basis of the objections of the Post Office Department. It does not seem to me that the statement in the committee report is very clarifying on that matter.

Second, I would like to have the Senator from Oklahoma, for legislative history purposes, tell us the difference between the within-service concept and the within-grade concept. I think it is not enough to say that the committee does not consider this objection of the Post Office Department to be valid, because it says to all intents and purposes they are virtually one and the same thing. We need to prove that on the floor of the Senate.

Next I would like to have the Senator from Oklahoma tell me on what possible basis the Post Office Department, which has the moral responsibility to protect the legitimate best interests of the post office workers, should come forward with this objection which the committee, as I understand, considers at best to be a rather technical and inconsequential and unmeritorious objection.

I am not at all surprised to get that kind of objection from this administration of the Post Office Department, because I have no confidence whatever in this administration of the Post Office Department. Be that as it may, I would like to have the RECORD show what possible basis there is for this objection by the Post Office Department.

Presumably, it comes from the Postmaster General. I would like to have the record crystal clear as to what the answer is to whatever objection the Postmaster General has filed in this matter.

Mr. MONRONEY. I thank my distinguished colleague for helping to make this record clear. I, too, was disappointed that the Post Office Department in its testimony did not come up with a better effort in connection with correcting this long-standing inequity. The complete letter from the Acting Postmaster General, Mr. H. W. Brawley, is found at page 12 of the hearings. The controlling paragraph is the fifth paragraph, which states:

> Shortening the service requirement from 13, 18, and 25 years to 10, 13, and 16 years, as proposed, is patterned after the Classification Act provision. Although we recognize merit in making the Postal Field Service Compensation Act and the Classification Act longevity requirements comparable, piecemeal changes of this kind increase, rather than decrease, the differences because other related provisions remain unchanged. If similarity of treatment in regard to longevities is what is desired, then all other provisions should also be brought into line.
>
> For example, all postal service is counted toward longevities, not just time in grade as in the Classification Act. As a result, postal employees, with few exceptions, now receive longevity payments earlier than Classification Act employees. Shortening the time required under the Postal Field Service Compensation Act would increase this time gap.

This is the reason given by the Post Office Department for contending that the bill should not be passed. It was clear from the hearings that the reason why there are adequate longevity pay increases in the classification service is that the personnel move up in grade very fast. A classified worker who starts as a GS–2 will probably reach GS–4 within a couple of years, and perhaps GS–6 within 3 or 4 years. So she does not begin to accumulate longevity. Whereas, as I said in the beginning, the only hope of a man who starts his Federal service as a letter carrier—and 90 percent or more of them die as letter carriers—is to receive in-step increases solely in grade 4. At the end of 6 years, he is through, except for the longevity pay increase, which then is far below the within-grade increases he had been receiving. It is only $100, but an in-step increase in grade 4 amounts to $160. But that is the end of it. Then he must wait until he has 13 years of service after which he will get a $100 longevity increase.

I am glad the distinguished Senator from Oregon has raised this question. If he will look at the table on page 16 he will find that the vast majority of the postal employees are in grade 4. It is comprised of 170,000 employees. The nearest number to that is in grade 3, 17,000. Grade 5 is next, with 14,000. So this validates the fact that they go in as grade 4; they have six step increases in the grade; and then it is all over until they complete 13 years of service after which they become eligible for their first longevity increase.

On the other hand, in the classified service, if the Senator will note the table on page 17, he will see that very few comparable people get longevity steps, because they are promoted so rapidly. They do not stay in a grade long enough to acquire enough service to earn a longevity increase.

Mr. MORSE. Madam President, I thank the distinguished Senator from Oklahoma for making this explanation for the RECORD and for calling attention to the letter from Mr. Brawley, which appears on page 12.

Is there anything in Mr. Brawley's letter, or is there anything in the record of the entire hearings, to indicate that the Post Office Department offers any factual rebuttal to the observation made by the Senator from Oklahoma, which was that all letter carriers—who started their Federal service as letter carriers and in most instances will end their lives as letter carriers—are clearly discriminated against in relation to other civil service employees? Does Mr. Brawley or anyone else in the Post Office Department offer any factual justification for the continuation of the discrimination?

Mr. MONRONEY. Having heard all the testimony, and several other members of the subcommittee having heard the testimony, I feel that I may say that I observed no justification for the objection of the Department to the bill, except that they wished to make a further study. However, Congress is well aware of the situation. In every pay bill, we have always been cognizant of the difficulty encountered by the postal workers, all of them being grouped in Grade 4 and being denied an opportunity for promotion on the same bases as other Federal employees. Such normal promotions and upgrading are denied to this large group of the most faithful Federal employees by the very nature of their jobs.

When the average citizen thinks of a Federal employee, he thinks first of the letter carrier, who calls at his home every day, and who renders to the citizen the kind of service he wants. Yet most Americans would be shocked, I think, if they understood the lack of promotion, the lack of opportunity, and the discrimination which is historically applied to the postal workers; if they understood that longevity pay increases were not comparable with those in the Classified Service, a group which receives longevity increases if they remain in the same grade, in an amount equal to their regular within-grade increases. The classified workers are rewarded, and will continue to be rewarded, if they should stay in the same grade by receiving longevity increases equal to their within-grade increases.

The Post Office Department has told the committee that it expects to develop a different promotional plan. This would still be limited treatment, because the bulk of the postal workers, by necessity, must still be in the clerk-carrier fields, and those grades are Grades 4 and 5, from which it would take power greater than is contained in our missiles program to remove this large group from Grades 4 and 5 status to some of the higher atmospheric reaches of the Federal service.

Mr. MORSE. I have read Mr. Brawley's letter, and have tried to find some argument or evidence submitted by the Post Office Department concerning this subject which would justify its adverse report in connection with a part of the bill. I have found none. The Brawley letter is a typical bureaucratic runaround. When a Government agency is confronted with a piece of proposed legislation against which they have no case, they seek to study it or try to sidetrack it by a desire to make further study.

To the second suggestion made by Mr. Brawley on behalf of the Department, I point out that it does not propose to cover all the Federal employees. It proposes to cover postal employees about whom there is no question as to discrimination in connection with the longevity problem, in relation to other civil service employees. I do not believe Mr. Brawley ever grasped the purpose of the bill; or if he did grasp the purpose of the bill, then he sought to circumvent the purpose of the bill. In neither case do I believe he acted effectively or efficiently; and that goes for his superiors, too.

I am glad to support the bill. I hope the next time the Senate considers a postal bill we will have received a more intelligent report from the Post Office Department than we have received in this instance.

Mr. HUMPHREY. Madam President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. I join with the Senator in his expression of support for this measure. I commend the Senator from Oklahoma for his work on it, and I compliment the diligence of the chairman of the committee, the distinguished Senator from South Carolina [Mr. JOHNSTON], who has always exhibited great concern that justice and equity be accorded the postal workers.

The argument to which I have listened today concerning longevity pay schedules is certainly one which we have heard

before. We have had very much the same kind of replies from the Department in previous administrations as we have received in this one. I should like to think that when the Democrats win elections, somehow or other things will change a little.

Mr. MORSE. If the Senator from Minnesota thinks there is any difference in the Post Office Department now, he is sadly mistaken. [Laughter.]

Mr. MONRONEY. Madam President, the ranking minority member of the committee, the distinguished Senator from Kansas [Mr. CARLSON], was very faithful in his attendance at all the hearings and during the committee's consideration of the bill. I know that what he will have to say about the bill will be important.

However, before I yield the floor, I should like to say that the fallacy of the Department's position is shown in the statistics on page 17, which show that only 6.1 percent of all of the classified workers receive longevity pay increases. On the other hand, in the postal service, 30 percent receive longevity, and most of it ties solely and strictly, in the heavy proportion of cases, to grade 4, and to a slightly less degree to grade 5 in the postal service.

Madam President, I yield the floor.

Mr. MORSE. Madam President, I thank the Senator from Oklahoma very much for making this legislative history with me.

Mr. CARLSON. Madam President, I heartily endorse this bill. As a member of the Committee on Post Office and Civil Service, I assisted in securing approval of the bill in the committee.

In addition, I wish to pay tribute to the chairman of the subcommittee, the Senator from Oklahoma [Mr. MONRONEY]. In the subcommittee, we discussed and studied this proposed legislation. I also pay tribute to the Senator from Texas [Mr. YARBOROUGH], the Senator from North Carolina [Mr. JORDAN], and the Senator from Delaware [Mr. BOGGS].

We held some rather extended hearings, in which we went thoroughly into the problem.

As stated today, there was some opposition by the administration—specifically, by the Bureau of the Budget, the Post Office Department, and the Civil Service Commission.

Madam President, Senate bill 1459 provides that the longevity increase for a rural carrier shall be the same as that for a city carrier. Second, it provides a special formula for determining the longevity increase for a postmaster at a post office of the fourth class.

I heartily endorse this proposed legislation; and as a member of the Senate Post Office Committee, I assisted in securing approval of these amendments in the committee.

This measure is designed to place postal employees on a comparable basis with Federal employees subject to the Classification Act, with respect to longevity increases.

The enactment of this measure should correct an inequality that has existed since 1949 in regard to longevity increases paid the classified and postal employees.

It has been said this is a pay bill; but it is not. It is merely a bill to correct a longstanding injustice and inequity which we should correct, and this bill will do so.

Longevity increases have long been recognized, both in the postal service and in other branches of the Federal service and in outside industry, as rewards for merit performance on the part of all employees. There is thus a recognition of experience and know-how, and incentive for employees to do their best on the job. This measure provides that incentive.

Longevity increases, or, for that matter, all salary increases, are not automatic increases, but are given only on the basis of merit, performance, and faithful service.

The only reason why longevity grades exist is to reward long, efficient service. It is too much to ask a man to stay on the job for years without an increase in salary as a recognition of his faithful efforts in behalf of his government.

During the hearings, our committee received testimony from many of the outstanding leaders and representatives of the postal employees and Federal workers generally.

Among those who testified were representatives of the United Federation of Post Office Clerks, the National Association of Postmasters, the National Association of Special Delivery Messengers, and the National Postal Union. I ask unanimous consent, Madam President, to have printed at this point in the RECORD the entire list of those who appeared before our committee.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

STATEMENTS

J. B. Cobb, president, National Alliance of Postal Employees.

William C. Doherty, president, National Association of Letter Carriers, accompanied by Jerome J. Keating, vice president; Reuben B. Kremers, secretary-treasurer; James H. Rademacher, assistant secretary-treasurer; James P. Deely, director, NALC Health Benefits Department; J. Stanly Lewis, assistant director, Health Benefits Department; and George A. Bang, director, NALC Life Insurance Department.

Everett G. Gibson, legislative director, National Federation of Post Office Motor Vehicle Employees, AFL–CIO.

Hon. J. J. Hickey, a U.S. Senator from the State of Wyoming.

Daniel Jaspan, legislative representative, National Association of Postal Supervisors, accompanied by Donald N. Ledbetter, secretary.

James K. Langan, operations director, Government Employees' Council, AFL–CIO.

John W. MacKay, president, National Postal Union, accompanied by David Silvergleid, secretary-treasurer, and Walter O. Noreen, executive vice president.

Tommy M. Martin, president, National Rural Letter Carriers Association, accompanied by Max H. Jordan, vice president, and John W. Emeigh, secretary.

Harold McAvoy, National Association of Post Office and Transportation Service Mail Handlers, Watchmen, Messengers, Mail Handlers, Bureau of Facilities.

John McCart, legislative representative, American Federation of Government Employees.

Ross A. Messer, legislative representative, National Association of Post Office and General Services Maintenance Employees.

Hon. Richard J. Murphy, Assistant Postmaster General, Bureau of Personnel, Post Office Department, accompanied by Louis J. Doyle, General Counsel, and Dr. Herbert Block, Compensation Division, Post Office Department.

Paul A. Nagle, president, National Postal Transport Association, accompanied by Wallace J. Legge, industrial secretary.

Roy M. North, legislative representative, National Association of Postmasters, accompanied by Charles F. Shuler, postmaster, Elkton, Va.

John F. O'Connor, legislative director, United Federation of Post Office Clerks.

Bun Raley, legislative representative, National League of Postmasters of the United States.

George L. Warfel, president, the National Association of Special Delivery Messengers.

Mr. CARLSON. Madam President, I ask unanimous consent to have printed at this point in the RECORD part of a statement made by William C. Doherty, president of the National Association of Letter Carriers. He discussed this matter in a fashion which everyone who reads this RECORD will understand. These excerpts are to be found on pages 22 and 23.

There being no objection, the excerpt from the statement was ordered to be printed in the RECORD, as follows:

EXCERPT FROM STATEMENT BY WILLIAM C. DOHERTY, PRESIDENT, NATIONAL ASSOCIATION OF LETTER CARRIERS

Mr. DOHERTY. Mr. Chairman and members of the subcommittee, my name is William C. Doherty. I am president of the National Association of Letter Carriers with headquarters at 100 Indiana Avenue NW., Washington, D.C. I am accompanied by Jerome J. Keating, vice president; Reuben B. Kremers, secretary-treasurer; James H. Rademacher, assistant secretary-treasurer; James P. Deely, director of the NALC Health Benefits Department; J. Stanly Lewis, assistant director, NALC Health Benefits Department; and George A. Bang, director of the NALC Life Insurance Department.

Before beginning my brief statement today I would like to express my appreciation—and the appreciation of the 143,000 members whom I represent—for being permitted to appear before you and to express our views regarding this bill, S. 1459.

There is no reason, I am sure, why I should make a long and detailed statement today. The bill before you is short, clear, and concise. It seeks merely to adjust an inequity against letter carriers and numerous other postal employees which, in my opinion, came into being through a simple case of lack of foresight.

As you gentlemen no doubt know, the principle of remuneration for longevity was first introduced into postal pay schedules in 1945, through Public Law 134.

However, because of some technical considerations, of which I feel you are cognizant, the longevity provisions of the law did not really become operative until the law was amended in 1949 to make allowance for service prior to 1945.

The reason why this contemplated legislation is so necessary, if justice is to be obtained for all concerned, is embodied in the very wording of Public Law 134, as amended.

I am morally certain that it was the intention of the Congress in writing the law to make the longevity step increases the same as the automatic step increases.

This was certainly the procedure the Congress used in creating the longevity step increases for classified employees. As you know, this law was also passed in 1949, the

same year that Public Law 134 was amended. To me, Mr. Chairman, it is inconceivable that the Congress would deliberately adopt two entirely different principles of remuneration for longevity in the same year, one for postal workers and one for classified employees.

And yet this is just what Congress did. In writing the law for postal employees it specified that each longevity increase be set at $100, which was the same as the automatic pay increase which applied at that time. Yet, in writing a longevity provision for classified employees the Congress specified that each longevity increase should be at the same rate as their automatic yearly increases.

* * * * *

Let us consider a letter carrier with 25 years' service and three dependents. This man is in level 4–7C and his take-home pay is $175.17 per pay period. A letter carrier with 18 years' service and three dependents is in level 4–7B and his take-home pay is $171.57 per pay period.

So the difference between these two men is only $3.60 per pay period—or, $1.80 a week.

Longevity pay, gentlemen, is intended as an incentive reward; a reward for long and faithful service. What kind of incentive is it for a man—after 25 years of dedicated service—to look forward to just $1.80 a week in increased pay?

And especially how much of an incentive is it if he must wait 7 whole years to get that pittance?

I would like to add, gentlemen, that there is a further inconsistency in the law which requires correction in the interest of simple justice. As you know, the act makes postal employees eligible for longevity increases after 13 years of service, after 18 years of service, and after 25 years.

On the other hand, a classified employee is eligible for an increase only 3 years after he reaches the top grade in his pay level.

The inequity built into this discrepancy lies in the fact that the vast majority of all postal employees continue in the same level during their entire postal careers. The ratio of postal supervisors to letter carriers is small indeed, particularly since the practice in most post offices is to discriminate unfairly against letter carriers in the matter of promotions to supervisory grades.

So if letter carriers also received their longevity increase after 3 years in the top grade of their pay level they would actually be getting this richly deserved increase after 10 years of service, after 13 years of service, and after 16 years, just as this bill, S. 1459, proposes.

Mr. MORTON. Madam President, will the Senator from Kansas yield?

Mr. CARLSON. I yield.

Mr. MORTON. I merely wish to commend the Senator from Kansas and the Senator from Oklahoma for bringing this measure to the floor.

I had the privilege of serving for several years on this committee. I have always been sympathetic to proposed legislation of this type. I think this is a measure that is only just and fair, and I am glad the Senate Committee on Post Office and Civil Service has brought it to us at this time. I intend to support it.

Mr. CARLSON. I appreciate very much the remarks of the distinguished Senator from Kentucky. Those of us who have had the privilege of serving for many years on the committee know of his interest in the Federal employees, and particularly in the postal employees. I commend him for the statement he has made today.

Mr. JAVITS. Madam President, will the Senator from Kansas yield?

Mr. CARLSON. I am glad to yield to the Senator from New York.

Mr. JAVITS. I also wish to identify myself with the views which have been expressed by the Senator from Kansas. I favor the bill about which he has spoken so eloquently.

I wish to state my support of the longevity pay bill now before us.

Longevity pay is an equitable and time-tested way of giving incentive to, and reward for, experience. It is also the counterpart of an employee's pride in dedicated service. None of us doubts, I am sure, that the competent and interested employee with years of training and experience behind him, is more valuable and can do a better job than can the competent and interested employee who is relatively new. Indeed, one of the principal ingredients of competence is experience.

Time and again we have heard, in congressional committees, testimony that one of the main reasons for inefficiency, waste, and duplication in the Government is the enormous turnover. From long experience with thousands of postal employees, I know that it takes time to train a new worker in the intricacies and technical demands of our postal system. I also know the pride these employees take in their work and in their Department, and their concern over the unusual high turnover which the postal service has been experiencing.

The Federal Government cannot lag behind private industry in providing to its working force reasonable and equitable incentives and rewards for competence. Indeed, the Federal Government, whenever possible, should show the way. I feel that by approving the longevity accruals provided in this bill, we shall be acting within the framework of fiscal responsibility, for there are tangible benefits—in terms of efficiency, personnel control, experience, and technical know-how—to be gained by giving such rewards.

I compliment the Senator for his fine statement on the bill.

Mr. CARLSON. I thank the Senator from New York for the statement he has made. I extend to him my thanks in behalf of those who will be the recipients of the benefits provided under this measure. Those of us who have the privilege of serving with him in the Senate know he is always interested in the welfare of all our citizens; and he has taken a particular interest on behalf of the Federal civil workers; including the postal employees. I commend him for the position he has taken.

Mr. YOUNG of Ohio. Madam President, will the Senator from Kansas yield to me?

Mr. CARLSON. I am pleased to yield to the Senator from Ohio.

Mr. YOUNG of Ohio. May I say that after studying the hearings, the committee report, and the bill, I have become somewhat concerned in regard to this matter. I have been tremendously impressed by the statements made by the distinguished junior Senator from Kansas [Mr. CARLSON], the junior Senator from Oklahoma [Mr. MONRONEY], and the senior Senator from Oregon [Mr. MORSE].

However, at the same time, I state frankly that I am troubled because of the fact that, as all agree, we are now in a period of international anarchy, and are compelled to make appropriations of billions of dollars for the defense of our country. Yet, in regard to this measure which calls for longevity pay increases for the postal employees, I find that representatives of the Post Office Department, representatives of the Bureau of the Budget, and representatives of the Civil Service Commission all have filed reports opposing enactment of this measure.

Furthermore, in the committee report I find it stated that the estimate of the Post Office Department is that the increased cost to the Department, if this measure is enacted into law, would approximate $59 million a year. This is denied by officials of the postal employees' organizations, who estimate the cost at $30 million. It is denied by the staff members of the Committee on Post Office and Civil Service, who estimate the increased cost at about $45 million a year. I suspect this figure is probably accurate.

One question occurs to me which I should like to ask the distinguished Senator from Kansas. The enactment of this measure will apparently add to the deficit in the Post Office Department. Yet no action that I know of has been taken to date on the request of our President for an increase in second- and third-class postal rates—third-class mail being sometimes referred to as junk mail—or even of first-class mail rates.

Personally, I would hesitate to vote, and I hope I may not be compelled to vote, in favor of increasing first-class postage rates. At the same time, frankly, as one who wants to cast a proper vote in this instance and who has been greatly impressed by the statements made by proponents of the bill, I ask whether there has been any explanation of why these three agencies are opposing the bill. May I ask the distinguished Senator from Kansas to please give us an answer to that question?

Mr. CARLSON. Madam President, I shall be most pleased to respond to the Senator from Ohio. First, in regard to postal rate increases, the House of Representatives and its appropriate committee are considering the question at the present time, and the Senate committee will wait until it is determined what action they take.

Second, In regard to the position of the administration concerning this particular bill, I wish to refer to what was said by Mr. Murphy, as appears on page 14 of the hearings. I asked what I considered to be an interesting question. As appears on page 14 of the hearings, I said:

The Bureau of the Budget, the Post Office Department, and the Civil Service Commission are all opposed to this proposed legisla-

tion based on the letters we have from them, but you—

Meaning Mr. Murphy—

made the statement, I believe, in response to a question of Senator MONRONEY, that you did not think our postal employees were overpaid?

Mr. MURPHY. Yes, sir.

Senator CARLSON. I think that is a very fair statement. I agree with that.

Concerning that, would it not be better to come up with a general pay increase than just pick out certain sections and certain individuals?

Mr. MURPHY. I would feel this way: It is certainly not for me, Richard J. Murphy, to make a decision as to whether or not there should be a pay increase. This is a matter for the Congress and the President jointly to decide.

He did not say they were opposing it, but that they could come up with the very same thing in the future.

Mr. YOUNG of Ohio. I thank the Senator for answering my question. I certainly am not taking the position that postal employees are overpaid.

Nevertheless, I do know that within the past year and a half there was quite a scandal over the payment of $100 or more by applicants for postal jobs to others to take the civil service examinations for them in order to make them eligible. Therefore, despite the present pay rate, there apparently are plenty of applicants for these positions. So, it appears that postal workers are not underpaid. I believe, of course, the same standards should apply to them as to other Federal employees, but I have been troubled over the fact that the Bureau of the Budget, the Post Office Department itself, and the Civil Service Commission are all opposed to the bill.

Mr. CARLSON. Madam President, does the Senator from West Virginia [Mr. RANDOLPH] desire to have the floor?

Mr. RANDOLPH. No; I do not wish the floor in my own time. I would like to use only a few minutes in comment while the persuasive Senator from Kansas continues to present any pertinent discussion on the pending measure.

Mr. CARLSON. I yield to the Senator from West Virginia.

Mr. RANDOLPH. Madam President, I wish to express, not a pleasantry, but a fact that in the Committee on Post Office and Civil Service there has been a minimum of partisan consideration of legislation dealing with postal and career service employees. I am sure the esteemed chairman of our committee, who is in the chamber at the present time, the Senator from South Carolina [Mr. JOHNSTON], and the conscientious chairman of our subcommittee, the junior Senator from Oklahoma [Mr. MONRONEY] would embrace the statement I have just made.

I make this assertion because with the chairman of the committee and the ranking minority member participating in this debate, I desired to have the record clear on that point.

Madam President, Senate bill 1459 is not only a bill which has to do with longevity pay increases for postal employees, but it is a measure which is in the public interest. That is important, because we are inclined, perhaps, to overlook the devotion and diligence with which this group of Government workers carries forward a particular phase of Government activity. The pending proposal is consistent with the national welfare, and would provide an equitable reward for valuable service rendered.

I concern myself with the colloquy between the active Senator from Ohio [Mr. YOUNG] and the Senator from Kansas [Mr. CARLSON] in reference to the current status of legislation which would have to do with an increase in postal rates in this country.

There is pending in the Committee on Post Office and Civil Service Senate bill 1812. It is a measure of which the distinguished present Presiding Officer, the Senator from Oregon [Mrs. NEUBERGER], is a cosponsor. That proposed legislation has the support, not only of those Senators whose names are carried on the bill, the Senator from Oregon [Mrs. NEUBERGER], the Senator from New Jersey [Mr. WILLIAMS], the Senator from Arizona [Mr. HAYDEN], the Senator from Maine [Mr. MUSKIE], and the Senator from West Virginia who now speaks, but of other Members who are concerned with the mounting deficits in the handling of our mails in a complex system of service to an ever-increasing population.

Although I definitely do not think these two subjects are joined together, it is important for those of us who have introduced that bill to indicate we did proceed merely as a gesture. We did it because we believe the continuing deficits in the conduct of the Post Office of the United States are a subject which should be considered carefully in hearings by the Senate committee. I wish to document what I believe to be the feeling of the five Members who have sponsored that legislation in the Senate.

I am grateful that the Senator from Kansas has yielded to me for these comments.

Mr. CARLSON. Madam President, I appreciate the words of the Senator from West Virginia in regard to my service and the service of the chairman of the committee. It has been a distinct pleasure to work with the Senator from West Virginia and the other Senators on the committee.

I now yield the floor.

Mr. KUCHEL. Madam President, I am pleased to have a statement which was prepared by the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], in behalf of Senate bill 1459, the bill which now pends in the Senate. I ask unanimous consent that the full text of that statement be incorporated in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DIRKSEN

I wish to speak in favor of S. 1459. The purpose of this bill is to place postal employees on a comparable basis with the Federal employees subject to the Classification Act with respect to longevity increases.

Under the present law, postal field service employees receive longevity increases of $100 at the end of 13 years', 18 years', and 25 years' service. But employees whose compensation is fixed by the Classification Act receive longevity increases in the amount equal to the regular within-step increase of the grade at the end of 10 years', 13 years', and 16 years' service.

It is apparent, therefore, that the postal employees are not treated by the same yardstick in the matter of longevity as are the classified employees.

My study of S. 1459 and the report on that bill, No. 474, has convinced me that the main purpose of S. 1459 is to equalize the longevity benefits and to make them more uniform for all classes of workers.

It would appear that there is discrimination in the law pertaining to longevity benefits for postal employees. I am sure this was not the intent of the Congress. I hope, therefore, that favorable consideration will be given to S. 1459.

Mr. KUCHEL. Madam President, I speak today as a friend of the American postal workers. All too often I think they represent the forgotten men and women in Federal public service.

Before us now is a bill to eliminate one rather glaring statutory inequality by which they suffer in comparison with civil service personnel generally. This is in connection with longevity pay increases to classified workers, on the one hand, and postal employees, on the other.

I pay my respects to my friend the able chairman of the subcommittee [Mr. MONRONEY] and to my friend the able ranking minority member of the subcommittee [Mr. CARLSON]—indeed, to all the members of the committee who serve under my able friend from South Carolina [Mr. JOHNSTON], and who, together, sent this bill to the Senate with a favorable report.

Madam President, I refer briefly to page 4 of the report on S. 1459:

During the hearing, it was brought out that the principle of longevity increases for both classified and postal employees was established by law in 1949. In the case of employees subject to the Classification Act, longevity increases were fixed at the same amount as the within-grade step increases. However, in the case of postal employees, the longevity increases were pegged at $100 which at that time was the amount of the within-grade increases in the postal service.

At that time, this difference in the Classification Act and the Postal Pay Act amounted to little more than an inconsistency in law. With the passing of time and the growth of the within-grade increases under both acts due to intervening pay adjustments, it has grown from an initial inconsistency into a glaring discrimination against postal employees.

Congress clearly had no such result in mind when it passed both laws in the same year. It is rather the uncontemplated result of two separate laws drafted differently but with the same objective in mind.

I agree that we have such a glaring discrimination against the men and women in the postal service, and I agree, too, that Congress never intended it. But we have it, and the bill before us will eliminate it.

Madam President, I refer briefly to the hearings on the proposed legislation, particularly to page 23, the testimony of William C. Doherty, president, National Association of Letter Carriers, who said in part:

Let us consider a letter carrier with 25 years' service and three dependents. This man is in level 4–7C and his take-home pay is $175.17 per pay period. A letter carrier with 18 years' service and three dependents is in level 4–7B and his take-home pay is $171.57 per pay period.

So the difference between these two men is only $3.60 per pay period—or, $1.80 a week.

Longevity pay, gentlemen, is intended as an incentive reward; a reward for long and faithful service. What kind of an incentive is it for a man—after 25 years of dedicated service—to look forward to just $1.80 a week in increased pay?

And especially how much of an incentive is it if he must wait 7 whole years to get that pittance?

I would like to add, gentlemen, that there is a further inconsistency in the law which requires correction in the interest of simple justice. As you know, the act makes postal employees eligible for longevity increases after 13 years of service, after 18 years of service, and after 25 years.

On the other hand, a classified employee is eligible for an increase only 3 years after he reaches the top grade in his pay level.

There is no possible justification whatsoever for such a regrettable distinction as the law provides. Longevity pay is, indeed, an incentive reward for continuing faithful service. But, presently, the incentive to postal workers is a myth and a sham, and, from a practical standpoint, there is really no reward at all.

What we are about to do here today is simple justice—that is all—to the American postal worker.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. YARBOROUGH subsequently said: Madam President, I wish to congratulate the chairman of the Committee on Post Office and Civil Service, the able Senator from South Carolina [Mr. JOHNSTON], for his leadership in securing Senate passage of S. 1459, which would equalize the longevity step increases for postal employees, on producing a step toward equalization. As a member of the Senate Committee on Post Office and Civil Service and the Subcommittee on Postal Affairs, which heard the evidence, I felt that the record was clear that the overwhelming evidence showed that the proposed legislation was badly needed. I want at this time to cite one instance in the record which was not cited previously on the floor of the Senate this afternoon. The portion to which I direct attention is on page 29 of the record of the hearings. I was questioning Mr. Rademacher, the assistant secretary-treasurer of the Letter Carrier organization. Raleigh, N.C., a medium sized city, so-called, was selected for illustration. In that city there are 400 postal employees. In 12 years in Raleigh, N.C., there was one promotion in 12 years among 400 of those employees. That evidence shows that the opportunities for letter carriers, clerks, and others in the postal organization to go up does not exist as it does with the general civil service employees of the Government, and that is the reason why the legislation, which would place postal employees on the same basis as Federal civil service workers generally, was badly needed. The measure provides longevity increases after 10, 13, and 16 years of service. These longevity raises are particularly important for the postal employees as a majority of them start out and remain at the clerk-carrier level. In the Post Office and Civil Service Committee hearings, we were told of one post office of 400 employees where only one promotion had been made in 12 years. This situation could be duplicated in many cities, and illustrates the importance of this longevity adjustment for attracting and retaining our valued postal service workers.

This bill's speedy passage is another testament to the concern of the senior Senator from South Carolina [Mr. JOHNSTON] for building a first class postal service for the benefit of the country.

I ask unanimous consent that my remarks be placed in the RECORD immediately prior to the passage of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1459) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (a) and (b) of section 3558 of title 39 of the United States Code, are amended to read as follows:

"(a) There are established for each employee longevity steps A, B, and C. For each longevity step to which he is entitled—

"(1) each employee, other than a postmaster at a post office of the fourth class or a rural carrier, shall receive an amount equal to one step increase for his position,

"(2) each rural carrier shall receive an amount equal to one step increase for salary level PFS–4, and

"(3) each postmaster at a post office of the fourth class shall receive an amount equal to one step increase for salary level PFS–1 or to 6 per centum of his basic salary, whichever is the lesser.

In computing the percentage increase under this subsection the amount of the increase shall be rounded to the nearest dollar. A half dollar or one-half cent shall be rounded to the next highest dollar or cent, respectively.

"(b) Each employee shall be assigned to—

"(1) longevity step A at the beginning of the pay period following the completion of ten years of service; and

"(2) longevity step B at the beginning of the pay period following the completion of thirteen years of service; and

"(3) longevity step C at the beginning of the pay period following the completion of sixteen years of service."

SEC. 2. No increase in compensation shall result from the amendment made by this Act prior to the first day of the first pay period following the date of its enactment.

Mr. JOHNSTON. Madam President, I move to reconsider the vote by which the bill was passed.

Mr. HUMPHREY. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

POLITICAL AND RELIGIOUS ATTITUDES OF THE POLISH PEOPLE

Mr. WILEY. Madam President, recently I had printed in the RECORD a very challenging article by Mr. Welch, an attorney in town, with respect to Poland. When Secretary of State Dean Rusk was before the Committee on Foreign Relations last week I presented him with the facts contained in the article, and he said he would give the committee a report of the Department views on the article. A report has now been sent to the committee for its records.

In view of the fact that I had Mr. Welch's article, which also appears on Bowdoin College Alumnus, printed in the RECORD, I now ask unanimous consent that the report by Secretary Rusk be printed in the RECORD following my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT BY SECRETARY RUSK

Mr. Welch's article, which appeared in the August, 1960, issue of the Bowdoin College Alumnus, contains a number of interesting and pertinent observations. However, his conclusions with regard to the political and religious attitudes of the Polish people and trends in Poland in 1960 and now are substantially at variance with the great bulk of reports available to the Department of State from a large number of public and private sources, some of them based on long observation of the Polish scene. Certain statements in the article with regard to church attendance, wage levels, and construction in Warsaw are demonstrably inaccurate.

Poland has had a Communist government for about 15 years, and some of Mr. Welch's observations concerning conditions there should come as no surprise. Far-reaching government and party controls are a feature of any Communist society. Among other things, it must be expected that practice in various professional fields such as the law would be under a large measure of official control. The extension of governmental controls in the field of religion is also a policy of Communist governments (however, it should be mentioned here that the reports of official Americans and of private visitors with whom the Department has come into contact stand in sharp contrast to Mr. Welch's assertion that Sunday church services are poorly attended in Poland).

We do not know the basis of Mr. Welch's estimate that "over 90 percent of the Polish people are Communists or Communists in sympathy." The Polish political system does not provide for an active opposition and hence this figure is impossible to estimate with any accuracy. However, the major Polish-American organizations, whose members enjoy personal ties with the Polish people, would certainly take issue with Mr. Welch's figure. The Poles have traditionally demonstrated a strong spirit of independence, evidenced for example in 1956 when

they took forceful measures to eliminate some of the abuses of the Stalin era. Nor would the Department concur in Mr. Welch's view that the advantages which the Polish people obtained in 1956 have been nullified during the years since then. He might wish, for example, to compare the acreage figures for collective farms in 1955, when a policy of compulsory collectivization was in effect, with the figures for today.

The Department disagrees strongly with Mr. Welch's remarks concerning the negative attitude of the Poles toward the "people of the West" and toward Americans specifically. Americans have traditionally enjoyed the closest of ties with the Polish people, due in part to our close blood relationships; the size of the first and second generation Polish-American population is equal to about 10 percent of the present population of Poland. The Department is confident that the Polish people continue to view the people of this country, as we view them, with warm friendship and respect. Officers of the Department who witnessed the warm welcome for Vice President Nixon on his arrival in Warsaw in the summer of 1959 can vouch for the existence of this feeling. Enthusiastic crowds thronged the streets along Mr. Nixon's route, rendering it difficult for police to maintain space for his car to proceed. The Vice President said he was "overwhelmed" by the friendship which he saw on every side, adding that he interpreted it as an expression of the friendship existing between the people of both countries rather than a welcome for him personally. American visitors to Poland may, like Mr. Welch, have had complaints about the portering service in Polish hotels, but as far as the Department is aware they have not interpreted such matters as evidencing Polish hostility. On the contrary, many of them have made a point of registering to the Department their strong impressions of the hospitality and friendliness of the Polish people. This view is confirmed by the experience of Americans who have lived in Poland for long periods of time on U.S. Government assignments.

Mr. Welch makes the observation, pertinent with respect to most Communist countries, that internal conditions render it very difficult for Americans to communicate with the rank and file of the population. United States-Polish relations have seen considerable improvement in this regard in recent years. Mr. Welch is among 12,000 Americans who visited Poland in 1960. Most of these visitors were Americans of Polish extraction, and, like the individual who accompanied Mr. Welch, many spoke the Polish language and had relatives or close friends in Poland. They visited every corner of the country, seeing Polish life in its many aspects and acquainting the Poles with our way of life. Over 2,000 Poles visited the United States during the past fiscal year. The exchange of information between the United States and Poland has also been facilitated by radio broadcasting (our broadcasts are not jammed by Poland), by arrangements under which each country publishes and distributes in the other country a periodical depicting its current life, and by the U.S. informational media guarantee program, which facilitates the purchase by Poland of over a million dollars worth of U.S. publications annually. All these programs help increase understanding in Poland of the United States and its policies.

Mr. Welch mentions the recent economic gift to Poland of $130 million, a reference to the agreement concluded on July 21, 1960, providing for the sale to Poland of grains, cotton, dry milk, and other surplus agricultural commodities totaling $130 million in export market value. These commodities are sold for Polish currencies, but with the provision that after a specified length of time the Polish Government will pay us in dollars for any unused portion of the zlotics accrued to us. These shipments have contributed significantly to the improvement of levels of consumption in Poland, and the department believes that the Polish people appreciate this evidence of our interest in their welfare. U.S. Government assistance in this form is coupled with assistance rendered by the several U.S. voluntary agencies active in Poland, proof of the strong interest of private Americans, also, in the well-being of the Polish people.

With respect to Mr. Welch's statements concerning East Germany, it is our view based on extensive documentation and reporting that in any free election held in the Soviet zone of Germany the Communist regime would be voted out of office by an overwhelming majority of the East German population. While there are undeniably members of the East German Socialist Unity (Communist) Party and functionaries of the East German regime who have acquired a vested interest in the continuation of Communist rule, the vast majority of the East German people are completely unsympathetic to the Communist system as evidenced by the fact that since 1949 over 2 million East Germans have voted "no," "with their feet," as refugees fleeing to West Berlin and West Germany. During the first 6 months of 1961 for example 103,000 East Germans have fled to the West as refugees.

INDIVIDUAL VIEWS OF SENATOR ALEXANDER WILEY ON ADMINISTERED PRICES OF DRUGS

Mr. WILEY. Madam President, I have received a number of requests for my individual views, filed in connection with the report of the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary, relating to the investigation of administered prices in the drug industry. I ask unanimous consent that my individual views may be printed in the RECORD, so that I may have copies circulated.

There being no objection, the views were ordered to be printed in the RECORD, as follows:

INDIVIDUAL VIEWS OF SENATOR ALEXANDER WILEY

After more than 2 years of investigations and hearings, the Senate Antitrust and Monopoly Subcommittee has produced its report on the drug industry. This is part of the series of subcommittee reports dealing with administered prices. It is noteworthy that while the report analyzes most carefully the various aspects and practices of pharmaceutical research, production, promotion, and sales—it nowhere concludes that these practices are in any way in violation of either the letter or the spirit of our antitrust and monopoly laws. Indeed, all of part I of this report—as clearly indicated by its title—deals with "The Reasonableness of Price." Upon reading of the report it becomes evident that the subcommittee's criticisms of the drug industry are leveled not at clearly defined legal violations but at a more flexible concept of "reasonableness," which is subject to different interpretations and coloring depending on the interpreter's point of view.

Our Federal antitrust laws are not generally concerned with the question of price reasonableness. The brief is inherent in our free enterprise philosophy that prices are best adjusted and determined by the free operation of the forces of supply and demand in the marketplace. It is only when these forces are unreasonably restricted by monopolistic practices that the Government must step in. Consequently, the real question before this subcommittee at all times must be the factual determination as to the existence of illegal restraints of trade—not the speculation as to whether prices are reasonable or unreasonable. It is obvious that once we undertake to substitute Government judgment of what is reasonable or unreasonable for the free play of prices in the marketplace—the final product would be a general Government price-fixing program.

This is not to say that the situation in the drug industry requires no public or governmental scrutiny. It has been argued that the drug industry derived a higher rate of return on its investment than other American industries. It has been argued that the pharmaceutical companies have at times exaggerated in their claims for the therapeutic value of certain drugs. It has been argued that the drug companies have spent an unreasonable portion of their budgets in order to indoctrinate doctors so that they would prescribe high-priced trademarked products. It has been argued that the patent provisions and the licensing agreements among drug manufacturers produced concentration of production and power in the hands of a few large manufacturers.

I shall endeavor later to respond in part to these arguments, not in order to protect the drug industry but in an effort to set the record straight. But be this as it may, let me emphasize it again that it is part of a free enterprise system to permit differences in income and profit, to allow free use of advertising and promotion, and to leave business management to those responsible for it—as long as the public welfare is not directly and immediately threatened. Indeed, it is part of our democratic system that individuals and companies be permitted to try, to experiment and even to make mistakes. It is our belief that it is this opportunity to experiment that is the core of democracy and the true reason for its success. Otherwise, we are destined to follow the example of the totalitarian governments which prescribe to everybody what to do, what to worship, what to produce, and at what prices to sell.

Yet economic freedom is not a license to act contrary to the public interest or to be free from public scrutiny. Governmental scrutiny and reevaluation of the activities of all segments of the population, including business, is an important tool to preserve the national interests. Even the most prominent exponent of free enterprise, Adam Smith, stated in his writings:

"People of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public, or in some contrivance to raise prices."

I do not share this extreme suspicion of business which has been evidenced in many of the documents of this subcommittee. Still, there is often a tendency, on the part of both individuals and of business to become preoccupied with their own point of view and their own narrow outlook in a manner which is contrary to the best public interest.

I believe that it is the function of the Government, on behalf of the general public, to act as a constant overseer making certain that special interests do not predominate, and that the general welfare is protected. Consequently, I believe that the

recent investigation of the drug industry, despite some serious faults, has performed an important public function in making the industry reevaluate its responsibility to the public, in making the public aware of both the accomplishments and the shortcomings of this industry, and in giving Congress an opportunity to examine the need for new legislation. Indeed, any unbiased observer will concede that the investigation of the drug industry has resulted not merely in criticisms but has also provided the industry with an opportunity to convey to the public a picture of its important contribution to American health and welfare.

Reading the conclusions contained in this report on the drug industry, I am not certain that they contain an unbiased evaluation of the economic facts of the pharmaceutical industry and I feel it incumbent upon myself to comment on several issues which I believe have been either completely overlooked or else have been improperly emphasized in the majority views.

THE ROLE OF PROFITS IN THE GROWTH OF THE AMERICAN PHARMACEUTICAL INDUSTRY

The growth of the American pharmaceutical industry in recent years has been phenomenal and required tremendous capital outlays. It is easy, in our search for lower prices, to accuse the drug industry of unconscionable profits and to demand Government controls. But it must be remembered that the Soviet Union, in which the profit motive does not exist and in which the drug industry is completely regulated, produced no single new drug since the Communist revolution. It must be remembered also that the drug industry is a fairly young industry in this country, and that it has taken large fortunes to build it to the point of its present prominence.

From 1939 to 1958 the American pharmaceutical industry's production grew eightfold. In 1939 the total value of pharmaceutical preparations produced in this country was $386 million. In 1958 it amounted to $2,951 million. In order to keep up with the increasing medical needs of the country, to develop better products and to make more drugs available to an increasing population—the drug industry needed new plants, new research facilities, and new capital. It is the drug industry's success story that provided the necessary capital for the industry's growth.

Before the Second World War we exported only $10 million worth of drugs a year, and we imported over $20 million worth. We now export more than $284 million worth of drug products a year. Between 1939 and 1958 there has been a tremendous increase of 2,800 percent in drug exports. At the same time the exports of manufactured goods generally only doubled. Thus, while competition from other countries has curtailed the expansion of our exports, our drug exports have been constantly increasing. Why is this so? Primarily because our drug industry is advanced and progress-minded and can compete in any market.

The drug industry story is a success story. But success cannot be accomplished through miracles. Unless the drug industry was given an opportunity to reap the harvests of its successes and to invest large portions of it in the development of its facilities and its research, this phenomenal success would not have been possible.

In a period of mere years we became the leading pharmaceutical manufacturers of the world. It was the profit motive which stirred the pharmaceutical industry into further research and growth. It was the profit made by this industry and which was plowed back into it that provided the capital for improvement and growth. Without the profit motive and without the profits being reinvested in the industry—the state of the American pharmaceutical industry today would not be what is is.

True, some may feel that medical research and medical expansion should be subsidized by the Government—but that would also spell out the end of our economic liberty.

In assessing whether the prices of the pharmaceutical industry have been excessive, one must remember that this is a high risk industry, which in 1958, for example, had to test some 14,000 substances before it could produce a mere 40 marketable drugs. This is a high obsolescence industry, where one product can have almost 99 percent of the market 1 year and be reduced to a mere 3 percent 2 years later. It must also be remembered that while wages increased 70 percent between 1948 and 1958, and construction cost increased 64 percent, the increase in the wholesale drug price was only 3 percent.

MONOPOLISTIC TENDENCIES IN THE DRUG INDUSTRY

In analyzing the competitive situation in the drug manufacturing field, it must be pointed out from the outset that more than 1,300 companies are engaged in the manufacturing of prescription drugs—with no one company accounting for as much as 10 percent of the total sales. This is a field where new drugs may, in a matter of a few years, completely replace drugs which were widely used previously. This is a field where different drugs can be prescribed to take care of a particular medical need—and the final choice is left to the treating physician, as to whether he prescribes one particular drug over another, or whether he chooses the drug of one company over the drug of another.

It is true that new drugs are controlled by the companies responsible for their invention, development, and production. Yet, this is part of the American philosophy which recognizes that the inventor is entitled to the fruits of his invention. This is the philosophy incorporated in our patent and trademark system.

It has been argued before the subcommittee that the pharmaceutical industry has overstressed trademarks and has following restrictive licensing practices—thus, in fact, monopolizing the market. It has been proposed further, that prescriptions by generic name, rather than by trademarked names, would provide the patient an opportunity to buy a cheaper product rather than be limited to the trademarked prescription issued to him.

It is appropriate, therefore, that we remember that by undertaking to do away with trademarks and patents—we would be interfering with the very foundations of our economic system. Trademarks are, indeed, major tools in the promotion of quality, and of competitive economic enterprise. It is noteworthy that while the subcommittee has under consideration the possibility of either eliminating or curtailing the use of trademarks in the drug industry—the Communists, on the other hand, are beginning to appreciate the merits of the trademark. A recent dispatch from Red China tells that "Brand Names Win Peiping Backing—Labels, Many in English, Aid Bid To Improve Products."

The story reported by Reuters from Peiping (New York Times, June 4, 1961) states that "Communist China has become brand-name conscious, with newspapers supporting the trend in an effort to improve the quality of consumer products."

On the topic of trade names, I should like also to call attention to recent British attitudes and thinking. The British Hinchliffe Committee on the Cost of Prescribing, has concerned itself with problems similar to those before this committee. One of the proposals before that committee was that standard drugs rather than trademarked products, should be prescribed, as a means of reducing prices. It is interesting that the two pharmacist members of the British committee then proceeded to point out that if the practice was spread to do away with prescriptions by brands, and cheaper unbranded generic products were to be generally used—the British drug industry would be unable to recoup its expenditure on research, and Britain will become dependent on forign countries for new advances in treatment. The same argument would hold true in this country. There will be no motivation for the drug companies to expend large amounts of money on research and development unless the industry is guaranteed patent and trademark protection in order to recoup its investments.

CONCLUSION

I have been in the past, and I still remain critical of the manner in which some of the drug hearings, on which this report is based, were conducted. Likewise, I should like to stress that some of the cures that have been suggested for dealing with the drug evils—real or illusory—are sufficiently drastic to kill not only this particular patient but the whole concept of free enterprise.

Yet, at the same time, the response of the press and the public to this investigation indicates that there is some concern and dissatisfaction with the past practices of the drug industry. We shall be erring seriously if we ignore this.

The essence of the main complaint against the drug industry was the fact of the industry's success. But we must now ask ourselves: Is it a crime to be successful in an economy that believes in free enterprise? After all, one of the major aims of our economy is to encourage success, to promise success to those who enrich society by new discoveries, by improved methods of production and by the use of their genius. Let us not be in too much of a hurry to sacrifice this time-tested economic philosophy. Quite often, in our hurry to correct immediate and present ills we are too ready to sacrifice some of our basic philosophies. Many of the previous congressional investigations have illustrated this danger. Much too often both the public and its representatives unwittingly undertake to accomplish a desired immediate result through the sacrifice of some longstanding principles of government and economics—such principles as government of law and the belief in economic freedom. Yet, we must remember that it was not through price controls and planned economy that this country achieved an economy of plenty and a position of world leadership.

This report is critical of the patent policies applicable to new drugs. It is critical, furthermore, of the industry's use of trade names.

Patents have long been utilized in order to encourage the American creative genius. If we eliminate the incentives under the present patent provisions—would we be doing away with our present motivation for search, exploration, and discovery?

In the matter of trademarked drugs, let us likewise be cautious before we substitute Government controls for the professional judgment of trained physicians. To decide by Government fiat that drugs must be prescribed by generic name and thus deny the physician the right to prescribe a brand-named product manufactured by a pharmaceutical house known and trusted by him—may well be destructive to the traditional doctor patient relationship.

Bearing in mind the dangers of undue interference with our economic system, I do not mean to relieve the drug industry of its

responsibilities in this area. As long as thousands of people in this country—old, indigent, and sick—remain unable to pay the high price of drugs, it is the drug industry's moral responsibility—and indeed, the moral responsibility of all others connected with the health and welfare of the Nation—to continue in their efforts to make medical care and attention available to all those that desire them—regardless of wealth and position. We all believe in free enterprise, but free enterprise does not mean selfishness. To me it means public cooperation, widespread moral responsibility, and constant striving for private and public improvements.

Let us remember, in conclusion, that our philosophy and system of economic freedom are not designed to protect the rights of the few, but to foster the interests of the many. The most leading proponent of economic freedom, Adam Smith, stated: "Consumption is the sole end and purpose of all production."

Let us remember that economic freedom is justified only as a tool for improving the interests of the public at large.

SCIENCE, TECHNOLOGY, AND EDUCATION

Mr. KUCHEL. Madam President, earlier this year President L. A. DuBridge of the California Institute of Technology delivered a commencement address at Union College, Schenectady, N.Y. I have had, recently, an opportunity to read the text of the address in the monthly publication of Cal-Tech. It is a splendid and learned dissertation, entitled "Science, Technology, and Education." It is most thought provoking. I commend it to all my colleagues in the Senate.

President DuBridge is an outstanding American, perhaps one of the great citizens of the world in the field of education. I need not dwell upon the reputation which Cal-Tech enjoys, both at home and abroad.

Madam President, I ask unanimous consent that the text of the address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SCIENCE, TECHNOLOGY, AND EDUCATION

(By L. A. DuBridge)

Science, technology, and education are at once the three great achievements, the three great problems, and the three great opportunities of modern civilization.

They are really not three independent entities, of course; technology grows out of science, and both are unthinkable without education.

One can, however, push the interdependence of these three problem children too far. For example, one of the greatest popular fallacies ever perpetrated by the American people on themselves is the one that the Russians got ahead of us in space because they had smarter, or more, or better educated scientists and engineers than we had. Therefore, it is said, "their educational system must be better than ours; hence they'll soon surpass us in all fields and we will soon become a second-rate power."

Here, indeed, is a lovely mixture of "sequiturs" and "non sequiturs." It is true that, if our educational system were markedly inferior to theirs, we would be in serious trouble. We would become a second-class power. But it is also true that the Russians' big rockets were not made in the Russian schools—nor does their bigness prove the corresponding smartness of their engineers.

In fact, we know now that for military purposes the smart engineer will design the smallest and simplest rocket—not the biggest—for a given military purpose. Our Minuteman rocket is better than the Atlas precisely because it does the same military mission with smaller weight, smaller thrust, and less cost. Its designers are the smartest rocket engineers on earth. But have you ever heard anybody stand up and say so? No—because we can't yet separate the biggest from the best. We think, somehow, they must be identical.

What really happened in the rocket field was that the American scientists and engineers, considering the problem of delivering a thermonuclear bomb of the size available at the time, concluded that a 300,000- to 400,000-pound-thrust rocket could do the job. So they designed, developed, and built such a rocket. If they had been smarter, would they have built a bigger one? Not at all. If they had been really smart, they would have multistaged it more efficiently, and thus made the first stage smaller.

And the Russians?

They, apparently, were considering a different military problem: either they had a large warhead, wanted to send it farther, or else had some other problem posed to them. They apparently decided they needed a bigger rocket—say 800,000 pounds. So that's what they built. They were smart, too, of course. But they were also lucky. For then along came the space problem—a problem not really considered very important in the United States 10 years ago—and the big Russian boosters were a natural for that job.

Were we dumb not to start space work back in 1953, say? I don't know. Looking back, it would have been nice if someone had convinced Congress that going into space was important and worth spending a billion dollars or so on a larger rocket to make it possible. If the decision had then been made, the rocket could certainly have been built—as the Russians proved. But the lack of such a decision was not attributable to a shortage of scientists and engineers. If anything, it was a shortage of psychologists, or propaganda experts.

More specifically, it was the shortage of a few men who had vision, knowledge, persistence, and persuasiveness to sell to the President, the Congress, and the American people a concept which, in 1953, would have sounded utterly insane—sending a 5-ton capsule into space.

Somebody sold that idea to someone in Russia—or else the Russian engineers weren't smart enough to develop a light hydrogen bomb, so they had to solve the military problem by brute strength and awkwardness. I suspect that is what they did, and that the space venture came as an extra dividend—an unearned run, as they say in baseball.

At the same time, one must concede that the Russians capitalized on this unearned run in a big way, and poured an enormous and well-directed effort into making it pay huge dividends to the glory of the Soviet State.

I say all this to emphasize the point that, to judge a whole educational system, the whole scientific and technical strength of a nation, and even the whole worth of a political system, on the basis of one technical achievement—like a big rocket—is to grossly misunderstand the essential interrelations which exist between education, science, technology, and true national strength.

But what do we mean by true national strength?

I think there is only one sensible meaning to this term; namely, the strength and the ability to use our talents and resources to meet the national goals which we ourselves set.

If this be the definition, then it is obvious that different nations will have different goals and, hence, will give different meanings to the term "national strength." Hence, various nations will develop their talents and resources in different directions.

NATIONAL GOALS

In the Soviet State, the national goals are clearly to enhance the power and prestige of the state itself in order to promote the spread of communism throughout the world. The desires, needs, and aspirations of individual people are secondary to the needs of the state.

In the free world, the priority of goals is reversed. The aspirations of individual people come first; the enhancement of the power and prestige of the state is secondary.

This does not mean that a free people will willfully neglect the essential needs of the state. Quite the contrary. We believe deeply that free peoples can build a basically stronger society than those who live under a dictator. But the purpose of the state will be to protect freedom—not to destroy it; it will be not to impose domination of the state either over its own people or the peoples of other countries.

Now, understanding this contrast between the national goals of a free nation and of a dictatorship is essential to the formulation of our national policies relating to the development and use of our talents and our resources. If we allow ourselves to be led into a mad race to follow and to copy every achievement, every practice, and every policy of the Soviet Union, in the belief that this is the only way to match their strength, then we will, in the process, destroy our own national character; we shall abandon our own national goals; and we might as well organize a Communist state here and now and be done with it.

Obviously we are going to do no such thing. But we would do well to be alert to this danger, else we may drift too far down this road only to find that it is too late to retrace our steps.

All of this has a direct bearing on the subject of science, technology, and education. For these three interrelated activities are essential features of our national strength—just as they are essential features of the strength of the Soviet Union. But because of the differences in goals of the two countries, the ways in which we develop our activities in these areas will be vastly different—or at least they should be.

We have heard much since the launching of Sputnik I about the excellence of the Russian educational system and the decadence of our own. But before we begin copying the Russian system we would do well to inquire about the purposes of the two systems.

EDUCATIONAL GOALS

As I see it, the purpose of the Soviet educational system is twofold:

1. To indoctrinate its people in the glories of communism and to shield them from insidious truths about the operation of other social and political systems.

2. To select young people of particular types of talents and to train them in areas which the state believes are essential to its goals and purposes.

I believe the Russians have developed a system which matches these purposes pretty well. Clearly, from time to time, they themselves find defects in the system and change it to meet new needs. But, clearly also, the system has produced those types of scientists, engineers, technicians, and political leaders which they desired. And it

has produced men and women well trained in these specialties, and apparently, has produced them in adequate numbers.

The goal of our educational system is quite different; namely, to offer to all our young people the opportunity to develop their own talents and abilities in such ways as will lead them into the types of careers and the kinds of lives which they believe will be most fruitful, most satisfying, and most useful. Thus, we offer not only opportunities to those whose talents lie in scientific and technical fields, but also to those who wish to become bankers, lawyers, political and social scientists, businessmen, housewives—or just good citizens.

How well does our educational system match these goals and these objectives?

No one would maintain that the match is perfect, that our system is ideal and could not be improved. On the contrary, we have far to go to build a system adequate to our needs and our ideals. But the important thing is that, as we change things, we do not abandon our goals but seek only better ways to achieve them.

Wherein have we failed?

We hear much about how we have sacrificed intellectual quality in our pursuit of the goal of developing the whole child. We did, in fact, up until a few years ago, swing pretty far in this direction. We tended in many cases to put extracurricular recreational and social activities ahead of the classroom, both in our thinking and in our school expenditures—and even in the training of our teachers. Often, too much classroom time was devoted to frills and trivia that were only remotely related to sound intellectual development. Many educationists insisted that methodology was far more important than substance—and many teachers were graduated from college, loaded with methods courses, and with only the slightest understanding of the subjects they expected to teach.

We are now reversing this trend—too slowly perhaps—but we have started. We now realize that while every child, every school, every locality, every school level offers different problems, the goal of intellectual opportunity should be the same for all; that all peripheral activities should lead us closer to and not further from that goal.

We have also tended, in past years, both in our schools and in college, to neglect the highly gifted student. Our Nation sorely needs the trained talents of such students. But, even here, we must always keep in mind that our basic purpose is not to train talented men to serve the state—but to give the individual student the opportunity to reach the highest levels to which his own talents and ambition can take him. It is the tenet of a free society that when that is done to the maximum extent the nation, too, will be stronger and will prosper.

SCIENCE AND TECHNOLOGY IN A FREE SOCIETY

This theme of individual opportunity carries over into the realms of science and technology. Shall we educate scientists and engineers primarily to make bigger rockets to enhance the prestige of the Nation? Or shall we educate them in order that they may seek and apply new knowledge in any field they select? If we are truly devoted to the ideals of a free society, the answer is self-evident.

We must also ask how, in a free society, we shall set up and organize our scientific enterprises. Shall we do as the Russians have very recently done, and place all science under the rigid control of a powerful agency of the state—an agency which will allocate all funds, determine what scientific projects shall and shall not be pursued, and at what level, and with how many people?

Or shall we continue the policy which has always been followed in America of saying that scientific discovery is the product of the free unfettered minds of individual people, that it shall be the policy of the citizens and their Government to encourage the investment of private funds, State funds, corporate funds, and even Government funds, in such a way as to provide the best scientists of the Nation the opportunities to pursue their investigations into the unknown in whatever directions they believe are most fruitful?

If our goal is to provide the biggest rockets to impress the Hottentots with the glories of our political system, then we should pursue the Soviet plan. But if we believe in free inquiry, and if we believe that the advancement of knowledge on a broad front will, in the long run, do the most to advance the welfare of people everywhere, then we should continue our present policy.

SCIENCE IN RUSSIA

The Russians have admittedly assigned their best scientists and engineers to work on rocket and space technology. Their achievements in this field have been brilliant. But they have paid a heavy price in the neglecting of research in many key areas of basic science. Not all basic research has been stopped, of course, but the scale, breadth, and depth of their scientific work is grossly inferior to ours—or to that of the British. Count the awards of Nobel Prizes in physics, chemistry, and medicine: 61 American scientists have received Nobel Awards, and only 5 Russians.

Witness also the fanfare with which the Russians hurriedly built a 10-billion electron-volt nuclear accelerator, at very great cost, in order to advertise, for a time, that they had the most powerful nuclear machine in the world. The machine was indeed built—but it has never worked properly and is now almost inactive.

Both the United States and CERN (the cooperative European laboratory in Switzerland, now directed by an American physicist) have in successful operation far more powerful and productive machines. The Russians have not advertised this situation in their international propaganda and, unfortunately, neither have we. We did not build our machine just to beat the Russians; we did it because we believe in the advance of scientific knowledge.

I contend that we should believe in freedom and should be proud of the achievements of a free society; that we are justified in using and promoting that freedom because, in the long run (and in the short run too), a free society will contribute most to human welfare throughout the world.

Similar observations apply in discussing the organization and promotion of technology—of applied science. In technology, however, the problem is a little different. Science, as I have said, proceeds most effectively through the method of free inquiry—through projects evolved, pursued, and stimulated by men with ideas. Technology proceeds this way, also—in part.

For example, inventive groups throughout the country have developed a myriad of new consumer products, so we have more television sets and refrigerators and automobiles and new food products—and more Metrecal—than all the rest of the world put together. But we have better industrial processes, more advanced communication techniques, and better public health and medical care than the rest of the world, too. These are the products of free technology.

But there are other areas in which technology must be mobilized, directed, and supported by the Government—military weapons, space technology, nuclear energy, certain areas of public health, for example. Here again we have not done so badly. I don't believe for a minute that we are behind the Russians in overall military strength—or even in the specific field of missiles. (As I said before, the biggest rocket booster does not necessarily mean the best military weapon.) Only in space technology have we lagged, for reasons I have already given.

And here I come to one serious defect and criticism of our democratic society—the decisionmaking process in our Government is slow, inefficient, and lacking in courage and imagination. We did not foresee the huge prestige value of space exploration—and, once we did realize it, we were slow in making decisions as to which of many competing lines of endeavor we should pursue and which to abandon.

In both military and space development we have tended to put a small effort on many things, instead of concentrating large efforts on a few essential things. We have trouble in setting priorities among our various national objectives, and once having set them, we lag in making the essential technical, fiscal, and political decisions to implement our program vigorously. This may all result in making more varied advances on a broad front—but we forgo the opportunity of making quick breakthroughs in certain critical areas.

THREE CHOICES

What do we do about this? We have three choices: (1) We may say that things are good enough as they are and do nothing; (2) we can abandon our democratic process and put decisionmaking in the hands of a dictator or a small group of commissars; or (3) we may retain our democratic government, but improve its decisionmaking processes.

Obviously we shall try to do the latter. But it is not going to be easy. And, since I am not a political scientist, I am not competent to invent a solution. Nevertheless, it is a problem to which I hope the Government will devote a serious, extensive, intelligent, and sustained effort in coming years.

We have some terribly important decisions impending just now; not only decisions in politics, international affairs, and national defense. We also face decisions in science, technology, and education.

In education, for example, we as a nation face a major task: how shall we, as rapidly as possible and on an extensive scale, improve the intellectual excellence in our educational system? First, we must recognize that intellectual excellence is our goal that—according to the National Education Association—the "central purpose of education, at all levels, is to develop the rational powers of men." There are many things to do to instill this ideal and to achieve it. Can we, at both local and national levels, bring ourselves to make the necessary decisions to give intellectual excellence the primary place in our school programs? We could devote untold billions of dollars a year into doing more of the same things we are now doing. We could also, for a much lower sum, improve the quality of what we do—improve curricular materials and learning aids; challenge students at all levels to really use their full capacities; make the education of teachers a more substantive, more meaningful, and more challenging process.

PROBLEMS AND DECISIONS IN SCIENCE

In science, too, we face problems and decisions. Shall we see to it that free inquiry by free minds continues to be fostered in all fields, and that such inquiry shall command all the financial support it needs—for its own sake? Or shall we let free scientific research be solely the byproduct of the difficulties we encounter in the technological fields of industrial production, space technology, or national defense?

But it is in technology that the decisionmaking machinery of our Federal Government faces its sharpest challenge. Where do

the real technical problems lie in the field of national defense? Do we have the courage to concentrate on them and stop the diffusion of our efforts in pursuing a host of marginal or obsolete areas—or by pursuing exotic notions which have the aura of glamor, but little substance of military effectiveness?

In our space program, shall we concentrate effort on pursuing space explorations which have a sound technical base and a useful scientific goal, or shall we let our space program be confined to trying to lift bigger packages into space than the Russians do? Are we interested in space gymnastics or space science? I don't mean that space science won't require big things, too. But we must make some decisions on what our goals should be.

These are all problems which may seem remote to the graduating classes of 1961 But many of you will be immersed in these and similar questions very soon; all of you, as citizens, will be immersed in them eventually. They are not problems that are either superficial or temporary; they go to the heart of the problem of the future of a democratic society. How we handle them will be your business for many more years than it will be mine. They are problems that are interesting, exciting, challenging—and terribly, terribly important.

INCREASED COMPENSATION AND REINSTATEMENT OF NATIONAL SERVICE LIFE INSURANCE

Mr. HUMPHREY. Madam President, I move that the Senate proceed to the consideration of Calendar No. 470, H.R. 879.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H.R. 879) to amend title 38, United States Code, to provide increases in rates of disability compensation, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 879) to amend title 38, United States Code, to provide increases in rates of disability compensation, and for other purposes, which had been reported from the Committee on Finance, with amendments, on page 1, line 6, after the word "thereof", to strike out "$20" and insert "$19.50"; in line 8, after the word "thereof", to strike out "$38" and insert "$37"; in line 10, after the word "thereof", to strike out "$58" and insert "$57"; on page 3, after line 2, to insert:

(b) Section 334 of title 38, United States Code, is amended by inserting before the period at the end thereof the following: ", except that the peacetime rate for a disability rated 10 per centum shall be $15.50".

At the beginning of line 7, to strike out "(b)" and insert "(c)"; on page 4, after line 6, to strike out:

SEC. 3. Section 312(4) of title 38, United States Code, is amended by striking out "three" and inserting in lieu thereof "seven".

At the beginning of line 10, to change the section number from "4" to "3", and in the same line, after the amendment just above stated, to strike out "This" and insert "The first section and section 2 of this"; in line 13, after the word "of", to strike out "this Act" and insert "such sections"; and after line 14, to insert a new section, as follows:

SEC. 4. (a) Subchapter I of chapter 19 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"Section 275. Limited period for acquiring insurance

"(a)(1) Any person heretofore eligible to apply for participating national service life insurance between October 8, 1940, and April 24, 1951, both dates inclusive, shall upon application made in writing within two years after January 1, 1962, submission of evidence satisfactory to the Administrator showing such person to be in good health at the time of such application, and payment of the required premiums, be granted insurance under the same terms and conditions as are contained in standard participating policies of national service life insurance.

"(2) All premiums paid and other income received on account of national service life insurance granted under the authority contained in this subsection and on any total disability income provision which may be attached thereto shall be segregated in the national service life insurance fund and, together with interest earned thereon, shall be available for the payment of liabilities under such life and disability insurance.

"(3) Notwithstanding the provisions of section 782 of this title the Administrator shall determine annually the administrative costs which in his judgment are properly allocable to such life and disability insurance and shall thereupon transfer the amount of such costs from any surplus otherwise available for dividends on such life and disability insurance from the national service life insurance fund to the general fund receipts in the Treasury. The Administrator of Veterans' Affairs is directed to submit to the Senate Committee on Finance and the House Committee on Veterans' Affairs, at the end of each fiscal year, a detailed report on additional costs occasioned by issuance of new policies under this section.

"(b) Any person heretofore eligible to apply for insurance under section 620 of the National Service Life Insurance Act of 1940, as amended, or subsection (a) of section 722 of this title, shall, notwithstanding any time limitation for filing application for insurance contained in such sections, upon application made in writing within two years after January 1, 1962, be granted insurance under subsection (a) of section 722 of this title, subject to the other limitations and conditions applicable to such insurance.

"(c) Any person heretofore eligible to apply for insurance under section 621 of the National Service Life Insurance Act of 1940, as amended, shall, upon application in writing made within two years after January 1, 1962, and submission of evidence satisfactory to the Administrator showing such person to be in good health at the time of such application and payment of the required premiums, be granted insurance under subsection (b) of section 723 of this title subject to the limitations and conditions applicable to such insurance, except that (1) until January 1, 1964, limited convertible term insurance may be issued but not renewed after the applicant's fiftieth birthday, and (2) the premiums charged for such insurance and for any total disability income provision which may be attached thereto shall include an additional amount for administrative costs as determined and fixed by the Administrator at the time of issue. The Administrator is authorized to transfer annually an amount representing such administrative costs from the revolving fund to the general fund receipts in the Treasury.

"(d) Notwithstanding the provisions of section 782 of this title, a medical examination when required of an applicant for issuance of insurance under subsection (a) or (c) of this section shall be at his own expense by a duly licensed physician.

"(e) No insurance shall be granted under this section to any person referred to in section 107 of this title."

(b) The analysis of subchapter I of chapter 19 of title 38, United States Code, is amended by adding at the end thereof the following:

"725. Limited period for acquiring insurance."

Mr. HUMPHREY. Madam President, I ask unanimous consent that the committee amendments to H.R. 879 be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

There being no objection, the committee amendments were considered and agreed to en bloc.

Mr. HUMPHREY. Madam President, the bill is designed to provide certain increases in the rates of disability compensation. There were committee amendments to the bill.

One of the amendments added a new section, the purpose of which is to restore for 2 years after January 1, 1962, the eligibility of veterans who served between October 8, 1940, and April 24, 1951, to apply for national service life insurance. This particular amendment, of course, was in the bill as originally introduced by the Senator from Louisiana [Mr. LONG] in the Senate.

Another committee amendment deletes section 3 of the bill as it was passed by the House. This section proposes to increase from 3 to 7 years the period after service during which multiple sclerosis first becoming manifest may be presumed to be service connected. The present law provides for a 1-year period for chronic diseases generally and for a 3-year period for tuberculosis, leprosy, and multiple sclerosis.

It is believed that this statutory period is ample and most liberal in comparison to other chronic diseases.

One other amendment which was provided related to rates of compensation.

Madam President, I ask unanimous consent that pertinent portions of the report of the Committee on Finance may be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF BILL

This bill seeks to provide increases in the rates of service-connected disability compensation to reflect the changes which have occurred in the cost of living since the last compensation increase in 1957 as well as to more adequately compensate the seriously disabled veterans. It would increase the monthly rates payable to veterans of all wars and peacetime service who have a service-connected disability rated between 10 and 100 percent or who are entitled to receive compensation at one of the higher statutory award rates, which presently run to a maximum of $450 or as much as $600 monthly if the veteran is entitled to the $450 rate, needs regular aid and attendance and is not being cared for in a Veterans' Administration hospital.

The exact percentage increases for various degrees of disability and for those eligible to receive statutory awards, as amended by the Committee on Finance, appear in the following table, along with estimates of cost.

Increased compensation and reinstatement of national service life insurance

Degree and paragraph	Cases		Current wartime rate	H.R. 879 as amended by Committee on Finance	Percent of increase	Current peacetime rate	H.R. 879, as reported peacetime rate	Total costs, H.R. 879 as amended by Committee on Finance
	Wartime	Peacetime						
10(a)	752,739	47,724	$19	$19.50	2.6	$15	$15.50	$4,802,778
20(b)	285,824	14,410	36	37.00	2.8	29	30.00	3,602,808
30(c)	271,120	15,985	55	57.00	3.6	44	46.00	6,890,520
40(d)	157,989	6,866	73	77.00	5.5	58	62.00	7,913,040
50(e)	105,202	4,885	100	106.00	6.0	80	85.00	7,867,644
60(f)	82,416	4,090	120	127.00	5.8	96	102.00	7,217,424
70(g)	41,203	2,180	140	148.00	5.7	112	118.00	4,112,448
80(h)	25,261	1,010	160	169.00	5.6	128	135.00	2,813,028
90(i)	7,122	190	179	190.00	6.1	143	152.00	960,624
100(j)	74,987	9,626	225	245.00	8.9	180	196.00	19,845,072
(l)	2,775	292	309	335.00	8.4	247	268.00	939,384
(m)	2,094	295	359	385.00	7.2	287	308.00	727,668
(n)	377	16	401	435.00	8.5	321	348.00	159,000
(o)	142	45	450	500.00	11.1	360	400.00	106,800
(p)	2,194	160						1,393,200
(q)+(r)	3,085	705	150(600)	200.00(700.00)	16.7	480	560.00	4,378,800
(s)	10,600	900	265	285.00	7.5	212	228.00	2,716,800
Total								76,447,028

(k) Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or both buttocks, or blindness of 1 eye, having only light perception, rates (a) to (j) increased monthly by $47 additional to basic compensation paid monthly for veteran with these disabilities. (This $47 rate unchanged.)

Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or both buttocks, or blindness of 1 eye, having only light perception, in addition to requirement for any of rates in (l) to (n), rate increased monthly for each loss or loss of use by $47 additional to basic compensation paid monthly for veteran with these disabilities. (This $47 rate unchanged.)

(l) Anatomical loss, or loss of use of both hands, or both feet, or 1 hand and 1 foot, or blind both eyes with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, monthly compensation.

(m) Anatomical loss, or loss of use of 2 extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place or has suffered blindness in both eyes having only light perception, or has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, monthly compensation.

(n) Anatomical loss of 2 extremities so near shoulder or hip as to prevent use of prosthetic appliance, or suffered anatomical loss of both eyes, monthly compensation.

(o) Suffered disability under conditions which would entitle him to 2 or more rates in (1) to (n), no condition being considered twice, or suffered total deafness in combination with total blindness with 5/200 visual acuity or less, monthly compensation.

(p) In event disabled person's service-incurred disabilities exceed requirements for any of rates prescribed, Administrator, in his discretion, may allow next higher rate, or intermediate rate, but in no event in excess of $450.

(q) Minimum rate for arrested tuberculosis. (This $47 monthly rate is unchanged.)

(r) If entitled to compensation under (o), or the maximum rate under (p), and in need of regular aid and attendance, while not hospitalized at Government expense, additional monthly aid and attendance allowance.

(s) If total disabled and (1) has additional disability independently rated at 60 percent or more, or, (2) is permanently housebound.

COMMITTEE AMENDMENTS

(a) The committee gave careful consideration to the President's proposal on this general subject and agrees that the least disabled veterans, having generally the ability to supplement their compensation payments, do not require the same assistance as the more seriously disabled. Accordingly, the bill has been amended to provide increases for those veterans whose disabilities are rated as 10, 20, and 30 percent, in line with the rates proposed by the President. This amendment results in very minor decreases in the specific proposed rates for these cases, but in view of the large numbers in these categories (over 72 percent of all veterans on the rolls), the fiscal result is substantial, and will make more funds available for the seriously disabled group. The House-passed bill proposed an increase in monthly compensation of $1 for the 10-percent disabled, $2 for the 20-percent disabled, and $3 for the 30-percent disabled; whereas the bill as amended by the Committee on Finance provides a monthly increase of $0.50 for the 10-percent disabled, $1 for the 20-percent disabled, and $2 for the 30-percent disabled. These changes are in accordance with the recommendations of the Bureau of the Budget in the following report.

BUREAU OF THE BUDGET,
June 28, 1961.

Hon. HARRY F. BYRD,
Chairman, Committee on Finance,
U.S. Senate, Washington, D.C.

MY DEAR MR. CHAIRMAN: This is in response to your request for a report on H.R. 879, a bill to amend title 38, United States Code, to provide increases in rates of disability compensation, and for other purposes.

H.R. 879 would provide increases in service-connected disability compensation rates, ranging from 5.3 percent to veterans with a 10-percent disability to 16.7 percent to veterans in receipt of certain statutory awards. The first-year cost of H.R. 879 is estimated at $87.9 million.

H.R. 879, except for the increases proposed for the lower percentages of disabilities, is generally consistent with the President's recommendation in his message on budget and fiscal policy that legislation be enacted to provide a selective increase in compensation rates for veterans with the more severe service-connected disabilities to offset rises in the cost of living since the last increase in 1957. In our view, in order to be consistent with this recommendation, H.R. 879 should be amended to limit the increases for the 10-, 20-, and 30-percent disabilities to the amounts recommended in a draft of legislation to increase disability compensation rates which the President transmitted to the Congress on April 27, 1961.

H.R. 879 more than doubles the percentage increase recommended by the President for the 10- and 20-percent disabilities, and increases the rate proposed for the 30-percent disability by nearly 50 percent. The basis for such increases over the President's proposal seems to be that of providing an increase (roughly 5 percent) for these lower percentages of disabilities that is equivalent to the increase in cost of living since 1957. However, a full cost-of-living increase for these categories of the disabled is of questionable merit because their compensation rates have risen faster than the increases in cost of living during the past decade and because, particularly in the case of the 10- and 20-percent disabled, the disabilities in many cases may have very little effect on actual earning capacity; thus the economic position of veterans with such minor disabilities is not inevitably worsened by rises in the cost of living.

Further, H.R. 879 would continue to afford preferential treatment to the least severely disabled veterans and those whose earning capacity is least affected by the disability concerned—the 10-percent disabled. Since 1952 the 10-percent disabled have received rate increases amounting to 20.6 percent, or substantially greater increases than for any other disability group except the 100-percent disabled. Under the President's proposal this preferential gap between the 10-percent disabled and others was substantially narrowed; H.R. 879 would broaden it again. It is difficult to see how the least severely disabled veterans warrant such markedly preferential treatment.

Finally, H.R. 879 does not follow the recommendation of the President that proportionately greater increases be given to the more severely disabled. Under H.R. 879, each of nine disability categories (10 to 90 percent) receive approximately the same percentage increase.

In summary, H.R. 879 gives unwarranted increases to the less severely disabled, perpetuates the inequities as between the 10-percent disabled and the other categories of disabled, and does not provide proportionately greater increases for the more severely disabled than for the less severely disabled. If the increases for the 10-, 20-, and 30-percent disabled were held to the levels proposed by the President, these objections would be substantially overcome.

Finally, this office concurs in the views of the Veterans' Administration, which are stated in that agency's report to your committee on H.R. 879, indicating the undesirability of extending the period from 3 to 7 years during which presumptive service connection may be granted for multiple sclerosis.

For the foregoing reasons, therefore, we strongly urge that H.R. 879 be amended to limit increases to the 10-, 20-, and 30-percent disabled to those recommended by the President, and that section 3 of H.R. 879, extending the period of presumption for multiple sclerosis, be deleted from the bill. If so amended, the bill would be in accord with the program of the President.

Sincerely yours,

PHILLIP S. HUGHES,
Assistant Director for Legislative Reference.

(b) The second committee amendment deletes section 3 of the House-passed bill. This section proposes to increase from 3 to 7 years the period after service during which multiple sclerosis first becoming manifest may be presumed to be service connected. The present law provides a 1-year period for chronic diseases generally and a 3-year period for tuberculosis, leprosy, and multiple sclerosis. It is believed that this statutory period is ample and most liberal in comparison to other chronic diseases. Also, it should be pointed out that under existing law there are administrative provisions whereby chronic diseases generally incurred within a reasonabe time after the present presumptive period following military service can be and are handled on an individual basis where there is a likelihood that the condition or disease had its inception during military service. The Veterans' Administration and the Bureau of the Budget do not believe that the proposed extension for multiple sclerosis can be justified and recommended the deletion of this section of the House-passed bill.

(c) The third committee amendment adds a new section, the purpose of which is to restore for 2 years after January 1, 1962, the eligibility of veterans who served between October 8, 1940, and April 24, 1951, to apply for national service life insurance. This amendment is identical to Senate bill S. 977, introduced by Senator LONG of Louisiana, and similar to amendments proposed by him and passed by the Senate on four previous occasions. A full explanation of this amendment follows the general statement on the bill.

Mr. KUCHEL. Madam President, I ask unanimous consent that a statement prepared by the distinguished Senator from Nebraska [Mr. CURTIS] may be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CURTIS

H.R. 879 is an important bill which raises the disability compensation for veterans. It is a bill that is very meritorious because it deals with those defenders of our country who are disabled. It should be passed without delay. A great many letters and other communications have been received in my office pointing up the need for enactment of S. 879.

It occurs to me that it is unwise to add on to this measure an amendment which might tend to either delay or defeat its enactment. I voted against the Long amendment, added when the measure was before the Committee on Finance. The Long amendment does not relate to disability compensation but relates to life insurance.

The Long amendment opens up national service life insurance to veterans. It was placed as an amendment on H.R. 879 without hearings. The Veterans' Administration and the Bureau of the Budget are opposed to it. It is true that, after action was taken on the Long amendment, hearings were held, but I believe I am correct in stating that no executive committee meeting was ever held to discuss the views presented in the hearings. I believe this is an unwise manner in which to legislate and I want the RECORD to show my position. The Nation has a special obligation to those veterans who, because of their service to their country, have become uninsurable at ordinary rates. I would favor opening up national service life insurance for this category of veterans. The amendment carried in this bill, however, goes far beyond that.

It is my opinion that one of the most important things that we can do for the approximately 20 million veterans and their families is to preserve our basic American way of life. This is a private enterprise system. To place the Government in the business of writing life insurance is not in the best interests for veterans or any other group in the country. Such action alone will not destroy our private enterprise system. A number of governmental programs, when taken together, do weaken our private enterprise economy. The Long amendment should never have been placed on this bill in the manner in which it was.

It should be borne in mind that in the field of life insurance there is no monopoly. There is a multitude of excellent and well-run companies. Competition is keen. The competition between stock companies and mutual companies, the latter being owned by the policyholders, is likewise keen. The competition is not limited. Life insurance is provided by many fraternal groups and other nonprofit systems in which Government does not take a part. The Long amendment should never be enacted, at least until an exhaustive comparison of costs has been made. The determination and allocation of costs of a Government program are difficult, inexact, and controversial. If, in a Government program, it becomes possible to determine the total cost, there may be doubt as to whether or not the Government program can compete with insurance that is available by non-Government sources.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 879) was read the third time and passed.

Mr. HUMPHREY. Madam President, I move to reconsider the vote by which the bill was passed.

Mr. RUSSELL. Madam President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

NO SUPPORT FOR POLITICAL HAY

Mr. KEATING. Madam President, yesterday's newspapers report that the Secretary of Agriculture, Orville L. Freeman, has called the protest of Farmer William T. Smith, of Big Flats, N.Y., a "propaganda stunt." He accused the junior Senator from New York of seeking to make "political hay" by meeting with Mr. Smith. Mr. Smith is the upstate New York farmer who used the payments he received under the administration's new feed-grain program to buy a new Cadillac.

I want to point out first that the Secretary took time out from his busy day on Friday to meet with five Illinois corn farmers who drove all the way to Washington to challenge the action of Farmer Smith. The Secretary gave them a "sympathetic reception" and then had some harsh remarks to make about the real needs of corn and feed farmers as he understands them. I am no great political agriculturist but I have the strangest feeling that the Secretary was mowing a little "political hay" of his own. Fortunately, Mr. Secretary, there is no official Government support on this kind of hay, so you need not worry about any quotas on your output.

As far as I can tell, the main charge against Mr. Smith by the Secretary and by the five Illinois farmers whom I mentioned and who met with a member of my staff on Friday, is that Smith is not representative of corn farmers throughout the country. I do not deny this. I do not think Mr. Smith would either. All he is saying, and I agree with this, is that this is a fine "kettle of fish" when a Federal program permits an otherwise well-off American to buy luxury items wholly at the expense of taxpayers, many of whom cannot afford the same items.

My figures are approximate, but, as I remember, Mr. Smith had around 260 acres of corn. I believe that when the program went into effect he took 108 acres out of production, naturally taking out his poorer land. Then he got free fertilizer from the Government to fertilize the remaining 152 acres, and he expects to produce at least as much as, and probably more, out of that acreage than he did out of the land he took from production. He has received about $6,500 for the land he took out of production. I do not think the taxpayers would generally agree with that kind of economics.

I agree that we should help relatively low-income farmers, but to completely and aggressively control the production of every single bushel of a given crop, in this case, feed grains, goes well beyond this objective. This is what the administration's feed-grain program does to a degree and in a manner unprecedented in the history of Federal farm subsidies.

I have been doing a lot of thinking about this program and about the dramatic way in which Mr. Smith chose to illustrate its faults. Farmer Smith has clearly demonstrated the difficulties that are bound to be encountered when the Government accepts the full responsibility for a sector of our economy. He had to speak out. Unless Farmer Smith and those like him challenge this program, we will soon be on the road to the complete federalization of agriculture.

Somebody has got to blow the whistle on the ever-increasing cost and scope of our farm programs. I opposed the feed grain bill on the floor of the Senate. I made it very clear that this program did not meet with my approval. Instead of a market economy, legislation like this leads us down the road toward a completely controlled economy, which I cannot support.

I understand the Secretary's responsibility to the farmers of the Nation, and I know how he feels. But, for the life of me, I cannot see how the vast unsubsidized sector of our farm economy can continue taking it on the chin. Poultry and dairy farmers of New York State and other States have been very seriously affected by the feed-grain program. Feed grain prices in New York State have gone up approximately $2 a ton since its enactment. What do we do about this? Once you support the feed market, then the Government is bound to have to support every other sector of the agricultural economy which touches upon, or is affected by, this market.

I received a letter from a New York State silo manufacturer. He says he wants support too. He is losing a great deal of silo business because people are taking their corn land out of production. So he wants a subsidy for the silos that he would have sold to put the corn in that would have been grown if the Government had not stepped in and kept the corn out of production and therefore also out of his prospective silos. It goes on and on.

And even more importantly, what about the consumer—you and I and everyone else who buys and eats food products? If we cannot find a more logical and natural way to stabilize our farm economy and help small producers make a go of it, the end result will be higher and higher prices at the supermarket. These prices need not be pressed ever upward by the Government. This is no way to run a railroad. What we need is farm legislation that will aid the people whom the Secretary rightly insists need aid, but does not at the same time grant an out-and-out "boondoggle" to those who do not.

Mr. President, in fairness to the Secretary, I ask unanimous consent that an article from yesterday's New York Times discussing the Secretary's reaction to Farmer Smith appear at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 16, 1961]

FARMER WHO BOUGHT A CADILLAC CALLED PROPAGANDIST BY FREEMAN—SECRETARY SAYS UPSTATE FOE OF POLICIES IS NOT TYPICAL OF AMERICAN GROWERS—DEFENDS U.S. FEED GRAIN PROGRAM

WASHINGTON, July 15.—The upstate New Yorker who bought a $6,100 Cadillac with money the Government paid him not to plant corn is not typical of American farmers, according to the Secretary of Agriculture.

Secretary Orville L. Freeman said today that only a small minority of farmers was as fortunate as William T. Smith, the Cadillac owner. Mr. Smith owns a 1,200-acre farm at Big Flats, N.Y.

Millions of farmers have net incomes of less than $1,000 a year and would be badly hurt if Federal aid to farmers were stopped as proposed by Mr. Smith, the Secretary asserted.

Mr. Smith, a conservative Republican, was feted by Senator KENNETH B. KEATING, of New York, and other Republican Senators in Washington on July 7. They lauded his success in dramatizing his opposition to Government farm programs.

Mr. Smith had urged that farm prices be allowed to seek natural market levels even though "some people are going to get hurt."

Referring to Mr. Smith as wealthy and a farmer businessman, Secretary Freeman said:

"What he really meant was that he would not be hurt, while millions of full-time farmers, who have no ancillary business to fall back on, would be left to the mercy of a market that would offer them a return much lower than the shockingly meager one cited [$1,000 a year].

"This is a solution so clearly repugnant to Americans that it cannot be taken seriously."

Secretary Freeman said the typical Corn Belt hog and dairy farm last year had 109 acres of crop land, a capital value of $56,240, gross farm income of $11,939 including Government payments, operating expenses of $7,323, and net income of $4,716.

"Quite obviously, in this typical situation Government payments did not go for a Cadillac or any other luxury," the Secretary said.

He asserted that Mr. Smith had lent himself to political exploitation.

"He was whisked to Washington by a Republican Senator from New York who arranged an elaborate press conference for him at the Capitol," Mr. Freeman went on.

"I am not surprised that the Senator should have exploited this rare opportunity to make political hay. But in plain fairness to the 1,200,000 other American farmers who are cooperating in good faith in the feed grains adjustment program, I believe the public is entitled to a more rational view of the program than the one created by a partisan propaganda stunt."

The Secretary said the program was initiated by the Kennedy administration to reduce the costly oversupply of feed grains (corn and grain sorghums) in Government hands.

The Government now holds 2,800 million bushels of feed grains. Mr. Freeman said this supply was built up substantially during the Eisenhower administration. He said the cost of handling and storing these grains has totaled more than $1,500 million since 1952.

Mr. Freeman said the present program would reduce the production of corn and sorghum by 800 million bushels in 1 year, would reduce the surplus by several hundred million bushels, and would ultimately save the taxpayers $500 million in carrying costs.

To persuade farmers to cooperate in the program by reducing their normal acreage, he noted, the Government has agreed to compensate them in part with grain from Government stocks. Cooperating farmers receive certificates for Government grain and can redeem them for cash.

Mr. Smith received the money for not growing corn on 104 acres described as his poorest farmland. He expressed his opposition to the program by making a downpayment on the Cadillac and placing a sign on it expressing his thanks to President Kennedy and Secretary Freeman.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

Mr. HUMPHREY. Madam President, I move that the Senate proceed to the consideration of Calendar No. 414, Senate bill 2043.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2043) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Minnesota.

The motion was agreed to; and the Senate proceeded to consider the bill.

LEGISLATIVE PROGRAM

Mr. HUMPHREY. Madam President, I wish to make an announcement, and then permit the Senate to proceed with other subjects. When the Senate concludes its business today, it will adjourn until tomorrow at 12 o'clock noon. Tomorrow there will be yea-and-nay votes on amendments which I am sure will be offered to Senate bill 2043. Senators should therefore be on notice of such a possibility.

When and if action is completed upon S. 2043, the Senate then will proceed to the consideration of the resolution relating to Reorganization Plan No. 5, which relates to the National Labor Relations Board. There will, of course, be a yea-and-nay vote on the resolution covering that plan.

The majority leader has asked me to make one further announcement. It concerns the agricultural bill as reported from the Committee on Agriculture and Forestry. It is the definite intention of the leadership to call up on Monday next the farm bill, so that all Senators who are interested in it should be on notice that on Monday next the comprehensive farm bill, as reported by the Committee on Agriculture and Forestry, will be the pending business in the Senate.

Mr. KUCHEL. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KUCHEL. Does the Senator contemplate that sessions will be held daily during the remainder of this week?

Mr. HUMPHREY. I presume that will be the case. The majority leader did not indicate to me his precise desire, but he is present, and the question can be discussed a little later.

SIDEWALK CAFES IN WASHINGTON

Mr. HUMPHREY. Madam President, I read with great interest an editorial entitled "Pursuit of Pleasantness," published in the Washington Post and Times Herald of July 12. The editorial states:

Sidewalk cafes are coming to Washington because Commissioner Tobriner thinks they would be fun. This is a splendidly sensible idea. It will bring a felicitous addition to a city that, with its broad and tree-lined boulevards, is already very pleasant to walk through.

In these days of international crises, perplexing and complex problems, it is rather consoling to find one situation with respect to which we can arrive at a firm resolution. I am pleased that we have been able at least to come to a timely decision on this question of more felicitous and pleasant living.

The sidewalk cafe proposal, in which some of us have been interested, is now coming to fruition. I can hardly wait. I only hope that once sidewalk cafes have become a reality we can depend upon the weather man to be as cooperative as he ought to be, and makes sure that the afternoons are sunshiny, balmy, and pleasantly warm, and not too humid; in other words, I would recommend warm Minnesota temperatures for Washington for the sidewalk cafes in the summertime, and I am perfectly willing to have Florida temperatures for Washington in the wintertime.

I ask unanimous consent this most reassuring editorial on a topic of some concern and interest to many of us may be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 12, 1961]

PURSUIT OF PLEASANTNESS

Sidewalk cafes are coming to Washington because Commissioner Tobriner thinks they would be fun. This is a splendidly sensible idea. It will bring a felicitous addition to a city that, with its broad and tree-lined boulevards, is already very pleasant to walk through. The District Building, once full of misgivings, is now preparing to issue its first sidewalk restaurant permit to Harry P. Zitelman, the proprietor of Bassin's, directly across Pennsylvania Avenue. Some 20 other restaurants have also made inquiries.

Mr. Zitelman is just back from a trip to Mexico and San Francisco, where he inspected sidewalk cafes with care. He plans his grand opening within a matter of weeks, and he will invite Mr. Tobriner and other friends of fresh air like Senator HUMPHREY, who recently proposed cafes on the Capitol's terraces. Mr. Zitelman reports that he is seeking a strolling accordion player, and he is thinking of a radiant heating system to keep his customers outdoors all winter. If the public response is favorable, a new dimension will be given to the amenities of dining out in Washington.

FREEDMEN'S HOSPITAL

Mr. HUMPHREY. Madam President, earlier today I sent to the desk for introduction and appropriate reference a bill to construct a new main building for Freedmen's Hospital, the teaching hospital of Howard University College of Medicine and the major hospital facility for Negro citizens in the District of Columbia, and to transfer administrative control of Freedmen's from the Department of Health, Education, and Welfare to Howard University. It is

essentially the companion bill to the one approved last Thursday by the House Education and Labor Committee.

For many years I have been generally aware that Freedmen's physical plant was deficient in certain respects. But I never had the opportunity to see personally the extent of these supposed inadequate facilities. Recently the plight of Freedmen's was brought to my attention once again. This time I decided to see for myself.

Madam President, at 8 a.m. one weekday I arrived unannounced and asked for a tour of the facilities. Dr. Mitchell Spellman, associate professor of surgery of the College of Medicine, Dr. Frank Jones, chief of medical services, and Dr. Charles E. Burbridge, hospital superintendent, were recruited to serve as guides.

I want the RECORD to be clear that the hospital had no advance notice of my coming. I had worked late in the office. Feeling that there were a good many things that needed to be done in this community, I got up very early the next day and proceeded forthwith to Freedmen's Hospital. I wanted to take a look at this place.

These fine people took me and an aid from cellar to attic. Let me say simply that we were amazed and concerned and horrified by what we saw. I was able to observe at firsthand what had prompted the reports about inadequate conditions. Now I want to tell the Senate what I saw. I want every Senator to know what we are supporting as the teaching hospital of the Howard University College of Medicine. I want every Senator to know the hospital facilities and services available to a large proportion of the population of the District of Columbia. This is a story the entire Nation should know.

Let me say at this point that very few communities in the Nation would tolerate conditions like the ones I found. I insist that the Capital of the United States be worthy of the Republic.

It seems to me that it is the duty of Congress and the citizenry of the District of Columbia to make the Capital of the United States the most beautiful, the most wonderful community in the world. Instead of that, Madam President, there are blighted areas in the Capital, areas of deterioration, that are shocking. I submit that if America wants to present a good image to the world, it ought to wash its own face first. There are a few blotches on the face that need to be cleaned up. One of them is Freedmen's Hospital.

To put it frankly, Freedmen's Hospital is a national disgrace. I am not talking about the people who work there. I do not understand how we are able to get those wonderful people to do the work they are doing there—nurses with inadequate facilities even for their uniforms, and doctors with no offices. These are doctors who have been trained in the finest medical centers of the world and who are devoting their lives to the health and welfare of some of our citizens.

By the way, those citizens pay for the hospitalization they receive. I say that the Federal Trade Commission ought to investigate the situation. I cannot imagine what the standards for health and fire protection can be, to permit the hospital to continue in this fashion. Congress has been derelict in its responsibility. There is no excuse for it.

Physical conditions at Freedmen's have deteriorated to the point where condemnation of the main building should begin immediately. The hospital is obsolete, outmoded, and uneconomical in every respect. Not only that, it is a firetrap. I cannot improve on Secretary Ribicoff's description when he said recently, "Freedmen's Hospital, putting it frankly, is a dump." I commend the Secretary for his descriptive language.

Here are some specific examples of what I found. I found a surgical ward so overcrowded that beds were set up in the center of the room, in violation of the fire laws. I found contaminated bed linen piled up in the center of the ward, simply because there was no place else to put it.

I want the RECORD to be clear that the doctors and nurses in the hospital have done everything humanly possible to maintain these facilities. Doctors and nurses in any other community would have walked out long ago in disgust, or at least could have and perhaps should have.

I found 2 toilets and 2 washbasins for this entire ward of about 30 patients, in addition to 4 or 5 occupants of the so-called private rooms. In actuality, these private rooms are oversized broom closets, containing a bed, a small bureau, and a night table. There is not room for anything else. The charge for the room is $21 a day. That is wholesale, open robbery.

I found the nurses' station set up on a wooden table in the narrow hallway. Residents and interns must also use this table for instruments and equipment. I found totally inadequate facilities for the preservation and dispensing of drugs for the ward patients. In one instance a drug dispensary was located on a stair landing. That is happening in the Nation's Capital. Madam President, any drugstore in the city of Washington which permitted such conditions to exist would soon find the authorities of this community investigating it.

I was taken to the basement, where an outstanding cardiovascular research program was being conducted by the faculty and students of the college of medicine. Some of the most advanced cardiovascular research in the country is being done at Freedmen's, but it is being done in abandoned storage rooms. These quarters are so cramped that I could hardly turn around. This project urgently needs more space if its full potential is to be realized.

Frankly, if we do not do something about it in domestic legislation, I will attach an amendment to the foreign aid program, because if there ever was a needy, underdeveloped area, here it is.

The cardiovascular program has received gifts of badly needed isotopes which, however, cannot be used because there is insufficient room for proper storage and handling. Moreover, because Freedmen's is a Federal facility it is not eligible to receive research grants under the auspices of the National Institutes of Health, the principal sources of these funds.

Of course, that is ridiculous. I do not know why the Federal Government should not be able to help a Federal institution, except that we in Congress are so blind that we have not permitted it. Therefore I shall offer appropriate legislation to correct that obvious abuse.

Yet these medical scientists struggle along with this horse-and-buggy equipment in the atomic age—and it looks at times as if it were an unkept stable—broadening our knowledge in this vital field of cardiovascular research. These men are to be highly commended for their initiative and their dedication.

In the basement I found battered and broken lockers stacked along narrow corridors. These are used by the medical students for their microscopes, lab equipment, books, and personal belongings. It is the only place in the entire hospital reserved for them. I add that we bring people here from all over the world to study in this hospital. I suppose we want to prove to them that we are poor. This is one living example of how underdeveloped one can get.

Nearby I found the snackbar where the nurses, interns, residents, and doctors eat hurried lunches and suppers. The room measures about 20 by 20 feet. If one successfully forces his way into the crowded room, and manages to acquire some food, he can then stand at a high table and eat it. That is one way to insure tension, gastritis, and ulcers.

There are no chairs, table, or lounge facilities. In my opinion, if similar working conditions existed in a boiler factory, the union would be out on strike—and I would encourage it to do so; I might even help to lead it.

Upstairs similar overcrowded conditions existed in the women's ward and the psychiatric wing. I found what appeared to be a janitor's closet serving as the room for administering electric shock treatments.

I repeat: It was a room that served as a janitor's closet which was selected as a facility for administering electric shock treatment to persons who were paying patients in that hospital. They were not relief cases; they were patients who carried insurance. I think the insurance companies ought to sue the Federal Government, if they can. This condition is an outrage.

The patients pay $18 or $21 a day. They get excellent medical and nursing care. Yet they are taken to facilities which might just as well be in a blacksmith shop. All this takes place in the Federal Capital, under Federal jurisdiction, under conditions permitted by Congress.

In another room I found a high-intensity X-ray therapy instrument installed in a doctor's private office, with the control panel mounted out in the hall. When the machine is in use, the doctor must leave his desk to avoid ra-

diation poisoning. But there was no other place to install it.

I could narrate many other examples. I spent a full morning there, and I have been under a full head of steam ever since. I shall be a pest in this body until something is done to improve those conditions. Either the conditions ought to be improved, or the hospital should be closed, because patients are robbed when they are charged for their stay in the hospital. They are mistreated by being admitted there.

I could relate many other examples, but I believe even these would not illustrate how Freedmen's is critically outmoded as an efficient and functional center for medical treatment and teaching.

Freedmen's is constructed on a horizontal plane; in fact the corridors run through two complete city blocks. Today hospitals are built on a vertical plane with patients surrounding a core of services. This plan eliminates the long and difficult trips through the narrow and crowded corridors to reach such services as the X-ray room, the plaster room, or orthopedic therapy. Moreover, the wards are too large and they are poorly lighted due to the high ceilings. There are inadequate facilities for consultation meetings.

In short, the hospital is overcrowded, dilapidated, and rundown. But, of greater importance, the facilities are fundamentally unsuited for the efficient and economical operation of a community hospital, much less for the operation of teaching facilities for an important medical school.

In saying this, I want to pay special tribute to the medical and administrative staffs of the hospital. They are among the best I have ever encountered. I come from a State which has the finest hospital services in the world, the Mayo Clinic, at Rochester, Minn.; and one of the outstanding medical schools in the world, the University of Minnesota, with its Mayo Foundation. By the way, some of the doctors at Freedmen's are graduates of the University of Minnesota Medical School and have served at the Mayo Clinic. These dedicated persons continue to work in the abominable conditions I have described. They continue to do the very best they can. And they continue to save lives and bring their patients back to health. I talked with a number of the nurses and doctors as they made their morning rounds. These were skilled and dedicated people, doing an amazing job with the meager tools at their disposal. They are to be highly commended.

In order to understand fully the importance of making Freedmen's a first-class treatment and teaching hospital, we must understand Freedmen's unique history in training Negro medical personnel and providing medical services to the Washington community.

Freedmen's Hospital was established almost 100 years ago as a Freedmen's Bureau to care for the newly freed slaves fleeing the ravaged lands of the South. While a number of these Bureaus existed throughout the North, only Freedmen's Hospital in Washington remains today as an organized and functioning unit. In 1868 Freedmen's was formally designated as the teaching hospital of the Howard University College of Medicine. Through various agreements with the Federal Government, this relationship with Howard has continued through the years.

By all accounts, this has been a highly productive relationship. More than half of all Negro medical personnel—doctors, nurses, and technicians—trained in this country come from Howard University and Freedmen's Hospital. This is a splendid record and further illustrates the need for new facilities immediately.

Substantial numbers of native citizens from the Caribbean, South America, and Africa also have been trained and educated here. A tremendous reservoir of good will for the United States exists in the hearts of these foreign graduates. Once again this stands as a tribute to Freedmen's. But this record should not be jeopardized by Congress failing to recognize the need for a new and expanded Freedmen's Hospital.

Today four primary functions are performed at Freedmen's.

First. Medical care on an inpatient and outpatient basis is provided for all types of illnesses. In fiscal year 1960, 129,162 days of medical service were rendered to 14,299 inpatients. The outpatient service treated 95,414 persons.

Second. The hospital is the major teaching facility in the education of doctors, nurses, and other adjunct professional and technical personnel in 20 separate training programs. For example, the hospital conducts courses for dietitians, X-ray technicians, physical therapists, et cetera. At present there are approximately 190 hospital trainees, 150 medical students, and 60 affiliates for a total training roster of about 400 students.

Third. The staff coordinates and integrates the hospital programs with preventive medicine through the operation of outpatient clinics and cooperation with governmental and voluntary health and welfare agencies. This is an extremely vital function in an area of predominantly lower income families.

Fourth. The Howard University medical faculty and students do fundamental medical research of all types. During fiscal year 1960, 61 research projects—financed through grants to Howard—were underway at Freedmen's. As I mentioned earlier, the college of medicine is among the pioneers in the field of cardiovascular research.

In summary, Freedmen's Hospital is a community service hospital. It is a teaching hospital. And it is a research hospital. Each of these facets of its operation must be considered and assessed in planning a new hospital building. This fact justifies the need for an 850-bed hospital, as called for in my bill, rather than the 500-bed facility usually mentioned. I will expand upon this important point in a few moments.

We must, however, first understand how Freedmen's Hospital is financed. What are the major sources of income for the hospital? Administration of the hospital is under the control of the Department of Health, Education, and Welfare. Medical services, however, are the responsibility of the Howard University College of Medicine. Through the HEW appropriations bill, the Federal Government provides the major portion of the operating revenues. Last fiscal year $3,497,000 was appropriated. The District of Columbia government and other neighboring counties provide funds for the care of indigent patients. Last year $480,000 was received from these sources. Finally, the patients make direct payment to Freedmen's for their medical services. Last year almost $1,500,000 was received in patient contributions.

Let me also make this point. While occupying a bed in Freedmen's crowded wards is not an enjoyable experience, neither is it inexpensive. Every nonindigent patient pays $18 per day for a ward location and $21 per day for the so-called private room. This fee does not include the cost of medication, special treatments, operating room expenses, X-rays, or other miscellaneous charges. In my opinion Secretary Ribicoff should have amended his statement about Freedmen's to read, "Freedmen's Hospital, putting it frankly, is a rather high-priced dump."

Since its establishment after the Civil War, Freedmen's Hospital has received Federal money to help finance the operation of the hospital and the medical school's clinical training. The Federal Government also has been the only source for construction money. As a Federal facility, Freedmen's is ineligible to receive funds administered under the Hill-Burton Act and any construction grant must be appropriated directly.

In almost 100 years, Freedmen's has received and expended less than $3.5 million for new construction and major renovations. This includes all funds appropriated for past facilities and those now in use.

This averages out to about $35,000 per year since the founding of the hospital, an unbelievably small sum when the job which this hospital has accomplished through the years is considered.

The main hospital building was constructed in 1908 at a cost of $400,000. With the exception of the operating rooms, there never has been a major renovation. In 1940 the annex was built at a cost of $700,000, primarily to serve as a tuberculosis treatment center. As this disease declined, these facilities have been used for all types of chronic chest diseases. This year Freedmen's budget includes $238,000 to renovate the third floor of the annex for general surgical cases. This renovation will relieve some of the overcrowding in the wards, but, at best, it is a stopgap measure.

In short, the Federal Government has not met its responsibility to provide Freedmen's Hospital with an adequate physical plant. Every other major hospital facility in the Washington metropolitan area has either constructed or is constructing a new physical plant. These have been financed largely through Hill-Burton funds. Congress now clearly has the responsibility to appropriate directly funds for a new Freedmen's Hospital.

For the past 20 years, officials of Freedmen's have attempted to acquire these construction funds. Until 1950 these requests were denied at the Department level. In that year the Federal Security Agency approved a small amount for construction planning. However, the Bureau of the Budget denied this request, and the item was not included in the President's budget.

In 1954 the Budget Bureau did approve a planning grant of $50,000, but the House disallowed the item. In 1955 Secretary Oveta Culp Hobby appointed a 10-member group to serve as the Freedmen's Hospital Study Commission which was charged to study and recommend future policies for the hospital. This Commission submitted a strongly worded recommendation to build a new hospital immediately. And this was 6 years ago.

Since 1955, the Senate has come the closest to providing a new hospital for Freedmen's. In 1958 the Labor and Public Welfare Committee approved a bill which would have transferred administrative control of Freedmen's to Howard University and provided for the construction of a new hospital and not to exceed 500 beds. That bill did not, however, come up for consideration on the Senate floor.

While this unsuccessful 20-year quest for construction funds was underway, Freedmen's physical plant steadily deteriorated. This fact emphasizes our responsibility to act decisively this session. It is time we collectively recognized the immediate need for a new Freedmen's Hospital. The time for more studies, more commissions, more inspections—and more procrastination—has passed. Now is the time for action.

My bill is, in essence, the companion measure to the bill reported last Thursday by the House Committee on Education and Labor. There is, however, one important difference. The House bill authorizes the construction of a hospital not to exceeded 500 beds. Both are too limited, but the House bill is far too limited. My bill, however, increases the authorized limit to 850 beds. I believe it is essential to write authorizing legislation with this larger figure.

In 1955 the Freedmen's Hospital Study Commission recommended a 500-bed hospital, and this figure has been repeatedly used in all subsequent legislation. However, the Commission report admits that this figure was not reached by a scientific analysis of the hospital's actual needs. No department-by-department survey was made at that time.

This year, however, the staff at Freedmen's has recommended the minimum size which would permit the hospital to function both as a community medical service and teaching hospital. The many facets of Freedmen's operation, particularly the teaching and research functions, establish certain minimum bed requirements in order that a full spectrum of clinical cases will be available. This is essential in order to support accredited residency programs in a number of specialties, and expand the programs in other areas.

For example, an 850-bed hospital would permit the establishment of residency programs in clinical pathology and orthopedic surgery and the expansion of programs in psychiatry and neurology. The survey by Freedmen's medical department heads disclosed a need for a minimum of 850 beds. I have a copy of this carefully drafted statement, prepared on a department-by-department basis, and I ask unanimous consent, Mr. President, that this survey be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Hospitals are built for the present, but, if people are wise, they are also built for the future. The 6-year-old figure of 500 beds, established without supporting evidence, should not be controlling on us today. It has taken 20 years to get action on this project. It would be a grave mistake not to provide facilities which establish an adequate basis for a full-range treatment and teaching program. We must realize that many decades will pass before another Freedmen's building program is undertaken. We must therefore make a special effort to build adequately now.

The hospital requirements for the entire Washington metropolitan area also justify the larger figure of 850 beds. After presently planned hospital construction in the Washington area is completed, there will be 6,484 beds available for an estimated 2.1 million persons, or an average of 3.1 beds per 1,000 persons in the metropolitan area. This is substantially below the Hill-Burton formula which establishes 4.2 per 1,000 as the acceptable ratio. The District needs additional hospital beds in the immediate future, regardless where they are located.

In short, the evidence for a hospital with a capacity not to exceed 850 beds is overwhelming. I suggest most strongly that Congress act on the basis of this evidence.

The second major provision of this bill concerns the transfer of administrative control of Freedmen's Hospital from the Department of Health, Education, and Welfare to Howard University, which presently is responsible for medical services at the hospital. This transfer provision has been a source of considerable controversy in past years. Since the transfer and construction of new facilities were linked in a single bill, this controversy delayed unduly the more urgent action on the new building program.

The nonprofessional employees at Freedmen's will lose their civil service status upon transfer of administrative control to Howard University. Naturally the employees opposed the transfer on this basis. I do not blame them for fighting to preserve the benefits of civil service employment. And I will say they waged a very effective fight. But unfortunately this opposition also prevented the authorization of badly needed facilities.

Officials at Howard and HEW have taken a number of impressive steps to guarantee the employees at Freedmen's many of the benefits they now enjoy as civil servants. HEW has pledged that any employee desiring a Government job will be relocated at the time of transfer. Those employees choosing to remain at Freedmen's—and I hope most of them will make this choice—will continue under the civil service retirement system. They will continue to receive the same group life insurance. They will continue to earn the same salaries, and will most likely be included in all future Federal salary increases. All past salary increases have been passed on to Howard University employees without the slightest delay and there is no reason why this pattern will not continue.

Every possible effort has been made by HEW and Howard to meet the reasonable objections raised by the employees at Freedmen's. I believe both sides in this matter have acted in good faith and are to be complimented.

What are the advantages to be realized through this transfer? As Secretary Ribicoff said before the Special House Subcommittee on Education:

> I do not consider it appropriate for the Department to operate, to direct, or to administer any part of Howard University. President Nabrit and his colleagues are men of outstanding competence, perfectly able to administer the entire university program.

Unified administrative and medical control of the hospital makes good sense from an operating point of view. The present Superintendent, Dr. Burbridge, and the present Director of Medical Services, Dr. Frank Jones, cooperate and work well together. But in future years this happy circumstance might not be repeated. Then it would be essential to have one centralized point of authority.

Moreover, a more integrated educational situation would be achieved if Howard University were solely responsible for the operation of Freedmen's.

For instance, the nurses training program, currently operated by the hospital, could become a full degree-granting operation if Howard University assumed administrative control. This is true of other technical training programs. At present, Howard has only the educational responsibility for the training of medical doctors.

The House Education and Labor Committee has approved a bill calling for the transfer of administrative control to Howard. I believe the Senate should do likewise.

Mr. President, I wish also to commend the chairman of the House subcommittee which considered the proposed legislation, Representative EDITH GREEN, of Oregon. She has provided able and indispensable leadership in this fight. We are all indebted to her for an informed and wise approach to this urgent matter.

Madam President, I ask unanimous consent to have printed in the RECORD a statement entitled "The Need for New Construction at Freedmen's Hospital." The statement is endorsed jointly by the Association of Former Internes & Residents of Freedmen's Hospital, the Howard University Medical Alumni Association, and the medical staff of Freedmen's

Hospital. I also ask unanimous consent to have printed in the RECORD, in connection with my remarks, various editorials, news articles, and statistical material in regard to the situation at Freedmen's Hospital.

There being no objection, the editorials, articles, and material were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

FREEDMEN'S HOSPITAL

WASHINGTON, D.C.

Bed distribution of proposed 850-bed hospital

Size of nursing unit, 30 beds

DEPARTMENT OF MEDICINE

Service	Units	Beds	Present allocation
General internal medicine	2	60	----
Allergy	1/6	5	----
Arthritis	1/6	5	----
Cardiology	1½	45	----
Endocrinology	½	15	----
Gastroenterology	1	30	----
Hematology	⅓	10	----
Infectious diseases	⅓	10	----
Dermatology	1/6	5	----
Admitting ward	½	15	----
Total	6⅔	200	62
Chest diseases	2	60	[1] 150
Total	8⅔	260	212

DEPARTMENT OF SURGERY

General surgery	2	60	35
Orthopedic surgery	1⅙	35	28
Urology	1⅓	40	18
Thoracic surgery	⅓	10	6
Otolaryngology	½	15	4
Ophthalmology	⅓	10	4
Neurosurgery	⅓	10	10
Oral surgery	1/6	5	----
Plastic surgery	1/6	5	----
Head and neck surgery	⅓	10	----
Cardiovascular surgery	⅓	10	----
Total	7	210	105

[1] Average patient load allowance for fiscal year 1961, 56.

DEPARTMENT OF NEUROPSYCHIATRY

Pyschiatry (adults)	1	30	----
Psychiatry (children)	⅓	10	----
Neurology	⅔	20	----
Total	2	60	24

DEPARTMENT OF CHRONIC DISEASES

Rehabilitation	⅓	10	----
Children	⅓	10	----
Adults	1½	45	----
Total	2⅙	65	----

DEPARTMENT OF OBSTETRICS AND GYNECOLOGY

Obstetrics	2½	75	40
Gynecology	2½	75	49
Total	5	150	89

DEPARTMENT OF PEDIATRICS

Medical pediatrics:			
General	1	30	----
Observation and admitting	⅓	10	----
Infectious and contagious	⅓	10	----
Total	1⅔	50	22
Surgical pediatrics:			
General	½	15	----
ENT	⅓	10	----
Orthopedics	½	15	----
Total	1⅓	40	18
Adolescent unit	½	15	----
Total	3⅓	105	40

Bed distribution of proposed 850-bed hospital—Continued

DEPARTMENT OF PEDIATRICS—continued

	Bassinets	Present allocation
Nurseries:		
Normal, suspect, isolation, etc	85	50
Premature center	40	----
Total	125	50

RECAPITULATION

	Units	Beds	Bassinets
New general hospital:			
Medicine	6⅔	200	----
Surgery	7	210	----
Neuropsychiatry	2	60	----
Obstetrics and gynecology	5	150	----
Pediatrics	3½	105	125
Total	24⅙	725	125
Freedmen's Hospital Annex:			
Chest diseases	2	60	----
Chronic diseases	2⅙	65	----
	4⅙	125	----
Total	28½	850	125

RECOMMENDATION AS TO BED REQUIREMENTS OF THE PROPOSED NEW FACILITY FOR FREEDMEN'S HOSPITAL, DEPARTMENT OF MEDICINE

GENERAL INTERNAL MEDICINE, 2 UNITS, 60 BEDS

There is increasing pressure in the area of internal medicine in the hospital. The pressure is due to population expansion of the group principally served by this hospital and by the increased longevity of the population serviced. Most of the diagnostic services for many other hospital areas other than medicine are carried out by the internal medicine service. All residents seeking board certification, whether in internal medicine or in the subspecialties must be trained in internal medicine. The projected 60 beds represent the core of the residency training program, and represents an already inadequate number which will be aggravated by the time that the new hospital is completed.

ALLERGY, ONE-SIXTH UNIT, FIVE BEDS

There is a large allergy clinic and patients have to be hospitalized because of untoward reaction to drugs, status asthmaticus. Five beds are a conservative estimate of the need. More beds are actually needed. This number of beds is minimum from the standpoint of residency training and accreditation.

ARTHRITIS, ONE-SIXTH UNIT, FIVE BEDS

It is necessary to hospitalize some arthritic patients to get them started on treatment of gold therapy and steroids. Patients who have reactions have to be hospitalized. There is a 15.6 average daily attendance at the arthritic clinic. Five beds would be the minimum in terms of need and residency training.

ENDOCRINOLOGY AND METABOLIC DISEASES, ONE-HALF UNIT, 15 BEDS

On the basis of the present rate of hospitalization of patients, needs are in excess of 15 beds now. The demands are increasing for beds for diabetic patients and to the large number of indigent patients who develop complications. There are seldom less than 15 diabetic patients hospitalized under the present setup at any time. The projected 15 beds actually are below our needs. There is a training program with three fellows, a research chemist, and adjunctive personnel. There is a certified residency training program projected.

CARDIOLOGY, ONE AND ONE-HALF UNITS, 45 BEDS

During the past 10 years, our program of research in cardiovascular diseases has been greatly expanded. At the present time, our laboratory is capable of service in all fields of cardiac disease as well as peripheral vascular disease. This service has been certified for postgraduate training in cardiovascular diseases. Two full-time fellowships and one full-time resident are in training. This expanded program of research, patient care, and postgraduate training makes the need for additional bed space urgent. This need is further strengthened by the steadily increasing incidence of cardiac disease in the general population.

GASTROENTEROLOGY, 1 UNIT, 30 BEDS

Gastroenterology represents one of the largest and most actual projected services in the hospital and the projected number of 30 beds is much less than the real need. An accredited residency program is contingent upon sufficient beds to maintain a program of sufficient volume to justify it.

HEMATOLOGY, ONE-THIRD UNIT, 10 BEDS

Hematology feels that its actual need is for 20 beds rather than the projected 10 beds. This is based upon the number of hematological cases in the past. There are seven hemophiliacs irregularly under care at present, and this type of patient can never be denied admission to the hospital.

INFECTIOUS DISEASES, ONE-THIRD UNIT, 10 BEDS

Infectious diseases need more than the projected 10 beds, but these would be sufficient to present a resident training program. The need for beds in this area is always pressing. The projected 10 beds represent a moderate approach. It is necessary on occasion to isolate patients, and these beds are essential in the new hospital.

DERMATOLOGY, ONE-SIXTH UNIT, 5 BEDS

Dermatology is an important program with staff for an accredited residency program, but the beds are needed in order to implement their program. Patients with severe dermatological conditions, patients receiving hazardous drugs, and patients starting treatment have to be hospitalized on occasion. The projected five beds represent minimum requirements.

ADMITTING WARD, ONE-HALF UNIT, 15 BEDS

The projected number of 15 beds represents a modest number for an active service like the Department of Medicine. In this area patients are studied to be routed to the necessary areas and also to determine whether extended hospitalization is necessary. This is a timesaving and moneysaving projected service.

JOHN B. JOHNSON, M.D.,
Head, Department of Medicine.

RECOMMENDATION AS TO BED REQUIREMENTS OF THE PROPOSED NEW FACILITY FOR FREEDMEN'S HOSPITAL, DEPARTMENT OF SURGERY

The proposed bed distribution for the department of surgery is based upon many considerations. The more important facets might be enumerated as follows:

1. The establishment of a surgical program in a university hospital.

2. The pattern and experience of other university hospitals.

3. Minimal requirements for student teaching in all surgical specialties.

4. Minimal requirements for resident and intern training program in all surgical specialties.

5. Minimal requirements for a service to meet community needs.

6. Twenty-five years of experience with the present Freedmen's Hospital bed allotment.

7. Minimal requirements to solve many of our major currently recurring problems.

8. The necessity of reopening our ambulance service.

9. Establishment of bed distribution to better serve attending staff who are responsible for our total program.

10. Establishment of an admitting service organized to give better service to referred cases and referring physicians.

11. A realistic consideration of cost of construction, cost of maintenance and ability to completely justify same.

The proposed distribution of beds for the department of surgery is as follows:

	Units	Beds	Present allocation
General surgery	2	60	35
Orthopedic surgery	1⅛	35	28
Urology	1⅓	40	18
Thoracic surgery	⅓	10	6
Otolaryngology	½	15	4
Ophthalmology	⅓	10	4
Neurosurgery	⅓	10	10
Oral surgery	⅙	5	----
Plastic surgery	⅙	5	----
Head and neck surgery	⅓	10	----
Cardiovascular surgery	⅓	10	----
Total	7	210	105
Surgical pediatrics:			
General	½	15	----
ENT	⅓	10	----
Orthopedics	½	15	----
Total	1⅓	40	18

These figures are justified in accordance with the above-listed factors as follows:

It is well established that a university hospital should be a complete unit able to give service and train professional personnel in all major fields of medicine and surgery. To do this, each major department must be composed of well-organized individual divisions. Certainly the proposed list of allotments are basic and minimal, without them a university surgical department would be far from complete. Indeed, included in the increased beds for general surgery are such important surgical facets such as proctology, gastroenterology, metabolism, oncology, etc.

University hospitals in other areas with large bed capacities at their home base have found it necessary to project their program to student teaching and resident training to include other country hospitals in various types of affiliations. This is a recognized need which is not peculiar to our setup but merely emphasizes the critical need of our enlargement to a simple fundamental base as proposed.

The medical student enrollment in Howard University has progressively increased from 50 to 75–100 students per class. At the previous minimal figure of 50 students per class, the amount of clinical material in all of the various surgical specialties is totally inadequate. In this feature, we have a similar problem to other university hospital centers. In order to solve this problem, university centers are increasing their hospital affiliations and student clinic rotation assignments. We are doing likewise, but even this does not adequately meet minimal requirements for student experience. The proposed increase at Freedmen's Hospital will aid in this endeavor although it will be far short of adequate. It, therefore, represents only part of our total effort.

It is well established that the Howard University-Freedman's Hospital Surgical Service bears a significant part of responsibility for the training of surgical residents. This includes, of course, all of the specialties. In spite of this responsibility, our training program, due to material available, is not able to contribute to its fullest potential. It is our aim to increase our productivity by increasing our total resident program by the utilization of other local hospitals as well as the completion of a basic unit here at Freedmen's. The proposed bed allotment is merely sufficient to establish a nearly complete basic surgical unit. It is estimated that even this size service would be inadequate for an ideal basic program.

Throughout the years, the inadequacy of our bed capacity has been demonstrated by a constant need to turn patients away because of unavailability of beds. The need for beds within our community is well documented in all recent surveys of hospital bed distribution for the metropolitan area of Washington, D.C.

Our ambulance service has not run at its fullest for over 2 years and, in fact, has rarely been active at all during the past year. This, obviously, is a loss to the community and more critical to us for the loss of this phase of medical care to students, internes, residents, and staff. In years past, emergency surgery has been a large segment of our program but it has recently diminished so that our trainees miss a significant part of their educational experience. This is particularly important when we relate it to such organizations as MEND, armed services, and the potential need of this training as it pertains to the international situation.

With our present inadequate bed distribution, we have a constant problem with admissions and distribution of admissions on the surgical service, to wit, we are not able to have a fixed pattern of reservations for patients in our admitting office and cannot guarantee the availability of a bed on any planned basis. The situation necessitates the filling of beds as they are vacated or the turning away of urgent, critical cases with a prohibitive frequency. Because of this circumstance, we lose many elective patients to other hospitals and this includes indigent and pay-status cases.

Many of the subdivisions of surgery's patients are housed within the two general surgery units and since the beds are utilized in a rapid fashion, no one of the several services can be assured of consistently available material for teaching and training nor can many members of our staff be assured of available beds for the patients. This is particularly difficult for the full-time teaching faculty who are fairly restricted because of busy schedules restricting them to practice at the home base.

In order to reasonably accomplish these many aims, a service capacity of probably 400 beds would be necessary. Because of more realistic considerations of budget, including cost of construction, maintenance, and staffing, the proposed request for beds was kept at absolute minimum figures. Any bed distribution similar to our current figure has been documented as inadequate by all Freedmen's hospital surveys and certainly by our experience of the past 25 years. In fact, one might more logically challenge the request as being basically and fundamentally inadequate for a hospital designed to service a university medical school program of the size and breadth of Howard's. This might be further criticized because there is not sufficient planning for expansion. It, therefore, would be necessary for expansion to encompass an affiliation with other local hospitals.

Further details for documentation will be supplied if they are considered necessary.

BURKE SYPHAK, M.D.,
Head, Department of Surgery.

RECOMMENDATION AS TO BED REQUIREMENTS OF THE PROPOSED NEW FACILITY FOR FREEDMEN'S HOSPITAL, DEPARTMENT OF NEUROLOGY AND PSYCHIATRY

We have suggested a 60-bed service which even as we now prepare this statement is too modest a request to cover our actual needs. After discussing this topic with the other members of this department, it is pointed out that to meet the needs of our specialty requirements, we would not be doing the sort of job we are capable of doing. It is pointed out that the average bed in a general hospital has a turnover of about six times that of the average psychiatric bed. Therefore to offset this fact a reasonable number of beds are needed to compensate for this and to give the resident an opportunity for diversity. This suggestion is all the more important since we may have to use these facilities which will become permanent and if there is a defect, that too will become permanent.

Such a unit must accept acutely disturbed cases from other wards of this hospital. The larger the hospital the greater will be the demand for such services. Therefore, space in terms of beds must also be made available to meet the needs of the hospital per se.

In terms of patient care there is in greater Metropolitan Washington a population of over 1½ million people, and the end is probably not in sight. Therefore some plans must be devised whereby we could manage and take care of a nominal number of such cases as our contribution to the community and at the same time have enough beds to provide an adequate residency in psychiatry.

There are four areas to be considered:

A. Specialty board in psychiatry.

B. Specialty board in neurology.

C. Combined board in neuropsychiatry.

D. Subspecialty board in child psychiatry.

Cases to provide this clinical experience must be prepared.

In terms of accreditation we need to have a service of such proportion that residents coming to this activity may be able to get the type of experience needed not only to meet the requirements of the Special Board in these fields, but to be able to give maximum service to their community whether in patient care, research, or as teachers. To this end we would need a very minimum service of 60 beds as follows:

	Beds
Psychiatry	30
Child psychiatry	10
Neurology	20

JUSTIFICATION

I. Psychiatry

A. It has been recommended that 10 percent of beds in a general hospital be allotted to psychiatry. Since we need both child psychiatry and neurology as part of the general training in this area, ours would be greatly diluted in that they would not serve primarily for psychiatry, but for (a) psychiatry, (b) neurology, (c) child psychiatry, and (d) psychosomatic medicine. This recommendation is by the American Psychiatric Association and public health studies.

B. This number of beds will give the resident an opportunity to see enough cases in each of the large categories of mental illness so that he would be quite able to cope with all the types of illnesses he may see, save those associated with the law (forensic psychiatry). These he would still have to study at places provided by the court for the care of the patients.

C. In the area of child psychiatry, which is rapidly becoming a subspecialty, we must provide beds. These are urgently needed in the District of Columbia with its enormous rate of delinquency, as evidenced by the backlog of cases in the juvenile court. It will also help the residents to appreciate early mental changes seen on the adult level later. Therefore, residents interested in child psychiatry could from (a) our clinic, (b) beds provided, and (c) the court, get ample clinical exposure and experience to meet the requirements in this area.

D. We know that:

1. Sixty percent of cases seen by the physician have, in addition to some physical disorder, some neuropsychiatric disorder.

2. Fifty-three percent of beds in hospitals in the United States today are used for psychiatric disorders.

3. Here in the District of Columbia, more beds are in St. Elizabeths and the other psychiatric facilities for mental illness than all the other hospitals in the area combined.

4. Three out of four mental hospitals in the United States report overcrowding at present.

5. Nearly all of these facilities show a dearth of physicians to staff them.

6. Close to 300,000 new patients are admitted each year to mental hospitals.

7. Six percent of the present population, or 1 in 16, or well over 1 million in the United States today are suffering from mental illness and other personality disturbances.

Therefore, with mental illness as the No. 1 problem in the United States today, the question might readily be asked whether we have gone far enough—whether this 10 percent would not be the most modest amount for psychiatry we could ask for, and which may readily be the safest minimum for the future.

II. Child psychiatry

A. With the great social upheaval, in the United States in the last 30 years, mother—the stabilizing interest in the home in the United States—has been removed from the home and forced to go to work. In the place of mother, no area has been provided by society where children could be placed until the mother is able to pick them up in the evening. In absence of such areas these children roam the streets and often they get into untold difficulties. As a result the whole family often shows the need for therapy. The child, being the most vulnerable, often needs close supervision and care when submitted to untold stress and much difficulties. We believe that understanding what happens to the child helps us to appreciate better what happens later on in life. This need, we are aware, is tremendous and overwhelming as evidenced by over 100,000 children in the area of school age (6 to 16), and these figures exclude the greater metropolitan area with another 100,000.

B. Residents who now specialize in psychiatry quite often like to limit their practice to the new growing field of the problem child (child psychiatry). We believe this to be a step in the right direction to provide this training in this subspecialty. Pediatric residents who also would need some training in psychiatry could find this training an important and integral part of their training.

C. The psychosomatic ills of children could also be studied in such a setting. Again as to whether such a small number of beds may be adequate, especially when residents in pediatrics are to be considered, must depend on future development and space. The need, great as it is, is nevertheless there, and probably may amount to as many as 20 beds eventually.

III. Neurology

A. There are now no actual beds available for this arm of our service. We are now the only clinical department with only one-half of its service without beds. Therefore, beds that would permit us to develop an accreditation service become a necessity. In terms of service we often see cases of multiple sclerosis, syringomyelia, myasthenia gravis and other muscular dystrophies, etc., but with no beds available this rich experience is lost, and the residents suffer as a result, as these patents are usually sent elsewhere.

B. Knowledge of the nervous system from the point of a disease entity to meet the specialty requirement could be secured by a minimum of 30 beds. Problems of neuro-ophthalmology might very well be answered in addition to clinical disorders in neurology.

C. Problems of rehabilitation can be studied on this service in connection with neurological deficiencies.

D. In addition, as part of the training in psychiatry, some knowledge of neurology is required and vice versa. Thus such a service becomes part of an integrated whole. Knowledge of the nervous system, therefore, becomes imperative.

E. The need for men trained in neurology is becoming greater each year. Such a unit, therefore, would meet not only community needs, but help to train many residents to meet national needs whether in the Armed Forces or in their respective communities.

E. Y. WILLIAMS, M.D.
Head, Department of Neurology and Psychiatry.

RECOMMENDATION AS TO BED REQUIREMENTS OF THE PROPOSED NEW FACILITY FOR FREEDMEN'S HOSPITAL, DEPARTMENT OF OBSTETRICS AND GYNECOLOGY

The Department of Obstetrics and Gynecology is requesting an increase from 89 beds to 150 beds in the new hospital for the following reasons:

A. SERVICE TO PATIENTS AND COMMUNITY

1. There has been an increase from 1,194 deliveries in 1940 to 3,325 deliveries in 1960. This increase is due to the population in the metropolitan area and increased birth rate. The Department of Obstetrics-Gynecology has been hampered by the limited facilities in rendering medical care which we consider adequate.

2. During some months patients are discharged in 1 day rather than the 3 days, maximum.

3. We have a minimal area in which to isolate pregnant patients who are critically ill or patients with contagious diseases. Over the past 20 years, we have had sporadic epidemics of diarrhea because of the limited facilities.

4. Our gynecology service has increased along with the obstetrics service. In 1940, 1,241 patients were hospitalized with 960 operative procedures; in 1960, 1,870 patients were hospitalized with 1,833 operative procedures performed. With the scarcity of bed facilities, our gynecology service can serve mainly for operative gynecology.

5. The total number of patients handled on an inpatient basis was 5,195. There were 5,902 patients seen in the outpatient clinics. Some of these patients who needed hospitalization could not be hospitalized here because of our limited bed capacity.

B. HOUSE STAFF

The limited bed capacity has decreased the experience of the house staff:

1. They have been unable to follow patients over the necessary post partum period during these short hospitalizations.

2. Continuity of interesting patients from the clinics has been lost because of patients having to be hospitalized elsewhere.

3. Medical gynecology had to be studied on an outpatient basis because the beds are being utilized for operative cases.

JOHN F. J. CLARK, M.D.,
Head, Department of Obstetrics and Gynecology.

RECOMMENDATION AS TO BED REQUIREMENTS OF THE PROPOSED NEW FACILITY FOR FREEDMEN'S HOSPITAL, DEPARTMENT OF PEDIATRICS

1. The Department of Pediatrics feels that there is need for a main pediatric unit, completely air conditioned, housed in a separate building close to the main hospital, and probably connected to the main hospital by a ramp. This facility should accommodate 105 pediatric patients exclusive of the newborn nursery.

2. Ground floor for emergency room, clinics, record room (containing charts for pediatric clinic and hospitalized patients), registration and admitting office, information desk and switchboard (extension of main hospital switchboard), rest rooms (male and female) for (a) patients, (b) parents, (c) employees.

3. One floor of office space for staff including:

(a) Offices for pediatricians with adjoining consultation rooms and lavatory.
(b) Office for nursing supervisor.
(c) Office for psychologist with consultation room.
(d) Office for recreation therapist.
(e) Office for pediatric social worker.
(f) Office for residents.
(g) Office for secretaries.
(h) Male and female restrooms and lounge equipped with comfortable chairs, table, chaise lounge, shower and toilets.

4. Inpatient areas:

(a) One floor for infants under 2 years of age.
(b) One area for preschool children.
(c) One area for older children.
(b) One area for adolescent children.

This area should also contain playrooms for children, a library and social hall for adolescents, formula room, chemistry and hematology laboratory, diagnostic X-ray unit, student laboratory on each patient floor, a laboratory for clinical research including a room for isotope storage and study, a main conference room to seat 50 people, several small conference rooms seating 15 to 20 people, waiting rooms, consultation rooms, utility rooms.

The request for breakdown on beds is as follows:

Medical pediatrics:	
General	30
Observation and admitting	10
Infectious and contagious	10
Total	50
Surgical pediatrics:	
General	15
Entomology	10
Orthopedics	15
Total	40
Adolescent unit	15
Nurseries:	*Bassinets*
Normal, suspect, and isolation nurseries	85
Premature nursery	40

It may well be that the nurseries should be situated in an area in closest proximity to the maternity service.

JUSTIFICATIONS

The present bed capacity in this hospital has proved to be woefully inadequate for carrying on the many facets of a teaching and training hospital. It will be recalled that one service, namely, orthopedics (surgery), lost a part of its accreditation because of the lack of adequate material for its training program.

The pediatric unit must contain facilities not only for medical pediatrics, but for all of the various surgical specialties which include general surgery, orthopedic surgery, neurological surgery, urological surgery, otolaryngology, ophthalmology, plastic surgery, thoracic surgery, anesthesia, and oral surgery.

This unit will provide training for interns, residents, medical students, and nurses. A pediatric unit with less than 100 beds usually does not provide sufficient variety of case material for an adequate teaching program. Because of the unique relationship of Freedmen's Hospital to the community, it is also necessary that we provide beds for the physicians who are practicing in our community. We have a number of attending physicians on our staff who are in pediatric practice and are interested in having a first class facility where they can hospitalize their private patients. We are interested in providing this facility to them because all cases admitted to the service—whether private or staff—are used in the teaching and training program.

Better facilities are sorely needed because with the present inadequate facilities, we cannot meet our obligations to the community. A case in point is that there is now a large backlog of elective cases (circumcisions) awaiting admission to the hospital. The current problem is that because of poor facilities, only a limited number of cases can be taken per week.

On a pediatric and maternity unit, certain standards of care have been set forth by the local health department and by the American Academy of Pediatrics. New facilities are needed in order to meet the requirements of these standardizing bodies.

At the present time, Freedmen's Hospital has no facilities whatsoever for adolescent children. They are indiscriminately sprinkled through the adult wards. The recommendation of the American Academy of Pediatrics is that a general hospital, or even a children's hospital set aside special units for the adolescent age group (13–19). These children have special problems which are handled best by providing a separate unit for them. The need for special facilities in a hospital for the adolescent individual is set forth in an issue of "Currents in Hospital Admission," volume IV, No. 4, November 1960. A number of newly constructed hospitals have included facilities for adolescent children.

ROLAND B. SCOTT, M.D.,
Chief Pediatrician.

THE NEED FOR NEW CONSTRUCTION AT FREEDMEN'S HOSPITAL

(A statement dated January 19, 1961, endorsed jointly by the Association of Former Interns and Residents of Freedmen's Hospital, the Howard University Medical Alumni Association and the medical staff of Freedmen's Hospital)

INTRODUCTION

Description of facilities

Freedmen's Hospital consists of a general hospital with 320 beds and 50 bassinets, a tuberculosis hospital with 150 beds, and an outpatient department composed of 43 organized clinics and two emergency operating rooms.

The hospital's physical plant consists of 8 buildings located on 11 acres near the downtown area of Washington, D.C. Its buildings include separate general and tuberculosis hospital units, an outpatient clinic building, and a maintenance shop, all of which were constructed 25 to 50 years ago, with the exception of the tuberculosis hospital which was completed in 1940.

Functions of the hospital

With the facilities described above the hospital conducts activities embracing four basic functions, namely:

1. Medical care of patients through the provision of services on an inpatient and outpatient basis for substantially all types of illnesses. In this connection 129,162 patient days of service were rendered to 14,299 individuals on the inservice, and there were 95,414 patient visits to the outpatient service in fiscal year 1960.

2. The education of physicians, nurses, and other adjunct professional and technical personnel in 20 separate training programs involving approximately 190 hospital trainees, 150 medical students and 60 affiliates for a total of 400.

3. Coordination and integration of hospital programs with preventive medicine through the operation of outpatient clinics and cooperation with governmental and voluntary health and welfare agencies.

4. Fundamental research in medical science through the integration of the work of the preclinical scientist and the clinician. During fiscal year 1960, 61 research projects, financed through grants to Howard University were in progress in the hospital.

Sources of financing

The financing of programs at Freedmen's Hospital is made possible by funds received from the following sources:

1. Federal Government, through direct appropriation.

2. District of Columbia Government and other legal jurisdictions for the care of their indigent patients.

3. Individuals, through direct payment or through third party plans.

STATEMENT OF THE PROBLEM

A building program for Freedmen's Hospital is vitally needed for two important reasons: First, to provide a modern physical plant for safe, efficient services to patients and, second, to provide the necessary facilities in quantity and quality to implement the several educational programs engaged in by Freedmen's Hospital and Howard University.

Need for modern physical plant

One fact alone would seem to point up the obsolescence of the physical plant. In the almost 100 years that it has been in existence, the hospital has received and expended less than $3½ million for new construction and major renovations. This includes all the funds that have been appropriated by the Federal Government for all past facilities and those now in use.

The present general hospital building is over 50 years old and has, out of a total of 370 beds, only 20 private rooms and no semiprivate accommodations. The large wards are 4,000 square feet in area and usually house 28 patients in close quarters with only the separation of a curtain between each person. One bath and one toilet room are the only facilities available to the 28 ward patients and must also be used by patients in the three or four private rooms attached to 8 of the 12 wards.

There is a need for additional space in practically every phase of hospital operation. There is insufficient classroom space for students, lack of lounge and rest rooms for all divisions of personnel, limited storerooms, and cramped quarters in the social service department, medical records, laundry, main kitchen, and other important departments.

Lack of office space and lounge rooms for medical and nursing staffs causes daily problems and does much not only to hamper efficient operation but also contributes to poor morale among these important direct patient care groups.

Preliminary estimates seem to indicate a need within the new facility for at least 850 beds in order that there be an adequate basis for service as well as for medical education. Extensive departmentalization is necessary in the teaching hospital which constitutes the focus of a medical center and this requires a wide distribution of beds in order that each clinical subdivision is represented. This estimate of capacity may be modified depending upon the findings of a detailed program study which must precede final determination of size, design, and an optimal site for the new structure.

Need for adequate teaching facilities

From the educational standpoint, the need for a building program is just as acute. Since Freedmen's Hospital must remain the major teaching facility of the Howard University School of Medicine, which in the past 2 years has increased its enrollment from 75 students to 100 students per class, it must of necessity parallel in development the strides of the medical school. The clinical facilities now available at Freedmen's hospital did not meet the full requirements of the former medical school program and are therefore that much more inadequate since the increase in numbers of students. It is, therefore, mandatory that the hospital plan larger and more adequate facilities. The District of Columbia General Hospital with its provision of certain teaching opportunities in medicine at best assures only supplementary facilities as it does for George Washington and Georgetown Universities.

It should also be pointed out that Freedmen's Hospital presently provides opportunities in medical and technical education on international as well as national and local levels.

A review of previous appeals for new construction

Representations have been made by hospital officials to supervising agencies for the past 20 years for new construction at Freedmen's Hospital. All requests were denied at the departmental level until 1950, at which time an amount for construction planning was approved by the Federal Security Agency but subsequently disallowed by the Bureau of the Budget. In 1954, an amount of $50,000 was approved by the Bureau of the Budget for preliminary planning but was disallowed in the House of Representatives. A Freedmen's Hospital Study Commission [1] was then appointed by the Department of Health, Education, and Welfare to review the hospital's needs and to submit recommendations. The Commission reaffirmed the vital need for new construction and recommended that a new hospital be built immediately and that subsequently ownership of the facility be transferred to Howard University. Since that time the attitude has prevailed that new construction cannot be considered unless the hospital is transferred to the university, although the Commission recommended that legislation authorizing construction should precede transfer. Several bills tying transfer and new construction together have been introduced in Congress but none has been passed. The situation has now reached the point, in terms of comparison with other community hospital facilities, where Freedmen's Hospital is totally unacceptable as a modern hospital facility, and is performing its services in an obsolete, unsafe, and inefficient physical structure.

Against the background of knowledge that every major hospital facility in the District of Columbia with the exception of Freedmen's Hospital has either constructed or is constructing a new physical plant, financed for the most part by Federal funds, serious questions naturally arise concerning this differential with respect to Freedmen's Hospital. Since a sound basis for new construction has been presented again and again without positive results, one is persuaded that the neglect results from a failure to appreciate the magnitude of the need. It would be hard to believe that there is active opposition to the provision of modern health facilities to a segment of the community whose need for medical services is unquestionably acute.

COMMENTS UPON THE STATUS OF FREEDMEN'S HOSPITAL WITHIN THE LOCAL, NATIONAL AND INTERNATIONAL COMMUNITIES AND UPON RESTRICTIONS OF HOSPITAL FUNCTION SECONDARY TO THE ABSENCE OF ENABLING LEGISLATION

The Freedmen's Hospital Study Commission recorded pertinent observations con-

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[1] Pursuant to authorization of the 83d Cong., the Freedmen's Hospital Study Commission, a 10-member group of distinguished citizens selected from the national community, was appointed by Secretary Oveta Culp Hobby of the Department of Health, Education, and Welfare on Feb. 23, 1955, to make a study and recommendations with respect to the future of Freedmen's Hospital. The findings and recommendations of the Commission were received by the Secretary on May 16, 1955. The report, which was advisory to the Secretary, is titled "A Future for Freedmen's Hospital" and numbers 61 pages.

cerning the plight of the hospital and the resulting adjustments by the administration, the professional staff, and by the patients who utilize its resources. In assessing these handicaps, the study commission pointed out: "It is no wonder that the fee-paying Negro patient seeks admission to hospitals other than Freedmen's, even at the sacrifice of his Negro physician. In like manner, it is understandable why the non-Negro patient, once served in large numbers, prefers his hospitalization elsewhere. The rate structure has been set considerably below cost partly in recognition of the inadequacy of facilities. It may be conjectured that, were it not for the restrictive admission policies of other hospitals on the one hand and the great demand for medical care on the other, the number of fee-paying patients would have declined instead of grown with respect to third-party insured patients. It should also be pointed out that Freedmen's Hospital is lacking in semiprivate facilities which are specified coverage for most types of insurance. From the standpoint of incentives that attract high caliber staff, the hospital fails with respect to the facilities for the treatment of private patients and for the conduct of extensive basic and applied research. The private patient and research facilities that attract staff will also improve the hospital's fiscal situation by assuring increasing income from these sources. To assure that these income, staff, and research objectives are met, the present plant must be replaced by a modern structure."

Notwithstanding the validity of these observations, the Department of Health, Education, and Welfare undertook in 1959 to inaugurate substantial increases in the rates for the care of inpatients at Freedmen's Hospital. A committee representative of the hospital staff then directed to Secretary Arthur Flemming (July 1959) a communication which emphasized the absence within the entire hospital of either private or semiprivate accommodations consistent with the definition of most insurance carriers and affirmed the position that it was unrealistic to prescribe a rate structure for Freedmen's Hospital comparable to that employed for modern hospital facilities in the District of Columbia. Later, after a conference between Mr. Flemming and the staff committee from Freedmen's Hospital, the Secretary opposed the elevation of hospital rates, although it was conceded that a sound fiscal policy must inevitably be introduced within the hospital.

During 1960, a Freedmen's Hospital staff committee sought methods through which the hospital might better fulfill its obligation to contribute to knowledge by effecting a climate to encourage and sustain productive scientific investigation. As a collateral accomplishment, we sought a mechanism for the acceptance of grant-in-aid funds and through them a method for the reimbursement of the hospital in proportion to the extent to which the hospital's facilities and services were utilized for research. A protracted study demonstrated that Freedmen's Hospital, unlike St. Elizabeths Hospital, U.S. Public Health Service hospitals, and Veterans' Administration hospitals, is ineligible to receive grant funds for research from the National Institutes of Health, the preponderant source of moneys for medical research. Moreover, a request by the administration of Freedmen's Hospital for itemized funds for research within the budget of the hospital (1961–62) was denied despite the precedence of generous grants by the administering agencies to St. Elizabeths Hospital, U.S. Public Health Service hospitals, and the Veterans' Administration hospitals, none of which maintain academic responsibilities comparable to Freedmen's Hospital. Finally, there appeared to be the point of view that Freedmen's Hospital is unique and therefore legislation which applies to other sister hospitals even within the same department does not apply to it. The opinion that legislation designed for other hospitals within the Department of Health, Education, and Welfare is never permissive with respect to Freedmen's Hospital in effect perpetuates archaic restrictions and regulations which are completely inconsistent with the modern hospital's function. This handicap and the other difficulties already mentioned point up the need for basic legislation for Freedmen's Hospital in order to assure its permanent status and serve as a basis for conducting its several programs.

Now more than 5 years after the completion of the report of Freedmen's Hospital Study Commission, the inequities sustained by an outmoded, inadequate facility without enlightened legislative support are the more gross and even less reconcilable. Despite the unresolved demands for medical care within the community, many fee-paying patients who continue to seek admission to Freedmen's Hospital are motivated largely by loyalties and an enduring identity with the institution. Since 95 percent or more of Negro physicians residing in the District of Columbia have staff privileges in no other hospital, there is thus placed upon them, in addition to the stigma of discrimination and an unhappy restriction of choice, the added burden of sustaining an essentially competitive practice with dependence upon tools besides those of professional competence and appropriate facilities.

That approximately one-half of all American Negroes in the health and allied professions received a variable part of their professional training within Freedmen's Hospital attests for the scope of its usefulness and the breadth of its contributions to our Nation. If we may assume that in the absence or the subsequent failure of the hospital, Americans will suffer a loss comparable in extent to the broad benefits accrued because of previous services rendered by Freedmen's Hospital, then it is inconsistent with national goals either to abandon the facility or to permit it to become ineffectual and unproductive through neglect.

Preoccupied as we are in these times with the political value of symbols and the reflection of our image especially as these influence the attitudes, the affections, and the alinements of underdeveloped peoples, Americans have expended vastly of their substance out of the conviction that our survival was a determinant factor. Presently and for generations before the relationship was identifiable as a laudable instrument of national policy, Freedmen's Hospital and Howard University together provided substantially, perhaps the most substantially of all American hospitals and universities, for the education and training of colored physicians, nurses, and technicians from the islands of the Caribbean and from Africa, most notably. It would be difficult in the presently restricted market of international relations to purchase the inestimable good will and the indebtedness which this effort has earned for the United States.

The expression of the Freedmen's Hospital Study Commission in its concern for the hospital in this context is quoted hereafter: "Not to be omitted from the question of physical plant is the consideration of the role that Freedmen's Hospital currently plays as a national and international symbol of America's attitude toward its most important minority group. By all modern hospital standards Freedmen's is not a symbol of which America can be proud. Inasmuch as this factor of public and international relations is a matter of present and of the immediate future, something must be done as soon as possible to counteract the impression made upon every visiting representative of other nations. Until such a time as the hospital becomes fully integrated, a modern plant to serve primarily the needs of the Negro is an essential symbol of America's intent. And without the attraction of a modern plant, the full integration objectives which require a two-way movement will never be achieved."

It is scarcely necessary to adjudge that the considerations constituting the pattern for this conclusion by the Freedmen's Hospital Study Commission in 1955 are presently even more compelling after one examines them in the light of the political and social revolutions which have transformed the world since then.

Whereas the circumstances which affirm the constantly expanding need for the construction of an appropriately modern facility in place of the present Freedmen's Hospital are unquestioned, the climate for the proposed transfer of ownership of the hospital from the Federal Government to Howard University has been increasingly hostile. Without regard to the merits of transfer, we must agree that whether or not transfer was designed to foster legislative support it has indeed been the focus of an unrelenting opposition. The only logical recourse in view of the unresolved human needs is our appeal to separate the issue of transfer, about which there are strong differences, from the basic plea for a new hospital in order that the latter may be realized promptly. The fate of transfer may then be argued upon its merits without exacting as an unreasonable toll the continued occupancy of a facility which by American hospital standards is not fit to house patients.

SUPPLEMENT

Appended to this statement are appropriate commentaries which express points of view in relationship to the need for new construction for Freedmen's Hospital.

Former Congressman

Excerpt from the CONGRESSIONAL RECORD of June 8, 1954, of the remarks of Mr. Fred E. Busbey, of Illinois, from the floor debate of the House of Representatives, Labor-HEW appropriation, fiscal year 1955:

"I desire to say a little about Freedmen's Hospital. They have a very, very acute problem out there, and I only wish I had the ability to find the solution. I visited the hospital and went over it from top to bottom. The conditions are deplorable.

"The nurses have to work at a desk just outside of the washroom—a washroom that is not very presentable. The hospital is not laid out correctly. It is a very old building, as you know. I would hesitate to recommend spending additional money on this building, because I do not believe you could possibly make it what would be considered, under today's standards, a first-class hospital."

The President of the United States

Excerpt from a message directed by the then Senator from Massachusetts, John F. Kennedy, to the Association of Former Interns and Residents of Freedmen's Hospital on June 8, 1960: "I shall appreciate your advising the association (of former interns and residents of Freedmen's Hospital) that I support your resolution of May 1, 1960, for the construction of a modern, adequately equipped hospital facility in order that Freedmen's Hospital can continue its historic and unique service to the American people."

(Signed) JOHN F. KENNEDY.

CONCLUSION

It is entirely within the interest of the local, national, and international communities that Freedmen's Hospital be developed into a highly acceptable medical center providing superior programs in medical service and medical education. By so doing, our Government would create a symbol of this country's concern for the health problems of all people.

The funds expended would be minimal in comparison with the advantages such expenditure would bring. In order to implement this program of development, it is necessary to obtain an acknowledgment by the executive branch of Government affirming the magnitude of the need for an adequate modern facility for Freedmen's Hospital and the approval of funds to undertake planning of the new construction.

[From the Washington Daily News, July 12, 1961]

FIFTY-THREE-YEAR-OLD FREEDMEN'S HOSPITAL—IT'S A PROBLEM OF AGE

(By Jerry Doolittle)

Freedmen's Hospital, a large, rambling building near Griffith Stadium, seems to carry its 53 years lightly—from the outside.

But inside, Freedmen's shows its years as unmistakably as a middle-aged lady under strong light. The hospital is far beyond temporary patching up—and even beyond extensive structural repairs.

Its faults are built in, and so apparent that no patient or visitor can miss them.

"How they can run that place is beyond me," a senatorial aid said.

Secretary of Health, Education, and Welfare Abraham Ribicoff was even blunter in Capitol Hill testimony. "Freedmen's, let's put it frankly, is a dump," he charged. "The Federal Government should be ashamed to sponsor an institution like Freedmen's today."

"I really believe Freedmen's Hospital is so old nothing can be done for it," a recent patient said. "It needs to be torn down and started all over from the beginning."

AGE PROBLEM

The main problem is simply age; 53 is ancient by hospital standards. When Freedmen's was built in 1908, for example, hospital architects felt ceilings should be high and wards large.

And hospitals, they believed, should consist largely of wings spraying out in all directions, with each bed near a window.

"So we're stuck with a lot of space we can't use economically," Freedmen's Superintendent Charles E. Burbridge said recently. "Nowadays the theory is to bring everything closer together for efficient central service.

"Stand in one of our corridors and you can see two blocks. The building runs from Fourth to Sixth Streets. Making the rounds is like playing nine holes of golf.

"It's constructed entirely wrong for modern hospitalization. Services are in poor relationship to each other. For example, the female orthopedic ward is on the second floor. The plaster room is in the basement in another wing.

"Each time a cast has to be put on, we've either got to take the patients practically blocks away to the plaster room, or the plaster man has to go to the ward."

OTHER LACKS

Freedmen's has about a third of the storage space a hospital its size should have. There are no wheelchair and stretcher rooms, so these must be stored in the halls.

Only 8 of the hospital's 12 wards have solariums available for recuperating patients to sit in—and so they must read, talk, or play games in the corridors.

The sterilizing room, once open 8 hours a day, must now be run around the clock to keep up with the demands for sterile linens and equipment made by a greatly increased number of patients.

Medical students from Howard University must keep their books and clothes in metal lockers which line both sides of a main basement corridor. The lockers choke the hallway so that two people can barely pass. When two stretchers meet, one must back up.

Every available inch of space must be used for storage, which means a general untidiness in closets, halls and elsewhere. The laundry is cramped, and the kitchen old fashioned.

TWENTY-EIGHT-BED WARDS

And where modern hospital buildings prefer wards no larger that 4 beds, Freedmen's has 28-bed wards—with from 3 to 4 private rooms attached to each ward.

The wards are usually filled to capacity—and sometimes emergency patients must be put in beds set up in the aisles. There are no proper nursing stations, and the nurses on duty use a desk at one end of the ward corridors as their headquarters.

For each 31- to 32-patient ward, there are two toilets, two sinks and one bath. In at least one ward, storage room is so limited that supplies are kept in the single bathroom—even in the bathtub itself.

Listen to one former patient:

"Two commodes for 28 women. In the morning we waited our turn to use the bathroom facilities. I'm not squeamish but that unsettled me quite a bit. It's a little hard to strip in front of a line of women. They had to line up or they lost their place."

There are 35 adult beds, 50 bassinets and two delivery rooms in the obstetrical ward. Despite this, 3,135 babies were delivered at Freedmen's last year—about a third of all colored babies born in the District.

The emergency rooms handled 37,513 patients last year, 91,414 were treated in the hospital's clinics and 14,299 required hospitalization.

And the load is increasing. "We already have one of the most active emergency rooms in the city. This year we have had terrific pressure from demands for all our services," Dr. Burbridge said.

TOPFLIGHT CARE

Despite obsolescence and crowding, however, Freedmen's offers topflight medical care. Howard Medical School uses the hospital and Freedmen's has its own nursing school there.

"The hospital has contributed in one way or another to the education of half the Negro physicians and other paramedical personnel in the country," Dr. Burbridge said.

No matter how competent the staff, however, the only permanent cure for what ails Freedmen's is razing and rebuilding. And, if Congress agrees, this cure may be on the way

The old Freedmen's bureaus were set up all over the country in 1865 to provide food and lodging for freed slaves. The Washington Bureau eventually developed into a hospital, and is the last remnant of the system.

At various times it has been under the control of the Army, the District of Columbia, the Department of the Interior, and, now, the Public Health Service of the Department of Health, Education, and Welfare.

HEW wants to turn it over to Howard University, and rebuild the whole hospital—and there is a stronger chance this session than in the past that Congress will agree.

BILL READY

Tomorrow a bill to transfer Freedmen's to Howard and provide an unspecified amount of money to replace the old building goes before the House Education and Labor Committee.

Representative EDITH GREEN, Democrat, of Oregon, who sponsored the bill and shepherded it successfully through her special Subcommittee on Education in May, predicted yesterday that the full committee would pass the measure on to the Labor Committee.

"I expect it to be passed by the end of the session—probably sometime this fall," Mrs. GREEN said. "I would hope the hospital could move into a new facility in 3 years' time. A few people who always look at the dollar sign and forget other values may object to the bill, but I think it will pass."

If it does, a lot of work will still remain to be done. "No plans have been drawn," Dr. Burbridge said, "and no site has been picked, though presumably a new building would go somewhere on the 11 acres we already have.

"Planning a hospital is a long job—you have to go to each department head and find out what he needs and then work it out with the architect. Construction takes a long time, too. I'd estimate it might be 4 or 5 years before a new hospital could be ready."

HUMPHREY VIEW

One pleader for speed is Senator HUBERT HUMPHREY, Democrat, of Minnesota, who toured Freedmen's recently. "It's appallingly bad," Senator HUMPHREY said. "We've got to get moving on a new hospital as quickly as we can. I was stunned by conditions."

The administration, too, can be expected to back the Freedmen's bill in its passage through both Houses of Congress. In Hill testimony, Secretary Ribicoff in May called for action this session on freeing money for the job. And he branded conditions at Freedmen's "a disgrace."

"It can't come too fast for us," said one hospital official. "God knows we need it."

[From the Washington Post and Times Herald, June 29, 1961]

FREEDMEN'S SQUALOR HIT BY SENATOR

(By Thomas Wolfe)

Shocked by what he saw in a surprise tour, Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, yesterday called conditions at Freedmen's Hospital a national disgrace, an outrage, and "more primitive than anything I've ever seen except for some of the hospitals for the Indians in Minnesota."

Because Freedmen's is primarily for Negroes, he charged in an interview, the hospital has been allowed to wallow in "obsolescence and deterioration."

"Freedmen's," he said, "should receive foreign aid."

What he read and heard about Freedmen's prompted the peppery assistant majority leader of the Senate to tour the place virtually unannounced—he gave only half an hour's notice.

INVENTORY OF SQUALOR

What he and an aid saw, he said, turned their note taking into an inventory of squalor:

Garbage, patients, and laundry moving down the same halls, because of lack of any other facilities.

Garbage and dirty linen accumulating in a laboratory.

Thirty to forty patients in one ward with just two washbowls, two toilet bowls—and no privacy.

Doctors and nurses forced to use a basement locker room "which no boiler factory could tolerate—the union would walk out on strike."

"A shock treatment room that wouldn't make a good broom closet. A totally inadequate (postsurgery) recovery room. A lunchroom barely 20 by 20 which all the nurses and doctors must use."

X-ray facilities so crowded that the radiologist risks radiation poisoning because his office is in the same room as his equipment.

SHOCKED AND AGHAST

HUMPHREY said the hospital is a firetrap, to boot, and should be condemned: "If the District Commissioners were doing their job, they would have condemned it already.

"The situation is ridiculous. I was shocked and aghast," said the Senator, a former mayor of Minneapolis. "We need a new hospital and we need it now. We can't afford to waste time arguing over whether

Howard University or the Government should run it."

The 50-year-old Freedmen's building is currently run by the Department of Health, Education, and Welfare. A House Education subcommittee voted May 19 to build a new Freedmen's Hospital and transfer ownership to Howard. The bill must be considered by the full House Education Committee, probably next month.

[From the Washington (D.C.) Sunday Star, July 2, 1961]

REBUILD FREEDMEN'S

Senator HUMPHREY of Minnesota is the latest of a number of prominent officials to tour Freedmen's Hospital, and to be appalled by the disgraceful and outrageous conditions which exist there. His interest is gratifying, and we wholeheartedly second the urgency of his demand that a new hospital be built to replace the old.

The important consideration now is that this interest be translated into action, that Senator HUMPHREY use his full influence to see that a bill is introduced and that hearings are held in the Senate to authorize the new Federal construction. Such legislation already has cleared a House Education subcommittee, and reportedly is scheduled for early consideration by the full committee. In the Senate, however, the matter has languished since hearings were held 3 years ago.

We support the provisions of the House bill, which also include the transfer of the new hospital to Howard University. This position likewise is backed by Secretary of Health, Education, and Welfare Ribicoff. Nothing could be more natural than to develop an even closer affiliation between these institutions than has existed in the past; the university would gain much through the acquisition of decent teaching facilities, and of course the hospital also would benefit. There are those who feel that this affiliation would not be impaired, and indeed that advantages would accrue, if the HEW retained control of the hospital. Presumably these views will be given consideration in the Senate, as they were by the House subcommittee.

As Senator HUMPHREY emphasized, however, such differences must not be be permitted to ensnarl the Federal legislation, as they have in the past. In his words: "We need a hospital, and we need it now."

Mr. HUMPHREY. Madam President, I really must say that I am sure that if the condition which exists at Freedmen's Hospital had prevailed in any other hospital in the city of Washington, it would not have been tolerated. But I believe that one of the reasons why these conditions have continued at Freedmen's Hospital is that the patients there are Negroes. That is rank injustice; it is unfair, unmoral, and inexcusable. We should provide good hospital facilities for hospital patients, regardless of their race, creed, or national origin. This hospital can be used by persons of every race, creed, and nationality. They are entitled to receive good hospital care and to have the benefit of good facilities. But that is not the case in this hospital. Congress and the administration, past and present, are responsible for the existence of this situation. Before we talk about building hospitals in countries all over the world—a matter in which I am very interested—we should proceed to provide reasonable facilities for the hospitals in our country, for the care of those who are in need and who are willing to pay for such care. I submit that a charge of $18 to $20 a day for a hospital bed in an overcrowded ward is not a low price; but that is the prevailing rate in Freedmen's Hospital at this time.

I urge on the Senate speedy and favorable action on the bill I have introduced, so that prompt progress can be made with improving the conditions which exist in this hospital. We cannot wait another 6 years.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2265) to establish a teaching hospital for Howard University, to transfer Freedmen's Hospital to the university, and for other purposes, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

REDUCTION OF EXEMPTION FROM PAYMENT OF DUTY BY RETURNING RESIDENTS

Mr. JAVITS. Madam President, I rise to speak in regard to a bill which was passed by the Senate on Friday. This matter appears in the RECORD for Friday, under a heading "Reduction of Exemption From Payment of Duty by Returning Residents." The bill is H.R. 6611, Calendar No. 452.

I wish the RECORD to show that the distinguished chairman of the Finance Committee, the Senator from Virginia [Mr. BYRD], is now in the Chamber at my request.

I shall address the Senate very briefly on this question. When I conclude, I shall ask unanimous consent that notwithstanding the fact that a request to reconsider the vote by which the bill was passed was made and was laid on the table, the motion to lay on the table the motion to reconsider be vacated. It is my understanding that the Senator from Virginia will object to that request—for reasons with which I am quite familiar. But I wish to lay the situation before the Senate.

The Senator from Virginia has been very gracious in agreeing with me that it is proper for this matter to be laid before the Senate, because when the bill was passed there was no debate. There is quite a human reason for that: I was in the old Supreme Court chamber, having as my luncheon guests there a delegation from Brazil, which came here for the serious purpose of an interparliamentary group for tourism. Through a confluence of circumstances—which was not the fault of anyone—the result was that I did not have an opportunity to address myself to the bill, here on the floor, at the time when the bill was brought up in the Senate. I emphasize that I do not make this statement because of any failure to notify me, or anything of the sort. No one was at fault; it was simply one of those unfortunate situations.

However, this matter is so important that I would feel remiss in the performance of my duty if I did not lay the situation before the Senate, before the bill is messaged to the House of Representatives. That is the present situation.

Madam President, I know that the Treasury is very much interested in the bill, because of the balance-of-payments situation; and, for all practical purposes, that is controlling on the attitude of the chairman of the committee, however he might feel about the matter himself. I shall make this statement in full light of that situation.

Madam President, by means of this bill—which beyond any question will become law, because both President Eisenhower and President Kennedy have requested its enactment—the duty-free allowance for American citizens who return from tourist trips abroad will be decreased from $500, where it was set following World War II, to $100, where it previously had stood for many years, long before modern conditions and modern travel. This is proposed to be done in the name of trying to do something about our balance of payments.

There is no question that at the present time the balance of payments is not a troublesome financial factor. As recently as last year it was seriously adverse to us, for at that time it amounted to $4 billion a year. It remains a very grave threat to the United States.

The question is whether what would be done by means of this measure would be far more disadvantageous than what would come from not enacting this measure. I deeply believe that the enactment of this bill will do more harm than good.

Madam President, the broadest estimate is that the enactment of this bill would result in keeping in the United States $150 million, which otherwise would be spent abroad, if the bill were not enacted.

It is to be remembered that at the present time almost 2 million Americans travel abroad in Canada, Mexico, and the countries of Europe. It is inconceivable to me, and I think it is also inconceivable to anyone else who has traveled abroad, that American travelers will, on account of the enactment of this bill, very greatly reduce the amount of purchases they make abroad, for the import duties which would result from enactment of the bill will not be so great as to have that effect on anyone who can afford to make such a trip. So I doubt that enactment of this bill will have anything more than a minuscule effect on the balance of payments.

On the other hand, Madam President, we shall be hearing in a most definite way about this matter from the Americans who will be returning, this summer, from travel overseas. I do not think many of them know about the action now proposed; and when they return—and, as we know, thousands of them will be returning this August and September—their protests will echo and reecho from the Atlantic to the Pacific.

Furthermore, we confront a very serious situation with many of our good friends who will be affected very materially by our action in connection with this problem.

I have received a telegram—and I am sure that other Senators have also received one—from the Bermuda Trade Development Board, complaining about the action proposed in connection with

this bill, and pointing out that Bermuda spends per capita $633 for each of its citizens, in purchases which it makes in the United States; and also pointing out that an area, amounting to 10 percent of the total area there, has been given to the United States for use as an airbase and a naval base.

Madam President, let us assume that something must be done about this matter. I am just as sympathetic to the correction of our balance-of-payments situation in any reasonable way, including the ways which I and the Senator from Virginia and others have discussed, as is anyone else. But I believe we might have gone a little easier in regard to this matter and might have allowed the President to suspend the rigorous application of the proposed $100 limit as regards such places as Bermuda and similar places which are heavily dependent upon tourist trade, where the national interest requires it, and thus permit it to stand at $200, the figure now set in the bill for the Virgin Islands. We are told that that would help avoid discrimination in the case of various countries, but that it would run afoul of the General Agreement on Tariffs and Trade.

I would certainly recommend that we go a little easy in regard to this matter; for instance, that the allowance be reduced to $200, which is now the allowance for returning American travelers who have remained out of the United States for less than 12 days.

So I believe we are making a very drastic application of this proposal, in a way which will trouble us in our relationships with many countries in which we have very good friends, and in a way which will not do a great deal for us in terms of the balance-of-payments situation, whereas if we had shown, in connection with this measure, a little "give," our action might have done much more to serve the purpose intended, and not antagonize the large number of persons who, I feel sure, will be antagonized.

I make this statement because the bill is limited as regards the period of time during which its provisions will be in effect. The bill will expire in 1963. It may, indeed, if we choose to make it do so, expire sooner than that. We could have it expire in 1962.

It is experimental in nature. Therefore, I thought it would be useful to lay the matter before the Senate so that at least the RECORD will show that there was some voice of caution and consideration raised in respect of this matter, and that the views of a small group of people, but people who are extremely friendly to us, and who are very strategically located, like the Bermudans, were considered. I deeply appreciate the understanding in this matter of the chairman of the Committee on Finance.

I understand from the chairman that the Senator from Florida sought in the committee to work out some flexibility in this situation in favor of the Caribbean area—again leading very much to the same idea I had.

So I lay these ideas and thoughts before the Senate, because this is a bill temporary in character, which could be made very much more temporary in character if our experience is bad, so the RECORD will show there was at least some consideration given to the matters I have just raised.

I had an amendment to this bill printed. It was at the desk when the bill was considered, but, obviously, in my absence, was not presented.

The amendment was different in character from the ideas I have just been discussing. Those who are engaged as tourists in coming to the United States would be favored, in similar accommodation, with the right to bring up to $100 in gifts. Right now that figure is $10. This proposal would make it relative to the new figure we are setting for returning U.S. tourists.

This measure, incidentally, was approved both by the Treasury and the Commerce Departments. I have had the assurance from the chairman of the committee, for which I am grateful, that, upon an appropriate bill, I shall have full consideration—and, I have little doubt, successful consideration—of this particular amendment.

So I was not really raising the point I have raised because of the amendment I had, which was approved by both the Treasury and Commerce Departments.

In carrying out that idea, I send to the desk for printing under the rule an amendment to the bill (H.R. 5852) to provide for the free entry of a towing carriage for the use of the University of Michigan, which I ask be referred to committee.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred.

The amendment was referred to the Committee on Finance.

Mr. JAVITS. That amendment will take care of the particular reciprocity situation to which I have referred.

I conclude upon this basis, and then I shall make my unanimous-consent request. I think we are doing something which will turn out to be unwise in reference to cutting down the privilege of returning American travelers to $100. I think we shall hear about it widely and loudly. I think we are unnecessarily offending some very good friends of ours to whom this means a great deal. We could have done everything we wanted to do by making a very modest reduction from $500 to $200. I think, if we had granted discretionary authority to the President, he could have squared the situation with other nations under GATT. It would have been very simple to take care of that situation by giving the President such authority.

I hope, with these views of record, we may watch very carefully what occurs in respect to this matter and be quite prepared, if we need to, to change the situation.

Madam President, I ask unanimous consent, notwithstanding that one request to reconsider the vote by which the bill was passed had been made and tabled, to reconsider the vote by which H.R. 6611 was passed.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request to reconsider the vote by which H.R. 6611 was passed?

Mr. BYRD of Virginia. Madam President, I regret it very much, but I feel compelled to object to the request made by the Senator from New York.

The PRESIDING OFFICER. Objection is heard.

Mr. JAVITS. I wish to express my appreciation to the distinguished Senator from Virginia for his understanding and traditional accommodation to Members of the Senate. I would not have been able to make the point if the bill were not still on the desk. The Senator from Virginia has been most gracious. So has the Senator from Minnesota and the majority leader. I have made my point. I do not feel that whatever I might have done on Friday would have changed the situation, in view of the action of the committee. I hope what I have said today will have some effect on the situation.

Mr. HUMPHREY. Madam President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. HUMPHREY. I believe the Senator's statement has been very helpful. I am happy he made it, as I indicated to him privately, because, while this was an administration bill and I am sure there was considerable support for it, the fact of the matter is that the proposal the Senator from New York would have made to give the discretionary power to the President would have been a much better provision. I want the Senator to know that, and the record to be clear on it. I hope that after this particular amendment has gone into effect, because the House has passed it and it will be the law, it will be carefully reviewed in very short order, because I think that rather than help our balance-of-payments situation, we may be doing something we shall be sorry for in terms of our tourist program.

Mr. JAVITS. I thank the Senator.

Madam President, I ask unanimous consent that a telegram to me from N. H. P. Vesey, chairman of the Bermuda Trade Development Board, be made a part of the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

Senator JACOB K. JAVITS,
Old Senate Office Building,
Washington, D.C.:

This is an urgent plea for your consideration of the consequences of applying H.R. 6611 to the island of Bermuda about which I wrote you. We understand you will soon be asked to consider this bill which would reduce the duty-free allowance on purchases by U.S. tourists from $500 to $100. We in Bermuda genuinely appreciate the purpose of this bill which is to alleviate the U.S. balance-of-payment problem but we are confident that applying the proposal to Bermuda will work contrary to U.S. objectives for the following reasons: Bermuda's economy is almost totally dependent upon tourist trade, 85 percent of which comes from the United States. This small island has no natural resources. It must import nearly all its needs and buys more from the United States than from any other country. Last year it spent $633 per capita for U.S. goods. The United States already enjoys a favorable trade position with Bermuda but if all U.S. tourists limit their purchases to $100 Bermuda retail sales will be reduced. The inevitable consequences of

this would be a decrease in Bermuda purchases from U.S. suppliers. This is not the intention of H.R. 6611 but this would be its effect insofar as Bermuda is concerned. Military and economic security are inseparable. This bill would have catastrophic effects on the economy of a contiguous island area on which the United States has both an airbase and a naval base. For mutual security reasons Bermuda granted 10 percent of its limited land area for these purposes the land being a freewill gift so far as Bermuda is concerned. In summary H.R. 6611 will upset the favorable balance of trade that the United States now enjoys in Bermuda. It will be a devastating blow to our island economy. It will adversely affect the social-economic climate of a militarily important, traditionally friendly contiguous area. It will not, in our opinion, serve the interest of either country. There must be some solution to the U.S. balance-of-payment problem that will not work such disproportionate harm on a neighboring island 20 miles in area that seeks only the right to support itself through tourism, the only trade available to it.

N. H. P. VESEY,
Chairman, Bermuda Trade Development Board.

Mr. MANSFIELD. Madam President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MANSFIELD. I have some qualms about the proposal which was passed last week. I have had them for some time, because I think, in addition to some of our friends in the Caribbean, we ought to keep in mind the importance of the business transacted by our own tourists with Canada to the north and Mexico to the south. I hope that in the not too distant future further consideration may be given to this proposal, so that, if possible, a Presidential prerogative basis, at least, may be taken into consideration in our economic relations with our neighbors close to us.

Mr. JAVITS. Madam President, I do not know whether the majority leader was present when I said it, but I expressed my deep appreciation to him, the Senator from Virginia [Mr. BYRD], and the deputy majority leader [Mr. HUMPHREY] for their graciousness and accommodation in allowing the framework to continue until I could make these remarks.

Mr. MANSFIELD. The Senator always has that right.

Mr. KUCHEL. Madam President, let the RECORD show that the Senator from California believes the Senator from New York has performed a service in what he has done today; and had the Senator been able to bring to the attention of the Senate his proposal with respect to the legislation which we passed here last week, I believe I would have supported it. So far as I am concerned, I hope the Senator will follow it through, and where those of us who believe in the proposal can do so, we will help him.

Mr. HUMPHREY. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Madam President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

MILITARY AIRCRAFT FOR DEFENSE

Mr. YARBOROUGH. Madam President, on July 9, the Soviet Union, in an attempt to extract every ounce of propaganda advantage out of their advanced aircraft demonstration, gave the entire free world, and more particularly the United States, the most serious cause to reconsider the course and direction of our own aeronautical programs—particularly in the field of military aircraft.

Although the purpose of this airshow was obviously to put teeth into their threats concerning the Berlin situation, they have done the friends of liberty a service by demonstrating that they, with the utmost secrecy, have been conducting a modern aircraft building and development program, and that, to a certain extent, their efforts in this area have been crowned with success. The warning contained in this airpower demonstration is apparent for all to see. It is more eloquent than any diplomatic exchange; it is more ominous than any threat conveyed by mere words.

In America, we have rested in the belief that we have enjoyed a marked superiority in military aircraft. Since July 9, there is serious doubt that this is true, for we have not fully developed our manned systems of air defense, with respect to which we have in the past had a technical superiority.

The demonstration of the new Soviet planes should and must be taken into consideration in the revaluation of our national defense posture which the President has so wisely ordered.

Regardless of the outcome of the present crisis, we should not voluntarily surrender our leadership in the field of manned aircraft through a supine refusal to exploit the growth potential of our own most advanced aircraft.

While the Russians have been busy, secretly developing aircraft comparable to the very best we have, we at the same time have been advised by the Department of Defense that there is no further need for more manned operational bombers nor our most advanced interceptor fighters, and the course has been set to close down the lines of production of these most advanced weapons and to dissipate the industrial teams which have built the U.S. posture into an air fighting force second to none. At the same time, our B–70 program is being starved.

I think it is vital that we reconsider the decision to discontinue production of the B–52, the B–58, and to hold the B–70 back to a mere prototype. At the same time that we are pushing ahead with our promising missile programs—and I think we should—we should redirect the talent and energies of our designers and builders of airplanes toward exploitation of the growth potential of planes we now have—adding to their speed, range, firepower, versatility, and reliability in all promising areas.

The Soviet airshow made apparent two real problems facing this country: one in air defense and the other in our offensive or retaliatory capability. Defense officials have publicly stated that there was nothing new in the Soviet airshow—that they were fully aware of what was going on. But I feel that there is a general concern throughout the country—throughout the free world—as the actual evidence of this power and might of the Red air force became known last week. It is of the utmost necessity that we take timely steps to meet these new threats.

First, to insure the penetrability of our retaliatory aircraft—bombers—we should fully fund the B–70 program and double the funding in fiscal 1962 from $220 million to about $440 million and allow it to proceed at the fastest orderly rate until this great, modern bomber can take its proper place in our weapon arsenal. Second, we should review the proposals for modification of the B–58 Hustler—to increase its range and size and speed. Proposals to accomplish this have been gathering dust in the Pentagon for over 3 years.

Yet we are assured that this plane, our only supersonic manned bomber—in fact, the B–58 is the only supersonic manned bomber in the free world—can be extended to provide a speed of mach 2.4 and its range increased to compare with any existing manned aircraft in the world. Only $50 million in fiscal 1962 funds would be required to get this program underway and would phase in productionwise with the procurement of another wing of B–58A's in fiscal 1962, which would cost around $345 million. Third, we should push development of the Skybolt program in order to give our larger B–52's a better standoff capability and provide a mix within the mixed force concept of air defense.

I, for one, do not think we are ready to rely wholly on missiles, nor on the decaying power of an aircraft striking force which is not only static and fixed, but which cannot be revitalized within 2 or more years because production facilities have been closed or diverted to some other use. We should continue to expand the missile program, but we should maintain a modernized, elastic aircraft development program, rather than to have a static program on the theory that aircraft are obsolete.

Can we as a Nation afford to take this chance?

In the field of air defense, it is equally important that we develop and put into production the most advanced fighters we are capable of building. While air defense missiles show some promise, they are necessarily limited—by their nature—to a one-shot operation. They could be overwhelmed—even if they were 100 percent effective—by a relatively small striking force. They do not have and cannot ever have the multi-target capability of a manned fighter-interceptor. They will always lack the power of human judgment in distinguishing real targets from decoys, of being able to offset evasive action, and being able to harass an attacking force for a considerable period of time. We need to resume production of the F–108 for which $100 million was appropriated and never spent last year.

We need to complete the planned operational units vital to defense of this country—and particularly in the southern part of the United States whence we have witnessed a new threat grow in recent months as communism engulfs Cuba. We need to improve our fighter-interceptor aircraft wherever technical advances appear practical, and to build a highly effective air defense organization to protect the United States against the ever present threat of new Soviet supersonic, manned bomber systems. The F–106 can be improved and phased into production and this would include a speed of mach 2.4 and a radius of 800 nautical miles together with the advanced AN/ASG–18 fire control system and the GAR–9 air-to-air missile.

The decision to limit our defense posture by limiting budget dollars is a dangerous one. The decision to pour these limited funds at the disposal of missile and rocket programs alone, while at the same time cutting off production and growth of our most advanced manned systems is a critical one. The decision must rest on assumptions I am not prepared to make. The decision, to me, represents a chance we cannot afford to take. We need to advance on all fronts.

I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "More Than Defense Is Needed," published in the Philadelphia Inquirer, issue of July 16, 1961, which sets forth a knowledgeable discussion of the whole subject. I shall read one sentence from the editorial:

The Strategic Air Command's B–52's (the backbone of SAC) are somewhat better and the B–58's (still new and comparatively few) are much better. We need more of them.

The Philadelphia Inquirer was speaking of the B–58 program.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Philadelphia Inquirer, July 16, 1961]

MORE THAN DEFENSE IS NEEDED

For an incredible number of years the Western nations have put up with the alternate cajolery and threats of Communist Russia and Communist China. At this moment the threats, centering on Berlin, have been stepped up again to a frantic pitch—perhaps covering over the disastrous food situation in the Red empire, perhaps indicating Soviet Premier Khrushchev's need of a victory to establish his preeminence over China's Mao Tze-tung.

Whatever the reason, Khrushchev now has gone so far as to state that no matter what the rest of the world may decide—about Berlin or anything else—"the Soviet Union would not recognize such a decision but would uphold its rights, relying on force. And we have the wherewithal to do this."

This sets a new mark for barefaced belligerence and underscores again the difficulty of coexistence. The U.S. Defense Department promptly—and rightly, under such provocation—has set in motion a new review of its strength and needs. Mobilization of the Reserves and the National Guard is under consideration.

And, after a spectacular Soviet airshow at Moscow, Gen. Curtis LeMay, Chief of the U.S. Air Force, is reported demanding more American airpower, especially modern, supersonic bombers.

This, we believe, is a critical point—not only in the immediate showdown over Berlin, but during the next several years until American missilery becomes absolutely dependable.

The best information available is that the United States has about 2,000 bombers, the Soviet Union 1,200. But, as the Moscow show may have indicated, at least some Russian planes are extremely good. And, of our 2,000, nearly three-quarters are B–47's which, if not obsolete, are—with their 600 miles per hour speed—getting obsolescent. The Strategic Air Command's B–52's (the backbone of SAC) are somewhat better and the B–58's (still new and compartively few) are much better. We need more of them.

The important point is that in these planes lies our first line of defense and offense; not only can they deliver atomic warheads, not only are they as flexible as the Navy's magnificent Polaris submarines, but they also serve as a 24-hour-a-day warning to the slave states not to go too far.

This is not enough. It is time for the West to go on the counteroffensive to conquer the hearts and minds of men. The Communist nations are rife with weak spots. They are all hungry. The daring and desperate flee unceasingly to us. Injustice is everywhere and nowhere could the Communists win a free election.

By pinning their faith to an outmoded and irrelevant politico-economic theory and trying to force it to work, they have left themselves wide open to a counterattack by the 20th century. The brilliant revival of Western Europe—and of West Berlin—is a standing reproach to them.

It seems to us that now—before the latest idiotic deadline on Berlin and the autumn meeting of the high poo-bahs of the Red empire—is the best opportunity we have yet had to drive this and other reproaches home and to make it unmistakably evident that in the progress and sanity of free societies lies the hope of the future.

We also have the wherewithal to do it.

Mr. YARBOROUGH. Madam President, I ask unanimous consent to have an editorial entitled "Lessons of Tushino," by Robert Hotz, published in Aviation Week July 17, 1961, printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LESSONS OF TUSHINO

There are several lessons for the West to learn from the Soviet airshow last week at Tushino.

First and most important is a lesson that we have failed to learn despite considerable instruction since 1955. That is simply that despite all their other problems with low standards of living, miserable housing, erratic farm production, family squabbles within the Communist bloc of nations and all of the other woes and worries that beset them, the rulers of the U.S.S.R. are devoting top priority to forging the most modern technologies into the most formidable military force they deem possible.

Since they gleaned the first fruits (even as did the United States and Britain) of Germany's astonishing wartime research and development in the postwar looting of that conquered land, the Soviets have pushed resolutely and inflexibly toward this goal. In contrast, the United States has vacillated between bursts of tremendous and productive achievement in these fields and intervals of slothful indifference soothed by the opiate of eternal peace.

Tushino 1961 proved again that the Soviets have developed a tremendous capability in the modern technologies of supersonics, rocket propulsion, and space technology. The new designs exhibited at Tushino, such as Beauty, Blinder, and the big new Mikoyan long-range interceptors, are highly original and have no counterparts in the Western air forces.

The laws of aerodynamics are the same the wide world over, but it is obvious from this Tushino show that the Soviets have gone far past their earlier postwar exercises in copying the West (the B–29 and DC–3, for example) and are now well out on their own in every area associated with supersonic flight and modern aircraft armament and subsystems.

Although it would be hard to find a more beautiful aerodynamic design anywhere in the world than the big twin-jet Beauty, it is not really in the basic design field that Soviet progress was most evident at Tushino. True, the speeds have increased another generation into the mach 2-plus class, and the always big jet engines are even bigger with 45,000-pound-thrust turbojets operating in the inboard nacelles of the Bounder. But it is in the refinements of the subsystems so vital to large high-performance aircraft that Tushino, even with its brief "strip-tease" glimpses of the latest aircraft, revealed the most significant Soviet progress.

This has been an area in which they have admittedly lagged in the past * * * a trained engineer examining the photographs * * * will find significant if not all-inclusive evidence that the Soviets have advanced more than a generation in airborne radar, air-conditioning systems, armament, and a number of the other vital subsystem areas.

Another lesson to be learned from the 1961 Tushino show is that the Soviets make their progress in orderly, relatively small increments of logical technical progress rather than with any of the supermagic that we have come to demand and expect from our technicians as a substitute for consistent defense policy and adequate funding over the long pull. The prototypes that we saw first at Tushino in 1956 are now all in operational service with the minor modifications that refine any good prototype into a serviceable combat plane.

The supersonic Flashlights, both in their attack bomber and all-weather interceptor versions, obviously have been in service for some years now, as have the Fishbed, Fishpot, Fitter, and Faceplate fighters. The trend from the predominantly day fighter Red air force of 1956 to the all-weather defensive force of 1961 is marked, and it is obvious that special measures have been taken to try to avoid the humiliating experience of having U–2's flit unopposed over the Soviet airspace for years.

It will do little good for U.S. public officials to try to denigrate these Soviet achievements displayed at Tushino. We have been assured by many top public officials during the past 6 years that these achievements were only illusions and would, in fact, never materialize. But they have. And it is far too late in the game for any more of this fatuous soothing sirup.

The thin line of USAF all-weather interceptor pilots will get no consolation from this paper as they ponder their task of coping with a supersonic bomber assault of Beauties and Bounders, followed by waves of Bears firing standoff missiles. The bomber crews of Strategic Air Command will not find it helpful in solving their penetration problems against the new long-range interceptors, such as Blinder and the Mikoyan delta.

But the biggest lesson of all that we must learn from Tushino is the utter and complete folly of trying to operate a national defense on the whimsical basis of technical fads in an asinine effort to achieve solid national security without having to pay the full price for it. We have been offered wonder weapons that will solve all our defense problems at great economy in an endless succession during the past decade. And we have chased

these technical fads without any regard to solid, across-the-board development of overall military power.

As a result, we now face the Berlin crisis and the others that are sure to follow badly off balance in our defense structure, able to cope with only one type of crisis and ready to be whipsawed badly in any other kind or in mixtures thereof.

How we can pull this disjointed defense structure back into a solid phalanx—able to cope with today's problems today and developing the solution to tomorrow's problems for tomorrow—is perhaps the most critical problem facing President Kennedy and his braintrust. It is difficult to see how college professors and computer operators will be able to solve these hard research, engineering, and military problems in the time we appear to have remaining.

Mr. YARBOROUGH. Madam President, I regret that the rules of the Senate prevent the reproduction in the CONGRESSIONAL RECORD of photographs that the editor of Aviation Week obtained of the modern Russian bombers that are copied patently from our own bombers, and their now advanced production.

Madam President, I ask unanimous consent that there be printed at this point in the RECORD an article entitled "Tushino Stresses U.S.S.R. Aircraft Priority—First Soviet Public Airshow of Importance in 5 Years Unveils Impressive Array of Russian Aircraft," by Cecil Brownlow, published in Aviation Week, July 17, 1961. An additional caption appears in the article, reading "Russians Tie Air Show to the Berlin Crisis."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TUSHINO STRESSES U.S.S.R. AIRCRAFT PRIORITY—FIRST SOVIET PUBLIC AIRSHOW OF IMPORTANCE IN 5 YEARS UNVEILS IMPRESSIVE ARRAY OF RUSSIAN AIRCRAFT

(By Cecil Brownlow)

MOSCOW.—Soviet Union, displaying a wide range of design techniques, demonstrated effectively last week at Tushino that it is moving steadily ahead at near top speed in the development of manned aircraft and their related missile systems to cover all required tactical and strategic missions.

Contradicting earlier pronouncements by their leaders, which were believed by many in the West, that they had turned from production of manned aircraft to rely solely on missile systems for defense and offense, the Soviets staged their first public air show of importance in the past 5 years, rolling out three supersonic bombers, two new delta-wing mach 2-plus interceptors, a jet-powered ASW reconnaissance seaplane, a convertiplane capable of airlifting 100 troops, an advanced Kamov jet helicopter design and a flying crane.

The Soviets climaxed the show at Tushino airfield in the Moscow suburbs with a series of low-level near-sonic military flybys, displaying publicly for the first time:

Bounder, an exceptionally large high delta-wing bomber of intercontinental range approaching the B–36 in size and with a supersonic dash capability in the configuration shown at Tushino. The aircraft has been flown and tested with various types of powerplants for the past 3 years. The Bounder, its design credited to a group headed by Vladimir Myasischev, has two large inboard engines slung from pylons beneath the delta wings that produce an estimated thrust of 45,000 pounds each plus two relatively smaller powerplants mounted on the wingtips. Large inboard engines of the aircraft shown here in a single flyby have an inlet diameter of about 6 feet and are believed to be turbofans by some qualified observers, although there appears to be no visible external evidence of this. Wingtip powerplants have barrel-shaped nacelles and are mounted on extremely heavy wingtip fittings.

Bounder sported light belly paint on both the fuselage engine nacelles and flaps with a large bulging ridge running about 15 feet along the rear fuselage just back of the rear wheel well doors of its bicycle landing gear. Two pairs of stubby sweptback antennas were attached to this bulge. The inboard engine nacelle pylons continue above the wing in a fence to curtail spanwise flow. Under the wing, the pylons of the Bounder displayed extended far beyond the engine tailpipes indicating that they may have been designed to accommodate much longer nacelles. Tailpipes of the inboard engines were almost twice as large as those of the wingtip-mounted engines on this Bounder which bore the operational number 12 on its nose.

Beauty, an advanced sweptwing mach 2.5 heavy bomber equipped with a retractable nose refueling probe whose use could boost it to intercontinental ranges. Beauty has twin-jet powerplants mounted to the rear of the fuselage along either side of the vertical tailfin. Engine nacelles, whose tailpipes project beyond the tailfin, are about 30 feet in length. Aircraft's overall size is slightly larger than the Convair B–58.

Beauty has a highly swept extremely thin wing with main landing gear housed in bulges at the trailing edges. It has a bombing radome under the nose and the entire fuselage has a slightly arched appearance. Cockpit indicates a crew of three and is obviously designed with a minimum of glass to hold down high speed skin heating. Two auxiliary air intakes are located on either side of the nose. Tail warning radar was visible and the horizontal tail had a slight dihedral. Dorsal ridge running from cockpit to tailfin indicated control systems housing. Beauty flew by first as a single prototype with the number "24" and then in three formations of three planes each indicating at least limited operational service and production.

Blinder, a mach 2 sweptwing design that can perform the dual role of bomber and interceptor and is believed to be an advanced development of the mach 1.4 Backfin. Credited to designer Alexendar Yakovlev, Blinder was first seen in 1959 and is powered by two turbojet engines mounted shoulder high in the fuselage with the two inlets located on either side of the fuselage just behind the cockpit. Twin exhausts for the engines are placed in the tail in a single housing. Two of the aircraft were seen in low-speed passes at Tushino.

Blinder had a large conical nose radar of extremely large diameter obviously designed for airborne interceptions and missile guidance. It carried a large delta-winged air-to-air missile under each of its highly swept wings. It also had a large bulging fairing under the fuselage that appeared to be an extra fuel tank similar to the belly fuel tank on the English Electric Lightning P–1. Cockpit indicates a two-man crew in tandem. Contours of two tailpipes were visible at the rear fuselage with the horizontal tail mounted midway on the tailpipes with a ventral fin extending down on each side.

New mach 2-plus long-range interceptor that appears to be an advanced version of the delta-wing Fishbed shown at Russia's last major air show in 1956 and developed by a team led by designer Artem Mikoyan. A large single air intake is in the nose, with a conical diffuser housing airborne radar that provides all-weather capability. The aircraft appears to have three distinct tailpipes, two for the normal turbojets, the third for a large rocket boost motor. It is also believed to be the aircraft the Soviets designated the "E–66" in claiming world speed and altitude records of 1,335 miles per hour and 112,294 feet. On the day of the show, the Soviet press announced that the E–66 would be on hand, but it was not publicly identified during the display. One of these advanced Mikoyan designs was shown in a high-speed pass and limited acrobatics. It carried two large air-to-air missiles with cruciform fins, and cruciform control surfaces at the missile's tail.

Second mach 2-plus fighter also with a rocket boost system. It is a large aircraft with an overall configuration resembling that of Fishbed and is believed to be powered by two turbine engines. Fuselage length is an estimated 90 feet. A single aircraft was displayed here.

New subsonic designs included:

Be–8 twin-jet seaplane designed by veteran seaplane builder, G. M. Beriev, that is smaller but similar in external appearance to the 4-jet Martin P–6M whose development was canceled in the summer of 1959 after a total of 12 had been built, including 6 prototypes, two of which crashed. Engines are mounted in the high wing adjacent to and on either side of the fuselage. First prototype of the aircraft, designed primarily for antisubmarine search and kill missions, was flown several years ago, but the Tushino show marked its first public demonstration. Total of four Be–8's participated in the flyby.

Hoop, a turbine-powered convertiplane, capable of transporting a maximum of 100 persons. Making use of a modified An–10 transport fuselage, this convertiplane is powered by two turboprop engines of an estimated 4,000 eshp. located at each wingtip. Propellers connected directly to the turboprops power the aircraft in horizontal flight, while vertical lift is provided by two rotor systems of four blades, each housed above a streamlined pylon on top of each wingtip nacelle. Development of convertiplane is officially credited to veteran helicopter designer, Nikolai Kamov.

New turbine-powered helicopter with the same general appearance as the earlier piston-powered Kamov Ka–18 but approaching in size the larger 10-passenger Mi–4. Power is supplied by one or possibly two turbine engines housed above the fuselage. With three vertical stabilizers roughly resembling the tail of the Kaman HUK–1, the helicopter has a coaxial rotor system.

The supersonic bomber demonstrations were preceded by flights of the giant Bear Tupolev turboprop intercontinental bomber and the twin-turbojet Tu–16 Badger intermediate bomber, both carrying red-painted, radar-guided, air-to-ground missile systems slung beneath their fuselage.

The Bear's supersonic missile, with a white radar nose, stubbed wings with sharp sweep, a horizontal tail, folding vertical fin, and a jet tailpipe, has an estimated maximum range of about 300 nautical miles. Similar but smaller air-to-ground missiles carried by the Badgers have an estimated maximum range of between 50 and 100 nautical miles.

Boasting of Russia's aviation progress on the day after the show, Tass, the official Soviet news agency, reported that the aircraft "can launch their rockets to the target without entering the zone of the enemy's antiaircraft defense." The missiles, the article continued, have a range of "hundreds of kilometers * * * and no defense can save their targets."

The aging Bear, whose new missile weapon system will give it an added lease on life, has been modified with a section of the underside of the fuselage scooped out to accommodate the large missile. In the flybys, a single Bear opened the bomber portion of the 2-hour show with its red air-to-ground missile prominent beneath the fuselage and with an escort of seven Mig–17's. It was

followed by 15 Bears and then by 15 Badgers flying in formations.

Earlier, the Soviets demonstrated the maneuverability of their short-range surface-to-surface tactical missiles when six large Mi–6 turbine-powered helicopters landed on the grass strip in front of Soviet dignitaries on hand for the show, including Premier Nikita Khrushchev, Defense Minister Rodion Y. Malinovsky, Chief Air Marshal Konstantin Vershinin, and Cosmonaut Maj. Yuri Gagarin.

Landing in groups of three, one Mi–6 carried two tactical missiles while its two partners brought in transport dollies and other support equipment. The missiles were unloaded and placed in position within a relatively short time.

Another three versions of the Hook, which reportedly was scheduled for only limited production, also were shown in the show, one of them ferrying from a cable what the Soviets reported to be the Vostok space capsule occupied by Gagarin on his orbit around the earth, another the model of a Lunik probe. These were the only two reminders of Soviet space achievements in a show largely devoted to displaying Russia's ability to wage war within the present realm of techniques.

Soviets also displayed a huge flying crane that was obviously the work of Mikhail Mil's design team. It differed from U.S. approaches to the flying crane design by retaining a personnel transport capacity in a large fuselage in addition to the cargo carrying capacity slung underneath between the long quadruped landing gear. Crane operator's station is visible just below the fuselage nose where he can observe both terrain and the cargo load.

Western observers believe the combination of personnel and cargo capacity in the Mil flying crane indicates it could be used for transporting fairly large missiles with their servicing and firing crews or several large armored vehicles with their crews and supporting troops.

In addition to a pilot's compartment considerably enlarged from the Mil–6, the crane had a large Plexiglas compartment in the nose between the pilot's canopy and the crane operator's position apparently aimed at providing a number of other people with wide forward vision.

The Mil crane flew over Tushino carrying a large orange painted house about U.S. freight car size slung in the cargo position. It landed, released the house and then took off again without its load. Rotor system and powerplant installation appear similar to those in the Mil–6 but the crane carried large external fuel tanks on either side of its fuselage. Fuselage appeared to be capable of carrying 50 to 60 persons while the crane appeared to have a cargo lifting capacity of about 40,000 pounds.

The Hoop convertiplane has an estimated gross weight of between 50,000 and 60,000 pounds and its fuselage appears to be about the size of the An–10 transport. Some observers believe an actual An–10 fuselage was used in the Hoop displayed at Tushino. Soviet announcers emphasized the Hoop's potential as a short-haul airliner but its capability as a high-density assault troop transport did not pass unnoticed.

The Hoop has two rotor systems each about the size of the Mil–4 rotors. The two rotors are mounted on a pylon which in turn sits on top of two turboprop engines mounted in wingtip pods. The turboprops look like the same type Ivchenko 4,000 eshp. engines used in the An–10 and Il–18 transports. These turboprops drive conventional propellers for forward speed and also power the two rotors for vertical lift.

The Hoop wing is mounted high on the fuselage just like the An–10 configuration and is about three-quarters the span of the An–10 wing. In its Tushino demonstration the Hoop required a short takeoff run before its rotors took hold for vertical lift. Pilot's cockpit is in a Plexiglas dome raised about the normal fuselage while the fuselage nose also has a larger Plexiglas area. Two main double truck units of the fixed landing gear are suspended from long struts attached to the wing with a nose wheel mounted under the fuselage.

In its Tushino demonstration the Hoop exhibited excellent hovering and maneuvering characteristics. This model appeared to be experimental prototype.

Two of the three new supersonic bombers are in operational service with the status of the Bounder still not clear. Beauty is apparently in production and is already equipping some operational units. Bounder still gives the general impression of still being in the development stage particularly since it has been observed with several different powerplant configurations.

BOUNDER DETAILS

In its flyby, the Bounder was accompanied by two standard Fishbeds, one on either wingtip, and, as it pulled up into a sharp climb after its low-speed pass over Tushino, the pilot cut in the afterburners of the two large inboard engines for a brief period. Afterburners of the two smaller new bombers also were turned on during climbout after their passes over the field.

Shortly after the Bounder and its two fighters passed from sight into a patch of cloud cover, two distinct supersonic booms were heard on the ground, apparently made by the accelerating Fishbed escorts.

The Blinder, which followed Bounder in the flyby, has an estimated gross weight of well over 150,000 pounds and a 65° swept-wing with a span of approximately 70 feet. Two fences on either wing-half were visible during the low altitude passes by the two aircraft. Blinder has a low slab tail.

Soviet officials termed Blinder a small bomber but in its flyby it carried a high-performance air-to-air missile under each wing. This, coupled with the exceptional climb capability demonstrated during pull-out, led Western observers to speculate that it will be used for both bomber and long-range interceptor roles.

The advanced mach 2 follow-on to the Fishbed, which also carried large missiles, has a much longer fuselage than its predecessor, particularly forward of the leading edge of the 65° swept delta wing. Although only one was flown during the air show, at least two were observed during the month-long rehearsals that preceeded it.

DESIGN MODIFICATIONS

Formations of operational aircraft were also flown indicating considerable design modification and armament change over the earlier prototypes first publicly displayed at the Tushino show in 1956. Second generation Flashlights (Yak–25) appeared in two versions. The production versions of the Flashlight B all-weather interceptor were armed with two air-to-air missiles and its engines appeared to be equipped with afterburners. Flashlight C, the light bomber version, also flew in formations with operational markings and had added a ventral fin.

Both the Mikoyan Fishbed and the Sukhoi Fishpot delta-winged fighters, first displayed as protoypes at Tushino in 1956, flew in operationally marked formations of up to 21 aircraft each. They were all equipped with air-to-air missiles. Both of these fighters are in the mach 2 class as are the Sukhoi Fitter and the Mikoyan Faceplate that use the highly swept wing approach in contrast to the delta plus conventional empennage of the Fishbed and Fishpot.

Both Fitter and Faceplate flew across Tushino in operationally marked aircraft in formations of 21 planes each. Western observers believe the two delta types are the main Soviet all-weather interceptors because of their larger air-borne radar housed in their conical nose air intakes.

The swept-wing Fitter and Faceplate have only limited all-weather capability with a small radar visible at the top of their air intakes.

During the civil portion of the show, the Soviets also demonstrated two of their later transport models—the Tu–124 designed for feeder-liner service and said to be powered by two Soloviev turbofan engines and the high-wing An–24 passenger-cargo aircraft powered by two 2,000-horsepower Ivchenko turboprops.

In another exhibit, a group of Antonov transports were used to drop approximately 500 military and civil parachutists onto the field in individual and group jumps. Four ancient An–2 biplanes first maneuvered over the field, with their complement of paratroopers making individual jumps. Next in line, dropping parachutists in mass drops, were three 4-turboprop An–10's followed by 24 An–12's coming over the field in three-plane formations.

Two Fishbed fighters were demonstrated using rocket boost from a liquid-fueled rocket that had throttle controls. One made a takeoff from the grassy Tushino field with an extremely short run and steep climb while the other flew by at low altitude and executed an almost vertical climb after cutting in the rocket boost. On the Fishbeds the rockets are slung underneath the fuselage in what appears to be a quick modification. But on later fighters such as the giant new version of the Fishbed a rocket installation has been incorporated in the design and is housed internally between the two jet engine tailpipes. Addition of the rocket boost is an indication of Soviet concern with defensive capabilities against such extreme altitude penetration as the U–2 flights. Earlier model Fishbeds and Faceplates were unable to reach U–2 altitudes on their conventional turbojet powerplants.

RUSSIANS TIE AIRSHOW TO BERLIN CRISIS

Moscow.—Top Soviet political and military leaders used last week's display of new supersonic aircraft at the Tushino air show as a backdrop for new warnings to the West and, at the same time, ordered suspension of announced plans for reduction in the Russian armed forces.

The political parade, hinged to the present Berlin crisis, began the day before the air show and was led by Soviet Premier Nikita Khrushchev who knew what was to be seen and was relying upon maximum impact. Speaking at a Kremlin reception for recent graduates of military academies, Khrushchev repeated his determination to sign a separate peace treaty with East Germany if necessary and warned that his armed forces "possess the necessary quantities of thermonuclear weapons, the most efficient means of their delivery—close combat, intermediate, and intercontinental missiles."

He also said that, in view of the military buildup by North Atlantic Treaty Organization countries, he had ordered a $3.5 billion increase in 1961 defense spending rather than planned cuts which he said would bring the total amount to approximately $12.5 billion. Actual overall Soviet defense budgets are never revealed insofar as real expenditures are concerned.

Khrushchev said such a move was necessary because "we cannot disregard such facts as the buildup of the armed forces in Western countries, the steps to increase considerably the number of strategic A-bombers which are constantly kept in the air. The forces of West Germany are being equipped

with the latest weapons and increased numerically."

At the same reception, Defense Minister Marshal Rodion Malinovsky warned that "we shall continue enhancing still further our combat preparedness, continue equipping our army with first-class, up-to-date weapons because we are compelled to do so by the aggressive forces of imperialistic states."

In an article in Pravda on the day of the show, Chief Air Marshal Konstantin Vershinin took pains to make a timely refutation of statements by Premier Khrushchev in the years following the first Soviet satellite in 1957 that Russia, with its missile arsenal, would no longer rely upon manned bombers. He said:

"It is only natural that with the development of a new type of weapon—rockets—some of the tasks of the air force should have been taken over by them. However, the air force continues to play a great role within the armed forces. * * *

"The Soviet Union now has first-class jet planes of various designs and purposes that have no equal in the world for speed, altitude, and range of flight."

PEP PILL MENACE EXPOSED IN HARD-HITTING SERIES BY HOUSTON POST'S JIM MOUSNER

Mr. YARBOROUGH. Madam President, we have all read or heard testimony concerning the serious need for more effective controls on the distribution and use of so-called "pep pills." Entirely too many cases have been brought to light where these dangerous drugs have been misused by both adults and teenagers with tragic results.

Recently Mr. Jim Mousner, of the Houston Post, wrote a hard-hitting series of articles which give a penetrating insight into this problem nationally and in Texas. Mr. Mousner reports:

A dangerous gap exists in the controls over the distribution of two types of highly potent drugs—barbiturates and amphetamine.

Commonly called sleeping pills and pep pills, these drugs are not only habit forming, but, in the case of barbiturates, addictive. The laws of Texas and most other States specify that they can only be dispensed upon the prescription of a practitioner. (In Texas, this is a physician, dentist, chiropodist, or veterinarian licensed by the State.) Federal law forbids the sale of these drugs to unauthorized buyers as defined by the various State laws.

Yet this reporter recently bought 5,000 capsules of these and other dangerous drugs at wholesale prices and had them delivered to him through the mail.

The reporter goes on to explain that unlike the case of narcotics, no registry system exists on sales of so-called "pep pills." Mr. Mousner explained:

To obtain these drugs, the reporter registered an assumed drug store name with the country clerk. This cost only $1.20 and established the reporter's home address as that of the new drug store for mailing purposes. The reporter then mailed an order for the drugs, accompanied by a money order, to a small out-of-State pharmaceutical wholesaler and waited for them to be mailed to him. They arrived less than 2 weeks later.

It is abundantly clear that the shipment of these dangerous and often harmful drugs through the mails in interstate commerce presents a health hazard which demands Federal legislative action for more effective controls.

I ask unanimous consent to have printed in the RECORD Mr. Mousner's aforementioned articles in the Houston Post and strongly commend them to the attention of the Congress, and also to the executive branches of the Government having some responsibility in these matters. He made a very informative investigation that shows these items could be purchased by anyone in virtually unlimited quantities.

The articles consist of the following:

An article entitled "Lax Controls Make Drugs Easy To Get," by Jim Mousner, published in the Houston Post, on July 9, 1961.

An article entitled "The Pill Menace: Pep Capsules Lead Truckers on Fatal Road," by Jim Mousner, published in the Houston Post, July 1961.

An article entitled "The Pill Menace: Sleep, Pep Capsules Can Be Addictive," by Jim Mousner, published in the Houston Post, July 1961.

An article entitled "The Pill Menace: Kicks First, Then Path to Illness, Agony," by Jim Mousner, published in the Houston Post, July 1961.

An article entitled "The Pill Menace: Officials Urge Stiff Curb on Pep Capsules," by Jim Mousner, published in the Houston Post, July 1961.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Houston Post, July 1961]

LAX CONTROLS MAKE DRUGS EASY TO GET

(By Jim Mousner)

A dangerous gap exists in the controls over the distribution of two types of highly potent drugs—barbiturates and amphetamine.

Commonly called "sleeping pills" and "pep pills," these drugs are not only habit forming, but in the case of barbiturates, addictive. The laws of Texas and most other States specify that they can only be dispensed upon the prescription of a practitioner. (In Texas, this is a physician, dentist, chiropodist, or veterinarian licensed by the State.)

Federal law forbids the sale of these drugs to unauthorized buyers as defined by the various State laws.

Yet this reporter recently bought 5,000 capsules of these and other dangerous drugs at wholesale prices and had them delivered to him through the mail.

The order contained 2,000 capsules of barbiturates, 1,000 capsules of amphetamine, 1,000 capsules containing a combination of a barbiturate and amphetamine, and 1,000 chloral hydrate capsules commonly called "knockout drops."

Houston police estimated the value of the 4,000 capsules of barbiturates and amphetamine to be $1,000 on the underworld market where they would bring 25 cents a capsule. No accurate estimate of the chloral hydrate's value could be made because of the small demand for this powerful hypnotic drug.

WHOLESALE PRICE OF DRUGS ONLY $37

The wholesale price of the drugs was $37.

The shipment contained 3,000 capsules of the quick acting barbiturates frequently used by pill takers as intoxicants. There were 2,000 capsules of secobarbital or "redbirds" as they are known in the lexicon of the barbiturate user because of their bright red color, and 1,000 capsules of pentobarbital or "yellowjackets," also named for their color.

To obtain these drugs, the reporter registered an assumed drugstore name with the county clerk. This cost only $1.20 and established the reporter's home address as that of the new drugstore for mailing purposes.

The reporter then mailed an order for the drugs, accompanied by a money order, to a small out-of-State pharmaceutical wholesaler and waited for them to be mailed to him. They arrived less than 2 weeks later.

Before he mailed the order, the reporter notified the Houston Police Department, the Texas Department of Public Safety, the United States and Harris County district attorneys' offices, and the regional office of the U.S. Pure Food and Drug Administration, the agency which has jurisdiction over the interstate shipment of food, drugs, and cosmetics.

None of these agencies knew that the drugs had arrived here until they were notified by the reporter. The shipment was turned over to the police department.

ORDERED FROM OUT-OF-STATE FIRM

The drugs were ordered from an out-of-State pharmaceutical house, which has no local wholesale outlet or sales representative. Such a company, which depends largely on direct sales, would probably have difficulty in checking on the legitimacy of the customer and would be less likely to know the provisions of the Texas dangerous drug laws.

To what extent was the company negligent in presuming that this reporter was a legitimate customer?

Under Federal law, the seller is held responsible for determining the legitimacy of the buyer if the product moves in interstate commerce. But, as one Food and Drug Administration agent observed, "From a practical standpoint, it would be almost impossible for a drug house to verify every order it received."

Some pharmaceutical firms make an effort, however, by requiring the customer to list his Federal narcotics number on his order.

Persons, businesses and institutions authorized to use and dispense narcotics are assigned a narcotics number by their district director of internal revenue. They are also issued Federal forms on which to order narcotics.

The forms are in triplicate. The purchaser sends the original and triplicate copies to an authorized manufacturer or wholesaler and retains the duplicate for 2 years. Both the purchaser's and the seller's files are open to inspection by Federal, State, and local narcotics agents.

No registry system exists for barbiturates and amphetamine.

There is no way to determine the extent of illegal drug purchases, such as the one made by this reporter. The fact that they can be made, however, may help explain how huge caches of these drugs—some containing as many as half a million capsules—turn up in the possession of unauthorized persons.

Capt. H. E. Cole, head of the Houston Police Department's narcotics division, who, with A. J. Jeffert, a department investigator, took possession of the drugs ordered by this reporter, believes stronger laws are needed to close this gap.

His opinion is shared by W. E. Naylor, agent in charge of the Texas Department of Public Safety's narcotics section, and by R. E. School, State narcotics agent for the Houston district.

Obviously, a demand exists for these drugs outside legitimate medical channels or their bootlegging would not be profitable. But why?

Barbiturates act as progressive depressants on the central nervous system and, because of this action, are popular sedatives. They can also cause intoxication similar to alcohol intoxication. When taken with an alcoholic beverage, they add to its intoxicating effect.

Slang terms for barbiturates—"goof balls," "thrill pills," "wild geronimos"—suggest this action of the drugs, and because of it, they are frequently used by emotionally unstable

people seeking escape from the tensions and pressures of living.

Barbiturates are also used by narcotic addicts, who can't get so-called hard narcotics, such as heroin or morphine, and by young people experimenting with bizarre sensations.

A major danger in their misuse lies in the fact that prolonged use of these drugs may result in the forming of a habit, or may even lead to addiction.

Amphetamine has just the opposite effect of barbiturates. It stimulates the central nervous system. It is used to bolster flagging energy, to curb the appetite, and to give a psychological stimulus to depressed persons.

Too often it is improperly used to force the mind and body beyond their normal limits of endurance. Amphetamine is no substitute for rest. Overindulgence in the drug can lead to mental illness and physical collapse.

[From the Houston Post, July 1, 1961]

PEP CAPSULES LEAD TRUCKERS ON FATAL ROAD

(By Jim Mousner)

To the truckdrivers who jockey the big rigs over the Nation's highways on around-the-clock schedules a "copilot" is not necessarily a partner in the cab to share the driving.

"Copilots," also known in truckers' parlance as "bennies," "dexies," and "California turnarounds," are amphetamine pills.

Amphetamine, which stimulates the central nervous system, can relieve the fatigue of a long trip. It can induce a feeling of energy and alertness that enables the truckdriver to make extra trips for more pay. It can also kill him and those who share the road with him.

The files of the Interstate Commerce Commission contain the following documented case:

In December 1959, a large cattle truck, traveling in the wrong lane, collided headon with a bus near Tucson, Ariz. Nine persons were killed and 31 others were injured. The drivers of both vehicles and six bus passengers were among the dead. A Commission investigation showed that the two drivers of the truck had gone 49 hours without rest and were under the influence of amphetamine drugs.

Goley D. Sontheimer, safety director for the American Trucking Association, Inc., says that only three or four wrecks have been traced directly to amphetamine. But his organization has long recognized the danger in the improper use of the drug by drivers and has carried on an intensive educational campaign.

It has distributed hundreds of thousands of copies of a pamphlet entitled "Bennies Can Wreck You," which warns truckdrivers that amphetamine pills are no substitute for rest.

U.S. AGENTS TRACK ILLEGAL SALES

"When used to keep going," the pamphlet says, "these drugs borrow energy your body can't afford to spend. All at once, there isn't any left and unconsciousness can ensue—while you're still on the road or on the job."

Sontheimer points out that misuse of amphetamine is not confined to truckdrivers or other motorists, but may extend to others who feel the need of a stimulant to pep them up on their jobs. This seems to be especially true of people who work at night.

The safety director says that the trucking industry has risked bad publicity to fight the "pep pill" traffic, but will continue to do so.

Sontheimer says his organization first obtained concrete proof that "pep pills" were being peddled illegally at truck stops and other establishments near highways in 1954.

It turned to the Pure Food and Drug Administration, an agency of the U.S. Department of Health, Education, and Welfare, for help. A number of food and drug agents were given basic training as truckdrivers and began investigations of highway stops and other sources of illegal amphetamine sales.

The Food and Drug Administration, reporting on its progress, says:

"The completed cases show that these drugs are being handled in transactions involving thousands and even tens of thousands of tablets at a time. This is a highly profitable racket. Amphetamine can be bought wholesale for as little as $2 per thousand tablets. They sell for $1 a dozen.

DRUG WHOLESALER SOLD SUPPLIES

"A single defendant who combined truck driving and drug peddling offered a special deal on lots of 25,000 tablets in original bulk drums. An authorized drug wholesaler, after obtaining his stocks from five legitimate drug manufacturers, sold them to truck stop peddlers, middlemen, who in turn supplied at least six truck peddlers.

"Twenty-four thousand tablets in unlabeled bottles were seized after being found under the hood of a car belonging to a peddler who had a 'route' extending from Missouri to Florida. Following his arrest by local police he named over 20 truck stops and other customers who placed monthly orders for 1,000 to 10,000 tablets."

Another case involved a wholesale drug firm and its officers who pleaded guilty to dispensing several million amphetamine tablets to truck stops, truck drivers, and other persons. The Government had previously seized 800,000 amphetamine tablets in possession of the firm.

In addition to its educational campaign and other measures, including physical examinations for drivers and rules of some long-haul trucking firms that drivers must get 8 hours rest a day, the trucking industry has also crusaded for stronger laws to control the sale of the drugs.

One example of lost control over distribution of the pills was cited in an American Trucking Association publication. It involved a Los Angeles pill peddler arrested with several thousand capsules of the drug in his possession. Using the name of a fictitious research institute, he had ordered them from a wholesaler who had not checked on the legitimacy of the purchaser. The drugs were delivered to a bicycle shop where the peddler picked them up.

"Legislation is sorely needed," Sontheimer says. "The trucking industry has carried on a pretty lonely fight to outlaw this menace. It has been fighting since 1954. It has received little real help from any source other than the Food and Drug Administration.

"From the amount of pills manufactured, it is time that a look was taken at their use in many places."

There are cases of doctors, nurses, and pharmacists selling barbiturates and amphetamine without a prescription or dispensing the drugs in suspiciously large quantities.

A retired physician in Montgomery County was charged recently with selling amphetamine pills to one of three Houston men arrested in Conroe for vagrancy.

The Texas House General Investigating Committee closely questioned a Beaumont physician about his prescribing of barbiturates and amphetamine during its investigation of vice in Jefferson County earlier this year.

The doctor admitted that he had not been complying with the Texas dangerous drug law passed 2 years ago to regulate barbiturates, amphetamine, and several other drugs deemed unsafe for self-medication. He said, in fact, that he was not familiar with that part of the law which specifies the keeping of an inventory on these drugs.

The doctor's records revealed that he had prescribed 1,742 barbiturate capsules and 50 amphetamine capsules for one patent during 1960.

He said he ordered as many as 10,000 capsules of the drugs at a time from a Pennsylvania pharmaceutical supplier.

While illicit dispensing of amphetamine and barbiturates by pharmacists and members of the medical profession is rare, isolated cases are nonetheless serious.

A Georgia doctor and his wife were sentenced to prison after a Federal agent reported that he bought 5,000 capsules of the drugs from the doctor and 10,000 capsules of the drugs from wife, who ran a roadside cafe frequented by truck drivers. Evidence introduced at the couple's trial showed that the doctor bought 350,000 drug capsules in one month.

Drug store burglaries, police say, are among the important sources of large quantities of these drugs, which find their way into illicit traffic. Most pharmacies keep their morphine and other hard narcotics locked in safes, but barbiturates and amphetamine are sometimes left unprotected. These drugs have become highly prized loot for burglars.

Joe Arnette, secretary of the Texas State Board of Pharmacy, describes the illegal sale of dangerous drugs by the 2,804 pharmacies registered with the board as "very, very small."

Arnette also points out that, under Texas law, the approximately 6,000 pharmacists licensed by the board are not allowed personally to possess the drugs including barbiturates and amphetamine, listed under the dangerous drug law.

He says the law was changed to forbid this after some pharmacists were found peddling the drugs. Possession is now confined to pharmacies, hospitals and practitioners, as defined by the law, and to persons authorized to use them in research and teaching.

Arnette says weaknesses in the controls over the distribution of barbiturates and amphetamine allows them to be shipped into Texas from Mexico and other States.

[From the Houston Post, July 1961]

SLEEP, PEP CAPSULES CAN BE ADDICTIVE

(By Jim Mousner)

Most of us are familiar with barbiturates and amphetamine, those colorful little tablets and capsules our doctor or dentist has probably prescribed for us, members of our family or our friends, for a variety of medical reasons.

Perhaps we needed rest, but nervous tension kept us from sleeping. Perhaps we wanted to lose weight and at the same time stave off those hunger pangs and the loss of energy that often accompany a diet.

For these or other reasons, we may, at this very moment, have a bottle of the drugs in our medicine cabinet at home, in a desk drawer at the office, or tucked into a pocket or purse.

We seldom call them by their correct names, using instead words that connote their effect. Barbiturates are "sleeping pills" and amphetamine, "pep pills."

We have also heard the slang expressions "goof balls," "thrill pills," "wild geronimos," "idiot pills"—expressions that indicate another effect of the drugs and suggest a use for which they were never intended.

Houston police charged a couple with possession of these drugs after finding 17,000 capsules of them in a pillow case hidden in the bottom drawer of a refrigerator at their home. Investigators say the pair had been peddling the drugs in bars.

A man is charged with criminally assaulting a 16-year-old girl here after giving her barbiturates.

MORE DANGEROUS THAN MORPHINE

A drugstore owner in west Texas and a pharmacist in southeast Texas are charged

with unlawful delivery of amphetamine and barbiturates without a prescription. A druggist in a central Texas city is convicted for the same offense.

A teenage girl tells a legislative committee investigating vice in Jefferson County about her experiences as a user of the drugs, experiences that impaired her health and scarred her emotionally.

Dallas police seize a cache of 10,000 amphetamine capsules, which were to have been peddled to truckdrivers and other motorists.

These are but a few of the outward manifestations of the amphetamine and barbiturate problem. Those familiar with the problem at the local, State, and national levels have made some alarming observations about it.

Dr. Harris Isbell, chief of the Addiction Research Center, National Institute of Mental Health, says:

"Barbiturates are addiction forming in every sense of the word. Despite statements in textbooks, the manifestations of chronic barbiturate intoxication are, in most ways, much more serious than those of morphine addiction, and withdrawal of barbiturates is much more dangerous than the withdrawal of morphine."

W. E. Naylor, chief of the narcotics section of the Texas Department of Public Safety, says:

"There are far more users of barbiturates walking around today hooked by the habit than there are morphine addicts."

Capt. H. E. Cole, head of the Houston Police Department's narcotics division, says the number of cases involving the illicit use of barbiturates and amphetamine is increasing here.

ONLY A THIRD BELIEVED SOLD LEGALLY

There are few statistics on the distribution and use of barbiturates and amphetamine, but in recent years a flood of these drugs has poured from the Nation's pharmaceutical houses.

The amount of amphetamine produced in the United States has doubled in the past 10 years and barbiturate production has quadrupled in the past 20 years. Though production of both types of drugs has declined somewhat in the past 5 years, 819,000 pounds of barbiturates and 63,000 pounds of amphetamine were produced in 1959.

The 63,000 pounds of amphetamine, the U.S. Pure Food and Drug Administration says, is enough to make 5.6 billion 5-milligram tablets—about 35 tablets for every man, woman and child in the population.

The Food and Drug Administration estimates that less than a third of the amphetamine tablets produced in this country are sold legally on doctors' prescriptions. The agency believes the rest are disposed of illegally.

The U.S. Department of Health, Education, and Welfare reports that in 1955, the peak production year for barbiturates in the last decade, 864,000 pounds of these drugs were manufactured in the United States.

A department publication on these drugs says:

"This is roughly equivalent to 3,918,240,000 capsules or tablets of one-tenth of a gram (1.5 grains) each, or approximately 26 doses for every man, woman, and child in the population.

"While the legitimate prescription volume is very large and a considerable amount is used in hospitals as anesthesia and for animal experimental work, these figures indicate that there are more barbiturates available than are needed for therapeutic purposes."

Once the legitimate demand for these drugs has been satisfied what happens to the excess?

Too often they are peddled to narcotic addicts who can't get so-called hard narcotics, such as heroin or morphine, to young people seeking new and forbidden sensations, to neurotics who use them as emotional crutches.

Barbiturates, which act as progressive depressants on the central nervous system, are highly effective sedatives, but they can cause intoxication similar to alcohol intoxication with all of its dangerous effects.

Amphetamine, on the other hand, stimulates the central nervous system. While the user may feel alert and energetic, he may also become nervous and irritable.

People who habitually take barbiturates or amphetamine for the sensations they produce are living dangerously.

The Department of Health, Education, and Welfare reports that experiments conducted at the Addiction Research Center of the National Institute of Mental Health, Lexington, Ky., have established the fact that barbiturates taken habitually in large quantities produce all three of the characteristic symptoms of addiction:

1. A tolerance to the drug so that the same amount produces progressively less effect, causing the addict to crave larger and larger doses.

2. Physical dependence on the drug, which requires its continued use to prevent the symptoms that follow its abrupt withdrawal.

3. Psychic dependence or habituation—turning to the drug as an escape from emotional stresses.

The Department further reports that these experiments have shown that the abrupt withdrawal of the drug from addicts almost always results in convulsion and often in a psychosis resembling alcoholic delirium tremens.

"It has already been shown through experiments," the report says, "that addiction ordinarily does not occur unless the patient is taking six-tenths of a gram (10 grains) or more of one of the quick-acting barbiturates daily. Physicians warn, however, that persons taking as little as four-tenths of a gram (6 grains) daily for several weeks may develop a psychological dependence, which causes them to increase the dosage to more dangerous levels."

A person under the influence of barbiturates is more dangerous to himself and others than a narcotics addict because he has poorer muscular coordination and less emotional control. He may even become hostile.

Barbiturates pose another threat besides their powers of habituation and addiction. More deaths are caused by overdoses of these drugs taken either accidentally or with suicidal intent than any other poison.

Though the effect of amphetamine on the nervous system is just the opposite of that produced by barbiturates, it is equally dangerous when misused. The drug is often taken to combat fatigue, but it is no substitute for rest.

Prolonged use of amphetamine can cause mental illness—hallucinations, insomnia, agitation and aggressive behavior.

The barbiturates or amphetamine in your medicine cabinet or desk drawer have definite therapeutic benefits as long as they are taken according to your doctor's directions. But misused, they can be dynamite.

[From the Houston Post, July 1961]

KICKS FIRST, THEN PATH TO ILLNESS, AGONY

(By Jim Mousner)

She was a pretty girl of 17, but the story she told the Texas House General Investigating Committee was far from pretty.

It began when, at the age of 16, she started using a nose inhaler containing a stimulant. It progressed through her introduction to barbiturates, amphetamine and liquor and ended with her lying near death in a hospital.

This teenager, whose name was not made public, was one of 55 witnesses who testified at the house committee's sensational vice hearings in Beaumont earlier this year. Her experiences, as she related them, form a pattern familiar to thousands of young people who have indulged in barbiturates and amphetamine for "kicks." The sequence of events may vary, but the end is too often the same—physical and emotional breakdown.

First there was the inhaler, then a combination of amphetamine and quick-acting barbiturates—"redbirds," "yellow jackets," and "bennies"—then liquor and beer consumed at private clubs and taverns in the company of other teenagers.

The adverse effects of the drugs on the girl's life came rapidly. In her own words: "They made me stay awake. And I couldn't eat. I couldn't get along with anybody in my family. I started playing hooky."

BUSINESSMAN RUINED BY HABIT

Her health deteriorated and her nerves became progressively more frayed until her emotional control snapped. After a bitter quarrel with her family, she tried to run away. Instead, she was taken to a hospital seriously ill—another victim of barbiturates and amphetamine.

The drugs alone cannot be blamed, of course. There were contributing factors, the alcohol, the irregular hours and, beyond these, the confusion of an emotionally disturbed girl seeking escape from her unhappiness. The pills, which she said were given to her by other teenagers, temporarily provided that escape.

This girl's story is not unique. A medical text on pharmacology quotes a survey of 15 hospitals over a 5-year period showing that 1 in every 17,000 persons admitted suffered from barbiturate habituation.

Who are the pill takers and why do they take them?

Police officers, doctors, and psychiatrists, whose work brings them into contact with these people, say some are, to all outward appearances, successful. A large percentage are in the upper income brackets. But the pills frequently change all this.

Capt. H. E. Cole, head of the Houston Police Department's narcotics division, recalls the case of a businessman who was plunged into financial ruin by the pill habit. He was arrested several times under the influence of barbiturates. On one occasion police found several capsules of the drugs in his car.

The pills also take their toll among the economically less fortunate. Houston police recently persuaded a man to have his wife committed to a hospital for treatment as a barbiturate addict after answering a call to the couple's home and finding the woman lying semiconscious on the living room floor. They found several thousand capsules of barbiturates in the house.

MENTAL ILLNESS PERIL IN PEP PILLS

A psychiatrist with the Houston State Psychiatric Institute for Research and Training says "that a large percentage of neurotic patients take too many barbiturates."

"We deal with the barbiturate problem all the time," he says.

The psychiatrist considers these drugs more dangerous as habituating agents than amphetamine, which frequently causes nervousness and other unpleasant sensations that discourage the user from overindulging.

"The chief danger in taking amphetamine," he says, "is that too much of it can cause mental illness—a paranoid psychosis, which makes the user suspicious and hostile. The adverse effects of the drug usally disappear when it is withdrawn, however."

Barbiturates, like amphetamine, pose another problem because of the varying reactions of people to these drugs.

"A certain number of persons, for instance, will become intoxicated when they take barbiturates," he says.

The Houston psychiatrist says "some people drift into barbiturate habituation."

"Many alcoholics go through a period in which they use barbiturates," he says. "They may begin using the drugs to relieve a hangover and before they know it the habit is formed."

The doctor stresses that barbiturates are very effective sedatives and that most people use them properly. He decries the fact that some patients who need the drugs are afraid to take them.

"The drugs are not to blame," he says. "It's the people who use them improperly."

While barbiturates are often taken to blur the problems of living, amphetamine may enable the user to meet these same problems in good spirits, with confidence and energy.

The stimulating effect of the drug also has made it popular with those who want to push their physical and mental endurance beyond normal limits. These may include persons who have no psychological problems, but who are motivated purely by economic considerations.

[From the Houston Post, July 1961]

OFFICIALS URGE STIFF CURB ON PEP CAPSULES

(By Jim Mousner)

The State legislature, as recently as 1959, strengthened the law governing the distribution of barbiturates and amphetamine.

The Texas dangerous drug law, passed in that year, establishes the legal procedure for dispensing these and several other drugs deemed unsafe for self-medication.

Under the law, it is illegal to possess barbiturates or amphetamine unless they are obtained directly from a practitioner (physician, dentist, chiropodist, or veterinarian licensed to practice in Texas) or from a pharmacy on a prescription by a practitioner.

The drugs must be in the containers in which they were obtained from the practitioner or pharmacy and must be properly labeled. The label must bear the names of the patient, practitioner and pharmacy, the number of the prescription and the date it was filled, and the directions for using the drugs.

Only pharmacies registered with the Texas State Board of Pharmacy and pharmacists licensed by the board are authorized to fill such prescriptions.

Pharmacies are required to keep prescriptions for barbiturates, other hypnotic drugs and amphetamine for at least 2 years after they are filled.

FELONY PENALTY UP TO 10 YEARS

They must also keep an inventory of these drugs, and, when ordering fresh supplies from out-of-State suppliers, send a copy of the order to the State board of pharmacy and hold another copy for 2 years.

Illegal possession or dispensing of the drugs, forging of prescriptions or orders to obtain them, or other violations of the dangerous drug law are misdemeanors on the first offense and felonies on second and subsequent offenses.

The penalty for the first offense is a fine not to exceed $3,000 or a 6-month to 2-year jail sentence, or both. The felony conviction carries a 2- to 10-year prison sentence.

Texas laws controlling the distribution and use of barbiturates and amphetamine are strong compared to those of some States, but W. E. Naylor, agent in charge of the narcotics section, Texas department of public safety, would like to see them strengthened even more.

"We can trace a narcotic such as morphine from the manufacturer right into the arm of the patient," Naylor says, "but we often lose track of barbiturates and amphetamine after they leave the pharmacy."

Some narcotics officers complain that it is difficult to trace many of the drugs because they never reach a pharmacy or other authorized dispensing agency.

STATE LAWS OFTEN INADEQUATE

The present Federal law, embodied in the Federal Food, Drug, and Cosmetic Act, is not strong enough to insure control over the distribution of barbiturates, amphetamine, or a number of other dangerous drugs, though it prohibits the dispensing of these drugs without a prescription.

State laws, no matter how strict or how well enforced, apparently cannot cope successfully with an influx of the drugs from outside its borders. Because of this, law enforcement officers often wind up dealing with the symptoms instead of the problem itself.

The U.S. Pure Food and Drug Administration, the Federal agency which has jurisdiction over the interstate movement of these and other drugs, as well as food and cosmetics, announced recently that it would soon establish an office in San Antonio.

The decision was made to establish the new office, in addition to the regional office in Dallas and the Houston office, because of the growing alarm of State and Federal officials over the use of barbiturates and amphetamine by teenagers to obtain cheap thrills.

J. A. Frost, agent in charge of the San Antonio office of the Federal Bureau of Narcotics, emphasized that his agency has jurisdiction only over the opiates—mainly opium, morphine, heroin, synthetic morphine and similar products, but not over barbiturates or amphetamine.

He said the Food and Drug Administration, which has this jurisdiction, is handicapped by weak laws.

"It's a terrific problem," Frost said. "What the answer is, I don't know."

Commissioner George P. Larrick of the Food and Drug Administration says that under the present Federal law his agency must prove interstate shipment of bootlegged drugs though they are packaged in every conceivable way—in paper sacks, match boxes or any container other than the manufacturer's or distributor's sealed bottle.

In the past 5 years, a number of bills have been introduced in Congress to tighten controls over the manufacture and distribution of these dangerous drugs. The Food and Drug Administration has supported this proposed legislation which would make the following changes in the present law:

1. It would make the unauthorized manufacture, dealing in, or possession of the drugs a Federal offense, regardless of whether the drugs are from interstate or intrastate sources.

2. It would require all manufacturers, compounders, and processors of these drugs to be identified by being listed with the Food and Drug Administration.

3. It would require all those who are engaged in making, processing, or dealing in such drugs to keep records of their production and dealings in them and to make these records available to Food and Drug inspectors.

"Such changes," Larrick says, "would strengthen the law, particularly by enabling the Food and Drug Administration to spot sources of diversion of the drugs from legal to illegal channels.

"During the 1960 fiscal year about 50 man-years of time was spent in developing evidence of illegal sales of prescription drugs and we estimate 75 man-years were spent in fiscal year 1961. We estimate that about 90 percent of this time involved amphetamine and barbiturates."

The Commissioner says that despite this continuing enforcement program, his agency cannot say that the back of the problem has been broken.

"We are still able to discover violations wherever we look," he said. "While we have located and prosecuted some of the major underground outlets for the pills, it appears that there is a never-ending supply flowing into the black market."

Food and Drug Administration officials emphasize that they do not wish to interfere with the use of these drugs for legitimate medical purposes, but they warn that misused they can become the accomplice of highway tragedy, organized crime, juvenile delinquency, and drug addiction.

The growing concern of officials at every level of government and warnings by law enforcement officers and medical researchers point to the need for stronger laws to protect the public from the pill menace.

REGISTRATION OF STATE CERTIFICATES BY A COMMON CARRIER

Mr. SMATHERS. Madam President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 497, S. 320.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 320) to amend the provisions in part II of the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce within a State.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection the Senate proceeded to consider the bill.

Mr. SMATHERS. Madam President, Senate bill 320 would amend the provisions contained in part II of the Interstate Commerce Act concerning registration of State certificates, whereby a common carrier by motor vehicle operating within a single State may engage in interstate and foreign commerce within such State. S. 320 is identical with S. 3228 which the Senate passed September 1 of last year after extensive hearings and unanimous approval by this committee.

During the last 15 years, motor carrier transportation has greatly expanded and become more complex. Numerous abuses, not anticipated when the exemption from the interstate certificate requirements was enacted, have arisen. Many of these abuses relate to improper transfer of certificates to ineligible carriers engaged in multiple State operations that should, but do not, have ICC approval; splitting of State operating authority with intrastate rights being retained by the original holder; and the interstate rights being sold to an ineligible carrier.

The final bill is the result of the joint efforts of the Interstate Commerce Commission and the National Association of Railroad and Public Utilities Commissioners and, I might add, the Common Carriers Conference in the American Trucking Association, to draft a bill that would embody sound regulation of intrastate carriers engaged in interstate commerce and, at the same time, promote the public interest. Most of the objections offered by NARUC and by individual carriers holding registered State certificates have been overcome by several amendments incorporated in what we call the compromise bill.

The bill would enable the State boards to deal with problems engendered by intrastate carriers wishing to engage in interstate commerce, give to ICC the authority commensurate with its position as the Federal regulatory body established to regulate interstate commerce, and guarantee to present holders of State certificates registered under the second proviso that none of their existing rights and privileges would be lost.

Madam President, I understand that at one time the very able Senator from California [Mr. KUCHEL] had some concern about this particular proposal. As a matter of fact, last year he raised some question about it. I must say that by virtue of his interest we have amended the bill as he properly suggested it be amended. I believe that now we have arrived at a piece of legislation which I am certain will work in the public interest and eliminate much of the objection of certain segments of the motor transport industry. I wish to commend the Senator for his labors and cooperation and constructive help in fashioning the proposed legislation.

Mr. KUCHEL. Madam President, will the Senator yield?

Mr. SMATHERS. I am happy to yield.

Mr. KUCHEL. I thank my friend, the distinguished junior Senator from Florida, for the generous personal comment which he has made. I am pleased to support the legislation. Let me say for the RECORD, first of all, that no objection has been interposed by the minority, as was the case a year ago when this same legislation was proposed. As was the case then, however, some of my constituents in California have raised questions as to the intention for which the proposed legislation was introduced. In order to provide for legislative history as to the intention, I have several specific questions which I wish to ask my able friend for the RECORD.

In past "grandfather" cases the ICC has severely limited the commodity authorization even where the carrier has held itself out to have general commodities. If a local State carrier has hauled 20 different commodities within a past year, is it intended in such case that the carrier be accorded general commodities or those 20 specified commodities?

Mr. SMATHERS. I would say to the able Senator from California that the Interstate Commerce Commission will not necessarily limit its investigation to the past year. The ICC will look at the history of the carrier within a reasonable period of time. If the carrier has carried mainly commodities within a specific class, such as hardware, electrical appliances, and so forth, then it probably will not be given general commodity authority. If the carrier has truly hauled, on the other hand, and has proven to be a general commodity hauler of, 20 different commodities which cover the general field, it would be given general commodity authority by the Interstate Commerce Commission.

Mr. KUCHEL. I thank the Senator.

The second question is this: Where a carrier has hauled certain commodities in past years but, because of recession, plant movement, or technological changes, the type of commodity has been temporarily changed or discontinued for the past 12 to 18 months, would the carrier's authority include such commodity?

Mr. SMATHERS. The answer to that question would be in the affirmative. The local carrier would receive full authority, including such commodities as it had hauled in past years. Section 2 of S. 320 provides on page 5, lines 1 through 12, that if there had been interruptions in service over which the carrier had no control, then the ICC should issue a certificate authorizing the continuance of such transportation in interstate commerce so long as proof is given of past usage.

Mr. KUCHEL. I thank the Senator.

The next question is this: In the past, the ICC in "grandfather" cases has limited the authorized territory of a carrier. Where a carrier has a broad territory and many routes, must it prove service between most points on many commodities?

Mr. SMATHERS. I would answer that question generally by saying that the filing of a State certificate is considered to be prima facie proof that the applicant is lawfully engaged in such operations, and the ICC will grant broad authority unless it has been proven that the carrier has not served the points involved. The applicant's proof would relate to the fact that he had provided service to all of the points, and it is not generally necessary to prove that he carried all the commodities which he was authorized to haul to all of the points involved.

Mr. KUCHEL. Is it the intention of the proposed legislation that there be granted only specified commodities between specified points, as has sometimes been the situation in the past?

Mr. SMATHERS. The intention of the bill is that the Commission shall continue to grant only specified commodities between specified points, as has been done in the past.

Mr. KUCHEL. If a carrier has statewide authority and has held itself out to haul all commodities between all points, would it be limited, however, to those commodities hauled, and only between points served to the extent of those commodities?

Mr. SMATHERS. I think the answer could be, generally, that while a carrier my have statewide authority and has held itself out to haul all commodities between all points, its authority from the Interstate Commerce Commission would be limited to the commodities which have actually been hauled and to the points which have actually been served in past years. The Interstate Commerce Commission will generally ask the carrier to give some proof of its past activities, which, in a case which might be presented, the carrier could well do. It could give such proof.

Mr. KUCHEL. If a carrier operates between two termini—for example, in my own State, between Los Angeles and San Francisco—and all intermediate points under a State certificate, is it the intention of the bill that that carrier will obtain a certificate of registration for comparable authority even if his service to intermediate points has been sporadic and of lesser quantity than the service between the major termini?

Mr. SMATHERS. An applicant would have to prove that he had actually served the intermediate points between two termini in order to have such intermediate points listed in the ICC certificate. While the service to the intermediate points would generally be of lesser quantity than service between the major termini, if he has in fact served such points they would be included in the ICC certificate.

Mr. KUCHEL. In the event a carrier has recently been granted a new certificate or an additional certificate by the local regulatory agency, would it be granted a certificate of registration, under the bill, even if its interstate shipments in the newer area were small in number and limited in commodities because of its newness?

Mr. SMATHERS. If a carrier which has applied for a certificate of registration has a legitimate State authorization, then the Interstate Commerce Commission undoubtedly would follow the terms of the certificate granted by the local commission. This would be so even if the State certificate were recently granted and therefore the shipments under this certificate were small in number and limited in commodities because of its newness. So the answer to the question is "Yes."

Mr. KUCHEL. If a carrier has been granted a State certificate and has registered that certificate with the Interstate Commerce Commission under the present proviso, but because of its being recently granted has just started to conduct ICC operations, is it intended by the bill that that carrier would be precluded from obtaining a certificate of registration because it has no past shipment records of any consequence?

Mr. SMATHERS. If a carrier has been granted a State certificate but has only just recently started to conduct interstate operations after registering with the ICC, it would not be precluded from obtaining a new certificate of registration from the ICC simply because it had no past shipment records of any consequence.

Mr. KUCHEL. I call the attention of the able Senator from Florida to the language of the bill on page 7, starting at line 13, as follows:

> A notice of intent to engage in interstate and foreign operations accompanied by certified copies of State certificates filed with the Commission as evidence of authority to operate in interstate or foreign commerce under the former provisions of the second proviso of section 206(a), shall be prima facie evidence that the applicant is lawfully engaged in interstate and foreign operations and the scope thereof.

Would the Senator from Florida agree that the intention of the words "prima facie" as used in this sentence is to require compliance with the application

unless an objecting party is able to overrule the validity of the certificate?

Mr. SMATHERS. I agree with the Senator's view. Obviously, many such applications will be filed, and rather than have to go to the trouble of having a carrier present more than simply a prima facie case, the Commission would be authorized to go ahead and act in cases where there was no objection. The Commission would give the carrier the right to proceed on the prima facie evidence.

However, as the able Senator from California has stated, if there is objection—if, in fact, the things the carrier claims he has done have really not been done—and someone files a protest or makes objection to the granting of the certificate, then, of course, the Commission would have to have more than a prima facie showing. It would have to have actual proof that the person who was seeking an application had done what he said he had done.

Mr. KUCHEL. In other words, the use of the particular phrase in this section shifts the proof to any party who desires to upset the validity of the certificate?

Mr. SMATHERS. For practical purposes, that is a correct conclusion.

Mr. KUCHEL. In the absence of any such objecting party, would the Senator from Florida say that the prima facie validity of the certificate in question would, to all intents and purposes, be conclusive?

Mr. SMATHERS. Yes; the law is intended to mean just that.

Mr. KUCHEL. I thank the Senator from Florida.

Madam President, when the bill was approved by the Senate during the last Congress, the final section provided that the effective date of the amendment should be April 1, 1961. Obviously, that provision needs to be amended. I now submit an amendment to strike out "April 1, 1961," and insert in lieu thereof "December 31, 1961."

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 7, line 22, it is proposed to strike out "April 1, 1961" and insert in lieu thereof "December 31, 1961."

Mr. KUCHEL. Madam President, the amendment is self-explanatory.

Mr. SMATHERS. There is no objection to the amendment. We think it is practical.

The PRESIDING OFFICER. Without objection, the amendment is agreed to. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. KUCHEL. Madam President, in the last Congress there were persons in my State who were interested in the proposed legislation and who contacted me. I thought many of the proposals they made were relevant and timely. I asked the Senator from Florida to consider them and to give me an opportunity to meet with his people. He granted me that opportunity; and all the way through, wherever he was able to agree with the position that I took, he did. I simply wish to thank him for his patience, his courtesy, and his helpfulness in composing the differences of view, so that the Senate may now place its approval on the legislation which the Senator from Florida has sponsored and which, in my judgment, is in the interest of the public.

Mr. SMATHERS. I thank the able Senator from California for his kind remarks. After all, as we all know, legislation is nothing but, in many ways, the composing of varying points of view. The able Senator from California raised some points which I thought were meritorious. I think we have a better bill by virtue of his activity in connection with the measure.

Madam President, I would be derelict if I did not make one additional comment. Often we hear about the evil connotations of the word "lobbyist." In this particular respect, frankly, I do not believe we would ever have had any legislation in this field, which will serve the general public, had it not been for the able work of Bob McBride. This man, who worked for the Common Carrier Conference of the American Trucking Associations, is the one who has, over the course of 3 years, been able to get the groups of interested persons together, urging them to settle their differences. Frankly, he deserves a great measure of the credit for this particular piece of legislation, and I wish to pay him that compliment which I think is due him.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 320) was passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second proviso to paragraph (1) of subsection (a) of section 206 of the Interstate Commerce Act is amended to read as follows: *"And provided further,* That on and after the effective date of this amendment, no certificate under this part shall be required for operations in interstate or foreign commerce by a common carrier by motor vehicle operating solely within a single State and not controlled by, controlling or under a common control with any carrier engaged in operations outside such State, if such carrier has obtained from the commission of such State authorized to issue such certificates, a certificate of public convenience and necessity authorizing motor vehicle common carrier operations in intrastate commerce and such certificate recites that it was issued after notice to interested persons through publication in the Federal Register of the filing of the application and of the desire of the applicant also to engage in transportation in interstate and foreign commerce within the limits of the intrastate authority granted, that reasonable opportunity was afforded interested persons to be heard, that the State commission has duly considered the question of the proposed interstate and foreign operations and has found that public convenience and necessity require that the carrier authorized to engage in intrastate operations also be authorized to engage in operations in interstate and foreign commerce within limits which do not exceed the scope of the intrastate operations authorized to be conducted. Such operations in interstate and foreign commerce shall, however, be subject to all other applicable requirements of the Interstate Commerce Act and the regulations prescribed thereunder. Such rights to engage in operations in interstate or foreign commerce shall be evidenced by appropriate certificates of registration issued by the Interstate Commerce Commission which shall be valid only so long as the holder is a carrier engaged in operations solely within a single State, not controlled by, controlling, or under a common control with a carrier engaged in operation outside such State, and except as provided in section 5 and in the conditions and limitations stated herein, may be transferred pursuant to such rules and regulations as may be prescribed by the Interstate Commerce Commisison, but may not be transferred apart from the transfer of the corresponding intrastate certificate, and the transfer of the intrastate certificate without the interstate or foreign rights or the termination or restriction in scope of the intrastate certificate shall terminate, or similarly restrict, the right to engage in interstate or foreign commerce. Such rights shall be subject to suspension or termination by the Interstate Commerce Commission in accordance with the provisions of the Interstate Commerce Act governing the suspension and termination of certificates issued by the Interstate Commerce Commission. The Interstate Commerce Commission may impose reasonable requirements with respect to the filing with it of certified copies of such State certificates and other appropriate statements and data, and compliance with applicable requirements established by and under the authority of statutes applicable to interstate and foreign operations administered by the Interstate Commerce Commission, as conditions precedent to engaging in interstate and foreign operations under the authority of such State certificate. In accordance with such reasonable rules as may be prescribed by the Interstate Commerce Commisison, any party in interest, who or which opposed in the State commission proceeding the authorization of operations in interstate or foreign commerce, may petition the Interstate Commerce Commission for reconsideration of the decision of the State commission authorizing operations in interstate or foreign commerce, and upon such reconsideration upon the record made before the State commission, the Interstate Commerce Commission may affirm, reverse, or modify the decision of the State commission, but only with respect to the authorization of operations in interstate and foreign commerce."

SEC. 2. Subsection (a) of section 206 of the Interstate Commerce Act is further amended by inserting at the end thereof a new paragraph as follows:

"(6) Any person who or which on the effective date of this paragraph was in operation solely within a single State as a common carrier by motor vehicle in intrastate commerce (excluding persons controlled by, controlling, or under a common control with, a carrier engaged in operations outside such State), and who or which was also lawfully engaged in such operations in interstate or foreign commerce under the certificate exemption provisions of the second proviso of section 206(a)(1) in effect prior to the effective date of this subsection, and has continued to so operate since that time (or if engaged in furnishing seasonal service only, was lawfully engaged in such operations on the effective date of this paragraph during the season ordinarily covered by its operations, and has so operated since that

time), except in either instance as to interruptions of service over which such person had no control, the Interstate Commerce Commission shall issue to such person a certificate of registration authorizing the continuance of such transportation in interstate and foreign commerce if application and proof of operations are submitted as provided in this subsection. Such certificate of registration shall not exceed in scope the services authorized by the State certificate to be conducted in intrastate commerce, and shall be subject to the same terms, conditions, and limitations as are contained in or attached to the State certificate except to the extent that such terms, conditions, or limitations are inconsistent with the requirements established by or under the Interstate Commerce Act. If the effectiveness of the State certificate is limited to a specified period of time, the certificate of registration issued under this paragraph shall be similarly limited. Operations in interstate and foreign commerce under such certificates of registration shall be subject to all other applicable requirements of the Interstate Commerce Act and the regulations prescribed thereunder. Certificates of registration shall be valid only so long as the holder is a carrier engaged in operation solely within a single State, not controlled by, controlling, or under a common control with a carrier engaged in operation outside such State, and except as provided in section 5 and in the conditions and limitations stated herein, may be transferred pursuant to such rules and regulations as may be prescribed by the Interstate Commerce Commission, but may not be transferred apart from the transfer of the corresponding intrastate certificate, and the transfer of an intrastate certificate without the corresponding certificate of registration, or the termination or restriction in scope of the intrastate certificate, shall automatically terminate or similarly restrict the certificate of registration. Such certificates of registration shall be subject to suspension or termination by the Interstate Commerce Commission in accordance with the provisions of the Interstate Commerce Act governing the suspension and termination of certificates of public convenience and necessity issued by that Commission."

All rights to engage in operations in interstate and foreign commerce under the provisions of the second proviso of subsection 206(a)(1) existing prior to the effective date of this paragraph shall cease and terminate, but any carrier lawfully engaged in interstate and foreign operations on the effective date of this paragraph, pursuant to such provisions, may continue such operations for 120 days after the effective date of this subsection and, if an appropriate application for a certificate of registration is filed within such period, such operations may be continued pending the determination of such application. The Interstate Commerce Commission shall prescribe the form of such application, the information and documents to be furnished, the manner of filing, and the persons to whom or the manner of giving notice to interested persons of such filings. Issues arising in the determination of such applications shall be determined in the most expeditious manner and, so far as practicable and legally permissible, without formal hearings or other proceedings. A notice of intent to engage in interstate and foreign operations accompanied by certified copies of State certificates filed with the Commission as evidence of authority to operate in interstate or foreign commerce under the former provisions of the second proviso of section 206(a), shall be prima facie proof that the applicant is lawfully engaged in interstate and foreign operations and the scope thereof.

SEC. 3. The effective date of this amendment shall be December 31, 1961.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1462) to amend the act of September 2, 1960 (74 Stat. 734), in order to authorize the Secretary of Agriculture to establish minimum standards of quality for any variety of grapes and plums covered by such act, and for other purposes.

LEGISLATIVE PROGRAM

Mr. SMATHERS. Madam President, on behalf of the majority leader, I announce that it is the intention to have the Senate convene tomorrow, Tuesday, at 12 o'clock noon, and immediately after the morning hour to take up the Atomic Energy Commission authorization bill.

On Wednesday, it is intended to have the Senate consider Reorganization Plan No. 5. That is the plan which seeks to reorganize the operations of the National Labor Relations Board.

On Thursday or Friday there will be up for consideration by the Senate the independent offices appropriation bill. If our action on that bill is concluded by Friday evening, it is the intention of the leadership to have the Senate adjourn until Monday, at which time it is the intention of the majority leader—and I presume he has cleared all this with the minority leader—to have the Senate consider the farm bill.

I thought I would make this announcement prior to the adjournment today.

Mr. KUCHEL. Madam President, will my able friend yield?

Mr. SMATHERS. I am happy to yield.

Mr. KUCHEL. If, by due diligence and hard labor, we were able to dispose of this rather heavy schedule by Thursday evening, might we have some hope that the Senate would adjourn from Thursday evening until Monday?

Mr. SMATHERS. So far as I am concerned, I would hope that would be the case.

Mr. KUCHEL. I thank the Senator from Florida.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, July 17, 1961, he presented to the President of the United States the enrolled bill (S. 1710) to amend the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until December 31, 1961, and for other purposes.

ADJOURNMENT

Mr. SMATHERS. Madam President, I move that the Senate now adjourn until tomorrow, at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 1 minute p.m.) the Senate adjourned until tomorrow, Tuesday, July 18, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 17, 1961:

IN THE NAVY

The following-named officers of the line of the Navy for temporary promotion to the grade of rear admiral, subject to qualifications therefor as provided by law:

Harry Hull	John V. Smith
Robert H. Weeks	Clyde J. Vanarsdale, Jr.
Thomas H. Morton	William E. Sweeney
John S. Coye, Jr.	Ernest E. Christensen
Joseph W. Williams, Jr.	Reuben T. Whitaker
Arnold F. Schade	Walter H. Baumberger
Charles E. Loughlin	Joseph B. Tibbets
James O. Cobb	Nels C. Johnson
Thomas A. Christopher	Samuel R. Brown, Jr.
Robert A. MacPherson	Thomas W. South II
Carlton B. Jones	John J. Fee
Paul D. Buie	Richard B. Lynch
James R. Reedy	John N. Shaffer
Henry S. Monroe	John H. Maurer
Edgar H. Batcheller	Fred E. Bakutis
William A. Brockett	Eli T. Reich
Edward J. Fahy	Robert E. Riera
	Turner F. Caldwell, Jr.

Capt. Robert D. Powers, Jr., U.S. Navy, for temporary promotion to the grade of rear admiral pursuant to title 10, United States Code, section 5787, while serving as Assistant Judge Advocate General of the Navy pursuant to title 10, United States Code, section 5149.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 17, 1961:

COLLECTORS OF CUSTOMS

John E. Streltzer, of Colorado, to be collector of customs for customs collection district No. 47, with headquarters at Denver, Colo.

Lucia M. Cormier, of Maine, to be collector of customs for customs collection district No. 1, with headquarters at Portland, Maine.

Russell F. Niquette, of Vermont, to be collector of customs for customs collection district No. 2, with headquarters at St. Albans, Vt.

U.S. MARSHAL

Jack D. Obbink, of Nebraska, to be U.S. marshal for the district of Nebraska for the term of 4 years.

COURT OF MILITARY APPEALS

Paul J. Kilday, of Texas, to be a judge of the Court of Military Appeals for the term of 15 years expiring May 1, 1976.

IN THE NAVY

Vice Adm. Claude V. Ricketts, U.S. Navy, to be Vice Chief of Naval Operations in the Department of the Navy under the provisions of title 10, United States Code, section 5085, and to hold the rank of admiral under section 5321 of such title while so serving.

IN THE AIR FORCE

Col. Paul T. Cooper 4861A, Regular Air Force, for appointment to the temporary grade of brigadier general in the U.S. Air Force under the provisions of chapter 839, title 10, of the United States Code.

The nominations beginning James H. Pemberton to be major, and ending John L. O'Brien, Jr., to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 29, 1961.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 17, 1961

The House met at 12 o'clock noon.

Dr. J. Conally Evans, pastor, Belmont Baptist Church, Odessa, Tex., offered the following prayer:

Scripture: Psalm 118: 24: *This is the day the Lord hath made, I will rejoice and be glad in Him.*

Blessed God of grace and goodness, we pause to thank Thee for another day amidst this decade of destiny.

We accept this day as a precious gem to be set with ample action and polished with proper performance.

We pray that in our plans and purposes we shall not allow immediacy to be ruined by the rule of procrastination.

Deliver us from the guilt of premortem neglect and postmortem tribute in the fulfillment of our solemn obligations and responsibilities.

God grant that in this age of guided missiles and misguided men our country shall be delivered from the mistakes of the malicious.

In the name of Jesus Christ who taught us that today is all we have, all we need and all we can manage, we offer this petition. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, July 13, 1961, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1986. An act to repeal the provisions of section 5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1107. An act to provide a 2-year extension of the existing provision for a minimum wheat acreage allotment in the Tulelake area of California;

S. 1154. An act to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges; and

S. 2197. An act to amend section 107(a)(3) of the Soil Bank Act, as amended.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6441) entitled "An act to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control."

The message also announced that the Vice President has appointed Mr. JOHNSTON, of South Carolina, and Mr. CARLSON members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the U.S. Government," for the disposition of executive papers referred to in the report of the Archivist of the United States No. 62–1.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1962

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers on the part of the House on the bill H.R. 7444, making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, may have until midnight tonight to file a conference report on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

CIVIL WAR CENTENNIAL COMMISSION

The SPEAKER laid before the House the following communication, which was read:

Pursuant to the provisions of section 1, Public Law 85–305, the Chair appoints as a member of the Civil War Centennial Commission the gentleman from Mississippi, Mr. SMITH, to fill the existing vacancy thereon.

EXTENSION OF TIME FOR REFERENDUM ON MARKETING QUOTA FOR WHEAT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S.J. Res. 116) to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. HOEVEN. Mr. Speaker, reserving the right to object—and I shall not object—will the gentleman please explain the purpose of this resolution.

Mr. ALBERT. Mr. Speaker, if the gentleman will yield, under existing law, the wheat referendum must be held by July 25. This resolution will extend that date until August 26. The reason for it is that it is expected that new wheat legislation which may affect allotments of wheat farmers may be passed subsequent to the date set for the referendum under existing law.

Mr. HOEVEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. ALBERT]?

There was no objection.

The Clerk read the joint resolution as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 336 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following: "Notwithstanding any other provision hereof, the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962, may be conducted not later than August 26, 1961."

The joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

THE FUTURE OF THE NATION'S CAPITAL

Mr. REUSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, I have asked time for a special order for this afternoon in which I intend to discuss the question of the future of Washington, the Nation's Capital.

The population experts predict that by the year 2000 we will have a population here for 5 million, up from the present 2 million. If that occurs, if nature takes its course unchecked, we are going to have what I think will be insoluble problems of water supply, waste disposal, park and green space, and traffic administration. I do not believe it is necessary that this happen. By attention to the location in the future of the nonpolicymaking branches of the Federal Government, we can avoid a too great massing of population.

I hope Members who are interested in this subject will be able to be present later this afternoon, so that we may have a dialog on the vital subject of the future of the Nation's Capital.

THE BERLIN CRISIS

Mr. COLMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. Mr. Speaker, we are in the midst of another Berlin crisis, the third since that unfortunate division of that great city was made. The President of the United States and other leading figures in the administration and also of the opposite party have stated repeatedly that we will not yield to appeasement of Russia in this matter. I think it would be very appropriate, Mr. Speaker, if the Congress itself went on record as being behind the President in his firm declaration not to yield to the masters of the Kremlin in this newly created crisis, the third, I repeat, since the trouble started over there. If

we yield in this instance we might just as well fold up the tent and go home.

Mr. Speaker, immediately following the cessation of hostilities of World War II and, more specifically, during the entire month of August 1945, a subcommittee of the Postwar Economic Policy and Planning Committee, of which I had the honor of being chairman, made a study of conditions in Europe, including some 10 days in Russia. After interviews with the then Premier, Joe Stalin, as well as the leaders of a dozen other European countries, we returned with the conviction that Russia wanted neither war nor peace; that she planned to overthrow our form of government by destroying our economy and require us to spend ourselves into bankruptcy. We reported to President Truman, Secretary of State Byrnes, and to the Congress immediately upon our return that this was their objective and that firmness and strength was the only language that the Kremlin understood. We urged an abandonment of the appeasement policy begun during the war.

Subsequently, as chairman of the committee, I introduced a broad and comprehensive resolution calling for a firm policy in dealing with the Kremlin. Unfortunately, we did not succeed in the passage of this resolution. But, Mr. Speaker, I have never missed an opportunity on the floor of the House or elsewhere to repeat my advocacy of the abandonment of the appeasement and the institution of a firm policy in dealing with the Kremlin.

Again, Mr. Speaker, in March 1959, in another crisis over Berlin, I introduced a concurrent resolution (H.J. Res. 278) calling for a firm policy and placing the Congress on record as being solidified behind President Eisenhower in his declaration, "We will not budge an inch on Berlin."

While that resolution likewise was not adopted by the Congress, largely because the State Department thought it untimely, it did serve as a basis for White House discussion by the President with the congressional leaders of both parties. This conference resulted in the issuance of a statement by these leaders that the Congress was united in its support of the President's firm stand.

Today, Mr. Speaker, I have introduced a similar joint resolution. In view of the fact that the Communists, following their usual policy of distortion, raise questions about the unity and temper of our people in support of the President, I think it would be most helpful and conclusive if the Congress, consisting of the representatives of the people of the United States, went on record as backing President Kennedy wholeheartedly and firmly in his public—and I understand private—statements to Khrushchev that the United States will resist the latest Kremlin movement.

Mr. Speaker, I can see no other position for this country to take. Mr. Khrushchev is continuing the aggressive policy which has characterized the Kremlin ever since the end of the war. He is taking advantage of our known desire for peace. To appease in this instance would be fatal. The next demand would be for even more far-reaching concessions. If he gets by with this Berlin movement, who can say how long it will be before he will create a crisis on Cuba?

Moreover, I call your attention to the fact that in every instance where we have been firm, as in Greece and Turkey and in the Berlin airlift, they have backed down.

Finally, Mr. Speaker, there is no question about the willingness of our people to back up the President in this instance. They recognize that this is a calculated risk. But after 15 years of yielding to the Kremlin they realize that appeasement will get us nowhere. I am confident that the resolution would pass the Congress unanimously if the opportunity is given the membership to vote it.

The resolution follows:

Whereas the primary purpose of the United States in its relations with all other nations is and always has been to develop and sustain a just and enduring peace for all; and

Whereas at the conclusion of hostilities in World War II the United States, the Soviet Republic, the British Empire, and the Republic of France entered into a solemn and binding covenant that the city of Berlin, Germany, should be and remain under the jurisdiction of the four parties to said agreement, with the right of ingress and egress thereto, until a final and binding peace treaty should be executed between the said Allies on the one hand and the Government representing the German people on the other; and

Whereas there has been no such final peace treaty signed by the parties; and

Whereas the said solemn and binding agreement for the said rights of the parties to said covenant to ingress and egress in the said city, are, therefore, still in existence and binding on all parties thereto; and

Whereas the people of the United States of America feel in duty and honor bound to observe and carry out their obligations as one of the signatories to said covenant; and

Whereas the U.S. Government also is in duty and honor bound to adhere to its obligations to the German Republic and the other members of the North Atlantic Treaty Organization pact; and

Whereas the said Berlin agreement and the North Atlantic Treaty Organization's obligations are now threatened by one of the signatory members of the said Berlin agreement; and

Whereas such threat gravely endangers the peace and security of not only the peoples of the German Republic, as well as the subscribers to the North Atlantic Treaty Organization pact, but of the peoples of the whole free world; and

Whereas the Congress of the United States, composed of the representatives of and reflecting the will and judgment of the citizens of the United States, is wholeheartedly and unanimously behind the President in his firm declarations of policy to honor the aforesaid commitments: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States be, and he is hereby, authorized to take whatever steps he deems necessary, including the use of the Armed Forces of the United States, for the specific purpose of securing and protecting the obligations and duties under the existing covenants heretofore entered into, with particular reference to the right of ingress and egress in and to the said city of Berlin, Germany; and the taking of such other measures as he judges to be required or appropriate in the premises.

This resolution shall expire when the aforesaid covenants and agreements have been abrogated by new or different agreements entered into by the parties concerned.

MORE HOUSE MEMBERS JOIN GROUP OPPOSING BACK-DOOR FINANCING OF FOREIGN AID

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, last week I advised the House that 83 Members of this body had joined in expressing their opposition to the administration's proposal for financing foreign aid outside the normal appropriations procedure.

Since then 16 additional House Members have requested that their names be included—making a total of 99 Congressmen who have urged the Committee on Foreign Affairs against mutual security legislation that would bypass the requirement of an annual check and review to see that the taxpayers' money is spent wisely and the program administered efficiently.

The list of the original 83 Members appeared in the CONGRESSIONAL RECORD of July 10 and can be found on page 12208. The chairman of the Committee on Foreign Affairs has been requested to include the following 16 signatures to the original letter urging the elimination of back-door financing in this program: JOHN M. ASHBROOK, WILLIAM A. AVERY, RALPH F. BEERMANN, E. A. CEDERBERG, G. ELLIOTT HAGAN, A. SYDNEY HERLONG, JR., AUGUST E. JOHANSEN, CHARLES R. JONAS, CARLETON J. KING, VICTOR A. KNOX, WILLIAM M. MCCULLOCH, WALTER L. MCVEY, ROBERT H. MICHEL, WILLIAM E. MINSHALL, WILLIAM K. VAN PELT, and JOHN BELL WILLIAMS.

AUTOMOBILE FINANCING

Mr. MEADER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEADER. Mr. Speaker, earlier this afternoon the gentleman from Texas [Mr. PATMAN] addressed the House on the subject of automobile financing. I have a copy of the speech which he prepared and which I assume he inserted in its full text in the RECORD.

I propose to answer the questions the gentleman from Texas [Mr. PATMAN] raised in this speech in the special order I have been granted for this afternoon.

I am a member of the Antitrust Subcommittee of the Committee on the Judiciary, and have sat through its hearings on automobile financing and have spent a great deal of time on this subject. I think the Members should be advised of the real character of this legislation, H.R. 71.

ARGENTINE LOTTERY

Mr. FINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, I have heard much in recent months about the financial needs of South America. But if those nations need some financial assistance from us, we could do with a little financial instruction from them.

Most South American nations are not wealthy, and they need to utilize the best possible revenue-raising devices. Accordingly, virtually every South American nation has realized the wisdom of a national lottery. One of the most productive of these lotteries is the one administered by the government of Argentina.

In 1960, the gross receipts of the Argentine lottery came to $25 million. The Government's profit was slightly more than half of this sum. Much of this was spent for social and medical work.

Let us not make aid to South America a one-way street—we can profit from their financial know-how as well.

NATIONAL LOTTERY OF PORTUGAL

Mr. FINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, I would like to bring to the attention of the Members of this House the National Lottery of Portugal. It provides yet another example of how the urge to gamble may be utilized on behalf of charitable organizations.

Portugal is a land of only 9 million persons, but it is able to gather some $24 million from lotteries. Of this sum, roughly one third is retained by the Government as profit. The bulk of this money is applied by the Government to the general budget, but almost $3 million is earmarked for charitable institutions.

The lesson to be drawn from the example of Portugal and other nations is that a national lottery can be of great benefit to a country. This is not merely a case of the ends justifying the means, for if we were not so steeped in moral hypocrisy, we would realize that a national lottery is a time honored and tested financial device.

UNEMPLOYMENT COMPENSATION

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, the gentleman from Wisconsin [Mr. REUSS] raised the question this morning that should be of interest to everyone. His suggestion, as I understand, was that we must have legislation limiting the number of people who can come to Washington, and other cities.

As I understand, the people who are dissatisfied or find it difficult to live as they wish where they now live go where they will find life easier or get better treatment, go to some city where they can get something for nothing, go where they can get on unemployment compensation, get on public welfare rolls; and if they happen to be women to some place where they get additional relief for every additional child, and they have a step by step succession of children, and all go on public relief, the situation has an apparent attraction. We all know, of course—no matter how much we may plead ignorance of the situation—we all know that something must be done about that situation because the folks who do work are growing ever less in number and cannot support all others who demand relief.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION APPROPRIATIONS 1962

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H.R. 6874, an act to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes, with the Senate amendment thereto, disagree to the amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

The Chair hears none and appoints the following conferees: Mr. BROOKS of Louisiana, Mr. GEORGE P. MILLER, Mr. TEAGUE of Texas, Mr. ANFUSO, Mr. MARTIN of Massachusetts, Mr. FULTON, and Mr. CHENOWETH.

THE LATE HONORABLE PAUL H. CUNNINGHAM

The SPEAKER. The gentleman from Iowa [Mr. JENSEN] is recognized.

Mr. JENSEN. Mr. Speaker, I rise to report to the Members of this House the sad news that our former colleague, Paul H. Cunningham, of Iowa, passed away yesterday.

Paul Cunningham was a great American. He served his country in time of war. He was promoted to high rank in the service. He served for more than 19 years in the House of Representatives, and during most of that time he was a member of the Committee on Veterans' Affairs. He had much to do with writing the GI bill of rights, which was greatly beneficial to veterans of World War II.

Paul Cunningham was an able, conscientious, hard-working Member of Congress. His home was in Des Moines, Iowa, but for many years he found it necessary to go north during the summertime to where the malady he suffered, hay fever, did not bother him as much as it did in his home State.

Paul Cunningham died at his summer resort in Minnesota. I know that I speak the heartfelt sentiment of every Member of this House who served and knew Paul and of all his friends when I say we mourn the loss of this great and good man. To his wife and family we voice the sentiments which we feel by saying we are sorry that their loved one has passed to the great beyond. We know his memory will linger long in the hearts of his multitude of friends and especially in the hearts of his good wife and family.

Paul Cunningham was one of God's noblemen.

May God rest his soul in peace.

Mr. HOEVEN. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Iowa.

Mr. HOEVEN. Mr. Speaker, I was very sorry to learn of the sudden passing of my very good friend and former colleague, Paul H. Cunningham, who served in this House for many years.

Paul first came to Washington as a Member of the 77th Congress, and he served with honor and distinction as a Representative of the Fifth Congressional District of Iowa for 18 years. While a member of the Committee on Veterans' Affairs, he had an important part in drafting the original GI bill of rights. He rendered valuable service also on the Committee on Public Works and the Committee on Armed Services.

Military and veterans' matters were his particular interest, stemming from his own service in the infantry in World War I and his two sons' service in World War II. One son, Edward, was killed on Saipan.

Mr. Cunningham was born in Indiana County, Pa., and was graduated from State Teachers College there in 1914. He received a law degree from the University of Michigan in 1915.

He served as a captain in the Iowa National Guard and in the Iowa State House of Representatives before entering Congress.

He was a member of the American Legion and the Westminster Presbyterian Church in Des Moines.

Paul was a devoted public servant throughout his congressional career, thorough in his preparation, and always knew what he was talking about. Paul was kind and considerate and had a host of friends. He was an honorable individual and a Christian gentleman of the first order. He served well his day and generation.

Surviving are his wife Gail, a son Paul, and a daughter Harriet, all of Des Moines.

Paul and his good wife, Gail, were close friends of the Hoeven family, and we spent many happy hours together. Mrs. Hoeven joins me in extending our deepest sympathy to Gail and all members of the family.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, with my colleagues from Iowa, I was shocked to learn this morning of the sudden death of our former colleague, the Honorable Paul Cunningham.

As has been stated previously, he was himself a veteran and is well remembered for having given much of his time and talent to the enactment of legislation of benefit to the veterans of the military services.

I wish to extend the sympathy of Mrs. Gross and myself to his widow, Gail, and to the members of their family.

Mr. SCHWENGEL. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Iowa.

Mr. SCHWENGEL. Mr. Speaker, I, too, was shocked this morning when I heard about the passing of a former colleague of ours, and I join with my colleagues to extend my sympathy to Mrs. Paul Cunningham, the family and to their many friends, in their loss that will be very keenly felt.

It has been my pleasure to have known Paul Cunningham by reputation for a long time and to have known him personally and intimately since 1955 when I came to the Congress.

Coming as I did, like him, with some experience in the Iowa Legislature, I found many common interests and from this we developed a friendship that made my initiation and work in this legislative body much easier and more effective.

On many occasions I found him to be a wonderful counselor as I took on the grave and important responsibilities of a U.S. Congressman.

Paul Cunningham was one of those rare individuals we meet too infrequently in life who has a keen sense of right and wrong, a personal dedication to the great ideals our country seeks to represent, and a passionate desire to serve the best interest of his country, the people, and the political party of his choice.

It was in the Iowa Legislature where he made his first great mark as a legislator. He came to this body with a wealth of experience and with a deep conviction that the interest of our country must always be served by unselfish interests, and that the welfare of the people must be noted but that a recognition and dedication to ideals must never be forgotten.

All who served with him can testify better than I that he added to his stature as a legislator here. He earned the title of statesman and, whenever he could, he made the job easier for all of us.

Those of us who serve in the Congress know the importance of our own vote and we know from experience that one vote can make a great difference in the direction our country takes at critical moments. At one time in Paul's political life he was called upon to cast a deciding vote. It was a crucial vote and all of us know now it was an important vote. We note, too, that the vote for extension of the draft in 1941 was not a popular one. It was not one that would get many votes in his district but from the study he made and from the thought he had given this question he was convinced that it was a right one and so he cast that vote.

It appeared at the time that it might defeat him at the polls at the next election but he never flinched. After that session he went home and did his best to not only explain his own vote but to develop an attitude and frame of mind in his constituents that changed the thinking of his district. And, as we look back on it now, we know that this crucial vote was the right vote. It is not hard to imagine that our country and posterity have benefited since.

There are many other important issues upon which Paul, the man whom we are honoring here today, had great influence. Anyone who would take the time to check the record would be impressed with the many wonderful contributions he was able to make here on the House floor in behalf of his country and the people he had the great honor to represent.

In politics Paul was a Republican but always he left you with the impression that first and foremost he was an American. He was born in in the great Keystone State of Pennsylvania, in Indiana County. He attended the State normal school there. Then he attended the University of Michigan where he graduated from the school of law. He was a veteran of World War I, served and was discharged from the service as a first lieutenant.

He was a devoted and active member of the Westminster United Presbyterian Church. He was an active member of the American Legion, Sigma Phi Epsilon fraternity, Masonic bodies, Odd Fellows, and Elks and various civic organizations.

In closing, may I say to all of you that Iowa mourns the loss of a loyal and devoted son. The people of the United States have lost a statesman. I join with my colleagues on both sides of the aisle to express my great sorrow and again extend my sympathy to his very charming, respected, and beloved wife, Gail, and his family and many friends.

Mr. JENSEN. Mr. Speaker, I yield to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Speaker, I was greatly saddened today when I learned of the passing of Paul Cunningham. I wish to join my colleagues in paying tribute to Paul and to express my sincere sympathy to our colleagues from Iowa.

Paul Cunningham and I came to Congress together and I greatly enjoyed my association with him over the years. We had a mutual friend in Colorado and we talked about him frequently. We also had many things in common which resulted in a close friendship, which I valued highly.

Paul was a great American and rendered outstanding service as a Member of the House. I considered him a most capable public servant, who always had the best interests of his country at heart.

Mrs. Chenoweth joins me in extending our deep personal sympathy to Mrs. Cunningham and to the children.

Mr. JENSEN. Mr. Speaker, I yield to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, at one time Paul Cunningham lived in Grand Haven, Ottawa County, in the Fifth Congressional District of Michigan. Those of us who knew him admired his ability, his patriotism, and his faithful attention to his official duties.

GENERAL LEAVE TO EXTEND

Mr. JENSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life and character of the late Paul Cunningham.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SMITH of Iowa. Mr. Speaker, I was sorry to learn of the passing of Paul Cunningham. For 18 years, he had represented the district that I am presently privileged to represent. As a Member of the House during World War II and the periods immediately after each conflict, he had served on the Veterans' Affairs and Armed Services Committees during years when their jurisdiction and responsibility was very important. Many times I have heard Mr. Cunningham speak in support of the GI education bill and in support of strong defenses for our country. As a veteran of World War I, a father of a son killed in World War II and a member of the important committees, he had always taken a great interest in veterans' and military matters.

Paul Cunningham had many thousands of friends in the Fifth Congressional District of Iowa and I am sure I speak for the entire district in expressing deep sorrow at his passing and in extending greatest sympathy to his family.

Mr. EVINS. Mr. Speaker, permit me to join with my colleagues from Iowa and others in paying a brief but sincere tribute to the memory of our late colleague, Paul H. Cunningham, of Iowa.

Those of us who were privileged to serve with Congressman Cunningham are saddened at the news of his passing. He was one of our most genial and beloved colleagues who was dedicated to the principles and ideals that made our country great. He always placed the welfare of the United States before any political consideration. He was a legislator of courage and distinction.

I extend an expression of deepest sympathy to the members of his family.

Mr. WEAVER. Mr. Speaker, I was greatly saddened to learn of the untimely passing of a friend and valued public servant, Paul H. Cunningham, who served in this Chamber for 18 years. He was a hard-working, dedicated Member of Congress, a devoted husband and father.

Both as a veteran of World War I and the father of two sons who served in World War II, Paul Cunningham held close to his heart and expended much energy upon the problems of the young men and women returning to civilian life after the Second World War. As a member of the Veterans' Affairs Committee he took an active role in developing one of the finest pieces of legislation ever written in this field, the GI bill of rights.

Paul Cunningham was always most helpful to younger Members and freely gave of his advice and his time in an effort to be of assistance. He was a man of stature and a great humanitarian.

Mrs. Weaver and I extend our sympathy to his wife and family.

Mr. HARVEY of Indiana. Mr. Speaker, the passing of our friend and former colleague, Paul Cunningham, came as a great shock to all of us. He represented his district in Iowa adequately and effectively for many years. He had a broad understanding of the problems of his area and the whole Nation. His vigorous espousal of those ideals for which he stood made him an outstanding Member of this great body. His gentle spirit and kindly tolerance endeared him to all who knew him. To his widow, Gail, and to his family as well, we extend our sincerest sympathy.

Mr. HORAN. Mr. Speaker, I wish to join my colleagues in paying sincere respect to our departed brother, Paul Harvey Cunningham.

Nobody questioned the honesty of Paul Cunningham. He lived by one of the finest, cleanest and most constructive codes that any man ever set up to guide his progress.

It was my pleasure to know Paul Cunningham well. It was my privilege to visit with him often and seek his counsel. This world of ours was better because Paul lived and his record and the host of friends who grieve his passing are a monument which the ages will not erode. Perhaps Henry George expressed Paul Harvey Cunningham's creed as well as anyone:

> That we should do unto others as we would have them do unto us, that we should respect the rights of others as scrupulously as we would have our rights respected, is not a mere counsel of perfection to individuals, but it is the law to which we must conform social institutions and national policy, if we would secure the blessings and abundance of peace.

COMMITTEE ON EDUCATION AND LABOR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor and all subcommittees thereof may be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL

Mr. McCORMACK. Mr. Speaker, if the conferees on the agricultural appropriation bill agree and file a report today, which they have until midnight tonight to do, I ask unanimous consent that the conference report may be called up tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

PROVIDING PROTECTION FOR THE VICE PRESIDENT

The Clerk called the bill (H.R. 6691) to amend title 18, United States Code, sections 871 and 3056, to provide penalties for threats against the successors to the Presidency, to authorize their protection by the Secret Service, and for other purposes.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Iowa?

There was no objection.

DEPARTMENT OF AGRICULTURE CENTENNIAL OBSERVANCE

The Clerk called the resolution (H.J. Res. 435) to provide for recognition of the centennial of the establishment of the Department of Agriculture, and for other purposes.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this resolution may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CENTENNIAL OF LAND-GRANT UNIVERSITIES AND COLLEGES

The Clerk called the resolution (H.J. Res. 436) to provide for recognition of the centennial of the establishment of the national system of land-grant universities and colleges.

There being no objections, the Clerk read the joint resolution as follows:

Whereas July 2, 1962, marks the centennial of the first Morrill Act granting public lands to States and territories in support of colleges to emphasize branches of learning relating to agriculture and mechanical arts, including other scientific and classical studies and military tactics; and

Whereas the Act completed the breakaway of American higher education from the tradition of limited educational opportunity, restricted by heredity, occupation, or money, and opened wide the doors of college to all with the ability and will to learn; and

Whereas the land-grant institutions located in the fifty States and Commonwealth of Puerto Rico carry research and teaching from the campus to farms and industries and the citizenry of these States and Commonwealth, seeking solutions to economic, social, and physical ills, and enriching the cultural life of the people; and

Whereas the land-grant universities and colleges today enroll approximately 20 per centum of the country's college population and grant 40 per centum of all doctorate degrees; approximately half of the doctorate degrees in the physical sciences, engineering, and the health professions, 25 per centum in the arts and languages, in business, commerce, and educational training, and all of the doctorates in agriculture; and

Whereas the land-grant system of universities and colleges has become the Nation's largest single source of trained and educated manpower and now contributes more than half the Nation's trained scientists and nearly half of all Regular and Reserve officers entering the Armed Forces through the military programs of civilian institutions; and

Whereas May 15, 1962, marks the centennial of the establishment of the United States Department of Agriculture and this department and the land-grant universities and colleges have historically maintained and currently maintain close cooperative relationship which have been a significant factor in producing the unparalleled agricultural revolution that has taken place in this Nation; and

Whereas the land-grant universities and colleges maintain close working relationships with the United States Departments of Commerce, Defense, Health, Education, and Welfare, Interior, Labor, and State; the United States Information Agency; the International Cooperation Administration; and other agencies and departments of the Government: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is fitting and proper to commemorate the centennial of this historic Act of Congress by appropriate celebration; that the President is authorized and requested to issue a proclamation recognizing the centennial of the establishment of the land-grant system of universities and colleges and to provide for suitable cooperation of agencies of the Government with the land-grant universities and colleges throughout the period of the centennial observance; that such centennial otherwise appropriately be celebrated; and that the historical and present close cooperative relationship with the departments and establishments of the Government be recognized in connection with such celebration.

Mr. DEVINE. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HARVEY] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HARVEY of Indiana. Mr. Speaker, it is noteworthy that our land-grant colleges have fulfilled the high hopes of those responsible for passage of the Morrill Act in 1862.

As an alumnus of Purdue University, I wish to recognize the fact that I am very proud of the achievements of my alma mater. Purdue has been in the forefront of agricultural and mechanical schools—in research, experimentation, and education—to further the ideals set a century ago.

So it is with great pride that I wish continued success to Purdue and her sister land-grant institutions. Americans from all walks of life have benefited, and will continue to benefit, from the important work done at the land-grant schools.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, House Joint Resolution 436 provides for the recognition of the centennial of the establishment of the national system of land-grant universities and colleges. It would authorize the President to issue a proclamation recognizing the centennial of the establishment of the land-grant system of the universities and colleges and provide for cooperation of agencies of Government during the period of the observance.

The year of 1962 has been selected for the observance because it was on July 2, 1862, that President Lincoln signed the Morrill Act upon which is based our nationwide system of land-grant universities and colleges. The Morrill Act provided for the beginning of the land-grant college system by authorizing the granting of public lands to the States and territories in support of colleges. A national system of higher education has stemmed from this act which has been uniquely designed to expand educational opportunity in the United States.

In the executive communication sent the House of Representatives by the Department of Agriculture proposing a joint resolution recognizing the centennial year of that Department, there are specific references to the centennial of the establishment of the nationwide system of land-grant universities and colleges. In that communication the following comment was made concerning the subject matter of House Joint Resolution 436:

> On July 2, 1862, President Lincoln signed the Morrill Act upon which is based our nationwide system of land-grant universities and colleges. It is our understanding that these institutions, which will observe in 1962 the 100th anniversary of their founding, will also offer to the Congress a proposed joint resolution recognizing their centennial, and that their proposed resolution will contain a reference to the Department's centennial, as does the Department's proposed resolution contain a reference to the land-grant centennial. The Department and the land-grant institutions expect to observe several of their centennial activities jointly in recognition of their present and historical close relationships.

The proposed resolution (H.J. Res. 436) is in a very real sense companion legislation to the joint resolution (H.J. Res. 435) the Department transmitted in a communication to the Congress on May 18 which would recognize the 100th anniversary of the passage of the act—on May 15, 1862—establishing the Department of Agriculture.

Our land-grant colleges were established "to teach such branches of learning as are related to agriculture and the mechanic arts," without excluding other scientific and classical studies and including military tactics. Their responsibility in the field of agriculture has been strengthened, and their cooperative relationship with the Department furthered, by the passage of several congressional acts, including the Hatch Act of 1887 which laid the basis for our nationwide system of State agricultural experiment stations, and the Smith-Lever Act in 1914 which established the cooperative agricultural extension service.

This unique Federal-State relationship is largely responsible for the development of our present highly efficient and productive agriculture.

The importance of this observance is readily apparent when it is considered that the Morrill or land-grant colleges helped bring to life the concept of equality of educational opportunity. The "open door" to college for all who had the will and ability to learn was unprecedented in world history. One hundred years ago, only one American in 1,500 went to college. Today, 1 in 3 attends. The land-grant system has become the Nation's largest single source of trained and educated manpower.

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, I rise in support of House Joint Resolution 436 and to recall, for the benefit of my colleagues and the Nation as well, the close relationship between the emergence of the Land Grant Act of 1862—the so-called Morrill Act—and the emergence of Michigan State University at East Lansing, Mich. While it is perhaps too often true of any measure that enjoys great success that it is flattered with many more claims of authorship than can be truthfully ascribed to it, the influence of the pioneers for agricultural education in the State of Michigan can be truly said to have played an important role in the conception and establishment of the Land Grant Act.

Largely through the inspiration and determination of the man who was to become the president of the first college of agriculture in America, Joseph R. Williams, and other equally interested persons who believed that the study of agriculture deserved a place in the curriculum of the university, the convention that wrote the State's second constitution specifically requested the legislature to "as soon as practicable, provide for the establishment of an agricultural school." Faced with the problem of financing, the legislature petitioned Congress for a land grant of 350,000 acres in 1853—the first in a long list of such petitions that were to follow from other States and which were finally to bear fruit in the act of 1862. Though this initial petition was turned down, the Michigan pioneers were determined to set up an agricultural college.

President Williams took an active interest in Congressman Morrill's bill, and was even here in Washington on the day that it was first introduced in 1857; however, though it passed both Houses of Congress by 1859, President Buchanan vetoed it. Williams is credited with providing much of the information that Morrill used in his speeches. We can perhaps see his hand in this passage from a speech given by Congressman Morrill on April 20, 1858, to the House in support of his bill, in which he decried the lack of institutions for instruction of agricultural studies.

> In our own country the general want of such places of instruction had been so manifest that States, societies, and individuals have attempted to supply it, though necessarily in stinted measure. The plentiful lack of funds has retarded their maturity and usefulness, but there are some examples, like that of Michigan, liberally supported by the State, in the full tide of successful experiment.

Thus we see that the Michigan State Agricultural College served as a model, which was held up to the Nation, in order to encourage the founding of similar schools in each State. When final passage and President Lincoln had signed it into law, the Morrill Act represented a victory for the Michigan pioneers as much as it did for anyone else; and not merely in terms of the quarter million acres that the State of Michigan received under the Act, but rather in terms of the successful advocacy and bringing to fruition of the idea of agricultural institutions of higher learning.

Citizens of Michigan may well take pride in this spirit of pioneering in education that founded our fine State university and played such an important part in national affairs 100 years ago. The history of the Morrill Act indicates the accomplishments that that spirit fostered in those earlier times; while the reputation and educational facilities developed over the past century indicate the degree to which that same spirit has prevailed in the Michigan State University of today.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIMIT PRIORITY AND NONDISCHARGEABILITY OF TAXES

The Clerk called the bill (H.R. 4473) to amend the Bankruptcy Act with respect to limiting the priority and nondischargeability of taxes in bankruptcy.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SALE OF LIGHT STATION PROPERTY IN SCITUATE, MASS.

The Clerk called the bill (H.R. 1452) to authorize the sale of a portion of the former light station property in Scituate, Mass.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Maryland whether or not there is in process an amendment which would make this purchase of an interest in the land subject to the fair market value.

Mr. GARMATZ. Yes, there is an amendment at the Clerk's desk.

Mr. FORD. That would include a provision to make the sale of this interest subject to the fair market value?

Mr. GARMATZ. The fair market value, that is correct.

Mr. FORD. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any sale to Mrs. Elmer J. Bloom, of Peoria, Illinois, of—

(1) the portion of the parcel of land conveyed to the town of Scituate, Massachusetts, pursuant to the Act of June 28, 1916 (ch. 184, 39 Stat. 241), which underlies the veranda and porch of a house owned by the said Mrs. Elmer J. Bloom; and

(2) such other portions of such parcel of land as may be found by the board of selectmen of such town to be reasonable in connection with such house;

shall not be considered to be in violation of the last proviso of such Act of June 28, 1916, or in violation of any provision of the deed by which such land was conveyed to such town, recorded with Plymouth Deeds, book 1282, page 284.

Mr. GARMATZ. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GARMATZ: On page 2, line 7, immediately before the period insert the following: ", if the said Mrs. Elmer J. Bloom also pays to the United States the current appraised fair market value of the interest of the United States, as determined by the Secretary of the Treasury, which was reserved or otherwise retained pursuant to such Act of June 28, 1916, in the portions of such parcel sold to her under this Act. Upon payment of such current appraised fair market value of the interest of the United States, and completion of the sale of such portions to the said Mrs. Elmer J. Bloom, the Secretary of the Treasury shall convey by quitclaim deed all such reserved or retained right, title, and interest of the United States in and to the portions of such parcel sold to her under this Act."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALARY PROTECTION FOR CERTAIN EMPLOYEES

The Clerk called the bill (H.R. 7043) to extend to employees subject to the Classification Act of 1949 the benefits of salary increases in connection with the protection of basic compensation rates from the effects of downgrading actions, to provide salary protection for postal field service employees in certain cases of reduction in salary standing, and for other purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SALARY PROTECTION FOR EMPLOYEES SUBJECT TO CLASSIFICATION ACT OF 1949

AMENDMENTS TO CLASSIFICATION ACT OF 1949

SEC. 101. (a) Section 507 of the Classification Act of 1949, as amended (72 Stat. 830; Public Law 85-737; 5 U.S.C. 1107), is amended—

(1) by inserting "(including each increase provided by law in such rate of basic compensation)" immediately following "to receive the rate of basic compensation to which he was entitled immediately prior to such reduction in grade" in subsections (a) and (b) of such section;

(2) by striking out "and" in paragraph (3) of such subsection (a);

(3) by inserting "and, with respect to each temporary promotion occurring on or after the date of enactment of this amendment, is not a condition of his temporary promotion to a higher grade" immediately before the semicolon at the end of such paragraph (3); and

(4) by inserting "(including each increase provided by law in such rate)" immediately following "July 1, 1954", wherever occurring in subsection (c) of such section, and immediately before the period at the end of such subsection.

(b)(1) The amendments made by subparagraphs (1) and (4) of subsection (a) of this section shall become effective as of August 23, 1958.

(2) The amendments made by subparagraphs (2) and (3) of such subsection (a) shall become effective on the date of enactment of this Act.

Retroactive compensation; validation of payments; relation of payments to Civil Service Retirement Act and Federal Employees' Group Life Insurance Act of 1954

SEC. 102. (a)(1) Except as otherwise provided in paragraph (2) of this subsection, payments of increases provided by law in rates of basic compensation are hereby authorized, and shall be made, in accordance with the amendments made by subparagraphs (1) and (4) of subsection (a) of section 101 of this title to section 507 of the Classification Act of 1949, as amended (5 U.S.C. 1107), and in accordance with other applicable provisions of such section 507, as amended, for services to which the provisions of such section 507, as amended, apply and which were rendered in the period beginning on the first day of the first pay period commencing after August 23, 1958, and ending at the expiration of two years immediately following the first day of such first pay period, with respect to each individual who, on the date of enactment of this Act, is on any employment roll of the Federal Government or of the municipal government of the District of Columbia, as follows—

(A) to such individual for such services so rendered by him, if, on such date of enactment, he (i) is on any such employment roll, (ii) is in the service of the Armed Forces of the United States, or (iii) is retired under any retirement law or retirement system for civilian officers and employees in or under the Federal Government or the municipal government of the District of Columbia; or

(B) to the survivor or survivors, in accordance with the Act of August 3, 1950 (Public Law 636, Eighty-first Congress), as amended (5 U.S.C. 61f-61k), of any such individual (for such services so rendered by him) who has died prior to such date of enactment, if, at the time of his death, such individual was (i) on any such employment roll, (ii) in the service of the Armed Forces of the United States, or (iii) retired under any such retirement law or retirement system.

(2) Payments of increases provided by law in rates of basic compensation which were made for services described in paragraph (1) of this subsection and rendered in the period described in such paragraph, and which would have been authorized under the amendments made by subparagraphs (1) and (4) of subsection (a) of section 101 of this title if such amendments had been in effect at the time such services were rendered in such period, are hereby validated to the same extent as if such amendments had been in effect during such period.

(b)(1) Payments of increases described in paragraph (1) of subsection (a) of this section shall not be considered as basic salary for the purposes of the Civil Service Retirement Act (5 U.S.C. 2251-2267) in the case of any retired or deceased individual described in subparagraph (A) or (B) of such paragraph (1).

(2) Payments of increases validated by paragraph (2) of such subsection (a) shall be considered as basic salary for purposes of such Act.

(c) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

(d)(1) Increases in rates of basic compensation authorized to be paid by paragraph (1) of subsection (a) of this section shall not be held or considered to be annual compensation for the purposes of the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091-2103).

(2) Each change in rate of basic compensation made in the period described in paragraph (1) of subsection (a) of this section by reason of any payment validated by paragraph (2) of such subsection shall be held and considered to be effective for group life insurance purposes under the Federal Employees Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091-2103), as of the first day of the first pay period following the pay period in which the payroll change was approved with respect to such individual.

Savings provisions

SEC. 103. (a) Nothing in this title or in the amendments made by this title shall be held or considered to modify, supersede, or otherwise affect the application and operation of section 24 of title 13 of the United States Code, which contains special provisions with respect to the assignment, promotion, appointment, detail, and other utilization of nontemporary employees of the Bureau of the Census in the Department of Commerce in temporary positions in connection with any census.

(b) Nothing in this title or in the amendments made by this title shall be held or considered to modify, change, or otherwise affect any increase in a saved rate of basic compensation paid in accordance with the Federal Employees Salary Increase Act of 1960 (part B of title I of the Act of July 1, 1960; 74 Stat. 298; Public Law 86-568).

TITLE II—SALARY PROTECTION FOR POSTAL FIELD SERVICE EMPLOYEES

Protection of salary standing of postal field service employees

SEC. 201. That part of chapter 45 of title 39 of the United States Code under the heading "Salary Steps and Promotions" is amended by adding at the end thereof the following new section:

"§ 3560. Salary protection

"(a) As used in this section, the term 'salary standing' means—

"(1) basic salary and salary level, with respect to the Postal Field Service Schedule (excluding salary levels PFS 17, 18, 19, and 20),

"(2) salary for the particular route (including additional compensation for forty hours and under for serving heavily patronized routes), with respect to the Rural Carrier Schedule, and

"(3) gross receipts category, with respect to the Fourth-Class Office Schedule.

"(b) Subject to the provisions of subsection (c) of this section, each employee—

"(1) who at any time on or after the date of enactment of this section is reduced in salary standing;

"(2) who, on the effective date of such reduction in salary standing, holds a career appointment or a probational appointment in the postal field service;

"(3) whose reduction in salary standing is not caused by a demotion for personal cause, is not at his own request, is not a condition of his temporary promotion or temporary assignment to a higher salary standing, is not a condition of his temporary appointment, and is not effected in a reduction in force due to lack of funds or curtailment of work;

"(4) who, for two continuous years immediately prior to such reduction in salary standing, served in the postal field service with the same salary standing or with the same and higher salary standing; and

"(5) whose performance of work at all times during such period of two years is satisfactory;

shall be entitled, as of the effective date of such reduction in salary standing, unless or until he is entitled to receive basic salary at a higher rate by reason of the operation of this section, or until the expiration of a period of two years immediately following the effective date of such reduction in salary standing to receive the rate of basic salary to which he was entitled immediately prior to such reduction in salary standing (including each increase provided by law in such rate of basic salary) so long as he continues in the postal field service without any break in service of one workday or more and is not demoted or reassigned for personal cause, at his own request, or in a reduction in force due to lack of funds or curtailment of work.

"(c) The rate of basic salary to which such employee is entitled under subsection (b) of this section with respect to each reduction in salary standing to which this section applies shall be the lesser of the following:

"(A) the amount of the existing rate of basic salary of the employee immediately prior to the reduction in salary standing (including each increase provided by law in such rate); or

"(B) the amount of the rate of the salary level or salary range (including each increase provided by law in such rate) to which the employee is reduced, increased by 25 per centum.

"(d) The Postmaster General is authorized to issue regulations to carry out the purposes of this section.

"(e)(1) For the purposes of section 3559 (a), the existing basic salary shall be the basic salary which the employee would have received except for the provisions of this section.

"(2) For the purposes of section 3544(h), the basic compensation earned shall be the basic compensation which the employee would have received except for the provisions of this section.

"(f) For the purposes of this section, the term 'curtailment of work' does not include—

"(1) reductions in class or gross receipts category of any post office, or

"(2) reductions in route mileage for rural carriers."

Conforming amendment

SEC. 202. That part of the table of contents of chapter 45 of title 39 of the United States Code under the heading "SALARY STEPS AND PROMOTIONS" is amended by inserting

"3560. Salary protection."

immediately below

"3559. Promotions.".

With the following committee amendments:

(1) Page 7, lines 23 and 24, strike out "on or after the date of enactment of this section is reduced" and insert in lieu thereof "on or after July 1, 1961, is or was reduced".

(2) Page 8, line 2, insert the words "or held" immediately following the word "holds".

(3) Page 8, lines 4, 5, 6, 8, and 9, insert the words "or was not" immediately following the words "is not".

(4) Page 8, line 16, insert the words "or was" immediately following the word "is".

(5) Page 8, line 18, immediately following the words "salary standing" insert the following:

or as of the first day of the first pay period which begins on or after the date of enactment of this section, whichever is later,

(6) Page 8, line 22, immediately following the words "salary standing" insert the following:

or immediately following the first day of such first pay period, as applicable,

The committee amendments were agreed to.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, we are considering one of those unforeseen inequities that are revealed after a law goes into effect. The injustice, in this case, affects 30 employees in the General Accounting Office and approximately 500 employees in the field service of the Post Office Department.

The unintended salary discrimination, injurious to the income and morale of 530 career employees of the Government has become so obvious that there is unanimous agreement in the report accompanying H.R. 7403 of the proposed amendment to the Classification Act of 1949.

It is noteworthy that the Civil Service Commission, the Post Office Department, the Department of Defense, the Department of Justice, the Bureau of the Budget, the Department of Commerce, and the Comptroller General support the basic objectives of this bill. Its purpose is to provide salary protection for classified and postal field service employees in certain cases involving reductions in salary standing.

On September 19, 1960, the Comptroller General ruled that classified employees who were downgraded before January 1958, and who originally were brought under the salary retention protection of the Classification Act of 1949, were not entitled to have any salary increase added to the rates such employees were entitled to receive under section 507 of that act.

Title I of the present bill would validate the payments of the statutory salary increase which had been made to such employees and would authorize payment of the statutory increases to the 30 General Accounting Office employees who did not receive them. But it would exclude from the salary savings provisions of the Classification Act of 1949, an employee who accepts a temporary promotion with the understanding that when the assignment is completed he will revert to his former grade. An employee who receives a temporary promotion with full knowledge of its temporary nature and of his expected return to the lower grade position should not be entitled to salary retention benefits.

Title II extends salary protection to postal field service employees who are downgraded, affording them the same protection as classified employees.

This title provides that an employee in the postal field service whose reduction in salary standing is or was not caused by a demotion for personal cause, at his own request, or effected in a reduction in force due to lack of funds or curtailment of work, despite a reduced salary standing will continue to receive the higher pay for a period of 2 years following the effective date of the change in salary standing.

However, such an employee must have, immediately prior to a reduction in salary standing, served satisfactorily for 2 continuous years in the postal field service with the same or higher salary standing.

The effective date of title II shall be July 1, 1961.

H.R. 7043 is one of those infrequent bills where all the weight of reason and testimony is so clearly in its favor that we look forward to its uncontested passage and enactment into law.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

POSITIONS IN THE GENERAL ACCOUNTING OFFICE

The Clerk called the bill (H.R. 6007) to amend section 505(d) of the Classification Act of 1949, as amended, with respect to certain positions in the General Accounting Office.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 505(d) of the Classification Act of 1949, as amended (5 U.S.C. 1105(d)), is amended by striking out the words "twenty-five positions" and inserting in lieu thereof the words "forty positions".

With the following committee amendments:

Page 1, line 6, strike out "forty" and insert in lieu thereof "thirty-nine".

Page 1, immediately following line 6, insert the following:

"SEC. 2. Section 106(a) of the Federal Executive Pay Act of 1956 (5 U.S.C. 2205(a)) is amended by adding the following subparagraph after subparagraph (47):

"'(48) General Counsel of the General Accounting Office.'

"SEC. 3. The amendment made by section 2 of this Act shall become effective at the beginning of the first pay period which begins on or after the date of enactment of this Act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ELIGIBILITY FOR CERTAIN SCHOLARSHIPS

The Clerk called the bill (S. 539) to make nationals, American and foreign,

eligible for certain scholarships under the Surplus Property Act of 1944, as amended.

Mr. FORD. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ALLOTMENT OF PAY IN EMERGENCY EVACUATIONS

The Clerk called the bill (H.R. 2555) to provide for allotment and advancement of pay with respect to civilian employees of the United States in cases of emergency evacuations in oversea areas, and for other purposes.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

FORT NECESSITY NATIONAL BATTLEFIELD SITE, PA.

The Clerk called the bill (H.R. 498) to provide additional lands at, and change the name of, the Fort Necessity National Battlefield Site, Pa., and for other purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in furtherance of the purposes of the Act of March 4, 1931 (46 Stat. 1522), the Secretary of the Interior is authorized to acquire by purchase, exchange, donation, with donated funds or otherwise by such means as he may deem to be in the public interest, lands and interests in lands adjoining or near the Fort Necessity National Battlefield site which in his discretion are necessary to preserve the historic battleground, together with not to exceed 25 acres at the detached Braddock Monument: *Provided,* That the total area acquired pursuant to this Act shall not exceed 500 acres, except that in order to avoid the undesirable severance of parcels in private ownership such parcels may be purchased in the entirety.

SEC. 2. The Secretary of the Interior, in order to implement the purposes of section 1 of this Act, is authorized to exchange lands which may be acquired pursuant to this Act for other lands or interests therein of approximately equal value lying within the original George Washington land patent at Fort Necessity.

SEC. 3. The Fort Necessity National Battlefield site is hereby redesignated as the Fort Necessity National Battlefield and any remaining balance of funds appropriated for the purposes of the site shall be available for the purposes of the Fort Necessity National Battlefield.

SEC. 4. The administration, protection, and development of the Fort Necessity National Battlefield shall be exercised by the Secretary of the Interior in accordance with provisions of the Act of August 25, 1916 (39 Stat. 535), entitled "An Act to establish a National Park Service, and for other purposes", as amended and supplemented.

SEC. 5. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

With the following committee amendment:

Page 2, line 23, strike out all of section 5 and insert in lieu thereof—

"SEC. 5. There are hereby authorized to be appropriated such sums, but not more than $115,000, as are necessary to carry out the provisions of this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HISTORIC SITE AT FORT DAVIS, JEFF DAVIS COUNTY, TEX.

The Clerk called the bill (H.R. 566) authorizing the establishment of a national historic site at Old Fort Davis, Jeff Davis County, Tex.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior shall acquire, on behalf of the United States, by gift, purchase, condemnation, or otherwise, all right, title, and interest in and to such lands, together with any improvements thereon, that the Secretary may deem necessary for the purpose of establishing a national historic site at the site of Old Fort Davis, near the town of Fort Davis, Jeff Davis County, Texas.

SEC. 2. (a) The property acquired under the provisions of the first section of this Act shall be designated as the Old Fort Davis National Historic Site and shall be set aside as a public national memorial to commemorate the historic role played by such fort in the opening of the West. The National Park Service, under the direction of the Secretary of the Interior, shall administer, protect, and develop such monument, subject to the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916, as amended and supplemented, and the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935, as amended.

(b) In order to provide for the proper development and maintenance of such national historic site, the Secretary of the Interior is authorized to construct and maintain therein such markers, buildings, and other improvements and such facilities for the care and accommodation of visitors, as he may deem necessary.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

With the following committee amendments:

Page 1, line 8, strike out the word "Old".

Page 1, line 11, strike out the word "Old".

Page 2, line 19, strike out all of section 3 and insert in lieu thereof:

"SEC. 3. There are hereby authorized to be appropriated such sums, but not more than $115,000 for land acquisition, as are necessary to carry out the provisions of this Act."

The bill was ordered to be engrossed and read a third time, and was read the third time.

The title was amended so as to read:

A bill authorizing the establishment of a national historic site at Fort Davis, Jeff Davis County, Texas.

A motion to reconsider was laid on the table.

RUSSIAN ORTHODOX GREEK CATHOLIC CHURCH, ALASKA

The Clerk called the bill (S. 1644) to provide for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) for the purpose of making the records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress more readily available for study and research and as evidence of the vital statistics set forth therein, the Librarian of Congress shall arrange, transliterate into Latin characters, index and microfilm such records.

(b) The Librarian of Congress shall, consistent with any limitation imposed on the use of or access to such records by their donors or by those placing such records on deposit in the Library of Congress, make available to any State or political subdivision thereof and in the discretion of the Librarian, to any person or organization, copies of any index or microfilm prepared pursuant to subsection (a) upon payment by any such State, subdivision, person or organization of an amount determined by the Librarian to be the reasonably estimated cost of providing such copies.

SEC. 2. There is hereby authorized to be appropriated such sum, not to exceed $15,000, as may be necessary to carry out the provisions of this Act.

With the following committee amendment:

Any amounts collected by the Librarian under this subsection shall be deposited in the Treasury of the United States.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTABLISHING A NATIONAL ARMED FORCES MUSEUM

The Clerk called the bill (H.R. 4659) to establish a National Armed Forces Museum Advisory Board of the Smithsonian Institution, to authorize expansion of the Smithsonian Institution's facilities for portraying the contributions of the Armed Forces of the United States, and for other purposes.

Mr. GROSS. Mr. Speaker, reserving the right to object, do I understand that this museum is to be located in a building to be added to the new Smithsonian Institution? At one time it was proposed to erect, if I remember correctly, a separate building. I opposed that, and stopped it under a unanimous consent request.

Now, do I understand that this is to be located within the new Smithsonian Institution, or in a structure to be added to the new Smithsonian Institution?

Mr. JONES of Missouri. Mr. Speaker, if the gentleman will yield, I will be glad to attempt to answer his question.

Mr. GROSS. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. The bill is not authorizing construction of any new building. I have the assurance of the author of the bill, who is a member of the Board of Regents of the Smithsonian Institution, and I can assure the gentleman that the author has assured me that this bill is actually an insurance against the particular thing to which the gentleman objects.

Mr. GROSS. Mr. Speaker, I thank the gentleman, and withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is hereby established in the Smithsonian Institution a National Armed Forces Museum Advisory Board (hereinafter referred to as the Board), which shall provide advice and assistance to the Regents of the Smithsonian Institution on matters concerned with the portrayal of the contributions which the Armed Forces of the United States have made to American society and culture.

(b) The Board shall be composed of eleven members, as follows:

(1) The Secretary of Defense, who shall serve as an ex officio member;

(2) The Secretary of the Smithsonian Institution, who shall serve as an ex officio member;

(3) Nine members appointed by the President, (A) three of whom shall be appointed from persons recommended by the Secretary of Defense to represent the Armed Forces, and (B) two of whom shall be appointed from among persons recommended by the Regents of the Smithsonian Institution. Not less than two members appointed by the President shall be from civilian life.

(c) Members of the Board appointed by the President shall be appointed to serve for a period of six years; except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term and the terms of office of the members first appointed shall expire, as designated by the President at the time of appointment, three at the end of two years, three at the end of four years, and three at the end of six years.

(d) Five members of the Board shall constitute a quorum and any vacancy in the Board shall not affect its power to function.

(e) The members of the Board shall serve without compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Board.

(f) The Board shall select officers from among its members biennially and shall make such bylaws, rules, and regulations as it deems necessary for the furtherance of its business.

SEC. 2. (a) The Smithsonian Institution shall commemorate and display the contributions made by the military forces of the Nation toward creating, developing, and maintaining a free, peaceful, and independent society and culture in the United States of America. The valor and sacrificial service of the men and women of the Armed Forces shall be portrayed as an inspiration to the present and future generations of America. The demands placed upon the full energies of our people, the hardships endured, and the sacrifice demanded in our constant search for world peace shall be clearly demonstrated. The extensive peacetime contributions the Armed Forces have made to the advance of human knowledge in science, nuclear energy, polar and space exploration, electronics, engineering, aeronautics, and medicine shall be graphically described. The Smithsonian Institution shall interpret through dramatic display significant current problems affecting the Nation's security. It shall be equipped with a study center for scholarly research into the meaning of war, its effect on civilization, and the role of the Armed Forces in maintaining a just and lasting peace by providing a powerful deterrent to war. In fulfilling its purposes, the Smithsonian Institution shall collect, preserve, and exhibit military objects of historical interest and significance.

(b) The provisions of this Act in no way rescind Public Law 722, Seventy-ninth Congress, approved August 12, 1946, which established the National Air Museum of the Smithsonian Institution, or any other authority of the Smithsonian Institution.

SEC. 3. (a) The Board of Regents of the Smithsonian Institution is authorized and directed, with the advice and assistance of the Board, to investigate and survey lands and buildings in and near the District of Columbia suitable for the display of military collections. The Board of Regents of the Smithsonian Institution shall, after consulting with and seeking the advice of the Commission on Fine Arts, the National Capital Planning Commission, and the General Services Administration, submit recommendations to the Congress with respect to the acquisition of lands and buildings for such purpose.

(b) Buildings acquired pursuant to recommendations made under subsection (a) of this section shall be used to house public exhibits and study collections that are not appropriate for the military exhibits of the Smithsonian Institution on the Mall in the District of Columbia. Facilities shall be provided for the display of large military objects and for the reconstruction, in an appropriate way, on lands acquired pursuant to recommendations made under subsection (a) of this section, of exhibits showing the nature of fortifications, trenches, and other military and naval facilities characteristic of the American colonial period, the War of the Revolution, and subsequent American military and naval operations.

SEC. 4. The heads of executive departments and independent agencies of the Government are authorized to transfer or loan to the Smithsonian Institution for its use without charge therefor military, naval, aeronautical, and space objects, equipment and records for exhibition, historical, or other appropriate purposes.

SEC. 5. There are hereby authorized to be appropriated to the Smithsonian Institution such sums as may be necessary for the purposes of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REPRESENTATION ON THE JUDICIAL CONFERENCE

The Clerk called the bill (H.R. 176) to amend section 331 of title 28 of the United States Code so as to provide for representation on the Judicial Conference of the United States.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the first paragraph of section 331 of title 28 of the United States Code is amended to read as follows:

"The Chief Justice of the United States shall summon annually the chief judge of each judicial circuit, the chief judge of the Court of Claims, the chief judge of the Court of Customs and Patent Appeals, the chief judge of the Customs Court, and a district judge from each judicial circuit to a conference at such time and place in the United States as he may designate."

SEC. 2. The third paragraph of section 331 of title 28 of the United States Code is amended to read as follows:

"If the chief judge of any circuit or the district judge chosen by the judges of the circuit is unable to attend, the Chief Justice may summon any other circuit or district judge from such circuit. If the chief judge of the Court of Claims, or the chief judge of the Court of Customs and Patent Appeals, or the chief judge of the Customs Court is unable to attend, the Chief Justice may summon an associate judge of such court. Every judge summoned shall attend and, unless excused by the Chief Justice, shall remain throughout the sessions of the conference and advise as to the needs of his circuit or court and as to any matters in respect of which the administration of justice in the courts of the United States may be improved."

With the following committee amendments:

1. On page 1, lines 9 and 10, strike "the chief judge of the Customs Court".

2. On page 2, line 10, strike ", or the chief judge of the Customs Court".

3. At the end of section 2, add the following new section:

"SEC. 3. The second paragraph of section 605 of title 28, United States Code, is amended to read as follows:

" 'Such estimates shall be approved, before presentation to the Bureau of the Budget, by the Judicial Conference of the United States, except that the estimate with respect to the Customs Court shall be approved by such court.' "

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF WATERSHED PROTECTION AND FLOOD PREVENTION ACT

The Clerk called the bill (H.R. 3462) to amend the Watershed Protection and Flood Prevention Act to permit certain new organizations to sponsor works of improvement thereunder.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last paragraph of section 2 of the Watershed Protection and Flood Prevention Act is amended by inserting immediately before the period at the end thereof the following: "; or any irrigation or reservoir company, water users' association, or similar organization having such authority that may be approved by the Secretary".

With the following committee amendment:

Page 1, line 8, after the word "authority" insert "and not being operated for profit".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 650) to amend the Watershed Protection and Flood Prevention Act to permit certain new organizations to sponsor works of improvement thereunder.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last paragraph of section 2 of the Watershed Protection and Flood Prevention Act is amended by inserting immediately before the period at the end thereof the following: "; or any irrigation or reservoir company, water users' association, or similar organization having such authority that may be approved by the Secretary".

Mr. JONES of Missouri. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of Missouri: Strike out all after the enacting clause and insert the provisions of H.R. 3462 as passed, as follows:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last paragraph of section 2 of the Watershed Protection and Flood Prevention Act is amended by inserting immediately before the period at the end thereof the following: '; or any irrigation or reservoir company, water users' association, or similar organization having such authority and not being operated for profit that may be approved by the Secretary'."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 3462) was laid on the table.

AMENDMENT TO GRAPE AND PLUM EXPORT ACT

The Clerk called the bill (H.R. 6253) to amend the act of September 2, 1960 (74 Stat. 734), in order to authorize the Secretary of Agriculture to establish minimum standards of quality for any variety of grapes and plums covered by such act, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. HAGEN of California. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 1462, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There being no objection, the Clerk read the Senate bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act of September 2, 1960 (74 Stat. 734), is amended by (1) inserting "of any variety" immediately after "any grapes or plums", and (2) inserting "for such variety" immediately after "established".

SEC. 2. Section 4 of such Act is amended to read as follows:

"SEC. 4. The Secretary may, by regulation, exempt from compliance with the provisions of this Act (1) any variety or varieties of grapes and plums, and (2) the shipment of such minimum quantities of grapes and plums to any foreign country as he may prescribe."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 6253) was laid on the table.

APPEALS FROM THE SUPREME COURT OF PUERTO RICO

The Clerk called the bill (H.R. 7038) to eliminate the right of appeal from the Supreme Court of Puerto Rico to the Court of Appeals for the First Circuit.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 81 of title 28, United States Code, is amended by inserting therein immediately after section 1257 of such title an additional section reading as follows:

"§ 1258. Supreme Court of Puerto Rico; appeal; certiorari

"Final judgments or decrees rendered by the Supreme Court of the Commonwealth of Puerto Rico may be reviewed by the Supreme Court as follows:

"(1) By appeal, where is drawn in question the validity of a treaty or statute of the United States and the decision is against its validity.

"(2) By appeal, where is drawn in question the validity of a statute of the Commonwealth of Puerto Rico on the ground of its being repugnant to the Constitution, treaties, or laws of the United States, and the decision is in favor of its validity.

"(3) By writ of certiorari, where the validity of a treaty or statute of the United States is drawn in question or where the validity of a statute of the Commonwealth of Puerto Rico is drawn in question on the ground of its being repugnant to the Constitution, treaties, or laws of the United States, or where any title, right, privilege, or immunity is specially set up or claimed under the Constitution, treaties, or statutes of, or commission held or authority exercised under, the United States."

SEC. 2. The analysis of chapter 81 of title 28, United States Code, immediately preceding section 1251 of such title, is amended by inserting at the end thereof immediately following item 1257 an additional item, reading as follows:

"1258. Supreme Court of Puerto Rico; appeal; certiorari."

SEC. 3. Section 1293 of title 28, United States Code, is repealed: *Provided,* That such repeal shall not deprive the Court of Appeals for the First Circuit of jurisdiction to hear and determine appeals taken to that court from the Supreme Court of Puerto Rico before the effective date of this Act.

SEC. 4. Item 1293 is stricken from the analysis of chapter 83 of title 28, United States Code, immediately preceding section 1291 of such title.

SEC. 5. Section 1294 of title 28, United States Code, is amended by striking out paragraph (4) thereof reading as follows:

"(4) From the Supreme Court of Puerto Rico, to the Court of Appeals for the First Circuit;"

and by renumbering paragraph (5) thereof as paragraph (4).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TENURE FOR JUDGES OF THE U.S. DISTRICT COURT OF PUERTO RICO

The Clerk called the bill (H.R. 6902) to provide the same life tenure and retirement rights for judges hereafter appointed to the U.S. District Court for the District of Puerto Rico as the judges of all other U.S. district courts now have.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 134 of title 28, United States Code, is amended to read as follows:

"(a) The district judges shall hold office during good behavior."

SEC. 2. The first paragraph of section 373 of title 28, United States Code, is amended by striking out the words "the United States District Court for the District of Puerto Rico,"

SEC. 3. The second paragraph of section 451 of title 28, United States Code, is amended by striking out the words "the United States District for the District of Puerto Rico,"

SEC. 4. The amendments made by this section to sections 134 and 373 of title 28, United States Code, shall not affect the tenure of office or right to continue to receive salary after resignation, retirement, or failure of reappointment of any district judge for the district of Puerto Rico who is in office on the date of enactment of this Act.

Mr. CELLER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CELLER, of New York: On page 2, line 7, strike the word "section" and insert in lieu thereof the word "Act."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INDIANS OF THE QUINAULT TRIBE, WASHINGTON

The Clerk called the bill (H.R. 4945) to set aside certain lands in Washington for Indians of the Quinault Tribe.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Reserving the right to object, Mr. Speaker, may I ask the author of the bill a question or two in order to clarify several points?

As I understand the facts, in the early 1900's the Department of the Interior

transferred to the Department of Commerce certain acres, at which time the Department of Commerce paid to the Department of the Interior for the benefit of the Quinault Tribe an amount in the total of $581.12 for 85 acres. Is that correct?

Mrs. HANSEN. That is correct. The entire acreage purchased from the Quinault Tribe was 85.05 acres, and the sum involved was $581.12.

Mr. FORD. This proposed legislation then would transfer back from the Department of Commerce to the Quinault Tribe the same acreage at the same price?

Mrs. HANSEN. Exactly.

Mr. FORD. Is it true that in the interim the value of the timber on the 85 acres has gone up substantially?

Mrs. HANSEN. The value of the timber is always a debatable question. It is true that the timber has grown. There has been no expenditure of funds by the Government.

In 1915 this land was acquired for a lighthouse. The lighthouse was not built. Not a cent has been spent on improvement of this land.

Mr. FORD. According to the summary I have before me, the following information is given, presumably from the committee report, and I quote:

> The current value of the 85.05 acres, excluding minerals, is estimated to be $850 for the land and $8,500 for the timber, a total of $9,350.

The original purchase price paid by the Department of Commerce was $581.12 and the price now to be paid by the Indians for the land is the same amount. So I am assuming that the Indians, at the expense of the Government, are getting approximately $8,750 profit on the deal; is that correct?

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. FORD. I am glad to yield to my colleague.

Mr. HALEY. Of course, originally this land was transferred to the Federal Government for a specific purpose, namely, to build a lighthouse, otherwise the property would not have been sold. It is true there has been some increase in the timber values. There is some argument as to just how much this increase amounts to. But, I want to call my friend's attention to the fact that this is a very poor tribe and they do not have the money to purchase the timber rights and, as I say, there is some doubt about the eight thousand and some-odd dollars really being the value of the timber because of the inaccessibility of the timber and getting it out and marketing it. But I think this is a good bill, and I hope the gentleman will not object to it.

Mr. FORD. I know there are certain extenuating circumstances here. But the committee of objectors does have the policy of requiring that the fair market value be paid by anybody who purchases land from the Federal Government. If it were not for the extenuating circumstances here, I would object to the consideration of the bill.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. FORD. I am glad to yield to my colleague.

Mr. ASPINALL. I think if we trace this back to the time when the Federal Government took this land from the Indian tribe, we would find that the Indian tribe was in no position to question the amount that was paid to them. They took what was offered to them and they released the possession of their land, that is, at least as far as the surface use of the land was concerned. The Federal Government never did use the land as proposed. The land has remained vacant all this time. I think the gentleman from Michigan is perfectly in order if he treats this as one of those cases where extenuating circumstances make an exception to the general rule.

Mr. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That lands heretofore set aside under the provisions of the Act of August 22, 1914 (38 Stat. 704), for lighthouse purposes at or near Cape Elizabeth on the Quinault Indian Reservation, State of Washington, and consisting of eighty-five and five one-hundredths acres, more or less, in lots, 1, 2, and 3 in section 34, township 22 north, range 13 west, Willamette meridian, which lands are excess to the needs of the Treasury Department, shall be, and the same are hereby, set aside in trust for the Quinault Tribe of Indians, in the same manner and to the same extent as other real property held in trust by the United States for said tribe.

SEC. 2. This Act shall not become effective until the Quinault Tribe of Indians shall have agreed to eliminate from their suit now pending before the Indian Claims Commission under the Act of August 13, 1946 (60 Stat. 1049) any claim based on alleged inadequate compensation for said lands and to renounce any other claims they may have with respect thereto. Neither the lands herein authorized to be disposed of nor the cost or value of said lands shall be considered by way of offset under section 2 of said Act. Nothing contained in this Act shall be construed as an admission of liability on the part of the United States with respect to these or any other lands and improvements.

With the following committee amendment:

> Page 2, line 3, strike out all of section 2 and insert in lieu thereof the following:
> "SEC. 2. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission, provided that said setoff shall not exceed the sum of $581.12."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 507) to set aside certain land in Washington for Indians of the Quinaielt Tribe, a similar bill to the House bill just passed.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. ASPINALL: Strike out all after the enacting clause of the bill, S. 507, and insert the provisions of the bill, H.R. 4945, as passed.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

By unanimous consent (at the request of Mr. ASPINALL), the title was amended so as to read: "A bill to set aside certain land in Washington for Indians of the Quinaielt Tribe."

A similar House bill, H.R. 4945, was laid on the table.

CREDITING CERTAIN MINORITY SERVICE

The Clerk called the bill (H.R. 6597) to amend title 10, United States Code, to permit the crediting of certain minority service for the purpose of determining eligibility for retirement, and for other purposes.

There being no objection the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 53 of title 10, United States Code, is amended, as follows:

(1) By adding the following new section at the end thereof:

"§ 1039. Crediting of minority service

"For the purpose of determining eligibility for retirement or transfer to the Fleet Reserve or Fleet Marine Corps Reserve, entitlement to retired or retainer pay, and years of service in computing retired or retainer pay of a member of the armed forces, any service which would be creditable but for the fact that it was performed by him under an enlistment or induction entered into before he attained the age prescribed by law for that enlistment or induction, shall be credited."

(2) By adding the following item at the end of the analysis:

"1039. Crediting of minority service."

SEC. 2. Section 1 applies to service performed, and retirements or transfers to the Fleet Reserve or the Fleet Marine Corps Reserve effected, before and after this Act takes effect.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADVANCE PAY IN EVENT OF EMERGENCY EVACUATION

The Clerk called the bill (H.R. 7724) to provide for advances of pay to members of the armed services in cases of emergency evacuation of military dependents from oversea areas and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, a bill is to come up under suspension later this afternoon dealing with advances to pay under emergencies dealing with civilians in the Federal Government.

With that in mind I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

FEDERAL FACILITIES CORPORATION

The Clerk called the bill (H.R. 7864) to dissolve Federal Facilities Corporation, and for other purposes.

There being no objection the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to the provisions of section 2 of this Act, the Administrator of General Services is hereby designated to administer the contracts of sale of the Government-owned rubber producing facilities made pursuant to the Rubber Producing Facilities Disposal Act of 1953 (67 Stat. 414), as amended, and to administer other matters involving the Rubber Producing Facilities Disposal Commission, including the exercise of all powers and authority conferred upon the said Commission by section 6 of the Act of March 21, 1956 (70 Stat. 51, 53), and also including the winding up of the affairs of the Commission. The said contracts are hereby transferred from Federal Facilities Corporation to the Administrator of General Services.

SEC. 2. The administration of the national security clause contained in the contracts of sale referred to in section 1 of this Act shall be carried out in accordance with the needs and requirements of the national defense as determined by the Secretary of Defense.

SEC. 3. The records and the remaining assets and liabilities of the Rubber Producing Facilities Disposal Commission are hereby transferred from Federal Facilities Corporation to the Administrator of General Services for use of the Administrator in connection with the administration or performance of his functions and duties under sections 1 and 2 of this Act, or for other disposition as may be determined, consonant with law, by the Administrator.

SEC. 4. (a) Notwithstanding any other provision of law, the books of account, records, documents, property, assets and liabilities of every kind and nature, including, but not limited to, all funds, notes (and accrued interest thereon), mortgages, deeds of trust, contracts, commitments, claims, and causes of action, of Federal Facilities Corporation are transferred to the Administrator of General Services for liquidation and, in connection therewith, there are also transferred to the Administrator, notwithstanding the provisions of section 6 of this Act, all functions, powers, duties, authority, rights, and immunities now vested in, or available or applicable to, the Corporation which shall be performed, exercised, and administered by the Administrator in the same manner and to the same extent as if the same were performed, exercised, and administered by the Corporation. The Administrator shall assume and be subject, in his official capacity, to all liabilities and commitments, whether arising out of contract or otherwise, of the Corporation but he shall pay into the Treasury, as miscellaneous receipts, all future receipts and all remaining funds of the Corporation transferred to, or received by, him pursuant to this Act.

(b) Any obligation of General Services Administration to Federal Facilities Corporation existing by virtue of the provisions of section 5(b) of the joint resolution, "To authorize the disposal of the Government-owned tin smelter at Texas City, Texas, and for other purposes", approved June 22, 1956 (Public Law 608, Eighty-fourth Congress, chapter 426, second session (70 Stat. 329)), is canceled.

SEC. 5. The Administrator of General Services is authorized to delegate, from time to time as he may deem to be appropriate, to any officer, employee, or administrative unit under his jurisdiction the performance of any function and the exercise of the related authority transferred to the Administrator by this Act.

SEC. 6. The succession of Federal Facilities Corporation is terminated and the Corporation is dissolved. The charter of the Corporation, as amended, is repealed.

SEC. 7. No suit, action, or other proceeding lawfully commenced by or against Federal Facilities Corporation before the dissolution of the Corporation shall abate by reason of such dissolution; but the court may, on motion or supplemental petition filed at any time within twelve months after such dissolution and showing a necessity for the survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, allow the same to be maintained by or against the United States in such court. After the dissolution of the Corporation, any suit, action, or other proceeding which, but for such dissolution, would be commenced by or against the Corporation, shall be commenced by or against the United States in a Federal court of competent jurisdiction.

SEC. 8. In the event that title to any real property which was sold by the Rubber Producing Facilities Disposal Commission or by the Federal Facilities Corporation to private industry on credit, under mortgage, deed of trust, or similar arrangement, is acquired by the United States by reason of default by, or failure of performance of, the purchaser, or its successor in interest, of any of its obligations, such real property shall continue to be subject to special assessments for local improvements and to State, county, municipal, or local taxation to the same extent according to its value as other real property is taxed and the Administrator of General Services is authorized and directed to pay such special assessments and taxes.

SEC. 9. This Act shall take effect at the close of September 30, 1961.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DECEASED DEPENDENTS OF MILITARY PERSONNEL

The Clerk called the bill (H.R. 7935) to restore authority in the Armed Forces to prepare the remains, on a reimbursable basis, of certain deceased dependents of military personnel and to transport the remains at Government expense to their homes or other appropriate place of interment.

There being no objection the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1485(a) of title 10, United States Code, is amended by inserting the phrase "excluding Alaska and Hawaii" after the words "United States."

SEC. 2. This Act is effective from January 2, 1959.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXERCISE COMMAND OF TROOPS BY OFFICERS OF ARMY MEDICAL CORPS

The Clerk called the bill (H.R. 7722) to amend section 3579, title 10, United States Code, to provide that commissioned officers of the Medical Service Corps may exercise command outside the Army Medical Service when directed by proper authority.

There being no objection the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3579 of title 10, United States Code, is amended—

(1) by striking the word "A" at the beginning of subsection (a) and inserting the words "Except as provided in subsection (c), a" in place thereof; and

(2) by adding the following new subsection at the end thereof:

"(c) An officer of the Medical Service Corps may exercise command of troops that are not part of the Army Medical Service whenever authorized by the Secretary of the Army. The Secretary of the Army may delegate such authority to appropriate commanders as the interest of the Army may require."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPACT BETWEEN THE STATES OF PENNSYLVANIA AND OHIO RELATING TO PYMATUNING LAKE

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 7454) consenting to the amendment of the compact between the States of Pennsylvania and Ohio relating to Pymatuning Lake.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of Amercia in Congress assembled, That the consent of Congress is hereby given to the amendment, as contained in Act numbered 235 of the State of Pennsylvania, approved August 12, 1959, and as agreed to by the State of Ohio on April 16, 1961, of the compact between such States, approved by the Congress in the Act of August 28, 1937 (50 Stat. 865), relating to Pymatuning Lake.

SEC. 2. The Congress reserves the right to alter, amend, or repeal this Act.

With the following committee amendment:

Page 1, line 6, strike out "16" and insert "18,".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING PROTECTION FOR THE VICE PRESIDENT

Mr. FORRESTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6691) to amend title 18, United States Code, sections 871 and 3056, to provide penalties for threats against the successors to the Presidency, to authorize their protection by the Secret Service, and for other purposes.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 18, United States Code, section 871, is amended to read as follows:

"§ 871. Threats against President and successors to the Presidency

"(a) Whoever knowingly and willfully deposits for conveyance in the mail or for a delivery from any post office or by any letter carrier any letter, paper, writing, print, missive, or document containing any threat to take the life of or to inflict bodily harm upon the President of the United States, the President-elect, the Vice President or other officer next in the order of succession to the office of President of the United States, or the Vice President-elect, or knowingly and willfully otherwise makes any such threat against the President, President-elect, Vice President or other officer next in the order of succession to the office of President, or Vice President-elect, shall be fined not more than $1,000 or imprisoned not more than five years, or both.

"(b) The terms 'President-elect' and 'Vice President-elect' as used in this section shall mean such persons as are the apparent successful candidates for the offices of President and Vice President, respectively, as ascertained from the results of the general elections held to determine the electors of President and Vice President in accordance with title 3, United States Code, sections 1 and 2. The phrase 'other officer next in the order of succession to the office of President' as used in this section shall mean the person next in the order of succession to act as President in accordance with title 3, United States Code, sections 19 and 20."

SEC. 2. The analysis of chapter 41 of title 18, United States Code, immediately preceding section 871 of such title is amended by deleting

"871. Threats against President, President-elect, and Vice President."

and inserting in lieu thereof the following:

"871. Threats against President and successors to the Presidency."

SEC. 3. The first independent clause of title 18, United States Code, section 3056, is amended to read as follows:

"§ 3056. Secret Service powers

"Subject to the direction of the Secretary of the Treasury, the United States Secret Service, Treasury Department, is authorized to protect the person of the President of the United States, the members of his immediate family, the President-elect, the Vice President or other officer next in the order of succession to the office of President, and the Vice President-elect; protect a former President, at his request, for a reasonable period after he leaves office;".

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second.

The SPEAKER. Without objection a second will be considered as ordered.

There was no objection.

Mr. FORRESTER. Mr. Speaker, I yield myself such time as I may consume.

The SPEAKER. The gentleman from Georgia is recognized.

Mr. FORRESTER. Mr. Speaker, very briefly, H.R. 6691 makes salutary amendments to title 18, section 871, and title 18, section 3056.

As section 871 is now written it punishes threats to the President, to the President-elect and the Vice President, but for some reason the bill does not include the Vice-President-elect, nor does it include certain other officers who may be in succession for the Presidency; and, of course, we know that in the event there is no Vice President the next in succession would be the Speaker of the House, and no Speaker, the President pro tempore of the Senate.

Section 3056 simply broadens the authority of the Secret Service to extend protection to the Vice President without the Vice President having to request it; and, if there is no Vice President, it provides protection for the next in succession to the Presidency, which would be the Speaker of the House and then the President pro tempore of the Senate. It also provides protection to the Vice-President-elect.

Mr. Speaker, the person of the President is protected and also the members of his immediate family. The protection granted the Vice President extends only to him in an individual capacity and is not extended to the respective families of the Vice Presidents.

This bill also provides protection for a former President at his request for a reasonable time after he leaves office.

There is nothing partisan in this legislation. As a matter of fact, I think last year an identical bill was placed in the hopper, but we never got around to its consideration. This particular legislation at this time stems from a request coming from the White House suggesting that these omissions be corrected, and very frankly I agree.

The present law is not adequate. I can see no reason on earth why our Vice President should not receive protection without specifically requesting it. He should be granted this protection. I think it is very embarrassing for him to have to ask for it. As a matter of fact, I think the Vice President should not be put to that choice, occupying an office of such dignity. There are some other reasons why this should be enacted. That same rule ought to be applicable to those who stand in line of succession to the Presidency.

There is a provision for protecting, for a reasonable time, former Presidents in the event the former Presidents should require it. That is reasonable, in my opinion; it ought to be done. As a matter of fact, if I had any criticism at all, I think there ought to be an addition saying it could be done at his request or at the discretion of the Secret Service.

Mr. Speaker, I hope this legislation will be adopted.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. FORRESTER. I yield to the gentleman from New York.

Mr. CELLER. Is it not true that in the case of former President Eisenhower, many people have been crowding around his Gettysburg farm and at times are most annoying to him? They climb over fences. Barriers mean nothing to them. They take all kinds of souvenirs from off the farm itself, and while the former President may be loath to ask for such protection, if it gets to a situation where he cannot help himself, he may have to ask for protection. This bill would provide that protection?

Mr. FORRESTER. This bill would only provide protection for his person. It does not protect his property in any way, shape, or form, and I want to make that crystal clear, because there were some statements in the newspapers to the contrary.

Mr. CELLER. Is it not a fact also that at best the cost would not be over $100,000 for protection of the Vice-President-elect and our past Presidents who are now alive?

Mr. FORRESTER. I do not think it would be any more than that. I say they are entitled to that protection. The office is entitled to that protection. I do not think my record will indicate that I am extravagant, but the people elected the Vice President of the United States, and he is entitled to this protection. I do not believe he ought to have to come in and beg for it. As a matter of fact, I happen to know that there is a lot to the power of suggestion. You put it in the paper that a Vice President requests this protection and you will have a lot of crackpots from all over the country who may put his life in danger who had not even thought about it if you had not put in the newspaper that the Vice President made the request.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. FORRESTER. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. How does that hook up with your civil rights legislation? Have I not the right to go to Gettysburg and watch those people up there?

Mr. FORRESTER. The gentleman does not believe I would deprive him of any of his civil rights, does he?

Mr. HOFFMAN of Michigan. I know, but I do not want the FBI shoving me around. I think I have a right to drive up that public road.

Mr. FORRESTER. There is no doubt about that. I just made the statement that all this bill would do would be protection of the person of the former President. I do not believe they are going to shove the gentleman off the road.

Mr. HOFFMAN of Michigan. What are you going to do with these fellows who follow President Truman around? Are you going to deprive him of all that publicity?

Mr. FORRESTER. I think the gentleman forgets, though, that the former President would have to request this protection.

Mr. WILSON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. FORRESTER. I yield to the gentleman from Indiana.

Mr. WILSON of Indiana. I wonder if there should not be, perhaps, a limitation put on the number of places of abode or residence where he could request guards. How many different places of residence does the President have, do you know? I believe there is one at Hyannis Port. I believe he has a home in Massachusetts. I believe he has one at the White House. He has one in Georgetown; he has one in Virginia; and he has one in Florida. I do not know how many more he has. Now, there are about 11 different homes where we would supply guards that he would call his place of abode.

Mr. FORRESTER. But would the fact that he had two or more men with him be analogous or pertinent to this?

Mr. WILSON of Indiana. Well, there could be various members of the family at various places at the same time. You might have to have a whole division, perhaps, to satisfy the security needs of all these different people.

Mr. FORRESTER. The gentleman knows that that has been in force and that has been in effect and been in practice for more than 100 years.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. FORRESTER. I yield to the gentleman from New York.

Mr. CELLER. As far as the President is concerned, we have laws on the books already offering him this protection. This has nothing to do with the protection accorded to the President. This only refers to the Vice President and past Presidents now living.

Mr. FORRESTER. Not only that, but the Vice President has it now if he requests it. We are just trying to relieve him of making that request and trying to give the dignity that the office is entitled to.

Mr. GROSS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I have yet to see a Vice President that appeared to be embarrassed because he asked for and was accompanied by Secret Service men. I just do not understand that argument. Providing protection for Vice Presidents has been going on for years and years and then some more years and I have not seen any of them who seemed embarrassed because they asked for Secret Service men or they were assigned to them.

Incidentally, I had a letter from the Secretary of Defense a few days ago concerning a trip that the present Vice President of the United States made in connection with the dedication of a saline water conversion plant at Freeport, Tex. My interest in this junket, among other things, was in trying to learn who provided the transportation, and I find that the Air Force provided jet airplane transportation from Washington to Houston, Tex., and return, at a cost to the taxpayers of $9,500—I did not make a mistake—at a cost of $9,500 from Washington to Houston, Tex. Another plane was used from Houston, Tex., on to Freeport, and the trip was topped off with a so-called inspection of Padre Island, apparently for the purpose of coming to Congress to get the taxpayers of this country to vote money to make Padre Island, along the Texas coast of the Gulf of Mexico, a national park. I find Vice President JOHNSON's passenger list contained two Secret Service agents making the trip in addition to a number of Congressmen, plus some Pooh-Bahs in Government, plus several handpicked newspapermen and a photographer. Now, in the pictures of the Vice President on this trip to Texas, I did not notice that his face was red or that he appeared embarrassed by having taken two Secret Service men along on this $9,500 jet flight at taxpayer expense from Washington to Houston, Tex.

Mr. FORRESTER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Georgia.

Mr. FORRESTER. It is very interesting to hear about that incident that occurred, but what relevancy or what peculiarity does it have to the legislation that we have before us now?

Mr. GROSS. He had two Secret Service men with him on this trip and I did not notice that he was embarrassed by the fact of having them with him.

Mr. FORRESTER. Of course, the gentleman never wants the Vice President of the United States embarrassed, does he?

Mr. GROSS. Oh, of course not. Let me ask the gentleman how Vice President JOHNSON gets these Secret Service men? Does he write a letter, or telephone? How does a Vice President get these men? I am sure you gentlemen held hearings on this bill.

Mr. FORRESTER. Yes, we did. If the gentleman will yield, it could possibly be that the Vice President might not even know he was in danger, while the head of the Secret Service might know it. That is what we are trying to do, to relieve him of that necessity.

Mr. GROSS. You want him to have 24-hour, around-the-clock Secret Service protection whether he wants it or not?

Mr. FORRESTER. That is exactly what we want. That is what the Republican administration wanted, and that is what the Democratic administration wants.

Mr. GROSS. Whether he wants it or not?

Mr. Speaker, I will leave the Vice President for a little while and try to get back to him. Let us go to the former Presidents.

What do you mean by reasonable time in which you are going to furnish Secret Service protection to a former President? What is a reasonable time? Will the gentleman give the House some idea?

Mr. FORRESTER. Yes. I would say that a reasonable time would be an appreciable time since he left office.

Mr. GROSS. What was that again?

Mr. FORRESTER. Some appreciable time after he left office.

Mr. GROSS. Would it be 6 months, a year, 5 years, or what?

Mr. FORRESTER. Let me say this to the gentleman: I do not want to pinpoint it because I think the word "reasonable" is put in there for the specific reason of not having to pinpoint it. I think the word "reasonable" would be construed along with conditions that existed at the time.

Mr. GROSS. With reference to the people who are climbing over the fences on the Eisenhower farm up at Gettysburg, as suggested by Mr. CELLER, if they continue to do that for the next 10 years or 15 years would you continue to have Secret Service people up there? I still do not have an answer.

Perhaps the chairman of the Judiciary Committee can tell me the meaning of "reasonable time."

Mr. CELLER. If the gentleman will yield, I will read from the report the testimony before the subcommittee of the House Committee on the Judiciary of Mr. Eugene Baughman, Chief of the Secret Service, who said he contemplated this would require a detail of 4 or 5 agents for a period of 6 months after the President leaves office.

Mr. GROSS. That is Mr. Baughman talking. That is not the chairman of the committee talking. What do you say is a reasonable time?

Mr. CELLER. I thinks 6 months would be a reasonable time.

Mr. GROSS. But it could be longer? Is that what the gentleman is saying?

Mr. CELLER. It could be, but I doubt whether it would.

Mr. GROSS. And if the souvenir hunters continue to climb the fences at Gettysburg, you would have Secret Service men up there from now until doomsday, despite the fact that the county in which he lives in Pennsylvania and the State of Pennsylvania has the first obligation to protect the property of the former President of the United States, is that not right?

Mr. CELLER. That is probably correct.

Mr. GROSS. Why do you want to saddle it on all the taxpayers of the country?

Mr. CELLER. There may be circumstances quite beyond the ken, intelligence and expertise of the State officials. There may be certain knowledge residing only in the minds of the Secret Service that would require attendance on the President for at least 6 months and perhaps a little longer. But I am willing to take the word of the expert, the Chief of the Secret Service, who says 6 months would be a reasonable time.

Mr. GROSS. According to the report, Mr. Baughman also says he can absorb the cost of these additional agents without additional money. If that is true, we have been appropriating money and providing agents that they do not need—either men or money or both. If they can absorb the cost of a half dozen Secret Service agents up at Gettysburg for a reasonable time—and I still do not know what a reasonable time is—for around-the-clock protection of a former President, they have got some people stacked up over there whom they do not need; is not that correct?

Mr. CELLER. I do not think so. I think you are conjuring up a lot of impossibilities and improbabilities. I do not think that is the case. I think we can take the word of Mr. Baughman, who is a very dedicated public servant.

Mr. GROSS. The gentleman can sing the praises of Mr. Baughman on his own time. The fact is that they can absorb all of these costs, and there will be considerable cost, without an additional appropriation. If so, they are getting more money now than they ought to have.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HOFFMAN of Michigan. With the President's frightening us every day about the dangers from abroad, and asking for all these billions for national defense and for civil defense, now they come along with a bill, and there is no limit to this thing. With a large family and relatives here and there, the immediate family, and I suppose that includes his brothers and sisters-in-law, with all those in all parts of the United States and sometimes abroad part of the time, why do you not give us some estimate about the cost?

When the President tells us that every dollar for national defense we must have in the next week or we will be blown some place, to Heck—I might as well use that word—we ought to have some estimate of the cost of this.

Mr. FORRESTER. Certainly the bill does not relate to the brothers-in-law and the sisters-in-law. The gentleman will concede that.

Mr. GROSS. No, I will not concede that, because they seem to be a part and parcel of all the trips that are being made. They are part of the family.

Mr. HOFFMAN of Michigan. Certainly they are a part of the family.

Mr. FORRESTER. The bill states it would be for the Vice President, which means the person of the Vice President and could not include the family. It could not mean the family.

Mr. GROSS. If a Secret Service man is riding with the Vice President and someone tries to get close to the wife of the Vice President without being authorized to do so, does the gentleman think the Secret Service is going to stand by and let that happen?

Mr. FORRESTER. I would certainly hope he would not.

Mr. GROSS. So would I. But let us stop slicing it as thin as the gentleman wants to slice it. Let us use a little reason on this bill. I would like to have the opportunity to amend this bill to define a reasonable time, so that we would not be stationing Secret Service agents up at the farm at Gettysburg for the next several years. The State and the county have an obligation to provide protection to the former President. Moreover, he is not a pauper. If the tourists are running all over his farm, he might hire some person who is unemployed to look after his property.

Mr. MATHIAS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Maryland.

Mr. MATHIAS. Does the gentleman feel that when a citizen has rendered service as a President of the United States he might have been generating danger to his own person?

Mr. GROSS. I think you could say there is the possibility of danger being generated to the person of a common garden variety Member of Congress.

Mr. MATHIAS. Does the gentleman think there is reason for that, when there is a threat to the person within a reasonable period of time?

Mr. GROSS. No, I do not think so.

Mr. MATHIAS. Does the gentleman think the State of Pennsylvania could provide protection for President Eisenhower when he leaves Pennsylvania and goes to Maryland or some other State?

Mr. GROSS. I do not think President Eisenhower needs very much protection. I do not think he presently has any protection going to and from the farm at Gettysburg to Washington, D.C. I do not think he has that kind of protection today. He seems to get along pretty well. If you want to employ the Secret Service to go up there and take care of the curiosity seekers and the souvenir hunters, that is another thing. That is what I am objecting to.

Mr. MATHIAS. That is not in this bill.

Mr. GROSS. That is what can happen, and the gentleman knows it.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

DEPARTMENT OF AGRICULTURE CENTENNIAL OBSERVANCE

Mr. LANE. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 435) to provide for recognition of the centennial of the establishment of the Department of Agriculture, and for other purposes.

The Clerk read as follows:

Whereas May 15, 1962, marks the centennial of legislation establishing the United States Department of Agriculture; and

Whereas such Act is a landmark in agricultural and legislative history; and

Whereas the research, service, and educational work of the United States Department of Agriculture has over the years resulted in great benefits to the American people through increased efficiency in the production, utilization, and marketing of agricultural products essential to the health and welfare of our people and through the promotion of a sound and prosperous agriculture and rural life indispensable to the maintenance of maximum employment and national prosperity; and

Whereas during the hundred years since the establishment of the Department of Agriculture a significant factor in producing the unparalleled agricultural revolution which has taken place in this Nation has been the cooperation between the United States Department of Agriculture and the national system of land-grant universities and colleges which was inaugurated under the first Morrill Act of July 2, 1862, and this historical anniversary will also be observed during the same year: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is fitting and proper to commemorate the centennial of the establishment of the Department of Agriculture by appropriate celebration; that the President is authorized and requested to issue a proclamation designating 1962 as the centennial year of the establishment of the United States Department of Agriculture; that such centennial be otherwise appropriately recognized and commemorated; that the Department of Agriculture in its centennial observances may cooperate with land-grant universities and colleges and other appropriate organizations and individuals; and that the historical and present close cooperative relationship with the national system of land-grant universities and colleges be recognized in connection with such centennial.

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second in order to insure discussion of the legislation. I am not opposed to it.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. LANE. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, House Joint Resolution 435 has as its purpose the recognition of 1962 as the centennial year of the Department of Agriculture and would provide for the observance of the establishment of that Department by providing for departmental cooperation with land-grant universities and colleges and other appropriate organizations and individuals, and by providing for the recognition of the close cooperative relationship with our national system of land-grant universities and colleges in connection with the centennial.

House Joint Resolution 435 was introduced in accordance with the recommendations of an Executive communication transmitted to the House of Representatives by the Department of Agriculture. In its communication, the Department observed that over the past 100 years the research, service, and educational work of the Department of Agriculture has resulted in great benefits to the American people as individuals and to our national development and prosperity. Others have contributed to this development including our land-grant universities and colleges, farm organizations, agricultural societies, commodity groups, trade associations, and industries associated with agriculture. In view of this combined effort, the Department views its centennial as an occasion for calling public attention to the contributions of the combined agricultural enterprise in furthering the health and welfare of every individual, our national economic development, and the development of underdeveloped areas. The recognition of the centennial by the Congress and the President would contribute significantly to obtaining broader understanding of these basic roles of agriculture in our national life.

The communication took notice of the fact that on July 2, 1862, President Lincoln signed the Morrill Act upon which is based our nationwide system of land-grant universities and colleges, and stated that it was the Department's understanding that these institutions, which will observe in 1962 the 100th anniversary of their founding, will also offer to the Congress a proposed joint resolution recognizing their centennial, and that their proposed resolution will contain a reference to the Department's

centennial, as does the Department's proposed resolution contain a reference to the land-grant centennial. The Department and the land-grant institutions expect to observe several of their centennial activities jointly in recognition of their present and historical close relationships.

The contributions made by the Department of Agriculture to the life of our people and to the growth of our Nation over the years have truly been significant and of vital importance. It is only proper that the hundred years of existence of the Department be observed in the manner provided in this resolution.

Mr. SHRIVER. Mr. Speaker, will the gentleman yield?

Mr. LANE. I yield to the gentleman from Kansas [Mr. SHRIVER], a very active, sincere, conscientious member of the Judiciary Committee and one of the members of the subcommittee that considered this bill.

Mr. SHRIVER. Mr. Speaker, I rise in support of the resolution.

Our Committee on the Judiciary unanimously recommended the passage of this resolution.

Over the past 100 years, the research service and educational work of the Department of Agriculture has resulted in great benefit to the American people as individuals, and to our national development and prosperity. Others have contributed to this development, including our land-grant universities and colleges, our farm organizations, our agricultural societies, commodity groups, trade associations, and industries associated with agriculture.

The recognition of the centennial by the Congress and by the President would greatly contribute to obtaining broader understanding of the basic role of agriculture in our national life.

On July 2, 1862, President Lincoln signed the Morrell Act upon which is based our nationwide system of land-grant universities and colleges. A few moments ago this body passed a resolution similar to this one to recognize the centennial of the land-grant schools, and the land-grant institutions expect to observe several of their centennial activities next year jointly in recognition of their present and historical close relationship.

This recognition of the Department of Agriculture's centennial calls for no additional appropriation. The passage of this resolution will provide for the recognition of the centennial of the establishment of our Department of Agriculture, a most worthy piece of legislation.

Mr. GROSS. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, there is a time for all things, and it would seem, with the President, the whole administration, and the press telling us every day that we are in imminent danger from Russia, may be blown off the earth before the day is over, that we should get busy and implement an adequate defense, that we must at once find the money for civil defense—that is, dig a hole so we can crawl into it if the bombs come—with all the things which threaten our immediate destruction—with the unemployment appropriations, with money for depressed areas—I do not know the last, but imperative requests or demands come to the House every session and it seems as though there is a demand for further appropriations without paying any attention whatever to the size of the national debt, to a $9 billion annual interest charge on that—we should save our dollars to be able to save our existence—but just ignore the fact that somewhere, sometime, someone must furnish the money which is necessary to enable us to exist, either as individuals or as a nation. It does seem to me as an old candlestick molder and horse-and-buggy fellow, it does seem that we should look around and try to find out what is first needed. Many things are desirable but all are not essential. There is, believe it or not, a limit to what we can do.

This morning, just a few minutes ago, I listened to the gentleman from California [Mr. HOLIFIELD], a member of the Committee on Atomic Energy, tell us that because the other day the House did not give $300 million additional for civil defense, we might find ourselves with no place to go if attacked; is that right?

Mr. MASON. That is right.

Mr. HOFFMAN of Michigan. That is what it was for?

Mr. MASON. That is the program.

Mr. HOFFMAN of Michigan. Then because we cut the $95 million out of a bill, to make electricity from steam, we were going to be blown—to one or the other place—we will say somewhere in outer space. We have all of those people advising the President, and all these newsmen sitting up in the gallery watching legislation. Do they not know what is going on? They may listen to what we say and they may be deceived to a large extent. But they are presumed to have commonsense, they are presumed to have some background of experience, as are we. We are all supposed to know you cannot make something out of nothing. A "silk purse out of a pig's ear" as Judge Weist of the Michigan Supreme Court once told me. Nevertheless, we go on day after day appropriating millions of dollars we do not have—must borrow. We do not pay any attention any more to a bill that calls for a million dollars. We get interested only when the bill calls for billions, then only in support of the appropriation though we know we are bankrupt.

I see my good friend, chairman of our Committee on Government Operations, Mr. DAWSON, here. There is coming a day when we cannot support all those things which are desirable and call for money. Nor can we care for all the people who go to Chicago, because they think it is, and is, a good place to live. What are the people of Chicago going to do as hundreds of thousands move in on them—people who do not have a job—no resources? Are you going to ask the people in the sticks, the businessmen in the sticks, to contribute so that they can continue on relief? That is the situation in Chicago, as in other cities, of which you are well aware. That situation exists in practically every city in the land, in every community, to which someone thinks we can go and live at less expense, less effort on his own part, and live in more comfort. A laudable ambition perhaps but easily overworked.

Why celebrate the creation of the Department of Agriculture? Every other department may ask that its birth be celebrated. Let us remember the day it came into existence and let it go at that. I have been married 61 years, but we have not celebrated our wedding every year. It is not necessary. The wife and I are satisfied. Why celebrate the day that something that is good came into existence. I just cannot figure it out. Why in these days of immediate danger we spend money for celebrations.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Iowa.

Mr. GROSS. Does not the gentleman think it would be more in keeping with the times if we were to introduce a joint resolution to celebrate the day when this Federal debt hits $300 billion?

Mr. HOFFMAN of Michigan. I cannot agree wholly, completely with my colleague, my very warm personal friend from Iowa. I would be willing and very happy to celebrate the day we end deficit spending. There is something good about that national debt. We are providing by building that debt up, not reducing it, not paying it, we are providing against unemployment for future generations. I have five grandchildren and great grandchildren, eight of them. They are going to be working all the time when they grow up to pay off that national debt that you and I created. We do not let them pay the interest on that now, the grandchildren and the great grandchildren because they are too young to earn. But they are grumbling about it. At least my children are. They ask, "Why do you make that debt for us to pay? I would like to make my own debts."

Yet we go ahead. We are fixing it so that they are going to be economic slaves paying a debt you and I created. That is real generous of us is it not? We spend. They pay.

Why do we do that? Oh, I know some vote against it, but that does not help. Only a few—I doubt if a dozen vote against this bill which, of course, will cost something—whose only purpose is to enable a few Federal employees to celebrate something Congress did years ago. Can you, I ask the gentleman from Iowa, not persuade, if your arguments are logical and convincing, your brave colleagues to cut down on some of these appropriations? Yes, I know once in a while on a point of order you get a million or two out of a bill, but what does that amount to? I do not know. I think we must have an executive session and see if we cannot devise some more effective means to combat this trend. Now, is it not silly? Is it not foolish to continue to appropriate for projects which may be desirable, which may be enjoyable, but which are not necessary, when we are told, as we are, day after day, in every issue of the

papers, that the Communists are ready to wreck and destroy us? They are building bases down here in Cuba, missile bases, the papers tell us, from which they can send over bombs to destroy us—while we celebrate. Why not save and spend our money for defense instead of celebrating something?

Mr. LANE. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to speak out of order and that all Members who desire to do so may be permitted to extend their remarks in the body of the RECORD on the subject I shall discuss and also have 5 legislative days in which to extend their remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, 2 years ago I had the honor and the pleasure of introducing in the House of Representatives the resolution that had passed the other body known as the Captive Nations Week resolution.

The full membership of the House recognized the importance and significance of this resolution by granting unanimous consent for its immediate consideration and also, by unanimous vote of the Members, adopted the resolution.

The adoption of the resolution was driven home to the Kremlin overlords for, shortly after the passage of the same, Khrushchev showed his anger in a number of public utterances. And when Khrushchev showed his anger, I was happy because I knew we had penetrated his skin, that he understood the resolution and its provisions, and its message of hope to well over 100 million persons behind the Iron Curtain, and even in the Soviet Union to those who despise their Soviet and Muskovite tyrants.

And, as provided in the resolution, this week is Captive Nations Week for Americans and also for millions who live in Communist-dominated nations.

It is well in Congress and throughout the United States that we stress the importance of this week.

By doing so we keep alive the hopes of tens of millions of persons in Poland, Lithuania, Hungary, Czechoslovakia, and other such Communist-dominated countries, and their prayers and hopes for emancipation from Soviet and Muskovite domination are understood in America, and that we of the United States have not forgotten them in their determination to have restored, as soon as possible, their liberty and independence.

By doing this we hit Khrushchev and his associates in one of their weakest spots. Also, by our country constantly calling upon the Soviet Union to allow the people of the dominated countries in the free and secret ballot, internationally supervised, to determine their own form of government, we are placing communism in a defensive position, and strengthening our own position by holding out hope to millions behind the Iron Curtain.

Khrushchev and his associates well know the situation. They know in case of war that tens of millions of persons in Communist-controlled countries, now a potential danger, will become an actual danger to the Soviet Union and international communism.

The spirit and desire for independence and liberty, as well as their hatred of communism, is very much alive among these millions.

For example, witness the uprising in Hungary and East Germany of recent years.

The Soviets, in case of war, cannot rely upon the support of even the armed forces of dominated countries, never mind the people. They know that the great majority of the military will turn against them.

The people behind the Iron Curtain who despise communism cannot act now in any organized way, but if the day should come, they will. Because they know the vicious intent and purposes of international communism, which they despise and hate, as well as possessing a contempt for Russian imperialism.

These are some of the reasons why Khrushchev expressed his anger when the Congress passed this resolution a few years ago.

And these are among the reasons why our Government and our people should always keep alive, at all times, the hope of millions of Communist-enslaved persons, but particularly this week set aside by the Congress as Captive Nations Week.

I have referred briefly to the uprising in East Germany and Hungary of recent years.

These events show an indisputable truth, that dictator can suppress liberty, and then only temporarily, but they cannot destroy the desire for liberty.

Let us suppose that another spontaneous uprising occurs, for example, in Poland, with her large population, deep faith, and determined desire for independence and liberty.

It is clearly evident that the Gomulka Communist regime is starting again a terrorization of the people of Poland in engaging in further severe repressive measures that run directly contrary to the individualism, the historical background, the customs, and more, the deep religious faith of the people of Poland.

Such repressive measures can go too far, and when they do, another uprising, like East Germany and Hungary, will take place. I use further action in Poland as an illustration of Communist weakness, and of liberty-loving strength. In connection with this, our Government should have a policy of quick and decisive action if any such uprising should occur in the future, or in Poland, or in any other country. If no such policy exists now, one should be devised. I assume that one does exist.

There are so many other imponderables involved representing weakness on the part of the Soviets and Muscovites, and reserve strength on our part.

But we must have plans and be ready to capitalize such a situation if one should arise again.

And so it is well for us to recognize in our country the importance of Captive Nations Week, particularly in keeping alive the hope and courage in the minds of countless of millions of persons, and their faith and confidence in America.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Minnesota.

Mr. JUDD. Mr. Speaker, I want to associate myself, as I know all of the other Members of the House do, with the very pertinent remarks of the gentleman from Massachusetts [Mr. McCORMACK]. The 100 million captives in Eastern Europe are part of the 1 billion persons around the world who have been deprived of their freedom by Communist tyrants through no fault of their own, are among the most heroic and important peoples in the world—heroic because they have never given up, and important because they are strategically so located that at the moment of showdown, which is bound to come, they can strike the most vital blows on behalf of freedom through their resistance within the Communist bloc, through sabotage and sitdowns and all sorts of measures. Their importance looms even larger at this particular time when we are talking about enlarging our own Armed Forces, and making new explorations into space, and devising new weapons, and drastically expanding our civil defense preparations, and increasing our foreign-aid program—all for the purpose of strengthening ourselves against the Communist threat. I believe these captive peoples are our most important and dependable allies, and I suggest that we should test every proposal in this field by one simple criterion: If we were to adopt a proposed course of action, would it strengthen the oppressed captive peoples of the world? Or would it strengthen their oppressors?

Would an action we are thinking of taking in Congress, or a statement by a high official, increase the respectability, the prestige, the influence, and, therefore, the power of the tyrants? Or would it send a message of hope and encouragement to, stimulate the will to resist and heighten the morale of their victims, the captive peoples?

America's own survival may well depend on the ability of these people to hold fast and to keep their own Communist oppressors so tied down and busy at home that they cannot embark on more dangerous adventures abroad. I do not know that we have done anything in the Congress in recent years that has heartened these people more than the passage of the captive nations resolution 2 years ago. I rejoice that the President has issued his strong proclamation. In doing these things, we are alerting our own people to the danger. And we are sending a message to the captive peoples encouraging them to hang on, assuring them that we will not forget them, and that together we will work to retain the freedom of those now free and regain freedom for those who have been deprived of it.

Mr. McCORMACK. I appreciate the remarks of the gentleman from Minnesota. There is nothing the Congress has

done in recent years, in my opinion, that has made such a marked contribution toward penetrating and probing the inherent weakness in the Communist armor than the passage of this great resolution a few years ago. It is of inestimable value in connection with the battle for the minds of people. It is of vital importance that we constantly keep alive in the minds of the more than 100 million persons behind the Iron Curtain who despise communism the fact that America will not let them down.

Mr. JUDD. If the gentleman will yield further, does not all the evidence indicate that the Communists are in great trouble at this particular time, largely due to the resistance of the people whom we are remembering. There are food shortages in the Soviet Union after 40 years of the supposedly blessed and benevolent Communist regime. Khrushchev tells them "Eat more horsemeat." There are food shortages in Poland and Hungary, which when free have always had food surpluses.

Mr. McCORMACK. And in Red China.

Mr. JUDD. Yes, worst of all in Red China. The Communists are in trouble. Let us keep them in trouble. Mr. Khrushchev's threats repeated every week, about what he is going to do are, in my opinion, more signs of internal weakness than of firm intention. He protests too loudly, trying to terrorize the world into further concessions. This is the moment for all freemen to hold fast, as the captive peoples have been doing so steadfastly and so long.

Mr. PUCINSKI. Mr. Speaker, it should be a source of inspiration to every Member of Congress to join our distinguished majority leader in observing Captive Nations Week. It was the majority leader, Mr. McCORMACK, who in 1959 marshaled the Captive Nations Week resolution through the House. This resolution shall stand as a monument to Mr. McCORMACK's deep understanding of the plight of these captive nations. I am sure millions of people now enslaved by communism are grateful that under the guidance of the gentleman from Massachusetts we here in Congress adopted the Captive Nations Week resolution.

Mr. Speaker, I am indeed very proud of the fact that on Sunday, July 16, the people of the United States began observing Captive Nations Week. President Kennedy is to be commended for issuing the proclamation which reminds the entire world that the United States has not forgotten the people behind the Iron Curtain.

I am particularly proud of the fact that under the leadership of Mayor Richard J. Daley, the people of Chicago joined in this mass observance yesterday in Grant Park, in this way, registered their firm determination that the conscience of the free world cannot rest until the millions of people now living behind the Iron Curtain are again permitted to join the family of free nations and to enjoy all the liberties so richly manifested in the United States.

I commend the Congress of the United States for its wisdom and courage in adopting unanimously in 1959 the resolution which establishes the third week in July as Captive Nations Week in America.

By this act, the Congress of the United States has served notice upon Kremlin leaders of international communism that this country refuses to accept as an accomplished fact the illegal and barbaric enslavement of millions of people throughout Eastern Europe.

These enslaved millions of people now living in the captive nations of Eastern Europe are the free world's most effective secret weapon. There is no question in my mind that a series of uprisings throughout all of the captive nations would result if Nikita Khrushchev is foolish enough to use armed aggression against West Berlin.

On the basis of information which I have assembled from those who maintain close contact with the captive people of Europe, I am confident that any diversion of Communist armed forces, now keeping these nations enslaved, would touch off widespread uprisings in protest against the Soviet Union.

No one knows this better than Nikita Khrushchev.

It is for this reason that I earnestly hope the formulators of free world foreign policy, in observing Captive Nations Week through America, will remain steadfast in their determination not to give an inch in Berlin.

We may be confident that any use of armed force by the Communists in Berlin would touch off widespread unrest, above all in East Germany. We know that since 1953, the Communists have experienced increasing difficulty in keeping the East Germans suppressed in the light of spectacular postwar recovery and the complete freedom enjoyed by their fellow countrymen in West Germany.

We know also from the Poznan uprising in Poland, and a similar uprising in Hungary in 1956, that the same yearning for freedom exists in every one of the captive nations.

There is no question that the revolutionary spirit which carved out a new concept of human dignity and freedom in America 175 years ago permeates the people of these captive nations today. As we look at the names of the heroic people who fought for freedom in our own Nation during the American Revolution, we find they come from virtually every one of the European nations now held in bondage by the Soviets. The spirit of freedom among the people of Eastern Europe is made of such tough fibers that neither time nor oppression can destroy it. It exists in the captive nations to this day.

I pray that no captive nation will be foolish enough at this time to attempt an uprising. Recent experience has vividly shown us that the might of Communists arms and tanks can crush any such effort. But I also know the spirit of these people and it can be reliably stated that any diversion of Soviet might, at any point in Europe, could result in trouble for the Communists behind the Iron Curtain.

The 16 years of Communist oppression behind the Iron Curtain has, if anything, stiffened these peoples' determination to be free. This is a fact which Khrushchev and his Kremlin associates understand better than anyone else.

In observing Captive Nations Week, I hope the free world will not make the tragic mistake of interpreting the laudible self-discipline of these enslaved people in yielding to Communist domination as a permanent acceptance by them of Soviet tyranny.

Our greatest allies today are these forcibly imprisoned people behind the Iron Curtain. If Khrushchev is foolish enough to precipitate any armed conflict over West Berlin, the free world can confidently believe that the people of the captive nations will be marching eastward instead of westward.

Too long have too many leaders of Western democracies ignored this very important fact. By this observance of Captive Nations Week, we, as Americans, are reminding the people behind the Iron Curtain that our hope and desire for their ultimate liberation does not and will never waiver.

We, as Americans, can find a great deal of vigor in demanding that any solution to the Berlin question must be based on a strong demand that all World War II commitments to the people of east-central Europe be carried out by the Soviets—including free and unfettered elections in the captive nations. Khrushchev must realize that the time to deal with all of the unkept promises of World War II is now.

Mr. Speaker, I include in my remarks today two excellent editorials which are most fitting as our Nation begins observing Captive Nations Week. The first appeared in the July 14 edition of Life magazine and the second appeared in the New York Herald Tribune yesterday. Both of these editorials have made a profound contribution toward a better understanding of what an important role the captive nations can play in resolving many world problems.

The editorials follow:

[From Life Magazine, July 14, 1961]

BERLIN—WHY WAIT FOR MR. K.?—THE WEST CAN HAVE A GREAT ISSUE IN EASTERN EUROPE, BUT ONLY IF WE WILL WAGE REAL POLITICAL WARFARE

This is a summer of foreboding in the West. Not since 1939 has that grisly prewar feeling run so strong. There is even a fatalistic readiness—among three Americans in five, according to Reporter Samuel Lubell—to use nuclear weapons if need be. And all because Khrushchev has set another deadline, December 31, for a showdown on the free city of Berlin.

President Kennedy could ameliorate this grim atmosphere by a positive line of action. It would, in our opinion, greatly reduce the chances of war over Berlin; or, if worse comes to worst, it would put us in a better position to win such a war. Instead of waiting apprehensively for Khrushchev's deadline, Kennedy should set an earlier one of his own. Since Khrushchev has seen fit to raise the Berlin question, why should not Kennedy insist on the right of East Germans to self-determination in free elections, as promised by Stalin at Yalta and Potsdam and by Khrushchev at Geneva in 1955? And on the similar rights of Poles, Hungarians, Rumanians, and Bulgarians, not to mention

the Baltic peoples?—rights spelled out in treaties that have been systematically violated by Russia since the war. Kennedy recently gave verbal support to the East German rights and they are doubtless mentioned in the Allied replies to Khrushchev this week. What we suggest is that Kennedy now make a cause of self-determination for all Eastern Europe and back it with certain actions that could make Khrushchev sorry he ever opened the subject of Berlin.

Militarily, Berlin is an exposed and highly vulnerable Western salient surrounded by 400,000 Russian troops. Politically, however, it is a Western asset and a Communist liability. It symbolizes the chief weakness of Soviet power, which is the unquenched desire for freedom of 100 million captive Europeans. They have demonstrated this desire by heroic revolts and by fleeing westward by the millions ever since World War II. East Germany alone continues to lose 4,500 refugees a week. A food shortage coupled with the threat to their escape hatch has just caused fresh demonstrations by East German workers; some experts predict another revolt. Eastern Europe's hatred of communism is so great a political liability to Khrushchev that it amounts to a military weakness as well, if there were war of any kind over Berlin, "the Russian rear [as Dean Acheson put it] could be in turmoil overnight."

In view of this weakness, it is preposterous that Khrushchev should be allowed to get away with demands in Germany. His very belligerence is probably defensive. The West's passive and strictly defensive show of fortitude about Berlin is also somewhat incongruous. Berlin is not our Thermopylae; it is an opening in the heart of captive Europe, with which its cause is inextricably linked. The freedom of Europe was earned in blood (one-third of East Germany was held by American troops in 1945) and sealed in solemn treaties. Khrushchev should be summoned to a conference not about Berlin, but about the reunification of Germany with free elections under Big Four supervision; and about self-determination, free elections, free press, etc. in Eastern Europe as well.

When he refuses, the West has several recourses to make him change his mind. They are not mere words and do not have to be shouted; they are acts of political warfare, the kind of warfare he has so long conducted against us.

One is economic sanctions. This could mean anything from a complete embargo on East-West trade to an undeclared but systematic sabotage of Western deliveries behind the Iron Curtain. The East bloc is much more dependent on this growing trade than the West. West German steel and ships, factories from Britain, grain from the United States are other items whose stoppage would hurt the Communist economies.

Such measures might antagonize pro-Western opinion behind the Curtain. But this could be at least neutralized by the radical step-up in the way the West explains its aims and policies to the captive nations. The Voice of America, Radio Free Europe, RIAS and other organs of propaganda could be remobilized. The "captive nations" theme, soft-pedaled of late, has proved its ability to enrage Khrushchev. Although RFE did not foment the Hungarian revolt, it has the power to stir up almost any degree of unrest that may suit our purposes. The chief problem is to say no more and no less than we are prepared to support with action.

The third major ingredient in political warfare is active military preparedness. (Khrushchev himself last week canceled proposed reductions in Russia's armed forces and upped his military budget by $3.5 billion.) Kennedy and his advisers are now deeply engaged in "contingency planning" to prove our resolve to defend Berlin. But if he enlarges his cause to the whole Eastern theater, the military planning should be enlarged, too. We could take various emergency steps, and the NATO command could move to a higher state of readiness. In appropriate combination and without fanfare, such acts would give Khrushchev the right message.

It may be objected that political warfare of this kind is out of character for the Western democracies, or even impossible for an alliance of unequally resolute states. But that, surely, has been the trouble with Western policy: its divided and nerveless reluctance to answer Khrushchev's political warfare with our own. Only strong Washington leadership can change this state of affairs. On the anniversary of the 1953 East German revolt last month, Leo Cherne remarked: "If freedom is really our purpose then it must be defended where it was once enjoyed—not merely urged where it has never yet flowered. In fact, those who have never tasted freedom may never live under it, if those who have pioneered freedom (i.e., Europeans) are permitted to remain slaves."

This doubtless sounds like that old proposition called "rollback" or "liberation," which was gradually shelved as too risky in a nuclear age. Its opponents say it confronts the Communists with intolerable choices, like cornering a tiger. But since we face the risk of war for Berlin in any case, why not be smart about it as well as brave? Said Mayor Willy Brandt, "In negotiations, if you want to keep what you have, you must ask for more than you have."

There is no solution to the Berlin problem (except Khrushchev's solution) if it is isolated from the problem of the Germanys and Eastern Europe, the unfinished business of World War II. For the West to embrace this larger issue, controlling its course and timing, would put Berlin in a truer perspective. It would tear the mask from Khrushchev's absurd bellicosity on his weakest front. It would rescue our own Berlin policy from the trap of mere nuclear fortitude. It would put that policy back in touch with the great hopes we nurtured, and the obligations we assumed, only yesterday. In Eastern Europe, their memory is still green.

[From the New York Herald Tribune, July 16, 1961]

EAST GERMANY: RESTLESS CAPTIVE

The annual observance of Captive Nations Week demonstrates America's awareness of the plight of many peoples who have been brought under the Communist yoke. But the restlessness of one of those peoples is becoming an ever more significant factor in the growing tension between East and West in Europe.

East Germany was the first Communist satellite to rebel in 1953. Their economy had been milked, ever since the war, by the Russians, and the German Communists who were doing the Soviet Union's dirty work were resoundingly unpopular. The revolt failed, thanks to the Russian tanks. But Moscow, then passing through its first post-Stalin phase of attempting to mollify the satellites, made real efforts to ease stringencies of food and modify harsh conditions of labor in East Germany. Some real economic progress was registered there, and eventually it was assumed that the East Germans, if they had no real enthusiasm for the Communist regime, were coming to accept it as a fact of life.

This assumption was used, by both the Soviet Union and some Western commentators, as a basis for the argument that Germany had already been effectively divided. It also seems to have inspired the East German Communists to communize East German agriculture. But both the prospect of a final division of Germany and the results of Red land policies have started off a new wave of migrations from East to West Germany. It has also produced unrest within the East German state.

This may stimulate Mr. Khrushchev's attempts to settle the German problem definitively—on his own terms. But it is also a source of weakness, practical and moral, for those efforts. East Germany certainly is not Communist at heart; communism is not working there and a real crisis over Berlin would in all probability mean a real crisis in East Germany. Mr. Khrushchev must take that into account, no less than Western plans.

Mr. WALLHAUSER. Mr. Speaker, only 2 weeks have elapsed since our Nation celebrated the 185th anniversary of the birth of freedom on this continent. On that July 4 nearly 200 years ago, when we were a captive nation, our forebearers courageously proclaimed their "inalienable" right to be free and independent:

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed. That whenever any form of government becomes destructive of these ends, it is the right of the people to alter or to abolish it and to institute new government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their safety and happiness.

Lest confidence in our own security turn to conceit, it is imperative for us, the inheritors of this eloquent legacy, to periodically review this text. We cannot be worthy of our inheritance nor can we be, in reality, secure while its tenets are disavowed anywhere in the world community.

These truths, which seemed to George Washington, John Adams, Thomas Jefferson, and the Continental Congress so self-evident, are now denied by Communist leaders. Under the transparent cloak of the Marxist doctrine of the inevitability of class struggle and world revolution, the Soviet Union has followed a policy of territorial expansion second to none, until today they must be recognized as the foremost colonial power in the world. Their iron fists clinched, Red armies have "liberated" the people of Albania, Armenia, Azerbaijan, Bulgaria, mainland China, Cossackia, Czechoslovakia, East Germany, Estonia, Georgia, Hungary, Idel-Ural, Latvia, Lithuania, North Korea, North Vietnam, Poland, Rumania, Tibet, Turkestan, Ukraine, White Ruthenia, and Yugoslavia—freed them of the responsibility of choosing their own form of government and their officials, liberated them of the right to speak and think freely. These countries did not buy communism in the "open market," but had it foisted upon them and the Iron Curtain dropped around them by the ruthless colossus of the East, the Soviet Union.

And what has resulted when the people of a captive nation have found that their puppet government was destructive of their ends? Let us look at the record:

First. On June 16, 1953, workers in East Berlin, upset by increased work

quotas, demonstrated against their Communist bosses. The next day this was followed by anti-Communist rioting and a general strike involving 200,000 people over East Germany. Russian troops and tanks were summoned quieting the uprising and killing 16.

Second. On June 28, 1956, workers in Poznan, Poland, revolted against Red control. Again the Russian military intervened, crushing the rebellion with 44 killed and hundreds wounded.

Third. On October 23, 1956, it was once more evident that Soviet-dominated people were dissatisfied with their puppet leaders. Hungarian rebels, armed with homemade weapons and raw courage, overthrew the Government of Imre Nagy and managed to control the capital, Budapest, for almost 2 weeks. Without warning, however, on November 3, Russian troops, tanks, and armored cars assaulted the city, brutally murdering tens of thousands, causing 180,000 more to flee the country, and restoring Communist dominion.

Peace in our time is uneasy and uncertain. There are those among us who claim there is no peace—that a state of war exists now between the free and Communist worlds. It is indeed a strange war, although in the long run just as deadly in the event of a Red victory. No shots pierce the still of shellshot battlefields, no long-range bombers drone overhead releasing their share of death and destruction, no nuclear weapons flatten defenseless cities and massacre innocent millions. There are rumblings of this in the background, of course. The cold war of 1961 is and must of necessity be fought on the battleground of men's minds. We, who have inherited the liberal tradition of the framers and signers of the Declaration of Independence, are prepared to wage war on that battlefield—relish the opportunity to do so. But we must be well armed. To investigate the state of captive nations, to publish the truth about their enslavement, and to determine the weapons necessary to win the cold war in this area, the Congress should establish a special select committee on captive nations. Today the captive nations serve Russia as a bridge for the advance of communism. We look forward to the day when these nations, free and independent, with the memory of their Communist shackles ever fresh in their minds, will ring the Soviet Union as a moat through which the Soviet ideology will be unable to creep.

On this first day of Captive Nations Week, we would all do well to remember these words of former President Eisenhower, who declared, "the United States would never believe and accept the idea that a true peace had been established in the world until every single nation had the right to express its own views about its own destiny."

Mr. CELLER. Mr. Speaker, I do not believe it is a difficult question to answer, when asked, "How is the love of liberty kept alive under repression?" The answer lies in one word "hope." This is what Captive Nations Week is all about—"hope."

Behind the iron and bamboo curtains, the peoples must believe that they are not forgotten, that there are friends who hope with them, pray with them, and who each, in his own way, works for their ultimate freedom and independence.

We cannot emphasize enough that 100 million people have been deprived of their liberties by a ruthless colonialism, for let it not be mistaken, that the Soviet powers are colonial powers.

In East Germany, in Hungry, in Poland, in Tibet, passion for freedom asserted itself only to be crushed by the might of Communist colonialism. Let it be made clear that, we, in Captive Nations Week, reaffirm our basic dedication to freedom for all peoples, everywhere. We in the West give voice to these people struck silent by Communist oppression.

There are those who have spoken for themselves. Since 1945, 250,000 refugees have escaped each year into free Berlin. With so great an exodus, can it even be believed, for one solitary moment, that the peoples behind the iron curtains are contented and willing subjects? Indeed, the flow of gifted men and women and skilled workers into West Germany has spurred Khrushchev to create a crisis, for this steady stream of refugees reveals the weakness, the barrenness, the stifling atmosphere of life under the Soviet heel.

It is the irony of this age that Communist oppressors talk so glibly about their support of anticolonialism, when they, themselves, are in fact and in deed the strongest practitioners of colonialism existing today. Such is "the tribute that hypocrisy pays to virtue." Let it be said to these 100 million, again, and still again; "you are not forgotten."

Mr. LINDSAY. Mr. Speaker, during the week of July 16–22 we observe the second anniversary of Captive Nations Week.

When the Captive Nations Week resolution passed the Congress in 1959, it served notice upon the Kremlin that the United States would never acquiesce to the permanent captivity of these once independent nations of Europe and Asia now under the brutal yoke of Soviet imperialism.

Today it is more important than ever that we make it absolutely clear to the Soviet Union that we stand unalterably opposed to her oft-expressed desires for total world domination and that we will continue to work in behalf of the eventual freedom of the captive peoples of the world.

Mr. Speaker, I deem it of the utmost urgency that we make known our position on these matters in the most effective way possible. Therefore, I am honored to join with the National Captive Nation's Committee, other groups and millions of Americans throughout the Nation in the observance of Captive Nation's Week.

Mr. FARBSTEIN. Mr. Speaker, all dictatorships are unbearably tyrannical, and all of them, sooner or later, become the curse of the people upon whom they are imposed. No matter how highly motivated and well-meaning they appear at the outset, they invariably wind up by causing more misery and misfortune than any other type of government. This was certainly true in the case of Fascist and Nazi dictatorships, and, as we have learned since the last war, it is even more true in the case of Kremlin-inspired Communist dictatorship. Perhaps it is no exaggeration to say, in marking Captive Nations Week, that the Communist Soviet dictatorship has caused more suffering to more millions of innocent and helpless peoples than all other dictatorship known in human history. I am saying this with a clear conscience and without doing any violence to sad but true facts. The curse of Soviet dictatorship extends today from the Baltics to Vladivostock, from the Bay of Finland to the Black Sea, from the isles of northern Japan to North Korea.

Since World War II began about 100 million peoples have been enslaved under the Soviet dictatorship in Europe alone, including the Estonians, Latvians, Lithuanians, Czechoslovaks, Germans in East Germany, Poles, Albanians, Bulgarians, Hungarians, and Rumanians. All these industrious, stouthearted, and liberty-loving peoples were relatively free in their homeland before the last war. Many of them had attained freedom and independence at the end of the First World War. And then came the war, which in itself was bad enough, and in which they all suffered immeasurably, in a manner beyond our imagination. But what followed after the war was not freedom but dictatorship. All these countries were taken within the Soviet domain, and there the peoples in these countries are captives of their Communist overlords.

The official designation of this week as the Captive Nations Week echoes the genuine wishes and desires of the people of this country, as enacted by the Congress in 1959 and as proclaimed annually by the President. We shall continue to observe the third week of July each year as Captive Nations Week until the last of these enslaved peoples are free and are masters of their own destiny in their historic homeland. I deem it an honor to raise my voice once more on behalf of these captive nations and hope for their delivery from Communist totalitarian tyranny.

Mr. DINGELL. Mr. Speaker, the plight of the captive nations is among the most tragic results of the last war. Prior to the outbreak of that war independence reigned throughout Eastern Europe, in all lands extending from the Gulf of Finland to the Aegean Sea. Peoples in nearly all these countries, the Estonians, Latvians, Lithuanians, Poles, Czechoslovaks, Hungarians, Bulgarians, Rumanians, Albanians, and others, had regained their full freedom at the end of the First World War, and enjoyed it during the interwar years. However, the last war, fought for the cause of freedom, proved fatal to the freedom of these peoples. Some of them had already fallen behind the Iron Curtain during the war, and by the end of the war nearly all of them had become victims of Soviet deceit and duplicity.

Still others were subsequently added to the long list of Soviet victims.

Today, more than 16 years after the war, these peoples still suffer behind the impervious Iron Curtain and are subjected to Communist totalitarian tyranny. In voicing and echoing the genuine desires of these peoples for freedom on this Captive Nations Week, let us hope that they will attain their goal, their richly deserved freedom.

Mr. WEAVER. Mr. Speaker, I would like to call attention to the fact that this is Captive Nations Week in the United States, so prescribed by Public Law 86–90.

When this joint resolution was approved in the 86th Congress it was done without any emotional fanfare on the part of the Members but rather as a calculated effort on our part to inform the world of the continued interest of one free people in the freedom of all men, everywhere.

The action we took was designed to inform the free world of our own keen desire that they, as well as the United States, retain their freedom.

Perhaps more important, this action was calculated to restore in the minds and spirits of men and women whose nations had been captured by the atheist ideology known as communism that we are still determined that someday they, too, will be able to breathe the pure air of freedom again.

Mr. Speaker, there is a great English poem with the lines:

> Stone walls do not a prison make,
> Nor iron bars a cage.

So long as men, in their minds and souls are free, the spirit of freedom lives on and will triumph for them and all the world. Only if those behind the iron bars of Soviet imperialism are certain that none in the world cares whether they are free or not will their souls and minds lose the desire for freedom.

In declaring the third week of July of each year to be Captive Nations Week, the Congress acted to keep this spirit alive. It is my hope that this country through its actions and words will maintain this spark of liberty in the world and this spark of hope for those millions whom the Soviets have captured.

In closing, might I point out that in my opinion no man is completely free so long as one of his fellow men is held captive. The freedom of all men must be the responsibility of every individual. This is the tradition of our American people and one which I hope will never die.

Mr. DULSKI. Mr. Speaker, as we again observe the third week in July as Captive Nations Week, let us renew our dedication to work relentlessly for the freedom of these countries.

The Soviet Union's rise to the rank of a great power has ushered in a sad era for freedom and democracy. As the avowed apostle of communism, and as actual champion of Communist totalitarian dictatorship, it sought and found its victims in Eastern and Central Europe. Their Soviet form of government was imposed upon 100 million people who before the war had their own independent governments and were relatively happy.

Today, for more than 16 years, these peoples are real captives of the Soviet Union, prisoners in their homeland. They are the captive nations of Europe. The Government of the United States and those of its allies have worked ceaselessly since the end of the war for the betterment of their lot, and for their delivery from Soviet tyranny, but without success. On the observance of Captive Nations Week, we pledge to carry on that work, and will do everything in our power, short of war, to see them freed from Communist totalitarian tyranny.

Mr. PIRNIE. Mr. Speaker, this week the American people observe the second anniversary of Captive Nations Week.

At this time last year the passage of the captive nations' resolution caused great stir in the Kremlin, with Mr. Khrushchev openly admitting his concern. This is understandable, for the captive satellite nations together comprise the Achilles heel of international communism. The courageous uprisings in Hungary, Poland, and East Germany vividly evidenced great internal unrest within the Soviet Empire. Each refugee is dramatic living proof of growing dissatisfaction with totalitarian puppet regimes thinly disguised as "people's republics." It is significant that this last weekend a record flow of over 4,000 refugees sought freedom from such tyranny in West Berlin.

In reaffirming that these existing Communist satellite regimes do not legitimately represent them, we offer some hope to these captive peoples. Unfortunately, in the past, we have not always acted in accordance with our expressions of support for their struggle for freedom. Nevertheless, by refusing to recognize Soviet domination, we assure these people of our continuing interest in their cause and admiration of their spirit.

In the meantime, we express our sympathy not only to them, but to the newly emerging nations that are endeavoring to realize their destinies by self-determination. This observance emphasizes to the world that we still adhere to the principles of our Founding Fathers—that governments derive their just powers from the consent of the governed, and that when government becomes destructive of these ends, it is the right of citizens to alter or abolish it.

In brief, Mr. Speaker, we proclaim the right of people everywhere to be their own master and not to remain captives of any commissar or dictator, nor be obliged to confess any creed except one compatible with conscience. These are the precious rights we covet for all mankind.

Mr. McDONOUGH. Mr. Speaker, this week of July 16–22 is being observed throughout the United States as Captive Nations Week. This is the second observance of this event, and in a proclamation on Captive Nations Week issued by President Kennedy the people of the United States are urged to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom.

Since World War II, millions of people in the captive nations who once knew freedom and national independence have been held under the domination of Soviet Russia and have suffered the denial of individual liberty and have been subjected to the cruel tyranny of Communist rule.

The United States as a nation is dedicated to the principles of national independence and freedom of the individual. The people of this Nation stand firm in their determination that liberation must come to those nations now held against their will and subjugated by the Soviet Union.

The United States will never compromise with liberty and freedom, and it is important that the people of the captive nations know that the position of this Nation and the American people is firm, and that the free world will not waver in its determined stand for the liberation of the captive nations.

Observance of Captive Nations Week in the United States serves notice once again to Communist Russia that this Nation supports the cause of freeedom throughout the world, and that our efforts will continue ceaselessly to achieve deliverance of the captive nations from Soviet bondage.

Mr. BARRY. Mr. Speaker, it is reassuring to see President Eisenhower's lead being followed by the present incumbent of the White House in declaring this to be Captive Nations Week. As a member of the House Foreign Affairs Committee it seems to me important that those of us who are charged with responsibility for foreign policy take a strong position on the issue of the captive nations.

This is not just a well-intentioned but ineffective gesture on our part. What we are doing here in proclaiming Captive Nations Week has so angered the Soviet Government that in Ivestia this week it is attacked—and thus recognized officially by the Communists, declared by them to be harmful to their cause and, most important, brought to the notice of the people of the Communist world as no Western news source ever could.

Captive Nations Week was proclaimed in 1959 as a calculated effort on the part of the United States to inform the peoples of the world and particularly those under Communist subjection that those who are free have not forgotten and do not ever cease to strive for the liberation of those in Communist captivity. It is good to know that the message is getting through to those who need it most.

The United States must never compromise with the sacred principles upon which the country was founded, liberty and freedom for all men. Our forefathers revolted against tyrannical rule. They fought for freedom. They pledged their lives, their fortunes, and their sacred honor for the principle that the fellowman should be free. By observing Captive Nations Week we are reaffirming these principles before the world. And they need to be reaffirmed at every opportunity.

The captive nations are no small group about which we could afford to shrug our

shoulders. The number is alarming: Estonia, Latvia, Lithuanian, Poland, Czechoslovakia, Hungary, Rumania, Yugoslavia, Albania, Bulgaria, East Germany in Europe; China, Mongolia, Manchuria, North Korea, Tibet, North Vietnam in Asia; and now in the heart of the Americas a hundred miles from Miami we have the captive nation of Cuba. We have not mentioned the conquered peoples within the Soviet Union itself—the Armenians, the millions of Moslems in Turkestan, and others. Nearly a billion people, almost half the world, is today captive to communism. We must continue to support by every means at our command the urge for freedom in this enormous group.

They say that imperialism is coming to an end around the world. Nothing could be further from the truth. What is happening today should be no puzzle as it is exactly what has been going on for thousands of years. Old empires are coming to an end but a vast new empire is being created, the Soviet Communist empire. We must dedicate ourselves ceaselessly and publicly to freeing the subject peoples of that empire in conformity with our American tradition to stand for the freedom of all subject peoples from the imperialistic subjugation of all empires. To this end an effective tool is Captive Nations Week. Its importance and effectiveness was shown this week when it was so violently attacked by the Communists in their official government publication.

Mr. DANIELS. Mr. Speaker, throughout the Nation this week is being commemorated as Captive Nations Week. It is particularly timely, in view of the current tenor of Soviet activity, to consider the significance and meaning of this celebration.

It is during this week that we recall more poignantly than usual the tragic series of events which turned the countries of Eastern Europe into Soviet satellites. And we recall as well those equally fateful aggressions which forced those would-be independent nations within the Soviet Union to lose their identity as separate peoples.

I believe it would be a most fitting manifestation of our concern for these oppressed peoples if we promptly established a House Committee on the Captive Nations. This act would reinforce our recognition of the basic truth that these nations have never lost their aspirations for independence and freedom. And it would remind Mr. Khrushchev, once again, that we shall never forget the tyranny which made their subjugation possible.

Mr. GALLAGHER. Mr. Speaker, this week is the second anniversary of Captive Nations Week.

World War II raised Soviet Russia to the rank of great powers, and at the same time it took a world war to teach us the ugly and barbaric nature of the Soviet system. And no single act of that totalitarian tyranny has exposed its inhuman side to the world as has her capture and enslavement of a large number of East European nations behind the Iron Curtain. That is a shocking and heart-rending fact of our postwar world.

Prior to the war these nations had constituted independent, sovereign states in their respective lands, stretching from the Baltic region to the European shores of the Black Sea. As the result of the war, and its aftermath, all of these were first overwhelmed by the Red army, then subdued and finally enslaved as the satellites of the Soviet Union. For more than 16 years peoples in these countries, numbering about 100 million, have been imprisoned in their homelands, behind the impenetrable and inscrutable Iron Curtain. The fate of these peoples is a serious concern of all leaders in the free world, and as they have worked for the freedom of these peoples in the past, so they will continue to do in years to come, until these peoples attain their freedom. On this Captive Nations Week we pledge to carry on the struggle for the freedom of all these nations. Instead of compromising each Soviet inspired crisis which demands more of the free world legal position we should demand freedom for Poland, Latvia, Lithuania and Estonia and the other captive nations. Let us make the Soviets defend their indefensible positions on these captive nations. Let us demand free elections and continue to press for freedom until it becomes a reality for people everywhere.

Mr. BOGGS. Mr. Speaker, President Kennedy has designated this week as "Captive Nations Week" and has urged all Americans to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom. I wholeheartedly endorse our country's fullest efforts to obtain freedom for the peoples of all nations who are held captive by a tyrannical regime; I am pleased to join in citing the second anniversary of Captive Nations Week. The Soviet Union's domination of the countries of Eastern Europe is the central crime of which our Government and our citizens are most immediately concerned —particularly in light of Premier Khrushchev's threats against the United States and our Western allies over Berlin.

As a member of the Interparliamentary Union, I journeyed to Poland just 2 years ago and talked with the people there; I came away convinced, as I am still convinced, that the Polish people have a strong desire for personal freedom and they wish to restore the integrity of Poland as a nation. Poland is but one of the dozen countries of Eastern Europe under the heel of Soviet tyranny, and I am sure that the citizens of all of these nations share the feelings of the oppressed people of Poland. We must stand firm in Berlin and rededicate ourselves to the task of restoring freedom and liberty to the peoples of Eastern Europe.

Through increasing our informational and educational efforts and fostering the strengthening of the European Common Market, we can help to shake the Kremlin's hold on these countries; by maintaining our position in Berlin and opposing the signing of a separate peace treaty with East Germany, we will be giving voice to our desire for the eventual liberty of the people of East Germany and the reunification of Germany as a complete nation among the free countries of Europe. By this annual observance of Captive Nations Week, the United States is recognizing the hopes and aspirations of all the oppressed people under Communist tyranny and other dictatorships for those sacred freedoms which we enjoy.

Mr. McDOWELL. Mr. Speaker, the tragic story of the captive nations is the most heart-rending episode in the postwar world, particularly in Europe. The sad irony is that these nations through the length and breadth of Eastern and Central Europe, with about 100 million inhabitants were free, before World War II. As the result of that war, or, more correctly, because of the Soviet Union's aggressive and oppressive policies in Europe, these nations lost their independent status and have become victims of Communist totalitarianism. When the Soviet authorities carried out their plans for the enslavement of peoples in these countries, the governments of Western democracies protested in a most vigorous manner.

Since the end of the war the Government of the United States and its allies have done their utmost, short of waging war, to help these captive nations held in the grip of Soviet tyranny, but with little success. As proof of our determination to pursue such a policy, and to remind our friends that we have not forgotten the fate of these captive nations, the third week in July of each year is set aside by congressional resolution and Presidential proclamation, as Captive Nations Week. This we shall continue to do as a reminder to the world of our great concern for the nations now held captive by Communist totalitarian tyranny.

Mr. HALPERN. Mr. Speaker, this is a most significant week. It is the period during which the American people through their Representatives in Congress proclaim their link to the millions of freedom-loving people under Soviet domination. It is peculiarly fitting that at a time when world attention is focused on the threat to the freedom of Berlin that we pay tribute to the captive peoples of the Soviet bloc. To the submerged nationalities and to the oppressed minorities in Eastern Europe, this Captive Nations Week conveys the message that their deeply felt aspirations for freedom are known to the people of the United States, are a matter of concern to the Congress of the United States. The existence of these captive nations is due largely to the imperialistic policy of the Soviet Union which through the use of economic, psychological, and military force have maintained puppet governments in these countries.

Mr. Speaker, earlier this session I had the privilege of cosponsoring with my distinguished colleague from Pennsylvania [Mr. FLOOD], a resolution creating a special captive nations committee—House Joint Resolution 215—which would provide us with a means of systematically reporting on these nations. The work and the reports of this committee would maintain the spotlight of free world attention on Moscow's colonial system. It

is my hope that this Congress will act favorably on the establishment of this committee. Its impact would be felt throughout the entire world.

Mr. Speaker, on this occasion it is most fitting to recall that not a single one of the dominated regimes of Eastern and Central Europe came to power through a free election or anything nearly resembling a free election. Beginning with the Nazi-Soviet pact of 1939 the Soviet Union has continued a policy of imposing puppet regimes whenever possible.

The curse of these dictatorships extends today from the Baltic Sea to Vladivostok and includes over 100 million people, including the Estonians, the Latvians, the Lithuanians, Czechoslovaks, Germans, Poles, Albanians, Bulgarians, Hungarians, and Rumanians. Each year Captive Nations Week expresses the desire of the American people that these enslaved become free and become masters of their own destiny. Moreover, I hope that the observance of this year's Captive Nations Week will demonstrate to Khrushchev our steadfastness and our readiness and willingness to defend freedom. The captive nations look to us for hope. Let us not let them down.

Mrs. WEIS. Mr. Speaker, it gives me great pleasure to join with the other Members of the House in their remarks concerning the proclamation of Captive Nations Week. The importance of those nations now under Communist subjugation cannot be overestimated. The desire, expressed by the people of these countries, to be free, and their right to be free must not be forgotten.

This is the third observance of Captive Nations Week which originated with the captive nations resolution unanimously approved by Congress a little over 2 years ago. The effect which this resolution has had on the Communist hierarchy has been remarkable. Khrushchev and other Russian leaders have gone to unheard-of lengths to label the United States as colonialist and to create the impression that the captive nations are really free. The real importance of this proclamation, as substantiated by the Communist's own reaction, should not be overlooked.

Since the late 1940's, the Communists have attempted to establish the myth that the satellite nations of Europe are free. The satellites have been labeled "allies"; the constituent republics—Ukraine and Byelorussia—as "independent." This myth is patently ridiculous. However, every possible effort must be made to see that it does not—through constant repetition or skilled propaganda manipulation—mislead the peoples of this Nation or the world. This week, Captive Nations Week, should serve to focus attention on the plight of the captive nations of the world. It should also serve to remind those uncommitted nations that the most despicable aspects of colonialism and imperialism are still existent within the Communist empire.

I earnestly hope, as I am sure do my colleagues, that the proclamation of Captive Nations Week will be the first in a series of events which will, sometime in the not too distant future, lead to the establishment of freedom in these now captive nations.

In our attempt to end the spread of communism in the free world we must not, and shall not, lose sight of the plight of those nations now subject to the horrors of Communist domination. Nor shall we, under the pressure of present crises in Berlin and Laos, abandon our commitments, both moral and material, to the peoples of these captive nations.

Mr. LANE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on House Joint Resolution 435.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The question is, Will the House suspend the rules and pass the joint resolution?

The question was taken, and the Speaker announced that in his opinion two-thirds had voted in favor thereof.

Mr. HOFFMAN of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 367, nays 12, not voting 58, as follows:

[Roll No. 112]

YEAS—367

Abbitt	Bruce	Durno
Abernethy	Burke, Ky.	Dwyer
Adair	Burke, Mass.	Edmondson
Addabbo	Burleson	Elliott
Addonizio	Byrne, Pa.	Ellsworth
Albert	Byrnes, Wis.	Everett
Alexander	Cahill	Evins
Andersen, Minn	Carey	Fallon
	Casey	Farbstein
Anderson, Ill.	Cederberg	Fascell
Andrews	Celler	Fenton
Arends	Chamberlain	Findley
Ashbrook	Chelf	Finnegan
Ashley	Chenoweth	Fino
Ashmore	Chiperfield	Fisher
Aspinall	Church	Flood
Auchincloss	Clancy	Flynt
Ayres	Clark	Fogarty
Baker	Coad	Ford
Baldwin	Collier	Forrester
Baring	Colmer	Fountain
Barrett	Conte	Frazier
Barry	Cooley	Frelinghuysen
Bass, Tenn.	Corbett	Fulton
Bates	Corman	Gallagher
Battin	Cunningham	Garland
Becker	Curtin	Garmatz
Beckworth	Curtis, Mass.	Gary
Beermann	Curtis, Mo.	Gathings
Belcher	Daddario	Gavin
Bell	Dague	Gilbert
Bennett, Fla.	Daniels	Goodell
Bennett, Mich.	Davis, James C.	Goodling
Berry		Grant
Blatnik	Davis, John W.	Green, Pa.
Boland	Davis, Tenn.	Griffiths
Bolling	Dawson	Gubser
Bolton	Dent	Hagan, Ga.
Bonner	Denton	Hagen, Calif.
Boykin	Derounian	Haley
Brademas	Devine	Halleck
Bray	Diggs	Hansen
Breeding	Dingell	Harding
Brewster	Dole	Hardy
Bromwell	Dominick	Harris
Brooks, La.	Dooley	Harrison, Va.
Brooks, Tex.	Dorn	Harrison, Wyo.
Broomfield	Dowdy	Harsha
Brown	Downing	Harvey, Ind.
Broyhill	Doyle	Harvey, Mich.
Hays	Matthews	Ryan
Hébert	May	St. George
Hechler	Meader	Saund
Hemphill	Merrow	Saylor
Henderson	Miller, Clem	Schadeberg
Herlong	Miller, George P.	Schenck
Hoeven		Scherer
Hoffman, Ill.	Miller, N.Y.	Schneebeli
Holifield	Milliken	Schweiker
Holland	Mills	Schwengel
Holtzman	Minshall	Scott
Horan	Moeller	Seely-Brown
Huddleston	Monagan	Selden
Hull	Montoya	Sheppard
Ichord, Mo.	Moore	Shipley
Ikard, Tex.	Moorehead, Ohio	Short
Inouye		Shriver
Jarman	Moorhead, Pa.	Sikes
Jensen	Morgan	Siler
Joelson	Morris	Sisk
Johansen	Morse	Slack
Johnson, Calif.	Mosher	Smith, Calif.
Johnson, Md.	Moss	Smith, Iowa
Johnson, Wis.	Multer	Smith, Miss.
Jonas	Murphy	Smith, Va.
Jones, Ala.	Murray	Spence
Jones, Mo.	Natcher	Springer
Judd	Nelsen	Stafford
Karsten	Nix	Steed
Karth	Norblad	Stephens
Kastenmeier	Norrell	Stratton
Kearns	Nygaard	Stubblefield
Keith	O'Brien, Ill.	Sullivan
Kelly	O'Hara, Ill.	Taylor
Kilday	O'Hara, Mich.	Teague, Calif.
Kilgore	O'Konski	Teague, Tex.
King, Calif.	Olsen	Thomas
King, N.Y.	Osmers	Thompson, La.
King, Utah	Ostertag	Thompson, Tex.
Kirwan	Passman	Thomson, Wis.
Kitchin	Patman	Thornberry
Knox	Pelly	Toll
Kornegay	Perkins	Tollefson
Kowalski	Peterson	Trimble
Kunkel	Pfost	Tuck
Kyl	Pike	Tupper
Laird	Pilcher	Udall
Landrum	Pirnie	Ullman
Lane	Poage	Vanik
Langen	Poff	Van Pelt
Latta	Powell	Van Zandt
Lennon	Price	Vinson
Lesinski	Pucinski	Wallhauser
Libonati	Quie	Walter
Lindsay	Rabaut	Watts
Lipscomb	Rains	Weaver
Loser	Randall	Westland
McCormack	Reece	Whalley
McCulloch	Reifel	Wharton
McDonough	Reuss	Whitener
McDowell	Rhodes, Ariz.	Whitten
McFall	Rhodes, Pa.	Wickersham
McMillan	Riehlman	Widnall
McSween	Riley	Williams
MacGregor	Rivers, Alaska	Wilson, Calif.
Machrowicz	Robison	Wilson, Ind.
Mack	Rodino	Winstead
Magnuson	Rogers, Colo.	Wright
Mahon	Rogers, Fla.	Yates
Mailliard	Rogers, Tex.	Young
Marshall	Roosevelt	Younger
Martin, Mass.	Roush	Zablocki
Martin, Nebr.	Rousselot	Zelenko
Mathias	Rutherford	

NAYS—12

Dulski	Hosmer	Ray
Gross	McVey	Scranton
Hiestand	Mason	Taber
Hoffman, Mich.	Pillion	Utt

NOT VOTING—58

Alford	Friedel	Michel
Alger	Giaimo	Morrison
Anfuso	Glenn	Moulder
Avery	Granahan	O'Brien, N.Y.
Bailey	Gray	O'Neill
Bass, N.H.	Green, Oreg.	Philbin
Betts	Griffin	Rivers, S.C.
Blitch	Hall	Roberts
Boggs	Halpern	Rooney
Bow	Healey	Rostenkowski
Buckley	Jennings	Roudebush
Cannon	Kee	St. Germain
Cohelan	Keogh	Santangelo
Cook	Kilburn	Shelley
Cramer	Kluczynski	Sibal
Delaney	Lankford	Staggers
Derwinski	McIntire	Thompson, N.J.
Donohue	Macdonald	Weis
Feighan	Madden	Willis

So (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

The Clerk announced the following pairs:

Mr. Cohelan with Mr. Derwinski.
Mr. Boggs with Mr. Cramer.
Mr. Willis with Mr. Alger.
Mr. Staggers with Mr. Bass of New Hampshire.
Mr. Jennings with Mr. Glenn.
Mr. Moulder with Mr. Michel.
Mr. Morrison with Mr. Roudebush.
Mr. Feighan with Mr. Avery.
Mrs. Granahan with Mr. Bow.
Mr. O'Neill with Mr. Sibal.
Mr. Rostenkowski with Mr. Betts.
Mr. Giaimo with Mr. Hall.
Mr. Friedel with Mr. Kilburn.
Mr. St. Germain with Mr. Griffin.
Mr. Anfuso with Mr. McIntire.
Mr. Delaney with Mr. Halpern.
Mr. Santangelo with Mrs. Weis.

The vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

ALLOTMENT OF PAY IN EMERGENCY EVACUATIONS

Mr. MURRAY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2555) to provide for allotment and advancement of pay with respect to civilian employees of the United States in cases of emergency evacuations in oversea areas, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of this Act, the term—

(1) "department" means—

(A) each executive department of the Government of the United States of America;

(B) each agency or independent establishment in the executive branch of such Government;

(C) each corporation wholly owned or controlled by such Government;

(D) the judicial branch of such Government;

(E) the General Accounting Office;

(F) the Library of Congress; and

(G) the municipal government of the District of Columbia.

(2) "head of each department" or "department head" means—

(A) the Director of the Administrative Office of the United States Courts with respect to the judicial branch of the Government; and

(B) the Board of Commissioners of the District of Columbia with respect to the municipal government of the District of Columbia.

(3) "United States", when used in a geographical sense, means the several States of the United States of America and the District of Columbia.

SEC. 2 (a) The head of each department is authorized to provide for the payment, in advance, of compensation, allowances, and differentials, or any of them, covering a period of not more than thirty days, to or for the account of each employee of such department (or, under emergency circumstances and on a reimbursable basis, an employee of any other department) whose evacuation (or that of his dependents or immediate family, as applicable) from a place within or outside the United States is ordered for military or other reasons which create imminent danger to the life or lives of such employee or of such dependents or immediate family.

(b) Subject to adjustment of the account of such employee in accordance with section 4 of this Act and other applicable law, such advance payment of compensation, allowances, and differentials shall be at rates then currently authorized with respect to such employee, on the date such advance payment is made, under procedures of such department governing advance payments under this subsection; but such rates so authorized shall not exceed the rates to which such employee was entitled immediately prior to the issuance of such order of evacuation.

(c) An advance of funds under subsection (a) of this section shall be recoverable by the Government of the United States or the municipal government of the District of Columbia, as the case may be, from such employee or his estate—

(1) by setoff against accrued compensation, amount of retirement credit, or other amount due such employee from the Government of the United States or the municipal government of the District of Columbia, and

(2) by such other method as may be provided by law.

(d) The head of the department concerned is authorized to waive in whole or in part any right of recovery of an advance of funds under subsection (a) of this section, if it is shown that such recovery would be against equity and good conscience or against the public interest.

SEC. 3. (a) The head of each department is authorized—

(1) to provide for the payment of monetary amounts, covering a period of not more than sixty days (except that the President may extend such period with respect to the executive branch for not more than one hundred and twenty additional days if he determines that the extension of such period is in the interest of the United States), to or for the account of each employee of such department (or, under emergency circumstances and on a reimbursable basis, an employee of any other department)—

(A) whose evacuation from a place within or outside the United States is ordered for military or other reasons which create imminent danger to the life of the employee, and

(B) who is prevented, by circumstances beyond his control and beyond the control of the Government of the United States or the municipal government of the District of Columbia, or both, as applicable, from performing the duties of the position which he held immediately prior to the issuance of such order of evacuation; and

(2) to provide for the termination of payment of such amounts.

(b) Subject to adjustment of the account of such employee in accordance with section 4 of this Act and other applicable law, each payment under this section shall be at rates of compensation, allowances, and differentials, or any of them, then currently authorized with respect to such employee, on the date such payment is made, under procedures of such department governing payments under this section. Such rates so authorized shall not exceed the rates to which such employee was entitled immediately prior to the issuance of the order of evacuation, except that any such employee in the executive branch may be granted such additional allowance payments as the President determines necessary to offset the direct added expenses incident to the evacuation.

(c) Each period for which payment of amounts may be made under this section to or for the account of an employee shall be held and considered, for all purposes with respect to such employee, as a period of active service (without break in service) rendered by such employee in the employment of the Government of the United States or the municipal government of the District of Columbia.

SEC. 4. The head of each department—

(1) shall provide for the review of the account of each employee of such department in receipt of payments in accordance with section 2 or 3, or both, as the case may be, of this Act, and

(2) shall provide for the adjustment of the amounts of such payments on the basis of (A) the rates of compensation, allowances, and differentials to which such employee would have been entitled, under applicable law other than this Act, for the respective periods covered by such payments, if he had rendered active service, in accordance with the terms of his appointment, during each such period in the position which he held immediately prior to the issuance of the applicable order of evacuation and (B) such additional amounts as such employee may be authorized to receive in accordance with a determination of the President under section 3(b) of this Act.

SEC. 5. The head of each department is authorized to establish procedures under which each employee of such department is permitted to make allotments and assignments of amounts out of his compensation for such purpose as such department head deems appropriate.

SEC. 6. (a) To the extent practicable in the public interest, the President shall coordinate the policies and procedures of the respective departments in the executive branch under this Act.

(b) The President, with respect to the executive branch, and the head of the department concerned, with respect to the appropriate department outside the executive branch, shall prescribe and issue, or provide for the formulation and issuance of, such regulations as are necessary and appropriate to carry out the provisions, accomplish the purposes, and govern the administration, of this Act. Such regulations shall be issued on or before the ninetieth day following the date of enactment of this Act and shall become effective on the ninetieth day following the date of issuance.

(c) The head of each department in the executive branch is authorized to prescribe and issue such regulations (not inconsistent with the regulations of the President issued under subsection (b) of this section) as are necessary and appropriate to carry out the functions of such department head under this Act.

SEC. 7. Notwithstanding any provision of this Act or the repeal or amendment thereby of any provision of law, and until such time as regulations prescribed by or under authority of the President are issued under section 6(b) of this Act and become effective, allotments and assignments of pay of employees in the executive branch may be made in accordance with such provisions of law so amended or repealed and the regulations issued thereunder; and such regulations may be amended or revoked in accordance with such provisions of law.

SEC. 8. Funds available to each department for payment of compensation, allowances, and differentials to or for the accounts of civilian officers and employees of such department also shall be available for payment of compensation, allowances, and differentials to or for the accounts of employees of any other department in accordance with this Act and on a reimbursable basis.

SEC. 9. (a) The following provisions of law are hereby repealed:

(1) The Joint Resolution entitled "Joint Resolution authorizing assignment of pay of teachers and other employees of the Bureau of Education in Alaska", approved March 21, 1906 (34 Stat. 824; 48 U.S.C. 171);

(2) The paragraph in the first section of the Act of June 30, 1906, under the heading

"Under the Department of the Interior", under the subheading "United States Geological Survey", and under the caption "Scientific Assistants of the Geological Survey" (34 Stat. 727; 43 U.S.C. 35), which reads as follows:

"The Secretary of the Interior is hereby authorized to permit scientific and other employees of the United States Geological Survey, employed in the field, to make assignments of their pay, under such regulations as he may prescribe, during such time as they may be in the employ of the United States Geological Survey. And the Secretary of the Interior is further authorized, in his discretion, under such regulations as he may prescribe, to reimburse the scientific and other employees for expenses incurred by them in the discharge of their duties in the field and paid from their personal funds.";

(3) That part of the first section of the Act of May 27, 1908, under the heading "Under the Department of the Interior", under the subheading "United States Geological Survey", and under the caption "For General Expenses of the Geological Survey" (35 Stat. 350; 43 U.S.C. 382), which reads as follows:

"The Secretary of the Interior is hereby authorized to permit the employees of the Reclamation Service, while employed in the field, to make assignments of their pay under such regulations as he may prescribe.";

(4) The second paragraph under the center heading "MISCELLANEOUS" and under the side heading "Paper Tests" in the Act entitled "An Act making appropriations for the Department of Agriculture for the fiscal year ending June thirtieth, nineteen hundred and ten", approved March 4, 1909 (35 Stat. 1057; 5 U.S.C. 529), which reads as follows:

"And hereafter the Secretary of Agriculture is authorized to permit employees of the Department of Agriculture to make assignments of their pay, under such regulations as he may prescribe, during such time as they may be in the employ of the said department.";

(5) The proviso contained in the second paragraph under the center heading "DEPARTMENT OF COMMERCE AND LABOR" and under the side heading "Office of the Secretary" in the Act entitled "An Act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and eleven, and for other purposes", approved June 17, 1910 (36 Stat. 524; 5 U.S.C. 595), which reads as follows: "*Provided*, That the Secretary of Commerce and Labor is hereby authorized, under such regulations as he may prescribe, to permit officers and employees of the several bureaus and divisions of the Department of Commerce and Labor to assign their salaries while absent from Washington, District of Columbia, and employed in the field"; and

(6) The Act entitled "An Act authorizing allotment of pay by civilian personnel stationed abroad", approved May 14, 1937 (50 Stat. 166; 5 U.S.C. 75c).

(b) That part of the first section of the Act of March 4, 1907, under the heading "Under the Department of Commerce and Labor" and under the subheading "Coast and Geodetic Survey", as amended by the first section of the Act of June 21, 1955 (69 Stat. 169; 33 U.S.C. 862), relating to assignments and allotments of pay of personnel of the United States Coast and Geodetic Survey, is amended to read as follows:

"Commissioned officers of the United States Coast and Geodetic Survey are authorized to make assignments or allotments of their pay under such regulations as the Secretary of Commerce may prescribe.".

(c) Section 3689(d) of title 10 of the United States Code is amended—

(1) by inserting the word "or" immediately following the semicolon at the end of clause (1);

(2) by striking out the word "or" immediately following the semicolon at the end of clause (2); and

(3) by striking out clause (3) which reads: "(3) permanent civilian employee of the Department of the Army on duty outside the United States;".

(d) Section 8689(d) of title 10 of the United States Code is amended—

(1) by inserting the word "or" immediately following the semicolon at the end of clause (1);

(2) by striking out the word "or" immediately following the semicolon at the end of clause (2); and

(3) by striking out clause (3) which reads: "(3) permanent civilian employee of the Department of the Air Force on duty outside the United States;".

The SPEAKER. Is a second demanded?

Mr. CORBETT. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. MURRAY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the objective of H.R. 2555 is to provide for the establishment of an efficient, orderly, and equitable procedure for the payment of compensation and allowances of civilian employees of the Federal Government for use in the event an emergency requires the evacuation of employees or of their immediate families from their duty stations.

Permissive authority would be granted by this legislation to the executive and judicial branches of the Federal Government, the Library of Congress, the General Accounting Office, and the municipal government of the District of Columbia to establish procedures for the payment of compensation and allowances to Federal civilian personnel or their dependents in the event an emergency evacuation is ordered for military or other reasons which create imminent danger to the life of the employee, his dependents or immediate family. Payment of the compensation and allowances will be at the rates authorized for the employee immediately prior to evacuation, except as additional payments may be authorized by the President to reimburse actual direct expenses incurred by the employee which are over and above the expenses the employee would have incurred had there been no evacuation.

The legislation also consolidates the several existing laws relating to the allotment and assignment of compensation for Federal civilian employees, with their differing conditions and limitations, into one uniform and coordinated standard legislative provision which will govern procedures for such allotment and assignment of pay in the cases of all Federal civilian employees in or under the departments and agencies covered by the bill.

I would like to make the record clear that this legislation is not intended to provide any benefits for foreign nationals who are employed by the Government of the United States to work in their own countries.

The overall cost will not be substantial since any payments under the new procedure are required to be adjusted later to amounts not exceeding the amounts the employee would have been entitled to under other applicable law, plus the added amount which may be authorized by the President to compensate the employee for the direct expenses incurred due to emergency evacuation which would not have been incurred except for the evacuation. The executive branch was not able to furnish any specific cost estimates due to the absence of any information on which they could be based.

Mr. Speaker, this legislation will constitute standby authority to take timely action, in the national interest, in the event emergency evacuations are necessary due to sudden or unforeseen developments in the cold war. I believe it is necessary that this legislation be enacted so that the employees of all agencies can be assured of standard procedures being available for the payment of their compensation and allowances.

Mr. CORBETT. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I am pleased to join with Chairman TOM MURRAY in expressing my endorsement of H.R. 2555, a bill which was overwhelmingly approved by the House Post Office and Civil Service Committee to provide standby authority to take appropriate action for the payment of Federal employees or their dependents if emergency evacuations are necessary due to sudden or unforeseen developments in the cold war.

At the present time, there is no clear or positive legislative policy with respect to compensating and providing allowances for Federal civilian employees and their dependents who may be ordered evacuated from duty stations for military reasons or to safeguard them from imminent danger to their lives. H.R. 2555 which has been requested by the Defense Establishment through the Department of the Air Force is desirable legislation and would carry out the policy which we consider desirable of preparing for any contingency which may occur, particularly in foreign countries, during this period of international stress. We have no way of knowing at what time it might be necessary to utilize the provisions of this legislation, but in order to provide an efficient, orderly, and equitable procedure for the payment of compensation and allowances of the civilian employees in cases of emergency, it is desirable that this bill be approved.

May I emphasize the fact that this legislation is not intended to provide any benefits for foreign nationals who are employed by the Government of the United States to work in their own countries.

No specific cost estimates are available concerning this legislation because of absence of information on which such costs could be based and the cost will be largely determined by unforeseen conditions which may exist in the future when emergency evacuations of Federal

employees are necessary. However, the overall cost will not be substantial since payments authorized under this bill are required to be adjusted at rates not exceeding amounts due the employees affected which would have been due them under normal conditions plus added direct expenses incurred due solely to the emergency evacuation.

Mr. Speaker, I believe it is only reasonable that the Congress should enact legislation to prepare for the contingency, which we hope will never occur, but for which we must be prepared.

Mr. MURRAY. Mr. Speaker, I have no more requests for time.

Mr. CORBETT. Mr. Speaker, I yield 10 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, first of all I should like to comment on this use of suspension of the rules to consider legislation. I was under the impression, and it was so stated when the packing of the Rules Committee was voted, that we were going to get legislation in this session of Congress out of the Rules Committee under normal procedure. I do not think there has been a session since I have been a Member in which more resort has been made to suspension of the rules than in this Congress. I wonder what has happened to the revamping of the Rules Committee to provide a ready vehicle for the bringing of legislation to the floor of the House under procedures, whereby there would be the opportunity for ample debate and the offering of amendments, all of which is denied under suspension of the rules. Perhaps some of our leadership in the House can tell us why we are getting all these bills under suspension now. I would like to ask the gentleman, the chairman of the committee, a question or two concerning this bill. Why is it deemed necessary to take care of the District of Columbia employees to the exclusion of other municipal employees?

Mr. MURRAY. I will say to the gentleman, Mr. Speaker, that we had an official request that this amendment be included in this bill.

Mr. GROSS. It is just that simple—you had an official request. No reason; just a request. I want to ask the gentleman another question: Did the Department of State, which insisted on this bill, ever testify in behalf of it?

Mr. MURRAY. Mr. Speaker, I think the gentleman is in error, the State Department did not ask for this bill, the Department of Defense requested the legislation.

Mr. GROSS. Does the gentleman mean to say the State Department is not interested in this legislation?

Mr. MURRAY. I do not recall anybody from the State Department appearing on this legislation.

Mr. GROSS. You bet your life they did not appear on this legislation, and it is a strange thing because any number of these employees are in foreign countries and they will be benefited if this is a benefit, but I cannot understand why we should single out employees of the District of Columbia for these advance payments or allotments to their dependents in the event of an emergency. Why should municipal employees of the District of Columbia be singled out over and above municipal employees of Chicago, New York or any other city? Does anyone care to answer that—I would be glad to have an answer from anyone.

Mr. HOFFMAN of Michigan. If the gentleman will yield—the gentleman wants an answer. They are here where they can put on the heat better.

Mr. GROSS. I see, simply because they put on the heat.

Mr. HOFFMAN of Michigan. Yes, and they also entertain some folks, do you not know—that heps.

Mr. GROSS. As I understand it, in the payment of these advance payments or allotments, they can be made directly to the dependents. Is that the story—are we changing the law so that allotments can be made directly to dependents—and over what period of time? Do I understand this can be done for 120 days plus the original 30 days? What is the time limit or the time factor; does anybody know?

Mr. MURRAY. I will say to the gentleman, the advance payments are only authorized for 30 days.

Mr. GROSS. They are what?

Mr. MURRAY. They are only authorized for 30 days.

Mr. GROSS. I still cannot understand the answer of the gentleman. It is 30 days? If so, what is the meaning of the 120-day provision in this bill?

Mr. MURRAY. The advance payment is for 30 days.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The gentleman from Iowa is on the committee. Now if this information you are seeking is classified, why do you ask for it here?

Mr. GROSS. I did not realize until today that it was classified information.

Mr. HOFFMAN of Michigan. You seem to be unable so far to get it and knowing the long hours you spend through the night in looking over these reports and knowing your attendance at committee meetings, I wonder why you have to ask for it here and why did you not get it in the committee?

Mr. GROSS. I tried to get the same information at that time, and I then commented on the fact that the State Department, one of the chief beneficiaries, if there is any benefit to be derived from it, was not present and, apparently, was not to be called before the committee. I asked this question and could not get an answer.

Mr. HOFFMAN of Michigan. If my colleague will wait just a moment, with all due respect, should you not be careful in these times of great danger about disclosing secret information—you are asking about the State Department. What business have you to ask about the State Department?

Mr. GROSS. I will have to agree with the gentleman. The State Department, as I have said many times, has its long nose in everything around here, especially trying to run the entire Government, and maybe we should never question anything they want or do or say. Maybe we ought to just roll over and play dead. The time, apparently, is coming when all that Members of Congress will have to do is cash their pay checks.

I never could understand why, with the largest evacuation of American civilians in the history of this country in Korea in 1950, there was no clamor for this legislation. Approximately 11 years have gone by since Korea and now we suddenly have to rush this bill through under suspension of the rules. Why was this legislation not necessary during and after Korea? At no time in the history of this country were more Americans evacuated from a danger zone than in Korea, and yet 11 years have gone by before somebody suggested this legislation.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HOFFMAN of Michigan. The answer is easy, the New Frontier had not arrived.

Mr. GROSS. I guess that does it.

So here we are today asked to legalize advance payments to employees of the Federal Government or their dependents in the continental United States as well as abroad, without the slightest knowledge of costs and other pertinent information.

You can do this if you want to; I want no part of it without further and substantial proof that this sort of thing is necessary.

Mr. Speaker, I yield back the balance of my time.

Mr. DEVINE. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. JOHANSEN] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objections to the request of the gentleman from Ohio?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, the bill under consideration, H.R. 2555, was the subject of extensive hearings before the House Post Office and Civil Service Committee and after the explanation of the need for this legislation, I am convinced it will serve a useful purpose by providing standby authority for the President and the heads of the departments and agencies of the executive branch which may be necessary to exercise in times of emergency.

The purpose of the bill is to provide permissive authority to executive departments and agencies to allow civilian employees at places outside the United States or at such other places as the President may designate, under specified emergency conditions, to make allotments from their pay for the support of their families or for other proper purposes, and to permit such employees up to 30 days' advance pay. The bill will also provide for the continuance of pay of such civilian employees if they are required to evacuate their oversea places of duty under the specified conditions.

During this period of international crisis, in my judgment, we should be prepared to take whatever action is necessary in the event of emergency conditions, particularly in foreign countries,

so that our civilian employees and their dependents are adequately protected. This authority which is proposed to be granted the executive branch, the judicial branch, General Accounting Office, Library of Congress, and the government of the District of Columbia would be exercised only in times of emergency to provide for the establishment of orderly, efficient, and fair procedures for the payment of compensation and allowances of Federal civilian employees.

Emergency evacuations have already occurred in certain instances. For example, in southeast Asia, where it has been demonstrated that the enactment of this legislation will be highly desirable.

I am satisfied that the cost of this legislation is not obtainable for the reason that we do not know where these emergency conditions will occur in the future and certainly we all trust they will not occur, but we must be prepared to maintain, particularly in foreign countries, a continuity of U.S. policies through the continued duties and activities of our civilian employees.

While I am prepared to support this legislation, with respect to Federal civilian employees, I wish to clarify the intent of our committee that it is not to be extended for the benefit of foreign nationals who are employed by our Government to work in their own countries.

Mr. Speaker, I join with my colleagues including our distinguished chairman in urging the approval of this bill.

Mr. CORBETT. Mr. Speaker, I yield the balance of my time to the gentleman from Virginia [Mr. BROYHILL].

The SPEAKER pro tempore. The gentleman from Virginia is recognized for 8 minutes.

Mr. BROYHILL. Mr. Speaker, I rise in support of H.R. 2555.

First, it has been asked as to why this bill was brought up under a suspension of the rules rather than requesting a rule from the Rules Committee. It was hoped that this legislation would be noncontroversial. It is simple and clear legislation. We attempted to have it considered on the Consent Calendar but objection was raised or request was made that it be passed over without prejudice. That is the reason we are considering it under a suspension of the rules.

As has been explained, the purpose of this legislation is to provide clear and outstanding authority for the payment of compensation and allowances to Federal civilian employees who are required to evacuate an area for military reasons when there is a threat to their safety and security; and, also, as has been pointed out, it applies to all departments of the executive branch, the judicial branch, the General Accounting Office, the Library of Congress, as well as the District of Columbia. It applies to all Federal employees with the exception of employees of the legislative branch.

Some evacuations have been necessary in the past, and it is very likely that necessity for emergency evacuation will occur in the future, because we all know we are spread all over the world today; we have bases in practically every part of the world, with many civilian employees in those areas. For example, we had a group of employees in Vientiane back in 1960. They were required to evacuate that area and were moved over to Bangkok. Later when the situation eased there some of those employees were moved back to Laos; some remained in Bangkok to carry out various other assignments, and then some employees were reassigned.

Mr. BROWN. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Ohio.

Mr. BROWN. The only thing that worries me about the bill or gives me some concern, about the evacuation of employees overseas is employees of the Library of Congress.

How many representatives, members, or employees of the Library of Congress or the District of Columbia do we have overseas?

Mr. BROYHILL. The purpose of including the Library of Congress, as well as the District of Columbia and the General Accounting Office is in the event of an emergency situation occurring here.

Mr. BROWN. Of course they might have an emergency in my hometown and be evacuated. Does the gentleman think we ought to evacuate the civilian employees of the Federal Government in my hometown?

Mr. BROYHILL. Indeed, employees of the Federal Government, in the event of an emergency situation for military reasons or in case there is danger to their safety.

Mr. BROWN. Why should they not provide that any Federal employee shall be evacuated?

Mr. BROYHILL. It does.

Mr. BROWN. And the taxpayers who may not be on the Federal payroll.

Mr. BROYHILL. It does not provide for evacuation necessarily. It provides an advance payment of salaries, also a continuation of that salary for 60 days, while they are awaiting reassignment. It does not pay the expenses of evacuation but an advance in salaries. Reimbursement can be claimed later.

Now let me complete my statement. The purpose of this legislation is to clarify the authority which was exercised in this evacuation at Laos occurring last summer. In the event of an emergency evacuation, this legislation authorizes an advance payment of 30 days' salary, and only 30 days in advance at the same salaries the employees were receiving prior to the time of evacuation. Then it provides for 60-day salaries while that employee is awaiting reassignment. Without this authority, and in the case that occurred in Laos last year, if that occurred again, without this clear-cut authority, those employees would have to be disbanded and sent back home. Then, when the situation was eased, we would have to come back over here to the United States, rehire them, and go to the expense of shifting them over to Laos, as well as the expense of training new employees. This is in the best interest of the Government to have this clear-cut authority. As the chairman of the committee said, it does not provide for advance payment or payment for the 60-day period while awaiting reassignment in the case of foreign nationals. What this bill does is to clarify the situation as I have pointed it out. It gives the authority that is being exercised by some agencies of the Government, but it is a question whether they have the right to exercise that authority. This makes it clear, with no misunderstanding whatsoever. It provides for advance payment, a temporary payment, while employees are awaiting reassignment. It puts it all under one complete clear title.

Mr. YOUNGER. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from California.

Mr. YOUNGER. The gentleman says this should be allowed for evacuation of Federal employees wherever they exist. That is not provided, is it? We have more Federal employees in California than there are in the District of Columbia and San Francisco, Los Angeles and Vandenberg are as important and more likely to have an emergency than the District of Columbia.

Mr. BROYHILL. Let me reply to the gentleman by stating that in the event of an emergency evacuation in California for military reasons, or on account of any threat to the safety of the employees, this bill provides for 30 days' advance payment in order that they may be evacuated.

Mr. YOUNGER. Anywhere in the Nation?

Mr. BROYHILL. Anywhere in the Nation.

Mr. YOUNGER. Why did the gentleman say the District of Columbia, then?

Mr. BROYHILL. Because the employees of the District of Columbia are quasi-Federal employees. It has to be spelled out as a separate proposition.

I may point out that military personnel today in the event of an emergency evacuation, if orders are given, can receive advance payments. Their salaries can continue while they are awaiting reassignment elsewhere. So, we are not doing anything differently here for civilian employees than is already provided for the military service people.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Iowa.

Mr. GROSS. Well, now, why do you single out the municipal employees in the District of Columbia to the exclusion of the municipal employees anywhere else in the country?

Mr. BROYHILL. Because the District of Columbia is the Nation's Capital. I think the gentleman knows that.

Mr. GROSS. Of course I know that.

Mr. BROYHILL. And they are quasi-Federal employees that come under the jurisdiction of the Congress.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. You say the gentleman from Iowa knows it is the capital. He is in some doubt since the gentleman from Virginia came here.

Mr. BROYHILL. I agree with the gentleman, there is some doubt.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, what about

our legislative employees? Why are they excluded?

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired. All time has expired.

The question is on the motion of the gentleman from Tennessee, Mr. MURRAY, that the House suspend the rules and pass the bill H.R. 2555.

The question was taken; and the Speaker pro tempore announced that in his opinion two-thirds of the Members had voted in favor thereof.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 285, nays 87, not voting 64, as follows:

[Roll No. 113]

YEAS—285

Abbitt	Diggs	Johnson, Wis.
Abernethy	Dominick	Jones, Ala.
Adair	Dooley	Jones, Mo.
Addabbo	Dorn	Judd
Addonizio	Dowdy	Karsten
Albert	Downing	Karth
Alexander	Doyle	Kastenmeier
Andrews	Duleski	Keith
Ashley	Dwyer	Kelly
Ashmore	Edmondson	Kilday
Aspinall	Elliott	Kilgore
Avery	Everett	King, Calif.
Ayres	Evins	King, Utah
Baldwin	Fallon	Kirwan
Baring	Farbstein	Kitchin
Barrett	Fascell	Knox
Barry	Fenton	Kornegay
Bass, Tenn.	Finnegan	Kowalski
Bates	Fino	Kunkel
Beckworth	Fisher	Landrum
Belcher	Flood	Lane
Bennett, Fla.	Flynt	Lennon
Bennett, Mich.	Fogarty	Lesinski
Blatnik	Ford	Libonati
Boland	Forrester	Lindsay
Bolling	Fountain	Loser
Boykin	Frazier	McCormack
Brademas	Frelinghuysen	McDowell
Breeding	Friedel	McFall
Brewster	Gallagher	McMillan
Brooks, La.	Garland	McSween
Brooks, Tex.	Garmatz	Mack
Broomfield	Gary	Magnuson
Broyhill	Gathings	Mahon
Burke, Ky.	Gavin	Mailliard
Burke, Mass.	Gilbert	Marshall
Burleson	Goodell	Mathias
Byrne, Pa.	Grant	Matthews
Byrnes, Wis.	Green, Oreg.	May
Cahill	Green, Pa.	Meader
Carey	Griffiths	Merrow
Casey	Gubser	Miller, Clem
Cederberg	Hagan, Ga.	Miller, George P.
Celler	Hagen, Calif.	Milliken
Chamberlain	Halleck	Mills
Chelf	Hansen	Monagan
Chenoweth	Harding	Montoya
Chiperfield	Hardy	Moore
Church	Harris	Moorhead, Pa.
Clark	Harrison, Va.	Morgan
Coad	Harrison, Wyo.	Morris
Colmer	Harvey, Mich.	Morse
Conte	Hays	Mosher
Cooley	Hébert	Moss
Corbett	Henderson	Murphy
Corman	Holifield	Murray
Cunningham	Holland	Natcher
Curtin	Holtzman	Nix
Curtis, Mass.	Horan	Norrell
Daddario	Hosmer	Nygaard
Dague	Huddleston	O'Brien, Ill.
Daniels	Ichord, Mo.	O'Hara, Ill.
Davis	Ikard, Tex.	O'Hara, Mich.
James C.	Inouye	Olsen
Davis, John W.	Jarman	Osmers
Davis, Tenn.	Joelsen	Passman
Dent	Johansen	Patman
Denton	Johnson, Calif.	Pelly
Derounian	Johnson, Md.	Perkins
Peterson	Saund	Thornberry
Pfost	Schenck	Toll
Pike	Schweiker	Tollefson
Pilcher	Schwengel	Trimble
Poage	Scott	Tuck
Poff	Scranton	Tupper
Powell	Seely-Brown	Udall
Price	Selden	Ullman
Pucinski	Sheppard	Van Pelt
Quie	Shipley	Van Zandt
Rabaut	Sikes	Vinson
Rains	Siler	Wallhauser
Randall	Sisk	Walter
Reifel	Slack	Watts
Reuss	Smith, Iowa	Weaver
Rhodes, Pa.	Smith, Miss.	Whalley
Riley	Smith, Va.	Wharton
Rivers, Alaska	Spence	Whitten
Robison	Stafford	Wickersham
Rodino	Stephens	Wilson, Calif.
Rogers, Colo.	Stratton	Wilson, Ind.
Rogers, Tex.	Stubblefield	Wright
Roosevelt	Sullivan	Yates
Roush	Teague, Calif.	Young
Rutherford	Thompson, N.J.	Zablocki
Ryan	Thompson, Tex.	Zelenko
	Thomson, Wis.	

NAYS—87

Andersen, Minn.	Haley	Moeller
Anderson, Ill.	Harsha	Moorehead, Ohio
Arends	Harvey, Ind.	Nelsen
Ashbrook	Hechler	O'Konski
Auchincloss	Hemphill	Ostertag
Baker	Herlong	Pillion
Battin	Hiestand	Pirnie
Becker	Hoeven	Ray
Beermann	Hoffman, Ill.	Reece
Bell	Hoffman, Mich.	Rhodes, Ariz.
Berry	Hull	Riehlman
Bolton	Jensen	Rogers, Fla.
Bonner	Jonas	Rousselot
Bray	King, N.Y.	St. George
Bromwell	Kyl	Saylor
Brown	Laird	Schadeberg
Bruce	Langen	Scherer
Clancy	Latta	Schneebeli
Collier	Lipscomb	Short
Curtis, Mo.	McCulloch	Shriver
Devine	McDonough	Smith, Calif.
Dingell	McIntire	Taber
Dole	McVey	Taylor
Durno	MacGregor	Utt
Ellsworth	Martin, Mass.	Vanik
Findley	Martin, Nebr.	Westland
Fulton	Mason	Whitener
Goodling	Michel	Younger
Gross	Miller, N.Y.	
	Minshall	

NOT VOTING—64

Alford	Gray	Rivers, S.C.
Alger	Griffin	Roberts
Anfuso	Hall	Rooney
Bailey	Halpern	Rostenkowski
Bass, N.H.	Healey	Roudebush
Betts	Jennings	St. Germain
Blitch	Kearns	Santangelo
Boggs	Kee	Shelley
Bow	Keogh	Sibal
Buckley	Kilburn	Springer
Cannon	Kluczynski	Staggers
Cohelan	Lankford	Steed
Cook	Macdonald	Teague, Tex.
Cramer	Machrowicz	Thomas
Dawson	Madden	Thompson, La.
Delaney	Morrison	Weis
Derwinski	Moulder	Widnall
Donohue	Multer	Williams
Feighan	Norblad	Willis
Giaimo	O'Brien, N.Y.	Winstead
Glenn	O'Neill	
Granahan	Philbin	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Morrison and Mr. Cohelan for, with Mr. Bow against.

Mr. Feighan and Mr. St. Germain for, with Mr. Betts against.

Mr. Giaimo and Mr. O'Neill for, with Mr. Kilburn against.

Mr. Boggs and Mr. Multer for, with Mr. Alger against.

Until further notice:

Mr. Buckley with Mr. Bass of New Hampshire.

Mr. Keogh with Mr. Cramer.

Mr. Delaney with Mr. Widnall.

Mr. Rooney with Mrs. Weis.

Mr. Santangelo with Mr. Kearns.

Mr. Anfuso with Mr. Halpern.

Mr. Machrowicz with Mr. Derwinski.

Mr. Healey with Mr. Glenn.

Mr. Rostenkowski with Mr. Miller of New York.

Mr. O'Brien of New York with Mr. Roudebush.

Mr. Jennings with Mr. Springer.

Mr. Willis with Mr. Hall.

Mr. Williams with Mr. Sibal.

Mr. Winstead with Mr. Griffin.

Mr. Steed with Mr. Norblad.

Mr. CONTE changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The title of the bill was amended to read: "A bill to authorize pay with respect to civilian employees of the United States in cases of emergency evacuations, to consolidate the laws governing allotment and assignment of pay by such employees, and for other purposes."

A motion to reconsider was laid on the table.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GROSS. Mr. Speaker, are we to assume that other bills listed for consideration under the suspension of rules of the House this afternoon will not be called up?

The SPEAKER pro tempore. The Chair understands those bills will not be called up.

WHY DIDN'T THE AMERICAN BANKERS AND AUTO DEALERS TESTIFY?

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, many people have not been convinced that big corporations can influence the passage or defeat of legislation or influence people to act against their own interest or the public interest. Here is example A.

This case in point is in H.R. 71, introduced by the gentleman from New York [Mr. CELLER], to prohibit manufacturers of motor vehicles from engaging in financing and insuring installment sales of motor vehicles.

It is a bill to restrain monopolistic practices in the manufacture and sale of automobiles and permit survival of locally owned banks and other local financial institutions. A House Judiciary Subcommittee, headed by the gentleman from New York, has completed hearings on the bill, and I hope it soon will be brought to the floor for consideration.

WORST KIND OF MONOPOLY

It is the worst kind of monopoly, Mr. Speaker, when a huge firm like General Motors, which makes many millions of dollars every year from selling automobiles, also is permitted to multiply these

millions of dollars of profit by financing their sales through a nationwide branch-banking system innocently called General Motors Acceptance Corp. This is greed at its worst. The same thing can be said about the Ford Motor Co.

During the subcommittee hearings, I testified for the bill because the present practice is murderous to small independent financial institutions. And the longer it is permitted to continue, the worse it will be for our bankers and our small communities whose prosperity depends on healthy local business firms.

BANKERS SILENT AS DEATH

I will not go into that further at this time, but I had to give you this background to get to what is bothering me. Mr. Speaker, the thing that stood out most eloquently at those hearings was the dead silence from the American Bankers Association. Why did not the American Bankers Association testify in favor of the bill? This is a bill that would help their business and would be in the public interest. Mr. Speaker, banks are chartered and operated to make a profit, but that charter provides that they also must serve the public. The ABA is made up of big and little banks all over the country. This bill will help the little banks, particularly.

For what strange and unexplained reason did the banks not testify? Does a big corporation wield such powerful influence over our economy? Have the bankers abdicated to the tentacles of GMC's national money-lending system?

Could one huge corporation possibly cause unknown difficulties to another national business group if favorable testimony were given on a bill that would help the latter group as well as the country? Or, perhaps the bankers were just too tired to testify? No; I do not think so. But it would be interesting to know the reason.

NOTHING FROM DEALERS EITHER

Another group interests me, Mr. Speaker. Where was the testimony from the National Automobile Dealers Association? Here, again, was deathly cold silence. The automobile dealers I know are leading citizens in their communities, and I guess this is general everywhere. It seems incredible that this big organization would not appear before the committee. Since it directly affects the business of every dealer in the country, one would think NADA representatives would have been among the first on the firing line to testify one way or the other. They surely have to be for or against something that directly affects their daily lives. This is a situation where the automobile manufacturer often makes more from the financing and insuring than the dealer does from the sale of an automobile. Could they be influenced? Are the dealers afraid of losing their franchises? What is so attractive about refraining from testifying on legislation with which one is directly concerned? Why were the leaders silent as a tomb?

The automobile makers claim their moneylending operation is a benevolent gesture to help auto buyers purchase cars on time at modest interest rates. Now, if General Motors, Ford, and Chrysler are so public-spirited, if they are so benevolent, so full of the milk of human kindness, why do they not make loans at low interest rates to their dealers with a firm requirement that the dealer, in turn, keep the interest rate down in making installment sales. Then the dealer could handle the financing, and the profit he made on the sale and the financing would be kept in the local community and plowed back into the community's economy. If they want to help the dealers, this is the way to do it. Are the manufacturers so selfish they cannot be satisfied with the profit made on the sale of the product they make?

Mr. Speaker, I have asked these questions because I do not know the answers. I wish, sir, I did.

The Celler bill should be passed in the public interest to prevent a nationwide branch banking system.

FEDERAL LEADERSHIP AND DIRECTION FOR CIVIL DEFENSE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, on May 25 the President addressed a joint session of Congress concerning urgent national needs. His words conveyed the serious conditions which confront our Nation and which threatened its peace and security. A whole section of the President's message was devoted to civil defense.

By his personal attention to this subject, the President has shown himself willing to face up to one of the most difficult and disagreeable problems of our times. The President has said in effect that the Nation should stop fooling itself about civil defense. It is a kind of national insurance which we must have, which we can afford, and which should no longer be postponed or merely talked about. The time of national danger is now and not in some remote future.

The civil defense program will cost money. The President suggested that even the beginnings of a new civil defense program will more than triple the pending budget request for civil defense. This means $300 million or more for a new start toward an effective civil defense program.

In this era of the cold war, we spend $40 billion a year or more for bombers, missiles, and other war machines. Civil defense costs, even at the stepped-up rate required, would be a very small part of the defense budget.

Mr. Speaker, the question of money should be the least of our worries when the very existence of our beloved country and the whole free world is at stake. Of course, as legislators who control the national policy, we want a full return for every dollar of defense investment. We want a civil defense program that will protect the people rather than one that simply provides jobs for political hacks and produces mountains of literature which nobody reads.

The President and his advisers now are giving serious and careful thought to the future shape of our civil defense program. We learn from his message of May 25 that the Office of Civil and Defense Mobilization will be reconstituted as an Office of Emergency Planning. This means that the large, helter-skelter semioperating agency, divided between Battle Creek and Washington, will be transformed into a compact planning agency, to remain in the Executive Office of the President.

We learn also from the President's message that the Department of Defense will be called upon to play a large and important role in civil defense. Apparently responsibilities for a civil defense shelter program will be assigned to the Secretary of Defense, and also, I understand, other civil defense functions related to a shelter program will go to the Department of Defense.

This announced assignment or allocation of functions has created concern in some quarters whether we are about to witness a military takeover in the civil defense field. Let me say immediately that we should not be carried away by slogans. I hope and trust that we shall not get into an argument about who will do the task of civil defense when we have not yet found firm agreement on what the tasks are, or the level of national effort required.

I am not interested in bureaucratic maneuvering and empire-building. I am interested in an effective civil defense for the people of the United States. As far as I am concerned, the Department of Defense has large resources to contribute to a civil defense program, and these resources should be employed to the fullest possible extent.

I have every confidence that the President will issue the necessary orders, that he will continue to exert strong, positive leadership for civil defense, and that this leadership will, in accord with our traditional outlook, be civilian in nature.

Most Americans know, although they do not like to think about it, that a nuclear attack would shatter the foundations of normal living. Heroic efforts and unaccustomed sacrifices would be demanded for the repair of the torn and battered fabric of our Nation. If we make no comprehensive plans, if we do not prepare ourselves for the blow—which we hope never comes—then we can be certain that the military will take complete command in an emergency. Bayonets will condition our responses, and the harsh disciplines of military organization will regulate our work and welfare.

Martial law in its more primitive sense—where civil institutions are unable or not permitted to function, and military sovereignty is supreme—is no longer an adequate concept for our times. We need to devise new forms of control in which all the resources of the Nation, all institutions—military and civil alike—are utilized for the common

overriding purposes of survival, recuperation, and recovery after a nuclear attack.

New in a sense, yet old in our constitutional structure and tradition, is this joining of military and civil authority at the apex of government. The President in his own constitutional person is both the civil head of Government and the Commander in Chief of the Armed Forces.

In time of emergency, in time of war, we look to the great moral and legal authority of the President to mobilize the Nation's resources and direct its people to those national tasks that war demands of all of us.

Nuclear war, involving weapons of enormous and unimaginable destructive power demands Federal leadership and direction of vastly enlarged scope and intensity. The President—if he should be spared—or his lawful successors in office, will take command. There will be tasks for the military to do. There will be tasks for the civil agencies of Government—Federal, State, and local.

All the Nation's remaining energies and resources must be pooled in a common effort to preserve the Nation. Continuity of civil government must be maintained wherever possible so that this effort is directed to the best national advantage and so that we do not subject ourselves to more military dictatorship than absolutely necessary.

If we plan wisely, I foresee a civilian type of martial law which would permit the exercise of full emergency authority by the President and would embrace all civilian as well as military resources of the Nation. Unlike martial law in the traditional sense, the system I envision, would utilize—rather than suspend—all civilian institutions surviving the enemies' attack, including the civil courts and elected officials of Government.

Under such a system, arrangements could be developed for resumption of full control and leadership at the State level by the duly constituted State authorities in the postattack period, when Federal direction was no longer required. Preemergency planning of this general form would safeguard our traditional Federal-State constitutional structure and insure that postattack recovery operations would proceed in a governmental environment compatible with our constitutional democratic society.

In a few weeks, the Military Operations Subcommittee of the Committee on Government Operations will hold hearings on civil defense to examine the new program, the pending reorganizations at the Federal level, the proposed assignments of functions and responsibilities, and other matters. We will also have outstanding students of civil defense to help us evaluate the national level of effort in this field, the research needs, and the civil defense planning implications of new technical studies.

As chairman of the Military Operations Subcommittee, and also as a member and now chairman of the Joint Committee on Atomic Energy, I have made civil defense one of my most important congressional studies. The Military Operations Subcommittee commenced its investigations and studies in this field in 1955. Our first basic report, still valid in every essential sense, was issued in 1956. We knew then, as we do now, that this is not a popular subject.

But we also know that it is an important subject, one of the most important of all, because it concerns the very survival of our people and our Nation and our Western civilization.

There is a great lag between the onrushing technology of war and the social and economic adjustments which are required. This is particularly the case in civil defense. It is difficult for our people and our leaders in Government to realize that this new kind of nuclear warfare demands a new kind of effort—an effort which this Nation must make if it wants to survive.

We should reexamine our stated position of retaliation after enemy attack. This does not mean that we should adopt the philosophy of preemptive war. It does mean that we must state clearly and firmly our intention to take any step at any time to protect our country. Our posture of complete incapability to absorb a surprise nuclear attack, with our inability to estimate the chaos in the postattack era, casts grave doubt over our ability to counterpunch effectively. Our incapability to absorb a surprise attack exists because we have refused as a Nation to face the new and revolutionary degrees of destruction which are inherent in multimegaton nuclear weapons and warheads. If we are to deal from strength at the diplomatic table whether it be in Berlin or with some future Soviet ultimatum we must have that strength. It must be a strength of military power capable of striking an effective blow without either technological or philosophic handicaps.

It must be a strength also which is based on the capacity to absorb an enemy strike. Today we have an offensive military capability if it is not crippled by self-imposed restrictions based on a lack of comprehension of the ruthlessness of the Communist purpose. Today we do not have the military capability to protect our Nation against nuclear attack. I regret that this is true, but I regret far more the blindness and stupidity of men in positions of leadership who have refused to face this grim fact and take those nonmilitary steps which could save millions of American lives, in the event of nuclear war. The time for the preparation of nonmilitary protection may be all too short. The hour of danger may be nearer than we think.

PEACE CORPS VOLUNTEERS FOR RURAL EDUCATION WORK IN CHILE

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I am happy and proud to announce to the House the selection of two fine young men from the district I have the honor to represent for Peace Corps volunteers for rural education work in Chile. Forty volunteers for this mission were selected nationwide and it is a source of great rejoicing among my constituents that 2 of the 40 came from the great Second Congressional District of Illinois.

The two young men are:

Daniel McCarty, 23, of 7149 South Crandon Avenue, Chicago, Ill., received his B.A. degree this year from Cornell University, where he specialized in Spanish, fine arts, and Latin American history. He is an outdoorsman and is handy with a variety of tools.

Martin T. Ronan, 22, of 1734 East 71st Place, Chicago, Ill., received his A.B. degree in communication arts and sociology this year from the University of Notre Dame. He was a campus leader, serving as president of the Notre Dame Society of Mary during his junior and senior years. He also participated in track.

Training of the 40 volunteers for the mission in Chile will begin on July 20 at Notre Dame University, South Bend, Ind., continuing for a period of 2 months.

The Chilean Institute of Rural Education, a nonsectarian private organization, widely recognized for its work in basic education and rural community development among the peasants and small farmers of rural Chile, will utilize the Peace Corps volunteers in its operating centers and selected villages. The volunteers will work with trained Chilean educators in family education, hygiene, organized recreation, home economics, and small farming methods and demonstrations. Volunteers will include both men and women.

The University of Notre Dame, acting as the agent of the Indiana Conference of Higher Education, representing 34 Indiana institutions, will offer intensive training courses in Chilean area studies, including Chilean culture, traditions, and history; refresher courses in U.S. history, government, culture, political and social life, et cetera; physical and medical training; and Spanish. Many of the volunteers have some degree of fluency in that language, and the others will be intensively coached to give them the requisite degree of proficiency for their work.

The 40 volunteers will be sent to Chile following the successful completion of the Indiana training program. A number slightly in excess of that have been invited to participate in the training so as to provide for a continuing selection process during the training period. Upon arrival in Chile, the volunteers will be given additional orientation, language and technical training in the Chilean Institute's training center.

UNITED ARAB REPUBLIC

Mr. RYAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, on July 5 it was announced that Israel had accomplished the remarkable feat of launching a rocket 50 miles into space. This space vehicle was manufactured in Israel and demonstrated the great technological development of this Middle Eastern democracy which is the first small nation in this field.

Two days after the firing of Shavit II the State Department announced that it had issued an export license to a west coast manufacturer for the export of rockets to the United Arab Republic. It is difficult to justify the issuance of this export license on the basis of our desire to have other countries engage in scientific exploration when the U.A.R. does not have a proper scientific program. The fact is that these rockets will be used in connection with the July 23 celebration of the revolution which brought Nasser to power. In approving the sale, the United States aids the propaganda campaign of the U.A.R.—a country which, according to Nasser's own declarations, is at war with the democracy of Israel.

As soon as I heard that the Department of State was considering approval of the rocket sale, I wired the Secretary of State the following telegram, dated July 7, 1961:

Urge you suspend export license issued to Zimmy Corp. of California permitting sale of rockets to U.A.R.

I am informed that U.A.R. does not have proper scientific program for use of these rockets.

In my opinion the rockets will be used in connection with July 23 celebration of Nasser's rise to power for propaganda purposes. It is possible by analyzing components and fuel for the U.A.R. to obtain military information.

United States should not aid U.A.R. in propaganda or military efforts.

As far as I know, the license has not been suspended. I suspect that the rockets already may be on the way to the U.A.R. I think this incident points up the need for reflection upon our Middle East policy. It should be concerned with reducing tensions in that area. This sale will have an opposite effect.

CAPTIVE NATIONS WEEK

Mr. FINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, Captive Nations Week to me represents a time when we all ought to do a little serious thinking. Close to 100 million people are presently being suppressed behind a barbed-wire line stretching from the Baltic to the Adriatic. What does this mean to those of us sitting safely here today?

Beyond that frontier of falsehood known as the Iron Curtain dwell people who could tell us many things. If they could speak, they could tell us of block-long queues for bread and potatoes, bleak and state-supervised poverty in lands where the realization of socialism has ostensibly brought untold benefits to the masses. They could tell us that our way of life is infinitely better, but they would no doubt tell us as well that their Communist masters have every intent of beating us to the ground in order to render communism supreme. They would tell us that the drive of communism toward world supremacy is irrevocable, and that peaceful coexistence has as its ultimate intention only the jack-boot enforced quiescence of serfdom.

If the captive nations could speak, they would belie the appeasing utterances of those who would have us believe that communism has taken root in the minds and hearts of the people. To lie still with a bayonet at your throat is not to admit that might makes right.

Let us realize what the captive nations have to say—that we have a fight to the death on our hands. Perhaps our war will be one of economic attrition rather than nuclear—it is to be hoped that this is so—but a fight it will be nevertheless. Our duty is to win—which we cannot do with half-hearted determination.

Perhaps we have grown to complacement with luxury to fully commit our energies to the cause of freedom. If this be true, we do not deserve to carry the banner of freedom. There are others, starving in Eastern European ghettos or shivering in Siberian prison camps, who would wave that flag proudly if they could.

Let us remember the heroes who died in search of freedom lest we forget that our liberties are worth infinite sacrifice. Let us respond to the example of the captive nations with full courage so that we may do them full honor.

THE UN-AMERICANS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, there was recently published a book titled "The Un-Americans," whose subtitle, describing it as the first fully documented account of the notorious House Committee on Un-American Activities—how their abuse of power is being met by a growing opposition, clearly suggests the scurrilous nature of this publication. It is published in a paperback edition, over 300 pages, priced at 60 cents, by Ballantine Books, Inc., of New York, and is obviously meant to reach as wide an audience as possible.

This publication does not come as a surprise to the House committee. Some months ago we were advised of the preparation made for the compilation of this venomous item, which strikes frantically like a cornered viper. In calling this mendacious volume to the attention of the House, I do so with a degree of reluctance, for I have no desire to swell the coffers of the Communist Party by stimulating its sale. But I must point out an outstanding forensic effort that will long remain unmatched in the left-wing catalog of criminal libel aimed to discredit the Committee on Un-American Activities of which I have the honor to be your chairman.

The release of this volume is reminiscent of similar efforts, still in progress, to discredit the Federal Bureau of Investigation and its famous Director—see "Efforts by Communist Conspiracy To Discredit the Federal Bureau of Investigation and Its Director," Senate Document No. 23, 86th Congress, 1st session, April 10, 1959, a series of articles documented by Edward J. Mowery, Pulitzer Prize journalist, from the Newark, N.J., Star-Ledger. The Communist program in that respect was likewise a carefully planned and concerted movement, led by the Communists under a front which they called the Emergency Civil Liberties Committee, a group which now masquerades under the front called the National Committee To Abolish the House Committee on Un-American Activities, for the purpose of harassing this committee. Receiving support from apparently diverse sources, the high point of the campaign against the FBI was reached on May 4, 1958, when the Canadian-born industrialist, Cyrus Eaton, in a telecast sponsored by the Ford Foundation's Fund for the Republic, delivered a scathing denunciation of the FBI on ABC–TV, which was followed on October 18 by the publication of a special edition of the weekly organ, the Nation, containing a 60-page massive attack on Hoover and the FBI. The purpose was to lay the groundwork to capture or render impotent the FBI when Hoover steps down, and to harass the FBI's investigation of subversion. The attack falsely minimized the Communist designs as a myth, and suggested that the FBI's efforts were incipient fascism, antilabor, and Gestapo.

The suggestions in "The Un-Americans" flow in an identical vein. Here again the Communist program of subversion within the United States is ridiculed as a myth, and the committee is pilloried as a hate group. There is an absurd attempt to link the committee to anti-Semitic, anti-Negro, anti-Catholic, and anti-immigrant prejudices. I need quote only one of many examples from the volume:

HUAC hates the subversive in much the same way that the anti-Semite hates the Jew, the racist hates the Negro, the fundamentalist hates the Catholic, the patrioteer hates the alien. But unlike its frequently frustrated nongovernmental counterparts, HUAC can do something about its hate. It can give direct expression to its hostility by punishing its objective. What tells us most clearly that HUAC is a hate group is the exposure system. Exposure speaks the language of the hate group; it is hate in action. The personalities of many of HUAC's leaders and staff members are figures in a gallery of hate.

The volume also seeks to minimize the legislative purposes and function of the House committee. The Watkins case is constantly cited but no mention is made of the subsequent decision in the Barenblatt case, which jarred the conspiracy, wherein Mr. Justice Harlan, speaking for the Supreme Court, acknowledged the considerable contribution of this committee to legislation designed to curb subversive activities. Of course the

thrust of the volume, and the Communist purpose is, as in the case of the attack on the FBI, to render this committee impotent or to abolish it, to curb the investigation of subversion, to conceal the operation of the conspiracy, and to forestall the adoption of legislation designed to frustrate Communist subversion.

The author, Frank J. Donner, is discreetly described in the foreword by the publisher as a constitutional lawyer. Nothing more than that. And the reason for such descriptive brevity in this man's background will appear obvious. On February 16, 1959, the Committee on Un-American Activities issued a report titled "Communist Legal Subversion: The Role of the Communist Lawyer." At page 35 thereof, the following appears:

FRANK J. DONNER, NEW YORK

Frank Donner was identified by a number of witnesses before this committee as a member of a Communist cell comprised of lawyers employed by the National Labor Relations Board in Washington, D.C.

Herbert Fuchs, a former Communist who had helped to organize this cell in 1937 and actively participated in it until his transfer from Washington in 1942, testified on December 13, 1955, that Frank Donner was one of the NLRB lawyers who joined his conspiratorial Communist group.

On December 14, 1955, Mortimer Riemer, another former member of the Communist cell in the NLRB, confirmed Fuchs' testimony regarding Frank Donner. Donner was again identified by ex-Communist Harry Cooper on March 1, 1956.

Frank Donner, on June 28, 1956, appeared as a witness before this committee. Although admitting he was employed by the NLRB from 1940 until 1945 in the Litigation Section, he invoked the first and fifth amendments when he was questioned concerning Communist Party membership and affiliations. Mr. Donner was confronted with a U.S. Civil Service Commission questionnaire he had signed on June 2, 1943, while employed by the NLRB. On this official form, he had replied "No" to a question as to whether or not he held membership in a Communist organization. Conceding that the signature was his, Mr. Donner nevertheless invoked the fifth amendment when asked by the committee if he had been truthful in his statement to the U.S. Government.

Frank Donner was recently named general counsel for the United Electrical, Radio and Machine Workers of America. This Communist-controlled union, which was ousted by the CIO in 1950, is a recognized bargaining agent in many of our vital defense industries. The UE in a recent pamphlet described its new counsel as being recognized as one of the foremost authorities on NLRB law. It failed to mention that Donner was publicly identified as being a member of a conspiratorial Communist cell while employed as an attorney at the NLRB in the 1940's.

Frank Donner was one of the principal speakers at the Ninth Annual Convention of the National Lawyers Guild held in February 1949. In 1953 he was elected a voting member of the board of directors at the annual meeting, and chairman of the conference working group of the national conference of the guild to be held in October at the Barbizon Plaza. He was again elected to the board of directors in 1954.

At a dinner sponsored by the American Committee for Protection of Foreign Born on October 11, 1956, one of the lawyers saluted for their work aiding this Communist-controlled organization was Frank Donner.

Donner has on different occasions been engaged as a speaker for the Emergency Civil Liberties Committee, an organization cited as Communist controlled by the Internal Security Subcommittee of the Senate Judiciary Committee. Speaking on such topics as "Informers as a Means of Suppression," and "Informers as Tools," Donner has excoriated all individuals who have been of assistance to congressional committees.

After the above report was printed, Donner was recalled as a witness before this committee on March 11, 1959, in hearings held at Pittsburgh in connection with an investigation of "Problems of Security in Industrial Establishments Holding Defense Contracts." At pages 456–459 of the record the following appears:

Mr. ARENS. Are you now a member of the Communist Party?

Mr. DONNER. No.

Mr. ARENS. Have you ever been a member of the Communist Party?

Mr. DONNER. I will answer that question since the last time I testified, and the answer is "No." Now, 2 weeks ago you circulated a smear about me that I was a member of a national Communist elite. How dare you come here now and ask me whether I am a member of the Communist Party? Why didn't you think of it then?

Mr. ARENS. Have you ever been a member of the Communist Party?

Mr. DONNER. I incorporate the answer I gave before this committee.

Mr. SCHERER. I ask you to direct the witness to answer the question to get the record straight.

Mr. WILLIS. You are directed to answer the question.

Mr. DONNER. I decline to answer the question prior to the time I answered before, as to the time I answered before in 1956.

I incorporate that answer by reference and my answer now and since then, I deny that I have been a Communist. Now, make the most of it.

* * * * *

Mr. ARENS. Have you ever resigned technical membership in the Communist Party?

Mr. DONNER. You see, that question, as you know, suggests something which is not in evidence so I can't answer it.

Mr. ARENS. I respectfully suggest, Mr. Chairman, the witness be ordered and directed to answer the question or invoke his constitutional privileges.

Mr. DONNER. I can't answer that. I don't invoke my constitutional privileges.

Mr. ARENS. Then I respectfully suggest he be directed to answer that question.

Mr. DONNER. I never resigned and you have no evidence I joined, so there you are.

Mr. SCHERER. We have no evidence that you joined?

Mr. DONNER. Well, oh——

Mr. WILLIS. We have no evidence that——

Mr. DONNER. Let's—you want me to say whether I resigned from the Communist Party. That is like asking me when I stopped beating my wife.

Mr. ARENS. Were Herbert Ruchs and Mortimer Riemer in error when, under oath before this committee, they swore that while they were in the Communist Party they knew you, sir, as a member of that conspiratorial apparatus?

Mr. DONNER. Why don't you say about what time they swore?

Mr. ARENS. Mr. Chairman, I respectfully suggest the witness now be ordered and directed to answer that question.

Mr. DONNER. I incorporate in response to that question the same answer I gave when I testified in Washington about those questions.

Donner acknowledges that he received, in the preparation of the volume, assistance from various sources, most of which are of extremely dubious validity and upon which I will not take time to comment. But I should like to note two sources, namely, the Easton Express, and particularly Bertram Edises to whom the author expresses himself as being under a heavy obligation. Beginning at page 36 of the aforementioned committee report, the following appears:

BERTRAM EDISES, CALIFORNIA

This committee made an investigation of Communist activities in the San Francisco, Calif., area in 1953. At the hearings held on December 3, Bertram Edises was identified as a member of the political affairs committee of the Communist Party by Charles D. Blodgett, a former Communist and former reporter for the Daily People's World. He was again identified on June 19, 1957, by Dr. Jack Patten, another former Communist who recognized the ideological fallacies of the Communist Party line.

Edises has served as a member of the legal staff of the East Bay Civil Rights Congress since its inception. As a matter of fact, it was brought out in sworn testimony that Edises was assigned by the Communist Party to work with the Civil Rights Congress in the East Bay area. In 1947 he was chairman of the organization, and he has also held the positions of general counsel and chief counsel of this Communist-front organization. The CRC retained Edises to represent certain defendants in both State and Federal courts.

The activities of Bertram Edises on behalf of the Communist Party have not been confined to the Civil Rights Congress. In 1944 he was elected as an alternate member of the State committee of the Communist Political Association. In 1950 he was a candidate of the Independent Progressive Party for district attorney of Alameda County.

Edises was one of the bay area lawyers who, in a 1949 statement, protested the action of Judge Medina when the judge sentenced a group of defense lawyers for contempt as a result of their conduct in the Smith Act trial of top Communist Party leaders in New York.

An article by Bertram Edises appeared in the summer 1958 edition of the National Lawyers Guild publication, the Lawyers Guild Review, in which Edises again attacked the contempt sentences against the lawyers in the New York Smith Act trial. Entitled "Contempt of Court and the Lawyer: The Unequal Combat," the article classified legal proceedings involving Communist leaders as political trials in which the courts are used for the State's attempted suppression of unpopular opinion. Declaring that such trials have been productive of bad law and bad tempers, Edises asserted that "It is therefore no accident that among the least defensible decisions in contempt cases have been those arising directly or indirectly out of the anti-Communist hysteria."

Some of the other Communist-front organizations supported by Edises are the Washington Committee for Democratic Action, an organization whose alleged purpose was defending civil liberties in general but actually intended to protect Communist subversion from any penalties under the law, and the American League for Peace and Democracy, an organization which was nothing more nor less than a bold advocate of treason. The California Labor School had Edises' services as a teacher. He also supported the Committee for Peaceful Alternatives to the Atlantic Pact, a Communist front which sought to paralyze America's will to resist Communist aggression by idealizing Russia's aims and methods. The Daily People's World, a Communist propaganda organ which, according to the sworn testimony of one of its former reporters, was used for directing the Communist movement and giving

instruction to the fringe of the Communist movement, has had the support and praise of Bertram Edises for many years.

Mr. Speaker, it is not necessary to detain the House to note, or specifically to refute, the countless falsehoods, perversions, and distortions embraced within the pages of Donner's volume. They are found in every page. There would not be time enough remaining in this session to comment upon the author's sins of commission and omission. I simply call your attention to a volume which most perfectly embraces and epitomizes the Communist line and technique in the present energetic program of the Communist Party to discredit a necessary and useful committee of the Congress, a committee however which stands as a formidable obstacle to the forward movement of the Communist conspiracy within our borders. That line: Destroy that which obstructs the course of the conspiracy. The technique: Bury the truth, agitate. The end justifies the means.

For the instruction and guidance of his odious and criminal band, Lenin long ago laid down the doctrine and precepts for Communist propaganda, aimed to destroy—not to enlighten. He said:

> The wording [of our press campaign against our political foe] is calculated to provoke in the reader hatred, disgust, contempt. * * * This wording must really be of such a kind as to provoke the worst notions, the worst suspicions about the adversary; it must sow discord in the ranks * * * and be the opposite of phrasing which would convince and correct.

These precepts have since been slavishly followed by his adherents. Frank J. Donner in his volume most clearly demonstrates the application of these vicious and degraded precepts of Lenin, to which all Communists are bound by the discipline of the party.

I have often stated that the success of the House Committee on Un-American Activities, and the importance of its work and efforts, can be measured in direct ratio to the intensity of the Communist effort to destroy it. This year we may expect to witness the high point of that Communist effort, of which we have been warned both in the resolutions of the last national convention of the Communist Party, and in the program prepared by a serf of that party, Frank Wilkinson, for the Communist front—the National Committee To Abolish the Un-American Activities Committee—which he spearheaded prior to his recent incarceration, and which was organized August 1960. This program was published in the CONGRESSIONAL RECORD for May 3, 1961, page 7239, at the instance of my distinguished colleague, Mr. BRUCE, of Indiana.

The drive to discredit this committee coincides with the present massive peace effort of the world Communist conspiracy, which is designed to weaken American security, to disarm and to destroy us. For we are at a critical stage of world history, with Berlin and Germany at stake and world power at balance. Which way will the scales tip? At a most conservative estimate, the Communist Party within our borders will be expending this year not thousands, but millions of dollars, in its propaganda efforts, in the creation of fronts, paid advertising, and the dissemination of its tainted literature. This estimate may be judged in relation to the last official estimate I have seen of the total amount expended by the Soviet Union and its satellites for propaganda aimed at the non-Communist world. George V. Allen, then Director of the U.S. Information Agency, told the Overseas Press Club on September 23, 1958, that a conservative estimate of the amount expended by the Communists for the year 1957 was between $500 million to $750 million. And we have every indication that the amount for such purposes in subsequent years has steadily increased.

Mr. Speaker, this is modern war—the battle of words, as well as of weapons. Perhaps the issue will be decided in part by the pen and not entirely by the sword. But in this battle, this committee, this Congress, and all true Americans shall use the weapon of truth. The faithless, the evil, the false, the betrayers of our people and of all mankind—the Frank J. Donners, and those in complicity—will, in the end, I am sure, perish in the face of truth and decency.

BUREAU OF LAND MANAGEMENT OBSERVES ANNIVERSARY

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ASPINALL. Mr. Speaker, we, as a people, use anniversaries or birthday occasions as a means of greeting our friends and taking stock of activities.

It is, therefore, with great pleasure that on this day I send best wishes to the Director of the Bureau of Land Management and all my other friends in the Bureau and, at the same time, call to the attention of the House the anniversary of the establishment of the Bureau of Land Management within the Department of the Interior. The Bureau was 15 years old yesterday and, I submit, has taken its place as one of the most important agencies in our Government.

The Committee on Interior and Insular Affairs and its members on both sides of the aisle have had a mutually cooperative working relationship with the Bureau during this 15-year period. This cooperative relationship continues and, Mr. Speaker, as chairman of the committee, I know will continue.

Historically, we should remember that the Bureau of Land Management was created by Reorganization Plan No. 3 of 1946 (60 Stat. 1097, 1100) transmitted to Congress by President Truman on May 16, 1946, with its provisions effective July 16, 1946. The reorganization plan consolidated the General Land Office, which had been established in 1812, with the Grazing Service, created in 1934, in order to center into the new Bureau of Land Management exclusive responsibility under the Secretary of the Interior to administer the vast public domain of the United States.

The five major operations of the Bureau of Land Management indicate the scope of its activities and the wide impact on the economy of our Nation: range management, mineral development—including oil and gas and covering the Outer Continental Shelf as well as dry land areas—surveying, through its cadastral engineering unit, the vast unsurveyed public lands, timber management on the public domain generally as well as the revested Oregon and California Railroad and the reconveyed Coos Bay Wagon Road grant lands, and last, but by no means least, the general management, conservation, and disposition of public lands.

It is therefore with friendship and good wishes that I join in marking this significant date. The Bureau has grown in its first 15 years and has therefore had many growing pains. I am sure that under the supervision of our former colleague, Secretary of the Interior Stewart L. Udall, and the directorship of the former staff consultant to your Committee on Interior and Insular Affairs, Mr. Karl S. Landstrom, the Bureau of Land Management will in the years ahead expand its service to the country through a program of enlightened management of the important natural resources under its jurisdiction.

WATER RESOURCES PLANNING ACT OF 1961

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I am today introducing legislation which has been designated as the Water Resources Planning Act of 1961. President Kennedy transmitted this legislation to the Congress last Thursday and recommended its enactment. The legislation was developed through the cooperative efforts of the executive and legislative branches of Government and incorporates principles and procedures already included in a number of bills pending in the Congress. The legislation implements the recommendations of the President in his message to the Congress on natural resources.

Mr. Speaker, one of the most important matters facing our Nation in the years ahead is conservation, development, and wise use of our limited water resources. Maximum beneficial use of water rests upon the comprehensive and coordinated planning by both Federal agencies and States. This legislation will encourage and make possible such planning.

Briefly, the legislation provides for establishing a Water Resources Council and river basin commissions and authorizes financial assistance to States for water resources planning. The Water Resources Council would be an interdepartmental group in the executive branch for coordinating river basin plans and for maintaining a continuing study of water supply requirements and management. The first major task of

the Council would be to establish standards for formulating and evaluating water resources projects. The Council would be composed of the Secretary of the Interior, the Secretary of Agriculture, the Secretary of the Army, and the Secretary of Health, Education, and Welfare. Representatives of other departments and agencies would participate in the work of the Council when appropriate. The Chairman of the Council would be designated by the President, and President Kennedy has advised the Congress that he would designate the Secretary of the Interior as the first Chairman.

The regional or river basin commissions authorized by the legislation would prepare and keep up to date comprehensive, integrated, joint plans for Federal, State, and local development of water and related land resources. Existing laws would not be modified or superseded and the construction and operation of works and improvements would continue to be the responsibility of appropriate Federal agencies, States, or local groups.

The authorization of financial assistance to the States would enable them to play a more effective role in planning for the development and conservation of water and related land resources.

Mr. Speaker, I recognize that several other committees, in addition to the Committee on Interior and Insular Affairs, have jurisdiction in the field of planning and developing our water resources, particularly the Committee on Public Works and the Committee on Agriculture. I want to assure these committees that in the consideration of this legislation the Interior and Insular Affairs Committee will cooperate with them to the fullest extent. I will keep these committees advised of our plans for considering the legislation. The Interior and Insular Affairs Committee will welcome their participation and will give full consideration to their views and recommendations.

FIRM STAND, BUT NO PANIC, ON BERLIN

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a newspaper editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I herewith include an editorial which appeared in the July 16, 1961, issue of the East St. Louis, Ill., Sunday Journal. The editorial entitled "Firm Stand, but No Panic, on Berlin," follows:

FIRM STAND, BUT NO PANIC, ON BERLIN

Somewhere between Berlin and Washington the United States and its European allies seem to be getting their wires crossed.

Here at home, the Kennedy administration has ordered yet another review of the $42.7 billion defense appropriation which has just cleared Congress. A callup of our Reserve or National Guard divisions also is being considered. The Air Force is openly seeking more funds for big bombers as a result of the impressive airshow staged recently by the Soviets.

Presumably, President Kennedy is seeking to impress the seriousness of the Berlin crisis upon the American people and also to discourage Soviet Premier Khrushchev from any ideas of forcing a showdown over the divided former German capital.

It may well be that the American people will be aroused to a state of alarm if nothing else. Only a Rip Van Winkle among us can have failed to appreciate the importance of Berlin. That Americans have learned to live with Berlin crises does not mean that they should ignore the latest one, or are unworried about it. But they know that the Russians have provoked crises before, only to back down in one of their periodic gestures for the easing of world tension.

But a partial mobilization of Reserves cannot possibly be of any use in the immediate defense of Berlin and may strike our allies as a move born of panic. There is not yet any panic in Western Europe. Senator HUBERT HUMPHREY, Democrat, of Minnesota, has just returned with the report that Khrushchev, faced with staggering food shortages, "is not ready to go to war over Berlin." Conditions are far from quiet in the Communist East German vassal state, and the latest flareup has merely stepped up the mortal outflow of refugees.

And if anybody should be worried, it is West German Chancellor Konrad Adenauer. But he has just returned from a morale-boosting trip to the beleaguered city to report that panic was gripping East Germany, not West Berlin. He foresees solutions to the problems that look so difficult now, and expects negotiations without surrender of basic Allied rights of access and occupation.

Is this really the time for dramatic military gestures on the part of our Government, or for hasty major reviews of defense policies just after the Pentagon's appropriation has gone through a long congressional review?

If changes are needed, they can and should be ordered, but there is no need, for example, to put the B–70 bomber program on a crash basis just because of the impending Berlin crisis. It wouldn't be ready for a couple of years anyway.

The country is prepared to meet a Berlin showdown, which few responsible officials foresee in any event. By being prepared, a crisis can be forestalled. Pushing the panic button does not reassure the country or our allies. Doing so makes it appear as if the administration doesn't trust the American people to respond to a genuine alarm. And who could blame them, if they are subjected first to a series of false alarms when nobody has seen even a wisp of smoke as yet.

HERE'S HELP FOR SMALLER COMMUNITIES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PATMAN. Mr. Speaker, I believe it goes without saying that most Members of the House have small towns in their districts. With that in mind, I know they are particularly interested in the Housing Act's community facilities provisions, which were designed especially to help improve the economic structures of our smaller communities.

The law increased the public facility loan fund from $150 million to $500 million. It provides for loans to communities up to 50,000 population with special priority for those of less than 10,000. Interest rates were reduced from 4 to 3½ percent under a formula which reflects the cost of money to the Government.

For 20 years or more, construction of public facilities in our smaller communities has not kept pace with growth. The problem has been worsened by gradual deterioration. It is true that these smaller communities lacked funds resulting from inadequate tax bases and/or the inability to form an adequate tax structure to provide necessary facilities.

This has been particularly true of water and sewer systems. While many types of community facilities are urgently needed, water and sewage are first on the problem list of smaller communities. Many communities now face dangerous levels of water pollution and periodic water shortages.

STREETS AND PARKS, TOO

Now 40-year loans are available to help remedy these problems. In addition to water and sewer systems, these low interest-bearing loans are available for such community facilities as streets, street paving, street lighting, parks—everything except schools. And the loans preclude the necessity for floating a bond issue—probably at higher rates—for desirable and urgent community improvements.

This is a big step forward to help improve the community life of our smaller cities and towns. It also will help provide employment where that is a problem, and the loans are available to cities up to 150,000, if such a city has been designated as a depressed area under the Area Redevelopment Act.

Finally, undertaking community improvement through improved community facilities will help attract new industry to the area. Industries will no longer move into areas which do not provide adequate community facilities and services. An adequate supply of water with a modern water system is one of the top criteria, but industries take into consideration all other community facilities, too.

This section of the law is vital to smaller communities struggling to bolster their economies. I hope all Members who have smaller towns in their districts will bring it to the attention of the public officials in those localities.

THE ELECTRON MICROSCOPE: A SYMBOL OF MODERN SCIENCE

Mr. CAHILL. Mr. Speaker, I have taken the floor of the House today to bring to the attention of the Members of the House of Representatives and of the American people the true facts concerning the passage of H.R. 3385.

This bill, which was passed in this House on June 19, 1961, would permit the duty-free importation of electron microscopes for use by nonprofit educational or scientific organizations. Those of us who were on the floor or read the CONGRESSIONAL RECORD for that day will

recall the colloquy between the gentleman from Iowa [Mr. GROSS] and the gentleman from Texas [Mr. IKARD] which, in my judgment, was responsible for the passage of this bill. Through this discussion it was made apparent to every Member of this House that no American manufacturer could produce an electron microscope suitable for proper cancer and other important health research.

I am now reliably informed that the fact is that the Radio Corp. of America has been and is now producing an electron microscope at least equal if not superior to any such microscope made in any part of the world. I would therefore call to the attention of this Congress that the elimination of the only American manufacturer of this instrument which would be the effect of this bill, would make the United States wholly dependent upon foreign sources of supply for an instrument which is critically important to national health and security. During World War II electron microscopes were designated as a strategic item for security. Today they are in wide use in numerous fields which are essential to America's defense program. Chief among these uses are those for solid-state devices, metals, and refractories in connection with the space program and in the study of radiation damage in connection with the nuclear research program. In addition RCA maintains laboratories, scientists, and instructors, for training purposes in this field. It is presently training approximately 150 outside scientists a year in its laboratories for work as microscopists in defense, biological, and medical research. Further, top research scientists from defense and research centers throughout the United States are constantly calling on RCA for assistance and advice. The RCA laboratories and the RCA organization constitute the only source of such facilities and know-how in the United States. A very clear and enlightening exposition of the development and research which RCA has performed in this field together with a description of the microscope and some of its many uses is contained in an article entitled "The Electron Microscope: A Symbol of Modern Science," which was published in Scientific Instruments News for February 1961. A copy of this article is hereby submitted and a request made to insert the entire article in the CONGRESSIONAL RECORD.

In the health field, the electron microscope is being widely used in research in the fields of cancer and virus diseases.

RCA has been supplying the needs of science in America for electron microscopes since 1939. Among the prominent institutions and laboratories presently utilizing RCA's electron microscopes in medical, biological, and defense research are Massachusetts Institute of Technology, National Institutes of Health, Argonne National Laboratories, Oak Ridge National Laboratories, and Harvard University. The elimination of RCA as a source of supply would mean that American users would be entirely dependent upon foreign manufacturers. It is not believed that the foreign manufacturers of electron microscopes are presently able to supply the world requirements for this instrument.

On the floor of the House it was stated that "the electron microscopes manufactured in the United States do not have a sufficiently large specimen chamber to permit the performance of certain experiments which are essential in the cancer or research and educational program."

RCA's electron microscope has a specimen chamber which is at least twice as large as the specimen chamber in the electron microscopes of any other manufacturer in the world. RCA's electron microscopes are used extensively in the field of cancer research. They have had a greater acceptance in this field than any other electron microscope.

It was also stated with reference to electron microscopes of foreign manufacturers "that foreign microscopes such as these have a double condenser lens which is still in the developmental and experimental stage in the United States."

RCA developed the first double condenser lens in the world, and its instruments are presently being supplied with double condenser lenses. RCA's present double condenser lens is the most advanced and reliable in the world.

Other statements made in support of the bill implied that there are certain important functions which can be performed by electron microscopes of foreign manufacturers which cannot be performed by those of American manufacture and that, therefore, scientists in the United States should be free to choose such of these performance features as they require. A wide variety of functions together with the optional features offered with the RCA electron microscope will permit the performance of any type of microscopic research with complete freedom. Dr. C. E. Hall has recently stated:

> Microscopes of American manufacture are being produced which are the scientific equivalent of any electron microscopes manufactured abroad.

Dr. Hall, who is an associate professor of biophysics at Massachusetts Institute of Technology, has been active in the electron microscope field for over 24 years, has published numerous papers on every aspect of the subject, and is recognized as one of the foremost authorities in this field in the world.

RCA is presently conducting research aimed at still further improvement of electron microscopes, which should result in more advanced and more useful instruments. It should also be emphasized that RCA's research program constitutes the major means by which the United States can keep abreast of advancing technology in this field.

On the floor of the House a statement was made to the effect that only about 25 or 30 electron microscopes of foreign manufacturers will be brought into this country if H.R. 3385 becomes law. It should be pointed out that at least 50 such microscopes were imported into the United States during 1960, subject to existing tariffs with only a few exceptions. This fact clearly indicates that the electron microscopes of foreign manufacturers are not precluded from the U.S. market under the present tariff laws and, consequently, that such microscopes are presently available to anyone in this country who might wish to purchase one.

In summary, the above review demonstrates that the subject bill was passed on the basis of a lack of complete information. It further demonstrates that if this bill becomes law and RCA is compelled to discontinue its broad program in the electron microscope field, the United States will be deprived of a domestic source of supply for instruments which are presently being utilized in many important research projects involving this country's health, progress, and national defense.

THE ELECTRON MICROSCOPE: A SYMBOL OF MODERN SCIENCE

(By Dr. J. H. Reisner, scientific instruments engineering, industrial controls engineering, IEP, Camden, N.J., Radio Corp. of America)

(NOTE.—The electron microscope is one of modern science's most important tools. This revolutionary scientific instrument characterizes technical advances in which fundamental science and specialized technologies are crystallized into a specific new system in a relatively short time. This, the 20th anniversary of the delivery of the first commercial electron microscope by RCA, affords an opportunity to review its development and growth.)

Typical of the wide usefulness of the physical instruments developed through the medium of electronics, the electron microscope has become an invaluable aid in modern chemistry, has revolutionized biology, and is opening up new areas in metallurgy. Every branch of science has felt its influence.

To RCA it represents leadership in the art of reducing difficult and complex scientific advances to commercial practice; for in the electron microscope, a room full of complex optical apparatus, high-voltage supplies, electronic regulators, photographic apparatus, and vacuum systems is integrated into a conveniently small unit that can be operated reliably with no knowledge of its circuitry and components.

HISTORICAL EVOLUTION

It is only 35 years since it was realized that the mechanical analog of the simple physical light lens is a charged particle moving near the axis of a solenoidal magnetic field. Consequently, electron-optical instruments were soon built analogous to light optical-lens instruments. The first electron-optical microscope was completed in Germany in 1931 by Knoll and Ruska. During the next decade, electron-optical theory was extensively developed in all areas, although work on electron-microscope instrumentation was largely limited to Germany, where 1938 saw the first announced model.

Late in the thirties, active interest in the electron microscope developed in North America. At the RCA laboratories, then located in Camden, N.J., Dr. V. K. Zworykin created sufficient interest in the electron microscope that a research group was set up to carry out the development under his leadership. During the same period, the department of physics at the University of Toronto, under the leadership of the late Professor Burton, was engaged in developing the first successful electron microscope on the American Continent. Among the members of the Toronto group was Dr. James Hillier, who was invited to work on the RCA program, which he joined in January 1940. In remarkably short time this group, of which Arthur Vance was an important member, produced the revolutionary type EMB microscope, and on December 20, 1940, the first

commercial model went to American Cyanamid.

Since then, well over 100 man-years of research and engineering time have been invested to extend the use of the electron microscope, while constantly improving it, until today almost 1,000 instruments have been produced in 7 basic models. The family tree of RCA microscopes shows the evolution of engineering thought, which was hastened by the rapid development of the field of electronics and of structural materials—plastics and ceramics, particularly—which continually placed new creative opportunities in the hands of the microscope engineers. Design and production of complex instrumentation such as the electron microscope is particularly suited to an industrial organization like RCA where very wide experience is actively available. Much of the success of the venture, therefore, must be attributed to the nature of the organization in which it grew.

It was recognized from the very beginning that it would not be sufficient to create an excellent new scientific instrument with great potentialities; it was also necessary to gain its acceptance by scientists at a sufficiently rapid rate that it could be produced in relatively large numbers and be sold at an attractively low price. In view of the radical innovation represented by the electron microscope, this task was not easy. An important step to gain the desired end was the creation of an RCA Research Fellowship of the National Research Council for the specific purpose of developing techniques of applying the electron microscope in research problems in the biological field. Dr. Thomas F. Anderson, as the first RCA research fellow, cooperating with other scientists, visiting the Camden laboratory, did much to demonstrate the worth of the instrument in many different areas of research. The policy of close cooperation with research scientists was continued and extended when the research activities were transferred to Princeton and has been emphasized ever since.

A second step, which served the same objective, was the publication in 1945 of a book, "Electron Optics and the Electron Microscope," giving a detailed account of the principles of the instrument, of techniques of operation, and specimen preparation, and of results which had been obtained with it. A group effort of Zworykin, Morton, Ramberg, Hillier, and Vance, the book became the first comprehensive introduction to the new possibilities created by the electron microscope to many potential users, here and abroad.

BASIC THEORY

Two unique properties of the electron make the high magnification of the microscope useful. The best known property is that of the short effective wavelength of the high-energy electron (0.05 angstroms at 50 kilovolts). The second attribute is the very great brightness of high-energy electron sources. (The electron energy from a hot tungsten filament at 10 kilovolts is 10^5 times more intense than sunlight.) Thus, there is enough energy to produce useful images at 200,000 times magnification with resolving power to require such magnifications. The theoretical resolving power of the microscope is limited to about 2 to 3 angstroms by the necessity of using very low numerical aperture objective lenses to limit spherical aberration. That is to say, if the aperture is too large, resolution is lost because of spherical aberration; and, if too small, diffraction effects in the aperture act as a limit. A practical resolution limit of about 5 to 7 angstroms is applied by the lack of specimen detail of sufficient mass to provide the necessary electron scattering to introduce contrast in the electronic image.

The electron microscope apparatus involves three distinct systems, vacuum, electrical, and optical.

VACUUM SYSTEM

As recently as the late thirties, vacuum systems were limited to the laboratory, and chemists and physicists prided themselves on their mastery of vacuum techniques, using their secret formulas of beeswax and rosin, and apparatus of blown glass. Transforming a room full of temperamental vacuum equipment into a small reliable system with simple operating controls was a major accomplishment in the type EMB.

The electron microscope is evacuated in two steps by two very different types of pumps. The initial step is carried out by a mechanical pump, which compresses the air remaining in the vacuum enclosure until it reaches atmospheric pressure where it can be released into the atmosphere. Such pumps evacuate at speeds of 1 to 2 liters/sec. and operate down to pressures of about 10^{-3} mm. Hg. Since operating pressures of 10^{-4} to 10^{-5} mm. Hg are required, a gaseous diffusion pump is then utilized which not only operates at much lower pressures, but also at much greater speeds—hundreds of liters per second. This diffusion pump operates by trapping gas molecules which enter its throat at random. These wandering molecules are trapped in a circulating mass of oil vapor that is vaporized at the bottom of the pump, and moves to the throat where jets direct it outward and downward. At the walls, the oil vapor is condensed, and the trapped molecules are pumped out of the bottom by the mechanical pump.

Such a phenomenon can proceed only against very low pressures (e.g., 10^{-1} mm. Hg). Therefore, the diffusion pump never works alone, but in conjunction with a mechanical pump. Thus, to evacuate a microscope, it is necessary first to use a mechanical pump alone and then a diffusion pump and a mechanical pump in series. RCA engineering made a real contribution to vacuum technology when it developed a reliable system of high-flow valves that could switch the two types of pumps around at will. A single-crank mechanical control system, replacing the several valve wheels of the EMB, first appeared on the EMU–1 microscope in 1944 and gave way to solenoid-actuated valves in 1947. With the EMU–3 (1954), sequencing of valves in the pump cycle was made automatic and under the control of pressure gages. This series of microscopes is pumped to 5×10^{-2} mm. Hg by the mechanical pump in 70 seconds, at which pressure the valves automatically connect to the diffusion pump. Pressure then drops by two orders to 5×10^{-4} mm. Hg in 20 seconds—a total of 90 seconds from atmospheric to operating pressure.

In addition to advancement in valve systems, techniques of manufacturing vacuum enclosures, sliding seals, rotating seals, flexible couplings, and rapidly demountable vacuum-tight joints have also had revolutionary effects. While the first commercial microscopes were tested for leaks with the ether atomizer and vacuum gage, the present-day production tests for vacuum tightness are made with a helium mass-spectrometer leak locator. The heavy flanges and hexhead bolts, characteristic of early laboratory vacuum equipment have disappeared as gaskets became more accurate and reliable. Now, O-rings with accurate dimensions, controllable durometer, and excellent smoothness, as well as gasket grooves of carefully determined and accurately held depth and smoothness, have eliminated most joint problems.

While reliable vacuum technique made routine use of the microscope feasible, mechanized, and automatic valving systems removed the necessity for any knowledge of vacuum techniques by the operator. The outstanding success of the vacuum system of the electron microscopes was one of the important influences in the rapid growth of the now large and flourishing vacuum industry. Well-known suppliers of vacuum equipment still sell gages and vacuum fittings which are close copies of those used on earlier RCA models.

THE ELECTRICAL SYSTEM

A large percentage of the engineering effort on the electron microscope since the first EMB has been expended on the unglamorous job of pushing back the decimal points. The routine attainment of voltage stabilities of 1 volt in 100,000 volts and current stabilities of 0.0005 percent are perhaps the best examples.

The focal length of a magnetic-electron lens varies directly as the electron accelerating voltage and inversely as the square of the lens-coil current. Thus, focal-length stability, on which resolving power depends, is influenced by voltage and current stability.

Much of the success of the commercial RCA microscopes can be laid to the early refusal to compromise on voltage and current stability. The difficulty of the problem of stabilizing high voltages led other pioneer workers to use electrostatic lenses, which are voltage-independent; however, this solution presents other more-fundamental problems—arc-over and insulation difficulties and, invariably, problems of focal length—which doomed the electrostatic instruments. Time has vindicated the decision of staying with the magnetic lens and solving the difficult problem of voltage stability.

From the first commercial microscope model, the high voltage has been generated by resonating a lins-coil circuit and rectifying the high resonance voltage generated through a doubler or tripler. The output voltage, negative high, is regulated by referencing it through a resistive divider to a standard voltage, and amplifying the error signal so as to have it control the output of the oscillator which excites the lins-coil circuit. For example, a rise in voltage output will initiate a decrease in oscillator power, correcting for the original rise.

No part of the electrical system has been the source of so much engineering entertainment or technical challenge as the high-voltage unit. The principles of operation have not changed over the past 20 years, yet components have modified design philosophy.

The first design reduced the size of the high-voltage section by enclosing it in a tank of dielectric oil. To avoid the problem of a long gun-to-supply cable connection, the supply was mounted in back of the gun. Because truly compact, reliable high-voltage rectifiers did not exist, frequent failures presented serious service problems whose solutions were so elusive and amazing that the early users look back at those "pioneering" times with the nostalgia of early airplane barnstormers. The early users were not unduly dismayed for they were well aware that a minor miracle had been achieved by putting in so small a container the 60-kilovolt supply which only a few years before constituted a room full of equipment. Difficulties with the doubler oil supply led to the design of the tripler in air, which reduced some of the strain on the rectifiers and made the supply immediately accessible for service. A real step forward, this power supply was used in over 400 commercial microscopes. Operating at atmospheric pressure, it would not work reliably at altitudes over 4,500 feet, and even when working at sea level it accumulated enough dust or humidity to cause arc-over without warning; the resounding report that followed was enough to unnerve any operator.

With the appearance of more reliable rectifiers and capacitors, and with the requirements for 100-kilovolt operation, the supply again became a doubler and was returned to an oil tank. This time, however, it was mounted on the floor and connected to the gun through reliable high-voltage cables and connectors. Very few of the components

or materials used in the 1960 EMU–3 high-voltage supply were available when the first EMB proved to be successful.

OPTICAL SYSTEM

The long cylindrical-structure characteristic of every electron microscope is called the column. It houses the electron gun, lenses, specimen, fluorescent screen, and photographic plate, which make up the optical system. It has the important function of providing the vacuum enclosure for the electron beam as it proceeds through the optical elements. The lenses are really the interaction of a solenoidal magnetic field with electrons moving close to the axis of symmetry of the field. In order to make these lenses strong, e.g., to have a 2- to 5-millimeter focal length, the solenoidal field is concentrated by annular magnetic pole pieces so that fields of several thousand gauss are attained.

Magnetic electron lenses present the designer with several interesting properties not directly available in conventional light optical lenses. Focal length is continuously variable merely by the change of lens-energizing current. Electrostatic and magnetic electron lenses may be superimposed, since the lenses are not materials but fields. For the same reason, apertures and specimens may be positioned anywhere in the lenses. Rotation of the electron beam by a magnetic lens provides interesting properties for improving alinement of optical elements, but also provides a form of image distortion. Negative magnetic lenses are impossible, since the field term occurs as a square.

Focusing of images is easily accomplished with a potentiometer to change accelerating voltage or lense current, while the so-called Zoomar lens has been available for many years in the electron microscope to change magnification over wide ranges.

The ability to superimpose electron lenses is utilized to correct the astigmatism inherent in practical microscope objectives. This very important development in instrumentation is one of the milestones of electron microscope progress and resulted from the work of Dr. Hillier and Dr. Edward Ramberg in 1947. The anisotropy in the iron from which pole pieces are machined and the limits of mechanical precision in fabricating the pieces often cause simple magnetic lenses to very astigmatic.

The resolving power of early instruments was severely limited by asymmetric astigmatism, so that it was unwise to guarantee better than 100-angstrom resolving power. An asymetric lens can be considered as the superposition of a cylindrical component on a spherical lens. Hillier and Ramberg superimposed another cylindrical lens of equal strength, but at right angles to the unwanted component. The net result was a corrected lens, in the same manner as an ophthalmological correction. The first correctors were radial iron shim-screws adjusted by a succession of trials. Currently, electrostatic elements are utilized to provide the correcting cylindrical lens, a correction which can be applied while observing the image—thus avoiding the tedious series of trials of earlier days. Actually, the feature of easy adjustability was not the reason for employing the electrostatic correction as much as was the ability to apply automatically the right correction voltages when the instrument was changed from one accelerating voltage setting to another. With the electrostatic cylindrical lens, this became a simple matter of electrical switching.

The optical system, like the vacuum and electrical systems, has undergone simplification of design, but progress has still proceeded in the direction of a net complication of function. In the early instruments, alinement of optical elements was a serious problem, so that auxiliary fluorescent screens were provided at several points along the optical path to facilitate instrumental alinement; when illumination was lost at the final viewing screen, it could be located on the screens closer to the source and returned to the viewing screen. Auxiliary screens are no longer necessary because of better techniques in the design of optics and more accurate control of mechanical tolerances. At the same time, the objective iron pole piece has been greatly complicated. The three pieces which comprised the actual objective pole pieces of the EMB have given way to 68 pieces in the current EMU–3. The twentyfold increase in numbers provides magnetic shims and electrodes for correction of astigmatism, as well as a complex system of inserting, or removing and centering an aperture to improve image contrast.

MICROSCOPY

The art of microscopy has changed far more than the instrument, although art and instrument have reacted strongly with one another. Most of this art is involved in specimen preparation.

Just as the specimen in the light microscope is supported on a microscope slide, so too must the specimen be supported in electron microscopy. But here, the support is an extremely thin film spread across the openings of a 200-mesh screen. The specimen screens are ⅛-inch-diameter disks punched out of electro-deposited copper mesh. The extremely thin film (at most several hundred angstroms thick) is placed on the specimen screen for physical support. The specimen is placed on the thin film and is effectively held suspended in the electron beam; the beam strikes the specimen only in the area of the screen openings.

When high-speed electrons strike matter, they interact with the coulomb field around the individual atoms. As a result of the encounter, they are scattered over a wide range of angles. In thin films, up to 1,000 angstroms thick, they make only one encounter on the average and are said to be singly scattered. Few electrons are actually stopped. In the light microscope, the illumination is absorbed differently over the area of a specimen to cause the corresponding differences in brightness which make up the image. In the electron microscope, the electrons are scattered differently over the area of a specimen. Those electrons scattered out of the optical system never return to their corresponding image points; this gives rise to brightness differences which make up the image. Unfortunately, some of the scattered electrons are scattered only enough so that they cannot return to their image points, but not enough to escape the image area, so that they produce a general background illumination that lowers contrast. Therefore, specimen support membranes are made as thin as possible and apertures put in objective lenses to remove unwanted illumination.

As an example of the effect of specimen techniques on instruments, one can take the limited success of the EMC console microscope introduced in 1945. This instrument utilized a 30-kilovolt beam and had a rather short distance from the gun to the specimen. As a result, specimens were highly heated, and unless they were extremely thin, the 30-kilovolt beam was too scattered and not adequately penetrating. Consequently, such stringent requirements were imposed on specimen preparation that the usefulness of the instrument was limited, and the EMC was discontinued in favor of the higher voltage EMT microscope. Yet, had the modern techniques of producing evaporated-carbon specimen support films and cutting ultrathin specimen sections been known 10 years earlier, the instrument might have been in much greater demand.

The early microscopists and designers were so preoccupied with the highly useful magnification of the electron microscope that the earliest instruments were limited in the low-range magnification. It was not until 1946 that the EMU microscope had its range extended downward from a minimum of 12,000 to 1,200. The preoccupation with high magnification had the unfortunate effect of alienating many biologists and metallurgists for whom the precipitous jump of 10 to 100 times in magnification was a complete separation from all the familiar shapes of cells and crystals which they need for perspective.

Almost simultaneous with the extension of the range of the electron microscope downward to overlap light microscopy was the development of means for producing plastic-film replicas of metallurgical surfaces and, shortly thereafter, means for producing exceedingly thin sections by microtomy.

Requirements for microscopy are continually guiding the development of the instrument. Biologists soon found that the small specimen area of 0.7-millimeter diameter scanned in the early instruments was much smaller than that of a good microtome section; thus, the stage mechanisms (specimen transport) were redesigned to provide a 2-millimeter range. From the sheer complexity of their data biologists need many micrographs, and higher speed of operation became necessary. Film cameras taking up to 40 pictures at a loading were designed, and the time for evacuation of the microscope was made very short.

In metallurgy, the study of thin single crystals shows faults in crystal planes, the occurrence of faults under thermal stress the patterns of growth of one crystal on another, and many other challenging phenomena. These techniques have made it necessary to extend the useful range of direct microscopic magnification upward to 200,000 times. At the same time, a double-condenser system between the gun and specimen has made it possible to reduce the source of electrons illuminating the specimen to less than 2 microns, permitting optical and thermal properties valuable for the new area of research. The rapid development of the microscope has not been solely due to the demands of microscopists or the creativity of the engineers, but an effective effort of both.

THE HUMAN ELEMENT

The evolution of the microscope during the past 20 years has seen scientists employing more and more complex instrumentation, with less and less knowledge of circuit details.

The relationship of the human element to the inanimate components is now a necessary and explicit concern of all mature engineering. It is now obvious that what we call human engineering today was an implicit purpose and a real achievement in the first commercial microscopes. Today, one worries about fatigue and mental attitude of the human operator; in early microscopes, easy accessibility of the controls to a seated operator was the design goal to attain. Considerable success has been achieved by eliminating routine functions and controls and providing automation so that the operator has become efficient and nonfatiguing.

The electron microscope is inherently an instrument requiring considerable maintenance. Contaminants are introduced in the optical and vacuum systems by hot filaments, by sublimation of specimen materials, by evolution of organic vapors from photographic materials and pumping gases, by vacuum greases, and by gaskets. The vacuum system removes lubricants from mechanical systems in the pump. Pumping fluids decompose. Many of the best electrical components must still be classed as not completely reliable. Just as the equipment had to be designed to be run effectively, it had to be designed to be serviced efficiently. Actually, a voltmeter and a small oscilloscope will solve the vast majority of service problems. Built-in vacuum gages are used in vacuum maintenance. The microscope

itself can be used in many ways to test itself: for example, in the measurement of 100-kilovolt and 50-kilovolt high voltages, an electron diffraction pattern from a known crystal such as magnesium oxide can be used to measure voltage to 0.1 percent.

It must be emphasized that the ready availability of intelligent service personnel is one of the conditions which has made the universal use of the electron microscope possible, and an important part of the success of the microscope venture must be credited to the RCA Service Co.

IN SUMMARY

There is more than idealism behind the oft-stated thought that the engineer must interpret his work for the layman. The engineers had to come out of the laboratory and counsel the practicing microscopists. Not a few of the specimen techniques were developed by the engineers themselves. In fact, Dr. Hillier became well known as a microscopist as well as an instrument scientist. RCA engineers continue to be frequent visitors in many of the important laboratories in this country and abroad and to publish original work in journals. The microscope laboratories in Princeton and Camden have played host to hundreds of leading scientists and have trained hundreds of others in microscope techniques.

These outside activities cannot be written off as sheer promotion, although they were that at its best. An example of the personal commitment brought to science is the popular election of four RCA engineers to presidency of the Electron Microscope Society of America.

In short, the RCA electron microscope exemplifies the application of many technical disciplines and a broad range of auxiliary services and individual professional activities—an application fruitful to RCA, to the individuals whose work made it successful, and to the scientific community.

(Dr. J. H. Reisner received his B.S. in mathematics from Davidson College in 1939 and a Ph. D. in physics in 1943 from the University of Virginia. He joined the crystal engineering department of RCA, Camden, upon graduation, doing work in X-ray orientation techniques, instrumentation, and crystal resonators. In 1945, he transferred to the electron microscope group, where he was promoted to leader in 1950. He is currently leader of the Scientific Instruments Engineering Group, which is responsible for electron microscopes, and electron and X-ray diffraction equipment. Dr. Reisner has been actively engaged in all phases of electron-microscope work, from research through design. While his main effort has been in electron optics, he has made significant contributions in vacuum technique, mechanical and electrical design, and magnetics. He is best known for his successful development of permanent magnetic lenses. He has been a frequent contributor of scientific papers and articles and a lecturer for both scientific and lay groups. He is a member of Phi Beta Kappa, Sigma Pi Sigma, Sigma Xi, and the American Physical Society, and is a fellow of the AAAS. He was president of the Electron Microscope Society of America in 1959, and previous to that, a director. He is past president of the Philadelphia Electron Microscope Society, a member of the New York Society of Electron Microscopists, and associate chairman of the International Congress of Electron Microscopy for 1962. A member of the Franklin Institute since 1946, Dr. Reisner now serves on its committee on science and the arts.)

REAFFIRMATION OF THE AMERICAN POSITION ON BERLIN

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Indiana [Mr. ROUSH] is recognized for 10 minutes.

Mr. ROUSH. Mr. Speaker, a few moments ago we heard our distinguished majority leader discuss the captive nations resolution. We were mindful of the fact that although there are many peoples of the world living behind the Iron Curtain, there are also peoples in this world who are living without the Iron Curtain and who are in imminent danger of being included behind the Iron Curtain. I am particularly referring to the people of Berlin.

Mr. Speaker, this Nation's position in Berlin is again being challenged. Our President returned from his meeting with the Soviet leader in Vienna to warn us that we can expect a crisis in Berlin before the end of the year. The statements and actions of the Communists since that time have only underscored the latent danger which he described.

The historic position of the Western Powers concerning Berlin and Germany is quite clear and quite simple. The freedom-loving people and governments of the West seek only to carry out the post-World War II agreements which were designed to reunify the German state, based on her 1937 territorial boundaries and to provide a means for her people to determine their own political destiny.

In those sectors occupied by the three Western Powers, a model of democracy and freedom has been established. In that sector designated for Soviet occupation, a puppet, totalitarian regime has been created, providing neither freedom nor self-determination for the people of this zone.

The German people have clearly demonstrated their desire for freedom. Those in the West have shown by the conduct of their political affairs and by their consistent verbal declarations their obsession for free government. Those in the eastern sector have shown by their continued defection to the West—voting as it were with their feet—their desire for liberty and freedom.

In the face of the clearly demonstrated desire of the Germans for freedom, the Soviet powers have consistently pushed for further domination in Berlin. They continue to present a menace to the security and freedom of West Germany and the whole of the free world by their policies in Berlin.

Their most recent move, announcing their intent to establish a separate peace treaty with their puppet government in the eastern sector, is clearly an abrogation of the freely entered treaty agreements. They seek to take over the whole of Berlin. That is clearly their aim, and the various means they use are merely indirect thrusts toward their final goal.

It is important to the freedom of the world that our Nation demonstrate clearly its determination to uphold its obligations in the international agreements and that it will expect every other nation to honor its own commitments.

President Kennedy has explained our position and reiterated our firm support for the principles of freedom in Berlin, in Germany, and throughout the world. His actions to reunify and reinforce the Western alliance for the crisis which is expected have laid the groundwork upon which he is now preparing to build our moral, diplomatic and military defenses of Berlin.

In this massive effort, the President has called for the support of the American people. In our responsibilities here in the Congress, I believe it is important that we reaffirm our own support of the American position in Berlin and that we reacknowledge our support of the Chief Executive in his administration of that policy.

In that regard, I introduce a resolution putting the Congress on record in support of the historical policy of the Nation in regard to Berlin and in support of the President's actions to carry out those policies.

I include the full text of this resolution at this point in the RECORD.

Whereas the victorious Allied Powers did freely enter into agreements at the end of World War II, the purpose of which was to establish a free and democratic Germany; and

Whereas the reunification of the German nation with the right of self-determined government has been the goal and hope of the freedom-loving nations of the world and of the German people themselves; and

Whereas the people of West Germany and of West Berlin have enjoyed the exercise of democratic rights and free political life and have by their actions and their voice reaffirmed their intention to remain a part of the free world; and

Whereas the rights and freedom of the German people, the unification of the German nation and the right of access and communication by the Western World with their assigned sectors has been threatened by the Soviet Union by the creation of a puppet regime in the sector assigned for her occupation, and by the further threat to sign a separate treaty with East Germany: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that—

1. The United States reaffirm its belief that all men have certain basic freedoms and that among these is the right to determine who shall govern them and the manner by which they shall be governed and that the United States advocates and will defend the right of all the people of Germany to seek a united Germany through self-determination.

2. The United States shall not accept a unilateral abrogation by the Soviet Union of post-World War II agreements and further that the United States shall stand firmly behind said post-World War II agreements and shall honor and defend such agreements and all of the provisions thereof and shall take whatever measures necessary to assure the guarantees of said agreements.

The need for a greater understanding of the Berlin problem, its background, and its many facets is quite evident as the crisis develops. The Washington Post and Times Herald recently presented a series of articles which provides an accurate analysis of the Berlin situation. I include the articles under the general title of "Berlin, Beleaguered Bastion," which appeared in the Washington Post over the period of June 25 through July 4, at this point in the RECORD.

[From the Washington Post, June 25, 1961]

BELEAGUERED BASTION, NO. 1: THREAT OF WAR IS AGAIN IN THE AIR AS NEW EAST-WEST CRISIS DEVELOPS

(By Chalmers M. Roberts)

"Somber indeed," said Winston Churchill toward the close of World War II, "would be the fortunes of mankind if some awful situation arose between the Western democracies and the Soviet Union."

In the more than 16 years since the end of that war the often uneasy Allies who defeated Hitler's Germany—the Western democracies and the Soviet Union—on numerous occasions have exchanged angry words and military threats. Often war has seemed possible and once, in Korea, the United States was directly involved in war though the Soviet Union fought only through its proxies.

Now once again the threat of war is in the air; once again the focus of conflict is Berlin.

All the world, or at least those in it who pay attention, knows today that a new East-West crisis is developing even as one knows when the leaves begin to fall that the snows cannot be far behind.

Whether this will, indeed, be the most serious crisis since World War II is an unanswerable question today. That would encompass a great deal—not only the Korean war but the long conflict over Indochina of which the current problem in Laos is a latter-day ramification, the close-to-but-not-quite warfare over Quemoy and Matsu, the crises of Suez and Hungary, of course, the years of conflict over Berlin itself including the Soviet blockade of 1948–49.

HISTORY FALSIFIED

A favorite Soviet tactic, indulged in only this past week by Soviet Premier Nikita S. Khrushchev, is the falsification of history. Khrushchev himself in his Thanksgiving Day, 1958, note, which created the last Berlin crisis, blamed the origin of the cold war on the Western democracies.

The signal to begin the worldwide postwar struggle against the Soviet Union, Khrushchev contended, "was given to the United States and to other Western countries by W. Churchill in his notorious Fulton (Mo.) speech in March 1946," the speech in which the British statesman declared that "from Stettin, in the Baltic, to Trieste, in the Adriatic, an Iron Curtain has descended across the Continent" of Europe.

It is the American contention, as put forward in reply to Khrushchev in 1958, that the cold war was first declared by Stalin in a speech on February 9, 1946, in which, in effect, he said the wartime alliance had been a matter of expediency which could no longer continue.

PUBLIC APATHETIC

Because of this long history of East-West conflict, of so many cries of "wolf" after each Soviet demand, millions of Americans, and Europeans as well, now find it difficult to take the new crisis more seriously than all its forerunners. This is especially so as thoughts here and in Western Europe now turn to vacations under the hot summer sun.

After all, hasn't Khurshchev himself talked of signing a peace treaty with Communist East Germany, the apparent takeoff point for the critical period of crisis, "at the end of 1961," still many months away?

There is a feeling in the highest levels of the American Government that the public here and in Western Europe today is far too unaware of the new storm clouds. The tone in the Kennedy administration itself is, indeed, somber, but it has not yet been reflected in action in Washington or in alarm around the Nation.

PRESIDENT CONCERNED

President Kennedy is unquestionably deeply concerned. He was quoted last week in Newsweek magazine as saying that "Berlin is no Laos—there isn't much to play with there. Berlin is everything. It could become the worst international crisis since 1945."

Secretary of State Dean Rusk at his last press conference avoided the superlatives to describe the crisis. Others among the new administration's old pros, men who have lived through years of turmoil with the Soviets, tend to accept the Rusk statement that the 1961 Berlin crisis is a continuation of the 1958–59 crisis.

Yet among many of these men one can readily detect a new sense of urgency, a feeling that this one could be it, that this time it may be harder than ever to avoid a conflict of arms over Berlin.

SOVIET IS COCKY

The reasons are not at all obscure. Soviet power, Soviet prestige, Soviet cockiness all have been increasing, relative to American power and prestige. The Cuban fiasco and the American acquiescence in a defeat in Laos both seem to have increased Khrushchev's belief that now is the time to pressure the new American President, to push the world to the brink of war and to see whether the Western democracies can be driven, short of war, to surrender all or part of free West Berlin.

The Soviet tactic always is to begin any new crisis with an uncompromising stand, to demand the whole house and only at the last minute, as a great gesture of concession, to agree to settle for the living and dining rooms and the well-stocked refrigerator.

Khrushchev began his game at Vienna. This summer and fall will surely see more pressures and threats from Moscow as he probes for Western, above all for American, weak points.

No one in the American Government believes Khrushchev actually wants a war. But there is a widespread feeling that he may misjudge the inevitable clamor in the Western World for a negotiated settlement as an invitation to press to the brink, to create a situation in which each side would find itself faced with only the alternatives of war or surrender.

The problem, then, as the Kennedy administration sees it and as Rusk put it last week, is: "Khrushchev must be given every opportunity, and he will be, to avoid a miscalculation." It is not going to be easy and before the day of denouement arrives the decibel count for this latest round in the cold war will surely reach resounding proportions.

[From the Washington Post, June 26, 1961]

BELEAGUERED BASTION, NO. 2: GERMAN ZONES FIXED BY 1944 AGREEMENT

(By Chalmers M. Roberts)

"Germany, within her frontiers as they were on December 31, 1937, will, for the purpose of occupation, be divided into three zones, one of which will be allotted to each of the three powers, and a special Berlin area, which will be under joint occupation by the three powers."

These words in a document signed in wartime London on September 12, 1944, by representatives of the United States, Britain, and the Soviet Union form the rock on which is based Western policy toward the problem of Berlin.

This agreement spelled out the geographic divisions of both Germany itself and of the city of Berlin, which would be occupied by the United States, Britain, and the U.S.S.R. Subsequently a French area was agreed upon in both Germany and in Berlin.

The rights of occupation by the victor over the vanquished are well recognized in history and international law. They end when a peace treaty is agreed upon between victor and vanquished. Today, more than 16 years since the Nazi capitulation, there is no peace treaty between the wartime allies—the Western democracies and the Soviet Union—and Germany. Long ago such treaties were signed with Italy, with the minor European satellites of Hitler and with Japan.

It is on this absence of a peace treaty that Soviet Premier Nikita S. Khrushchev is now waging his Berlin campaign.

The fact is that the zones into which Germany itself was divided by that 1944 agreement have long ago been turned into two rival German states, the free Federal Republic of Germany led by Chancellor Konrad Adenauer, a nation of some 55 million, and the German Democratic Republic, the Soviet puppet state of some 17 million led by Communist robot Walter Ulbricht.

Khrushchev is saying, as he has been saying for some time, that a peace treaty is long overdue, that both the Western democracies and the Soviet Union should sign a peace treaty with both Germanys or, if the West refuses, as it has so long, to do any business with the Ulbricht regime, the U.S.S.R. will sign a peace treaty with East Germany alone and do so by the end of 1961.

It is Khrushchev's contention, as he put it in the memorandum given President Kennedy at the conclusion of their Vienna talks, that "the occupation rights, of course, would discontinue with the conclusion of a German peace treaty, no matter whether it is signed with both German states or only with the German Democratic Republic inside whose territory West Berlin lies."

The Western contention is that any peace treaty is valid only when signed by all the four occupying powers (the United States, Britain, France, and the Soviet Union) and hence any treaty between only the Soviet Union and Communist East Germany cannot affect the Western occupation rights either in regard to West Germany or Berlin.

Furthermore, the West contends, the city of Berlin is not, as Khrushchev claims on or inside the territory of Communist East Germany. It is a thing apart, as proved by the 1944 agreement which created the various sectors of Berlin separately from the creation of the occupation zones of Germany itself.

The argument here is critical because on it depend the rights the West so stoutly defends for its access from free West Germany to free West Berlin. It must never be forgotten that Berlin lies 110 miles inside Communist East Germany, far behind the Iron Curtain, and a mere 30 miles or so from Communist Poland.

Khrushchev is saying that he will sign a treaty with East Germany, that this will end Western occupation rights in West Berlin, that these rights then can only be secured by the West through an agreement with East Germany, which means some form of recognition of that regime. And if the West refuses? Then, says Khrushchev, look out.

At this point Ulbricht takes over the threatening. In a speech last week the East German boss said all Western lines of communication into West Berlin "will be subject to our control" once there is a Soviet-East German treaty.

Ulbricht elaborated with hints that he would demand as his price an end to the use of West Berlin as an escape hatch for thousands of East Germans who each year flee to the West, to the use of West Berlin as a Western intelligence and propaganda center and to the free use of Tempelhof Airfield, which was so vital to the airlift during the blockade and which now is the takeoff point for the refugees.

This situation leaves open almost endless possibilities for the Communists—various forms of harassment designed to wear down and frustrate the West but not quite enough to constitute a casus belli. West Berlin's Mayor Willy Brandt calls this salami tactics.

Some of these tactics have been tried before; some new ones doubtless can be tried this time if the crisis gets hot enough. The point is that Khrushchev seems determined to make the democracies fire the first gun, a tactic designed to place the blame on the West if it should mean war or more likely to so terrify the West on the possibility of war that it will yield to his demands.

[From the Washington Post, June 27, 1961]

BELEAGUERED BASTION, NO. 3: RED THREAT AT BERLIN INDICATES SENSITIVITY TO FREE CITY IRRITANTS

(By Chalmers M. Roberts)

The history of great-power relationships is one of challenge and response. This is true today of the crisis over Berlin.

The problem in any such situation is to find out the other fellow's true objectives as distinguished from his public demands and to discern one's own vital interests as distinguished from those assets, or seeming assets, which can be traded off.

No one in the West can say exactly what Soviet Premier Nikita S. Khrushchev is really after in his current attack on free West Berlin. Of course, he would like to have the city, lock, stock and barrel, but it is hard to believe that he is not realist enough to know that to try for it by overt force would mean world war III, a war he himself has said would bring vast destruction to both sides.

For Berlin today is two things: It is the home of nearly 2½ million free men and women, a population equal or greater than that of perhaps a quarter of all the countries which now belong to the United Nations; Berlin also is the symbol of Western, above all of American, prestige.

In his attack on West Berlin, then, Khrushchev is striking not only at Berlin, the Western showcase deep inside the Iron Curtain, the "bone in my throat," as the Soviet boss has put it. He also is striking at the prestige of the United States and of its new leader, President Kennedy.

A reading of Khrushchev's recent speeches and of his memorandum given President Kennedy at Vienna reveals a sensitiveness on a number of points. The recent speech of his East German puppet leader, Walter Ulbricht, shows others.

To take the latter first, there is a Communist sensitiveness on the use of West Berlin as a refugee escape hatch, as the site of Rias (radio in the American sector) as a Western propaganda medium, as a center of Western intelligence and sabotage.

There long has been a Western theory that Ulbricht has been pushing Khrushchev to force the West out of West Berlin to eliminate these irritants. East Germany in the past 16 years has lost more than 3 million of its inhabitants in flight to West Germany. It probably never can be a viable state politically, even to the extent of the other East European satellites, as long as West Berlin remains truly free.

Khrushchev's problem, simply stated, is to make the East Germans accept their Communist prison as have their neighbors, the Poles and the Czechs, in varying degrees. He has not forgotten the 1953 East Berlin uprising when citizens of his paradise hurled paving blocks at Soviet tanks.

On the theory involved here the West in 1959 proposed at a foreign ministers' conference to enter into an interim agreement under which it would exchange a new guarantee of free access for a cut in the Western military force in West Berlin and a restraint on the intelligence and propaganda activities there. But Khrushchev would not buy this offer.

In his latest remarks Khrushchev seems to stress two other points: Western recognition of East Germany's existence as a nation and Western acceptance for all times, by treaty, of the Oder-Neisse line which is today's boundary between East Germany and Poland.

WESTERN POSITION

The Western position is that the democracies cannot be a party to any formal recognition of division of Germany because that denies the basic right of free choice—and to recognize East Germany's existence as a nation would be to put a Western stamp of approval on the division of Germany. On top of this, of course, is the political fact that to do so would raise a storm in West Germany where the leaders of both political parties are solemnly pledged to the aim of German reunification.

As far as West Berlin itself is concerned, the view here is that the first line of defense of that city is the courage and morale of its people. The presence of allied troops is an earnest which cannot be removed. A substitution of United Nations personnel would not be such an earnest, especially in light of Khrushchev's demand that the U.N. from now on must be subject in all of its executive acts to a Soviet veto.

Faith, the faith of the West Berliners in the West as their protector is hard to measure. They were magnificent during the blockade months. But once on a slippery slope, created by too many concessions or the fear of them, they could begin to flee. One must face the fact that Berlin could become a shell without the Communists striking a blow.

The border question, perhaps, is something else again. Walter Lippmann has reported that Khrushchev told him earlier this year he wanted a peace treaty in order to nail down Germany's frontiers before West Germany obtains nuclear weapons of its own.

Western policy on the Oder-Neisse line has been that this frontier, provisionally set by Mr. Truman, Attlee, and Stalin at Potsdam, is subject to change at a German peace conference, when and if there is such a conference.

PROBLEM FOR WEST

The fact, however, is that the Oder-Neisse line is probably here to stay as much as anything in this unstable world. The West has no intentions of going to war over it, French President Charles de Gaulle has publicly accepted it and the West Germans, though they refuse to accept it publicly, more and more have come to accept it privately.

The problem for the West is to determine which of all these possible objectives is the real one for Khrushchev and then to determine whether he is willing to pay for anything with a meaningful guarantee of free access to West Berlin.

Involved, too, is a problem of tactics, of how to play it, of when to offer to negotiate and of what to offer in exchange for what. It is this problem which currently is under detailed discussion by the United States, Britain, France, West Germany and their associates in the North Atlantic Treaty Organization.

There is also another way of looking at the Berlin problem, one which is given a good deal of credence by some Western diplomats.

Khrushchev, they argue, is out on a limb in his demands for West Berlin and, as one of them recently put it, "we've got to help him get off." But this theory, too, leads to a search for negotiable points for it is evident that no democratic nation, certainly no alliance of democracies, can take a sit-tight, we-won't-negotiate posture before the world over such a crisis issue as Berlin.

[From the Washington Post, June 28, 1961]

BELEAGUERED BASTION, NO. 4: VEILED BID FOR BERLIN SEEN IN K. MEMO

(By Flora Lewis)

BONN.—Nikita Khrushchev has been speaking loudly on Berlin, and he has been waving a big stick—the threat of war. At first look, he has nothing to offer the West in any negotiations on Berlin and Germany but the starkest test of wills.

But a more careful study of the memorandum he gave President Kennedy in Vienna and of his television speech on his return to Moscow reveals a surprising, half-hidden gleam of an offer. It may be fool's gold, or it may be a serious desire to negotiate out of a dangerous situation that for quite different reasons is as distressing to Moscow as it is to the West. Certainly, a closer look is worth while.

In both the memorandum and the speech, Khrushchev said Moscow considered it necessary to consolidate the immutability of the existing German frontiers.

In the speech, he went a little further, saying "there can be no question of any new changes of borders. We proceed from the premise that the peace treaty with Germany will put a seal on what has already been established by the Potsdam agreement."

After a specific reference to the Oder-Neisse line in this connection, he declares that "there are in general no special Allied commitments with regard to West Berlin. The Allied obligations applied to the entire territory of Germany."

The West, and particularly the West German Government, has taken Khrushchev's references to frontiers to mean the Elbe River border dividing East and West Germany as well as the Oder-Neisse border between Germany and Poland. Certainly, Khrushchev's separate peace treaty plan is aimed at ratifying both lines. But he does not actually say that Russia attaches equal importance to both.

It is just as possible to read his words on immutable frontiers as a reference to the Oder-Neisse line alone, and therefore a veiled hint that Russia might be prepared to back down on its Berlin demands or at least some of them in return for Western endorsement of the Polish border.

Such a question has not even been put officially among the Western allies. But there is evidence of responsible, if minority, groups of official opinion even in West Germany that would consider it a satisfactory solution for Berlin pending the distant day when some progress might be made on German reunification. Such an accord would preserve Berlin in the meantime without prejudicing the ultimate German hope for unity.

The normal Western reflex reaction to any such idea is that the Russians would not conceivably agree because, in physical fact, they have the upper hand in the Berlin situation. But the reflex is based on how advantageous the Soviet position in Berlin looks to us. Viewed from Moscow in a necessarily different context, it may look quite different.

Three times in 31 months Khrushchev has proclaimed that he cannot possibly wait more than 6 months to get the Berlin issue settled his way. He has waggled his finger fiercely in warning, but he has not once moved it for even a limited first action. It would seem to indicate that he has painted himself in a corner and is finding it hard to get out without admitting defeat.

There are some strange formulations in his Vienna memorandum that can be brushed off as empty words of diplomacy, but they do seem to be addressed to the United States rather than to that vague audience—the uncommitted world—for whom sheer propaganda is prepared.

"The Soviet Government does not aim at prejudicing the interests of the United

States or other powers in Europe." And, at another point, "At present, the Soviet Government sees no better solution of the problem of West Berlin than its conversion into a demilitarized free city."

These formulations are taken out of context. Nonetheless, they are in themselves out of the ordinary. And it is a commonplace of Communist communications to slip vital messages into a camouflaging, even sometimes contradictory, context. Every regular reader of Pravda knows the trick.

If, in fact, Khrushchev has sought under cover of bluster to make a first tentative try for a way out of the Berlin duel without open surrender, what might be his motives?

We cannot know, but there are factual grounds for speculation. Communist sources state flatly that Khrushchev's major preoccupation now is the preparation of the October Congress of the Soviet Communist Party. That is to say, he is preoccupied with the most effective and most successful possible presentation of his brand of leadership to the Communist bloc.

He has taken his stand within the bloc on a policy of negotiation with the West—that in the long run, the world historical aims of communism have more to gain by accommodation with the West now where that is the alternative to conflict than by pressing every local and temporary advantage at the cost of stiffening Western resistance and stimulating Western reaction.

Is it conceivable, then, that he could give up the pressure on Berlin, provided he had something to show for it that he could advertise as a successful negotiation? Is it conceivable that a settlement on the basis of the Potsdam Agreement, which promises eventual German unity and assigns the area east of the Oder-Neisse to Poland pending a peace treaty, would be enough of a success to warrant his abandoning all threats to West Berlin?

There is evidence, though never fully confirmed, of a precedent for such a Soviet policy. According to this evidence, Moscow was trying to get started on a German settlement immediately after Stalin's death and was considering pulling out of East Germany as a means of achieving an East-West relaxation needed for inner political purposes. The attempt foundered before it was really launched because the East German uprising of June 17, 1953, made it obvious that withdrawal would everywhere be registered as defeat.

In 1955, however, the Russians did withdraw from Austria for similar reasons.

There seems no hope now of the Russians pulling out of East Germany—any opportunity that may have existed for that has been missed. But if Khrushchev should be looking for a way out of his self-imposed Berlin impasse, the opportunity for delicately investigating that possibility should not be missed.

[From the Washington Post, June 30, 1961]

BELEAGUERED BASTION, NO. 5: PARIS SHIFTS CONCERN FROM AFRICA TO BERLIN

(By Waverley Root)

PARIS, June 29.—Alarmed by the menacing nature of the Berlin crisis, President Charles de Gaulle has decided that Berlin, not Algeria, must now be considered the dominant element in determining French policy.

That is why he is ready to resort to the desperate expedient of partition in Algeria, which he has said is not desirable and which he has indicated can only be a temporary solution pending, presumably, the complete withdrawal of France from this territory.

He feels it is essential to free France from involvement in north Africa to enable her to turn toward the most dangerous present threat, in Europe itself.

De Gaulle believes the future of France will be at stake before the end of the year, it is said here, not in Algeria, but in Berlin.

There is no elucidation of the reasons for which De Gaulle, who has weathered previous Berlin crises with equanimity, has decided that this one is crucial. But the theory that this is his present motivation was born out by the 20 speeches he made today in 34 stops in his tour of the northeast.

Typical of them was the address at Bar-le-Duc, where he remarked that the Algerian war was virtually ended, and then went on to say: "France wants above all to recover control of her means, to stop sinking in a hopeless task her efforts, her manpower, and her money."

She wants to recover them from north Africa to use them in Europe.

OTHER MOVES EXPECTED

The withdrawal of manpower from Algeria was officially announced yesterday, when the cabinet approved shifting military units from Algeria to France, one of the explanations given being the necessity for France to fulfill her obligations to NATO—from which she had previously withdrawn a large portion of her pledged contribution to reinforce her army in Algeria.

The 8th Air Squadron in Algeria has received orders to move from Oran to Nancy, in Lorraine, where De Gaulle speaks on Friday. The 5th Armored Division, also in the Oran region, is expected to be moved to France shortly. A second division is likely to follow shortly.

Simultaneously, it seems probable that the airfields of Toul, Etain, and Chaumont will be reopened to the American planes which were withdrawn 2 years ago when De Gaulle subordinated their use by American aviation to French control over nuclear bombs carried by U.S. aircraft.

This possibility was first announced in the United States by Newsweek and though it is not yet officially confirmed here, it seems that the report is accurate.

In a radio interview tonight, Minister of the Interior Roger Frey denied that these troop movements to France were being made because of internal divisions—meaning either to get them out from under the command of possibly dissident army officers in Algeria or to provide extra police force to relieve the overtaxed companies of republican security which are shuttling about the country to repress peasant revolts.

NO TRIUMPH SEEN

This concession to the United States can hardly be considered as a triumph for President Kennedy, resulting from his recent talks with De Gaulle, if one credits an article published today in the well-informed but hardly impartial leftist Weekly Express.

"In spite of the excellent human contact he established with President Kennedy," the Express writes, "General de Gaulle remains extremely skeptical about his chances for making his views prevail concerning the military and political organization of the West. He believes that the Kennedy Administration, for historical reasons, will be a weak administration and that America risks not being able to fulfill her commitments in Europe in case of a crisis. That is why he is more decided than ever to establish a national striking force quickly. Military experts insist that a country like France cannot become an atomic power unless it has the use of a vast, sparsely peopled territory, not too far from the national territory but separate from it. This indispensable area is the Sahara. That is why, for military reasons more than for political reasons, the Evian negotiators have been instructed to be uncompromising about the Sahara."

One clue to the French reasoning which considers this Berlin crisis more alarming than its predecessors might be found in a theory expressed today that the Chinese Communists are backing the East Germans in a tougher policy than the Soviet Union alone would follow, obliging Soviet Premier Nikita S. Khrushchev to outbid Peiping.

[From the Washington Post, July 1, 1961]

BELEAGUERED BASTION, NO. 6: EAST GERMAN AIR DECREE IS SEEN AS STAGE 1 OF PRESSURE BUILDUP

(By Murrey Marder)

The knife-sharpening preparations for future "salami tactics" to be used against the allies in West Berlin have begun.

Communist East Germany's formal declaration on Wednesday of its intention to impose restrictions on foreign aircraft, beginning August 1, is more than a footnote to history.

It is regarded here as part of stage 1 of the psychological warfare campaign to put pressure on the West in a calculated advance to a Berlin crisis showdown.

The West, as expected, has countered that the proposed East German air safety regulations cannot affect Western rights to use air corridors to Berlin, which are operated by agreement among the United States, Britain, France, and the Soviet Union.

East Germany did not specifically contend that the new regulations do, or do not, affect planes flying in the three special air corridors, each 20 miles wide. The omission was no oversight. This is part of the grim game.

The Communist squeeze on this corridor traffic will come later, when the time is ripe. It may be the major slice of what West Berlin's Mayor Willy Brandt long ago labeled the "salami tactics"—a slice at a time—which he warned the Communists would use against the West.

The time presumably will be ripe at the end of this year. Soviet Premier Nikita S. Khrushchev has said he will then carry out his threat to sign a separate peace treaty with East Germany, transferring to it the Soviet control over the access rights to West Berlin, which lies 110 miles inside East Germany. While the West has refused to acknowledge any such "unilateral" transfer of the Soviet share of war-won rights in Germany, Khrushchev has said he will do so anyhow.

This East German move against the air traffic was directly telegraphed in advance 2 weeks ago, by East Germany's Communist boss, Walter Ulbricht.

Its purpose is to accomplish two aims, simultaneously:

1. Cut a main Western avenue to West Berlin—the air route that allowed the city to survive during the 1948–49 blockade—by indirect action claimed to be for "air safety" reasons.

2. Cut the heavy flow of refugees from East Berlin and East Germany to West Berlin and West Germany, at the rate of about 4,000 persons a week. The refugees are a punishing drain on East Germany's economy and its world reputation.

This dual stroke has been an obvious potential move since Khrushchev originally launched the second West Berlin crisis in November 1958. It sounds neat and clever—if the Communists get away with it without starting a war—nuclear or any other kind.

The Communists obviously hope they will not have to cut off this slice of salami in a crisis atmosphere, with the risks it entails. This is, initially, pressure on the West to force it to negotiate on Communist terms.

AIR SQUEEZE APPLICATION

As pieced together from what Ulbricht himself has indicated, what the new decree says, and what Communist and Western sources anticipate, this is how the air squeeze would be applied:

The new East German regulations require foreign aircraft, after August 1, to register with an East German air safety center upon entering or leaving national territory. In

addition, all radio-equipped aircraft must obtain permission to over-fly East Germany.

At present, the main surviving element of four-power occupation of Berlin is the air safety center in which the Soviet Union, Britain, France, and the United States are represented. The main airport in West Berlin is Tempelhof. The air route is the only way out for refugees from communism; otherwise they would be seized at ground or water checkpoints by Soviet or East German guards.

If Khrushchev carries out his threat, transferring Soviet access rights to East Germany, the Soviet representative would be pulled out of the four power air safety center. This and other occupation rights would be called void by the Communist bloc.

FRANCE URGES AIRLIFT

East Germany would then try to impose its newly announced air regulations on traffic through the special corridors. The Western Powers, which do not recognize East Germany as a bona fide sovereign nation, presumably would reject this claim. The Allies might then try another military airlift.

France has been urging an airlift as the best means of responding to any threat to the access routes, on the ground that if an Allied plane is shot down by the Communists, it could furnish a clear-cut basis for military retaliation.

It is unlikely, however, that the Communists would oblige by providing anything so clear cut. Many American officials maintain East Germany might choose to let the military planes go through, but concentrate its pressure on the commercial airlines, which handle the bulk of current traffic. At present, there are about 100 West Berlin flights a day in both directions.

Commercial lines would be far less willing to run the risk of making the tricky takeoffs and landings at Templehof—surrounded by residences and other buildings—if the Communists jam radio communications.

"We have no interest in interrupting air traffic," Ulbricht drily told a news conference on June 15. "Why should it be interrupted?

"CITES NOISE, DANGER

"Now suppose, for example, I want to fly to New York; I need the approval of the U.S. Government, don't I? Well, there you are. And in the same way, we want the United States to make an arrangement with us if it wants its aircraft in GDR (German Democratic Republic) territory * * *.

"Think of the West Berliners. Today they are constantly disturbed by the noise of aircraft and they are exposed to the danger—as happened in Munich (West Germany)—of an aircraft crashing into buildings. Can you imagine that it would be possible to maintain air traffic without an orderly air safety service?"

As for "refugees," Ulbricht had his answer to that. "Fugitives" would be treated as fugitives. The "so-called refugee camps in West Berlin must be closed down"; "lawful" citizens could obtain exit permits—if they complied with the regulations.

There are, of course, possible Western countermeasures to the impending air traffic squeeze, if a showdown comes. For one thing, military planes might take over all necessary Western air traffic. But the war of nerves and planning on both sides, East and West, will go on, inexorably, unless meaningful negotiations intervene.

[From the Washington Post, July 2, 1961]

BELEAGUERED BASTION, NO. 7: K. SEEKS TO MAKE A LEGALISM OF BERLIN ISSUE

(By Hans J. Morgenthau)

Premier Khrushchev did not raise the issue of Berlin in November 1958, and again in June 1961, for purposes of propaganda or to meet demands from China or from within the Kremlin. He raised it as a means to the ends of Soviet policy.

As concerns Germany, the Soviet Union pursues three ends: the removal of Berlin as a provocative reminder of Communist weakness, the separation of West Germany from the Western camp, and the stabilization of the territorial status quo.

The main objective of Soviet foreign policy in Europe since World War II has been the stabilization of the western frontiers of the Soviet empire. Stalin conceived of the postwar world as two gigantic spheres of influence controlled by the Soviet Union and the United States, respectively. He viewed the 1945 line of military demarcation which divides Germany as the definitive boundary line between the two spheres.

Stalin made numerous proposals to that effect, both directly and through neutral and satellite diplomats. The United States has consistently refused even to consider such proposals. It has always maintained the provisional character both of the line of military demarcation between East and West and of the eastern boundary of Germany in the form of the Oder-Neisse line. It has been committed to the unification of Germany, which, if achieved on Western terms, would necessarily move the western frontiers of the Soviet empire farther east, at least to the Oder-Neisse line if not beyond.

BERLIN THE SYMBOL

Paradoxical, as it may seem, Khrushchev has called into question the status quo of Berlin because he seeks the stabilization of the territorial status quo of Europe, and the United States is committed to the defense of the status quo of Berlin because it refuses to acknowledge the territorial status quo of Europe as definitive.

The German issue finds its symbolic manifestation in the issue of Berlin, and by raising the latter, Khrushchev has, by implication, raised the former. The Western presence in Berlin—the former capital of a once-united Germany and the potential capital of a reunited Germany—symbolizes the provisional character of the division of Germany. The abandonment of Berlin by the West would symbolize the definitive character of that division.

By raising the issue of Berlin in an acute and threatening form, Khrushchev tries to force the West to recognize what it has refused to recognize for 16 years, i.e., the definitive character of the division of Europe. The issue Khrushchev has raised is, then, the fundamental issue of who shall rule what and whether what is ruled by the Soviet Union now shall be ruled by it in perpetuity, its rule being recognized as legitimate by the West.

This is the issue from which the cold war arose, and which has divided the United States and the Soviet Union ever since. It is the stuff of which hot wars are made as well.

THE RECOGNITION ROUTE

It is in accord with his long-term purpose of stabilizing the territorial status quo that Khrushchev has not raised the Berlin issue directly but, as it were, as a byproduct of recognition of the East German government. It is true that he has told the Western powers, as Stalin did in the form of the Berlin blockade, "Get out." But how does he propose to get them out?

He plans to do it by replacing the occupation statute upon which the Western presence in Berlin rests with a peace treaty with the East German Government. Thus he can tell the Western Powers, "Whatever rights you are going to have in Berlin you must negotiate with the East German Government, to which we are transferring our control over the access to Berlin."

Khrushchev is a much more subtle and ingenious adversary than Stalin was. He tries to make it appear that what is at stake is not the freedom of West Berlin and the freedom of Western access to it, but only a change in the legal title which would leave the substance of the present rights intact. In truth, of course, the freedom of West Berlin—an island in a Red sea—and of the Western access to it derives not from a legal document but from the Western military presence in West Berlin.

West Berlin has remained free because an attack upon its freedom would be tantamount to an attack upon the Western military establishment in West Berlin, and the Western Powers have been able to supply their troops in West Berlin because interference with these supplies would in the long run be impossible without a direct military confrontation. The Soviet Union has been anxious to avoid such a direct military confrontation in Germany and elsewhere and has sought its objectives rather by indirection, especially through the interposition of proxies. The attempt to interpose the East German Government between the Soviet Union and the West is a typical example of that technique.

HIS ACHILLES HEEL

Yet the application of that technique to Germany tends to jeopardize the main goal of Soviet policy: The stabilization of the territorial status quo, especially in the face of West German rearmament. For it raises an issue of the utmost gravity for all concerned: The possibility of a German civil war. Here is, indeed, the Achilles heel of Khrushchev's German policy.

Khrushchev appears to be genuinely afraid of a West German Army, equipped with nuclear weapons, as the instrument of a West German policy which would recognize neither the existence of the East German Government nor the legitimacy of the Oder-Neisse line. For this reason, he wants to bring the issue of the territorial status quo in Europe to a head before the West German Army is equipped with nuclear weapons.

On the other hand, when it comes to the preservation of peace, he trusts the East Germans no more than he does the West Germans, and while he may feel for Chancellor Adenauer a grudging admiration, he can hardly feel for his hapless East German stooges anything else but that contempt to which Stalin used to give vent in unguarded moments.

He cannot but loathe the idea of seeing two German Governments, each ineffectually controlled by its respective allies, oppose each other over undefined frontiers. It is this specter which has made him hesitate to bring the Berlin issue to a head ever since he raised it first in a seemingly preemptory form in November 1958.

Khrushchev, then, is faced with a dilemma: He seeks the stabilization of the territorial status quo in Europe, for he fears the threat to peace stemming from instability in the heart of Europe. Yet the means he has chosen to achieve his end threaten to create an instability much greater and less controllable than the one he tries to remove. This dilemma provides the Western Powers with an opportunity for constructive statesmanship. However, they are handicapped by a dilemma of their own.

AN UNNEGOTIABLE RIGHT

The Western position must rest upon a threefold foundation: The Western right to be in Berlin is not subject to negotiations; the territorial status quo in Europe is not subject to change for the foreseeable future; a shift of West German allegiance from the West to the East is not compatible with Western security.

The Western right to be in Berlin cannot be subject to negotiations because the very willingness to negotiate about it implies a denial of that right. If your neighbor tells you to get out of your house and you reply, "Let's negotiate about it," your very willingness to negotiate implies that you are not

quite sure that you have a right to be where you are. You cannot insist upon your right and make it the subject of debate at the same time.

Yet while the substance of the Western right to be in Berlin is not negotiable, the modalities of that presence indeed are. Since the Western presence in Berlin has been primarily symbolic to begin with, it is susceptible to manipulation as long as its symbolic character remains intact.

That the territorial status quo in Europe cannot be changed in the foreseeable future, that for the time being Germany will remain divided and the Oder-Neisse line will remain its eastern frontier is admitted by all concerned in the privacy of their offices and is loudly proclaimed by Khrushchev. "We proceed from the premise," he said in his June 15 television speech, "that the peace treaty with Germany will put a seal on what has already been established by the Potsdam agreement. Indeed, the Governments of the Western Powers obviously understand, too, how senseless it would be to raise now the question of revising Germany's boundaries. Their representatives have often told us about this during our conversations. A simple operation, it seems—to put a seal on what already exists."

It is at this point that the Western dilemma comes into play.

Khrushchev can afford to say bluntly what the statesmen of the West, those of Germany included, can only whisper among themselves, because, with regard to the German question, the Soviet Union holds an enormous advantage over the West. The Soviet Union has it in its power to unify Germany and move the frontiers of Germany eastward whenever it wishes. It only needs to withdraw its support from the East German government and divide Poland again with Germany for the fifth time in two centuries.

What the Soviet Union would ask of a united and restored Germany in return would not necessarily be its communization, but as a minimum the transfer of its support from the West to the East.

West Germany has joined the Western camp because it mistrusts the ultimate objectives of the Soviet Union and has confidence in the aims and power of the West. If the West were to speak of the frontiers of Germany as Khrushchev has spoken, West Germany would have nothing to choose between East and West in terms of verbal commitments, and in terms of the ability to give West Germany what it wants, the advantage would remain with the Soviet Union.

West Germany would then be tempted to strike a bargain with the Soviet Union and Khrushchev has indeed voiced the expectation that sooner or later this will happen. Thus it is for the sake of the very same prize—the allegiance of West Germany—that Khrushchev wants the West to recognize the territorial status quo in Europe and that the West cannot accede to that demand.

What, then, can the West do? It can do essentially three things.

First, it can try to negotiate over the modalities of its presence in West Berlin with whoever effectively controls the lines of communications. Its aim must be the preservation of the symbolic significance of that presence while not insisting upon its more provocative aspects.

Second, it can try to exploit Khrushchev's dilemma. Mindful of the fact that President de Gaulle has come out in favor of the recognition of the Oder-Neisse line as the permanent eastern frontier of Germany, it can try to contribute to the stabilization to the territorial status quo in Europe without increasing the danger of a German civil war.

Finally, in doing this, the West must try to avoid being caught in its own dilemma. Whatever it contributes to the stabilization of the territorial status quo must be compatible with its verbal commitment to the unification of Germany. It must somehow manage to bridge the gap between what it has so often declared it will do in Germany and what it can do.

It is obvious that these tasks are enormously difficult to achieve and require for their achievement qualities of statesmanship, both daring and wise, which are harder to come by and less certain of popularity in the short run than that verbal bravery which the crowd is ever ready to applaud. However, if those qualities are not forthcoming, the West will be faced with two equally unacceptable choices: retreat, or fight a war on behalf of the freedom of West Berlin which will destroy West Berlin and its freedom as well.

[From the Washington Post, July 3, 1961]

BELEAGURED BASTION, No. 8: MOSCOW PLAYS "SAD SACK" GAME IN BERLIN IN MOVE TO INFLICT DEGRADING BLOW ON WEST

(By Murrey Marder)

During World War II there was a famous cartoon sequence which today symbolizes succinctly the current Soviet posture on negotiating a solution to the Berlin crisis.

In the cartoon strip, a Sad Sack version of an American GI, stooped and flaccid, stumbled around his camp area, eyes fixed on the ground. Periodically, he would bend down, pick up a scrap of paper, then throw it away, saying dejectedly, "That's not it."

This seemingly inane picking up and discarding of pieces of paper continued until the medics grabbed the infantryman, hauled him away, and handed him a medical discharge. Leaping up exuberantly, eyes sparkling, the onetime Sad Sack cried out joyously as he waved the discharge paper: "This is it!"

Something similar is now going on as world politicians, diplomats, and experts (official and nonofficial) try to think out solutions to Soviet demands on West Berlin.

This is undoubtedly what the Soviet Union wants.

It has the West picking up pieces of paper, in effect, and offering them up as possible solutions to satisfy the Soviet demands: de facto recognition by the West of Communist East Germany, which the West maintains is only a Soviet puppet regime; recognition by the West that the present Oder-Neisse border between East Germany and Poland is in fact, a permanent border; new assurance that nuclear weapons will never be supplied to West Germany, and so on.

Unlike the Sad Sack, however, Soviet Premier Nikita S. Khrushchev doesn't throw away any of these pieces of paper. In effect, he pockets them, and to make more offers forthcoming, he says, or implies by silence as each new compromise is suggested, "That's not it."

To expedite the supply of compromises by the West, the Soviet bloc does an effective job of fertilization. This process is underway now.

Various hints are dropped in world capitals, implying that if a certain compromise were to be offered by the Western Powers, it might be just the solution to avoid a showdown by force.

Once smoked out and widely discussed publicly, the possible compromises—even though they do not carry official stamps of approval as formal Western offers—tend to be regarded as available. By the time the Western Powers actually reach the negotiating table, what the West has to offer in give and take bargaining, usually has been, in effect already pocketed by the Soviet Union. As the offers are put on the table, the Soviet Union says, in substance, "That's not it."

It is this kind of squeeze that the United States, Britain, France and West Germany—the four powers most directly concerned—are now trying to avoid. Whether the pattern of the past can be broken however, remains to be seen.

In the 1959 Geneva conference on West Berlin, the Western Powers surrendered a major concession the day before the conference actually began.

The Soviet Union threatened to keep the conference from starting unless the East Germans were brought to the conference table. The West caved in. The East Germans, whom the Western Powers do not recognize, and the West Germans, were put at an adjoining table, "six pencil widths" away from the main table.

This seemingly silly shuffle over tables and chairs was an important psychological victory for the Communist bloc; it provided a slice of recognition for East Germany as a sovereign nation.

WESTERN POWERS YIELD

As the conference proceeded throughout the summer of 1959, the Western Powers put a series of compromises on the table.

They agreed to reduce the number of American, British and French troops in West Berlin; they agreed to limit the weapons supplied to them; they agreed to reduce activities in West Berlin to which the Communists objected. All this was to be in return for a guarantee of Western access to West Berlin, and assurance the rights of the people of West Berlin, as part of an interim arrangement.

The interim was to be 18 months, during which a mixed committee of East and West Germans would try to agree on a solution to the problems of divided Germany. What would happen at the end of 18 months? The Soviet diplomats refused to answer that.

ALLIED HUNCH RIGHT

The Western diplomats suspected what the answer was, and all but the British diplomats privately acknowledged it:

At the end of 18 months, if there was no agreement on the German problem, the Soviet Union would maintain that the war-won rights of the Allies in West Berlin were null and void, and the West would have to negotiate from scratch. Soviet Foreign Minister Andrei Gromyko refused to admit that, however. It was only recently that Soviet Premier Nikita S. Khrushchev acknowledged to Columnist Walter Lippmann that the Western suspicion of where Allied occupation rights to West Berlin would have stood at the end of the 18 months was justified: they would have been nonexistent, in Soviet eyes.

"WHAT IS IT?"

The Communist bloc in other words, went through that entire conference saying to the West: "This is not it." It was only when Khrushchev suddenly got one thing he wanted deeply, the invitation by President Eisenhower to visit the United States, that the sudden reaction came: "This is it!" The Berlin crisis was shelved—for the time being.

Just what is "It" this time around?

Khrushchev has not disclosed that; nor is he likely to do so in the near future.

The Soviet demands are back where they were in November 1958 when Khrushchev initiated the Berlin crisis: conversion of West Berlin into a demilitarized "free city," or unilateral Soviet action declaring the allies World War II rights in the city at an end, by the Soviet signing a separate peace treaty with East Germany. The immediate object is to force the West to negotiate over West Berlin with East Germany.

YOU CAN'T BLAME * * *

The real object, as American officials see it, is a multiple one: to inflict as degrading a blow as possible on Western prestige in the world; to convince the peoples of Communist Eastern Europe that the West recognizes that they are indefinitely tied to the Communist bloc; to bolster the stature of

East Germany; to eliminate the status of West Berlin as a vigorous Western outpost 110 miles inside East Germany; to shake credibility in the 15-nation North Atlantic Alliance as an effective military force, and perhaps to do other damage to the West.

It is extremely unlikely that Khrushchev can pick up enough pieces of paper to satisfy all these ambitions. But if he were posing as a guileless Soviet sad sack, he probably would say, "You can't blame a fellow for trying."

[From the Washington Post, July 4, 1961]

BELEAGUERED BASTION NO. 9: BRITISH RESENT CHARGE OF "SOFTNESS" ON BERLIN

(By Robert E. Baker)

LONDON.—Charges that the British Government is soft in the face of the Berlin crisis would seem to be unfair at this time. Certainly, they are premature.

One Government spokesman contended that the British Government can hardly be fairly accused of being softer or of having differences with the United States over Berlin policy when the United States itself hasn't formulated its own policy.

"We're all in step on Berlin," an authority said, "except we don't know where we're stepping."

He was reflecting the dominant factor of Western political life today—that only President Kennedy can make the final decision on Western strategy against the threats and avowals of Soviet Premier Nikita S. Khrushchev.

In the meantime, the Government here is seriously concerned and harassed over continuing reports, mostly in the American press, alleging British weakness.

Authorities here cry that they are angry, despairing, disillusioned, hurt, astounded, amazed, and aghast at such reports. One official even talks about "sinister influences" which must be at work in Washington, Communists seeking to split Western unity on Berlin.

Dismayed as the Government may be, it nevertheless cannot escape blame for appearing soft on Berlin. For example, on the same day that Secretary of State Dean Rusk was promising allied unity and firmness on Berlin, Chancellor of the Exchequer Selwyn Lloyd was talking about cutting British commitments in Germany because of their high cost.

PUBLIC NOT PREPARED

The Government has done little to prepare public opinion for a Berlin crisis. Recently newspapers here were filled with stories on Berlin. The general theme was to ask the question whether Berlin was worth a war: The general answer was a "No."

Then Prime Minister Harold Macmillan finally made his carefully worded statement on Berlin to the House of Commons, intended as a firm stand, but only a few London papers gave it any prominence and only one, the Communist Daily Worker, considered it page 1 material.

The international editions of the New York Times and the New York Herald Tribune gave Macmillan's statement the lead space. The Times headline reported: "Macmillan Hints at Negotiations on Berlin Issue." The Herald Tribune reported: "Firm U.K. Stand in Berlin Vowed by Macmillan."

This difference in interpretation of Macmillan's speech by top reporters of great newspapers shows how vague the Prime Minister's speech was. Some circles have been unkind enough to refer to him as "Macmillan, M.A.," for master of ambiguity.

Macmillan said the allies will not abandon their obligations in Berlin and Russia must be made to realize that the West cannot countenance proposals inconsistent with the West's obligations.

PREPARED FOR TALKS

Having vowed that, he then said: "If, however, they wish to discuss the issue with us, we are prepared to do so."

Thus the Prime Minister was firm on one hand but still managed to open himself to the traditional critical view of Britain's willingness to compromise, a reputation which, the London Times acknowledged, "has to be lived with."

There is a dispute among Government advisers here over whether the West should offer to negotiate or make no move toward negotiation till the crisis is at hand. A majority of the advisers here appear to support an offer of negotiation.

These advisers believe such an offer important because the West could better choose its own ground now than under duress of a crisis. In addition, the West could show neutral opinion its rightful stand and Russian belligerency in such negotiations.

The British insist that such negotiation would not mean, and must not mean, surrendering the freedom of West Berlin. As one Government spokesman said, somewhat exasperated at American criticism of British propensity to negotiate: "All right, we're willing to die for Berlin but let's negotiate first like civilized human beings."

DIFFERENCE SHOWS UP

One difference in American and British thinking shows up in the problem of the division of Germany. While the United States sticks to a policy of unification of West Germany and East Germany, most British authorities, privately, feel that a divided Germany is not only a fact of life but a rather desirable fact.

Fear of a unified Germany's dominance of Europe is one factor in this thinking. But another is the thought that under no conditions can Russia allow a free unified Germany to border on Poland, for example, where agitation to break from the Communist camp might then grow rampant.

There is also the British feeling, reportedly shared by Macmillan himself, that the forces of history in decades to come will cause the two Germanys to unite. Therefore, the British ask, why cause a ruckus over them now.

Vagueness and ambiguity, which often facilitate charges of British softness, sometimes result from differing points of view expressed by different government spokesmen in Whitehall, from the seeming British love of complexity, and from the psychological effects of Britain's declining power in today's world.

Very often, Britain is pictured here as the civilized and sensible oldtimer trying to bring together those two young muscled hotheads, Russia and the United States.

Indeed, the Communists play on this thinking and just recently satellite representatives here have hinted to Britain that the way still is open for her to make a move to negotiate an end to the Berlin crisis. Such a gesture must sometimes be tempting, to those British feeling their old age, like the grand old dame of the theater who makes those final, farewell appearances.

Mr. ROUSH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

NEWARK'S LIBRARY

Mrs. NORRELL. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Arkansas?

There was no objection.

Mr. RODINO. Mr. Speaker, at a time when our Nation's library services are being extended at a record pace to citizens throughout our land, the American Library Association demands vigorous, enlightened leadership. Members of the association, recognizing that need, have voted in as their president a man whose talents for leadership and planning are well known to the people of Newark, Mr. James E. Bryan. In an editorial appearing in last Tuesday's paper, the Newark Evening News took notice of this election with appropriate commendatory remarks about our library and its librarian:

Election of James E. Bryan, director of the Newark Public Library, as vice president and president-elect of the American Library Association honors both an outstanding librarian and a great institution.

Newark is proud of its library and of the men and women who have served it. When Mr. Bryan followed John B. Kaiser as director in 1958, he became the fifth in a distinguished line. The late Frank P. Hill, John Cotton Dana, and Beatrice Winser were pioneers in bringing library service to the people. They built the Newark institution to a position of preeminence in the library world and their successors have kept it there.

Newarkers who know their library and use it don't need to be told how fortunate they are. To others who don't this latest national recognition should be a reminder of what they have been missing.

SAVING THE NATION'S CAPITAL

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. REUSS], is recognized for 60 minutes.

Mr. REUSS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, Members love our Nation's Capital as a second home. We share with our constituents and with the people of the city of Washington the Capital's genius—magnificent open spaces set in the valleys and forests of the Potomac watershed, where the Nation's governmental business can be carried on in efficiency and beauty.

It is high time that we realize that this noble plan for our Nation's Capital, which has endured for 160 years, is being threatened by the unchecked and unplanned expansion of the Washington area's population.

FIVE MILLION BY THE YEAR 2000

Today the area has a population of 2 million, up from less than 1 million in 1940 and about 1.5 million in 1950. The population experts predict an increase in population to 5 million by the year 2000 if nature is allowed to take its course. All our planning seems to be based on this assumption.

Already we see the signs of what can happen to our Capital if nature is al-

lowed to take its course—if too many people are placed on the terrain which Washington and Jefferson and L'Enfant selected and endowed.

WATER

Our water supply, according to the Corps of Engineers, is about to run dry. There will soon be millions more people here, and each one will have more lawns to sprinkle, more air to condition, more pools to swim in. Therefore, say the engineers, we must build a $100 million water-supply high dam across the Potomac at River Bend, just above Washington. The dam, of course, will flood out the river and its tributaries for 35 miles upstream, bringing backwater and mudflats to the glorious area where Washington and his heirs have enjoyed the river and the canal and the woods and the wildlife.

SEWAGE

Our sanitary systems have broken down. The Potomac has become one large cesspool, clogged with sewage and with the silt from haphazard upstream bulldozing. Subdivisions like Livingston Heights in Virginia live on a sea of raw sewage which keeps bubbling to the surface through its thin seal of soil.

TRAFFIC

Our traffic threatens to strangle us. As every Member knows, much of our day is spent in the bumper-to-bumper horrors of overcrowded highways. And the highway builders are eyeing covetously for destruction the very green spaces which make the city—the banks and islands of the Potomac, Glover Archbold Park, Rock Creek Park.

PLANNING

Our metropolitan planning, despite the valiant efforts of dedicated local planners, is fast losing sight of the reason why we have a Nation's Capital in the first place. A Capital should be a place where the Nation's business can be expeditiously transacted. But what happens to this concept when the Atomic Energy Commission sets itself down 26 miles out at Germantown, the CIA 8 miles out at Langley, the Bureau of Standards 20 miles out at Gaithersburg, and the NSA/NASA 23 miles out at Fort Meade?

A Capital should be a place where citizens may enjoy its history and culture. But what happens to this concept when the water supply runs dry, sewage pollutes the rivers, traffic strangles itself, and the open spaces of the region are lost in suburban sprawl?

If Washington's growth can be slowed, we can solve our problems of water, of sewage, of transportation, of metropolitan planning, without ruining the Nation's Capital. If the metropolitan area's rate of growth in the next 40 years can be slowed to rates which prevailed at earlier periods, before the population explosion of the last two decades, our population in the year 2000 can be closer to 3 million than to 5 million—and the problems of water and sewage and transport and planning will prove manageable.

THE SIX PROPOSITIONS

Here is the thesis which I want to expound:

First. Only by holding down the population growth of metropolitan Washington closer to 3 million than to 5 million by 2000 can we save our heritage of efficient government, natural beauty and good living.

Second. Since the key factor in Washington's future growth is Government, and since the Government can control its own future location, we are uniquely capable of limiting our growth.

Third. We can limit our growth by relocating, now and in the future, to a hundred-odd different locations around the country those nonpolicy making clusters of governmental activity which can as well, or better, be carried on in the hinterland.

Fourth. Relocating relatively high-income Federal employees to these 100-odd cities will help them both economically and culturally—by providing new sources of revenue, and new supporters of art, music, the theater, and the rest of the good things of life.

Fifth. No one now is doing much of anything about such relocating. The various Washington planning agencies are concerned with what goes on in Washington, not with what goes on in the rest of the country. The General Services Administration builds buildings pretty much where each individual Government agency wants them built, and no questions asked. Neither in the White House nor the Congress is there a focal point for the kind of nationwide planning I am talking about.

Sixth. We must stop drifting and start acting. When I have made my case, I shall propose some governmental machinery to get on with the job.

Now let me spell out the six propositions.

1. POPULATION GROWTH, IF UNCHECKED, CAN DESTROY WASHINGTON

What I have said about the future of water, sanitation, traffic, and planning if Washington's population expands indefinitely, should give us pause. If nothing is done, the Washington of the future can become just another formless, sprawling monstrosity, overcrowded, congested, and denuded of green and open spaces.

If Washington lets this happen to itself, the fault will be not in our stars, but in ourselves. As we shall see, it is perfectly possible to limit the future population to a figure closer to 3 million than to 5 million.

If we can control our future population growth, the city and regional planners in organizations like the National Capital Planning Commission, the National Capital Regional Planning Council, and the new National Capital Transportation Agency will have some chance of successfully coping with their problems.

With the task thus made manageable, what can be accomplished?

WITH GROWTH LIMITED, WASHINGTON CAN LIVE

We can develop an adequate water supply without ruining the Potomac—by upstream small dams, by a clear-water pool, or by other means.

We can clean up our pollution, because we will have limited not only the wastes that need to be discharged, but the danger of byproduct algae pollution that can come from the superfilth which our rivers are approaching.

We can solve our traffic problem, by improving freeways, express buses, rail transit, and added parking, without destroying our parks and green spaces and trees in the process.

We can find room in the Government complex of Washington for all needed governmental agencies, without repeating the just-close-enough-to-be-inaccessible folly of a CIA at Langley, an AEC at Germantown, a Bureau of Standards at Gaithersburg, and an NSA–NASA at Fort Meade.

So, you can let Washington sprawl, and ruin it. Or you can control its population growth, and save it. You pay your money, and you take your choice.

2. WASHINGTON IS IN THE FORTUNATE POSITION OF BEING ABLE TO LIMIT ITS GROWTH

Other great cities of the world—London, Tokyo, New York, Chicago, Houston, Los Angeles—also face staggering problems because of their size. But their growth depends largely on the growth of industry and commerce. Short of totalitarian controls, their governing bodies can do little to limit their size.

Washington, on the other hand, directly controls the basic element in its population growth—the Government. How large the Government bulks in the metropolitan area total can be seen from this table:

Estimated employment in Washington metropolitan area, May 1961

Federal Government:	
Military	58,700
Civilian	239,100
Local government	56,800
Manufacturing	35,400
Construction	50,000
Transportation and communication	44,400
Wholesale and retail trade	145,300
Finance, insurance and real estate	41,400
Services (not including household domestics)	137,400
All others (including self-employed persons, household domestic workers, and unpaid family workers)	96,400
Estimated total employment	904,900

As can be seen, governmental employment is what makes Washington go. Direct Federal employment is almost one-third of the total. And governmental employees generate the need for the construction, the transportation, the communication, the trade, the finance, the insurance, the real estate and the other services which make up the bulk of nongovernmental employment in the Washington area.

The tourist industry, the thousand national organizations which have Washington headquarters, the diplomatic and international organizations which cluster here, add to the employment which is caused in the first instance by Washington's being the seat of the Government.

Even manufacturing, which employs 35,400 persons, is quite closely Government-related. The largest manufacturing industry is printing—surely a bureaucratic necessity. And I suspect that many of the 144-odd manufacturing establishments in the electronic and scientific fields are here because they want to be near the source of their orders, usually the Pentagon, and near a lush concentration of scientific employees ripe for raiding.

Thus, Government is plainly the determining factor in both governmental and nongovernmental employment and population in metropolitan Washington. If you thin out Government in the future by relocating some of the increase elsewhere, you will achieve a corresponding limitation in nongovernmental activities.

There are those who point out that Washington area population has continued to grow since 1952 even though Federal employment has slightly declined. These people imply that Federal location policy does not make any difference.

I point out that Federal civilian employment has grown steadily in the last decade to its present total of about 239,000, except for a temporary bulge in the Korean war years of 1951 and 1952. Moreover, this growth is understated because of contract policies initiated by the previous administration. The practice of hiring out scientific research and development work to private firms is in large part responsible for the presence here of some 144 research and manufacturing firms, which have added thousands to private payrolls.

Perhaps most important, the growth in service employment of all kinds is due in part to the fact that Washington has had a relatively low proportion of service industries compared to its basic Government activities. Today, Washington still has a ratio of one service person to one person employed in a basic occupation. In other areas the ratio is as high as two to one. This means that employment in the service industries could multiply even in Federal employment is held relatively stable. I believe this has happened in the recent past, and that it makes a sensible decentralization policy even more important.

3. RELOCATION WOULD MAKE GOVERNMENT MORE EFFICIENT

To save the Capital, therefore, requires some limitation on its future growth. Since Washington is a one-industry town—Government—relocating part of the increase in Government can check population.

But I do not advocate, Mr. Speaker, relocation simply to save Washington. In fact, sensible relocation can add greatly to the economy and efficiency of the Federal Government.

Of course, the headquarters and policymaking portions of the executive branch, as well as all the legislative and central judicial branch, must remain in Washington. I take the floor not to liquidate Washington, but to keep it from strangling itself.

Equally obvious, Washington is now cluttered up, and will be increasingly cluttered up in the years to come, with acres and acres of governmental desks and swivel chairs which could as well, or better, be located elsewhere.

THE HOOVER REPORT

The Commission on Organization of the Executive Branch of the Government, the first Hoover Commission, in its report of May 20, 1949, pointed out that, while economy in administration can often be achieved through centralization, it is also possible to overcentralize, with the result of increasing costs and decreasing efficiency. The Commission (p. 37) stated that its task forces had found "overcentralized operations which are resulting in inefficient and expensive management." The report went on:

> Our task forces also found many instances where headquarters officials in Washington still cling to the power to make decisions even in matters of minor importance. This, too, has resulted in interminable delays in getting things done, has stultified initiative in the field services, and has resulted in decisions being made which have not taken due account of variations in local conditions.

The Commission concluded that further decentralization was needed.

LOCATION NEARER THE JOB

Many agencies would operate more efficiently if the great bulk of their operations—less a Washington headquarters to maintain liaison with the other branches of the Executive and with Congress—were located closer to the area which they are primarily responsible for serving. I think of the Fish and Wildlife Service of the Department of the Interior, pinned down in Washington although most of its activities are located along the Central Flyway; of the Forest Service, on Independence Avenue rather than somewhere near the geographical center of our national forests; of the Soil Conservation Service, under the shadow of the Washington Monument rather than closer to the soil.

The Tennessee Valley Authority operates efficiently with 14,853 employees, 14,848 in the Tennessee Valley and 5 in Washington.

There are hundreds of locations around the Nation with adequate office space, or land on which to build office space, homes, transportation, schools, utilities—whatever is needed to accommodate relocated Washington agencies. In many cases, the cost of living is lower than in Washington, and relocation would produce savings both for Federal employees and for the Government itself.

MODERN COMMUNICATIONS WILL HELP

Moreover, modern methods of communications make a decentralized operation vastly easier than at any time in our national history. Teletypewriters that can transmit messages at speeds up to 120 words a minute, facsimile transmission of pictures and documents, the long distance telephone—all can bring Washington and any section of the Nation as close as Washington and some of the "dispersed" installations such as the National Security Agency at Fort Meade and the Atomic Energy Commission at Germantown.

The General Services Administration has been able to effect substantial economies in the last decade by the bulk leasing of equipment for all three systems. For example, in 1960 GSA, by leasing 95 long distance lines, saved a total of $550,000 over the amount which would have had to be paid by 22 individual agencies.

New developments in communications techniques will make operating at a distance even more efficient. For example, the TVA has its principal offices in Chattanooga, Knoxville, Muscle Shoals, and Washington, D.C. It uses the ordinary kinds of communications facilities, namely, the telephone, the teletypewriter, the telegraph, and facsimile transmission. But in addition, the TVA has installed a shortwave radio system between its principal offices, which permits conferences and consultations so that travel among these points is minimized.

The Douglas Aircraft Corp. has a communications system between Charlotte, N.C., and Santa Monica, Calif., based on the use of telephone lines, which sends and receives coded information on complicated matters such as missile design and specifications. Information, including charts and diagrams, can be coded on punchcards or on magnetic tape, fed into a computer, transmitted directly by telephone, received by a computer and decoded at the other end. This illustrates the possibility of maintaining communications between widely separated locations if the communications are mainly on matters, however complex, which can be coded, transmitted, and decoded.

THE WORLD WAR II EXPERIENCE

We have had some experience with relocation of governmental agencies during World War II. By January 1943, 40 Federal agencies, with 42,000 employees, had been moved out of Washington to 23 different cities throughout the country. For example, the Agricultural Adjustment Administration moved to Columbus; the Agricultural Marketing Administration to Dallas and New Orleans; the Farm Credit Administration to Kansas City, Mo.; the Farm Security Administration to Cincinnati; the Rural Electrification Administration to St. Louis; the Patent Office to Richmond; the Fish and Wildlife Service, National Park Service, and Office of Indian Affairs to Chicago; the Immigration and Naturalization Service to Philadelphia; the Wage and Hour Division to New York; the Navy Bureau of Supplies and Accounts to Cleveland; the Bureau of Internal Revenue to Greensboro, N.C., New York, and Baltimore; the Army Adjutant General's Office to Charlotte and High Point, N.C.; the Army Airways Communications System to Asheville; Finance Office to Atlanta and Los Angeles; Ordnance to Philadelphia; Transportation to Cincinnati; Dependency Benefits to Newark; the Alien Property Custodian to Chicago; the Federal Deposit Insurance Corporation to Chicago; the Bureau of Old Age and Survivors Insurance to San Francisco; the Railroad Retirement Board to Chicago; the Securities and Exchange Commission to Philadelphia; the Veterans' Administration to New York.

The purpose, of course, was to make room for more war-oriented activities in Washington, rather than to check long-term population growth in Washington.

But the experience with relocation was generally favorable. Operations went smoothly, there was space for offices and homes, and living costs were lower than in Washington.

I submit that we would all be better off if the relocation of World War II had been allowed to persist. Deputy Commissioner of Public Buildings R. C. Jennings testified in February 1946 that the agencies operated as efficiently away from the District of Columbia as in it, that the lower cost of living of these decentralized locations was beneficial to the individual employee, and that Washington lacked both office space and housing.

It turned out that many of the agencies simply trickled back to Washington. When the House Committee on Appropriations heard testimony on the Second Deficiency Appropriation Act on February 28, 1946, it was informed, to its surprise, that the Patent Office had smuggled about half of its 907 employees in Richmond back to Washington, and that the Rural Electrification Administration had returned almost all its 835 St. Louis employees to Washington—hearings, pages 69–71.

Congressman TABER of New York asked Deputy Commissioner Jennings—hearings, page 76:

Mr. TABER. Why do we need to bring these people back here now? Washington is so crowded that we don't know what to do. They have to put in new traffic regulations every day to get rid of certain bottlenecks. What sense can there be in dragging more people into Washington? It just does not make sense to me.

And Congressman Ludlow of Indiana—hearings, page 78:

Mr. LUDLOW. What would be your answer if I were to ask you why these activities should not stay where they are? What impelling reason is there that they should come back to Washington?

Mr. JENNINGS. I think, sir, no one could come to you and say it would be advisable to move all of the decentralized activities back but I believe that certain of them—a very limited number—would have to return, either from an administrative standpoint in their own agency, or for some reason that the Congress wanted them in Washington. As to all of those moved away, I am sure it will be a long time before anyone could say that all of them should be returned to Washington.

Mr. LUDLOW. Is there any reason why these activities should be brought here and integrated in with the Central Government? I am speaking now from the administrative standpoint. Is it advantageous to have them here? Does distance hamper efficient administration?

Mr. JENNINGS. Most of the departments that have these activities claim there is a material disadvantage in having them outside of Washington. I know there has been a considerable amount of discussion in connection with moving the Interior Department activities back from Chicago. There has been the space question and we have not had the funds, so we have not been in a position to go further into the matter.

Mr. WIGGLESWORTH. I would think if any of them were to stay out, the Rural Electrification Administration and the Farm Credit Administration are examples of agencies that could well stay out.

Mr. JENNINGS. We do not make any determination as to which agenices are to be returned. As I testified previously these activities were submitted to us as having been approved for return. We did not make the choice. As a matter of fact when we submitted this estimate we were not particularly concerned about individual agencies. It was a matter of so many people returning to Washington from certain locations. It was immaterial with us what agency was concerned.

History is full of examples of great events which come about by accident or inadvertence. The postwar strangulation of Washington seems to be one of them.

4. RELOCATION WOULD HELP AMERICA'S CITIES

Getting a large part of the next generation of Federal employees out of Washington and into 40 or 80 or 100 American cities can help not only Washington, but help the cities.

Economically, the addition of new Federal governmental jobs to a city will mean the same increment in service and allied jobs that it means in Washington. For many communities, this could be a means of evening out economic ups and downs, since Federal employment is far more stable than either manufacturing or construction. New higher-than-average-income taxpayers in a community will help increase its revenues, too.

Culturally, the infusion of several hundred new people of higher-than-average income and education is just what the doctor ordered for cities struggling to support a bookstore, a symphony, a repertory theater, an art gallery, or one of the other cultural aspirations of the modern American city.

Socially, there is much to be said for enabling a larger share of the Federal executive establishment to live next door to the rest of America, rather than in a Washington enclave.

5. THE FEDERAL GOVERNMENT LACKS A POLICY ON RELOCATION

A year ago I asked the Legislative Reference Service of the Library of Congress to determine whether the Government had any decentralization policy. The Legislative Reference Service concluded that—

The Eisenhower administration has not declared, adopted, or acted upon any form of overall policy for or against administrative decentralization (CONGRESSIONAL RECORD, vol. 106, pt. 14, p. 19160).

I have recently updated the survey, and concluded that the present administration, likewise, has no decentralization policy.

There is no one within the executive branch who is at present charged with the responsibility of developing a program of decentralization of Federal agencies. The National Capital Planning Commission has the duty to "prepare, adopt, and amend a comprehensive plan for the National Capital, and make related recommendations to the appropriate developmental agencies." But this confines their planning to the Washington metropolitan area, and regional planning is not enough since the problem is one of slowing down growth in the region. The General Services Administration is charged with the responsibility for purchasing or renting space or land for the executive agencies, and although it is not confined to the Washington area for such space or land acquisition, it does not consider itself responsible for decentralization. It conceives its duty as that of a real estate agent—according to an official in their Office of Planning—and it assumes that each agency is the best judge of its needs and will choose the best location for its offices.

6. WE MUST ACT NOW

Mr. Speaker, I believe that we must act now to do what we can in preparing and putting through a program of decentralization of agencies now located in Washington. Our present problems arising from too rapid growth, and the prospect of even greater problems in the the years to come, cry out for immediate reversal of present attitudes and for planned decentralization. I shall shortly propose a course of action to make sure that our Capital City can be as beautiful and useful in the year 2000 as it is today.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Speaker, I want to commend the gentleman from Wisconsin on his presentation here. It is a very serious and comprehensive study of the whole problem.

I certainly agree with the gentleman that we should decentralize the work of the Federal Government. It seems to me that the continued concentration of Federal employees in the greater Washington area is ludicrous. Buildings for Federal employees are popping up like mushrooms. The once attractive Virginia and Maryland countryside is giving way to apartments which seem to be built and filled overnight. The main traffic arteries of the greater Washington area are choked to a standstill almost 6 hours every day while employees inch their way to and from their jobs.

As a matter of fact, the overriding fact in the daily life of every Federal employee is whether he can get to or from his home before or after the rush. The average Washington resident who works for the Federal Government spends almost as much time in travel to and from his daily work as he does on the job.

The Federal Government which hires and pays these Federal employees receives such work and energy as is left after the employee overcomes the almost insurmountable handicaps and highway dangers going to and from his job.

There are almost as many people working in the Pentagon, and the payroll is almost as great as the total payroll of the city of Akron, Ohio. Just imagine the impact of this kind of payroll in the several States, and perhaps not as large a payroll involved as some with 10,000 or 15,000 or 20,000 employees. It would change the complexion of almost any State in the Union from one of dull depression to one of relative prosperity.

With the development of adequate air transportation, there is no reason why a great many of the functions of the Government cannot be scattered and distributed around the country. I think these departments would be more efficient. Naturally, their employees would do a better job. I certainly believe that the Federal employee would be more efficient if he did not have to labor under the congestion of the traffic of this Washington area.

More importantly, I want to commend the gentleman for making his point 4, in his analysis. There is a critical economic need for distributing the impact of the Federal payroll to other parts of the country. The Federal taxpayers throughout the length and breadth of the land would contribute to the economic stability of the great America that must live outside of Washington.

In my community of Cleveland, as well as in Detroit nearby, we live by the economic fortunes of the automobile industry, the steel industry, and the machine tool industry. We have our period of employment and we have our great periods of dull unemployment or reduced production in which great bodies of our employees draw unemployment compensation and wait until they are called back to the job.

The presence of a constant, steady payroll of a Federal Government agency would provide a hard core of constant employment which would strengthen the entire economic fabric of such communities as would be the beneficiaries of this decentralization of Federal functions.

The redistribution of Federal employees and their payroll would be a welcome boom to every community. The Federal employees would render better service, and they would live in communities in which they are more welcome.

I certainly want to commend the gentleman for his very thorough and complete study of this matter. I know he has prepared this over a long period of time, and I certainly think it is time this Congress and this administration paid very, very serious attention to the great need for redistributing the Federal employment throughout the country, as was suggested by the gentleman in his major presentation. Again I congratulate the gentleman.

Mr. REUSS. I thank the gentleman from Ohio. He makes with particular potency the point that his city of Cleveland, which he represents with such distinction, like many other American cities, is to a considerable extent oriented toward capital goods, and in the nature of things, it produces cyclical swings in employment which, at the down part of the swing, brings great hardship for his people. This is true of scores and scores of cities around the country. Federal employment is a more regular and less cyclical type of employment than capital goods employment. The gentleman from Ohio speaks very well indeed when he points out that the ups and downs of the employment graph in his city could be markedly ameliorated by a long-term, planned relocation and decentralization of the nonpolicy sector of the Federal establishment.

Mr. VANIK. I would also like to point out there is the matter of civilian defense that comes up. The great concentration of Federal employees in the Washington area is not conducive to facing up to the problem of civil defense. It seems to me that the Government would be more secure if those functions of the Government that could properly be distributed around the country were distributed so that in the event of grave international danger the function of the Government in other fields may be carried on without disturbance. I certainly think this is another factor that ought to be considered in respect to the decentralization of the great Federal bureaucracy.

Mr. REUSS. I am glad the gentleman from Ohio raised the civil defense point. I have not mentioned it in my remarks because I felt that the proposal for relocation and decentralization could stand on its own feet, independently of civil defense. Also, in candor, I did not propose any relocation of the policymaking, strategic functions of the Government. They must, indeed, stay in the Nation's Capital.

It would be true, as the gentleman from Ohio correctly points out, that the decentralization of much of the nonpolicymaking portion of the executive branch would have an important civil defense byproduct effect. In this connection, I would point out that the so-called dispersion which shows the CIA at Langley, the Atomic Energy Commission 26 miles out at Germantown, the Bureau of Standards at Gaithersburg, and the National Security Agency 23 miles out at Fort Meade, is really irrelevant, and a rather sour joke, as far as civil defense is concerned. The unhappy fact is, if Washington, God forbid, is to be a target area for enemy nuclear attack, the dispersed areas will suffer with the central core, according to what we know now, in about equal proportion. So as a dispersion measure, it seems valueless to put Federal agencies 5, 10, 15, or 20 miles out. You make them inaccessible, but equally vulnerable.

Mr. VANIK. As a practical matter, as the gentleman said, these agencies might for all practical purposes be located on Independence or Constitution Avenues as far as civil defense dispersion is concerned.

Mr. REUSS. Yes, and more than that, because we do have close-in agencies occupying valuable office space which might as well, or better, be in San Francisco or Houston or Columbus or Cleveland or Denver or Minneapolis or Milwaukee, or half a hundred other places around the country, we crowd out from Washington agencies which are of strategic importance and probably ought to be nearer the control center.

I make one additional point. Nothing that I have said here this afternoon should in any way be constructed as a criticism of the many fine planners who are now hard at work at the National Capital Planning Commission, the National Capital Regional Planning Council, the new National Transportation Agency, and many of the planning agencies of nearby Maryland and Virginia. They are doing an excellent job against almost insuperable obstacles. I merely suggest that, in order to give them a concept around which to plan for the future, in connection with water, waste disposal, traffic, and green spaces 5 or 10 or 20 or 40 years from now, it behooves the Congress and the executive branch to figure out what it is going to do about the future course of the Federal establishment, and then let the planners know these decisions, so that they can make their plans within that kind of framework.

AUTOMOBILE FINANCING

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. MEADER] is recognized for 30 minutes.

Mr. MEADER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEADER. Mr. Speaker, the gentleman from Texas [Mr. PATMAN], in a speech on the floor this afternoon, asked, "Why didn't the American bankers and auto dealers testify," concluding his remarks as follows:

> Mr. Speaker, I have asked these questions because I do not know the answers. I wish, sir, I did.

Mr. Speaker, I propose to give the gentleman from Texas the answers to his questions. The gentleman from Texas was referring to the hearings of the Antitrust Subcommittee of the House Committee on the Judiciary on H.R. 71, introduced by the chairman of the committee, the gentleman from New York [Mr. CELLER], the effect of which would be to prevent automobile manufacturers from maintaining finance affiliates. The primary targets appear to be General Motors and General Motors Acceptance Corp.

The gentleman from Texas [Mr. PATMAN] questioned why bankers and why automobile dealers were silent on H.R. 71.

I quote from page 2 of the gentleman's speech under the heading "Nothing From Dealers Either":

> Another group interests me, Mr. Speaker. Where was the testimony from the National Automobile Dealers Association? Here, again, was deathly cold silence. The automobile dealers I know are leading citizens in their communities, and I guess this is general everywhere. It seems incredible that this big organization would not appear before the committee. Since it directly affects the business of every dealer in the country, one would think NADA representatives would have been among the first on the firing line to testify one way or the other. They surely have to be for or against something that directly affects their daily lives. This is a situation where the automobile manufacturer often makes more from the financing and insuring than the dealer does from the sale of an automobile. Could they be influenced? Are the dealers afraid of losing their franchises? What is so attractive about refraining from testifying on legislation with which one is directly concerned? Why were the dealers silent as a tomb?

Mr. Speaker, I am amazed that the gentleman from Texas knew so little about his subject matter. I have in my hand a statement of the National Automobile Dealers Association, presented to the House Committee on the Judiciary on June 30, 1961, in opposition to H.R. 71.

At this point I insert the entire text of that statement in the RECORD.

(The matter referred to follows:)

STATEMENT SUBMITTED BY THE NATIONAL AUTOMOBILE DEALERS ASSOCIATION, TO THE COMMITTEE ON THE JUDICIARY OF THE U.S. HOUSE OF REPRESENTATIVES, IN OPPOSITION TO H.R. 71, JUNE 30, 1961

The National Automobile Dealers Association is comprised of approximately 20,000 retail dealers engaged in selling and servicing new cars and trucks of all makes, domestic and imported. This membership extends into every State of the United States and represents approximately 59 percent of the total number of franchised new car and truck dealers in the country.

Pursuant to action taken by our board of directors at a meeting held this month, the National Automobile Dealers Association wishes to express its opposition to H.R. 71 which, if enacted, would prohibit manufacturers of motor vehicles from (a) financing the sale of their products at wholesale or retail, and (b) issuing insurance of any kind in connection with their products.

From all the testimony submitted, it would seem reasonable to conclude that the supporters of this legislation have as their primary target the divestment of General Motors Acceptance Corp. from the General Motors Corp. According to its supporters, this legislation is badly needed because independent finance companies and banks suffer serious competitive disadvantages as the result of General Motors' ownership of GMAC. It is alleged that independent finance companies and banks are foreclosed from doing business with General Motors dealers since GM dealers are a captive market for their manufacturer's finance company because:

"The GM dealer receives five incomes controlled by GM and its subsidiaries, an exclusive General Motors privilege. They are (1) the markup on the new car, (2) the normal reserve for losses on time sales set up on the books of GMAC, (3) the overage or pack charged to time buyers when the charges reach or approach the maximum set by law, and such overage is then credited to or paid to the dealer by GMAC, (4) the commission paid auto dealers on insurance included and paid for in the time sale contract, (5) the income, so long as the dealer remains a GM dealer, from the repairs and parts replacements under losses under such policies.

"Under the GM mobility of subsidy plan, all these incomes are under GM control and passed on to the dealer from GM or its subsidiaries. With an understanding of this, it becomes clear why GMAC with all its freak advantages of leverage, low money costs, and practically no acquisition cost, permit high charges to the public."

To begin with, the five sources of income referred to above are not "an exclusive General Motors privilege," nor are they "exclusive" with Ford Motor Co. as a result of its reentering the financing business.

Every dealer, regardless of make handled, receives a discount from his particular manufacturer's suggested retail price. Furthermore, no manufacturer controls his dealers' income from the sale of the vehicle. All dealers, regardless of make handled, are completely free to sell their vehicles for a price above, equal to or below their manufacturer's suggested list price. A dealer's income from the sale of his vehicles is controlled solely by what a purchaser might be willing to pay at any given time in a particular market for a particular model.

For the most part, every dealer, and again, regardless of make handled, who sells his retail paper to a bank or finance company (whether independent or factory owned), on a recourse or repurchase basis, has credited to his account by the bank or the finance company a so-called dealer's reserve which is equal to the differential between the dealer's finance charge to the dealer's customer and the finance charge the dealer pays the bank or finance company. The so-called dealer's reserve merely represents the dealer's potential income for services rendered his customer and for acting as a guarantor of his retail customer's contract. The so-called overage or pack payments to dealers referred to by the supporters of this legislation is in fact this differential between the dealer's retail finance charge and the finance charge made to him by his bank or finance company. It should be emphasized that this potential income of the dealer is not a "pack" and there is nothing sinister or illegal about this practice. Overage and dealer reserve is merely potential income to the dealer as a result of a legitimate sale at retail of a commodity obtained by the dealer at wholesale.

The business of business is profit. A retail automobile dealer is entitled to a reasonable profit not only on the sale of the product but also on all the numerous other services rendered customers.

Any dealer who acts as a licensed agent for an insurance company will earn a commission on all the insurance he sells and this is not limited to only General Motors and Ford dealers but applies across the board to all dealer-agents of all insurance companies.

With respect to repairs covered by insurance, the General Motors or Ford dealer is not guaranteed any income from repairs to vehicles covered by insurance issued on such vehicles by GMAC's Motors Insurance Corp. or FMCC's affiliate, the American Road Insurance Co. Owners of vehicles covered by MIC and TARIC insurance are completely free to have their repair work done by any franchised dealer, regardless of make handled, or an independent garage of their choice. In fact, it is not unusual for vehicle owners to obtain settlement of their insurance claims based on bids from franchised dealers, and then they take their vehicles to an independent garage or repairman who, because of low overhead and cheaper labor, will do the repair job for an amount less than the insurance settlement, and the owners then pocket the difference.

Thus, it is abundantly clear that non-GM and non-Ford dealers have available to them, through other sources, the same types of incomes as might be available to GM and Ford dealers.

With respect to the argument that these GM controlled incomes to GM dealers permit high charges to the public, we assume that the supporters of this proposed legislation must be referring to the prices set by General Motors for its products since it is an established fact that GMAC rates to dealers and consumers are consistently equal to, or lower than, those of independent finance companies. The hard competition existing in the automobile industry does not permit even a manufacturer owning a finance company to establish unreasonably high prices, or, for that matter, to establish prices out of line with prices established for comparable products by competing manufacturers who do not own a finance company. Therefore, the fallacy of this contention becomes immediately apparent when it is realized that the prices set by General Motors and Ford Motor Co. for their products are equivalent to, or less than, the prices established by the other automobile manufacturers for their comparable products.

With respect to the argument advanced by supporters of this legislation that GMAC operates in a noncompetitive, captive market because GM dealers are expected, if not actually coerced, to channel all, or a massive majority, of their time sales contracts to GMAC, this contention is not in accord with the facts as we know them today.

According to our best information, General Motors dealers are not coerced to do business with GMAC. Our GM dealer-members tell us they are completely free to do their own financing or to do their wholesale and retail financing with any bank, finance company, or other institution of their choice. If the GM dealer can obtain a better rate from an independent finance company or bank, he is free to give all or any part of his business (wholesale as well as retail) to such company or bank. This is also true with respect to Ford dealers and Ford Motor Credit Co.

It is the desire of the National Automobile Dealers Association to preserve to all motor vehicle manufacturers the freedom to engage ethically in any business that would promote and further the welfare and interests of the retail automobile dealer and the public he serves.

The necessity of a healthy retail automotive industry to the economic well-being of our country is indisputable, and there is universal recognition of its essential role. Furthermore, we do not believe that anyone would dispute the fact that the retail automotive industry has been, and still is, in a depressed state. Last year the industry lost 2,500 dealers; nearly 300 dealers failed; 22 percent of dealers operated at a loss; and average operating profit before taxes as a percentage of total sales was 0.5 percent for the franchised dealer. In the first quarter of this year, nearly 40 percent of all franchised dealers operated at a loss; and the combined operating results before taxes for all franchised dealers averaged out to a loss of 0.2 percent on total sales.

If the retail automobile dealer is to survive, he requires adequate low-cost financing of (1) the retail sales of his automobiles to the public; (2) the cars he buys from his manufacturer; and (3) capital loans which are necessary from time to time to meet his ordinary operational needs.

The unwillingness on the part of banks and other financial institutions to provide these necessary funds, under terms and conditions which the small dealer businessman can afford, gave rise in the first instance to GMAC. Generally speaking, banks still refuse to provide dealers with adequate low-cost wholesale financing because they apparently do not consider the return to be commensurate with the risks involved. Dealers also encounter difficulty in obtaining necessary capital loans from banks because of their inability to furnish collateral satisfactory to the banks to guarantee such loans. Likewise, there is a reluctance on the part of many independent finance companies to provide a wholesale financing service because they do not feel that the low wholesale rates required by the dealer compensate them for the costs of money risks taken and the expense of operation. Also, many independent finance companies are not in the position to provide capital loans to dealers because they do not have the required capital necessary to make such loans at low rates over an extended period of time. GMAC, on the other hand, has proved its ability to provide General Motors dealers with adequate low-cost financing in each of these areas—and to do so profitably.

As we understand their testimony, those independent finance companies which support this proposed legislation do not do so on the ground that its enactment would establish more competition that would lead to more and better services at lower rates.

Instead, they are apparently inviting the enactment of H.R. 71 on the theory that the divorcement of GMAC from General Motors and FMCC from Ford would result in GMAC and FMCC being forced to compete and do business at increased rates. To enact a law that would create competition of a type that would lead to an increase rather than a decrease in the cost of a product or a service to the consumer would, on its face, seem to be in derogation of public interest.

Furthermore, any increase in financing costs would have to be either absorbed by the dealer or passed on to the consumer. As previously pointed out, the dealer is struggling for his very survival and would find it impossible to absorb such additional costs, and the consumer has indicated his definite resistance to higher costs of automobile acquisition as reflected by the unfavorable automobile market over the past 2 years.

The plain truth of the matter is that the existence of a GM owned and controlled GMAC has not prohibited banks and finance companies from entering and competing successfully and profitably for the business of automobile financing, and this is supported by the fact that there are more than 7,300 finance companies and banks competing in this field.

We are of the firm conviction that GMAC has maintained its business with General Motors dealers due to the fact that in most instances GMAC offers a more complete financing service at a lower rate than do many finance companies and banks.

We also believe that the existence of GMAC has enabled our members who are not GM dealers to obtain services of better value and quality from other finance companies. We are also of the opinion that further benefits will accrue not only to the dealer body as a whole but also to the consuming public because of the additional competition resulting from the Ford Motor Co.'s reentering the financing and insurance fields. Furthermore, we believe that dealers representing other makers, as well as their customers, will likewise benefit should the other automobile manufacturers enter the finance and insurance field.

In fact, we have been told by many of our Ford dealer members that as a result of Ford's reentrance into the financing business they are now able to obtain, not only from FMCC, but also from many of the banks and independent finance companies with which they do business lower wholesale and retail financing rates than they were able to obtain prior to Ford's reentry into this field.

The National Automobile Dealers Association is also opposed to H.R. 71 because it singles out the automobile industry and proposes to make illegal certain business practices which numerous other industries are openly engaged in, and which would not be affected by the enactment of this bill.

The automobile industry is engaged in hard competition for the consumer dollar with other industries producing swimming pools, home workshops and tools, house trailers, pleasure boats, etc., all of which would be free to provide more favorable financing to the detriment of the automobile industry. We fail to see any justification for this type of discrimination. If the automobile industry is to compete successfully for its share of the consumer dollar with other industries producing hard goods, the manufacturers must be free to provide favorable low-cost financing for their products whenever they feel that this is necessary to maintain and expand their markets. The National Automobile Dealers Association certainly is not interested in penalizing the independent financing companies or the banks, or preventing either from growing and prospering. We do not think, however, that they should be protected from the rigors of competition at the expense of the automobile buyer and the automobile dealer.

The National Automobile Dealers Association firmly believes it to be in the best interest of the public to have as many sources of finance services available to the dealer and the consumer as is humanly possible. If the public's best interest is to be served, the automobile manufacturer must be free to engage in automobile financing when banks and other financing institutions cannot, or refuse to, provide that low-cost financing necessary to keep the automobile industry strong and healthy in order that it might perform to the fullest its essential role in our economy.

Furthermore, it is our firm conviction that the existing antitrust laws are adequate to protect the public and the financing industry from any abuses for which H.R. 71 is designed. If there is, or should there develop, a manufacturer monopoly in the area of automobile financing and insuring, there are adequate laws and governmental machinery fully capable of initiating appropriate action to protect the American public from such monopolistic practices and all the evils that flow therefrom.

In conclusion, we urge your most careful consideration of H.R. 71 and respectfully suggest that its enactment would not be in the best interest of the public and the automobile industry.

I want to read from the second paragraph of the first page of the statement the following:

The National Automobile Dealers' Association wishes to express its opposition to H.R. 71 which if enacted would prohibit manufacturers of motor vehicles from (a) financing the sale of their products at wholesale or retail and (b) issue insurance of any kind in connections with their products.

I read also from the second paragraph on page 8 of the statement:

Furthermore, any increase in financing costs would have to be either absorbed by the dealer or passed on to the consumer. As previously pointed out, the dealer is struggling for his very survival and would find it impossible to absorb such additional costs—and the consumer has indicated his definite resistance to higher costs of automobile acquisition as reflected by the unfavorable automobile market over the past 2 years.

Then, reading from the final paragraph of the statement:

In conclusion, we urge your most careful consideration of H.R. 71 and respectfully suggest that its enactment would not be in the best interest of the public and the automobile industry.

How the gentleman from Texas [Mr. PATMAN] in over 2 weeks after this statement was presented for the record could make the statement this afternoon that the dealers were then "silent as the tomb" amazes me.

Apparently there is another development in our hearings that the gentleman from Texas does not know.

I vigorously urged Chairman CELLER of our subcommittee to permit individual automobile dealers to testify and in case they did not volunteer to appear, to issue subpenas to a limited number of representative automobile dealers, taking into account geographical considerations and various makes of cars.

Mr. CELLER adamantly refused to permit automobile dealers to testify in person, although he did allow three Ford dealers to submit their statements for the record, and has indicated he would accept additional statements of dealers. The passage of the record containing this ruling is included at this point in my remarks:

EXCERPT FROM HEARINGS ON AUTO FINANCING LEGISLATION, JUNE 29, 1961

Mr. MEADER. Mr. Chairman, I want to read a brief passage from yesterday's record at the bottom of page 725:

"Mr. MEADER. Mr. Misch, it seems to me that this question of whether the consumer is going to have to pay more for a car if H.R. 71 becomes law is a question on which the knowledge is peculiarly in the dealers, would that not be true?

"Would it not be the dealers who would know comparative rates in their community more than the motor vehicle manufacturer, for example?

"Mr. MISCH. They are certainly the ones that set the final retail prices. They are the ones who decide the charge, the ultimate charge to the customer.

"Mr. MEADER. I am going to suggest, Mr. Chairman, that I don't believe our hearings would be complete, and I believe we wouldn't have an accurate and comprehensive picture of this auto financing, unless we hear some authentic testimony from dealers.

"Mr. HOLTZMAN. I am advised that we have no objection to hear testimony from national automobile manufacturers. And I think that is a misprint. I believe that meant the National Automobile Dealers Association.

"And also the association of used car dealers.

"They haven't sought an opportunity to testify here."

Now, let me say, Mr. Chairman, that, in my opinion, the central question here is the public interest, and the ones who have primary information, knowledge of their own, on the rates, comparative rates, that are offered by GMAC, the banks, the independent finance company, is the dealer who uses those financing and insurance services in the sale of his automobiles.

We have had very little testimony on rates here. We have had some general testimony from Mr. Yntema on rates being higher by independent finance companies, but we do not have any figures in our record.

The only ones that we can get them from are the dealers, because they know, when they want to dispose of their paper, the sources of credit where they can sell their paper, and it is not the same in each community; and it is my suggestion that we not call all the dealers in the country, 40,000, but we can call some sample dealers in metropolitan areas.

We can call some from the rural communities; we can call some from the different automobile companies; that is, American Motors, some that do not have any finance companies, and Ford and General Motors.

We can get a sampling and we can get to the heart of this question of whether or not H.R. 71 will cost more in the acquisition of cars by the American public. This is vital, I must say, because the major manufacturing employment in the Second Congressional District of Michigan is in the motor vehicle and equipment industry, and that, in turn, has an effect indirectly upon the economic health of a lot of other activities.

The CHAIRMAN. I have no doubt that the gentleman wishes to prolong the hearing——

Mr. MEADER. I do not wish to prolong the hearings, but I do wish to get the truth.

The CHAIRMAN. We will get the truth as to the actual situation. We will get the attitude of the National Association of Auto Dealers, the National Association of Used Car Dealers.

We have invited them, but they have not responded.

We will have their views spread on the record, if necessary, to appear before this

committee. We have had evidence that General Motors was proselytizing the dealers, pressurizing them to appear before this committee, and directing them to testify against this; we have had evidence to that effect.

Now, I do not want that situation developing—it could easily develop—so that we can get the views of the dealers. If any dealer wishes to express his opinions, he can express it in writing and then those views will be placed in the record. They will be placed right in the record.

We will have those views, so anyone who wants to read the views of the dealers, they can read those views.

Proceed.

Mr. MEADER. Mr. Chairman, if I may make one further comment, I certainly do not want any pressured testimony from anyone, but I do believe that, not the secondhand report of the trade association, but the firsthand information of the man who has firsthand knowledge of the subject should be in our record.

And if it should be necessary, I think this committee should make a selection of dealers, maybe a half dozen dealers, that would be a cross section of this portion of the industry, and subpena them, if necessary, to appear here and testify about comparative rates.

The CHAIRMAN. I will say to the gentleman from Michigan, I do not know whether he was a member of the committee then, but we passed an auto dealers franchise bill in 1956, and testimony was very ample, unfortunately, that these gentlemen—and I say that "unfortunately" because it is in the presence of these gentlemen—that the Ford Motor Car Co. pressurized dealers in opposition to the bill. Ample testimony was given.

I do not want the door open to that kind of pressure. I have had any number of letters from Chevrolet and General Motors car dealers which clearly indicate pressure. It is the usual type of letter you get as a result of very pressurized lobbying, and we would have this room just filled with dealers, if we opened this door, and I am very anxious to get the views of the dealers; we have the views of the dealers, and we will put into the record many letters.

If you have any letters, Mr. Meader, we would be glad to put those letters into the record, and I will assure you I will read the letters and the record. So I do not think that we can take that time.

The overriding consideration in whether or not motor vehicle manufacturers are to be prevented from establishing financing and insurance affiliates is whether or not it is going to hurt the purchaser of a car. Will it cost him more or will it cost him less if you drive GMAC and the Ford Motor Credit Corp. out of business and prevent any other automobile manufacturer from facilitating the sale of his products, by making time payments possible?

Who would know whether the cost would go up or not? Who would know best whether the consumer would pay more for the time paper and insurance on his automobile if GMAC and Ford Motor Credit Corp. were driven out of competition with individual finance companies and the bankers? Would it not be the dealer?

The auto dealer is the small businessman, if you please, who sells the cars.

He is the man who has to finance his inventory of cars by floor planning, and wholesale financing.

He is the man who knows how much he pays now for that wholesale financing and how much he would have to pay if it were not made available by the motor vehicle credit companies such as GMAC and Ford Motor Credit Corp.

He is also the man who knows which banks will buy his paper, at what discount, and he knows what insurance will cost on the car he sells to his customer.

He is the man who has firsthand, primary knowledge of the cost of financing and insuring the sales of automobiles.

Why did not the chairman of the Judiciary Committee consent to have these dealers before him in person?

I do not know the answer to that question and I suggest that that is a far more important question than the one the gentleman from Texas [Mr. PATMAN] asked this afternoon.

I circularized every dealer in my district. I sent him a copy of H.R. 71. I sent him a copy of the statement of the National Automobile Dealers Association, and I sent him a copy of the letter I had written to Walter Reuther, who, also, it seems to me, with his United Automobile Workers is definitely a party in interest. I am beginning to get some replies back from that contact with the dealers in my district.

Incidentally, Mr. Speaker, I want the RECORD to show here that the gentleman from Texas [Mr. PATMAN] was on the floor when I made a 1-minute speech this afternoon in which I announced I was going to reply to the speech he inserted in the RECORD. He had adequate notice I was going to comment on his remarks.

With respect to the bankers and the American Bankers Association, the gentleman from Texas is correct that there has been no expression of opinion by the American Bankers Association either way with respect to H.R. 71. Accordingly, I cannot speak authoritatively for the bankers association or any individual banks or bankers, but I suggest that the silence of the banking community might mean that they do not regard this legislation as being of immediate interest to them, although I agree with the gentleman from Texas that the passage of H.R. 71, by preventing automobile companies from competing in the automobile financing and insurance market, would redound to the benefit of the banks as well as the independent finance companies.

The evidence is clear that the banks currently enjoy nearly one-half—I think the recent figure is 46 percent—of automobile retail credit and that in general their financing rates are lower but their credit is concentrated in the preferred risks.

Mr. Speaker, the gentleman from Texas [Mr. PATMAN], has set up a strawman and asked himself a number of inflammatory questions based upon this false assumption and has also made some extravagant statements about the greed of the automobile companies.

Although the Subcommittee on Antitrust of the House Judiciary Committee has not taken action with respect to H.R. 71, it would seem appropriate, inasmuch as the gentleman from Texas has made an attack, to put a somewhat different light on the true nature of the legislation he endorses.

Mr. Gossett, vice president and general counsel of the Ford Motor Co., described H.R. 71 as "anti-antitrust," in that it would relieve unaffiliated finance companies from competition by motor vehicle finance affiliates. This is what Mr. Gossett said:

But the bill would not eliminate restraint of trade; on the contrary, it would impose novel and unprecedented restraints of its own. Far from being an appropriate supplement to the antitrust laws, the proposed legislation would be anti-antitrust in effect. Indeed, as we shall show, it would be in direct conflict with the basic purposes and philosophy of the antitrust laws.

The mere possibility that new competitors may enter an industry exerts a beneficial, restraining influence on prices. Exclusion of competitors is a contradiction of these fundamental principles.

Yet H.R. 71 would exclude from an important field of commerce an entire class of legitimate competitors. It would confer upon the unaffiliated finance and insurance companies, as a class, a monopoly position, free from even the possibility of competition from the manufacturers.

On page 1051 of the transcript of our subcommittee's hearings of June 30 occurs the following colloquy:

Mr. MEADER. Mr. Gossett, would you go so far as to describe H.R. 71 as a private bill for the relief of unaffiliated finance companies?

Mr. GOSSETT. I think that is precisely what it is, sir.

Mr. Speaker, since the gentleman from Texas [Mr. PATMAN] has raised questions concerning groups apparently displaying a lack of interest in H.R. 71, I have been somewhat disturbed, that I have received no reply to a letter I addressed to Mr. Walter Reuther on June 29, 1961, the entire text of which, Mr. Speaker, is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 29, 1961.

Mr. WALTER REUTHER,
President, United Automobile Workers of America, AFL–CIO, Solidarity House, Detroit, Mich.

DEAR MR. REUTHER: I call your attention to H.R. 71, a copy of which is enclosed, to prevent motor vehicle manufacturers from financing and insuring the sales of their products.

In my opinion this legislation can have important consequences to the livelihood of the members of your union, many of whom are constituents of mine, and to the health and prosperity of the motor vehicle industry, its production and employment, and therefore, of course, have an important influence on the future economic health of the State of Michigan.

As a member of Subcommittee No. 5, the Antitrust Subcommittee of the House Committee on the Judiciary, I set forth my attitude and position at the opening of the current hearings on this legislation. A copy of these remarks is attached.

I am aware that the United Automobile Workers Union has an extensive and, I believe, competent research staff, and that your union frequently takes positions on a wide variety of public issues, many of which seem to have little direct relationship to the immediate economic interests of your members. This legislation, however, could have a more direct and immediate effect on your membership than almost any other legislation under consideration currently.

My efforts to find out what study, if any, the UAW has made or what position it has taken with respect to H.R. 71 have so far been fruitless. It therefore occurred to me

to write to you direct and inquire what position, if any, the UAW has taken or intends to take with respect to this bill.

In this connection I am enclosing hearings on this subject before the Subcommittee on Antitrust and Monopoly of the Senate Committee on the Judiciary in 1959, and statements which have been presented to our subcommittee in the current hearings. I want to call attention particularly to the column from Ford Facts, Ford Local 600 (UAW), by Carl Stellato entitled "President's Column: Stellato Charges Politicos Set Up Smokescreen To Shield Finance Companies," appearing on pages 596 and 597 of the Senate hearings.

I also wish to point out that section 2 of H.R. 71 would appear to prohibit employees of the motor vehicle companies from engaging in the financing and insuring of the motor vehicles produced by the companies of which they are employees. This would appear to me clearly to prevent credit unions of the motor vehicle companies of which your members are also members from financing their members' purchase of cars from the company for which they work.

More basically, however, the problem is whether or not H.R. 71 will result in increasing the total cost to the consumer of the purchase of an automobile. If it should have that effect, not only would it take money from the pockets of automobile purchasers and transfer it to money lenders and insurance companies, but it would have a detrimental effect upon the purchase of automobiles, thus decreasing production and employment in the automotive industry.

Because it seems to me your members and your union are definitely parties in interest in this legislation and that your union should not remain silent on this proposed legislation, I should be pleased to hear from you and venture to suggest that you might well request the subcommittee to hear witnesses to present the views of your organization.

Sincerely,

GEORGE MEADER.

STATEMENT OF REPRESENTATIVE GEORGE MEADER AT HEARINGS ON H.R. 71, TO PROHIBIT MANUFACTURERS OF MOTOR VEHICLES FROM ENGAGING IN FINANCING AND INSURING INSTALLMENT SALES OF MOTOR VEHICLES BEFORE ANTITRUST SUBCOMMITTEE OF THE HOUSE COMMITTEE ON THE JUDICIARY, WEDNESDAY, JUNE 7, 1961

Mr. Chairman, as a Representative from the State of Michigan, this subject is of great interest to me and of extreme importance to our State.

I represent four counties in the southern part of Michigan in which the predominant economic activity is the manufacture of motor vehicles and motor vehicle parts. Each of the three largest automobile manufacturers have operations in my district. Chrysler Corp. has its proving ground; General Motors has its transmission division plants where it makes the Corvair and General Motors trucks; and the Ford Motor Co. has parts plants at Ypsilanti, Rawsonville, and Monroe.

The statistics of the Michigan Employment Security Commission show that approximately 40 percent of the durable goods manufacturing employment in my district is in the manufacture of motor vehicles, parts and equipment.

For example, the issue of February 15, 1961, shows that in the labor community of Jackson, out of 10,900 employees engaged in manufacturing durable goods, 4,000 are in the manufacture of motor vehicles and equipment.

Accordingly, anything which will inhibit the manufacture and sale of motor vehicles will be detrimental to an economy already harassed economically by governmental meddling and social experimentation. I know I do not need to dwell upon the difficulties the State of Michigan has been experiencing in recent years economically and financially.

Conversely, anything to facilitate the sale of motor vehicles and increase automobile production and employment will benefit Michigan and my congressional district.

The field of automobile financing which has a direct effect upon the volume of production and employment in the automotive industry is a rather sizable free enterprise activity. I understand there is some $14 billion worth of automobile paper outstanding, and it is interesting to note that, in contrast to the housing industry, this is all private capital and does not require any governmental financial assistance.

The central question raised by this legislative proposal is whether a manufacturer may facilitate the sale of his product by dealer and consumer financing. Interesting antitrust aspects of the legislation are, in my opinion, secondary but also important. Some of the questions raised are those of vertical integration, diversification of enterprises, domination of an industry, coercion of dealers and consumers, free and open competition and cornering of the market.

I say the antitrust aspects are secondary because alreday consent decrees in antitrust suits presumably inhibit restrictive trade practices, and if they exist, no new regulation or litigation is needed, merely contempt proceedings.

My decision on this proposed legislation will be guided by two main considerations.

First, the welfare of the consumer. Will this bill result in his paying more or less to finance his car?

Second, and this follows from the first, will this proposed legislation aid or injure the motor vehicle industry and those whose livelihood depends on it, as well as the innumerable industries and occupations which directly or indirectly are allied to motor vehicle transportation?

As with any innovation, I approach this proposal with skepticism, believing the burden of proof is upon those who want to change the existing order; who suggest limitations upon and interference with the sphere of discretion of the private individual and his voluntary business associations; who wish to tamper with and reshape a viable, thriving, existing system.

I have stated these views to give notice to the witnesses in these hearings that I would like them to address themselves to the questions I have raised in the course of their testimony, and provide the facts and considerations which will clearly resolve any doubts concerning them, in the public interest.

Mr. MEADER. Mr. Speaker, it appears from the opening statement I made at the beginning of the hearings on H.R. 71, the central issue, as I see it, is whether or not H.R. 71 will require automobile purchasers to pay more to finance and insure their cars. If it will, H.R. 71 will depress the automobile market, diminish production and employment and, thus, the members of Mr. Walter Reuther's union will be hurt. The members of the UAW, in my judgment, are definitely parties in interest and, yet, Mr. Reuther who is not noted for his silence on a great many issues only remotely—if at all—related to the economic interest of his members has chosen to ignore H.R. 71 which might do more economic damage to automobile employment and indirectly to the welfare of the UAW itself than almost any legislation pending before Congress.

Since the gentleman from Texas is asking questions, I, myself, have a question to ask. Why did Representative CELLER, chairman of the Antitrust Subcommittee of the Judiciary Committee, exclude from our record the testimony of dealers who of necessity would be the group having primary knowledge—essential to their remaining in business—of the cost of disposing of their time contracts?

I suggest that the answer is that such testimony would clearly have shown that H.R. 71, by providing a haven free from the competition of motor vehicle affiliated finance companies, would have carved out that portion of the automobile financing market which can least afford an increase in cost, namely, used car financing and questionable risk new car financing, as the exclusive preserve of the high rate, independent finance companies.

Mr. Speaker, although Walter Reuther has chosen to remain silent on H.R. 71, another union leader of the UAW, Mr. Carl Stellato, President of Ford Local 600, spoke out forthrightly against similar legislation pending before a Senate committee in 1959. I include his article from Ford Facts of March 7, 1959, which appears on pages 596–597 of auto financing legislation hearings before the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary, U.S. Senate:

[From Ford Facts, Ford Local 600 (UAW), Mar. 7, 1959]

PRESIDENT'S COLUMN: STELLATO CHARGES POLITICOS SET UP SMOKESCREEN TO SHIELD FINANCE COMPANIES

(By Carl Stellato)

The 86th Congress has been in session for 2 months. During this period it has failed to adopt a single piece of legislation to aid unemployed workers of America. Presently there are 5 million workers unemployed and millions of others on a reduced workweek. Our union has called upon Congress to take steps designed to alleviate this critical unemployment situation.

There are more people unemployed today than there were a year ago at this time. This is a paradox of the American economy because while there are more jobless workers the national productivity figure is above that of a year ago. As an example, department stores' sales have increased, freight car loadings are running 2½ percent higher than in 1958, truck haulage is on the increase, and steel production is nearing boom levels.

Our union has called upon Congress on several occasions since the November elections to take action on the total question of unemployment.

IMMEDIATE ACTION NEEDED

We have asked Congress to take immediate action now on reducing the workweek, increasing and liberalizing unemployment compensation benefits, and putting into effect public works programs that would provide jobs for the unemployed.

Congress is spending millions of the taxpayers' dollars to support investigating committees for the alleged purpose of deciding on the type and kind of legislation Congress ought to adopt. One of these investigating committees is the Senate Antitrust Subcommittee which is presently looking into the retail financing of automobiles. Actually it is our opinion that the direction toward which the committee is leaning is designed to protect the leeches and parasites in the moneylending business.

EXORBITANT INTEREST RATES

Many of the independent finance companies are charging exorbitant rates all out of line with decency and integrity. Many

of the independent finance companies charge interest rates as high as 30 percent.

The Senate Antitrust Subcommittee is making headlines by attacking the principle of auto manufacturers being in the financing business. We think this is a deliberate attempt to becloud the issues by shouting "monopoly." Actually we feel that this entire investigation is the result of the independent finance companies' Washington lobbies.

When our union proposed a march on Washington to lobby for jobs, we were ridiculed by the President of the United States, while simultaneously the oil industry, banking institutions, the American Medical Association, etc., are fulltime lobbyists for their own narrow, selfish interests in Washington.

PUBLIC AT MERCY OF MONEYLENDERS

It is our opinion that to pass legislation which would drive the auto manufacturers out of the financing end of the business would be class legislation designed specifically to leave the American public at the mercy of the independent finance companies.

Mr. Yntema, a vice president of the Ford Motor Co., testifying before the Senate Antitrust Committee, said that the Ford Motor Co.'s decision to enter the finance field was prompted by a failure of the independent agencies to meet the General Motors Acceptance Corp.'s rates. Mr. Yntema intimated that the independents charge higher rates solely out of a desire for higher profits and that CIT Finance Corp., one of the independent giants, second only to GMAC in volume auto financing, told him bluntly it would not meet GMAC's rates.

MORE COMPETITION NEEDED IN FINANCIAL FIELD

Mr. Yntema told the committee that the service charges leveled by the independents mean $65 to $150 higher costs per passenger car than those charged by the GMAC, and under these conditions it is small wonder that GMAC dominates the field. General Motors has indicated that additional competition in the installment credit field would be of definite benefit to customers, to dealers, and to the economy in general.

If Congress adopts legislation to limit participation in the installment credit field, this will be a blow to the consuming public and to the free enterprise system in general. If this field were limited to the independent companies, the results would be disastrous to say the least.

However, Ford, General Motors, and Chrysler do not stand before the American public with clean and untarnished hands. There are many things that the auto industry could do in an effort to create full employment. First and foremost would be to unrig the prices of their products. An example of the rigged price structure maintained by the auto manufacturers is sharply pointed up by the fact that in 1955 the industry produced over 8 million cars and trucks. In 1958 this production figure dropped approximately 50 percent and yet the prices of automobiles continued to rise. In a free enterprise system, under the laws of supply and demand, the prices of automobiles should have moved downward in 1958 had there been competition in the auto industry for the contracted sales market. On the contrary, prices rose.

CLASS LEGISLATION TO ENTRENCH FINANCE COMPANIES

Even though the auto manufacturers do not stand before the public with clean hands in carrying out their social responsibilities to the American public, this should not be used as an excuse for adopting class legislation designed solely to entrench the moneychangers in the temples of finance. In this instance, in opposing the type of legislation proposed by the Senate Antitrust Subcommittee, we are in complete agreement with the automobile manufacturers, because without GMAC in the financing business, the average worker would be faced with such exorbitant financing rates that he would be priced out of the automobile market.

Mr. Speaker, because the gentleman from New York [Mr. CELLER], the chairman of our committee, ruled out what I regard as the most informed class of witnesses on the cost of financing and insuring automobile sales, namely, automobile dealers, I have circularized all of the automobile dealers in my district to obtain their views on what I describe as the central issue. I have received replies from dealers, all of which predict that the passage of H.R. 71 would increase the cost of automobile financing.

I ask unanimous consent, Mr. Speaker, to include at this point in my remarks a few sample letters received from automobile dealers.

The Speaker pro tempore (Mr. BOLLING). Without objection, it is so ordered.

There was no objection.

The letters referred to are as follows:

COFFEY CADILLAC, INC,
Ann Arbor, Mich., July 6, 1961.

Hon. GEORGE MEADER,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN MEADER: I wish to acknowledge receipt of your letter dated June 30, 1961, with attached copy of your communication dated June 29, 1961, to UAW President Walter P. Reuther, and the copy of H.R. 71 in connection with the Automobile Financing and Insurance Acts.

It is my opinion, as a General Motors dealer, that GMAC as well as MIC serves the General Motors dealer, as well as the retail customer, fairly and in the majority of cases at competitive interest rates. Further, it is my belief that if H.R. 71 should pass, divorcing automobile manufacturers from their financing and insuring subsidiaries, the result would create increased cost to the consumer as well as decrease the manufacturers automobile production. I believe this would not only be harmful to the State of Michigan but also to the retail automobile dealer.

In closing, I wish to express my appreciation for your letters and hope the next time you return to Ann Arbor, you will get in touch with me.

Yours very truly,
H. RICHARD COFFEY,
President.

WILLIAMS BROS.,
Dundee, Mich., July 10, 1961.

Hon. GEORGE MEADER,
House of Representatives,
Washington, D.C.

DEAR SIR: Thank you for the opportunity to express my views regarding H.R. 71 that would supplement the antitrust laws and prevent the manufacturers of automobiles from financing and insuring the sales of their product.

There is no doubt in my mind that this legislation is aimed at General Motors and Ford Motor Co. and their GMAC, YMAC, and FMCC. As a Chrysler Corp. dealer I do not enjoy the same privileges as GM and Ford dealers and must seek working financing capital from independent sources.

As you know, the automobile dealer has been and still is in a depressed market for his product and any aid he receives in the form of lower interest rates, and other income producing factors, the better his chances of survival.

I note with disappointment that credit unions are not mentioned in H.R. 71, neither are farm implement manufacturing companies, nor is Sears-Roebuck who sells and finances many of its own products.

I am opposed to H.R. 71 because it appears to be discriminatory as it would affect the automobile industry when many other types of business are engaged in this same practice.

I believe the automobile business to be the largest business in the world and accounts for more dollars paid into the Federal, State, and local coffers in the form of taxes than any other source.

In conclusion, I urge you and your colleague to use your good office to defeat this bill as it is not in the best interest of the automobile business and of the public in general.

Respectfully yours,
W. A. WILLIAMS.

GALLES MOTORS,
Albuquerque, N. Mex., June 2, 1961.

Hon. GEORGE MEADER,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN MEADER: I understand that the Antitrust Subcommittee of the House Committee on the Judiciary has scheduled hearings on House bill No. 71 and similar bills which would prevent manufacturers of motor vehicles from financing and insuring sales of their products.

As a General Motors dealer for many years, I can assure you that any separation of the General Motors Acceptance Corp. from the General Motors Corp. would have been to our disadvantage as an automobile dealer. We have always had the finest relations between General Motors Acceptance Corp. and our dealership. At no time has it been suggested by any unit of General Motors that we utilize the General Motors Acceptance Corp. finance plan or any insurance plan. In fact, in our own instance, we do give some finance paper to other companies. We also patronize various insurance companies.

To take the General Motors Acceptance Corp. out of the competitive picture would, in my estimation, be contrary to public interest. The competitiveness of all finance corporations results in benefits to the public. At the same time, this competitiveness provides many advantages to the individual dealers. I do not feel that we would be in a position to offer as attractive terms, or to actually maintain our gross volume sales without much more difficulty if the General Motors Acceptance Corp. were eliminated from the finance field.

I sincerely hope you and your committee will aggressively prohibit the enactment of legislation which would, in my mind, hinder our industry.

Sincerely yours,
H. L. GALLES, Jr.

PAUL C. CHAPMAN & SON, INC.,
Ypsilanti, Mich., July 7, 1961.

Hon. GEORGE MEADER,
House of Representatives,
Washington, D.C.

DEAR GEORGE: Your letter regarding H.R. 71 was received and given careful study. You are interested in the effects of this bill on the consumer. In my opinion, it should not be passed and become a law.

I have used GMAC for years, along with other finance companies also banks. GMAC rates are fair and competitive, so why take a chance of increasing the cost of the automobile to installment buyers. In my community GMAC has no monopoly on the finance business, but I am sure without GMAC I would be paying a higher rate of interest on my floor planned cars. And I am not using GMAC floor plan.

If this bill is kept from becoming a law you will be helping the consumer, the dealers, and all industries that may be affected by any financing of automobiles.

Sincerely yours,

PAUL C. CHAPMAN, Sr.

GENE BUTMAN FORD SALES, INC.,
Ypsilanti, Mich., July 5, 1961.

Hon. GEORGE MEADER,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: This is a letter in reply to your recent request for an opinion regarding H.R. 71.

My experience has been wide and varied in the retail automobile business. I operate the Ford dealership in Ypsilanti and up to 4 years ago managed a large Ford place in Detroit.

Although our retail finance business is done with several banks and finance companies, we have had available to us, without any insistance, the Ford Motor Finance Co. for the last year. It is my firm opinion that the whole scope of auto retail financing has been greatly improved because of this competition. The customer and the dealer are in a much more favorable position. Finance rates and insurance costs have become more competitive. A restraint of auto manufacturers in financing and insuring their products would act in reverse of what H.R. 71 proposes to accomplish.

Sincerely,

EUGENE P. BUTMAN.

ANN ARBOR, MICH., *July 11, 1961.*

Hon. GEORGE MEADER,
House of Representatives,
Washington, D.C.

DEAR GEORGE: I am very happy to see that you are getting the viewpoints of automobile dealers in re H.R. 71.

It is my judgment this bill should not be passed. In the first place the cost of financing automobiles is less than it might have been because the factory-owned finance companies are so competitive they have kept the rates down.

Additionally, many dealers are kept in business by securing capital loans from these institutions. If the present setup were disturbed dealers would be hard pressed to find such loans on the open money market.

It seems un-American to me to divorce any manufacturer from a legitimate business enterprise.

General Motors dealers are the envy of our whole dealer body because they have access to the services of GMAC.

Actually, it is a benevolent arrangement for the dealer and also the customers of the dealer.

If this bill is made into law two things will happen.

1. The public will pay more to finance a vehicle.

2. Dealers will pay more for their money.

I urge you to help defeat this bill.

Very truly yours,

HERB ESTES, *President.*

HENDRICKSON PONTIAC, INC.,
CHICAGO, *June 16, 1961.*

Hon. GEORGE MEADER,
Member, Antitrust Subcommittee, Judiciary Committee, House of Representatives, House Office Building, Washington, D.C.

DEAR REPRESENTATIVE: I have been in the automobile business actively since 1915, and of these 46 years, 36 of them have been spent as a General Motors dealer and distributor. In 1920 my company was a Chevrolet dealer, retailing on Michigan Avenue in Chicago, and in 1924 it purchased the Oakland branch. Oakland then brought out the Pontiac in 1926, and we continued operating. Metropolitan Chicago wholesale, averaging about 32 dealers and 4 retail stores until 1942, which was the first year after the war when General Motors took out most of the distributors on a very fair basis, and we split up the retail stores among ourselves and I operate the West Side store under the name of Hendrickson Pontiac. Between 1915 and 1924, I was a partner in a Franklin distributorship. I recite the above so that you might know that my feelings on H.R. 71 come from years of experience.

While we operated as a Pontiac distributor in Metropolitan Chicago under the name of Community Motors, we had our own finance company under the name of Community Credit Corp., which we organized in the early 1930's. We also had our own insurance agency known as the Consumers Insurance Agency, and yet, during all of this period GMAC took whatever retail business we wanted to offer to them, or on the other hand the customer's request for their assistance was never refused by them. They at no time hesitated to carry the wholesale paper, and I might state here, that at the time the banks refused to give us 100-percent floor planning, independent finance companies could not, or would not, give us the rates or terms that we needed to make a profit. We always found that the business demanded every dollar of capital that we could accumulate. GMAC's generous cooperation assisted us in doing business, in giving employment, and paying taxes. Banks insisted on large equities in floor planning which we couldn't afford, and at higher rates of interest than GMAC, and the banks to this day are too stringent in their terms, and too expensive to allow an automobile dealer to operate with any degree of flexibility and profit. I happen to be a director of a national bank, and a stockholder in four banks, and I can definitely state that if General Motors dealers were left to the mercy of banks or independent finance companies, business would be stifled, employment would be interfered with, and the United States would not get the taxes that they are able to get now, and in addition, the automobiles would cost the public more money. A grave injustice would be done to our economy, and the buying public as a whole, because of the scramble that would ensue.

I stated above that I took over one of our branches, and now operate it as a retail dealership. I have Rambler on one side of the street and Pontiac on the other, and I combine the service departments of both franchises, and GMAC carries the floor plan of both companies at 100 percent of factory invoice. They also insure the cars, and have not set crippling stipulations of limits that might hamper the flow of business.

I also operate the Midwest Car Leasing Corporation. GMAC finances each lease and advances 90 percent of the leasing company's cost of each vehicle regardless of the make of the car, and extends the leasing company monthly terms up to 24 months at a rate that is slightly less than a bank or another finance company has offered, and I am convinced that if GMAC was not willing to assist the leasing company, that outside sources would charge even more than they charge today. At my own bank the interest rate for leasing paper is very high. They also demand collateralizing of the certificate of origin, and the retail leasing contract, and yet, I cannot criticize the bank because they are loaning depositors' funds, whereas finance companies have more or less risk capital, which is used to promote business as a whole, which in turn makes employment and earns taxes, when their experience is favorable. Banks must be more conservative because they have only depositors' money to lend.

I have my own finance company known as Hendrickson Finance Corp., and I have my own insurance agency, and I have not had one iota of criticism or coercion on the part of GMAC, or Pontiac, or Rambler.

GMAC likewise helps the dealers in financing demonstrators and salesmen demos. This helps the dealer sell the car he represents.

There are many manufacturers who have their own finance companies to assist them in promoting the sale of their goods. American Motors has their own finance company, and while they have never asked us to use their company, I am sure that we could make use of it if we had need of it.

Any legislation forbidding an automobile manufacturer from having his own finance company is discriminatory class legislation and in restraint of trade.

I can't help but feel that H.R. 71 falls in this category. Mr. CELLER speaks about concentration of power, but he says nothing about the amount of taxes General Motors pay, or the great amount of employment they give, or the great things their research department develop for the good of mankind. These they could not possibly do if they were broken up into small units.

I beg of you to see that this bill does not pass.

Respectfully submitted.

NELS A. HENDRICKSON, *President.*

KINGS POINT, N.Y., *July 4, 1961.*

DEAR CONGRESSMAN MEADER: With reference to H.R. 71, I would like to inform you that since FMCC has come into the scene, our present finance company, Commercial Credit Co., has reduced our rates on wholesale floor plan and also increased our dealer reserves on retail finance paper. In addition, we have earnestly been solicited (as never before) by two other companies for our business.

We are a Ford dealer and also a Rambler dealer (at two other locations—not dual) and have never been seen or heard from an FMCC representative.

I can only be led to believe by my current experience that in these times of marginal profits we have been able to reduce our cost of doing business and at the same time offer our retail customers lower rates of financing with no loss of reserve revenue to us.

The factory-finance companies will not put the smaller companies out of business, but will tend to trim their gluttonous charges to a point where dealers and customers will benefit. Competition is the backbone of our economy—please vote to turn down this harmful bill.

Thank you.

Respectfully,

VICTOR GOLDSMITH.

DALLAS TEX., *April 13, 1961.*

Mr. EMANUEL CELLER,
Member of Congress, House Office Building,
Washington, D.C.

DEAR CONGRESSMAN CELLER: Recently, the American Finance Conference, Inc., sent me a copy of a speech you made entitled "A Threat To Free Enterprise." It was accompanied by a pamphlet called "The Secret of Monopoly in the Auto Industry." Both are vicious and unjustified attacks on General Motors Acceptance Corp.

While I have no personal interest in GMAC, still I find it impossible to remain silent after reading these tracts.

I have been in the automobile business for 36 years, having worked for Chevrolet from 1931 until 1945, when I acquired my Chevrolet dealership. My organization has sold over 51,000 units in the 16 years I have been a dealer.

I became familiar with GMAC operations while I was with Chevrolet. Although I have utilized various sources in financing the automobiles I sell, I have observed the operations of GMAC over the years and have certain very strong convictions about this company.

You couldn't have been more wrong in the things you said about GMAC in your speech. Never, during my experience as a field district manager for Chevrolet, was I ever instructed by my superiors to force dealers to

use GMAC, nor did I, at any time in my subsequent executive positions with Chevrolet, instruct any employee to influence dealers toward the GMAC finance plan. Chevrolet felt the dealer should be free to use whatever finance plan he deemed best.

Insofar as the GMAC reserve plan is concerned, all the large automobile financing companies have such plans. Most are as good as that of GMAC. Some are better than the GMAC plan.

It is true that dealers, at times, have made an additional profit as a result of repossession reserves, but there have been many others, including the period 1958 to the present, when this reserve has been exceeded by losses. Repossession losses today are greater than at any time during my experience.

I used GMAC wholesale and retail financing from 1945 to 1954. In 1954 I organized Earl Hayes Investments, Inc., to handle my own retail paper. Because of the rise in interest rates and a large number of repossessions, I liquidated this company in 1960 and started having GMAC handle my retail paper again.

During the 6 years when I did my own retail financing, GMAC never denied me wholesale credit lines, nor was any pressure brought to bear upon me to give it this business.

You characterize GMAC as a vulture. Congressman, are you aware that when the money market goes down in New York, GMAC voluntarily reduces its rate to the dealer? Do members of the American Finance Conference, Inc. do this?

I sincerely believe that if it were not for GMAC and similar large financing companies, the banks and local finance concerns would have dealer and consumer paying maximum legal rates on automobile loans.

I do not defend coercion or oppression. On that we are probably in agreement. But before you attack an institution, you should learn the facts about how it operates. Should you destroy or cripple GMAC by legislation stemming from your unfounded charges, the public would suffer by the exploitation to which you would expose it. GMAC is not a monopoly as you seem to believe. Its effect on our economy is more in the nature of a governor upon the abuses to business and the public which can be so easily accomplished by misuse of power in automobile financing.

Your statement that 10,000 GM dealers are under the absolute domination of GMAC is a horrible distortion of the facts. Your apparent irresponsibility shocks me.

It is incredible that you, who have served your country as a Congressman since 1922, could be so taken in by the men calling themselves "The American Finance Conference, Inc."

I hope that before you press further toward passage of H.R. 4256 that you will find out the facts for yourself. Otherwise, you will be a party to a gross injustice.

Sincerely,

EARL F. HAYES,
President.

Mr. MEADER. At this point also, Mr. Speaker, I ask unanimous consent to incorporate in my remarks a copy of a news story which appeared in the Detroit Free Press of Wednesday, July 12, 1961, entitled "Now They Want To Regulate Your Car Buying." This article is by John C. Manning, a Free Press contributing editor and it discusses aspects of the legislation which have been the subject of my remarks this afternoon.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The article referred to is as follows:

NOW THEY WANT TO REGULATE YOUR CAR BUYING

(By John C. Manning)

Relentless sniping at American industry by liberal fanatics in Congress and the Department of Justice is beyond the understanding of this corner. It is proper for the Government to crack down on sharp practices such as the recent revelation of price fixing in the electrical appliance field.

But the monotonously constant offensive against business just because it is big, lacks either rhyme or reason.

It is particularly baffling in view of President Kennedy's plea to our free enterprise captains to dig in harder than ever to explode Pal Khrushchev's boast that Communist economy will overtake ours in the next couple of decades.

Either the welfare state champs—Senator Kefauver, Representative Emmanuel Celler, Assistant Attorney General Loevinger, Thurman Arnold, the veteran trust buster, etc.—didn't hear the President's warning, or else they figure he was merely kidding. Ostensibly they are loyal members of the Kennedy team. Regardless, though, they insist on calling their own signals.

This corner is pleased to report that business leaders seem to fight back more enthusiastically than they used to in the New Deal era. Thirty years ago industrial defense against congressional allegations of marketplace piracy was weak and almost apologetic.

Today, thank goodness our established manufacturers appear downright eager to trade punches with Washington snooper and naggers.

BY WAY OF ILLUSTRATING

A case in point is current legislation sponsored by Representative CELLER'S House Judiciary Antitrust Subcommittee, which would make it illegal for General Motors and the Ford Motor Co. to continue financing the sale of their cars.

The trustbuster, identified above, demand in effect that the next time you buy an automobile on time (as most of us do) you'll have to shop around and get some bank or independent loan company to finance the installments for you.

They argue that permitting your Ford or General Motors dealer to draw up the installment contract so you may walk in, select your car, sign the papers and drive out, is a wicked conspiracy.

They say it endangers the future of Chrysler, American Motors and all other car companies which do not have financing subsidiaries. We think the average car buyer will agree with this corner, the allegation is plain stupid.

I was tickled pink when Frederick G. Donner, General Motors chairman; Charles G. Stradella, chairman of General Motors Acceptance Corp.; William T. Gossett, vice president and general counsel for Ford Motor Co., and Theodore O. Yntema, Ford vice president and finance chairman, stood up on their feet before the Antitrust Subcommittee and denounced the proposed bill as sheer drivel.

Scoffing at the monopoly accusation, General Motors, Stradella produced Federal Reserve Board figures showing that $18 billion worth of American automobiles were sold on credit last year. The installment payments were distributed 46 percent by commercial banks, 23 percent by other sales finance companies, 18 percent by General Motors Acceptance Corp., and 13 percent by credit unions, small loan companies, etc.

ALL IN THE SAME BOAT

Yntema testified that if Ford and General Motors were forced to disband their finance subsidiaries the cost to individual buyers who would have to arrange outside financing, would rise from between $50 to $100 million a year.

Donner reminded the smug congressional interrogators that General Motors and Ford went into car financing primarily because way back at the end of World War I, when the automotive business hit full stride, bank facilities were not available to provide credit for the dealer and his customers in the newly blooming business.

Gossett declared cold turkey that the bill preventing auto manufacturers from financing their vehicles was ridiculous in that it would arbitrarily destroy a right as fundamental as their right to make carburetors, sparkplugs or any similar product component.

This corner suggest support of the fighting automakers by every man who owns a car. We're all in the same boat.

Better than 60 percent of our automobiles are bought on time. When your correspondent buys his next one he doesn't want to visit a pawnshop to get it financed.

CAPTIVE NATIONS WEEK, 1961

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Massachusette [Mr. CONTE] is recognized for 5 minutes.

Mr. CONTE. Mr. Speaker, Captive Nations Week begins today. The importance of this observance is not that it is a week in length, for if we could accomplish our purpose in just one moment of silence, then I am sure that we would all recommend it.

And what is our purpose during Captive Nations Week. It is to rededicate ourselves, as Americans, to freedom for the peoples of the world. It is to especially reiterate this goal to the peoples of nations held in bondage by Russian imperialism. We are telling them, this week, that during the coming year, or decade, or however long it may be until they are liberated, America will not forget them or condone their captivity. We are reminding them that, as the leaders of the Western crusade, the United States will continue the struggle not only for a lasting peace, but, as General Eisenhower has said, for a peace with freedom.

Every person living today in a captive nation has the right to know what we mean by the freedom that we hold up to them as the ultimate social and governmental order. It is incumbent upon this Nation to clearly outline, for all to examine, the specifics of our definition of world freedom. Communist dictators have told their subjects that they already live in a free society. The dangers inherent with the passage of time are obvious. Fewer and fewer people will be alive to attest that this Communist line is a lie. The young will soon have no one to tell them, from personal experience, that there is a way of life more desirable than international communism. Evidence shows us that time, especially in the captive nations of Eastern Europe, has tended to solidify the power of Communist domination and that only those who have known a different regime are violently dissatisfied. One of our great tasks, then, is to insure that the young people of the world are aware of our meaning and practice of

freedom. Above all, they should realize that our primary goal is really very basic. That objective is for all citizens of each nation to possess the power to determine for themselves the form of government under which they shall live. Whether or not they might choose exactly our form of democracy is of no real consequence, so long as they have the right of unlimited choice.

We should emphasize the personal liberties contained in our Bill of Rights: The freedom of speech necessary to make any nontotalitarian system of government work to the advantage of all the people; freedom of the press to disseminate conflicting ideas as well as the truth, without restriction to just the party line; freedom of religion to allow each individual to practice any religion that his conscience dictates; the right of personal protection under a judicial system independent from the dictates of any political philosophy. These human rights are not characteristic of democracy alone, but are vital to any form of government of the people and by the people.

So I say, Mr. Speaker, that today one of our duties is to keep the knowledge of freedom alive. It is not logical to assume that every person enclosed by the Iron Curtain knows enough about our freedom to want it for himself. He has too long been subjected to lies and propaganda.

At the same time that the United States is keeping the hopes of freedom alive in the captive nations, she must not allow the frontiers of freedom to be rolled back to her own shores, country by country. Unless our Government quickly reflects the firm stand desired by our people on the emergency of Berlin, the United States will endanger the most crucial outpost of freedom. Any indication of weakness of policy on Berlin, or South Vietnam, or Red China, or Latin America will lead to crises of our own creation.

If we fail to make the stand or face the challenge of Berlin, where will the line be then drawn? If this commitment is not fulfilled, who will have any faith in any statement of American policy? If there is compromise in Berlin, it would be sheer hypocrisy to talk of freedom for any captive nation.

I hope that this 1961 Captive Nations Week will serve to reinforce Nikita Khrushchev's concept of America's steadfastness as it did in 1959 and 1960. If we are able, by a united effort of all Americans, to accomplish this, then we will have reassured the peoples of the captive nations of our willingness to defend freedom as well. They look to us for hope. If we let them down, we should not expect them to look again.

NEUTRONS AWAY

Mrs. NORRELL. Mr. Speaker, I ask unanimous consent that the gentlewoman from Oregon [Mrs. GREEN] may extend her remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Arkansas?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, in recent weeks, we have been advised by some that we must resume nuclear weapons tests in order to perfect the latest wonder of the nuclear age, the neutron bomb. This bomb, we are advised, will make it possible for us to kill people without destroying property. Perhaps I am missing some vital point somewhere, but I must admit I fail to see the advantage offered by this new triumph of science. But an editorial has appeared in the Portland Oregonian, which puts the whole controversy in a new light, and explains to all the benefits that will accrue if we resume testing and perfect the neutron bomb:

NEUTRONS AWAY

Some U.S. scientists and militarists want to end the voluntary suspension of nuclear testing so they can perfect a neutron bomb by underground tests in the Nevada desert.

The neutron bomb, they say, would release a deadly rain of radioactivity which could penetrate several feet of earth or concrete and destroy all human life. But this death ray would leave virtually undamaged the dwellings, factories, and war structures of an enemy.

It is conceded that the Russians probably are working on the same sort of device. Which brings up the prospect that we could wipe each other out, but leave our factories steamed up and ready to go. This would set up a jolly new world. The underprivileged masses of Latin America could move into our industrial centers and make the giant stride into modernity in a jiffy. And the Africans or Asians could take over the Soviets industrial plant.

That ought to fix things up for about 20 years of glorious peace. Then the transplanted Latins and Asian-Africans would be ready to wipe each other out with neutron bombs. The birth rate problem would be solved. There would be enough food for everyone left. What are we waiting for?

REORGANIZATION PLAN NO. 7 OF 1961

Mrs. NORRELL. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DAWSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Arkansas?

There was no objection.

Mr. DAWSON. Mr. Speaker, on July 14 the Committee on Government Operations voted to lay House Resolutions 335 and 336 on the table. House Resolution 335 would disapprove Reorganization Plan No. 6 of 1961, relating to the Federal Home Loan Bank Board, and House Resolution 336 would disapprove Reorganization Plan No. 7 of 1961, redistributing certain maritime functions.

Since the reorganization plans will go into effect on August 12 unless a disapproval resolution is adopted by either House of Congress, the action of the committee in voting to lay them on the table is favorable to the plans. The disapproval resolutions will not come up for consideration on the floor unless a motion to discharge the committee of either resolution is made and adopted.

In view of the provisions of the Reorganization Act relating to committee and House action on plans, the committee felt that this is the most expeditious way to handle these two reorganization plans.

I do not believe that either reorganization plan is necessarily the final action in solving all the problems of the agencies involved. The Reorganization Act of 1949 gives both to the President and to Congress a very efficient and handy tool in securing improvements in the management of the executive branch of the Government. The very existence of the act is based upon the recommendations of the first Hoover Commission, which studied the problems of the organization of the executive branch extensively.

Many necessary and valuable steps to secure improved management and to increase the efficiency and economy of Government operations can be taken through reorganization plans. On the other hand, whether reorganizations are brought about through plan or through legislation experience will, from time to time, show that further improvements can be made either by new measures in a reorganization plan or by new legislation. When a plan is allowed to go into effect, the legislative committees concerned should keep the agencies under study. Then, if additional changes are needed, the committees are perfectly free to, and in fact should, endeavor to secure them through the legislative process. The President, too, should also keep alert to needed revisions and submit them to Congress either as proposed legislation or as further plans.

Now, to turn to the two plans upon which the committee acted last Friday:

Plan No. 6 would place in the Chairman of the Federal Home Loan Bank Board the managerial functions of that Board. These are the type of functions transferred to other agency chairmen by a series of reorganization plans in 1949 and 1950. They include: The appointment, removal and direction of personnel—appointment of the heads of major units must be made with the approval of the Board—the distribution of business among Board personnel and units; the communication of Board policies and the enforcement of those policies; the preparation and justification of fund authorizations, and the allocation, use and expenditure of administrative expense funds. In carrying out those functions, the plan requires the Chairman to follow the general policies and the regulatory decisions and determinations of the Board.

The basic objectives of the plan are first, to strengthen the internal management and increase the efficiency of the Board by making a single official responsible for that internal management, and second, to free the Board members from the day-to-day managerial concerns they now must assume and thereby to increase their ability to deal more effectively with regulatory and policy matters. These objectives follow the recommendations of the first Hoover Commission which concluded that purley executive duties can be performed far better by a single administrative official.

The phenomenal growth of the Board's activities in recent years was described in detail in the President's message. For

example, the number of examinations made of savings and loan institutions has almost doubled since 1950 as has the number of personnel employed by the Board. With the increased volume of work, the Board members must be relieved of day-to-day operating responsibilities in order to deal with the important policy matters before them and with important matters of regulation and supervision.

The Committee on Government Operations has made a continuing study of the Home Loan Bank Board during the 86th and 87th Congresses and has pointed out in its interim report that the Board has not established uniform criteria for governing the operations of the Federal savings and loan associations under its supervision. The adoption of the reorganization plan will be a step in the right direction. It will give the Board members the time they need to study and adopt uniform regulations and policies to guide both the savings and loan associations and the Board's own staff.

Representatives of the three major industry associations dealing with savings and loan associations testified in favor of the plan as did all three members of the Board. No opposition to the plan was expressed.

The majority of the committee members saw no need to use the time of the House in extensive debate on plan No. 6 and, therefore, adopted a motion to table it in committee.

Reorganization Plan No. 7 of 1961 deals with the maritime functions now vested in the Federal Maritime Board, the Maritime Administration, and the Secretary of Commerce.

At present, the Board consists of three members under a Chairman appointed by the President. Besides heading the Board, the Chairman is also, ex officio, the Maritime Administrator. As Administrator, he derives his powers by delegation from the Secretary of Commerce. The Board and the Administration have one unified staff, serving both agencies jointly.

There is almost universal agreement that the Board is not performing its functions adequately. Its important duty to regulate the maritime industry has been neglected under the press of other duties involving promotion of the same industry.

There is also nearly universal agreement about the main causes of this situation.

First, the Board, under present law, has two types of responsibilities which are mutually inconsistent, if not contradictory: On the one hand, the Board must regulate the rates and practices of the maritime industry. On the other, it must sustain and promote that industry by determining and awarding large subsidies, which in fiscal year 1960 amounted to over $231 million.

Second, the Board and the Maritime Administration, notwithstanding their separate and often divergent responsibilities, are headed by the same individual and are served by the same unified staff. As with the Board itself, most of the time of the joint staff is consumed in promotional, rather than regulatory activity.

Reorganization Plan No. 7 would correct these organizational defects. Principally, it would establish a new agency, the Federal Maritime Commission, as a fully separate and independent body of five members. Neither the Commission, its members, nor its staff would have any functions except those relating directly to regulation of the maritime industry. Its promotional functions would be transferred to the Secretary of Commerce, who would be empowered to delegate them, and any other maritime functions, to the Maritime Administrator or to others in the Department.

In transmitting Reorganization Plan No. 7 to the Congress, the President declared:

> Existing organizational arrangements have not proved to be satisfactory. The development and maintenance of a sound maritime industry require that the Federal Government carry out its dual responsibilities for regulation and promotion with equal vigor and effectiveness. Intermingling of regulatory and promotional functions has tended in this instance to dilute responsibility and has led to serious inadequacies, particularly in the administration of regulatory functions. Recent findings by committees of the Congress disclose serious violations of maritime laws and point to the urgent need for a reorganization to vest in completely separate agencies responsibility for (1) regulatory functions and (2) promotional and operating functions.

Testimony before the Committee on Government Operations amply sustains the findings of the President on which he based Reorganization Plan No. 7. In a well-reasoned and effective presentation, the Chairman of the Federal Maritime Board supported the plan for reasons very similar to those stated in the message. He concluded:

> Based on 18 years' experience in Government maritime agencies, I am convinced of the need to allow plan No. 7 to become effective. There is an immediate necessity of improving regulatory efficiency in the public interest. Plan No. 7 will accomplish this objective.

In considering the disapproval resolution on plan No. 7, the Committee on Government Operations took note of the following:

1. Almost everyone agrees that a separate and independent agency should be set up to perform solely regulatory functions under the U.S. shipping laws.

2. The Secretary of Commerce has declared that the subsidy-award function, which, under plan No. 7, would be divorced from the regulatory agency and transferred to him, would not be exercised by one man. This function would be delegated to the top three officials of the Maritime Administration, to be exercised by them jointly.

3. The provision of plan No. 7 authorizing the new Commission to delegate any of its functions is virtually identical in language and purpose to Reorganization Plans Nos. 1, 3, and 4, which were thoroughly considered and endorsed by both the committee and the House.

4. All the procedural safeguards with which Congress has surrounded the performance of maritime functions by existing agencies would survive and be preserved under plan No. 7.

In light of this, the majority of the committee felt that the plan should be allowed to go into effect. Since extensive debate on the question of delegation of authority under the earlier plans has already been held on the floor, a majority of the committee concluded that the time of the House should not be used in lengthy and repetitive arguments on the same basic issues unless the House itself should decide to take the plan up for full-scale debate. Accordingly, the majority of the committee voted to table the disapproval resolution on Reorganization Plan No. 7.

PERSONAL EXPLANATION—MR. BRADEMAS, OF INDIANA

Mrs. NORRELL. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Arkansas?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, I was unavoidably absent on Monday, July 10, 1961, on two rollcalls.

Had I been present and voting on H.R. 187, a bill to provide for the beneficial review of orders of deportation, I would have voted "no."

Had I been present and voting on H.R. 5786, a bill to provide for the establishment of Cape Cod National Seashore, I would have voted "aye."

HOME RULE A NECESSITY FOR WASHINGTON IN A DEMOCRATIC SOCIETY

Mrs. NORRELL. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Arkansas?

There was no objection.

Mr. MULTER. Mr. Speaker, I have introduced today the administration's bill for home rule for the District of Columbia. It provides for an elected mayor, city council and nonvoting Delegate to the House of Representatives for the District of Columbia.

At times it seems difficult to remember that the citizens of the Nation's Capital do not have a voice in the determination of their own affairs. Consequently I would remind the Congress of its historic responsibility to provide for and protect the rights of American citizens, a responsibility it has no less than the executive branch of our Government.

One-hundred and sixty-one years ago this summer, Mr. Speaker, the Federal Government moved to what is now the beautiful city of Washington. At that time it was not beautiful—most of it was a swamp. Our predecessors in these hallowed Halls who lived in the tiny town of Georgetown had to travel a treacherous stretch of "yellow tenacious mud" to reach Capitol Hill. Beginning in June of 1800, the executive branch of our fledgling Government moved down from Philadelphia—all 130 of them.

How different it is today. In 1800 the population here was only about 3,600—it now approaches the million mark.

Mr. Speaker, in introducing this bill I am only asking that the residents of the District of Columbia be granted by the Congress those rights which every American is entitled to—those rights which, I am convinced, the Founding Fathers intended them to have. They—the Founders of our Nation—did not seem to question but that the District would have home rule. James Madison, writing in the Federalist papers, said that "a municipal legislature for local purposes derived from their own suffrages will of course be allowed them."

It is my hope and desire that this Congress will bring to reality these words of our fourth President and the chief architect of our Constitution.

Home rule is a necessity for Washington in a democratic society.

HOME RULE FOR THE DISTRICT OF COLUMBIA

Mrs. NORRELL. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. COHELAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Arkansas?

There was no objection.

Mr. COHELAN. Mr. Speaker, today I have joined with my senior colleague on the District of Columbia Committee, [Mr. MULTER] in introducing the home rule bill for the District of Columbia. This bill was drafted by the District Commissioners, after extensive and careful consideration, and has been submitted to the Congress with strong support by the President of the United States.

I warmly support this bill, but I would like to point out to my colleagues that I have some reservations about the provision in this bill which would grant 18-year olds the right to vote. As my colleagues know, only two States at the present time have such voting age and I propose therefore to give this provision further study.

Mr. Speaker, the idea of home rule for the District of Columbia is so familiar to all of us that it would be superfluous for me to dwell upon it at length at this time. It is important, however, that we keep certain facts very clearly in mind as we consider this legislation.

We should remember that this legislation has been considered sufficiently important to be introduced in every Congress since 1946. Furthermore, on five separate occasions it has passed the Senate, although, regrettably, on only one occasion has it reached the floor of the House.

We should also remember that the idea of home rule for the District is not new, for if this bill were to be passed, it would merely restore the home rule which was temporarily suspended in 1870.

The alternative to home rule, of course, is the continuation of the present city council system; a shockingly clumsy system in which an already overworked and increasingly burdened Congress must take vital time to consider essentially local matters. This time, in my opinion, could much more profitably be spent on our multitude of national and international problems.

Aside from these reasons, home rule for the District of Columbia is justified solely on the traditions for which we stand as a nation; for our system of representative and popular government; and for the right of men to manage their own local affairs; a right, incidentally, which is enjoyed by all other American citizens.

I urge my colleagues to bear these factors carefully in mind, and to support this legislation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

Mr. EDMONDSON for July 18, 1961, on account of official business.

Mr. ROBERTS (at the request of Mr. MCCORMACK) for an indefinite period, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. THOMPSON of New Jersey, for 1 hour, tomorrow.

Mr. ROUSH, for 10 minutes, today.

Mr. MOORHEAD of Pennsylvania, for 1 hour, tomorrow.

Mr. REUSS, for 1 hour, today.

Mr. MEADER, for 30 minutes, today.

Mr. STRATTON, for 20 minutes, tomorrow.

Mr. CONTE (at the request of Mr. DEVINE), for 5 minutes, today.

Mr. ASHBROOK (at the request of Mr. DEVINE), for 60 minutes, on Tuesday, July 18.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HOLIFIELD and to include extraneous matter.

Mr. MCCORMACK and to include extraneous matter.

Mr. CURTIS of Missouri.

Mr. ALGER.

(The following Members (at the request of Mr. DEVINE) and to include extraneous matter:)

Mr. HARSHA.

Mr. CORBETT.

(The following Members (at the request of Mrs. NORRELL) and to include extraneous matter:)

Mr. FLOOD.

Mr. BYRNE of Pennsylvania.

Mr. EVINS in three instances.

Mr. RABAUT.

Mr. PELLY.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1107. An act to provide a 2-year extension of the existing provision for a minimum wheat acreage allotment in the Tulelake area of California; to the Committee on Agriculture.

S. 1154. An act to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges; to the Committee on Foreign Affairs.

S. 2197. An act to amend section 107(a)(3) of the Soil Bank Act, as amended; to the Committee on Agriculture.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1986. An act to repeal the provisions of section 5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter;

H.R. 4591. An act to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes; and

H.R. 6441. An act to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1710. An act to amend the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until December 31, 1961, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 1986. An act to repeal the provisions of section 5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter;

H.R. 4591. An act to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes; and

H.R. 6441. An act to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control, and for other purposes.

ADJOURNMENT

Mrs. NORRELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 53 minutes p.m.)

the House adjourned until tomorrow, Tuesday, July 18, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1136. A letter from the Administrator, General Services Administration, relative to a notice of a proposed disposition of approximately 4,471 troy ounces of platinum scrap and a quantity of nonferrous scrap consisting of approximately 520 short tons of brass, 74 short tons of silicon bronze and copper, 11 short tons of beryllium copper, and 106 short tons of zinc foil now held in the national stockpile, pursuant to 50 U.S.C. 98b(e); to the Committee on Armed Services.

1137. A letter from the Attorney General, transmitting a draft of a proposed bill entitled "A bill to provide for the disbursing of judiciary funds"; to the Committee on the Judiciary.

1138. A letter from the chairman, Pacific Marine Fisheries Commission, transmitting the 13th Annual Report of the Pacific Marine Fisheries Commission for the year 1960, pursuant to Public Law 232, 80th Congress; to the Committee on Merchant Marine and Fisheries.

1139. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting a copy of the order suspending deportation in the case of Mario Norrito, A2305713, pursuant to the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

1140. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in cases where the authority was exercised in behalf of such aliens, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

1141. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, relative to reporting that during the second 6-month period, from January 1, 1961, through June 30, 1961, the Service found 2,123 refugees eligible for parole into the United States, pursuant to Public Law 86-648; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. Immigration aspects of the international education exchange program. (Report No. 721.) Referred to the Committee of the Whole House on the State of the Union.

Mr. McCULLOCH: Committee on the Judiciary. H.R. 6690. A bill to amend section 332 of title 28, United States Code, in order to provide for the inclusion of a district judge or judges on the judicial council of each circuit; without amendment (Rept. No. 722). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H.R. 7856. A bill to amend the Communications Act of 1934, as amended, for the purpose of facilitating the prompt and orderly conduct of the business of the Federal Communications Commission; without amendment (Rept. No. 723). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYS: Committee on House Administration. H.R. 8141. A bill to revise the laws relating to depository libraries; without amendment (Rept. No. 724). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 641. A bill to provide for the free entry of an electron microscope and an L.K.B. intermediate image spectrometer for the use of Tulane University, New Orleans, La.; with amendment (Rept. No. 725). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee of conference. H.R. 7444. A bill making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes. (Rept. No. 726). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SPENCE:

H.R. 8176. A bill to authorize annual appropriation to reimburse Commodity Credit Corporation for net realized losses sustained during any fiscal year in lieu of annual appropriations to restore capital impairment based on annual Treasury appraisals, and for other purposes; to the Committee on Banking and Currency.

By Mr. ASPINALL:

H.R. 8177. A bill to provide for the optimum development of the Nation's natural resources through the coordinated planning of water and related land resources, through the establishment of a Water Resources Council and river basin commissions, and by providing financial assistance to the States in order to increase State participation in such planning; to the Committee on Interior and Insular Affairs.

By Mr. COHELAN:

H.R 8178. A bill to provide an elected mayor, city council, and nonvoting Delegate to the House of Representatives for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. FARBSTEIN:

H.R. 8179. A bill to amend the Internal Revenue Code of 1954 to provide a special deduction from gross income for a taxpayer supporting an aged dependent who has no retirement income of his own; to the Committee on Ways and Means.

By Mr. HARRISON of Wyoming:

H.R. 8180. A bill to specify the price at which the Commodity Credit Corporation may sell corn to provide feed for livestock in areas determined to be emergency areas; to the Committee on Agriculture.

By Mr. KIRWAN:

H.R. 8181. A bill to authorize the Secretary of the Interior to construct a National Fisheries Center and Aquarium in the District of Columbia; to the Committee on the District of Columbia

By Mr. MONTOYA:

H.R. 8182. A bill to amend the Federal Employees' Compensation Act so as to permit injured employees entitled to receive medical services under such act to utilize the services of chiropractors; to the Committee on Education and Labor.

H.R. 8183. A bill to amend title 38, United States Code, to provide for payment of pension to the widows of certain veterans; to the Committee on Veterans' Affairs.

By Mr. MULTER:

H.R. 8184. A bill to provide an elected mayor, city council, and nonvoting Delegate to the House of Representatives for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. SMITH of Mississippi:

H.R. 8185. A bill to direct the Secretary of the Army to transfer the U.S. vessel *Mississippi* to the Administrator of General Services and to provide for the disposal of such vessel; to the Committee on Armed Services.

By Mr. TOLLEFSON:

H.R. 8186. A bill to provide for the creation of a separate Federal Maritime Commission charged with the regulatory functions of the present Federal Maritime Board, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WHARTON:

H.R. 8187. A bill to provide for the maintenance of the graves of former Presidents of the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WESTLAND:

H.R. 8188. A bill to amend the Civil Service Retirement Act to provide for the resumption of surviving widows annuities upon termination of subsequent remarriages; to the Committee on Post Office and Civil Service.

By Mr. DORN:

H.R. 8189. A bill to amend section 2112 of title 28 of the United States Code to require that certain proceedings must be instituted in the judicial circuit where the controversy arose; to the Committee on the Judiciary.

By Mr. MASON:

H.R. 8190. A bill to amend the Internal Revenue Code of 1954 so as to provide that certain distributions of stock made pursuant to orders enforcing the antitrust laws shall not be treated as dividend distributions but shall be treated as a return of basis and result in gain only to the extent basis of the underlying stock is exceeded; and to further provide that the amount of a dividend in kind received by a corporation shall be its fair market value; to the Committee on Ways and Means.

By Mr. ZELENKO:

H.R. 8191. A bill to amend the Fair Labor Standards Act of 1938 to extend the child labor provisions thereof to certain children employed in agriculture, and for other purposes; to the Committee on Education and Labor.

By Mr. BENNETT of Florida:

H.J. Res. 482. Joint resolution proposing an amendment to the Constitution to redefine the term "treason"; to the Committee on the Judiciary.

By Mr. BOLAND:

H.J. Res. 483. Joint resolution authorizing the President of the United States to proclaim the period from October 22, 1961, through October 28, 1961, as National Gifted Child Week; to the Committee on the Judiciary.

By Mr. COLMER:

H.J. Res. 484. Joint resolution authorizing the President to take such steps as he deems necessary to carry out U.S. responsibilities for Berlin; to the Committee on Foreign Affairs.

By Mr. KOWALSKI:

H.J. Res. 485. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. JARMAN:

H.J. Res. 486. Joint resolution proposing an amendment to the Constitution of the United States providing for the popular election of President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. ROUSH:

H. Con. Res. 350. Concurrent resolution expressing the sense of Congress that the U.S. policy in Berlin be upheld; to the Committee on Foreign Affairs.

By Mr. MOORE:

H. Res. 372. Resolution declaring the Eastern Orthodox Church to be a major faith in the United States; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of Oklahoma, memorializing the President and the Congress of the United States to propose an amendment to the Constitution of the United States relative to balancing the expenditures and the income of the Government of the United States, which was referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H.R. 8192. A bill for the relief of Theresa Godino; to the Committee on the Judiciary.

By Mr. ALGER:

H.R. 8193. A bill for the relief of Henry G. Sunderman; to the Committee on the Judiciary.

By Mr. ANFUSO:

H.R. 8194. A bill for the relief of Andrzej Gitter; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H.R. 8195. A bill for the relief of Ronald L. Mutter; to the Committee on the Judiciary.

By Mr. CHAMBERLAIN:

H.R. 8196. A bill for the relief of Miss Flora C. Dono; to the Committee on the Judiciary.

By Mr. COLLIER:

H.R. 8197. A bill for the relief of Andrea Avogadro; to the Committee on the Judiciary.

By Mr. DOMINICK:

H.R. 8198. A bill for the relief of Lee R. Garcia, also known as Lino Rios Garcia; to the Committee on the Judiciary.

By Mr. HOLTZMAN:

H.R. 8199. A bill for the relief of Mrs. Esperance Shohet; to the Committee on the Judiciary.

By Mr. JUDD:

H.R. 8200. A bill for the relief of Gee Wing Ying (also known as Wing Ying Gee); to the Committee on the Judiciary.

By Mr. KILDAY:

H.R. 8201. A bill for the relief of Sp5c. Curtis Melton, Jr.; to the Committee on the Judiciary.

By Mr. KING of California:

H.R. 8202. A bill for the relief of Peter Alkema; to the Committee on the Judiciary.

By Mr. LIBONATI:

H.R. 8203. A bill for the relief of Saadet Hatize Paksoy; to the Committee on the Judiciary.

By Mr. MONTOYA:

H.R. 8204. A bill for the relief of Mr. and Mrs. Harley Brewer; to the Committee on the Judiciary.

By Mr. WIDNALL:

H.R. 8205. A bill to provide tax relief to the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, Local 683, pension fund and the contributors thereto; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

194. The SPEAKER presented a petition of Henry Stoner, Avon Park, Fla., relative to our foreign policy, and recommending the teaching of the American political theory as set forth by Thomas Jefferson and in Madison's notes, which was referred to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Needed: Western Penetrations of Red-Orbit Countries

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Monday, July 17, 1961

Mr. WILEY. Mr. President, in a world teetering on the brink of war—because of Communist-created crises—we find ourselves faced with defending ourselves on many fronts. Particularly in Berlin, Mr. Khrushchev has thrown down the gauntlet. The question, now, is: What shall we do about it?

Recently, I was privileged to comment on major aspects of the Berlin crisis, as well as make some suggestions generally for dealing with the Red threat elsewhere around the world. I ask unanimous consent that excerpts from the address be printed in the RECORD.

There being no objection, the excerpts from the address were ordered to be printed in the RECORD, as follows:

Today, the world is facing a most serious Communist-created crisis in Berlin.

In evaluating the situation, the question arises: "Why has Khrushchev—at this time in history—decided to throw down a gauntlet over West Berlin; a city that does not militarily threaten the Red iron grip on East Germany or the Communist bloc?"

What, then, is the motivation? Realistically there is no way, of course, to accurately probe the Communist mind. Nevertheless, there are speculations on the reasons for the flareup in Berlin. These include:

First. West Berlin—a showplace of Western progress—continues to taunt the Reds by making East Berlin and East Germany look "drab" and "draggy" economically. As Mr. K. has often stated, the city is a bone in his throat." Apparently, he is now choking on it.

Second. The flow of thinking people—including the technical, professional and other highly trained individuals—to the West is not only embarrassing to the Communists, but is seriously jeopardizing progress in East Germany.

Third. Red strategy may call for further tightening of the Communist grip of Eastern Europe—including wiping out remnants of Westernism, symbolized by Berlin.

Whatever the reason—Khrushchev has now chosen to discard the deceitful cloak of peace—which did not fit anyway—and flex his "military muscles."

The threats to Berlin; threats to use force against the United Nations; the "beefing up" of military forces; the display of more lethal air power in Moscow: All of these reflect a new militarism—"provocative acts" against which the West must be prepared to defend itself.

How should we and the free world meet this new Red-inspired crisis?

In my judgment we need to alert, sharpen up and, as necessary, strengthen our defenses—girding ourselves for whatever action—military or nonmilitary—may be needed to protect freedom in Berlin or elsewhere.

We need to close ranks in NATO and other Western alliances, to present a strong, bulwark against Red aggression.

We must effectively present the Western position to the court of world opinion. The West is in Berlin by right, obligation, and commitment—not by sufferance of the Reds. In a crucial test—short of war—the impact of aroused world opinion may be decisive.

Overall, we must mobilize our resources—to provide the necessary brainpower, manpower, and materiel to protect freedom from the Communist aggression.

Our efforts, however, must not end there. Rather, we must undertake a strong, nonmilitary counteroffensive. We need more effective effort, for example, to penetrate the Iron and Bamboo Curtains—not leave this as "untouchable territory" for the Reds. This should include recommendations for a vote by secret ballot for the citizens of all Berlin—giving them a voice in determining their own future; recommending a secret ballot vote by citizens of East and West Germany to settle the question of unification or nonunification; recommendations for a U.S.-type bill of rights—including that of suffrage—for the people of all Communist-dominated countries—pointing out how communism denies even minimum rights, recognized, not just in the United States, but in the United Nations, and other efforts not just to defend ourselves, but to launch a real campaign for global freedom.

This then, is a fight for all of us. As a people, we must pool our resources, reinvigorate our patriotic spirit; and weld together our efforts and purposes in a common cause: that of survival of ourselves, of our ideals, and of freedom.

The President, the TVA, and the Public Interest

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, July 17, 1961

Mr. EVINS. Mr. Speaker, the chairman and members of the Board of Directors of the Tennessee Valley Authority recently announced a schedule of new low power rates in the TVA area. This announcement was made at a significant ceremony at the White House with President Kennedy and some 30 Members of Congress from the Tennessee Valley area. While announcing a reduction in rates, the TVA has also recently announced the payment of some $51 million to the U.S. Treasurer on earnings from this great Federal investment. Following this announcement, certain of the private utility companies led by individuals noted by the name of Dixon and Yates attacked this rate reduction schedule of the TVA.

The private utility companies are afraid that their power rates will be compared with the much lower power rates obtaining in the TVA area.

Mr. Speaker, in this connection, under unanimous consent I include my weekly newsletter written on this subject in the CONGRESSIONAL RECORD. The newsletter follows:

THE PRESIDENT, THE TVA, AND THE PUBLIC INTEREST

(By Hon. JOE L. EVINS, Member of Congress, Fourth District, Tennessee)

During the week I was privileged to attend ceremonies at the White House with President Kennedy honoring the 100th anniversary of the birth of the late Senator George W. Norris. At this meeting Chairman Vogal and the other members of the Board of Directors of the Tennessee Valley Authority announced a new schedule of reduced electric power rates for TVA customers—the lowest in TVA's history.

The TVA chairman in a brief speech told President Kennedy and the 30 Members of Congress from the Tennessee Valley area attending the White House ceremonies that the new rate reductions will vary from 8 to 11 percent and may be placed into effect at the option of any of the 155 locally owned electric cooperative and municipal distribution systems which purchase TVA power and serve the more than 1.5 million customers in the area. Two of these distributors have already announced adoption of the new rates and others will follow.

The new rate, called the Norris centennial rate, after the late great Senator from Nebraska who was one of the authors of the TVA Act, will permit distributors in the TVA system to make significant reductions in cost of electricity to consumers.

Although the people of the TVA area already enjoy the lowest power rates of any section of the Nation, the TVA recently has been able because of its profitable and efficient operation to make a $51 million payment into the Federal Treasury as an earnings on the Federal investment. (Very few of the agencies of the Federal Government make payments to the U.S. Treasury.)

Following the announcement of the TVA rate reductions the private utilities—led by Edgar H. Dixon, president of Middle South Utilities, and Harllee Branch, Jr., president of the Southern Utility Co.—noted member of the Dixon-Yates conspiracy against TVA—attacked the action of the TVA Board of Directors in making these rate reductions. The private utilities executives called the reduction "a cheap publicity stunt."

The high-paid representatives of the private utilities are smarting over the TVA's demonstrated ability to operate efficiently and to provide reduced power rates to the consumer. These officials, who seem always ready to snipe at any efficient and successful action of the TVA, must be afraid that the private power rates will be compared to the much lower power rates of the TVA area.

Lobbyists of the private utility companies have recently been swarming on Capitol Hill in an effort to sabatoge important features of the Public Works appropriations bill pending in the House. This bill carries funds for the Corps of Engineers, the Bureau of Reclamation, and various great public power projects and programs for the Nation. These utility lobbyists continue to oppose these great projects which are in the public interest. During the week they contributed to the defeat of an important amendment to the Atomic Energy Commission Act which would have provided for an atomic powerplant in the Pacific Northwest.

These special interest groups are opposed to any advancement in the production of low cost electricity. Their action this week in attacking TVA's new rates and in opposing the atomic powerplant proves again that the public interest must be protected.

The present day utility insulls have not ceased their greedy efforts to constantly milk the public while also asking for special favors for themselves in the form of power wheeling contracts and rapid tax amortization.

World Peace Through World Law—Address by Senator Edward V. Long, of Missouri

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Monday, July 17, 1961

Mr. HUMPHREY. Mr. President, I wish to call attention to an address by Senator EDWARD V. LONG entitled "World Peace and World Law" which was delivered at Culver-Stockton College in Canton, Mo., on May 20 of this year. I ask unanimous consent that it be printed in the RECORD.

I wish to commend the Senator from Missouri for this most thoughtful address. It is quite obvious that the Senator has given long and serious study to this most vital question of how we may best assure a just and lasting world peace.

Senator LONG suggests various steps which should be taken to promote world peace through world law. The Senator urges our continued wholehearted support of the United Nations and the establishment of the United Nations police force representing all nations with the power to enforce its resolutions and maintain the peace.

The Senator from Missouri also urges repeal of the so-called Connally amendment to our declaration of acceptance of jurisdiction of the International Court of Justice. As my colleagues know, I have offered a resolution in this Congress to delete the self-judging reserve clause. I am so pleased to have Senator LONG's support on this measure.

The Senator also suggests in his excellent address that in any future negotiations we have in regard to international treaties and agreements that we should press for inclusion in them of provisions to the effect that any disputes arising from their interpretation be submitted to the International Court of Justice.

I agree with the Senator from Missouri on the points he raised in the excellent and thoughtful address he delivered.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WORLD PEACE THROUGH WORLD LAW

(An address by Senator EDWARD V. LONG, of Missouri, before Culver-Stockton College, Canton, Mo., May 29, 1961)

For the sake of brevity, I have chosen the subject today, "World Peace Through World Law." Unfortunately, the subject is not original. Many distinguished Americans have preceded me with truly studious, masterpieces on the subject. Former Presidents Roosevelt, Truman, Eisenhower, former Vice President Nixon, former Attorney General William Rogers have all delivered wonderful talks on the subject.

However, less than 2 years ago, the American Bar Association honored Mr. Greenville Clark with the American Bar Association Medal in recognition of a lifetime of public service which culminated in his monumental work—"World Peace Through World Law." Mr. Clark was assisted by Mr. Louis B. Sohn—a native of Poland—and it is truly a monumental work. If you haven't read it—I unhesitantly recommend it to you now.

The achievement of world peace through law is a goal which motivates the conduct of our country's international relations. Thanks to the American Bar Association, lawyers in many parts of the world are now working to formulate an action program designed to help move mankind nearer to the goal of peace through law. This increasing consciousness of international problems in the legal profession is a significant contribution to efforts of the United States to strengthen the foundations of freedom throughout the world.

Freedom has a value which the American people down through history have cherished above all else. The preamble to the Constitution submitted to the States in 1789 stated as one of its principal purposes, "to secure the blessings of liberty to ourselves and our posterity." But, this declared purpose was not enough to satisfy the people. They refused to accept the Constitution until the essentials of freedom had been specifically guaranteed in the first 10 amendments: The Bill of Rights. Thus, we have held freedom—freedom of religion, freedom of speech and of the press, and all the other individual freedoms—to be a prior condition of Government itself.

We conceive of freedom as being within the context of the rule of law. Our Founding Fathers associated natural rights with natural laws. This linkage between freedom and law is explicit in our approach to international problems. We feel that freedom and law are indivisible, as freedom itself is indivisible.

Today, on the world scene, freedom is locked in a fateful contest with the formidable challenge of Communist imperialism. Hundreds of millions of human beings in Soviet Russia and Communist China never taste the blessings of freedom. In the satellite countries, ancient freedoms are being ruthlessly suppressed. This new absolutism is more formidable than any in modern history because it coincides in time with the tremendous and continuing advance of science and technology. It is not only in the military field that Communist leaders are drawing upon science and technology to strengthen their position. They are also utilizing science and technology to strengthen their economic position, as well.

If the economic planning of Soviet leaders was aimed basically at raising the living standards of the Soviet citizen, we would cheer them on. For we sincerely wish the Soviet leaders every success in their efforts to improve the drab lot of their own people. It is not the economic progress of the Sino-Soviet bloc that concerns us. What we are concerned with—and what we firmly oppose—are the efforts of the Communist leaders to dominate other countries by a combination of economic cajolery, subversion and artful propaganda backed up, when opportune, by military power.

Today, all of us have become accustomed to the names of such places as Lebanon, Berlin, the Congo, Cuba, Laos, and South Vietnam.

For to mention these places is almost to call the roll of crisis during the past years—the same years you have been studying for your degrees. All of these diverse places and their problems have one definite thing in common. They have all held the prospect of a resort to force for their settlement.

And that prospect in turn has pointed clearly to the tragedy that, in spite of all of our wisdom, we have not yet devised a reliable method for the settlement of international disputes, short of war.

Presently, we are being shocked, by the revelations in Israel's trial of Adolf Eichmann, into recalling with horror the logical consequences of a world order in which force remains the ultimate arbiter of international disputes. With the Israel prosecutor, we ask: How could this all happen in the 20th century? But a more important question for us is: What is the alternative to such human slaughter when we still have no alternative to force to resolve international disputes? How can the Eichmanns within society be restrained when the conditions that permit them to develop still exist? To me, it seems clear that we cannot feel safe from such wholesale relapse into brutality until these conditions are changed. What we must have is an international environment in which law replaces force as the decisive factor in the settlement of the world's disputes. We cannot expect a secure, lasting world peace until we have established the essential foundation for it through a system of world law.

Former President Harry Truman reduced the problem into its simplest terms with a quotation as far back as 1945: "When Kansas and Colorado have a quarrel over the water in the Arkansas River, they don't call out the National Guard in each State and go to war over it. They bring a suit in the Supreme Court of the United States and abide by the decision. There isn't a reason in the world why we cannot do that internationally."

There can be no doubt that this legal foundation is more difficult to bring into being than orbiting space satellites or devising more massive weapons of mass destruction. But, in truth, our ultimate survival may depend on how well we meet this most difficult challenge. Once we have recognized this challenge there is a natural tendency to be overawed by its immensity. But all of us, I fear, have not yet made this fundamental discovery. Faced with the necessity of meeting world crisis on almost a day-to-day basis, there seems little time for long-range planning to gain perspective on our problems. We must deal with the situation at hand. Short-range objectives tend to replace long-range goals as long-range plans seldom seem fully appropriate to the needs of the rapidly changing international environment.

I believe it is imperative, however, to take a new look at long-range considerations, if we are to exert our maximum influence upon the world's rapidly unfolding events and ultimately gain our long-run objective—world peace.

To insure our survival, we must plan for it as completely as possible. While never neglecting the military aspects of planning for the cold war, neither must we neglect the nonmilitary aspects of planning. Insofar as possible, our planning and actions should reflect the ultimate goal of world peace through world law.

How can we achieve this goal? To be perfectly honest, the sad answer is that there is no sure way; all factors involved are not subject to our own control. We must face the probability that this goal will not be achieved in our lifetime. But, taking heart in the knowledge that each step we take will bring us that much nearer our goal—we must begin.

Today, I would like to briefly outline several areas in which I believe a few precious steps can be taken to further the cause of world peace through world law.

The first involves the United Nations, which I believe still offers the best possibility for replacing the rule of force with the rule of law in world affairs. We must continue to support wholeheartedly this organization and work for the expansion of its facilities for use in the peaceful solution of international disputes.

Recognizing the fact that for law to be effective, it must have some enforcement agency, I favor the concept of establishing a U.N. Police Force representing all nations with the power to enforce its resolutions and to maintain the peace. Our past diplomatic agreements with the Soviet Union have only too painfully shown the need for such an agency.

Another area in which I believe progress can be made involves the International Court of Justice at the Hague. This tribunal of 15 outstanding international jurists contains the potential for valuable contribution to furthering the cause of world law and international justice. It seems clear that it represents a method for peacefully settling disputes that could profitably be greatly expanded.

By any standard you care to use, the function of the International Court of Justice has been most disappointing. As of May 15, 1961, the United Nation's Court has rendered a grand total of 45 decisions, opinions, and orders. After 15 years in existence, this record is far from being impressive. Here is a court made up of 15 judges who are each paid $20,000 a year and still heard only one case during the entire year of 1960.

Presently, I believe that the United States, itself, is restricting the possibilities of the International Court. The whole case is explained in a most learned manner in the Readers Digest in June 1960 with an article titled, "The United States is Impeding World Law," by William Hard. The article frankly advocates the repeal of six words in a treaty of the United States having to do with the operations of the International Court of Justice of the United Nations. Here's what happened:

In 1946, the U.S. Senate was considering the acceptance by the United States of the "compulsory jurisdiction" of the International Court of Justice. Some 40 countries have accepted that jurisdiction. The United States is one of them. But, there is a catch. The catch is in the word "jurisdiction."

The Senate resolution of 1946 specifically exempted from the Court's jurisdiction "disputes with regard to matters which are essentially within the domestic jurisdiction of the United States." The Senate Foreign Relations Committee thought that this act of caution was enough.

Senator Tom Connally of Texas did not agree. On August 1, 1946, he took the floor and offered an amendment. It was overwhelmingly adopted. To the resolution before the Senate then were added the six words "as determined by the United States." This Connally reservation is called by its opponents our American self-judging reservation. We have made ourselves our own judges as to whether or not the Court has jurisdiction in any suit brought against us.

As a result of this position on our part, other nations have adopted similar reservations. I believe that the repeal of this debilitating amendment would be one of the most direct steps we could take to further the cause of world law.

In conjunction with this step, I believe that in our future negotiation of international treaties and agreements, we should press for inclusion in them of provisions to the effect that any disputes arising from their interpretation be submitted to the World Court. In addition, we should urge at the time of the signing of the agreements that the nations involved bind themselves to accept World Court decisions concerning disputes as to their interpretation.

Here, as in all of these proposals, we should not be totally dismayed if we do not receive immediate support from the Communist bloc. Nor should we expect such support. We can, however, realistically expect support for these actions in the free world. This partial acceptance, in itself, would make a positive contribution to the cause of freedom in the cold war arena. It would serve as an example, to those emergent nations in search of peace and stability, of the handiwork of free men working through free institutions. Nor do I believe that the appeal of world law could be totally ignored by our Communist adversaries. The concept of world law is a self-perpetuating idea which will expand as it gains strength throughout the world.

These then are a few areas in which the effect of action upon the principle of world law is readily apparent. But, there are other areas close to home in which the effect of action, though of great importance, is not so apparent. I refer to the fact that we are now in the process of reevaluating a basic social problem in America, that of race relations, through due process of law. In this field we are under particular scrutiny by a world that is two-thirds colored. Here, America, by her example, must demonstrate that the rule of law can prevail in even the most trying circumstances.

These then—the United Nations, the World Court, and the domestic scene—are the areas, I believe, which offer valuable opportunities for making progress toward the goal of world peace through world law.

This goal is still admittedly a distant one. Moreover, events such as those that have taken place in the Congo in the recent past tend to make us doubt its ultimate obtainability. But if the obstacles are great, so is the urgency of the task.

Are we willing to accept its alternative, force, as the decisive judge of man's relations with his fellow man? Can we in fact live with dignity and passively accept such a world—such a world that slaughtered 6 million Jews, such a world that is condemned always to slaughter?

If indeed we accept such a world, can we with clean hands point the finger of accusation at its Adolf Eichmanns? And can the condemnation of its killers free us of moral responsibility for its crimes?

In answer to those questions and in conclusion please permit me to quote Mr. Charles S. Rhyne, former president of the American Bar Association: "Supremacy of the rule of law within nations has transferred sovereignty from ruler to the ruled and has created man's most cherished possession—individual freedom under law. Supremacy of the rule of law between nations—placing supremacy of law over supremacy of capacity to destroy internationally—can be a most meaningful exercise of national sovereignty to achieve freedom from the scourge of war. Let us hope and pray and work together for the arrival of a law day for the world—a day when law will replace weapons in the control of the fate of humanity."

The Case for Atomic Testing by United States

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 17, 1961

Mr. McCARMACK. Mr. Speaker, one of the most serious questions of this time is whether or not our country should resume testing nuclear weapons. In connection with the proper discussion on this question, the national interest of our country is involved; in fact, our very survival may be involved.

Personally, I did not favor the moratorium of some 3 years ago that former President Eisenhower voluntarily imposed upon testing by our Government.

In the light of the attitude of the Soviet Union, we cannot allow this condition to continue much longer.

One of the best qualified persons to discuss this very vital question is the gentleman from California [Mr. HOLIFIELD], chairman of the Joint Committee on Atomic Energy, an able and dedicated Member of the Congress, and a great American. His views, with which I agree, are worthy of profound consideration.

In the July 17, 1961 issue of U.S. News & World Report appears an article, "Argument and Answer," prepared by Congressman HOLIFIELD, clearly showing that the resumption of testing is necessary to the national interest and defense of our country, which article I include in my remarks.

THE CASE FOR ATOMIC TESTING BY UNITED STATES

To test new weapons again—or not to test—is moving to top position among decisions pressing in on President Kennedy.

Representative CHET HOLIFIELD, Democrat, of California—in a key position as chairman of the Joint Committee on Atomic Energy, and as a friend of Kennedy—is among those pressing for a decision to resume testing. His views, based on years of dealing with matters of national security, are shared by many top military men and members of the Atomic Energy Commission.

In what follows, arguments that are advanced against weapons testing are stated and answered by Chairman HOLIFIELD:

Argument: "We should not resume testing nuclear weapons because Russia and the United States have enough to destroy each other right now."

Answer: "This argument could be true in terms of numbers of weapons and total explosive power, and still be fallacious.

"Reason? It ignores the problem of delivery of such weapons. Quantities of nuclear weapons in hands of either United States or Russia could be meaningless unless they are related directly to modern, sophisticated delivery systems.

"As an example, delivery of a 10-megaton bomb by a manned bomber plane might become impossible in the near future. In fact, this will be the case very soon as a result of antiaircraft missiles—or Sidewinder rockets from supersonic interceptor planes. Missiles launched from planes, and armed with relatively small nuclear warheads and electronic guidance systems which seek their target, could seal the doom of our SAC—Strategic Air Command—bomber planes.

"Intermediate and long-range missiles are becoming a reality. Ways of delivering missile warheads are improving at a fantastic rate. Note the rate of improvement in solid-fuel missiles such as the Polaris and Minuteman in the past 18 months."

Argument: "But atomic warheads for these missiles have already been developed. Any further improvements are bound to be marginal."

Answer: "Further improvements could be tremendous—not marginal. Further testing of warheads is imperative.

"Let me give an example, using theoretical warhead weights:

"A warhead weighing 500 pounds has a present range of 1,200 miles. If the weight of the warhead were reduced from 500 to 250 pounds, the range could be increased to 1,700 miles with the same amount of missile fuel. Reduction in weight, size, and configuration of warheads requires testing, except in minor instances.

"The real problem which faces us—and which depends on testing—is not to create larger-yield weapons with more megatons, but to create lighter and smaller missile warheads which are practically invulnerable to interception.

"Our national security may rest on this point. We cannot gamble with weapon systems which are rapidly becoming obsolescent. If we believe that an equal or slightly superior weapon capability in our hands is, or has been, a primary factor of deterrence, then we cannot afford to lose that deterrence by depending on obsolescent weapons or methods of delivery."

Argument: "It isn't actually necessary to test—and explode—atomic devices, because improvements in weapons can be made in laboratories."

Answer: "This argument is dangerous and is refuted by every important event in the history of research and development. Only minor improvements of existing devices can be made without testing. Any major improvement must be proved by testing.

"There are new and revolutionary concepts of delivery systems and warheads in today's rapidly moving technology. These concepts must be tested step by step from theory to accomplishment. Continuous testing of missile propulsion and guidance at Cape Canaveral and Vandenberg missile facilities are conclusive as to the need of testing of warheads as well.

"The continuous testing of nuclear submarines is another example. Such revolutionary concepts of warhead delivery are being proved in test after test. How naive and impractical and inconsistent are those who are satisfied with the existing state of nuclear warheads while they fail to protest, at all, testing of the basic delivery systems.

"Protests against testing of warheads become emotional rather than logical. Denial of testing in one phase of our weapon research and development, while continuing testing in all other phases, can only be crippling in nature. It cannot remove the danger of war; it can only increase the danger of defeat by a determined and ruthless opponent."

Argument: "We should be patient. We should continue negotiating with the Soviets in the hope that an agreement on a test ban can be reached."

Answer: "We have been patient. We have negotiated for 33 months. During this period only minor concessions have been made by the Soviets to our request for an adequate inspection and detection system, to prevent possible cheating.

"On the first meeting in March of this year, the Soviets nullified all previous concessions by advancing a demand for the 'troika' principle of administering the agreement.

"The Soviets reneged on a previous agreement for a one-man neutral administrator and demanded a three-man administration, each to have the right to veto any action of the international inspection team. Since one of the three would be a Soviet representative, this of course made a mockery of any previous agreement. Future chances of an equitable administration of any provision of a treaty agreement were destroyed by the Soviets."

Argument: "The only alternative is to walk out—and that would give Russia a propaganda victory."

Answer: "Breaking off the talks in Geneva is not the only choice. Notwithstanding the futility of our negotiations, I agree that we should continue to negotiate or be willing to negotiate.

"However, we should no longer be bound by our voluntary moratorium during the time of future negotiations.

"We should not 'walk out' on the negotiations, neither should we tie our hands on nuclear-weapons testing for strength and security."

Argument: "(a) the Soviets are not testing secretly; (b) the Soviets are testing secretly."

Answer: "Neither of these statements can be proved by the United States. It is precisely because we do not know the answers, and because the Soviets will not agree to an adequate system of detection which would give us firm answers, that we face the grave decision."

Argument: "If the United States and Britain resume testing, then the Soviets will resume testing."

Answer: "This argument assumes that the Soviets have not been secretly testing. If the assumption is not true, then they would not 'resume,' they would continue.

"On the other hand, if they have honored the moratorium and have not been secretly testing, we will start out at the same relative position we were in 33 months ago. Our course of action will not be based on ignorance of our opponent's actions, but on proven procedures for improving our capability to deter war."

Argument: "The Soviets have more to gain by resuming nuclear tests than the United States and Britain."

Answer: "This argument is based on the assumption that the Soviets have not been secretly testing during the 33-month moratorium. The assumption therefore must be evaluated. It can neither be proved nor disproved, because we lack dependable information.

"If the Soviets have been secretly testing, they may have closed any gap in their technology which may have existed at the beginning of the moratorium.

"If they have not been secretly testing, then it is reasonable to assume that the same gap exists today as we believe existed at the beginning of the moratorium. Assuming this latter situation, we then must evaluate our respective technological capabilities. On this point, I see no reason for doubting our own capability. The record of the past proves that we have had a superior capability in both quality and diverse types of nuclear weapons.

"Undoubtedly the Soviets will improve their weapons technology whether their testing is secret or open. Because we lack information as to the present status of their nuclear-weapon technology, we can only speculate as to the relative gain in the future between the Soviets and ourselves.

"In a contest of this type, I have confidence in the ability of the United States and Britain to maintain any lead in weaponry that we may now have."

Argument: "If tests are resumed, people all over the world will be alarmed and blame the United States."

Answer: "There will undoubtedly be some adverse public opinion toward any nation that resumes testing of nuclear weapons. The degree of blame directed against the United States will depend on several factors, some of which can be modified by the skill we exercise in presenting our case to world opinion. Some factors are beyond our control.

"The President should, in my opinion, devote a major television speech to this presentation. He should give a brief résumé of our patient negotiations over the 33-month time period. He should then explain the continuous refusal of the Soviets to accept any basic agreement which would give us assurance against secret violation.

"The people should be given the facts regarding the need for improvement of existing weapons and the probability of revolutionary weapons development. The basic factor for resumption, of course, would be the maintenance of our position of military strength in the interest of deterrence and the preservation of peace.

"We now have a considerable cushion of good will and confidence on the part of our

allies and most of the neutral nations. That good will and confidence is based on the belief that we have negotiated sincerely during the recent months.

"There is a corresponding decrease in respect for the Soviets. Their failure to advance constructive proposals and their rejection of United States and British concessions have caused growing doubt as to their sincerity. The recent 'troika' proposal in the United Nations and the Geneva conferences has worked to their disadvantage before the bar of world opinion.

"In making the decision to resume testing because we believe it necessary for the preservation of our national security, we must be willing to accept criticism from those who are not responsible for our national safety and who, in most instances, are misinformed or uninformed on the reasons for making the decision."

Argument: "Fallout from nuclear-weapons testing by the United States, the Soviets, and possibly other nations, will contaminate the atmosphere and be harmful to people."

Answer: "The United States and Britain would not conduct tests which would involve contamination of the world's atmosphere.

"Tests which are necessary to improve existing weapons, or prove the principle of new and possibly revolutionary weapons, can be conducted in underground cavities, thereby solving the problem of atmospheric contamination.

"Each sovereign nation determines its own course in nuclear-weapon testing. The present test-ban negotiations affect only the United States, Britain, and the U.S.S.R. The fact that the negotiations were being held did not prevent France from conducting atomic-weapon tests in the Sahara Desert.

"It would indeed be naive to believe that Communist China would refrain from testing atomic weapons, if such tests were within her capability or to her advantage."

Safety Programs Are Good Government in Action

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Monday, July 17, 1961

Mr. HUMPHREY. Mr. President, last month it was my privilege to speak at the President's Safety Awards Ceremony in the Departmental Auditorium. I ask unanimous consent that my remarks be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Ten years ago a 34-year-old Congressman from Massachusetts left a House subcommittee hearing on a longshore and labor worker's safety bill to visit the docks of Cleveland, Chicago, Boston, and New York. He wanted to see for himself the dangers of loading and unloading cargo. Afterward, when he called stevedoring "one of our most hazardous occupations," he quoted from firsthand knowledge. And his observations made him an even more ardent advocate and sponsor of legislation which was enacted in 1958, after he moved to the Senate side of the Capitol.

That man's concern for the welfare of the workers has been constant. In a repeat performance of the earlier visit just 1 year ago, he visited the coal mines. The next day he argued for a safety bill extending Federal regulation to small mines. As chairman of a Senate subcommittee, he noted that the fatality rate in these mines is twice that of large mines already regulated by Federal standards. His statement "there is no more hazardous or demanding labor than the work of those who toil in our mines," was again from firsthand knowledge.

In the decade between those two visits, this Member of Congress had, among his other accident-prevention efforts, sought and sponsored legislation to improve the safety functions of the Federal Government. And when he moved to the White House early this year, he continued to demonstrate his determined concern for the safety of the workers of America—to the extent that as President he said he would rather see the United States come in second in space than allow an astronaut to "take a disproportionate risk." Moreover, he has asked that the President's Conference on Occupational Safety be continued and reenergized to help control hazards emerging (during the sixties) from the new tasks which will develop from scientific progress.

President Kennedy had planned to be with you today to demonstrate anew his personal concern for the safety and health of some two and a half million Americans who serve their countrymen—often with small appreciation—as Federal employees. His planned attendance was his way of showing the same sustained personal concern that safety engineers continually seek—the concern of top management to safeguard the lives and health of employees in the Federal service. And his interest is the rugged, down-to-earth, hardheaded concern of a man who has known danger and who takes responsibility for protecting others from its perils. It is no "fair weather" interest, no polite "lipservice" to the cause of safety.

President Kennedy is happy to recognize the good safety record of the 1960 winners of these awards, because he wants to see enacted an active, effective safety program for the Federal service. Moreover, he believes that all agencies should emulate the winners: That the Federal safety record should and can be better than it is.

I wish to point out here that this philosophy of concern is unlike that of other governmental systems where the individual exists for the good of the State. We believe with Edmund Burke that "Government is a contrivance of human wisdom to provide for human wants." The President recognizes, and so do I, that the safety movement in this country is a practical reflection of America's basic concern for human worth and dignity.

Secretary Ribicoff, as Governor of Connecticut, exemplified this concern by extending leadership, by enforcing high standards which greatly reduced traffic fatalities in his State. It can be done. I suggest that just as we have been able to provide safety leadership in State and local government, we propose and enact an even better program for ourselves in governmental service as an example for private industry.

And may I suggest that to further our goal of human welfare in Federal service, we also call on the Bureau of the Budget, the coordinating force of this Government, to examine the safety program of each Federal agency. This is the best kind of economy move the Government can make—it will serve to save on human talent. When the Bureau's evaluation has been made, and completed, I think a report should be submitted to the President's Office and to the appropriate committees in Congress, so that we can better the efforts we are presently honoring.

This kind of program is in line with President Kennedy's. He has pledged this administration to efficiency in Government. He has moved to release the interests and energies of all of us whose responsibility it is to carry out the policies and programs of this Government. He presents both the challenge and opportunity to improve the quality of our performance, to display leadership and initiative, to show courage and imagination, and equally important, particularly in safety work, to curtail financial and human waste. Our responsibility is to conserve our national resources, especially the lives and productive skills of our citizens.

Federal agencies—the Veterans' Administration, the National Aeronautics and Space Administration and, of course, the Atomic Energy Commission—and to honor with you those who have made these achievements possible during the year just passed. As Federal departments and agencies go, today's winners are young. Their work clearly reflects our rapidly changing technology and a shifting emphasis in governmental responsibilities and obligations. If these winners with their high inherent hazards can so markedly improve their safety performance, there is no valid reason why all other branches of Federal service cannot make similar improvements. Nor is there any reason why the counterparts to these agencies which exist in private industry and enterprise cannot upgrade their safety standards.

Yet, despite the fine records we commemorate this morning, 371 fatalities and nearly 43,000 disabling job injuries were reported to the Bureau of Employees' Compensation for 1960. While final adjudication may change these totals somewhat, they offer a preliminary measure of the task we face and how much farther we must go to meet our responsibilities.

Fifteen years ago, President Truman told the Federal Safety Council that "The Federal Government should lead, not lag in the important field of employee safety." Since then, as the Nation's largest employer, the Federal Government has not lagged, but neither has it led. Over the past dozen years, the accident record of the Federal Government as a whole has leveled off—it has gotten no worse, but neither has it improved materially.

As we recognize and congratulate the 1960 winners this June morning, the record we shall make in 1961 is already well advanced. Still, every agency in the Federal service has 6 months to improve its own 1960 record and that of our winners today. Our challenge and goal for the sixties is clear: Prevent accidents and better performance.

Extremism in Public Policy—The John Birch Society

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Monday, July 17, 1961

Mr. JAVITS. Mr. President, the activities of the John Birch Society reminds us that the principles of a free society can be eroded from the extreme right as well as the extreme left. Jeopardizing the confidence of Americans in their tried and proved leaders is a serious way to undermine the very foundations of our Government.

This warning is contained in an address by Representative PAUL A. FINO, delivered at the commander's banquet during the 31st Annual Convention of the Department of New York, Jewish

War Veterans, June 10, 1961. I ask unanimous consent that his remarks before the Jewish War Veterans, the Nation's oldest active war veterans organization, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

(Speech delivered by guest speaker, Congressman PAUL A. FINO, of New York, on June 10, 1961, at the department commander's banquet)

Mr. Chairman, Cornie Schneider, National Commander Isidore Feuer, Incoming State Commander Hy Miller, National President Bertha Krause, Rabbi Gordon, distinguished guests and ladies and gentlemen, it is indeed an honor and a privilege to address the 31st Annual Convention of the Department of New York, Jewish War Veterans. I look upon you as men of tried and true patriotism, formed and disciplined by military training, and tested in the fires of battle. As men reared in the Jewish tradition of intellectual skepticism and moral conviction, I look to you to discriminate carefully and effectively between those organizations whose words and actions are calculated to promote the safety and well-being of our country, and those organizations whose announced patriotic aims are frustrated and stymied by their words and actions.

It is not enough for a man or an organization to claim anticommunism as a patriotic goal. No less an authority than J. Edgar Hoover, Director of the Federal Bureau of Investigation, has recently devoted a special message to the topic of irresponsible words and actions under this label, and the danger they bring to us. This message appears in the FBI law enforcement bulletin for April 1961. I strongly recommend that all citizens read it and take its message to heart.

Much of what Mr. Hoover says in this urgent message seems to me to apply directly to certain characteristics of the John Birch Society, though he does not mention this or any other organization by name. Pointing out that the Communists need, in order to take over a country, "a people shaken with fear, hysteria, and confusion," Mr. Hoover goes on to say: "Above all, however, is the danger of irresponsible counteraction by citizens who lend impetus to communism through inept attempts to fight this insidious menace."

The FBI director, surely one of the Nation's foremost authorities on this Communist menace and how to meet it, quotes Lenin's direction to his followers, urging them to take advantage of "every, even the smallest, rift among the enemies." He sees this technique as a part of the Communist attack upon America today. "There exists today in our land," Mr. Hoover says, "a vital rift which the Communists are exploiting." Unfortunately, this involves certain people across the country who engage in reckless charges against one another. The label of "Communist" is too often indiscriminately attached to those whose views differ from the majority. Those whose lives are not led according to what one segment of society might decree to be the norm are too frequently challenged as Reds.

The founder and present head of the John Birch Society has denied responsibility for certain much-publicized reckless charges, made in his so-called private letter, entitled "The Politician." In this privately circulated work he accused President Dwight D. Eisenhower, his brother, Milton Eisenhower, and Allen Dulles, Director of the CIA, of being either conscious or unconscious agents of the Communist Party. He claims that, since he made these accusations privately, and before the formation of his society, the society cannot be saddled with the onus of whatever slander may be involved.

But the accusations are of a piece with the consistent attitude and behavior of the John Birch Society. "Attributing every adversity to communism is not only irrational," says J. Edgar Hoover, "but contributes to hysteria and fosters groundless fears." The Blue Book of the John Birch Society, and all other writings of Robert Welch, and publications of the society, are full of similar accusations of men and organizations. Mr. Welch is particularly fond of the type of accusation that goes like this: "So-and-so, whether he knows it or not, is helping the Communist conspiracy to take over this country." Every administration since 1933, every political party and most of the minor ones—all come under the same condemnation. In the Blue Book, for example, he says of Americans for Democratic Action: "The ADA, whether a lot of its members know it or not, is the same as an arm of the Communist Party. Its weight can be thrown and is thrown, time after time, with never an exception, in support of Communist objectives. It has the benefit of the direction of a nerve system of that body which runs all the way to the top."

This is a typical smear. Welch talks a lot about the smear technique, objecting to its use by liberals, and advocating its use by rightists. A smear may be defined as an accusation definite enough to hurt, but indefinite enough to be impossible, or almost impossible, to disprove.

Robert Welch sees the Communist conspiracy in efforts to break the segregation pattern in the South, in foreign aid, in the United Nations, and in every international organization dependent upon or affiliated with the United Nations. His reading lists of recommended books include violent attacks upon such other aspects of the Communist conspiracy as income tax, fluoridation of water supplies, Federal aid to education, and the National Council of Churches. One of the major efforts of his organization has been a letter-writing campaign to urge the impeachment of Chief Justice Earl Warren, as a tool of the Communist Party. He has associated himself, in his anti-Communist efforts, with J. B. Matthews, who won his chief fame as the publicizer of wild and unfounded charges of Communist infiltration of the churches, and has himself recommended Bundy's notorious book, "Collectivism in the Churches," and quoted as fact its fantastic statistics.

The one aspect of the usual extreme rightist pattern that is missing from Welch's statements, from the proclaimed attitudes of the John Birch Society, and from the record of his close associates, is anti-Semitism. However, many publications, which he recommends, in turn recommend books and magazines expressing the most violent anti-Semitism, and identifying the Communist conspiracy with a Jewish plot to win world domination. This is an association at one remove, and I am far from claiming that Welch and his society should be blamed for it—but it behooves us to keep a cautious eye upon any authoritarian society that tends to interpret all world events in terms of secret conspiracies.

I am not denying, of course, that there is a Communist conspiracy, or that it is dangerous, or that it must be fought vigorously. I am protesting against this little-brained rhinoceros fury, that would charge anything that moves in the underbrush. I am protesting against the unthinking terror that would shudder away from Communist dictators, into the arms of Fascist and Falangist dictators. I am protesting against the manner in which these reactionary societies attack, by slander and innuendo, by smear and sneer, any and every attempt to form or maintain alliances with foreign countries, to alleviate distress or to spread employment and prosperity among our own people, or to build up the financial and military strength of the American Government.

Many magazines and newspapers have published thoughtful articles and editorials discussing the John Birch Society. Many Members of Congress, in each House, have made statements and speeches about the organization and its activities. Each has something to contribute, and I strongly recommend that you veterans make a thorough study of what has been said in favor of the society and its aims and methods, as well as what has been said in opposition. It is the American way to hear and listen to both sides before rendering a verdict. For my own part, however, I have heard both sides; I have read the Blue Book; I have read many of the monthly bulletins of the John Birch Society; I have heard and read statements in favor of the society on the floor of the House of Representatives and on the radio, in the newspapers and the CONGRESSIONAL RECORD. I am convinced that the just verdict on the John Birch Society is contained in the resolution on the subject issued last month by the board of directors of Freedom House. This resolution was reprinted in the CONGRESSIONAL RECORD of May 9, 1961, page 7595, and I hope that every one of you will get hold of this statement and read it thoughtfully.

The essence of this statement is contained in a five-point criticism of the society as weakening our defenses against communism, and as betraying the cause of true conservatism. I believe this is a well-ordered and valid analysis, and I quote it to you now with my own hearty concurrence:

"First, the John Birch Society is not fighting communism because no Communist operative was ever apprehended or diverted by its methods. Communist subversives do not leave trails for the telephone threatener, the student informer, the boycotter, or any of the other sneak warriors of Birchism. Catching Communist spies is a job for professionals—casting suspicion on the FBI and the CIA only makes the job harder and gives Communists a better chance to do their work.

"Second, the John Birch Society is not fighting communism because such tools as doubt, suspicion, and prejudice employed by the society are also standard Communist weapons. These tactics are written into every agitator's manual that comes out of Moscow. Every one of the score of countries taken over by the Communists was first prepared by the injection of these community poisons. Every country now marked for takeover is being similarly prepared.

"Third, the John Birch Society's targets are the most imaginative and effective of the free world's defenses against the Communist threat: the Marshall plan, the United Nations, the North Atlantic Treaty Organization. Consider these targets and the fulminations of Communists from Stalin to Khrushchev and Mao Tse-Tung against the same targets. Who is allied with whom?

"Fourth, the John Birch Society is not conservative: it is not even reactionary. Its declaration of war upon the greatest enemy of man (which) is government, is a call to anarchy. Disguised in that call is the threat of new tyranny and oppression. Note some of its domestic targets: civil rights, collective bargaining, the social gospel of religion. Then ask whether the John Birch Society does not seek to destroy those same human rights which are suppressed in every nation under Communist rule.

"Fifth, the John Birch Society is neither 'left' nor 'right' but of that perfect circle where both sides join and merge completely in extremism for its own sake. When the left and the right forsake ethics and morals for 'goals,' means for ends, moderation for violence, they lose their separate meanings. A social order built by false witness, fear and hatred can never be anything but a world of falsity, fear and hatred. This is why the American people have in the past

rejected the know-nothings, the Ku Klux Klanners, the Black Legion vigilantes, as well as the Communists."

That point about false witness is, I think, one that deserves particular emphasis. I look upon the Commandment, "Thou shalt not bear false witness against thy neighbor," as equally binding with the other nine. I look upon it, also, as a necessary foundation of our democratic way of life. I believe it is no coincidence that the leader of the John Birch Society, who opposes democracy as a form of government and a condition of society, at the same time adopts that slimy and slippery form of bearing false witness, the smear, as a tactic of political warfare. He boasts of having coined the combination-word "Comsimp," for this use, pointing out proudly that it leaves the accusation vague and undefined. It can be applied to anyone, from a known Communist to a liberal or conservative opponent of the John Birch Society. The single word, applied haphazard and without any sort of evidence to back it up, would require volumes of refutation to clear the name of the person libeled.

Similarly haphazard are Robert Welch's estimates of the degree or percentage of Communist takeover in the various countries of the world. I defy an IBM or Remington-Rand computer to make out how the man arrives at his precise percentages, or to substitute, with any logical justification, another percentage for the one he has adopted. To me, these percentages seem meaningless, and I believe them to be baseless: Merely dramatic formulations of Welch's opinion and guesswork.

The Robert Welch-John Birch Society philosophy is an anti-intellectual, one-shot cure-all for what ails us. As such, it can do us no good, but a considerable amount of harm. It appeals to the ignorant, the uninformed, the stupid, the emotionally unbalanced. It appeals also to the frightened and selfish holders of wealth and economic power, who look upon rigid control as the safeguard of the status quo. Its philosophy of defense, both for capital and for the Nation, is the philosophy of the snail and the turtle; pull in your horns and close up your shell tight, and maybe the enemy will go away. The enemy, in this warped view of the world includes our own Government, our intellectual leaders and teachers, most of our ministers, priests, and rabbis, and a vast crowd of doctors, lawyers, scientists, and writers. They are mistaken, I am sure, both about the nature and the power of the enemy, and about the proper means of meeting the challenge at home and abroad.

I hope we shall choose, instead of this foolish philosophy of despair and hatred, a forwardlooking and active participation, with patriots of this country, and with freedom-loving people everywhere, in projects looking toward the maintenance of peace, justice, friendship, and independence the world over. This, I believe, is the true direction of the spirit of America.

Stand Up and Be Counted

EXTENSION OF REMARKS
OF
HON. WILLIAM H. HARSHA, JR.
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, July 17, 1961

Mr. HARSHA. Mr. Speaker, I think it is time that we stand up and be counted. I want to join my colleagues who are insisting that America stand firm in her position on the Berlin situation.

If we have the facility to get to the very core of human anxiety, in this day and age, it will soon become apparent that the major concern of virtually all people is human freedom and peace.

This would be brought home dramatically to any reader if he follows current news with any deep interest.

Wherever we turn, east, west, north, or south, we see strife and unrest, anxiety and world danger, saber and missile rattling, and of course at the root of it all—communism.

The international situation is extremely volatile. It is more precarious now than at any time since the Korean conflict. By almost every indication, war or peace hangs in the balance.

In Cuba, as close to the United States as Columbus is to Portsmouth, we see the hard cold truth that on our very doorstep is a well-armed Russian satellite, headed by a ruthless dictator, surrounded by equally ruthless hard-core Communists.

We are confronted with the inescapable fact that the stature of this well-armed Soviet satellite has been projected into international proportions that make it a real distinct threat to the peace, progress, and security of all the Americans.

Mr. Stevenson's report on conditions in the Latin Americas points out very vividly the expansion of communism in those countries.

The gutting of Laos by the Communists, the turmoil in Africa and Algeria, the antagonism in the Arabian countries, the concerted drive to admit Red China to the United Nations, and now Outer Mongolia, the obvious stalemate of nuclear disarmament and test ban discussions, all are a direct result of the Communist-inspired movement to disrupt and disorganize the world and make it more susceptible to Russian domination.

These conflict managers have saturated the Afro-Asian countries, the Middle East and Central and Latin Americas. They have done their job well. They have created as much dissension, anxiety, strife, and unrest, as is humanly possible—short of allout war. And, add to this, the Berlin crisis—and you have a world about to explode.

The situation now shaping up will be the greatest test of leadership since the President took office 6 months ago. Berlin brings the United States into possible collision with Moscow itself, if it develops according to the lines now apparently shaping.

There is no alternate policy but to remain firm and stand our ground on this issue.

The administration believes Mr. Khrushchev thinks the West is bluffing and is testing its nerve. It has, in consequence, set in motion a chain of positive responsec to convince Moscow it is deeply serious. In the next few weeks and months, these responses will grow. There is every prospect of a grim fall and winter. Yet we must act and talk straight from the shoulder. Stop vacillating and take a position that will enhance not only world but our own self-respect regardless of the consequences.

Saline Water Conversion Program

EXTENSION OF REMARKS
OF
HON. LEE METCALF
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Monday, July 17, 1961

Mr. METCALF. Mr. President, in the last 9 years research on saline water has reduced the cost of conversion from $5 per 1,000 gallons, to $1 per thousand. We are on the threshhold of a breakthrough in cost that will make saline water economically feasible both here and abroad. I want to call attention to the testimony of Secretary of Interior Udall before the House Interior Committee and ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. Chairman and members of the committee, this statement supplements the earlier statement I made to this committee on June 27, 1961. Because certain information was not available from the Department, it has been necessary to recess these hearings on two occasions, and the hearings have not maintained the continuity desired by the committee. For that reason and in the interest of stating more clearly the views of the Department of the Interior, I am submitting this additional statement for your information.

On June 26, 1961, President Kennedy recommended a draft of a bill "to expand and extend the Saline Water Conversion Program being administered by the Department of the Interior." The suggested legislation borrowed heavily from and is an expansion of the three bills introduced by members of this committee: H.R. 4721, by Mr. ASPINALL; H.R. 4757, by Mr. ROGERS; and H.R. 4759, by Mr. SAYLOR.

These three bills would expand a program developed by this committee 9 years ago. When I had the pleasure of being assigned to this committee some 6 years ago, the saline water program was already 3 years in operation. The program launched by this committee 9 years ago has already assisted in reducing the cost of converting sea water to fresh water from $5 to about $1 per 1,000 gallons.

President Kennedy agrees with the members of this committee who have for several years recognized the importance of the saline water program. He recommended legislation which is now incorporated in H.R. 7916, introduced by Congressman ASPINALL. The suggested legislation can be divided essentially into two parts:

Title I of the draft bill relates to research and development and carries forward the policies and expands the scope of this vital program previously authorized by Congress. This suggested legislation will enable the Department to do more research.

Titles II through V relate to demonstration plants and actual operating units, and would provide limited financial assistance on a "share the risk with industry" approach to the program.

I should like to make one thing clear to this committee: The Department of the Interior has no intention nor desire to enter the municipal water business. The Department does, however, feel a keen responsibility to foster and assist the research and development which will enable American industry and municipalities to succeed in saline water conversion.

It is important to keep in mind the significance of the achievement we seek. You

will recall President Kennedy's conviction that obtaining inexpensive fresh water by saline conversion would dwarf any other scientific accomplishment as a benefit to mankind. Assuming the best set of circumstances according to engineering hydrology, it seems certain that at some future year many communities on the face of America will have seen their source of fresh water dangerously depleted unless we take steps to guard against such a situation. Let us then make no mistake, the need is urgent, the effort will be rewarding.

On the other hand, it is equally important that the problems of saline water conversion be viewed with utmost candor and in proper perspective. Those who say that this program will quickly make it possible to provide water so that "the deserts will bloom" are not facing the facts. Producing fresh water from the sea or brackish sources cannot in the foreseeable future be a substitute for other broad programs of water conservation to meet agricultural needs. At the present time, the cost of converting sea water may be as much as 100 times the present cost of irrigation water. This, of course, assumes a cheap source of fresh water, but even in areas where irrigation water is expensive the cost of converting saline water is now about 10 times the cost of water to produce crops. In certain areas where water is scarce and has a high value the cost of converted sea water is three times as great as that of water from present municipal and industrial water sources.

In brief, this is the situation: We must reduce the cost of converted sea water more than 50 percent or to about 40 cents per thousand gallons to make it economically attractive for industrial and municipal uses in the more critical areas. It is quite possible that this can be done. We must further reduce the cost of converted sea water to one-fifteenth its present cost before it could compete for irrigation purposes in some places with scarce supply.

I have stated these costs as they exist generally and they should not be misinterpreted in relation to the vital need for this program. The chairman of this committee and the chairman of this subcommittee and its members are aware that in some parts of this country, and certainly in many parts of the world, potable water is worth what you have to pay to get it. We can put a price on water but we cannot place a value on it. To sharply emphasize this, you may recall that not many summers ago people stood in lines in Dallas, Tex., to pay 50 cents a gallon for water, and they were glad to get it.

If our program could reduce the cost of water to 40 cents per thousand gallons, and that appears scientifically possible, the accomplishment would be sufficiently economic to satisfy the domestic, municipal and industrial water demands in many key areas of America.

Moreover, if the cost of converting sea water to fresh water could be reduced to 40 cents per 1,000 gallons, I need not emphasize to this committee the worldwide significance that would be attached to this program. In the field of foreign relations, this accomplishment could be extremely beneficial to the United States. There are many developing countries in the world such as Kuwait, Pakistan, Israel, Chile, Australia, and many others, in which major economic progress may depend on producing fresh water from the sea.

This Committee may properly ask what achievements have been made in the past to justify further expansion of this program. In answer to that inquiry, permit me to cite what happened in Coalinga, Calif. Water too salty for domestic use was replaced by fresh water hauled in tank cars at the almost prohibitive cost of $9.35 per 1,000 gallons. But, as a result of a process developed under the saline water program, the city of Coalinga now gets its domestic water supply at about $1.45 per 1,000 gallons.

This committee may also ask if there is truly a need for this program. The need can best be shown by emphasizing that we are racing against time to discover new sources of fresh water before our expanding demands exhaust our present supplies. In the northern Great Plains region of America an alarming number of communities sought the single demonstration plant authorized under our present limited program because their municipal water supplies are becoming too brackish for domestic consumption. In the panhandle and west Texas-New Mexico area the present sources of underground water are being consumed at a dangerous rate. Reasonable engineering estimates predict that, in many communities, economical sources of water will soon be gone.

It is because of this challenge that the President sent his recommendations to this committee on June 26, and it is because the need for new sources of usable water is vital that the President mentioned it specifically to the Congress in his special message on natural resources.

To meet our responsibility of assisting States, municipalities, and private enterprises in the field of saline water conversion, the second portion of the President's recommendations provides for financial assistance on what I should like to call a share the risk with industry basis. The answer we seek in saline water conversion will be the result of American ingenuity. It is imperative here as in other endeavors that proper financial assistance be made available to private industry as an incentive to move this program forward as quickly as research will permit.

You may be sure that if this expansion of the saline water program is authorized by the Congress, the Department of the Interior will carefully guard the funds made available to encourage industry in its quest for new sources of fresh water. Each proposal for financial assistance will be carefully scrutinized. At the same time I should make it clear that we are "plowing new ground," and I cannot at this time recommend limitations on appropriations nor tell you with certainty what amount of money this program will require for each succeeding year. You know the safeguards provided by the Bureau of the Budget and the Appropriation Committee, which guard against unwarranted expenditures.

The more detailed justification of the expanded authority we are requesting will be given by Mr. C. Fred MacGowan, Director, Office of Saline Water. With him will be Dr. Roger Revelle whom I have just appointed as the science adviser to the Secretary. Dr. Revelle will be assisting us in the approach to this problem from a scientific standpoint. I am sure he will prevent us from making the mistake of trying to equate accomplishment with appropriation of funds. This is not the way we intend to solve the problem. Dr. Revelle will help us to determine whether demonstration plants are too big or too small, and he will advise me in this difficult area where research and development in effect becomes applied research. Every effort will be made by Mr. MacGowan, Dr. Revelle, and other members of my staff to carry on a program that is technically and economically sound.

In conclusion, I commend the chairman and the members of this committee for their record of moving forward on a program that is so vital to the future of our country and indeed vital to the future of the free world. I urge you to decide upon a policy through this legislation that will enable us in the Department of the Interior to work with you on a joint legislative-executive effort to make America the leader in the conversion of fresh water from sea water.

Robert S. Ball

EXTENSION OF REMARKS
OF
HON. LOUIS C. RABAUT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 17, 1961

Mr. RABAUT. Mr. Speaker, on Sunday, July 9, the city of Detroit and Capitol Hill lost a young, highly competent, and outstanding journalist, Robert S. Ball.

I considered Bob a good friend of mine. Our friendship took root in the years 1951 and 1952, when Bob served as administrative assistant to the late Senator from Michigan, the Honorable Blair Moody. During that period he met and married one of my former secretaries, Marion Lacey. After that it was my privilege to work with Bob in his assignment to Capitol Hill as a reporter for the Detroit News Washington Bureau. Bob was a familiar figure on the Hill in his representation of the Detroit News; he was a man devoted to his profession; he did not overlook essential details; in a word, he was thorough in his dissemination of the news. His death at the early age of 49 will be felt here.

With his passing, I know that Members on both sides of the aisle in the House and Senate, join me in expressing our sympathy to his dear wife, Marion; to his son, Robert, Jr.; to his editor, Mr. Martin Hayden; and to his close friends and associates of the fourth estate.

Exempt Small Newspapers From Postal Rate Increase

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, July 17, 1961

Mr. EVINS. Mr. Speaker, the postal rate increase bill under consideration by the House Post Office and Civil Service Committee contains a very substantial increase in postal charges for handling second-class material of small daily and weekly newspapers. This proposed increase is so great that many are afraid that a large number of these small newspapers would have to discontinue publication if it were adopted.

I am greatly concerned about the effect this increase would have on the small weekly newspapers of our country which have a limited circulation and a limited advertising revenue. The proposed postal rate changes would increase the cost of mailing newspapers in the county of publication from 1 cent per pound to 1½ cents per pound, plus one-fourth cent per piece.

Testimony by the Post Office Department before the House committee said this change would amount to about a 79-percent increase in second-class revenues. This indeed is considered by many as a burdensome increase.

Mr. Speaker, in considering proposed increases for our small daily and weekly newspapers we must realize the great public service these newspapers are performing. They perform a unique public service—a service that can only be rendered by a local newspaper. The residents of many of our communities are almost entirely dependent on the local newspaper for news about what is happening at home.

Mr. Speaker, in Tennessee, I find that one of the strongest forces for good and for the progress of the area in every community is the local newspaper. I am sure this is true across our land.

The number of smaller newspapers in our country has been on the decline for several years. National advertising has gone largely to the metropolitan dailies, the national magazines and the big radio and TV networks. The small local newspaper must now depend on local advertising for his major income. Because of the dwindling national advertising and increasing labor costs, newsprint, machinery, materials and other necessary items the small newspaper owner would be hard pinched if his postal rates were increased sharply.

Mr. Speaker, from the time of Benjamin Franklin, it has been public policy to encourage the widest possible dissemination of information and educational material as a matter of public policy and for the welfare of the general public. I urge that the present postal rates for second-class mail for small weeklies and dailies be continued at the present rates.

A Pension Program for World War I Pensions

EXTENSION OF REMARKS
OF
HON. JAMES A. BYRNE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 17, 1961

Mr. BYRNE of Pennsylvania. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

STATEMENT OF HON. JAMES A. BYRNE, OF PENNSYLVANIA, BEFORE THE VETERANS' AFFAIRS COMMITTEE HEARING ON PENSIONS

Mr. Chairman and members of the committee, my name is JAMES A. BYRNE, U.S. Representative, Third District of Pennsylvania. I have introduced H.R. 210 and I desire at this time to submit my remarks for the record in support of the establishment of a pension program for the World War I veterans.

In view of the fact that the World War I veterans are not in a position to enjoy maximum benefits under the Social Security Act, or public or private retirement systems, because of the condition that during many of their productive years the country was in a general depression with unemployment and low wage scale, it is necessary that a more liberal pension program for World War I veterans be enacted because of the finding that 70 percent of those remaining (2,600,000) have increasing problems resulting from disabilities and age.

The U.S. Government should approve these obvious needs of World War I veterans groups because of the increased cost of living and the unfortunate conditions which the World War I veterans have experienced as individuals and as a group.

It must be remembered that these men were taken out of their employments, some at the age of 39 years and that upon their return in the early twenties they met a terrific economic crisis of unemployment and again in the 1929 breakdown in the economic system, lasting for the better part of 11 years, so that they were unable to recoup any financial readjustment to take care of themselves in their later years. The corporate practice of not employing persons between the ages of 40 and 45 because of the new social security legislation also contributed to their unemployment.

It is needless to say that the widows and orphans of deceased veterans are in the same predicament in having a strong program of benefits, including pensions for these veterans because of disability or if they are in need of supplemental income.

The major service organizations are militant in their support of a strong pension program, notwithstanding the activities of minority groups of economic royalists who oppose such legislation.

It is interesting to study the history of previous pensions voted by the Congress of the United States to participants in the wars.

A veterans' pension is a payment, regularly made, to any veteran retired from service. Veterans of our earlier wars have all received pensions sooner than 40 years after their discharge from service:

War:	*Pension voted*
Revolutionary (1776–81)	1809
War with England (1812–15)	1850
Mexican War (1837–41)	1880
Civil War (1861–65)	1889
War with Spain (1898)	1921

I have always been in favor of a pension for World War I veterans and introduced legislation, H.R. 210, touching upon this subject.

Four million six hundred and nine thousand veterans served in our Armed Forces in World War I.

One million seven hundred and nine thousand of such veterans have answered their final rollcall.

Two million nine hundred thousand of such veterans are alive today, and wondering when Congress will vote a pension for them.

The average age of these veterans is 69 years.

The youngest is alleged to be 60 years of age—a yeomanette or nurse, born July 3, 1900.

One million eight hundred and seventy thousand of such veterans are 65 years of age or over.

One million one hundred and nine thousand of such veterans are 67 years of age or older.

About 115,000 World War I veterans pass away each 12 months; 125,000 to 135,000 will pass away each year, beginning in 1962.

If Congress votes a pension for them in 1962, 190,000 of those now alive will be dead by the time their first check will be ready for them.

Our World War I veterans are the only ones who served in any of America's war to whom no pension has been voted by Congress, although they served 40 or more years ago.

At the national "rehab" meeting, February 25–28, 1958, Past Commander Gleason, now the Administrator of the Veterans' Administration, reported "over 1 million veterans are in desperate need of jobs."

Few jobs, even as watchmen, are available to World War I vets. Fifty-eight years is too old for 99 percent of the employers.

In Philadelphia, an unskilled worker over 45 is rarely placeable in a job. Even under 45 entirely too many are unemployed.

The life expectancy of our 67-year-old veterans is 10 years.

$3,722,350,000 was voted for foreign aid last year, but not one penny for pensions to our aged veterans.

A pension of $103.60 per month has, for years, been paid to veterans of our war with Spain in 1898.

A pension of $100 per month is sought, as a matter of right, regardless of income, for all World War I veterans, at age 65 years.

Bills introduced this session of the Congress, for the payment of World War I pensions, are as follows: H.R. 156, 209, 210, 212, 255, 283, 501, 702, 1840, 1946, 1993, 2246, 2549, 2565, 3670, 3745, 3889, 3891, 3895, 3903, 287, 2904, 3433, and 3467.

The cost of such a pension to the 1,109,000 World War I veterans now 67 years old would be $1 billion each year.

The buying value of $100 today is equal to the buying value of $50 in 1939, and to the buying value of $20 in 1918, when 2,084,000 of these World War I veterans became members and 1,390,000 saw frontline service in the American Expeditionary Force in Europe.

In 1955, the Representatives and Senators who now oppose such a pension of $1,200 a year, as a matter of right, voted themselves a salary raise of $5,000 per year—from $17,500 to $22,500. These servants of ours also receive most adequate pensions after they retire from Congress, as long as they live, and their wives receive that same pension when their husbands pass away.

Payment of a pension to such World War I veterans will provide the quickest and most effective means of placing $1 billion plus, yearly, in general circulation in the money stream of the Nation for consumer purchasing as urged by the President.

To provide for such pension, the Government could print non-interest-bearing paper currency for the amount needed each year, just as it printed 450 million of Lincoln greenbacks in 1863, to save the North from defeat in the Civil War. Such currency will have all of the advantages and none of the disadvantages of Government bonds.

Approximately 1,022,000 classified civil service and postal employees were voted a salary increase in 1960, at a total cost to the taxpayers of $700 million per year.

Late in 1957 or in the first 6 months of 1958, Congress also voted and the President approved, a 10 percent incentive raise under the Cordiner plan, for a like number of members of our Armed Forces.

The committee which sponsored each wage increase stated: "The salary adjustments provided by this legislation should tend to have a valuable influence in the efforts to arrest the decline in the national economy."

The overwhelming majority of all veterans of World War I are not interested or concerned with what even their friends in Congress may believe it may or may not do on their demand for a pension, and this overwhelming majority, realizing that their average age is now 67 years, and that their ranks are being depleted by about 125,000 deaths per year, will not recede from their demand.

The overwhelming majority of veterans of World War I, who are members of the Veterans of Foreign Wars, would, undoubtedly, in our opinion, demonstrate by a referendum vote that they are in favor of such a pension for World War I veterans, as a matter of right and regardless of income.

The overwhelming majority of veterans of World War I, who are members of the American Legion, would, undoubtedly, in my opinion, in a referendum, also show that they are also in favor of exactly that type of a pension.

A good majority of veterans of World War II and of the Korean police action, who are members of the VFW and of the Legion (remembering the benefits they derived from the GI bill of rights, which they obtained

almost solely as a good will offering from the World War I veterans of these two organizations), will also, in my opinion, vigorously support that type of a pension in preference to any other type of a pension, including those containing a "needs clause."

The 1960 national convention of the American Legion will also, in my opinion, by a majority vote of larger size, likewise endorse all of said House resolutions and place them at the top of its preferential program of recommended legislation for the next session of the Congress.

The Legion resolution was as follows:

"Resolved by the 42d Annual National Convention of the American Legion assembled in Miami Beach, Fla., October 17–20, 1960, That the American Legion shall sponsor and support legislation to amend the provisions of title 38, United States Code, as amended by Public Law 86–211 so as to:

"1. a. Change the table of rates and income limitations applicable to unmarried veterans under section 521(b) to provide that if a veteran's annual income does not exceed $1,200 the rate of pension shall be $100 a month, and if his annual income is more than $1,200 but does not exceed $1,800 the rate of pension shall be $80 monthly;

"b. Change the table of rates and income limitations applicable to married veterans or veterans with children under section 521(c) to provide that if a veteran's annual income does not exceed $2,000 the rate of pension shall be $100 a month, and if his annual income is more than $2,000 but does not exceed $3,000 the rate of pension shall be $80 a month, with $5 a month to be added to these rates for each additional dependent;

"c. Change the table of rates and income limitations applicable to widows without children under section 541(b) to provide that if a widow's annual income does not exceed $1,200 the rate of pension shall be $65 a month, and if her annual income is more than $1,200 but does not exceed $1,800, the rate of pension shall be $55 a month;

"d. Change the table of rates and income limitations applicable to a widow with one child under section 541(c) to provide that if a widow's annual income does not exceed $2,000 the rate of pension shall be $75 a month, and if her annual income is more than $2,000 but does not exceed $3,000, the rate of pension shall be $65 a month;

"2. Repeal the provisions of subsection 521(a) which require certain veterans to count a part of their spouse's income as their own;

"3. Repeal the provisions of subsection 3203(d) which require the reduction of a veteran's pension to $30 a month after 2 months' hospitalization or domiciliary care by the Veterans' Administration; and restore the provisions of section 3203 relating to pension payments to veterans while in a Veterans' Administration hospital or domiciliary home as were in effect prior to July 1, 1960;

"4. Add to the list of items in section 503 which may be excluded from the computation of annual income for pension purposes:

"a. The unusual medical expenses of the veteran, widow, or child to the same extent as now applicable to income computation of dependent parents under section 415(g)(2); and

"b. Amounts equal to amounts paid by a veteran for the expenses of the last illness and burial of a spouse or child; and be it further

"Resolved, That failing the accomplishments of these needed improvements in the new pension provisions, the American Legion shall seek legislation to grant veterans and dependents of World War I, World War II, and the Korean conflict the right to elect and reelect payment of pension under either the law as in effect prior to July 1, 1960, or as amended by Public Law 86–211, whichever provides the greater benefit."

Captive Nations Week

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 17, 1961

Mr. FLOOD. Mr. Speaker, in keeping with the joint resolution approved July 17, 1959, in which the Congress has authorized and requested the President of the United States of America to issue a proclamation commemorating Captive Nations Week, President John F. Kennedy issued the following proclamation July 14, 1961:

THE WHITE HOUSE,
Hyannis, Mass., July 14, 1961.

Following is the text of the President's proclamation on Captive Nations Week:

"Whereas by a joint resolution approved July 17, 1959 (73 Stat. 212), the Congress has authorized and requested the President of the United States of America to issue a proclamation designating the third week in July 1959 as "Captive Nations Week," and to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world; and

"Whereas many of the roots of our society and our population lie in these countries; and

"Whereas it is in keeping with our national tradition that the American people manifest its interest in the freedom of other nations:

"Now, therefore I, John F. Kennedy, President of the United States of America, do hereby designate the week beginning July 16, 1961, as Captive Nations Week.

"I invite the people of the United States of America to observe this week with appropriate ceremonies and activities, and I urge them to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom."

America Pauses To Reaffirm Pledge of Freedom for Captive Nations

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, July 17, 1961

Mr. CURTIS of Missouri. Mr. Speaker, July 16–22 marks the third observance of Captive Nations Week, a time for Americans to pause and, remembering the blessings which freedom has given us, reaffirm our determination that freedom shall return to the many nations and millions of people now crushed under the oppressive imperialism of the Soviet Union. The cruelest and most complete colonialism of the modern world is found in that ring of unfortunate countries which have succumbed to the force of Soviet arms or the intrigues of Soviet subversion. The free world cannot be safe and America cannot rest until these oppressed nations are once more free.

To carry out its role in the effort to bring freedom to the captive nations, American must face its responsibilities squarely. We must let the leaders of the Sovet Union know that our determination that the world shall be free is no less strong than is theirs that it shall be slave. We must make it clear, through firmness in our dealings with the Soviet leaders and wisdom in our domestic and foreign policies, that we shall not abandon the goal which we have set for ourselves.

Further, we must let the people of the captive nations know of our determination. We must let them know that the free world is in sympathy with their desire to regain that most precious commodity, freedom from the yoke of Soviet oppression. Tyranny cannot stand against a people who will be free.

Washington Report

EXTENSION OF REMARKS
OF
HON. BRUCE ALGER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 17, 1961

Mr. ALGER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following newsletter of July 15, 1961:

WASHINGTON REPORT
(By Congressman BRUCE ALGER, Fifth District, Texas)

Congressman WALTER JUDD, of Minnesota, was guest on my TV report this week. The report is made possible through the courtesy of WFAA–TV. For those who missed the telecast on Sunday morning, it is possible to borrow the film for showing to schools, discussion groups, and other organizations. Arrangements for borrowing the TV report may be made through the Republican Headquarters, 4107 Lemmon Avenue.

Congressman JUDD warned that we must stand firm in Berlin or risk losing our freedom within a matter of months. Dr. JUDD said "There is the risk of war if we stand firm in Berlin, but there is also hope."

The American people and our Government leaders can afford no further appeasement of the Communists. We are already at war, a war which we are certain to lose unless we have the will to win it and clearly demonstrate that will to Khrushchev now, before he goes too far to back down. To help America chart a course for victory, I introduced in the House, along with Congressman JOHN PILLION, of New York, and Congressman DON BRUCE, of Indiana, a resolution calling upon the American people to achieve complete victory over communism. The joint resolution, House Joint Resolution 448, "Expressing declaration of will of the American people and purpose of their Government to achieve complete victory over the forces of the world Communist movement." It concludes with this powerful and direct statement:

"Resolved by the Senate and the House of Representatives of the United States in Congress assembled, That a state of hostility exists, and, finding no longer tolerable the abuses and usurpations of the global aggression unjustly thrust upon men by the world Communist movement, in order to bring peace and security to this Nation and the family of nations and to realize the hopes expressed in law for the freedom of Communist-enslaved peoples, it hereby is and henceforth shall be, the indomitable national will of the people of the United States of America and the unswerving purpose of their Government

to achieve complete victory over the forces of the world Communist movement in all its names, its parties, and sections, and to this great end we urge similar action by all independent nations and humbly beseech the strength and guidance of Almighty God; and be it further

"*Resolved*, That the President shall prepare for the approval of Congress, a program to achieve this total victory."

Congress can adopt and the American people can support no more important resolution than this one. Our will to fight now to protect our freedom must be as great as the purpose of our forefathers when they set forth, in the resolution which became the Declaration of Independence, their will to resist tyranny and oppression. All the other problems we face will be of no consequence if we lose the war in which we are now engaged with the Communists.

All of my efforts in Congress and as a patriotic citizen, are directed toward this end. In order to achieve total victory we must refuse to yield a single inch more of territory (ours or that of anybody else) to the Communists. We must be ready to fight in Berlin; we must halt the spread of Communist imperialism in the Western Hemisphere; we must cut out waste and inefficiency in our own Government and promote a strong and sound economy at home; it is imperative that we protect the freedom of our own people from bureaucratic control by social planners who would have us fight communism by adopting socialistic programs.

Our greatest weapon against communism is our own system of free, competitive enterprise. A strong America, operating upon the principles which guarantee the rights of the individual and put the dignity of man above the power of the state can never lose a war against an enemy which recognizes nothing but the power of the state, which embraces the Communist philosophy that man does not have an immortal soul, but is merely a higher species of animal life, that robs the individual of initiative, that holds every man a slave to a hand-picked hierarchy. Only free men can have the indomitable will to pledge "their lives, their property and their sacred honor," in defense of a cause.

House Joint Resolution 448 reminds the Nation of its heritage and, most important, calls upon the President to map a blueprint for victory. This, so far, we have lacked and without the purpose and the blueprint, we cannot achieve victory. Every patriotic American should do his part in urging Congress to enact the victory resolution. You can help by getting your friends in every section of the country to write to their own Representatives, urging passage of the resolution and support of all legislation which will protect our American way of life.

GREAT TRUTHS

"Your representative owes you, not his industry only, but his judgment; and he betrays instead of serving you if he sacrifices it to your opinion."—EDMUND BURKE.

Farm Bureau Opposes Back-Door Foreign Aid Expenditures

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, July 17, 1961

Mr. PELLY. Mr. Speaker, I have read with interest in the American Farm Bureau Federation News that this organization supports congressional control over foreign aid expenditures. Especially I was glad to note the opposition to use of repayments under past foreign loans for additional foreign aid. Rightfully the Farm Bureau took the position that such funds should be returned to the U.S. Treasury.

The Farm Bureau urged Congress to refuse funds for the United Nations Special Fund, which has granted over $1.15 million to assist the Cuban Government in agricultural research. They said:

> We are opposed to using U.S. money for the purpose of assisting Castro in his efforts to collectivize Cuban agriculture.

In summary, the farm organization's representatives asked the committee:

First. To make the foreign aid proposals most effective in the defense against Communist aggression.

Second. To maintain and strengthen congressional authority over the program.

Third. To reflect the critical need for reducing Federal expenditures.

Results of a Poll: 29th Pennsylvania Congressional District

EXTENSION OF REMARKS
OF
HON. ROBERT J. CORBETT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 17, 1961

Mr. CORBETT. Mr. Speaker, as many of my colleagues know, I have been taking polls in my district of public opinion on current national issues since 1939. Over the years we have perfected our methods to the point where we feel we are actually taking a referendum on the questions asked.

My 29th Pennsylvania Congressional District is almost evenly divided between registered Republicans and registered Democrats. It is a typical metropolitan area with a very small farm segment in the outlying townships. The suburban population considerably outnumbers the actual city—Pittsburgh—population but is heavily industrialized along the Allegheny and Ohio Rivers.

I recommend these polls to my colleagues as the best antidote for pressure propaganda and an excellent way to keep informed as to what the folks back home are really thinking.

There follows a list of the questions just sent out and a percentage tabulation of the yes-and-no votes received over the signatures of some 14,000 respondents.

1. Do you favor Federal aid to public education below the college level? Yes, 44 percent; no, 56 percent.
2. Should Federal aid be extended to private schools? Yes, 15 percent; no, 85 percent.
3. To segregated schools? Yes, 19 percent; no, 81 percent.
4. Do you favor the Tractors for Prisoners project if not terminated by Castro? Yes, 16 percent; no, 84 percent.
5. Do you think the Peace Corps should be authorized by Congress? Yes, 52 percent; no, 48 percent.
6. Should medical care for the aged be financed through social security (Forand plan) rather than some other way? Yes, 55 percent; no, 45 percent.
7. Total spending in the next fiscal year will result in a considerable deficit. Do you think this is good for the economy? Yes, 11 percent; no, 89 percent.
8. Would you favor increasing taxes, rather than increasing the national debt, to finance the New Frontier programs. Yes, 43 percent; no, 57 percent.
9. Do you prefer to keep the Federal highway program on a pay-as-you-go basis even if this means keeping the 4-cent-per-gallon Federal tax on gasoline? Yes, 91 percent; no, 9 percent.
10. President Kennedy has requested a substantial increase in foreign aid. Should it be granted? Yes, 24 percent; no, 76 percent.
11. Would you favor a crash program to try to put a man on the moon? Yes, 28 percent; no, 72 percent.
12. Do you favor utilizing American troops to prevent further Communist aggression in Southeast Asia? Yes, 57 percent; no, 43 percent.
13. Do you think President Kennedy is doing a good job as regards foreign policy? Yes, 43 percent; no, 57 percent.
14. As regards domestic policy? Yes, 44 percent; no, 56 percent.

Some Significant Activities of the House Small Business Committee

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, July 17, 1961

Mr. EVINS. Mr. Speaker, it has been brought to the attention of the House Select Committee on Small Business on special occasions that many of the Members of the House are not aware of the work which is being done by the committee and that such Members would welcome information with respect to the activities of the committee. Accordingly, this is the first of a series of reports to the Members of the House by the Select Committee on Small Business, highlighting important activities and accomplishments of the committee in continuation and furtherance of its dedication to the interests and problems of all American small businesses. This is the first of such reports, and contains information with respect to much of the work of the committee during the 1st session of the 87th Congress.

The Small Business Committee, having been created by the House as a service and investigating committee, all of the activities listed below, with but one exception, were initiated at the request of individual Members of the House.

I. LOCAL ASSISTANCE

In a case brought to the attention of the committee by several Congressmen from a Middle Western State, a small businessman operating a milling company found himself in dire need of a maximum loan from the Small Business Administration for the purpose of continuing his production and expanding his facilities in order to provide a liveli-

hood for about 150 people in an area which has long been suffering from severe unemployment. The Small Business Administration had already declined to make a loan in a much smaller amount when the matter was brought to the attention of the committee. The committee conferred at great length and on several occasions with the officials of SBA and the proposed borrower, in an effort to find some solution to the problem. With the very willing cooperation of SBA, a careful review and reconsideration of the entire case was ordered, with the result that SBA, in participation with local banks, was able to approve a loan totaling $388,000, which will not only provide sorely needed immediate relief in the depressed area, but will undoubtedly increase employment opportunities in that section of the country.

In another case, involving a small meatpacking concern located in the eastern part of the country in a severely depressed labor area, the firm had applied to SBA for a loan to enable it to continue in business and provide employment for some 450 people. At the time the case was brought to the attention of the committee, the loan applicant had been operating under chapter XI of the Bankruptcy Act for some time which, of course, made the problems involved much more complicated and difficult of solution. After several meetings between SBA officials, officers of the proposed borrower, counsel for the applicant, counsel for its creditors, and the committee, arrangements were worked out whereby SBA was able to approve a loan large enough to enable the company to get back on its feet and continue its employment of the great many persons who were on the verge of swelling the ranks of the unemployed.

When speaking of employees, one should also consider the numerous members of each family who will benefit from the continuance of the business. These are but two examples of the great many loan service requests received by the committee.

In addition to the foregoing outstanding examples of assistance rendered by the committee to individual small business concerns, literally hundreds of telephonic and personal requests for information and advice with respect to the Small Business Administration Act and the policies and programs of the SBA are received and answered by the committee.

These calls included scores of inquiries and requests from Members of the House.

II. PROCUREMENT ASSISTANCE

On one occasion the committee was requested to assist two small construction companies in a Middle Western State, which were bidding, under a small business set-aside procurement, for contracts for the building of a bridge and roadway for the Department of Defense. Bids for each job had also been submitted by two other concerns who claimed to be small and not affiliated. The Department of Defense awarded the contracts to the small business concerns, but the other bidders filed an appeal from such awards with the Size Appeals Board of the SBA, asserting their status as independent small business concerns. At the request of several Members of the House, the committee spent many hours going over the problems with officials of the small business firm and SBA in an effort to determine the facts involved and to assist the small concerns. As a result of a brief, and exhibits, which were prepared by the small businessmen, with the assistance of the committee, and submitted to SBA, the appeal of the large bidders was rejected, and the contract went to the small firm, resulting in the defeat of an effort by a business concern to disguise its affiliations and hold itself out as eligible for bidding as a small business concern. It is the opinion of the committee that the action taken by the Appeals Board of the Small Business Administration in this case has set a precedent, as a test case, establishing the policy that large businesses will not be permitted to break up their affiliations for the purpose of taking advantage of the small business set-aside procurement programs.

Shortly prior to the end of this fiscal year, on June 30, a small business concern in an Eastern State presented the committee through a member, with a request for immediate assistance in a procurement matter. It appeared that the small firm had been working for many months on research and development in connection with a new complicated and technical electronic device for the Department of Defense. In the course of such work, the company had invested a large amount of its own funds. Nevertheless, when the time came for a contract to be awarded for the item, which had to be obligated before the end of the fiscal year, the small concern was notified that the Department was considering giving the contract to a very large foreign corporate combine, notwithstanding the fact that both manufacturers were admittedly capable of performing the job, which was not to be subject to competitive bidding. The committee immediately conferred with officials of the small concern and the Department of Defense. After discussions between the committee and the Department, which continued through June 29, 1961, the Department finally decided in favor of the American small business firm, to which the contract was awarded, resulting in the employment of about 175 persons in an area in which the labor surplus was growing.

The above instances are merely examples of the daily services of the committee in providing information, advice, and active assistance to the small business community in its efforts to obtain a greater share of the Government procurement dollar. In this connection, as many Members of the House are aware, there has been a concerted effort in the past few months, to eliminate Government construction procurements from the small business set-aside programs. Members of the committee have been vigorously and actively opposing these proposals in every practicable way possible.

III. INVESTIGATIONS AND HEARINGS

A special subcommittee has been particularly active in investigating complaints received by numerous Members of the House from small business processors of dairy products. The large chain stores and biggest processors and marketers of such products have been following the unfair practice throughout the country of using fluid milk as a loss leader sales item and have indulged in discriminatory pricing and sales below cost in practically every area of the Nation. As a result of the innumerable complaints received, field investigations have been made in East St. Louis and southern Illinois, Detroit, Mich., the Upper Peninsula of Michigan, Colorado Springs, and Denver, Colo., and in Minneapolis, Minn., all covering the concerted effort to drive the small producer and processor of milk out of the market. These investigations have indicated very clearly the necessity for the passage of H.R. 127 introduced by Congressman PATMAN, of Texas, to save the small concerns in this and other industries by providing relief from monopolistic tendencies.

Another special subcommittee, at the request of Members of the House, conducted an investigation of alleged unfair pricing practices being followed by certain soft drink bottlers in the Waco, Tex., area. Within a week after the field investigation, which substantiated the charges, a fully documented case on the subject was sent to the Federal Trade Commission for consideration and appropriate action.

Additionally, members of the committee have introduced and are urging the enactment of many other constructive bills, such as H.R. 1233 and H.R. 3470, for the relief of small businessmen from the concerted and nationwide drive to force them to the wall.

IV. MISCELLANEOUS ACTIVITIES

The committee worked vigorously to obtain restoration of a cut proposed in the appropriation for the Small Business Administration, which decrease would have seriously hampered the lending activities of this agency in the public interest.

An arrangement has been worked out between the Small Business Administration and the Federal Trade Commission, whereby complaints relating to unfair trade practices made to the many field offices of the Small Business Administration are transmitted to the Federal Trade Commission, which has a very limited number of regional offices.

The several subcommittees of the Small Business Committee are formulating agenda and plans for hearings, assigning staff projects, and taking other actions for the benefit of the small business community.

In May the committee announced an investigation into the effect of the foreign crude oil import program upon the small business producers of oil in this country, as well as proposed hearings upon the completion of the investigations. Extensive preparations have since been made for this project and others are underway.

The committee arranged and conducted a meeting for all of the Members of the House to hear the Administrator of the Small Business Administration discuss the programs, activities, and so forth of that agency. The meeting was well attended by Members of the House, and Administrator John E. Horne's statements were well received by all those present, many of whom subsequently commented favorably to the committee.

Problem of Space Satellite Communication Control

EXTENSION OF REMARKS
OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 17, 1961

Mr. HOLIFIELD. Mr. Speaker, on March 30 of this year I gave a floor speech entitled "Free Competitive Enterprise and the American Telephone & Telegraph Co." At that time I stated:

America has grown to greatness under the free competitive enterprise system.

It is this economic system which we offer as the free world's alternative to state control and monopolies of the Communist and Fascist states of the world.

Yet we permit the American Telephone & Telegraph Co. and the Bell System companies to operate as monopolies under state control. Monopolies are allowed in the publicly regulated areas of our economy to best serve the public interest. However, in the operation of such monopolies many times the public interest is not protected, let alone best served.

The American Telephone & Telegraph Co. and the Bell System companies are the major operators of telephonic communications in the United States. All oversea voice communications are provided by the American Telephone & Telegraph Co. At present it is seeking worldwide monopoly in using communications satellites to provide commercial telephone, television, data, radio, and global communications.

The American Telephone & Telegraph Co. now is pushing vigorously for the aid of the Federal space agency and the consent of the Federal Communications Commission in orbiting a communications satellite, it could exclude all potential competitors from being able to operate. Furthermore, if successful in this venture it would add fuel to the fire that the U.S. worldwide communications satellite program is devised to enrich the private communications interest rather than to benefit the people of the world.

I believe it is time to take stock of what is going on. The Congress should decide whether there will be competition in satellite communications systems which will affect the entire world or shall the American Telephone & Telegraph Co. be granted, also, this monopoly, allegedly under Government regulation or control. In any event, it is necessary that the public interest be best served.

The Congress—the House and Senate Interstate and Foreign Commerce Committees—and the executive branch of the Government, promptly should study and resolve what this country's policy should be. It is necessary, for such a policy directly concerns our international relations, foreign and domestic commerce, allocation of frequency bands, electronic and communication equipment manufacture and, of course, areas of national defense.

We are moving rapidly into new frontiers. Communication technology is advancing so fast that its impact upon the communications industry has been and will continue to be tremendous. Yet our communications system is regulated by policies and statutes that were applicable to communication technology of the 1940's.

The Congress must act now to declare and implement the policy of the United States for the regulation of communications facilities and weather observation activities.

It is predicted that worldwide communications using space satellites will easily constitute a $10 to $100 billion a year business 10 to 15 years from now. This is big business.

It is predicted that satellite communication will revolutionize both international and domestic communications. It is said that earth satellite relays will be employed in relation to broadcasting—voice and television communication—meteorological communication, navigational communication, aircraft and aerospace craft communications relating to safety—Federal Aviation Agency statutory area of operation—radio astronomy, active and passive communication relays, space vehicle and research guides, control tracking, and telemetering of space vehicles. It is obvious communication satellites will affect everyday aspects of our life, as we progress into space and our future of life.

Past efforts on the part of the Federal Government to regulate, in the public interest, the operations of communications facilities have been largely unsuccessful.

At present the Department of Defense reserves to itself a great percentage of the United States communication operations, including both domestic and international. The Department usually operates in the communication field without concern for our foreign policy, the antitrust laws, the civilian communication laws, or the impact of its operations upon the frequency bands allocated to the United States by international agreement. It is possible that the Department of Defense, acting administratively, might hamper or engage in activities in conflict with statutory policy. This is an additional compelling reason for the adoption of a national policy enacted by the Congress which will govern, coordinate, and control the entire communications programs of the United States.

A major portion of my floor speech of March 30, 1961, dealt with the consent decree judgment that the Department of Justice entered into with the American Telephone & Telegraph Co. on January 24, 1956. This consent decree accomplished little, if anything, in the public interest. The terms of a consent decree once entered into binds the Government and remains intact as to the matters covered unless the other parties to the decree agree to modification. Thus, in the A.T. & T. consent decree, in allegedly attempting to protect the free competitive enterprise system, the Justice Department, acting for the Government, legalized Western Electric Co. as a monopoly by this consent decree judgment. The result reached in the consent decree was certainly contrary to the intent and purpose of the antitrust laws, the patent statutes, and the public interest.

To prevent the reoccurrence of such consent decrees, as the one with A.T. & T., the Department of Justice recently adopted a regulation that all proposed antitrust consent decrees prior to adoption by the court would be publicly available for 30 days so that all interested parties might express their views. By such public scrutiny it is hoped that the public interest will be further protected. This, too, I believe, is a step forward by the present administration.

The Federal Communications Commission has been unwilling or unable to ascertain the reasonableness of rates charged by A.T. & T. for such essential services as oversea communications and the transmission of TV programs.

I know that this administration is capable of other constructive action in the public interest, based on the following facts: In my floor speech on March 30, 1961, I pointed out that "the Federal Communications Commission also has never determined the reasonableness of tariff rates for oversea telephone service, presently over $25 million a year business, and increasing with each year." On Friday, July 7, 1961, the FCC made public a letter to A.T. & T., dated June 30, 1961, in which it asked A.T. & T. to go forward promptly with a cost study on its oversea communications services to reflect the current level of earnings on this international business. The Commission has asked for this study because it admits it has never had sufficient data in the past on which to properly evaluate earnings of A.T. & T. on oversea communication services. It is the FCC's function to determine the reasonableness of service rates, and it is a tribute to the new administration that it is moving forward.

I also pointed out in my previous speech that "the absence of effective control on any particular area of an overall operation can tend to defeat regulatory efforts in another area. For example, A.T. & T. could order their manufacturing subsidiary, Western Electric, to adopt policies and prices which would make A.T. & T.'s alleged reasonable service rates actually unreasonable." The FCC has taken note of this fact for it has notified Western Electric Co. that its earnings on net investment allocated to Bell Telephone System business was such that it warrants an immediate reduction in prices charged the Bell companies. Western Electric's earnings are reflected as part of the Bell System companies' costs and, as such, are a factor in telephone ratemaking. The Commission urged that Western Electric give serious and immediate consideration to the matter of reducing current prices to the Bell System companies and to making retroactive adjustments in 1960 billings to the Bell System companies. This is also a step forward that should benefit the public and undertaken by the FCC under the present administration.

As the full text of the FCC's initial decision in the "private line case" is unavailable, it is unwise to pass judgment on this action. Prior to 1958 the FCC had never determined whether the tariff rates charged the Government for the use of the private line services were reasonable. However, it appears that the Commission under this administration is meeting its responsibility that the Congress delegated to determine in its judgment whether the tariff rates for private line telegraph and/or telephonic services are reasonable. Furthermore, it appears that the Commission now seriously considers the potential competitive and antitrust factors that relate to its action. For in this initial decision the FCC adopted rates which are intended to avoid any unwarranted underpricing by the carriers of their competitive services, insure the future benefits of competitive service offerings in the form of the rates shown by the lower costs of either A.T. & T. or Western Union Telegraph Co., and make intercity channel rates more consistent with costs of furnishing such facilities. It is to be desired that the FCC continue to take positive forward steps such as considering the potential competition, pricing, and the benefits of competition in establishing its policy regarding communications satellites.

All these actions are positive steps in the right direction. Yet there is still much to do. With the rapid advent of the space age and communication and weather satellites, it is essential that an overall study in policy be made to determine the measures required to protect the public interest in these new areas of technology. It is imperative that the present administration immediately act and provide the leadership of which it has shown it is capable.

FEDERAL COMMUNICATIONS COMMISSION, WASHINGTON, D.C.—REPORT NO. 861—NONBROADCAST AND GENERAL ACTIONS, JULY 6, 1961

(The Commission en banc, by Commissioners Minow (Chairman), Hyde, Bartley, Lee, Craven, Ford, and Cross, took the following actions on July 6:)

"INITIAL DECISION IN PRIVATE LINE CASE ADOPTED

"The Commission adopted its initial decision in the private line case (dockets 11645 and 11646). Private line rate adjustments, authorized and prescribed, are expected to result in decreased annual revenues of about $1.2 million for the telephone grade services of the American Telephone & Telegraph Co., and in increased annual revenues of about $2.7 million and $750,000 for the telegraph grade services of A.T. & T. and the Western Union Telegraph Co., respectively. The foregoing amounts are based on the test period business volumes used in the proceeding, as distinguished from current volumes.

"The Commission is prescribing certain rates in order to: (a) avoid any unwarranted underpricing by the carriers of their competitive services; (b) insure to the ratepayers the benefits of competitive service offerings in the form of the rates indicated by the lower costs of either carrier; and (c) make intercity channel rates more consistent with costs of furnishing such facilities. A revised and simplified telegraph channel rate structure is being prescribed more in line with the existing telephone rate structure and more in keeping with the current state of the art of furnishing private line services.

"The Commission rejected the proposal of the press for a special reduced rate classification.

"Proposed tariff schedules implementing the requirements of the initial decision are to be submitted to the Commission and all the parties to the proceeding on or before August 15, 1961. Comments on the proposed schedules, as well as exceptions to, or statements in support of, the initial decision, are to be filed on or before September 15, 1961."

The full text of the initial decision will not be available for about a week because of the time required for reproduction.

COMMON CARRIER EMPLOYEE REPORTS

By report and order, the Commission amended rule part 51 (occupational classification and compensation of employees of class A and class B telephone companies) and schedule 70C of Telephone Annual Report Form M, to change the annual count of employees to December 31 instead of the last normal business day of October, and to make certain other minor changes (docket 14000). The action incorporates appropriate changes in the schedules pertaining to wages and hours of employees in annual report forms M, O, and R for telephone and telegraph carriers (docket 13459). The latter proceeding said that this would be done without recourse to further rulemaking when the minimum wage law was amended.

LETTER TO WESTERN ELECTRIC CO.

The Commission addressed the following letter to the Western Electric Co. in connection with its earnings on Bell Telephone System business:

"The Commission has noted the level of earnings experienced by your company for the year 1960 which, according to your reports, amounted to 10.2 percent on net investment allocated to Bell business. This reported level of earnings in the opinion of the Commission warrants an immediate reduction as hereinafter indicated. In view of our previous correspondence and discussions we do not feel that it is necessary to repeat the reasons for our concern in this matter.

"While we have never expressed an opinion as to what constitutes a proper level of earnings for your company on Bell business, we have no hesitancy in concluding at this time that your return for the year 1960 appears excessive. You will recall that the Commission last had occasion to write you, on January 8, 1958, in connection with a price increase which you placed into effect on January 1, 1958, amounting to approximately $37 million based on the volume of business at that time. In the course of correspondence pursuant to this letter you indicated that your goal for the year 1958 was a return in the neighborhood of 9.4 percent on Bell business which was the approximate return average during the period 1947–56. For the most recent 10-year period, excluding 1960, the year under review, your earnings on this business averaged 8.9 percent. Our citing of these returns is not to be construed as meaning that we do not regard them as being questionably high. They merely demonstrate to us that your current level of earnings justifies a reduction in prices charged the Bell companies.

"In view of the foregoing, it is urged that you give serious and immediate consideration to the matter of reducing your current prices to the Bell companies and to making retroactive adjustments in your 1960 billings to such companies.

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D.C., June 30, 1961.

Mr. F. R. KAPPEL,
President, American Telephone & Telegraph Co., New York, N.Y.

DEAR SIR: The Commission by letter dated July 26, 1960, requested that you undertake a cost study of your oversea communication services to develop for these services the investment, expenses and revenues associated therewith. In your reply of August 8, 1960, you recalled previous discussions with the Commission relative to your views of a worldwide cable system and stated that since there had been a number of developments in that field you would like to present to the Commission the current status of your cable plans before undertaking the requested cost study. Shortly thereafter you did make such a presentation to the Commission. You further stated in your reply that meanwhile you proposed to consider methods and procedures which might be appropriate for a study of your oversea operations.

The Commission has further considered this matter in the light of current developments and desires that you proceed at once to make a cost study that will reflect the current level of earnings on your oversea communication services. In this connection, arrangements should be made with our staff immediately for the purpose of working out some of the details of the cost study. As indicated in your letter of August 8, it is presumed that you have done considerable preliminary work in this connection since that time. Without in any way delaying the completion of this study, the Commission requests that, during the course of the study, the company give attention to the matter of formulating procedures that will readily provide this type of information whenever required.

In previous discussions of proposed cost studies your position, as we understood it, was that such studies would be of little value because of the rapidly changing complexion of oversea business occasioned by new cable projects and the advent of satellite communications. As you are aware, the Commission has never had before it data on which to properly evaluate the level of earnings on your oversea communication services. Such an evaluation can no longer be delayed. As we are sure you appreciate, postponement of further Commission consideration of this matter until the character of your oversea business stabilizes is out of the question since the point of time at which this is likely to occur cannot possibly be foreseen at this time. We have noted, for instance, the substantial amounts that Bell Laboratories is billing your company for satellite research and development and your applications for construction of new cable in the Pacific area.

We will appreciate your cooperation in promptly complying with this request.

By direction of the Commission:

NEWTON N. MINOW,
Chairman.

FCC CAUTIONS UNIT OF A.T. & T. ON PROFITS

The Federal Communications Commission has notified Western Electric Co., wholly owned subsidiary of the American Telephone & Telegraph Co., that it appears to be making too much profit on its equipment sales to the Bell Telephone System.

Such profits, as part of costs, are a factor in telephone ratemaking.

The Commission advised Western Electric to give immediate consideration to a reduction in its Bell System pricings, involving retroactive adjustments in 1960 billings to Bell companies.

The FCC said it had noted that Western Electric earnings on Bell sales last year amounted to 10.2 percent, and asserted that this "appears excessive."

In a separate but related action the FCC announced a proposal to order both upward and downward adjustments in the rates charged by A.T. & T. and Western Union Telegraph Co. for private line service.

At the same time, the Commission tentatively rejected a petition by the American Newspaper Publishers Association and other press interests that the companies be required to reestablish a special reduced rate classification for press users of private lines such as was offered until 1943.

COST STUDY ASKED

The Commission also made public a letter to A.T. & T. in which it asked that company to go forward promptly with a cost study on its oversea communications services to "reflect the current level of earnings" on this international business. The Commission said it has never had sufficient data on which to properly evaluate the earnings level.

The announcements relating to private line charges, which have been under FCC investigation for 3 years, were in the form of an initial decision by the Commission, which will be subject to comment by interested parties before any final action is taken. The Commission said the initial decision itself will be made public next week.

RATE RAISED IN 1958

Private line service, widely used by newspapers, industries, and individual businessmen, involves the supplying of a private telephone line or private telegraph line for the exclusive use of the customer. The service may be on a continuous 24-hour basis or for given segments of the day. The rates are generally related to mileage and the types of terminal equipment used.

The FCC private line investigation evolved in part from an A.T. & T. increase in private telephone line rates in 1958 which its customers complained was not justified. In the proceeding, both A.T. & T. and Western Union contended their earnings on private telegraph line service were unreasonably low.

The Commission said it had tentatively decided to:

Require A.T. & T. to reduce the telephone line service on a formula which would bring its revenues from this service down by about $1.2 million a year.

Allow increases in telegraph private line service designed to give A.T. & T. about $2.7 million more per year and Western Union about $750,000 annually.

The Commission said specific rate schedules designed to carry out these objectives should be submitted by all interested parties by August 15. Comments on these submissions must be in before September 15.

[From the Office of Congressman JOHN E. MOSS, Third District of California]

WASHINGTON, D.C.—No responsible person denies that America urgently needs a worldwide satellite communication system as fast-moving events project us willy-nilly into the space age.

Such a system would permit the long-range transmission of higher frequencies (traveling in straight lines) and in consequence, could provide a vast increase in the number of additional channels for long-range telephone, telegraph, radio, and television service.

In my opinion and in that of a good many other Members of the Congress, ownership of these basic facilities should definitely be vested in Uncle Sam, and should not be thrown open to possible monopoly by one or more of the giant communications corporations. By this I do not mean that private enterprise should not operate various facets of the satellite communication system. On the contrary, I think they could and should do so under proper licensing provisions administered by an appropriate agency such as the Federal Communications Commission. However, the FCC and the National Aeronautics and Space Administration have announced somewhat opposing views.

They feel that our "traditional policy of conducting international communications services through private enterprise, subject to Government regulations," should prevail.

Acting on these convictions, eight privately owned companies have been invited by FCC to organize a joint venture for operating the new system. These are the Radio Corporation of America, American Telephone & Telegraph, International Telephone & Telegraph, Tropical Radio & Telegraph (United Fruit), South Puerto Rico Sugar Co., U.S. Liberia Radio Corp. (Firestone), Press Wireless, and Hawaiian Telephone Co.

Obviously, only the first three of these have the financial capital, the research facilities and the manufacturing backup to handle the job. If it's to be a joint venture, it would seem pretty certain the A.T. & T. would gain financial control. It is the company with the "mostest" and the one that is pushing hardest to get the job. I don't go along with control by a single corporation. In my mind, greater opportunities should be given for participation by, say, domestic communication carriers, electronic manufacturers, and interests in the broadcast field.

There is no gainsaying the fact that private enterprise in space poses a Pandora's box of problems. Actually, satellite communications probably will revolutionize both international and domestic communications. Let's see what's involved.

Earth satellite relays relating to space radio communications include broadcasting (voice and television communications), meteorological communications, navigation communications, active and passive communication relays, space vehicle and research guidance, control tracking and telemetering, aircraft and aerospace communications relating to safety, and radio astronomy.

That's quite a bundle of highly important jobs for private enterprise to take on, even under strict Government guidance and control.

I should like particularly to point out that if FCC hands over this new satellite system to private industry, in the area mentioned above of "airplane and aerospace craft communications relating to safety," it would apparently be handing over some of the Federal Aviation Agency's own responsibility. This field, as I understand it, is within FAA's statutory area of operation.

Other thorns in the path of possible microwave communications partnership of European nations and one or several private American corporations would include sharing of benefits and costs. Who will pay for what and how much?

In this connection, NASA has been given an additional $50 million for fiscal year 1962 to assist in the new satellite communication system, and NASA Administrator Webb has indicated that this sum would provide capacity which the Government would like to see incorporated in a privately operated system.

This to me has the look of "pie in the sky." It is far from being explained to my satisfaction why the Government should provide the risk capital if one or a combination of big corporations are to have a guaranteed income, profits, and additional dividends.

Incidentally, the Department of Justice has apparently pounced on the implications of a private partnership—in which one member, the A.T. & T., would be the biggest corporation in the United States—and two members would have their own large manufacturing subsidies. Just to have the record clear, the Justice Department has spelled out the antitrust precautions it thinks should apply in case the negotiations go through for A.T. & T. and its partners. However, FCC seems to take Justice's suspicions lightly.

There is still time for Congress to consider the whole matter of private ownership versus governmental control of this new satellite system—a system which 15 years from now will be a $100 billion a year business.

This is no routine matter to be decided by a regulatory agency, and I do not feel that it should be treated as such. Not only is there a big question mark here as regards possible future monopoly of space communications, but in my opinion the success of our race with the Soviets to put the first man on the moon may well hinge on what is decided in the next few weeks about whether private industry or Uncle Sam controls our basic worldwide satellite communications system.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 18, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, DD., offered the following prayer:

St. John 16: 33: *In the world ye shall have tribulation; but be of good cheer, I have overcome the world.*

Most merciful and gracious God, who art daily challenging us with many glorious opportunities to serve our beloved country, grant that each may do so to the extent of his ability and all with equal fidelity.

Inspire us with a patriotism that never wavers and a courage that never falters as we strive to fulfill the high and holy mission with which we have been entrusted.

May we authenticate the glory and grandeur of the lofty ideals and principles of our Republic by manifesting these in our personal conduct and in our creed as a peace-loving nation, seeking the welfare of all mankind.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 16, 1961:

H.R. 1346. An act for the relief of John Napolis;

H.R. 4327. An act to amend section 714 of title 32, United States Code, to authorize certain payments of deceased members' final accounts without the necessity of settlement by General Accounting Office;

H.R. 4940. An act relating to duty-free imports of Philippine tobacco;

H.R. 5178. An act for the relief of the Reynolds Feal Corp., New York, N.Y., and the Lydick Roofing Co., Fort Worth, Tex.; and

H.R. 6094. An act to amend section 4 of the Employment Act of 1946.

On June 21, 1961:

H.R. 1293. An act for the relief of Djura Zelenbaba;

H.R. 1360. An act for the relief of Anna B. Prokop;

H.R. 1467. An act for the relief of Modesta Pitarch-Martin Dauphinais;

H.R. 1508. An act for the relief of Mary A. Combs;

H.R. 1523. An act for the relief of Kazimiera Marek;

H.R. 1572. An act for the relief of Mrs. Sato Yasuda;

H.R. 1578. An act for the relief of Mah Quock;

H.R. 1621. An act for the relief of Miss Kristina Voydanoff;

H.R. 1622. An act for the relief of Dr. George Berberian;

H.R. 1871. An act for the relief of Min Ja Lee;

H.R. 1873. An act for the relief of Anna Stanislawa Ziolo;

H.R. 1886. An act for the relief of Panagiotis Sotiropoulos;

H.R. 2101. An act for the relief of Evelina Scarpa;

H.R. 2107. An act for the relief of Pietro DiGregorio Bruno;

H.R. 2116. An act for the relief of Wanda Ferrara Spera;

H.R. 2141. An act for the relief of Henry Wu Chun and Arlene Wu Chun;

H.R. 2158. An act for the relief of certain aliens;

H.R. 3489. An act for the relief of Bernard Jacques Gerard Caradec;

H.R. 3846. An act for the relief of M. Sgt. Louis Benedetti, retired;

H.R. 3850. An act for the relief of Clark L. Simpson;

H.R. 4217. An act for the relief of David Tao Chung Wang;

H.R. 4219. An act for the relief of the estate of William M. Farmer;

H.R. 4282. An act for the relief of Casimir Lazarz;

H.R. 4713. An act for the relief of Robert Burns DeWitt; and

H.J. Res. 437. Joint resolution relating to the time for filing a report on renegotiation by the Joint Committee on Internal Revenue Taxation.

On June 27, 1961:

H.R. 311. An act to authorize the acceptance by the Government of gifts to be used to reduce the public debt;

H.R. 1877. An act relating to the effective date of the qualification of Plumbers Union Local No. 12 Pension Fund as a qualified trust under section 401(a) of the Internal Revenue Code of 1954, and for other purposes;

H.R. 5000. An act to authorize certain construction at military installations, and for other purposes; and

H.R. 7218. An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 3,000 officers and members.

On June 29, 1961:

H.R. 6713. An act to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal aid highway program, and for other purposes.

On June 30, 1961:

H.R. 1425. An act for the relief of Marian Walczyk and Marya Marek;

H.R. 1441. An act for the relief of certain aliens;

H.R. 1642. An act for the relief of Mrs. Lilyan Robinson;

H.R. 1677. An act for the relief of Elie Hara;

H.R. 1717. An act for the relief of Angelo Li Destri;

H.R. 1718. An act for the relief of Jaime E. Concepcion;

H.R. 1888. An act for the relief of Tomislav Lazarevich;

H.R. 2152. An act for the relief of Mrs. Francisca Hartman;

H.R. 2346. An act for the relief of Maria Cascarino and Carmelo Giuseppe Ferraro;

H.R. 2351. An act for the relief of Hans Hangartner;

H.R. 2671. An act for the relief of Giovanna Bonavita;

H.R. 2972. An act for the relief of Mrs. Cornelia Fales;

H.R. 2991. An act for the relief of Joseph Maz;

H.R. 3146. An act for the relief of Jozef Gromada;

H.R. 3283. An act to revise the boundaries and to change the name of Fort Vancouver National Monument, in the State of Washington, and for other purposes;

H.R. 4023. An act for the relief of Mieczyslaw Bajor;

H.R. 4201. An act for the relief of Evangelia Kurtales;

H.R. 4482. An act for the relief of Urszula Sikora, Radoslav Vulin, and Desanka Vulin;

H.R. 4913. An act to amend the act of August 7, 1946, relating to the District of Columbia Hospital Center to extend the time during which appropriations may be made for the purposes of that act;

H.R. 5416. An act to include within the boundaries of Joshua Tree National Monument, in the State of California, certain federally owned lands used in connection with said monument, and for other purposes;

H.R. 5475. An act to transfer a section of Blue Ridge Parkway to the Shenandoah National Park, in the State of Virginia, and for other purposes;

H.R. 5760. An act to revise the boundaries of the Scotts Bluff National Monument, Nebr., and for other purposes;

H.R. 5765. An act to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways;

H.R. 6027. An act to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes;

H.R. 6422. An act to add federally owned lands to, and exclude federally owned lands from, the Cedar Breaks National Monument, Utah, and for other purposes;

H.R. 7446. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates;

H.R. 7677. An act to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act;

H.R. 7712. An act making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes;

H.J. Res. 384. Joint resolution providing for acceptance by the United States of America of the agreement for the establishment of the Caribbean Organization signed by the Governments of the Republic of France, the Kingdom of the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America; and

H.J. Res. 465. Joint resolution making continuing appropriations for the fiscal year 1962, and for other purposes.

On July 6, 1961:

H.R. 1710. An act for the relief of Marinder Singh Somal;

H.R. 1860. An act for the relief of Jovenal Gornes Verano;

H.R. 4500. An act to donate to the heirs of Anthony Bourbonnais approximately thirty-six one-hundredths acre of land in Pottawatomie County, Okla.; and

H.R. 5723. An act to extend the veterans' guaranteed and direct home loan program and to provide additional funds for the veterans' direct loan program.

On July 11, 1961:

H.R. 1575. An act for the relief of Mrs. Anneliese Franciska Guay;

H.R. 1602. An act for the relief of Ido Enrico Cassandro;

H.R. 1887. An act for the relief of Helen Tilford Lowery;

H.R. 2155. An act for the relief of Reoko Kawaguchi Moore;

H.R. 2156. An act for the relief of Mrs. Tui Hing Tow Woo;

H.R. 2165. An act for the relief of Marie F. Balish;

H.R. 2835. An act for the relief of Jose Lauchengco, Jr.;

H.R. 3371. An act for the relief of George Sauter (also known as Georgois Makkas);

H.R. 3732. An act for the relief of Maria Czyz Krupa;

H.R. 4636. An act for the relief of Ralph B. Cleveland; and

H.R. 4796. An act for the relief of Richard A. Hartman.

On July 14, 1961:

H.R. 1258. An act to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills, a joint resolution, and concurrent resolutions of the House of the following titles:

H.R. 929. An act to amend the Internal Revenue Code of 1954 to permit the prepaid dues income of certain membership organizations to be included in gross income for the taxable years to which the dues relate;

H.R. 1353. An act for the relief of Max Bleier;

H.R. 1477. An act for the relief of Mansureh Rinehart;

H.R. 1620. An act for the relief of Kejen Pi Corsa;

H.R. 1626. An act for the relief of Jack Konko;

H.R. 1911. An act for the relief of Ricaredo Bernabe Dela Cena;

H.R. 1915. An act for the relief of Mrs. Sode Hatta;

H.R. 2360. An act for the relief of Mrs. Tome Takamoto;

H.R. 4557. An act for the relief of Manuel Martinez-Lopez;

H.R. 5432. An act to make permanent certain increases in annuities payable from the civil service retirement and disability fund;

H.R. 5548. An act to authorize the Secretary of the Interior to acquire approximately 9 acres of land for addition to Cumberland Gap National Historical Park, and for other purposes;

H.J. Res. 392. Joint resolution to amend the joint resolution of March 25, 1953, relating to electrical and mechanical office equipment for the use of Members, officers, and committees of the House of Representatives to provide that Members having constituencies of 500,000 shall be entitled to an additional $500 worth of equipment; to increase the number of electric typewriters which may be furnished Members; and for other purposes;

H. Con. Res. 308. Concurrent resolution providing for additional copies of parts 1, 2, and 3 of hearings entitled "Communist Training Operations—Communist Activites and Propaganda Among Youth Groups";

H. Con. Res. 309. Concurrent resolution providing for additional copies of hearings

entitled "The Northern California District of the Communist Party—Structure—Objectives—Leadership";

H. Con. Res. 320. Concurrent resolution authorizing the printing of the inaugural addresses of the Presidents as a House document and providing for additional copies; and

H. Con. Res. 327. Concurrent resolution authorizing the printing of additional copies of House Document No. 198 of the 84th Congress, entitled "The Commission on Intergovernmental Relations."

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and concurrent resolutions of the House of the following titles:

H.R. 879. An act to amend title 38, United States Code, to provide increases in rates of disability compensation, and for other purposes;

H.R. 6611. An act to amend paragraph 1798(c) (2) of the Tariff Act of 1930 to reduce temporarily the exemption from duty enjoyed by returning residents, and for other purposes;

H. Con. Res. 311. Concurrent resolution providing for additional copies of House Document 336, 86th Congress, 2d session, entitled "Facts of Communism—Volume I, the Communist Ideology"; and

H. Con. Res. 342. Concurrent resolution authorizing the printing as a House document of the tributes extended to the Honorable SAM RAYBURN, and providing for additional copies.

The message also announced that the Senate had passed bills and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 320. An act to amend the provisions contained in part II of the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce within a State;

S. 333. An act for the relief of Godofredo M. Herzog;

S. 763. An act to authorize annual appropriation to reimburse Commodity Credit Corporation for net realized losses sustained during any fiscal year in lieu of annual appropriations to restore capital impairment based on annual Treasury appraisals, and for other purposes;

S. 1054. An act for the relief of Huan-pin Tso;

S. 1070. An act to amend the Federal Employees' Group Life Insurance Act of 1954, as amended, so as to provide for an additional unit of life insurance;

S. 1088. An act for the relief of Ivan Balog;

S. 1205. An act for the relief of Roger Chong Yeun Dunne;

S. 1305. An act for the relief of Kazuo Ito and Satomi Ito;

S. 1459. An act to amend the provisions of law relating to longevity step increases for postal employees;

S. 1492. An act to amend the act of March 24, 1948, which establishes special requirements governing the selection of superintendents of national cemeteries;

S. 1527. An act for the relief of James D. Jalili;

S. 1716. An act for the relief of Dr. Alexander Corpacius;

S. 1775. An act to authorize the Secretary of the Interior to expend appropriated funds to acquire approximately 12 acres of land for the Richmond National Battlefield Park, and for other purposes;

S. Con. Res. 29. Concurrent resolution authorizing attendance of delegations from the Senate and House of Representatives at meeting of the Commonwealth Parliamentary Association; and

S. Con. Res. 31. Concurrent resolution relating to certain aliens.

APPROPRIATIONS FOR GENERAL GOVERNMENT MATTERS, 1962

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes, with the Senate amendments thereto, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? The Chair hears none, and appoints the following conferees: Messrs. ANDREWS, GARY, CANNON, FENTON, and TABER.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1962

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 726)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11, 21, 29, 30, 34, and 36.

That the House recede from its disagreement to the amendments of the Senate numbered 16, 18, 20, 24, 25, 26, 31, 32, 33, and 40, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: "a total of $100,000 for"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$77,311,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$55,352,500"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$35,053,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$35,553,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$58,020,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$59,590,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,464,500"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$9,360,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$8,748,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,740,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$33,299,500"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$175,000,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$132,500,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,590,500"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amend-

ment insert "$1,028,500"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 5, 17, 19, 22, 23, 35, and 38.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
H. CARL ANDERSEN,
JOHN TABER,
Managers on the Part of the House.

RICHARD B. RUSSELL,
CARL HAYDEN,
LISTER HILL,
A. WILLIS ROBERTSON,
ALLEN J. ELLENDER,
MILTON R. YOUNG,
KARL E. MUNDT,
HENRY DWORSHAK,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF AGRICULTURE

Agricultural Research Service

Amendment No. 1—Salaries and expenses: Provides a maximum of $100,000 for conversion of research facilities at Beltsville, Md., instead of $50,000 as proposed by the House.

Amendment No. 2—Research: Appropriates $77,311,000 instead of $76,558,000 as proposed by the House and $78,015,500 as proposed by the Senate. The amount agreed to includes the following increases above funds approved by the House:

(1) $10,000 to expand research on dodder;

(2) $25,000 to accelerate research on the cucumber beetle;

(3) $15,000 to accelerate research on sugarbeets;

(4) $25,000 to study the feasability of special engineering research on mechanical aids in the harvesting of citrus crops and report the findings to the Committees on Appropriations of the two Houses;

(5) $20,000 to strengthen research on crown rot and bacterial diseases affecting peach production in North Carolina and South Carolina;

(6) $20,000 to expand research on windbreak shrubs at Cheyenne, Wyo.;

(7) $60,000 to accelerate research on rust strains affecting wheat, oats, and barley;

(8) $50,000 to step up research on wheat breeding and quality studies;

(9) $150,000 to accelerate research on air-sac diseases of broilers and turkeys;

(10) $35,000 to strengthen soybean breeding, basic physiology and nodulation research;

(11) $200,000 to institute research on the southwest range hydrology watershed. The transfer of $25,000 to this facility will provide $225,000 each for this facility and the north central hydrology research watershed;

(12) $5,000 for housing of research machinery and equipment at Madison, S. Dak.;

(13) $5,000 for drainage research at East Franklin, Vt. In addition, not to exceed $15,000 of the contingency research fund may be used to complete terracing, subsurface drainage, and instrumentation at this location;

(14) $30,000 to accelerate research on saltcedars and other phreatophytes;

(15) $37,500 to restore funds for soil and water research at Morris, Minn.

(16) $65,500 to provide full operating funds for soil and water conservation laboratories at Tempe, Ariz.; Oxford, Miss.; Boise, Idaho; and Watkinsville, Ga.

Amendment No. 3—Plant and animal disease and pest control: Appropriates $55,352,500 instead of $55,165,000 as proposed by the House and $55,540,000 as proposed by the Senate. The increase includes $87,500 for plant quarantine work at ports of entry and $100,000 for eradication of sheep scabies.

Amendment No. 4—Special foreign currency program: Reported in disagreement.

Amendment No. 5—Construction of facilities: Reported in disagreement.

Amendments Nos. 6 and 7—State experiment stations: Appropriate $35,553,000 instead of $34,553,000 as proposed by the House and $36,553,000 as proposed by the Senate. The conferees request and expect that the additional $1 million will be used to step up the research program on weed investigations.

Extension Service

Amendments Nos. 8 and 9—Payments to States and Puerto Rico: Appropriate $59,590,000 instead of $58,790,000 as proposed by the House and $59,790,000 as proposed by the Senate.

Amendment No. 10—Federal Extension Service: Appropriates $2,464,500 instead of $2,452,000 as proposed by the House and $2,477,000 as proposed by the Senate.

Soil Conservation Service

Amendment No. 11—Flood prevention: Appropriates $25,000,000 as proposed by the House instead of $22,231,500 as proposed by the Senate.

The conferees are in agreement that of the funds provided for watershed protection, a total of $6 million may be used for investigations and planning if determined to be necessary. This is in addition to some $1.5 million expected to be expended by States and local organizations for watershed planning purposes.

Economic Research Service

Amendment No. 12—Salaries and expenses: Appropriates $9,360,000 instead of $9,049,000 as proposed by the House and $9,364,000 as proposed by the Senate. The sum of $11,000 is provided for studies on coffee produced in the Kona district of Hawaii.

Statistical Reporting Service

Amendment No. 13—Salaries and expenses: Appropriates $8,748,000 instead of $8,688,000 as proposed by the House and $8,978,000 as proposed by the Senate. The increase over the House bill includes $15,000 for a special study and report on the practicability and feasibility of a timber price reporting service, including firm estimates on the costs involved and the proper method of financing the project; i.e., whether or not it should be financed from funds available to the Forest Service. The increase also includes $45,000 to expand cattle-on-feed reports; those proposed for Nebraska have been omitted.

Agricultural Marketing Service

Amendment No. 14—Marketing research: Appropriates $4,740,000 instead of $4,515,000 as proposed by the House and $4,870,000 as proposed by the Senate. The amount agreed to includes the following increases over the House bill:

(1) $130,000 to develop plans and specifications for a research facility for peanuts and to accelerate marketing research on peanuts;

(2) $10,000 for research on maintenance of quality in citrus;

(3) $10,000 to study methods for gaging maturity of apples;

(4) $75,000 for a marketing research project in Boston, Mass.

Amendment No. 15—Marketing services: Appropriates $33,299,500 instead of $33,187,000 as proposed by the House and $33,370,000 as proposed by the Senate. The increase over the House bill includes:

(1) $50,000 for administration of the Packers and Stockyards Act. The conferees concur in the Senate recommendation that the Secretary establish a separate agency for enforcement of this act, reporting directly to an Assistant Secretary;

(2) $50,000 to strengthen supervision of U.S. grain grading;

(3) $12,500 for the Midwest carlot meat trades reports, such amount to be matched by funds from State or private sources.

Amendment No. 16—Payments to States and possessions: Appropriates $1,325,000 as proposed by the Senate instead of $1,400,000 as proposed by the House.

Amendment No. 17—School lunch program: Reported in disagreement. The managers on the part of the House intend to offer a motion to earmark an additional $10 million for commodity purchases under section 6 of the School Lunch Act, $2,500,000 of which may be used to furnish special assistance where essential to provide a school lunch program. Since this is an experimental project, the Committees on Appropriations of the two Houses should be kept currently advised of developments in the program.

Foreign Agricultural Service

Amendment No. 18—Salaries and expenses: Authorizes $35,000 for representation allowances as proposed by the Senate in lieu of $30,000 as proposed by the House.

Amendment No. 19—Special foreign currency program: Reported in disagreement.

Commodity Exchange Authority

Amendment No. 20—Salaries and expenses: Appropriates $1,007,000 as proposed by the Senate instead of $1 million as proposed by the House.

Commodity Stabilization Service

Amendment No. 21—Agricultural conservation program: Eliminates language proposed by the Senate relative to use of unexpended balances.

Amendments Nos. 22 and 23—Agricultural conservation program: Reported in disagreement.

Amendment No. 24—Special agricultural conservation program: Appropriates $18,500,000 as proposed by the Senate instead of $15 million as proposed by the House. The conferees direct, however, that the additional $3,500,000 be placed in reserve by the Bureau of the Budget pursuant to section 3679 of the Revised Statutes, to be released only in such amounts and at such time as may become necessary to carry out program operations.

Amendments Nos. 25 and 26—Conservation reserve programs: Appropriate $312 million as proposed by the Senate instead of $300 million as proposed by the House, and adjust administrative funds as proposed by the Senate.

Rural Electrification Administration

Amendments Nos. 27 through 30—Loan authorizations: Provide $245 million for rural electrification loans as proposed by the Senate, $70 million of which is placed in a contingency reserve as proposed by the House, and provide $162,500,000 for rural telephone loans as proposed by the Senate, $30 million of which is placed in a contingency reserve as proposed by the House.

Farmers Home Administration

Amendment No. 31—Loan authorizations: Authorizes $40 million for farmownership loans as proposed by the Senate instead of $31,900,000 as proposed by the House.

Amendments Nos. 32 and 33—Loan authorizations: Authorize $275 million for farm operating loans as proposed by the Senate. The conferees direct that the additional

amount provided under Amendment No. 32 be placed in reserve by the Bureau of the Budget to be handled in the same manner as the contingency fund provided under Amendment No. 33.

Amendment No. 34—Salaries and expenses: Appropriates $33,017,000 as proposed by the House instead of $33,167,000 as proposed by the Senate.

Office of the General Counsel

Amendment No. 35—Salaries and expenses: Reported in disagreement. The managers on the part of the House intend to offer a motion to concur in the provision inserted by the Senate with the understanding that this is temporary language under which only temporary increases in staff may be made.

Office of the Secretary

Amendment No. 36—Salaries and expenses: Appropriates $3,096,000 as proposed by the House instead of $3,103,500 as proposed by the Senate.

Office of Information

Amendment No. 37—Salaries and expenses: Appropriates $1,590,500 instead of $1,584,000 as proposed by the House and $1,597,000 as proposed by the Senate.

Amendment No. 38—Centennial observance of Agriculture: Reported in disagreement.

Library

Amendment No. 39—Salaries and expenses: Appropriates $1,028,500 instead of $1 million as proposed by the House and $1,057,000 as proposed by the Senate.

Commodity Credit Corporation

Amendment No. 40—Limitation on administrative expenses: Provides $47,916,000 for administrative costs as proposed by the Senate instead of $47,500,000 as proposed by the House.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
H. CARL ANDERSEN,
JOHN TABER,
Managers on the Part of the House.

Mr. WHITTEN. Mr. Speaker, it takes so few, 12 percent, to produce food, clothing, and shelter for the rest of us, that the rest of us, 88 percent, provide the highest standard of living for all of us.

In that short statement lies the secret of our wonderful standard of living. Also in those few words, "It takes so few of us," is found the underlying cause of most of our present farm problems and an invitation for even greater ones for the future because the appeal by the press and by political leaders will be to the 88 percent, the nonfarm group.

Truly when the press says "$7 billion have been provided to run the Department of Agriculture" for the next year, it is evident what agriculture is up against.

Such a statement is completely misleading. The figure used includes cost of last year's foreign aid, and funds heretofore expended for numerous nonfarm programs, for the soil bank of 4 years ago, which was no good to start with but on which we are "hooked" with outstanding contracts.

Such a figure also includes the total amount authorized for loans which will be repaid with interest. Whoever heard of any responsible person contending that the sound loans of a bank should be charged up as an annual cost of operation? Only the American farmer takes such a beating before the public.

Such a statement also ignores the more than $1 billion the Department takes in each year, which goes into the general fund of the Treasury.

I would point out that only $1.4 billion in the bill is for research, extension, protection against diseases and pestilence, soil conservation, watershed protection, school lunch, and other programs for primary protection to agriculture for the good of all. It is to the farmers we must look for food, clothing, and shelter.

Seven hundred and twenty-five million dollars of the amount in the bill is for loans which will be repaid in full with interest; $312 million is to pay off previous contractual commitments made under the soil bank; $170 million is for school lunch.

More than $3 billion in the bill is to reimburse the Commodity Credit Corporation for expenditures made for various foreign assistance and other special programs, plus price support costs of last year, for which our committee had to pick up the tab.

Mr. Speaker, it is my belief that the administration's farm bill is hardly a cure. Frankly, to me it appears to be a grant of authority.

Despite defects in the present farm program, a comparison of its cost with costs passed to the consumer as part of the retail price by labor and industry as a result of protective laws is small indeed.

The farmer receives only 38 cents of the consumer's dollar spent for farm products. Even with all elements of cost that are paid by the consumer and by the Government, including the 163 percent markup after products leave the farmer's hands, food and fiber still remain the best bargain the American public receives.

I am particularly pleased that funds have been provided in this bill for increased attention to quarantine service, meat and poultry inspection, research and extension work, and disease and pest control. To stay ahead of insects, disease, and pestilence requires an all-out and continuous effort.

I am glad, too, that we were able to increase the school lunch funds to provide for an increasing school population.

Also, our conferees are gratified that we were able to provide increased funds for new soil conservation districts and for watershed protection and flood prevention programs. We are especially happy that we were able to get the Senate conferees to back up on their cut of $2,768,500, in flood prevention and to agree to restore half of the $1 million cut in planning funds for watershed protection. If these funds had not been restored, the Senate cut would have adversely affected perhaps the best investment the Federal Government makes in the future of our Nation.

The bigger our debt, the greater our problems, the more imperative it is that we keep a nation strong at home. We must protect our food supply.

Mr. Speaker, I am inserting a summary table which sets forth and compares the budget estimates, amounts passed by both Houses, and final conference action for the appropriations and loan authorizations contained in the bill.

Summary of agriculture appropriation bill, fiscal year 1962 (H.R. 7444)

Title or item	Budget estimate (revised)	Passed House	Passed Senate	Conference action	Conference action compared with—		
					Budget estimates	House	Senate
Appropriations:							
Title I.—Regular activities	$1,409,835,000	$1,378,906,000	$1,397,897,500	$1,397,934,500	−$11,900,500	+$19,028,500	+$37,000
Title II.—Foreign assistance programs	1,709,849,000	1,600,000,000	1,600,000,000	1,600,000,000	−109,849,000		
Title III.—Corporations	2,969,525,000	2,969,525,000	2,969,525,000	2,969,525,000			
Title IV.—Related agencies	35,000	35,000	35,000	35,000			
Total appropriations	6,089,244,000	5,948,466,000	5,967,457,500	5,967,494,500	−121,749,500	+19,028,500	+37,000
Loan authorizations:							
Rural Electrification Administration:							
Electrification loans:							
Direct authorization	195,000,000	125,000,000	195,000,000	175,000,000	−20,000,000	+50,000,000	−20,000,000
Contingency authorization		70,000,000	50,000,000	70,000,000	+70,000,000		+20,000,000
Total	195,000,000	195,000,000	245,000,000	245,000,000	+50,000,000	+50,000,000	
Telephone loans:							
Direct authorization	150,000,000	120,000,000	150,000,000	132,500,000	−17,500,000	+12,500,000	−17,500,000
Contingency authorization		30,000,000	12,500,000	30,000,000	+30,000,000		+17,500,000
Total	150,000,000	150,000,000	162,500,000	162,500,000	+12,500,000	+12,500,000	
Total, REA loans	345,000,000	345,000,000	407,500,000	407,500,000	+62,500,000	+62,500,000	

Summary of agriculture appropriation bill, fiscal year 1962 (H.R. 7444)—Continued

Title or item	Budget estimate (revised)	Passed House	Passed Senate	Conference action	Conference action compared with—		
					Budget estimates	House	Senate
Farmers Home Administration:							
Farm ownership loans	$31,900,000	$31,900,000	$40,000,000	$40,000,000	+$8,100,000	+$8,100,000	
Farm operating loans:							
Direct authorization	232,100,000	225,000,000	237,500,000	237,500,000	+5,400,000	+12,500,000	
Contingency authorization		25,000,000	37,500,000	37,500,000	+37,500,000	+12,500,000	
Total	232,100,000	250,000,000	275,000,000	275,000,000	+42,900,000	+25,000,000	
Soil and water conservation loans	3,000,000	3,000,000	3,000,000	3,000,000			
Total, FHA loans	267,000,000	284,900,000	318,000,000	318,000,000	+51,000,000	+33,100,000	
Total, loan authorizations	612,000,000	629,900,000	725,500,000	725,500,000	+113,500,000	+95,600,000	

Mr. ANDERSEN of Minnesota. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ANDERSEN of Minnesota. Mr. Speaker, I have listened with interest to the remarks of the gentleman from Mississippi [Mr. WHITTEN] and wish to commend him for his statements.

Mr. Speaker, our Subcommittee on Agriculture Appropriations has spent many days in hearings, developing all of the information which is necessary in order to render fair judgment on these matters. We had over 300 witnesses appear before us in those hearings and the information and testimony filled some 2,200 pages in the report. We on the committee made a searching inquiry into each and every one of the items in this bill, during the hearings.

As one of the five conferees from the House chosen to meet with the conferees from the Senate, I would like to say that this report of the conferees represents our combined decisions. Some of us felt that additional adjustments should have been made in a few items, but the will of the majority has prevailed, and I am giving my support to the bill as reported even though I, like other members of the conferees' committee, have not in every instance had my way.

This bill represents a compromise. It represents the group judgment of men who have literally lived with the agriculture buget in recent months. They are able men and they represent a complete range of interests from consumers to producers of various commodities.

What the future will bring in the way of new legislation and new programs, no one knows. It is, therefore, of vital importance to American agriculture, to farm people, to the food and fiber processing industries, and to the public as a whole that we properly and adequately finance the farm programs now in being and provide for the continuation of such vital matters as research, conservation, disease eradication, and school lunch programs.

The American consumer is better fed than ever before in our history, and at a lower cost in relation to hourly earnings than ever before. American agriculture has eliminated, here in America, mankind's oldest anxiety—the fear of hunger and famine. Yet agriculture, in the minds of many, is associated with the word "surplus" or "subsidy" rather than with the word "success" or "efficiency."

We must continue to make every effort to see that there is sufficient production of food and fiber to supply our Nation in the years ahead, through more effective distribution of our tremendous production; through adequate disease and pest control research; through utilization of our agricultural production with special concern for our schoolchildren and our needy.

We must assure the efficient farmers of this Nation the opportunity to achieve a decent income, without exploiting either the consumers or taxpayers, through continuation of present farm programs until better ones are enacted; through continuation and expansion of conservation of soil and water; through research aimed at control or elimination of the enormous toll taken yearly by diseases of plants, animals and poultry; through price supports for the production of agricultural commodities where needed.

At the moment we have more land than we need. Our granaries are overflowing with surplus crops in spite of land-retirement programs. But let us look at the world in which we live. In 1830, only 130 years ago, there were a billion people on this earth. In 1935 the world population had increased to 2 billion. Today the population is 3 billion, and in only 5 more years the population of the world will reach 4 billion. We are increasing at the rate of 2½ million every 10 days. The whole problem of our ability to produce in the future rests primarily with our water and soil resources and our ability to use them wisely.

In the combination of research, field experimentation, conservation, and utilization lies the hope of meeting the Nation's agricultural needs of the future.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: Page 5, line 8, strike out lines 8 to 21 inclusive and insert: "For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for market development research authorized by section 104(a), and for agricultural and forestry research authorized by section 104(k) of that Act, to remain available until expended, $5,265,000: *Provided*, That the dollar value of the unexpended balances, as of June 30, 1960, of allocations of foreign currencies heretofore made available to the Agricultural Research Service for the foregoing purposes of section 104(a) is appropriated as of that date and shall be merged with this appropriation: *Provided further*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concure therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: Page 6, line 20, insert: ": *Provided*, That the Secretary may purchase land at a price not in excess of $10 for construction of facilities at Columbia, Missouri."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 5 and concur therein.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. About how much did the Senate add to the bill?

Mr. WHITTEN. Nineteen million dollars.

Mr. HOFFMAN of Michigan. Nineteen million dollars?

Mr. WHITTEN. Nineteen million dollars, which is $121 million below the budget.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: Page 16, line 18, strike out lines 18 to 25, inclusive, and on page 17 strike out lines 1, 2, and 3.

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 17 and concur therein with an amendment, as follows: In lieu of the matter stricken by the Senate insert the following: ": *Provided further*, That $10,000,000 of this appropriation shall be available for assistance under section 6 of the National School Lunch Act, in addition to amounts normally expended for commodity procurement under that section, $2,500,000 of which may be distributed to provide special assistance to needy schools which because of poor local economic conditions (1) have not been operating a school lunch program or (2) have been serving free or at substantially reduced prices at least 20 percent of the lunches to the children".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: Page 18, line 3, strike out lines 3 to 15, inclusive, and insert:

"For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes of market development activities under section 104(a) of that Act, $3,444,000, to remain available until expended: *Provided*, That the dollar value of the unexpended balances, as of June 30, 1960, of allocations of foreign currencies heretofore made available to the Foreign Agricultural Service for the foregoing purposes of section 104(a) is appropriated as of that date and shall be merged with this appropriation: *Provided further*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 19 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 22: Page 21, line 14, insert "including related wildlife conserving practices."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 23: Page 21, line 16, insert: "except that hereafter not to exceed 15 per centum of the basic allocation for any State may be used to increase the State's preceding program,".

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 23 and concur therein with an amendment as follows: In lieu of the figure "15" contained in said amendment insert the figure "10."

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. I have not read the report, as perhaps I should have, but did the House recede every time?

Mr. WHITTEN. No. The Senate receded quite a number of times. The ones that we are taking up here now are those where we disagreed with the Senate. Of course, we had to reach some agreement.

Mr. HOFFMAN of Michigan. The House receded sometimes?

Mr. WHITTEN. My attention is called to the fact that the House receded on 10 out of 40 amendments.

Mr. HOFFMAN of Michigan. Would it save any time if we let the Senate write the bill?

Mr. WHITTEN. I have sometimes wondered, if they wrote it, whether they might "up" everything; but at least we held it down to where we receded on 10 out of 40 items, which is not a bad batting average, based on my own experience.

Mr. HOFFMAN of Michigan. Let me compliment the gentleman on winning at least one victory, if we did.

Mr. WHITTEN. I thank the gentleman.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 35: Page 28, line 21, "*Provided*, That the Secretary may, if he finds it necessary for the more effective and efficient operation of the Department, transfer additional amounts to this appropriation from other appropriations available to the Department for salaries and expenses for the current fiscal year, but this appropriation shall not be increased by more than 7 per centum by reason of such transfers."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate No. 35 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 38: Page 30, line 16:

"CENTENNIAL OBSERVANCE OF AGRICULTURE

"SALARIES AND EXPENSES

"For expenses necessary for planning, promoting, coordinating, and assisting participation by industry, trade associations, commodity groups, and similar interests in the celebration of the centennial of the establishment of the Department of Agriculture; and employment pursuant to section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); $100,000, including not to exceed $20,000 for additional printing costs of the 1962 Yearbook of Agriculture, to remain available until December 31, 1962."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate No. 38 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

NATIONAL LOTTERY OF DENMARK

Mr. FINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, I would like to point out to the Members of this House the benevolent influence of the National Lottery of Denmark.

Denmark, like the other nations of Scandinavia, has reduced gambling to an orderly minimum by complete state control. There is no underworld problem, and illegal betting is not the source of difficulty to the police that it is in most other nations.

The gross annual receipts of the Danish National Lottery came to $6 million in 1960, and profits were applied to the general fund of the treasury.

Perhaps the greatest blessing of the Danish National Lottery, as has been indicated, is the effect it has on the underworld. State control of gambling has struck at a pillar of organized crime. Here in the United States, we could derive a similar social profit, in addition to a financial profit, from the institution of a national lottery.

FREE AIR PASSENGER SERVICE FOR AMERICAN TAXPAYERS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I take this opportunity to urge all American taxpayers who want to fly to Europe to contact the Air Force to arrange free passenger service in the same way Pierre Salinger and his daughter went to Europe on June 30.

In response to an inquiry, Air Force Secretary Zuckert tells me that Salinger and his daughter made the trip to Europe on a "space available" basis along with other nonofficial tourists. Zuckert

claims the space would have gone unused had not Salinger, his daughter, and the others taken it.

Mr. Speaker, the Salinger daughter has no connection with the Government, and I suggest all American taxpayers and their families should be allowed to take advantage of this no-cost tourist service across the Atlantic. Apparently the "space available" free-flight line forms on the left at the Air Force ticket counter.

FREE PASSENGER SERVICE TO MEMBERS OF CONGRESS

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker—may I have the attention of the gentleman from Iowa [Mr. GROSS]—what was said here a moment ago is all very well, but I do not want to go to Europe. I want to go to Newfoundland. There is fine salmon fishing there and I have heard indirectly that Members of Congress can go there every weekend by Government plane. Then if they pay a little something for private transportation to some of the streams, they can get very good salmon fishing. Will the gentleman advise me by communication with my office because I do not want all the Members in on this, how we can get up there?

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. Wait a minute. I do not want this made public. My constituents would not approve of it. They believe we should not use tax dollars for personal pleasure and so do I.

TRANSPORTATION ABROAD

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS. Mr. Speaker, may I say to the gentleman from Iowa that a better way to get transportation abroad if he could arrange it would be the way Secretary Benson used to do it for his whole family, in a special, private plane with no other people except Secretary Benson, his family, and certain selected newspaper reporters.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Iowa.

Mr. GROSS. If I had had my way, Mr. Benson would not have been around to spend $227,000 on that.

Mr. HAYS. It is too bad the gentleman did not have his way, but he seemed to be a minority in his own party when Mr. Benson was around.

BOYS NATION

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, there is much in the newspapers and in the public mind on juvenile delinquency. I do not think we hear enough on the other, the bigger and the brighter side.

It is a matter of great pride that I announce to the House that James Nicholas Alexander, a young man from the district I have the honor to represent, was one of two young men chosen statewide to represent the great State of Illinois at the Boys Nation to be convened in Washington this week. The other young man is J. Stephen Hogland of Riverside, Ill. These two young men were selected as possessing the highest qualifications as model citizens of all the youth in our great State.

This is the sort of thing that more accurately reflects the high moral character of the modern youth of America than sensational stories of the misdeeds of delinquents, who, I hope and believe, always will be in a great minority in our United States of America.

James Nicholas Alexander is the son of Mr. and Mrs. Nicholas Alexander, residing at 7325 South Luella Avenue, Chicago, not only in the district that I represent but in the ward in which I have lived for half a century. He will be a senior at South Shore High School this fall. He has been active in all the school activities and has been president of the student council of one of the outstanding high schools in Chicago. He, with J. Stephen Hogland, were among the 1,400 Illinois high school juniors who gathered at the Boys State in Illinois, a youth activity sponsored by the American Legion for the purpose of acquainting the boys with the functioning of government on the local, county, and State level and instructing them in the duties and responsibilities accompanying the right of citizenship. Of this 1,400, young Alexander and young Hogland were selected to represent Illinois at the Boys Nation in Washington, at which there will be two boys from each of the other States of the Union selected in similar manner. As his Congressman, I am very proud of Jim Alexander. He has brought honor and distinction to the Second Congressional District, has set a pattern in deportment, morality, and patriotism.

I cannot close without expressing my thanks to the American Legion for what it is doing in its work of encouraging American youth to reach the highest traditions of our country. There is no project in the youth field that is reaching more deeply and more effectively into the problem of juvenile delinquency than this project of the American Legion. It is based upon the principle that youth can be encouraged by the setting of high ideals. This is a much better way than that of scolding and chiding.

FOREIGN AID

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Speaker, during the past 6 years the Congress reduced the President's requests for foreign aid funds by an aggregate of $4,565 million. During that same period the executive branch overstated the needs for the program by at least an additional $1,535 million, because that is the total amount of unobligated funds for the 6 years. Their misleading information, calculated misrepresentation, and gross lack of knowledge of the program's needs and operations now prompt the people handling foreign aid to try to get their funds directly out of the Treasury without the scrutiny of the appropriate congressional committees.

These people claim that borrowing authority, through the backdoor of the Treasury, would not weaken or lessen congressional control of the program. This is flatly misstating the facts, and those who are making these misrepresentations know that it is.

If this approach is correct, why not put the Defense Department, for example, on the same basis?

If the Congress ever releases the purse-strings to the executive branch, in the manner that is now being sought for foreign aid, the action could prove to be a direct path to socialism, or to an indirect form of dictatorship.

May the Supreme Power, at this crucial moment, give our leaders and the manipulators the courage and the sober sense of fairplay to withdraw immediately their unsound proposal to expend funds for the worldwide foreign aid program without the committees of the Congress having the right of examination and recommendation of the amounts needed, as under the present law.

I suggest, Mr. Speaker, it appears that the embarrassment, extravagance, waste, and abandoned projects have become so great that the dreamers and the schemers must think that unless they can hoodwink the people through this new approach, then the program would fall of its own weight, and in that process also lead to the repudiation of those people who so blandly follow bureaucratic whims from downtown.

Mr. Speaker, the great leader that you have been for so many years, can you not justify coming to the rescue of the Congress at this time, and helping it to maintain some degree of respectability from the American public? Is it not true, Mr. Speaker, that it is contrary to the Constitution and our concepts of the legislative duty and function, for the executive branch—without any legislation, or even a partial authorization, much less an appropriation—to be making such commitments, a billion to this country, a billion to that country, and hundreds of millions to

other countries? They are, through such plans, moving toward making a mockery of this legislative body that all of us love.

Let me add that if the present administration succeeds in getting the foreign-aid money through the back-door approach, when Mr. and Mrs. America finally realize what has happened to them, and to generations to follow, then in all probability there might very well be a mass involuntary retirement of members from the Congress.

INTERNATIONAL CULTURAL EXCHANGE AND TRADE FAIR PARTICIPATION ACT OF 1956—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

In accordance with the provisions of section 9 of Public Law 860 of the 84th Congress, I transmit herewith for the information of the Congress the Ninth Semiannual Report of operations under the International Cultural Exchange and Trade Fair Participation Act of 1956.

JOHN F. KENNEDY.

THE WHITE HOUSE, *July 18, 1961.*

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

WORTHINGTON OIL REFINERS, INC.

The Clerk called the bill (H.R. 1414) for the relief of the Worthington Oil Refiners, Inc.

Mr. AVERY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

MRS. MAURICIA REYES

The Clerk called the bill (H.R. 3843) for the relief of Mrs. Mauricia Reyes.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Mauricia Reyes, the sum of $50,000. The payment of such sum shall be in full settlement of all claims of the said Mrs. Mauricia Reyes against the United States arising out of the personal injuries sustained by the said Mrs. Mauricia Reyes on November 29, 1949, at Brooke Army Hospital, San Antonio, Texas, as the result of the negligent administration of a caudal anesthetic. This claim is not cognizable under the Federal Tort Claims Act: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 11; Strike "negligent".

Page 2, line 3: Strike "10" and insert "5".

The committee amendments were agreed to.

Mr. AVERY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. AVERY: On page 1, line 5, strike out "$50,000" and insert "$20,000".

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. AVERY. Of course I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Has that amendment been agreed to?

Mr. AVERY. I would report to the majority leader that this amendment has been agreed to.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADOLPHE C. VERHEYN

The Clerk called the bill (H.R. 6158) for the relief of Adolphe C. Verheyn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212 (a) (9) and section 212(a) (19) of the Immigration and Nationality Act, Adolphe C. Verheyn may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

With the following committee amendments:

On page 1, line 8, strike out the words "this exemption" and substitute the words "these exemptions".

On page 1, line 9, strike out the words "a ground" and substitute the word "grounds".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCISCO JOAQUIM ALVES

The Clerk called the bill (H.R. 5138) for the relief of Francisco Joaquim Alves.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, the Attorney General is authorized and directed to cancel any outstanding order and warrant of deportation, warrant of arrest, and bonds, which may have issued in the case of Francisco Joaquim Alves. From and after the date of the enactment of this Act, the said Francisco Joaquim Alves shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued: *Provided,* That nothing in this Act shall be construed to waive the provisions of section 315 of the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. KAZUKO (WM. R.) ZITTLE

The Clerk called the bill (S. 331) for the relief of Mrs. Kazuko (Wm. R.) Zittle.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 212 (a) (4) of the Immigration and Nationality Act, Mrs. Kazuko (Wm. R.) Zittle may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided,* That if the said Mrs. Kazuko (Wm. R.) Zittle is not entitled to medical care under the Dependent's Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: *And provided further,* That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARIA GIOVANNA HOPKINS

The Clerk called the bill (S. 438) for the relief of Mrs. Maria Giovanna Hopkins.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of the Immigration and Nationality Act, Mrs. Maria Giovanna Hopkins shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 20, 1950, and her residence in the United States since July 20, 1950, shall be held and considered to meet the residence and physical presence requirements of section 316 of that Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGES KHOURY

The Clerk called the bill (H.R. 1322) for the relief of Georges Khoury.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Georges Khoury shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ZSUZSANNA REISZ

The Clerk called the bill (H.R. 1369) for the relief of Zsuzsanna Reisz.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212 (a) (4) of the Immigration and Nationality Act, Zsuzsanna Reisz may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act.

With the following committee amendment:

On page 1, at the end of the bill, change the period to a colon and add the following: "*Provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELSABETTA ROSA COLANGECCO DI CARLO

The Clerk called the bill (H.R. 1712) for the relief of Elsabetta Rosa Colangecco Di Carlo.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Elsabetta Rosa Colangecco Di Carlo, who lost United States citizenship under the provisions of section 401(e) of the Nationality Act of 1940, may be naturalized by taking prior to one year after the effective date of this Act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said Act. From and after naturalization under this Act, the said Elsabetta Rosa Colangecco Di Carlo shall have the same citizenship status as that which existed immediately prior to its loss.

With the following committee amendments:

On page 1, line 3 strike out the name "Elsabetta Rosa Colangecco Di Carlo" and substitute the name "Elizabeth Rose Di-Carlo".

On page 1, lines 11 and 12, strike out the name "Elsabetta Rosa Colangecco Di Carlo" and substitute the name "Elizabeth Rose Di-Carlo".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Elizabeth Rose Di-Carlo."

A motion to reconsider was laid on the table.

NICHOLAS J. KATSAROS

The Clerk called the bill (H.R. 1714) for the relief of Nicholas J. Katsaros.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Nicholas J. Katsaros shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of August 28, 1955.

With the following committee amendment:

On page 1, at the end of the bill, add the following: "Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH MICHAEL STAHL

The Clerk called the bill (H.R. 1715) for the relief of Joseph Michael Stahl.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205, of the Immigration and Nationality Act, Joseph Michael Stahl shall be held and considered to be the natural-born minor child of C. Richard Stahl, Junior, and Naomi Ruth Stahl, citizens of the United States: *Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HABIB MATTAR NACOL

The Clerk called the bill (H.R. 2616) for the relief of Habib Mattar.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Habib Mattar, shall be held and considered to be the natural-born alien child of Charles S. and Ida Mae Nacol, citizens of the United States: *Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment: On page 1, line 5, strike out the name "Habib Mattar" and substitute the name "Habib Mattar Nacol".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Habib Mattar Nacol."

A motion to reconsider was laid on the table.

CORNELIS JACOBUS OVERBEEKE

The Clerk called the bill (H.R. 3485) for the relief of Cornelis Jacobus Overbeeke.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Corneli. Jacobus Overbeeke shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RICHARD FORDHAM

The Clerk called the bill (H.R. 4384) for the relief of Richard Fordham.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of section 301(a) (7) and (b) of the Immigration and Nationality Act, Richard Fordham shall be held to have come to the United States prior to July 1, 1960.

With the following committee amendment:

On page 1, at the end of the bill, change the period to a comma and add the following: "and to have retained his United States citizenship acquired at birth."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VITO RECCHIA

The Clerk called the bill (H.R. 5141) for the relief of Vito Recchia.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Vito Recchia shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Vito Recchia. From and after the date of the enactment of this Act, the said Vito Recchia shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STEVEN MARK HALLINAN

The Clerk called the bill (H.R. 5735) for the relief of Steven Mark Hallinan.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Steven Mark Hallinan, shall be held and considered to be the natural-born child of Mr. and Mrs. James P. Hallinan.

With the following committee amendment:

On page 1, at the end of line 6, change the period to a colon and add the following: "*Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SECOND ANNUAL REPORT ON WEATHER MODIFICATION—FOR FISCAL YEAR 1960 (H. DOC. NO. 213)

The SPEAKER laid before the House the following message from the President of the United States; which was read, and together with accompanying papers referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed, with illustrations:

To the Congress of the United States:

I transmit herewith for the consideration of the Congress the Second Annual Report on Weather Modification (for Fiscal Year 1960) as submitted by the Director of the National Science Foundation.

JOHN F. KENNEDY.

THE WHITE HOUSE, *July 18, 1961.*

REORGANIZATION PLAN NO. 7

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that in the event a motion is made to discharge the Committee on Government Operations on the resolution disapproving Reorganization Plan No. 7, that the time for debate be extended from 1 hour to 2 hours, one-half to be controlled by the proponent of the motion and one-half by a Member designated by the Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SUPPLEMENTAL CAPITAL OF THE UNITED STATES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I have today introduced legislation authorizing the Speaker of the House of Representatives to appoint a select committee to make an investigation and study to determine whether a supplemental Capital of the United States should be established elsewhere in the country.

The resolution calls for the select committee to study and report to the House on the following:

First. Whether it is desirable for a supplemental Capital to be established;

Second. Whether the U.S. Capital should be removed to another point in the United States;

Third. Whether certain departments or agencies of our Government could be administered just as efficiently and well at places removed from the seat of the government;

Fourth. Determine what action, if any, should be taken concerning the removal of the Capital, or any of its agencies or functions, from the Capital area in Washington, D.C.

ONE WELL-PLACED BOMB

Many reasons have been advanced for a supplemental Capital, or at least a wide dispersal of Government agencies to other areas, but the one heard most often is that one well-placed bomb could knock out the entire Government.

Surely, it is time to consider whether our National Government now is so tightly concentrated as to become unwieldy. We should determine if this concentration has reached a saturation point or if it ever will.

There have been some proposals that the President maintain the Executive Mansion in one section of the Nation while Congress sits in another with the Supreme Court of the United States in still a third location. Others stoutly maintain that only nonpolicymaking agencies should be dispersed to other areas, keeping the Chief Executive, the Congress, the Supreme Court, and Departments headed by Cabinet officers in Washington, D.C.

We know our Government is big. We keep saying it is big, and it keeps getting bigger, and we know it is getting bigger. Under those circumstances, do you not think it is time we have some responsible group, like a select committee, make a study to determine what should be done for the good of our country and for good government?

MANY RESOLUTIONS

I have introduced a similar resolution in each Congress for many years. Resolutions have been introduced by others, and hundreds of thousands of words have been written on the subject for many years. We all know the problem of big government exists, so let us face the fact and do something about it.

My resolution does not select any area of the country for location of a supplemental Capital. It does not even recommend that a supplemental Capital should be established. It does call for a study with recommendations to be made by the select committee. If it is determined that a supplemental Capital should be established, it would be time, then, to decide on a site or sites.

REVOLVING LOAN AUTHORIZATIONS—THE BEST WAY TO MAINTAIN CONGRESSIONAL CONTROL OVER FOREIGN AID

The SPEAKER. Under the previous order of the House the gentleman from Pennsylvania [Mr. MOORHEAD] is recognized for 60 minutes.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include extraneous matter, charts, and tables.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I am strongly convinced that a proper solution of the foreign aid program is essential to the security of the United States and the entire free world. Therefore, although I do not purport to be an expert in the foreign aid program, I now seek recognition to present a proposal for a technique of financing the program which will, I believe, answer many of the objections to the present bill.

The strongest objections have been to the proposal for the Congress to grant long-term borrowing authority for economic development of the underdeveloped countries. These objections were described in the Sunday, July 9, 1961, edition of the New York Times in an article by Felix Belair, Jr., entitled "Foreign Aid's Hurdles," wherein he said:

Among these the scheme that has stirred the loudest and most general protest is an old idea—now revived—of financing repayable long-term economic development loans through Presidential authority to draw on

the Treasury for a total of $7,300 million in the 5 years ahead. * * *

The objection is directed not so much to the amount as the fact that it asks Congress—particularly the House—to abdicate its responsibility for making annual appropriations. The real objection here is, once authorized, the scheme would deprive Congress of its present power to call administrators to task and demand correction of wasteful and inefficient management.

Mr. Speaker, the people of Pittsburgh did not elect me to abdicate my responsibilities. They did not elect me to vote to deprive Congress of its present power to call administrators to task and demand correction of wasteful and inefficient management.

On the other hand, the people of Pittsburgh want me to support any program that will make a more efficient and economical use of the taxpayers' dollar. I am convinced that long-term borrowing authority is essential for the most efficient and economical use of our aid dollars. There are two major reasons for this: No amount of aid from the United States will help an underdeveloped country unless that country wants to help itself. If we are to persuade the recipient countries to adopt the long-term, self-help programs which are essential for them to succeed in their development efforts, it is vital for us to be able to make long-term commitments to them.

The second major reason for the necessity of long-term borrowing authority is that only if we have this form of aid can we persuade other industrialized countries to establish aid programs of their own. The development of the underdeveloped countries is too big and too expensive a job for the U.S. taxpayers to carry alone. Every effort should be made to persuade the other industrialized countries of the free world to participate. A long-term program by the United States is the best way to persuade these countries to make commitments to the underdeveloped countries. Other countries do not want to start or expand programs of their own without assurance that our program will continue. The annual appropriation method does not give this assurance. Long-term borrowing authority does.

Finally, long-term borrowing authority will result in the most efficient use of our own funds. As long as development loans are administered on an annual basis, there will be strong pressures to use available funds within the fiscal year without sufficient regard to the soundness of their use. Under such circumstances, aid dollars cannot accomplish as much as the American taxpayer has a right to expect of them.

Are these two positions irreconcilable? Must Congress decide either to give up the efficiencies and economies of long-term fnding on the one hand or, on the other hand, give up continuing congressional control over the foreign-aid program?

I think not. I think that the two positions can be reconciled.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. MOORHEAD of Pennsylvania. I yield to the gentleman from Massachusetts.

Mr. CONTE. As the gentleman knows, I have been a strong advocate of the foreign-aid program since my coming to the Congress 3 years ago. I want to compliment the gentleman from Pennsylvania for his well-prepared discussion today on this timely subject.

Mr. MOORHEAD of Pennsylvania. I thank the gentleman.

Mr. CONTE. I am quite concerned about the so-called long-term spending and backdoor borrowing. We had Secretary Rusk before our Committee on Appropriations on Foreign Operations. I asked him this question: Why cannot the administration do exactly the same thing by coming to the Congress and asking for a 5-year authorization bill with annual appropriations? You can go to Latin America, Africa, or Asia and tell them, "Here is the sense of the Congress; this is the policy of the Congress. It has passed a 5-year authorization bill." Past experience and the record will show that the Appropriations Committee has granted a very high percentage of what the administration has asked for, for foreign aid; therefore, the Congress under this proposal would not relinquish any of its authority to the executive branch of the Government. Then I said to the Secretary of State, "Let me give you an example." Last year in September the executive branch came to the Congress and asked for a half billion dollars for Latin America. Based on that authorization bill, officials of the State Department went down to Bogotá; they signed an agreement with 19 Latin American countries merely on an authorization bill. Then this year they came into the Congress and asked for a half million dollars in foreign aid for Latin America, which the Congress appropriated. It worked in this instance and I believe it can continue to work with a 5-year authorization, with annual appropriations. This is troublesome to me as a firm believer in keeping as much authority in the House of Representatives without relinquishing all of this power to the executive branch of the Government.

Mr. MOORHEAD of Pennsylvania. I concur with the objectives the gentleman has in mind. Congress should maintain control. If the gentleman will permit me, I will continue my statement and show how, under this proposal, ultimate control of foreign aid will be maintained in the Congress.

What am I proposing? I have a chart here in the well of the House which sets forth my proposal. This chart is as follows:

Proposal for foreign aid long-term borrowing authority

[Dollar amounts in billions]

Legislative years	Total new borrowing authority to be requested	Amount which could be paid out in loans by fiscal years									Cumulative total borrowing authority [1]	Cumulative borrowing authority as a percent of the administration request
		1962	1963	1964	1965	1966	1967	1968	1969	1970		
1961	$3.8	$1.6	$0.8	$0.6	$0.4	$0.4	------	------	------	------	$3.8	52
1962	2.5	------	.8	.6	.4	.3	$0.4	------	------	------	6.3	86
1963	1.8	------	------	.4	.4	.3	.3	$0.4	------	------	8.1	110
1964	1.7	------	------	------	.4	.3	.3	.3	$0.4	------	9.8	134
1965	1.6	------	------	------	------	.3	.3	.3	.3	$0.4	11.4	156
Total	----------	1.6	1.6	1.6	1.6	1.6	(2)	(2)	(2)	(2)	(1)	(1)

[1] Without including repayment of prior loans.
[2] Totals subject to further legislation.

Mr. Speaker, what do I propose? I propose an immediate cutback of 48 percent in the amount of borrowing authority requested by the administration for fiscal 1962. I propose that this year instead of authorizing borrowing in the amount of $7.3 billion, Congress should authorize new borrowing authority in the amount of $3.8 billion. These proposed authorizations would be limited to actual payments out of the Treasury in fiscal years as follows: 1962, $1.6 billion; 1963, $0.8 billion; 1964, $0.6 billion; 1965, $0.4 billion; 1966, $0.4 billion. The total amount of borrowing authority would be $3.8 billion or 52 percent of the amount requested by the administration. Added to this amount are the anticipated repayments of Marshall plan and other loans in the amount of $300 million this year or a grand total of $4.1 billion loans to be authorized this year. Surely this account leaves the administration sufficient elbow room in the next 12 months to start a dramatic new program and yet be limited to wise and reasonable commitments.

Less than 12 months from now, under my proposal, I would anticipate that the administration would come to Congress for further borrowing authority. Under my proposal I anticipate that the administration would come back to Congress in 1962 asking for some $2.5 billion of additional borrowing authority. This would be divided over the fiscal years as follows: $0.8 billion for fiscal 1963; $0.6 billion for 1964; $0.4 billion for 1965; $0.3 billion for 1966; and $0.4 billion for 1967. When these new authorizations are added to the amounts I have proposed to be authorized this year, the administration would have $6.3 billion in loan authorization or 86 percent of the amount requested this year.

As shown on the chart, each year the administration would come back to Congress for additional loan authorizations in order to renew the loan authority which had expired. Thus the essential

power of Congress—the power of the purse—would be maintained. At the same time the administration would have the flexibility which long-term borrowing authority permits.

In short, I propose, that Congress should maintain its proper power over the foreign aid program by establishing a program of revolving loan authorizations—always subject to congressional renewal. It is a program which is flexible and fiscally sound.

Mr. Speaker, the figures which I have inserted in the chart are not inflexible. For this, and for future review of the program, I rely on the able Foreign Affairs Committee headed by my distinguished colleague from Pennsylvania [Mr. MORGAN]. What I suggest today is a technique of financing. It is the technique of "rollover" or revolving loan authorizations. Each year the Congress of the United States will have an opportunity to review the foreign aid program because each year the administration must return to Congress to request authorization for new borrowing power to replace the authorizations which have expired. This is the concept of revolving loan authorizations, always subject to congressional control.

In making this proposal I do not speak for the administration—I do not speak for the Foreign Affairs Committee—I speak as one Member of the U.S. House of Representatives. I speak as one Member of Congress who supports foreign aid. I speak as one Member of Congress who believes strongly in the importance of congressional control over the spending of the taxpayers' money. For that reason I hope that my proposal will receive the serious consideration of the House Foreign Affairs Committee and of others more directly involved in administering the foreign aid program.

Today we are in a dilemma. A new administration is saying to Congress, "Give us new tools and we will prove that we can build a more efficient and effective foreign aid program." Congress replies, "Prove that you can do it and then we will give you the new tools." The administration responds, "We can't prove we can do better unless we have the new tools."

Which comes first—the chicken or the egg?

How can this dilemma be resolved?

Mr. Speaker, I suggest for an answer to this problem that serious consideration be given to establishing a program of revolving loan authorizations, such as I have described.

I think that such a program will establish proper relationships with respect to foreign aid. There will be the right relation between Congress and the administration and the right relation between the United States and the developed and the underdeveloped countries.

Mr. Speaker, I favor foreign aid, I favor borrowing authority as the most efficient and least costly method of providing development assistance. There should, however, be congressional control. I believe that the way of reconciling these two conflicting ideas, the way of compromise, lies in the establishment of revolving loan authorizations.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. MOORHEAD of Pennsylvania. I will be glad to yield to the gentleman from Massachusetts.

Mr. CONTE. Under the proposal of the gentleman from Pennsylvania you are bypassing the Appropriations Committee?

Mr. MOORHEAD of Pennsylvania. That is correct. I think that my proposal is that it is in the Congress that the control should lie, whether it is via this committee or that committee. The important thing is that the House of Representatives and the other body have as complete as possible control over the program.

Mr. CONTE. If the gentleman will yield further, the difference between the Foreign Affairs Committee and the Appropriations Committee is that I believe the Foreign Affairs Committee is more concerned with the foreign policy involved; whereas, the Appropriations Committee is involved and interested in the spending. It goes through this appropriation with a fine-tooth comb. I do not always agree with what the committee does in the ultimate result, but I must agree that they do a thorough job in investigating and sifting the evidence and working on the particular programs throughout the world. This would be eliminated entirely by your proposal or by the executive branch proposal?

Mr. MOORHEAD of Pennsylvania. That is correct, but the important thing, it seems to me again, is that the Congress can act, not so much the committee; because if the Congress does not think a particular committee is giving sufficient review, then the Congress can act to overrule a committee.

To me the important thing is that the power be in the Congress rather than in a particular committee in Congress.

Mr. CONTE. The Appropriations Committee is a part of the Congress, too.

Mr. MOORHEAD of Pennsylvania. Of course.

Mr. CONTE. They have done an excellent job. I do not know in the 3 years I have been here when they have ever denied a commitment made by the U.S. Government. For this reason, and this reason alone, I cannot understand why you want to change the policy.

I might say that under a 5-year authorization bill we could go to any country and say, "Look, this is the policy set by the Congress of the United States and therefore we want you to put through certain social progress reforms in your country. The Congress has spoken here." I do not think that you could find one instance where the Appropriations Committee has ever denied a commitment made by the executive branch of the Government.

Mr. MOORHEAD of Pennsylvania. The position as I understand it on the request for the $7.3 billion was that in order to get the underdeveloped countries to really take serious measures of reform such as land reform, tax reform, and fiscal reform, it is necessary to give them more assurance than the promise that probably there will be an appropriation forthcoming.

Mr. CONTE. The example which I gave to the gentleman from Pennsylvania earlier definitely points up that that is not so. When we passed the Latin American Authorization Act last September, the then Under Secretary of State, Mr. Dillon, went down to Bogotá and had 19 Latin American countries join with the United States in signing this Act of Bogotá. In the act these 19 countries committed themselves to a social progress program such as land reform, education, and many other social reforms that they were going to put through.

It was merely based on an authorization bill. Then based on that they came back this year and received an appropriation from the Congress.

Mr. MOORHEAD of Pennsylvania. I thank the gentleman. I again state that I am not an expert in foreign affairs. These people who are experts say that in order to get the undeveloped countries to take up really far-reaching programs of self-help and commit themselves to them, they have to have a greater commitment from us. They also say that in order for us to persuade, say, Japan to give aid to underdeveloped countries we have to give Japan greater assurance we will continue our aid program. These are matters more properly within the jurisdiction of the Committee on Foreign Affairs that that of my committee, which is the Committee on Banking and Currency. I am suggesting that if Congress is to consider this $7.3 billion 5-year look-ahead program it would be better to have a revolving fund loan authorization so that the ultimate power would always remain in the representatives of the people here in the Congress of the United States.

Mr. DEVINE. Mr. Speaker, will the gentleman yield?

Mr. MOORHEAD of Pennsylvania. I yield to the gentleman from Ohio.

Mr. DEVINE. I would disagree with the gentleman that it is necessary to have further inducement to have these undeveloped countries put their hands in our pockets. Under the plan the gentleman suggests here this afternoon, he anticipates the $1.6 billion should be supplemental to our annual appropriations of approximately $4 billion under the Mutual Security Act.

Mr. MOORHEAD of Pennsylvania. My suggestion is limited merely to section 202 of the bill now before the House Committee on Foreign Affairs. In other words, I do not propose any change in the other programs of mutual security and defense support, which already require appropriation.

Mr. DEVINE. The gentleman's amendment is not to add the $1.6 billion a year to the mutual security plan?

Mr. MOORHEAD of Pennsylvania. No, it is not.

Mr. DEVINE. This is supplemental to the $4 billion we have been appropriating for years?

Mr. MOORHEAD of Pennsylvania. The suggestion I am making today is directed only to changing the form of the proposal of $7.3 billion for loans for the economic development of the undeveloped countries.

Mr. DEVINE. It is somewhat of a compromise with the administration's $7.3 billion proposal?

Mr. MOORHEAD of Pennsylvania. Yes.

Mr. CONTE. If the gentleman will yield further, I have listened attentively to the plan the gentleman has presented to the Congress today. I again want to compliment the gentleman on his study of this very important issue and on his compromise version on this vexing problem. I can say that his plan is more palatable to me than the proposal offered by the administration. However, I still am concerned that we are giving away a great deal of our authority here in the Congress. This is not a partisan statement. This has happened under the Eisenhower administration. It has happened under both Democratic and Republican administrations. They have chiseled away and chiseled away the authority of Congress. Finally, I think, we will not even have to be elected to come here and vote for these bills, we will just give the authority to the President and he will do everything. This bothers me.

Mr. MOORHEAD of Pennsylvania. It bothers me, too.

Mr. CONTE. Under the gentleman's proposal he is submitting a 5-year backdoor spending proposition, year by year, but for those first 5 years we would have no say on that unless we repeal the act. The gentleman knows how difficult it is to repeal an act, such as in connection with housing and education or any other legislation. Once you give the authority it is very difficult to repeal it. Furthermore, the executive branch can obligate these funds for 5 years under your proposal and there is nothing we can do.

Mr. MOORHEAD of Pennsylvania. I agree with the gentleman. I do not think we can repeal these programs. But I do not think it would be so difficult, if events prove the program was not being properly carried out to refuse to continue the loan authorizations. If, after we observe the first 12 months of operation, the Executive comes back and asks for more, the power to refuse or reduce is a real power that gives us control over the program as it goes ahead.

Mr. CONTE. That is true.

Mr. MOORHEAD of Pennsylvania. That is the fundamental difference I was trying to get across.

Mr. CONTE. That is true, but then the horse will have been stolen when the barn door is closed and this involves $3,800 million—nothing can be done about that.

Mr. MOORHEAD of Pennsylvania. If it is bad enough, we can repeal it.

Mr. CONTE. That would be very difficult.

Mr. MOORHEAD of Pennsylvania. As I say, if it is bad enough, we can repeal any future aid programs in the future, and I do not like that fact, but it is a fact of life and a fact of this world that there will be continuing requests in the future which the Congress can refuse or modify and there, in my opinion, is where congressional control over the foreign-aid program will be maintained.

ADM. ARLEIGH BURKE

Mr. HARDY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HARDY. Mr. Speaker, Adm. Arleigh Burke is soon to retire from active Naval duty. The entire period of his almost 40 years of service, in peace and in war, has been characterized by devotion, courage, determination, good judgment, and action in the discharge of his duties. During these past 6 years he has rendered outstanding performance as Chief of Naval Operations, and it has been during these years of world upheaval and intensive cold-war harassments that the selfless application of his talents has made maximum contribution to the Nation. Under his direction the Navy has met every challenge throughout the world, and his counsel as a member of the Joint Chiefs has been invaluable to our overall defense.

Arleigh Burke has had a profound influence on Naval strategy. He has kept the Navy in tune with changes and developments in naval warfare, and has been the guiding force in building a Navy, which employs the newest and most effective weapons systems. We can see his handiwork and inspiration in the increased development and application of nuclear propulsion, both in submarines and surface vessels. I am sure that without his foresight the Polaris submarine program would be far behind its present status, both in effectiveness of the system and in numerical strength.

The headquarters of the 5th Naval District and of the Atlantic Fleet are located in my district, and so I am particularly aware of Admiral Burke's contributions to the operation of the Navy. In a wider application he is the man who focused attention of the world on the capabilities of seapower in the nuclear age, when people of lesser vision were saying that there was only a limited place for the Navy in the future defense of our country. Through the force of his personality, and the wisdom to see where trouble spots were likely to occur, powerful naval units have been located at key world positions. It could not have been an accident that the 7th Fleet was near the Taiwan Straits when the Chinese Communists boasted of their intentions to take the offshore islands. Nor do I think it was accidental that a carrier was available in the Caribbean when Guatemala and Nicaragua asked assistance from the United States to prevent a threatened invasion. Things like this do not just happen. They are tangible evidence of his uncanny foresight and his ability to plan and to act with courage, and conviction.

Arleigh Burke is one of the most revered and respected naval officers, not only in the eyes of his fellow countrymen and the men of the U.S. Navy, but in the hearts of navy men of many nations throughout the world. In the discharge of my duties as Representative of Virginia's Second District, and as a member of the Committee on Armed Services, it has been my good fortune to have frequent contact with Admiral Burke, and through this association to recognize his fine professional qualities, as well as the warmth of his personality. His has been outstanding service in the highest naval position our country offers. Although he is on the eve of retirement, his interest in the Navy and in the Nation's defense will never wane. I am gratified with the knowledge that the Navy and the Defense Department will long feel the influence of his service and of the plans and policies with which he has been so intimately associated.

WORLD SPORT PARACHUTING CHAMPIONSHIP

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I have today filed a joint resolution, companion to the one recently filed by my able and distinguished friend and colleague, from Massachusetts, Congressman SILVIO CONTE, which would establish a temporary loan guarantee program in connection with the 1962 World Sport Parachuting Championship, to be held at Orange, Mass., next year.

The scheduled event will be the sixth world sport parachuting championship and is being held in the United States in 1962, pursuant to an invitation by the Congress and the President as provided by the provisions of Public Law 86-796.

The invitation to attend this great event was delivered by an official of the American Embassy in Vienna to the Parachuting Committee of the Federation Aeronautique Internationale, and was accepted by the 15 nations represented.

The selection of the United States as the host for 1962 was opposed publicly by the Soviet Union on the grounds that this country could not conduct a championship parachuting event as well as the previous three events which were held behind the Iron Curtain. This constitutes a real challenge to this Nation which we must cheerfully accept now.

As planned, this sixth championship will be the largest international aviation competition ever held in the Western Hemisphere. The championship will be conducted over a 26-day period in August of 1962. Fourteen of these days will be competition days—the remainder scheduled for rest and recreation of the competitors. It is expected that from 15 to 20 nations of the world will be represented and that up to 500,000 spectators will attend. In 1958, 600,000 people attended the fourth biannual competition at Bratislava, Czechoslovakia. Can we not beat this record?

I am informed that as host State, the Commonwealth of Massachusetts has

appropriated $125,000, and that $100,000 of this appropriation is contingent upon at least a matching amount from a Federal source.

For that reason, if this important championship is to be assured for the United States, the Congress must immediately approve legislation guaranteeing a loan by private banks to the nonprofit championship corporation in an amount not to exceed $500,000.

These funds would be employed to promote the championship on a national and international level and as operating funds for the competition period—August 9 to September 4, 1962. The $100,000 provided by the Commonwealth will be allocated for promotion on a statewide basis, improving the present facility and planning and coordinating the event.

I am informed that management consultants retained by the commission promoting the event have estimated that if the championship is promoted on a modest scale, it will gross proceeds sufficient to pay the expenses of the event.

In that case, of course, the proposed loan guarantee of the Federal Government would be inoperative and the Government would never have to pay out 1 cent.

So far as I am concerned, I would not be concerned even if the Federal Government would underwrite the entire obligation because I feel strongly that, apart from promoting international good will and encouraging a rather unique and very valuable sport, there are extremely vital overtones of the national interest involved in this proposal.

The Soviet has long since been following the policy of encouraging and supporting organized sport in all fields. The Soviet has not only set up, but has financially supported, an extensive and huge international sports program in Russia itself and in the satellite countries to promote athletic sports of every kind, and this has accounted in large measure for the fine showing that Russia has been able to make in the past two Olympic games. There can be no question that this type of activity has been strongly subsidized by the Soviet.

But as meritorious as this sports feature of the proposal is, I am not arguing for the program provided for by the bill on this ground alone. I am absolutely convinced that this is but another field in which we should and must eagerly enter into determined and extensive competition with the Soviet and other nations of the world.

We cannot afford to be behind any nation in this kind of activity. The encouragement of sport is involved here, to be sure, but so is the entire gamut of competitive activity in which in this time of stress, anxiety, and pressure, this Nation must be prompted to engage, in order to retain its prestige in the world, adequately meet its international commitments and properly defend the United States.

In the active and aspiring Soviet world, hundreds of thousands, yes millions of boys are engaged in parachute jumping and related sports. The roll is growing larger every day so that, indeed, we are assured that millions of boys are participating in this once unique, but now vital activity.

Whether you call this activity sport, as it certainly is viewed in one sense, or whether you call it preparation for national fitness in time of emergency and danger, it seems to me that the proposal is of such merit as to be mandatory and imperative for this Nation.

In fact, for my part, I do not see how it could be rejected and ignored at a time when the Soviet and all nations in the Communist orbit are forging ahead in this important field.

Even if the Congress has to subsidize this activity, and the bill I have introduced does not require this, but calls merely for a loan guarantee that probably never will be exercised, I would still feel that the proposal was justified and should be undertaken without slightest hesitancy or delay.

Whether we like it or not, as a matter of survival, we are competing with the Soviet in every field that relates to our total national potential, and if we fail to do so, through inadvertence, miscalculation or underestimation of our opponents, we will live to regret our indifference, and complacency and tragic failure to understand the stark realities of the world in which we live.

I recognize that there will be some who consider this proposal as a waste of money, and intrusion by the Government into fields in which it has no concern. There were those who opposed Federal support of the Olympic games on this basis just as there were and are those who opposed building up the mutual assistance and defense potentials of our own Nation and the free world.

There are those who very clearly underestimate the nature of the threat we face today and perhaps overestimate our own long-range potential, even as they languish in smug complacency and apathy while the enemy stands without the gates and is, in fact, entrenched within the gates to a greater degree than many people are willing or able to recognize.

But I sincerely hope that the Members of the Congress will not adopt this attitude. On the contrary, I hope and pray that we may be awakened to a deep, moving awareness of the challenge confronting us and act in this matter which, in itself, calls only at the worst, a most improbable contingency, for assumption by the Government of relatively meager obligations.

Before our overall strength and readiness dangerously decline and fail to keep pace with the ruthless forces that oppose us in this confused, perilous, and crucial time in world history, I respectfully urge the very able and patriotic chairman and members of our great Foreign Affairs Committee of the House that this bill be considered and adopted in our best national interests, and that this Congress go on record as favoring closing at least this one small, but vital part of the gap which presently separates us from the powerful totalitarian complex that is surreptitiously and brazenly working for our destruction and the destruction of freedom in the world.

RIGHT TO WORSHIP IS PRECIOUS

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, under unanimous consent to extend my remarks at this point, I include therein an excerpt of some of the remarks I made at New Braintree, Mass., in my district, July 2, 1961, at the groundbreaking ceremonies for the new Pioneer Valley Academy of the Seventh-Day Adventists community to be constructed in that very beautiful town.

The site embraces about 430 acres of highland in a natural setting of surpassing beauty and scenic view—an ideal location for a school.

These ceremonies were very well attended and the program most impressive.

As part of my remarks I also include the program as well as a summary of my own remarks.

PIONEER VALLEY ACADEMY GROUND BREAKING SERVICES, SUNDAY, JULY 2, 1961

PROGRAM

The following is the program held Sunday afternoon at 3 o'clock on the Pioneer Valley Academy grounds in New Braintree:

Presentation of colors: Medical Cadet Corps, South Lancaster Academy.

National Anthem: Congregation.

Prayer: C. P. Anderson.

Adelphian Male Chorus: Director, Elder Wayne Thurber.

Speeches: Elder Merle L. Mills, Elder Willis J. Hackett, and Elder Ralph S. Watts.

Adelphian Male Chorus: Director, Elder Wayne Thurber.

Speeches: Congressman PHILIP J. PHILBIN, and Layman B. E. Sooy.

Benediction: Elder Wayne Thurber.

Ground breaking ceremonies: Representatives of churches, Massachusetts, Rhode Island, and Connecticut: Elder Ralph S. Watts, general conference; Elder Willis Hackett, Atlantic Union Conference; Elder Merle Mills, Southern New England Conference; Congressman Philip J. Philbin, U.S. Government; Elder Willis Graves, pastor, John Knowles, teacher; and Franklin Greene, layman.

REMARKS IN PART OF CONGRESSMAN PHILIP J. PHILBIN, SEVENTH-DAY ADVENTISTS' DEDICATION, NEW BRAINTREE, JULY 2, 1961

Speaking at ground-breaking exercises for the new Seventh-Day Adventist Academy at New Braintree, Congressman PHILIP J. PHILBIN of Clinton said "Religious liberty is one of the most precious rights guaranteed by the Constitution and we must zealously preserve free religious worship, if we would be true to our rich heritage."

"There is no time limit on the worship of God," said PHILBIN. "Freedom of belief and the right to worship in our own way is a solemn commitment of our American constitutional system. It must never be abridged, limited or weakened, because it is a great and necessary element in preserving the national unity."

PHILBIN called for firmness and strength to meet current problems which he said were challenging but could be solved, if the Nation resolves to protect freedom in all its aspects and ramifications.

"There must be a strong will to tackle our problems at the grassroots," he said. "If every community will work at solving its own particular problems, social, political, and spiritual the whole tone of national morality

and well-being can be raised. Remember that no chain is stronger than its weakest link, and we can no longer tolerate lax standards in government or in the homes of America which are sapping our vitality and dissipating our great potentials.

"Liberty, justice, democracy, and the quest for peace in our time, must be our watchwords and constant concern in these dangerous times," he said. "If we but persevere in the right, and keep ourselves strong at every level and in every way, we have nothing to fear."

PHILBIN complimented the Adventist community for its high order of citizenship, patriotism, dedicated spirit, and very able leadership.

THE IMMORTAL TY COBB

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, the Nation and particularly the baseball world was greatly saddened today by news of the passing of the immortal Tyrus Raymond Cobb.

In the long history of baseball, few would doubt that there was a greater exponent or more illustrious competitor in our great national game.

Ty Cobb was born in the historic State of Georgia 74 years ago and started his baseball career when he was but 17 years of age. After a year or so of training in the minor leagues, he came to the majors where for the next 24 years he put on the greatest show and achieved the finest record ever accomplished by a baseball player.

Ty Cobb broke most of the records and still holds many of them. Who would dare to predict what his performance would be in these days of the lively ball? His performances on the diamond were phenomenal, fantastic, and unparalleled. During three seasons, he hit over .400, and throughout his entire career, his batting average was .367.

He ran the bases with daring and cunning, and in his baseball career was credited with stealing 892 bases. He possessed a mastery of hitting the baseball scarcely ever even approached in the big leagues.

He was the first to put scientific methods into the difficult art of hitting a baseball. Several other stars of the diamond made famous records as hitters and as all-around baseball players, but which of them could excel Ty Cobb? Which of them could come up to him? Was there ever such a consistent high average hitter in the game? Was there ever such an expert, daring, sensational base stealer, or such a bold, smart, aggressive competitor?

I would not attempt to answer any of these questions on my own, because the records and the exploits of Ty Cobb for 24 years on the diamond of big league baseball furnish the answers, and I have no intention of trying to set myself up as an expert in this field.

Those who know baseball best willingly attest to Ty Cobb's superiority. Anyone who has seen him play, as I have on several occasions as a youth, will agree, I am sure, he was the most colorful personality, the greatest competitor, and the best all-around baseball player who ever played the game.

Rogers Hornsby who, on his own account, would be regarded I think by baseball men as ranking close to the immortal Cobb as a hitter, put it well in his tribute when he said: "Ty Cobb was the greatest ballplayer of all time. He will never be equaled. He was a winner all the time. Ty would do anything to win a ball game, but when he got off the field, he was a perfect gentleman.

"Ty was a tremendous outfielder. Most record books simply talk about his hitting and base stealing, but he was a great outfielder."

Other famous baseball stars speak of Cobb's greatness in the same tenor. There certainly would never be another one like him, because like most everything else, baseball has changed and the greats of the past are not to be found.

Moreover, methods and tactics have changed. Seldom today do we see such precise, consistent, scientific hitting; fleet, aggressive base running; and the rough, abandoned, competitive play of Ty Cobb and baseball men of his era.

Ty Cobb was out to win and he used every ounce of his skill, daring, cunning, energy, and strength to do so. Judged by modern methods, perhaps he cut some corners, and used tactics that would be frowned upon today. He came into the bases with his spikes showing; he relished physical encounter; he practiced the show and use of force, even though he was a man of supreme skill in all departments of the game; he would not hesitate to jump into the stands, when bottles or epithets were thrown at him in order to resent personal affront with some well-directed blows.

Taking Ty Cobb's record on the whole, carefully going over his tremendous ability as a consistent hitter, his demonstrated skill and daring on the bases, his sure fielding and, above all, his inspirational qualities, which so often carried his teammates along with him to victory. Ty Cobb was certainly without an equal on the diamond.

He carried his quick thinking, shrewdness and good judgment into the business world with him and amassed a substantial fortune in a comparatively short time, much of which is generously distributed to worthwhile charities of his own selection.

Ty Cobb represented the kind of colorful, inspiring American who played the game to win and kept fighting to the end on the diamond and in life. He never gave up the ship.

He always played one more inning, sought one more time at bat and broke up many ball games. Great competitor and great American, his memory will never fade among those who like our great national game. To baseball lovers and American youth he has bequeathed a precious legacy.

He is indeed baseball's immortal and the American people deeply lament his passing. It is with a most sorrowful heart that I note the passing of the great Ty Cobb and pay my heartfelt tribute to his memory. To his family and dear ones and his great State, I express my most sincere and heartfelt sympathy. May he find eternal rest in his heavenly home. May he revel forever on the perpetually green diamonds of the sweet Elysian fields.

Under unanimous consent, I include in the RECORD news accounts of the passing of Ty Cobb.

(The material follows:)

[From the Boston Herald, July 18, 1961]

DIAMOND DAREDEVIL, 74, DIES IN GEORGIA HOSPITAL: TY COBB VICTIM OF CANCER

(By Vernon Butler)

ATLANTA.—Ty Cobb, the choice of countless fans as the greatest baseball player of all time, died Monday of cancer. He was 74.

Death claimed the fabulous Georgia Peach at 1:18 p.m., e.s.t., in Emory University Hospital. His physician, Dr. Hugh Wood, disclosed Cobb had been under treatment for cancer of the prostate gland since December 1959. The malignancy had spread to the pelvic bones and the vertebrae.

The doctor, who was also Cobb's personal friend, said he was not permitted to reveal the diagnosis before Cobb's death.

"He died peacefully and without pain," Wood reported. The doctor said Cobb also "had diabetes and chronic heart disease. While his general condition had deteriorated during the past two weeks, the end came rather suddenly."

With Cobb in his last hours were his son, James, his daughters, Miss Shirley Cobb and Mrs. Beverly McLauren, all of California; and his first wife, the former Charlie Marion Lombard of Augusta, Ga. The Cobbs were divorced in 1947 after 39 years. Cobb married Mrs. Frances Case of Buffalo, N.Y., 2 years later, and they were divorced.

Cobb, his full given name was Tyrus Raymond, retired from baseball in 1928 after 24 years of successful assault on almost every record in the books. He broke into the major leagues at Detroit in 1905 and batted only .240, but that was his first—and last—season of mediocrity. For 23 consecutive years he batted over .300 and compiled a lifetime average of .367. He played all except 2 of his 24 seasons with Detroit and managed the Tigers for 6 years. He spent his last two seasons with Connie Mack's Philadelphia Athletics.

PLAYERS, FANS DETESTED COBB

He led the American League in hitting for 12 seasons, nine of them consecutive, and three times he broke the .400 barrier. His .420 average in 1911 still stands as the highest in the history of the American League. He led the league that year in 12 categories.

When baseball people balloted in 1936 for the first group to be enshrined in Baseball's Hall of Fame, Cobb polled 222 of a possible 226 votes and drew more acclaim than Babe Ruth, Hans Wagner, and Christy Mathewson—his chief rivals for the "greatest of all-time" label.

Always fiery, always aggressive, Cobb was never rated high in popularity with his fellow players, and many fans detested the sight of the Georgian's flashing spikes.

He was the acknowledged king of all the hitters and all the baserunners, especially the latter. He stole 96 bases in 1915 for a record and had a career total of 892. He wound up his amazing career with 4,191 hits and 2,444 runs, both records.

His base-running tactics led to frequent fights with opponents, and on occasion Cobb would even dash into the stands after heckling fans. But Cobb, who did more than any other player to bring science to baseball was foxy enough not to scrap with the umpires.

Cobb spent most of his retirement in his ranch-type mansion at Atherton, Calif., and his Glenbrook retreat on Lake Tahoe, Nev., but he lived recently in a secluded apartment nook in Cornelia, Ga.

DEATH FOILS PLAN TO BUILD A HOME

His death cut short his plans to build a home "in which to die"—as Cobb himself put it—on his 76-acre tract atop a mountain at Cornelia, only 4 miles from the settlement of Narrows, Ga., where he was born December 18, 1886.

Cobb played sandlot ball near his northeast Georgia birthplace and made his professional debut at 17 with Augusta, Ga., in the South Atlantic League.

Cobb's shrewdness extended beyond baseball and into the business world. Portions of his salary, nothing like the astronomical amounts paid to lesser stars today, went into blue-chip stocks, and Cobb became a millionaire. Cobb's annual baseball pay ranged from $1,800 to $40,000.

In 1950, he established the Cobb Memorial Hospital at Royston, Ga., a few miles from his birthplace in honor of his mother and father. At the same time he set up a $100,000 endowment fund for the care of indigent patients.

AIDED DESERVING GEORGIA STUDENTS

Three years later, he endowed the Cobb Educational Foundation to help deserving Georgia students obtain college educations. He took an active interest in this undertaking and spent much time working with the committee that handled the scholarships.

Cobb had been in and out of Emory University Hospital several times in recent years. He entered for the last time June 5.

Funeral plans will be announced later.

[From the Worcester Telegram, July 18, 1961]

"COBB'S COMPETITIVE SPIRIT MUST BE CONTINUED"—FRICK

(By the Associated Press)

The late Ty Cobb was called by Commissioner Ford Frick a "great baseball player who was representative of a competitive spirit that must be continued if baseball is to continue."

Frick said Monday the death of Cobb "marks the passage of one of the few remaining links between the old and the new."

"We have many baseball players," said Frick. "But very few Ty Cobbs. He belongs with the Ruths, Mathewsons, Alexanders, and Johnsons of a golden era."

GREATEST OF ALL

George Weiss, president of the New York Mets, said:

"There was no denying that Cobb stood alone as a baseball player, undoubtedly the greatest of all.

"Ours was a friendship of long standing. He played for me at New Haven when there was no Sunday baseball in New York and was a stockholder with me at New Haven. Only last summer he was my guest at a Baltimore series in Yankee Stadium.

"His death is still a real shock although we knew he was failing.

"Baseball and the Detroit Tigers owe more to Ty Cobb than either of them will be able to repay, regardless of the well-deserved honors heaped upon the greatest of all Detroit players."

GAVE TIGERS DISTINCTION

Detroit Tiger President John Fetzer used these words in commenting on Cobb's death.

"His inspired performance more than 50 years ago enabled the Tigers to acquire distinction in the American League almost from the moment of its birth—a respected position they might not have attained without the impetus provided by Cobb's history making feats," Fetzer added.

"The world of baseball has suffered one of its greatest losses in his death."

Paul Kerr, vice president and secretary of the Baseball Hall of Fame and Museum:

"Sorry to hear about Ty," said Stan Musial, St. Louis Cardinals' star, when informed of Cobb's death. "He was a great baseball figure, a great credit to the game. He always followed the game closely, even when he was no longer directly connected with it."

General Manager Bill DeWitt of the Cincinnati Reds, said, "Cobb was one of the first great ball players I ever saw. He was colorful and exciting and his alertness, aggressiveness, and determination will be long remembered."

"BROKE ME UP"—BAKER

J. Franklin (Home Run) Baker said Cobb's death "really broke me all up."

Baker said Cobb "was one of the great baseball men we had." The 85-year-old former third baseman in the famous $100,000 infield of the old Philadelphia Athletics said Cobb "was one of the greatest base runners the game has ever seen * * * I've never seen one in a class with Ty."

Casey Stengel, former New York Yankee pilot, called Cobb "the most sensational of all the players I had seen in all my life."

"By sensational," Stengel elaborated, "I mean he surprised all his opponents. He would shock them with startling base running plays, and he could always out hit any opponent even if they were great players."

Stengel recalled once seeing Cobb tag up and score from third on an infield pop-up. "He just waited until the infielder got ready to throw to the pitcher," said Stengel.

PLAYED AGAINST COBB

Sisler, now with the Pittsburgh organization, played against Cobb with the old St. Louis Browns.

"He was a good friend of mine, and I consider him a fine man and gentleman," Sisler said. "And, of course, everyone knows he was a wonderful player."

Tom Yawkey, owner of the Boston Red Sox:

"I have lost a longtime friend with the death of Ty Cobb. Much of my early interest in baseball was aroused by meeting and knowing Ty at a very young age and there is no doubt in my mind that he was the greatest all-round ballplayer of all time. I was privileged to have the opportunity to associate with him, not only in baseball but also as a good friend and hunting companion on many occasions. I will miss him personally and baseball has lost one of its greatest competitors."

GILES' COMMENT

Warren Giles, president of the National League, said baseball "lost one of the greatest players of all time. Cobb will be missed greatly at the Hall of Fame ceremonies he attended regularly."

Mickey Mantle of the New York Yankees appeared shocked when he heard the news of Cobb's death.

"I'm sorry to hear it," Mantle said. "He used to come see me in the dugout when he visited New York and give me some batting tips."

Rogers Hornsby called Cobb "the greatest ballplayer of all time" and said the Georgia Peach would never be equaled.

"He was a winner all the time," he said. "Ty would do anything to win a ball game, but when he got off the field, he was a perfect gentleman.

"Ty was a tremendous outfielder. Most record books simply talk about his hitting and base stealing. But he was a great outfielder."

TWENTY-ONE RECORDS

ATLANTA.—Ty Cobb held 16 major league records and shared five at the time of his death.

The records still unsurpassed:

Highest percentage, 10 or more seasons, .367.

Most years leading league percentage, 12.

Most consecutive years, leading league, percentage, 9.

Most years batting .300 or better, 23.

Most games played in major leagues, 3,033.

Most times at bat, lifetime, 11,429.

Most runs scored, lifetime, 2,244.

Most hits, lifetime, 4,191.

Most one-base hits, lifetime, 3,052.

Most years leading league in hits, 8.

Most years 200 or more hits, 9.

Most times, 4 or more hits in a game, lifetime, 14.

Most stolen bases, lifetime, 892.

Most stolen bases, season, 96.

Most total bases, lifetime, 5,863.

Most triples, lifetime, one league, 297.

The records tied:

Most years batting .400 or better, 3.

Most consecutive years batting .400 or better, 2.

Most years playing 100 or more games, 19.

Most times 5 hits in a game, season, 4.

Most home runs, two consecutive games, 5.

Year-by-year major league playing record of Hall of Famer Ty Cobb

Year	Games	At bat	Runs	Hits	Stolen bases	Percent
1905	41	150	19	36	2	0.240
1906	97	350	44	112	23	.322
1907	150	605	97	212	49	.350
1908	150	581	88	188	39	.324
1909	156	573	116	216	76	.377
1910	40	509	106	96	65	.385
1911	146	591	147	248	83	.420
1912	140	553	119	227	61	.410
1913	122	428	70	167	52	.390
1914	97	345	69	127	35	.368
1915	156	563	144	208	96	.370
1916	145	542	113	201	68	.371
1917	152	588	107	225	55	.383
1918	111	421	83	161	34	.382
1919	124	497	92	190	28	.384
1920	112	428	86	143	14	.334
1921	128	507	124	197	22	.389
1922	137	526	99	211	9	.401
1923	145	556	103	189	9	.340
1924	155	625	115	211	23	.338
1925	125	314	97	157	3	.378
1926	79	233	48	79	9	.339
1927	134	490	104	175	22	.357
1928	95	353	54	114	5	.323
Total	3,033	11,429	2,244	4,191	892	.367

[From the Boston Herald, July 18, 1961]

TY ALWAYS PLAYED HARD, NEVER DIRTY

ROCKY MOUNT, N.C.—Baseball immortal Ty Cobb was described Monday by a former roommate as a man "who simply played the game hard, but never dirty."

Frank Walker, who as a Detroit player roomed on the road with Cobb from 1914–16, said the Georgia Peach was a perfect gentleman and a close friend.

"He was a terror and an enemy to anyone who stood in his way," said Walker, a semiretired Rocky Mount Printing Co. executive. "In running bases, all he asked for was his half of the bag. If you didn't give him that, he would take it." But Walker rejected any idea that Cobb was a dirty base runner.

Walker said one of the most amazing feats Cobb ever pulled occurred in Washington in 1914. "With the score tied, 1–1, going into the 12th, Cobb was the first batter up. When he left the dugout, he said he was going to break up the game," Walker recalled.

"Cobb bunted and raced to first for a single. Then he stole second, third, and then stole home with the winning run."

"He was a wonderful ballplayer and a great athlete," said Walker.

[From the Boston Globe, July 18, 1961]

COBB'S GREATEST FEATS NOT IN BOOKS—CAN'T EVALUATE HIS DARING, INTELLIGENCE, AND INNOVATIONS BY STATISTICS

(By Jerry Nason)

Ty Cobb left behind him a column of baseball records as long as an NBA rebounder's arm.

It will be a travesty, though, if Cobb's monument to himself is confined to statistics, however startling—because his greater contributions were not of that kin.

How do you evaluate the intelligence, imagination, daring, and innovations this remarkable man brought to baseball?

In this latter day of the power theory in baseball few are aware, or care, that Cobb:

1. Was the first ball player in history to score from second base on an outfield putout;

2. First base runner to ever sprint from first base to third on a sacrifice bunt (he even did it twice in one game);

3. First man to score from first base on a single.

4. Nobody thought of sliding into first base until Cobb did it.

Where, in the glory-be record book, can you find anything about Cobb saying to Cleveland's Bill Bradley, rated the best defensive third baseman of his era, "Today I'm going to bunt down the third base line every time I'm at bat"—then beating out four bunts to Bradley?

Oh, the record book—long genuflected to in our trade—cannot tell the true story of this impetuous, imaginative hero of the past.

TALKED JACKSON OUT OF TITLE

Do the records tell the great tale of Cobb, the psychologist, who talked mighty Joe Jackson, the illiterate, out of the 1911 batting championship of the American League?

(They were deadlocked, .412 apiece, when Cobb told Jackson, "Joe, too bad you're not in the National League. You'd win the bat title over there.")

Two weeks later Cobb finished at .420, Jackson at .408.

You can peruse the record book through your grandmother's bifocals and you will never find mention of the day Cobb, the "scientific" hitter, growled at reporters, "Home runs are easy to hit!"

He proved it, that day and the next, hitting three in one game and two the following day.

And no amount of diligent inspection of the revered little red bound volume will uncover that epic of Cobbian confidence when he told Lou Criger of the Boston Americans, a great catcher in any day, "Lou, today I'm going to steal the shirt off your back."

Cobb got on base in the first inning—stole second, third, and home. This was a blatant piece of pilfering, and Cobb was proudest of it.

"Criger was a great catcher," he later confessed at a Fenway Park Old Timers' Day, "but it was mostly the pitcher I was stealing against."

POWER GAME BROKE HIS HEART

To his final day on earth, yesterday, Ty Cobb maintained a lively interest in baseball players, rather than in baseball. The game itself, as it is accentuated to power, broke his heart.

"When the value of one run was destroyed," he grieved, "something went out of baseball for me.

"Today, anybody can score from second base on a routine single. The stolen base has no value, because a runner on first base is automatically in scoring position in this 'long ball' type of game.

"The livelier baseball forces outfielders to play so far back that they are just caddies now."

You knew in your heart, however, that if this day had been Ty Cobb's day, his genius with a bat, his agility, strength, intelligence, and daring would have permitted him to dominate it, even as he did in his youth.

THE MYTH OF FEDERAL AID TO EDUCATION WITHOUT CONTROL

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House, the gentleman from Ohio [Mr. ASHBROOK] is recognized for 60 minutes.

Mr. ASHBROOK. Mr. Speaker, a great number of citizens in this country are honestly in favor of Federal aid to education. Whether or not they represent a minority or majority is something which, of course, is a subject of debate. It is my firm belief that those who want Federal aid to education represent a minority. There is no debate, however, on the argument that most of those who favor Federal aid in the new, direct general aid sense believe this can be done without control of local school districts from Washington. I feel that a majority of those who honestly favor aid to education in the manner provided in the administration proposals also believe that there should not be control.

It is my opinion that it has been folly to argue that we could have a comprehensive aid to education program without controls. The current bills which are stalled in Congress do have controls. Of course, they are given other names by the sponsors and supporters of these bills. When asked how they reconcile these obvious controls in the aid to education bill with their protestations that no controls exist, the sponsors merely say "These aren't controls—they are merely 'criteria' by which you determine the aid." It matters not whether you refer to controls as criteria, standards, or any other words if they basically designate and set out controls.

That there was any doubt of the Federal bureaucrats' intentions in this matter was laid to rest with the discovery of a Health, Education, and Welfare publication, "A Federal Education Agency for the Future," which is a report of the Office of Education, dated April 1961. The report was compiled over the preceding 5 months, according to the foreword, and I feel that its pronouncements are a blueprint for complete domination and direction of our schools from Washington. The publication was not popularly distributed and there was some difficulty in obtaining a copy.

Fifty-six pages of findings contain recommendations which call for more and more Federal participation and control and repeatedly stress the need for Federal activity in formulating educational policies. It recommends a review of teacher preparation, curriculum, and textbooks. It calls for an implementation of international educational projects in cooperation with UNESCO in the U.N. and ministries of education abroad. Of course, it recommends an enlarged Office of Education and the use of social scientists as key advisers. In typical Federal bureaucratic style, it builds the need for these programs and cites self-serving protestations that there has been a change in public belief which supports more Federal intrusion. This is based to a large extent on what they term as popular acceptance of other foot-in-the-door educational programs of Federal aid.

On page 6, the report boldly calls for an additional function of the Office of Education, that of "extensive involvement in formulation"—this is italicized for emphasis—"of national policy." On page 31, referring again to the agency of the future, it states:

> It must also prepare itself to assume larger responsibilities in carrying out Federal policy through the administration of operating programs. It must assume a new role, speaking within the Federal Government for the long-term interests of education. And it must render assistance in the development of public educational policy.

With the declaration that "it is almost equally evident that national observers are especially well qualified to assess the international deficiencies of our domestic educational system," it places stress on "implementing international educational projects in the United States and in bringing maximum effectiveness to the total international educational effort." Would not the Communists with their footholds and infiltrations in these organizations, love this.

No detail has been overlooked—"curriculum will have to undergo continual reshaping and upgrading; and new techniques and tools of instruction will have to be developed" and "teacher preparation, textbooks, and the curriculum in these subject fields must be improved in the decade ahead." These goals are laudable but this demonstrates who intends to take the responsibility.

This report indicates beyond a shadow of a doubt that Federal bureaucracy does have a plan for Federal control of education. One of the most interesting statements in the entire document is contained in the foreword which was written

by Sterling M. McMurrin, Commissioner of Education. He concludes the foreword with these words:

While the full evaluation and adoption of recommendations made in this report will require a period of review, I anticipate that much of this activity will take place through normal administrative processes within the Office and the Department.

What is meant when he says "I anticipate that much of this activity will take place through normal administrative processes within the Office and the Department"? In the jargon of Washington bureaucracy this means that the report will be largely implemented on the administrative level without congressional action and approval. Let those who think this is an idle threat study closely the Office of Education. There is very little of a definitive nature in our laws which sets out the functions of this Office and it is in an ideal position to accomplish its goals in a quiet, methodical way.

While every overt effort is made by the Office of Education to conceal their design for control of the Nation's educational system, their actions and words make it clear that our Washington educationists will control every facet of our educational processes. The House Committee on Education and Labor recently voted out H.R. 7904 which would extend the National Defense Education Act. It is evident that the administration has chosen this vehicle for enacting piecemeal the recommendations of "A Federal Education Agency for the Future." I am including the minority report on this bill at the conclusion of these remarks. It gives a penetrating analysis of the real intentions of the NDEA amendments. This is but one of the actions which speak louder than words.

However, the "words" tell a very interesting story also. Carroll Hanson, Director, Publications Services, Office of Education, transmitted an unpublicized memorandum to the Committee on Mission and Organization of the U.S. Office of Education when it started its work which ultimately wound up in the report in question. In it he laid bare the real nemesis of the Federal bureaucrats—the tradition of local control. On one hand he referred to this doctrine as a "valuable tradition" but this window dressing was brushed completely aside with these prophetic words:

However, the tradition of local control has been used by certain groups to forestall increased expenditures for education; it has been used to frighten the Office of Education out of areas where the national interest is involved and where the Office does have a legitimate concern. The tradition of local control should no longer be permitted to inhibit Office of Education leadership.

There can be little doubt what this means. The blueprint for Federal control of our educational processes comes from this view which holds to the necessity of overcoming the tradition of local control.

Another staff report of the Office of Education, written by E. Glenn Featherston, Assistant Commissioner and Director of State and Local School Systems, cites the life adjustment movement as an example of the areas where the Office might lead the schools to sound agreements on education. He recommends a deliberate and planned effort to influence on an extensive nationwide scale, thinking on American education.

He explains:

I mean the Office of Education trying to bring together the representatives of the many varied interests in education and trying to lead them to sound agreements on American education and "selling" them the results of such efforts.

When was it ever decided that diversity of education was not a good thing? Is it so necessary to have uniformity in our educational system?

Mr. Speaker, these are but a few of the indications of thought from the Office of Education. In the report which is printed below we find the vehicle for Federal domination of our schools. It is a real and present danger. The battle lines are now drawn between those who seek control and uniformity of our local schools and those who oppose this further bureaucratic centralization in Washington. It is my sincere hope that the Congress will respond to this challenge and defeat the aid to education bills which will implement the goals incorporated in "A Federal Education Agency for the Future":

A FEDERAL EDUCATION AGENCY FOR THE FUTURE

DOCUMENT NO. OE–10010

(Report of the Committee on Mission and Organization of the U.S. Office of Education, by U.S. Department of Health, Education, and Welfare, Abraham A. Ribicoff, Secretary)

(NOTE.—Page numbers of the report are shown in parentheses and are inserted at the end of the page's contents)

FOREWORD

The report that follows, "A Federal Education Agency for the Future," is the result of the efforts over the past 5 months of the Committee on the Mission and Organization of the Office of Education. This committee, consisting of several distinguished members of the career staff of the Office, was charged by Dr. Lawrence G. Derthick, former Commissioner of Education, with developing: a clear-cut and balanced statement of the mission proper to the Office of Education over the next decade, and a reasonably detailed outline of an organizational structure that would be most conducive to the effective and efficient accomplishment of that mission.

I wish to commend the members of the Committee and their Chairman, Dr. Homer D. Babbidge, Jr., for their well-considered recommendations. It is my conviction that the spirit and purpose of the report deserves the hearty endorsement of the staff of the Office of Education and the Department of Health, Education, and Welfare. While the full evaluation and adoption of recommendations made in this report will require a period of review, I anticipate that much of this activity will take place through normal administrative processes within the Office and the Department.

STERLING M. MCMURRIN,
Commissioner of Education.

STUDY GROUP ON MISSION AND ORGANIZATION OF THE OFFICE OF EDUCATION

Committee: Homer D. Babbidge, Chairman; Rall I. Grigsby, Vice Chairman; Lane C. Ash, David Clark, Thomas E. Cotner, Charles P. Dennison, Herbert Espy, Arthur L. Harris, John G. Lorenz, B. Harold Williams.

Ex officio members: Ralph C. M. Flynt, John F. Hughes.

Liaison representative with the Office of the Secretary: David T. Stanley.

Staff: Russell A. Wood, director, Sally H. Bond, recorder; Sonia Ashworth, Donald S. Conley, Edward Cunningham, Chalmers G. Norris.

Consultants: John J. Corson, Thomas D. Morris, Don K. Price.

THE MISSION

The basic mission of the Office, to "promote the cause of education," remains unchanged since its establishment in 1867. What has changed is the American public's conception of the role of its Federal Government in education.

For three quarters of a century, the Office of Education was regarded as an agency for the collection and dissemination of information describing the state of American education. As the American educational system became increasingly complex, the Office of Education assumed the responsibility for analyzing and interpreting this descriptive information. The knowledge born of such study made the Office a source of professional consultative service to organized education. Thus did the Office mature from a censuslike statistics gathering agency into a broader professional resource for American education and, more particularly, American educators.

It is of fundamental importance to note that throughout its development in its first three quarters of a century, the Office existed in a society in which virtually all responsibility for the conduct of American education rested outside the Federal Government. Given a situation in which the directive force of American education resided in States, local communities, and autonomous institutions, it was inevitable that the pattern of the Office of Education's activities would be formed largely by outside forces—by the demands and needs of those who were responsible for the actual conduct of American education. In the words of a contemporary student of society, the Office of Education was "other-directed."

However imperfectly it may have performed it, the Office of Education had, during this period of its development, a clear responsibility to assist educators throughout the Nation to do their work as they saw their work. Problems identified by working educators were referred to the Office for study and analysis, and solutions frequently emerged. But these solutions were—quite properly—the solutions to local problems, advocated only by those with actual responsibility for local education. The value of the Office's function in this process is, to the Committee, obvious. The failure of the Office to do all that it might have done, and all that it might have wished to do in this role (p. 1) must be attributed to a combination of factors that include the great variety of local needs and problems, and the absence of adequate mechanisms for the identification of common, recurring, and broadly pertinent problems. The latter obstacle has always been critical, in view of the obvious impossibility of creating a Federal agency that could meet all demands for educational service. The Office has had to be highly selective in its areas of professional service, not always in the confidence that it was selecting the most important areas of service, but always in the certainty that it was neglecting many important areas.

The need for service to organized education—service based upon sophisticated analysis and study—has not abated in recent years, nor will it in the future. Indeed, the need for such service is growing and will continue to grow at a rate that poses a real test of the responsiveness of the Federal Government. Despite the significant changes that have taken place in the Federal

role in education, the center of gravity in American education rests well outside the Federal Government, and will in the opinion of this Committee continue to do so. So long as the doers of American education are in local, State and independent enterprises; so long as they confront problems beyond the reach of their professional resources; and so long as a Federal agency exists to "promote the cause of education," then for just that long there must exist an extensive program of research-based service within the Office of Education.

This Committee will recommend in this report that the Office of Education assume new and important responsibilities. But before doing so, it wishes to underscore as forcibly as it can, the need for strengthening of the Office's time-honored functions in the area of professional assistance to education as it is organized. To be sure, the Committee will suggest significant modification of the manner in which such assistance is rendered; but these modifications have as their sole objective the enhancement of the quality of service to organized education. The need for effective service to organized education is so great and is growing so fast, the complexity of educational challenges multiplying so rapidly, that the Committee urges the simultaneous expansion and streamlining of Office activity in this area. Principally, the knowledge resources of the Office (including statistical data and research findings) must be greatly enhanced and their dissemination made fully effective through the use of modern techniques; methods for the planned identification of priority service needs and their effective programing developed; and a greater degree of mobility and flexibility of service activities effected. Only (p. 2) in these ways can the most historic of Office functions be performed in the key and on the scale that the future demands.

New responsibilities have fallen to the Office of Education during the past decade, supplementing but not replacing those that emerge from its more historic role. These new responsibilities reflect nothing more or less than a change in public conviction as to the role of the Federal Government in the area of education. We have said that responsibility for the conduct of American education—at all levels—remains and will remain outside the Federal Government. But the American people have come to use the one Government they have in common to augment and strengthen the activities of the several governments they have separately. The reasons for this are perhaps better analyzed by economists and political scientists; this Committee acknowledges it as a fact. The Committee foresees an extension of the active Federal role in education.

The Federal Government has become an active participant in the effort to promote the cause of American education. Two examples will suffice to point out the extent of this shift in attitude, and to suggest certain major reasons for that shift.

School assistance in federally affected areas: In 1950, the Congress enacted Public Laws 815 and 874, authorizing Federal payments to local school districts for the construction, and the maintenance and operation, of public elementary and secondary schools. This legislation acknowledges, in effect, the unavoidable interrelationships of public actions taken at different levels of government. By this congressional action alone, the Office of Education has been called upon to administer funds in excess of two billion dollars during the last decade.

The National Defense Education Act: In 1958, the Congress enacted Public Law 85–864, a complex and far-reaching program involving elementary, secondary, and higher education, and having the twofold objective of improving the quality of instruction in the Nation and of encouraging and enabling the fullest development of able youth. The Congress here acknowledged the existence of an identifiable national interest in strong instruction in certain fields, and a national need for highly trained manpower. Careful always to work in ways that strengthen local autonomy, the Congress nevertheless acknowledged the propriety of Federal stimulus at those points and in those areas of education in which the Nation as a whole has a greater stake than might be recognized locally. This congressional action makes (p. 3) the Office responsible for the administration of $187,480,000 of current appropriations.

These two congressional actions indicate the extent to which the Office of Education has recently been called upon to execute Federal policy affecting education. It is estimated that about 60 percent of the total Office of Education staff is now engaged principally in the performance of this function. The Office is responsible for the execution of public policy as expressed in over 20 separate pieces of legislation, with grant and contract responsibilities amounting to approximately half a billion dollars a year. The Committee anticipates further extensive growth in this area of Office responsibility. Pending before the Congress at the time of this writing are recommendations of the President that would, if enacted, almost treble the grant budget of the Office of Education.

But not all Federal programs affecting American education are or should be the administrative responsibility of the Office of Education. In higher education alone, it is estimated that some 1.5 billion Federal dollars flow annually to or through colleges and universities, but the Office is responsible for administering less than 10 percent of this amount. Research expenditures of the Department of Defense, the National Institutes of Health, and others, are among the items that account for the bulk of Federal expenditures. Increasing concern has been expressed in and out of Government over the possible ill effects of such expenditures on American institutions of higher education.

The Office of Education, as a result of a specific congressional mandate in title X of the National Defense Education Act, has been delegated the responsibility of advising and consulting "with the heads of departments and agencies of the Federal Government responsible for the administration of scholarship, fellowship, or other educational programs with a view to securing full information concerning" such programs and "to developing policies and procedures which will strengthen the educational programs and objectives of the institutions of higher education utilized for such purposes." No less urgent need exists for the assessment of the impact of aggregate Federal action upon the elementary and secondary schools of the Nation. Thus, out of the increasingly active role of the Federal Government in our society, emerges yet another new function and responsibility of the Office of Education. It is to be responsible for the monitoring (in the communications rather than the schoolmaster's sense of the term) of Federal activities that affect the Nation's educational well-being. As such, it must assume the role of a voice of conscience (p. 4) within the Federal Government, speaking for the long-term national interest in education, in contrast to the voices that speak of a shorter-range Federal interest in the many uses to which education can be put.

Still another new dimension of Office responsibility has emerged during the last decade, the future implications of which impress this Committee as being of substantial magnitude and extraordinary significance. We refer to the area of international education. The compelling character of world developments inevitably affects educational practices and, as inevitably, educational organization. As the United States has acknowledged its international responsibilities, this has been mirrored in educational affairs, for the educational foundations of international understanding have been among the Nation's important discoveries during this process of maturation. Not only have we, as a Nation, recognized the need to learn more about the peoples of the world and their ways; we have come to realize that other nations may need our help in their efforts to learn more of us and of the rest of the world. We must strengthen and improve our educational system and we must help many others to improve theirs.

The responsibilities of the Federal Government in this effort are marked. Not only is it the constitutional responsibility of the Federal Government to conduct the foreign affairs of the Nation; it is almost equally evident that national observers are especially well qualified to assess the international deficiencies of our domestic educational system. The modern foreign language development program authorized by the NDEA is an instance of Federal identification of an international need imperfectly acknowledged by local and State educational agencies. It seems to the Committee axiomatic that intimate involvement of the United States in international affairs will lead to the identification of other educational needs that could hardly be so readily seen by local, State, and institutional authorities. And for precisely the reason that the Federal Government feels these deficiencies most acutely, it has a unique responsibility to sponsor and subvene their remedies.

Given an unusually great Federal interest in this area of education, it is evident that a Federal education agency must be especially prepared to cope with problems, issues, and programs in international education. That these activities must be closely related to the Federal agencies responsible for the conduct of foreign affairs is equally obvious. But without the existence of a strong Federal education agency versed in international needs, the phrase "education as an instrument of foreign policy" would take on ominous significance for the future integrity of our educational enterprise (p 5). Thus the Committee sees an urgent need to embrace international educational activities within the Office of Education, and to embrace them not as unavoidable tests of capacity (which they are) but as an extraordinary opportunity to serve the national interest in education.

The last decade has seen added to the historic functions of the Office, then, a variety of new responsibilities: growing responsibilities in the carrying out of established Federal policy; responsibility as the Federal Government's educational auditor; and distinctive responsibility in the field of international education. All three of these new major functions are an outgrowth of increasingly active national concern for education. All three of these new major functions point to what may be identified as a fourth—extensive involvement in the formulation of national policy.

Every agency of the executive branch of Government serves, to a greater or lesser degree, in a staff capacity to the President of the United States. The President alone is responsible for the formulation of executive branch policy, but he can be and is aided enormously by the staff of his executive agencies. Historically, with the Federal Government in a passive attitude toward educational affairs, the Office of Education had little responsibility for staff services in the formulation of national policy. Its own staff, indeed, was virtually dedicated to serving local, State and institutional policies

rather than a national policy. In more recent years, as the Federal Government has begun to search out the dimensions of a national policy, it is not surprising that it has relied only partially on its own educational agency for staff assistance. Small, staffed by persons primarily concerned in the rendering of service to their counterparts in the field, and inexperienced in the administration of Federal programs, the Office of Education may have appeared a weak reed on which to lean. Its orientation to the needs of education as it is organized led not infrequently to the charge that the Office of Education was too professionally minded to render staff assistance in the formulation of public policy.

The members of this Committee acknowledge without apology that the Office has not been able to render the staff services now required. We would observe that until recently virtually no one has wanted the Office of Education to be anything other than what it was. Such inadequacies as the Office may have displayed in recent years reflect the speed with which its functions and responsibilities are changing; to have today's responsibilities with yesterday's resources has proven embarrassing (p. 6).

This Committee, having as its charge the assessment of tomorrow's responsibilities, will urge action to insure that the Office of Education is prepared to render vastly increased staff services to the President (and through him to the Congress and the American people) in the initiation and formulation of broad national policies in the field of education.

In the United States, more so than in any other nation in the world, educational policy is shaped by the people. This is true whether one thinks of the Nation's 42,000 local school boards or of the Congress of the United States. It is the American conviction that the destiny of the Nation is secure only in the hands of the people.

This critical fact of American life has great significance for the future of the U.S. Office of Education. Most importantly, it means that the Federal educational agency must never isolate itself from the public. Indeed it must do all in its power both to hear the voice of the people and to speak to the people on matters of education. It must, in a current phrase, be an office of education, not an office of educators.

More specifically, the popular foundations of American education argue for the treatment of educational problems in the larger context of American life. Questions of educational finance cannot be studied without regard to public finance and taxation generally; the problems of juvenile delinquency cannot be disregarded simply because they are only partially of educational origin; nor can the educational needs of Americans be neglected simply because the individuals have matured beyond the traditional school years. They argue, too, for a staff that is broadly concerned with and sensitive to all aspects of American life. Finally, the popular nature of American education argues for the creation of a national lay advisory body in the field of education.

Given these general observations about the future role and functions of the U.S. Office of Education,[1] the Committee believes that the present organization of the Office is not adequate. We have endeavored, in the remainder of this report, to describe an organizational structure that we believe would facilitate the effective exercise of responsibilities we see in store for the Office. We cannot in good conscience say it is perfect or that it is necessarily the best organizational pattern for the Office. Certainly there are a variety of other suggestions that could be made. We are, however, agreed that the organizational structure recommended is the best expression of our views that can be offered after many months of earnest study (p. 7).

The Committee is unanimously agreed upon one other thing. No organizational structure will permit the Office of Education to contribute to American life, as we conceive that it should, without persons whose personal qualities, professional preparation and sense of dedication to the cause of education are of the highest order. Without these, and without vigorous and imaginative leadership from the Commissioner of Education, no table of organization will be adequate to the tasks ahead (p. 8).

THE ORGANIZATION

Name

The Committee recommends that the name of the Office of Education be changed to the U.S. Education Agency. This step should be taken at once to reflect the more active role of this unit of government, and to acknowledge the importance attached to education by the Government of the United States. We recognize that consistent application of Federal terminology, in accord with recommendations of the Hoover Commission, might argue for the term "Service" rather than "Agency." We feel, however, that the term "Service" has connotations in the context of the traditional activities of the Agency that would give a misleading impression of the nature of the organization contemplated. As vital as service is in the traditional sense, the Committee feels that it now constitutes but one of the major functions of the Agency.

The Committee recommends that the U.S. Education Agency be headed by a Commissioner, authorized to use the title, "U.S. Commissioner of Education."

A Board of Advisers

The Committee recommends the appointment, by the President of the United States, of a Board of Advisers to the Commissioner of Education. This Board should consist of laymen, except that the President might appoint a few persons of broad experience in the field of organized education. The Board would be purely advisory and would report solely to the Commissioner of Education. The criteria for selection of members should stress breadth of view, understanding of the public relationship to education, intelligence, and imagination. The President should be under no obligation to make the Board representative in the sense that various educational and other interest groups are represented in its membership. It should be representative only of the ablest citizens available for such service.

The function of the Board of Advisers would, of course, be to keep the Commissioner of Education constantly aware of the relationship (p. 9) of his activities to other facets of American life, and to assist him in the formulation of policies that serve effectively the broadest objectives of American society.

The Committee feels that the existence of such a Board of Advisers would, in addition to rendering substantial assistance to the Commissioner, offer to the American people an evidence that the U.S. Education Agency was intended to be truly an agency representing the whole public.

Bureau structure

In addition to these general recommendations, the Committee recommends the adoption of a bureau structure for the U.S. Education Agency. It believes that the creation of four major bureaus within the agency, when coupled with the strengthening of the Office of the Commissioner and certain centralized staff services, would permit the Agency effectively to carry out its present responsibilities, and readily to assume those that now appear on the horizon. The basic structure recommended is shown in chart I (chart omitted in RECORD), and consists of the following Bureaus:

1. The Bureau of Higher Education Assistance Programs: This Bureau would have similar responsibilities, insofar as public policy incorporates major programs of assistance involving relationships with institutions of higher education.

2. The Bureau of State Assistance Programs: This Bureau would have essential responsibility for the execution of national policy insofar as it is reflected in major programs of financial assistance to States and political subdivisions thereof.

3. The Bureau of International Education: A frank departure from the concept of the organization of bureaus on the basis of major function, this Bureau would have essential responsibility for all functions related to the Agency's role in international educational affairs.

4. The Bureau of Educational Research and Development: This Bureau would serve as the center of virtually all Agency activities designed to assist organized education through the mediums of study, analysis, and dissemination of findings on current educational problems.

The advantages of bureau structure are numerous, but the Committee would call attention especially to the fact that it permits a higher degree of decentralization in the performance of clear-cut areas (p. 10) of Agency program. It is contemplated that the several Bureau chiefs—with few exceptions—would have at their command adequate resources for the full execution of their duties, with only policy guidance from the Commissioner.

The Office of the Commissioner

The Committee is aware of an immediate need to strengthen the Office of the Commissioner to insure the Commissioner's effective exercise of those responsibilities most deserving of his attention. The Office of the Commissioner needs strengthening in order to perform better the following major functions:

The analysis and evaluation of the operations of the Agency, and the planning and direction of these operations.

The identification of major educational problems and the formulation of solutions thereto.

The rendering of assistance to the President and others responsible for the development of national education policy.

Serving as the focal point of the Federal Government's long-term interest in education.

The maintenance of mutually helpful relationships with the public at large (p. 11).

1. The immediate Office of the Commissioner:

The Commissioner, personally, must of necessity concentrate his talents, energies and judgments on certain of his extensive areas of concern. The Committee believes that the Deputy Commissioner can effectively lengthen the reach of the Commissioner by supervising and directing those activities to which the Commissioner is least able to give personal attention. Since these areas will vary from time to time and from Commissioner to Commissioner, it is not deemed desirable to assign fixed duties to the Deputy Commissioner, but rather to regard him as an adaptable alter ego to his superior.

The Commissioner will require, nonetheless, staff assistants with particular areas of concern. Even with a bureau structure (which the Committee believes will serve greatly to free the Commissioner from detailed, day-to-day concern with the activities of major operating areas of the Agency) the Commissioner will be in need of strong

[1] See app. B for a fuller statement of the future mission of the Office of Education, prepared by the Committee in December 1960, as a preparation for its discussion of organizational needs.

and even specialized support. In addition to his immediate staff of (p. 12) assistants and clerical staff, the Commissioner should have, virtually at his elbow, an Assistant for Public Information. This recommendation, like that for a Board of Advisers, is designed to insure that attention to broad public interests and, particularly, the needs of the public for information is not neglected.

2. Staff divisions:

The Division of Administration: The Committee recommends that the activities now contained in the Administrative Management Branch be assumed by a new Division of Administration. The principal activities to be identified, that would determine the branch substructure of this Division, include personnel management, financial management, management analysis operations, and general services. The growing scope of Office programs, and the complexity of organizational structure would make essential the provision of high level staff assistance to the Commissioner in all of these areas. The implementation of the broad organizational changes recommended by this Committee would for example place a heavy demand on the staff services of this Division.

It is the view of the Committee that many operational aspects of administrative management could be assumed by the new Bureau units. In some cases, fiscal accounting services could be decentralized, and certain managerial phases of personnel services could be assumed by the bureaus. Much of the budget preparation work could be assigned to qualified staff persons in the bureaus. The amount of such decentralization would, of course, vary with the needs of the various bureaus, but the Committee believes that such decentralization will permit needed concentration on policy level matters in the Office of the Commissioner.

The Division would work in close relationship with the Division of Policy and Program Development in management planning and budget planning as related to program development.

The Division of Policy and Program Development: Urgently needed, in the opinion of the Committee, is a staff division concerned with those activities which we have earlier described as involved in the evaluation and formulation of public policy. These activities fall into four general categories that would constitute branches within the Division.

One is a unit that looks broadly toward the total program of the Agency itself, for the purposes of analysis and evaluation. This we have called the Program Analysis Branch. It would have the added function of looking ahead to the identification of educational (p. 13) problems that warrant Federal attention, and of working with other staff of the Agency in the formulation of Federal programs.

A second looks at the whole range of Federal activities in much the same light, but is designed to carry out the monitoring function previously decribed. It would embrace, among other activities, those now carried on under authority of section 1001(d) of title X, National Defense Education Act, on a permanent and expanded basis. This would be known as the Federal Education Programs Branch.

A third branch would be the Legislative Relations Branch, responsible even more extensively than now for preparation, presentation and evaluation of legislative proposals affecting education.

A fourth branch—the Estimates and Forecasts Branch—would act as a statistical resource for the Office of the Commissioner. It would be responsible for making analyses of statistical material needed to clarify policy and program considerations. The Committee feels that this unit would render statistical services that are needed by the Office of the Commissioner as distinct from those statistical activities closely related to the substantive program of the Agency.

The Committee believes that the organization of these valuable activities in a staff division will do much to strengthen the hand of the Commissioner in dealing with the Secretary of Health, Education, and Welfare, the President, other executive agencies and the Congress. Such a Division would permit effective staff services without undue demands upon other operating and professional staff of the Office.

It would also offer to the several Bureaus an avenue of access to the Commissioner on matters of program and policy, other than the route of budget proposal and review. The Committee believes that it is vital to sound program development that the Bureau chiefs have direct access to the Commissioner; they believe it also vital that the Commissioner have staff of his own to assist in review and evaluation of program proposals; and finally, vital that the Commissioner's staff advice not derive solely from budgetary or legislative considerations.

A further function of the Division of Policy and Program Development would be to render staff services directly to the Board of Advisers to the Commissioner. The head of the Division, indeed, might serve as Executive Secretary of the Board.

The kind of activities and responsibilities contemplated for the Division of Policy and Program Development call for distinctive (p. 14) talents, skills and backgrounds among the professional personnel involved. The Committee believes that this Division will operate best if staffed with persons whose substantial experience in American education is broad, and whose professional fields of interest and competence range all across the social sciences. The Committee cannot conceive of truly effective performance without the presence on this Division staff of persons trained in economics, sociology, government and political science, statistics and other similar fields. We believe the accommodation of varied disciplines will contribute to the strength of the Agency.

3. Central service units:

Among the oldest activities of the present U.S. Office of Education are the publication and dissemination of information. In considering how these activities could best be accommodated in the structure of a Federal Education Agency for the future, the Committee encountered certain difficulties, stemming largely from the fact that there is a need both for central policy direction and for the rendering of technical, advisory, and supporting activity to the several Bureaus and Divisions. At the same time, the Committee, having agreed on a bureau structure partly for the decentralization value it has, and aware that the Bureaus' needs for central service would be markedly uneven, desired to encourage the greatest possible degree of decentralization consistent with efficiency and suitable policy control. The Committee has decided, therefore, to recommend against a central Publications Divison, as such, and to recommend, instead, the creation of a Center for Information Services, responsible for the preparation and dissemination of information designed to meet the needs of the general public, the management and allocation of centralized editorial and advisory resources, and quality control of the total Agency program of information dissemination. Within this Center, a Publications Services Branch and an Educational Information Branch would carry out these responsibilities.

The Committee makes these recommendations in the belief that these activities warrant direct access to the Commissioner for the purposes of overall policy direction and because certain publications activity is intimately related to the Commissioner's broad responsibilities to the public at large. There is also the indisputable consideration that certain service functions can be performed most efficiently if centralized. A final and compelling reason for the central location of activities for publication and dissemination of information stems from the Committee's conviction that this historic function must undergo (p. 15) revolutionary change if it is to serve the needs of the future. Every modern communications medium, including films and television, must be brought to bear in support of the Agency's efforts in the years ahead.

The Committee would like to make clear, at the same time it recommends the creation of this Center, its opinion that extensive decentralization of publications services can and should be made, especially to the Bureau of Educational Research and Development. As we shall point out, this Bureau will have the greatest need for such services, and it would contribute significantly both to efficiency and to the morale of this Bureau if it were to have located within it editors and others needed to carry out its publications activities.

4. Field staff:

The Committee anticipates that the Agency will need an enlarged field staff in its various operating areas in the next decade. Since these field staffs are likely to be extensions of operating programs within the Agency, they should be directed by those responsible for the actual programs. Field services for different divisions, or programs within a Bureau requiring in general the same competencies or background of experience, might well be performed by a consolidated field staff for the Bureau, thus avoiding overstaffing in a region with relatively light program workloads, and making possible economies in time and cost of providing adequate geographic coverage.

Experience over the past 12 to 18 months indicates the value of and the need for a minimum regional field staff responsible to the Office of the Commissioner. The responsibilities to be assumed by the Agency in case of a national emergency require cooperative planning in the field with State and other Federal agencies, and the assumption of leadership responsibilities of the Commissioner in any actual national emergency. The presence of several program field staffs in each region requires the performance of regional administrative services and coordination by a field supervisor. Cooperation with other Federal agencies of the Department in regional programs involving education, stimulating cooperative State and institutional efforts toward the improvement of education, providing more effective dissemination of educational information where its effect will be functional, identifying educational problems, needs and trends—all these activities call for the services of the well-qualified generalist in the field (p. 16).

The Bureaus

Two of the Bureaus contemplated in this report are designed, as we have said, primarily to execute established policies of the Federal Government—to administer laws. The arguments for separating grant administration from other professional activities such as research are several. The Committee has found some of these persuasive. There is the advantage of separating Federal funds from consultant services on educational problems to avoid any suggestion that the Agency seeks to use its grant funds to effect modification of educational practices unintended by Congress. More important to the Committee, however, are the arguments that (a) different kinds of personnel are required to perform the very different functions of research and administration, and (b) the mingling of grant administration and professional research in a single unit inevitably leads to the undermining of the latter.

Clearly, not all program administration can be separated from research or advisory services; in some cases the separation of the two would be damaging to both. But the Committee is of the opinion that there are several major programs—and the prospect of others—in which the Congress has given sufficiently explicit instructions, and in which the amounts and administrative tasks are so significant, that they can wisely and efficiently be grouped together under a program administration bureau.

It is possible, under present circumstances, to think of one bureau for all such grant programs. But the rate of growth of these programs in recent years is sufficient warning not to plan for the accommodation of present responsibilities only. The prospect of probable future growth leads the Committee to conclude that the aggregate of major grant programs is already beyond the span of effective control of a single bureau. Added support for the concept of two grant bureaus flows from the significant differences in patterns of Federal relationships with States on the one hand, and colleges and universities on the other.

The Bureau of Higher Education Assistance Programs

The Mission and Organization Committee believes that the programs of the Agency that are characterized by (1) the disbursement of relatively large amounts of funds to institutions of higher education, or to (p. 17) students attending these institutions, and by (2) explicit congressional authorizations, will be best administered within a single bureau. It believes that the competencies required by the staff of such a bureau are those of the skilled administrator with sound educational judgment rather than those of the educational specialist or researcher.

The Chief of this Bureau would have staff serevices comprising:

1. An Administrative Services Branch that would have responsibility for budget, personnel, and management activities.

2. An assistant for program operations who would, with a small staff, assist the Bureau Chief in the development of Bureau-wide operating plans, and in the analysis and evaluation of the operations of the various units within the Bureau.

3. A field services staff, the head of which would supervise the field staff that would represent the Bureau, as a whole, in the various regional offices of the Department.

The Committee recommends the establishment of three divisions as operating units within the Bureau of Higher Education Assistance Programs.

The Division of Student Assistance: The Division of Student Assistance would have responsibility for administering, for example, the student loan provisions of the National Defense Education Act. In addition, it would administer any new student assistance provisions enacted by the Congress, such as the proposal for scholarship support that has been made by the administration (p. 18).

The Division of Facilities: The establishment of the Division of Facilities would depend on the enactment of proposed legislation of assistance to colleges and universities in the construction of academic facilities, and on the possible transfer of the college housing facilities program to the United States Education Agency (in the event it is regarded by the President as inappropriate to his proposed Department of Housing and Urban Affairs).

The Division of Program Assistance: The Division of Program Assistance would administer the training institute provisions of the National Defense Education Act, the land-grant college funds, and all other programs that may be enacted that have as their objective the development and strengthening of specific activities in higher education.

Bureau of State Assistance Programs

The Mission and Organization Committee recommends the establishment of a Bureau of State Assistance Programs to administer those programs for which the Office is responsible which involve the disbursement of relatively large amounts of funds to State or local educational agencies as a result of explicit legislative authorization. As indicated previously, the Committee believes that the personal competencies required to administer large-scale financial assistance programs differ substantially from those required to conduct programs of research, development and service.

The Bureau Chief would have staff services comprising:

1. An administrative services staff that would have responsibility for budget, personnel, and management activities.

2. An assistant for program operations who would, with a small staff, assist the Bureau Chief in the development of Bureau-wide operating plans, and in the analysis and evaluation of the operations of the various units within the Bureau.

3. A field services staff, the head of which would coordinate the operations of the field representatives of the program divisions within the Bureau.

The Committee recommends the establishment of three operating divisions within this Bureau (p. 19).

A Division of School Assistance in Federally Affected Areas: The maintaining of the Division of School Assistance in Federally Affected Areas as a unit reflects (1) its unique position within the office in dealing directly with local school districts and (2) the operational effectiveness of the present Division.

A Division of Vocational Education: While the Committee recognizes that substantial consultative and promotional activity is carried on within this Division in addition to its administration of the allotment of Federal funds, it believes that the working interrelationships which have been developed in this area are effective and should not be subject to major change. Therefore, it recommends that the entire present Division of Vocational Education be established as a constituent unit of this Bureau and that its cooperative relationships with the States continue as at present.

A Division of Secondary and Elementary School Assistance: The Division of Secondary and Elementary School Assistance would administer the programs of assistance for the strengthening of science, mathematics and modern foreign language instruction and for the improvement of guidance, counseling, and testing in secondary schools authorized under the National Defense Education Act. The present Aid to State and Local Schools Branch of the Division of State and Local School Systems would form the nucleus for this Division.

This Division could, in addition, be responsible for the administration of a program of general financial assistance to secondary and (p. 20) elementary education if such a program is enacted. Without being able to anticipate the precise nature of such a program, however, the Committee is unwilling to foreclose the possibility that a fourth division, for this purpose, might have to be created.

The Bureau of International Education

For reasons suggested in the introduction to this report, the Committee recommends that a Bureau of International Education be established. While the present Division of International Education would form the nucleus of this Bureau, the Committee envisions the tasks of this new organization to be substantially greater than those of the present one. This Bureau would differ from others, in the sense that it would embrace a variety of functions in the service of one dimension of education, but involving all levels. It should be, as nearly as possible, a self-sufficient unit of organization.

The Bureau Chief would have the following staff assistance:

1. An administrative services staff that would be responsible for budget, personnel and management activities.

2. An assistant for program operations who, with a small staff, would be responsible for assisting the Associate Commissioner in program planning, coordination analysis, and evaluation of operations.

3. An Office of Relations with International Organizations would continue to be responsible for maintaining Agency relationships with international organizations dealing with educational problems. This Office would provide educational services and information to these bodies, prepare position papers, nominate delegates to conferences, and serve as a focal point for information about these organizations to people and institutions in the United States. These relationships would include the United Nations Educational, Scientific, and Cultural Organization, the Organization of American States, the International Bureau of Education, the North Atlantic Treaty Organization, and others. Also included would be certain relationships with foreign ministries of education.

The Committee recommends the establishment of three operating divisions directly under the Chief of the International Education Bureau (p. 21).

A Division of Technical Assistance Programs: The prime function of the Division of Technical Assistance Programs would be to supply technical education assistance to those agencies directly responsible for the conduct of the foreign operations of the Federal Government. This Division would include the present functions of the Education Missions Branch. It should also play a major role in the formulation of educational policy and programs to be implemented by our U.S. operations missions abroad. It would continue to conduct training programs in the United States for large numbers of participants in the technical assistance program coming here from other countries.

A Division of Educational Exchange: The Division of Educational Exchange would be responsible for the present operations relating to the teacher exchange and international teacher development programs, and the existing educational materials laboratory. It also would assist the large and increasing number of nonprogram foreign visitors. Further, it would serve as a clearinghouse on information on all types of scholarships, work, travel, and study grants available. It is the Committee's hope and expectation that this Division would, in time, become involved in the development and execution of exchanges for students and professors as well as for teachers and school administrators.

A Division of International Studies: The Division of International Studies would continue to make studies of foreign educational systems and to evaluate or to assist institutions to evaluate foreign student credentials and those of (p. 22) American students who have studied overseas. It would maintain the documentation center as an aid to the staff and comparative education specialists engaged in research. New functions would include developing international understanding in American schools, promoting American studies, such as English language and literature and American civilization courses abroad, and assisting and keeping abreast of area studies programs.

Bureau of Educational Research and Development

The Committee on Mission and Organization recommends the establishment of a Bureau of Educational Research and Development which would have responsibility

for virtually all of the research, developmental, and consultative service functions of the U.S. Education Agency. The Committee believes that those programs concerned primarily with research, development, and promotion of improved practice in American education should be separate from those programs concerned with the effective disbursement of relatively large amounts of funds designated by the Congress for specific purposes. It believes that the combination of these programs in the present organization has impaired the ability of the Office to render full service to education as it is organized, and has resulted in the inadequate support of the activities not closely associated with financial programs. Without frank differentiation of these functions, individual members of the professional staff of the Office have been asked to perform them all. Given competing demands for time, program administration and the rendering of staff services have inevitably taken precedence over research and the reflective study of educational problems, and over the rendering of consultant service to educational agencies and institutions.

The Committee believes that the separation of these activities will lead to a more meaningful program of research, development and services and one that will attract needed support. It believes that in establishing this Bureau to the fullest extent possible as a self-contained unit, a continuity of operations will be possible that has been difficult to achieve in the present organizational framework.

It is believed, too, that far more effective means can be developed for the identification of truly important educational problems, and for the programing of activities designed to cope with these problems. This is as difficult as it is important. It is important to insure that (p. 23) requests or demands for educational service be met on a basis more systematic and sensible than the "squeaky-wheel" system. The distinction that must be made is that between demands and needs.

Further, the combination of related functions in a Bureau of Research and Development will, it is believed, minimize those situations in which a major problem of education falls between the pillars of organization structure. The teaching of English, or of modern foreign languages, for example, and the problems of counseling and guidance and of teacher education, are not the sole concern of our public school systems, or of our institutions of higher education. They can be solved only by joint action. As a practical matter, the Committee is recommending that this Bureau acknowledge in its structure several organizational "clienteles" it serves; but it does so in the belief that common Bureau direction will facilitate and insure (p. 24) greater cooperative treatment of problems in which the units have a shared concern, than is now possible.

The Committee recommends that this Bureau be composed of three large centers:

1. The Center for Higher Education.

2. The Center for Secondary and Elementary Education.

3. The Center for Continuing Education and Cultural Affairs.

Much could be said of the nature of these Centers. It will perhaps suffice, however, that the Committee hopes they would come to be regarded as the greatest Centers of professional knowledge and competent professional assistance in the Nation, in their respective areas. They should be constituted as the organizations to which American educators would turn for information, assistance and advice on educational problems beyond the reach of their own resources or ability to solve.

The Centers would, therefore, be knowledge-based. Their claim upon the attentions of educators—their very reasons for being—would be their superior understanding of educational affairs, including a perspective denied to many local institutions and organizations. But the Centers would not be ivory towers in the Committee's view, preoccupied with study for study's sake. They would be service-and-action oriented. They would exist to help others in the active improvement of American education, and their tools would be the tools of research and study, coupled with the rendering of services in the field.

Any given Center, for example, would be engaged in a continuum of activity, ranging from statistical and other research, objective analysis, publication, discussion, and field service. Field service (including consultant and survey work) would provide the Centers with invaluable, realistic feedback from their other efforts, thus assuring fullest effectiveness.

Field service would also provide the professional staff of this Bureau with an invaluable perspective on major problems confronting American education. Inherent in the provision of a major bureau for the study of educational concerns is the need for identifying those problems most in need of national attention. No responsibility of this Bureau, or indeed of the Agency, warrants greater emphasis than the responsibility to identify priority needs in American education and to marshal resources for concentrated attention to them.

To be as effective as the Committee believes they must be, these Centers would have to be complemented by certain central resources (p. 25) unequalled elsewhere in the Nation. Principal among these would be: a program of recurring statistical studies of the highest level of excellence to serve (among other things) as a base for special studies within the Centers, a substantial extramural research program, and an organized collection of educational information and materials. In addition, the Bureau would have to be in a position to render prompt, efficient and technically expert central services in statistics, publications and a variety of administrative management activities. Finally, the Bureau would have to provide a modern mechanism for the demonstration of new findings of research and experimentation. This should consist at least of a demonstration center, and might appropriately extend to field demonstrations as appropriate and feasible.

To help accomplish these purposes, the Committee recommends that the organization of the Bureau be completed with a number of central operations and staff services that would be placed in a staff relationship to the Bureau Chief. These central operations and staff services are essentially of three types:

1. Staff services to the Bureau Chief:

(a) A program planning and coordination staff that would continuously analyze and evaluate Bureau operations and assist in planning future operations. This is a key function in view of the obvious need for concentration of resources on priority problems in American education. The Bureau Chief will have the weighty responsibility of identifying problems most in need of research and service attention, and of weighing competing claims for such service. This staff would give him the support without which a planned program of Bureau activities would be jeopardized.

(b) An administrative services staff that would supply the financial, personnel and management services that the Bureau Chief requires.

2. Central services which are essentially resources for the Centers and for the other parts of the Bureau:

(a) A publications staff that would furnish editorial services and provide those services necessary for the publications of the Bureau. These will be primarily professional publications directed toward organized education. In addition, this staff would serve as an adviser to the Bureau Chief on the publications policy of the Bureau (p. 26).

(b) A field operations staff that would be responsible for coordination of the activities of personnel from the various units of the Bureau who may be stationed from time to time in the various regions of the Department.

3. Units that, in addition to rendering services to the Bureau Chiefs and to the Centers, have operating programs of their own:

(a) An Office of Educational Demonstrations and Communications that would serve the Centers by facilitating the demonstration of research findings, and would conduct its own program, the nucleus of which would be the activities authorized by title VII of the National Defense Education Act. The effective operation of this Office will require an adaptable, well-equipped physical installation for demonstration purposes.

(b) An Office of Statistics and Records and Reports Systems that would be established around the activities performed by the present Educational Statistics Branch and the activities associated with section 1009 of title X of the National Defense Education Act. This Office would have several major functions:

1. It would conduct the basic and recurring statistical studies that both provide a base for the research and consultation of those in the Centers and furnish the educational community and the public with basic serial information about the current condition of education.

2. It would promote the development of uniform educational reporting systems and administer funds designed to further the utilization of modern data processing systems in State and local systems and in higher education institutions.

3. It would also have the responsibility for the production activities associated with the conduct of statistical studies. As a logical extension of this responsibility, it would control any automated equipment that the Agency acquired to facilitate this production job.

4. It would furnish professional statistical assistance to the staff of the Centers, and to other Bureaus.

5. It would exercise the clearance function and serve as a quality control unit for all statistical activities of the Agency (p. 27).

(c) An Office of Educational Research that would administer a separate program of extramural contracts and grants for basic and experimental research in discipline bearing upon the educational situation, and would serve the other parts of the Bureau with advice on research problems.

The Committee believes it important to establish clearly the character of the educational research program it has in mind. We believe that extramural research has the twofold responsibility of augmenting the intramural research activities of the Centers, and an equally compelling responsibility to strengthen research capacity throughout the Nation by approaching the problems of education in a manner different from that of the Centers. Since it is presumed that the Centers, oriented to education as it is organized and administered, will deal with educational problems directly confronting schools and colleges, it is believed desirable that extramural research be significantly attentive to basic problems of human development, training and teaching, regardless of whether or not they are acknowledged as immediately pressing problems by educators. In short, some research should be conducted precisely because it challenges the assumptions upon which practicing educators are proceeding.

(d) A National Library of Education that would serve essentially as a research resource both for the other units within the Bureau and for educational researchers generally.

The library would be based on a nucleus of the educational documents now contained in the departmental library. It would utilize modern library methods, such as extensive indexing of resource material available elsewhere. It would also serve as a clearinghouse for educational research.

The three Centers would be the major operating units within the Bureau. Their organization would reflect the organization of their respective clienteles.

The Center for Higher Education: The Center for Higher Education would be composed of two major branches, one concerned with the area of administration, including facilities, finances, organization and administration, and auxiliary services, and the other concerned with academic affairs, including curriculum, staff, and students. The present branches of the Division of Higher Education (excluding the Financial Aid Branch) would lend themselves readily to forming the nucleus of such a Center (p. 28).

The Center for Elementary and Secondary Education: The Center for Elementary and Secondary Education would include three major branches, one for administrative organization, one for curriculum and instruction, and one for pupils and personnel. The nucleus for this Center would be furnished primarily by the present Instruction and Organization Services Branch and the School Administration Branch of the Division of State and Local School Systems, though unnecessary distinctions between elementary and secondary education would be eliminated. The Pupils and Personnel Branch would include all present and prospective activities in which a group of students are regarded as sufficiently distinctive as to warrant separate attention, such as the present program for exceptional children and youth.

The Center for Continuing Education and Cultural Affairs:

The Center for Continuing Education and Cultural Affairs would be composed of four major branches:

1. A Library Services Branch that would continue to administer the funds authorized under the Library Services Act as well as conduct studies and render services in this area.

2. An Adult Education Branch that would include the activities of the present Adult Education Section of the Division of State and Local School Systems, and would conduct an expanded program of studies, services, and promotion of educational opportunities for persons beyond school and college age.

3. A Cultural Affairs Branch that would have responsibility for emerging public programs in the arts and promoting public awareness of and educational use of those activities and resources generally regarded as cultural—such as museums, galleries, theaters, and music programs.

4. A Special Educational Services Branch that would have responsibility for studying educational problems which arise from broader social and community concerns, such as juvenile delinquency. This Branch would place substantial reliance in its staffing pattern on persons whose competence was in the various social sciences.

The Potential of this Bureau: The Committee regards the creation of this Bureau as one of its most significant recommendations. It does so in part because of the (p. 29) vast potential it sees in such a Bureau for the modernizing of the Office's oldest and best established functions. Freed of the competing claims of staff service and major program administration, assured of extensive educational resources and supporting services, and manned with well-informed and broadly concerned professional persons, this Bureau could render to American education a degree and kind of service surpassing what we have thus far known. Solidly founded in knowledge and dedicated to unencumbered service, it could become a monument to the established role of the Federal Government in American education. The Committee believes that this Bureau could become a mainstay for all those who, in the conduct of educational affairs here and abroad, seek to apply the fruits of research, study and objective analysis (p. 30).

SUMMARY

In summary the Committee on Mission and Organization recommends a new and significant role for the Federal education agency in the 1960's. This agency must, over the next decade, not only perform its traditional functions of data gathering, analysis, and dissemination; research; and services to organized education. It must also prepare itself to assume larger responsibilities in carrying out Federal policy through the administration of operating programs. It must assume a new role, speaking within the Federal Government for the long-term interests of education. And it must render assistance in the development of public educational policy.

To accomplish this mission, the Committee has recommended an organizational structure that includes four major operating bureaus in addition to a strengthened Office of the Commissioner.

Generally, two of the bureaus, those of higher education assistance programs and State assistance programs, would be concerned with the administration of educational support programs that have been specifically authorized by law. One of the bureaus, that of international education, would be concerned with the administration of operating programs, the conduct of studies, and consultative services to Federal and private agencies. The final bureau, that of research and development, would be concerned with both the traditional activities of data gathering, dissemination, and consultation; and new and growing activities such as the support of experimental research, the support and conduct of educational demonstrations, and the development of technical resources for educational research.

The Office of the Commissioner would be augmented to assist in the policy decisions of the Federal Government. It would be strengthened internally through additional resources for the identification and analysis of major educational problems and for program planning. It would be strengthened externally through the establishment of a board of educational advisors to the Commissioner reflecting lay as well as professional opinion. The organizational structure of the general Office of the Commissioner would consist of a Division of (p. 31) Policy and Program Development, a Division of Administration, a Center of Information Services, and a Field Services Staff.

Finally, the Committee recommends that the Office of Education should be renamed the U.S. Education Agency to reflect its new role.

The Committee on Mission and Organization believes that within the described organizational structure the Federal education agency will be able to accomplish its present responsibilities, to respond quickly to the educational problems of the future and to administer effectively those Federal programs which may result (p. 32).

APPENDIX A

A FLEXIBLE STAFFING CONCEPT

Closely associated with the question of mission and of organization structure is the question of adequate staffing. The Committee recognizes a need for strengthening staff resources in keeping with the expanding role of the Agency.

However, after reviewing the reorganization proposals of Commissioner Studebaker in the years 1944 through 1947, and the progress made toward implementation of these proposals, the Committee acknowledges the futility of trying, in a single agency of the Federal Government, to recruit and direct effectively a staff that reflects all of the myriad specialities that characterize American education. The Committee finds the following difficulties in this staffing concept:

1. The potential proliferation of specialities is almost infinite.

2. The pattern of organizational growth tends to be inconsistent, reflecting such factors as the external pressure of special interest groups and availability of specialists, rather than considerations that would be dictated by a rational growth program.

3. The coordination of the efforts of specialists in compartmentalized areas is difficult.

4. Fixed, specialized staffing inhibits ready response to changing areas of educational concern, without continual augmentation of the staff.

The Committee, therefore, recommends that in the Bureau of Educational Research and Development a new approach to staffing be employed that might be termed the flexible staffing concept. At the core of a Branch of any of the three Centers would be a permanent staff of senior specialists in general areas of educational concern—areas that represent perennial sources of educational problems. In the Curriculum and Instruction Branch of the Center for Elementary and Secondary Education, for example, these senior specialists might be in the areas of curriculum content, instructional methods, and staffing. In the Administration Branch of the Center for Higher Education, on the other hand, these senior specialists might be in the areas of facilities, finance, administration and organization, and (p. 35) auxiliary services. In support of these senior specialists other permanent specialists might be employed in less generalized areas. For example, the Curriculum and Instruction Branch might have a specialist in each basic subject matter area—English, mathematics, history, social sciences, foreign languages, fine arts, sciences, industrial arts, and physical education.

This staff would, with the support of research assistants and clerical staff, provide the permanent cadre of the agency in each Branch of the Centers. This permanent cadre would be distinguished by breadth of educational concern, despite special competence in basic areas of education. The specialist in science, therefore, would be fully informed of science education developments in the United States, but would regard himself as concerned with the total development of sound curriculum and instruction. He would derive his program of action from a general branch orientation to a perennial educational concern, rather than from the interests of his own professional group. In such a team of specialists, each would be a partner in a common effort toward sound and balanced educational improvement, and not as an advocate of one element or segment of education.

There will always be educational problems in the area of science teaching, in higher education finance, and a variety of other areas. The Committee believes, therefore, that the Centers should have a permanent interest in all such areas.

But within these major areas of perennial need, there will, inevitably, be problems of narrower scope and shorter duration which require more highly specialized competence. These are, in a modern phrase, "burning" rather than "basic" issues and problems. The question of modern foreign language instruction affords an example. Certain factors combine to urge the necessity of special attention to this area—attention beyond the capacity of a single specialist, to be sure. One way—the traditional way—of coping with such a need is to employ additional specialists in modern foreign lan-

guages. The problem with this is that the staff becomes permanently skewed in favor of one curriculum aspect, even after the crisis period of intensive study and development activity is passed, leaving a legacy of permanent and disproportionate representation. The specialists would be unlikely to be able to turn their attention to new, emerging problems in the teaching of history, for example, even if they wished to do so.

Recognizing the need for both mobility and sometime special emphasis on pressing problems, the Committee believes that a solution can be worked out. Essentially, it calls for permanent staffing in basic and recurring educational problem areas, and the provision, in (p. 36) addition, of several "expansion joints" in the Branch structure. Among the latter are:

1. The use of so-called schedule A authority to appoint professional persons for periods up to 2 years, to augment permanent staff in areas of pressing concern.

2. Authority to accommodate selected researchers whose temporary presence in the Center would enrich the program of the Center.

3. Authority to utilize personnel from State education agencies and from colleges and universities.

4. Significantly greater reliance on—and where necessary, expansion of—research assistants, to insure that specialists use their advanced skills and understanding efficiently.

5. Increased use of short-term consultants, ad hoc advisory groups, and conference mechanisms.

6. Increased use of the personal services contract to provide the Center with highly specialized supplements to its ongoing programs of study.

The Committee believes that this type of organization would provide the flexibility needed to respond to changing areas of major educational concern, without sacrificing needed special staff competencies. It also believes that such an organization will diminish the fragmenting effect of overspecialization of permanent staff, and will permit the evolution of planned programs of activity (p. 37).

APPENDIX B

THE MISSION OF THE OFFICE OF EDUCATION IN THE 1960'S

OVERVIEW OF OFFICE OF EDUCATION MISSION

Education in the 1960's

The decade into which we as a nation are entering will pose a series of unprecedented challenges to American education.

These challenges are a consequence of the dynamic state of national and world affairs. The product of rapidly advancing technology, and of restless, growing populations, they are reflected in social and economic ferment and in the rising expectations and rising demands of the peoples of the world, operating in a context of deep and threatening ideological conflict. Broadened economic, social, and educational expectations, themselves a harvest of educational seeding, point toward a continuing acceleration of human endeavor in the coming decade.

Educational challenge of quantity and quality

The impact of these forces on education in the United States is already great. In quantitative terms our secondary and elementary schools are faced with the need to accommodate an increase of some 9 million pupils, some 25 percent of the existing enrollment. Similarly, our colleges and universities must absorb a spectacular enrollment rise of 2,700,000 students during the 1960's, an increase of approximately 70 percent. This problem of sheer numbers itself represents an extraordinary demand upon our educational system, with obvious implications for educational finance, utilization, and organization.

Our schools, colleges, libraries, and other educational institutions must be prepared, furthermore, to meet the qualitative challenges that the coming era will present—challenges affecting the substance, process, and spirit of education. The schools of tomorrow must prepare their students for living in a world of continuous and rapid change, presenting them with unprecedented social, economic, and political problems. We must, in fact, give to education a character (p. 39) that will initiate and support a process of lifelong learning if Americans are to keep abreast of the accelerating advent of new knowledge and of the increasing complexity of modern life. These prospective conditions are already suggested in part by the rapidly increasing demand for highly specialized and professional skills.

During the coming decade, new means must be developed for identifying and releasing student potential; curriculums will have to undergo continual reshaping and upgrading; and new techniques and tools of instruction will have to be developed.

The educational challenge of the world community

No aspect of the educational task of the 1960's surpasses in significance the fact that education is basic to the effort to bring about an enduringly peaceful world.

The developing nations of the world are seeking desperately to raise their standards of living and improve their economic and social conditions. They recognize that education is the key to this advancement, and they will continue to look increasingly to the United States for aid.

The next decade will bring closer and multiple relationships with ministries of education abroad and international organizations, such as UNESCO, the Organization of American States, International Bureau of Education, and others working in the field of education, as problems in education are attacked bilaterally and multilaterally on a worldwide basis.

At home, greater attention to the study of comparative education, history, languages, geography, economics, and comparative Government must be given in order to prepare students to understand the world of tomorrow. Likewise, teacher preparation, textbooks and the curriculum in these subject fields must be improved in the decade ahead.

The challenges of the 1960's, however, do not arise from the new pressures and the new potential of that decade alone; they stem in part from the imperative of educational deficiencies that now exist in the Nation. Variations among States and school districts in standards of instruction, facilities, staff, and services expose serious inadequacies. Our progress toward the ideal of equality of educational opportunity is tragically uneven. These deficits clearly spell out the task that must be accomplished at home. Their correction is imperative in the light of our stake in the progress of education throughout the world (p. 40).

The role of the Federal Government

The Federal Government carries a heavy responsibility in connection with these challenges. Its trusteeship of the general welfare places upon it an obligation to assist in the development of equality of educational opportunity, to promote the fullest development of the abilities and aspirations of its citizens, and to preserve a system of education that will enhance democratic values. The Federal Government can and should reflect a growing sense of educational nationhood—an awareness that the implications of education are indisputably national, however local may be the control of education.

Practically speaking, this obligation is reinforced by a realistic consideration of public finance—the substantial revenue resources available to the Federal Government as opposed to those available to the States and localities.

The Federal Government must be prepared in the coming decade not only to continue and, where appropriate, expand existing programs of aid to education; it must also develop new avenues of assistance and patterns of educational leadership. It must do all that is necessary to support the pluralistic educational system of the Nation. In the area of international educational cooperation, in particular, it must play the major role, since only the Federal Government can enter into agreements with other governments.

The mission of the Office of Education

Despite the dynamic character of educational and governmental developments, the basic legislation authorizing the establishment of the Office of Education, now some 93 years old, still furnishes a unifying objective. An act written in the middle of the 19th century naturally could not anticipate the specific demands of the mid-20th century. Nonetheless, the authors of the act of 1867 wisely made provisions for the newly created agency to carry out its then unforeseen responsibilities within a general objective: to "promote the cause of education in the United States." The changes of 97 years and the promise of vastly greater change in the next 10 notwithstanding, this still describes the central mission of the Office of Education.

Pursuant to this general charter, as further developed by subsequent legislation, the Office has evolved a pattern of assistance to the cause of education characterized by encouragement of the pluralistic structure of responsibility and initiative, and the corresponding lack of central domination (p. 41).

In keeping with this aim, the Office's research and information activities have been sensitive to those areas of educational inquiry in which needs have been felt by the States, the local districts, and the profession.

At the same time, the mission of the Office has always implied a certain leadership function. As the task of promoting the cause of education has grown, the leadership aspect of the mission of the Office of Education has taken on new significance. The treatment of the several functions of the Office will reflect this aspect of its mission.

Education being thus crucial to the entire national being, the Federal agency having principal concern for education as a whole must provide dimensions of leadership far exceeding the kinds of tasks outlined in the preceding section. In its research and information activities it must be concerned, more than ever before, with identifying and even anticipating needs and problems of national concern in every educational field. Indicators must be sought not only within our educational system, but in the social, economic, political, and moral aspects of our national and international life. Thus the Office of Education must not only assemble, assimilate, and analyze significant elements of the universe of educational data and information, but also be able to discern and analyze those elements of other universes of information which may reveal needs and implication for change in education.

Having identified an area of need, moreover, the Office must have the strategic mobility to bring to bear upon education problems of high priority the resources required. The dissemination of educational

information, although an important function in itself, must be capable of meshing with the more substantive measures which may from time to time be needed. In other words, the Office must be a striking force ready to move along the educational problem front at home and abroad. The action program may range in scope from the rendering of professional counsel to the administering of major financial grant programs.

Concurrently and continuously, the Office must have the willingness and the posture to exert its leadership in the stimulation, encouragement, development, and strengthening of professional leadership in education throughout this Nation and in other nations with like goals and aspirations. It must help to provide to educational leaders the informational resources essential to the exercise of professional leadership in the identification and solution of their educational problems, in the constant improvement of educational programs, and in securing understanding, cooperation, and support of their respective publics (p. 42).

In the fulfillment of its educational leadership responsibilities at the Federal level, the Office must establish such rapport and mutual understandings as to merit and achieve confidence in its representation of the eduactional profession in national policymaking, thus rendering more effective its assistance to the policymaker through reports, recommendations, and proposals to the administration.

Along with these responsibilities should be included that of stimulating and participating activity in the process of formulation, examination, and reformulation of the goals of our national society in terms of educational objectives.

The Office of Education, as the primary Federal agency in the field of education, must look forward to a greater role in planning the Nation's relationships with educational programs, educational institutions, students and faculty members in other countries, in implementing international educational projects in the United States, and in bringing maximum effectiveness to the total international educational effort.

The five functional areas

For the purposes of this statement, five basic functions have been identified as composing the principal substance of the mission of the Office of Education. Although they are not presented as the sole functions of the Office, or as separate and unrelated, they offer a helpful framework for our analysis.

These functions are presented in an essentially historical fashion, rather than in any suggested order of importance. The area described as "Statistics, Research, and the Dissemination of Information," for example, is treated at the outset because it was the first clearly defined and stated function of the Office. "The Promotion of Coherence in Federal Educational Activity" and "Assistance in the Development of Public Policy" are reserved to last because their full significance in the mission of the Office is only now emerging.

Some of these functions are growing rapidly in importance, not at the expense of others, but rather in such a way as to add further dimensions to the total responsibility of the Office. Qualitative changes, moreover, are taking place within each. These changes and the whole context in which they occur are highly relevant to the manner in which the Office organizes for its mission.

The following discussion is designed to reaffirm the essential importance of certain traditional functions, while recognizing that other relatively new ones also are assuming a major place (p. 43).

FUNCTIONAL COMPONENTS OF MISSION

STATISTICS, RESEARCH, AND THE DISSEMINATION OF INFORMATION

The earliest mandate of the Office of Education was the collection and dissemination of information about the condition and progress of education. While the Office has performed this function with varying degrees of effectiveness for 93 years, the coming decade will place upon it new and expanded demands in this area.

Improvement in the effectiveness of our educational enterprise depends upon the adequacy of the information on which programs are formulated and the rate of development of new and significant knowledge about the educational process and its organization.

Data gathering and analysis

The Office of Education, because of its nationwide perspective and its advantage of disinterestedness, is in a unique position to provide accurate, reliable, and complete data on education at home and abroad. During the coming decade, it will need to collect data which will permit the analysis and interpretation of important trends and emerging problems.

In view of the magnitude of this task and the flexibility needed, the Office must use new concepts and methods of data collection and processing. The program of basic educational data collection must:

Develop reporting practices in the field of education to the point where consistent, understandable data about education can be gathered.

Maintain professional statistical standards and reflect the latest developments in the survey theory and technique.

Employ the most effective patterns of data analysis and statistical interpretation available in the social science field (p. 44).

Take full advantage of modern technological developments in automatic data processing.

The development of uniform, consistent, and compatible statistical data in all States and in all institutions of higher education will call for both technical and financial assistance to these sources from the Office of Education.

Research and development

Continuing progress in improving and extending educational opportunities of American citizens is ultimately dependent upon the development of new knowledge about education. Improvement through action programs which merely take full advantage of our present knowledge has predetermined limits. No responsibility of a Federal Office of Education is more urgent or important than to push forward continuously the frontiers of educational research and development.

This responsibility of the Office can be discharged in two general ways, (1) by its own analysis and evaluation of statistical studies, by special surveys and studies, and by the synthesis and evaluation of ongoing research in the field, and (2) by the support of basic and applied research studies and programs in colleges and universities, State education agencies, and other appropriate organizations.

Dissemination and demonstration

All of the efforts of the Office to improve its statistical data gathering and to conduct and stimulate research will be of little import if the dissemination of the resulting information is not effective. The Office has a responsibility, therefore, to give systematic and sustained attention to the reaching of its various publics. This approach implies making imaginative use of modern communications media.

Parallel with extensive dissemination measures, there must be a creatively conceived program of intensive communication, carrying to the appropriate public unique presentations of educational knowledge. A program of State, regional, and local educational demonstrations, based on the most up-to-date knowledge, should be designed to have the same kind of impact on the improvement of educational opportunities that the agricultural experiment stations have had on the improvement of agriculture.

Central to this multiphase dissemination function would be the Office's role as a clearinghouse for all educational research, including (p. 45) that done in other nations, and as a repository and resource for published educational information.

Finally, the Office of Education must continually evaluate and adjust its informational program in the light of both its effectiveness and its responsiveness to broad social needs.

Services to organized education

The rendering of technical assistance and various other services to the profession has constituted from the beginning a major part of the Office's efforts on behalf of "the cause of education." These services, rendered through State and local authorities, through direct contacts with higher institutions, and through voluntary professional associations, have been the basis for the development of highly fruitful partnerships between the Federal Government and its several educational constituencies.

At the same time, new needs for Office services have been developing in the international area. The rendering of technical assistance in education to many countries and the further training of many of their educational personnel have accounted for a steady growth in service load of the Office over the past 10 years. The Office is now planning training programs for 1,400 educators from 75 countries, and is sending out over 400 teachers and approximately 100 educational experts each year to some 45 countries. Requests for these or other services will increase greatly in the next decade, and will require a close relationship with the educational institutions and organizations in the United States in the planning and implementing of projects in the field of international educational cooperation.

It is evident that the increasing scale and complexity of the task of promoting the cause of education compel more systematic consideration of how the existing pattern of consultative, research, and survey service should be extended. For many decades the climate of national attitude, both in the profession and in the laity, has encouraged the Office to regard itself as the supplier of services, the nature of which is determined by others. The mounting pressures of opportunities for service henceforth warrant a more calculated and less adventitious basis for the deployment of its necessarily limited resources.

As the Office makes this transition, it should take pains to follow certain important guidelines (p. 46):

It should conscientiously respect the principle of pluralism in American education.

It should support the growing spirit and practice of voluntary cooperation among educational agencies at local, State, and National levels.

It should pay particular attention in the next few years to the involvement of the various segments of the educational community in the processes of national planning for education.

The more effective assumption of these principles of action will require reorientation in the roles of many members of the

Office staff and in their relationships to professional organizations in the fields of their interests. Although staff members should surely continue to cultivate their close and cooperative relationships with professional groups outside the Office, these relationships should have increasingly direct connection with the larger context of Office policies and associated priorities.

Correspondingly, the development of the professional staff for this more comprehensive aspect of the Office's mission must include a broadening of the areas of competence represented. Economists, sociologists, and other social scientists will be needed on the staff to assist in dealing with educational problems in their total context. The relationships of the Office in these larger concerns may well extend beyond the boundaries of organized education, particularly as they affect such multiphase areas as adult education.

Finally, all of these considerations of focus and priority call for organizational steps to insure adequate advanced program planning, responsible teamwork, and—to borrow an industrial concept—"quality control" of services rendered.

Some specific possibilities for new activities and emphases within the construct just described may be suggested:

Increased services to aid the profession in evaluation of educational performance.

Major increase in service and program activity in social problem areas related to education, e.g., juvenile delinquency.

Conduct of Federally sponsored professional development institutes for educational administrators.

Greatly extended use of conferences at national and regional levels to assist in consensus development.

Conduct of State and regional surveys in any educational area, on request (p. 47).

Marked increase in Federal-State consultative relationships in general as a result of enactment of basic support programs for elementary and secondary schools.

Increasing consultative relationships with schools and colleges as a result of further categorical Federal aid programs.

OPERATING PROGRAM ADMINISTRATION

Historical development

One of the earliest functions of the Office of Education, and one which has grown in an accelerating fashion recently, has been the administration of financial assistance and other operating programs. In the years since the establishment of the Office, these programs have varied in scope and complexity, ranging from the simple and direct financial assistance of the land-grant colleges under the Second Morrill Act of 1890 to the involved provisions of the National Defense Education Act of 1958.

The increasing interest of the Federal Government over the past decade in financial assistance to education can be seen in the funds appropriated to the Office for expenditure under these programs. In 1950 these amounted to roughly $32 million, and by 1960 they amounted to approximately $464 million, exclusive of programs administered by means of transferred funds, such as those of the International Cooperation Administration.

For analysis of the mission of the Office of Education, it is important to distinguish between the meaning of these grant programs (1) as forms of general Federal assistance for education, and (2) as selective channels for educational development reflecting the leadership of the Federal Government through the Office. While both general and categorical Federal aids should have an important place in the coming decade, the administration of the latter type of assistance, which has characterized most of the larger Federal programs in this century, places far more comprehensive educational leadership responsibilities upon the Office. As long as there exist serious educational deficiencies and imbalances of national consequence, beyond the general inadequacy of financial support, there will be a continued need for the selective type of remedy typified by the Smith-Hughes, Library Services, and National Defense Education Acts (p. 48).

Future programs

The experience of Federal assistance programs to date and the urgency of many educational problems of the era together indicate that the Office may expect to administer operating programs of significantly increased scope and impact. Programs may be anticipated in such areas as the following:

1. Grants to States for elementary and secondary education.
2. Grants for higher education physical facilities.
3. Grants to States for vocational education.
4. Increased aid to graduation education.
5. Expanded educational research in all areas, including graduate education.
6. Strengthening of educational statistics programs.
7. Increased financial assistance to students for higher education.
8. Increased financial assistance for teacher education.
9. Broadening of Federal interest in curriculum and improvement of instruction.
10. Marked increase in international educational assistance.
11. Broadening of Federal interest to include educational activities and services outside the structure of organized education.

The Office should not only prepare itself for the assumption of these assignments, but it should also make a concerted effort to see that the statutory responsibility for the administration of Federal programs with major educational implications is properly lodged within the Federal structure. While the criteria for assigning to the Office the responsibility for administering new programs must necessarily be subject to the influence of practical considerations present at the time of enactment, generally there are two substantive considerations pertinent to the decision: (1) the magnitude of the impact of the program on the Nation's educational system; and (2) the extent to which the basic purpose of the activity is to advance education, as distinct from using education as a relatively short-range instrument to advance some other purpose. When either of these factors is significant, the Office should be seriously considered for the administration of the program; when both of these factors are significant, the Office should be assigned the responsibility with little question (p. 49).

PROMOTION OF COHERENCE IN FEDERAL EDUCATIONAL ACTIVITY

The need for coordination of Federal educational activities has grown faster than the means for this coordination.

First, there has been a burgeoning of Federal activity in general. Every Department of the Federal Government has some concern with education, and a number of Federal programs have a direct and very significant impact upon it. These include, for example, the international educational exchange operations of the Department of State, the fellowship and institute activities of the National Science Foundation, and the sponsored research programs of the Department of Defense. Second, the amount of Federal activity directly concerned with education has continually increased. This activity was first evidenced in the land ordinances of 1785 and 1787 and has since grown to multi-billion-dollar proportions, depending upon the criteria used in the definition of educational activity. Finally, during recent decades there has been an increasing directness of relationship between education and national security, the general economy, and other areas in which the Federal Government has a major concern.

Historically, there has been only limited consideration of the implications of these activities for education itself. Consequently, while the educational community has been instrumental in the achievement of the diverse ends of a large number of governmental programs, these programs have not had in all cases a fortunate effect on the ends of education. For example, there is a striking imbalance, in favor of the natural sciences, in the relative amounts of Federal funds flowing into the support of advanced study in university graduate schools, with respect to both the number of students supported and the size of the average stipend. The volume and specificity of Federal programs constitute a potential force for distortion of the educational structure of the Nation.

As the Federal agency having primary concern for education per se, the Office must be the nerve center of educational information and perform the communication aspect of coordination. Specifically, it should serve in the following roles:

1. A monitor of all Federal educational activity.
2. A source of authoritative educational information essential to the making of educational decisions in the Federal Government.
3. A source of educational expertness which may be drawn on by other agencies and other friendly governments (p. 50).

ASSISTANCE IN THE DEVELOPMENT OF PUBLIC POLICY

Basis of the Office's policy role

In the final analysis, public policy is determined by the people, through their governmental representatives, and with participation by the various associations and groups through which the people make their interests known.

The Office of Education is the one Federal educational agency which represents not a segment but the totality of national interest in education. Its contribution to the development of sound, educational policies for the Nation, however, is possible only to the degree that the Office holds the respect and confidence of all segments of the public.

Policy role in the Federal structure

The most direct participation of the Office in the determination of public policy occurs through its advisory role in the Federal structure. Throughout its history, the Office of Education has been expected to advise the National Government with respect to educational policies and programs. The original enabling act of 1867 required that the Commissioner include in his annual report to Congress "a statement of such facts and recommendations as will, in his judgment, subserve the purpose for which this Department is established."

As national concern and activities in the field of education have grown rapidly in recent years, the role of the Office as an adviser on educational policies and programs has likewise expanded. The Office is regularly called upon to review and evaluate legislative proposals affecting education, as referred through the Bureau of the Budget

and the Department. In this climate of expanding Federal educational interest, greatly increased demands for service to the Congress on behalf of the executive branch seem virtually certain.

Specific policy areas in which the Office should have an increasingly important role in the next decade include the educational aspects of national manpower problems, and the educational aspects of our foreign policy and programs to implement that policy. Active cooperation by the Office in programs affecting education carried on by other Federal agencies is also an essential requirement of balanced national and international policy in education. This aspect of the Office role needs to be further developed and strengthened (p. 51).

Policy role in the national community

In addition to the Federal level of public policy determination, the Office has much concern with policy matters at the State and local levels, and in higher education institutions. Active leadership by the Office to encourage constructive concensus on particular problems or issues in American education helps to crystallize public policy at all levels. This development of consensus is encouraged in a number of ways. The Office calls national conferences focused on identified problems and issues; it participates in cooperative programs to develop voluntary nationwide standards; and it exerts a continuous stimulating effect through its daily operational contacts in categorical assistance programs.

Direct communication to the general public of basic and objective factual information on the condition and progress of education is another dimension of the Office contribution to national policy development.

The Office of Education, as the primary education agency in the Federal Government, recognizes the fundamental importance of its policy advisory function. It needs now to provide adequate internal procedures and staff resources for full and complete performance of this function (p. 52).

IMPLICATIONS FOR EXTERNAL RELATIONSHIPS

Inevitably the discussion of functions must lead to some consideration of the relationships that ensue from them. These relationships may be viewed in the following four major dimensions:

1. Relationships with other agencies of the Federal Government.

2. Relationships with institutions and systems of education, as organized throughout the United States.

3. Relationships with the public, whose needs and aspirations are the ultimate object of the Office's mission.

4. Relationships with ministries of education and with international organizations dealing with educational problems.

Each of these relationships must be considered before the adequacy of the present structural organization of the Office of Education can be evaluated, since significant changes of substance and emphasis will take place in and among them during the coming decade.

RELATIONSHIPS WITH OTHER FEDERAL AGENCIES

The Office of Education has yet to achieve, within the total structure of the Federal Government, a position that reflects complete recognition of its ultimate mission. It is essential that the Office be related closely to all agencies and branches of the Federal Government having an interest in American education. Particularly, the Office of Education should place itself in a position to render far greater service than it has historically rendered to the Congress, on behalf of the executive branch, and to all agencies of the executive branch whose activities impinge upon the interest of American education. The Office of Education, speaking within the Government for the long-term interests of American education, has also a responsibility to assert its role as monitor of the Federal impact upon education. It must speak to all agencies of the Federal Government with the voice of the Nation's educational conscience (p. 53).

RELATIONSHIPS WITH ORGANIZED EDUCATION

Within the mission of the Office of Education, the rendering of service and the provision of leadership to organized education are basic and important functions. As these are performed with that increasing effectiveness required by the needs of American education, relationships between the Office of Education and educational colleagues in the field are certain to shift in emphasis.

The Office may well have to be more selective in allocating its services in order to insure optimum effectiveness of effort and to avoid the dissipation of its talents and resources. Increasingly, too, the Office must make certain that the nature of services rendered and the areas in which leadership is exercised, are areas in which a Federal agency is qualified to contribute to the cause of education in the United States.

Finally, the assumption of greater responsibility in the performance of these functions requires the most careful attention to the delicate balance between close professional cooperation on the one hand, and the essential independence and integrity of the cooperating parties on the other. Professional and public respect for the Office of Education will be in direct relationship to its ability to demonstrate its professional integrity and independence of interest groups within the world of education.

RELATIONSHIPS WITH THE PUBLIC

Of all the relationships of the Office, those with the American public are likely to undergo the greatest degree of change in the coming decade. As decisions regarding education involve more people, more money and a greater share of the public energies, it is vitally important that the Office of Education attend more assiduously to the role of the people in the evolution of American education.

Whether it be in an effort to inform the public of educational needs, or in an effort to reflect the public will in identifying educational objectives, the Office of Education can be effective in the future only if it is constantly aware of this relationship. It must increasingly think of itself as closely allied with the American public itself (p. 54).

RELATIONSHIPS WITH MINISTRIES OF EDUCATION AND WITH INTERNATIONAL ORGANIZATIONS DEALING WITH EDUCATIONAL PROBLEMS

As the number and scope of international educational projects increase, the Office will be working more closely with ministries of education abroad. It is anticipated that ministries of education will come directly to the Office of Education for assistance—for example, to arrange for a team of experts to assist in setting up a vocational education program.

Also, as additional international projects in education develop, the Office, acting for the United States, will be expected to nominate delegates and to prepare the position papers for meetings of international organizations such as the United Nations Educational, Scientific and Cultural Organization.

CONCLUSION

The initial mission of the Office of Education, first eloquently stated in the enabling legislation of 1867, to "promote the cause of education in the United States," may be reaffirmed as the continuing mission of the Office.

This statement has attempted to indicate that the basic functions through which this mission can be effected are in a state of change. Additional functions are emerging, and functions of long standing are undergoing reorientation. Changes within and among these functions will lead inevitably to altered relationships between the Office of Education and the principal elements of society. Only out of an understanding of the changing functions and relationships can there flow reasonable recommendations with regard to future organization and structure of the Office of Education (p. 55).

[House of Representatives, 87th Cong., 1st sess., Rept. 674, pt. 2]

NATIONAL DEFENSE EDUCATION ACT AMENDMENT OF 1961—ADDITIONAL VIEWS

[To accompany H.R. 7904]

We, the undersigned members of the committee, believe that the respective States have done and are doing an outstanding job to meet the challenge of the sixties in the field of education.

We hold that the record of accomplishment by the States and local communities in the last 10 years has been remarkable. The advocates of Federal aid to education have failed to prove the case of need. The figures speak for themselves.

Public school expenditures alone have risen 1½ times as fast as national income in the last 10 years. These expenditures have also risen much faster than spending for personal consumption.

Public school enrollment had its greatest growth of all time during the past 10 years with a rise of 43 percent, but over the same period public school revenues increased 152 percent in actual amount and 98 percent in dollars of constant value.

In the matter of construction of classrooms, the classroom needs are being met without Federal aid. Since the 1954–55 school year, the classroom inventory across the Nation has increased by 30 percent while enrollment was increased by 20 percent.

In the matter of availability of teachers, teaching staffs grew to such an extent that the number of pupils per teacher dropped from 28.4 in 1953–54 to 26 in 1960–61. The record seems clear that outstanding progress is being made by the States and local communities in the field of education, and it is our opinion that a Federal aid program would only serve to stifle this healthy initiative already being shown at local level.

We reject, furthermore, the philosophy that there can exist Federal aid to any degree without Federal control. We further hold that there should not be Federal aid without Federal control. It is the responsibility of the Federal Government to so supervise and control its allocations that waste and misuse is kept at a minimum.

Since we do not desire such Federal control in the field of public education, we do not desire Federal aid to education.

We should never permit the American educational system to become the vehicle for experimentation by educational ideologies. A careful analysis of the writings and statements of vocal and influential spokesmen in the governmental and educational fields indicates a desire on the part of some of these individuals to utilize the educational system as a means of transforming the economic and social outlook of the United States.

We point to a statement by Dr. Harold Rugg, for many years professor of education at Teachers College, Columbia University, who declared in "Frontiers of Democracy" on May 15, 1943 (pp. 247 to 254), concerning the teachers colleges, "let them become pow-

erful national centers for the graduate study of ideas and they will thereby become forces of creative imagination standing at the very vortex of the ideational revolution. Let us make our teacher education institutions into great direction finders for our new society, pointers of the way, dynamic trailblazers of the new frontiers."

We could supply pages of documentation analyzing the type of new frontier planned. It is indeed a Socialist frontier. It had been hoped that the philosophy of education expressed by Dr. Rugg and his cohorts back in the early forties, had long since been repudiated. However, in April of 1961, the U.S. Department of Health, Education, and Welfare published a booklet entitled, "A Federal Education Agency for the Future." Anyone who doubts that the Federal aid to education bills now before Congress would mean eventual Federal control of education, should carefully read and analyze for himself what the Office of Education is planning for tomorrow's schools. They openly predict their "need" for new powers on the passage of the multimillion-dollar aid legislation now before us. They recommend that their Office of Education be elevated to the status of "U.S. Education Agency," "to reflect the more active role of this unit of Government." They envision the new Agency's mission as one of "leadership" (p. 42), "national policymaking" (p. 43), "national planning" (p. 47), a broadening of "Federal interest in curriculum and improvement of instruction" (p. 49), "to prepare students to understand the world of tomorrow" (p. 40).

The Office of Education writers further say "along with these responsibilities should be included that of stimulating and participating activity in the process of formulation, examination, and reformulation of the goals of our society in the terms of educational objectives" (p. 43).

In our opinion, this quietly circulated publication of the U.S. Department of Health, Education, and Welfare entitled "A Federal Education Agency for the Future" shows that there has been no basic change in the plans of the professional political educationists who, like Dr. Rugg, see the educational system as a means of remaking our society to fit their ideas of what is right and proper.

H.R. 7904, as proposed, is more than an expansion and ballooning of a department of the Federal Government. In our opinion, it is a clear attempt to take command and control of the American educational system. Under the cry of "emergency," the Department already has its toe in the door with the National Defense Education Act of 1958 which does not expire until June 30, 1962. H.R. 7940 is disguised as an extension of the NDEA. The original NDEA bill was born of the sputnik panic as an emergency measure to provide temporary programs. It was designed to step up opportunities for needy students of engineering, science, and languages, and it provided for liquidation after 1966 (Public Law 85–864).

H.R. 7904, however, would redefine the purposes of the act. It would put the Federal Government into the permanent business of teacher training at all levels of education, both public and private (sec. 205(b)(3)). That inevitably must result in specifications, standardized courses, and controls. This places State certification of teachers subject to Federal control, the key measure of all. We regard this as very dangerous. For example, the need for increasing from 1,500 fellowships for teachers to 5,000 per year, 2,000 of which the Commissioner would personally appoint (title IV, secs. 402–403), has not been shown. It would again put the Federal Government permanently in the education business. With 15,000 fellowships at all times, specifications and control would be essential.

A tremendous increase of power of the Commissioner is written into many parts of the bill. Authority to manage by regulation without financial limitation is general. Title X extends the Commissioner's power over provisions of "any other law" (secs. 1003 and 1010) such as vocational acts, land-grant college acts, library acts, and others, and all future programs, and authorization is without limit (sec. 1007).

It would extend his power to appoint, assign, and delegate to a virtually unlimited network of employees and officers all over the country power to administer, including employees and officers of States (sec. 1011(b), sec. 1011(f)). This proposed interchange of personnel creates real control.

He could bypass civil service regulations (sec. 1011(f)) and disregard job descriptions, even to the extent of salary payments and "sick leaves" and insurance benefits (sec. 1011).

This is "Federal control" with a vengeance.

The close tieup of this bill with the "Federal Education Agency" report is revealed by the proposal to create a "U.S. Education Agency" of three new Bureaus, that of Higher Education Assistance, State Assistance Programs, and International Education, with the original functions of the Office of Education being made a subordinate part of a fourth Bureau of Educational Research and Development (report, p. 11).

"The Office of Education," according to the report of the Committee on Mission of the Federal Agency, "as the primary Federal agency in the field, must look forward to a greater role in planning the Nation's relationships with educational programs, institutions, students, and faculty in other countries, in implementing international projects in the United States" (p. 43).

"The next decade will bring closer and multiple relationships with ministries of education abroad and international organizations such as UNESCO, the OAS, the International Bureau of Education, and others—as problems in education are attacked bilaterally and multilaterally on a worldwide basis" (p. 43). Do we want international controls and conventions directing, by agreement, American education methods and curriculums?

For example, UNESCO's proposed new treaty participated in by 10 Communist countries, known as the Convention Against Discrimination in Education, is now before the State Department. It would deliver the entire American educational system into UNESCO international control. It could close every private and parochial school in the United States. It would automatically remove education from under "domestic" law and control. It encompasses every phase and facet of American education.

Thus it is that a vast new Federal-State bureaucracy would be created with immense power to administer existing programs, including all the many new programs being proposed, and ever to be proposed, to Congress. It would, in our opinion, thus authorize continuous centralized direction over the future of American education at all levels, especially through the controlling of the teaching profession in the preparation and certification of future teachers.

This vast planned expansion is offered in the face of the fact that no overall evaluation of the achievements of the act are available. Important authorities, notably the American Association of School Administrators, oppose it (National Schools, February 1961, p. 61), characterizing it as "expensive" and exerting "Federal control and direction."

The National School Boards Association delegates, representing 150,000 board members, a dedicated group, the legal trustees of our public school system, "went on record as opposed to further extension of Federal aid until the need of such aid is expressed" (Philadelphia, May 4–6, 1961).

The director of counseling for the Peabody College for Teachers stated before the Senate subcommittee that "the Federal Government dictated curriculum and administration of the institute as well as financial arrangements" (Senate report on S. 1021).

These are men who actually have handled the NDEA at the grassroots, and have knowledge of the great number of courses being taken, such as folk dancing, art, music appreciation, and other worthy humanities, under the guise of "defense education."

Borrowing for education has jumped from $13 million in 1956 to $230 million in 1960, of which $150 million have been initiated through the States and private agencies (Reader's Digest, April 1961). Eight States are now guaranteeing loans to students and 22 others are formulating loans or loan guarantee programs. Why thwart the natural interest of States and private individuals and agencies? Why force Federal Government expansion into this field with necessary controls and bureaucracies?

And, why force up the cost of buildings and facilities by the new insertion of the Davis-Bacon union-backed wage scales (sec. 305(d))?

And, why the rush to force through an unneeded renewal and vast expansion? Isn't it quite apparent that the educationist lobby is using this defense education bill as a vehicle this year to force through a Federal Education Agency before the public clamor, now rising in opposition, can block it?

We believe this is an unneeded and very dangerous measure, and urge its defeat.

WILLIAM H. AYRES.
EDGAR W. HIESTAND.
DONALD C. BRUCE.
JOHN M. ASHBROOK.
DAVE MARTIN.

Mr. DEVINE. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Ohio.

Mr. DEVINE. Certainly I would like to compliment the gentleman from Ohio for bringing this matter to the attention of the House and incorporating in the RECORD this material which will be available to so many citizens across the country.

In answer to the question propounded by the gentleman from Ohio as to whether or not there would be some Federal control of education I would call the gentleman's attention to the dilemma in which the House Committee on Agriculture finds itself in regard to these agricultural programs as to whether there would be any Federal control of agriculture. The answer is that what we have seen happen in regard to agriculture will certainly happen with regard to the control of education.

Mr. ASHBROOK. I thank the gentleman for his answer, and I am glad for his reference to agriculture, for it stands to reason that just as surely as there have been Federal attempts to control agriculture in various segments, so also will control be extended to education. Back in 1939 the farmer was

told he would be "aided" but not "controlled" just like the Government is telling the educators today. We all know what has happened.

Mr. BEERMANN. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield.

Mr. BEERMANN. As a freshman Member of Congress, a member of the committee, and a practical farmer, I would like to commend the gentleman from Ohio [Mr. DEVINE] for his remarks, also the gentleman from Ohio [Mr. ASHBROOK]. In discussing this matter of Federal aid to education and the problems some of our folks are having in other matters, and considering a possible takeover of the food supply of the United States, these are things that people all over the country are quite worried about; and I must again state that the people of our Nation are probably far ahead of we who are trying to write this legislation. Very shortly we will be considering amendments to the AAA and we will get a good idea of just what control means.

Mr. KYL. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield.

Mr. KYL. The gentleman has propounded an interesting proposition here. Does the gentleman think that the Federal Government should provide funds without exercising supervision over the expenditure of those funds?

Mr. ASHBROOK. I would say to the gentleman from Iowa that I believe to the extent that the Federal Government participates in the program it should be made completely sure from a functional and auditing basis that the money is properly spent. This is different from setting out to control policy and procedure. This points to the fact that education being local in character should remain that way. We can assist local schools by a system of tax remission with no controls. We must remember, however, that the Federal bureaucrats control the expenditure of Federal funds. I think what we are faced with here is the complete domination of our State and local school systems by educators in Washington. I think anyone who reads "Federal Education Agency for the Future" will certainly conclude that it represents a blueprint for Federal control and can readily lead to indoctrination of our students according to the political, social and international beliefs of our Washington bureaucrats.

Mr. DEVINE. Mr. Speaker, if the gentleman will yield, I take this opportunity to compliment the gentleman and to say to the Members that the gentleman does not often address the House, but when he does he has something to say and I think Members should pay attention. He has demonstrated during his first 6 months' service in the Congress of the United States that he is a true American patriot with conservative views. That is demonstrated by the votes he has cast during his brief service here in the Congress.

Mr. ASHBROOK. I thank my colleague from Ohio for his remarks.

WELFARE AND PENSION PLAN DISCLOSURE ACT OF 1958

Mrs. NORRELL. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point in the RECORD and include extraneous matter, charts, and tables.

The SPEAKER. Is there objection to the request of the gentlewoman from Arkansas?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, it is probable that early consideration will be given to legislation designed to strengthen the Welfare and Pension Plan Disclosure Act of 1958. Therefore, I feel my colleagues will be interested in a letter I have recently received from Secretary of Labor Arthur J. Goldberg. The factual material accompanying the letter has been included in order that my colleagues may have reference to it.

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 13, 1961.

Hon. JAMES ROOSEVELT,
Chairman, Special Subcommittee on Labor, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN ROOSEVELT: Since I testified before your subcommittee urging passage of amendments to strengthen the Welfare and Pension Plans Disclosure Act of 1958, I have received the enclosed special report indicating the very extensive financial operations of these funds. The tabulations are based upon financial reports for 1959, as reported to the Department under the present law.

Plan officials reporting to this Department in 1959 showed assets of nearly $48 billion. More than $10 billion in contributions were made to these plans during the year, and benefits in excess of $5.5 billion were paid.

However, despite the tremendous equity of Americans workers in these plans, there is virtually no protection of these monies under the present weak law. As you know, under the provisions of this act, the Department is unable to ascertain whether reports are filed as required, nor are we able to determine whether the reports filed are in fact accurate. This system obviously gives no protection to the workers whose present and future welfare is to a great extent tied to these funds.

The amendments which we have proposed would give this Department investigative and enforcement powers; enable plan administrators to get authoritative and binding interpretations of the act; and insure that reports are complete, meaningful and filed on time. The absence of these features in the present law constitutes a serious weakness.

If these proposals are enacted into law, they will provide needed protection of the welfare and pension rights of millions of workers and their families.

Yours sincerely,
ARTHUR J. GOLDBERG,
Secretary.

FINANCIAL DATA OF WELFARE AND PENSION PLANS FOR 1959

(From U.S. Department of Labor, Bureau of Labor Standards, Division of Welfare and Pension Reports, Washington, D.C.)

Plans reported to the U.S. Department of Labor, under the Welfare and Pension Plans Disclosure Act, had assets of nearly $48 billion in 1959. More than $10 billion in contributions were made to these plans, and benefits in excess of $5.5 billion were paid. These and other financial data are based on information reported by plan administrators and relate to the 118,660 plans for which first-year annual reports were filed with the Department under the act which became effective January 1, 1959.

ASSETS

Total assets amounted to $47.7 billion. The reports filed with the Department showed assets of $30.2 billion. Not accounted for in the reports, but included in the total, are pension reserves of $17.5 billion held by insurance carriers.

Assets of $28.3 billion were shown for the 24,130 pension plans which provide retirement benefits. Assets of nearly $2 billion were shown for the 94,530 welfare plans which provide benefits such as life insurance, accident and sickness insurance, hospitalization, surgical, medical and dental benefits, and paid sick leave.

More than half of the reported total, $17.7 billion, represented the assets of plans covering workers engaged in manufacturing. Plans covering workers engaged in communications and utilities were second, with assets of $3.7 billion, followed by wholesale and retail trade ($2.6 billion), and finance, insurance and real estate ($2.5 billion).

CONTRIBUTIONS

Contributions in excess of $4.7 billion were made to 94,530 welfare plans. Although only about one-fourth as many plans were involved, contributions of nearly $5.5 billion were made to 24,130 pension plans.

Of the total $10.2 billion, employer contributions amounted to $7.9 billion, or 77 percent, with employees contributing the remaining $2.3 billion. For welfare plans, employer contributions accounted for 70 percent, as contrasted to employer contributions of more than 83 percent for pension plans.

Nearly half of all plans covered workers in manufacturing. The second largest proportion of plans (16 percent) covered workers in wholesale and retail trade; followed by finance, insurance and real estate (9 percent), and services (8 percent).

BENEFITS

Benefits of more than $3.8 billion were paid by the 94,530 welfare plans. Benefits paid from the 24,130 pension plans amounted to nearly $1.7 billion.

For the welfare plans, benefits of almost $2.9 billion, or 75 percent of the total, were provided by an insurance carrier, or service, or other organization. Unfunded plans provided benefits of $397 million. The remaining $552 million in benefits were provided through a combination of methods.

By contrast, slightly less than $1 billion of 59 percent of the total benefits from pension plans, were provided by self-insured plans; i.e., all benefits were paid from trust funds or other separately maintained funds. The second largest amount of pension benefits, $294 million, was provided by an insurance carrier.

Nearly 59 percent ($2.25 billion) of the welfare benefits, and 51 percent ($850 million) of the pension benefits were paid to workers in manufacturing. The second largest amount of total benefits ($512 million) was paid to workers in wholesale and retail trades; followed by transportation ($443 million), and communication and utilities ($395 million).

Additional information is included in a set of tables which may be obtained upon request from the Division of Welfare and Pension Reports, Bureau of Labor Standards, U.S. Department of Labor, Washington 25, D.C.

TABLE 1.—*Selected financial data for 118,660 welfare and pension benefit plans, by type of plan, and by method of providing benefits, 1959* [1]

[Preliminary, subject to revision]

Method of providing benefits	Number of plans	Total assets of plans [2]	Contributions [2]			Total benefits paid [2]
			Total	By employers	By employees	
Total, all plans	118,660	30,237	10,257	7,932	2,325	5,513
Welfare benefit plans						
Total, all plans	94,530	1,935	4,766	3,356	1,410	3,841
Insured	85,850	185	3,649	2,420	1,229	2,892
Self-insured	2,070	1,353	404	266	138	275
Insured and self-insured	660	370	169	159	10	141
Unfunded	5,460	0	397	397	0	397
Combination of above	490	27	147	114	33	136
Pension benefit plans						
Total, all plans	24,130	28,302	5,491	4,576	915	1,672
Insured	7,130	165	1,232	998	234	294
Self-insured	13,090	22,303	3,049	2,530	519	995
Insured and self-insured	2,260	3,557	794	657	137	216
Unfunded	1,470	0	92	92	0	92
Combination of above	180	2,277	324	299	25	75

[1] Data included are for plans having fiscal, policy or contract years ending between Jan. 1 and Dec. 31, 1959.

[2] Millions of dollars.

TABLE 2.—*Selected financial data for 118,660 welfare and pension benefit plans, by type of plan, and by industry divisions, 1959* [1]

[Preliminary, subject to revision]

Industry divisions	Number of plans	Total assets of plans [2]	Contributions [2]			Total benefits paid [2]
			Total	By employers	By employees	
Total, all plans	118,660	30,237	10,257	7,932	2,325	5,513
Welfare benefit plans						
Total, all plans	94,530	1,935	4,766	3,356	1,410	3,841
Manufacturing	45,720	1,346	2,891	2,015	876	2,254
Mining	1,340	12	92	64	28	85
Construction	3,400	218	201	183	18	171
Transportation	3,480	110	363	276	87	344
Communication and utilities	2,550	5	293	185	108	238
Wholesale and retail trade	15,990	140	371	254	117	316
Finance, insurance, real estate	7,890	12	247	159	88	191
Services	8,300	75	208	147	61	162
Other and unclassified	5,860	17	100	73	27	80
Pension benefit plans						
Total, all plans	24,130	28,302	5,491	4,576	915	1,672
Manufacturing	11,880	16,389	3,147	2,572	575	850
Mining	360	451	105	83	22	39
Construction	730	400	112	108	4	23
Transportation	880	1,125	328	262	66	99
Communication and utilities	930	3,709	530	485	45	157
Wholesale and retail trade	3,350	2,484	341	275	66	196
Finance, insurance, real estate	2,910	2,512	548	481	67	190
Services	1,490	904	186	164	22	51
Other and unclassified	1,600	328	194	146	48	67

[1] Data included are for plans having fiscal, policy or contract years ending between Jan. 1 and Dec. 31, 1959.

[2] Millions of dollars.

SELECTED FINANCIAL DATA FOR 118,660 WELFARE AND PENSION BENEFIT PLANS, 1959

The Welfare and Pension Plans Disclosure Act which became effective January 1, 1959, provides that the administrator of each welfare and pension plan, coming under the provisions of the act, shall file an annual report on the plan with the Secretary of Labor within 120 days after the end of the fiscal or policy year of the plan. These annual reports must contain, among other data, the amount of contributions made to the plan by employers and by employees, the amount of benefits paid under the plan, the assets of the plan, the amount paid in insurance premiums, and the number of employees covered by the plan. Information presented in the following tables relate to the 118,660 plans for which first-year (1959) annual reports were filed with the Department of Labor under the act.

The act authorized the Secretary of Labor to prepare forms that could be used by administrators in submitting annual reports. The form developed was designated Form D–2 and, although its use was not mandatory, it was used by administrators in filing approximately 99 percent of the annual reports.

Before the data were summarized, plans were classified as welfare benefit or pension benefit based on the definitions contained in the act.

1. Welfare benefit plan: A plan that provides for its participants or their beneficiaries, medical, surgical, or hospital care or benefits, or benefits in the event of sickness, accident, disability, death, or unemployment.

2. Pension benefit plan: A plan that provides for its participants or their beneficiaries, retirement benefits, and includes any profit-sharing plan which provides benefits at or after retirement.

Included with the pension benefit plans are 610 plans which are primarily pension benefit plans but which also provide some welfare type benefits.

Plans were also classified on the basis of the method by which benefits were provided as follows:

1. Insured: All benefits provided through an insurance carrier or service or other organization. Also includes plans involving a trust or other separately maintained fund out of which premiums and/or subscription charges were paid to an insurance

carrier or service or other organization which provided all of the plan benefits.

2. Self-insured: All benefits provided from a trust fund or other separately maintained fund.

3. Insured and self-insured: Some benefits provided through an insurance carrier or service or other organization and some benefits provided from a trust fund or other separately maintained fund.

4. Unfunded: Benefits paid from general assets of employer or from general funds of employee organizations; no benefits underwritten by an insurance carrier or service or other organization and no benefits paid from trust or other separately maintained fund to which contributions were made.

5. Combination of above: Benefits provided through any combination of the above four methods.

Plans were further classified into eight major industry divisions. For most plans, this classification was made by the administrator of the plan when he submitted the plan description filing. In instances where the administrators did not make such classifications, plans were classified on the basis of the best information available from an examination of the plan description filings and other sources.

TABLE 1.—*Contributions made to 118,660 welfare and pension benefit plans during 1959,[1] by method of providing benefits and by industry divisions*

[Preliminary, subject to revision]

Method of providing benefits and industry divisions	Total, all plans				Welfare benefit plans				Pension benefit plans [2]			
	Number of plans	Contributions [3]			Number of plans	Contributions [3]			Number of plans	Contributions [3]		
		Total	By employers	By employees		Total	By employers	By employees		Total	By employers	By employees
Total, all plans	118,660	10,257.6	7,932.1	2,325.5	94,530	4,765.8	3,355.9	1,409.9	24,130	5,491.8	4,576.2	915.6
By method of providing benefits												
Insured	92,980	4,881.1	3,417.5	1,463.6	85,850	3,648.8	2,419.5	1,229.3	7,130	1,232.3	998.0	234.3
Self-insured	15,160	3,453.3	2,795.9	657.4	2,070	403.5	265.5	138.0	13,090	3,049.8	2,530.4	519.4
Insured and self-insured	2,920	963.0	816.2	146.8	660	169.0	159.3	9.7	2,260	794.0	656.9	137.1
Unfunded	6,930	488.7	488.7	0	5,460	397.1	397.1	0	1,470	91.6	91.6	0
Combination of above	670	471.5	413.8	57.7	490	147.4	114.5	32.9	180	324.1	299.3	24.8
By industry divisions												
Manufacturing	57,600	6,038.4	4,587.2	1,451.2	45,720	2,891.6	2,015.3	876.3	11,880	3,146.8	2,571.9	574.9
Mining	1,700	197.2	147.3	49.9	1,340	92.2	64.3	27.9	360	105.0	83.0	22.0
Construction	4,130	312.9	291.1	21.8	3,400	200.8	182.8	18.0	730	112.1	108.3	3.8
Transportation	4,360	690.3	537.9	152.4	3,480	362.5	275.8	86.7	880	327.8	262.1	65.7
Communication and utilities	3,480	822.6	669.2	153.4	2,550	292.7	184.5	108.2	930	529.9	484.7	45.2
Wholesale and retail trade	19,340	712.1	528.6	183.5	15,990	371.2	253.9	117.3	3,350	340.9	274.7	66.2
Finance, insurance, real estate	10,800	794.8	639.6	155.2	7,890	246.9	158.7	88.2	2,910	547.9	480.9	67.0
Services	9,790	393.2	311.0	82.2	8,300	207.8	147.3	60.5	1,490	185.4	163.7	21.7
Other and unclassified	7,460	296.1	220.2	75.9	5,860	100.1	73.3	26.8	1,600	196.0	146.9	49.1

[1] Data included are for plans having fiscal, policy, or contract years ending between Jan. 1 and Dec. 31, 1959.

[2] Includes 610 plans which are primarily pension benefit plans but which also provide some welfare type benefits.

[3] Millions of dollars.

TABLE 2.—*Total benefits paid under 118,660 welfare and pension benefit plans during 1959,[1] by method of providing benefits and by industry divisions*

[Preliminary, subject to revision]

Method of providing benefits and industry divisions	Number of plans			Total benefits paid [2]		
	Total all plans	Welfare benefit plans	Pension benefit plans [3]	Total all plans	Welfare benefit plans	Pension benefit plans [3]
Total, all plans	118,660	94,530	24,130	5,512.7	3,840.9	1,671.8
By method of providing benefits						
Insured	92,980	85,850	7,130	3,185.4	2,891.5	293.9
Self-insured	15,160	2,070	13,090	1,269.4	274.7	994.7
Insured and self-insured	2,920	660	2,260	357.2	140.9	216.3
Unfunded	6,930	5,460	1,470	488.7	397.1	91.6
Combination of above	670	490	180	212.0	136.7	75.3
By industry divisions						
Manufacturing	57,600	45,720	11,880	3,104.5	2,254.1	850.4
Mining	1,700	1,340	360	124.2	85.0	39.2
Construction	4,130	3,400	730	193.9	171.2	22.7
Transportation	4,360	3,480	880	443.2	343.9	99.3
Communication and utilities	3,480	2,550	930	394.6	237.7	156.9
Wholesale and retail trade	19,340	15,990	3,350	511.5	315.8	195.7
Finance, insurance, real estate	10,800	7,890	2,910	381.4	191.3	190.1
Services	9,790	8,300	1,490	213.3	161.9	51.4
Other and unclassified	7,460	5,860	1,600	146.1	80.0	66.1

[1] Data included are for plans having fiscal, policy, or contract years ending between Jan. 1 and Dec. 31, 1959.

[2] Millions of dollars. Partially estimated; includes benefits paid by insurance carriers as well as benefits paid directly from funds of plans, and benefits paid under unfunded plans.

[3] Includes 610 plans which are primarily pension benefit plans but which also provide some welfare-type benefits.

TABLE 3.—*Total assets of 118,660 welfare and pension benefit plans during 1959,[1] by method of providing benefits and by industry divisions*

[Preliminary, subject to revision]

Method of providing benefits and industry divisions	Number of plans			Total assets [2]		
	Total, all plans	Welfare benefit plans	Pension benefit plans [3]	Total, all plans	Welfare benefit plans	Pension benefit plans [3]
Total, all plans	118,660	94,530	24,130	30,236.5	1,934.5	28,302.0
By method of providing benefits						
Insured	92,980	85,850	7,130	349.6	184.7	164.9
Self-insured	15,160	2,070	13,090	23,655.9	1,353.2	22,302.7
Insured and self-insured	2,920	660	2,260	3,927.2	370.0	3,557.2
Unfunded	6,930	5,460	1,470	0	0	0
Combination of above	670	490	180	2,303.8	26.6	2,277.2
By industry divisions						
Manufacturing	57,600	45,720	11,880	17,735.3	1,345.9	16,389.4
Mining	1,700	1,340	360	462.6	11.6	451.0
Construction	4,130	3,400	730	617.9	218.1	399.8
Transportation	4,360	3,480	880	1,235.6	110.3	1,125.3
Communication and utilities	3,480	2,550	930	3,713.6	4.6	3,709.0
Wholesale and retail trade	19,340	15,990	3,350	2,623.9	140.1	2,483.8
Finance, insurance, real estate	10,800	7,890	2,910	2,524.2	12.1	2,512.1
Services	9,790	8,300	1,490	978.5	74.9	903.6
Other and unclassified	7,460	5,860	1,600	344.9	16.9	328.0

[1] Data included are for plans having fiscal, policy, or contract years ending between Jan. 1 and Dec. 31, 1959.
[2] Millions of dollars.
[3] Includes 610 plans which are primarily pension benefit plans but which also provide some welfare type benefits.

TABLE 4.—*Total insurance premiums paid during 1959 [1] in connection with 118,660 welfare and pension benefit plans, by method of providing benefits and by industry divisions*

[Preliminary, subject to revision]

Method of providing benefits and industry divisions	Number of plans			Insurance premiums paid [2]		
	Total all plans	Welfare benefit plans	Pension benefit plans [3]	Total all plans	Welfare benefit plans	Pension benefit plans [3]
Total, all plans	118,660	94,530	24,130	5,350.4	3,857.6	1,492.8
By method of providing benefits						
Insured	92,980	85,850	7,130	4,792.2	3,612.4	1,179.8
Self-insured	15,160	2,070	13,090	0	0	0
Insured and self-insured	2,920	660	2,260	352.7	120.1	232.6
Unfunded	6,930	5,460	1,470	0	0	0
Combination of above	670	490	180	205.5	125.1	80.4
By industry divisions						
Manufacturing	57,600	45,720	11,880	2,977.7	2,289.8	687.9
Mining	1,700	1,340	360	110.8	85.1	25.7
Construction	4,130	3,400	730	176.9	160.7	16.2
Transportation	4,360	3,480	880	389.3	283.1	100.2
Communication and utilities	3,480	2,550	930	329.2	203.9	125.3
Wholesale and retail trade	19,340	15,990	3,350	432.4	345.0	87.4
Finance, insurance, real estate	10,800	7,890	2,910	516.4	231.6	284.8
Services	9,790	8,300	1,490	244.1	179.9	64.2
Other and unclassified	7,460	5,860	1,600	173.6	78.5	95.1

[1] Data included are for plans having fiscal, policy, or contract years ending between Jan. 1 and Dec. 31, 1959.
[2] Millions of dollars.
[3] Includes 610 plans which are primarily pension benefit plans but which also provide some welfare type benefits.

TABLE 5.—*Distribution of 118,660 welfare and pension benefit plans by number of employees covered, 1959* [1]

[Preliminary, subject to revision]

Number of employees covered	Number of plans			Percentage distribution					
				Simple			Cumulative		
	Total all plans	Welfare benefit plans	Pension benefit plans [2]	Total all plans	Welfare benefit plans	Pension benefit plans [2]	Total all plans	Welfare benefit plans	Pension benefit plans [2]
Total, all plans	118,660	94,530	24,130	100.0	100.0	100.0	100.0	100.0	100.0
Under 30	9,920	7,660	2,260	8.4	8.1	9.4	8.4	8.1	9.4
30 to 39	12,920	10,470	2,450	10.9	11.1	10.3	19.3	19.2	19.6
40 to 49	9,390	7,480	1,910	7.9	7.9	7.9	27.2	27.1	27.5
50 to 59	7,340	5,880	1,460	6.2	6.2	6.1	33.4	33.3	33.6
60 to 69	6,160	4,770	1,390	5.2	5.0	5.8	38.6	38.3	39.4

See footnotes at end of table.

TABLE 5.—*Distribution of 118,660 welfare and pension benefit plans by number of employees covered, 1959* [1]—Continued

[Preliminary, subject to revision]

Number of employees covered	Number of plans			Percentage distribution					
				Simple			Cumulative		
	Total all plans	Welfare benefit plans	Pension benefit plans [2]	Total all plans	Welfare benefit plans	Pension benefit plans [2]	Total all plans	Welfare benefit plans	Pension benefit plans [2]
70 to 79	4,860	3,960	900	4.1	4.2	3.7	42.7	42.5	43.1
80 to 89	3,930	3,210	720	3.3	3.4	3.0	46.0	45.9	46.1
90 to 99	3,440	2,790	650	2.9	3.0	2.7	48.9	48.9	48.8
100 to 199	20,050	16,300	3,750	16.9	17.2	15.5	65.8	66.1	64.3
200 to 299	9,000	7,170	1,830	7.6	7.6	7.6	73.4	73.7	71.9
300 to 399	5,230	4,170	1,060	4.4	4.4	4.4	77.8	78.1	76.3
400 to 499	3,280	2,590	690	2.8	2.7	2.9	80.6	80.8	79.2
500 to 599	2,790	2,240	550	2.4	2.4	2.3	83.0	83.2	81.5
600 to 699	1,870	1,450	420	1.6	1.5	1.7	84.6	84.7	83.2
700 to 799	1,500	1,180	320	1.3	1.2	1.3	85.9	85.9	84.5
800 to 899	1,230	970	260	1.0	1.0	1.1	86.9	86.9	85.6
900 to 999	990	790	200	.8	.8	.8	87.7	87.7	86.4
1,000 to 1,999	5,380	4,180	1,200	4.5	4.4	5.0	92.2	92.1	91.4
2,000 to 2,999	1,970	1,540	430	1.7	1.6	1.8	93.9	93.7	93.2
3,000 to 3,999	1,170	950	220	1.0	1.0	.9	94.9	94.7	94.1
4,000 to 4,999	690	540	150	.6	.6	.6	95.5	95.3	94.7
5,000 and over	3,620	2,800	820	3.1	3.0	3.4	98.6	98.3	98.1
Unknown	1,930	1,440	490	1.4	1.7	1.9	100.0	100.0	100.0

[1] Data included are for plans having fiscal, policy, or contract years ending between Jan. 1 and Dec. 31, 1959.

[2] Includes 610 plans which are primarily pension benefit plans but which also provide some welfare type benefits.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. STRATTON (at the request of Mr. MORRIS), for 1 hour on Wednesday, July 19, 1961.

Mr. THOMPSON of New Jersey (at the request of Mr. MORRIS), for 1 hour on Monday, July 24, 1961.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. DENTON and to include a statement he made before the Committee on Veterans' Affairs last week.

Mr. MASON and to include extraneous matter.

Mr. HOFFMAN of Michigan.

Mr. ANFUSO.

(The following Members (at the request of Mr. DEVINE) and to include extraneous matter:)

Mr. RHODES of Arizona.

Mr. SCHADEBERG.

Mr. DERWINSKI.

Mr. HOSMER.

(The following Members (at the request of Mr. MORRIS) and to include extraneous matter:)

Mr. MULTER.

Mr. FOGARTY.

Mr. ASPINALL.

Mr. ROUSH.

Mr. DANIELS.

Mr. DULSKI.

SENATE BILLS AND CONCURRENT RESOLUTIONS REFERRED

Bills and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 320. An act to amend the provisions contained in part II of the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce within a State; to the Committee on Interstate and Foreign Commerce.

S. 333. An act for the relief of Godofredo M. Herzog; to the Committee on the Judiciary.

S. 763. An act to authorize annual appropriation to reimburse Commodity Credit Corporation for net realized losses sustained during any fiscal year in lieu of annual appropriations to restore capital impairment based on annual Treasury appraisals, and for other purposes; to the Committee on Banking and Currency.

S. 1054. An act for the relief of Huan-pin Tso; to the Committee on the Judiciary.

S. 1070. An act to amend the Federal Employees' Group Life Insurance Act of 1954, as amended, so as to provide for an additional unit of life insurance; to the Committee on Post Office and Civil Service.

S. 1088. An act for the relief of Ivan Balog; to the Committee on the Judiciary.

S. 1205. An act for the relief of Roger Chong Yeun Dunne; to the Committee on the Judiciary.

S. 1305. An act for the relief of Kazuo Ito and Satomi Ito; to the Committee on the Judiciary.

S. 1459. An act to amend the provisions of law relating to longevity step increases for postal employees; to the Committee on Post Office and Civil Service.

S. 1492. An act to amend the act of March 24, 1948, which establishes special requirements governing the selection of superintendents of national cemeteries; to the Committee on Interior and Insular Affairs.

S. 1527. An act for the relief of James D. Jalili; to the Committee on the Judiciary.

S. 1716. An act for the relief of Dr. Alexander Corpacius; to the Committee on the Judiciary.

S. 1775. An act to authorize the Secretary of the Interior to expend appropriated funds to acquire approximately 12 acres of land for the Richmond National Battlefield Park, and for other purposes; to the Committee on Interior and Insular Affairs.

S. Con. Res. 31. Concurrent resolution relating to certain aliens; to the Committee on the Judiciary.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and a joint resolution of the Senate of the following titles:

S. 1462. An act to amend the act of September 2, 1960 (74 Stat. 734), in order to authorize the Secretary of Agriculture to establish minimum standards of quality for any variety of grapes and plums covered by such act, and for other purposes; and

S.J. Res. 116. Joint resolution to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962.

ADJOURNMENT

Mr. MORRIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock p.m.) the House adjourned until tomorrow, Wednesday, July 19, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1142. A communication from the President of the United States, transmitting a draft of a proposed bill entitled "A bill to amend the Public Health Service Act to provide for the establishment of an Institute of Child Health and Human Development, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

1143. A communication from the President of the United States, transmitting a draft of a proposed bill entitled "A bill to authorized grants, contracts, and jointly financed cooperative arrangements for research relating to maternal and child health services and crippled children's services, and for other purposes"; to the Committee on Ways and Means.

1144. A letter from the Comptroller General of the United States, transmitting a report on the review of selected operations of

the Federal-aid highway program of the Bureau of Public Roads, Department of Commerce, in the States of North Dakota and South Dakota; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WILLIAMS: Committee on Interstate and Foreign Commerce. H.R. 2429. A bill to prohibit damage to, or destruction of, any shipment of freight or express moving in interstate or foreign commerce, and for other purposes; with amendment (Rept. No. 727). Referred to the House Calendar.

Mr. WILLIAMS: Committee on Interstate and Foreign Commerce. H.R. 8102. A bill to amend the Federal Airport Act so as to extend the time for making grants under the provisions of such act, and for other purposes; without amendment (Rept. No. 728). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 729. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII public bills and resolutions were introduced and severally referred as follows:

By Mr. BATTIN:

H.R. 8206. A bill to approve the revised June 1957 reclassification of land of the Fort Shaw division of the Sun River project, Montana, and to authorize the modification of the repayment contract with Fort Shaw Irrigation District; to the Committee on Interior and Insular Affairs.

By Mr. BURKE of Kentucky:

H.R. 8207. A bill to amend the act to promote the education of the blind, approved March 3, 1879, as amended, so as to authorize wider distribution of books and other special instruction materials for the blind, and to increase the appropriations authorized for this purpose, and to otherwise improve such act; to the Committee on Education and Labor.

By Mr. CHAMBERLAIN:

H.R. 8208. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of surplus agricultural commodities to such nations at prices less than those prices available to American consumers; to the Committee on Agriculture.

By Mr. DAWSON:

H.R. 8209. A bill to amend section 15 of the Administrative Expenses Act of 1946, relating to contracts by the departments of the Government for the services of experts and consultants; to the Commitee on Governmen Operations.

By Mr. DINGELL:

H.R. 8210. A bill to amend the Communications Act of 1934, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. FLYNT:

H.R. 8211. A bill to amend the Communications Act of 1934, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. FOGARTY:

H.R. 8212. A bill to amend the act to promote the education of the blind, approved March 3, 1879, as amended, so as to authorize wider distribution of books and other special instruction materials for the blind, and to increase the appropriations authorized for this purpose, and to otherwise improve such act; to the Committee on Education and Labor.

By Mr. GALLAGHER:

H.R. 8213. A bill to make the Commission on Civil Rights a permanent agency in the executive branch of the Government, to broaden the scope of the duties of the Commission, and for other purposes; to the Committee on the Judiciary.

By Mr. GIAIMO:

H.R. 8214. A bill to permit the use of certain construction tools actuated by explosive charges in construction activity on the U.S. Capitol Grounds; to the Committee on Public Works.

By Mrs. HANSEN:

H.R. 8215. A bill to establish an advisory committee on king and silver salmon, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. HULL:

H.R. 8216. A bill to amend section 105 of title 28, United States Code, so as to transfer certain counties from the Western Division of the Western District of Missouri to the St. Joseph Division of such district, and for other purposes; to the Committee on the Judiciary.

By Mr. MULTER:

H.R. 8217. A bill to amend section 35 of the District of Columbia Alcoholic Beverage Control Act to permit restaurants to sell alcoholic beverages on credit; to the Committee on the District of Columbia.

By Mr. OLSEN:

H.R. 8218. A bill proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 8219. A bill to withdraw Federal support and approval from apprenticeship programs which deny individuals an equal opportunity to participate therein on account of their race, color, or creed; to the Committee on Education and Labor.

By Mr. ROUSH:

H.R. 8220. A bill to provide authority for the States to conduct a recount in contested elections to a seat in the U.S. House of Representatives, and for other purposes; to the Committee on House Administration.

By Mrs. ST. GEORGE:

H.R. 8221. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.

By Mr. DINGELL:

H.J. Res. 487. Joint resolution to provide protection for the golden eagle; to the Committee on Merchant Marine and Fisheries.

By Mr. PHILBIN:

H.J. Res. 488. Joint resolution establishing a temporary loan guarantee program under the direction of the Secretary of State in connection with the 1962 world sport parachuting championship to be held at Orange, Mass.; to the Committee on Foreign Affairs.

By Mr. FASCELL:

H. Res. 373. Resolution supporting the President's reply to the Soviet aide memoire on Germany and Berlin; to the Committee on Foreign Affairs.

By Mr. PATMAN:

H. Res. 374. Resolution providing for a committee to consider removal of the U.S. Capital or providing a supplemental Capital; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H.R. 8222. A bill for the relief of Dick Kwong Eng; to the Committee on the Judiciary.

By Mr. GARMATZ:

H.R. 8223. A bill for the relief of Lew Ik Chew; to the Committee on the Judiciary.

By Mr. GIAIMO:

H.R. 8224. A bill for the relief of Gabriel G. Kajeckas; to the Committee on the Judiciary.

By Mr. GILBERT:

H.R. 8225. A bill for the relief of Amos Meiri; to the Committee on the Judiciary.

By Mr. SPRINGER:

H.R. 8226. A bill for the relief of Herbert F. Wascher; to the Committee on the Judiciary.

SENATE

TUESDAY, JULY 18, 1961

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O God, our strength and our Redeemer, in the glory and wonder of the new day, whatever we may face, support us with the faith that there is a heavenly power to lift us up which is stronger than all the earthly gravitation that pulls us down.

Deliver us from the folly of thinking or acting in moods of black despair as if we must carry the weight of the world upon our frail shoulders.

As we open up our lives to Thee in prayer we know that Thy completeness waits to flow around our incompleteness, and that not in our fallible weakness, but in Thy ageless power, are the issues of life and destiny.

Feeling ourselves part of the universal family of Thy children, make us quick to welcome every adventure in cooperation between the peoples of the world, so that within these historic walls of national decision may be woven the fabric of the common good, too strong to be torn by the evil hand of ruthless might.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, July 17, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Ratchford, one of his secretaries, and he announced that

the President had approved and signed the following acts:

On July 11, 1961:

S. 1748. An act to provide for the increased distribution of the CONGRESSIONAL RECORD to the Federal Judiciary; and

S. 2083. An act to correct a technical inaccuracy in the act of May 19, 1961 (Public Law 87-36).

On July 14, 1961:

S. 1073. An act for the relief of Henry Eugene Godderis.

REPORT ON OPERATIONS UNDER INTERNATIONAL CULTURAL EXCHANGE AND TRADE FAIR PARTICIPATION ACT OF 1956—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the provisions of section 9 of Public Law 860 of the 84th Congress, I transmit herewith for the information of the Congress the Ninth Semiannual Report of operations under the International Cultural Exchange and Trade Fair Participation Act of 1956.

JOHN F. KENNEDY.

THE WHITE HOUSE, *July 18, 1961.*

REPORT ON WEATHER MODIFICATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 213)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Commerce:

To the Congress of the United States:

I transmit herewith for the consideration of the Congress the Second Annual Report on Weather Modification (for fiscal year 1960) as submitted by the Director of the National Science Foundation.

JOHN F. KENNEDY.

THE WHITE HOUSE, *July 18, 1961.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 507) to set aside certain lands in Washington for Indians of the Quinaielt Tribe, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 650. An act to amend the Watershed Protection and Flood Prevention Act to permit certain new organizations to sponsor works of improvement thereunder; and

S. 1644. An act to provide for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, and that the House receded from its disagreement to the amendments of the Senate numbered 17 and 23 to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House disagreed to the amendments of the Senate to the bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ANDREWS, Mr. GARY, Mr. CANNON, Mr. FENTON, and Mr. TABER were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H.R. 176. An act to amend section 331 of title 28 of the United States Code so as to provide for representation on the Judicial Conference of the United States;

H.R. 566. An act authorizing the establishment of a national historic site at Fort Davis, Jeff Davis County, Tex.;

H.R. 1452. An act to authorize the sale of a portion of the former light station property in Scituate, Mass.;

H.R. 6007. An act to amend section 505(d) of the Classification Act of 1949, as amended, with respect to certain positions in the General Accounting Office;

H.R. 6597. An act to amend title 10, United States Code, to permit the crediting of certain minority service for the purpose of determining eligibility for retirement, and for other purposes;

H.R. 6902. An act to provide the same life tenure and retirement rights for judges hereafter appointed to the U.S. District Court for the District of Puerto Rico as the judges of all other U.S. district courts now have;

H.R. 7038. An act to eliminate the right of appeal from the Supreme Court of Puerto Rico to the Court of Appeals for the First Circuit;

H.R. 7043. An act to extend to employees subject to the Classification Act of 1949 the benefits of salary increases in connection with the protection of basic compensation rates from the effects of downgrading actions, to provide salary protection for postal field service employees in certain cases of reduction in salary standing, and for other purposes;

H.R. 7454. An act consenting to the amendment of the compact between the States of Pennsylvania and Ohio relating to Pymatuning Lake;

H.R. 7864. An act to dissolve Federal Facilities Corporation, and for other purposes;

H.R. 7935. An act to restore authority in the Armed Forces to prepare the remains, on a reimbursable basis, of certain deceased dependents of military personnel and to transport the remains at Government expense to their homes or other appropriate place of interment; and

H.J. Res. 435. Joint resolution to provide for recognition of the centennial of the establishment of the Department of Agriculture, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

S. 1462. An act to amend the act of September 2, 1960 (74 Stat. 734), in order to authorize the Secretary of Agriculture to establish minimum standards of quality for any variety of grapes and plums covered by such act, and for other purposes; and

S.J. Res. 116. Joint resolution to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962.

HOUSE BILLS AND JOINT RESOLUTION REFERRED OR PLACED ON CALENDAR

The following bills and joint resolution were severally read twice by their titles and referred or placed on the calendar, as indicated:

H.R. 176. An act to amend section 331 of title 28 of the United States Code so as to provide for representation on the Judicial Conference of the United States;

H.R. 6902. An act to provide the same life tenure and retirement rights for judges hereafter appointed to the U.S. District Court for the District of Puerto Rico as the judges of all other U.S. district courts now have;

H.R. 7038. An act to eliminate the right of appeal from the Supreme Court of Puerto Rico to the Court of Appeals for the First Circuit; and

H.J. Res. 435. Joint resolution to provide for recognition of the centennial of the establishment of the Department of Agriculture, and for other purposes; to the Committee on the Judiciary.

H.R. 566. An act authorizing the establishment of a national historic site at Fort Davis, Jeff Davis County, Tex.; to the Committee on Interior and Insular Affairs.

H.R. 1452. An act to authorize the sale of a portion of the former light station property in Scituate, Mass.; to the Committee on Commerce.

H.R. 6007. An act to amend section 505(d) of the Classification Act of 1949, as amended, with respect to certain positions in the General Accounting Office; and

H.R. 7043. An act to extend to employees subject to the Classification Act of 1949 the benefits of salary increases in connection with the protection of basic compensation rates from the effects of downgrading actions, to provide salary protection for postal field service employees in certain cases of reduction in salary standing, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 6597. An act to amend title 10, United States Code, to permit the crediting of certain minority service for the purpose of determining eligibility for retirement, and for other purposes; and

H.R. 7935. An act to restore authority in the Armed Forces to prepare the remains, on a reimbursable basis, of certain deceased dependents of military personnel and to transport the remains at Government expense to their homes or other appropriate places of interment; to the Committee on Armed Services.

H.R. 7454. An act consenting to the amendment of the compact between the States of Pennsylvania and Ohio relating to Pymatuning Lake; placed on the calendar.

H.R. 7864. An act to dissolve Federal Facilities Corporation, and for other purposes; to the Committee on Banking and Currency.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Antitrust and Monopoly Subcommittee of the Judiciary Committee was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. BIBLE, from the Committee on the District of Columbia:

John B. Duncan, of the District of Columbia, to be a Commissioner of the District of Columbia.

By Mr. McNAMARA, from the Committee on Labor and Public Welfare:

George L-P Weaver, of the District of Columbia, to be an Assistant Secretary of Labor.

By Mr. EASTLAND, from the Committee on the Judiciary:

David M. Satz, Jr., of New Jersey, to be U.S. Attorney for the district of New Jersey.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the calendar will be stated.

U.S. MARSHALS

The Chief Clerk proceeded to read sundry nominations of U.S. marshals.

Mr. MANSFIELD. Mr. President, I ask unaminous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communications and letters, which were referred as indicated:

RESEARCH RELATING TO MATERNAL AND CHILD HEALTH SERVICES AND CRIPPLED CHILDREN'S SERVICES

A communication from the President of the United States, transmitting a draft of proposed legislation to authorize grants, contracts, and jointly financed cooperative arrangements for research relating to maternal and child health services and crippled children's services, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

ESTABLISHMENT OF INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

A communication from the President of the United States, transmitting a draft of proposed legislation to amend the Public Health Service Act to provide for the establishment of an Institute of Child Health and Human Development, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT OF FEDERAL HOME LOAN BANK BOARD

A letter from the Chairman and Members of the Federal Home Loan Bank Board, Washington, D.C., transmitting, pursuant to law, a report of that Board, for the calendar year 1960 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON REVIEW OF SELECTED ACTIVITIES OF FEDERAL-AID HIGHWAY PROGRAM IN STATES OF NORTH DAKOTA AND SOUTH DAKOTA

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of selected activities of the Federal-aid highway program in the States of North Dakota and South Dakota, Bureau of Public Roads, Department of Commerce, dated July 1961 (with an accompanying report); to the Committee on Government Operations.

REPORT OF AMERICAN WAR MOTHERS

A report of the American War Mothers, covering the period September 1, 1957, to September 1, 1959; to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the Senate of the State of California; to the Committee on Agriculture and Forestry:

"SENATE RESOLUTION 201

"Resolution relating to farm program

"Whereas the proposed Agricultural Act of 1961, H.R. 6400 by Mr. COOLEY, of North Carolina, and S. 143 by Senator ELLENDER, of Louisiana, is essentially based upon the same sound principle of farmer self-help that has been so successful in California's own widespread program of marketing agreements; and

"Whereas the act recognizes that our abundance should be used to improve the diets and the health of children and needy persons in the United States and to strengthen the cause of democracy throughout the world; and

"Whereas the act seeks to improve our stewardship of the land through strengthening the system of democratically administered, independent soil conservation districts which has changed the face of the farming areas of the Nation over the past 30 years; and

"Whereas the act intends also to conserve human resources on the land by strengthening the family farm and the cooperative organizations of family farmers and by offering an opportunity to marginal farmers and young farm people to upgrade their skills and their properties in the great tradition of the Farmers Home Administration; and

"Whereas the act, through its provisions for the use of a variety of economic devices, suitable to differing situations which may arise in various crops, rather than by set and rigid formulas, affords farmers the opportunity to improve their position with little, if any, retail price increases and at no net cost to the Public Treasury; and

"Whereas it appears that programs under the act will be developed, administered, and advised upon by democratically elected committees of working farmers, subject to the sound principle of legislative review: Now, therefore, be it

"*Resolved by the Senate of the State of California*, That Representative COOLEY and Senator ELLENDER are congratulated upon their drawing of an act which should long stand as a landmark in national farm policy, and the California delegation to Congress is urged to give their strong support to the act in committee, and the Congress of the United States is urged to pass it with the sound agricultural and public policy principles embodied in it left unimpaired; and be it further

"*Resolved*, That the secretary of the senate is directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, to each Member of Congress from California, and to the chairmen and members of the House and Senate Agricultural Committees, and the Secretary of Agriculture."

A resolution adopted by the Philippine Association of War Widows, Parents & Orphans, Inc., of Ermita, Manila, Republic of the Philippines, favoring the enactment of House bill 261, to provide pensions for Filipino veterans during World War II; to the Committee on Finance.

A resolution adopted by the board of governors of the Greater Tampa Chamber of Commerce, Tampa, Fla., favoring an investigation of the Department of State; to the Committee on Foreign Relations.

A resolution adopted by the board of directors of the West Hollywood, Fla., Chamber of Commerce, favoring an investigation of the Department of State; to the Committee on Foreign Relations.

The petition of Henry Stoner, of Avon Park, Fla., relating to the designation of a Statehood Day; to the Committee on the Judiciary.

The petition of Henry Stoner, of Avon Park, Fla., praying for the relocation of the Nation's Capital in the neighborhood of St. Louis, Mo.; to the Committee on Public Works.

By Mr. KERR:

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Finance:

"SENATE CONCURRENT RESOLUTION 30

"Concurrent resolution memorializing the Congress of the United States to propose an amendment to the Constitution of the United States relative to balancing the expenditures and the income of the Government of the United States

"Whereas the U.S. Government is presently indebted in an approximate sum of $290 billion and the debt increases each year; and

"Whereas the U.S. Government now pays approximately $9 billion in interest on the present indebtedness each fiscal year; and

"Whereas the value of a dollar continues to decrease, particularly since World War II, largely due to the inflationary fiscal policy of the Federal Government; and

"Whereas the people of the United States are already bearing a practically confiscatory and excessive burden of taxes, particularly from the Federal Government; and

"Whereas, 'the power to tax is the power to destroy,' and the present level of taxation on the people has reached the point of diminishing returns: Now, therefore, be it

"Resolved by the Senate of the 28th Legislature of the State of Oklahoma (the House of Representatives concurring therein), That the Legislature of the State of Oklahoma hereby urges and memorializes the Congress of the United States to propose to the States an amendment to the Constitution of the United States as provided by article V of the Constitution, to read as follows, to wit:

" 'ARTICLE

" 'SECTION 1. On or before the 15th day after the beginning of each regular session of the Congress, the President shall transmit to the Congress a budget which shall set forth his estimates of the receipts of the Government, other than trust funds, during the ensuing fiscal year under the laws then existing and his recommendations with respect to expenditures (including so much for reduction of the public debt as he deems feasible) to be made from funds other than trust funds during such ensuing fiscal year, which shall not exceed such estimates of receipts. The President in transmitting such budget may recommend measures for raising additional revenue and his recommendations for the expenditure of such additional revenue. The Congress shall not authorize expenditures to be made during such ensuing fiscal year in excess of the estimated receipts. In case of war or other grave national emergency, if the President shall so recommend, the Congress by a vote of three-fourths of all the Members of each House may suspend the foregoing provisions for balancing the budget for periods, either successive or otherwise, not exceeding 1 year each.

" 'SEC. 2. This article shall take effect on the first day of the calendar year next following the ratification of this article.

" 'SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission to the States by the Congress.'

"Be it further resolved, That the secretary of state is hereby directed to transmit a copy of this resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the United States, and to each Member of the Oklahoma delegation in the Congress of the United States.

"Adopted by the senate the 20th day of April 1961.

"BOYD COWDEN,
"Acting President of the Senate.

"Adopted by the house of representatives the 7th day of July 1961.

"J. D. MCCARTY,
"Speaker of the House of Representatives."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

H.J. Res. 463. Joint resolution to extend through June 30, 1962, the life of the U.S. Citizens Commission on North Atlantic Treaty Organization (Rept. No. 567).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 2032. A bill consenting to the amendment of the compact between the States of Pennsylvania and Ohio relating to Pymatuning Lake (Rept. No. 568).

By Mr. KEATING, from the Committee on the Judiciary, without amendment:

S.J. Res. 49. Joint resolution providing for the establishment of an annual Youth Appreciation Week (Rept. No. 569).

By Mr. PASTORE, from the Committee on Appropriations, with amendments:

H.R. 7208. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1962, and for other purposes (Rept. No. 570).

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. 513. A bill to authorize and direct the Secretary of the Treasury to cause the vessel *Acadia*, owned by Robert J. Davis, of Port Clyde, Maine, to be documented as a vessel of the United States with coastwise privileges (Rept. No. 572); and

H.R. 1182. An act to create the Wyandotte National Wildlife Refuge (Rept. No. 573).

OPPOSING REORGANIZATION PLAN NO. 5 OF 1961—REPORT OF A COMMITTEE—MINORITY VIEWS (S. REPT. NO. 571)

Mr. MCCLELLAN. Mr. President, from the Committee on Government Operations, I report unfavorably the resolution (S. Res. 158) opposing Reorganization Plan No. 5 of 1961, and I submit a report thereon. I ask that the report be printed, together with the minority views of Senators CURTIS, MUNDT, and ERVIN, members of the committee.

Mr. CURTIS. Mr. President, reserving the right to object, may I ask the distinguished chairman of the committee if this resolution is the one that pertains to Reorganization Plan No. 5, relating to the National Labor Relations Board?

Mr. MCCLELLAN. The Senator is correct. I understood from the majority leader that the resolution would probably come up Thursday. In order to get the report printed in time, I think it should be filed today.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the resolution will be placed on the Calendar, and the report will be printed, as requested.

REPORT OF COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL STOCKPILE INVENTORIES

Mr. BYRD of Virginia. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal stockpile inventories as of May 1961. I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL STOCKPILE INVENTORIES, MAY 1961

INTRODUCTION

This is the 18th in a series of monthly reports on Federal stockpile inventories under the Department of Agriculture, General Services Administration, Office of Civil and Defense Mobilization, and the Department of Health, Education, and Welfare. It is for the month of May 1961.

The report is compiled from official data on quantities and cost value of commodities in these stockpiles submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures by the agencies involved.

The four agencies reported that as of May 1, 1961, the cost value of materials in their stockpile inventories total $15,981,939,000 and as of May 31, 1961, they totaled $15,929,061,000, a net decrease of $52,878,000 reflecting acquisitions, disposals, adjustments, etc., during the month.

Different units of measure make it impossible to summarize the quantities of commodities and materials which are shown in tables 1, 2, 3, and 4, but the cost value figures are summarized by agency and program, as follows:

Summary of cost value of stockpile inventories

[In thousands]

Agency and program	Beginning of month, May 1, 1961	End of month, May 31, 1961	Net change, reflecting acquisitions, disposals, adjustments, etc.
Department of Agriculture: Price support program:			
Agricultural commodities	$7,163,803	$7,093,394	−$70,409
Exchange commodities—strategic and critical materials	80,510	53,832	−26,678
Total, Department of Agriculture	7,244,313	7,147,226	−97,087
General Services Administration: Strategic and critical materials:			
National stockpile	6,118,031	6,114,414	−3,617
Federal Facilities Corporation: Tin inventory	9,519	9,511	−8
Defense Production Act program	1,471,614	1,474,518	+2,904
Supplemental stockpile	883,822	883,611	−211
Supplemental stockpile inventory in transit	67,416	111,105	+43,689
Total, General Services Administration	8,550,402	8,593,159	+42,757
Office of Civil and Defense Mobilization: Civil defense stockpile	19,718	20,165	+447
Department of Health, Education, and Welfare: Civil defense medical stockpile	167,506	168,511	+1,005
Grand total	15,981,939	15,929,061	−52,878

NOTE.—Figures are rounded and may not add to totals.

Detailed tables in this report show opening inventories at the beginning of the month in quantity and cost, transactions during the month, and the closing inventories at the end of the month. Each inventory is shown by commodity except the national stockpile, for which commodity detail is classified.

Pertinent information and explanation are set forth in notes accompanying the respective tables. Statutory authority and program descriptions are shown in the appendix to the report.

The inventories covered by the report are tabulated in detail as follows:

Table 1: Agricultural price support program inventories under Commodity Credit Corporation, Department of Agriculture, May 1961: Including agricultural commodities and strategic and critical materials acquired by exchange or barter.

Table 2: Strategic and critical materials inventories under General Services Administration, May 1961: Including materials in the national stockpile, Federal Facilities Corporation tin inventory, Defense Production Act purchase program, the supplemental stockpile of materials acquired by exchange or barter of agricultural commodities, etc., and inventory in transit from Commodity Credit Corporation to the supplemental stockpile.

Table 3: Civil defense stockpile inventory under the Office of Civil and Defense Mobilization, May 1961.

Table 4: Civil defense medical stockpile inventory under the Department of Health, Education, and Welfare, May 1961.

TABLE 1.—*Agricultural price support program inventories under Commodity Credit Corporation, Department of Agriculture, May 1961: Including agricultural commodities, and strategic and critical materials acquired by exchange or barter*

EXPLANATORY NOTES

The Department of Agriculture defines the content of the columns as follows:

Program and commodity: Lists each commodity in the form in which it exists when extended support, and in some instances in a form to which the supported commodity is processed or converted to increase marketability. The commodities are grouped under the appropriate statutory subclassifications as "Basic," "Designated nonbasic," "Other nonbasic," and "Exchange."

Unit of measure: The applicable unit used in the accounting records and reports of the Corporation.

Inventory, beginning of month: Quantity: In number of units. Cost value: All inventories are recorded in the accounts at cost. "Cost value" is comprised of the initial cost of the commodity plus storage, handling, transportation, and accessorial expenses paid or accrued up to the date of reporting. The initial cost of inventories acquired by delivery of collateral securing loans is the unpaid balance of the notes plus storage and other charges advanced, any equities due or paid to producers on warehouse-stored collateral (by Public Law 85-835, and beginning with 1959 crop production, the Corporation will not make equity payments to borrowers on unredeemed price support loan collateral, title to which it acquires on or after maturity of the loans), and the net value of any quantity or quality differences determined upon delivery of farm-stored collateral. Amounts paid to lending agencies participating in the loan program for crop years prior to 1958 were recorded as a part of inventory cost.

Adjustments: Warehouse settlements, exchanges and transfers (net): Warehouse settlements include the net differences in quantity and/or value represented by the net of overdeliveries, premiums, underdeliveries, and discounts arising from movement of commodities. Exchanges represent the net change in quantity and/or value for inventories exchanged or in process of exchange. On completed exchanges, the change in value represents differentials due to location, quality, and quantity. Unprocessed commodities removed from inventory for conversion or processing (on a contractual or fee basis and excluding conditional sales) are included as a reduction of inventory. Processed commodities acquired as a result of this conversion or processing are included as an addition to inventory.

Acquisitions: As reflected in accounting records and reports; and includes commodities acquired by delivery of collateral securing loans, commodities purchased under terms of purchase agreements, commodities purchased directly from producers or processors as a part of the support operation but not under purchase agreements, and processed commodities acquired by purchases which offset conditional sales of unprocessed commodities from inventory. The cost value of acquisitions is described under the explanation of the cost value of inventory.

Carrying charges added to investment after acquisition: Total costs of storage, handling, transportation, and other accessorial expenses incurred during the month.

Disposals: As reflected in accounting records and reports. Inventory transactions generally are recorded on the basis of transfer of title. Disposition commitments are not reflected in the accounts. Cost value: Represents acquisition value plus applicable amount of carrying charges. The amount of cost allocated to commodities removed from inventory is determined with the view of retaining in the inventory accounts the cost of commodities remaining on hand. The cost allocated to commodities removed from price support inventory is generally computed on the basis of average unit cost of the commodity reflected in the inventory accounts for the applicable crop year and general storage location. In the case of commodities generally stored commingled (e.g., bulk grains and bulk oils) the crop year is determined on the first-in, first-out basis. In the case of commodities stored in identified lots, the crop year is determined by lot identification.

Inventory, end of month: Closing inventory after transactions for the month have been applied to the inventory at the beginning of the month.

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, May 1, 1961		Transactions during the month								Inventory, end of month, Mar. 31, 1961	
				Adjustments		Acquisitions		Carrying charges added to investment after acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Storage and handling	Transportation and other	Quantity	Cost value	Quantity	Cost value
Agricultural commodities:													
Basic commodities:													
Corn	Bushel	1,393,701	$2,317,641	−90	−$172	2,260	$1,956	$11,160	$3,617	47,141	$101,100	1,348,730	$2,233,102
Cornmeal	Pound					50,366	1,901		−1	50,366	1,900		
Cotton, extra long staple	Bale	53	15,023					23	−4	7	1,942	46	13,100
Cotton, upland	do	2,323	409,988	(1)	(1)	1	248	919	−150	115	20,224	2,209	390,781
Peanut butter	Pound			+3,418	+928					3,418	928		
Peanuts, farmers' stock	do	39,113	3,984	−18,292	−2,779	5,262	506	72	243	18,095	1,190	7,988	827
Peanuts, shelled	do	96,313	15,723	+14,874	+1,851	2,127	285	94	373	18,755	2,687	94,559	15,639
Rice, milled	Hundredweight	354	3,100	(1)	(1)	110	1,016	16	56	273	2,446	191	1,742
Rice, rough	do	3,307	15,563	−1	−6	1,597	8,069	300	(1)	69	371	4,834	23,555
Tobacco	Pound					1,377	835			1,377	835		
Wheat	Bushel	1,275,697	3,180,393	−394	−451	20,734	38,839	17,989	8,389	19,207	66,353	1,276,830	3,178,806
Wheat flour	Pound					245,973	12,818		2	245,973	12,820		
Total, basic commodities			5,961,415		−629		66,473	30,573	12,525		212,805		5,857,552
Designated nonbasic commodities:													
Barley	Bushel	49,564	61,595	−5	−22	6,809	5,518	939	126	2,674	4,254	53,694	63,902
Grain sorghum	Hundredweight	396,964	1,020,839	+111	+98	3,760	7,105	8,473	751	1,902	6,575	398,873	1,030,691
Milk and butterfat:													
Butter	Pound	88,808	54,115			41,222	24,877	326	289	13,111	8,191	116,919	71,416
Cheese	do	197	75			2,104	801	6	1	3	2	2,298	881
Milk, dried	do	257,856	37,353			91,211	15,218	156	704	69,154	11,905	279,913	41,526
Milk, fluid	do					17,817	731			17,817	731		
Oats	Bushel	10,364	8,874	−188	−458	499	309	120	239	623	382	10,052	8,702
Oats, rolled	Pound			+5,178	+445					5,178	445		
Rye	Bushel	3,608	5,482	−10	−8	−958	853	126	162	497	796	4,059	5,819
Tung oil	Pound	8,500	1,823					3	(1)	1,335	287	7,165	1,539
Total, designated nonbasic commodities.			1,190,156		+55		55,412	10,149	2,272		33,568		1,224,476
Other nonbasic commodities:													
Beans, dry, edible	Hundredweight	1,810	12,211	(1)	−26	2	11	185	136	154	1,157	1,658	11,360
Flaxseed	Bushel	5	12			(1)	−1	1	(1)	3	7	2	5
Soybeans	do	5	9	−3	−32	(1)	1	2	(1)	2	−21	(1)	1
Total, other nonbasic commodities.			12,232		−58		11	188	136		1,143		11,366
Total, agricultural commodities			7,163,803		−632		121,896	40,910	14,933		247,516		7,093,394

See footnotes at end of table.

TABLE 1.—*Agricultural price support program inventories under Commodity Credit Corporation, Department of Agriculture, May 1961: Including agricultural commodities, and strategic and critical materials acquired by exchange or barter*—Continued

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, May 1, 1961		Transactions during the month								Inventory, end of month, Mar. 31, 1961	
				Adjustments		Acquisitions		Carrying charges added to investment after acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Storage and handling	Transportation and other	Quantity	Cost value	Quantity	Cost value
Exchange commodities: [2]													
Strategic and critical materials:													
Aluminum oxide, abrasive, crude	Pound	10,642	$690					$1	−$26	9,943	$620	699	$45
Antimony, metal	do	3,030	783			309	$97	2	2	2,034	511	1,305	373
Asbestos, amosite	do	5,230	652			(1)		4	3	1,349	180	3,881	479
Asbestos, chrysotile	do	1,000	237			520	148	1	5	500	145	1,020	246
Asbestos, crocidolite	do	3,446	532					5	(1)	2,546	384	900	153
Bauxite	do	2,500,256	15,929			576,282	3,370	27	54	695,935	4,841	2,380,603	14,539
Beryl ore	do	1,901	404					−1		1,901	403		
Beryllium copper master alloy	do	679	1,363			144	291	1	(1)	644	1,293	179	362
Bismuth	do							(1)			(1)		
Boart	Carat	500	1,379							500	1,379		
Chrome ore, chemical grade	Pound	53,270	494			72,156	599	8	12	53,270	487	72,156	626
Chrome ore, refractory grade	do	16,689	217					1	1	10,984	144	5,705	75
Chromium metal	do					60	57	(1)	(1)		(1)	60	57
Colemanite, Turkish boron minerals.	do							(1)	(1)				(1)
Columbite	do	351	278			−47	−37	(1)	(1)	304	241		
Diamonds	Carat	590	7,834			396	5,232			140	2,235	846	10,831
Ferrochrome, high carbon	Pound	27,104	4,358			3,539	547	7	−12	25,931	4,148	4,712	752
Ferrochrome, low carbon	do	4,320	940					2	3	4,320	945		
Ferromanganese	do	91,855	8,773			30,635	2,770	29	137	97,474	9,305	25,016	2,404
Fluorspar, acid grade	do	93,217	1,723			19,379	347	6	−1	83,164	1,530	29,432	545
Fluorspar, metallurgical grade	do							(1)	(1)		(1)		
Iodine	do					30	31	1	(1)			30	32
Lead	do							(1)	(1)		(1)		
Manganese ore, chemical grade	do	79,663	2,581			18,052	525	2	13			97,715	3,121
Manganese ore, metallurgical grade	do	776,614	16,464			51,518	1,303	28	327	490,441	10,621	337,691	7,501
Manganese ore, natural, battery grade.	do	72,308	3,785			7,497	400	(1)	14			79,805	4,199
Mica	do	698	1,730			119	304	4	1	195	197	622	1,842
Platinum	Troy ounce					6	505					6	505
Quartz crystals	Pound	150	2,116					−17	(1)			150	2,099
Rutile	do	13,986	1,418			21	−1,249	6	3	11,204	44	2,803	134
Silicon carbonite	do	32,471	3,191			1,474	140	14	25	24,860	2,469	9,085	901
Thorium nitrate	do							(1)			(1)		
Tin	do								(1)		(1)		
Titanium sponge	do	1,970	2,639			370	444	1	3	780	1,076	1,560	2,011
Zinc	do							(1)	(1)		(1)		
Total, strategic and critical materials.			80,510				15,824	132	564		43,198		53,832
Total, Department of Agriculture			7,244,313		−$632		137,720	41,042	15,497		290,714		7,147,226

[1] Less than 500.

[2] See appendix, p. 17, for notes relating to reporting of strategic and critical materials acquired by exchange or barter of agricultural commodities.

NOTE.—Figures are rounded and may not add to totals.

TABLE 2.—*Strategic and critical materials inventories under General Services Administration, May 1961: Including materials in the national stockpile, Federal Facilities Corporation tin inventory, Defense Production Act purchase program, the supplemental stockpile of materials acquired by exchange or barter of agricultural commodities, etc., and inventory in transit from Commodity Credit Corporation to the supplemental stockpile*

EXPLANATORY NOTES

The General Services Administration defines the content of the columns as follows:

Program and commodity: Identifies the program and the minerals, metals, fiber, and oils acquired under the program.

Unit of measure: The standard weight or measure of minerals, metals, fibers, and oils determined to be the stockpile unit of measure.

Inventory, beginning of month: Opening inventory represents quantity and cost of material in storage at the beginning of the accounting period.

Adjustments: Represents increases (+) or decreases (−) of material in inventory other than increases from acquisitions or decreases from disposals. Decreases occur from theft, loss incurred while in transit to stockpile location, repacking from one type of container to another, beneficiation of a low-grade material to a higher grade, and the removal of material for sampling and testing purposes. Increases occur from return of material previously removed for sampling and testing purposes and from quantities received at storage locations in excess of quantities billed by the contractor. A new chemical analysis of the materials may cause an increase or decrease where the weights are based on chemical and moisture content. Increases or decreases are also made from findings of audits of inventory and accounting records.

Acquisitions: For the National Stockpile and Defense Production Act acquisitions include open market purchases at contract prices; intradepartmental transfers at market or appraised value at time of transfer; transportation to first permanent storage location; and, beneficiating and processing cost in upgrading materials. For the supplemental stockpile acquisitions include the market value or CCC's acquisition cost whichever is the lower at time of transfer from CCC.

Disposals: Cost of disposals are calculated at the average unit price of inventory at time of removal from inventory. For the national stockpile inventory disposals consist of sale of materials that by their nature would deteriorate if held in storage for lengths of time; and, sale of materials that have been determined to be obsolete or excess to the needs of Government. For the Defense Production Act inventory disposals consist of sale of materials that have been determined to be obsolete or excess to the needs of Government.

Inventory, end of month: Closing inventory represents quantity and cost of material in storage at the end of the accounting period.

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, Mar. 1, 1961		Transactions during the month						Inventory, end of month, May 31, 1961	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
National stockpile: Total (classified detail omitted)			$6,118,031		−$9		$1,088		$4,697		$6,114,414
Federal Facilities Corporation: Total, tin	Long ton	4	9,519	(1)	−8					4	9,511
Defense Production Act:											
Aluminum	Short ton	772	391,593			5	2,707			777	394,300
Asbestos, chrysotile	Short dry ton	2	2,103							2	2,103
Bauxite, metal grade, Jamaica type	Long dry ton	1,370	18,168							1,370	18,168

See footnotes at end of table.

TABLE 2.—*Strategic and critical materials inventories under General Services Administration, May 1961: Including materials in the national stockpile, Federal Facilities Corporation tin inventory, Defense Production Act purchase program, the supplemental stockpile of materials acquired by exchange or barter of agricultural commodities, etc., and inventory in transit from Commodity Credit Corporation to the supplemental stockpile*—Continued

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, Mar. 1, 1961		Transactions during the month						Inventory, end of month, May 31, 1961	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
Defense Production Act—Continued											
Beryl	Short ton	2	$1,155			(1)	$26			2	$1,181
Bismuth	Pound	23	52							23	52
Chromite, metallurgical grade	Short dry ton	931	33,834			$13	496			944	34,329
Cobalt	Pound	25,187	52,063			26	48			25,213	52,110
Columbite	do	10,624	51,736	(1)						10,624	51,736
Copper	Short ton	132	73,129					1	$589	131	72,540
Cryolite	do	38	10,475					(1)	14	38	10,460
Fluorspar, acid grade	Short dry ton	20	1,394							20	1,394
Graphite, lubricating	Short ton	(1)	73					(1)	49	(1)	24
Lead	do	8	3,036							8	3,036
Manganese, battery grade, synthetic dioxide	Short dry ton	4	2,524							4	2,524
Manganese, metallurgical grade	do	3,097	178,487			12	804			3,109	179,291
Mica, muscovite block and film	Pound	6,219	35,944			45	727			6,264	36,670
Nickel	do	118,454	101,036					1,775	1,260	116,679	99,776
Palladium	Troy ounce	8	177							8	177
Rare earth residue	Pound	6,086	658							6,086	658
Rutile	Short dry ton	9	1,725							9	1,725
Tantalite	Pound	1,531	9,734							1,531	9,734
Thorium	do	849	42							849	42
Titanium	Short ton	22	173,002	(1)						22	173,002
Tungsten	Pound	79,810	325,460	+35						79,845	325,460
Subtotal, DPA commodities			1,467,599				4,806		1,912		1,470,494
Machine tools inventory:											
In storage	Tool	(1)	20							(1)	20
On lease	do	(1)	3,966							(1)	3,966
On loan	do	(1)	29				10			(1)	39
Subtotal, DPA machine tools			4,015				10				4,024
Total, Defense Production Act			1,471,614				4,816		1,912		1,474,518
Supplemental stockpile:[2]											
Aluminum oxide, fused, crude	Short ton	143	18,485		+$84					143	18,569
Antimony, metal	do	9	5,108		+6					9	5,113
Asbestos, amosite	do	5	1,154		−8					5	1,146
Asbestos, chrysotile	Short dry ton	5	3,499							5	3,499
Asbestos, crocidolite	Short ton	3	978		−30					3	948
Bauxite, metal grade, Jamaica type	Long dry ton	2,340	35,966		+445					2,340	36,410
Bauxite, metal grade, Surinam type	do	1,033	16,592		−514					1,033	16,078
Beryl	Short ton	9	19,370		−13					9	19,357
Bismuth	Pound	1,497	3,316		+32					1,497	3,348
Cadmium	do	6,609	10,938		+29					6,609	10,967
Chromite, chemical grade	Short dry ton	137	11,744		−95					137	11,649
Chromite, metallurgical grade	do	1,312	206,974		+174					1,312	207,147
Chromite, refractory grade	do	169	4,750		(1)					169	4,751
Cobalt	Pound	1,077	2,169							1,077	2,169
Colemanite	Long dry ton	63	2,799		−325					63	2,474
Columbite	Pound	213	501		+3					213	503
Copper	Short ton	10	6,828		(1)					10	6,828
Diamond, industrial, bort	Carat	561	1,505		+20					561	1,525
Diamond, industrial, stones	do	10,524	134,632		−202					10,524	134,430
Fluorspar, acid grade	Short dry ton	503	26,941		−6					503	26,936
Fluorspar, metallurgical grade	do	43	1,358	(1)	+148					43	1,505
Graphite, natural, Ceylon, amorphous lump	do	1	341							1	341
Iodine	Pound	242	231							242	231
Lead	Short ton	222	58,681	(1)	(1)					222	58,681
Manganese, battery grade, natural	Short dry ton	35	3,334							35	3,334
Manganese, chemical grade, type A	do	12	1,016		−114					12	902
Manganese, chemical grade, type B	Short ton	28	2,387		−112					28	2,275
Manganese, metallurgical grade	Short dry ton	1,264	114,407	(1)	+100					1,264	114,507
Mercury	Flask	16	3,446							16	3,446
Mica, muscovite block, strained and better	Pound	263	698							263	698
Mica, muscovite film	do	27	212							27	212
Mica, muscovite splittings	do	4,826	6,226							4,826	6,226
Mica, phlogopite splittings	do	252	234		(1)					252	235
Palladium	Troy ounce	548	9,872							548	9,872
Quartz crystals	Pound	82	1,099							82	1,099
Rare earths	Short dry ton	2	$2,427							2	$2,427
Ruthenium	Troy ounce	15	560							15	560
Selenium	Pound	157	1,071							157	1,071
Silicon carbide, crude	Short ton	87	17,090		+$164					87	17,254
Tantalite	Pound	8	21							8	21
Thorium	do	4,030	9,839		(1)					4,030	9,839
Tin	Long ton	8	16,401		+3					8	16,404
Titanium	Short ton	6	23,401							6	23,401
Tungsten	Pound	4,493	15,627							4,493	15,627
Zinc	Short ton	324	79,599	(1)	+1					324	79,600
Total supplemental stockpile			883,822		−210						883,611
Supplemental stockpile inventory in transit:[2]											
Aluminum oxide, fused, crude	Short ton	30	3,369			5	$620			34	3,988
Antimony, metal	do	2	942			2	511			3	1,453
Asbestos, amosite	do	1	350			1	180			2	530
Asbestos, chrysotile	do					(1)	145			(1)	145
Asbestos, crocidolite	do	3	849			1	385			4	1,234
Bauxite	Long ton	895	12,516			311	4,841			1,206	17,358
Beryl	Short ton					1	403			1	403

See footnotes at end of table.

TABLE 2.—*Strategic and critical materials inventories under General Services Administration, May 1961: Including materials in the national stockpile, Federal Facilities Corporation tin inventory, Defense Production Act purchase program, the supplemental stockpile of materials acquired by exchange or barter of agricultural commodities, etc., and inventory in transit from Commodity Credit Corporation to the supplemental stockpile*—Continued

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, Mar. 1, 1961		Transactions during the month						Inventory, end of month, May 31, 1961	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
Supplemental stockpile inventory in transit:[2]—Con.											
Beryllium copper, master alloy	Pound	690	$1,407			644	$1,293			1,334	$2,700
Chromite, chemical grade	Short ton	81	1,526			27	487			108	2,013
Chromite, metallurgical grade	do	(1)	31							(1)	31
Chromite, refractory grade	do	3	70			5	144			8	214
Colemanite	Long ton	4	251							4	251
Columbite	Pound					304	241			304	241
Diamond, industrial, bort	Carat	2,449	6,464			500	1,379			2,949	7,842
Diamond, industrial, stones	do					140	2,235			140	2,235
Ferrochrome, high carbon	Short ton	8	2,839			13	4,147			21	6,986
Ferrochrome, low carbon	do	1	519			2	945			3	1,464
Ferromanganese	do	42	8,208			49	9,305			90	17,513
Fluorspar, acid grade	Short dry ton	18	687			42	1,530			60	2,216
Manganese, battery grade, natural	do	10	1,014							10	1,014
Manganese, chemical grade	do	16	1,074							16	1,074
Manganese, metallurgical grade	do	433	20,086			245	10,621			678	30,707
Mica	Pound					195	197			195	197
Rutile	Short ton	5	918			6	540			10	1,458
Silicon carbide, crude	do	11	2,112			12	2,466			23	4,578
Thorium nitrate	Pound	50	115							50	115
Titanium sponge	Short ton	1	2,070			(1)	1,076			1	3,145
Total, supplemental stockpile inventory in transit.			67,416				43,689				111,105
Total, General Services Administration			8,550,402		−$227		49,593		$6,609		8,593,159

[1] Less than 500.
[2] See appendix, for notes relating to the reporting of strategic and critical materials acquired by exchange or barter of agricultura commodities.

NOTE.—Figures are rounded and may not add to totals.

TABLE 3.—*Civil defense stockpile inventory under the Office of Civil and Defense Mobilization, May 1961*

EXPLANATORY NOTES

The Office of Civil and Defense Mobilization defines the content of the colmuns as follows:

Commodity.—Composite groups of many different items.

Unit of measure.—Shown only for engineering supply units; not feasible for other composite groups.

Inventory-quantity.—Shown only for one item, namely, engineering supply units. It is not feasible to furnish quantity figures on the other commodity groups because they are composite groups of many different items. To report quantities, it would be necessary to list numerous different items.

Inventory-cost value.—Dollar value figures on commodities in the stockpile inventory essentially reflect their actual cost. The stockpile inventory is generally augmented by acquisition of Government excess property without reimbursement to the several holding agencies. The value assigned to these materials is (1) original acquisition cost if known, (2) estimated current market value of items in similar condition, or (3) average unit cost of identical or similar items purchased in the open market for stockpiling. Government excess property acquired by reimbursement is assigned a value equal to the amount of the fair-value reimbursement required.

Adjustments.—Represent inventory pricing adjustments resulting from recalculation of fixed average unit prices, transfers of commodities from one composite group to another, etc., during the month.

Acquisitions.—Materials placed in inventory during the month, including return to inventory of items previously released from inventory for reworking, etc. Value stated in terms of actual costs of the commodities.

Disposals.—Materials removed from inventory during the month, including items released from inventory for reworking, etc. Values shown are based on average unit costs.

Inventory at end of month. Closing inventory after transactions for the month have been applied to the inventory at the beginning of the month.

[In thousands]

Commodity	Unit of measure	Inventory, beginning of month, May 1, 1961		Transactions during the month						Inventory, end of month, May 31, 1961	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
Engineering stockpile (engine generators, pumps, chlorinators, purifiers, pipe and fittings).	10-mile units	(1)	$10,194		[3] −$13		$14		[3] $1	(1)	$10,193
Chemical and biological equipment			942		[2] −5		346		[4] 12		1,271
Radiological equipment			8,582		[2] −60		235		[5] 57		8,701
Total, civil defense stockpile, Office of Civil and Defense Mobilization.			19,718		−78		595		70		20,165

[1] Less than 500.
[2] Accounting adjustments.
[3] Inventory writeoff.
[4] Consists of grants to other Federal agencies and the States of $10,290, and inventory writeoff of $1,565.
[5] Consists of grants in other Federal agencies and to States of $46,420, and inventory writeoff of $10,395.

NOTE.—Figures are rounded and may not add to totals.

TABLE 4.—*Civil defense medical stockpile inventory under the Department of Health, Education, and Welfare, May 1961*

EXPLANATORY NOTES

The Department of Health, Education, and Welfare defines content of the columns as follows:

Commodity: Composite groups of many different items.

Unit of measure: Shown only for hospital functional units; not feasible for other composite groups.

Inventory cost value: The dollar value figures in the civil defense medical stockpile inventory reflect essentially the average acquisition costs per unit of the commodities. No transportation, delivery, or storage costs are included.

Adjustments: Represents increases (+) or decreases (−) of materials in commodity groups other than increases from acquisitions or decreases from disposals. Normally these transactions result from inventory pricing adjustments due to recalculation of fixed average unit prices, transfers of commodities from one composite group to another, removal of material for sampling during testing or reworking, etc., during the month.

Acquisitions: Materials placed in inventory during month, including new procurement and acquisition of Government excess property.

Disposals: Materials removed from inventory during the month. Costs of disposals are calculated on a basis of the average unit price of items in inventory at the time of removal. Disposals consist principally of items no longer suitable for stockpiling due to deterioration and of samples consumed through testing.

Inventory at end of month: Closing inventory after transactions for the month have been applied to the inventory at the beginning of the month.

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, May 1, 1961		Transactions during the month						Inventory, end of month, May 31, 1961	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
Medical bulk stocks and associated items at civil defense mobilization warehouses			$108,024		+$6		[1] $1,101		[2] $154		$108,976
Medical bulk stocks at manufacturer locations			3,985								3,985
Civil defense emergency hospitals	Each	2	38,227		−1				[2] 1	2	38,225
Replenishment units (functional assemblies other than hospitals)			17,270		+54				(3)		17,324
Total, civil defense medical stockpile, Department of Health, Education, and Welfare			167,506		+58		1,101		155		168,511

[1] Includes $1,061,326 serum albumin returned from manufacturers resulting from reworking blood plasma.

[2] Inventory writeoff, certificate of destruction.

[3] Less than 500.

NOTE.—Figures are rounded and may not add to totals.

APPENDIX

U.S. DEPARTMENT OF AGRICULTURE, COMMODITY CREDIT CORPORATION

The price-support program

Price-support operations are carried out under the Corporation's charter powers (15 U.S.C. 714), in conformity with the Agricultural Act of 1949 (7 U.S.C. 1421), the Agricultural Act of 1954 (7 U.S.C. 1741), which includes the National Wool Act of 1954, the Agricultural Act of 1956 (7 U.S.C. 1442), the Agricultural Act of 1958 and with respect to certain types of tobacco, in conformity with the act of July 28, 1945, as amended (7 U.S.C. 1312). Under the Agricultural Act of 1949, price support is mandatory for the basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco—and specific nonbasic commodities; namely, tung nuts, honey, milk, butterfat, and the products of milk and butterfat. Under the Agricultural Act of 1958, as producers of corn voted in favor of the new price-support program for corn authorized by that act, price support is mandatory for barley, oats, rye, and grain sorghums. Price support for wool and mohair is mandatory under the National Wool Act of 1954, through the marketing year ending March 31, 1962. Price support for other nonbasic agricultural commodities is discretionary except that, whenever the price of either cottonseed or soybeans is supported, the price of the other must be supported at such level as the Secretary determines will cause them to compete on equal terms on the market. This program may also include operations to remove and dispose of or aid in the removal or disposition of surplus agricultural commodities for the purpose of stabilizing prices at levels not in excess of permissible price-support levels.

Price support is made available through loans, purchase agreements, purchases, and other operations, and, in the case of wool and mohair, through incentive payments based on marketings. The producer's commodities serve as collateral for price-support loans. With limited exceptions, price-support loans are nonrecourse and the Corporation looks only to the pledged or mortgage collateral for satisfaction of the loan. Purchase agreements generally are available during the same period that loans are available. By signing a purchase agreement, a producer receives an option to sell to the Corporation any quantity of the commodity which he may elect within the maximum specified in the agreement.

The major effect on budgetary expenditures is represented by the disbursements for price-support loans. The largest part of the commodity acquisitions under the program result from the forfeiting of commodities pledged as loan collateral for which the expenditures occurred at the time of making the loan, rather than at the time of acquiring the commodities.

Dispositions of commodities acquired by the Corporation in its price-support operations are made in compliance with sections 202, 407, and 416 of the Agricultural Act of 1949, and other applicable legislation, particularly the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691), title I of the Agricultural Act of 1954, title II of the Agricultural Act of 1956, the Agricultural Act of 1958, the act of August 19, 1958, in the case of cornmeal and wheat flour, and the act of September 21, 1959, with regard to sales of livestock feed in emergency areas.

GENERAL SERVICES ADMINISTRATION

Strategic and critical materials stockpiling and related programs

1. National Stockpile

The Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98–98h) provides for the establishment and maintenance of a national stockpile of strategic and critical materials. GSA is responsible for making purchases of strategic and critical materials and providing for their storage, security, and maintenance. These functions are performed in accordance with directives issued by the Director of the Office of Civil and Defense Mobilization. The act also provides for the transfer from other Government agencies of strategic and critical materials which are excess to the needs of such other agencies and are required to meet the stockpile objectives established by OCDM. In addition, GSA is responsible for disposing of those strategic and critical materials which OCDM determines to be no longer needed for stockpile purposes.

General policies for strategic and critical materials stockpiling are contained in DMO V–7, issued by the Director of the Office of Civil and Defense Mobilization and published in the Federal Register of December 19, 1959 (24 F.R. 10309). Portions of this order relate also to Defense Production Act inventories.

2. Tin Received From Federal Facilities Corporation

Public Law 608, 84th Congress (50 U.S.C. 98 note), provided, among other things, for the continuation of operation of the Government-owned tin smelter at Texas City, Tex., from June 30, 1956, until January 31, 1957. It provided also that all tin acquired by the Federal Facilities Corporation by reason of such extension should be transferred to GSA.

3. Defense Production Act

Under section 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2093) and Executive Order 10480, as amended, GSA is authorized to make purchases of or commitments to purchase metals, minerals, and other materials, for Government use or resale, in order to expand productive capacity and supply, and also to store the materials acquired as a result of such purchases or commitments. Such functions are carried out in accordance with programs certified by the Director of the Office of Civil and Defense Mobilization.

4. Supplemental Stockpile

As a result of a delegation of authority from OCDM (32A C.F.R., ch. 1, DMO V–4), GSA is responsible for the maintenance and storage of materials placed in the supplemental stockpile. Section 206 of the Agricultural Act of 1956 (7 U.S.C. 1856) provides that strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural products, unless acquired for the national stockpile or for other purposes, shall be transferred to the supplemental stockpile

established by section 104(b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1704(b)). In addition to the materials which have been or may be so acquired, the materials obtained under the programs established pursuant to the Domestic Tungsten, Asbestos, Fluorspar, and Columbium-Tantalum Production and Purchase Act of 1956 (50 U.S.C. App. 2191–2195, which terminated December 31, 1958, have been transferred to the supplemental stockpile, as authorized by the provisions of said Production and Purchase Act.

OFFICE OF CIVIL AND DEFENSE MOBILIZATION

Civil defense stockpile program

This stockpiling program, conducted pursuant to section 201(h) of Public Law 920, 81st Congress, as amended, is designed to provide some of the most essential materials to minimize the effects upon the civilian population which would be caused by an attack upon the United States. Supplies and equipment normally unavailable, or lacking in quantity needed to cope with such conditions, are stockpiled at strategic locations in a nationwide warehouse system consisting of general storage facilities.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Civil defense medical stockpile program

As authorized under Public Law 920, 81st Congress, and following the intent of Reorganization Plan No. 1, 1958, the Director, Office of Civil and Defense Mobilization has delegated responsibility to the Department of Health, Education, and Welfare to plan and direct operation of the medical supply portion of the OCDM stockpile. The warehousing of the medical stockpile is principally within the OCDM warehouse system; in addition, the medical stockpile includes a program designed to preposition emergency hospitals and other treatment units in communities throughout the Nation.

EXPLANATORY NOTES RELATING TO THE REPORTING OF STRATEGIC AND CRITICAL MATERIALS ACQUIRED BY EXCHANGE OR BARTER OF AGRICULTURAL COMMODITIES

Surplus agricultural commodities in the Commodity Credit Corporation's price-support inventory may be exchanged or bartered for strategic and critical materials under the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), and other basic legislation including the CCC Charter Act, as amended, the Agricultural Act of 1954, and the Agricultural Act of 1956.

Except for small amounts which may go to the national stockpile, the strategic and critical materials acquired by Commodity Credit Corporation under the barter program are transferred to the supplemental stockpile.

Direct appropriations reimburse Commodity Credit Corporation for materials so transferred from the price-support inventory.

The General Services Administration is charged with the custody and management of strategic and critical materials, and becomes the responsible reporting agency when title to these bartered materials is placed in the supplemental stockpile.

For purposes of this report, strategic and critical materials acquired by barter may appear in three inventories, reflecting the stages of the transfer of title.

1. The Department of Agriculture reports those to which the Commodity Credit Corporation still has title, prior to transfer to the supplemental stockpile.

2. The General Services Administration reports those which have been transferred from the Commodity Credit Corporation exchange inventory in two parts:

A. Materials for which title is "in transit" from Commodity Credit Corporation to the supplemental stockpile.

B. Materials for which title has passed to the supplemental stockpile.

STATEMENT BY SENATOR BYRD OF VIRGINIA

The cost value of materials in nine Federal stockpile inventories as reported by the Agriculture Department, General Services Administration, Office of Civil and Defense Mobilization, and Department of Health, Education, and Welfare, on May 31, 1961, totaled $15,929,061,000. May activity in these stockpiles resulted in a net decrease of $52,878,000.

Net change in these stockpile inventories reflects acquisitions, disposals, and adjustments. May activity and end-of-month totals are summarized:

[In thousands]

Inventories by agency and program	Cost value, May 1961	
	Net change during month	Total, end of month
Department of Agriculture:		
Price support program:		
1. Agricultural commodities	−$70,409	$7,093,394
2. Exchange, strategic and critical materials	−26,678	53,832
Total, Department of Agriculture	−97,087	7,147,226
General Services Administration:		
Strategic and critical materials:		
3. National stockpile	−3,617	6,114,414
4. Federal Facilities Corporation, tin inventory	−5	9,511
5. Defense Production Act program	+2,904	1,474,518
6. Supplemental stockpile	−211	883,611
7. Supplemental stockpile inventory in transit	+43,689	111,105
Total, General Services Administration	+42,757	8,593,159
Office of Civil and Defense Mobilization:		
8. Civil defense stockpile	+447	20,165
Department of Health, Education, and Welfare:		
9. Civil defense medical stockpile	+1,005	168,511
Grand total	−52,878	15,929,061

These figures are from reports certified by the agencies involved as compiled by the Joint Committee on Reduction of Nonessential Federal Expenditures.

STORAGE AND HANDLING

The report shows storage and handling costs for Commodity Credit's price support inventory totaled $41,042,000 for the month of May. It should be noted these storage costs are for only two of the nine stockpiles covered by the report.

INCREASES AND DECREASES

The major net decreases in cost value during May were $85 million in corn, and $21 million in cotton. This was partially offset by net increases of $22 million in milk and butterfat and $10 million in grain sorghum.

AGRICULTURAL COMMODITIES

Of 19 agricultural commodities in Commodity Credit's $7.1 billion price support inventory on May 31, 1961, those leading in cost value include:

Wheat, with 1.3 billion bushels at a cost of $3.2 billion;

Corn, with 1.3 billion bushels at a cost of $2.2 billion; and

Grain sorghum, with 399 million hundredweight at a cost of $1 billion.

STRATEGIC AND CRITICAL MATERIALS

Strategic and critical materials are shown in six inventories totaling $8.6 billion, including the $6.1 billion national stockpile for which itemized detail is classified. Combined figures from the other five inventories show materials (in all grades and forms) leading in cost value as follows:

Aluminum, bauxite, etc., with 8.1 million tons at a cost of $519 million;

Manganese (and ores), with 5.5 million tons at a cost of $370 million; and

Tungsten, with 84 million pounds at a cost of $341 million.

CIVIL DEFENSE SUPPLIES AND EQUIPMENT

Supplies and equipment in two civil defense stockpile inventories total $189 million. Nearly 90 percent is in the medical stockpile valued at $169 million.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr. FONG (for himself and Mr. LONG of Hawaii):

S. 2267. A bill authorizing the Secretary of the Navy to convey certain property to the State of Hawaii; to the Committee on Armed Services.

By Mr. ENGLE:

S. 2268. A bill to amend the Federal Aviation Act of 1958 to provide for the application of Federal criminal law to certain events occurring on board aircraft in air commerce; to the Committee on Commerce.

(See the remarks of Mr. ENGLE when he introduced the above bill, which appear under a separate heading.)

By Mr. HILL (for himself and Mr. KERR):

S. 2269. A bill to amend the Public Health Service Act to provide for the establishment of an Institute of Child Health and Human Development, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HILL when he introduced the above bill, which appear under a separate heading.)

By Mr. LONG of Missouri (for himself and Mr. SYMINGTON):

S. 2270. A bill to amend section 105 of title 28, United States Code, so as to transfer certain counties from the western division of the western district of Missouri to the St. Joseph division of such district, and for other purposes; to the Committee on the Judiciary.

By Mr. WILLIAMS of New Jersey:

S. 2271. A bill for the relief of Christos Ganniotis; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 2272. A bill to disclaim interest in certain rights in certain lands in the State of Nevada; to the Committee on Interior and Insular Affairs.

By Mr. KERR (for himself and Mr. HILL):

S. 2273. A bill to authorize grants, contracts, and jointly financed cooperative ar-

rangements for research relating to maternal and child health services and crippled children's services, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. HART:

S. 2274. A bill for the relief of Roland Guenther; to the Committee on the Judiciary.

By Mr. CAPEHART:

S. 2275. A bill for the relief of Anthanasia F. Fragou; to the Committee on the Judiciary.

By Mr. MORSE:

S. 2276. A bill for the relief of James Takeo Nigo; and

S. 2277. A bill for the relief of Thomas Shuichi Nakagawa; to the Committee on the Judiciary.

By Mr. SMITH of Massachusetts:

S. 2278. A bill for the relief of Dr. Charles C. Yu; to the Committee on the Judiciary.

APPLICATION OF FEDERAL CRIMINAL LAW TO CERTAIN EVENTS OCCURRING ON BOARD AIRCRAFT IN AIR COMMERCE

Mr. ENGLE. Mr. President, I introduce, for appropriate reference, a bill to amend the Federal Aviation Act of 1958 to provide for the application of Federal criminal law to certain events occurring on board aircraft in air commerce.

As our laws now stand, a person could commit an assault or even murder on a flight crossing the United States and the matter might be tied up in litigation for years while authorities tried to determine the local jurisdiction under which the offense occurred.

Recently an incident occurred that points up the urgent need for filling this gap in our Federal laws. On July 8 a passenger on a jetliner going west drew a knife on members of the crew when they attempted to take a bottle of liquor from him. When the incident occurred the plane was presumably flying over the State of Nevada. When the plane landed in Los Angeles, Federal and local authorities were unable to find a criminal statute under which to arrest the offender. He was first booked on suspicion of assault with a deadly weapon but the district attorney's office decided it had no jurisdiction over an incident taking place while the plane was over Nevada. No Federal law seemed to cover the case.

This is just one example but it is representative of the difficulties that have been encountered in applying State laws to crimes committed aboard aircraft. The problem is aggravated because only certain crimes are extraditable under State laws and the apprehending officials are usually not the officials of the State or jurisdiction where the alleged crime was committed. By making such a crime a Federal offense, the offender may be apprehended by Federal officials and returned to the appropriate district for trial by Federal law.

There is in title 18 of the United States Code a category of crimes identified as being within the special maritime or territorial jurisdiction of the United States. This jurisdiction is aimed primarily at crimes committed on vessels and aircraft over the high seas. The crimes embraced under these provisions include assault, maiming, murder, manslaughter, robbery, and attempts at committing murder or manslaughter. The bill I have today introduced would extend the criminal jurisdiction of the United States under title 18 to these same crimes when committed on board an aircraft in flight in air commerce.

As we move along in the jet and space age, we are finding that many of our laws need revision to keep pace with the extraordinary changes in our way of life. Let us remember that in this day of jets a man may pull a knife out of its sheath in the airspace over Nevada and by the time he completes his nefarious intentions he is flying in the airspace over California.

I ask that my bill be appropriately referred and urge that it receive quick and favorable action.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2268) to amend the Federal Aviation Act of 1958 to provide for the application of Federal criminal law to certain events occurring on board aircraft in air commerce, introduced by Mr. ENGLE, was received, read twice by its title, and referred to the Committee on Commerce.

INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

Mr. HILL. Mr. President, on behalf of myself, and the Senator from Oklahoma [Mr. KERR], I introduce, for appropriate reference, a bill to amend the Public Health Service Act to provide for the establishment of an Institute of Child Health and Human Development, and for other purposes. I ask unanimous consent to have printed in the RECORD a letter from the Secretary of Health, Education, and Welfare, relating to the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2269) to amend the Public Health Service Act to provide for the establishment of an Institute of Child Health and Human Development, and for other purposes, introduced by Mr. HILL (for himself and Mr. KERR), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The letter presented by Mr. HILL is as follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, July 12, 1961.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am enclosing for your consideration a draft bill to authorize the Surgeon General to establish within the Public Health Service a National Institute of Child Health and Human Development and a National Institute of General Medical Sciences. The proposed Institutes would be similar in organizational character and function to the seven Institutes which are presently contained within the National Institutes of Health.

The establishment of these two new Institutes would provide a sharper focus for research and training activities in two vital areas—first, the broad fields of research relating to child health and human development and, secondly, research in the general and basic medical sciences which underlie all fields of medical research. However, only the first area will require the establishment of a new program. At the present time the National Institutes of Health, through its Division of General Medical Sciences, is carrying out an extensive program of grants for research and research training in the general and basic medical sciences, and the draft bill would merely elevate an important ongoing program to institute status.

The legislative proposal for the establishment of a National Institute of Child Health and Human Development will implement the recommendation, in your health message to the Congress on February 9, "* * * that there be established in the National Institutes of Health a new National Institute of Child Health and Human Development, which will include a Center for Research in Child Health as well as other broad-ranging health research activities not now covered by the specialized work of the existing Institutes."

This new Institute will provide a central focus and coordinating point in the fields of research relating to child health and human development similar to the focus which the existing Institutes provide for their respective disease areas. In spite of the extensive research already supported by the National Institutes of Health which relates to the problems of children and youth and the process of human maturation, we believe that the importance of these problems deserves the emphasis of a special organizational unit and the attention of special research and training programs. This Institute could provide the basis for a stepped-up program of research into such specific problems as congenital malformations, infant mortality, mental retardation, and maternal factors which relate to the health and development of the child. There is an equally great need for more research into the developmental and adaptive processes (both normal and abnormal), beginning with the reproductive system and then continuing logically through the perinatal period, infancy, and childhood and including the processes of maturation (physiological, physical, intellectual, social, and psychological development) through adolescence and into adulthood. This type of fundamental research is needed to provide the basis for specific advances in the health and well-being of our children, youth, and other age groups in the years to come The research program of this Institute will also form a particularly suitable setting for an effective research effort in the aging process. The study of aging is a logical extension of a program which is concerned with the processes of human development.

We do not propose that this new Institute take over from other institutes the study of those childhood diseases which can best be undertaken in the context of a total disease category. For example, the study of leukemia in children would remain in the National Cancer Institute, and the National Institute of Mental Health would continue to be responsible for research into schizophrenia in children. We believe that there are great research opportunities in the areas described above which will occupy the total attentions of the proposed Institute and which can be undertaken without any harmful disruption of the current research programs of other institutes.

Nor would this legislation impinge upon the authority of other agencies which have responsibilities in the sphere of child health and human development. The draft bill contains a specific provision which recognizes the existing authority of the Secretary to conduct related studies and investigations through the Children's Bureau, and

we are submitting for your approval companion legislation to clarify and expand this authority of the Secretary. It is our intention to have a representative of the Children's Bureau serve as an ex officio member of the advisory council which would be established to advise the Surgeon General on the activities of this new Institute.

In carrying out its functions the proposed Institute of Child Health and Human Development could utilize all of the mechanisms provided in section 301 of the Public Health Service Act, including grants for research projects and direct conduct of research. In addition, the Institute could support training activities related to child health and human development, including training grants, fellowships, and traineeships. Provision is also made in the draft bill for an advisory council, similar to the national advisory councils associated with the present Institutes.

As indicated above, the proposal for the conversion of the Division of General Medical Sciences into a National Institute of General Medical Sciences is made in recognition of the importance of the general and basic medical sciences to the progress of medical research. The conversion of this division into an institute was recommended by the group of expert consultants appointed by the Senate Appropriations Committee for the purpose of considering all aspects of the Federal support of research. The program of research and research training supported by the Division of General Medical Sciences has increased both in size and importance. The elevation of the division to institute status is a logical step in the evolution of this vital program.

The functions of the Institute of General Medical Sciences would be similar to those of the other Institutes at the National Institutes of Health and to the authorities of the Institute of Child Health and Human Development described above. The Surgeon General would also be authorized to establish an advisory council to advise on this program.

An amendment to section 301(d) of the Public Health Service Act is proposed in this draft bill in order to clarify the general authority of the Surgeon General to make grants for research training projects. Additional provisions included in the draft bill would authorize the Surgeon General to appoint advisory committees to provide advice and consultation concerning any programs of the Public Health Service.

Also included is an amendment exempting members of councils and other advisory groups, existing or prospective, from certain conflict-of-interest laws, except for the prohibition against participation in the prosecution of any claim against the United States on any matter with respect to which he was directly connected as a member and except for a prohibition against receipt of salary from other than the member's employer at the time of his appointment.

We believe that the enactment of this legislation will provide the Public Health Service with new tools to be used in the expanding fight against human disease and disability. These proposed new Institutes would constitute a needed complement to the present significant efforts in this fight.

Faithfully yours,

ABRAHAM RIBICOFF,
Secretary.

AGRICULTURAL ACT OF 1961—AMENDMENTS

Mr. BURDICK (for himself, Mr. BARTLETT, Mr. CHAVEZ, and Mr. DOUGLAS) submitted amendments, intended to be proposed by them, jointly, to the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes, which were ordered to lie on the table and to be printed.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO LEGISLATIVE APPROPRIATION BILL

Mr. PASTORE submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 7208) making appropriations for the legislative branch for the fiscal year ending June 30, 1962, and for other purposes, the following amendment, namely: Page 9, line 2:

"The second proviso in the paragraph relating to the authority of Senators to rearrange the basic salaries of employees in their respective offices, which appears in the Legislative Branch Appropriation Act, 1947, as amended (2 U.S.C. 60f) is amended to read as follows: '*Provided further*, That no salary shall be fixed in a Senator's office under this section at a basic rate of more than $5,100 per annum, except that (1) the salary of one employee may be fixed at a basic rate of not more than $6,540 per annum, (2) the salary of one employee may be fixed at a basic rate of not more than $8,040 per annum, (3) the salary of one employee may be fixed at a basic rate of not more than $8,460 per annum, and (4) the salary of one employee may be fixed at a basic rate of not more than $8,880 per annum.'"

Mr. PASTORE also submitted an amendment, intended to be proposed by him, to House bill (H.R. 7208) making appropriations for the legislative branch for the fiscal year ending June 30, 1962, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. PASTORE submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 7208) making appropriations for the legislative branch for the fiscal year ending June 30, 1962, and for other purposes, the following amendment, namely: Page 9, line 16:

"Notwithstanding any other provision of law, any funds available for the payment of travel and subsistence expenses of members of committees of the Senate may hereafter be used for payment, in accordance with regulations promulgated by the Committee on Rules and Administration, of such expenses incurred by such Members for official travel on committee business performed at any time subsequent to July 12, 1960, regardless of place of departure or destination."

Mr. PASTORE also submitted an amendment, intended to be proposed by him, to House bill H.R. 7208, making appropriations for the legislative branch for the fiscal year ending June 30, 1962, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. PASTORE submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 7208) making appropriations for the legislative branch for the fiscal year ending June 30, 1962, and for other purposes, which was ordered to lie on the table and to be printed.

"The contingent fund of the Senate is hereafter made available for the payment of mileage, to be computed at 10 cents per mile by the nearest usual route, between Washington, District of Columbia, and a point in the home State of the Senator involved, for not to exceed four round trips originating and terminating in Washington, District of Columbia, made by employees in each Senator's office in any fiscal year, such payment to be made only upon vouchers approved by the Senator containing a certification, by such Senator, that such travel was performed in line of official duty, but the mileage allowed for any such trip shall not exceed the round trip mileage by the nearest usual route between Washington, District of Columbia, and the residence city of the Senator involved."

Mr. PASTORE also submitted an amendment, intended to be proposed by him, to House bill H.R. 7208, making appropriations for the legislative branch for the fiscal year ending June 30, 1962, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

CHANGE OF REFERENCE

On motion of Mr. KEATING, and by unanimous consent, the Committee on Government Operations was discharged from the further consideration of the bill (S. 2189) to establish an Office of Federal Administrative Practice and to provide for the appointment and administration of a corps of hearing commissioners and for other purposes, and it was referred to the Committee on the Judiciary.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO STIMULATION OF ACTIVITY IN THE METAL MINING AND COAL MINING INDUSTRIES—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of July 14, 1961, the names of Senators BYRD of West Virginia, CASE of South Dakota, MORTON, BIBLE, RANDOLPH, MOSS, and GOLDWATER were added as additional cosponsors of the bill (S. 2249), to amend the Internal Revenue Code of 1954 for the purpose of stimulating growth, activity, and employment in the metal mining and coal mining industries, introduced by Mr. BENNETT on July 14, 1961.

NOTICE OF JOINT HEARING BY INTERIOR AND PUBLIC WORKS COMMITTEES ON S. 1629 AND S. 2246, RELATING TO WATER RESOURCES AND RIVER BASIN PLANNING

Mr. ANDERSON. Mr. President, I wish to announce for the information of the Senate that on July 26 at 10 a.m., in room 3110, New Senate Office Building, there will be a joint hearing by the Interior and Public Works Committees on S. 1629 and S. 2246, measures involving water resources and river basin planning.

This hearing will be in lieu of the previous one scheduled for July 14 which was canceled after President Kennedy submitted his communication on water resources planning. Government witnesses only will be heard at this time.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorial, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. HICKEY:

Article entitled "N-Bomb: Ideal Weapon for Defense," written by Senator DODD, and published in U.S. News & World Report for July 17, 1961.

By Mr. HARTKE:

Article entitled "N-Bomb: Ideal Weapon For Defense," written by Senator DODD and published in U.S. News & World Report of July 17, 1961; also an article entitled "The Case for Atomic Testing By United States," written by Representative HOLIFIELD and published in U.S. News & World Report, July 17, 1961.

BERLIN

Mr. KUCHEL. Mr. President, Armageddon looms before the world. Evil—the evil of communism—is arrayed against man's freedom. Peril continues to mount.

The people of the United States are united, without equivocation, behind the President of the United States. Khrushchev's demands on Berlin may, indeed, as the President of the United States has said, lead to highly dangerous developments which could endanger and engulf millions of people.

Mr. President, there is no despair in America. There is courage; there is resolve—the same resolve which has ever motivated the American people in times of crisis. America holds high the banner of freedom, and by her side are the governments and the peoples of free nations in every clime. The President's message to the Kremlin is vigorously echoed in London and Paris.

Let the rulers of the Kremlin clearly understand our firm resolve, as enunciated by President Kennedy. Let them make no miscalculation; let them make no mistake. We shall continue to stand by our honorable commitments to the free peoples of Berlin.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of the unfinished business, Senate bill 2043.

The VICE PRESIDENT. Is there objection? The Chair hears none.

There being no objection, the Senate resumed the consideration of the bill (S. 2043) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The VICE PRESIDENT. The bill is open to amendment.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The absence of a quorum has been suggested; and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

DEATH OF HERBERT CLAIBORNE PELL

Mr. PASTORE. Mr. President, death has come suddenly, unexpectedly, to a distinguished American—the beloved father of my colleague, Senator PELL.

Herbert Claiborne Pell passed away yesterday at Munich, Germany. He had been guiding his grandson and namesake on a tour of the lands made familiar to Mr. Pell through his years of service as Minister for his country.

A Member of Congress in his own name in the 66th Congress, the father of my colleague was a public servant whose labors were national and international in scope and neighborly in beneficence.

In his 77 years of unselfish activity, he earned rich recognition from his party, his country, and from grateful nations in appreciation of his statesmanlike, scholarly, and humane efforts.

Born February 16, 1884, Mr. Pell was educated at Pomfret School, then Harvard University, and Columbia University, to both of which he has returned as occasional lecturer. From 1937 to 1941 he was U.S. Minister to Portugal; then Minister to Hungary until November 30, 1942, after he had received the Hungarian declaration of war. He then served as U.S. representative on the War Crimes Commission from 1943 to 1945. In this capacity the crimes against the Jews especially appalled his sense of justice and humanity.

For his work on the War Crimes Commission there were conferred on him the honors of the White Lion of Czechoslovakia and the grade of Officer of the Legion of Honor of France. Portugal had bestowed upon him the Grand Cross of the Order of Christ.

The most recent of his honors was to be appointed Honorary Consultant in French Bibliography to the Library of Congress. In his days on the Hill, Mr. Pell had served on the Joint Committee on the Library. For his educational work the French Government had decorated him Officier d'Instruction Publique. In 1948, Mr. Pell presented the Library with a selection of fine books from his personal library. This was in the pattern of his lifelong devotion to education, literature, and good neighborliness. By personal gift, the Pell home at Newport is now a Catholic school.

The cause of world peace continued to command the efforts of Mr. Pell through the years, and he was an earnest advocate of solidarity and negotiations for disarmament to avert world conflict.

Herbert Claiborne Pell has been no stranger to the Hill since the advent of his son as junior Senator from Rhode Island. It has been the good fortune of many of the Senators to meet him and to enjoy at firsthand the character of the gentleman, scholar, and diplomat, whom we in Rhode Island have known as the good neighbor and gentle friend.

He had pardonable pride in the continuity of the family spirit of public service. The life and labors of Herbert Claiborne Pell could well be an example and inspiration to all Americans who see their country as part and partner in a world where human dignity and human decency are the goals of honest men.

To my esteemed colleague, Senator PELL, to Mrs. Pell and family, and to all near and dear to the departed, I extend my sincerest sympathy in their great loss and deep sorrow.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. MANSFIELD. I wish to join in the remarks of the distinguished senior Senator from Rhode Island relative to the passing, late yesterday, of the father of our beloved and outstanding colleague, the junior Senator from Rhode Island [Mr. PELL]. I know what a loss this will mean to the junior Senator from Rhode Island, because in this instance it is really a case of "like father, like son." There was much in the way of parallelism in the lives of the two that was outstanding, and both have contributed mightily to the welfare of their State of Rhode Island, and the United States as a whole.

Mr. President, I ask unanimous consent that the junior Senator from Rhode Island [Mr. PELL] may be officially excused from attendance in the Senate because of the obligations imposed on him by the passing of his father.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. I extend to the family of Mr. Pell, Sr., and to our distinguished colleague and his family our

extreme sympathy and condolences, and pray that his soul will rest in peace.

Mr. JAVITS. Mr. President, I wish to identify myself with the remarks of the Senator from Rhode Island and Montana in extending condolences and sympathy to the Pell family. I am very fond of our colleague from Rhode Island [Mr. PELL]. I join in the expressions of sympathy in the sense of deep personal loss in the death of his father.

TEXTILE MEETING AT GENEVA

Mr. JAVITS. Mr. President, I call the attention of the Senate to a very important matter which is taking place today in Geneva, where representatives of the leaders in the textile industry from many countries, including our own, together with State Department representatives and observers from many countries, are meeting under the auspices of the General Agreement on Tariffs and Trade, for the purpose of seeking to rationalize the question of concentrated imports of textiles.

The question of textile imports is a major problem in our country, and I have strongly urged upon the Congress that we adopt measures of adjustment and assistance which will deal with the problem of concentrated imports, rather than the imposition of quotas.

It is because I stand here with those who are in the forefront of the idea of expanding trade for the world that I think I have the right to speak today. I urge upon the nations who are meeting at Geneva, especially those nations who are responsible for the concentrated imports in textiles, to agree to voluntary quotas, because, whatever I may think or whatever others like me may think, the situation is one of real seriousness. It would be a big blow to the trade of the world, and to our own export trade, if we were driven to impose quotas or use other restrictive devices. Yet that is a real danger, and the problem can be dealt with in a constructive, statesmanlike way if there will be an effort to come to an accommodation at the conference at Geneva.

I express the hope that the counsel will prevail, not as a counsel of reason, but as one of self-interest, because, if it does not prevail, a dangerous situation will confront world trade.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PASTORE. I wish to commend the Senator from New York. I know how he feels about the whole panorama of imports and exports. I know of his deep interest in the international affairs of our country, and what this question of trade means to our foreign policy and what it means on the domestic level also.

It is the fervent hope of those who are concerned with the decline of the domestic textile industry, which has taken place over the past 10 years, as a result of the release of a tremendous influx of imports from friendly nations, that those nations will appreciate the predicament of the American textile industry and go along with the idea of voluntary quotas, so we will not be forced to impose more restrictive measures.

Mr. JAVITS. I thank the Senator from Rhode Island. Although there may be arguments about the facts and figures, in which I myself have engaged, these are the facts of life, and it would be much better to try to meet the problem on the basis of self-interest.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as part of my remarks, an article on the textile meeting at Geneva which appeared in today's New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 18, 1961]

TEXTILE MEETING OPENS AT GENEVA: INTERNATIONAL TRADE TALKS BY LEADERS OF INDUSTRY ARE UNDERWAY; GATT ACTS AS SPONSOR; CONFERENCE URGED BY UNITED STATES SEEKS AGREEMENTS ON LEVELS OF EXPORTS

GENEVA, July 17.—Leaders in the textile industry from many countries gathered here today for the opening of the International Textile Conference, a major meeting of representatives of nations gravely concerned over the flow of manufactured textiles between nations.

The meeting, which is sponsored by the General Agreement on Tariffs and Trade (GATT), is one of statesmen more than of industry spokesmen. The U.S. delegation includes representatives of the Department of State, as well as of the textile industry, and there are many observers from countries not taking a direct part in the proceedings.

The opening sessions were held behind closed doors, and there was no communique of the type usually issued when international conferences take up big problems. A conference spokesman said that the only opening statements were short and of a preliminary nature, and that was all that came out of the gathering.

UNITED STATES SEEKING ACCORD

The United States is hoping for an accord that would make selling easier for its American producers in their own country. There is pressure on U.S. manufacturers in their own domestic markets because producers in Hong Kong and Japan, among others, can ship low-cost manufactured goods to the United States for sale at lower prices than goods made in America.

At the same time, the United States wants to assure these low-cost countries of expanding markets to further their economic development. The dilemma is that this objective is sought without causing disruptive effects on other producers that would bring about retaliatory restrictions on trade.

A preliminary document issued before today's meeting said that the conference would aim through international action to accomplish these objectives:

To increase significantly, for the low-cost producers, access to markets now subject to import restrictions.

To maintain orderly access to markets where restrictions are not now maintained.

To obtain from exporting countries a measure of restraint in their export policy in order to avoid disruptive effects in import markets.

CHAIRMAN ELECTED

At the opening session, Eric Windham White, executive secretary of GATT, was elected chairman of the meeting, whose stated purpose is to take up problems of trade in cotton textiles. His election had been proposed by the United States.

The United States had asked that the meeting be held with the twin purposes of persuading other industrially advanced countries to accept more finished cotton goods from underdeveloped countries and from Japan, while persuading such countries not to flood the markets accepting their output to the harm of local producers.

Attending the talks, in addition to the United States, are representatives of Australia, Austria, Britain, Canada, Spain, India, Japan, Pakistan, Portugal, Sweden, and five of the six member countries of the European Common Market. These are France, West Germany, Italy, Belgium, and the Netherlands, with Luxembourg not present. The Common Market Commission also is represented.

In addition, requests to be represented by observers were accepted from Brazil, Denmark, Greece, Norway, Switzerland, Turkey, and the United Arab Republic.

George W. Ball, Under Secretary of State for Economic Affairs, heads the U.S. group. Mr. Ball in recent days has traveled to the Far East and to a number of European capitals to help prepare for the session, which is scheduled to last until Friday.

SOVIET PROPAGANDA ON AFRICAN ENVOYS IN UNITED STATES

Mr. JAVITS. Mr. President, I ask unanimous consent to include in the RECORD as a part of my remarks a newspaper article from the New York Times of July 14, 1961, headed "Soviet Mocks United States on African Envoys."

The article shows the way in which Soviet propagandists exploit the slightest scintilla of publicized racial tension in the United States, enabling the Soviets to blow it up and give it some colorability of truth and undermine us in the decisive and neutralist areas of the world.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOVIET MOCKS UNITED STATES ON AFRICAN ENVOYS—EXPLOITS RACIAL INCIDENTS IN PROPAGANDA CAMPAIGN

(By Seymour Topping)

Moscow, July 13.—A Maryland restaurant unwittingly supplied the Soviet Union today with another propaganda missile in the Communist campaign to win over the peoples of Africa and Asia.

The story of how a roadside restaurant refused service to Adam Malick Sow, Ambassador from Chad, because he is a Negro, was broadcast by the Moscow radio to the uncommitted countries of the world.

The broadcast did not mention that the State Department and the State of Maryland had apologized to the African diplomat for the incident, which occurred on June 26.

This was typical of the way Soviet propagandists exploit almost every publicized instance of racial discrimination in the United States.

SIGNIFICANT IMPACT

In the opinion of African, Asian, and Latin American diplomats here, reports of this kind often have a significant impact on opinion in their countries. It was pointed out that there was enough truth in Soviet reporting of racial discrimination in the United States to make credible frequent cases of propaganda distortions.

Izvestia, the Government newspaper, chose the occasion of the current visit to Moscow of President Kwame Nkrumah of Ghana for an illustrated article on discrimination against African and Asian diplomats and students in the United States.

On the front page of Izvestia were two photos showing the beaming President of Ghana being warmly greeted and feted by Premier Khrushchev, and Leonid I. Brezhnev, Soviet President.

On an inside page were two other photos. One purported to show some U.S. youngsters beating the 9-year-old-son of the Third Secretary of the Ghanaian Embassy in Washington. The U.S. children were said by Izvestia to have "received appropriate education from racist families."

The other photo was represented as having been taken of an African student from Kenya who is attending a university in the United States. He is shown defiantly standing under a tree bearing a sign that says "this is a white area."

U.S. HYPOCRISY CHARGED

The Izvestia article charged that U.S. authorities did not want to fight racial discrimination. "Moreover, they themselves in fact stir up passions although they hypocritically swear friendship for the peoples of Africa," Izvestia said. "That is why demands are becoming louder about the necessity for transferring the capital of the United Nations from New York to the capital of one of the neutral countries."

Jeeringly referring to the United States as "the most democratic country of the world," Izvestia said it was curious that the State Department had found it necessary to organize a special section to deal with instances of racial discrimination against African and Asian diplomats.

The Soviet Government limits the possibility of incidents in Moscow involving foreign diplomats by segregating them in special housing. Diplomats, including Africans and Asians, live in blocs of flats or embassies provided by the Government. Militiamen who are posted at entrances screen all Russians entering the premises.

African and Asian diplomats generally are given preferential treatment in Government-run restaurants and hotels here. There have been no reported incidents recently.

ATTEND SPECIAL SCHOOL

Until a year ago, when Friendship University was founded, African and Asian students were enrolled in regular Soviet universities. They now attend Friendship University in Moscow with students from other countries and a number of selected Soviet students.

In past years there have been isolated instances in which African students complained, after having left the country, of discrimination in Soviet universities. One such case involved a Nigerian student, Theophilis Chukuemeko Okonkwo, who wrote several newspaper articles last year charging racial bias in the Soviet Union.

Mr. Okonkwo subsequently was denounced by the Soviet press. He was charged with having carried on subversive work for the United States. It was stated that he had been expelled after failing to pass a single examination in 2 years.

THE AMERICAN INDIAN CONFERENCE

Mr. ERVIN. Mr. President, some days ago I inserted in the RECORD seven articles regarding the American Indian Chicago Conference. Those articles reflected some of the needs and wishes of the Indians attending the Chicago conference.

I have now received a copy of the printed declaration of Indian purpose which was formulated at the Chicago conference. I wish to commend this declaration to my colleagues in the Senate, and it is my hope that they will study the document with great care.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point two sections from the declaration of Indian purpose: the creed and the concluding statement. I believe these sections express the attitude the American Indians ask of the American people and the Federal Government in considering their problems.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

CONCLUDING STATEMENT

To complete our declaration, we point out that in the beginning the people of the New World, called Indians by accident of geography, were possessed of a continent and a way of life. In the course of many lifetimes, our people had adjusted to every climate and condition from the Arctic to the torrid zones. In their livelihood and family relationships, their ceremonial observances, they reflected the diversity of the physical world they occupied.

The conditions in which Indians live today reflect a world in which every basic aspect of life has been transformed. Even the physical world is no longer the controlling factor in determining where and under what conditions men may live. In region after region, Indian groups found their means of existence either totally destroyed or materially modified. Newly introduced diseases swept away or reduced regional populations. These changes were followed by major shifts in the internal life of tribe and family.

The time came when the Indian people were no longer the masters of their situation. Their life ways survived subject to the will of a dominant sovereign power. This is said, not in a spirit of complaint; we understand that in the lives of all nations of people, there are times of plenty and times of famine. But we do speak out in a plea for understanding.

When we go before the American people, as we do in this declaration, and ask for material assistance in developing our resources and developing our opportunities, we pose a moral problem which cannot be left unanswered. For the problem we raise affects the standing which our Nation sustains before world opinion.

Our situation cannot be relieved by appropriated funds alone, though it is equally obvious that without capital investment and funded services, solutions will be delayed. Nor will the passage of time lessen the complexities which beset a people moving toward new meaning and purpose.

The answers we seek are not commodities to be purchased, neither are they evolved automatically through the passing of time.

The effort to place social adjustment on a money-time interval scale which has characterized Indian administration, has resulted in unwanted pressure and frustration.

When Indians speak of the continent they yielded, they are not referring only to the loss of some millions of acres in real estate. They have in mind that the land supported a universe of things they knew, valued, and loved.

With that continent gone, except for the few poor parcels they still retain, the basis of life is precariously held, but they mean to hold the scraps and parcels as earnestly as any small nation or ethnic group was ever determined to hold to identity and survival.

What we ask of America is not charity, not paternalism, even when benevolent. We ask only that the nature of our situation be recognized and made the basis of policy and action.

In short, the Indians ask for assistance, technical and financial, for the time needed, however long that may be, to regain in the America of the space age some measure of the adjustment they enjoyed as the original possessors of their native land.

CREED

We believe in the inherent right of all people to retain spiritual and cultural values, and that the free exercise of these values is necessary to the normal development of any people. Indians exercised this inherent right to live their own lives for thousands of years before the white man came and took their lands. It is a more complex world in which Indians live today, but the Indian people who first settled the New World and built the great civilizations which only now are being dug out of the past, long ago demonstrated that they could master complexity.

We believe that the history and development of America show that the Indian has been subjected to duress, undue influence, unwarranted pressures, and policies which have produced uncertainty, frustration, and despair. Only when the public understands these conditions and is moved to take action toward the formulation and adoption of sound and consistent policies and programs will these destroying factors be removed and the Indian resume his normal growth and make his maximum contribution to modern society.

We believe in the future of a greater America, an America which we were first to love, where life, liberty, and the pursuit of happiness will be a reality. In such a future, with Indians and all other Americans cooperating, a cultural climate will be created in which the Indian people will grow and develop as members of a free society.

REPEAL OF TAX EXEMPT STATUS OF MUNICIPAL BONDS

Mr. McNAMARA. Mr. President, last month I introduced in the Senate a bill to repeal the tax-exempt status of municipal bonds issued for the purpose of industrial development.

That bill, S. 2042, would strike sharply at an insidious form of modern-day piracy, the luring of industry from one area to another with community-built, tax-free plants, financed by municipal bonds.

Since I introduced the bill I have been interested to note a growing feeling in many responsible circles that this practice not only is unethical, but it also holds many dangers.

The Investment Bankers Association, for example, has sharply attacked this industrial piracy, declaring that "it is poor policy to use public credit for private industrial facilities."

In reporting the action of the IBA the June 19 issue of Barron's Weekly summed up the dangers of what it calls trespassing, and concluded by saying that the IBA has "taken a firm stand on behalf of the national interest."

I ask unanimous consent that the text of the Barron's Weekly article be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. Is there objection to the request of the Senator from Michigan? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. McNAMARA. Mr. President, in addition to the growing body of opinion against the use of municipal bonds for industrial piracy, there has been an even more significant development.

In my earlier remarks to the Senate I pointed out that the real tragedy fell upon the hundreds and thousands of workers who are left behind, jobless, when their companies succumb to the bait and move out.

In many cases, these workers have put in 20 to 30 years with their company, yet they are casually tossed on the job market at an age when new opportunities are few and far between.

Naturally, the company and the locality which has bought its presence have no desire for the workers to move with the plant.

One Michigan company, for example, very bluntly told its employees they would not be welcome in the new location.

In a letter to the abandoned employees the company frankly stated it had "agreed to give first opportunity for jobs in the new plant to the people of the community in exchange for certain tax concessions."

Such an attitude clearly ignores the moral responsibilities of a company toward long-term employees who have made substantial contributions toward the firm's success.

The least the company can do to meet its moral responsibilities, even if it becomes a willing party to industrial piracy, is to give the employees an opportunity to move with the plant.

A recent decision handed down in Federal District Court in Detroit may well have a far-reaching effect on this point.

The opinion, delivered by Federal Judge Fred W. Kaess, was on a case brought by several employees of the Gemmer Manufacturing Co.

This company, one of the examples to which I referred when I introduced S. 2042, plans to move to Lebanon, Tenn., to a plant built under a $2.4 million municipal bond issue.

To be left behind in Michigan were 750 employees whose average age is 48 and who have spent an average of 20 years with the company.

However, Judge Kaess ruled in his decision that the company "has an obligation and duty to rehire on the basis of seniority those employees laid off in Detroit when that plant's operations are removed to Lebanon, Tenn."

The key words in that opinion are "obligation and duty," and Judge Kaess is to be commended for reminding the company that it has these responsibilities.

Judge Kaess dismisses the argument that the physical move of the company diminishes this responsibility by stating:

> The Gemmer division plant is the same plant wherever it is moved, in spite of the fact that it might be known by a different name. This is the same plant, same machinery and equipment, same operation, same officers and supervisors, but in a new climate.

Judge Kaess stated further:

> The mere fact that there is a termination date in a collective bargaining agreement does not terminate all the rights and benefits of the employees under that agreement, but merely designates a certain time agreed upon by the parties when there would be further negotiations concerning those rights and benefits.

I am hopeful that the opinion issued by Judge Kaess will have a sobering effect on those companies which believe they can flee their social and human responsibilities in return for a tax concession.

Judge Kaess attacks one very important injury caused by industrial piracy.

I believe it is up to Congress to destroy the root of the trouble by eliminating the tax-free privileges of such bonds—when used for this purpose.

So that my colleagues may have an opportunity to study the opinion of Judge Kaess in detail, I ask unanimous consent that the text be printed in the RECORD.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

JAMES ODDIE, EDWARD CWIERTNIEWICZ, JOHN PENZAK, OSCAR KING, HARRY C. BREMMER, PLAINTIFFS *v.* ROSS GEAR AND TOOL CO., INC., AN INDIANA CORPORATION, DEFENDANT

(In the U.S. District Court, Eastern District of Michigan, Southern Division, Civil No. 21350)

OPINION

Plaintiffs are employees who bring this action in behalf of themselves and their fellow seniority employees of the Gemmer Manufacturing Co., a division of Ross Gear & Tool Co., Inc., an Indiana corporation. They bring this action purportedly in behalf of themselves and others similarly situated for a declaration of rights, together with temporary injunctive relief, pending final adjudication, and any money damages that may be earned upon a final hearing.

The defendant is in the business of manufacturing steering gears for automobiles, etc., and is an Indiana corporation. The defendant company has two plants presently in operation, one its original plant in Indiana, and the acquired division, known as the Gemmer Manufacturing Co. of Detroit, Mich.

The Gemmer division has recognized the International Union, United Automobile, Aircraft and Agricultural Implement Workers of America UAW (AFL-CIO) and its Local Union No. 80, as exclusive bargaining agent of its employees at the Detroit plant, and had entered into a collective bargaining agreement with such union.

The defendant company, Ross Gear & Tool Co., Inc., acquired certain property in Lebanon, Tenn., and on January 13, 1961 posted a notice advising the employees of the Gemmer division that it had formed a Tennessee division and that some products then manufactured in Detroit would be transferred to Tennessee. Later, however, it became apparent, and there seems to be no doubt, that the entire Gemmer division, lock stock and barrel, is to be moved to Lebanon, Tenn., and to be called the Tennessee division of the Ross Gear & Tool Co., Inc. On May 22, 1961 the defendant announced its decision to terminate the plant operations conducted by the Gemmer division in Detroit and further advised that the equipment and operations are to be transferred to its new division, beginning July 1, 1961, with production being concluded in the Gemmer division on or about September 2, 1961. Thus the transfer or move will be in two phases—one beginning July 1, 1961 and the concluding phase on September 2, 1961. The first phase, however, will not affect or terminate the employment of the plaintiffs or affect their seniority rights. However the defendant advises that all seniority rights will be terminated on September 2, 1961 and the Detroit plant is to be closed.

The basic facts seem clear in this respect. The defendant company proposes to close its plant at Detroit, Mich., and move it to Lebanon, Tenn.

If this were all, it would thus far be clear that the defendant could do practically whatever it chose to do, at least with respect to its labor and employment relations, but there is and has been a labor contract in existence for over 20 years, its present expiration being October 1, 1961. The defendant company and its predecessor have been a party to the contract, as has been Local No. 80 of the International Union, United Automobile, Aircraft and Agricultural Implement Workers of America UAW (AFL-CIO).

During this time certain valuable rights have been created by contract, to both the employer and the employee. Perhaps those rights gravitate more to one side than the other, but certainly affect both.

In, and by reason of, the past and present contracts, the employees became beneficiaries of certain rights, to quote but one for the moment, certain pension rights or retirement benefits which can and do survive the contract and are so contemplated by the parties.

The issue here is, do seniority rights survive by analogy as an earned right?

In *Zdanok* v. *Glidden Co.*, 288 F. 2d 99 (103) seniority is called a vested right, or one earned, as a type of unemployment insurance earned and acquired by continuous service.

The court goes on to say, however, at page 103, that "the employee owning that right, or his authorized union agent, could bargain away the employee's rights."

In our case here the contract is still in force. Neither the union nor the employees have sought to change it—nor perhaps would they. But the issue at the moment evolves about the proposition as to whether or not the contract can be annulled unilaterally by the mere moving of the defendant's plant to another State.

To be consistent with the Glidden case, supra, if that were the only issue, the answer would obviously be "No." Therefore this court must determine whether or not the contract now in force, by its terms may have bargained away that right.

It becomes essential to determine the provisions of the contract and to determine its intended meaning. First we must look to the contract as a whole and attempt to apply normal meaning to the words themselves, and then, if they be ambiguous, inquire into the history and surrounding circumstances to elicit their meaning and the intention of the parties.

The present contract of 1958 says, following its opening preamble and in its first section, entitled "Recognition":

"1. The company recognizes the union as the exclusive representative of its employees in its plant or plants which are located in that portion of the Greater Detroit area which is located within the city limits of Detroit for the purpose of collective bargaining on matters of wages, hours, and conditions of employment."

Evidence was submitted by the defendant which disclosed that in those contracts duly negotiated by the union prior to the 1951 contract, the following clause was in its place:

"1. The company recognizes the union as the exclusive representative of its employees for the purpose of collective bargaining on matters of wages, hours, and conditions of employment."

In the collective bargaining agreement of 1951 (as well as in those thereafter) the above opening provision of the contract was changed to read as follows:

"1. The company recognizes the union as the exclusive representative of its employees in its plant or plants which are located in that portion of the Greater Detroit area which is located within the city limits of Detroit for the purpose of collective bargaining

on the matter of wages, hours, and conditions of employment."

This last quoted language remained and was used verbatim as a part of the 1955 and 1958 contracts, the latter being the one here involved and expiring some 3 months from now.

During the term of the 1955 to 1958 contract Gemmer Manufacturing Co. was acquired by the defendant Ross Gear & Tool Co., Inc., an Indiana corporation, and Gemmer continued to be operated as a division of Ross Gear & Tool Co., Inc.

Defendant submits that during the negotiation of the 1958 contract (that which is now in force and expiring October 1, 1961) the union submitted the following as a substitute for the above section 1:

"RECOGNITION

"1. The company recognizes the union as the exclusive representative of its employees in its plant or plants which are located in the Greater Detroit area for the purpose of collective bargaining on matters of wages, hours and conditions of employment, excluding those mentioned in paragraph 2.

"(a) In the event the company creates other plants or facilities regardless of location under the administration of the company, the union shall be recognized for the purpose of collective bargaining on matters of wages, hours, conditions of employment, seniority transfers, and all matters embodied in this agreement.

"(b) In the event the company moves its operations to other locations, the union shall be recognized for the purpose of collective bargaining on matters of wages, hours and conditions of employment. Should this condition occur this matter will be subject to negotiations between the company and the union, such as moving costs of employees, severance pay, seniority transfers, and all other matters pertaining to this situation."

Such proposal was declined by the defendant and section 1 of the contract remained as it had been prior thereto and since the 1951 contract.

The normal inference that one would draw from such a proposed substitute section, and then to compare it with the section 1 of the contract then in force (as quoted on p. 5, from 1951 contract) promptly leads one to believe that the parties had negotiated on the problem of moving to Lebanon, Tenn., or at least moving somewhere, and had agreed that all matters involved in the contract would and could have only force and effect within the limitations of the city of Detroit. In effect, it appeared the union had conceded and bargained away all the benefits of the employees in the event the plant moved from within the city limits of Detroit.

However, testimony taken in this respect showed the situation surrounding the negotiations in 1951 to be quite different. Gemmer had another plant in the area at that time, which was located just over the city limits of Detroit, an experimental plant, which the union sought to obtain within its bargaining agreement. The company declined and the rephrasing of section 1 was in contemplation of that situation, and not any proposed move of the plant.

Referring above to the proposed change involving moving or changing of locations as stated and proposed by the union in its negotiations in 1958 agreement (the one presently in force), testimony disclosed that with the acquisition of the Gemmer division by the defendant Ross Gear & Tool Co., Inc., the corporation had two plants, one its original plant in Indiana and the acquired plant, Gemmer Manufacturing Co. in Detroit. Because of various reasons (none important here) there had been many rumors reaching the ears of the union that the defendant would move or, more properly, consolidate its Detroit operation with the Indiana plant, thus operating to jeopardize the interest of the local union. In order to anticipate such a change, the local proposed the section referred to, involving moving or transferring. Further testimony intimated that the union did not press the provision on learning another local of the same International Union, United Automobile, Aircraft and Agricultural Implement Workers of America UAW (AFL–CIO) was the bargaining agent at the Indiana plant and felt they could probably work out any problems between them covering seniority.

Thus, on closer observation it seems quite clear that the intent of the parties was not that which at first look might have bargained away certain rights and benefits of the employees, since the reasons and purposes for the contract changes were well known to the parties, but were for reasons other than in contemplation of any possible move of the Detroit plant to another distinct location.

Therefore, this court is of the opinion whatever emphasis the defendant now chooses to place on section 1 goes for naught, and we must then return to the contract to determine whether the seniority rights and benefits of the plaintiffs are in jeopardy. This court feels bound by the Glidden case, supra, and its reasoning, and since there is nothing within the contract now in force to the contrary, those seniority rights are to continue.

We next come to the geographical situation, as advanced by the defendant. Defendant further claims that the limitations within section 1 terminate the seniority benefits of the plaintiffs on its moving its plant to Tennessee. We cannot agree. Section 1 applies only with respect to the recognition of the union, and has no geographical limitations as to the benefits of the employees and their rights under the contract.

This court is reluctant to reach any conclusion with respect to the effect the company's move might have on the union itself, particularly since the union itself has instituted similar litigation pending before another judge of this court. However, in order to make our meaning clear, it might be that since the recognition clause goes only to the union as an entity, it could follow that its right to represent the employees in Tennessee has been bargained away by section 1. However, we must leave any such decision in the determination of the other case.

To reach our conclusion this court's reasoning is based on this premise. The Gemmer division plant is the same plant wherever it is moved, in spite of the fact it might be known by a different name. Mere change of form will not change the substance, nor will mere change of location. This is the same plant, same machinery and equipment, same operation, same officers and supervisors, but in a new climate. The benefits created for the employees under that contract should not be said to be unilaterally terminated by mere change of location. Such logic seems the more reasonable and just in the light of the real meaning of section 1 and more specifically when the contract still has until October 1, 1961, to run. The mere fact that there is a termination date in a collective bargaining agreement does not terminate all the rights and benefits of the employees under that agreement, but merely designates a certain time agreed upon by the parties when there would be further negotiations concerning those rights and benefits. Therefore the fact that this agreement in question has a termination date does not automatically remove all of the rights and benefits previously acquired by the employees. Although, as in this case, the agreement itself with the union as a bargaining agent might have been terminated by the move to Lebanon, the rights and benefits that have accrued to the individual employees persist and cannot be unilaterally denied by the employer without the employees' consent. Among these rights and benefits would be included the right of seniority or, as more specifically involved in this case, the right to be rehired by the employer after a layoff, as stated in the contract. Nothing herein, however, should be construed to mean that at the time of the expiration of the contract, new provisions may not be agreed upon, to the extent of an entirely new contract, nor that the employees may not select a new bargaining agent, or that they can bargain away, alter or enlarge any of their rights, even to the extent of having a union.

Our conclusion implies that the union, as an identity, might only be able to represent the plaintiffs and those similarly situated in Detroit, but we are satisfied that does not terminate all the rights of the plaintiffs created by a contract that has been in existence for some 20 years and upwards, and which was made in contemplation of those future rights.

It is the court's conclusion:

1. That the collective bargaining agreement grants the employees certain benefits and rights that become "vested" in the sense that they cannot be unilaterally denied without their consent or other agreed means, such as the right to discharge.

2. That these rights extend beyond the time limitations of the collective bargaining agreement.

3. That these rights apply to a plant regardless of physical location under this contract and previous contracts.

4. That these rights include, among other things, seniority rights for the purpose of rehiring after layoff (which could go beyond an anniversary date) as provided in the agreement.

5. That the limitation as set forth in section 1, the recognition clause of this agreement, applies only to the extent of union representation and does not affect future benefits and rights of employees agreed upon by contract.

Therefore, the contract being not to the contrary, and pursuant to the holding in the Glidden case, supra, defendant has an obligation and duty to rehire on the basis of seniority those employees laid off in Detroit when that plant's operations are removed to Lebanon, Tenn.

Should this decision, as requested by plaintiffs on these undisputed facts, not be despositive under the Federal Declaratory Judgment Act (28 U.S.C.A. 2201), plaintiffs may request the court to take such further action as might be necessary at the time.

FRED W. KAESS,
U.S. District Judge.

EXHIBIT 1

[From Barron's, June 19, 1961]

TAX-EXEMPT FACTORIES—THEY ARE A DANGEROUS ABUSE OF MUNICIPAL CREDIT

As organizations go, the Investment Bankers Association of America is a friendly, hard-working group which seldom plunges into controversy. Throughout the year, its thousands of members ply their exacting and vital trade of channeling capital to American industry. Each November, moreover, the IBA holds a 5-day convention at one of Florida's swank hostelries, during which those in attendance succeed admirably in combining business with pleasure. As readers of Barron's by now must know, the IBA frequently produces valuable reports on the prospects of various industries, as well as scholarly analyses of the markets for stocks and bonds. What it rarely does is step on anyone's toes.

Last week, however, throwing off its customary affability, the IBA loosed a sharp blast at one aspect of the investment scene

which it finds disturbing and even dangerous: the growing popularity of municipal industrial bonds. These are relatively new obligations which enable a city or State, by drawing on its own credit, to finance the building of a plant, for lease to a private concern. Such an arrangement obviously is tempting both to communities which seek to lure industry, and to companies which want to acquire factories on the cheap. Yet, as the IBA sternly warns, the practice is fraught with risk. For one thing, in some cases it may boomerang upon the company. It may bring even greater woe to the sponsoring community. Most ominous of all, it inevitably imposes an unfair burden on the taxpaying public, which must foot the bill for the subsidized plants, as well as on the latter's unsubsidized competition. Such financing, in short, diverts public credit to private ends. Thereby it constitutes an intrusion by government into an area where it has no legitimate business.

According to the IBA, trespassing of this kind dates back to the midthirties, when the State of Mississippi authorized its municipalities and counties to issue industrial bonds. In recent years, the volume of such offerings has grown by leaps and bounds. In 1960, local governments throughout the country floated 74 issues, totaling nearly $47 million, an alltime high. This year, to judge by the outburst of activity, another record is sure to be set. For example, Clovis, N. Mex., is readying a $2 million issue for a meat-processing installation, to be operated by Swift & Co.; Froman, Ark., reportedly plans a $7.5 million offering, to finance a plant for Arkansas Cement; Nashville, Tenn., has announced a $7.5 million project, with Genesco as lessee; and Cherokee, Ala. (population, 6,000), has sold a $25 million issue to build an ammonia plant, for lease to Armour & Co. At latest count, 15 States had entered the lists, and others (notably New York which will propose a $100 million State job development authority on the ballot this fall) are queuing up.

The popularity of such financing stems from the obvious advantages which it offers to both landlord and tenant. By luring new plants, the municipality gains in job opportunities and in industrial stature. The company, for its part, acquires a factory at little or no cost to itself. A closer look at the transaction, however, discloses some major drawbacks for both parties. The company, dazzled by the prospect of getting something for nothing, may discover in time that it has overlooked other important business considerations—labor and power costs, availability of raw materials and markets and the like. Furthermore, especially in smaller towns, it may find itself heavily beholden to the city fathers, and, as in today's racial strife in the South, unhappily involved in their headaches. The long-term commitment which is generally involved—30-year leases are the rule—also one day may prove burdensome.

The community, too, is taking a chance. As more and more areas vie for industry's favor, the bidding inevitably will climb. Furthermore, while some blue-chip concerns, as noted, have begun to show interest, the lure of tax-free credit inevitably is strongest for marginal firms, which may prove a liability rather than an asset. During a recession, such tenants may not be able even to pay the rent, thus forcing the community in extreme cases to default on the bonds. As the IBA observes, U.S. municipalities have plunged into serious financial difficulties on three occasions in history—in the panic of 1837; right after the Civil War; and in the late twenties and early thirties. Each crisis followed a similar abuse of public credit for private advantage.

Municipal speculation, finally, carries risks which go far beyond the city limits or the county line. It poses a threat to the whole enterprise system. Subsidized plants obviously have an unfair advantage over competitors elsewhere which choose to pay their own way. Thus, they can succeed only at the latter's expense. The ominous implications of the process were spelled out a year ago by the Supreme Court of Idaho. In striking down as unconstitutional State legislation authorizing municipal industrial bonds, the tribunal observed that "private enterprise, not so favored, would not compete with industries operating (under such advantages). If the State-favored industries were successfully managed, private enterprise managed, private enterprise would of necessity be forced out, and the State, through the municipalities, would increasingly become involved in promoting, sponsoring, regulating, and controlling private business. Ultimately our free private enterprise economy would be replaced by socialism."

For all these reasons, then, the IBA is deeply concerned, and rightly so, about the burgeoning of this free-and-easy type of financing. Indeed, it discerns another lurking threat: If the abuse of municipal credit eventually provokes Congress to action, the legislators might go so far as to wipe out the tax exemption which long has been enjoyed by all municipal bonds. Be that as it may, the more immediate dangers—for the contracting parties, and for the enterprise system—are beyond dispute. The IBA sums up by saying that "it is poor policy to use public credit for private industrial facilities." In speaking thus forthrightly, the organization may offend a few. However, it thereby also has taken a firm stand on behalf of the national interest.

UNEMPLOYMENT

Mr. PROXMIRE. Mr. President, every Member of the Senate recognizes the very serious nature of unemployment. We are at times inclined to forget how very serious unemployment has become. I think it is necessary and desirable that we remind ourselves of the disaster which unemployment represents to every unemployed person and to every unemployed family.

Of course, we also should not forget the great impact of unemployment on national growth. At a time when this Nation is being challenged militarily and economically as never before, it is imperative we do all we can to use all our resources—especially our basic resource, our human resource.

Mr. President, the New York Times yesterday carried a very disturbing article. In the article it was stated:

> A confidential survey made last week for Secretary Arthur J. Goldberg indicated that at least 6 percent of the work force would be jobless at the beginning of next year.

The article said further:

> The number of jobless would exceed 5 million next January if the 6-percent estimate proved correct.

Mr. President, the administration has been very deeply concerned with this problem. I am sure it has tried hard to meet it, but somehow the administration and the Congress must recognize that this is a different kind of unemployment problem than we have had at times in the past, when there has been cyclical unemployment, obviously of a transient nature—something which we knew would pass and which we expected to pass after a period of months. This is long-term unemployment, which may extend not for months but literally for years.

The Wall Street Journal yesterday published a long article discussing unemployment in an extremely competent and very understanding way. It concluded as follows:

> Thus it is essential that people who watch economic statistics get themselves ready for the possibility of relatively higher unemployment than in the past decade.

This conclusion followed a careful and thoughtful analysis by the Wall Street Journal, indicating how serious unemployment is and how very unlikely it is we shall be able to do much about it unless we follow some new course, unless we come up with some new ideas in the next 2, 3, or 4 years, because of the great increase which is predictable and certain in the labor force and because of the massive and swift shift over to automated production in our factories.

Mr. President, there is no question that unless we come up with new ideas we shall be faced with a terribly tragic human problem with respect to many families, who will not have breadwinners making money. Many families will be forced on relief.

Also, our Nation will be using only a part of its potentially great resources to meet its challenges.

Mr. President, I ask unanimous consent that the article from the New York Times, entitled "United States Doubts Drop in Jobless for 1961," and the article from the Wall Street Journal entitled "Appraisal of Current Trends in Business and Finance," be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times]

UNITED STATES DOUBTS DROP IN JOBLESS FOR 1961—SEES LITTLE CHANGE IN ROLLS DESPITE ECONOMIC GAINS

(By A. H. Raskin)

Despite the brisk pace of industrial recovery, the Labor Department foresees little drop in unemployment in the next 6 months.

A confidential survey made last week for Secretary Arthur J. Goldberg indicated that at least 6 percent of the work force would be jobless at the beginning of next year. This compares with a preesnt rate of 6.8 percent, virtually unchanged from the low point of the recession.

The 6-percent forecast was based on an expectation that the gross national product—the yardstick used to measure the annual output of goods and services—would reach a peak of $530 million to $535 million in the final quarter of this year. Such a total would be 6 to 7 percent above the total when the Kennedy administration took office last January.

The President's preoccupation with Berlin and other foreign tension points, coupled with his sensitivity to charges of excessive Federal spending, has caused an easing of White House pressure for special programs to get the unemployed back to work.

However, the Goldberg survey may prompt the administration to assign a higher priority to the bills it has sent to Congress for retraining workers displaced by automation and for assisting jobless youngsters. These bills have been making little headway and have been getting scant push from the President.

The Labor Department analysts informed Mr. Goldberg that the unemployment rate in key industrial centers such as Detroit might stay above 10 percent. They also noted that no dent had been made in hard-core unemployment, with 900,000 workers still listed as idle for more than 6 months.

The number of jobless would exceed 5 million next January if the 6-percent estimate proved correct. The administration has indicated that it believes the unemployment rate should get down to 3 to 4 percent as a reasonable standard of full employment.

MORE JOBLESS IN JUNE

The June unemployment total was 5,600,000. This was an increase of 800,000 over May, principally the result of the influx of student jobseekers into the summer labor market. Employment rose by 1,900,000 to a near-record figure of 68,700,000.

The statistics used by the Government to keep track of the ups and downs in joblessness came under attack from opposite directions last week. The Todd & Draper Corp., management consultants in this city, contended that the Federal figures were too gloomy. Senator PAUL H. DOUGLAS, Democrat, of Illinois, asserted that the picture was worse than the figures indicated.

The Todd & Draper analysis maintained that the volume of unemployment was overstated. It said this was so because of the inclusion in the official reports of workers in process of voluntarily switching from one job to another, those seasonally unemployed, those discharged for incompetence, and those, like housewives and teenagers, in search of jobs they did not need.

NEW COUNTING BASIS URGED

The management group urged that the count be restricted to heads of families unable to obtain work 6 months or more, a figure that would bring the idle rate to less than 2 percent. It said the only proper role for the Federal authorities in combating unemployment lay in the coordination of retraining programs.

Senator DOUGLAS, a former economics professor, asserted in a report to the Senate that the volume of unemployment would come to 11 percent or more if proper weight were given to certain factors. He cited as examples the number of workers on part-time schedules, the extent of dual job-holding, and the extent of self-employment.

He contended that persons running their own enterprises or employed in family businesses should be subtracted from the overall employment roster because no accurate record could be kept of their joblessness. He said "moonlighting"—the holding of two or more jobs by one worker—also distorted the record on how many workers had no jobs at all.

[From the Wall Street Journal]

APPRAISAL OF CURRENT TRENDS IN BUSINESS AND FINANCE

(By George Shea)

Because unemployment is such a serious matter, there is a wide tendency to draw unwarranted conclusions from it about economic trends. The fact is that unemployment at any specific level has little bearing on the outlook for business.

The whole subject is a sensitive one because it involves the welfare, indeed the very ability to live decently, of an appreciable portion of our population. Unemployment is clearly a problem that should be a prime concern of the American people and of the men they have elected to office. But none of these humanitarian considerations should obscure the need for understanding in precise fashion the purely economic aspects of the matter.

Commentators frequently make remarks that reflect a lack of such understanding. For instance, one hears them say that the business outlook would be good except for the large proportion of unemployment. Another example was reflected in the thinking of many of the persons interviewed in a consumer survey made public last week by the University of Michigan. Researchers said that not less than 70 percent of the people interviewed said there was unemployment in their communities, and that many of them reported that this fact restrained their optimism.

This kind of thinking is, of course, very common. It reflects the human tendency to assume that the conditions of the immediate past are going to continue in the future. It completely overlooks the obvious fact that in business cycles conditions are always worst just before an upturn, and best just before a downturn. Yet it is certainly a pardonable weakness, because at the worst time there is usually no detectable indication as yet of the improvement to come, and at the best moment there is rarely if ever any sign of the impending slowdown. The best cure for this weakness is to keep one's mind always open for a possibility of a change in the tide of business.

More significant is the relationship of unemployment to employment, not only in percentage, but also in trend. The mid-June figures issued in recent days do show that unemployment is still at very nearly the highest percentage of the civilian labor force that was reached during the recession of the past year. But they also show employment at a record high.

The fact of this record high was headlined when the figures were issued but perhaps its full significance was not appreciated everywhere. Here was employment in June exceeding not only that of any previous June, but also that of July of last year. July is seasonally a month of high employment, considerably higher than in June, because of the many summer jobs taken by school and college students. In addition, in July 1960, the effect of the recession on employment had barely begun to be felt. Thus the employment total for June represents, by any standards that may be used, the highest number of jobs that has ever existed in the history of this Nation.

Not only that, but by virtue of the fact that average productivity per person in this country continues to grow year by year with only rare setbacks, it means that we are now producing, or about to produce, as a nation the greatest amount of goods and services we ever produced. The gross national product, which measures this total output, was down 0.6 percent from the 1960 average in the first quarter this year, and possibly it was still down a bit in the second quarter, but with the employment trend up, the third or fourth quarter output will almost surely read a new high.

This distinction between the economic significance of employment and unemployment is one that will have to be kept in mind constantly in the years to come because of the prospect that unemployment will remain relatively high. That's because the labor force is now growing faster than in recent years. In turn that's the result of the high birth rate which followed World War II.

The number of persons less than 20 years of age in 1960 totaled 70 million, or 12 million more than those 20 to 44 years of age inclusive. As the years pass this flood of youngsters will come onto the labor market. In 1965, the number of people 20 to 44 will be 2,200,000 larger than in 1960, whereas in 1960 their number was only 400,000 greater than in 1955. At the same time the number of persons 45 to 64 will grow by the same 3 million in the current 5 years that it grew in the previous 5. Thus in 1965 there will be 5,300,000 more people 20 to 64, the working years.

It will take a rapid rate of economic growth to absorb the consequent increased supply of workers, plus a substantial portion of the number of people now out of jobs. Whether that high a rate of growth can be achieved is very uncertain.

That the Kennedy administration is fully aware of the difficulty of the task is apparent in its frequent statements that it hopes to get the proportion of the labor force out of work down to 4 percent from the present seasonally adjusted ratio of 6.8 percent. The 4-percent figure is higher than the unemployment ratios of 3 of the past 10 years, which are apparently regarded as so low as to be unattainable in the period just ahead.

Thus it is essential that people who watch economic statistics get themselves ready for the possibility of relatively higher unemployment than in the past decade. The important point to remember is that production can be growing, employment can be growing, and the Nation as a whole can be making substantial progress even though unemployment may remain undesirably high. This does not mean the problem should be dismissed as unimportant, for no modern society can afford to do that. But concentration on it should not be allowed to mask the real economic trend.

SENATOR PROXMIRE OPPOSES CHEESE IMPORT QUOTA INCREASES

Mr. PROXMIRE. Mr. President, this morning I appeared at a Tariff Commission hearing to speak against any enlargement or elimination of the import quotas on Cheddar and blue-mold cheese.

I spoke at this hearing because I firmly believe that increasing the amount of foreign-produced cheese, or other dairy products, would be a serious mistake.

Such an action would contradict the will of Congress, as clearly expressed in section 22 of the Agricultural Adjustment Act, which states that quotas shall be imposed and maintained when imports, first, "materially interfere" with price support programs, or, second, "reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof," the price of which is supported by the Commodity Credit Corporation.

Congress wisely enacted this safeguard to prevent subsidizing foreign milk and dairy products, which otherwise would enter in enormous quantities to take advantage of the higher prices, which reflect America's higher standards of living, prices, and wage levels.

If more foreign cheese enters the United States, the American taxpayer will be paying for each pound twice. He will pay for it once when he buys the cheese, and he will pay for it a second time when he pays the taxes used by the CCC to purchase the American cheese which the foreign product has displaced.

This is the kind of material interference with the taxpayer's pocketbook which section 22 was designed to prevent.

In addition, it is abundantly clear that increased cheese imports would "reduce substantially" the amount of cheese processed domestically. Such imports would cut right into the hard-won markets of cheesemakers in this country,

many of them in my own State of Wisconsin.

The fact is, Mr. President, that we in Wisconsin produce one-half of all the cheddar cheese produced throughout our country, and about three-fourths of all the blue-mold cheese produced in America. If there were a 25-percent increase in quotas, as has been proposed and suggested before the Tariff Commission, this would reduce domestic blue-cheese production in Wisconsin by a punishing 10 percent.

Mr. President, I ask unanimous consent that the text of my statement to the Tariff Commission be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY U.S. SENATOR WILLIAM PROXMIRE, OF WISCONSIN, AT A HEARING ON POSSIBLE ENLARGEMENT OR ELIMINATION OF EXISTING IMPORT QUOTAS ON BLUE-MOLD CHEESE AND CHEDDAR CHEESE, BEFORE THE TARIFF COMMISSION, WASHINGTON, D.C., ON JULY 18, 1961

Thank you very much for giving me this opportunity to testify. I am here to oppose absolutely and totally any increase in the import quotas on Cheddar and blue-mold cheeses.

The economic backbone of my State is its famous dairy industry. Wisconsin produces almost half of the Cheddar cheese and three-quarters of the blue-mold cheese produced in the United States, and would be the hardest hit by any increase in the import quotas. A recommendation to eliminate quotas would be catastrophic.

Section 22 of the Agricultural Adjustment Act states that quotas shall be imposed and maintained when imports (1) "materially interfere" with price support programs, or (2) "reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof," the price of which is supported by the Government.

Enlargement or elimination of existing quotas in blue-mold and Cheddar cheese would contradict the will of Congress, as here clearly expressed. A recommendation that these quotas be increased would be a serious misuse of the authority which section 22 contains.

Imports of foreign cheese "materially interfere" with price support programs when they require the Commodity Credit Corporation to purchase additional cheese to support the price of milk and dairy products. Without such a restriction, the American taxpayer would be in the position of subsidizing milk and dairy products all over the world. Cheese, butter, dry milk, and other transportable dairy products would enter in enormous quantities, to take advantage of the higher prices which reflect America's higher standard of living, prices, and wage levels.

On April 1, 1961, the Secretary of Agriculture set the support price for manufacturing milk at $3.40 per hundredweight. To establish this price the Commodity Credit Corporation has offered to buy Cheddar cheese at 36.1 cents a pound, butter at 60.5 cents a pound, and spray-dried, nonfat milk at 15.9 cents.

In spite of purchases of Cheddar cheese during June at a weekly rate of 3 million pounds and butter at almost 12 million pounds, the Department recently announced that the average price for manufacturing milk in the United States for June was only $3.25 per hundredweight.

The uncommitted stocks of Cheddar in CCC warehouses as of July 5, 1961, were 23.7 million pounds. A year ago, the figure was zero. Since March 29 of this year, the CCC has bought more than 23 million pounds of cheese. A year ago the amount was less than 100,000 pounds. Purchases of butter and dry milk are also much higher this year than last. Our cheese production this year is running 18 percent higher than last year. Total cheese stocks are a full 33 percent higher than in 1960.

Under these circumstances, it is clear that increased cheese imports would "materially interfere" with Government price support programs.

If more foreign cheese enters the United States, the American taxpayer will be paying for each pound twice. He will pay for it once when he buys the cheese. And he will pay for it a second time when he pays the taxes used by the Commodity Credit Corporation to purchase the American cheese which the foreign product has displaced.

This kind of material interference—material interference with the taxpayer's pocketbook—is precisely what section 22 was designed to prevent.

A second purpose of section 22 is to prevent imports which "reduce substantially the amount of any product processed in the United States from any agricultural commodity or product" produced in the United States, the price of which is supported by the Federal Government. It is abundantly clear that increased cheese imports would have precisely the effect that this clause of section 22 prohibits.

As I have already noted, almost three-fourths of the blue-mold cheese produced in this country is manufactured in Wisconsin. This industry was built up by careful, diligent effort, at considerable expense. Effective advertising and promotion have gradually increased the demand for this specialty cheese.

I have received letter after letter from the makers of blue-mold cheese, and from employees in cheese factories, stating that increased imports would cut right into these hard-won markets, and thus would reduce substantially the amount of blue cheese processed in the United States.

Domestic cheese processors are unable to reduce their prices to meet foreign competition because the price of their raw material—manufacturing milk—is supported by the U.S. Government. The $3.40 per hundredweight which domestic processors must pay is significantly higher than the price of manufacturing milk in other countries. Thus, an increase in cheese import quotas would trap these cheesemakers, and their employees, in a confiscatory cost-price squeeze.

The making of blue-mold cheese differs significantly from the manufacture of Cheddar. Special techniques must be employed. The manufacturer of blue-mold cheese sees his product through from the weighing and testing of the milk to the selling of the cheese. He does his own curing, and such processing requires a larger labor force than a cheddar plant handling the same volume of milk. It is difficult, if not impossible, for a blue-mold cheese maker to shift to another product.

Thus, it is clear that increased cheese imports would "reduce substantially the amount of any product processed in the United States" from milk. And I reemphasize that blue cheese produced in this country is made from milk which otherwise would be used for Cheddar, butter, or dried milk. Every pound of milk used in the manufacture of blue-mold cheese is one pound of milk which will not end up in the Commodity Credit Corporation.

In conclusion, I want to stress the fact that any increase in quotas means that the American taxpayer will be paying a subsidy to foreign cheese producers. This is true because: (1) Every pound of cheese imported replaces a pound of American cheese which under law must be bought by our Government. These cheese purchases by the CCC give the foreign cheese its market. (2) The price received by the foreign producer is the direct result of Government purchases paid for by the American taxpayer. Without this Government purchase of dairy products, the price received by the foreign producer would be far lower.

Certainly, Congress never intended to tax Americans to provide this kind of concealed foreign aid to foreign businessmen.

There does not appear to be any change in circumstances which would conceivably justify an increase in the period since last January, when the Department of Agriculture informed me by letter that they had no intention of increasing the quota for blue-mold cheese or any other dairy product. The text of the Department's letter follows:

JANUARY 9, 1961.

Hon. WILLIAM PROXMIRE,
U.S. Senate.

DEAR SENATOR PROXMIRE: Thank you for your letter of December 8, 1960, concerning the import quota on blue-mold cheese.

The Department has maintained a continuing review, since 1953, of all import quotas on dairy products, including blue-mold cheese, to determine their current effectiveness and any need for adjustment. In these reviews, the Department endeavors to give appropriate consideration to all pertinent factors, including the formal and informal representations of the interested parties, before recommending that the President direct a formal Tariff Commission investigation under section 22 of the Agricultural Adjustment Act, as amended.

On the basis of its current review, the Department does not contemplate recommending a change in any of the existing import quotas on dairy products.

We appreciate your views on this matter.

Sincerely yours,

CLARENCE L. MILLER,
Acting Secretary.

For all these reasons I strongly hope that the Tariff Commission will recommend against any enlargement or elimination of the import quotas on blue-mold cheese or Cheddar cheese.

RESOLUTIONS OPPOSING HEW RULING ON WORK RELIEF

Mr. KEATING. Mr. President, there has been considerable discussion recently of a ruling by Secretary Ribicoff to the effect that Federal funds under the new program of aid to the children of unemployed parents cannot be paid to people to work for their community while they are on relief.

For most purposes, work relief programs do not involve the Federal Government. Federal assistance is given only for limited categories, such as the aged, the disabled, and dependent children. However, the recently enacted legislation expanding the aid for dependent children category to include the children of unemployed parents has for the first time in many years involved the Federal Government in local work relief efforts.

In effect, the Secretary has said that a person cannot receive Federal money for himself or his children if he is on work relief, because of a 1936 ruling by the Social Security Board that no Federal money can be paid for "wages" or "compensation."

A related controversy in my State which is very much in the news, and rightly so, concerns the city of Newburgh which has enacted a number of stringent measures affecting local relief recipients. I want to make it clear that this issue presently involves only the city of Newburgh and the government of the State of New York. It is not and should not be focused at the Federal level, although at some point in the future this entire situation may involve a proceeding between the Department of HEW and the State of New York as to whether the State is complying with the Federal-State agreement on public assistance.

Right now, the only Federal aspect of the Newburgh situation is that Newburgh has a work relief program, and to this extent is involved, as is Onondaga County and many other counties in New York State, in the controversy over Secretary Ribicoff's ruling on work relief.

Mr. President, I should like to call the attention of the Senate today to the views of several communities in New York State which have submitted resolutions to me opposing the Ribicoff ruling on work relief. I should also like to discuss in brief my views on this controversy and on a recent meeting which I arranged with Secretary Ribicoff on this subject. Although the Secretary's position in some respects differs from mine, I found him most cordial and sympathetic which I fully appreciate.

Certainly, Mr. President, if a person is unemployed and able bodied, he should be permitted to do useful work for his community while he is on relief. This would bring about a net savings to the community and at the same time would enhance the self-respect of the individual involved.

The July 10 meeting with Secretary Ribicoff was successful to an extent in that the Secretary offered to help New York State devise and administer a temporary arrangement whereby those eligible for aid to the dependent children of unemployed parents would be used on work relief for the difference between their Federal ADC payments and the ceiling on the amount of relief money which can be paid to any one family. In many, perhaps most, of the cases, this formula would permit those on work relief to work on public projects as much as they are now doing. Secretary Ribicoff has volunteered to have his technical staff meet with the relevant New York officials. Commissioner Raymond W. Houston of the New York State Department of Social Welfare has accepted this invitation and will be in Washington tomorrow.

While this plan is designed to avoid having the State lose any Federal money under the new temporary program to aid the children of unemployed parents, it does not resolve the basic question as to whether the Federal Government should or should not sanction work relief programs.

The Secretary made it clear that his Department recognizes the merit of work relief as such, but does not feel the Federal Government can be involved in local programs of this nature. Because aid for dependent children of unemployed parents is under temporary legislation, it may be that this problem will not be germane when this 14-month program has expired.

Believing as I do in the home-rule principle, I am hopeful that in the future the responsibility for work relief and for all relief programs will be as fully as possible left to individual communities, rather than being dictated from Washington.

In sum, the Department has devised a mechanical solution for a philosophic problem. Unless the home rule principle prevails in this and similar situations in the future, we may yet have a great Washington legislative battle on the work relief issue.

I ask unanimous consent to have printed at this point in the RECORD resolutions by the boards of supervisors of Madison County and Cortland County, N.Y., opposing the Secretary's ruling on work relief.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

BOARD OF SUPERVISORS,
MADISON COUNTY, N.Y.,
July 11, 1961.

I hereby certify that the following is a copy of a resolution adopted by the board of supervisors on the 11th day of July 1961; that I have compared the same with said original on file in my office and find it to be the same and the whole thereof.

"RESOLUTION 99

"Whereas the enactment of recent legislation has practically eliminated the work relief program in Madison County; and

"Whereas the members of this board sincerely believe that in the administration of welfare, there should be more flexibility, more authority and more discretion at the local level and that public assistance for the care of needy persons more logically should be a local decision; and

"Whereas overstandardization, maximum control and the ever present threat of loss of reimbursement are believed to be harmful to the initiative, morals, and well-being of the individual and an unnecessary burden on the taxpayer: Therefore be it

"*Resolved*, That this board of supervisors go on record in urging that the State of New York exert all influence possible to encourage the Federal Government to change, alter and amend those Federal laws, rules, and regulations adversely affecting the reasonable administration of welfare; and be it further

"*Resolved*, That a certified copy of this resolution be sent to the Honorable Abraham Ribicoff, Secretary of Health, Education, and Welfare for the United States; Hon. Nelson A. Rockefeller, Governor of the State of New York; Hon. Raymond W. Houston, commissioner of social welfare for the State of New York; Senator Jacob Javits; Senator Kenneth Keating; Congressman Alexander Pirnie; and to all boards of supervisors of the counties of New York State."

ROBERT A. CLARK,
Clerk, Board of Supervisors.

Whereas it appears to this board to be desirable that the county welfare commissioner should be empowered to assign able-bodied recipients of public welfare in federally supported categories to work on municipal projects as a condition of welfare being provided to them: Now, therefore, be it

Resolved, That this board request that such changes be made in existing Federal rules, regulations and laws as may be required to enable county commissioners of public welfare to assign able-bodied welfare recipients to work on municipal projects as a condition of furnishing said welfare to them; and be it further

Resolved, That a certified copy of this resolution be sent to Hon. Abraham Ribicoff, Secretary of Health, Education, and Welfare for the United States; Hon. Nelson A. Rockefeller, Governor of the State of New York; Hon. Raymond W. Houston, New York State commissioner of social welfare; Hon. JACOB JAVITS, U.S. Senator from the State of New York; Hon. KENNETH B. KEATING, U.S. Senator from the State of New York; Hon. JOHN B. TABER, Member of House of Representatives from this district; Hon. Janet Hill Gordon, State senator from this district, and Hon. Louis H. Folmer, member of assembly for the county of Cortland.

ALBERT C. KENNEY,
Clerk, Board of Supervisors.

SENATE COMMITTEE WORK

Mr. McCLELLAN rose.

The PRESIDING OFFICER (Mr. METCALF in the chair). The Chair recognizes the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, during the 85th Congress, the Committee on Government Operations, in connection with its duties of studying the organization of the legislative branch of the Government, compiled a report (S. Rept. 96) reflecting the activities of the U.S. Senate. That report clearly documented what every Member of this body already knows; that is, that Senators simply do not have sufficient time available to give thorough attention to committee deliberations and actions.

It was reported during consideration of the Legislative Reorganization Act of 1946 that 90 percent of all work of the Congress on legislative matters is carried out in committee. And it was with this fact in mind that the Committee on Government Operations recently directed its staff to survey the present committee structure of the Congress.

The startling results of this informal survey reveal that the Congress currently maintains a total of 303 committee units. This includes 36 standing committees, 3 special and select committees, 11 joint committees, and 253 subcommittees.

The Senate, with a membership of less than one-fourth of the other body, is responsible for 127 of these units while the House has established 152 legislative units. Added to these figures are 11 joint committees, which have, in turn, generated 13 subcommittees of their own.

Thus, if the joint committees and their subcommittees are piled on top of the number of Senate committee units, we arrive at the somewhat staggering number of 151 legislative satellites swirling about the body of the Senate.

And this figure is even further expanded when one considers the obligations of members assigned to the 26 commissions and boards created by Congress.

Since our last inquiry into this matter in 1957, the Senate has added another standing committee, Aeronautical and Space Sciences, and a Special Committee on Aging. I am happy to advise, however, that it has reduced the number

of subcommittees by 6—from 115 in 1957 to 109 today. In addition, as all Senators know, the Special Committees on Water Resources and Labor Rackets have been abolished, the functions of the latter being transferred to the Senate Permanent Subcommittee on Investigations.

However, I doubt that we could equate the loss of these committees and 6 subcommittees with the addition of a standing committee and a special committee and thereby say that we are holding our own in this field.

Indeed, I am sure that many would agree that we must do more than hold the line in this area, for it seems to me that what we must do is reduce the burden of multiple committee responsibilities if we are to meet adequately the requirements attendant to effective committee work. Perhaps this can best be done through the consolidation of some of the subcommittees which have closely related functions.

My comments are not designed to indict our committee system, for as we all know it is essential to our legislative process. However, I do feel compelled to remind my colleagues of developments in this area since committee work demands so much of our time, and to bring the matter to the attention of each committee for whatever action may be deemed necessary. Additionally, I feel it appropriate to suggest that each committee might want to review its functional organization in order to determine its effectiveness.

Moreover, I feel that the results of this survey, which brings together a comprehensive listing of the various legislative units in the Congress, will be a helpful reference source to Members and their staffs, who must know where legislative responsibilities are lodged in the maze of committee structure.

I should point out, Mr. President, that not all units listed in the survey are in continuous operation, for some are special purposes groups maintained on a standby basis, ready for mobilization as the need arises. Likewise, I should hasten to point out that while some of the subcommittees operate with separate staffs and funds, the vast majority use the staffs and funds of their parent committees.

But the important point is that these units do exist and stand ready to make still further demands upon Members' already overburdened schedule.

Moreover, lurking behind this impressive list of existing legislative groups is still another potential time stealer in the form of ad hoc subcommittees which are frequently created to consider specific bills, nominations, or to conduct inquiries into various situations. These ad hoc units are temporary and come and go with the legislative tide, but like the tide, tend to wash away still a few more sands of a Senator's time.

As my colleagues well know, a body of the size of the Senate must spread responsibilities through the committee system. As a result, Members presently serve on two or three standing committees and on an additional number of subcommittees. I presently serve on 12 subcommittees. Members seeking diligently to discharge their many committee responsibilities are frequently faced with conflicting schedules and often have to resort to the expedient of dividing their time between committees meeting concurrently.

The frustration of Members seeking to meet the obligations attendant to multiple committee service may well reach the breaking point when a Senator stretches an already heavily filled schedule to include a committee meeting only to have it delayed or even canceled for lack of a quorum. In this connection it would not be inappropriate to consider also the plight of witnesses called before a committee, sometimes at great expense or inconvenience, only to be told that the meeting had to be canceled for lack of a quorum, or because there was objection under the rule to the committee meeting while the Senate is in session.

Thus far during this session, the Senate has been able to maintain, for the most part, its usual practice of meeting at the noon hour. However, on several occasions, the Senate has convened at an earlier hour and will probably do so again before this session ends. As Members know, such a schedule, however necessary, creates an obstacle to committee work and, of course, this situation is further compounded when objections are raised to committee meetings during Senate sessions. Such objections are, of course, entirely appropriate. However, I do think that we should maintain a proper perspective toward our legislative duties and obligations. For if, as indicated by the so-called LaFollette-Monroney committee, which held extensive hearings on the reorganization of Congress during the 79th Congress, 90 percent of our legislative work is done in the committees, then should we not seek a better allotment of our time? Should we not seek to allocate sufficient time for scheduling and holding committee meetings?

The Senate, in approving the Legislative Reorganization Act of 1946, attempted to provide more flexibility in the operations of the Senate, by the adoption of a provision recommended by the LaFollette-Monroney committee, which expressed the sense that the leadership of the Congress experiment with schedules for chamber sessions of the Senate and House, and for committee meetings, on alternate days. The provision was stricken from the bill in the House of Representatives, however, since its rules permit better control of time allocated for floor debates.

Mr. President, at this point I ask unanimous consent to have printed in the RECORD the results of the informal survey, compiled by the staff of the Senate Committee on Government Operations, of standing, joint, special and select committees, subcommittees, commissions and boards upon which Members of Congress serve. Incidentally, the committees are invited to review the survey and advise the Committee on Government Operations of any changes which should be made, before it is circulated to Members of the Congress and Senate and House committees.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

STAFF MEMORANDUM NO. 87-1-27, SENATE COMMITTEE ON GOVERNMENT OPERATIONS, JULY 18, 1961

Subject: Standing, joint, special, and select committees and subcommittees, commissions and boards upon which Members of Congress serve.

At the direction of the chairman, the staff of the Senate Committee on Government Operations has prepared the following list of standing, joint, special and select committees, and subcommittees, of the U.S. Senate and the House of Representatives. Also included are commissions and boards upon which Members of Congress serve, as of May 1961.

The list does not include Senate and House majority and minority legislative or political policy or campaign committees.

Congressional committees

	Standing committees	Select and special committees	Joint committees	Subcommittees	Total
Senate	16	2	----------	109	127
House	20	1	----------	131	152
Senate and House	----------	----------	11	13	24
Total	36	3	11	253	303

The following tabulation reflects the above information and includes a further breakdown of committees and subcommittees, and adds the number of commissions and boards:

I. Standing committees	36
Senate	16
House	20
II. Select committees	2
Senate	1
House	1
III. Special committees	1
Senate	1
IV. Joint committees	11
V. Regular subcommittees	213
Senate	95
House	105
Joint	13
VI. Special subcommittees	38
Senate	14
House	24
VII. Select subcommittees	2
House	2
Total	303
Commissions and boards	26
Grand total	329

SENATE COMMITTEES

I. Aeronautical and Space Sciences: No subcommittees.

II. Agriculture and Forestry:

1. Subcommittee on Soil Conservation and Forestry.
2. Subcommittee on Agricultural Credit and Rural Electrification.
3. Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices.
4. Subcommittee on Agricultural Research and General Legislation.

III. Appropriations:

1. Subcommittee on Department of Agriculture and Related Agencies.
2. Subcommittee on Department of Defense.
3. Subcommittee on Deficiencies, Supplementals, and Foreign Operations (to be considered by full committee).
4. Subcommittee on District of Columbia.
5. Subcommittee on General Government Matters, Department of Commerce and Related Matters.
6. Subcommittee on Independent Offices.
7. Subcommittee on Department of the Interior and Related Agencies.
8. Subcommittee on Departments of Labor, Health, Education, and Welfare, and Related Agencies.
9. Subcommittee—Legislative.
10. Subcommittee on Military Construction.
11. Subcommittee on Public Works.
12. Subcommittee on Departments of State and Justice and the Judiciary, and Related Agencies.
13. Subcommittee on Departments of Treasury and Post Office.

IV. Armed Services:

1. Subcommittee on the Central Intelligence Agency.
2. Subcommittee on Naval Petroleum Reserves and National Stockpile.
3. Subcommittee on Operation of the Status of Forces Treaty.
4. Subcommittee on Preparedness Investigating.

V. Banking and Currency:

1. Subcommittee on Housing.
2. Subcommittee on International Finance.
3. Subcommittee on Production and Stabilization.
4. Subcommittee on Securities.
5. Subcommittee on Small Business.

VI. Commerce:

A. Standing subcommittees:

1. Subcommittee on Surface Transportation.
2. Subcommittee on Communications.
3. Subcommittee on Aviation.
4. Subcommittee on Merchant Marine and Fisheries.

B. Special subcommittees and studies:

1. Automobile Marketing Practices.
2. Study of Television Network Regulation and UHF Problem.
3. Freight Car Shortage Subcommittee.
4. Special Subcommittee To Study Textile Industry.
5. Study of Foreign Commerce (with following geographical subcommitteees):
   a. Africa.
   b. Asia.
   c. Canada-Iceland.
   d. Latin America.
   e. Europe.
6. Study of Transportation Policies in the United States.
7. Subcommittee on Freedom of Communications.
8. Special Subcommittee To Study Federal Trade Commission Reorganization.

VII. District of Columbia:

1. Subcommittee on Fiscal Affairs.
2. Subcommittee on Judiciary.
3. Subcommittee on Public Health.
4. Subcommittee on Business and Commerce.
5. Subcommittee on Metropolitan Problems.

VIII. Finance: No subcommittee. (See Joint Committee on Internal Revenue Taxation.)

IX. Foreign Relations Committee:

1. Subcommittee on Far Eastern Affairs.
2. Subcommittee on European Affairs.
3. Subcommittee on Disarmament.
4. Subcommittee on State Department Organization and Public Affairs.
5. Subcommittee on American Republics Affairs.
6. Subcommittee on Economic and Social Policy Affairs.
7. Subcommittee on African Affairs.
8. Subcommittee on Near Eastern and South Asian Affairs.
9. Subcommittee on International Organization Affairs.
10. Subcommittee on Canadian Affairs.

X. Government Operations:

1. Permanent Subcommittee on Investigations.
2. Subcommittee on National Policy Machinery.
3. Subcommittee on Reorganization and International Organizations.

XI. Interior and Insular Affairs:

1. Subcommittee on Public Lands.
2. Subcommittee on Indian Affairs.
3. Subcommittee on Territories and Insular Affairs.
4. Subcommittee on Minerals, Materials, and Fuels.
5. Subcommittee on Irrigation and Reclamation.

XII. Judiciary:

1. Subcommittee on Administrative Practice and Procedure.
2. Subcommittee on Antitrust and Monopoly Legislation.
3. Subcommittee on Constitutional Amendments.
4. Subcommittee on Constitutional Rights.
5. Subcommittee on Immigration and Naturalization.
6. Subcommittee on Improvements in Judicial Machinery.
7. Subcommittee on Internal Security.
8. Subcommittee To Investigate Juvenile Delinquency.
9. Subcommittee on Patents, Trademarks, and Copyrights.
10. Subcommittee on Trading With the Enemy Act.
11. Subcommittee on Federal Charters, Holidays, and Celebrations.
12. Subcommittee on National Penitentiaries.
13. Subcommittee on Revision and Codification.
14. Subcommittee on Refugees and Escapees.
15. Subcommittee on Improvements in Federal Criminal Code.

XIII. Labor and Public Welfare:

1. Subcommittee on Migratory Labor.
2. Subcommittee on Health.
3. Subcommittee on Education.
4. Subcommittee on Labor.
5. Subcommittee on Veterans' Affairs.
6. Subcommittee on Railroad Retirement.
7. Subcommittee on Employment and Manpower.

XIV. Post Office and Civil Service:

1. Subcommittee on Contested Nominations.
2. Subcommittee on Postal Affairs.
3. Subcommittee on Civil Service.
4. Subcommittee on Retirement.
5. Subcommittee on Health Benefits and Life Insurance.

XV. Public Works:

1. Subcommittee on Flood Control-Rivers and Harbors.
2. Subcommittee on Roads.
3. Subcommittee on Public Buildings.
4. Special Subcommittee on Investigations.

XVI. Rules and Administration:

1. Subcommittee on Privileges and Elections.
2. Subcommittee on Standing Rules of the Senate.
3. Subcommittee on Printing.
4. Subcommittee on Library.
5. Subcommittee on Smithsonian Institution.
6. Subcommittee on Restaurant.

Senate Select Committee on Small Business:

1. Subcommittee on Taxes.
2. Subcommittee on Monopoly.
3. Subcommittee on Financing.
4. Subcommittee on Government Procuring.
5. Subcommittee on Relations of Business With Government.
6. Subcommittee on Retailing, Distribution, and Marketing Practices.

Senate Special Committee on Aging: No subcommittees.

HOUSE COMMITTEES

I. Agriculture:

A. Commodity subcommittees:

1. Cotton.
2. Dairy and Poultry.
3. Forests.
4. Livestock and Feed Grains.
5. Oilseeds and Rice.
6. Tobacco.
7. Wheat.

B. Special action subcommittees:

1. Conservation and Credit.
2. Departmental Oversight and Consumer Relations.
3. Domestic Marketing.
4. Equipment, Supplies, and Manpower.
5. Family Farms.
6. Foreign Agricultural Operations.
7. Research and Extension.

II. Appropriations:

1. Subcommittee on Department of Agriculture and Related Agencies.
2. Subcommittee on Department of Defense.
3. Subcommittee on Deficiencies.
4. Subcommittee on District of Columbia.
5. Subcommittee on Foreign Operations.
6. Subcommittee on General Government Matters, Department of Commerce and Related Agencies.
7. Subcommittee on Independent Offices.
8. Subcommittee on Department of Interior and Related Agencies.
9. Subcommittee on Departments of Labor and Health, Education, and Welfare, and Related Agencies.
10. Subcommittee on Legislative.
11. Subcommittee on Military Construction.
12. Subcommittee on Public Works.
13. Subcommittee on Departments of State and Justice, the Judiciary and Related Agencies.
14. Subcommittee on Departments of Treasury and Post Office.

III. Armed Services:

1. Subcommittee No. 1 (no other designation).
2. Subcommittee No. 2 (no other designation).
3. Subcommittee No. 3 (no other designation).
4. Subcommittee on Real Estate and Construction.
5. Subcommittee on Central Intelligence Agency.
6. Subcommittee on Special Investigations.
7. Subcommittee on National Intelligence Agencies.
8. Special Subcommittee on Acquisition of Wherry Housing.
9. Special Subcommittee on Utilization of Naval Shipyard Facilities.

IV. Banking and Currency:

1. Subcommittee No. 1 (no other designation).
2. Subcommittee No. 2 (no other designation).

3. Subcommittee No. 3 (no other designation).
4. Subcommittee on Housing.
V. District of Columbia:
1. Subcommittee No. 1 (no other designation).
2. Subcommittee No. 2 (no other designation).
3. Subcommittee No. 3 (no other designation).
4. Subcommittee No. 4 (no other designation).
5. Subcommittee No. 5 (no other designation).
VI. Education and Labor:
1. General Subcommittee on Education.
2. General Subcommittee on Labor.
3. Special Subcommittee on Education.
4. Special Subcommittee on Labor.
5. Select Subcommittee on Labor.
6. Select Subcommittee on Education.
7. Subcommittee on Unemployment and the Impact of Automation.
8. Subcommittee on National Labor Relations Board.
9. Subcommittee on the Impact of Imports and Exports on American Employment.
VII. Foreign Affairs:
1. Subcommittee on Far East and the Pacific.
2. Subcommittee on National Security and Scientific Developments Affecting Foreign Policy.
3. Subcommittee on Europe.
4. Subcommittee on State Department Organization and Foreign Operations.
5. Subcommittee on Inter-American Affairs.
6. Subcommittee on Foreign Economic Policy.
7. Subcommittee on Africa.
8. Subcommittee on Near East.
9. Subcommittee on International Organizations and Movements.
10. Special Subcommittee for Review of the Mutual Security Programs.
VIII. Government Operations:
1. Subcommittee on Executive and Legislative Reorganization.
2. Subcommittee on Military Operations.
3. Subcommittee on Government Activities.
4. Subcommittee on Intergovernmental Relations.
5. Subcommittee on Foreign Operations and Monetary Affairs.
6. Special Subcommittee on Donable Property.
7. Special Subcommittee on Government Information.
IX. House Administration:
A. Standing subcommittees:
1. Accounts.
2. Elections.
3. Printing.
4. Enrolled Bills and Library.
B. Special subcommittees:
1. Electrical and Mechanical Office Equipment.
2. Parking.
3. Audit.
X. Interior and Insular Affairs:
1. Subcommittee on Territorial and Insular Affairs.
2. Subcommittee on Irrigation and Reclamation.
3. Subcommittee on Public Lands.
4. Subcommittee on Indian Affairs.
5. Subcommittee on Mines and Mining.
6. Subcommittee on National Parks.
XI. Interstate and Foreign Commerce:
1. Subcommittee on Transportation and Aeronautics.
2. Subcommittee on Commerce and Finance.
3. Subcommittee on Health and Safety.
4. Subcommittee on Communications and Power.
5. Special Subcommittee on Regulatory Agencies.
XII. Judiciary:
A. Standing subcommittees:
1. Subcommittee on Immigration and Nationality.
2. Subcommittee on Claims.
3. Subcommittee on Revision of Laws, Subcommittee on Patents, Trademarks and Copyrights.
4. Subcommittee on Bankruptcy and Reorganization.
5. Subcommittee on Antitrust Matters.
B. Special subcommittees:
1. Subcommittee on Submerged Lands.
2. Subcommittee on State Taxation of Interstate Commerce.
3. Subcommittee on Administrative Procedures.
XIII. Merchant Marine and Fisheries:
1. Subcommittee on Merchant Marine.
2. Subcommittee on Fisheries and Wildlife Conservation.
3. Subcommittee on Coast Guard, Coast and Geodetic Survey, and Navigation.
4. Subcommittee on Panama Canal.
5. Subcommittee on Oceanography.
6. Special Subcommittee on Steamship Conferences.
XIV. Post Office and Civil Service:
1. Subcommittee on Civil Service.
2. Subcommittee on Manpower Utilization.
3. Subcommittee on Postal Operations.
4. Subcommittee on Census and Government Statistics.
XV. Public Works:
1. Subcommittee on Rivers and Harbors.
2. Subcommittee on Flood Control.
3. Subcommittee on Roads.
4. Subcommittee on Public Buildings and Grounds.
5. Subcommittee on Watershed Development.
6. Special Subcommittee on Federal-Aid Highway Program.
XVI. Rules: No subcommittees.
XVII. Science and Astronautics:
1. Subcommittee on Scientific Training and Facilities.
2. Subcommittee on Scientific Research and Development.
3. Subcommittee on International Cooperation and Security.
4. Subcommittee on Space Problems and Life Sciences.
XVIII. Un-American Activities: No subcommittees.
XIX. Veterans Affairs:
1. Subcommittee on Administration.
2. Subcommittee on Compensation and Pensions.
3. Subcommittee on Education and Training.
4. Subcommittee on Hospitals.
5. Subcommittee on Housing.
6. Subcommittee on Insurance.
XX. Ways and Means: No subcommittees established as yet; usually have about three. (See Joint Committee on Internal Revenue Taxation.)

Select Committee To Conduct a Study and Investigation of the Problems of Small Business:

A. Standing subcommittees:
1. Subcommittee on Organization and Operation of Small Business Administration.
2. Subcommittee on Small Business and Government Procurement.
3. Subcommittee on Foreign Trade, Foreign Aid and Basic Metals.
4. Subcommittee on Taxation.
5. Subcommittee on Distribution Problems Affecting Small Business.
6. Subcommittee on Advertising and Growth Opportunities for Small Business.
B. Special subcommittees: Special Subcommittee on Small Business Problems in the Dairy Industry.

JOINT COMMITTEES

I. Joint Committee on Atomic Energy:
1. Subcommittee on Agreements for Cooperation.
2. Subcommittee on Communities.
3. Subcommittee on Legislation.
4. Subcommittee on Military Application.
5. Subcommittee on Raw Materials.
6. Subcommittee on Research, Development, and Radiation.
7. Subcommittee on Security.
II. Joint Committee on Construction of a Building for Museum of History and Technology for the Smithsonian Institution: No subcommittees.
III. Joint Committee on Defense Production: No subcommittees.
IV. Joint Committee on Disposition of Executive Papers: No subcommittees.
V. Joint Economic Committee:
1. Subcommittee on Economic Statistics.
2. Subcommittee on Foreign Economic Policy.
3. Subcommittee on International Exchange and Payments.
4. Subcommittee on Inter-American Economic Relationships.
5. Subcommittee on Economic Stabilization, Automation, and Energy Resources.
6. Subcommittee on Defense Procurement.
VI. Joint Committee on Immigration and Nationality Policy: No subcommittees.
VII. Joint Committee on Internal Revenue Taxation: (Serves Senate Committee on Finance and House Committee on Ways and Means). No subcommittees.
VIII. Joint Committee on the Library: No subcommittees.
IX. Joint Committee on Navajo-Hopi Indian Administration: No subcommittees.
X. Joint Committee on Printing: No subcommittees.
XI. Joint Committee on Reduction of Nonessential Federal Expenditures: No subcommittees.

COMMISSIONS AND BOARDS

I. Commissions:
1. Advisory Commission on Intergovernmental Relations.
2. Alaska International Rail and Highway Commission.
3. Civil War Centennial Commission.
4. Commission for Extension of the U.S. Capitol.
5. Corregidor-Bataan Memorial Commission.
6. Franklin Delano Roosevelt Memorial Commission.
7. House Office Building Commission (this is the only Commission listed on which Senators do not serve).
8. James Madison Memorial Commission.
9. Migratory Bird Conservation Commission.
10. Mount Rushmore National Memorial Commission.
11. National Forest Reservation Commission.
12. National Memorial Stadium Commission.
13. National Monument Commission.
14. New Jersey Tercentenary Celebration Commission.
15. Outdoor Recreation Resources Review Commission.
16. Senate Office Building Commission (this is the only Commission listed on which Members of the House do not serve).
17. U.S. Constitution 175th Anniversary Commission.
18. U.S. Territorial Expansion Memorial Commission.
II. Boards:
1. Board of Directors, Gallaudet College.
2. Board of Regents, Smithsonian Institution.
3. Board of Visitors to the Air Force Academy.

5. Board of Visitors to the Coast Guard Academy.
5. Board of Visitors to the Merchant Marine Academy.
6. Board of Visitors to the Military Academy.
7. Board of Visitors to the Naval Academy.
III. Miscellaneous: The Interparliamentary Union.

JAMES R. CALLOWAY,
Professional Staff Member.

Approved:

WALTER L. REYNOLDS,
Chief Clerk and Staff Director.

Mr. McCLELLAN. Mr. President, this compilation, of course, does not reflect the demands made upon the time of Senators in carrying out essential congressional responsibilities requiring their personal attention. These include interviews with individuals and groups from their States; activities in connection with matters of interest to their respective States; contacts with heads of departments and other Government officials on behalf of constituents or in regard to pending legislation; appearances at committee hearings as witnesses in connection with legislation or other proposals in which they or their constituents have an interest; reviewing, analyzing, and revising committee reports; keeping up with official correspondence; the preparation of speeches; and numerous other matters requiring their personal attention.

I think Members will agree that these activities, along with those indicated in this committee survey, point to the need for the Senate to exercise a little introspection with regard to its legislative organization.

Perhaps the best approach to this problem would be for each Member to sit down and list—or attempt to list—the various standing, special, select and joint committees to which he is assigned, and then the subcommittees on which he serves. As the list grows I am sure that each Member will feel, as did the senior Senator from Arkansas, a growing sense of concern over his many and diverse legislative obligations. If we can lighten the burden of Senators by reducing the present scattered workload, if we can eliminate just one of the unrelated lines of legislation through consolidation of present diverse responsibilities, then it will be time well spent.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. GRUENING. Mr. President, I wish to commend highly my colleague from Arkansas for bringing before the Senate and before the public, particularly the public, this very enlightening picture of the conflicting and overwhelming burdens which every conscientious Senator inevitably must carry. Those of us who have been Members of the Senate for only a relatively short time, as I have, have come to realize regretfully that it is not possible for us to become thoroughly knowledgeable in all the lines of inquiry and study we would like to pursue in Congress—not merely would like to pursue, but which we have an obligation to pursue if we want to be fully conversant with every matter we vote on. We cannot do it. We have a primary duty in connection with the matters that come before the committees and subcommittees on which we serve. And there are other assignments which are thrust upon us. So far as thorough knowledge in other fields is concerned, we must depend to a large extent on the views of other Senators before whose committees these matters have come and must, in a way, carry on our voting in those fields by proxy, so to speak. That is certainly not an ideal method. However, it is inevitable that the situation does exist as the workload piles up in the face of the increasing complexity in our modern society, with the multiplicity of activities in virtually every field of human endeavor which are brought before the Senate for consideration and action.

Therefore I feel that the Senator from Arkansas is rendering a very useful service in bringing this information to the Senate and clarifying the dilemma which exists. I hope the public will take note of it, and that, as a result, it will be widely understood that every Senator cannot possibly be an expert on every subject that comes before the Congress.

Mr. McCLELLAN. I thank my distinguished friend from Alaska. Incidentally, he is a member of the Committee on Government Operations. It is not I who should be thanked for doing this work, but rather the staff of our committee, who have done valuable work and have gone out and dug up the information and brought it to our committee. As chairman of the committee I felt that the information not only should be brought to the attention of our colleagues in the Senate but also should be made a matter of record, in the hope that the information may reach the citizens of this country, so that they may have a better understanding of the tremendous workload which Members of Congress carry, and will understand it is absolutely impossible—humanly impossible—to give our attention to all the problems and issues which come before Congress. It is not physically or mentally possible to do it.

One of the reasons for the situation and one of the causes for it is the bigness of government. The bigness of government is partly ascribable to world conditions. Our Government is probably twice as big, in the sense of expenditures and the workload of Congress and of the departments of Government, as it would be ordinarily if there were what could be termed a durable and reliable peace among the nations of the earth.

Because of world conditions, because of the situation confronting us today, the functions of Government have multiplied to almost unlimited proportions. Government has grown accordingly. Thus a Senator or Representative cannot possibly give thorough and searching and meditative attention to all issues that come before him. He just does not have the time or the capacity to give the thorough attention to all the issues that come before Congress that they deserve.

It would be well if we could get this information to the country, to the people, so they would have a keener appreciation and a better understanding of the burdens that are carried by their elected representatives.

SCANDINAVIA'S EFFECTIVE USE OF HYDROPOWER

Mr. GRUENING. Mr. President, authorized by its distinguished chairman, the Senator from New Mexico [Mr. CHAVEZ] the Public Works Committee has conducted, during the first week in July, a most useful inquiry into the uses of hydroelectric power in the Scandinavian Peninsula. The membership composing this group was headed by the able senior Senator from Michigan, PAT MCNAMARA.

The committee's interest was pertinent to the studies now underway by the Corps of Engineers of the Army as to the possible uses of the energy which will be generated by the great dam at Rampart on the Yukon in Alaska if it is constructed. Norway was selected as the ideal country for such study because it leads the world in per capita consumption of hydroelectric power and its industrial complex is based on the attraction of industries—electrochemical, electrometallurgical and others because of the low cost of its hydropower.

Sweden, which ranks third in the world in per capita hydropower consumption, has achieved also notable success in undersea transmission of power, exporting its current by marine cable both to its island, Gotland, 60 miles away from the mainland in the Baltic Sea, and to Denmark. The committee was accompanied by several specialists in the field of power generation: Kenneth Holum, Assistant Secretary of the Interior in charge of power, Wendell Johnson of the Corps of Engineers, Theo Sneed, veteran staff members of the Public Works Committee, and my administrative assistant, George Sundborg, author of the definitive history of Grand Coulee entitled "Hail Columbia." Mr. Sundborg has written a preliminary report on this stimulating visit which appeared in two of my weekly newsletters. I ask unanimous consent that his account be printed at this point in my remarks as well as an editorial on the applicability of these studies to Alaska which appeared in the Anchorage Daily Times on this subject entitled "Two Changes Essential as Spur to Industry."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TRONDHEIM, NORWAY, July 6.—The striking similarity in natural conditions between Alaska and Norway, where he has been traveling for the past week with fellow members of the Senate Public Works Committee, was remarked on by Senator ERNEST GRUENING, Democrat, of Alaska.

Norway, he observed, lies in the same latitudes, has a similar climate, almost identical topography and some of the same resources as Alaska, fisheries, timber, power, and scenery. If anything, the Senator noted, Alaska is more richly endowed, as Norway has no oil, coal or natural gas, and lesser reserves of many metallic minerals.

"Yet Norway," Senator GRUENING observed, "supports 3.6 million people on a high standard of living in a land area less than one-fourth that of Alaska. The important assets which Norway has utilized to build a strong economy are hydroelectric power, low cost water transportation, and the wonderful, industrious Norwegian people."

It is to study the first of these, hydroelectric power, that Senator GRUENING and five other members of the Public Works Committee have spent a week in Norway visiting power stations, and the plants of the electrometallurgical and electrochemical industries which use the large quantities of cheap energy which they produce.

Because of the use of power by such industries Norway has the highest production of electric energy per capita in the world, amounting last year to about 9,000 kilowatt hours. This almost doubles the per capita production of power in the United States, which ranks fourth after Norway, Canada and Sweden. Coming up very fast is Iceland, which has large hydroelectric power resources and a very small population, and this nation may soon rank first. Power there is being used largely, to date, in nitrate and cement manufacturing. Practically no thermal power is produced in Norway; it is all hydro. In 1960 total production was 31 billion kilowatt hours.

"It was explained to us," Senator GRUENING said, "that since 45 percent of the goods needed by Norway must be imported, the nation has had to develop exports of goods and services to maintain a balance of trade. Foreign trade plays a dominant role in the Norwegian economy. It is made up 45 percent from commodities, 10 percent from services to tourism and another 45 percent by shipping.

"The income from shipping is essential. Norway considers itself fortunate in being a long, narrow country along a deeply indented coast, as this permits water transportation; no other form of transportation is so economical—at least in Norway. In addition to furnishing transportation within Norway and between Norwegian ports and those of other countries, the Norwegian merchant fleet carries the goods of all the world. Although Norway ranks well down the list of maritime nations as far as population is concerned, the Norwegian merchant fleet is the fourth largest in the world.

"But it is in the production of hydroelectric power and the uses made of it in industry that Norway has set the greatest example, which I believe can be emulated by Alaska, which has so many similarities," Senator GRUENING continued. "Although pulp and paper, fish products and whale oil are still important export products, light metals produced by hydroelectric power are now the No. 1 export commodity, accounting for one-third of Norway's total exports.

"Cheap power in Norway has caused alumina to be brought nearly half way around the world from Jamaica to be processed into aluminum in Norwegian plants. We visited two of the largest of these at Ardal and Sunndal. We also saw huge plants at Eidanger where nitrates are produced from air and magnesium from sea water. It is because of the use of huge quantities of power in these electrometallurgical and electrochemical processes that Norway leads the world in per capita power production.

"Alaska could, and will, do the same. We saw industrial plants in locations which could be duplicated exactly in Alaska. Both Ardal and Sunndal present striking examples of what an aluminum plant at Dyea, using power from the Taiya project, would have been. The physical situations are identical. The two plants have a combined production which about equals that which the Aluminum Co. of America proposed a few years ago at Taiya. They employ 5,000 men. Employment totals 5,000 also in the Eidanger nitrate and magnesium works at Norsk Hydro.

"Lest we should be discouraged about development of the Taiya project because of initial refusal of the Canadians to permit diversion of water to the coast from the Yukon headwaters," Senator GRUENING went on, "we find between Norway and Sweden an example of exactly the kind of internatioanl cooperation for mutual benefit that would be required."

The Senator was referring to development of a 230,000 kilowatt NEA-power project in which water stored in Sweden is diverted by tunnel to a Norwegian power station. In this development, carried through by the municipality of Trondheim, one-half of the power produced is used in Norway and the other half is transmitted to Sweden.

Senator GRUENING commented on how Norway has been able to make the development of heavy industry compatible with preservation of the natural beauty of the country. "In fact," he said, "the presence of the neat factories and the colorful homes of the people who work in them add to the attractiveness of the landscape, in my opinion, rather than detracting from it. Although the physical surroundings of the two places are practically identical, Sunndalsore, the site of the Sunndal aluminum works, is more scenic and interesting than Dyea. It is precisely because of the development there, nestled at the foot of the mountains at the head of the fiord, that tourists want to see it."

Three of the power stations visited, at Ardal, Fortun, and Aura, are built underground, as the Taiya power station would have been. The Norwegian power is produced for an average of 2½ mills per kilowatt-hour. This compares with an estimated cost at the Rampart project in Alaska of 2 mills at the busbar or 3 mills transmitted to tidewater. Norway is continuing to bring new power into production at the rate of 500,000 kilowatts per year. By 1965, capacity is expected to be 9.3 million kilowatts from all the plants of the nation. This compares with at least 4.6 million kilowatts installed capacity estimated as possible from the single site at Rampart on the Yukon.

In Norway, the nation owns 25 percent of the power production capacity, municipalities 45 percent and private companies only 35 percent. With only minor exceptions, the private power is used directly in industrial plants owned by the firms developing the power. Under Norwegian law, all privately developed power sites and power plants revert to the state after 60 years. The trend is toward more and more state ownership, as the large projects which are most economical to develop require investments which are beyond the means of private companies or even the municipalities.

Senator GRUENING observed that Norway has no difficulty finding industrial customers for the new power production which comes in. "Actually," he said, "it is the other way around and industries are clamoring for more power. Power has to be rationed in many places now. I am confident that with the development of truly cheap power from Rampart our experience in Alaska would be the same; there would be no lack of an industrial market for 2 or 3 mill power, and the industries would revolutionize the economy of Alaska."

Like Alaska, Norway provides opportunity for agricultural development on only a small proportion of her land. Less than 4 percent is arable. But because of the energy and hard work of the Norwegian people, 293,000 are employed productively in farming. Utilization of power is mainly responsible for 374,000 being employed in manufacturing and mining.

"One of our overwhelming impressions," Senator GRUENING said, "was the industriousness and happiness of the people. They have learned to live well in their country, which is almost an exact counterpart of Alaska.

"The conditions which caused the great migration to America, which brought the sturdy sons of Norway to our Northwest and Alaska, no longer exist in the mother country. Intelligent development of Norway's resources has provided a sound, thriving and well diversified economy which in turn has made possible general happiness and high economic, social, and cultural standards. Norway is a splendid example of what Alaska, with similar wise utilization of its resources, can become."

Norway has developed a rewarding tourist trade, as Alaska can do with the same ingredients. "We were interested," the Senator said, "in seeing how Norway has built roads along her fiords in rocky cliffs which are fully as sheer and difficult as those along Lynn Canal, the Taku, the Iskut-Stikine, the Unuk, and elsewhere in southeastern Alaska. We were also interested in seeing, and riding on, car ferries such as those which the State of Alaska is now establishing. They are invaluable in Norway in connecting places where roads cannot go."

The itinerary included Oslo, Drammen, Horten, Sandefjord, Larvik, Moss, Ski, Sandoika, Honefoss, Fagernes, Grindaheim, Tyin, Ardal, Laerdal, Kaupanga, Sogndal, Turtagro, Lom, Otta, Dombas, Oppdal, Sunndalsora, Lokkew, Orkanger, Trondheim, and in Sweden, Stockholm.

It was planned in Stockholm to study the underwater transmission of power which Sweden has pioneered so successfully. The abundant power is exported to other nations and Sweden's offshore islands, crossing waters wider and deeper than Lynn Canal or Shelikof Strait.

Senator GRUENING and other members of the Senate Public Works Committee returned early this week from Scandinavia, where 6 days last week were spent in Norway visiting power stations and electroprocess industries in that nation which has achieved the highest per capita use of hydroelectric power in the world.

The later stages of the trip were highlighted by a visit to Stockholm for a conference with officials of the Swedish State Power Board on underwater transmission of power, a field in which the Swedes have made great advances. The Senators learned that not only is power being transmitted from the Swedish mainland to the island of Gotland and from Sweden to Denmark but that the Swedes have been called on to build a transmission line under the English Channel from England to France.

Senator GRUENING pointed out that this underwater transmission of power will have direct applicability in Alaska when Rampart Dam is built and the huge production of low-cost power from that project becomes available. It is hoped that the underwater transmission techniques developed in Sweden can be used, for example, in carrying power down Lynn Canal to southeastern Alaska and across Shelikof Strait to Kodiak.

Walton Seymour, vice president of the Development and Resources Corp., which is making a study for the Corps of Engineers on how power from Rampart could be utilized, commented this week to Senator GRUENING on a brief preliminary report on the Norway trip which was included in last week's newsletter, as follows:

"We agree completely with the view that Norway presents an example of the significance to economic development of low-cost hydroelectric power, which is of substantial significance in appraising the Rampart project. It is our plan to include Norway in our study for the Corps of Engineers as such an example."

[From the Anchorage Daily Times, July 15, 1961]

TWO CHANGES ESSENTIAL AS SPUR TO INDUSTRY

Senator GRUENING makes interesting observations when he compares Norway to Alaska.

Norway has a population of 3,600,000 in an area one-quarter that of Alaska. Many geographical and resource features are the same.

During a recent visit there, Senator GRUENING cited three things as the ingredients for Norway's success: hydroelectric power for industry, cheap water transportation, and industrious people.

Those three things are in short supply in Alaska.

There is no hydroelectric power for industry.

There is no cheap water transportation. Freight rates to, from, and within Alaska have been termed the highest in the world.

Our people are industrious but they are too few. Sparse population results from the lack of industries and the limited opportunity for employment. Experience has shown, however, that people will come when there is something for them to do.

To emulate Norway, Alaskans must make two drastic changes:

1. Production costs must be reduced. These include wages, one of the main items. Nothing produced here can compete with the same item produced in other parts of the Nation, because of high operating costs.

2. A business climate must be created. Capital is not lured to an area of hostility. The eminent Norwegian, Trygve Lie, has said that "the basic guiding principle of the Norwegian Government is to encourage foreign investments on the basis of mutual interest." This State should have the same basic guiding principle in regard to outside capital.

Without both those changes the three ingredients that made Norway successful would be ineffective even if they were present in Alaska.

REGULATION OF TELEVISION—ADDRESS BY JOHN W. GUIDER

Mr. BRIDGES. Mr. President, a speech was recently delivered by Mr. John W. Guider, president, WMTW–TV of Littleton, N.H., before the Rotary Club of Portland, Maine. Mr. Guider's presentation provides an excellent analysis of the problems and dangers of one man or a group of men setting the entertainment, the news, and the educational standards of TV for 180 million Americans.

I believe it is interesting to make particular note of Mr. Guider's contention that any attempt to order specific programing is basically unsound because of the nature of the production. Programs are not a commodity, Mr. Guider says, and they cannot be turned out on a production line, measured on a meter, bought by the pound or the gallon, or mined out of the earth. They involve a tricky thing called creativity.

Mr. President, creative beauty is in the eye of the beholder. What is good programing to one person may fall far short of his neighbor's standards. I suggest that Federal officials encourage superior programs on television, but I submit that interference can only muddy the road to excellence for which the television industry is striving.

I ask unanimous consent that the complete text of the address be printed at the conclusion of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TALK BY JOHN W. GUIDER, JUNE 23, 1961

I would like to speak to you today about what sort of job is being done in this country by the people who have been licensed to operate television stations. I feel the publicity on this subject in the last couple of years, and particularly in the last 3 or 4 months, has been distinctly one-sided. As you know, a television station is an expensive proposition to build and to operate. It is distinctly a risk venture which is entered into by individuals acting as private citizens. Unless they can meet the competition they find in the marketplace from other television stations and from other advertising media including radio, newspapers, and magazines, they will promptly find that operating a television station is an opportunity to lose money as well as an opportunity to make it. Many stations operate at a deficit for many years before turning the corner into the black. We did. A license to operate a television station is definitely not a guarantee that you will make money.

Impressed on the business at all times during 16 or 17 hours of operation every day for 7 days a week and 52 weeks a year is the necessity of meeting the statutory standard of "public interest, convenience, and necessity," a vague requirement which has always defied definition and which can mean a great many different things for as many different people or groups. Nevertheless, upon this vague standard is based the original grant of a license, and the renewal thereof at short periods of 3 years. The investment made, not only in money but in flesh and blood, and patient building, and in sacrifices which it is hoped will ultimately be rewarded, depends upon the shifting policies of an administrative agency in Washington, D.C. which at all times holds the threat that a license may not be renewed. The investment may be made worthless, since it may not perform the only function for which it was intended, and the operators of television stations have the dubious distinction of being the least secure in their business of any important category of commercial enterprise in our country.

Perhaps, because of this insecurity, or perhaps because they voluntarily assume the public service obligations which are inherent in the business, it could be said without fear of successful contradiction that there is no major business or industry in America where dedication to public service plays so great a part so many times each day, in the operation of a business as it does in television broadcasting. For those who hold these licenses, public service is as fundamental as the Ten Commandments or the Bill of Rights of the Constitution, or the multiplication tables. It penetrates every nook and crevice of our operations. This is not only because we hold our license under an obligation to meet the "public interest, convenience, and necessity," but because we cannot conduct a successful business operation unless we render to the public a service which the public of its own free choice is willing to accept to an extent that will permit our business to meet its expenses. We are not a monopoly. We are subject at all times to spirited competition.

So much for the basic obligation of every television station licensee, and for the compelling reasons he has to meet that obligation to the best of his ability.

In recent months you have heard much about television being a "vast wasteland." That's a colorful phrase but it is also sheer poppycock. Television, as it is operated today, is making the greatest contribution that has ever been made to the people of this or any other country, in the wealth of information it affords in the fields of news, culture, observation of government and public affairs, and in the contribution it is making to the "pursuit of happiness" which the Founding Fathers thought important enough to group with life and liberty in the Declaration of Independence.

Let me state both frankly and emphatically at this point that I think there is a great deal wrong with television and television programs. I think the most valid charge that is being made against television today is the charge of excessive violence in television shows. I deplore it, and in recent years I have never failed to take every opportunity to speak out against it within our industry. The thing that prevents this point of view from being more effective is merely that a very large percentage of the viewing public chooses to watch the programs that include these very violent sequences. I think that is a phase. I believe that any type of program which was on the crest of popularity during the past year or two is likely to find itself out of favor 2 or 3 years from now. There must be novelty and change in entertainment and cycles are as inevitable as the ebb and flow of the tide. But we know there will be much less violence in TV next winter than last, and a great deal less in the following year.

There are other criticisms with which I could also agree. I do not think I am in the least unique in my views. I believe that most operators of television stations will go to any reasonable lengths, and even some unreasonable ones, to include in their schedules more programs that will bring home to the public generally the problems of the world in which we live, the necessity of a strong national spirit with which to combat these problems, the importance of an informed and educated public, a greater contribution to the successful rearing and training of our children, the advantages of the broad and cultured point of view rather than the narrow and provincial one, the appreciation of better writing, better music, and better thinking, and in general all of the things which improve the mind, enrich the spirit, and cast light into the shadows of ignorance or uncertainty.

This, I assure you, the pros in our still new and young business are trying to do. I think they know best how to go about accomplishing the effort. I do not think it can be accomplished by the threatening mandates of Federal regulatory agencies, or even by acts of Congress. The pros of the business understand the problems as much as people who come and go in the regulatory agencies or in the Halls of Congress. But they understand also that you cannot legislate or regulate taste or intellectual curiosity any more than you can morals. We tried to regulate morals with the great experiment, and it proved to be a colossal failure. It did much more harm than good. It had to be abandoned. This could be another great experiment if it is tried.

Now let's take a minute or two to emphasize a very important point. Practically every criticism of television is based on the quality or the nature of the programing. Programs are not a commodity that can be produced on a production line, measured on a meter, bought by the pound or the gallon, or mined out of the earth. They involve a tricky thing called creativity.

A Federal agency might conceivably order us to devote so many hours a day to this or that kind of public service program, but that would be no assurance that the programs would be worth looking at or that people

would look at them. Perhaps the script writing that has gone into many television shows is lacking in originality or novelty, but remember the voracious appetite the television industry has for the material which is created by writers and script writers and comedians. Remember that more people see the "Real McCoys" every Thursday night than saw all of the performances of "Uncle Tom's Cabin," all of the Victor Herbert operettas, and "Showboat," "Oklahoma," and "South Pacific" put together.

Remember, too, that more people watched John Fitzgerald Kennedy and Richard M. Nixon in their TV debates last fall than ever heard all of the Presidents of the United States in their personal appearances from George Washington to Dwight Eisenhower. Madison Avenue refers to this fact as the "exposure" which is given to a program. This exposure uses up a creation, however talented, in a single evening, and this results in a demand for creative talent that is far in excess of the supply. This is a serious problem that has the best attention of an industry that is only as old as a boy who has just reached his 15th birthday. I think most people will conclude that the way to meet the problem is not by governmental dictation of the type and numbers of different kinds of programs that television stations must broadcast if they wish to have their licenses renewed.

We don't have to speculate about what television is when it is in private hands that are earnestly trying to improve the quality and balance of programs, as compared to what it is when the Government decides what shall be broadcast. We have before us the example of Great Britain. No critic of American television today could ask for a greater measure of government control of television programing than resided in the British Broadcasting Corp., a governmental agency, for the first 10 years of television in England. The programs met the highest standards of good taste, intelligence and culture. They were completely free from any of the characteristics which have been criticized in American television. The English programs were frequently cited as examples of what American television should be. The only trouble with them was that not many people were very interested in looking at them. After 10 years of proceeding along the lines the Govenment decreed, only a million television sets had been sold in a country which had over 50 million inhabitants. Then a modified form of commercialized television was permitted in England. American programs were imported and English programs were created that were similar to the American format of programing. Within 2 or 3 years this great service to the public which had been held in leash by government domination for 10 years was discovered and approved by the 90 percent of the British people who had previously exhibited not the slightest interest in television. Within 3 years the number of sets in England increased from 1 million to 10,469,753 in 1960, and that in spite of the fact that a substantial Government license fee has to be paid annually on every one of that number of television receivers.

Now voices are raised in this country that want us to reverse the English experience. They want to dictate what the people shall hear and see. They won't admit this in so many words, but neither can they deny it because it is the plain implication of what they are saying. They do it by criticizing the present programs and insisting that the Government, by processes ranging from threat of failure to renew a station's license to administrative examination of a station's program format, shall conform to somebody's idea at Washington as to what the public should see and hear.

They resent deeply the charge that they are proposing censorship. They resent it because they do not know how to escape it. And escape it they must, under the law, as I will shortly point out. They do not dare admit or possibly they do not realize that what they are proposing is censorship, plain and simple, and different only in degree, at least at first, from that imposed by totalitarian states.

Does it seem to you that I am overemphasizing the gravity of this point? Life magazine, in last week's issue, devoted two pages to the views of the youthful new Chairman of the Federal Communications Commission. To him Life imputes the view that, "Some people say that restricting one type of television program in favor of another is a form of censorship." Obviously this powerful head of one of our great regulatory agencies does not think it is censorship. Of course, it is the very essence of censorship.

I want to ask simply if the power of the Government to restrict one type of program in favor of another is not precisely the difference that exists today between American television and Russian television? Life goes on to say that the Chairman believes he has news for the people who take the view that this is censorship. He takes the position that they have not watched 1 hour, 1 minute, or even 1 second of uncensored television since the first day they switched on a TV set. He says it is a censorship that is far more arbitrary and far more damaging than any of which people could ever accuse him. He says it is censorship by popularity charts.

It occurred to me when I read these words for the first time that here is a perfect example of a case where a word may mean very different things to different people. Students of the law and of political history know that censorship is something that is imposed by governmental authority. The key word is "government." It is not called censorship when an editor decides to feature one type of news and suppress another in his newspaper. It is not thought to be censorship when politicians argue their side of the case and ignore the virtues of the other. It is not considered censorship when the publisher of the printed word exercises editorial judgment as to what he will give to his readers in his editorials. It only becomes censorship when governmental authority tells these people what they may publish or say and what they may not. This has been the meaning of censorship from the time of the government magistrates who supervised public morals in early Rome to the government censors who read your oversea mail during the war.

Coming more specifically to the issue before us here, it is therefore not censorship when the public gets programs that have been selected by the networks, and by individual stations, because of popularity charts, or surveys. It is a travesty on the meaning of words and the developments of history to say that we are censoring your programs because we have tried to find out what you, the public, prefers and because we have tried to meet these preferences.

It might be pertinent at this point to identify the two different forms of censorship. The one most familiar to the public is censorship by prior restraint, such as that which is exercised by the official censor in England over dramatic productions, or by the cable censor in Moscow where he declines to let an American correspondent file his story to an American newspaper.

Of the two sorts of censorship this is the less troublesome. At least you don't get into any trouble with it. You may not publish what you desire to publish, but you are not subjected to punishment since there was no publication.

But there is also a thing called censorship by fear of subsequent punishment. That is what we are threatened with here. You go ahead and publish something at your peril, and later you are punished for doing it. The thing that you did during the first year you had your license might not have seemed serious then but because of later events became a punishable affair. In a sense this is something like an ex post facto penal proceeding.

Time and again during the past few weeks we have heard plainly voiced threats that station licenses may not be renewed unless stations conform to the current thinking in Washington. This is censorship by fear of subsequent punishment.

A point frequently overlooked is that any criticism of TV sound or unsound, is usually given the broadest and most prominent coverage by the newspapers and magazines that are the unhappy commercial competitors of TV. It is perhaps quite understandable that they should strike back at a competitor that reaches more homes with much more commercial impact and for fewer advertising dollars than is possible in magazines or newspapers. You should realize that great prominence is happily given to any and all television cirticisms by the people who operate newspapers and magazines. Any TV critic can view with alarm and know he will get a wonderful press. It is perhaps significant that here too is a one-sided attack. Television stations do not attack the printed media. They don't need to. But television stations are subjected to a daily barrage of caustic comment from the printed media. All we ask is that when you read these criticisms of us please consider the source. Remember that the paper or the magazine you are holding in your hand has probably suffered a decline in advertising income because of the very existence of TV. It is too much to expect their publishers to be objective and unbiased in their handling of TV news. They are human. They have been hurt. But you should not be misled.

I'd like to spend a minute or two to get one more point in focus. One of the favorite battle cries of the critics of TV is this one: "Remember that these frequencies belong to the public." Sure they do. More than 30 years ago I was the Washington lawyer for a colorful character who owned a radio station in Zion, Ill., and who headed a religion that contended the world was flat, not round. He also thought he had a vested interest in the particular frequency on which he had been operating. I told him he didn't. There has never been any serious challenge to the proposition that the public-at-large has the complete property rights to radio (or television) frequencies as against any claim of an individual property right. The same is true of the air we breathe. It is true of the air through which our commercial aviation moves. It is true of the public highways on which so much of the commerce of our Nation travels. But it is a monumental non sequitur to jump from this premise of public ownership to a conclusion that it justifies a Federal administrative agency assuming the right to decide what the people shall hear and see on their television sets, and what may not be broadcast, under the threat that if it does not comply a station may lose its license and have its investment rendered valueless.

Of course, there is no room for doubt on the point. Congress may have been less than specific in setting up for licenses the statutory standard of operating in the "public interest, convenience, and necessity" but it stated in flat and unmistakable language that the agency it created, the Federal Communications Commission, should not have the power of censorship.

From the day in 1927 when the first Radio Act was enacted, Congress has specifically told the successive Commissions it created that they were not to have "the power of censorship over the radio communications or signals transmitted by any radio station and that no regulation or condition shall be

promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communications."

These words I have just quoted are taken from section 326 of the Communications Act of 1934, which is the act now in force.

Neither the Federal Communications Commission, nor the individual commissioners have any power except the power which Congress has given to them. Congress in the plainest language imaginable has said that the Commission is to keep its hands off the program content of radio and television broadcasting.

The Commission should not do indirectly or by threats of nonrenewal of license, or by excessive harassment of licensees in the administrative processes what Congress has plainly said it must not do.

Congress was wise in putting the noncensorship provision into the original Radio Act and in the subsequent statutes passed for the regulation of broadcasting. As informed and intelligent individuals, you would be wise to see that these protections to our liberties are not eroded by the enthusiasms of Government administrators, however well intended and however well grounded on valid criticisms of some television programs. There are proper ways to improve television programs, but Government censorship is not one of them.

And don't be misled by people who deny the intent to censor while saying as Life quoted the Chairman of the FCC—that he planned to use all his statutory powers to gain more balanced programs.

It is censorship when "Big Brother" in Washington decides what you shall see and hear regardless of your own personal preferences.

We may deplore the taste of 95 percent of the public if we are one of the 5 percent who believe that because of superior education, or superior mentalities or superior taste or superior culture or maybe perhaps of superior egos, that we are a cut better than the other 95 percent. But have you ever observed that these views are always expressed by people who do not run for office? No politician would ever be guilty of predicating his argument on the proposition that in following popularity charts what is being done is to cater to the "most unthinking, more tasteless element of the population—to nurture and propagate the lowest common denominator and impose its subterranean standards on everybody else." These are not my words. These are the words that are imputed to the head of the agency that issues licenses to television stations and renews them, not for the 5 percent only but for the other 95 percent as well.

I think it is frightening. I think it is frightening that in such a high place there should be such a misconception of the essence of democracy, of the belief in the majority rule, and a reversion to a type of aristocratic or dictatorial thinking which believes that some tiny percentage of the public should impose its will on the overwhelmingly large percentage of the public. I believe we should stay with the principles that have caused this Government to endure for a longer period than any important government existing today. Let us trust all the people to deal with this problem as they do with other pressing and important difficulties.

I have told you that the story has been given to the public in a one-sided manner. It has. You hear nothing about the good side of television—only the bad, or to be more precise, only what a small percentage of the intelligentsia think is the bad side of it. These gentlemen who deal in theory rather than fact, in which they think is original thinking and that presumably takes the place of experience, in ideals rather than realities, could profit from my own experience of having known hundreds of people who have written to me or spoken to me about the wonderful change that television has made in their lives. If I were to tell you some of the actual instances of people who have thanked me because they felt I had something to do with bringing television to them, I would doubtless be accused of maudlin sentiment. And yet, during the first year or two that our station was operating from the top of Mount Washington, simple country folk, people who live on backroads and in remote areas, old and sickly people, including many who were quite knowledgeable, would come up to me on the street and tell me that television was the most wonderful thing that had ever come into their lives.

If any of those people find a certain program too violent, or too trashy, or if they think it is bad for the children, they have a choice of other programs to which they can turn. Or, like everyone else in America they can switch off the TV set and do whatever they did before 1946 when TV was first introduced generally. But tens of millions of these people are happy with the new life that television has opened up for them, with the wonderful talent that performs for them in any given week, they are grateful to have fast news, expertly interpreted, and for sports, and great public events where they have the chance to share the sense of "being there" that television alone can give.

If you doubt that there is a great deal more that is good about TV than bad—ask yourself what the reaction would be if every TV station went off the air at 6 p.m. tonight. On total, would this be a good thing for the country or a bad one? And if it would be bad to take all of the TV away from the people, then in principle it is equally bad to substitute something most of them will not look at for something which they are now watching. The degree is all that would vary and that would be determined by the amount of Government dictation.

There is no compulsion to look at television. Therefore it is all the more significant that in tens of millions of homes people do look at it for 5 or 6 hours a day, every day.

In the scathing indictments which we have heard leveled against television, the proponents of these views usually seem to make no effort to be fair. All they do is condemn. They do not recognize the fact that in any week there will be found included in the programs of the three networks and of independent stations, hours and half-hours which would satisfy in both quality and quantity the most sensitive of tastes and the most exquisite of demands for intellectual stimulation. It is one of the ironies of the situation that so often our critics say, after delivering a stinging tirade against television in general, "Why, I would not even have a set in the house." But they undertake to say what should be seen and heard by the 50 million homes that do have one or more television sets in the house. I think it is about time that someone called attention to these facts. My voice is a small one. It will not be heard beyond the confines of this room. But if a couple of hundred of you, leaders of your community, go out of here today feeling that the remedies recommended in Washington are worse than the disease they are supposed to cure, I will feel that my efforts have been amply rewarded.

LIVE FREE OR DIE—TRIBUTE TO PATRICK HENRY

Mr. BRIDGES. Mr. President, sights that we see from day to day become so familiar to us that we look at them without actually seeing them. This morning, as I approached the Capitol, I saw something that all of us look at day after day after day.

In front of the National Archives are two quotations: One, from William Shakespeare, says—"What is past is prologue;" the other, by Confucius, admonishes—"Study the past." The import of the combination of these two familiar quotations had a particular impact on me this morning because of an editorial I had just read in the April 25 issue of the Manchester (N.H.) Union Leader, entitled with another familiar quotation—at least, familiar to us New Hampshirites—the State motto of New Hampshire, "Live Free or Die."

In this editorial, William Loeb tells of how one of his readers recently called his attention to the immortal speech given by Patrick Henry in the Virginia House of Burgesses in March 1775, and how the reader pointed out that what Patrick Henry said then about England and the tryant King George III "could just as well apply completely today to Communist Russia and to Khrushchev." It was in this speech that Patrick Henry gave the world the immortal words, "Give me liberty or give me death."

The entire speech of Patrick Henry is reprinted in the editorial with certain emphasis supplied as set forth by the reader who brought it to Mr. Loeb's attention.

Mr. President, given as I seem to be to quotations today, I state my position in the words of another great Virginian, Thomas Jefferson:

> I have sworn upon the altar of God eternal hostility against every form of tyranny over the mind of man.

For that reason, I ask my distinguished colleagues to "study the past" with me today in rereading the words of Patrick Henry, and ask unanimous consent that this editorial from the Manchester (N.H.) Union Leader be printed at the conclusion of my remarks in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Manchester (N.H.) Union Leader, Apr. 25, 1961]

LIVE FREE OR DIE

The State motto of New Hampshire, "Live Free or Die," is another way of stating Patrick Henry's immortal words, "Give me liberty or give me death."

Most Americans know that phrase of Patrick Henry's, but few have read the complete speech of which these were the last seven words.

Recently a reader called our attention to the complete speech which was delivered by Patrick Henry in the Virginia House of Burgesses in March of 1775. The reader points out that what Patrick Henry had to say while he was speaking of England and the tyrant King George III could just as well apply completely today to Communist Russia and to Khrushchev.

As a matter of fact, Patrick Henry has set forth clearly what should be the attitude of every free people toward every tyrant and every tyranny forever more.

We reprint below Patrick Henry's complete speech. The emphasis on certain parts of it were set forth by our very helpful reader, who is responsible for placing before all our other readers this immortal testimony for freedom.

WILLIAM LAUB,
Publisher.

Patrick Henry's immortal speech—"Shall we gather strength by irresolution and inaction?" follows:

No man thinks more highly than I do of the patriotism, as well as abilities, of the very worthy gentlemen who have just addressed the House. But different men often see the same subject in different lights; and, therefore, I hope it will not be thought disrespectful to those gentlemen if, entertaining as I do, opinions of a character very opposite to theirs, I shall speak forth my sentiments freely and without reserve. This is no time for ceremony. The question before the House is one of awful moment to this country. For my own part, I consider it as nothing less than a question of freedom or slavery; and in proportion to the magnitude of the subject ought to be the freedom of the debate. It is only in this way that we can hope to arrive at truth, and fulfill the great responsibility which we hold to God and our country. Should I consider myself as guilty of treason toward my country, and of an act of disloyalty toward the Majesty of Heaven, which I revere above all earthly kings.

It is natural to man to indulge in the illusions of hope. We are apt to shut our eyes against a painful truth, and listen to the song of that siren till she transforms us into beasts. Is this the part of wise men, engaged in a great and arduous struggle for liberty? Are we disposed to be of the number of those who, having eyes, see not, and, having ears, hear not, the things which so nearly concern their temporal salvation? For my part, whatever anguish of spirit it may cost, I am willing to know the whole truth; to know the worst, and to provide for it.

I have but one lamp by which my feet are guided, and that is the lamp of experience. I know of no way of judging of the future but by the past. And judging by the past, I wish to know what there has been in the conduct of the British ministry for the last 10 years to justify those hopes with which gentlemen have been pleased to solace themselves and the House. Is it that insidious smile with which our petition has been lately received? Trust it not, sir; it will prove a snare to your feet. Suffer not yourselves to be betrayed with a kiss. Ask yourselves how this gracious reception of our petition comports with those warlike preparations which cover our waters and darken our land. Are fleets and armies necessary to a work of love and reconciliation? Have we shown ourselves so unwilling to be reconciled that force must be called in to win back our love? Let us not deceive ourselves, sir. These are the implements of war and subjugation; the last arguments to which kings resort. I ask gentlemen, sir, what means this martial array, if its purpose be not to force us to submission. Can gentlemen assign any other possible motive for it? Has Great Britain any enemy, in this quarter of the world, to call for all this accumulation of navies and armies? No, sir, she has none. They are meant for us; they can be meant for no other. They are sent over to bind and rivet upon us those chains which the British ministry have been so long forging. And what have we to oppose to them? Shall we try argument? Sir, we have been trying that for the last 10 years. Have we anything new to offer upon the subject? Nothing. We have held the subject up in every light of which it is capable; but it has been all in vain. Shall we resort to entreaty and humble supplication? What terms shall we find which have not been already exhausted? Let us not, I beseech you, sir, deceive ourselves longer. Sir, we have done everything that could be done to avert the storm which is now coming on. We have petitioned; we have remonstrated; we have supplicated; we have prostrated ourselves before the throne, and have implored its interposition to arrest the tyrannical hands of the ministry and Parliament.

Our petitions have been slighted; our remonstrances have produced additional violence and insult; our supplications have been disregarded; and we have been spurned, with contempt, from the foot of the throne. In vain, after these things, may we indulge the fond hope of peace and reconciliation. There is no longer any room for hope. If we wish to be free—if we mean to preserve inviolate those inestimable privileges for which we have been so long contending—if we mean not basely to abandon the noble struggle in which we have been so long engaged, and which we have pledged ourselves never to abandon until the glorious object of our contest shall be obtained—we must fight. An appeal to arms and to the God of hosts is all that is left us.

They tell us, sir, that we are weak; unable to cope with so formidable an adversary. But when shall we be stronger? Will it be the next week, or the next year? Will it be when we are totally disarmed, and when a British guard shall be stationed in every house? Shall we gather strength by irresolution and inaction? Shall we acquire the means of effectual resistance by lying supinely on our backs and hugging the delusive phantom of hope, until our enemies shall have bound us hand and foot? Sir, we are not weak if we make a proper use of those means which the God of nature hath placed in our power. Three millions of people, armed in the holy cause of liberty, and in such a country as that which we possess, are invincible by any force which our enemy can send against us. Besides, sir, we shall not fight our battles alone. There is a just God who presides over the destinies of nations, and who will raise up friends to fight our battles for us. The battle, sir, is not to the strong alone; it is to the vigilant, the active, the brave. Besides, sir, we have no election. If we were base enough to desire it, it is now too late to retire from the contest. There is no retreat but in submission and slavery. Our chains are forged. Their clanking may be heard on the plains of Boston. The war is inevitable—and let it come. I repeat it, sir, let it come.

It is in vain, sir, to extenuate the matter. Gentlemen may cry "Peace, Peace"—but there is no peace. The war is actually begun. The next gale that sweeps from the north will bring to our ears the clash of resounding arms. Our brethren are already in the field. Why stand we here idle? What is it that gentlemen wish? What would they have? Is life so dear, or peace so sweet, as to be purchased at the price of chains and slavery? Forbid it, Almighty God. I know not what course others may take; but as for me, give me liberty or give me death.

THE RECORD OF THE 87TH CONGRESS

Mr. HUMPHREY. Mr. President, last night I was privileged to deliver a major address at Syracuse University, in New York, as a part of the summer lecture series of the Maxwell Graduate School of Citizenship and Public Affairs.

This graduate school represents a distinguished and important segment of America's academic community. Its faculty members and students continue to contribute valuable knowledge and research in the field of public affairs to scholars and political scientists.

With such efforts as the Maxwell summer lecture series, the school also helps to broaden general public understanding of the basic and immediate questions of government and politics.

This year's Maxwell summer lecture series at Syracuse University focuses attention on the new administration. Several distinguished American leaders are participating, as speaker, to discuss such areas as specific domestic programs of the new administration and specific foreign policies.

It was my opportunity and pleasure last night to discuss the administration's legislative program in Congress.

I included in my address a detailed review of the legislative record of the 87th Congress to date, and a statement of the prospects for additional action. I said last night—and I repeat now—that I am proud of the record this Congress has established so far in this session. Our work is not done and our record is not perfect, but I believe that this Congress has produced and will produce more significant, progressive legislation than any Congress in which I have served.

Mr. President, I ask that the text of my address, entitled "The New Frontier in Congress," be inserted at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE NEW FRONTIER IN CONGRESS

(Address by Senator HUBERT H. HUMPHREY at the Maxwell summer lecture series, Syracuse University, New York, July 17, 1961)

It is a pleasure to be with you this evening to discuss the work of Congress on the administration's legislative program. I want you to know first that I am sincerely proud of the initial record of this 87th Congress. I am especially proud to be part of the leadership in the Senate to transform the New Frontier's program into action. It is both a great responsibility and a great honor to serve as the assistant majority leader in the Senate of the United States.

This is my 13th year in Congress. Without any hesitancy, I say that the 87th Congress is establishing the best and most constructive record of accomplishment of any which I have served. I believe that by the time the 87th Congress adjourns next year, we will have seen the greatest outpouring of constrctive, responsible legislation enacted by any Congress since the days of the New Deal in the early thirties.

Today we have an administration and a congressional majority which share common goals and a common philosophy of Government. This is an exciting time in Washington. There are new faces and new ideas. There is a spirit to move forward to respond to the challenges facing America. There is a new determination to work and build.

Our work has been constant and successful since the change of administrations last January. Let me present now the details of our record.

As the 87th Congress convened, prompt attention was given to bolster the economy. We were in a recession affecting millions of American workers and their families. The economy needed a boost and the Congress moved promptly in that direction. The first bill that we passed was the Area Redevelopment Act, to provide assistance to economically distressed areas in the form of loans and grants for construction of industrial plants and public facilities.

To help raise the living standards of those Americans at the bottom of the economic ladder, the Congress increased the minimum

wage from $1 to 1.25 an hour, and extended coverage to 3.6 million additional workers in the retail and service trades. This was the first major extension of coverage since the first minimum wage legislation in the thirties.

Earlier this year, hundreds of thousands of jobless workers had exhausted their unemployment compensation benefit payments. The Congress promptly enacted legislation to advance funds to the States to extend unemployment benefits up to an additional 13 weeks, thus providing the unemployed worker with benefits up to a total of 39 weeks. We took the same action for unemployed railroad workers under the Railroad Unemployment Insurance Act.

To help ease the critical financial stress of so many of our elderly citizens, the Congress increased minimum old-age insurance benefits, liberalized the disability provision of the act, and provided that men may retire at reduced benefits at the age of 62. We also increased for 1 year the public assistance payments for old-age assistance, aid to the blind, and aid to the permanently and totally disabled.

To keep our Federal interstate highway building program on schedule—so that this 41,000-mile program will be completed in 13 years as originally planned—the Congress increased the Federal Government's share from $25 billion to $37 billion. This has provided a tremendous boost to the economy and hastens the day when we will have a magnificent highway program completed. As an aside, I should also note that we scored an important victory in extending for an additional 2 years the incentive bonus for States to enter into agreements for control of billboard advertising along the interstate highways.

Perhaps the greatest legislative triumph in the economic area was the passage of the comprehensive Housing Act which authorized $4.9 billion in new funds. This act provides for a new 2-year experimental plan of small downpayment, 35-year loans for moderate-income, single-family housing. The act authorizes $75 million to assist communities to provide mass transportation systems. It liberalizes FHA regular home mortgage terms by raising the maximum mortgaged maturity for new homes from 30 to 35 years. It authorizes an additional $2 billion in Federal capital grants for urban renewal projects. It raises by $500 million the community facilities loan fund for local water, gas, and sewage plant improvements.

It increases by $200 million the authorization for the farm housing program. It authorizes $50 million in Federal grants to States and local communities to pay up to 30 percent of the costs of acquisition of land in and around urban areas to create open space areas for recreational, conservation, scenic, and historic purposes. It increases the Federal revolving fund for low-interest, long-term loans to colleges, universities, and hospitals for construction of housing. It increases by $75 million the revolving fund to make direct loans below the market rate to nonprofit groups for construction of housing for the elderly.

The Congress also extended the direct and the guaranteed home loan program for World War II and Korean veterans, and authorized an additional $1.2 billion for the direct loan program through fiscal 1967 to aid communities in their efforts to construct water sewage treatment plants. This is intended to assure an adequate supply of clean water; the Congress has authorized an additional $235 million in Federal grants.

Another important achievement was the passage of legislation amending the Social Security Act to permit States to use matching Federal grants to aid children of the needy and unemployed.

Previously, the law provided that payments could be made to children only when the family had been broken up or the father had deserted. The father could have been out of work through no fault of his own and his family without money, but the State still couldn't make use of any Federal funds for the children of that family.

Major attention is being focused, of course, on the Federal aid to education bill. As you know, the Senate has already passed a measure providing $2.5 billion in grants over a 3-year period to the States for school construction and teacher salaries at the grade and high school level. Similar legislation has already been approved by the House Education and Labor Committee, but has yet not been cleared by the House Rules Committee. Some observers feel that the House will never get a chance to act on an aid-to-education bill, but I am not that pessimistic. I think that we are going to get an aid-to-education bill passed by the House and enacted into law. I am hopeful that we will be able to do it before this session of the Congress adjourns.

It would be tragic if this bill was scuttled. The need for such a program is apparent.

We need more schools. We need better paid and better trained teachers. Most of our local communities have reached the point where it is almost impossible for them to get increased funds for their school problems. They need these funds desperately. The Federal Government alone has a broad enough tax base to provide such funds. This legislation is not an attempt to take over control of the schools. As a matter of fact, the legislation which we passed in the Senate specifically prohibits any Federal interference in control of administration of schools. The school programs will be run as they are now, by the counties and by the States and by their duly constituted educational boards.

Another item which is of major concern to the people—and judging from my mail perhaps this item is one in which there is the greatest interest of all—is medical care for the aged. For many years I have had a deep interest in this subject and have pressed for adoption of legislation to help alleviate the insecurity and anxiety of so many of our older citizens. They simply do not have the funds to meet the heavy costs of unexpected illness in their old age. I wish that you could read the letters which I receive every day from older citizens pleading for action to pass a bill for medical care under social security. It appears now that no action will be taken in the House of Representatives, where all such measures involving taxes must originate, to consider this legislation this year. The timetable appears to be that it will be brought up in the second session of the 87th Congress in 1962. I feel confident that this Congress will pass the medical care bill before we adjourn in 1962.

It won't be easy. The organized opposition to this plan is tremendous and well-financed. But I am convinced that we will succeed.

To ease the present workload and overcrowded court calendars, the Congress has created an additional 73 U.S. district and circuit court judgeships. Such action was long overdue and will mean less delay in the adjudication of lawsuits.

Both the House and Senate have passed legislation to establish a Cape Cod National Seashore Park so as to preserve for public enjoyment the scenic, scientific, and historic features of the cape. This legislation should soon go to the President for his signature and I am hopeful that other legislation now pending before the Congress to preserve our shoreline areas for the public will be enacted into law.

It has been my privilege to introduce on behalf of the administration a bill to establish a Department of Urban Affairs. My subcommittee on reorganization has already held hearings on this measure and we will soon report the bill to the Senate for its consideration. Similar action is being taken in the House and I am hopeful that before we adjourn this summer that this Department will begin operation. Far too little attention has been given to the problems of our urban areas. The need for such a Department is all too apparent.

The administration has also presented to the Congress a proposal to close the various loopholes in the present tax code. The House Ways and Means Committee has been considering these proposals. While it appears that the committee will not approve all of what the administration is asking, there will be progress. Congress has been most concerned about the flagrant abuses in regard to expense accounts. Loopholes in this area will be closed so that the expenses that have nothing to do with business can no longer be treated as a tax deduction.

There has been a great deal of interest in my proposal of the establishment of a Youth Conservation Corps of young men to work in our Nation's parks and forests on conservation projects. I have introduced such legislation and the administration has given its backing of the establishment of such a corps. I am pleased to report that this legislation is now being considered by committees in both the House and the Senate, and last week a Senate Labor Subcommittee approved the bill.

On the civil rights front, I am confident that in this session of Congress legislation will be enacted to extend the Civil Rights Commission which is due to expire in the fall of this year. I have been a strong supporter of the Civil Rights Commission. Years ago I proposed such a commission to study civil rights problems. The Civil Rights Commission has been performing an excellent function and must be continued.

One of the great stumbling blocks to enactment of civil rights legislation in the Congress has been the threat of the filibuster in the Senate. Under present Senate rules it is most difficult to limit debate. Senate rule XXII provides that Senate debate may be ended only upon the vote of two-thirds of the Senators present and voting. Senator MANSFIELD, the able majority leader, has announced that he will bring to the Senate for its consideration this year a resolution to liberalize rule XXII.

As a Senator from one of America's great farm States, I have been deeply concerned about agriculture legislation. Action in this area, unfortunately, has been slow and most difficult. Earlier this year we did provide for an emergency price support program for feed grains to cut back feed grain production, while assuring the farmer a fair price for his products. The administration, as you know, has presented to the Congress a comprehensive farm program which is designed to bring order out of the present chaos in which we find ourselves. Despite the stories you might hear to the effect that the farmers are getting too much, the fact of the matter is the farmers are facing extreme economic difficulties. Our farm laws now are inadequate. They fail to provide the farmer with a decent standard of living or to keep our so-called food surplus within reasonable bounds. The need for new legislation is only too clear. Unfortunately, the Congress is so split on what should be done that no common area of agreement has been established.

Legislation dealing with international affairs is also moving ahead. As a matter of fact, at the present time in Washington, international affairs is the primary consideration and the major topic of conversation. Tonight I want to discuss in detail the foreign aid bill which is presently being considered in the House and Senate. But before I do so let me give a brief report of other

items of international interest which the Congress has acted on already this year.

First of all, we appropriated $600 million for the Latin American aid program—the Alliance for Progress—which is designed to encourage and promote social reform and economic development.

The Senate also ratified the creation of the Organization for Economic Cooperation and Development, which consists of some 18 European member nations, the United States and Canada. This group is designed to promote economic stability and an orderly growth of the economies of member states.

The Congress recently passed and the President signed into law an act to establish U.S. Travel Service in the Department of Commerce to promote and encourage tourist travel from abroad.

I was most pleased that the Senate approved my resolution expressing an interest in exploring with other nations the possibility of establishing an international food and raw materials reserve under the auspices of the United Nations. We need to acquire and store in appropriate countries raw or processed farm products to ease the effects of famines as they develop throughout the world.

The Senate also approved my resolution authorizing the President to establish a White Fleet—to assist in disaster areas in any coastal region of the world as well as to carry on a regular program of logistics support in the field of public health and other works of technical assistance.

One of America's greatest God-given resources is its great food abundance. I believe that this food abundance should be utilized fully to assist people in other areas of the world who suffer from food shortages. That is why I have been such a strong supporter of the Agricultural Trade Development and Assistance Act—Public Law 480. Under this act, our so-called food surpluses are made available to other countries by way of direct sales, or barter, or by outright grants. This Congress authorized the disposal of an additional $2 billion in surplus commodities under this act. We also extended the title II of Public Law 480 which provides for helping needy people in the less developed countries through economic development programs.

This year I have introduced legislation to give statutory authority to the Peace Corps. I know you have all read and heard much about this program which has already been put into operation by an Executive order of President Kennedy.

Through the Peace Corps, talented and dedicated Americans are offering their services to other countries to work in the fields of education, agriculture, medicine, construction, and a host of other types of activities. This is a most exciting program and it has caught the imagination of the American people. I believe it will succeed. Hearings have already been begun on this measure before the Senate Foreign Relations Committee. I am hopeful that after the Foreign Relations Committee has finished its work on the foreign aid bill, it will turn its attention to this measure and it will be able to test the bill before this session of the Congress adjourns.

Another bill that was presented by the administration, and which I introduced in the Senate, would establish a new Disarmament Agency for World Peace and Security. We have paid all too little attention to the need for serious study and attention to the many difficult and complex problems involved in disarmament. The purpose of this bill is to establish an agency which would have the sole responsibility for research and study on the scientific, technical, and political problems of disarmament.

Now I turn to the legislation which is at the very center of the congressional stage. I refer, of course, to the foreign-aid bill which the President has presented to the Congress. As you know, the President is vitally interested in seeing that this bill is enacted into law and that it is not stripped of its key provisions. He is throwing the entire weight of his administration behind the passage of this measure.

This is a big foreign-aid bill. It will provide $4½ billion for fiscal 1962.

The outlines of the bill indicate there will be larger requests in the years to come.

I support the foreign-aid bill. I have in the past, under previous administrations, and I shall continue to support the foreign-aid program.

I support the long-term financing which the President has requested. When the President was a Senator, he voted for that in this body. I voted with him as a U.S. Senator. A year-by-year program is wasteful, leads to little or no planning, and results in mismanagement and the wasteful use of public funds.

I shall do my best, as a Senator, as a member of the Committee on Foreign Relations, and as a member of the Committee on Appropriations, to see to it that our foreign-aid program is put on a continuing, long-term basis, rather than operated as a year-by-year, hypodermic, prophylactic treatment which cures nothing. We have had enough examples of that type of program.

The most important feature of the President's foreign-aid program is not the $1,750 million for technical assistance and economic aid. It is not $1,880 million for military assistance. It is not even the $900 million borrowing authority for the Development Loan Fund.

The most important feature is the reorganization of the foreign-aid agency.

The reorganization of the foreign-aid establishment is a minimum requirement for congressional support for foreign aid. I wish to say, as a loyal supporter of the administration, that we want that reorganization not merely to be on top, but all the way down.

If our country is to be asked to pay a bill of over $4 billion in foreign aid this coming year, we are entitled to have the best administrators that the country can supply.

It will be difficult to obtain congressional approval of the proposed $4½ billion program. I doubt that we will be able to bring it through without some cuts. But whatever foreign aid program goes through the Congress of the United States, it will have to be administered in a frugal, prudent, and imaginative way. I want to see a foreign aid administration that is filled with its mission for cooperative assistance to nations in other parts of the world. I want to see foreign aid administrators who will see to it that foreign aid results in social, economic, and political reform. I want to see the foreign aid administrators who will be able to say, "No; we think the project is unworthy or should not be undertaken."

I wish to see foreign aid mission chiefs who understand the people of the country in which they are working. I wish to see chiefs who do not live in American ghettoes, where all the Americans gather to play bridge and pinochle, and where all the Americans get together so they can eat the same kind of food. I want to see a foreign aid program through which we can learn to know the people of the countries that we seek to help.

Let my remarks not be misunderstood. There are many loyal, faithful, dedicated and self-sacrificing servants in the International Cooperation Administration. I want it quite clear that most of the activities of the ICA have been commendable. I want it equally clear that the overwhelming majority of the personnel have been able, competent, and trustworthy. I want it equally clear that those who are not competent should be removed.

I want to make sure that the money goes for the purpose for which it was authorized and for which we will appropriate it. What is that purpose? To build the areas of freedom. Freedom in many areas requires social reform. Freedom requires that the benefits of liberty and freedom should be carried to the people, to the grassroots.

Our mission and objective for the foreign-aid program must carry a new sense of purpose and dedication, and a new willingness to pioneer in the areas of economic improvement and social betterment. We must seek not only to change the scenery on top, but also to change the whole philosophy and the whole administration of foreign aid from top to bottom. Building areas of freedom, with social justice, must be the commanding yardstick of our success.

I wish to make sure that those who administer the program administer it with a crusading zeal to accomplish our objectives. Unless we do so, we shall lose and waste money. A nation that can spend this amount of money for foreign aid can afford to make sure that what it spends is spent well and in the interest of the people.

That is the purpose of the New Frontier. The New Frontier requires the will, the dedication, and the zeal of all Americans to build a better life for mankind.

ADDRESS BY ATTORNEY GENERAL KENNEDY AT FBI NATIONAL ACADEMY

Mr. DODD. Mr. President, last month it was my privilege to attend the graduation exercises of the 67th session of the FBI National Academy. At this occasion, Attorney General Robert Kennedy made an eloquent plea for a great national effort against racketeering and organized crime.

Since that time, many of the measures which Mr. Kennedy advocated have made rapid progress in the Judiciary Committee and are well on their way toward becoming law.

The actions of Mr. Kennedy since he took office, in deed and in word, indicate that a supreme effort is now being launched against syndicated crime in this country. His position is eloquently expressed in the commencement address he delivered, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. ROBERT F. KENNEDY, ATTORNEY GENERAL OF THE UNITED STATES, GRADUATION EXERCISES, 67TH SESSION, FBI NATIONAL ACADEMY, DEPARTMENTAL AUDITORIUM, JUNE 7, 1961

Dr. Bartley, Mr. Hoover, Mr. Derning, Mr. Burke, Senator Dodd, distinguished Members of Congress, graduates, ladies and gentlemen, I wish to pay my respects to you gentlemen upon completion of your work here in the last 4 months. I think that the sacrifices that you have made to attend this school, the sacrifices that your communities have made and that your families have made will be looked back upon years ahead as a great source of pride to you. I am indeed honored to be in your midst today.

The Federal Bureau of Investigation National Academy is one of the most significant of the many contributions which Mr. Hoover has made to strengthening law enforcement in our country. Many well-deserved tributes have been paid to Mr. Hoover throughout the years. I think two things stand out as I look at his record and the record of the FBI. One, of course, is the Bureau's matchless efficiency in getting the job done and

the second is that Mr. Hoover through the years has been extremely careful to see that the Bureau remained exactly what it was intended to be—a highly trained investigative force, capable of meeting many of the Federal Government's responsibilities in law enforcement. Mr. Hoover himself has exercised restraint and sound judgment in the use of the power that goes with his office. I salute him for this and for the unchallenged record which he and the FBI have made.

I was a great admirer of Mr. Hoover before I came with the Department of Justice. I might say to you, gentlemen, and to you members of the families of the men who are about to graduate, that the time that I have spent with the Department of Justice has made me even a greater admirer of Mr. Hoover and I think that the country is very fortunate in having him and the Federal Bureau of Investigation as the most efficient and dedicated group working in this country.

I would also like to pay my respects to Special Agent Cecilio Santiago Soliman, of the National Bureau of Investigation of the Republic of the Philippines, who is the 4,000th law enforcement officer to graduate in the 26-year history of the National Academy. We have been very pleased to have Special Agent Soliman and his fellow officer, Senior Agent Jose Delos Reyes, attend the school and we wish them good fortune upon their return to our sister republic.

Over the last 10 years, in the work that I have undertaken, I have been in contact almost continuously with law enforcement officers, and I have come to have great respect for the thousands of honest law enforcement officers—for their skill, for their devotion to duty and for their willingness to undertake a job that is difficult at best, often dangerous and often unpleasant. Since coming to the Department of Justice, I have been quite aware of the fact that the job of law enforcement in this country is not getting any easier. It is, in fact, becoming far, far more difficult.

We, in the Department of Justice, have become increasingly concerned about organized crime. It has become so rich and so powerful and so well-entrenched that it has often become beyond the reach of law. We submitted eight bills to the Congress early in April which we believe are extremely important, if the Federal Government is to meet its responsibility in combating racketeering and organized crime.

Very frequently, the newspapers and magazines carry a boxscore of the important bills before Congress to show what progress they are making. I have yet to see a boxscore which shows the status of our crime bills. Some of them are very far reaching and have been endorsed at least in general terms by most of the leading newspapers in the country.

However, we need now more than talk; more than general references. We need action.

We, in the Department of Justice, think these bills are extremely important. As I testified before the Senate Judiciary Committee yesterday, the kingpins of organized crime are able to operate beyond the reach of local authorities in many areas. They are able to reap millions of dollars in profits and use these profits to cheat honest Americans, to corrupt officials, and to undermine our national strength.

These bills seek to strike blows against organized crime activity which has been brought to public attention effectively by committees of Congress, by several of my predecessors, by Mr. Hoover, and by many State and local law enforcement officials for more than 10 years. So, frankly, I think it's about time that action is taken. In fact, the tools which were adequate in the days of Al Capone are just not adequate any more.

In general, the purpose of these bills is to deny to organized crime the use of interstate commerce, and communications, and to give the Federal Bureau of Investigation more tools to aid their fellow law enforcement officers.

I am going to seek your help in this effort. I think the choice is between taking action soon or seeing the racketeers and the hoodlums tighten their hold on illegal enterprises and move more and more into legitimate labor and into businesses. I ask you to join Mr. Hoover and me in strengthening law enforcement in this country, in preserving its vigor and its vitality. I ask that you look closely at these bills and, if you think they are worth while, that you give them your active support.

It is not our purpose or our desire to interfere in any way in the traditional responsibilities of local law enforcement. But we wish to meet our responsibilities. We know that Federal and local law enforcement officers working side by side have been most effective against narcotics, auto theft, prostitution, bank robbery, kidnapping, and other crimes. These bills have been drafted so that this same kind of effective cooperation can be carried out against organized crime which operates on this interstate basis.

Of course, these bills are not enough of themselves. They are only as good as the men who enforce them. This Nation became great because it was led by toughminded men. They risked their security and their future for freedom and for an ideal. This is a time that demands a new toughness—new only in the sense that we have not been toughminded enough in recent years. If we—you and I—are not going to be relentless and unyielding in dealing with hoodlums, racketeers, and vice lords, then these people will continue to dishonor and weaken our country and these laws will not be effective.

For our part here in the Department of Justice, we have taken certain steps to coordinate all Federal investigations into organized crime and racketeering. We are pooling all available information about known hoodlums and racketeers. We are not making any big promises. In fact, we haven't said much about what we are doing. We will let the record speak for us, and we will meet our responsibilities, and we will try to get the job done.

I can report to you that there is a new awareness in law enforcement throughout the country, the need for cooperation by the Federal and local authorities in combating the underworld. We will give information to local police whom we know to be trustworthy. And, of course, this exchange of information works both ways.

I think everyone in this country and certainly you gentlemen are aware that for the past 3 weeks our immediate concern about local law enforcement has not been in the field of organized crime, however. Very reluctantly, we had to deputize some 600 Federal officers as U.S. marshals and send them into the State of Alabama to guarantee the safety of interstate travel and to restore law and order. I hope that out of the tragic events in Alabama there will not again arise in this country of ours a time when local law enforcement officers will not do their duty to preserve law and order no matter how unpleasant the job.

You and I and all fellow law-enforcement officers have sworn to uphold the law and we have a duty to enforce the law, and to protect the rights guaranteed by our Constitution. It is not our job to make or interpret the law. It is our job to enforce the law and there is only one way that we can do it and remain true to our oath and that is to enforce the law vigorously, without regional bias or political slant.

The ramifications of the violence in Alabama are far reaching. The reputation of Alabama—Birmingham and Montgomery—has been needlessly harmed. The record shows that in situations like this, recovery is neither quick nor complete.

The United States has been harmed in the eyes of people around the world, and while this is no reason in of itself to do or not do something, it is a fact of which we must be very much aware in these times.

We cannot expect that our problems and difficulty in connection with civil rights in the South will be solved without discord and disagreement. But we do have a right to expect that local law-enforcement officers will do their jobs at all times; that they will preserve law and order.

This is true whether it is in Birmingham or Montgomery, Ala., or in cities in other areas of our country where gangsters and corrupt officials gained control—in Beaumont, Tex., as an example; or where there has been a corrupt district attorney, as in Lake County, Ind.; or where organized crime has an inordinate amount of power as it appears to have in some of our northern cities in the United States. Various areas of our country have different problems. Only where everyone exercises his duties and obligations as citizens, where law enforcement officials meet their responsibilities, can we make progress. No one area can point to another and say, "There the fault lies." Where local law enforcement breaks down, whether because of civil rights agitation or gangster control, this is a reflection on all of us as American citizens. I hope that the lessons of Alabama will be learned and learned well. If so, we will have passed through a period of national trouble and we will have made progress for the attainment of equal rights and protection for all of our citizens.

During the American Constitutional Convention, there was behind the desk of General Washington a picture of a sun low in the horizon and many of the delegates wondered whether it was a rising or a setting sun. At the conclusion, Benjamin Franklin stood up and said:

"Because of what we have done here today, we know it is not a setting sun, but it is a rising sun and the beginning of a great new day."

We face a difficult and dangerous time, but if we are toughminded, if we are strong, and if we are dedicated to the ideals which have made this country great, we need not fear for the future.

Great responsibility has been placed on your shoulders. I wish you good luck and Godspeed.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

The Senate resumed the consideration of the bill (S. 2043) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

Mr. PASTORE. Mr. President, I ask unanimous consent that two additional staff members be permitted to attend on the floor during the debate on S. 2043.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Rhode Island will state it.

Mr. PASTORE. What is the business before the Senate?

The PRESIDING OFFICER. The pending business is Senate bill 2043, the Atomic Energy authorization bill. The bill is open to amendment.

Mr. PASTORE. Mr. President, the bill before the Senate today, S. 2043, is the annual AEC authorization bill which authorizes necessary projects and funds for the Atomic Energy Commission for fiscal year 1962. The Subcommittee on Legislation of the Joint Committee on Atomic Energy held hearings on this bill on May 1, 2, 3, 4, 10, 17, 18, 19, and June 6. We carefully reviewed each and every project contained in the bill before reporting the bill to the full committee, which in turn has recommended it in its present form.

I believe I can say with complete accuracy that with the exception of one project, this bill received the unanimous support of all members of the committee. The one project where there is a difference of opinion—and I might say an honest difference of opinion—is project "62–a–6," electric generating facilities for the new production reactor at Hanford, Wash., in the sum of $95 million.

Mr. President, in order to save the time of the Senate, I ask unanimous consent to have printed at this point in the RECORD my explanation and analysis of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PASTORE

S. 2043 authorizes funds for plant and facility acquisition and construction for the Atomic Energy Commission during the fiscal year 1962. The bill contains 10 sections.

Section 101 authorizes the appropriation of the sum of $226,440,000 for new construction projects during fiscal year 1962. The sum authorized by this section will be used to provide funds for 40 line item projects in the following category amendments: (1) Special nuclear materials, $114,725,000; (2) atomic products, $14,500,000; (3) reactor development, $33,375,000; (4) physical research, $21,440,000; (5) biology and medicine, $1,960,000; and (6) community, $2,930,000.

Also included in section 101 is a subsection concerning general plant projects which provides for miscellaneous minor construction items in the sum of $34,510,000.

The $226,440,000 authorized in section 101 compares with $211,476,000 authorized in fiscal year 1961, and $227,580,000 requested by the AEC for this bill.

Sections 102 to 106 of the bill contain provisions identical, or similar to, corresponding sections in previous AEC Authorization Acts.

Section 102 sets forth certain cost limitations on the initiation of projects.

Section 103 concerns authorization for advance planning, construction, design, and architectural services.

Section 104 concerns restoration and replacement of plants or facilities destroyed or otherwise seriously damaged.

Section 105 authorizes the appropriation of such sums of money as may be currently available to the AEC in order to accomplish the purpose of the Atomic Energy Act of 1954.

Section 106 permits substitutions to be made for certain projects if the substituted project is essential to the common defense and security, required by changes in weapons characteristics or weapons logistic operations and if its estimated cost does not exceed the cost of the original project.

Section 107 of the bill amends last year's AEC Authorization Act (Public Law 87–457) by increasing the total sum authorized from $211,476,000 to $338,476,000. This additional authorization includes $111 million authorized for the Stanford linear electron accelerator, and an additional $16 million to cover certain increased costs and the addition of test loops for the advanced test reactor at Idaho Falls.

In connection with the Stanford linear electron accelerator, the majority of the committee last year recommended, and the Congress authorized, $3 million for design and engineering studies on the accelerator in lieu of authorizing the full construction cost on the ground that further studies of cost data were required. The requisite studies have now been completed, and the committee endorses going ahead with the full project.

Section 108 amends various prior year authorization acts by rescinding certain projects which are no longer considered necessary by the AEC. A total of 8 projects, amounting to $19,027,000, will be rescinded, except for funds already obligated.

Section 109 concerns the power reactor demonstration program. In subsection (a) the date for approving projects under the third round of the program is extended from June 30, 1961, to June 30, 1962. Subsection (b) authorizes an additional $7 million funds, and $5 million waiver of use charge authority for use in the cooperative power reactor program. The Commission is further permitted to use an additional $7 million of authorized funds for research and development assistance in support of unsolicited proposals from the utility industry. Subsection (c) provides that the Commission may use funds previously authorized in the cooperative power reactor program for a cooperative arrangement with the Dairyland Power Cooperative and the Allis-Chalmers Manufacturing Co. for a boiling water reactor designated as the La Crosse boiling water reactor.

Section 110(a) of the bill concerns the disposition of electric energy during the operating life of the electric generating facilities at the new production reactor, Hanford, Wash., constructed under subsection 101(a) of the bill. This subsection provides that the electric energy so produced shall be delivered by the Commission at the Hanford site to, and pursuant to agreement with, the Secretary of the Interior. In disposing of such energy, the Secretary of the Interior will act under the authority of section 44 of the Atomic Energy Act of 1954.

Subsection (b) provides for the allocation of costs to the electric energy production. The allocation will be made jointly by the AEC and the Secretary of the Interior and should there be any disagreement between these parties, the President shall make the final allocation. Finally, subsection (b) provides that costs so allocated shall be repaid to the Treasury from revenue derived by the Secretary from the disposition of electric energy marketed through the Bonneville Power Administration.

Mr. PASTORE. Mr. President, if any Senator wishes to ask a question about any section of the bill or any project, I shall be pleased to respond. In the absence of any such question, I believe much valuable time can be saved if we address ourselves to that one item in which there is a variance of opinion and which, in the committee report, is the subject of separate views by some members of the Joint Committee.

As I have said, the expenditure of $95 million to add electric generating facilities to the new Hanford reactor is a matter in which there is a difference of opinion. The committee report, No. 414, on pages 6–11, sets forth the views of a majority of the members in support of this project. A separate statement in opposition to the project is set forth on pages 25–35. Two of nine Senate Members signed the separate view. They were joined by three of nine House Members.

I personally endorse this project and urge that it be supported. I do so after having carefully listened to the testimony of the experts from the General Electric Co., the Atomic Energy Commission, and the Department of the Interior. I do so on the basis of studies made by the Federal Power Commission. I support the project because I do not want to see valuable energy wasted.

The new plutonium production reactor, it will be recalled, was authorized by Congress in 1958 for the purpose of producing special nuclear material for weapons purposes. The reactor is now under construction under the technical direction of the General Electric Co. Construction is expected to be completed in October 1962. The reactor is designed to maximize plutonium production and is not the type or design one would select for the commercial generation of electricity. All reactors, however—whether they be designed for the production of weapons material or for the generation of electricity—produce heat.

In 1958, when Congress authorized the construction of this new plutonium production reactor, based upon studies made by the General Electric Co., Congress stipulated that it be a convertible type. Certain features were built into it to give it the flexibility to utilize the otherwise wasted heat for the generation of electricity if Congress subsequently deemed it desirable.

This reactor, therefore, when it is completed, will be operated for the principal purpose of producing plutonium which is needed in our national defense program. The reactor is a large reactor. It will be the largest reactor in the entire world. As a byproduct it will make available approximately 11 million pounds of steam per hour. This is a greater volume of steam than is produced by any single existing steam-generating facility not only in the United States, but in the world.

We can throw that steam away if we wish to; we can dump it into the Columbia River if we wish to; or we can attempt to make use of it, and we do intend to make use of it.

Project 62–a–6 would provide for the expenditure of $95 million for the construction of electric generating facilities that would capture that 11 million pounds of steam coming from the reactor each hour and convert it into useful energy. We would convert it into 700,000 to 800,000 kilowatts of electric power.

In my opinion, the 11 million pounds of steam that will be made available from this reactor is similar to the potential energy contained in the waters of the various rivers of the Northwest on which great hydroelectric plants have been and are being constructed. Steam is nothing but water in a different form.

Since 1958, a number of very detailed and comprehensive studies have been made of the economics of using this otherwise wasted steam from the reactor. The most recent of these studies which was made for the Federal Power Commission in cooperation with the AEC, the U.S. Army Corps of Engineers, the General Electric Co., and the Bonneville Power Administration was completed in February 1961. These studies reflect that it is economically justified and that the economic benefits would vary over the lifetime of the reactor from a few million dollars to more than $200 million.

The Administrator of the Bonneville Power Administration testified before the committee that the BPA can use the additional power. He informed the committee that if he knew this project would be built even though it would not be generating electricity until late 1964, the Bonneville Power Administration could immediately release 400,000 kilowatts of firm power from its present facilities on a long-term basis, which it cannot do now because it does not have sufficient backup for the next 5 years.

The Government operations at Hanford today require approximately 350,000 kilowatts of electric power which is being taken off the Bonneville grid. This is approximately one-half the amount that would be produced by the facilities if they were built. It is estimated that this will increase to approximately 400,000 kilowatts within the next several years. Approximately one-half, therefore, of the electricity to be generated by this project will offset the Government requirements at Hanford.

I am not from the Northwest area of the country, the area which would benefit from this additional source of energy. I am from that part of the country where the cost of electricity is high, where we do not have the benefit of low-priced hydroelectric systems.

I do not believe the private versus public power controversy is at issue in this project. What is at issue is: Shall we waste energy, or shall we utilize this source of power to help the citizens and industries of an important area of our country, and in turn help the entire country?

Ours is a rich country. We are very fortunate to have the natural resources with which we have been blessed. We are not so rich, however, that we can continue to waste them. I support this project because I do not believe in waste.

I believe S. 2043 is a good bill. I urge all Senators to vote for the bill in the form recommended by the Joint Committee, which includes project 62-a-6, the electric generating facilities for the new production reactor at Hanford.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a cogent editorial entitled "The Hanford Issue," published in the Washington Evening Star of Saturday, July 15, 1961.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE HANFORD ISSUE

The House used poor judgment in rejecting, by a vote of 176 to 140, the proposal to convert the new reactor at Hanford, Wash., into a dual-purpose facility capable of producing not only plutonium for weapons, but also between 700,000 and 800,000 kilowatt-hours of electricity for peaceful uses.

Unless the Senate reverses the House action, and the item is then restored in conference, the reactor—which is in the process of being built and which will be completed next year—will serve only a strictly military purpose. Yet, as it produces the plutonium, it will give off a byproduct of great potential economic value. This will be a tremendous quantity of heat that could be so utilized as to make the facility, wholly apart from its weapons role, by far the biggest of the world's present atomic electrical powerplants.

The proposal turned down by the House would create this facility by investing $95 million in equipping the reactor (which would more than pay for itself) to harness the heat and turn the resultant electricity into the Bonneville network for distribution—largely through private utility systems—in the Pacific Northwest. But the private utilities have lobbied vigorously against the idea, and so have coal interests, and it has been defeated primarily on the ground that it would put the Atomic Energy Commission in the public power business and thus constitute another socialistic encroachment on free enterprise.

In the debate on the issue, however, Representative CHET HOLIFIELD, chairman of the Joint Congressional Atomic Committee, has pretty well demolished these and kindred arguments. He has shown, for example, that the basic law governing the AEC specifically authorizes the sort of power output that the dual-purpose reactor would generate. He has made clear, too, that such a reactor at Hanford could not hurt the coal industry, and would actually make additional electricity available to private utilities "at a very cheap price." And Representative ROBERT E. JONES, of Alabama, has backed up Mr. HOLIFIELD with this telling point: "The installation of the electric generating facilities at the Hanford reactor is in the best interest of all of the American people. What could be more justified than to convert into electricity—at no cost to the taxpayers—the tremendous amounts of reactor heat which otherwise will be wasted? To blow this steam into the air or use it to heat up the Columbia River surely would be regarded by people everywhere as an incredible extravagance."

Everything considered, the weight of logic and commonsense rests heavily on the side of those who advocate the dual-purpose facility. Accordingly, we hope that the Senate will support the proposal and that the House will reconsider what it has done and enable the project to go forward.

Mr. PASTORE. Mr. President, I shall read from the editorial a part which I believe is pertinent to the discussion before the Senate today:

Unless the Senate reverses the House action, and the item is then restored in conference, the reactor—which is in the process of being built and which will be completed next year—will serve only a strictly military purpose. Yet, as it produces the plutonium, it will give off a byproduct of great potential economic value. This will be a tremendous quantity of heat that could be so utilized as to make the facility, wholly apart from its weapons role, by far the biggest of the world's present atomic electrical powerplants.

Mr. AIKEN. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield to the distinguished Senator from Vermont.

Mr. AIKEN. As I understood the statement of the Senator from Rhode Island, he said that 325,000 kilowatts of this power would be used to supplant an equal amount of power now being obtained from the Bonneville Power Administration.

Mr. PASTORE. That is correct.

Mr. AIKEN. That would leave about 400,000 to 500,000 kilowatts for other purposes, would it?

Mr. PASTORE. That is correct.

Mr. AIKEN. What part of that 400,000 to 500,000 kilowatts would be required for the production of plutonium? Can the Senator from Rhode Island estimate that?

Mr. PASTORE. No, I cannot estimate it as precisely as all that. At our entire installation at Hanford we are now using 350,000 kilowatts of electricity, which we obtain from the Bonneville grid.

Mr. AIKEN. Yes.

Mr. PASTORE. That will increase to 400,000 after this installation is built. So I think it fair to say that the increment will come about, not only because of this installation but also because of other developments taking place at Hanford.

Mr. AIKEN. Then the Bonneville Power Administration will be able to use that amount of power—now being used at Hanford—to increase its sales of firm power, will it?

Mr. PASTORE. That is correct.

Mr. AIKEN. I assume that the power that Bonneville now supplies to Hanford is firm power.

Mr. PASTORE. That is correct; and they would be in a position to firm up other power but for the simple reason that they do not have sufficient backup. But this development will give them the additional backup with which to immediately firm up 400,000 kilowatts of power.

Mr. AIKEN. And thus Bonneville will have a market for it?

Mr. PASTORE. That is correct. The testimony before our committee was that they have an immediate need for it. As a matter of fact, as the needs develop, there will even be a shortage of power by 1965.

Mr. AIKEN. Can the Senator from Rhode Island tell us how the cost of the power produced at Hanford will compare with the cost of the power now being received from Bonneville?

Mr. PASTORE. It will be put into the grid, and then—predicated upon the cost of the installations, that is to say, the amount of money that will be spent for attaching the generating facilities to the reactor, and predicated upon all the other costs involved—a cost will be determined between the Government departments which are interested in this matter—the AEC and the Department of Interior or, if they cannot agree, it

will be submitted to the President, for his final determination.

Mr. AIKEN. What does Bonneville sell power for now?

Mr. PASTORE. Seventeen dollars and fifty cents a kilowatt-year.

Mr. AIKEN. I understand that while Bonneville power in the past has accumulated reserves, they have been reduced somewhat in the last 2 or 3 years. Has that reduction been caused in any way by selling power to the Hanford establishment?

Mr. PASTORE. Let me refer that question to the Senator from Washington [Mr. JACKSON].

Mr. AIKEN. And at a lower price, perhaps, than it should have been sold for?

Mr. PASTORE. I yield now to the Senator from Washington.

Mr. JACKSON. As I understand, the Atomic Energy Commission pays the going rate—the same rate that is charged to utilities, both public and private, in the Northwest—namely, $17.50 a kilowatt-year. The problem in regard to power in recent years in the Northwest relates to what is called secondary or dump power. There is a surplus of that. The Senator will recall that was discussed during the hearings.

But as I understand, the power during the dual purpose period—that is to say, when both plutonium and power are being produced—will cost approximately $8.70 a kilowatt-year. That is compared with the present sale rate of $17.50 a kilowatt-year. But the problem they have had in connection with the drop in revenues relates to the excess of secondary power; and, as the Senator knows, in that connection there is discussion about a possible tie-in with California, in order to sell the dump power or the secondary power.

Mr. AIKEN. If the steam at Hanford is converted into electric power, what will be the effect on the finances of the Bonneville Power Administration?

Mr. JACKSON. They will pick up approximately $7 million immediately. The reason for that is that they will be able to enter into firm contracts, primarily with private utilities; and they will be able to sell that power right away. They can do that now, because they know that in the water shortage period, which is for a 1965–1966 base, they will have this firm power coming from Hanford, and that makes it possible for them to "pick up the tab" right away.

Mr. AIKEN. And they will be able to furnish the utility companies with a larger amount of firm power, whereas in the past they have had to sell, not at the firm power price, but at the dump power price, a certain percentage of their power output? Is that correct?

Mr. JACKSON. Yes, this will add to the firm power output that will be available to the utilities in the Northwest; and, as the Senator will recall from the testimony taken before the committee, it is contemplated that the power from this undertaking—from the dual-purpose reactor—will be sold to the private utilities in the Northwest on a 10-year contract basis, with no pullback.

Mr. AIKEN. Is there any likelihood that in the near future—for instance, within the next 8 or 10 years—there will be interconnection between the power-producing areas of the Northwest and the power-deficit areas of California?

Mr. JACKSON. This matter is under study by the Department of the Interior. No decision has been reached, and it is hard to predict. It is a very "hot," shall we say, political issue in the Northwest and in California. It is not involved in this project.

Mr. AIKEN. Assuming that no plutonium at all would be produced—for instance, assuming that we were to enter into a perfect disarmament agreement with the rest of the world, and did not need any plutonium—what would be the cost of producing power at the Hanford plant, as proposed in this bill?

Mr. JACKSON. All that we can say is that the studies show that during the dual-purpose period it would be less than the cost of producing it under comparable conventional situations and that assuming no more plutonium would be needed after approximately 10 years that it would be competitive.

The cost of power on a single-purpose basis is classified. But assuming a dual-purpose operation of at least 10 years, first it will be less than the conventional power charge that would be made under those circumstances if you average out the life of the reactor.

Mr. AIKEN. Is it expected that the Hanford generators would be operated continuously, or that they would be operated intermittently? And what percentage of the capacity would be used?

Mr. JACKSON. Representatives of the Bonneville Power Administration, which would have overall supervision, testified that it is contemplated that it would be operated like a dam—that is to say, about 85 percent of the time; whereas representatives of the Federal Power Commission, following their study, said that the operation would be for approximately 31 percent of the time. That is why they have a different figure.

Mr. PASTORE. In that connection, I think we should consider the other side of the coin, as well. In the event we reach a perfect disarmament agreement—as all of us pray will be the case—and thus it becomes necessary to run the reactor solely for the purpose of generating electric power, there is this to be said: As far as we know, most of the production reactors in Russia are dual purpose.

Should there be a clandestine violation, or should there be an open act of violation on the part of another nation, or should there be a repudiation of any set agreement of disarmament, the fact of the matter is that we would have a plant that was already running, if it became necessary to produce again weapons material, so we in this country would not be caught short and be at a disadvantage. I am not suggesting that conjecture as the argument for the $95 million authorization, but inasmuch as the Senator brought up the question of what the cost would be if we stopped producing plutonium, I point out it would be almost on a par with the cost of conventional fuel.

The fact is that, should there be a violation, or should a disarmament agreement be discarded, at least we would not have rendered ourselves so impotent that we would not have weapons production facilities.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. HICKENLOOPER. Did I correctly understand the Senator from Rhode Island to advance the argument that, if the production of plutonium and its cost to the Government were eliminated as a part of the plan, electricity would be produced at a lesser cost than with conventional fuels?

Mr. PASTORE. That is the understanding of the staff.

Mr. HICKENLOOPER. My understanding is diametrically opposite; that the cost of the electricity is evaluated by placing a certain cost on the production of plutonium, which, in my judgment, is a disproportionate cost.

Mr. PASTORE. In my introductory remarks, I said that there was a sincere and honest difference of opinion. I realize we are getting into a realm that is somewhat less than certain, but it is the best information the Senator from Rhode Island has. I have listened to the same witnesses that my distinguished colleague has listened to. I have stated the impression I got, and I am fortified in my point of view by the staff, which has made a very careful study of the record.

Mr. HICKENLOOPER. I will have some remarks to make a little later; but with regard to the questions raised originally by the Senator from Vermont on the question of the power and its disposition, the power from the plant is to be sold; is it not?

Mr. PASTORE. Yes.

Mr. HICKENLOOPER. As I recall the calculations from the testimony, roughly, and without getting into an engineer's slide-rule operations or technical calculations, the power is going to cost the Government at least 3½ mills a kilowatt-hour, and it is going to be sold into the grid at 2½ mills a kilowatt-hour. Is that not correct?

Mr. PASTORE. No, it is not correct.

Mr. HICKENLOOPER. I think it is, according to the evidence. So on every kilowatt-hour that the Atomic Energy Commission sells, we are going to lose money. It is like the old story of bananas. The fellow said he lost money on every banana he sold, but he made a profit because the volume was so big, or like saying that we are earning money because we are selling hundreds of thousands of kilowatts, when in reality we are losing on each one produced.

Mr. PASTORE. It was the undisputed testimony before the committee, on the part of the AEC and the Federal Power Commission, and as substantiated by Mr. McCone, Dr. Seaborg, and by all the persons who have made an analysis and a very thorough study of the question, that the project is economically feasible. Certainly, the Senator from Rhode Island would not be for a program that

was not economically feasible. If the Senator from Iowa chooses to challenge the experts who have given their testimony, he has a perfect right to do so, and to gather testimony from his own experts. But the complete testimony, including that of the Bonneville Power Administration, and all the rest of the testimony before the committee, is that it is economically feasible. If it were not, the Senator from Rhode Island would be the first to vote against this particular amendment.

One can take all of the ramifications involved, and dissect them into any proportions he wants to, and reach any conclusion he desires. But how is one going to get away from all the testimony—the testimony of the AEC, including Mr. McCone, Dr. Seaborg, the Federal Power Commission, the Bonneville Power Administration? How is one going to get away from the undisputed testimony that it is economically feasible?

Mr. HICKENLOOPER. What does the Senator mean by "economically feasible"?

Mr. PASTORE. That it is going to pay. That is what I mean by "economically feasible." I mean the Federal Government will get every cent of its costs out of it. I cannot say it more unequivocally or more clearly than that.

Mr. HICKENLOOPER. I certainly do not agree that that is the burden of the testimony. The burden of the testimony is that it can be done, that it is feasible, but I think the burden of the testimony is that it is not competitively feasible.

Mr. PASTORE. I said "economically feasible." I mean that for every nickel we put into it, we will get the nickel back, at least. I said, if it is measured in the short term or the long term, it can run from $7 million to $200 million. I have given the figures.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. JACKSON. I do not know that there is any need to go into it further at this time, but, like anything else, it depends on what kind of assumptions one makes. The testimony is that if the reactor operates on a dual-purpose basis, at 85 percent of capacity, as compared with 31 percent, as estimated by the Federal Power Commission, then we come out with a figure of $8.70 per kilowatt-year, which is much less than 3½ mills. It is about 1.4 mills.

I think the Senator from Iowa has reference to a set of assumptions which includes operations on the basis of 31 percent of capacity. If one does that, he can come to any kind of conclusion. The point that the able and distinguished Director of the Bonneville Power Administration made was that it is going to be operated as a hydroelectric dam is operated, which means it will operate, roughly, on an 85-percent-of-capacity basis. It is on that basis that the figure of $8.70 a kilowatt-year was achieved.

As I said, if one uses assumptions that are not applicable to operations in the Northwest, he can come to any conclusion. The testimony of Mr. Luce, who is the Director of the Bonneville Power Administration, represents the way in which these operations are operated and managed in the Northwest. It is only on that basis that one can make sensible deductions and conclusions with reference to the cost of this project.

Mr. PASTORE. On that point, at this juncture, I desire to read into the RECORD from the transcript of the hearings, at page 355, the testimony of Mr. Luce, on the point that was brought up by my very respected friend, the Senator from Idaho [Mr. DWORSHAK], and my other colleague:

> Confusion enters in when a figure of 3.7 mills is quoted for this Hanford power, because that assumes that the plant will be operated less than 40 percent of the time. If you assume that Lower Monumental or John Day or any other dam will be operated only 40 percent of the time, you come up with a much higher cost. In order to compare these projects, you have to assume that they are operated at their full capacity.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. SALTONSTALL. The Senator will recall that I debated this subject with the Senator from Rhode Island and with the Senator from Washington on July 15, 1958. At that time it was stated that if this convertible feature were included, it would not be used for power purposes without a further debate or a further discussion in the Congress.

Mr. PASTORE. That is correct.

Mr. SALTONSTALL. This is the discussion that has been brought out.

Mr. PASTORE. That is correct.

Mr. SALTONSTALL. At that time the cost was estimated at $70 million. It is now estimated at $95 million, is it not?

Mr. PASTORE. That may be so.

Mr. SALTONSTALL. Are all the costs included? I have read the House debate on the bill. Are all the costs included in the $95 million?

Mr. PASTORE. Does the Senator refer to the costs of construction?

Mr. SALTONSTALL. The costs of construction.

Mr. PASTORE. So far as I know, yes.

Mr. SALTONSTALL. I invite the attention of the Senator from Rhode Island to the fact that I do not refer to the costs of construction only, which I understand now to be estimated at $95 million. Is that correct?

Mr. PASTORE. That is correct.

Mr. SALTONSTALL. Three years ago that cost was about $70 million?

Mr. PASTORE. That is correct.

Mr. SALTONSTALL. With reference to the cost of operations, are all the overhead costs of the power feature costs included? I refer particularly to the House debate on page 12450 of the CONGRESSIONAL RECORD for Thursday, July 13, when Representative BATES, of Massachusetts, stated:

> When we are told that this project is economical, it does not take into consideration a good portion of properly assignable or even direct costs. Yet, under the "power only" phase which represents 75 percent of the estimated life of the plant, the economics claimed are about "break even or moderately favorable."

Does the Senator say that all the costs are included?

Mr. PASTORE. All the costs of the power features enter into the estimate of the cost of the electricity. I would not think that the departments of Government which are concerned with this problem—including the President of the United States, who has the final right to determine when the departments cannot agree—would so juggle the figures that we would get a distorted picture.

It is my firm conviction that in the establishment of the cost of the electricity which will be pumped into the grid we shall take into consideration every single penny which goes toward producing the power, excluding the cost of the production of weapons material.

Where one would draw the line of demarcation, I suggest to my good colleague from Massachusetts, I do not know. I do not know that I could do that precisely. I do not know that any man in this Chamber, or possibly any man in the whole Congress of the United States, could do that.

Mr. HICKENLOOPER. Mr. President, will the Senator yield to me so that I may interject myself into the discussion, so that we may have a three-way discussion?

Mr. PASTORE. Yes; that will be delightful.

Mr. HICKENLOOPER. I should like to ask the Senator from Rhode Island if in the cost studies upon which the so-called economic feasibility is based there has been included the convertibility cost of the reactor, or the related additional operating costs involved in operating the convertible reactor, and whether there is included the plutonium loss which results from the convertibility features? Are those considered in the capital cost structure in arriving at these figures? It is my understanding they are not included, and that their inclusion would substantially increase the cost of the electricity.

Mr. PASTORE. Of course, the $25 million for the convertibility is money which has already been spent, no matter what we do. That has been spent, no matter what we do. That money has already been authorized and appropriated. If we stop now, what will become of the $25 million? If we do not approve the $95 million to build the generating facilities, we shall actually send $25 million for the convertibility features down the drain.

Mr. HICKENLOOPER. That is very true, but the fact that we have wasted $25 million, in my opinion—and I was opposed to doing so when the Congress voted to do so—would not justify us in throwing $95 million more down the drain.

Mr. PASTORE. No. I would hope that problem could be resolved. The present status, as I understand it, is that the $25 million is not included. There was quite a bit of discussion in the Joint Committee, as the Senator will recall, at the time the subject came up. I think we were told that matter has not been finalized. It will be finalized. We have to remember that the final decision will

be made by the President of the United States, if these agencies cannot get together as to what should be done.

I say to my friend from Iowa that I, from Rhode Island, am one of those who feel that in all probability the $25 million should be included.

Mr. HICKENLOOPER. Absolutely it should be. It is part of the capital investment.

Mr. PASTORE. That is my personal feeling. That is only a personal feeling. The argument is being made that if we do nothing about the $95 million we shall have wasted $25 million. Again I go along with my distinguished friend. After all, the $25 million expenditure was a predicate for what we are trying to do today, and is enough related to it and is enough related to the convertibility for the electricity that in all probability it should be counted. I am one of those who feel it should be counted. I feel it will not vary the figures in such a way as to render the project not economically feasible.

Mr. HICKENLOOPER. I agree that it has to be counted, exactly like the brick and mortar which makes up the convertibility feature.

I say again to my friend that I was against the allowing of $25 million when it was first proposed. If that was a waste of money, my argument at this point is that there is no use in sending $95 million more bad money after $25 million bad money which has already been wasted.

Mr. PASTORE. Now, now—that is where I disagree with the Senator.

Mr. HICKENLOOPER. We would be better off to lose only the $25 million.

Mr. PASTORE. I disagree with my colleague. This is not bad money. This is not bad money at all. This is the situation:

There are 11 million pounds of steam per hour that may be wasted. That is a tremendous amount of heat which can be put to use. The electricity is needed in that part of the country. All I say is, "Let us tap it." In order to tap it, we have to spend $95 million.

The question is, Will we spend $95 million or will we lose 11 million pounds of steam per hour? I say that we should not waste good resources. I say we should put the steam to work. Let us make the electricity, and let America grow.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. SALTONSTALL. The Senator says that we should use the 11 million pounds of steam, and so on. What will we do with it?

Mr. PASTORE. What will we do with it?

Mr. SALTONSTALL. It is my understanding that the Hanford plant will require 400,000 kilowatts to produce the plutonium.

Mr. PASTORE. At the Hanford installation.

Mr. SALTONSTALL. At Hanford.

Mr. PASTORE. Yes.

Mr. SALTONSTALL. The 400,000 kilowatts now come from Bonneville. Is that correct?

Mr. PASTORE. That is correct.

Mr. SALTONSTALL. If we relieve Bonneville of the need to supply 400,000 kilowatts to Hanford by building this project there will be 400,000 kilowatts more in the Bonneville supply.

Mr. PASTORE. That is correct.

Mr. SALTONSTALL. There will be 400,000 kilowatts more from Bonneville plus 400,000 kilowatts from Hanford which will have no use at the present time.

Mr. PASTORE. Oh, my goodness, gracious, no. After we allocate the 400,000 kilowatts to the Hanford installation, the power will go into the grid. Where will it go after it gets into the grid? It will go to the private companies, mostly. I think about 65 percent of it will go to the private companies.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. PASTORE. I will yield to the Senator in just a moment.

The power will go to the private companies and to the public companies. I understand that by 1965 even this amount of power will not be sufficient. That is how fast America is growing.

Mr. JACKSON. Mr. President, will the Senator yield at that point?

Mr. PASTORE. I yield.

Mr. JACKSON. I should like to have the attention of the Senator from Massachusetts.

It is true that it is contemplated the power we are talking about, from the nuclear powered reactor, will be sold to private utilities and private industries. They are ready and willing to buy on a 10-year contract basis. That is where the power will go. These companies and utilities will enter into contracts immediately, if the project is approved, which they could not enter into now to buy firm power out of the Bonneville grid. That is where the Bonneville power will go. All of this power will go into the grid system.

Mr. SALTONSTALL. This project will supply approximately 800,000 kilowatts more?

Mr. JACKSON. A possible 800,000 kilowatts more.

Mr. SALTONSTALL. There will be an additional 800,000 kilowatts. Where will that power go?

Mr. PASTORE. May I explain this to the Senators. If we tap the 11 million pounds of steam per hour, we shall be able to produce between 700,000 and 800,000 kilowatts of power. At the present time, Hanford is drawing from the grid about 350,000 kilowatts per year. If we put in the 800,000 kilowatts, that will allow Bonneville to distribute the amount over and above what Hanford uses among its customers, and these users have a need for the power. Not only that, it will allow them to firm up power, which they cannot do now, with 400,000 kilowatts of power.

Mr. Luce, who represents the administration, came before our committee and stated that the power could be used.

Mr. President, it seems that we have a little competition.

Mr. HICKENLOOPER. Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER (Mr. METCALF in the chair). The Senate will be in order.

Mr. PASTORE. Mr. President, I understand that there has been an accident in the corridor, which accounts for the commotion.

It has nothing to do with the discussion here.

Mr. SALTONSTALL. Mr. President——

Mr. PASTORE. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I wish to ask the Senator from Rhode Island whether he has discussed the following point: It is my understanding that the power from the proposed project would cost 3.7 mills per kilowatt-hour, and the average revenue today from Bonneville sales is 2.32 mills. Therefore, we would start with a loss.

Mr. PASTORE. The figure of 3.7 mills is projected on a 31-percent utilization of the facilities, which, of course, is a low figure. But, if we consider the maximum capacity of the plant, I understand the price would be much cheaper than that at which the current is now being produced.

Mr. SALTONSTALL. Does the Senator state affirmatively that when the plant is completed it will be utilized to the extent of perhaps 70 percent immediately?

Mr. PASTORE. That is the present contemplation.

Mr. SALTONSTALL. I read the debate that took place in the House, and from that debate I understood otherwise.

Mr. PASTORE. I do not know what the Members of the House debated. I am speaking of the evidence before our committee.

Mr. SALTONSTALL. I understood that a certain amount of power would not be used.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. JACKSON. This question arose earlier. One can reach any cost figure he wishes, depending upon the assumptions that are used. The Federal Power Commission made an assumption of 31 percent usage of the facility.

With that kind of assumption, we arrive at a figure of 3.7 mills. The figure was arrived at in that manner.

The Bonneville Power Administration, which is operating the system, stated that the proposed plant would be operated as a part of the system. It will be operated by General Electric and the AEC. An 85-percent operation, which is comparable to the operation of a hydroelectric dam, is contemplated.

The Federal Power Commission came to the conclusion that the project would be similar to a steamplant, which it is not. Therefore a 31-percent figure was used. In that manner the Federal Power Commission arrived at its figure.

By operating the plant in the manner in which a hydroelectric plant would be operated—at about 70 percent of capacity—we would arrive at the figure of 1.6 mills. At an 85-percent capacity, the figure would be 1.4 mills.

Have I answered the question of the Senator from Massachusetts?

Mr. SALTONSTALL. The Senator's statement answers my question, but——

Mr. JACKSON. My figures are all based upon assumptions. Let us be frank. I am trying to explain the figures.

Mr. SALTONSTALL. It was my understanding from reading the discussion in the record, the minority views of the committee, and other statements, that there is no present use for the surplus power over and above what would go into the Hanford plant. My argument is based largely on that point and the cost of the power.

Mr. JACKSON. There is confusion with respect to available power. As the Senator from Massachusetts knows, there are two kinds of power. First, there is firm power, which is power that can be made available the year around on a firm basis. There is a shortage of such power in the Northwest.

Second, there is what is known as secondary or dump power. Of that kind there is a surplus. The difficulty arises in that division. Secondary or dump power, of course, is not usable for household purposes. It is usable by industry on a long-term basis. We must have power for which we can contract on a long-term basis.

The power to be generated from the proposed facility would be used to firm up the secondary or dump power during that period of the year when there is a surplus, which is the period when the water flows over the dams—from May to September. Then in the period of the year when there is a shortage of water, which is the opposite period from fall to spring, the plant would be operated so as to make possible the storage of water and its release later, during the period when the water is needed. Have I answered the Senator's question?

Mr. SALTONSTALL. I think that answers my question.

Mr. JACKSON. I assure the Senator that there is not a surplus of firm power in the Northwest. We are not considering the case in which a surplus occurs in secondary or dump power. This is why there has been so much discussion about a possible intertie with California to sell such power to California. Private utilities are now delivering some of the so-called secondary or dump power from Oregon into California.

Mr. SALTONSTALL. I invite the Senator's attention to a point in the statement of Mr. BATES, of Massachusetts, which appears in the third column of page 12450 of the RECORD:

> This year, Mr. Luce of BPA indicates that if there is a critical water shortage in the Pacific Northwest in the year of 1965–66 there will be a shortage of 117,000 kilowatts. In the following year, the power supply will be increased by 780,000 kilowatts by reason of the Canadian treaty. The critical power shortage in the 1965–66 period was determined by taking the worst year on record for precipitation in the last 60 years. The picture could not be painted worse. Yet, even if this should happen the shortage would only amount to less than one-fourth of 1 percent. This is insignificant and meaningless.

Mr. JACKSON. One-fourth of 1 percent can be very crucial when an area begins to have brownouts. Actually the project would represent about 1 year's normal load growth in the Northwest. I emphasize again that this problem is one which is faced by all utilities, both public and private, in the Northwest community.

So we do not have a surplus of firm power. Such statement is not true. On this point all witnesses who appeared before the committee and who are qualified to speak on the subject were agreed. Others can argue about it, but it was agreed that there is need for additional firm power.

Mr. SALTONSTALL. What the need for firm power will be in the next 5 or 6 years is a question of opinion.

Mr. JACKSON. The Senator is correct.

I do not believe anyone can predict with precision what the load growth will be, except that if the past is prologue, we have a pretty good indication. We have a continuing growth in the power field in the Northwest each year, as there has been a similar growth throughout the United States.

The Federal Power Commission, of course, recommended the project. They know the growth factor.

Mr. PASTORE. Mr. President, in order that the discussion may be taken out of the context of the present administration vis-a-vis the previous administration, let me read into the RECORD a statement from the transcript of the executive session of the Joint Committee on Atomic Energy on June 24, 1958, which appears at pages 36 and 37 of that transcript:

> Senator BRICKER. I would like to ask, if we are going to then authorize this reactor for special nuclear material, should it be limited to a convertible type, should the committee and the Congress tie you down to a certain type of reactor?
>
> Representative VAN ZANDT. Do you mean a single purpose reactor?
>
> Senator BRICKER. Whether it should be a convertible type or whether it should be left to the judgment of the Commission.
>
> Mr. STRAUSS. Without knowing anything about the Johnson testimony, I would say this, that had it been possible at the time that the Hanford reactors were built and the Savannah River reactors were built to make them convertible at will, it would have been, I think, the smart thing to do. As far as I know there was not any such possibility available to the Manhattan District originally or to the Commission in the days when it decided on the Savannah River plant.
>
> Senator BRICKER. If this authorization was made, you would desire to put up a convertible type at the present time?
>
> Mr. STRAUSS. Personally I would. I do not know how the Commissioners feel about it. He said they testified to the same effect, so we are in accord.

I merely wished to show in the context what I have stated was the point of view of the members of the Commission at the time that Mr. Eisenhower was President. This is the point of view of the Commission now that Mr. Kennedy is President.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. HICKENLOOPER. As a matter of fact, is it not true that last year Congress authorized a project at Shippingport, Pa., for several million dollars, to dump steam, because it was not economically sound to try to produce electric power from that excess steam?

Mr. PASTORE. I understand that is true with that type of reactor. However, we are dealing with a low-pressure steam reactor.

Mr. HICKENLOOPER. Is this not also a low-pressure steam operation in Hanford?

Mr. PASTORE. That is correct.

Mr. HICKENLOOPER. It has a steam pressure of about 250 pounds per square inch. Is that not correct? At least it is in that vicinity, I understand.

Mr. PASTORE. The Senator is telling me. I wish he would proceed.

Mr. HICKENLOOPER. If I am wrong, I can stand corrected. However it is my understanding that that is about the pressure of the steam out there. Will not the Senator admit that the efficient electric producing plants are using steam in the form of thousands of pounds of pressure per square inch, as the efficient method of production electricity, and that a low-pressure operation today is about as antiquated as the age of the horse and wagon?

Mr. PASTORE. I have before me a list of low-pressure plants. It is shown at page 12448 of the CONGRESSIONAL RECORD of July 13, 1961. These are shown: Detroit Edison, Appalachian Power, Ohio Power, Indiana-Kentucky Electric, Ohio Valley Electric, Illinois Power, Commonwealth Edison, Metropolitan Edison, South Carolina, Consolidated Edison, Detroit Edison, Union Electric, Chicago District, and Niagara Mohawk.

Mr. HICKENLOOPER. Certainly there are a great many plants which are using low-pressure operations, because they put those systems in years ago, and they must try to work the utility out of them. However the plants which are now being put into operation are not that kind of operation. I do not believe the Senator from Rhode Island can find even one such plant that is using low-pressure steam.

Mr. PASTORE. I understand that these are rather recent plants that I have referred to. Certainly this matter was investigated thoroughly, and the investigators went into it completely. They reached the conclusion that it was economically feasible. I am not a scientist. I am not an engineer. I am a layman, as is the Senator from Iowa. I must be guided by the testimony of the experts. That is the testimony that I read.

Mr. HICKENLOOPER. The Senator has stated that the steam is going to waste out there. It seems to me that it is a great deal like the situation with the

Potomac River right here in Washington. Millions of gallons of water are flowing down the Potomac. That water is being wasted. So the question is, Why do we not build a dam on the river and generate electricity? The reason is that even though all that water is flowing down the river, it is not efficient to build such a plant at a dam, because the cost would be prohibitive, and therefore it would be a waste of money. We are dealing with the same kind of situation out there in Washington.

Mr. PASTORE. It is not done on the Potomac because it is not economically feasible. We have some rivers in Rhode Island, and we do not have hydroelectric plants on them either.

Mr. HICKENLOOPER. It is going to waste. Of course they could blow some whistles with it.

Mr. PASTORE. Maybe they will. When 5 o'clock comes, perhaps they will use some of it to blow some whistles.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. SALTONSTALL. In Rhode Island steamplants have been built because we in Massachusetts and Rhode Island know that it is cheaper to build those plants than it is to build hydroelectric plants.

Mr. PASTORE. I would like to say that it is unfortunate that we do not have hydroelectric facilities in Rhode Island and Massachusetts. It is unfortunate that the cost of electricity in our part of the country should be what it is. I wish we could tie in to this sort of thing. However, just because we cannot do it does not mean that we can hold up progress. This is still one Nation. I come from Rhode Island. This project does not mean anything to me from the point of view of a Rhode Islander, but as an American it does mean a great deal to me, because it means that America will grow. It means that America will prosper, and that as Oregon and Washington prosper, so we in Rhode Island will get more jobs, and in Massachusetts too.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. HICKENLOOPER. I understood the Senator from Washington to say a moment ago that the cost of producing electricity, under 80 percent of operation, is cheaper than it can be produced at Bonneville. If that is correct, I would suggest that the Senator from Rhode Island consider building an atomic plant in Rhode Island, because electricity could be produced cheaper than at Bonneville. He would find, of course, that he could not get a private industry to agree with those figures.

Mr. PASTORE. Some day when the Senator from Iowa, who is the ranking Republican member of the committee, is in that mood, I hope he will join the Senator from Rhode Island in seeing to it that we will build an atomic facility in Rhode Island. It has been a long time in coming. As a matter of fact, all that construction goes to the State so ably represented by my friend from Idaho [Mr. DWORSHAK]. I hope the Senator from Idaho will some day agree to share his largess with his friend from Rhode Island. Then we will get an atomic plant in Rhode Island.

Mr. HICKENLOOPER. In Idaho it is an experimental plant. Nobody claims they can show the country it is economically feasible.

Mr. PASTORE. Look at all the jobs it has created.

Mr. HICKENLOOPER. Jobs and contractors' fees in the State of Washington.

Mr. JACKSON. We might as well be facetious about it. After all, a great part of the enterprise that is being developed out there is under the direction of General Electric. I believe they have their headquarters and backup at Schenectady, N.Y. The turbines will not be produced in the State of Washington. This material will come from all over the country. However, the main effort is being made by General Electric. Most of the equipment will come from all over America, and will be supplied on a competitive basis. This is not a local or parochial project in any sense of the word. It will be important for this country to be able to say at some time, after all the talk we have heard about atoms for peace, that we have at last in this area the world's largest nuclear powerplant. There we have indeed a sword and a plowshare—a sword which will help to defend our country through the production of plutonium, and a plowshare in the form of the production of electricity. Here we have a golden opportunity to demonstrate to the world that we mean what we say when we on this occasion authorize the world's largest nuclear powerplant.

Mr. PASTORE. Before I conclude my remarks and relinquish the floor to my colleagues who are in opposition to the authorization, I would merely like to add that in 1958, when it was my honor to be a congressional adviser to the International Conference for the Peaceful Uses of Atomic Energy, at Geneva, I was deeply impressed when we were invited to attend a moving picture showing a Russian reactor. This was said to be the largest in the world at the time. In the opinion of our scientists, the reactor, which was supposed to be producing electric power, was in fact a plutonium-producing reactor. That is the story in Russia.

I say to my colleagues in the Senate this steam at Hanford is being wasted. I am not getting into propaganda. I am not getting into emotions. I am not getting into sentimentality. I am talking about economic feasibility. Even discounting all that for the moment, it might still be well to tell the world that the biggest reactor in the world is in the United States and it produces peacetime electric energy. It might be necessary, as I said before, if ever we reach a disarmament agreement, and then there is a violation of that agreement, we in America will not be caught as we were caught at Pearl Harbor, and that at least we will have something underway, that we will have some men in training and some technicians in training and available to produce nuclear weapons material.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. SALTONSTALL. There has been much discussion of the question of cost. I am interested in this debate because I am a member of the Committee on Appropriations, and if this authorization is approved there will no doubt be a request for an appropriation. I should like to ask the Senator to look at page 34 of the committee report, the fourth paragraph on that page. It discusses the cost. Does the Senator from Rhode Island say that those figures, quoted by the minority in the fourth paragraph on that page, are wrong?

Mr. PASTORE. They are acceptable in the sense that the minority report will take figures which will bear out its interpretation.

It has been abundantly testified this afternoon—and we are repeating, repeating, and repeating it—that if the reactor is utilized at 85 percent of capacity, as under the pending proposal it will be, after all, it will be used for firm power. If it is to be used for firm power, it will have to be used at 85 percent capacity. It has been brought out that Bonneville will be getting the power cheaper than Bonneville is getting its electricity today.

Mr. SALTONSTALL. In other words, Hanford will have to be used at 85 percent capacity?

Mr. PASTORE. It will be used at 85 percent of capacity. If it is brought down to 31 percent, then, of course, the figure will be thrown out of balance, as will everything else.

Mr. SALTONSTALL. The Senator says these figures are incorrect, if the powerplant is used at 85 percent of capacity.

Mr. MORSE. Mr. President, I support the position taken by the Senator from Rhode Island [Mr. PASTORE], the Senator from Washington [Mr. JACKSON], and the majority of the committee.

On June 8, I presented to the Joint Committee on Atomic Energy my statement in support of the power generation facilities at Hanford. I ask unanimous consent that my statement of June 8 be printed at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MORSE. My statement goes into much statistical and technical detail in support of the project. Taken with the testimony given by others in support of the power program, I believe this material provides a convincing statement of the feasibility and desirability of the project.

During the debate on the bill in the House last week, several points were made against the Hanford power project by its opponents. It is evident from reading the RECORD of that debate that the opposition to this provision of the pending bill boils down to two issues, issues which are political and not technical. The two issues are: First, should the sale of the power be ruled out because it will be from a publicly owned

project; second, does regionalism come first in deciding whether a worthwhile project is to get the green light.

With respect to the reflections cast against the technical feasibility of the Hanford project, I cite the engineering surveys made by General Electric Co., Burns & Roe, Inc., the Federal Power Commission, and R. W. Beck Associates, all concluding that the conversion of the new production reactor to a dual-purpose plant is technically and economically feasible.

I am not an engineer, but those who are experts in the field have found the project to be sound. In my judgment, this is one of the major premises of the debate. It ought to be made crystal clear—and I state it again for the purpose of emphasis, because it needs to be emphasized—that when we propose this project, we are proposing a project which is engineeringly sound and technically sound.

The verification of that belief is borne out by such unquestioned experts in the field as General Electric Co., Burns & Roe, Inc., the Federal Power Commission, and R. W. Beck Associates. We are not asking the Senate to vote for a project which cannot stand on its scientific legs. It is a project which is scientifically sound.

With respect to its economic feasibility, I point out that the Director of the Bonneville Power Administration, Charles Luce, has flatly declared that the Bonneville Power Administration is prepared to pay the costs allocated to power out of the Bonneville Power revenues. He has stated that the benefits of adding this large block of firm power to the Bonneville system will be great enough to pay the allocated costs, with interest, with no adverse effects upon the Bonneville rates.

I wish to emphasize what the Senator from Washington [Mr. MAGNUSON] and the Senator from Rhode Island [Mr. PASTORE] have stated with respect to firm power. The Pacific Northwest will need this firm power at just about the time it would be available. All of the West is anticipating a need for firm power in the next few years. This power will help meet that need.

I was so glad to hear the Senator from Rhode Island [Mr. PASTORE] emphasize the relationship of Hanford power to the need for an expanded economy. We need an expanded economy in Massachusetts and an expanded economy in every other State. The economy of the Nation grows when we take advantage of a scientifically and economically sound development project, because as we proceed to build and use such projects, we experience economic repercussions and benefits across the entire Nation.

I simply say, let us keep our sights high. Let us recognize that when we make a plea for a scientifically sound project in the State of Washington, we are helping Massachusetts and Rhode Island and every other State. In fact, many of the contractors who will supply machinery and materials for the generating facilities have their plants in the eastern United States.

In my 17 years as a Member of the Senate, I have never refused to vote for any sound, economic, expansion project anywhere in the Nation on the basis of the argument of sectionalism, and I never shall. That is a dangerous premise on which to act in Congress. It has been against much criticism that I have sometimes voted for projects in other parts of the country when those who followed a regionalistic argument asked, "What good will that project do to Oregon?" My answer was, "The real question is, What good will it do to America?"

Mr. President, I referred to that situation because I believe I have a right to speak on this particular proposal; during my 17 years as a Member of the Senate, I have never voted against a project because it might bring an immediate benefit to a particular section or region of the country other than my own.

My question always has been: Is the project needed? My second question has been: Is it sound from an economic and engineering standpoint? My third question has been: Will it help, over the long pull, in expanding the economy of the Nation?

Let there be no doubt that the greatest defense ability we have is the development of an ever-expanding economy for our Nation. Let our economy become static, and the Nation will start to decline.

So I urge the support of Senators from all sections of the country for this project. It will meet a great need in my section of the country that we must plan to meet in the immediate future. No only my section of the country, but the Nation from coast to coast will be helped so far as the expanding needs of the economy are concerned.

COST ALLOCATION QUESTION

The statement by Mr. Luce, that the benefits of adding this large block of firm power to the Bonneville system will be great enough to pay the allocated costs, with interest, with no adverse effects upon the Bonneville rates, is a very important and vital fact in this debate. It is an important statement to keep in mind, because it is true that the exact cost allocation on which rates and repayment schedules are based has not been made. Opponents of the project have tried to cite this fact as a reason why the authorizing legislation should not be approved. But it is the common practice for the detailed cost allocations to be made after a multipurpose project is authorized. Mr. Luce is so certain of the economic advantages of Hanford power and so familiar with the estimated costs of its power that he has put Bonneville Power Administration on record in advance as being ready to assume this responsibility.

Another objection made to the cost features of Hanford power is that the $145 million cost of the reactor itself is not allocated to power. This refers to the economic evaluation, and not to the specific cost allocation which has not yet been made. But the economic evaluation did assume the payment out of power revenues of about $25 million in insurance costs, which in fact will not be incurred. Moreover, the economic evaluation shows that the benefits would exceed by about $45 million the cost of the generating facility itself, plus interest. That means that a part of cost of the reactor could be assigned to power revenues, and the project would still be economically feasible.

More important, the reactor is going to be built, whether the generating facilities are added or not. What we really have here is a plan for an investment that not only will repay itself, but could help pay off a cost that otherwise will not be recouped for the taxpayers—the cost of a reactor which will go out of the plutonium production business in from 8 to 15 years.

The fact that these points raised against its technical and economical feasibility are unreal is made evident by the further arguments against the authorization. After arguing that the Hanford facility is impractical and too costly, its opponents then argue that if Hanford power goes on the line, it will give the Pacific Northwest more cheap power and thus will enable it to be in competition with the high-power rate areas of the country. This is where the real opposition to the measure becomes evident. Obviously, the Hanford facility cannot be both impractical and costly, on one hand, and a competitive threat, on the other.

SHOULD NOT BE REGIONAL ISSUE

To my mind, the saddest and most unfortunate argument made against this authorization is the one of sectionalism. We all know where it originates, because there have come to my office, too, the pamphlets of the Council of State Chambers of Commerce and of the private electric utilities, such as the Connecticut Power & Light Co. The theme they all follow is that tax dollars collected in the various States will be spent in the State of Washington, for the use of power consumers in the Pacific Northwest. One of these pieces of literature calls Hanford a project "that will take many dollars from taxpayers, and from which they will receive little or no benefit."

Mr. President, this is no new argument. I have been hearing this argument from my own State of Oregon for many years, in connection with legislation I have sponsored and voted for, to help stimulate business activity in what are referred to as the Nation's depressed areas.

But I have said to the people of Oregon, "You must raise your sights. After all, a development which benefits one section of the country has a definite beneficial effect on all sections of the country. Expansion in one section of

the country certainly has the additional result of helping expand the economy in other sections of the country, as well."

I do not know how many times I have cosponsored and voted for a depressed areas bill. Yet as drafted, and as the economic statistics on unemployment go up and down in Oregon, the depressed area or area redevelopment bill has no present application in my State, although I fought for its enactment, and voted for it, and will continue to do so. It may have some day, although we hope its benefits will never be needed in Oregon.

Yet the letters and literature against the depressed area bill which have come from my State have repeated the argument heard now—that tax dollars collected in Oregon would benefit people 2,000 or 3,000 miles away.

I rejected that argument in regard to the depressed areas bill, just as I plead that the same argument be rejected in connection with this project, which is needed in my section of the country.

The same was true of the food stamp program, which has been established on a pilot basis in areas of heavy unemployment. Here again, appeals made by the Oregon delegation in the Congress for a pilot food stamp program in Oregon were rejected on the basis that the areas of the heaviest and most chronic unemployment should have them.

The fact is that the priority legislation of the new administration has been aimed at stimulating business activity in the Nation's areas of heavy and chronic unemployment. This includes the measure making the children of the unemployed eligible for public assistance payments, and the temporary extension of unemployment compensation benefits.

From my State came opposition to all these measures, based on the contention that they would cost Oregon tax dollars to be spent elsewhere.

But, Mr. President, I voted for all those measures, because in my judgment they were needed in order to improve the general economic condition of our country.

I do not know of any Members of Congress from any region of the country who gave firmer and more consistent support to these measures than did those of us from the Pacific Northwest. Why?

My answer to my Oregon constituents is that what stimulates economic activity in one section of this country helps business and employment everywhere. I explained my support for the area redevelopment bill, for example, by pointing out that families who are chronically poor do not build homes and do not build a market for Oregon lumber. I have told Oregon audiences many times that I do not sit in the Senate as the ambassador from my State, but I serve here as a lawmaker for the entire Nation. I repeated time and again that keeping one area depressed does not create jobs and prosperity anywhere else.

So I am very sad to read the record of the debate on this bill in the other body. In it, I find repeated references to the possibility that more cheap power in the Pacific Northwest will attract business away from other sections of the country.

I want to ask this rhetorical question: Does anyone know of a single job that would be created for an eastern coal miner by the defeat of this authorization? Is the retardation of one section of the country going to make new business and job opportunities in some other section?

The answer is obviously "No." However these kilowatts are finally provided, they will not come from Appalachian coal.

What we have here from the standpoint of taxpayers in other sections is an investment that will repay its own cost and which may pay at least part of the cost of the reactor which is going to be constructed in any case and which otherwise will not be self-liquidating. So the literature of the Council of State Chambers of Commerce and of the Connecticut Power & Light Co. is just plain wrong in making that argument, and it is not an argument in the interest of sound public policy.

HEAT FROM REACTOR BEING WASTED

More important, the authorization of the Hanford facility represents the development and use of a resource that is owned by all the American people. The Hanford plant is a going affair. Its heat is now being produced and wasted.

Here is a program in which the American taxpayers have invested many millions of dollars for defense purposes. Its heat is a byproduct. We could be harnessing and using that byproduct.

As I said in the statement to the Joint Committee on Atomic Energy, the real wastrels are those who are opposed to using this power in an economical and self-liquidating way.

Mr. President, the burden of the argument I made on June 8, 1961, to the Joint Committee on Atomic Energy was that we should prevent that waste; we ought to put that wasted heat to good use; we ought to put the heat to constructive use—which this particular part of the bill will do.

In closing, let me say that my colleagues are accustomed to having strong editorial positions taken by the newspapers published in their States, and therefore I wish to submit an editorial for the reading of my colleagues.

I do not ask any Senator who opposes this proposal to agree with this editorial, but it will be helpful to Senators to know what the leading Republican newspaper in Oregon has to say about this matter, and what its reaction was to the action taken by the House. So I wish to read most of an editorial published on July 15, 1961, in the Oregonian, a newspaper which in its masthead claims to be an independent Republican newspaper. Certainly I can testify that it is a Republican newspaper.

Mr. PASTORE. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. PASTORE. Is the Senator from Oregon familiar with the fact that in Rowe, Mass., there is an atomic plant which is known as the Yankee Atomic Corp.?

Mr. MORSE. Yes, I know there is such a plant there.

Mr. PASTORE. It is a combination of the various private utilities in the Northeast or the New England section of the country, which have pooled their resources, for the purpose of erecting that atomic energy electric-generating plant at Rowe, Mass.

Mr. MORSE. Yes, I understand that; and I have been briefed on it by my good friend, the Senator from New Mexico [Mr. ANDERSON].

Mr. PASTORE. Is the Senator familiar with the fact that one of the members of that combination is the Connecticut Power & Light?

Mr. MORSE. No, I am not.

Mr. PASTORE. Is the Senator further familiar with the fact that the Government of the United States has already committed $5 million for research and development for that plant, and more than $3 million in waiver of fuel costs? If we are going to argue that the taxpayers of the United States of America have all contributed to the pool of $8 million for the benefit of New England, and for that reason it is sectionalism or provincialism, and therefore is not in the interest of all America, then I think we are going to lose sight of what America stands for and what it is.

Mr. MORSE. I agree.

Mr. PASTORE. After all, we know that, as ambassadors for our own States, to a certain extent we have to rise above exclusive consideration of our own sections, and consider matters that help all America, in one big panorama of progress.

I will support the amendment, even though New England will get no direct benefit from it, because there will be a tremendous amount of steam involved which will produce between 700,000 and 800,000 kilowatts of electrical energy and that will be used to advantage to develop America.

It would be a sad commentary on the spirit of the whole development of America if we said, "Let us waste this heat because it is going to help only one part of the country." We would never have had a a TVA. We would never have had Boulder Dam. We would never have had the Yankee atomic powerplant. We would never have had similar large resources developed if we had engaged in that sort of provincial thinking.

That is the reason why I am supporting the amendment—not because it will bring immediate help to my own part of the country, but because it will help all of America. This heat should be utilized for the benefit of all of America. That is why the money should be expended for this purpose.

Mr. MORSE. I not only agree with what the Senator from Rhode Island has said, but, if he will close his ears, I should like to say something personal

about him. Mr. President, here we have a dramatic demonstration of what I would call true statesmanship.

It was not so long ago that, on the floor of the Senate, we had another measure in which the Senator from Rhode Island was much interested. It was a measure which would have been a great help to Senators from areas of the country with large metropolitan centers. Some of us fought for the adoption of a particular provision in that bill which would have been of assistance to those metropolitan areas.

It provided for the establishment of much needed park areas, watershed areas, playground areas, and areas that were vital for the welfare of many children in this country who are born in great metropolitan cities and very often reach the age of 12 before they get out of the city limits. It was with great regret that, on a rather close vote, we lost that amendment in this body.

The Senator from Rhode Island was pretty sad and disappointed about it; but, to give Senators some idea of the high level of his statesmanship, he stands on the floor of the Senate pleading for a project in another section of the country that will not give any immediate, direct help to Rhode Island—which the open space program on which he lost the other day would have given—but, as he has said, in the long run will be of great help to his country.

That is what is important in his sights, and I agree with him; but I wanted to make this personal reference to the Senator from Rhode Island because I think it is a dramatic illustration of the fact that he is true to his principles, and he does not let any selfish factor ever cause him to depart from his principles.

As one who comes from the section of the country which would have an immediate benefit from the Hanford facility, I want to thank the Senator from Rhode Island for his statesmanship.

To return to the editorial of the Portland Oregonian, it gives a pretty good idea of editorial opinion in my State on this issue. Here is the attitude of the editor of a great Republican paper in my State. The title of the editorial is "Cutting Our Throat." It reads, in part:

The House vote eliminating a $95 million item to add nuclear power to the plutonium reactor at the Hanford project was an incredible piece of congressional stupidity. And the reasons given by the opponents to sugar-coat their votes were as phony as a lead wedding ring.

The dirt-cheap proposal to add around 700,000 kilowatts to the Northwest power pool was not a party issue. It had been urged by the Eisenhower administration and it was urged by the Kennedy administration. The feasibility was assured by engineering consultants who had no ax to grind. Where else in the Northwest, which faces a power shortage in the latter 1960's, could that amount of power be obtained at so low a cost? Not in hydro, certainly.

The private utility and coal lobbies which fought the dual-purpose reactor found attentive ears among Congressmen who fear—or say they fear—that the Northwest will grab their industries. It was all right for the South to capture industries from the industrial East with the lure of tax rebates and low labor costs. But the Northwest must not take advantage of its resources. Beyond that, they did not take the trouble to find out that industries in the Northwest are new industries, locating where there are natural regional advantages.

The argument against admitting another agency to the Federal power field was meaningless. The Atomic Energy Commission has overall supervision at Hanford, but General Electric Co. would have built and operated the power reactor, and the Federal Bonneville Power Administration would have marketed the excess not needed to get the Hanford project off the backs of Northwest consumers. And private utilities, now buying a major portion of Federal power in the Columbia Basin, would have got the lion's share of the Hanford production.

Which causes me to say that is pretty much true of the Connecticut Power & Light and the Yankee Atomic powerplant to which the Senator from Rhode Island has referred.

The editorial goes on to discuss the need to develop power in our section. It points out the benefit of such development to the entire country. It makes the argument, which I made, that here is a way to build up the whole country, and as we build up our economic expansion, we help create market and economic investment in other parts of the country as well.

I ask unanimous consent that the entire editorial be printed in the RECORD. It is an editorial which reflects the point of view of much of the press in my section of the country.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CUTTING OUR THROAT

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It will be particularly damaging to the Northwest and to the Nation's defense strength if the Hanford power reactor, capable of producing as much as a major Columbia Dam, has been killed at this time. Its energy could be put on the line in about 3 years to fill the gap before John Day Dam comes into production in 1968.

Both the Eisenhower and Kennedy administrations had pinned their hopes of avoiding a Northwest shortage and stimulating the economy of the Northwest on two prospects: Hanford, and the treaty with Canada. But the treaty has run into a political battle between the province of British Columbia and the Federal Government at Ottawa. It has not been ratified, and it may not be. The United States cannot even start on Libby Dam on the border. They go up to 2 million kilowatts for the Northwest in the next decade. Now, if the Hanford project is in the ashcan, will the House of Representatives give the Northwest hydro projects to make up the deficit?

The House vote was to continue to waste the heat of the plutonium reactor into the Columbia River, rather than use it for electricity at a repayable cost lower than hydro. The project was sacrificed on the altar of obstructionism and selfish regionalism. The Republican Policy Committee which led the attack was politically befuddled. It will be too late to reconsider during the congressional and presidential elections from 1964 to 1968—if the Northwest economy is harmed by a shortage of power and there are brownouts and rationing.

There is a prospect that the Senate will vote to include the Hanford reactor in the AEC program, and that enough support can be rallied among the 120 nonvoting Members of the House to restore the item on the basis of a conference agreement. Perhaps this can be done, but not unless the political and business leaders of the Pacific Northwest take more interest in the project than they have to date, and go to bat behind the Kennedy administration.

This is a fight which calls for a merging of forces. Frankly, the Oregonian, which has urged construction of the dual purpose reactor for several years, is disgusted with the apathetic attitude of Northwest civic and business leaders who have not taken the trouble to learn the facts and who have been misled by false propaganda about private enterprise. Let's get to work.

Mr. MORSE. I am certain, that in supporting this section of the pending bill, I am supporting a project which is not only in the interest of the Pacific Northwest, but in the interest of giving the entire country some guarantee of a needed energy supply in the immediate future.

Who among us really knows what our contest with the Russians is going to be in the next 10 years? We had better see to it that, from the standpoint of our national defense, we do not this afternoon throw away an opportunity to provide a needed supply of power that will help meet the threat of the rise of Russian industrialization.

For these reasons, Mr. President, I urge support of the majority of the committee.

Mr. JACKSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HICKEY in the chair). Does the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from Washington.

Mr. JACKSON. Mr. President, I commend the able senior Senator from Oregon for his very fine statement. He has supported this project from its inception. As a matter of fact, I believe the head of the General Electric Co., Mr. Cordiner, first advocated it in 1953. I commend the Senator for his statement this afternoon.

Mr. MORSE. I am simply following the leadership of the two Senators from Washington [Mr. MAGNUSON and Mr. JACKSON], the Senator from Rhode Island [Mr. PASTORE], and the Senator from New Mexico [Mr. ANDERSON].

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MAGNUSON. I join my colleague in commending the Senator for his very fine presentation. I am not a member of the Joint Committee on Atomic Energy, nor do I know very much about the technical aspects of the problem. It is my understanding, from having discussed the problems with Senators who have gone into this at great length—it happens that my colleague [Mr. JACKSON] is a member of the committee, but the facts would be the same whether or not that were true or whether or not the project were in the Pacific Northwest—that one of the principal justifications for the project is that it would provide some experience in the field and would be pretty much a large pilot plant operation.

Mr. MORSE. The Senator is correct. It would be the largest producer of electric power from atomic energy.

Mr. MAGNUSON. It would help us to advance technologically in this field. We are going to build the reactor, anyway. For this amount of money we shall be able to find out things usable all over the United States for peaceful development of atomic energy.

Mr. MORSE. The Senator is correct.

Mr. MAGNUSON. I know I have supported appropriations of many millions of dollars, even more than the amount involved for this particular project, no matter where the operation was to be located or whether it was to be provided by private industry, to experiment and to learn and to get to know how to use atomic energy for peaceful purposes.

Mr. MORSE. The Senator is completely correct.

Mr. MAGNUSON. This is only one facet of the problem. In many cases there has been no particular return, except what we have learned. Now we shall not only learn something but also we shall receive a return in dollars and cents for the Treasury while we are learning.

I hope Senators will read the report. The report says, in part:

Although the principal justifications for the addition of electrical generating facilities relate to the economic benefits and benefits concerning national defense and international prestige, technical benefits will also accrue.

One of the main items is know-how.

Mr. MORSE. The Senator is correct.

Mr. President, I yield the floor.

VISIT TO SENATE BY LEBANESE PARLIAMENTARY DELEGATION

Mr. FULBRIGHT. Mr. President, it is with great pleasure I invite the attention of my colleagues to the fact that we are honored by a visit of six very distinguished visitors from the country of Lebanon, together with their Ambassador. Our distinguished visitors are Mahmoud Amar, Hazem El-Kadri, Edouard Honein, Habib Mutran, Abdu Saab, and Fedellah Talhouk; and they are accompanied by the Honorable Nadim Dimechkié, the Ambassador of Lebanon.

Mr. President, Lebanon has been one of the stanchest friends of freedom and independence, and has been a very great friend of this country for many years. Several hundred thousand people of our country derive their nationality from and are descendants of citizens of Lebanon.

Mr. President, we have enjoyed a fine luncheon with these gentlemen, who are on a tour, having already visited in the Far East. They will visit many fellow countrymen of theirs who live in our country during the coming days.

I hope Members of the Senate will be able to greet these gentlemen, and I know I speak for the Senate in extending to them a warm welcome and telling them we are delighted to have them. We hope they will have a successful and pleasant visit in our country.

I am sure that as a result of their visit there will be much closer relations and greater understanding between our two countries.

[Applause, Senators rising.]

Mr. HICKENLOOPER. Mr. President, I join the Senator from Arkansas, the chairman of the Committee on Foreign Relations, in welcoming our distinguished visitors from Lebanon. I assure them we are happy to have this opportunity to see them and to have them visit us in the Senate. I have visited in Lebanon on several occasions and have been cordially received. We are glad that in some small measure we can return the hospitality.

The PRESIDING OFFICER (Mr. BURDICK in the chair). On behalf of the Senate, the Chair extends a hearty welcome to our visitors of the Lebanese parliamentary delegation and their Ambassador.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1962—CONFERENCE REPORT

Mr. RUSSELL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 17, 1961, pp. 12766–12768, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. RUSSELL. Mr. President, I move that the report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 7444, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.,
July 18, 1961.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 19, 22, 35, and 38 to the bill (H.R. 7444) entitled "An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 17, and concur therein with an amendment, as follows: In lieu of the matter stricken by the Senate insert the following: "*Provided further*, That $10,000,000 of this appropriation shall be available for assistance under section 6 of the National School Lunch Act, in addition to amounts normally expended for commodity procurement under that section, $2,500,000 of which may be distributed to provide special assistance to needy schools which because of poor local economic conditions (1) have not been operating a school lunch program or (2) have been serving free or at substantially reduced prices at least 20 percent of the lunches to the children."

That the House recede from its disagreement to the amendment of the Senate numbered 23, and concur therein with an amendment, as follows: In lieu of the figure "15" contained in said amendment insert the figure "10".

Mr. RUSSELL. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 17 and 23.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

Mr. RUSSELL. Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, a comparative table showing appropriations for 1961, and amounts and estimates recommended in the bill for 1962.

There being no objection, the table was ordered to be printed in the RECORD.

Comparative table of appropriations for 1961 and estimates and amounts recommended in bill for 1962

TITLE I—REGULAR ACTIVITIES

Item	Appropriations, 1961	Budget estimates, 1962 (revised)	Amount recommended in House bill, 1962	Amount recommended in Senate bill, 1962	Conference allowance, 1962
Agricultural Research Service:					
Salaries and expenses:					
Research	[1] $71,233,000	$77,174,000	$76,558,000	$78,015,500	$77,311,000
Plant and animal disease and pest control	53,970,000	55,390,000	55,165,000	55,540,000	55,352,500
Pest inspection	23,126,000	24,216,000	24,216,000	24,216,000	24,216,000
Total	148,329,000	156,780,000	155,939,000	157,771,500	156,879,500
Salaries and expenses (special foreign currency program)	15,131,000	5,265,000	5,265,000	5,265,000	5,265,000
Construction of facilities	7,750,000	550,000	800,000	800,000	800,000
State experiment stations: Payments to States and Puerto Rico	32,553,000	34,553,000	34,553,000	36,553,000	35,553,000
Penalty mail	250,000	250,000	250,000	250,000	250,000
Total	32,803,000	34,803,000	34,803,000	36,803,000	35,803,000
Total, Agricultural Research Service	204,013,000	197,398,000	196,807,000	200,639,500	198,747,500
Extension Service:					
Payments to States and Puerto Rico	56,578,000	58,790,000	58,790,000	59,790,000	59,590,000
Retirement costs for extension agents	5,961,000	6,260,000	6,260,000	6,260,000	6,260,000
Penalty mail	2,490,000	2,490,000	2,490,000	2,490,000	2,490,000
Federal Extension Service	2,402,000	2,500,000	2,452,000	2,477,000	2,464,500
Total, Extension Service	67,431,000	70,040,000	69,992,000	71,017,000	70,804,500
Farmer Cooperative Service	657,000	657,000	657,000	657,000	657,000
Soil Conservation Service:					
Conservation operations	88,604,000	89,725,000	89,725,000	89,725,000	89,725,000
Watershed protection	36,725,000	53,787,000	53,787,000	53,787,000	53,787,000
Flood prevention	19,570,000	19,463,000	25,000,000	22,231,500	25,000,000
Great Plains conservation program	10,168,000	10,168,000	10,168,000	10,168,000	10,168,000
Total, Soil Conservation Service	155,067,000	173,143,000	178,680,000	175,911,500	178,680,000
Economic Research Service	[1] 9,049,000	9,533,000	9,049,000	9,364,000	9,360,000
Statistical Reporting Service	[1] 8,188,000	8,722,000	8,688,000	8,978,000	8,748,000
Agricultural Marketing Service:					
Marketing research and service:					
Marketing research	[1] 4,217,200	4,515,000	4,515,000	4,870,000	4,740,000
Marketing service	29,694,900	[2] 33,295,000	[2] 33,187,000	[2] 33,370,000	[2] 33,299,500
Total	33,912,100	37,810,000	37,702,000	38,165,000	38,039,500
Payments to States and possessions	1,195,000	1,195,000	1,400,000	1,325,000	1,325,000
School lunch program	[3] 110,000,000	[3] 120,000,000	[3] 125,000,000	[3] 125,000,000	[3] 125,000,000
Total, Agricultural Marketing Service	145,107,100	159,005,000	164,102,000	164,565,000	164,364,500
Foreign Agricultural Service:					
Salaries and expenses	[1] [4] 15,275,300	[4] 12,760,000	[4] 12,457,000	[4] 12,457,000	[4] 12,457,000
Salaries and expenses (special foreign currency program)	3,465,200	3,444,000	3,444,000	3,444,000	3,444,000
Total, Foreign Agricultural Service	18,740,500	16,204,000	15,901,000	15,901,000	15,901,000
Commodity Exchange Authority	900,000	1,007,000	1,000,000	1,007,000	1,007,000
Commodity Stabilization Service:					
Acreage allotments and marketing quotas	43,598,000	44,833,000	44,098,000	44,098,000	44,098,000
Sugar Act program	74,500,000	81,314,000	78,000,000	78,000,000	78,000,000
Agricultural conservation program	242,000,000	238,000,000	238,000,000	238,000,000	238,000,000
Special agricultural conservation program		20,500,000	15,000,000	18,500,000	18,500,000
Conservation reserve program	330,000,000	330,000,000	300,000,000	312,000,000	312,000,000
Total, Commodity Stabilization Service	690,098,000	714,647,000	675,098,000	690,598,000	690,598,000
Federal Crop Insurance Corporation: Operating and administrative expenses	6,561,000	6,561,000	6,561,000	6,561,000	6,561,000
Rural Electrification Administration: Salaries and expenses	10,024,000	10,024,000	10,024,000	10,024,000	10,024,000
Farmers Home Administration: Salaries and expenses	33,017,000	33,317,000	33,017,000	33,167,000	33,017,000
Office of General Counsel	3,625,000	3,650,000	3,650,000	3,650,000	3,650,000
Office of Secretary	3,080,500	3,130,000	3,096,000	3,103,500	3,096,000
Office of Information	1,548,000	1,610,000	1,584,000	1,597,000	1,590,500
Centennial observance of agriculture		130,000		100,000	
Library	951,000	1,057,000	1,000,000	1,057,000	1,028,500
Total, regular activities	1,358,147,100	1,409,835,000	1,378,906,000	1,397,897,500	1,397,934,500

TITLE II—FOREIGN ASSISTANCE PROGRAMS

Public Law 480:					
Sales for foreign currencies	($1,353,000,000)	$1,310,500,000	$1,250,451,000	$1,250,451,000	$1,250,451,000
Emergency famine relief	(255,685,000)	140,868,000	140,868,000	140,868,000	140,868,000
Long-term supply contracts		13,000,000	13,000,000	13,000,000	13,000,000
Total, Public Law 480	(1,608,685,000)	1,464,368,000	1,404,319,000	1,404,319,000	1,404,319,000
International Wheat Agreement	(88,790,000	70,681,000	70,681,000	70,681,000	70,681,000
Bartered materials for supplemental stockpile	(163,163,000)	174,800,000	125,000,000	125,000,000	125,000,000
Total, foreign assistance programs	[5] (1,860,638,000)	[6] 1,709,849,000	[6] 1,600,000,000	[6] 1,600,000,000	[6] 1,600,000,000

See footnotes at end of table.

Comparative table of appropriations for 1961 and estimates and amounts recommended in bill for 1962—Continued

TITLE III—CORPORATIONS

Item	Appropriations, 1961	Budget estimates, 1962 (revised)	Amount recommended in House bill, 1962	Amount recommended in Senate bill, 1962	Conference allowance 1962
Federal Crop Insurance Corporation: Administrative and operating expenses	($2,630,000)	($2,830,000)	($2,830,000)	($2,830,000)	($2,830,000)
Commodity Credit Corporation:					
Restoration of capital impairment (price support and related operations)	1,226,500,000	1,017,610,000	1,017,610,000	1,017,610,000	1,017,610,000
Reimbursements of prior year expenditures for foreign assistance and other special activities:					
Public Law 480:	(1960 costs)	(1961 costs)	(1961 costs)	(1961 costs)	(1961 costs)
Sales for foreign currencies	881,000,000	1,353,000,000	1,353,000,000	1,353,000,000	1,353,000,000
Emergency famine relief	107,094,000	255,685,000	255,685,000	255,685,000	255,685,000
Total, Public Law 480	988,094,000	1,608,685,000	1,608,685,000	1,608,685,000	1,608,685,000
International Wheat Agreement	32,572,000	88,790,000	88,790,000	88,790,000	88,790,000
Bartered materials for supplemental stockpile	422,950,000	163,163,000	163,163,000	163,163,000	163,163,000
Grain for migratory waterfowl	18,000	13,000	13,000	13,000	13,000
Grading and classing activities		1,264,000	1,264,000	1,264,000	1,264,000
Total, reimbursements	1,443,634,000	1,861,915,000	1,861,915,000	1,861,915,000	1,861,915,000
Reimbursement for special milk program		90,000,000	90,000,000	90,000,000	90,000,000
Administrative expense limitation	(45,726,000)	(48,316,000)	(47,500,000)	(47,916,000)	(47,916,000)
Total, corporations	2,670,134,000	2,969,525,000	2,969,525,000	2,969,525,000	2,969,525,000

TITLE IV—RELATED AGENCIES

Farm Credit Administration: Administrative expense limitation	($2,589,000)	($2,590,000)	($2,590,000)	($2,590,000)	($2,590,000)
Department of Interior: Grain for migratory waterfowl	(7)	35,000	35,000	35,000	35,000
Total, related agencies		35,000	35,000	35,000	35,000

SUMMARY OF THE BILL

Advance appropriations (fiscal year 1962):					
Title I—Regular activities	$1,358,147,100	$1,409,835,000	$1,378,906,000	$1,397,822,500	$1,397,934,500
Title II—Foreign assistance programs (to put on pay-as-you-go basis)		1,709,849,000	1,600,000,000	1,600,000,000	1,600,000,000
Title IV—Related agencies		35,000	35,000	35,000	35,000
Total	1,358,147,100	3,119,719,000	2,978,941,000	2,997,857,500	2,997,969,500
Restoration of CCC funds expended for prior year operations:					
Title III:					
Price support program	1,226,500,000 (1959 costs)	1,017,610,000 (1960 costs)	1,017,610,000	1,017,610,000	1,017,610,000
Foreign assistance and other programs financed by CCC at direction of Congress	1,443,634,000 (1960 costs)	1,951,915,000 (1961 costs)	1,951,915,000	1,951,915,000	1,951,915,000
Total	2,670,134,000	2,969,525,000	2,969,525,000	2,969,525,000	2,969,525,000
Total in bill	4,028,281,100	6,089,244,000	5,948,466,000	5,967,457,500	5,967,494,500

[1] Adjusted for comparability to reflect changes in organization and appropriation structure.
[2] Includes $2,813,000 for grading and classing activities formerly financed through Commodity Credit Corporation. $1,264,000 provided for fiscal year 1961 as reimbursement to Commodity Credit Corporation under title III of this bill.
[3] In addition, transfers of $45,000,000 from sec. 32 funds provided.
[4] In addition, transfers of $3,117,000 from sec. 32 funds provided.
[5] Amounts carried for comparative purposes only. Funds provided under title III for reimbursement to Commodity Credit Corporation.
[6] These funds for fiscal year 1962, through June 30, 1962, carried for first time as advance appropriations.
[7] $13,000 provided for fiscal year 1961 as reimbursement to Commodity Credit Corporation under title III of this bill.

PERMANENT APPROPRIATIONS

Item	Authorizations, 1961	Budget estimates, 1962	Increase or decrease
Agricultural Marketing Service:			
Removal of surplus agricultural commodites (sec. 32)	$319,960,723	$337,500,000	+$17,539,277
Perishable Agricultural Commodities Act fund	670,000	670,000	
Total, Agricultural Marketing Service	320,630,723	338,170,000	+17,539,277
Commodity Stabilization Service: National Wool Act	67,189,909	59,000,000	−8,189,909
Total, permanent appropriations	387,820,632	397,170,000	+9,349,368

NOTE.—Amounts as estimated and shown in the January 1961 budget document for 1962. Subject to further revision.

LOAN AUTHORIZATIONS

Item	Authorizations, 1961	Budget estimates, 1962	Amount recommended in House bill, 1962	Amount recommended in Senate bill, 1962	Conference allowance 1962
Rural Electrification Administration:					
Electrification loans:					
Direct authorization	$110,000,000	$195,000,000	$125,000,000	$195,000,000	$175,000,000
Contingency authorization	60,000,000		70,000,000	50,000,000	70,000,000
Total	170,000,000	195,000,000	195,000,000	245,000,000	245,000,000
Telephone loans:					
Direct authorization	80,000,000	150,000,000	120,000,000	150,000,000	132,500,000
Contingency authorization	60,000,000		30,000,000	12,500,000	30,000,000
Total	140,000,000	150,000,000	150,000,000	162,500,000	162,500,000
Total, Rural Electrification Administration	310,000,000	345,000,000	345,000,000	407,500,000	407,500,000

LOAN AUTHORIZATIONS—Continued

Item	Authorizations, 1961	Budget estimates, 1962	Amount recommended in House bill, 1962	Amount recommended in Senate bill, 1962	Conference allowance 1962
Farmers Home Administration:					
Farm ownership loans:					
Direct authorization	$26,900,000	$31,000,000	$31,000,000	$40,000,000	$40,000,000
Contingency authorization	5,000,000				
Total	31,900,000	31,000,000	31,000,000	40,000,000	40,000,000
Farm operating loans:					
Direct authorization	197,100,000	232,100,000	225,000,000	237,500,000	237,500,000
Contingency authorization	35,000,000		25,000,000	37,500,000	37,500,000
Total	232,100,000	232,100,000	250,000,000	275,000,000	275,000,000
Soil and water conservation loans (direct authorization)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total, Farmers Home Administration	267,000,000	267,000,000	284,000,000	318,000,000	318,000,000
Total, loan authorizations	577,000,000	612,000,000	629,900,000	725,500,000	725,500,000

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. KUCHEL. If I understand correctly, the agricultural appropriation bill is now on the way to the White House.

Mr. RUSSELL. This completes legislative action on it.

Mr. KUCHEL. The Senate salutes our gallant friend from Georgia. This is the first appropriation bill which is on its way to the White House in this session of Congress. We should have completed action on appropriation legislation before the end of the last fiscal year. We have not done so. I wish to say to the able Senator from Georgia: Congratulations. The logjam is broken. Maybe if we can keep it up we will be able to get out of here and go home.

Mr. RUSSELL. I thank the Senator for his kind remarks. I hope that this will be the first of a number of final actions on the supply bills for the operation of the Government.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

The Senate resumed the consideration of the bill (S. 2043) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

Mr. HICKENLOOPER. Mr. President, the issue before the Senate has revolved around project 62-a-6 in the bill. So that the issue may be clear cut, I offer the amendment which I send to the desk and ask to have stated. The Senator from Rhode Island, who is in charge of the bill, is thoroughly familiar with the amendment. It would merely strike this particular item.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 1, line 7, it is proposed to strike the figure "$226,440,000" and substitute the following: "$131,440,000".

Page 2, lines 12 to 14, inclusive, it is proposed to strike out "Project 62-a-6, electric energy generating facilities for the new production reactor, Hanford, Washington, $95,000,000."

Beginning page 11, line 22 and continuing to page 12, line 12, inclusive, being section 110, it is proposed to strike out:

SEC. 110. DISPOSITION OF ELECTRIC ENERGY.—(a) Electric energy produced during the operating life of the electric generating facilities constructed under section 101(a) shall be delivered by the Commission at the site of said generating facilities to, and pursuant to agreement with the Secretary of Interior who shall transmit and dispose of such energy under the terms prescribed by section 44 of the Atomic Energy Act of 1954, as amended.

(b) Allocation of costs to the production of such electric energy shall be made jointly by the Commission and the Secretary of the Interior, and, in the event of disagreement, shall be made by the President. Costs so allocated shall be returned to the Treasury from revenue derived by the Secretary from the disposition of electric energy marketed through the Bonneville Power Administration.

Mr. HICKENLOOPER. Mr. President, I think it is abundantly clear, from the presentation made today by those in charge of the bill, that project 62-a-6 in the bill before the Senate today is a project not for the scientific advancement of atomic energy nor for the development of scientific knowledge. It is purely and simply a measure for the production of commercial electricity in the Pacific Northwest.

There has been not one argument advanced by the Senator from Rhode Island or by the Senator from Washington that the operation of this electrical facility which, in and of itself, will cost over $120 million, will contribute a single provable benefit to the advancement of the art of atomic energy or to the art of the production of power. The argument has been based solely on the production of commercial power by the Atomic Energy Commission.

I wish to make my position perfectly clear. I have supported power projects in the Pacific Northwest and in other places. I am not opposed to such projects when they are the proper province of the Government or its properly constituted agencies. I have supported power projects developed and operated by the Department of the Interior under a proper approach.

I have supported other Federal power projects when I have thought such projects were within the proper province of the Government. But now we are presented with an innovation in Government policy. While the proposal is not the first one that has been made, we hear proposed for the first time that the Atomic Energy Commission, which is a scientific investigating commission and a scientific commission for the development of the art of atomic energy, enter into the commercial production of power. I say that such action would be wrong. It would be contrary to the purpose of the act. It would be contrary to the spirit that created the Atomic Energy Commission.

If we wish to produce electric power using atomic energy as heat, let us face the issue, as we have in respect to other projects under the Department of the Interior or other agencies, and create a commercial operating agency for the production of such heat.

Again I emphasize that no serious attempt, either in the committee or in the Senate, has been made to maintain that the operation of the proposed electrical facility attached to the plutonium plant will, in any material or substantial way, advance the production of power using atomic heat. Why? Because reactor technology is known. It has been proven. Nothing material would be added to the known technology of reactors except as we learn more about a Ford automobile every day by driving it. We learn a little about it. Perhaps it may have a wobbly back wheel. We learn about it and fix it. But nothing has been advanced about the proposed reactor that is not already proven, and certainly nothing has been advanced in respect to the generating facilities that are supposed to be added to the reactor.

Therefore the operation is purely one for the commercial sale of power. It would violate the principles of the Atomic Energy Act. I believe it is wrong to approach the question in this way. I think the proposal would not contribute anything to the advancement of the atomic art. On the contrary, it would create inexcusably expensive electricity in the area in which its installation is proposed. Needed electricity could be produced by other means at a lesser cost.

We have heard a great deal about the cost per kilowatt-hour of the electricity proposed to be generated by the reactor.

A short while ago we discussed the fact that the reactor would produce low-pressure steam. The Senator from Rhode Island read a list of companies that are still using low-pressure steam. Those companies are still using the tag end of the old machinery which in most cases they have had. For several years all new installations in this country have been built otherwise. Their operators know that efficient plants are operated on high-pressure steam, steam having pressure in the neighborhood of thousands of pounds per square inch. The steam generated in the proposed plant would have a pressure of at best 250 pounds a square inch, which, from a pressure standpoint, would make the plant as antiquated as the model T Ford.

We have talked about the cost of the proposed electricity. Depending entirely upon which set of figures is used and how much is charged for the plutonium which is produced, those who cite the figures can go as far as they want in order to write the figure down so that the electricity appears not to cost anything. They can do so merely by charging more money for the plutonium. In other words, the books could be manipulated so that the cost of the proposed electricity would appear to be low. But the fact is that those who use such figures in arriving at the cost of the electricity have not included in the capital investment many items that must go into the computation. They have not included the cost of plutonium lost. Those who compile such figures have not included the cost of the convertibility feature, which is $25 million. They have not included the cost of actually operating a plutonium facility that would create the heat. One would have to include the cost of boilers that produce heat in a steamplant, or many of the features in a waterpower plant. If all realistic costs were included, the cost per kilowatt-hour of the electricity sought to be generated by the proposed project would be substantially more than the high costs that were admitted in the testimony.

Over the years it is very likely that if a realistic cost accounting yardstick were applied to the cost of electricity, one would find that if he built a steamplant in the Hanford area to produce the same amount of electricity as is proposed, using coal in the area, to say nothing of the waterpower, in the long run, over the reasonable anticipated life of the plant, it would be paid for from the savings over and above what the proposed program would cost, as computed under an unrealistic accounting system.

I wish to make clear at this time that the remaining provisions of the bill have the unanimous approval of all members of the Joint Committee, so far as I know. There is no contest on the part of the members with the exception of the one provision to which I refer. Some of us have opposed it from the start.

Three years ago some of us opposed as vigorously as we could the inclusion of the first $25 million for the convertibility feature in the proposed reactor. We said before, and we repeat now, that the project is uneconomic, unwise, and would put the Atomic Energy Commission into the power-producing business. We make that statement now; we made it before.

We have considered this subject carefully. There is an honest difference of opinion on the part of Members. But I submit that the question is how we look at the figures and calculate the costs.

Who will operate the proposed project? We have heard that General Electric would operate it. Would General Electric operate the project? General Electric will not operate the plant on the basis outlined by its proposers. I wish to read a portion of a letter from General Electric on this subject. Then, in order that I may not be accused of merely taking a paragraph out of context, I shall ask to have the entire letter printed in the RECORD. The letter is signed by Mr. W. E. Johnson, general manager of General Electric, dated Richland, Wash., February 17, 1961. One who reads Mr. Johnson's letter will find that he wanders all around Robin Hood's barn, but I think he is clearly saying, "We do not want any part of the proposed operation. We do not want any part of the responsibility of this operation. But if you, the Commission, make us take it, we, as general contractors at Hanford, will have to take it. But we will only take it within certain limitations." This is what Mr. Johnson said:

> The company would not wish to undertake (or, having undertaken, would not wish to continue beyond a reasonable transition period) operation of electrical facilities involving a commitment to generate at capacity or energy levels significantly above the Hanford electrical load.

So that no one will be able to say that I am quoting out of context, I ask unanimous consent that the entire letter of Mr. Johnson of the General Electric Co. be printed in the RECORD at this point. It is printed at pages 16 and 17 of the hearings of the Joint Committee on Atomic Energy on the subject "Power Conversion Studies. Hanford New Production Reactor." It is a committee print.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GENERAL ELECTRIC CO.,
Richland, Wash., February 17, 1961.

U.S. ATOMIC ENERGY COMMISSION,
Hanford Operations Office,
Richland, Wash.
(Attention of Mr. J. E. Travis, Manager).

GENTLEMEN: We have received an oral inquiry from the Commission asking whether the General Electric Co. would agree to extend its operation of the new production reactor to include operation of an electric generating plant provided the power production were limited to the approximate requirements of the Hanford operation.

As early correspondence discloses, electric power generation is not a normal business for the General Electric Co., nor one in which it would engage except under special circumstances. However, it is apparent that the addition of electric generating capability to the new production reactor with the capacity of such generating station approximately equal to the estimated requirements of the Hanford plant, plus the necessary reserve capability to provide interchange energy in return for backup, would create a special situation in which it may be appropriate for the company to perform the operating function as part of its general operating responsibilities at the Hanford plant. In view of these circumstances, and in response to your request, the company would agree to the Commission including operation of the generating station within the scope of work of the operating contract.

This statement of intent on the part of the company is premised on the following understanding which may have to be more precisely defined as this situation is developed:

1. The commitment presently being made is not in the nature of a contractual commitment, but is rather a good-faith expression of intent and is naturally subject to continuity of some contractual arrangement between the Commission and the company that is mutually satisfactory. In the event, however, that a satisfactory contract arrangement is not forthcoming, the company would fully cooperate with the Commission in transferring its responsibilities to any successor contractor.

2. The company would not wish to undertake (or, having undertaken, would not wish to continue beyond a reasonable transition period) operation of electrical facilities involving a commitment to generate at capacity or energy levels significantly above the Hanford electrical load.

3. The company would not propose to be involved directly, except to assist the Atomic Energy Commission, with any regulatory agencies concerned with power generation or distribution and would expect that any such arrangements, hearings, or other matters would be handled directly by the Commission.

4. The company would deliver power only to the Atomic Energy Commission for disposition by that agency. Contractual arrangements with the Bonneville Power Administration or with any other entity for wheeling of power, reserves, power interchange, transmission to or off the project, or for any other purposes directly related to utilization of the electric power would be handled by the Commission. However, the company would participate in cooperative scheduling at the operating level.

5. The company would be willing to cooperate, under AEC sponsorship, with public and/or private utilities in providing training and experience to selected personnel of such utilities in operating techniques pertaining to the reactor and generating station. Such personnel would necessarily be under control of the company for safety reasons.

Very truly yours,

W. E. JOHNSON,
General Manager.

Mr. HICKENLOOPER. Mr. President, what does that mean? It means that the General Electric Co. says, "If we have to operate it, we would want only to be compelled to operate it for just as much capacity as is needed by the Hanford plant, and no more. We do not want to have to undertake and operate this plant at its rated capacity. We do not want any part of it." That is my interpretation of what the letter says. I believe any objective reading of the letter will show that that is the situation.

Several of us on the committee on both sides of the Capitol believe that this would be uneconomical expenditure of $95 million, and we have filed separate views in connection with the report on the bill. Those views are found in the report. We join in the committee report on all other features of the bill

with the exception of this one item. I ask unanimous consent that there be printed in the RECORD at this point the part of the report entitled "Separate Statement," beginning at page 25 of the committee report.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SEPARATE STATEMENT ON HANFORD REACTOR POWER FACILITIES, H.R. 7576, SECTIONS 101 (a) AND 110

We are opposed to the authorization of project 62-a-6, which would authorize $95 million for the installation of power generating facilities in the new production reactor at Hanford, Wash.

We believe that there are a number of compelling reasons why this project should not be authorized. Among them are:

1. It would not advance nuclear power technology.

2. It would be contrary to the spirit, intent, and specific language of section 44 of the Atomic Energy Act of 1954.

3. It would violate assurances given to Congress in 1958 when the new production reactor was authorized.

4. It would not, as is alleged, aid national defense.

5. It is not needed to meet the power requirements of the Pacific Northwest.

6. It would be used to attract industry from other regions.

7. It would also be used to justify the construction of transmission lines leading to a gigantic Federal electric power grid.

8. It would not produce power economically.

9. It would not enhance international prestige.

10. It would constitute a precedent for the further encroachment of Government in private business.

Evidence in support of these points is presented herewith:

1. The project would not advance nuclear power technology. Chairman Seaborg of the Atomic Energy Commission said in the hearings on the bill that the project "is not being justified primarily" on the basis that it would advance nuclear technology. It would only have "limited benefits to nuclear power technology * * *," he said.

Congress consistently has agreed that the proper role of the Atomic Energy Commission in the development of nuclear power should be research and development in processes that might ultimately lead to economic and efficient nuclear power. The expenditure of the proposed $95 million would be far more effective in advancing the art of nuclear power if applied to the development of new techniques and processes than to the addition of 800,000 kilowatts of generating capacity at the Hanford reactor which will contribute little to the goal of competitive nuclear power. In fact, whatever nuclear technology is obtainable from the reactor will be obtained whether or not electrical generating facilities are installed since, at least for the dual-purpose period, the reactor will be operated in the same manner whether or not electrical facilities are added.

2. The project raises important questions of law and policy as to the proper role of the Atomic Energy Commission, which must be resolved by the Congress. Section 44 of the Atomic Energy Act of 1954 states that "Nothing in this Act shall be construed to authorize the Commission to engage in the sale or distribution of energy for commercial use except such energy as may be produced by the Commission incident to the operation of research and development facilities of the Commission, or of production facilities of the Commission."

In disposing of a block of power of some 800,000 kilowatts, enough to supply the needs of a city of over 1 million people, the Commission can hardly be considered to be doing anything else but selling "energy for commercial use." Furthermore, the proposed power facilities are not "incident to the operation of research and development facilities," nor can they be considered as incident to "the operation of * * * production facilities," since it is planned to operate the reactor for 25 years only for power purposes.

The proposed bill covers the authority of the Atomic Energy Commission to generate electrical energy in the following way:

"SEC. 110. Disposition of Electric Energy.

"(a) Electric energy produced during the operating life of the electric generating facilities constructed under section 101(a) shall be delivered by the Commission at the site of said generating facilities to, and pursuant to agreement with, the Secretary of the Interior who shall transmit and dispose of such energy under the terms prescribed by section 44 of the Atomic Energy Act of 1954, as amended."

By referring to "* * * during the operating life * * *" the bill glosses over the question of whether or not the AEC has the authority to operate facilities primarily for the generation of electrical energy.

During the debate in the Senate on the Atomic Energy Act, July 16, 1954, Senator HICKENLOOPER stated:

"So far as the public power problem is concerned, it is not even touched in the bill; in the bill there is no provision for the development by the Commission of public power. The only place in the bill where that subject is touched is in the section that provides that if, in connection with research and development, the Atomic Energy Commission produces some incidental power—power which is not primary in its operations—and if the Commission has an opportunity to sell the power, it may sell a few kilowatts which otherwise might be wasted.

"The question of the direct production of competitive power by the Atomic Energy Commission is not raised in this measure, and it is not authorized. If the Congress ever wishes to authorize it, now or at any time in the future, that question can be taken up at the proper time."

The "proper time" referred to by Senator HICKENLOOPER for the consideration of this issue by the Congress is the present, since the proposed facilities are primarily for the generation of electrical energy and the economic study being used to justify the project is based on an operating period of 25 years for the production of electrical energy only.

It is not being argued that the generation of such energy would be illegal since this bill is intended to provide adequate authorization. We do contend, however, that the Congress must squarely face up to the issue of whether the AEC is to take its place alongside the Department of Interior and TVA as a major producer of Government-generated electrical power. This is a crucial question of national policy which must be debated and resolved by this Congress.

3. The power marketing arrangements are contrary to assurances given to Congress when the new production reactor was authorized in 1958. In 1958 during congressional debate on the legislation authorizing the NPR, sponsors of the project unequivocally stated that if electric generating facilities were added to the reactor at some future time the power produced would not and should not be subject to a preference clause. Senator ANDERSON, then Chairman of the Joint Committee, said in the Senate:

"I am happy to note for the record that, so far as I am concerned, when that matter comes to Congress, and I am still a Member of it, I hope we put such restrictions on the power that it will not become public power in the ordinary sense of being subject to a preference clause for the sale of power to cooperatives. It need not be and it should not be. However, in the meantime, the Government should not deprive itself of the tremendous economic advantages of building the convertible plant, which has been recommended by everyone who has studied the subject." (CONGRESSIONAL RECORD, vol. 104, pt. 11, p. 13805.)

Senator PASTORE, also a member of the Joint Committee, assured the Senate this power would not go into the grids of either public or privately owned utilities, saying:

"Therefore, Mr. President, if we invest the additional $25 million, will power which will go into the grid of either private or public utilities in that area be produced? Of course not. Instead, we shall produce only 300 megawatts of electric power which is needed very badly at Hanford; and thus we shall have met our responsibility, because power from auxiliary sources will still be needed if the reactors break down."

Keep in mind that the economic study upon which the requested authorization is being proposed is based upon installing approximately 800,000 kilowatts of generating capacity compared to a current requirement for the Hanford site of approximately 300,000 kilowatts growing to an estimated requirement of approximately 400,000 kilowatts in the next several years.

Senator JACKSON, another Joint Committee member, was equally assuring:

"That is exactly the point. The power would be used at the Hanford reservation. There is no provision in the bill for the sale of power to a private or public utility." (CONGRESSIONAL RECORD, vol. 104, pt. 11, p. 13805.)

In the light of this proposed legislation, the above statements are a record of broken assurances. We are concerned that the assurances given this year relative to this legislation will meet with the same fate. Our concern is based on the following grounds:

(a) Section 44 of the Atomic Energy Act of 1954, as amended, legally requires that initial preference for the energy shall be given to public bodies. Section 110(a) of this bill clearly states that energy produced during the operating life of these electric generating facilities shall be disposed of under the terms prescribed by section 44 of the Atomic Energy Act of 1954, as amended. Section 44 provides a standard preference clause governing the disposition of electric energy produced by the AEC. It states that "preference and priority shall be given to public bodies and cooperatives or to privately owned utilities providing electric utility services to high-cost areas not being served by public bodies or cooperatives."

A careful analysis of section 44 clearly establishes that there is no legal guarantee that electric energy produced at the Hanford plant will be marketed to private utilities. Testimony at the hearings revealed that there were no "high-cost areas not being served by public bodies or cooperatives" in the Pacific Northwest. Thus, we are left with the normal preference clause under section 44. It is true that the Bonneville Power Administrator has stated that the needs of preference customers could be met from hydropower in the Northwest, but the fact remains that section 44 of the Atomic Energy Act requires that preference be given to public and cooperatively owned bodies. There is thus no legal assurance that private utilities will benefit from the introduction of NPR power. Moreover, there is nothing to indicate that the assurances given this year on the marketing of the Hanford power are any more reliable than the assurances which were given in 1958.

(b) Neither section 44 of the Atomic Energy Act nor this majority report gives any clear instructions as to the requirement for a pullback provision. Aside from the problems of the initial preference requirement, one must consider a second aspect of the

preference problem; namely, the so-called pullback provisions usually found in power marketing acts. The Bonneville Power Administrator, Mr. Luce, testified that he would sell power from the Hanford project under the provisions of the Bonneville Project Act of 1937 unless specifically instructed otherwise. At this point, three things must be noted:

1. Section 44 of the Atomic Energy Act of 1954 is silent on the question of pullback;

2. The Bonneville Project Act (16 U.S.C.A. 832 d.) requires a 5-year pullback provision; and

3. Nowhere in the committee majority report on this bill does the committee express its intent that energy shall be sold to nonpreferred customers on a 10-year contractual basis.

Thus, lacking specific instructions under section 44 as to the requirement for a pullback provision, the Bonneville Power Administrator, by his own testimony, has indicated that he will turn to the Bonneville Project Act for guidance and the Bonneville Act requires a 5-year pullback provision. He has not been instructed to do otherwise by the committee under the terms of this majority report. The report states only that "* * * it is the committee's understanding and expectation that so long as Bonneville can foresee that the needs of its preferred customers could be met from hydropower, it will have the authority to market the Hanford power to nonpreferred customers under firm contracts of approximately a 10-year period."

Thus, there is no firm assurance that private utilities will receive the benefits of firm 10-year contracts for electric power from the NPR. Moreover, even if the BPA Administrator enters into 10-year contracts with nonpreferred customers for the purchase of some portion of the project power, this would represent a relatively short time in the overall life of the project. There are no assurances given as to how the energy will be distributed at the end of such 10-year contracts.

4. It would not, as is alleged, aid national defense. The majority report avers that the addition of electric generating facilities to the NPR would provide the United States with a great deal of flexibility in adjusting its operations to any future changes in the field of international agreements on nuclear weapons. The report states: "It would be relatively easy to convert back to production of weapons plutonium in the event the United States discovered that other nations in the agreement were not complying with the agreement."

At first glance, this might appear to be a reasonable and logical point and would appeal to some Members of Congress as a justification for authorizing this project. However, closer examination of the facts indicates that, rather than aiding in national defense, this project will stand as a major deterrent to an effective international agreement on nuclear weapons.

This Nation has long sought an effective international disarmament agreement as being in the best interests of the peoples of the world. This must continue to be a major goal of the United States. It should be kept in mind, however, that any party to such an international agreement whose interests are opposed to the United States rightly would insist that all U.S. weapons plutonium facilities be shut down and/or dismantled. Certainly the record is clear concerning the primary purpose for which the NPR facility was constructed. This is a point which the majority report has not recognized.

Thus, the addition of electric generating facilities to the NPR would not serve the purposes of national defense, as its mere existence could preclude a workable international arms agreement. Any insistence on the part of the United States that it be permitted to retain this reactor in operation to generate power after such an agreement has been consummated, with its weapons production capability available on short notice, would not go unnoticed in the eyes of the world. Our prestige as a peaceful-minded nation would be certain to suffer to some extent.

There is another point which invalidates this claim in the majority report. AEC Chairman Seaborg informed the Joint Committee that during the power-only phase the mode of operation of the converted NPR could rapidly be modified toward the production of weapons plutonium. It seems highly doubtful that any international agreement for effective arms control would permit the continued operation of such a reactor. As a proponent of strict controls, the United States would hardly want to argue in favor of such a significant avenue of evasion which could be used to advantage by the U.S.S.R.

Therefore it is quite possible that if the electrical plant is constructed and then we are required to shut the plant down to comply with an international arms control agreement, we would lose the value of our $95 million expenditures.

For these reasons, we believe authorization of the addition of electric generating facilities to the NPR could constitute another serious roadblock in the path of effective international arms control or disarmament and therefore, would adversely affect our national defense.

In addition, the bill under consideration places before the Congress the issue of who shall operate the facility if the electrical generating plant is added. The General Electric Co., who presently operates plutonium production reactors for the AEC at Hanford, Wash., in a letter dated February 17, 1961, to the AEC, stated the following:

"The company would not wish to undertake (or, having undertaken, would not wish to continue beyond a reasonable transition period) operation of electrical facilities involving a commitment to generate at capacity or energy levels significantly above the Hanford electrical load."

There is no doubt that these facilities will generate at energy levels greatly above the Hanford electrical load. Thus, the General Electric Co. will not operate the reactor and the issue of obtaining another operator for the operation of the plant is left unresolved. Accordingly, the selection of a new operator for the powerplant may disrupt the production of plutonium for national defense.

5. This project is not needed to meet the power requirements of the Pacific Northwest. The 1960 annual report of the BPA states: "For the first time in nearly 15 years, Bonneville Power Administration finds itself in a period of surplus power instead of power scarcity."

In addition, the report states that "these projects (projects resulting from the Columbia River Treaty) together with those existing or under construction assure the Pacific Northwest of power to meet the estimated normal firm power requirements of the region through 1970."

There is no imminent power shortage in the region. Utilities in the Northwest are building—or seeking authorization to build—hydroelectric plants which will meet the area's power demands for at least 10 years. This program of building to meet anticipated loads will certainly continue in the future. It is not necessary for the Federal Government to build a project with the highly questionable economics of the NPR since its power would merely replace or offset power from other sources.

The BPA Administrator argued during the hearings that NPR power would be needed to meet an area deficiency in 1965–66 in the event streamflows get below certain critical levels. He further stated that NPR power would permit the BPA to sell 400,000 kilowatts direct to industrial customers. Neither of these arguments has merit. In the event there is critically low water in 1965–66 the only utilities which might face a deficiency in power are private electric companies, since their customers are not protected either by preference clauses or contracts. These utilities are building new projects which will meet this anticipated deficiency. Further, there will in 1965–66, be surplus power in the east group of the Northwest Power Pool, which can be made available to west group utilities if it is needed.

The proposal for direct sale to industrial consumers is also of dubious merit. In the first place, if there were any real possibility of a power shortage, the BPA Administrator should reserve power for present utility customers rather than seek to sell power to as yet unknown industries. There are no present demands for industrial power of the magnitude described by the BPA Administrator.

Area power requirements will be met by new power projects already under construction or in the planning stage. These projects meet the test of economics and comprehensive development of our river resources. There is no need for addition of the highly subsidized NPR with its dubious economic justifications.

Certainly, if there were any real possibility of a power shortage in the Pacific Northwest in this period then BPA should never have offered for sale 150,000 kilowatts of firm energy in long-term contracts to industry customers last year. We believe the argument that the power from the NPR may be needed to meet the requirements of the area is not well founded and should be discarded as without merit.

6. It would be used to attract industry from other regions. On March 9, 1961, Charles F. Luce, the BPA Administrator, writing to Senator JACKSON in support of adding power facilities at the Hanford reactor, said approval of the addition of these power facilities will make "possible the early sale of an additional 400 megawatts of firm industrial power." There can be no doubt but that this power will be used to attract new industry to the Bonneville area.

This would be highly subsidized power. There is nothing in the bill or in the record of testimony in hearings regarding it to assure against the eventuality that many costs that are necessary for its production would be excluded in fixing rates. As a result, the Nation's taxpayers who will be contributing this subsidy would be helping one region, the Pacific Northwest, to attract new industry at the expense of other regions—in many instances their own regions. In addition, they would be subsidizing federally produced nuclear power that will be going into a system which already enjoys the benefit of large quantities of Federal hydroelectric power.

Representative JAMES E. VAN ZANDT, a cosigner of this report, pointed out to the House of Representatives on May 16, 1961, that the Congress had recently enacted the depressed areas bill, authorizing almost $400 million for loans and grants to revitalize the Nation's depressed areas. He went on to say that the aproval of the $95 million addition of electric generating facilities to NPR "would further aggravate the conditions we are trying to correct," and would be contrary to the best interests of all the American people.

Representative VAN ZANDT further pointed out that this project would have serious adverse effects on other natural resource industries. The addition of approximately 700,000 kilowatts of generating capacity to Hanford would be roughly equal to 2,319,000 tons of coal per year, if the same quantity of elec-

tricity were generated in a modern fossil-fuel steam plant. The impact on the Nation's economy can be indicated by expressing this quantity of coal in terms of man-days of employment for miners in this depressed industry, or in terms of railroad coal cars necessary to transport this vital national resource. An average of 12.12 tons of coal can be mined per man per day, thus meaning that 191,360 man-days of gainful employment could result from generating 700,000 kilowatts of electric power, using a modern coal-fired steamplant. At the present time, the Nation's railroad coal cars haul an average of 61.17 tons of bituminous coal per car. This means that it would require 37,911 coal cars to haul this fuel from mine to point of utilization. Both these factors would have beneficial effects on the national economy.

Therefore, it seems highly illogical to spend $95 million to subsidize electricity to lure potential industry away from depressed areas when at the same time Congress has provided hundreds of millions of dollars in loans and grants to stimulate development of industry in those very same depressed areas. It seems equally illogical to spend this amount of money to add facilities which would further postpone the use of coal-fired stations to firm up much of the Pacific Northwest's nonfirm hydropower.

7. The project would be used to justify the construction of Federal transmission lines, leading to the construction of a giant national electric power grid. There is another basic inconsistency in the arguments put forth by proponents of this project. It is claimed that electric generating capacity is necessary in connection with the NPR in order to eliminate a projected deficit of prime power in the Pacific Northwest in the 1965–66 period before the energy from the Canadian treaty is available. But, on March 9, 1961, Secretary of Interior Udall wrote a letter to a member of the Joint Committee (found on pp. 1 and 2 of the Joint Committee print, entitled "Power Conversion Studies, Hanford New Production Reactor") stating that the value of these facilities—"will be greatly enhanced by the construction of regional interties which will substantially increase the marketability of power produced by the Hanford steamplant."

On the following day, March 10, Secretary Udall appointed a special task force headed by the BPA Administrator, to study the feasibility of an extra-high-voltage intertie between the Pacific Northwest and the Pacific Southwest to make possible deliveries of surplus Columbia River energy into southern California. Finally, on March 28, Secretary Udall stated that conversion of the Hanford reactor "would make some type of intertie almost essential."

The BPA Administrator, Mr. Luce, also expressed the opinion that the construction of regional interties will substantially increase the market for power from the Hanford steamplant. These statements by the Secretary of Interior and the BPA Administrator would seem to greatly refute the allegation that there is an impending power shortage in the Pacific Northwest and should leave little doubt in any of our minds that power from this project will be used to help justify the construction of another leg of a gigantic Federal power grid at taxpayers' expense.

8. The project would not produce power economically. Despite numerous studies prepared for the Atomic Energy Commission and for this committee, it has not yet been demonstrated that this reactor would produce economic electric power. Actually, the evidence in these studies indicates that this reactor will produce power that will be high cost and uneconomic in the Pacific Northwest.

The two studies made by the FPC really present no information to indicate that Hanford electric power would be comparable in cost to power available from other alternative sources. The reason is that the studies were based on an incomplete premise, namely, whether it would be economically feasible to add power to an already authorized and constructed reactor. They did not analyze the cost of producing power when all economic factors are considered. This is comparable to figuring the costs of coal-fired electric power without the boiler.

The FPC studies did not take into consideration any portion of the cost of the reactor itself ($120 million) or of the facilities already authorized for making it convertible to power production (another $25 million). Obviously, the $25 million investment in facilities for making the reactor capable of power production is absolutely necessary for the production of power. It is difficult to understand why the cost of these facilities was not included in the FPC study, when even the FPC recommends that the costs should be included in the rates set for power from the project.

If the cost of these facilities had been included in the FPC's economic feasibility study the results would have been markedly different. For example, during the power-only period, which represents more than 75 percent of the estimated life of the powerplant, the economics are claimed to be about "breakeven or moderately favorable." Obviously, a far less favorable, if not adverse, conclusion would have been reached if the cost of these facilities ($25 million, or about a 25-percent increase in costs) had been included.

Another omission in the FPC studies is failure to allocate to power any part of the cost of constructing the reactor. Thus, calculated power costs shown in these studies were not sufficient to amortize any part of the reactor's cost or to pay interest on the unamortized portion of its cost. During the dual-purpose period (1964–72) no portion of the cost of maintenance, operations, fuel, and insurance for the reactor were charged to power. In the power-only period (1972–97) only the cost of fuel, maintenance, operation, and insurance for the reactor were charged to power. Neither in the dual-purpose period nor the power-only period, have any part of the reactor's capital cost been charged to power. It would be remarkable indeed if nuclear power could be produced without the reactor. Yet for power cost purposes it, in effect, does not exist.

At the very least, the cost of this power should reflect the 75 percent of the reactor's life during which it would be used exclusively for the production of power. It would also seem to be sound economic prudence to reflect in the costs of power production during the dual-purpose period (1964–72) a portion of the costs of fuel, insurance, maintenance, and operation of the reactor. If not, is it to be assumed that this juggling with figures is to set a new pattern for the operation of Federal powerplants where political expedience dictates power costs?

It should be noted that the 1960 FPC report found that the addition of generating facilities was not economically feasible on the basis of 2.5 or 4 percent financing and published fuel prices. Only by using an arbitrary forecast of future production costs of nuclear fuel, which forecast incidentally has not been made available to municipal, cooperative, and privately owned utility companies which are considering the construction of nuclear plants, was the FPC able to arrive at a finding of feasibility.

The use of this undisclosed reduction in the cost of uranium fuel is unfair to municipal, cooperative, and privately owned electric companies seeking to appraise the feasibility of proposed nuclear powerplants. These groups can only use the published price of uranium. If these non-Federal groups could assume a comparable reduction in the price of uranium, the economic feasibility of their proposals would be greatly enhanced. In fact, it is likely that, under the same conditions these non-Federal groups would be able to develop nuclear powerplants that might be competitive with conventionally fueled plants. At least, they would be more apt to contribute to the advancement of really economical means of producing nuclear power, than would the expenditure of $95 million to add generating facilities to the NPR.

At the hearings on this bill an AEC spokesman claimed that in the period of dual-purpose operation (1964–72), power from this reactor will cost about 3.7 mills per kilowatt-hour. The 1961 FPC study for AEC indicates that for the power-only period 1972–97), the estimated cost of power would be in "the order of 5 mills at 70-percent plant factor * * *" (committee print, March 1961, p. 53).

From the evidence available it appears that Hanford's steamplant, even on the basis of the cost allocations used by the FPC, would produce power at a cost greater than the average revenue being received per kilowatt-hour by the Bonneville Power Administration.

In 1960 the average kilowatt-hour of power sold by BPA cost 1.61 mills as secured from the power supplier. In addition, BPA spent an average of 1.01 mills to transmit that power to load centers or to its large wholesale customers. Thus, the average cost to BPA per kilowatt-hour sold totaled 2.62 mills, yet the average revenue it received from these sales was 2.32 mills. Consequently, BPA lost money. Its annual report showed that the loss totaled $8,486,016 that year. If BPA buys power from the Hanford steamplant that costs from 3.7 to at least 5 mills, and to which it must add its transmission expenses, its deficit is bound to increase as long as it sells this power under its present price schedules.

The contention of BPA's Administrator that in the dual-purpose period power from the reactor will cost 1.36 mills seems to be wishful thinking. For one thing, the claim rests on the assumption that the reactor will have a plant factor of 85 percent. Yet FPC has stated that power could be marketed only 31 percent of the time. (In an additional evaluation, FPC stated that power may be marketed between 45 and 70 percent of the time.)

The Bonneville Power Administration at present supplies AEC the power needed for the operation of existing Hanford reactors. This power costs AEC 2½ mills per kilowatt-hour. AEC intends to continue buying its power from BPA at the existing rates even when the Hanford steamplant is producing higher cost power.

9. It would not enhance international prestige. Another benefit which proponents of this project attempt to claim is that there will be some international prestige value to its construction. This, it seems to us, is as inconsistent as most of the other arguments used in an attempt to justify construction of this unnecessary project. The NPR will yield only low pressure, saturated steam, better suited to the boiler of an old-fashioned locomotive than to a modern turbine generator. As was disclosed in the hearings, this represents retrogressions rather than progress as far as power production is concerned— either nuclear or conventional.

It is difficult to understand in this age of spectacular space explorations how one can claim that international prestige will accrue from building an obsolete type of nuclear powerplant.

The majority report recalled the impact of the Soviet Union's announcement of the completion of a 100-megawatt dual-purpose plant at the 1958 Geneva Conference. Three years is a significant period of time to have

elapsed when scientific and technical advances are taking place as rapidly as they are today. The attempt to impress the rest of the world today by merely saying that now this Nation has a project which is seven or eight times larger than the Soviet Union's 1958 plant, would seem to have little impact.

On the other hand, if international prestige is something the Joint Committee and the Congress is seeking, we maintain that $95 million could be spent more effectively in many other more productive ways.

10. Approval of this project would constitute a precedent for further encroachment of Government in business. The Joint Committee consistently has avoided using the Nation's atomic energy program as a means of encroaching on our traditional business enterprise system. In fact, the Atomic Energy Act of 1954 specifically declares it to be the policy of the United States that "the development, use, and control of atomic energy shall be directed so as to * * * strengthen free competition in private enterprise." Now, however, the majority report of the Joint Committee proposes to use this project as an opening wedge in changing this policy.

In conclusion, the Congress should take special note of the fact that the authorization of electric generating facilities for the NPR will mark the first legislative acceptance of Government-constructed steam electric generating plants outside the TVA area. Up to this time, the Congress has been scrupulous to assure that such plants were not constructed outside the rigidly defined TVA area. We submit that the precedent that would be established here is a most dangerous one. The Congress should not be misled by the respectable cloak of necessary plutonium production into permitting this very significant governmental encroachment in private enterprise.

BOURKE B. HICKENLOOPER.
WALLACE F. BENNETT.
JAMES E. VAN ZANDT.
CRAIG HOSMER.
WILLIAM H. BATES.

Mr. HICKENLOOPER. I wish to point out some of the reasons and conclusions which make us feel that this would be an unwise expenditure of money.

First, we say it would not advance nuclear power technology. That statement has been amply sustained by the absence of any argument on the part of the proponents of the item that it would advance nuclear technology.

Second, we say, it would be contrary to the spirit, intent, and specific language of section 44 of the Atomic Energy Act of 1954. The Atomic Energy Act has for one of its major purposes the stimulation of private enterprise, private exploration, and private development in this field. This item violates that purpose completely.

Third, it would violate assurances given to Congress in 1958 when the new production reactor was authorized.

I call attention to the statement of the distinguished Senator from Rhode Island [Mr. PASTORE], who is in charge of the measure on the floor, as contained in the report of the minority, found at page 27 of the committee report accompanying the bill:

> Senator PASTORE, also a member of the Joint Committee, assured the Senate this power would not go into the grids of either publicly or privately owned utilities.

That is what was said to the Senate in 1958 when the bill was under consideration and when this convertibility feature was being discussed. It was said that this power would not go into the grids of public or private utilities. It would be for the use only of Hanford. The Senator from Rhode Island said:

> Therefore, Mr. President, if we invest the additional $25 million, will power which will go into the grid of either private or public utilities in that area be produced? Of course not. Instead, we shall produce only 300 megawatts of electric power which is needed very badly at Hanford; and thus we shall have met our responsibility, because power from auxiliary sources will still be needed if the reactors break down.

That was the statement of the distinguished Senator from Rhode Island, who is in charge of the bill and who advocates the spending of an additional $95 million. The electricity which will be produced will go into the commercial grids. In 1958, when the convertibility feature was under discussion, his own statement was that it will not go into the commercial grids, and that only enough electricity will be produced for Hanford itself.

Fourth, it would not, as is alleged, aid national defense. There is no particular stimulus to national defense in the addition of these electric power facilities—for the production of plutonium, yes, but not power facilities.

Fifth, the power is not needed. There is in fact no practical shortage of electricity in the Pacific Northwest. We can confuse the situation by talking about dump power and firm power, and about everything else. However, there is no practical shortage of electricity in the Pacific Northwest at this time.

Sixth, it would be used to attract industry from other regions.

That is a regional argument, which can be used depending upon individual conditions. A concentration of publicly subsidized power will attract industry to that region as against another region. I will not dwell on that.

Our eighth point is that it would not produce power economically. I submit that the evidence all the way down through the hearings on this subject shows that testimony is utterly fuzzy. The witnesses all hedged their answers, saying that if we calculated certain costs and included those in the production of plutonium, we would bring down the cost of electricity.

If those costs were charged to electrical production, the cost of the electricity would be increased.

I believe it was on May 17, 1961, that Dr. Greninger, of General Electric, the general manager at Hanford, in his statement to the Joint Committee, said:

> In other words, the addition of generating facilities to NPR may appear "economically justified" on some sets of assumptions and might be judged questionable on others.

There is no clear-cut statistical, engineering, or electrical calculation to justify the production of electricity by this project, even on a comparable cost with steam or falling water. It sounds attractive to say that all that steam is going to waste; but energy has been wasted at Hanford ever since the beginning of the building of reactors there. From the time the first battery of plutonium reactors was built at Hanford, enough heat has been going into the Columbia River to raise its temperature about 2 degrees. Yet no one has ever claimed that generating capacity could be efficiently hooked up to that heat or to that steam to produce electricity as cheap as it can be produced by falling water or coal.

No, this proposal, in my judgment, would result in a waste of money by the Federal Government. I am not resisting the production of additional electricity in the Northwest. That is not the point. I simply say that if electricity is to be produced, either by public or private money, then let the installations be built which will produce it at the lowest possible modern efficiency costs. Let us not waste public money on the kind of installation proposed to be built with the expenditure of $95 million.

A moment ago, the Senator from Rhode Island said that the Government has already expended $25 million on the convertibility feature, and that that amount would be lost if the other $95 million were not spent. Of course it will be lost. As I tried to discuss it with him at that time, the simple fact that $25 million has been wasted does not justify throwing $95 million more down the waste rathole for the production of an electrical producing plant which will teach us nothing about the atomic art, which will teach us nothing about the generation of electricity that we do not already know. There is nothing new about this plant. There is nothing pioneering about the proposed electrical generating plant. There is nothing about its plutonium production nature that is novel. It is all known. It is standard procedure. To waste an additional $95 million on an inefficient plant is, I believe, unjustified, especially in these days, when many of us are hoping that the Government can save money, rather than spend money with the profligacy of a drunken sailor, simply because it is public money, and because some arguments may sound good, regardless of how suspicious they may be.

One more item, item No. 10. We object to the proposed construction of the facility because it would constitute a precedent for the further encroachment of Government in private business. There is a great temptation always to put the Government into private business or in competition with private business. I again state, Mr. President, that the Atomic Energy Commission, based on the whole concept of the Commission and its purposes, has no business whatsoever going into the production of commercial power for sale. That is exactly what is proposed in this instance, as I said a moment ago, because more than half of the power produced will be sold commercially.

I do not hear anyone saying that because the Civil Aeronautics Board regulates experiments with aviation, it ought to start to run an airline in competition with private airlines. I do not notice anyone arguing that because the Interstate Commerce Commission has jurisdiction of and supervision over railroads

and other transportation systems in this country, it ought to go into the business of operating transportation systems. I do not notice anyone arguing that any of the other regulatory or experimental commissions, simply because they have jurisdiction over certain phases and over the public interest in certain phases in those projects, ought to begin the operation of commercial activities in those fields. I do not notice anyone suggesting that because the Pure Food and Drug Administration has supervision over the purity of the meat we eat, the Administration ought to operate a hotdog stand.

But that is exactly what it is proposed to have the Atomic Energy Commission do in this instance. The AEC was never conceived or created to be a commercial competitive enterprise, to enter into the business of producing electric power for sale commercially.

If commercial power is needed in that region, let the proper facilities for it be built. If the need for it is proved, let it be supported. I am not opposed to increasing the amount of commercial power needed in that area, but it should be provided in the proper way. What is here proposed is comparable to the camel getting its nose into the tent. This is the first step toward putting the Atomic Energy Commission into a business that it never was intended it should be in, in the first place. There has been a misconception of the whole purpose of the Atomic Energy Commission.

As I said a moment ago, an engineer can take his pencil and slide rule, and, depending upon the factors which he applies, or depending on what is charged to the operation of plutonium and its production, or what is failed to be charged, can make the cost of the electricity almost anything he wishes it to be, from nothing to a completely prohibited cost.

I submit that all those who have examined the proposal and who claim that electricity can be produced at a cost that is anywhere nearly competitive have a fuzzy line of cost calculation to which they cannot be pinned down. They all say, as did General Electric, that if certain factors are considered in one way, the cost will be reduced; if they are considered in another way, the cost will be increased. The net result, I am convinced, is that the electricity will cost not less than 3.7 mills, and that it will be sold to Bonneville by the Atomic Energy Commission at somewhere around 2½ mills, because the electricity can be produced and obtained for that price. The result will be a net loss to the Government in this operation which will teach the Government and the public nothing about the production of electricity and nothing about the operation of reactors of any advanced degree, of approximately 1 to 1.2 mills for every kilowatt delivered into the so-called grid or that is used at Hanford.

Again, I get back to what I said a while ago. This proposal is similar to the old story about the bananas. The fellow said he lost money on every banana he sold, but he made a profit because his volume was so big. I think that argument applies here.

So it is said that the Government is going to lose money on every kilowatt it produces, but an 800,000 kilowatt volume is so big that the Government will make a profit. That is about the way the argument adds up, in my opinion.

I do not know how the Senate will vote this afternoon. The attendance of Senators on the floor during this debate has not been large, with the result that not very many Senators have had an opportunity to examine the records or look into this matter.

But, Mr. President, I do know that last Thursday, after exhaustive debate, the other body soundly defeated this proposal. It was soundly defeated there, and these provisions were taken out of this bill. The argument made there was based on the fact that the proposed operation would be inefficient and costly and would result in putting the Atomic Energy Commission into the commercial power production business. And that is exactly what it would do.

As I have said, I do not know what action the Senate will take today on this matter. But I do know that the evidence clearly shows that at this moment there is no burning need for additional power in that area. I do know that in my own mind, after adding up all the evidence, such power will be costly—much more costly than power produced by falling water or even power produced by steam; and let us remember that coal is available adjacent to this area. Furthermore, this project, if put into operation, would not teach us anything new about the art of producing electricity, because there is nothing new about such generators; and this plant would teach us nothing that we do not already know about the basic principles of the production of plutonium.

Mr. President, Senators should bear in mind that one of the prime duties of the Atomic Energy Commission is to advance the art, not to go into the commercial power production business. I do know that if electricity is needed there, it can be provided, and will be provided, by proper bodies, either public or private, and will be produced at low cost, and with modern and efficient production methods, by means other than this one.

The argument that a great deal of steam is being produced there and is being wasted does not in any way justify the hooking up of machinery that would inefficiently use the steam. A moment ago I tried to point out that that argument is just the same as saying that a tremendous volume of water is flowing down the Potomac River, and that we should stop to realize what a great quantity of water is going to waste in that way, and that we should build dams every 15 or 20 feet along the river, and thus make use of the water—without giving any thought to the fact that if that were done, the electricity which would be produced would be so prohibitively expensive and the maintenance cost would be so great that it would be foolish to engage in such projects. And, Mr. President, of course it would be. The mere fact that some such situation exists does not mean that one can wave a magic wand and thus put such sources to efficient use.

A moment ago I said that during recent years enough heat has been turned into the Columbia River to make it possible to raise the temperature two degrees. But no one has ever tried to make steam in that way. Why? Because it would not be efficient. I think the same applies in this case.

When it is said there is an endorsement, I point out that there is an endorsement that under certain conditions dual-purpose reactors might be experimented with. But let us bear in mind that this reactor has been built as a plutonium reactor to produce needed plutonium; and actually, in effect, it has not really been, from the time of its origin and concept, a dual-purpose reactor.

A moment ago much was said about the fact that the Russians have dual-purpose reactors. But let me point out that although with great fanfare, a few years ago, the Russians announced that they were going to produce great quantities of power by means of the use of atomic heat, we find that in the last few years they have been minimizing that, and have been going down, down, and down, and have not been expanding that production; and it will also be noticed that other countries have not been advancing along this line as rapidly as was predicted a few years ago. Why? Because today not one atomic plant can produce power that can compete economically with the power produced from falling water or from coal, with the exception of power produced at certain plants located, let us say, in Antarctica or in Thule, Greenland, or in the middle of the Sahara Desert. I suppose it would be possible to construct an atomic plant in the middle of the Sahara Desert and perhaps produce atomic power there for less than the cost of bringing heat to it from the seaboard. But that reminds me of what Admiral Rickover said, one day, about the efficiency of atomic plants located in far away places. He said:

> The best way to have a railroad built is to decide to build an atomic plant in such a remote spot. Then it is necessary to build a railroad, in order to take supplies to the atomic plant; and that is the way to get the railroad built.

Mr. President, this entire proposal is, to me, unsustainable; and it is indefensible, first, on economic grounds; and, second, it is indefensible when it is compared with the basic purposes of the Atomic Energy Act and the Atomic Energy Commission. This project would, for the first time, definitely put the Atomic Energy Commission—a regulatory body and an experimental body—into the commercial business of the production of electric power. I say that would violate the Atomic Energy Act, and would be the wrong direction for us to take.

Mr. President, that about concludes the arguments I have to make, except I wish to refer Senators to the debate and the record of the House of Representatives, last week. Senators will find the termination of that debate in the CONGRESSIONAL RECORD for last Thursday,

July 13; and they will find other references and data supporting the objections to this measure in the CONGRESSIONAL RECORD of June 27 of this year; and they will find other references to it and other data in the RECORD of June 14, 1961, and other references in the RECORD of June 28, 1961. The last ones refer to the statements and the insertions made by Representative JAMES VAN ZANDT, of Pennsylvania, and Representative WILLIAM BATES, of Massachusetts; and also in those RECORDS will be found the statements made by Representative CRAIG HOSMER, of California. They have documented this matter in great detail, and that had a great deal to do with the rejection by the House of Representatives of this proposal.

In closing, Mr. President, I merely wish to repeat that there is no conclusive proof that this project would be at all efficient. There is conclusive proof that it puts the Atomic Energy Commission in the commercial business. There is no conclusive proof that this power is needed, which is another question. And, in my judgment, there is conclusive proof in this record that this represents a waste of public money, that it is unjustified, and that it should be eliminated from the bill, in accordance with the motion to strike which is before the Senate at this time.

Mr. BRIDGES. Mr. President, I rise to voice my opposition to the language of S. 2043 authorizing $95 million for generating facilities at Hanford, Wash.

In 1958, when we approved authorization of the new Hanford production reactor, we were assured that this reactor was urgently needed to bolster our plutonium production capacity and to replace some of the older production reactors at Hanford.

We were told that this reactor provided only a small step toward meeting the minimum plutonium requirements set out by the Joint Chiefs of Staff. I am sure that the Senate agreed to this authorization 3 years ago on this basis.

As it stand now, the new Hanford reactor will be completed late next year, just about on schedule, and after a brief checkout period the production of plutonium in the new facility can be undertaken. There has been no indication as to whether the Atomic Energy Commission will shut down any of the older Hanford reactors which this new facility is to replace but at least the Nation will have a reliable new plant to meet defense needs in the plutonium field.

Now the proponents of the Hanford steamplant project which is contained in S. 2043 come to us with a plan which was foreseen by some Senators in 1958—a plan which disturbs me deeply. The proponents of the project to convert this new Hanford reactor to generation of electric energy seem to have forgotten the very basis on which the reactor was authorized in this Chamber 3 years ago.

I do not pretend to be an atomic energy expert, but I think I understand this conversion proposal well enough to explain what it means. First of all, the reactor would be operated as a standard plutonium production reactor for 2 years, or until late in 1964. Second, by late 1964 the addition of the electric generating facilities would be completed at Hanford, and the AEC would undertake to operate the facility for the next 8 years, or until 1972, as a dual-purpose facility which would produce both plutonium and power. During this 8-year period, however, as I understand it, the Nation would get plutonium from this reactor at a lower rate of production than during the first 2 years. Finally, on or after 1972 the reactor would be further modified to make it primarily an electric power station which would produce plutonium only as a subsidiary by-product. During the latter period, which would run the remainder of the useful life of the reactor, plutonium would be produced at an even lower rate.

We have been told that the older Hanford reactors have about 2 more years of useful life left in them. This means that they would be useless after 1963, the year after the new Hanford reactor begins producing plutonium. Any attempt, therefore, to reduce plutonium production in the new facility after 1963 or 1964 would serve only to reduce the Nation's overall plutonium production capacity.

We must remember, too, that there are other reactors producing plutonium at Hanford and Savannah River and that these, too, may be approaching the end of their usefulness. It appears to me, as it should appear to every Senator, that it is important to maintain at least the status quo on our plutonium production capacity.

It seems to me, therefore, Mr. President, that when we are asked to authorize addition of generating facilities to this Hanford reactor and to permit plutonium production to be reduced in the bargain, we are being asked to forget why we authorized this reactor in the first place.

Mr. President, there are many convincing arguments for striking this $95 million item from the AEC authorization bill. This item would not advance nuclear power technology, it surely would not aid national defense, it is not needed to meet the power requirements of the Pacific Northwest and, most important of all, it would constitute a precedent for further encroachment by the Federal Government into private business. According to my information, privately owned utility companies in that section of the country are doing at least an adequate job without any interference from the Federal Government.

I see absolutely no sound reason for the Federal Government to spend the taxpayers' money to build and operate tax-exempt commercial electric plants to compete with private industry.

In my judgment, Members of the House acted wisely in striking this $95 million item from the AEC authorization. I believe the Senate should do likewise.

Mr. BENNETT previously said: Mr. President, the pending business is the atomic energy authorization bill. I am a member of the Joint Committee on Atomic Energy. I should like to be able to take part in the discussion of the bill after it has been properly presented. However, I have the responsibility to attend hearings of one of my other committees this afternoon. Therefore I ask unanimous consent that a statement I have prepared opposing the erection of the steamplant in connection with the Hanford plutonium reactor be inserted in the RECORD during this afternoon's debate, at an appropriate place, possibly following a similar statement which I understand will be made by the Senator from Iowa [Mr. HICKENLOOPER].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BENNETT

HANFORD STEAMPLANT—A PUBLIC POWER BOONDOGGLE

Mr. President, the general provisions of this bill have been very ably discussed by the distinguished vice chairman of the Joint Committee on Atomic Energy, the gentleman from Rhode Island. By and large, I think this is a good bill which has resulted from many hours of diligent work by the committee. There is, however, one project included with which I must take strong exception. This proposal—project 62-a-6—would authorize the expenditure of $95 million to add 800,000 kilowatts of electric generating capacity to the new production reactor being constructed at Hanford, Wash.

EXPENDITURE UNJUSTIFIED

Attempts to justify this expenditure of $95 million to finance the addition of electric power generating facilities at Hanford are based largely on three points. The first is that addition of the generating facilities will make use of heat, created in the plutonium production process, which otherwise would go to waste. The second is that power producing facilities of the magnitude proposed for the Hanford plant will provide the United States with an enormous prestige item—to be used presumably in the propaganda war with Soviet Russia. The third is that approximately 800,000 kilowatts of power which Hanford would provide is necessary in order to meet a power shortage which might possibly develop in the Pacific Northwest by 1965–66.

COSTS GREATER THAN BENEFITS

Points one and two can be disposed of with little consideration. In regard to point No. 1, it is true that the reactor process at the proposed new production reactor does create substantial amounts of heat, and without the addition of some equipment to utilize this heat, it is indeed dissipated in the Columbia River. What the proponents do not want to bring up in this discussion is the fact that costs incurred in transforming this heat to electric energy are substantially greater than the value of the energy itself. It is certainly not unusual in the development of this Nation's atomic energy program to use some economic intelligence and forego the attempt to use reactor heat or steam when it does not meet the test of economic feasibility. There are other reactors at Hanford, Wash., Savannah River, S.C., National Reactor Testing Station, Arco, Idaho, and Shippingport Station, Pa., where prudence dictated that it would be cheaper to lose the steam rather than to waste precious Federal dollars in an attempt to use it.

ECONOMIC SLEIGHT OF HAND

Only by the most dubious accounting and economic reasoning can the proposed powerplant at Hanford be considered economical. For example, the $25 million Congress authorized 2 years ago to make the new production reactor convertible—that is to adapt it to possible power production at some

future time—is not considered by the proponents of this bill as a cost of the powerplant. Likewise, none of the cost of the reactor itself is included in calculating the cost of the power to be produced. This kind of economic sleight of hand would be roughly comparable to charging to power only the costs of generators and turbines at a dam, and charging off the entire cost of the dam itself to some other purpose.

MODEL-T LACKS PRESTIGE IN ATOMIC AGE

In regard to point No. 2, the so-called prestige item, it is well known that the Handford powerplant would utilize mechanical and engineering techniques which were obsolete in the early 1930's. Building an 800,000-kilowatt powerplant at Hanford would give this country the same kind of prestige as it would get if we were in 1961 to build the biggest model-T factory in the world.

If indeed this country wishes to continue in its efforts to improve its image before the world, it seems to me that it would be much wiser—much sounder fiscal policy—to spend our money and our talents in areas where accomplishment would indeed be measures of national achievement. Far from enhancing our prestige, the wasteful expenditure of $95 million for an outdated, antiquated, inefficient 800,000 kilowatt teakettle would make us the technological laughingstock of the world.

NO REAL POWER SHORTAGE

Because it is a subject of such technical and engineering complications, the question of Northwest power supplies and anticipated deficiencies requires a little more time to consider. Essentially, the proponents of the Hanford powerplant claim that this project is the only available powerplant which can be built in time to meet a possible power shortage in the Pacific Northwest during the winter of 1965–66. This shortage could only occur if there is at that time a corresponding shortage of water in the Columbia River system. This, I might add, is a most remote possibility. It is, however, a possibility and therefore should be considered because utilities must provide power to meet the most adverse situations, regardless of the fact that such adversity might occur but once in a hundred years.

In the Pacific Northwest at the present time, there is roughly 9.3 million kilowatts of dependable hydroelectric generating capacity. About half of this is owned by the Federal Government, the other half by non-Federal utility organizations, both public and private. According to the engineers who forecast power needs, the amount of power presently installed, coupled with amounts which will be installed over the next few years, will fully satisfy the regional power needs up to the year 1965. In the winter of 1965, if the streams reach critically low levels, there may be a power deficiency in the region. It could amount to somewhere between 100,000 and 200,000 kilowatts.

Proponents of the Hanford powerplant argue that it is to meet this shortage that Hanford must be built—that nothing else can do that job. This argument I submit to you is patently false.

ANY NEW POWER NEEDS CAN BE MET

There is in the western part of the Northwest nearly half a million kilowatts of steam-electric generating capacity which at this moment is on reserve and which could be used in 1965 to meet any deficiency in hydropower. Furthermore, by 1965, there will be in Idaho, Montana and Utah 300,000 to 500,000 kilowatts of surplus power which can be exported to the western area of the Columbia Basin to meet power deficiencies.

Admittedly these sources would provide higher-cost power, but nonetheless, power will be available. Perhaps a better way to solve the problem of 1965–66 would be to permit the region's utilities to proceed with construction of their own powerplants to meet their own deficiencies. Most of us are aware of the effort of a group of Northwest utilities to build the High Mountain Sheep project on the Snake River which would have a capacity in excess of a million kilowatts. Perhaps this Congress would be wiser if it encouraged development of this project by non-Federal utilities rather than to authorize $95 million of the taxpayers' money to build the Hanford powerplant.

OTHER ALTERNATIVES ARE AVAILABLE

If, however, Congress is determined to spend the taxpayers' money in the field of power production and the development of atomic energy, then I suggest we can spend it far wiser than by erecting an antiquated steamplant in central Washington. If we must spend $95 million to help the Northwest meet its power needs, then we should spend it to accelerate development of Federal projects now being built in that region. For instance, we could speed up development of John Day Dam, and thereby add 1.5 million kilowatts to the power pool by 1967, or we might accelerate development of Lower Monumental Dam on the Snake River and get its 200,000 kilowatts on the line by 1966. There are certainly other alternatives which could be done more economically and expeditiously than that contained in the Hanford steamplant proposal.

Over the years I have served in the Senate, I have supported most of the projects submitted to Congress for development of multiple-purpose dams. I have done so on the basis that the beneficial development of our water and power resources is a proper area for Federal assistance. I submit to you that Hanford is not. Certainly, the U.S. Government must develop and build plutonium-producing reactors because they are needed for national defense. But the U.S. Government need not embark on a program of building steam electric generating stations simply to be building steam electric generating stations.

ISSUES ARE CLEAR

The issue in this debate is very clear. When the camouflage of prestige and power requirements and heat conservation is stripped away, the issue is simply, "Will the Congress of the United States authorize the expenditure of $95 million of taxpayers' money to build a steam electric generating plant in the Pacific Northwest or will the Congress encourage full development of the Nation's water power and leave the job of building steamplants up to the utilities in the region?"

OVER 900 COAL MINERS ARE AFFECTED

Mr. President, there is another aspect of this whole picture which I feel it is appropriate to discuss at this time. This is the effect of the Hanford steam plant on other resource development in the United States.

We are particularly concerned, in the State of Utah and other Western States, about the future of our coal industry. This remains a seriously depressed industry in Utah and, consequently, we are vitally concerned about any proposal which would adversely effect the future of this important natural resource.

The proposal to add 800,000 kilowatts of generating capacity to Hanford is roughly equivalent to 2,649,000 tons of coal per year based on an 85-percent load factor. Since it takes less than 1 pound of coal to generate a kilowatt-hour of electricity in the most modern steamplants, the total kilowatt-hours from the Hanford steamplant can be translated into this quantity of coal.

The figure can also be expressed in terms of man-day employment for coal miners in this depressed industry. An average of 12.12 tons of coal can be mined per man per day in this country. This would mean that approximately 217,740 man-days of gainful employment could result from the generation of 800,000 kilowatts of electric power using a modern fossil-fuel steamplant. Therefore, if coal were used to produce this same amount of power, it would provide full-time employment to over 900 coal miners.

It is recognized that there is no proposal to construct an alternative steam facility of this size presently being considered. But we can be assured if the future power needs of the area require such an additional block of power—and it might be pointed out that the Bonneville Power Administration reported in its 1960 annual report that there is a surplus of power in the BPA area—there are other resources that can be developed to meet the need. In fact, some of the power companies in the Pacific Northwest are already planning for the time when steam generating units will be required on their own systems. For this reason, it might be said that adding these electric generating facilities to Hanford would further postpone the use of coal-fired stations to firm up much of the Pacific Northwest's nonfirm hydropower.

GIGANTIC TVA FOR NORTHWEST

Mr. President, it is quite evident that in requesting authorization of the Hanford project the Kennedy administration is attempting to create a gigantic TVA in the Northwest and that this project is but a first link in an ambitious plan to create a nationalized power grid. The tipoff that such a multi-billion-dollar plan would be pushed by the administration was contained in the President's special message on natural resources which was submitted to the Congress on February 23, 1961. I would like to quote from the section of the President's speech dealing with electric power wherein he stated:

"Finally, I have directed the Secretary of the Interior to develop plans for the early interconnection of areas served by that Department's marketing agencies with adequate common carrier transmission lines; to plan for further national pooling of electric power, both public and private; and to enlarge such pooling as now exists."

During the hearings on the AEC authorization bill, Secretary of the Interior Stewart Udall in a letter to the junior Senator from Washington, urged construction of the Hanford steamplant and in the concluding sentence of his letter revealed the administration's hope to make this project a valuable link in an all-Federal power grid system. He said, "Finally, its value will be greatly enhanced by the construction of regional interties which will substantially increase the marketability of power produced by the Hanford steamplant.

The Washington Post of July 12, 1961, under a caption entitled "Kennedy Asks Greater TVA's" quotes the President as saying that he wanted to see TVA "go forward, not rest on its laurels." The President called for "further development of the TVA" and new efforts to produce cheaper power from atomic energy. Although the President didn't refer by name to the Hanford reactor, I submit that the meaning is crystal clear and that the administration fully intends to launch the Hanford steamplant as the pilot project in a western TVA to strangle all private power producers.

MORE AT STAKE THAN $95 MILLION

Therefore, we are voting today not only on the issue of authorizing one $95 million steamplant, we are deciding whether or not Congress should endorse this major step in establishing a gigantic federally subsidized system of power generating plants and transmission lines for the Northwestern United States, and eventually for the whole country. I hope my colleagues can see through the camouflage which the advocates of this project have created in the hope of disguising its true purpose.

WASTEFUL EXPENDITURE

Thus, Mr. President, we must conclude that it is not necessary to authorize the construction of the Hanford electric generating station. It would be a wasteful expenditure of $95 million of badly needed Federal funds at a time when the National Treasury is going to be strained to the utmost to meet the challenges of this present age. Therefore, I sincerely urge each and every Member of the Senate to vote against project 62-a-6 in the AEC authorization bill.

Mr. JACKSON. Mr. President, I rise in opposition to the motion to strike made by the Senator from Iowa.

First, I should like to make one brief observation in connection with the point made by the distinguished Senator. Why should we convert the reactor at Hanford to produce power when we did not do so with the earlier Hanford reactors? The answer to that question is, as my colleague knows, that the state of the art had not advanced to the point where, in the beginning, we were able to achieve that particular objective. It is interesting to note, and I repeat it because the distinguished senior Senator from Rhode Island brought it out earlier in the day, that the former Chairman of the Atomic Energy Commission, Mr. Lewis Strauss, testified in connection with this project back in 1958—to be exact, on June 24—at a meeting of the Joint Committee on Atomic Energy, as follows:

Senator BRICKER. Whether it should be a convertible type or whether it should be left to the judgment of the Commission.

Mr. STRAUSS. Without knowing anything about the Johnson testimony.

And that refers to Mr. Johnson, manager of the General Electric facility at Hanford:

I would say this: that had it been possible at the time that the Hanford reactors were built and the Savannah River reactors were built to make them convertible at will, it would have been, I think, the smart thing to do. As far as I know there was not any such possibility available to the Manhattan District originally or to the Commission in the days when it decided on the Savannah River plant.

The words I have just quoted are from the Republican chairman of the Atomic Energy Commission, Mr. Lewis Strauss. He certainly laid to rest the whole contention that this is a foolish thing to undertake by saying that, if he had had his way, all the reactors would have been convertible. I think the statement speaks for itself.

As Members of the Senate know, we are now building at Hanford a plutonium production reactor which will manufacture fissionable material urgently needed for the defense of the free world. This reactor, the new production reactor, will be completed late next year.

Like any other plutonium production reactor, the new production reactor will generate enormous amounts of energy—in the form of heat. Two things can be done with this heat. It can be wasted—thrown away. It can be squandered into the atmosphere or dissipated into the Columbia River. Or else this heat can be used—for constructive purposes. It can be transformed into steam, and thence into electricity for lighting homes and running factories.

The addition of electric generating facilities to the new plutonium production reactor would permit its heat so to be used for peaceful purposes. The reactor, with these generating facilities, could produce some three-quarters of a million kilowatts of useful electricity. The plant would thereby pay a double dividend. It would produce plutonium needed by our Armed Forces. At the same time it would produce useful power needed for the growing demands of the Pacific Northwest. The reactor would become both a plowshare and a sword.

The decision to make this a dual-purpose plant, capable of producing electricity as well as plutonium, was not made on the spur of the moment. It was preceded by years of study by the most competent technical and economic experts in our Nation. The desirability of this step has been examined and reexamined.

Every competent and objective authority who has studied this matter believes that it makes economic, technical, and political sense to add electric generating facilities to the new production reactor.

The Atomic Energy Commission says this is the right thing to do.

The Bureau of the Budget says this is the right thing to do.

The Chairman of the Atomic Energy Commission is Dr. Glenn Seaborg, a Nobel Prize-winning physicist.

The company that originated this project, and the company which has pursued it with energy, is General Electric. Dr. Cordiner made a statement as to its feasibility back in 1953. I think General Electric Co. has some competency.

The General Electric Co., the AEC operating contractor at Hanford, says this is the right thing to do.

The Federal Power Commission says this is the right thing to do.

The Bonneville Power Administration says this is the right thing to do.

Independent consulting engineers say this is the right thing to do.

And who opposes this step, Mr. President? Two groups only—the private power lobby is fighting it, and the coal mining interests are fighting it.

The private utility lobby is raising the false and nonexistent issue of private versus public power. The real issue is this: Will the American people save money by producing low-cost electricity with the heat generated by this reactor? Or will they waste money by throwing the heat away? The coal mining lobby appears to be making a general argument against all development of atomic power upon the grounds it may interfere with coal production—a proposition most of us are unlikely to accept.

Mr. President, I want to deal in facts. And the facts are these.

Fact No. 1: Making the new production reactor a dual-purpose reactor makes economic sense.

Beyond question, the addition of generating facilities at new production reactor is economically sound. Three Federal agencies—Atomic Energy Commission, Federal Power Commission, and Bonneville Power Administration—have independently reached this conclusion. So also has R. W. Beck & Associates, a nationally known firm of consulting engineers employed by the Joint Committee on Atomic Energy to study feasibility of the project.

During the dual purpose period, estimated to be the first 8 years of power plant operations, the cost of Hanford atomic power will be $8.70 per kilowatt year at the generators. This cost figure is based on amortizing the full cost of the capital investment in power facilities, plus interest thereon at 4 percent per year, and an allowance for insurance of more than $200,000 per year. This cost of $8.70 per kilowatt year is cheaper than any alternative hydro site left in the Pacific Northwest. For example, John Day power will cost $15.19 per kilowatt year, and Lower Monumental power will cost $21 per kilowatt year. If we compare the cost of Hanford power with John Day and Lower Monumental on a kilowatt-hour basis, Hanford will cost 1.35 mills, John Day 1.56 mills, and Lower Monumental 1.99 mills.

We do not know, of course, that new production reactor will operate as a dual purpose facility for only 8 years. Barring a nuclear disarmament agreement, it is hard to imagine that AEC will completely shut down all of its plutonium production facilities by 1972. If there is merely a curtailment of plutonium production, the new production reactor would probably be the last plant to be closed.

When and if AEC does go completely out of plutonium production, the new production reactor will produce electricity at a cost competitive with the best conventional steamplants that can be built today in the Northwest. The exact cost during the single-purpose period is classified. Load and resource predictions of the utility industry, both public and private, are that by the end of the period of dual-purpose new production reactor operations, the economic hydro sites all will have been developed, and the area will be moving into steam generation. So that in terms of the lowest cost available alternatives, throughout its entire economic life, the Hanford electrical generation will be cheaper than, or as cheap as, other generation.

Fact No. 2: The Pacific Northwest needs this power. Load forecasts of both the public and private agencies confirm the need. Unless generating facilities are added to Hanford, the Pacific Northwest does not have the firm capability to meet its power needs if 1965–66 should be a critical water year. If for any reason Canada would delay ratification of the treaty for joint development of the Columbia River, the power shortage period would be extended until new generation, not presently authorized, was developed. I have heard it said there is a surplus of power in the Pacific Northwest. The facts are that this surplus consists of secondary or dump energy, and not long-ferm firm power. The Pacific Northwest is in the paradoxical position of having a surplus of secondary energy, or dump energy, bu', a shortage of long-term firm power. The reactor would produce long-term firm power, and help solve that shortage.

Fact No. 3: This project makes sense on technical grounds.

Today's conventional powerplants—those fired by coal or oil—use high-temperature, high quality steam. But the large atomic powerplants we have built so far—Shippingport, Dresden, and the Yankee plant—produce relatively low-temperature, saturated steam. So would the new production reactor. We do not now know nearly all we ought to know about the problems of designing and operating nuclear powerplants working on low-pressure, low-temperature steam. The NPR, converted into a dual-purpose reactor, would help us amass this needed knowledge.

Yesterday, Chairman Seaborg of the Atomic Energy Commission wrote to Senator ANDERSON and me as follows:

This is in response to your request for my views on the technological benefits that would accrue from the addition of electric energy generating facilities to the new production reactor, now under construction at Hanford, Wash.

In keeping with the original authorization, the new production reactor is well designed and well planned to permit, through the addition of the power equipment, the generation of the planned 700,000 kilowatts of electricity, without impairment of its capabilities for the production of weapons-grade plutonium.

This powerplant would provide valuable operating experience in generating large quantities of power from a single nuclear heat source, and integrating this operation into a large power system. It is becoming increasingly clear that the economics of nuclear power will become more favorable as we proceed to units of higher capability. By firsthand demonstration of the generation of some 700,000 kilowatts from a single reactor, by far the highest in the world, we will be able to provide a more assured basis for industry to extend its nuclear power technology into larger and more economical sizes.

The consistent policy of our Government has been to encourage American industry to maintain world leadership in the field of atomic power. To this end, the Congress has authorized in the last 15 years almost one billion dollars—I repeat, almost one billion dollars—the exact figure is $890 million—to assist the electrical industry in development of atomic power. Little or none of this sum is reimbursable to the Government. So far as I know, the coal producers saw no danger in this program—so long as private utilities were the main beneficiaries. Can we then take seriously arguments against the expenditure of $95 million to convert waste steam into atomic power, when every cent would be repaid the Treasury?

Let there be no question—the Federal Government will recover the $95 million to be invested in new production reactor power-generating facilities. Taken together, the legislative history of this bill and the wording of its section 110 assure that this $95 million investment must be returned to the Federal Government.

First of all, section 110 provides that the costs allocated to power "shall be returned to the Treasury from revenue derived by the Secretary from the disposition of electric energy marketed through the Bonneville Power Administration." Therefore, all costs allocated to power will be returned to the Government.

Section 110 also provides that:

Allocation of costs to the production of such electric energy shall be made jointly by the Commission and the Secretary of Interior.

During extensive hearings on this bill before the Joint Committee on Atomic Energy, AEC Chairman Seaborg stated clearly that the $95 million capital investment, plus interest, insurance and the cost of operating the powerplant, will be allocated to the cost of power. There were extensive discussions during these hearings concerning the rate of return, but Dr. Seaborg assured that the cost allocations would be determined "so that the $95 million is all recovered over the operating life of the reactor and powerplant for power production." Furthermore, Mr. Charles Luce, Administrator of the Bonneville Power Administration of the Department of the Interior, the second party to the cost allocation determination as provided in this bill, stated at the same hearings that:

There would be a responsibility on the part of Bonneville to pay it (the $95 million) back whether in a particular year we sold enough power from this installation to do so or not.

Therefore: First, the $95 million will be allocated to power; and second, all costs allocated to power will be returned to the Treasury.

In addition to complete recovery of all of its costs, this project has the great potential of recovering prior Government investments which would be lost should power generation at the Hanford NPR not be undertaken. The NPR, authorized by the Congress under Public Law 59-590, includes an investment of $25 million to make later conversion for power recovery possible. If conversion is not undertaken, all of this $25 million will be lost. On the other hand, if the conversion project is authorized, there exists a great probability of recovery by the Government of the $25 million. In a letter to me of March 9, 1961, Mr. Charles Luce, Administrator of the Bonneville Power Administration, stated:

Such costs (the costs of convertibility) are properly recoverable from power revenues to the extent that revenues are available.

The economics of the project indicate that the revenues will be available.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table showing the expenditures on the part of the Atomic Energy Commission over a period of years both to public and private utilities in the way of subsidies, together with the overall amount expended in research and development for the benefit of the utility industry, both public and private.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Cooperative power reactor demonstration program—Amounts committed to private utility companies

Estimate of amounts committed	Waiver of fuel use charges	Operating funds (R. & D.)	Total
1st round:			
Yankee Atomic Electric Co	$3,669,000	$5,000,000	$8,669,000
Power Reactor Development Co	3,703,000	3,600,000	7,303,000
3d round:			
Northern States Power Co	1,800,000	8,500,000	10,300,000
Carolinas-Virginia Nuclear Power Associates	1,170,000	13,905,000	15,075,000
East Central Nuclear Group Inc., and Florida West Coast Nuclear Group	[1]	2,100,000	2,100,000
Philadelphia Electric Co	2,500,000	14,500,000	17,000,000
Unsolicited proposals: Consumers Power Co. of Michigan	1,675,000	4,582,000	6,257,000
Total committed	14,517,000	52,187,000	66,704,000
Amounts not committed, but available:			
Unsolicited proposals (R. & D.): [2]			
Fiscal year 1961	5,000,000	15,000,000	20,000,000
Fiscal year 1962	5,000,000	7,000,000	12,000,000
Total	24,517,000	74,187,000	98,704,000

[1] Project terminated.
[2] Available to either public or private utilities, but practically always private.

Civilian reactor development summary through June 30, 1960

	Research and development costs	Construction authorized	Total
Pressurized light water	$125,000,000	$75,000,000	$200,000,000
Boiling light water	39,800,000	36,500,000	76,300,000
Heavy water	36,400,000	30,400,000	66,800,000
Organic moderated	23,900,000	15,000,000	38,900,000
Gas cooled	32,300,000	30,000,000	62,300,000
Sodium cooled	111,100,000	62,200,000	173,300,000
Fluid fuel	102,900,000	4,200,000	107,100,000
Other studies and development	4,300,000	6,500,000	10,800,000
Total	475,700,000	259,800,000	735,500,000

Source: AEC Annual Report to Congress for 1960, p. 516.

NOTE.—The latest AEC estimate of fiscal year 1961 reactor research and development costs for the above programs is $130,000,000. The fiscal year 1961 construction authorization for civilian reactors totals $25,000,000. Therefore, the total AEC funds directed to the civilian reactor program is as follows:

Civilian reactor program through fiscal year 1960	$735,500,000
Civilian reactor program for fiscal year 1961	155,000,000
Total	890,500,000

Mr. JACKSON. Mr. President, fact four: This project makes sense on the grounds of national security.

I said earlier, Mr. President, that the NPR, as a dual-purpose reactor, would be both a plowshare and a sword. So long as the arms race continues, its operation would be of advantage to both the common defense and our peacetime economy.

But suppose the day finally arrives when we reach an effective agreement on arms control—of a kind which would include halting the production of fissionable materials? The NPR would then stop producing plutonium for weapons. But it would continue to be operated for power, and our investment in it would not go wasted.

Now imagine that the Communist rulers decided to break such an arms agreement? If they did, a dual-purpose NPR could easily, cheaply, and quickly be put back to work producing plutonium for weapons. But the reactor could not be quickly and cheaply reactivated for military use if it is not converted for power production.

I remind Senators that at the present time, America has no dual-purpose reactors. NPR would be its first. Our Soviet rivals do have dual-purpose reactors—and they are building more. This means that they could enter into an arms control scheme, break it, and then quickly resume the production of weapons plutonium.

Are we therefore to concede the Soviets an advantage that we ourselves do not possess? I do not believe we can so gamble with our national security.

Fact five: This is not a pro-public-power and anti-private-power project.

It is ironic that the project to conserve the steam produced by NPR has become embroiled in the private versus public power controversy. In truth, the main beneficiaries of the project, in all likelihood, will be the private utilities of the Pacific Northwest.

Although segments of the utility industry have professed to see dangers in the Hanford project, the private utility companies of the Pacific Northwest, where the plant would be located, do not oppose the project. If there were truly any danger to private utilities in the Hanford project, which of course there is not, would not the private utilities of the Northwest express their opposition? They have never been bashful in the past about opposing projects they regarded as undesirable.

There is not a single telegram here from any of the utilities in the Pacific Northwest which will receive the power from this particular project if present plans go through.

Mr. BUSH. Mr. President, will the Senator yield for a question?

Mr. JACKSON. I yield.

Mr. BUSH. Have any of the utilities advocated building this project?

Mr. JACKSON. They have not. As the Senator knows, the private utility industry has its problems. When people belong to the association, they cannot always speak out.

I trust that answers the question.

Mr. BUSH. It was not a frivolous question.

Mr. JACKSON. No.

Mr. BUSH. I have received telegrams from private utility interests opposing the project. I wondered whether the Senator, who represents a Pacific Northwest State, had received any.

Mr. JACKSON. I have not received any telegram from any utility, to my knowledge, from the Pacific Northwest, opposing the project.

I know the utilities are interested in buying the power. It is contemplated that if the project goes through the Bonneville Power Administration will be able to give private utilities in the area a 10-year contract with no pull-back, a firm 10-year contract to buy all the equivalent power from the project.

Mr. BUSH. Would that be at competitive rates?

Mr. JACKSON. They would buy it at the same rate it would be sold to the Atomic Energy Commission or to Government projects. It is the same rate to private utilities and publicly owned utilities. The rate is $17.50 a kilowatt year.

Mr. BUSH. Is that competitive in that area?

Mr. JACKSON. It is the lowest rate in the entire area.

I am glad to have this opportunity of saying to the Senator that a lot of people have the idea that, because there are these big public power projects in the Pacific Northwest, power is sold only to publicly owned utilities. Over one-half of all the power generated from our public dams is sold directly to private utilities and private industry in the Pacific Northwest. I wish to emphasize that. That power is sold at low rates which are made possible by reason of the wise decisions to construct some of these projects years ago, when costs were lower.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. JACKSON. I am happy to yield to the Senator from New Mexico.

Mr. ANDERSON. That statement applies also to the power from the Hanford reactor.

Mr. JACKSON. That is correct.

Mr. ANDERSON. The same would apply to that power. It would not be sold only to preference customers.

Mr. JACKSON. The preference customers, as indicated by the testimony in the record, are to be taken care of for the next 10 years. Mr. Luce, the head of the Bonneville Power Administration, has indicated that, based on the present load factors and growth in the Pacific Northwest, if the Canadian Treaty goes through, as we all hope it will—it was approved by the Senate—and if the project is approved, Bonneville will be able to enter into firm contracts for a 10-year period to sell power in the amount equivalent to what would be made available if the facility is authorized.

Mr. President, the record shows that the private utility industry of the Northwest in all probability would be the principal purchasers of power from this project. The Bonneville Act, which governs sale of hydroelectricity by the Bonneville Administrator, requires that all power contracts with private utilities contain a 5-year cancellation clause. The purpose of this clause is to make the hydroelectricity generated at Federal projects available to preference customers at any time upon 5 years' notice.

The committee, in an effort to remove this issue from the arena of private versus public power debate, has recommended legislation which would permit the automatically generated electricity to be marketed by Bonneville to private utilities without a 5-year pull-back clause. The bill now before the Senate empowers the Bonneville Administrator to sell a block of firm atomic power equivalent to the output of Hanford—at least 750,000 kilowatts—to private utilities for such term of years as he can foresee that hydropower will meet the needs of its preference customers. Presently only 37 percent of the federally generated hydropower is going to preference customers. In the hearings on this bill, the Bonneville Power Administrator stated clearly that, with the Canadian Treaty, the needs of preference customers can be met from hydro for at least 10 years. This means that, with Hanford generating facilities, Bonneville can offer 750,000 kilowatts of atomic power, or a block of power equivalent in amount, to private utilities for periods of at least 10 years. Where is the harm to the utility industry in that?

I cannot take seriously the argument of certain opponents of this bill that it would set an appalling precedent for Federal steam-generation plants in other parts of the United States. The addition of generating facilities at Hanford to utilize the by-product steam would not set a precedent for single-purpose Federal steamplants. The question at Hanford is not whether AEC should generate steam energy—AEC must generate steam energy at NPR as part of the manufacture of plutonium for national defense. The real question at Hanford is whether, in the name of false ideology, we are going to waste this steam. I am astounded at the argument that it would be better to waste this steam than to convert it into kilowatts. Our Nation is not so wealthy, and never has been so wealthy, that it can afford intentional waste.

For all of these reasons, Mr. President, I urge that the Senate finish the job that we began 3 years ago when we authorized and appropriated $25 million to make NPR convertible to dual-purpose operation. I urge that we support the President's program and approve the Committee's recommendation to authorize construction of the dual-purpose reactor at Hanford.

While we are on this subject, I think the Members of the Senate should realize that we are subsidizing the private utility industry by making it possible for them to go into the nuclear power business. I have supported that. I am one who believes we should have both public and private distribution of power. I think it is healthy to have both.

As I brought out, over the period of the last 15 years the United States has expended $890 million for research in various programs; some to aid the privately owned utilities and some to aid the publicly owned utilities. There has been a large investment in connection with the broad research program of reactors, with information being made available to the utilities industry. I think Senators should realize that Uncle Sam has been investing heavily, in the form of subsidies, to aid the private utility industry in the nuclear power field.

I do not object to this process, but, on the other hand, I do not think it is proper to have people say that it is a terrible thing we are seeking to do, to capture heat being wasted to make power available to people who can utilize it in the area. I can visualize someone in the General Accounting Office, if we do not approve the project, saying, "The Senate considered this proposal and rejected it. What a foolish thing. The Atomic Energy Commission should have been producing power from the heat being wasted and dumped into the river."

Earlier I read in the RECORD the statement of Admiral Strauss that if he had had his way all of these projects would have been convertible into electric power.

Mr. BUSH. Mr. President, will the Senator yield for one question on that point?

Mr. JACKSON. I yield.

Mr. BUSH. Did Admiral Strauss testify that the power generated by the proposed facility should be used by the Atomic Energy Commission?

Mr. JACKSON. No, his testimony related solely to the question before the committee at the time, which was whether the new reactor authorized in 1958 should be convertible. He did not advocate that the one being authorized should be converted, but he said that if he had his way, they all would have been convertible from the beginning. We were not then dealing with the question of the production of electric power.

Mr. BUSH. I am trying to get the point clear in my mind. I gather from what the Senator has said that if Admiral Strauss had had an opportunity to testify on the bill, he would have supported it.

Mr. JACKSON. I do not say that he would have supported the pending measure. I cannot make that statement. All I can say is that he did testify in 1958 when we had before the committee the question of the authorization of a reactor, which included the provision to make the reactor convertible to produce electric power. His testimony, which I read into the RECORD, was to the effect that all the production reactors should be convertible.

Mr. HICKENLOOPER. Mr. President, will the Senator yield at that point?

Mr. JACKSON. I yield.

Mr. HICKENLOOPER. It is my understanding that the statements of Admiral Strauss and others—and I would not necessarily find myself in disagreement with the general principle—support the principle that experiments could well have been carried on with convertibility features in reactors. That point is not the sole point in this question. We are now considering the question of producing excess amounts of power and putting the Atomic Energy Commission into the commercial sale of power. That question is different from experimenting with the convertibility features in reactors.

Mr. JACKSON. In 1954 the Republican Congress passed section 44 of the Atomic Energy Commission Act, which provides for the sale of surplus power produced at the atomic plants. Why did the Congress insert that provision in the act?

Mr. HICKENLOOPER. I will tell the Senator why.

Mr. JACKSON. Why?

Mr. HICKENLOOPER. As one of the authors of the act, I say that in experimenting in the atomic field it was seen that there might be a slight amount of electricity over and above what was necessary in conducting the experimental development. We provided for the sale of excess power in New England from the first reactor, and about $72 worth of excess power was sold. That was done to comply with the law. Those were not commercial reactors.

I do not have the statute before me, but I think the important language is to the effect that the power was incident to production.

The point before the Senate is whether, when we have heat waste available, we will say, "We will take sufficient of that heat to produce 10 kilowatts of electricity." I think the Government would be in a ridiculous position and could be accused of false economy if it did not take all of the heat available from that particular production facility.

Section 44 of the statute reads:

SEC. 44. DISPOSITION OF ENERGY.—If energy is produced at production facilities of the Commission or is produced in experimental utilization facilities of the Commission, such energy may be used by the Commission, or transferred to other Government agencies, or sold to publicly, cooperatively, or privately owned utilities or users at reasonable and nondiscriminatory prices. If the energy produced is electric energy, the price shall be subject to regulation by the appropriate agency having jurisdiction. In contracting for the disposal of such energy, the Commission shall give preference and priority to public bodies and cooperatives or to privately owned utilities providing electric utility services to high cost areas not being served by public bodies or cooperatives. Nothing in this Act shall be construed to authorize the Commission to engage in the sale or distribution of energy for commercial use except such energy as may be produced by the Commission incident to the operation of research and development facilities of the Commission, or of production facilities of the Commission.

I emphasize the beginning of section 44 of the statute:

If energy is produced at production facilities of the Commission or is produced in experimental utilization of facilities——

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. HICKENLOOPER. Of course, that provision is contained in the law. But the history of that entire legislation is that it was not contemplated that the Commission would go into the commercial production of power, but would produce it only incidentally in experimenting with heat transfer.

Mr. JACKSON. The statute does not use the word "experimenting." It reads, "produced at production facilities." The reactor is a dual purpose plant.

Mr. HICKENLOOPER. One cannot experiment without producing. We have several plants that are purely experimental to test out the best methods of heat transfer, to test out the utility of a particular combination, and if, incidentally, extra power is produced, the act provides that it may be sold to whomever the Commission chooses to sell it.

Mr. JACKSON. Dual purpose reactors were proposed at that time.

Mr. HICKENLOOPER. I know, but the proposed project is a commercial operation.

Mr. JACKSON. Would we sell 10 kilowatts to a private utility? The act that was passed in 1954 states clearly:

If energy is produced at production facilities—

It is obvious that the Government itself is guilty of inefficiency if it does not capitalize and maximize the advantage that is in its favor. I think it is pretty clear.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. ANDERSON. I was present when the act was written. Some members of the committee were in the minority. We got into difficulty over contracts that were made at that time. But at the very time when this problem was under consideration, the General Electric Co. proposed that the facility be made convertible and that power be developed from the resulting heat. We therefore wrote into——

Mr. JACKSON. The president of General Electric, Dr. Cordiner, in a speech in 1953 made the very proposal that has been called a model T project.

Mr. ANDERSON. If the Senator will permit me, I should like to speak of the act of 1954. We put two provisions in that act. One provision was—

If energy was produced at production facilities.

That provision related to the proposal made by the General Electric Co. I refer now to the last part of the section 44:

Nothing in this Act shall be construed to authorize the Commission to engage in the sale or distribution of energy for commercial use except such energy as may be produced by the Commission incident to the operation of research and development facilities of the Commission or of production facilities of the Commission.

That provision referred directly to the Hanford situation.

Mr. JACKSON. The Senator is correct. For the reasons I have indicated, and the other reasons indicated today, I trust the Senate will vote down the motion to eliminate the so-called Hanford production dual purpose reactor facility.

Mr. President, I ask unanimous consent that a number of editorials on this

subject be printed at this point in the RECORD.

There being no objection, the articles was ordered to be printed in the RECORD, as follows:

[From the Seattle (Wash.) Times, Mar. 31, 1961]

IMPRESSIVE HANFORD PROSPECTS

Last November, engineering consultants to the Joint Atomic Energy Committee reported to Congress on the probable economic feasibility of big-scale production of electricity as a byproduct of the giant plutonium reactor at Hanford. Their verdict was favorable.

This was one Government report which was not filed away and forgotten. Senator JACKSON and other members of the Atomic Energy Committee saw to that.

The possible byproduct benefits from the $145 million Hanford plant, still under construction, were forcefully presented to President Kennedy and other key members of the new administration.

The report, prepared by R. W. Beck & Associates, Seattle utility analyst and engineer, had suggested that, while there may be no present shortage of electric power in the Pacific Northwest, an additional 400,000 kilowatts will be needed by 1964.

The report assumed that demand would outstrip supply unless additional power were generated from other sources.

Last week, JACKSON told Mr. Kennedy that spending an additional $95 million on the Hanford project would make the new plutonium plant the biggest nuclear-power producer in the world.

JACKSON said the reactor, due for completion in October 1962, could begin producing electricity by October 1964, if the committee's proposal were approved.

By using heat otherwise wasted, the plant could produce 700,000 kilowatts, one-third the capacity of Grand Coulee Dam.

The President was impressed, and included the proposed additional facilities in his revised budget request to Congress.

This week, the office of Charles F. Luce, new Director of the Bonneville Power Administration, described some of the quickly forthcoming benefits for the Pacific Northwest if Congress approves the request.

The BPA said it will put up to 400,000 kilowatts of firm power for industry on the market immediately if construction of the additional facilities is authorized this year.

The use of this additional power could provide direct employment for 3,400 persons and some 10,000 jobs in electrochemical-processing plants and related operations.

In addition, the BPA said, the new Hanford facilities would mean $12 million in locally purchased supplies, $7 million for power, $10 million in freight, and $1½ million in State and local taxes.

Benefits in international prestige and in enduring regional economic progress are incalculable.

We hope for early congressional approval of this proposed giant forward step in the peaceable use of atomic energy.

[From the Seattle (Wash.) Times, June 16, 1961.]

RICKOVER APPROVES HANFORD REACTOR

A dual-purpose reactor at the Hanford Atomic Works has met approval of Vice Adm. Hyman Rickover, Senator JACKSON, Democrat, of Washington, said yesterday.

Rickover told the Joint Atomic Energy Committee yesterday he was in favor of converting the reactor so that it could generate electrical power and plutonium. Waste heat now dumped in the Columbia River would be used to produce power.

Conversion of the reactor would cost $95 million.

[From the Wenatchee (Wash.) Daily World, July 14, 1961]

VOTE FOR HANFORD REACTOR IS VOTE TO END WASTE

The opposition to the plan to use byproduct heat of the Hanford plutonium plant to produce electricity appears to be more a case of sectional jealousy than anything else.

The House Republican Policy Committee this week decided the party would oppose conversion of the reactor as a matter of policy.

It was killed temporarily at least by a House vote yesterday.

Ostensibly the reason was opposition to generation of electric power in competition with private utilities.

This may be true in a general sense. A private power magazine, "Electrical World," opposes the reactor because it would set "an appalling precedent." What it means is that atomic electricity should be set aside as a monopoly of private business.

In this specific instance, however, private utilities have been invited to do the job and have never responded.

The chairman of the Atomic Energy Committee pretty well hit the private-public power nail on the head when, during debate yesterday, he accused private power company officials of taking a "dog-in-the-manger attitude in buttonholing Members of Congress to oppose the project."

The chairman, Representative HOLIFIELD, of California, was quoted by the Associated Press, as saying "They [private power firms] don't want to see this heat used. They want to see it wasted."

The sectionalism cropped up in the stated fear that the Northwest's low-cost electric power would lure industries to the Northwest—industries that an Ohio Congressman noted might otherwise locate in Ohio.

The coal industry got into the act when the representative of coal-producing West Virginia opposed the project as Government subsidization of a fuel competitive with coal. He said, incidentally, that creation of steam to produce electric power is now the biggest single market of the coal industry.

This particular case is one where expenditure of money now will avoid waste. Since the start of the atomic age, heat from plutonium reactors at Hanford has been wasted into the Columbia River. The proposal is to use this wasted heat to generate 900,000 kilowatts of electricity. This would not only supply power to the Northwest, but revenues from sale of that power would lower the costs of producing plutonium.

It's going to be hard for the Congressmen who voted against the authorization to justify their opposition to transforming wastefulness into productiveness.

[From the Tri City Herald, Pasco, Wash., June 19, 1961]

(Reprinted from the Longview Daily News)

HANFORD POWER CONTROVERSY

At Hanford in eastern Washington plutonium is produced in a Government plant in vast quantities. The process generates tremendous amounts of heat which now is dissipated in a cooling system utilizing Columbia River water. This heat, engineers have long realized, could be used to produce a large amount of electricity if it could be harnessed.

So a way to harness it was devised. A dual-purpose reactor was designed which would produce enough heat from atomic energy to generate 700,000 kilowatts of power in an adjacent steamplant. The cost of this reactor is large—$95 million. Only the Federal Government could make such an expenditure. Whether it should make the expenditure is a controversy generating considerable political heat.

The politics involved is an old story—private versus public power. Private power, speaking through the Edison Electric Institute, which represents 192 private utilities, tells Congress the Federal Government could better spend its money elsewhere. Furthermore a Hanford steamplant "would set a dangerous and unnecessary precedent."

Public power, speaking through the American Public Power Association, ridicules the contention that the precedent of atomic-power development at Hanford would be dangerous. It notes that the installation would be the world's largest atomic-power plant and as such would enhance U.S. prestige. It would generate as much power as a Columbia River dam and would provide a block of firm power that Northwest industry is going to need.

Yesterday those fighting for the Hanford project won an important victory. The Joint Atomic Energy subcommittee, of which Senator JACKSON has long been a member, approved the appropriation. The next step is for the committee as a whole to approve it and then for the matter to go to the House and Senate. With administration backing, it should have no great difficulty in getting approval there, although the private-power faction can be expected to continue its fight.

What this group objects to is the Federal Government doing the pioneering in this field rather than private industry. It fears that this would be only the first of a series of giant Federal plants that would put the Government in the power business on a national basis and ultimately perhaps force private utilities out of business altogether.

Similar objections were raised 30 years ago when private power fought Grand Coulee Dam. It is a losing battle.

[From the Columbia Basin News, Pasco, Wash., June 26, 1961]

POWER REACTOR GIVES NORTHWEST A BOOST

Benefits of adding power generating facilities to the new production reactor at Hanford would be tremendous to the Northwest.

Congress, asked to authorize the $95 million for the project, is weighing these factors:

The plant would add 550,000 kilowatts of prime power to Bonneville Power Administration's load-carrying capacity starting in 1964.

This would enable BPA to offer for immediate sale 400,000 kilowatts of firm power for large-scale industrial development and make it possible to add $7 million annually to Bonneville revenues.

It would enable new industries with capital investment of $150 million to be established to expand the economic growth of the region and the Nation.

The reactor would provide important data relative to the operation of a large power reactor and would aid in the conservation of resources.

Additionally, Senator HENRY M. JACKSON has described the reactor as "an ever-present sword producing plutonium economically which can be changed into a plowshare simply by shutting off production of plutonium and producing power only." Should arms control fail, it could immediately be changed back into a sword.

The administration has lined up solidly in favor of the reactor's conversion to dual-purpose status. Opposition mainly is from private power interests which fear that a precedent will be set for Federal development of atomic power.

The ultraconservative Houston Chronicle calls it "the beginning of socialization or nationalization of the power industry in the United States, for any output from Hanford would be heavily subsidized. This is the damning implication seen in the present effort to set a precedent by creating the first large block of Federal thermal power outside the TVA."

Charles F. Luce, administrator of BPA, denies this. Luce said that power from the reactor would be relatively low-cost, about $13 per kilowatt-year, during the first 8 years when the reactor would be producing both plutonium and power. This compares with average firm power sales of about $15.50 per kilowatt-year on BPA's 1960 rates.

Cost of power at the reactor when it begins producing power only will be substantially higher, Luce said. But he added that by 1972 most of the economical hydro in the Northwest will have been developed and the cost of power from the reactor still should compare favorably with estimates of alternative thermal and hydroelectric power that will be available.

Conservatives who fear the precedent-setting aspect of the conversion should take note of the fact that during the Eisenhower administration that $25 million was authorized to build convertibility features into the reactor. The $25 million, Luce and JACKSON warn, will be a total waste unless the steam generating plant is built.

Mrs. NEUBERGER. Mr. President, will the Senator yield?

Mr. JACKSON. I yield to the Senator from Oregon.

Mrs. NEUBERGER. Mr. President, the proposal for development of electric power generating facilities at the Hanford plutonium works is a sound and far-reaching conservation project. Aside from the dollar value of the 700,000 kilowatts it would produce, installation of turbines at Hanford would go a long way toward relieving the pressure for construction of dams on tributaries of the Columbia River where concrete barriers threaten existence of migratory fish runs.

A distinguished Justice of the Supreme Court, Mr. William Douglas, recently addressed the City Club in Portland, Oreg. Many members of that club are members of the private utility industry. They are an important adjunct to the business of our community. They found themselves listening carefully to Justice Douglas' remarks when he said:

Even though we foresee within the next decade a power shortage in the Northwest, we should build no more concrete barriers on our wonderful streams and rivers until the fish problem is solved. If we can supplement our power needs with atomic energy, we are going a long way toward aiding and abetting that area of conservation.

Regardless of what has been said on the floor of the Senate today by some opponents of the Hanford plant, the power requirements of the Pacific Northwest continue to grow at rapid pace. If the power cannot be obtained at Hanford, then we must turn to dam construction at Bruces Eddy and Penny Cliffs on the Clearwater River or at other sites where the toll of fish and wildlife values would be heavy.

An editorial on the Hanford plant in the Oregonian points out:

Ever since it went into operation during World War II it has been dissipating into the (Columbia) river enough heat to boil enough water to produce enough steam to spin turbines generating enough electricity to rival the output of Bonneville Dam.

Thus, Mr. President, we are wasting tremendous quantities of energy by failure to harness this heat.

Mr. President, regardless of comments which are being made in opposition, it seems to me that we lay people, who are not electrical engineers and not experienced in the great world of nuclear fission, must listen to some of the competent experts who testified before the committee. As I read the report, there is a unanimity in their belief that this is a worthwhile project. I listened also to the Senator from Iowa [Mr. HICKENLOOPER] when he said that there is no international prestige connected with our development of the atomic energy plant. I quote from the report:

The capacity of the plant would far exceed the capacity of any other single reactor plant in the world to generate electrical energy.

Mr. PASTORE. Mr. President, will the Senator from Oregon yield?

Mrs. NEUBERGER. I yield.

Mr. PASTORE. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mrs. NEUBERGER. I remember listening, from the gallery of the Senate, some time ago when the Senator from Louisiana [Mr. ELLENDER] reported on his visit to the Soviet Union. He said that in the Soviet Union there was a great race to develop power facilities in every way. He mentioned hydroelectric power developments specifically. However, if we can augment our power facilities by atomic energy, it seems to me it behooves us to do so.

Moreover, fish biologists have concluded that the increase in water temperature of the Columbia River below Hanford, which results from use of the river water as a coolant in the plutonium works, has been inimical to migratory salmon and steelhead. The experts have found a direct relationship between the incidence of disease in these salmonoids and higher temperature of the river water. Disease is the cause of heavy fish losses in the Columbia in recent years.

It is apparent that installation of generating facilities at Hanford would serve the cause of conservation in many ways. I ask consent to include with my remarks the editorial from the Oregonian of July 13, 1961.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LET'S KEEP IT SIMPLE

The House of Representatives probably will vote this week on the administration-backed plan to convert the vast amounts of heat energy now being wasted into the Columbia River at the Hanford plant into some 700,000 kilowatts of electrical energy. And the private utility industry is summoning its energies in a determined effort to kill this portion of the 1962 atomic energy authorization bill.

The motive of the electrical utilities is plain. They simply do not want the Atomic Energy Commission to join the Interior Department, the Army Corps of Engineers and the Tennessee Valley Authority in the business of generating power for Uncle Sam to sell in competition with private industry. But there is a large flaw in their argument that placing generators at Hanford would give the Federal Government a new foot in the door of the power business.

Hanford is, and probably will continue to be, essentially a plutonium-producing plant. Ever since it went into operation during World War II it has been dissipating into the river enough heat to boil enough water to produce enough steam to spin turbines generating enough electricity to rival the output of Bonneville Dam. It is wrong to permit this waste to continue, when with a relatively small investment there can be added to the Northwest power pool the equivalent of the electrical energy yield of a major new hydroelectric project.

A number of extraneous arguments are being used by debaters on both sides of the issue, complicating it needlessly. For example, some backers of the proposal have said the Nation needs a dual-purpose, plutonium and power-producing reactor to put the United States on the same footing in disarmament negotiations with Russia, which has a similar facility. Should an agreement be reached, it is said, Hanford's plutonium output could be halted, while power production continued. Then if the Russians welshed on the bargain, a startup of plutonium production at Hanford would be possible in a few days, whereas a shutdown, plutonium-only reactor could not be restarted for some time.

But the Electrical World, spokesman for the industry, argues editorially that the existence of dual purpose reactors hinders rather than aids disarmament negotiations. Unless both nations agree to shut down their plutonium plants completely, says the magazine, neither could be sure the other was not cheating.

The Hanford plan actually is a simple one, and it should not be feared either by the private utilities or the peacemakers. Since the plant is unique, it is not a "foot in the door" for the AEC, which certainly will build no new federally owned and operated atomic powerplants unless Congress wants them. All that the bill will do is to conserve a resource now being wasted, for the benefit of all Pacific Northwest residents, whether served by private or public power utilities. It should be enacted.

Mr. RANDOLPH. Mr. President, I rise in opposition to the pending motion. During the debate I have listened with intense interest to the knowledgeable Senator from Rhode Island [Mr. PASTORE], who presents this measure and who manages it during the floor debate. I have given equal attention to the opposition viewpoint as expressed principally by the well-informed Senator from Iowa [Mr. HICKENLOOPER]. I agree with the latter Member of the Senate, particularly in the point that Members of the Senate should be, insofar as possible, conversant with the subject matter, complex as it may be, which is being considered in this forum this afternoon.

I have studied the report of the Joint Committee on Atomic Energy which accompanied both the House and Senate bills, to authorize the appropriations for the Atomic Energy Commission. I have also evaluated the separate views of the competent members of the minority on this subject.

I have had the benefit of reading and rereading the report of the debate in the House on the amendment which was adopted in that body, to delete the $95 million item for the addition of generating facilities to the new production reactor at Hanford, Wash.

I say very frankly that I have some reservations concerning certain aspects of the proposed dual-purpose, convertible-type reactor project which the Atomic Energy Commission requested and which the majority of the Joint Atomic Energy Committee has recommended. However, weighing the arguments for and against, as presented in

the committee report, the separate views of the minority, and the vigorous debate in the House, I cannot embrace the opposition's attacks on the project's economic justification; nor can I join in the minority's views deprecating such valid considerations as national defense, as mentioned by the Senator from Oregon [Mrs. NEUBERGER], the international prestige aspects, and certainly the technological benefits which would accrue. I much prefer to be associated with the committee majority's findings on the point at issue.

Mr. JACKSON. Mr. President, will the Senator from West Virginia yield?

Mr. RANDOLPH. I yield.

Mr. JACKSON. I take the opportunity to express appreciation for the objective way in which the distinguished Senator from West Virginia has approached the whole problem. It is quite clear that he has spent considerable time in studying the pros and cons of the proposal and has tried to approach the entire question in a judicial frame of mind. I commend him for his attitude of considering the proposal as a national project, one which affects the whole country and, in fact, has a real impact on our foreign policy. I commend him most highly for the statement he is making.

Mr. RANDOLPH. I am grateful for the comment of the diligent Senator from Washington. This has been a difficult problem for me.

Certainly I cannot hold with the minority that the installation of power generating facilities in the new production reactor at Hanford would be contrary to the spirit, intent, and specific language of section 44 of the Atomic Energy Act of 1954.

What concerns me more than any other element of this controversy is that the proposal apparently has elicited an argument over whether the installation of power generating facilities at Hanford, Wash., would benefit one region to the detriment of others, and that the whole industry would suffer severe damage.

If, every time we have before us an authorization for a new Government installation or facility, we bring up the question of benefit for the region, and then seek to defeat the proposal on the reasoning that it would benefit that region and thereby create damage to all others, there will be a stalemate, a lack of progress.

It does not necessarily follow that it is improper to assist a given region of the Nation. Ours is a Union of States, an amalgamation of regions. More often than not, that which is good for a region likewise has the capacity to benefit the country as a whole. I believe it is becoming more apparent, as time passes, that many of the problems of our Republic will have to be solved on a region-by-region basis, before the whole of the country can become strong and basically prosperous.

Accordingly, based on regional benefit considerations, I do not view the Hanford proposal with any more alarm than Senators from the Northwest viewed the area development legislation when it was passed by the Senate. I entertain some misgivings, however, concerning the direct sale of power by the Atomic Energy Commission to industrial consumers.

I believe it is most unfortunate that the Joint Committee on Atomic Energy minority included in its views the assertion that "this project would have serious adverse effects on other natural resource industries," thereby implying that the generation of 700,000 kilowatts of electric energy would, in essence, deprive the coal industry of markets for the equivalent of 2,300,000 tons of coal production. Expressed in terms of mining employment, the minority seeks to leave the impression that the Hanford generating facility, utilizing waste steam from an atomic reactor, would take 191,360 man-days of gainful employment away from coal miners. No one would wish more than the Senator from West Virginia now addressing the Senate to see a development take place which would increase coal production by 2,300,000 tons and provide 191,360 man-days of gainful employment in the coalfields of not only West Virginia but also of Pennsylvania, Kentucky, and many other States, in both bituminous and anthracite production.

It is a tragic play upon words to imply that if the Hanford reactor heat is wasted, rather than turbinized to generate electric power, there will somehow be created in that region a market for 2,319,000 tons of coal, utilizing 191,360 man-days of employment, to provide 700,000 kilowatts of generating capacity. As was said during the House debate by a Member from a northwestern State:

> The Pacific Northwest buys almost no coal to produce power; and when the time comes that it does, I doubt if much coal will be purchased in Pennsylvania, West Virginia, or Kentucky.

He added—and I reluctantly but forthrightly concur in his comment:

> To argue that disapproval of the Hanford powerplant will help the hard-pressed miners of the Appalachian region is to foster a cruel illusion. The depressed coal mining areas should not be persuaded to seek to solve their problems by blind opposition to any and all power projects which do not employ coal as fuel.

I add, parenthetically, that even the chief private power company proponent of "coal by wire," the Appalachian Electric Power Co., recently changed its power concept. The base product in its electric steamplants still is coal. But recently this splendid and successful firm started construction of a hydroelectric plant on the Roanoke River in Virginia, adjacent to a bituminous coalfield of major proportions.

According to a newspaper account in the Charleston (W. Va.) Gazette, of June 24, 1961:

> In every respect the hydroproject is big. Appalachian will spend $50 million in generating capacity of 440,000 kilowatts. An ingenious concept in waterpower generation will be put to work on Roanoke River. It is called pumped storage, wherein water is released through the generators of the upper dam during daylight peakload periods and pumped back from the lower lake during the night and on weekends when power needs are low. The Roanoke doesn't carry enough water to keep the plant in operation on a sustained year-round basis except through the pumping and reuse process. When completed, the project will be the largest of its type in the world. But its size and modern characteristics in no way mean that Appalachian is divorcing itself from coal. Power engineers say it's much cheaper to operate a hydroplant for 6 hours and close it down than pour coal into the boilers of a steamplant 24 hours a day and let it remain idle 18 hours. Power generation starts instantly when a hydroplant is put in operation, but it would take hours to start making electricity in a coal-fired plant if it were closed down.

Mr. President, I believe that part of the article to be most revealing.

Mr. President, I have cited this new private power project by a company operating in the heart of the bituminous coalfields to demonstrate that even one of coal's biggest customers and advocates, the Appalachian Electric Power Co., finds it advantageous to operate a combination-type plant utilizing both coal and water to generate electricity.

Yet there is private power and some coal industry opposition to the Government's using waste heat from an atomic reactor to generate power.

Mr. CLARK. Mr. President, will the Senator from West Virginia yield?

Mr. RANDOLPH. I yield to my energetic friend from Pennsylvania.

Mr. CLARK. I am very much interested in the fine speech the Senator from West Virginia is making. I know he has given this matter far greater consideration than I have been able to; and from his speech it is quite clear that he has given careful study to the committee reports and to the testimony which has been taken. All of us know his devotion to the coal industry, by reason of the economy of his own State.

I have a very similar problem—one not quite so critical, but critical enough, as everyone knows—in both the hard coalfields and the soft coalfields of Pennsylvania.

I have had some doubt in my own mind as to whether I should support the committee, and, therefore, should vote against this amendment. But I may say that my doubts have been entirely resolved by the very cogent argument made by the Senator from West Virginia.

I ask him whether it is his considered view that in the greater national interest it is important to permit the Government to move ahead with the full development of this reactor program, in order that we may keep pace with our opponents in the Communist world in the development of atomic energy for both private and public purposes; and whether it is also his view that in serving that national interest, we are not doing any serious damage to the coal industry in either West Virginia or Pennsylvania.

Mr. RANDOLPH. In response to the first part of the question asked by my able colleague, I would say that, frankly, I wish we might not always be concerned with attempting to match the Communist world in any field. Sometimes that is necessary when we are caught short

and have to move more quickly than we ordinarily would have done. But I hope that in the future we shall be able in greater degree to press forward on our own initiative and responsibility, without attempting to meet the so-called challenge from the Soviet Union.

Mr. CLARK. I agree completely with everything the Senator from West Virgina has said. My view is that even if there were no Communists controlling a large part of the Eurasian land mass, we should nonetheless go forward effectively with this program, in our efforts to advance Western civilization. But I believe the Senator from West Virginia will agree that the practical matter of competing with the Russians gives us an additional reason for taking this step, anyway.

Mr. RANDOLPH. Certainly it does. The Senator from Pennsylvania is a realist, and I join him in the approach he makes to this subject.

Furthermore, in my considered conviction—although I do not pose as an expert; and sometimes I think Senators are too much inclined, because of their service on certain committees, to regard themselves too highly as experts; and I may say, facetiously, that an expert is one who is seldom right, but never is in doubt——

Mr. CLARK. And an expert is also said to be one who is removed a considerable distance from his home territory.

Mr. RANDOLPH. Yes.

As I have said, I do not assume the role of an expert. But certainly I have had considerable knowledge of the bituminous coal industry, ever since my childhood. But I did serve as chairman of the Coal Subcommittee of the Committee on Mines and Mining, when I was a Member of the House of Representatives. I have been constantly very close to the developments within the coal industry including coal research and synthetic liquid fuels. I say to the Senate, on this authority as a careful student of the subject, that I believe no appreciable damage and likely no damage will be done to the coal industry, either in the Commonwealth of Pennsylvania or in the State of West Virginia.

Mr. CLARK. Mr. President, will the Senator from West Virginia yield further to me?

Mr. RANDOLPH. I yield.

Mr. CLARK. I thank the Senator from West Virginia for his candid answer to my question. I observe that if the Senator from West Virginia is only a student, certainly he is at the very least a postgraduate student.

Mr. RANDOLPH. I thank the Senator very much.

The chief proponent in the House of the deletion of the $95 million for the Hanford generating facility said flatly that such a plant would displace coal, and implied that it would wipe out 191,360 man-days of mining employment or 37,911 coal cars. If this were true, I would be duty bound to vote against the $95 million item. But the gentleman's statement is off target, because coal has not been displaced, and eastern coal and coal-hauling railroads probably never will serve the region which would be serviced by electric power generated at Hanford.

Another paradox developed during House debate when one Member opposing the Hanford power-plant authorization said:

> Seven hundred thousand kilowatts of generating capacity * * * would provide energy equivalent to that produced by 2.3 million tons of coal a year, if the same quantity of electricity were generated in a modern steam plant.

But he revealed that coal really is not in the electric energy picture in that region when he remarked:

> Taxpaying public utilities in the Northwest are building, or seeking authorization to build, hydroelectric plants which will meet the power demands of that area for at least 10 years.

In other words, Mr. President, opponents of the power generating facility for the Hanford project use sympathy for the depressed condition of the coal industry as a crutch, but know full well that the crutch will not be employed to aid the sick coal industry in that region where abundant water resources are utilized primarily to generate electricity.

Representing as I do the leading bituminous coal-producing State, I have an obligation to protect coal's legitimate interests. I have sought consistently to do so, and I will continue that course of action. But I have not and will not be a party to distortion, nor will I associate myself with it.

I note the fact that the committee minority and the opponents of the Hanford power project emphasize the point that "the NPR will yield only low pressure, saturated steam, better suited to the boiler of an old-fashioned locomotive than to a modern turbine generator," and remark that "this represents retrogression rather than progress as far as power production is concerned."

This, to me, is not impressive testimony against the proposed powerplant installation, because I sincerely believe it is more retrogressive to waste the great quantity of heat to be produced by the reactor than to channel it through a system which will generate usable energy in a region where the exploding population consequences and power requirements will doubtless be a significant factor in the future.

Mr. President, in connection with this controversy, I am sure Members of the Senate have read many editorials and have carefully evaluated their contents. Today, an editorial was referred to by the devoted Senator from Oregon [Mr. MORSE]. At this time I wish to refer to an editorial which was published in the Washington (D.C.) Evening Star, a newspaper which I believe is usually very conservative. Certainly it is an excellent newspaper; and, by and large, it covers its news articles from a news viewpoint, and reserves to its editorial page the comments which represent the views and opinions of its editors.

On this controversy, Mr. President, I find that I am generally in agreement with the editors of the usually conservative Evening Star, of Washington, D.C. We do no experience togetherness in many issues; but insofar as relates to this subject, I was much impressed by the Star's arguments for the $95 million item in the authorization for the Hanford facility. I refer to that newspaper's lead editorial of Saturday, July 15, 1961, entitled "The Hanford Issue."

I ask unanimous consent that this editorial be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE HANFORD ISSUE

The House used poor judgment in rejecting, by a vote of 176 to 140, the proposal to convert the new reactor at Hanford, Wash., into a dual-purpose facility capable of producing not only plutonium for weapons, but also between 700,000 and 800,000 kilowatt-hours of electricity for peaceful uses.

Unless the Senate reverses the House action, and the item is then restored in conference, the reactor—which is in the process of being built and which will be completed next year—will serve only a strictly military purpose. Yet, as it produces the plutonium, it will give off a byproduct of great potential economic value. This will be a tremendous quantity of heat that could be so utilized as to make the facility, wholly apart from its weapons role, by far the biggest of the world's present atomic electrical powerplants.

The proposal turned down by the House would create this facility by investing $95 million in equipping the reactor (which would more than pay for itself) to harness the heat and turn the resultant electricity into the Bonneville network for distribution—largely through private utility systems—in the Pacific Northwest. But the private utilities have lobbied vigorously against the idea, and so have coal interests, and it has been defeated primarily on the ground that it would put the Atomic Energy Commission in the public power business and thus constitute another socialistic encroachment on free enterprise.

In the debate on the issue, however, Representative CHET HOLIFIELD, chairman of the Joint Congressional Atomic Energy Committee, has pretty well demolished these and kindred arguments. He has shown, for example, that the basic law governing the AEC specifically authorizes the sort of power output that the dual-purpose reactor would generate. He has made clear, too, that such a reactor at Hanford could not hurt the coal industry, and would actually make additional electricity available to private utilities "at a very cheap price." And Representative ROBERT E. JONES, of Alabama, has backed up Mr. HOLIFIELD with this telling point: "* * * the installation of the electric generating facilities at the Hanford reactor is in the best interest of all of the American people. What could be more justified than to convert into electricity—at no cost to the taxpayers—the tremendous amounts of reactor heat which otherwise will be wasted? To blow this steam into the air or use it to heat up the Columbia River surely would be regarded by people everywhere as an incredible extravagance."

Everything considered, the weight of logic and commonsense rests heavily on the side of those who advocate the dual-purpose facility. Accordingly, we hope that the Senate will support the proposal and that the House will reconsider what it has done and enable the project to go forward.

Mr. ANDERSON. Mr. President, will the Senator from West Virginia yield?

Mr. RANDOLPH. I yield to my very genial friend.

Mr. ANDERSON. I wish to say to the Senator from West Virginia that I appreciate what he has said about the editorial. I had clipped it from that newspaper, and had hoped that I might put it into today's RECORD. I am glad he has done so, because I regard it as an exceptionally fine statement of the situation, by a newspaper which has not in the past taken a position in favor of public power or private power or anything of that nature, but has viewed such matters in the way that any good citizen would—as is demonstrated by the editorial.

Mr. RANDOLPH. I associate myself with the expressions of my courageous colleague from New Mexico. I refer to the editorial, which said in its final paragraph:

> Everything considered, the weight of logic and commonsense rests heavily on the side of those who advocate the dual-purpose facility. Accordingly, we hope that the Senate will support the proposal and that the House will reconsider what it has done and enable the project to go forward.

I, too, believe that, on balance, the merits of the position of the proponents of the dual-purpose facility at Hanford outweigh the arguments of the opponents. It is not my view that this project is the threat to the coal industry—as I said earlier in response to the Senator from Pennsylvania—that some of our friends contend. And if I believed it to be a serious extension of public power into an area which should be reserved exclusively for private enterprise, I would oppose it. This, in my opinion, is not a ground on which to wage a private-versus-public power fight. It is a sensible project predicated on principles of conservation and proper utilization of heat which should not be wasted. To reject this project and not utilize the heat produced by the Hanford reactor is to indulge in unwarranted waste.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. HRUSKA. It was with great interest that I heard the discourse of the Senator from West Virginia on this subject. One question occurred to me as he was making his summary, and that has to do with the repetition of the statement of his belief that this item does not affect adversely the coal industry. The question I should like to ask the Senator is this: If this installation were located within 100 miles of the State of West Virginia, would that conclusion be in any way altered?

Mr. RANDOLPH. I would take a look at it, just as I have taken a look at this subject. I would say that in my look, I would attempt to be objective, just as I have attempted to be objective in this matter. And I accord to the able Senator who asked the question the same feeling that, if a project were perhaps close to a productive value within his own State, that he would give it a careful survey and appraisal.

Mr. HRUSKA. I am sure I would. I imagine that is so. But is not the subject sufficiently within the knowledge of the Senator from West Virginia that he can answer the question more definitely than by simply saying he would look at it? After all, that kind of answer is usually given to a question involving unknown factors. If the Senator wants some additional factors to make the question more specific and definite, that is fine.

Assuming the exact situation were duplicated, with the presently known components, and the plant were located within 100 miles of West Virginia, what would the conclusion of the Senator from West Virginia be as to whether or not it would adversely affect the coal industry?

Mr. RANDOLPH. The Senator from West Virginia will say again—and he is in no wise evasive—he would take a look at the project at the time it was proposed. He would do just as the Senator from Nebraska would do—he would meet each problem as it was considered in this Chamber.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. ANDERSON. I am sure the Senator realizes that there is a difference between a plant for the production of atomic energy in the middle of a coal belt and one elsewhere. It is a fact that there is unlimited water in the Columbia and other large rivers, but they need some firming up, which makes such an operation economic in that sense, where it might be uneconomic in other areas. Also, great installations for atomic energy are using coal. We do the thing that is desirable in the locality concerned. That is why we did what we did in the Portsmouth plant and other plants that we judged to be wise in those parts of the country. We judge the question by what is wise in a particular area of the country.

Mr. RANDOLPH. The Senator is so correct. He has made a valid statement.

In that connection, I ask unanimous consent to have printed in the RECORD an editorial that appeared in the Ellensburg Daily Record, of Ellensburg, Wash. It is entitled "Hanford Order Big Help," in which it is indicated that 100,000 tons of coal, under a contract with the Northern Pacific mines at Roslyn by the Hanford Atomic Energy Commission, will keep some 100 miners in that area employed during the coming year.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HANFORD ORDER BIG HELP

The awarding of a 120,000-ton coal contract to the Northern Pacific mines at Roslyn by the Hanford Atomic Energy Commission will keep some 100 of northern Kittitas County miners employed during the coming year. These Hanford orders have really helped over the years. Without them the probabilities are that the Northern Pacific would have completely shut down the mining operation.

With these orders the railroad company is able to keep the mines opened but undoubtedly on a nonprofit basis or a substantial loss. And everyone realizes if all the mines were shut down, some would become water filled and it would be a most difficult task to reopen them, in case the coal-fired steamplant is ever built at Lake Cle Elum. It is known that without that hope, the railroad company would have closed the mines, so everything that can be done to keep the mines operating, is a step in the program for the future.

Congressman Hal Holmes did a fine job in getting the first coal order for the atomic plant, and he kept it up as long as he was in Congress while Congresswoman CATHERINE MAY has kept up the good work since she went to Washington.

Senators MAGNUSON and JACKSON have also helped. So once again the mining field looks with some hope for the year ahead.

J.C.K.

Mr. AIKEN. Mr. President, I think we are having a very important debate here today. When I visited Hanford 2 years ago, the thought that was impressed most upon my mind was, "Why is this tremendous amount of steam energy being allowed to go to waste in a country that is constantly seeking for new sources of power?"

There were, however, many unanswered questions at that time. I did not know whether it could be economically produced or not. I did not know whether there would be a use for it within an economic transmission distance. I did not know what the effect on the economy in that part of the country, or the whole country, might be.

In sitting in on some of the hearings of the Joint Committee on Atomic Energy, some of these questions have been answered. Some of them have been answered and clarified during the course of the debate on the floor of the Senate today.

Mr. President, there has arisen a serious regret in my mind, and that regret is that this great source of power—seven or eight hundred thousand kilowatts of it—is not located in my State or my part of the country, where we could make use of it. We do not have much in the way of large sources of power in the Northeast. We do have the St. Lawrence development now. We have the Niagara development. I am happy to say my State has been able to purchase from New York 150,000 kilowatts of power. This power, purchased at the price of 7½ or 8 mills laid down in Vermont, has been an economic lifesaver in my State. It has been a godsend to the utility companies in the State, if I can judge by the dividends and earnings of those companies. It is fairly divided between private utility companies, municipal plants of the State, and cooperative organizations. We have been able to substantially reduce the cost of electric bills in our State.

So when I say that I regret that this source of power at Hanford is not available to us in the Northeast, I mean what I say.

I might remark to the Senator from Nebraska that if this plant were located within 100 miles of my State, I would just say, "Glory, hallelujah," and ask for our share of it immediately, and hope we would get it.

Mr. President, I cannot get very much worried about the maximum estimate of production cost. The highest cost figure I have heard in connection with this development is 3½ mills per kilowatt-hour. I come from an area in which the lowest cost power, from modern plants, is 7 mills at the bus bar and the wholesale

price to the distribution systems is approximately 14 mills. I cannot become too excited about a cost of 3½ mills. I realize that the 3½ mills is the top estimate.

Mr. President, I think that this country of ours is going through an electrical revolution. So long as the power is not directly available to my State, I have to consider what action I shall take with respect to it in terms of national supply and national requirements. Our national requirements are doubling about every 7 or 8 years. The use of electrical energy in the rural areas is doubling about every 5 years. It is now estimated that by 1970 a trillion kilowatt-hours of electrical energy will be needed to meet the requirements of this country. We have to learn where we shall get the power.

I have said that we are undergoing an electrical revolution in this country. Necessity has forced us into that revolution. No longer can we depend on large numbers of small powerplants generating from 10,000 kilowatts to 30,000 or 50,000 kilowatts. Today the thinking is in terms of electrical plants from 200,000 or 300,000 kilowatts up to a million kilowatts or more. There are several plants in this country today with over 1 million kilowatt capacity. I believe in the future we shall have to depend on those larger sources of electrical energy, which are much more economic and competitive than all the small plants we could possibly build. We could not build enough small plants to meet the demand.

When the large plants are established, they will have to be connected by new types of transmission lines which will carry electricity much longer distances than is today feasible with no more line loss and no more cost than we have today.

We shall need all of the power we are likely to get from any source. It can be said that there is an adequate supply, of course. There is an adequate supply in any area in which the price is so high that the people cannot buy it or use it and remain in competition with people in other parts of the country.

We shall see these new large developments. Possibly they will be farther apart than the small generating plants are today. We shall have to develop the remaining feasible sources of hydropower in this country. We shall have to make nuclear power electric energy generated from the atom competitive, and I believe we are going to be able to do that within the next 6 or 7 years.

I believe, also, that we shall see very large electrical plants located near the coal mines, where they ought to be located, with new transmission systems extending throughout the country.

I noticed the other day an article stating that one of the private utilities is transmitting 1 million volts of power over a line. I am not sure it was not more power than that. This demonstrates the progress we are making. We will need all the power we can get.

Inasmuch as we are considering the proposal today from a position of national requirements and national supply, it seems to me that even if the cost should reach 3 mills it would be an economic proposition.

I understand that 400,000 of the 700,000 or 800,000 kilowatts which would be generated at Hanford would be used in the atomic energy experiment and plant, to supplant the power which now has to be purchased from the Bonneville Power Administration. This will permit the Bonneville Power Administration to sell much larger amounts of firm power to private, public, and cooperative systems in that area.

I realize that most of the private utility companies which say anything at all about the project are in opposition to it. I believe that is a shortsightedness. I believe when these great sources of power are developed the utilities will gain tremendously. Their business will be on a more sound basis. If they are really worried about nationalization of the power industry in the United States, the way to get it is to keep the country on a short supply.

After summing up all of the arguments for and against this proposal, I believe we would be justified in voting to develop the 700,000 or 800,000 kilowatts of power, which will add that much more to a national supply which certainly will have to be doubled within the next few years.

I believe also that all those who are engaged in the distribution of power today—private, public, or cooperative—will gain by increasing the supply of electrical energy in this country even if it may not be, as we say, "in our own backyard."

I reiterate: I wish this plant were within economic transmission distance of my State. It is not. I feel that by adding to the national supply our area is bound to get indirect if not direct benefits from it.

Mr. ANDERSON. Mr. President, I know there is a disposition to vote. I have been over this problem a great many times before, and I do not intend to spend too much time on it now.

I commend the Senator from Vermont for what he has said. It is typical of the analysis the Senator gave in the Joint Committee on Atomic Energy, when he carefully tried to bring out the facts connected with the project.

It is a fact that if we do not approve this proposal we shall waste 11 million pounds of steam per hour. This persuaded many people the project ought to be approved, in the interest of conservation.

If there were available in many parts of our country 11 million pounds of steam per hour, think of what it might do for industry. That is the answer I intended to give for the Senator from West Virginia a moment ago. It is a question of where it is available. We have the steam now, and it is being wasted. The only use to which it is being put is to be dumped into the Columbia River to warm the waters of the river. A better use can be found for it, and should be found for it.

Mr. President, the able Senator from Washington [Mr. JACKSON] put into the RECORD some tables which I intended to have printed, but I am glad he did so, because they point out that the Atomic Energy Commission is spending money for assistance to private industry and has done so for many years. I do not regret that. I am delighted by it.

The Atomic Energy Commission gave to the Yankee Atomic Electric Company $3,669,000 as a waiver of fuel use charges and another $5 million for operating funds.

The Atomic Energy Commission made available for the Power Reactor Development Co. $3,703,000 as a waiver of fuel use charges and $3.6 million of operating funds for research and development.

The Atomic Energy Commission has gone through a whole list, providing almost $100 million of contributions directly to the private utilities. I think that is a fine thing, because from it has come the development in the industry which has been very much worthwhile.

The assistance has not been confined to that alone. The Atomic Energy Commission went to the State of Nebraska, in which State the Consumers Public Power District is a great cooperative which takes care of a great many people. It is building a plant, at a cost of some $28 million. It provided $8 million as a waiver of fuel use charges. It provided $16 million in operating funds. That is the total of over $52 million for that organization alone, in the State of Nebraska.

That is not all. Over the country a tremendous amount of money has been spent for research and development as well as for authorized construction.

In the civilian reactor field, $475 million has been made available for research and develment; $259,800,000 of construction was authorized which, totaled with all other items, brings the total of Federal funds for civilian reactors to $890,500,000.

This proposal is a business venture, and, if I wanted a better witness, I could not find one than John McCone, former Chairman of the Atomic Energy Commission. I visited with him on Sunday concerning this subject, and I learned that he thought then, as I have known him to think before, that the Hanford reactor should be converted and electricity should be developed. Not wishing to trust my memory, I called Mr. McCone on Monday in New York, and I received the following statement from him:

> I believe that the building of the power unit at Hanford is an important thing to do. It will mean an advance in the art and will give the United States now and for many years to come the largest atomic generating plant in the world. There are two other things that will also advance the art and are important now. One of these is the Stanford Accelerator and the other is the proposal of Pacific Gas & Electric to build a 300,000-kilowatt atomic electric generating plant at Bodega Bay.
>
> I support all three.

I regard John McCone as one of the ablest and finest businessmen who have ever been connected with atomic energy work. He brought to the work a rare sense of the proprieties of building reactors, the cost of which runs into huge

sums of money, but which will return to the country a great amount of blessing. So I was happy to have an appraisal of the project from his business standpoint.

Another distinguished Californian now in atomic energy work is Dr. Glenn T. Seaborg, present Chairman of the Commission.

The Senator from Washington [Mr. JACKSON] has had printed in the RECORD the statement of Dr. Seaborg endorsing the project. In Dr. Seaborg we have a scientist, the winner of a Nobel Prize, who states that this is a good thing to do scientifically. Besides his statement we have the testimony of a businessman who, when he left the Atomic Energy Commission, returned to California and was elected to the board of directors of the Standard Oil Co. of California, Trans World Airlines, and a great bank in that State. He is a man of proved business capacity. I say that the project is a businesslike thing to do.

I shall ask to have printed in the RECORD an analysis of the cost and value of NPR power, because I think the analysis made by the Federal Power Commission was a bit faulty. Even on the basis of the analysis made by the Federal Power Commission, this plant was a good project. But the Federal Power Commission included in its estimates an annual operating cost of $750,000 for liability insurance for the facility. That amount was much higher than in the case of any other atomic powerplant, and would not take into account the fact that in the liability act known as the Price-Anderson Act there is a provision that, after 10 years of operation, the costs will be examined, and if the costs have not been high, the excess money is to be returned.

Therefore I think the $750,000 does not belong in the balance sheet, because we would not be involved in any such expenditure.

The Federal Power Commission assumed a percentage of 4 percent for the cost of financing the project. We are borrowing money at rates lower than 4 percent, and I think we should also do so on this project.

All these points tend to prompt me to believe that the proposal should be undertaken. I am glad that the Senator from West Virginia [Mr. RANDOLPH] had printed in the RECORD the fine editorial from the Washington Evening Star. I read the Washington Star with a great deal of interest. I have carefully read this newspaper through the years. I know it has no bias in favor of the kind of project that is proposed. Yet the newspaper made the appraisal that it thought the House was wrong, and expressed the hope that the Senate would not make the same mistake. The editorial is well worth the attention of Senators.

Month by month I pick up the Forum Memo, which is published by the Atomic Industrial Forum, Inc., in New York City. The publication is not devoted to the interests of either private power or public power. It is a reporting service whose publication I have read with a great deal of interest.

The first article concerns the Pacific Gas & Electric commitment, and points out the things that will be done by the Pacific Gas & Electric Co. They will have available a competitive price on the power that will be developed through the use of the reactor. If we wished to be picayunish, we could start by saying we do not believe what the Pacific Gas & Electric Co. has announced, that we do not believe the company will get the price of the power as low as is contended.

The Atomic Energy Commision has made an evaluation of the Pacific Gas & Electric Co. proposal, which is dated July 18, and points out that while the Pacific Gas & Electric Co. has come forth with a total estimated cost of 5.62 mills for the power, the Atomic Energy Commission believes the cost will run to 6.7 mills.

I do not care which figure is accepted. I wish to see these plants built; even if the Atomic Energy Commission must make some special concession to the Pacific Gas & Electric Co. on fuel cost or some other point—which apparently it does not plan to do. I hope very much it will do so, because the proposed plant would generate 300,000 or more kilowatts of current at competitive prices. I think it is a great and inspiring forward step.

In the same issue of the Forum Memo appears reference to a project that is being undertaken in Los Angeles by the Southern California Edison Co. This is not the first time I have taken a look at that story, which appears on page 12 of the magazine. It is called the Southern California-Westinghouse proposal. What does the Forum Memo say about it? It states:

> The proposal contains requests for about $11 million for research and development assistance and some $8.5 million in waiver of fuel use charges.

I have discussed that project with officers of Westinghouse, and I have said to them, as I am glad to say on the floor of the Senate now, that if the subject comes before the Joint Committee on Atomic Energy, and an authorization is requested to make research money available for the construction of the plant and for a waiver of fuel use charges, even if the amount runs to $15 million, $17 million, or $18 million, I intend to vote for it, because, according to this memorandum, the plant would recover approximately 375 gross electrical megawatts of current, which is equivalent to 355 net.

If we add together the current generated by the two plants in California—the Bodega Bay plant of the Pacific Gas & Electric Co. and the plant of the Southern California Electric Co., which will be built on Marine Corps land—we have almost the capacity of the Hanford reactor. There would be produced a total of approximately 700,000 kilowatts of energy.

The U.S. Government would be able to point with pride to those two great reactors, which will be larger, I am sure, than anything else in the world, with the exception of the plant at Hanford.

One point made by John McCone over and over again is that if we build the Hanford reactor, it will be now, and for many, many years to come, the largest reactor in the world. It is about time we were getting a few firsts in this field. We were the great developers of atomic energy, and I would be very happy to see this great plant established.

Mr. JAVITS. Mr. President, when the Senator reaches an appropriate point, I should like to ask a question.

Mr. ANDERSON. The Senator from New York may ask a question at any time he wishes.

Mr. JAVITS. I shall not try to enter into the intricacies of the debate, which my colleagues are very well able to handle, but to those like myself, who do not wish in any way to thwart the aggregate development of resources of our country, no matter where they may be located in our country, a fundamental question is presented by the minority views, for which we must necessarily have great respect, since some of our distinguished colleagues are among the minority. The point to which I refer is contained on the first page of the minority views:

> The expenditure of the proposed $95 million would be far more effective in advancing the art of nuclear power if applied to the development of new techniques and processes than to the addition of 800,000 kilowatts of generating capacity at the Hanford reactor which will contribute little to the goal of competitive nuclear power.

My question of both the Senator from New Mexico and the Senator from Washington, who is handling the bill, is this: Can we, who wish to contribute to the development of our resources, be given a sound reason, within reasonable compass, why we should support the expenditure of $95 million in this way? What are the alternatives by way of expending the money in some other way, which might or might not be more productive in terms of the aggregate resource development of our country?

Mr. ANDERSON. I say to the able Senator from New York that that was not the point on which Mr. McCone based his recommendation, nor was it the point on which Dr. Seaborg turned his recommendation. If we were to spend $150 million again, we could probably spend it better than we did at Shippingport. However, that is all past. At Hanford we have an opportunity to learn a great deal about what would happen in the operation of large reactors for power. The important thing is that for $95 million we will be able to use 11 million pounds of steam per hour which otherwise would be wasted and the Government will get back the $95 million.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. PASTORE. The argument made by the writers of the minority report is that this project would not advance technology. That is not the question. That was not the question before the committee, either. It is admitted that insofar as technological advances are concerned, the expenditure of $95 million would not be a great advantage. We are wasting a great deal of heat in

a part of the country where there is a paucity of electric power. We have almost reached the limit of that development insofar as hydroelectric power is concerned. The serious situation is that we are now using at the Hanford installations 350,000 kilowatts a year. It will be increased to 400,000 kilowatts. This is about half of what the proposed project would produce.

Insofar as this project is concerned, this money would come out of the production cost, not out of research and development cost. I have heard the Senator from New York say many times that we must do all we can in all fields. We are not sacrificing one at the expense of another. We must promote technology. The Federal Government must give assistance in research and development. We must have some money for unspent fuel costs.

The minority report might lead one to believe that because we are conducting this activity, it is being done at the expense of other activities. We are conducting other activities, but we should be doing this, also.

A great deal of heat is going to waste. We are wasting heat that we could tap, and with it we could produce electricity, which is sorely needed in that part of the country.

That is the explanation, Mr. President. What the minority is saying is that it would be better if we took the $95 million and built another ship or another Polaris submarine. We should build as many Polaris submarines as we need. We are not sacrificing that effort because of this. We should be doing both.

Mr. JAVITS. Am I right, therefore, in assuming that the argument as to the most effective use of the $95 million for the production of power, as distinguished from the development of atomic energy at this point, is this opportunity which the Senator discusses?

Mr. PASTORE. Yes.

Mr. ANDERSON. The Senator is correct.

Mr. PASTORE. What we are trying to do is tap the heat, not sacrifice research and development.

Mr. ANDERSON. The Forum Memo of July 1961 also contains an article entitled "The *Long Beach* Goes to Sea." When the *Long Beach* returned to port I talked to Admiral Rickover, for whom, as Senators know, I have great admiration. He reported on the wonderful results of the *Long Beach* performance. The *Long Beach* has two reactors. Information as to the speed is classified, but I can say that the *Long Beach* has a very satisfactory speed. Those two reactors performed exceedingly well.

We did not create the *Long Beach* in a single impulse. First, there was a reactor prototype in Idaho. Then we built the *Nautilus*. From the plans of the *Nautilus* we developed the *Skipjack*, and from those experiences we put together, as a culmination, the *Long Beach*. These things are done step by step.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. PASTORE. It would be a deception of the Senate if we left the impression that the $95 million was being spent because we hoped to gain some great technological improvement or development from it. That would be a pretense.

Mr. ANDERSON. That is not the purpose. This money is to be spent over a long period of time. As has been pointed out, we will get back the $95 million from the sale of current. The Chairman of the Commission, Dr. Seaborg, a Nobel Prize winner, says this should be done. The former Chairman of the Commission, Mr. McCone, a very able businessman, says that this should be done. That is the testimony, Mr. President. I hope the motion will not prevail, and that this project will go forward.

Mr. MILLER. Mr. President, I should like to ask a question either of the manager of the bill or of the Senator from New Mexico. How serious would it be, so far as the electrical power feature is concerned, if the project were delayed for, say, 1 year or 2 years, or 3 years? I ask the question because I note in the report that the electrical production will not start until 3 years after the reactor is scheduled to be completed. Therefore, the two are not phased at the same time.

Mr. PASTORE. The question is, How seriously do we want to be serious? Even if we pump 700,000 or 800,000 kilowatt-hours into the grid of Bonneville Power, there will be a shortage of current in 1965 in that part of the country. If we want further delay, we add another year. If we want to make it worse, we add 2 years. If we want to make it still worse, we add 3 years. If we want to make it impossible, we vote for the amendment this afternoon.

Mr. MILLER. The Senator may have covered this part. However, I should like to inquire how much would be added to the cost if these facilities were not constructed concurrently. I am referring not only to the part which the Senator has just covered, but also to the cost involved.

Mr. PASTORE. The Senator knows, as a practical man, that the longer we wait the more the costs increase. It was pointed out by the distinguished Senator from Massachusetts [Mr. SALTONSTALL] that when we first thought of the project, we figured that it would cost about $75 million. Today the estimates have risen, as far as the cost of construction is concerned, to $95 million. The longer we wait, the greater will be the cost.

The issue is as simple as that. Of course, we can do without it. We can do without this source of power supply, but somehow or other we will have to fill the gap at a later time. I do not believe, for example, that the country will crumble if we do not do this one way or another. However, I say that if we want our country to go ahead and stay ahead we must stop being provincial, and we must look at this problem as Americans, as one country, not as individual States.

Mr. MILLER. I did not hear all of the presentation of the able Senator from Rhode Island. If he has covered this point, I hope he will indulge me in my asking this question. The minority report states:

> We believe the argument that the power from NPR may be needed to meet the requirements of the area is not well founded and should be discarded as without merit.

Mr. PASTORE. Who said that?

Mr. MILLER. It is included in the minority report.

Mr. PASTORE. Of course.

Mr. MILLER. I should like to know whether this proposal is all black and white, or whether it is shaded. It may be that if it were delayed for a year or two we might have a better indication of whether it is right or wrong.

Mr. PASTORE. In my opinion such a view is all wrong. There are 18 members of the Joint Committee, and only 2 Senators signed the minority report. Certain members of the Senator's party will vote against the amendment this afternoon. This gives an indication that the question is not all black and white; it is not a Republican or Democratic issue. It depends on how one looks at it. I believe we have made a proper presentation. The men who voted for the project are frugal businessmen, wise men, and patriotic Americans. That does not affect in any way the sincerity of anyone who may be against the proposal.

As I said before, there is a divergence of views, and it is a sincere divergence. But a few years ago Lewis Strauss thought this project, if constructed, should be convertible. John McCone, former AEC Chairman, says it should be done. Glenn Seaborg says we should do it. The Federal Power Commission says it should be done. The Atomic Energy Commission says it should be done. The Joint Committee of Congress says it should be done. Two Senators now say it should not be done. The Senator from Iowa may read all the minority views he wishes to read. The weight of authority appears to be with the majority.

Mr. KUCHEL. Mr. President, I rather envy our colleagues in the Senate who serve on the Joint Committee on Atomic Energy. They deal with a transcendently important and an amazingly complex, certainly almost romantic subject, especially to laymen and particularly with respect to what has taken place in the field of nuclear development in this country and around the globe, and which has changed the entire course of mankind. It has vastly affected the lives of free peoples—indeed, of all peoples—who inhabit the earth today.

The members of the Joint Committee, Democratic and Republican, Senate and House, come from all parts of the country. Their conflicting ideologies have accomplished a rather remarkable result. They have brought to the Senate today, in the form of the proposed legislation, a bill authorizing the expenditures of hundreds of millions of dollars of the people's money, and are almost entirely in agreement on what they believe should be done. Here is progress, American style.

I observe with the greatest of interest that, involved in the bill now before the Senate, is an authorization for some $22 million to private enterprise in America to proceed with the development of such nuclear research as the Government of the United States might finally approve. In past years, Congress has provided tens of millions of dollars for such joint atomic research between American Government and American industry.

I observe also that, contained in the bill, is an authorization for an almost fantastic undertaking to be located in the State from which I come, and about which I spoke on the floor of the Senate some weeks ago. This is an authorization to provide for the construction of a nuclear accelerator 2 miles long to be located near the campus of Stanford University, in California. In that connection, I was rather interested to read in the report the following:

Justification of this project is related to the growing importance of high energy physics in the United States and on the international front. In Switzerland, England, Italy, Sweden, and Germany, accelerators in the billion electron volt (Bev.) range are either being constructed or are just beginning operations.

In the U.S.S.R. the 10-Bev. proton synchrotron at Dubna has been operating for several years and has made significant contributions. Four other accelerators in the Bev. range including a 70-Bev. proton synchrotron are either under design or in construction.

From the small nuclear accelerator, now located at Stanford, wonderful results have come. New techniques in warning systems have been developed for the security of our people. And new ways of fighting cancer have been discovered in the use of the present Stanford accelerator, and now, urged and recommended by American science and by all relevant Government agencies, a 2-mile-long accelerator will be constructed at Stanford.

In that connection, I ask unanimous consent that that part of the Senate report beginning on page 12 and ending with the fourth line on page 13 be printed as a part of my comments.

There being no objection, the excerpts from the report were ordered to be printed in the RECORD, as follows:

PURPOSE OF THE PROPOSED ACCELERATOR

Scientists keep building bigger, higher energy particle accelerators primarily because these permit them to explore ever-smaller dimensions of the atom. The higher the energy, the shorter the wavelength of the accelerated particle, the finer is its "microscope" or "seeing" ability to probe the structure of matter. To date about 30 different particles have been identified this way, some of which belong to a strange new world called antimatter.

The diversity of use of the proposed Stanford linear electron accelerator would make it particularly valuable as an advanced research tool. The following items are the major uses to which it will be put:

1. Particle production experiments: Targets of various isotopes will be bombarded by electrons to produce quantities of other kinds of particles for study.

2. Studies of nuclear and fundamental particle structure: Neutrons, protons, and other particles can be "microscopically" probed or "seen" by means of high energy electrons to study their size, shape, etc.

3. Studies of the basic theories of energy and matter: One of many important studies to be performed with this accelerator will be to determine if there is a limiting distance of submicroscopic length, at which point our existing laws of physics break down.

4. Studies of electron induced processes: Many isotopes of the elements have extremely small cross sections of the potentiality to be transformed into other states. By means of a high-intensity electron accelerator, such as this one, many new reactions may be revealed in the future.

5. Special uses such as the search for new fundamental particles of nature: The discovery of about 30 different particles to date leads the scientist to attempt to discover if these existing particles are truly fundamental. It is, therefore, of great importance to determine if the presently known particles as well as any new, yet to be discovered, particles show the real nature of matter.

The total experimental time available for high-energy accelerators today is considered grossly inadequate. This is due in part to the growing importance of experiments utilizing beams of secondary particles which requires high-intensity accelerators such as the proposed Stanford linear electron accelerator. Recent theoretical studies have enhanced the promised yields of high-energy neutrino interactions that may open a new field shedding light on weak coupling forces and other fundamental questions.

The Stanford accelerator would markedly extend the range of possible experiments. It would extend the available electron energies by a factor of 2 or 3 with further potential later. The beam intensity or total number of electrons delivered per unit time will be greater than any other accelerator.

The accelerator facility should be made available as a research tool not only to the staff at Stanford but to qualified scientists throughout the United States and the world. It would offer an unmatched opportunity for international collaboration and cooperation. Since this would represent a national facility, the Joint Committee would expect that it be operated in a manner consistent with the U.S. policy of international cooperation in the peaceful uses of the atom.

Mr. KUCHEL. Mr. President, the single item in the proposed legislation which has provoked, unfortunately, some controversy is that which would authorize the installation of electric generating equipment in the Hanford project. I regret that there is a difference of opinion with respect to it.

I observe—and I use the committee's report to justify my statement—that in 1958 the Joint Committee, and then Congress, approved and wrote into the law legislation which would provide for the construction at the Atomic Energy Center in Hanford, Wash., of a plutonium production convertible reactor. Plutonium is the stuff of which nuclear warheads are made. At that time, all the members of the Atomic Energy Commission serving under the administration of President Eisenhower testified that if a production reactor were to be built, it should be of the convertible type. So the moneys were authorized, construction of the reactor was begun, and it is being constructed upon principles of convertibility.

Now, by reason of the amendment proposed to the bill, the item for the completion of the reactor with respect to the facilities to generate electricity be entirely deleted. I have read the reports. I have read the debate in the House of Representatives. I have talked to friends of mine in the House of Representatives who do not feel that the generating equipment ought to be purchased. I have talked to some who are on the other side of the question in the House of Representatives, who feel it should be purchased.

I understand full well that the administration approves the project. I understand that the Atomic Energy Commission approves the project. I pursued the subject further.

I asked Dr. Glenn Seaborg, a distinguished constituent of mine, what his specific views might be, in addition to those which he enunciated before the Joint Committee on Atomic Energy. It was said earlier today in the Chamber that Glenn Seaborg is an able man. He is. He was chancellor of the University of California. He is a Nobel Prize winner. He is an outstanding American, a distinguished scientist, and a fine public servant.

His reply to me was:

Senator, I say to you as an American that Congress, in my judgment, ought to approve that which the Joint Committee on Atomic Energy has sent to the Senate. The nuclear reactor at Hanford was authorized as a convertible reactor. The waste of heat generated there, the failure to use it for a beneficent purpose, would be completely indefensible.

Mention has been made of another distinguished Californian, John McCone. John McCone is one of the great American citizens of our time. He is a distinguished leader in American business and American industry. He serves on the boards of directors of many great corporations. He heads a farflung industry. He served with distinction, under the administration of Dwight Eisenhower, as Chairman of the Atomic Energy Commission. I spoke with John McCone. I said:

Give me your views. I speak as a Member of Congress who is not a member of the Joint Committee on Atomic Energy, and to whom many of these problems are extremely difficult to understand. Where does the public interest lie?

Former Atomic Energy Commission Chairman John McCone replied:

Senator, in my judgment, it would be a mistake for Congress to eliminate the nuclear production reactor item from the bill. To waste the great amount of heat produced at Hanford, to fail to utilize it, would be a vast disservice to the people.

As I recall Mr. McCone's words, he said, first, that here was an opportunity for the free people of the United States to construct the largest dual-purpose nuclear reactor in all the globe. America might point to leadership in this field. Prestige—or respect—is an important item in the life of nations today, Mr. President.

The former chairman of the Joint Committee, the distinguished Senator from New Mexico [Mr. ANDERSON], and

others have stated in the debate that each hour 11 million pounds of steam go to waste, every hour, mind you, at the Hanford reactor. There is no way in which we can justify permitting that waste to continue, I have concluded; but what is infinitely more important in the debate, it cannot be justified in the judgment of the previous Chairman of the Commission, John McCone, or the present Chairman of the Commission, Dr. Glenn Seaborg.

I discussed with Mr. McCone the ideological dispute between public and private power advocates in the United States. In the opinion of Mr. McCone, the action taken by Congress, if the bill shall be approved as it came from the committee, will be a precedent for nothing with respect to that ideological dispute. And the committee report, I observe, says the same thing.

As I have listened to the debate, with many others of us on this side of the aisle and of the other side of the aisle, who are not on the committee, we struggle to determine where the public interest lies.

For myself, I conclude that the bill as it came from the committee should bear the stamp of approval of the U.S. Senate. I shall vote against the pending amendment.

PROGRESS IN ATOMIC POWER DEVELOPMENT

Mr. KEATING. Mr. President, in view of today's debate on the Atomic Energy Commission authorization bill, I believe it is an especially appropriate moment to make a few comments on the development of power through atomic energy by several alert, investor-owned utilities in New York State.

On December 6, 1960, an intensive program looking toward the development, design, and construction of a large nuclear generating station which would crack the atom power cost barrier was announced by seven investor-owned electric utility companies serving New York State.

The program was the second major step in a planned approach by the companies to the production of electricity from atomic energy at a lower cost than from coal, oil, and gas throughout the Empire State. Studies conducted in 1960 indicated that advanced concepts of two types of atomic powerplants show marked promise of achieving this breakthrough in the cost of atomic power.

Mr. President, I understand that the seven utilities have formed a nonprofit corporation to be known as Empire State Atomic Development Associates, Inc.—ESADA. ESADA has contracted separately with General Electric Co. and General Atomic Division of General Dynamics Corp. to conduct an initial two-pronged development program totaling more than $20 million toward which the utilities, through ESADA, will contribute more than $10 million.

General Electric will design and construct a reactor of about 15,000 thermal-kilowatt capacity—5,000 electrical—at its Vallecitos Atomic Laboratory. This test facility will be operated to demonstrate technical feasibility of nuclear superheat, which it is believed will improve on the most economical reactors, and will allow the utility industry to use today's steam technology and equipment.

As in the case of most reactor types, the limiting considerations in nuclear superheat are reliable fuel and long-lived fuel materials. The ESADA Vallecitos experimental superheat reactor will be a tool which will develop information necessary for the design and operation of large central station nuclear plants incorporating nuclear superheat.

Mr. President, design work and site preparation are apparently moving ahead on schedule. Another milestone of progress for the ESADA Vallecitos experimental superheat reactor was a step completed June 29, leading to the issuance of a construction permit for the nuclear superheat facility. This was an open hearing by the AEC's hearing examiner at the Commission's Germantown headquarters.

The seven members of ESADA include: Central Hudson Gas & Electric Corp., Consolidated Edison Co. of New York, Long Island Lighting Co., New York State Electric & Gas Corp., Niagara Mohawk, Orange & Rockland Utilities, and Rochester Gas & Electric Corp.

Mr. President, these New York utilities have stepped up to assume a large fraction of this multi-million-dollar program for solving problems jointly faced by the nuclear industry, the utility industry, and the Atomic Energy Commission. In fact, the ESADA projects are in addition to an already substantial investment by New York State utility companies in other atomic projects which employ various reactor types.

Consolidated Edison is completing a $100 million atomic plant at Indian Point, N.Y., which is expected to go critical late next year.

Niagara Mohawk, New York State Electric & Gas, and Rochester Gas & Electric are among the 53 member companies of the High Temperature Reactor Development Associates, Inc., which are building the Peach Bottom prototype plant.

The Rochester company, Long Island Lighting, and Central Hudson are members of Power Reactor Development Corp. which is building a fast breeder nuclear electric-generating station at Monroe, Mich. All of the ESADA companies except Orange and Rockland, are members of Atomic Power Development Associates, Inc., engaged in engineering design and research for the Monroe reactor.

Concurrent with its atomic energy activities, ESADA maintains a power pool committee which is making studies for the long-range statewide planning to meet future electrical needs of the State at the lowest possible cost. Generating plants and transmission facilities now planned or under construction, including the Niagara project of the State power authority, will provide more than an adequate capacity of electrical power within the State for the next several years.

My personal congratulations go to ESADA for its progressive leadership as it assumes a major role in the task of developing economic atomic electric power. The continued efforts of private enterprise to provide abundant low-cost power to the consumers of the Empire State is a dedicated public service that will keep New York a good place in which to work and live in the best American tradition.

Mr. President, so long as the private, investor-owned utilities of our Nation move with such vigor and initiative to meet the Nation's expanding need for power, there is no purpose to be served by increasing Government activities in the field. The effort of the Atomic Energy Commission, for instance, to build a dual purpose reactor at Hanford, Wash., is such a case. I believe it to be unjustified economically and unwise politically for the Government to enter into power projects like this, projects which can be developed as well or better by private enterprise. I am hopeful that Congress will defeat this attempt.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa [Mr. HICKENLOOPER].

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KUCHEL. Will the Chair restate the pending question?

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from Iowa [Mr. HICKENLOOPER] to strike out certain portions of the bill.

On this question the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BEALL (when his name was called). On this vote, I have a pair with the senior Senator from New Mexico [Mr. CHAVEZ]. If the Senator from New Mexico were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. ELLENDER (when his name was called). On this vote, I have a pair with the junior Senator from Rhode Island [Mr. PELL]. If the Senator from Rhode Island were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. MANSFIELD (when his name was called). On this vote, I have a pair with the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN]. If the Senator from Illinois were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Hawaii [Mr. LONG] is absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Rhode Island [Mr. PELL] is absent due to a death in his family.

I further announce that, if present and voting, the Senator from Hawaii [Mr. LONG] would vote "nay."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Illinois [Mr. DIRKSEN] are absent because of illness. The pair of the Senator from Illinois has previously been announced.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senator from Vermont [Mr. PROUTY] is necessarily absent.

The result was announced—yeas 36, nays 54, as follows:

[No. 100]

YEAS—36

Allott	Curtis	Morton
Bennett	Ervin	Mundt
Boggs	Fong	Robertson
Bridges	Goldwater	Russell
Bush	Hickenlooper	Saltonstall
Butler	Holland	Schoeppel
Byrd, Va.	Hruska	Scott
Capehart	Jordan	Smathers
Carlson	Keating	Talmadge
Case, N.J.	Long, La.	Thurmond
Case, S. Dak.	McClellan	Tower
Cotton	Miller	Williams, Del.

NAYS—54

Aiken	Hart	Metcalf
Anderson	Hartke	Monroney
Bartlett	Hayden	Morse
Bible	Hickey	Moss
Burdick	Hill	Muskie
Byrd, W. Va.	Humphrey	Neuberger
Cannon	Jackson	Pastore
Carroll	Javits	Proxmire
Church	Johnston	Randolph
Clark	Kefauver	Smith, Mass.
Dodd	Kerr	Smith, Maine
Douglas	Kuchel	Sparkman
Dworshak	Lausche	Stennis
Eastland	Long, Mo.	Symington
Engle	Magnuson	Williams, N.J.
Fulbright	McCarthy	Yarborough
Gore	McGee	Young, N. Dak.
Gruening	McNamara	Young, Ohio

NOT VOTING—10

Beall	Ellender	Pell
Chavez	Long, Hawaii	Prouty
Cooper	Mansfield	Wiley
Dirksen		

So Mr. HICKENLOOPER'S amendment was rejected.

Mr. PASTORE. Madam President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. JACKSON. Madam President, I move to lay that motion on the table.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

INDEXING AND MICROFILMING OF CERTAIN RECORDS

Mr. BARTLETT. Madam President, I ask the Presiding Officer to lay before the Senate the amendment of the House of Representatives to S. 1644.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1644) to provide for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress, which was, on page 2, strike out all after "copies." in line 9 down through and including "States." in line 11.

Mr. BARTLETT. Madam President, I move that the Senate concur in the amendment of the House of Representatives.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alaska.

The motion was agreed to.

MEXICAN FARM LABOR PROGRAM

Mr. McCARTHY. Madam President, the question of the extension of the Mexican farm labor program—Public Law 78—will come before the Senate in this session.

There are those who advocate the elimination of the program and others who want it continued undisturbed for 2 more years as provided in the bill already approved by the House of Representatives—H.R. 2010.

The administration bill, S. 1945, takes a middle position. It extends the program for 2 more years but it incorporates safeguards recommended by the administration to prevent the program from having an adverse effect on the wages and working conditions of domestic migratory workers.

One of the important amendments provides that growers, to be eligible to contract for Mexican nationals, must offer them wages at least equivalent to the average hourly farm wage in the State, or the national farm wage average, whichever is the lesser. In no case would an employer be required in the first year to offer more than 10 cents per hour above the highest wage prevailing during the last previous season under which Mexican nationals were employed in the area and in the activity involved.

In my judgment, this provides an objective and reasonable criterion. It takes into account differences which now exist between the States. It provides for orderly adjustment.

I should like to emphasize, also, that this amendment does not impose any regulation on any grower. No grower is required to pay any worker any rate, unless he wishes to use his Government as an agency to import Mexican nationals for agricultural work. If he does wish to use this service, then he must, of course, meet certain minimum standards to guarantee that domestic workers will not be adversely affected in their wages and working conditions.

The need for this amendment rests on a question of fact: whether there is evidence that wages and working conditions of domestic workers have been lowered or have failed to advance in some proportion to those in the rest of the economy.

Hearings on the extension of the Mexican farm labor program have been held by the Subcommittee on Agricultural Research and General Legislation of the Senate Committee on Agriculture, of which the Senator from North Carolina [Mr. JORDAN] is chairman.

At the hearings the Secretary of Labor Goldberg stated that the Mexican farm labor program has had an adverse effect on domestic migratory workers and that the administration is opposed to extension of the program without amendments. He stated that in some areas Mexican nationals are still receiving the 50 cents per hour minimum allowed by the Republic of Mexico. Other testimony was given which indicated that in some places domestic workers received even lower wages. I wrote to Secretary Goldberg and asked him to check on this matter. In his reply he listed areas in which domestic workers this year have been receiving as low as 30 cents per hour.

I ask unanimous consent that my letter and his reply be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JUNE 30, 1961.

The Honorable ARTHUR J. GOLDBERG,
Secretary of Labor,
Washington, D.C.

DEAR MR. SECRETARY: When you testified concerning the extension of Public Law 78 before the Subcommittee on General Legislation of the Senate Committee on Agriculture, you included a statement that in a few States the Mexican workers brought in under the Mexican farm labor program were receiving hourly wages of only 50 cents per hour in 1960 and that this wage had remained unchanged for 10 years.

Other testimony before the committee indicated that some U.S. farm workers are paid less than 50 cents per hour for some specific activities in areas where Mexican workers are employed at 50 cents per hour.

I would appreciate your comment on the accuracy of the statement that some U.S. workers are receiving less than 50 cents per hour in these areas. Does the Department have a list of areas and activities in which Mexican workers are employed and in which U.S. workers are paid less than 50 cents per hour? I would also appreciate your judgment as to whether the wage rates paid to U.S. workers in such areas are showing signs of the increase which should be expected in such low wage situations.

Sincerely yours,

EUGENE J. McCARTHY.

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 11, 1961.

Hon. EUGENE J. McCARTHY,
U.S. Senate, Washington, D.C.

DEAR SENATOR McCARTHY: I am presenting herewith the information requested by your letter of June 30 with respect to areas in which Mexican nationals are being employed despite wage levels lower than 50 cents per hour among U.S. workers.

The areas and activities of Mexican employment in which a wage of less than 50 cents per hour has been found to prevail among domestic workers thus far in 1961 are as follows:

State, area, and activity	Date of wage finding	Prevailing wage rate
ARKANSAS		
Crittenden County: Cotton chopping	June 9	$0.30
Mississippi County: Cotton chopping	do	.40
Phillips County: Cotton chopping	June 7	.30

State, area, and activity	Date of wage finding	Prevailing wage rate
TEXAS		
Lower Rio Grande Valley:		
All crops, hoeing	Apr. 27	$0.40–.45
Cucumber, picked bulk	May 3	.45
Maverick County: Cauliflower, cut and pack in field	Feb. 14	.40

There may, of course, be other areas in which wages paid on a piece-rate basis are yielding less than 50 cents per hour to average U.S. workers.

I am also enclosing the full list of areas and activities of Mexican employment in which the prevailing wage rate among U.S. workers is 50 cents per hour or less.

With regard to your final question, we are unable to conclude that wages in the very low-wage Mexican-employing areas are showing marked improvement. So far this year 18 area wage surveys have revealed prevailing wage rates lower than on the comparable date a year ago. All but four of these wage declines were in States where the typical hourly rate is 50 cents or less. Furthermore, in three out of the six exceptionally low-wage areas listed above (including both of the 30-cent per hour areas), the latest wage finding represents a decline from the prevailing wage rate in the preceding year. In short, it appears that wage-depressive tendencies in areas using Mexican labor are strongest and most harmful in the areas in which wages are already exceptionally low.

Yours sincerely,

ARTHUR J. GOLDBERG,
Secretary of Labor.

Farm wage rates of 50 cents per hour or less in 1961 in activities employing Mexican contract workers, by State and area [1]

State, area, and activity	Date of wage finding	Prevailing wage rate
ARKANSAS		
Craighead County: Cotton chopping	June 9	$0.50
Crittenden County: Cotton chopping	do	[1].30
Mississippi County: Cotton chopping	do	[1].40
Phillips County: Cotton chopping	June 7	[1].30
Poinsett County: Cotton chopping	June 10	.50
TENNESSEE		
Lake County multicrop: Cotton and soybean chopping	June 6	.50
TEXAS		
Lower Rio Grande multicrop:		
All crops, hoeing	Apr. 27	[1].40–.45
Asparagus, cut, bulk	Mar. 10	.50
	Mar. 22	.50
	Apr. 7	.50
Cabbage, cut, bulk	Jan. 26	.50
	Feb. 9	.50
	Feb. 24	.50
	Mar. 10	.50
Cauliflower, cut, bulk	Jan. 26	.50
	Feb. 9	.50
	Feb. 24	.50
Celery, cut and pack in field	Feb. 9	.50
	Mar. 10	.50
Cucumber, picked, bulk	May 3	[1].45
	May 17	.50
	May 31	.50
Lettuce:		
Cut, pack, and load	Feb. 24	.50
Cut, pack, seal, and load	Jan. 12	.50
	Jan. 26	.50
	Feb. 24	.50
	Mar. 10	.50
Onions, dry, pull only	Mar. 23	.50
	Apr. 7	.50
	Apr. 20	.50

Footnote at end of table.

Farm wage rates of 50 cents per hour or less in 1961 in activities employing Mexican contract workers, by State and area [1]—Continued

State, area, and activity	Date of wage finding	Prevailing wage rate
TEXAS—continued		
Lower Rio Grande—Con.		
Peppers, bell, cut, bulk	May 3	$0.50
Squash, bulk	May 17	.50
Maverick County multicrop:		
All crops, hoeing	June 14	.50
Cauliflower:		
Cut, bulk	Jan. 17	.50
	Feb. 14	.50
Cut and pack	Jan. 17	.50
Cut and pack in field	Feb. 14	[1].40
	Mar. 1	.50
Winter garden multicrop:		
All crops, hoeing	May 24	.50
Broccoli, cut, bulk	Feb. 21	.50
Cabbage, cut and pack in field	Jan. 10	.50
	Jan. 25	.50
	Mar. 29	.50
Cauliflower:		
Cut, bulk	Jan. 25	.50
Cut and pack	Jan. 10	.50
Lettuce, cut, bulk	Mar. 29	.50
Onions:		
Dry, pull only	Apr. 27	.50
	May 11	.50
Dry (medium), pull only	Apr. 12	.50
Green, pull, bulk	Feb. 21	.50

[1] Hourly wage rates paid Mexican nationals cannot be lower than 50 cents per hour.

Mr. McCARTHY. Madam President, the question of low-wage rates in some areas where Mexican nationals are used is also treated in a special report by Donald Janson, appearing in the New York Times, July 16, 1961. I ask unanimous consent that Mr. Janson's report be printed in the RECORD at the conclusion of my remarks.

I hope that this information will be of assistance to Senators in determining whether the Mexican farm labor program should be amended to prevent adverse effect on the wages and working conditions of domestic migratory workers.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

ARKANSAS FIELD PAY FALLS TO 30 CENTS AN HOUR

(By Donald Janson)

HEAFER, ARK., July 13.—John Morrison, 38-year-old migrant laborer from southeastern Missouri, dropped his hoe after 10 hours of chopping cotton on the J. E. Pollard farm here yesterday and collected $3 for another day's work.

"Some places around here in eastern Arkansas are paying only $2," the ex-soldier said. "Who can support a family by chopping cotton? We're leaving tonight for Michigan to see if we can find work in the cherry orchards."

His wife and their flushed 11-year-old daughter, who had weeded cotton under the hot sun all day alongside them, piled into their 1946 Buick along with the Morrisons' 8-month-old baby and 9-year-old daughter.

The Missourian is one of nearly half a million American farm laborers who migrate each year to earn a living.

They come to Arkansas to thin and weed cotton in May, June, and July only if they can find no other work. The prevailing wage rates posted in employment offices in the area, range from 30 cents an hour in some counties to 50 cents in others. Actual pay during most of the chopping season has been 30 cents this year.

MIGRANT FAMILIES COMPETE

The migrant families compete for these jobs with sharecroppers living on the cotton plantations, with field hands living in nearby small towns and urban centers such as Memphis, and with Mexican nationals brought in when there is a labor "shortage."

Because of the seasonal nature of the work, cottongrowers need greatly fluctuating numbers of workers during the chopping season and for harvesting in August and September. Many more choppers are needed, for example in June than in July. Thousands can be recruited in day-haul buses from Memphis.

Mexicans have been imported under contract for the last decade to insure a stable labor force throughout Arkansas' deltaland. The program stems from labor shortages that existed in World War II.

Eastern Arkansas growers hired 31,300 braceros last year, more than any State except Texas and California. They paid them the legal minimum of 50 cents an hour for chopping cotton.

The House of Representatives recently passed a 2-year extension of the bracero law, which expires December 31. It permits importation of Mexicans only to relieve farm labor shortages.

The bill is now before the Senate Agriculture Committee. The administration is seeking to amend the law to limit imported labor sufficiently to assure active competition for domestic workers. Secretary of Labor Arthur J. Goldberg believes the importation program is at least partly responsible for keeping domestic wages in the cottonfields at near-starvation levels.

GOLDBERG GIVES VIEWS

"The nature and size of the Mexican labor program substantially interferes with the normal operations of the law of supply and demand in the labor market," he testified before a Senate subcommittee. "The inexorable result is to stabilize or depress the wages of our own farmworkers in areas where Mexican braceros are employed."

The adverse-effect charge was restated in Memphis today by Frank E. Johnson, Assistant Director of the Department of Labor's Bureau of Employment Security. He was in Memphis to meet with Arkansas and Tennessee employment service officials to see if the situation could be improved. Opponents of the Mexican labor program contend that cottongrowers are deliberately using it to keep domestic pay low.

About 315,000 Mexicans were brought to the United States last year. More were used in the cottonfields than for any other crop. Less than 2 percent of Nation's 4 million farms use braceros and most of the users are large operators.

Cottongrowers and other users of Mexicans vigorously oppose any change in the present law. One Administration-backed proposal would provide that employers using Mexicans must pay them the statewide or national average rate for hourly paid farm labor, whichever is less, with a maximum increase in any one year of 10 cents an hour. The Arkansas statewide average, among the lowest in the Nation, is 73 cents an hour.

The effect would be to bring domestic rates up accordingly.

BUSINESS LOSSES FEARED

"We just couldn't do it and stay in business," said James F. Reeves, Jr., manager of the 11,000-acre Kuhn Cotton Plantation near here.

He cited the high cost of machinery and the unreliability of the weather in producing a crop. Workers, on the other hand, expressed doubt that the plantation would go into the red if they were paid more than the current 30 cents an hour.

Whether or not the Mexican program is amended, the Department of Labor intends

to insist on wages for domestic cotton choppers that match the 50-cent minimum guaranteed Mexican workers.

The law authorizing importation of braceros provides that employers first make reasonable efforts to attract domestic workers at comparable wages.

An interpretation of this provision issued in May by Mr. Goldberg's office defined the domestic workers as able-bodied persons 14 years of age or over with the skill to do the job concerned. Cotton chopping is unskilled labor.

Mr. Johnson said he had come to Memphis to make it clear that this ruling would be enforced next year. But Arkansans were not convinced.

"It's a nonenforceable regulation," James L. Bland, administrator of the Arkansas Department of Labor's Employment Security Division, said in an interview. "We can't tell a man what he must pay."

Most growers prefer Mexican to American labor, he said, because only able-bodied adult males in fine physical condition are imported. Crews assembled locally include old men, women, and children.

A survey made by Mr. Bland's office showed that only 24 percent of the workers recruited in the Memphis day-haul operation were 18 to 45 year-old men who could keep up with Mexicans in weeding cotton.

"The Americans willing to do this stoop labor for 30 cents an hour are the dregs of humanity," said Lloyd E. Curtis, manager of the State Employment Service Office for Crittenden County in West Memphis. He said they included derelicts as well as women and children.

FEW SEEK FIELDWORK

He remarked that, although unemployment was high in Arkansas and Memphis and all claimants for unemployment insurance were offered cotton-chopping jobs, few would take work in the fields. Those who do go, he said, are agricultural workers not covered by unemployment insurance, laborers who depend entirely on fieldwork and odd jobs for a living.

"You can't afford to pay for something you don't get," Mr. Reeves said. "You can't pay a $3-worker $5 a day and stay in business very long. It would benefit us to expand the Mexican program and eliminate the day-haul."

Opponents of the present bracero program contend that growers would get a better job from domestic workers if pay and working conditions were improved.

They cite California, where wages paid by users of Mexicans rose to $1 an hour last year in some crops.

This helped to attract a domestic farm-labor force that State officials called "the best in years." Peak employment of braceros dropped by about 10,000.

PRACTICE IN OTHER STATES

Other States, including Washington and Oregon, that formerly relied heavily on braceros, no longer use them, having found they could attract all the farm labor they needed by offering better wages and employment conditions for domestic workers.

Robert E. Brewington, a cotton grower here, stopped using Mexicans 2 years ago. He said that with adequate supervision domestic crews performed well.

Nor has he been troubled with shortages of labor for his 680-acre farm.

"I can always get enough day-haul labor anytime I want it," he said.

Mr. Bland expressed the viewpoint that if wages were raised to 50 cents an hour farmers would have to be selective in hiring domestics and "we would create a great deal more unemployment and have to have more Mexicans."

BERLIN CRISIS POINTS NEED FOR COLD WAR GI BILL

Mr. YARBOROUGH. Madam President, the Berlin crisis has started the cold war smoking and smoldering in recent weeks. Rising above the smoke caused by this latest and potentially very dangerous situation is the pressing need for a cold war GI educational bill.

At this very moment our Chief Executive has under consideration a proposal to mobilize our Ready Reserves in the face of the Soviet Union's warning that it intends to sign a separate peace treaty with Communist East Germany before the end of the year.

A great portion of the U.S. Ready Reserve strength consists of cold war veterans, the 45 percent of our military-age population who have served an average of 2 years or more each on active duty since January 31, 1955, and are then required to serve in some instances for a 2-year period with a Ready Reserve unit.

The cold war veteran has already had his life materially affected by military service and it now appears that many of them may be called upon again to lay aside their civil pursuits and act as a deterrent to Communist aggression.

In the light of recent events and in the prospect of what may develop, it is high time this Congress recognized the vital necessity of a readjustment program for cold war veterans. No other segment of our population lives a more uncertain existence than our cold war veterans and no other group is forced to plan for the future surrounded by as many possibilities that those plans will be disrupted and interrupted.

If the Nation is going to turn to its cold war veterans for help in these crisis-filled days, then the very least the Nation can do in return is offer the cold war veterans assistance with their readjustment problems, which are difficult now, and which threaten to become increasingly difficult in the dangerous period which lies ahead.

Because of recent events and since the possibility has increased that our cold war veterans will once again have to leave families, jobs, and ambitions behind and return to active military duty, I strongly urge that the Congress enact into public law this session S. 349, the cold war GI bill introduced in January by 37 Senators, including the distinguished senator from West Virginia [Mr. RANDOLPH]. I congratulate the Senator for his strong support of the cold war GI education bill.

ANNOUNCEMENT OF HEARINGS ON S. 1392, RELATING TO THE INDIAN HEIRSHIP LAND PROBLEM

Mr. CHURCH. Madam President, I announce for the information of the Senate that beginning on Wednesday, August 9, at 10 a.m., in room 3110 New Senate Office Building, the Indian Affairs Subcommittee will hold hearings on S. 1392, a bill relating to the Indian heirship land problem.

The Department of the Interior has submitted its report on S. 1392, which is in the nature of a substitute, and it is my intention, as chairman of the subcommittee, to consider both bills at that time.

I hope that all interested parties who may wish to appear before the committee or submit statements in connection with the proposed legislation will contact the staff of the Committee on Interior and Insular Affairs so that an appropriate witness list may be prepared.

ARIZONA PUBLIC SERVICE CO.

Mr. GOLDWATER. Madam President, in the hearing before the Subcommittee of the Appropriations Committee of the House of Representatives on the Public Works Appropriation bill for 1962 a statement was made during the course of the testimony to the effect that the Arizona Public Service Co. of Arizona is controlled by the Electric Bond & Share Co. of New York.

This is patently wrong. The directors of the Arizona Public Service Co. have very rightly taken umbrage at these remarks and have addressed a letter to the Member of this body who made those remarks before the committee of the House of Representatives. I ask unanimous consent that the letter, addressed to the Senator from Utah [Mr. MOSS], be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ARIZONA PUBLIC SERVICE CO.,
Phoenix, Ariz., June 22, 1961.

Senator FRANK E. MOSS,
Senate Office Building,
Washington, D.C.

SIR: As directors of Arizona Public Service Co., we are shocked at your implication that Arizona Public Service Co. is under the control or strong influence of Ebasco Services.

Such irresponsible charges as you made June 7, 1961, before the House of Representatives subcommittee on appropriations reveal, at best, a lack of information and a gross misunderstanding of the corporate structure and policies of this company.

To set the record straight and to discourage any future distortions of the truth, we are stating these facts:

Central Arizona Light & Power Co., a predecessor company of Arizona Public Service Co., was reorganized in 1945. At that time it became an independent company, divesting itself of any connection with Electric Bond & Share Co. It is true that Arizona Public Service, as well as many other companies, have since taken advantage of the highly specialized talents of Ebasco Services, especially in the construction of powerplants. There is nothing wrong or illegal in these services, as your statements seem to imply; on the contrary, it has been to the advantage of our customers that the company is able to utilize the expert services of this firm to lower construction and operating costs.

Arizona Public Service Co. today is an independent and locally managed company whose policies are governed by a board of directors composed of 22 members. Twenty-one of the directors are Arizonians, and the other one is from Colorado. All are promi-

nent business people who have a vital interest in the future of this State. We are guided—in our own businesses and in our public service directorship—by one simple rule: The policies we set must be in the best interest of the State of Arizona.

To imply that we directors have acted or will act illegally in a collusion with Ebasco Services is a serious charge against our personal honesty and integrity, and for this reason we are individually signing this letter.

We call upon you as a responsible citizen and U.S. Senator either to offer evidence to prove your charges or to retract your statements and apologize for damaging the reputation of Arizona Public Service Co. and its board of directors.

Yours truly,

John M. Jacobs, Chairman; Fred J. Joyce, James B. Rolle, Jr., Ralph M. Bilby, Donald N. Soldwedel, Lloyd E. Eisele, C. W. Bond, Newton S. Cooper, E. Ray Cowden, Victor H. Lytle, J. H. Deaderick, A. H. Forman, E. V. O'Malley, Frank Snell, Walter Lucking, John L. Liecty.

P.S.—Our six other directors were not available at the time this letter was signed, but all are in accord with the content of the letter.

Mr. GOLDWATER. Madam President, I further ask unanimous consent that there be printed in the RECORD a list of the directors, together with their addresses.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ARIZONA PUBLIC SERVICE CO. BOARD OF DIRECTORS

NAME, BUSINESS ADDRESS, AND HOME ADDRESS

Ralph M. Bilby, vice president, Babbitt Bros. Trading Co., Flagstaff, Ariz.; 318 North Agassiz, Flagstaff, Ariz.

C. W. Bond, president, the Valley National Co., insurance, Post Office Box 31, Phoenix, Ariz., 1620 Palmcroft Way SW., Phoenix, Ariz.

Newton S. Cooper, Ranch, Stanfield, Post Office Box 607, Casa Grande, Ariz., 1021 North Gilbert, Post Office Box 607, Casa Grande, Ariz.

E. Ray Cowden, president, Cowden Livestock Co., Post Office Box 1550, Phoenix, Ariz., 6645 North 7th Avenue, Phoenix, Ariz.

J. H. Deaderick, president, Deaderick Investment Co., 2420 West Bethany Home Road, Phoenix, Ariz., 330 West Berridge Lane, Phoenix, Ariz.

Lloyd E. Eisele, president, Holsum Bakery, Inc., Post Office Box 6674, Phoenix, Ariz., 1822 Palmcroft Way NE., Phoenix, Ariz.

Del W. Fisher, president, Fisher Contracting Co., 2201 South 19th Avenue, Post Office Box 6537, Phoenix, Ariz., 7002 North Central Avenue, Phoenix, Ariz.

A. H. Forman, executive vice president, Arizona Public Service Co., Post Office Box 2591, Phoenix, Ariz., 501 West Encanto Boulevard, Phoenix, Ariz.

Arleen W. Hughes, E. W. Hughes & Co., investments, 516 Exchange National Bank Building, Post Office Box 198, Colorado Springs, Colo., 1225 Wood Avenue, Colorado Springs, Colo.

George E. Jackson, personal investments, Post Office Box 1141, Douglas, Ariz., 1057 "D" Avenue, apartment 2, Post Office Box 1141, Douglas, Ariz.

John M. Jacobs, John Jacobs Farms, 2040 West McDowell Road, Phoenix, Ariz., No. 3 Moon Mountain Trail, 14245 North 19th Avenue, Phoenix, Ariz.

Fred J. Joyce, counselor, Mutual Life Insurance Co., of New York, 1111 North First Street, Phoenix, Ariz., 107 East Ninth Street, Tempe, Ariz.

John L. Liecty, treasurer and assistant secretary, Arizona Public Service Co., Post Office Box 2591, Phoenix, Ariz., 7700 North 14th Street, Phoenix, Ariz.

Walter T. Lucking, president, Arizona Public Service Co., Post Office Box 2591, Phoenix, Ariz., 32 West Linger Lane, Phoenix, Ariz.

Victor H. Lytle, Pritchard & Lytle, insurance brokers, 144 North Montezuma Street, Post Office Box 870, Prescott, Ariz., 1130 Smoki Avenue, Prescott, Ariz.

A. Lee Moore, A. L. Moore & Sons, 333 West Adams Street, Phoenix, Ariz., 54 North Country Club Drive, Phoenix, Ariz.

E. V. O'Malley, president and general manager, Affiliated O'Malley Cos., suite A–100, 4747 North 16th Street, Post Office Box 3558, Phoenix, Ariz., Phoenix Towers, 2201 North Central Avenue, apartment 12–D, Phoenix, Ariz.

W. C. Quebedeaux, president, Quebedeaux Investment Co., 2901 East Manor Drive, Phoenix, Ariz., same, except summer: 2977 Ocean Street, Carlsbad, Calif.

James B. Rolle, Jr., member, law firm of Rolle, Jones & Miller, 301 Second Avenue, Post Office Box 70, Yuma, Ariz., 1920 Fifth Avenue, Yuma, Ariz.

J. B. Ryan, chairman of the board, Ryan-Evans Drug Co., Post Office Box 5128, Phoenix, Ariz., 126 East Country Club Drive, Phoenix, Ariz.

Frank L. Snell, general counsel, Public Service, Snell & Wilmer, 400 Security Building, Phoenix, Ariz., 5201 Arroyo Road, Phoenix, Ariz.

Donald N. Soldwedel, publisher-manager, Yuma Daily Sun, 300 Madison Avenue, Yuma, Ariz., 1505 Eighth Avenue, Yuma, Ariz.

TRANSMISSION LINES FOR COLORADO RIVER POWER

Mr. GOLDWATER. Madam President, I ask unanimous consent to have printed in the RECORD a copy of a telegram from the American National Cattlemen's Association, supporting the position of those of us who think that the transmission lines required to transmit Colorado River storage power should be built by private capital.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

Hon. BARRY GOLDWATER,
U.S. Senate,
Washington, D.C.:

The advisory council of the American National Cattlemens Association, representing about 140 affiliated local and State cattlemen's organizations and thousands of individual members, respectfully and forcefully request your understanding and support of the following resolution:

"The advisory council to the president of the American National Cattlemens Association in continuing its effort to perpetuate the private enterprise system in America; and

"Whereas free enterprise is best demonstrated and most effective when it is permitted to make its contribution to society unhindered by government interference and competition, recommends the acceptance of the utilities combination proposal to furnish transmission lines required to transmit Colorado River storage power."

This council, composed of presidents of State cattle affiliated associations particularly opposes an expenditure of $136 million for duplicating transmission lines. Irrigation assistance would not be enhanced by adoption of an all-Federal system and future State and national taxes would be lost.

FRED H. DRESSLER,
Chairman, Advisory Council.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

The Senate resumed the consideration of the bill (S. 2043) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

Mr. RANDOLPH. Madam President, for myself and my esteemed colleague from West Virginia [Mr. BYRD], I offer the amendment which I send to the desk. I ask that the amendment be read.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 4, after line 8, it is proposed to insert the following:

Project 62–e–4, study, development, and design for nuclear processes which have application for improving and utilizing coal and coal products, $5,000,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senators from West Virginia.

Mr. RANDOLPH. Madam President, the amendment is explanatory of its purpose. It would provide for the study, development, and design for nuclear processes which have application for improving and utilizing coal and coal products, $5 million.

Madam President, a comparatively small amount of money has been spent by the Atomic Energy Commission in cooperation with the U.S. Bureau of Mines in the use of high-temperature nuclear heat for the gasification of coal.

There is a high-temperature facility at Morgantown, W. Va., which has been the site of some experimentation. This Bureau of Mines experimental station was successor to the laboratory operated at Morgantown in connection with work done under the Synthetic Liquid Fuels Act sponsored as a wartime measure by former Senator O'Mahoney, of Wyoming and me in 1945 when I was a Member of the House of Representatives.

Compared with the tremendous sums of money being spent on other programs in the atomic energy field, the efforts currently being put forth by the Atomic Energy Commission to further coal research are inadequate. I am informed that there is much additional research and development activity in which the AEC can participate cooperatively with the Office of Coal Research and the Bureau of Mines of the Department of Interior to improve and utilize coal products through nuclear energy.

We are told by experts in the field of coal research and by the AEC that nuclear processes offer at least two conditions which may be of particular benefit to the coal industry and the Nation in terms of developing broader use of coal and coal products. These conditions are first, very high temperature; and, second, intense radiation.

The AEC and the Bureau of Mines have been working together for about 8 years on some of the possible uses of these special conditions of nuclear energy for coal processing. This work has

been directed largely toward the development of processes which would gasify coal, including work on very high temperature reactor materials and reactor design, and study of high temperature helium systems.

It is proposed that research and development be broadened and accelerated in certain directions to include, first, a thorough analysis of ways in which nuclear energy can be applied to improvement of the coal industry; second, expanded research and development on effects of radiation and temperature on processes applicable to coal; third, preliminary designs of nuclear systems sufficient to evaluate the problems and promises of these systems to the coal industry and to coal utilization; and fourth, use of radioisotopes in the coal industry.

But, Madam President, more specifically in the area of research and development it is noted that the effect of ionizing radiation on coal has received but limited study. I am informed by experts that evidence indicates that under static conditions some interesting changes occur. However, as yet no dynamic studies have been undertaken. It is time that a beginning be made on these dynamic investigations.

There is hope that under conditions of temperature, pressure and radiation, coal—with suitable additives of oxygen and/or hydrogen—can be converted to products of great utility. Under this program experimental work would be undertaken to explore the possibility and to determine the effects of radiation on the nature of the product and the rate of the reaction during first, carbonization; second, conventional hydrogenation; third, high temperature hydrogenation; fourth, reaction of dry coal and steam under moderate temperatures and high pressures; fifth, interaction of coal with oxygen or with steam alone; and, sixth, reaction of coal with other gases and with liquids.

An additional area of development which would likewise be investigated, I am told, is the effect of radiation on coal expended in organic liquid.

It has come to my attention that a study made by Bituminous Research, Inc., for the Atomic Energy Commission has pointed out many possibilities for the application of radioisotopes and nuclear measurements techniques in the production, handling, and utilization of coal. The most promising of these could be explored, and, if our amendment is adopted they will be explored. Engineering research should be undertaken in this connection to establish the technical possibilities.

Madam President, our Nation needs a healthy coal industry for economic reasons and for national security reasons. We know that currently it is an industry incapable of adequately advancing research on its own initiative and exclusively with its own resources. The Congress has recognized this by creating the Office of Coal Research within the Department of the Interior. But that agency needs much technological assistance of the nature which the Atomic Energy Commission alone is capable of providing.

I have long been convinced that the coal industry will hold its own in the battle for the expanding electric energy markets, but I hold that its real future in the generations to follow us will depend very largely upon progress through research and development which will bring forth new uses and new products derived from this great natural resource.

We must act now to strengthen research and development and I urge the adoption of the amendment which we have submitted to the measure now under consideration.

Mr. PASTORE. Madam President, will the Senator yield?

Mr. RANDOLPH. I yield to my persuasive friend.

Mr. PASTORE. I understand the amendment has been drafted in collaboration with the Atomic Energy Commission, and that the Commission has prepared a backup statement as to the amendment.

Mr. RANDOLPH. The Senator is correct.

Mr. PASTORE. Madam President, I ask unanimous consent that the statement be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Nuclear processes offer at least two conditions which may be of particular benefit to the coal industry in terms of developing broader use of coal and coal products. These conditions are (1) very high temperature, and (2) intense radiation.

The AEC and the Bureau of Mines have been working together for about 8 years on some of the possible uses of these special conditions of nuclear energy for coal processing. This work has been directed largely toward the development of processes which would gasify coal, including work on very high temperature reactor materials and reactor design and work on high temperature helium systems.

It is proposed that work be broadened and accelerated in certain directions to include: (1) A thorough analysis of ways in which nuclear energy can be applied to improvement of the coal industry; (2) expanded research and development on effects of radiation and temperature on processes applicable to coal; (3) preliminary designs of nuclear systems sufficient to evaluate the problems and promises of these systems to coal industry; and, (4) use of radioisotopes in the coal industry.

More specifically in the area of research and development, it is noted that the effect of ionizing radiation on coal has received but limited study. Evidence indicates that under static conditions some interesting changes occur. However, as yet no dynamic studies have been made. There is hope that under suitable conditions of temperature, pressure and radiation coal with suitable additives of oxygen and/or hydrogen can be converted to products of great utility. Under this program experimental work would be undertaken to explore the possibility and to determine the effects of radiation of the nature of the product and the rate of the reaction during (1) carbonization, (2) conventional hydrogenation, (3) high temperature hydrogenation, (4) reaction of dry coal and steam and moderate temperatures and high pressures, (5) interaction of coal with oxygen or with steam alone, and (6) reaction of coal with other gases and with liquids.

An additional area of development which would be investigated is the effect of radiation on coal expended in organic liquid.

A study made by Bituminous Research, Inc., for the AEC has pointed out many possibilities for the application of radioisotopes and nuclear measurements techniques in the production, handling, and utilization of coal. The most promising of these will be explored, and engineering research would be undertaken to establish the technical possibilities.

Mr. PASTORE. Madam President, I am perfectly willing to take the amendment to conference for study and scrutiny by the conferees.

Mr. CLARK. Madam President, will the Senator yield?

Mr. RANDOLPH. I yield to the Senator from Pennsylvania.

Mr. CLARK. I would be most grateful to my friend from West Virginia if he would permit me to be a cosponsor of the amendment. I have a keen interest in the coal industry in my State, as the Senator has in the coal industry in his State.

I express my gratitude to the Senator from Rhode Island for his willingness to accept the amendment, and I express the hope that the amendment will be approved by the Senate without the necessity for elaborate debate.

Mr. RANDOLPH. I thank the Senator from Pennsylvania.

Madam President, I ask unanimous consent that the Senator from Pennsylvania [Mr. CLARK] be included as a cosponsor of the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from West Virginia [Mr. RANDOLPH], for himself and other Senators.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2043) was ordered to be engrossed for a third reading and was read the third time.

REDUCTION OF RATES TO CUSTOMERS BY TENNESSEE VALLEY AUTHORITY

Mr. KEFAUVER. Madam President, on July 11 the Tennessee Valley Authority announced that it was permitting the some 150 municipal and cooperative distributors of its electric power to reduce rates by 8 percent to their customers in the seven Valley States. The new rate schedule was proclaimed at a White House ceremony marking the 100th birthday anniversary of the late Senator George W. Norris, of Nebraska, who sat on the other side of the aisle and who was the father of TVA.

In those days when a price cut on any commodity is about as rare as a July blizzard in Washington, such a move by this great Federal agency ought to be cause for widespread rejoicing both inside and outside the valley. Very probably there is rejoicing by the farmers, the housewives and the operators of smaller industrial plants served by TVA power; we do not know for certain because the consumers of this country, as a group, are relatively voiceless.

Some of the private utilities of this Nation and their spokesmen, however, do not appear to share this joy. Hardly had the new rate schedule been announced than it was being loudly ridiculed by private utility interests in the news columns of the New York Times and by the usually accurate Wall Street Journal in its editorial columns. They simply trotted out all of the old distortions and falsehoods which have dogged TVA since its founding in 1933 and which have been discredited time and again by those who prefer the facts.

For example, an editorial in the July 13 issue of the Wall Street Journal took note of the new Norris rate schedule in this context:

> Now, it's certainly nice that a sentimental observance can be made the occasion of a price cut, and we wonder why every private utility company in the country can't afford to do the same homage to its founder. But, then, TVA isn't bound by crass consideration of profit and loss. It pays no taxes, borrows at bargain rates from the Treausry, and doesn't have to worry about operating in the red because the taxpayers everywhere own it.

It is obvious that the writer of this editorial did not bother to check the facts about TVA that were as accessible as his own newspaper morgue. Otherwise, he would have known that TVA does, indeed, make payments in lieu of taxes to State and local governments and that these annual payments since 1933 have totaled more than $70 million. Moreover, the publicly owned systems distributing TVA power likewise pay taxes—many of them on full book value, not on a fractional assessment—and in some cases have voluntarily raised their tax payments to their local governments. Their total is even greater—nearly $102 million.

Had this editorial writer been just slightly conversant with TVA operations, he would have known that this agency has been and is bound, both morally and legally, by considerations of profit and loss. Over the years, TVA has earned a return on the investment in its power operations averaging about 4 percent. Not only that, but TVA has been required to pay back the appropriated investment in its power operations and has been doing so ahead of schedule. In addition, TVA now pays to the Treasury dividends on the appropriated investment at a rate equal to the going cost of money to the Government. Two such paybacks were made during the fiscal year just ended; they totaled $51.4 million, all but $10 million of which represented dividends.

But after every dime which the American people have invested in TVA's power system has been repaid, with interest, the American people—all of them—will still own it. That is more than can be said for any private utility in this Nation, many of which have been favored by fast tax writeoffs and other gilt-edged "gimmicks" amounting to a tax reduction.

Contrary to what the Wall Street Journal may think, TVA does not "borrow at bargain rates from the Treasury." Surely this newspaper must have forgotten that twice in the past fiscal year TVA has gone to Wall Street to sell a total of $100 million in bonds which are secured solely by TVA power revenues and not by the Treasury. I am certain that these bonds would not have been sold at rates so favorable to TVA had Wall Street regarded them as an unsound investment.

Yet, TVA's authority to market power revenue bonds was not easily won, though it was initially proposed by those very interests who now so loudly complain. The Members of the Senate vividly recall, I am sure, that although a TVA self-financing bill has been proposed every year since 1955 by the previous administration and supported by many of us from the valley, it took 4 years to get this legislation enacted.

Many Senators recall, too, what a fight TVA had to make to retain its ability to use its power revenues to add badly needed generating units to its steamplants, instead of coming back to the Congress for appropriations for this purpose. But fortunately for the users of TVA power—then facing a "brownout" throughout the valley—and for the taxpayers of this Nation, TVA's position was ultimately upheld. And TVA has been paying its way in this respect as well ever since.

I think it is highly significant that many of the protests against the new Norris rate schedule have come from the officers of private utility systems in sections surrounding the TVA power service area. A study a few years ago showed that the nearer a private utility is to the TVA area, the lower its rates and the higher its earnings are likely to be. Thus, the TVA yardstick has operated as a competitive factor benefiting both private utilities and their customers everywhere.

According to the New York Times of July 14, one of those who saw fit to belittle the Norris rate schedule was Edgar H. Dixon, president of Middle South Utilities, Inc. This is no surprise. Mr. Dixon is well remembered for the part he played in the infamous Dixon-Yates deal, which, had it succeeded, would have destroyed the Tennessee Valley Authority power system.

One statement attributed by this same article in the Times to a "spokesman for one major—private—power system" is, I think, ironic and downright amusing. This spokesman said the new Norris rate schedule "smacked of Madison Avenue at its worst."

It was only a few years ago that the big private power companies of the country were using Madison Avenue, through huge advertisements in the slick-paper magazines, to condemn TVA as "socialistic" or worse. The Internal Revenue Service, at least, thought so little of this type of campaigning that it ruled these companies could no longer write off the cost of such ads as a legitimate business expense.

There is one expression of sentiment in the Wall Street Journal editorial with which seriously I can agree. When this newspaper wonders why every private utility company in the country cannot afford to cut its rates, so do I. The history of TVA teaches that an expanding power supply encourages greater use of electricity; and this, in turn, means greater revenues. As its revenues have increased, TVA has given the consumer a break by lowering rates. The private utilities can do no better than to follow the TVA example.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

The Senate resumed the consideration of the bill (S. 2043) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

Mr. PASTORE. Madam President, I move that the Senate proceed to the consideration of Calendar No. 515, the companion House bill H.R. 7576.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 7576) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. PASTORE. Madam President, I move that the bill be amended by striking out all after the enacting clause, and inserting in lieu thereof the text of the Senate bill, S. 2043, as amended.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 7576) was read the third time and passed.

Mr. PASTORE. Madam President, I move that Senate bill 2043 be indefinitely postponed.

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island.

The motion was agreed to.

THE FEED GRAIN PROGRAM

Mr. WILLIAMS of Delaware. Madam President, there is a standard joke about the farmer who went to the city and bought the Brooklyn Bridge, but at least there was a bridge.

Secretary Freeman is in an even greater dilemma. He has paid over $150 million to take out of corn production 4½ million phantom acres of land which in reality was never intended to be put into corn production in 1961.

Under the 1961 Feed Grains Act he has paid $680 million to farmers in return for an agreement that they will reduce their 1961 crop acreage by 20,090,511 acres below their average 1959 and 1960 acreage, but based upon the

Department of Agriculture's crop report just released this week, while the Secretary has paid for the retirement of over 20 million acres of corn-producing land from this year's production, he has actually obtained a reduction of only 15,379,000 acres.

Thus we find that the Secretary of Agriculture has paid approximately $150 million to retire from the production of corn about 4½ million acres of cropland which either did not exist or never would have been planted in corn anyway.

The Department of Agriculture's crop report showed that in 1959 and 1960 the planted corn acreage for all purposes in those years was 82,742,000 acres for 1959 and 81,434,000 acres in 1960, or an average for the 2 years of 82,088,000.

Under the Feed Grains Act of 1961, the Department has approved contracts under which direct payments to the farmers will aggregate $680 million in return for their agreement to reduce their corn acreage below their average 1959 and 1960 crops by 20,090,511 acres.

This should have brought the July 1961 crop estimates of planted corn acreage down to approximately 62 million acres. Instead, however, the official crop report released July 7, 1961, by the Department of Agriculture gives the estimate of the planted acreage of corn for 1961 as only being reduced to 66,619,000 acres.

The Department has a very plausible explanation of this variation. To justify its figures, it merely released under date of June 21, 1961, a revised estimate for 1961 planted acreage showing an estimated base corn acreage of 87,047,500, or about 5 million acres higher than their other report.

This may make the figures balance, but it does not change the fact that in 1959 and 1960 the planted corn acreage was 82 million and 81,400,000, respectively. The Government paid $680 million to get a reduction of 20 million acres in this production of corn for 1961, but, based upon its most recent report, the Department still estimates the 1961 corn production to be 66,619,000 acres.

The Government paid for a 20-million-acre reduction and got a reduction of a little over 15 million acres. No matter how the reports are juggled, the answer is the same.

Approximately $150 million has been paid to retire 4½ million phantom acres from 1961 corn production.

To show the magnitude of this $150 million blunder I point out that these 4½ million of phantom acres represent an area larger than the combined total of all of the harvested cropland—corn acreage as well as acreage of all other types of crops—in the States of Maine, New Hampshire, Vermont, Rhode Island, Massachusetts, Connecticut, New Jersey, Delaware, and West Virginia.

Not only does the Feed Grains Act of 1961 represent a multi-million-dollar waste of the taxpayers' money but also it has created a speculators' paradise. Furthermore, it has actually hurt the American farmers as the Secretary attempted first to bribe the farmers to reduce their plantings and then to force the American farmers under the bureaucratic umbrella by manipulating the grain markets in such a manner as to break the market.

At this point I ask unanimous consent to have incorporated in the RECORD two reports: The first, USDA Bulletin No. 2141–61, in which are listed both the planted and the harvested acreage for corn along with the yield and the total production for each of the years 1950 through 1960. It will be noted from this chart that the 1959 and 1960 planted acreage of corn for all purposes in the United States was 82,742,000 and 81,434,000, respectively, while the harvested acreage in each of those 2 years was actually lower.

The second report, dated July 1961, gives the planted acreage for all corn in 1961 as being 66,619,000 acres as compared to 81,434,000 acres for 1960.

There being no objection, the reports were ordered to be printed in the RECORD, as follows:

All corn and corn for grain: Acreage, yield and production, United States, 1950–60

Year	For all purposes				For grain		
	Acreage		Yield per acre	Production	Acreage harvested	Yield per acre	Production
	Planted	Harvested					
	Thousand acres	*Thousand acres*	*Bushels*	*Thousand bushels*	*Thousand acres*	*Bushels*	*Thousand bushels*
1950	82,859	81,818	37.1	3,074,914	72,908	38.2	2,764,671
1951	83,275	80,729	35.1	2,925,758	71,101	36.9	2,628,667
1952	82,230	80,940	40.0	3,291,994	71,353	41.8	2,980,793
1953	81,574	80,459	39.3	3,209,806	70,738	40.7	2,881,801
1954	82,185	80,186	38.1	3,057,891	68,968	39.4	2,707,913
1955	80,932	70,367	40.6	3,219,546	68,462	42.0	2,872,959
1956	77,828	75,247	45.8	3,445,029	64,577	47.4	3,075,336
1957	73,180	71,864	47.3	3,399,649	63,065	48.3	3,045,355
1958	73,351	72,224	51.6	3,724,969	63,549	52.8	3,356,205
1959	82,742	81,902	51.2	4,197,398	72,091	53.1	3,824,598
1960	81,434	80,691	53.3	4,304,484	71,443	54.5	3,891,212

Crop production, July 1961—Planted acreage of crops, 1960 and 1961

State	Corn, all		State	Corn, all	
	1960	1961		1960	1961
	Thousand acres	*Thousand acres*		*Thousand acres*	*Thousand acres*
Maine	10	10	North Carolina	1,912	1,530
New Hampshire	10	10	South Carolina	781	648
Vermont	47	44	Georgia	2,571	2,237
Massachusetts	25	24	Florida	517	481
Rhode Island	5	5	Kentucky	1,043	1,199
Connecticut	34	32	Tennessee	1,446	1,609
New York	653	516	Alabama	1,868	1,494
New Jersey	152	122	Mississippi	1,142	971
Pennsylvania	1,202	1,142	Arkansas	326	228
Ohio	3,588	2,727	Louisiana	302	302
Indiana	5,283	4,121	Oklahoma	231	173
Illinois	10,323	8,671	Texas	1,301	1,043
Michigan	2,076	1,806	Montana	108	76
Wisconsin	2,989	2,629	Idaho	81	80
Minnesota	6,824	5,800	Wyoming	61	61
Iowa	12,658	10,506	Colorado	470	352
Missouri	4,315	3,323	New Mexico	37	33
North Dakota	1,335	961	Arizona	32	30
South Dakota	4,238	3,475	Utah	47	46
Nebraska	6,817	5,658	Nevada	5	3
Kansas	2,016	1,331	Washington	87	70
Delaware	159	137	Oregon	62	49
Maryland	490	440	California	211	175
Virginia	741	637			
West Virginia	124	112	United States	81,434	66,619

Mr. WILLIAMS of Delaware. Next I shall ask unanimous consent to have printed in the RECORD a second report released by the Department of Agriculture under date of June 21, 1961, entitled "1961 Feed Grain Program."

This report boosts the planned corn acreage for 1961 up to 87,047,500, or about 5 million acres higher than their regular report shows as having been planted in either of the years 1959 or 1960.

Obviously this later report was compiled in an effort to reconcile their own figures and cover up the blunder.

The chart inserted in the RECORD immediately above shows that at no time between 1950 and 1960 was the planted corn acreage in the United States—based upon the Department of Agriculture's own estimates—ever anywhere near the 87 million acres reported here.

At this point I ask unanimous consent that this second chart be printed as a part of my remarks.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

TABLE 2.—*1961 feed grain program—Corn—Total base acres, base acres on participating farms, and diverted acres, by States* [1]

State	Total base acres	Base acres on participating farms	Intended diverted acres	Percent base on participating farm is of total	Acres diverted as percent—	
					Of total base	Of base on participating farms
	Thousand acres	*Thousand acres*	*Thousand acres*	*Percent*	*Percent*	*Percent*
Maine	11.0	0.5	0.4	4.5	3.6	80.0
New Hampshire	11.5					
Vermont	59.5	1.3	.9	2.2	1.5	69.2
Massachusetts	31.5	.2	.2	.6	.6	100.0
Rhode Island	6.0	(2)	(2)			
Connecticut	41.0	1.7	1.0	4.1	2.4	58.8
New York	662.8	315.6	190.3	47.6	28.7	60.3
New Jersey	188.2	68.8	38.8	36.6	20.6	56.4
Pennsylvania	1,286.7	271.4	167.4	21.1	13.0	61.7
Ohio	4,115.4	1,968.1	1,031.4	47.8	25.1	52.4
Indiana	5,481.2	2,904.5	1,377.9	54.6	24.4	46.0
Illinois	10,823.0	6,346.3	2,286.4	58.6	21.1	36.0
Michigan	2,315.4	984.6	550.2	42.5	23.8	55.9
Wisconsin	2,989.5	1,228.3	603.4	41.1	20.2	49.1
Minnesota	7,131.2	4,390.4	1,553.1	61.6	21.8	35.4
Iowa	13,118.3	8,592.5	2,921.4	65.5	22.3	34.0
Missouri	4,483.5	3,610.5	1,833.7	80.5	40.9	50.8
North Dakota	1,389.2	1,046.5	414.7	75.3	29.8	39.6
South Dakota	4,497.4	2,520.6	848.5	56.0	18.9	33.7
Nebraska	7,248.4	5,570.8	1,698.3	76.8	23.4	30.5
Kansas	2,142.4	1,532.9	654.8	71.6	30.6	42.7
Delaware	157.2	75.0	38.5	47.7	24.5	51.3
Maryland	522.7	161.0	79.1	30.8	15.1	49.1
Virginia	814.1	237.0	134.8	29.1	16.5	56.9
West Virginia	147.9	14.9	9.5	10.1	6.4	63.7
North Carolina	2,054.4	948.4	514.6	46.2	25.0	54.2
South Carolina	967.1	397.4	205.1	41.1	21.2	51.6
Georgia	2,880.0	756.5	322.2	26.3	11.2	42.6
Florida	632.3	275.9	120.8	43.6	19.1	43.8
Kentucky	1,860.9	941.6	577.5	50.6	31.0	61.3
Tennessee	1,663.4	716.0	446.2	43.0	26.8	62.3
Alabama	2,024.9	791.3	432.7	39.1	21.4	54.7
Mississippi	1,386.4	442.6	237.2	31.9	17.1	53.6
Arkansas	398.2	122.9	78.0	30.9	19.6	63.5
Louisiana	550.0	135.6	76.0	24.6	13.8	56.0
Oklahoma	276.7	92.7	58.7	33.5	21.2	63.3
Texas	1,514.2	783.7	342.6	51.7	22.6	43.7
Montana	110.4	83.8	39.8	75.9	36.0	47.5
Idaho	81.0	10.2	6.4	12.6	7.9	62.7
Wyoming	62.5	25.7	12.0	41.1	19.2	46.7
Colorado	481.4	247.1	103.8	51.3	21.6	42.0
New Mexico	46.0	8.6	4.5	18.7	9.8	52.3
Arizona	33.6	4.3	1.7	12.9	5.0	39.5
Utah	50.8	10.9	7.5	21.4	14.8	68.8
Nevada	4.5	1.0	.8	22.2	17.8	80.0
Washington	87.2	37.0	18.3	42.4	21.0	49.4
Oregon	65.0	25.8	15.4	39.7	23.7	59.7
California	141.6	77.9	34.1	55.0	24.1	43.8
U.S. total	87,047.5	48,870.3	20,090.6	56.1	23.1	41.1

[1] Preliminary. [2] Less than 50 acres.

ORDER OF BUSINESS

Mr. CLARK obtained the floor.

Mr. CLARK. Madam President, for the benefit of Senators, I expect to speak from 20 minutes to half an hour. I shall be glad to yield briefly for insertions to any Senator who wishes to do so, with the understanding that I shall not lose my right to the floor.

Mr. HART. Madam President, will the Senator yield?

Mr. CLARK. I yield to the Senator from Michigan.

TY COBB

Mr. HART. Madam President, today we mourn the passing from the American sports scene of the great Tyrus Raymond Cobb. Ty Cobb determined to achieve professional perfection, and he did so. Standing at the top of the list of memorable baseball figures of all time is Ty Cobb, the "Georgia Peach."

In his 22-year career with the Detroit Tigers this colorful outfielder became a legend and an inspiration to all followers of American sports. The story is dramatically told in a mere recital of his record. He holds the highest lifetime batting average in baseball, .367; he won more batting championships, 12, and stole more bases, 892, than any other player in organized baseball.

Ty Cobb played in more major league games than did any other man. He went to bat more times than any other man, scored the most runs, made the most hits, the most singles, the most triples, the greatest number of total bases, and scored the most runs.

His record goes on: the most years with 200 or more hits, the most years leading the league in hits, most stolen bases in one season, most years batting .300 or more, most consecutive years leading the league in batting, and most times with five or more hits in a game.

During his lifetime Ty Cobb was singularly honored by being selected the "No. 1 immortal" in modern baseball's Hall of Fame. He also, and belatedly, received the Player of the Year Award for 1911.

In viewing Ty Cobb's career his greatness seems to stem not from his speed, throwing arm or any other specific athletic skill, but rather, from his unquestionable desire and will to win. He practiced all the great forms of the game until mastery was his, yet he never tired of self-improvement. He approached baseball as an art, demanding artistic performance at all times. His competitive spirit will stand as an inspiration and example to all players from the sandlot to the big leagues. I extend my sympathy to his immediate family—and

the millions of members of his "baseball family" would have me add their word as well. Ty Cobb stayed on top during all his long baseball career; Ty Cobb will remain at the head of the list of America's sporting memorables.

THE BERLIN CRISIS

Mr. JAVITS. Madam President, will the Senator yield?

Mr. CLARK. I am happy to yield to the Senator from New York, with the understanding that I do not lose my right to the floor.

Mr. JAVITS. I wish to say a word on the Senate floor with respect to the message which the President sent to Khrushchev on Berlin today, joined in in the same tone by the French and the British. The event is portentous, and is of such concern to so many people, that I believe it is desirable to say a word about it in the Senate.

The message was blunt and serious. I support it fully. I believe it reflects the mood of the American people that we will not back down on the fundamentals with respect to Berlin. The message shows that we are ready to negotiate until the cows come home upon subjects which do not go to the preservation of the freedom of 2 million Berliners, Berlin as a symbol of freedom for the entire free world, or the right of self-determination, which is as basic a policy as we can have in all our activities throughout the world, whether it be in respect of the unification of Germany or the unification of Berlin.

No one wishes for a minute to take the position that we are shutting the door, that we are afraid to talk, that we do not want to talk, or that there are not things upon which we can agree which might represent some yielding of our position. What is not negotiable is pushing the United States, Great Britain, and France out of Berlin or making it some kind of hybrid free city, or in some other way gobbling it up for communism. Our President has so said, and I think the people will back him.

Madam President, the policy is not without risk. No great policy is without risk. The signal to give up Berlin would be clear evidence to all of Europe that we would not oppose the Communists having a free hand. Such a course would be unthinkable to us or to our allies throughout the world. This is the one position, if there is one position, on which we must stand. It is Berlin. I think that our President has undertaken a most sober responsibility. He made the statement clearly, bluntly, and seriously, and he is entitled to know from people who also have something to lose, like those of us in this Chamber, that he has our support, and that we agree with him that his action represents the serious mood of the American people on this issue.

I thank my colleague for yielding.

CHESTER BOWLES

Mr. CLARK. Madam President, this morning the newspapers carried the good news that the distinguished American, Chester Bowles, is to remain as Under Secretary of State. I rise to congratulate the President on having made the decision that Mr. Bowles will conttinue to represent his country in the future with that same high level of ability with which he has represented it in the past.

In my judgment, the President has wisely beaten back the effort to assassinate by newspaper this fine public servant. Faceless men who anonymously spread vicious and largely untrue attacks on Mr. Bowles' ability and usefulness have been denied their target. A fine public servant having these special qualities, so badly needed to reorganize the State Department, so as to enable the Department to perform these critical duties in a rapidly changing world, will continue at his post.

Again I congratulate the President for his sound decision.

Madam President, many of us in public life have suffered the ordeal of newspaper. We are used to it. We take it in our stride. Our skins are thick. We do not resent it. The Bowles incident over the last 48 hours is merely one of many efforts made by little men without political courage to destroy valued public servants through their contacts with newspapermen. I have no criticism of the reporters who wrote the stories. This is their job. My criticism is of those men—and I again use the phrase faceless men, because they do not have the courage to identify themselves—who snipe in the dark against men of Mr. Bowles' stature.

I should like briefly to review a few of the newspaper accounts and to comment on some of the rumors and accusations—never proved—which have been made against this fine American and, incidentally, this distinguished Democrat.

On Monday, July 17, the New York Times carried an article on its front page entitled "Kennedy Expected To Ask Bowles To Resign Today." Unlike most New York Times articles, this one does not carry a byline. I do not know who wrote it. However, whoever did must have a very red face indeed this morning, because in that article it was stated, among other things, that "there is a major conflict of personality and policy developing here between the White House and Under Secretary of State Chester Bowles, former Governor of Connecticut and U.S. Ambassador to India."

If there was such a conflict, it did not last very long, because as of this morning it is all over. The President, after having had a friendly lunch with Mr. Bowles, directed Mr. Salinger, his press secretary, to announce that Mr. Bowles would continue in his position, would make his trip to the Far East, as he intended, and was to stay in his job.

Nevertheless, the New York Times, 24 hours earlier had made the definite statement, based on someone's authority—I wonder whose authority—that the President was about to ask Mr. Bowles to resign. The Times said it was understood that this was to take place. The article states:

> There is reason to believe that the President will ask Mr. Bowles to resign and accept an ambassadorship in Latin America.

I wonder who understood it. I wonder who planted that story. In the Senate we are accustomed to planted stories. This occurs to me to be a peculiarly inept effort to plant something, which turned out to be not true. The article states that Mr. Bowles' "primary interest lies in the field, not of administration, but of policy."

That is not true. When Mr. Bowles accepted the position of Under Secretary of State early this year he advised the President that his interest was due to the fact that he would be the principal administrator in the Department and would have an opportunity in that position to clean out the deadwood, to get rid of the older and more conservative rightwing permanent Foreign Service officers who were committed to the sterile policies in the world which got us into such trouble during the Eisenhower administration.

The article goes on to say that Mr. Bowles is being criticized in certain circles within the Department and in the White House for his position on Cuba. His position on Cuba was right. I have no doubt that this was one of the motivating causes which persuaded the President to reject this effort to assassinate Mr. Bowles' usefulness, and to keep him in his position.

Mr. Bowles—

Says the article—

> has not argued for the admission of Communist China into the United Nations, or for the recognition of that regime, but has insisted that the opinion of the allied world demanded that this question be faced and debated vigorously within the Kennedy administration.

What is wrong with that? One of our best allies in Asia, Pakistan, recently sent its President over here. He visited us and he has just now left us. President Mohammad Ayub Khan has taken the same view on Communist China. On the "Meet the Press" program last Sunday he said in no uncertain terms that this was a matter on which the United States should make up its mind as to what it is going to do. In our country we make up our minds as the result of vigorous debate, not by pushing matters under the rug, as is done in totalitarian countries.

The article states that Mr. Bowles' position in wanting to reopen the China policy "has not endeared him to powerful Senators on Capitol Hill."

I wonder who they are. They have never been identified, and they certainly have not made their position clear on the floor of the Senate since Mr. Bowles took office in January.

The article states:

> One other factor has envenomed Mr. Bowles' relations with the party.

He has been so brash as to recommend Ambassadors who are not in the tradition of being either permanent Foreign Service officers or political hacks. This is a reason that is given why he will not retain his present position.

One of the best things Mr. Bowles has done since he came to the State Department has been to invigorate our ambassadorial service by insisting on the appointment of men who know what they

are doing, who are not career Foreign Service officers, and who have no political preference which would enable them to be appointed. Among those individuals, it is clear enough, are men like Edwin O. Reischauer, Ambassador to Tokyo; Kenneth Young, Ambassador to Thailand, and J. Kenneth Galbraith, Ambassador to India.

Mr. Bowles pressed these appointments through not only the State Department and the White House, but also the Senate.

No mean achievement, I suggest, Madam President.

I should have added to that list William Atwood, a former associate of Adlai E. Stevenson.

Madam President, Mr. Bowles is criticized for having influenced the judgment of the United States in the United Nations to reject the position of Portugal in connection with Angola and to place our country on the side of anti-colonialism in that strife-torn colony on the southwest coast of Africa. In that regard, I believe, again, that Mr. Bowles is entitled to commendation for his leadership, for his administrative ability, if you will, in persuading the State Department, the President, and the U.S. delegation at the United Nations to move along those lines.

It is said that there has been some annoyance in the State Department because of the inability to get a decision on the Berlin question from that Department and from our North Atlantic Treaty allies. With this irritation one can have sympathy. It has taken a long time to hammer out our policy on the anvil of discussion, but I suggest it is a little unfair for the anonymous attackers of Mr. Bowles to blame this on him. It occurs to me that the reason goes far deeper in the State Department than that.

One can hope that, as a result of this incident, perhaps we shall be able to formulate a more clear-cut policy on Berlin, and perhaps in a shorter length of time than would otherwise have been the case.

It is suggested that one reason why it is necessary to get rid of Mr. Bowles is that he is alleged to be a devotee of a planned economy and the welfare state. If Mr. Bowles is to be indicted for such views, it will be necessary to indict about three-fourths of the Senators on this side of the aisle and about one-fourth of the Senators on the other side of the aisle. If we do not get more planning into our economy and go forward with the welfare measures advocated by the President of the United States, the country will be in a far worse condition than it otherwise would be.

I should say that a majority of the Senate would wholeheartedly support the well-known views of Mr. Bowles on domestic policy. Furthermore, I am confident that one reason why the President of the United States has made his decision to retain Mr. Bowles is that, by and large, across the board, the President of the United States himself shares those views.

It is said that Mr. Bowles is unpopular with the conservative wing of the Democratic Party. So are 45 other Democrats who serve in this body. I suspect their number is not confined to the Senate and the House of Representatives, but I assert also that the views of Mr. Bowles and of other Members of this body in that regard are shared also by the President of the United States.

It is said the President may be embarrassed politically by the frankness with which Mr. Bowles states his views. The candor of Mr. Bowles has been well known for many a long year. It is shared by a number of the President's associates who have served with him in this body for a long while. Certainly the President of the United States, as well as others in high authority, must have known when Mr. Bowles assumed his position that he does not pull punches. The fact that he does not pull punches is, in my opinion, a very good reason why the President was eminently sound in making his decision to retain Mr. Bowles.

Mr. Bowles, it is said, has a number of important opponents who have been openly demanding his resignation. Who are they? Where are they? Why do they operate like faceless men in the dark? I remember an old story of my youth, in which it was thought there was a thief in the chickenyard. When the owner went there to see if he could find the thief in the dark, a voice came out of the chickenyard saying, "There ain't nobody here but us chickens."

I wonder who are the people who are attacking Mr. Bowles anonymously; if they are in such high positions, why do they not have the political courage to come forward and identify themselves?

It is said that a battle is taking place within the White House between two groups. One group wants the President to keep Mr. Bowles; the other group wants Mr. Bowles to be dismissed at once. I suggest that the second group has now lost the battle.

I turn now to an article entitled "Bowles Expected To Reject Any New Government Post," published in the Washington Evening Star of July 17, 1961. The article was written by Earl H. Voss, a Star staff writer. The article is candid and clear. It reads, in part:

> The President reportedly has expressed great displeasure with the State Department bureaucracy and suggested that Mr. Bowles' talents have been wasted in bucking it.

I wonder who made the report. Who is the author of the report? I certainly agree with the President. I presume he said what he is quoted to have said; namely, that he "has expressed great displeasure with the State Department bureaucracy." I do, too. I think it is time a new group of people were brought into the State Department to operate the bureaucracy, new ideas and more imagination, rather than to copy the Russians by saying "Nyet, nyet, nyet" every time someone suggests a new idea.

I commend Mr. Bowles for putting his considerable talents to work in attacking that attitude of mind which defends the status quo. I suggest that his talents, far from being wasted, are well on the way to overcoming the difficulties. I am confident that Mr. Bowles will overcome the difficulties, now that the President has given him his support.

The Evening Star article continues:

> The old guard of the Foreign Service, which has resisted Mr. Bowles' suggested policy changes, are believed to have joined with Mr. Bundy of the White House staff as the principal instigators of the move to oust him.

I have a very high regard for and confidence in McGeorge Bundy. I do not believe—and I would be most interested in getting his reaction—he has participated in the effort to "get" Mr. Bowles, in the colloquialism which we are accustomed to use. I think it would be interesting, indeed, if Mr. Bundy were prepared to make a statement of what part, if any, he played in the matter, and whether this quotation published in the Evening Star is correct or not.

As one of Mr. Bowles' supporters is quoted in the Evening Star as saying:

> It will be a curious result if the first head to roll after the Cuban affair is the head of the man who opposed it, and the man who replaces him is one of the White House accomplices.

I now turn to an article entitled "White House Says Bowles Is Staying," written by Murrey Marder and Warren Unna, and published in the Washington Post of July 17, 1961. The first paragraph reads:

> The White House officially denied yesterday that Under Secretary of State Chester Bowles is about to resign, while informed sources reported that a decision only has been postponed.

What informed sources? Who said that? Is whoever said it free to identify himself? Does not the country have a right to know whether Mr. Salinger was correct when he indicated, as clearly as words can, that Mr. Bowles is to continue in office for as long as he desires to continue, so far as the present situation is concerned? Who undertook to go behind Mr. Salinger's statement? What "informed sources report that a decision only has been postponed"? I suggest we are entitled to an answer to that question in view of the categorical statement by Mr. Salinger, "It is obvious that he is staying."

It is a sad fact that an administration source—who would that be?—says Mr. Bowles' resignation "is not currently expected."

Later in the article we read:

> Other sources maintain that the actual position is that attempts to resolve the Bowles affair will be studied while he is out of town, but the end result is likely to be either a shift in jobs or Bowles' resignation from the administration.

What "other sources"? Do they, too, insist on remaining anonymous? It occurs to me that some of our friends in the press might be interested in tracking this statement down. Let us find out who these faceless men are. The Washington Post article continues:

> Around the President, the dominant view among the men in the White House, however, is that Bowles is "miscast" for the No. 2 job in the State Department, and that the issue is one of personality, not policy.

Who are those men? Are we not entitled to know? The criticism is made

of Mr. Bowles that he is not a good administrator.

Who says that? What kind of administrators are they? Did any one of his critics make a private fortune in building up a large advertising business? Was any one of his critics ever elected to the office of Governor of a complicated State such as Connecticut, where in 2 short years Gov. Chester Bowles reorganized the State government in a way that has stood the test of time. Did any one of his faceless critics serve during a critical period in our country's history as Administrator of the Office of Price Administration—in charge of an office which required as high administrative talents as any ever to be found in the Federal Government? The idea that Chester Bowles has not proven himself time after time to be a first-class administrator is, I suggest, not worthy of belief.

I wonder whether the Washington Post article comes closer to the truth when it says that those who oppose Mr. Bowles—and now I am paraphrasing, Madam President, not quoting directly—object because of the fact that he is a voluble liberal of the evangelical school. And is it not true that—as the President has wisely decided—if Mr. Bowles were to be squeezed out of the State Department or significantly downgraded in the administration, the rightwing of the Republican Party and the conservative Democrats undoubtedly would regard that as an indication that the first scalp in the administration had fallen to their cause.

Madam President, again I commend the President of the United States for resisting that attack, because unquestionably it is true that otherwise it would have been said across the country that those faceless accusers had been successful.

Madam President, I shall not continue to discuss in detail the article to which I have referred, other than to make two more points:

The article reiterates what the New York Times said; namely, that the President is unhappy over the way the State Department has failed to measure up as an executive organization. I contend again that is true. I contend again that Mr. Bowles has made a greater effort, and has had a greater success in 6 short months, to remedy that situation than has been accomplished by any other Under Secretary of State in recent history.

I have no doubt that there are aspects of the old Augean stables in the permanent bureaucracy in the State Department, and I have no doubt that a certain amount of housecleaning there is in order. But, Madam President, I have no doubt, either, that the man to do that job is the one who has been given the job; and he should be given a wider area of authority in which to complete the personnel reorganization which he has so brilliantly begun.

The only other point I wish to make in connection with the article is that efforts have been made to stir up trouble between the Secretary of State and Mr. Bowles. Those efforts also have resulted in complete failure. The Secretary of State, Dean Rusk, in his press conference in the last 24 hours has spoken in the warmest and the highest terms of Mr. Bowles as his principal assistant. No breach has been driven between them. Again the faceless accusers were unable to make their accusations stick.

Madam President, at this point I should like to comment briefly on two other matters.

In this morning's edition of the Washington Post is to be found an editorial entitled "The Bowles Affair." In the editorial, the writer points out that Mr. Bowles' role has been a difficult one, that he must be both a policymaker and a detail man, that he must be a man of principle, and that his devotion to principle needs to be strong enough to win friends, but not strong enough to make significant and powerful enemies.

The editorial also points out that—

Mr. Bowles brought to his job the experience of an administrator gained as a Governor and in earlier Federal posts. He has worked hard at making his own personality complementary to that of his chief; and this has not been easy for one who who has been the top man in most of the places he has hitherto served.

On the detailed kind of work involved in straightening out the administrative jungle of the State Department he seems to have done well. The Department will be better off—

And, Madam President, note especially this part of the editorial—

for his handling of personnel, his recruitment of new people, his influence on ambassadorial appointments, his impact on the Foreign Service, his contributions to the Cultural Affairs Office, his management of protocol, responsibilities to new nations. He has supervised the establishment of the new operations center. He helped put through needed amendments to the Foreign Service Act. The International Labor Office has been given a better setup. He has lent his sympathetic help to subordinates who have cut out needless reports, eliminated departmental committees and otherwise simplified procedures. He has skillfully handled the program to give ambassadors more control over all U.S. operations in their countries of assignment.

Madam President, the gentleman referred to in the editorial should not be discharged from his position. Instead, the country will be fortunate if he is continued in his post. I am glad the President has so decided, and again I congratulate the President.

Madam President, in conclusion, let me say that perhaps the most eloquent newspaper statement in support of Mr. Bowles appeared this morning in the New York Times. It is a short one, and I shall read it in full:

THE BOWLES AFFAIR

If the man who opposed the invasion of Cuba, who believes that Communist China cannot be swept under the rug, who recognizes the revolution of rising expectations through the underdeveloped world and the need of an American policy to lead it; if the man whose restless, imaginative mind ceaselessly sparks off ideas (not all of them good but most of them stimulating)—if that man is in danger of being fired from a top-ranking position in the Department of State, then we say so much worse for the administration and the country. The man is, of course, Under Secretary Chester Bowles, whose reprieve yesterday is gratifying for the very reason that—whatever his faults—he possesses some freshness, courage, and idealism in an area of government where these qualities are as necessary as they are rare.

Madam President, in the last analysis, what all this boils down to is that those who object to Mr. Bowles and who attempted to have him replaced, but did not have the courage to come out into the open and let the country know who they were, are simply angry at Mr. Bowles because he insists on being Chester Bowles. But, Madam President, for my money, Chester Bowles is a fine American, a fine Democrat, and a great Under Secretary of State; and again I commend the President of the United States and congratulate him heartily on being able to resist that attack against this man of great ability, and for retaining him as our Under Secretary of State.

Madam President, I ask unanimous consent to have printed at this point in the RECORD various newspaper articles and editorials from which I have quoted.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the Evening Star, July 17, 1961]

BOWLES EXPECTED TO REJECT ANY NEW GOVERNMENT POST

(By Earl H. Voss)

Under Secretary of State Chester Bowles is ready to get out of the administration completely if President Kennedy presses efforts to ease him out of the State Department, informed sources said today.

McGeorge Bundy, the President's national security adviser, is mentioned as Mr. Bowles' most likely successor if he leaves the Department.

Mr. Bowles, who was Mr. Kennedy's foreign policy adviser during the election campaign last year and did not seek reelection to the House in order to participate in the campaign, was reported ready to resign in a public display of disappointment.

The administration reportedly is offering him the posts of Ambassador to Brazil or roving Ambassador. It is understood the President would give him any other ambassadorship Mr. Bowles preferred.

Mr. Kennedy already has talked to Mr. Bowles in affirmative ways about a new job, informants reported. The President reportedly has expressed great displeasure with the State Department bureaucracy and suggested that Mr. Bowles' talents have been wasted in bucking it.

Mr. Bowles, it is understood, has been told he ought to be serving the administration out in the open rather than behind the scenes in the Under Secretary's job.

The old guard of the Foreign Service, which has resisted Mr. Bowles' suggested policy changes, are believed to have joined with Mr. Bundy of the White House staff as the principal instigators of the move to oust him.

"It will be a curious result," one of the Undersecretary's supporters commented, "if the first head to roll after the Cuban affair is the head of the man who opposed it and the man who replaces him is one of the White House accomplices."

Secretary of State Rusk is said to be keeping out of the whole affair.

Mr. Bowles' friends consider it a major miscalculation of the forces seeking to remove him that the Under Secretary would be prepared to "go quietly."

Instead, Mr. Bowles, they say, is prepared to force the issue into the open and oblige President Kennedy, in effect, to fire him.

President Kennedy reportedly has made no decision and Mr. Bowles has not offered his resignation. If he does, he "won't say he's happy," his friends are convinced.

It was considered a possibility that Mr. Rusk might decide Mr. Bundy could not fit in the Under Secretary's role. He made a similar decision when Mr. Kennedy sought to place Walt W. Rostow in the State Department as chief of policy planning and Mr. Rostow wound up on the White House staff.

STEVENSON REACTION EXPECTED

Informants said United Nations Ambassador Stevenson, now in Europe, is expected to react very strongly to the moves against Mr. Bowles.

Mr. Bowles, mentioned briefly as a potential candidate for the Democratic nomination for President last year, withdrew from consideration to work with other Connecticut politicians, including Secretary of Health, Education, and Welfare Ribicoff and Democratic National Chairman John Bailey, for Mr. Kennedy's nomination.

Mr. Bowles also headed the committee that drafted the Democratic platform and was backed by liberal elements of the party for the post of Secretary of State. In addition to having served in the House, he is a former Governor of Connecticut and Ambassador to India.

Mr. Bundy, also mentioned for a time as a possible Secretary of State, was a Harvard dean and is a Republican.

[From the Washington Post, July 17, 1961]

NEW JOB FOR BOWLES IS REPORTED IMMINENT

(By Murrey Marder)

President Kennedy has discussed with Under Secretary of State Chester Bowles the desirability of shifting Bowles out of the Department into another post, and a decision is imminent.

Bowles was expected to have a meeting with the President at the White House today, but sources last night said the meeting had been postponed, apparently to avoid any indication that pressure was being put on Bowles to resign.

There have been rumors around Washington for some time that Bowles would be shifted from his No. 2 post in the State Department. In recent days, this has been accompanied by speculation that McGeorge Bundy, Special Assistant to the President for National Security Affairs, who was among those originally considered for the post of Secretary of State, would be shifted from the White House to replace Bowles.

Bowles, according to informed sources, will be offered a post as roving ambassador, or some other ambassadorial post.

Removal of Bowles from the State Department would undoubtedly trigger a wide political controversy. One of Bowles' supporters said last night that this would undoubtedly be "a symbolic issue to the liberals in the country."

Bowles, former Governor of Connecticut, later Ambassador to India, and then a Member of Congress from Connecticut, did not run for reelection again in 1960, thus leaving himself free to take a major role in the Kennedy election campaign. He was Kennedy's chief adviser on foreign policy as well as chairman of the Democratic Platform Committee.

Regarded in the Nation as an outstanding member of the liberal wing of the Democratic Party, Bowles was himself a leading candidate for Secretary of State.

RIFT IN STATE DEPARTMENT

In the past few months major controversy has built up in the State Department and in the White House over Bowles' operating style as Under Secretary. Critics assailed him for impractical, free-wheeling reform ideas, lack of attention to the operating details of policy, and general failure to perform the staff director functions of the Department.

Supporters countered that there was a clear understanding when Bowles joined the Department that he would not be restricted to the normal administrative function of a staff director but would specifically have free reign to stimulate ideas and reexamine basic policy premises.

Instead, his supporters claim, Bowles found himself boxed in on all sides, both by opponents inside the State Department and by the men around the President.

It was learned last night that the President met secretly with Bowles at the White House one day last week for a fairly lengthy conversation.

PRESIDENT DISAPPOINTED

The President reportedly told Bowles that he knew Bowles must be experiencing a feeling of frustration in the State Department, and the President said he was disappointed with the way the operation of the State Department has been developing.

The President said he was particularly disappointed, it was said, that the Department has not been generating new policy ideas. The President, it was reported, expressed great puzzlement as to why ideas produced by Bowles never reached him.

The President's conversation with Bowles was conducted in a manner of considerable friendliness by the President, it was said, and the President expressed his belief in Bowles' abilities. The implication, at least, was, however, that Bowles' abilities could be better fulfilled in some other post, it was reported.

Bowles' associates say he has had no real personal contact with the President for many months prior to the meeting last week. They note that while he was cut off from participation in preparations for the abortive Cuban landing, he learned about the landing before it took place and submitted an opposing memorandum to Secretary of State Rusk.

Before the President left for Hyannis Port, Mass., he scheduled another meeting with Bowles at the White House today. It was learned last night that Secretary of State Dean Rusk also has a meeting scheduled with the President today. Last night sources here said, however, that the Kennedy-Bowles Monday meeting was off.

[From the New York Times, July 18, 1961]

BOWLES RETAINED AS AID TO RUSK—KENNEDY POSTPONES CHANGE REGARDED AS INEVITABLE

(By Wallace Carroll)

WASHINGTON, July 17.—President Kennedy retained Chester Bowles today as his Under Secretary of State.

The President thus put off a change in the high command of the State Department that important administration sources believe to be inevitable.

Pierre Salinger, the White House Press Secretary, cleared up the question of Mr. Bowles' immediate future after the Under Secretary had lunched with President Kennedy at the White House.

Mr. Salinger told reporters that Mr. Bowles would stay as Under Secretary. Earlier, he refused to discuss published reports that Mr. Bowles would either resign or be dismissed.

According to these reports, criticism of Mr. Bowles within the White House, in Congress, and in the State Department—was coming to a head.

President Kennedy himself was said to be dissatisfied with the policymaking performance of the State Department and to hold Mr. Bowles, as the Under Secretary for Political Affairs, largely responsible.

Accordingly, he suggested to Mr. Bowles last week that he give up the job of Under Secretary and go abroad as an Ambassador. He was to talk to Mr. Bowles again this week, the reports said, and offer him the choice between the ambassadorship and dismissal.

These reports were privately accepted as true by members of the White House staff and by associates of Mr. Bowles. Indeed, friends who had talked to Mr. Bowles over the weekend expressed indignation over the pressure that was being put on him and predicted that he would choose to be fired rather than resign.

In view of this, it was widely believed here tonight that Mr. Bowles had been saved by the weekend publicity.

As one well-informed Democrat put it, President Kennedy, being a practical politician, had followed one of the basic maxims of political leadership: Don't fire a man when he's under public attack.

If this is indeed what happened, the removal of Mr. Bowles from the Under Secretary's post appeared to be merely a matter of time. The President's relations with the Secretary of State, Dean Rusk, are cordial, but Mr. Kennedy and some of his closest advisers are said to feel that the better functioning of the Department is now an urgent necessity.

At his daily staff meeting this morning, Mr. Rusk regretted the newspaper reports and expressed his warm confidence in Mr. Bowles.

BOWLES IS GOING AHEAD

At the White House, Mr. Salinger waited until the afternoon to comment. Then he announced that Mr. Rusk had seen the President at 11 a.m., that the President had called Mr. Bowles at about 12:30 and invited him to lunch, and that the two had been together from 1:15 to 2.30.

"Mr. Bowles is going ahead with his duties as Under Secretary of State," Mr. Salinger said, "and with his previously planned trip to Africa, the Middle East, and Asia."

The Under Secretary is scheduled to preside over a meeting of chiefs of U.S. missions in Africa. It will open in Lagos, Nigeria, on July 26. Then he will go to similar meetings in the Middle East and Asia.

Private criticism of Mr. Bowles among some congressional leaders and in the State Department has been mounting for several months and a number of Republican Members of Congress have publicly accused him of being "soft" on Communist China.

He also came into disfavor with President Kennedy and some of his closest advisers at the time of the unsuccesaful intervention in Cuba in mid-April.

Mr. Bowles had opposed the Cuban expedition within the Government. Perhaps because of this, the White House suspected him of "leaking" to the press some of the reports of confusion and mismanagement that were published after the expedition collapsed.

More important than this, President Kennedy was told recently by one or more of his advisers that Mr. Bowles was the greatest obstacle to the efficient functioning of the State Department.

Within the Department itself, many of the professional Foreign Service officers had become privately critical of the Under Secretary.

One reason, perhaps, was that Mr. Bowles, an advertising man turned politician, took a post that the Foreign Service had hoped might be filled by a career officer. The two previous Under Secretaries for Political Affairs, Robert D. Murphy and Livingston Merchant, had risen to the post from the Foreign Service.

In addition, some of the professionals found some of Mr. Bowles' ideas and proposals disconcerting.

At staff meetings, it was alleged, he urged his subordinates to "think big." When some of the French generals in Algeria mutinied last spring, one official said, Mr. Bowles proposed to take the problem to the United Nations, though it was clearly a French internal matter.

But Mr. Bowles also had his supporters, even among President Kennedy's aids in the White House.

Some of these supporters said today that Mr. Bowles had not been permitted to do the job he was hired for. When he was appointed Under Secretary, they said, he was supposed to be one of the principal makers of policy and an "idea man" for the Department, not an administrative hack.

Instead, they went on, he had been excluded from many of the important policymaking meetings. He had never been able to sit down, for example, with Secretary Rusk and Adlai E. Stevenson, the delegate to the United Nations, and work out policies for United Nations meetings.

He had also had very little contact with President Kennedy, these sources said.

As for his policymaking qualifications, they pointed to his opposition to the Cuban fiasco. And they said he had helped to avert a similar fiasco in Laos by opposing proposals to put United States and Allied troops into the jungles of that remote landlocked country.

[From the New York Times, July 17, 1961]

KENNEDY EXPECTED TO ASK BOWLES TO RESIGN TODAY—PLANS SHAKEUP IN CLASH ON PERSONALITY AND POLICY; DULLES DUE TO LEAVE

WASHINGTON, July 16.—President Kennedy has decided on the first revision of his 6-month-old administration.

It is understood that he will not only change the top officials of the Central Intelligence Agency but also decide tomorrow on the future direction of the Department of State.

There is a major conflict of personality and policy developing here between the White House and Under Secretary of State Chester Bowles, former Governor of Connecticut and U.S. Ambassador to India.

For the last several days, rumors have circulated in the Capital about this conflict and it is understood that there was a preliminary discussion on the matter between President Kennedy and Mr. Bowles at the White House last Thursday.

At that time, it was decided that the President and Mr. Bowles should discuss their problem here tomorrow. And there is reason to believe that the President will ask Mr. Bowles to resign and accept an ambassadorship in Latin America.

There are a number of reasons for the controversy, including the following:

The White House has been highly critical of the administration of the State Department in the last 6 months. Traditionally, the Under Secretary of State is responsible for seeing that the machinery of this vast bureaucracy works efficiently, and while Mr. Bowles has administered other important Federal agencies, such as the Office of Price Administration during the war, his primary interest lies in the field, not of administration, but of policy.

Mr. Bowles differed with the administration policy on the adventure in Cuba, said so at the time, but was not brought into the major discussions on the decision to attack the Castro regime.

ASKS RED CHINA DEBATE

He has not argued for the admission of Communist China into the United Nations, or for the recognition of that regime, but has insisted that the opinion of the Allied world demanded that this question be faced and debated vigorously within the Kennedy administration.

This has not endeared him to powerful Senators on Capitol Hill and has embroiled him in the controversy over what policy the United States is going to follow on this issue in the September session of the United Nations General Assembly in New York.

One other factor has envenomed Mr. Bowles' relations with the party. He was assigned the task early in this administration of recommending to President Kennedy Ambassadors to the American Embassies abroad. As a result of this assignment he came up with a number of untraditional proposals—untraditional in the sense that they were neither members of the professional Foreign Service of the United States nor influential contributors to the Democratic Party.

SUGGESTED GALBRAITH

Among his suggestions were J. Kenneth Galbraith and Edwin O. Reischauer, Harvard professors, as Ambassadors, respectively, to India and Japan; and William Attwood, former associate of Adlai E. Stevenson and an editor of Look magazine, as Ambassador to the Republic of Guinea.

This did not endear Mr. Bowles either to the Democratic faithful or to the Foreign Service officers who coveted these posts, so that for all these reasons, but particularly because he had developed into the "No" man of the administration's foreign policy, he built up a powerful coalition of opponents.

Mr. Bowles has also been one of the leading backers of the policy of supporting such African areas as Angola against such nations as Portugal, and this has brought him into conflict with officials of the State Department, who wish to give first priority to maintenance of the North Atlantic Treaty Organization rather than to the members' African colonies.

President Kennedy's reaction to all this is widely known in Washington. He is understood to have been irritated with Mr. Bowles because the Under Secretary opposed the policy of supporting the Cuban refugees in their attack on the Castro regime.

PRESIDENT ANNOYED

He is also known to be extremely annoyed by the repeated delays in getting decisions on the Berlin question out of the Department of State, and from the North Atlantic Treaty allies.

As a result, he has tended to blame Mr. Bowles for these delays, since the Under Secretary's office is presumed to be responsible for the administration of the Department of State.

The President has decided to replace Allen W. Dulles as Director of the CIA and also his Deputy Director, Richard Bissell. One report circulating in the Capital tonight was that Clark M. Clifford, former assistant to President Truman, would replace Mr. Dulles, but it can be stated that this is entirely false.

It is understood that the President has made three decisions about the CIA:

1. The top direction of the Agency should be changed.

2. Despite reports to the contrary, the intelligence-gathering function of the CIA, and its military operations, such as direction of the Cuban invasion, should not be split, but placed under the direction of a new CIA officer who would report directly to the President's new military adviser, Gen. Maxwell D. Taylor.

PERSONAL CONFLICT

3. All U.S. diplomatic and intelligence operations overseas should be the responsibility in each capital of the American Ambassador there, and that each Ambassador should be instructed that CIA officials in his territory must report directly to him.

All this has produced the first major quarrel in the administration. Part of it is personal. Mr. Bowles has always beeen a controversial figure within the Democratic Party, regarded by the conservatives and the southerners as a devotee of a planned economy and the welfare state.

He has been a supporter of issues that are unpopular with the conservative wing of the Democratic Party, such as price fixing during the war, foreign aid and discussion of the problem of the admission of the Chinese Communists into the U.N.

What makes this a particularly sharp debate within the Democratic Party here is that President Kennedy himself is understood to favor many of the controversial positions Mr. Bowles takes, but is embarrassed politically by the frankness with which Mr. Bowles states his views

All this was discussed between Mr. Bowles and the President last Thursday. They came to no resolution of the problem at that time, and since then Mr. Bowles' opponents have been openly demanding his resignation.

CONFLICT IN WHITE HOUSE

It is known that within the White House there is a difference of opinion on what should be done about the Under Secretary of State. Some officials there regard Mr. Bowles as an outspoken advocate of the President's own ideas and others as a political embarrassment. Accordingly, the first group wants the President to keep him on and the latter to dismiss him at once.

One suggestion has been that he be sent to Chile as Ambassador and another that he should be given the post as envoy to Brazil, although this has already been promised to Lincoln Gordon, a Harvard University professor and a former official of the International Cooperation Administration.

If, however, the issue of policy and administration cannot be resolved between the President and Mr. Bowles, it is highly unlikely that he will remain in the administration in any capacity.

[From the Washington Post, July 18, 1961]

THE BOWLES AFFAIR

The first full-scale internal political hurricane of the Kennedy administration has broken about Chester Bowles, Under Secretary of State, with a display of thunder, lightning, wind and rain reminiscent of New Deal days.

The role of the Under Secretary always has been a difficult one. The job requires the talents of the policymaker and those of the detail man. He must be the Secretary's alter ego. He must be a man of principle, but his devotion to principle needs to be strong enough to win friends and not strong enough to make enemies.

Mr. Bowles brought to his job the experience of an administrator gained as a Governor and in earlier Federal posts. He has worked hard at making his own personality complementary to that of his chief; and this has not been easy for one who has been the top man in most of the places he has hitherto served.

On the detailed kind of work involved, in straightening out the administrative jungle of the State Department he seems to have done well. The Department will be better off for his handling of personnel, his recruitment of new people, his influence on ambassadorial appointments, his impact on the Foreign Service, his contributions to the cultural affairs office, his management of protocol responsibilities to new nations. He has supervised the establishment of the new operations center. He helped put through needed amendments to the Foreign Service Act. The International Labor Office has been given a better setup. He has lent his sympathetic help to subordinates who have cut out needless reports, eliminated departmental committees and otherwise simplified procedures. He has skillfully handled the program to give Ambassadors more control over all U.S. operations in their countries of assignment.

Administrative achievements of this sort are not criticized. Mr. Bowles is faulted by

some administration critics for failing to achieve rapport with his chief, for not dealing effectively with policy execution, for not coping successfully with Congress, for inept handling of interdepartmental liaison.

Yet, the impression made by most of the criticism of Mr. Bowles is that his most grievous offense is that he is still Chester Bowles. It is pretty hard for him not to be that. He is, as he always has been, a "white knight" in public affairs. His critics are unkind enough to say that a "white knight" at the particular political intersection where he serves is distracting to traffic.

The Under Secretary now goes about his duties. It is no secret that the administration is not yet happy with the operations in the State Department, certainly not as happy as it is with those in the Defense Establishment. It remains to be seen what changes will have to be made to satisfy the White House that everything is in proper order in the most important department of the Government.

[From the Washington Post, July 18, 1961]

WHITE HOUSE SAYS BOWLES IS STAYING—RESIGNATION "NOT CURRENTLY EXPECTED"

(By Murrey Marder and Warren Unna)

The White House officially denied yesterday that Under Secretary of State Chester Bowles is about to resign, while informed sources reported that a decision only has been postponed.

Bowles met with President Kennedy for a talk over lunch. White House Press Secretary Pierre Salinger announced afterward:

"Mr. Bowles is going ahead with his duties as Under Secretary of State and the trip which he has planned for some time." Bowles is due to leave Monday on an 18-day trip to Africa, the Middle East, and Asia.

OBVIOUS HE'S STAYING

"It's obvious he's staying," added Salinger.

This, however, was amplified by an administration source with the comment that: "Mr. Bowles has neither resigned nor has his resignation been asked for, and his resignation is not currently expected."

The phrasing "currently expected" carried its own implication.

Bowles himself is taking the position that reports of his probable resignation represent only a storm of gossip which will blow over. He regards the White House meeting yesterday as having settled the matter.

Other sources maintain that the actual position is that attempts to resolve the Bowles affair will be studied while he is out of town, but the end result is likely to be either a shift in jobs or Bowles' resignation from the administration.

POLITICS AND POLICY

The President is understood to be seeking a solution which will avoid creating the impression that Bowles, an ardent liberal, is being forced out of the State Department in a split over policy. This could carry considerable implications, in both domestic politics and foreign policy.

Secretary of State Dean Rusk, who was also at the White House yesterday, has indicated through associates that he likes Bowles, believes the talk of Bowles' resignation will blow over.

Around the President, the dominant view among the men in the White House, however, is that Bowles is "miscast" for the No. 2 job in the State Department, and that the issue is one of personality, not policy.

Bowles is 60. His extensive service in public life includes posts as head of the Office of Price Administration during the war, Governor of Connecticut, Ambassador to India and a Member of Congress, before becoming Mr. Kennedy's foreign policy adviser during the campaign and chairman of the Democratic Platform Committee for the 1960 election.

VIEWED AS VOLUBLE LIBERAL

Bowles is publicly regarded here and abroad as a vigorous liberal, of the voluble, or as some put it, the "evangelical" school. He is particularly identified with the causes of aid to underdeveloped countries and greater foreign policy emphasis on the growing role of the neutral nations as a potent force affecting the East-West struggle.

If he were squeezed out of the State Department, or significantly downgraded in the administration, the Republican Party's right-wing and the conservative Democrats undoubtedly would regard it as the first scalp in the administration to fall to their cause.

This is one of the many factors weighing in the President's decision.

While criticism of Bowles has centered on his lack of effective administrative ability in translating foreign policies into action programs, it is possible the President may decide against any major move. Recently, Alexis U. Johnson, who was Ambassador to Thailand, became Deputy Under Secretary for Political Affairs, with the understanding that he would fill the Department's staff director function. The President may decide to proceed on this basis, and let Bowles remain where he is.

POSSIBLE SUCCESSORS NOTED

Numerous sources, however, maintain that this is only an interim possibility. Names of several possibilities to succeed Bowles were circulating in speculation yesterday. Among them, Assistant Secretary for International Affairs Harlan Cleveland, Budget Bureau Director David E. Bell, and Charles E. Bohlen, special assistant to the Secretary of State. McGeorge Bundy, special assistant to the President, and previously mentioned as a possible successor for Bowles, is said to be an unlikely replacement if Bowles goes.

What are the problems underlying the Bowles controversy?

ADMINISTRATION

The President is unhappy over the way the State Department has failed to measure up as an executive organization. Bowles, in accepting the job of Under Secretary, never conceived his job as essentially an administrative one, and still does not.

He looks upon himself as a creative political thinker and, in an administrative way, has primarily concerned himself with procuring new and bright people to serve as Ambassadors and in key Department slots.

Yet somebody must see that the huge Department operates effectively; that it is not weighed down by its own bureaucracy in carrying out foreign policy.

RUSK PRESSED FOR TIME

Secretary Rusk, concerned with all the top policy decisions, has not the time. George W. Ball, Under Secretary for Economic Affairs, has taken the view that his office should concern itself with trade primarily and not foreign aid.

Roger W. Jones, the Deputy Under Secretary for Administration, is concerned primarily with the "nuts and bolts" daily operation of a large bureaucracy here and overseas. His is not the job to see that the proper papers surface to the right hands, that Policy Planning Council recommendations funnel into the geographic desks, that U.S. foreign aid and intelligence operations are coordinated with the overall policy procedure.

These high-level administrative tasks have not and are not being done satisfactorily. Bowles doesn't look upon them as his responsibility. The White House has decided that by process of elimination these responsibilities come with Bowles' office, and therefore Bowles might be the right man but for the wrong job.

LIBERAL VIEWS

Bowles has become a byword for outspoken Democratic Party liberalism. President Kennedy, and most of his White House staff, hold many of the same views Bowles does. But the President feels the more effective way of implementing these views is through men with less flamboyant reputations acting in a less publicized manner.

This is particularly true on Capitol Hill where the President considers politics the art of the possible. Bowles, on the other hand, has failed to convince the White House that he enjoys effective congressional support.

LIBERAL VIEW ENCOURAGED

Should Bowles go, the administration says it intends to take great pains to encourage liberal thinking in the Department by maintaining many of Bowles' positions. The White House does not want any Bowles departure to be used as a rallying cry for, "See what happens to men with ideas."

FOREIGN SERVICE

Bowles sees himself as a target of the State Department Foreign Service officers he has pushed into retirement to make way for new people of his choice with fresher ideas. He has heard reports that some 20 of the 55-and-over group gather regularly at the Metropolitan Club to undo the man who "undid" them.

On the other hand, Bowles also has been criticized for not being more ruthless with the Foreign Service in turning out the deadwood at a faster pace.

Within the Department personnel officials credit Bowles with doing an excellent pruning job and bringing in a far better selection of new officials than Secretary Rusk himself.

SECRETARY RUSK

Bowles and Rusk began work in the State Department without any sense of mutual confidence or understanding, and they are poles apart in personality and operating style. From all accounts, Rusk and Bowles have maintained both cordial and correct relations, however, with Rusk giving Bowles somewhat more operating authority.

Rusk was handicapped from the outset in the Department by the fact that he had few men around him who were his own selection, for many departmental posts were earmarked by the President before Rusk took office. However, the fact that Rusk's chief assistant should become a matter of controversy outside the Department inevitably reflects on the Secretary himself and the Department.

BETTER UNDERSTANDING SOUGHT

At least until recently, there were many indications that Rusk had not obtained sufficient indoctrination in the working methods of the President and was reluctant to be too assertive about his own ideas with a Chief Executive who is extremely active in foreign affairs. The White House, reportedly, is now taking steps to see that Rusk gets a better understanding of what the President wants.

POLICY

Despite the insistence that policy views do not enter into the differences involved in the Bowles affair, there are undoubtedly differences of policy emphasis and priority at issue among some of those with strong views on either side of Bowles.

There are especially inside the State Department what might be called the traditionalist minded on foreign policy, and the experimentalists.

Some officials believe that the core of America's foreign policy interests are in the Atlantic Community and Western Europe; others argue—as Rusk himself has done publicly, that if the periphery of world affairs—the outlying areas—is neglected, the periphery soon will become the center.

Bowles' stress on the world's underdeveloped areas and the global impact of the uncommitted nations, puts him in natural collision with the more traditionalist minded.

Similarly, on issues such as the Berlin crisis and China, the school of thought to which Bowles belongs favors exploring new approaches. Even some of Bowles' strongest critics, however, agree it is unfair to characterize the opposing views on these subjects as either "hard" or "soft." White House policy often cuts across such lines.

Mr. CLARK. Madam President, I yield the floor.

ORDER FOR ADJOURNMENT UNTIL THURSDAY, AT NOON

Mr. ALLOTT obtained the floor.

Mr. KUCHEL. Madam President, will the able Senator from Colorado yield, so that I may ask a question of the majority leader?

Mr. ALLOTT. I yield.

Mr. KUCHEL. Madam President, I wish to inquire of our genial friend, the able majority leader, what he proposes to place before the Senate during the remainder of the week?

Mr. MANSFIELD. In response to the question asked by the distinguished acting minority leader, at this time I ask unanimous consent that when the Senate concludes its session tonight, it adjourn until Thursday next, at 12 o'clock noon.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Madam President, it is anticipated that on Thursday the Senate will take up the legislative appropriation bill, and also Reorganization Plan No. 5, which has to do with the National Labor Relations Board.

It is anticipated that on Friday or Saturday the Senate will take up the independent offices appropriation bill; and also—either before or after taking up that appropriation bill—the unobjected-to measures on the calendar.

On Monday, the Senate will take up the farm bill.

AUTHORIZATION FOR COMMITTEES TO FILE REPORTS DURING ADJOURNMENT OF THE SENATE

Mr. MANSFIELD. Madam President, I ask unanimous consent that the committees be authorized to file reports during the adjournment of the Senate following the session tonight.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL. I thank the able Senator. If the Chair noticed, a slight grimace passed across my countenance when my able friend suggested a Saturday session. I trust, in the expeditious manner in which he is able to take care of the Senate's business, we may avoid that catastrophic occurrence.

Mr. MANSFIELD. Let me say that a Saturday session is not my idea.

REMARKS ON DEVELOPMENT OF BRAZILIAN OIL SHALE

Mr. ALLOTT. Madam President, last March, in a letter to the President and in a speech on the floor of the Senate, I proposed that the United States take positive action immediately to assist Brazil in constructing a prototype plant to extract oil from shale. This was no partisan proposal. It was made in a different manner, also in March, by the Governor of Colorado. It has been endorsed by the senior Senator from Oregon and by my colleague from California, as well as by the distinguished chairman of the House Interior Committee, himself a recognized authority on shale.

Here is a sensible, down-to-earth approach to help Brazil help itself; to help a potential U.S. industry obtain technological know-how, and to stave off a threatened penetration of our hemisphere by Soviet communism. I do not wish now to reiterate all of the details.

We were delighted last week to receive written assurances finally from the Department of State that it feels the project is meritorious. As my colleague from Colorado reported to the Senate, the Department also stated that the Export-Import Bank "would give most sympathetic consideration to an application for the plant." It is my understanding that the International Cooperation Administration informally has adopted the same stand.

Frankly, I do not know if the Export-Import Bank is the proper source for such funds. As I have stated before, it seems ICA or development loan funds would be more appropriate. Brazil's officials know full well the requirements of export-import loans. They know full well our other sources of funding. They may feel it would be useless—a waste of additional precious time—to make formal application for an export-import loan, or one with similar requirements from ICA, because on detailed study such a loan could not be granted.

The important requirement is to move ahead at once on this project in a manner which will prove to Brazil that we genuinely want to help her help herself. It is to our national interest to do so, not just to use Brazil as a testing ground for techniques which may advance our own shale development but to prevent a threatened Soviet penetration of the Western Hemisphere.

Two months ago a report by the Senate Internal Security Subcommittee warned that oil is fast becoming a Soviet device for "undermining and destroying the United States." The Soviet bloc, through conquest and industrial expansion, has developed its oil resources to the point where it feels free to use oil as an economic weapon in the cold war. Soviet oil has penetrated Western European markets. It provides virtually all of Iceland's oil requirements, 95 percent of Finland's, 40 percent of Norway's. It is the principal supplier of industrial fuel to Denmark. Italy is now an important Russian consumer.

One important factor in Communist strategy is not to allow the less developed nations to find mutually profitable areas of cooperation with the West, the subcommittee warned. Oil is an excellent instrumentality here, clearly drawing the line between the "have" and the "have-not" nations. And price is no object to the Soviets, as we have seen, time and again. In 1958, the Soviet was selling oil in Argentina at $1.60 a barrel and selling it in Poland at $2.87. Last year it agreed to deliver oil to Italy at $1 a barrel. Additionally, the Soviet bloc will make not only cash deals but barter deals, or accept payment in local "soft" currencies.

An article in the Oil and Gas Journal of June 26, 1961, was headlined "Soviet Aid May Be Greater Menace Than Cheap Crude." The journal reported on a six-man team of Russians in Karachi to sign detailed contracts for a $35 million Soviet-financed and Soviet-directed search for oil in Pakistan. Eight Western oil companies, American and British, have poured millions of dollars into exploration for oil with little success. Soviet geologists can draw on at least some of this information, improving their chances of success. If they find oil, it will be Pakistan's oil in toto, rather than just 25 percent Pakistani as under the Western concessions.

As the journal stated:

The Russian we-don't-want-your-oil-but we'll-help-you-find-it approach has a pleasing sound in a great many areas of the world where people have been sold the idea that Western oil companies are "exploiters." It works even better in Pakistan and India where the private Western companies have not been too successful in finding crude for the oil-hungry nations.

In the long run, the Russian approach on "aid" may be far more dangerous to the oil industry as we know it today than any mass invasion of Soviet crude oil. It is not being confined to exploration. The Russians are moving into refining and petrochemicals almost as strongly.

Like Pakistan, and, yes, like Brazil, India has been a "have-not" oil nation and carries a heavy burden of foreign exchange to buy the oil it uses. Extensive exploration in India by Western companies over a period of many years brought only a meager supply. Recently, deep drilling by the British in one Indian field added significantly to those reserves but the Russians were already there. The additional crude will go to Rusisan-built refineries owned by India. Let me quote again from the June 26 article in Oil and Gas Journal:

American companies have poured millions of dollars into exploration efforts in India without any success. This has nurtured the myth in India that Western companies don't want to find oil because they would rather depend on Middle East holdings to supply the Indian market.

The Russians walked gleefully into this situation, offering long-term, low-interest credits and technical help in an effort to help the Indians find their own oil.

The Russian-Rumanian effort apparently has been successful. The extent of the oil found so far by Russian rigs and crews, drilling with a few trained Indian personnel, is difficult to assess. Everything that comes out of India regarding the program is clouded.

Apparent success of the public sector effort on India's part has prompted the Government to set up a $44 million budget for the 1961–62 period to increase its own oil finds. The country could never bear the burden of such a cash outlay without the help of $52 million in credits offered by the Russians.

The Russian-Rumanian rigs and crews apparently have found sizable reserves in the Cambay-Ankleshwar region of India about 300 miles north of Bombay. At Cambay at least a dozen of the wells have been completed as commercial. At Ankleshwar, about 100 miles to the south, at least eight producers have been drilled.

Neither of the fields has been produced because there are no pipeline outlets.

India is now making plans to move at least a part of the initial output of these fields by rail to the Bombay area, where private refineries are operated by Western companies.

The Government of India hasn't completely frozen out private oil companies, but the heavy emphasis is aimed at making use of Russian help and financing. Western companies have to give terms most of them regard as highly unsuitable. In contrast, the Russians offer help and money for long periods at low interest.

India and Pakistan are not the only nations wooed by Communist petrologists. Relations may have cooled between Russia and the United Arab Republic, but Soviet drilling rigs are at work in both Egypt and Syria. And oil finally has given the Reds a real foot in the middle eastern doorway between Europe and Asia. In Iraq, which now is producing about 4,000 barrels daily from former British concessions, Russian seismic crews report to the Iraqi that surveys prove far greater reserves than previously believed. One result: an Iraq-Czech agreement to build a refinery and two petrochemical plants.

Here, my colleagues, is a pattern as plain as that on a garmentmaker's cutting board: Russian "aid" to freeze out the West, taking advantage of Western failures and Western information, offered to proud but underdeveloped nations hard pressed to meet foreign exchange needs for fuels and still buy the other items necessary to their growth.

In Ceylon, the conversion is almost complete. One can trace it from news reports over a period of less than 2 months.

First was an article from Oil and Gas Journal last May 15 on a Russian commercial coup shaping up at the expense of Western oil companies. Attracted by the lure of cut-rate Russian products and technical aid, Ceylon then was passing legislation establishing a state corporation for the import and sale of oil products. The bill gives the Ceylonese Government power to take over facilities of private companies, with compensation. It also could set minimum and maximum gasoline prices in that share of the retail market left to private firms. As the journal reported:

The Government corporation was proposed after Russian offers of products at a laid-down price below that of imports by existing marketers.

Russia also offered a barter package that would include oil, sugar, heavy machinery, and other equipment. These items would be traded for rubber, tea, and coconut oil.

A trade delegation from Ceylon is expected to visit Moscow and the Middle East in June to negotiate product purchases. Consumption on the island, including bunkers, is about 12,500 barrels daily.

The Washington Post on June 30 printed this dispatch, for which I ask unanimous consent to have printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CEYLON PLANS TO TAKE OVER OIL FIRMS

LONDON, June 29.—The Shell Oil Co. said today Ceylon has demanded the nationalization of part of the facilities of the three oil companies—two of them American—that produce all Ceylon's oil.

The companies are Shell, which has 60 percent of Ceylon's oil trade, and Caltex and Standard Vacuum Oil Co., each handling 20 percent.

The spokesman said he was approached by the Ceylonese Government this week. The demand, he said, came under the new Ceylonese Petroleum Corporation Act for state control of tankerage, distribution, and retailing.

A Commonwealth relations spokesman said today the British Government was not opposed to nationalization but wanted fairplay and adequate compensation.

The nationalization bill was made law last May. During a debate in the legislature, Commerce Minister T. B. Ilangaratne said "the country cannot tolerate the continued exploitation of our economy as the price for inducing foreign capital to come in. It is too high a price to pay."

Mr. ALLOTT. Just 6 days later, Ceylon moved to take over certain private pipelines, storage facilities, and retail outlets as reported in the Washington Post, July 6; and for which I ask unanimous consent to have printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CEYLON ASKS TO "BORROW" WESTERN OIL FACILITIES

COLOMBO, CEYLON, July 5.—Commerce Minister T. B. Ilangaratne said here today he has asked Western oil companies operating in Ceylon for certain storage and pipeline facilities needed by the newly formed Government petroleum corporation.

The corporation, which plans to market its own oil in competition with American and British firms, has the power to requisition privately owned oil installations and equipment as needed.

The Minister, speaking at a press conference, said the corporation planned as a first step to market about 20 percent of Ceylon's oil requirements.

He said he believed the takeover of certain installations would take about 2 months. As well as bulk storage facilities, the Government would need 175 filling stations now also owned by private companies.

Mr. ALLOTT. Now we find something of the same pattern being cut in Brazil, in part by our own Government. Along that line, Madam President, I ask unanimous consent to have printed at this point in my remarks a discerning article by Mr. Gene Wortman which appeared in the Rocky Mountain News July 1.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Rocky Mountain News, July 1, 1961]

RUSSIANS THREATEN BRAZILIAN OIL SHALE

(By Gene Wortman)

WASHINGTON, June 30.—Soviet Russia appears to be moving on Brazil's oil industry for failure of the United States to provide $7 million as oil shale exploration money.

Reliable sources advised the Rocky Mountain News Friday that Brazil has been seeking help from the United States, but, failing that, may accept Russian aid.

Colorado's Governor McNichols, Senators John Carroll, Democrat, of Colorado, and Gordon Allott, Republican, of Colorado, and Representative WAYNE ASPINALL, Democrat, of Colorado, all have urged the United States to move.

Because of the oil shale in Colorado, these Colorado officials realize that oil shale experiments anywhere in the free world could be helpful to the United States.

Free world experiments which fall into Communist hands, however, would be costly to this Nation.

A Colorado firm, Cameron & Jones, Inc., has a contract with the Brazilian Government's oil industry, Petrobras, to develop the country's oil shale even if money and machinery is provided by Russia.

CAN'T PINPOINT BLAME

No one can pinpoint the exact spot in the Kennedy administration where the program has bogged down. But several persons have pointed at Richard Goodwin, 29, assistant special counsel to the President.

Now the President's expert on Latin America, Goodwin had no experience in that area until he attended a meeting of the Inter-American Development Bank in Rio de Janeiro last April. Before that, he had been Mr. Kennedy's representative in dealing with the Cuban exiles.

During the West Virginia primary, Goodwin was Kennedy's expert on coal. He could not be contacted for comments on the Brazilian oil shale problem.

Governor McNichols first brought the matter to public attention in late 1960 when he realized Brazil's oil shale potential while touring that country.

It later developed that earlier in 1960 a team of six Russian oil shale experts was in Brazil to make initial investigations for a private company which wished to produce gas from shale. The Russians, who have been making fuel from shale commercially for years, also talked with technicians of Petrobras while in Brazil.

It was learned that technicians from Petrobras were to leave for a trip behind the Iron Curtain on June 20.

COMPLAINTS PLENTIFUL

They were going to Rumania and, perhaps later, to Russia.

Letters from Congressmen and others to the President and to the State Department have produced few results.

There has been considerable complaining, however, over the administration's talk but lack of action.

When the oil shale experimental work at Rifle, Colo., was gutted, it was with the undenied backing of the U.S. oil industry which opposed a potential commercial competitor. In a message to President Kennedy, Representative ASPINALL said Russian intervention in Brazil's oil shale program is all but guaranteed if we fail to act.

Senator ALLOTT declared the Russians will go into Brazil unless we move, and move fast in a matter of hours, or days, not weeks.

So far there has been no action.

Mr. ALLOTT. As Mr. Wortman reports, Russian intervention in Brazil's oil shale program is all but guaranteed if we fail to act. Russian shale experts have been in Brazil as much as 18 months ago, sponsored by a private Brazilian company, CIRB. The Brazilian Trade News of March 18, 1960, reported that some shale from this privately owned deposit was shipped to Russia for testing. On September 23, 1960, Tass News Agency reported from Moscow that a plant would be built near the city of São Paulo to produce 1 million cubic meters of gas per day from this shale in the Paraiba Valley. This dispatch received wide publication in Brazil. On October 16, 1960, a morning paper in Brazil front paged a story that CIRB and a Soviet entity had executed a contract for a pilot plant valued at approximately $500,000 to produce gas and by-products from this shale.

It was not long after this that the Government-owned oil industry, Petrobras, transferred its real interest to the Irati oil shale deposits, larger and more suitable to the extraction of oil. Soviet representatives immediately invited Petrobras representatives to inspect the oil shale installations of the U.S.S.R. and China, primitive but producing. In May, Moscow announced that it would start its CIRB gas-from-shale plant construction late this year and added that U.S.S.R. technicians soon would be in the area. A Washington Post story of May 8 reported Rumania had granted Brazil a $50 million loan for the development of oil and chemical industries and concluded a separate 5-year, $320 million barter agreement in other fields. Last month there were unconfirmed reports of at least one shale engineer from Petrobras going to visit the Soviet bloc.

And on July 6 a Rio de Janeiro newspaper reported the arrival of six members of a Russian trade mission which is installing itself in Brazil on a permanent basis.

Now, the Communist bloc, as we have seen elsewhere, is well aware that one way to at least neutralize a developing nation is to move into a position of being helpful in meeting that Nation's rapidly expanding need for energy.

There has been a great deal of talk about a world oil surplus. This is not a general problem but a local problem in oil exporting countries. Oil importing countries, like Brazil, are anxious to develop reserves of their own because oil usually is a major debit item in their foreign exchange accounts. The recent concern about finding markets for the oil produced in the Middle East and Latin America is that Soviet oil, as a political weapon as well as an economic tool, has partially displaced free world oil in more than 30 countries.

The Communist bloc is aware that in Brazil there is little petroleum production—about 80,000 barrels per day with an apparent limit right now of around 100,000 barrels. It is aware that American oil interests have just completed a largely unsuccessful $300 million oil exploration program. The Communist bloc has a foot in the door through reported agreements with CIRB, to produce gas from shale. It is in the same position from which we have seen it make gains in Pakistan, India, Ceylon, the mid-East.

U.S.S.R. propagandists are quietly asking, "Why should American oil companies want to find oil in Brazil when they want to sell you their oil?" They are saying that the United States is all talk and no action. They are saying that our inaction leaves Brazil no choice but to turn to Russia, a nation willing to help Brazil help herself.

If any in our Government who have been studying this proposal week after week and month after month believe that they are aiding American business by delaying action, or by putting any loan on a basis unacceptable to Brazil, they are badly misinformed. Let them look at the pattern throughout the world. Let them look again at Brazil which is not now Communist-inclined but which is in need of help.

Brazil, with its apparent limit of 100,000 barrels per day of petroleum, last year used about 250,000 barrels per day. Next year it will be close to 300,000; up to more than 400,000 by 1966 and nearly 600,000 by 1970. Naturally Brazil is turning to shale, but even there the most optimistic estimates of her current program are that she will be able to make up only about 160,000 barrels per day from shale by 1970. So by 1970, unless she has any substantial petroleum discoveries, she still will be required to double her petroleum imports to meet her energy needs.

We hope, of course, that these imports will be supplied by Western companies, as most of her oil is supplied today. But let us remember the pattern in other parts of the world where Soviet-bloc experts have gained a foothold. Remember what is happening in Ceylon, particularly.

Remember, too, that it is American engineers, American know-how, American technical advances that Brazil to date has put to work on its greatest oil shale deposits. Brazil has been proceeding in an orderly fashion. It is investing, I am told, some $8 million of its own in a large, prototype plant and equipment to prove out these techniques. It needs $7 million in credits, largely to buy the equipment required—$7 million which can be spent largely with U.S. companies learning more about advanced machinery which we in turn can utilize in our own great shale beds in the West.

This is the step which many of us have urged upon our Government. I do not urge a greatly expanded loan or credit for a full-blown, commercial shale plant because Brazil is not ready for it. That is a later step for Brazil to take, in the field of public or private credit, only when it is ready.

I sincerely believe that a loan to Brazil for this prototype project would start Brazil on the road out of its foreign exchange difficulties. But the most important aspect of this matter, I think, is the loss the United States will sustain if it does not offer its assistance on this project, on which the Brazilians are determined to proceed. The United States needs the benefit of oil shale technology just as badly as does Brazil. This country faces the prospect of a gradually dwindling supply of domestic crude oil. And it too has vast oil shale deposits that could become an important source of energy for the future.

I feel sure that the benefit of being able to participate in the technological development of Brazil's oil shale would, in itself, be a good reason for underwriting a loan to our good neighbor to the south. The added benefits of keeping the Russians from gaining a vital foothold in Latin America makes the arguments in favor of prompt action very compelling indeed.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, July 18, 1961, he presented to the President of the United States the following enrolled bill and join resolution:

S. 1462. An act to amend the act of September 2, 1960 (74 Stat. 734), in order to authorize the Secretary of Agriculture to establish minimum standards of quality for any variety of grapes and plums covered by such act, and for other purposes; and

S.J. Res. 116. Joint resolution to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962.

ADJOURNMENT TO THURSDAY

Mr. KUCHEL. Madam President, if there is no further business to come befor the Senate, I move, in accordance with the order previously entered, that the Senate adjourn until noon on Thursday next.

The motion was agreed to; and (at 6 o'clock and 14 minutes p.m.), under the previous order, the Senate adjourned until Thursday, July 20, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 18, 1961:

U.S. TRAVEL SERVICE

Volt Gilmore, of North Carolina, to be the Director of the U.S. Travel Service.

INTERNAL REVENUE SERVICE

Crane C. Hauser, of Illinois, to be Assistant General Counsel (Chief Counsel for the Internal Revenue Service).

U.S. MARSHALS

James R. Berry, of Pennsylvania, to be U.S. marshal for the western district of Pennsylvania for the term of 4 years, vice Albert A. DiMeolo.

Beverly W. Perkins, of Nevada, to be U.S. marshal for the district of Nevada for the term of 4 years, vice Cedric E. Stewart.

John G. Chernenko, of West Virginia, to be U.S. marshal for the northern district of West Virginia for the term of 4 years, vice John F. Barr.

Thomas W. Sorrell, of Vermont, to be U.S. marshal for the district of Vermont for the term of 4 years, vice Dewey H. Perry.

U.S. COAST GUARD

The following U.S. Coast Guard officers for promotion to the permanent rank of rear admiral in the U.S. Coast Guard:

Capt. Theodore J. Fabik.
Capt. Oscar C. Rohnke.

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointments to the grades indicated in the Coast and Geodetic Survey:

To be lieutenant (junior grade)

James B. Allen

To be ensigns

Gerald R. Cichy
Darryl D. Devnich
Maurice L. Geiger
Herbert L. Mansbridge
H. Dennis Matthews
Laurence A. Savage
James R. Tedrick

CONFIRMATIONS

Executive nominations confirmed by the Senate July 18, 1961:

U.S. MARSHALS

Leonard T. Heckathorn, of South Dakota, to be U.S. marshal for the district of South Dakota for the term of 4 years.

Doyle W. Foreman, of Oklahoma, to be U.S. marshal for the northern district of Oklahoma for the term of 4 years.

EXTENSIONS OF REMARKS

Anniversary of Spain's Civil War

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 18, 1961

Mr. ANFUSO. Mr. Speaker, July 18 marks the 25th anniversary of the start of the Spanish Civil War which began on July 18, 1936. Under the leadership of Gen. Francisco Franco, the people of Spain were successful in stamping out the Communist threat to their country. Had that effort been unsuccessful, there is no telling to what extent communism would be in control in Europe today.

The people of Spain were among the first in Europe to be subjected to the Communist way of life and Communist tactics. They chose to fight back in order to be able to live their own way of life, their right to believe in God, and to retain their dignity as human beings. They paid a very high price for it, to be sure, but the price would have been vastly greater had the Communist forces gained complete control of their country.

During the past quarter of a century the United States and Spain have attained a high degree of mutual understanding and friendly relationship. Spain is today recognized as a dependable friend and a strong ally of our country. In the struggle against Communist imperialism and enslavement, Spain not only maintains a strong and strategic position but is unquestionably a powerful bulwark of strength for the whole free world.

The United States has established important air and naval bases in Spain which give the free world forces a great military advantage in their defense effort. Furthermore, in the event of an international emergency, Spain could also provide many divisions of manpower to augment the forces of the free world.

It is my belief that we must do everything possible to encourage the closest relations with Spain because we need all the resources and the support of all nations in the effort to successfully combat and repel international communism. Spain has much to offer in this respect that could well serve to fortify our position and to strengthen the entire free world. Spain, like the United States, is aware of the common danger which communism represents to mankind and will not hesitate to fight against this evil.

On this historic occasion of the 25th anniversary of the struggle of the Spanish people to eliminate Communist domination of their country, I want to extend our greetings to General Franco and to the people of Spain. We express our solidarity with them in the common struggle. On this occasion, it is worth quoting from a letter of Gen. Douglas MacArthur, dated March 29, 1961, in which he said of General Franco:

I have always held him in highest esteem.

Mr. Speaker, I also wish to take this opportunity to express deep appreciation and recognition to His Excellency Mariano de Yturraldi, the Ambassador of Spain to the United States, who is a distinguished career diplomat and is doing an excellent job in promoting the most cordial relations between our two countries.

Tragic Anniversary: The Fate of the Baltic States

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 18, 1961

Mr. MULTER. Mr. Speaker, the middle months of 1940, and particularly June of 1941, ushered in a new and tragic era in the history of Baltic peoples. During June and July 1940 the independence of Estonia, Latvia, and Lithuania was smothered under the Soviet steamroller, and the orderly process of annexing these countries to the U.S.S.R. was systematically undertaken. Perhaps the most heartbreaking phase of this aggressive expansion of the Soviet Union was the summary arrest, imprisonment, and deportation of Estonians, Letts, and Lithuanians, in tens of thousands, to Asiatic Russia, in June of 1941. This wholesale arrest was carried out on orders from Moscow by its ruthlessly efficient agents in these countries, and this process of eliminating all Baltic elements opposed to the Soviet regime was so effective and thorough that the helpless peoples in these countries were completely subdued.

This marks the 21st anniversary of Soviet Government's occupation of these countries, and the 20th anniversary of Soviet deportation of Baltic leaders. I am indeed glad that the Joint Baltic States Freedom Committee is commemorating these tragic twin anniversaries jointly, thus honoring the memory of those who suffered and died in exile for the freedom of their kinsmen in Estonia, Latvia, and Lithuania.

Did You Know

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 18, 1961

Mr. HOFFMAN of Michigan. Mr. Speaker, did you know that some of your tax dollars helped an Englishman, who for 6 years was on relief, purchase the suit which enabled him to win a contest as the best dressed man in his hometown?

The Associated Press, a reliable news service, July 6 so reported.

"Oh, well—what of it?" do I hear you comment? "Only a few dollars were involved"; and even though our national debt as of July 7 was more than $288 billion, a debt greater than that of the combined debt of all other free nations—and though we have an interest charge of something over $9 billion which you must pay each year—and the dollar you worked for and saved will purchase less than one-half of what it did when you earned it, and before we entered upon our so-called foreign aid policy—and even though the Government taxed the dollars as you earned them, and if you invested them in some dividend-paying security, now intends to tax the same dollars again by withholding a part of your dividend check—there is a limit to the billions we can spend and waste in foreign aid, or, for that matter, on New Frontier programs which are old—have been demonstrated to be unsound.

But—to get back to the best dressed Englishman. The Associated Press also

revealed that the gentleman had not worked, had drawn national assistance, for 6 years.

Again—"What of it?"

Oh, nothing at all except that the gentleman has been able for the last 6 years to live on relief and you, as a taxpayer, have made his idleness and winning pleasant as well as possible.

Billions of our dollars have gone to England—to Britain.

Have not we enough unsound, ruinous policies here at home? Giving first members of one group, then another, something for nothing—all at the expense of those who work and save—without sending billions which we do not have but must borrow, and on the borrowing pay interest, to other nations, none of whom will help us either in peacetime or in war if it is not to their national interest to do so?

Just remember, if you are a man reading this, that the next time the wife suggests she needs a new dress, advise her that you cannot afford it—you must help someone living in idleness in England, or, for that matter, in the Congo, purchase new clothing.

She may remind you that your first duty is to your family and to your own country—which has always been my thought but never that of the kindly, generous internationalists.

Income Tax Relief to Du Pont Stockholders Upon Divestiture of General Motors Stock

EXTENSION OF REMARKS
OF
HON. NOAH M. MASON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 18, 1961

Mr. MASON. Mr. Speaker, I have just introduced a substitute bill to replace H.R. 7349, a bill I introduced for income tax relief to Du Pont stockholders upon divestiture of General Motors stock. I am introducing a new bill, a clean bill, because the new bill has been worked out with the assistance of the Treasury Department and contains or includes the recommendations of the Department. I am informed that it now meets the objections of the administration and should have the approval of both the Treasury and the administration.

The following explanation outlines the purpose and the provisions of the bill:

AN EXPLANATION OF H.R. 8190

Section 1 of the bill would amend the code to provide that a distribution of stock to an individual pursuant to an antitrust order is not treated as a dividend distribution, but is treated instead as a return of capital. Accordingly, if the stock received in such a distribution is worth less than the basis of the underlying stock with respect to which the distribution is made, the basis of the underlying stock is simply reduced by the amount of the distribution. On the other hand, if the value of the stock distributed exceeds the basis of the underlying stock, the excess is recognized as gain and the basis of the underlying stock is reduced to zero. This may be illustrated by two simple examples:

Example 1: An individual (shareholder A) owns a single share of the stock of Du Pont which has a basis to him of $100. In a distribution pursuant to the terms of an antitrust order he receives 1⅓ shares of General Motors stock, worth $60. Because of the distribution, his basis for the Du Pont stock ($100) is reduced by the fair market value of the General Motors stock received ($60), so that after the distribution his basis for the Du Pont stock is $40 ($100 minus $60). If he later sells the Du Pont stock, of course, his gain is computed using the remaining $40 basis for that stock.

Example 2: An individual (shareholder B) owns a single share of Du Pont stock having an adjusted basis to him of $40. In a distribution pursuant to the terms of an antitrust order, he receives 1⅓ shares of General Motors stock worth $60. Since the fair market value of the distribution received is more than his entire basis, all of his basis is wiped out by the distribution and the amount in excess of basis is recognized as a gain. Accordingly, he will have a gain of $20 ($60 minus $40) because of the distribution, and his basis for the Du Pont stock after the distribution will be zero. If he later sells the Du Pont stock, of course, his gain will be computed using a basis of zero.

Since section 1 of the bill provides that the distributions within its terms are to be treated as a return of capital, it is necessary to prevent such distributions from diminishing the earnings and profits of the distributing corporation. Accordingly, under the first section of the bill, the earnings and profits would not be affected by the distributions described.

The first section of the bill does not apply to corporations which are entitled to a deduction for dividends received. However, this section provides that all distributions to corporations which are within its terms (i.e., corporations not entitled to the deduction) will be taken into account at fair market value, without regard to the provisions of section 301.

The effect of section 2 of the bill is best illustrated by a number of examples:

Example 1: A corporation distributes a bond having a fair market value of $100 and a basis to it of $100 or more. The dividend income to a corporate shareholder is $100 and the basis of the bond to the corporate shareholder after receipt is also $100. If the corporation has more than $100 net income, the dividends received deduction is, of course, 85 percent of $100, so that the receiving corporation pays a tax on $15 resulting income.

Example 2: A corporation distributes a bond having a fair market value of $100 and a basis to it of $50. A corporate shareholder receiving this bond has dividend income of $100 and has a basis for the bond of $50. As in example No. 1, the dividends received deduction is $85, so that the resulting income is $15.

Example 3: A corporation distributes a bond having a fair market value of $100 and a basis to it of $8. The dividend income to a receiving corporate shareholder is $100 and the basis of the bond received is $15, which is the same as the resulting income subject to tax computed by subtracting the 85 percent dividends received deduction from the $100 dividend income.

Example 4: The statute also provides for an allocation of the dividends received deduction under regulations prescribed by the Secretary in cases where the dividends received deduction is less than 85 percent of all dividends received. It is assumed that the regulations will provide that the limitation on the dividends received deduction will first be applied against cash. Assume that a corporation has a wholly owned subsidiary and that during a taxable year of the parent the subsidiary makes one distribution of $100 cash and one distribution of $100 bond having a basis of $8. Assume further that all the other operations of the parent for the year result in a $20 loss, so that the parent's net income for the year is $200 dividend income minus the $20 loss or $180. The total dividends received deduction instead of being 85 percent of $200 or $170 is only 85 percent of $180, or $153. Thus, the entire dividend income is reduced by $153. However, under the authority of the statute the regulations will provide that the dividend income attributable to the bond is reduced by a full $85 (so that the dividend income attributable to the cash distribution is viewed as reduced by only $68). Accordingly, the basis of the bond to the corporation receiving it will be $15 despite the fact that the limitation in section 246(b) applies to the dividend received deduction.

Section 3 of the bill provides a special adjustment to earnings and profits which is necessary due to the fact that under the bill the increase in earnings and profits will not be the same as the increase in the basis of the receiving corporation's total assets. For example, if a corporate shareholder receives a bond having a fair market value of $100, its earnings and profits under the bill are increased by $100. However, if the basis of the bond of the distributing corporation was only $50, the receiving corporation's basis for the bond will likewise be $50, so that on the sale of the bond the receiving corporation will have $50 capital gain. Since, however, this $50 was already included in earnings and profits once (as part of the $100 dividend income), it should not be so included a second time when the bond is sold. Accordingly, the proposed section 312(k) eliminates this double inclusion in earnings and profits.

Playing Politics With Defense

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 18, 1961

Mr. HOSMER. Mr. Speaker, on Friday last an exceedingly remarkable statement was made in the other body by the distinguished acting chairman of the Defense Subcommittee of its Appropriations Committee, the Senator from Virginia, WILLIS ROBERTSON. His remarks are found at page 12543 of the RECORD. He related his concern over our apparent lack of preparedness to fight a brush-fire war with conventional weapons in Germany or anywhere else. He stated that on Saturday, July 8, he communicated that concern to the attention of the President. Newspaper accounts indicate on that date the President was at his vacation home in Hyannis Port, Mass. The Senator indicated the President responded by directing the Department of Defense to make an immediate review of our military which could be expected by the end of this current week, and be in the form of a statement as to what additional sums the President would like to have included in the pending Department of Defense appropriations bill.

Such need for added sums to bolster the Nation's conventional arms capability has long been apparent. The President, himself, on May 25 before his departure for Europe to meet with Khrushchev, stated the need to increase Army and Marine Corps strength, to meet brush-fire situations, for an increase in nonnuclear fire power, and for intensified guerrilla training of U.S. forces. This was contained in a special message to Congress, personally delivered and simultaneously broadcast to the Nation via radio and television.

Last Sunday's New York Times disclosed the existence of a letter to Senator ROBERTSON from the very distinguished and able chairman of the House Armed Services Committee, the gentleman from Georgia [Mr. VINSON], which expressed vital concern that the U.S. Army is not up to authorized strength and reportedly demanding that something be done about it.

It is also apparent that, vis-a-vis the Berlin situation, our military establishment has contingency plans current at all times upon which a specific appropriations request can be immediately based.

Moreover, it is apparent that within the Department of Defense there are specific plans and costs for the President's May 28 suggestions, upon which appropriations requests could have been based on or any time since May 28.

It is also no secret that the subcommittee of which the gentleman from Virginia is acting chairman has been stalling the closing of its hearings in hopes of receiving just such a request.

Why has no such request been submitted?

Why must the able chairman of the House Armed Services Committee be placed in a position of demanding that be done which must be done to defend our country?

Why must the able chairman of the Senate subcommittee prod the President, first by his communication to him at his vacation retreat, then prod him again 6 days later by public disclosure of the communication?

What is going on that the President of the United States must be pleaded with to do the things that must be done to insure the survival of the United States?

The possibility is that Mr. Kennedy is stalling on these requests for vitally needed defense expenditures for political reasons. He would have the regular defense appropriation enacted into law. Then he would have his extensive and costly domestic programs enacted into law. Only then, when these are safely enacted and campaign promises fulfilled, would he present a supplemental request for the added billions necessary for defense. In this manner, Congress would not be given an opportunity to equate the cost of these domestic programs against the cost of needed defense. The domestic programs, which may possibly be desirable, but certainly not essential, would not in this way be impeded or suffer delay by the priority of expenditures for defense and the necessity for keeping Government spending in line, even though keeping them in line is, in fact, a vital element of defense. Congress would be given no chance, with defense expenditures being brought up last, to choose to postpone the domestic programs in favor of more important items of defense.

This is playing politics with defense, with the safety on survival of the Nation.

Unless those requests promised to Senator ROBERTSON are, in fact, made by the President, no later than the time promised, that is, by the end of this week, and which Senator ROBERTSON's remarks last Friday hint he doubts will be made, there is no question in my mind that the delay is just that, the playing of politics with defense and with the safety and survival of the Nation.

Federal Aid Fallacies

EXTENSION OF REMARKS
OF
HON. EDWARD J. DERWINSKI
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 18, 1961

Mr. DERWINSKI. Mr. Speaker, a majority of Members of the Congress have been for years major contributors to the ill-advised growth of the scope of the Federal Government and the resulting fruits that this has yielded; namely, stifling of individual initiative, stifling of economic growth, destruction of home rule and functions of States, and subversion of American principles and policies which developed our Nation's greatness in the most sinister spreading of the disease of dependence on the almighty Government monster here in Washington.

Recently the distinguished junior Senator from Arizona, the Honorable BARRY GOLDWATER, in a regular column which appears in the Tucson Daily Citizen, Tucson, Ariz., very precisely described these developments here in Washington in an article entitled "Federal Aid Fallacies." I am pleased to insert this article into the RECORD, realizing the educational value that it will have if read by the socialistically inclined Members who presently dominate the Congress, while dancing in tune with their philosophic brothers in the executive branch.

The article follows:

FEDERAL AID FALLACIES

(By BARRY GOLDWATER, U.S. Senator from Arizona)

Those eager supporters of Federal aid, who applaud each new expansion of Federal power, justify their actions on the grounds that the individuals in the various States cannot or will not provide for themselves.

My colleague, Republican Senator JOHN WILLIAMS of Delaware, in a recent and I'm afraid almost unnoticed speech in the Senate, clearly exposed the basic fallacy of the Federal aiders' position.

In March, at the urging of the President, we had a bill under consideration to extend and expand unemployment compensation benefits. Secretary of Labor Goldberg headed the list of administration witnesses who told the Senate the States alone could not support the necessary increases in unemployment compensation. This problem, they said, must be answered by all the people in all States.

In June, these same disciples of Federal aid are telling us the individual States cannot meet their responsibilities in regard to public schools. This problem is too large and must be borne by all the people of all the States.

In March, massive unemployment was confined to the industrial States—Pennsylvania, New York, Michigan, etc.—and the bill we passed in March was designed to take funds from States where unemployment was not a problem and deliver them to States where unemployment was a problem. The funds traveling through Washington will shrink by the usual bureaucratic brokerage fee.

Under the terms of this legislation, Pennsylvania receives $14.3 million more than it will contribute. New York State will collect $50.1 million more than it contributes. Tennessee will contribute $7 million more than it receives. Mississippi, Alabama, Arkansas, Oklahoma, Arizona and a host of other States all contribute more than they can possibly receive in benefits.

The big industrial States, under this legislation, are all on the receiving end. But now in June, the situation is suddenly reversed. We are told that Tennessee, Mississippi, Alabama, Florida, Louisiana, Oklahoma, and Arkansas are just too poor to adequately support the school system. So the Federal aiders propose that we take from the rich States—Pennsylvania, New York, Michigan, Illinois, etc.—and distribute in the poor States.

All the States that were regarded as rich States and able to contribute to the Nation's unemployment problems in March are now poor States unable to underwrite their own educational systems.

New York, for example, which receives $50.1 million more than it contributes under the unemployment compensation bill, will contribute $75 million more than it receives under the aid to education bill.

The absurd inconsistency of the Federal aiders is clearly revealed. If New York can afford to contribute $75 million to aid other States in education, certainly it could have paid the $50 million necessary for unemployment compensation and been $25 million ahead.

Who gains from this shuffle of funds through Washington? The bureaus and bureaucrats who thus become dispensers of bounty. What is lost in addition to the money soaked up by the Washington brokerage fee? Individual freedom.

A Bill To Provide a Monthly Pension for Veterans of World War I

EXTENSION OF REMARKS
OF
HON. WINFIELD K. DENTON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 18, 1961

Mr. DENTON. Mr. Speaker, recently hearings were held by the House Veterans' Affairs Committee on veterans' pensions. I appeared before the committee seeking favorable action on my bill, H.R. 3745, which I introduced at the request of the National Veterans of World War I organization to provide a monthly pension for the veterans of World War I.

I ask unanimous consent that my statement before the committee be inserted in the RECORD today:

STATEMENT OF CONGRESSMAN WINFIELD K. DENTON, OF INDIANA, BEFORE HOUSE VETERANS' AFFAIRS COMMITTEE, JULY 11, 1961

Mr. Chairman, I am grateful for this opportunity to appear before your committee in behalf of my bill, H.R. 3745, which would grant a monthly pension in the amount of about $102.37 for the veterans of World War I. I introduced this bill on February 2, 1961, at the request of the National Veterans of World War I organization. It contains a means test of $3,600 for a married man with dependents and $2,400 for unmarried veterans. However, money received from social security, retirement funds under other pensions and annuities, and railroad retirement would not be considered as income under the provisions of my bill.

The Democratic Party's platform in the 1960 presidential election used these words to express the stand of the National Democratic Party on pensions for the veterans of World War I: "Veterans of World War I, whose Federal benefits have not matched those of veterans of subsequent service, will receive the special attention of the Democratic Party looking toward equitable adjustments." Mr. Chairman, I believe that there is no better time than now to fulfill the pledge made to the veterans of World War I by the Democratic Party. These men and women are dying at the rate of 302 a day, and if we wait much longer as a Nation, there will be very few left to receive the gratitude of their country—now so belated.

World War I ended more than 42 years ago. Thirty-five years after the end of the Revolutionary War, the veterans of that war, which gave this country its independence, were given a pension on the basis of service alone. Similar pensions were bestowed by a grateful Nation 39 years from the end of the Mexican War, and just 24 years after the close of the Civil War, the Nation granted pensions to the veterans of that conflict as a matter of right. Only 18 years elapsed after the close of the Spanish American War before those veterans received pensons. But in a period more than twice that long, since the armistice of 1918, no such benefits have been forthcoming for the veterans of World War I, the war that was called "the war to end war."

I am a veteran of both World War I and World War II. During World War I, I was in a branch of service which we in the first Air Corps considered hazardous. During World War II, I was a "retread," doing office work, and as safe as if I had been at home in bed. Nevertheless, I am very proud of my service in World War II. I cannot help but contrast the difference in the way the veterans of the two wars were treated at the close of each conflict. When their service ended, the veterans of World War II were given mustering-out pay of $200 to $300, which cost the Government approximately $4 billion, without a question. On the other hand, veterans of the First World War were given mustering-out pay of only $60 apiece in 1918 and 1919. At that time, $60 would not purchase a suit of clothes.

A man who enters the military service in wartime must give up his job or position, and after that service ends there generally follows a period of hardship during which he must find employment and readjust himself to civilian life. The Federal Government did very little to aid the veterans of World War I to tide themselves over during this period of readjustment. Even men released from prison are given a suit of clothes and travel fare home. They are treated better, it seems to me, than are the veterans of World War I.

And then came the long struggle to right that wrong. First, the Government gave World War I veterans the so-called adjusted-service certificates. The Government ascertained the amount of mustering-out pay that it should have paid to these veterans at the time of their discharge. An increment was added to make up for the delay in payment. There was determined how much paid-up insurance due in 20 years could be bought with each veteran's adjusted-service credits and each veteran was given a certificate for that amount of paid-up insurance, due in 20 years.

At first, the veterans were permitted to borrow on 10 percent of the face value of these certificates; then legislation was passed permitting them to borrow on 50 percent; and finally, 1936 saw a law passed over a Presidential veto to pay the veterans of World War I the full amount of their adjusted-service certificates—or mustering-out pay. Three similar bills have been vetoed by other Presidents. So, 18 years after they were discharged, the veterans of the "War to make the world safe for democracy"—finally received their just mustering-out pay. The amount that they received under this forced-investment or insurance idea of the adjusted certificates, was $3.8 billion. The expenditures would have been much less—only $1.5 billion—if the veterans of World War I would have been paid their just mustering-out pay at the time of their discharge. This was the case, of course, with the veterans of World War II.

In addition to justly deserved mustering-out pay of well over $5 billion, the veterans of World War II and the Korean conflict have received terminal leave pay which cost the Federal Government well over $3 billion, and unemployment compensation which cost the Government $4.3 billion. They have likewise been given social security credits for the time that they served in the Armed Forces. None of these benefits were paid to the veterans of World War I.

The veterans of World War II were also given the GI bill of rights. Under this educational program, they received on-the-job training and academic education. To date these benefits have cost the Federal Government some $15 billion. These veterans were also given the benefits of guaranteed loans to purchase homes, to go into business, or to start farming. Loans for veterans' homes, alone, have totaled $50 billion and $27 billion of this sum has been guaranteed by the Government.

Similar benefits have been granted to the veterans of the Korean conflict, although in some instances they were not so great as those granted World War II veterans. Twenty million World War II and Korean veterans have received or will have received 20 times the benefits which were begrudgingly granted the 4.6 million veterans who survived the First World War. This is a benefits ratio of more than 4 to 1 against the World War I veterans because of the small number of such veterans remaining.

Now, as many of you know, the World War II and Korean veterans have received these benefits because of the work and activity that the veterans of World War I unselfishly gave in the support and enactment of the GI bill of rights, and the so-called Korean bill of rights. The various veterans groups were very active in initiating this program, and, in 1943, a group of Members of Congress who had served in the First World War met and decided that something should be done to provide the veterans of World War II the benefits that they thought they should have had as veterans of World War I. As you all know, that movement on the part of these Members of Congress was successful, and a grateful nation provided these benefits to the men and women who came back home after the end of World War II.

These benefits which were provided for the veterans of World War II were certainly well earned and obviously money well spent. Any benefits that we should now provide the veterans of World War I would come to them late in their lives. The average age of these men and women is more than 66 years. It is an understatement to say that it was a priceless advantage to the veterans of World War II to have these many different benefits provided them while they were still young and their days of opportunity lay ahead of them. In the case of the World War I veterans and their widows, any benefits that the Congress should now decide to grant them would come too late to assist them in the same manner, but it would certainly be a boost to their meager resources in this day of ever-rising medical costs.

It has been estimated by a Census Bureau expert that the sum of $11,000 invested in a college education for a young man will increase his earning capacity by $177,000. That is a return or a benefit of more than 16 times the original investment. Multiply the World War II veterans' educational benefit payment of $15 billion by 16; the product is about $240 billion in final economic benefits to those veterans. The benefits of the housing loan program are countless and beyond all calculation.

Many veterans of World War II have said to me that they appreciate greatly the efforts made by the veterans of World War I in support of the GI bill. They said that without that support they would probably never have received these benefits.

According to figures from the Veterans' Administration, the cost of the first year under the provisions of my bill, H.R. 3745, would be about $942,327,000, but without the means test, the cost would increase. But this money would be spent in this country and the Library of Congress estimates that the Government would recover in tax revenues approximately 25 to 30 cents on every pension dollar. It would increase or award initial benefits to 1,564,700 veterans of World War I—some 830,500 fewer veterans benefiting than if there were no means test.

It is interesting to note that in 1890, the veterans' benefits represented 1.2 percent of the national income and in 1958 it was 1.4 percent or only an increase of roughly 0.2 percent for the current benefits arising from the last six wars. In the year 1910, the Federal Government spent 15.2 percent of the total national budget on Civil War pensions. I think everyone will agree that the country did not go bankrupt then—and I might mention, incidentally, that the Treasury ran a deficit of $18 million that year. Enactment of H.R. 3745 would increase the national budget approximately 1.2 percent.

If paying Civil War pensions amounting to 15 percent of the total budget did not break up the Treasury and drive the country to disaster in 1910, is it reasonable to assume that World War I veterans' pensions of 1.2 percent of the national budget would bankrupt the country in 1961? I don't believe that it is. The national income in 1910 was $25.6 billion; the sum of $105 million paid that year amounted to approximately one-half of 1 percent of the national income. And to pay the World War I pension that I propose—$942,327,000—for the year 1961 would take from the estimated national income of roughly $417.5 billion a portion no greater than one-quarter of 1 percent.

For the veterans of World War I, the sands in the hourglass of time are running low. Today, their average life expectancy is only about 10 years. Of the remaining 4.6 million veterans who returned from World War I when the fighting was over, only some 2,574,000 are left. Every passing day some 302 more die. I believe that the figures that I have presented here should convince any reasonable person that this country can well afford to pay the men and women of World War I the pension that I propose with cer-

tainly no more—and probably even less—strain than that imposed on the Nation as a result of the Civil War pensions in 1910. The Government affords a great many more things resulting from ordinary human justice today than we thought it could afford 51 years ago. To my mind we have already delayed far too long in correcting this situation. It is time that simple justice be granted to the veterans of World War I and their widows. It is time that action be taken. I hope that H.R. 3745 will receive the favorable consideration of this committee.

I should also like to urge the enactment of either H.R. 5152 or H.R. 7093 and H.R. 7094. H.R. 5152 would amend the present law to provide that social security benefits, other annuities, and up to $10,000 in payments under policies of life insurance shall not be considered as income for purposes of determining eligibility of individuals for pension. H.R. 7094 is a separate bill which deals with the life insurance benefits only, and H.R. 7093 deals with the payment of social security and other retirement annuities and similar plans, in determining eligibility.

Many veterans, because of lack of finances, permitted their Government life insurance to lapse, but later were able to purchase insurance. At that time, they were unable to purchase Government insurance so they bought private life insurance. It seems to me very unjust that the insurance from private companies should be considered income in determining eligibility while that form of Government insurance is not. They both were purchased for the same purpose and it has always seemed very unfair to me to deny a widow a Government pension for 1 year simply because her husband left her private insurance. Life insurance is more of a gift than income, and it has also seemed to me a gross injustice to treat it as income in veterans' pension cases when it is considered a gift or inheritance for taxation and other purposes.

There is a strong need to encourage people to take care of their dependents after they have passed away. Life insurance as well as public or private retirement annuities, endowments and similar plans, should be encouraged. As long as they are considered income under a non-service-connected Government pension plan, thrift, economy, and making provision for one's dependents after death, is discouraged.

It also seems very unfair to me to penalize a man who has been thrifty and who made these provisions by denying his widow such a pension, while on the other hand it is given to one who has not made these necessary provisions for his dependents.

In view of the changes made in the veterans' pension law of the last session of Congress, I think that enactment of H.R. 4409 is unnecessary, and I am not asking for its enactment.

In conclusion, I would like to urge the favorable consideration of H.J. Res. 229, which calls for the same treatment and benefits for the individuals and their survivors who served in the Moro Province after July 4, 1902, as those received by those who served in the Armed Forces during the Philippine Insurrection. What my bill would do is to extend the Spanish-American War benefits to those who participated in the conflict in the Philippine Islands from 1902 to 1914 in the Moro Province and the islands of Samar and Leyte. This would cover relatively few people since there are only a few hundred remaining veterans and a lesser number of widows. I think that it was a mistake that these veterans were not included in the Spanish-American War bill. That bill did not fix the beginning and the end of the conflict, and, by administrative action, the beginning was set in 1899 and the end was established as the year 1902. These men engaged in one of the most bloody conflicts in the history of the United States.

I think it has been a great mistake for 50 years that these people were not included under the terms of the Spanish-American pension plan. The House has passed this bill on several occasions. It has died in the Senate on at least two occasions. The 78th Congress passed such a measure, only to have it vetoed by the President. With fewer and fewer of these veterans left every year, I feel that we cannot afford to allow another year to roll by. I think that we should act now to see to it that they receive their just due.

A Bill To Amend the Act To Promote the Education of the Blind

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 18, 1961

Mr. FOGARTY. Mr. Speaker, I am today introducing a bill to amend the act to promote the education of the blind, approved March 3, 1879, as amended, so as to authorize wider distribution of books and other special instruction materials for the blind, and to increase the appropriations authorized for this purpose, and to otherwise improve such act.

The distinguished gentleman from Kentucky, the Honorable FRANK BURKE, is also introducing an identical bill today.

Earlier in this session of the Congress, both Mr. BURKE and I introduced similar bills, H.R. 39 and H.R. 5872, designed to improve this 82-year-old program under which the American Printing House for the Blind receives an annual appropriation through the Department of Health, Education, and Welfare in order to provide books in braille and large type, as well as tactual educational aids, for the instruction of blind schoolchildren. Although this federally financed program is small in terms of the numbers of children served and the annual dollar cost, it nevertheless remains one of vital significance to the Nation. For it is with the aid of these special tools provided by the Federal Government that blind children are enabled to receive an education through high school and go on to make their way in life, some with college training for a profession and others with vocational training for a trade, to become self-supporting, contributing citizens in their home communities.

Over the years, there has been a growing trend toward the education of blind children in regular local schools in their home communities with sighted children from their own neighborhoods instead of in special residential schools for blind children only. At present, slightly more than half of the almost 16,000 blind children in the country are being educated in their local schools. In addition, we have been experiencing a sharp increase in the number of blind children in our schools in recent years as those blinded by retrolental fibroplasia over the past 10 years have reached school age. I am happy to say that the cause and prevention of this blinding eye disease in premature babies—too much oxygen in incubators—has been determined through the research effort of the National Institutes of Health. However, we will not reach peak school enrollment for these children for approximately another 5 years; and we shall still have to contend with an increase in the numbers of blind children—fortunately a slower rate of increase—as our total population grows.

Thus, we have two problems to contend with and to solve simultaneously. We must develop an effective mechanism of distributing these federally provided books and educational aids, so that blind children being educated in local schools in their home communities and in the smaller residential schools for the blind will not be handicapped by lack of adequate aids. And we must increase the annual dollar appropriation to meet the increased cost occasioned by the sharp growth in the numbers of blind children.

The original act of 1879, even with its most recent amendments in 1956, does not solve these problems. First, the method of distributing aids and books was devised when all blind children who got a formal education attended residential schools for the blind; and it has not been changed to meet current needs. Second, the authorization of appropriations is limited to $400,000 annually, an amount woefully inadequate for present and readily foreseeable needs.

The two bills mentioned previously, which Mr. BURKE and I introduced earlier in the session, attempted to meet the needs of the program in different ways. The groups and individuals most concerned about improvements in the program took stands in favor of one bill or the other and gave the impression in their letters to the Congress of a deep-seated controversy among them.

Inasmuch as the groups concerned are sincerely interested in improving the program, despite differences in approach, we have urged them to resolve their differences. They have responded to this request and have come forward with a two-step plan as follows: First, introduction and, hopefully, enactment before the end of the session without hearings or with brief ones of a bill to provide for a much-needed increase in the authorization of appropriations; and second, development in the fall of legislation to improve the system of distributing books and other aids for consideration by the Congress next session.

The identical bills Mr. BURKE and I are introducing today would implement the first step and make a few additional desirable and agreed-upon changes. These bills would do the following:

First. Increase the authorization of appropriations by removing the statutory ceiling, thus leaving the annual appropriation to normal budgetary and appropriations procedures.

Second. Authorize the Secretary of Health, Education, and Welfare to make rules and regulations governing the administration of the program.

Third. Make a technical correction in the present law, which, if literally construed, would limit expenditures to $10,000 annually regardless of the amount of the appropriation.

Fourth. Authorize the American Printing House for the Blind to use reasonable sums from the annual appropriation for the salaries and expenses of staff and other experts to assist special committees which may be appointed and for the expenses of such committees.

Fifth. Expand the ex officio board of trustees of the Printing House to include chief State school officers or their designees, thus formally bringing into this program officials of public school programs to join the superintendents of residential schools for the blind.

Sixth. Make these amendments effective immediately upon enactment, so that the much-needed increase in appropriation can be sought for the current fiscal year through a supplemental appropriation.

I sincerely hope that the Committee on Education and Labor and the entire House of Representatives will act on these bills as quickly as is feasible, so that congressional action can be completed before the end of the current session. As I indicated before, all of the interested groups are in favor of this legislation.

Similarly, I hope that the Committee on Education and Labor will give its consideration early in the 2d session of this Congress to another bill which I shall introduce next January to improve the method of distributing books and tactual educational aids for blind children under this same program. By means of this two-step approach we can assure all blind children wherever they may be educated of the educational aids they need to achieve their maximum potential as contributing members of our society.

Federal Aid: A Trojan Horse

EXTENSION OF REMARKS
OF
HON. HENRY C. SCHADEBERG
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 18, 1961

Mr. SCHADEBERG. Mr. Speaker, the issue of Federal interference in the affairs of individuals and institutions is a cause of alarm to a growing number of people all over the United States. Daily my mail includes letters from individuals asking what they can do to help preserve and strengthen the traditional freedoms of our people.

A year ago in speaking throughout my district, I referred to this tendency of Federal Government to usurp the rights and responsibilities of the individual through collectivist and welfare schemes as creeping socialism. Having been a participant for the first 6 months of the 1st session of the 87th Congress, I know now that I was in error. What I called creeping socialism is socialism on the dead run. It is my conviction that our country is being led down a road of controls and welfarism which is not only foreign to its most precious and cherished traditions but which will if not checked, sound the death knell to the free enterprise system and the personal liberties so greatly enjoyed by our people through the past 185 years.

Under the guise of humanitarianism, we are engaging in programs that tend to destroy individual initiative and personal responsibility. This can only bring our Nation to moral collapse and make it easy prey for the type of godless collectivism which has brought so many people under the ruthless heel of tyranny in the past four decades.

It is my measured conviction that the intangibles of freedom are of greater worth than the promises of Government to ease the load of people who if they are to succeed must be allowed to face the possibility of failure.

I do not stand alone in my conviction. Many of my colleagues in Congress and in the pulpit as well as millions of people throughout the land are becoming increasingly aware of the precious privilege of freedom as they find themselves slowly but surely being stripped of the right to choose their own destiny.

The proposals for Federal aid to education are part of the tendency to impose Federal controls upon our people in an area most dangerous of all—in the area of molding the minds and wills of our children and youth. I am aware that we are promised that this in no way means or is intended to mean Federal control. However, we would be naive indeed if we were to assume that the Federal Government could become involved in any program without wielding the heavy arm of control. It is my belief that like all Federal programs the start will be innocently bereft of any semblance of control but as the years go on the desire for greater power and firmer political advantage will evaporate our most serious present intentions and we will find ourselves victims of a Federal machine which will be developed to brainwash our children during their most formative years. I, for one, do not desire my children or my yet unborn grandchildren to be made putty in the hands of intellectual planners, no matter how sincere and dedicated they are who apologize for communism or at best perpetrate their sophisticated collectivist ideas under the guise of liberalism and humanitarianism.

Federal aid to education must not be foisted upon our people against their will. Of course, no one will openly force our schools to accept aid but the pressure is nonetheless real. If you force the people of Wisconsin to pay out $14.1 million for $11 million in aid—you not only reduce the will of the people of Wisconsin to do for themselves to the tune of $11 million but you drain an additional $3 million from the present source of income—the taxpayers—$3 million they must send to Washington for which they will receive nothing but more Federal control. This in turn will reflect itself in a reduction of their present effort so that they will wind up with less effort; less available for educational needs; broken will to do for themselves; frustrated initiative to plan for their own; and greater control by so-called experts who insist they know better what is good for our children than we the parents and the community of which we are a part.

The following is a statement by John A. Howard, president of Rockford College, which summarizes most eloquently the thought I so inadequately expressed:

Recently the trustees of Rockford College voted to carry out the construction of the new campus without seeking any funds from the Federal Government either in direct, matching grants, if the pending legislation passes, or in building loans at token, subsidized interest rates. This is a particularly significant decision, for the commitment to relocate the college involves one of the largest single fundraising tasks ever undertaken by a small college.

The trustee action was voted only after a searching analysis of the issues. The central question, I believe, is the relative weight that is given to two opposing concepts. On the one hand it is reasonable to assert that the strength of the Nation depends on the education and training of its citizens, and consequently it behooves the National Government to foster, support, and strengthen education to the fullest extent possible. In contrast to this view stands a concept of man's nature that places self-reliance, independence, and ingenuity among man's greatest attributes and a judgment that these human traits are dangerously diminished by the expanding services of the Federal Government.

It cannot be denied that this country has moved rapidly toward an acceptance of the philosophy that the National Government assure the provision of man's wants and needs. The motives of such a philosophy may well be both humanitarian and commendable. The results of carrying out such a philosophy are here questioned. Apart from the issue of the economic feasibility, there arises the grave question of what happens to the character of the individual citizen in the welfare state. There is good reasons to believe the assurance that the Government will meet all needs erodes the moral fiber of the populace. Although that assurance may be undertaken with the best intentions, it appeals to man's baser motives and represses his virtues.

As governmental programs of grants and subsidies multiply, citizens (and boards of trustees), once proud of their self-sufficiency, overcome their repugnance to a dole and reach for their share of the proffered benefits. Man's human stature rises as he is self-sufficient, and declines as he is dependent.

Moreover, the taxes necessary to support the Government welfare programs have their own deleterious effect upon the people. As taxes rise higher, more people are tempted to suppress their scruples and adjust their tax returns. The individual begins to judge at what point or to what degree he should obey the law.

The welfare state not only encourages dependency and dishonesty among its constituents but it also appeals to man's selfishness rather than his altruism. Every man's life is a struggle between these inclinations which will benefit only himself and those which will serve a higher cause. The men of all civilizations who make us proud to belong to the human race are those who have risen far above self-serving actions. A government that offers gifts and promises of more gifts augments the will to receive at the cost of the will to give.

It has gone out of fashion to be concerned with virtue and integrity and self-reliance and other qualities of character, but a society that relegates these matters to a position of inconsequence, that places comforts and possessions ahead of character and freedom is a society in decline.

These considerations are held to be even more urgent than the rapid expansion of educational facilities.

Believing that Government subsidy of independent education is one more step toward the elimination of individual responsibility, the trustees of Rockford College are determined to fulfill the relocation and expansion program through private funds, however difficult a task it may prove. They are hopeful that their decision will not only preserve the integrity of their own institution, but that other organizations and individuals will be moved by their example to reflect upon the consequences of Government aid and take a similar position.

Providing Authority for States To Recount Congressional Elections

EXTENSION OF REMARKS
OF
HON. J. EDWARD ROUSH
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 18, 1961

Mr. ROUSH. Mr. Speaker, today I am introducing a bill which will provide the several States with the authority to act as agents of the House of Representatives in recounting the election for Representatives, subject to provisions of the laws of the States regarding election contests, and subject, of course, to the final authority of the House in determining its membership.

I am certain that I do have to explain my interest in this field to any of you. In my personal experience with the election contest laws and the election contest procedures. I have found that the recourse presented therein leaves much to be desired.

The members of the Elections Subcommittee obviously recognized the need for this legislation which would allow the States to pursue their own contest procedures. In the separate views submitted by four of the members of that committee, they expressed their concern in this manner:

> We believe serious thought should be given to the possibility of Federal legislation to require the various States to establish adequate procedures for contested election situations such as this. Such legislation possibly could specify that State contested election procedures be exhausted prior to the issuance of certificates of election.

The bill which I introduce will do just this. It authorizes the use of State election contest and recount procedures in a case of a contested election before an election is certified to the Clerk of the House. The result should be twofold. First, it legalizes the procedures already established, leaving no constitutional question and, second, it should prove an encouragement and incentive to other States to establish recount and election procedures for their congressional races. My bill provides a simple and an immediate course of action to a contestant, and it in no way restricts or infringes on the right and duty of the House to determine its own membership.

The Federal election contest statute which is now in effect and which provides the principal source of litigation in determining a questioned seat in the House of Representatives was adopted in 1851. It is a lengthy and nebulous procedure. I believe it is time to reexamine this procedure and to modernize it, for it does not meet the need of this day.

In my own case, this year, my district was without representation for more than 5 months because of a contest. Many hundreds of hours were devoted to the contest by the members of a House committee, its staff and its recruited help. The cost of the procedure was high. Although this investigation was pursued quickly and efficiently, because of the limitations of existing rules and procedures, unnecessary delay resulted.

Almost all of our States provide for a recount of close or contested elections, and they designate specific procedure. Many have, in fact, adopted procedure specifically for the recount and contest of the election to the House of Representatives. In some cases, their supreme courts have held that these laws are unconstitutional, since the House of Representatives must determine its own membership. This was the case in my State of Indiana.

Had the Supreme Court of Indiana not previously determined that the law was not applicable in the case of a congressional election, a recount by the State authorities could have equitably settled my contest, prior to the meeting of the Congress and without the cost to this body in terms of the hours of concern to its valuable members and their staff, and in terms of monetary cost.

This very thing was done in the State of Oklahoma in the 1960 election case of Mr. WICKERSHAM. The supreme court of that State overruled its State Election Board and ordered them to proceed to recount the election in that case. The recount was concluded and Mr. WICKERSHAM was duly certified as the winner of the election before January 3, 1961, and took his place here in the House on that date.

To me the frustration of the required procedure is a very real thing, for I have endured it. The most glaring example of this frustration is the area of specific, obvious error which cannot be corrected or examined by the present rulings by my State's supreme court and so many others.

For example, in Jefferson Township of Grant County of my district, there were obvious errors in the absentee ballot counting. Nineteen absentee ballots were applied for in the precinct. Seventeen ballots were returned. The greatest number of total votes in any race other than the congressional race was 16. Yet there were 31 votes for Congressman recorded and duly certified.

The count in this precinct was in error by at least 15 votes. The original margin of election was 12. Yet, though the error in this one precinct could have determined the outcome of the entire district election, there was no procedure to allow examination of those votes. When the House Special Committee to Investigate Campaign Expenditures did review those ballots, it showed a net difference in the race of seven votes, which, together with seven other net vote changes, swung the election results of the entire district.

I am certain that every Member of this body cherishes its given right to determine its own membership. I personally feel very strongly about this issue. However, I believe we can and should delegate the authority to proceed with all available recourse in the State jurisdiction in cases of contested elections. Such procedures would be available for our scrutiny and review. But in all fairness to the Congress, we should attempt to make all possible evidence available for our consideration. The way to do this is to allow the States to develop their own procedures in examining the elections.

Our Congress has depended heavily on the rules and procedures of the English Parliament in determining its own rules and procedures. The election laws governing the election of a member of Parliament provide authority similar to that provided for in my bill.

In English elections, the Crown appoints a "returning officer" for each constituency. This officer functions much like our own election boards, in that he supervises the election, the counting of the ballots, and is then responsible for declaring and certifying the returns. He is specifically authorized to recount the ballots of the election in a close or contested race. He personally is authorized to grant a request for same. If the contestant seeks further action in the determination of his case, he may submit a petition to a special election court seeking recount or other action as may be deemed necessary. This court acts on the petitions presented to it and reports to the Speaker of the House of Commons. The House of Commons then "may make such order in respect of that report as it thinks proper"—14 Halsbury's Laws of England, third edition, 315.

The bill I present provides for the delegation of authority to the various States to conduct a recount. This they do under their own statutes, precedents, and rules. The results are then subject to review by the House of Representatives where the Constitution reposes the final authority. I ask that the bill I present be given fullest consideration by the committee and by this House.

The Looming Decision on the N-Bomb

EXTENSION OF REMARKS
OF
HON. J. J. HICKEY
OF WYOMING
IN THE SENATE OF THE UNITED STATES
Tuesday, July 18, 1961

Mr. HICKEY. Mr. President, our colleague the junior Senator from Connecticut [Mr. DODD] is a man who not only sees the grave responsibilities in these very grave days, he is a man in public life who comes forward with concrete, specific recommendations for courses of action. In this connection I wish to call attention to an informative

and persuasive discussion set forth by our colleague in the July 17 issue of U.S. News & World Report. The article is entitled "Neutron Bomb: Ideal Weapon for Defense."

The Senator from Connecticut makes three observations: First, the neutron bomb is scientifically feasible; second, is ideally suited for defense particularly by NATO whose very existence presupposes the fighting of a defensive war in Western Europe; and third, the time for decision is at hand.

The subject is crucial and the Senator's article is brief so I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEUTRON BOMB, NUCLEAR TESTS—NEXT DECISIONS FOR UNITED STATES

(Two issues that could mean the life or death of this Nation are crowding in upon the Kennedy administration for decision. Issue 1: The neutron bomb. In an article written exclusively for U.S. News & World Report, Senator THOMAS J. DODD, Democrat, of Connecticut, points out the big advantages that could be gained by the first nation to perfect the fantastic weapon. Issue 2: Atomic tests. In another exclusive article, arguments against U.S. resumption of tests are answered by Representative CHET HOLIFIELD, Democrat, of California, head of the Joint Committee on Atomic Energy.)

N-BOMB: IDEAL WEAPON FOR DEFENSE

(By Senator THOMAS J. DODD, of Connecticut)

Perhaps because it distills, or crystallizes, all the other issues involved, the national debate on the larger question of the nuclear-test-ban moratorium now appears to be focusing with increasing sharpness on the neutron bomb.

When I first spoke about the neutron bomb in the Senate on May 12, 1960, and described it as a weapon which had the ability to kill without physical destruction, one national periodical ran a note captioned, "DODD Bomb a Dud." Subsequent to my speech, there were several skeptical references to the neutron bomb in statements by nuclear physicists of some repute. Today, there is not a single objective scientist with knowledge in this area who would question the scientific feasibility of the neutron bomb.

Even though there is now no serious argument about its scientific feasibility, the debate about the neutron bomb is growing. Until recently, this debate has been carried on behind closed doors and under classified label. Today it is out in the open, where it ought to be.

In my opinion, all the hush-hush about the neutron bomb represents a glaring instance of the official abuse of secrecy. Since there almost certainly will be such a thing as a neutron bomb, and since there is a serious danger that the Russians might beat us to its development, the American people are entitled to this information. To keep the facts about the nuclear age from our people is both foolish and dangerous.

There are many qualified experts, including scientists, military men, and weapons technologists, who consider the neutron bomb a weapon of revolutionary significance, one that might very well cost us our freedom if the Soviets get it first. On the other hand, there are those who now claim that its potential military significance has been grossly overrated, and that we have other weapons that can accomplish much the same purpose.

They argue that the neutron bomb is not an important enough reason for the resumption of testing of new weapons. According to the New York Times such a debate is now going on within the President's advisory staff.

Over the past 2 weeks, the latter point of view has been reflected in a number of articles in the national press, purportedly based on high-level information. These articles contained so many inaccuracies and misconceptions that I feel they must be considered evidence of a deliberate effort to downgrade the significance of the neutron bomb.

The opponents of renewed testing, the last-ditch defenders of the moratorium on testing, find it increasingly difficult to oppose the neutron bomb on scientific grounds. Therefore, they dredge up every conceivable argument, some pseudomilitary, some just plain nonsensical, for not being worried about the neutron bomb.

The purpose of this article is to set the record straight on the most serious of these misconceptions and inaccuracies.

1. The most serious misconception was stated, in summary, in a recent headline in a Washington newspaper: "Neutron Bomb Dwarfed by 'H', Despite Furor." The article concluded with the words, "One thing seems certain: A neutron bomb will be no match for the hydrogen bomb. Nor can its development be considered a giant leap beyond the H-bomb."

This completely misses the point. No one, to my knowledge, has ever suggested that the neutron bomb would have a greater capacity to kill or to devastate than the H-bomb. The neutron bomb would, nevertheless, have a revolutionary impact on warfare. It is no exaggeration to say that, if the Soviets were to get it first, it might very well cost us our freedom.

The trouble with old-fashioned H- and A-weapons, even the tactical nuclear weapons we now have in our arsenal, is that they suffer from serious military liabilities, and even more serious political and moral liabilities. Such weapons, because they are still of large yield and highly destructive, and produce fallout in varying degree, represent a danger to whichever side uses them and, in many cases, they preclude the immediate occupation of the target area.

But, most important, they represent a danger to the civilian population in whose territory the war may be fought.

This danger is something that democratic countries in particular cannot ignore. Our European Allies are prepared to resist communism. But one cannot blame them for being disturbed over the prospect of a defense with tactical nuclear weapons that will settle radioactive debris on their towns and villages and contaminate milk and crops. They also fear that the use of tactical atomic and thermonuclear weapons on the battlefield will tend to escalate into all-out H-bomb warfare.

These dangers may be exaggerated, and the fears may be even more exaggerated. Nevertheless, their existence constitutes an inescapable political fact—a fact which lays a heavy hand of deterrence on the North Atlantic Treaty Organization's tactical capability to defend itself.

Weapons that we are reluctant to use, and that our allies would be even more reluctant to see used, do not constitute the ideal deterrent to the Kremlin in its present emboldened state. The Kremlin apparently does not consider it credible that we would resort to all-out H-bomb war over Berlin. It could also not be blamed if it considered it not too credible that we would employ small H- and A-weapons for tactical purposes on the territory of our allies.

But the neutron bomb, if we had it, would be a completely credible weapon; and the element of credibility would enormously enhance the chances of keeping the peace.

The N-bomb would get away from both the military and political liabilities of our other tactical nuclear weapons.

It could be tailored in a variety of sizes to meet military requirements with precision.

Under battlefield conditions, it would be exceedingly difficult, if not impossible, to devise any practical protection against it.

Since there is no significant contamination, troops could move into the target area immediately after the explosion.

Since it kills without significant destruction, equipment and fortifications in the target area could be taken over reasonably intact.

WITH N-BOMB, THERE IS NO FALLOUT

Since there is no fallout, there would be no danger, either immediate or future, to the civilian population in nearby centers.

Since it is radically different from A- and H-weapons, and capable of precise limitation to the battlefield or target area, it would seriously reduce the possibility of escalation into all-out thermonuclear war.

These characteristics would make the neutron bomb an ideal weapon for defense or offense. But it would, above all, be an ideal weapon for the North Atlantic Treaty Organization, which has been constructed to fight a defensive war, initially on the territory of its own peoples.

2. The neutron bomb has another application of critical importance. Some articles have distinguished between a neutron bomb and a "neutron flux" warhead, which, they said, would be an antimissile weapon.

This terminology is confusing because it implies that there is some basic difference between a neutron weapon and a "neutron flux" weapon. There would obviously be some difference between a neutron warhead specifically designed for an antimissile missile and a neutron warhead designed for battlefield use. But the basic principle involved is the same for both. The neutron warhead for the antimissile missile cannot and will not be built unless we conduct the original or grandfather test that will establish the scientific framework for neutron weapons of all kinds.

Army technologists working on the antimissile missile have made impressive progress in solving the difficult problem of guidance. If this is solved, one of the most important single problems remaining would be the development of the most suitable and effective warhead. A neutron warhead would have great advantages over any now available to us, first because it could be built at a fraction of the price of an A- or H-warhead; second, because it would result in no atmospheric contamination, even if it were detonated in the atmosphere, accidentally or intentionally. This is a very important consideration.

EFFECTS OF HIGH-ENERGY NEUTRONS

3. One of the recently published articles downgrading the neutron bomb stated that "little is known of the biological effects of high-energy neutrons." It added that those irradiated might not succumb for as long as 30 days, "during which the victim would presumably become an ideal kamikaze," or suicide volunteer. This ability to create hordes of suicide shock troops, said the article, "greatly reduces the role of a neutron bomb as a battlefield weapon."

It is always difficult to reply to misinformation in a classified area because to correct inaccuracies detail by detail would require the revelation of classified information. I will only say in commenting on this that it conveys a completely inaccurate conception of the battlefield effects of the neutron bomb.

The overwhelming majority of those within the target area of an N-bomb would be incapacitated within minutes and would remain incapacitated until their death sometime within the ensuing several days. Those who survived for several days or, in rare

cases, longer, would not make ideal kamikazes, or suicide volunteers, of any kind, for the simple reason that they would not have either the will or the energy. Those who were affected but were beyond lethal range might not take too kindly, with the prospect of complete recovery, to the suggestion that they serve as kamikazes.

4. At the plain nonsensical end of the spectrum was one anti-N-bomb argument, recently quoted by one of our national columnists. His source, apparently someone of authority within the administration, was quoted as saying that there was really no military need for the N-bomb because we had bacteriological and chemical weapons that could do just as effective a job of killing.

This is straining hard for arguments. As anyone with an ABC knowledge of military matters should know, bacteriological weapons have never been used in warfare. Used as battlefield weapons, they would be so slow acting as to be purposeless, and they would be as much of a danger to the side that used them—and to the civilian population—as they would be to the enemy.

As for chemical weapons, they are notoriously hazardous to use on the battlefield because of shifting wind patterns. The side that uses them must equip its troops with cumbersome protective clothing, and must be indifferent to heavy casualties to the surrounding civilian population. They are not precision weapons nor do they have any of the other advantages of the N-bomb.

We beat the Soviets to the H-bomb by a matter of months only. If President Truman, instead of ordering a crash program to develop the H-bomb, had continued to listen to those who opposed its development for scientific reasons, or moral reasons, or political reasons, or for a combination of reasons, America today might very well be a Soviet colony.

The Soviets developed the H-bomb in complete secrecy. They exploded it without announcing it to the world, and our intelligence was completely unaware of Soviet progress in this field until it monitored the first Soviet H-blast.

The Soviet Government in its time has violated more than 1,000 treaties and agreements, as documented by a Senate study on the subject. If they have violated the 2½-year honor moratorium on testing—and, to my mind, they would not be Communists if they had not cheated on it—then they already may have beaten us to the neutron bomb.

If the day should ever come when the Kremlin forces a showdown crisis over Berlin and then demonstrates its possession of the neutron bomb, we would find ourselves confronted with the choice of capitulation in Europe or all-out nuclear war.

If this day of doom ever arrives, it will be small consolation to Republicans and Democrats that, on the cardinal issue of the moratorium, they have blundered hand in hand.

Atomic Testing by the United States

EXTENSION OF REMARKS

OF

HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 18, 1961

Mr. HARTKE. Mr. President, the Kennedy administration has been buffeted from crisis to crisis, scarcely having had a chance to install itself in office and formulate its own policies. The immediate crises, though spectacular, must not divert our attention from the long-range problems which beset us.

A recent pair of articles in U.S. News & World Report point up two of these issues which we must soon decide. One article, by our colleague, the distinguished junior Senator from Connecticut [Mr. DODD], discusses the spectacular neutron bomb and the necessity for the United States to be equipped with this fantastic weapon. The second article, by the distinguished chairman of the Joint Committee on Atomic Energy, Representative CHET HOLIFIELD, argues that we should resume atomic testing.

I commend these articles to the attention of my colleagues and ask unanimous consent that they be printed in the CONGRESSIONAL RECORD.

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In my opinion, all the hush-hush about the neutron bomb represents a glaring instance of the official abuse of secrecy. Since there almost certainly will be such a thing as a neutron bomb, and since there is a serious danger that the Russians might beat us to its development, the American people are entitled to this information. To keep the facts about the nuclear age from our people is both foolish and dangerous.

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But, most important, they represent a danger to the civilian population in whose territory the war may be fought.

This danger is something that democratic countries in particular cannot ignore. Our European allies are prepared to resist communism. But one cannot blame them for being disturbed over the prospect of a defense with tactical nuclear weapons that will settle radioactive debris on their towns and villages and contaminate milk and crops. They also fear that the use of tactical atomic and thermonuclear weapons on the battlefield will tend to escalate into all-out H-bomb warfare.

These dangers may be exaggerated, and the fears may be even more exaggerated. Nevertheless, their existence constitutes an inescapable political fact—a fact which lays a heavy hand of deterrence on the North Atlantic Treaty Organization's tactical capability to defend itself.

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Army technologists working on the antimissile missile have made impressive progress in solving the difficult problem of guidance. If this is solved, one of the most important single problems remaining would be the development of the most suitable and effective warhead. A neutron warhead would have great advantages over any now available to us, first because it could be built at a fraction of the price of an A- or H-warhead, second because it would result in no atmospheric contamination, even if it were detonated in the atmosphere, accidentally or intentionally. This is a very important consideration.

EFFECTS OF HIGH-ENERGY NEUTRONS

3. One of the recently published articles downgrading the neutron bomb stated that "little is known of the biological effects of high-energy neutrons." It added that those irradiated might not succumb for as long as 30 days, "during which the victim would presumably become an ideal kamikaze," or suicide volunteer. This ability to create hordes of suicide shock troops, said the article, "greatly reduces the role of a neutron bomb as a battlefield weapon."

It is always difficult to reply to misinformation in a classified area because to correct inaccuracies detail by detail would require the revelation of classified information, I will only say in commenting on this that it conveys a completely inaccurate conception of the battlefield effects of the neutron bomb.

The overwhelming majority of those within the target area of an N-bomb would be incapacitated within minutes and would remain incapacitated until their death sometime within the ensuing several days. Those who survived for several days or, in rare cases, longer, would not make ideal kamikazes, or suicide volunteers, of any kind, for the simple reason that they would not have either the will or the energy. Those who were affected but were beyond lethal range might not take too kindly, with the prospect of complete recovery, to the suggestion that they serve as kamikazes.

4. At the plain nonsensical end of the spectrum was one anti-N-bomb argument, recently quoted by one of our national columnists. His source, apparently someone of authority within the administration, was quoted as saying that there was really no military need for the N-bomb because we had bacteriological and chemical weapons that could do just as effective a job of killing.

This is straining hard for arguments. As anyone with an A–B–C knowledge of military matters should know, bacteriological weapons have never been used in warfare. Used as battlefield weapons, they would be so slow acting as to be purposeless, and they would be as much of a danger to the side that used them—and to the civilian population—as they would be to the enemy.

As for chemical weapons, they are notoriously hazardous to use on the battlefield because of shifting wind patterns. The side that uses them must equip its troops with cumbersome protective clothing, and must be indifferent to heavy casualties to the surrounding civilian population. They are not precision weapons nor do they have any of the other advantages of the N-bomb.

We beat the Soviets to the H-bomb by a matter of months only. If President Truman, instead of ordering a crash program to develop the H-bomb, had continued to listen to those who opposed its development for scientific reasons, or moral reasons, or political reasons, or for a combination of reasons, America today might very well be a Soviet colony.

The Soviets developed the H-bomb in complete secrecy. They exploded it without announcing it to the world, and our intelligence was completely unaware of Soviet progress in this field until it monitored the first Soviet H-blast.

The Soviet Government in its time has violated more than 1,000 treaties and agreements, as documented by a Senate study on the subject. If they have violated the 2½-year honor moratorium on testing—and, to my mind, they would not be Communists if they had not cheated on it—then they already may have beaten us to the neutron bomb.

If the day should ever come when the Kremlin forces a showdown crisis over Berlin and then demonstrates its possession of the neutron bomb, we would find ourselves confronted with the choice of capitulation in Europe or all-out nuclear war.

If this day of doom ever arrives, it will be small consolation to Republicans and Democrats that, on the cardinal issue of the moratorium, they have blundered hand in hand.

THE CASE FOR ATOMIC TESTING BY UNITED STATES

To test new weapons again or not to test, is moving to top position among decisions pressing in on President Kennedy.

Representative CHET HOLIFIELD, Democrat, of California, in a key position as chairman of the Joint Committee on Atomic Energy, and as a friend of Kennedy, is among those pressing for a decision to resume testing. His views, based on years of dealing with matters of national security, are shared by many top military men and members of the Atomic Energy Commission.

In what follows, arguments that are advanced against weapons testing are stated and answered by Chairman HOLIFIELD.

Argument: "We should not resume testing nuclear weapons, because Russia and the United States have enough to destroy each other right now."

Answer: "This argument could be true in terms of numbers of weapons and total explosive power, and still be fallacious.

"Reason? It ignores the problem of delivery of such weapons. Quantities of nuclear weapons in hands of either United States or Russia could be meaningless unless they are related directly to modern, sophisticated delivery systems.

"As an example, delivery of a 10-megaton bomb by a manned bomber plane might become impossible in the near future. In fact, this will be the case very soon as a result of antiaircraft missiles, or Sidewinder rockets from supersonic interceptor planes. Missiles launched from planes and armed with relatively small nuclear warheads and electronic guidance systems which seek their target, could seal the doom of our SAC [Strategic Air Command] bomber planes.

"Intermediate and long-range missiles are becoming a reality. Ways of delivering missile warheads are improving at a fantastic rate. Note the rate of improvement in solid-fuel missiles such as the Polaris and Minuteman in the past 18 months."

Argument: "But atomic warheads for these missiles have already been developed. Any further improvements are bound to be marginal."

Answer: "Further improvements could be tremendous, not marginal. Further testing of warheads is imperative.

"Let me give an example, using theoretical warhead weights:

"A warhead weighing 500 pounds has a present range of 1,200 miles. If the weight of the warhead were reduced from 500 to 250 pounds, the range could be increased to 1,700 miles with the same amount of missile fuel. Reduction in weight, size, and configuration of warheads requires testing, except in minor instances.

"The real problem which faces us—and which depends on testing—is not to create larger yield weapons with more megatons, but to create lighter and smaller missile warheads which are practically invulnerable to interception.

"Our national security may rest on this point. We cannot gamble with weapon systems which are rapidly becoming obsolescent. If we believe that an equal or slightly superior weapon capability in our hands is, or has been, a primary factor of deterrence, then we cannot afford to lose that deterrence by depending on obsolescent weapons or methods of delivery."

Argument: "It isn't actually necessary to test—and explode—atomic devices, because improvements in weapons can be made in laboratories."

Answer: "This argument is dangerous and is refuted by every important event in the history of research and development. Only minor improvements of existing devices can be made without testing. Any major improvement must be proved by testing.

"There are new and revolutionary concepts of delivery systems and warheads in today's rapidly moving technology. These concepts must be tested stey by step from theory to accomplishment. Continuous testing of missile propulsion and guidance at Cape Canaveral and Vandenberg missile facilities are conclusive as to the need of testing of warheads as well.

"The continuous testing of nuclear submarines is another example. Such revolutionary concepts of warhead delivery are being proved in test after test. How naive and impractical and inconsistent are those who are satisfied with the existing state of nuclear warheads while they fail to protest, at all, tesing of the basic delivery systems.

"Protests against testing of warheads become emotional rather than logical. Denial of testing in one phase of our weapon research and development, while continuing

testing in all other phases, can only be crippling in nature. It cannot remove the danger of war; it can only increase the danger of defeat by a determined and ruthless opponent."

Argument: "We should be patient. We should continue negotiating with the Soviets in the hope that an agreement on a test ban can be reached."

Answer: "We have been patient. We have negotiated for 33 months. During this period only minor concessions have been made by the Soviets to our request for an adequate inspection and detection system, to prevent possible cheating.

"On the first meeting in March of this year, the Soviets nullified all previous concessions by advancing a demand for the 'troika' principle of administering the agreement.

"The Soviets reneged on a previous agreement for a one-man neutral administrator and demanded a three-man administration, each to have the right to veto any action of the international inspection team. Since one of the three would be a Soviet representative, this of course made a mockery of any previous agreement. Future chances of an equitable administration of any provision of a treaty agreement were destroyed by the Soviets."

Argument: "The only alternative is to 'walk out'—and that would give Russia a propaganda victory."

Answer: "Breaking off the talks in Geneva is not the only choice. Notwithstanding the futility of our negotiations, I agree that we should continue to negotiate or be willing to negotiate.

"However, we should no longer be bound by our voluntary moratorium during the time of future negotiations.

"We should not 'walk out' on the negotiations, neither should we tie our hands on nuclear-weapons testing for strength and security."

Argument: "(a) The Soviets are not testing secretly; (b) the Soviets are testing secretly."

Answer: "Neither of these statements can be proved by the United States. It is precisely because we do not know the answers and because the Soviets will not agree to an adequate system of detection which would give us firm answers, that we face the grave decision."

Argument: "If the United States and Britain resume testing, then, the Soviets will resume testing."

Answer: "This argument assumes that the Soviets have not been secretly testing. If the assumption is not true, then they would not 'resume,' they would continue.

"On the other hand, if they have honored the moratorium and have not been secretly testing, we will start out at the same relative position we were in 33 months ago. Our course of action will not be based on ignorance of our opponent's actions, but on proven procedures for improving our capability to deter war."

Argument: "The Soviets have more to gain by resuming nuclear tests than the United States and Britain."

Answer: "This argument is based on the assumption that the Soviets have not been secretly testing during the 33-month moratorium. The assumption, therefore, must be evaluated. It can neither be proved nor disproved, because we lack dependable information.

"If the Soviets have been secretly testing, they may have closed any gap in their technology which may have existed at the beginning of the moratorium.

"If they have not been secretly testing, then it is reasonable to assume that the same gap exists today as we believe existed at the beginning of the moratorium. Assuming this latter situation, we then must evalute our respective technological capabilities. On this point, I see no reason for doubting our own capability. The record of the past proves that we have had a superior capability in both quality and diverse types of nuclear weapons.

"Undoubtedly the Soviets will improve their weapons technology whether their testing is secret or open. Because we lack information as to the present status of their nuclear-weapon technology, we can only speculate as to the relative gain in the future between the Soviets and ourselves.

"In a contest of this type, I have confidence in the ability of the United States and Britain to maintain any lead in weaponry that we may now have."

Argument: "If tests are resumed, people all over the world will be alarmed and blame the United States."

Answer: "There will undoubtedly be some adverse public opinion toward any nation that resumes testing of nuclear weapons. The degree of blame directed against the United States will depend on several factors, some of which can be modified by the skill we exercise in presenting our case to world opinion. Some factors are beyond our control.

"The President should, in my opinion, devote a major television speech to this presentation. He should give a brief résumé of our patient negotiations over the 33-month time period. He should then explain the continuous refusal of the Soviets to accept any basic agreement which would give us assurance against secret violation.

"The people should be given the facts regarding the need for improvement of existing weapons and the probability of revolutionary weapons development. The basic factor for resumption, of course, would be the maintenance of our position of military strength in the interest of deterrence and the preservation of peace.

"We now have a considerable cushion of good will and confidence on the part of our allies and most of the neutral nations. That good will and confidence is based on the belief that we have negotiated sincerely during the recent months.

"There is a corresponding decrease in respect for the Soviets. Their failure to advance constructive proposals and their rejection of United States and British concessions have caused growing doubt as to their sincerity. The recent "troika" proposal in the United Nations and the Geneva conferences has worked to their disadvantage before the bar of world opinion.

"In making the decision to resume testing because we believe it necessary for the preservation of our national security, we must be willing to accept criticism from those who are not responsible for our national safety and who, in most instances, are misinformed or uninformed on the reasons for making the decision."

Argument: "Fallout from nuclear-weapons testing by the United States, the Soviets, and possibly other nations, will contaminate the atmosphere and be harmful to people."

Answer: "The United States and Britain would not conduct tests which would involve contamination of the world's atmosphere.

"Tests which are necessary to improve existing weapons, or prove the principle of new and possibly revolutionary weapons, can be conducted in underground cavities, thereby solving the problem of atmospheric contamination.

"Each sovereign nation determines its own course in nuclear-weapon testing. The present test-ban negotiations affect only the United States, Britain, and the U.S.S.R. The fact that the negotiations were being held did not prevent France from conducting atomic-weapon tests in the Sahara Desert.

"It would indeed be naive to believe that Communist China would refrain from testing atomic weapons, if such tests were within her capability or to her advantage."

Address by Hon. Charles E. Goodell, of New York, Before Annual Convention of Eighth District of the American Legion, Department of New York

EXTENSION OF REMARKS
OF
HON. THADDEUS J. DULSKI
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 18, 1961

Mr. DULSKI. Mr. Speaker, on July 15, the Honorable CHARLES E. GOODELL, who represents the 43d District of New York, was the main speaker at the 23d Annual Convention of the Eighth District of the American Legion, Department of New York, held in Jamestown, N.Y.

Before becoming a Representative, Mr. GOODELL served in the U.S. Navy during World War II, and in the Air Force during the Korean conflict. In the short time that he has served in Congress, he has proved to be an able legislator and an outstanding debater, commanding the attention of the House membership.

Under leave to extend my remarks, I am happy to include his speech which follows:

ADDRESS BY HON. CHARLES E. GOODELL, OF NEW YORK

It is a privilege to be asked to address the Eighth District American Legion Convention this year. I speak to you today as Americans and I will not invoke your loyalties to either the Republican or the Democratic Parties.

The members of the American Legion are citizens who have fought and bled and suffered for freedom. Let me tell you today, that though our guns are silent, we are at war with international communism. The sooner we face up to this fact the more chance we will have for survival. I speak bluntly when I say that in certain respects we are losing the war in which we are engaged today. You can do nothing about it personally, but in this great free land the firm resolve of the people is inevitably felt by our leaders.

President Kennedy has stated that we are embarked upon "a decade of development" throughout the world. Two-thirds of the world's peoples today live in the free world and one-third in the Sino-Soviet bloc. We control in the free world 69 percent of the steel production, 79 percent of primary aluminum production, and 79 percent of electric power production. We are strong militarily. We are strong economically. We need not back down in any international crisis. But nonetheless we are losing the world because the enemy of our freedom the enemy of our way of life, is dictating precisely where we will next do battle—on what terms, on what issues, and with what weapons. We are on the defensive and we seem bedazzled with the idea that concessions to Communists can buy a restless peace.

As we move well into the 1960's, our people must understand that peace with freedom can only survive if we, in this cold war, pass the test of fortitude in the same way our brothers and our ancestors have met that test in the past. If our country and our people, with a whimper and a wail, embrace compromises with communism to avoid hard decisions, we are already in death row as a nation. And if the United States of America goes under, mankind will face a night without end.

President Kennedy needs reinforcements from our people. He needs you and me—Republicans and Democrats—standing firm

behind him and, if necessary, even pushing him on the issues that involve life and death for our civilization.

I'd like to talk to you today about one or two of the most crucial issues upon which public opinion must be rallied if we are, in the words of Bertrand Russell, to "acquiesce in our own survival."

1. President Eisenhower in 1958 accepted a voluntary suspension of testing of nuclear weapons. We have no evidence that Russia has violated this voluntary agreement. But we know that underground testing can be concealed. In 1958 this country was far ahead of Russia in its capabilities to utilize the great nuclear potential of weaponry. If Russia has been secretly testing for the past 3 years, they may now have passed us by. Mankind is on the threshold of new fantastic discoveries in nuclear science. Some of those developments will be unimaginably fearful. We had better acquire such monster weapons first or we won't have much to say about the decade of the 1970's. As the 1950's has been the decade of abundance, the 1970's can be the decade of bondage if we go to sleep today.

We'd better start developing the deadly neutron bomb and the lithium bomb right now. I ask you what would have happened after World War II if the Communists had had the atom bomb instead of the United States? Europe, Asia, and Africa would have almost certainly been overrun by godless men. I doubt if our own Western Hemisphere could have survived if the atom bomb had been in the hands of Joseph Stalin instead of Harry Truman. What do you suppose would happen tomorrow if Khrushchev announced the successful testing of a neutron bomb which has no blast or heat but kills all life within a wide radius of its target? No one can doubt that the Dark Ages would settle on freedom for centuries to come.

And yet we are today listening with one ear to the siren call of craven, wishful thinkers who tell us that these weapons are too awesome to develop and we should therefore trust the Communists in not developing them. These misled people point convincingly to the history that armament races solve nothing, but merely increase the heavy load on all mankind. They then jump the wide gulf and land on the conclusion that we can avoid the race with Russia by refusing to run. I tell you the race with communism is on, in deadly earnest, and if we refuse to run we will lose by default. And frankly, the likelihood of a real agreement on disarmament with the Communists will be greatly enhanced by Communist certainty that they are losing the race to a resolute and determined free world. We must renew nuclear tests immediately. The spark of hope for real disarmament can be kept alive only if freemen stay ahead of the enemies of peace.

2. Much has been said about our prestige abroad. We are obsessed with the desire to please the ignorant, the backward, the savage in this world. America trimming its sails to the opinions of illiterate peasants in South America is like a commanding general popularizing himself with the raw recruit by consulting him about military strategy. Our job is not to be popular in the world, it is to be respected. Sure, we must live by our Christian principles and die for them if necessary. Sure, we must demonstrate that we want to help the little people throughout the world to attain a better life. In the words of Arnold Toynbee, ours "is the first generation since the dawn of history in which mankind dared to believe it practical to make the benefits of civilization available to the whole human race." That's our dazzling, inspiring message to impoverished people on this globe. But we have been foolish enough to believe that our demonstration of freedom and abundance at home and our good intentions abroad are enough to bind a steadfast friendship with a poor beggar on the streets of Caracas, Venezuela, or in Laos.

When you take a hungry man, who has struggled all his life just to bring home a handful of rice or garbage to keep his family alive, he's not interested in talking about freedom or human rights. He will vote with his stomach. He will shout for a Castro in a hysterical mob because Castro promises him land and food. He will even shut his eyes for a while to unspeakable repression and the bloodshed of his own family and neighbors.

America is making a dangerous mistake in the way it is seeking to defend the underdeveloped nations of the world. We believe in the shining ideal of self-determination, meaning that however impoverished in mind and spirit the natives of the jungle are, they know what's best for themselves. This just is not true. Such people cannot be expected to see through the false facade of communism until communism has their country by the throat and it's too late. I will never criticize our leaders, and President Kennedy particularly, because his prestige among the ignorant and downtrodden of South America, for example, falls to a low ebb. We cannot transplant the full-blown flower of freedom to a nation where only 1 percent of its people are literate. Yet that is just about what we have been attempting to do in many aspects of our foreign aid program.

St. Paul said to his worldly followers, who knew little of the spiritual verities, "I have fed you with milk and not with meat." Let's stop trying to feed underdeveloped countries political food they are unable to digest. They are newborn babies. They need milk, not charcoal-broiled steak.

3. You know there is a lot of fuzzy thinking about the Communists. If you and I suddenly came upon a man about to throw himself off the Third Street bridge, the first thing we would do, if we could, would be to hold him back by force. There would be time enough to lecture him and reason with him after the immediate danger had passed. When we see an underdeveloped country about to embrace communism, the first thing to do is to prevent such a disaster by force, and then reason with the people about the type of government that can best serve the people's needs. Communism is not a national system of government. It is an international conspiracy of evil, dedicated to the destruction of human dignity and human rights. It feeds upon fear and force and ignorance. It can be defeated only by the unshakable faith and courage of strong men who have flourished in the sunshine of freedom and who are willing to risk their lives to keep that sun shining.

This is the time when we should pray in unison the stirring words of Josiah Gilbert Holland:

"God give us men. A time like this demands
Strong minds, stout hearts, true faith and ready hands!
Men whom the lust of office does not kill,
Men whom the spoils of office cannot buy,
Men who possess opinions and a will,
Men who love honor, men who cannot lie."

President Kennedy not long ago told the Congress of the United States, and I quote: "The complacent, the self-indulgent, the soft societies are about to be swept away with the debris of history." I agree with the President. We'd better wake up as a people and stand up as a Nation, before it is too late.

We must begin to fight the war with international communism to win. It is time we countered Communist pressures on our weak points with real pressure on Communist weaknesses. It is time we abandoned our defensive position for a strong offense of freedom. I don't mean we should start a hot war or invade countries now behind the Iron Curtain, but it is imperative to our survival that we recognize that neither hot wars nor cold wars are won by weakness and compromise. When we give foreign nations help, let's make it unmistakably clear that we insist that the money, the material, the food, or whatever else it is that we're giving them, be used to help those people in the way we want it used. If the little band of rich intellectuals who are exploiting the people in some underdeveloped countries refuse to accept our aid on our terms, then so be it. They will soon see the great benefits flowing to the people of neighboring countries who have had the good sense to keep Uncle Sam happy while he is forking out the money they need to live on. And believe me, we are paying a high price to help the less fortunate peoples of the world. President Kennedy's request for a total of $5.2 billion for this fiscal year in foreign aid will cost every taxpayer an average of $97. Admitting that the price must be paid, it is my feeling that you veterans of war want your Congressman to see to it that the money does the job that has to be done.

We are so sensitive today about our prestige in the eyes of underdeveloped peoples that we lean over backwards to avoid interference in the way that they spend our money. In addition, we give our friends who are committed 100 percent to our cause piddling amounts of aid while we send enormous amounts of aid to neutral countries who refuse to support our policies. This was dramatically brought to the world's attention last Wednesday when the President of Pakistan, Ayub Khan, spoke bluntly to a joint session of Congress.

Pakistan is anti-Communist and it sides consistently with the United States as a friend. India slaps us in the face and clings to a philosophy of neutralism. Throughout the world neutralism is a burgeoning force. Is it any wonder? We are subsidizing it. We reward the boys who play both sides against the middle and virtually ignore our friends because we can count on them anyway.

The simple and the foolish answer to abuses in foreign aid expenditures is to abandon the foreign aid program. Such a policy would be, in my opinion, disastrous for this country and the free world. We can no longer turn our backs on the world without sooner or later getting a dagger right between the shoulder blades.

President Kennedy has promised a complete revamping of our foreign aid program. He has asked Congress to authorize the spending of taxpayers' money, not for 1 year or 3 years, but for 5 years into the future. He has asked Congress to give up its control over the spending of the taxpayers' money by permitting the President to borrow money without the necessity of congressional appropriations.

Although I support the President in his resolve to clean up the foreign aid program and to increase the amounts of foreign aid, I will never vote for a proposal which requires Congress to abdicate its responsibility. This issue will come before the Congress this summer and I predict that we who represent you taxpayers back home will insist that the foreign aid program undergo the most careful congressional scrutiny every year. I believe a fair and effective foreign aid bill will be passed that will thrust this country forward in its great crusade to promote the dignity and freedom of man throughout the world.

And so that is my message to you who carry the wounds of war in your bodies and in your hearts. The American Legion has always carried the message of strength and courage to our people. You have never been fooled by the fuzzy-minded people who think Communists have good intentions and will compromise with weakness. President Kennedy will make no decision more critical in the coming weeks than the decision as to

when we start nuclear testing again. We can continue to talk with the Russians about disarmament but a renewal of nuclear testing will serve notice upon them that we mean business.

Let's forget about our prestige with the man in the street abroad and do the job that has to be done to help the people of the world attain their aspirations. We will sacrifice whatever it takes in the faith, as expressed by Benjamin Franklin at the birth of this Nation, that "God rules in the affairs of men."

In that faith, we cannot fail.

Thank you.

Secretary Udall Makes Important Statement on the Saline Water Research Program

EXTENSION OF REMARKS

OF

HON. WAYNE N. ASPINALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 1961

Mr. ASPINALL. Mr. Speaker, the Interior and Insular Affairs Committee has under active consideration the legislation recommended by President Kennedy to redouble this Nation's efforts to find economical means of converting sea water and other saline water to water that is usable for municipal and industrial purposes. This saline water research program was initiated by the Congress in 1952. Much progress has been made with the limited funds that have been available to the Department of the Interior. However, with this Nation's economy so closely related to and dependent on a plentiful supply of fresh water and with our water needs increasing so rapidly, a speedup in our efforts is necessary. In addition the program has international significance.

Secretary Udall presented a fine statement to the Irrigation and Reclamation Subcommittee yesterday which emphasizes the importance of this program and the need for pushing forward more rapidly. In order to call Secretary Udall's important statement to the attention of all Members, I am including it as a part of these remarks. The statement follows:

STATEMENT BY SECRETARY OF THE INTERIOR STEWART L. UDALL BEFORE THE SUBCOMMITTEE ON IRRIGATION AND RECLAMATION, COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, HOUSE OF REPRESENTATIVES, WASHINGTON, D.C., JULY 17, 1961

Mr. Chairman and members of the committee, this statement supplements the earlier statement I made to this committee on June 27, 1961. Because certain information was not available from the Department, it has been necessary to recess these hearings on two occasions and the hearings have not maintained the continuity desired by the committee. For that reason and in the interest of stating more clearly the views of the Department of the Interior, I am submitting this additional statement for your information.

On June 26, 1961, President Kennedy recommended a draft of a bill "To expand and extend the saline water conversion program being administered by the Department of the Interior." The suggested legislation borrowed heavily from and is an expansion of the three bills introduced by members of this committee: H.R. 4721, by Mr. ASPINALL; H.R. 4757, by Mr. ROGERS of Texas; and H.R. 4759, by Mr. SAYLOR.

These three bills would expand a program developed by this committee 9 years ago. When I had the pleasure of being assigned to this committee some 6 years ago the saline water program was already 3 years in operation. The program launched by this committee 9 years ago has already assisted in reducing the cost of converting sea water to fresh water from $5 to about $1 per thousand gallons.

President Kennedy agrees with the members of this committee who have for several years recognized the importance of the saline water program. He recommended legislation which is now incorporated in H.R. 7916, introduced by Congressman ASPINALL. The suggested legislation can be divided essentially into two parts:

Title I of the draft bill relates to research and development and carries forward the policies and expands the scope of this vital program previously authorized by Congress. This suggested legislation will enable the Department to do more research.

Titles II through V relate to demonstration plants and actual operating units, and would provide limited financial assistance on a "share the risk with industry" approach to the program.

I should like to make one thing clear to this committee: The Department of the Interior has no intention nor desire to enter the municipal water business. The Department does, however, feel a keen responsibility to foster and assist the research and development which will enable American industry and municipalities to succeed in saline water conversion.

It is important to keep in mind the significance of the achievement we seek. You will recall President Kennedy's conviction that obtaining inexpensive fresh water by saline conversion would dwarf any other scientific accomplishment as a benefit to mankind. Assuming the best set of circumstances according to engineering hydrology, it seems certain that at some future year many communities on the face of America will have seen their source of fresh water dangerously depleted unless we take steps to guard against such a situation. Let us then make no mistake, the need is urgent, the effort will be rewarding.

On the other hand, it is equally important that the problems of saline water conversions be viewed with utmost candor and in proper perspective. Those who say that this program will quickly make it possible to provide water so that "the deserts will bloom" are not facing the facts. Producing fresh water from the sea or brackish sources cannot in the foreseeable future be a substitute for other broad programs of water conservation to meet agricultural needs. At the present time, the cost of converting sea water may be as much as 100 times the present cost of irrigation water. This, of course, assumes a cheap source of fresh water, but even in areas where irrigation water is expensive the cost of converting saline water is now about 10 times the cost of water to produce crops. In certain areas where water is scarce and has a high value the cost of converted sea water is three times as great as that of water from present municipal and industrial water sources.

In brief, this is the situation: We must reduce the cost of converted sea water more than 50 percent or to about 40 cents per thousand gallons to make it economically attractive for industrial and municipal uses in the more critical areas. It is quite possible that this can be done. We must further reduce the cost of converted sea water to one-fifteenth its present cost before it could compete for irrigation purposes in some places with scarce supply.

I have stated these costs as they exist generally and they should not be misinterpreted in relation to the vital need for this program. The chairman of this committee and the chairman of this subcommittee and its members are aware that in some parts of this country, and certainly in many parts of the world, potable water is worth what you have to pay to get it. We can put a price on water but we cannot place a value on it. To sharply emphasize this, you may recall that not many summers ago people stood in lines in Dallas, Tex., to pay 50 cents a gallon for water, and they were glad to get it.

If our program could reduce the cost of water to 40 cents per thousand gallons, and that appears scientifically possible, the accomplishment would be sufficiently economic to satisfy the domestic, municipal and industrial water demands in many key areas of America.

Moreover, if the cost of converting sea water to fresh water could be reduced to 40 cents per thousand gallons, I need not emphasize to this committee the worldwide significance that would be attached to this program. In the field of foreign relations, this accompliishment could be extremely beneficial to the United States. There are many developing countries in the world such as Kuwait, Pakistan, Israel, Chile, Australia, and many others, in which major economic progress may depend on producing fresh water from the sea.

This committee may properly ask what achievements have been made in the past to justify further expansion of this program. In answer to that inquiry, permit me to cite what happened in Coalinga, Calif. Water too salty for domestic use was replaced by fresh water hauled in tank cars at the almost prohibitive cost of $9.35 per thousand gallons. But, as a result of a process developed under the saline water program, the city of Coalinga now gets its domestic water supply at about $1.45 per thousand gallons.

This committee may also ask if there is truly a need for this program. The need can best be shown by emphasizing that we are racing against time to discover new sources of fresh water before our expanding demands exhaust our present supplies. In the northern Great Plains region of America an alarming number of communities sought the single demonstration plant authorized under our present limited program because their municipal water supplies are becoming too brackish for domestic consumption. In the panhandle and west Texas-New Mexico area the present sources of underground water are being consumed at a dangerous rate. Reasonable engineering estimates predict that, in many communities, economical sources of water will soon be gone.

It is because of this challenge that the President sent his recommendations to this committee on June 26, and it is because the need for new sources of usable water is vital that the President mentioned it specifically to the Congress in his special message on natural resources.

To meet our responsibility of assisting States, municipalities, and private enterprises in the field of saline water conversion, the second portion of the President's recommendations provides for financial assistance on what I should like to call a share the risk with industry basis. The answer we seek in saline water conversion will be the result of American ingenuity. It is imperative here as in other endeavors that proper financial assistance be made available to private industry as an incentive to move this program forward as quickly as research will permit.

You may be sure that if this expansion of the saline water program is authorized

by the Congress, the Department of the Interior will carefully guard the funds made available to encourage industry in its quest for new sources of fresh water. Each proposal for financial assistance will be carefully scrutinized. At the same time I should make it clear that we are plowing new ground, and I cannot at this time recommend limitations on appropriations nor tell you with certainty what amount of money this program will require for each succeeding year. You know the safeguards provided by the Bureau of the Budget and the Appropriations Committee, which guard against unwarranted expenditures.

The more detailed justification of the expanded authority we are requesting will be given by Mr. C. Fred MacGowan, Director, Office of Saline Water. With him will be Dr. Roger Revelle whom I have just appointed as the science adviser to the Secretary. Dr. Revelle will be assisting us in the approach to this problem from a scientific standpoint. I am sure he will prevent us from making the mistake of trying to equate accomplishment with appropriation of funds. This is not the way we intend to solve the problem. Dr. Revelle will help us to determine whether demonstration plants are too big or too small, and he will advise me in this difficult area where research and development in effect becomes applied research. Every effort will be made by Mr. MacGowan, Dr. Revelle, and other members of my staff to carry on a program that is technically and economically sound.

In conclusion, I commend the chairman and the members of this committee for their record of moving forward on a program that is so vital to the future of our country and indeed vital to the future of the free world. I urge you to decide upon a policy through this legislation that will enable us in the Department of the Interior to work with you on a joint legislative-executive effort to make America the leader in the conversion of fresh water from sea water.

Quotas on Cheese

EXTENSION OF REMARKS
OF
HON. DOMINICK V. DANIELS
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 1961

Mr. DANIELS. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the statement made this morning by my colleague from Pennsylvania, the Honorable JOHN H. DENT, at a hearing before the U.S. Tariff Commission relative to enlarging or eliminating the quotas on blue mold and cheddar cheese. I would like to commend to my colleagues this very interesting statement:

STATEMENT PRESENTED BY HON. JOHN H. DENT, OF PENNSYLVANIA, CHAIRMAN, SUBCOMMITTEE ON THE IMPACT OF IMPORTS AND EXPORTS ON AMERICAN EMPLOYMENT, TO THE U.S. TARIFF COMMISSION, JULY 18, 1961

Members of the Tariff Commission, recently at the request of the cheese manufacturers of Wisconsin, the subcommittee of which I am chairman held hearings in the city of Fond Du Lac, Wis. As you know, this subcommittee is making a study on the impact of imports and exports on American employment. I realize that the Commission hearings today are restricted under section 22(d) of the Agricultural Adjustment Act, which, in a sense, would bar information relating to the importation of cheese and its effect on employment in the cheesemaking industry, as well as allied industries; therefore, I will refrain from making statistical summation but will try to show that from testimony received before my committee that the great cheese industry is affected inasmuch as the support program is directly identified with cheesemaking in all of its phases: the feed grains, dry milk subsidies, and cheddar cheese. In fact, testimony from the Pure Milk Producers Cooperative showing the storage status of natural American cheese to be in excess of 350 million pounds, which is a 33-percent increase from a year ago, with other varieties of cheese having a surplus storage of over 46 million pounds, an increase of 15 percent over last year. For the purpose of this hearing, it might be interesting to note that quotas on cheese now in effect require a milk production of 280 million pounds with total purchase of milk for supporting dairy prices last year of 300 million pounds of milk equivalent. Increasing quotas would burden the support program further and needlessly. The more cheese imported and the less milk used in production, the more costly the program will be. It is the belief of the cheese manufacturers and other allied industries that unless quotas are maintained rigidly, the markets they develop which would be well established with very expensive and well advertised programs plus the natural market that is caused by increased population can be wiped out by the importation of lower priced competitive products.

One organization representing 115,000 dairy farm members stated that nearly two-thirds of their entire milk production goes to grade B patrons, almost exclusively manufacturers of cheese plants and about 40 percent of the remaining production which is shipped to grade A patrons also move to manufacturing plants—a large number of which are cheesemakers.

Inasmuch as this hearing is more concerned with the question of agricultural support programs, it might be interesting to note that there have been phenomenal increases in purchases of products to support dairy farm income. The Department of Agriculture purchased 17,400,000 pounds of cheese since April 1, 1961. During the same period last year purchases amounted to only 63,000 pounds. Nonfat dry milk purchased this year was 455 million pounds as against 226 million pounds last year. Butter purchases have jumped from 55,349,000 to 113,748,000 pounds. Milk production in all probability will be up slightly this year. Any opening up of quotas in an end product of milk such as cheese cannot mean other than increased cost of the Government support programs. It appears ironic that the only suggestion made to offset the predicted damaging effect of increased quotas is the suggestion by the representative of the foreign exporters that the makers of blue mold cheese and other specialty cheeses could protect themselves by shifting their production to cheddar cheese which is a subsidized cheese product. However, a representative of one of the large blue and foreign-type cheese manufacturers had this to say:

"Blue cheese and foreign-type cheese plants cannot be converted to cheddar which is the variety of cheese purchased by Commodity Credit Corporation to support milk price to the farmer patron. A plant making blue mold cheese has one employee for approximately each 1,500 pounds of milk, while a plant making cheddar will have one employee for each 15,000 pounds of milk, which makes an employment ratio of 10 to 1. Most foreign-type cheese plants are located in areas where they are the only source of employment available to the local employable people. Should milk be diverted from foreign-type cheese plants to cheddar the resulting unemployment would be disastrous."

Aside from the logic and philosophy, we believe it to be an economic program that in the present state of our economy the economic phase should be the criteria upon which any decision is based even if it is restricted to the farm and agricultural economy determinations. Although we discuss freely the program of damaging effects, and while we talk of opening up our already overproduced farm product market according to Robert P. Dorang in the Wall Street Journal of April 15, 1961, there are grave fears in our Agriculture Department at this very moment that the six European economic community nations "could go far toward wiping out an export market for U.S. crops which currently approaches $1 billion a year." In fact, a document being circulated by the Department of Agriculture for discussion purposes charges the Common Market of "aiming at self-sufficiency in agriculture and not at freer trade."

This and other publicly printed stories in the Canadian press, cannot help but give the American producer a sense of uneasiness and a feeling that his Government has become too far detached from his problems of product, costs, and marketing here in our own free market.

This I say to you, that in my observations as a Member of Congress, there is a smoldering revolt in the productive areas of this country against any further liberalization of quotas and tariffs which have proven in the past to be a discouraging spectacle to the normal supporter of the free enterprise system. I beg of you to give very serious consideration to the pleas of the American producers concerning the quotas now being studied by the Tariff Commission. I might say that the President of the United States stated in a public statement, which was given to me by one of the witnesses, in which he said, and I quote in part:

"The best protection for domestic industry and jobs is a prosperous and growing economy. Where an industry continues to suffer from imports, additional steps would be necessary.

"The office of President carries with it the authority and influence to explore and work out the solution within the framework of our foreign trade policies. This should be a high-priority objective

"We should make vigorous use of protective provisions by Congress, such as section 22 of the Agricultural Adjustment Act, and the escape clause of the Trade Agreements Act in the intention and accordance of Congress in enacting these laws.

"Finally, should any further authority be necessary to enable the President to carry out the basic objective of a strong and prosperous economy, he should request such authority from the Congress."

The full statement is available if the Commission desires to see it. I only quote this to show that each of us in turn when faced with the situation recognizes the equity of an American producer when he complains to his Government that governmental policies can be injurious to the point of extinction. I, for one, do not believe that the American people elect their Government to participate in a liquidation of any industry or the job of any workman—no matter how small that industry is or how unimportant that workman's job may appear to be. Over the years the cases such as this one reflect the interests of a comparatively small American industry which seems to have become expendable in the interest of world trade. However, the isolated cases which were once the exception are fast becoming the rule. The American industry (although as yet there has been no concerted effort to speak collectively) is finding out that, without a doubt, none of us are expendable and that an injury to one usually ends up being an injury to all.

Thank you for the opportunity to appear at this hearing.

Colorado River Storage Project

EXTENSION OF REMARKS
OF

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 1961

Mr. RHODES of Arizona. Mr. Speaker, there is presently before the Appropriations Committee the question of whether or not we should approve the request for funds by the Bureau of Reclamation to build an all-Federal transmission grid for the Colorado River storage project. Against this we must consider the proposal by five electric companies to market power from the project to the Department's customers over a joint system of utility company and Federal lines. This issue will involve basic congressional policy with respect to the marketing of Federal power and it would be well for us to know just what that policy is and how it has evolved over the years.

The need for a Federal power marketing policy came to a head when large quantities of Federal power began to be available from large multiple-purpose projects that had been authorized in the late thirties and early forties.

It was not until the Flood Control Act of 1944 that the policy was first expressed in legislative language. It was further evolved in connection with the Southwestern and Southeastern Power Administrations, and the Bureau of Reclamation.

From the outset this policy has sought to strike a balance between Government and industry. It has avoided encouraging the growth of one at the expense of the other, but at the same time it has striven for maximum results in terms of benefits to the Nation as a whole.

It has at no time permitted the Department of Interior, the sole marketing agent for most Federal power, to assume an all-inclusive, dominant role by constructing all-Federal power systems to the exclusion of industry or non-Federal groups. Instead, it has encouraged and promoted cooperative, joint development in every case possible.

As a result, no Interior Department power marketing agency today has a completely all-Federal system. All reflect cooperation and joint use of facilities to one degree or another.

FLOOD CONTROL ACT OF 1944

Section 5 of the Flood Control Act of 1944 contains the first significant declaration of policy on the subject. With regard to the construction of transmission lines it states:

> The Secretary of the Interior is authorized, from funds to be appropriated by the Congress, to construct or acquire, by purchase or other agreement, only such transmission lines and related facilities as may be necessary in order to make the power and energy generated at said projects available in wholesale quantities for sale on fair and reasonable terms and conditions to facilities owned by the Federal Government, public bodies, cooperatives, and privately owned companies (Public Law 534, 78th Cong., 58 Stat. 890).

In considering this legislation the House of Representatives refused to accept an amendment drafted by the Interior Department that would have granted it much more extensive authority to build transmission lines. The Senate committee reported a bill with a provision similar to the one quoted above and gave this reason:

> The committee desires an amendment which provides a convenient and practical method of disposing of power at projects under the control of the War Department without setting up a public power trust which would be unduly competitive with established private power utilities.

Several years later Senator HAYDEN emphasized that wheeling agreements could be used to carry out this provision of the 1944 Flood Control Act:

> We know of no other way of assuring the carrying out of the purpose of the Flood Control Act, which gives preference to preferred customers, such as the Rural Electrification Administration cooperatives, to municipalities, to government itself, except by working out proper wheeling agreements. If that can be done, we would like to see it done (CONGRESSIONAL RECORD, vol. 97, pt. 6, p. 7774).

On the same occasion he also said:

> Every member of the committee prefers to see private industry do this work where it can be done fairly and equitably; and we find that wherever it is done, it is to the mutual advantage of the Government and the private utilities (same, p. 7781).

SOUTHWESTERN POWER ADMINISTRATION

One of the first places where the policy implicit in the language of the 1944 act evolved was the Southwestern Power Administration. In 1946 SWPA's Administrator proposed the construction of an all-Federal transmission network with steamplants to cost about $200 million. Congress was willing to appropriate only $7,500,000, largely for one line which, according to the report of the House Committee on Appropriations, "will not parallel or duplicate existing private transmission facilities"—79th Congress, House Report 1984, page 30. Speaker RAYBURN, who sponsored the $7.5 million figure, said at the time:

> What we are seeking to do by this amendment is not to parallel anybody's lines, not to put anybody out of business, but simply to tie this Government property together. (CONGRESSIONAL RECORD, vol. 92, p. 5131; speech delivered on May 16, 1946.)

After Congress refused to approve the plan for a huge exclusively Federal transmission network, SWPA began to make power marketing arrangements with electric companies. The first such agreement was in April 1947 with the Texas Power & Light Co. This contract became a model for other agreements.

In fiscal 1948 and 1949 Congress refused new transmission line funds to SWPA. The House Appropriations Committee report for fiscal 1949 said any necessary additional facilities "as may be required, should be provided by organizations in the power business in that area where the power is to be distributed"—80th Congress, House Report No. 2038, page 7.

SWPA Administrator Douglas Wright responded to a request and stated:

> I am pleased to advise that it has always been the policy of this Administration to utilize existing facilities in discharging our responsibility of distributing and marketing power whenever it has been possible to make reasonable arrangements to do so. Insofar as I know, no agency of the Department of the Interior has rejected any reasonable offer of this character (CONGRESSIONAL RECORD, vol. 95, pt. 9, p. 12031).

Since that time, as a result of numerous wheeling contracts with companies and non-Federal groups, SWPA has become an excellent illustration of the integration of Federal power facilities with the non-Federal power agencies in the area. It has avoided the all-Federal system proposed in 1946.

In a speech in January 1960, Mr. Wright described the SWPA system and observed:

> This has been accomplished, not by the building of hundreds of millions of dollars worth of transmission lines, but by sitting at a table with private utility companies telling them what we had to offer, what they needed, and how it could best be put together.
>
> We think we're getting widespread use when we spend $27 million for transmission lines and have the use of about $2 billion of transmission system.

SOUTHEASTERN POWER ADMINISTRATION

The best example of the exclusive use of wheeling agreements instead of the direct construction of an all-Federal transmission system to market power to preference customers is the Southeastern Power Administration. This agency has no Federal transmission lines. In cases where Congress did vote transmission line funds, other arrangements were made subsequently.

In fiscal 1952 funds were rejected for numerous proposed transmission lines. That year the Senate Appropriations Committee report stated in part:

> Considerable progress has been made in the last few years in the negotiation of wheeling agreements in other areas of the United States, and the committee knows of no valid reasons why similar agreements cannot be obtained in the southeastern area of the United States (82d Cong., S. Rept. 499, p. 4).

In the Appropriation Act for 1953 Congress provided for funds for constructing the Clark Hill-Greenwood line and to begin planning on another line, but incorporated this limiting proviso in the act:

> *Provided*, That no part of the funds appropriated by this paragraph or any part of the unobligated balance appropriated under this heading in the Interior Department Appropriation Act for 1952 shall be available for the construction of transmission lines and related facilities in the southeastern power area until (1) a contract with the affected power companies in the area of substantially the type which has heretofore been executed in other power areas for systemwide transmission of electric power and energy from Government-owned projects to preferred customers has been executed, or the said companies have refused to execute such contracts, and (2) the Secretary of the Interior has so informed the Congress (82d Cong., Public Law 470; 66 Stat. 445).

Congress' repeated refusal to appropriate funds to build Federal lines made it necessary for SEPA in disposing of power from projects other than those on the Cumberland River—where power is sold directly to TVA—to make wheeling agreements with the existing investor-owned electric companies. Under

these agreements, negotiated from 1951 to 1956, the companies deliver through their lines SEPA power to that agency's preference customers. These wheeling agreements have made unnecessary larger appropriations and have resulted in cheap power for the consumer.

SEPA Administrator, Charles W. Leavy, in a statement in 1958 in connection with the 1959 appropriations, noted that an adequate transmission system with substations for the agency would cost about $118 million. The Administrator concluded that if the Government had built such a transmission system it would have increased the price of power to the wholesale buyers by at least 25 percent and possibly by as much as 80 percent in some instances.

In connection with wheeling agreements, Mr. Leavy this year told the House Appropriations Subcommittee:

> It has been our experience generally that once contracts have been negotiated operations under the contract are on an amicable and on a proper basis (pt. 3, p. 739, Public Works Appropriation hearings).

BUREAU OF RECLAMATION

The Bureau of Reclamation has no blanket legislative authority to build transmission lines. Generally, its right to build them is considered to be implicit in the authorizing legislation for specific projects.

The policy of Congress relative to the construction of such facilities by this Bureau was summarized by the House Committee on Appropriations in a report on a Department of Interior appropriation bill. There the committee said:

> The Bureau of Reclamation should not use its power and authority or funds entrusted to its care to construct power facilities that are not essential to carrying out the purpose of the reclamation laws. It is unsound and against the principles of our form of government to appropriate funds for the construction of transmission lines, switchyards, substations, and incidental facilities where private capital is prepared to provide them (80th Cong., H. Rept. 2038, p. 20).

In 1949, Senator HAYDEN said concerning the Department of Interior's policy relative to transmission lines and wheeling agreements:

> The Department of the Interior has stated during the hearings on this bill that its policy with respect to arrangements for the delivery of power produced at Federal hydroelectric projects or for delivery beyond load centers is to make wheeling arrangements where:
>
> First, private utilities have ample surplus transmission capacity available or are willing to construct transmission lines for that purpose.
>
> Second, private utilities are willing to furnish such service to the Department at a reasonable price.
>
> Third, such arrangements will enable the Department to render acceptable power service to customers having preference, under existing law, in the purchase of federally produced power (CONGRESSIONAL RECORD, vol. 95, pt. 11, p. 14116).

This means that, wherever possible, power from Federal reclamation projects should be distributed through the transmission networks of existing power systems in the area concerned, whether such systems are public or private. In accord with this policy, in 1953 the Bureau of Reclamation had 54 wheeling and power standby agreements with electric companies, co-ops, or public power agencies. Where adequate facilities do not exist and no one else desires to build them, Congress has provided Federal lines. This has been the case in some areas of the Missouri basin. But many wheeling agreements have also been made in this basin.

Representative H. CARL ANDERSEN, Republican, of Minnesota, stated at the House Appropriations Committee hearings in May:

> Mr. Chairman, I should like to point out in connection with that the splendid cooperation we have in southwestern Minnesota. There we have almost a perfect example of where private utilities and public power get together. The private utilities are benefited. The Federal Government has seen to it that private utilities do not have in competition with them transmission lines unnecessarily constructed by the Federal Government. The private utilities are paid a fair price for wheeling the power to the REA's in the areas and the municipalities. What we have in southwestern Minnesota could well be multiplied many times over throughout the United States. I think you would agree with me, Mr. Dominy, it is a very good example of what can be done to the benefit of everybody concerned (pt. 3, p. 15, Public Works Appropriation hearings).

Basically, the Bureau of Reclamation has built transmission lines with congressional approval only to tie together Federal powerplants in the same development and to transmit power to pumping facilities.

Congress has generally refused to appropriate funds for transmission lines for reclamation projects where the lines go beyond tying together powerplants in the same development or where existing electric systems are willing and able to wheel power to preference customers.

For instance, in the late 1940's and early 1950's Congress refused numerous Bureau requests for transmission lines in the Central Valley because they went beyond this policy.

In 1951 the House Committee on Appropriations based its refusal of three Central Valley project lines on the existence of a wheeling agreement, saying:

> [This] was made possible by the execution of a contract between the major privately owned utility company in California and the Bureau of Reclamation whereby the transmission of Government power over the company's lines to serve the Government's customers was provided for. The committee is happy to note the execution of this contract (82d Cong., H. Rept. 339, p. 11).

Congressional policy was also reflected in its refusal to appropriate funds for 1950 to build several transmission lines in the Colorado-Big Thompson project in Colorado. In explaining its refusal, the Senate Committee on Appropriations cited SWPA's contract with the Texas Power & Light Co., saying:

> These two transmission lines have been disapproved by the committee upon the assumption that the Public Service Co. of Colorado will negotiate a contract with the Secretary of the Interior in conformance with the basic principles found in the contract between the Southwestern Power Administration and the Texas Power & Light Co. (81st Cong., S. Rept. 661, p. 14).

Congress again refused transmission line funds for the Colorado-Big Thompson project for fiscal 1951.

THE KEATING AMENDMENT

To implement the transmission line policy just discussed, Congress in 1951 forbade Reclamation to build transmission lines where wheeling agreements had been made. It did this through the so-called Keating amendment to the Department of Interior Appropriation Act for 1952. This provides in part:

> No part of this appropriation shall be used to initiate the construction of transmission facilities within those areas covered by power wheeling service contracts which include provision for service to Federal establishments and preferred customers (act of Aug. 31, 1951; Public Law 136, 65 Stat. 255).

An identical provision has been included in the acts making appropriations for the Bureau of Reclamation for every fiscal year since 1952.

In proposing this amendment in 1951, Representative—now Senator—KEATING, Republican of New York, said its purpose was to "guarantee" that the Bureau of Reclamation would carry out "the will of Congress" that the Federal Government should not construct duplicating transmission lines where private utilities have agreed to wheel Federal power over their lines to Government customers at a reasonable price—CONGRESSIONAL RECORD, volume 97, part 4, page 4645.

The final version of the amendment included some language suggested by the Senate. The Senate Appropriations Committee's report said the committee's objective was to implement the policy of Congress that "within those areas where wheeling-service contracts have been executed, use will be made of transmission facilities of the wheeling agencies wherever possible to avoid duplication and, at the same time, to provide for the integration of Federal projects and to provide an adequate and dependable supply of power to rural electric cooperatives, Federal establishments, and other preferred customers." The committee added:

> The maximum utilization of the facilities of others, rather than the construction of Government transmission facilities, will result in the savings of Federal funds and critical materials needed for the defense effort (82d Cong., S. Rept. 499, p. 23).

The Keating amendment was designed by Congress to implement its basic policy that the Federal Government should not build an exclusive transmission system or that its lines should not duplicate the transmission systems of other power suppliers. It is a restriction upon the construction of transmission lines only in areas where wheeling agreements already have been made. Therefore, it would not apply in the case of the Colorado River storage project. It is a device that Congress has adopted to assist in enforcing on Reclamation Congress' fundamental policy in this field. Of itself, the amendment did not expand this basic policy; but by its reenactment each year Congress indicates its continued approval of the policy it symbolizes.

THE COLORADO RIVER STORAGE PROJECT

Federal transmission line policy as it has evolved over the years makes completely incongruous the proposal by the Interior Department to build an all-Federal transmission grid for the Colorado River storage project. In the period since World War II, Congress has shown no willingness at any time to authorize an all-Federal transmission grid in any area, and it has repeatedly prevented the Bureau of Reclamation from establishing such a system in a major river basin development. It might be argued that TVA is an exception, but TVA is a Federal monopoly, independent of the Department of Interior. The Pacific Northwest, while containing many Federal lines, makes extensive joint use of non-Federal as well as Federal systems.

The specific language of the law authorizing the Colorado River storage project does not require the construction of a Federal network. In fact, the report on the legislation by the House Committee on Interior and Insular Affairs stated:

The proposal by the power companies [to wheel power] seemed entirely reasonable to the committee. The proposal is consistent with the policy expressed by the Congress for many years in appropriation acts and elsewhere whereby the Federal Government builds the basic backbone transmission system and distribution is made through existing systems where satisfactory arrangements can be worked out. The procedure is similar to that which has worked very satisfactorily for the Central Valley project (84th Cong., H. Rept. 1087, p. 17).

Recent statements of the Appropriations Committees of both Houses indicate a continuing congressional desire for cooperation in developing a mutually acceptable program of transmission lines to market this power. The House Committee on Appropriations in reporting the public works appropriations bill for 1960, emphasized the need for working out such arrangements through joint planning:

The committee heard considerable testimony that the Bureau is proceeding with planning of the Federal transmission line system in the Colorado River storage project area without consulting either the private utilities or the preference customers who would be interested in the distribution of this power. The report on the authorizing legislation specifically requires that coordinated study and planning with these groups be undertaken (86th Cong., H. Rept. 424, p. 25).

The report of the Senate Committee on Appropriations expressed the same idea:

The committee expects the Bureau to confer with representatives of the preference customers and the utilities serving the Upper Colorado River Basin area in the planning of the transmission system to market Colorado River storage project power (86th Cong., S. Rept. 486, p. 43).

Both of these committees were taking the same attitude on this problem that they have expressed repeatedly for more than a decade: that it is incumbent upon the Department of Interior to do everything possible to work out effective and economical wheeling agreements necessary duplicating transmission system that would constitute an exclusive Federal network for marketing power that will preclude the building of an unfrom Federal projects.

Significantly, existing policy was hammered out largely during World War II and the Korean war—periods of crises when the Nation had to utilize the most efficient and economical means available to achieve its objectives. Since it has proven itself under those conditions, there would seem to be no justifiable reason for reversing this policy under today's cold war conditions.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 19, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Job 36: 5: *Behold God is mighty in strength and wisdom.*

Almighty God, in these days of crisis and confusion, may all the citizens of our country reveal those heroic qualities of a Nation whose God is the Lord and who are strengthened and fortified by a great faith that the Lord God omnipotent reigneth.

Grant that this may not be for us a time of panic but a time when we are quietly and resolutely yielding ourselves to the pressure and power of those moral and spiritual resources which are abundantly adequate for whatever may befall us in the fluctuating fortunes of a cold or hot war.

May the magnitude of world issues and the agony of suspense make clear unto us that for calmness and courage, for patience and perseverance we need Thy sustaining grace which is inexhaustible in its fullness.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 7576. An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1644. An act to provide for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7444) entitled "An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 17 and 23 to the foregoing bill.

EXECUTIVE OFFICE OF THE PRESIDENT, THE DEPARTMENT OF COMMERCE, AND SUNDRY AGENCIES APPROPRIATION BILL, 1962

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PUBLIC HEALTH SERVICES

Mr. TRIMBLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 375, Rept. No. 730) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4998) to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

THE LATE W. KINGSLAND MACY

Mr. PIKE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PIKE. Mr. Speaker, I appreciate the opportunity to take this time to pay tribute to the memory of a man who from 1946 to 1950 represented in Congress the district which I now have the honor to represent, who for 25 consecutive years was the Republican chairman of Suffolk County, N.Y., for 4 years Republican State chairman of the State of

New York, and was a State senator prior to his election to Congress. During all of that time, when his influence extended far beyond the boundaries of the State of New York, he was known as a man willing to tackle any odds in a cause he believed to be just; a conservative who sought to guide change rather than oppose it; and he devoted his life to that greatest of causes, the preservation and development of the American system of constitutional democracy.

W. Kingsland Macy, whose death came on Saturday, was not of my political persuasion. The causes which he espoused were frequently not my own, and his political defeat in 1950 was not at that time a cause of sadness for me. He was called a political boss. While we were frequently in opposite corners, however, never could I say that I did not respect his ability, his morals, and his motives. In the fullness of time, many of both parties came to realize that the period of time when he led the Republican Party in our area was a good period of time, for his party and for our area.

My friends on the other side of the aisle who knew Kingsland Macy know they have lost a stanch champion. Those on my side of the aisle know they have lost a worthy adversary. If we could not share his political persuasion, we were proud to share his faith and belief in our democratic system; if we could not espouse all of his causes, we yearned to be able to champion our own with the same vigor and determination which he showed. Above all, we hope that when our own time comes, we can be remembered, as he will always be remembered, as a man of uncompromising integrity, unyielding principle, and personal morality beyond reproach.

To his wife and children we express our heartfelt sympathy. With his passing a great man is gone, and their loss is shared in some degree by all of us.

EUGENE T. KINNALY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time to pay a word of tribute to my good friend, Eugene T. Kinnaly, the strong arm of our great majority leader. Today Gene Kinnaly has finished 44 years of public service on behalf of the House of Representatives, 33 years with our distinguished leader from Massachusetts.

Every Member of Congress is aware of the important role played by our staff members, but despite long years of devoted personal service to the majority leader, Gene Kinnaly has become a kind of ex officio staff member for most of us.

I think the Members on both sides of the aisle will join me in an expression of gratitude for his assistance on innumerable occasions.

How many times would a question have gone unanswered; a service unrendered; a detail unnoticed, had it not been for Gene's quiet but efficient competence. For my own part I can state without equivocation that I have never known a finer, more courteous, or more accommodating person in my lifetime. As an attorney, he is a credit to the legal profession. As a man, he embodies the finest personal characteristics. He is a gentleman in every sense of the word.

He has carried his own high ideals and standards into a career dedicated to public service.

He shares with JOHN MCCORMACK the belief that Government is the servant of the people from whom its power is derived.

He has spent the last 44 years implementing that belief.

Mr. Speaker, it is indeed a pleasure to extend warm congratulations to Eugene Kinnaly on this anniversary of 44 years of service and wish for him many more years of achievement in the future.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the distinguished gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Mr. Speaker, I first met Gene Kinnaly when I entered Congress in 1925. At that time, he had already been secretary for several years to an outstanding Member of the House from Massachusetts, the late James A. Gallivan, who was a brilliant and colorful figure. Gene had already proven his ability. Gene had an engaging personality and was always ready and anxious to be helpful to all of us in the Massachusetts delegation. He has had a splendid record of service. For 10 years he was the devoted and faithful secretary for Congressman Gallivan and for the past 33 years, has served in the same capacity for our able and distinguished majority leader, JOHN MCCORMACK. The State of Massachusetts is proud of such a fine public servant. As he enters the 44th year of service, I wish him continued good health and happiness in the work to which he has devoted his life. Few have dedicated more than Gene his efforts of service to country.

Mr. KLUCZYNSKI. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Illinois.

Mr. KLUCZYNSKI. Mr. Speaker, I join the Democratic whip of the House, Hon. CARL ALBERT, of Oklahoma, in his expression of congratulations and best wishes to Eugene T. Kinnaly, administrative assistant to the House majority leader, Hon. JOHN W. MCCORMACK, who starts his 44th year today as an employee of the House. Gene started work originally in the office of Congressman James Gallivan of Boston and remained with him until his death in 1928.

Our present Democratic floor leader, the Honorable JOHN W. MCCORMACK was selected to fill the vacancy and as we all know, he has been reelected to each succeeding Congress since that time. Because of his knowledge of practical politics in the city of Boston and in view of his experience here at the Capitol, Eugene T. Kinnaly was prevailed upon to remain as secretary to Congressman MCCORMACK.

Those of us who have been privileged to know Gene over a period of years, realize full well what an asset he has been to the majority leader during these many years. Gene Kinnally is an excellent attorney. He is dependable, reliable, trustworthy and any assignment given him is always handled with speed and assurance of success. His reputation is that he never is too busy to listen to the troubles and problems of others and then make a serious effort to have them adjusted.

Gene is a very charitable person and deeply religious. My sincere and genuine wish for him is that he will remain here at the Capitol for many years to come.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, I wish to join with my colleagues in paying tribute to our good friend, Eugene T. Kinnaly, administrative assistant to the distinguished majority leader, Congressman MCCORMACK, as he observes his 44th anniversity as a Capitol Hill secretary.

All who have known Gene since he came to Capitol Hill 43 years ago have been impressed by his genial personality, his calm manner, his infectious smile and his willingness to help. He came to Washington from Boston and served as secretary to the late Congressman James A. Gallivan for 10 years. He remained here as secretary to Congressman MCCORMACK when he was elected to succeed Congressman Gallivan 33 years ago. He is a member of the Massachusetts bar, and has been admitted to practice before the Federal courts and the U.S. Supreme Court.

Mr. Speaker, I want to take this opportunity to extend my very best wishes to Gene Kinnaly for continued good health in the years ahead. He has been a good and loyal secretary to our beloved majority leader and has been a great help to new members of Congress from his native Massachusetts and other States throughout the Union.

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks at this point in the RECORD regarding Mr. Kinnaly.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LANE. Mr. Speaker, Eugene T. Kinnaly starts today on his 44th consecutive year as a congressional secretary and administrative assistant in Washington.

He began his career as the right-hand man of Representative James A. Gallivan of Boston. Ten years later, when Representative Gallivan passed away, Gene had acquired such a reputation for courteous efficiency, that he was retained by the Honorable JOHN W. MCCORMACK who, in his first official action as a freshman Congressman, revealed the foresight and sound judgment that eventually earned him the position of majority leader.

For 33 years, Gene has been the keyman on JOHN MCCORMACK's staff. He was so busy that he had no time for any interests except his work and his home.

He was equally adept on the typewriter, on the telephone, in meeting visitors from Congressman MCCORMACK's district, and in finding the right Government agency to contact in processing the claims or applications from the folks back home.

As the loyal and confidential aid of the majority leader, his experience and his wisdom have contributed to the shaping of constructive legislation, and to the great decisions that made our Nation a world power.

A little known fact is that Gene, in sincere devotion to his religious faith, attends Mass every day in the year.

With this spiritual strength he can cope with any emergency. I have seen him do his best under pressures that would have panicked a lesser man.

The American people appreciate the vital role played by the staff in the conduct of the Presidency, a large corporation, a nationwide labor organization, or a famous university.

But I suspect that only Members of the U.S. House of Representatives realize how much they depend upon their hard-working and capable staffs who know most of the answers, and can find the rest.

And so we welcome this opportunity to honor one of the most capable secretaries within the memory of any present Member of the House. He represents the highest competence among the congressional assistants without whose help we could not fulfill our responsibilities to our constituents or to the Nation.

Gene Kinnaly has completed 43 years of that distinguished service. As he enters upon his 44th year today, we pause to congratulate the respected and popular administrative assistant to House Majority Leader JOHN W. MCCORMACK.

And to wish Gene every happiness in the continuation of the career to which he gives the riches of his talent and his character.

Mr. BURKE of Massachusetts. Mr. Speaker, I wish to join with my colleagues in Congress and commend Mr. Eugene T. Kinnaly, secretary of our majority leader, the Honorable JOHN W. MCCORMACK, on the occasion of his 44th year as a congressional secretary. Gene, as he is affectionately known, has established an enviable record not only as secretary to our distinguished majority leader but also as the secretary to the late beloved Congressman James Gallivan who preceded Mr. MCCORMACK in Congress. Gene is loyal, honest, discreet, and possesses the milk of human kindness. These attributes are reflected in his conscientious work that has helped untold hundreds of people who came to him with their varied problems.

The position of secretary in a congressional office is a trying one. It calls for a great deal of patience and understanding. Long hours, tedious research. I know that Gene has been able to weather the busy responsibilities heaped upon him during his many years. He has always been affable. His disposition never changes. A truly devout man, humble, never pretentious, Gene is an attorney at law and can practice before the State, Federal, and Supreme Courts.

I value him as a friend. He has been my adviser on occasion. I have found him to be sound in his advice. Yes, he has made my stay in Washington, D.C., and my duties in Congress easier.

Eugene Kinnaly is a trustworthy and dedicated man.

Mr. O'NEILL. Mr. Speaker, today one of Massachusetts' most distinguished citizens, Eugene T. Kinnaly, commences his 44th year as a congressional secretary, and his 33d year with that great Democrat, the Honorable JOHN W. MCCORMACK.

Gene has compiled a conscientious and constructive record as an aid to the late Congressman James A. Gallivan whom he served for 10 years prior to becoming administrative assistant to our beloved Majority Leader JOHN MCCORMACK. His talent and devotion to his manifold duties is an achievement of great merit of which Gene and all of us here in the Congress can be justifiably proud. He is an honored member of the Massachusetts bar, the Federal court, and the U.S. Supreme Court.

It is a privilege and a pleasure for me to join with his many friends throughout the country in congratulating him on his years of distinctive and distinguished public service. I know that all of you join with me in the hope that Gene will be around for many more years to come to share both his wisdom and his good fellowship with us.

Mr. DINGELL. Mr. Speaker, I rise to pay tribute to a distinguished American, Mr. Eugene Kinnaly, administrative assistant to our beloved majority leader, the Honorable JOHN MCCORMACK. Gene Kinnaly starts his 44th year of Government service today. He is a member of the Massachusetts Bar, and has been admitted to practice before the U.S. district court and the U.S. Supreme Court.

He served for 10 years as a member of the staff of Congressman James A. Gallivan and for the last 33 years has been secretary and administrative assistant to his present boss, the Honorable JOHN MCCORMACK.

As a young Member of Congress, I came to know Gene Kinnaly and regard him highly for his devotion to public interest and for the good advice and assistance which he so generously gives to new Members, and indeed to all Members of this body.

Mr. DONOHUE. Mr. Speaker, it is a particular personal pleasure for me to join with my colleagues in this special tribute to Mr. Eugene T. Kinnaly, administrative assistant to our beloved majority leader, who is today beginning his 44th year of congressional service.

"Gene," as he is affectionately known to all of us, personifies the highest tradition and ideal of an exemplary congressional assistant. He is supremely capable, intensely loyal, and devotedly patriotic in his service to the country in his congressional assistant capacity.

Despite the tremendous workload that we know is his responsibility, he always has time to guide the newer and lesser experienced secretaries in the discharge of their particular duties, and he has given counseling words of wisdom to untold Members here whenever called upon.

Gene's superior and developed talents shine through his modest personality, and his kindly nature and disposition are a byword on Capitol Hill.

Here is a man who has dedicated himself to patriotic service for his country for 43 years, and there are few indeed who can match his unique and inspiring record.

We are happy to salute you today, Gene, and join in our most earnest wishes that the good Lord will keep you with us for many more years of your fruitful work in continuing good health.

Mr. PHILBIN. Mr. Speaker, I was truly gratified to learn from my esteemed colleague, our able and distinguished majority leader, that his longtime, invaluable aid, Gene Kinnaly, is celebrating the 43d anniversary of his service on the Hill. I hasten to heartily congratulate my good friend, Gene Kinnaly, and his family and to wish for him and for them many more happy anniversaries and many more years of success, happiness, and peace.

Gene Kinnaly is truly one of the outstanding public servants on Capitol Hill or in the Federal service. For 43 years now, he has been associated with the work of the Congress and has rendered most conspicuous service to his district, State, and Nation.

He started his illustrious career as secretary to the late, colorful and esteemed Congressman James A. Gallivan, the worthy and very able predecessor of our distinguished and beloved majority leader, JOHN W. MCCORMACK.

After 10 years with Congressman Gallivan, Gene began his association with Congressman MCCORMACK, so that for 33 years now, through all the vicissitudes and swirling currents of national political life, he has admirably discharged his most important tasks and duties in the office of our great American Congressman and inspiring majority leader, the famous and celebrated JOHN MCCORMACK.

It would be impossible for any one adequately to measure the value of the contributions that Gene Kinnaly has made to the majority leader, to the Congress and to the country. Well-trained, capable, loyal and experienced, completely devoted to his work, Gene Kinnaly has established a record here in the House of Representatives that would be difficult, if not impossible, to excel.

He stands at the very top of his profession, and he is a skilled professional in every sense of the word. He has a firm grip on his job, a sure, confident knowledge of Federal affairs and of the sprawling Federal bureaucracy and its personnel, an astonishing knowledge of the affairs of his district and the country, a wide acquaintance with people of every rank, color, and creed, and a faculty and a flair for getting things done that mark him as one of the most successful in his field.

There is no facet of practical national affairs that Gene Kinnaly does not understand. There is no corner of his district that he does not know. There is no

Government bureau or agency that he is unable to penetrate.

Endowed with a gracious personality, a quick, alert mind, tact, understanding and diplomatic sense, he has won a legion of friends in and out of public life and enjoys the respect and confidence of his associates, the constituency of his office and a wide range of public officials of every station.

I think a great deal of Gene Kinnaly and my feelings are shared, I am sure, by all of us in the Congress who know of the beneficial contributions he has made throughout many years of faithful service, and who deeply cherish his friendship.

A man of personal modesty and humility, he possesses many gifts that have been, as I have stated, invaluable to him in the performance of his duties.

Above all, he is a prodigious, tireless worker whose entire life has been assiduously dedicated to carrying the heavy burdens of one of the busiest and most vital political offices in the country, which has been for many years the nerve center of most important congressional and policy-making activity.

His initiative, his enthusiasm for his work, his unfaltering loyalty to the great American leader whom he personally serves, his self-sacrificing spirit, his perennial and good will and beaming nature, his good commonsense, are some of the more pronounced qualities and characteristics that have predominated the life's work of this able, zealous, and faithful public servant.

I rejoice with him, his family and his many friends on this occasion and I join very many officials and people in wishing for him and his dear ones in the time to come all the blessings and graces of good health, success and happiness that the good Lord may bestow. God speed and keep you, Gene.

ESTABLISHING A FORM FOR CERTIFICATION OF A MEMBER OF THE HOUSE

Mr. ROUSH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. ROUSH. Mr. Speaker, I have introduced a resolution to establish a rule of the House which would prescribe the form that the certificate of election to the office of Representative should take.

In talking with the Clerk of the House, I have learned that there is a wide variety of forms and certificates which are presented to him after each election. Many of them, he informs me, contain language which is not technically or legally correct. For example, in my State, the certificates of election certify that a person is elected to the office of "Congressman," an incorrect term for the office. It further specifies that the Governor of the State "commissions" him to be "U.S. Representative" from the certain district in the State. This, too, is in error, since the Governor has not the power to commission a person to a seat in this body. That is reserved to the Members of this House.

I use the example, the certificates of my State, but I understand similar discrepancies exist in the form of certificates from other States.

The Senate has for many years followed a rule which prescribes the form of the certificate of election which must be presented to its Secretary. In fact, the occasion of the interim election in Texas presented a further problem and the distinguished majority leader of the Senate has introduced a resolution to provide an additional form to answer this problem. I might add that the problem of the Texas election had nothing to do with the unusual political affiliation of the Senator-elect from that State, but with the date of his taking office.

The form of the certificate which I have proposed in my resolution follows closely the form now in use by the Senate. It would perfect the manner in which the records of the House are preserved and would fill a definite need. I ask prompt and careful consideration of this resolution by the committee.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent that the Committee on Science and Astronautics may have until midnight tonight to file a conference report on the bill (H.R. 6874) to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

THE LATE HONORABLE HERBERT CLAIBORNE PELL

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, it was with deep regret that I learned of the death of the Honorable Herbert Claiborne Pell, ex-Democratic Congressman from New York and the father of my good friend and esteemed colleague Senator CLAIBORNE PELL, of Rhode Island. I have been informed that Mr. Pell was stricken with an apparent heart attack at the age of 77 while vacationing in Munich, Germany.

Congressman Pell served with this body in the 66th Congress, having been elected from the 17th New York District. He continued to be active politically in the Democratic Party serving as Democratic State chairman in New York from 1921 to 1926 and as Democratic national campaign vice chairman when President Roosevelt ran in 1936. As temporary chairman of the Democratic national Convention in 1924 he opened the convention.

Mr. Pell was appointed by President Roosevelt as Minister to Portugal and to Hungary and he served as the U.S. member of the United Nations Committee for Investigation of War Crimes in 1943. In addition to his abundant activity in the interest of his own country, he has been decorated by many European governments. His awards included trustee, Legion of Honor of France; Grand Cross, Order of Christ, Portugal; commander, Crown of Belgium; Order of White Lion, Czechoslovakia; and grand officer, Order Couronne, de Chene, Luxembourg.

Only recently the Library of Congress named Mr. Pell as honorary consultant in French bibliography and in this capacity it was his function to advise the Library of Congress on the development of its collections in French literature and history.

The country has lost a great, dedicated public servant, and I join his many friends in extending deep sympathy to his family.

NATIONAL LOTTERY OF FRANCE

Mr. FINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, I would like to bring to the attention of the Members of this House the National Lottery of France. Critics of the idea of a national lottery often try to say that such a plan would not result to much in the way of profit. It has been claimed that only a small percentage of the gross receipts would find their way into the Treasury. The French National Lottery, however, disproves this belief.

In France, one-third of the receipts of the national lottery are retained as profit by the Government. In 1960, gross receipts amounted to $133.8 million. The profit to the Government was $42.1 million. Quite a tidy sum, and the French applied it to their general budget.

Here in America, billions upon billions of dollars are gambled away annually. Can anyone doubt that the hardpressed taxpayer would like to see one-third of this money pour into the Treasury?

PREMIUM BOND LOTTERY IN GREAT BRITAIN

Mr. FINO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, I am happy to note a recent report from Great Britain indicating that the premium bond lottery has pumped more than $1 billion into the British Treasury in 5 years.

In 1956, when the premium bond lottery was proposed, many proper Britons

expressed shock, but the tremendous success of this program has quieted criticism and turned the so-called national vice into a national virtue of thrift. Indeed, Britons are becoming so lottery-minded that sales of premium bonds are accounting for almost as much money as the immensely popular football pools.

Britain's premium savings bonds have turned the nation's penchant for gambling into a national asset. The prizes awarded to the holders of lucky non-interest-bearing bonds cost the Government less than the amount they might normally be expected to pay in interest. At the same time, these bonds are demonstrably more popular than those normal bonds which cost the Exchequer a good deal more. In instituting this shrewd program, the British Government has shown considerable wisdom.

We in America can profit from the British example if we too are successful in overcoming the pious protestations of intolerant hypocrites. A national lottery in the United States could turn our gambling urge into a national asset. Once instituted, a national lottery would quickly bring such benefits and gain such popularity so as to silence its bluenose critics.

How long are we going to keep our head buried in the sand? When are we going to wake up and realize the merit of controlling rather than hopefully disregarding gambling? Let us exchange the rose colored glasses of wishful thinking for the more accurate lenses of financial reality.

WILLIAM RANDOLPH HEARST, CONGRATULATIONS

Mr. SCHERER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHERER. Mr. Speaker, in February of 1957, the Committee on Un-American Activities heard the testimony of Mr. Chiu-yuan Hu. He was in this country at that time as a special adviser to the Nationalist Chinese delegation to the United Nations. He was a member of the Nationalist Chinese Legislature and a professor of modern history at National Taiwan University. Mr. Hu told the committee, among other things, that the Communist Chinese in order to further their subversive activities, resorted to the narcotics traffic by exporting large quantities to Japan, Southeast Asia, Latin America, and even the United States.

He said there were two purposes for the stepped-up narcotics drive of Red China into other areas of Asia: First, to get hard currency and, second, to weaken the morale or resistance of the people of Asia to Communist penetration and subversion. Since Mr. Hu's testimony, very little additional information concerning the Communists' use of narcotics in connection with their subversive activities was developed until Mr. Lee Mortimer, well-known and capable columnist of the New York Mirror, began his fearless exposé in his column.

At great personal risk Mr. Mortimer gathered evidence which has linked the international Communist conspiracy with the underworld traffic in narcotics. Mr. Mortimer's findings, of course, support the testimony and predictions of Dr. Chiu-yuan Hu given to the committee more than 4 years ago.

Mr. Speaker, I have been told that great pressures have been applied against the Hearst newspapers to prevent the publication of material gathered by Mr. Mortimer. I want to take this opportunity as a member of the House Committee on Un-American Activities to commend Mr. William Randolph Hearst, Jr., editor of the Hearst newspapers, for his good citizenship and fine courage in resisting these pressures by permitting the publication of this information so that the American people may understand this diabolical facet of the Communist operation.

PERMISSION TO ADDRESS THE HOUSE

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GROSS. Mr. Speaker, I rise to offer a privileged motion.

The SPEAKER. Does the gentleman desire to take the gentleman from Illinois off his feet when he is about to make a 1-minute speech?

Mr. GROSS. I did not know the gentleman had been recognized, Mr. Speaker.

The SPEAKER. The gentleman from Illinois has unanimous consent to proceed for 1 minute. The gentleman is recognized.

MORE COMMUNIST TAKEOVER

Mr. FINDLEY. Mr. Speaker, on July 12 the Acting Premier of Communist Poland praised U.S. technical and economic cooperation. And why not? He was speaking at the opening of a new $2.5 million steel-galvanizing production line, the gift of American taxpayers to the Communists.

In April the same man had led an anti-American rally in Poland.

The Commerce Department recently lifted a longstanding ban on the sale to Communist nations of farm products subsidized by U.S. taxpayers.

With one hand the American taxpayer donates a new manufacturing plant to the Communists and helps to feed them. With the other he spends $43 billion a year for arms to combat communism.

Why do we fight the Communists with one hand and help them with the other?

CALL OF THE HOUSE

Mr. MORRIS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently, no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 114]

Alford	Hébert	Powell
Alger	Holifield	Rivers, S.C.
Blitch	Kearns	Roberts
Bow	Kilburn	Rousselot
Boykin	Lankford	Scranton
Buckley	Mahon	Smith, Miss.
Cannon	Moeller	Walter
Davis, John W.	Moorehead, Ohio	Willis
Edmondson		
Granahan	Passman	

The SPEAKER. On this rollcall 407 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REORGANIZATION PLAN NO. 5 OF 1961—NATIONAL LABOR RELATIONS BOARD

Mr. FASCELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 328) disapproving Reorganization Plan No. 5 transmitted to the Congress by the President on May 24, 1961; and pending that motion, I ask unanimous consent that debate on the resolution may continue not to exceed 5 hours, the time to be equally divided and controlled by the gentleman from Michigan [Mr. HOFFMAN] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. HOFFMAN of Michigan. Yes, Mr. Speaker, I object; 5 hours debate is altogether too much. I do not understand. The House is very, very anxious to get up these other plans. I think we ought to limit debate today and get through with No. 5.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. HOFFMAN of Michigan. Yes, Mr. Speaker, I object.

The SPEAKER. Does the gentleman from Florida have another request?

Mr. FASCELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of House Resolution 328.

The SPEAKER. Does the gentleman desire to submit a request regarding control of the time?

Mr. FASCELL. My motion is limited to going into Committee of the Whole, Mr. Speaker.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. Mr. Speaker, under title 2, section 204 of the public law, paragraph (b) provides that such a motion may be made only by a person favoring the resolution. Is the gentleman from Florida in favor of the resolution, or does he disfavor the resolution?

The SPEAKER. Under the rules, the gentleman does not have to qualify in that respect on this particular motion.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that debate be limited to 3 hours.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, there is plenty of demand for time on this resolution. I think 5 hours is a reasonable period, so I shall have to object.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that debate be limited to 4 hours.

Mr. McCORMACK. I object.

The SPEAKER. Objection is heard.

Without objection, the gentleman from Florida and the gentleman from Michigan will control the time.

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Florida that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of House Resolution 328.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 328) disapproving Reorganization Plan No. 5 transmitted to Congress by the President on May 24, 1961, with Mr. DAVIS of Tennessee in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Florida [Mr. FASCELL] will be recognized for not to exceed 5 hours, and the gentleman from Michigan [Mr. HOFFMAN] will be recognized for not to exceed 5 hours.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have under consideration today the resolution, House Resolution 328, a disapproval resolution, resolved that the House of Representatives does not favor the Reorganization Plan No. 5 transmitted to the Congress by the President on May 24, 1961.

Mr. Chairman, when this matter was before the Committee on Government Operations, it was acted upon and the decision was by a straight party line vote. I would submit, therefore, for those who are interested in the political situation that the situation with respect to this proposal is quite clear, and so far as I am concerned I will make no further references to that because I cannot imagine why it would be of any further interest. I will, however, address myself at length to the legal problems involved under the reorganization plan itself, because the action of the Government Operations Committee is such that it favors the plan going into effect.

Now, Mr. Chairman, this is a short plan and there is usually, as the old saying goes, more in heat developed over a few words than over lengthy volumes. Whether the heat developed in this case is proper or not from a purely legal standpoint it is, in my judgment, extremely debatable, and as I say I will not question anybody's politics. With that predicate, Mr. Chairman, I would like to read the reorganization plan itself:

In addition to its existing authority, the National Labor Relations Board, hereinafter referred to as the "Board."

Right there, Mr. Chairman, let me insert parenthetically I think it is very well for us to recall that we have a General Counsel who is independent by statute and who has certain fixed authorities and responsibilities, and that this plan deals with the Board and not with the General Counsel.

Mr. Chairman, I was reading from the reorganizaiton plan itself:

In addition to its existing authority, the National Labor Relations Board, hereinafter referred to as the "Board", shall have the authority to delegate, by published order or rule, any of its functions to a division of the Board, an individual Board member, a hearing examiner, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting or other wise acting as to any work, business, or matter: *Provided, however,* That nothing herein contained shall be deemed to supersede the provisions of section 8(a) of the Administrative Procedure Act (60 Stat. 241), as amended.

At that point let me stop again to insert parenthetically that the Board deals with two classes of cases, representation cases and unfair labor practice cases. In the previous act of Congress we have already provided the authority for the Board to delegate its authority with respect to representation cases; and that has been done and has been in practice and is in the regional offices now; so this plan which is before us for consideration does not affect the General Counsel nor does it affect the representation cases before the National Labor Relations Board insofar as the delegation of authority is concerned. Therefore, this plan deals specifically and primarily with unfair labor practice cases, that is, adversary cases under the Board. Hence the importance of the proviso with respect to the applicability of 7(a) of the Administrative Procedure Act, which requires that in hearing cases the matter be heard by a trial examiner.

Subsection (b) with respect to the delegation of any of its functions:

As provided in subsection (a) of this section the Board shall retain a discretionary right to review the action of any subdivision of the Board, individual Board member, hearing examiner, employee, or employee board upon its own initiative—

That is, the Board's initiative—

or upon the petition of parties to or an intervenor in such case within such time and in such manner as the Board shall by rule prescribe.

I want to point out right here to those who are interested again in the pure law of the subject—and that might be a little bit boring to nonlawyers—that the word "shall" is used with respect to the requirement that the Board:

Shall prescribe by rule, the right for review, mandatory: *Provided, however,* That the vote of the majority of the Board less one member thereof shall be sufficient to bring any such action before the Board for review.

Subsection (c): Should the right to exercise such discretionary review be declined, or should no such review be sought within the time stated in the rule promulgated by the Board, then the action of any such division of the Board, individual board member, hearing examiner, employee, or employee member shall for all purposes including appeal or review thereof be deemed to be the action of the Board.

This language sounds familiar, because it has been in the other reorganization plans which we have heretofore considered, and you would think that most of the arguments and discussion with respect to the language and the applicability of that language would have been thoroughly discussed, but with respect to the particular operation of this Board perhaps it has not been; and so I would like to address myself to that question.

The Board itself approves this plan. One member of the Board is a former chairman of the Board in the last administration. He wholeheartedly approves this plan.

The theory of the plan has been supported by the American Bar Association, the chairman of the legislative committee, and the chairman of the legislative subcommittee, that is, Education and Labor and its National Labor Relations Board Subcommittee both supporting the plan.

Other groups, Mr. Chairman, and their position on this subject matter are the chamber of commerce, that oppose the plan, the National Association of Manufacturers that oppose the plan, and labor groups that generally support the plan. That is a complete roundup for the edification of the Members.

While there is some disagreement on the applicability of the provisions here, and there is some division of opinion politically, there is pretty general agreement on the fact that something needs to be done with respect to making it possible for this Board to render the kind of service the Congress intended it to render in the public interest, in the interest of the employer, and in the interest of the employee. There are some who want to say that this is not the way to do it, we ought to do it some other way, or this does not go far enough, we ought to do something else in addition. There are some who say this goes too far and we should limit it in some way.

All of these arguments may have a bearing on the eventual question of what are we, the Congress, going to do to help these regulatory agencies do the job. The Congress determined that they should do it in the public interest and set up this administrative system in order to make it possible. I am not going to get into the question at all with those who want to do away with the National Labor Relations Board altogether, because they do not like it for one reason

or other, or those who want to do away with the administrative setup.

We had a specific matter before our committee on the recommendation of the Executive which, in his best judgment, provided a means for improving and expediting the operations of these agencies. This is one of them. Within the framework of what was presented to us, within the limits of our jurisdiction and capability, we acted on what was before us. It certainly is not within our province to go beyond that, and I do not need to explain.

I would have no quarrel with whatever proposal anybody may have that might be brought up for consideration of the legislative committee or some other type of reorganization plan, its abolition or changes in the statute. That is well and good. But as far as I am concerned, these are not matters which are under consideration at this time by the House. I would hope that in the course of this lengthy dissertation and discussion of what seems to be an important and sensitive matter we may confine ourselves to the framework of the subject matter before us. I, for one, will certainly do that.

I was discussing the general agreement about something needing to be done. The National Labor Relations Board is no exception to the problems that have risen in our administrative field. We just seem to have grown like Topsy with respect to these matters relating to regulatory agencies. The National Labor Relations Board has become a prime example of an agency which has been literally overcome by a flood of work.

The total number of petitions and charges filed each year with the Board averaged about 14,000 during the first 10 years of the Taft-Hartley Act. Then the case load started soaring, and it is expected that over 22,000 petitions and charges will be filed in 1961. The total number of contested proceedings rose from 430 on June 30, 1957, to almost 1,100 on June 1, 1961. While the Board has been able to increase its production from 2,100 formal decisions in the fiscal year 1958 to 2,800 in the fiscal year 1960, Mr. Chairman, it has not been able to keep up with the tremendous increase in the number of matters sent to it.

Unfair labor practices cases—that is that category with which this plan specifically or primarily deals—now constitute the majority of cases filed with the Board. In the fiscal year 1957 there were 5,500 unfair labor practices cases filed. The figures through April of 1961 indicate the total of such cases in the fiscal year 1961 will exceed 11,700.

A current study shows that the median time from the filing of an unfair labor practice charge to a Board decision is 402 days—402 days, over 1 year. And, this is the median. Now, maybe the big guy does not need it. Maybe the big fellow can take care of himself, and perhaps the big guy is delighted with the fact that whatever his problem is, it is completely enmeshed in the turmoil and the delays of regulatory procedure.

Now, that may be great from the standpoint of a business advantage. It may be absolutely delightful from the standpoint of a labor union, but it is absolutely an impossible and intolerable condition when you apply it to the principal purpose, which is in the public interest, to resolve these matters as quickly as possible, expeditiously and fairly.

But, take the little guy who is faced with this problem, the little employer or the little labor union, and let him get enmeshed in this thing when he is not equipped financially or by desire to hire a battery of attorneys and accountants and auditors and other experts and get into this thing and embroil himself for a median time of 402 days.

Now, you may want to argue about it, you may want to disagree with me about it, but the logic of it is there stark with reality, because we know that that man is being killed, that employer or that employee organization is being killed by the very device which we, as representatives of the people, set up to help him in the public interest. If this kind of situation makes sense to somebody, the logic of it escapes me. I personally, Mr. Chairman, as well as the majority of our committee, feel that this plan under consideration gives us some reasonable opportunity to do something about this. I am the last one to claim that this is going to cure all of the ills; that what has been proposed will cure all of the regulatory and adjudicatory problems that this great growing Government and land of ours has. But, I think when we get through with the discussion, any fairminded person will have to admit or agree that there is some reasonableness in allowing the Board to take the action which this plan would allow it to take.

As I was saying, Mr. Chairman, current studies show that the median time from the filing of an unfair labor practice charge to a Board decision is 402 days. The period between the trial examiner's intermediate report and the Board decision consumed 195 of this total. Almost 400 additional days are consumed between the Board decision and the time an effective judicial decree compelling compliance with the Board action is issued. The total elapsed time of approximately 2¼ years from the time an unfair labor charge is filed to an effective judicial decree results, for practical purposes, in the denial of justice in many, many instances. As stated by the Advisory Panel on Labor-Management Relations Law (popularly known as the Cox Committee), which presented a report for President Kennedy on February 20, 1960, at the time he was Senator—this document I am talking about is "Organization and Procedure of the National Labor Relations Board," Senate Document 81, 86th Congress, 2d session:

> In labor-management relations justice delayed is often justice denied. A remedy granted more than 2 years after the event will bear little relation to the human situation which gave rise to the need for Government intervention.

In its report to the Senate, the Cox Committee recommended that the Board's review of examiners' decisions be made discretionary and that the trial examiner's reports be made final in all cases in which review is denied.

That is the crux of the present plan which is before us for consideration.

Testimony before the committee indicated that often the delays which occur under the act are the result of deliberate actions on the part of the attorneys for one or the other of the parties in a proceeding. I think we all recognize that fact, that good lawyers will take advantage of every procedural aspect if they feel their case is a little weak, or they need a little jockeying time, or for other reasons. I do not particularly condemn it, being a lawyer myself, but the fact is there, that as a matter of good legal practice, but perhaps as a matter of bad public service, a good lawyer will in the interest of his client rightfully take advantage of every technical procedural device and delay which is possible. I think everybody generally was agreed, Mr. Chairman, in discussing this matter, both in the committee and many with whom I have discussed it, that this question of time is really an intolerable situation and we ought, all of us, to try to come up with some answer.

The Chairman of the National Labor Relations Board, who presented the unanimous recommendation of the Board that plan No. 5 be allowed to go into effect, stated that the Board estimated that the 400-day median period now found in unfair labor practice cases before the Board could be reduced to 260 days in instances where a petition for full-scale Board review is denied under the plan. In cases where the petition is granted, the overall reduction of cases before the Board made possible by the plan would result in an estimated median period of 300 days, or a reduction of 105 days in that case. This would mean a savings in time of 140 days in the first instance and approximately 100 days in the second. Thus, even though the parties are determined to take their proceeding to the U.S. courts of appeals for judicial review, they will get there much faster under procedures which may be developed under the plan; because if they get the decision of the trial examiner, and under the mandatory requirement they follow the procedure for review to the Board, and the Board denies the full review, in that particular class of cases then the party, of course, would be entitled to file his petition for judicial review.

In discussing the possibility of the categories of matters, the Board said that Board review could thus be limited to cases in which there are, in the judgment of at least two members of the Board, demonstrable errors of fact or failures to afford fair procedure, and to cases presenting substantial, novel, or important questions of law or administrative policy.

In all other cases where the board review is not sought, as, for example, under the present law, if exceptions are not filed to the trial examiner's decision, under present law that decision becomes final. I believe it is in 24 percent of the cases that no action was taken from the trial examiner's decision. They are allowed to become final under the present law. As in that case under the present

law, under the proposal the applicant could go directly into a judicial review. In that case certainly this plan would make no difference whatever.

I want to repeat that. In other words, if a decision becomes final under the present law the applicant can go directly into the circuit court of appeals on a petition. Under the proposed plan, if a decision becomes final by the trial examiner the applicant can go by petition into the circuit court of appeals for a judicial review.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield.

Mr. HOFFMAN of Michigan. Will the gentleman explain that a little bit more? I just do not understand it.

Mr. FASCELL. I will be very happy to do so. The gentleman from Michigan has asked me that question. I welcome the opportunity to discuss it in great detail.

Mr. HOFFMAN of Michigan. I knew the gentleman would, and more at length, please.

Mr. FASCELL. And a little slower.

So as I was saying, Mr. Chairman, as the gentleman from Michigan has requested me to say——

Mr. HOFFMAN of Michigan. I want to be helpful, if the gentleman will yield.

Mr. FASCELL. The situation is exactly the same under the present law and under the proposed law with respect to the right to judicial review when a decision becomes final by the trial examiner.

I want to recall to you that in setting up the category of cases under the plan the Board must set this up by published order and rules. The plan says "shall prescribe the method." Then there is a very important proviso which says that two members of the Board may bring the matter before the entire Board for full review. So that while under the proposal under published rule or order you might have a review procedure in the nature of certiorari in which the Board in exercising its discretion would refuse to grant full review, nevertheless protection is provided in the plan that any two members could bring it to the full Board for full review.

Under the present plan in those cases heard by the trial examiners in which the applicant disagrees he files his exceptions and goes to the Board and obtains a full review. The difference therefore between the existing law and the proposed plan very clearly is only in relation to that class which the Board by published rule or order would designate by a certiorari type of review, and in the denial of the full review the action of the trial examiner would become final.

Otherwise, all other cases would follow exactly the same administrative practice and procedure which is now followed, and that is it would go to the full Board for a full review, after which the applicant would be entitled to the same right for judicial review. So in that case we have not and do not disturb in any sense the applicant's substantive rights.

There seems to be considerable question, Mr. Chairman, and certainly I was very interested in it myself and interrogated on this question in committee and pursued the matter subsequently, as to the review rights of the applicant to determine just how major this thing was and what changes it made, which some groups have said would in some way, which has frankly escaped me, destroy labor-management relations or give some great advantage to labor unions which they do not now enjoy, or in some other way be detrimental. Now I know how it is easy to make these kinds of statements to whip up a little enthusiasm in the right places in order to have something to hang hats on, and I will not quarrel with that at all. But, I believe we can very dispassionately determine the question as a matter or law and, therefore, I seek to do this in good conscience and for the legislative record so that there will be no question about it if it becomes a matter of judicial interpretation, and to those who would be willing to be swayed by my logic and by my citations, I welcome the opportunity to have you join my persuasive position.

Review of the Board's final orders in the courts of appeals is provided, as those of you who are on the legislative committee and as those of you who are labor law practitioners realize in sections 10(e) and 10(f) of the National Labor Relations Act. Since this is the heart of the divergence of opinion on which it is alleged that reasonable men could differ, I believe it is important to place in the RECORD the exact language. I am reading now from section 10(f) of the Labor-Management Relations Act, as amended, in 1959:

> Any person aggrieved by final order of the Board granting or denying, in whole or in part, the relief sought may obtain a review of such order in any supreme court of appeals of the United States in the circuit court wherein the unfair labor practice in question was alleged to have been engaged in or wherein such person resides or transacts business or in the United States Court of Appeals for the District of Columbia by filing in such court a written petition praying that the orders of the Board be modified or set aside.

Mr. FASCELL. I now yield to the gentleman from Michigan.

Mr. GRIFFIN. Perhaps the distinguished gentleman from Florida will allow me to use some of his time in order to make the record a bit more complete. Would the gentleman agree with me that the Labor Management Relations Act also provides that no argument or objection that has not been urged before the National Labor Relations Board will be considered upon review by the court of appeals unless the failure or neglect to urge such objection before the Board is due to extraordinary circumstances?

I ask that question because the gentleman from Florida observed earlier that, under the present law, a litigant can refuse or fail to file exceptions with the Board, thereby allowing the intermediate report of the trial examiner to become final, and then go directly to the court of appeals without going to the Board. Of course, the gentleman is technically correct. But if the litigant should fail to file exceptions with the Board as to findings made by the trial examiner, he would, I believe, waive his right to make an argument on those points before the court of appeals. Is that correct?

Mr. FASCELL. The gentleman is very correct, but if I had a lawyer who did not look after my interests any better than that I would get myself a new lawyer.

Mr. GRIFFIN. I just wanted the point established.

Mr. FASCELL. It is possible for a lawyer to make that kind of argument, but I am not thinking of that kind of case. Ordinarily, the lawyer would protect the rights of the litigant by filing a petition with the Board in the nature of certiorari, or review, or whatever pleading is necessary for him to protect his client, drawn in the broadest terms.

Mr. GRIFFIN. I think we can agree. The fact is that although a litigant technically can circumvent the Board and appeal directly to the courts, in actual practice he might be very foolish to do it. Let me draw attention to another part of this same section of the law relating to rights on appeal.

Mr. FASCELL. Will the gentleman tell me what section he is referring to?

Mr. GRIFFIN. I refer now to a portion of section 10(e) of the Labor-Management Relations Act of 1947, and I quote:

> The findings of the Board with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall be conclusive.

It is very important to understand, with respect to the right of review, that plan No. 5 proposes to elevate what is now referred to as an intermediate report by a hearing examiner to the status of a final and binding judicial decision, from which there would be no review by the Board except at its discretion.

Earlier, I believe that the gentleman from Florida indicated that plan No. 5 provides for a mandatory review. But section 2 of the plan says merely that "the Board shall retain a discretionary right to review." It should be emphasized that this is only a discretionary right of review. For example, it is not likely that the Board, in its discretion, would review and upset the findings of fact made by a hearing examiner if there were substantial evidence in the record to support them, and such findings by a trial examiner would then be conclusive as to the court of appeals. I believe that this is a very important point which should be kept in mind.

Mr. FASCELL. I am glad the gentleman brought that point out. It is exactly the law as the gentleman read out of the National Labor Relations Act and as I developed the matter by further discussion. I will submit for the record that we do not change that law in any aspect. As a matter of fact, I may state it right now, that section 10(e) of the Taft-Hartley Act is not dealt with; and, therefore, whatever determination is made by law in that section is still the law. The gentleman is absolutely cor-

rect with reference to the criteria established by the Taft-Hartley Act.

But that does not change the situation in any respect of the applicant's rights under the plan. I would hope to develop that in order to answer or to make clear the discussion which the gentleman has brought about, because I agree with him this is the main difficulty or the main point of objection by some people.

Mr. GRIFFIN. If the gentleman from Florida will yield further, let me emphasize my point by saying that, at the present time, a trial examiner could make a finding of fact which might be supported by substantial evidence in the record, but not by the preponderance of such evidence. As I understand it, the litigant could now file exceptions and obtain a de novo review of the case by the Board.

Mr. FASCELL. I will have to correct the record right there. I do not agree with the gentleman at all. While the gentleman is entitled to his own opinion and interpretation, I want the record clear that I do not agree with him.

Mr. GRIFFIN. If I may go on, a litigant, at the present time, can obtain a de novo review in an unfair labor practice case by the Board. Under the existing law, a finding of fact by the Board, if supported by substantial evidence is conclusive on the court of appeals. But under the proposed reorganization plan, we would be cutting out an important right which a litigant now has to have findings of fact reviewed by the Board.

Mr. FASCELL. I do not want to yield further on that point because I want to have the record clear that I do not agree with the conclusion of the gentleman as a matter of law on that point. I want to develop it right now.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Virginia.

Mr. POFF. Under the present law it is true, is it not, that a party litigant has the mandatory right of review by the Board in unfair labor practice cases, and in so-called representation cases, the right of appeal is discretionary with the Board.

Mr. FASCELL. Will the gentleman restate his question again?

Mr. POFF. Under the present law a party litigant has a mandatory right of review——

Mr. FASCELL. Right there. Will the gentleman give me the section of the law on that, not what he guesses?

Mr. POFF. I was coming to that. A party litigant has the mandatory right of review in unfair labor practice cases as distinguished from representation cases. In the latter type of cases the right of review is discretionary with the Board upon a majority vote of the Board.

Mr. FASCELL. And also, as I understand it, and we can get the exact law so that we may resolve our differences, an applicant has a right to file exceptions to the trial examiner's report.

Mr. POFF. In unfair labor practice cases he is entitled as a matter of law to a review by the Board. Under the reorganization plan, he will no longer enjoy that mandatory right. Rather, the right will be dependent upon a vote of at least one less than a majority of the Board.

Mr. FASCELL. I am not sure that the gentleman is quoting the statute.

Mr. POFF. I can assure the gentleman I am.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Michigan.

Mr. MEADER. Section 10(c) of the Labor Management Relations Act of 1947 reads, in part, as follows:

> The testimony taken by such member, agent or agency, or the Board shall be reduced to writing and filed with the Board. Thereafter, in its discretion, the Board upon notice may take further testimony or hear argument. If upon the preponderance of the testimony taken the Board shall be of the opinion that any person named in the complaint has engaged in or is engaging in any such unfair labor practice, then the Board shall state its findings of fact and shall issue and cause to be served on such person an order requiring such person to cease and desist from such unfair labor practice, and to take such affirmative action, including reinstatement of employees with or without backpay, as will effectuate the policies of this act.

Now, under the law, as I interpret the act which I have just read, the findings of fact are actually the act of the Board itself, based upon testimony taken by a trial examiner and covered in his intermediate report, which automatically goes to the Board. The findings of fact are made by the Board and not the trial examiner. He simply makes a recommendation.

Now, this reorganization plan would authorize the Board to vest in a trial examiner the power of the Board to issue a cease and desist order and to order reinstatement with backpay. Therefore, it seems to me that the gentleman from Virginia is making a point, although I do not like to call it an appeal, because at the present time the trial examiner does not make an order.

Mr. FASCELL. Except that the trial examiner's decision under the present law becomes final if exceptions are not filed in 20 days. So, largely in those cases it is exactly the same except in one respect.

Mr. MEADER. Mr. Chairman, will the gentleman yield further?

Mr. FASCELL. I will not yield further until I am through with a full explanation of my point, and then you gentlemen can go on and develop it.

Certainly, the purpose of the plan is, in a certain class of cases, by published rule and order, to prevent full review in every case. I read the testimony of the chairman of the Board that this was the principal purpose of the plan. It is abundantly clear that this is the whole purpose of the thing, and that is to provide authority in the Board by published rule and order to make it possible for them to turn down full review in a certain class of cases designated by them and to make the trial examiner's decision final in the same way as the Board's decision becomes final; in the same way that under the present law the trial examiner's decision now becomes final when exceptions are not filed within a 20-day period; in the same way the applicant can go to court for a judicial review.

Now let us go back to the question of fact and findings and see what changes have been made as a matter of law; not interpretation. First of all, on the question of whether or not the plan will affect judicial review, in those cases where the Board, in exercising its discretion, determines not to review the trail examiner's findings and conclusions, under the published rules and regulations and procedures the decision of the trial examiner becomes final. The same review procedures will be available to the parties under the plan as are now available. Thus, a court review directly from the trial examiner's decision or intermediate report will be and is a matter of right, just as a court review from the Board's decision and order now is. In other words, the plan makes the trial examiner's decision final in those cases where the Board declines to review it and it becomes the Board's action.

Now, as to the scope of such review—I am talking strictly now about judicial review and lay aside for the moment the question of the intermediate administrative step of going to the full Board for full review; I am talking now about simply the scope of the judicial review. Is there any difference in that? Of course, the answer is "No." As to pure questions of fact, the statutory standards as construed by the Supreme Court are found in cases such as *Universal Camera Corporation* v. *NLRB* (340 U.S. 474).

As in the case of the *National Labor Relations Board* v. *Pittsburgh* (SS 340 U.S.C. 498), it will be the same with respect to trial examiners' factfindings as with respect to Board factfindings, because we make the examiner's action the action of the Board. That is the present law now. That is where no exceptions are filed.

Mr. MEADER. I wonder if the gentleman would yield on that point?

Mr. FASCELL. I yield to the gentleman from Michigan.

Mr. MEADER. Is the gentleman not familiar with Supreme Court decisions and lower Federal court decisions which hold that these boards are experts in their field and that the courts do not wish to substitute the judgment or reaction of the court to the evidence, because, they say, there is an expertise in these boards, and that therefore the facts found by these experts, so-called, are even of greater binding effect than a court finding or a jury finding in a regular civil suit.

Mr. FASCELL. I am familiar with the cases. I do not agree with the gentleman's conclusion. I have respect for him as a lawyer and an able colleague on the committee, but I must remind the gentleman—and I will recite the cases when we get to them—that is not now the sole criteria. There is a greater responsibility on the court in reaching a decision, and I will get into those cases.

Now, to the extent that the erroneous findings are based on credibility determination, the Board itself has utilized the rule that the findings will not be overturned unless clearly erroneous. That is the *Standard Dry Wall Company* (91 NLRB 544, 188 Fed. 2d 362).

Right on that point we were just discussing, to the extent that the erroneous findings are based on credibility determinations, the Board itself has utilized the rule that the findings will not be overturned unless "clearly erroneous," following in substance the Supreme Court's dictate in the Pittsburgh case, because a credibility finding of the trier of the facts should not be reversed unless it "carries its own death wound" (337 U.S. 360). There is no change in that criteria.

For practical purposes this has resulted in the affirmance by the Board of trial examiners' credibility resolutions in the vast majority of the cases. So, there is no change made in that law at all by this plan—none. There cannot be. That is case law, and the courts of appeals have been equally loath to disturb credibility resolutions.

I should like to give citations for the record in case anybody really wants to rack this thing up. *NLRB* v. *Dinion Coil Company, Inc.* (201 Fed. 2d 484), and there are some others: the South Land Manufacturing case, the Philadelphia Iron Works case, and the Cambria Clay Products case.

I gave these citations: *Dinion Coil Co., Inc.* (201 F. 2d 484); *Southland Mfg. Co.* (201 F. 2d 244); *Philadelphia Iron Works* (211 F. 2d 937); and *Cambria Clay Products* (215 F. 2d 48).

For practical purposes this has resulted in the adoption of the trial examiners' credibility resolutions in the vast majority of cases under their own adopted standard, and the court of appeals have been equally loath to disturb the credibility resolutions.

It is a fact, under the general rule of law with which we are all familiar, that that appellate court is going to be very reluctant to disturb the findings of fact made by the trier or the jury, who saw the witnesses, who heard the witnesses, and who were personally present. They are not going to substitute the cold record in the judgment on review. For that, that is the present law. We do not change that in any respect. So how does the applicant get hurt?

Let us not forget this, either. Under the act itself we do not have the right of trial de novo. You do not have the trial de novo administratively. Yes, you have the review on the record, but even the act says, as it certainly should as a matter of good law, that either party may apply to the court for leave to produce additional evidence. We know what the general rule of applicability is with respect to production of additional evidence on review. You are going to have the substantial grounds laid down in the statute to get that additional evidence to the court.

If you are going to follow good judicial practice, some place you have to have a trial. That is elementary. We have it now with the trial examiner, and we do not change it under the proposal. We still have ample safeguards both on judicial review and on administrative review.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Michigan.

Mr. GRIFFIN. If I understand the point the gentleman was making, he cited several cases which indicate that the Board and the courts are loath, as I believe, to refuse to follow determinations by the trial examiner with respect to the credibility of a witness? The gentleman was referring to the credibility of a witness, is that the point?

Mr. FASCELL. The credibility resolution, that is right. In the testimony that is to be resolved.

Mr. GRIFFIN. Can we understand and agree that determination as to the credibility of a particular witness and certainly a hearing examiner who saw and heard the witness testify would be peculiarly qualified to make such a determination is a different matter than a finding of fact based on the record. At the present time it is my understanding that the Board, in most cases, may accept a resolution by the trial examiner with respect to credibility, but the Board will still afford a complete and full review of the record. Even though there might be substantial evidence in the record to support a finding of fact made by a trial examiner, if the preponderance of evidence in the record entitled to credibility indicated a different conclusion, the Board could alter or reverse the finding of fact made by the trial examiner. Is that correct?

Mr. FASCELL. I had not gotten that far in my discussion, but I will say for some years now there has not been the reluctance in the courts to make a different finding of fact. And I will say to the gentleman, there is a difference between a determination and an evaluation and a resolution of credibility. There is no question about that, and there is no argument about it.

Now getting back to the question of judicial review for a moment:

> Direct review of a trial examiner's report insofar as credibility resolutions are concerned then is in the same posture as review after Board consideration.

If the Board is loath to do it, the courts are loath to do it.

In neither situation is it likely that the credibility resolutions will be overturned, but if the Board would have been able to apply its "clearly erroneous" test to reverse the credibility resolution, the court would be equally able to reverse the resolution under the criteria which I read earlier in the Pittsburgh case.

The CHAIRMAN. The gentleman from Florida has consumed 1 hour.

Mr. FASCELL. Thank you, Mr. Chairman, but I would like to finish this particular presentation on this point.

The CHAIRMAN. Without objection, the gentleman may proceed.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. FASCELL. Mr. Chairman, I am very appreciative of the solicitude of my colleague. I will say I probably will not need it because I will be happy to let somebody else talk as soon as I am through with this point that I am making with respect to judicial review, and also getting into the question of the administrative review. I just want to take the time to be as explicit as I possibly can with respect to my own position and the majority position of the committee with respect to the legal matters. As I say, I leave it to everybody who wants to use their own best judgment to use any excuse to hang their hat on, but as far as the law is concerned, I want to be as reasonable and as logical as I can to hang my hat and make my decision on that question.

Now the factfindings that involve not credibility resolutions, but evaluation of evidence and the drawing of inferences from undisputed facts or facts resulting from credibility resolutions, would be no different from direct review of a trial examiner's intermediate report and review as it presently stands after Board decision and order, because his action, that is the trial examiner's action, is final and it is in the same position as a matter of law on noncredibility resolution matters as it is now in those cases where you either have a Board decision affirming the findings of the trial examiner or you go directly into court, because no exceptions have been filed with the trial examiner's report within the prescribed period of time.

So you have absolutely no distinction as a matter of law.

In both situations, Universal Camera case, and I gave the citation earlier, standards will apply, even if the courts of appeal tend to give more weight to a Board factual finding that is the same as a trial examiner, as they do to a Board reversal of the facts found by a trial examiner—for the very same reasons I have already ascribed. See *N.L.R.B.* v. *Thompson Company* (208 Fed. 2d, p. 743–746) where the circuit court judge, Learned Hand, pointed out:

> Over and over again we have refused to upset findings of an examiner that the Board has affirmed not because we felt satisfied that we should have come out the same way had we seen the witnesses, but because we felt bound to allow for the possible cogency of the evidence that words do not preserve.
>
> We do not see any rational escape from accepting a finding unless we can say that the corroboration of the last evidence could not have been enough to satisfy any doubts raised by the words, and it must be owned that few findings will not survive such a test.

I think the Universal Camera case mandate that the courts must now assume more responsibility for the reasonableness and fairness of the Labor Board decisions than the same courts have shown in the past has permitted the courts to refuse to accept findings of fact by a Board examiner.

I have a whole list of citations that I shall put in the RECORD.

We do not change that rule of law in any way. We all know and admit that you do not get a trial de novo where you can adduce all your evidence all over again—we do not want to.

That last statement I made dealing with the courts assuming responsibility and so forth is supported by the following citations: *N.L.R.B.* v. *Walton Company* (285 Fed. 2, 26); *N.L.R.B.* v. *Gibbs Corporation* (284 Fed. 2, 409); N.L.R.B. against Rickel Bros.; N.L.R.B. M–2153; and a whole host of others. Anybody can have them if they are interested in the cases.

Mr. Chairman, I have been cautious and explicit and have laid down the citations with respect to the rules of law because I believe any fairminded lawyer believes, and I certainly hope that fairminded laymen will join us—and agrees that the plan in no sense changes the criteria or standard of case law with respect to judicial review. If it does, and we have tried to be very careful and cautious about this thing, we would like to have a citation submitted for the record so we can get a clear interpretation of this matter in the legislative record and so that the congressional intent will be clear; and it is clear as far as the committee is concerned and as far as the gentleman from Florida is concerned who is now speaking, that we do not expect by this plan, nor do we intend by this plan in any way to affect, these substantive judicial rights of an applicant.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield.

Mr. GRIFFIN. Is the gentleman in a position to do so? Will he kindly tell the House upon what grounds will the NLRB review a decision by a hearing examiner if this plan No. 5 should become law?

Mr. FASCELL. First of all, as the gentleman knows, under the plan with respect to the question he has raised on the discretionary right of review:

> It will be done within such time and in such manner as the Board shall prescribe by rule.

I understand the gentleman's point. He has asked a question that is very clear. The Chairman of the Board discussed this very matter.

Mr. GRIFFIN. Never mind what the Chairman of the Board has said. The fact is, of course, that we do not know at this point on what grounds, or when, or in what cases the Board, in the exercise of its discretion, would actually review a case. The only thing we do know is that a majority of the Board, less one, could vote to take up a case. But that is the only thing that we are sure of so far as review by the Board is concerned.

Mr. FASCELL. No. We know several other things besides that.

First of all, I agree that a rule has not been published as yet. The plan provides that the Board shall have the right to publish that rule, but we have not let the plan go into effect, so the Board cannot publish a rule.

Mr. GRIFFIN. Will the gentleman permit this observation?

I believe he made the statement this plan in no way upsets the right of review.

Mr. FASCELL. Wait a minute. I did not make that statement.

Mr. GRIFFIN. The right of judicial review?

Mr. FASCELL. I did not even make that kind of a statement.

Mr. GRIFFIN. That was my impression.

Mr. FASCELL. I am sorry the gentleman got that impression. But go ahead and ask your question.

Mr. GRIFFIN. Regardless of what rules the Board may be applying now, and notwithstanding the decisions cited by the gentleman from Florida, the fact is that we do not know now what the Board will determine or what rules it will promulgate from time to time with respect to Board review—if plan 5 should go into effect.

Mr. FASCELL. The gentleman may be correct. The gentleman does not know, nor does he have any way of knowing, what the Board is going to do tomorrow.

Mr. GRIFFIN. That is true.

Mr. FASCELL. I do not know what the Board is going to do tomorrow or the day after or after we pass another plan.

Mr. GRIFFIN. We know at the present time that litigants can have an unfair laobr practice case decided by the Board.

Mr. FASCELL. Wait a minute. That may be true, but you also have a chance to be heard under the plan. So I cannot see where that is any great point.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Illinois.

Mr. PUCINSKI. I wonder if the gentleman from Michigan who raised the initial question on this point would like to refresh my recollection as to whether or not any specific procedures for review were provided in the 1959 Labor Reform Act.

Mr. GRIFFIN. That is a good question, and I intended to cover that point at length. As a matter of fact, in 1959 this matter of the caseload of the NLRB was reviewed by the Congress. In the labor law passed in 1959, this Congress decided that the NLRB could delegate the handling of representation cases to regional directors of the Board. But R cases, as they are called, are not adversary proceedings and do not involve the award of huge amounts of money. As to representation cases only, Congress in 1959 authorized the Board to delegate its power to regional directors and to retain a discretionary right of review.

Mr. PUCINSKI. The gentleman is setting up a specific procedure under that rule.

Mr. GRIFFIN. No. The Congress was willing to grant to the Board that much power in representation cases only.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman is making a very lengthy and enlightening statement. I am sure we are all interested in it. But since this matter of review has come up, I do not know who advised President Kennedy or who wrote the message of transmittal up here, but it contains a very seriously mistaken assumption. As the gentleman knows, the provision for determination of the right of review can be by a majority less one. That in the transmittal message is referred to in these terms:

> Provision is also made, in order to maintain the fundamental bipartisan concept in the basic statute creating the Board, for mandatory review of any such decision, report, or certification upon the vote of a majority of the Board, less one member.

The fact of the matter is that there is nothing in the basic statute that makes the NLRB bipartisan. It happens by sheer accident that there are presently two Republicans on the Board and three Democrats. Some Democrats were appointed by President Eisenhower to maintain the bipartisan aspect, but there is nothing in the basic statute that requires it. As a matter of fact, the terms of the two Republican members run out in 2 years, and if President Kennedy saw fit he could have all Democrats on the Board. So this provision that apparently was put in here to safeguard in some measure the rights of people who might seek a review is absolutely meaningless.

Mr. FASCELL. I would not want to disagree completely and fundamentally with the distinguished minority leader, but I am going to take a little piece.

First of all, I did not read any reference to a statute with respect to the bipartisan aspect of the Board. I agree completely it is entirely possible to have two members wearing three blue feathers and all be Democrats.

It is entirely possible. I will not argue about that. Now, I would say this, if there are some objections about that possibility, we ought to investigate the statute by which this was created, and that is fine; that is OK with me; but I do not want to get into that now. I have enough trouble just talking about Reorganization Plan No. 5.

Mr. HALLECK. The only reason I brought up the point at all is that we are talking about review and it is highly important that we consider it. Now, here it is obvious that this plan and the transmittal of the plan proceeded upon an assumption that is not valid. It proceeded upon the assumption, as the words clearly indicate, that the basic statute creating the NLRB provided for bipartisanship, which would mean no more than three members of any one party. I bring that up because it seems to me there are many other reasons why this plan should be defeated, many good reasons, but that is certainly one, because whether you think the statute should be that way or not, the fact of the matter is that many of these quasi-legislative independent agencies of the Government are bipartisan in their character by statute, and the NLRB is not in that category. So, the presentation that is made here in support of this plan, which undertakes to protect the rights of the minorities in rights of review, just is not valid and cannot be sustained.

Mr. FASCELL. Well, I can feel for the minority leader's position, and I sympathize with him completely, and maybe if I was in his shoes, I would say

the same thing; I do not know. But on the basis of what it says, both in the transmittal and what the plan says, the gentleman is absolutley and eminently correct with respect to the possibilities of membership on the Board. But, that is the present law. We do not touch it. It may not be the law tomorrow; I do not know. And, if it is a big problem on your side, maybe we should discuss it in the legislative committee. But, that is not an issue with respect to this particular plan on the question of judicial review, No. 1, because I submit the record is abundantly clear that we do not affect judicial review in any sense. And, this is the primary issue, the right of the applicant to be heard in court.

Now, I am going to submit before we get through here that on the question of administrative review, that what we have said is in the plan is exactly what it does by case law and nothing else.

I think it is appropriate at this point on the question of administrative review to reemphasize again, now that I have terminated as far as I am concerned my part of the discussion dealing with the question of substantive rights and judicial review, to clarify our position with respect to the rights of administrative review, in those categories of cases where by published rule the Board retains the right of review; in other words, where it is not discretionary. We do not exercise any discretionary right, whatever those cases may be; however, they are provided for by rule.

But in that class where there is no discretionary right exercised, the right of the applicant is no different administratively than it is now because, after all, the plan deals strictly with the power of the Board to provide for discretionary review in the class of cases which by rule it adopts.

Now, obviously in those classes of cases not covered by the rule there cannot be any change in the administrative right of review by the applicant which means, therefore, that in those classes of cases where discretionary right of review has not been reserved by a rule, the applicant can on the filing of exceptions go to the full Board for "full review on the record." If under the present law he is entitled by rule, practice, procedure, case law, statute or otherwise to adduce additional evidence at that time, he may do so under the plan. With respect to those cases where the Board reserves the right of discretionary review by published rule or order and pursuant to the plan must establish the procedure, the applicant in that case in disagreeing with the findings of the examiner will file his exceptions pursuant to the published rule and order, and the Board reserves unto itself pursuant to that rule the right to review that case, in the nature of certiorari. In those cases it is true that the applicant will not have "full review on the record" by the Board provided, however, pursuant to the rule and regulation, following the procedure laid down therein, he can get two members of the Board to bring it to the full Board. And that is mandatory. And even in those classes of cases the applicant has a right to go to the court on the refusal of the full Board to hear his case on a petition. I do not know why he would want to do it, but if I were the lawyer I would take it up on every order, depending on whether I was winning or losing the case, of course.

Mr. MORSE. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Massachusetts.

Mr. MORSE. Will the gentleman agree that the fundamental law, be it the Wagner Act, or the Taft-Hartley Act, provides that in the last category of cases to which the gentleman addressed himself, the Board is required to review the record?

Mr. FASCELL. I am sorry, but I did not get the full import of the gentleman's question. Will he repeat it?

Mr. MORSE. Does the gentleman agree that the fundamental law, be it the Wagner Act or Taft-Hartley Act, in that category of cases to which the gentleman last referred——

Mr. FASCELL. You mean where the Board has reserved the right of discretionary review?

Mr. MORSE. In the unfair practices cases; that is correct.

Mr. FASCELL. Yes, sir.

Mr. MORSE. That the Board is required to review the record of the hearing examiner upon filing of exceptions?

Mr. FASCELL. Did you ask me did I say that?

Mr. MORSE. No. Does the gentleman agree that the fundamental law now requires that?

Mr. FASCELL. I think the practice is that on the filing of the exceptions, they are so general in nature that the Board as a matter of practice has granted full review on the record.

Mr. MORSE. Does the gentleman have familiarity with section 10?

Mr. FASCELL. I do not know, but if I do not you can read it to me.

Mr. MORSE. I do not think I need to do that, because I think the gentleman would agree, and I ask again the question of the gentleman as to whether or not——

Mr. FASCELL. I just told you what I thought. I do not have to agree with you. I just told you what I thought.

Mr. MORSE. Let me give you the question: Does the fundamental law require the National Labor Relations Board in unfair labor practice cases to review the testimony adduced before the hearing examiner, and his findings upon exceptions by one of the parties?

Mr. FASCELL. The gentleman forgot to put in that question, if the gentleman will permit me, "in full on the record."

Mr. MORSE. Yes.

Mr. FASCELL. I believe, as I have stated before, that in the filing of exceptions they are so general in nature that as a matter of practice the Board has allowed or granted or made or performed full review on the record.

Mr. MORSE. For the simple reason that the Board and only the Board has authority to enter orders in unfair labor practice procedures.

Mr. FASCELL. I am not arguing that point. I do not enter the orders.

Mr. MORSE. Therefore, it seems to me that the gentleman does agree that the fundamental law so provides this right.

Mr. FASCELL. I did not say that at all. For the third time I am going to say it. Let the gentleman read it to me, if he wants to. I told the gentleman what I thought, that the exceptions are so general in nature that as a matter of practice the Board has performed or made or granted full review on the record. I cannot say it any clearer than that.

Mr. MORSE. Is that not because of the fact that the fundamental law vests that power in the Board and in no one else?

Mr. FASCELL. If the gentleman thinks so right now, read the section of the law into the record.

Mr. MORSE. If the gentleman will bear with me I will read the entire section 10. It will take 3 hours.

Mr. FASCELL. I am through right now. As a matter of fact, I am ready to sit down right now. In fact, I think I will. I yield the floor, Mr. Chairman.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. BENNETT].

Mr. BENNETT of Michigan. Mr. Chairman, I have today introduced a bill to require the Federal Communications Commission to take effective steps at once to improve a deplorable condition which has existed since the birth of broadcasting in 1920.

Since most attention in the field of broadcasting seems to be focused these days on television, we tend to forget the fact that millions of Americans still depend on standard broadcast stations for entertainment and information.

It is appalling to realize the undisputed fact that almost 60 percent of the land area of the continental United States, in which over 25 million rural and small town Americans live, do not receive today even one acceptable nighttime groundwave signal although we have about 2,000 full time broadcast stations. Equally appalling is the fact that additional millions of Americans have only a very limited choice of acceptable nighttime groundwave signals.

The many millions of residents of the vast radio "desert" must depend on skywave signals of class I stations for either their only nighttime radio service or for any choice of nighttime radio service. Because of the present power limitation of 50 kilowatts imposed by the rules of the Commission, the skywave signals received by these woefully underserved Americans are not of sufficient strength to provide a reliable service.

This situation is not a newly discovered one. It has been recognized since the infancy of radio. The Federal Radio Commission, which was created in 1928 to bring technical order out of the then existing chaos, promulgated an allocation plan in 1928 which set aside 40 clear channel frequencies, on each of which only 1 station was authorized to operate at night, in order to provide a means of rendering service to rural

and smalltown America. It was soon acknowledged that areas remote from large cities were receiving inadequate service, in terms of signal strength, and hearings were held before the successor Federal Communications Commission in 1936 and 1938 for the purpose of determining what could be done to improve the admittedly inadequate broadcast service rendered to rural areas. The evidence adduced at these hearings showed conclusively that from an engineering viewpoint service could be improved where needed only by first, keeping a maximum number of frequencies "clear" or free of nighttime use by more than one station and second, authorizing higher power for all clear channel stations. In spite of this, the Commission did nothing between 1938 and 1945 to improve service. Instead, service was further degraded by reducing the number of clear channel frequencies from 40 to the present 25. Actually only 24 frequencies are "clear" and free of nighttime duplication within the continental limits of the United States and one of these is duplicated in Alaska. The Commission also continued in effect its rule limiting the power of clear channel stations to 50 kilowatts, even though higher power, which was authorized by the act and by the applicable treaties, was the only means of improving service in underserved areas.

In 1945, the Commission commenced, on its own motion, a third "Clear Channel Hearing"—docket No. 6741—designed to find ways of improving service to the millions of rural and smalltown Americans living in admittedly underserved areas. Again the evidence showed conclusively that service could be improved to the rural areas only by, first, keeping all class I–A clear channel frequencies free of nighttime duplication and, second, authorizing power in excess of 50 kilowatts for class I–A stations.

Since the evidence in the latest clear channel proceeding was presented in 1946 and 1947, the membership of the Commission has changed to the extent that only one member of the present Commission was a Commissioner when the evidence was received. Recently, the Commission instructed its staff to prepare a report and order which would terminate the proceeding by maintaining the present power limitations of 50 kilowatts and by assigning additional full-time stations to all but 12 of the 25 class I–A clear channel frequencies. Since 2 of these 12 already have additional full-time stations in New Mexico and Alaska on their respective frequencies, the Commission's solution would leave but 10 channels which would be "clear" or "free" of nighttime duplication.

The action taken by the majority of the Commission would worsen rather than improve the existing situation. Duplication or further breakdown of the too few remaining class I–A clear channel frequencies will lead to more service being afforded to cities which are already well served and to less service to the rural and remote areas which are not underserved. Also, the proposed duplication will, first, create an impossible roadblock to the only possible means of improving service in areas where it is needed, the use of higher power by class I–A stations, and, second, surely lead to further duplication and a further degradation of service to rural areas.

In view of these facts, my bill will amend the act to, first, prohibit further duplication or breakdown of class I–A clear channel frequencies beyond that authorized as of July 1, 1961, and, second, require the Commission to improve service to the present radio "desert" by authorizing class I–A clear channel stations to operate with higher power.

My primary concern is the best interests of the millions of rural and smalltown Americans who for years have suffered from a lack of adequate radio service at night. I am convinced that these people, whose needs for radio programs clearly exceed the needs of those living in or near cities large enough to support radio stations, can receive adequate radio service only through the preservation of all existing class I–A clear channel frequencies and the authorization of higher power for all class I–A stations. I feel as strongly that class I–B frequencies should not be broken down to any greater extent than now exists. I only wish it were feasible to convert some or all of these I–B frequencies back to I–A frequencies, especially in the Far West.

I am equally convinced that national defense considerations dictate that no further duplication of class I–A or I–B clear channel frequencies be permitted and that higher power be authorized for all class I–A stations. I intend to ask that the proper military authorities testify at the forthcoming hearings to be held on the bill as to the vital defense needs for preserving and strengthening the precious natural resources which the class I frequencies constitute.

It is also of extreme importance from an international viewpoint that we not fritter away our too few remaining radio natural resources. Our neighbors could not be stopped from using our class I frequencies in their countries should we choose to desecrate their use in our own country. We should take a lesson from our neighbor, Mexico, which has kept all of its clear channel frequencies free of nighttime duplication and has authorized power greatly in excess of 50 kilowatts for each of its class I–A stations. This was the only way Mexico could serve its rural population. It is equally true of us.

For all of the reasons given above, I earnestly urge that my bill be given early consideration and that it be passed promptly by the House.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield myself 10 minutes.

It is certainly something new, as well as very acceptable and entertaining and instructive, to listen to a filibuster in the House. This is the first time in at least 25 years that we have had a filibuster in the House, and the one just put on by the gentleman from Florida [Mr. FASCELL] might well serve as an example for those in the other body who desire a delaying procedure.

Permit me to express the hope that the gentleman from Florida, who has control of the time, or some other Member, will, when our proceedings become dull and tiresome, if they ever do, and especially toward the end of the week, make another similar effort to kill time. And then it may have the good result of causing some on the other side of the aisle who are in the habit of adjourning our sessions from Thursday to Monday to stay with us and devote the rest of their week to duties as Congressmen.

I happened to be reading this morning the decision of the Supreme Court, an opinion written by Justice Frankfurter, and which was called to mind by the length of the remarks of the gentleman from Florida [Mr. FASCELL]. Justice Frankfurter took 15 pages to write a decision, which made just one point, which was that a trial examiner's report or finding was evidence, a part of the record to be considered by the Board, and the circuit court of appeals if and when a case found its way to that tribunal.

As a trial lawyer, that decision seemed to me to be a little strange, because it made admissible as evidence for the appellate court hearsay and, perhaps more accurately, the opinion and conclusion of the examiner.

In that case, the trial examiner found that a company was not guilty of an unfair labor practice. The Board reversed that decision and found the employer guilty of an unfair labor practice, and ordered back pay. The case went to the circuit court of appeals, where the decision of the Board was sustained, and the case then went to the U.S. Supreme Court.

You know what the Supreme Court did? It remanded that case, told the circuit court to hear it again, and then do as it wished, but held that it should take a look at the examiner's report, which the Supreme Court, in effect, held was evidence and a part of the record. Apparently the circuit court of appeals has failed to give consideration to the examiner's report—340 U.S. 479.

If you will look at that decision, you will find that the Court of Appeals for the Second Circuit was in conflict with the decisions in the sixth circuit, though in five other circuits the decisions were in accord with the views of the court in the second circuit, so the lawyers, who argue the issue pending, can cite all the cases they need to support their arguments. They could keep us here for a month referring to and reading those decisions if they so wished. What an opportunity we have here for an endless filibuster.

But before us now is this fundamental principle; that is, whether the Congress should again waive its exclusive constitutional right to draft and enact legislation which can be vetoed by the President, or whether we should again adopt or veto proposed legislation sent down by the President.

A DELEGATION OF LEGISLATIVE AUTHORITY

Reorganization Plan No. 5, which proposes a reorganization of the National Labor Relations Board, and which will

become law unless vetoed by either Senate or House prior to Sunday next, should be rejected by the approval of House Resolution 328, disapproving the plan. The resolution, it may be assumed, was approved by the Democratic organization, for the disapproval resolution was introduced by the gentleman from Connecticut [Mr. MONAGAN], a member of that party. A majority of the Democratic members of the Committee on Government Operations now opposes it.

The plan proposes a reorganization of the National Labor Relations Board by giving it additional authority. Section (a) of the plan reads:

AUTHORITY TO DELEGATE

(a) In addition to its existing authority, the National Labor Relations Board, hereinafter referred to as the "Board", shall have the authority to delegate, by published order or rule, any of its functions to a division of the Board, an individual Board member, a hearing examiner, or an employee or employee board, including functions with respect to hearings, determining, ordering, certifying, reporting or otherwise acting as to any work, business, or matter: *Provided, however*, That nothing herein contained shall be deemed to supersede the provisions of section 7(a) of the Administrative Procedure Act (60 Stat. 241), as amended.

True, section (b) provides that the Board retains a discretionary right to reject such delegation of authority on the request of any two members of the Board. If such discretionary review is declined or such review is not asked within the time stated in the rules promulgated by the Board, then the action of the member, hearing examiner, or employee shall, for all purposes, become final, shall be deemed to be the action of the Board, subject only to a limited power of review in the courts.

Taking out nonessential words, the suggestion is that the Board shall have authority to delegate "any." Do not forget that little three-letter word "any"—"any of its functions," and you know what that means: to whom? To a member of the Board, to a trial attorney, a review attorney, any employee.

Now mark you, it uses the word "employee"—"any of its functions," and the only restriction is a reference to section 7(a) of the Administrative Procedure Act which does not change the rule at all, as you will see if you read the decision to which I just referred, where Justice Frankfurter and the Court consider both the Taft-Hartley Act and the Administrative Procedure Act to which I just referred when discussing the authority of the Board and the circuit court of appeals' right of review.

So it becomes necessary to go back and take a look at what has happened in the past. Sometimes, we know, we can decide what is good for the future if we take a look at what has happened under similar circumstances.

If you wish to know just how destructive of American rights and privileges a labor board can be, all you need to do is to go back and read two reports which I hold here in my hand. Where did this come from? It came from the hearings held in December of 1939 and the first month in 1940 by a special committee of this House. The gentleman from Virginia [Mr. SMITH] was chairman, and our minority leader was a member of that committee. There were two other Democrats, Mr. Murdock, subsequently a member of the Board, and Mr. Healey and one other Republican, a gentleman from Ohio, Mr. Routzohn. If you will get that report from the Library, you may at first as you read it think it is fiction, but it is not. Every word in it is supported by the hearings.

What did they do at that time and why was the Labor Board in trouble just as it is in trouble today? Because it cannot carry the load and something must be done if our people are to continue in business and pay taxes.

They found in those hearings, and it is set forth in the report, that the Board appointed, just as this present Board might do, employees who had absolutely no qualifications, who were biased and prejudiced. But more of that later.

Let us first give consideration to the advisability of accepting plan No. 5 designed to reorganize the Board.

THE NLRB IS NOT A PROPER AGENCY TO IMPLEMENT LABOR RELATIONS

From the day it was authorized, the NLRB has been a political arm of the executive department—specifically, the advocate of the administration's labor policy.

To understand the issue now before us, a little of the background which brought us to the present situation may be helpful.

LABOR DEPARTMENT

Seventy-three years ago, the Congress created the Labor Department "to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment."

Forty-seven years later, in 1935, employers' abuse of their economic power, use of "yellow dog" contracts, which denied employment to the applicant who was not a member of a union, caused Congress to write the Wagner law.

The purpose of that act was to diminish the causes of labor disputes burdening interstate and foreign commerce by granting to employees, but not to employers, the right to organize, bargain collectively, engage in concerted activities promoting their overall welfare.

The act specifically granted to employees certain special privileges, exempted from current legislation labor organizations and their members. It granted no rights to employers, imposed penalties upon them for a violation of any of the rights or privileges given unions and union members.

The restrictive provisions of the Clayton Act, adopted in 1914, of the Norris-La Guardia Act passed in 1932, do not apply to unions or union members, but do restrict the activity of all others.

Because of the many special privileges and exemptions enjoyed by union employees and union organizations, unions have obtained and now use monopolistic power, a power not now lawfully available to any other individual or group, so that today the discrimination which existed under the "yellow dog" contract has been completely reversed.

Exercising their monopolistic power, taking advantage of their special privileges and exemptions, with the assistance of the National Labor Relations Board, the blind lady who supposedly holds the scales of justice, permits labor organizations to discriminate against union as well as nonunion workers, employers and, as recent events show, sometimes even in times of emergency, to delay and make excessive the cost of our defense program, as well as adversely affecting the public welfare. While some unions in Michigan voluntarily accepted wage cuts to enable production to continue.[1]

THE NATIONAL LABOR RELATIONS BOARD WITH ITS BIASED, PARTISAN ACTIVITIES SHOULD BE ABOLISHED, ITS DUTIES AND FUNCTIONS TURNED OVER TO THE COURTS

The Wagner Act created the NLRB, whose duty it was to implement the act, to aid employees, unions, and employers in minimizing and, if possible, avoiding costly labor disputes and strikes.

Unfortunately, when the Wagner Act was written, Lee Pressman, an exceptionally able general counsel of the CIO and, by his own admission, a Communist, had much to do with the writing of the act, and the net result was legislation penalizing private industry and employers, granting special benefits to organized labor.

Equally unfortunate, the implementation of the act by the NLRB during its early days fell, in large measure, into the hands of the enemies of employers. Typical was the appointment, during the early days, as a member of the Board, of Edwin S. Smith, likewise a Communist,[2] a representative of Soviet authors, who was registered under the Foreign Agents Registration Act.

To add to the bias and prejudice of the Board was its Assistant General Counsel, Nathan Witt, likewise a member of the Communist Party,[3] who acted as counsel for the Board from January 1937 through 1939 and then as Secretary of the Board in January of 1940. He and Lee Pressman, a member of the

[1] See Washington Star, Apr. 26, 1961—"Unionists Accept Cuts To Keep Plant Going"; Washington Star, April 1961—"Missile Base Strike Deplored by MCCLELLAN"; Chicago Tribune, May 2, 1961—"Union Gouging in Orbit"; and Chicago Tribune, May 1, 1961—"The Fifth Amendment at the Cape." (CONGRESSIONAL RECORD, May 4, 1961, pp. 7404–7406.)

[2] P. 3462—hearings, House Un-American Activities Committee, Feb. 28, 29, and Mar. 1, 1956.

[3] Lee Pressman, appearing as a witness on Aug. 28, 1948, before the House Un-American Activities Committee, testified that Mr. Witt was a member of the same Communist Party cell to which he (Pressman) belonged. Committee hearings regarding Communist espionage in the U.S. Government, pp. 565, 1036, and 2869, respectively. Witt, when he appeared before the committee on Aug. 20, 1948, invoked the fifth amendment when asked if he was a member of the Communist Party, and again on Sept. 1, 1950, invoked the fifth amendment. Witt appeared before the committee on Mar. 1, 1956, and again refused to answer any questions concerning his Communist connection.

same Communist cell here in Washington, and general counsel of the CIO, often joined in their efforts to further the interests of the CIO, harass employers.[4]

While the deplorable situation to which reference has just been made no longer exists, it nevertheless must be admitted that the administration, through the Secretary of Labor, is the advocate of unionism and union policies.

As shown by the press, to cite but one or two instances, Secretary Goldberg attempted to force an employer, Western Airlines, engaged in airline transportation, to accept a settlement proposed by the union. A Florida judge was criticized because he refused to dismiss an injunction and contempt proceedings against certain union members. A statement of policy was issued which, in effect, called upon employers and, incidentally, unions to submit to agreements which would increase the cost of national defense, put an additional burden upon the taxpayer.

A repetition: Plan No. 5 authorizes the Board to delegate to "an individual Board member, a hearing examiner, or an employee or employee board," "any of its functions," "including functions with respect to hearing, determining, ordering, certifying, reporting or otherwise acting as to any work, business, or matter" to or over which the Board itself has any authority subject only to the provision that none of this shall be deemed to supersede the provisions of section 7(a) of the Administrative Procedure Act.

One harmful, almost incredible, result of the policy of the Board in implementing the act was disclosed by the hearings of a special House committee,[5] which shows the bias and prejudice of the Board in the selection of employees and the lack of qualification of those employees to implement the act.

Just one typical illustration will be given, that of Mrs. Ann Landy Wolf, who was employed by the Board as a review attorney on February 1, 1938, when she was 27 years of age. Some 15 cases were assigned to her; her findings as to the facts and the law for all practical purposes became conclusive upon the Board, upon the circuit court of appeals, and upon the U.S. Supreme Court.

Mrs. Wolf was born in Hungary; came to America with her parents in 1929; obtained her first citizenship papers in 1930 when she was 18 years of age; received her final citizenship papers in 1935, when in her second year at the Law School of Western Reserve University, was admitted to the bar in September of 1937; and, as stated, was employed as a review attorney a few months later.

Among the 15 cases assigned to her was the St. Louis Ford case, where she reviewed 21,161 pages of testimony and where, as stated, her conclusion became virtually binding upon the Board and the court. Obviously, she had neither adequate experience as an industrialist or as a lawyer to determine whether the facts justified her decision.

The Smith committee report also disclosed that, on some occasions, trial examiners and review attorneys actually wrote the decisions for the Board.

It is obvious from testimony taken before the NLRB Subcommittee of the House Committee on Education and Labor that today many of the decisions of the Board are written by employees or review attorneys.

The Smith report shows that sometimes trial examiners and review attorneys accepted as evidence not only hearsay but information given them outside the hearing and sometimes by individuals who never appeared as witnesses.

It is undoubtedly true that, as the years have gone by, individuals of greater ability, more patriotic in their views, more conscientious, have been appointed to the Board and its staff; but, nevertheless, as almost innumerable decisions indicate, the Board and its employees, its trial examiners, its review attorneys have been partisans, convinced that in the overall picture unions should be favored, given the benefit of any doubt, reasonable or otherwise, and employers penalized whenever opportunity offered.

Under the proposed plan and the delegation of authority, findings of the trial examiners, decisions of the review attorneys, which often become, and in the past actually many times did become, the decisions of the Board, will be the decisions of the Board and, if supported by substantial evidence, the ultimate decision in the case. This situation was clearly pointed out in the opinion of Justice Frankfurter in *Universal Camera Corporation* v. *Labor Board*, 340 U.S. 476.

Because that situation exists, as is clearly shown by the record, not only of the Board but of the courts, including the U.S. Supreme Court, the Board should, in my humble opinion, be abolished and its functions transferred to the courts, where complainants would, at least, get a comparatively fair opportunity to present their grievances in a forum presided over by competent, experienced individuals of judicial temperament.

It is well known that the present incumbent of the White House owes his office to the support given by organized labor, among others, Curran, Dubinsky, Meany, and Reuther.

While the views, the sympathies, the bias, the influence of a Pressman, a Witt, an Edwin S. Smith or a David Sapross are no longer with us, we have a Reuther, a Goldberg, and many other labor practical politicians high in the councils of the administration.

It naturally follows that the voice of organized labor, in the person of Secretary of Labor Goldberg, will dominate the attitude of the administration and the Board toward organized labor, employers, and the public.

Many of the Members of the House know that the present administration is repaying some of its political debts by the appointment to policymaking positions of individuals who personally or through their organizations gave support to the successful candidate for the Presidency and to some other candidates.

Is it unrealistic to assume, in view of the political attitude of the administration, that, when appointments to the Board are to be made, when employees, trial examiners, review attorneys, investigators, economists are to be employed by the Board, the politically powerful Mr. Reuther—who received at least 2 years of his education in Russia, sometimes in its factories—will not be heard?

And will Reuther fail to give support to those who entertain and will attempt to enforce his views?

This thought draws support from the fact that Reuther and Mazey used union funds to hire and pay known goons like Jesse Ferrazza, Gunaca, and others, who premeditatedly brought violence and the destruction of property to the Kohler strike.

Reuther prevailed upon the Governor of Michigan to protect Gunaca from a Wisconsin warrant for a period of 2 years, although, when brought to trial, he entered a plea of guilty.

The President was a member of the McClellan committee, which received that information, and the present Attorney General was counsel of the committee, but no prosecution, so far as is publicly known, has followed any of those unlawful activities.

If a suggestion is permissible, it might be that the Attorney General, while continuing his prosecution of Hoffa, first employ some competent, experienced trial lawyers, and in the meantime give equal consideration to worse illegal activities of Reuther, Mazey, and others of the CIO who for years have repeatedly employed known criminals and goons with records of violence and lawlessness to illegally promote the interests of the UAW-CIO. The Attorney General might well take a look at the Hobbs Anti-Racketeering Act.

The McClellan committee was given ample factual evidence justifying the criminal prosecution of Reuther and some of his associates. The President was a member of that committee, his Attorney General was its counsel. Neither can plead ignorance.

The administration, dominated by and favorable as it is to organized labor, with the power to appoint the members of the Board, would not—in fact, could not, without repudiating the politicians who enabled it to attain office, even though it so desired—give the country a National Labor Relations Board which had authority to delegate its powers, an agency which would even approximately give either industry or the people as a whole either equal justice under law or a fair deal.

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[4] See p. 30 of the report of the Smith House Special Committee To Investigate the National Labor Relations Board, titled "Report on the Investigation of the National Labor Relations Board," H. Rept. 1902, 76th Cong., 3d sess., Mar. 29, 1940, where it is disclosed that the testimony at the hearings showed that Nathan Witt transmitted to all regional directors of the Board a memorandum from the CIO, with a covering memorandum of his own, advising a procedure of prosecution which would be helpful to the CIO. These memorandums were dated Sept. 29 and 30, 1938, and the memorandum from Mr. Witt, the Communist, enclosing the memorandum from Mr. Pressman, also a Communist, was marked "Very Confidential."

[5] The Special House Committee To Investigate the National Labor Relations Board, which filed its report on Mar. 29, 1940 (76th Cong., 3d sess.), H. Rept. 1902.

Will anyone who believes in our form of government, who for a moment thinks this Congress is a competent body, composed of able, patriotic individuals, vote to give away that authority to an administration which has the most efficient political machine any of us has ever seen, which knows how to go out and get the votes, which certainly has a feeling of reciprocity which they say is a Republican doctrine but which they undoubtedly will adopt in this case and repay its political debts including employees of NLRB if its members are all Democrats as our leader from Indiana told us they might be under the statute? Do we want to give away our authority to legislate by giving that duty to the Executive, subject only to a veto? Do we think we are not competent? Do we think we do not have enough ability and patriotism to write the laws of the land? Do we want to turn over the writing of this kind of legislation, the authorizing selection of those who administer it, to individuals appointed by an administration which certainly, if it is anything, is political on the domestic front and under deep political obligation to a politically minded group which has all to gain, nothing to lose, from a favorable Board and its employees?

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Iowa.

Mr. GROSS. There are two pending reorganization plans, as I understand it, 6 and 7—the Federal Home Loan Board and the Maritime Administration reorganization plans. Is that right? or are there more?

Mr. HOFFMAN of Michigan. I do not know. But I will say to the gentleman that 6 and 7 are coming up. The submitting of those plans is another indication that the administration thinks we do not know enough, do not have enough ability, are not patriotic enough to faithfully discharge our duties as Congressmen. So if the House wants to let Mr. Kennedy and Mr. Goldberg write this legislation which applies to labor regulation, as a payment for political support, past and future, I cannot prevent it.

Mr. GROSS. Has the gentleman heard of a reorganization plan for the Department of State?

Mr. HOFFMAN of Michigan. Oh, no; I do not think the administration would touch that. But, of course, I have no information on that.

Mr. GROSS. I did not know but what they were going to submit a reorganization plan in order to facilitate the removal of Under Secretary Chester Bowles.

Mr. HOFFMAN of Michigan. No. I understand he is to stay for the present.

Mr. GROSS. It appears the Kennedy administration may have trouble getting him to resign in any other way.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. ANDERSON].

Mr. ANDERSON of Illinois. Mr. Chairman, my genial colleagues on the Subcommittee on Legislative Reorganization Matters, the gentleman from Florida [Mr. FASCELL], emphasized and made quite a point at the beginning of his extended speech here this afternoon that the vote in the committee, both in the subcommittee and in the full Committee on Government Operations, on this particular plan No. 5, was on a straight party line basis. I think this would be a good point at which to remind the House, however, that the vote which took place in this Chamber not many weeks ago on plan No. 2, with reference to dealing with the Federal Communications Commission, was not on a party line basis. I forget the exact vote, but there were more than 300 Members of this House, both Democrats and Republicans, who felt there were certain basic objections in that plan that should defeat it.

I want to point out one of the statements made by the distinguished Member of this body from the State of Georgia [Mr. LANDRUM], a man who should command some respect by virtue of his knowledge of the Labor Relations Board and his authorship of the Landrum-Griffin Act, who pointed out in the statement he made to our committee that the same things that were wrong with plan No. 2 are wrong with plan No. 5.

I want to point out that this is not purely a party position. This is not just a matter of one party lining up against the other. But, there are some of us who feel very sincerely and very genuinely and very conscientiously that the same defects that inhere in that plan which was defeated so resoundingly in this House, plan No. 2, are also present in plan No. 5.

Now, I also want to point out something with reference to the Cox report. You have heard quite a bit of comment this afternoon on that report which was made by a committee that was formed, I think, by the other body, a report made to the Senate Committee on Labor and Public Welfare during the 86th Congress. I would point out that this committee made suggestions about some of the things that are wrong with the NLRB. And, there is no quarrel about that; there is no question but what there are some very serious defects in the internal organization, in the procedures of the Board. As a matter of fact, one gentleman who testified against this plan before our subcommittee said that the Board is a prisoner of its own procedures.

You will hear a lot of testimony or talk this afternoon—indeed, the gentleman from Florida [Mr. FASCELL] mentioned some of it in his remarks earlier this afternoon—about the median time that is consumed between the filing of a charge, before the complaint is even issued, and the issuance of a decision by the Board itself. I have the Cox report before me this afternoon, and you will find out that a lot of the delay that has taken place in the NLRB cannot be laid at the door of the Board in the sense that it has taken on this duty which it has under the statute to review the decisions of the trial examiners. Let me point this out, that in 1948, quoting from the Cox report, 75 days on the average were consumed in the preparation of the trial examiner's intermediate report. That is 2½ months that it took these trial examiners to even prepare an intermediate report. This is excessive delay. During 10 months of 1958 12 of the 39 trial examiners, almost one-third, completed less than 5 intermediate reports.

There is some suspicion in the minds of some of us—and I asked for the production of records on these trial examiners, and if you take the trouble to read the record, you will find the testimony—there is some suspicion in the minds of some of us that if these trial examiners were not all intent on being Brandeises and Cardozos and get busy, that some of the delay talked about by the Chairman of the Board could in fact be eliminated. That report points out that after the trial examiner's report becomes final, if exceptions are filed within 20 days, that 80 percent of the cases that are decided by trial examiners go on to final decision by the Board. How can we then talk about the general acceptability of trial examiners' reports?

How can we say that it is not eliminating an important substantive right on the part of the litigants for the Board to take away this mandatory right of review when almost 80 percent of the cases decided by the trial examiners are appealed to the Board itself?

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Indiana.

Mr. HALLECK. I think the gentleman has made a very significant point in respect to this so-called delay of cases, unfair labor practice cases, before the NLRB. He has referred to the trial examiners. I think it should be understood that the trial examiners are appointed and serve without any confirmation by the Senate. As a matter of fact, my information is that no bar association has ever passed upon their professional competence. Indeed, I am told that two of them who are trial examiners on the NLRB are not even members of the bar. Nine of them who had served with the old Board were rejected as incompetent by the Board of Examiners appointed by the Civil Service Commission, but were covered in anyway, and they are serving because of an Executive order containing a grandfathers provision. I think the gentleman's remarks are very well taken, that this delay about which we heard so much could well be handled in a different fashion than is here proposed without this delegation of final authority run riot because that is what this plan proposes to do.

Mr. ANDERSON of Illinois. I certainly thank the gentleman for his contribution. In that particular regard I would point out, as we have pointed out on page 18 of the committee report—that is, the minority views—one of the witnesses before a subcommittee of this House on June 12 of this year said this with respect to Reorganization Plan No. 5. This, mind you, was a man testifying, who is a proponent, who is in favor of Reorganization Plan No. 5. This is what he said:

The trial examiner under this reorganization plan becomes really in a most techni-

cal sense now very much like a judge and his powers become very, very great, and his responsibility becomes much greater than it is now.

Mr. HALLECK. Would the gentleman agree with me—I know the gentleman is a very learned and competent lawyer—that it is passing strange that the right of appeal to the Board from the examiner's determination or decision is not a matter of right but is discretionary with the Board; but the right of appeal to the circuit court of appeals is a matter of right?

In connection with that, further, I think it should be pointed out that that sort of appeal does not provide for a review of the weight of the evidence or the facts, and hence is not the sort of review that could be had, if the review is held by the Board itself.

Mr. ANDERSON of Illinois. I think the gentleman is entirely correct.

There is one other point that I want to point out to the members of the committee: If you adopt this reorganization plan, I think, as I think the gentleman from Michigan pointed out in one of his colloquies with the gentleman from Florida [Mr. FASCELL], you are going to leave it up to the Board itself to define what this discretionary review is and what the standards for that review are going to be.

I call your attention again to the Cox Committee report. Incidentally, that Committee had some very eminent members that included Mr. Goldberg, the Secretary of the Department of Labor, and that included Mr. Cox as Chairman, the President's Solicitor General of the United States; when they set about to study this problem, they proposed not a reorganization plan, they proposed amendments to the National Labor Relations Act itself. If you will read in that Committee report the standards that they set up in section 10(d), they set up four very specific standards that they proposed that this Congress should adopt for the type of discretionary review that is now being proposed under Reorganization Plan No. 5.

I submit that this is another attempt to shortcut the legislative committees. It is another attempt to try to ram through this Congress something that apparently a legislative committee of this House is unable or unwilling to do. That is a mighty poor way to use the reorganization powers that are given the President under the Reorganization Act of 1949.

I want to point out one other thing in conclusion. Many of these cases—in fact, about 75 percent of them—are handled by three-member panels of the Board at the present time. Do not get the idea that all of these 23,000 cases which somebody has said represents now the caseload of the National Labor Relations Board are all handled by the full Board. In the first place, half of them are representation cases. Under amendments to the 1949 Labor-Management Act, these have now been delegated to the regional directors. The other half, 75 or 80 percent of them, are heard by a three-member panel.

When the present Chairman of this Board, Mr. McCulloch, appeared before the subcommittee and testified, do you know what he told us? He told us that at the present time, if any single member of the National Labor Relations Board wants a review of one of these cases that has been assigned to one of these three-member panels, the Board will grant a review by the entire five-member Board. He not only said in his testimony before our committee that that was the present procedure, but he said that that was good procedure, and, as far as he was concerned, as long as he was Chairman of the National Labor Relations Board, that procedure would continue. Then, I submit, in view of his statement, it becomes pretty silly, pretty ridiculous, to argue that by allowing a majority of the Board, less one, to exercise a discretionary review under standards not set up by this Congress, under standards that they themselves would comprise and dictate, that we are not giving away a very fundamental and a very substantive right that litigants under this act now enjoy. This is not a party matter at all. This is a case of going back and searching your souls as to what you did on Reorganization Plan No. 2. If you do that, you are going to vote in favor of the disapproval resolution on this plan, too.

Mr. GRIFFIN. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. MORSE].

Mr. MORSE. Mr. Chairman, I was impressed by the statement of the Speaker in the debate on Reorganization Plan No. 2, and quite clearly so were an overwhelming majority of the Members of the House. Let me remind my friends of the majority of the precise statement the distinguished Speaker of the House [Mr. RAYBURN] made at that time:

> My objection to this reorganization plan is that it attempts by a reorganization plan to amend the fundamental law in the Communications Act.

After hearing that statement and after voting in support of the Speaker to defeat Reorganization Plan No. 2, I did considerable research on the Reorganization Act of 1949. This act is quite explicit in its intention, quite exact in its purpose. The act contains absolutely no authorization to modify fundamental law by a reorganization plan. The gentleman from Florida in his remarks was unwilling to admit that the fundamental law, labor's bill of rights, enacted by a Democratic Congress under the leadership of a Democratic President—the Wagner Act, clearly empowers the National Labor Relations Board to prevent any person from engaging in an unfair labor practice. That part of the law was reenacted in the Taft-Hartley law, and I quote from section 10(a) of that act:

> The Board is empowered, as hereinafter provided, to prevent any person from engaging in any unfair labor practice affecting commerce.

There is no question that it is the Board that has that authority, not any agency of the Board, not any hearing examiner or trial examiner, who, by the way, does not even have to be an attorney under the civil service regulations.

Mr. Chairman, we are with the adoption of Reorganization Plan No. 5 impairing a substantive right created by fundamental law. This we should not do through the reorganization device. It may well be that this Congress in its wisdom will choose to amend the fundamental law. At this time I will not argue that because it is not relevant, but I do urge each of you to remember that this is not the proper procedure whereby you amend the fundamental law.

The original Reorganization Act of 1949 lists five specific purposes for which a reorganization plan may be adopted. One of these specifically, and it now appears in title 5, United States Code, section 133(z)1, refers to the authorization of any officer to delegate any of his functions.

The then Committee on Expenditures in the Executive Departments, in reporting this legislation to the floor, stated in its report that that particular authorization meant one thing—that the main purpose of this particular provision is to make it possible, and I quote from the committee report, "for top officials to delegate routine functions."

Perhaps the majority regards the adjudication of the rights of American citizens as a routine matter. I do not.

I urge that this Congress heed the sound advice given it by the distinguished gentleman from Illinois when he urged that we do not deprive American citizens of their rights by the reorganization device, that we stick to the explicit, narrow purposes of the reorganization plan, and that we vote to adopt the disapproving resolution. If the times require that the fundamental law affecting management-labor relations be modified, let us amend it in an orderly fashion. Let us not reduce this body to a pliable rubberstamp.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. MORSE. I yield to the gentleman from New York.

Mr. LINDSAY. Mr. Chairman, I should like to commend my colleague from Massachusetts for his excellent presentation. He brings to bear on this important subject his fine analytical mind, and we have all benefited from his remarks. The point he has made relating to the abrogation of the right of appeal is to me the most telling point of all and militates strongly in opposition to the proposed reorganization plan. Every American citizen is entitled to a full and fair review of his case.

Mr. GRIFFIN. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, the pattern of Reorganization Plan No. 5 is identical with the pattern of the other reorganization plans submitted to this Congress.

I have previously made observations on the propriety of using the reorganizing power to change the character and structure of the independent agencies outside of the executive branch of the Government.

I think it is important to note that the power we have given to President

Kennedy, similar to that possessed by previous Presidents, has not been used as contemplated by the Reorganization Act to streamline agencies in the departments and executive branch of Government, but that power has been used in this Congress to interfere with the safeguards and checks with which the Congress consciously and intentionally surrounded these quasi-judicial, quasi-legislative, and quasi-administrative agencies known as independent boards and commissions.

For that reason, I am opposed to all of these reorganization plans. I am not going to dwell on that at length, but I am going to single out, because of the peculiar nature of the National Labor Relations Board, how the pattern of those plans operate in this particular field.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Arkansas.

Mr. HARRIS. I would not want to take the time of the gentleman to enter into any debate regarding the statement the gentleman has just made about the pattern with reference to all of these plans. In one sense of the word so far as the delegation of certain authorities within the commissions are concerned, it is true. But I should like to call the attention of the House that in my judgment each of these plans has to be considered in relationship to the act that it affects. As an example, I do not share the gentleman's statement with reference to the pattern and the effectiveness of Reorganization Plan No. 2 as against plan No. 3 and plan No. 4. To be sure, the pattern, as presented, appears to be the same but the effect of those plans on the respective acts is the important thing that we have to keep in mind. The Federal Communications Act had certain basic provisions that that plan did amend, which I called to the attention of the House at that time. That is what concerns me about this plan. I would like to hear some discussion on just how the plan would amend basic provisions of the National Labor Relations Act and other acts that it might affect. I heard a great deal of talk about the delegation of authority here.

But I would like to know just how it would affect the law itself with reference to these changes that are made on the basis of improved proceedings.

Mr. MEADER. I was about to get into exactly that subject, and I appreciate the gentleman's calling attention to it.

The National Labor Relations Board, of course, deals in a completely different area than the Federal Communications Commission, for example; the subject matter of the National Labor Relations Board is labor relations. I might say that I have had a little experience in Labor Board cases. Early in my legal career I was involved in one of these cases, and I could tell you that there is probably no type of litigation that is more controversial than labor-management disputes.

One of the powers the Board has is to order reinstatement of discharged employees found to have been discharged as a result of an unfair labor practice; and in that connection I want to read again a portion of section 10(c) of the Labor-Management Relations Act of 1947. I might say that this particular provision has been constant ever since the Wagner Act was passed.

I want to point out that it is the Board that makes findings of fact which are conclusive upon courts if supported by substantial evidence; it is not the trial examiner who makes the finding of fact, it is the Board that issues the cease-and-desist order, not the trial examiner. The trial examiner is the one who takes evidence and submits that evidence to the Board with recommendations for findings of fact which the Board has the power to make.

This plan would permit the Board to pass that authority to make findings of fact which later become conclusive on the courts and authority to issue cease-and-desist orders not in a body of men selected with certain safeguards for their stature and their competence, but to any unknown future trial examiner who may be appointed, without any standard set by law for his competence and without any limit upon his term.

That is why it seems to me dangerous to provide, as this plan does, that an order may be entered requiring an employer or a union to cease and desist from an unfair labor practice and to take such affirmative action, including reinstatement of employees with or without backpay—by some unknown future employee who does not meet the qualifications that a Board member must meet. Such action will have tremendous repercussions in the whole field of labor-management relations.

I regret that time has not been sufficient to gather all the material I would like. I have sought to obtain statistics in cases where a trial examiner has recommended a certain amount of backpay and he has been overruled by the NLRB. All I could get together are statistics year by year from annual reports of the NLRB.

I am surprised that these amounts are not larger than they are. The amount of backpay awarded employees in 1961 was $1,368,190; in 1960, $1,189,160.

The highest figure I see on the list for any one year is $2,285,000. That was the year 1943.

In an NLRB case in which I was counsel, back in the late 1930's, a trial examiner recommended backpay starting on a certain date, which at the time we argued the case before the National Labor Relations Board would have amounted to about $17,000. The Board itself allowed backpay in the amount of only about $500.

I have here a decision of the National Labor Relations Board in the National Automatic Products Co. and United Electrical Radio and Machine Workers of America, U.E.—Case No. 1–CA–2992—released August 19, 1960.

In that case the trial examiner awarded backpay to 29 employees, commencing on September 28, 1959. But the Board found that there had not been an unequivocal offer of reinstatement on the part of the discharged employees on that date, and not until February 9, 1960. So the Board allowed reinstatement and backpay only from February 9, 1960, some 4½ months less than the trial examiner. That was a finding of fact.

In NLRB cases, conclusions of law are reviewable by courts, but findings of fact, if there is substantial evidence to support them, considering the record as a whole, cannot be reviewed, and the court simply cannot under the law arrive at a finding of fact differing from that found by a trial examiner even if the court is convinced that the finding is erroneous. If there is substantial evidence to support findings of fact, they are binding on the court. I would say that a finding that the employees had offered to be reemployed on such and such a date was a finding of fact. But here you can see that the National Labor Relations Board completely disagreed with the interpretations put on the testimony by the trial examiner.

The effect of this plan is to permit the trial examiner, this unknown man who may not have the qualifications that we require of Board members, to make these findings, and the amounts involved in backpay awards could be unlimited. If you have a large company with a lot of employees, you can imagine, while these controversies run on for months and years, that tremendous amounts can be piled up as backpay. It constitutes really a money judgment against the employer.

You are putting in the hands of a trial examiner, a subordinate employee, the power to make a final irrevocable finding of fact which is binding on the courts in sums that are not limited and no one knows what they may be.

At the time we had our difficulty, there was a case, I believe the Weyerhauser Lumber Co. case, in which there was involved $280,000 in backpay. We asked the regional attorney for the NLRB what would happen if an order was entered so staggering that the company had to go into bankruptcy. He said that would present an interesting situation. He presumed one thing that might be done would be that the employees would take the company over and run it as a cooperative. That is the kind of authority you are vesting in these subordinate employees.

The National Labor Relations Board differs from some of the regulatory agencies that the gentleman from Arkansas [Mr. HARRIS] is familiar with, in that there is no bipartisanship required of the Board. The National Labor Relations Board consists of five, originally three members, now five, members appointed by the President by and with the advice and consent of the Senate. They are appointed for a term of 5 years, and their terms are staggered.

Board members are eligible for reappointment and are prohibited from engaging "in any other business, vocation, or employment." But the point is this: a trial examiner goes on forever; his qualifications are not scrutinized by the Senate, and he should not, in my judgment, be vested with this vast authority.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FASCELL. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. LANDRUM].

Mr. HIESTAND. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 115]

Alford	Granahan	Shelley
Alger	Green, Oreg.	Siler
Anfuso	Hébert	Smith, Miss.
Blitch	Holifield	Smith, Va.
Bow	Kilburn	Springer
Boykin	Lankford	Thompson, La.
Bruce	Lesinski	Walter
Buckley	Morrison	Weis
Cahill	Norrell	Williams
Cannon	Powell	Willis
Celler	Roberts	

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. DAVIS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration House Resolution 328, and finding itself without a quorum, he had directed the roll to be called, when 404 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Georgia [Mr. LANDRUM] is recognized for 15 minutes.

Mr. LANDRUM. Mr. Chairman, it is important when we come to the consideration of this Reorganization Plan No. 5, which proposes to reorganize the National Labor Relations Board, to remove all of the varnish and delete as far as is possible all of the legal technicalities that have been announced and argued here this afternoon and get down to plain, common, ordinary branch bank language that all of us can understand, I hope, and see what it is we are doing.

To do that it is imperative that first I quote the plan, or at least the first paragraph of it, and get clear in our minds exactly what we are asked to let the National Labor Relations Board do. The plan says that we are to vote on letting the National Labor Relations Board, and I quote from paragraph (a):

> In addition to its existing authority, the National Labor Relations Board, hereinafter referred to as the "Board", shall have the authority to delegate, by published order or rule, any of its functions to a division of the Board, an individual Board member, a hearing examiner, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting or otherwise acting as to any work, business, or matter.

We are asked to surrender to the National Labor Relations Board that authority.

Let us see just briefly what it is the National Labor Relations Board does now. Principally there are two types of cases, the first known in the lingo as R cases, which are representation cases and are nonadversary and nonadjudicatory matters.

Then the second category cases which this Board hears are known as C cases, or cases that are classified as adversary cases or complaint filed where there are adversaries. These complaints can take any range of disagreement that may develop between possible litigants before the National Labor Relations Board.

In 1959 when the Congress passed the Labor-Management Reporting and Disclosure Act, the Congress, mind you, saw fit to delegate or to give the Board authority to delegate in these representation matters, not to a long list of indefinite employees or members of the Board but to whom? To one specific class of employee, and that was to the regional attorney.

Now, the reason that the Congress saw fit, in my judgment, to give this authority to delegate is simply because the R case or the representation case is not an adjudicatory matter and is not an adversary matter. No appeals, or rather few appeals, are taken from it. However, to be certain that everything was correct insofar as the representation or R case is concerned, the Congress said that the Board should retain the right to review even in the R cases. So much for that and the delegation of authority.

One of the complaints before the committee on which I served at that time was that the NLRB had to take up so much time with these R cases that it prevented them from giving the proper amount of time to the next category of cases, the C cases. So, we come to that group.

Now, what can be involved in the C cases? As I said a moment ago, anything on which parties would litigate; any matter on which parties would have a dispute involving thousands upon thousands of dollars in back wages; involving whether or not plants are moved from one place to another; involving job assignments, if you please; involving many, many other things that touch upon the very sensitive nature of labor-management relations.

The Congress has not seen fit to allow the Board to delegate, beyond its qualified members who have been appointed by the President and confirmed by the Senate, to a class of employees who are chosen principally under the rules and regulations of the Civil Service Commission and cannot be reached except through charging a violation under the civil service rules and regulations. They are not subject to the people. They are not subject to the courts. They are not subject to approval by the Congress or the Senate. They are just civil servants. Now, we are asked by this reorganization plan to allow the Board to delegate power to one of the servants such as I have described here. To do what? To hear and determine the facts and then apply the law applicable to those facts and make an order, and unless the Board on its own motion or by a vote of a majority less than one decides to review it, the order made on the evidence taken and the law applied by this hearing examiner or by this employee who is a civil servant becomes the order and the law in the case.

Now the proponents of this plan argue that the right of the litigant's appeal is protected and he can go on to the court of appeals from that point. That is correct. There is nothing untrue about that. But what does he go to the court of appeals with? That is the thing. He goes to the court of appeals with exactly the record that the trial examiner or whatever other employee hearing the case made. That is the record made by that employee, not reviewed, mind you, by members of a board whose qualifications have been determined upon by the Senate of the United States, not to be reviewed de novo. The right to a trial de novo or review de novo is completely denied because the court of appeals does apply the rule of substantial evidence, and exercising only the power to decide whether or not the hearing was conducted legally and the law applied properly. They have absolutely no opportunity to review the facts de novo.

Now, they say they want to do this. They want to dispense with these rights of an individual to have his complaint passed upon by people in authority who are qualified to pass upon it. They say they want to dispense with that. For what reason? Because the Board does not have time to fool with these matters.

Well, I am not going to argue the point that the Board does not have a heavy caseload. Neither would I argue the point that there is no necessity for a reorganization of the Board. I think there is clearly demonstrated the need to reorganize this Board. But my position is this: Let us not abandon the authority of Congress to determine upon how this reorganization takes place, and let us not leave for a minute our responsibility to protect the right of every litigant before every forum that exists in this country. Now, why do I think it so important that we not delegate to these people who may or may not be qualified. I would use as one example of why I do not believe that we should do this the figures of the National Labor Relations Board. We will take 100 cases as a base. Out of every 100 cases coming before one of these 60 or 70 hearing examiners, 24 percent of them—that is, the "C" cases we are talking about, and not the "R" cases—24 percent of them are never appealed. The parties get together. They make certain stipulations and agreements and understandings. They say "Well, you do this, and I will do this," and the next thing you know you have got a compromise, and 24 percent of them never reach the Board, but 76 percent of them are appealed.

Now, from the hearings that I read I find that the National Labor Relations Board proposes to reduce this 76 percent they review to about 40 percent. Well, then, what is going to become of the wrongs that citizens of this country feel have been committed against them in 36 percent of the cases? Moreover, in the 76 percent of the cases which are appealed to the National Labor Relations Board, based upon the statement of the Chairman and officials of the Board themselves, about 30 percent of them are reversed in full, modified, or in some way

changed from the original finding of the trial examiner.

That, in itself, makes it appear to me that this Congress ought not to be persuaded by the argument that it is the time element that we are concerned with. We are moving too fast and living too fast in this world, anyhow, and we cannot ever recognize that speed is so necessary that in carrying it out we must deny the rights of any individual American, however small and insignificant his complaint may be.

To substantiate that argument, let me say this: The National Labor Relations Board was created under S. 1958 in the 74th Congress, the first session, on June 27, 1935. In volume 79, part 9, at page 10298 of the CONGRESSIONAL RECORD of June 27, 1935, we find the conference report on S. 1958 creating the National Labor Relations Board. Reading from that conference report in the CONGRESSIONAL RECORD, we find these words, a part of a paragraph, and I quote exactly:

> Section 3(a) of the Senate bill provided: "There is hereby created as an independent agency in the executive branch of the Government a board to be known as the 'National Labor Relations Board.'" House amendment No. 6 strikes out the phrase "as an independent agency in the executive branch of the Government."

And continues with this significant sentence:

> The Board as contemplated in the bill is in no sense to be an agency of the executive branch of the Government.

The Board is in no sense, this conference report says, to be an agency of the executive branch of the Government.

Who signed that report? Listen to the names of some of the most distinguished Members to serve in the Halls of Congress. On the part of the House: Mr. Connery, Jr., and Mr. Ramspeck, from my own State. Mr. Griswold, Mr. Welch, and Mr. Lambertson.

The roll of those signing it from the other body would indicate that they had this thing I am trying to talk about in mind, and that is, to preserve the right of the individual: Senator Walsh of Massachusetts, Senator La Follette, Jr., Senator Murray, just recently deceased, Senator Borah, and Senator Murphy—all saying at the time this Board was created, "No, it is not to be an agency of the executive branch of the Government." Why? Because they were creating this Board to be a "quasi-judicial board."

I ask you how long will we continue to abdicate our responsibilities to the citizens to see that the Congress cares how some of the responsibilities we told them we were going to carry out when we came here are carried out. How long will we continue to delegate the functions that are charged to us to an agency downtown to come up and make of this Congress nothing more than a perfunctory body and to come and do the bidding of an agency of this Government and let it become bigger and bigger and bigger and more centralized. How long will we continue to do that?

In the words of Justice Jackson in the steel seizure case, the question I just asked can be answered, I think, precisely. Justice Jackson said this:

> With all its defects, delays, and inconveniences, men have discovered no technique for long preserving free government except that the executive be under the law, and that the law be made by parliamentary deliberations.

Mr. ROGERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Texas.

Mr. ROGERS of Texas. I compliment the gentleman from Georgia on an outstanding statement of the real issues involved in this reorganization plan. I, personally, feel that it would be an abdication of the powers of Congress to pass this plan. I think it is an amendment to the statute that should not be done in this way, and I think it should not be done even by an amendment to the statute. In short, it should not be done.

The gentleman has touched at length on the powers of the examiners. This reorganization plan, in effect, abdicates the adjudicatory powers to civil service employees; does it not? And, therefore, effectively puts into the executive branch of the Government those powers which were denied to the executive branch when the Board was originally established.

Mr. LANDRUM. That is absolutely correct.

Mr. ROGERS of Texas. That would be the result, would it not, of this whole procedure?

Mr. LANDRUM. I should think so, undoubtedly.

Mr. ROGERS of Texas. What we are doing is striking at the very roots of the theory of a judicial system by adjudicating this power to civil service employees.

Mr. LANDRUM. If the gentleman will permit, I actually believe we are really doing this: We are making a part of our judicial arm of government a part of the executive branch, and surrendering our authority over it, if we pass this plan.

Mr. ROGERS of Texas. The gentleman's familiarity with this particular subject causes me to ask this further question. If an examiner makes a finding and applies the law to the facts he has found and issues an order, and the Board refuses to review that order, which they would have the right to do under this plan, the appeal is taken to the court.

Mr. LANDRUM. That is, to the court of appeals, and not to a local court, as some of the testimony in the hearings would indicate.

Mr. ROGERS of Texas. The appeal then is taken to the court of appeals. The substantial evidence rule applies to that order; does it not? The court is absolutely bound hand and foot by the fact-finding of a civil service employee that has never been reviewed by the Board.

Mr. LANDRUM. Yes, sir; absolutely, by the pronouncement of the court itself, they will adhere to the substantial evidence rule.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. All of the evidence at the hearings we had, and there is a preponderance of evidence, is contrary to what the gentleman said. The court, in fact, does review the facts and that was the preponderance of evidence.

Mr. LANDRUM. The Board itself reviews the facts, but under this plan I will say they will not review the facts unless two members of the Board, or one less than a majority, vote to do so. Then, I ask you this—where are you going to find those two members? Are you going to chase them up and down the hall here and say, "Come on, I have a complaint and I want you to vote and I want you to help me"?

Mr. SMITH of Iowa. If the Board is that bad, then we are better off with the trial examiner's report instead of waiting on the Board.

Mr. LANDRUM. I still think my answer is accurate.

Mr. SMITH of Iowa. The other thing is this: As a matter of fact, the procedure will be as follows, the trial examiner issues an order and if an adversary did not question the order, then he would move for permission to appeal, and at that time it would be determined by the Board whether or not they thought there was good ground for appeal.

In doing so they are not saying whether or not——

Mr. LANDRUM. But the Board is not compelled to review it in that instance under the plan.

Mr. SMITH of Iowa. They would have to look at his motion to see whether it had substance or not.

Mr. LANDRUM. That would stand on its own basis.

Mr. FLYNT. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield.

Mr. FLYNT. First of all, Mr. Chairman, I would like to compliment my distinguished colleague from Georgia on the statement he has just made. In my opinion it was a scholarly presentation of the issue which the Committee of the Whole has before it at this time.

Let me in the first instance refer to that portion of the gentleman's scholarly presentation in which he emphasized that the conference committee of both Houses in 1935 struck out that portion of the National Labor Relations Act which referred to the National Labor Relations Board as a part or a subdivision of the executive branch of the Government, and set it up as an independent agency.

Mr. LANDRUM. An independent quasi-judicial agency.

Mr. FLYNT. Yes, performing a great many administrative, quasi-judical, and in some instances judicial functions.

Mr. LANDRUM. And, if the gentleman will permit me, I would like to add this: I believe in the language of one of the strong proponents of this plan, Mr. Ratner, who appeared before the Labor Committee advocating this plan, he used these words:

> The trial examiner under this reorganization plan becomes really in a most technical sense now very much like a judge and his powers become very, very great, and his responsibility becomes much greater than it is now.

That will be found in the hearings before the Subcommittee on the National Labor Relations Board, page 1521.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. GRIFFIN. In order that we may ask the gentleman a question or two, I yield him 5 additional minutes.

Mr. FLYNT. Will the gentleman yield further?

Mr. LANDRUM. I yield.

Mr. FLYNT. In this connection, if the law should be changed as Reorganization Plan No. 5 of 1961 would effectively change it, would it not mean that there would be no real right of appeal as to the merits of a case, and the review of the facts of a case unless two members, a majority less one, of the National Labor Relations Board took affirmative action to grant a review, a right which he has under present law?

Mr. LANDRUM. The gentleman is absolutely right.

Mr. FLYNT. Would it not mean that under the proposed revisions or Reorganization Plan No. 5, in the event the Board itself granted a review, and certainly in the event that the Board did not grant a review and it went directly to the court of appeals, that the provisions of the substantial evidence rule would then be invoked? And if there is any evidence—not a preponderance of the evidence with which phrase the gentleman is well familiar—but if there is any evidence, however slight, upon which the trial examiner could have reached the conclusion that he did, the only question before the Board or the court would be simply: "Was there any substantial evidence upon which the order could be based?"

Mr. LANDRUM. The gentleman is correct. The substantial evidence rule would apply in all those circumstances, and would inevitably, in my judgment, prevent any review or trial de novo.

Mr. FLYNT. If this Reorganization Plan No. 5 should become law, would it not mean that instead of being entitled to an appeal to the Board as a matter of right, whereby the aggrieved party might seek a review of the facts in the case as well as a review of the conclusions reached by the examiner, the net effect of this would be to repudiate the right of appeal and substitute in lieu thereof simply a petition for a writ of certiorari where the only question to be considered by the Board or by the court of appeals would not be a question of review of the facts but simply a review of the rulings of law that would certainly be afforded under the substantial evidence rule.

Mr. LANDRUM. I agree with the gentleman.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman has made a very able statement, and many other effective statements have been made against adoption of this plan. I would like to observe because I am completely sure it is true, if we started here in the House of Representatives today directly by legislative action and by amendment to the Labor Management Act, the proposal would not get 100 votes out of 437.

I see the gentleman from Virginia [Mr. Smith] is here. I served on the committee with him, a special committee that investigated the National Labor Relations Board years ago. He will recall, as other older Members will, that we had amendments to the then Wagner Act that were adopted in the House of Representatives by a vote of 2 to 1, never acted on in the other body, but those amendments in large measure were directed at correcting evils that we found to exist that I say adoption of this reorganization plan would reinstate.

Reference has been made to the fact that the Board would look at what the trial examiner had done or the employee—maybe the clerks down there could decide these cases—that involved important rights of individuals. But it has been stated that the Board could review the findings and determinations of trial examiners. If the Board can do that, then they might as well start with the case.

One other observation. I would like to repeat that in the transmittal message it was said, "Provision is also made, in order to maintain the fundamental bipartisan concept explicit in the basic statute creating the Board, for mandatory review of any such decision, report, or certification upon the vote of a majority of the Board, less one member."

That assumes the law creating the NLRB provides for bipartisanship as a basic matter. There is no such provision.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. GRIFFIN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. HALLECK. Mr. Chairman, there is no such provision in the act creating the National Labor Relations Board. In respect to other agencies of the Government there is such provision. There is none here. And as I pointed out earlier, while the political division of the Board is 3 to 2, there is no reason why it cannot be 5 to 0, one side or the other. Hence I say there is no basic statute for this bipartisanship.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Michigan.

Mr. GRIFFIN. I want to refocus attention and emphasize the very significant argument the gentleman from Georgia made with respect to jurisdiction of the executive branch to submit this particular plan. We have had questions raised as to the other plans, as to whether the other agencies, the FPC, and so on, were arms of the executive branch.

I have in my hand the Reorganization Act of 1949. Section 7 makes it very clear that when used in this act the term "agency" means any executive department, commission, and so forth in the executive branch of the Government. By this reorganization plan any part of the executive branch of the Government can be reorganized.

I wonder if the gentleman would again quote from the conference report on the passage of the Wagner Act which established the National Labor Relations Board, those words that were a part of the conference report, because I think they are important.

Mr. LANDRUM. The report says:

> Section 3(a) of the Senate bill provides there is hereby created as an independent agency in the executive branch of the Government a Board to be known as the National Labor Relations Board.

House amendment No. 6 strikes out the phrase "as an independent agency in the executive branch of the Government" and continues with the sentence:

> The Board as contemplated in the bill is in no sense to be an agency of the executive branch of the Government.

Mr. GRIFFIN. The Wagner Act specifically states that the NLRB is in no sense to be considered a part of the executive branch. Is that not correct?

Mr. LANDRUM. I agree with the gentleman. That is part of the basis of my argument. Moreover, I would say that the proviso in the reorganization plan submitted, that it shall not supersede the provisions of section 7(a), I believe, of the Administrative Procedures Act, is probably also nullified by the fact that this will become a statute, and a statute would supersede it. I think unquestionably it will have the effect of a statute anyway.

Mr. GRIFFIN. I would like to read into the RECORD from the Taft-Hartley Act, which was passed in 1947 which, of course, amended the Wagner Act. Section 3(a) says that the National Labor Relations Board created by this act, prior to its amendment by the Labor Management Relations Act of 1947, is hereby continued as an agency—not of the executive branch—as an agency of the United States. And, I think that reaffirms and reinforces the point that the gentleman made that there is a very serious question as to jurisdiction; as to whether or not the NLRB can be reorganized under the Reorganization Act of 1949. And, will the gentleman agree with me that a lawyer with a case would have a very substantial argument before a court, if he were denied review by the Board pursuant to this plan—if he were denied review by the Board, that he would have a very substantial argument that this plan was null and void.

Mr. LANDRUM. If I were employed as an attorney representing a client in such an instance, I would feel derelict in my duty if I did not press that point before the court.

Mr. GRIFFIN. That being a very substantial argument, I, for one, am willing to concede that there are problems of backlog facing the NLRB. However, I think we have made substantial improvement in the 1959 act which the Board has only recently seen fit to implement. But, I think we should proceed through the regular legislative process if we are going to do any further reorganization of the Board. Does the gentleman agree?

Mr. LANDRUM. I am in complete agreement with the gentleman and say this, let this House today defeat this reorganization plan offered and then go

back to the legislative committee, and, as long as I am a member thereof, I will do everything I can to see that a law providing proper reorganization is accomplished.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. GRIFFIN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Mississippi.

Mr. COLMER. The gentleman twice read here from the conference report to the effect that this agency was not to be considered a part of the executive department, which we now understand the reorganization would bring about, in effect. Now, what I wanted to emphasize here was this: The gentleman read the names of the distinguished Members of both Houses of the Congress who at that time signed the conference report. I ask the gentleman if it is not a fact—and I can certainly testify to it from my own observation here—that those who signed that conference report were regarded as great liberals in the Congress at that time.

Mr. LANDRUM. My observation from the record, which is the only thing I know, is that these gentlemen were so regarded, and I think history still regards them as such. Certainly I think they were great liberals and contributed immeasurably to the progress that this country has made.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield.

Mr. SMITH of Iowa. I should like to point out, and I wonder if the gentleman would not agree, that in the Landrum-Griffin bill we legalized the Board's giving away jurisdiction in certain dollar volume cases. That is, those that do less than a certain dollar volume.

Mr. LANDRUM. The gentleman is not correct. The gentleman is referring to the "No Man's Land" section of the jurisdictional question. Here is what we did in the Landrum-Griffin bill on that. The Board had established its own rule saying that when a complainant, a party litigant, had a matter that failed to meet the minimum standards that they set up—let us say, for example, $150,000 in volume—that they would not hear that case. Following that a decision was handed down by the Supreme Court that they could not get relief in the State courts, because the Congress had conferred that jurisdiction on the National Labor Relations Board. Therefore, you had a "No Man's Land" where those people who had been wronged could not get into court; they had no forum to which to go. So what we did was this. We said that under the jurisdictional lines that the National Labor Relations Boards sees fit to establish under their rules and regulations, when one is denied a hearing before the Board on account of not being able to meet that minimum, then and then only would the State courts have jurisdiction to hear it. That is exactly what we did.

Mr. SMITH of Iowa. So we did legalize the giving away not only the right to review those cases, but also all rights.

Mr. LANDRUM. No; I disagree with the conclusion that the gentleman has arrived at.

Mr. GRIFFIN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I should like to ask the Members, if they have a copy of the report by the Committee on Government Operations which accompanies House Resolution 328 relating to Reorganization Plan No. 5, to open the report to the tables on pages 12 and 13. In the course of my remarks, I should like to refer to the tables and the statistical information set forth there.

Reiterating an observation made earlier in this debate, it should be recalled that Reorganization Plan No. 2, relating to the FCC, was dealt a devastating blow when the distinguished Speaker and the chairman of the Committee on Interstate and Foreign Commerce argued, during the course of the debate on that plan, that fundamental law written by the Congress should be amended or changed only by a legislative act of Congress enacted in accordance with the regular legislative process—and not through the device of a reorganization plan. Their statements are quoted in the minority views on page 16 of the report.

I want to recall again that, in 1959, we were concerned about the backlog of cases that faced the NLRB, we were concerned about the great amount of work that the Board had to handle, we were concerned about some of the same problems that are being discussed here today, and Congress did write into the 1959 Labor-Management Reporting and Disclosure Act a very important provision. In section 701(b) of that act we provided that the handling of representation cases, which are nonadversary, nonadjudicatory proceedings, could be delegated by the Board—not to any employee, not just to anyone—but to the regional directors of the National Labor Relations Board. Congress said that; we spelled it out in law. But now, after taking that specific legislative action in 1959, we are confronted with Reorganization Plan No. 5 which provides that the Board can delegate any of its functions to any employee.

Now, there is a proviso in plan 5 which says that section 7(a) of the Administrative Procedures Act shall not be superseded.

But section 7(a) of the Administrative Procedures Act applies only to adversary proceedings or adjudicatory matters, and this would include unfair labor practice cases. In view of that proviso it would appear that Board powers with respect to unfair labor practices could not be delegated to anyone other than a hearing examiner. At least, I am going to accept that for the purposes of argument, even though I realize that it is not a settled matter as far as some people are concerned.

However, it seems to me there can be no real question but that representation cases are not saved by the proviso referring to section 7(a) of the Administrative Procedures Act; representation proceedings are nonadjudicatory, and under plan 5 the Board could delegate its functions and powers, with respect to representation matters, not only to regional directors, as we specifically provided and limited, but to any employee. So there is no question, in my opinion, but that this plan 5, if it goes into effect, would have the effect of statute and, being later in time, it would supersede section 701(b) of the 1959 Labor Reform Act in which we specifically provided that representation matters could be delegated only to regional directors and to no one else.

How significant was the change that Congress made in the 1959 act. Although lots of statistics are being bandied around here today, many of them do not mean very much because the Board has only recently, as of May 15, 1961, seen fit to implement the authority which Congress granted it in the 1959 act to delegate representation cases to its regional directors.

Looking at the committee report on page 12, for example, notice the table reflecting the number of case filings. In support of this reorganization plan the proponents indicate that 18,000 to 20,000 cases are pending before the National Labor Relations Board. This is not quite an accurate picture because those numbers refer only to the charges that are filed into the regional offices. Those numbers do not refer to the cases actually pending before the National Labor Relations Board. Do not be confused by those statistics. Look at the third table on page 12, entitled, "Contested proceedings transferred to Board." Those are the cases actually pending before the National Labor Relations Board in Washington. A great many of the charges and complaints that come into the regional offices in the field, like that come into a prosecuting attorney's office, never materialize into litigation. Some are withdrawn. Some are dismissed. Many never get to the litigation stage and they never get to the National Labor Relations Board.

Looking at that third table, notice the breakdown between representation cases and unfair labor practice cases. Representation cases in 1961, for example—and the figures are not complete—which were transferred to the Board were 2,319. How many complaint cases were transferred to the Board? Six hundred and sixty-six.

More time is required for the Board to handle a typical unfair labor practice case, as compared with representation cases—I do not want to leave any distorted impression about that fact; it takes about three times as long for the Board to handle an unfair labor practice case as a representation case—but look at the substantial caseload in representation matters that Congress in 1959 authorized the National Labor Relations Board to transfer and delegate to its regional directors. However, not until May 15, 1961, did the Board not exercise its authority to delegate such mat-

ters to its regional directors. When one looks at the fact that the Board has retained decision-making power only in unfair labor practice cases, and then looks at the number of such cases the Board is actually handling, the caseload is not nearly as startling as some would have you believe.

I would like to focus attention upon another fact. Back in 1957 and 1958 the Board made a shift in its way of keeping statistics. Of course, these agencies like to come before the Appropriations Committee and tell about how many cases they handle and if they can make these numbers look larger it helps them as far as their appropriation is concerned. I am not judging whether or not the Board has been getting too much or not enough money, but look at table 1 at the top of page 12. Notice that in 1957 there were 5,506 unfair labor practice cases filed and that in 1958 this figure nearly doubled, to 9,260. Do you know why? Because right there, between those 2 years, the Board changed the method of keeping its statistics as far as unfair labor practice cases were concerned, but not as far as representation cases were concerned.

If there should be an unfair labor practice charge which affected 40 men in a plant, although there would be only one situation and only one determination of law or fact to be made, the Board began, in 1958, to count that as 40 complaint cases instead of 1.

Accordingly, the 1958 figure is almost double for unfair labor practices while the number of representation cases was actually declining. There might be 50 employees, for example, trying to get an election and file a representation petition. That is counted as only one case.

Some of my northern Republican friends, I appreciate, are a little squeamish about this Reorganization Plan No. 5 because they fear that it may have something to do with union organization in the South and so forth. Let me say this. We took the bold step in 1959 when we delegated representation and election cases to the regional directors. We took a long step then to speed up the handling of elections and to make it easier to organize in the South.

In addition to that, we put some restrictions on blackmail, organizational picketing, and provided a quick election procedure; in such cases, if a union engages in organizational picketing, it must file for an election within 30 days and an election must be held "forthwith." We have given the Board power to delegate its authority with respect to representation of elections. I am not saying that in no instances do unfair labor practices have any effect on representation matters because collaterally they do. But I will say this: The great bulk of what could be considered nonadversary administrative type of work can now be delegated by the Board under the 1959 act.

So we do not know really, at this point, how loaded down the Board will be when its delegation of May 15 becomes fully effective.

In effect the gentleman from Illinois [Mr. PUCINSKI] asked me earlier why we had permitted this delegation of authority to the regional directors with respect to representation matters if we are not willing to permit delegation in complaint cases. Because of the very nature of the unfair labor practice case. A trial examiner who decides an unfair labor practice charge is sitting in the same capacity as a Federal judge. If one had a choice to go either to the NLRB or into Federal court, the situation might be different. But one does not have that choice. In this particular field, one must go to the NLRB if his case falls within its jurisdictional standards. Incidentally, it should be kept in mind that the Board has ordered unions, as well as employers, to pay or refund large sums of money. In 1960, unions in more than 300 cases, in looking at the annual report of the NLRB, were compelled to pay nearly $100,000 to employees as the result of orders of the NLRB in unfair labor practice cases. Plan 5 would allow the Board to put this power in the hands of a civil service employee who is not approved by the Bar Association, who is not required to be a lawyer, who is not appointed by the President, and who is not confirmed by the Senate; he would have all of the powers of a Federal judge. That is why we limited the Board's authority to delegate in the 1959 act. After the NLRB delegation of authority to the regional directors in representation matters has had an opportunity to work for a while, if Congress believes that something further should be done to relieve the caseload of the Board then, perhaps, we should consider some other possibilities.

Perhaps the NLRB should be a Board to handle only representation and election matters. Perhaps unfair labor practice cases should go to the Federal district courts. This is a proposal that has been seriously urged. Perhaps we should set up regional labor courts or regional labor boards, and specify the qualifications of the people to be sure they will have the qualifications of Federal judges, if we are going to give them the powers of Federal judges. I believe we all want as much speed as possible in the handling of NLRB cases. But as the gentleman from Georgia has indicated, speed is not always the same thing as justice.

In the area of unfair labor practices there is no room, I submit, for any bargain-basement justice.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. I yield to the gentleman from Indiana.

Mr. HALLECK. Apropos the advisability of the continuing review by the Board itself, it might be interesting to point out, as I understand from the testimony, in 1960 357 cases were reviewed by the Board. In 102 of those cases the determination of the trial examiner was overruled in whole or in part; in other words, almost one-third of the determinations made by the examiners on review were either reversed or altered by the Board itself. That would seem to me to be a statistic that ought to be convincing to everybody, that to turn this complete authority over to trial examiners or employees of the Board is an extremely dangerous thing.

Mr. GRIFFIN. In addition to that I should like to focus attention on page 13 of the committee report dealing with a fact that has already been referred to. The Taft-Hartley Act provided that the Board can delegate adjudicatory matters—not to employees or civil servants—but to a panel of the Board itself. It is interesting, for example, to note that in the fiscal year 1960 the Board decided a total number of 357 complaint cases; out of that number only 66 were decisions by the full Board; 278 were decided by panels of the NLRB.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SMITH of Iowa. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Chairman, there are three reorganization plans pending before the committee headed by the gentleman from Illinois [Mr. DAWSON].

In this morning's Washington Post there appeared an article written by Mr. Drew Pearson. A long time ago I learned never to get in an argument with a newspaperman or a highway partolman, but the reason I have asked for this time to comment on this article is that I have been misquoted. I have been misquoted in respect to the character and type of many fine men, industrious men, men who were presidents and executives, operators of the American-flag merchant marine. I do not feel in my conscience that I should pass up the opportunity I have to correct this misstatement.

The article deals with plan No. 7. It goes on to talk about the operators of the American merchant marine, two other Members of Congress, and myself. In particular I want to read this part of the article that refers to me. They are writing about plan No. 7 here. The article states:

> However, the shipping tycoons have failed to win over Chairman HERBERT BONNER, of North Carolina, who remarked recently that the steamship crowd reminded him of "a bunch of WPA workers."

That statement is false. There is no foundation whatsoever for that statement. I have not discussed any matter with Mr. Pearson, certainly this year, nor many months previous to this year. Nor have I had any conversation whatever with any of his representatives, nor would I make such a statement about the fine gentlemen who are executives of a great business in this Nation.

The article goes on to say, "Instead of raking leaves" he said—I presume he is talking about me—"they are raking in $300 million a year. Now they are threatening to lay down their rakes unless they can name the head of the WPA."

Mr. Chairman, I have known many, many fine men who were administrators of the Maritime Administration, who served under a Republican Chief Executive. I remember Mr. Clarence Morse; I remember several others. And I can stand here and testify as to their character, their good standing, their honesty and integrity.

In my 20 years on the Merchant Marine Committee, yes, I have made many fine friendships of the operators of the merchant marine. I have found them to be honest, honorable men, I have found them to be men who have invested their own private capital and the private capital of the American people in an institution 50 percent of its value being for the national defense of this Nation.

I think it little behooves anyone, whether you agree or disagree with the plan, to use this approach of maligning and abusing these operators.

Mr. Chairman, as I said in the beginning, I have not talked with Mr. Pearson. He has written me up once or twice before, and that is his business. He has written up other Members of Congress. That is their business. But in this article I point out that Mr. BOYKIN, of Alabama, voted in the Committee on Merchant Marine and Fisheries for the plan, and the committee voted 14 to 11 in favor of the plan, after 3 days of hearings.

The quotation referred to was never made to Mr. Pearson, his staff, or any other person.

Mr. GRIFFIN. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN. Mr. Chairman, I realize the hour is late and I will not speak too long on this reorganization plan now before us. I regret that other responsibilities have kept me off the floor a part of the afternoon, so I have not had the opportunity to listen to all of the debate. However, as the ranking member of the Subcommittee on Government Organization of the House Committee on Government Operations, I feel I should express my views and opinions on this matter, some of which, of course, can be found in the minority views in the committee report, and also in the testimony taken by our subcommittee on this particular reorganization plan.

First of all, if you will permit me, I would like to call to your attention the fact that not too long ago, on the floor of this House, I questioned very strongly the right of the President of the United States, under the Reorganization Act of 1949, to submit any reorganization plan or plans dealing with the independent agencies of the Government. That view was supported by some of the best attorneys in the House, and likewise that view was opposed by other good attorneys in the House.

I was happy to be able to hear, a few moments ago, most of the statements made by that very able lawyer, the gentleman from Georgia [Mr. LANDRUM], on that subject.

The question arises, of course, primarily just what the Reorganization Act of 1949, which we have extended time after time, provides. And, I would like to interpolate, as many of you know, I have stood in the well of the House many times and supported reorganization plan legislation, although I did insist, as you may recall, that we limit the right of reorganization in a way so that one House, by a vote of a simple majority of those present, could reject any reorganization plan.

I would like to read to you again, if I may, one provision of the Reorganization Act of 1949, which is still in effect, as to the authority of the President to submit plans to reorganize various agencies and departments of the Government. Here is what it says, and I again quote section 7 of that act:

SEC. 7. When used in this Act the term "agency"—

And this refers all the way through to the agencies in the executive branch of the Government—

means any executive department, commission, council, independent establishment, Government corporation, board, bureau, division, office, officer, authority, administration, or other establishment—

Now let me emphasize the following language—

in the executive branch of the Government.

Now, is the NLRB in the executive branch of the Government or is it an independent agency? I would like to remind you that when the original Wagner bill—S. 1958, which created the NLRB—passed the Senate in 1935 it provided:

There is hereby created as an independent agency in the executive branch of the Government a Board to be known as the National Labor Relations Board.

However, House amendment No. 6, struck from the bill the phrase "as an independent agency in the executive branch of the Government."

So, in my mind, in no sense can the NLRB be considered to be an agency of the executive branch of the Government, and therefore, there is no real legal authority to bring this particular plan before the Congress for approval or even for the President to submit it.

I want to remind you that back, if I remember correctly, in the Roosevelt days, of the case of a commissioner of one of these independent agencies created by the Congress. In that decision the Supreme Court said that although the President of the United States had appointed the individual to serve on that Commission, he had no right to remove him, as he attempted to do, because it was an independent agency and an arm of the Congress, and not a part of the executive branch of the Government.

Let us look at this particular plan for just a moment or two. It is different from Reorganization Plans No. 1, No. 3, and No. 4. It is somewhat similar to plan No. 2 which was submitted and defeated here. The other plans did not amend statutory law. But this particular plan does attempt to amend, as has been pointed out, statutory law, just as did plan No. 2.

If you will refer back to the report, you will find the exact language whereby this plan would set aside section 701(b) of the Landrum-Griffin Act. It would also make some changes in the original Taft-Hartley Act, as has been well pointed out on the floor of this House by far more able speakers, and by far more learned attorneys, than myself.

Let us go further. I feel there is another issue involved here, and that is the delegation of power. This plan is a little different from some of the other reorganization plans. It does not provide that the Chairman of the Board shall or may directly delegate certain powers and authorities to employees of the Board. Instead it provides the Board may delegate such authority.

However, we had before our subcommittee Mr. Stuart Rothman, the Counsel for the National Labor Relations Board—the attorney or the lawyer who advises the Board as to its rights and its privileges, and so forth—and, if you will read the hearings, you will find that upon questioning by myself, he testified as follows—but, first, here is my question:

Mr. BROWN. All right, answer my question, whether or not, under this reorganization plan, in your legal opinion, the Board could delegate all of its powers to the Chairman to, in turn, set up these different examiners and delegate authority where he pleases.

Remember, this is the lawyer for the NLRB, or General Counsel, I am questioning.

Then we have his answer:

Mr. ROTHMAN. The reorganization plan appears broad enough to so authorize.

So, under this plan it would be very easy for the Board to say "we will turn over all of this authority to delegate power to the Chairman of the Board."

Let us see to whom he could delegate, or the Board, could delegate, such power. To the examiners, of course. In fact, this plan does delegate power and authority to the examiners. And who are these examiners?

I think if you will go check the files of some of the committees in this House, not the committees upon which I serve, you may be amazed to learn who some of these examiners are, and what their past records and connections have been. But let us go a little further. These men, these examiners, out in the field, would have the power to make decisions, and unless two or more members of the Board agreed there should be a review of their decisions, they would stand. They would have the virtual effect of law, or of a court decision.

In another question of Mr. Rothman I asked, and it took some time to get the answer—I asked whether or not the Board, under the present law, is required, upon application of an interested party, to review the decisions and the findings of these examiners, and what it had done about them. I asked:

What do you find as to the ability and the work of the examiners?

He answered:

Whenever we think they are wrong we seek to, or the Board seeks to, overrule the decision of the trial examiners.

I then asked this question:

Mr. BROWN. What percentage are overruled?

Mr. ROTHMAN. I think that the Board overrules the trial examiner in those cases where exceptions have been taken from the decision of the trial examiner, in some 25 percent of the cases that have been appealed. Now those are not necessarily the cases in which I have excepted, but it may be the cases in which the other party has excepted.

In addition, as the gentleman from Indiana, our minority leader, well pointed out, appeals are also taken from the decisions of the Board to the Federal courts, as well as appeals being taken to the Board from decisions of the examiners.

Does it not appear to you that where the examiners are found wrong, by their own superiors, 25 percent of the time in the cases which are appealed to the Board, and they are also found wrong in other cases which may be appealed to the courts, that it is a little risky, it is a little dangerous, to adopt a reorganization plan which would give almost complete authority to the examiners to make final decisions in these cases?

In other words, on their own record, the Board's record, on their own testimony, their own examiners have been found wrong 25 percent of the time in the cases which have been appealed to the Board, and then the Federal courts have gone further into cases which have been appealed from the Board itself, they have found more instances in which the examiners were wrong. Does it not seem just a little foolish, a little silly, perhaps, to say we are going to trust this type of official, we are going to give this final authority to such examiners, unless somehow or other interested persons can prevail upon two or more members of the Board to hear their case and to review that which the examiners have done?

I say to you, whenever you have persons in an organization, I do not care what they may be doing, whether they be examiners or not, they cannot be trusted. What would you do with a stenographer, 25 percent of whose letters were wrong, or the words were misspelled? You would get rid of her, would you not? You would not let such a person work for you. Yet here is a report, carrying their own statement before a legislative committee of this Congress, admitting that in 25 percent of the cases appealed to the Board, their own examiners have been found wrong.

So I say to you, in my opinion, it is foolish and it is wrong not to reject this plan, but instead to put the people of America under the control of such examiners who have been wrong such a great percentage of the time. Undoubtedly if this kind of reorganization plan becomes effective you will have even less able examiners in the future than you have had in the past.

So for these reasons I shall support the resolution to reject this plan in order to protect the people I represent and the employers and workers of this country from the mistakes that the Board itself, and its legal counsel, frankly admit have been made by the examiners out in the field. Instead, I shall vote to protect the rights of all individuals, coming under this law, to appeal to the Board itself, in any and all cases, for review of the findings of the examiners so justice may be obtained.

Mr. GRIFFIN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, I was rather surprised this afternoon when I heard the gentleman from Florida say that he was not concerned with any other method of treating this problem. I think we will all admit the regulatory agencies have a problem in regard to handling their cases. But, there are a number of methods by which we can reach a solution. It is rather surprising to hear a Member of the House of Representatives say that he is not particularly concerned as to how we should arrive at the solution, especially when under the reorganization plan there is no question but what we are abdicating a power which we now possess and we lose it by this reorganization plan. This plan is almost identical with slight changes with plan No. 2. That was turned down by the House.

Our committee, from a legislative standpoint, has already reported out a reorganization plan for the FCC. We have also already reported out a plan for the ICC. There is no question in my mind but what the legislative committee having to do with the legislative jurisdiction of labor matters can solve this problem in a legislative way without relinquishing any of the powers which we now have in the House.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. YOUNGER. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I do not understand what powers we now have that we are giving up under this plan.

Mr. YOUNGER. For the simple reason that once you allow the executive branch to control and reorganize an independent agency, and I will admit there is a very serious question that has been raised here today, whether the executive has the power under the Reorganization Act to reorganize this independent agency—but once we recognize that it has that power, we cannot return to the right which I think we have now, that is the legislative right over that agency.

Mr. SMITH of Iowa. I am still saying that any question you raise here could be applied to almost all of these administrative agencies that have been reorganized since 1949.

Mr. YOUNGER. That is right, and I have been against all of them and I will be against this one because I think fundamentally, as Members of the House, we are relinquishing our control over the arms of Congress—what we call the arms of the House of Representatives.

Mr. SMITH of Iowa. This is not a new precedent. You say we are adding to a precedent started in 1949.

Mr. YOUNGER. No, we have not reorganized any of the independent agencies—at least this Congress has not, and we are not accountable for what the prior Congresses may have done. I was not here in the House of Representatives then. But, I am responsible for my own vote as to what we do now. I think this is bad and we certainly should turn down this reorganization plan.

Mr. Chairman, I want to read a letter I received today from a lawyer who I think has more experience in the area of labor relation questions than any other attorney in our area. He is J. Hart Clinton who is also editor and publisher of the San Mateo Times. This is his letter:

SAN MATEO TIMES,
San Mateo, Calif., July 17, 1961.

Hon. J. ARTHUR YOUNGER,
House Office Building, Washington, D.C.

MY DEAR CONGRESSMAN: We urge you to oppose President Kennedy's Reorganization Plan No. 5 which would change certain existing procedures of the National Labor Relations Board.

We sincerely feel that changes of the nature proposed in Reorganization Plan No. 5 should be made only through legislative action, rather than by Presidential order. We believe you will agree that the operations of the National Labor Relations Board are of extreme importance not only to labor and management but to all members of the American public and to our economy; it is too important to be amended without the careful and deliberate consideration and judgment of the House and the Senate.

Aside from our strong feeling as to the proper method for effectuating changes in the Board's operation, we have specific objections to the provisions of Reorganization Plan No. 5. Excessive authority would be placed in the hands of trial examiners and in some cases they could be vested with judicial power which they should not properly assume. We question whether Reorganization Plan No. 5 would not deprive citizens of due process under law. Moreover, we think any investigation or study of the Board's present operation and of the provisions of Reorganization Plan No. 5 would convince you that the plan would not solve the Board's problem of case backlogs and could, conversely, create all kinds of other problems.

We trust that you will give our views your most serious attention.

Respectfully yours,
J. HART CLINTON,
Editor and Publisher.

That letter is from an attorney who has had more experience in labor relations and with the Labor Relations Board in our section than any other person I know of.

The CHAIRMAN. The time of the gentleman from California has again expired.

The gentleman from Illinois is recognized.

Mr. ANDERSON of Illinois. Mr. Chairman, may I inquire how the time stands?

The CHAIRMAN. The gentleman from Iowa has 3 hours and 4 minutes remaining; the gentleman from Michigan 3 hours and 21 minutes.

Mr. ANDERSON of Illinois. Mr. Chairman, we have had a succession of speakers from this side. Cannot the gentleman from Iowa yield to a Member on his side?

Mr. SMITH of Iowa. Mr. Chairman, I think the gentleman from Illinois should yield to equalize the time.

Mr. ANDERSON of Illinois. If the Chair will permit, there is quite a wide divergence in the time. I think the gentleman on the other side should yield.

Mr. DINGELL. Mr. Chairman, in order to help our Republican colleagues get their Members here, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

One hundred and thirty-five Members are present, a quorum.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield such time as he may require to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, we have had a constant stream of speakers on this side, and it would seem to me only fair and right that the Chairman would ask the gentleman in charge on the Democratic side of the aisle for a speaker at this time. At the moment it looks as if we may have one more speaker. Of course, if the Chairman insists that we yield time, we shall do so.

The CHAIRMAN. The Chair is not insisting on anything. The Chair is seeking to be helpful. The gentleman has 14 minutes less time than the gentleman on the other side.

Does the gentleman from Iowa desire to yield time at this point?

Mr. SMITH of Iowa. We have one gentleman who wanted to talk, but he prefers to wait.

The CHAIRMAN. The Chair would like for somebody to make some sort of a decision.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. How many more speakers, may I ask, on the other side?

Mr. HOFFMAN of Michigan. Three.

Mr. McCORMACK. How does the time stand?

The CHAIRMAN. The gentleman from Iowa has 3 hours and 4 minutes remaining, and the gentleman from Michigan has 3 hours and 21 minutes remaining.

Mr. McCORMACK. Mr. Chairman, I would think under those circumstances that the gentleman has used less time than has been used over here.

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. Is it the ruling we should use some of our time now?

The CHAIRMAN. The Chair is not insisting on anything. The Chair is simply asking somebody to make a decision.

Mr. HOFFMAN of Michigan. On this side we go along with the majority leader.

The CHAIRMAN. If no one yields time, the Clerk will read.

Mr. McCORMACK. The gentleman has three more Members to speak. The gentleman from Michigan should have one of his Members speak.

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. How much time must we use on this side before the other side is going to use time?

The CHAIRMAN. The gentleman from Michigan is entitled to use time now because he has more time remaining at this point than does the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. How many speakers do they have on the other side?

The CHAIRMAN. The Chair is not able to answer that question.

Mr. McCORMACK. Mr. Chairman, I understand there are three or four more speakers on this side.

Mr. HOFFMAN of Michigan. Any idea how long each one will talk?

Mr. McCORMACK. Mr. Chairman, apparently we are not going to have any cooperation from the other side, so we will yield time.

Mr. SMITH of Iowa. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, I rise in opposition to House Resolution 328. I hope that this resolution which would disapprove Reorganization Plan No. 5 will be rejected by the House and that Reorganization Plan No. 5 will go into effect on Sunday night.

May I at this time congratulate the gentleman from Florida [Mr. FASCELL] for the very fine statement he made at the opening of this debate earlier today and also congratulate the gentleman from Illinois [Mr. DAWSON], chairman of the Government Operations Committee, for the excellent report his committee prepared on this subject. I have had the honor of serving as chairman of a subcommittee of the House Committee on Education and Labor which since May 8 has been conducting a study of the National Labor Relations Board.

On this committee we had on the Democratic side the gentleman from California [Mr. ROOSEVELT], the gentleman from Pennsylvania [Mr. DENT], the gentlewoman from Washington [Mrs. HANSEN]; and on the Republican side we had the gentleman from Michigan [Mr. HOFFMAN], the gentleman from Michigan [Mr. GRIFFIN], and the gentleman from Ohio [Mr. ASHBROOK]. We have had 15 hearings. We heard 60 witnesses and invited some 1,300 members of labor and management and students of the National Labor Relations Board to participate in this study.

Mr. Chairman, there is no question in my mind but that some action must be taken and must be taken now if you are to avoid complete chaos in the National Labor Relations Board. We have tried to conduct our investigation in a nonpartisan, dispassionate, determined way, and I think that on both sides of the aisle we can all agree that the Board is certainly beset with extremely serious problems. This Board is expected to handle 23,000 cases by next year. The Board right now has a backlog of 1,100 cases, of which 456 are complaint cases, and which, according to testimony before my committee, take an average of 438 days to adjudicate.

There is no question in my mind that well-meaning Members on both sides of the aisle could argue endlessly about the fine nuances, the fine shading in this legislation. But, when you reduce all of these arguments to their lowest common denominator, you are still faced with a very serious problem right now in the National Labor Relations Board. Those of you who want to promote labor-management stability in this country, those of you who believe that America needs good labor-management relations if we are to have economic growth, those of you who honestly believe in the capitalistic system will have to admit that we must have a forum before which both the men representing labor and the men representing industry can appear and judiciously, expeditiously, fairly, and justly resolve their differences. This is not being done before the Board today.

I need not remind you of the old axiom that "justice delayed is justice denied." This justice is being denied today both to management and to labor, not because of any shortcomings of the members of the Board, not because of any shortcomings of the examiners, not necessarily because of any shortcomings on the part of the dedicated employees of the National Labor Relations Board, but rather by the system under which they must operate.

As I sat here all afternoon listening to the arguments on both sides, one inescapable conclusion came across my mind, that you can go ahead and pick these plans apart here and there and there and there, but the fact remains that unless this plan is permitted to go into operation, you are not going to promote the kind of labor-management relations climate and good will that we need in America, particularly at this very crucial time.

I say, my friends, how can any American in Congress or out of Congress, Democrat or Republican, expect five members of the NLRB to deal with 23,000 cases, every single one of which under the present rules can be appealed de novo to that Board? Can anyone deny this statement that I make here today? We now have 1,100 of these cases pending. So, I say this Reorganization Plan No. 5 is a fair and honest plan.

I know that the members of this Board, even if they worked around the clock, even if they tried to clean up this backlog right now—and the gentleman from Michigan [Mr. GRIFFIN] admitted that "C" cases take three or four times as long to conclude; even if the Board members wanted to, they would not have the human strength to clean up the present backlog with no consideration of new cases. So, when you consider what they are up against and then read this plan fairly and honestly, you will have to admit that this reorganization plan will go a long way.

The executive secretary of the NLRB in his statement to our committee said:

> The notorious problem of delay in the issuance of its decisions is, of course, the most aggravating problem the Board has. It is by all odds the grounds for most of the criticism and complaints against the Board. It is difficult enough to handle cases with promptness; it is almost impossible to do so with the backlog the Board has had.

We should constantly remind ourselves that in each one of the 456 unfair labor practice cases which were pending before the NLRB on May 1 of this year,

there were allegations that rights which Congress sought to protect have been violated. These cases involved employers, unions, and individual workmen. A great deal of the testimony before the subcommitte on the NLRB has dealt with the demoralizing effect which months and months of litigation before the NLRB has upon employees who have attempted to form into unions and who have been discharged for union activity.

I would like to show you gentleman on this side what is the practical effect. You have heard a great deal of discussion here today about the fact that in 1959, we in this Congress delegated to the regional directors authority and jurisdiction over recognition cases. This is meaningless. What you have done in 1959 is absolutely meaningless under the existing rules of the Board. Let me give you a practical example of what happens. A group of workers will get together and decide they want to organize into a union, and they go through the procedures outlined in the 1959 Landrum-Griffin Act, and file for a recognition election. They can get this in somewhere around 120 days. But somewhere along the line in this span of 120 days some altercation occurs between the employer and the workingman which is grounds for an unfair labor practice case, for a "C" case complaint, and that is filed with the Board.

Now, we know that that recognition election will be held up until this "C" case is disposed of. Therefore, when you have an average of 458 days before the Board on "C" cases, whatever relief, well meaning as it may have been in 1959, and I supported that relief, that relief in effect is meaningless unless you give this Board now the authority to move more expeditiously on these "C" cases. This same problem applies to employers who seek a speedy election only to see it delayed by a prolonged unfair labor complaint brought by a union.

I hope those of you who are opposing Reorganization Plan No. 5 will keep this very important factor in mind.

Mr. DINGELL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred and forty-one Members are present, a quorum.

Mr. PUCINSKI. The Subcommittee on the National Labor Relations Board has been presented with cases in which the Board decision took more than 3 years from the date the unfair labor practice charge was filed. In some of these cases the decision of the Board took more than 2 years from the time the trial examiner issued his intermediate report. The subcommittee has in its files cases which were pending before the Board at the end of April of this year in which the charges were filed more than 3 years ago and in which no Board decision had issued. Our files also indicate that cases were pending before the Board at that time in which the trial examiner's report had issued more than a year ago. In each one of these 450-some-odd cases, if there is a violation, the parties involved should know it promptly. It is equally important that if there is no violation this should be known by the people affected as soon as possible.

No witness who has appeared before our subcommittee has denied that a serious problem presently exists in the procedures of the National Labor Relations Board caused by the inability of the Board to make faster decisions in unfair labor practice cases. The President's Reorganization Plan No. 5 is designed to alleviate this problem by permitting the Board to adopt procedures for limited review of the decisions of its trial examiners.

Mr. Guy Farmer, a former Chairman of the National Labor Relations Board and an attorney now practicing in the National Labor Relations Board field representing employers and who served as a member of the Cox advisory panel to the Senate Committee on Labor and Public Welfare in 1959, and Mr. Louis Sherman, an attorney representing unions, and Mr. Gerard Reilly, former Board member and lawyer representing employers who also served on this panel, appeared before our subcommittee and spoke in favor of giving more finality to the trial examiners' reports.

Mr. Joseph Jenkins, an Eisenhower appointee who served as a member of the National Labor Relations Board from March 1957 to March of this year, and who is generally recognized as sympathetic to problems of employers, spoke strongly in favor of President Kennedy's Reorganization Plan No. 5. He also indicated quite frankly that many parties, both employers and union, now use the present procedures of the Board merely for the purposes of delay.

Their testimony proves what I said earlier, that justice delayed is justice denied. This is exactly what is happening before the Board now.

Let us see what Mr. Jenkins had to say about the appeals to the Board. There has been a great deal of discussion here about the great terror, the great fear, the great damage that would be done to America if we were to give these trial examiners greater finality. There are those who say every single fact and every single case must go before the Board, if the rights of these people are to be fully protected.

Let us see what Mr. Jenkins says about the appellate procedures:

I do not think there would be any grave danger or possibility of its misuse (referring to plan No. 5). I am inclined to agree with your analysis of section 7(a) of the administrative procedures act in regard to hearing examiners, and also to agree with your statement about the delegation to regional directors.

Now, getting to the last question about the length of time consumed before the National Labor Relations Board. In my recommended rules of practice, I endeavor to solve that problem by providing certain standards for review of intermediate reports.

Mr. Jenkins goes on to say, and I wish my fellow Members would listen to this because there has been this great emphasis placed on this appellate procedure question:

I took one of the volumes of the Board decisions, I believe it was volume 101, and made an analysis of what the Board did with cases, and it turned out that in one-third of the cases where exceptions were filed, the Board did what I call rubber stamping of the trial examiner's intermediate report. They merely wrote a one-page opinion in which they affirmed it. In one-third of the cases, they modified slightly the trial examiner's intermediate report and, of course, in the other third of the cases in that volume, they had made some substantial changes in the intermediate report.

Continuing with Mr. Jenkins' statement:

It seemed to me that one of the ways of eliminating the delay would be to limit the ground for review because as things now stand, a trial examiner will issue an intermediate report, a party will file exceptions to that report which will be accepted; the exceptions themselves may not really refer to specific pages or lines or cases, but the whole case is then taken by a legal assistant to a Board and completely reviewed.

After it has been completely reviewed, you may wind up with a one-page decision.

Now, the one-page decision after it has been completely reviewed proves what? That nobody had any basis for taking exceptions to the intermediate report in the first place, but somebody either on management's side or on the labor side found it to their advantage to delay the processes of the Board. They file their exceptions to the intermediate report for one purpose only, to secure delay.

Mr. Chairman, again I say "justice delayed is justice denied."

Mr. Jenkins continues:

I think it is completely widespread. I think there are people practicing labor law who specialize in doing nothing else except delaying those cases. They make their living that way.

Mr. Chairman, I believe Mr. Jenkins spoke the truth. Here is a man who has had vast experience with this Board and I hope this body will certainly heed his admonition before we take final action on this resolution.

I believe there is pressing need based upon the testimony that has been presented before the subcommittee on which I had the honor to serve as chairman to adopt this rule.

The national labor policy as set forth by the Congress of the United States in the Labor-Management Relations Act of 1947, as amended, certainly would become a hollow mockery when the rights which it seeks to protect cannot be determined for unconscionably long periods of time because of defects in the procedures of the agency created by this Congress to carry out that policy. No party should gain merely by taking advantage of delays inherent in the operations of the Board.

President Kennedy has recognized this need for immediate action by presenting to the Congress Reorganization Plan No. 5. This plan, I believe, is reasonable and is a plan that deals with this problem and it is in accord with the intent of the Congress when it enacted the Reorganization Act of 1949, and gives to the President the duty from time to time to reexamine the organization of the agencies and to determine any necessary changes in order to permit better execution of the laws, more effective management of the agencies, and the expeditious administration of the public business.

I would like to point out that the gentleman from Michigan raised the point that plan No. 2 had been rejected. This is true; plan No. 2 was rejected, and one overpowering, compelling reason why Reorganization Plan No. 2 was rejected was because it included a proviso which would have given the Chairman of the FCC vastly greater powers than Congress intended to give him in the first instance.

I want to call to the attention of those who may not have made up their minds on this question that Reorganization Plan No. 5 carries no such provision, does not contain any provision that would give the Chairman of the Board vaster and greater powers.

There has been a great deal of discussion here today, to use a common expression, about buying a pig in a poke. Previous speakers have said, and I believe the distinguished minority leader emphasized this point, that you are being asked to adopt a plan which would give the Board certain rights to adopt certain rules when nobody has any idea what these rules will consist of. I should like to read for the benefit of the Members a statement included in the report of the other body in which the Board had indicated what it intends to do if this additional power and authority is granted to the Board under plan No. 5.

I do wish I can have the attention of those who raised this point; who have tried to create the impression that under plan No. 5 we would turn this whole thing over to the clerks of the Board and that there would be no right of appeal; that the trial examiners' hearings would be final—and opponents of this plan certainly painted a dismal picture which tried to portray us as ripping the guts out of the right of appeal by American citizens who have dealings with the Board. Let us see what the Board intends to do. I am quoting from page 4 of the other body's report on plan No. 5:

> The Board contemplates limited grounds for review along the following lines:
>
> 1. That a substantial question of law or policy is raised because of (a) actions or (b) a departure from official reported Board precedent or other controlling authority; or (c) that the conclusions or orders are not warranted by the findings of the facts.

These are the rules the Board contemplates establishing. Reading further:

> 2. That the trial examiner's decision on a material factual issue is clearly erroneous; and
>
> 3. That the conduct of the hearings or any regulation made in connection with the proceedings has resulted in prejudicial error; and
>
> 4. That there are compelling reasons for reconsideration of an important Board ruling or policy.

This is now a matter of record and anyone who suggests that we do not know what the National Labor Relations Board would do with this new authority has not studied the facts.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. In substance, what the Board would do would be to consider those cases that had merit and discourage dilatory proceedings.

Mr. PUCINSKI. Exactly.

Mr. Chairman, I say it is torturing the truth for those who oppose this plan to stand in the well of this House and suggest that under Reorganization Plan No. 5 we would deny to litigants before the Board any review. What we are trying to do here is to deny to those who would use delay to deny the rights of parties appearing before this Board, these dilatory weapons. When, through dilatory tactics built into the present procedure of the Board, either one of the sides may prolong the proceeding for a period of 450, 500, or 600 days, you are denying rights of the other party. That is, the right to a speedy adjudication of this proceeding. We cannot ignore the rights of those parties who suffer because of prolonged delays. I say that under this record which is now spread across the books of Congress, there can be no question but that this reorganization plan is an honest and sincere effort to make the National Labor Relations Board an effective instrument to carry out a fair national policy of American labor-management standards.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman from Illinois is making a very sound and effective speech. The gentleman from Florida [Mr. FASCELL] made a brilliant presentation as to the reasons why the plan should be approved and why the disapproving resolution should not be adopted.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SMITH of Iowa. Mr. Chairman, I yield the gentleman 15 additional minutes.

Mr. McCORMACK. Other Members who have spoken have also presented clearly the necessity for adoption of the plan recommended by President Kennedy. We all know of the long delays that have taken place. This plan is aimed at bringing about more efficiency in the National Labor Relations Board in light of the experience that the Board has had and which Members of Congress know that the Board has had. It is beyond my power of comprehension to feel that any rights of the Congress have been invaded. This plan is aimed to bring about greater administrative efficiency and certainly that is something we should seek to bring about.

I hope when the vote is taken tomorrow—and I may say here the minority leader and I have arrived at an agreement which I shall announce that debate will continue for a half hour longer tomorrow, 15 minutes on each side—that the Members will vote to sustain the plan recommended by President Kennedy.

Mr. PUCINSKI. I thank the majority leader [Mr. McCORMACK] for his contribution. Mr. Chairman, statements were made earlier about the quality of the trial examiners. Some Members who have spoken here would have you believe that these trial examiners are totally incompetent, that you are indeed endangering the whole future of this country by entrusting in their hands judgment in these cases.

I would like to read briefly what a very eminent member of the Republican Party, former Chairman of the Board, Mr. Guy Farmer, said about trial examiners:

> The trial examiners are independent, conscientious, and well-trained men with first-hand observation of the witnesses.
>
> Parties will not suffer by giving more finality to the findings of hearing examiners: These hearing examiners (or trial examiners as they are known at the Labor Board) are not faceless bureaucrats. These trial examiners are appointed from an approved roster established by the Civil Service Commission and removable only by the Civil Service Commission (after a due process hearing and only for cause). They are not answerable in any way to the Labor Board for their opinions, except to the extent a Federal district judge is answerable to a Federal court of appeals. I think I know most of the trial examiners and I have seen them function judicially, and although not all are of equal ability I feel they are a fine group of men who are conscientious, independent, judicial, and understand the act quite well. Moreover, I feel that these trial examiners who hear the evidence and observe the witnesses are in a better position to make a decision in the factual dispute cases than are the Board members in Washington who review the cold (and stale) pages of the record.

I should like, if time had permitted, to present to this body today the standards for appointing trial examiners, including the fact every one of these is examined by the FBI, as to background, his qualifications, and standards.

I should like to point out also that under the rules, every trial examiner who is placed in service must first be interviewed by the National Labor Relations Board itself, so that the impression opponents of plan No. 5 try to create that these trial examiners are bureaucrats who do not know what they are doing and therefore these cases cannot be entrusted to them is absolutely without foundation.

I was very happy to hear the gentleman from Michigan [Mr. GRIFFIN] finally admit today that because of the proviso in Reorganization Plan No. 5, which states that "nothing herein contained shall be deemed to supersede the provisions of section 7(a) of the Administrative Procedure Act—60 Stat. 241—as amended, will help assure the manner and rules under which only trial examiners will conduct hearings. This proviso completely demolishes claims made by opponents of plan No. 5 that clerks or janitors could try these cases. The gentleman from Michigan, however, raised the point that by Reorganization Plan No. 5 we might in some strange manner be negating the standards that we have written into the act dealing with R cases in the Landrum-Griffin Act of 1959. I submit for the consideration of this body that this is an erroneous conclusion. I submit that there is nothing in Reorganization Plan No. 5 which would in any way disturb or abrogate the provisions that were enacted in the 1959 act giving the regional directors authority to deal with representation cases.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from Florida.

Mr. FASCELL. As a matter of fact, is it not so that the plan is explicit in this language when it starts out and says, "in addition to existing authority," making it absolutely clear and stating affirmatively that it does not supersede statutory law?

Mr. PUCINSKI. It is and I thank the gentleman.

The minority leader, the gentleman from Indiana [Mr. HALLECK], raised the point that there is no guarantee in the 1947 Labor Act or the 1959 Labor Act that the bipartisan complexion of this Board shall continue. I agree there is nothing in the act, but I should like to remind the minority leader that it was Mr. Truman who recognized the need for bipartisan membership on this very important body. It was Mr. Truman who selected two Republicans to this Board. If he had intended to ignore the need for bipartisanship in labor-management relations, he could have done otherwise, but it was Mr. Truman who appointed two Republicans and it was Mr. Eisenhower who continued this policy. And, there is nothing in the record to indicate that President Kennedy intends to change the precedent that has been established by Mr. Truman in 1947 after the adoption of this act.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from Indiana.

Mr. HALLECK. I referred to the statement in the transmittal message to the effect that they wanted to maintain the bipartisanship of the basic statute. The only point I made was that the basic statute does not provide for bipartisanship. I did go ahead recounting the fact that the Board now, as presently constituted, is a bipartisan Board.

Mr. PUCINSKI. I am indeed very happy to hear the minority leader speak of the bipartisanship in this very important field. I think if we could approach many of our problems with a greater degree of bipartisanship, we could find many of the answers that disturb us today.

I should like to read a brief excerpt from a letter written by a former Chairman of the Board, Mr. Boyd Leedom, who had been Chairman of the Board during the Eisenhower administration.

Unfortunately this plan seems to have become an issue in partisan politics. Furthermore, opposition completely out of proportion to the significance of the problem, in my opinion, has developed among employer groups such as the U.S. Chamber of Commerce and the National Association of Manufacturers. As a result of this puzzling opposition, literally reams of testimony have been submitted on the merits and demerits of the plan. It would hardly serve your purpose for me to write an extended treatise analyzing all these contentions. I, therefore, as one sitting next to the problem having full knowledge as to what needs to be done and actually will be done under the plan, give you my personal opinion concerning it.

That it should be not be a partisan political issue seems clear from the fact that the five present members of the Board, three of whom are Eisenhower appointees and two Kennedy appointees, three Democrats and two Republicans, unanimously favor it. It is further my opinion that if employer groups who oppose it understood fully what will be done under the plan, if it becomes effective, their opposition would melt away. This, however, is not true of those employers, or unions either, who use our present procedure for purposes of delay, and who want to avoid changes, possible under plan No. 5, that would eliminate some of the causes of procedural delay.

This was a statement made by the distinguished Chairman of the Board up until recently, Mr. Boyd Leedom. I asked Mr. Boyd Leedom when he appeared before our committee about this great attack that the chamber of commerce is now making against Reorganization Plan No. 5. I asked him whether or not there was any merit to the chamber's position that Reorganization Plan No. 5 should be rejected. This was Mr. Leedom's reply:

Mr. LEEDOM. I fail to see any validity to the objection. So often when proposals are made people see many objections that really turn out to be bugaboos, and in this plan I think there is a complete protection of the rights of everybody.

In the first place, the impression seems to be building up in some quarters that there will not be a review by the Board of the work that the trial examiners do, but actually in every case there will be at least a preliminary review because after an aggrieved party brings his case to the Board and the Board has to look at his showing of claimed error and, if he cannot make a showing, the Board will say, "We are not going to go through the whole record to find something that you yourself cannot find." But even on that fringe of cases where they try to show error and we fail to find it the Board does give a kind of review of the case.

Then in the cases where there is a substantial showing of error, at the desire of just two members out of five we make the complete review so that I think that somehow or other these things get to be either a party line or a chamber of commerce line or a union line without anybody except maybe one fellow who thought of it getting the snowball started and people jumped on because it is the party line.

No truer words could be spoken, Mr. Chairman, and I congratulate Judge Leedom for his candor and honesty. I should also like to read other parts of Judge Leedom's testimony before my committee:

Mr. PUCINSKI. Judge Leedom, I made the statement to the committee today that it is my humble opinion that, if Reorganization Plan No. 5 is not accepted as a minimum, we may very well have complete chaos in this field of labor-management relations when we consider that it is estimated by 1962 that the Board is going to be handling some 23,000 cases through its regional offices. I was going to ask would you, Judge Leedom, if you agree with that analysis?

Mr. LEEDOM. Yes, I would. If the caseload increases as our people are able to forecast the increase and if something is not done, if Reorganization Plan No. 5 does not become effective or if legislation is not passed to entitle the Board to limit its review of the intermediate reports, then I think chaos, as you have indicated, could come upon us in this field.

Mr. PUCINSKI. I made a statement, Judge, to the committee which may or may not be correct. I speculated that a plan along these lines would most probably have been presented to the Congress regardless of who was in the executive at this time. I understand that Mr. Jenkins has presented a very elaborate plan to the Board and the Board itself has been considering for some time suggestions for reorganization within the Reorganization Act.

Am I correct in assuming that the executive branch of Government at your suggestion, assuming you were still the Chairman of the Board today, would most probably have recommended a plan, I do not know if identical to this but certainly along these lines?

Mr. LEEDOM. I think that is right. I cannot be sure what President Eisenhower's statement had in it about the Labor Board as he left office but he gave a message to Congress dealing with a great many things and there was something in there about reorganization of the Labor Board.

If there is not language there to specifically tie this thing we are talking about now in plan 5 to what President Eisenhower said, I am sure that, assuming the Republicans had won the election and I had stayed as Chairman, the Board would have recommended that this be set up in the form of a reorganization plan.

Reading further from Mr. Leedom's testimony, he stated:

I agree. While flattery, I know, will get me no place, I would like to share your comments about Congressman GRIFFIN. I know that on the Republican side he is considered one of the thoughtful, careful men in this area. I do not want to intrude, but I hope that he would see fit to support the reorganization plan from the Republican side because I am so convinced that it will not turn out to be a misused or dangerous thing.

This business reminds me of a father giving his son a .22 rifle with which to shoot rabbits and then the next day saying, "Son, I am going to have to have the gun back because you could use it to shoot your mother."

Of course, the Board, I have said all along ever since I have been there, have been men of capacity and integrity. We have some differences about that. The Board will use its judgment and right at the moment has no thought but to limit its responsibility as to review.

I do not suppose the language is much different than if the people in the White House had drawn it for President Eisenhower.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The complaint you voice from the members of the Board is that they all say that they are overworked, is that correct?

Mr. PUCINSKI. That is correct, sir.

Mr. HOFFMAN of Michigan. And what they are asking by this plan is that they be given authority to transfer any of their functions to any employees of the Board; is not that right?

Mr. PUCINSKI. That is not correct.

Mr. HOFFMAN of Michigan. Is not that what the plan says in the very first section?

Mr. PUCINSKI. That is not all they ask for. They ask for that authority subject to published rules. If the gentleman had been on the floor, he would have heard me read——

Mr. HOFFMAN of Michigan. Subject to what?

Mr. PUCINSKI. Published rules. I believe the gentleman and I both read English fairly well. I think it is expressed in the plan that these rules shall be published and approved by the Board.

Mr. HOFFMAN of Michigan. Rules?

Mr. PUCINSKI. Yes, sir.

Mr. HOFFMAN of Michigan. Made by the Board?

Mr. PUCINSKI. Yes, sir.

Mr. HOFFMAN of Michigan. They could make such rules as they wanted, could they not?

Mr. PUCINSKI. That is correct.

Mr. HOFFMAN of Michigan. And they could transfer any function, the writing of opinions, or anything else?

Mr. PUCINSKI. But the reorganization plan further provides on how appeals can be made to that delegation of functions and furthermore, I have already read earlier in my statement what rules the Board expects to adopt for appellate procedures. They are now a part of this record and constitute legislative history and intent.

Mr. HOFFMAN of Michigan. In the discretion of the Board.

Mr. PUCINSKI. An appeal can be had, among other ways, at the discretion of two members of the Board, including the minority members of the Board.

Mr. HOFFMAN of Michigan. If they are overworked and do not have time to look at the record, why would they not continue the present practices?

Mr. PUCINSKI. The gentleman from Michigan should be reminded of one fact; this whole field of labor-management relations has become extremely complicated. I think the basis, the genesis of this plan, is to give these Board members a greater amount of time to study the fundamental issues coming up before this Board. I do not think it serves the best interests of America to have these all-important members of an important agency take up their time and clutter up the record with every single case on a de novo basis. This is exactly what this reorganization plan tries to avoid.

Mr. Chairman, I should like to read to this Committee a letter from a gentleman who distinguished himself as the chief adviser of the late Senator Robert Taft, the father of the Taft-Hartley Act. He is a gentleman who served with the Labor Committee in the other body and in 1953 and had been appointed as a member of the National Labor Relations Board, Mr. Phillip Ray Rodgers. Certainly he is one of the oldest members in point of seniority on the Board and a man who was one of the architects of the Taft-Hartley Act. Mr. Rodgers stated in a letter to our committee:

> The argument is advanced in some quarters that while the changes encompassed in plan No. 5 are both meritorious and desirable, they should be effected through normal legislative procedures, and not through the use of a reorganization plan. This argument, of course, has much appeal. But the fact remains that Congress has repeatedly passed upon and granted the power to submit such reorganization plans to the President. Thus this plan is not a device to thwart the will of Congress; it is, rather, a device designed to implement the will of Congress. Moreover, while legislative action in certain fields may be relatively easy to obtain, anyone who has observed the history of our labor laws over the years knows it is a virtual impossibility to open them up to amendment on any limited basis. Inevitably, demands are made to change various other sections of the statute. Hearings become long and involved. Agreement on language becomes difficult to obtain. And the original objective becomes lost in long and oftentimes fruitless deliberation.

Mr. Rodgers urged the adoption of plan No. 5.

The new Chairman of the Board, Mr. McCulloch, in language I shall insert in the CONGRESSIONAL RECORD at length, urged strongly the adoption of plan No. 5 and set out specifically to show how all the fears that have been raised are without foundation. Mr. McCulloch, in testimony before my committee stated:

> Some have said Congress in 1959 only went so far as to delegate representation case decisionmaking to the regional directors; therefore, the plan going further, permitting delegation in unfair labor practice cases to trial examiners, is contrary to the action of Congress in 1959.
>
> It is not the Board's feeling that the action is subject to this interpretation. We have searched the legislative history, what Congress did in 1959. We do not find the rejection of the substance of plan No. 5 in any way, we don't find the consideration of it. There were other kinds of delegation considered by Congress in 1959. They were largely further delegations to the General Counsel, mostly of administrative functions. But in the absence of a rejection by Congress of this proposal, we don't believe that Members of Congress, looking back upon that history, would construe their 1959 action as having been a rejection of what is now proposed in plan 5. It is for these reasons, therefore, that we believe plan 5 leaves the 1959 action of Congress quite undisturbed.
>
> On the contrary, in terms of intent, it follows out the intent of Congress to permit delegation, to permit the Board more fully to carry out its functions.
>
> Another criticism that has been made of the plan is that it permits the Board to set the standards for discretionary review. But here again the plan follows the precedent that was set in 1959, when Congress permitted us to delegate the decisionmaking to the regional directors. They said the Board may review petitions for review. It left this wholly in the hands of the Board. And the Board, after careful consultations with members of the bar association, with representatives of management and of labor, set up those grounds for review in representation cases. We have not had any complaints that we failed to exercise the discretion that Congress gave us wisely and responsibly in carrying out this delegation authority. It is also true that if Congress sees fit to approve the plan, as it approved its own delegation in 1959, it gives a little more flexibility in the setting up of those standards, and this would permit the Board to change and to perfect those standards if it found on the basis of experience and operation that the standards were deficient in some way.
>
> May I carry the argument one step further?
>
> It is true that the nature of the proceedings, the two proceedings, is not exactly alike. It is also true, however, that the representation cases are often very bitterly contested, that they are very important, and that they may establish the framework and the basis for collective bargaining which is one of the major and important objectives of the act. But I want to carry the argument beyond that. If Congressman GRIFFIN will not accept 1959 as being a precedent for Congress now adopting or approving a plan 5, which sets up discretionary review for unfair labor practices, I want just to look at plan 5 as it relates to those cases by itself, and to see what right it is that is lost, what right of review is lost under plan 5.
>
> We sought to argue that and analyze it quite carefully. In this case, of course, the delegation of decisionmaking would be to the trial examiners, as I said before, selected in conformity with the Administrative Procedure Act, granted that they are not Presidential appointees, but neither were the regional directors to whom Congress permitted us to delegate in 1959.
>
> Here, with reference to review, the Board must be, under the plan, and the language is that the Board shall, as contrasted with the 1959 act that said the Board may, shall set up review procedures described as discretionary. These would probably be very like the standards which the Board has set up under 1959 law.
>
> Here is our analysis of the review rights of the litigants under such a delegation: First, by filing a petition and appropriate exceptions to the trial examiners' reports, the parties would have an automatic right to a preliminary review by the Board itself, to determine if some good reason is shown for a full review in the nature of a neutral on the printed record. Thus the parties would all, and I emphasize all, all who want to file the exceptions, have the right to demonstrate to the Board on the record that there were prejudicial errors of fact or law or procedure by the trial examiner. I think this is lost sight of by some, who say that review is discretionary, and in a lot of cases it is not going to be granted. They are using review in two senses: They are using review in the sense of the preliminary review to see if the case should be gone into fully, and they are using it in terms of the full de novo review.
>
> I am suggesting that every part of the parties exceptions will be entitled to, and the Board will be required to give it, the preliminary review to see if they get the full review.
>
> Second, if the Board feels that the parties have shown that they have such error, or if only two of the Board members felt that the case should be reviewed, the parties would have the right then to a full de novo review of all the issues that are properly raised in the case.
>
> In the third place, what then is the right that is lost? The right lost precisely is under the 1959 law, the right to an automatic, full, de novo review of the entire case by the Board where the parties have not or do not show any substantial errors of fact or of law or of procedure.
>
> You recall, though, as I emphasized a moment ago, that they have all had the right to demonstrate the merit of their case to the Board in their petition for review and in their exceptions. Recall, too, that in every case the parties retain their rights to appeal to the courts, to backstop the Board, to guard against any arbitrary refusal by the Board.
>
> As Congress, then, seeks to balance the various rights of parties, and the needs of the Board under the law, is this right to a full de novo review by the Board in cases where no meritorious ground for this is shown, so important and entitled to such priority that plan 5 should be defeated? Or is not this right, where no showing of error is made, much more likely to be a right which, in effect, only delays enforcement of the party's own case and encumbers the Board so that it muzzles and delays the processing of other more deserving cases. Thus, the retention of this right, so-called right, would merely serve to deprive others of their just rights to a more expeditious protection under the law. We come to the conclusion on analysis of what happens on review or would happen under the plan, that one balance, and considering the various interests at stake, because there are other people who have cases before the Board, who have been waiting a long time, and they too have rights—we believe that plan 5 would improve the Board's vindication of the fundamental

rights under the law and not deprive parties of any reasonable review rights; we think this is particularly so when at least 3, 4, 5 recent typical years, 24 percent of the trial examiners' reports became final Board orders because no exceptions were filed and another 52 percent were affirmed in full.

Finally, I should like to call this body's attention to an editorial which appeared today in the New York Times. Certainly I do not think any Member of this House is going to contend that the New York Times is particularly on the side of labor or on the side of unions. They have been outspoken in their criticism of the conduct of the unions. I think it is logical and reasonable to assume that if anything, the New York Times would tend to express the opinions of the business community of America. The New York Times in its editorial today stated:

STREAMLINING THE NLRB

The approval given by a Senate committee to President Kennedy's plan for reorganizing the National Labor Relations Board is a contribution to harmonious industrial relations. The plan for speedier handling of unfair labor practice cases will automatically go into effect at midnight Sunday if neither House of Congress vetoes it.

Congress has been in a mood to override some of the President's proposals for reorganizing administrative agencies. This fate must not befall his plan to speed the handling of unfair labor practice cases by the National Labor Relations Board.

It now takes more than 400 days from the time a charge is filed until the Board's mandatory reexamination of all the facts is completed and its ruling issued. The delay often engenders precisely the kind of turmoil the Board was set up to eliminate.

The Board's members, Republican as well as Democratic, are unanimous in believing that timely justice would gain if it could let the decisions of its trial examiners become final where no real basis for a challenge was found. Each case would get a routine review, and a full reconsideration would be ordered whenever two of the Board's five members considered it desirable.

This would guard against capriciousness by the examiners without forcing purposeless delays in clear-cut cases. The lengthening backlog of unfair labor practice charges awaiting board action is a menace to equitable labor-management relations and industrial peace.

I hope this House will not veto Reorganization Plan No. 5.

In boiling this whole plan down we find one thing. I think I can summarize this in three or four short sentences.

The fundamental issue before this House today is whether or not you are going to try to compel five members of the National Labor Relations Board to review de novo every single case that comes before that Board at any level or whether you are going to say to this Board, "We want you to confine yourself to the substantial matters of labor-management law. We want you to spend your time on the more important issues coming before the labor-management field and, therefore, we delegate to you certain authority to delegate these hearings to trial examiners with rules of appeal and of review."

Finally, I should like to call your attention to the fact that every aggrieved party has the right of final appeal to the appellate court. Even if the Board should deny appeal from a trial examiner's ruling under authority vested in this proposed plan, either party could still have its final day in court. The only thing you are going to do by adopting plan No. 5 is help these people get into the courts for final review on an average of 458 days sooner.

Mr. COHELAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COHELAN. Mr. Chairman, I rise in support of Reorganization Plan No. 5, and in opposition to House Resolution 328 which would disapprove this plan.

Mr. Speaker, the purpose of this reorganization plan is sound. It is to convert full, de novo review of contested trial examiners' intermediate reports in unfair labor practice cases from an automatic to a discretionary basis, thus cutting down on dalays, reducing case backlogs, and in general improving the quality of the National Labor Relations Board's work.

The rationale for this proposal is also sound. During the last 4 years, the productive output of the Board has increased from 1,900 proceedings to over 3,200 in the current year. Notwithstanding this commendatory increase, the backlog has continued to grow, with a median timelag at present of 400 days from the time an unfair labor practice charge is filed until the Board makes its decision. The median time delay in representation cases is 85 days—both times obviously being much too long.

Mr. Chairman, the opponents of this plan have charged that it would grant the Board Chairman undue powers and deprive litigants of review rights. Neither of these charges is valid. This plan would not increase the powers of the Board Chairman. It does not include section 2 which was a part of other plans to accomplish such a purpose.

Secondly, no substantial right would be lost under this plan for it adopts a review procedure similar to that authorized by Congress in 1959 for representation cases. Furthermore, the screening out of unreasonable review demands will allow the Board to give greater attention to meritorious cases, and to major matters of policy and planning.

Mr. Chairman, all members of the NLRB—Republicans and Democrats alike—have endorsed this reorganization plan as essential, and I urge the House to grant its approval.

Mr. SCHWENGEL. Mr. Chairman, I rise to oppose the resolution to disapprove Reorganization Plan No. 5. I believe this plan is necessary to secure some very fundamental rights to both management and labor.

Currently, the National Labor Relations Board requires a median of 400 days to decide an unfair labor practice case. Fifty percent of the cases actually take more time than that—more than a year and a month. This, it seems to me, runs contrary to our traditional sense of justice.

We in America believe that a man has a right to speedy and fair justice. The present situation is not consistent with that ideal and need. When a workingman or management must wait more than a year to get its case decided, then there is something very wrong. To resolve this problem we must take action.

Reorganization Plan No. 5 provides the necessary reform. It will free the National Labor Relations Board members from the tangle of multitudinous cases that are with little merit, so that they can spend their time on the cases which involve great and important issues. Clearly that is what Congress intended them to do when this original law was passed.

Mr. Chairman, all of us on this side of the aisle and the other side have a high regard and great respect for Mr. Philip Ray Rogers. He was the assistant to the late Senator Robert A. Taft on the Senate Labor and Public Welfare Committee. President Eisenhower appointed Mr. Rogers to the NLRB and when his first term on the Board expired, Mr. Eisenhower reappointed him. The Senate approved Mr. Rogers twice.

Mr. Rogers has written:

If Reorganization Plan No. 5 is not permitted to become operative, I am fearful that years may elapse before these vital and necessary improvements can be achieved through normal legislative procedures. If Reorganization Plan No. 5 is permitted to become operative, I believe that most of the problems now plaguing this Agency can be rapidly overcome, with substantial injury to no one, and with substantial benefit to labor, to management, and to the country as a whole. The Board's constantly mounting backlog and ever-lengthening timelag permit of no other conclusion.

In answer to the attacks that this reorganization plan would take rights of appeal away from either labor or management, Mr. Rogers writes that in the procedure of the plan—

there is no apparent or real denial of due process to anyone. Nor is there any curtailment of any legitimate procedural or substantive right.

We have not only the word of this expert on labor law. We have the unanimous opinion of all the members of the National Labor Relations Board. The three members appointed by President Eisenhower and the two members appointed by President Kennedy—men so different in outlook—agree that Reorganization Plan No. 5 is necessary. Judge Boyd Leedom, the Chairman of the NLRB under President Eisenhower, and Frank McCulloch, the present Chairman, both testified in favor of this plan during committee hearings.

The unanimous views of these experts, together with our fundamental belief in the right of citizens to speedy and fair justice, must lead us to support this reorganization plan for the NLRB.

Mr. Chairman, there may be valid reasons to oppose the adoption of plan No. 5 but no one can deny that a problem exists that needs resolving and since there is no other answers to the problem I shall oppose the resolution to disapprove Reorganization Plan No. 5.

Mr. FASCELL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. DAVIS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H. Res. 328) disapproving Reorganization Plan No. 5 transmitted to Congress by the President on May 24, 1961, had come to no resolution thereon.

LEGISLATIVE PROGRAM

The SPEAKER. The Chair recognizes the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that in connection with the further consideration of the pending resolution, House Resolution 328, that debate thereon continue for not more than 30 minutes, one-half of the time to be controlled by the gentleman from Florida [Mr. FASCELL] and one-half of the time to be controlled by the gentleman from Michigan [Mr. HOFFMAN].

Mr. HALLECK. Mr. Speaker, reserving the right to object, and I shall not object because we have worked out this arrangement which I think suits the convenience of everybody, as I understand the program tomorrow will be to take up the conference report on the National Aeronautics and Space Administration authorization first. And, then, the pending matter, House Resolution 328, would follow immediately after that.

Mr. MCCORMACK. Yes; the conference report on NASA, the space agency, is a matter of extreme importance in connection with certain appropriations that may be put into a bill in the other body. That will be the first order of business tomorrow. I understand there has been unanimous agreement on the conference report. Then, the pending matter, House Resolution 328, will be the next order of business.

Mr. Speaker, while I am on my feet I want to call to the attention of the Members that on some day next week, either Tuesday or Wednesday, and I shall announce the particular day when the program for next week is announced, the gentleman from New Jersey [Mr. GALLAGHER] will ask unanimous consent to take up a resolution in relation to West Berlin, a resolution expressing the support of the Congress in the determination of the United States to take all necessary steps to defend its legal rights against unilateral Soviet abrogation. It will be on either Tuesday or Wednesday, but it will be announced when I announce the program on Thursday. I want to give this advance notice to the Members of the Congress since the leadership on both sides and the Committee on Foreign Affairs considered this to be a matter of great importance.

Furthermore, I believe there will probably be a rollcall on it.

Mr. HALLECK. Of course, we have Reorganization Plan No. 7 and Reorganization Plan No. 6. As I understand it, there is no substantial opposition to plan No. 6. Of course, there may be individual Members who are opposed to it, but there will be a controversy over plan No. 7. Is it the intention of the gentleman from Massachusetts to dispose of plan No. 7 tomorrow after the pending matter has been disposed of?

Mr. MCCORMACK. Of course, the situation, as my friend knows, in relation to Reorganization Plans No. 7 and No. 6 is something I have no control over. The resolutions were tabled in the committee and it is up to some Member to call them up. So while I programed them for today, I realize the situation that developed, and I might say I anticipated it, if any Member is going to call up Reorganization Plan No. 7 and Reorganization Plan No. 6 tomorrow, I wish they would let me know. If not, then they will not be called up. The 60 days on those plans expire, as I remember, on August 12 or thereabouts. But, if any Member is going to call them up tomorrow, I wish they would advise me and the leadership and let the House know.

Mr. HALLECK. I think that is only fair.

Mr. MCCORMACK. If any Member who is now present on the floor is going to call them up, I wish the Member would let us know and take the rest of the membership of the House into their confidence. If nobody says they are going to call them up, I would assume they mean that they will not call them up.

Mr. HALLECK. Of course, there may be Members who may not be here who may want to call them up.

Mr. MCCORMACK. I am trying to be helpful to the membership of the House.

Mr. HALLECK. Of course, and it would be my personal view that we might as well dispose of plan No. 7 and plan No. 6, if there is real opposition to them on tomorrow, if time permits.

Mr. MCCORMACK. If they are not called up tomorrow, and I am not in a position to advise the House whether they will be called up, but I do hope that any Member who intends to call them up at a later date will extend me the courtesy of letting me know their views and intention so that we can see if we can arrive at a date.

Mr. HALLECK. I think that is perfectly fair. As far as we are concerned over here, it is a matter of notification to the Members who might want to be present to participate in the debate and to vote. I agree with the majority leader that it is in the best interest of all parties that if a matter of this sort is to come up, the leadership be alerted to that fact. Of course, both of those reorganization plans were put on the whip notice for Wednesday, Thursday, and Friday of this week. I would express the hope that if we are to take them up tomorrow we might dispose of them tomorrow so we need not be in session on Friday.

Mr. MCCORMACK. I am hopeful there will not be a session on Friday. Is the gentleman from Michigan here?

Mr. HOFFMAN of Michigan. Yes, as usual, I am around.

Mr. MCCORMACK. We want you to be around for a long while, may I say to my friend.

Mr. HOFFMAN of Michigan. Yes; and I hope to be around.

Mr. MCCORMACK. I hope so, too.

Mr. HOFFMAN of Michigan. So I may serve under the gentleman.

Mr. MCCORMACK. I do not know about under me, with me.

Mr. HOFFMAN of Michigan. Yes. Reorganization Plans 6 and 7 do not become effective until August 11. And as the gentleman says he would like to be notified by any Member who intends to call them up. Certainly I can speak for the gentleman from Michigan, but I have no way of forming an opinion about what the gentleman from Iowa may intend to do.

Mr. MCCORMACK. Do you intend to call either one of them?

Mr. HOFFMAN of Michigan. I will certainly call them up sometime before they expire, someday that will be convenient to the gentleman.

Mr. MCCORMACK. In other words, you will let me know so we can put the Members of the House on notice.

Mr. HOFFMAN of Michigan. Do you prefer to have them called up other than on some Friday?

Mr. MCCORMACK. That is one of those $64,000 questions which has no pertinency to my state of mind.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. GROSS. Would notification tomorrow morning be ample time?

Mr. MCCORMACK. For consideration tomorrow afternoon?

Mr. GROSS. Tomorrow morning. The gentleman is asking as to whether some Member would call them up tomorrow afternoon. Would tomorrow morning be enough time?

Mr. MCCORMACK. Thirty seconds would be enough time for me. I am just thinking of our other colleagues. If the gentleman intends to call them up tomorrow he should let us know.

Mr. GROSS. Would it be possible to dispose of them tomorrow?

Mr. MCCORMACK. Yes; I would like to have them disposed of tomorrow.

Mr. GROSS. Then I will accommodate the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts that further debate on House Resolution 328 be limited to half an hour?

There was no objection.

PROPOSED HOUSE CONCURRENT RESOLUTION

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that the House concurrent resolution referred to by myself, introduced by the gentleman from New Jersey [Mr. GALLAGHER], be inserted at this point in the RECORD for the information of the Members.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The resolution referred to follows:

CONCURRENT RESOLUTION SUPPORTING THE PRESIDENT'S REPLY TO THE SOVIET AIDE MEMOIRE ON GERMANY AND BERLIN

Resolved by the House of Representatives (the Senate concurring), That the continued exercise of United States, British and

French rights in Berlin, in order to maintain the freedom of over two million people in West Berlin, constitutes a fundamental policy and moral obligation; that a Soviet invasion of these basic rights would be intolerable, and that the President's forthright reply to the Soviet aide memoire on Germany and Berlin expresses accurately the determination of the United States to take all necessary steps to defend its legal rights against unilateral Soviet abrogation.

GENERAL LEAVE TO EXTEND

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks in the body of the RECORD on House Resolution 328, and may also have 5 legislative days within which to extend their remarks on that resolution.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ATTACKS ON HOUSE COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. SCHERER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHERER. Mr. Speaker, last year 81 Communist Parties from different parts of the world met in Moscow. It was decided that the time had come for the Communist apparatus to wage a resolute struggle against the anti-Communist agencies and organizations throughout the world. In a short space of a few months, it is frightening to find out how many writers and publications have suddenly directed a long series of vicious attacks against the anti-Communists, particularly in the United States. Here are just a few examples:

Dr. Schwarz' Christian anti-Communist crusade, which has been in existence for more than 5 years, has been ignored up to this time. Shortly after this Moscow declaration, we find a series of attacks against the Schwarz crusade in the New York Times.

The national defense strategy seminars, which have been held under the auspices of the Department of Defense in many parts of the country and have featured outstanding authorities on communism, have been smeared in the New Republic.

We find a series of articles in the New York Times and by leftwing columnists on how anti-Communist generals and admirals are creating difficulties for the Pentagon. There is a renewed sniping at the Federal Bureau of Investigation and its great Director. The House Committee on Un-American Activities, of course, has been over the years constantly under the guns of the Communists and the leftwing crowd in this country. But since the Moscow meeting the tempo of that attack has been stepped up.

In the past few weeks there has been published a new book, entitled "The Un-Americans." This book is a vicious and libelous attack upon the Committee on Un-American Activities. The very title of the book parrots the description which the Communist apparatus has given to the Committee on Un-American Activities for many years.

On Monday of this week the chairman of our committee, the gentleman from Pennsylvania [Mr. WALTER], discussed at length on the floor of this House—see CONGRESSIONAL RECORD, pages 12721–12723—some of the things that prompted the publication of this vile and vicious diatribe. He documented the Communist activities of its author and one of his contributors.

Mr. Speaker, let us see how effectively unscrupulous leftwing writers can use the contents of a book written by a known Communist. Gore Vidal, as a guest, wrote the column of John Crosby in the New York Herald Tribune last week. I know that Mr. John Denson, the editor of that fine paper, would not tolerate from one of his reporters or a member of his editorial staff such a distortion of facts.

At the outset, let me point out that Gore Vidal was the Democratic candidate for Congress from the 29th District of New York in the last election. Fortunately, Mr. Speaker, the discerning voters of that district spared your party and this House the onus of Mr. Vidal's membership in the Congress of the United States. A few weeks ago in Life magazine Vidal did a subtle and clever smear job upon the distinguished Senator from Arizona. In the Herald Tribune of last week he did a vicious and not so subtle a smear job on the Committee on Un-American Activities. He uses the book of Frank Donner, "The Un-Americans" as the basis for his attack. To build up the book he refers to the author, Frank Donner, as a brilliant constitutional lawyer. He conceals the fact that Donner was an underground Communist while employed by the Government of the United States as a top official in the National Labor Relations Board. Donner's whole record of service to the Communist cause has been set out in a publication of the Committee on Un-American Activities, entitled "Communist Legal Subversion." Vidal, in plugging Donner's book, does not tell the readers of the New York Herald Tribune that Donner was a member of a Communist cell within the National Labor Relations Board; that its members met regularly to determine National Labor Relations Board policy on the light of Communist Party directives. Vidal does not tell these things so that the readers can better evaluate Donner's book and Vidal's use of the charges made therein.

Vidal further concealed the fact that Bertram Edises assisted Donner in the preparation of the book. Edises' whole record of service to the Communist causes are set forth on page 36 of the committee's report, entitled "Communist Legal Subversion." As shown therein Edises was identified as a member of the political affairs committee of the Communist Party. Edises, who is a lawyer, was assigned by the Communist Party to work in the Civil Rights Congress in the East Bay area. At one time he was elected as an alternate member of the State committee of the Communist Political Association. Yet Vidal is one of those who sanctimoniously in his attacks on the Committee on Un-American Activities and in his recent campaign for Congress charges others with concealment and distortion.

Mr. Speaker, I think the New York Herald Tribune and its fine editor, Mr. John Denson, will resent Vidal using its columns not only to distort by concealment, but also to willfully and affirmatively distort history by claiming as he did in that same article that "neither in the past nor in the present has the House Un-American Activities Committee ever found 'un-American' any Fascist or racist organization." The New York Herald Tribune itself gave prominent coverage to the committee's report on the German-American Bund. As the New York Herald Tribune reflected, this report consisted largely of original documents taken from the personal effects of G. Wilhelm Kunze, national fuehrer of the bund, which finally exposed the bund as a dangerous Nazi front organized along military lines. If Vidal had been interested in the truth he could have easily checked the record and found that the committee's report on the bund was used by the Government in the trial and conviction of Kunze and his bund associates.

If Gore Vidal had been as interested in the truth as he apparently was in rehabilitating the Communist Party and its members he would have reviewed the committee report on the Axis front movement based on hearings covering 298 organizations and several thousand individual leaders who were connected with Axis activities. He would have found that the report dealt with, first, organizations and individuals known to have been financed in whole or in part from Nazi Germany; second, organizations owing complete allegiance to the Emperor of Japan; third, organizations carrying on Mussolini's Fascist propaganda among the Italians and Italian-Americans in this country; fourth organizations composed primarily of German nationals and Americans of German descent who were distinctly pro-Nazi in their activities and propaganda; and fifth, native Fascist groups having both antiracial and pro-Nazi characteristics.

When he endorses the book of Frank Donner, Gore Vidal is endorsing the work of a man who cooperated with the Fascist elements in the United States during the Hitler-Stalin pact period, a man whose fellow Communists were calling the President of the United States a warmonger because he was preparing this Nation for the defeat of fascism. By reviewing the committee's publications Vidal could have become familiar with the committee finding that:

> Examination of testimony and evidence received can only leave the committee with the conclusion that the German-American Bund must be classified with the Communist Party as an agent of a foreign government.

So, Mr. Speaker, as I have said we can be grateful that the voters of the 29th District of New York were discerning enough not to send to the Congress of the United States an arrogant man who has

joined with the Communists in attempting to discredit the members of the Committee on Un-American Activities by charging them with being un-American, antiforeign born, anticolored, anti-Semitic, antiracial and social equality and pro-Fascist and pro-Ku Klux Klan.

SAVING THE NATION'S CAPITAL BY ORDERLY RELOCATION

Mr. REUSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, I have today introduced for appropriate reference H.R. 8248, a bill to amend the Federal Property and Administrative Services Act of 1949 to provide an orderly program of decentralization and relocation of facilities and personnel of executive agencies.

Earlier this week, I described what will happen to Washington if unchecked, unplanned expansion in the area's population takes place. On the basis of recent growth, experts now predict that Washington will balloon in size to 5 million by the year 2000, 2½ times its present size.

We already see signs of what can happen to our Capital if nature is allowed to take its course.

Our water supply is about to run dry, and the Corps of Engineers say we must build a high dam across the Potomac above Washington which will flood and destroy 35 miles of the valley upstream.

Our sanitary systems have broken down, and the Potomac in Washington is clogged with silt and sewage.

Our traffic threatens to strangle us, and proposed solutions threaten to destroy what is left to us of parks and open spaces.

THE SIX PROPOSITIONS

My argument, in brief, is as follows:

First. Only by holding down the population growth of Metropolitan Washington closer to 3 million than to 5 million by the year 2000 can we have efficient government, natural beauty, and good living. If nothing is done, the Washington of the future can become just another featureless, sprawling, overcrowded city, denuded of green and open spaces, without charm or beauty. By limiting growth, we can solve our problems of fresh water supply, sewage disposal, traffic, and metropolitan planning without destroying all the scenic recreational, and historical qualities of the area.

Second. The key factor in Washington's future growth is government, and since the Government can make its own decisions on the location of its agencies, we are in the unique position of being able to control population growth of the area. Federal employment, civilian and military, is directly responsible for a third of the jobs in the area and, indirectly, for most of the remainder.

Third. By relocating the nonpolicy-making divisions of the Federal Government to numerous locations around the country, these functions may be carried out more economically and more efficiently. Overcentralization of more and more functions in the Washington area will result in increasing cost and decreasing efficiency. Location nearer the job should be advantageous to such agencies as the Fish and Wildlife Service of the Department of the Interior, the Forest Service, or the Soil Conservation Service. We have an example of high efficiency and location away from Washington in the TVA, which has only 5 employees in Washington and 14,848 in the Tennessee Valley. During World War II, 40 agencies with 42,000 employees were moved out of Washington and operated without apparent loss of efficiency in 23 different cities throughout the country. Today, modern methods of communication should make decentralization much easier than ever before in our history.

Fourth. Relocating relatively high-income Federal employees to other cities would bring economic benefits to these cities in the form of purchasing power not subject to cyclical fluctuations, in demand for services and related support activities for the newcomers, and in added tax revenues. Moreover, the infusion of several hundred people of higher-than-average income and education is just what the doctor ordered for cities struggling to support a symphony, a repertory theater, an art gallery, or any of the other cultural aspirations of the modern American city.

Fifth. The Federal Government now lacks a policy on relocation and decentralization. Various Washington area planning agencies are concerned with what goes on in Washington, but city or regional planning is not enough. This is particularly true if the planning must try to take account of the needs of a population too large for decent accommodation in the area. No one in the executive branch nor in Congress now has the responsibility to see to it that Federal agencies are located with proper regard for the future of the Nation's Capital.

Sixth. We must, therefore, act now to see that a plan for decentralization and relocation is prepared and carried out.

The text of H.R. 8248 follows:

H.R. 8248

A bill to amend the Federal Property and Administrative Services Act of 1949 to provide an orderly program of decentralization and relocation of facilities and personnel of executive agencies.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Property and Administrative Services Act of 1949 is amended by adding at the end thereof the following new title:

"TITLE VIII—RELOCATION AND DECENTRALIZATION

"Declaration of policy

"SEC. 801. The Congress hereby finds and declares that the unnecessary concentration of Federal facilities and personnel in the Washington metropolitan area impairs the efficiency of functions which must be carried on at the National Capital; that the vast expansion of population in the Washington metropolitan area now projected on the basis of a continuation of past policies will so overburden the remaining available capacity of the Potomac River for water supply and sewage disposal as to create severe economic dislocations and grave public health problems and will seriously impair or totally destroy the recreational and esthetic values of the river; that such concentration will create intolerable congestion of transportation facilities, or alternatively will require such enormous expansion of such facilities as to render it impossible to enhance or even preserve historical and esthetic values in the National Capital; and that a firm, Government-wide policy of relocation and decentralization is required in order to avoid further concentration and to remedy the ill effects of past failure to consider the interests of the country as a whole and the Government as a whole in the location of Federal facilities.

"Office of Relocation and Decentralization Planning

"SEC. 802. (a) There is hereby established in the Executive Office of the President the Office of Relocation and Decentralization Planning, which shall be headed by a Director of Relocation and Decentralization Planning (hereinafter referred to as the Director), who shall be appointed by the President by and with the advice and consent of the Senate and shall receive compensation at the rate provided by law for the heads of the executive departments.

"(b) The Administrator of General Services shall furnish the Director with such staff, administrative, and technical services and assistance as the Director may require. All officers and agencies in the executive branch of the Government shall promptly furnish the Director with such reports, estimates, and opinions as he may request.

"(c) In conformity with the provisions of this title, it shall be the function of the Director, on behalf of the President, to direct, control, and coordinate the planning of the physical relocation of Federal facilities now located in the Washington metropolitan area which should be moved to other areas and to assure that no additional facilities will be established in the Washington metropolitan area if their functions can be carried on with equal or greater efficiency elsewhere. In performing such function the Director shall—

"(1) establish criteria for determining what governmental functions should continue to be carried on within the Washington metropolitan area.

"(2) review the functions and operations of all executive and independent agencies, departments, and major subdivisions thereof, in the light of criteria established pursuant to paragraph (1).

"(3) establish criteria for the selection of alternative locations.

"(4) in conformity with the criteria established pursuant to paragraphs (1) and (3), prepare a plan for the physical relocation of Federal facilities located in the Washington metropolitan area on the date of enactment of this title, and which should be transferred to other locations in the United States, and establish standards to be followed in the location of new agencies or functions.

"(5) submit a report to the Congress not later than one year after the date of enactment of this title setting forth the standards and plans developed pursuant to paragraphs (1) through (4) of this subsection.

"(d) In any determination pursuant to subsection (c) of this section, the Director shall take into consideration the following factors, and such additional considerations as may in his judgment be relevant:

"(1) The availability of new developments in communications technology.

"(2) The possibility of having small liaison offices in Washington with the greater part of the personnel elsewhere.

"(3) The increase in its effectiveness which an agency may achieve by being closer to the areas, industries, or people directly concerned.

"(4) The availability at other locations of adequate office space, housing for employees, school facilities, and other community facilities.

"(5) The needs of other cities or areas for additional employment opportunities."

H.R. 8248 would add a new title VIII to the Federal Property and Administrative Services Act of 1949.

Section 801 declares that a firm Government-wide policy of relocation and decentralization is required in order to counteract unnecessary concentration of Federal facilities and personnel in the Washington metropolitan area.

Section 802 establishes in the Office of the President a Director of Relocation and Decentralization Planning, appointed by the President by and with the advice and consent of the Senate. The Administrator of General Services is to furnish the Director with such staff as he requires. The Director is to coordinate the planning of both present and future governmental facilities in the Washington metropolitan area. He is directed to establish criteria for determining what functions should best be carried out in the Washington area, and for selecting alternative locations. Within 1 year of the date of enactment, the Director is to report to Congress a specific plan for both existing and future agencies. In preparing his plans, he is to take into account all relevant factors, including new methods of communication, the possibility of liaison offices in Washington, greater efficiency through decentralization, ability of the alternative location to take care of Government personnel, and the needs of such locations for additional employment opportunities.

Mr. Speaker, the principle of planned relocation and decentralization in order to prevent overpopulating the Washington area deserves to be fully debated. I hope that hearings can be held soon on H.R. 8248 in order that all implications of the proposal may be fully explored.

BERLIN CRISES

Mr. WILSON of Indiana. Mr. Speaker. I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, along with other Members of the Congress, I have watched with a deep and abiding interest as the latest of the Berlin crises has unfolded. To me, it is a familiar sight. I have seen four Presidents deal with Russian leaders on the subject of Berlin. The city has been the source of much saber rattling in the past—it will probably be the source of much of the same sort of activity in the future.

Based on my past observations, based on research which I have done, and based on the best authorities available, I think it proper that the President receive the benefit of the feelings of people in my district, feelings which stem from a deep-seated love of country.

I believe that most of my constituents would advise the President: "Do not fall victim to Nikita Khrushchev's latest smokescreen of threats and bluster. Khrushchev is again attempting to control a portion of our economy and is, at the same time, setting the stage for concessions on Red China with his latest threats on Berlin."

The President should draw the line. He should tell the American people where he wishes them to stand and what he wishes them to do. They are prepared to make a decision and stand fast on it. They do not want war, but they also have reached the limit of their willingness to pacify and appease Russia and other Communist nations.

I feel the President should adopt a positive, well-defined stand, take it to the people, and stick to their decision without later abandonment or weakening of policy. This is the type of leadership the American people are seeking.

I believe the tenor of the American people is receptive to a strong stand in regard to Khrushchev. They are resolute and determined. All they need is the proper guidance from the top. I feel the President can provide that, if he reflects the wishes of the people and backs up his words.

I have studied the development of the present Russian situation and feel that Khrushchev may merely be using the Berlin problem as a diversionary tactic, hoping to gain concessions for easing up in Berlin.

What he hopes to gain is multifold. The tactics he is using are the same sleight-of-hand spelled out by Communist performances in the past.

Khrushchev, in my opinion, is bent on, first, obtaining United Nations' recognition for Red China, since the idea of Nationalist China is anathema to Communist thinking; second, forcing America to continue laying out huge sums of money for foreign aid, thereby further undermining the economy of this Nation and forcing it to continue helping support most of the free world; third, setting up a climate of urgency whereby growing unrest in satellite countries will be stilled; fourth, appealing to the pacifist, soft Communist policy that permeates portions of this administration.

My research and investigation of the latest Berlin crisis has convinced me that the Russian leader subscribes to the Marxian theory which holds that any corruption of the American economy is a victory for communism and collectivist thinking.

I feel that Khrushchev and the leaders of Red China are not really as far apart as reports indicate, and that this is part of the "smokescreen" to convince us we can help drive a wedge between Red China and Russia by making a few concessions to the Chinese, one of which is U.N. membership. The bankruptcy of this type of thinking will be corroborated if Red Chinese appeasement becomes part of our national policy as presently advocated by Adlai Stevenson, among others.

If we back down on Berlin, we will convince satellite nations in Europe that there is still no hope for them. Should we maintain a hard and firm policy, we will give them encouragement and shift the burden of action onto Khrushchev. I believe that Khrushchev is increasingly alarmed at East German defections to West Germany and at growing satellite unrest.

The pattern is clear to those of us who have been warning about the Russians and advocating adoption of a hard policy for many years. Khrushchev is in trouble on the home front in many areas. There are food shortages; the "soft goods" program has bogged down. He is in trouble of sorts with his allies and he sees a definite chance that we will, in this session of Congress, arrest the lifeblood draining mechanism that has characterized foreign aid.

Khrushchev's reaction follows a pattern of former years. To cover up his own troubles, he is again talking tough and making threats, hoping to make another Russian "deal." I, for one, hope the President will tell Russia that the United States plans to stand firm insofar as is compatible with its allies in Berlin, and oppose with a veto or any mechanism possible, the admission of Red China to the U.N. I would also hope that he turns his back on the "soft policy toward communism" advisers around him, such as Adlai Stevenson, Chester Bowles, Walt Rostow, Arthur Schlesinger and the like seem to have.

CIVIL DEFENSE

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to address the house for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WICKERSHAM. Mr. Speaker, we are justifiably concerned in this country about the state of our program for defense of civilians. Some of the most astute minds in the country and in Congress are concentrated upon a practical, acceptable program. The President will advance his program this week.

Are we slipping to the dangerous lethargy of waiting until we are hit before we hit back—or even get ready?

Only minutes now are allowed us if an enemy decides to strike. There will be no time for preparation after the enemy pushes the button. We can detect the treachery almost instantly. We can retaliate to such an extent that our attack would probably be more destructive to the enemy than their attack on us.

But what would our ability of detection bring us? Of what value would retaliation be if we provide no protection for our people at home?

Fifteen minutes warning is all we can expect at the most. And scientists tell us that this amount of time will be reduced in years to come. We have to be ready in the event an enemy pushes the button.

We cannot wait until the day the radios and televisions blare out into the wavelengths that missiles have been detected, and are heading this way. Picture 180 million people, all who have been grilled in the horrors and tragedy of atomic warfare, when they hear the first warning. Imagine the panic and pandemonium that will occur if there is no place for these people to go for protection.

During that 15 minutes we have between detection and the time the missiles find their targets, it will be too late to search out protective shelter, it will be too late to gather a 14-day supply of food and water, it will be too late even to think then.

I believe that now is the time to take positive action.

There should be an emergency food kit of some kind in each home in the United States for every man, woman, and child. There should be an additional kit for every child in school.

Several Government agencies have already secured survival kits for their employees, as have many private firms. To name a few: John Hancock Mutual Insurance Co., International Business Machines Corp., United States Steel Corp., Esso Standard Oil Co., General Electric Corp., and many others. The Navy, Coast Guard, Army Engineers, have for sometime stockpiled survival food kits.

I am reliably informed that there are several manufacturers in our country making available emergency-type rations, some are even canning water, all packaged so that it will be completely protected from contamination by atomic or germ warfare. These containers last for 50 years without deterioration. Some of these companies include: H. & M. Packing Corp. of California, Lord Mott Corp. of Baltimore, Marine Sales Co. of Boston and MacDonald-Bernier Co. of Boston. Undoubtedly, there are others.

It is true we are making a little headway toward providing protection for the civilian population of the country. But what I fear is that we are not progressing fast enough. If we were forced to resort to seeking protection tomorrow, could we save 50 percent—yes, 25 percent—of our people in an attacked area? I shudder when I think of the answer to that question.

What I want to propose for our consideration is a plan that we make available to the schools a grant-in-aid whereby with matching funds estimated to be as low as $3.90 per child, each child can be supplied a survival kit for the entire grammar and high school period.

This, of course, is not enough. Shelter must be provided, too. But it would have a twofold effect, as I see it, in addition to offering part of the much-needed protection.

First, apathetic parents may be moved into concern and action about the dangers existing from such a pushbutton-type war that seems perilously close to us at times. And that a possible enemy may not be lulled into a false feeling that we, in this country, must be hit first before we put up our defenses.

We cannot permit procrastination in this matter. We cannot permit apathy to bring unnecessary disaster upon us.

SMALL BUSINESS PETITIONS FOR ACTION ON LEGISLATION—APPEALS TO PRESIDENT AND CONGRESS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, yesterday, representatives of several hundred thousand persons, and representatives of many thousands of small business firms conferred with the President of the United States at the White House and petitioned for early, favorable consideration of legislation designed to help small business. Specifically, it was asked that early, favorable consideration be given to legislative proposals which would empower the Federal Trade Commission to issue temporary cease and desist orders pending completion of litigation when required to protect the public interest. Also, it was urged that early, favorable consideration be given to legislative proposals which would curb predatory pricing practices destructive of small business.

Having arranged the meeting with the President at the White House at their request, I introduced these national leaders of small business organizations as follows:

D. C. Daniel, National Independent Dairies Association.

Henry Bison, Jr., National Association of Retail Grocers of the United States.

Harold Smith, Jr., United States Wholesale Grocers' Association, Inc.

Ray Foley, National Candy Wholesalers Association, Inc.

Dick Curry, National Preservers Association.

Philip Jehle, National Association of Retail Druggists.

Cash B. Hawley, National Congress of Petroleum Retailers, Inc.

Paul L. Badger, Candy Brokers Association of America.

Blaine L. Liljenquist, Western States Meat Packers Association.

Dwight D. Townsend, Cooperative League of U.S.A.

W. W. Marsh, National Tire Dealers and Retreaders Association, Inc.

Richard C. Shipman, National Farmers Union.

Other leaders of small business organizations, who were unable to attend this meeting, will subscribe to the purposes of this group action. If their statements to that effect are submitted to me, I shall be glad to place them in the CONGRESSIONAL RECORD to receive proper recognition.

In introducing these parties to the President, I expressed to him my view that these representatives of small business firms have a just cause and that the problems they wished to discuss call for serious consideration. I pointed out that this Nation is experiencing an economic crisis. Small towns, including the family-sized farms and small businesses, represent the backbone of our country; they are being crushed. This situation is graphically illustrated by the sharp population drop in small towns and rural areas.

Local business is being threatened with destruction in many lines of activity carried on in the traditionally private enterprise way by local people. Local ownership is being replaced by absentee owned businesses. The great American dream to own and operate independent businesses is evaporating. We are becoming more and more a Nation of employees of the giant corporations remotely controlled.

Opportunities for people past 35 or 40 years of age to obtain jobs are less favorable and, in some areas, absolutely impossible. New small business opportunities for local people are no longer available as in the past. Decisions affecting local business are made in distant cities. Net profits made by absentee-owned business are taken out of the local communities, seriously hampering civic development. At the same time, local banks are not the depositories of locally produced profits which would provide reserves for expansion of many times the amount in credit which could be provided to local citizens for developing new businesses. This is causing community life and community spirit to deteriorate.

As people are forced to go to the large cities, they place a tremendous burden on community services, including hospitalization and education, with the consequence that greater and greater public assistance is required.

Looking into the foreseeable future, it is not in the interest of this Nation for the small towns, small businesses—including small banks—and small farmers to be destroyed. The big cities cannot carry the burdens and responsibilities that will be imposed by such concentrated populations. Many of them will be forced into a bankrupt position. The young men and young women of the future are entitled to better opportunities.

America's greatest bulwark against communism has always been the strength of its small businesses and small towns. The Communists recognize this. They are aware that they cannot get even a small foothold in our country so long as so many of our people operate and own businesses in the private enterprise way, and own their homes and farms. Small business is one of the greatest bastions of strength against communism.

Our New Frontier does not lie in the development of bigger and bigger cities and the concentration of more wealth into the hands of fewer and fewer businesses.

Our New Frontier must contemplate privately owned businesses, locally owned business, and moneymaking opportunities for people locally, ownership of farms by small farmers and the protection of the small towns and rural life of America.

The great insight of the President into these serious economic problems is widely recognized by all Americans and his continuing efforts and cooperation in bettering the situation of small business are deeply appreciated.

The representatives of small business whom I introduced to the President had chosen Mr. D. C. Daniel, executive vice president of the National Independent Dairies Association as their spokesman to present their petitions to the President. In doing that, Mr. Daniel made the following statement:

Mr. President, on behalf of my small-business colleagues here, I wish to present to you for your consideration a resolution, which relates to proposed legislation for empowering the Federal Trade Commission to issue temporary cease-and-desist orders pending litigation. We assure you that such legislation is much desired by small business.

I also wish to present to you for your consideration a resolution which refers to proposed legislation regarding predatory pricing practices. I assure you that this proposed legislation is greatly desired by thousands of small business firms.

Whereas it is the declared policy of the Congress of the United States that the Government should aid, counsel, assist, and protect, insofar as is possible, the interests of small business concerns in order to preserve free competitive enterprise;

Whereas enforcement of the Federal Trade Commission Act, the Clayton Act and the Robinson-Patman Act is essential for adequate protection and preservation of small business;

Whereas unnecessary delays in enforcement of the Federal Trade Commission Act, the Clayton Act and the Robinson-Patman Act make them ineffective in preventing monopolistic and unfair trade practices destructive of small business;

Whereas the report to the President of the United States dated December 15, 1960, on ways and means for improving the effectiveness of the Federal regulatory agencies and commissions, stated that inordinate delays characterize the disposition of adjudicatory proceedings before the Federal Trade Commission: Now, therefore, be it

Resolved, That we, representing thousands of small businesses, respectfully petition the President of the United States and the Congress for early favorable consideration of legislation empowering the Federal Trade Commission to issue temporary cease and desist orders, pending completion of litigation, when required to protect the public interest.

American Association of Small Business, Cooperative League of United States of America, Midland Cooperative Dairy Association, National Association of Retail Druggists, National Association of Retail Grocers of the United States, National Association of Tobacco Distributors, National Association of Wholesalers, National Candy Wholesalers Association, Inc., National Congress of Petroleum Retailers, Inc., National Independent Dairies Association, National Preservers Association, National Tire Dealers & Retreaders Association, Inc., U.S. Wholesale Grocers' Association.

Whereas the growth and survival of small business firms are essential to the maintenance of our free and competitive enterprise system, since small business is the backbone of that system;

Whereas the effectuation of the declared public policy of the Congress to assist and protect small business in order to preserve our free and competitive enterprise system is in recognition of the value of small and independent business firms to not only the preservation of our free and competitive enterprise system, but, also, to the preservation of community life in our small towns throughout the country;

Whereas the continued existence of community life as we have known it and experienced it in the small towns throughout America is threatened because of the present rate of the destruction of locally owned independent small business firms;

Whereas the destruction of locally owned, independent small business firms is, in large part, the result of predatory pricing practices of some large, nationwide corporations which are taking over the businesses of the small and independent locally owned firms which are being destroyed;

Whereas the large, nationwide corporations which are taking over the locally owned, independent small businesses being destroyed, are controlled by and under the direction of absentee owners who have offices and reside in only a few of our large metropolitan centers;

Whereas this absentee ownership, control and direction of business enterprises in the small towns throughout America denies to those communities the profit benefits and profit incentives essential to the maintenance of our free and competitive enterprise system and our capitalistic society;

Whereas there is but a short step from an economy under the control and direction of a few absentee owners who direct operations carried on by employed clerks to the ultimate totalitarian controlled economy and society by a totalitarian, socialistic, or communistic government;

Whereas legislative proposals have been made to curb predatory pricing practices destructive of locally owned independent small business firms; and

Whereas there is recognized need for immediate, favorable consideration of legislation to curb the predatory pricing practices now destroying locally owned, independent small business concerns, and our community life in small towns: Now, therefore, be it

Resolved, That we, representing thousands of small business firms, respectfully petition the President of the United States and the Congress for early, favorable consideration of legislation to curb predatory pricing practices of large corporations which destroy locally owned, small and independent business firms.

American Association of Small Business, Cooperative League of U.S.A., Midland Cooperative Dairy Association, National Association of Retail Druggists, National Association of Tobacco Distributors, National Congress of Petroleum Retailers, Inc., National Independent Dairies Association, U.S. Wholesale Grocers' Association, Inc., Western States Meat Packers Association.

The President expressed much interest in the statements and the petitions which were presented to him. He demonstrated that he has not only an interest in, but also knowledge of the problems affecting our economy in general and small business in particular. He assured me that these petitions for early, favorable consideration of measures to help small business would be given his attention.

SPAIN'S CIVIL WAR

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, during the first half of 1936 Spain was governed by a group known as the Popular Front which included a variety of leftist-Socialist, Communist, and anarchist elements. It was then feared, both in and out of Spain, that this Government was aiming to make Spain a nest of Moscow-inspired communism. Until mid-July of that year the Government maintained itself in power against all its irreconcilable foes, but then the armed mutiny broke out in Spanish Morocco under the leadership of Gen. Francisco Franco, and Franco vowed to rid Spain of its spiritual and mortal enemies—Communists and extreme leftists.

This week is the 25th anniversary of this outbreak which marked the beginning of Spain's civil war, and which to all intents and purposes, was the bitterest ideological war of the century in Europe. As it turned out, this war, which practically ruined Spain industrially and financially, causing misery and suffering to millions there, was more than a civil war in Spain. It seems that world communism had chosen Spain as its proving ground in the West, in this heart of conservatism and Catholicism. This war for men's souls was carried on for nearly 3 years, and the decisive defeat of Communist-minded elements was attained only on March 28, 1939. In retrospect, we rejoice in the defeat of godless and destructive forces by the Spanish nationalists led by Generalissimo Franco.

FEDERAL AID TO EDUCATION

Mr. DEVINE. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. FRELINGHUYSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, the Rules Committee action yesterday, tabling the three major aid-to-education bills referred to it by the House Education and Labor Committee, raises many interesting questions. Whatever we may feel about the wisdom of this action, it clearly demonstrates that last winter's packing of the Rules Committee has not prevented that committee from exercising its powers to block consideration of legislation approved by a standing committee of the House.

Are these aid-to-education bills dead? Can or should any, or all, of these measures be revived? If the legislative prospect for these particular bills is poor, what should now be done to insure enactment of needed measures in the educational field?

Speaking as a member of the Education and Labor Committee, one thing seems plain, Mr. Speaker. Our committee should move immediately to report out a bill to insure continuation of Public Laws 815 and 874. There is widespread support for such action, and the time to act is now. These programs provide needed aid to school districts throughout the country which have been

adversely affected by the influx of children of parents working for the Federal Government, or where Federal holdings of land adversely affect the local tax base.

Mr. Speaker, at his press conference this morning, President Kennedy was reported to have refused to answer whether he would veto a bill to provide continued aid to these federally impacted areas. According to one press account, he threatened indirectly to veto separate legislation. Presumably he has good reasons for refusing to take a position on legislation not yet even approved in committee. Nonetheless it seems inconceivable that the President could seriously consider a veto of such a bill. If he should take such a step, I am confident Congress would override this veto.

The President reportedly feels this specialized form of aid should be part of a general aid to education bill, and it was thus reported by our committee. Now, however, there seems little likelihood that this legislative package will be considered. I must confess I have never understood why two programs, of such different character and impact, should be considered together. Congress thus far has regularly considered the program of aid to federally impacted areas separately, and on its merits. This obviously is the wise course to pursue again this year. As an essential first step, prompt action by our committee would be in order.

LONG-RANGE FOREIGN AID

Mr. DEVINE. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. FRELINGHUYSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, because of its broad interest I should like to include in the RECORD the second in a series of 10 articles by former Vice President Richard M. Nixon. In the two articles thus far published, Mr. Nixon has shown his customary grasp of the complex and important issues facing our Nation, and I should like to commend him for his real contribution to the public discussion of these matters:

NOW UP TO CONGRESS—APPROVAL OF LONG-RANGE FOREIGN AID AN "ABSOLUTE MUST," NIXON DECLARES

(By Richard M. Nixon)

(Second article in a series of 10 to be published in coming months.)

Congressional approval of a long-range foreign aid program is an absolute must if we are to be successful in our fight against world Communist aggression. But because so many Americans do not understand the complex character of the Communist threat, some Congressmen and Senators who have the courage to vote for foreign aid may be risking their political lives in doing so.

The case their opponents will make against foreign aid on the hustings is as devastating as it is demagogic.

Why spend taxpayers' dollars building a dam in Pakistan when we can't afford to build one we want in Colorado?

Why send billions of dollars abroad to help undeserving and unappreciative foreigners when we have people right here at home who need help?

Some will criticize foreign aid on the ground that it has been used by dictators to keep themselves in power. Others will criticize it because it has been used to finance the spread of socialism in foreign countries.

And the examples of corruption, inefficiency, and even the complete failure in Laos will be cited to prove that we should scrap the whole program and use our money to build up our strength at home.

What are the answers to these charges?

As President Ayub of Pakistan said, however discouraged and tired we may be of foreign aid, we simply have no choice in the matter.

Mr. Khrushchev has laid it on the line. He says over and over that communism will conquer the world without war. One of the weapons he is using to accomplish this objective is foreign aid, Soviet style; that is, with each aid program goes a rope with which he will eventually strangle the recipient country into becoming a subservient satellite of his empire.

In my travels to the newly developing countries of Asia, Africa, and Latin America, I became completely convinced of these stark truths:

The people of these countries above everything else want progress which will move them upward from the desperate poverty which has been their lot for centuries. They would prefer to have this progress and keep their independence and freedom. But if their choice is progress at the cost of freedom or no progress at all, they will give up their freedom to get progress.

America's great humanitarian tradition will not allow us to pass on the other side of the road and leave them with this terrible alternative. And our own self-interest requires that we aid the cause of progress with freedom abroad so that our children and grandchildren can continue to enjoy progress with freedom at home.

The irony of the whole debate is that some of foreign aid's most violent and articulate opponents are outspoken and uncompromising anti-Communists. Military appropriations of over $40 billion per year are approved virtually unanimously by the Congress on the ground that they are necessary to defend freedom from communism. What we must recognize is that the approximately one-tenth of the amount that we annually spend for foreign aid is just as necessary if we are to meet and defeat the Communist threat.

OVERSTATEMENTS NOTED

The case for foreign aid, however, is not helped by some of its proponents who, in overstating it, show the same naive lack of understanding of the multidimensional threat of communism that the opponents of aid display.

The claim is made, for example, that economic progress is the complete answer to communism. "Give every Asian another bowl of rice and we will have no communism," they proclaim.

Adlai Stevenson fell into this error when he was quoted as saying that we can only face up to Castro once we have solved South America's economic problems. If we are taken in by this kind of naive thinking, Castro not only is here to stay but others like him will take over the hemisphere.

The Alliance for Progress program for Latin America has become an essential part of our foreign policy. But we must not delude ourselves or our neighbors to the south by exaggerating its potentials. Their and our most immediate problem, one that neither we nor they can ignore except at great peril, is—what can be done about Castro now? Not just 10 to 50 years from now, when Latin America's economic problems may be further along on the road to solution.

Cuba is not going to be freed from Communist tyranny by more economic aid to Latin America. It will be freed by Cubans who want freedom enough to fight for it and we must support them in that struggle.

In brief, economic aid offers no more of a panacea for our foreign problems than does military strength.

"ARSENAL" USED BY REDS

The Communist arsenal includes military, economic, political, subversive, diplomatic and propaganda weapons. They have used and will continue to use each of these weapons in the area and in the amount they deem necessary to win victory. We need the same weapons and we must learn to use ours even more effectively than they.

The major issue being debated in the Congress at this time is how to finance our foreign aid program. Any objective observer would have to agree that our present method of authorizing and appropriating the funds for this program on a year-to-year basis is inadequate, inefficient and outmoded.

Long-range programs are necessary to insure more efficient and adequate planning, to obtain better qualified personnel to administer the programs, and to enable our negotiators to compete on more equal terms with the Communists, who have no inhibitions whatever when it comes to promising aid over a multiyear period.

The administration has proposed to deal with this problem through the device of so-called back-door financing under which the Congress, in effect, would be bypassed by allowing the ICA and other foreign aid institutions to borrow the money they need directly from the Treasury.

I strongly believe there is a need for a change in the present program so that we can have long-range financing and planning. But congressional review and oversight of foreign aid programs, when properly exercised, can contribute to efficiency by keeping the aid administrators on their toes and by ferreting out corrupt and inefficient practices.

JUDD'S SUGGESTIONS

I would not presume, from a position outside of government, to suggest how this dilemma can be resolved. But the administration must not brush off the suggestions of longtime aid supporters like WALTER JUDD, who has proposed long-term authorizations coupled with annual appropriations for long-term projects.

If the administration cannot find a way to modify its own financing proposals to provide for adequate congressional supervision and control of the aid programs, it should get behind something similar to the Judd proposal as a major step toward long-range planning for foreign aid.

If the administration keeps its head in the sand and ignores the strong congressional sentiment on this subject, it runs the risk of losing the whole program.

Whatever formula is eventually decided upon, Congress must preserve its right to exercise its traditional watchdog functions. Back-door financing or multiyear appropriations should not be used to provide a blank check for those administering foreign aid. The record of the aid administrators does not justify such trust. Once more capable and better qualified administrators are brought into the program, Congress at some future time may feel more justified in granting greater authority for longer-range commitments and operations than at present.

GENERAL CONSIDERATIONS

Looking to the future, I hope that the administrators of the aid program will keep in mind, more than they have in the past, these general considerations:

First, it is essential that other nations, who have a stake in freedom, bear their fair share of the load of foreign aid. There has been a great deal of talk along these lines, but relatively little action. This does not mean that some other nations are not doing their fair share. It does mean that we must develop a more equitable basis for sharing the costs of this program among all capital-surplus nations.

Second, we have always been justifiably proud of the fact that our aid has been granted to other nations without strings. We should not change that policy now. But we are entitled to insist that what aid we provide be used wisely and not wasted on programs that we know will not in the long run help either the recipients or ourselves. For example, each country has a right to make a choice as to whether it desires to develop its mineral resources through private enterprise or through a government monopoly. Our aid should not be used as a device to force on a country an economic policy that it does not want.

But we should not finance projects we know are economically unsound. If a nation wants to experiment by adopting what we believe is a wasteful nationalized program, they have a right to do so, but they should pay the bill for so experimenting. Wherever possible, our aid should be used to finance and encourage private rather than government enterprise—not because we are trying to impose our system on others, but because we know our system works.

I think it is also time that the United States makes it crystal clear to neutrals as well as allies that gratuitously kicking Uncle Sam in the teeth is not a sure-fire way to get more aid. Friendship for the United States must be rewarded, and not, in effect, penalized by taking our friends for granted when we distribute our aid funds.

This brings us back to the need for a multiyear, long-range approach to foreign aid. We must recognize that foreign aid is not a temporary program, that it will be necessary as long as the Communist threat exists, perhaps longer. If we continue to treat the program as a stepchild of diplomacy, it will never really be effective. We must begin to view foreign aid as a respected arm of our Nation's power.

THE LATE HERBERT CLAIBORNE PELL

Mr. ST. GERMAIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. ST. GERMAIN. Mr. Speaker, it is with great regret that I announce to the House the death of Herbert Claiborne Pell, former Member of Congress from the State of New York, and father of my friend and colleague in the Senate, Hon. CLAIBORNE PELL of Rhode Island. Mr. Pell was stricken on July 17 in Munich, Germany, while walking with his grandson, Herbert C. Pell III, a son of Senator PELL, who was vacationing in Europe with his grandfather.

From 1918 to 1920 Mr. Pell served in the House representing the 17th Congressional District of New York. He was Democratic State chairman of New York from 1921 to 1926, temporary chairman of the Democratic National Convention in 1924, and Democratic national campaign vice chairman for the 1936 campaign.

Mr. Pell's ancestors included four Democratic Members of the Senate and House. One was Alexander James Dallas—1759–1817—a cofounder of the original Democratic Party. His grand uncle, Duncan Pell, was Lieutenant Governor of Rhode Island in 1865.

The late President Franklin D. Roosevelt appointed Mr. Pell U.S. Minister to Portugal in 1937 and he served in this position until 1941. From 1941 to 1942 he was Minister to Hungary and served as U.S. representative of the War Crimes Commission from 1943 to 1945. Mr. Pell received many honors and decorations including: Trustee, Legion of Honor of France; Grand Cross, Order of Christ, Portugal; Commander, Crown of Belgium; Order of White Lion, Czechoslovakia; and Grand Officer, Order Couronne, De Chene, Luxembourg.

During his student days, Mr. Pell attended Pomfret School in Connecticut, Harvard University, and Columbia University. An outstanding scholar, he lectured at numerous colleges and universities. He was also a noted bibliophile who specialized in French literature. In recognition of this interest, he was recently appointed honorary consultant in French bibliography to the Library of Congress.

Mr. Pell's public career was one of dedication and accomplishment. During his long public service he spared neither time nor energy in the best interests of his country. To his wife, his son, Senator PELL, and the other members of his family, I wish to extend my deepest sympathy.

EXTENSION OF PUBLIC LAWS 874 AND 815

Mr. HAGAN of Georgia. Mr. Speaker, I ask unanimous consent that the gentleman from New Mexico [Mr. MONTOYA] may extend his remarks at this point in the RECORD and include txtraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. MONTOYA. Mr. Speaker, I have today introduced two bills providing for the extension of Public Laws 874 and 815. As you know, these two Federal laws authorize financial assistance to local educational agencies in federally affected areas for current operating expenses and for construction. My bills would extend these laws through 1963.

In view of the House Rules Committee's tabling of H.R. 7300, which would have extended Public Laws 874 and 815, I believe it is now necessary to consider the extension of these laws separately. The action by the Rules Committee could very well pose serious financial problems for a great number of federally impacted areas throughout the country.

A large number of school districts in my own State of New Mexico will face drastic shortages in their current school budgets if Public Laws 874 and 815 are not revived under separate legislation.

New Mexico is greatly dependent on the moneys which it receives from these two programs.

Under Public Law 815, relating to the construction of school facilities in areas affected by Federal activities, New Mexico is entitled to receive $629,089 for fiscal year 1961. During the past 10 years, New Mexico school districts have received $35,040,189 under this law.

Under Public Law 874, providing financial assistance for local educational agencies in areas affected by Federal activities, New Mexico is entitled to receive $4,636,280 during fiscal 1961. The 10-year total for the State under this law amounts to $21,694,445.

It is most imperative that both of these programs be maintained and neither be curtailed in any way by upsetting educational opportunities in federally impacted areas in New Mexico. The elimination of school aid in our federally impacted areas under Public Laws 815 and 874 in New Mexico would strike a crippling blow to the entire State's economy. As I have testified in the past, New Mexico within the last 10 years has enjoyed a population increase of 39 percent. Out of a total population increase of 269,000 from 1950 to 1960, nine counties have increased 261,000 as a result of defense contracts and military personnel.

Following is a breakdown of the nine counties involved:

County	Population		School enrollment		Percent of increase
	1949	1960	1949	1960	
San Juan	17,300	53,306	2,728	12,307	191.0
Otero	14,100	35,068	3,082	8,988	148.0
Bernalillo	138,000	260,318	32,216	64,764	80.0
Sandoval	12,500	14,201	2,270	2,494	74.0
Donna Anna	37,300	59,948	9,787	14,445	56.0
Chavez	38,600	57,649	8,250	14,551	42.0
Curry	21,900	32,691	4,761	6,390	40.0
McKinley	26,000	37,209	3,360	10,703	35.5
Valencia	21,200	30,085	6,154	9,222	14.0

A shortage of bonding capacity in these nine counties and the lack of sufficient funds for new construction and daily operation of the school systems in these counties have reached a critical point. The New Mexico State Legislature at its last session in March of 1961 was forced to enact drastic measures in an effort to continue educational opportunities at a minimum level. These measures included an increase in the personal income tax of 100 percent; an increase in cigarette tax of 3 cents per package; a 25 percent increase in grazing fees on State-owned land and several other drastic measures were enacted to meet the school needs.

Government activity in New Mexico during this 10-year period from 1950 to 1960 has assumed greater and greater economic significance in the nine counties involved. In New Mexico, the leading influence in the growth of the economy since 1949 has been the increase in Government employment created primarily by defense contracts. Since 1949, Federal Government employment, including military personnel, has increased by more than 30,000 persons.

The impact upon New Mexico's economy of this gain in Federal employment has been far reaching. Expansion of Federal programs has necessitated a tremendous classroom construction program, and forced many school districts to reach a maximum bonded capacity.

These funds are not only imperative, but many of New Mexico's schoolchildren will be deprived of the education they so richly deserve if such funds are not maintained.

The following are two tables which show the estimated fiscal year 1961 entitlements by individual school districts. These adequately reflect the great dependency of New Mexico on the continuation of Public Laws 874 and 815.

TABLE A.—*Public Law 874 entitlements, State of New Mexico*

Project No.	Applicant	Estimated, fiscal year 1961
1	Alamogordo Municipal Board of Education	$484,669
4	Roswell Municipal School District	194,835
5	Albuquerque Municipal School District	1,465,819
6	Dexter Municipal School District No. 8	7,078
8	Belen Consolidated School District No. 2	20,145
9	Mount View School District No. 7, Roswell	77,224
10	Sante Fe County School District No. 1, Pojoaque	46,265
202	Santa Fe Municipal Board of Education	40,546
203	Espanola Municipal School District No. 45	47,164
204	Cloudcroft School District No. 11	14,309
401	Tularosa Municipal School District No. 4	92,832
402	Farmington Municipal School District No. 5	89,302
403	Clovis Municipal School District No. 1	152,905
404	Santa Fe County School District No. 18	17,967
501	Aztec Public School District No. 2	6,298
602	Las Cruces School District No. 2	396,827
603	Kirtland Independent School District No. 22	264,304
704	Chimayo Public School District No. 4	7,272
705	Dixon Public School District No. 1	2,632
706	Velarde Public School District No. 2	1,146
707	Alcalde Public School District No. 33	3,099
708	Cordova Public School District No. 6	1,294
709	El Rito Public School District No. 24	349
710	Hernandez Public School District No. 23	6,520
711	San Juan Pueblo Public School District No. 89	13,608
712	Dulce Public School District No. 21	46,015
713	Carrizozo School District No. 7	4,900
902	Truchas Public School District No. 5	1,618
903	Taos Municipal School District No. 1	11,898
904	Grants Municipal School District No. 3	74,831
905	Gadsden Independent School District No. 16, Anthony	$20,236
906	Hatch Valley Municipal School District No. 11	13,067
907	Penasco Independent School District No. 4	9,352
1001	Jemez Springs Village School District No. 31	34,279
1002	Ruidoso Municipal School District	12,522
1003	Socorro Consolidated Schools	20,962
1004	Los Lunas Municipal School District No. 1	44,918
1005	Gallup-McKinley County School District No. 1	551,292
1006	Bloomfield Municipal School District No. 6	84,912
1008	Bernalillo Municipal School District No. 1	147,730
1009	Cuba Rural Independent School District No. 20	22,155
1012	Truth or Consequences Municipal Schools	7,631
1013	East Grand Plains School District No. 12	2,272
1014	Portales Municipal School District No. 1	13,826
1015	Magdalena Municipal School District No. 12	23,587
1101	Cobre Consolidated School District No. 2	11,796
1102	Melrose Municipal School District No. 12	2,359
1103	Cebolla Public School District No. 35	974
1105	Berrendo School District, Roswell	2,935
1106	Moriarty Municipal School District No. 8	6,624
	Total	4,636,280

TABLE B.—*Reservation of funds under Public Law 815 for construction of school facilities during fiscal year 1961, State of New Mexico*

Applicant	Amount
Roswell Municipal School District No. 1, Roswell	$258,825.00
Pojoaque School District No. 1, Santa Fe	40,494.00
Mountain View School District No. 7, Roswell	39,300.00
Grants Municipal School District No. 3, Grants	192,984.00
Municipal School District No. 1, Bernalillo	51,860.50
School District No. 1, Gallup (increase)	45,626.00
Total	629,089.50

HANFORD PLUTONIUM REACTOR

Mr. HAGAN of Georgia. Mr. Speaker, I ask unanimous consent that the gentlewoman from Oregon [Mrs. GREEN] may extend her remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, I was deeply distressed at the note in the House on July 13, by which the House rejected the Joint Atomic Energy Committee's recommendation that the Hanford plutonium reactor be made a dual-purpose facility. The administration, the Atomic Energy Commission, the Bonneville Power Administration, and the committee all have pointed to the indefensible waste involved in allowing the fantastic quantities of heat produced by the reactor to go unused. The argument of the coal interests reminded me of the attempts by buggy-whip manufacturers to prevent the use of the automobile three generations ago, in order to save their own industry. We must certainly try to cure the problems created by technological unemployment. But we cannot do so by attempting to freeze our technology.

The Pacific Northwest Public Power Bulletin recently ran an excellent article quoting some of the arguments advanced for the construction of this dual-purpose facility:

MANY SPEAK OUT FOR ADDITION OF HANFORD POWER FACILITIES

Substantial support for the addition of power generating facilities to the new production reactor at Hanford appeared during the hearings before the Joint Committee on Atomic Energy, in middle May in Washington, D.C.

BPA Administrator Charles F. Luce painted a bright new economic outlook for the Pacific Northwest in his supporting testimony. He declared: "It would be wasteful and extravagant to use this steam from the reactor merely to warm up the Columbia River, when, at a relatively low cost, it can be put to use to generate needed electric energy."

SEABORG REPORTS

Dr. Glenn Seaborg, Chairman of the Atomic Energy Commission, told the Joint Committee that the installation of power generating facilities with a capacity of 700,000 to 800,000 kilowatts "is economically feasible and would result in substantial benefits." This conclusion, he emphasized, was based upon numerous studies made over the past several years.

In speaking for the legislation, Luce stressed the following points:

1. The proposed atomic powerplant will add 550,000 kilowatts of prime power to BPA's load carrying capacity, starting in 1964...

2. This would enable BPA to offer for immediate sale 400,000 kilowatts of firm power for large-scale industrial development, and make it possible to add $7 million annually to Bonneville revenues.

3. It would enable new industries with capital investment of $150 million to be established to expand the economic growth of the region and the Nation.

But public power supporters are not alone in their backing of this project. A recent editorial in the Portland Oregonian analyzed the arguments advanced against the power facility with devastating effect. The editorial, printed in part below states the situation clearly and without pulling any punches:

The dirt-cheap proposal to add around 700,000 kilowatts to the Northwest power pool was not a party issue. It had been urged by the Eisenhower administration and it was urged by the Kennedy administration. The feasibility was assured by engineering consultants who had no ax to grind. Where else in the Northwest, which faces a power shortage in the latter 1960's, could that amount of power be obtained at so low a cost? Not in hydro, certainly.

The private utility and coal lobbies which fought the dual-purpose reactor found attentive ears among Congressmen who fear—or say they fear—that the Northwest will grab their industries. It was all right for the South to capture industries from the industrial East with the lure of tax rebates

and low labor costs. But the Northwest must not take advantage of its resources. Beyond that, they did not take the trouble to find out that industries in the Northwest are new industries, locating where there are natural regional advantages.

The argument against admitting another agency to the Federal power field was meaningless. The Atomic Energy Commission has overall supervision at Hanford, but General Electric Co. would have built and operated the power reactor, and the Federal Bonneville Power Administration would have marketed the excess not needed to get the Hanford project off the backs of Northwest consumers. And private utilities, now buying a major portion of Federal power in the Columbia Basin, would have got the lion's share of the Hanford production.

It will be particularly damaging to the Northwest and to the Nation's defense strength if the Hanford power reactor, capable of producing as much as a major Columbia dam, has been killed at this time. Its energy could be put on the line in about 3 years, to fill the gap before John Day Dam comes into production in 1968.

Both the Eisenhower and Kennedy administrations had pinned their hopes of avoiding a Northwest shortage and stimulating the economy of the Northwest on two prospects: Hanford, and the treaty with Canada. But the treaty has run into a political battle between the province of British Columbia and the Federal Government at Ottawa. It has not been ratified, and it may not be. The United States cannot even start on Libby Dam on the border. There go up to 2 million kilowatts for the Northwest in the next decade. Now, if the Hanford project is in the ash can, will the House of Representatives give the Northwest hydro projects to make up the deficit?

The House vote was to continue to waste the heat of the plutonium reactor into the Columbia River, rather than use it for electricity at a repayable cost lower than hydro. The project was sacrificed on the altar of obstructionism and selfish regionalism. The Republican policy committee which led the attack was politically befuddled. It will be too late to reconsider during the congressional and presidential elections from 1964 to 1968—if the Northwest economy is harmed by a shortage of power and there are brownouts and rationing.

There is a prospect that the Senate will vote to include the Hanford reactor in the AEC program, and that enough support can be rallied among the 120 nonvoting Members of the House to restore the item on the basis of a conference agreement. Perhaps this can be done, but not unless the political and business leaders of the Pacific Northwest take more interest in the project than they have to date, and go to bat behind the Kennedy administration.

This is a fight which calls for a merging of forces. Frankly, the Oregonian, which has urged construction of the dual purpose reactor for several years, is disgusted with the apathetic attitude of Northwest civic and business leaders who have not taken the trouble to learn the facts and who have been misled by false propaganda about private enterprise. Let's get to work.

INDEFINITE EXTENSION OF CIVIL RIGHTS COMMISSION

Mr. HAGAN of Georgia. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, it has recently come to my attention that, while Deans Erwin N. Griswold, of Harvard Law School, and Spottswood W. Robinson III, of Howard Law School, await imminent confirmation by the Senate as members of the Civil Rights Commission, the term of the Commission will expire on November 8, 1961, if no legislation is enacted to remedy this unfortunate situation.

After some research I have discovered, somewhat to my surprise, that no bill has been introduced in the House which proposes to extend the term of the Civil Rights Commission, although several bills have been introduced with the intent of making that body a permanent agency. While I support completely those attempts to create a permanent Civil Rights Commission, it appears that the Senate may be reluctant to adopt such legislation during the current session.

I believe that it is imperative that the term of the Commission not be allowed to lapse with the consequent disruption in the continuity of that body's important work.

There is no Federal executive agency, other than the Civil Rights Commission, which is charged with the continuing responsibility for gathering information with the intent of assisting in the securing of guaranteed constitutional rights. It would be superfluous to reiterate at this time those facts which demonstrate the vital necessity for continuing this program.

Due to the imminence of the termination of the Commission and the great sense of urgency which I, and others, feel in this matter, I am introducing a bill similar to S. 1257, by Senator HUMPHREY, to indefinitely extend the Civil Rights Commission.

I have written to the President respecting this matter requesting that he impress upon the Members of the Congress the urgency of enacting such legislation before we leave to go home at the end of this session.

PROMOTION AND EXPANSION OF EXPORTS BY SMALL BUSINESS

Mr. HAGAN of Georgia. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I introduce, as a member of the Select Committee on Small Business, a bill to encourage and promote the expansion, through private enterprise, of domestic exports in world markets and particularly to increase participation by the small business community of the Nation in such exports.

The most important need in the encouragement of small business participation in the international market is for an improved and expanded program of export credit guarantees, which will be competitive with similar programs available to exporters of other great trading nations from their governments, or from private sources. Accordingly, the bill will authorize the Export-Import Bank of Washington to provide new forms of assistance, including short-term commercial risk guarantees in addition to its present export credit guarantee program. In other words, the bill is intended to provide U.S. exporters with credit guarantees against both commercial and political risks in short- and medium-term transactions, which will be competitive with foreign credit guarantee programs.

Additionally, the bill will create a new Foreign Trade Division, within the Small Business Administration, to be under the supervision of a Deputy Administrator. Such a division in the agency devoted exclusively to the interests of small businessmen would be of tremendous assistance in expanding American exports by increasing the number of concerns engaged in that business. Such a division in SBA would be authorized, by the bill, to render vital services to small firms entering or considering entry into foreign markets. Furthermore, the bill would authorize the SBA to protect the interests of the small, individual businesses of the United States on interagency committees and in international trade negotiations.

In addition to the foregoing, the bill authorizes and directs the Departments of State and Commerce to expand their services in the export field and creates a counsel for exports promotion and an advisory committee for exports promotion, all for the purpose of fostering American exports, particularly by small businessmen.

Accordingly, it is obvious that the bill will not only expand and accelerate export promotion facilities in several ways, but will also provide improved coordination of Government export programs, all for the benefit of the entire business community.

FEDERAL AID TO IMPACTED SCHOOL DISTRICTS

Mr. HAGAN of Georgia. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. LANKFORD] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANKFORD. Mr. Speaker, today I have introduced a bill which provides for a 3-year extension of the temporary provisions of Public Laws 815 and 874, commonly known as Federal aid to impacted areas for educational purposes.

I deeply regret that the action by the House Rules Committee yesterday, in tabling all educational measures, necessitates the introduction of this bill. I have consistently supported a general education program, and will continue to do so, for I have long considered the crisis in our schools to be our most serious domestic problem. It has, however, always been my position that the Federal aid to impacted areas program is a particularly acute problem which has been treated separately in the past and, in view of recent developments, must again receive separate treatment. While I remain hopeful that the day will come when Public Laws 815 and 874, perhaps in a modified form, are made permanent, in view of the practicalities of the situation my bill calls for a temporary extension completely in accord with the recommendations by the House Education and Labor Committee as title II of H.R. 7300.

The Fifth Congressional District of Maryland is one of the most seriously affected areas in the United States, due to the large concentration of Federal activities. I refuse to believe that Congress will create financial chaos in school districts throughout our Nation that are servicing children of military and civilian employees of the Government, by allowing Public Laws 815 and 874 to expire abruptly. Therefore, simple fairness and justice dictate prompt enactment of my bill in order that school administrators can honor commitments made months ago based on the assumption that the Federal Government would continue to recognize its responsibilities.

INTERNATIONAL TRAVEL ACT OF 1961

Mr. HAGAN of Georgia. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. MACK] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. MACK. Mr. Speaker, as a sponsor of the International Travel Act of 1961, I have a continuing interest in our Government's effort to attract foreign tourists to the United States.

The U.S. Travel Service has been established within the Department of Commerce to carry out the purposes of the act, now Public Law 87–63.

Congress gave this new agency the job of facilitating international travel generally as one of the means by which foreigners will be encouraged to visit this country.

Section 2 of the act directs the Secretary of Commerce, among other things, to foster travel between foreign countries and the United States at the cheapest possible rates.

Section 2 also calls for the development of low-cost unit tours as one way of reducing travel costs for our foreign guests.

It is in line with this policy that I have today introduced a bill for the purpose of making it easier and less expensive for Canadian bus companies to offer group vacation tours in the United States.

Under present law a Canadian company must obtain a certificate of convenience and necessity from the Interstate Commerce Commission in order to operate in the United States.

On the other hand, American charter buses may enter the Province of Quebec, and most other Canadian Provinces, almost as easily as passenger cars. Permits normally are granted upon application without any questioning of the necessity or convenience of the proposed charter trip.

I believe that we should reciprocate by making it just as easy for Canadian charter groups to be brought into this country.

My bill, therefore, would exempt from ICC certificate requirements the transportation of groups of passengers and their baggage in roundtrip charter service between Canada and the United States.

Enactment of my bill would lower a barrier to low cost, group travel of Canadians to the United States and, thereby, would help implement one of the important aims of the International Travel Act of 1961.

THE BERLIN ISSUE

Mr. GALLAGHER. Mr. Speaker, every American is troubled over the situation in Berlin and it is the focus of the news these days.

I introduced a resolution supporting the President's reply to the Soviet aide memoire on Germany and Berlin and am pleased that my committee unanimously approved this action this morning.

We must emphasize that continued exercise of U.S. rights in the Berlin area constitutes a fundamental policy and moral obligation, as stressed in President Kennedy's forthright reply to the Soviet Government.

Passage of this resolution would be a full and adequate reply to the disparaging statements of Soviet Ambassador Menshikov who recently intimated that the United States was bluffing on the Berlin issue. If the Russians believed their Ambassador, they would be making the greatest mistake in their history and one of the most tragic for them. It would be a mistake comparable and with identical consequences, to Hitler's miscalculations that the West would not go to war over Poland.

Mr. Roscoe Drummond has written an excellent article on this which appeared in the Washington Post today and I commend it to my colleagues:

TO AMBASSADOR MENSHIKOV

(By Roscoe Drummond)

Ambassador MIKHAIL A. MENSHIKOV,
Soviet Embassy,
Washington, D.C.

DEAR MR. AMBASSADOR: The American people are certainly interested to have you tell them what they will do over Berlin.

It is the traditional and prudent role of the diplomat to report his observations exclusively to his own government. But we know that Soviet Ambassadors are not bound by the proprieties. It is not unexpected, therefore, that you should be telling the people of the United States what we think and how we are going to act.

The fact that you choose a public forum, speaking to a group of American citizens at an Embassy reception, to spread your views shows that your purpose is not to inform your own Government.

Why, then, do you assume to intervene in U.S. affairs? Why do you deem it proper to counsel the American people as to what they should think or not think, as to what they should do or not do by saying that "when the chips are down, the American people won't fight for Berlin?"

It is only fair to say to you, Mr. Menshikov, that you are not going to fool the American people as to what you are up to—and I hope that you do not fatefully confuse your superiors. There are only two reasons which could cause you to make such a presumptuous statement as you made in Washington last week.

Either you are so confident the United States will not defend Berlin that you were just unable to restrain yourself from making the claim.

Or you are so fearful the United States will defend Berlin against Mr. Khrushchev's plan to liquidate Western rights that you hope to influence American opinion against the position of their own Government.

With all the earnestness at my command, I write to say to you, Mr. Ambassador, that you are totally and dangerously wrong, whichever be your purpose.

If you think that the people of the United States are prepared to see their Government concede to the Kremlin the authority—or the power—to liquidate Western rights in Berlin, you are wrong.

If you think that the people of the United States will not back up the President, with force if necessary, to maintain the freedom of West Berlin from Communist rule, you are wrong.

If you are informing your Foreign Office that President Kennedy won't dare stand firm on Berlin on the ground that the American people prefer appeasement to the risk of war, you are doing your own Government a perilous disservice by giving Moscow bad information.

That is the stuff that wars are made of. Don't make that mistake. Your superiors won't thank you for it.

If you know—as, perhaps you do—that American public opinion is not going to wilt in face of Khrushchev's threats to Berlin and will support Western rights there, do not make the imprudent mistake of thinking that yours is the voice which can change American public opinion into something more to your liking.

From the very wording of your statement, it is evident that you hope to do so. It won't work. You subtly put the issue in its least significant terms by saying that Americans won't fight for Berlin.

Nobody is going to fight just for Berlin. The issue is not just Berlin. The defense of Berlin is vital because it involves the security of the whole of Western Europe. I am confident I am not wrong when I say to you that the people and the Government of the United States will reject, and will resist by force if necessary, the claim of Khrushchev that by Soviet fiat he can extinguish Western rights in Berlin.

You ought to know that if you keep on trying to weaken U.S. opinion in this matter, you're going to end by strengthening it.

Don't mislead the Soviet people and don't try to lead the American people.

Sincerely yours,

ROSCOE DRUMMOND.

FAIR TRADE LEGISLATION

Mr. HAGAN of Georgia. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DINGELL. Mr. Speaker, we in the Congress are once again witness to the attempt to destroy competition in American commerce. So-called fair trade legislation has once again raised its exceedingly ugly head.

The editorial which I now introduce into the RECORD, from the Washington Daily News of July 13, 1961, points out that the bill in question, S. 1722, would empower the manufacturer to name the price at which his product is to be sold, and to prosecute the retailer who wishes to sell it for less to the consumer in your district and mine. As if this provision were not pernicious enough, the bill also empowers other retailers to sue those who wish to sell for less, and to sue them in the Federal courts, with no regard to diversity of citizenship, no regard to the amount in question, and worst of all, no requirement that the plaintiff actually suffer damages.

But even more execrable, Mr. Speaker, is that this bill, if passed, will gouge the consumer all across the Nation to the tune of a fantastic amount of money. If such so-called fair trade legislation passes it will, according to estimates of reputable economists, cost the consumer about $12 billion per year. This amount is enough, Mr. Speaker, to pay every unemployed man, woman, and youth in this country the equivalent of 4 months' wages at the average rate of compensation for factory workers in the country as of mid-June of this year.

This legislation, Mr. Speaker, must not be passed.

AT CROSS PURPOSES

While the Justice Department prepares more price-fixing indictments, a determined group in Congress is trying to make the practice legal.

In his office not far from Capitol Hill, Attorney General Robert F. Kennedy affirms that price fixing endangers American free enterprise. It also gyps the customer.

But, at the top of the Hill, the so-called fair trade propositions are getting another hearing, sponsored by three prominent liberal Senators, HUBERT HUMPHREY, WILLIAM PROXMIRE, and HUGH SCOTT.

They even have rigged a new title, "fair competitive practices bill." By fair they mean power to the manufacturer to fix a retail price for his product and to prosecute anyone who sells for less.

The National Association of Retail Druggists has been the main backer of this kind of legislation in the past. Now Senate committee aids say that hardware, camera, record and lumber industry groups are interested.

By whatever name this business is called, it is an effort to avoid competition—which is exactly what the electrical industry men were trying to avoid when they fell afoul of the law and went to jail.

Under our system free competition is depended upon to regulate prices at a level favorable both to the consumer and the efficient businessman. The alternative is Government price fixing and we saw how that works in the last war.

Attorney General Kennedy should be encouraged, and should get all the help he needs, to enforce the system of free competition. Meanwhile Congress again should ditch this mislabeled "fair trade" bill.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LANKFORD (at the request of Mr. ALBERT), for today, on account of official business at U.S. Naval Academy.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to the following, at the request of Mr. HAGAN of Georgia:

Mr. COOK, for 30 minutes, on tomorrow.

Mr. HEMPHILL, for 1 hour, on Wednesday next.

Mr. ANFUSO, on tomorrow, for 1 hour.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE in two instances and to include extraneous matter.

Mr. VAN ZANDT and to include extraneous mattter.

Mr. BROOKS of Louisiana.

Mr. PELLY and to include extraneous matter.

(The following Members (at the request of Mr. DEVINE) and to include extraneous matter:)

Mr. BARRY.

Mr. SEELY-BROWN.

Mr. DOOLEY in two instances.

Mr. HORAN.

Mr. SCHNEEBELI.

Mr. PIRNIE.

Mr. SCHERER in two instances.

Mr. WEAVER.

Mr. SCHADEBERG.

Mr. FINDLEY.

(The following Members (at the request of Mr. HAGAN of Georgia) and to include extraneous matter:)

Mr. HÉBERT.

Mr. HOLTZMAN.

Mr. BOLAND.

Mr. ROSTENKOWSKI.

Mr. JENNINGS.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 29. Concurrent resolution authorizing attendance of delegations from the Senate and House of Representatives at meeting of the Commonwealth Parliamentary Association; to the Committee on Foreign Affairs.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee has examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 929. An act to amend the Internal Revenue Code of 1954 to permit the prepaid dues income of certain membership organizations to be included in gross income for the taxable years to which the dues relate;

H.R. 1353. An act for the relief of Max Bleier;

H.R. 1477. An act for the relief of Mansureh Rinehart;

H.R. 1620. An act for the relief of Kejen Pi Corsa;

H.R. 1626. An act for the relief of Jack Konko;

H.R. 1911. An act for the relief of Ricaredo Bernabe Dela Cena;

H.R. 1915. An act for the relief of Mrs. Sode Hatta;

H.R. 2360. An act for the relief of Mrs. Tome Takamoto;

H.R. 4557. An act for the relief of Manuel Martinez-Lopez;

H.R. 5432. An act to make permanent certain increases in annuities payable from the civil service retirement and disability fund;

H.R. 5548. An act to authorize the Secretary of the Interior to acquire approximately 9 acres of land for addition to Cumberland Gap National Historical Park, and for other purposes; and

H.J. Res. 392. Joint resolution to amend the joint resolution of March 25, 1953, relating to electrical and mechanical office equipment for the use of Members, officers, and committees of the House of Representatives to provide that Members having constituencies of 500,000 shall be entitled to an additional $500 worth of equipment; to increase the number of electric typewriters which may be furnished Members; and for other purposes.

ADJOURNMENT

Mr. HAGAN of Georgia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 58 minutes p.m.) the House adjourned until tomorrow, Thursday, July 20, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1145. A letter from the Chairman, Civil Aeronautics Board, transmitting a draft of a proposed bill entitled "A bill to amend section 406(b) of the Federal Aviation Act of 1958 to limit the right of certain air carriers to receive subsidy payments"; to the Committee on Interstate and Foreign Commerce.

1146. A letter from the Secretary of Commerce, transmitting the annual report on scientific research grants for the fiscal year 1961, for the Department of Commerce, pursuant to Public Law 934, 85th Congress; to the Committee on Science and Astronautics.

1147. A letter from the Administrator, Veterans' Administration, transmitting a draft of a proposed bill entitled "A bill to amend section 5011 of title 38, United States

Code, to clarify the authority of the Veterans' Administration to use its revolving supply fund for the repair and reclamation of personal property"; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TRIMBLE: Committee on Rules. House Resolution 875. Resolution for consideration of H.R. 4998. A bill to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes; without amendment (Rept. No. 730). Referred to the House Calendar.

Mr. POWELL: Committee on Education and Labor. H.R. 4172. A bill to provide for the establishment of a Federal Advisory Council on the Arts to assist in the growth and development of the fine arts in the Nation's Capital and elsewhere in the United States; with amendment (Rept. No. 731). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 5964. A bill to authorize the use of funds arising from a judgment in favor of the Potawatomi Nation of Indians, and for other purposes; without amendment (Rept. No. 732). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'BRIEN of New York: Committee on Interior and Insular Affairs. H.R. 7666. A bill to amend section 17(a) of the Revised Organic Act of the Virgin Islands pertaining to the salary of the government comptroller; without amendment (Rept. No. 733). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. S. 1087. An act to authorize and direct the transfer of certain Federal property to the government of American Samoa; without amendment (Rept. No. 734). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. H.R. 1794. A bill to provide for the conveyance of certain real property of the United States situated in Hawaii and to the city and county of Honolulu, Hawaii; with amendment (Rept. No. 735). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. H.R. 7725. A bill to authorize the Secretary of the Army to reconvey to the town of Malone, N.Y., certain real property heretofore donated by said town to the United States of America as an Army Reserve center and never used by the United States; without amendment (Rept. No. 736). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAFFORD: Committee on Armed Services. H.R. 5228. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Girl Scouts of the United States of America for use at the 1962 Girl Scouts senior roundup encampment, and for other purposes; without amendment (Rept. No. 737). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. H.R. 7727. A bill to amend title 10, United States Code, to permit members of the Armed Forces to accept fellowships, scholarships, or grants; without amendment (Rept. No. 738). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. H.R. 7728. A bill to amend title 10, United States Code, to authorize the Secretary of a military department to sell goods and services to the owner of an aircraft or his agent in an emergency, and for other purposes; with amendment (Rept. No. 739). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. H.R. 7721. A bill to authorize the Secretary of the Army to adjust the legislative jurisdiction exercised by the United States over lands within the Fort Sheridan Military Reservation, Ill.; without amendment (Rept. No. 740). Referred to the Committee of the Whole House on the State of the Union.

Mr. POWELL: Committee on Education and Labor. H.R. 6302. A bill to establish a teaching hospital for Howard University, to transfer Freedmen's Hospital to the university, and for other purposes; with amendment (Rept. No. 741). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS of Louisiana: Committee of conference. H.R. 6874. A bill to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes (Rept. No. 742). Ordered to be printed.

Mr. POWELL: Committee on Education and Labor. H.R. 7812. A bill to provide for the registration of contractors of migrant agricultural workers, and for other purposes; with amendment (Rept. No. 743). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDREWS: Committee of conference. H.R. 7577. A bill making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes (Rept. No. 744). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H.R. 8227. A bill to authorize the Secretary of the Army to establish an annex to the Grafton National Cemetery, Grafton, W. Va.; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT of Michigan:

H.R. 8228. A bill to amend the Communications Act of 1934, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLS:

H.R. 8229. A bill to provide for inclusion of certain imported cotton articles within the coverage of certain proclamations under section 22 of the Agricultural Adjustment Act, as amended; to the Committee on Ways and Means.

By Mr. COOLEY:

H.R. 8230. A bill to improve and protect farm prices and farm income, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interests of consumers, and for other purposes; to the Committee on Agriculture.

By Mr. GLENN:

H.R. 8231. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.

H.R. 8232. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of surplus agricultural commodities to such nations at prices less than those prices available to American consumers; to the Committee on Agriculture.

By Mr. HARSHA:

H.R. 8233. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.

H.R. 8234. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of surplus agricultural commodities to such nations at prices less than those prices available to American consumers; to the Committee on Agriculture.

By Mr. HOLTZMAN:

H.R. 8235. A bill to grant civil service employees retirement after 30 years' service; to the Committee on Post Office and Civil Service.

By Mr. HORAN (by request):

H.R. 8236. A bill to authorize the use of funds arising from judgments in favor of any of the Confederated Tribes of the Colville Reservation; to the Committee on Interior and Insular Affairs.

By Mr. INOUYE:

H.R. 8237. A bill to establish a National Wilderness Preservation System for the permanent good of the whole people, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 8238. A bill to amend section 131 of title 23 of the United States Code relating to industrial and commercial plans; to the Committee on Public Works.

By Mr. KING of Utah:

H.R. 8239. A bill to amend the Internal Revenue Code of 1954 to provide more equitable tax treatment of professional athletes by permitting them to average their taxable income over a 5-year period under certain circumstances; to the Committee on Ways and Means.

By Mr. LANKFORD:

H.R. 8240. A bill to extend for 3 years the temporary provisions of Public Laws 815 and 874, 81st Congress, and for other purposes; to the Committee on Education and Labor.

H.R. 8241. A bill to provide for the conveyance of certain real property of the United States to the State of Maryland; to the Committee on Government Operations.

By Mr. MACK:

H.R. 8242. A bill to amend section 203 of part II of the Interstate Commerce Act with respect to certain Canadian tourist transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. MAGNUSON:

H.R. 8243. A bill to authorize the Secretary of the Interior to cooperate with the First World Conference on National Parks, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 8244. A bill to amend the act admitting the State of Washington into the Union in order to authorize the use of funds from the disposition of certain lands for the construction of State charitable, educational, penal or reformatory institutions; to the Committee on Interior and Insular Affairs.

By Mr. MONTOYA:

H.R. 8245. A bill to extend for 2 years the temporary provisions of Public Law 874, 81st Congress, which relates to Federal assistance in the operation of schools in areas affected by Federal activities; to the Committee on Education and Labor.

H.R. 8246. A bill to extend for 2 years the temporary provisions of Public Law 815, 81st Congress, which relates to Federal assistance in the construction of schools in areas affected by Federal activities; to the Committee on Education and Labor.

By Mr. NORBLAD:

H.R. 8247. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.

By Mr. REUSS:

H.R. 8248. A bill to amend the Federal Property and Administrative Services Act of 1949 to provide an orderly program of decentralization and relocation of facilities and personnel of executive agencies; to the Committee on Government Operations.

By Mr. ROOSEVELT:

H.R. 8249. A bill to encourage and promote the expansion through private enterprise of domestic exports in world markets; to the Committee on Banking and Currency.

H.R. 8250. A bill to indefinitely extend the Civil Rights Commission; to the Committee on the Judiciary.

By Mr. ST. GERMAIN:

H.R. 8251. A bill to amend title II of the Social Security Act to reduce from 72 to 67 the age at which deductions on account of an individual's outside earnings will cease to be made from benefits based on such individual's wage record; to the Committee on Ways and Means.

By Mr. SCHERER:

H.R. 8252. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.

By Mr. SHRIVER:

H.R. 8253. A bill to provide veterans' benefits for members of the Student's Army Training Corps at Fort Hays, Kans., during World War I; to the Committee on Veterans' Affairs.

By Mr. TEAGUE of California:

H.R. 8254. A bill to extend for 2 years the temporary provisions of Public Laws 815 and 874, 81st Congress, which relate to Federal assistance in the construction and operation of schools in areas affected by Federal activities; to the Committee on Education and Labor.

By Mr. TRIMBLE:

H.R. 8255. A bill to authorize the Administrator of General Services to convey certain land situated in the State of Arkansas to the city of Fayetteville, Ark.; to the Committee on Government Operations.

By Mr. WESTLAND:

H.R. 8256. A bill to amend section 10 of the Organic Act of Guam relative to the legislative branch; to the Committee on Interior and Insular Affairs.

By Mr. BRADEMAS:

H.R. 8257. A bill to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower; to the Committee on Foreign Affairs.

By Mr. CONTE:

H.R. 8258. A bill to promote the preservation, for the public use and benefit, of certain portions of the shoreline areas of the United States; to the Committee on Interior and Insular Affairs.

By Mr. FINDLEY:

H.R. 8259. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of surplus agricultural commodities to such nations at prices less than those prices available to American consumers; to the Committee on Agriculture.

By Mr. HALPERN:

H.R. 8260. A bill to provide Federal assistance for projects which will evaluate and demonstrate techniques and practices leading to a solution of the Nation's problems relating to the prevention and control of juvenile delinquency and youth offenses and to provide training of personnel for work in these fields, and to provide for a Federal Youth Office in the Department of Health, Education, and Welfare, and for other purposes; to the Committee on Education and Labor.

By Mr. HENDERSON:

H.R. 8261. A bill to extend for 3 years the temporary provisions of Public Laws 815 and 874, 81st Congress, and to make certain changes in such laws; to the Committee on Education and Labor.

By Mr. DEVINE:

H.R. 8262. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.

By Mr. GOODLING:

H.J. Res. 489. Joint resolution to provide protection for the golden eagle; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLS:

H.J. Res. 490. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. GALLAGHER:

H. Con. Res. 351. Concurrent resolution supporting the President's reply to the Soviet aide memoire on Germany and Berlin; to the Committee on Foreign Affairs.

By Mr. VINSON:

H. Con. Res. 352. Concurrent resolution providing the express approval of the Congress, pursuant to section 3(e) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(e)), of certain materials from the national stockpile; to the Committee on Armed Services.

By Mr. ROUSH:

H. Res. 376. Resolution to provide a form of certificate of election of a Member of the House of Representatives; to the Committee on House Administration.

By Mr. BROOMFIELD:

H. Res. 377. Resolution to authorize the Committee on Banking and Currency to conduct an investigation and study of the operation of the Export Control Act of 1949 and related matters; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GILBERT:

H.R. 8263. A bill for the relief of Herman Ethelbert Evans and his wife, Evelyn Evans; to the Committee on the Judiciary.

By Mr. HALPERN:

H.R. 8264. A bill for the relief of Robert Klein; to the Committee on the Judiciary.

By Mr. INOUYE:

H.R. 8265. A bill for the relief of Mrs. Margaret L. Fries; to the Committee on the Judiciary.

By Mr. KEOGH:

H.R. 8266. A bill to authorize Rear Adm. Gordon McLintock, U.S. Maritime Service, to accept the award of the Order of Maritime Merit, Degree of Commander, and to wear and display the insignia thereof; to the Committee on Foreign Affairs.

By Mr. KING of New York:

H.R. 8267. A bill for the relief of Gee Lai Ting; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 8268. A bill for the relief of Jew Bing Shew; to the Committee on the Judiciary.

By Mr. OSMERS:

H.R. 8269. A bill for the relief of Dr. Walter H. Duisberg; to the Committee on the Judiciary.

By Mr. SANTANGELO:

H.R. 8270. A bill for the relief of Aurora Dorado; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

195. Mr. STRATTON presented a petition of the Board of Supervisors of Otsego County, N.Y., by means of resolution, opposing any legislation which would have a harmful or adverse effect upon the railroad industry in the highly competitive field of transportation, which was referred to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

J. Edgar Hoover

EXTENSION OF REMARKS

OF

HON. EDWIN B. DOOLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 1961

Mr. DOOLEY. Mr. Speaker, in the Halls of Congress there are disturbing rumors that an effort will be made shortly to remove from office a great American, J. Edgar Hoover. Whether these rumors be false or true cannot be determined at this time, but the fact remains that there is an undercurrent of discussion surrounding this outstanding American whose service to our country has been sustained and extraordinary over a period of many years.

A man as forthright and provocative, as courageous and informed as J. Edgar Hoover, is bound to creat enemies on the left. His trenchant delineation of the subtle influence of subversive forces in our country, as stated in his book "Masters of Deceit," made him a marked man among those who are out to destroy us.

In his book, J. Edgar Hoover not only pointed clearly to those who are our enemies but outlined in bold and truthful fashion the science of communism, its methods of appeal, the dedication of party members, the Trojan horse tactics, the Communist underground, and all the conniving trickeries that followers of Lenin and Marx employ.

J. Edgar Hoover's service to his country has been so remarkable and so productive of results, having pursued a strong course with justice and tolerance marked by intelligence and dignity, that he should be guaranteed a lifetime position as head of the Federal Bureau of Investigation.

No other man in our age has proven as stubborn a foe to the forces that are out to destroy us, as has J. Edgar Hoover.

Sibal Urges Rail Compact

EXTENSION OF REMARKS
OF
HON. HORACE SEELY-BROWN, JR.
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 19, 1961

Mr. SEELY-BROWN. Mr. Speaker, one of the problems that is perplexing to the people of Connecticut is the rise and fall of the New Haven Railroad. The railroad is vital to the economy, but under its most recent management it has had no rise, and its fall reached the point a few days ago when it was necessary for the company to apply for the appointment of a trustee for reorganization under the Bankruptcy Act.

Within a few days Judge Anderson, of the U.S. District Court for Connecticut, will appoint a trustee or trustees and the efforts to rehabilitate the railroad will begin. These efforts are of concern not only to Connecticut, but to the entire Nation and its economy.

The situation demands constructive action. One proposal for constructive action has been made by my colleague, the gentleman from Connecticut, ABNER W. SIBAL, whose district is the home of 30,000 men and women who commute daily to their employment in New York City.

Representative SIBAL has been advocating a regional solution to the problems of this railroad, and of other railroads, specifically through an interstate compact.

His views or proposals are well summarized in a letter which was published in the New York Times of July 17. Because of the interest which all Members will have in the course of action recommended for revitalizing the railroads, I am including Representative SIBAL's letter at this point in my remarks:

URGES RAIL COMPACT—REPRESENTATIVE SIBAL, OF CONNECTICUT, OUTLINES BILL TO DEAL WITH NEW HAVEN'S PROBLEMS

To the EDITOR OF THE NEW YORK TIMES:

I wish to commend you for the editorials on the New Haven Railroad in your editions of July 8 and 10. You quite correctly warn against further palliatives and trifling help, which would be only wasteful of time and money.

This problem must be tackled at once on a regional basis and I have long been urging an interstate compact between the States affected. Soon after I came to Congress, I introduced a bill (H.R. 6075), that would grant the necessary congressional approval to such a compact. This bill is restricted to the New Haven Railroad and provides a four-point standard for such a compact. While this may be too restrictive, I had hoped it would spur action by the States, which must initiate negotiations.

Under the bill, the approved compact:

Shall provide machinery necessary for the determination of the need for such railroad for public funds and the uses to which such funds must be put;

Shall contain provisions to insure that any public funds made available would be used to improve commuter and other passenger services;

Shall provide for giving the public a voice each State which is a party to the compact;

Shall provide for financial participation by in the policies of such railroad insofar as they relate to commuter and other passenger services.

OPERATING COMMUTER LINES

It is tragic that we have had to wait until the emergency was fully upon us before being aroused to positive action toward a permanent solution. I have urged most strongly and continue to urge that swift action be taken by the States to negotiate an interstate compact through which commuter lines may be operated.

These negotiations should contemplate necessary changes in working rules and antiquated divisional boundaries, which, as you pointed out, are indefensible in many cases today.

Further tax revision is also called for. Unfortunately, efforts to repeal the 10-percent Federal excise tax on passenger travel failed last month in the House by only 7 votes. Senator PRESCOTT BUSH and I just have introduced new legislation that would suspend the tax on passenger travel over railroads being reorganized under the bankruptcy law.

It is hoped that area Members who voted against general repeal will support this measure, which would give much needed assistance to the New Haven until such time as it can be operated under terms of an interstate compact.

ABNER W. SIBAL.

WASHINGTON, *July 10, 1961.*

Retirement of Federal Civil Service Employees

EXTENSION OF REMARKS
OF
HON. LESTER HOLTZMAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 19, 1961

Mr. HOLTZMAN. Mr. Speaker, I am today introducing in the House of Representatives a bill which will permit a Federal civil service employee to retire after 30 years of service, regardless of age.

Under the current law, a Federal employee must have reached the age of 62 before he can qualify for a full retirement annuity after having been so employed for a period of 30 years. There has been a gradual liberalization of retirement ages in some private industries and in the reduction of age limitations for men and women who are eligible for social security benefits, and I believe the Federal Government should take the lead in setting an example for other employers to follow by permitting retirement of their employees, with full annuity, after 30 years of service, at any age.

Provisions of my bill will actually permit an employee to retire from the Federal service prior to age 60. Many Federal employees entered Government service immediately after completion of their schooling, and in many instances have completed 30 years of service by the time they reach 50 years of age, or shortly thereafter.

At the present time a Federal employee can retire between the ages of 55 and 60, after having been with the Government for 30 years, but must accept a reduced annuity. Many would like to take advantage of retirement to devote their time and energies to other interests and endeavors, but cannot afford to live comfortably and securely on a reduced annuity, particularly in this day and age when the cost of living is still so high.

The 1960 census reports show that there has been an increase in the percentage of older citizens and a greater increase in the population 18 years of age and under. To meet the growing demands of the expanding labor force of younger people, we must meet the challenge of providing for earlier retirement. This legislation will do just that.

Bland County Centennial

EXTENSION OF REMARKS
OF
HON. W. PAT JENNINGS
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 19, 1961

Mr. JENNINGS. Mr. Speaker, I would like to call the attention of my colleagues to a significant and important event that is taking place this week in my congressional district.

Bland County, Va., is observing its 100th birthday, having been officially "born" by an act of the Virginia General Assembly on March 30, 1861.

On Sunday, July 16, the county's centennial celebration began; it will continue through Saturday, July 22. Several months of preparation have gone into this observance, which included the publication of the "History of Bland County." A museum has been established for this week; a historical pageant, "Down Through the Ages," is being held nightly; there will be a parade and other activities to make this a memorable week in Bland County. Needless to say, many former Bland County residents are returning to visit with the homefolks.

Mr. Speaker, I am certain my constituents in Bland County would welcome any Member of the House or Senate in their county, either in this centennial week or later. In their behalf, I extend a cordial invitation to each of my colleagues.

In this connection, Bland County has some of the most beautiful scenery to be found east of the Mississippi. I quote from the "History of Bland County":

No doubt the first white man to gaze upon this favorite hunting ground of the red man was awestruck by the wild beauty of the panorama before him. He saw the fertile valleys dotted here and there by small natural clearings and watered by cold rushing streams. The tinkling mountain branches falling over moss-covered rocks

down deep ravines filled with thick laurel beds furnished music that filled his soul with gladness. As his gaze swept upward along the colorful mountain slopes, covered with dense forests of hardwood on to the towering peaks some of which wore a halo of fleecy white clouds, he thought what more could mortal man want.

Bland County has made great progress during the past 100 years. The people are working and planning for the future—in agriculture, the economy in general, and education. It should be pointed out that the Bland superintendent of schools, Mr. James O. Morehead, has been the president of the Centennial Corp. He, of course, has been assisted by a multitude of devoted citizens who wished to see their county's 100th birthday properly observed.

Mr. Speaker, I extend my sincere congratulations to Bland County on this important occasion. I am proud to have these people as my constituents. I know all of my colleagues join in sending best wishes to Bland during this centennial week.

Statement of Hon. Thomas J. Lane, of Massachusetts, Concerning Impact of Imports and Exports on Employment in the Textile Industry Before Subcommittee of House Education and Labor Committee

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 19, 1961

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

Mr. Chairman, and members of the subcommittee, this inquiry into the impact of imports and exports on American employment in the textile industry pinpoints the double blow to this indispensable industry from reduced exports and increased imports.

Although all categories of the industry must be considered as indivisible parts of the one problem, I shall confine myself to the two major sectors of cotton and wool manufacturers. Since 1958 cotton manufacturers imports have had the greatest percentage increase (121 percent). Wool manufacturers imports in the same short period increased by (102 percent).

Cotton broadwoven imports were 7.75 percent of domestic production.

Wool broadwoven imports were 15.3 percent of domestic production.

The U.S. cotton textile industry has lost a billion yards of exports equal to 9 percent of domestic production since 1947. This long-term trend is expected to continue. The decline in exports has accompanied the increase in imports. And what has been the resulting impact?

Over the past decade textile mill employment in the United States has declined by 400,000 jobs, or approximately one-third of the total employment in this branch of the industry. This decline has been concentrated along the Atlantic seaboard and especially in the many communities where textile mills constitute the sole or principal source of employment. Employment in New England declined by 61 percent.

There has been a massive liquidation of textile mills. Since 1947, 838 mills in the United States, employing almost 230,000 workers, have gone out of business.

Textile hourly earnings, which in 1950 were 15 percent below the average for all manufacturing workers and 10 percent below the average for soft goods industries, were 30 percent and 23 percent below the average of all manufacturing and nondurable goods industry, respectively, in 1960. Short workweeks and cyclical layoffs have added to the chronic unemployment characteristic of many textile centers.

Declining employment, increased unemployment, depressed prices, low earnings, shrinking production, and continued mill liquidations have several causes, but the competition from imports that are produced by foreign workers who are paid an average of 24 cents an hour is the principal cause.

Technological changes in production and a drop in per capita consumption of textiles—among other factors—necessitated some contraction in the textile industry, but do not explain the present and continuing threat to its survival.

If the Government had exerted constructive leadership in the past decade to provide a solution to problems of this type, it would not have been forced to legislate a program for the redevelopment of distressed areas including so many communities that once depended upon the textile mills for their livelihood.

It has been estimated that 15 million Americans are dependent for a living upon textile and related industries. The textile industry is the largest manufacturing employer in the Nation, employing 14 percent of all manufacturing workers. In March 1961 the Department of Labor reported total employment of 2,159,000 workers.

Only timid and tentative efforts have been made by the Government to help an industry which is essential to the economic progress and to the security of the United States.

Like Hamlet, it has pondered this, and pondered that for many years without arriving at a practical decision to solve the problem.

All available statistics prove that the decline of exports and the increased pressure of imports is condemning the textile industry to a slow if lingering death as long as the Government fails to provide reasonable protection through tariffs or import quotas.

The purpose of these hearings is to reveal that the impact of imports (in relation to declining exports) is having a very serious effect upon employment in the textile industry.

Unless the administration, in its negotiations with those nations that are exporting an increasing volume of textiles to the United States, is able to arrive at agreements that will enable the American textile industry to compete in its own home market, the Congress has no alternative but to take matters into its own hands.

The impact of imports on American textile producers and textile employees is a clear and present danger that must be met by corrective action.

Communist Propaganda

EXTENSION OF REMARKS
OF
HON. HENRY C. SCHADEBERG
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 19, 1961

Mr. SCHADEBERG. Mr. Speaker, I received the following communication today from one who does not reside in my district. In its brevity it speaks eloquently of the plight in which many millions of freedom-loving people find themselves today:

Communist propaganda is overflooding my mailbox. Help.

West Berlin Shall Not Fall Captive

EXTENSION OF REMARKS
OF
HON. HERMAN T. SCHNEEBELI
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 19, 1961

Mr. SCHNEEBELI. Mr. Speaker, we are now observing the second anniversary of Captive Nations Week. I think it only fitting at this time to renew our pledge of firmness and strength in West Berlin. The issue of West Berlin is part of the issue of a free united Germany. And the issue of a free united Germany must be an integral part of our captive nations observance.

To Germany and the whole world, West Berlin is an outstanding symbol of a free society, a signpost of freedom glowing in the wilderness of Communist oppression. But West Berlin is more than a symbol, more than a signpost. It is a city of 2,223,800 free people who enjoy that freedom because we have remained firm in the face of Communist threats. It is a city of free people who have learned to live under the muzzle of Russian guns and who are not afraid to make the sacrifices that are necessary for the maintenance of their freedom. It is a city of free people who know the results of Russian promises and who harbor no illusions about a guarantee of their freedom in an internationalized city surrounded by East Germany.

The world has heard such promises before. Hitler promised the freedom and integrity of Czechoslovakia if only he could have the Sudetenland. This was all he wanted, he promised Mr. Chamberlain, and Mr. Chamberlain believed he had secured "peace in our time." Khrushchev plays no different a game. He is like the man who kept buying up all the land near him. When asked why he wanted all the land in the State he replied that he didn't want it all, he just wanted the land adjacent to his own.

But we do not have to go back to 1938 for examples. We can stop at 1956 and Hungary. Have we forgotten those months when freedom was murdered while we in the West sat on the sidelines and offered our sympathy to a people who could not succeed without our help? The people of West Berlin have not forgotten. Nor have they forgotten the free elections in Czechoslovakia that never took place, nor the revolt in Poznan of desperate men flinging rocks against Soviet tanks. When are we going to realize that there is no peace now; that there can never be a true peace as long as the world remains half slave and half free?

We talk of our prestige throughout the world. But, Mr. Speaker, if we retreat

from our position in Berlin who will believe we will stand anywhere in the world. Will the people of Thailand and Cambodia believe that we will really help them defend their borders? Will the people of Latin America have any faith at all left in us if we bungle Berlin the way we bungled Cuba? And what of the new African states? We are constantly wondering what they will think of us. Does anyone think the lesson will be lost on them if we retreat in Berlin?

We talk of solidarity of our alliances against Communist aggression. Does anyone think that our allies will have much faith in us if we back away from a stand that they have been willing to support? NATO would be shattered. Our allies would lose heart in an alliance that could not keep its most powerful member from retreating. When one lets down his defenses in the face of Communist aggression, it has always been a signal for more aggression.

No one will deny that the problems involved are complex and bewildering. The problems are enormous; but then so is the price of freedom. It always has been. When peace becomes more important than freedom and when men become so apathetic toward liberty that they are no longer willing to fight for it, then perhaps they do not deserve to have it. This may be brinksmanship, as critics have cried in the past. But brinksmanship for freedom is better than appeasement for an illusionary peace.

Financing Foreign Aid

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 19, 1961

Mr. PELLY. Mr. Speaker, in line with the present discussion on the administration's foreign aid proposal, I have addressed the following letter to our colleague, the gentleman from Louisiana. I believe my comments and illustration in connection with the means of financing the program are self-explanatory and may be helpful to others.

LETTER, DATED JULY 19, 1961, TO THE HONORABLE OTTO E. PASSMAN, HOUSE OF REPRESENTATIVES, WASHINGTON, D.C.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 19, 1961.

DEAR COLLEAGUE: I was not able to be present yesterday when you addressed the House of Representatives on the administration's proposal for foreign aid. I was testifying at the time before the House Committee on Rules and thereby missed hearing your remarks.

However, this morning I read them in the CONGRESSIONAL RECORD and I only wish every American could be given the facts as you stated them. The sad thing to me is that many people with high Christian motives and generous, charitable impulses have no true conception of the principles involved in the present controversy.

The basic difference between the President and many of us in Congress is not a matter of long-range planning. Personally, I have no quarrel with a 5-year plan, but under my sacred and sworn duty I want to comply with the Constitution and in the spirit of a responsible legislator to insist on an annual review and scrutiny by Congress of all expenditures.

To draw a simple illustration, suppose for example that a church had a charitable program. Would the members of its congregation do well to say to its pastor: "Borrow the money—spend it on whatsoever you desire?" Or would the congregation in its wisdom say: "The church will have an annual budget. Go ahead, pastor, and plan on a long-range welfare program, but each year give us a report on what you spent in the previous 12 months. Tell us how much you feel is required for the ensuing year. Then, a special church committee, on the basis of your request, will provide the sums it feels are justified in line with the church's treasury and ability to pay?"

I think that is a fair comparison.

Actually, Mr. Passman, as you have said, in the past 6 years $1.5 billion of the money appropriated by Congress for foreign aid has not ever been allocated, even after Presidential requests have been cut. Now the President wants a blank check and worst of all, he wants no scrutiny or need to justify what he does with the money.

One has only to recall some of the waste and mistakes of the past, the scandals, the unnecessary extravagance, the abandoned projects, the evidence of corruption and all the bad parts of the program to realize the desirability of investigation by Congress. It was the annual reviews of Congress that revealed the errors of the past. Who would bring these to light in the future?

Why does the executive branch seek to avoid the surveillance of Congress? Why does it seek to bypass the constitutional requirement that no money be drawn from the Treasury save in consequence of an appropriation?

No informed, intelligent person, in the light of the history of foreign aid, would support such an unsound procedure as backdoor spending, with its inherent abdication of the power and responsibility of the legislative branch.

As you have said, such proposals are moving toward making a mockery of the legislative body we all love. How can we make our people see this?

As a member of a different political party, I commend you for your dedication to principles. As you know, I have organized a bipartisan group of more than 100 House Members who joined with me in a letter to the chairman of the House Committee on Foreign Affairs in support of an annual review.

If I can be helpful in any way, please call on me. Meanwhile, I applaud your efforts.

Sincerely,

THOMAS M. PELLY,
Representative in Congress.

Tribute to W. Kingsland Macy

EXTENSION OF REMARKS
OF
HON. ROBERT R. BARRY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 19, 1961

Mr. BARRY. Mr. Speaker, the sudden death of William Kingsland Macy at his home on July 15 came as a sudden and profound shock to his many friends. A Member of Congress for 4 years from New York's First Congressional District, he was a vigorous conservative and an untiring worker, always fighting for his deeply cherished beliefs.

With roots in this country dating back to his family's purchase of Nantucket Island in 1635, Kingsland Macy throughout his life devoted himself to public affairs. I admired him as a politician and respected him as a man. In his career, a turbulent one, he never backed away from a fight. He was best known for his part in the Seabury investigation into New York City Mayor Jimmie Walker's administration.

A longtime Republican leader, he served on the New York State Board of Regents for 12 years and was a vestryman of his church. To those of us who were fortunate enough to know him as a dedicated public servant and as a cherished friend, his loss is a tragic event.

Western Illinois Wants Firm Stand Against Communism

EXTENSION OF REMARKS
OF
HON. PAUL FINDLEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 19, 1961

Mr. FINDLEY. Mr. Speaker, an extensive survey which I have just completed indicates clearly that my constituents in the 20th District of Illinois, favor using U.S. combat forces to contain communism, oppose greater Government control of farm production, and also oppose most of the administration's spending proposals.

In order to make the survey as impartial as possible, I sent a list of 10 questions on foreign and domestic policy to each constituent listed in a telephone directory. The replies totaled 10,531, or 18 percent. I consider this response gratifying, indicating a concern about national problems and an eagerness to be heard.

Sixty-eight percent of those giving an opinion favored using U.S. armed intervention to prevent further Communist takeovers.

Proposals for medical care for the aged, Federal spending for public and private schools, admission of Red China to the U.N., foreign aid, and greater Government control of farm production were rejected by big majorities.

Smaller majorities favored the Peace Corps proposal, also higher taxes so the interstate highways can be built on schedule. Higher postal rates got "thumbs down."

Most replies showed "no opinion" on one or more questions.

Votes on each question follow:

1. Do you favor a medical program for the aged financed by higher social security taxes? Yes, 3,057; no, 5,986 (66 percent opposed).
2. Do you favor Federal spending for public school construction and teacher salaries? Yes, 2,896; no, 6,226 (67 percent opposed).
3. Do you favor Federal spending for private schools? Yes, 658; no, 8,623 (93 percent opposed).
4. Do you favor the Peace Corps program? Yes, 3,059; no, 2,784 (52 percent for).

5. In Laos (and similar situations) do you favor U.S. armed intervention to prevent a Communist take-over? Yes, 5,158; no, 2,414 (68 percent for).

6. Do you favor admitting Red China to the United Nations? Yes, 1,090; no 7,515 (87 percent opposed).

7. Do you approve of administration proposals for foreign aid? Yes, 2,198; no, 4,464 (68 percent opposed).

8. Do you favor 5-cent first-class rate and other postal increases to offset the postal deficit? Yes, 4,174; no, 4,705 (53 percent opposed).

9. Do you favor greater Government control of farm production? Yes, 973; no, 7,591 (88 percent opposed).

10. Do you favor 1-cent a gallon gasoline tax extended and truck taxes increased? Yes, 5,147; no, 3,516 (60 percent for).

More than 3,000 of those replying took the trouble to explain their answers and add other comments. It has been a valuable exercise in representative Government. Valuable to me because I have had the benefit of advice and comment from more than 10,000 constituents.

I believe it has also been worthwhile for those who participated. In this land, the citizen is sovereign, and it is entirely proper that he should sit down and study over the problems before Congress, and then report his thoughts so his representative can be guided accordingly.

J. Edgar Hoover

EXTENSION OF REMARKS
OF
HON. ALEXANDER PIRNIE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 19, 1961

Mr. PIRNIE. Mr. Speaker, in these days of external peril, Americans can take special pride and comfort in the knowledge that the preservation of our internal security remains the responsibility of J. Edgar Hoover, Director of the Federal Bureau of Investigation.

His skillful and impartial administration of the FBI has created a Government agency which discharges its vast responsibilities efficiently and fairly. Without trespassing upon the individual rights of our citizens, the FBI zealously pursues all who violate the law of the land. This task in no sense should be a partisan endeavor, and it is significant that Mr. Hoover's aggressive, capable, and faithful discharge of important duties has won and retained the confidence and respect of four Presidents, their Attorneys General, and the American people.

His diligent, determined fight against internal subversion has on countless occasions successfully thwarted Kremlin schemes to undermine us from within. The Communists know that as long as Mr. Hoover holds office, they will be confronted by a determined adversary, who fully understands their methods of operation. His very presence on our national scene gives our people a sense of security.

Mr. Speaker, as Representatives of the people, it is appropriate that we support and commend those public servants who by their performance have demonstrated complete devotion to our country. I know of no man who more clearly deserves such commendation.

Arleigh Burke: Well Done

EXTENSION OF REMARKS
OF
HON. F. EDWARD HÉBERT
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 19, 1961

Mr. HÉBERT. Mr. Speaker, I stand to pay tribute to Adm. Arleigh Burke, a devoted American, a dedicated naval officer, a gallant gentleman and a redoubtable sailor.

Shortly Admiral Burke's tenure as Chief of Naval Operations will draw to a dramatic end. His departure from the Navy will leave an unprecedented record of achievement for the Navy and for the Nation's defenses.

Admiral Burke's fame began during World War II. As a destroyer squadron commander in the South Pacific his squadron fought 22 separate engagements in 4 months during which time his ships destroyed Japanese ships and aircraft at a rate never equaled by a similar force. Noted for leading his ships into action just under boiler bursting speeds, he became known as 31-Knot Burke.

After his tour with destroyers, he became Chief of Staff to Admiral Marc Mitcher, commander of the famed 1st Carrier Task Force in the Pacific. Serving with this force for over a year, Admiral Burke was responsible for planning and executing a long series of successful offensive operations against the Japanese from New Guinea to Tokyo.

Soon after commencement of hostilities in Korea, he was named Deputy Chief of Staff to Commander, Naval Forces, Far East, and later, in July 1951, was designated a member of the United Nations truce delegation in Korea.

In August 1955, Admiral Burke, then a relatively junior two-star admiral, was selected to head the most powerful Navy in the world. Young in years, but mature in thought and vision, Admiral Burke soon proved that his selection was, indeed, a wise one, as evidenced by his reappointment to this high and responsible office in 1957 and 1959. He has given the Navy the kind of vigorous, inspired, and imaginative leadership direly needed in an era of nuclear weapons, guided missiles, and Polaris submarines. Under his guidance the Navy has kept pace with the technological revolution which has borne fruit during the past decade. Every type Navy ship from aircraft carrier to destroyer has been improved and new types developed to insure that the Navy is prepared to carry out its far-reaching responsibilities, control of the wide expanse of the seas.

During the past 5 years Admiral Burke's forces have answered the call, "Send for the Navy," in Lebanon, the Formosa Straits, and in the Caribbean. In each instance, action has been swift and decisive, demonstrating our Navy's responsiveness to the Nation's needs whenever and wherever versatile, self-sufficient forces are required.

Notable among Admiral Burke's outstanding qualities is his firm, dispassionate conviction that U.S. seapower is a positive and vital influence in maintaining peace in our time. In a recent speech he stated—

> It is of the utmost significance that we understand how important sea communications are to our very existence. Our ability without allies to control the seas underlies the whole free world system of collective security. The strength of the free world lies in its unity, its political and military unity, its capacity and its will to stand together in the face of common danger. The United States is the center of a great maritime coalition embracing 42 other nations. All of those nations entered their mutual security arrangement with us on the assumption that they were bound to us, rather than separated from us, by the seas.

Admiral Burke's services to his country have been appropriately recognized over the years. In addition to the Navy Cross, the Distinguished Service Medal with gold star, the Legion of Merit with two gold stars and oak leaf cluster (Army), the Silver Star Medal, the Commendation Ribbon, the Purple Heart Medal, the Presidential Unit Citation Ribbon with three stars, and the Navy Unit Commendation, Admiral Burke has the American Defense Service Medal, Fleet Clasp; the Asiatic-Pacific Campaign Medal with two silver stars and two bronze stars; the American Campaign Medal; World War II Victory Medal; Navy Occupation Service Medal, Europe Clasp; the National Defense Service Medal; the Philipine Liberation Ribbon; Korean Service Medal; and United National Service Medal. He also has been awarded the Ul Chi Medal and the Presidential Unit Citation by the Republic of Korea.

In the years to come the name Burke will go down in Navy history as did Jones, Farragut, Perry, Nimitz, and Halsey before him. Although he leaves his beloved Navy, the impact of his thinking, his leadership, his determination will remain in the hearts and minds of those who follow. To Admiral Burke: Well done.

Remarks of Senator Thomas J. Dodd, of Connecticut, at the Annual Westchester County Convention of the American Legion, Mamaroneck, N.Y., July 7, 1961

EXTENSION OF REMARKS
OF
HON. EDWIN B. DOOLEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 19, 1961

Mr. DOOLEY. Mr. Speaker, the Honorable THOMAS J. DODD, the distinguished Senator from Connecticut, was honored recently by the Westchester County, N.Y., American Legion convention with the Americanism Award for his contribution to the well-being of the country and for combating communism.

The Senator's remarks are cogent and timely in the extreme, and I take pride

in having them perpetuated by being imprinted in the RECORD:

REMARKS OF SENATOR THOMAS J. DODD, OF CONNECTICUT, AT THE ANNUAL WESTCHESTER COUNTY CONVENTION OF THE AMERICAN LEGION, MAMARONECK, N.Y., FRIDAY, JULY 7, 1961

I am more honored than I can say to have been invited to be with you tonight and to receive this award from the American Legion.

In an era of confused and timid voices, the American Legion has always sounded a clear, strong call for national strength, for national courage, and for national honor.

I am happy to have this opportunity to pay tribute to your great organization and to join with you on this occasion.

We are here tonight to foster what we in this country have come to call "Americanism."

I have sometimes felt that some of our friends elsewhere in the world must be a little mystified by this word. They have a strong and fervent patriotism of their own. But we never hear of Canadianism or Mexicanism or Swedenism.

To other peoples, the world "Americanism" may seem a boastful affectation, a form of chauvinism, a brash nationalism. But, of course, it is not. Americanism is a patriotism that has something necessarily unique about it, because our history has had something unique about it.

The love of country which has for centuries drawn peoples of other lands together and welded them into nations was derived from many sources, from a love of things old and familiar, family histories in a town or province which could be traced for hundreds of years, a common tongue, a common nationality, perhaps a common religion, a national literature and music and art, a consciousness of having done certain things together as a people since the days of Charlemagne and Roland.

To the peoples of Europe, then, patriotism has its roots in the past and represents a love of all the similarities and things shared in common with their countrymen.

But we in America, in the early years of our Nation, had no past. We had more differences than similarities.

Our people had no common history except that of escape from the histories of a score of other nations.

We had no common religion except a heritage of seeking religious freedom.

We had no common tongue, no common nationality, no national music or art, no folk tales, no national literature except for the political writings of our Founding Fathers.

All that we had in common, with which to mold together a nation was a new set of ideas, of attitudes, of institutions; untried, unproved, yet having the universality of expressing the ancient hopes and yearnings of mankind for a better and fuller life.

And we shared together a new, virgin continent upon which we could try out our experiment.

It is these concepts, then, none of them fully realized or perfected, yet none repudiated or abandoned, which have ever marked off this Nation; concepts that are so familiar to us that perhaps we lose sight of their revolutionary impact upon the world of the 18th century and their place at the heart of the struggle today between the forces of freedom and communism.

These concepts, briefly and inadequately expressed, are, it seems to me, the following: That the state exists to serve man and that man's liberty, his property, his family, and his individual rights are above and beyond the reach of the state; that every man should have a fair chance to succeed or to fail on his own, a square deal, a clear field; that every man should be able to speak his piece without fear or reprisal; that every man should have an equal voice in choosing those who govern him; that every man should be held innocent of wrongdoing until proved guilty; that every man should be free to worship as he pleases, or not at all, if he so pleases; that every man has the right and should have the opportunity to own property and capital and to use these, within reasonable limits, as he chooses, free from tribute to any baron or monopoly, and secure from confiscation by government; that other men from other lands, with their troubles and with their hopes, were welcome to come here to our shores and try their hand at building a new life; that the normal relationship between men was not one of artificial division, by class or by trade or by race, or by religion, or by education, but one of democratic equality, of cooperation, of equal opportunity for all, of working together to tame a continent and build a nation; that henceforth the habitual attitude of men need not be fear and foreboding but confidence and optimism; that a nation, our Nation, could conduct itself toward other lands with honor, with friendship, without aggression, without predatory designs.

These ideas are our national patrimony. They took the place of all the unifying forces which centuries of living together had provided for the peoples of other lands. They are the heart of Americanism. They are all that there is to Americanism. And we may say truly that every person who shares these ideals, wherever he may live, is in his heart an American.

These ideas generated a sense of mission which has always characterized the history of America. Americanism was not just for home consumption. It was for export. Our people believed that the power of our example would spread freedom across the globe. And our ideas did catch on, all over the world. By 1917, the American people had decided it was not enough to spread freedom by example alone, that we must defend it with our might and if need be with our blood.

We have fought two World Wars and are presently engaged in a cold war to preserve the freedom of others in the world and in so doing to preserve our own freedom.

Today we are called upon to support and sustain the forces of freedom wherever they exist in the world. All of our history has prepared us for and guided us toward this moment.

Whether or not we rise to the occasion will depend upon whether our people and our leaders understand and embrace the principles of Americanism as they have unfolded in our history.

As the principal bastion of freedom in the world, America is the principal target for Communist subversion, the first line of Communist aggression.

The investigation and exposure of these attempts at subversion in all of their many guises are matters of critical importance. Along with other Senators on the Senate Internal Security Subcommittee, I have been trying to combat the attempts of our sworn enemies to infiltrate our Government, to steal our defense secrets, and to poison the minds of our people, particularly our young people.

This task must be carried on by the FBI, by the Congress, and by other groups, and we must have the constant support of the American people. The tragic history of other nations shows us that our cause could be lost through the failure to protect ourselves against subversion.

But effective defense against subversion is not enough. For our struggle can be won only by a mighty national effort which our history now calls upon us to make, an effort to defend freedom where it exists in the world and to extend it where it does not.

I believe that the vast majority of the American people are prepared and anxious to carry those burdens and make those sacrifices which our destiny now places upon us. But two political extremes, of the right and of the left, threaten to pull us off the track.

The extreme on the right rejects those measures of domestic reform, foreign assistance, military aid and international cooperation which are necessary if we are to preserve and extend freedom.

The extreme on the left would have us abandon those outposts of freedom that are now under the guns of communism, and let down our defenses against domestic subversion.

The danger from the extreme right is, not that it conspires against America or collaborates with our foreign enemies, but that its prejudices and blindnesses may deter us from doing those things that we must do to save our country.

The danger from the extreme left is that it poisons the spiritual and philosophic well which nourishes America, it tangles up our moral guidelines, and softens up our resistance to that extension of leftism which is communism. And the danger from the left is greatly magnified by the fact that its policies so often dovetail and march hand in hand with those of the world Communist conspiracy which is sworn to destroy us.

We live in a period during which many extremists have tried to monopolize the mantle of Americanism though they have the least right of anyone anywhere to wear it. They speak with the strident voices of intolerance, of bigotry, of accusation, of boastfulness, and of hostility toward others.

They often style themselves as "100 percent Americans." But they are in fact grotesque caricatures, symbols of everything that is essentially un-American.

They proceed on the basis that a man is guilty until proved innocent, that the constitutional rights of suspected persons should be abrogated, that foreigners, foreign goods and foreign ideas should be excluded from America.

They oppose our commitments and alliances in the defense of freedom abroad. They oppose our aid to the less fortunate peoples of the world, aid intended to help these people to make some of the American dream a reality for themselves.

They are bigots. Their magazines and circulars are filled with hatred of Jews, Catholics, Negroes, and all other groups except what they like to define as "Americans."

Although this type of 100-percent American may like to drape himself in the red, white, and blue during the daytime, his uniform at night is sometimes the white sheet.

This brand of misnamed Americanism is founded upon fear, suspicion, division, and malice. These advocates, though they call themselves patriots, are tragic and contemptible examples of the fact that it is possible to live in the greatest of all nations and yet to represent everything that is hostile and inimical to the ideas which give life to that nation.

At the other extreme, we have those who are the products not of a perverted, distorted kind of loyalty, but of no loyalty at all. A small group of Americans, some of them articulate and influential in the press, the arts and the communications media, have lost that sense of mission and confidence and optimism which is an essential part of the American story.

The answers of the ultraleftists in America to the challenge of our time are weasel words justifying the abandonment of Laos, Quemoy, Formosa, Berlin, and other critical areas.

Their appeals are for disarmament without adequate inspection, for a nuclear test ban without means of detection, for abandonment of the development of crucial weapons on the theory that we can trust the Communists to also forego these developments.

They believe that the history of man is meaningless and that, therefore, the history of our country is insignificant.

They feel that there are no absolutes, that nothing is eternally true or false, right, or wrong, that nothing is fixed and changeless, that all will change and pass away.

And therefore they feel that no issue, no soil, no concept, not even freedom itself, is worth risking life to defend.

To them, patriotism is a naive, outmoded superstition of unsophisticated people, nationalism is a menace, and Americanism is a term of scorn and derision.

They see the caricature of Americanism which I have tried to describe earlier and they use it as an excuse for ignoring the reality of a true Americanism which has a just claim upon them as it has upon all of us.

They are the American imitators of Bertrand Russell and Philip Toynbee, who argue that it is preferable to surrender now to communism rather than run the risk of world war by taking those steps necessary to our defense.

The story of our country is a story of avoiding the extremes of the right and the left. We may hope with confidence that our people will continue to do so and that we will continue up the road on which we started in 1776.

Americanism, then, is that dedication which leads us to cherish what our fathers brought to the world, to defend it where it has taken root, to extend it where we reasonably can.

Americanism is our national conscience, the voice of our history, which speaks to us today and bids us: To insist on a fair chance for all and a free ride for none; to encourage all to speak their minds and to protect none from fair criticism of what he has said; to pursue the goal that no man be artificially pushed up nor arbitrarily held back; to work for the perfection of our process of free choice and for the preservation of our Federal system of limited government; to extend to the homeless refugee from tyranny the hand of welcome; to resist all appeals which seek to divide our people by race or creed or political partisanship; to support the investigation and exposure of our country's domestic and foreign enemies, and to maintain with equal zeal the integrity of those methods by which we investigate and expose; to sacrifice all that is required of us for the defense of our country; to give and give and give, of our time, of our energy, of our wealth to help the people of the world to grasp for themselves the prize of liberty and opportunity; to support our leaders when they are strong, and reprove them when they are weak; to keep ever in our hearts the words of Senator Carl Schurz "Our country * * * when right to be kept right; when wrong to be put right."

This is patriotism, this is Americanism. There are no 100-percent Americans. No one can fully qualify for that magnificent accolade.

But let us hope that there are millions of ordinary Americans who will humbly and devotedly answer their country's need, millions who will do their best in the faith that a merciful and loving and just God will do the rest.

Military Construction Set-Asides

EXTENSION OF REMARKS

OF

HON. PHIL WEAVER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 1961

Mr. WEAVER. Mr. Speaker, on June 16, after I had presented to the House a detailed discussion of the Small Business Administration's program of military construction set-asides for the exclusive bidding of small contractors, the distinguished journalist, Lyle C. Wilson, commented on the subject and his column appeared in the Washington Daily News. That column was reprinted in the daily RECORD by our colleague and my good friend from Nebraska [Mr. CUNNINGHAM] on June 19.

On June 29 there appeared in the "Letters to the Editor" columns of the Daily News a letter from Mr. Thomas F. Smith of Washington, D.C., president of the 18th and Columbia Road Business Association, Inc., which was sharply critical of both the column by Mr. Wilson and my own efforts in this matter. On the following day, Mr. Irving Maness, Deputy Administrator, Small Business Administration, also was in print in the same columns with a letter critical of Mr. Wilson and by implication, my efforts and the findings of the House Committee on Appropriations which had adopted language questioning the set-aside program in its report accompanying the general government matters, Department of Commerce and related agencies appropriations bill of 1962.

At this point in the RECORD I would like to include those two letters from Mr. Smith and Mr. Maness just as they appeared in the Daily News:

ONE VIEWPOINT OF SMALL BUSINESS

As a small businessman and a member of an association of small businessmen and women, I feel chagrined by Lyle C. Wilson's article on June 16, excoriating small business. Until this last election I was a Republican; but Members of Congress like PHIL WEAVER convinced me the Republicans by and large are for big business.

As I understand Government construction work, which I have been doing for 15 years, since I resigned from the Navy after 9 years of frustration, big business gets nearly all of it—about 96 percent—giving a few favored "small businesses" (actually many times larger than the average truly small business) some subcontracts.

I feel Mr. WEAVER is living in another world. He must know most of the population of Nebraska is comprised of families of small businessmen. The large farmers who feed at the Federal subsidy trough there supported Republicans—they are the large businessmen in Nebraska.

He should represent the small people, his majority, and not buy the old concocted tale that the small business association is a luxury. The recent price-fixing scandals show that the halo big business had Madison Avenue make and illuminate for it is tinsel.

The brave, independent, small businessman is competitive and survives because he can supply a good job at a reasonable price. We don't get Government subsidies—big business does. Who speaks for small business? The majority of our population. Who represents us? Only the Small Business Administration.

THOMAS F. SMITH,
President, 13th and Columbia Road Business Association, Inc.

CHALLENGES WILSON ON SBA COLUMN

Lyle C. Wilson's column, "A Complaint Against SBA," was unfair. It turned on the contention of Representative PHIL WEAVER, Republican of Nebraska, that "SBA has imposed on Government procurement officials a set-aside policy. The policy set-aside for small business Government contracts for construction work even though the bid of a small business may be substantially higher than the bid of a large business for the same job."

The article also says, "Mr. WEAVER cited places and bids in eight instances in which small business obtained contracts although larger businesses has bid at less cost" and contends that Representative WEAVER had checked with Associated General Contractors, and that "a great majority" of its 7,000 members were publicly on record as opposed to the SBA set-aside program, although 89 percent were small businesses.

"Why," Mr. Wilson asks, "does SBA impose a costly subsidy program in behalf of small businessmen who don't want the program?"

Here are a few facts:

First, the law specifically requires the Government "should aid, etc., small business concerns to preserve free enterprise, to insure that a fair proportion of the total purchases and contracts * * * including, but not limited to, contracts for maintenance, repair, and construction, be placed with small business enterprises."

Thus it is clear that SBA does not impose this program; the program is required of it, by law.

As to the set-aside program resulting in higher costs, competitive bidding is present on set-aside construction procurements, just as on set-aside purchases of property and services.

On construction contracts, very careful cost estimates are made before inviting bids. If the contracting officer considers the bids high, he may ask for withdrawal of the set-aside although I know of no case where this has been done.

Performance capability is also determined prior to contract award.

One final point: while officials of the Associated General Contractors may not be in favor of the set-aside program for construction contracts, many contractors are—including one of AGC's own branches.

For instance, the Associated General Contractors, Oklahoma City, Okla., composed largely of small business concerns, is asking that our program be extended.

We in SBA neither know of instances of construction contracts being awarded at unreasonable prices under the set-aside program, nor of any reports of poor workmanship.

IRVING MANESS,
Deputy Administrator, Small Business Administration.

Mr. Speaker, on July 11 the Daily News generously printed my own reply to the letter from Mr. Maness and on the following day a letter from our colleague, the gentleman from Nebraska [Mr. CUNNINGHAM], also was printed by that newspaper in its obvious efforts to present impartially both sides of this very important issue. I would like at this point to include these letters as they appeared in the News:

REPRESENTATIVE WEAVER GIVES HIS VIEWS ON SBA

The Deputy Administrator for the Small Business Administration, Irvin Maness, has expressed resentment over a recent column by Lyle C. Wilson. Mr. Maness quoted liberally from the article and mentions my name.

It is significant that the House Appropriations Committee is taking a long hard look at SBA's activity in subsidizing small contractors to do construction work. It is my personal opinion that if these men need to be subsidized, we would save money by simply giving them financial grants every 2 or 3 weeks so that we would not retard the progress of defense programs instead of giving economic relief under the guise of construction contracts.

The American taxpayer, whether business is large or small, expects to get the most out of his dollar. If we are to be perfectly honest, we should use the competitive bid system to get the best deal possible for the taxpayer. If we are to give relief to people, the American taxpayer should be cognizant of this and have an opportunity to give approval indirectly by voting to reelect Congressmen who would support such an economic relief for small contractors who cannot compete with those who are a little larger, medium sized, or big.

There is nothing in the law that requires SBA to set up small businessmen in business which retards the efficient building of defense projects. The power given to SBA is discretionary. In this situation I am afraid someone in SBA relishes forcing other Government agencies—primarily the Defense Department—to spend the taxpayers' dollars unwisely under the pretense of carrying out laws passed by Congress.

I am hopeful that Congress will eventually amend the act to put SBA back on the basis of doing a good job for small business people through loans to business and supervision of activities to make them a part of our free enterprise system.

PHIL WEAVER,
House of Representatives, First District, Nebraska.

SAYS LYLE WILSON WAS RIGHT AND MANESS WRONG

Irving Maness, Deputy Administrator, Small Business Administration letters (June 30), was sharply critical of an article by your respected columnist, Lyle C. Wilson.

Although Mr. Maness most certainly has a right to an opinion, I do not feel that as a top ranking official of a Federal agency he has the right to question publicly the privilege of either Congress or the press to inquire into his agency's operations.

It is not only the privilege of the Congress, but its duty, to determine how laws are functioning. It is the privilege of the people to know the findings of congressional inquiries. It is the duty of the press to furnish that information.

No nonelected official, regardless of how highly placed, has the right to challenge this process of inquiry and information, particularly so when his challenge is based on a misstatement of fact.

In his closing paragraph Mr. Maness states, "We in SBA neither know of construction contracts being awarded at unreasonable prices under the set-aside program, nor of any reports of poor workmanship."

Mr. Maness could have obtained this knowledge from the same source that Mr. Wilson used, page 10170 of the CONGRESSIONAL RECORD of June 13. A table there cites eight specific examples of cost increase ranging from 2 to 83 percent.

Mr. Maness certainly should be better informed on what is going on in his own agency.

Representative G. CUNNINGHAM.

I would like to add a further observation, Mr. Speaker, and that concerns the validity of some of the statements made by Mr. Maness. I would like to point out that the Administrator of Small Business was questioned at considerable length when he appeared before the Subcommittee on General Government Matters, Department of Commerce appropriations. Not only that, he was given the opportunity by the chairman to place in the record of those hearings detailed replies to questions asked him about this matter.

Apparently those studied replies did not wholly satisfy the committee because it later adopted the language which appears on page 15 of the report.

All of these facts should have been fully known to Mr. Maness and others at SBA.

Address by Hon. Ray J. Madden, of Indiana, at Chicago, Ill., on Captive Nations Week

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EXTENSION OF REMARKS
OF
HON. DANIEL D. ROSTENKOWSKI
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 1961

Mr. ROSTENKOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include a speech delivered by our colleague Congressman RAY MADDEN at Grant Park, city of Chicago, on Sunday, July 16, observing Captive Nations Week.

The following is the text of Mr. MADDEN'S speech:

SPEECH OF RAY J. MADDEN, OF INDIANA, AT GRANT PARK, CHICAGO, ILL., JULY 16, 1961, ON CAPTIVE NATIONS WEEK, SPONSORED BY THE PRIVATE CITIZENS COMMITTEE APPOINTED BY MAYOR DALEY

This day, July 16, 1961, is being commemorated by the Private Citizens Committee appointed by Mayor Daley as Captive Nations Day. What is said at this great gathering will remind millions in America and throughout the world that enslaved people in the nations captured by the Communists have not now or will not in the future permanently submit to Soviet tyranny and enslavement. The Congress of the United States was right when it proclaimed and authorized the captive nations resolution 2 years ago this July. One of the principal provisions in that resolution was that the enslavement of millions in European satellite nations makes a mockery of the Communist idea of peaceful coexistence.

The unanimous enactment by the Congress of the captive nations resolution was one of the most devastating diplomatic acts that the free nations have taken against the Communist conspirators since World War II. This resolution called the attention of millions throughout Europe, Asia, South America, and the free world that the Soviets, through duplicity, infiltration, and unlawful aggression, forced many small European nations into the Communist orbit.

Over the years the Communist planners have succeeded in creating a myth or an illusion with reference to peaceful coexistence. The idea that the only alternative for peaceful coexistence is war should be exposed as an international sham based on clever Soviet propaganda. In the past, our Nation and the free world has utterly failed to use its numerous peaceful pressures which are available and concerning which the Soviet tyrants are highly vulnerable.

When Khrushchev and his lieutenants talk about peaceful coexistence they mean the free world must underwrite communism and Soviet world aggression.

When Khrushchev talks about peace through disarmament, we must remember that this is merely a shallow Communist slogan. Disarmament means that the free world must depend on agreements instead of strength. International agreements are useless unless both parties are honest and sincere. We must, to be safe, judge the future by the past. For 30 years the Soviets have broken 50 out of 52 agreements with free world nations.

Under a disarmament agreement, any government with criminal intentions could scrap the agreement at any time and, with armament and space missiles, conquer its enemy in a flash war. It was this strategy used by Hitler, Mussolini, and the Japs that launched us into World War II. A disarmament agreement with the Soviets is unthinkable. Khrushchev and his lieutenants dare not disarm. Regardless of the possibility of a world war, these tyrants must retain their mammoth military force of 5 or 6 million soldiers and secret police to maintain slavery and tyranny behind the Iron Curtain. Our Nation should have learned by now that weak armament and defense did not bring peace in 1917 or in 1941 at Pearl Harbor or in 1950 in Korea. Let us profit by these lessons in history. Disarmament is not the message of peace and freedom, but the propaganda of the Soviet aggressors.

OUR GREATEST AND CHEAPEST DEFENSE

Our Government should perfect a well organized department to disseminate truth and information, not only to the free world, but also to the people behind the Iron Curtain. True facts and information about communism, its methods and history sent to the neutral and backward nations throughout the globe, is the cheapest and most effective weapon we can use to curtail and eventually destroy communism.

TWO CONGRESSIONAL COMMITTEES

In addition to the captive nations resolution of 2 years ago, the 82d Congress 10 years ago authorized a resolution creating the Katyn Forest Massacre Committee and in the 83d Congress, authorized the Special Congressional Committee on Communist Aggression. These two committees, by holding hearings in Europe and America and hearing the testimony of approximately 400 witnesses, accomplished more to expose communism in its true light to millions throughout the world than anything that has been done since Karl Marx. Press, radio, and television carried the reports of these hearings throughout the globe. The unfortunate aftermath of these two great congressional committees has been that neither the Congress nor the United Nations saw fit to follow up their findings and officially and publicly brand Stalin, Khrushchev, and other conspirators as unworthy of serious consideration in the halls of the United Nations or other legislative bodies in the free world.

Our State Department 10 years ago, exerted every possible influence to submerge and play down the findings in the reports filed with the Congress of the United States by these two special congressional committees. Had our Government assumed the offensive propagandawise at that time, Stalin and Khrushchev would have been on the defensive in explaining to the millions in Africa, Asia, South America, Cuba, and other so-called neutrals, their unlawful criminal records as were exposed by the numerous witnesses who appeared before these two congressional committees. Unfortunately, during and since World War II, our State Department apparently has been operating on the premise that Russia will eventually be a peace-loving nation and on the assumption that permanent alliance will work out between the United States and the Soviet Union. We should realize by now that this premise has been and is a regrettable diplomatic blunder on the part of the free world.

THE UNITED NATIONS

The time has been too long delayed for our leaders in the United Nations to place Khrushchev on the defensive.

Our State Department should instruct Ambassador Stevenson at the next session of

the United Nations to again bring up the violations of the Soviets of article II of the United Nations Charter. The Soviet Union vetoed the United Nations' attempt to censure Russia following her invasion of Hungary. The Soviet Union vetoed our attempt to have an investigation of the killing of four American aviators on the RB–47 in 1960. These are only two of the long list of atrocities committed by Soviet leaders in violation of the Charter of the United Nations. In Hungary, Africa, East Germany, Poland, Lithuania, the Balkans, South America, Cuba, and other states, the Soviets have violated the Charter of the United Nations continually. It is high time that a drive be made in the United Nations by the representatives of the free world nations to turn back to the original intent of the United Nations Charter—that Charter specifically restricts membership to peace-loving nations. It is high time that if the Communist leaders continue to violate the United Nations Charter by fomenting attacks on smaller nations and infiltrating free nations with agitators and spies, they should be isolated from the free world and suspended from participating in United Nations proceedings until they agree to abide by the United Nations Charter.

Lenin, over 40 years ago, said that the Communists must do everything possible to avoid being outlawed internationally and domestically. He stated that when the whole Communist Party is outlawed, it is almost wholly paralyzed because it can no longer send into the surrounding countries and communities infiltrators and propaganda whereby it could spread its toxins and dissensions from which it draws its strength of life. Economic isolation by the free world would curtail and destroy communism in a short number of years. That is why the Soviet leaders are constantly pleading for free trade, long-term loans and the importation of material and goods from the West. It is time for the free world to get on the initiative instead of the defensive and exploit the constant failures of the Communist economy. It is almost unbelievable for freedom fighters and organizations behind the Iron Curtain who depend on the free world for help, to watch the slipping Communist economy being bolstered, supplied and fed by over 30 Western nations.

A Polish refugee in my office a couple of years ago, stated that the people behind the Iron Curtain could not understand why the Western leaders cannot realize that the Communist leaders could not survive long if the West would stop feeding, fondling, and coddling them. I read where one British statesman made the remark that "you never fight with the people you trade with." Apparently they cannot remember a little over 20 years ago the shiploads of scrap iron, oil, and other materials we sent to Japan immediately before Pearl Harbor. We should realize by now that trade with friends promotes peace, but trade with a threatening enemy is an act of self-destruction. When the Western Powers realize that by clamping a total trade embargo on the Communist empire and then deporting their spies and infiltrators, the Communist leaders will eventually collapse and the Iron Curtain freedom fighters can once more surge with hope. Not until then will the captive nations resolution which we are commemorating today mean what the Congress intended.

The Communist conspiracy has been allowed to run rampant until it has gained control over one-third of mankind and it is steadily pursuing its vicious goal of control over the rest of the world. It is time now and past time for us to be alarmed and take the initiative propagandawise and place these international criminals on the defensive.

HOPE FOR FUTURE

According to authentic reports from over the world, all is not well in the Communist world. Khrushchev is in deep trouble. Food is scarce everywhere in the Communist empire. Colonies in Eastern Europe are not happy. Embezzlement and lawlessness is rampant in Russia and its satellites. Khrushchev's farm program is one of the most wasteful experiments in economic history. Six hundred million hungry Chinese are looking toward the wide open spaces in Siberia for future habitation and this worries the Soviet Communists. Very few of the inhabitants of the Soviet captive nations have any use for communism. Signs indicate from month to month that China's Mao and Soviet's Khrushchev are at odds on many issues and problems. These facts, along with world history recording that no tyrant or group of tyrants ever ruled long by slave labor camps, mass murders, prison camps, executions, threats, tortures, and fear. These reports offer some hope for the millions now living in Communist captive nations.

After World War II, communism was strong in Latin America. Today our sister nations to the south are infiltrated with Soviet propaganda, technicians, scientists, and agitators. Today the Soviets have a beachhead within 90 miles of the Florida coast and are training expert propagandists to fan out over the nations of South America to preach communism and smear the United States before the free nations of the world. In Cuba today, the same blueprint is being used that dozens and dozens of witnesses warned us against who testified before the two congressional committees 10 years ago in the 82d and 83d Congresses. The same strategy and method of infiltration and conquest was used in Cuba that was used in Poland, Hungary, Romania, Lithuania, the Balkans, and other captive nations.

THE MONROE DOCTRINE

It is now time that we call back the spirit of some of the heroic American leaders of the past. We must meet the Communist threat today not with coexistence and complacency, but with the spirit of President Monroe back in 1823 when our Nation announced the Monroe Doctrine. That policy forbade sovereigns or monarchies of Europe to subjugate and colonize nations in the Western Hemisphere. The Monroe Doctrine contained these words, and I quote:

"The American continents, by the free and independent condition which they have assumed and maintained, are henceforth not to be considered for further colonization by any European power."

That doctrine has been held forth and been enforced up until the Soviet tyranny infiltrated and took over Cuba. Every word of that doctrine is as applicable today as it was 137 years ago. If a century and a half ago the European monarchies were different than our American system of representative government, it is even more true today that the Communist system is totally different from our free way of life.

We should take our stand on the Monroe Doctrine and present it to the United Nations in declaring that any attempt on the part of the Communist conspiracy to extend their system to the Western Hemisphere violates the provisions of the Monroe Doctrine. We are further fortified in this move because in recent years the principles of the Monroe Doctrine have been strengthened by joint agreements among the North and South American nations.

You people assembled here today can do your part by persuading our State Department and our delegates to the United Nations to take an immediate offensive under the Monroe Doctrine as to Cuba and the infiltration of communism in the nations south of our border. You can tell your government that we are willing to sacrifice our time and money in exchange for an impregnable defense. We can tell our Government to keep the flame of freedom burning in the souls of the oppressed behind the Iron Curtain. We can tell our Government to spread the truth concerning communism in all languages throughout the nations of the globe. The millions of people in South America, Africa, and Asia who are living in poverty should know that Communist domination will bring them nothing but enslavement, mentally, religiously, and physically.

In this dark hour, the fate of the world rests largely in the hands of the people of the United States. We who live in this rich land, have the opportunity, the responsibility, and the solemn obligation to stand firm for freedom, justice, and the elimination of the tyrannical government everywhere on the face of the globe.

Patriotism, Old Fashioned?

EXTENSION OF REMARKS
OF

HON. GORDON H. SCHERER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 1961

Mr. SCHERER. Mr. Speaker, under unanimous consent, I include in the CONGRESSIONAL RECORD a speech I made to the Cincinnati Chapter of the Daughters of the American Revolution at its annual observance of Flag Day on June 10, 1961:

PATRIOTISM, OLD FASHIONED?

The fact that we meet here today to pay respect to the flag of our country and what it represents would have been applauded when I was a boy by all Americans. Today, however, there is a fast-growing, cynical segment of the populace which scorns and scoffs at any mention of patriotism.

To them, patriotism is old fashioned. To them, any show of reverence or respect for the flag is a display of childish emotionalism, unless it happens to be the banner of the United Nations. To them, Americanism is not even secondary to one-worldism. To them, the American heritage and basic constitutional rights should be chipped away when welfare-statism or political expediency demands.

The fact is that the so-called executive agreements, made in violation of the Constitution at Potsdam, Teheran, and other summit conferences, many provisions of which are still kept secret, are in a great measure responsible for the precarious position in which the United States finds itself today. These circumventers of the Constitution just last week pushed for more secret executive agreements at Paris and Vienna—agreements that are actually treaties and, under the Constitution, require ratification by the Senate of the United States. The long-established policy of "open covenants, openly arrived at" has also become old fashioned and has been relegated to the junkyard.

Almost anyone who is an active member of one or more of our fast-waning patriotic organizations, who believes that Flag Day, Memorial Day, and the Fourth of July should mean more than just another day of recreation away from the job, free from the cares and concerns of a nation that is presently engaged in a war for survival with international communism, is cynically and derisively called a flag waver by the leftwing in this country.

One automatically is scornfully tagged as a "superpatriot" by our friends in the ACLU and other leftwing groups when he argues

that the safety and security of 180 million Americans—yes, their very survival—is just as important as the rights of the Communists in this country and those who consistently front for them, and that, when these respective rights are in direct conflict and a choice becomes necessary, the security of 180 million Americans must prevail.

One is contemptuously branded a superpatriot, witch hunter, and even Fascist when he questions the propriety of a U.S. Senator lending the prestige of the U.S. Senate to the Emergency Civil Liberties Committee, the most notorious and dangerous Communist dominated and controlled organization in the United States—an organization whose chairman is an identified Communist presently under indictment for failure to answer questions concerning his Communist activities—an organization whose west coast executive director is now serving time, after the Supreme Court affirmed his conviction for refusal to answer concerning his Communist activities—an organization whose objectives are the discrediting of J. Edgar Hoover, the weakening of the Federal Bureau of Investigation, the abolition of the House Committee on Un-American Activities and the Senate Subcommittee on Internal Security, and the repeal of the Smith Act, the Internal Security Act, the Communist Control Act, and other security measures.

One immediately becomes a puffed-up patriot and is put on the defensive by these pseudointellectuals when he believes that students who want money from their Government under the National Defense Education Act or from the National Science Foundation should affirmatively acknowledge their loyalty to the Government of the United States and disclaim membership in any organization advocating its overthrow. One is scoffed at by this group as immature when he argues that the National Defense Education Act, as its name implies, was created in the interests of national defense and, therefore, it seems proper that every safeguard should be taken that such an act is not used by those who are, to say the least, indifferent or lukewarm to our national interests or sympathetic to the aims and objectives of the Communist conspiracy which the act was set up to defeat.

One is charged with being a fuzzy thinker when he asks these anti-loyalty-oath people why they oppose loyalty oaths when they so readily sanction every public official from dogcatcher to President taking an oath to support and defend the Constitution of the United States. No one objects to a boy who is drafted into the armed services being required to swear allegiance to the United States and to defend it against all enemies, foreign and domestic, with his life if need be.

These people raise no objection to taking an oath when joining a fraternal organization. Somehow we hear no complaint from certain professors and certain members of the clergy when a person joining the church of his choice is required to most solemnly acknowledge his adherence to the tenets of that particular religious faith. We still feel that it is perfectly all right when two persons are united in wedlock for them in a most sacred ceremony to take vows of dedication and loyalty to each other.

Doesn't it seem passing strange that this great furor has arisen over the swearing of loyalty to this great country of ours, particularly when one is asking for something from it and not what he can do for it?

As Paul Harvey said:

"Today the reds and pinks are out in the open, proclaiming their godless religion and waving a red flag or a mongrel one from the rooftops, and with such effectiveness and in such high places, that American patriots are now on the defensive.

"Today the loyal American is being defamed, demoted, discharged, destroyed if he militantly defends the American 'ism' against all its enemies, foreign and domestic."

Let's look at one recent example which sustains Paul Harvey's timely charge.

General Walker is a West Point graduate with a long and enviable record of service in the Army of the United States and the recipient of many decorations. Less than 60 days ago President Kennedy yanked his command out from under him on the advice of the leftwing professors and ADA'ers who don't want to make Khrushchev unhappy. They acted on the word of the slime-mongering, girlie-stripping, leftwing scandal sheet called the Overseas Weekly, once banned by our Army as unfit for American servicemen.

General Walker was embarrassed, suspended, and may be disgraced because, as an authority on the Communist conspiracy, he had brought to the attention of his troops publications which would help them understand a new weapon of warfare, one with which most of them were unfamiliar, namely, the insidious and diabolical weapon of infiltration and subversion.

As Paul Harvey said:

"That Overseas Weekly rag launched a tirade of abuse, alleging General Walker was brainwashing the men of his command, consorting with superpatriots, and recommending publications of the John Birch Society."

It is significant that that leftwing crowd who feel that Flag Day celebrations are for juvenile minds throw up their hands in horror at a little pro-American propaganda and do a little book burning of their own, and at the same time yell like stuck pigs when the Committee on Un-American Activities attempts to have 10 million pieces of dirty, vicious, Communist propaganda, coming into this country each year through the U.S. mail, comply with the law by being properly labeled. Let me tell you about it.

The Foreign Agents' Registration Act, passed originally way back in 1938, required that all foreign political propaganda be labeled as such so that the people receiving it might know its source and thus be able more intelligently to evaluate its contents when they read it. This law is somewhat analogous to that provision of the Pure Food and Drug Act which requires that containers of certain foods and medicines be labeled as to content so that a person may know what he is putting into his stomach. In these days of crisis, it should be obvious that the mind is just as important as the stomach.

In the last few years the Communists have developed new techniques and stratagems in order to evade this Foreign Agents' Registration Act. This concealed poison for the mind, in 11 different languages, is coming into this country in millions of dirty propaganda sheets, unlabeled and unmarked. It should be pointed out that the Committee on Un-American Activities is not trying to stop this propaganda or censor it because under the first amendment of our Constitution this cannot be done. All that the committee is trying to do is to plug up the loopholes in the law which the Communist propaganda machine is using to evade the clear intent and purpose of the law.

Yet those who know better, like the leftwing Washington Post, are charging that the committee is trying to create censorship for the American people, trying to deprive them of scientific and cultural literature from the Iron Curtain countries.

Let's see how uplifting, cultural, and scientific some of this unlabeled literature is—literature which is sent unsolicited to millions of Americans whose addresses have been surreptitiously obtained by the Communist apparatus operating within the United States. Here is a highly cultural and elevating treatise, thousands of which have been distributed not only in the United States but also in most of the countries of the free world. It is part of the evidence taken from the mail sacks during the hearings of our committee in Buffalo. It was printed in Communist China in 1958. It is entitled "Data on Atrocities of U.S. Army in South Korea." Here are a few choice, high-level quotes:

"From the very first day of their occupation, the American imperialists have been trying hard to convert South Korea into a project for squeezing out maximum profit for the millionaires of Wall Street and an outpost for their aggression of the Asian Continent."

A little farther on:

"The American imperialists since 1950 have committed atrocities unprecedented in the history of mankind in their aggressive war in Korea. They have massacred at random innocent people in Korea. They have destroyed and pillaged more than 5,000 schools, 1,000 hospitals and clinics."

Again:

"In October 1950, the American soldiers arrested Kim Bu Ing, a dockworker in Inchon, for the only reason that she was a member of the Women's Union. After violating and torturing her by every means, they stripped her naked, burnt her with a heated iron poker and then killed her."

On another page we find this:

"That same month, the American soldiers arrested a peasant only because he was a model farmer, passed wire through his nose and ears, pierced his hands with a bayonet, nailed the words 'model farmer' on his forehead and dragged him around the village before they killed him."

This highly cultural periodical then proceeds to tell what the American soldiers allegedly did to this farmer's daughter-in-law. It is so heinous, vile, and filthy that I am unable to quote what it says.

As late as February 25, 1958, it is alleged that: "U.S. soldiers beat a Korean boy, aged 13, and stabbed with a knife his legs and arms on the false charge of theft. The boy was put into a box, the lid was nailed down, it was loaded into a helicopter which took the box north of Seoul where the cargo was dumped, and the boy left to die."

This piece of lying propaganda contains accounts of hundreds of other similar alleged atrocities. Being unmarked and unlabeled, people reading it after it was distributed by members of the Communist Party in the United States would have no knowledge whatsoever of the fact that it came from the propaganda mills of Red China, particularly since most of the editions were printed in English.

You can readily understand why members of the Committee on Un-American Activities, both Democrats and Republicans alike, were shocked beyond belief when the President, yielding to the pressures of those who follow the philosophy that we should not make Khrushchev mad, issued an Executive order directing that millions of pieces of propaganda from behind the Iron Curtain, which had been held up by U.S. postal and customs authorities because of clear violations of the Foreign Agents' Registration Act, should be forwarded to addressees throughout the United States.

Of course, some of us superpatriots were equally shocked when we learned from authoritative sources that Communist Poland is to receive a big chunk of American giveaway dollars despite recent developments showing that this Red nation is as closely alined to the Kremlin as ever. Furthermore, the Communist-controlled government of Poland has recently sent $13 million in aid to Castro's Cuba and has pledged more

if necessary. In effect, we will be giving dollars through Communist Poland to Castro, in addition to tractors. This does not make sense.

Of course, Castro is going to get more help the same way. Under the terms of the administration bill which has already passed the Senate, the administration will be in a position to give aid to Communist Czechoslovakia. This Communist satellite has sent Cuba millions of dollars worth of military equipment—firearms, tanks, planes, and ammunition. As late as May 9, the Czech Ambassador to Havana informed Cuban military leaders that further aid would be forthcoming. He announced also that Czech soldiers would be sent to Cuba if needed by the Castro army.

Of course, this should not surprise anyone. Harvard is now running the Federal bureaucracy. Recently a group of Harvard professors signed a soft-on-Castro ad in the New York Times. Seventy-seven Cuban professors in exile answered these Harvard eggheads. They said: "Twenty-three years after Munich, the same policy of appeasement followed toward Hitler, which led to war and destruction, is now being advocated toward totalitarian communism by a group of North American professors."

The super or puffed-up patriots were shocked when the previous Republican administration appointed Dr. James R. Killian as its scientific adviser. They were shocked again last month when President Kennedy appointed Killian to head a permanent Presidential board that will look into the operations of our Central Intelligence Agency which have been questioned since the Cuban debacle.

Perhaps an editorial from the Manchester Union Leader, entitled "Crazier and Crazier," will give you some idea of why we were shocked at the Killian assignments. Listen to the editorial:

"Just to show how crazy and how lacking in knowledge of the Communist problem we are in this country, we present to you the following facts about Dr. Killian:

"1. In 1947 he opposed a State un-American activities committee and a Massachusetts attorney general's list of subversive organizations.

"2. In 1948 he opposed Massachusetts legislation to bar Communists from teaching.

"3. When J. Robert Oppenheimer was accused of being a security risk, Dr. Killian went out of his way to defend him.

"4. As Ike's chief scientific adviser, he favored scientific opinions of those who are considered extremely naive about communism, such as Dr. Hans Bethe of Cornell University. In the May 8, 1958, New York Times, Columnist James Reston claimed U.S. action on nuclear testing would be largely determined by Killian. A few months later, in September, the United States halted its nuclear testing program.

"5. When he was president of Massachusetts Institute of Technology, Killian suspended Prof. Dirk J. Struik when the latter was indicted by the State of Massachusetts for sedition. When Struik's indictment was dropped, after the Supreme Court decision that States had no authority in cases of sedition, Killian hired him back, although Struik had used the fifth amendment.

"The finishing touch on the picture is given by the fact that Cyrus Eaton, writing in the Communist New Times of September 1958, said he was glad that Killian was in the Government because he is a 'positive man, his voice is pitched for peace.'"

The editorial concluded: "How in the name of anything that makes sense could President Kennedy appoint such a man with such a record to be our main watchdog over the efficiency of our intelligence?"

The very day after that editorial Dr. Killian served as moderator of a religious convention which adopted a resolution urging the abolition of both the House Committee on Un-American Activities and the Senate Subcommittee on Internal Security. Another resolution over which Killian moderated called for a positive stand against U.S. military intervention in Cuba, and a third called for continuing negotiations for a nuclear test ban treaty.

Everyone knows that these test ban negotiations are being purposely filibustered by the Soviets at Geneva because, prior to and during these negotiations, the United States has lost more than 2 years of valuable experimentation and testing of nuclear weapons. These weapons are our only hope of keeping the military strength of this country and the Soviet Union and Red China relatively on a par, since in manpower we are simply overwhelmed. There is strong evidence that, while the United States has voluntarily banned such testing during these phony negotiations, the Communists secretly in Siberia have been going forward with tests. Haven't we learned that the Communists when making a treaty never intend to keep it if it suits their purpose in their drive for world domination to do otherwise?

They have flagrantly violated almost all of the 1,000 treaties and agreements they have made with countries of the free world. They have kept only a handful which suited their purpose.

Do we have to be buried (as Khrushchev promised) before we wake up? The Communists have said time and time again that there can no more be sincere diplomacy than there can be dry water. Don't we realize yet that we have been burned at every summit conference, whether it is a Republican or Democratic President who humiliates himself and the Nation in continuing to deal with men in whom there is no truth, no morality, and no God, and who, as I said, use such meetings only for lying, vicious propaganda to advance world domination by international communism.

People behind the Iron Curtain who are our secret allies, who would gladly throw off their Communist masters if they could, who look to the West for possible liberation someday, are discouraged, disheartened, and dismayed when we negotiate with or appease their enslavers. They are cognizant of the fact that, when we negotiate, the West admits and recognizes that the Communists are the complete masters of the Iron Curtain countries they now control and that our negotiations attempt to deal only with current and future aggressions by the Communists.

Now why do we do these things? Why do those who support the intense and almost fanatical national aspirations of the so-called emerging countries of the world snicker at and downgrade our national interests, our national aspirations, and the American heritage?

Why are those who feel that we cannot carry the burdens of the whole world on our back and at the same time retain the solvency and stability of the United States, so that it can effectively meet the threat of international communism, called provincial, narrowminded, and isolationist?

Why are we as a nation which has never sought 1 inch of territory and has given of our substance all over the world in the vain hope that we might be popular, afraid to courageously assert our rightful place as the leader of the West? Why are we always fearful that some little pipsqueak agent of the Kremlin like Castro or the leaders of a dozen other countries that I can think of—why are we fearful that they might charge us with imperialism or threaten to join up with Khrushchev and company unless we hand them a few more million dollars, even though we are broke?

I will tell you why.

It is because the great majority of the American people, including most of the leadership in this country, are unaware or will not admit that world war III has already started, and that we are totally ignorant of the Communist master plan for conquest.

As I have often said, in my opinion we are not going to have an all-out nuclear war. That does not mean that we are not already engaged in a war whose final results could be more devastating to man and his freedom. As I have pointed out in the past, the firepower of the East and the West is equally balanced and neither side is going to risk the total destruction of their cities and particularly not the Communists. Look how far they have come in the short space of 40 years by the use of a new weapon of warfare called indirect aggression, namely, infiltration and subversion. From a handful of Communists who took over Russia in 1918, they have expanded until they now dominate more than one-third of the land mass of the world and one-third of its people and are steadily daily moving forward.

Cuba, 90 miles from our shore, is as much Communist dominated as is Moscow. If the Soviet Army, Navy, and Air Force had attempted to take Cuba by force, you and I know they would have never succeeded, and they know it too. Yet, as I have said, Cuba today is in enemy hands because Communists used a new weapon, infiltration and subversion. It was Moscow and Peking that directed the phony Castro agrarian rebellion which our State Department apparently fell for in spite of the fact that Castro's and his brother's long records as Communists were known or should have been known by those on the inside.

You can see why I say that this new weapon is and can be more effective than guns or missiles.

Edward Hunter, one of the outstanding authorities in the world on Communist psychological warfare, testified before the House Committee on Un-American Activities some time ago. Hunter, a journalist who served in the OSS, lived outside the United States for more than 30 years in countries that have been under Communist pressure and attack. Out of the wealth of his experience, he said: "War has changed its form. The Communists have discovered that a man killed by a bullet is useless. He can dig no coal. They have found that a demolished city is useless. Its mills produce no cloth."

Hunter continued: "The objective of modern warfare is to capture intact the minds of the people and their possessions so that they can be put to use. This," he said, "is the modern conception of slavery that puts all others into the kindergarten age."

All is not black. After 11 long years of litigation and adverse decisions, the Supreme Court this week finally upheld in part the Internal Security Act of 1950 and the Smith Act by a 5-to-4 decision, with our own Potter Stewart—thank God—being one of the majority.

It is now a crime for a person to knowingly be a member of an organization that teaches and advocates the overthrow of the Government of the United States by force and violence.

Last Monday the Supreme Court also upheld the constitutionality of the Internal Security Act. Communist-action organizations and Communist-front organizations will now be compelled to file with the Attorney General the names of their officers and members and give other information concerning finances, etc.

It must be remembered that it was the Committee on Un-American Activities which, after extensive hearings, was responsible for the Internal Security Act of 1950, containing many provisions, too numerous for me to discuss here today, which place in the

hands of our security officials the tools which will enable us to deal more effectively with the Communist conspiracy as it seeks to destroy us from within. The action of the Court this week places the stamp of a lie on the charge made by the leftwing contingent in this country (which includes our ACLU friends) that the Committee on Un-American Activities serves no legislative purpose but exists only for the purpose of exposure.

In an article in the January issue of Reader's Digest, written by Max Eastman and Eugene Lyons, they say:

"The Communists are scoring victories in world war III because they know they are in it. The third world war was not openly declared by the Communists in 1946. Nor was a state of war recognized by the West. If it had been, probably none of the positions forfeited since then would have been abandoned without determined resistance. That we are still not conscious of having suffered defeats does not make our appalling defeats less real.

"Inexorably, bit by bit, by indirect aggression, more pieces of the free world are lost. To the Communists, what we call peace is merely war conducted by other than military means."

This kind of war promises the Communists ultimate victory, no matter how protracted it may be. Delays are inevitable, defeats are taken in their stride, because, to them, the final outcome is sure.

The Communists see weapons where the West sees only the instruments of human aspiration or of peaceful international relations. The United Nations, for example, from its very beginning has been regarded by the Communists as a weapon. Thus also, diplomacy, science, journalism, art, finance, economics are used by the Communists as weapons; all of them, together with propaganda, espionage, sabotage, subversion, are closely integrated in their foreign policy.

As an example, at this very moment a Red diplomat in a Latin American capital is passing money or propaganda to a local Communist leader. Brought from the Kremlin by diplomatic pouch, the funds will be used to finance an anti-Yanqui riot, to infiltrate a student organization, to help control a key trade union. Both men know they will get results, because they have had years of instruction in underground activity—the diplomat in Moscow, the local comrade in Prague.

This and similar incidents are happening all over the world, day in and day out, and those who say, "Yes, in other countries but not in the United States," are living in a fool's paradise.

And yet today, while we spend billions for military hardware, we are unwilling to spend more than a pittance to fight internal subversion nor are we willing to use the techniques and measures required if we are to successfully win this so-called cold war. Furthermore, there are many well-intentioned people, and some not so well intentioned, who want to destroy the two agencies in Government that deal with this menace, namely, the Federal Bureau of Investigation in the executive branch, and the House Committee on Un-American Activities and its counterpart, the Senate Internal Security Subcommittee, in the legislative branch.

If we clearly understood all these things, then the American people would demand an end to much of this foolishness. There would be a tremendous resurgence of patriotism, of intense nationalism and note I did not say "isolationism."

We would put an end to this chipping away of constitutional government. We would stop the deterioration of the fiscal stability of this country by profligate spending. We would drive from public office and from positions of influence and power those who are soft toward communism or ignorant of its objectives, both abroad and at home. We would once again think and act like Americans.

The sob sisters and do-gooders who want to cure all of the poverty and ills of the world with mustard plasters of American dollars perhaps someday will finally come to realize that the only hope for the so-called underprivileged peoples of the world is a strong, healthy, financially stable, patriotically and spiritually motivated United States of America, an America which is able to withstand the onslaughts of Communist aggression, either direct or indirect. Because if we do not, no one else can stop the Kremlin.

By our strength, by our leadership, by our tough, uncompromising position toward every facet of atheistic communism, and not by appeasement, humiliating negotiations, or coexistence with it, will we assure the survival of the United States and the other peoples of the world.

Good Counsel Knows No Age

EXTENSION OF REMARKS

OF

HON. WALT HORAN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 1961

Mr. HORAN. Mr. Speaker, under permission granted to me to extend my own remarks in the CONGRESSIONAL RECORD, I wish to discuss the subject of governmental spending and the great need for close scrutiny of all justifications for the expenditures of the people's money and the use of the people's credit.

GOOD COUNSEL KNOWS NO AGE

I place economy among the first and most important virtues, and public debt as the greatest of dangers to be feared. * * * To preserve our independence, we must not let our rulers load us with perpetual debt. * * * We must make our choice between economy and liberty or profusion and servitude. * * * If we run into such debts, we must be taxed in our meat and drink, in our necessities and our comforts, in our labors and in our amusements. * * * If we can prevent the Government from wasting the labors of the people, under the pretense of caring for them, they will be happy.—THOMAS JEFFERSON.

THE PARTY OF JEFFERSON

While Jefferson called the political forces that elected him President, Republicans, they soon were known as Democratic Republicans and, finally, Democrats. Before the Civil War they elected 8 of the 15 Presidents.

Generally they favored a strict construction of the Constitution, sharp limitations of Federal powers, a broad interpretation of the reserved rights of the States, and a low tariff policy, primarily for revenue purposes.

Lincoln, who succeeded Democrat Buchanan, was elected by the Republican Party which was organized in 1854. Part of its political ancestry was the Federalist Party which espoused a liberal construction of the Constitution, particularly relative to Federal power; specie payments; the maintenance of a gold standard; the retention of acquired territory; a protective tariff system and, until World War II, resistance to entangling alliances. The prime movers in 1854 were the "Free Soilers" who opposed the extension of slavery into new territory.

HOW TIMES HAVE CHANGED

Today the Democrats have become "Federalists" and Federal power has enormously increased. But it is costly to the point of fiscal danger.

This was brought sharply to our attention recently when Secretary of the Treasury Douglas Dillon testified that he expected a $3 billion deficit in the fiscal year just ended. He admitted that $2.3 billion of this deficit was the result of the increased spending policies of the New Frontier. The Kennedy administration has been spending $650,000 per hour more than its revenue, 24 hours a day for every day it has been in office. This increased cost is the result of accelerated spending under old programs as well as the inauguration of many new Federal aid programs under the New Frontier.

In just 4 months, instead of reducing the number of Government employees, this administration has been building up an ever-expanding bureaucracy. During the first 4 months in which President Kennedy has been in office he has added 33,445 additional Federal employees. This covers the period from January to May 31. The June figures are not yet available. But during these first 4 months additional employees were put on the Government payroll at the rate of over 8,000 per month. This is 2,000 per week, or 400 per day for every working day of a 5-day week.

Every day the executive offices have been open under the Kennedy administration, additional Government employees have been added at a rate of more than 4 every 5 minutes.

A SOUND DOLLAR

The 1939 dollar has plummeted to a value of 43.9 cents today. We are in a maelstrom of vicious circles and should be wary of loose policies which cost money and are of doubtful value.

I am indebted to the Bureau of the Census for the following table, the merits of which can be endlessly debated, but which indicates an alarming trend. This table discloses the average amounts of individual incomes collected from local, State, and Federal taxes. It is somewhat misleading because it does not indicate, of course, the growing increases in taxes to people in the United States who have venture capital on which natural and normal national growth should be predicated.

Total per capita revenue

Date	State and local	Federal	Total
1902	$10.86	[1] $6.48	$17.34
1913	16.55	[2] 6.81	23.36
1922	36.49	30.63	67.12
1927	51.13	26.26	79.39
1932	49.88	14.52	64.40
1936	52.33	30.31	82.64
1940	36.92	59.11	96.03
1942	63.24	90.94	154.18
1948 (war impact)	90.99	258.31	349.30
1952	123.06	380.45	503.51
1957	169.22	409.97	579.19

[1] Federal taxes consisted of excise taxes on customs, alcohol, tobacco, death, gifts, and other items.

[2] Income tax established but no appreciable impact resulted until 1922.

Two months ago President Kennedy told the Congress:

If we are to preserve our fiscal integrity and world confidence in the dollar, it will be necessary to hold tightly to prudent fiscal standards; and, I must request the cooperation of the Congress in this regard—to refrain from adding funds to programs, desirable as they may be, to the budget.

Let us hope that he was serious when he made this statement.

Propaganda Poison Unleashed

EXTENSION OF REMARKS
OF

HON. GORDON H. SCHERER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 1961

Mr. SCHERER. Mr. Speaker, under unanimous consent, I include in the CONGRESSIONAL RECORD my remarks during the Human Events Political Action Conference on July 15, 1961, in Washington, D.C.:

Two weeks ago the House of Representatives appropriated the staggering and unbelievable sum of $42 billion in order to provide this Nation for just 1 year with those weapons which will protect it from the potential military aggression of the Soviets. The unanimous vote of the House indicates the necessity of maintaining the strongest possible military defense posture.

There are those of us who believe that we are not going to have an all-out nuclear war; that the firepower between the East and the West is fairly well balanced; that the Communists are not going to risk the total destruction of their cities by engaging in such a conflict. And why should they?

Look how far they have come in the short space of 40 years. As we all know, today they dominate one-third of the land mass of the earth and an equal proportion of its people. They have done this not so much by outward or military aggression but by the use of a new weapon of warfare called indirect aggression or subversion and infiltration. Although the third world war has already begun and the Communists have been using this new weapon with remarkable success for a number of years, few people until recently have been willing to admit its success, although the evidence has been overwhelming.

While, as I have pointed out, we have spent astronomical sums for military hardware, our expenditures and our efforts to combat indirect aggression have been practically nil by comparison. It took Cuba to wipe out this blind spot. If the Communists had been foolish enough to try to take Cuba by military force, they would have failed miserably because we would have moved in with everything we had. Yet through indirect aggression, infiltration and subversion, Havana today is as Communist-controlled as Moscow and Peiping.

Today in the meantime Khrushchev distracts the attention of the world by sword rattling in Berlin—by parading a mighty and nasty-looking air force. But, as in the past, he's not going to push so far or so hard that the shooting starts.

The truth is, in my opinion, that the Soviets have abandoned the centuries-old concept of war. They have discovered that a man killed by a bullet is useless. He can dig no coal. They believe that a demolished city is useless. Its mills produce no cloth. The objective of modern warfare is to capture intact the minds of the people and their possessions so they can be put to use. If we have to be conquered by destructive nuclear-age weapons, it will be considered a setback by the Kremlin.

So while we necessarily respond to the new Communist manufactured crisis in Berlin by putting more guns and planes into our arsenal because we can't afford to take a chance, the Kremlin continues its Lao, African, and Cuban type of indirect aggression or subversion throughout the free world including the United States—the New York Times to the contrary notwithstanding.

We are their prime target. We are the only real roadblock in their ever-increasing drive for world domination. They have "sleepers" in every nook and cranny of this country, ready and willing to act when the Communist timetable requires their special skills.

Those who grudgingly admit that the Communists may have succeeded in taking over most of the countries now behind the Iron Curtain by subversion—those who do not deny that the Kremlin as of this moment may be boring from within in Laos, in the Middle East, in Latin and South America but continue to argue that there is no Communist fifth column in the United States, are living in a fool's paradise.

Communist-instigated agitation and demonstrations against the United States, as we have witnessed all over the globe, will shortly begin to flare up in this country. The Communist-inspired riots against the House Committee on Un-American Activities in San Francisco a year ago were only a preview.

At first most of the demonstrations will be against grievances or alleged grievances that appear to have no Communist connection. In most instances, however, they will be instigated, directed, and masterminded by Khrushchev's boys. The disturbances will be handled so cleverly that many of the well-meaning participants will not realize that they are mere puppets whose strings are being pulled by the highly trained experts in Communist psychological warfare.

By far the most effective means for softening up various segments of the American people for Communist internal subversion is massive doses of propaganda, timely and expertly administered. The Committee on Un-American Activities has developed volumes of evidence with respect to the Communist propaganda assault on the American people. Let me tell you about it.

During the past 2 years, the committee has conducted extensive hearings at the various ports of entry in the United States. These hearings have disclosed that today there are coming into this country each year through the U.S. mail approximately 10 million pieces of subtle, effective Communist propaganda from Iron Curtain countries and Communist centers located in friendly nations. Let me describe one of a series of almost identical committee hearings dealing with Communist political propaganda, held in a few of the 45 ports of entry for mail in the United States.

Our committee met in Buffalo some time ago. On the courtroom floor were dozens of large sacks of mail directed to the Buffalo area which came from behind the Iron Curtain. Sacks were opened at random and their contents dumped on the tables. Eighty percent of the mail in those sacks was pro-Russian propaganda in one form or another, emanating from Communist countries, addressed to people in the Buffalo community. Part of this propaganda, printed in 11 different languages, is directed to various nationality groups; often to individuals who have migrated to the United States from satellite nations, or who have families still living under the Kremlin's heel.

The propaganda is cleverly and subtly presented in magazines, newspapers, and pamphlets which, from a casual perusal, do not reveal the poison they contain. Expensive magazines, comparable in size and format to our Life and Look, are sent free, or sell for only a small fraction of the cost of printing. They are obviously subsidized by the Communist propaganda agencies, since they carry no advertising whatsoever.

The U.S. Information Agency testified that the boys in the Kremlin are spending more than $1 billion a year on all forms of Communist propaganda, directed to every country in the world. Exactly what portion of this amount the comrades spend for the edification of the people of the United States is in the process of being determined. However, these bright-colored pictorial magazines, newspapers, and seemingly innocuous pamphlets, containing articles bearing attractive titles, are at this very moment being shipped into this country in huge quantities and at an accelerated rate.

The evidence at the hearings shows that, when the Communists want to influence the attitude of certain nationality groups in this country on current political and other issues, there appears a rash of concentrated mailings to these groups, carrying the Communist line on the issue.

People who receive these mailings are often those who have fled Iron Curtain countries and settled in the United States, or who have families and relatives in those countries. They become greatly disturbed when they find that the Communists know their addresses in the United States. Many were so upset that they changed their residences and their names. Some became panic stricken when, within a few weeks thereafter, similar mailings arrived bearing their new addresses and their changed names.

Our committee determined how these addresses were obtained by the overseas Communist propagandists. The findings illustrate how effective one Communist can be. The argument made by the leftwing that there is nothing to fear because there are so few Communists in the United States is again negated. Here is one method used: A member of the Communist Party joins, say, a Polish singing society. His Communist connections, of course, are unknown to the members of the group. He surreptitiously obtains the mailing list of the organization. One of his obligations to the Communist conspiracy is fulfilled when he sneaks that list behind the Iron Curtain.

Let me give you a few excerpts from the record of the hearings which indicate how these people feel about the material they receive. A woman writes to a postal official as follows: "Lately I have been receiving propaganda from abroad. I do not know who sent my name in or how they found my address. Please return this material. My husband and I do not want trouble with this Government."

One person begs: "Please do not let these things pass through. I do not need this smelly stuff."

A former resident of Berlin has this to say: "I would like to advise you that I do not want any mail sent to me sealed from Berlin. This is a black, dirty Communist Party literature to return us new Americans to our native countries. I am loyal to my new home, the United States of America, and do not want to hear any of that kind of literature. Please destroy all that."

A group of displaced persons wrote as follows: "We, the displaced persons, been getting by mail Communist propaganda here in five different languages. First it started with small sheets; now they are mailing large printed sheets over every other month calling us back: 'It is your duty to be back in your own country. We shorten the working hours and raise the pay 30 percent; don't slave there; they don't want you there where you are now slaving your life out.'

"We are very sorry we cannot give our names and addresses in this letter; we are in fear of danger same as five Russian seamen

been kidnaped from here, most of us are as citizen now. All we ask kindly to stop the propaganda mail coming over so we can live peacefully; we don't want their propaganda here and we don't want to be victims."

A professor at one of our universities said in handing the committee this magazine with three attractive girls on its cover: "Here is a bit of East German literary work. It is to be assumed that it is being circulated in appreciable quantity in this country by mail.

"I am concerned about the influence of this propaganda upon the average person in this country. While one may argue that no red-blooded American could ever be affected by this literature, it is my experience that it requires more than an ordinary degree of sophistication in these matters to become fully aware of the presumptuousness of this magazine.

"This is obviously a Government-subsidized venture; no East German publisher is in a position to finance this grade of translation which, by Iron Curtain standards, is of excellent graphic quality. They take unfair advantage of the absence of censorship by the U.S. mail to further their shady cause, which is to cast doubt upon the U.S. position toward Russia. They provide additional eyewash for those who are eager to forget the Hungarian struggle for freedom, and to break down American morale by 'proving' that the Russians aren't so bad after all.

"This is sneaky business. It is an example of the new twist in Red psychological warfare.

"The suff is poisonous. Maybe some education by your committee of potential recipients of such propaganda would help."

George Sokolsky in a recent column, in his usually effective way, pinpoints the issue. He wrote: "I hold in my hand a magazine similar to hundreds, perhaps thousands, that have been sent Hungarians living in the United States, which shows that the Communists in Budapest have the addresses of Hungarians in the United States in detail. It is obvious that this is a propaganda magazine. The question that bothers me is how the Communists got the addresses of all the Hungarian refugees in the United States. Is the Post Office of the United States to be used to put pressure upon persons living within the United States? Hungarians in this country are incensed at receiving these unsolicited papers.

"The Hungarians could not have had all these names and addresses unless they maintained a large espionage system in this country. How could this magazine get these addresses in such minute detail unless someone in the United States compiled a list? It takes time, labor, and expense to get up such a list of hundreds or thousands of persons scattered all over the United States. Who does this job?

"Neither the State Department nor any other agency of the Government is entitled to cover up for spies on the ground that we do not wish to have bad relations with a country. Why these spies are permitted to operate is not readily explainable except that our laws give them an advantage that does not exist in any other country."

Of course, I would not want to lead you to believe that the propaganda is directed solely to nationality groups and those who have ties in Iron Curtain countries. In fact, only a small percentage of the total propaganda coming through the mails is devoted to this group. Of the more than 1,000 different types of these periodicals which come to our shores each year, the great mass is printed in English and goes to native-born Americans; to our libraries, colleges, seminaries, and to people with extreme leftwing propensities who are in positions to mold American opinion.

There is another facet to this Communist propaganda offensive. Some months ago the country was flooded with what purported to be scientific radio journals from the Soviet Union. Great prominence was given in these journals to a quiz for ham radio operators. A series of prizes was offered to the winners.

It is significant that, after the contestant had answered the questions, which in themselves were filled with propaganda, he was asked to give his address, the call letters of his radio station, and other pertinent information about his activities as a ham operator. It would be presumptuous for me to detail how highly valuable such information is, not only to the propagandists but also to the Russian secret police.

Our postal and customs officials testified that of the tremendous number who participated in this contest, several thousand won the second prize. It was a copy of a publication entitled "Radio Moscow." The Communists certainly got a lot of mileage out of the rubles spent on this one.

Perhaps the most revealing development was brought to light in hearings at New York. These hearings were being held a few months after the Hungarian revolution. One of the exhibits was a magazine dated a few months before the Hungarian freedom fighters rebelled against Communist oppression. It was published in Hungary, but printed in English, and widely distributed in the United States.

It was interesting to read, immediately after the revolution, from this propaganda sheet printed immediately before the revolution, how the Hungarian people were happy and content and how they were prospering under the Communist regime. This piece of propaganda was done so cleverly that, had not the revolution and subsequent Russian atrocities taken place, thousands of Americans, particularly those of Hungarian extraction, would have been duly convinced of the alleged success of a benevolent Communist regime in Hungary.

Now, of course, a great hue and cry has gone up from the leftwing, charging the committee with censorship and trying to deprive the American people of scientific and cultural literature from the Iron Curtain countries.

Let's see how uplifting, cultural, and scientific some of this unlabeled literature is—literature which is sent unsolicited to millions of Americans whose addresses have been surreptitiously obtained by the Communist apparatus operating within the United States. Here is a highly cultural and elevating treatise, thousands of which have been distributed not only in the United States but also in most of the countries of the free world. It is part of the evidence taken from the mail sacks during the hearings of our committee in Buffalo. It was printed in Communist China in 1958. It is entitled "Data on Atrocities of U.S. Army in South Korea." Here are a few choice, high-level quotes: "From the very first day of their occupation, the American imperialists have been trying hard to convert South Korea into a project for squeezing out maximum profit for the millionaires of Wall Street and an outpost for their aggression of the Asian Continent."

A little further on we read this: "The American imperialists since 1950 have committed atrocities unprecedented in the history of mankind in their aggressive war in Korea. They have massacred at random innocent people in Korea. They have destroyed and pillaged more than 5,000 schools, 1,000 hospitals and clinics."

Again we read: "The American soldiers arrested Kim Bu Ing, a dockworker in Inchon, for the only reason that she was a member of the women's union. After violating and torturing her by every means, they stripped her naked, burnt her with a heated iron poker and then killed her."

On another page we find this: "That same month, the American soldiers arrested a peasant only because he was a model farmer, passed wire through his nose and ears, pierced his hands with a bayonet nailed the words "model farmer' on his forehead and dragged him around the village before they killed him."

This highly cultural periodical then proceeds to tell what the American soldiers did to this farmer's daughter-in-law. It is so heinous, vile, and filthy that I am unable to quote what it says.

As late as February 25, 1958, it is alleged that: "U.S. soldiers beat a Korean boy, aged 13, and stabbed with a knife his legs and arms on the false charge of 'theft.' The boy was put into a box, the lid was nailed down, it was loaded into a helicopter which took the box north of Seoul where the cargo was dumped, and the boy left to die."

This piece of lying propaganda contains accounts of hundreds of other similar alleged atrocities. Being unmarked and unlabeled, people reading it after it was distributed by members of the Communist Party in the United States would have no knowledge whatsoever of the fact that it came from the propaganda mills of Red China, particularly since most of the editions were printed in English.

Some will ask what legislative purpose, other than exposing this phase of the cold war, did the House Committee on Un-American Activities have in making the investigations and holding the hearings I have been discussing.

Under the first amendment of the Constitution, which prohibits interference with freedom of speech and the press, these publications cannot be banned. The committee has no thought of attempting to do so. We do, however, have a law known as the Foreign Agents' Registration Act, passed in 1938, which requires that all political and subversive propaganda coming from abroad must be properly labeled so that the recipient will know the source and nature of the material. It is similar to our pure food and drug laws which require that bottles and packages containing certain foods and medicines, especially poison, must be labeled as to content. If the law requires that poison which may go into our stomachs must be clearly identified, it certainly should require that poison for the mind also be unmistakably labeled.

While the Foreign Agents' Registration Act apparently requires proper labeling, Communist propagandists have found loopholes and weaknesses which they have exploited. They are such that our customs and postal officials testified that they never saw one piece of the propaganda I have been talking about so labeled, except that which was sent to the Library of Congress, embassies, and other agencies of Government.

The straw of absurdity that broke the camel's back of patience in these hearings was the development of the fact that the taxpayers of the United States, who at present are subsidizing our tremendous postal deficit, help to pay the heavy cost of delivering this propaganda which would destroy us.

As a result of these extensive hearings on the flow of Communist propaganda into the United States, the chairman of the Committee on Un-American Activities and I introduced bills which would plug up these loopholes in the Foreign Agents' Registration Act and compel the labeling of this material as contemplated and intended by the original 1938 act.

On March 17 of this year some of us had the shock of our lives. The President issued an Executive order directing that Communist propaganda should be delivered to the addressees, even though it was unsolicited and unlabeled and in violation of at least the intent and purpose of the Foreign Agents' Registration Act. Most of this propaganda was in bulk. All first-class mail and solicited second- and third-class material has been delivered without delay even though it has not been labeled as intended by the 1938 act. Since the Presidential order in March, I have been informed by the Deputy Collector

of Customs at New York that Communist propaganda coming through the mails alone has increased 120 percent.

The Walter bill to plug up the holes in the Foreign Agents' Registration Act so that this propaganda would be properly labeled was on the Consent Calendar of the House on May 15. The leftwing Washington Post viciously attacked the bill with lies and distortions. It supported the President's order directing that this unlabeled poison be delivered. It charged that the bill created "an office of ideological censorship, empowered to put ideas in quarantine lest they infect American minds."

The editorial stated that: "It would keep Americans generally from learning what they needed to know about the world they live in; that it would substitute for free choice of a free people as to what they want to read the judgment of an official censor."

You can readily understand the feeling of utter frustration at such charges on the part of those who labored to bring about vitally needed legislation when it is so distorted and misrepresented in the press of the Nation's Capital.

As I have said, this bill does nothing more than carry out the purpose and intent of the original Foreign Agents' Registration Act of 1938 and that is to require the labeling of foreign political propaganda as it was defined in that act. There is no censorship. There could be no withholding under this legislation, if the propaganda was labeled as to source. In view of what I have said, what do you think of this last statement of the Washington Post editorial: "Mr. WALTER aims to slip this bill through the House without hearings on it, without opinions on it from the executive agencies which would have to administer it."

What do you think of that statement after 2 years of hearings and when I point out that the bill was requested, recommended, and drafted by the very agency which administers the Foreign Agents' Registration Act?

As I said before, we spend billions to create weapons to protect us from military aggression. On the other hand, we have countless roadblocks thrown into the path of every effort to protect this Nation from internal subversion. It comes not only from leftwing newspapers like the Washington Post but also from agencies of Government.

This bill which I have been talking about was introduced on March 21, 1961. It was on the calendar for the first time on May 15, 1961. It was again on the Calendar of the House on June 19, 1961. That morning it was faced with another vicious editorial by the Washington Post.

The straw that broke the camel's back, however, was the fact that on the morning of June 19, 3 months after the bill was introduced, after it had been on the Calendar of the House, the committee received a report from the Attorney General attacking the bill. It is significant that some of the very language used in the Washington Post editorial of May 14 appeared subsequently in this belated Attorney General's opinion—if you could call it that. In fact, no respectable member of the bar could justify it as a legal opinion or an analysis of the bill. It was a political statement in support of the President's Executive order allowing this unlabeled and unsolicited propaganda to be delivered to the addresses in this country. I cannot prove it, but I would bet my bottom dollar that it was written on direction from the eggheads in the State Department who from the very beginning of this administration, time after time, in incident after incident, have adopted a policy of "Let's not make Khrushchev unhappy."

It is obvious from this so-called opinion that it was these addlebrained leftwing liberals in the State Department who also dictated the Presidential order to let this poison through unlabeled.

Congressman Machrowicz Refutes Gross Misrepresentations of Polish People's Attitude Toward Americans

EXTENSION OF REMARKS
OF

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 1961

Mr. BOLAND. Mr. Speaker, under leave to extend my remarks, I ask permission to have printed in the CONGRESSIONAL RECORD my letter to our colleague, Congressman THADDEUS M. MACHROWICZ, acknowledging receipt of his letter and his reply to Mr. Vincent B. Welch, a Washington attorney, who made comments containing gross misrepresentations about the Polish people in his article in the Bowdoin College Alumnus entitled "Behind the Iron Curtain."

The letters follow:

JULY 19, 1961.

Hon. THADDEUS M. MACHROWICZ,
House of Representatives,
Washington, D.C.

DEAR COLLEAGUE: Thank you for your letter of July 18.

I read with interest the enclosed copy of your letter to Mr. Vincent B. Welch, of Washington, D.C., replying to his article in the Bowdoin College Alumnus, entitled "Behind the Iron Curtain."

Your reply not only refutes the many gross misrepresentations about the attitude of the Polish people toward Americans, but affirms what we all know to be as the true feelings of the good Polish people who are suffering under the yoke of communistic dictatorship. One would only have to talk to some of the thousands of American citizens of Polish ancestry, living in my congressional district, to realize that the sentiments expressed by Mr. Welch, in his article, are not true in fact.

Many of my constituents have traveled to Poland in the last few years to visit with their relatives. The stories they have told me about Poland and the Polish people certainly bear no resemblance to the views expressed in the Welch article. I think it is a travesty to say that "over 90 percent of the Polish people are Communists or communistic in sympathy, through dedication, brainwashing or abject fear." I have read letters from Polish relatives of my constituents which belie this charge. I have talked to Polish people visiting relatives, in my district, and they have all proclaimed their continuing and profound loyalty to their Polish heritage, their Roman Catholic faith, and the spiritual leadership of Cardinal Wyszynski, who as you know, has constantly resisted the Polish Communist dictatorship.

Again, I certainly want to thank you for apprising me of Mr. Welch's article and your reply to him.

Sincerely yours,

EDWARD P. BOLAND,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 18, 1961.

The Honorable EDWARD P. BOLAND,
House of Representatives,
Washington, D.C.

DEAR COLLEAGUE: On July 5, 1961, one Vincent B. Welch, Washington attorney, circulated among the membership of both the House of Representatives and the Senate his article in the Bowdoin College Alumnus, entitled "Behind the Iron Curtain."

Since this article has been inserted in the CONGRESSIONAL RECORD and since it contains many gross misrepresentations, I enclose herewith, for your information, my reply to him.

I wish to call to your attention that Secretary of State Dean Rusk, in a report to the Senate Committee on Foreign Affairs last week, completely denied and rebutted most of the allegations contained in Mr. Welch's letter.

The Secretary's report is contained in the CONGRESSIONAL RECORD of July 17, 1961, on page 12659, and should be read carefully by any who might have been influenced by Mr. Welch's letter.

Yours sincerely,

THADDEUS M. MACHROWICZ,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 18, 1961.

Mr. VINCENT B. WELCH,
Attorney at Law,
Washington, D.C.

DEAR MR. WELCH: I have your letter of July 5, with which you enclosed a copy of your article "Behind the Iron Curtain," in which you discuss your impressions resulting from an 8-day tour of Poland this summer. Your article contains a few correct observations, but with them such a tremendous amount of grossly unfair allegations inconsistent with actual facts, that I feel constrained to reply, particularly since the article has been distributed to the entire membership of Congress, inserted in the CONGRESSIONAL RECORD, and it is quite obvious that it was your intention to influence congressional opinion on pending legislation.

You stated that after 48 hours in Poland, you were in "somewhat of a state of hypnotized amazement." I accept your description of your state of hypnosis as an explanation of your completely inaccurate description of the state of mind of the Polish people. In justifying my own ability to properly evaluate the true situation in Poland, may I say to you that I have been there twice in the last 4 years, also that from personal experience I know the situation in pre-Communist Poland.

You are completely right when you state that the present Government of Poland is completely communistic and that the degree of suppression of human rights, particularly with reference to the church, is again increasing in tempo after the slight liberalization which was accomplished by the Polish peoples' revolt in June 1956. You are also correct in your observation that presently "over 90 percent of the Polish people live in relative poverty." But at this point the correctness of your report completely ends.

When you say that the Polish people individually "despise us, particularly the Americans," you are completely and thoroughly wrong. Thousands of Americans who have visited Poland in the last few years have been almost unanimous in their observation that hardly anywhere in the world, on either side of the Iron Curtain, do the Americans enjoy such respect and friendship as they do from the people of Poland. No one, to my knowledge, with your single exception, has been in Poland even 24 hours without noticing that. All reports, private and official, confirm that fact.

The most convincing proof of that is the tremendously enthusiastic and friendly reception that was given by the Polish people to former Vice President Nixon when he visited that country last year. Despite the fact that the Polish Communist Government did everything it could to withhold from the people of Poland the facts about the route or timing of Vice President Nixon's travel, the people turned out in surprisingly vast numbers to enthusiastically demonstrate their high degree of friendship to the American people. Mr. Nixon himself, after

his return to the United States, declared that nowhere in his travels throughout the world, on either side of the Iron Curtain, did he experience such warm, spontaneous and sincere welcome. How can you explain this manifestation in view of your claim that the Polish people "despise the American?"

You are also in complete error when you say that "over 90 percent of the Polish people are Communists or communistic in sympathy, through dedication, brainwashing, or abject fear." Nothing could be further from the truth than that statement, and again almost unanimous private and official reports from those who saw Poland in the last few years, not in a hypnotic state of mind, confirm my statement. As a matter of fact, I would state, on the basis of my own observation and knowledge of conditions in Poland, that it would be much nearer to the truth that nearly 90 percent of the people of Poland are anti-Communists, hate communism, and will never accept it If free elections were permitted in Poland today, there would be an overwhelming vote for our American type of democracy—and that feeling exists not only among the older generation but among the college and university students and the youth in general.

You refer in your letter to the bloody revolt of the Polish people in June 1956 for "bread and freedom." The fact of that revolt in itself puts a lie to your claim. But more important than that, as you yourself point out, and as many observers agree, that revolt was led by workers and by students. How then can you justify your preposterous statement that "over 90 percent of the Polish people are Communists or Communists in sympathy?" I consider that allegation of yours as utterly erroneous and am shocked by the carelessness and ruthlessness with which you make it.

I believe that your difficulty may well be the same as that encountered by many other sincere but uninformed Americans—namely that they cannot or will not differentiate between the people of Poland and the government of Poland, which was imposed upon them against their will and without giving them an opportunity to participate in decisions regarding their national future.

May I remind you that the present Communist government in Poland resulted from decisions made at Yalta and Teheran where the Poles, who were then our allies, were not represented, and may I remind you further that our own Government took part in those meetings and must be charged, in part at least, with responsibility for creating conditions which enabled the Communists to take Poland over against the will of its people. Under such circumstances it ill behooves us to taunt the Polish people for having a kind of government which it had no part in creating.

The situation in Poland is bad economically and politically, but the Polish people, under the spiritual leadership of Cardinal Wyszynski, have shown a remarkably strong spirit of resistance to Communist ideology.

It is up to us in the United States to encourage this spirit of resistance rather than discourage it by completely false and unfair allegations. Certainly we cannot, nor should we, encourage or invite the Polish people to armed revolt at this time when it could lead only to a bloody purge and worse repression, unless we in the United States are ready to assist and join them in such armed resistance. Are we ready to give this help to them? What was our response to the Poznan revolt in 1956, or the brave revolt of the Hungarian patriots? These two instances have alerted the people of Poland to the truth that armed revolt at this time would be a tragic error and that the only wise course for the people of Poland is to follow the leadership of such men as Cardinal Wyszynski, who advises prudence and caution until the Western Powers are ready and willing to correct the injustices created by the Yalta and Teheran agreements.

I sincerely hope you will recognize the gross injustice you have done not only to the people of Poland, but to the cause of justice and democracy throughout the world, and will do whatever can be done to atone for it by a correction of the careless misstatements contained in your letter.

Yours very truly,

THADDEUS M. MACHROWICZ,
Member of Congress.

Unified Space Control or Splintered Authority

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 1961

Mr. BROOKS of Louisiana. Mr. Speaker, the Nation's programs in space already have had profound effects in many areas. Numerous scientific and technological advances have resulted from our space effort. The international prestige of the United States is linked to our achievements in space. It now seems certain that some of our space programs will have great influence upon this country's economic growth. In my judgment, we are on the threshold of a period of practical uses of space.

From all appearances, the first enterprise suitable for commercial operation using space technology will be a worldwide system of communications using satellites. What was considered a dream just a few years ago is now within our grasp. By developing communications satellites, the United States has an opportunity to lead the rest of the world in the commercial utilization of space, and to demonstrate the desire of this country to develop peaceful applications of space technology which will benefit all mankind.

The Committee on Science and Astronautics has undertaken hearings regarding the problems associated with this development. The hearings have demonstrated that American industry is ready, willing, and eager to get on with the job.

There are many other practical programs in space which will have commercial applications and important economic consequences. Meteorological satellite systems will permit much more accurate weather forecasting. This will be a great boon to farmers, the airlines, building contractors, and to many other industries. Millions of dollars will be saved each year as more accurate weather prediction permits farmers, businessmen, and property owners to make appropriate plans and to take necessary precautions.

Navigation satellite systems will be of great assistance to our Navy and our merchant marine, as well as ships of all nations that sail the seven seas. I could mention still other programs, and, as progress in space technology is made, more and more practical applications will undoubtedly develop.

It is not my intention to ignore the long-range and more ambitious programs of manned space exploration. I simply want to point out that the so-called utility packages—communications, weather, and navigation—have almost unlimited potential for use in the immediate or near future. It is important, in my opinion, to get on with the job as quickly as possible.

These practical developments in space technology create a number of difficult problems, however, and important decisions must be made which are likely to have far-reaching implications for the country as a whole. Precedents may well be set which could affect other activities in space in the future.

The reason I bring these matters to the attention of my colleagues at this time is that meaningful space programs will require effective management by the Government. Under the provisions of the Space Act of 1958, the National Aeronautics and Space Administration is required, among other things, to plan, direct, and conduct aeronautical and space activities.

This statutory provision gives NASA very broad authority over everything having to do with this country's civilian space activities.

Certainly other agencies of the Government are bound to have interests and responsibilities with respect to specific programs in space. For example, the Weather Bureau has a very direct interest in the meteorological satellite program. The FCC and the State Department, to mention only two agencies, have important interests in connection with the development and operation of commercial systems of communication-using satellites. Still other agencies of the Government will be interested in other programs in the future. But the mere fact that such interests exist in other Government agencies does not relieve NASA of its very broad authority and responsibility for planning, directing, and conducting this Nation's peaceful space activities and programs.

Placing these remarks in historical context may be helpful in making the point. The underlying philosophy of the legislation which created and authorized the activities of the old National Advisory Committee for Aeronautics provided that the NACA should operate as a research and development organization in support of other agencies of the Government which had management and operational responsibilities, primarily the military.

When NASA was created as successor to the National Advisory Committee for Aeronautics, there was a conscious and express intention on the part of the Congress to give this new agency management and operational responsibilities, in addition to its research and development functions. That is why Congress decreed that aeronautical and space activities sponsored by the United States, except for those activities specifically designated as needed for our defense, should be directed and controlled by NASA. Accordingly, there can be no

doubt about NASA's clear responsibilities for management of the peaceful space program of the United States.

Mr. Speaker, I want to bring to the attention of my colleagues what seems to me to be a trend in the direction of NASA becoming a research and development agency, supporting the programs of other agencies of the Government in much the same way that its predecessor organization, the NACA, operated. I believe this trend raises important questions. Not only does it seem contrary to Congress' declaration of policy and purpose in the Space Act of 1958, but this naturally raises questions about the desirability of a piecemeal development of the Nation's space policies by various Government agencies.

As I have already pointed out, problems associated with the development of space systems which have commercial applications cut across the authority and responsibilities of many agencies of Government. Foresight and broad vision are needed if meaningful national policies are to be formulated. We must guard against hasty, or ill-considered, or fragmentary policies. How can we be sure of effective planning and direction of our space program? Should this not be the responsibility of one agency of the Government? Under the law, is not NASA that agency?

Recognizing that other Government agencies will have interests for certain aspects of America's space effort, let us speculate for a moment on how far these interests go. Will the point ever be reached when some agency other than NASA will want to design, construct, and operate its own satellite system? Or launch its own space vehicle? Will business and financial arrangements be made, and new industries be regulated, by six or eight Government agencies?

Where does this lead us? First, the Government may find itself with half a dozen or more civilian space agencies, each with its own programs, each doing part of the work of which NASA was specifically set up to do. Is this in harmony with the clear intent of Congress to create a single agency with broad and comprehensive authority and responsibility? Second, how will we be able to avoid inconsistent policies and wasteful duplication of effort?

What are the answers? It seems to me that this is the time to determine the bounds of activity of these agencies. We are entering a new and fast-moving era. New agencies are created, and old agencies find themselves with new responsibilities. Now is the time for the Government to give careful and earnest thought to the organizational needs of the national space program. In my opinion, the country cannot afford vacillating, inconsistent policies. The American people have a right to expect aggressive leadership, and thorough, consistent planning.

Now is the time to organize our national space effort. It should not be permitted to drift. The Space Council, under the able leadership of Vice President JOHNSON, has powers to resolve many of these questions. Recently, it has become rather active, and I have full confidence that the Council will step into this vacuum and resolve many of these urgent matters.

Mr. Speaker, I believe the time has arrived when we must work out some of these problems and the Congress and the American people should be presented with a clear and comprehensive statement of policy. Unless we are to have a heterogeneous space organization scattered around throughout many departments of Government, we must back up NASA, recognizing the responsibilities and the powers that the law already places in this space agency. Space is an unusual activity, the like of which is not to be found in any other department of Government. It requires special training, special organization, and special objectives, oftentimes not understood by nonspace departments of Government, if it is to develop its full potentialities of leading this Nation into the forefront of astronautical leadership throughout the world.

I present this matter to the Congress at this time after considerable thought. I am pleased with the progress we have recently made in the field of space, activities which would seem to indicate that we are gaining in our race—if you want to call it that—with Russia. At the same time, I am concerned that, at this juncture when the promise is bright, poor planning, faulty thinking, and indecisive action may dilute our program, preventing us from obtaining those objectives that American brains and equipment would indicate we can secure for ourselves and for our country.

The Hanford Reactor Issue

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 19, 1961

Mr. VAN ZANDT. Mr. Speaker, in reply to the Washington Evening Star editorial appearing in the July 15, 1961, edition titled "The Hanford Issue," I have written the following letter to the editor of the Evening Star:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 18, 1961.

MR. BENJAMIN M. MCKELWAY,
Editor, the Evening Star,
Washington, D.C.

DEAR MR. MCKELWAY: On Saturday, July 15, the Star carried an editorial entitled "The Hanford Issue," in which the House of Representatives was accused of using "poor judgment in rejecting, by a vote of 176 to 140, the proposal to convert the new reactor at Hanford, Wash., into a dual-purpose facility capable of producing not only plutonium for weapons, but also between 700,000 and 800,000 kilowatt-hours of electricity for peaceful uses."

I must admit that I was somewhat surprised by this editorial because I have always felt that your paper had a high reputation for objectivity and careful research. To my knowledge, the Star has carried few, if any, news items concerning the extensive hearings and considerations given to the proposal to add electric generating facilities to the new plutonium production reactor presently being constructed at Hanford. Nor do I recall any mention in your news columns of the carefully prepared statement submitted as a part of the Joint Committee on Atomic Energy's report to the Congress on the AEC authorization bill, which sets forth logical reasons why this project should not be built. You have not given your readers adequate background against which they may measure the reasonableness of the editorial position which the Star unfortunately took on July 15.

I would not for one moment challenge your right to express such an editorial opinion, but does not your responsibility to an informed citizenry require you to have and report the full facts before you express such an opinion?

I have been closely associated with every stage of the development of this proposal and, therefore, feel I have some knowledge of the Hanford steamplant proposal. I think it would be appropriate for me to comment briefly on some of your statements on the Hanford steamplant, and on the action taken by the House of Representatives last Thursday.

For example, your editorial leaves the impression that unless the project is restored in conference, the reactor "will serve only a strictly military purpose." This statement completely disregards, or overlooks, the primary purpose for which the reactor was authorized in 1958 and for which it is being constructed, which is for "a strictly military purpose."

You have apparently accepted the specious argument that the tremendous quantity of steam should be utilized—you might go on and say regardless of cost to the Nation's taxpayers. Perhaps you did not notice a carefully reasoned statement made in the House of Representatives on June 28 by Representative WILLIAM H. BATES, a member of the Joint Committee on Atomic Energy, on this question of using Hanford steam. In that statement, Mr. BATES succinctly observed, "If it is wasteful and extravagant to dump NPR steam into the Columbia River, it is much more wasteful and extravagant to dump Federal funds into an operation that is not economically prudent by the most liberal standards of measurement. The matter resolves itself into one basic question: Which of the two resources—Hanford Reactor steam or Federal funds—is the most precious in these times of great demands on the National Treasury?" The House of Representatives went on record last Thursday, and rightly so, on the side of the taxpayers in this issue.

Your editorial is in error when it states that the electricity would be distributed largely through private utility systems. I think if you had read carefully the record of the debate in the House last Thursday, you would have discovered the colloquy between Representative BEN JENSEN and Representative CHET HOLIFIELD on page 12463 which refutes your statement. The colloquy goes as follows:

"Mr. HOLIFIELD. The testimony before our committee, I will say to the gentleman, was that 53 percent of the power at this time is sold to private utilities who distribute the power at their own prices in the area."

"Mr. JENSEN. The gentleman is wrong again, the facts are that that testimony plainly shows specifically that only 18.8 percent of the Bonneville power is being distributed by the private utilities."

"Mr. HOLIFIELD. What?"

"Mr. JENSEN. I suggest the gentleman reread that testimony."

"Mr. HOLIFIELD. No member of our committee challenged that."

"Mr. JENSEN. I challenge it having been for the past 19 years on the committee that

appropriates for the Bonneville Power Administration and I know whereof I speak. Let us keep the records straight, and let us be fair to the taxpayers of the United States of America by adopting this amendment and this $95 million."

Your editorial continues by stating that the bill was defeated primarily on the grounds that it would put the AEC in the public power business—which it would—and thus constituted another socialistic encroachment on free enterprise—which it would. The truth of the matter is, however, that this was but one of many reasons why the House decided this project should not be authorized. May I point out that if your research had been more thorough, you would have read the separate statement signed by myself and four of my colleagues on the Joint Committee on Atomic Energy which was attached to the committee report on the bill, H.R. 7576. The separate statement points out 10 compelling reasons why the project should not be authorized. They are:

1. It would not advance nuclear power technology.

2. It would be contrary to the spirit, intent, and specific language of section 44 of the Atomic Energy Act of 1954.

3. It would violate assurances given to Congress in 1958 when the new production reactor was authorized.

4. It would not, as is alleged, aid national defense.

5. It is not needed to meet the power requirements of the Pacific Northwest.

6. It would be used to attract industry from other regions.

7. It would also be used to justify the construction of transmission lines leading to a gigantic Federal electric power grid.

8. It would not produce power economically.

9. It would not enhance international prestige.

10. It would constitute a precedent for the further encroachment of government in private business.

The argument identified by your editorial as being primary was in reality only a small part of the overall case which was made against the Hanford steamplant.

Your editorial and your news reporting carefully avoided the fact that the Hanford steamplant would not in any way advance nuclear power technology, but would rather turn back the clock. Furthermore, it was not pointed out that the conversion of this project would actually be a detriment to national defense by standing as a deterrent to effective international agreement on disarmament or arms control.

Proponents of this project assert that conversion of the Hanford reactor to generation of electricity would strengthen national defense during any international nuclear arms agreement. They would be willing to place the United States at a serious disadvantage by having the Nation's negotiators accept for us the authority to operate one plutonium reactor for power generation while granting the Soviet Union authority, under the agreement, to operate five plutonium reactors for power purposes. Thus, the proponents would have us believe that it would be quite proper to give the Soviets a 5 to 1 advantage over us in opportunities to produce weapons-grade plutonium and violate the terms of the agreement.

There was no mention that there is no power shortage in the area but rather a surplus of power. There was no mention that the United States would be the laughing stock of the world for building the largest, most outdated technological retrogression in the world.

I could go on for several pages, but I think it should already be obvious that your editorial leaves much to be desired. It might be said that the editorial is just one man's opinion—and you certainly are entitled to it. But, let me call to your attention some other editors' opinions.

On June 27, June 29, and July 7, I inserted in the CONGRESSIONAL RECORD what was referred to as a "Cross-Country Tour of Editorial Comment" from many of the Nation's leading newspapers, expressing opposition and serious concern about the Hanford steamplant. These editorials came from the North, East, South, and West, and I believe that they adequately reveal the thinking of a large group of conscientious newspaper editors who see in this proposal a project which the taxpayers should not be asked to support. I am truly sorry that the Star felt it should be so out of step with the other thoughtful papers on this wasteful proposal.

It is my sincere hope that the Senate in its wisdom will support the position taken by the House of Representatives and relegate the Hanford steamplant project to the junk heap of fuzzy thinking to which it deserves to go.

Sincerely yours,

JAMES E. VAN ZANDT.

Behind the Iron Curtain

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 1961

Mr. LANE. Mr. Speaker, in reply to an article that recently appeared in the CONGRESSIONAL RECORD entitled "Behind the Iron Curtain," issued to the Members of Congress by Attorney Vincent B. Welch, of Washington, D.C., describing his observations on his recent visit to Poland, I have received a letter together with copy of a letter sent to the author by our colleague, THADDEUS M. MACHROWICZ. The gentleman from Michigan, in spite of his numberless duties, as a Member of Congress, has purposely visited Poland on two occasions in the last 4 years to make an on-the-spot evaluation of conditions in order to present, if need be, to the Congress full and detailed facts. I am satisfied that as a result of his investigation and study that he is thoroughly familiar with the present situation in Poland. He has been a student of the history of Poland and its people past and present during his entire life and a keen follower of happenings in that country. In order that all of us may profit by his straightforward opinion of the present situation, I hope that the Members will read his interesting and enlightening reply to the writer of that article, "Behind the Iron Curtain." The letters follow:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 18, 1961.

DEAR COLLEAGUE: On July 5, 1961, one Vincent B. Welch, Washington attorney, circulated among the membership of both the House of Representatives and the Senate his article in the Bowdoin College Alumnus, entitled "Behind the Iron Curtain."

Since this article has been inserted in the CONGRESSIONAL RECORD and since it contains many gross misrepresentations, I enclose herewith, for your information, my reply to him.

I wish to call to your attention that Secretary of State Dean Rusk, in a report to the Senate Committee on Foreign Affairs last week, completely denied and rebutted most of the allegations contained in Mr. Welch's letter.

The Secretary's report is contained in the CONGRESSIONAL RECORD, of July 17, 1961, on page 12659, and should be read carefully by any who might have been influenced by Mr. Welch's letter.

Yours sincerely,

THADDEUS M. MACHROWICZ,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 18, 1961.

Mr. VINCENT B. WELCH,
Attorney at Law,
Washington, D.C.

DEAR MR. WELCH: I have your letter of July 5, with which you enclosed a copy of your article "Behind the Iron Curtain," in which you discuss your impressions resulting from an 8-day tour of Poland this summer. Your article contains a few correct observations, but with them such a tremendous amount of grossly unfair allegations inconsistent with actual facts, that I feel constrained to reply, particularly since the article has been distributed to the entire membership of Congress, inserted in the CONGRESSIONAL RECORD, and it is quite obvious that it was your intention to influence congressional opinion on pending legislation.

You stated that after 48 hours in Poland, you were in "somewhat of a state of hypnotized amazement." I accept your description of your state of hypnosis as an explanation of your completely inaccurate description of the state of mind of the Polish people. In justifying my own ability to properly evaluate the true situation in Poland, may I say to you that I have been there twice in the last 4 years, also that from personal experience I know the situation in pre-Communist Poland.

You are completely right when you state that the present Government of Poland is completely communistic and that the degree of suppression of human rights, particularly with reference to the church, is again increasing in tempo after the slight liberalization which was accomplished by the Polish people's revolt in June 1956. You are also correct in your observation that presently "over 90 percent of the Polish people live in relative poverty." But at this point the correctness of your report completely ends.

When you say that the Polish people individually "despise us, particularly the Americans," you are completely and thoroughly wrong. Thousands of Americans who have visited Poland in the last few years have been almost unanimous in their observation that hardly anywhere in the world, on either side of the Iron Curtain, do the Americans enjoy such respect and friendship as they do from the people of Poland. No one to my knowledge, with your single exception, has been in Poland even 24 hours without noticing that. All reports, private and official, confirm that fact.

The most convincing proof of that is the tremendously enthusiastic and friendly reception that was given by the Polish people to former Vice President Nixon when he visited that country last year. Despite the fact that the Polish Communist Government

did everything it could to withhold from the people of Poland the facts about the route or timing of Vice President Nixon's travel, the people turned out in surprisingly vast numbers to enthusiastically demonstrate their high degree of friendship to the American people. Mr. Nixon himself, after his return to the United States, declared that nowhere in his travels throughout the world, on either side of the Iron Curtain, did he experience such warm, spontaneous, and sincere welcome. How can you explain this manifestation in view of your claim that the Polish people "despise the Americans?"

You are also in complete error when you say that "over 90 percent of the Polish people are Communists or communistic in sympathy, through dedication, brainwashing, or abject fear." Nothing could be further from the truth than that statement, and again almost unanimous private and official reports from those who saw Poland in the last few years, not in a hypnotic state of mind, confirm my statement. As a matter of fact, I would state, on the basis of my own observation and knowledge of conditions in Poland, that it would be much nearer to the truth that nearly 90 percent of the people of Poland are anti-Communists, hate communism, and will never accept it. If free elections were permitted in Poland today, there would be an overwhelming vote for our American type of democracy—and that feeling exists not only among the older generation but among the college and university students and the youth in general.

You refer in your letter to the bloody revolt of the Polish people in June 1956, for "bread and freedom." The fact of that revolt in itself puts a lie to your claim. But more important than that, as you yourself point out, and as many observers agree, that revolt was led by workers and by students. How then can you justify your preposterous statement that "over 90 percent of the Polish people are Communists or Communists in sympathy?" I consider that allegation of yours as utterly erroneous and am shocked by the carelessness and ruthlessness with which you make it.

I believe that your difficulty may well be the same as that encountered by many other sincere but uninformed Americans; namely, that they cannot or will not differentiate between the people of Poland and the Government of Poland, which was imposed upon them against their will and without giving them an opportunity to participate in decisions regarding their national future.

May I remind you that the present Communist Government in Poland resulted from decisions made at Yalta and Teheran where the Poles, who were then our allies, were not represented, and may I remind you further that our own Government took part in those meetings and must be charged, in part at least, with responsibility for creating conditions which enabled the Communists to take Poland over against the will of its people. Under such circumstances it ill behooves us to taunt the Polish people for having a kind of government which it had no part in creating.

The situation in Poland is bad economically and politically, but the Polish people, under the spiritual leadership of Cardinal Wyszynski, have shown a remarkably strong spirit of resistance to Communist ideology. It is up to us in the United States to encourage this spirit of resistance rather than discourage it by completely false and unfair allegations. Certainly we cannot, nor should we, encourage or invite the Polish people to armed revolt at this time when it could lead only to a bloody purge and worse repression, unless we in the United States are ready to assist and join them in such armed resistance. Are we ready to give this help to them? What was our response to the Poznan revolt in 1956, or the brave revolt of the Hungarian patriots? These two instances have alerted the people of Poland to the truth that armed revolt at this time would be a tragic error and that the only wise course for the people of Poland is to follow the leadership of such men as Cardinal Wyszynski, who advises prudence and caution until the Western Powers are ready and willing to correct the injustices created by the Yalta and Teheran agreements.

I sincerely hope you will recognize the gross injustice you have done not only to the people of Poland, but to the cause of justice and democracy throughout the world, and will do whatever can be done to atone for it by a correction of the careless misstatements contained in your letter.

Yours very truly,

THADDEUS M. MACHROWICZ,
Member of Congress.

SENATE

THURSDAY, JULY 20, 1961

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

Hon. WALLACE F. BENNETT, a Senator from the State of Utah, offered the following prayer:

Our Father in heaven, we meet today in the absence of our beloved Chaplain, who was injured in the course of his duty the last time we met.

We are happy at the rapidity of his recovery. We thank Thee for the blessings Thou hast showered upon him, to make this possible, and ask that Thou wilt continue to bless him, and that he may soon be with us again.

In his absence, may our minds and our hearts recapture the words and the spirit of the many prayers he has offered in our behalf over the long years of his service. Bless us, that we may be able to measure up to the ideals of our obligation that he has set for us so frequently in the beautiful prayers offered in our behalf.

We ask these blessings in the name of Thy Son, Jesus Christ. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, July 18, 1961, was dispensed with.

REPORTS OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of July 18, 1961, the following reports of a committee were submitted:

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. 1589. A bill to amend the Communications Act of 1934 to authorize the issuance of radio operator licenses to nationals of the United States (Rept. No. 575).

By Mr. PASTORE, from the Committee on Commerce, with amendments:

S. 2034. A bill to amend the Communications Act of 1934, as amended, in order to expedite and improve the administrative process by authorizing the Federal Communications Commission to delegate functions in staff provisions, and revising related provisions (Rept. No. 576).

By Mr. BARTLETT, from the Committee on Commerce, without amendment:

S. 2085. A bill to amend section 511(h) of the Merchant Marine Act, 1936, as amended, in order to extend the time for commitment of construction reserve funds (Rept. No. 574).

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Ratchford, one of his secretaries.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION—AUTHORIZATION FOR FOREIGN RELATIONS COMMITTEE TO FILE REPORT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Foreign Relations Committee be permitted to sit today notwithstanding the session of the Senate, and that it also be given permission to file its report with the Senate on the foreign-aid bill, S. 1983, should it complete its action on this important measure this weekend, while the Senate is in adjournment or recess.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the following committees and subcommittees were authorized to meet during the session of the Senate today:

The Committee on Finance.

The Antitrust and Monopoly Subcommittee of the Committee on the Judiciary.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to

consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations and withdrawing the nomination of Charles E. Organ, to be postmaster at Waynesville, Ill., which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON, from the Committee on Post Office and Civil Service:

Robert E. Hampton, of Maryland, to be a Civil Service Commissioner; and

One hundred and two postmaster nominations.

By Mr. BYRD of Virginia, from the Committee on Finance:

William M. Fay, of Pennsylvania, for appointment as judge of the Tax Court of the United States.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

DISTRICT OF COLUMBIA COMMISSIONER

The Chief Clerk read the nomination of John B. Duncan, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years and until his successor is appointed and qualified.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. CASE of South Dakota subsequently said: Mr. President, I wish to say a few words for the record with respect to the nomination and the confirmation of the nomination of John B. Duncan of the District of Columbia to be a Commissioner of the District of Columbia.

A number of years ago when I was the ranking minority member of the Committee on the District of Columbia an incident arose which caused me to have some part in the recognition and the advancement of Mr. Duncan. The then President Truman had sent up a nomination for the position of Recorder of Deeds in the District, which upon examination in the Committee on the District of Columbia, did not appeal to the members of that committee. The distinguished Senator from Rhode Island [Mr. PASTORE], who is now in the Senate Chamber, may recall that following some interrogation of the nominee for the position of Recorder, members of the committee felt a little reluctant to recommend favorably the nomination that had been submitted. As a result of that hesitation, I introduced a bill to give to the Commissioners of the District the responsibility for the selection and appointment of a Recorder. That bill was acted upon favorably. Then the Commissioners named Mr. Duncan to the position of Recorder, which position he has held and conducted with honor. I never knew anything about his politics at that time. Therefore he is primarily a bipartisan in office. He believes in serving the people well in whatever responsibility is assigned to him.

As I have known of him and his activity, I have come to have a very high regard for his ability. I applaud his selection as a Commissioner for the District of Columbia, and I predict that he will give to that post of responsibility the same high quality of service that he has exhibited in previous positions of trust.

Mr. HUMPHREY subsequently said: I wish to comment on the nomination and confirmation of Mr. John B. Duncan to be a Commissioner of the District of Columbia. It is another one of the fine appointments of the President. The Senate expressed its full confidence in Mr. Duncan by the ready and unanimous confirmation of Mr. Duncan. The District of Columbia is most fortunate to have this qualified and able man as one of its Commissioners.

ASSISTANT SECRETARY OF LABOR

The Chief Clerk read the nomination of George L-P Weaver, of the District of Columbia, to be an Assistant Secretary of Labor.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. HUMPHREY subsequently said: Mr. President, earlier today the Senate confirmed the nomination of George L-P Weaver, of the District of Columbia, to be an Assistant Secretary of Labor. Mr. Weaver will serve as Assistant Secretary of Labor for International Affairs.

I wish to say just a word about Mr. Weaver, because I have known him for many years, as a personal friend and as an able and honorable and distinguished public servant.

The senior Senator from Missouri [Mr. SYMINGTON], when he was the head of the National Security Resources Board, and later head of the Reconstruction Finance Corporation, had as one of his associates Mr. Weaver. I have heard the Senator from Missouri comment very favorably about the unusual and outstanding qualities of Mr. George Weaver. I have known Mr. Weaver because of his work in the labor movement and because of his activities in political life. I have known him as a community leader. I have known him as a fine gentleman. I feel it is a great honor to himself to be appointed to the post of Assistant Secretary of Labor, but I think it is also a great honor for our Government, because Mr. Weaver is very well versed in international affairs, understands the activities of the labor movement on the international scene, and will be able to make an outstanding record in this responsible position.

So I wish to compliment Mr. Weaver upon the confirmation of his nomination by the Senate. I wish to compliment the Secretary of Labor, Mr. Goldberg, in the selection of Mr. Weaver. I wish to compliment this administration in the selection and appointment of Mr. Weaver.

U.S. ATTORNEY

The Chief Clerk read the nomination of David M. Satz, Jr., of New Jersey, to be U.S. attorney for the district of New Jersey for a term of 4 years.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF FEDERAL AVIATION ACT OF 1958, TO LIMIT THE RIGHT OF CERTAIN AIR CARRIERS TO RECEIVE SUBSIDY PAYMENTS

A letter from the Chairman, Civil Aeronautics Board, Washington, D.C., transmitting a draft of proposed legislation to amend section 406(b) of the Federal Aviation Act of 1958 to limit the right of certain air carriers to receive subsidy payments (with accompanying papers); to the Committee on Commerce.

AUTHORITY FOR VETERANS' ADMINISTRATION TO USE ITS REVOLVING SUPPLY FUND FOR REPAIR AND RECLAMATION OF PERSONAL PROPERTY

A letter from the Administrator, Veterans' Administration, Washington, D.C., transmitting a draft of proposed legislation to amend section 5011 of title 38, United States Code, to clarify the authority of the Veterans' Administration to use its revolving supply fund for the repair and reclamation of personal property (with an accompanying paper); to the Committee on Finance.

AUDIT REPORT ON CERTAIN GENERAL SERVICES ADMINISTRATION CONTRACTS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a classified document, dated July 6, 1961, relating to an audit of certain GSA contracts (with an accompanying report); to the Committee on Government Operations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of Oklahoma, relating to an

amendment to the Constitution of the United States to balance the expenditures and the income of the Government; to the Committee on the Judiciary.

(See the above concurrent resolution printed in full when presented by Mr. KERR on July 18, 1961, p. 12801, CONGRESSIONAL RECORD.)

A resolution adopted by the board of directors of the Hollywood, Fla., Chamber of Commerce, favoring an investigation of the Department of State; to the Committee on Foreign Relations.

A resolution adopted by the U.S. section of the Women's International League for Peace and Freedom at its annual meeting in St. Paul, Minn., relating to an enlarged U.S. Disarmament Agency for World Peace and Security; to the Committee on Government Operations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

H.R. 2086. An act for the relief of Earl H. Spero (Rept. No. 578).

By Mr. SALTONSTALL, from the Committee on Armed Services, without amendment:

H.R. 4328. An act to reassign officers designated for supply duty as officers not restricted in the performance of duty in the Marine Corps (Rept. No. 577).

By Mr. EASTLAND, from the Committee on Agriculture and Forestry, without amendment:

H.R. 2249. An act to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity (Rept. No. 580); and

H.R. 2250. An act to authorize and direct the Secretary of Agriculture to convey certain lands in Lassen County, Calif., to the city of Susanville, Calif. (Rept. No. 581).

By Mr EASTLAND, from the Committee on Agriculture and Forestry, with an amendment:

S. 702. A bill to authorize the Secretary of Agriculture to exchange certain lands in the State of Wyoming with the town of Afton, Wyo. (Rept. No. 579).

By Mr. JORDAN, from the Committee on Agriculture and Forestry, without amendment:

S. 860. A bill to provide greater protection against the introduction and dissemination of diseases of livestock and poultry, and for other purposes (Rept. No. 582).

By Mr. MANSFIELD, from the Committee on Rules and Administration, with an amendment:

H. Con. Res. 307. Concurrent resolution providing for additional copies of a publication entitled "Soviet Total War—Historic Mission of Violence and Deceit," 85th Congress, 1st session (Rept. No. 583); and

H. Con. Res. 310. Concurrent resolution providing for additional copies of a study entitled "Legislative Recommendations by House Committee on Un-American Activities—Subsequent Action Taken by Congress or Executive Agencies—A Research Study by Legislative Reference Service of the Library of Congress" (Rept. No. 584).

PRINTING ADDITIONAL COPIES OF "SOVIET TOTAL WAR—HISTORIC MISSION OF VIOLENCE AND DECEIT"

Mr. MUSKIE subsequently said: Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Concurrent Resolution 307, to print additional copies of "Soviet Total War—Historic Mission of Violence and Deceit," which was reported earlier today by the Senator from Montana [Mr. MANSFIELD], from the Committee on Rules and Administration, with an amendment.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution? The Chair hears none. The amendment will be stated.

The LEGISLATIVE CLERK. On line 3, after "activities" strike out "five" and insert in lieu thereof "seven."

The amendment was agreed to.

The concurrent resolution (H. Con. Res. 307), as amended, was considered and agreed to.

PRINTING ADDITIONAL COPIES OF THE COMMITTEE PRINT ENTITLED "LEGISLATIVE RECOMMENDATIONS BY HOUSE COMMITTEE ON UN-AMERICAN ACTIVITIES—SUBSEQUENT ACTION TAKEN BY CONGRESS OR EXECUTIVE AGENCIES"

Mr. MUSKIE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Concurrent Resolution 310, providing for additional copies of a study entitled "Legislative Recommendations by House Committee on Un-American Activities—Subsequent Action Taken by Congress or Executive Agencies—A Research Study by Legislative Reference Service of the Library of Congress," which was reported earlier today by the Senator from Montana [Mr. MANSFIELD], from the Committee on Rules and Administration, with an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On line 3 it is proposed to strike out "twenty" and insert in lieu thereof "twenty-five".

The amendment was agreed to.

The concurrent resolution (H. Con. Res. 310), as amended, was considered and agreed to.

DEDUCTION FOR INCOME TAX PURPOSES OF CERTAIN CONTRIBUTIONS TO CHARITABLE ORGANIZATIONS — REPORT OF A COMMITTEE — MINORITY AND SUPPLEMENTAL VIEWS

Mr. BYRD of Virginia. Mr. President, from the Committee on Finance, I report favorably, with amendments, the bill (H.R. 2244) relating to the deduction for income tax purposes of contributions to charitable organizations whose sole purpose is making distributions to other charitable organizations, contributions to which by individuals are deductible within the 30-percent limitation of adjusted gross income, and I submit a report (No. 585) thereon. I ask unanimous consent that the report be printed, together with the minority views of the Senator from Louisiana [Mr. LONG], the Senator from Tennessee [Mr. GORE], and the Senator from Minnesota [Mr. MCCARTHY], and the supplemental views of the Senator from New Mexico [Mr. ANDERSON], members of the committee.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Virginia.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States, dated July 10, 1961, that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KEATING:

S. 2279. A bill for the relief of Toni Schwarz; to the Committee on the Judiciary.

By Mr. BENNETT:

S. 2280. A bill to provide for an appropriation of a sum not to exceed $80,000 with which to make a survey of a proposed national parkway in Utah connecting the national parks and monuments in the southwestern part of Utah and the national monuments and recreation areas in the south-central and southeastern parts of Utah; to the Committee on Interior and Insular Affairs.

S. 2281. A bill for the relief of Lew Deen Nging; to the Committee on the Judiciary.

(See the remarks of Mr. BENNETT when he introduced the first above-mentioned bill, which appears under a separate heading.)

By Mr. PASTORE:

S. 2282. A bill for the relief of Carmine Antonio Cambio; to the Committee on the Judiciary.

By Mr. BOGGS:

S. 2283. A bill to grant credit in the filling of certain positions in the postal field service to persons who have served in such positions under temporary appointments; to the Committee on Post Office and Civil Service.

By Mr. JACKSON:

S. 2284. A bill for the relief of Robert Rabin (Kazuo Inoue); to the Committee on the Judiciary.

By Mr. EASTLAND (by request):

S. 2285. A bill to amend section 371, title 28, United States Code, to provide an alternative plan for the retirement of justices and judges, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. EASTLAND when he introduced the above bill, which appear under a separate heading.)

By Mr. MUSKIE (for himself, Mr. MUNDT, Mr. HUMPHREY, and Mr. ERVIN):

S. 2286. A bill to provide for periodic congressional review of Federal grants-in-aid to State and local units of government; to the Committee on Government Operations.

(See the remarks of Mr. MUSKIE when he introduced the above bill, which appear under a separate heading.)

By Mr. BUSH:

S. 2287. A bill for the relief of Dr. Peter A. Del Missier; to the Committee on the Judiciary.

By Mr. ERVIN (for himself, Mr. ALLOTT, Mr. CAPEHART, Mr. CARLSON, Mr. COOPER, Mr. EASTLAND, Mr. ELLENDER, Mr. ENGLE, Mr. HILL, Mr. JORDAN, Mr. KUCHEL, Mr. MCCLELLAN, Mr. MILLER, Mr. MORTON, Mr. SCHOEPPEL, Mr. SMATHERS, Mr. SPARKMAN, Mr. TALMADGE, and Mr. THURMOND):

S. 2288. A bill to amend the provisions of the Internal Revenue Code of 1954 relating to the percentage depletion rate for clay and shale used in the manufacture of brick, tile, and kindred products and the treatment processes considered as mining in the case of such clay and shale; and

By Mr. ERVIN (for himself, Mr. ALLOTT, Mr. CAPEHART, Mr. CARLSON, Mr. COOPER, Mr. EASTLAND, Mr. ELLENDER, Mr. ENGLE, Mr. HILL, Mr. JORDAN, Mr. KUCHEL, Mr. MILLER, Mr. MORTON, Mr. SCHOEPPEL, Mr. SMATHERS, Mr. SPARKMAN, Mr. TALMADGE, Mr. THURMOND, Mr. CURTIS, Mr. FULBRIGHT, and Mr. YARBOROUGH):

S. 2289. A bill relating to the application of the terms "gross income from mining" and "ordinary treatment processes normally applied by mine owners or operators in order to obtain the commercially marketable mineral product or products" to certain clays and shale for taxable years beginning before December 14, 1959; to the Committee on Finance.

(See the remarks of Mr. ERVIN when he introduced the above bills, which appear under a separate heading.)

By Mr. CAPEHART (for himself and Mr. TALMADGE):

S. 2290. A bill to amend the Communications Act of 1934, as amended; to the Committee on Commerce.

(See the remarks of Mr. CAPEHART when he introduced the above bill, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 2291. A bill for the relief of Paul James Branan; to the Committee on the Judiciary.

By Mr. THURMOND:

S. 2292. A bill to limit and prevent certain concerted activities by labor organizations which interfere with or obstruct or impede the free production of goods for commerce or the free flow thereof in commerce, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. THURMOND when he introduced the above bill, which appear under a separate heading.)

RESOLUTION

FILLING OF VACANCIES ON SUPREME COURT OF THE UNITED STATES

Mr. THURMOND submitted a resolution (S. Res. 182) relative to the filling of vacancies on the Supreme Court Bench of the United States, which was referred to the Committee on the Judiciary.

(See the above resolution printed in full when submitted by Mr. THURMOND, which appears under a separate heading.)

SURVEY OF PROPOSED NATIONAL PARKWAY THROUGH SOUTHERN UTAH

Mr. BENNETT. Mr. President, I introduce, for appropriate reference, a bill which would authorize an appropriation of not to exceed $80,000, with which to make a survey of the proposed National Parkway through southern Utah. The survey called for in the bill is a necessary preliminary to implementation of S. 808, which I introduced on February 6, 1961. S. 808 would authorize the construction of a National Parkway through southern Utah.

In reporting on June 22, 1961, on S. 808, the Department of Interior stated:

> Enactment of the bill at this time would be inexpedient because the Department of Interior had not yet surveyed or studied the merits or feasibility of the project contemplated by S. 808.

The Department of Interior further stated, concerning the undertaking of the study of feasibility of such a project:

> We hope to do this when personnel and funds are available for the purpose.

The bill I am introducing today, if enacted, will give the Department the necessary funds and personnel.

At the beginning of this month and earlier in the year, Secretary of Interior Udall made two trips to the area which would be traversed by the proposed Southern Utah Parkway. On each occasion, I asked him to make a survey of possible parkway routes. Evidently, he did not deem it convenient to do so. Probably more money was spent on these two trips, the second of which included 30 to 40 people, than it would cost to make the parkway survey.

The survey appropriation bill which I am introducing today is patterned after H.R. 6067, which passed the House of Representatives on July 10. That bill authorizes funds for a survey to extend the present Blue Ridge National Parkway into Georgia. I have always supported national parkway appropriations, for which $16 million is spent annually. I have given my support to this program, even though all the existing parkways are east of the Mississippi and in the Southeast. It is now time for a portion of the present annual appropriations to be spent on such worthwhile parkways in the West as the proposed Southern Utah Parkway.

I ask unanimous consent that the reports on S. 808 from the Departments of Interior and Agriculture be included in the RECORD at the conclusion of my remarks, together with the bill I am introducing today and a statement which I made earlier on S. 808.

I am in general agreement with the amendments to S. 808 proposed by the Department of Agriculture. In keeping with that position, I have provided in the survey bill that the parkway study should be carried out with the cooperation of the Department of Agriculture, where the national forests are involved. Likewise, I have inserted a provision requiring the Federal agencies to cooperate with the Utah State Road Commission and with the county commissions of the areas surveyed.

It should be noted that the Bureau of Public Roads has already surveyed four possible routes across southern Utah, and has found them to be economically feasible. Likewise, the Utah State Road Commission and various private groups have made similar findings of feasibility for other routes. One of the important considerations in determining economic feasibility is the fact that the area which would be traversed by the Southern Utah Parkway is almost entirely owned by the Federal Government. Thus, the cost of land acquisition would be insignificant.

I am asking the other three Members of the Utah congressional delegation to join me in sponsoring the bill, because of its great importance to the State.

I ask unanimous consent that the text of the bill and a statement of its purpose be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and other matters will be printed in the RECORD.

The bill (S. 2280) to provide for an appropriation of a sum not to exceed $80,000 with which to make a survey of a proposed national parkway in Utah connecting the national parks and monument in the southwestern part of Utah and the national monuments and recreation areas in the south-central and southeastern parts of Utah, introduced by Mr. BENNETT, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a sum not exceeding $80,000 is hereby authorized to be appropriated out of the Treasury of the United States, to be used by the Department of the Interior through the National Park Service and by the Department of Commerce through the Bureau of Public Roads, with which to make a survey of the route of a proposed national parkway (including proposed scenic loop and radial roads) connecting the national parks and monuments in the southwestern part of Utah and the national monuments and recreation areas in the south-central and southeastern parts of Utah. An estimate of the cost of an appropriate national parkway, comparable with the Blue Ridge Parkway, over the route or routes surveyed, together with such other data as may be of value, shall be obtained through the said survey, hereby authorized, for the purpose of determining the feasibility and desirability of constructing the proposed national parkway, or any portions thereof. Final report of such survey, accompanied by full information and data, with recommendations, shall, at the earliest possible date, be made and submitted to the Congress of the United States for its consideration: *Provided,* That the survey of such portions of the proposed national parkway as may be located within the exterior boundaries of a national forest shall be made in cooperation with the Secretary of Agriculture, and the comments and recommendations of the Secretary of Agriculture with respect to such portions shall be set forth in the final report to be submitted to the Congress by the Secretary of the Interior: *Provided further,* That the survey shall be made in cooperation with the State Road Commission of the State of Utah and with the cooperation of the county commissions of the counties in the areas surveyed.

The matters presented by Mr. BENNETT are as follows:

(Statement by Senator WALLACE F. BENNETT, Senate Floor, February 6, 1961)

NATIONAL PARKWAY THROUGH SOUTHERN UTAH

I introduce, for appropriate reference, a bill to authorize the creation of a national

parkway through southern Utah. The proposed parkway would connect the complex of national parks and monuments in southwestern Utah with the Glen Canyon Recreation Area and national monuments in southeastern Utah.

At the present time, the people of America are being denied, except at great inconvenience and hardship, the opportunity to see some of the most spectacular and majestic country in the world. Whereas 1,187,000 people visited Grand Canyon National Park during 1960, only 6,500 visited Natural Bridges National Monument, only 1,100 visited Rainbow Bridge National Monument, and only 2,800 visited Hovenweep National Monument, all in southeastern Utah.

Compared to the vast number of visitors at Grand Canyon, the 102,500 visitors at Capitol Reef National Monument, 272,000 at Bryce Canyon National Park, 115,800 at Cedar Breaks National Monument, and even the 575,800 visitors at Zion National Park, seem relatively small. Yet these areas offer as much, and even more, to the American public as does Grand Canyon. If the proposed Southern Utah Parkway is built, many thousands more visitors will see the unique and spectacular scenery of that area.

PARKWAY WOULD BE A NATIONAL PARK IN ITSELF

No matter which route were to be selected through southern Utah, it would open up a veritable wonderland of nature. The parkway itself would be virtually a national park in its own right, traversing, as it would, areas which can only be described as fantastic.

In addition to making a spectacular area accessible, the parkway would also open up the vast Glen Canyon National Recreation Area, extending up the Colorado River 186 miles. There are three sites on the west side of the river, in addition to the two immediately above the dam, which could be served by the parkway. The same may be said for two of the five sites along the east side of the river.

The sites along the west moving from south to north are Hole in the Rock, Oil Seep Bar, and Bullfrog Creek. On the east are the Shock Bar and White Canyon sites. Some of these are now accessible only from the air.

This great national recreation area is being turned over to the National Park Service for administration beginning this year. President Eisenhower budgeted $839,000 for this area for the fiscal year beginning next July 1.

PATTERNED AFTER EASTERN PARKWAYS

The Southern Utah Parkway would be patterned after the 478-mile Blue Ridge Parkway in Virginia and North Carolina, and the 450-mile Natchez Trace Parkway in Tennessee, Alabama, and Mississippi. In addition to these parkways, there are 11 others on the parkway system, ranging in length from 3 to 72 miles. There are 1,138 miles on the entire national parkway system. Most of the small parkways are in the Washington, D.C., area. It is interesting to note that all of the parkways are in or south of Maryland and in or east of Mississippi. There is none west of the Mississippi River.

Under present law, Congress appropriates $16 million yearly for national parkways. On the basis of current authorizations, all existing national parkways will be completed by 1971.

FEASIBLE ROUTES AVAILABLE

I understand that there are at least four feasible routes across southern Utah, any one of which could serve as a parkway route. All would require a bridge across the Colorado River, whereas only ferry service at one location now exists. There are at present no improved roads traversing this magnificent area. The only good road to the north is State Highway 10, connecting Salina and Price, which is a 400-mile trip, compared to the estimated 180-mile parkway. To travel between the two areas via the southerly route, one must go about 370 miles. This route goes to Tuba City and across Arizona, through the Navajo Indian Reservation. The latter road still affords some rugged going, although it is being improved, under recent legislation which I was happy to support. The only route in between, upon which the average tourist would dare to venture, is State Highway 24, connecting Loa, Bicknell, Torrey, and Fruita with Hanksville and Green River. A major segment of this road is graded, but it is well to the north of my proposed parkway. It involves a diversion of over a hundred miles for the traveler wishing to visit the national parks, monuments, and recreation areas in southern Utah.

FULFILLS A DREAM

The parkway would fulfill a great dream of mine, for which I have worked for years—a great scenic loop road in southern Utah. Not only would it be a delight to the American people in general, but it would greatly promote tourism and enhance economic activity in many of our southern Utah towns, some of which have had serious population losses because of lack of economic opportunity.

As part of my efforts to fulfill that dream, I successfully sponsored an amendment to the 1956 Highway Act, making possible the Cove Fort to Denver Interstate Highway through central Utah. In 1960, I joined to support the Case of South Dakota-Allot amendment to fund the Denver to Cove Fort Highway for the first time. This increased Utah's share of interstate highway funds by $8 million or more yearly, beginning in the fiscal year 1962. To further implement this dream, I led the effort to get State Highway 54 across Bryce Canyon National Park underway, and pushed added appropriations for State Highway 24 through Capitol Reef National Monument. In the same spirit, I sponsored an amendment in 1956 to raise Utah's forest highway annual allotment from $750,000 to $1 million, and later backed an amendment boosting it to $1,100,000. Similarly, I successfully sponsored and supported amendments increasing appropriations for roads in national parks and for national parkways, which have brought unheralded road development in Utah's national parks and monuments.

I have inserted in the parkway bill provisions, designed to protect all public land users to the maximum possible extent.

I sincerely hope that the Senate will approve the Southern Utah National Parkway bill, both for the good of America and for the people of Utah.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 22, 1961.

Hon. CLINTON P. ANDERSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR ANDERSON: Your committee has requested a report on S. 808, a bill "To authorize the Secretary of the Interior to establish a national parkway in the State of Utah."

We recommend that the bill not be enacted.

S. 808 authorizes the Secretary of the Interior to acquire lands and interests in lands by donation, purchase, exchange, transfer, and condemnation in order to establish and maintain a national parkway connecting the national parks and monuments in the southwestern part of Utah and the national recreational areas and monuments in the southeastern part of Utah. The bill provides that the parkway shall be administered by the National Park Service and authorizes the Secretary of Agriculture, with the concurrence of the Secretary of the Interior, to connect such national forest roads and trails with the parkway as may be necessary for the protection of the national forest in the area. The bill further provides that the planning and construction of recreational developments by the Forest Service and the National Park Service be coordinated and correlated.

We are not only aware of the outstanding areas in southern Utah but know of such areas in Nevada, western Colorado, New Mexico, and northern Arizona. It might be feasible to link all these areas with parkway connections, but we have not surveyed or studied the merits or feasibility of the project contemplated by S. 808 or the possibility of establishing connecting links between all the areas we have mentioned. It is our opinion, therefore, that enactment of the bill at this time would be inexpedient.

Under the act of June 23, 1936 (49 Stat. 1894), this Department has the authority to undertake a study of the feasibility of such a project as S. 808 provides for. We hope to do this when personnel and funds are available for the purpose. Until we have had an opportunity to study or survey the merits and suitability of the bill from a national standpoint, we cannot recommend the enactment of the bill.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

JOHN A. CARVER, JR.,
Assistant Secretary of the Interior.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., June 21, 1961.

Hon. CLINTON P. ANDERSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate.

DEAR SENATOR ANDERSON: This is in response to your request of February 8 for a report by this Department on S. 808, a bill "To authorize the Secretary of the Interior to establish a national parkway in the State of Utah."

This Department would object to enactment of S. 808 unless it is amended as hereinafter set forth.

S. 808 would authorize the Secretary of the Interior to establish and maintain a national parkway connecting the national parks and monuments in southwestern Utah with national recreation areas and monuments in southeastern Utah. Such parkway would include recreational areas, traffic interchanges, service roads, and such other structures as the Secretary of the Interior might find desirable. The Secretary of the Interior would be authorized to acquire lands and interests in lands necessary for the parkway by donation, purchase, exchange, or condemnation. The Secretary of the Interior would also be authorized to acquire Federal lands by transfer from other Federal agencies on terms acceptable to the administering agency and the Secretary of the Interior. Provision is made for ingress and egress permits to adjoining private landowners and lessees.

The bill would authorize the Secretary of Agriculture, with the concurrence of the Secretary of the Interior, to connect with the parkway such roads and trails as might be necessary for the protection, administration, or utilization of any adjacent nearby national forest and the resources thereof. Under the bill, the Forest Service and National Park Service would be required, insofar as practicable, to coordinate and correlate recreational development on lands within their jurisdictions which, by mutual agreement, should be given special treatment for recreational purposes.

The parkway would be administered by the National Park Service in accordance with the act of August 25, 1916 (39 Stat. 535), as amended and supplemented.

The bill does not specify the detailed location or maximum width of the proposed

parkway. However, a parkway which would connect the national parks and monuments in southwestern Utah with national recreation areas and monuments in southeastern Utah would most probably traverse substantial areas of national forest lands, particularly within the Dixie National Forest. This being so, the proposed parkway could have a material effect on the use and management of the national forests.

Construction, operation, and administration of the narrow parkway strip through the national forests would be by the National Park Service under policies and principles which to some extent at least would be in conflict with those under which the national forests are established and administered. For example, although permitted in the national forests, the commercial transport of logs, livestock or minerals normally is not permitted on parkways, nor are hunters authorized to carry firearms on them except under restricted conditions. Such national forest uses as grazing, timber harvest, mining, hunting, and commercial developments except those to accommodate parkway visitors, are ordinarily prohibited within parkway areas.

Where topography is rugged, the resulting opportunities for crossing of such a parkway and for ingress and egress points might be limited, thus affecting the movement of timber, livestock, minerals and other national forest products and of national forest users, such as hunters, on and from national forest lands. In this situation, national forest users might need to utilize portions of the parkway between such connecting roads or trails.

To avoid possible undue interference with the utilization and management of the national forests, it is essential not only that provisions for connection with or crossing of the proposed parkway by national forest roads and trails be assured but also that the use of segments of the parkway between logical ingress and egress points for transport of national forest products be stipulated so that there will be no future question in this regard. Similarly, the right of hunters and other national forest users to traverse short sections of the parkway with their usual firearms, hunting dogs, and other equipment should be provided for, so that use and enjoyment of the adjacent national forest lands will not be unduly impeded or handicapped. The parkway and regulations for its use should be designed to accommodate such national forest users. Furthermore, if the parkway route utilizes existing highway or road rights-of-way or segments thereof which are presently serving national forest users, continuation of such uses in the future should be assured in the bill.

Because the particular location of the parkway through the national forests could have a material adverse effect on national forest management and utilization we think it essential that the bill specify that this Department join in determining the location and extent of the proposed parkway and its appurtenant areas and facilities within national forest boundaries. Through joint planning, the parkway could be so located as to accomplish to the fullest extent practicable the purposes of S. 808 with minimum adverse impact on the national forests.

The bill provides for development of recreational areas as a part of the proposed parkway. Presumably, these would include campgrounds, picnic areas, and possible resorts providing lodging and food. Such a program could duplicate the program of recreation resources development and management being carried out on the nearby national forests. To assure adequate advance planning and correlation between the two agencies and to avoid overlapping within this function, we think that there should be full agreement in advance between the National Park Service and the Forest Service as to what each agency will undertake in the way of recreational developments on and adjoining the parkway. Accordingly, we believe that the bill should provide for such correlation and agreement prior to the commencement of construction of any segment of the parkway through the national forests.

The foregoing matters can be adequately accomplished by the following amendments to S. 808:

Page 2, line 2: Strike the period and add "; *Provided*, That the location and specifications of such parkway within national forests shall be jointly determined by the Secretary of the Interior and the Secretary of Agriculture."

Page 2, lines 15, 16, 17: Strike ", with the concurrence of the Secretary of the Interior, to connect with" and insert "to require connections and crossings of." Insert "by" between "parkway" and "such."

Page 2, at the end of line 19 and before line 20 insert "The portions of such parkway which lie between connecting or crossing roads or trails or which utilize existing highway or road rights-of-way serving the national forests shall be available for use in the protection, administration or utilization of the adjacent or nearby national forests when such use is necessary as determined by the Secretary of Agriculture."

Page 2, line 20: Strike the word "The" preceding the word "Forest" and insert in lieu thereof "Prior to construction of any segment of the parkway through a national forest, the".

Page 2, lines 20 and 21: Strike the words ", insofar as practicable,".

Page 2, line 25: Strike the period and add "in connection with the parkway."

Construction of a parkway through the national forest would in any event complicate to some extent national forest administration and use. Inclusion of the above recommended provisions in the authorizing legislation, however, would minimize this impact and assure that the objectives and uses of the national forests and the proposed parkway would be effectively coordinated on the ground.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

ORVILLE L. FREEMAN,
Secretary.

EXTENSION TO JUDGES OF FEDERAL COURTS THE PRINCIPLE OF RETIREMENT NOW IN EFFECT FOR JUDGES OF COURTS IN TERRITORIES AND POSSESSIONS

Mr. EASTLAND. Mr. President, by request, I introduce, for appropriate reference, a bill to amend section 371, title 28, United States Code, to provide an alternative plan for the retirement of justices and judges, and for other purposes. I ask unanimous consent to have printed in the RECORD at this point an analysis of the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the analysis will be printed in the RECORD.

The bill (S. 2285) to amend section 371, title 28, United States Code, to provide an alternative plan for the retirement of justices and judges, and for other purposes, introduced by Mr. EASTLAND, by request, was received, read twice by its title, and referred to the Committee on the Judiciary.

The analysis presented by Mr. EASTLAND is as follows:

ANALYSIS OF THE BILL TO EXTEND TO JUSTICES AND JUDGES OF THE FEDERAL COURTS THE PRINCIPLE OF RETIREMENT AT PROPORTIONATE PAY WHICH IS ALREADY IN THE LAW FOR JUDGES OF THE COURTS IN THE TERRITORIES AND POSSESSIONS (SEE 28 U.S.C. 373)

I

Subsection "(c)" on page 1 would constitute a new subsection (c) to be added to 28 U.S.C. 371.

The principle is sound and is already part of the Federal law; 28 U.S.C. 373 dealing with a proportionate retirement plan reads that if a judge of a U.S. district court in one of the territories has served less than 16 years but has served at least 10 years, he may retire and receive during the remainder of his life "that proportion of his salary which the aggregate number of years of his judicial service bears to 16."

No judge will be permitted to retire until he shall have attained the age of 65 and shall have served at least 10 years. The plan is purely optional and may become effective only if the judge himself applies for such retirement and agrees to accept "in lieu of the full salary of his office" a proportion of his salary based on the ratio by the aggregate number of years of service and 15 years.

II

Subsection "(b)" on page 2 simply inserts the new subsection (c) in the present text of 28 U.S.C. 376.

III

Subsection "(c)" on page 2 will bring any judge who may retire under amended section 371(c) within the scope of the present statute, title 23, United States Code, section 294 relating to the assignment of retired justices or judges. This is accomplished simply by interpolating "371(c)" after the present reference to 371(b). Thus, any judge who seeks and takes retirement under the amendment will become a "senior judge" and may continue "to perform such judicial duties as he is willing and able to undertake," just as is true now of all other retired Federal judges who come within section 294.

IV

Accordingly, it will readily be seen that the only amendment of substance is that which authorizes an election to accept the pro rata retirement plan. If a judge be permanently disabled, of course, after 10 years' service, he is entitled to full retirement pay for life under title 28, United States Code, section 372. Of course there are many judges who are disabled to a very considerable degree or whose ability to work continuously has been impaired. Such judges nevertheless are capable of very substantial work over a considerable portion of the year. By accepting the proportionate retirement plan, they not only make themselves eligible for assignment but, quite reasonably, they agree to accept less compensation than if they were in full, continuous, active service. Moreover, as is true under present law, if any such judge shall retire, a vigorous, younger man in full prime of life can be appointed to fill any vacancy created by the judge who so retires. Actually, in addition, it costs the Government no more than if he served out his full 15 years, such a judge would receive full pay for life—and so would his successor.

In a nutshell, this proposal will help retain a vigorous complement of judges; it will get the most service out of those who are capable of such service; it will permit assignment of retiring judges to assist in reducing congestion in areas where additional judicial manpower may be lacking; and

finally, the bill would do no more than extend to Federal judges generally the principle already in force for territorial court judges.

ORGANIZATION OF COURTS

CHAPTER 17—RESIGNATION AND RETIREMENT OF JUDGES

Sec.
371. Resignation or retirement for age.
372. Retirement for disability; substitute judge on failure to retire.
373. Judges in Territories and Possessions.
374. Residence of retired judges.

Section analysis amended by Act Feb. 10, 1954, c. 6, § 4(b), 68 Stat. 13.

§ 371. Resignation or retirement for age.

(a) Any justice or judge of the United States appointed to hold office during good behavior who resigns after attaining the age of seventy years and after serving at least ten years continuously or otherwise shall, during the remainder of his lifetime, continue to receive the salary which he was receiving when he resigned.

(b) Any justice or judge of the United States appointed to hold office during good behavior may retain his office but retire from regular active service after attaining the age of seventy years and after serving at least ten years continuously or otherwise, or after attaining the age of sixty-five years and after serving at least fifteen years continuously or otherwise. He shall, during the remainder of his lifetime, continue to receive the salary of the office. The President shall appoint, by and with the advice and consent of the Senate, a successor to a justice or judge who retires. As amended Oct. 31, 1951, c. 655, § 39, 65 Stat. 724; Feb. 10, 1954, c. 6, § 4(a), 68 Stat. 12.

(c) Amended retirement language of this bill would be inserted here.

§ 372. Retirement for disability; substitute judge on failure to retire

Any justice or judge of the United States appointed to hold office during good behavior who becomes permanently disabled from performing his duties may retire from regular active service, and the President shall, by and with the advice and consent of the Senate, appoint a successor.

Any justice or judge of the United States desiring to retire under this section shall certify to the President his disability in writing.

Whenever an associate justice of the Supreme Court, a chief judge of a circuit or the chief judge of the Court of Claims, Court of Customs and Patent Appeals, or Customs Court, desires to retire, under this section, he shall furnish to the President a certificate of disability signed by the Chief Justice of the United States.

A circuit or district judge, desiring to retire under this section, shall furnish to the President a certificate of disability signed by the chief judge of his circuit.

A judge of the Court of Claims, Court of Customs and Patent Appeals, or Customs Court desiring to retire under this section, shall furnish to the President a certificate of disability signed by the chief judge of his court.

CONGRESSIONAL REVIEW OF FEDERAL GRANTS-IN-AID

Mr. MUSKIE. Mr. President, I introduce, for appropriate reference, for myself and Senators MUNDT, ERVIN, and HUMPHREY, a bill to provide for periodic congressional review of Federal grants-in-aid to State and local units of government. The proposed legislation would carry out a recommendation of the Advisory Commission on Intergovernmental Relations of which the Senator from South Dakota and the Senator from North Carolina, and I are members.

The objective of this proposed legislation is to establish uniform policies and procedures for review of new grant-in-aid programs which are designed to assist States or their political subdivisions in meeting, at the State and local level, recognized national needs. Some of the programs may be designed to stimulate State and local action, and others may be designed as long-term cooperative programs. However, in spite of the favorable acceptance of the grant-in-aid method of obtaining intergovernmental cooperation, considerable concern has been expressed that there is great difficulty in terminating or reorienting grant programs once they have been in existence for long periods of time.

Under the proposed legislation, any new grant program hereafter enacted by Congress would automatically expire at the end of 5 years unless an earlier date is specifically provided, or unless application of the act has been specifically waived in recognition of the intent to provide continuing Federal assistance in a given program. The bill provides that appropriate legislative committees of the Congress shall, at the end of 4 years, address themselves to the following questions:

First. The extent to which the purposes for which the grants-in-aid are authorized have been met;

Second. The extent to which the States or political subdivisions thereof are able to carry on such programs without further financial assistance from the United States; and

Third. Whether or not any changes in the purpose or direction of the original program should be made.

The proposed legislation does not apply to existing grants, but we hope that such programs will also be assessed periodically by Congress and the executive agencies in terms of the same criteria established by this bill.

The Advisory Commission recognizes that grant programs are presently subject to review by the appropriate legislative committees of the Congress and in the course of the appropriation process. In addition, of course, the respective executive agencies give close attention to the operation of programs for which they are held responsible.

The proposed legislation will have two salutary effects, in my opinion. It will strengthen the existing review machinery through a systematic and uniform policy and procedure for review and reexamination of new grant program. It will also encourage Congress and the executive branch to make a decision at the time new grants-in-aid programs are considered as to whether such programs should be used as stimulation for State and local activity or as long-term cooperative ventures. Basically, I believe this proposed legislation will serve to strengthen the grants-in-aid approach to intergovernmental relations. Through the careful revision procedures we will be able to strengthen the good points of grants-in-aid programs, avoid disruption of such programs, and prevent the continuation of programs beyond their useful life.

I ask unanimous consent that the text of the bill be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2286) to provide for periodic congressional review of Federal grants-in-aid to State and local units of Government, introduced by Mr. MUSKIE (for himself and other Senators), was received, read twice by its title, referred to the Commitee on Government Operations, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the purpose and intent of this Act to establish a uniform policy and procedure whereby programs for grant-in-aid assistance from the Federal Government to the States or to their political subdivisions which may be enacted hereafter by the Congress shall be made the subject of sufficient subsequent review by the Congress and the President as to insure that grant programs are revised and redirected as necessary to meet new conditions arising subsequent to their original enactment and that grant programs are terminated when they have substantially achieved their purpose.

SEC. 2. Unless otherwise provided by the Congress in the specific instance, any statute hereafter enacted by the Congress which provides for a grant-in-aid from the Federal Government to States or to political subdivisions thereof shall be subject to the provisions of this Act: *Provided, however,* That this Act shall not apply to authorizations for shared revenues, or loans and repayable advances, nor shall it apply to any grant-in-aid statute now in effect, except that where a new category of grant assistance is incorporated into an existing statute, the provisions of this Act shall apply with respect to the new category incorporated.

SEC. 3. (a) Whenever an Act of Congress enacted after the effective date of this Act provides for grants of funds from the United States to a State or a political subdivision thereof, the authorization for such grant shall expire on June 30 of the fifth calendar year which begins after the effective date of such Act unless an earlier date is otherwise specifically provided by law. Where such Act is extended beyond the date on which it would otherwise expire (whether by its terms or by reason of this Act) such extension shall expire on June 30 of the fifth calendar year which begins after the effective date of the Act making the extension unless an earlier expiration date is specifically provided.

(b) On or before June 30 of the calendar year preceding the year in which such program will expire by reason of subsection (a), the committees of the House and of the Senate to which legislation extending such program would be referred shall, separately or jointly, conduct studies of such program with a view to ascertaining, among other matters of concern to the committees, the following:

(1) The extent to which the purposes for which the grants-in-aid are authorized have been met.

(2) The extent to which the States or political subdivisions thereof are able to carry on such programs without further financial assistance from the United States.

(3) Whether or not any changes in purpose or direction of the original program should be made.

Each such committee shall report the results of its investigation and study to its respective House not later than March 1 of the calendar year in which the program is due to expire pursuant to subsection (a).

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO DEPLETION ALLOWANCE FOR CLAY PRODUCTS INDUSTRY

Mr. ERVIN. Mr. President, I introduce, for appropriate reference, two bills to amend the Internal Revenue Code of 1954. Each of these bills is concerned with an aspect of the depletion allowance for the clay products industry.

The first of these bills is introduced by me, on behalf of myself, the Senator from Colorado [Mr. ALLOTT], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. CARLSON], the Senator from Kentucky [Mr. COOPER], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from California [Mr. ENGLE], the Senator from Alabama [Mr. HILL], the Senator from North Carolina [Mr. JORDAN], the Senator from California [Mr. KUCHEL], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Iowa [Mr. MILLER], the Senator from Kentucky [Mr. MORTON], the Senator from Kansas [Mr. SCHOEPPEL], the Senator from Florida [Mr. SMATHERS], the Senator from Alabama [Mr. SPARKMAN], the Senator from Georgia [Mr. TALMADGE], and the Senator from South Carolina [Mr. THURMOND].

The second of the bills is introduced by me on behalf of myself, the Senator from Colorado [Mr. ALLOTT], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. CARLSON], the Senator from Kentucky [Mr. COOPER], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from California [Mr. ENGLE], the Senator from Alabama [Mr. HILL], the junior Senator from North Carolina [Mr. JORDAN], the Senator from California [Mr. KUCHEL], the Senator from Iowa [Mr. MILLER], the Senator from Kentucky [Mr. MORTON], the Senator from Kansas [Mr. SCHOEPPEL], the Senator from Florida [Mr. SMATHERS], the Senator from Alabama [Mr. SPARKMAN], the Senator from Georgia [Mr. TALMADGE], the Senator from South Carolina [Mr. THURMOND], the Senator from Nebraska [Mr. CURTIS], the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Texas [Mr. YARBOROUGH].

The American clay products industry, composed of hundreds of small businesses, in determining its depletion allowance, has relied upon more than 50 decisions of the U.S. Federal courts holding that the raw clay used by this industry is not a marketable product, together with implementing regulations of the Internal Revenue Service. However, the U.S. Supreme Court in deciding the case, *United States* v. *Cannelton Sewer Pipe Company* (364 U.S. 76), held on June 27, 1960, that fire clay was marketable in raw stages but expressly distinguished that case from all previous decisions referred to above. Even so, the Internal Revenue Service indicated that it would seek to collect taxes over a period of several years on the basis of its interpretation of the decision in the Cannelton case. Such action by the Internal Revenue Service would cause extreme hardship and uncertainty as well as seriously threatening bankruptcy for many small businesses.

The first of the bills which I offer today is designed to place the depletion allowance for the clay products industry at 15 percent, with the kiln as the cutoff point, the same rate, for example, as that for the competing cement industry; this rate, incidentally, would give the industry appreciably less, in actual value, than the allowance enjoyed prior to the enactment of legislation last year. The second bill would correct inequities caused by the Treasury Department's reversal of its previous regulations, thereby reducing the percentage depletion rate for this industry for all open years.

It is my feeling that these bills are desirable as a means of correcting, to a considerable extent, the inequities inflicted on the clay-products industry by the present law, coupled with the recent action taken by the Treasury Department relative to the industry's depletion allowance.

The clay products industry is comprised mostly of small businesses located in 49 of our 50 States. These plants are scattered about the outskirts of various towns and cities. Most of them are owned by small groups of individuals. Nevertheless, they are vital to our economy, not only because they supply construction material, but because they provide jobs for many people in the communities in which they are located. In North Carolina alone we have a number of plants which provide substantial employment and the multiplied effect on the economy of their operations is significant. I am familiar with the operations of these businesses and I feel strongly that they should be encouraged not only to continue their operations but to expand them.

In 1960 the clay products industry was dealt a severe blow. Congress passed a statute which virtually eliminated the depletion deduction which brick manufacturers had previously been allowed. Subsequently, the U.S. Treasury Department reversed its regulations and substituted a regulation providing that percentage depletion would be disallowed for all open years. The net result of these developments is that many brick companies will be so burdened with retroactive taxes that they cannot remain in business. Those who do survive will be unable to accumulate sufficient capital to adequately maintain and expand their facilities.

Prior to the 1960 crushing legislation and oppressive regulation, manufacturers of brick and tile were allowed a reasonable deduction for depletion. Although it was not comparable to most of the depletion deductions allowed for other minerals, it was sufficient to enable brick manufacturers to pour part of their earnings into capital and to enable them, in some instances, to establish a cash reserve for the intermittent lean years.

The number of new plants has increased and the facilities of existing plants have been greatly improved and expanded, in reliance on the depletion deduction to which the Federal courts—including the U.S. Supreme Court—have consistently held the industry to be entitled. In addition, the U.S. Treasury Department has agreed with the decisions of the courts, as indicated in Technical Information Bulletin No. 62, Internal Revenue Service.

In 1951, Congress included brick and tile clay and fire clay among those minerals for which tax depletion allowances are given. The necessity for such allowances was noted by Mr. Justice Clark, in his opinion in the Cannelton case, when he stated that "mineral depletion for tax purposes is an allowance from income for the exhaustion of capital assets. *Anderson* v. *Helvering* (310 U.S. 404 (1940)). In addition, it is based on the belief that its allowance encourages extensive exploration and increasing discoveries of additional minerals to the benefit of the economy and the strength of the Nation."

Last year, Congress, in its revision of section 613 of the Internal Revenue Code of 1954, effectively reduced the depletion allowance for clay to practically zero. This legislation effectively decimated the depletion allowance for clay but retained a considerable allowance for the cement industry, which is markedly similar to the clay industry in its production processes and highly competitive in its uses. One year's experience with this existing law has proven that it is having a disastrous effect upon the brick and tile industry. The depletion allowance is of utmost importance to this industry and it is imperative that Congress enact legislation immediately to give this industry equitable treatment under our tax laws.

Unfortunately, this industry was not only discriminated against by the Congress, but also by the executive branch of the Government. As I mentioned earlier, the Internal Revenue Service has indicated that it will reverse its own rulings of 4 years ago and collect back taxes on all open years, that is, the years for which the statute of limitations has not run, which in some cases goes back to 1951.

The inequity of this situation was pointed out earlier this year when the clay products industry presented to the Director of Internal Revenue a brief in which it urged the Internal Revenue Service to make no attempt to apply the Government's interpretation of the decision in United States against Cannelton Sewer Pipe Co., to any taxable year beginning prior to December 14, 1959.

The industry's position is first, that the Internal Revenue Service by its regulations, made a formal written representation to the miners of the mineral brick and tile clay; second, that for several years the brick and tile clay miners made major business decisions in reliance upon that representation, as they

had every right to do; and third, that if the Internal Revenue Service now reneges on that representation, such an indefensible course of action will cause the miners of brick and tile clay to suffer severe and irreparable hardships and will result in gross discrimination between taxpayers who are in keen competition with each other and who are similarly situated in all respects that ought to be controlling.

As a part of its brief to the Internal Revenue, the industry included a statement of historical background which provides the basis for the industry's position in this matter. It is my feeling that a review of the history of this case will reveal a compelling argument in support of the legislation which I offer at this time. I ask unanimous consent that the text of the statement of historical background, along with several ancillary articles which largely comprised the industry's brief, may be be printed in the RECORD at this point.

I ask unanimous consent that the text of a statement on the historical background of these bills be printed at this point in the RECORD; and that the text of the bills which I am introducing today be printed in the RECORD; and that the bills lie on the table for 1 week, in order that other Senators may have an opportunity to join in sponsoring them, if they so desire.

The VICE PRESIDENT. The bills will be received and appropriately referred; and, without objection, the bills and statement will be printed in the RECORD, and the bills will lie on the desk, as requested by the Senator from North Carolina.

The bills, introduced by Mr. ERVIN (for himself and other Senators), were received, read twice by their titles, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

By Mr. ERVIN (for himself, Mr. ALLOTT, Mr. CAPEHART, Mr. CARLSON, Mr. COOPER, Mr. EASTLAND, Mr. ELLENDER, Mr. ENGLE, Mr. HILL, Mr. JORDAN, Mr. KUCHEL, Mr. MCCLELLAN, Mr. MILLER, Mr. MORTON, Mr. SCHOEPPEL, Mr. SMATHERS, Mr. SPARKMAN, Mr. TALMADGE, and Mr. THURMOND):

S. 2288. A bill to amend the provisions of the Internal Revenue Code of 1954 relating to the percentage depletion rate for clay and shale used in the manufacture of brick, tile, and kindred products and the treatment processes considered as mining in the case of such clay and shale.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 613(b)(3) of the Internal Revenue Code of 1954 (relating to natural deposits allowed percentage depletion at the rate of 15 percent) is amended to read as follows:

"(3) 15 percent—bentonite, clay, metal mines (if paragraph (2)(B) does not apply) rock asphalt, shale (when used, or sold for use, in the manufacture of building or paving brick, drainage and roofing tile, sewer pipe, flower pots, and kindred products), and vermiculite."

(b) Section 613(b)(5) of such code (relating to natural deposits allowed percentage depletion at the rate of 5 percent) is amended—

(1) by inserting after "shale" in subparagraph (A) "(except shale to which paragraph (3) applies)";

(2) by inserting "and" at the end of subparagraph (A); and (3) by striking out subparagraph (B), and redesignating subparagraph (C) as subparagraph (B).

SEC. 2. Section 613(c)(4)(G) of the Internal Revenue Code of 1954 (relating to treatment processes considered as mining) is amended to read as follows:

"(G) in the case of clay and shale used, or sold for use, in the manufacture of building or paving brick, drainage and roofing tile, sewer pipe, flower pots, and kindred products—all processes (other than preheating of the kiln feed) applied prior to the introduction of the kiln feed into the kiln, but not including any subsequent process;".

SEC. 3. The amendments made by this Act shall be applicable only with respect to taxable years beginning after December 31, 1960.

By Mr. ERVIN (for himself, Mr. ALLOTT, Mr. CAPEHART, Mr. CARLSON, Mr. COOPER, Mr. EASTLAND, Mr. ELLENDER, Mr. ENGLE, Mr. HILL, Mr. JORDAN, Mr. KUCHEL, Mr. MILLER, Mr. MORTON, Mr. SCHOEPPEL, Mr. SMATHERS, Mr. SPARKMAN, Mr. TALMADGE, Mr. THURMOND, Mr. CURTIS, Mr. FULBRIGHT, and Mr. YARBOROUGH):

S. 2289. A bill relating to the application of the terms "gross income from mining" and "ordinary treatment processes normally applied by mineowners or operators in order to obtain the commercially marketable mineral product or products" to certain clays and shale for taxable years beginning before December 14, 1959; to the Committee on Finance.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the decision of the Supreme Court of the United States in United States against Cannelton Sewer Pipe Company (1959) (364 U.S. 76), the terms "gross income from mining" and "ordinary treatment processes normally applied by mineowners or operators in order to obtain the commercially marketable mineral product or products" as used in paragraphs (1) and (2) of section 613(c) of the Internal Revenue Code of 1954 as in force for taxable years beginning before January 1, 1961 (and the corresponding provisions of the Internal Revenue Code of 1939), in their application to the terms "shale" and "clay" as used in paragraphs (3)(A), (3)(B), and (5)(B) of section 613(b) of the Internal Revenue Code of 1954 (or corresponding provisions of the Internal Revenue Code of 1939) shall, for any taxable year beginning before December 14, 1959, be treated as having a meaning consistent with the principles set forth in the decisions of the United States Court of Appeals for the Fifth Circuit in the United States against Cherokee Brick and Tile Company (1955) (218 F. 2d 424) and United States against Merry Brothers Brick and Tile Company (1957) (242 F. 2d 708) (certiorari denied, 355 U.S. 824).

The statement of historical background presented by Mr. ERVIN is as follows:

HISTORICAL BACKGROUND

By the Revenue Act of 1943, the following definition of "gross income from the property" was written into section 114(b)(B) of the 1939 Code:

"As used in this paragraph the term 'gross income from the property' means the gross income from mining. The term 'mining' as used herein, shall be considered to include not merely the extraction of the ores or minerals from the ground but also the ordinary treatment processes normally applied by mineowners or operators in order to obtain the commercially marketable mineral product or products."

The same language was carried forward without change into section 613(c) of the 1954 Code.

In the Senate report that accompanied the above quoted provision of the Revenue Act of 1943, the Senate Finance Committee stated:

"The purpose of this provision is to make certain that the ordinary treatment processes which a mineowner would normally apply to obtain a marketable product shall be considered as a part of the mining operation. * * * The law has never contained such a definition, and its absence has given rise to numerous disputes. The definition here prescribed expresses the congressional intent of these provisions as first included in the law. * * * It is therefore made retroactive to the date of such original provisions."

By the Revenue Act of 1951, the mineral "brick and tile clay" was for the first time granted a depletion allowance, but the depletion rate was limited to 5 percent of the gross income from mining (sec. 114(b)(4)(A) of the 1939 Code). That depletion allowance was carried forward without change into section 613(b)(5) of the 1954 Code.

Senator Walter F. George, of Georgia, was chairman of the Senate Finance Committee when the depletion allowance for "brick and tile clay" was written into the Revenue Act of 1951. In a letter dated June 4, 1955, which Senator George wrote to Mr. T. Coleman Andrews, the then Commissioner of Internal Revenue, Senator George stated:

"I personally recall the discussion in executive session between members of the Senate Finance Committee when this statute was under consideration. At the time it was not only understood but I pointed out what I knew and believed to be the facts about brick manufacture. Brick clay at this time has no commercially marketable value until it is baked or cooked. The Senate Finance Committee certainly understood this clearly before the (1951 Revenue) act, giving depletion allowance to brick clay, was passed. * * * The statute defining mining for purposes of computing depletion allowance for Federal income and excess profits tax purposes does not exclude manufacturing processes so long as they are ordinary processes normally and necessarily used in obtaining commercially marketable mineral products."

Therefore, regardless of the interpretation placed on the decision in *United States* v. *Cannelton*, supra, and regardless of the congressional intent evidenced by what has come to be referred to as the Gore amendment (i.e., sec. 302 of Public Law 86–564), reasonable men were certainly entitled to believe, prior to June 1960 (during which month the Cannelton decision was announced and the Gore amendment was adopted), that (1) the statutory definition of mining contained in the 1943 Revenue Act, (2) the Senate Report which accompanied that act, and (3) Senator George's letter to Commissioner Andrews, clearly established "gross income from mining must include the income from treatment processes which must normally be applied to the ore or mineral to obtain 'the commercially marketable mineral product or products,' that is, the products obtained by the mine owner or operator for which a commercial market exists, the products which are marketable in commerce" (quoting Judge Dobie in *Townsend* v. *Hitchcock Corp.* (232 F. (2d) 444 (CCA–4, 1956)).

The taxpayers were further supported in their interpretation of the statutory language in question when Judge Holmes, for the fifth circut, held flatly in *United States* v. *Cherokee Brick & Tile Company* (218 F. (2d) 424 (C.C.A. 5, 1955)) that a miner of brick and tile clay was entitled to base his depletion allowance on the selling price of its burnt brick, because the burnt brick was the miner's first commercially marketable product.

In *United States* v. *Sapulpa Brick and Tile Corporation* (239 F. (2d) 694 (C.C.A. 10,

1956)) which was a case involving the depletion allowance for "brick and tile clay," Judge Phillips, for the 10th circuit, held:

"The applicable statutory language is clear and unambiguous. It clearly means that gross income from mining includes the income from treatment processes, which must normally be applied to the mineral to obtain 'the commercially marketable mineral product or products,' that is, to obtain the first product which is commercially marketable. Here, that first product is burnt brick and tile."

Thus, for a period of several years preceding 1957, there was an unbroken succession of Federal court decisions which were uniformly against the Government and in favor of the taxpayers. Only one court ever held for the Government during this period, and Judge Magruder, for the first circuit, in a very comprehensive and learned opinion, promptly reversed that judgment and held for the taxpayer in *Dragon Cement Company* v. *United States* (244 F. (2d) 513 (C.C.A. 1, 1957)).

At that point the Government asked the fifth circuit to reconsider its decision in the *Cherokee* case. In *United States* v. *Merry Brothers Brick and Tile Company* (242 F. 2d, 708 (C.C.A. 5, 1957)), which was yet another case involving the depletion allowance for brick and tile clay, Judge Hutcheson, speaking for the court, wrote that "The undisputed facts and every sound consideration of statutory construction and application support indeed compel the conclusion that (the Cherokee decision) was right and should be adhered to."

The Government then petitioned the Supreme Court of the United States to review the decisions in the Merry Brothers and Dragon Cement cases. However, after comprehensive briefs were submitted by both sides, the Supreme Court, on October 14, 1957, denied certiorari in both cases.

That denial of certiorari left four circuits (the first, fourth, fifth, and tenth), the Tax Court, and districts courts in the sixth and ninth circuits unanimously against the Government on this question, without a single outstanding dissent in the entire Federal judiciary.

It was against that historical background that the Internal Revenue Service, on October 18, 1957, which was only 4 days after the denial of certiorari by the Supreme Court, issued technical information release No. 62.

That official statement by the Internal Revenue Services constitutes the primary basis for the assertion of this request. Therefore, T.I.R. 62 is here copied verbatim, to wit:

"The Internal Revenue Service announced today that in view of the denial by the Supreme Court of the United States on October 14, 1957, of the Government's petitions for certiorari in *United* v. *Merry Brothers Brick & Tile Co. et al.* (242 Fed. (2d) 708 (1947)), and in *Dragon Cement Co., Inc.* v. *United States* (244 Fed. (2d) 513, 1957)), it is taking steps to dispose of pending litigation and claims involving brick and tile clay and cement rock, as required under these decisions, and to conform Treasury regulations and outstanding rulings accordingly. This should permit the expeditious disposition of the great majority of such cases. Consideration is being given as to the applicability of these decisions in cases involving fire clay and limestone."

In order to understand the full significance of T.I.R. No. 62, it is necessary to analyze precisely what that official pronouncement of the Internal Revenue Service did and did not do.

In the first place, by its terms T.I.R. No. 62 applied to only two minerals, namely: brick and tile clay and cement rock. It did not apply to any types or kinds of clay other than brick and tile clay, which, as I have emphasized before, was granted a depletion rate of only 5 percent. Specifically, it did not apply to ball clay, bentonite, china clay, fire clay, refractory clay, or sagger clay, all of which minerals were granted a depletion rate of 15 percent. It did not apply to any calcium carbonate (limestone) used in making cement unless that calcium carbonate could qualify as cement rock, which is calcium carbonate that contains exactly the right kind and quantity of impurities so that it is necessary to add little or nothing to the calcium carbonate in order to make cement. The overwhelming majority of the cement in the United States is made from calcium carbonate that cannot qualify as cement rock. Conversely, only a very small portion of the national production of cement is made from cement rock. Therefore, to repeat, T.I.R. No. 62, by its express terms, applied to only two minerals: brick and tile clay, which accounts for only a small portion of the dollar value of clay and clay products sales in the United States, and cement rock, which accounts for only a small portion of the dollar volume of cement sales in the United States.

However, in the case of those two minerals, which are relatively unimportant to the national tax revenue, T.I.R. No. 62 very clearly and plainly stated that the Internal Revenue Service would settle depletion claims in accordance with the principle announced in the Merry Brothers and Dragon Cement cases. The decisions in those cases leave no room for dispute about the principle that was therein announced. The principle was that the miners of brick and tile clay could base their depletion allowances on the selling price of their burnt brick and tile.

Not only did the Internal Revenue Service publicly and formally announce in T.I.R. No. 62 that it would allow brick and tile clay miners to base their depletion on the selling price of their burnt brick and tile, but for the next 2 years following that announcement, the Internal Revenue Service did in fact settle a great many depletion claims of brick and tile clay miners on that basis. Thus, for 2 years following the issuance of T.I.R. No. 62, the Internal Revenue Service actually did what it promised in T.I.R. No. 62 that it would do, and that gave the taxpayers even more reason and justification for believing that their Government could be relied upon to do what it had officially assured them that it would do.

For the issuance of T.I.R. 62 on October 18, 1957, until the U.S. Supreme Court granted the Government's petition for certiorari in the *Cannelton* case on December 14 (1959 (361 U.S. 923)), there was nothing to indicate to any interested taxpayer that he was not entitled to rely with complete faith and confidence on the plain terms of T.I.R. No. 62, because during that period of more than 2 years not only did the Internal Revenue Service follow T.I.R. No. 62 in practice, but the Federal courts, without exception, continued to follow the principle enunciated in the Merry Brothers and Dragon Cement cases.

Admittedly, after certiorari was granted in the Cannelton case on December 14, 1959, alert taxpayers could have suspected that there might be a change in the legal interpretation of the statute, and for that reason we have used December 14, 1959, as a cutoff point in this request. But prior to December 1959, there was no reason whatever for brick and tile clay miners not to rely in good faith on the statements of the Internal Revenue Service set forth in T.I.R. No. 62.

The decision in the Cannelton case was handed down on June 27, 1960.

By Revenue Ruling 60–320, same as T.I.R. No. 257, issued September 23, 1960, the Internal Revenue Service announced "that the principles of the recent decision of the Supreme Court of the United States in (the Cannelton case) will be applied in the disposition of cases involving the definition of the term "mining" for purposes of percentage depletion, and in view of this decision certain revenue rulings, long in contest by many taxpayers and inconsistent with the position taken administratively and in litigation, will be revoked." (Those revenue rulings were not further identified.)

By Revenue Ruling 61–17, same as T.I.R. No. 289, issued January 16, 1961, the Internal Revenue Service revoked certain specified revenue rulings and stated that in the case of brick and tile clay used in the manufacture of brick and tile and kindred products, "any process which is not necessary to bring such mineral to shipping form will not be considered an ordinary treatment process."

As far as we can ascertain, T.I.R. No. 62 has never yet been revoked, but the language of Revenue Rulings 60–320 and 61–17 makes it fairly obvious that the Internal Revenue Service may try to act as if T.I.R. 62 had never been issued at all. The fact that many innocent taxpayers have in good faith relied to their extreme detriment upon the unqualified representation and assurance contained in T.I.R. No. 62 has not yet been taken into account in any published statement of the Internal Revenue Service.

In December of 1960, representatives of the Structural Clay Products Institute met with Commissioner Dana Latham and discussed certain aspects of this problem. Commissioner Latham expressed the feeling that because of the circumstances outlined hereinabove, and especially because of their reliance on T.I.R. No. 62, the brick and tile clay miners were entitled to special consideration. However, he seemed to feel that because a legislative settlement had been made with the cement industry under the provisions of section 4 of Public Law 86–781, approved September 14, 1960, I.R.B. 1960–41, 25, he could not agree to nonretroactive application of the Government's interpretation of the Cannelton case with respect to the clay industry. So far as we know, Commissioner Latham never passed on the specific and limited request that is here made, but even if he did so, we respectfully ask for a reconsideration by you. This request is limited to brick and tile clay which constitutes only a small segment of the clay industry, but brick and tile clay is the only segment of the clay industry that was entitled to rely on the firm representation and assurance set forth in T.I.R. No. 62.

DIFFERENCES BETWEEN THE RELATIVE POSITIONS OF THE CEMENT INDUSTRY AND THE MINERS OF BRICK AND TILE CLAY

Since Commissioner Latham stated frankly that the legislative settlement with the cement industry was the principal stumbling block to his granting nonretroactive treatment to structural clay products industry under the terms of section 7805(b) of the code, we wish to direct your attention to the following factors which clearly establish that the miners of brick and tile clay are entitled to such nonretroactive treatment, while the cement industry was not:

1. First and foremost, our principal ground of support for this request is the justified reliance of the miners of brick and tile clay on T.I.R. No. 62. The miners of other types of clay cannot urge such reliance. Neither can the great majority of cement manufacturers urge such reliance, because, as explained above, only the small number of cement manufacturers who mine cement rock could have claimed reliance on T.I.R. No. 62. Therefore, neither the clay industry nor the cement industry can take the position here urged. It is available only to the miners of brick and tile clay and cement rock. The fact that the miners of cement

rock did not choose to urge this position does not in any way weaken the validity of the argument when it is presented by the miners of brick and tile clay.

2. It has been consistently conceded by the Government that there is not, and never has been, any commercial market for brick and tile clay anywhere in the United States until such clay has been made into burnt clay products. This is a fundamental consideration in the determination of "the first commercially marketable product," and this favorable and crucial fact situation was never available to the cement industry, because there have always been large sales of limestone, from which the great majority of cement is made. The fact questions thus inherent in all claims for depletion based on the selling price of finished cement prevent such claims from being suitable cases for mass settlement. On the other hand, the absence of crucial fact questions in the brick and tile clay cases renders them entirely proper subjects for mass settlement.

3. Of the 54 depletion cases won by the taxpayers in this area of taxation law prior to December of 1959, only 4 cases involved cement and only 1 of those cases (which case involved cement rock) was passed on by a circuit court of appeals. Thus, the miners of brick and tile clay had a long history of decided cases (in nine circuits and in the Tax Court) upon which to rely, while the cement industry had a far smaller and less reliable history of judicial decisions in its favor.

4. Approximately 40 percent of the cement industry has consistently admitted that it had no right to depletion on its finished product. No miner of brick and tile clay has ever made such a concession, and as of this date, no brick and tile clay miner has ever been denied depletion on his finished product by any Federal court. The fact that almost half of the cement industry conceded that it had no claim to depletion on its finished product makes it abundantly clear that the cement industry's claim was far weaker than that of the brick and tile clay miners. That same fact makes it equally apparent that the cement industry's claim to a nonretroactive application of the Government's interpretation of the Cannelton decision is correspondingly weaker than that of the miners of brick and tile clay.

5. Prior to the granting of certiorari in the Cannelton case in December of 1959, there had been few, if any, settlements between the Internal Revenue Service and individual cement companies wherein the depletion allowance was computed as a percentage of the value of finished cement. In contrast to that, there had been a very great many settlements between the Internal Revenue Service and individual brick and tile clay miners wherein the depletion allowance was computed as a percentage of the value of burnt brick and tile. Therefore, when the cement industry (in effect) agreed to the retroactive application of the Government's interpretation of the Cannelton decision to all of the cement companies' open years, that resulted in little, if any, discrimination or differences in treatment between the competitive cement companies. On the other hand, if the Internal Revenue Service now succeeds in applying the Government's interpretation of the Cannelton decision retroactively to all open years of the brick and tile clay miners, it will create gross inequities and discrimination between highly competitive businesses, because many of them have heretofore been allowed depletion deductions based on the value of their finished brick and tile, while others still have open years all the way back to 1951.

6. While the retroactive application of the Government's interpretation of the Cannelton decision to the cement companies resulted in those companies having to pay large sums of money to the Government, the cement companies are farflung business institutions with huge financial resources, and our understanding is that none of them has been rendered insolvent by that retroactive application. On the other hand, the miners of brick and tile clay are almost exclusively small independent businesses with limited financial resources, and there is abundant evidence that retroactive application of the Government's interpretation of the Cannelton case to the brick and tile clay miners will result in many of those miners becoming insolvent and in a number of them actually being forced out of business entirely.

INTERPRETATION OF THE CANNELTON DECISION

We do not propose in this proceeding to argue about the correct interpretation of the Supreme Court's decision in the Cannelton case. However, in your consideration of this request you should be aware of and consider the following language that appears near the conclusion of the majority opinion in the Cannelton case:

"Nor do we believe that the District Court and Court of Appeals cases involving percentage depletion and cited by (taxpayer) are apposite here. We do not, however, indicate any approval of their holdings. It is sufficient to say that on their facts they are all distinguishable" (80 S. Ct. 1588).

In a footnote to the above quoted paragraph, the Cherokee and the Merry Brothers cases are expressly mentioned as being two of the cases that "on their facts are distinguishable" from the Cannelton case. Both of those cases involved brick and tile clay, and the Supreme Court expressly declined to overrule them, so that as of this writing they and many similar Federal court decisions involving brick and tile clay remain unaffected by the Cannelton decision.

The point we wish to make of this is that if you grant the request here urged, you do no violence to the language employed by the Supreme Court in the Cannelton case. On the contrary, you will merely be following the controlling decisions involving brick and tile clay which today stand unqualified and unimpaired in the 4th, 5th, 6th, and 10th circuits. There are no contrary decisions involving brick and tile clay in any Federal court in the Nation.

RELIANCE, HARDSHIP AND DISCRIMINATION

During the period of more than 2 years which elapsed after the Internal Revenue Service issued T.I.R. 62 on October 18, 1957, and before certiorari was granted in the Cannelton case on December 14, 1959, miners of brick and tile clay were fully justified in making business decisions, and they did in fact make business decisions, in reliance on their Government's formal assurance that they would receive a statutory depletion allowance equal in amount to 5 percent of the sales of their burnt brick and tile and that they would receive that depletion allowance for all of their taxable years from 1951 forward.

Typically, the business decisions made by the brick and tile clay miners in reliance on the Internal Revenue Service's above described representation were decisions to improve and enlarge their plant facilities, to distribute accumulated earnings in the form of dividends to shareholders, and to keep the selling prices of their burnt brick and tile as low as possible in order to try to meet the competition of newly developed building materials. For example, since 1951 the price of steel has increased by 66 percent, the price of cement has increased by 45 percent, but the price of brick and tile has increased by only 27 percent. In the face of constantly rising costs, the miners of brick and tile clay have been able to keep their selling prices relatively low only because they were relying on the Government's assurance that they would receive a depletion allowance equal to 5 percent of the selling price of their burnt brick and tile.

However, regardless of whether the brick and tile clay miners have reduced their surplus funds to a minimum because of expenditures for plant expansion, or because of distributions of surplus in the form of dividends, or merely because they charged less for their burnt clay products than they otherwise would have done, the result is the same. They have reduced their surplus funds to a minimum, and they have established no large contingent reserves for taxes because the Internal Revenue Service expressly told them that they had no contingent liability in the area of depletion deductions. Therefore, if the Internal Revenue Service now attempts to go back on its word and substantially disallow depletion deductions in all open years, such action will result in economic chaos in the industry, and in many cases it will actually render the taxpayers insolvent.

In addition to the hardships described above, the application of the Government's interpretation of the Cannelton decision to all open taxable years of the miners of brick and tile clay will result in gross discrimination between highly competitive taxpayers that are similarly situated.

The structural brick and tile industry is composed of 653 plants which are owned by 511 taxpayer companies and which are situated in 49 of the 50 States. These small independent businesses compete with each other under highly competitive conditions, and, therefore, it is traditionally an industry which operates with a very small margin of profit. Consequently, any factor which creates for one of those businesses a substantial disadvantage in comparison with its competitors may well prove disastrous to that business.

The answers to a questionnaire recently received from 373 of the members of the Structural Clay Products Institute indicate that approximately 20 percent have taxable years open prior to 1957 (of course, limitation has not yet run on 1957 and subsequent years), and approximately 10 percent have taxable years open all the way back to 1951. Of course, the converse of this is that the Internal Revenue Service cannot now assess deficiencies on approximately 80 percent of the brick and tile clay miners for more than the last 2 or 3 years.

From the foregoing statistics, it is apparent that any attempt by the Internal Revenue Service to apply the Government's interpretation of the Cannelton case to all open taxable years of brick and tile clay miners will result in gross discrimination between the approximately 80 percent who have few open years subject to assessment and the approximately 20 percent who have many open years subject to assessment.

Mr. MILLER. Mr. President, I wish to say that I associate myself thoroughly with the remarks of the able Senator from North Carolina [Mr. ERVIN]. I am a cosponsor of both of the bills he has introduced. I believe it is well to point out that these bills are designed to eliminate a very serious inequity which has arisen as a result of defects in our system of handling tax cases. Some of the tax cases involving the clay industry go back 8 or 9 years. They have been delayed as a result of waiting for other cases to be decided in other courts, particularly Federal district courts.

It seems to me that when taxpayers have in good faith entered into extensions of the statute of limitations, for the purpose of enabling an equitable settlement to be worked out with the

Treasury, and when other taxpayers have not done so, the taxpayers who have cooperated should not be prejudiced in the ultimate settlement of the cases. But that is exactly what has happened in literally hundreds of cases involving the clay industry.

These bills will eliminate those inequities. I may say that another thing which needs to be done for the sake of clearing up tax controversies is to provide some scheme which will nail down a decision of one of the higher courts or possibly two of the circuit courts of appeals, so as to bind the Treasury Department, if it does not obtain an adverse decision within, let us say, 1 year. The business of waiting for years for the settlement of disputed points in tax controversies is not good for business.

I wish to point out that the bills which have been introduced will not necessarily relieve this problem. We need special legislation on this point, too; and I hope to introduce it in the near future.

AMENDMENT OF COMMUNICATIONS ACT OF 1934, RELATING TO POWER LIMITATION OF CERTAIN RADIO STATIONS

Mr. CAPEHART. Mr. President, on behalf of myself, and the Senator from Georgia [Mr. TALMADGE], I introduce, for appropriate reference, a bill to amend the Communications Act of 1934, as amended. I ask unanimous consent to have printed in the RECORD a statement prepared by me relating to the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2290) to amend the Communications Act of 1934, as amended, introduced by Mr. CAPEHART (for himself and Mr. TALMADGE), was received, read twice by its title, and referred to the Committee on Commerce.

The statement presented by Mr. CAPEHART is as follows:

STATEMENT BY SENATOR CAPEHART

I have today introduced a bill to require the Federal Communications Commission to take effective steps at once to improve a deplorable condition which has existed since the birth of broadcasting in 1920.

Since most attention in the field of broadcasting seems to be focused these days on television, we tend to forget the fact that millions of Americans still depend on standard broadcast stations for entertainment and information.

It is appalling to realize the undisputed fact that almost 60 percent of the land area of the continental United States, in which over 25 million rural and smalltown Americans live, do not receive today even one acceptable nighttime groundwave signal although we have about 2,000 full-time broadcast stations. Equally appalling is the fact that additional millions of Americans have only a very limited choice of acceptable nighttime groundwave signals.

The many millions of residents of the vast radio "desert" must depend on skywave signals of class I stations for either their only nighttime radio service or for any choice of nighttime radio service. Because of the present power limitation of 50 kilowatts, imposed by the rules of the Commission, the skywave signals received by these woefully underserved Americans are not of sufficient strength to provide a reliable service.

This situation is not a newly discovered one. It has been recognized since the infancy of radio. The Federal Radio Commission, which was created in 1928 to bring technical order out of the then existing chaos, promulgated an allocation plan in 1928 which set aside 40 clear-channel frequencies, on each of which only 1 station was authorized to operate at night, in order to provide a means of rendering service to rural and smalltown America. It was soon acknowledged that areas remote from large cities were receiving inadequate service, in terms of signal strength, and hearings were held before the successor Federal Communications Commission in 1936 and 1938 for the purpose of determining what could be done to improve the admittedly inadequate broadcast service rendered to rural areas. The evidence adduced at these hearings showed conclusively that from an engineering viewpoint service could be improved where needed only by (1) keeping a maximum number of frequencies clear or free of nighttime use by more than one station and (2) authorizing higher power for all clear-channel stations. In spite of this, the Commission did nothing between 1938 and 1945 to improve service. Instead, service was further degraded by reducing the number of clear-channel frequencies from 40 to the present 25.[1] The Commission also continued in effect its rule limiting the power of clear-channel stations to 50 kilowatts, even though higher power, which was authorized by the act and by the applicable treaties, was the only means of improving service in underserved areas.

In 1945, the Commission commenced, on its own motion, a third clear-channel hearing (docket No. 6751), designed to find ways of improving service to the millions of rural and smalltown Americans living in admittedly underserved areas. Again the evidence showed conclusively that service could be improved to the rural areas only by (1) keeping all class I–A clear-channel frequencies free of nighttime duplication and (2) authorizing power in excess of 50 kilowatts for class I–A stations.

Since the evidence in the latest clear-channel proceeding was presented in 1946 and 1947, the membership of the Commission has changed to the extent that only one member of the present Commission was a Commissioner when the evidence was received. Recently, the Commission instructed its staff to prepare a report and order which would terminate the proceeding by maintaining the present power limitations of 50 kilowatts and by assigning additional fulltime stations to all but 12 of the 25 class I–A clear-channel frequencies. Since 2 of these 12 already have additional fulltime stations in New Mexico and Alaska on their respective frequencies, the Commission's solution would leave but 10 channels which would be clear or free of nighttime duplication.

The action proposed to be taken by the Commission would worsen rather than improve the existing situation. Duplication or further breakdown of the too few remaining class I–A clear-channel frequencies will lead to more service being afforded to cities which are already well served and to less service to the rural and remote areas which are now underserved. Also, the proposed duplication will (1) create an impossible roadblock to the only possible means of improving service in areas where it is needed, the use of higher power by class I–A stations and (2) surely lead to further duplication and a further degradation of service to rural areas.

In view of these facts, my bill will amend the act to prohibit further duplication or breakdown of class I–A clear-channel frequencies beyond that authorized as of July 1, 1961. The present law (sec. 303c) authorizes the Commission to improve service to the present radio "desert" by permitting class I–A clear-channel stations to operate with power in excess of 50 kilowatts. It is clear that the resolution passed by the Senate in 1938 (S. Res. 294) did not amend the basic law, died with that session of Congress and is in no way a bar to the authorization of higher power by the FCC. Higher power should be granted to each class I–A clear-channel station which proves to the Commission that such power will improve significantly the nighttime skywave service provided by the station to rural and smalltown areas which do not receive a satisfactory nighttime groundwave signal from any U.S. standard broadcast station.

My primary concern is the best interests of the millions of rural and smalltown Americans who for years have suffered from a lack of adequate radio service at night. I am convinced that these people, whose needs for radio programs clearly exceed the needs of those living in or near cities large enough to support radio stations, can receive adequate radio service only through the preservation of all existing class I–A clear-channel frequencies and the authorization of higher power for all class I–A stations. I feel as strongly that class I–B frequencies should not be broken down to any greater extent than now exists. I only wish it were feasible to convert some or all of these I–B frequencies back to I–A frequencies, especially in the Far West.

I am equally convinced that national defense considerations dictate that no further duplication of class I–A or I–B clear-channel frequencies be permitted and that higher power be authorized for all class I–A stations. I intend to ask that the proper military authorities testify at the forthcoming hearings to be held on the bill as to the vital defense needs for preserving and strengthening the precious natural resources which the class I frequencies constitute.

It is also of extreme importance from an international viewpoint that we not fritter away our too few remaining radio natural resources. Our neighbors could not be stopped from using our class I frequencies in their countries should we choose to desecrate their use in our own country. We should take a lesson from our neighbor Mexico which has kept all of its clear-channel frequencies free of nighttime duplication and has authorized power greatly in excess of 50 kilowatts for each of its class I–A stations. This was the only way Mexico could serve its rural population. It is equally true of us.

For all of the reasons given above, I earnestly urge that my bill be given early consideration and that it be passed promptly by the Senate.

Mr. KEATING. Mr. President, I commend the senior Senator from Indiana for introducing this legislation which would limit use of 25 clear-channel frequencies in the United States to the single stations that now occupy them.

This bill, Mr. President, would do no more than to maintain the situation that has existed on these channels for the last 25 years. The stations now occupying these channels have provided radio service to the vast rural areas of this country and the small towns that are too far from an ordinary radio station to receive a regular ground signal.

The recent ruling by the Federal Communications Commission would upset and interfere with this existing service. If you permit a station in Oregon or Montana to occupy a channel that is now served by New York or some other eastern city, there is bound to be an intermediate zone, now receiving good service

[1] Actually only 24 frequencies are clear and free of nighttime duplication within the continental limits of the United States and 1 of these is duplicated in Alaska.

from the eastern station, which will be plagued with interference on this channel and in effect would receive no service at all.

What you are doing then, under the guise of expanding service, is actually to abolish service to many people who are now receiving it. The great middle area of this country will find itself with less radio service than before. Many persons will undoubtedly be deprived of this valuable source of information and entertainment.

I have no quarrel with the FCC's objective of expanded service. I believe that this objective is commendable. Would it not be better, however, to achieve this objective by permitting the existing stations to increase their broadcasting power? I realize that this course has certain technological difficulties, but I think that it should be most carefully explored.

Some changes in the bill may be desirable. On the whole, however, I think that this legislation is commendable, and I believe that the Senator from Indiana is rendering an important service in centering attention on this important problem.

Mr. MILLER subsequently said: Mr. President, I wish to make a few remarks in support of the radio legislation introduced today by the senior Senator from Indiana [Mr. CAPEHART], and cosponsored by the junior Senator from Georgia [Mr. TALMADGE].

The proposed legislation would insure that none of the too few remaining clear-channel frequencies is broken down or duplicated by assigning additional nighttime stations on the various clear-channel frequencies.

Back in 1928, 40 clear-channel frequencies were established to bring service to the vast rural and small-town areas of America. Although the need for nighttime skywave service from clear-channel stations has increased over the years, a process of erosion has set in with the result that only 25 of the original 40 clear-channel frequencies remain today.

The Federal Communications Commission has acknowledged that today almost 60 percent of the land area of the United States and over 25 million people residing in what are known as "white" areas must depend on nighttime skywave service from clear-channel stations for their only source of radio programs because they do not receive even one acceptable nighttime groundwave service. Additional millions of Americans must depend on clear-channel nighttime skywave service for any choice of radio programs. All stations emit nighttime skywave signals but these signals provide interference rather than service if more than one station operates on the same frequency. Thus, only clear-channel stations are able to provide nighttime skywave service to remote areas which do not receive groundwave service.

The past history of radio shows that if any of the remaining 25 clear-channel frequencies is duplicated, the end result will be that new stations will be assigned to cities already having a multiplicity of existing stations and the sparse service now afforded to persons living in rural and smalltown areas will be further degraded. Once a clear channel is broken down by assigning one additional nighttime station to the frequency, it is inevitable that additional domestic and foreign stations will be assigned to the frequencies over the years.

Because of the existing power limitation of 50 kilowatts imposed by the Commission's rules, the nighttime skywave signals now provided by clear-channel stations do not in all instances have sufficient strength to provide a reliable service to all of the millions of people living in "white" areas. Under the existing law—section 303(c) of the Communications Act of 1934—the Commission has authority to permit it any amount of operating power. Where the facts warrant it, the Commission should authorize clear-channel stations to operate with such power in excess of 50 kilowatts as is necessary to improve significantly the nighttime skywave service afforded to millions of rural and smalltown Americans who now receive no nighttime groundwave service whatsoever and to the additional millions who now receive only one or two nighttime groundwave services. In this connection it is clear that the resolution passed by the Senate in 1938—Senate Resolution 294—did not amend the basic law, died with that session of Congress, and is in no way a bar to the authorization of higher power by the Federal Communications Commission.

In closing, I wish to note that I have a high regard for the many fine broadcast stations of all classes operating in Iowa, including local, regional daytime and clear-channel stations. I am particularly proud to point out that clear-channel station WHO, which operates in Des Moines, has always fulfilled its responsibilities as a clear-channel station by serving the needs and interests of its vast city and rural audiences. I wish to compliment the many fine achievements, both on the air and off the air, of its able and energetic farm director, Mr. Herb Plambeck. In the past 25 years, he has received no less than 46 State, National, and international citations from farm organizations, the latest being the Animal Agriculture Award, presented annually by the American Feed Manufacturers Association to one farm broadcaster for outstanding services to livestock and poultry farmers.

APPLICABILITY OF CERTAIN ANTITRUST LAWS TO LABOR ORGANIZATIONS

Mr. THURMOND. Mr. President, there is a natural inclination of legislative bodies to be more concerned with those features of existing laws which can be classified as inequities of commission than those which are inequities of omission. This phenomenon derives from the fact that oppression from an inequity of commission can be easily traced by those affected directly to the offending statute, while the derivation of inequities of omission are usually more obscure. The latter types of inequities in the law, especially those which take the form of privilege or exemption of individuals or special groups from laws of otherwise general application can be, and often are, as oppressive in application, however, as any affirmative act of oppression. There exists in our laws today one exemption creating in a select group a privileged status which in effect is oppressive to the public generally and is of such magnitude that in time, if not corrected, it may well undermine our entire economic system. The matter to which I refer is the exemption of labor unions from antitrust laws.

There are two distinguishing features which stand out in the history of the United States as a nation which mark this country as an improvement over previous and contemporary efforts of peoples in other nations. One is the inauguration and development of a political system under which individual liberty can be preserved and maintained by the citizens of the country through political action. The other is the development of an economic system which is compatible to the political system. For want of a better word, we can describe this economic system as American capitalism. The two features are interlinked, and one cannot stand without the other. The matter with which I am concerned today bears most directly on the latter, but indirectly has a very substantial influence on the continued existence of individual liberty.

The economic system utilized by the United States is based on competition, and without this element the essential distribution of goods would break down and degenerate under the pressures of monopolies and cartels such as those prevalent in other free enterprise countries which have not seen fit to insure by comprehensive, vigorously enforced laws the element of competition in the economy. Soon after our Nation began to industrialize in earnest, it became apparent that the only way to prevent enormous concentrations of economic power, which, in turn, lead to concencentrations of political power, was through the enactment and enforcement of what is commonly known today as antitrust laws. When these laws were first enacted, the economic and political power concentrations sought to be eliminated were in the hands of industrialists and financiers. The lesson of the abuses which took place prior to the enactment and subsequent enforcement of the antitrust laws should have demonstrated clearly that such power concentration should not be permitted to exist in any group. Unfortunately, however, efforts to correct the immediate abuses overshadowed the larger lesson; and the antitrust laws were so developed that they did not destroy the possibility of such economic and political power concentrations, but merely shifted the control and utilization of such power concentrations to a different economic class or group. Such a shift was more by chance than by design, but the fact remains that an exemption from the antitrust laws was acquired by labor unions and the power that derives therefrom not only still exists, but is exercised by them today.

Mr. President, a restraint of trade, or price fixing, eliminates competition and is destructive of our economic system and, through it, is destructive of our political system—regardless of by whom it is exercised. Price fixing and restraints of trade are in derogation of the public interest, and, therefore, undesirable, and are so declared by the laws enacted by the Congress and signed by the President. The exemption of a particular group—in this instance, labor unions—from the application of the antitrust laws is an inequity of omission which should be corrected immediately.

To the end that this privileged status may be eliminated, I send to the desk a bill to limit and prevent certain concerted activities by labor organizations which interfere with or obstruct or impede the free production of goods for commerce or the free flow thereof in commerce, and for other purposes; and I ask that it be appropriately referred.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2292) to limit and prevent certain concerted activities by labor organizations which interfere with or obstruct or impede the free production of goods for commerce or the free flow thereof in commerce, and for other purposes, introduced by Mr. THURMOND, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

FILLING OF VACANCIES ON SUPREME COURT OF THE UNITED STATES

Mr. THURMOND. Mr. President, the Constitution of the United States vests in the Senate the right and responsibility to advise and consent to a number of Executive actions of the President of the United States, including the right and responsibility to advise and consent to the nominations by the President of members of the Supreme Court of the United States. The Senate through the process of confirmation exercises fully its responsibility and authority insofar as the consent portion is concerned, but in practice the Senate has no formal procedure for exercising the advise portion of its charge.

I send to the desk a Senate resolution to remedy this deficiency. This resolution is self-explanatory. The text is as follows:

Resolved, That (a), in order to assist the Senate in carrying out its constitutional function of advising the President with respect to appointments to the Supreme Court of the United States, the highest court of each State is hereby invited to submit to the Committee on the Judiciary of the Senate at the earliest practicable date the name of an individual whom it desires to recomment for membership on the Supreme Court of the United States.

(b) The Committee on the Judiciary shall prepare a list of the names submitted pursuant to this resolution, and upon request of the President, shall submit such list to the President for his consideration when a vacancy occurs in the membership of the Supreme Court of the United States.

I call to the Senate's attention the fact that there is no possibility of the Senate's infringing on Executive powers through the adoption of the procedure set forth in this resolution, for the recommendations which are contemplated by this resolution are, by the terms of the resolution, to be made only upon request of the President.

I fully realize that there are substantial differences of opinion among the public, as among those of us in this body, concerning the abilities and qualifications of the appointees to the Supreme Court in the last few decades. The final judgment will be made by history, but regardless of the consensus of such a judgment by history, that judgment should by no means be allowed to include a consensus that the Senate had failed to exercise its full responsibility as set forth in the Constitution on the question of such appointments.

Mr. President, I ask unanimous consent that this resolution remain on the desk until July 27 so that any Senators who may desire to do so may join in cosponsoring this Senate resolution.

The VICE PRESIDENT. The resolution will be received and appropriately referred; and, without objection, the resolution will lie on the desk, as requested by the Senator from South Carolina.

The resolution (S. Res. 182) was referred to the Committee on the Judiciary, as follows:

Resolved, That (a), in order to assist the Senate in carrying out its constitutional function of advising the President with respect to appointments to the Supreme Court of the United States, the highest court of each State is hereby invited to submit to the Committee on the Judiciary of the Senate at the earliest practicable date the name of an individual whom it desires to recommend for membership on the Supreme Court of the United States.

(b) The Committee on the Judiciary shall prepare a list of the names submitted pursuant to this resolution and, upon request of the President, shall submit such list to the President for his consideration when a vacancy occurs in the membership of the Supreme Court of the United States.

AGRICULTURAL ACT OF 1961—AMENDMENTS

Mr. PROXMIRE. Mr. President, I submit and ask to have printed an amendment which I intend to propose to the Agricultural Act of 1961, S. 1643, as reported from the Agriculture Committee, with Senate Report No. 566.

My amendment would amend the Agricultural Marketing Agreement Act of 1937 to provide for individual producer milk allotments in local and regional marketing areas.

The Federal milk order program, as presently authorized by this act, has greatly assisted dairy farmers in establishing and maintaining orderly marketing conditions. It has not, however, raised and maintained dairy farmers' incomes at satisfactory levels.

In order to make the Agricultural Marketing Agreement Act more effective as a means of increasing incomes to dairy farmers, it should be amended to authorize the establishment of allotments or quotas for individual dairy farms producing milk for sale in fluid milk marketing areas.

Such programs would benefit both the eastern and southern areas and the Wisconsin producers. I want to stress, underline, and emphasize that such programs will benefit both the eastern and southern areas and the Wisconsin producers.

The producers who primarily produce for fluid milk would restrict production to achieve a higher blend price. At present some of them—that is, New York-New England—produce so much surplus which goes for manufacturing that their blend price falls to unrewarding levels.

My amendment would permit dairy farmers to adopt milk sales allotments for individual dairy farms which would enable them to manage total marketing of milk from each such farm in line with their sales of fluid milk. Such a program is necessary to keep the total supply of milk in line with sales.

In the interest of fairness to all groups of producers, it is necessary to limit total sales of milk, rather than milk for fluid sales alone. It would clearly not be equitable to authorize allotments for a particular group of dairy farmers and then allow them to dispose of their excess production for use in other markets, to the detriment of other dairy farmers.

A new pricing standard is also necessary in connection with any allotment program for milk. At the present time the Agricultural Marketing Agreement Act specifies a supply-demand standard for establishing minimum prices in Federal milk orders at levels which will assure an adequate supply of pure and wholesome milk. This standard is based on the proposition that producers will be free to produce as much milk as they are willing to supply at the prices established, and that prices are to be adjusted to reflect supply and demand relationships. Under my amendment, supplies would be determined by the allotment program, and it is this change which will require a new price standard.

Therefore, my amendment also proposes that prices for milk, in any program where allotments are used, will be fixed on a parity price standard. It will be necessary to set parity price equivalents for class I and surplus milk utilization, and for average returns to dairy farmers. These parity price equivalents would be adjusted to account for seasonal and geographical differences.

It is not intended that producer allotments or quotas would ever be used to raise milk prices to producers higher than the parity price equivalents. Parity is a price which Congress has determined represents fair returns to farmers, a justifiable goal. But Congress did not intend that such measures should be used to establish prices above that level.

My amendment provides, therefore, that whenever prices for class I milk or

average prices received by dairy farmers in any month exceed the respective parity level in a market, the Secretary, upon determining that this has occurred, will be required to suspend the allotment program. Such suspension will remain in effect until the Secretary determines that prices will not exceed parity levels if allotments are reinstated.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the desk.

Mr. AIKEN. Mr. President, in spite of what the Senator from Wisconsin [Mr. PROXMIRE] has just said, the amendment to the Agricultural Act which he has submitted would deal a crippling blow to the dairy interests of the East and the South. I had hoped we could get by with the farm bill without having to indulge in debate lasting perhaps some time, and without the offering of too many amendments. But, in view of the fact that the amendment of the Senator from Wisconsin would deal a severe blow to the dairy interests of the East and South, I feel compelled to offer an amendment to strike out subtitle C of the omnibus farm bill, which is the extension of the feed grains program for another year.

That feed grain program, Mr. President, has already shown signs of disastrous failure, and the extension for another year would be a double blow to the dairy people of the East and of the South. Therefore, I offer an amendment to delete it from the bill.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

Mr. KEATING. Mr. President, I commend the distinguished Senator from Vermont for offering the amendment to strike out the feed grains program from the agricultural bill which we shall have under consideration next week. This problem has been brought to some prominence by the rather ridiculous situation revealed by Mr. William T. Smith, of Big Flatts, N.Y., who was able to buy a Cadillac under the feed grains program. Mr. Smith took 100 acres or so of his poorer land out of production, and then received free Government help to put more fertilizer on the approximately 150 acres he had remaining. Mr. Smith further believes he can grow as much corn on the remaining acreage as he would have grown on the entire acreage before. This clearly demonstrates to me that the feed grain program cannot work. In addition, it has cost the dairy, poultry, and cattle farmers of New York about $2 million in extra feed costs.

I think the Secretary of Agriculture recognizes the fact that on a long-range basis this program will not work. Even the committee recognized that, to a degree, by putting a provision in the bill allowing for its termination in 1962. The best thing to do is to scrap it and start over again on the basis of the results of the 1961 program which will be available in the fall. I shall certainly support the distinguished Senator from Vermont, who has very kindly permitted me to cosponsor the amendment, which I am happy to do.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1962—AMENDMENT

Mr. RUSSELL submitted an amendment, intended to be proposed by him, to the bill (H.R. 7035) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1962, and for other purposes, which was referred to the Committee on Appropriations, and ordered to be printed.

AGRICULTURAL ACT OF 1961—ADDITIONAL COSPONSOR OF AMENDMENT

Mr. BURDICK. Mr. President, I ask unanimous consent that the name of the Senator from South Dakota [Mr. CASE] may be added as a cosponsor of my amendment to the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes.

The VICE PRESIDENT. Without objection, it is so ordered.

NOTICE OF HEARINGS BY THE SUBCOMMITTEE ON SMALL BUSINESS OF THE SENATE COMMITTEE ON BANKING AND CURRENCY

Mr. PROXMIRE. Mr. President, as chairman of the Subcommittee on Small Business of the Committee on Banking and Currency, I wish to announce the beginning of hearings on S. 902, a bill to amend the Small Business Investment Act of 1958, and for other purposes.

Hearings will begin on Monday, July 31, 1961, in room 5302, New Senate Office Building.

All persons who wish to appear and testify at hearings on this bill are requested to notify Mr. Reginald W. Barnes, counsel for the Subcommittee on Small Business, Senate Committee on Banking and Currency, room 5304, Senate Office Building, telephone Capitol 4–3121, extension 3921, as soon as possible, and in any event, before the close of business on Friday, July 28, 1961.

NOTICE OF HEARINGS BY THE SUBCOMMITTEE ON PRODUCTION AND STABILIZATION OF THE SENATE COMMITTEE ON BANKING AND CURRENCY

Mr. DOUGLAS. Mr. President, as chairman of the Subcommittee on Production and Stabilization of the Committee on Banking and Currency, I wish to announce the beginning of hearings on S. 1212, a bill to promote the redevelopment of economically depressed areas by establishing a Government corporation which will provide a secondary market for industrial mortgages covering property in those areas.

Hearings will begin on Monday, August 7, 1961, in room 5302, New Senate Office Building.

All persons who wish to appear and testify at hearings on this bill are requested to notify Mr. Jonathan Lindley, staff assistant for the Subcommittee on Production and Stabilization, Senate Committee on Banking and Currency, room 5304, Senate Office Building, telephone Capitol 4–3121, extension 3921, as soon as possible, and in any event, before the close of business on Friday, August 4, 1961.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Theodore L. Richling, of Nebraska, to be U.S. attorney, district of Nebraska, term of 4 years, vice William C. Spire.

James R. Berry, of Pennsylvania, to be U.S. marshal, western district of Pennsylvania, term of 4 years, vice Albert A. DiMeolo.

Beverly W. Perkins, of Nevada, to be U.S. marshal, district of Nevada, term of 4 years, vice Cedric E. Stewart.

John G. Chernenko, of West Virginia, to be U.S. marshal, northern district of West Virginia, term of 4 years, vice John F. Barr.

Thomas W. Sorrell, of Vermont, to be U.S. marshal, district of Vermont, term of 4 years, vice Dewey H. Perry.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, July 27, 1961, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. RANDOLPH:

Debate between Senator THURMOND and Senator RANDOLPH on the subject "Do We Need Federal Aid to Education?" on the "American Forum" broadcast February 12, 1961.

By Mr. KUCHEL:

Statement entitled "The Dignity of Being American," written by George M. Mardikian, and published in This Week magazine on June 11, 1961.

By Mr. WILEY:

Letter of protest from himself to the Federal Tariff Commission; an editorial entitled "The Ultimate in Absurdity," published in a recent issue of the Dairy Record; and a statement by Paul Affeldt, president of Pure Milk Products Cooperative, before

the U.S. Tariff Commission, Washington, D.C., on July 18–19, 1961, in opposition to increasing cheese imports.

CHESTER BOWLES

Mr. CLARK. Mr. President, Tuesday afternoon I rose on the floor of the Senate and spoke in defense of Mr. Chester Bowles, the Under Secretary of State. I was very happy—and I am sure the overwhelming majority of the Members of this body, certainly those on this side of the aisle, were happy indeed, also—to notice the strong support the President of the United States gave Mr. Bowles at the press conference the President held yesterday.

Some newspaper reporters are still trying to crawl in off the limb on which they got themselves by accepting at face value the accusations and predictions of a few faceless men who are out to "get" Mr. Bowles. I am happy that the President resolutely resisted that effort.

Because the press reports have been a little garbled as a result of the printing, earlier, of so many inaccuracies about this matter, I ask unanimous consent to have printed at this point in the RECORD a transcript of the President's news conference, as published this morning in the New York Times, dealing in question 12 with the President's position toward Mr. Bowles; and I also ask unanimous consent to have printed at this point in the RECORD an article entitled "Bowles Has Staying Power," written by Peter Edson, and published in the Washington Daily News of July 18.

There being no objection, the excerpt and the article were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 20, 1961]

TRANSCRIPT OF PRESIDENT'S NEWS CONFERENCE ON FOREIGN AND DOMESTIC MATTERS

Question. Mr. President, although the White House has commented on the fact that Under Secretary of State Chester Bowles is remaining in his job at this time, there still remains some doubt as to your own confidence in him, sir, and your own ideas on how the administration of the State Department is proceeding.

Answer. Yes. Well, I've in the first place, I've never—contrary to some reports—never asked Mr. Bowles for his resignation nor has he ever offered it. I have always expected that he would be part of this administration until it concluded its responsibilities.

I have a high regard for Mr. Bowles. He was my adviser on foreign policy last year and all my conversations with members of the State Department, the members of the Defense Department, and the members of the intelligence community have gone to the question of how we can best organize our talent and of—in the White House, how we can best organize our talent so that everyone is being used in a way which makes maximum use of their ability.

When General [Maxwell D.] Taylor was appointed it was regarded as a diminution of the responsibilities of the Joint Chiefs, which it is not. But it came about as a result of conversations between the Joint Chiefs and Secretary [of Defense Robert S.] McNamara. We have the Killian Committee now examining the structure of the intelligence community. We have been talking about how we can make more effective the structure and the personnel of the State Department. We will continue to do so—and—because they're faced with unprecedented hazards.

As I said, when Mr. [Dean] Rusk is going to be meeting the foreign ministers on a very vital question of Berlin, Secretary Dillon will be meeting at Montevideo and this puts great burdens on the Department of State which is the arm of the President in foreign policy.

Mr. Bowles has my complete confidence. He is going on the trip which will take him to Africa and Asia, consulting with heads of state and with allies and I expect that his trip will be most valuable and I am confident that everyone who talks to him, American or heads of other states, will recognize that Mr. Bowles will be, I hope, a valuable part of this administration as long as it continues, and that he has the confidence of the President and the Secretary of State.

Question. Mr. President, does your answer mean that there is a possibility that he may be shifted, though, to some other responsibilities more in keeping with his talent?

Answer. We have reached no judgment on how we're going to organize any of these departments or people. I have put the general principle forward that we are going to attempt to maximize the abilities of everyone working in the Government. If I came to the conclusion that Mr. Bowles could be more effective in another responsible position, I would not hesitate to ask him to take that position, and I am confident that Mr. Bowles would not hesitate to take it.

My judgment is now that he should stay as Under Secretary of State and if there's going to be any change I'll make it very clear at the time. But he will continue as Under Secretary of State. I have no plan to ask him to assume a new responsibility. At any time I think that he or anyone else in the administration can do their job better in another way, I will certainly ask him because, as long as I'm going to bear the responsibility of the Presidency, I'm going to attempt to make sure that it is implemented to the best of my ability.

[From the Washington Daily News, July 18, 1961]

BOWLES HAS STAYING POWER

(By Peter Edson)

The big blowup over the possible firing or resignation of Chester Bowles as Under Secretary of State is one of the occupational hazards of politics. The attempt to get Mr. Bowles was an inside job which didn't quite come off.

The mixup came at a bad time. A major shift of this kind in the Kennedy administration would have been a sorry admission of weakness and disorganization.

Relations with Russia are ready to explode on half a dozen fronts. Secretary of State Dean Rusk must confer with allied Foreign Ministers in Europe. Under Secretary Bowles himself is off on a 3-week factfinding trip in Africa and south Asia.

If ever the Kennedy administration needs steadiness and no palace politics, this is the time.

There are plenty of Republicans in Congress and outside the Government who don't like Mr. Bowles and think he is the wrong man for the job he holds. His main trouble seems to be that he has too many new ideas. He has annoyed career Foreign Service diplomats by trying to stimulate new thinking. He is unconventional in methods and by no means a conservative.

But President Kennedy isn't listening much to conservatives these days and he likes to have things stirred up. Mr. Bowles was Senator Kennedy's principal adviser on foreign affairs during the presidential campaign.

Mr. Bowles as a director had worked closely with Mr. Rusk when he was president of Rockefeller Foundation. So there has been no strain in the relations between this trio. If there has been any irritation, it has been between the State Department and the special White House assistants who have been given foreign policy assignments.

But Secretary Rusk has not been too put out by the activities of the White House amateurs and has expressed satisfaction at the way things have been going. He has felt that he is still in charge of foreign policy operations, under the President's direction of course.

The mention of McGeorge Bundy—top special assistant to the President—as a likely successor to Under Secretary Bowles is now officially denied. But it is not without interest.

Mr. Bundy was brought into the White House as the expert on national security affairs. But just recently—after the Cuban invasion fiasco in which Mr. Bundy played an important role—retired Gen. Maxwell Taylor was brought into the White House as special adviser on national security affairs. The relationship between General Taylor, a pro, and Mr. Bundy, the amateur, in covering similar assignments, is not clear.

Incidentally, Under Secretary Bowles is one of the few high officials in the administration who opposed the Cuban invasion attempt. It is for this reason that he is in the fortunate position of not having been called in to help plan the disaster.

Mr. Bundy came to Washington with a great reputation as an administrator—running Harvard College.

But the Bowles record as an administrator looks superior from every point of view. He was successful in business, making his million in advertising before he got into politics. In his second career he has been wartime price administrator and economic stabilization director, Congressman, Governor of Connecticut, and Ambassador to India.

These are apparently the characteristics that have made the President decide to keep him on the job.

FEDERAL ASSISTANCE TO SCHOOLS NEAR DEFENSE PLANTS

Mr. BENNETT. Mr. President, in the field of education, perhaps the most important Federal program which has been in effect for the past few years has been the program of Federal assistance to areas which have been adversely affected by Government installations or by an influx of schoolchildren because of the location of defense plants.

The programs for assisting these school districts expired June 30. Last April I introduced a bill, S. 1678, to extend these two laws, and similar bills have been submitted in the House. No action was scheduled in either House on these extensions because the administration wanted to include this program in the general Federal aid to education bill so that this necessary and noncontroversial program could be used as a hostage to force Members of Congress to vote for a general Federal aid to education bill which otherwise would be objectionable to them.

Yesterday it became apparent that the administration's maneuver has failed, at least for this session. The House Rules Committee voted to table H.R. 7300, thereby killing not only the

controversial general aid to education bill, but also the bill for assistance to federally affected areas.

Obviously, then, the usefulness of this program is a lever for obtaining approval of the administration's education bill. I can see no reason for delaying any further the extension of Public Law 815 and Public Law 874.

Mr. President, many Members of Congress, who are not intimately involved in the financial situation of schools, may be unaware of the serious consequences of this delay. School administrators in 319 congressional districts throughout the country have already been forced to prepare their budgets for the coming school year with no inkling of whether or not this vital assistance will be forthcoming. In some counties, where a very large percentage of the people are employed in defense industries or other Federal activities, this vital program has become a major source of revenue for the school districts. For example, Fairfax County, Va., has been receiving nearly $4 million per year because of the serious financial problems created by the Federal Government in the county. With this money suddenly cut off as a result of the administration's making this program a political football, the county suddenly finds itself in dire financial straits.

In my own State of Utah similar problems exist. The school districts in Weber County, Box Elder County, Tooele County, Davis County, and Ogden City will be particularly hard hit. In 1960, Utah school districts received $2,306,376 under these two programs.

Mr. President, the administration has expressed disappointment that the new Rules Committee has refused to approve the Federal aid to education bill, but it should be willing to let the general aid to education program stand or fall on its own merits. To destroy a program which is not controversial merely because the administration cannot have everything it wants in the field of education is to adopt a "dog in the manger" attitude.

There can be no further justification for delay. I urge the immediate extension of these two laws which are of such vital importance to many of the Nation's school districts.

I hope these two laws, Public Law 815 and Public Law 874, are extended separately, and immediately, so that the school districts in these areas, including those in my own State, may be in a position to plan their financial programs for next year.

THE FREE ENTERPRISE SYSTEM IN FOREIGN POLICY

Mr. CASE of New Jersey. Mr. President, one of the great opportunities facing our country is to utilize more fully the enormous strength of the private sector of our economy in our efforts to speed the economic growth of developing countries, so important in building a more prosperous and stable free world.

My distinguished colleague, the senior Senator from New York, has shown deep insight in this crucial matter and has demonstrated outstanding leadership in developing constructive policies on the many facets of the problem. The current issue of the magazine Advance contains a thoughtful article by Senator JAVITS, "A Program for the Sixties: The Free Enterprise System in Foreign Policy."

I ask unanimous consent to have his article printed at this point in the RECORD. I believe it will be of interest to all Members of the Senate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A PROGRAM FOR THE SIXTIES—THE FREE ENTERPRISE SYSTEM IN FOREIGN POLICY

(By Senator JACOB K. JAVITS)

More than a decade ago, Senator Arthur Vandenberg, Republican, of Michigan, called upon both political parties for a "mutual effort, under our indispensable two-party system, to unite our official voice at the water's edge so that America speaks with maximum authority against those who would divide and conquer us and the free world."

Today it is time for Republicans to lead another historic mission for a mutual effort by Government and private enterprise, under our indispensable economic system, to unite at the water's edge so that America can mobilize its maximum resources in the furtherance of its foreign-policy interest.

Republicans are ideally suited to lead this movement. The progress that has been made in the domestic field to bring about a private enterprise-Government partnership has been the result of Republican prodding from the days of President Theodore Roosevelt, who pioneered and promoted the philosophy that the private-enterprise system must be operated in the public interest. The Democratic Party has often tended to rely largely on big government to do that which private enterprise was better fitted to do.

In the foreign-policy field, the Government must continue, of course, to carry on those functions which the private economy cannot undertake, or cannot undertake as well. But there are large areas, as yet untapped, where American private enterprise can be utilized effectively to carry out the foreign policies of the United States and to equip America's role abroad with the strength needed to meet today's grave challenges.

Owing to its totalitarian makeup, the Soviet Union is able to throw its total forces into the cold-war struggle. We cannot afford to do anything less while preserving our free system. Without the participation of our private-enterprise system, America is deprived of a great part of its active strength. Just as the domestic economy cannot function when major reliance is placed on Government economic action instead of the workings of our private-enterprise system, so, too, will our foreign policy suffer if we fail to utilize the total strength of our free society in the defense of freedom.

To play an effective role in foreign policy, U.S. private enterprise must be willing:

1. To meet successfully foreign competition in both domestic and oversea markets;

2. To make direct private oversea investments to help bring about the economic development of the underdeveloped areas of the free world;

3. To provide pools of management and technical personnel for long-term oversea governmental development projects;

4. To cooperate with the U.S. Government, foreign governments, foreign private enterprise, and international investment institutions in large-scale development projects;

5. To serve, in all its foreign enterprises, the national interest of the United States as well as its own interests.

In terms of pure economic force, the first responsibility—dealing with international trade—is clearly the most important.

We must realize that the $35 billion of annual U.S. foreign trade represents the largest such instrument of foreign economic policy wielded by any nation. It is nearly 9 times greater than the U.S. economic and military assistance program combined, and about 14 times greater than annual U.S. direct investments. It represents 55 percent of the money value of all U.S. international transactions. And almost every dollar of it either originates in or passes through the private sector of our economy.

Nonetheless, our trade leadership that has contributed so much to the power and influence of the United States in the world is threatened.

We are facing a rapidly growing challenge from the Soviet Union which is making increasing strides toward domination of the markets and sources of supply of developing areas of the free world increased by 165 percent, from $860 million to $2.3 billion. During the same period U.S. trade with these areas increased by only 19 percent, from $7.8 billion to $9.3 billion. It is obvious that the United States is still far ahead. However, the ratio of U.S. trade superiority over the Soviet bloc which stood at 9 to 1 in 1954, was reduced to 4 to 1 by 1959. Furthermore, preliminary figures for the year 1960 indicate that U.S. trade in those areas made only a 3-percent gain over 1959 compared to a 20-percent gain for the Soviet bloc. Added to this picture is the fact that the Soviet bloc has signed a growing number of bilateral trade and aid agreements with free world nations. Between the end of 1954 and May 1, 1961, these bilateral agreements increased from 148 to 313—almost all of them with the less developed countries.

What are the implications? As these agreements are implemented by a rapidly rising flow of trade, the Soviet bloc is irresistibly drawing these nations into economic dependence, with the eventual consequence of political domination.

The answer is largely in the hands of the American private enterprise system.

First, the American manufacturer and businessman must take increasing interest in the maintenance and expansion of his export markets, especially in those areas of vast potential represented by the less-developed nations, even though immediate profits may be relatively smaller. In this way the economic plant of these developing nations will become tied to the free world instead of the Soviet bloc. We shall then be in a position to provide the machines which their people have learned to operate and we shall be the source of parts, replacements, and improvements.

Also, the United States should provide an expanding share of the markets upon which the economies of these nations depend. This can be done only through an import policy which permits the goods which these nations are able to produce to enter the American market. In order to pursue such a policy, the U.S. Government must assist businesses, workers, and communities in situations that may be adversely affected by concentrated imports. This is the purpose of a bill (S. 851—National Import Policy Act of 1961) I have introduced with Senator CLIFFORD CASE. The real initiative and the real will to adjust to this new conception and to find new products and new processes suited to the unique capabilities of our economy must come from private enterprise. The alternative is a retreat into economic isolation.

The attitude of Government is, of course, of the greatest importance. It must provide the means by which American business can realize its comparative advantages—and it must lead American business away from a

reliance on protectionism to a reassertion of its basic strength. This is the trade adjustment assistance principle.

Loans, technical assistance, and tax incentives would be given to individual enterprises. Workers and communities would be helped over periods of transition by retraining, unemployment compensation, early retirement for older workers and relocation if they wished. Also, there would be a gradual reduction of barriers against imports to be taken over specified, limited periods of time so that appropriate plans can be made by the affected American businessman and worker. All this would be designed to gear U.S. industry to the challenges and opportunities this Nation faces in the world.

It is important to realize that tariff and quota protectionism actually represents an ultimate reliance on Government action and is generally incompatible with those principles which have enabled this Nation to attain its unprecedented wealth and economic power. At the same time there is little doubt that this very wealth and economic power permits—even obliges—the Government to take some responsibility for the well-being of those unable, because of the supervening national interest, to share in them. This is the reasoning behind progressive welfare measures as well as adjustment assistance. Both in the end assure greater economic strength because, quite aside from their humanitarian value, they preserve the economic potential of those they help.

The second major role for private enterprise is in the area of direct oversea investment. Although the total of these long-term investments are now above $32 billion, more than half of this total has been invested in Canada and Western Europe. Latin America has received in excess of $8 billion of these investments; but more than half of this amount has been placed into the extractive industries which are relatively unproductive in terms of the economic development needs of the Latin American countries. Africa and Asia share most of the rest of long-term U.S. investments—slightly more than $3 billion, of which, once again, about two-thirds is invested in the extractive industries.

These statistics demonstrate the well-known fact that direct U.S. private investment has played less than its full role in the economic growth efforts by the less developed areas of the free world. This situation can be greatly improved by cooperative action between Government and private enterprise. It is unfortunate that some of President Kennedy's tax proposals would actually intensify the problem. Provision should be made to permit tax deferrals on the earnings of foreign business corporations owned by U.S. citizens, when these earnings are either reinvested in the less developed areas or transferred from the industrialized areas to the less developed ones. This could encourage a steady flow of up to $700 million a year in such investments. Furthermore, there is a need for cooperative action by our Government with the governments of capital-exporting and capital-importing nations to establish an international investment code and a mechanism to assure private investments against political risk.

Properly encouraged and stimulated by Government action in taxation, guarantees, and otherwise, private enterprise would be more able than now to bear the risks inherent in ultimately productive long-term investments in the less-developed areas. Such Government action would result in a lessened need for the current exceptionally high rates of return on investments concomitant with present risks. Thus, we could look forward to an increased and normalized investment flow—without the rapid fluctuations in volume now prevailing.

The third area where private enterprise can play an important role is in providing a constantly available supply of personnel at all levels of management and with high technical qualifications, to be employed in oversea development projects on a long-term basis. This would involve a definite commitment by corporations to set aside a specified number of their employees for this purpose, each of whom might be called upon to serve abroad for 2 to 4 years. Naturally, such a commitment could not be made without sacrifice. Nonetheless, I am sure that a positive approach on this subject by the Government would be met with a sense of patriotic responsibility. However, once again, this requires a Government philosophy willing to place heavier reliance upon the private enterprise system.

A new approach by Government is also needed to carry out the fourth role I have mentioned. Using in some cases the systems-management technique, U.S. private enterprise could participate in large-scale development projects with other private and public investers of capital and technical skills. Thus, the economic growth of the developing nations would be supported by the integrated power of a wide range of free world economic entities.

All four of these roles for private enterprise require a willingness by the individual citizen to view his own responsibilities and interests within the framework of the national interest. Much needs to be done to dramatize to the developing nations the benefits that can be derived from the private enterprise system, as developed in the United States and how U.S. private business can contribute to their economic development.

Republican heritage and Republican philosophy demand that our party carry on this mission. If we gear our basic concepts to modern times, we can perform a valuable service for our Nation by pursuing this course vigorously. We are not hindered by a coalition of sectional and social interests, as are the Democrats, in showing this kind of leadership.

Only large-scale participation by private enterprise in the pursuit of U.S. foreign economic policy can assure that America will succeed in helping adequately to direct the economic development of the free world along democratic channels. Without the participation of our private sector, the United States handicaps itself in marshaling the strength and the ability to make freedom secure. I believe it must be a primary goal of Government policy to draw the financial power, the technical skills, the managerial experience and the competitive spirit of private enterprise into the working of U.S. foreign policy.

Mr. MANSFIELD. Mr. President, is there further morning business?

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

IN SOVIET UNION NO OUTWARD SIGNS OF EVEN ELEMENTARY CIVIL DEFENSE PREPARATIONS: OUR CIVIL DEFENSE HAS BEEN FUTILE AND WASTEFUL

Mr. YOUNG of Ohio. Mr. President, civil defense as it has been conducted in the past 10 years is not only ineffective and wasteful, but represents a defeatist psychology. There is no reason for Americans to have such fear in view of our tremendous power of instant retaliation and the increasing number of Polaris-manned submarines, now the capital ships of our Navy; in fact the most powerful war vessels in the entire history of the world.

Appropriations for more Polaris submarines and a stepped-up missile program will do far more to defend our Nation than billions of dollars spent on fallout shelters whose effectiveness would be dubious, to say the least.

For the past 10 years Americans have been confused and confounded with the silly schemes and foolhardy plans of the Office of Civil and Defense Mobilization. They refuse to take seriously the contradictory programs of this agency as operated in the past.

Steadily, citizens have reacted against the hysteria of the screeching sirens, practice alerts, and the program of simultaneous evacuation and running into basements and backyard shelters. In my home city of Cleveland, at 12:30 p.m. every Monday, the siren sounds, at an expense to our taxpayers, and the people do not know whether to run, hide, or both. So they do nothing. They do not even go to the nearest cocktail bar.

Suggesting both evacuation and running into shelters at the same time, as has been done by this boondoggling agency, is ridiculous. Individually, neither will work or offer any real defense in event of nuclear attack. Furthermore, shelters constructed in 1961 will probably offer no protection whatever against fallout from nuclear warheads a few years hence.

A survey of 35 States and 66 local communities conducted early in 1960 indicated that only 1,500 shelters had actually been reported as constructed. If 1,500 people wished to waste their money that is their business. In my own State of Ohio, I know of no paid civil defense official who has gone to the trouble or expense of building a shelter in his basement or backyard.

Mr. President, the dictators of the Soviet Union are under no such illusion. Regardless of what we may think of them, they are realists when it comes to civil defense. Rather than wasting their rubles on fallout shelters that will prove of little or no use in a nuclear war, rather than instilling a defeatist attitude among their people, it is obvious that they are using their resources to build up their military power and retaliatory capability. They have no civil defense programs such as we have had the last 11 years, at an expenditure of more than $1 billion of taxpayers' money.

Had the viewpoint of the civil defense boondogglers prevailed on the Congress of the United States, the appropriation would have been three times as much and the expenditures would have been three times what they have been. The loss to the taxpayers of our country, instead of being approximately $1 billion as of the present time, would have exceeded $3 billion. This would have happened except for the vigilance of the committees of the Congress of the United States.

An excellent article, "Soviet Lag Seen in Civil Defense," by Osgood Caruthers, appeared in the New York Times, one of the world's great newspapers, on July

16, 1961. In it, Mr. Caruthers gives an on-the-spot report of Russian civil defense activities, such as they may be. In fact, he reports a lack of civil defense activities within the Soviet Union. The New York Times is noted for its unbiased and straightforward reporting of the news. In giving us this thoroughly honest report without propagandizing, its editors have performed a real public service.

I commend this article to my colleagues and ask unanimous consent to embody it in the RECORD as a part of my remarks on this serious situation of wasting taxpayers' money—and the patience of American taxpayers is wearing thin, because of wasteful expenditures such as this.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 16, 1961]

SOVIET LAG SEEN IN CIVIL DEFENSE—NO PRACTICE ALERTS HELD—ATTACK RISK PLAYED DOWN

(By Osgood Caruthers)

Moscow, July 8.—With every report of practice alerts by civil defense authorities in the United States, Moscow's propaganda journalists write caustic, jeering charges that people in the United States are suffering from nuclear jitters, that "the death merchants in the Pentagon are stirring up war hysteria."

Nothing of the sort happens here or anywhere else in the Soviet Union. It does not seem likely to happen in the foreseeable future.

While the Kremlin rattles its rockets and threatens the obliteration of whole nations by atomic and hydrogen bombs, scarcely a word is ever uttered that might instill in the Soviet people any fear, or even consciousness, of the dire possibilities of nuclear disaster.

There are no outward signs of even the most elementary preparations for civil defense against nuclear blasts or fallout. Nowhere in Moscow or any other city visited by foreigners can one find signs pointing to shelters. In Moscow, Leningrad and Kiev, the deep subway systems are considered excellent shelters for large segments of the population in case of an ordinary air attack. But these could hardly be considered safe from the radiation effects of a nuclear attack.

NO PRACTICE ALERTS HELD

No practice alerts are held in Moscow. Posters giving instructions on the rudiments of civil defense work—how to fight fires and give aid to wounded—are extremely rare. They are found only here and there on the bulletin boards of factories or in workers' union headquarters. And most of them are several years old.

There is no propaganda about civil defense. There is no such thing as an effort on a citywide basis to organize block crews or house wardens for civil defense.

In fact the very word civil defense is given another meaning. It has to do with the plans for mobilizing the people to fight in the streets against an invader.

Children and youths in the Communist Pioneer and Komsomol organizations are given basic training in such activities. They are taught military discipline and are urged to be on the alert for enemy agents, spies, and saboteurs.

At graduation time this year, young doctors and nurses were seen in formation, wearing blue overalls and carrying emergency splints and other equipment, on their way to practice ordinary field first-aid methods.

SHELTERS ARE LACKING

Foreign military experts assigned to embassies in Moscow say that in extensive travels around the Soviet Union they have seen little or no evidence of any construction work on shelters that would protect the civilian population from nuclear attack.

If the Soviet leaders have assured their own safety in some deep atomproof shelter, they have kept it as dark a secret as they have whatever plans they might have drawn up for wide-scale civil defense in the event intercontinental missiles start flying.

A number of experts in the United States have reported secret information to the effect that the Soviet Union has drawn up such massive plans, that it has allotted huge funds to the construction of shelters and has mobilized its people in a great preparedness campaign.

However, nothing that can be seen, heard or read here in Moscow gives even a hint of support for such reports.

There is little doubt that the Soviet military chiefs have, indeed, drawn up carefully detailed plans on how to take care of the civilian population as well as the nation's armed forces in the event of an atomic attack.

However, the whole tendency here seems to be to deemphasize such themes. There seems to be a conscious effort not to spread undue alarm among a people whose memories of the horrors of the last war are still vivid.

Moreover, one gets the feeling that the Soviet leaders and their military chiefs, while keeping their forces and weapons at constant peak readiness, are steeped in confidence either that their first retaliatory blow against any surprise attack would be decisive or, probably more likely, that there will not be such an attack.

REORGANIZATION PLAN NO. 5

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 545, Senate Resolution 158.

The VICE PRESIDENT. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 158) that the Senate does not favor Reorganization Plan No. 5 of 1961 transmitted to Congress by the President on May 24, 1961.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. MANSFIELD. Mr. President, under the pending resolution, the time is allotted. I ask unanimous consent that half of the time be under the control of the distinguished acting minority leader, the Senator from California [Mr. KUCHEL], and half of the time be under the control of the Senator from Minnesota [Mr. HUMPHREY].

Mr. KUCHEL. Mr. President, reserving the right to object, and I do not object, do I correctly understand the request of the minority leader to be to cut in half the 10 hours which the law provides for discussion?

Mr. MANSFIELD. The law provides up to 10 hours.

Mr. KUCHEL. Up to 10 hours.

Mr. KEATING. Mr. President, reserving the right to object, and I shall not object, would it interfere with the operations of the majority leader if I were given about 10 or 15 minutes outside of the limitation?

Mr. MANSFIELD. Not at all, but I am sure the discussion will not take 10 hours.

Mr. KUCHEL. The Senator from New York has my assurance that he may have such time as he desires.

Mr. MANSFIELD. I will give time to him.

Mr. KEATING. Very well. I merely desired to obtain recognition. I have no objection.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). Is there objection? Without objection, it is so ordered.

CAPTIVE NATIONS WEEK

Mr. KEATING. Mr. President, this week marks the third commemoration of Captive Nations Week. As one of the sponsors of the resolution passed as Public Law 86–90 in 1959, I want once again to call the world's attention to the plight of the enslaved peoples behind the Iron Curtain. I believe we have a strong obligation to seize the initiative on the challenge of the captive nations to the related issue of Berlin. The struggle we face in this decade is to see that men everywhere are permitted to trumpet their inalienable rights of liberty in clarion tones. Our position as the leader of the free world makes it incumbent upon us to implement our libertarian ideals. Our own Declaration of Independence provides a theme which we must ring throughout the world.

This year it is especially important for us to make clear to everyone that we mean business in our support of the oppressed peoples in these captive nations. Berlin is only the external symptom of the crisis we are facing. The problem is Europe, not just Berlin or Germany. The goal of freedom-loving persons everywhere must be to assure to all nations the rights of freedom of speech, of self-determination of nations, and the many other rights which democratic nations have enjoyed for years. Berlin cannot be divorced from Eastern Europe or the world. The people who are being oppressed and trampled under the feet of dictators must be given the opportunity to breathe the fresh air of freedom.

Khrushchev seems to be totally unimpressed by Western words, however. It is necessary, therefore, to back up our words with actions. We must regain the initiative in diplomacy, rather than responding like a Pavlov dog to Khrushchev's strong-arm tactics. As Karl Marx said, "There is only one way to deal with a power like Russia, and that is the fearless way." In this respect, at least, he was right.

We must strengthen the troops we have in Europe. This would convince the Soviets that we are not going to retreat on this issue. No one should ever retreat who has right and might on his side, as we do.

Our cause is the extension of freedom and self-determination to all peoples. To effect this, we should move, in the United Nations, for free elections in Iron Curtain countries, just as we have them in the Western democracies. Such a move would concretely support the Yalta and Potsdam Agreements, and the declaration on the granting of independence to colonial countries and people, adopted by the U.N. General Assembly on December 14, 1960. That declaration states that:

> The subjection of peoples to alien subjugation, domination, and exploitation, constitutes a denial of fundamental human rights, is contrary to the Charter of the United Nations, and is an impediment to the promotion of world peace and cooperation.
>
> All peoples have the right of self-determination; by virtue of that right they freely pursue their economic, social, and cultural development.

This issue should be hit, and hit hard, by our representatives in the United Nations. By implementing our stern statements with forceful action and international influence, we can regain the initiative which is required if we are to see the captive nations restored to freedom. The Communist regimes have never been chosen by vote of free men. It is about time that Khrushchev's professions of self-determination of nations be put to a test.

Further pressure can be brought to bear on the Communist regimes in those countries, as well as an important initiative gained on Berlin, if our Government will study the possibility of economic sanctions or an economic quarantine against the Communist satellite governments. We should study actions ranging from a complete economic blockade to a mere holdup on deliveries from West Germany to East Germany. Economically it is the Communist states which are dependent on the West, not vice versa. Lack of economic opportunity plays a big role in drawing refugees out of the stagnant Soviet zone of Germany. Conversely, much of Berlin's strength derives from the stable economy based on West German currency and economic policies. We must take no steps which would weaken the economic strength of Berlin derived from its ties with the West, and at the same time we must seriously consider how to derive the greatest advantage from our economic strength vis-a-vis the Soviet satellites.

Our position in Berlin is one of strength; it is not one of weakness. We ought to stop talking about anything to the contrary.

The desire for freedom and economic betterment among the peoples behind the Iron Curtain cannot be doubted. Since the end of World War II, over 4 560,000 people have fled from Bulgaria, Czechoslovakia, East Germany—from which 4,700 refugees are now fleeing weekly, a rate of one every 2 minutes—Estonia, Latvia, Lithuania, Poland, Rumania, and Yugoslavia. In addition, there are some 9 million expellees and refugees from East Germany, as well as other Russian and non-Russian escapees from the Soviet Union itself. Thus, more than 13 million personal tragedies have resulted from the Red oppression. These are statistics of human suffering. No man wants to leave his homeland; he would do so only under conditions of extreme duress. This is the extreme to which the oppressive Communist regimes have driven these people. This is why we are commemorating Captive Nations Week.

But at least these 13 million people have escaped to freedom. The many people still left in these countries do not have this blessing. There are obviously many more people who want to get out, but they are encircled by the stringent controls of the police states in their lands.

These refugees have made their votes known in lands where secret ballots are unheard of—they have voted with their feet as they took the path to freedom. Khrushchev has said that the tide of history is with him, and that the Communists will bury us. He had better watch out that the refugees from his own Communist countries do not swallow him up in the tide, or that they do not bury him under their trampling feet as they flee en masse from the harsh oppression of communism.

Not only have the peoples of the captive nations made individual attempts to flee secretly, they have been brave enough to attack the police state in open rebellions. The events in East Germany in 1952, in Hungary and Poland in 1956, and in Tibet in 1959, bear witness to the extreme bravery of freedom-loving peoples, and to the sadistic ruthlessness of the Communists who slaughtered them.

The tumultuous welcome the city of Warsaw gave Vice President Nixon in 1959 also testifies to the belief of these people in freedom, and their reliance upon the United States. We must do something to justify that reliance, that confidence.

As Stewart Alsop has stated in his recent article in the Saturday Evening Post:

> The hatred of Communist oppression within the Communist states * * * is surely the West's essential asset in the long struggle in which we are now engaged. Ways must be found to exploit this asset.

The enraged outcry with which Nikita Khrushchev greeted the Captive Nations Week at its inception in 1959 fully justified the purpose of the commemoration. Khrushchev is very much aware that he has no defensible position when he is subjugating 88 million people. He knows equally well that world opinion is a strong force to which even he cannot be completely immune. Khrushchev tried to make it look as if Vice President Nixon were being embarrassed by the captive nations resolution in 1959, although it was actually the Soviet premier who was embarrassed. In 1960, he made an even greater objection to it. But Captive Nations Week is more than just a method of irritating the Red bear. It is our expression of democratic ideals; it is our fervent prayer that men everywhere will be able to live in freedom as we do.

Captive Nations Week is a mandate for the free nations of the world to launch a concerted peaceful attack for the freedom of oppressed peoples throughout the world, who have been saddled with the Communist yoke long enough. One of the main areas in which we can launch this attack is in the United Nations. We must press the issues of Hungary and Tibet, and we must stand firm against the admission of another oppressor state, Red China, to the United Nations.

Indeed, while I am speaking on the subject, we must stand firm against the recognition of the Red state of Outer Mongolia.

The House of Representatives is presently considering establishment of a Special Committee on the Captive Nations to study all the captive groups including those in the Soviet Union and Asia, with reference to the moral and legal status of Red totalitarian control. It would ascertain the existing conditions in these areas and explore the means by which the United States can assist these peoples by peaceful processes in their aspirations to regain their national and individual freedoms.

To implement Captive Nations Week further, I am hopeful that the Congress will pass this year the Freedom Commission and Freedom Academy bill, which the Senate passed last year and to which I was pleased to lend my enthusiastic support. This bill would establish a body which could research, develop, and project integrated, operational techniques to fight the nonmilitary part of the global struggle between freedom and communism, and which could train Government personnel, private citizens, and foreign students for this long-term struggle.

To make Captive Nations Week a resounding success, we need to broadcast its message far and wide. This can be done through the Voice of America, which must be expanded so that we not only cover the newly developing areas of Latin America and Africa, but also the older European nations which are trapped behind the Iron Curtain.

The communications process is vital in the success of a program such as the Captive Nations Week. People in foreign lands can hear the message over the Voice of America, and we should make sure that they also have the chance to see the message through the restoration and extension of our Champions of Liberty stamp series. This inspiring series of stamps could be extended to include many of the historic fighters for liberty in the captive nations themselves.

Captive Nations Week is a double-edged sword—one blade can free the oppressed peoples in these lands of Communist tyranny; the other blade can defeat the worldwide Red propaganda campaign. It is time we used this weapon to the hilt.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial from Life magazine, which expresses very similar views, following my remarks in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BERLIN—WHY WAIT FOR MR. K.?—THE WEST CAN HAVE A GREAT ISSUE IN EASTERN EUROPE, BUT ONLY IF WE WILL WAGE REAL POLITICAL WARFARE

This is a summer of foreboding in the West. Not since 1939 has that grisly prewar feeling run so strong. There is even a fatalistic readiness—among three Americans in five, according to Reporter Samuel Lubell—to use nuclear weapons if need be. And all because Khrushchev has set another deadline (December 31) for a showdown on the free city of Berlin.

President Kennedy could ameliorate this grim atmosphere by a positive line of action. It would, in our opinion, greatly reduce the chances of war over Berlin; or if worst comes to worst, it would put us in a better position to win such a war. Instead of waiting apprehensively for Khrushchev's deadline, Kennedy should set an earlier one of his own. Since Khrushchev has seen fit to raise the Berlin question, why should not Kennedy insist on the right of East Germans to self-determination in free elections, as promised by Stalin at Yalta and Potsdam and by Khrushchev at Geneva in 1955? And on the similar rights of Poles, Hungarians, Romanians, and Bulgarians, not to mention the Baltic peoples?—rights spelled out in treaties that have been systematically violated by Russia since the war. Kennedy recently gave verbal support to the East German rights and they are doubtless mentioned in the allied replies to Khrushchev this week. What we suggest is that Kennedy now make a cause of self-determination for all Eastern Europe and back it with certain actions that could make Khrushchev sorry he ever opened the subject of Berlin.

Militarily, Berlin is an exposed and highly vulnerable Western salient surrounded by 400,000 Russian troops. Politically, however, it is a Western asset and a Communist liability. It symbolizes the chief weakness of Soviet power, which is the unquenched desire for freedom of 100 million captive Europeans. They have demonstrated this desire by heroic revolts and by fleeing westward by the millions ever since World War II. East Germany alone continues to lose 4,500 refugees a week. A food shortage coupled with the threat to their escape hatch has just caused fresh demonstrations by East German workers; some experts predict another revolt. Eastern Europe's hatred of communism is so great a political liability to Khrushchev that it amounts to a military weakness as well. If there were war of any kind over Berlin, "the Russian rear [as Dean Acheson put it] could be in turmoil overnight."

In view of this weakness, it is preposterous that Khrushchev should be allowed to get away with demands in Germany. His very belligerence is probably defensive. The West's passive and strictly defensive show of fortitude about Berlin is also somewhat incongruous. Berlin is not our Thermopylae; it is an opening to the heart of captive Europe, with which its cause is inextricably linked. The freedom of Europe was earned in blood (one-third of East Germany was held by American troops in 1945) and sealed in solemn treaties. Khrushchev should be summoned to a conference not about Berlin, but about the reunification of Germany with free elections under Big Four supervision; and about self-determination, free elections, free press, etc. in Eastern Europe as well.

When he refuses, the West has several recourses to make him change his mind. They are not mere words and do not have to be shouted; they are acts of political warfare, the kind of warfare he has so long conducted against us.

One is economic sanctions. This could mean anything from a complete embargo on East-West trade to an undeclared but systematic sabotage of Western deliveries behind the Iron Curtain. The East bloc is much more dependent on this growing trade than the West. West German steel and ships, factories from Britain, grain from the United States are other items whose stoppage would hurt the Communist economies.

Such measures might antagonize pro-Western opinion behind the Curtain. But this could be at least neutralized by a radical step-up in the way the West explains its aims and policies to the captive nations. The Voice of America, Radio Free Europe, RIAS and other organs of propaganda could be remobilized. The "captive nations" theme, soft-pedaled of late, has proved its ability to enrage Khrushchev. Although RFE did not foment the Hungarian revolt, it has the power to stir up almost any degree of unrest that may suit our purposes. The chief problem is to say no more and no less than we are prepared to support with action.

The third major ingredient in political warfare is active military preparedness. (Khrushchev himself last week canceled proposed reductions in Russia's armed forces and upped his military budget by $3.5 billion.) Kennedy and his advisers are now deeply engaged in "contingency planning" to prove our resolve to defend Berlin. But if he enlarges his cause to the whole Eastern theater, the military planning should be enlarged too. We could take various emergency steps, and the NATO command could move to a higher state of readiness. In appropriate combination and without fanfare, such acts would give Khrushchev the right message.

It may be objected that political warfare of this kind is out of character for the Western democracies, or even impossible for an alliance of unequally resolute states. But that, surely, has been the trouble with Western policy: its divided and nerveless reluctance to answer Khrushchev's political warfare with our own. Only strong Washington leadership can change this state of affairs. On the anniversary of the 1953 East German revolt last month, Leo Cherne remarked: "If freedom is really our purpose then it must be defended where it was once enjoyed—not merely urged where it has never yet flowered. In fact, those who have never tasted freedom may never live under it, if those who have pioneered freedom [i.e., Europeans] are permitted to remain slaves."

This doubtless sounds like that old proposition called "rollback" or "liberation," which was gradually shelved as too risky in a nuclear age. Its opponents say it confronts the Communists with intolerable choices, like cornering a tiger. But, since we face the risk of war for Berlin in any case, why not be smart about it as well as brave? Said Mayor Willy Brandt, "In negotiations, if you want to keep what you have, you must ask for more than you have."

There is no solution to the Berlin problem (except Khrushchev's solution) if it is isolated from the problem of the Germanys and Eastern Europe, the unfinished business of World War II. For the West to embrace this larger issue, controlling its course and timing, would put Berlin in a truer perspective. It would tear the mask from Khrushchev's absurd bellicosity on his weakest front. It would rescue our own Berlin policy from the trap of mere nuclear fortitude. It would put that policy back in touch with the great hopes we nurtured, and the obligations we assumed, only yesterday. In Eastern Europe, their memory is still green.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. KEATING. I yield to the distinguished Senator from California.

Mr. KUCHEL. I applaud and salute what the able Senator from New York has said. The Senator from New York has honorably served our country in war and in peace. Captive Nations Week ought to demonstrate the abiding feelings of Americans and to encourage human beings who live behind the Iron Curtain to know that we have not forgotten that man was born to be free, and that where man has been enslaved, either in metal chains or mental bondage, he needs the comfort and the hope which the people and the Government of the United States may give, and continue to give to him.

Once again my friend from New York has performed a service to the cause of freedom. He has made some excellent and unique suggestions to the executive branch, which I hope will be taken to heart and utilized by the American Government to demonstrate that we cherish our freedom and that we shall never forget the people behind the Iron Curtain who, like us, were born to be free. Once again I applaud and salute the distinguished Senator from New York.

Mr. KEATING. Mr. President, I am grateful to my friend from California for his very kind comments. I know his deep feelings on this subject. I know of his deep concern over the plight of the captive nations and the people behind the Iron Curtain who yearn to be free. I know of the Senator's deep respect for their many relatives and friends in this country. Those people have such great love of America that it is most touching to observe them at patriotic celebrations. Those people are some of our very finest Americans. I thank the Senator for his comment.

TRIBUTE TO SPAIN

Mr. BRIDGES. Mr. President, during these perilous days when so many nations have succumbed to the advances of international communism, and so many more are wavering before the Red menace, it is indeed comforting and reassuring to know that there are nations prepared to resist the threats of the Communist juggernaut regardless of consequences.

As mighty and as powerful as she is, the United States of America needs the cooperation of these friendly nations lest the scales of world power be overbalanced on the side of oppressive communism.

Among the nations who girded for the fray long ago and who stood firm against the pressure of Red aggression is our friend and ally Spain. The Spanish people are united behind their leader and Chief of State, Generalissimo Francisco Franco, in his dedication to keep the Iron Curtain from being drawn across the borders of Spain.

I believe it is appropriate to call attention at this time to the 25th anniversary of Spain's successful crusade against communism and to ponder for a moment the plight of the free world if Spain were not numbered among the foes of this godless monster.

It would be indeed tragic if the Iberian Peninsula were blotted with Red from the Pyrenees Mountains on the north to Gibraltar on the south. At present the cause of freedom is in peril, but the existence of communism on the soil of Spain would surely cause the lamp of liberty to flicker throughout the world. Thank God we are not faced with this untenable proposition. Instead we have the assurance that Spaniards will stand side by side with Americans and other freedom-loving peoples to form a bulwark against further advances by the Communist bloc.

Certainly a singular accomplishment in our constant battle to preserve freedom was this Government's base agreement negotiated with Spain in 1953. This agreement, among other things, permitted the location of Strategic Air Command bases on Spanish soil—a move which has been hailed by our military leaders as a significant deterrent to Communist aggression.

As Spain begins a second quarter century since its successful resistance of the movement of communism, I rise to pay tribute to the Spanish peoples, to their able leader, General Franco, and to their distinguished Ambassador to the United States, Mr. Mariano de Yturraldi y Orbegoso. I congratulate Spain for her contributions to the cause of the free world and I look forward to many more years of friendly cooperation between our two governments.

RED CHINA'S NEW BID

Mr. BRIDGES. Mr. President, the subject of admission of Red China to the United Nations has once again raised its ugly head and the American people are now being battered with what some elements of our national leadership apparently consider to be a tempting dish—the setting forth of conditions to Red China that would make it impossible for the Communists to consider becoming a member of U.N., or accepting a seat in the same body with Nationalist China.

In this connection, on June 21, the Oakland, Calif. Tribune newspaper editorialized on "Red China's new bid."

This widely quoted daily newspaper, published by the distinguished former U.S. Senator from California, William F. Knowland, takes a dim view of Red China and the latest effort to bring this Communist regime into the United Nations. I agree wholeheartedly with the position taken by the Oakland Tribune and that of the American Security Council.

I ask unanimous consent that this editorial be printed in the body of the RECORD as part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RED CHINA'S NEW BID

We firmly support the plea of the American Security Council for every citizen to petition his elected representative in Congress to reaffirm the opposition of the United States to the admission of Red China to the U.N.

The Council, through its National Strategy Committee, points out that never before has there been such a "massive, well-organized attack" to get a U.N. seat for Red China when the General Assembly meets in September.

The committee has assessed the situation rightly in saying that the admission of Red China would "irreparably damage U.S. national security." It will do this and more. It will irreparably damage the very foundations upon which the United Nations was built and render it a frail reed bereft of the moral fiber which was its strength.

The committee points out that many Americans have been taken in by the propaganda that is being circulated currently, but it warns:

"It is essential that the American people realize that we as a Nation cannot abrogate the responsibilities of leadership by sacrificing our principles for easy pragmatic solutions."

How, the committee asks, can any American forget Red Chinese participation in Korea and the continuing violations of the Korean truce? How, for that matter, can Americans be blind to the Red Chinese operations in Laos, Burma, and Vietnam?

The United Nations charter categorically denounces aggression and the aggressors. Red China has been branded an aggressor. It is as simple as that. If Red China is admitted to the U.N. then the U.N. Charter—often called the hope of the free world—might just as well be burned or discarded as a declaration of human rights.

The committee has called upon administration leaders and the country to assert bold leadership. But it also warned that we must not be maneuvered into a position in a General Assembly debate that we would support the "two-China concept" either.

Such a compromise, as the committee points out, would have the same effect as full admission of Red China to the U.N. because it would constitute a reversal of our traditional policy of not accepting Communist military conquest as permanent.

NUCLEAR TESTING

Mr. BRIDGES. Mr. President, I wish to invite attention to an editorial, "Time of Decision," which appeared in the July 10 issue of the New York Journal American in which the publication comments on my recent remarks on the Senate floor in support of an immediate resumption of nuclear testing.

This editorial agrees with the position taken by me and by other Members of this body on both sides of the aisle, and adds that "the imperatives of security also require the President to make a decision." In my remarks, I pointed out that while the President is faced with a difficult decision, the Office of the Presidency requires him to make a decision, one that might involve the security of our Nation.

In addition to this editorial, there recently appeared in the same publication an editor's report entitled "Let's Resume A-Tests Now." This report written by the distinguished publisher and editor in chief of the Hearst newspapers, and printed on June 25, clearly sets forth the urgency of the problem and the need for a decision. This report caused many Americans to sit up and take a closer look at the things going on around them in this country and in the world at large. It created a lot of concern and my mail has reflected this situation. I commend it to the reading of all those who have not had the opportunity to do so earlier.

Within a matter of hours, the New York Daily News declared editorially: "Talk, Sure; but Test, Too." It was brief, but to the point and also reflected the concern over this problem.

Mr. President, I ask unanimous consent that these editorials be printed in the RECORD as part of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Journal-American, July 10, 1961]

TIME OF DECISION

Another authoritative voice has been added to those calling on President Kennedy to order resumption of underground nuclear tests.

Senator STYLES BRIDGES, of New Hampshire, chairman of the GOP policy committee and influential member of the Armed Services and Appropriations Committees, had this to say in urging the end of more than 2½ years' moratorium on testing:

"The President is faced with a difficult decision, but the office of the Presidency requires him to make a decision. That decision might involve the destiny of our Nation." We would add that the imperatives of security also require the President to make a decision. And so do the tremendous potentialities in peaceful uses of nuclear explosions, which could bring immeasurable benefits to mankind, to say nothing of immeasurable prestige to our country.

There is no way of knowing if the Russians have been secretly testing. The growing belief among our scientists and experts is that they have been. Senator BRIDGES recalled Khrushchev's boast in January 1960, of "a fantastic weapon" and deduced they might be well along in developing a neutron bomb.

We cannot afford to delay any longer. The sense of urgency extends to both sides of the aisle in the Senate. In addition to Mr. BRIDGES, Republican Senator DIRKSEN has called for resumption of tests. On the Democratic side so have Senators DODD and JACKSON.

Let's get on with it.

[From the New York Journal-American, June 25, 1961]

LET'S RESUME A-TESTS NOW

(By William Randolph Hearst, Jr.)

LOS ANGELES, June 24.—The days will be getting shorter and shorter now that we have turned the corner of the longest day of the year, and time's awasting for the United States and the Western World. Just sitting around on our hands is not going to meet the latest challenges thrown at us by Nikita Khrushchev, the man who calls the signals for world communism.

For wishful thinkers there was no comfort in Mr. K.'s bombastic speech Wednesday to mark the double decade anniversary of the Nazi invasion of the Soviet in World War II. He repeated his recent unyielding positions on Germany, Berlin, and nuclear test bans.

One area of administration policy—or lack of it—that has afforded Khrushchev the opportunity for self-righteous bluster is President Kennedy's maybe-yes-maybe-no attitude toward resuming safe underground nuclear tests.

Khrushchev didn't waste any time in seizing the propaganda initiative from our dillydallying. He proclaimed in tones of outraged innocence that if the United States starts testing the Soviet Union will do the same.

By anticipating a decision to resume testing that it seems to me the course of events and the overwhelming demands of security will compel Mr. Kennedy to take, Khrushchev made big news—when it wasn't

really big at all—and set the scene for picturing Russia as the injured party when we do start testing.

The cold facts are (1) that no one in his right mind assumes the Russians would not test once we began and (2) the Russians have deliberately wrecked all expectations of agreement at the Geneva nuclear test-ban talks, so it is they who have betrayed the hopes of the world, not us.

It was intimated a few weeks ago that the administration was preparing a white paper setting forth a bill of particulars of this betrayal, accompanied by an announcement that we were going to test.

If the white paper had been issued and the announcement made, they would have seized the initiative that the administration has left to Khrushchev. For a white paper—now—will be considered a defensive rebuttal, rather than an assertion of rightful purpose.

The ironic part of it is that the President has edged closer and closer to the line of decision, but has never crossed it. He told the Russians a week ago that we might resume testing. He recalled Arthur H. Dean, our chief negotiator at Geneva, for an indefinite period. But he has delayed in taking the final step, and the delay has forfeited the propaganda advantage to Khrushchev.

As a matter of fact, Khrushchev's warning about the Soviet Union resuming testing has in itself a biting irony. For it is the belief of many of our experts that the Russians have been secretly testing while we have abstained for more than 2½ years of a self-imposed moratorium during the futility at Geneva.

In this connection, the New York Times published a couple of days ago an interesting and important letter from Lewis Strauss, former Chairman of the Atomic Energy Commission.

Admiral Strauss pointed out that each year there are some 200 seismic shocks recorded in Soviet territory, "any of which could be caused by quite substantial tests." He continued:

This past week also Gen. Lyman L. Lemnitzer, Chairman of the Joint Chiefs of Staff, headed a group of Pentagon experts who emphasized the urgent security needs of resuming testing before a subcommittee of the congressional Atomic Energy Committee.

Senator HENRY M. JACKSON, of Washington, Democrat and head of the subcommittee, said after hearing General Lemnitzer and the others:

"I think it is safe to say that the committee (meaning the full Atomic Energy Committee), from a military point of view, feels that testing should be resumed."

It is not only the military point of view that enters into this. Another great potential area that we are neglecting is the development of peaceful uses of nuclear explosions. It is not exaggerating to say that the possibilities for the benefit of all mankind are enormous. Nor is it exaggerating to say that if the Russians develop these uses before we do, they will gain immeasurable world prestige.

For all these reasons, based on advice from foremost nuclear physicists and the thinking of other experts, the Hearst newspapers have been urging resumption of underground tests since May 1960. That was some 18 months after the Geneva talks began and when the hopelessness of reaching an agreement was already apparent.

[From the New York Journal-American, June 25, 1961]

EDITORIAL IN SUPPORT OF NUCLEAR TESTING

If it was apparent then, it is dangerously clear now.

That is why I cannot understand why President Kennedy puts up with any further delay. Let's get on with the tests now.

Khrushchev put military garb on his militancy by wearing the uniform of a lieutenant general for his anniversary speech. Students of modern history may lift a skeptical eyebrow about the legitimacy of comrade Nikita's role as a war hero. His function seems to have been confined to that of a political commissar.

But for unquestioning children in Soviet schools, K.'s "military genius" will now be a matter of black and white print. New Russian history books tell all about the errors committed in World War II by Stalin and by his top generals. According to the revised authoritative story, the Soviet was saved from disaster largely by the efforts of certain omniscient leaders, who naturally included guess who with initials "N.S.K."

This rewriting of military history could be considered laughable if it did not embrace the possibility that K. is trying to build up public confidence in his ability to make military decisions. Tie that in with the obvious fact that the Western Powers and the Soviet are headed for collision over the Berlin and German questions and it seems less than funny.

But just what is the U.S. Government, which wears the mantle of leadership of the West, doing about a looming German crisis?

President Kennedy and Secretary of State Rusk declare we will not yield the Western Powers' rights of access to West Berlin if the Soviet forces the issue by signing a treaty with the East German Communists and turning over to them control of the routes to the city.

As I see it, mere passive defense against this Soviet threat is not enough.

At Vienna, Khrushchev handed President Kennedy a couple of memos that amounted to ultimata on Berlin and on disarmament. Our administration sat silent and let the Soviet make progaganda hay by telling the world about it. U.S. comment was lamely belated.

To a few savvy statesmen and journalists it was obvious that K. had contributed nothing but more tension to an already tense situation. But how about the masses of people everywhere? It was only natural that they should see this as strength and desire to negotiate by the Russians. Just as naturally, they could see it as weakness and a standpat attitude by the United States.

My good friend Maj. Alexander De Seversky has coined a label—"Active Defense"—for his crusade for air-and-missile strength. I think it is a good label and would well apply to what we should be doing about the German question.

We shouldn't allow ourselves to be placed in the role of trying to perpetuate division of Germany. The United States should be demanding that the German people be permitted to vote on the question on their future. We know that the vote would be overwhelming for unification of the two Germanys on a democratic basis. That would automatically also solve the question of divided Berlin.

The Russian wouldn't dare to agree to a free German vote, because they know as well as we do that they wouldn't have a chance. In this era of liberation of colonies and self-determination of nations, the propaganda shoe would be on the other foot. It would be old shoe-thumper Khrushchev who would feel the pinch of being on the defensive. That would indeed be what De Seversky and I mean by "Active Defense."

President Kennedy was elected on the strength of high-sounding promises to take the initiative away from the Reds and restore U.S. prestige.

Unfortunately, we haven't seen any of that yet, and in my opinion it's high time this administration got cracking.

[From the Daily News, June 27, 1961]

TALK, SURE; BUT TEST, TOO

NEUTRON BOMB POSSIBILITIES

Arthur H. Dean, head of the U.S. team at the Geneva talks on abandoning nuclear weapon tests, says the talks ought to go on even if this country resumes testing, as President Kennedy hints it may do.

We can see no harm in Dean & Co.'s staying on in the good hotels and pleasant surroundings of Geneva as long as the taxpayers will stand for it.

But the main thing is to get those tests going again, and fast. It is likely that Soviet Russia has been testing in secret for almost 3 years while we haven't. It is entirely possible that Russia has made progress toward developing the so-called neutron bomb—a nuclear device which, if it could be made to work, would rub out all life in any area attacked with it, but would not destroy buildings or release any long-lasting fallout.

In hesitating to resume our tests, the administration is gambling with nothing less than the life of this Nation.

ADDRESS BY SENATOR GOLDWATER BEFORE SOUTHERN INDUSTRIAL RELATIONS CONFERENCE

Mr. GOLDWATER. Mr. President, I ask unanimous consent that an address I delivered last night in Blue Ridge, N.C., before the Southern Industrial Relations Conference, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR BARRY GOLDWATER, REPUBLICAN, OF ARIZONA, SOUTHERN INDUSTRIAL RELATIONS CONFERENCE, BLUE RIDGE, N.C., JULY 19, 1961, AT 7 P.M.

Mr. Chairman, honored guests: It is indeed a privilege and a pleasure to be with you today and add some observations of mine to this important conference on industrial relations. My subject, "The Economy," may be a bit broader than the theme you have set for your deliberations, but I can't help but feel that the problems and challenges we face today in this particular area of society far overbalance other considerations. They are grave problems which I have reference to, and they are problems that demand of everyone whose interest is primarily economic the most clearsighted and sober attention it is possible to give them.

Our economy is the foundation of American society. Without it, we can't operate in any sphere of activity—whether it be domestic or international. Without it, all military, social, diplomatic and political problems become academic exercises which have no answers. Without it, human energy cannot be channeled for the benefit of others and human initiative becomes largely meaningless. Our economy is the embodiment of our individual freedom as well as the medium for giving the population pleasure and abundance. It is both the expression and the achievement of an industrious people working in an atmosphere of freedom; a way of life and of work that surpasses anything the world has ever known.

Now our economy has many segments and many subdivisions, each one of which is seriously concerned with its own area of activity. And oftentimes this can lead to trouble. We can become too much concerned with our own little patch, so engrossed with our own immediate economic and business problems that we ignore the larger picture and with it the questions that arise to threaten the entire area of economic activity as we know it in the United States.

And, let me say to you quite candidly that if there ever existed a time when the businessmen of America should lift their sights and remain on guard that time is right now. I would warn you today that there are forces at work right now which can so burden the economy of this Nation that we might never get out from under the weight.

This burden is coming in the form of additional Government spending programs. It is coming in separate part from the White House with the endorsement of the New Frontier and it is being enacted with an alarming speed by the Congress of the United States. These programs carry large initial price tags in the name of "crisis" and they presage the heaviest Government expenditures that this Nation has ever been asked to assume.

The frightening thing about these demands is the abandonment with which they are made. No responsible accounting is applied to them. Government officials appearing before Senate and House committees are vague or completely uninformed about the ultimate cost of these programs. No consideration is being given to our capacity to handle additional demands. No concern is shown for the fact that succeeding generations of Americans will have their futures mortgaged in the dubious cause of welfare state planning both at home and abroad.

But one very significant and disturbing trend is becoming noticeable in the explanations offered by New Frontiersmen when they are challenged on the fiscal aspects of their demands. And this is a preoccupation with a statistic called the gross national product, which I have often referred to as a gross national lie. Now, I'm sure I don't have to explain to you people, that the gross national product is supposed to represent the sum total of all goods and services produced in the United States of America during a given period of time. It is a very loose figure, full of duplications and inaccuracies, which has a certain usefulness to show the trend of our development over long periods of time. But, as an accurate measure of economic growth year by year, it is a complete fallacy.

Now this is no mystery to economists, even those who call Harvard their home and Washington their playground. It is a well-established fact in economic circles that the GNP is not only unreliable but that it is subject to manipulation by Government action. And, as I say, the administration economists and the administration fiscal officers know this as well as anyone else. Yet, they are using arguments based on this gross national lie to fortify and excuse their case for more Government spending and additional deficit financing. In other words, they are falling back on what they know to be a discredited statistic to excuse what they know to be unsound economics.

Let me tell you how this fiscal heresy, this economic legerdemain, works. We are told by no less authority than Dr. Seymour Harris, of Harvard, that because the public debt isn't so great when compared with the gross national product that we can afford a deficit of $10 billion in the next fiscal year. We are told by Treasury Secretary Douglas Dillon that economic growth, as measured by the GNP, will be such next year that the budget may again be brought into balance. We are told by President Kennedy that economic growth in the years to come will enable this Nation to meet new Government expenses that not even his advisers can estimate as to final cost. In short, everything the administration proposes in the realm of spending, whether it be for international purposes or domestic programs, is to be taken care of through greater economic growth as measured by the gross national product.

What is never mentioned in any of these complicated and high-sounding economic arguments is the fact that the gross national product is not an accurate indication of growth. It can be increased on paper by increased Government spending. So you have a situation where Government spending can be used to increase the gross national product and the increase in the gross national product is used as an excuse for more spending. Another fact that is never explained along the New Frontier is that the gross national product can be increased on paper through inflation. Thus, the situation is this: Heavier Government spending leads to deficit financing which in turn leads to inflation. And this inflation increases the gross national product and—on the basis of the economic heresy being practiced by the administration—this provides another excuse for increasing Government spending.

Now this trick—for that is all it is, a trick—had its origin in the Keynesian theories which were imported from England during the depression years of the 1930's and which are still being peddled by some universities and pubic officials long after the primary reason for their application has ceased to exist. There seems to be an official purpose today in forgetting that when Keynes wrote his "General Theory of Employment, Interest and Money" and other economic treatises he was concentrating his attention almost entirely on unemployment and depression. It is highly probable that Keynes himself never expected his ideas to be carried over and applied in eras of high employment.

But that is what we find today. We find the administration striving for economic growth at any price and by any measurement—merely to justify its own inflationary policies. They would have us think that anything that increases the total of the gross national product is economic growth. But it is an established economic fact that Federal spending during peacetimes does not increase the ability of the economy to produce. Instead, it detracts from the potential growth of the economy. It adds to the tax burden, which in turn reduces incentive. And when spending exceeds the tax yield, the result is inflation, which saps the economic vitality of the Nation.

Genuine economic growth—the kind we need in this country to produce new jobs and add to the strength and welfare and well-being of our people—is economic growth, which is not accompanied by more taxes and increased prices. It is honest growth based on our ability to supply an increased demand for goods and services, both at home and abroad. It is growth measured by capacity, and not, as in the GNP, measured by just what is produced in a given year. When you take the GNP as a measure of growth, you include in that growth such things as unused surpluses, bad planning, poor distribution, faulty production. Some items turn up four or five times. Others have a multiplier effect. For example, $1 billion of Government spending in a given year shows up as $3 billion in the GNP computation. Expenditures in capital plant and equipment also are multiplied in the GNP. At the same time, some other items which may be more accurate indicators of growth make a poor showing in the GNP total. Among these are such things as expenditures in development of new products, basic research, vocational education, and training.

Another great danger in the present Government policy of using the GNP to determine whether the Nation is growing at a rate of 3 or 4 or 5 percent a year is the tendency to compare our progress with that of the Russians. This game of measurement—and that's all it is, an exercise with impossible statistics—is dangerous because it can be used to invest our people with an assurance that may not be justified. It also can be used in a reverse manner—to frighten the people into supporting unwise and unsound public policies. The reason is very simple: Since there is no possible way to arrive at an accurate comparison of the Russian and American economies on the basis of figures available in either country, anything suggested along these lines is given credence merely because there is no effective way to prove it wrong. Here is truly a place where the old saying "You can do anything with figures" applies with a vengeance.

Thus, it is that when the President tells us that Russia's output will not catch up with ours in the 20th century, we are entitled to ask—indeed our duty obliges us to ask: How do you know? What kind of output are you referring to? How can you compare market prices in a regimented economy with those existing in a free enterprise system? These are only a few of the hundreds of unanswerable questions that can be posed to challenge such a statement.

Now this is no mystery either. Every economist in his right mind knows that there is no accurate way to measure the performance of the Russian economy vis a vis the American economy. The astounding and disconcerting factor here is that the President of the United States would engage in such a game.

But there is great need for the right kind of economic growth in the United States. We need it to take up some of the unemployment slack and put more of our people to work. We need it to undergird our defense efforts. We need it to meet the growing threat of Russian economic achievements. The trouble is that we aren't going about it in the right way. We aren't taking the kind of fundamental action which is required to insure proper economic growth in this country. The New Frontier has been concentrating on the outward manifestations of a sluggish economy without attacking the disease. It has been pushing through measures for higher minimum wages, more unemployment compensation, aid to depressed areas—none of which will add one single job to the American labor market. Of course, these measures have been called antirecession moves and were promoted as a means of improving our economic health so we can afford lavish outlays of Federal aid in all conceivable categories. The result is not improving the Nation's economic health. Rather, it is aggravating and complicating the illness.

Now many of us who criticize the administration's fiscal policies are often accused of taking a negative attitude—of merely being "against" what is proposed without offering substitute proposals. Well, I want to dispel any such lingering ideas of that kind here today. We do have proposals and suggestions to meet the problem of how to bring about economic growth in this country. They have been offered time and time and time again. And we intend to continue to stress them in the hope that eventually those in authority will wake up to our true economic danger and take some basic steps to bring about a solution.

The starting point in what I regard as a sound program for promoting real economic growth in the United States is a balanced national budget. From this start, we could move ahead to other steps of responsibility—to budget surpluses, to payments to the national debt, to reduced taxes, to monetary stability. We could put our economic house in order, reduce the pressures of inflation and reinstitute the necessary underpinnings for a vigorous, dynamic economy—an economy which could quickly turn our present unemployment problem into a nationwide manpower shortage.

And it would be no great problem to balance the Federal budget—even to guarantee a sizable surplus—because there are literally scores of places where expenditures could be cut. And let me emphasize that this could be done without impairing our national defense. There has in the past been a concerted effort to sell the American people on the idea that unbalanced budgets and deficit financing are only caused by our military requirements.

While it is true that the demands of keeping ahead in military preparedness are heavy, the increase we face today is primarily in the welfare categories of the nondefense budget. I say that we can easily maintain and even expand our essential military expenditures and still have ample budget surpluses if we wield the axe in the right places to present nonessential expenditures and hold the line against further unnecessary increases. There is positively no excuse for deficit financing at the present time. In fact, deficit spending should only be resorted to in the face of an overriding national emergency which can be handled in no other way. Even then, it should come only after the entire Federal budget has been scrutinized and every existing spending program has been examined with an eye to determining whether it can be cut down or eliminated. There is no doubt that there are many items in the Federal budget which are relatively so unimportant or unnecessary that they can speedily be reduced or discarded without any harm to the public welfare. And, there is no reason why such a process of Government cost cutting cannot provide the necessary Federal funds for other more important, essential programs which would otherwise force us to levy new taxes on the already overloaded taxpayer, or to inflation-spawning deficit spending.

Along with a balanced budget, I believe one of the greatest needs today is for the type of tax reform that will yield more revenue to the Government and provide our economic system with the freedom and incentive it needs to operate at capacity. Aside from the consequences of inflation, the greatest drag on our productive might today is the burden of excessive and inequitable taxation. This must be corrected quickly, or we will find ourselves falling far behind other nations in economic development and expansion. We will find ourselves unable to meet the needs of an expanding population in the space age. And, most important, we will find ourselves too weak to cope properly with the challenge of international communism. There can be no doubt that the power and strength which must underlie our moves in the cold war are grounded in our productive capability. So that when we weaken that capability through unwise and unsound economic policies, we are in fact gambling with the future course of freedom throughout the world.

In the field of taxation, the most immediate requirement is for liberalization of the depreciation allowance provisions of the Federal Revenue Code. Now, in this connection, I'm talking about the kind of liberalization that will permit quick writeoff of depreciation and put an immediate spur to the economy by enabling our industrial plants to begin large-scale replacement of some $95 billion in obsolete equipment with which they are presently saddled. And let me emphasize, I am not referring to a token "tax credit" idea designed primarily to give business the illusion of assistance but which in reality would enable the replacement of only about $1.5 billion worth of that $95 billion in old equipment. Nor am I talking about a liberalization permitted only in the case of companies that pledge themselves in advance to a program of expansion greater than their annual depreciation deductions.

I believe the Government should permit individuals and corporations to fix their own schedules of depreciation and allow them to arrange their own writeoffs over a given period of time. This would have an enormous impact on business conditions and employment. In effect, it would amount to a program for regearing the entire economy and streamlining our industrial plant at a time when such a program is not only necessary but essential. It would, I am convinced, give the United States an unlimited opportunity for constant growth.

No discussion of the economic problems facing this Nation would be complete without giving serious consideration to the role played by the union monopoly in fostering unnatural business costs. There can be no doubt that the operation of this monopoly within the framework of the special privileges and immunities granted it by the Federal Government is the source of much of our trouble. It is a basic fact that no effective battle can be waged against inflation and unemployment and foreign competition unless we hold the line against unearned wage increases for large segments of the working force. The key to this, of course, is productivity and there is nothing new about the axiom that a worker is either worthy of his hire or he isn't; that he is either worthy of a wage increase on the basis of what he produces, or he is not. This has been the formula for employment and advancement in every workable economic system the world has ever devised. Yet the great power which industrywide labor unions are permitted to exercise today enables them to virtually dictate wage rates and fringe benefits without regard to gains in productivity or economic conditions. And any resistance to the exercise of union power is answered by long, costly and exhausting strikes.

Now the upshot of this situation is that more and more employers are being caught in a tight squeeze between unearned wage increases on one hand and market resistance to higher prices on the other. And this union wage structure is a rigid cost factor in the economy, moving always in just one direction—up. When market conditions won't permit prices to climb in relation to these wage costs, profits dwindle, risk capital disappears and job-creating business expansion grinds to a halt. I suggest that this is the biggest single reason for unemployment today.

Under the intensified competitive conditions now prevailing in foreign markets, it is a wonder that American firms are able to compete at all with countries whose wage rates are only a fraction of ours and whose industries are equipped with the newest production machinery. And I would remind you again that the advantage we once enjoyed—despite wage differentials—because we possessed the ingenuity to "make a better mousetrap" is rapidly disappearing.

These economic facts of life seem to be lost on the leaders of organized labor in this country. In a time of great stress and greater danger, they go right on pressuring for more and more wage increases, a shorter workweek and restrictive measures aimed at business. They show no tendency to recognize that the weight of economic events and changed world conditions places a responsibility on their shoulders as well as on the shoulders of the public, government and management. And this is a situation which the Kennedy administration will ultimately have to face, and face squarely, if this nation is to maintain an economic progress that will keep pace with demands at home and abroad. I believe it is a situation which cries out for legislation to equalize the power now held by labor with that of the public, the government and management. And this has to be done quickly if we are to get on with the job of economic reconstruction dictated by questions of survival.

In conclusion, let me say, that the proposals I have outlined here today do not cover all that needs to be done if we are to unleash the full potential of the free enterprise system. However, they are the fundamental requirements which, if adopted, would gear this Nation's economy for a level of astounding performance. They would enable us to achieve a military superiority so great that no Nation or collection of nations would dare to challenge or threaten us. They would help us provide employment for every man and woman in this country who wants to work. And they would give us a higher standard of living than anyone ever believed possible.

ADDRESS BY SENATOR GOLDWATER BEFORE NATIONAL ASSOCIATION OF PLUMBING CONTRACTORS

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the keynote address I delivered on June 19, in Detroit, Mich., before the National Association of Plumbing Contractors, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF PLUMBING CONTRACTORS, JUNE 19, 1961, KEYNOTE ADDRESS, HON. BARRY GOLDWATER

Mr. Chairman and members of this convention, I can't tell you what a real pleasure it is for me to be here this morning. I shall confine myself to a discussion of American business because I think there is nothing more important domestically right now than the maintenance of our economic strength and seeing to it that it stays with us and is not replaced by some other form of economic system that has never produced for anybody.

In discussing American business this morning I would like to discuss it from the standpoint of three questions:

1. Where are we now businesswise?
2. Where have we been?
3. Where do we go from here, and how?

When we talk about the first question, Where are we now? we are coming out of a period of economic adjustment. You might call it a recession. It has become very popular to call these little adjustments recessions so we can call it a recession and I guess it would be perfectly proper, but I like to think of it as a period of adjustment where businessmen adjust their inventories, where people quit buying for one reason or another; it might be lack of quality, it might be the price structure is too high, but for one reason or another we go through these periods.

Now we are coming out of this one but it is characterized by the same situations that we found in the last several periods of adjustment that we have gone through. We are not coming out of this very fast.

It is true the economy is increasing. It is running I would think at a rate today of about 2½ percent increase, which is not up to normal. Normal in this country should be about 3 percent, and actually as we go along I will try to develop the thesis that it could run a little faster than that or a little higher than has been normal since 1913.

Also this recovery is characterized by a lack of vigor. This doesn't mean speed. There is no great excitement about coming out of this period of recession; there is no great surge to do anything about it. In fact, we find another characteristic about

these latter day adjustment periods, and that is an increase in unemployment. Before 1955 this phenomenon has never accompanied our periods of adjustment. As we go into a recession employment falls off, and as we come out employment would always increase. Now this has not been true. Just yesterday figures were released that show that unemployment in this country is remaining at the same position that it has been for the last several months. In other words, people are not going back to work.

There is reason for this that we will discuss in more detail later but I think it has become very obvious that since 1955 we are no longer in a war economy. What used to be a large part of our Nation's business reflected in arms, and so forth, while it remains the same figure has become a relatively small part of what we call the gross national product.

Now I don't happen to believe in the gross national product as an accurate barometer of business, but as long as it is used and other people use it to compare facets of the economy with, I will use it but with the understanding that I do not believe it is an accurate figure.

Back in the war when we were spending approximately what we are spending today for national defense it amounted to almost 45 percent of what we call the gross national product. Today what we are spending for national defense amounts to 9 percent of the gross national product. And as this, what I call a phony figure, continues to grow, the same amount of between $42 and $44 billion annually will become a smaller and smaller part.

We changed about 1955 because the technology of war took a very swift and sudden change about that time where we found ourselves capable of placing immense firepower in the hands of one man. For example, we can equip a ground soldier now with the firepower of a battalion in World War I. We can equip one airplane with the bomb power of all the bombs dropped in World War II. So it is very obvious that we need fewer men to manufacture these things and we also need fewer men in the armed services to do the actual work of delivering firepower. We haven't recognized this fact nationally as yet. Consequently we haven't done the things that must be done, which I will get into later, to cause this economy to grow at a faster rate.

Also our capital investment is running lower through the first two quarters of this year than it ran through the first two quarters of 2 years ago, and it is running just slightly ahead, very slightly ahead, of last year. This, in turn, is rather disturbing because it shows that businessmen either do not have the confidence or they feel that they must have a better chance at profits through a better break in taxation before this money will be spent.

These are just a few of the indicators we have today as to the problems involved in our business structure, these problems of getting our business moving faster so that all of us can enjoy the fruits of business to a larger extent.

When we try to understand why this is happening to us, we have always looked on the free enterprise system as a system that could not be beaten, could not be stopped, it was going to go on forever with great dynamic qualities producing more and more for more and more people, we have to answer the second question which I think is most important that all businessmen in the country today understand; namely, Where have we been? Where has the American business been for the last 30 years?

Well, if I may use some rather plain language, we have been engaged in the last 30 years in what I call "economic fakery." You will recall in the 1930's after the depression of 1929, and the depression lingered on through 1930 and 1931 in varying degrees in various parts of the country, beginning in 1933 we for the first time tried what we like to call Government support of the economy. The people at that time in Government were obsessed with the idea that the Government spending the taxpayers' money to a larger extent probably than they would have spent it at that time could induce the economy to move at a faster rate, a rate fast enough to absorb unemployment and, in fact, erase the effects of the depression of 1929.

This practice kept on through 1939, and during that 6½-year period we actually spent about 52 percent of our total national budgets in an effort to get the country out of a depression and get people back to work. Had we continued this through 1941 or possibly 1942 has always been my opinion that this country would have had a complete economic collapse, but World War II came along, and World War II placed 9½ million people back to work who were still out of work at that late date. World War II drove us into a war economy and of course we enjoyed business growth at a rate we had never experienced, we enjoyed profits at a rate we had never experienced before and people went back to work.

Now the peculiar thing is that some people were sold and still are sold on the idea that we came out of the depression in 1929 by these governmental injections during the 1930's. The truth of the matter is that we were the only country in the world still in a depression when World War II became very imminent. There was a world depression in 1929. In fact, this country could not go into a serious depression without the world going into a serious depression; not that we couldn't start it, but in that case it was not the United States that triggered it off, it was a situation worldwide that needed adjustment and the adjustment was a huge one.

We have come to know this theory as the Keynes theory. Keynes was a man from England who came up with the idea that the government should drain off what is now called "fluent money" or excess money and spend it for public good. It is rather hard to describe "public good" but we find the Government in business. That wouldn't be public good in my estimation. They probably had in mind originally the spending of this money for highways, for public works, etc. The Keynesian theory in some ways proved itself during war years, but in peace years which we are now operating in, a peace type economy, it is not proving that it will work—and in fact, if we continue it we are going to have trouble.

It was one of the great theses of Mr. Keynes' that deficit financing could be engaged in by the government to almost an unlimited degree, the theory being that when we went into a period of time that private spending was not sufficient to purchase the goods that could be made in the country, public money would be used to drain this off. Now of course if this theory is proper—and I hold that it isn't—then why stop with a little deficit? Let's spend the money that we don't have so that we can all have a better time.

In fact, one of the great proponents of this theory, Dr. Harris at Harvard, when I was up there a month or so ago speaking before the law forum, criticized me and I, in turn, criticized him in just the opposite way. He criticized me for objecting to a deficit. He argued that deficits are good; in fact, that we ought to have instead of a $5 billion deficit this year, probably $10 billion would be better.

I said to him facetiously that if that is true, let's have a $50 billion deficit and we'll have a real ball in this country. Of course he didn't agree with me at all.

In the 1930's we saw this begin. One of the problems we have today, and I think it is a case of the chickens coming home to roost, we are trying the same theory of Government intervention in the business structure in the 1960's. It is one of the difficult things for me to understand about some of my colleagues who look upon me as one who wants "to go backward" or go to some period in past history to begin again, when these same people are advocating going back to the 1930's and I am resisting it as hard as I can because I want to go ahead to the 1960's, but I don't want to do it trying these schemes and theories that were tried in the 1930's and which failed—failed utterly.

In fact, I am not the author of the idea that it took World War II to get us out of that depression. Mr. John Galbraith, whom some of you have probably heard about, who wrote the book called "The Affluent Society" and who is now for some reason or other our Ambassador to India, said that it took World War II to relieve us of our troubles of the depression and unemployment.

Other things started though in the 1930's that are not helping the economy at this late date. We had the beginning of the growth of union power in the 1930's. Now I want to make it perfectly clear that we had to give union organization a break in the 1930's. Up until that time there was no question that management's side of the bargaining table held all the strength, held all the cards, and union organization was not able to proceed as it should have proceeded in this country.

Beginning in the middle 1930's the Congress rightly wrote labor-management laws. They seemed to be adequate at the time, but as time has gone on they have proved to give more and more power into the hands of the union leaders, until today the strong bargaining position of the union against the strong but not so strong position of management, and the no-position-at-all of the public has caused a lot of the economic trouble that we are having today. Wage increases are being paid in many industries that have not been accompanied by increased production. In other industries we have escalator clauses which create an automatic increase every year, regardless of any increase in production.

When this happens, the only end result that can be is the increase in prices, and we have seen that happen during the last 10 years to a very marked degree. In fact, it is probably one of the reasons that we have the largest amount of savings in this country today that we have ever had. It isn't that the money isn't there. We have over $308 billion that people have tucked away in banks and in other savings places, which indicates two things: They think prices are too high, or the quality does not justify the price, which is another way of saying the same thing.

This problem has not been met, and I doubt seriously that it will be met by the present Congress or in the coming few years, as badly as it must be met, not only for management's side and the public's side but just as importantly for the worker's side, because we now see people actually out of work because of an unnatural wage structure in many of our industrial centers of the country.

During the period of the war we found another devil popping up—or devils, I should say. It became necessary to impose controls upon the economy, and for years we went through price control and wage control and rent control, and the other controls that we are all aware of. The trouble is that we kept these controls up after the war, and between the period of World War II and Korea they were still in effect and they went

on for a year or so after the Korean conflict actually stopped. Today we are beginning to pay the piper for that period of governmental control of the economy because many controls are still with us and many more controls are threatened.

It was also during this time that we began to hear of what I referred to a moment ago, the gross national product. The reason I believe economically that this is unsound to use as a yardstick is that it can be influenced by inflation more than any one figure we have. To say that the gross national product has increased 24 times in the last 20 years is a gross mistake. If we applied a constant dollar value it would only have grown about four times in the last 20 years, which actually is too small a growth in that particular field.

I don't know what you people use in your business but my brother and I always look at the total disposable income of the people in order that we can judge our marketing needs; particularly do we do that in our own area, find out how much money people have to spend and then we go after it.

Just to give you an example of how confused the gross national product can be, if you have a job to install a bathtub, the bathtub sale to the distributor is in the gross national product, the distributor's sale to you is in the gross national product, your sale of it to your customer is in the gross national product, and all the amounts that accompany that have to go into the bookkeeping and handling of that particular bathtub. It is possible to have one item appear as many as five times in the gross national product, which of course creates a false picture.

I only mention that because it does add confusion to our economy when we are using a yardstick that in effect is not a yardstick; it is a very elastic thing that can stretch itself almost at will and grows much faster than the economy itself, or much faster than disposable income because of the influence of inflation. We are bound to have more of that in the coming 2 years or 3 years at least and we hope that by then the forces acting on it can be stopped.

I mentioned the end of the war economy in 1955 and the fact that we had not awakened to that yet and adjusted ourselves to a normal free enterprise. This, I think, would be the most desirable thing to do at this time, to drop the ideas proposed by Mr. Keynes of England, admit that the theory showed some signs of working during a war economy but it will not work in a peace economy. In other words, we cannot continue mounting deficit spending, obligating our future and our children's and grandchildren's future for the hope that there will be a momentary increase in the economy.

As I mentioned, this has been tried in the 1930's; it is being tried today, but I might point out to you that even though it is being tried I can't think of one man who has gone back to work as a result of the Government's effort to get the economy moving faster. I can't think of one new job that has been created. Now the problem here is trying to get 16,500 American dollars together to build a new job. Jobs are what is needed in this country and we don't create jobs by Federal spending. In fact, we diminish jobs. That has been amply shown during the 1930's and is being shown now.

I might say one other thing has come about because of this era that we have gone through that is just now beginning to be realized by people in this country. Because of high taxes and a squeezing of profits, because of Government regulations and Government inspectors that bother you just as much as they bother my business because of the whole feeling of a police state, you might say, in the economic structure, we have seen evidences of immorality creeping into the national business affairs. The recent exposures of price rigging, for example, we cannot condone but on the other hand I think we have to place some of the responsibility where it rightly belongs and that is on Government itself, making it so difficult and in many cases impossible for a businessman to realize a profit that the American has followed his natural inclination of getting the job done and has resorted, unfortunately, to unfair practices, to in some cases immoral and illegal practices. I don't like to see the American business structure take this entire blame. I think the American governmental structure must take a large part of it. I think you gentlemen in the business that you are in know far better than I of the difficulties that are placed in your road in the way of bidding for Government jobs and bidding for jobs that have Government money in them, and therefore Government control in them.

Now where do we go from here?

The next question which is the important question to all of us is, Where do we go from here with our economy? To answer that we also have to include, How?

We will divide this question into two parts because we can continue going the way we have been, or we can change. Now if we continue to go the way that we have been going, I can assure you that profits will be lower. There is no way to expect higher profits with high taxes, and taxes will be higher if we are going to meet the debts that this Nation now owes.

Lower profits is not conducive to young men going into business. This, in my opinion, is one of the targets of those who would destroy our economy and attach immorality to it and low profits. It is an effort to paint the American businessman as a rather bad individual and cause the young man of today to say, "I want no part of it. I don't want to run a business. I'll work for somebody but I don't want to be my own boss."

I think if this keeps up, naturally you are going to see less capital investment. This is one of our major problems today. We have on the floors of our factories of this country around $90 billion worth of obsolete machinery, not just machinery that you think, "Well, I would like to buy a new lathe or a new threading machine" but machinery that just won't turn any more, it won't cut threads any more, it just won't perform the tasks that it was designed and built for.

Now this has come about, of course, through discouraging reinvestment by, to my mind, a very foolish position on write-offs. Of the eight leading economies in the world, all seven of the others growing faster than we are, all seven of them have liberalized depreciation allowances. I used the word "liberalized" with that and someone said they never expected to hear that word coming out of my mouth, but this is liberal as we interpret it as meaning giving something to somebody. Liberal in that way, not liberal as we apply it to what the liberals are doing to your Government.

This will mean more unemployment in the future instead of less unemployment. It will also mean less initiative to be offered to the young people of the country, and it will also mean a greater loss to our foreign competitors who today are giving us the stiffest competition they ever have in their history. And I assure you if we don't change the direction of the economy and allow it to run freely, we are going to find foreign competition tougher and tougher to meet.

I might just give you an example of how tough this is today. In the textile industry alone, which employs 1 out of 8 people employed in manufacturing in this country, there are nearly 400,000 people out of work because of the competition from China, Japan, and Puerto Rico. We can't reduce wages, nor do we want to reduce wages, but we have to get modernized and mechanized so that the wages we pay now will find productivity catching up with those wages.

If this happens to us, of course, we immediately lose our position as the world's No. 1 economic power, and I might say that Stalin in a book that he wrote back in the early twenties said that he expected to see the day that the capitalistic system would disintegrate. Even Khrushchev who is not much of a philosopher and not much of a writer has observed the same thing, only he says that the capitalistic system is disintegrating, and I would have to agree with him. Around the world we are finding this happening because the great shining light of capitalism, the United States, has for nearly 30 years been operating under more and more of a centralized economy, more and more of an economy that requires central planning and central controls in order to operate. In fact, I might just relate this little tale to you.

Back in 1951 the U.S. Government sent to Germany a team of economists to tell Germany how to operate their newly emerging economy. Among several things they recommended was to forget about the capitalistic system, that the capital structure would no longer play a part in economies around the world. They said, "Do not encourage savings because this would take money away from the Government that could be spent for the public good, and don't forget that the Government would have to run the economic system."

Now the Germans are very polite people. They told this committee what they could do with their recommendations and told them goodby, and they came back to this country.

One of those men, Dr. Heller, is now the top economic adviser to our President, and with all respect to his judgment and his feelings—he is entitled to them—he still has that general feeling about business, that it can be best and only run from a central planning group, probably located in Washington. This group would tell you how much plumbing business you are going to do, the prices you can charge for it, where you can perform these tasks, etc.

If we continue in the general direction which we are going today, I don't think any economist can argue that the life of the free enterprise system, or the capitalistic free enterprise system as we have known it, is a very long one. In fact, it would probably have to be completely controlled by the Government within a period falling within the next 5 or 6 years.

If this ever happens, I don't have to relate to you the next step. The next step, of course, would be a completely centralized government with all of our lives being planned and directed and run from Washington. And this is completely contrary to everything we have been raised to understand as workable and good and productive in this country of ours.

In fact, if you will just stop and think, here on this relatively small piece of real estate in the world, which is only 6 percent of the earth's surface, a very small percentage of the earth's population has been able to do in 184 years what the world has been trying 6,000 years to do, namely stamp out famine and starvation; and for the first time in the history of man we live in a country that knows no starvation and no famine. As late as the late 1930's, tens of thousands of Russians died of starvation on farmland far richer than farmland that we have in this country. In fact, today one of Russia's biggest problems is how to overcome the fact that it takes 50 percent of her population to feed and clothe the other 50 percent, whereas in this country it takes only about 9 percent. And if we would get

rid of these stupid agricultural controls, it could probably be done with around 4 percent of the American people.

Now what can we do? If we resort to a capitalistic free enterprise system running as freely as it can run—and don't ever get it in your heads that we can have such a thing as an absolutely free enterprise system. We have interstate commerce, for example. There must be a Federal regulation of interstate commerce because the number of States involved in transporting goods across this country just couldn't handle the job. But we don't need the Federal Government in purely intrastate business, so that segment would be left to run as freely as it could where it didn't interfere with the rights of others. It would receive its only control from local or State laws.

The Government must get out of business. And if you think the Government is out of business you are mistaken. We are still in some 2,400 different businesses in this country, many of them in direct conflict with the plumbing business. It is difficult to find a business in the United States that the Federal Government doesn't have some competition with, and we can and should get out of it.

For example, I know many of you are from the South and you probably are acquainted with the Tennessee Valley Authority. I think this type of government in a business thing should be turned over to free enterprise even if they could only get $1 for it. We would get more back in taxes out of TVA in a matter of 5 years than we've gotten out of it since the thing started. And that would apply to all Federal power projects across this country wherever private power can operate.

The Government must contain itself. That means that the Government cannot increase its programs where it cannot afford to increase its programs, and this must be done in order that we can rewrite the tax structure and decrease taxes or at least hold them where they are. But it would be much better to work on the tax structure right now. In fact, if we allowed a greater depreciation allowance right today—in fact, if the President asked for it this afternoon—the immediate effect of writing orders would put men back to work at such a rate that I am convinced that within a matter of 4 or 5 or 6 months at the most we would have a manpower shortage in this country. To replace $90 billion worth of equipment is in itself a rather herculean job that isn't going to be done in a matter of 12 months or 24 months; we would be forever at it because as new machinery replaced obsolete machinery, younger machinery would become obsolete and we would never get through with the process.

Doing this would allow the free enterprise system to work. It would mean more investment of capital from management itself, from investments by the people of this country in management. I might say that today there are more stockholders in America than there are members of the union movement, and most of these stockholders will be found in the so-called working class of people. They have faith in the economy. They want to see it grow, and we have a responsibility in business to see to it that Government does not hamper business.

Then we have to do research. Here is one area where I feel the Government has an absolute job to do. Research has become such a costly thing that it is impossible for most businesses today to put together enough money to get the job done adequately. We find this particularly true, for example, in the medical profession. I can imagine it being true in your own profession where the Federal Government touches so heavily on you through public health. And now if the Federal Aid to Education Act goes through—which I hope and pray it doesn't—it will again touch you.

So we do have that responsibility, and I would hope that the Government would get itself interested in research and more research, and that industry too would finance research to the end that you can find better ways to do plumbing, that the fixture manufacturers can find better ways to manufacture fixtures, that you can actually invent some new gadgets that everybody has to have in the bathroom. Just think of the things that are in the bathroom today that weren't in the bathroom 10 years ago. Add up the millions and millions of dollars that, for example, the sale of a tissue disposer means to not only your industry but my business because I sell facial tissues once in a while.

This is what American industry is faced with, this challenge of creating new things. We don't have to have them. We don't make our money selling things that people have to have. If that were true I would have been out of business a long time ago. If your wives came into my store and bought just one dress, that wouldn't do. If they just owned one pair of shoes I would be most unhappy. If they passed by my gift department and didn't pick up a little knickknack for you that you probably would never use in your life, I wouldn't be in business very long.

It is the same way with you. I recall building a new house just 4 years ago and I think back to all the gadgets that that plumber sold. I am happy he did. I don't use some of them but they sure look good. That is the kind of thing I talk about when I talk about research.

And then, finally, we have to do something to instill initiative in these young people coming up. If we do all of these things that I have mentioned, getting the free enterprise system back into real operation, we are going to find young men wanting to get into business in competition with you, in competition with my business, in competition with all businesses, and young people getting into a free enterprise economy will mean more jobs, it will mean more capital, it will mean more young people believing in our system and more attention being paid to it.

These are but a few of the things that go through my mind as I think about our economy today and what we have to do in order to insure that America remains the No. 1 economic nation in the world. If we ever slip, we're lost because without a strong, or the strongest economic position in the world, it matters not that we are the strongest military nation in the world. The two have to go hand in hand because any overall foreign policy that we adopt of a meaningful nature will have to marry our economic system and our military system along with some other brides that we have to bring in in order to form an overall strategic plan aimed against worldwide communism and aimed further at advancing our ideas of freedom to all the corners of the world so that maybe your children and grandchildren will see freedom all over this world.

Your responsibilities to your country do not exist only in the fields of government. They exist also in the fields of business because the two go hand in hand, although don't let me leave with you for a moment the idea that you don't have a responsibility to your Government. I only pray that every man and woman in here is actively engaged in some way with his political party, the party of his choice. I don't care which party that is—oh, I can't say that honestly but I will put it that way. If you are not, you are shirking your duty to your country. Bad politicians are elected by good people who don't vote, and today in this country I think it is obvious to everyone that we are being run by minorities when we should be run by majorities. The majority doesn't squeak very loud unless we happen to step on its toe. The minority is always squeaking so the political olican is squirted in their direction.

When you go home from here, if you are not helping your party, please get to it. It is later than you think. We cannot afford the type of minority control that we have today in our governments around this country. It must be truly a majority reflection, and if it were a majority reflection today I am convinced we wouldn't be in the troubles that caused me to outline the changes I would recommend in the relationship of government to our economic system.

It has been a real pleasure being with you. I hope to have the pleasure sometime of seeing each of you in your hometowns as I travel around this country doing my best to peddle the Republican idea.

Thank you.

HOSPITAL SHIP SS "HOPE"

Mr. HUMPHREY. Mr. President, the SS *Hope*, a privately sponsored hospital ship which is now engaged in healing and medical training in the Indonesia area, has been staffed by many distinguished American doctors and medical specialists.

One is Dr. Malcolm McCannel, ophthalmologist of Minneapolis, Minn. A few months ago, he wrote a report on the work and the success of Project Hope's ship of mercy. His comments offer additional evidence of the need for and the value of this type of medical program overseas.

I ask that Dr. McCannel's report, published in the Medicine Abroad section of Postgraduate Medicine in Minneapolis, be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

MEDICINE FROM ABROAD

For several weeks this spring, Dr. Malcolm McCannel, ophthalmologist of Minneapolis, Minn., served with the medical staff of the SS *Hope*, anchored at Bima on the island of Sumbawa, about 800 miles from the Indonesian capital of Djakarta on the island of Java. Dr. McCannel wrote this report of the work of Project Hope while still aboard the ship, and we are pleased to present his account of a truly humanitarian endeavor on the part of individual American physicians and other medical personnel.—The Editors.

INDONESIA, SS "HOPE," BIMA, INDONESIA, April 11, 1961.—The SS *Hope* is part of a privately sponsored program to share the U.S. modern medical knowledge and skills with newly developing countries. Project Hope—Health Opportunities for People Everywhere—is a nonprofit, charitable organization which began over a year ago and was brought to fruition by the sailing of a converted hospital ship, SS *Constellation*, rechristened the SS *Hope I*, from San Francisco last fall.

The ship has been in operation a little over 7 months and has made island-hopping stops all along the Equator in the Republic of Indonesia. Plans are being made for this ship or others like it to visit Vietnam, Pakistan, South America, and Africa in the future.

The permanent medical staff of the SS *Hope* includes 15 physicians, a dentist, and about 50 nurses and auxiliary personnel. Volunteer medical specialists join the ship on a rotating basis for tours of duty.

Two weeks ago the *Hope* made an unscheduled stop at the city of Ende on the

island of Flores. It was reported that a bad earthquake had hit the island, and we were asked to stop and give what aid we could. It turned out that there were few casualties but there was considerable damage to buildings.

At Bima, which is in a sheltered cove on the north side of the island of Sumbawa, there is 1 doctor for about 80,000 people. He is a very alert Indonesian of Chinese extraction named Dr. Tan Hong Djwan, who is a master diagnostician and with a small amount of equipment and ancillary help accomplishes miracles that we take for granted in the United States.

Approximately half an hour after the first launch from the ship arrived at the wharf, a polyclinic was set in operation. The patients are screened and sent to the various departments for evaluation. For the most part, only problem cases are handled on the ship because of lack of time and of bed space. Patients seen one day are scheduled for operation the following day. The operating rooms are ably managed by Mavis O. Pate, Tyler, Tex., and she keeps her three opertaing rooms humming from 7 a.m. until late in the afternoon. In the last 2 weeks, Dr. Robert Pulliam, Longview, Wash., has done over 25 operations for repair of harelip. There is a comparable amount of pathologic conditions requiring general surgery and eye and chest care. Tuberculosis is very prevalent on Sumbawa, and at present the ship is in dire need of an orthopedic consultant.

There is nothing hit and miss about the recordkeeping and paperwork. Occasionally, a disgruntled surgeon may wish for the retinue of interns and residents he would have at home as he completes the endless charting and surgical reports to make this a worthwhile project.

A great change has been seen in the Indonesian personnel since they first joined the ship in Djakarta and Surabaja last fall. Local nurses now pick up, play with, and fondle pediatric patients in the same way as their American counterparts, which they did not do at first. They also have expressed amazement at the concentrated team effort put forth when a problem case goes sour and requires a lot of extra work.

This morning a 7 pound tumor was removed from the left parotid area of a woman who had had it for over 21 years. The tumors, hernias, and healed fractures look like the examples in medical books published at the turn of the century.

The trip to and from the hospital and polyclinic is like a tourist's dream. There are rice paddies with water buffalo and occasionally a crocodile, and colorful thatched-roof houses on stilts, which provide a playroom for the children during the hot days and a cooler place to sleep in at night. Goats, monkeys, and little ponies are seen everywhere. A favorite pet is a parrotlike bird with an enormous bill and an odd cry. Many of the children fly kites. On each island, the people seem to have their own special type of sailing craft with a particular design of sail and outriggers. Indonesians are small, reserved, pleasant, and appreciative people. They have the typical Far Eastern solicitude for their children, and we find that both children and adults take one-half to one-third of the usual pain-killing remedies needed in the United States.

Everyone is used to waiting in the Far East and appointment schedules often mean very little. At first this was a most frustrating source of exasperation, but countermeasures have been resorted to and now even the Indonesians forgo some siesta time if a clinic is scheduled.

The mechanics of running this hospital ship is a huge task. In port we use almost 150 tons of fresh water per day, and the laundry handles as much dirty linen as a small city. Al Adams, of San Francisco, has a "mechanical cow" in No. 5 hold deep amidship. By ingenious use of milk powders, chipped ice, colorings, anhydrous fats and other additives, it is pretty hard to tell it from the real thing. The chocolate milk or "susu" is the most popular item with the Indonesian patients.

Since this is a hospital training ship, teaching of local personnel accompanies treatment of patients. There are classroom lecturers, discussions, movies, filmstrips, and demonstrations going on every day.

Millions of people in Indonesia are caught in a vicious circle. Poverty, malnutrition, and disease are very common. Unhealthy people find it hard to produce, and this new Republic of Indonesia does indeed need healthy people to produce.

Project Hope includes land-based operations of mobile jeep teams of doctors and technicians who go inland to share knowledge and help the Indonesians to help themselves.

The SS *Hope* at present is the major activity of the People-to-People Health Foundation, Inc. This nonprofit, nongovernmental organization is sponsored by industry, unions, and private donations. American President Lines operates the SS *Hope* at cost, and the American petroleum industry furnishes all fuel. Pharmaceutical firms generously donated our drugs, surgical instruments, and many of our supplies. Although many of our foodstuffs are utilized by the ship's personnel, a generous amount is left on the docks at each port—powdered milk, soap, rice, flour, and pharmaceuticals.

The people on the *Hope* feel there is a great wellspring of good will for the United States here in Indonesia. The *Hope* has no ax to grind and is purely an expression of the American people who want to help those who are less fortunate than themselves. It is a mere drop, of course; but, with every dollar and ounce of energy used, it is hoped that we are making friends for America in Far Eastern Asia.

FOREIGN AID

Mr. HUMPHREY. Mr. President, this morning the Senate Committee on Foreign Relations has been voting on the all-important foreign-aid bill, and in particular on some of the controversial features of the bill, such as the long-term financing provisions, Treasury borrowing, and the sums of money involved in the Development Loan Fund for the next 5 years.

The Secretary of State, Mr. Rusk, and the Secretary of the Treasury, Mr. Dillon, have jointly signed a letter addressed to Members of Congress, dated July 18, commenting on some of the more controversial sections of the foreign-aid program, and particularly those sections that relate to the Development Loan Fund and long-term financing and Treasury borrowing. I believe that this is the first time that two Cabinet members have jointly signed a communication addressed to each and every Member of the Congress of the United States.

Such action indicates to me, of course, as I am sure it does to each of us, the overriding importance of the foreign-aid program. This foreign-aid program is a vital part of our national security, and in this critical hour of international tension and crisis, it becomes all the more important that we act with dispatch, and yet with mature judgment, upon this particular proposal known as the aid program.

I ask unanimous consent that an editorial entitled "Long-Term Foreign Aid," published in the Minneapolis Tribune, July 12, be printed at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LONG-TERM FOREIGN AID

President Kennedy is trying to mobilize public support in his fight to keep Congress from cutting the very heart out of his foreign-aid financing program. The key section which has aroused strong congressional opposition would authorize development loans to foreign countries over the next 5 years.

Such relatively long-term economic aid planning makes sense in aiming at more efficient use of U.S. funds and its strengthens American diplomacy in the cold war.

But prospects for congressional approval are not bright because Senators and Representatives see it as an infringement, however slight and indirect, on their jealously guarded power over the public purse. Since the beginning of the American-aid program, appropriations have been made by Congress on a year-to-year basis, as with most Government spending.

Actually, no foreign-aid loans could be made without congressional appropriation of funds even under the Kennedy long-range proposal. Nor does it mean that total foreign aid would be increased over a figure set by Congress.

It does put a new limitation on congressional watchdog activities in foreign aid to this extent: If Congress now authorizes the 5-year borrowing program, legislators could not change their minds during that period and cancel development loans which had been promised, for example, to build a dam in Ghana or a factory in India.

The key, long-term feature in the Kennedy administration bill now before the Senate Foreign Relations Committee would authorize the President to borrow $7,300 million from the U.S. Treasury for development lending in the 5-year period.

U.S. aid administrators have been handicapped in trying to induce underdeveloped countries to undertake long-range, coordinated economic planning because they could not predict what amounts Congress would appropriate from year to year.

President Kennedy met Monday with a newly organized Citizens Committee for International Development composed of prominent business, labor, education and foundation leaders to muster public support for congressional approval. The citizens committee echoed the President's opinion that present year-to-year foreign aid programing was haphazard and wasteful.

J. W. FULBRIGHT, Senate Foreign Relations Committee chairman, who supports the President's long-range financing plan, has said there is strong opposition to it. Opponents are proposing an alternative plan in which Congress would declare its intention to carry through a development loan program for 3 to 5 years but require the President to go back to Congress each year for money authorization, as at present.

This compromise is really no compromise at all. It still leaves the United States unable to make long-term aid commitments necessary if underdeveloped countries are to make sustained efforts on taxation, land reform, and capital investment.

Congressmen are understandably reluctant to loosen their control of the public purse, and in most cases are justified. But the foreign aid program must be made more effective and President Kennedy's long-term commitment plan is one step in that direction.

Mr. HUMPHREY. Mr. President, I ask unanimous consent also that the letter that I referred to earlier, from the Secretary of State and the Secretary of the Treasury, be printed at this point in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., July 18, 1961.

The Honorable HUBERT H. HUMPHREY,
U.S. Senate.

DEAR SENATOR HUMPHREY: The Congress will shortly be acting upon legislation authorizing the continuance of the foreign aid program and on appropriations to carry it forward. We believe that the passage of the foreign aid legislation as requested by the President is of such critical importance to our national interest that we are taking this unusual step of communicating with you personally regarding certain key questions that have been raised during the congressional hearings.

Are the sums requested for foreign aid necessary?

The continuance of economic and military assistance on the scale proposed by the President is compelled by our commitment to our own freedom and to the building of a decent world order. With respect to economic assistance, nations old and new are struggling along the path from formal independence into nationhood and are determined to have the benefits of modern civilization. If the democratic world does not help them, the Communists will leap aboard this great revolution of freedom, seize it, direct it to their own ends, and make it the instrument of their limitless imperialist ambitions. We will be false both to our own national interest and to our obligations to others if we allow this to happen.

With respect to military assistance there is an inescapable partnership between economic and social progress on the one hand and conditions of essential security on the other. The Communists continue to use internal subversion, paramilitary action and the shadowing threat of military attack to bring other peoples under their domination. In this way they threaten the peace of the world and the security of our own Nation. Under these circumstances we must continue our military assistance program. Minimum levels of safety require the sums requested.

Why is borrowing authority important to the aid program?

For two reasons:

First, if the United States is to be of substantial help to the less-developed nations in their efforts to meet the demands of their people for economic growth, it will be imperative in many cases to provide assurances that our loan aid will be forthcoming in known amounts over a period of several years—that is, to make long-term commitments. Such assurances are vital in helping the recipient countries to make the hard political decisions involved in self-help measures and internal reforms necessary to economic and social progress. Moreover, our ability to pledge aid in advance will be a significant factor in obtaining assurances of contributions from other industrialized nations.

Second, for the United States to be able to give these essential assurances of aid over a period of years, it will be necessary to free our development lending program from the difficulties of working under the uncertainties inherent in annual requests for funds. It must be put on a basis where there can be reasonable assurance of the availability of known levels of funds over a reasonable period of years, against which forward commitments may be made. Borrowing authority is the customary method used by Congress to finance U.S. Government lending agencies which must make such forward commitments. It is the established, practical means by which this crucial need of the aid program can be met.

Is borrowing authority fiscally irresponsible?

The answer to the question is categorically "No." Borrowing authority has been used by the Congress to finance more than 20 Federal lending activities, beginning with the Reconstruction Finance Corporation in 1932 and continuing through action by the Congress in the current session in the Area Redevelopment Act, the Veterans Loan Act and the Housing Act. Borrowing authority would not require an increase in the public debt or borrowing from the public any more than any other form of funding. Whether such an increase may be necessary will depend at any given time on the overall receipts of the U.S. Government as compared to its overall expenditures. Thus, the effect of the aid program on the public debt would be exactly the same whether the program were funded by borrowing authority or by annual appropriations. Activities under the borrowing authority would be included in the annual budget just as they are for the more than 20 existing activities now financed through borrowing.

The request for borrowing authority made 4 years ago by President Eisenhower, Secretary Dulles, and Under Secretary Herter for the Development Loan Fund was made at a time when it was intended that the DLF should make loans repayable in local currencies. It should be noted that under the new program loans would be repaid only in dollars.

In sum, we are convinced that borrowing authority for long-term development lending is fiscally sound and represents the most efficient and least costly method of providing development assistance.

Would a multiyear authorization of appropriations do?

No. Such an arrangement still would not provide the needed basis to give reasonable assurances of funds for future years in cases where this would be important. Such an authorization would not provide congressional authority for advance commitments. The future availability of U.S. funds would still be subject to annual appropriations in amounts which could be known for only 1 year at a time.

The nature of the annual appropriations process simply does not provide the reasonably assured availability of future funds for development lending required by other nations if they are to undertake long-term development programs dependent on the future receipt of agreed amounts of funds. This need would not be met even if, for example, it were to be agreed that funds should be made available by borrowing authority authorized by legislation—but only on an annual basis. Such an arrangement would still not provide the congressional authority required to make the needed advance commitments.

Would borrowing authority deprive Congress of control?

No, it would not. The President is asking the Congress to exercise its power to make a national decision that the United States will participate in the process of development for a realistic period of 5 years. This action will announce a national policy of the greatest significance. The President's proposal does not ask for any reduction in the control of Congress over the aid program except in the single essential that Congress itself will establish a policy that a specific amount of funds will be available for a stated period unless reasons of sufficient consequence arise to curtail or revoke them.

Within this single premise the proposed statute does everything reasonably possible to preserve to the Congress effective control. The proposed statute does not ask that the funds be made available all at once but only by annual increments. It would establish criteria for their use. Quarterly reports are to be made. Standards for loans will be set by an interagency loan committee. All grant aid will still be the subject of annual aid legislation which will be presented to both the authorizing and appropriating committees. During this process all development lending operations will also be reviewed. The Congress could take action in the annual aid bill or at any other time during the year upon the basis of the quarterly reports to change the lending criteria and other provisions covering loans or to curtail or even to end the borrowing authority or any part of it.

It is important to realize also that the proposed legislation makes the new lending program subject to the provisions of the Government Corporation Control Act, now generally applicable to existing Government lending activities financed by borrowing authority. Under these provisions, the executive branch will submit each year to the Appropriations Committees of the House and the Senate for approval a budget program containing estimates of operations for the following fiscal year.

What advantage would borrowing authority, subject to such controls, have?

It would have a very significant advantage. It would create a strong presumption, which does not exist under the present system, that funds in known amounts would be available for the continuation of the program, even though the Congress could take later action to the contrary. The developing nations will feel safe in the conviction that the Congress, once having asserted its policy, will not reverse it unless it finds that the purposes of the legislation are not being fulfilled or that other circumstances of an exceptional nature make such action necessary.

Can we afford foreign aid in the amounts needed?

Certainly. The funds requested for fiscal year 1962 will be less than 1 percent of our gross national product. In fact the dangers and potential costs of any alternative are so great that we cannot afford not to carry on our aid program at the level needed for its success.

We sincerely hope that this letter will help to resolve the principal questions with which the Congress seems to be concerned in the President's proposals for the new foreign aid program. We urge you to support the President's request for authority and for funds and to make it possible for our Government to act with assurance and continuity.

Sincerely yours,

DEAN RUSK,
Secretary of State.
DOUGLAS DILLON,
Secretary of the Treasury.

Mr. HUMPHREY. I should like Senators to know that in one of the preliminary markups on the foreign aid bill the senior Senator from Minnesota offered an amendment to call this program what I am sure will be a well-received title by the American people—"American Aid"—just plain American aid—rather than to call it ICA or give it any other alphabetical description which leaves much wanting in terms of designating the program.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KUCHEL. That I "buy."

Mr. HUMPHREY. I thank the Senator.

Mr. KUCHEL. I remember when I had the honor to be a delegate of this country to the independence celebration of Senegal. We flew over in a great jet plane. We had a delegation of 4 from the United States. On the plane was printed "United States Air Force." The Soviet plane flew in with a 19-man delegation, and written on its aircraft was "The Union of Socialist Soviet Republics" in almost every language used on the globe. Some of us thought it would be far better to have our plane marked simply "United States of America." I am glad that that marking has been changed. It is along the same line that the Senator makes an excellent suggestion.

Mr. HUMPHREY. I thank the distinguished minority whip. I thank him for his appreciation and commendation of what I have suggested. It makes me feel that it is all the more worth while.

BUSINESS FAILURES

Mr. HUMPHREY. Mr. President, I wish to call to the attention of the Senate an article which appeared in the Wall Street Journal entitled "Business Failures in 1960 Highest Since 1933; Their Liabilities Set Record." This article points out in the opening paragraph that the number of business failures in 1960 was the highest since 1933, and liabilities of concerns that failed were a record $938,630,000. These liabilities were up 10 million from the previous high set in 1932. This information was gleaned from the annual surveys by Dun & Bradstreet, Inc. This important indicator of our economy is one that we in the Senate must be ever watchful of. I am looking forward to fewer business failures in 1961. However, in order for this to happen we must adopt policies which will encourage a forward movement in the economy. Some of this we have already done to date, but there is more work ahead. I ask unanimous consent that this article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUSINESS FAILURES IN 1960 HIGHEST SINCE 1933; THEIR LIABILITIES SET RECORD—DUN & BRADSTREET NOTES FAILURES MAY REFLECT SEVERE RIVALRY AND NOT AN UNHEALTHY ECONOMY

NEW YORK.—The number of business failures in 1960 was the highest since 1933, and the liabilities of the concerns that failed were a record $938,630,000. These liabilities were up $10 million from the previous high set in 1932. Dun & Bradstreet, Inc., reported in its annual survey.

Total number of failures in 1960 rose to 15,445 from 14,053 the previous year, according to the credit reporting concern's study. In 1933, there were 19,859 business failures. The average liability per failure in 1960, at $60,772, set a record and was more than $16,000 above the average for all post-World War II years, the report said.

Dun & Bradstreet's compilation of business failures includes businesses that ceased operations under court supervision. Some companies that failed were involved in court actions such as receivership, reorganization, or arrangement; others voluntarily compromised with creditors.

REFLECTION OF COMPETITION

A high business failure rate does not necessarily indicate an unhealthy economic condition, Dun & Bradstreet noted. In some parts of the country, a high rate of failures "may only be a reflection of intensified competition in an area experiencing rapid economic growth or change," the report said.

Moreover, a larger number of business enterprises formed in recent years accounts for an increasing number of failures, Dun & Bradstreet said. The study said the 1960 failure rate per 10,000 known concerns totaled 57 per 10,000 companies, up slightly from 52 in 1959, but down sharply from a high of 154 failures per 10,000 companies in 1933.

The 1960 failure rate was the highest since 1940, the report said. In 1958, the year of the previous recession, the failure rate was 56 concerns in 10,000.

As in previous years, the greatest percentage of failures was in businesses 5 years old or less; these accounted for 58.6 percent of total failures in 1960. In manufacturing, furniture makers led the failure rate with 270 failures per 10,000 concerns. In retailing, infants' and children's wear makers topped the field with 158 failures in 10,000 concerns.

Stone, clay, and glass manufacturers had the lowest failure rate in the manufacturing category, with 29 failures in 10,000 companies, according to the study. In retailing, farm implement retailers registered the lowest rate with 21 failures per 10,000 dealers.

INCOMPETENCE AND INEXPERIENCE

Reasons for the failures range from incompetence and lack of managerial experience to neglect and fraud, according to the report. Incompetence accounted for 41.8 percent of failures in 1960, based on opinions of informed creditors and its own data, Dun & Bradstreet said.

In State-by-State breakdown. Oregon led the failure rates with 207.1 failures per 10,000 concerns. New York was second with 124.8 and California third with 123.9. South Dakota ranked lowest with 4.3 failures in 10,000 concerns, the report stated.

Dun & Bradstreet noted high failure rates in Oregon, New York, and California do not necessarily indicate an unhealthy economic condition, in those States. New businesses being formed at a faster rate than elsewhere probably account for high failure rates in the three States, Dun & Bradstreet said.

Among cities, New York showed a decline in number of failures for the second straight year. Chicago and Philadelphia had slight increases in failures, but failures declined in Detroit and Los Angeles.

NEW YORK.—Commercial and industrial failures fell to 254 in the holiday week ended June 1 from 368 in the preceding week, Dun & Bradstreet, Inc., said. The failures were below the 274 in the comparable week last year and 314 in the 1959 week.

ADDRESS BY SENATOR HUMPHREY AT THE EUROPEAN-AMERICAN ASSEMBLY AT BÜRGENSTOCK, SWITZERLAND

Mr. HUMPHREY. Mr. President, I was given the opportunity recently to address the European-American Assembly at Bürgenstock, Switzerland, on the date of July 8.

The European-American Assembly is a conference program and in this instance directed its attention toward the subject of disarmament and arms control.

The joint chairmen of the European-American Assembly on Arms Control were Dr. Henry M. Wriston, president of the American Assembly, Columbia University, New York, and Mr. Alastair Buchan, director, the Institute for Strategic Studies, London, England.

The Assembly program took place between July 6 and July 9. The speakers were the Right Honorable David Ormsby-Gore of the United Kingdom, Monsieur Jules Moch of France, and myself.

I ask unanimous consent that a list of the participants including the chairmen, speakers, and all others, be printed at the conclusion of my remarks.

There were three study sections devoted to different aspects of disarmament. After 3 days of meetings and discussions, the plenary session was held at which the final report was agreed upon.

I ask unanimous consent that the text of my address, entitled "One American's Cause for Disarmament," be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE EUROPEAN-AMERICAN ASSEMBLY ON ARMS CONTROL, JULY 6–9, 1961, BÜRGENSTOCK, SWITZERLAND

JOINT CHAIRMEN

Dr. Henry M. Wriston, president, the American Assembly, Columbia University, New York.

Mr. Alastair Buchan, director, the Institute for Strategic Studies, London.

SPEAKERS

Hon. HUBERT HUMPHREY, United States Senator from Minnesota; chairman, Senate Subcommittee on Disarmament.

M. Jules Moch, France, leader of the French disarmament delegation since 1951; Premier of France, 1949–51; former Minister of the Interior and holder of many Cabinet posts.

The Right Honorable David Ormsby-Gore, United Kingdom, leader of the British delegation to the nuclear test conference; British Ambassador-designate to the United States; Minister of State, the Foreign Office, London, 1956–61.

PARTICIPANTS

Mr. Alexander Akalovsky, United States, Office of Political Affairs, Disarmament Administration, Department of State.

Herr Legationsrat Richard Balken, Germany, disarmament adviser, the Foreign Office, Bonn.

Mr. Bernard G. Bechhoeffer, United States, lawyer, Washington; consultant to the U.S. Atomic Energy Commission; adviser to the U.S. Disarmament Commission delegations, 1946–58.

M. Bernard Beguin, Switzerland, editor, Le Journal de Genève.

Dr. Emile Benoit, United States, director, Research Program on Economic Adjustments to Disarmament; associate professor of international business, Columbia University.

M. Henri Bernard, Belgium, professor, Ecole Royale Militaire, Brussels.

Mr. Lincoln P. Bloomfield, United States, director, arms control project, Center for International Studies, M.I.T., Department of State, 1946–57.

Prof. Robert R. Bowie, United States, director, Center for International Affairs, Harvard University; Assistant Secretary of State for Policy Planning, 1953–57.

Mr. Andrew Boyd, United Kingdom, assistant editor, the Economist, London.

Dr. Courtney C. Brown, United States, dean of the Graduate School of Business Administration, Columbia University.

Mr. Hedley Bull, United Kingdom, lecturer in International Relations, London School of Economics, London; author of "The Control of the Arms Race."

Signor F. L. Cavazza, Italy, editor, "Il Mulino," Milan.

Congressman JEFFERY COHELAN, United States, Democratic Congressman from California; member of the House Armed Services Committee.

Dr. Wilhelm von Cornides, Germany, director, Institute of International Affairs, Bonn.

M. Adrian Cuny, France, disarmament advisor, Quai d'Orsay, Paris.

Herr Fritz Erler, Germany, deputy leader of the Social Democrat Party, Bonn.

Mr. John H. Ferguson, United States, international lawyer, Paris; member of the State Department Policy Planning Staff, 1949–53.

Mr. William Frye, United States, U.N. correspondent, the Christian Science Monitor; author of "Disarmament: Atoms into Ploughshares?" and "A United Nations Peace Force."

Contrôleur-Général Pierre Genevey, France, Ministery of Defense, Paris; French military representative at the Geneva surprise attack conference, 1958.

Mr. Richard Goold-Adams, United Kingdom, vice chairman of the Council, the Institute for Strategic Studies, London; writer and broadcaster.

Mr. Max Habicht, Switzerland, international lawyer, Geneva.

Mr. Arthur Hadley, United States, writer; author of "The Nation's Safety and Arms Control."

Mr. Henry Hainworth, United Kingdom, head of the disarmament department, the Foreign Office, London.

Prof. Louis Henkin, United States, professor of law at the University of Pennsylvania; formerly a member of the Department of State; author of "Arms Control and Inspection in American Law."

Herr Oswald Hirschfeld, Germany, foreign editor, Studdeutsche Rundfunk, Stuttgart.

Mr. John Holmes, Canada, director, Canadian Institute for International Affairs, Ottawa; Assistant Under Secretary of State, Department of External Affairs, Ottawa, 1953–58.

Mr. Michael Howard, United Kingdom, reader, in war studies, Kings College, London; author of "Disengagement."

Dr. Joseph E. Johnson, United States, president, the Carnegie Endowment for International Peace since 1950; former member of the Department of State.

Mr. Edmund H. Kellogg, United States, special assistant to the director, U.S. Disarmament Administration.

Mr. James E. King, United States, associate director of research, Institute for Defense Analyses, Washington, D.C.; military operations analyst with the Johns Hopkins University Operations Research Office, 1952–57.

Dr. Klaus Knorr, United States, professor of economics and associate director of the Center of International Studies, Princeton University. Author of several books on the problems of defense. Consultant to the U.S. Government.

Maj. Gen. Erik Kragh, Denmark, conservative Member of Parliament and corps commander; the late chief of the Danish General Staff.

Dr. Arthur Larson, United States, professor of law, and director of the World Rule of Law Center, Duke University, Durham, N.C.; Under Secretary of Labor, 1954–55; director, U.S. Information Agency, 1956–57; special assistant to the President, 1957–58.

Mr. Ernest W. Lefever, United States, member of the Institute for Defense Analyses, Washington, D.C.; consultant to the U.S. Disarmament Administration.

M. Michel Legendre, France, disarmament adviser, Quai d'Orsay, Paris.

Col. George A. Lincoln, United States, professor and head of the Department of Social Science, U.S. Military Academy, West Point; military adviser to the Secretary of State 1946; member of the U.S. NATO delegation at Rome and Lisbon meetings, 1951–52.

Mr. Malcolm Mackintosh, United Kingdom, consultant in Soviet affairs to the Institute for Strategic Studies, London.

Mr. Walter H. Mallory, United States, retired executive director and member of the board of directors of the Council on Foreign Relations, New York; editor of the Political Handbook of the World since 1930.

Lt. Gen. T. E. Mathon, Holland, director, Netherlands Defense College, The Hague.

M. Jules Moch, France.

Dr. Nils Orvik, Norway, historian; attached to the Ministry of Defense in connection with defense and security problems; representing Norwegian Institute of International Affairs.

Mr. John G. Palfrey, United States, dean of Columbia College; formerly a member of the staff of the General Counsel for the Atomic Energy Commission, consultant for the Congressional Joint Committee on Atomic Energy, and a member of the Institute for Advanced Studies at Princeton.

Mr. Morehead Patterson, United States, chairman, American Machine & Foundry Co.; deputy representative to the U.N. Committee on Disarmament, 1954; U.S. representative to International Atomic Energy Agency negotiations, 1954–55.

The Right Reverend James A. Pike, United States, bishop, Diocese of California (Protestant Episcopal Church); author of a number of works of faith and the church.

M. Lucien Radoux, Belgium, Chambre des Députés, Brussels; director, European Foundation for International Exchanges.

Col. Dr. Klaus Ritter, Germany, government official, Munich.

Mr. Adolphe W. Schmidt, United States, vice president of T. Mellon & Sons, Pittsburgh, Pa.; a member of the U.S. Citizens' Commission on NATO; a U.S. delegate to the Atlantic Congress, London, 1959.

Gen. Cortlandt van Rensselaer Schuyler, United States, executive assistant to the Governor of New York; Chief of Staff of SHAPE, 1953–59.

Dr. Urs Schwarz, Switzerland, foreign editor, Neue Zürcher Zeitung, Zurich.

Mr. Bo Siegbahn, Sweden, head of the northern department, Swedish Ministry of Foreign Affairs; Social Democratic member of Parliament.

Mr. Joseph E. Slater, United States, Deputy Assistant Secretary of State for Educational and Cultural Affairs; member of the Ford Foundation's international affairs program, 1959–60; secretary of the President's Committee to Study U.S. Foreign Assistance Program, 1959–60.

Dr. Theo Sommer, Germany, Die Zeit, Hambourg.

Mr. Charles Stelle, United States, Deputy U.S. representative, Nuclear Test Conference; member of the Department of State.

The Right Honorable John Strachey, United Kingdom, Labour member of Parliament; Secretary of State for War, 1950–51.

M. Jacques Vernant, France, director, Centre d'Etudes Politiques Etrangères, Paris.

Dr. B. H. M. Vlekke, Holland, Secretary General, Netherlands Society for International Affairs, The Hague.

Mr. Dana Wilgress, Canada, joint chairman of Canadian-American Joint Defense Board; Canadian Ambassador in Moscow 1942–46; Canadian High Commission in London, 1949–42.

Dr. A. E. Yalman, Turkey, editor, Hur Vatan, Istanbul.

The Right Honorable Kenneth Younger, United Kingdom, director, Royal Institute of International Affairs, London; Minister of State, the Foreign Office, London, 1950–51.

PRESS

Mr. Jack Altman, Reuters (Geneva).

Mr. Jean Danes, Statts Herold Corp., New York; Radio Austria; St. Paul (Minn.) Pioneer Press; St. Paul (Minn.) Dispatch.

Herr Eberhard Gelbe-Haussen, Süddeutsche Rundfunk (Geneva).

Mr. John Gugelmann, A.P.

Mr. Sebastian Speich, U.P.I.

Dr. Günther Weber, Deutsche Presse-Agentur GMBH (Geneva).

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Mrs. Olive Haycox, treasurer, the American Assembly; office manager.

Mme. Elisabeth Lamielle, secretary of committee II.

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Mr. Clifford C. Nelson, executive secretary, the American Assembly.

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ONE AMERICAN'S CASE FOR DISARMAMENT

(Statement by Hon. HUBERT H. HUMPHREY, July 8, 1961, European-American Assembly, Bürgenstock, Switzerland)

I come to present an American's case for disarmament. There are two situations—the avoidance of war and the practice of freedom—which are related fundamentally to the problem of disarmament. For to an American disarmament has no meaning if it does not contribute to the prevention of war and to the development of free societies.

My remarks are directed, first to the urgent need to demonstrate progress toward complete and universal disarmament, second to some of the measures on which we ought to try reaching agreement, and third to some of the ways my own country seeks success in this large, complex, difficult, and worthy endeavor.

URGENCY OF THE SITUATION

The constant buildup of powerful modern weapons is a monstrous waste of human and material resources. We have not been able to construct conditions that make for peace. Enemy states and rival political systems exist, and it is pressing our luck too far to hope that this condition can last indefinitely without the entire world being catapulted somehow into a full-scale, planet-shaking, holocaust from which few will survive.

As a politician I know something of the folly of human nature, the prejudice, the greed, the ignorance, the fear, and the hate that can on occasion becloud the vision and the goodness of many people. But I have also experienced the most generous, the most foresighted, the most courageous, and the most forgiving acts of my fellow man. I refuse to concede that we have neither the desire to live in peace with each other nor the will and the devotion to reach this ideal.

There are deep cleavages in the world today: between the Communist and the democracies among the followers of some of the leading religion; among the members of different races; between some of the newly independent countries and their former colonial powers. There are countries that are rich in resources and also blessed with a combination of talent and history which have enabled them today to realize a high standard of living. And there are other countries which have not been so fortunate: climate, history, resources, and geography have placed whole regions into a less favored position. However, the people in these areas are now determined to change—to cast off the past. They demand a new day. The problems that beset many areas of the world are as old as recorded history. What is new, is the insistent demand—the urgency to do something about these problems.

Although the prevention of war constitutes the overriding reason why progress in controlling the arms race is urgent, there are other reasons. We must not let ourselves get into the habit of thinking that an arms race is the natural state in international relations. If we begin to think this, and there is already some indication that this is the case. Such thinking makes it even more difficult in persuading the leaders of nations to adopt new policies. I see the tendency in many governments including my own to view defense strategy as sacrosanct a disarmament policy must "fit into" a defense policy, rather than have it be an integral part of national security policy. We must not come to believe that an arms race and all that flows from this state is the natural and inevitable hence the only course to follow. Defense and disarmament are two sides of the same coin—the coin of national security and international peace.

What we can and should do now

The Soviet Union's position in disarmament is that it must be all or nothing and now. Or, at least that is what the Soviets seem to be saying most of the time. Such is the argument they give for permitting the test ban talks to be stalemated.

Sometimes the Soviets talk as though they might accept partial progressive measures, but we have not yet been successful in drawing them out in fruitful negotiations along such lines.

I wonder if we cannot stop beating around the bush in disarmament and get down to real negotiating. There are several measures and policy changes that ought to be explored. My suggestions are not necessarily the ones which should be pursued nor are they all new, but I would hope that they be given careful thought by all of the countries concerned about this problem.

Now, let me outline in broad strokes some of the suggestions.

1. The test ban negotiations should be given every encouragement even though the Soviet Union seems to want them to die. The Soviets have decided that they are no longer interested in an agreement. They have refused to accept the amount of inspection contemplated by the agreement; they have lost interest because to them the test ban will not restrict the nuclear club the way they thought it would. It appears that China either refuses or has little interest in joining an agreement until at least it becomes a nuclear power. Finally, the Soviets have latched on to the concept of the three-headed administrative council as the substitute for an administrator in the running of all international organizations; they act as though this concept was strict dogma, a doctrine which must be followed without the slightest deviation. They are wrong about this, and one of our duties in the coming months is to persuade them that they have adopted the wrong solution to the problem which faces them and us, that is the problem of how to live in peace in a disarmed world where hostile states continue to exist side by side.

The United States, I suggest, ought to take its case for a test ban treaty to the United Nations. We should ask for overwhelming assistance to demonstrate to the Soviet Union that both its own short- and long-range interests are consistent with an effective test ban treaty.

As part of our case, we should seek the support of the United Nations, and its supervision, for the conduct of underground nuclear tests for scientific research purposes in order to perfect the techniques of inspection and control. We should not allow the deadlock at Geneva to paralyze our efforts to have the test ban negotiations succeed. In addition to obtaining the support and the supervision of the United Nations for tests to improve detection, we should also ask the United Nations to support a resolution outlawing all tests in environments in which national detecting networks have become adequate. A ban on all future tests in the atmosphere and under water would make testing more difficult and it would reduce the hazards from radioactive fallout.

2. The United States should seek now an agreement on other aspects of the nuclear weapons threat. These include a cutoff of production of all fissionable material; a beginning on the transfer from weapons stockpiles to peaceful purposes, and particularly for the use by the International Atomic Energy Agency; an agreement not to transfer nuclear weapons to nonnuclear powers; and a beginning reduction on some of more easily disposed of nuclear delivery vehicles. These measures would not go into effect unless adequate control and other safeguards were also agreed to. I believe all these proposals could be negotiated without any prerequisites other than control features.

And these measures, I believe, are in the interest of the United States, its allies, the Soviet Union, its allies, and all neutral states. Negotiating of such an agreement would not be simple. But there are some aspects of disarmament on which we must be willing to negotiate even though complete answers have not been found.

3. Communist China should be part of all future multilateral disarmament negotiations. Communist China is part of the wrecking crew that is tearing down the test ban negotiations. There are not many people in my country and here in Europe who will say that comprehensive disarmament could be achieved without Communist China's participation. We say this privately. Let us now seek it publicly. Undoubtedly its participation will bring on problems. But it would be far better to know these now, discuss them in the open, and subject the Chinese Communists to the rules other nations are asked to follow in the cause of peace.

4. One of the ways in which the United Nations may pursue a constructive approach in disarmament discussions is by facilitating possible negotiations for regional disarmament measures. What has worked in one region might be adapted for others. The Organization of American States has an admirable record in settling disputes that might have led to a regional arms race and which could have resulted in war. Some of the methods followed here perhaps could be utilized in the Middle East, Africa, or in other areas.

The United Nations can help in other respects. It could facilitate the establishment of regional peace forces in various sections of the world. In many respects such forces have greater merit than the establishment at this time of a single force under United Nations auspices and supervision.

5. Much more could be done through the United Nations as a result of limited experiences during recent years. A major contribution to world peace would be the presence at the trouble spots of the world of U.N. observers on location—on work—reporting regularly to the Assembly and Security Council. The United Nations peace and security machinery should emphasize prevention and interception along with policing and direction. U.N. observers acting as the eyes and conscience of those nations committed to the Charter of the United Nations is an essential requirement of peacekeeping machinery in a world situation that is filled with danger and uncertainty.

6. The recent developments of space programs require a major, dedicated, and immediate effort to secure safeguarded agreements on regulation of outer-space activities. I therefore propose that my Government, and I would urge other countries, to share what it learns from space projects with the other members of the United Nations. Outer space must be immune from military adventures. I suspect the military interests in both the United States and Soviet Union are stronger than their civilian counterparts in this field. Obviously the military can make valid and compelling claims to the use of outer space—for the locating of weapons, for secret spy satellites, and for crucial communication systems by which weapons can be used more effectively. But must the civilian interest give way here to the military? I think not.

At least we can make a distinction between actual weapons activities in space and activities such as the reconnaissance satellite which have definite constructive purposes.

We ought to share knowledge gained from our satellites with the United Nations and urge the Soviet Union to do the same.

7. We cannot allow the arms race and the cold war to penetrate outer space. Let us move now to build international cooperation instead of national competition in exploring the mysteries of the universe. I therefore urge that at the coming session of the United Nations Assembly, we propose an International Space Year.

An International Space Year could be patterned after the successful International Geophysical Year in 1958, during which the United States, the Soviet Union, and other nations shared information and findings from geophysical research projects.

The International Geophysical Year paved the way to the present international agreement on Antarctica.

The Antarctica Treaty guarantees freedom of scientific investigation, but forbids new national claims on Antarctica. Most important, the treaty forbids any military projects or weapons testing on the Antarctica continent.

Yes, we can and should launch an International Space Year with the hope that it would lead to the same type of treaty. We must begin now to seek the conclusion of an agreement that would forbid military activities in outer space or national claim to any bodies or portions of outer space.

Time is running out for the possibility of securing international agreements and cooperation for outer-space exploration.

The successful orbiting of a man in space by the Soviet Union and the successful manned-space flight by the United States are dramatic reminders that space technology is plunging ahead at a bewildering pace.

We are coming ever closer to a time when space technology may pass beyond the possibility of international political control.

A treaty to demilitarize outer space should prohibit the orbiting of any nuclear-bomb-bearing satellites.

We should also strive for safeguarded agreements to forbid any other means of destruction, such as biological or radiological

weapons. This agreement would require an international system of inspecting each satellite or space capsule before it is fired into orbit.

The development of the reconnaissance satellite—the Samos—is a momentous step into the space age which requires basic long-range decision. We must decide now whether we are going to carry the arms race from earth into space or whether we are willing to adopt space arms control before it is too late. America's first reconnaissance satellite—the Samos—should be used as a peaceful eye-in-the-sky and not as a militaristic spy-in-the-sky. It is true that a reconnaissance satellite can be sent orbiting over any country to relay information back to the military command which launched it. Thus, it can have extremely high value as a military weapon but the Samos reconnaissance satellite can also be employed as a working instrument of peace. Under proper international management, it could be used for monitoring some forms of disarmament and provide warnings of preparations for surprise attack. Whatever can be done to remove the possibility of surprise attack will represent a major contribution to peace and world order.

In this age of nuclear weapons, it would be suicidal for us to allow the chance of war between space-power nations because of conflicting claims in space.

8. An International Space Peace Agency should be established under the auspices of the United Nations, but as a separately functioning organization.

This agency should include political, legal, and scientific representatives of all nations concerned with the peaceful exploration and use of outer space.

We need such an agency—to work toward space control agreements, to develop safeguards and inspection systems, and to utilize new space vehicles as instruments of peace instead of weapons of war. Such an agency would of course be seriously hamstrung by a troika-type administration.

Because disarmament affects the security and defense of many countries, disarmament negotiations should have a close relationship to the United Nations. It is not just the Soviet Union and the United States that are affected, nor is it just the NATO powers and the countries of the Communist Warsaw Pact that have an interest. All people are involved and we must not neglect the interests of the uncommitted countries.

But to say that all people have an interest in disarmament does not mean that all countries must be participants in the actual negotiations. If this were to happen little negotiating would be accomplished. Even in the case where the NATO and Warsaw Pact Powers have special concerns, this does not preclude the United States and the Soviet Union having serious discussions about disarmament measures and the areas which might produce fruitful negotiations. What is important, from the point of view of U.S. commitments to its friends, is that in any substantive discussion with the Soviet Union, our allies be kept continually informed and consulted frequently.

Many of the countries of NATO, and of Europe, have recommended that the United States and the Soviet Union should have a serious, quiet, and substantive dialogue about disarmament, and about maintaining peace in a disarmed world. This can be done. Any agreements that may be reached as a result of such discussions must be subject to the additional concurrence of other interested powers.

U.S. EFFORTS

In stressing what can be done in the United Nations to speed the development of a peaceful world where there would be no need for national arms, I do not want to omit what the United States itself is undertaking to do. Collective efforts are essential, but they can be disappointing if the individual participating states are not prepared to carry out their responsibilities.

The President of the United States sent to our Congress a proposal to create a new agency entitled "The U.S. Disarmament Agency for World Peace and Security."

This proposal represents in a tangible manner the restatement of a fundamental objective of our national policy—the securing of a just and enduring peace.

Preparations for disarmament negotiations must be made in all kinds of political atmosphere. In other words, we can waste no time. We must be prepared under all circumstances. If we want to make progress toward curbing the weapons of war our efforts must be continuous. They must be grounded in solid research and study of all kinds—the technical, military, and the political. The world outlook may change. The Soviets may show a genuine interest in real and substantial disarmament with adequate controls and a willingness to settle disputes peacefully and without a resort to threats and to the use of force.

So many changes take place. I say that in the world we live in, where new powers are surging to the front, we must be prepared for any eventuality. Certainly we hope there will be a change of attitude on the part of some of the intransigent and belligerent and arrogant powers. I am hopeful that the Soviets may some day show, as I said, a genuine interest in real, substantial arms control.

Disarmament is not merely a matter for diplomats at a negotiating table; it is a subject for scientists and technicians also. Let that be clear. Disarmament that involves modern weapons will require an intricate system of inspection and international controls requiring the most sophisticated electronic, acoustical, magnetic, and other scientific devices.

Disarmament brings into full focus the interrelationship and the interdependency of diplomacy and science. Therefore, our preparations must be continuous, constant, up to date, and ever more reliable. Therefore, disarmament is a demanding task. Disarmament is a full-time work. It cannot be undertaken by halfhearted, part-time efforts.

We must have engaged in it the best people that all nations can provide. We must have the finest minds, and we must have complete and total preparation. All too often we have gone to disarmament conferences poorly prepared technically, without an adequate position of our own or our allies, and uncertain as to our objectives, and even more uncertain as to the procedures to be followed.

We cannot afford the luxury or the confidence of discussing and preparing for disarmament only while nations and people seem cooperative and peaceful. We must prepare for disarmament in the stormy days as well as in the balmy days. The urgency for disarmament is even more evident when the world teeters on the precipice.

The cause of a just peace is the unceasing, all-important, priority business of all nations and leaders. "Blessed are the peacemakers" is not only an honored biblical admonition, it is also a demanding call to duty for this generation.

ARTICLE WRITTEN BY SENATOR HUMPHREY ON THE UNKNOWN DUPLICATION IN RESEARCH

Mr. HUMPHREY. Mr. President, in July 1961 issue of the magazine STWP Review, the Journal of the Society of Technical Writers and Publishers, it was my privilege to prepare a guest editorial on a subject in which I have been deeply interested for a number of years.

The editorial is entitled "Unknowing Duplication in Research—A Perennial Tragedy."

It is addressed to the problem of how to reduce the staggering waste and inefficiency which results in unplanned, unnecessary duplication of effort on the part of scientists, engineers, and technicians who are supported by agencies of the U.S. Government.

For several years, a subcommittee of the Committee on Government Operations, whose overall chairman is the distinguished senior Senator from Arkansas [Mr. McCLELLAN], has intensely studied the problem of increasing the efficiency of Federal scientific programs. This Subcommittee on Reorganization and International Organizations, of which I, in turn, am privileged to be chairman, has, I believe, devoted as much attention to the problem of Government-wide science and science information problems as any committee of the Congress.

It is my hope that by this article and by other means, the problem of wasteful duplication can and will receive the further attention of the legislative and executive branches, as well as that of the scientific community.

I ask unanimous consent that the text of my editorial be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNKNOWING DUPLICATION IN RESEARCH—A PERENNIAL TRAGEDY

(By Hon. HUBERT H. HUMPHREY)

"How much research and development needlessly duplicates prior work?"

This is a crucial question, and no one is sure of the answer. Some estimates are that, in federally sponsored research and development, unknowing duplication ranges from 10 percent to as high (in developmental work) as 50 percent.

Whatever the level, it represents a tragic, pitiful waste in men, money, and material: Our Nation cannot afford this waste. Reliable information systems must be established and fully utilized in order to reduce the degree of unknowing duplication to an absolute minimum.

Technical writers and publishers realize this problem because they encounter it almost every day. They are aware of a critical breakdown in the Nation's scientific communications despite, or often because of, mountains of technical literature. Consequently writers and publishers often go to considerable effort, prior to writing or releasing a new research-and-development report to try to determine whether it is genuinely new or has been recorded previously elsewhere. Despite such efforts, present information systems are so inadequate that so-called new reports will appear in print but will merely turn out to be repetitions of knowledge buried elsewhere.

The consequence is frustration and disappointment, not only to the writer and the publisher, but to the scientist or engineer whose work is being described. A man or team sometimes spends months or years on work that might have been avoided if information on the real state of the art had been more accessible in the first place. For every instance of outright duplication, there are probably scores of cases in which at least part of the painstakingly performed work

could have been eliminated if obscure data had been more accessible at the outset.

IMPROVED INFORMATION SYSTEMS

In view of these facts, the Senate Committee on Government Operations has been striving for years to improve Federal Agencies' information systems. There are strong fiscal and other reasons for our efforts: The Federal Government is spending $9 billion a year for scientific research, development, testing, and evaluation. Of that sum, three-fourths is for national defense. A arising proportion is for civilian space science. The overall work involves over 160,000 projects now underway in over 9,000 facilities. Many of these tasks overlap. No one can foretell which projects may be affected by work underway elsewhere. Projects in the life sciences interact with and draw upon projects in the physical sciences and vice versa. Today's physics, chemistry, and biology converge on common targets and require interdisciplinary skills.

Time is the crucial dimension. Manpower—particularly the most qualified scientists, engineers, and technicians—is in scarce supply. A single man-year spent needlessly repeating experiments performed earlier is a man-year which can never be regained.

MANAGING SCIENCE INFORMATION

In order to help remedy the breakdown in communications, the Senate Committee on Government Operations has issued a series of publications on the subject of managing nonclassified science information. These publications include:

1. Senate Document 113, 86th Congress, "Documentation, Storage, and Retrieval of Information," an analysis of the problem of managing published literature.

2. Senate Report 243, 87th Congress, "Coordination of Information on Current Scientific Research and Development Supported by the U.S. Government," which analyzes the problem of managing prepublication literature.

The latter report has opened up a relatively new vista in the area of science information. For years, scientists, engineers, writers, and publishers have worried about the problem of how to find articles or reports which are already in print. They have sought ways to find an article, monograph, or book in its original form or in abstract, index, or other secondary form.

Now, however, our latest Senate report reveals another critical problem: How to locate knowledge about research and development that is still in progress. This work is not recorded anywhere, and it may never be recorded. Some of this work may be reported orally at a professional meeting, but it may never be published; indeed some work may not even be orally communicated.

Why? Perhaps because it ends in failure, or because a Federal contract or subcontract is canceled, or a key person leaves and the project dies or is altered. Maybe the project is completed, but the scientist or engineer turns so quickly to other fields that he doesn't bother to write down the results. Perhaps the recipient "buries" the report instead of disseminating it.

UNJUSTIFIABLE DUPLICATION

Whatever the reason, vast amounts of information sink disastrously without trace. What is the result? Someone somewhere unknowingly reperforms the same or similar work. Such unknowing duplication (in contrast to planned, intentional duplication) cannot be justified.

What then is the answer? A bold, imaginative program must be launched to strengthen the Nation's largely archaic science information systems. The latest electronic data processing methods—already in operation in some of the systems—must be refined and utilized. This program requires the fullest cooperation of private industry; professional societies; Federal agencies; and nonprofit institutions, universities, and laboratories.

One element of the program should be vigorous support of what is called the Science Information Exchange (SIE), which was established in September 1960 by a number of Federal agencies within the Smithsonian Institution. This organization is designed to register and index 200-word summaries of current projects supported by the U.S. Government in the physical, social, engineering, and mathematical sciences. Since 1953, there has existed a comparable and reasonably successful Federal exchange in the biosciences. It registers 30,000 current medical, biological, and related projects. Through BSIE, as it was formerly known, any medical scientist anywhere in the United States—or anywhere in the world—can find out who may be currently engaged in particular research; or he may trace research done 2, 3, or 4 years ago which was never reported in the technical literature, but which may show up in the index of terminated projects.

EXTENSION TO PHYSICAL SCIENCES

The task now is to secure voluntary registration of abstracts of current research and development work in the physical sciences.

When it becomes operational in the new fields of its activity, the SIE can be an invaluable tool for Federal administrators, scientists, and engineers. Later, after Federal needs are begun to be fulfilled, non-Federal sources should have access to SIE including, of course, writers, editors, and publishers.

SIE is a key to knowledge about the very existence of a project. Ideally, however, it should fit in with documentation centers that contain copies of reports generated by the project. Such integration is not an easy task, but it is far from insoluble.

There are no less than seven Federal documentation systems today: (1) the Library of Congress; (2) the U.S. Department of Agriculture Library; (3) the National Library of Medicine; (4) the Armed Services Technical Information Agency; (5) the Office of Technical Services, Department of Commerce; (6) the Atomic Energy Commission's Information Division; and (7) the National Aeronautics and Space Administration's Technical Information Division.

In addition, there are vast numbers of materiel information centers containing federally sponsored reports on a vast variety of metals, minerals, etc.

No single center is or can be complete unto itself. So many of them overlap in coverage that it would be tragic for them to go their separate ways. There is every reason to secure optimal voluntary cooperation between all of these various centers and systems. Together they can serve their combined clienteles with bibliographic and other services which could greatly accelerate the Nation's technical effort. Together they can help achieve a level of efficiency which will help reduce the inexcusable waste caused by unknowing partial or complete duplication.

COMPLETE EXCHANGE REQUIRED

A national science information network is needed. It cannot and must not be a monolith, like the Soviet Union's system. Democracy need not and should not imitate totalitarianism, but neither should it fumble or blunder.

The breakdown in scientific communications must be remedied. The communications arteries, blocked with "fat," must be cleared. Scientists, engineers, and technicians must be enabled to obtain nonclassified data when they want it and in the way they want and need it.

The alternative is to come out "second best" in the scientific race. This must not and will not happen.

If you are interested in making sure of U.S. success in science information, the time has come for you to act. Your professional society can be, as it has been, your spokesman for progress in science information.

COOPERATION FOR PROGRESS IN LATIN AMERICA

Mr. HUMPHREY. Mr. President, I call to the attention of the Senate a report entitled "Cooperation for Progress in Latin America." This report was made by the Research and Policy Committee of the Committee for Economic Development. A great deal of thought and study has gone into this document. I must commend the committee for producing a splendid report.

The following actions are among those recommendations made by the committee:

First. To promote social development in Latin America.

Second. To raise the export earnings of Latin American countries.

Third. To promote economic integration in Latin America.

Fourth. To increase the flow of public funds where private investment is inadequate.

Fifth. To give more attention to inter-American agencies which are capable of strong support in carrying out the program suggested in the Act of Bogotá.

The committee made many penetrating observations about ways to better the welfare of the people of Latin America. This is a point that I have long stressed in relation to our foreign-aid programs. In this connection, I would like to quote a particularly well stated thought from the report:

> The objectives of economic development are to improve the life of the people and to increase their opportunities. The new emphasis recognizes that, while social progress depends basically on economic progress, it nevertheless cannot be assured in reasonably good time unless special measures are taken to convert economic development into a larger measure of general well-being. Moreover, our hope that economic development will strengthen free institutions requires equitable sharing of the fruits of national economic growth and a widespread sense of participation in the economic, social, and political processes of the Nation.

One of the more specific recommendations in this report deals with our responsibility to enter into a coffee agreement. This is, of course, an extremely complex problem and any agreement would have to be upon terms mentioned in this report. On the same subject, I should like to call attention to an excellent article in the New York Times on July 1, 1961. This article stresses that an agreement concerning coffee for Latin America is very important. According to the article we will agree to enter into such an agreement at the Conference of Western Hemisphere Nations next month. This article, like the report from the Committee for Economic Development, also notes the need for planning for social reform and economic growth of the Latin American

countries. I think it is imperative that we give our continuing attention to our relations with Latin America. It is obvious that our future is destined to be interwoven with that of our southern neighbors.

I ask my colleagues in the Senate to remember that the price of coffee in some 14 nations of Latin America is more important to their economical well-being than all the foreign aid that we could possibly give them. A drop in the price of coffee of only a few cents a pound would dissipate all the foreign aid that we could possibly extend.

In other words, unless we stabilize the prices there, all of the so-called $500 million alliance of progress aid to Latin America will be washed down the drain.

I believe that our Government is taking timely steps to protect the investment we are making in this great part of the world and also in helping people help themselves. After all, the production of food and fiber in every one of these countries is essential and is required.

I ask unanimous consent that the introduction of the report, pages 9 through 16, from the Committee for Economic Development, and the article from the New York Times be printed in the body of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COOPERATION FOR PROGRESS IN LATIN AMERICA

INTRODUCTION AND SUMMARY

Introduction

On September 13, 1960, 19 member countries of the Organization of American States signed the Act of Bogotá.[1] By this act the signatories, including the United States, stated their intention to cooperate to achieve common social and economic progress, in the belief that the "sound social and economic progress of each is of importance to all."

The act, although foreshadowed by several earlier declarations, is a major step forward in its recognition of a common interest in strengthening democratic processes, in its emphasis on the importance of social as well as economic progress, and in its assertion of the interest of the parties, singly and cooperatively, to redouble their efforts for social and economic progress.

The Act of Bogotá could be a historic step in today's rapidly changing world economic and political pattern. It could lead to a momentous disappointment or use in great accomplishment and reinvigoration. Unless the expectations raised by the Act of Bogotá are to be disappointed, the act must be translated into a program for action, and the program must be put into effect.

The way the Act of Bogotá is carried out will have great significance not only for the Western Hemisphere but for the whole world. One of the fundamental challenges of our times is to establish constructive, cooperative relations between the industrialized, economically advanced north and the underdeveloped south—Africa and Asia as well as Latin America. The attitudes and policies that guide relations between the United States and Latin America, in furtherance of the Act of Bogotá, can be a model for the relations between the economically advanced and the underdeveloped worlds.

While the United States must now be acutely concerned with events throughout the underdeveloped world, our relation with Latin America is a special one. There is a long history of political association among the American Republics. Our economic ties with Latin America, through trade and investment, are close and strong. More than most other parts of the underdeveloped world, Latin America shares in the culture and traditions of the West. In much of Latin America the conditions exist from which rapid economic and social progress can be generated. The opportunities for achievement here, through cooperation, are great. And precisely because the opportunities are great and because our relationship is so intimate, failure to achieve economic and social progress would be a bitter and ominous disappointment.

In this paper we discuss the immediate and important steps that should be taken to promote economic and social progress in Latin America. We concentrate mainly on those measures for which the United States has a primary responsibility. But the essence of the Act of Bogotá is recognition that certain policies of each are the concern of all, because the progress of each is the concern of all. Therefore we feel both a right and a duty to consider also certain policies for which the Latin American countries and people have the major responsibility.

It is the first requirement for effective U.S. participation in the cooperative effort called for by the Act of Bogotá that the people of the United States recognize how vital the effort is. This Committee has tried in a number of earlier statements to explain why it is important for the United States to assist the underdeveloped nations on the road to economic and social advance. We have said, earlier:

"In the short run there is all too good a possibility that more than one underdeveloped country will embrace communism in the hope of finding a shortcut through the difficulties and frustrations of modernizing a backward society. While communism cannot hope to gain its ends in the underdeveloped world by overt military aggression without bringing on world war III, it can hope to triumph by political means if its false promises and panaceas are believed by enough people.[2]

"It has become clear that this demand of the underdeveloped areas for a better way of life is one of the most important facts of present world conditions, and that its importance will grow. It is a demand strong enough to shape world history in desirable or undesirable ways, because the efforts of leaders in underdeveloped countries to bring about economic progress can take the way of peaceful development and growing freedom, or can lead, through frustration, to violence, Communist subversion, or other form of regimentation."[3]

MEMORANDUMS OF COMMENT, RESERVATIONS, OR DISSENT

By Allan Sproul: "This statement is so full of hope concerning matters upon which I have insufficient knowledge to support an informed opinion, and of hope with respect to other matters concerning which I have serious doubts, that I am unable to approve it."

By S. Bayard Colgate: "I disapprove this statement for two reasons. First, the U.S. taxpayer should not be asked to aid foreign monopolies which raise prices to him. Second, the present gold situation requires more stress on private as against government operations than is suggested by this paper."

Others have presented similar analyses to the American people. Yet it has always been difficult to present the problem of the underdeveloped nations in its true urgency. The countries involved were remote, and the chain of events by which we might be affected long and speculative.

THE LESSON OF CUBA

The Cuban revolution has brought these facts closer to home. Events in Cuba show that poverty and a feeling of injustice, when not permitted the hope of alleviation by democratic means, can erupt in a destructive, negative, vengeful revolution, even within 90 miles of the United States. Such a revolution is certain to have the economic and political support of the Communist bloc and to be a channel through which Communist influence can be exerted in neighboring underdeveloped countries.

Economic and social progress in many countries of Latin America will require radical, indeed revolutionary, changes of some of the institutions that now exist there. But a revolution of the Castro type, while it may be able to achieve some needed reforms, is not a route to development. Development requires incentive, opportunity, and talent in an environment that will attract or produce capital. The Castro revolution perpetuates civil war, drives out talent, and frightens away capital. Moreover, it destroys the fundamental human liberties that were Castro's own rallying cry when he first challenged the Batista dictatorship.

The governments, and the forward-looking private leaders of Latin America devoted to the development of their countries, realize that a Castro-type revolution will not achieve their aims. The basic premise of the Act of Bogotá is the importance of stable, democratic governments in the Western Hemisphere to personal freedom and economic and social progress, as well as to the national independence and security of all the signatories, including the United States. The second premise is that economic and social progress is necessary for the maintenance of stable democracies. It is unfortunate that the validity of these premises was not more keenly appreciated before the Cuban revolution. It would be tragic if more Cubas should occur to remind us of it.

We would be naive to think that any action by the United States alone will assure the achievement of any prescribed rate of economic and social progress in Latin America. Much more will depend upon what the people of Latin America do than upon what we do. Neither can we believe that some rate of economic and social progress alone will be decisive for democracy in Latin America. This will depend upon the perception of the value of freedom and of democratic government by the people of Latin America, as well as upon the course of events around the globe—which will in turn be influenced but not controlled by our action.

No clear and certain road to success is given to us at this juncture of history. We can only adopt the course most likely to lead to the objectives that we and other free people seek. This course is now to join wholeheartedly into a cooperative effort with Latin America, to the extent that the countries welcome our participation. This is not only, in our opinion, the course most likely to be effective. It is also, in any case, the right course—the policy most consistent with our basic desire, as fellow Americans, to help our neighbors.

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[1] There are 21 members of the OAS—the 20 Latin American Republics and the United State. Cuba voted "no" at Bogotá; the Dominican Republic was not represented.

[2] Economic Development Abroad and the Role of American Foreign Investment (February 1956), p. 3.

[3] Economic Development Assistance (April, 1957), p. 10.

TABLE I.—*Population increase and area of Latin America*

	Estimates of midyear population			Annual rate of increase in population, 1953–58	Area, square miles
	1953	1958	1960		
	Millions	*Millions*	*Millions*	*Percent*	*Thousands*
Argentina	18.4	20.2	20.9	1.9	1,073
Bolivia	3.1	3.4	3.4	[1] 1.4	415
Brazil	55.8	62.7	65.7	[1] 2.4	3,287
Chile	6.4	7.3	[2] 7.4	2.5	286
Colombia	12.1	13.5	14.1	[1] 2.2	440
Costa Rica	.9	1.1	1.2	4.0	20
Cuba	5.8	6.5	6.7	[1] 1.9	44
Dominican Republic	2.4	2.8	2.9	[1] 3.5	19
Ecuador	3.5	4.0	4.2	[1] 2.9	107
El Salvador	2.1	2.4	2.6	[1] 3.5	8
Guatemala	3.1	3.5	3.7	3.0	42
Haiti	3.2	3.4	3.5	[1] 1.2	11
Honduras	1.6	1.8	1.9	[1] 3.3	43
Mexico	28.1	32.3	34.6	[1] 2.9	760
Nicaragua	1.2	1.3	1.4	[1] 3.4	57
Panama	.9	1.0	1.1	[1] 2.9	29
Paraguay	1.5	1.7	1.7	[1] 2.3	157
Peru	9.0	10.2	10.8	[1] 2.5	496
Uruguay	2.5	2.7	[3]	[1] 1.3	72
Venezuela	5.4	6.3	6.7	[1] 3.0	35
Total, Latin America	167.0	188.1	197.3	2.4	7,401
United States of America [4]	160.3	174.8	180.5	1.7	3,615

[1] Countries whose population estimates are regarded by the United Nations Statistical Office to be of questionable reliability.
[2] 1959.
[3] Not available. The 1960 total for Latin America includes Uruguay with an estimated population of 2,900,000.
[4] These estimates do not include Hawaii and Alaska.

Source: United Nations Demographic Yearbook, 1959. Population figures for 1960 are from "International Financial Statistics," the International Monetary Fund.

Economic, political, and social conditions in Latin America are extremely diverse. The true statements that can be made about Latin America, without having to call attention to exceptions for particular countries, are few in number and quite general in character. As the charts and tables in this report show, there is great variation among the countries of Latin America in national income per head, in rate of economic growth, in the educational achievement of the population, in the industrial distribution of the labor force, and in many other measurable characteristics.

Variations are also great in other important but less measurable characteristics. This means that no policy that can be prescribed for Latin America can be applied to any particular country without first asking whether it is appropriate to the conditions of that country. The recommendations of this statement should be read with that necessity in mind.

There are, moreover, certain general and persistent attitudes that should underlie our cooperative effort if it is to achieve its greatest potentialities.

1. The course upon which we are embarking is of indefinite duration. The nature of our cooperative relations may change. We should not expect, for example, that the U.S. Government will always be a source of capital for Latin America. But we do not foresee a time, whatever level of economic development the Latin American countries may reach, when our future will not be interwoven with theirs. We shall continue to be concerned with their policies and they with ours, and we shall continue to need to cooperate.

The experience of our relations with Western Europe in the postwar period is instructive. The Marshall plan came to an end and the U.S. Government no longer provides capital assistance to Western Europe. But the process of economic cooperation, within Europe and between Europe and the United States, initiated by the Marshall plan, goes on, and new forms of cooperation are constantly being sought.

2. If economic and social progress is to be achieved in Latin America the Latin Americans must make the major effort. Economic cooperation with Latin America is not a one-way street in which we give and they take. They must make the effort in their own interest, but it will also be in our interest.

3. The Latin American countries will have to adapt their own institutions and policies to their own conditions, cultures, and desires. It is in our interest that these institutions and policies should be both effective in satisfying their aspirations and consistent with democratic processes. As a member of the Organization of American States, as a trading partner, and as a friend, we should express this interest. But the variety of policies and institutions under which economies can thrive in a free society is large, as our own experience and the history of Europe shows. We should not appraise the Latin American economies by their conformity to our practice or to an ideal model of our system.

4. We should recognize that a certain amount of Latin American resentment and hostility against us is inherent in our relationship to Latin America. A great deal is expected of us, and we are therefore likely to be held responsible for disappointment. We should not be unduly sensitive to this. At the same time the Latin Americans should appreciate that, while we are rich and powerful, there are limits to our wealth and power. We have a great many obligations, at home as well as abroad. We, like the Latin Americans, have to cope with a world that is new to us. Tolerance and understanding are needed on both sides.

SUMMARY OF RECOMMENDATIONS

We round out this introduction with a summary of our recommendations, so that the reader may have them in mind as he proceeds to the considerations underlying them.

We propose a program to put the Act of Bogotá into effect, early and vigorously. To that end, this Committee recommends—

1. That the United States find, and use, means to give practical support to the program for social development in Latin America emphasized by the Act of Bogotá.

Alongside, and reinforcing measures to increase economic growth, measures are needed to bring about full and prompt translation of the fruits of the economy into more income, education, security, and independence for the mass of the people. Social development measures would include prompt and full implementaton of our promise to establish a special fund for inter-American social development; encouragement of agrarian education and reform that would both raise the productivity of Latin American agriculture, and spread the benefits of agricultural productivity more widely; and support of Latin American efforts to reduce illiteracy and improve education as a necessary condition to economic and social progress and democracy.

2. That the United States give its urgent attention to ways in which the Latin American countries may be assured of a rising trend, and greater stability, of their export earnings.

The Committee sees a close link between both the increase and the stability of export earnings and capacity of Latin America to finance its own economic development. Latin American governments should be prudent in conserving export earnings when they are relatively high. The International Monetary Fund should be active in using its recently increased reserves—including increased contributions by Latin American nations—to ease the effects of temporary exchange shortages. The United States should move promptly, although gradually, to lower tariffs and enlarge quotas that impose barriers to Latin American exports. The United States should join in the search for practical measures to moderate fluctuations in Latin American export earnings arising from instability in the prices of Latin America's principal commodity exports. Serious consideration should be given to U.S. participation in an international coffee agreement. The Latin American countries should try to reduce their dependence upon a dangerously limited range of export products by developing other exports, particularly manufactures. Also to these ends, the United States should take the lead in making the North Atlantic Community a society of industrialized nations holding their markets open to all, including Latin America, on a low-tariff, or no-tariff, nondiscriminatory basis.

3. That the United States should encourage movements toward economic integration in Latin America on fair and economic bases to permit the advantages of larger markets and increased competition to be achieved.

4. That the United States should increase its flow of public funds to Latin America for use where private investment is by nature inadequate.

Our efforts should include encouragement of the development of private enterprise including small business—industrial and agricultural—in Latin America through creation and strengthening of development banks, agricultural credit institutions, and private financial institutions. United States public fund assistance to Latin America should be channeled increasingly through international agencies, especially the Inter-American Development Bank. The United States should make every effort to enlarge the flow of European capital funds to Latin America.

MEMORANDUM OF COMMENT, RESERVATION, OR DISSENT

By John T. Connor: "In my opinion the United States is already too much in the lead in the North American Community by virtue of the tariff reductions we've already made. Unless business, labor, and political leaders are prepared to see a decline in our wage and salary levels and a further increase in unemployment, and I don't think they are, we should oppose further U.S. tariff reductions that are not truly reciprocal, particularly in view of problems raised for U.S. industry by the common outer tariff of the European Common Market."

5. That United States private investors take advantage of opportunities for greatly enlarging the mutually beneficial activities of United States businesses in Latin America.

Latin American governments should cooperate to encourage this through tax-sparing treaties. The Latin American countries should strive to bring inflation under control as a major step in encouraging the inflow of foreign funds. American business operating in Latin America should become integrated in the community in which they operate, and they should draw upon the experience of some companies that have already demonstrated practical ways in which this difficult identification can be made.

6. That more Latin American businessmen follow the outstanding examples of some of their number in recognizing their heavy responsibility in Latin American development.

Freedom and economic growth will be greatly affected by the extent to which Latin American businessmen are active in improving the conditions of life of the millions around them, and the extent to which they are prepared to reexamine what the good of the country requires. Latin American businessmen may find that an organization for economic research and education along the lines of CED would be helpful.

7. That the United States give more attention, and more weight in its thinking and program, to inter-American agencies capable of giving strong and continued support in carrying out a program such as described by the Act of Bogota.

MEMORANDA OF COMMENT, RESERVATION, OR DISSENT

By John T. Connor: "In my opinion the United States should channel its economic and social aid funds either directly to the Latin American countries through bilateral arrangements, or through international agencies of which the Communist nations are not a part. The record to date clearly shows the futility of trying to get the cooperation of the Russians and other Communists in programs of this kind, and if we continue to try, they can prevent us from reaching our objectives."

By Fred C. Foy: "I question the emphasis given to increasing U.S. public-fund assistance through international agencies. The Export-Import Bank has large unloaned funds plus a strong background of experience in Latin America. I believe this report should urge it to give especial attention to additional development type loans and guarantees in Latin America."

UNITED STATES PLANNING AID FOR LATIN COFFEE—IT WILL AGREE TO JOIN WORLD PACT STABILIZING PRICES

(By Richard E. Mooney)

WASHINGTON, July 1.—The United States intends to announce its willingness to join an international coffee agreement at the Conference of Western Hemisphere Nations near Montevideo, Uruguay, next month.

The conference will mark the beginning of the Alliance for Progress, which President Kennedy has proposed to "transform the American Continent into a vast crucible of revolutionary ideas and efforts—an example to all the world that liberty and progress walk hand in hand."

But experts here believe that no words, not even pledges of more dollar aid, will mean as much to the Latins as the promise of an agreement that will help shore up the troubled coffee economy.

Coffee is the second most important commodity in world trade—second to oil. Coffee is bread and butter to 14 of the 18 Latin nations participating in the Uruguay conference.

IMPORTANCE DRAMATIZED

Returning from his recent 18-day trip to South America as President Kennedy's special envoy, Adlai E. Stevenson dramatized coffee's importance by saying that a change of a half cent in the price of a pound of it could be equal to all the dollar aid the United States could give Latin countries over a period of years.

For several years the coffee-producing countries of Latin America, joined more recently by African States, have agreed to restrain production so that prices would not be depressed by surpluses flooding the market. The agreement has helped, but the problem persists. The producing countries have long wanted active cooperation—more coffee buying—by the consuming countries, and the United States finally is preparing to lead the way to formal agreement.

It is not yet definite that the United States will have a specific coffee plan ready to present at the Inter-American Conference, but one is being prepared.

Commodity problems in general are just one of the knotty items on the agenda for the Uruguay meeting. The others are:

Starting immediate and long-range planning for social reform and economic growth.

Establishing international machinery to keep an eye on the planning.

Integrating the Latin economies on the style of Europe's trading blocs.

Arousing the American people's support for the objectives.

ILLUSIONS ARE LACKING

Officials here have no illusions of overnight achievement. The basic ideas that the Conference will discuss have been developed before in some detail by international groups of experts. But there remains tremendous resistance to various measures contemplated.

The tiny minority who own most of Latin America's land, for instance, are not eager for land reform or for effective taxation of their wealth. And while the United States may be willing to help coffee, U.S. lead and zinc interests are not inclined to help their Latin competition.

The United States requested the Conference, which will begin August 5 at Punta del Este, a resort town 65 miles east of Montevideo, through the Organization of American States. Formally, it is a special ministerial meeting of the Inter-American Economic and Social Council. The significance attached to the meeting is indicated by the fact that President Kennedy is thinking of attending.

Officials here hope that the Conference will produce some sort of charter embracing commitments to goals, commitments to plan, and commitments to help.

The monumental nature of the undertaking can be gleaned from a 58-page working paper prepared by 7 experts from as many countries on just the first subject of the agenda—planning for economic and social development.

WIDESPREAD POVERTY NOTED

"The countries of Latin America suffer from widespread poverty" largely because their agricultural productivity is low and other ways of making a living are relatively few, the paper begins.

The average per capita income of the area's 250 million people is a third that of Western Europe and a seventh that of the United States.

More than 100 million of the people have inadequate water supplies and if development proceeds no faster than it has the number would pass 150 million by 1980.

Tracing through this, and equivalent deficiencies in housing, education, the distribution of wealth and the commodity problems, the experts concluded that the 10-year goal must be at least an average yearly growth of 2½ percent in real income for each person.

With population rising at the same rate, this means a 5-percent annual rise in production is needed. The goal is not modest. During the last decade, the production of few Latin countries grew at anything approaching that rate.

PAUL KILDAY, ABLE CONGRESSMAN FROM TEXAS, IS FINE JUDICIAL APPOINTMENT

Mr. YARBOROUGH obtained the floor.

Mr. HUMPHREY. Mr. President, how much time does the Senator desire?

Mr. YARBOROUGH. Six minutes.

Mr. HUMPHREY. I yield 7 minutes to the Senator from Texas.

Mr. YARBOROUGH. I believe that this is the first time in my more than 4 years of service in the Senate that I have asked for a certain amount of time and have been given more than I asked for. That is in keeping, of course, with the generous nature of the Senator from Minnesota.

Mr. HUMPHREY. The Senator from Texas is always kind and generous.

Mr. YARBOROUGH. Mr. President, recently the Senate Armed Services Committee, of which the able and distinguished senior Senator from Georgia [Mr. RUSSELL] is chairman, approved and the Senate has confirmed President Kennedy's appointment of an outstanding Texan and U.S. Congressman, the Honorable PAUL J. KILDAY, as a judge of the U.S. Court of Military Appeals. This is an important post. It is a 5-year appointment to the court of appeals.

All Texans, and especially those of the San Antonio area, are indeed pleased and proud of Congressman KILDAY's selection. We congratulate both the President and Congressman KILDAY on this selection.

Congressman KILDAY was first elected to serve in the 76th Congress and he has been reelected without interruption for every term since he took office in 1938. His record is not only among the finest of any Congressman ever elected from my State of Texas, and, indeed, some fine Congressmen have come from the Lone Star State, but he ranks high among those who have come to the House from throughout the Nation.

His record has been exceptionally brilliant in his service on the former House Committee on Military Affairs and the present House Committee on Armed Services.

In the 80th Congress—1947–48—Mr. KILDAY served as the ranking minority member of the Legal Subcommittee of the House Committee on Armed Services. That subcommittee conducted an extensive investigation of the Articles of War and reported the so-called Elston bill. The Elston bill was designed to meet the many criticisms which arose from the administration of justice in the Armed Forces during World War II.

The Elston bill dealt with all phases of the administration of military justice, from the pretrial investigation through appellate review. It provided many new departures in the administration of military justice, in both the Army and the Air Force, and sought to eliminate those procedures and practices which had raised serious questions as to the quality of justice in the military services. Some of the salient points covered in the bill which was reported and passed, were:

First. Enlisted personnel were authorized to sit as members of a court-martial.

Second. Officers were subject to trial by special court-martial.

Third. The unlawful influence of courts-martial or members thereof was prohibited.

Fourth. Warrant officers were authorized to sit as members of courts-martial.

Fifth. An accused, if he so desired, was authorized counsel at the pretrial investigation.

Sixth. Authority to grant a bad conduct discharge was granted to general and special courts-martial.

Seventh. The review and appellate review provisions were strengthened.

Eighth. A lesser punishment than death or life imprisonment for murder or rape was provided.

Ninth. The authority of commanding officers was increased so far as it pertained to officers but not to enlisted personnel.

Tenth. A separate Judge Advocate General's Corps of the Army was established.

Immediately after passage of the Elston bill, there was a congressional demand for a uniform system of military justice, equally applicable to all of the armed services. As a consequence, during the 81st Congress—1949–50—the Committee on Armed Services perfected legislation for this purpose, using as a basis the provisions of the Elston bill of the 80th Congress. The resulting bill and public law were known as the Uniform Code of Military Justice. This new code made uniform the provisions for military justice in the Army, Navy, and the newly created Air Force. It also created the U.S. Court of Military Appeals.

During the 86th Congress—1959–60—Mr. KILDAY served as chairman of a special subcommittee of the Committee on Armed Services. This subcommittee was appointed to consider amendments to the Uniform Code of Military Justice, which 10 years of experience with the new code had indicated were necessary. In preparation for the consideration of such legislation, Mr. KILDAY conducted an exhaustive review of the operation of the code, the Court of Military Appeals, and other matters having to do with the administration of military justice. In that review he was assisted by committee staff members, the judge advocates general of all of the military services, and others concerned with the administration of military justice.

Mr. President, with Congressman KILDAY's outstanding record of work and accomplishment, it should be clear that President Kennedy could not have found a better qualified judge anywhere to serve on the U.S. Court of Military Appeals; and he comes from a family of able public servants; his brother Oran Kilday is now sheriff of Bexar County, Tex., and another brother, Jim Kilday, retired after making a distinguished record with the Railroad Commission of Texas and as Assistant Attorney General of the United States.

SUPERSONIC MANNED BOMBERS NEEDED FOR STRONGER AIR ARM

Mr. YARBOROUGH. Mr. President, on June 20 I called to the attention of my Senate colleagues the importance and the necessity of continuing the production of manned strategic bombers. In particular, I pointed out the fact that the B–58 is the only supersonic operational manned strategic bomber in the free world today. I emphasized the necessity and the extreme importance of not allowing this national asset to die on the vine as proposed by the budget message. I pointed out the inherent growth potential of this airplane and suggested that serious consideration should be given to providing this airplane for our NATO allies as a supplement to the offer of the President to equip them with Polaris submarines.

Mr. President, without repeating what I then said, I point out that there are more than 100 airfields in Western Europe which have runways that are long enough to accommodate the B–58, and that it could be operational as the only supersonic manned bomber in the entire free world, that it could be operational from more than 100 European airfields, and that it is a weapon of great value indeed under existing world conditions.

That was on June 20, when I made those remarks on the Senate floor. That is when that evidence was given to the Senate.

On Sunday, July 9, the Soviets put on a massive air show—the first in 5 years. In that airshow, they displayed 11 new models of airplanes. I can find no record of any previous knowledge of the existence of several of these planes, particularly a supersonic Soviet bomber about the same size as our B–58—this one so new that no code name has yet been assigned to it. On July 10, in remarks to the Senate, I pointed out the serious feeling of concern resulting from this Soviet display of manned air might, not only among Senators, but by my constituents, as well. Again I urged that we not allow the production lines of our manned strategic bombers to die as had been proposed by the Defense Department, particularly in the face of the demonstrated existence of new Soviet long-range interceptors armed with air-to-air rockets.

On July 14, I again presented facts to the Senate on the subject of the B–58, this time to clear up for the RECORD that in spite of some misconceptions to the contrary, which seemed to exist in the minds of some persons, the supersonic B–58 was without a doubt properly classified as a long-range bomber.

I brought into the Chamber a globe, with ribbons attached, to show how far the B–58 might fly. I said it had been claimed that the $525 million authorized for long-range bombers did not include the B–58; that it was said not to be a long-range bomber. That question was argued in the Senate and was discussed throughout the country.

At that time, I again urged that we take the fullest advantage possible of the inherent growth potential in this airplane both in speed and range. I pointed out that if it boiled down to a question of funds, we must maintain the production of the B–58, since the B–52 line would remain open for many years anyway in order to perform the necessary modifications to the G and H models of the B–52.

Again, on July 17, I spoke to the Senate on the seriousness of the threat posed by the Russian airshow, not only to our national survival but to the international prestige of the United States as well. I urged that we vigorously support a program which would allow the continued production of the B–52 and the continued production of the B–58, including the earliest possible phase-in of various model improvements in cruising speed and range. At that time, I stated that the Soviet's demonstrated supersonic strategic bomber capability and the air-to-surface missile displayed on their older and slower Bear bomber carried with it the urgent requirement that we take immediate steps to protect our homeland. Since there is no new all-weather interceptor in development, and since experience has proven that a minimum of 5 years is required to get deliveries of any new airplane, we must take immediate steps to restart the production line of the F–106 all-weather interceptor and include in it higher speed, longer range, and more improved weapons and fire control system. There is not sufficient time to do otherwise.

We do not have 5 years in which to design a new model.

On Tuesday, July 18, General LeMay, the newly appointed Chief of Staff of the Air Force, appeared before the Department of Defense Subcommittee of the Committee on Appropriations. Several hours of testimony were taken. In support of my earlier remarks to the Senate, I call particular attention to certain statements made by General LeMay. I shall quote directly from the record. I examined the testimony this morning, and these are direct and significant statements:

Senator HAYDEN. Would you recommend that the Congress provide additional funds for the procurement of more B–52 and B–58 bombers?

General LEMAY. Senator HAYDEN, you know, as well as I do, that we are in a very critical period now. It is my personal opinion that we should not close down our bomber lines at this time.

The earlier approach and decision was to close down the B–58 bomber lines. It was said that they could be reopened in an emergency. But, Mr. President, 17,000 engineers, technicians, and other workers produce the B–58. If the B–58 line is discontinued, it will take years to reassemble those persons and get them to work together again as a team.

On Tuesday of this week the Senator from Virginia [Mr. ROBERTSON] was questioning General LeMay. I read from the testimony:

Senator ROBERTSON. The Chair would like to clear up one question that the Senator from Louisiana raised about the B–58.

Is the B–58 a long-range bomber?

General LEMAY. We call it a long-range bomber but it has not the range of the B–52.

Senator ROBERTSON. Could it not qualify under the authorization for long-range bombers?

General LEMAY. It could.

I believe that considerable confusion has existed on this point among some distinguished citizens of our country. I pointed this out on July 14.

In response to a question by the Senator from Arizona [Mr. HAYDEN] as to the advisability of incorporating the improvements of the B–58 in a reorder—the improvements in range and speed which I have strongly advocated several times on the floor, the general stated that he thought such a program might be too expensive.

Again, I quote directly from the record of the hearings:

Senator HAYDEN. Should we provide funds for the modification of the B–58, our only supersonic bomber, so as to increase its range, size, and speed?

General LEMAY. If we do this with the B–58, it would be a major development program and an expensive one.

I find that an integrated production program phasing in the improvements I have been advocating in range and speed to Mach 2.4 would come to a unit flyaway cost per airplane of from $7 to $8 million which is comparable to the present B–58 and less than the cost of the B–52.

On June 20, I pointed out to this body that in spite of many statements to the contrary that the B–58 was originally designed to carry air-to-surface missiles and I displayed to the committee a model of the B–58 carrying two Skybolt missiles. I quote again directly from the record in this regard:

Senator RUSSELL. What prompted the question was that we are told that the B–58 is not capable of carrying the Skybolt or the Hound Dog, but certainly nothing is keeping us from attaching it underneath the body of the plane. It can carry almost any air-to-surface missiles that is known you can attach here.

General LEE. I am sorry; I am unable to respond to that question.

General HOLLOWAY. Senator Russell, I think I might answer that, sir. The main problem there is the temperature rise with supersonic speeds. This is not impossible, but it would be a great undertaking.

Senator RUSSELL. I will not ask the question because I have had to defend myself almost incessantly from the promoters of the B–58 since we came out with the authorization bill. Some of my friends in the Senate have been vitally interested in it.

So it is not a very good place to utilize for the carrying of air-to-ground missiles?

General HOLLOWAY. No, sir; not for high speed.

On this point, I desire the record to be very clear. As all Senators know, the B–58 is a supersonic airplane; it can travel at twice the speed of sound. It is the only strategic bomber airplane in the free world today that can move at twice the speed of sound. When you use the B–58, however, Mr. President, you do not fly at wide-open throttle all of the time. The airplane cruises at Mach 9, which is about 100 miles per hour faster than the cruising speed of the B–52. At cruising speed, the speed at which the airplane is operated most of the time, there is absolutely no heating problem. General Holloway qualified his statement about the Skybolt as to speed. I stated before that there is no reason to carry the Hounddog since its top speed is the same as that of the B–58. It is not intended that the Skybolt be carried and launched at twice the speed of sound; it will be carried and launched at cruising speed many hundreds of miles from the target. After the missiles are launched, the B–58 can then accelerate to twice the speed of sound and launch its remaining bombs at that speed. This is something that the B–52 was never designed to do.

I have been advised by competent engineers that the B–58, due to its small size, its wide range of speeds and altitudes, and its most modern electronic countermeasures equipment can penetrate the Soviet defenses and deliver its bombs accurately and reliably. Its penetration aids are built into it.

When considering the missile-carrying capacity of the B–58, it must be borne in mind that there is no plan for the B–70 to carry air-to-surface missiles. It will rely on the same features as the B–58 for its penetration capability.

Mr. President, I again urge that we appropriate the necessary funds and take all necessary defense measures, including, but not limited to:

First. The continued production of our only supersonic manned strategic bomber, the B–58, and provide for the earliest phase-in of its inherent growth in speed and range. A wing of 32 will cost about $345 million and detailed engineering on the advanced version can be started for only $50 million in the fiscal year 1962.

Second. Using foreign aid funds, procure additional quantities of the supersonic B–58's to equip our NATO allies with this deadly weapon. Tools now exist to double the current production rate. These would be in addition to the offer of Polaris submarines which has already been made by the President.

Third. Insist that we act at once to procure a supersonic transport version of the B–58. In this connection, I wish to call attention to a statement made on July 17 by Yevgeni P. Loginov, the chief of Aeroflot.

I am convinced that our country will be the first to develop supersonic planes for the transportation of passengers * * *.

I ask unanimous consent to have printed in the RECORD his entire quotation as reported in the International Aviation Week of that date.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

U.S.S.R. TO BE FIRST IN SUPERSONIC TRANSPORTS, LOGINOV SAYS

"I am convinced that our country will be the first to develop supersonic planes for the transportation of passengers as it has been the first to develop jet planes, the civil atomic ship, and cosmic vessels," Yevgeni P. Loginov, the chief of Aeroflot, said in Moscow according to a European report.

Loginov said he thinks that "in a few years' time will be seen on our air routes airplanes flying at a speed at 3,000 to 4,000 kilometers per hour. How will these planes be?" he asked. He said they "may be jet planes or rocket propelled planes."

Loginov said that in the 7-year period from 1958 to 1965, the volume of Soviet air transport will be multipled by sixfold. A gradual yearly reduction of 10 percent to 15 percent in the level of fares will stimulate this expansion, he added. He said the Tu–124 and An–24 will soon be added to the operational fleet of Aeroflot which is now developing these new two types.

Mr. YARBOROUGH. The situation, Mr. President, is grave. It is serious. It is of the utmost importance to every citizen of the United States.

The effectiveness of our deterrent policy has been amply proven and demonstrated. It has prevented large-scale warfare up to now. We must insure that it will prevent war in the future.

Mr. Khrushchev or his minions read the record of this Congress. They analyze the total retaliatory capability of our strategic force. They are not deceived by publicity. They know the capabilities and limitations of missiles. They have tasted the effectiveness of bombs. For no other reason did Mr. Khrushchev demonstrate, for world consumption, three new supersonic strategic bombers and long-range supersonic interceptors armed with air-to-air guided missiles. His military analysts put their finger on the supersonic bomber gap that is now confronting this country. How, Mr. President, can we retaliate and deter with bombers that we do not have?

Mr. Khrushchev now rattles his saber with renewed confidence and vigor. He knows that his force of supersonic bombers is on the buildup. He flew past the crowd 10 supersonic bombers that we did not even know existed. He knows that we plan to terminate production of our only supersonic bomber, the B–58, after buying only two wings of them, while he is producing his counterthreat on an increasing scale.

In 5 or 6 years he will have 5 or perhaps 10 times as many supersonic bombers as we shall have under our present plans. He knows that schedules are deceiving. He knows the impact of slips and problems on the operational availability of any new weapon such as our B–70. He has detected a definite gap in our retaliatory deterrent capability of supersonic bombers. If we do not act now to fill this gap, it will widen, and will present an open invitation for aggression on the part of the Soviet.

This gap is deadly. It is a double gap. We have no long-range interceptors, even in development, to force any aggressive attack away from the shores of our homeland. We have allowed the production of our all-weather interceptor, the F–106, to terminate. The tools are still in place; and if we act at once, we can close our defensive gap. We can build improved versions of this airplane with these same tools and with the skilled work force that is just beginning to disintegrate. This airplane was designed, and has been tested, as an integral segment of our air defense system. We do not have the time to cobble up some interceptor version of any other airplane and expect it to work in this complex system.

If we do not act, and act now, to close this double gap, this open invitation to aggression, the time may well be entirely lost for us, and the next 5 or 6 years might well be the blackest years in the history of civilization.

It is time that the American people start thinking about how easy it is for a Soviet pilot to fly over their homes to-

day, at a speed twice as great as that of a .45-caliber bullet, and drop a nuclear bomb.

Will our budgetary limitations decide our national survival? Most certainly the Soviets have not short-changed their military leaders in obtaining the most modern fighting equipment money will buy. Nor should we.

I am sure that if General LeMay is provided adequate funds, as I have recommended, he and General Power, commander of the Strategic Air Command, will enthusiastically support the need for a third wing of B–58 supersonic bombers, so that the gap between our supersonic bombers and the Soviet supersonic bombers will be reduced.

Mr. President, Mr. George Todt, noted columnist for the Los Angeles Herald-Express, recently wrote an excellent column on this subject. I ask unanimous consent to have printed in the RECORD his column, from the July 17, 1961, issue of the Herald-Express, which appeared under the heading "Stronger Air Arm Urged."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STRONGER AIR ARM URGED

(By George Todt)

Could it be that the Soviet Union has been pulling the wool over our eyes with reference to manned bombers for war?

Could be? It looks like something along that line has already happened. Ever hear of "the Bounder"?

This is the new Russian supersonic heavyweight which flew over Moscow a short time ago—and brought startled gasps of amazement to onlookers present at the time.

Apparently of superior design and performance, the Bounder is believed to be comparable to our newest mach 2 "Hustler," or B–58, which is scheduled to replace SAC's obsolescent medium, six-motored B–47 force in the next few years. Hustler travels at 1,300 miles per hour.

Appearance of the new Soviet delta-wing bomber now puts to rest the speculative theory that the Reds had gone in for guided missiles entirely—and had decided that manned bombers were sort of reactionary. Far from it.

OUR AIRPOWER

What this proves now is that we may have been asleep at the switch. The manned bomber, just as our competent USAF experts have maintained all along, is here to stay.

There are some jobs for which missiles will prove to be the ideal weapon to have in our arsenal; by the same token, ditto as regards the manned bomber. We need a balanced mix.

In these trying and difficult times, first things should come first. The first priority for our taxpayers' dollars is in the realm of competent and efficient national defense.

After we have placed our money in the areas which will assure our triumph over potential aggressors—the only item which may deter war in our time—then and only then is it fair, or honest, to spend our funds elsewhere.

We are living in a world jungle today and we must be constantly on guard.

To come to the heart of the problem quickly, I think the overflight of the Russian Bounder over Moscow proves one point this writer has been hammering home consistently for several years.

MUST BE GREAT

Airpower is the true American weapon—and American airpower needs the great new 2,000 miles-per-hour B–70 "Valkyrie" bomber like a champion heavyweight boxer needs his good right arm.

I visited the Strategic Air Command headquarters at Offutt Air Force Base in Omaha, Nebr., last year for several days and talked with numerous airmen of all ranks. Got the dope from the horse's mouth.

Without putting anybody on the spot, let me simply say that it is the overwhelming opinion of our professional sky warriors that we cannot count on U.S. aerial supremacy over the Reds without the B–70 in quantity production—and soon.

This writer has been pulling for the B–70 for a matter of years now. I consider it gross stupidity and negligence for the administration—both Democrat and Republican—to withhold production on a top-priority basis of this vitally needed aerial superdreadnaught.

HOUR BY HOUR

It is asinine to pretend that American citizens will be later spared the ravages of war by doling out shortsighted and weak-kneed tribute to the have-nots of the world instead of buying the B–70 "Sunday punch." Let's quit kidding.

If we don't have money for both—we should buy bombers.

Recently in the U.S. Senate, a stimulating call was made for increased bomber funds by Senators CLAIR ENGLE, of California, STUART SYMINGTON, of Missouri, RALPH YARBOROUGH, of Texas, and HOWARD CANNON, of Nevada. All are Democrats. All are eminently correct, I believe.

OR WE DISSIPATE

The same type of call was made from the Republican side of the aisle by Representative EDGAR W. HIESTAND, Republican, of California.

"Recent reports that the Soviet Union has developed a superbomber and the impressive air show that it staged recently emphasize the importance of taking a close look at our defense system," the Los Angeles Congressman said. "Principally we might reexamine the manned bomber field."

HIESTAND pointed out that the present workhorse of the SAC fleet, the intercontinental eight-motored B–52, is a marvelous aircraft but cannot hope to remain at the top forever. Times change.

The astute legislator said that possession of the B–70 at the right time might make the difference between victory and defeat for us.

THE FISCAL IRRESPONSIBILITY OF THE PRESENT ADMINISTRATION

Mr. MILLER. Mr. President, in the Monday, July 17, issue of the Christian Science Monitor, the leading editorial points up the fiscal irresponsibility of the present administration. All of us know that the President has preached "fiscal integrity," but those words have not been accompanied by deeds. Instead of requesting the Congress to eliminate some of the domestic spending legislation previously requested, or to at least reduce it, the White House has stood silent. The Congress has been subjected to a stream of legislative proposals, most of which are sent over from the administration without accompanying requests for tax increases needed to pay for them. We have asked for literally billions of dollars for a stepped-up space program, on the basis that it is needed. The newspapers are filled with stories that we shall be asked for from $2 to $5 billion more for national defense—possibly in connection with a partial mobilization of some kind. More billions for foreign aid are being requested on the basis that this is the most important request of all perhaps.

We have just completed the fiscal year 1961 with a deficit of $3 billion, of which—accordingly to Secretary of the Treasury Dillon—$2.3 billion was the result of increased spending policies of this administration. We are faced with a $5 to $10 billion deficit for the current fiscal year. Most, if not all, of this could have been avoided if the words "fiscal integrity" were but matched with deeds.

As I have said many times, Mr. President, there can only be these results—inflation, higher taxes, or both.

I ask unanimous consent that the editorial from the Monitor be printed in the RECORD.

Mr. President, one of Iowa's leading citizens recently retired from his position as secretary of the Sioux City Livestock Exchange. I refer to Mr. Don Cunningham, whose radio voice on the daily livestock market news reports has been heard for years by farmers and ranchers all over the Midwest. Throughout his long years of service in the cause of agriculture, Don Cunningham has been noted for his practical, down-to-earth philosophy. For the past 14 years he has written a column—without pay—for the Sioux City newspapers, under the title "Don Cunningham says." I ask unanimous consent that a copy of his latest column be printed in the RECORD. I believe it expresses very well the reaction of millions of farmers and ranchers to the trend of legislation and spending in Washington.

There being no objection, the editorial and the article were ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, July 17, 1961]

THOSE DELIGHTFUL DEFICITS

The Kennedy administration continues to talk about preserving "fiscal integrity" while acting in ways which threaten to undermine fiscal integrity. The President and Treasury officials have spoken brave words about maintaining "confidence in the dollar" and combating "inflationary pressures" and "undisciplined deficits." At the same time requests are made for expenditures which pile deficit on deficit.

So far as we can see these are not disciplined deficits. To us they look just like other additions to the national debt. Considered separately many of the proposed or approved sorties along the New Frontier find much public support. And no one seems eager to add up the total costs.

In March the President spoke of a deficit for this fiscal year running around $2,800 million—as against a small surplus in the final Eisenhower estimate. Recently Secretary of the Treasury Dillon figured a budgetary shortage of $3,700 million. But he counted as revenue $800 million from a postal rate increase Congress is not making.

We won't attempt to list the multiple New Frontier charge accounts. But here are a few broad categories where Eisenhower requests for fiscal 1962 are surpassed by Kennedy bids: Defense, $2 billion; labor and welfare, $2 billion; agriculture, $1,825 million; space, $670 million; natural resources, $100 million; housing, $460 million; interest, $100 million.

We've resorted to round figures and left out a lot of troublesome little sums under $100 million. But it can be seen that the total will approach $8 billion—not counting what may be added before Congress quits. We should not assume this will be the deficit figure. But few estimates of "recovery revenues" expect them to make a big difference in the budget before next year.

The situation is bringing to the fore a fascinating batch of rationalizations for unbalanced Federal accounts. There is the one about population rising faster than the debt. This conveniently uses 1945 as a base—leaving out the war years when the debt went up 1,000 percent. Then there is the old Keynesian theory that government should spend in bad times to balance the economy—reducing the debt in good years. Fine—if the second part were not forgotten.

The bolder advocates of deficits don't bother about rationalizing; they delight in debts. Deficits, say they, are really measures of credit and credit creates economic activity. Credit can be creative if well used and firmly based. But credit for public spending also creates inflation, including higher interest rates—and tighter credit for private enterprise. It also undermines confidence in the dollar. Inflation levies its own taxes—heaviest on those least able to pay.

The bolder advocates of deficits are usually honest. They candidly contend that the money can be more wisely spent by officials than by citizens. They frankly go a long way toward more powerful government. But politicians who find it expedient to lure votes by spending are more deceiving about deficits. They talk about tax incentives for private enterprise but instead take more money for Government projects. They try to get the people to look at "pie in the sky" instead of new debts under their feet. They destroy not only fiscal integrity but political integrity.

SIOUX CITY, IOWA.—The other night I was having a hard time getting to sleep (you know that will happen once in a while to fellows, who have a guilty conscience and who might be disturbed by some of their past misdeeds. Can't imagine why it should happen to me, whose past record is blameless). Anyway it did, and things got to running through my mind at about the speed of sound.

Just before I went to bed I had been reading about additional foreign aid, the new Peace Corps, the Freeman-Cochrane omnibus farm bill, additional and larger unemployment checks, earlier social security, Federal aid to schools, Federal housing programs (where you get a $15,000 home for practically nothing down and a dollar a week if they catch you), food for peace, economic aid to the poor benighted heathen in the Congo, and on and on a seemingly endless chain.

Made me wonder just where the hell it was all going to stop and how long we could stand the strain. Couldn't help but think of that old rhyme which goes something like this:

Great fleas have little fleas upon their backs
to bite 'em,
And little fleas have lesser fleas and so on
ad infinitum.

Looked to me as though all this would be an "ad infinitum" deal for fair. Finally I dropped off to sleep and sort of forgot all the worries and woes that beset me. A day or two later I found the solution to it all in this psalm, entitled:

PSALM TO THE WELFARE STATE

The Government is my shepherd
Therefore I need not work.
It alloweth me to lie down on a good job.
It leadeth me beside the still factories,
And it destroys all my initiative.
It leadeth me into the path of a parasite
for politics sake.
Yea, though I walk through the valley of
laziness and deficit spending,
I will fear no evil for the Government is
with me.
It prepareth an economic utopia for me,
by appropriating the earnings
Of my own grandchildren.
It filleth my head with false security;
My insufficiency runneth over.
Surely the Government should care for me,
all the days of life here on earth.
And I shall dwell in a fool's paradise forever.

—*Anonymous.*

ANTI-WATER-POLLUTION LEGISLATION

Mr. HUMPHREY. Mr. President, I understand that just a very short time ago the President of the United States, Mr. Kennedy, signed into law the anti-pollution bill. This legislation was introduced in the House by Representative BLATNIK, of Minnesota. It was my privilege, along with my esteemed colleague [Mr. MCCARTHY], to introduce the same legislation here in the United States Senate. It is known as the water pollution control measure. It has been given outstanding leadership, representation, and guidance by Representative JOHN BLATNIK, of the Eighth Congressional District of Minnesota, a Member of the House of Representatives.

I am pleased that Representative BLATNIK could be at the White House for the signing of this important measure. He has demonstrated qualities of leadership by bringing this measure to fulfillment and passage here in the Congress.

While I have the opportunity, I wish to express, on behalf of the people of Minnesota, who are deeply interested in this type of legislation, the thanks of the people and of the governing officials of our State and our municipalities to the Public Works Committee here in the Senate and those who helped us pass the bill, in particular the Senate from Utah [Mr. Moss], who surely took a very active part, as did the Senator from Oklahoma [Mr. KERR].

I am much pleased the President has seen fit to sign the measure into law. It is a banner day for conservation and for water pollution control in the United States.

STATEMENT ON INTERNATIONAL PROGRAM OF NATIONAL 4–H CLUB FOUNDATION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a statement prepared by the National 4–H Club Foundation with emphasis on its international program. This statement also includes comments by leading public figures and members of the press relating to the International Farm Youth Program of the National 4–H Club Foundation. This program is known as IFYE, which stands for the International Farm Youth Exchange, and is sponsored by the National 4–H Club Foundation. I asked for the statement during the hearings on the Peace Corps bill, because I think the Peace Corps can learn a great deal from the experience of the 4–H Club Foundation movement in terms of the International Farm Youth Exchange.

I know of no program which has received more favorable reception abroad and is more respected at home than is the program of the National 4–H Club Foundation for the International Farm Youth Exchange program. It has been a source of strength to the Nation and a source of satisfaction to the participants.

As a U.S. Senator, and as one who is keenly interested in the activities of the 4–H Club movement, I wish to salute the officers of the foundation for its International Farm Youth Exchange program.

I hope Mr. Shriver and his associates in the Peace Corps will study most carefully the International Farm Youth Exchange program of the National 4–H Club Foundation. I hope they will work with the program, augment it, and strengthen it by the activities of the Peace Corps.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON THE NATIONAL 4–H CLUB FOUNDATION WITH EMPHASIS ON ITS INTERNATIONAL PROGRAM

INTRODUCTION

The National 4–H Club Foundation was incorporated under the laws of Delaware by the Cooperative Extension Service in 1948 as a private, nonprofit, educational corporation to supplement and enhance the Extension Service educational program which is primarily supported through tax funds. Through the foundation, more than $5 million secured from private sources has been prudently invested in 4–H's basic educational programs of research, citizenship education, leadership development training, international understanding and good will, and in the physical facilities of the National 4–H Center. Functionally, the foundation:

Established and currently operates the National 4–H Center in Washington, D.C.

Created the National 4–H Sponsors Council to provide leadership for obtaining the private finances needed for the foundation's multiple programs.

Assumes the educational servicing responsibility for the dynamic International Farm Youth Exchange (IFYE) which has made significant contributions to international understanding and good will.

Seeks the most effective ways and means of integrating the parallel use of public and private funds.

Complements the work of the Extension Service by offering unique and exploratory steps normally out of range of basic projects eligible for support by public funds.

The national 4–H foundation has demonstrated, during its 12 years of operation, effective ways in which public and private funds can be brought together to expand and enrich educational work and facilities. In many instances (the International Farm Youth Exchange) the bringing together of private and governmental resources has made possible a variety of significant educational activities which would otherwise have been impractical or even impossible.

International 4-H program

Domestically, a vast number of youth from farm and urban areas now benefit from participating in the 4–H program which reaches

approximately 2,300,000 boys and girls through 94,000 clubs under the guidance and leadership of 296,000 trained lay leaders. There are estimated to be more than 3 million members in similar clubs in countries around the world. In the United States, 4–H alumni number more than 20 million. Indeed, the 4–H program has contributed a staggering measure of influence for good to the four corners of the world.

During the last decade, there has been a spread of 4–H-type rural youth movements over the world. Similar organizations exist in over 60 other countries. The growth of 4–H around the world has provided two significant opportunities to 4–H here in the United States.

1. 4–H clubs have contributed directly to the building and strengthening of programs in other countries; thereby, helping to strengthen the economic and social growth and development of these countries.

2. Establishment of 4–H counterparts abroad provides an ideal channel through which closer international relationships can be established at both the adult leader and member levels.

Four–H Club members in the United States have recognized a growing responsibility to international understanding and relationships. During the past 12 years, the international program of the U.S. 4–H movement has grown steadily. More needs to be done, however, to enrich the domestic 4–H citizenship program in the areas of international relations and to provide adequate servicing of the expanding programs abroad.

Learn to live by living

The international program of the National 4–H Club Foundation, conducted in behalf of the 4–H movement in the United States, is founded on the principle that the best way to learn about another way of life is to live it. The core of this program is the work and educational efforts of youth themselves. Youth—alert, curious, impressionable—becomes the priceless emissary of international understanding, good will and better living.

Private enterprise has recognized a vital stake in this program. Such an effort demonstrates the sincerity of people and organizations in our society to share in the problems of others, helps to establish a favorable public image of the free enterprise system, serves as an important catalytic force in stimulating broader programs, and renders a valuable assist to efforts conducted through Government resources.

INTERNATIONAL FARM YOUTH EXCHANGE (IFYE)

Using agriculture as a common denominator, IFYE helps to build a bridge of understanding between the United States and its world neighbors. Its basic purposes are to contribute to international understanding and good will and to provide valuable leadership development experiences for a highly selected group of young people. The program provides a dynamic training experience for the participants and in the few short years of its operation, has produced a corps of young leaders dedicated to international understanding and good will, and trained to assume effective leadership roles in educational programs.

This major 4–H international program began in 1947. Financial support has been provided by 4–H members, the Ford and Danforth Foundations, hundreds of individual business and industrial firms and limited Government funds. Over the past 13 years, over 1,200 youth delegates from 47 States and Puerto Rico, and 1,360 exchangees from 60 countries have been exchanged. IFYE works at the grassroots to achieve understanding around the world. The program has proven to be a resounding success.

IFYE is carefully conducted to achieve established objectives

In the United States, the International Farm Youth Exchange is conducted by the National 4–H Club Foundation and the Cooperative Extension Service, operating from each of the State land-grant colleges or universities. It is the major international activity of the 4–H movement.

In other countries, the program is conducted through rural youth or farm organizations; committees representing several organizations; or in a few instances, through the Ministry of Agriculture.

To grow a good crop requires careful selection of seed, preparation of the soil and proper planting. Similarly, the cultivation of good will and understanding requires careful selection of young ambassadors, orientation of both the ambassadors and host families, and placement of the ambassadors in host family situations where they can work most effectively.

Young people between the ages of 20 and 30 who are interested in becoming IFYE delegates apply through their local county extension office. A State IFYE committee selects the State's candidates and submits their applications to the National 4–H Club Foundation for final selection and placement. The candidates, most of whom are already graduates of the 4–H movement, are screened to determine if they have a good background in rural life and youth work, possess a sincere desire to learn to know and understand other people, and are willing to devote time and energy to preparing for the experience and to sharing their experiences with others upon their return home.

After the IFYE participants have been selected, the National 4–H Club Foundation initiates an intensive orientation program prior to departure. The orientation is begun with a series of orientation letters, with further assistance provided by the State 4–H Club office and through the county extension office. Some of the most valuable assistance provided in the orientation process is accomplished through the efforts of past participants in the program through their active IFYE alumni work.

Before their departure, U.S. delegates are given an intensive final orientation by the staff of the foundation at the National 4–H Center in Washington, D.C. The National 4–H Center also provides an opportunity for the visiting exchangees to receive important orientation before starting their visits to host families across the country. When the U.S. delegates return from their visits abroad, the center also offers its facilities for a final evaluation program before the delegates return to their homes. Likewise, the exchangees' visits in this country are terminated by a final evaluation and interpretation session at the center.

Host family selection is an important part of a successful exchange. Families are selected who are interested in learning about the people of another country and are willing to accept a young person from another land whose customs and language may differ from their own as a "member of the family." Families are preferred who have children at home—potential sisters and brothers for the young ambassadors—for children are not bound by barriers of prejudice and are quick to make new friends. Many of the families are 4–H families. Families are selected in the county by a county IFYE committee, with the assistance of IFYE alumni, and the county extension agent. Orientation is offered to host families through the county extension program.

The exchange experience is only the beginning

A great deal is accomplished through the direct person-to-person contact of an IFYE exchange, but a large part of the job of promoting understanding is accomplished through intensive followup and reporting to the 4–H club movement and other groups. Each delegate voluntarily devotes several months following his return home to sharing his experiences with interested groups throughout the State. In this way, IFYE's help to "bring to life" the people and events of far off lands and forge a bond of kinship with others whose customs may vary, but whose basic hopes and aspirations are akin to our own. From surveys conducted with former U.S. delegates, it has been found that each participant appears before an average of 100 different groups with a total audience of more than 8,000 people. In addition, many more people learn of IFYE's experiences through television, radio, press and other news outlets.

But this reporting job, intensive as it may be, is just the beginning of a lifelong contribution. These young men and women who have been grassroots ambassadors return as responsible, mature citizens and informed leaders prepared to take an active part in community, State and national affairs. A significant development in the IFYE program has been the organization of State alumni groups. These trained groups of leaders work with State IFYE project leaders in helping to select and orient current delegates and host families; orient and guide visiting exchanges; assist with fundraising, exhibits, and other international 4–H programs. A National IFYE alumni conference is held each year for an exchange of ideas on activities contributing to IFYE objectives. Alumni groups are organized also in other countries and carry on some of the same type of activities as do the U.S. State groups. Switzerland has had an alumni group for several years. It not only assists with the IFYE program, but has instituted other IFYE-type exchanges with other countries. The alumni in England, Sweden, and a growing number of other countries meet annually to discuss how exchange activities might be strengthened. Latin America has had two regional alumni meetings and Europe has held its second European IFYE alumni meeting in the Netherlands.

In addition to such meetings, many exchangees have become national and regional leaders in their home youth programs and have been influential in strengthening the program in these capacities.

This growing group of trained leaders represents a resource of great potential both in the United States and abroad. The 4–H movement looks to IFYE participants for inspiration and leadership in the conduct of activities contributing to understanding and more effective citizenship training activities. IFYE alumni abroad are assuming leadership roles in established youth programs and activities and in other instances are making significant contributions to the establishment of 4–H-like youth organizations in their countries.

Here at home, IFYE delegates return and assume roles as responsible leaders in their communities. Nearly 20 percent of all IFYE alumni are currently employed as professional extension personnel. Many of them are on State 4–H club staffs and in leading extension administrative positions. Over 95 percent of the U.S. IFYE alumni are working on or already have college degrees; and more than 60 percent of these are in agriculture and home economics. Over 10 percent already have masters degrees. Fourteen percent are working in the field of public education and 20 percent are employed in business and industry. Eighteen percent of the former delegates are homemakers and 11 percent are engaged in farming. A number of past IFYE participants, having acquired a

great interest in promoting better world understanding, have returned abroad, largely as students and in technical assistance positions.

Financing the program

One of the keys to the success of the International Farm Youth Exchange has been the grassroots sponsorship of local people who have given their dimes and dollars to support the program. With the rewarding success of the program and its demonstration of the results, local support has increased steadily until at the present time, the 4–H movement in each State from which a U.S. delegate is selected, contributes $1,000 to the national IFYE budget to assist in financing each two-way exchange. This is the basic foundation for the financial support of the program. The raising of this amount involves hundreds of individuals and clubs, each of which feels a responsibility for the success of the program and eagerly awaits the IFYE's return home so that they can share in this experience.

In addition to the $1,000 contributed to the national budget for each delegate, the local 4–H movement also provides for the local transportation and living expenses of the visiting exchangees when they are not living with a host family, and $1 a day pocket money for incidental expenses while they are living in their local communities. As IFYE exchanges are on educational visas, they cannot be paid for the work they do.

The remaining funds needed to finance the program must be provided from national sources. The National 4–H Club Foundation assumes the responsibility for obtaining these funds to match the local contributions of the 4–H movement.

While local guidance and supervision are provided in the States by State and county extension service personnel, no appropriations of tax funds are provided to the IFYE budget. Funds for IFYE in cooperating countries come from groups similar to those in the United States, except that in a few instances some countries have provided limited funds from Government sources for the expenses of their participants.

Summary of IFYE accomplishments

IFYE has sent over 1,200 U.S. young people abroad from 47 States and Puerto Rico. At the same time 1,360 young people have come to this country from 60 countries over the world.

The program has provided a living experience in understanding for over 20,000 host families.

It has provided a dynamic training experience in citizenship for all participants and these, in turn, have influenced many others.

IFYE has produced a corps of young leaders dedicated to international understanding and good will and to developing effective human relations with their fellow man.

It has helped to spread 4–H-type educational youth programs around the world.

It has been a significant educational force in breaking down the traditional provincialism of rural United States.

It has provided opportunities to local 4–H and young peoples' groups to develop a variety of educational activities and experiences in international understanding and more effective human relations.

The exchange has brought home to the participants, and through their talks and contacts, to many others, the principles of understanding other peoples' differences whether they live abroad or just across the street.

It has demonstrated by its grassroots nature the sincere desire of U.S. people for understanding and peace.

The IFYE experience certainly contributes to the growth and maturity of the individual participant. It provides training in citizenship development. Experience gained through the program carries over into leadership roles by participants on their return home.

IFYE has inspired its participants to continue their educational training; to assist with local 4–H Clubs and other youth organizations; and to dedicating their lives to the service of others.

IFYE has served as a valuable training vehicle for hundreds of local 4–H leaders and extension workers.

It has initiated literally thousands of individual contacts between 4–H members and clubs and similar groups abroad. As a result of IFYE, hundreds of CARE packages have gone to clubs in other countries including food, clothing and garden implements. Hundreds of scrapbooks are exchanged between clubs in the United States and abroad, and thousands of letters are exchanged between pen pals around the world.

IFYE has helped to spread and strengthen democratic principles and ideology throughout the world. It has provided a living demonstration of the importance of freedom and peace for people everywhere.

While not a specific program objective, considerable technical training has been provided by IFYE experiences through regular family living and observation of methods and techniques used on the farm and in the home. It has also provided effective training experiences for visitors to this country who are responsible for youth and adult extension-type work at home.

This program has provided a valuable public relations benefit to those who have been directly identified with its support and sponsorship. IFYE is widely recognized as a significant prestige program related to a great youth movement. It has provided identification of sponsors with a highly selected group of young leaders. In addition, it has provided personal satisfaction to leaders throughout the country who have associated with and shared the experiences and growth of the young people who are IFYE participants.

Truly, IFYE is a demonstrated success.

A typical U.S. IFYE delegate will: Travel more than 20,000 miles; share experiences through illustrated talks with over 100 audiences totaling 8,200 people; make 11 radio and television appearances; be the subject of 40 news articles and magazine features; and provide valuable leadership to continuing IFYE program and international activities of the local 4–H clubs in their States and counties.

IFYE participants are 20 to 30 years of age with background in rural life and interest in agriculture; most frequently former 4–H members; leaders in youth work in the United States and abroad; and are enthusiastic supporters of ongoing IFYE and 4–H programs.

SPONSORSHIP

Sponsorship needs for future international youth program

To provide the opportunity for the international program to continue to grow and expand so that the greatest amount of success might be realized, adequate sponsorship is needed to finance the program here in the States and abroad. Currently it is proposed that the International Farm Youth Exchange be expanded by obtaining more adequate financing to provide an exchange of at least 200 young people each way annually; expanding the educational servicing of the program to provide more depth training and preparation of participants; relating the program more directly to developing rural educational programs abroad; providing more educational follow-up with host families, IFYE alumni, 4–H club members, and leaders; and continuing to select outstanding, well-trained, mature young people as participants.

As the 4–H idea has spread around the world (3 million members in 60 countries), the U.S. program is looked to for leadership, general encouragement, guidance, and support. The U.S. program has a special responsibility to these new and developing organizations. Four-H type programs abroad are helping to stimulate aspirations for greater economic growth and higher levels of living. The U.S. must identify with these aspirations, assist them with their needs, and help achieve material objectives while safeguarding individual freedom. Four-H is a demonstrated success in contributing to both economic development and education in democratic ideals.

With additional funds, the contribution and impact of IFYE can be improved and expanded.

WHAT PEOPLE SAY ABOUT IFYE

Dwight D. Eisenhower: "With more than 2 million members, guided by dedicated community leaders, your work and spirit are a source of national strength.

"This year, in developing your theme of 'Improving Family and Community Living,' I am glad to learn your vision includes the whole family of nations and our total part in the life of the world community. Your International Farm Youth Exchange program is an effective demonstration of the sincerity of this vision. As you help promote understanding and friendship with youth of other lands, you cultivate a strong stand of peace and freedom."

Robert H. Reed, agricultural attaché, the American Embassy, The Hague, Netherlands: "No one could observe these American girls without a great feeling of pride. * * * At the final press conference there were a dozen or more men and women reporters from the big newspapers and they were all full of questions for the girls. It's a tough assignment to face such a group of seasoned reporters, yet Miss Dameron and Miss Bishop handled themselves like seasoned diplomats * * * they knew as much or more about technical Dutch agriculture than the reporters did. They were able to make comparisons of farming and of farm life in American and the Netherlands without any disparagement of either country. The press gave them fine treatment in their stories the following day.

"They have demonstrated the soundness of the IFYE program."

Representative WILLIAM H. AVERY, Member of Congress, First District of Kansas: "Another phase of activity in these clubs is the International Farm Youth Exchange program. This program has been an impetus toward spreading the idea of 4–H club work to foreign lands. This is particularly commendable because it is financed entirely by private contributions."

Noel J. Baker, host family, Gamage Court Minsterworth, Gloucester, England: "Nancy Meyer stayed with my family. * * * On her arrival my first questions were, What are you studying over here? What branch of farming? What do you particularly want to see? Cathedrals, churches, our customs, or our arts and culture. To my surprise, Nancy simply answered, neither one of them in particular. All we have come over here for is to work with you * * * and therefore promote a better understanding between our communities and our nations.

"She gave me quite a large amount of reading matter. * * * The more I read, the more I realized the amount of work and thought that is put into these IFYE projects. I wanted Nancy to meet as many people as possible. * * * She wanted to share our burdens of work, our hopes, and fears. And while doing so she exposed her own peoples' hopes and fears, and those of her family and herself.

"There will be a greater understanding of IFYE in this country and in America and

therefore between the two countries. In fact, between countries throughout the world."

Nunzia Locatelli, host family, widow Bianca, Bergamo, Italy: "We were highly impressed by her enthusiasm, her intelligence, her great intuition and her competence in farm and domestic activities, particularly because—if you will excuse my frankness—we Italians judged very differently the ability and domestic education of the American woman. Lila was a true revelation for us and because of her we feel a deep love for our American friends."

Svend Peterson, host family, Denmark: "I wish to express to the Embassy how happy we have been to make the acquaintance of these four grand young Americans. They represent a youth which can be compared to the best of Danish youth—both with regard to view of life, attitude, and way of thinking. We have been pleased to open our home to them and make it their home during the short time which was at our disposal.

"These young people have contributed to improving international understanding better than anybody else by getting in contact with the 'ordinary' population in a strange country and later through publications, lectures, etc., in their own country."

Mrs. Edwin Kesselring, host family, Van Etten, N.Y.: "News soon got around that he was here. * * * He took his pictures to the Van Etten Central School (the principal had never seen Finnish pictures in all the years he had been there). He showed the pictures of 4-H work, also the colored slides in the Van Etten cafeteria for the Finnish people one night. I didn't expect many people, but when we arrived the place was packed. * * *

"We learned so much from him—a wonderful guest and a real diplomat."

Gudrum Berns, Germany: "I am firmly convinced that bridges of understanding are built up all over the world by IFYE and that IFYE's are always ready to defend and fortify these bridges."

Marlene Rix, Germany: "The 6 months as an IFYE in the United States have been filled out with so many beautiful and unforgotten experiences, that this time has become something real great in my life. * * * I have made many friends and do only hope that I am in the position to extend some of my experiences in order to humbly contribute to a better understanding among the nations."

Heinz Dieckhoff, Germany: "I felt the warmth and understanding of these people thousands and thousands of miles away from my home country; I have learned to understand their way of thinking and their problems and moreover I have learned to estimate and to love them. This, I think, is the basic ideal of IFYE and hope that in future still more young people will have the opportunity of observing that men everywhere feel the same way and existing differences are only created by mankind itself."

Karl Schaberle, Germany: "That the spirit and wish of understanding, the consciousness that all nations have one common goal—world peace, loyalty towards others and respect towards fellow man—is especially alive among IFYE's."

Jo Ann Smith, Virginia (Sweden): "The first full day in my Gotland host family will illustrate their kind, sympathetic understanding * * * the daughter and I had spent the day in the haymow arranging the hay as it was blown up by a blower. It was hard work, for the hay has been unusually heavy this year. When I climbed down, the father, a big, husky 6-footer, took one look at me, picked me up on his shoulder, and carried me into the house, saying, 'Du or trut.' (You are tired.) And I was."

Nancy Meyer, Minnesota (England): "My family here is completely thrilled with IFYE. * * * It was very funny because one day at tea they were telling me how worried they were before I came and what they thought I'd look like with this result 'very tall, much makeup, wearing jeans and earrings, and of course chewing gum.' I think I was a bit of a disappointment."

Ed Johnson, Georgia (Spain): "After Morocco I spent 3 days in Heulus with an uncle of one of the families in Morocco. It was a wonderful experience for this was a poor family and there were six of us and a 12-day-old baby in two small rooms. Even though they had nothing, they shared what they had with me and kinder people were not to be found."

Barbara Smith, New Hampshire (Germany): "The other day Gisella and I were talking about our program. I was explaining it to her. She had this to say about its value, 'You know, before you came, we hated the American soldiers and their wives, now everything is different and it's wonderful to know that you are like us after all.' What more could an IFYE ask for?"

Gerson Camata, C. Postal, 178, Radio Difusora—Colatina, Esp. Santo Brasil: "In this letter I wish express my admiration for all the 4-H club of United States.

"You know more than me the present moment when the communism is trying to fill the world. Lowell made here for the liberty more than a preacher only with his behavior and politeness.

"I think that one of the best means for you to help Latin America to wrestle Russians is to send boys like Lowell to live with our families. During the time that Lowell lived with us he was like a brother and a son—I would like if you will to thank Lowell by all of good he made by you and by us in his visit to Brazil."

Joe Strong, Penrith, New South Wales, Australia: "I must congratulate you on the choice made by you and your selection when you chose Don Wiseman (Michigan) as a representative of IFYE in Australia.

"Some of the senior members of the Junior Farmers' Club gave him a farewell party at our home last night, and it was most obvious what the youngsters thought of him.

"He made an excellent and a lasting impression at our local Lions Club and at Rotary, and, I am sure that his visit has done more to cement American-Australian friendship than a visit by your late John Foster Dulles would have done.

"You people have sufficient intelligence to choose lads who are young in years, but also men of the world. You brief them with true American efficiency and you send out young men who are undoubtedly junior ambassadors."

J. Streiff, U.S. consulate general, Switzerland: "We are writing to tell you how much we were impressed with the fine attitude of these two girls. They were quite different from the regular tourists, and we are positively sure that such representatives are creating great good will for your country—not only in Switzerland, but also throughout the world.

"We have read the book 'The Ugly American.' We feel sure that it never would have been written if the United States would have been represented always by people of this kind. We would like to congratulate the organization IFYE, thank you for its efforts, and wish that the exchange will be continued successfully."

RIGHT-TO-WORK LEGISLATION

Mr. MUSKIE. Mr. President——

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The Senator from Maine is recognized.

Mr. MUSKIE. Mr. President, on Friday, June 16, I spoke briefly on the action of the 173d general assembly of the United Presbyterian Church of the United States in reaffirming its condemnation of so-called right-to-work laws and in upholding the democratic processes of collective bargaining between management and labor as the pathway to industrial peace.

At that time, I requested unanimous consent, which was granted, to have the statement printed in the CONGRESSIONAL RECORD. I did so because I believed the statement represented such a fair and wise analysis of the right-to-work issue.

Since making this speech, I have received a copy of a background paper which had been prepared by the office of church and society of the United Presbyterian Church in response to inquiries on the issues involved in right-to-work laws in the several States. Although the paper is not an official action of the general assembly of the United Presbyterian Church, it does contain, in question and answer form, a very careful and thoughtful analysis of this entire question. Because I think this may be helpful to those who are troubled by the right-to-work question, I ask unanimous consent to have it printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

RIGHT-TO-WORK LAWS

The office of church and society has received several inquiries asking for clarification of the issues involved in right-to-work laws, and of the statement made in 1950 by the 171st general assembly on the general subject of collective bargaining with specific reference to right-to-work laws.

In response to these inquiries we have gathered the following facts and comments, which are compiled in question-and-answer form.

Question: What is a right-to-work law?

Answer: It is a State law that can be described in a variety of ways, all of which mean essentially the same thing:

1. "Right to work" is the term used to describe State laws that make unlawful labor-management agreements that require membership or nonmembership in a labor union as a condition of obtaining or retaining employment. (Bull. 204, May 1959, U.S. Department of Labor.)

2. These laws specify that "no person shall be required to be (or become) a member of a union or to abstain from membership in order to obtain or retain employment" (ibid.).

3. These laws prohibit the union shop (ibid.).

4. (They mean) that, even if the company as well as the workers desire a union shop, they may not sign such a contract (Marshal L. Scott, director of the Presbyterian Institute of Industrial Relations, in March 1957 Social Progress).

5. A right-to-work law prohibits the negotiating or maintaining of a union shop by voluntary agreement between a company and the bargaining agent (union) of its employees.

Each of these definitions has emotional connotations for some people and may be misunderstood.

Question: What's so confusing about them?

Answer: Nothing, so long as the one who hears them understands the terms and their connotations. But many well-educated and well-informed persons do not. For example: A Northwestern University law professor recently (1958) asked his class whether a union and a company should be permitted to agree voluntarily that all employees represented by the union in the plant should

become members of the union. Of the 125 students, 84 answered "Yes" and 41 "No." Yet when the same question was asked in different terms, viz, "Are you in favor of right-to-work laws?" there was a complete turnabout. Eighty answered "Yes" and 45 "No." (Quoted by Daniel H. Pollitt, associate professor of law, University of North Carolina in "Right-to-Work Law Issues, an Evidentiary Approach," published by the National Council for Industrial Peace, Washington, D.C.)

Question: A right-to-work law then, in the simplest possible terms, makes a union shop illegal in a particular State—right?

Answer: Right.

Question: In order that we may have our terms clear, what is a union shop as over against a closed shop and an open shop?

Answer: First we need to be reminded that the closed shop was made illegal by the Taft-Hartley Act in 1947. The same act made it possible for a State to make a union shop illegal within that State. This is accomplished by a right-to-work law. Now for the terms:

(a) A closed shop (illegal under Federal law) is a negotiated union-management arrangement under which the employer agrees to hire only union members whenever there is a vacancy in his labor force. In other words, a worker must belong to the union before he ever applies for a job in a closed shop. This means that the union controls job opportunities.

Such arrangements have been characteristic of those industries marked by sporadic employment of short duration—as for example, in the construction trades, tourist resorts, the entertainment business, maritime activities. In all of these, workers are employed for the duration of the job, which might be anywhere from a few hours to 6 weeks in length. This makes it impossible for a union to be organized, a contract negotiated, and the work force hired under that contract each time a force of bricklayers, for example, is needed for 2 weeks in the construction of an apartment house.

(b) A union shop (illegal under a right-to-work law) is a negotiated arrangement under which the employer is not required to hire union members but agrees to require all employees, after they have been employed for a specified period (e.g., 30 days), to join the union—and to remain a member of it during their period of employment. ("Escape clauses" providing for modifications of this agreement in individual cases—as for example, a worker who for reasons of religious conscience cannot belong to a union—exist in many union shop contracts.)

(c) An open shop (compulsory under a right-to-work law) may or may not be a negotiated arrangement. Here the worker may join or refuse to join the union. If there is a union-management contract, all workers are covered by it whether they are union members or not. If it is a good contract, they receive its benefits, if it is a bad contract they suffer from its deficiencies, whether or not they belong to the union.

Question: How many States now have right-to-work laws?

Answer: Nineteen, with the year the law was passed indicated as follows: Alabama (1953), Arizona (1946), Arkansas (1944), Florida (1944), Georgia (1947), Indiana (1957), Iowa (1947), Kansas (1958), Mississippi (1954), Nebraska (1946), Nevada (1951), North Carolina (1947), North Dakota (1947), South Carolina (1954), South Dakota (1946), Tennessee (1947), Texas (1947), Utah (1955), and Virginia (1947).

A 20th State—Louisiana—has a right-to-work law that applies only to agricultural workers and the processors of certain agricultural products. It was passed in 1956 after a general right-to-work law was repealed.

Question: How do the States compare with each other in terms of the number of union members and average hourly wage?

Answer: The only figures we have are on membership in local unions that belong to the AFL–CIO, which includes most organized labor.

Question: How many States have had right-to-work or comparable laws and subsequently repealed them?

Answer: Louisiana, as previously mentioned in addition; four others repealed legislation restricting union security agreements: Delaware in 1949, Maine in 1949, New Hampshire in 1949, and Hawaii in 1959 (Bull. 204 of the U.S. Department of Labor).

Question: How many States have tried to pass right-to-work measures and failed?

Answer: Eight, by the voters at a general election, and four by the legislatures, as follows (Bull. 204 of the U.S. Department of Labor):

General election: California, 1944, 1958; Colorado, 1953; Idaho, 1958; Maine, 1948; Massachusetts, 1948; New Mexico, 1948; Ohio, 1958; and Washington, 1956, 1958.

Legislature: Maryland, 1958; Kentucky, 1958; Louisiana, 1958;[1] Rhode Island, 1958.[1]

Question: What is the basic issue in right-to-work controversies?

Answer: It depends on which side gives the answer. We would suggest three ways of describing the basic issue: one by the supporters of right to work; one by the unions opposing right to work; and one for those who would try to avoid being identified with either side (although they may still support or oppose right-to-work laws).

(a) From the supporters of right to work: The basic issue is compulsory unionism. The individual worker should have the right to decide whether or not he will join the union in his plant. Right-to-work laws give him that choice.

(b) From the unions, which oppose right to work: The basic issue is union security. It is impossible for a union to function, or even exist in some situations, unless all employees are members of the bargaining unit (union) that represents and protects their interests with the employer. Besides, just as a citizen who receives the benefits of living in our Nation must pay his share of the taxes, so also a worker who receives wages and the other benefits of a union contract should "pay the freight" along with the other workers in terms of union dues. There should be no "free riders."

(c) From a church position:[2] The basic issue is the role of Government in the collective bargaining process. It is impossible for every worker in an even moderately sized plant to bargain individually with the employer to determine his particular working conditions, wages, grievance procedure, pension arrangements, etc. Collective bargaining is a virtual necessity to prevent industrial relations from breaking down. The question is, Shall the union and management together mutually decide upon the outcome of the collective bargaining process, or shall the Government predetermine its outcome by making an open shop compulsory (which is what right to work does)? Beyond protecting both employer and employees from gangsterism, communism, kickbacks, racketeering, misuse of funds, and other forms of corruption, shall the State proscribe the kind of union-management contract (i.e., the working conditions, etc.) that the collective bargaining agents can agree upon?

Question: Doesn't right-to-work legislation help to correct corruption in unions?

Answer: No; such legislation is irrelevant to these problems. This is indicated by the following exchange that took place in 1958 between reporter May Craig and then Secretary of Labor James P. Mitchell:

"Mrs. CRAIG. May I ask you this: Don't you think it is the closed shop and the union shop that has made it possible for the corruption and the exploitation of members revealed in the McClellan committee?

"Secretary MITCHELL. No, I don't think there is any relationship, Mrs. Craig, and let me tell you why. The McClellan committee exposures have in the main revolved around such things as arson, gun-toting, extortion, even murder—all things which are now illegal under Federal, State, and local laws. A great deal of the material which comes before the McClellan committee has to do with the violation of existing laws—violence, for example."

In the State of Tennessee, which is a right-to-work State, the McClellan committee discovered 173 cases of violence, gangsterism and hoodlumism. Some of the most violent reactions we have had in labor strife—and I will give you the names of the strikes—the Southern Bell strike of 2 years ago. The Louisville & Nashville Railroad strike of a couple of years ago incited violence, rioting, and all the other things which are bad. These are all right-to-work States ("Meet the Press," broadcast, May 31, 1958).

Question: Are both sides guilty, in some degree, of deliberate misrepresentation in their public arguments?

Answer: Probably, although there are undoubtedly many sincere persons arguing with great care to avoid distortion of the truth on both sides. Prior emotional commitment to certain principles has undoubtedly led many sincere persons to be unwittingly biased in their selection of evidence and careless in their statements of facts. An unperceived vested interest has had a similar effect on others equally sincere.

But for whatever reasons, specious (if not dishonest) arguments have been used by both sides:

By the supporters of right to work

(a) The very name is misleading to the nonindustrial public. These laws do not give any person the right to work, nor does their absence deprive him of the right to work. The issue is much more complicated than that. They do give him the right to decide whether to join a union or not. Their absence qualifies the right of an individual worker as to where he may work if he does not wish to join a union.

(b) It is at least questionable that national organizations (and perhaps some in their local affiliates) have vigorously campaigned for right-to-work laws out of a sincere concern for the individual worker—as they claim—or out of a desire to weaken the power of unions—which they disclaim. It is more than coincidence that the National Association of Manufacturers, the U.S. Chamber of Commerce, the Farm Bureau, and the National Right to Work Committee (headed by ex-Congressman Fred Hartley, who coauthored the Taft-Hartley Act) have historically favored the open shop and opposed the closed shop. The NAM has often been accused of being antiunion.

(c) The words "compulsory" and "coercion" have different meanings when applied to unions and to State governments and to individuals. Employment in a union shop compels or coerces the individual to join the

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[1] Bills defeated providing for submission of question to the electorate.

[2] In 1959 the 171st General Assembly expresse[d] its confidence in collective bargaining as the most responsible and democratic way of resolving issues in labor-management relations [and] believe[d] that union membership as a basis for continued employment should be neither required by law nor forbidden by law. This was a clear-cut stand in opposition to right-to-work laws.

union if he desires (or finds it necessary) to continue working there. A right-to-work laws compels or coerces a union and an employer to relate to each other in an open shop, rather than to work out their relationship voluntarily.

By the union critics of right to work

(a) The term "right to wreck," which is frequently applied to these laws by labor unions is highly questionable. In some situations a union shop is probably irrelevant to the security of the union; in others, it is an absolute necessity.

(b) The argument that the individual union member has ample opportunity to redress any grievances against the union without leaving the union (as he could do under an open shop situation) is theoretically true, but in actual practice the sheer size of a union—or the nature of the work—make it extremely difficult for an individual member to buck the organization.

(c) The presentation of the right-to-work issue to the public and to union members in black-and-white terms of union survival is not universally justified—particularly in those States that are already highly industrialized and highly unionized. A Fund for the Republic study of the law in Texas (which is one of the most highly industrialized of the right-to-work States) concluded that the law neither helped nor hindered union-management relations. The issue became largely a symbolic one that tested the strength of the antagonists, and was simply another chapter in the struggle between some representatives of management and labor to obtain a more favorable public image. (But the presentation of an issue in black-and-white terms by one side usually forces the other to overstate its arguments in similar terms.)

Question. This has been a long discussion and you seem to be saying constantly, "On the one hand this, but on the other that." Just where do you stand and why, in brief?

Answer. Against right-to-work laws (which is where the 1959 general assembly stood), but not for the reason that a union shop is universally the best arrangement. Situations vary widely. American industrial relations are exceedingly complex and have many ills. Some are within labor unions, some are within management, and some are struck off in the way the two relate to each other. But no single, simple bit of legislation is relevant or curative to the problem.

The animosity and divisiveness created in the drive to enact right-to-work legislation is a heavy price to pay for legislation which, if it passes, is at best largely irrelevant to the major problems of contemporary industrial America.

A certain number of injustices to individuals are inevitable in a union shop, and a certain number of injustices to individuals are inevitable in an open shop. Which arrangement produces, on balance, a more just relationship depends almost entirely on the situation.

A right-to-work law uses the power of State government to produce in that State a compulsory open shop in all industries, regardless of their size or nature.

The absence of a right-to-work law permits management and union in each industry to bargain and work out voluntarily the arrangement that is a workable compromise between their respective interests.

It is the position of the 171st general assembly that legislation should not take that right out of the collective bargaining process and put it in the hands of the Government.

ARAB REFUGEES, DISCRIMINATION, AND NEAR EAST PEACE

Mr. CURTIS. Mr. President, I yield 30 minutes to the distinguished Senator from New York [Mr. JAVITS].

Mr. JAVITS. I thank the Senator.

The PRESIDING OFFICER. The Senator from New York is recognized for 30 minutes.

Mr. JAVITS. Mr. President, I am very grateful to my colleague from Nebraska for his kindness in yielding to me.

Mr. JAVITS. Mr. President, I rise to discuss the latest developments in the Near East, with special reference to two points. The first is the message of the President of the United States sent to the Arab countries, in which one of the major aspects of these relations was dealt with; to wit, the Palestine Arab refugees. The other is the pending consideration before the Committee on Foreign Relations of the mutual security bill, with the question before that committee as to what it will or will not do about carrying in the bill the amendment adopted to an appropriation act with respect to mutual security—this was offered by the Senator from Oregon [Mr. MORSE] and myself, and dealt with discrimination against Americans because of their faith in terms of admission to Arab countries—and an amendment sponsored by my distinguished colleague [Mr. KEATING] and by the Senator from Illinois [Mr. DOUGLAS] with reference to freedom of transit through the Suez Canal and other international arteries.

Mr. President, it has long been recognized that a major step toward some degree of stability of relations between Israel and the Arab States lies in the solution of the problem of the Arab refugees. This important issue was referred to by President Kennedy, in his letter to the Arab leaders on May 11, in which he restated U.S. willingness to cooperate in a peaceful settlement of Near East problems and to support national development programs which will raise living standards.

The President said, in part:

We are willing to help resolve the tragic Palestine refugee problem on the basis of the principle of repatriation or compensation for property, to assist them in finding an equitable answer to the question of the Jordan River water-resources development and to be helpful in making progress on other aspects of this complex problem.

I am pleased the United Nations General Assembly recently underscored the necessity to implement more rapidly its previous recommendations on the refugee problem. In this connection I wish to state unequivocally that this Government's position is anchored and will continue to be anchored in the firm bedrock of support for General Assembly recommendations concerning the refugees and of action and impartial concern that those resolutions be implemented in a way most beneficial to the refugees.

Mr. President, the word missing in all this recital of our policy is the word "resettlement." This is a key word in the United Nations resolutions and declarations by the Congress dealing with the problem. It is therefore difficult to understand why it was omitted in so vital a state document. Indeed, in the sensitive Near East atmosphere, such an omission invites speculation and could lead to distortion and false illusions about a softening of U.S. policy.

Mr. President, I ask unanimous consent that the text of the President's letter to the Arab leaders, as published in the New York Times June 26, 1961, may be printed as a part of my remarks.

There being no objection, the letter was ordered to be published in the RECORD, as follows:

TEXT OF KENNEDY LETTER TO ARAB LEADERS

BEIRUT, LEBANON, June 25.—Following, as obtained in Amman, is the text of a letter President Kennedy sent May 11 to King Hussein of Jordan (the President sent similar letters to President Gamal Abdel Nasser of the United Arab Republic, President Fouad Chebab of Lebanon, Premier Abdul Karim Kassim of Iraq, and King Saud of Saudi Arabia):

President Kennedy observed that in recent months the world had witnessed terrible and explosive situations, the outcome of which could "spell the difference between freedom and servitude, between peace and war for millions of people, perhaps for all mankind." He said he was sure the Middle Eastern chiefs of state shared with him the conviction that the "dedicated efforts of men of good will" could disperse the storm clouds.

[The above, the opening paragraph of the letter, is in paraphrase, what follows is the actual text.]

"Thus, while since inauguration on January 20 I have perforce been largely occupied with the several international crises of immediate concern, I have given considerable thought to other international areas that deserve the careful attention of us all.

"My thoughts have often turned to the Middle East, an area which has contributed so much to the religious and cultural heritage of the world today and whose potential for further rich contributions to civilization is great.

"As an American, I am proud that the concepts of our founding patriots, of Abraham Lincoln, Woodrow Wilson, and Franklin D. Roosevelt have played such a great part in the emergence of vigorous independent Arab States, respected as sovereign equals in the international community.

"In recent weeks I have noted some speculation as to the direction of the policies of the new U.S. administration with respect to the Middle East.

"Let me assure you that the concepts inherited from the sources mentioned above are part of the very fiber of this Nation and that as its President I intend to uphold them.

"You will find us at all times and all places active in the struggle for equality of opportunity; for government of the people, by the people, and for the people; for freedom from want and fear and for the application of justice in the settlement of international disputes.

"Translating these great precepts into U.S. policy in the Middle East for the next few years, I want you to know that:

"Firstly, the United States will to the best of its ability lend every appropriate assistance to all Middle East states that are determined to control their own destiny to enhance the prosperity of their people and to allow their neighbors to pursue the same fundamental aims.

"Secondly, the United States remains ever ready to contribute both within and outside the United States to the search for solutions to disputes which dissipate the precious energies of the Middle Eastern states and retard the economic prosperity which all free peoples rightly desire.

"Thirdly, with a view toward improving the welfare of the people of the Middle East, the United States is prepared to continue to support national development programs

which are effectively designed to make available American commodities under the food-for-peace program and to encourage educational exchanges and to facilitate political and economic progress.

STABILITY OF AREA NOTED

"While tensions unfortunately have sharpened in certain other areas of the world the Middle East during the past 3 years has been relatively tranquil. This has been due largely to the statesmanship on the part of the area's leaders, who have given priority to constructive programs of economic development.

"Secretary [of State Dean] Rusk and I have been struck by the unanimity of views expressed to us by representatives of the various Middle East states, emphasizing that the present relative tranquillity should be preserved.

"Underlying tensions do, however, remain, not the least of which is the unresolved Arab-Israel controversy. I know deep emotions are involved. No easy solution presents itself. The American Government and people believe that an honorable and humane settlement can be found and are willing to share in the labors and burdens which so difficult an achievement must entail if the parties concerned genuinely desire such participation.

"We are willing to help resolve the tragic Palestine refugee problem on the basis of the principle of repatriation and compensation for property, to assist them in finding an equitable answer to the question of the Jordan River waters-resources development and to be helpful in making progress on other aspects of this complex problem.

"I am pleased the United Nations General Assembly recently underscored the necessity to implement more rapidly its previous recommendations on the refugee problem. In this connection I wish to state unequivocally that this Government's position is anchored and will continue to be anchored in the firm bedrock of support for General Assembly recommendations concerning the refugees and of action and impartial concern that those resolutions be implemented in a way most beneficial to the refugees.

UNITED STATES DEDICATED TO TASK

"The United States, as a member of the Palestine Conciliation Commission and as a nation keenly interested in the long-range advancement of the people of the Middle East, takes seriously the task entrusted to the Commission and of the United Nations. We are determined to use our influence toward a just and peaceful solution.

"What precise steps the Commission may be able to take are of course not yet clear, but I can assure you that there will be no lack of U.S. interest in seeing that all parties directly concerned will cooperate fully with whatever program is indicated by the Commission so that the best interests and welfare of all the Arab refugees of Palestine may be protected and advanced.

"Given the long history of friendly relationships between the Arab people and the interdependence of all men who wish to remain free, I want to be certain that you and other Arab leaders have no misunderstanding of our attitude toward the Arab people. It continues to be one of sincere friendship with mutual respect for the others' points of view, mutual and active concern for the betterment of mankind, and mutual striving to eliminate the causes of international tensions. I am sure the future will bring ever friendlier and more productive relationships between our countries and the freedom-loving peoples."

Mr. JAVITS. Mr. President, I deeply believe that the basis for our policy in respect to the Arab refugees remains the same as that stated by the Senate Committee on Foreign Relations in 1956, when it said:

A permanent solution of the Arab refugee problem can only be found through rehabilitation and resettlement, and the committee has repeatedly expressed its deep concern over the lack of progress in this direction.

Mr. President, there certainly is a lack of progress in this direction. Indeed, if we maintain an attitude such as that indicated it will reflect, by implication, the omission of the concept of resettlement, according to President Kennedy's letter, and then the possibility of progress will be even further deferred.

In order to set our discussion in the proper frame of reference, having stated what I consider to be a proper policy for our country in respect to Arab refugees, I should like to refer to what I consider to be a proper policy for our country with respect to Israel itself. That is contained in a background paper—a white paper, so-called—issued by the State Department in December 1954, in which the question is stated most succinctly and most ably.

Speaking of American policy, the paper on page 2 states:

Our main objective is the security of the region as a whole. To this end we have asked that the Arab nations accept the State of Israel as a member of the Middle East community * * * Israel looks upon herself in that context, mapping her future progress within the framework of the Middle East community.

It seems to me that is an excellent statement as to what we ought to do in this area. All Americans agree that we are seeking a peaceful solution, and we have made many efforts, in view of the mounting importance of this area, in a host of fields, including the military and political, to arrive at some kind of peaceful solution. But if we are to seek a peaceful solution, let us seek a greater understanding. Some Americans, at least, do not understand that the key to peace in the Near East is not necessarily Israel, because many of the causes of tension today would be present in that area even if there were no Israel. One need only refer to the Iraqui-Kuwait crisis, to the problems in Iran and in Lebanon, the need of sending our troops into Lebanon, and the rivalries among Arab leaders and the various ruling houses in that area of the world, the population pressures, the massive contrasts between rich and poor, and the contrasts between nations which have oil resources, which are the principal resources of the Near East, and the nations which have not.

One need refer only to the constant shortage of water and, therefore, because the water is not harnessed, to the shortage of arable land. These would be enough to keep the area in ferment whether Israel were there or not.

When we add to that situation the Communist fishing in these troubled waters through the Soviet Union, and the problems which are incident to the State of Israel, it certainly gives a background of great complexity upon the basis of which U.S. policy must operate.

In the face of this complexity, it would be very convenient if there were one key to unlock the door to peace and it could be found, whether it be supplying water, distributing land and wealth, or having some of the ambitious leaders pass from the scene, and so on.

I have studied this question for years as a Member of the House, and a member of the House Committee on Foreign Affairs. In 1956 I even had the opportunity personally to interview many of the Arab refugees in the Gaza strip. It will be remembered that there was for a short time the capability of getting in there—against all this background I have come away with a definite conclusion that there is no single key to peace in the Near East, and that the path of realism is to seek stability in that area, confident that peace will follow as self-interest will then dictate. There is no magic formula by which peace may be achieved.

Nonetheless, notwithstanding the fact that I do not believe that any single formula can bring peace, I believe that a series of achievements dealing with Palestine-Arab refugees and the clear pronouncement as to the integrity of access to countries and waterways in that area can bring about some stability. It seems to me that within such context we can very properly design American policy. Such a course would not mean defeatism or that we should cease to act in that area. It does mean that we should act realistically and that we should act upon those matters which have the most promise for bringing stability.

Yet I think there is some wishful thinking going on right now in the Department of State, and perhaps in some Senate quarters as well, with respect to the Arab refugee problem. This wishful thinking is based upon the assumption that the existence of the State of Israel is itself a major cause of Near East tension, and that settlement of the Palestine-Arab refugee problem will open the way to peace between the Arab States and Israel. I do not believe that this is so, notwithstanding the fact that we must indefatigably pursue the objective of bringing stability through remedying these problems insofar as we possibly can.

Also the views of what we call the wishful thinkers are premised on the assumption that settlement would mean that refugees must be given a free choice between repatriation to Israel and compensation, because that is what the refugees allegedly want. The advocates of this type of action point to article XI of the U.N. resolution of 1948, which called for an Arab-Israel peace, and created the Palestine Conciliation Commission to bring it about, a Commission consisting of the United States, France and Turkey. In the text of that resolution it was stated:

Refugees wishing to return to their homes and live at peace with their neighbors should be permitted to do so at the earliest practicable date and that compensation should be paid for the properties of those choosing not to return.

The words that are omitted by the wishful thinkers are the words "to live at peace with their neighbors," for, Mr. President, it is inconceivable that Israel can open its doors wide to the return of a fifth column to Israel which might be even greater than the total number of people who are active in Israel as adults now.

The Arab leaders rejected this very U.N. resolution to which I referred. They insisted on maintaining a state of war with Israel, and they have refused to participate in any plan for the solution of the refugee problem short of the dismemberment and destruction of the State of Israel. In short, what they could not accomplish by military action, they now seek to win by persuading the free world nations to exert the pressure that they themselves are unable to bring against Israel. Since the Arabs refused to negotiate, the Israelis have rejected repatriation, but they have offered compensation to those whose properties were left in Israel.

Two points give the problem particular urgency: First, ever since the Lebanese episode, we have begun to understand the critical importance to us of Israel as a dependable anchor for the free world in military and strategic terms in the Middle East and Mediterranean.

Second, there will be a renewed debate on the Arab refugee question in the U.N. Assembly this fall, when the future of the United Nations Relief and Works Agency will be decided, that being the agency which looks after the refugees. So it is very important that our policy be in focus.

Finally, we shall be dealing with mutual security authorizations shortly, and they should contain adequate recitals to deal with the subject of free transit through international waterways for the ships of all nations and removal of discrimination against Americans of Jewish faith in Arab lands.

For all those reasons, the present inquiry becomes extremely pertinent right now. We have invested very heavily in the job of alleviating the hardship and suffering of the Arab refugees in the 11 years of UNRWA's existence. Of the $350 million which has been expended by this United Nations agency, the United States has contributed 70 percent, nearly $250 million. The United Kingdom has contributed about 20 percent. Those contributions are 90 percent of the total. The Soviet Union, which likes to describe itself as a friend of the Arab people, has never offered to pay a single ruble toward the relief of the refugees.

Dispassionate organs of opinion like Time magazine have concluded that the refugees are much better off materially in the camps than they could possibly have been in most Arab communities.

In Jordan, where there are the largest number of refugees, many have been integrated into the country's economy. Many are full-time government employees, and there are nearly 400 refugees studying in universities on scholarships furnished by the United Nations Relief and Works Agency. On the Arab refugee rolls of UNRWA there are 867,505. It is very tragic that because of the refusal of Arab countries to resettle the refugees, and because these rations rolls often are very padded with the names of those who have died, and whose death has never been reported, it has been impossible to give rations even to refugee children born in Jordan, for example, since February 1951.

Indeed, almost all the reports that we have on the Arab-Israel situation cite instances of lack of cooperation on the part of the host Arab countries, including even on some occasions a worsening of conditions under which the Arab refugees exist, through the circulation by Arab agitators of false statements about United Nations activities which are carried on for their relief.

The United Nations agency's rehabilitation and resettlement programs have been imaginative but ineffective, because the Arab governments have blocked them. They have often been denounced by Arab agitators, and efforts have been made by Arab countries to prevent people from leaving the Gaza strip and other places.

Nonetheless, the United Nations' success has been quite remarkable, and these efforts have led increasing numbers of refugees along the road to resettlement. It has been reported that some 80 permanent settlements have been built in Jordan, Syria, Lebanon, and in the Gaza strip. In place of thousands of tents which dotted the countryside, modern stone-built villages have risen. There has also been a considerable amount of vocational training, and a considerable amount of schooling. In short, it is clear that to describe the Arab refugees as the key issue in the conflict between the Arabs and Israel constitutes an oversimplification of the Near East situation. The Arab States regard them as a political asset to be used against Israel and have not shown any willingness to cooperate toward a settlement or to accept anything short of the liquidation of Israel; and of course they constitute a problem of a fifth column nature. On the other hand, Israel has offered to compensate Arab refugees for property which they left in Israel, and has started to release blocked bank accounts of the refugees.

The important thing is that Israel, I am convinced, would repatriate a fair number of Arab refugees. It has already repatriated 50,000, so that these people might join their families in Israel. People often forget that about 15 percent of the population of Israel is Arab. Therefore, it is likely that Israel will repatriate a reasonable number of these refugees. Statements as to the exact number, are, of course, in the realm of speculation. For myself, I believe that it may be 50,000, or perhaps as much as a hundred thousand. However, any concept of opening the door wide to the repatriation of the refugees, which could be used by Arab demagogs and agitators to inundate this small State of Israel, would be extremely dangerous and run directly contrary to American policy.

Therefore, what should be our policy with respect to this subject now. I believe very clearly the United Nations Agency is to be continued, with our support and with the support of the United Kingdom. I believe a much better climate is needed in the Near East. If real progress is to be made on the Arab refugee program, a much better climate must be established, and we can help establish it if we remain constant in our refusal to condone discrimination against Americans by the Arab States. These discriminations are now being carried on.

In addition to that, by way of policy, I and others have urged large-scale development projects on a regional basis. This applies also to water projects. Israel and Jordan, independently of each other, but with U.S. assistance, are trying to work out their water problems.

I have also urged a broad extension of the student exchange program, an exchange of professors, and an expansion of the person-to-person exchanges. All these endeavors are helpful in this area.

The second point I should like to make is that the efforts on the part of our country to end restrictions on transit through international waterways, like the Suez Canal, to end the boycott and to end the discrimination by Arab governments against Americans by reason of their race and religion, can be the greatest single action that we could take to establish a better climate and in establishing stability in that area of the world. It seems to me intolerable to the whole concept of our country that at this date there is in existence a list of American business firms and individuals who are subject to Arab boycott and are blacklisted by Arab countries because some of their personnel are of the Jewish faith. To this date severe limitations are placed upon the American merchant marine's activities. American labor unions have themselves been compelled to protest against the fact that American seamen are subjected to indignities and threats at Arab ports.

To this very day there is a violation of the United Nations Charter and of international law because the Arab boycott has developed into full-scale economic warfare, not only against Israel but also against the free world as a whole. Its corrupting influence has fouled the channels of world trade and commerce, subjected U.S. businessmen and travelers to discrimination on religious grounds, and involved the U.S. Government in the Suez Canal issue, as well as other critical situations.

I had a letter the other day from a constituent in New York who said that his wife had to be hidden in the washroom of the airplane in which she was traveling because the airplane had to make an emergency landing at an Arab airport. She is of the Jewish faith.

Congress has on several occasions given clear expression of its interest by making recommendations regarding these issues. In 1959, with Senator MORSE, I cosponsored an amendment to the mutual security appropriation bill which was signed into law. It read as follows:

It is the sense of Congress that any attempt by foreign nations to create distinctions because of their race or religion among American citizens in the granting of

personal or commercial access or any other rights otherwise available to United States citizens generally is repugnant to our principles, and in all negotiations between the United States and any foreign state arising as a result of funds appropriated under this Act these principles shall be applied as the President may determine.

Mr. President, among those who supported the amendment was the present President of the United States, then Senator Kennedy from Massachusetts. Subsequently, in the next year, while I was out of the country on an official mission, Senator KEATING and Senator DOUGLAS sponsored an amendment directly connected with international commitments regarding the freedom of transit through the Suez Canal and other international waterways. That amendment was adopted and was signed into law.

Finally, when the State Department sent up the mutual security bill this year, there was included in it a restatement of policy which incorporated the ideas of the 1959 and 1960 amendments. The clause read as follows:

The Congress declares that it is the policy of the United States to support the principles of increased economic cooperation and trade among the nations, freedom of navigation in international waterways, and recognition of the right of all private persons to travel and pursue their lawful activities without discrimination as to race or religion.

Even this very mild clause, I understand, has been stricken out of the mutual security authorization bill this year. I and perhaps other Senators will make every effort, if that clause has been stricken, to have it restored in the bill. I again express the hope that the bill will come to us with the clause contained in it. Congress has the duty and responsibility to make absolutely clear its insistence upon morality and the honoring of international commitments. I do not believe Congress intends to retreat from the positive position it took in past years, particularly in 1959 and 1960.

I believe the House is enforcing this procedure by including in clear language a restatement of the policy adopted by Congress. I hope very much we will do the same thing. In this way Congress can make clear to the people of the Near East that it is defending the interest of all the people living in the free world, in every country outside the Communist bloc. I believe this is a major element which stands in the way of Near East peace and Near East stability.

I conclude on this note: The argument is frequently made that the Arab States might not work with us because of Arab nationalist pressures. But in efforts for regional economic development we are not confined to the Arab States alone but should include the economic region, leaving the problem of an economic bridge to Israel to be solved for the present through the United Nations. The leaders of these countries in the region outside the Arab bloc like Libya, the Sudan, Tunis, and Morocco have also led their people out of colonial status, yet with acceptance of their responsibilities in the civilized world.

I strongly urge our Government to work actively for this policy: First resettlement of the main body of Arab refugees in Arab lands where there is need and room for them; second, compensation on reasonable terms for Arab property taken over by Israel; and third, an end to boycotts, discrimination, and other obstacles to the free flow of trade and regional development. I urge that Congress implement this concept right now in the mutual security authorization bill.

In an era of peace, there is no question about the enormous contribution that Israel can make toward helping to provide the people of the Near East with the benefits of modern civilization. The technical know-how which Israel is now giving to the newly developing countries of Asia and Africa south of the Sahara could also be made available to Jordan, Egypt, Syria, Lebanon, and Iraq for their mutual benefit. What Israel is doing on its side of the Jordan can also be done on the other side. Moreover, if the Negev can be made to flourish, so too can a part of the Sinai peninsula be made livable for the rapidly expanding population of Egypt.

Mr. President, those are the ends which ought to be served. They will not be served if we are craven about the fundamental policy of the United States with respect to international agreements, access, and nondiscrimination against Americans, whatever may be their faith. Those ends will not be served if we accept any idea that the settlement of the Arab refugee problem is solely a question of repatriation in Israel. Neither will they be served if we accept as final and absolute the refusal of the Arab States to cooperate in the resettlement of Arab refugees on some international basis.

If we hold fast to these ideas and at the same time maintain the humanitarian work of the United Nations agency which deals with the Arab refugees, I believe there is hope for Near East stability, and that these fundamental concepts will give us and the people there something to tie to, until they get to the point where they will be willing to listen to some kind of reason and discuss the problems within some reasonable terms.

Mr. President, I ask unanimous consent to have printed at this point in my remarks a letter written to the editor of the New York Times by James Marshall, vice president of the American Jewish Committee, and an important analysis of the question of nondiscrimination in international channels of commerce, which has been printed as a document by the American Jewish Committee.

There being no objection, the letter and analysis were ordered to be printed in the RECORD, as follows:

ARAB BOYCOTT ASSAILED—JEWISH GROUP SAYS AID BILL SHOULD REFLECT OUR PRINCIPLES

To the EDITOR OF THE NEW YORK TIMES:

There is now an opportunity to correct the discrimination against American citizens resulting from the Arab League boycott, which began in 1951 and was intended to injure Israel. This can be done through the foreign-aid bill which is about to come to the floor of the Senate.

I am not now discussing the boycott itself or its effect upon Israel, but solely the fact that the boycott has invaded the rights of American citizens.

There has been discrimination among holders of U.S. passports, among American military personnel and among American business concerns doing business with Arab League nations.

Many of the Arab League countries have refused to admit Jews holding American passports or even to allow them to descend from airplanes landing at Arab ports, including some constructed with the aid of American money.

Saudi Arabia, by refusing to permit American military personnel and technicians of the Jewish faith to be stationed in that country, has dictated to our Armed Forces how they may deploy U.S. troops.

QUESTIONNAIRES ON RELIGION

Some Arab League nations have submitted questionnaires to American firms inquiring whether their owners or officers are Jewish.

Thus, in effect, the Arab League countries have attempted to exert pressure on the Department of Defense and many American business concerns to discriminate against Jews. The much publicized Aramco case, in which the New York courts overruled the State Commission Against Discrimination, is an example.

To all these actions the State Department has made at best some feeble protests. In the Aramco case it actually asked SCAD to dismiss the complaint.

The 1960 Mutual Security Appropriations Act characterized the invidious religious distinctions imposed among American citizens as "repugnant to our principles." The act asked that these principles be applied in the granting of funds under the act "as the President may determine." Two Presidents have nevertheless, granted aid on "repugnant" terms.

The current bill before Congress contains a weaker statement. Yet the distinguished chairman of the Senate Foreign Relations Committee has asked that it be deleted. Some Members of Congress have suggested that because of the cold war the boycott issue should not be pressed.

FOREIGN PRESSURE ON BUSINESS

The American Jewish Committee favors the foreign-aid program. We believe that our Nation must win the cold war. We believe that our country's position in the cold war will be strengthened, not weakened, by insisting that no foreign nation may disregard the integrity of our passport or put pressure on our businessmen to discriminate among Americans.

Holland, Turkey, England, and West Germany have refused to be intimidated by the Arab States.

The platforms of both major political parties in 1960 pledged opposition to the boycott. President Kennedy, during the campaign, specifically stated: "I would also carry out the mandate, twice expressed by the Senate, that the President act affirmatively to protect all American citizens from the practice of religious or racial discrimination by foreign governments."

These pledges should be fulfilled in the new foreign-aid bill.

JAMES MARSHALL,
Vice President, American Jewish Committee.

NEW YORK, *July 17, 1961.*

INVASION OF AMERICAN RIGHTS ON THE PART OF ARAB LEAGUE NATIONS

INTRODUCTION

The Government of the United States has always regarded the protection of the essential rights and liberties of its citizens as its prime responsibility. Until recently, the conduct of America's foreign relations reflected firm commitment to this position; it was known throughout the world that actions impairing the dignity and equal

rights of Americans, for whatever reason and in whatever land, would not be tolerated by the United States.

Of late, however, alarming departures have been noted. Most of the countries affiliated with the Arab League have been permitted to impose discriminatory measures which interfere with the rights of Americans. (The Arab League consists of 10 countries: Iraq, Jordan, Lebanon, Libya, Morocco, Saudi Arabia, the Sudan, Tunisia, United Arab Republic, and Yemen.)

The purpose of these measures, which are part of a boycott against Israel, is not germane to the present discussion. Regardless of intent, it is in effect a boycott against Americans. This is the overriding fact.

To weigh the impact in terms of inconvenience would miss the crux of the matter. For even if the disadvantage suffered by Americans were negligible, there would still remain a loss which no self-respecting nation can afford—the loss of integrity and prestige incurred by submissiveness to affronts.

That our Government is pursuing a course degrading to the dignity of the United States transcends all other issues and requires close scrutiny by the American people.

Study of the situation reveals four main findings:

1. The Arab League nations have invaded American rights. They have blacklisted American citizens whose travel routes, religious beliefs or personal opinions do not conform with Arab League dictates. Agents of Arab governments operating on American soil have promoted discriminatory practices which are unlawful in many of our States. Americans subjected to these indignities include citizens of all faiths.

2. Our Government has accommodated itself to these and similar measures, even to the extent of yielding to Arab bias in contracts for foreign-aid shipments and in personnel assignments to Arab territory.

3. The accommodation of our Government to intrusions upon its sovereignty and discriminatory abuses visited upon its citizens is without justification in American law or tradition.

4. Protests and other critical pronouncements of representative bodies—the Congress of the United States, the legislatures of several States, the Republican and Democratic parties—have not resulted in remedial action by our Federal Government.

These, in brief, are the facts. They point to the urgent need for informed public discussion and firm public insistence that our Government immediately reassert the principles of morality and law that have guided American foreign policy and protected American rights in the past.

THE ARAB BOYCOTT IN OPERATION

At its initiation in 1951, the Arab League boycott was applied to companies with branches in Israel or otherwise doing business there, and firms and individuals engaging in trade or commerce with that country. Since then, the scope of the boycott has been vastly extended. Specific terms of the regulations, made known piecemeal for several years, were not officially published until 1958.[1]

Today, procedures of intimidation and discrimination directed from offices in Damascus, Syria (U.A.R.), and the Sheikdom of Kuwait, and applied in varying degree by Arab League governments, include:[2]

1. Blacklisting many American companies having Americans of the Jewish faith among their officers, owners, directors, or even personnel.

2. Refusing visas to American citizens of the Jewish faith and forbidding them to disembark in some Arab League countries.

3. Preventing American servicemen and civilian employees of the Jewish faith from serving at an airbase built in an Arab country with American funds and maintained by the United States.

Our Government, like many others, asserts that it opposes these acts. We have also committed ourselves to aid the economic development of all countries of the Middle East, including Israel.[3]

Thus, American citizens find themselves subjected to measures instituted by foreign powers in contravention of U.S. policy. Moreover, since the boycott is partially prosecuted in this country, we are confronted with a situation in which American principles are flouted by representatives of foreign governments on American soil.

Discrimination against American business

In some cases, companies doing no business in Israel are nevertheless subject to the boycott if their management personnel includes Jews. This policy has been in effect since 1956. On March 5 of that year Foreign Commerce Weekly, published by the U.S. Department of Commerce, contained the following report:

"Saudi Arabia intends to boycott all Jewish or Jewish-directed firms from trading with that country, according to information received by the Bureau of Foreign Commerce.

"This new policy greatly extends the provisions of the existing boycott against firms having branches, assembly plants, or general agents in Israel, as well as firms having shares in Israeli companies.

"Implementation of the new policy normally will be accomplished by Saudi Arabian consulates, who are responsible for legalization of commercial invoices and certificates of origin."

Sometimes it is required, as by Kuwait, that the absence of Jews in American companies trading with Arab countries be certified by an agency of the U.S. Government; sometimes efforts are made to enlist the cooperation of local chambers of commerce.

Fortune magazine informed its readers of the policy as follows:

"Businessmen throughout the world were in receipt some months ago of a strange questionnaire. Dated Cairo, Egypt, the questionnaire pressed them for information on whether their firms were guilty of having Jewish ownership or participation. To such shenanigans has Egypt's Nasser been reduced."[4]

The following questions, excerpted from that strange questionnaire, are now asked orally and surreptitiously by Arab representatives:

"Do you have any Jewish employees in your company; if yes, how many and what are the positions held by them?

"Are there any Jews on your board of directors as members?

"Are any of your managers or branch managers Jews; if yes, please give the names of the department headed by such a man?

"Is any of the persons authorized to sign on behalf of your company a Jew?

"What is the number of Jewish laborers in your factories and offices?"

Most American businessmen deem such questions impertinent. Moreover, in localities where State or municipal legislation forbids inquiring into the religious affiliations of prospective employees, the Arab inquisition is tantamount to law breaking. Some companies which now transact no business with the Middle East and are not presently bothered by the boycott may well be reluctant to employ Jews, at least in prominent positions, lest they be barred from new markets in the future.

While management executives find it exceedingly distasteful to be placed in the position of appearing indifferent to basic American principles, those succumbing to Arab pressures take the view that they are in business for profit; the welfare of stockholders and employees is at stake. It is further argued that individual executives and companies can hardly be expected to sacrifice business interests in order to uphold national principles and policies which their Government affirms in word but not in deed.

In several instances, to be sure, the Government has spoken. Thus, in 1956, when the boycott was extended to companies having Jewish ownership or participation, the New York office of the U.S. Department of Commerce announced: "The United States does not recognize the boycott."[5] But the truth of the matter is that the United States has taken no effective action.

Interference with American travel

Among the most discriminatory acts of the Arab League is the closing of some Arab gateways, sea, land and air, to American citizens of Jewish faith.

Refusal of some Arab airports to permit passengers to disembark is in defiance of established custom. It is normal procedure in civilized countries that when a plane is required to stop en route, whether for unexpected repair or some prearranged purpose, the passengers may rest in the airport until time to resume their trip. By common consent of all who maintain air travel facilities, the traveler has come to expect this hospitality.

Yet in recent years, officials of some Arab airports have forced Jewish passengers—including, of course, American Jews—to remain in their planes. Among the airports where Americans were, until recently, thus affronted is the commercial terminal in Cairo, Egypt, formerly known as Payne Field, which the United States transferred to the Egyptian Government after World War II, when it was no longer needed as a military installation.

A typical incident is related by a veteran of the Women's Army Corps, born in Washington, D.C., who returned from a trip around the world. Flying from Bombay, India, to Rome, her plane made an unexpected stop at Dhahran, Saudi Arabia. Upon returning home, she wrote to the Washington Post:

"I remained on the plane during the time it stopped in Dhahran, but could not help but be repulsed by the indignities that Americans and personnel of an American airline are subjected to by the Arab countries. I hope the Department of State will certainly take early and effective action to discourage such degrading practices against American citizen."[6]

Expressing sympathy at the annoyance caused by this experience, the Department of State declared that "the United States, as a matter of policy, does not condone discriminatory treatment of its citizens by foreign governments * * * the Department of State has and will continue to make official representations against any instances of such discrimination which comes to its attention."

But there is no indication in this or any other instance that a forthright protest was lodged.

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[1] "The Truth About the Arab Boycott." Arab News and Views. Arab Information Center, New York, Feb. 5, 1958.

[2] A supplement on other aspects of the boycott is available on request.

[3] Section 142 of the Mutual Security Act of 1954, as amended, provides that assistance shall not be furnished to any nation unless such nation has agreed to "join in promoting international understanding and goodwill, and maintaining world peace; take such action as may be mutually agreed upon to eliminate causes of international tension."

[4] Fortune, August 1957, p. 80.

[5] The New York Times, Jan. 26, 1956.

[6] The Washington Post, May 23, 1961, p. A12.

Our Government's passivity in these situations flies in the face of Federal legislation reflecting American policy with respect to travel here and abroad. The Federal Aviation Act of 1958 contains this provision:

"No air carrier or foreign air carrier shall make, give, or cause any undue or unreasonable preference or advantage to any particular person, port, locality, or description of traffic in air transportation in any respect whatsoever or subject any particular person, port, locality, or description of traffic in air transportation to any unjust discrimination or any undue or unreasonable prejudice or disadvantage in any respect whatsoever." [7]

The issuance of visas by some Arab governments adheres to a similar discriminatory pattern. Americans generally encounter no difficulty unless their passports carry an Israel visa, in which case they are denied entry by most Arab League countries, especially those neighboring Israel. But Americans who are identified as Jewish are automatically barred from Jordan, Yemen, and Saudi Arabia.

Application of these bans to stage and screen stars, including those who have Jewish husbands or wives, or have manifested friendliness toward Israel, has attracted much publicity. Among the many performers blacklisted are Edward G. Robinson, Danny Kaye, and Jerry Lewis.

THE TRADITIONAL PROTECTION OF AMERICAN RIGHTS

American history records numerous attempts by foreign powers to discriminate against American citizens. The resistance of our Government has been, until recent years, consistent and unequivocal. To cite a few examples:

Austria: In 1885, the Austro-Hungarian Government protested the appointment of Anthony M. Keiley, of Virginia, an envoy extraordinary and minister plenipotentiary of the United States, on the ground that he was married to a Jewish woman.

Replying on behalf of our Government, Secretary of State Bayard declared:

"It is not within the power of the President nor of the Congress, nor of any judicial tribunal in the United States, to take or even hear testimony, or in any mode to inquire into or decide upon the religious belief of any official, and the proposition to allow this to be done by any foreign government is necessarily and a fortiori inadmissible.

"To suffer an infraction of this essential principle would lead to a disenfranchisement of our citizens because of their religious belief, and thus impair or destroy the most important end which our Constitution of Government was intended to secure." [8]

Although Mr. Keiley resigned his commission, the United States declined to make another appointment. For several years thereafter only a chargé d'affaires represented our country in Austria.

Russia: A succession of American officials firmly rejected efforts of the Imperial Russian Government to apply its anti-Semitic policies to American Jews who visited or sought to visit its territory. Thus, writing in 1881 to the American Minister in London, Secretary of State James G. Blaine said:

"I am well aware that the domestic enactments of a state toward its own subjects is not generally regarded as a fit matter for the intervention of another independent power. But when such enactments directly affect the liberty and property of foreigners who resort to a country under the supposed guarantee of treaties framed for the most liberal ends, when the conscience of an alien owing no allegiance whatever to the local sovereignty is brought under the harsh yoke of bigotry or prejudice which bows the necks of the natives, and when enlightened appeals made to humanity, to the principles of just reciprocity and to the advancing spirit of the age, in behalf of tolerance, are met with intimations of a purpose to still further burden the unhappy sufferers and so to necessarily increase the disability of foreigners of the like creed * * * it becomes in a high sense a moral duty to our citizens and to the doctrines of religious freedom we so strongly uphold, to seek proper protection for those citizens and tolerance for their creed, in foreign lands, even at the risk of criticism of the municipal laws of other states." [9]

Again in 1895, rejecting the notion that the Russians were at liberty to discriminate against American Jews within their own empire, our Acting Secretary of State, Alvey A. Adee, said:

"Viewed in the light of an invidious discrimination tending to discredit and humiliate American Jews in the eyes of their fellow citizens, it is plain that the action of Russian consular officers does produce its effect within American territory, and not exclusively in Russian jurisdiction." [10]

In 1911, outraged by the Russian Government's persistence in subjecting American citizens to various anti-Semitic practices, the House of Representatives urged President William Howard Taft to terminate the treaty which had governed our trade with Russia since 1832. The treaty was abrogated by Secretary of State Philander Knox in December 1911.

Switzerland: In the mid-eighties, on learning that many cantons in Switzerland refused to admit American Jews, President Fillmore stated that "it is indispensable * * * that every privilege granted to any of the citizens of the United States should be granted to all. * * *" Some years later, after vigorous efforts by our State Department, the disabilities against Jews in Switzerland were removed.

In 1924, the Government of Switzerland denied a group of American Mormon missionaries extension of their cantonal residence permits. Assuming that this exclusion was based on religious grounds, our envoy made representations to the Swiss Government. The matter was dropped only when our Government was satisfied there were other reasons for the move.[11]

Germany: Starting with the Nazi decree of April 26, 1938, requiring the declaration of property owned by Jews, numerous protests against similar acts were voiced by the U.S. Government. The United States insisted that application of such decrees to the property of its citizens violated rights of Americans under existing treaties and by virtue of comity and international law.

Italy: In 1938, when the Italian Government ordered the expulsion of Jews, regardless of nationality, who had come to Italy or its possessions after January 1, 1919, the United States registered a series of protests "against the application to American nationals of measures which would have the effect of dividing them into two broad classes, namely Jewish and non-Jewish, and would accord to the former differential treatment." [12]

Danzig: In 1939, the State Department instructed our consul at Danzig to protest the imposition of a property tax levied only on Jews. Here, too, the United States insisted that treaties with respect to the treatment of our nationals abroad be applied to all our nationals "without exception based on race or creed," adding that the United States "declines to recognize the rights of other nations to apply measures to American citizens which would have the effect of arbitrarily dividing them into special classes and subjecting them to differential treatment." [13]

DEPARTURES FROM U.S. TRADITION

In the light of public policy defined and adhered to in the past, citizens of the United States would naturally expect their Government to take an implacable stand against Arab intrusions on American rights. But these expectations have not been borne out. Not alone have agencies of the Government acquiesced passively to the boycott; they have served actively, in many instances, as its instruments.

The Department of State is specifically charged with responsibility to protect the interests of Americans in their relations with foreign governments. Yet in 1959, when the New York State Commission Against Discrimination (SCAD) investigated a complaint that the Arabian-American Oil Co. (Aramco) was unlawfully inquiring into the religion of prospective employees, William M. Rountree, then Assistant Secretary of State, wrote as follows:

"Any finding by the commission (SCAD) which would compel Aramco to employ persons of Jewish faith in Saudi Arabia would hardly be made effective in view of the known attitude of the Saudi Government. Efforts by Aramco to implement such a finding would most certainly prejudice the company's operations in that country and would probably adversely affect the U.S. interests there as well." [14]

The State Department's efforts to follow the road of least resistance failed in this instance. The courts of New York State refused to sanction SCAD's ruling that the antidiscrimination law had no application to the case.[15]

The Defense Department has deferred to Saudi Arabia's exclusion of American Jews from the Air Force personnel at the U.S. base at Dhahran, claiming this flagrant act of discrimination a justifiable assertion of sovereignty. The fact that Jewish servicemen are excluded from the Dhahran base stands in glaring contrast to U.S. action under similar circumstances in 1911, when the House of Representatives resolved to notify Russia that "the Government of the United States will not be a party to any treaty which discriminates between American citizens on the ground of race or religion." [16]

After surrendering principles heretofore deemed fundamental to American integrity in order to retain the Dhahran base, our Government was notified that the treaty granting us occupancy, which expires in 1962, will not be renewed by Saudi Arabia.[17]

Meanwhile, in addition to accepting the continued blacklisting of American Jewish servicemen, the Defense Department, at Arab insistence, also imposes restrictions on Christian worship in Saudi Arabia: U.S. chaplains refrain from wearing crosses; services for American personnel are conducted as unobtrusively as possible; and Catholic priests wear lay attire in order to avoid offending the religious sensitivities of local authorities.

The Department of Agriculture and the Commodity Credit Corporation yield to the

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[7] Public Law 85-726; 72 Stat. 731, sec. 404 (b). The Interstate Commerce Act contains a virtually identical provision.

[8] "With Firmness in the Right," by Cyrus Adler, American Jewish Committee, New York, 1940, pp. 325-326.

[9] Ibid., p. 205.

[10] Ibid., p. 251.

[11] "Digest of International Law" by Goren Haywood Hackworth, State Department Publication No. 1708, VIII, No. 286, Government Printing Office, Washington, 1942, "Measures Based on Race or Creed," p. 696.

[12] Ibid., p. 647.

[13] Ibid., p. 647.

[14] The New York Times, May 19, 1959.

[15] Official court report: 19 N.Y. Misc. (2d) 205; affirmed in the New York Court of Appeals.

[16] H.J. Res. 166. CONGRESSIONAL RECORD, Dec. 13, 1911, p. 311.

[17] The New York Times, Mar. 17, 1961.

boycott even as to contracts for dry-cargo vessels owned by American citizens that carry surplus commodities sold to Arab countries under the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480). The contracts, insisted upon by Arab governments, state explicitly that "the vessel is prohibited from calling at Israel waters or ports. Transshipment is prohibited."[18] The law provides that 50 percent of surplus products sent abroad must go in American bottoms; thus, while American ships must be used for half the deliveries, we have permitted Arab governments, by constructing a blacklist, to render certain American vessels and owners ineligible for carrying these shipments.

Other nations have called the Arab bluff

The vigorous reactions of other nations stand in sharp contrast to the failure, in virtually every instance, of agencies of the Federal Government to reject the boycott by some effective action, rather than words. Even our occasional lame representations have been rarely spontaneous; usually they have been called forth by letters of protest or inquiry from Members of Congress and interested organizations.

The Dutch Government, through Prime Minister Willem Drees, announced in 1957 that it would resist "boycott measures aimed at Israel or Jewish firms which threaten infringement of Dutch interests."[19] This policy remains in effect. In February 1961, Dr. Hendrik R. van Houten, Secretary of State to the Ministry of Foreign Affairs, condemned Dutch exporters who discriminate against Jews in order to curry favor with the Arabs.[20]

England: With the extension of the boycott in 1956, the London Chamber of Commerce declined to certify firms as not being owned by Jews.[21] During the House of Commons discussion on February 22, 1961, concerning the arrangements for an Arab League office to be opened in London, the Government was asked:

"Has it been made clear to the Arab League that this office is not welcome here if it is to be used to spy on British firms trading with Israel or organizing a boycott against trading with Israel, or publishing anti-Semitic propaganda here?"

To which Mr. Edward Heath, Lord Privy Seal, replied: "We want this office to conduct itself in the normal and proper manner."[22]

West Germany: In 1952, while Israel and the German Federal Republic were conducting negotiations which led to the reparations agreement designed to compensate ex-Germans of the Jewish faith who had suffered at the hands of the Nazis, the Arab League tried to intervene. The West German Government was informed that the contemplated agreement would adversely affect Arab-German relations, and a general boycott of German goods was threatened. So vigorous was the Arab warning that a sizable body of German opinion, especially industrial groups, tried to prevent consummation of the agreement. Yet once it was ratified, the threatened boycott failed to materialize. Egypt resumed trade negotiations with Germany which had been suspended as part of the boycott threat.[23] West Germany has since continued to fulfill its obligations under the reparations agreement and maintains commercial relations with Israel. The Arab League nations nevertheless continue to do business with Germany.

The Arab pose of irrevocable commitment to the boycott obviously collapses when confronted by unyielding refusal to compromise or retreat.

TO REASSERT THE RIGHTS OF AMERICAN CITIZENS

Calls to reassert the long-established principle that no spokesman or agency of the U.S. Government is empowered to practice or condone discrimination against citizens of this country have come from Congress, from the legislatures of several States, and from both the Republican and Democratic Parties.

The U.S. Senate, on July 26, 1956, adopted a resolution (S. Res. 323) introduced by Senator Herbert H. Lehman, of New York:

"Whereas the protection of the integrity of the U.S. citizenship and of the proper rights of the U.S. citizens in their pursuit of lawful trade, travel, and other activities abroad is a principle of U.S. sovereignty; and

"Whereas it is a primary principle of our Nation that there shall be no distinction among U.S. citizens based on their individual religious affiliations and since any attempt by foreign nations to create such distinctions among our citizens in the granting of personal or commercial access or any other rights otherwise available to U.S. citizens generally is inconsistent with our principles: Now, therefore, be it

"*Resolved*, That it is the sense of the Senate that it regards any such distinctions directed against U.S. citizens as incompatible with the relations that should exist among friendly nations, and that in all negotiations between the United States and any foreign state every reasonable effort should be made to maintain this principle."

Both Houses of Congress, on May 2, 1960, adopted a "freedom of the seas" amendment to the Mutual Security Act, introduced by Senators PAUL DOUGLAS and KENNETH KEATING:

"It is the sense of the Congress that inasmuch as (1) the United States favors freedom of navigation in international waterways and economic cooperation between nations; and (2) the purposes of this act are negated and the peace of the world is endangered when nations which receive assistance under this act wage economic warfare against other nations assisted under this act, including such procedures as boycotts, blockades, and the restriction of the use of international waterways; assistance under this act and the Agricultural Trade Development and Assistance Act of 1954, as amended, shall be administered to give effect to these principles, and, in all negotiations between the United States and any foreign state arising as a result of funds appropriated under this act or arising under the Agricultural Trade Development and Assistance Act of 1954, as amended, these principles shall be applied, as the President may determine, and he shall report on measures taken by the administration to insure their application."[24]

Despite this clear expression of congressional interest, the State Department indicated that nothing would be done to implement the amendment, since it is not a law. In a letter to Senator KEATING, dated February 24, 1961, John S. Hoghland 2d, Acting Secretary of State for Congressional Relations, said:

"The Department has so far concluded that efforts to link the Mutual Security Act directly to the Suez transit question would only intensify the very trade and transit restrictions which we all hope may be eliminated, while at the same time playing into the hands of the Communists by exacerbating Middle East tensions."

The new 1961 Act for International Development (AID), pending, provides for renewed foreign aid and also repeals the Mutual Security Act and the various riders written into the foreign-aid program dealing with discrimination against American citizens, economic boycott, and freedom of the seas. AID contains language seeking to restate in a general way the policy provisions of previous foreign aid acts cited above, but again fails to urge the President to withhold loans or grants derived from funds appropriated under the act from countries which discriminate against American citizens because of race or religion.

The Legislatures of California, Missouri, New Jersey, New York, Pennsylvania, and Wisconsin have called on the Government to stiffen its position in respect to Arab discrimination against American citizens.

For example, the New York resolution, carried in the CONGRESSIONAL RECORD of April 12, 1961, states: "* * * that the Department of State be and is hereby respectfully memorialized (a) to take a firm position against Arab interference in the conduct of the affairs of American citizens and businessmen; (b) to abstain from any cooperation with the Arab League boycott activities and policies; (c) to resist any efforts by Arab nations to maintain or widen its boycott activities in the United States; and (d) to exert all possible efforts and utilize its resources to the fulfillment of the spirit and purposes of this resolution."

The Republican and Democratic platforms of 1960 pledged both parties to firm resistance to the boycott. Similar planks were adopted in 1956.

The 1960 Republican platform promised "to seek an end to transit and trade restrictions, blockades, and boycotts * * *; to secure freedom of navigation in international waterways, the cessation of discrimination against Americans on the basis of religious beliefs."

The 1960 Democratic platform stated: "We will encourage an end to boycotts and blockades, and unrestricted use of the Suez Canal by all nations."

During the 1960 campaign, in response to inquiry, Presidential Candidate John F. Kennedy wrote:

"There can be no doubt of where I stand on this problem. I wholeheartedly joined with other Senators—during the most recent Congress—to support an amendment to mutual security legislation which called on the President to withhold U.S. assistance from those countries that engaged in economic warfare, including boycott or blockade against other states who are beneficiaries of our mutual security program. As President, I would certainly implement an act, expressing the sense of the Senate, when I so enthusiastically supported that piece of legislation. I would also carry out the mandate, twice expressed by the Senate, that the President act affirmatively to protect all American citizens from the practice of religious or racial discrimination by foreign governments."

As recently as May 3, 1961, Senator KEATING entered in the CONGRESSIONAL RECORD a letter from Brooks Hays, Assistant Secretary of State for Congressional Relations. Although emphasizing that the Government "does not recognize or condone the Arab boycott," Mr. Hays gave no indication that any effective action was contemplated to support this position. Nor have the policy declarations by other bodies, State and national, or by President Kennedy himself, evoked any constructive response from the administrative officers of the Federal Government.

Yet no arm of our Government can remain forever impervious to thoughtful and

[18] Ibid., Feb. 4, 1960.

[19] London Jewish Chronicle, Oct. 4, 1957.

[20] The Netherlands Parliament, Second Chamber, Official Record, Government Printing Office, The Hague, Feb. 21–22, 1961.

[21] Circular to Members, No. 402, Mar. 21, 1956, London Chamber of Commerce.

[22] The Parliamentary Debates (Hansard), House of Commons, Official Report, London, Feb. 22, 1961, cols. 491–492.

[23] "American Jewish Year Book," vol. 54, p. 485; vol. 55, p. 251.

[24] Mutual Security Act of 1960 (Public Law 86–472; 74 Stat. 134), sec. 2, which amends sec. 2(f) of the Mutual Security Act of 1954, as amended.

sustained expressions of public opinion. The time has come for conscientious citizens and citizen groups to make themselves heard.

The principle at stake was never more succinctly summed up than in the words of William Howard Taft: *

"National prestige must be used not only for the benefit of the world at large, but for the benefit of our own citizenship; and, therefore, as we gain in international prestige we ought to assert our insistence that our passport certifying our citizenship should secure to every man, without regard to creed or race, the same treatment, the same equality of opportunity in every nation of the globe."

Public opinion should demand a return to our Government's traditional insistence that it cannot acknowledge as legitimate, much less accommodate itself to, practices or policies which deny the equality of American citizenship.

Foreign countries have no sovereign right to discriminate among American citizens. As recent court decisions have underscored, no such right is vested in our own States, or in the Federal Government. That any other power should presume to tread on liberties declared inviolate by our Constitution is an assault upon the American people, an invasion of American rights. The dignity of the United States, its status as a champion of universal human rights, demands that this invasion be promptly repelled.

THE AMERICAN JEWISH COMMITTEE

AJC: Founded 1906, oldest American organization combating bigotry, protecting civil and religious rights of Jews, and advancing the cause of freedom everywhere.

Frederick P. Greenman, president.
Louis Caplan, chairman, executive board.
Pearson E. Neaman, chairman, administrative board.
William Rosenwald, chairman, national advisory council.
Maurice Glinert, treasurer.
Arthur D. Leidesdorf, associate treasurer.
Julius S. Loewenthal, secretary.
John Slawson, executive vice president.
Morris B. Abram, Atlanta, vice president.
Max Wm. Bay, Beverly Hills, vice president.
Martin L. Butzel, Detroit, vice president.
William P. Engel, Birmingham, vice president.
Jack A. Goldfarb, New York, vice president.
Andrew Goodman, New York, vice president.
Philip E. Hoffman, Orange, vice president.
James Marshall, New York, vice president.
Irving Salomon, San Diego, vice president.
Gardner H. Stern, Chicago, vice president.
Jacob Blaustein, honorary president.
Herbert B. Ehrmann, honorary president.
Irving M. Engel, honorary president.
Joseph M. Proskauer, honorary president.
Herbert H. Lehman, honorary vice president.
Samuel D. Leidesdorf, honorary vice president.
Ralph E. Samuel, honorary vice president.
Horace Stern, honorary vice president.
Fred Lazarus, Jr., honorary chairman, national advisory council.

Mr. JAVITS. Mr. President, I yield to my colleague from New York.

Mr. KEATING. Mr. President, I commend the distinguished senior Senator from New York for the excellent presentation he has made of the problems facing U.S. policymakers in the Middle East area. There are indeed genuine differences of opinion and conflicts of interest over the very pressing problems of the Arab refugees, of Israeli boundaries, of Jordan River development, of Suez Canal use, and a variety of other issues.

The only way these problems can be adequately settled, now or at any other time, is through negotiation between the parties concerned, a negotiation which the United States can and should encourage to the greatest possible extent. President Kennedy indicated before the election that he would try to set such negotiations in motion. It is to be hoped that he will pursue this objective with determination, although, of course, the role is not an easy one.

At the moment, however, it is beginning to appear that the United States is deliberately taking a different tack. It is beginning to appear as if the United States were making a series of piecemeal concessions to the Arab States in the hope that they will, as a result, be inclined toward more conciliatory policies vis-a-vis Israel. Mr. President, much as I should like to see the Arab States being more conciliatory with Israel and sitting down with Israel to discuss their differences at the conference table, I do not think that an American policy of concessions here and there will have the desired result at all.

Certainly the President's letter of May 11 as revealed in the press last month has raised some very real doubts about the position of the administration on the refugee question. Although the United Nations has upheld in principle the rights of the refugees to repatriation, in practice it is clearly impossible to return nearly a million refugees to the land of Israel, especially as more than half of the refugees are now under 15 and have, therefore, never themselves lived in Israel. The only practical solution is the resettlement of most of the refugees in Arab territory with some kind of compensation for loss of property in Israel. Yet the President's letter of May 11 does not refer to resettlement but speaks only of repatriation and/or—depending on the interpretation—compensation. This could be a significant omission.

Yet it certainly has a political implication.

A similar attempt to conciliate, if not appease, the Arabs was apparent, I maintain, in the approval by the U.S. Government of the export of rockets to the United Arab Republic for use in an alleged weather research program. The new Arab program follows with suspicious haste upon the successful Israeli rocket probe. Even though I recognize that the deal was consummated by a private firm, I find it very hard to believe that the sale of such potentially dangerous equipment to an unpredictable nation like the United Arab Republic is really in the interests of Middle Eastern peace.

I questioned the Department of State about the transaction and I have received a reply, which to my mind is still not wholly reassuring. The Department informs me that the rockets are not classified and are not effective military weapons. I agree that they probably would not be effective against the United States, but on the troubled Middle Eastern scene, they might well have dangerous political, if not military, impact. Against a nation like Kuwait, for instance, recently a crisis spot, even the simplest rockets might be effective, if Communist efforts to oust the British should ever be successful.

The whole negotiation smacks to me of another attempt to woo the friendship of the Arabs by one-sided concessions. We are leaning over backward to win them over. If I saw anywhere on any issue, a similar spirit of concession on the Arab side, I might be more hopeful. But on the contrary, the Arab States are pressing harder than ever to enforce their boycott of Israel, their discrimination against American citizens of the Jewish faith or American firms with Jewish management, and their obstructionist tactics toward Israel's Jordan River project. In other words, our new version of the carrot and stick technique is not succeeding. The Arabs are happily nibbling away at the carrots we offer while they continue to use the stick against Israel and against American interests all over the world.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of the reply from the Department of State.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, July 12, 1961.

Hon. KENNETH B. KEATING,
U.S. Senate.

DEAR SENATOR KEATING: Your telegram dated July 7 to the Secretary regarding the Department's action in issuing an export license covering a shipment of several rockets to the United Arab Republic has been referred to me for reply. I am happy to furnish you the following information on this matter which I think will make clear that no U.S. Government funds were involved and that our action was limited to authorizing issuance of the required export license.

This question first arose in May when representatives of the United Arab Republic approached the National Aeronautics and Space Administration (NASA) regarding the interest of the United Arab Republic in a program of scientific space research using sounding rockets in sodium vapor experiments. In accordance with a general policy of cooperation with other countries in peaceful scientific pursuits, NASA welcomed the opportunity to discuss cooperation in space science experiments with qualified United Arab Republic representatives. Following discussions here with these officials, however, NASA concluded that it would be unable to develop a cooperative program of mutual interest within the brief time span specified by the United Arab Republic.

We understand United Arab Republic officials subsequently communicated with commercial representatives in this country regarding the purchase of several unclassified rockets for use in the proposed project. As a result of these discussions, the United Arab Republic agreed to purchase several small Javelin lower stage and Viper upper stage rockets of a type hitherto used for propulsion of sleds in connection with various types of research testing. It is our understanding that the United Arab Republic planned to use these rockets to study meteorological conditions in the upper atmosphere, including measurements of wind direction and velocity. As you know, this is somewhat the same type of scientific experiment as we

* Address delivered at the Thalia Theatre, New York, Oct. 28, 1908.

have ourselves been conducting at Wallops Island and a large number of foreign countries, notably Italy, Japan and, most recently, Israel, have also carried out during and since the International Geophysical Year.

While the U.S. Government played no role in the conclusion of this commercial transaction, the export of all rockets is by law subject to the licensing procedures of the Department of State. Exports of Javelin- and Viper-type vehicles have already been made to a number of other countries, and we recently released a somewhat similar rocket to Sweden for atmospheric research. Several countries manufacture rockets of a similar type. Since these items are not classified and cannot be regarded as effective military weapons, no objection was raised to the export of these rockets from a security standpoint. While export of the entire number requested by the American firm was not approved, it was felt for the foregoing reasons that no basis existed for denying an export license to the firm for a small shipment involving several vehicles. It is my understanding that representatives of the American firm are planning to be in Egypt in connection with the proposed launchings. Should you desire any further specific information regarding this transaction, a representative of the Department will be happy to call on you at your convenience.

I hardly need assure you that it continues to be the settled policy of this Government to cooperate with all countries interested in advancing man's scientific knowledge in the challenging fields of upper atmosphere and space. Likewise it remains a cardinal principle of U.S. policy that such activities should be entirely confined to peaceful pursuits.

I hope the foregoing information will be helpful in connection with the inquiries contained in your telegram to the Secretary. Please let us know if we can be of further assistance.

Sincerely yours,

BROOKS HAYS,
Assistant Secretary.

Mr. KEATING. Finally, Mr. President, on the question of free access to the Suez Canal, I am disturbed, as is my colleague, by the apparent intention to eliminate this provision, which is similar to the Douglas-Keating amendment, of last year, to the foreign aid bill. It is my understanding that it probably will not be incorporated in the committee approved Senate foreign aid bill this year. I have already been in conference about it with the Senator from Illinois [Mr. DOUGLAS]. It certainly is my intention again to press for language which will indicate the policy of our Government, which is to have international waters free to the shipping of any nation.

I thank my colleague for allowing me to make these statements at this time.

Mr. JAVITS. Mr. President, I yield myself 2 minutes.

Of course I am very grateful to my colleague [Mr. KEATING] for joining me, as he has always done, so very eloquently and so very effectively in the discussion of this matter. Again I pay tribute to his outstanding contribution to this cause in 1960, when he, together with the Senator from Illinois [Mr. DOUGLAS], sponsored the amendment.

I should like to point out the similarity between what we are facing in the Near East and what we are facing in Berlin, Latin America, and the Congo. It is becoming almost the tenor of United States foreign policy that we cannot get everyone to like us and we cannot get everyone to agree with us. Obviously it is impossible, by some process of obtaining popularity, to have all other countries agree with the positions our country takes—for instance, in regard to Berlin or in regard to repatriating refugees to Israel.

Obviously our country must adopt the proper policy in regard to all such difficult problems, because the proper policy is the only means by which to avoid the subversion of the free world. The contribution made by my colleague is an outstanding example of our determination to establish the proper policy.

Of course we could, on the other hand, follow a policy which could please the Arabs, no doubt, by favoring repatriation of the refugees to Israel whatever it might do to Israel's security and independence; but obviously that would be a colossal mistake on the part of the United States.

The policy for which we speak is one which, if consistently followed, will lead to world stability, instead of having the world go further down into the abyss.

So I am very grateful to my colleague for joining with me in helping develop a little further this concept.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 331. An act for the relief of Mrs. Kazuko (Wm. R.) Zittle; and

S. 438. An act for the relief of Mrs. Maria Giovanna Hopkins.

The message also announced that the House had agreed to the amendment of the Senate to the resolution (H. Con. Res. 342) authorizing the printing as a House document of the tributes extended to the Honorable SAM RAYBURN, and providing for additional copies.

The message further announced that the House had agreed to a resolution (H. Res. 328) disapproving Reorganization Plan No. 5 transmitted to Congress by the President on May 24, 1961.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6874) to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 353) authorizing the Clerk of the House to make a correction in the enrollment of H.R. 6874, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H.R. 498. An act to provide additional lands at, and change the name of, the Fort Necessity National Battlefield Site, Pa., and for other purposes;

H.R. 1322. An act for the relief of Georges Khoury;

H.R. 1369. An act for the relief of Zsuzsanna Reisz;

H.R. 1712. An act for the relief of Elizabeth Rose DiCarlo;

H.R. 1714. An act for the relief of Nicholas J. Katsaros;

H.R. 1715. An act for the relief of Joseph Michael Stahl;

H.R. 2555. An act to authorize pay with respect to civilian employees of the United States in cases of emergency evacuations, to consolidate the laws governing allotment and assignment of pay by such employees, and for other purposes;

H.R. 2616. An act for the relief of Habib Mattar Nacol;

H.R. 3485. An act for the relief of Cornelis Jacobus Overbecke;

H.R. 3843. An act for the relief of Mrs. Mauricia Reyes;

H.R. 4384. An act for the relief of Richard Fordham;

H.R. 4659. An act to establish a National Armed Forces Museum Advisory Board of the Smithsonian Institution, to authorize expansion of the Smithsonian Institution's facilities for portraying the contributions of the Armed Forces of the United States, and for other purposes;

H.R. 5138. An act for the relief of Francisco Joaquim Alves;

H.R. 5141. An act for the relief of Vito Recchia;

H.R. 5735. An act for the relief of Steven Mark Hallinan;

H.R. 6158. An act for the relief of Adolphe C. Verheyn;

H.R. 6691. An act to amend title 18, United States Code, sections 871 and 3056, to provide penalties for threats against the successors to the Presidency, to authorize their protection by the Secret Service, and for other purposes;

H.R. 7722. An act to amend section 3579, title 10, United States Code, to provide that commissioned officers of the Medical Service Corps may exercise command outside the Army Medical Service when directed by proper authority; and

H.J. Res. 436. Joint resolution to provide for recognition of the centennial of the establishment of the national system of land-grant universities and colleges.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H.R. 929. An act to amend the Internal Revenue Code of 1954 to permit the prepaid dues income of certain membership organizations to be included in gross income for the taxable years to which the dues relate;

H.R. 1353. An act for the relief of Max Bleier;

H.R. 1477. An act for the relief of Mansureh Rinehart;

H.R. 1620. An act for the relief of Kejen Pi Corsa;

H.R. 1626. An act for the relief of Jack Konko;

H.R. 1911. An act for the relief of Ricaredo Bernabe Dela Cena;

H.R. 1915. An act for the relief of Mrs. Sode Hatta;

H.R. 2360. An act for the relief of Mrs. Tome Takamoto;

H.R. 4557. An act for the relief of Manuel Martinez-Lopez;

H.R. 5432. An act to make permanent certain increases in annuities payable from the civil service retirement and disability fund;

H.R. 5548. An act to authorize the Secretary of the Interior to acquire approximately 9 acres of land for addition to Cumberland Gap National Historical Park, and for other purposes;

H.R. 7444. An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes; and

H.J. Res. 392. Joint resolution to amend the joint resolution of March 25, 1953, relating to electrical and mechanical office equipment for the use of Members, officers, and committees of the House of Representatives to provide that Members having constituencies of 500,000 shall be entitled to an additional $500 worth of equipment; to increase the number of electric typewriters which may be furnished Members; and for other purposes.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred, as indicated:

H.R. 498. An act to provide additional lands at, and change the name of, the Fort Necessity National Battlefield site, Pennsylvania, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 1322. An act for the relief of Georges Khoury;

H.R. 1369. An act for the relief of Zsuzsanna Reiss;

H.R. 1712. An act for the relief of Elizabeth Rose DiCarlo;

H.R. 1714. An act for the relief of Nicholas J. Katsaros;

H.R. 1715. An act for the relief of Joseph Michael Stahl;

H.R. 2616. An act for the relief of Habib Mattar Nacol;

H.R. 3485. An act for the relief of Cornelis Jacobus Overbeeke;

H.R. 3843. An act for the relief of Mrs. Mauricia Reyes;

H.R. 4384. An act for the relief of Richard Fordham;

H.R. 5138. An act for the relief of Francisco Joaquim Alves;

H.R. 5141. An act for the relief of Vito Recchia;

H.R. 5735. An act for the relief of Steven Mark Hallinan;

H.R. 6158. An act for the relief of Adolphe C. Verheyn;

H.R. 6691. An act to amend title 18, United States Code, sections 871 and 3056, to provide penalties for threats against the successors to the Presidency, to authorize their protection by the Secret Service, and for other purposes; and

H.J. Res. 436. Joint resolution to provide for recognition of the centennial of the establishment of the national system of land-grant universities and colleges; to the Committee on the Judiciary.

H.R. 2555. An act to authorize pay with respect to civilian employees of the United States in cases of emergency evacuations, to consolidate the laws governing allotment and assignment of pay by such employees, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 4659. An act to establish a National Armed Forces Museum Advisory Board of the Smithsonian Institution, to authorize expansion of the Smithsonian Institution's facilities for portraying the contributions of the Armed Forces of the United States, and for other purposes; to the Committee on Rules and Administration.

H.R. 7722. An act to amend section 3579, title 10, United States Code, to provide that commissioned officers of the Medical Service Corps may exercise command outside the Army Medical Service when directed by proper authority; to the Committee on Armed Services.

REFORMS IN MARITIME TRANSPORTATION THAT ARE IMPERATIVE: SUPPORT OF PRESIDENT KENNEDY'S REORGANIZATION PLAN NO. 7 AND AMENDMENT TO STEAMSHIP CONFERENCE DUAL RATE BILL

Mr. GRUENING. Mr. President——

Mr. JAVITS. I yield 2 minutes to the Senator from Alaska [Mr. GRUENING].

Mr. GRUENING. I thank the Senator from New York.

Mr. President, the President's Reorganization Plan No. 7, to reorganize our maritime administration, will shortly come before the Congress. Although the committee to which this reorganization proposal will be referred, as have been all other reorganization proposals, is the Committee on Government Operations, of which I am a member, hearings are also being held this week on plan No. 7, to reorganize the Federal Maritime Board, before the Committee on Commerce, because of its primary jurisdiction over legislation concerning all forms of commercial transportation, including maritime transportation.

Plan No. 7 is of vital importance, not merely to the entire Nation, but particularly to the two newest States of Alaska and Hawaii, and to the important offshore area—the Commonwealth of Puerto Rico. They have suffered greatly, although in varying degree, because of the lack of adequate maritime transportation at reasonable rates, and the lack of an effective understanding of their problems by the present Federal Maritime Board, as well as by its predecessor agencies—the U.S. Maritime Commission, which was established in 1950, and the still earlier agency, the U.S. Shipping Board. In other words, we have here a chronic problem which, like any chronic disease, has become aggravated through neglect, lack of attention, and lack of correct treatment.

So far as Alaska is concerned, a change in the maritime transportation picture is absolutely imperative if our territory is to grow, develop, and fulfill its great potential destiny as not merely a State, but as a vast region, one-fifth as large as the older 48 States combined, with a coastline longer than the entire Atlantic, Pacific, and gulf coastlines of the older 48 States; as the only State which extends into the Eastern Hemisphere; and as the only State which fronts on the Arctic Ocean. So, even if Alaska only were concerned, it would still be a matter of national interest that we reach a new frontier in maritime transportation.

In appearing before the Committee on Commerce this week, I used the case system, which has been adopted in some of our institutions of higher learning—such as schools of medicine and of law—to illustrate what has been so drastically and devastatingly wrong with the maritime picture in relation to Alaska. I hope my statement will be read by my colleagues both in the Senate and in the House, because I feel it essential that the President's Reorganization Plan No. 7 be approved.

I ask unanimous consent that my testimony before the Commerce Committee on July 19 be printed at this point in the RECORD.

Likewise, on a related subject, I ask unanimous consent that my testimony before the Commerce Committee this morning, July 20, on the subject of dual rates, be also printed in the RECORD. This deals with the efforts of my colleague, Senator BARTLETT, and myself, to amend the steamship conference dual-rate bill, in order to void the inexcusable 30-percent surcharge on maritime rates between Alaska and Japan. I ask unanimous consent that the amendment likewise be printed at this point in the RECORD.

There being no objection, the statements and the amendment were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR ERNEST GRUENING ON REORGANIZATION PLAN NO. 7, THE FEDERAL MARITIME BOARD, BEFORE THE SENATE COMMERCE COMMITTEE, JULY 19, 1961

Mr. Chairman, I wish to thank this committee for giving me this opportunity to appear here in support of the President's Reorganization Plan No. 7 of 1961, for the reorganization of maritime functions.

On March 6, of this year, I testified before this committee in the course of hearings on problems of shipping to the offshore areas of the United States. It was clear that these areas, Alaska, Hawaii, Puerto Rico, faced special and difficult dilemmas not burdening the continental States, dilemmas for which remedial maritime measures were absolutely imperative. At that time I analyzed the plight of Alaska resulting from the imposition of unduly high water freight rates and made a number of recommendations of measures which might be taken to correct the problems we in Alaska have long recognized.

My first recommendation, which I now repeat, is the need for a new attitude on the part of the carriers that serve Alaska and on the part of the agency having regulatory responsibility for them. I said then, and it is still the case, that the carriers and the regulatory agency must show a concern for the public interest which has been sadly lacking throughout the history of maritime so-called regulation in the United States. Whatever the methods used to judge the reasonableness of rates charged by maritime carriers, it is, above all, necessary that there be no question that the first duty of such a presumably regulatory agency is to the rate paying public, and that its actions on individual cases as well as general policy matters reflect a solicitude for the public interest. That, regrettably, has not been the case since the beginning of maritime regulation. A change is long overdue.

Among the recommendations I made during the offshore shipping hearings for improvements in maritime regulation was one calling for reorganization of the present Federal Maritime Board and Maritime Administration substantially along the lines of the reorganization plan the President has submitted. I congratulate the President of the United States on having submitted Reorganization Plan No. 7 to establish a separate Maritime Commission with exclusive regulatory responsibility, divorced entirely from promotional functions which are now part of the duty of the present Maritime Board.

The new Maritime Commission, which would replace the present Maritime Board, would have five members instead of three—a change which should bring new ideas and

a fresh approach to the regulation of water carriers subject to its jurisdiction and also a desirable greater diversity of representation. I believe this change, in itself, would be productive of a hitherto untried vigorous regulatory policy which is so badly needed.

It is of particular importance that the plan of the President would relieve the Chairman of the regulatory body of responsibility for promotional efforts on behalf of the maritime industry. This important duty would be lodged in the Secretary of Commerce where it appropriately belongs. The anomalous situation now existing in which one individual is both the Chairman of the Maritime Board, in which role he exercises regulatory responsibilities, and also Maritime Administrator, a position charged with responsibility for promoting and encouraging the development of the American merchant marine, is, I believe, at the root of many of the freight cost difficulties faced by the offshore areas.

I believe the adoption of this reorganization plan is essential not only to the interests of the public dependent on water transportation but that it will also greatly benefit the water carriers.

When I testified in March, I described the present organization of the Federal Maritime Board, with its conflicting responsibilities for regulation and promotion of the merchant marine, as schizophrenic. I think the reorganization plan which the President has submitted will be the prescribed shock treatment necessary to alleviate the acute malady of the present agency.

No better demonstration of the need for the reorganization proposed can be presented than an analysis of the Alaskans' experience as a result of the present Federal Maritime Board's, and its predecessor organizations', consistent disregard of the interests of the public while unvaryingly favoring the interest of the water carriers.

As has been repeatedly pointed out, Alaska is almost totally dependent on water transportation of all commodities. For all practical purposes, Alaska is an island with respect to transportation. Thus, it is of exceptional importance that the agency which controls the rates Alaskans must pay for shipment of goods be one that can be trusted to represent the interest of the people concerned—the people at the receiving end of what has been called Alaska's lifeline; namely, maritime transport.

The reason for this is apparent, given the cruelly high and steadily soaring rates which Alaskans must pay for water transportation. These excessive rates have been the chief hindrance to the development of the potentially rich resources of this vast area. Having been at the mercy of the dominant carrier to Alaska and the so-called regulatory agency which has approved one rate increase after another, Alaska has never been able to begin the utilization of its great resources. It is regrettably true that almost any economic problem facing Alaska depends for solution on the reduction of water freight rates.

In the face of Alaska's desperate need for lower cost transportation, the stark fact is, however, that within the last decade waterborne freight rates to Alaska have increased 56.4 percent. Between January 1, 1958, and March 1, 1961, the increases were 32.8 percent. Even now the State of Alaska is fighting another 10-percent rate increase which has been imposed upon us by the carriers.

For Alaskans the lack of adequate protection of their interests by the Federal maritime regulatory agencies is an old, old story, going back to the days of the U.S. Shipping Board, the predecessor of the U.S. Maritime Commission, which was the agency having jurisdiction over water freight rates when I was appointed Governor of Alaska in 1939. It was already an old story then.

In those days, before statehood, a constant preoccupation of the Territorial Legislature, beginning with the first legislature in 1913, was with means of prevailing upon the Federal Government to bring down the cost of shipping—an area of legislation and regulation in which the Territory was helpless.

In 1939, shortly before I became Governor, the legislature adopted a memorial requesting the investigation of maritime freight rates. "Freight tariffs," said the legislators, "have been increased to a point where they are now excessive and beyond the value of the service rendered." With much effort, following this expression, an investigation was secured from a reluctant Maritime Commission, and the investigators of that Commission indeed found the rates to be excessive. They so reported, calling for rate reduction, and calling attention to discriminatory rates.

But, the result was the same as it has been repeatedly. In May 1940, while the investigation of the excessiveness of the rates against which the Alaska legislators had protested and not yet gotten underway, the carriers obtained from the Commission a further 15 percent rate increase on passenger and freight rates. To those who may be interested in reviewing Alaska's historic struggle to obtain lower freight rates, I would make reference to chapters 18 and 27 of my book, "The State of Alaska," in which are recounted factually the long losing struggle during territorial days. Today we are still fighting another battle of the same war.

Even with statehood a reality, we are, in 1961, even as in the 1920's, the thirties, the forties, and the fifties, fighting yet another rate increase—fighting against imposed financial burdens that have become intolerable. The so-called Alaska lifeline has been pulled to the point of strangulation.

I think an analysis of this present case, now before the Maritime Board, may well serve to illustrate the need for reorganization of the existing regulatory system. This case began on December 9, 1959, when the Alaska Steamship Co., the largest single carrier in the trade, notified the Federal Maritime Board of its intention to increase water freight rates to Alaska by 10 percent. This increase came on top of a 15-percent increase which had been granted by the Federal Maritime Board just the year before, in 1958. So, in this short period the Alaska Steamship Co. filed rate increases of 26.5 percent to be piled onto the burden of already highly inflated transportation costs to Alaska.

Immediately upon notification of the intention of the carrier to increase its rates, the State of Alaska filed a formal protest against these increases and my colleagues, Senator BARTLETT and Representative RALPH J. RIVERS, and I personally appealed to the Maritime Board to withhold the imposition of the increase until a hearing could be held. We pleaded with the members of the Board to exercise their statutory authority to suspend the rate increase for the period of 120 days provided by law at least until the arguments in opposition to the increase could be presented by the State.

To our dismay, but perhaps we should not have been surprised, the Maritime Board peremptorily refused to grant this stay of the rate increase. The 10-percent increase automatically went into effect on January 10, 1960, 30 days after the Alaska Steamship Co. had requested it.

The Board stipulated that the carriers maintain an account of all foreign moneys received by reason of the increase and refund to the shippers any freight charges collected under the increased rates which might, eventually, be found by the Board to be in excess of just and reasonable rates.

One of the shocking aspects of this action was that, at the time the matter was presented to the Board, one of its three members, Mr. Sigfrid B. Unander, who had been only recently nominated as a member of the Board, expressed his general unfamiliarity with the issues raised by the proposed rate increase. Indeed, his nomination had not even been considered by the Senate Commerce Committee. Nevertheless, he joined the other members of the Board in denying the request of the State of Alaska that the rate increase be suspended pending a hearing.

It has always seemed to me that, in view of Commissioner-designate Unander's admitted unfamiliarity with the matters to be determined after hearing and review, it was improper for him to concur in this decision, and that he should, at least, have abstained from acting on it.

The congressional delegation noted, moreover, that the action of the Board was taken with only the most cursory review—if any—of the matter. The Board should have, at the very least, considered the protest of the State with reasonable deliberation rather than immediately rubberstamping the request of the carriers.

It was and is perfectly clear to the people of Alaska that, even should the 10 percent increase be denied, and overcharges refunded to shippers, this is of no relief whatever to the ultimate consumers—the victims of the ever-mounting charges. These rates which have gone into effect are immediately imbedded in the inflated economy of Alaska, and the people who have paid for commodities of which added shipping charges have increased the price will never get their money back, and would not get it back if the rate increase was disallowed.

Another aspect of this allowance of the rate increase which has a bearing on the regulatory procedures of the Board is that, in addition to the fact that the money will never be refunded to the consumers who pay the freight, there is, actually, no fund established to repay the shippers. Even that condition, allegedly stipulated by the Board, the Board did not have carried out.

This was discovered by counsel for the State during the course of hearings which have been held on the rate increase. It was the subject of a petition for enforcement of an order of the Board, in which the State pointed out that the Board allowed the increased rates and charges to go into effect without suspension in express reliance on the agreement of the carriers to set up a special account presumably to protect the consumers of the transportation service. However, it was found that the respondent, Alaska Steamship Co., failed to establish any such account on its books. In the hearings an officer of the company stated that this account had not been established and that, on the contrary, the moneys received from the increased rates were simply thrown in with commercial revenues. The State's petition for enforcement of the Board's order was without avail. Indeed, the Alaska Steamship Co. was not required to set up the account which the Board had stipulated on the pretext later advanced by the Board that the carrier was maintaining records (i.e., bills of lading) which would serve to identify the persons to whom refunds would be payable. Such records, of course, add nothing to the protection of the public, since they would have been available in any event. It seems clear that the Board's later reinterpretation of its original order violated the intent expressed therein.

Now, let us look at the record in this case as set forth in the brief of the State of Alaska. The State has investigated carefully the facts on which to base its opposition to the rate increase. From this record, it is clear that the Alaska Steamship Co., contrary to the impression it has attempted to create, which the Federal Maritime Board so promptly subscribed to, is not losing money. Quite the contrary.

Although the Alaska Steamship Co. has come crying to the Federal Maritime Board that, once again, freight rates to Alaska must be increased, it has earned, at a very conservative estimate, and on the basis of rates in effect prior to the current 10-percent increase, a return on its investment in 1958 of not less than 19.74 percent, and in 1959 of not less than 8.335 percent and not less than 13.246 percent for the 2-year period. The State of Alaska estimates that, with the application of more realistic depreciation periods for its vessels than are now allowed by Federal Maritime Board the profits of this carrier actually range between 21.931 percent and 22.737 percent for 1958; between 9.697 percent and 10.528 percent for 1959; and between 14.659 percent and 15.484 percent for the 2-year average.

Not bad. Why then the tearful pleas that the maritime carrier needs this further rate increase.

The fact is that the Alaska Steamship Co. is a family-owned corporation which has widely diversified interests, many of which have been financed, directly or indirectly, by the people of Alaska. During 16 years (from 1944 to 1959) in which the Skinner family has controlled the company, the ratepayers of Alaska have contributed in excess of $9 million in profits and gains to this family. Further, under the benevolent care of the Federal Maritime Board, assets of this company—paid for by Alaskans—have been repeatedly used for additional personal private gains.

For example, in addition to the earnings from the carrier trade, there have been profits to the company from its affiliated enterprises—accruing from charges to the ratepaying public. Counsel for the State of Alaska contend that profits from two of these affiliates—Alaska Terminal & Stevedoring Co. and the Ketchikan Wharf Co.—yielded total profits to the Skinners of $965,473 during the years 1955 through 1959.

Further, the shareholders of this profitable enterprise have exhibited exceptional skill in the use of corporate assets for their private profit which may be admired as an exercise in the art of making money but which demonstrate a cavalier disregard for the interest of the people served by the company.

In the course of its investigation pursuant to the current rate proceeding, counsel for the State of Alaska have found that personal profits of $361,311 accrued to David E. Skinner, president of the Alaska Steamship Co. and a principal stockholder of the company, and to Robert J. Behnke, his brother-in-law, from an intricate maneuver which they financed by funds borrowed from a wholly owned subsidiary of the corporation—the Alaska Terminal & Stevedoring Co.

An analysis of the records discloses that, in 1955 D. E. Skinner and R. J. Behnke each borrowed the sum of $94,000 from Alaska Terminal & Stevedoring Co. With this money they acquired a 49.9375 percent interest in Tanana Terminals, Inc., a corporation providing van equipment in the Alaska trade and then under the control of Jack Garrison.

On May 31, 1957, a new corporation—Arctic Terminals, Inc.—was incorporated and on June 30, 1957, received an installment stock subscription for $1 million (none of which was paid at the time), $490,000 from Alaska Terminal & Stevedoring Co. and $510,000 from Consolidated Freightways, Inc. On the same date Arctic Terminals—the new corporation—purchased the stock of Tanana Terminals for $1,100,000, took over Tanana's equipment and, thereupon, became liable to the former stockholders of Tanana in the amount of $1,100,000, of which $549,311 was payable to David E. Skinner and Robert J. Behnke, and the remainder to Jack M. Garrison.

Thus, Skinner and Behnke accumulated a profit of $361,311 from the investment of funds conveniently borrowed from a corporation in the Alaska trade under their control.

The money for this maneuver came from the Alaska ratepaying public. Arctic Terminals, the purchaser of the stock in Tanana owned by Messrs. Skinner and Behnke, has received from the shipping public more than $2 million between January 1, 1957, and March 1960. These payments come from pickup and delivery charges as well as charges for water haul collected by Garrison Fast Freight as part of a division of revenues with Alaska Steamship Co. under a section 15 agreement filed with the Maritime Board. It is of interest to note the section 15 agreement filed by Garrison Fast Freight and Alaska Steam with the Maritime Board does not disclose the division of revenues with their common affiliate, Arctic Terminals.

Another interesting revelation of the current proceedings is the benevolent feeling of shareholders of the Skinner Corp. (parent company of the Alaska Steamship Co.) to their fellow men which is demonstrated by the establishment of the Skinner Foundation Trust. This charitable undertaking has, it is said, been organized to give meaning to the consciousness of the Skinner family of its responsibility to support worthy causes. While the Skinner Corp., parent company of the Alaska Steamship Co., has made no contributions to this fund, Alaska Steamship Co. has been made to contribute during 1958, $39,620 to the trust fund, and, in 1959, $10,500.

I do not wish to be understood as criticizing charitable contributions to worthy causes. The point is that there is no reason why the Alaska ratepayer—and that means every Alaskan—should be called upon to make involuntary contributions, through the Alaska Steamship Co., to beneficiaries selected by the Skinner family. Such charitable contributions as the Skinners wish to make should be borne by the stockholders of the company, and not by the ratepayers.

There are other instances in which the Alaska ratepayers have contributed to the welfare of the Skinner family.

Among these is the provision from Alaska Steamship Co. revenues, of a private banking facility for the Skinner Corp. The incident recounted above in which funds were borrowed from Alaska Terminal & Stevedoring Co. to purchase stock in Tanana Terminal is but one example. Other borrowings from the Alaska Steamship Co. by the Skinner Corp. have been analyzed which demonstrate repeatedly the convenience to the stockholders of Skinner Corp. of the availability of funds which the Alaska Steamship Co. has at its disposal.

The exploitation of Alaska ratepayers has been going on for a long time without challenge by the Federal Maritime Board or its predecessors. Further, and equally distressing, the Board has failed to come forward with constructive suggestions or proposals for improving service at lowered costs.

Perhaps the most striking example of the failure of the Maritime Board to act to protect the public interest of Alaska was its failure to investigate charges that the Alaska Steamship Co. has unlawfully restrained commerce and has exercised a monopoly over the trade to the detriment of those served by it with the result of successfully excluding competition which might bring down the rates.

More than 10 years ago the Department of Justice filed an indictment of violation of the antitrust laws against the Alaska Steamship Co., and, at the same time, a civil complaint against the company based on the same charges. Alleging that the Alaska Steamship Co. had engaged in an unlawful combination and conspiracy to restrain trade and commerce, the Department of Justice charged, specifically, that the defendants had agreed to obtain a monopoly of water transportation to Alaska by the following means, as quoted from the civil complaint of the Department of Justice:

"1. By acquiring control of, eliminating competition with, and merging the operations of Northland Transportation Co. and the Alaska Steamship Co., the two largest water carriers in the Alaska trade;

"2. By hindering, obstructing, and preventing others from chartering vessels for the purpose of entering the Alaska trade in competition with them;

"3. By attempting to acquire control of, eliminate competition with, and merge their operations with the operations of the Alaska Transportation Co., their largest remaining competitor in the Alaska trade;

"4. By entering into agreements with shippers by the terms of which such shippers are required to deal exclusively with them and to refrain from doing business with competing water carriers;

"5. By utilizing their position as the only carrier serving the whole of Alaska as well as their position as the only carrier offering a full line of shipping service to coerce shippers to ship exclusively with them.

"(a) By threatening to limit, delay, or withdraw the service of carrying supplies north to canneries and fisheries and other industrial users in Alaska unless such shippers patronize them exclusively in the transportation of fish, fish oil, and other products south from Alaska;

"(b) By threatening to limit, delay, or withdraw the service of transporting perishables under refrigeration unless shippers desiring or requiring this service patronize them exclusively in the transportation of nonperishable freight;

"(c) By threatening to limit, delay, or withdraw the service of transporting passengers, unless shippers desiring or requiring such service patronize them exclusively in the transportation of freight;

"(d) By threatening to limit, delay, or withdraw the service of transporting dry cargo, unless shippers desiring or requiring such service patronize them exclusively in the transportation of fish oil or other bulk liquids;

"(e) By threatening to limit, delay, or withdraw service to shippers patronizing any other water carriers;

"(f) By threatening to limit, delay, or withdraw service to shippers to, from, or between points in Alaska, which only defendants serve, if shippers requiring or desiring such service patronize any other water carrier to, from, or between any other Alaska points;

"(g) By threatening to increase freight rates on particular commodities unless shippers of such commodities deal exclusively with them and refrain from dealing with any other water carrier;

"(h) By offering to reduce and reducing freight rates on particular commodities if shippers deal with them and refrain from dealing with other water carriers;

"(i) By inducing and compelling shippers to breach existing contracts and agreements to ship freight with other water carriers by the several means alleged in subparagraphs (a) through (h) of this subparagraph;

"(j) By causing field representatives and agents of defendants to determine the identity of shippers who patronize other water carriers by maintaining a systematic surveillance of docks and terminals, by obtaining access to competitors' freight manifests, and by other means and by thereafter causing said field representatives and agents of defendants to call upon shippers who have patronized another water carrier, and inform said shippers of defendants' awareness that the shippers have patronized another water carrier, demand an explanation of the shippers' conduct, threaten said shipper in the manner alleged in subparagraphs (a)

through (h) of this subparagraph if said shipper again patronized another carrier, and by other means intimidate, harass, and annoy said shipper;

"6. By scheduling or diverting their ships so as to split and reduce cargo available to other water carriers;

"7. By denying other water carriers reasonable access to dock and terminal facilities at Alaskan ports;

"(a) By diverting or scheduling defendants' ships to arrive before the arrival of competitors' ships and by unreasonably delaying the departure of defendants' ships for the purpose of blocking the dock or terminal facilities;

"(b) By threatening to delay or to misroute freight destined to a particular Alaska port unless the ships of other water carriers are required to move from dock and terminal facilities granting defendants' ships immediate access thereto."

Further, the complaint alleged that the Alaska Steamship Co. had also undertaken to eliminate competition by land carriers to Alaska:

"1. By hindering, obstructing, and preventing the movement of freight from Canada and the continental United States to interior Alaskan points by rail and motor carrier by inducing and persuading railroads to refrain from establishing rail rates requested by motortruck carriers;

"2. By hindering, obstructing, and preventing the movement of freight by motortruck carrier from Alaskan ports to interior points by limiting, withdrawing, or refusing to furnish water-carrier service necessary to such movement."

The suits filed were dismissed in September 1952 on the sole ground that the Federal Maritime Board had primary jurisdiction over the alleged practices. However, the Board chose not to exercise that jurisdiction.

On March 7, 1960, I addressed a letter to the then Chairman of the Federal Maritime Board, Mr. Clarence Morse, asking whether, in view of the serious nature of the allegations of the Department of Justice and the power of the Maritime Board to investigate them, any investigation had ever been undertaken on the motion of the Board, itself, as is provided for in section 22 of the Shipping Act of 1916. The reply was, simply, that the Maritime Board had done nothing—a reply I regard as one more reason to support the plan to reorganize the maritime regulatory agency of the Government.

Mr. Chairman, the purpose in presenting this case study of a carrier which has been regulated—if we may use that word—by the Federal Maritime Board is to demonstrate, by example, the total failure of the present machinery to work for the benefit of the public.

I believe that if the Alaska water carriers were compelled to operate in the public interest; if they were required to account realistically for their earnings; if they were not allowed to charge the public for enterprises of profit to stockholders for which the ratepayer receives no benefit; if their rates were established by application of standards which recognize the public interest; if these things could be accomplished I believe the Alaska consumer would not have to pay as much for water transportation costs of commodities he buys as is now the case.

Another instance in which inaction by the Maritime Board has resulted in economic discrimination against Alaska is with respect to steamship conference rates. Alaska has been mercilessly saddled through the steamship conference system with an arbitrary 30 percent surcharge on ocean freight moving between Alaska and Japan. Thus, though the distance from Tokyo to Anchorage is appreciably less than from Tokyo to Seattle, Portland, or San Francisco, the ocean freight rate between Tokyo and Anchorage is computed by arbitrarily adding to the rate between Tokyo and San Francisco an additional amount equal to 30 percent. This is a deliberate and callous maneuver to discourage the development of the infant but growing commerce between Japan and Alaska—a commerce which, if permitted to grow without artificial hindrance, holds great promise of aiding in reducing Alaska's abnormally high cost of living.

Yet the Maritime Board has taken no action to declare void this arbitrary surcharge against freight to one of the States of the Union.

As the distinguished chairman of this committee knows, we recently sought to correct this situation by legislation and we are grateful for his promise to consider our amendment at his forthcoming hearings on the dual steamship rate bill and for his consideration of Alaska's plight.

But if the Maritime Board had been and were now alert and anxious to protect the public interest, it should not now be necessary to press for remedial legislation.

I cannot help but believe that an improvement in the regulatory machinery on which we must depend to save Alaska from economic strangulation will at least give us a fighting chance to lower the water freight rates.

So long as we are confronted with an agency having, in combination with regulatory responsibilities, a duty to promote and encourage the American merchant marine it will not be possible to protect the interest of the public. I am in firm agreement with the President, who stated in his message on this plan that "intermingling of regulatory and promotional functions has tended in this instance to dilute responsibility and has led to serious inadequacies, particularly in the administration of regulatory functions."

The excessive freight rates which burden every article transported to Alaska are in large measure responsible for the high cost of living in Alaska. The relation between these high costs and the exorbitant freight rates is evidenced by the progressive increase in living costs as we proceed along the line over which freight is transported. Thus, using Seattle cost of living as a base point, data compiled in 1959 show that the cost of living in Alaska rises by 19.2 percent at Ketchikan, 21.8 percent at Juneau, 24.4 percent at Seward, 30 percent at Anchorage, and 48.3 percent at Nome, above the cost of living at Seattle.

It must be constantly kept in mind that the high cost of living is one of the greatest obstacles to Alaska's growth and development.

I urge this committee to support Reorganization Plan No. 7 to reorganize the maritime functions of the Government in order that this proposal may become effective as soon as possible.

STATEMENT OF SENATOR ERNEST GRUENING ON H.R. 6775, STEAMSHIP CONFERENCE DUAL RATE BILL, THURSDAY, JULY 20, 1961, BEFORE THE SUBCOMMITTEE ON MERCHANT MARINE AND FISHERIES OF THE SENATE COMMERCE COMMITTEE

Mr. Chairman, I appreciate greatly the opportunity to appear before your subcommittee to testify on H.R. 6775, the steamship conference dual rate bill.

I do not profess to be an expert on steamship conferences and shall confine my remarks to those aspects of the conference activities which have adversely affected shipping to and from the State of Alabama.

As you know, last April the Trans-Pacific Freight Conference of Japan arbitrarily added a 30-percent surcharge to freight rates between Alaska and Japan. Alaska has a small but growing trade with Japan. We had hoped that that trade, in view of the artificially high water freight rates already in effect between Seattle and Alaska, as to which I testified earlier this week, offered a source of relief for Alaska. With an arbitrary 30-percent surcharge whatever relief could have been afforded us is effectively stifled.

Coming as it did at a time when the city of Anchorage, with great foresight and at a cost of many millions of dollars, has just opened a new, highly efficient port, the imposition of this arbitrary surcharge was a particularly severe blow. In addition to Anchorage, Japanese freighters regularly visit the Alaskan ports of Sitka and Wrangell and other Alaskan coastal cities are likely to receive these Japanese merchantmen. They present a unique opportunity for a new trade, beneficial not only to Alaska but to our now strongest supporter in the Orient. If "trade not aid" is a good policy here is a fine opportunity so to demonstrate by removing unwarranted shackles upon it.

In my opinion, Mr. Chairman, nothing more vividly illustrates the need for the imposition of controls over the actions of these steamship conferences than the action which the Trans-Pacific Freight Conference of Japan took in imposing this arbitrary freight increase on freight between Japan and the State of Alaska.

I am aware of the abuses in other areas of these steamship conferences brought out by a subcommittee of the other body under the able leadership of the Congressman from New York [Mr. CELLER]. In order that those abuses may be before the Senate when this bill is debated in the floor of the Senate, I request that a summary of the complaints brought to the attention of the Federal Maritime Board by that subcommittee be included as part of my remarks in the record of these hearings, if that has not already been done. (Senator SCOTT stated that it had been done).

I am informed that the Federal Maritime Board has lately begun to bestir itself with respect to this arbitrary and discriminatory surcharge which so adversely affects the State of Alaska. The activities of the Board at this late date, while welcome, point up the need for legislative action to forestall the repetition, as well as the continuation, of action such as was taken against the State of Alaska. It is quite curious that the Board did not begin to make sounds as though it might possibly move on this matter until after my colleague, Mr. BARTLETT, and I had proposed on the floor of the Senate an amendment to the bill extending the exemption of steamship conference dual rates from the applicability of the antitrust laws.

Late last week we introduced that same amendment, this time as an amendment to the bill now pending before this subcommittee. I ask that that amendment be printed at the conclusion of my remarks.

Our amendment is essentially a simple one, limited to a single set of circumstances. If a Governor of a State believes that a steamship conference freight rate unfairly discriminates against trade with his State, he can file a protest with the Federal Maritime Board making such an allegation. Upon the filing of such a complaint, the discriminatory rate would be suspended and the Board would be given 90 days to determine whether or not the rate complained of discriminated unfairly against the State, with the burden of proving the fairness of the rate being imposed upon the steamship conference.

Mr. Chairman, we have offered this amendment, and ask for its favorable consideration, as one means of preventing unfair treatment of any State or area of the country by steamship conference rates.

No doubt we will now be told that our amendment is unnecessary since the Federal Maritime Board—it is reported—is beginning to look at the situation with respect to this freight rate which discriminates against Alaska.

I do not agree.

The very inaction of the Federal Maritime Board to act on this matter prior to the introduction of our amendment last month indicates that without some such procedure as we are proposing there is little hope for relief from the Federal Maritime Board. I look at this action by the Board merely as a delaying tactic to forestall the adoption of our amendment.

Alaska's economy cannot long withstand this discrimination, added as it is to years of economic discrimination while Alaska was in a colonial state.

I appreciate the fact that there are those who hope that effective regulation of steamship conference rates can be delayed until the next session of the Congress, and even beyond that. I hope that that will not be the case and that the Senate Commerce Committee will promptly report to the Senate an effective version of H.R. 6775, including the amendment which we have proposed.

In any event, in view of the harsh economic effect which the 30-percent arbitrary differential has upon trade between Japan and Alaska, I shall press my amendment—or one along similar lines—with respect to any legislation dealing with the legality of steamship conference rates after September 15, 1961. To permit this discrimination against trade with Alaska to exist beyond September 15 would be intolerable. The rule that all States must be treated equally is one which must be kept inviolate. If the operation of any Federal statute—even a simple extension of exemption from the applicability of the antitrust laws to steamship conference freight rates—results in legalizing action which discriminates against a State, that statute should be changed to make certain that such discriminatory action cannot be taken.

H.R. 6775, 87TH CONGRESS, 1ST SESSION

Amendment intended to be proposed by Mr. GRUENING (for himself and Mr. BARTLETT) to the bill (H.R. 6775) to amend the Shipping Act, 1916, as amended, to provide for the operation of steamship conferences, viz: At the end thereof add the following new section:

"SEC. 8. Section 16 (first) of the Shipping Act, 1916 (39 Stat. 734; 46 U.S.C. 815) is hereby amended by adding at the end thereof the following: *'Provided,* That within thirty days after enactment of this Act, or within thirty days after the effective date or the filing with the Board, whichever is later, of any conference freight rate, rule, or regulation, the Governor of any State, Commonwealth, or possession of the United States may file a protest with the Board upon the ground that the rate, rule, or regulation unfairly discriminates against that State, Commonwealth, or possession of the United States in which case the Board shall by order suspend the effectiveness of such rate, rule, or regulation and issue an order to the conference to show cause why the rate, rule, or regulation should not be set aside; if such suspension and order to show cause issues, the Board shall within ninety days of such issuance determine whether or not such rate, rule, or regulation is unfairly discriminatory and issue a final order either dismissing the protest, or setting aside the rate, rule, or regulation.'"

APPROPRIATIONS FOR THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION—CONFERENCE REPORT

Mr. JAVITS. Mr. President, I yield 10 minutes to the Senator from Oklahoma [Mr. KERR].

Mr. KERR. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6874) to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. MILLER in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 20, 1961, p. 13065, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KERR. Mr. President, I rise to support the conference report which accompanies H.R. 6874, authorizing appropriations to the National Aeronautics and Space Administration.

On May 24, 1961, the House passed H.R. 6874, authorizing funds for NASA for fiscal year 1962 in the amount of $1,361,900,000. Shortly thereafter the President, as a result of a reevaluation of our Nation's space aims, submitted an expanded space program with an increased budget. In submitting the increased budget, the President said:

> If we are to go only halfway or reduce our sights in the face of difficulty, in my judgment it would be better not to go at all.

Mr. President, after hearings and careful consideration of the President's new budget, the Senate Space Committee on June 27 unanimously reported out an amendment to H.R. 6874 which included authorizations for $1,784,300,000 as requested by the President.

The Senate passed this bill on June 28 without dissent. The conferees have now met and accepted substantially the Senate bill as passed. Both the Senate and House Space Committees have accepted this total authorization in the amount of $1,784,300,000. The only changes were five small modifications not involving the total authorization which the managers on the part of the Senate accepted.

I ask unanimous consent that an explanation of these modifications be printed in the RECORD as a part of my remarks.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

1. The House requested that two additional items totaling $10 million in the research and development funds be included and that the $10 million in additional funding resulting thereby be compensated for by a decrease in that amount in the funds for construction of facilities. The Senate conferees agreed to this.

2. Certain language in the Senate bill authorized the vesting of title to facilities constructed as a result of grants to nonprofit institutions of higher education in the grantee. The House conferees felt that provision should be made to allow in certain cases the vesting of title in the United States. The conferees agreed to a modification of this language which would authorize title to vest in the United States unless the Administrator of NASA determined that the national program of aeronautics and space activities would best be served by vesting title in the grantee.

3. Provision was made in the House bill to authorize the sum of $2 million to be transferred from the research and development funds or construction of facilities funds to salaries and expenses if the Administrator felt such additional funds were necessary in order to defray the cost of security investigations of personnel employed by NASA. The Senate agreed to this with a modification that such additional funding should be reprogramed within the salaries and expenses account rather than transferred from either research and development or construction of facilities.

4. The Senate bill had authorized that 5 percent of the funds appropriated for salaries and expenses and research and development could be transferred to construction of facilities and when so transferred, together with $50 million of the funds for construction of facilities, be available for expenditure to construct, expand, or modify laboratories and other installations as determined by the Administrator in the event of technological breakthroughs or other emergencies which might arise. The House conferees felt this was an excessive amount and the conferees agreed to reduce this amount by authorizing 3 percent of the funds appropriated for S. & E. and R. & D. plus $30 million.

5. One further technical amendment was agreed to by the conferees which would require that under certain circumstances transfers of funds by NASA to other agencies of the Government which exceeded $250,000 would have to be reported to the responsible committees of the Congress.

Mr. KERR. Mr. President, I ask for approval of the conference report.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. JAVITS. Does this conference report concern the Hanford reactor?

Mr. KERR. No, sir.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. KERR. Mr. President, there is at the desk, accompanying the conference report, a concurrent resolution to correct a clerical error. I ask the Chair to lay the House concurrent resolution before the Senate, and that the Senate agree to it.

The PRESIDING OFFICER. The Chair lays before the Senate House Concurrent Resolution 353, which will be read by the clerk.

The legislative clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives, in the enrollment of the bill (H.R. 6874) to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes, is authorized and directed to make the following correction.

In section 2 of the bill strike out "$262,075,000" and insert in lieu thereof "$252,075,000".

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

Mr. KERR. Mr. President, I move that the action whereby the conference report was agreed to be reconsidered.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REORGANIZATION PLAN NO. 5

The Senate resumed the consideration of the resolution (S. Res. 158) that the Senate does not favor Reorganization Plan No. 5 of 1961 transmitted to Congress by the President on May 24, 1961.

Mr. MUSKIE. Mr. President, I yield 10 minutes to the Senator from Michigan [Mr. McNAMARA].

Mr. McNAMARA. Mr. President, I doubt if there is a Senator in this Chamber who has not fought on countless occasions against the delays of bureaucracy. Part of this delay, we have found, stemmed from the sheer size of our Government and the vast numbers of people who must inevitably be drawn into any decision.

But far too much of this delay is the result of inefficient procedures which we, the Congress, have built into our system. Such is the case with the procedures followed by the National Labor Relations Board.

Plan No. 5 before us now seeks to revise those procedures and thereby guarantee a Board decision within a reasonable time.

At the present time, according to the testimony of Board Chairman Frank McCullough, the median time for disposal of an unfair labor practice case is 400 days. We also know that the median period for court consideration of a Board decision is 375 days. The combined median period of final decision on an unfair practice case is over 2 years.

And this is the median time. There are as many cases on the long side of 2 years as there are on the short side.

These figures represent a mountainous array of frustration, wasted time, and money—destruction of morale, and uncertainty for all parties involved in the delayed cases.

This unnecessary delay was brought forcibly to our attention as early as 1949, in the report of the Hoover Commission. Let me read you some of the pertinent paragraphs from that report:

> Among the administrative shortcomings revealed by our staff report, none seem to us more serious than the procedural delays that presently characterize the National Labor Relations Board operation.
>
> The fault lies in the system itself. A larger volume of work is generated than can be disposed of by the Board in a reasonable manner. It is estimated that merely in order to remain current without making provision for amortization of the large backlog of cases that exists, the Board must render approximately 25 unfair labor practice decisions and 94 representation decisions per month in contested cases. In addition there are stipulated cases, which require some Board attention; union shop election matters; questions of general policy; and administrative responsibility.
>
> This workload must be viewed against the background of the Board's obligation. * * * The Board must have time to deliberate in deciding these cases, which may be of crucial importance for the future of American labor-management relations.

That was 12 years ago. The Taft-Hartley Act had not yet been fully established. And it was a decade before the Labor-Management Reporting and Disclosure Act of 1959 was passed, creating many new and more difficult problems in this field.

In 1949 the Hoover task force recommended almost the identical procedures now contained in Reorganization Plan No. 5. They suggested that as a solution for the delay problem:

> Decisions rendered by trial examiners at the conclusion of unfair labor practice trials should become final orders of the Board, unless within a specified period they are certified to the Board for review either by the trial examiner or by a panel of the Board.

Reorganization Plan No. 5 would also make the decision of the trial examiner the final order of the Board unless two members of the Board voted to bring the matter before the Board for review.

In the 86th Congress, the Labor Subcommittee of which I am now honored to be chairman, convened a blue ribbon panel to study this problem of delay, as well as other issues in the labor relations field. That panel, comprised of some of the most illustrious names in the field of labor-management relations, submitted a unanimous report on this topic. Their major recommendation was identical to that contained in the Hoover report and in plan No. 5; namely, that the best chance for reducing delay rested in allowing the trial examiner's decision to stand unless the Board itself called it up.

Further, the Labor Board Chairmen appointed during the Eisenhower administration have given their full support to it; the present Board General Counsel, also appointed during the Eisenhower years, endorses it; and finally the entire full membership of the present Board, Republicans and Democrats alike, tell us that the plan is urgently needed.

Given this substantial body of testimony favoring the steps outlined in plan No. 5, where does its opposition arise? It stems from those who benefit the most from such delay, from those who are the defending parties in two-thirds of the unfair labor practice cases pending with the Board, from employers who fail to acknowledge rights of working people to organize. The basic objective of seeking relief before the Labor Board is to end the unfair practices in which either the employer or the union is engaged.

A system which allows those practices to continue, at the whim of either for a median time of 2 years, is obviously wrong. Former Board member Joseph Jenkins testified:

> There are people practicing law who specialize in doing nothing else except delaying those cases. They make their living that way.

Exceptions are filed before the Board in approximately 76 percent of its cases. This has been a constant pattern for a good many years.

Board Member Jenkins stated that, in his random sampling of decisions in volume 101 of the Labor Board cases, he found that approximately one-third were handled with one-page rubber-stamping actions on the trial examiner's report.

This means that the Board issued a short one-page formal decision, affirming the trial examiner's report. Jenkins said this meant:

> Nobody had any basis for taking exceptions to the intermediate report in the first place. But somebody, either on management's side or on labor's side, found it to their advantage to delay the processes of the Board. They filed the exceptions to the intermediate report for one purpose only—to secure delays.

If an employer refuses to bargain collectively on June 9, 1959, how much good will be done by an order issued on December 1, 1961?

If an employer coerces employees because they want to form a union, what good does it do to have a court order 3 years later, after the employees have suffered years of blacklisting and denial of employment?

Will the other employees be encouraged under such a system to exercise the rights which the Federal Government says they have?

This Congress has been on several occasions mightily concerned with those who must grope their way through the maze of government. Some 2 years ago, we quite rightly passed legislation that greatly reduced the time necessary for the National Labor Relations Board to resolve a disputed union election case.

I am certain this was done in the name of fairness and justice, and not in the name of employers' prerogative.

From what I read, we will soon act on a tax bill which is marked by its solicitude for those who will now have their taxes on dividend income withheld from their checks. Unlike the ordinary taxpayer, who must wait until the end of a tax year for his refunds, these afflicted few will be able to draw on the Treasury at the end of each quarter.

And firms paying the dividend will be compensated for the new redtape we present them by holding on to this withheld money for a time in which it will earn funds to bookkeep the new tax system.

It is my belief that our approval of plan No. 5 will demonstrate our concern for the millions of Americans whose rights and relations with their employers depend on the effectiveness of the National Labor Relations Board.

In conclusion, I want to make one point absolutely clear to everyone. No one's right to review, either by the Board or by the courts, will be denied or curtailed by plan No. 5.

As to the Board, the decision of the trial examiner may be reviewed either by the Board acting on its own or on petition of a party to the proceeding.

In the latter instance, just two members of the Board may order such a review even though a majority of the Board may disagree.

And nothing is changed as to court review. The same procedures now followed will continue to be the law as to all Board cases.

Plan No. 5 is no radical departure from the present—it is only a moderate attempt to avoid the abuses of the past.

LEGISLATIVE PROGRAM

Mr. TALMADGE. Mr. President, will the Senator from Maine yield to me so I may make an inquiry of the majority leader?

Mr. MUSKIE. I yield to the Senator from Georgia.

Mr. TALMADGE. May I ask the majority leader what the program is for the remainder of the week and for Monday of next week?

Mr. MANSFIELD. After we move to the next matter of business, which will be Calendar No. 544, H.R. 7208, the legislative appropriation bill, it is agreed that we will then consider the items on the calendar to which there is no objection. When those are disposed of, we will adjourn from tonight until Monday at 12 o'clock noon.

On Monday we will take up the farm bill. Because of the interest in the farm bill, if there are any votes to be had, it is the intention of the leadership to seek an agreement to the effect that those votes will be taken on Tuesday, and therefore no yea and nay votes will be taken on Monday.

After the farm bill, there will be taken up the independent offices appropriation bill, the Health, Education, and Welfare bill, certain nominations later in the week, and, if the foreign aid bill is ready, it will be taken up later that week as well.

So I would say that will be the business. I do not anticipate that there will be any yea and nay votes on the measures to be further considered this afternoon. If there are to be any yea and nay votes on the farm bill, the leadership will try to work out an agreement, which I think we can, that they will be taken on Tuesday.

Mr. TALMADGE. I thank the distinguished majority leader, and the distinguished acting majority leader for yielding to me.

Mr. PASTORE. Mr. President, before the Senator leaves, will he yield to me?

Mr. TALMADGE. I am delighted to yield.

Mr. PASTORE. What does the majority leader intend to do about the modification of the Federal communications law?

Mr. MANSFIELD. Are the reports ready for that bill?

Mr. PASTORE. I understand the reports are ready. This is not a controversial matter. I would hope we could dispose of it. It is a reorganization of the Federal communications law. We have gone through it in committee. We have had protracted hearings. I do not think there is any objection to it. I think we ought to dispose of it this afternoon if we could. I hope the majority leader will do that. I do not expect any record votes on it today.

Mr. MANSFIELD. I may say to the distinguished senior Senator from Rhode Island that I will look into the matter and, if at all possible, I will schedule it immediately after the legislative appropriation bill.

Mr. PASTORE. I thank the Senator.

Mr. KUCHEL. Mr. President, I wish to say, most respectfully, that the minority leader [Mr. DIRKSEN], as my friend knows, is absent, and will be absent during the rest of the week. I believe he has an interest in that legislation. I wonder if, under those circumstances, my able friend would accede to a request that it not be taken up until next Tuesday?

Mr. MANSFIELD. Mr. President, I make the request of the acting minority leader that, if possible, he get in touch with the Senator from Illinois [Mr. DIRKSEN], to find out what are his wishes in this respect, and let us know. I shall be guided accordingly.

Mr. KUCHEL. That I shall do.

Mr. PASTORE. I hope, if the Senate does go over until next week, that we shall be able to fit in consideration of the measure between the consideration of important bills.

Mr. MANSFIELD. If it turns out that way, that is what we shall do.

REORGANIZATION PLAN NO. 5

The Senate resumed the consideration of the resolution (S. Res. 158) that the Senate does not favor the Reorganization Plan No. 5 of 1961 transmitted to Congress by the President on May 24, 1961.

Mr. MUSKIE. Mr. President, I wish to make a statement in support of Reorganization Plan No. 5.

The National Labor Relations Board is in crisis. It is smothered by a workload that prevents expeditious handling of routine cases and thoughtful consideration of policy. Employers tell us that they win their cases before the Labor Board, but victory comes too late—after they have been forced out of business by an illegal boycott or other unfair labor practice. Unions complain that their Labor Board triumphs are pyrrhic; they win the litigation but lose the battle. Employees beset by unions or their company merely shrug it off and walk away; a favorable decision a year and a half away makes no difference.

All—the AFL–CIO, the NAM, the chamber of commerce—are agreed that some remedial action is necessary. The statistics bear this out. In fiscal 1960, the Board members issued decisions in 4,122 cases of all types. This averages to over 11 decisions a day throughout the entire year. Should we permit the Board members a 2-week vacation plus Saturday afternoon and Sundays, the per day decision load is 15. Moreover, the problem grows daily more acute.

In unfair practice cases alone, the "intake" of appeals at the Board level continues to mount. In fiscal 1959, the Board received 380 appeals in this type of case; in 1960, the figure was 612; and in 1961, it rose to 740, almost double the figure just 2 years earlier, almost 3 unfair labor practices cases per working day. The Board's backlog has more than doubled and is at the highest level in its history. No Board member, whatever his intelligence, his physical stamina, his ingenuity, can keep abreast. Something must be done about the situation.

Plan No. 5 permits the Board to delegate greater authority to the independent trial examiners who now initially decide the unfair labor practice cases, screening all cases wherein review is sought, giving full deliberation to those cases which more than one member believes wrongly decided or otherwise important.

The chaff now buries the wheat in the grist of the NLRB unfair labor practice mill. Expert testimony confirms that many frivolous appeals are taken for selfish time-delaying reasons. Most of the cases which get to the Board are not difficult or policymaking. Nine out of ten call for no more than the resolution of factual issues; the Board acts with unanimity in about 80 percent of the unfair labor practice situations. Thirteen percent of the cases are reversed by the Board in part, 6 percent are reversed in full, and 3 percent are remanded for further proceedings. These are frequently the tough cases, the policymaking cases, the cases that deserve full Board attention if error is to be undone. But now the median time for decision—from filing of complaint to Board decision—is 404 days; plan No. 5 would enable the Board to grant limited review to all cases but would permit longer review of the important cases and would cut the time consumed in the decision process by 4 to 5 months.

The principle of plan No. 5—that the resolution of disputed facts in administrative cases by trial examiners should have greater finality—is nothing new.

Every public and independent study group over the past 20 years which has studied the problem of administrative operation, both generally and at the Labor Board, has found that delay is a major problem and that a key to solving this problem is the solution provided by plan No. 5.

The choice is between plan No. 5 and a more efficient Labor Board or rejection of plan No. 5 and a Labor Board which is way behind in its caseload—and this in an area where justice delayed is indeed justice denied. The only ones who can possibly oppose plan No. 5 are those who thrive on delay and confusion. Those who favor an efficient, up-to-date administrative agency giving practical enforcement to the laws we have drawn, must support the President's plan No. 5.

I would like to note that plan No. 5 has received bipartisan and unanimous support from all the members of the Labor Board. Boyd Leedom, Chairman of the Labor Board during much of the Eisenhower administration, testified as follows:

> I cannot see any valid objection that has been raised to the plan, and I think that enactment is an important thing to the Board in trying to keep up with the Board's terrific caseload. And I sincerely hope that the Republican members—and I say that because I am a Republican—will see fit to support this plan. I can't see that it is a partisan issue at all. I can't see that it is

an issue between labor and management. I say it is simply streamlining, expediting things that should be enacted.

Let us give the Democratic and Republican members of the Labor Board, who testify that plan No. 5 is essential, the opportunity to get on with their work in an efficient manner with the tools required by the measure of the task.

Mr. MUSKIE subsequently said: Mr. President, earlier this afternoon I made a statement in the Senate in connection with Reorganization Plan No. 5. I ask unanimous consent that there be printed in the RECORD at the conclusion of that statement a summary analysis of the Reorganization Plan No. 5 prepared by the National Labor Relations Board.

There being no objection, the summary analysis was ordered to be printed in the RECORD, as follows:

SUMMARY ANALYSIS OF REORGANIZATION PLAN NO. 5 (PREPARED BY NATIONAL LABOR RELATIONS BOARD)

PROVISIONS OF PLAN

Permits delegation of Board's functions and decisional powers to panels or members, hearing officers or employees, subject to section 7(a) of the Administrative Procedure Act; subject also to discretionary review by Board as prescribed by rule, to be granted on vote of one less than majority of Board (i.e., by two members), actions not reviewed to be deemed the actions of the Board.

There is no provision to increase Chairman's powers.

PRIMARY PURPOSE

To convert full, de novo review of contested trial examiners' intermediate reports in unfair labor practice cases from an automatic to a discretionary basis to cut delays, reduce backlog, and improve quality of Board's work.

JUSTIFICATION

General acceptability of trial examiners' work:

	Percent
No review sought	24
On review, Board affirms in full	54
Affirmed in part	13
Reversed	6
Remanded	3
Total	100

That is, 78 percent affirmed in full; 91 percent affirmed in full or in part.

Caseload intake increasing from 13,000 annually 4 years ago to over 23,000 in 1962.

Board's production increasing from 1,900 proceedings 4 years ago to over 3,200 in current year.

But backlog has grown to record heights (440 contested complaint cases over 1 year's production; 676 representation cases, a 3-month supply).

Delays: median time from filing unfair labor practice charges to Board decision is 400 days; median time in representation cases 85 days—far too long.

CONGRESS DID IT FOR ELECTION CASES

Congress in 1959 Landrum-Griffin amendments authorized Board to delegate representation case decisions to regional directors, subject to discretionary review, which Board has carefully formulated and put in operation as of May 15, 1961.

BIPARTISAN SUPPORT

Members of the NLRB—Republicans and Democrats alike—unanimously endorse the plan as essential to the Board's functioning. The Cox advisory panel, including management, labor, and public representatives, supported the principle of allowing the Board to delegate complaint case decisions to trial examiners, subject to discretionary review by the Board.

NATURE AND PROBABLE GROUNDS FOR REVIEW

Every petition for review would be acted upon by Board.

If follow review procedures for R cases, would grant full review if: (a) demonstrable error of fact; (b) substantial or novel issue of law or policy; (c) failure to give fair procedure; or (d) other compelling reasons.

If only two members so vote, review would be mandatory.

Every final order, even where full review is denied, can be appealed in the courts.

EFFECTIVE DATE

Plan 5 submitted May 24, 1961; in absence of disapproval would become effective July 24, 1961.

Objections to plan 5	*Answered*
(a) Permits delegation of broad power to subordinate employee—GS–9.	(a) Not correct. Reference to Administrative Procedure Act requires delegation of decisional power either to Board member or to officer selected under that act and acting under its procedures. At NLRB, this is trial examiner only.
(b) Permits delegation of rulemaking to subordinates.	(b) NLRB has never acted by rulemaking, as some other agencies do. This is too inflexible for complex and diverse situations in industrial relations. NLRB acts on a case-by-case basis. Rulemaking is not one of its functions.
(c) Deprives litigants of review rights.	(c) No substantial right is lost under plan. It adopts review procedure like that authorized by Congress in 1959 for representation cases. It limits full, de novo review to meritorious cases, or ones where two Board members so vote. But every petition for review of trial examiner's decision will be reviewed in first instance by Board to see if it has merit. Screening out unreasonable demands for review will allow Board to give fuller attention to meritorious cases. Court review not affected. All final orders, including those where full review is not allowed, are subject to court review.
(d) Give Chairman undue powers.	(d) Not correct. Plan does not increase Board Chairman's powers. It does not include section 2 which was included in other plans for that purpose.
(e) Allows Board to undo Congress delegation authorization to Board in 1959 in representation cases.	(e) Against background of 1959 law and Board's action under it, this plan allows similar delegation, but to trial examiners, in unfair labor practice cases. It cannot properly be construed to override or disturb the explicit congressional action of 1959, or to allow the Board to do so. An interpretation giving full effect to both actions is the only reasonable interpretation.
(f) Congress should set grounds for review, not leave these to Board to set up, as plan does.	(f) But Congress in 1959 left to the Board the setting of grounds for review in R cases. The Board did this only after consultation with persons from management, labor, and public interests. It plans a similar procedure on unfair labor practice cases. This approach, which is more flexible, has been widely accepted. To insist on doing it by amendments to the Taft-Hartley law or Administrative Procedure Act is likely to open up many other issues and lead to lengthy debate.
(g) The trial examiners are not Presidential appointees and their decisions should not be given any finality.	(g) Board's trial examiners are selected under Administrative Procedure Act from special register and ratings prepared by Civil Service Commission; 24 percent of their decisions are now accepted by parties and become final orders of Board automatically; 52 percent more are fully affirmed by Board. By test of experience, their work is entitled to same confidence Congress evidenced in 1959 by allowing Board to delegate R case decisionmaking to regional directors, also not Presidentially appointed. Decisions under both delegations, of course, are subject to Board review.
(h) Plan is vague and too broad.	(h) As applied to basic functions of NLRB this does not hold true. Plan is clear and delegation under it is more restricted than under Congress action of 1959 in two respects: (1) the specific reference to the Administrative Procedure Act; and (2) the provision allowing only two Board members to compel full, de novo review of trial examiners' decisions.

Mr. MUSKIE. Mr. President, I ask unanimous consent to have printed in the RECORD two letters and a telegram, which I have received from employers and employer groups, endorsing Reorganization Plan No. 5.

There being no objection, the letters and telegram were ordered to be printed in the RECORD, as follows:

BROWN CENTURY CORP.,
New York, N.Y., July 17, 1961.

Hon. EDMUND S. MUSKIE,
U.S. Senator, Senate Office Building,
Washington, D.C.

HONORABLE SIR: We are writing you to urge your support for the proposed Reorganization Plan No. 5 which will effectively aid the more rapid disposition of unfair labor practice cases by permitting the National Labor Relations Board to delegate greater authority to trial examiners and other qualified personnel. As an employer, we recognize that sound labor relations depends on machinery which can quickly dispose of union-employer disputes. Delay in the handling of unfair labor practices will often aggravate an already difficult situation.

We believe that the proposed reorganization plan, while safeguarding due process and the right of appeal, will effectively accomplish the most desirable goal of expediting the disposition of unfair labor practice cases.

We therefore strongly urge that you give your support to Reorganization Plan No. 5 when it receives consideration by the Senate.

Yours sincerely,

JESSE SCHWARTZ.

PAINT MANUFACTURERS' EXCHANGE, INC.,
New York, N.Y., July 17, 1961.

Hon. EDMUND S. MUSKIE,
U.S. Senator,
Senate Office Building,
Washington, D.C.

HONORABLE SIR: The Paint Manufacturers' Exchange, Inc., is a trade association comprised of many small companies in the New York area which produce paints, varnishes, and other allied materials. As labor bargaining reprepresentative of our members we are vitally interested in and directly concerned with the functioning of the National Labor Relations Board. It is with this in mind that we recognize the great importance of the adoption of the Reorganization Plan No. 5 which will permit the National Labor Relations Board to delegate more authority to trial examiners and other qualified employees in unfair labor practice cases. A healthy climate of labor-management relations depends on the existence of speedy machinery to handle the disputes which are continually arising between employers and unions.

We believe that the proposed reorganization plan will remove many of the obstacles now placed in the way of the speedy disposition of unfair labor practice cases and at the same time protect the rights of the parties by preserving the right of appeal. We urge therefore, that you give your support to Reorganization Plan No. 5 when it receives consideration by the Senate.

Yours sincerely,

JEROME B. EVANS,
President.

WATERVILLE, MAINE, *July 17, 1961.*

Senator EDMUND S. MUSKIE,
Senate Office Building,
Washington, D.C.:

We earnestly urge adoption of Reorganization Plan No. 5 which permits essential reorganization of the National Labor Relations Board. We believe that this plan, while preserving due process and right of appeal, will effectively encourage the more rapid disposition of unfair labor practice cases. It has been our experience that a sound labor-management relationship depends on machinery which can quickly settle employer-employee disputes. May we again urge that you support the proposed Reorganization Plan No. 5.

C. F. HATHAWAY CO.,
JOHN W. KENNEDY,
Vice President.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MUSKIE. I am happy to yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, Reorganization Plan No. 5, relating to the National Labor Relations Board, deserves the support of the Senate. The design of the plan is to minimize the delays in the handling of cases before the Board; delays which amount to a median time for disposing of unfair labor practice cases of some 400 days, and an ever-increasing backlog of cases despite the Herculean efforts of all of the members of the Board.

Plan No. 5 can generate no controversy with respect to increasing the powers of the Chairman of the Board since it contains no provision to that effect as did some of the other reorganization plans. Plan No. 5 similarly does not involve any authority to delegate the rulemaking power, because the NLRB does not act by rulemaking.

The heart of the controversy about plan No. 5 is to be found in the revised provision for review provided for under the plan. Less time in the hearings was devoted to the role of the trial examiners, the applicability of section 7(a) of the Administrative Procedure Act, the saving of time to be expected under the operation of the plan, and similar matters. It is primarily to the revised review procedure that I direct my attention.

It is my understanding that the present review procedure demands that the Board grant a review de novo in every unfair labor practice case in which exceptions are filed. It was clear from the testimony that review de novo was required regardless of the merits of the exceptions, that exceptions are filed in approximately 76 cases out of 100—to use 100 cases as a base to illustrate percentages—and that in only 22 of these 76 cases are the intermediate decisions of the trial examiners revised in any way. To state it differently, of 76 cases in which exceptions are filed, the work of the trial examiners is completely upheld in 54 cases. It is clear to me that these figures suggest that the work of the trial examiners is sound, and that a great deal of time is spent by the Board in reviewing de novo cases which raise no pressing or novel questions of fact, of law, or of public policy.

Under the proposals of plan No. 5, it is clear to me that the Board will be required to permit petitions for review to be filed with the Board, that the Board is obligated to screen these petitions, and that a review de novo will be granted by the Board upon the demand of a majority of the Board less one, or two members of the five-man Board.

The saving of time under these revised review procedures is to be found basically in two places. First, the petitions for review will be required to be drawn in more precise detail and broad, vague, or conclusionary exceptions will not be permitted. Second, the Board will be able then to wisely and justly limit its granting of review de novo to those cases involving novel or substantial questions of fact, law, or policy.

The impact of the delays caused by current procedures has been spelled out in the testimony of the hearings. Cases where a small business was out of business before an unfair labor case could be decided were commented upon, and in her most interesting and useful testimony, Miss Helen Humphrey said that she has counseled clients that in certain areas it is useless to even file charges because the long delays involved mean, from a practical point of view, that the relief is a useless relief. Similar testimony was received from other witnesses as well.

At this point I would like to note for the RECORD that the hearings on plan No. 5 were unusually fruitful because of the wide range of factual information and legal and theoretical argumentation elicited from a fine group of extremely talented and articulate witnesses. On the record I should like particularly to compliment the current Chairman of the National Labor Relations Board, Mr. Frank McCulloch, for his entire presentation, and especially his testimony during the hearings on July 14.

Returning to the matter of the proposed review procedures, it is my belief that plan No. 5 helps to clarify what has amounted to a lack of clarity between "fair procedures" and "formal procedures." I am convinced, in no small measure because of Chairman McCulloch's testimony, that the Board under the proposed review procedures will catch all of the type of cases that now result in some modification of the trial examiners' intermediate report, and that furthermore the Board will be able to spend much more time on these cases when it grants review de novo, even to the point of allowing oral argument in more cases, to the benefit of all the litigants and the interest of the general public, too.

Mr. President, I ask unanimous consent to have an editorial, published in the New York Times of July 18, entitled "Streamlining the NLRB," printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STREAMLINING THE NLRB

The approval given by a Senate committee to President Kennedy's plan for reorganizing the National Labor Relations Board is a contribution to harmonious industrial relations. The plan for speedier handling of unfair labor practice cases will automatically go into effect at midnight Sunday if neither House of Congress vetoes it.

Congress has been in a mood to override some of the President's proposals for reorganizing administrative agencies. This fate must not befall his plan to speed the handling of unfair labor practice cases by the National Labor Relations Board.

It now takes more than 400 days from the time a charge is filed until the Board's mandatory reexamination of all the facts

is completed and its ruling issued. The delay often engenders precisely the kind of turmoil the Board was set up to eliminate.

The Board's members, Republican as well as Democratic, are unanimous in believing that timely justice wuold gain if it could let the decisions of its trial examiners become final where no real basis for a challenge was found. Each case would get a routine review, and a full reconsideration would be ordered whenever two of the Board's five members considered it desirable.

This would guard against capriciousness by the examiners without forcing purposeless delays in clear-cut cases. The lengthening backlog of unfair labor practice charges awaiting Board action is a menace to equitable labor-management relations and industrial peace.

UNITED AUTOMOBILE WORKERS SUPPORT NLRB REORGANIZATION PLAN

Mr. HUMPHREY. Mr. President, on Tuesday of this week I received a letter from Mr. Victor G. Reuther, administrative assistant to the president of the United Auto Workers, indicating that the UAW wholeheartedly supports Reorganization Plan No. 5 dealing with the National Labor Relations Board.

I ask unanimous consent, Mr. President, that this letter which clearly and precisely spells out the reasons why the UAW supports this plan be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERNATIONAL UNION,
UNITED AUTOMOBILE,
AIRCRAFT & AGRICULTURAL
IMPLEMENT WORKERS OF AMERICA—UAW,
Washington, D.C., July 18, 1961.

The Honorable HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR HUMPHREY: The United Automobile Workers supports Reorganization Plan No. 5 of 1961 (National Labor Relations Board) without reservation.

This plan is designed to relieve the Board members from the necessity of dealing with many matters of lesser importance and thus conserve their time for the consideration of major matters of policy and planning. It seeks to achieve this purpose by permitting the Labor Board to delegate any of its functions to Board panels, to individual Board members, to hearing examiners and other employees, subject to the provisions of section 7(a) of the Administrative Procedure Act and subject to a discretionary review upon the vote of two of the five members. What this means, simply put, is that the Labor Board is permitted by plan No. 5 to delegate a greater degree of finality to the independent trial examiners in unfair labor practice cases.

Approval of plan No. 5 is essential if the Labor Board is to do an effective job in the tasks assigned it by the Congress. Currently, the Board is literally smothered by the volume of its work. In 1960, the Board members issued decisions in 4,122 cases of all types. Without making allowances for weekends, vacations, and the day or so of each working week devoted to administrative and other affairs, this averages over 11 decisions each day of the year.

The problem of volume gets worse instead of better. The number of unfair labor practice cases appealed to the Board soars steadily. In 1959, the intake of such cases was 380; in 1960 it was 612; and by July 1 of 1961 it was 740, over 4 a day.

The consequences of this volume of work, which as of now must be handled by the Board itself, is that the timelag in decisions grows longer and longer. It is now 403 days between the issuance of an unfair labor practice complaint and Board decision, and it is to be remembered that these are cases where an employer, a union, or an employee is being hurt by illegal practices.

Congressional committees hear testimony by small businessmen that they win their cases, but only after they have been put out of business. Unions testify that a victory at the Board level is pyrrhic because of the long delays. Everyone, the AFL–CIO, the chamber of commerce, the National Association of Manufacturers, agrees that the existing situation calls for improvement. The area of disagreement lies only in the means.

The principle of plan No. 5 (permitting delegation of functions subject to a discretionary review) has been approved many many times.

1. In 1946 Congress enacted the Administrative Procedure Act which created an independent corps of hearing examiners and gave their decisions greater finality.

2. In 1947 Congress enacted the Taft-Hartley Act which authorized the Labor Board to delegate functions to panels of Board members.

3. In 1959 Congress enacted the Labor-Management Reporting and Disclosure Act which authorized the Labor Board to delegate finality (subject to discretionary review) in representation (election) cases to its regional directors.

4. In 1959 the Cox panel of 11 distinguished labor authorities (appointed by the then Senator Kennedy to study the Labor Board) recommended that the trial examiners be given greater finality in unfair labor practice cases.

5. In 1959 the Bureau of the Budget retained a Management Consultant firm (McKinsey & Co.) to study the operations of the Labor Board and make recommendations. Its prime recommendation: Delegate greater finality to the trial examiners in unfair labor practice cases.

6. In 1960 President-elect Kennedy appointed a task force on administrative agencies under the leadership of Dean James Landis. Its recommendation concerning the Labor Board: Delegate more authority to the trial examiners in unfair labor practice cases.

7. In 1961 the Senate Subcommittee on Administrative Practices, under the chairmanship of Senator CARROLL, issued a report which found that the independent hearing examiners were dedicated and capable persons and that the problem of delay could be greatly resolved by delegating to them greater finality.

In sum, for more than 15 years, every public agency which has studied the problem of agency operation has come to a similar conclusion: that the problem of increasing caseloads creates delay inimical to the proper function of the Board, and that the solution to this problem lies in greater delegation.

Opponents of plan No. 5 are not only against the Labor Board but against Federal administrative agencies in general. The chamber of commerce agrees that delay in decision renders the Labor Board ineffective, but suggests that the Labor Board tighten up its jurisdictional standards (thus leaving the small and the weak without protection) or that the problem of labor relations be returned to the States (most of which have made no provisions for handling the problem). The National Association of Manufacturers recommends that the problem be turned over to the Federal district courts, which lack expertise and whose dockets are generally as clogged as that of the Labor Board.

The alternatives to us seem clear. Congress can approve plan No. 5 and make the Labor Board more effective in its assigned tasks. Congress can reject plan No. 5 and benefit only the obstructionists who profit by delay and the law of the jungle. The United Auto Workers stands for plan No. 5 and a more efficient Labor Board.

Sincerely yours,
VICTOR G. REUTHER,
Administrative Assistant to the President.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that a letter to me written by Andrew J. Biemiller, director, Department of Legislation, American Federation of Labor and Congress of Industrial Organizations, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D.C., July 18, 1961.

DEAR SENATOR: On July 19 the Senate will vote on Senate Resolution 158, a resolution disapproving Reorganization Plan No. 5 which provides for a reorganization of the National Labor Relations Board.

On behalf of the AFL–CIO, I urge you to vote against this resolution (thereby supporting the reorganization plan). On this question we are in accord with the Senate Committee on Government Operations, which reported the resolution adversely.

This issue is politically nonpartisan. All of the members of the Board, both Republican and Democratic, have joined with the General Counsel, Republican Stuart Rothman, in support of Reorganization Plan No. 5.

The purpose of plan No. 5 is to quicken the processes of the Board by delegating the function of decision in unfair labor practice cases to trial examiners appointed in accordance with the Administrative Procedure Act. Any decision would be subject to discretionary review by the Board. Such review can be invoked in any case if at least two members of the Board want the Board as a whole to do so. The plan would in no way increase the powers of the Chairman of the Board.

This delegation is necessary to eliminate current delays in the handling of unfair labor practice cases, which now average 14 months from the filing of a complaint to a decision by the Board.

We therefore hope that you will vote against Senate Resolution 158.

Sincerely yours,
ANDREW J. BIEMILLER,
Director, Department of Legislation.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MUSKIE. I am happy to yield.

Mr. MANSFIELD. Will the Senator from Maine [Mr. MUSKIE] the acting majority leader, and the Senator from California [Mr. KUCHEL], the acting minority leader, yield back the remainder of their time?

Mr. KUCHEL. Mr. President, I yield back the remainder of the time on the minority side.

Mr. MUSKIE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. MANSFIELD. Mr. President, I move that Calendar No. 545, Senate Resolution 158, be indefinitely postponed.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

LEGISLATIVE APPROPRIATIONS, 1962

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 544, H.R. 7208, the legislative branch appropriation bill for 1962.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 7208) making appropriations for the legislative branch for the fiscal year ending June 30, 1962, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 7208) making appropriations for the legislative branch for the fiscal year ending June 30, 1962, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

ARAB REFUGEES

Mr. SCOTT. Mr. President, recently published letters which President Kennedy sent on May 11 to the heads of several Arab governments raise serious questions about the American position on the issue of Arab refugees.

The new administration is committed to help solve this persistent problem. The Middle East plank in the Democratic platform of 1960 refers specifically to its solution through "the resettlement of Arab refugees in lands where there is room enough and opportunity for them." A similar view was expressed in the Republican platform of 1960. This is not a partisan position, but a statement of national policy.

It was all the more disturbing, then, to read in the President's letters addressed to Arab leaders the suggestion that repatriation and/or compensation may be the answer to the refugee problem. Resettlement is not even mentioned. Does this omission represent a change of view, or a repudiation of former policy?

I am aware that some people in the State Department think that an offer of repatriation should be made to the Arab refugees. The advocates of this proposal believe there is little risk that many Arab refugees would elect to return to Israel, which has become a completely strange country to them. I do not think that the majority of Congress shares this view. If "you can't go home again" is generally true, how reluctant will the Arab refugees be to return to a place which has no resemblance to the homes they fled 13 years ago? Thus goes the oversimplified reasoning of the "let the Arab refugees have the chance to choose" school of thought. This school of thought ignores the fact that for 13 years Arab leaders have been indoctrinating the Arab refugees with hatred of Israel and with the ghoulish promise that they will one day return to destroy it. It is as politically dangerous to ignore this fact as it is patently illogical to omit it from consideration of the Arab refugee problem.

What is a refugee? According to the dictionary—Webster's New Collegiate Dictionary, 1956—a refugee is—

> one who flees for safety; specifically, a person who has fled or been ejected from his country of nationality or of habitual residence for reasons of race, religion, nationality, or political opinion or as a victim of one of the Nazi, Fascist, or quisling regimes; also a German or Austrian resident of Jewish or foreign origin detained under Nazi persecution, or returned thither after flight through the vicissitudes of war, and not yet resettled.

Those who are so designated represent a human tragedy of wasted lives, frustration and bitterness. They are not yet resettled. Some 200,000 of these are children under 8 years of age who were born refugees. On humanitarian grounds the plight of these hapless people does, or should, lie heavily on the conscience of the world community. It is hardly cynical to note that reliance on the conscience of the world community solves very few problems.

Though few issues have been more often aired in more forums than the so-called Arab refugee question, I repeat some salient facts for the record:

The Arab refugee problem came about as a result of the war launched by the Arab States against Israel in 1947 and 1948. On May 14, 1948, the date that Israel declared its independence, the armed forces of Egypt, Jordan, Syria, Lebanon, and Iraq, aided by contingents from Saudi Arabia and Yemen, attacked Israel. The secretary general of the Arab League, as spokesman for the Governments of these Arab States, described this action as follows:

> This will be a war of extermination. It will be a momentous massacre to be spoken of like the Mongolian massacre and the Crusades.

Urged to leave by their leaders, and excited by the dazzling promise that they would return to claim victors' spoils when Israel was destroyed, hundreds of thousands of Arabs fled their homes to seek a temporary refuge in neighboring countries.

Briefly, this is the origin of the Arab refugee problem as described in reliable official documents. Among these are the Bulletin of the Research Group for European Migration Problems, the statements of contemporary Arab leaders, and various agencies of the United Nations, including the United Nations Palestine Commission of 1948. There is no authoritative version which to my knowledge presents contrary facts.

But the Arab leaders miscalculated. Their armies did not destroy Israel. The kinsmen whom they had urged to flee from their ancestral homes in Palestine were made homeless. For the past 13 years they and the children born to them have been plodding along the doleful road of United Nations Relief Works Administration. The Arab leaders regard them, not as luckless kinsmen, but as a political powder keg they constantly threaten to ignite. It is an unconscionable situation.

What do the experts suggest? In November of 1957, the Carnegie Endowment for International Peace published a pamphlet, poignantly entitled "We Strangers and Afraid" by Elfan Rees, adviser on refugees to the World Council of Churches. According to him, international experience in the solution of refugee problems results in the inescapable conclusion that—

> no large-scale refugee problem has ever been solved by repatriation, and there are certainly no grounds for believing that this paticular problem can be so solved. Nothing can bring it about except wars which in our time would leave nothing to go back to. War has never solved a refugee problem and it is not in the books that a modern war would.

Most experts concur. It is not surprising, then, that the President's reference to repatriation was disturbing.

However, just as the international community is unlikely to solve this problem on a humanitarian basis, it is similarly unlikely to act on the recommendation of experts, who deal with problems on their own merits, and, it is charged, do not reckon with political realities.

What are the realities? The Arab States have chosen to maintain a state of war with Israel. They publicly assert that the only honorable solution to the Palestine question is that "Israel be removed from existence." This is the theme which dominates their public declarations, their press, and their radios.

Israel has repeatedly asserted that it did not create the Arab refugee problem, nor can it be expected to agree to invite a fifth column, avowedly bent on its destruction. This view is understood and supported by us. Nevertheless Israel has made concession after concession to contribute toward a fair and just solution of this problem. Although initially Israel had regarded it as related to a general settlement between itself and its hostile Arab neighbors, in 1958 it offered to pay compensation for the property of Arab refugees—provided they are integrated in Arab countries and that international assistance is available—even prior to such a general settlement. As far as I am able to ascertain Israel has not changed its position. It is willing to cooperate in an overall plan to facilitate the resettling of Arab refugees in Arab countries. It is not ready to make a series of unilateral concessions outside the context of a general solution of the refugee problem.

Technically, the Arabs base their position on the General Assembly Resolution 194 of December 1948, which states:

> The General Assembly resolves that the refugees who wish to return to their homes and live at peace with their neighbors should be permitted to do so at the earliest practicable date.

No reference is ever made to the key phrase, "live at peace with their neighbors."

Our goal for the peoples of the Middle East, as elsewhere, is peace with freedom. This cannot be bought at the expense of the refugees, or at the expense

of Israel, or at the expense of the Arab people.

Repatriation of Arab refugees in Israel, I submit, is more than an impracticable plan. It constitutes a mortal threat to a friendly democracy. This we cannot countenance. It is a threat to the security of the Middle East. This we cannot risk. It represents a yielding to a persistent blackmail. This we cannot accept. It is as repugnant morally as it has proved to be futile politically.

The Arab refugees must be resettled in Arab countries. There is no other valid alternative.

Mr. JAVITS subsequently said: Mr. President, earlier today, the Senator from Pennsylvania [Mr. SCOTT] made a very interesting and very able speech about the Arab refugee situation. It happens that earlier today I, too, spoke about that matter.

I wish to state my pleasure at the thesis adopted by Senator SCOTT, which is so closely in keeping with and in the same spirit with the same general conclusion and the same thesis on this subject which I espoused today. I take great comfort from the support of his independent thinking on this subject; and I join him in the belief that the problems of the Arab refugees are very serious, and that what we do in that regard will be a very important element of the stability in the Near East and of the hope for ultimate peace there.

I also join the Senator from Pennsylvania in the belief that it will not serve well the solution of that problem to inundate the new State of Israel with a flood of repatriated Arabs who might become a fifth column there and, in that way, might endanger the new state, and that therefore we must remain faithful to our commitments, undertaken through the years, that we wish to help in a very material way in the resolution of this problem, as we have offered our help time and time again. But in order to be fair, such help must be based on the practical problem and its solution, which is essentially resettlement, together with whatever steps may be necessary and consistent with the maintenance of stability for the new State of Israel and the concept of the fair share.

Again I commend the Senator from Pennsylvania [Mr. SCOTT] for the excellent address he made today on this subject.

LEGISLATIVE APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 7208) making appropriations for the legislative branch for the fiscal year ending June 30, 1962, and for other purposes.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. What is the pending business?

The PRESIDING OFFICER. The pending business is the consideration of the legislative appropriation bill (H.R. 7208).

VISIT TO THE SENATE BY SUDHIR GHOSH, PARLIAMENTARIAN FROM INDIA

Mr. HUMPHREY. Mr. President, I wish to take a moment of the Senate's time to note the presence of a very distinguished and honored parliamentarian from India. We are very happy and fortunate today to have in the Senate Chamber Mr. Sudhir Ghosh, one of the members of the upper house of the Indian Parliament. Mr. Ghosh is a respected political leader in the great country of India. He comes from the State of Bengal. He is a friend of the United States. He is a friend of freedom. He is a working friend of democracy. I take this opportunity to call his presence to the attention of Senators, and I hope those who had not had an opportunity to do so will pay their respects to him. [Applause, Senators rising.]

Mr. KEATING. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from New York.

Mr. KEATING. I wish to join in welcoming Mr. Ghosh to this country. It is my pleasure to have lived in India. I learned a good deal about the Indian people. We have many things in common. I know that Mr. Ghosh realizes, as we here in this country do, that we desire to work with the people of India, and we are proud of the progress she has made.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JAVITS. I wish to join my colleague from New York in welcoming our visitor from India. I have seen the upper Chamber of the Indian Parliament in action. It is a most distinguished body, fully deserving the interest and the most sympathetic help of any of us here in the Senate of the United States. I wish to express to our colleague the fraternity and friendship of other legislators from a friendly free world country toward the two chambers of the Indian Parliament.

SEAT BELTS CAN SAVE LIVES

Mr. CASE of South Dakota. Mr. President, recently I introduced a bill which would require that all automobiles manufactured for sale in interstate commerce after January 1, 1962, be equipped with anchors for safety belts.

In remarks on the floor last week, I inserted a press dispatch indicating that an estimated 5,000 lives could be saved and 400,000 serious injuries avoided each year if everyone used seat belts.

The recent Fourth of July weekend took a toll of over 500 lives on our highways. Perhaps seat belts could have saved most of these. A release from the South Dakota Department of Highways, Pierre, S. Dak., indicates a definite case for seat belts, according to Don Rounds, highway safety director. The release which reports four South Dakota traffic fatalities states, in part:

Three of the dead were definitely known to have been thrown from the car, then crushed under the vehicle. Seat belts would have saved the lives of at least three, said official reports of investigating officers.

I ask unanimous consent to have the entire release printed in the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

JULY 4 FATALITIES SHOW NEED FOR SEAT BELTS

PIERRE.—South Dakota's four traffic fatalities over the long Fourth of July weekend clearly illustrate the case for seat belts, commented Don Rounds, highway safety director.

The four were all involved in one-car accidents.

Three of the dead were definitely known to have been thrown from the car, then crushed under the vehicle.

Seat belts would have saved the lives of at least three, said official reports of investigating officers.

Col. Cullen P. With, superintendent of motor patrol, pointed out that all four of the fatalities occurred on county roads off the State trunk system.

Colonel With indicated he was pleased with the small number of violations by holiday motorists. Patrolmen, who put in extra hours of duty over the Fourth, reported that South Dakota motorists drove with commonsense, caution, and courtesy.

"There were very few arrests considering the heavy volume of traffic," said Colonel With. "Motorists set a remarkably good safety record on the State highway system."

BANK MERGERS

Mr. ROBERTSON. Mr. President, I should like to make a few comments on a statement which Gov. J. L. Robertson, of the Board of Governors of the Federal Reserve System, made to the Michigan Bankers Association on June 23 of this year.

Governor Robertson's speech contains a very interesting discussion of the problems involved in bank mergers. However, it contains one point which is subject to question and which might lead to serious misunderstanding if allowed to pass without comment or criticism.

In his remarks, Governor Robertson discussed the Bank Merger Act of 1960 and pointed out that it requires a Federal supervisory agency reviewing a proposal for a bank merger to consider seven factors set forth in the statute. Six of these factors relate to banking questions—the so-called banking factors. The seventh factor which must be considered is the effect of the merger on "competition including any tendency toward monopoly." Under the act the supervisory agency considering a merger must get the comments of the Attorney General and the other two supervisory agencies on the competitive factors involved in the merger. Under the act the agency must then take all seven factors into account in making up its mind whether to approve or disapprove the proposal.

It is entirely clear that under the Bank Merger Act the seventh factor—the effect of the merger on competition—is not controlling in the decision of the supervisory agency, and that the views of the other agencies and the Attorney

General on the competitive factors are not controlling. In addition to many statements to this effect, these issues were in substance involved in the O'Mahoney amendment when the bill was before the Senate in 1959. This amendment would in effect have given the Attorney General a veto over mergers. After thorough discussion of all aspects of the matter, the Senate defeated the O'Mahoney amendment 55 to 29.

As I read Governor Robertson's statement, he does not question this interpretation of the Bank Merger Act. However, he goes on to make the flat statement that "Congress has enacted antitrust laws which apply to banking despite its status as a 'regulated industry.'" I assume by "antitrust laws" Governor Robertson refers to the Sherman Act of 1890, and the Clayton Act of 1914, particularly section 7 of the Clayton Act and the 1950 amendment to section 7. Governor Robertson stated this position even more fully when he said:

> In contrast to the situation in other regulated industries, Congress has decided that bank mergers should be subject not only to the jurisdiction of the banking supervisory agencies but also to the jurisdiction of the Department of Justice and the Federal courts under the antitrust laws.

These are the statements which I cannot allow to pass without comment.

I think Governor Robertson is premature when he states that these laws apply to bank mergers. In his statement submitted to the Banking and Currency Committee in 1959, Governor Robertson said that—

> although the Sherman Act legally applies to bank mergers, that act has never been utilized in this field.

This question is now pending before the U.S. district court in Philadelphia. Until this case is concluded by a decision of the Supreme Court, we will not know whether the Supreme Court will rule that the Sherman Act or section 7 of the Clayton Act applies to bank mergers.

I recognize that there is a fairly widespread assumption that the Supreme Court will hold that the Sherman Act applies to bank mergers. However, I am by no means sure that this assumption is justified. On the contrary, I think there is very good reason for believing that the Supreme Court will not so rule.

The assumption that the Supreme Court will hold that bank mergers are subject to the Sherman Act is, I think, based upon the Supreme Court's decision in *U.S.* v. *Southeastern Underwriters Association* in 1944 (322 U.S. 533). There four Justices of the Supreme Court held, contrary to 75 years of precedent, that insurance was commerce and that, since the Sherman Act applied to commerce, it applied to insurance.

Mr. Justice Frankfurter's terse dissenting opinion explains the weakness of this decision:

> I join in the opinion of the Chief Justice. The relations of the insurance business to national commerce and finance, I have no doubt, afford constitutional authority for appropriate regulation by Congress of the business of insurance, certainly not to a less extent than congressional regulation touching agriculture. But the opinion of the Chief Justice leaves me equally without doubt that by the enactment of the Sherman Act in 1890, Congress did not mean to disregard the then accepted conception of the constitutional basis for the regulation of the insurance business. And the evidence is overwhelming that the inapplicability of the Sherman Act, in its contemporaneous setting, to insurance transactions such as those charged by this indictment has been confirmed and not modified by congressional attitude and action in the intervening 50 years. There is no congressional warrant therefore for bringing about the far-reaching dislocations which the opinions of the Chief Justice and Mr. Justice Jackson adumbrate.

This decision shocked the legal profession. It also shocked the Congress which, within a year, passed the McCarran-Ferguson Act of 1945 (15 U.S.C. 1011) to restore the jurisdiction of the States over insurance. A full discussion of this case and a penetrating analysis of the majority opinion are contained in an article by the late Thomas Reed Powell in the September 1944 Harvard Law Review. Powell's concluding comments deserve repeating here:

> When a judge with the neat intellectual skill of Mr. Justice Black proves lame and peccable in reasoning, it is an argument pro homine rather than ad hominem to suggest that the trouble lies in the illegitimacy of the design. It is hardly necessary to add that detailed consideration of the opinion in no way mollifies the shock to the profession when the result of the decision was announced.

The line of precedents holding that banking is not commerce, beginning with *Nathan* v. *Louisiana* in 1850, is even longer than the line dealing with insurance. It was pointed out at the time the Bank Merger Act was up for final passage in the Senate in May of 1960, that the 51st Congress, which passed the Sherman Act, including particularly Senator John Sherman, the former Secretary of the Treasury for whom the act was named, and every other lawyer in the Congress, could not have expected or intended that banking would be covered by an act applicable to interstate commerce.

The Supreme Court can write banking into the Sherman Act just as its predecessors wrote insurance into that act. But I trust that if the Court does so, it will at least not make the pretense that it is following the will of Congress.

It seems to me the Supreme Court might well follow the precedent established in the baseball cases rather than the insurance precedent. In 1922, the Supreme Court held that big league baseball was not subject to the Sherman Act or the Clayton Act. In 1953 the matter was presented to the Court again in *Toolson* v. *New York Yankees, Inc.* (346 U.S. 356). The Court refused to reopen the earlier decision. It took the position that if there was to be a reversal of 30 years of practice under statutes, this reversal of statutory construction should be effected by the Congress and not by the courts.

And even if the Supreme Court should hold that the Sherman Act applies to bank mergers, the rule of reason spelled out in the Standard Oil case would presumably be applied. To state this as a question, Should a bank merger, which had been approved under the Bank Merger Act by a bank supervisory agency as being in the public interest, be rejected by the Supreme Court on the ground that it would "unduly diminish competition"?

I understand that in the Philadelphia case it is urged that section 7 of the Clayton Act applies to bank mergers. I assume Governor Robertson includes section 7 as one of the antitrust laws applying to bank mergers. This is a novel thought. All the testimony on the subject during the consideration of the Bank Merger Act was to the effect that section 7 did not apply to bank mergers, which are virtually never effected by stock acquisition. Among those who took this view were Judge Barnes in 1956, Attorney General Brownell and Judge Hansen in 1957, Deputy Attorney General Walsh and Governor J. L. Robertson of the Federal Reserve Board in 1959, and Acting Assistant Attorney General Bicks in 1960. Conceivably the Supreme Court will rule the other way, but, again, I do not think the Congress intended or expected this result.

Governor Robertson concludes by expressing the view that the current litigation will not resolve the administrative schizophrenia in the field of bank mergers. In his opinion, further legislation will be needed.

I cannot agree. I think that the Bank Merger Act of 1960 is good legislation and that it is all the legislation needed in the field of bank mergers. This does not necessarily mean I agree with every decision reached by the bank supervisory agencies under the act or that I would agree if I knew all the facts in each case. Certainly in such a field as this there is room for differences of opinion as to the application of the statutory principles to the particular facts of each case. We knew when we wrote the act that we were leaving wide discretion to the informed judgment of responsible and capable experts. And we knew that if the Bank Merger Act had become law in 1956, when we first reported it from the Banking and Currency Committee, before the vast wave of bank mergers which occurred in 1957, 1958, 1959, and early 1960, the task of administering the bill would have been far easier.

I am convinced the Bank Merger Act of 1960 is a sound and well-considered statute. I think it provides sound and carefully designed procedures and standards in a field where such procedures and standards were badly needed.

Instead of trying to get the courts to rewrite the antitrust laws and the Bank Merger Act, and instead of trying to get Congress to amend the Bank Merger Act, I think the bank supervisory agencies should be given a real opportunity to administer the Bank Merger Act as the Congress wrote it.

Because Governor Robertson's speech contains much information about bank mergers and a very informative discussion of the problems involved in them

and also in order to give his full statement on the points where I disagree with him, I ask unanimous consent that it be printed in the RECORD following my remarks.

I should like to add that throughout the years, first when he was serving in the Office of the Comptroller General, and later as an outstanding member of the Federal Reserve Board, Governor Robertson has been my close friend.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF J. L. ROBERTSON, MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, BEFORE THE 75TH ANNUAL CONVENTION OF THE MICHIGAN BANKERS ASSOCIATION, MACKINAC ISLAND, MICH., JUNE 23, 1961

BANK MERGERS IN PERSPECTIVE

Let me begin by speaking as if I were one who is unalterably opposed to bank mergers: Since I was born—a half-century ago, give or take a few years—the population of the United States has about doubled. Economic growth has been even greater. Gross national product has increased fivefold. The amount of money in circulation today is more than 10 times what it was. And the total resources of the American banking system have risen from $22 billion to almost $300 billion. But what has happened to our banking system, structurally? In 1920 our country had over 30,000 banks; today we have less than half that number. Every year hundreds of sound and serviceable independent banks disappear, having been absorbed by bigger institutions. Can anyone doubt, in the face of these facts, that the American banker is moving away from the free and open competitive system that has helped the country achieve its miracles of production, distribution, and general prosperity?

Now I must change the pitch—in both voice and substance—and talk like somebody else, one of those who seem to think that bank mergers are our only salvation. The question now becomes: How did our country ever achieve so much with such an antiquated banking system, and how much longer can we afford to pay the high price for this outmoded arrangement? When the National Banking System was established a century ago, perhaps a banking structure composed of thousands of small institutions was necessary. Since that time the population of our country has changed from overwhelmingly rural to overwhelmingly urban. When we cut the pattern of our banking system, there were no such things as the telephone, the automobile, or paved roads. Developments such as these should have obliterated the individual smalltown bank, just as they did the local independent telephone system that served my hometown, Broken Bow, when I was a boy.

Germany, France, Canada, Japan, England, Italy—countries that are now challenging our economic preeminence—each has a streamlined banking system in which from 3 to 11 vigorously competing nationwide banks control the bulk of the commercial banking resources of the country and are geared to serve nationwide industry both at home and abroad. A country as rich as ours perhaps could afford the luxury of having several times as many banks as the rest of the world combined, were it not that the iron law of relative efficiency is making the small unit bank more and more of an anachronism. The constantly increasing complexity of banking problems, the greater scope that larger organizations can offer promising young men, the advantages of electronic accounting that can be afforded only by institutions with tens of thousands of customers—all make it increasingly clear that the small local unit bank has outlived its place in our economy.

There you are. I have tried to speak the part, successively, of those who feel that the bank merger movement, unless arrested right now, will spell the doom of the free enterprise system, and those who contend that people who oppose bank mergers and cling to unit banking today are like those who opposed the internal combustion engine in 1911 and stood firmly behind the horse.

But let me warn you, the impressive generalities on both sides must be analyzed with plenty of skepticism. For example, a few minutes ago, without speaking a word of untruth, I gave you a completely false impression by failing to mention certain additional facts and by juxtaposing facts that had no valid relationship to each other. It is true that we had 30,000 banks and now have less than 15,000; it is also literally true that hundreds of independent banks disappear through merger every year. But the overwhelming majority of the thousands of banks that are no more, disappeared not as a part of the modern merger movement but simply because they became insolvent during the banking trouble of 30 years ago.

And look at some of the arguments I made in favor of mergers. I attempted to wring your hearts by conjuring up a picture of thousands of small, inefficient banks in which feeble octogenarians were making shaky entries in handwritten ledgers, trying to put off for a few more years the inevitable liquidation. But such banks are figments, as we all know. I made no mention of the real problem of mergers among large banks fully able to afford and utilize electronic accounting and with no management succession problems. And most important, I carefully avoided any reference to the conviction of many economists that by reducing the number of competing banks in a market area we inevitably reduce also the vigor of banking competition and the general benefits to the economy that result from competition.

Well, so much for the need for skepticism; I may have spent too long on a point that preoccupies me more from year to year—the fact that truth is a most elusive commodity. What I hope to do this morning is to marshal, in perspective, a few relevant truths, so that when we do reach conclusions on the bank merger problem, they will be realistic evaluations rather than a hodgepodge of emotional generalities.

Why do banks merge? In the early thirties, which is as far back as my banking memory extends, most mergers were rescue operations. A relatively strong bank absorbed a weak bank to save it from receivership or liquidation. But since the Second World War most mergers have taken place for quite different reasons. A small family-owned bank may merge with another because the president is old and has no sons willing or able to carry on. Or he may wish to obtain the more marketable stock of a larger bank. Promising young bankers may prefer the supposedly greater opportunities of an assistant vice presidency in a metropolitan bank to the presidency of a smalltown bank, or a large bank may want to obtain the services of the president of another large bank through the merger route—this is what is meant by the mouthfilling phrase "problems of management succession."

Often the initiative comes from the larger bank, the one that is absorbing the other (to judge by the size of premiums being paid for banks these days). Sometimes, I suspect, the motive is unadulterated megalomania or foolish rivalry—the driving desire to be the largest bank in the city or State, not the second largest; or even a thirst for power for the sake of power.

When two relatively large banks in the same city wish to merge, they sometimes emphasize the growing importance of nationwide banking competition—the need to be able to compete with banks in New York, Chicago, and San Francisco, for example, for the deposits and loans of enormous national corporations that cannot be adequately served, we are told, by banks with only a half billion dollars of resources.

We are all acquainted with the "flight to the suburbs" in metropolitan areas, a flight residential, mercantile, and industrial. Banks stress the need to "follow their customers" away from the business district of the city; and often, we are told, it is safer and cheaper to "branch" an independent suburban or smalltown bank than to create what we supervisors barbarously call a "de novo branch."

In very recent years electronic accounting is mentioned more and more frequently as a reason for merging. We are sometimes told that a $20 million bank, for example, cannot efficiently utilize any but the smallest of the marvelous devices we see advertised in Banking, but that if two or three such banks merge, they can afford to buy and fully utilize full-scale equipment, to the benefit of the banks' stockholders, their customers, and the American economy.

These are some of the reasons—but only some—that are advanced to justify the hundreds of merger proposals we see every year. It would be fruitless to evaluate them generally, for they must be related to the facts of specific cases. Each of these reasons can be very appealing—especially to the superficial observer. Why should an elderly banker, who has spent a lifetime building a successful institution, be forbidden to reap the benefits of hard work and good judgment by "selling" the bank in such a way as to promote the welfare of his family? Who would oppose an arrangement under which several small banks can give superior service to customers and better returns to stockholders, while releasing manpower for other productive use? What valid objection is there to a city bank expanding geographically in order to continue to serve its entire growing metropolitan area?

The chief objection, of course, is the characteristically American notion embodied in such hackneyed but meaningful expressions as "the free enterprise system," "freedom of competition," and the like. Unlike most other countries, the United States has adopted as national policy the principle, to put it broadly and without a great many necessary qualifications, that our people will be better off, in the long run, if most areas of our economy are cultivated by a relatively large number of vigorously competing enterprises. Some observers consider this policy especially important in banking; they regard financial concentration as singularly evil because, in addition to its immediate ill effects, it tends to spawn concentration and monopoly throughout the economy.

The American banking system of thousands of independent unit banks, in cities, towns, and villages, developed from the special conditions that existed here during the 19th century. There was an enormous country, a constantly advancing frontier, a vigorous pioneering spirit; and the technological revolution exemplified by the assembly line lay in the future. Nineteenth-century America needed banks, not only to serve, as now, to lubricate a massive economic machine—but, more important at that time, to provide the capital that was absolutely essential for the Nation's development. I think it was Preston Delano, an outstanding

Comptroller of the Currency, and long my revered mentor, who remarked to me years ago that the West was built on the bones of broken banks.

But different epochs have different needs. It is unreasonable to regard the development of branch banking and group banking in the 20th century as an accident. Besides being a nation on wheels, rolling over an incomparable network of good roads, the American people are uniquely a banking people. With far less than a tenth of the world's population, we probably have more checking accounts than the rest of the world put together. And this simple fact is one of the many reasons for the growth of multiple-office banking: the bulk of bank customers are no longer business enterprises, located downtown.

Unless we wish to impede seriously our economic progress, we must bow to change and reality, exemplified in such developments as these. And, to a great extent, we have acknowledged the force of changed circumstances. The unprecedented growth of branch banking attests to this. In 1951 our country had less than 20,000 banking offices; today we have nearly 25,000.

The crucial question is where we should strike the balance between the sometimes opposing forces of convenience, efficiency, and economy on the one side, and the less tangible long-term values of "free enterprise," "individual initiative," and "vigorous competition" on the other.

Under our governmental system, such conflicts of opposing interests—opposing benefits and detriments—are dealt with, for better or worse, by the people's representatives in government—the legislative, executive, and judicial branches, all three. In our system of government, the complexity of this process is multiplied by the fact that we have both sovereign States and a sovereign Federal Government, often with responsibilities and powers in the same areas of activity.

Each of the 50 States has banking laws and a bank supervisory system. The Federal Government has at least three. In addition, Congress has enacted antitrust laws, which apply to banking despite its status as a regulated industry.

Bank mergers have been permissible for many years under both Federal and State laws, but these earlier laws seldom enumerate standards or objectives that should guide supervisors in permitting or prohibiting mergers. In those far off days the supervisor's main concern was whether the continuing bank would be a sound and serviceable institution. The possible effect on banking competition was a secondary consideration.

Within the past decade the bank merger problem, in capital letters, has become a major problem—to legislators, administrators, and the public—for the first time. In 1956 Congress enacted a law to control the future expansion of bank holding companies, and in 1960 a law that, broadly speaking, requires the approval of one of the three Federal supervisory agencies as a prerequisite to any bank merger. A number of States also have enacted laws that parallel, to a considerable extent, the philosophy embodied in the Federal legislation.

The Bank Merger Act of 1960 for the first time enumerated factors that Federal supervisors must take into consideration in passing upon proposed mergers. The ultimate test is embodied in the statutory provision that the Comptroller, the Board of Governors, or the Federal Deposit Insurance Corporation, as the case may be, shall not approve a proposed merger unless, after considering all factors, it finds the transaction to be in the public interest.

Seven factors are enumerated in the Bank Merger Act. The first six—often called the banking factors—are concerned with the quality of assets, adequacy of capital, competence of management, earnings prospects, and the convenience and needs of the community to be served. Is one of the banks in a weakened condition; is this a rescue operation? Or has it mediocre and unaggressive management, so that its community is not being adequately served? Or is its only executive officer an elderly man, running a bank that cannot afford to replace him at today's salaries? Or, on the contrary, are both banks well managed, serviceable, and with promising futures, so that there is no "banking need" for the merger? These are a few of the questions that we ask ourselves.

The seventh factor named in the Bank Merger Act is the sign of the times. It deals with the effect that the merger will have "on competition (including any tendency toward monopoly)." Those are the words of the statute; could anything be simpler and more straightforward? As the Senate committee that considered the Merger Act pointed out in its report, competition is "an indispensable element in a sound banking system."

It is only the application of these seven factors to actual cases—the weighing of the favorable and unfavorable aspects of a merger proposal—that is steadily increasing the consumption of tranquilizers by bank supervisory officials.

Occasionally a situation arises in which there is no practical alternative to merger—where, for one of the reasons I have suggested, a bank must either merge with another or go out of existence and deprive its community of needed services. However, the usual case is quite otherwise. There are, let us say, four banks in a small city. All are doing reasonably well, are well managed, and face no serious problems. The second largest and the smallest wish to merge. If the merger is permitted, it is contended, substantial economies and heightened efficiency will result, additional services will be offered to the banks' customers, and the combined bank will be better able to compete with the city's largest bank.

On the other hand, the banking public of the city, of course, would thereafter have only three alternative competing sources of banking services, both on the deposit and loan sides. That is to say, as a matter of arithmetic, the number of competing banks will drop from four to three. And it is clear from the words of the statute, read in the light of its legislative history, that if the proposed merger would lessen competition, it should not be approved unless the favorable aspects of other factors clearly outweigh the adverse competitive factor to the extent that the public interest would be promoted by approval.

Just for exercise, I wish each of you would try to decide whether the amalgamation of a certain pair of banks in some four-bank city with which you are familiar, would actually increase or lessen competition, and to what extent. And after you have resolved that preliminary question—perhaps by deciding, as we often must, that "competition will be lessened, but it is hard to say how much"—then go on and weigh this imponderable against the benefits you guess may flow from the merger—to both the public and the banks. (But, for the purposes of this exercise, you need not bother weighing any possible benefits secretly offered to bank officers for persuading unsuspecting stockholders to vote for the merger.)

I hope each of you will run through this process, however briefly, with a real situation (other than your own) in mind, because it will increase your tolerance toward the apparent shortcomings of supervisory decisions regarding bank mergers. We are acutely aware of these shortcomings, and we can only fervently hope that after a few more years' experience we—or our successors—will see through the merger glass a trifle less darkly.

As most of you know, during the past year bankers intent on consummating mergers have encountered serious difficulties quite apart from the apparent inability of some supervisors to make up their minds—either expeditiously, or consistently, or clearly. When State banks that are members of the Federal Reserve System, for example, propose to consolidate, it must seem to them that the course is set up like a hurdle race, with the hurdles higher and higher as they approach the finish line. Under State law, the banking commissioner must be persuaded to give his approval. After that obstacle has been surmounted, the awesome Federal Reserve System looms ahead. The Reserve bank of the district investigates the proposal minutely, and then the Federal Reserve Board must decide whether the merger would be in the public interest.

On occasion, the Reserve Board concludes that a merger would not be in the public interest, after the State supervisor has reached the contrary conclusion. This is hard to take, I am sure, but most bankers have come to accept this risk as unavoidable, in a Federal system like ours. More painful is the recent experience of certain bankers who successfully ran the gauntlet of bank supervisors, only to be challenged by the Department of Justice under the antitrust laws. These people, I am afraid, are certain that this is bureaucratic muddling run riot.

I was a lawyer before I was so unwise as to become an administrator, and as a lawyer I can say that, under the presently governing Federal statutes, there seems to be no escape from this dilemma—the possibility, now an actuality, that a proposed merger is subject to the jurisdiction of coordinate departments of the Federal Government and that while one says "Go ahead" the other may say "Verboten." In contrast to the situation in other regulated industries, Congress has decided that bank mergers should be subject not only to the jurisdiction of the bank supervisory agencies but also to the jurisdiction of the Department of Justice and the Federal courts under the antitrust laws.

To be painfully logical, the fact that the Comptroller of the Currency concludes that the merger of two Philadelphia banks would be "in the public interest" and the Department of Justice wants to enjoin the merger under the Sherman Act does not mean that the two have reached conflicting conclusions. Under the antitrust laws, the only tests are whether a transaction tends to lessen competition or is what the law considers an attempt to monopolize. Even if the transaction admittedly would be in the public interest for other reasons, the antitrust laws may prohibit it, and it is the explicit duty of the Department of Justice to enforce those laws.

On the other hand, it is perfectly clear, under the Bank Merger Act, that the effect of a merger on competition is only one of the several factors that the bank supervisors must consider. If the FDIC, let us say, finds that a proposed merger will contribute so greatly to the convenience of a community as to outweigh the lessening of competition, from the public interest viewpoint, the FDIC is not only authorized, it is obligated to approve—and promptly—even though other Federal agencies may have recommended adversely on the competitive factor. In short, the Department of Justice and the FDIC might assure each other: "You are absolutely right," and yet the one would say "Yes" and the other would try to persuade the courts to say "No" to the same merger proposal.

To many people, this is an intolerable situation. They believe that if Congress considers the Federal Reserve Board, for example, competent to decide whether a merger is "in the public interest" when all factors are considered, this should settle the matter, and the merger should not be blocked solely on account of competitive considerations that already have been taken into account by the Board and found to be outweighed by the public-interest benefits.

Others are convinced, and not without reason, that so long as we have multiple banking systems and multiple supervisors, with differing philosophies, we will have conflicting, contradictory, and inconsistent administrative decisions. Hence, they believe that applicability of the antitrust laws is essential if we are to avoid chaos or general disintegration of standards in the maintenance of banking competition.

There are some who hope that the courts' decisions in the pending antitrust suits regarding the Philadelphia and Lexington mergers will settle this aspect of the problem. Despite my optimistic temperament, I doubt that it can be settled otherwise than by legislation. But the litigation will have served a worthy purpose if it does no more than give bank supervisors a better concept of the relative importance of competition in deciding whether a proposed merger would promote the public interest.

In the meantime, we must deal with the merger problem as it is, under existing law. The problem, like most problems that amount to anything, is not susceptible of pat solution. It has already been enlarged and distorted, chiefly due to the absence of sufficient skepticism in analyzing the positions of people who claim that all the valid arguments are on their side.

It is my hope that all of us will profit from the sometimes painful experiences of the past year, and that the banking industry, bank supervisors, and Congress will succeed in working out improved procedures that will regulate bank mergers in ways that will be truly in the public interest. This problem can be solved if we utilize all our resources of information and intelligence, perseverance and perspective, to deal with it as one phase of our continuing effort to maintain a progressive and competitive banking system that is able and willing to meet the needs of a dynamic and expanding economy.

FOREIGN AID

Mr. WILLIAMS of Delaware. Mr. President, on June 21, 1961, the Senator from Kansas [Mr. SCHOEPPEL] inserted in the CONGRESSIONAL RECORD, at page 11007, a list of the payments being made to the many foreign agents registered under the Foreign Agents Registration Act of 1938. This list shows the huge sums being paid to these agents for the primary purpose of influencing our foreign aid program.

This report of the Senator from Kansas should be read by every Member of the U.S. Senate, and in this connection I ask unanimous consent to have printed at this point in the RECORD an article appearing in the Los Angeles Herald & Express of July 11, 1961, written by Mr. George Todt.

The Senator from Kansas has rendered a great public service in calling these enormous payments to the attention of the Senate and the country.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Herald & Express, July 11, 1961]

OUR LEMON "AID" POLICY

"He heapeth up riches, and knoweth not who shall gather them."—Psalms 39:6.

Our foreign aid policies keep on getting wackier all the time. What have we done to deserve them?

Once we were told that 5 years of Marshall plan aid immediately following World War II would see the needed job done.

But "Old Man Foreign Aid"—he just keeps rollin' along.

One of the reasons for this continuing action is that a large number of self-serving lobbies in behalf of foreign aid have sprung up in Washington.

There are many foreign agents here who spend huge sums to put across their gimmicks at U.S. taxpayer expense.

Of course all this is really quite on the up and up. The agents are well within the law provided they register with our Government under the Foreign Agents Registration Act of 1938.

WHEN WE LOAN

This is a facet of the foreign aid program little understood by Joe Doakes, American citizen. He ought to look into the matter.

For some interesting reading on this subject, permit me to recommend a glance at the CONGRESSIONAL RECORD of June 21, 1961, on pages 11007–11016 under the remarks of Senator ANDREW SCHOEPPEL, Republican, of Kansas. Really some eyeopeners there.

The Senator revealingly placed into the RECORD a table of moneys received by all foreign agents listed with the Department of Justice from 1955 to 1959—and it is quite a tipoff.

One outfit, the Development & Resources Corp.—whose chairman of the board is David E. Lilienthal, former U.S. head of the Atomic Energy Commission—made close to $1 million in fees paid them by the Near East Government of Iran. It isn't hay.

UNTIL IT PAINS

What this indicates, primarily, is that foreign governments pay—and pay very well indeed—to obtain highly persuasive voices in our country whose object it is to obtain a bigger take at the till. Who can blame them? It really pays off, doesn't it?

It is all very well to have skilled and accomplished representatives of foreign governments do their utmost to squeeze all the blood possible from the American turnip—but, ouch, that means us. We are the ones who get stuck. It's our money.

To go to the heart of the problem, we would hardly be amiss to assume that some of these heart-rending cries we hear annually for increased foreign aid emanate primarily from those who stand most to profit from these same giveaway transactions on the international front.

No wonder we hear such competent voices for foreign aid—thar's gold in them thar hills, podner. Ask, and ye shall receive.

MOUNT THE ROAN

Senator SCHOEPPEL thinks these are items to be fully considered when we debate sending our funds abroad.

Read his piercing remarks in the CONGRESSIONAL RECORD.

Another thing which bothers many of us is the predilection of the New Frontiersmen to sweep aside the time-tested Battle Act of 1951. Under the terms of Senate bill 1215, passed by the Senate on May 11, the President or his designates can now give direct assistance to any Iron Curtain country except the Soviet Union and Red China.

We have previously given Communist Poland $700 millions of quite likely unrepayable loans. The interesting thing about this transaction is that Poland then turned around and gave the Cuban Mad Marxist—Red Castro, himself—an interest-free loan of $13 million, which was really through courtesy of us.

YANK THE REINS

Incidentally, the loquacious Dr. Castro has already received upwards of $250 million from the Red bloc countries.

It is increasingly stupid for us to funnel huge funds behind the Iron Curtain—or to support global neutralists who fail miserably to support us in return. Why are we lined up to give a billion this year to India, whose balky Premier Nehru seldom plays ball with us, but only $150 million to loyal Pakistan—a stanch ally definitely on our side?

The foreign aid empire, unhappily grown like Topsy, now has become something of a gargantuan way of life to many with selfish axes to grind.

It is time to trim it down and liquidate this bureaucracy. Why not?

NEED FOR MORE AIR SAFETY

Mr. HARTKE. Mr. President, the recent airline accident in Denver again points up the necessity for more air safety. This pressure for air safety should be constant. It should not be a matter considered only when we are reminded of it by the loss of life.

The June 1961 edition of the Reader's Digest contains a memo to the new Administrator of the Federal Aviation Agency on what might be done now to improve safety in the air.

One suggestion is a requirement for automatic systems that spray water under pressure on crucial spots after an airplane crashes. Last year, I requested the previous FAA Administrator to consider requiring the installation of such devices on all airplanes carrying passengers. But nothing has been done. The device has been successful in tests carried on by the National Advisory Committee for Aeronautics. Steps should be taken to require the installation of these lifesaving systems on passenger carrying airplanes.

Other matters discussed in the article may be carried out with Federal assistance if Congress approves the extension of the Federal Airport Act which we on the Commerce Committee have approved. Safety equipment may be installed with the Federal Government paying from 50 to 75 percent of the cost.

I think consideration should be given to the suggestion made for testing of new airplanes. He points out particularly the fact that the Caravelle was used for 2 years as a cargo plane before it was converted to passenger service. We have experienced here in the United States accidents with new planes, particularly the Electra, which may have been averted had such a testing requirement been in operation. We have, I believe, been apathetic toward air safety. We have been willing to gamble with the lives of passengers. Our new FAA Administrator should now push vigorously for new action which will result in greater air safety. He has indicated his

willingness to be conscious of the air safety needs. I am sure he will do more.

I ask unanimous consent that the Reader's Digest article entitled "Memo to the New Air Boss" be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MEMO TO THE NEW AIR BOSS—A PILOT'S CHECKLIST OF THINGS THE FEDERAL AVIATION AGENCY MIGHT DO RIGHT NOW TO IMPROVE SAFETY IN THE AIR

(By Robert N. Buck)

Mr. Najeeb Halaby: I am one of the 70,000 pilots threading their way through the skies under your regulation. I know that as the new Administrator of the Federal Aviation Agency you have a desk full of problems. I know something of those problems—because they are also mine.

Our common interest—with you at your desk and with me in the left front seat of a transport—is to get people safely from one place to another. You know my trials because as a former Navy flier and Lockheed test pilot you've handled big planes yourself.

What I like especially about you and what makes me bold enough to write this memo is the way you have obtained the best advice you could from those who have had a lengthy and rich association with all phases of our business. It indicates a willingness to listen.

So I want to send you a checklist of items pilots consider important. The items are familiar. They all have to do with what is known about air safety—known but neglected, proved but not applied. As we pilots say, these things are stalled at top dead center. We hope you can get something done about them.

Take fires. There have been 200 fatalities during the last 10 years in which fire followed a crash. Evidence indicates that a large number of the people were not killed by impact, but were roasted or asphyxiated. Yet we know how to prevent crash fires, with an automatic system that sprays water, under pressure, on the crucial hotspots after an airplane smashes up.

The principle of the system was well proven by the National Advisory Committee for Aeronautics when they actually crashed old airplanes to test it. The trouble, as you probably know, is that the gadget isn't available. It can't be obtained because no one has taken on the task of working out the hardware—nor has any airline actually ordered it. It's been a buckpassing proposition between the airplane maker and the airplane buyer. All we need is to knock a few heads together to get it done—and that's a job for you. With your knowledge and persuasive powers and "giddap" I'm sure you can start a little commotion. The crews and the public will be on your side.

And there's the matter of decent airport lighting. Spectacularly good lights for bad-weather approaches have been worked out. Only a man of your flying experience can appreciate what a gift to safety these lights are and how welcome they are in a foul night. What a joy it is to pick them up three-quarters of a mile from the end of the runway and have them guide you in like tracer bullets. As of now, however, out of 569 airports in the United States approved for airline operation, only 98 have these lights.

Along with the lights, we need the instrument-landing radio beam (ILS) that leads us to the airport runway so we can find the lights. Only a third of our airports have this equipment, and only two have it on more than one runway.

When an ILS radio beam and approach lights are on only one runway, it means, of course, that a pilot cannot always approach into the wind as an airplane should, but must often land either crosswind or downwind—neither of which is good, safe flying technique. It holds up traffic movement, too, because the job is tougher, approaches are missed more often.

What we need are instrument-landing radio aids to get us down through the murk and aim us at the runway; then we need those zipping approach lights to lead us visually to the exact end of the runway. A minimum of 400 airports should have this equipment, and on more than just one runway per airport.

Runway 22 at La Guardia Airport, New York, serves as a symbol of this problem. In February 1959 a transport loaded with passengers crashed short of runway 22 while making its approach on a foggy night. We heard a lot of talk about the altimeter, but we knew the real reason. We were later supported in our judgment by FAA's Oscar Bakke, when he gave testimony about the accident on behalf of the Civil Aeronautics Board's Bureau of Safety. The pilot simply couldn't see the runway when he broke out of the overcast, and he hit the water before he could find the runway. All those candles in the window, such as the new system provides, would have guided him home.

Another item: Far more runways are needed than we've got now. In fact, every big airport ought to be more like a big rail terminal so that incoming planes have a lot of tracks to land on and not just one as they have now. Railroads don't have to stack trains one behind the other waiting for a track that's open.

In this country we have a $100 billion roadbuilding program, 90 percent federally financed. We complete the equivalent of 71,336 miles of single-lane highway a year. Yet it's a king-size hurdle to get extra runways—when only 8,000 miles of pavement would put an extra jet-long runway on every airline airport in the Nation. Or it would build 1,000 runways that could be used by smaller airplanes, which in turn would ease congestion at busy air terminals.

In the middle of all your problems, I hope you won't object to being reminded of small changes that can improve airworthiness in planes. What we call tremendous trifles get overlooked. There is a tiny red warning flag attached to an instrument that pilots watch to guide them to the runway in bad weather. This instrument shows the beam to the runway and the slope to fly down as the plane descends. The little warning flag flips into view if something goes wrong with the instrument. But the flag, half an inch long, is hard to see. Lighting in the cockpit is red, to relieve glare, and this nullifies the effect of the red flag. You don't see it. The British use a white flag and it can be seen under any light. Why not make ours white? It's a small item, but back of it is the British experience and we ought to profit by it.

In fact, there is a lot we could learn from other countries about the flying business. About certificating new planes, for example. The small French jet, the Caravelle, which has a marvelous record, was flown 2 years as a cargo plane before it ever loaded passengers. This is good practice. As an old test pilot you know that the true test of any plane is service—how it behaves in the variety of situations it can encounter only in the day-to-day and night-to-night grind in the air. This is when the real faults emerge.

When many planes such as the Constellation and the DC–6 were introduced they gave trouble and had to be grounded for remedial work after they had been licensed by the Government. There has been a lot of talk about the structural defects of the Electra—now being corrected at a cost of $25 million to the manufacturer. There was no reason why two of these passenger planes should have lost their wings in the air and taken the lives of 97 persons. A thorough cargo test might well have told the story with far less loss of life.

I know that there must be a lot of long-range planning in aviation. We've go to think 10 or more years ahead. But as a pilot I'm also certain that we've got to think about now.

It may seem strange for a pilot to suggest further regulation of pilots to the FAA. We've had plenty. But perhaps some matters have not been as important as the one I refer to now. In view of the present traffic jams in the air, why not put all planes in certain busy areas under positive control from the ground at all times, in good weather as well as bad, on a clear day as well as on a cloudy one? Present arrangements, which allow a pilot to fly in good weather about where he pleases around big airports, unless he is getting clearance to land, are unrealistic, and out of date.

We need positive control up high, too—where jets fly. Planes go too fast today for pilots to see approaching aircraft in time to be sure of avoiding them. Even in a bright sky you are not likely to see an approaching plane until it is 2½ miles away. Two jets coming at each other make a combined speed of 1,200 miles an hour. It takes 7 seconds for a pilot to see another plane, get the message to his brain, then to his hands, and move the controls. In 7 seconds the jets have traveled that 2½ miles.

Of course, a howl would go up if you tried to bring all traffic in busy areas under positive control. Private pilots don't want to be restricted. Airlines know it might mean cutting down on some flights. The military might just kick like steers. But we also know that if all were under positive control in heavily congested areas, flying would be safer. Midair collisions up to now, save for the one last December, have taken place when one or both planes were under visual flight rules and not under positive control.

I know you will forgive anything amiss in this memo. When a pilot gets strung out on what interests him most—his own hide and the hides of his passengers—he is likely to keep on going, especially with a sympathetic audience. I offer these suggestions only in the hope your administration will prove the safest by far in the history of the Agency. Those of us who fly will try to help you make it so—and not just for your sake either.

LEGISLATIVE APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 7208) making appropriations for the legislative branch for the fiscal year ending June 30, 1962, and for other purposes.

Mr. PASTORE. Mr. President, the legislative appropriations bill, which is before the Senate, recommends a total appropriation of $135,432,065. This is an increase of $31,078,730 over the House bill. All of this increase, with the exception of $425,000 for the Library of Congress, is for Senate items which the House by custom does not include in the appropriations bill in that body. The report from the committee is before the Senate, which gives all of the details of the committee increase.

Because of the increase in the volume of business in the stationery room of almost 62 percent, the committee has

included funds to employ one additional person for the stationery room.

The committee has also included funds in the bill for an additional 14 janitorial employees for the Sergeant at Arms. These employees will be assigned to provide custodial services for the new space assigned to the Senate in the extension of the east front of the Capitol. This consists of 32 additional offices on 5 different floors, plus the Joint Committee on Atomic Energy, corridors, and stairways.

The committee has also included in the bill funds for 14 additional positions for the Senate Office Building of a total of 26 sought in a supplemental request. After thoroughly exploring this proposal, the committee has recommended that 14 of these positions be provided. The request for four additional elevator operators was denied. It was the feeling of the committee that there is no need for elevator operators to be assigned to the middle bank of elevators in the New Senate Office Building which are automatic elevators. The four positions presently budgeted for this middle bank of elevators can be reassigned to the elevators where fully automatic controls do not exist.

The committee has included in the bill a special appropriation of $42,000 to employ four upholsterers for a temporary period of 1 year and to purchase materials to reupholster and refinish all of the upholstered furniture in the private offices of the Senators in the Old Senate Office Building. After a detailed study of this matter, it was concluded that it would be far more economical to re-do this furniture than to replace it and, in addition, it was felt that the refurbished furniture will be far superior to any new furniture which might have been purchased.

The bill includes a provision which forbids use of any of the funds to operate the old subway system between the Capitol and the Old Senate Office Building. It was the conclusion of the committee that two subway cars to the new building and two subway cars to the old building would be sufficient to carry the traffic and that there was no point in utilizing funds for the operation of the old cars.

Since the committee took this action we have found that this was not a popular decision. However, insofar as the committee is concerned, we hope it will stand.

A language provision has been included in the bill by the committee which will authorize a Senator to increase the salary of one position in his office from $10,988 per annum to $13,537 per annum. No additional funds have been provided for this purpose and the increase, if allowed by a Senator, will have to be absorbed out of his basic allowance.

This came about at the special request of the Senator from Pennsylvania [Mr. CLARK], who felt that he should be able to increase the salary of the fourth clerk in his office. The committee went into this matter rather exhaustively and determined that the Senator was correct in asking to do what he desired to do.

Under existing law, four staff trips to a Senator's residence city in his State are allowed in each fiscal year. Language has been included in the bill which will authorize these trips to be made to any locality within the State, but the maximum amount which may be reimbursed for the trip will be the amount between Washington, D.C., and the Senator's residence city. This change in the law will not increase the amount which is being reimbursed for staff trips to the Senators' States, but will authorize a technical change to make it unnecessary for the staff member to go to the residence city of the Senator in order to be reimbursed for the official trip.

To make the explanation a little more realistic, if at the present time the distinguished Senator from Californa [Mr. KUCHEL], for example, desired to have his staff member go to San Francisco, under existing law that person would have to go to Los Angeles before he could be compensated for the official trip. As it is proposed to amend the law he could go to San Francisco and be paid for his trip, without having to go to Los Angeles. However, the maximum reimbursement permitted would be based on the mileage round trip, to the Senator's residence city.

Mr. KUCHEL. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. KUCHEL. In the example just cited by the Senator from Rhode Island, it should be made abundantly clear that one leaving my office today to go to California would be required to go to Anaheim, which is my hometown. I do not consider it a punishment or penalty to have any person in my office go to Anaheim before he goes anywhere else in California, to our great metropolis of Los Angeles or to our great city of San Francisco. However, I shall abide by the wisdom of the majority. [Laughter.]

Mr. PASTORE. Mr. President, the committee has effected very few increases in salaries in this bill. Authority has been granted to the respective secretaries for the majority and the minority to fix the gross compensation for the assistant secretaries for the majority and the minority at not to exceed $16,384 per annum. The existing ceiling for these positions is $15,329 per annum.

Authority and funds have been granted in the bill for the Official Reporter of Debates to effect modest increases for two transcribers in that office.

The Secretary of the Senate has been authorized to grant increases for the employees in the disbursing office and an additional sum of $7,267 has been added to the basic fund in this office.

The committee has written into the bill an increase in the salary of the Architect of the Capitol from $19,000 to $20,700 per annum; for the Assistant Architect of the Capitol, an increase from $17,500 to $19,000 per annum; and an increase for the Second Assistant Architect of the Capitol from $16,000 to $17,700 per annum. The Senate will recall that in the supplemental appropriations bill last year the House had included language and funds for an increase for these three positions. However, the provision was deleted by the Senate Appropriations Committee, and the Senate approved of this deletion. The committee at that time felt this was a matter which should be considered in the regular appropriation bill.

The committee considered an estimate in the amount of $721,700 for the collection and distribution of Library materials by the Library of Congress. The amount was denied in the House of Representatives. A modified program was discussed with the Librarian of Congress, and, as a result of these discussions, the committee recommends an appropriation of $400,000, of which $36,500 will be used for salaries and incidental expenses for 4 employees—one to be assigned within the United Arab Republic, two for India and Pakistan, and one for the staff in Washington. The balance of the funds—$363,500—is a bookkeeping transaction and will be paid into the U.S. Treasury in return for Public Law 480 foreign currency belonging to the Treasury Department. These foreign currencies will be used for the acquisition of foreign library materials under authority of section 104(n) of the Agricultural Trade Development Assistance Act of 1954.

The committee has also included in the bill an appropriation of $25,000 for a revision of the Annotated Constitution. The last edition was printed in 1953 and contained Supreme Court decisions through 1952. Since 1952, many Supreme Court decisions have greatly affected areas of constitutional law. It is estimated that the existing supply of the old edition will be exhausted in approximately 18 months, and if no provision is made for a revision it will be necessary to reprint the old edition which, of course, will not have the new decisions.

Mr. President, I ask that the committee amendments to the bill be agreed to en bloc, and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall be considered to have been waived by reason of agreement to this order.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, line 1, to insert the heading "Senate".

On page 2, after line 1, to insert:

"SALARIES OF SENATORS, MILEAGE OF THE PRESIDENT OF THE SENATE AND OF SENATORS, EXPENSE ALLOWANCE OF THE MAJORITY AND MINORITY LEADERS OF THE SENATE, AND SALARY AND EXPENSE ALLOWANCE OF THE VICE PRESIDENT

"Compensation of Senators

"For compensation of Senators, $2,433,370."

On page 2, after line 8, to insert:

"Mileage of President of the Senate and of Senators

"For mileage of the President of the Senate and of Senators, $58,370."

On page 2, after line 11, to insert:

"Expense allowance of majority and minority leaders

"For expense allowance of the Majority Leader and the Minority Leader of the Senate, $2,000 each; in all, $4,000."

On page 2, after line 15, to insert:

"Compensation of the Vice President of the United States

"For the compensation of the Vice President of the United States, $37,775."

On page 2, after line 19, to insert:

"Expense allowance of the Vice President

"For expense allowance of the Vice President, $10,000."

On page 2, after line 21, to insert:

"SALARIES, OFFICERS AND EMPLOYEES

"For compensation of officers, employees, clerks to Senators, and others as authorized by law, including agency contributions as authorized, which shall be paid from this appropriation without regard to the below limitations, as follows:".

On page 3, after line 2, to insert:

"Office of the Vice President

"For clerical assistance to the Vice President, at rates of compensation to be fixed by him in basic multiples of $5 per month, $120,550."

On page 3, after line 6, to insert:

"Chaplain

"Chaplain of the Senate, $8,810."

On page 3, after line 8, to insert:

"Office of the Secretary

"For office of the Secretary, $708,400: *Provided,* That effective July 1, 1961, one additional clerk may be employed at $2,520 basic per annum; and the basic amount available for clerical assistance and readjustment of salaries in the Disbursing Office is increased by $3,240."

On page 3, after line 14, to insert:

"Committee employees

"For professional and clerical assistance to standing committees, and the Select Committee on Small Business, $2,551,200."

On page 3, after line 18, to insert:

"Conference committees

"For clerical assistance to the Conference of the Majority, at rates of compensation to be fixed by the chairman of said committee, $47,325."

On page 3, after line 22, to insert:

"For clerical assistance to the Conference of the Minority, at rates of compensation to be fixed by the chairman of said committee, $47,325."

At the top of page 4, to insert:

"Administrative and clerical assistance to Senators

"For administrative and clerical assistants and messenger service for Senators, $11,938,395: *Provided,* That effective July 1, 1961, the basic clerk hire allowances of the Senators from the State of Florida are increased to that allowed Senators from States having a population of five million, the population of said State having exceeded five million inhabitants."

On page 4, after line 9, to insert:

"Office of Sergeant at Arms and Doorkeeper

"For office of Sergeant at Arms and Doorkeeper, $2,519,525: *Provided,* That effective November 1, 1961, twelve additional laborers at $1,680 basic per annum each; and two additional laborers at $600 basic per annum each may be employed."

On page 4, after line 15, to insert:

"Offices of the secretaries for the majority and the minority

"For the offices of the Secretary for the Majority and the Secretary for the Minority, $126,350: *Provided,* That effective July 1, 1961, the respective Secretaries may fix the basic compensation of the assistant secretary for the majority and the assistant secretary for the minority at not to exceed $8,160 per annum each."

At the top of page 5, to insert:

"Offices of the majority and minority whips

"For two clerical assistants, one for the Majority Whip and one for the Minority Whip, at not to exceed $6,900 basic per annum each, $28,340."

On page 5, after line 4, to insert:

"Official Reporters of Debates

"For office of the Official Reporters of Debates, $224,870."

On page 5, after line 6, to insert:

"Office of the Legislative Counsel of the Senate

"For salaries and expenses of the Office of the Legislative Counsel of the Senate, $232,240."

On page 5, after line 10, to insert:

"CONTINGENT EXPENSES OF THE SENATE

"Legislative reorganization

"For salaries and expenses, legislative reorganization, $125,940."

On page 5, after line 14, to insert:

"Senate policy committees

"For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, $133,975 for each such committee; in all, $267,950."

On page 5, after line 18, to insert:

"Joint Economic Committee

"For salaries and expenses of the Joint Economic Committee, $247,555, and in addition $12,000 to be derived by transfer from the appropriation for fiscal year 1961."

At the top of page 6, to insert:

"Joint Committee on Atomic Energy

"For salaries and expenses of the Joint Committee on Atomic Energy, $294,010."

On page 6, after line 3, to insert:

"Joint Committee on Printing

"For salaries and expenses of the Joint Committee on Printing, $114,125; for expenses of compiling, preparing, and indexing the Congressional Directory, $1,600; in all, $115,725."

On page 6, after line 8, to insert:

"Vice President's automobile

"For purchase, exchange, driving, maintenance, and operation of an automobile for the Vice President, $8,710."

On page 6, after line 11, to insert:

"Automobile for the President pro tempore

"For purchase, exchange, driving, maintenance, and operation of an automobile for the President pro tempore of the Senate, $8,960."

On page 6, after line 15, to insert:

"Automobiles for majority and minority leaders

"For purchase, exchange, driving, maintenance, and operation of two automobiles, one for the majority leader of the Senate, and one for the minority leader of the Senate, $17,420."

On page 6, after line 20, to insert:

"Furniture

"For services and materials in cleaning and repairing furniture, and for the purchase of furniture, $31,190: *Provided,* That the furniture purchased is not available from other agencies of the Government."

At the top of page 7, to insert:

"Inquiries and investigations

"For expenses of inquiries and investigations ordered by the Senate or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, including $380,000 for the Committee on Appropriations, to be available also for the purposes mentioned in Senate Resolution Numbered 193, agreed to October 14, 1943, $3,797,210."

On page 7, after line 7, to insert:

"Folding documents

"For the employment of personnel for folding speeches and pamphlets at a gross rate of not exceeding $1.90 per hour per person, $34,295."

On page 7, after line 11, to insert:

"Senate restaurants

"For repairs, improvements, equipment, and supplies for Senate kitchens and restaurants, Capitol Building and Senate Office Buildings, including personal and other services, to be expended under the supervision of the Committee on Rules and Administration, United States Senate, $85,000."

On page 7, after line 17, to insert:

"Mail transportation

"For maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, $16,560."

On page 7, after line 21, to insert:

"Miscellaneous items

"For miscellaneous items, exclusive of labor, $2,008,345."

At the top of page 8, to insert:

"Postage stamps

"For postage stamps for the offices of the Secretaries for the Majority and Minority, $140; and for airmail and special-delivery stamps for office of the Secretary, $160; office of the Sergeant at Arms, $125; Senators and the President of the Senate, as authorized by law, $55,550; in all, $55,975."

On page 8, after line 7, to insert:

"Stationery (revolving fund)

"For stationery for Senators and the President of the Senate, $181,800; and for stationery for committees and officers of the Senate, $13,200; in all, $195,000, to remain available until expended."

On page 8, after line 12, to insert:

"Communications

"For an amount for communications which may be expended interchangeably for payment, in accordance with such limitations and restrictions as may be prescribed by the Committee on Rules and Administration, of charges on official telegrams and long-distance telephone calls made by or on behalf of Senators or the President of the Senate, such telephone calls to be in addition to those authorized by the provisions of the Legislative Branch Appropriation Act, 1947 (60 Stat. 392; 2 U.S.C. 46c, 46d, 46e), as amended, and the First Deficiency Appropriation Act, 1949 (63 Stat. 77; 2 U.S.C. 46d–1), $15,150."

At the top of page 9, to insert:

"Administrative provisions

"The second proviso in the paragraph relating to the authority of Senators to rearrange the basic salaries of employees in their respective offices, which appears in the Legislative Branch Appropriation Act, 1947, as amended (2 U.S.C. 60f), is amended to read as follows: *'Provided further,* That no salary shall be fixed in a Senator's office under this section at a basic rate of more than $5,100 per annum, except that (1) the salary of one employee may be fixed at a basic rate of not more than $6,540 per annum, (2) the salary of one employee may be fixed at a basic rate of not more than $8,040 per annum, (3) the salary of one employee may be fixed at a basic rate of not more than $8,460 per annum, and (4) the salary of one employee may be fixed at a basic rate of not more than $8,880 per annum.' "

On page 9, after line 15, to insert:

"Notwithstanding any other provision of law, any funds available for the payment of travel and subsistence expenses of members of committees of the Senate may hereafter be used for payment, in accordance with regulations promulgated by the Committee on Rules and Administration, of such expenses incurred by such Members for official travel on committee business performed at any time subsequent to July 12, 1960, regardless of place of departure or destination."

At the top of page 10, to insert:

"The contingent fund of the Senate is hereafter made available for the payment of mileage, to be computed at 10 cents per mile by the nearest usual route, between Washington, District of Columbia, and a point in the home State of the Senator involved, for not to exceed four round trips originating and terminating in Washington, District of Columbia, made by employees in each Senator's office in any fiscal year, such payment to be made only upon vouchers approved by the Senator containing a certification by such Senator that such travel was performed in line of official duty, but the mileage allowed for any such trip shall not exceed the round trip mileage by the nearest usual route between Washington, District of Columbia, and the residence city of the Senator involved."

On page 15, after line 16, to insert:

"JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

"For an amount to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, $26,790, to be disbursed by the Secretary of the Senate."

Under the heading "Architect of the Capitol—Office of the Architect of the Capitol—Salaries", on page 21, line 6, after the word "of", to strike out "$19,000" and insert "$20,700"; in the same line, after the amendment just above stated, to strike out "$17,500" and insert "$19,000"; at the beginning of line 7, to strike out "$16,000" and insert "$17,500", and on line 13, after the word "act", to strike out "$333,000" and insert "$337,700".

On page 23, after line 3, to insert:

"Senate Office Buildings

"For maintenance, miscellaneous items and supplies, including furniture, furnishings, and equipment, and for labor and material incident thereto, and repairs thereof; for purchase of waterproof wearing apparel, and for personal and other services; including eight female attendants in charge of ladies' retiring rooms at $1,800 each; for the care and operation of the Senate Office Buildings, including the subway and subway transportation systems connecting the Senate Office Buildings with the Capitol; uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); to be expended under the control and supervision of the Architect of the Capitol; in all, $2,170,400: *Provided*, That not to exceed $150,000 of the amount made available under this head for the fiscal year 1961 is hereby continued available until June 30, 1963: *Provided further*, That none of the funds made available in the Architect of the Capitol in this Act shall be expended for the operation of the old Senate subway system subsequent to the adjournment of the Eighty-seventh Congress, first session."

Under the subhead "Legislative Garage", on page 24, line 3, after the word "expenses", to strike out "$49,000" and insert "$79,000".

Under the heading "Library of Congress", on page 29, after line 12, to insert:

"REVISION OF ANNOTATED CONSTITUTION

"Salaries and expenses

"For necessary expenses to enable the Librarian to revise and extend the Annotated Constitution of the United States of America, $25,000, to remain available until expended. (S.J. Res. 176, September 13, 1960; 74 Stat. 898–899.)"

At the top of page 30, to insert:

"COLLECTION AND DISTRIBUTION OF LIBRARY MATERIALS

"(*Special foreign currency program*)

"For necessary expenses for carrying out the provisions of section 104(n) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(n)), $400,000 of which $363,500 shall remain available until expended for the purchase of foreign currencies which accrue under that Act and which the Treasury Department shall determine to be excess to the normal requirements of the United States."

Mr. HUMPHREY. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. HUMPHREY. I particularly wish to commend the Senator from Rhode Island [Mr. PASTORE] for including in the legislative appropriations bill funds to begin a program for the purchase of foreign books and documents for distribution throughout the United States by the Library of Congress.

In 1958 the Library received authorization to use foreign currencies owned by the United States for financing the acquisition of foreign books, periodicals, and related materials for deposit in libraries and research centers. Finally, 3 years later, we are about to appropriate a very modest sum to get this important program underway.

The Appropriations Committee has approved a revised request for $400,000, of which $36,500 will be available for salaries and expenses of the U.S. staff members and the balance, $363,000, will be paid into the U.S. Treasury in return for Public Law 480 currencies.

This sum provides for four staff positions, one for the United Arab Republic, two for India and Pakistan, and one for the Library staff in Washington. The staff members in the field will supervise the acquisition of large quantities of native library materials and supervise transmittal to Washington. The material will be processed and shipped to various research centers and universities throughout the United States.

These foreign documents of all types will provide vast amounts of information about these foreign lands. My work on the Foreign Relations Committee has demonstrated the importance of having hard facts about the political, economic, and social conditions in foreign lands. That is the major reason why I traveled to Geneva and Berlin. I wanted to get these hard facts for myself. But everyone does not have the opportunity for firsthand investigations. We must rely primarily on research documents.

Staff members of the Foreign Relations Committee, independent research scholars, and university professors have told me how difficult it is to work without these basic tools. How many times have we made serious mistakes in our conduct of foreign relations because we lacked adequate facts? It is not hard to document such instances.

Of course this program, by itself, will not provide our foreign policy experts with a complete collection of resource documents. But we should take advantage of any opportunity to gather this necessary data. We have such an opportunity here and I am gratified that, at last, we are going to take advantage of it. I sincerely hope that this program will justify an expansion in the future.

In a statement which I submitted to the Legislative Appropriations Subcommittee, I noted that our experience with the procurement of Japanese documents during World War II presents the best illustration of why this program should be launched without further delay.

On December 7, 1941, this Nation suddenly realized the woeful lack of Japanese documents available in this country for intelligence operations. There had been no systematic collection of existing documents in the years preceding Pearl Harbor. Literally millions were spent scouring this country for this material once hostilities had broken out. Much of this material was never located, even though it had been freely available in Japan several years before.

Let us not make this mistake again. I urge Senate adoption of the revised request for $400,000 and I sincerely hope the Senate conferees will be able to convince the House that this program is a high priority item. It should receive approval by both Houses this fiscal year.

Mr. President, I ask unanimous consent that my statement before the Subcommittee on Legislative Appropriations be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUBERT H. HUMPHREY, OF MINNESOTA, BEFORE THE SENATE LEGISLATIVE APPROPRIATIONS SUBCOMMITTEE, CONCERNING THE REQUEST FOR FUNDS TO INITIATE A FOREIGN PUBLICATION ACQUISITION PROGRAM BY THE LIBRARY OF CONGRESS

Mr. Chairman, I wish to make several brief observations concerning the Library of Congress' request for funds to inaugurate a program to acquire foreign library materials under the terms of the Agricultural Trade and Development Assistance Act.

In 1958 the Library received authorization to use foreign currencies owned by the United States for financing the acquisition of foreign books, periodicals, and related materials for deposit in libraries and research centers throughout the country. This year the Library has requested a modest sum for this purpose: $67,000 in U.S. dollars and $654,000 in foreign currencies to inaugurate pilot acquisition programs in India, Pakistan, and the United Arab Republic.

In my opinion this money should be appropriated now. My work on the Foreign Relations Committee has demonstrated beyond question the importance of having direct access to foreign documents of the type to be acquired under this program. Staff members of the Foreign Relations Committee, independent researchers, and university scholars have often commented to me how

difficult it is to work without these basic research tools. It is not hard to document incidents in our conduct of foreign relations when serious mistakes were made simply because we lacked adequate facts.

Of course I do not maintain this appropriation will, in itself, provide our foreign policy experts with a complete collection of resource documents. But I do say that we should take advantage of any reasonable opportunity to gather such necessary data and improve our research resources. I believe in this instance we have such an opportunity.

From examination of the testimony delivered before the House Legislative Appropriations Subcommittee, I believe the principal objection to this program is the request for $67,000 of U.S. Currency to pay the Americans directing the acquisition program abroad. This sum would provide for four American specialists in India and three in the United Arab Republic. The specialists stationed in India would also coordinate the program in Pakistan. These Americans would employ native workers to scour their respective countries for books, periodicals, and journals. I am personally interested in the cooperative movements and trade-union organization in foreign nations, and in these two areas alone a wealth of material could be gathered through this program. Other important areas, among others, include: politics, agriculture, manufacturing, and social relations.

The argument has been made that this program could be operated through Foreign Service publications officers stationed in the various nations. Unfortunately, past experience does not suggest this arrangement would be adequate. In the structure of the Foreign Service, the task of publication procurement is near the bottom of priority activities within an Embassy, both in terms of career advancement and daily responsibilities. Embassies never have had the trained library personnel to initiate a thorough procurement program within a nation; neither do they have the time to do an adequate job.

In the U.A.R., for example, one Foreign Service office occasionally transmits written reports about available publications in that country, but does not acquire or transmit the publications themselves. In India the post of publications officer has been discontinued. There has never been a program of publication procurement in Pakistan.

In my opinion, these facts clearly establish the need for paid professional Library of Congress staff members to perform this activity.

It was suggested in the House hearings that the participating libraries in this program contribute a proportionate share of the $67,000 in American currency. Libraries, however, incur, a sizable expense when they agree to accept this material from the Library of Congress. Two-thirds of the cost of acquiring and maintaining a book or document goes for cataloging, preparation, and maintenance once it is placed on the shelves. In short, the participating libraries will make a substantial contribution by merely agreeing to process and house this material. I do not believe they should be expected to bear the entire financial burden in a program of this nature, a program which is related to the conduct of our foreign policy.

It was also suggested that a foundation might be willing to make such a contribution. This however, is most doubtful. An item of this size would, of course, have to be approved by foundation's trustees. I do not know of any foundation currently willing to make this type of grant. Moreover, I have to be convinced that we should expect them to do so.

I think our experience with the procurement of Japanese documents during World War II presents the best illustration of why this program should be launched without delay. On December 7, 1941, this Nation suddenly realized the woeful lack of Japanese documents which were available in this country for research and study. No systematic system of collection ever existed prior to Pearl Harbor. To overcome this situation, literally millions of dollars were spent scouring this country for the material related to the war effort. Much of this never was located, even though it had been freely available in Japan several years before.

Our current struggle with the forces of communism, the forces of poverty and social revolution, can be carried on effectively only if we have adequate information about these countries of the world. I have been impressed by the Library's request for these funds and I respectfully urge that the Senate grant the budget request for fiscal year 1962.

Thank you, Mr. Chairman.

Mr. HART subsequently said: Mr. President, I want to express my appreciation to the chairman of the subcommittee [Mr. PASTORE] and to the Members of the Senate who serve with him, for the favorable recommendation of a modest sum to begin the acquisition and distribution of foreign library materials of technical, scientific, cultural, or educational significance.

The problem is this, Mr. President. Our universities and other institutions of learning are being called upon to educate and train Americans, among other things in understanding the peoples of many foreign lands. In order to provide this education and understanding, it is essential that we have books published in these countries. Yet, as stated by the president of the Association of College and Research Libraries:

> The usual national bibliographies or other lists of available materials, which are taken so much for granted in the United States, simply do not exist in many foreign countries. This in turn makes it mandatory that we maintain individuals in these countries simply to find out what is published and collect it. Therefore, the burden of locating, collecting, and sending material of this kind to the United States cannot, and should not have to be borne by any individual library. It is really a program to benefit all libraries in this country and, therefore, should be a national effort as this amendment proposes. The cost of the program is relatively small and the acquisition of these materials would certainly serve the national interest as well as the interests of individual libraries.

The sum requested by President Kennedy, in his communication to the Congress dated March 23, 1961, was for $721,700 to initiate this program in India, Pakistan, and the United Arab Republic. The committee has recommended $400,000 to permit a curtailed pilot project. Of this amount, $363,500 will be spent in Public Law 480 currencies and will be used for the acquisition of the foreign library materials; $36,500 will be spent in "hard dollars" for salaries and incidental expenses, and will provide for two positions for India and Pakistan, one for the United Arab Republic, and one for the Library staff in Washington.

The billions of dollars that we devote to foreign aid will be meaningful only as they are accompanied by our understanding of the peoples of other cultures. An investment of so small a sum as this is out of proportion to its importance; but it is a start, and I hope the Senate will approve the item and that our conferees will be strong in defending it when they go to conference.

Mr. HUMPHREY. Mr. President, I compliment the distinguished Senator from Rhode Island for the work he has done on this very important appropriation bill. He has taken some pioneering steps in terms of obtaining foreign documents, which I believe are so vital if our library services are to be as modern as the times require.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 7208) was read the third time, and passed.

Mr. PASTORE. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. MILLER in the chair) appointed Mr. PASTORE, Mr. CHAVEZ, Mr. MONRONEY, Mr. HUMPHREY, Mr. HAYDEN, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. ALLOTT the conferees on the part of the Senate.

RESTRICTED STOCK OPTIONS

Mr. CURTIS. Mr. President, proposed legislation has been introduced in the Senate which would amend the Internal Revenue Code to rescind the present tax treatment of restricted stock options. I refer to S. 1625, introduced on April 14 by the junior Senator from Tennessee [Mr. GORE].

In my opinion, the passage of this measure is not warranted as a matter of public policy nor on the basis of any problems that have arisen under the present code. This action, in fact, would be deleterious to the economy, and in the long run it would reduce rather than increase Federal revenues.

Mr. President, I do not suggest that there are not problems and perhaps some abuses under this code. The code should be studied, and if any amendments or remedies can be applied to prevent abuses, certainly Congress should undertake them.

I repeat, I speak against the proposal to amend this provision of our tax laws. I believe that what I have just stated is in conformity with the opinion expressed by the Treasury Department representatives in their appearance before the Committee on Finance this morning.

WHAT ARE RESTRICTED STOCK OPTIONS?

First, let me make clear exactly what is meant by a restricted stock option plan. It is a plan under which certain employees, normally key executives, are

given an option under which at a later date they can buy specified amounts of company stock at or near the price of the stock prevailing at the time the option is granted. If the option is at 100 percent of market value, which is the usual practice, the employee benefits only if the price of the stock goes up after the option is granted.

Under section 421 of the Internal Revenue Code, the employee who exercises his option to buy company stock normally pays, when he sells the stock, a capital gains tax on the difference between the option price and the price at which he sells the stock, provided certain conditions are met. Among these conditions, imposed by the law, are these main requirements: First, that the option must expire within 10 years of the date of the grant—or within 5 years of the date of the grant in the case of an optionee who holds more than 10 percent of the total combined voting power of all classes of stock in the corporation, or in its parent company or subsidiary; second, that the option price must be not less than 95 percent of the fair market value of the stock on the date of the grant—or not less than 110 percent of such value in the case of an optionee holding more than 10 percent of the total combined voting power—and third, that the optionee may not dispose of stock acquired by exercise of an option within 2 years of the date of grant, nor within 6 months of the date of acquisition.

The law also allows restricted stock options to be granted at between 85 percent and 95 percent of fair market value on the date of grant. In this case it exacts a penalty. When the optionee disposes of stock acquired under such an option, any benefit resulting from this initial spread—usually the full amount by which the value on date of grant exceeded the option price—is taxed as ordinary income, rather than at capital gain rates.

This provision was designed primarily to allow some margin of error in computing the option price for companies whose shares are not publicly traded. Although it is a favorite subject for attack by some critics of restricted stock option provisions, the fact is that it has been used sparingly, if at all, by large, publicly owned companies.

The company, incidentally, under no circumstances is allowed a deduction as a business expense for restricted stock options. This is a significant feature of the law, and one which is often lost sight of by critics of stock options. Were the company to put an equivalent amount of money into direct compensation or into some other form of executive incentive plan, it could be deducted for tax purposes as a business expense.

ORIGINAL INTENT OF CONGRESS

I would like, first, to review briefly the reasons why the Congress made provision for restricted stock options in an act signed by President Truman in 1950, and secondly, to examine whether the purposes of Congress have been fulfilled in the period since that time.

It is clear that the basic intent of the 1950 legislation was to encourage the provision of incentives to management. The following excerpt from the report of the Senate Committee on Finance in 1950 clearly expresses this intent:

> Such options are frequently used as incentive devices by corporations who wish to attract new management, to convert their officers into "partners" by giving them a stake in the business, to retain the services of executives who might otherwise leave, or to give their employees generally a more direct interest in the success of the corporation.

Similarly, Senator George in his remarks during discussion on the Senate floor stated:

> Favorable tax treatment is to be accorded certain employee stock options so as to facilitate their use as a means of giving corporation employees a direct financial interest in the success of the business. The special treatment is restricted to true employee incentive options.

REASONS FOR CONGRESSIONAL ACTION

By providing for restricted stock options, Congress acted to counter several trends that in time could have seriously weakened our private enterprise system. These included, first, separation of ownership and management; second, ineffective utilization and allocation of our managerial resources; and third, the reduced compensation of top management relative to other salaried and hourly employees.

When Congress adopted the restricted stock option provisions in 1950 there was concrete evidence that executive take-home pay had slipped badly relative to other groups in the economy. The combined effect of high income taxes and of inflation had more than offset increases in gross compensation to top executives. That is, not only had their position deteriorated relative to other groups, their real income had declined in absolute terms. Also, income differentials between the various levels of management had contracted.

These conditions prevented most managers from buying an interest in the companies they managed at all commensurate with their managerial roles in these companies. This statement by Dan Throop Smith, of the Graduate School of Business of Harvard University, to the National Tax Association in 1951 is much in point:

> Based on 1952 individual income tax rates and the 1951 Consumer Price Index, it would take an income of over $75,000 to yield the same net real income as a 1929 income of $25,000 before taxes. It would now require about $200,000 to give the same net real income as that provided by a 1929 gross income of $50,000 and about $1 million to provide the equivalent of $100,000. No statistical study is needed to show that increases of corporate salaries and bonuses, substantial though they have been, have fallen far short of what would have been necessary to permit executives to maintain earlier standards of consumption and saving.

A number of published studies document this trend. And, I want to stress, recent studies indicate that the same condition basically has continued right up to the present.

Enactment of the 1950 provisions of the code stimulated the widespread adoption of stock option plans in American industry. A New York Stock Exchange study showed that 573 of 1,025 firms with securities listed on the exchange had adopted restricted stock option plans by the end of 1959.

STOCK OPTIONS ARE EFFECTIVE

Now, let us see whether the operation of these plans since 1950 has fulfilled the purpose Congress had in mind. All pertinent evidence that I have been able to discover indicates most emphatically that it has. The great weight of experience establishes beyond any question, in my opinion, that stock options have proved both effective in terms of inducing maximum performance and inexpensive from the standpoint of the affected stockholders and the public at large.

The effectiveness of such options on managerial performance is attested to in the statements of business leaders, the demonstrated attitudes of stockholders, surveys of the opinions of independent directors, and a study by the New York Stock Exchange.

STATEMENTS BY BUSINESS LEADERS

The chairmen of General Foods Corp. in a letter to stockholders described the value of stock options as follows:

> Figures cannot begin to convey how meaningful stock options are to General Foods by virtue of the proprietary interest they generate, not only among those to whom they are awarded, but also among those who aspire to such awards in the future.

At the 1960 annual meeting of stockholders of Ford Motor Co., Mr. Henry Ford II made the following comments in recommending to the stockholders the adoption of a new stock option plan:

> I could name for you a dozen or so men without whose guidance this company certainly would not be where it is today. Without such men, the shareholder's equity in Ford Motor Co. might be only half of what it is today. And yet during their 14 or fewer years with the company, their compensation has been but a tiny fraction of what they have created.
>
> Without an incentive like the stock option plan that is before you today, we would not have been able to attract and keep those men.
>
> Since 1950, over half the firms listed on the New York Stock Exchange have adopted such plans.
>
> It's not hard to see why. The salaries you pay are a fixed expense. With stock options, your management is rewarded in direct proportion to the company's profitability. If the value of the stock does not go up, the options are worthless.
>
> The stock option is one of the few means of enabling the manager to participate in the success of the business achieved through his efforts. No other plan gives management employees so extraordinary an incentive to make the company profitable.

It seems to me that Mr. Ford's opinions have particular significance, because while he is chief executive officer of one of America's largest corporations and is intimately familiar with the uses and the effects of stock options, he does not, and probably never will, hold any options on Ford stock himself. Incidentally, Mr. Ford's own actions unmistakably support his words. When Ford Motor Co.'s first stock options were granted in 1953, all of the voting stock

was still privately held by the Ford family. In commenting on this at the 1960 annual meeting, Mr. Ford stated:

> We decided to bring in other individual stockholders by granting options in 1953 to a group of important company executives. This was a difficult bridge to cross because it involved breaking a family tradition. The decision to do so was made prior to the time that the Ford Foundation was actively considering the public sale of company stock. We did it, nevertheless, because we believed it would be in the best interests of the company.

STOCKHOLDERS APPROVE OPTION PLAN

The markedly favoring attitude of stockholders toward restricted stock option plans is a matter of record.

A survey of New York Stock Exchange records on all listed applications for option plans filed in 1959 revealed that in every case for which the information was available, stockholders voted overwhelmingly in favor of adoption of the option plan. Data were available on 54 stockholder votes on option plans. In 45 cases, or about 85 percent of those recorded, the affirmative vote totaled over 95 percent of the vote cast; in only 2 of the 54 cases did the affirmative vote total less than 90 percent—88.5 percent in one case, and 81.7 percent in the other. The median affirmative vote was 97 percent. From these votes, it is clear that both small and large stockholders have favored the use of options.

OUTSIDE DIRECTORS ATTEST TO THE EFFECTIVENESS OF OPTIONS

One of the most informative recent studies of stock options is a survey by an independent consulting firm, Joel Dean Associates, of the opinions of independent outside directors of industrial corporations. In this survey, questionnaires were sent to a panel of 99 individuals meeting the following criteria: First, each was a director of at least three U.S. industrial corporations, including at least one of the 50 largest in the United States; and second, none was an officer or employee of any industrial corporation. Nearly all of the panel members have had direct responsibility for evaluating the effectiveness of stock option plans, since they have served as directors of at least one corporation which has had a plan in operation for some years. Only 17 percent of the directors had ever been granted restricted stock options themselves; many have served on stock option committees. Accordingly, they were in a good position to make an expert and unbiased appraisal of such options.

Questionnaires were returned by 77 panel members. This high rate of return from a mailed questionnaire, especially from a group of this type, I think is an indication of the interest of independent directors in this subject.

I should like to enter in the RECORD a summary of the replies. This will show that 93 percent or more of the independent outside directors responding believe that stock options provide an effective method of providing incentive to management, of identifying the interests of key executives with those of the stockholders, and of allocating managerial resources. Furthermore, 90 percent believe that options benefit not only stockholders, but the overall economy, as well; and over 90 percent favor retaining the present provisions on restricted stock options substantially as they are or liberalizing the provisions.

Mr. President, I ask unanimous consent that the tabulation of the replies be printed at this point in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Question	Yes		No	
	Number	Percent	Number	Percent
1. Do you believe that restricted stock options—				
a. Make the optionee more company profit-minded?	68	94	4	6
b. Make the optionee more interested in the long-term growth and earnings of the company?	71	95	4	5
c. Make the interests of the optionee conform more closely to those of the stockholders?	69	93	5	7
2. Do you believe that restricted stock options are effective for—				
a. Attracting new management personnel?	77	100	0	0
b. Retaining the services of management personnel?	74	97	2	3
3. Do you believe that restricted stock options generally are in the best interests of the stockholders?	70	95	4	5
4. Do you believe that restricted stock options generally are good for the country, in the sense that they stimulate productivity and growth?	63	90	7	10
5. With respect to the present statutory provisions relating to restricted stock options, do you favor—				
Continuance substantially as they are	62	88	------	------
Substantial modification	[1] 4	6	------	------
Repeal	4	6	------	------

[1] 2 of the 4 respondents who favored "substantial modification" in their comments specified changes that would liberalize the provisions of the law.

EFFECT OF OPTIONS ON STOCK VALUES

Mr. CURTIS. Mr. President, also included in the unpublished study by Joel Dean Associates, to which I have referred, are the results of a study by the Department of Research and Statistics, of the New York Stock Exchange, covering all companies listed on the Exchange for which price-per-share data were available for 1950 and 1959. This study deals with the relationship between stock price appreciation and the incidence of restricted stock option plans.

A significant correlation is revealed, in the study, between stock price appreciation and the use of restricted stock options. For the companies that adopted option plans before 1951, the median percentage stock price increase was more than double the median increase for the companies that had no options as of 1959—plus 150 percent, as compared to plus 71 percent. Furthermore, stock price appreciation was greater for companies that adopted options early in the period, than for those that adopted options at a later date.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a summary of the data compiled by the New York Stock Exchange in this study.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

	Companies with restricted stock option plans commenced 1949–50	Companies with restricted stock option plans commenced 1951 to mid-1956	Companies with restricted stock option plans commenced after mid-1956	Companies with no restricted stock option plan through Dec. 31, 1959
Number of companies	34	209	180	327
Median change in price per share (Dec. 31, 1959 closing compared with 1950 high) (percent)	+150	+134	+91	+71

Mr. CURTIS. Mr. President, I would concede, of course, that many factors, apart from the presence or absence of restricted stock option plans, must also have influenced the movement of stock prices of the individual firms studied. However, the remarkable degree of correlation, I think, indicates the effect that this form of management incentive can have on the performance of the companies involved.

CRITICISMS OF OPTIONS

I should like now to examine briefly the principal questions that are raised by critics of restricted stock option plans and by those who would advocate rescinding the present provisions of the code.

First, are restricted stock options fair to stockholders? Do not they tend to water the stock already outstanding?

The most obvious starting point for judging the question of "fairness" to stockholders of course is the record of favorable stockholder votes I already have cited. It is not difficult to see why stockholders so uniformly favor stock options. They cost them nothing, unless they themselves benefit. If the price of the company's stock does not go up during the life of the option, the option will not be exercised, and it will have cost the stockholders nothing. However, if the price does increase and if stock is purchased under the option, the cost to the stockholders is very small indeed, relative to the total appreciation in stock value.

The exact cost of options to stockholders cannot be measured. The key fact to remember in this connection, however, is that unexercised options represent, on the average, only about 2.5

percent of the total stock of companies with limited stock-option plans. Thus, when stock values increase, on the average, only one-fortieth, 2.5 percent of the appreciation accrues to the optionee. It is obvious that the cost to stockholders is exceedingly modest, compared to the direct and substantial benefits accruing to them.

Stock option plans, as a matter of fact, probably are less susceptible to abuses than are other methods of providing incentive to company management, for the reason that the adoption of the plans and the decision as to the number of shares to be made available for stock options usually must be approved explicitly by the stockholders. Companies whose stocks are listed on the New York Stock Exchange almost always must have specific stockholder authorization before listing additional shares for option plans. This is a rule of the exchange, applied with but few exceptions, irrespective of whether such authorization is required by law or by the company's charter.

Second, do restricted stock options cost the Federal Government too much in lost revenue?

Most critics of restricted stock option plans erroneously imply, or assert, that the capital-gains-tax treatment involved results in a substantial loss of revenue to the Treasury. What they usually overlook is that the corporation is not allowed any deduction in connection with restricted stock options, while for other types of incentive compensation that might be adopted in lieu of options, a business expense deduction is allowed.

In his remarks to the Senate on April 14, 1961, the junior Senator from Tennessee [Mr. GORE] estimated that $46 million worth of stock was purchased under options during the month's period covered by one recent SEC report. He said:

> It can further safely be assumed that there is a potential profit of at least 50 percent in these purchases, or $23 million. At the capital gains rate, these insiders will pay only $5.75 million in taxes. At ordinary income rates, assuming an average of a 70 percent bracket, again a conservative figure, they should pay $16.1 million. This is a loss of revenue of $10.35 million, for an annual rate of about $124 million.

What the Senator has done here has been to give us only one side of the picture. Under these assumed conditions, he has told us how much individual income tax revenue we might hope to gain for the Treasury by repealing the restricted stock option provisions. He has not told us how much corporate income tax revenue the Treasury would lose if we were to do so. Let me present the other side of it:

If we repeal the restricted stock option provisions of the code and if the optionees involved in the Senator's hypothetical illustration are taxed at ordinary income rates on his assumed profit of $23 million a month—whether this be in the form of salary, bonus, unrestricted stock options, or something else—the companies involved clearly would be entitled to deduct the same amounts as business expenses. The restricted stock option provisions presently forbid the employer to deduct any part of these amounts. Repeal of the restricted stock option provisions, therefore, would actually lose the Treasury 52 percent—the effective corporate tax rate—of the $23 million each month, or $143 million a year in corporate income tax revenue.

Thus, if the Senator's bill were enacted, accepting all of his own assumptions, the Treasury would indeed stand to gain $124 million a year in increased individual income taxes, as he has told us; but, as he has not told us, it also would stand to lose $143 million in corporate income tax, for a net loss to the Federal Government of $19 million per year. Clearly then, the bill cannot be supported on the basis that it would operate to increase Federal revenues.

Thus far, I have been talking just about the short-range implications for the Treasury. Actually, we should give primary consideration to the longrun effects. Stock options really operate to increase tax revenues, because they increase business activity, by providing an incentive for top management performance that can be afforded by no other means, and by encouraging the most productive and efficient use of our economic resources. As the senior Senator from Oklahoma [Mr. KERR] stated in the 1950 congressional debate on this subject:

> The provision to which the amendment is offered is one to promote revenue. This is a provision to make it possible for executive personnel to become identified with an organization in which they have an interest, and by their effort increase the value of the stock of the corporation. In so doing they increase the revenue of the Government.

Third, do stock options give the giant corporations an unfair advantage over small companies? Do they impede the establishment of new firms and thus tend to stifle competition?

Undoubtedly, some small firms may experience difficulty in establishing stock option plans, because of the lack of regular trading of their stock and the attendant difficulty of determining fair market value. To the extent that this is a problem, however, it is more directly associated with a firm's being closely held than with its small size; and, incidentally, if it is a problem, it can easily be corrected by the Congress, as I shall mention later. I think it is clear, however, that closely held companies normally would have less need for the kind of management incentive provided by stock option plans than do publicly held firms. This is simply because management and ownership tend to be one and the same, anyway, in such firms. Hence, the incentive is automatic.

Any feeling that small companies as a class tend to be disadvantaged, relative to the large corporations, in the competition for executive talent, through the operation of stock option plans, is largely refuted, I think, by the fact that these plans have been so widely adopted by small and large firms alike. I do not believe there are available any comprehensive figures on the extent of stock option plans, relative to size of company. I believe, however, that it is fallacious to think of these plans only in terms of large corporations, as the following example will show.

I should like to cite the electronics industry, which is a good example of a young, fast-growing industry. Moody's 1960 Industrial Manual lists 140 companies in the electronics industry. These companies were screened, to ascertain which had stock option plans, and then were analyzed as to the relationship between size and the presence or the absence of outstanding stock options. It was found that 123, or 88 percent of the 140 companies had options outstanding, as of 1959. When the companies were ranked in 11 groups, in order of size of assets, it was found that stock options were the prevailing pattern in all categories, from small to large. Specifically, whereas 88 percent of all the firms had stock options outstanding in 1959, in no category as to size of assets did this percentage fall below 71 percent. In this industry alone, there were a total of 48 small companies, with total assets under $10 million, that had adopted restricted stock option plans.

I am confident that studies of other industries containing small, medium, and large companies would bear out the fact that stock options are by no means strictly a device of the large corporations. The sound advantages of these plans are as evident to the small companies as to the large ones; and companies of all sizes have made effective utilization of them to their own benefit, and to that of our economy at large, as I see it.

Last, restricted stock option plans have been criticized because of certain administrative practices that sometimes have been employed.

I would not deny that there have been shortcomings in the administration of some stock option plans. We could hardly expect that there would not be, however, considering the relatively brief experience most companies have had with this form of incentive program. Most companies, however, have developed sound and effective procedures which forestall any real abuses.

Some of these standards and procedures are:

First. Administration of option plans should be by disinterested directors who receive no options themselves.

Second. Options should not be granted at less than 100 percent of fair market value.

Third. Options probably should be granted on a staggered basis, over a period of time, rather than in large, single blocks.

Fourth. There should be limits on the proportion of an option that may be exercised each year. For example, if an option is to run 10 years, it might be exercisable in 10 annual installments of 10 percent each.

Fifth. Optionees should be encouraged to hold stock even beyond the limits imposed by the statute.

Sixth. There should be complete disclosure to stockholders.

CONCLUSIONS

In general, it is my feeling that these and other sound principles of stock-option-plan administration are now being so widely followed on a voluntary basis that no general tightening of administrative standards in the law is needed. The close scrutiny to which any dubious practices is subjected by stockholders and independent directors serves to correct or avoid major abuses, I believe.

Some legislative action might be desirable, however, with respect to two or three specific matters. First, we might profitably reexamine the usefulness of variable priced options. Options of this type are seldom, if ever, used as incentive devices for key management people. Also, closely held companies whose stock is not traded could more easily adopt stock option plans if there were a change in the present provisions providing for disqualification of a plan for unintentional errors in valuing the stock at the date of the grant. Consideration might well be given, also, to eliminating the practice of repricing options or cancelling existing options, for the purpose of replacing them with new options at a lower price.

I want to stress, however, that these areas where some amendments to the present code possibly might be in order are insignificant. Such undesirable administrative practices as do exist certainly can be cleared up, either through improved standards voluntarily adopted by the companies themselves, or conceivably through relatively minor amendments to the law, as I have said. The Gore bill, however, would remove the foundation for the whole stock option idea.

So far as I know, no one seriously questions the effectiveness of stock options in providing a desirable incentive to good management and optimum utilization of our executive talent. None of the arguments used against stock options really stands up. By no kind of tortured reasoning can they be called unfair to stockholders. The present tax treatment accorded stock option plans probably makes money for the U.S. Treasury, far from constituting a drain on our public revenues, as some critics claim. There is no evidence that they give the giant corporations an undue competitive advantage over the smaller companies, since, as I have shown, companies of all sizes have seen the value of this type of incentive program. And such undesirable administrative practices as may have crept into the operation of these plans either are being corrected by the companies themselves as their experience grows, or, in some instances, may be remedied by relatively minor changes in the code.

Senator GORE's bill flies in the face of the record of the past 10 years, which clearly supports the wisdom of the action taken by Congress in adopting the code provisions in 1950.

The PRESIDING OFFICER. What is the will of the Senate?

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONVEYANCE OF CERTAIN LAND TO THE CITY OF FAYETTEVILLE, ARK.

Mr. MUSKIE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 519, Senate bill 1412.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1412) to authorize the Administrator of General Services to convey certain land situated in the State of Arkansas to the city of Fayetteville, Ark., which had been reported from the Committee on Government Operations with amendments on page 1, line 5, after the name "Arkansas", to insert "for park and recreational purposes,"; in line 7, after the word "of", to strike out "land" and insert "land,", and on page 2, after line 14, to strike out:

SEC. 2. The land authorized to be conveyed by the first section of this Act shall be conveyed subject (1) to the condition that it will not be used for any purpose which, in the judgment of the Administrator of Veterans' Affairs, would interfere with the care and treatment of patients of the Veterans' Administration Hospital situated on lands adjacent to the land herein authorized to be conveyed, and (2) to the gas easement which was granted to the Arkansas Western Gas Company (for a period of fifty years) by the Department of the Army.

And, in lieu thereof, to insert:

SEC. 2. The land authorized to be conveyed by the first section of this Act shall be conveyed subject (1) to the condition that it shall be used for park and recreational purposes in a manner which, in the judgment of the Administrator of Veterans' Affairs, will not interfere with the care and treatment of patients in the Veterans' Administration hospital situated on lands adjacent to the land herein authorized to be conveyed, and (2) to the condition that in the event that the Administrator of General Services determines, within twenty years after the date of execution of such conveyance, that the land so conveyed has been devoted to any use other than for park and recreational purposes, all right, title, and interest therein shall revert to and revest in the United States in its then existing condition, and (3) to the gas easement which was granted to the Arkansas Western Gas Company (for a period of fifty years) by the Department of the Army.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to section 2 of this Act, the Administrator of General Services shall convey by quitclaim deed, without consideration, to the city of Fayetteville, Arkansas, for park and recreational purposes, all right, title, and interest of the United States in and to the following described tract of land, which constitutes a portion of certain lands heretofore conveyed by such city to the United States without consideration, and which has been declared surplus to the needs of the United States: A tract of land situated in the county of Washington, State of Arkansas, being part of the northeast quarter of section 9, township 16 north, range 30 west, of the fifty-sixth principal meridian, and being more particularly described as follows:

Beginning at the northeast corner of section 9; thence south along the east line of said section 9, 660 feet to a point; thence west 165 feet to a point; thence south 100 feet to a point; thence west 733 feet to a point; thence north 350 feet to a point; thence west 435 feet to a point; thence north 410 feet to a point on the north line of section 9; thence east along the north line of said section 9, 1,333 feet to the point of beginning; and containing 19.382 acres, more or less.

SEC. 2. The land authorized to be conveyed by the first section of this Act shall be conveyed subject (1) to the condition that it shall be used for park and recreational purposes in a manner which, in the judgment of the Administrator of Veterans' Affairs, will not interfere with the care and treatment of patients in the Veterans' Administration hospital situated on lands adjacent to the land herein authorized to be conveyed, and (2) to the condition that in the event that the Administrator of General Services determines, within twenty years after the date of execution of such conveyance, that the land so conveyed has been devoted to any use other than for park and recreational purposes, all right, title, and interest therein shall revert to and revest in the United States in its then existing condition, and (3) to the gas easement which was granted to the Arkansas Western Gas Company (for a period of fifty years) by the Department of the Army.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MUSKIE. Mr. President, I move that the measures on the calendar following Calendar No. 519 now be called, in order.

The PRESIDING OFFICER. Without objection, it is so ordered; and the clerk will proceed to call the calendar measures, as requested.

NORMAN T. BURGETT AND OTHERS

The bill (S. 705) for the relief of Norman T. Burgett and others was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to (1) Norman T. Burgett, the sum of $623.75; (2) Lawrence S. Foote, the sum of $295.38; (3) Richard E. Forsgren, the sum of $673.58; (4) James R. Hart, the sum of $63.33; (5) Ordeen A. Jallen, the sum of $413.85; (6) James M. Lane, the sum of $172.88; (7) David E. Smith, the sum of $25.52; (8) Jack K. Warren, the sum of $296.78; and (9) Anne W. Welsh, the sum of $394.75; all of Galena, Alaska. The payment of such sums shall be in full satisfaction of all their claims against the United States for compensation for personal property damages sustained by them as a result of a fire occurring on January 3, 1960, in building UM–1, Federal Aviation Agency Station, Galena, Alaska, such building having been available to them as personnel of the Federal Aviation Agency

for the storage of such personal property: *Provided*, That no part of the amounts appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

GEORGIA ELLEN THOMASON

The bill (S. 1347) for the relief of Georgia Ellen Thomason was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Georgia Ellen Thomason, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Raymond Thomason, citizens of the United States: *Provided*, That no natural parent of Georgia Ellen Thomason, by virtue of such parentage, shall be accorded any right, privilege, or status under the Immigration and Nationality Act.

MRS. TYRA FENNER TYNES

The bill (S. 1443) for the relief of Mrs. Tyra Fenner Tynes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 15 to 20, inclusive, of the Federal Employees' Compensation Act are hereby waived in favor of Mrs. Tyra Fenner Tynes, New Orleans, Louisiana, and her claim for compensation for the death of her husband, Tyra Fenner Tynes, a former civilian employee of the Corps of Engineers, United States Army, who died in the Canal Zone on September 23, 1942, shall be acted upon under the remaining provisions of such Act if she files such claim with the Bureau of Employees' Compensation, Department of Labor, within six months after the date of enactment of this Act. No benefits shall accrue by reason of the enactment of this Act for any period prior to the date of enactment.

LILLIAN FRANK SCLAVI

The Senate proceeded to consider the bill (S. 935) for the relief of Lillian Frank Sclavi, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That sections 15 through 20, inclusive, of the Federal Employees' Compensation Act, as amended (U.S.C., title 5, secs. 765–770), are hereby waived with respect to cases involving those members of the Army National Guard and the Air National Guard of the United States alleged to have suffered disability or death from compensable causes which arose during the period from August 7, 1947, to December 31, 1956, inclusive, and their claims or the claims of their dependents for compensation by reason of the Act of July 15, 1939 (5 U.S.C. 797, 797a), are authorized and directed to be considered and acted upon under the remaining provisions of the Federal Employees' Compensation Act, as amended and extended to members of military reserve components, if filed with the Department of Labor (Bureau of Employees' Compensation) within one year from the date of enactment of this Act.

SEC. 2. Notwithstanding the provisions of section 206(b)(1) of the Servicemen's and Veterans' Survivor Benefits Act any person whose rights may be affected by section 1 of this Act may receive any benefits to which he should be found eligible under the Federal Employees' Compensation Act provided he makes the election required under section 7 thereof. In the event of such an election, any benefit amounts received under any other Act for the same death shall be deducted from amounts payable for similar purposes under the Federal Employees' Compensation Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of certain members of the Army National Guard of the United States and the Air National Guard of the United States."

ANNA CATANIA PUGLISI

The bill (H.R. 1336) for the relief of Anna Catania Puglisi was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF CARROLL O. SWITZER

The Senate proceeded to consider the bill (H.R. 1379) for the relief of Carroll O. Switzer.

Mr. MILLER. Mr. President, House bill 1379 is for the relief of the dependents or the estate of Carroll Switzer, formerly of Des Moines, Iowa. I am very much pleased to indicate my complete endorsement of this bill. In fact, I introduced the companion bill in the Senate.

The late Judge Switzer served with distinction as an appointee to the Federal District Court for the Southern District of Iowa. Unfortunately, he served without having his nomination confirmed. He served with distinction for several months. The Bar Association of Polk County, Iowa, and many individual lawyers in the State of Iowa have reported to me that Judge Switzer's services during that period of time were above reproach. Unfortunately, because his nomination was not confirmed, he did not receive any pay for those services.

This bill comes now, following the decease of Judge Switzer. It is too bad that this recognition could not have been accorded during his lifetime; but the next best thing is for the recognition to be given now, for the benefit of his widow and his other heirs.

Therefore, Mr. President, I trust that the Senate will take appropriate action today on this measure.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 1379) was ordered to a third reading, was read the third time, and passed.

HYACINTH LOUISE MILLER

The bill (H.R. 1383) for the relief of Hyacinth Louise Miller was considered, ordered to a third reading, read the third time, and passed.

JUNG NGON WOON

The bill (H.R. 1390) for the relief of Jung Ngon Woon was considered, ordered to a third reading, read the third time, and passed.

MRS. WONG LAU SAU KAM

The bill (H.R. 1391) for the relief of Mrs. Wong Lau Sau Kam was considered, ordered to a third reading, was read the third time, and passed.

MRS. VICENTA A. MESSER

The bill (H.R. 1486) for the relief of Mrs. Vicenta A. Messer was considered, ordered to a third reading, was read the third time, and passed.

MANUEL NIDO

The bill (H.R. 1499) for the relief of Manuel Nido was considered, ordered to a third reading, was read the third time, and passed.

NICK GEORGE BOUDOURES

The bill (H.R. 1699) for the relief of Nick George Boudoures was considered, ordered to a third reading, was read the third time, and passed.

LEE SHEE WON

The bill (H.R. 1704) for the relief of Lee Shee Won was considered, ordered to a third reading, was read the third time, and passed.

ADELA MICHIKO FLORES

The bill (H.R. 1706) for the relief of Adela Michiko Flores was considered, ordered to a third reading, was read the third time, and passed.

ENGINEMAN FIRST CLASS WILLIAM J. STEVENS

The bill (H.R. 1891) for the relief of Engineman First Class William J. Stevens was considered, ordered to a third reading, was read the third time, and passed.

MRS. AMINA YOUSSIF COSINO (NEE SIMAAN)

The bill (H.R. 1903) for the relief of Mrs. Amina Youssif Cosino (nee Simaan) was considered, ordered to a third reading, was read the third time, and passed.

MR. LOUIS FISCHER, FEGER SEAFOODS, AND MR. AND MRS. THOMAS R. STUART

The bill (H.R. 2354) for the relief of Mr. Louis Fischer, Feger Seafoods, and

Mr. and Mrs. Thomas R. Stuart was considered, ordered to a third reading, was read the third time, and passed.

EVA NOWIK

The bill (H.R. 2674) for the relief of Eva Nowik was considered, ordered to a third reading, was read the third time, and passed.

RELIEF OF CERTAIN ENLISTED MEN OF THE AIR FORCE

The bill (H.R. 2750) for the relief of certain enlisted members of the Air Force was considered, ordered to a third reading, was read the third time, and passed.

BILL PASSED OVER

The bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes was announced as next in order.

Mr. MUSKIE. Mr. President, this item is not calendar business. Over.

The PRESIDING OFFICER. The bill will be passed over.

FEDERAL AID TO EDUCATION

Mr. GOLDWATER. Mr. President, since the beginning of the efforts to pass Federal aid to education legislation in this Congress the subject of parochial schools has constantly been before us. Fear has been expressed that direct contributions to these schools would constitute a violation of constitutional intent, but I would direct my colleagues' attention to the fact that this Government has for many years been giving property to parochial schools and up to this time no one has raised the constitutional issue over these actions.

It has not been possible for me to gather a complete inventory of these gifts, but I do have 79 cases at this time, and before we begin debate on the NDEA I will offer a complete list to the Senate. HEW tabulated 299 cases of property released to church schools broken down by denomination as follows:

Denominations participating:	Number of cases
Catholic	140
Seventh-day Adventist	54
Baptist	26
Methodist	20
Others	59

I offer this listing to show that we have been at this business of aiding parochial schools for a good many years, and that the activity is not confined to one church group, but to at least five and, in all probability, the next list will show more.

I ask unanimous consent that a partial list of religious affiliated schools which have been granted land and buildings under the Surplus Property Act of 1944 be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

A partial list of religious affiliated schools which have been granted land and buildings under the Surplus Property Act of 1944

State	Property received	Acquisition cost in dollars	Fair value in dollars	Public benefit allowance in percent discount off fair value or actual cash paid in dollars
Alabama: Assumption of Our Lady School	Craig Air Force Base	30,243	1,000	$30.
Alaska:				
Alaska Mission of Seventh-day Adventists	Elmendorf Air Force Base property	22,372	700	$35.
Catholic Bishop of North Alaska	FAA Repeater Station	117,000	11,700	$585.
Alaska Methodist University	Fo t Richard on Military Reservation	23,160	2,100	$105.
Alaska Mission of Seventh-day Adventists	Elmendorf Air Force Base property	22,892	500	$25.
Moravian Children's Home and School	Federal Aviation	68,400	6,800	$340.
Arizona: Arizona Conference Corp. of Seventh-day Adventists	Thunderbird Field No. 2	743,000	240,784	80 percent.
Arkansas: Southern Baptist College	Walnut Ridge Air Base	1,493,552	436,351	100 percent.
California:				
Monterey Bay Academy of the Seventh-day Adventists	Camp McQuaide	1,619,888	349,189	100 percent.
St. Thomas School	Sherman Institute, Bureau of Indian Affairs	225	2,200	60 percent.
St. Joachim School	Air Force Rocket Engine Facility	810	12,960	$5,184.
Beaumont Elementary School of the Seventh-day Adventists	March Air Force Base properties	15,963	2,400	$120.
Monterey Peninsula Seventh-day Adventist Church School	Fort Ord Military Reservation	9,576	1,110	$55.
Beaumont Elementary and Junior High School of Seventh-day Adventists.	March Air Force Base properties	28,968	3,900	$195.
Colorado: Western Bible Institute	Lowry Air Force Base properties	85,056	57,000	$2,850.
Connecticut:				
St. Bridget's Church School	Elmwood Acres housing project	50,536	24,550	80 percent.
St. Maurice Roman Catholic Church School	White Oaks housing project	40,347	28,043	Do.
Florida: John B. Stetson University (Baptist)	Deland Naval Air Station	704,501	218,116	100 percent.
Georgia:				
Redemptorist Fathers Parochial School	Fort Oglethorpe	99,876	18,500	Do.
Sacred Heart School	Wherry housing area	500	8,700	$2,610.
Hawaii: Grace Chapel Elementary School	USO recreation center	108,963	70,200	80 percent.
Idaho. (None reported as of Dec. 31, 1960.)				
Illinois. (None reported as of Dec. 31, 1960.)				
Indiana. (None reported as of Dec. 31, 1960.)				
Iowa. (None reported as of Dec. 31, 1960.)				
Kansas. (None reported as of Dec. 31, 1960.)				
Kentucky: St. Catherine's School	Fort Knox Military Reservation properties	17,245	500	$25.
Louisiana. (None reported as of Dec. 31, 1960.)				
Maine. (None reported as of Dec. 31, 1960.)				
Maryland:				
St. Stephens School	North Severn housing area properties	18,064	1,000	$50.
Waldorf Seventh-day Adventist School Board	U.S. naval air station	9,389	500	$25.
Good Shepherd School	North Severn housing area properties	8,096	500	$25.
Woodstock College, a Roman Catholic theological seminary	do	16,193	1,000	$50.
Massachusetts:				
Immaculate Conception Church School	Nitre depot	44,400	40,000	100 percent.
Congregation of Sacred Heart School	Otis Air Force Base	16,738	400	$10.
Michigan: St. Francis of Assisi Congregation School	National Guard training reservation	604	2,420	80 percent.
Mississippi. (None reported as of Dec. 31, 1960.)				
Missouri:				
College of the General Council of the Assembly of God	O'Reilly General Hospital properties	1,576,025	991,985	100 percent.
St. Agnes High School	do	34,001	45,900	40 percent.
St. Bernadette Elementary School	Jefferson Barracks	224,066	193,115	100 percent.
Montana. (None reported as of Dec. 31, 1960.)				
Nebraska:				
St. John Vianney Seminary	Omaha District Service Base	4,000	600	$30.
St. Mary's School	Nebraska Ordnance Plant	726	300	$15.
Nevada. (None reported as of Dec. 31, 1960.)				
New Jersey: Central Jersey Christ School, Inc	Shark River Hills Hotel	200,482	32,000	80 percent.
New Mexico:				
St. Michael's College	Burns General Hospital	1,324,455	330,301	100 percent.
Berean Mission Navajo School	Kirtland Air Force Base properties	8,000	672	$33.60.
Brethren Navajo Mission Board School	do	12,000	1,050	$52.50.

A partial list of religious affiliated schools which have been granted land and buildings under the Surplus Property Act of 1944—Continued

State	Property received	Acquisition cost in dollars	Fair value in dollars	Public benefit allowance in percent discount off fair value or actual cash paid in dollars
New York:				
Bishop Duffy High School	Niagara Falls Public Housing Authority project	169,076	72,076	60 percent.
Buffalo Academy of the Sacred Heart	Lake Ontario Ordinance Works	7,500	Leased	
New York Protestant-Episcopal Public School	Department of the Army facilities	3,000	1,321	100 percent.
School of the Mill Hill Fathers, Inc	Schenectady General Depot	3,515	1,000	$50.
North Carolina: Presbyterian Junior College for Men	Laurinburg-Maxton AAB	440,940	113,406	100 percent.
North Dakota. (None reported as of Dec. 31, 1960.)				
Ohio:				
School of the Ohio Conference Association of the Seventh Day Adventists.	Properties of the Veterans' Administration	15,075	11,733	100 percent.
Pontifical College, a Roman Catholic theology seminary	Department of Agriculture	14,806	300	$15.
St. Helen School	Clinton County Air Force Base	2,200	500	$25.
Oklahoma: St. Gregory's College	Old Shawnee Agency	325	300	$15.
Oregon:				
Lebanon Seventh Day Adventist School	John Day lock and dam project	1,200	900	$45.
St. Therese School	U.S. naval station	2,650	1,000	$50.
Pennsylvania:				
Elementary school of the Catholic Diocese of Harrisburg	Veterans' Administration hospital site	26,008	38,129	80 percent.
St. John Bosco School	Lacey Park housing project	9,375	9,375	80 percent.
Mercyhurst Catholic College	Antiaircraft artillery site, 70 properties	7,500	1,500	$75.
School of the Benedictine Sisters of Erie	Antiaircraft artillery site, 90 properties	5,500	1,000	$50.
School of the Diocese of Erie Blessed Sacrament	do	5,500	1,000	$50.
Villa Maria Catholic College	do	8,250	1,500	$75.
St. Judes School	Antiaircraft artillery site 66	11,180	3,500	$175.
Do	Buffalo Run Valley properties	6,800	500	$25.
Rhode Island. (None reported as of Dec. 31, 1960.)				
South Carolina. (None reported as of Dec. 31, 1960.)				
South Dakota: Sunshine Bible Academy	Fort Randall Dam and Reservoir properties	30,399	1,200	$60.
Tennessee. (None reported as of Dec. 31, 1960.)				
Texas:				
Howard Payne Baptist College	Camp Bowie properties	180,176	61,760	100 percent.
Do	do	9,500	600	$30.
St. Henry's Parochial School	Randolph Air Force Base	13,568	1,000	$50.
Southwest Baptist Theological Seminary	Carswell Air Force Base	147,538	3,400	$170.
School of the Missionary Servants of St. Anthony	Normoyle Ordinance Depot	12,123	30,075	
School of the Third Order of St. Francis	do	25,233	24,000	$7,200.
St. Augustine Parochial School	Laredo Air Force Base	42,275	1,260	$63.
San Antonio Catholic School	Fort Sam Houston Military Reservation	17,015	1,300	$65.
Texas Lutheran College	Zuchi Air Force Auxiliary Field	358,600	23,900	
Rio Grande Bible Institute	Falcon Village	13,599	1,200	$60.
St. Francis School	Waco Reservoir	35,600	2,280	$114.
School of the Society of St. Teresa of Jesus	Brooks Air Force Base	16,007	1,100	$55.
Trinity Lutheran School	Waco Reservoir project	1,200	300	$15.
Westminister College and Bible Institute	Navarro Mills Reservoir project	100	20	$1.
Utah. (None reported as of Dec. 31, 1960.)				
Virginia: St. Emma I. & A. Institute	North Severn housing area properties	12,688	2,000	$100.
Vermont. (None reported as of Dec. 31, 1960.)				
Washington:				
Northwest Bible College, Inc	Stewart Heights project	90,533	41,200	100 percent.
St. Patrick's High School	VA hospital	28,900	9,126	80 percent.
Seattle Christian School Association (elementary and high school)	Michigan St. dormitories	92,871	24,200	80 percent.
Western Washington Conference of Seventh-day Adventists (elementary school).	Stewart Heights properties	81,147	12,000	80 percent.
Bethlehem Lutheran Parochial School	Camp Hanford properties	9,711	2,040	$102.
Northwest Bible College	do	8,378	1,860	$93.
West Virginia. (None reported as of Dec. 31, 1960.)				
Wisconsin. (None reported as of Dec. 31, 1960.)				
Wyoming. (None reported as of Dec. 31, 1960.)				
Puerto Rico. (None reported as of Dec. 31, 1960.)				

U.S. CITIZENS' COMMISSION ON NORTH ATLANTIC TREATY ORGANIZATION

The joint resolution (H.J. Res. 463) to extend through June 30, 1962, the life of the U.S. Citizens' Commission on North Atlantic Treaty Organization was considered, ordered to a third reading, read the third time, and passed.

YOUTH APPRECIATION WEEK

The joint resolution (S.J. Res. 49) providing for the establishment of an annual Youth Appreciation Week was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the seven-day period beginning on the second Monday of November in each year is hereby designated as Youth Appreciation Week, and the President is requested to issue annually a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

AMENDMENT OF COMPACT BETWEEN THE STATES OF PENNSYLVANIA AND OHIO—BILL INDEFINITELY POSTPONED

The bill (S. 2032) consenting to the amendment of the compact between the States of Pennsylvania and Ohio relating to Pymatuning Lake was announced as next in order.

Mr. MUSKIE. Mr. President, I move that Senate bill 2032, Calendar No. 542, be indefinitely postponed.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maine.

The motion was agreed to.

AMENDMENT OF COMPACT BETWEEN THE STATES OF PENNSYLVANIA AND OHIO

The bill (H.R. 7454) consenting to the amendment of the compact between the States of Pennsylvania and Ohio relating to Pymatuning Lake was considered, ordered to a third reading, read the third time, and passed.

Mr. MUSKIE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MUSKIE. Was H.R. 7454, Calendar No. 543, passed?

The PRESIDING OFFICER. Calendar No. 543, which is H.R. 6454, was passed.

Mr. MUSKIE. I thank the Chair.

DOCUMENTATION OF THE VESSEL "ACADIA" AS A VESSEL OF THE UNITED STATES

The bill (S. 513) to authorize and direct the Secretary of the Treasury to cause the vessel *Acadia*, owned by Robert J. Davis of Port Clyde, Maine, to be documented as a vessel of the United States with coastwise privileges was considered,

ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 4132 of the Revised Statutes of the United States, as amended (46 U.S.C. 11), the Secretary of the Treasury shall cause the vessel *Acadia,* owned by Robert J. Davis of Port Clyde, Maine, to be documented as a vessel of the United States, upon compliance with the usual requirements, with the privilege of engaging in the coastwise trade so long as such vessel is owned by a citizen of the United States.

WYANDOTTE NATIONAL WILDLIFE REFUGE

The bill (H.R. 1182) to create the Wyandotte National Wildlife Refuge was considered, ordered to a third reading, read the third time, and passed.

FEDERALLY IMPACTED SCHOOL AID PROGRAM

Mr. KUCHEL. Mr. President, this week the Federal aid to education bills apparently died in the House Rules Committee. The education measure which passed the Senate earlier, and which is one of those scuttled, consisted of two basic programs—a 3-year program of general Federal assistance to public education and a 3-year renewal of a decade-old program of aid to federally impacted areas.

It is tragic that throughout America 36 million public elementary and secondary school children will continue to attend overcrowded classes. Almost 1 million of the Nation's youth will continue on half-day sessions. What a fraud on our future. In California, long recognized as a leader in public education, 93,000 of our young people were on half-day sessions at the start of the 1960 school year.

The action by the House Rules Committee has also killed the extension of aid to Federally impacted areas which expired last month. As I say, the Senate-approved school bill continued the impacted aid program. This leaves 1¾ million students without needed education funds unless local property taxes in the affected school districts are raised. And I think it is generally conceded that the property owner is already overburdened. Over 4,000 impacted school districts in America are faced with the dilemma of raising almost $300 million additional for 1961 alone. The renewal of teachers' contracts is uncertain; the approval of final school budgets is in doubt; those districts which have already reached the limit of bonded indebtedness will be hard put to devise ways of raising the needed revenue. Congress has a moral duty to continue assisting local districts where defense installations are located, and where the Federal Government, in the interest of national defense, brings military and civilian personnel to live, with their children. Those children have the right to be educated, along with the children of local residents, in the local schools in the local school districts in which the defense installations are located.

Local school districts ought not to suffer the heavy additional financial blow which is about to fall upon them. Property owners in most instances cannot bear the burden. I believe, therefore, that the Senate—which already has voted a 3-year extension of the program when it passed its version of the general education bill—must send a new impacted areas bill to the House. In February, I introduced a bill (S. 1109) which provided for an extension of this worthwhile program.

The general education bill passed in the Senate several weeks ago incorporated, in effect, the provisions of the bill which I had previously introduced.

For the record, let me fill in some background on this program now under discussion. To compensate school districts saddled with heavy education expenses because of Federal activities, primarily in military and defense, the Federal Government, since 1950, has contributed to their school construction and maintenance—including payment of teachers' salaries, under two allied laws—public laws 815 and 874.

The first of these, Public Law 815, provides for the construction of minimum-needed school facilities as a result of an increase—a minimum of 5 percent over a 2-year period—in federally connected children. The other, Public Law 874, provides for Federal assistance for the operating expenses of schools with an enrollment of 3 percent or more federally connected children.

Funds under this Federal program were extended on a full basis for children whose parents both live and work on Federal property—class A—and on a partial basis for children whose parents are employed on tax-exempt Federal property but live on private taxable land—class B. Class A students are now included under permanent legislation. The assumption is that local revenues for public school taxes are derived from real property taxes on residential property and on commercial and industrial property. As a property owner, the Federal Government contributes its share, equivalent to the amount per child that other property owners pay toward the cost of educating their children. It is in the nature of an in lieu payment.

Any further delay in reviving these provisions will be especially serious to California. In terms of numbers, about 53 percent of our four million school children in 500 districts are affected by their provisions. In terms of money, for fiscal 1961, California applications under the program were accepted amounting to $33 million, or 4 percent of the State's school operating expenses and over $8 million for construction expenses. In the last decade, California schools have received over $340 million under the program.

Congressional failure to continue this kind of school aid will be particularly detrimental to areas where Federal defense and military activities are concentrated. For example, the county of San Diego, where 35 percent of the land is federally owned, cannot afford to pick up an education tab of over $6 million in operating expenses alone for children whose parents pay limited or no local taxes in support of the school system. This is a sizable chunk of the total school budget. And it is the homeowner, the property owner, of San Diego who will be compelled to pick up the check.

Los Angeles County taxpayers will have to come across with another $4 million. Of this amount, Long Beach alone will have to raise about $1.3 million. San Francisco will be responsible for $1 million for its own schools.

In other areas, such as Oakland, local taxes have already reached their maximum allowable tax rate. Oakland's entitlement for "B" category students—partial aid which makes up most of the aid—would amount to $750,000 for the coming school year. In addition, the student body will swell by 1,200. Without funds, teachers will not be available. Without funds, the quality of education will have to absorb the deficit.

My distinguished California colleague, the Honorable JOHN F. BALDWIN, of the Sixth Congressional District, is completely correct when he observes:

> Center School District, which adjoins Travis Air Force Base in Solano County, and has 96 percent of its students coming from families who live and work on Travis Air Force Base, and therefore pay no school taxes, could not operate if the Federal Government did not provide Federal assistance for the construction and operation of the school.

I mention this, Mr. President, to indicate there is a tremendous burden the local property owner will be compelled to assume if impacted areas school legislation dies. Were it not for the help of the Federal Government, the people of that area in my State simply could not assume the burden of paying for the operation and maintenance of the schools in that district.

Failure to pass an impacted areas bill will leave its marks on San Diego, Los Angeles, Long Beach, San Francisco, Oakland, and other cities across the Nation. Nothing is more fundamental to the preservation of our free society than the education of our children. This is not possible without solving the financial problems of our schools.

Mr. President, I wish to make it clear to the Senate that when the impacted areas school district legislation died last month, in effect the Federal Government relinquished three-fourths of its responsibility, previously assumed, to pay its fair share of the costs in federally impacted school districts across the country. In the coming fiscal year in California about $40 million would be the equitable and correct share of the Federal Government. Some $30 million will now lapse. The homeowner and the real property owner in California will be

compelled, by way of increased real property taxes, to bear an unjust burden, a burden placed upon him by the needs and exigencies of the defense establishment of our country. The sole alternative, I assume, is to ask the State for assistance and I do not know whether the State can legally do so, or, if it can, whether it has the money to do so.

I wish to have the Senate also know that the bill I introduced, which has remained in the Senate Committee on Labor and Public Welfare since February, will be the basis of an amendment which I intend to offer to any appropriate vehicle when that vehicle is before the United States as the pending business. I rather imagine, Mr. President, that a majority of Senators will approve that kind of an amendment. At any rate, I hope so.

Yesterday one distinguished Member of the Congress said, "It will never be approved unless it is part of a package." I am one of those who supported the school bill when it was before the Senate. I need not apologize to anyone when I say that "Package or not, we need to discharge a continuing moral responsibility of the Federal Government." To that extent I hope very much a majority of the Senate will approve legislation by way of an amendment to continue the impacted areas school district aid to the schoolchildren of America whose parents participate in American defense installations for the security of our Nation.

Mr. President, the State of California department of education has furnished me with two lists. One of them indicates the aid to California for the fiscal year 1961 for school construction under Public Law 815. The other indicates the aid for all operating and maintenance expenses, to which the school districts in California are entitled under Public Law 874. I ask unanimous consent that both of these tables be printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

School construction aid under Public Law 815 to applicants in State of California, fiscal year 1961

Project No.	Applicant	Amount
916	Death Valley Unified School District	$95,000
10	Monterey City School District	1,063,210
11	Marina School District	40,000
19	Muroc Unified School District	212,400
40	Barstow Union School District	392,862
43	Hinkley Union School District	34,680
45	South Bay Union School District	99,960
50	Indian Wells Valley School District	82,960
60	Lompoc Union School District	64,661
51	Orcutt Union School District	292,400
64	Monterey Union High School District	350,911
218	Santa Maria School District	205,364
225	Pleasant Joint School District	115,600
234	Livermore School District	239,900
401	Wheatland School District	299,250
406	Morongo School District	181,697
424	Fairfield Elementary School District	226,440
509	Westminster School District	177,330
511	Roseville Joint Union High School District	32,436
539	Weaverville High School District	$32,300
604	Winton Elementary School District	25,160
611	Trinity Center School District	12,376
615	Amador Valley Joint Union High School District	18,904
616	Merced Union High School District	172,380
635	Center School District, Vacaville	468,310
639	Lompoc Union High School District	793,542
702	Central Union Elementary School District, Lemoore	640,794
712	Pleasant Valley School District, Camarillo	94,860
718	Guadalupe Joint Union School District	2,720
815	Lemoore Union High School District	105,412
824	Santa Ynez Valley Union High School District	18,224
827	North Monterey County Union School District	129,880
828	San Lorenzo Valley Unified School District	59,630
909	Pedley School District	14,280
911	Irvington School District	440,640
912	Newark School District	75,480
913	Yuba City Union High School District	48,960
915	Salinas Union High School District	198,560
918	Santa Clara Union High School District	204,816
919	Three Rivers Union School District	24,820
920	Salinas City School District	195,160
921	East Side Union High School District, San Jose	148,104
923	Yuba County Junior College School District	55,896
925	Campbell Union High School District	199,100
	Total	8,387,360

Estimated entitlements for current operating expenses under Public Law 874, State of California, fiscal year 1961

No.	School district	Amount
1	Monterey City School District	$852,478
2	Hueneme School District, Port Hueneme	253,463
3	Deluz School District, Fallbrook	
5	Folsom Joint Unified School District	347,904
6	Monterey Unified High School District	273,103
7	Carlsbad Unified School District	43,613
8	Vista Unified School District	204,974
9	Santa Maria City School District	126,296
11	Elverta School District	6,285
13	Seal Beach School District	12,861
14	North Sacramento School District	139,255
15	Robla School District, Del Paso Heights	41,099
16	Coronado Unified School District	256,473
18	Shurtieff Elementary School District, Napa	9,186
24	Rio Linda Unified School District	348,138
26	Del Paso Heights Elementary School District, North Sacramento	24,853
27	Vallejo Unified School District	853,977
28	Oxnard School District	137,804
31	Herlong School District	78,717
32	Fallbrook Unified High School District	65,208
33	Pittsburg Unified School District	
34	Albany Unified School District	23,987
35	Alameda Unified School District	
36	Grant Unified High School District, Del Paso Heights	288,373
38	Mount Diablo Unified School District, Concord	340,259
39	Fallbrook Unified School District	158,996
40	Oceanside-Carlsbad Unified High School District	137,553
41	Richmond School District	124,290
42	Oceanside Unified School District	367,649
43	China Lake Joint School District	418,539
44	Richmond Unified High School District	108,934
45	Paso Robles Unified School District	17,020
48	Barstow Unified School District	188,121
49	Barstow Unified High School District	$84,591
50	Paso Robles Joint Unified High School District	13,343
51	Oxnard Unified High School District	252,790
53	Sausalito School District	46,128
54	Pacific Grove Unified School District	109,819
56	Mountain View-Los Altos Unified High School District, Mountain View	51,151
57	Fairfield School District	183,062
58	Chula Vista City School District	323,091
59	National School District, National City	216,522
60	Santee School District	47,385
61	San Dieguito Unified High School District, Encinitas	22,239
62	Encinitas Unified School District	16,923
63	Alpine Unified School District	11,217
64	Cardiff School District	9,863
65	Grossmont Unified High School District	218,335
66	Cajon Valley Unified School District, El Cajon	113,628
68	Escondido Unified School District	59,860
69	Mount George Unified School District, Napa	14,989
70	Escondido Unified High School District	45,001
71	Brisbane School District	3,094
72	Solano Beach School District	6,866
73	Rich-Mar Unified School District, San Marcos	18,180
74	South Bay Unified School District, Imperial Beach	245,727
75	Benicia Unified School District	82,919
77	San Pablo School District	46,224
78	Lakeside Unified Elementary School District	31,042
79	Crystal Unified School District, Suisun City	229,964
80	Marina School District	53,767
81	Sweetwater Unified High School District, Chula Vista	341,933
82	Lemon Grove Elementary School District	74,366
83	Indian Wells Unified School District, Ridgecrest	62,471
84	Napa Unified High School District	159,939
85	Carmel Unified School District	53,090
86	Victor School District, Victorville	50,673
87	La Mesa-Spring Valley Elementary School District, La Mesa	164,108
88	Yermo School District	62,954
89	Seeley Unified School District	24,369
90	Vaca Valley Unified School District, Vacaville	141,382
91	Vacaville Unified High School District	112,124
92	Sunnyville School District	74,652
94	Napa City School District	88,581
95	San Leandro Unified School District	107,091
96	Armijo Unified High School District, Fairfield	163,461
97	Adelanto School District	107,535
98	Lassen Unified High School District, Susanville	52,576
100	South San Francisco Unified School District	87,874
101	Daggett Elementary School District	16,149
102	Kern County Joint Unified High School District, Bakersfield	263,577
103	Bayshore Elementary School District	24,853
105	San Diego Unified School District	3,238,919
106	Palmdale School District	151,666
107	City of San Bernardino School District	391,310
108	City of San Bernardino High School District	280,557
109	Livermore Joint Unified High School District	97,483
111	Merced City School District	74,752
112	Montezuma School District, Stockton	8,703
113	Lancaster School District	252,645
114	Santa Ana School District	171,167
115	Mill Valley School District	21,081
116	Livermore School District	208,399
117	San Miguel Joint Unified School District	8,896
119	Hinkley Unified Elementary School District	19,341
120	Orcutt Unified School District	109,276
121	Berkeley Unified School District	21,458
122	Manteca Unified High School District	32,618
123	Southern Kern County Unified School District, Rosamond	28,818

Estimated entitlements for current operating expenses under Public Law 874, State of California, fiscal year 1961—Continued

No.	School district	Amount
124	Sacramento City Unified School District	$496,803
125	Los Altos School District	38,585
127	Compton City School District	105,408
128	San Francisco Unified School District	1,025,922
129	Santa Paula School District	16,053
130	San Lorenzo School District	160,917
131	Atwater Unified School District	211,880
132	Costa Mesa Unified School District	30,462
133	Victor Valley Unified High School District, Victorville	74,502
134	Hayward Unified High School District	232,959
135	Pleasanton Joint Elementary School District	57,915
137	Manhattan Beach City School District	27,560
138	Atascadero Unified High School District	5,559
139	Whisman School District, Mountain View	37,134
142	Salvador Unified School District, Napa	46,611
143	Redlands Joint Unified High School District	80,915
144	Pismo School District, Pismo Beach	20,694
145	Ocean View School District, Oxnard	80,265
146	Lathrop School District	2,901
147	Hayward School District	69,530
148	Fremont Unified High School District, Sunnyvale	70,571
150	Redlands School District	91,448
151	Antelope Valley Joint Unified High School District, Lancaster	254,808
152	Atascadero School District	5,802
153	Jefferson Unified School District, Santa Clara	72,432
155	Long Beach Unified School District	1,263,751
158	Needles School District	13,808
159	Needles Unified High School District	
160	Nordhoff Unified School District, Ojai	12,666
161	Rio Elementary School District, Oxnard	52,704
162	Riverside City School District	255,784
163	Rodeo School District	7,156
164	Tamalpais Unified High School District, Larkspur	54,857
166	Willowbrook School District	12,378
168	Lennox School District	8,123
171	Torrance Unified School District	224,868
172	Centinela Valley Unified High School District, Hawthorne	
174	El Segundo Unified School District	20,804
175	Keppel Unified School District, Littlerock	17,289
176	San Rafael School District	22,242
177	Rialto School District	78,717
178	San Rafael High School District	107,848
179	Lynwood Unified School District	
181	Lawndale School District	33,363
183	Valle Lindo School District, El Monte	
184	South Bay Unified High School District, Redondo Beach	57,452
185	Compton Unified High School District	62,641
187	Excelsior Unified High School District, Artesia	53,763
188	Brophy School District, Marysville	1,547
189	Wheatland School District	158,209
190	Wheatland Unified High School District	52,811
201	Perris Elementary School District	9,573
202	San Clemente School District	13,635
203	Amador Valley Joint Unified High School District, Pleasanton	18,708
205	Penryn School District	2,224
206	Green School District, Livermore	3,771
207	San Jose School District, Hamilton Air Force Base	216,909
208	Vallecitos School District, Fallbrook	3,481
209	Yucaipa Joint Unified Elementary School District	18,180
211	Valley Center Unified School District	4,824
213	Tracy School District	34,813
215	Millbrae School District	12,378
217	Perris Unified High School District	8,339
218	Auburn Unified School District	9,283
219	La Vista School District, Hayward	59,763
220	Loomis Unified School District	13,055
221	Arroyo Grande Unified School District	13,151
223	West Riverside School District, Riverside	17,310
224	Westside Unified School District, Lancaster	33,846
225	Val Verde School District, Perris	2,417
226	Moorpark Memorial Unified High School District	$8,710
227	Timber School District, Newbury Park	1,547
228	Castro Valley School District	58,023
230	Elsinore Unified School District	6,285
231	Lincoln Unified School District	15,666
232	Pleasant Valley School District, Camarillo	86,744
233	Oceano School District	7,639
234	Tulelake Joint School District	6,374
238	Moorpark Unified School District	15,569
239	Lafayette School District	21,758
240	John Swett Unified High School District, Crockett	5,559
241	Terrace, Unified School District, Colton	7,736
242	Riverside City High School District	240,002
244	Tracy Joint Unified High School District	20,386
245	Laguna Salada Unified School District, Pacifica	48,812
248	Eureka Unified School District, Roseville	4,738
249	Downey Unified High School District	10,050
250	Old River School District, Downey	5,802
253	Mission School District, Redlands	9,477
254	Del Mar Unified School District	3,287
255	San Ysidro School District	13,538
256	American Canyon School District, Vallejo	35,684
258	Petaluma City School District	31,235
260	Fairfax School District	4,545
261	Larkspur School District	16,439
262	Carneros-Los Amigos Unified School District, Napa	2,224
263	Soda Canyon School District, Napa	
266	Redondo Beach City School District	41,679
267	Palo Alto Unified School District	69,347
268	Washington Unified School District, Salinas	1,934
269	Union Joint School District, Mira Loma	8,413
271	San Bruno Park School District	29,108
272	Highland School District	29,688
273	Wiseburn School District, Hawthorne	
274	Tustin School District	61,891
275	Roseville City School District	27,560
276	Lincoln Unified High School District	7,227
277	Downey City School District	10,444
279	San Anselmo School District	6,866
280	San Joaquin School District, Irvine	90,902
281	Roseville Joint Unified High School District	64,309
285	Mill School District, San Bernardino	5,802
286	Rocklin School District	5,512
287	Bloomington School District	14,505
288	Topanga Elementary School District	1,547
290	Hawthorne School District	8,108
291	Eastside Unified School District, Lancaster	5,993
292	Alameda City School District, Downey	2,624
293	Santa Ana Junior College District	8,363
294	Trinity County High School District, Weaverville	35,212
296	Mountain View South District	23,789
297	Norwalk-LaMirada City School District, Norwalk	73,752
298	Bloomfield School District, Hawaiian Gardens	19,921
299	Artesia School District	20,588
300	Corona City Unified School District	45,967
301	Placer Joint Unified High School District, Auburn	21,984
302	Santa Ana High School District	56,340
303	Merced Unified High School District	127,321
304	Hermosa Beach City School District	6,479
307	Capistrano Beach School District	2,804
308	Alamitos School District, Garden Grove	76,880
309	Newberry City School District	3,868
311	Stockton Unified School District	197,412
314	Mesa Unified School District Camarillo	6,189
315	San Buenaventura School District, Ventura	50,576
319	Enterprise School District, Compton	23,499
320	Palos Verdes School District, Rolling Hills	31,332
322	Santa Margarita Unified School District	1,397
323	Jefferson School District, Daly City	47,772
325	College School District, Santa Ynez	16,171
326	Santa Ynez Valley Unified High School District	$17,114
327	Solvang Elementary School District	5,705
328	Ventura Unified High School District	69,498
329	Friant Unified School District	2,120
331	Danville Unified School District	17,697
332	Walnut Creek School District	25,916
333	San Ramon Valley Unified High School District, Danville	15,382
401	Bonsall Unified School District	6,866
403	Janesville Unified Elementary School District, Susanville	4,835
404	Long Valley School District, Susanville	
406	Highgrove School District	4,158
407	Riverside City Joint Junior College District	25,284
408	Newell Unified School District, Tulelake	7,222
409	Tustin Unified High School District	57,637
410	Anaheim School District	80,361
411	Mount Eden School District, Hayward	88,194
412	Cayucos School District	1,740
413	Saticoy School District	4,158
414	Upland School District	19,824
418	Glenn Avon School District, Riverside	5,125
419	Briggs School District, Santa Paula	1,837
420	Ella School District, Olivehurst	23,112
421	Marysville City School District	19,341
422	Ramona Unified School District	10,002
423	Cambria Unified School District	6,382
424	Arroyo Grande Unified High School District	24,278
425	Ravenswood City School District, Palo Alto	50,480
426	Poway Unified School District	40,346
427	Jefferson Unified High School District, Daly City	62,066
428	San Mateo City School District	48,352
429	Marysville Unified High School District	25,946
430	Oakland Unified School District	798,230
433	San Antonio Unified School District, Lockwood	2,747
434	Garden Grove Unified High School District	100,398
435	Two Rock Unified School District Petaluma	7,929
436	Decoto School District, Union City	28,044
437	Petaluma High School District	23,878
438	Linda School District, Marysville	27,270
440	Orange Coast Junior College District, Costa Mesa	15,365
441	Palm Springs Unified School District	39,255
442	Manteca School District	37,123
443	Riverbank School District	
444	Alhambra Unified High School District, Martinez	10,749
445	Martinez School District	10,637
446	Sheldon School District, El Sobrante	11,314
447	French Camp School District	8,510
448	Coast Joint Unified High School District, Cambria	
501	Mojave Unified School District	16,029
502	Los Alamitos School District	44,000
503	Mountain Empire Unified School District, Campo	11,921
504	Paramount Unified School District	50,021
505	Muroc Unified School District, Edwards	434,129
506	Pinole-Hercules Unified School District, Pinole	19,244
507	Alvord School District, La Sierra	58,320
508	Colton Joint Unified High School District	25,946
509	Ontario School District	104,924
510	San Mateo Unified High School District	80,989
512	Claremont Unified School District	41,308
513	Orange Glen School District, Escondido	9,767
514	Santa Paula Unified High School District	12,046
520	Winters School District	5,028
522	Westminster School District	93,030
523	St. Helena Unified School District	7,957
525	Little Lake City School District, Santa Fe Springs	26,013
526	El Dorado County Unified High School District, Placerville	
527	Alño School District	13,055
528	Casmalia School District	1,547
529	Three Rivers Unified School District	8,314
602	Woodlake Unified High School District	6,825
603	Colton Joint School District	43,033
605	Somis Unified High School District	4,545
606	Pomona Unified School District	117,373

Estimated entitlements for current operating expenses under Public Law 874, State of California, fiscal year 1961—Continued

No.	School district	Amount
607	Hughes-Elizabeth Lakes Unified School District, Palmdale	$760
609	Tolenas School District, Fairfield	2,804
610	Elsinore Unified High School District	2,965
611	Novato Unified School District	91,061
612	Simi Valley Unified School District, Simi	27,560
613	Winton School District	13,345
614	East Whittier School District	27,511
615	Chino Unified School District	72,594
616	Chaffey Unified High School District, Ontario	5,330
617	Palomar Junior College District, San Marcos	156,988
618	Garden Grove School District	
619	Soledad-Agua Dulce Unified School District, Action	5,125
621	Mission San Jose School District	
624	Newport Harbor Unified High School District, Newport Beach	24,834
625	Grass Valley School District	9,467
626	Nevada Unified High School District, Grass Valley	7,829
627	Central School District, Cucamonga	4,351
628	Washington Unified High School District, Fremont	52,223
629	Buena Park School District	9,670
630	Orinda Unified School District	12,765
631	Union Hill Elementary School District, Grass Valley	
632	Magnolia School District, Anaheim	52,510
701	Dixie School District, San Rafael	33,818
702	Dover School District, Fairfield	1,353
703	Acalanes Unified High School District, Lafayette	42,811
705	Capistrano Unified High School District, San Juan Capistrano	3,280
706	Dry Creek Joint School District, Roseville	2,804
707	Newcastle School District	2,030
708	Placer Hills Unified School District, Meadow Vista	5,705
709	American River Junior College District, Sacramento	32,001
710	Center Joint School District, North Highlands	112,758
711	Mound School District, Ventura	1,547
712	Murrieta School District	1,353
714	Centralia School District, Buena Park	46,611
715	Shasta Lake Unified School District, Central Valley	15,534
716	Orange Unified School District	81,255
717	Irvington School District, Fremont	77,170
719	Reed Unified School District, Belvedere-Tiburon	7,156
801	Green Valley Unified School District, Suisun	2,611
802	Suisun Valley Joint Unified School District	3,771
804	Old Adobe Unified School District, Petaluma	9,477
805	Falls School District, Suisun	2,417
807	Avenue School District, Ventura	3,094
808	Rio Vista School District	3,384
809	Round Valley Unified School District, Covelo	8,510
810	Round Valley Unified High School District, Covelo	8,339
811	Jamul-Las Flores Unified School District, Jamul	3,186
814	Natomas Unified School District, Sacramento	
815	Salinas City School District	65,275
816	Round Valley School District, Bishop	2,283
817	Lo-Inyo Unified School District, Lone Pine	3,601
818	Bishop Unified School District	19,814
820	Mill Unified School District, Ventura	2,901
822	Pauma School District, Pauma Valley	
823	Niles Elementary School District	5,415
824	Bishop Unified High School District	11,509
825	Browns Valley School District, Napa	3,578
826	Bellflower Unified School District	102,543
827	Coffee Creek School District, Trinity Center	
829	Lewiston School District	38,506
831	Trinity Center School District, Weaverville	3,583
832	Ocean View School District, Huntington Beach	13,442
833	Sunol Glen School District, Sunol	2,127
834	Fullerton School District	36,747
836	Julian Unified High School District	
837	Arastraville School District, Tuolumne	
838	Vine Hill School District, Martinez	5,028
839	El Centro School District	13,828

Estimated entitlements for current operating expenses under Public Law 874, State of California, fiscal year 1961—Continued

No.	School district	Amount
840	Middletown Unified School District	$2,160
841	Arena Unified School District, Point Arena	7,059
842	Alturas School District	2,804
843	Mount Bidwell School District, Fort Bidwell	3,684
844	Anaheim Unified High School District	97,298
845	Fullerton Joint Unified High School District	39,475
846	Banning Unified High School District	5,129
847	Beaumont Unified School District	5,002
848	San Jacinto Unified School District	8,526
849	Temecula Unified School District	
853	Nordhoff Unified High School District, Ojai	7,718
855	Milpitas School District	25,143
856	Warner Unified School District	6,992
857	Apple Valley School District	11,121
860	Wilsona School District, Lancaster	1,934
861	Las Virgenes Unified School District, Calabasas	2,997
862	Alisal Unified School District, Salinas	20,791
863	Laguna Beach Unified School District	7,844
864	Banning School District	8,262
865	W. Sacramento Elementary School District	2,804
867	Fontana Unified School District	57,638
868	Klamath-Trinity Joint Unified School District, Hoopa	78,274
872	Nipomo Unified School District	10,830
873	Los Alamos School District	5,608
875	Newark School District	25,046
902	Salinas Unified High School District	46,332
903	Belmont School District	10,372
905	Reservation School District, Stewarts Point	1,837
906	Cotati School District	4,738
907	Moreland School District, San Jose	50,480
908	Livingston Unified School District	12,958
909	Cypress School District	17,406
910	Centerville School District, Fremont	18,180
911	Huntington Beach Unified High School District	60,046
912	San Ramon School District	1,837
913	Ferndale School District	3,384
914	Liberty School District, Petaluma	
915	Penngrove School District	2,224
917	Central Unified High School District, El Centro	17,235
918	Cupertino Unified School District	121,171
919	East Lake Elementary School District, Clear Lake Oaks	
922	North Monterey Unified School District, Moss Landing	33,653
923	La Canada School District	16,729
925	Sierra Joint Junior College District, Auburn	5,942
926	Alviso School District, Fremont	6,340
927	McSwain Unified School District, Merced	3,674
928	Santa Maria Joint Unified High School District	96,556
929	Washington Unified School District, West Sacramento	35,583
930	Antelope Unified School District, Coleville	1,169
931	Central Unified School District, Lemoore	9,408
934	Inglewood Unified School District	43,203
1001	Center School District, Vacaville	111,887
1002	Buellton Unified School District	5,222
1003	Dixon Unified School District	12,732
1005	Whiskeytown School District	2,193
1006	La Habra School District	11,991
1007	San Pasqual Valley Unified School District, Winterhaven	43,490
1008	Foresthill Unified School District	
1009	Brea-Olinda Unified High School District, Brea	3,706
1011	El Camino Junior College District	7,532
1012	Weaver Unified School District, Merced	5,125
1013	Elmira School District	2,611
1014	Rio Vista Joint Unified High School District	3,150
1016	Guadalupe Joint Unified School District	9,186
1017	Bonita Unified School District, San Dimas	13,983
1018	Pedley School District, Riverside	3,481
1019	Morongo Unified School District, Twenty-nine Palms	170,754
1020	Mother Lade Unified Elementary School District, Placerville	4,175
1022	Lakeport Unified School District	7,446
1023	Upper Lake Unified School District	2,163
1026	Placerville Unified School District	3,828
1027	Rescue Unified Elementary School District	1,817

Estimated entitlements for current operating expenses under Public Law 874, State of California, fiscal year 1961—Continued

No.	School district	Amount
1030	Huntington Beach Elementary School District	$5,318
1031	Savanna School District, Anaheim	22,725
1032	San Mateo Junior College District	16,332
1033	Junction Elementary School District, Somes Bar	128
1035	Hamet Valley Unified School District	1,869
1036	Santa Clara School District	19,631
1037	Santa Clara Unified High School District	45,961
1043	Sulphur Springs Unified School District, Saugus	4,738
1044	Gold Oak Unified School District, Placerville	2,559
1047	San Lorenzo Valley Unified School District, Felton	2,094
1101	Lincoln School District, Yuba City	6,285
1102	Jefferson School District, Tracy	1,257
1103	Miramonte School District	
1104	Yuba School District	25,143
1105	Yuba City Unified High School District	17,606
1106	Lemoore Unified High School District	13,474
1107	Midland Elementary School District, Sunnymead	216,329
1108	Templeton Unified School District	3,410
1109	Brea Elementary School District	4,931
1110	Lemoore Unified School District	11,217
1111	Loma Prieta Joint Unified School District, Las Gatos	4,738
1112	Shasta Unified School District	2,467
1113	Hanford Elementary School District	19,727
1114	French Gulch School District	1,368
1115	Buckeye School District, Redding	4,858
1116	Pleasant Ridge Unified School School District, Grass Valley	
1117	Nevada City School District	2,230
1118	Browns Valley School District, Vacaville	
1119	Cinnabar School District, Petaluma	1,740
1120	Klamath Unified School District	8,703
1121	Ready Springs, Unified School District, Rough and Ready	
1122	Island Unified School District, Lemoore	2,707
1123	Lincoln Unified School District, Stockton	18,303
1124	Elk Grove Unified School District	45,474
1125	Jackson Unified School District	2,030
1126	Cressey School District	1,740
1127	Sheridan School District	1,353
1128	Ophir School District	
1129	Sonoma Valley Unified School District, Sonoma	45,928
1130	Oro Madre Unified School District, Sutter Creek	
1131	Death Valley Unified School District, Shoshone	1,824
1132	Arcohe Unified School District, Herald	
1133	Hesperia School District	6,479
1134	Tulelake Joint Unified High School District	3,365
1136	Live Oak School District	3,674
1137	Camino Unified Elementary School District	1,515
1138	Oro Grande School District	2,417
1139	Gold Trial Unified School District, Placerville	1,317
1141	Montezuma Unified School District, Birds Landing	
1201	Orland Joint Unified School District	5,415
1202	Orland Joint Unified High School District	4,262
1203	Reef Sunset Unified Elementary School District, Avenal	
1204	Yuba County Junior College District, Marysville	17,504
1205	Portola Valley School District, Menlo Park	
1206	Hyampom School District, Weaverville	
1207	Hanford Joint Unified High School District	9,451
1208	Covina-Valley Unified School District, Covina	
1209	La Puente Unified High School District	
1210	East Side Unified High School District, San Jose	21,868
1211	Campbell Unified High School District	41,328
1212	Valley Oaks Unified School District, Thousand Oaks	22,822
1213	Independent School District, Hayward	
1214	Captain Cooper School District, Big Sur	4,061
1215	Campbell Unified School District	26,883
1216	Buckeye Unified School District, Shingle Springs	3,287

Estimated entitlements for current operating expenses under Public Law 874, State of California, fiscal year 1961—Continued

No.	School district	Amount
1217	Valley View School District, Lincoln	
1218	Lompoc Unified School District	$832,174
1219	Wilmar Unified School District, Petaluma	3,771
1220	San Juan Unified School District, Carmichael	861,050
1221	Murray School District, Pleasanton	
1222	Marrin Junior College District, Kentfield	8,752
1223	Yountville Unified School District	1,353
1224	Armona Unified School District	
1225	Saratoga Unified School District	
	Total	33,342,087

CAPTIVE NATIONS WEEK

Mr. KUCHEL. Mr. President, a decade and a half ago the United Nations was formed, embracing the independent nations of the world, united in the preservation of peace, dedicated to the cause of freedom. Since that time, 40 new nations have emerged in independence, fulfilling their inherent right to self-determination. Many of these have attained membership in the U.N.

But for another group of nations—stretched out in an arc around western Russia from the Baltic to the Adriatic—the great yearning for self-expression has been met with oppression. How unwilling, how undesirable, how tragic their enslavement can be told by more than 100 million prisoners to freedom's cause in the Baltic countries, Estonia, Latvia, and Lithuania; the middle European countries, Poland, Czechoslovakia, and Hungary; and the Balkan countries, Rumania, Bulgaria, and Albania.

We in America have not closed our eyes to this atrocity. We want to keep alive their spirit of freedom. We want to keep alive their hope that they, too, one day will be free. We want to keep alive their allegiance with us in honor.

As an expression of our remembrance and our good will, 2 years ago this month, the 86th Congress adopted a joint resolution setting aside the third week of each July as Captive Nations Week. Soviet reaction to this resolution, as we recall, was angry, as the able junior Senator from New York [Mr. KEATING] said in his excellent speech earlier today. It vibrated the weak links in their armor. For this reason, commemoration at this time—while we reaffirm our position on Berlin—provides a real opportunity to honor that resolution and kindle the hopes of those who look out at us behind an Iron Curtain. Berlin is their symbol—an oasis of freedom encircled by a desert of suppression. We must stand firm on our commitments and stand unflinchingly with our allies. Vacillation is an expression of weakness. Of this, we cannot and must not be guilty.

The great people of America, dedicated to the great principle of freedom, can nourish the ambitions and spiritually reinforce the determinations of present-day victims of Communist dictatorship. We must never acquiesce in their subjugation. We must in every way encourage the idea that their light of liberty has not been permanently extinguished.

Mr. MUSKIE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BERLIN CRISIS

Mr. BYRD of West Virginia. Mr. President, I rise to congratulate the President of the United States on the forthright and courageous stand he has taken in regard to the issue of Berlin. Of course, the President was correct in his recent charge that the Berlin crisis is Soviet manufactured and that the obvious purpose of the Russian threat to sign a separate peace treaty with Communist East Germany "is not to have peace, but to make permanent the partition of Germany." He is also right in maintaining that there will be no real solution of the German problem until the German people are reunified in peace and freedom on the basis of the universally recognized principle of self-determination.

Mr. President, Berlin is the place on the map of the world where the Soviet Union has decided to put to the test the firmness of our commitment to the defense of the free world. We must meet this test and meet it unequivocally. As Berlin goes, so will the free, and the uncommitted, world go.

West Berlin is a small, isolated, outpost of freedom, where 2,500,000 inhabitants are free only because the West, and particularly the United States, has committed itself to stay there until a reasonable solution can be reached. The presence of U.S. troops in Berlin is the equivalent of a burglar alarm, or tripwire: any military attack on Berlin now would precipitate a military reaction by NATO which might lead to all-out war. The Russians are well aware of this, and this is why West Berlin is still free—today—and why they have mobilized all their political, psychological, and diplomatic resources to try to get us to withdraw from Berlin.

Now, it might be asked why it is all that important to the security of the United States that 2,500,000 West Berliners should be kept from being absorbed by the East German Communist regime. After all, Berlin may be militarily indefensible, as the late Secretary Dulles himself pointed out.

Mr. President, it is true that we have a moral commitment to the West Berliners, but we have a prior moral commitment to our own people.

Let us see the issue of Berlin in its proper perspection.

The reason why we must be prepared to use force in order to remain in Berlin is that should Khrushchev believe that we are not prepared and determined to fight, he will bring increasing pressures, threats, and harassment to bear on the Western position and access routes, in order to bring about our withdrawal from Berlin, through some form of diplomatic capitulation.

Should we ever give up our position in Berlin—save as a part of an overall acceptable settlement to the problems of Germany—we will simultaneously and inevitably have given up our security positions all over the world. The cement of the defense of the free world, which consists of the power, the resolve, and the pledged word of the United States of America, will liquefy overnight, should we allow the Russians to force us out of a place which we ourselves have proudly built up and protected and committed ourselves to hold as a bastion of freedom.

Berlin is one of those issues which go to the heart of our worldwide security position.

There is a fateful link between the maintenance of the freedom of the West Berliners, and the survival of millions upon millions of our fellow citizens. If the Soviets should succeed in driving us out of West Berlin, it would be because we are, in the last resolve, prepared to abandon West Berlin rather than run the risk of an all-out war. The handwriting on the wall would then be apparent to all the our allies, to all the countries with whom we have mutual security pacts, and—just as important—to all the uncommitted peoples of the world. The foundations of our present defense and security policy would turn to sand under our feet. By winning the battle of Berlin, and showing to the world that the United States will back down rather than risk war with the Soviet Union even on an issue in which an ironclad commitment is involved, the Soviets would have won a bloodless victory of absolute import on the worldwide front. America would precipitately become isolated politically and strategically, as the free world came to realize that the once might deterrent, backed by unshakeable resolve, no longer exists. The last tragic stage would be reached when the American Government and the American people were faced with the decision whether to accept the extinction of our freedom or to fight. The last stage would bring home to us the bitter awareness of the relationship between the maintenance of the freedom of 2,500,000 West Berliners, and the survival of countless millions of Americans.

Thus the issue before us is inescapable. In order to face it successfully, it must be seen in its proper light. The choice before us is not between giving up Berlin and all-out war. For if we stand firm in Berlin and convince Khrushchev of our determination to do so, we perhaps shall not have war. On the other hand, if we abandon Berlin, we will have started a chain of events which will ultimately bring our country face to face with the awful dilemma: whether to live as slaves under Communist domination or die rather than submit.

As an illustration of the significance of Berlin to other parts of the world, a Japanese Ambassador to a Western European country recently said to one of our officials that Japan's destiny depended on the outcome of the struggle for Berlin. He said that if the United States

and its allies stood firm in Berlin, pending a reasonable final settlement of the German problem, the confidence of the free world in the United States would be strengthened. The other side of the picture, he said, was that if the United States abandoned Berlin, the people of Japan will know that their turn will surely come and will be guided accordingly.

We can spend the time cynically assuring ourselves that West Berlin is too small a reason for possible bloodshed and fire, or we can forthrightly tell Mr. Khrushchev that freedom is indivisible, and that on its behalf we are willing to take up arms, if necessary.

In all of history the tyrant has never been appeased, for each conquest merely whetted an appetite for ever greater power. In all of history, a course of appeasement has led to eventual subjection, for the bully is always contemptuous of the coward.

We must recognize that the Communist ultimatum on West Berlin has placed us at the crossroads of our national existence. We can either purchase a spurious peace at the expense of other people or we can say that this is it. We can follow the craven course of capitulating to Khrushchev's demands, or we can meet ultimatum with ultimatum.

We must recognize that this crossroads situation cannot remain as a diplomatic conversation piece, for the Russians mean to have West Berlin if we merely advise them that we wish they would not make a grab for it. We cannot have a wishbone where our backbone should rightly be.

Let us demonstrate to all of the peoples of the world that we stand resolute in our support of freedom for peoples everywhere, and that this is not a mere cynical mouthing of an ideal. Let us take every step necessary to demonstrate that we will not yield to bluster, or to bayonets, or bombs, where freedom is at stake.

We must recognize that the cost of cowardice is far more fearful a price to pay than that of freedom. The world will rally to support the fearless. It will abhor submissiveness. I cannot speak for others, but as for myself, I will uphold the President's hand.

THE 13 WELFARE RULES OF THE CITY OF NEWBURGH, N.Y.

Mr. JAVITS. Mr. President, recently there has arisen a matter which concerns my State and which has now assumed national connotations, and I should like to address the Senate briefly with respect to it. It concerns the 13 welfare rules announced by the city of Newburgh, N.Y. The matter has now had consideration by the Secretary of Health, Education, and Welfare. Indeed, my colleague, Senator KEATING, and I and Members of the House of Representatives conferred with him only the other day about certain of the principles which are involved. A statement has been made with respect to it by the Senator from Arizona [Mr. GOLDWATER]. It certainly seems to have caught the imagination of the press. Because it affects my State, and as I am a member of the Committee on Labor and Public Welfare, I thought it appropriate to make some comments on it. The issue to which I address myself relates to the 13 welfare rules announced by the city of Newburgh, N.Y., to take effect July 15. As I have explained, because it concerns my State, and its policy on welfare, because it now seems to be something of a national issue, and since it relates to qualification of a State's program for aid under Federal relief and welfare programs, I wish to refer to it in the Senate today. When I have concluded my remarks I shall ask unanimous consent to insert in the RECORD all the pertinent documents. Therefore I shall not stop in the course of my statement in order to refer to them.

First, let it be noted that there is a great deal involved for my State. The State of New York has extensive State aid for welfare relief itself, and has been one of the leaders in this field under administrations of both parties.

Also, it participates in Federal-State programs under the Social Security Act involving payments of more than $210 million per year. Because even a local program like Newburgh's can have a very material bearing on this vital plan of relief and welfare, both the Governor and the State board of social welfare have addressed themselves to the Newburgh rules.

There is general agreement, in which I concur, that it is the duty of municipalities and of the State and Federal Governments, as well, to deal vigorously with so-called welfare chiseling and with malingerers. It is also fair to say that in our State, we certainly do not want to turn back to the dark ages of relief and not accept Government responsibilities for those who are truly unfortunate. Looked at in this light, what Newburg is trying to do can better be understood.

Certainly the idea of requiring work by those able to do it, to take up some of the relief costs, is a sound one. So, too, is a careful checkup against fraud or imposition, which could add to the taxpayers' burdens. So, to, is the need for placing children in home environments which are humane and conducive to their becoming useful members of society where such environments do not exist. But our State and Federal laws are very much against the intimidation or harrassment of those on relief; or the arbitrary cutting off of relief after a limited period where need nonetheless continues; or of visiting upon the children the sins of the parent; or of penalizing migrant workers who are without fault, where a job does not materialize. Nonetheless, all these possibilities exist in the Newburgh relief rules.

The New York State Board of Social Welfare and the Secretary of Health, Education, and Welfare have found that the desirable things which the Newburgh rules seek can be done now. Also, our State board has found that a number of the conclusions of fact which Newburgh has established by these rules do not in the opinion of the board stand up. Among these is the conclusion that there has been widespread fraud in the Newburgh relief program or that great numbers of undesirable newcomers have come to Newburgh to get public assistance. In fact, the board has requested that the attorney general of New York, my successor, bring proceedings to prevent any illegal action on relief by the Newburgh officials while the officials have denied any such legality.

It seems clear to me that great dangers are involved. First, in the effect of the Newburgh rules on the eligibility of the State for Federal participation in relief programs and, second, in the violation of rules that are fundamental to the law and practice and to the feelings of the people of the State of New York. In the final analysis, it must be noted that the whole State has an interest, because if cases deserving relief are compelled to leave Newburgh, they may well become the responsibilities of other cities, whether Poughkeepsie, right across the river; or Catskill, or New York, or Albany, all of which are not very far away from Newburgh.

Also, Newburgh is fair to becoming a national example and certainly an application of the totality of these rules in all cities would make a grave reverse to the humane concepts of relief and welfare which now characterize our country. Indeed, the Senator from Arizona has already said that he would like to see a welfare plan like this one adopted by every city in the country. I definitely would not like to see that, and I hope it will not happen, for I feel the Newburgh rules go too far. I wish to support especially the Governor of New York in his determination that the State will not condone the receipt by anyone of an undeserved benefit but will sustain the humanitarian purposes of public assistance under law. In these circumstances, it is my hope that, as is typical of American public life, the good things which the city of Newburgh is trying to do may be done, whether by rules or merely by the enforcement of the laws which already exist. I have indicated my view of what I believe is desirable, while the inhumane and illegal things may be rejected. I have already indicated my views as to this. In this way, the tradition and repute of New York State as to relief and welfare may be retained, the view of the citizens of Newburgh may be given full consideration, and New York's participation in Federal welfare relief programs may not be jeopardized. Secretary Ribicoff has already indicated how it is possible to reconcile the Federal Government's prohibition against the work relief as part of the program of aid to dependent children with the desirability of work where practicable in home relief programs. Similarly, the State has made clear the ground rules and procedures to prevent chiseling.

It seems to me that the guidelines are clear for Newburgh, and I hope that in humanity and high public spirit they will be listened to, rather than the counsels of a sweeping and improvident return to a dark past in relief and welfare.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement by Governor Rockefeller upon this subject, dated July 13, 1961; a statement by the State board of social welfare, of the State of New York,

dated July 18, 1961; a statement by Secretary Ribicoff on the relationship between State work relief programs and the public assistance provisions of Federal law; an editorial entitled "Newburgh Football," published in the New York Times of today, July 20, 1961; an article entitled "Ribicoff Upholds Work Relief if U.S. Funds Are Not Involved," published in the New York Times of today, July 20, 1961; and finally, so that all Senators may have it for ready reference, the so-called Newburgh rules themselves, promulgated for effectiveness on July 15, 1961.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

STATEMENT BY GOVERNOR ROCKEFELLER

As Governor of New York, I took an oath to uphold the State constitution which provides, among other things, that "the aid, care and support of the needy are public concerns and shall be provided by the State and by such of its subdivisions, and in such manner and by such means, as the legislature may from time to time determine."

This provision of the State constitution not only specifies my sworn duty as Governor, and that of all other State and local officials but forthrightly declares the State's dedication to the human values underlying our social welfare laws. Not only officially, but personally and with deep conviction, I subscribe to this principle which is based upon the fundamental concept of individual dignity and concern for the well-being of the less fortunate.

At the same time I do not for one instant condone so-called welfare chiseling, for any receipt of an undeserved benefit undermines the social and humanitarian purposes of such assistance by damaging public confidence, as I have frequently pointed out with respect to our various social programs.

Public assistance of the needy should not be so perverted as to encourage indolence or discourage self-reliance.

In my first year in office I signed a bill making permanent provisions of State law authorizing properly safeguarded work relief programs for home relief recipients in the discretion of local administrators. In the legislative session just concluded the legislature passed and I signed a bill broadening the power of local welfare officers to require able-bodied applicants for relief to take any available opportunities for employment.

Insofar as the changes proposed by the city of Newburgh are concerned, the executive committee of the board of social welfare has pointed out that specific provisions of State and Federal law would be violated by many of them. As yet, no definitive official action has been taken by the city of Newburgh. In these circumstances, I cannot bring myself to believe that the city of Newburgh will deliberately take action that would violate State and Federal law.

STATE BOARD OF SOCIAL WELFARE, SARANAC INN, N.Y., JULY 18, 1961

The State board of social welfare at its regular monthly meeting held here today, unanimously took the following actions with respect to Newburgh's so-called tough welfare program: The board adopted resolutions accepting the report of its special committee, which held the July 7 hearing in Albany; approving the action of its executive committee in serving a written demand on Newburgh officials that they observe the social welfare law and desist from implementing the illegal provisions of their 13-point program; requesting the attorney general to bring such proceedings as he may deem necessary to prevent the illegal action threatened by Newburgh officials; and approving the action of Commissioner Raymond W. Houston in dispatching State department officials to Newburgh to scrutinize the activities of the local welfare department if the Newburgh officials' threats are carried out. The board also voted to continue the life of its special committee investigating the administration of public welfare in the city of Newburgh.

In announcing these phases of the board's action, the chairman on behalf of the board said: "We reiterate our concern in the face of rising welfare costs, and restate our determination to prevent waste in public welfare expenditures. The board and the State department of social welfare have taken action in the past whenever there was evidence of misuse of public funds. We have also taken action whenever it appeared that the eligible needy have been deprived of assistance. Beyond that, whenever a community has had welfare problems on which it wished the help of the board, we have been available.

"In accordance with this policy we offered the Newburgh officials an opportunity for a discussion for June 7, last. They canceled that appointment for reasons best known to themselves, and subsequently embarked on a publicity campaign. That campaign involved such claims as:

"Great numbers of undesirable newcomers come to Newburgh to get public assistance.

"(In point of fact in all of 1960 the total spent by the city for home relief for newcomers was exactly $205 and the State reimbursed Newburgh in full for that expenditure. Not 1 cent was spent for newcomers on ADC in 1960.)

"There are on Newburgh's welfare rolls many able-bodied recipients who should be placed on work for relief.

"(Yet, for years before the recent ADC work relief situation, New York State welfare districts have been operating scores of work-for-relief projects employing hundreds of relief recipients. Newburgh has employed a few persons on work relief in the past and the many able-bodied recipients affected by the Federal work ruling are less than 10 persons.)

"Newburgh is suffering from an unusually heavy burden of public welfare and 5 percent of its population is on public assistance.

"(The fact is that in 1960 the percentage of the population on the public assistance rolls was 2.9 percent. The expenditures—Federal, State, local—for public assistance, juvenile delinquents, and other programs represented a cost of $29 per year per inhabitant of Newburgh, or about 1⅓ percent of the per capita income of the residents of the city.)

"Mustering of welfare recipients at police stations is necessary because of existing or possible fraud.

"(However, not a single case of fraud was uncovered by this spectacle although virtually every adult who could walk was put through this police procedure. It is noteworthy that in all of 1960, not one case of welfare fraud was prosecuted in Newburgh.)

"Newburgh may have some governmental problems but public welfare is not one of them.

"This publicity campaign culminated in the 13-point program announced by the city manager which involves these things, among others:

"Setting up in the city of Newburgh a local immigration service designed to restrict, harass, and intimidate U.S. citizens by compelling them to submit to tests that are said to be required of foreign immigrants.

"Establishing a system of monthly trips to the welfare office by recipients of assistance which would needlessly harass honest and decent citizens many of whose welfare cases, by their very nature, could not change from month to month. This is a useless and costly procedure, less effective and more expensive than the present requirement of a review whenever necessary.

"Converting the corporation counsel's office into an adjunct of the welfare department where applicants would be forced to run a gantlet before being OK'd for welfare. The obvious objective is to frighten off the timid and the friendless; purposely to delay aid; and otherwise to interfere with the proper and efficient administration of public welfare. Of course, cases and applications involving possible fraud and support should be referred to the corporation counsel but he has no duty to administer public welfare and certainly no right to intimidate the needy and the helpless.

"Using the voucher system instead of cash. The system of universal use of vouchers was tried and abandoned years ago. It was cumbersome, expensive, and susceptible of abuse. Vouchers were sometimes cashed at discounts by merchants. Relief recipients were prevented from shopping around for the best bargains, for only certain stores honored the vouchers. Indigent people were unnecessarily labeled as such—and consequently exploited. Scandals involving the misuse of vouchers were common in the late 1930's—in Newburgh among other places.

"In the light of the facts, we find no justification whatever for the measures Newburgh proposes to adopt. Some of them are inhuman and indecent, most of them are illegal, and the others are unnecessary.

"We especially deplore the spectacle of public officials threatening to violate the laws they swore to administer, and publicizing the program of violations they intend to carry out, and the devices they propose to use to deny certain citizens their constitutional rights—and receiving encouragement and support from some sources.

"The social welfare law of this State has evolved over the years and reflects the cumulative wisdom and experience of successive legislatures and the wishes of the constituency they represent. The legislative history of the law, with the annual amendments and changes suggested by this board and the department, illustrates our concern that the law be responsive to public demand for improvement. Every citizen has a right to seek changes in the laws. No citizen, however, has the right to encourage or advocate breaking the law."

STATEMENT BY SECRETARY RIBICOFF ON THE RELATIONSHIP BETWEEN STATE WORK RELIEF PROGRAMS AND THE PUBLIC ASSISTANCE PROVISIONS OF FEDERAL LAW

Recent discussions concerning work relief programs in New York State make it appropriate to set forth the relationship between work relief programs and the public assistance provisions of Federal law. The basic points are these:

1. Federal law does not prohibit the operation of work relief programs by the States.

2. The States administer their own welfare programs, some of which are financed in part through appropriations from the Federal Treasury.

3. If a community wants to require needy persons to work, Federal funds may be used to pay a share of the assistance payment the individual receives, over and above his wages for working, to meet family needs. Under existing law, Federal funds may not be used to pay any part of the individual's wages. Problems arise from the desire of communities to have the Federal Government assume part of the costs of their work projects through provisions of the recent expansion of aid to dependent children program. The fact is that the communities can continue to operate work projects with their own and State and local funds, but, under existing Federal law, Federal funds cannot be used for payment for services rendered.

4. The determination that wage payments on work relief projects is not assistance within the meaning of that term in the Social Security Act and thus cannot be included for Federal matching was made by the Social Security Board in 1936. Notice of this limitation has been included, with others, in letters to States when each State plan was approved. This interpretation has been carefully reviewed and has been reaffirmed several times in the ensuing 25 years.

5. The 1961 ADC amendments were designed to assure that efforts will be made for the reemployment of the ADC parent in order to eliminate the need for support under this program. States may not provide aid to dependent children to a family if, and for as long as, the unemployed parent refuses without good cause to accept employment, in which he is able to engage, that is offered through the public employment office or by a private employer. A State may, if it so desires, include unjustified refusal to accept employment under a work project as a disqualification for assistance. Thus, a State is not obliged to provide assistance to persons who refuse to work on work relief programs.

6. It should be made clear also that there is no bar to a State having a work program and an extended ADC program at the same time. A work program might:

(a) Employ only home relief recipients who do not qualify for ADC (such as unemployed single persons or persons with no children under 18).

(b) Employ the unemployed head of the ADC family for full or part time, paying wages for his work and ADC with Federal matching for the balance.

Such a program is being worked out in one State (West Virginia) that has a State public works program, when wages are paid from State funds for about half-time work, and any balance of family need is paid from ADC with Federal matching. Men with large families are given preference in work assignments.

Under such plans, some parents can work on community work projects and receive compensation for work done. However, in instances where the amount is not enough to meet the family's need as determined under the State's assistance standard, supplementary help is provided under to aid to dependent children program. In such instances, the amounts paid to unemployed parents of needy children as wages or compensation for the work or services are considered as income available to meet economic need in determining eligibility for aid to dependent children and the amount of payment.

When title IV of the Social Security Act dealing with aid to dependent children was extended by the Congress this year on a temporary basis to needy children of unemployed parents, some States were already providing assistance to these families through their general assistance programs without Federal aid. General assistance cases eligible under the extended definition of ADC can be transferred to the federally aided programs and thus the States may receive Federal funds under title IV for such cases. New York is one of the States that provide general assistance (called home relief) to needy persons without regard to the cause of need and has had a plan approved for providing ADC to children of unemployed parents.

In April of this year, home relief was being given in New York State to 43,496 families, including 148,905 individuals. Under this type of assistance, work relief may be provided at the option of local communities with 50 percent State matching of local expenditures.

In June 1961, 900 of the 148,905 were employed on work relief projects, only slightly less than in June 1960 when 1,179 were employed. Only three communities employed over 50 persons. We understand that Onondaga County employed 140 persons in June 1961 as compared with 146 in June 1960.

The New York State Social Welfare Department estimated that it would transfer about 65,000 recipients from home relief to ADC in May and June. This will mean an increase of Federal funds to the State of about $1,278,000 per month ($15 million a year).

[From the New York Times, July 20, 1961]

NEWBURGH FOOTBALL

The relief of human misery, as provided by law and prompted by man's social conscience, has become a political football; and the uninvited intervention into the Newburgh conflict by Senator BARRY GOLDWATER, Republican, of Arizona, has helped to make it so.

On July 7 Newburgh's city manager, Joseph Mitchell, received a letter from Senator GOLDWATER calling the Newburgh program for tightening welfare dispensation "as refreshing as breathing the clean air of my native Arizona." Not content with a letter, Mr. GOLDWATER, among others, invited City Manager Mitchell to Washington, and there told him that he didn't "like to see my taxes paid for children born out of wedlock"; that he had no reservations about any aspect of the Newburgh 13-point welfare code—and that his endorsement of it had "nothing to do with the Rockefeller-Goldwater" political competition. Of course not.

The fact is that Senator GOLDWATER is by his blanket commendation of Newburgh encouraging local disobedience of State and Federal law.

We have condemned what we viewed as inhumanity in some aspects of the Newburgh program and we condemn it again. Naturally we desire to see welfare rolls cleared of any and all chiselers, and of malingerers. We endorse work relief for the able bodied, when it is useful work and does not get in the way of putting the jobless into gainful private employment. But unfortunately the debate over Newburgh has thrived on misrepresentation, misunderstanding and a certain amount of vindictiveness.

If the State's facts are to be relied on at all—and we have no reason to doubt them—it is obvious that Newburgh has overstated its welfare problem. The State says the city's expenditures for relief are less per capita than those of similar small municipalities; it says that few of the city's newcomers went on relief; that the percentage of the city's population on relief in 1960 was 2.9 percent, not 5 percent as claimed; that fewer than 10 able-bodied men have been found among welfare recipients; that the city discovered not one case of fraud when welfare recipients were questioned at police headquarters.

State testimony showed that among five comparable cities, Newburgh last year had the lowest percentage of population on relief, that nonwhite population apparently had little effect on its welfare costs, and that Newburgh had spent only $1,395 in 2 years on relief payments to "newcomers." Forty-one of the State's 65 welfare districts had qualified last year for special welfare aid because home relief payments were made to more than 1 percent of the population; but Newburgh was not among them.

Like practically every other city, Newburgh has a welfare problem; but it should meet this problem in accord with Federal and State law, by standards set by Congress, by the legislature and—we trust—in a spirit of compassion somewhat more humane than the Goldwater manifesto applauding the penalizing of children for the sins of their parents.

[From the New York Times, July 20, 1961]

RIBICOFF UPHOLDS WORK RELIEF IF U.S. FUNDS ARE NOT INVOLVED—SECRETARY REFUSES TO TAKE SIDES IN THE CONTROVERSY OVER NEWBURGH CODE

(By Peter Braestrup)

WASHINGTON, July 19.—A Cabinet official said today that, contrary to widespread reports, Newburgh and other New York cities had long had the right to put able-bodied relief recipients to work as long as Federal aid was not involved.

The official was Abraham A. Ribicoff, Secretary of Health, Education, and Welfare. He did not take sides in the controversy over Newburgh's stringent new welfare code. But, in effect, he challenged contentions by the city's officials and their supporters that able-bodied relief recipients who preferred to loaf instead of work constituted a key problem.

Newburgh's welfare code, effective last Saturday, contains a provision barring payments to anyone who leaves a job voluntarily or refuses available local work.

This provision was the one praised most highly yesterday by Senator BARRY GOLDWATER after meeting here with Newburgh's city manager, Joseph McD. Mitchell, architect of the code. The Arizona Republican said that he understood the plan simply denied relief to people who refused to work.

"I'm tired of professional chiselers walking up and down the streets who don't work and have no intention of working," Mr. GOLDWATER declared later.

Mr. Ribicoff emphasized that "it is up to the community whether it wants to have work-relief programs. There is nothing in Federal or State law that prohibits it," he declared.

He noted that some 30 New York communities had work-relief programs underway in June that employed 900 persons. Able-bodied welfare recipients can work off that part of their relief payments not covered by Federal matching grants, he said. Newburgh, he noted, had no such program last month.

In July 1960, he said, Newburgh had a program employing one welfare recipient. Had there been others fit to work, Mr. Ribicoff indicated, they too could have been employed.

This week, Mr. Ribicoff said, Newburgh, operating under its new code, apparently had been able to round up only one welfare recipient fit to work. The rest, other officials said, were women, children, and the sick and disabled.

Mr. Ribicoff discussed the Newburgh problem after a 5-hour conference with New York State welfare officials. Their prime concern was not Newburgh but the effect of new Federal aid programs in local work-relief projects.

Raymond Houston, New York Commissioner of Social Welfare, said that there had been some misunderstanding over potential conflicts with the administration's 2-month-old $200 million program to provide emergency relief payments for children of the unemployed. Mr. Houston suspended some work-relief projects last month, fearing that they would jeopardize eligibility for new Federal funds. These funds may not be used to subsidize local work projects.

Mr. Ribicoff said a plan had been worked out today. Mr. Houston said work-relief projects would resume tomorrow.

FEDERAL PROGRAM EXPLAINED

The broadened Federal aid to dependent children program, officials said, does not prohibit any State or community from conducting any kind of separate program to aid the unemployed that it chooses. In fact, a State may refuse help under the program to the family of an unemployed man if he refuses to take a work-relief job. But work-relief programs must be paid for by State

funds not matched by Federal funds, officials pointed out.

As an example, it was said, the combination plan would work like this:

A man with a wife and two children covered by aid to dependent children would require a minimum living income, say, of $180 a month.

The Federal Government would contribute $20.50 apiece for the support of the wife and two children. The State would contribute $9.50 apiece. This would total $90 for the month.

Home relief payments, provided by the State or community alone, would account for the remaining $90. This amount could be worked off by the man in the family at the prevailing local wage.

The going rate in upstate New York communities that use work relief is from $1 to $1.60 an hour.

The Federal share of public-assistance expenditures for New York in the 12 months ended July 1 totaled $162,116,507. Payments of $210,619,473 were made by State and local governments under the Federal-State program of the Social Security Act. Another State program of general assistance—the funds used in part to pay for work-relief programs—is not matched by the Federal Government.

Federal-State outlays for aid to dependent children totaled $161,904,000 in the fiscal year 1961. In May and June, payments were made to families of unemployed fathers under the new extension of the program.

In May, according to Mr. Ribicoff's department, there were 292,171 persons—22,716 of them children—on the aid-to-dependent-children rolls. Of these, 4,706 were receiving aid because of the father's unemployment. The total number of relief recipients was 412,331—excluding State home-relief—with 62,776 on old-age-assistance rolls, 16,337 getting medical care for the aged. The rest were getting aid for disablement and blindness.

[From the New York Times, July 15, 1961]

NEWBURGH WELFARE RULES

NEWBURGH, N.Y., July 15.—Following is the text of the 13 procedural changes in welfare administration that went into effect here today:

"1. All cash payment which can be converted to food, clothing, and rent vouchers, and the like without basic harm to the intent of the aid shall be issued in voucher form henceforth.

"2. All able-bodied adult males on relief of any kind who are capable of working are to be assigned to the chief of building maintenance for work assigned on a 40-hour week.

"3. All recipients physically capable of and available for private employment who are offered a job but refuse it, regardless of the type of employment involved, are to be denied relief.

"4. All mothers of illegitimate children are to be advised that should they have wedlock, they shall be denied relief.

"5. All applicants for relief who have left a job voluntarily, i.e., who have not been fired or laid off, shall be denied relief.

"6. The allotment for any one family unit shall not exceed the take-home pay of the lowest paid city employee with a family of comparable size. Also, no relief shall be granted to any family whose income is in excess of the latter figure.

"7. All files of all aid-to-dependent-children cases are to be brought to the office of the corporation counsel for review monthly. All new cases of any kind will be referred to the corporation counsel prior to certification of payment.

"8. All applicants for relief who are new to the city must show evidence that their plans in coming to the city involved a concrete offer of employment, similar to that required of foreign immigrants. All such persons shall be limited to 2 weeks of relief. Those who cannot show evidence shall be limited to 1 week of relief.

"9. Aid to persons except the aged, blind, and disabled shall be limited to 3 months in any 1 year—this is a feature similar to the present policies in unemployment benefits.

"10. All recipients who are not disabled, blind, ambulatory, or otherwise incapacitated shall report to the department of public welfare monthly for a conference regarding the status of their case.

"11. Once the budget for the fiscal year is approved by the council, it shall not be exceeded by the welfare department unless approved by council for supplemental appropriation.

"12. There shall be a monthly expenditure limit on all categories of welfare aid. This monthly expenditure limit shall be established by the department of public welfare at the time of presenting the budget, and shall take into account seasonable variations.

"13. Prior to certifying or continuing any more aid-to-dependent-children cases, a determination shall be made as to the home environment. If the home environment is not satisfactory, the children in that home shall be placed in foster care in lieu of welfare aid to the family adults."

Mr. MUSKIE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 3 to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 12 and 13 to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendment of the Senate numbered 15 to the bill.

A REVITALIZED CIVIL DEFENSE PROGRAM

Mr. PROXMIRE. Mr. President, on May 25, the President of the United States appeared before Congress and delivered an extraordinary state of the Union message. He delineated some nine areas of urgent national need, mentioned some of his own plans to meet those needs, and suggested certain legislative remedies.

One of these areas was civil defense, which the President marked as a "major element of the national security program." The Nation has "never squarely faced up" to this problem, he continued, never adopted a consistent policy.

Public consideration—

He observed—

has been largely characterized by apathy, indifference, and skepticism; while, at the same time, many of the civil defense plans have been so far reaching and unrealistic that they have not gained essential support.

If anything, this is, of course, an understatement. Criticism of the bureaucratic and utopian temper of our civil defense planning began almost at the moment of the formal inception of the efforts of the Federal Government in 1950. In recent years that criticism has reached a crescendo compounded partially of hysterical nonsense, but also partially of hard-headed realism.

I was heartened by the President's recognition of this situation, and I was further gratified by his expressions of concern.

Mr. President, a realistic civil defense program would be a profound force for peace and an important supplement to our military strength. Fallout shelters, properly constructed and identified, can provide significant protection for large numbers of people. Not only would adequate civil defense provide insurance against the consequences of irrational attack, miscalculation, or accidental war; it would also increase our military strength, by enhancing our ability to carry on defense, thus making far less likely an attack on the United States. Civil defense would be a passive deterrent, as our missiles and Armed Forces are active deterrents.

Inadequate and poorly planned civil defense can actually increase the chance of war, by giving a potential aggressor greater assurance that an attack could be successful.

A program of building and identifying fallout shelters is both possible and practical. It should be undertaken at once.

But further speculations about deep blastproof shelters and city evacuation programs can only further mislead our people, while wasting time and money which could better be spent elsewhere.

We face at the moment the great threat over Berlin. There is widespread public speculation on the possibility of a nuclear war. Every expert who has studied this problem has agreed that a civil defense program whatever its inadequacies, could save lives, and millions of lives.

It is a cardinal tenet of military strategy that it is much less important, significant, and effective to conquer territory than to kill troops, inhumane and brutal as it seems. The fact is that war is a terrible thing. In the same way, in the calculations of an enemy, if he knew he could wipe out a large proportion of the American people, that would be an invitation and a very important incentive for him to attempt to engage in the terrible holocaust of nuclear war. That is why civil defense, if it is effective to any degree, can have significant advantages.

We have now had 11 years of civil defense, much of it, I am forced to say, ineffective and wasted effort. I state this hard fact not because I wish to run down the fine work of our many fine civil defense volunteers. The dedication, hard work, and sacrifice of these wonderful people deserve our praise and thanks. They have persevered in the face of many discouragements, and in spite of a lack of clear, consistent leadership from the top.

I want to single out the civil defense workers in Wisconsin and in my State's largest city, Milwaukee, for special praise. These people have a record of accomplishment which is a model for the Nation. The former mayor of Milwaukee, my good friend the Honorable Frank Zeidler, has for years been a recognized leader in the civil defense field. At national conferences of mayors and municipal officials, his voice has often been raised to support more effective civil defense planning.

But hard work and dedication alone, unsupported by clear guidance from Washington, have not been enough. In spite of several "reorganizations," the national civil defense effort has just not been able to provide the leadership to cope adequately with this cold war emergency.

I, therefore, wish to express support for the President's plan to give major responsibility for civil defense to the Department of Defense. I share his view that our military establishment is the only agency which can direct this vital program in a satisfactory manner.

This is true for a number of cogent reasons. In the first place, one of the major obstacles to a successful civil defense program is the public's apathy and skepticism. The past record of the civilian agencies has undoubtedly contributed to this indifferent attitude.

In the Department of Defense, on the other hand, the program will be directed by an agency with great prestige and experience. This is a good way to create a greater measure of acceptance of the idea of civil defense in the country as a whole.

Furthermore, it is quite likely that Congress itself will look upon the program with more favor when the full resources of the Defense Establishment are put behind it. I predict that the impact upon both Congress and the Nation will be increased tremendously once civil defense is identified as an integral part of our military effort.

Civil defense is, in fact, a military function. It should be meshed with our total defense planning and preparation. In the era of nuclear weapons, civil defense can no longer be a civilian matter. It is a preparation for war, which can best be accomplished by the Department of Defense.

Finally, civil defense requires the discipline and expertize that only the military can provide. Preattack training flows naturally out of the experience of the armed services. The engineering capabilities of the Corps of Engineers give the Miltary Establishment an added advantage in this area.

I do not mean to imply that we should militarize all our civil defense efforts. Top-level civilian control of the program must be maintained. But responsibility for the operation of the shelter program should be shifted to the Secretary of Defense, with no division of authority or duplication of effort.

Mr. President, such a shift in operational responsibility is overdue and should be accomplished at once. We have got to stop deluding ourselves that anything short of a centrally organized drive toward civil defense is going to be at all effective. Our own experience in the past decade should provide sufficient proof that, in spite of the best intentions, local, civilian efforts are simply inadequate. Individuals and even local and State governments simply do not have the resources to achieve the necessary results. The British learned this in World War II. They were lucky. They could afford the luxury of trying individual and local effort in wartime and still have enough time to convert to centrally controlled operations. Should the tragedy of a nuclear attack occur, we shall not have the same margin for error.

There is a place—a vital place—for local control in the case of ordinary civil disaster. I would not want to see any of that control taken away from local authority in such cases.

But the catastrophe of thermonuclear attack requires absolute central control. Only the Federal Government has the resources—technical, economic, and organizational—to carry out a national program.

We have already lost valuable time. The need for rapid centralization is now urgent.

One of the ways in which we have lost time is through diffusion of effort. Civil defense planning to date has borne a grisly resemblance to the knight who jumped on his horse and rode madly off in all directions.

If we had inexhaustible resources, deep blast-proof shelters might be the answer to the problem. But construction of such shelters is not practical at the present time.

The evacuation program is largely an illusion. The shortness of the warning time makes it clear that any attempt at evacuation in case of a nuclear attack by missiles would end in carnage.

On one program there is substantial agreement. I agree with the President that the fallout shelter holds the greatest promise in terms of both practicability and possibility.

Further hopeful speculations about blast shelters and evacuation programs not only waste time, energy, and money; they mislead the people. The time has arrived when we must concentrate our resources on building and encouraging the building of various types of fallout shelters throughout the country. Much can be accomplished in such a program, at a relatively small cost and in a relatively short time.

Nevertheless, it will require substantially more funds than have been allotted annually in the past. The President has spoken of tripling the present appropriation. The Civil Defense Director has been reported as advocating a 4-year, $20 billion program. Whatever the amount requested, it must, of course, be scrutinized with great care. But I am convinced that great savings can be made in the elimination of high salaries by transferring this function to the Department of Defense, and in the elimination of unnecessary expense by abandoning unnecessary programs.

Mr. President, it is my firm belief that a bad civil defense is worse than no civil defense at all. A bad program will encourage either complacency or skepticism, or both.

The sad state of present knowledge about what can be done was pointed out in a recent article by Samuel Lubell. "Few persons," he reported, "have much information about shelters, how much protection they would give or what kind of shelters would be best for different purposes."

Yet, Mr. Lubell also gives us some idea of the support a vigorous program might enjoy among the American people. Among the persons he recently interviewed, "shelter building is favored by a 4-to-3 margin." Three years ago only about a third of the persons interviewed favored fallout shelters.

If Mr. Lubell is correct, we are at a propitious moment. Now is the time for new conceptual thinking, for a radical departure from past failures. Now is the time to take account of the realities. It may be our last chance. I know the President has these thoughts in his mind as he and his advisers formulate their plans. I urge him to put those plans into effect with precision, vigor, and speed.

Mr. President, recent articles by two leading columnists discussed the subject about which I have been speaking. The first, by Joseph Alsop, entitled "Think of My Responsibility," appeared on July 10 in the Washington Post and other papers; the second, by Roscoe Drummond, entitled "Will It Work," appeared on July 12. I ask unanimous consent that both be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THINK OF MY RESPONSIBILITY

(By Joseph Alsop)

Since it was first established, the Office of Civil and Defense Mobilization has been one of those areas of Government that come to resemble city dumps, littered with unread press releases, unrealized programs, and otherwise unemployable patronage appointees. But it is now the center of a major, vividly revealing drama.

The chief actor in the drama is President Kennedy. The theme and cause is the President's realization, which seems to be shared by very few people as yet, that the decision to stand up and be counted at Berlin involves a clear risk of a nuclear exchange. The risk is thought to be very small, if Nikita S. Khrushchev can only be convinced the United States means business. No one believes the Kremlin is in the least prepared to fight an intentional nuclear war for Berlin. But what is risked is so stupendous and terrible that even 1 chance in 1,000 of this result is enough to afflict any responsible man.

The best figures come from a study of the need for serious civil defense measures, which was ordered by President Eisenhower and filed and forgotten, as usual, as soon as it was completed. The figures of casualties are substantially too high, since they were

based on an assumed Soviet nuclear attack in the year 1963, when Soviet intercontinental rocket power will be much greater than it is today. But even after making due allowance for this important error, the study's forecast of 70 million American dead is quite ugly enough.

This is what has been afflicting the President. The most important symptom to date has been his recurrent attempt to persuade the congressional leaders that something big ought to be done without further delay, about the civil defense program. From Vice President JOHNSON on down, they have told him that civil defense was one activity for which the Congress would not appropriate additional funds.

The congressional dislike for civil defense spending is, in fact, plain from the record. The new State Department Building was built, in the era of Soviet rocketry, with no adequate shelters. Just the other day $1.5 million was cut from the cost of a new Federal building in New York by the simple expedient of cutting out its blastproof shelter. But this reckless record does not satisfy the President. He grimly answered one group of his discouraging congressional consultants:

"Maybe you're right about Congress. But think of my responsibility. If something goes wrong, we might have 70 million dead."

For this stern reason, serious action on the civil defense front is now being prepared, in the sensible expectation that Congress will have to vote the funds if asked for them in a businesslike and convincing tone. The sign of these preparations is the behind-the-scenes tussle that has been going on, about the responsibilities of the Office of Civil and Defense Mobilization.

Organizations long treated as governmental dumping grounds are seldom well adapted to great, last-minute efforts. Until very recently, the OCDM did not even have in its files a program of short-range action, aimed to minimize the impact of a nuclear exchange insofar as this is possible to do in a short space of time. The administrator, Frank Ellis, a Louisiana politician, is a patronage appointee like all his predecessors.

Hence the OCDM is clearly unfitted for the kind of efforts the President now wants. Plans have therefore been prepared for transfer of action responsibility to Secretary of Defense Robert McNamara. Civil Defense Administrator Ellis is resisting the transfer, on the fairly specious slogan that civil defense ought to be a civilian task. But it is a good bet that the transfer will be made rather shortly.

It would be made now, in all probability, if the Defense Department experts did not first have to do a lot of basic homework. The most effective type of short-term shelter program first has to be determined. The program then has to be "costed out" in the Government accountants' phrase.

In reality, much can be accomplished in the short time available before the expected crunch at Berlin. Fallout shelters are by no means difficult or expensive to prepare. The mere preparation of fallout shelters for persons outside immediate target areas would reduce the casualties of a nuclear exchange by more than one-half. Even in target areas, blast shelters that will stand up except at "ground zero" are not impossible to improvise.

When a program is completed, the President is thinking about writing a personal letter to all U.S. citizens, telling each of them what to do and how to do it in a brief, simple way. In short, he means business about civil defense, strange as this may still seem to many people.

CIVIL DEFENSE: WILL IT WORK?

(By Roscoe Drummond)

President Kennedy is wisely and rightly putting the fullest influence of the White House behind developing a stronger civil defense program.

He is asking Congress to increase the civil defense appropriation from $100 million, which is so inadequate as to be a waste, to $300 million, which would enable the Government to make a real beginning.

This is a modest investment in security, safety, and survival.

I believe that the critics and those who are apathetic about civil defense ought to ponder the answers to these questions: Who are the principal advocates of civil defense and what are their credentials? Can civil defense really save lives in the event of nuclear attack? What needs to be done?

The principal advocates of civil defense are the President of the United States, all of the Governors of the 50 States, and the mayors of the whole Nation. At their annual conferences last month, the mayors and the Governors unanimously supported a matching-grant program by which Federal, State, and city government can do the job effectively. In other words, the President, whose responsibility is the safety of the Nation, and the Governors and mayors, whose responsibility is the safety of the people of their States and cities, are as one in favoring a meaningful civil defense program.

Furthermore, protection of the civil population and the Nation's vast industrial complex against nuclear attack is itself a deterrent to nuclear attack. It is more riskful to attack a nation able to survive that attack.

This is the view of the Defense Department: "The vulnerability of the civil population to nuclear attack may impair the ultimate utility, if not the combat capability, of our military forces."

This is the view of the Chairman of the Joint Chiefs of Staff, Gen. Lyman Lemnitzer: "A well-prepared and safeguarded populace in itself provides a major contribution to our essential nuclear deterrence."

But can a good civil defense save lives on a large scale? Is it practicable or is it a vast boondoggle? I give you the words of the Nobel Prize-winning scientist, Dr. William F. Libby:

"Atomic and hydrogen bombs can create hell on earth in a way no man, not even Dante, has ever imagined. But it is possible to save most people. Defense against radioactive fallout through fallout shelters is a must. This should be done, for it would save millions of lives."

I give you the words of Edward Teller, father of the H-bomb:

"We must realize that an all-out nuclear attack would not leave our Nation uninhabitable. Radioactivity decays * * * contamination would be most critical for about 2 weeks. During that time, to survive, we must be sheltered against radioactivity. Then we could emerge to clean up and rebuild our Nation."

It is highly important that the Federal Government should put its own house in order by providing shelter in its buildings to insure continuity of government and as an example to the people that our leaders mean it when they say shelter is necessary. There are new Government buildings in Washington completed this past year which do not have fallout shelters.

Sample surveys of shelter potential of existing buildings have been conducted in four different cities. These suggest that millions of Americans could be protected by existing structures with minor modifications. These shelters need to be identified and improved throughout the Nation.

There ought to be an incentive to individuals to build private fallout shelters. Some Federal and State tax rebate would be in order.

Civil defense planning and coordination should be the responsibility of the civil arm of the Government. The present Director of the Office of Civil Defense, Frank Ellis—a southerner who speaks softly and acts vigorously—is the kind of man who can and will do the job—if given the tools by Congress.

Mr. PROXMIRE. In addition, Mr. President, I ask that the resolution on fallout protection and civil defense, adopted by the 53d Annual Governors Conference in Honolulu, Hawaii, on June 28, 1961, be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas it is abundantly clear that our Nation and all free peoples are desperately challenged by a hostile system which is explicitly and vigorously committed to the elimination of both freedom and human dignity; and

Whereas the American Nation and its people must stand firmly and purposefully in support of their fundamental beliefs or see those beliefs eroded throughout the world, nation by nation, through subversion and nuclear blackmail; and

Whereas in order for the American people to have the will to defend their beliefs, they must have the capacity to survive a nuclear attack; and

Whereas the American people today do not have the facilities to protect themselves and their families from fallout—the most dangerous aspect of nuclear war—and their vulnerability constitutes a serious national weakness in the event of a crisis; and

Whereas fallout shelters could save many tens of millions of American lives in the event of nuclear war; and

Whereas fallout protection for our civilian population is possible and is feasible; and

Whereas it is a matter of utmost gravity to the strength and survival of the Nation and the preservation of peace that immediate steps be taken to obtain fallout protection for all our people and otherwise to reinforce our civil defense: Now, therefore, be it

Resolved, That this conference hereby declares its support for an agreement with the judgment expressed by the President of the United States on May 25, 1961, that "there is no point in delaying the initiation of a nationwide long-range program of identifying present fallout shelter capacity and providing shelter in new and existing structures" and, further, that this form of survival insurance fully justifies the necessary expenditure of our effort, time, and money; and be it further

Resolved, That since the best way to begin to meet the urgent civil defense requirements of our people is to initiate promptly a positive nationwide program for fallout protection, the Governors of our 50 States, for the safety of our people, the defense of our Nation, and the preservation of freedom, take executive action and request local legislation in line with national policy to:

1. Provide fallout shelters to the extent feasible in all State buildings as well as in other public facilities;

2. Provide income tax deductions (in those States having a State income tax), and exempt the cost of fallout shelters from local real estate taxes, up to a maximum of $100 per planned shelter occupant;

3. Stock foods, medicines, and supplies in strategic locations throughout each State;

4. Construct an alternate protected seat of State government and assist local governments in acquiring similar protected seats of authority so as to assure the continuity of government functioning in times of emergency; and

5. Revise, in cooperation with local governments, all building codes and specifications, where necessary, to permit fallout shelter construction; and be it further

Resolved, That we do hereby reaffirm the recommendations and resolutions adopted by the 1960 Governors' conference on fallout protection and civil defense; and be it further

Resolved, That the Governors' conference standing committee on civil defense meet with the President of the United States and cooperate with the responsible Federal officials in developing the necessary procedures and policies for the Federal Government's new and affirmative program for civil defense and in allocating among the Federal, State, and local governments the responsibility for such a program; and be it further

Resolved, That copies of this resolution be transmitted by the chairman of the conference to the President of the United States, to the Secretary of the U.S. Senate, to the Clerk of the House of Representatives of the United States, and to each Member of Congress; and that the leadership of the Federal Government in cooperation with the States is hereby solicited in this crucial undertaking to insure the strength and the survival of the American Nation and its people.

SWIMMING POOLS FOR THE DISTRICT OF COLUMBIA

Mr. HARTKE. Mr. President, I know this is a hot time of the day, and a lot of things of national significance and international significance come to our attention. As the present Presiding Officer [Mr. MILLER] knows, we also have a responsibility to be concerned about the affairs of the District of Columbia.

Mr. President, a few days ago there came to my attention an article published in the June 21, 1961, Washington Evening Star, called "The Rambler," with the headline "Lines Up For An Opening." The article deals with swimming pools.

As a result of reading the article, I took time to check into how many public swimming pools there are in the District of Columbia. I have been informed that there are eight. There are approximately 800,000 people in the District of Columbia. This means that there is one swimming pool for about 100,000 people.

The article says:

The sign said it clearly enough: "Capacity of pool limited to 80 persons."

But three times that many children of Georgetown wiggled, jiggled, giggled in line as they waited for the Georgetown Recreation Department pool to open.

In divided lines—boys on right, girls on left—they wound around swings and dirt and up the stairs to the bathhouse.

Those at top, secure in their frontline domain, shouted explosive shouts that echoed over treetops to dappled streets below. Those at the end of the line gripped beach towels as if they were security blankets and peered anxiously up the steps.

"Oh, mother, I'm not going home. They open the pool in 5 minutes. Even if they cut us off, we only have to wait an hour and then they let the next group in," said a soprano voice.

"George, George. What time is it?" shouted three boys. George never answered.

Many maids and mothers sat in shade and hoped their charges would do the same. This wish was fulfilled for only those guarding the children waiting for the wading pool.

Other caretakers of the young stood their ground in line. As an adult this called for bravery of a sort; although children come only waist high, in mass motion they seem as deadly as a school of piranha.

One mother buffeted by five or six little girls heard a quiet but ecstatic, "There's Charles, mama," as her daughter spied a familiar brush-cut in the boys line.

The mother had great difficulty locating Charles. She gave up with, "Who's Charles?"

"Oh, mother, Charles is from England."

At that moment, Charles from England, distinguished himself by shoving the boy in front of him.

Behind Charles was a businessman, wearing sneakers, unsuccessfully disguised to himself or anyone as the paunchless boy he once was.

In both lines were the older brothers and sisters who had not managed to escape without their younger brothers and sisters. The older girls, lips faintly tinted with lipstick, wore bermudas and Bobby Darin T-shirts as they suffered through their watch.

Sometimes they eyed the boys who went to college and worked at the pool in the summer. They wore sweat shirts with Greek letters and zinc oxide on their noses and that calm look which comes from seeing the world and all.

There was a girl who worked there, too. She wore silver nail polish and a fraternity pin and she joked with the boys.

The lines were getting more restless. Younger children cried often, mothers looked at wristwatches often.

A boy came up to his mother to get his bathing suit and his sister giggled, "Oh Danny, you're in the wrong line."

"Shut up," he hissed through braces.

And then there was a loud cheer as the pool opened.

"If we do get in, grab a basket and run," ordered one boy to another.

Inside the bathhouse baskets were handed out by children who have the coveted job of helpers, coveted because it entitles them to swim in the off hours when the pool is closed.

Forty girls and forty boys filtered through as fast as they could be counted. One girl proudly repeated three times, "I was the last one allowed in."

Soon they were splashing and screaming and looking at their toes through water masks.

On the outside of the basket cage, girl No. 41 held down her position, staring inside. Behind her the line stretched. Some girls sat on the floor reading. Others leaned on the rail or sat on steps.

In the boys line, the enterprising bribed others to save their places as they went to the swings, ping pong tables and basketball court to wait out the hour.

Only a few mothers persuaded children to leave the noise at 34th Street and Volta Place NW., with a bribe of "tomorrow we'll come early."

I have read the article because I thought it gave a very good description of what the young people wish to do in hot weather. They all wish to go into the water.

I have been a playground director. In the middle of summer, when one looks at the playgrounds, one finds that swimming pools have the greatest attraction for the young people.

I have always been of the firm belief that when we think about juvenile delinquency and the troubles our young people get into, we should think about swimming pools. If a boy or girl is swimming in a pool all day, it is not likely he or she will get into trouble at night, for swimming makes a person tired. This can be a form of preventive medicine in regard to juvenile delinquency.

There is before the Senate a bill to provide for juvenile court judges for the District of Columbia. I supported such a measure last year. I was chairman of the subcommittee which reported the bill. It was passed by the Senate and went to the House, where it was defeated.

Mr. President, I hope that those who are in charge of the recreation department of the District of Columbia will give serious consideration to the question of whether we really have a desperate need for additional juvenile court judges, or whether we could give more attention to providing something in the field of recreation for young people before they reach the courtroom. That is the time to stop juvenile delinquency.

I talked to Inspector Winters of the police department about the young people. He explained the amount of money he had, and the number of people who were under his charge.

The point always comes back to my mind that, so far as preventive medicine in regard to young people is concerned, we should provide facilities. Some people say, "All this goes to the home." That may be true. Frankly, we who serve in the Congress and we who serve on the District of Columbia Committee cannot tell the parents how to raise their children, but certainly we can do something more toward providing things in a public atmosphere which would make it easy for those who perhaps have difficulty in managing at home, and perhaps cannot do so.

Some people say, "It all goes back to the schools and to the churches." We all know that in the summertime the doors of the schools are closed. The playgrounds are open, but in the hot weather the children all wish to go to the swimming pools.

I have had a little experience in this regard. I served as mayor of Evansville, which faced a similar situation. We built three new pools in the city of Evansville. The city of Evansville, Ind., has a population of about 140,000, and there are 8 public swimming pools in the city, plus a large pool at which a fee is charged to enter the pool. Evansville has 8 pools for 140,000 people, yet in the District of Columbia there are 8 pools for 800,000 people. I do not think that is enough.

In my opinion, in the summertime the best investment we can make for the young people is to make sure that they have swimming facilities available, swimming pools within walking distance. I do not refer to private pools for people who can afford them for their children. I refer to pools where any boy or girl who wishes to get wet—to splash or not to splash—can do so.

I bring this to the attention of my fellow Senators and my colleagues on the Committee on the District of Columbia. When the measure is brought to the Senate, I hope my colleagues will join with me in respect to this most worthwhile project.

ADDRESS BY SECRETARY OF THE AIR FORCE EUGENE M. ZUCKERT

Mr. MONRONEY. Mr. President, I invite to the attention of the Senate a forceful speech made by Secretary Eugene Zuckert of the Air Force last Friday in Detroit, in which he uses as a

text Abraham Lincoln's line, "I think the necessity of being ready increases. Look to it." He gives us a checklist of 14 points to which we can add our own, "We do," or "We are," as we check ourselves out on the course charted for the free world. I ask unanimous consent to have the speech printed in the body of the CONGRESSIONAL RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. EUGENE M. ZUCKERT, SECRETARY OF THE AIR FORCE, THIRD ANNUAL INDUSTRY MISSILE AND SPACE CONFERENCE AND AEROSPACE EXPOSITION, DETROIT, MICH., FRIDAY, JULY 14, 1961

George Bernard Shaw once said that his method was to take the utmost trouble to find the right thing to say, and then to say it with the utmost levity.

I have sore need for his talents. It isn't any trouble to find things to say before a defense-minded audience today, but I can tell you it is hard to say them with any levity.

Levity is hard to come by these days. There even seems to be a dearth of good stories—at least, stories that speakers can use.

I thought for a long time that Abraham Lincoln employed humor in his speeches to lighten the burden upon his listeners, but he really didn't. He sought always to say things as simply as possible, direct without being blunt, and in familiar words. Above all, he employed brevity.

His letter to Governor Curtin of Pennsylvania in April 1861 is one of the shortest of all the letters of the great preserved for posterity. I quote it in its entirety: "I think the necessity of being ready increases. Look to it."

Were I a Lincoln, I should sit down now.

Since I am not, I will take my text from his letter. I will try to say in words as simple and few as possible what I have to say about being ready in face of the threat which confronts the free world today.

The threat which confronts us has never been more simply stated than it was by Secretary of State Rusk at the National Press Club in Washington on Monday.

"The central issue of the crisis," said Mr. Rusk, "is the announced determination to impose a world of coercion upon those not already subjected to it."

Lest his hearers think the simplicity exaggerated, Mr. Rusk urged that we not be "misled by our own reluctance to believe what they (the Soviets) say, for on this point, they have proved that they mean it."

"At stake," he said, "is the survival and growth of the world of free choice and of the free cooperation pledged in the Charter (of the United Nations). There is no 'troika' on this issue—it is posed between the Sino-Soviet empire and all the rest, whether allied or neutral; and it is now posed in every continent."

Now, if this is the issue, and it is posed on every continent, what do we do, in Mr. Lincoln's words, to see to it that we are ready.

Most of you are familiar with the term used by Air Force and airline pilots of being "checked out," on a plane or a route. It might be a good time to check ourselves out on the course charted for the free world.

I have made something of a checklist. In place of the numbers, you can put "We do, we are," or whatever seems appropriate. As the examiner, I will have comments on some items.

1. Understand the nature of the tyranny holding so much of the world in tight grip;

2. Recognize the threat to our freedom and very existence in the spread of this coercive system;

3. Determine, at whatever cost, to preserve freedom without aggression and peace without subjugation.

Comment: Having checked these items respecting our motivation, let us look at the items as to how we should proceed.

4. Maintain, throughout and for as long as may be necessary, the means of defense adequate to deter aggression, and, failing, the means to overcome the aggressor;

5. Accept the leadership of the free world imposed upon us, in President Kennedy's words, by both conviction and strength;

6. Acknowledge the common danger to all the world not under Sino-Soviet coercion, and acknowledge and serve the vital bond among us and our allies and friends;

7. Oppose the advance of Communist tyranny by continuing aid for constructive works in nations needing help, to relieve the social stress upon which the forces of tyranny invade and develop.

Comment: These items commit us to the most cohesive possible military posture among the free nations who share our determination, and to a sound and long-range program of aid to strengthen freedom.

In other words, here is our opportunity to demonstrate to the developing nations the real worth and opportunity of their self-determination in freedom and in association with us.

The next few items relate to our devotion to our own ideals and to the caliber of the leadership which we give the free world.

8. Build and employ the full power and strength of the organized community of nations to exercise and develop for all the world a truly effective means to peace and progress;

9. Seek constantly and honestly through equitable negotiation to reduce the causes of friction which can strike the flames of war;

10. Avoid those acts which through misunderstanding, misinterpretation, or inadvertence, might provoke conflict, foreclose constructive paths to peace, or weaken the alliance of the free nations.

Comment: These three items mean we must strengthen and expand in every way both our participation in and the effectiveness of the machinery of the United Nations and all its organisms.

These three mean also that we continue without stint to seek just and effective control of arms both to relieve tensions which engender war and to divert greater wealth and energy to constructive purpose.

And they mean that we continue to demonstrate to the rest of the world that we are fully aware of the terrible hazard of nuclear war, that we are determined to utilize every honorable and constructive means to avoid it, but that we must be prepared for it.

These first 10 points relate to broad national policy and posture.

The following items progress toward specifics.

11. Prepare ourselves to sustain this posture of leadership and strength, with effective deterrence of aggression, for as many years, for as many changes of administration, for as many decades, for as many generations—as may be necessary to bring man to his senses;

12. Increase and expand the effectiveness of the regular Military Establishment through current utilization of the nonregular components—Reserve and National Guard—as well as through integrated training for their quick response in emergency;

13. Prepare to sustain the Nation and its people through whatever conflict many ensue if all else fails.

These items mean that you, as civic and industrial leaders, prepare in your business and your communities for a very long period of national alert; that you assist and encourage your employees, in their participation in Reserve and National Guard activities, and that you take local leadership and responsibility and give support to civil defense measures.

But this national alert is not static. Our adversary has many courses open to him. Constancy and strength in these 13 items will thwart his ends on most fronts, but not all. We must therefore, in item—

14. Foresee and be prepared fully to respond at those threatened points in the world where Communist engulfment would seriously undermine the structure of the free world.

This is where we are today. Berlin is such a point.

You can make your own checklist. It will come out pretty close to the list which the President must have in mind as he takes measure of our situation before Berlin.

Being prepared to respond as floodfighters and stay the threat means to be prepared for all consequences.

If under item 9, the seeking of solutions through equitable negotiation, constructive understanding is possible, we will avail ourselves of this means.

If we are meaningfully, responsibly, and intelligently checked out on every item on the national checklist, and if we are resolutely mindful of the consequences, there is basis for confidence that the threatening Berlin crisis will either be surmounted or the provocation withdrawn.

If we remain alert and work to stay checked out, we can save both freedom and peace.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. SMATHERS, and by unanimous consent, the Subcommittee on Internal Security of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

CITIZEN SOLDIERS

Mr. MONRONEY. Mr. President, apropos of the problem with respect to the state of our defenses and the ramparts of freedom, I should like to bring to the attention of the Senate an article entitled "The Chips Are Down, and Today's Citizen Soldier Is Better Prepared," written by Roy P. Stewart, who has served as military editor of the Daily Oklahoman, and as roving reporter, reporting on various items in the State, in the Nation, and in the international field.

Mr. Stewart served with distinction with the great 45th Infantry Division in World War II. He was called to service again with the group who served in Korea. He has been a very active citizen Reserve officer since that time.

Mr. Stewart points out that the citizen soldier of today is aware of the grave dangers that America, as the leader of the free world, faces. I should like to read one paragraph of the article, which I think is especially important at this time.

Now your citizen soldier is more literate on world affairs than ever before. He knows more about a world shrunken in size by aircraft and missiles. He knows more of his own country's place in this world and understands clearly just whom his Nation's enemies are. He has grown up, discarding that insular, provincial feeling of long ago.

I commend the article to anyone interested in the state of the Nation, in the attitude and determination of our great

body of National Guardsmen and reservists throughout this Nation who are ever ready in case of need. I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CHIPS ARE DOWN, AND TODAY'S CITIZEN SOLDIER IS BETTER PREPARED

(By Roy P. Stewart)

Maybe I should have listened to the old professor at a famed university in Virginia during World War II. Each night during a course some Army characters were taking he lectured exactly 2 hours on psychology of the soldier.

He was one of the most boresome speakers I ever listened to and this came on the end of a day already filled in 50-minute intervals since early morning. We sat in what had been the law library. My seat was next to wall shelves of books on English common law. Interesting stuff.

So he didn't teach me any psychology of the soldier. What I know in that field, if anything, has come from drills and maneuvers, training camps, and active duty in the past 21 years. More than that really.

Started taking Uncle's $1.40 a day in 1924 as a two striper in the 158th Artillery of the 45th Infantry Division. Since then I've been in and out of it several times, and as a civilian correspondent worked 1940 and 1941 Louisiana maneuvers, training camps at Sill and Barkeley. Plus Camp Polk in 1950 as a special staff officer.

This is preface to the observation that in the current uncertainty over what the nation is doing or may do, the psychological reactions of Oklahoma citizen soldiers is a most interesting study, and it is far different from either 1940 or 1950. Although based on the Thunderbirds this should be true of all Reserve components.

In mid-September, 1940, the division was fresh from the swamps and swales of Louisiana. Although the war in Europe was then a year old most of us still thought of that area as a far away country. We were insular and not internationally minded. Aside from some study of geography and history our thinking was provincial.

The callup caught everyone as unprepared emotionally as it did the Army with its moth-eaten World War I surplus clothing and antiquated weapons. There was even an element of fear. Not fear of service or even of combat, but fear of the unknown. Not too different from that of Columbus' sailors who still believed the world was flat and there was a falling-off place.

A great part of this was worked out in training. That did more than the first crude orientation and information lectures. So did gradual replacement of obsolete weapons and vehicles with newer ones. The knowledge that all the world was getting into this thing helped, too.

The blitz in Hawaii killed any fear of the unknown left and gave everyone something to be mad about after declarations of war on Japan and Germany. That was positive.

The prewar Guard and Reserve were more sociable in nature than that reorganized after World War II. This time officers and noncoms and a great portion of the men were combat experienced, or at least had wartime service behind them.

There also was more of an awareness of our place in world affairs and more feeling of nationalism. Our concepts were broadened as travels increased our geographic knowledge. The feeling existed that if you went back in an outfit you might be called again. The example of Minute Men at Concord was not just a figure of speech.

When the Communists rolled into South Korea in June 1950, almost all reservists quietly began to get ready. The actual callup, of course, caught most everyone with things undone. But there was a general acceptance of inevitability of the call. There was no surprise element left.

We knew a bit more about the enemy, too, and the necessity for service. One basic advantage was that we were returning to something we knew a bit about. Fear of the unknown was no longer a factor.

Now your citizen soldier is more literate on world affairs than ever before. He knows more about a world shrunken in size by aircraft and missiles. He knows more of his own country's place in this world and understands clearly just whom his nation's enemies are. He has grown up, discarding that insular, provincial feeling of long ago.

Personally, he is no more ready to pull up stakes and go into active duty than he ever was, and some of those same things he always intended to do still wait. For various reasons he has worn the cloth and did it freely with full understanding that he is vulnerable. Only this time he knows more about why.

He also is unhappy about the state of the world. He has seen endless talks fail to settle unrest or stop the enemy from grabbing more real estate and massed peoples who were weak or unprepared. He has seen the growing critical threat to this Nation through misuse of men and resources and knows the last chips are down.

He is far better prepared psychologically and patriotically for definite action than either the national administration or Pentagon brass rate him. He is a beef eating man now—not a child on pablum.

Your citizen soldier who has seen war wants no part of it for adventure's sake or any other reason except the basic one—if that's the only way to have a real peace then let's get on with it—standing erect and unafraid. That's the way a free man should live.

PIGGYBACK FREIGHT RATES

Mr. MONRONEY. Mr. President, perhaps a million letters, and thousands of editorials have been written on the so-called piggyback issue that is pending before the Committee on Commerce. This problem has been the subject of numerous hearings and Congress has been barraged by a million letters, more or less, in behalf of the various participants in the controversy. The struggle is between the trucklines and the railroad lines over the question of selective discriminatory and destructive rate cutting. It was left, as usual, to the good old St. Louis Post Dispatch to come forth with the most concise and most clearcut explanation of the issue in the problem with which the Committee on Commerce now struggles. Because of its clarity and its interest to Members of Congress, I ask that the editorial from the St. Louis Post Dispatch, dated Monday, July 10, 1961, be printed at this point in the RECORD. I thank my distinguished colleague, the junior Senator from Florida, for his courtesy.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch, July 10, 1961]

PIGGYBACK AND THE ICC

In approving the existing rail piggyback freight rates, the Interstate Commerce Commission puts itself in the extraordinary position of sanctioning for the railroads what it had denounced in strong terms for the trucking industry. Its decision is reported virtually certain to be taken into the courts, which will no doubt want to examine closely this contradiction.

The core of the controversy is the piggyback carriage of automobiles. What is revolutionary about the rail rates on automobiles is the fact that they are flat charges in dollars and cents a carload regardless of the weight or value of the freight being hauled. When truck carriers applied for permission to establish rates on the same basis, the ICC said only last year:

"The weight and value of the automobiles to be transported are ignored. Thus, a luxury-type automobile with greater weight would be transported at the same rate as an economy-type automobile with lighter weight. It is just and reasonable that a higher-valued automobile with greater weight should pay a higher rate per hundred pounds than smaller, lower-valued automobiles."

If that is indeed "just and reasonable" as the Commission says—and has been the philosophy of regulated ratemaking throughout its history—"then how in the name of justice can the Commission give its blessing to the same method of ratemaking by the railroads?" the trucking industry asks. It's a good question, and one to which the ICC has yet to give an answer, if there is one.

Under the rail piggyback rates which the Commission has now approved, these topsy-turvy conditions prevail: The heaviest and most expensive cars move at the lowest charge per hundred pounds, the lightest and least expensive at the highest charge. It costs 60 percent more per hundred pounds to ship an economy car, the Falcon, than it does to ship a luxury car, the Cadillac, which weighs twice as much and sells for more than twice as much. A carload of lower priced automobiles valued at $20,000 must pay the same freight as a carload of higher priced cars valued at $80,000.

The railroads are entitled to reap full advantage of the new equipment and handling methods they developed in order to win back the automobile-carrying business they had previously lost to the trucks and barge lines. Insofar as this equipment and handling represent a real saving of transportation costs the Nation as a whole will benefit from it. But the ratemaking process for this type of freight must obviously be equitable and must conform with principles of a sound national transportation policy. It will be interesting to see how well the courts find the ICC has served those principles in its piggyback decision.

WHAT CAN WE DO ABOUT CUBA?

Mr. SMATHERS. Mr. President, on Monday the President administered the oath of office to two officials, and set the stage for what could be a bright new era in inter-American relations.

The officials, Robert Woodward, Assistant Secretary of State for Inter-American Affairs, and De Lesseps Morrison, U.S. Ambassador to the Organization of American States, were charged with a serious responsibility.

For they will serve, in effect, as the custodians of our Latin American policy. To them falls the job of mending fences which are sadly deteriorated. I wish them outstanding success.

Theirs will be the task of restoring confidence among our neighbors in the determination and good will of the United States.

Theirs will be the task of convincing Latin America that we cannot and will

not stand by inactive while the hemisphere is burrowed through by a conspiracy that would destroy us all.

To achieve any success in a trying and grueling test they must use every reserve of intelligence, determination, and dedication, realistically applied.

For this is not a job for hollow men and indifferent bureaucrats, but a test for those who would rise to the challenge of leadership.

On March 13 of this year, President Kennedy, speaking to a small group at the White House, stated:

> I propose that the American Republics begin a vast new 10-year plan for the Americas, a plan to transform the 1960's into an historic decade of democratic programs.

Then he asked for a "vast cooperative effort, unparalleled in magnitude and nobility of purpose, to satisfy the basic needs of the American people for homes, work and land, health and schools."

With these words, the President of the United States launched the Alliance for Progress, a plan of great breadth and scope, which seeks to free millions of Latin Americans from the bonds of poverty, disease, squalor, and misery. I endorse the aims of Alianza Para El Progresso, and regret it has been so long overdue.

In 10 years in the Senate, I have spoken some 200 times about Latin America and its basic needs. Once to plead—in vain—for "a new approach to Latin America to eliminate the conditions of poverty and illiteracy in which the seeds of communism bloom and flourish."—June 6, 1954.

Another time to decry the fact that our Latin American relations were being "brushed off with glib phrases * * * and noble-sounding cliches."—February 25, 1954.

And still another time to warn that "Latin America is beset with gigantic problems which must be met and solved if the hemisphere is to remain secure."—January 11, 1955.

But these words and similar warnings by others went unheeded as the United States hurried off to tend to crisis upon crisis in other parts of a troubled world.

World War II ended on August 14, 1945. On August 15, when our attention was focused on our own recovery and the problems arising from Europe's devastation, we put on the shelf the good neighbor policy and in so doing opened the door to communism in Latin America at a time when its millions of people were engulfed in the greatest social and political upheaval in their history.

Meantime, the Communists have been at work steadily and patiently, to undermine country after country and the very structure of the inter-American system itself. Lest we forget, it was Nikolai Lenin himself, who said in 1923:

> First we will take Eastern Europe, then the masses of Asia, then we will encircle the United States, which will be the last bastion of capitalism. We will not have to attack. It will fall like an overripe fruit into our hands.

Thirty-eight years later, in 1961, Harold Milks, the Associated Press correspondent in Havana until he was ousted with all the other American reporters, said:

> Communism will have a hold on much, if not all, of Latin America in 3 years if the Castro regime remains in power in Cuba.

Dr. Pedro Beltran, Prime Minister of Peru, one of the ablest and wisest men in the Western Hemisphere, a man who has fought, suffered, and been jailed in defense of freedom, said on March 22, 1961:

> Communism is gaining ground in our own hemisphere, before our very eyes. If the United States does not step forward now with dynamic leadership to meet the unceasing conspiracy, on our own shores, of the Soviet Union and Red China, Latin America is lost. And if Latin America, with all its 200 million people is lost, so also is the United States.

He added:

> But would it not be tragic if the United States won the Congo, secured Berlin, triumphed in Laos, Ghana, and the islands of Quemoy and Matsu, while in the end a victorious Communist thrust for power took place in the heart of its own hemisphere?

Let no one be mistaken. Communism's shock troops have launched their attack on the entire hemisphere and have won their first beachhead.

I ask, What do we do?

To my mind the answer is simple We make a decision to meet threat with action.

In a speech to the American Society of Newspaper Editors on April 20, President Kennedy said:

> Cuba must not be abandoned to the Communists. And we do not intend to abandon it either.

With these words, President Kennedy pledged the liberation of 6 million Cubans.

On May 2, the State Department, through an official spokesman, stated that Cuba is "certainly a member of the Communist bloc."

This statement explicity recognizes that there has been Communist intervention in this hemisphere.

The question now arises as to what provisions the Western Hemisphere has made to protect itself and to cope with this type of alien penetration.

During the past century and a third, a great body of international law has been assembled by the American nations to preserve the political and physical integrity of the hemisphere.

The cornerstone of this body of law is the Monroe Doctrine, enunciated in 1823. This is nothing more or less than an expression of the principle of self-protection applied to the United States and the Western Hemisphere.

In more recent years, as the operative facility of the inter-American system was developed, a series of pacts have been drawn up by the nations of the hemisphere for their mutual protection.

The integrity of the inter-American system was pledged by the Rio treaty—Inter-American Treaty of Reciprocal Assistance—in 1947, whose signators joined together to prevent and repel threats and acts of aggression against any of the countries of the Americas.

The hemisphere system was buttressed in 1948 when 21 nations joined in the Act of Bogotá to charter the Organization of American States to achieve peace for the American states and to promote their solidarity, to defend their sovereignty, their territorial integrity, and their independence.

In 1954, by the terms of the Caracas resolution the intervention of communism in the hemisphere was specifically prohibited by a crystal-clear resolution which declared:

> The domination or control of the political institutions of any American state by the international Communist movement, extending to this hemisphere the political system of an extra-continental power, would constitute a threat to the sovereignty and political independence of the American states, endangering the peace of America, and would call for a meeting of consultation to consider the adoption of appropriate action in accordance with existing treaties.

Article 6 of the Rio treaty recognizes that there could be aggression without armed attack as was the case of Castro's seizure of power in Cuba, and it provides that—

> If the inviolability of the integrity of the territory of the sovereignty or political independence of any American state should be affected by an aggression which is not an armed attack or by an extra-continental or intra-continental conflict, or by any other fact or situation that might endanger the peace of America, the Organ of Consultation shall meet immediately in order to agree on the measures which must be taken in case of aggression to assist the victim of the aggression, or, in any case, the measures which should be taken for the common defense and for the maintenance of the peace and security of the continent.

Article 8 of the Rio treaty spells out what sanctions can be imposed against an aggressor nation in the hemisphere—

> Recall of chiefs of diplomatic missions; breaking of diplomatic relations; breaking of consular relations; partial or complete interruption of economic relations or of rail, sea, air, postal, telegraphic, telephonic, and radio-telephonic or radio-telegraphic communications; and use of armed force.

The law of the Western Hemisphere, embodied in these three mentioned pacts, is ironclad.

The violation of this solemn Rio treaty by the Castro government, by observation, by self-confession, by definition, is clear.

And the enforcing and punitive actions against Castro are demanded by application of the most basic structure of international law, pacta sunt servanda, obligations must be kept.

But we are faced with the hard and yet indigestible fact that even though our hemispheric political community, the OAS, is doubly armed to move against the intervention of communism and pledged to take action, no unified action against the self-proclaimed Red regime of Fidel Castro has been forthcoming.

In all candor, I do not expect such action to take place in time to halt the spread of Castro communism beyond the explosion point.

That being so, what can the United States alone do to protect itself and the hemispheric system?

This is the course which I recommend:

First. The U.S. Government should withdraw its recognition of the Castro regime as an act of honor, for its own security, and because the Castro dictatorship does not comply with the principle of properly constituted control of Cuban territory.

In international law effectiveness as a requirement of recognition should be based on the expressed or implied will of the people, and clearly that requirement is not fulfilled if the control is based on sheer force, subjugation, or terrorism.

The arrest by Castro's police of 250,000 civilians at the time of the ill-fated Cuban liberation attempt is clear enough evidence that he rules by terror.

His contemptuous May Day proclamation that he would allow no elections is a fair standard by which to measure the popularity of that rule.

On January 3, 1961, the U.S. Government formally terminated diplomatic and consular relations with Castro's government. We should now go one step further and withdraw recognition, for there is an important difference between severance of diplomatic relations and the withdrawal of recognition. The first is merely a disapproval of the conduct of a state or government, while the second deprives the government acted against of the usual prerogatives of an international personality.

The right to confer recognition of a nation and to withdraw recognition is, of course, an act of unilateral nature, which the United States can exercise at any time.

To withdraw recognition of Castro's government would eliminate the danger of legalizing the Cuban situation by acquiescence, or implied acceptance, give Latin American nations the opportunity to repudiate Castro by withdrawing recognition of his dictatorship, and give heart to those Cubans who still believe in freedom and work and fight for it.

Second. The U.S. Government, having repudiated Castro's regime, should then formally recognize a democratic Cuban Government in exile.

Having done so, we can then offer assistance to the government in exile, if it seeks our help, without violating either our own neutrality laws, or the body of hemispheric law prohibiting interference. Other Latin American nations, which recognize the exile government can then deal directly with an organized anti-Castro force.

During World War II the United States recognized a number of so-called exile governments of European countries overrun by the Nazis and maintained an ambassador near them in London. The exile governments were those of Poland, Belgium, Netherlands, Norway, Czechoslovakia, Yugoslavia, and Greece.

In some instances—Poland is an example—the exile government was made up of individual leaders drawn from a number of sources, since most of the Polish Government ministers were captured by the Nazis and Reds.

During World War I a Czechoslovak National Council was formed for the purpose of waging a war of independence for Czechoslovakia, then a part of Austria-Hungary.

On September 3, 1918, the United States recognized this Czechoslovak National Council as a de facto government.

During the same war the Poles formed a Polish National Committee for the purpose of attaining an independent Poland. On November 1, 1918, the Polish Army was recognized by the United States under the supreme political authority of the Polish National Committee.

Presently there are official Lithuanian, Latvian, and Estonian legations in the United States, since our Government has not recognized the incorporation of these nations into the U.S.S.R.

The 100,000 or more Cuban refugees who have fled Castro's rule of terror and the patriots still within Cuba constitute a body of dedicated freemen from whom Cuba's government in exile could be formed.

No event in history has more endangered the structure of our hemispheric society nor the security of the individual member states than the capture of Cuba by a band of Communist interventionists.

If the integrity of the hemisphere means anything to us, and from history we see that our foreign policy has been built upon international recognition of western hemispheric freedom and unity, then we cannot continue to recognize an interventionist Red dictatorship.

The cardinal principle of our hemispheric policy must be this, restoration of hemispheric integrity through the destruction of Communist intervention.

Again let me draw the parallel between Cuba under Castro and Red China under Mao Tse-tung. To us, Red China is an outlaw government. Why should we recognize Castro as being any more representative of his people's true wishes for self-determination than Mao? They are brothers in subversion, allies in arms.

For it was Castro who put to use the cynical dictum of Mao Tse-tung that "political power grows out of the barrel of a gun."

It was Che Guevara, Castro's chief lieutenant, who took Mao's primer on guerrilla warfare, translated it into Spanish, and distributed it by the hundreds of thousands of copies all over Latin America, as the opening attack in the battle to promote Red-style revolution across the continent.

It was Mao Tse-tung to whom Castro appealed on April 27 for support against "U.S. aggression."

For us to continue our recognition of Castro indefinitely will be to give a semblance of legality, as a fait accompli, to the myth that Cuba today is a properly constituted state.

It would be fitting for the United States to withdraw its recognition of the Castro dictatorship on July 26, the date on which Castro, the bogus champion of social reform, will offer his enslaved people more false promises of a bright new world and give them in reality only new links for their chains.

Let the United States take the propaganda offensive.

Let the free people act first, rather than react to some rigged stunt, staged by Castro stooges.

Let us, on July 26, say to the people of Cuba, "We do not recognize your enslavers; we recognize those who will liberate you."

Let us, on July 26, say to the people of Latin America, "We renounce this Cuban tyranny; come join us in the fight for freedom."

Let us, on July 26, say to the whole world, "We renounce Fidel Castro. He is not a chief of state. He is a Caribbean buccaneer."

Third. The imposition of rigid sanctions against Castro's Cuba by the Organization of American States, as authorized under article 8 of the Rio Treaty.

Sanctions should be imposed to the maximum extent agreed upon by a majority of the members of the OAS.

Fourth. We must seek concerted action by at least some of the American States to enforce the provisions of the treaties which bind all of us against communism.

Postwar Russia won a sobering series of victories in Europe, the capture of the Baltic nations, the takeover of Finland, Poland, Czechoslovakia, and East Germany, the subversion and domination of Hungary, Bulgaria, and Rumania.

Finally the Western European democracies were stirred to defensive action and the North Atlantic Treaty Organization—NATO—was framed in 1949 with strong U.S. support. The defense of Europe and the freedom of Berlin rest on NATO's shield.

In 1959, eight Asian and European nations and the United States formed the Southeast Asia Treaty Organization—SEATO—to unite against the Reds' assaults in the Pacific. Today SEATO's armed forces are the free world's strongest bulwark in Asia.

Already eight Latin American States have broken diplomatic relations with Castro.

I propose that we seek cooperation with these Republics and any others who would join us, in issuing a manifesto of Cuban liberation, declaring that we intend to honor our treaty obligations by extirpating communism from the Western Hemisphere.

I propose that we take the lead in forming the signers of this manifesto into a NATO-type security force—an Inter-American Treaty Organization—to carry out our pledges for mutual protection.

If we are ready to fight communism in Europe and Asia with billions of dollars and millions of men, should we be less willing to repel a Red invasion which threatens us at our very doorstep?

Castro has said that America is "doomed to lose" in Latin America to the Communists because "you Americans fight with dollars and we fight in the field of ideas."

Let us prove him wrong.

Let us help those who seek our help in gaining a better life, while preserving their freedom and human dignity.

Fifth. There is another course open to us. I hope we do not have to resort to it, but I think we should be courageous

enough to admit that it exists, and to consider, most seriously, its exercise if the Communist onslaught forces our hand.

I propose that if all other measures fail, the United States, acting unilaterally, for its own self-protection, liberate Cuba and destroy the armed bastion of communism in the Western Hemisphere.

It is a dangerous fallacy, I believe, to assume that only by seeking to wipe out illiteracy and poverty in Latin America, rectify tax abuses, and speed land reform—all admittedly fertile breeding grounds for communism—we will be able to stave off communism. That takes time—3 years, 5 years, probably 15 or 20 years.

The hour is too late for that. Castro has won in Cuba and his agents have made dangerous inroads in half a dozen Latin American countries. To attempt to defeat them immediately with long-range social and political reform programs, no matter how effective these programs are, will not work. The short fuse on the powder keg has already been lighted and is burning fast. We do not have time to empty the keg grain by grain.

The President recognized the danger that a specious interpretation of the policy of nonintervention might bring about when he stated on April 20:

> Should it ever appear that the inter-American doctrine of noninterference merely conceals or excuses a policy of nonaction; if the nations of this hemisphere should fail to meet their commitments against outside Communist penetration, then I want it clearly understood that this Government will not hesitate in meeting its primary obligations, which are to the security of our own Nation.

Let me quote from a letter written by a distinguished Cuban professor-in-exile, Herminio Portell-Vila, on the much-confused subject of nonintervention.

Dr. Portell-Vila can speak with some authority. He was one of seven Latin American delegates who drafted the famed Nonintervention Pact of Montevideo in 1933. In a letter to the Washington Evening Star, he puts is very clearly:

> The nonintervention pact has been violated by the Communist International. We (who drafted the pact) never wanted to put a stop to the military and diplomatic intervention of the United States in Latin America, as practiced up to 1933 (only) to open the way for the intervention of the Soviet Union in Latin America that we have today. The case of Cuba is quite clear. There we have the intervention of Red China, openly flouting the principle of nonintervention.

He went on to say:

> Furthermore, all the sanctimonious respect for the [nonintervention pact] fails to take into consideration that inter-American treaties against intervention did not stop at Montevideo in 1933 but were reasserted in Lima, in Havana, in Panama, in Washington, in Rio de Janeiro, in Bogotá, in Caracas, and in Santiago de Chile as recently as 1959, all the time stating that the Republics of the two Americas were against intervention by the totalitarians of the right and the totalitarians of the left and should oppose it. Those who did not oppose Communist intervention in Hungary, Indochina, Greece, Tibet, and so forth, by the Soviet Union and by Red China now present themselves as the champions of nonintervention when there is Soviet and Chinese intervention in Cuba.

We know little of the Latin American mentality if we believe a supposedly sacrosanct policy of nonintervention means 200 million people want us to sit idly by while the Communists carry out Castro's promise "to convert the cordillera of the Andes into the Sierra Maestra of the hemisphere."

President Mario Echandia, of Costa Rica, an outstanding democrat, has called for replacing the principle of nonintervention with "collective and disinterested action by the OAS."

A few days ago, eight leading news editors from Bolivia visited me in my office. They volunteered the opinion, and it was unanimous—that the United States should take the initiative in driving Castro communism from the hemisphere.

They recognized that Castro's first targets in his plot to subvert and communize the nations of the Americas would not be the powerful United States, but the troubled and beset nations of the hemisphere.

They pointed out that the vocal, highly disciplined Communist minority in Bolivia grows stronger every day, thanks to the continuing success of its leader, Castro.

They know that only the United States can serve as the rallying force for those Latin nations who wish to defend themselves and their hemisphere from communism.

We cannot base our Latin American policy, nor any other phase of our foreign policy, on popularity polls. We must base it upon principles of common interest, mutual beliefs, self-protection—courageously executed.

Eric Sevareid, the distinguished radio newsman and columnist, who, I believe, described himself several years ago as a liberal, wrote recently:

> They (the Communists) must love the liberals with social-worker mentalities who do not grasp that illiteracy, low wages, concentrated landownership and so on are not social problems but integral parts of a system of life and therefore enormously resistant to quick change by anything less than the "totalitarian disciplines" the same liberals abhor. They must love the liberals who assume that because a Marshall plan worked in modern Europe, a similar plan can work among those regimes of Latin America where statistics are a wild guess, where trained economists hardly exist, where economic planning is finger painting, where, as between countries, there is very little background of communications, normal trade or even intellectual interest in one another.
>
> The gamesmen in the Kremlin must smile in their sleep as they realize how deeply ingrained is the American illusion that a ton of wheat can offset a ton of Communist artillery shells, that a squad of Peace Corpsmen is a match for a squad of guerrilla fighters.
>
> Frightened people in a score of desperate countries want to be on the winning side, but not necessarily the moral side; and we have to start winning soon. We are going to lose in several more places before we do. We may as well face the fact that we will also lose in places we cannot afford to lose, until and unless we are willing to fight, no matter the reproving editorials in the Manchester Guardian, no matter what the temporary backlash of world opinion may be.
>
> The relations between nations are not the same as those between individuals. We can afford to lose everything except respect for our strength and determination. Lose that, and Khrushchev won't bother to sit down and talk again even to say "No."

Mr. President, what are the consequences if we fail to act?

What would be the results to the United States if 200 million people living in 20 nations which stretch across a continent twice as large as ours were swept into the Soviet sphere?

What would happen if Latin America's $4 billion-a-year trade with the United States, vital to our economy, were diverted to the lockstep Soviet economy?

What would happen if the flow of 35 strategic materials from Latin America—copper, quartz, manganese, and the like—were diverted from U.S. factories and were channeled into Iron Curtain production lines?

What would happen if a deadly network of Red-dominated missile bases and airbases were to mushroom across Latin America?

The answers are obvious, frightening, and chilling.

Secretary of Defense McNamara testified before the Senate Armed Services Committee, on April 4, that there is the danger of missile attack on the United States from possible Soviet Union satellite missile bases in this hemisphere.

Can we not imagine how this possibility and danger to the United States would be enormously multiplied if the Soviets controlled not one but all the nations in the Americas?

The Secretary of Defense told the Senate Foreign Relations Committee, on June 14:

> We have definite evidence that the Cuban Government of Fidel Castro is endeavoring to infiltrate the rest of Latin America.

General Lemnitzer, Chairman of the Joint Chiefs of Staff, told the same Senate committee that the "large shipment of arms to Cuba from Soviet and Red China bloc countries could have only one purpose: To serve as a base for the export of revolution to South America."

And, according to an Associated Press story published in the Washington Post of July 13, "official U.S. sources" have admitted that at least 26 Mig fighter craft from the Soviet Union are now part of Fidel Castro's lethal arsenal.

There are, sadly, some among us, in high places as national advisers, opinion molders, and shapers of policy who have an abhorrence for taking the decisive steps that must be taken. They feel that resorting even to the idea of force is to abandon reason and logic. They have enshrined the concept that everything can be talked out—can be negotiated. They are befogged by the idea that all people, even the Communists, must listen to reason and must act in a reasonable manner.

It was this philosophy, this timidity, weakness, and indecision on the part of such nonactionist advisers, which shaped our tragic policy regarding Cas-

tro and brought us the humiliation which is Cuba today.

The nonactionists belong to the cult of the status quo. Their motto is: Do nothing against the enemy today, for tomorrow he may go away. At every point in the world where world communism challenges us, they say, "This is neither the time nor the place for action."

To them Cuba is on the periphery of the United States, and therefore we should make no immediate plans to help in its liberation.

How can Cuba be on the periphery of the United States when it takes only 6 minutes to travel by jet from Cuba to Florida? How can Cuba be on the periphery of the United States when Cuba stands, only 90 miles from our shore, with a knife at our back?

Mr. President, the cult of the status quo is wrong. It would be nearly fatal to the cause of freedom if America—at the threshold of the gravest crisis in its history—were to be influenced by advisers and public figures who still have not learned the bitter lessons which the Communists taught the world in Poland, Hungary, the Iron Curtain countries, Laos, and Cuba.

Gen. Lyman L. Lemnitzer recently told a congressional committee:

> We have been on the losing end for too long a time. We cannot afford to give up 1 more yard to communism—anywhere.

I applaud this statement and endorse it.

To show strength against Communist threats in Latin America, as well as in every other part of the world where our national honor, prestige, and our military position are endangered, is our best defense against the outbreak of a great war. We can achieve the peace we strive for, only through strength, determination, and courage to act when action is demanded.

Our danger is not a lack of strength, for we have the greatest striking force in history. Our danger is that our purposes may become confused and our goals become blurred, to be beguiled by the siren's plea to "wait just a bit longer—rest here awhile, before setting out on the journey."

But we cannot wait any longer. Our duty is before us. The path stands out clear. It is rocky and thorn filled. But our forebears crossed over it before us, and reached the glorious summit. We can do no less.

AUTHORIZATION TO SIGN ENROLLED BILL AUTHORIZING APPROPRIATIONS FOR NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Mr. SMATHERS. Mr. President, I ask unanimous consent that the Vice President or the President pro tempore be authorized to sign, during the adjournment following today's session, the enrolled bill, H.R. 6874, authorizing appropriations for the National Aeronautics and Space Administration.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ELECTRICAL POWER FROM IDAHO POWER CO. PLANT AT OXBOW

Mr. DWORSHAK. Mr. President, in the past 2 weeks an additional 110,000 kilowatts of electric energy went on the line in the Hells Canyon reach of the Snake River. These developments of the Idaho Power Co. at the Oxbow site are added to the Brownlee Dam, which now is producing 450,000 kilowatts of power. When the other two generators at Oxbow and the Hells Canyon facilities are completed, the Idaho Power Co. will have provided a total of more than 1 million kilowatts of power in this private power development that has been financed with $164 million in development funds.

I join Idahoans in welcoming this new power source in the Northwest. It comes at a time when drought and water shortages have pushed pump irrigation power demands to an alltime high. In our Western States we need the maximum development of our power sources by both private and public agencies. It is my hope that we shall see even more cooperation between all these agencies, to the end that every available source of electrical energy, that is the lifeblood to economic progress in our area, will be developed.

Mr. President, I ask unanimous consent that news articles from the Idaho State Journal of July 6 and the Idaho Daily Statesman of July 13 be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Idaho State Journal, July 6, 1961]

FIRST GENERATOR AT OXBOW DAM BEGINS PRODUCTION IN CANYON

Electricity from the first generator of the 220,000-kilowatt Oxbow Dam went on the line Wednesday afternoon at the second project in Idaho Power Co.'s new three-dam development of the Hells Canyon reach of the Snake River.

The 55,000-kilowatt generator, first of an initial four to harness a unique mountain-walled horseshoe bend in the Snake, went into production under a program aimed at increasing use of the river in this low-water year to provide more electricity for the heaviest irrigation pumping load in the utility's history.

Oxbow's entire initial output of new electricity for the Northwest will be on the line and the project completed late this fall.

Startup of the first generator came in an informal ceremony that dramatically spanned the years between 1961 and an earlier Oxbow project built by a predecessor company of Idaho Power more than a half-century ago.

Taking part were H. L. Senger and C. O. Crane, retired Idaho Power employees who helped build the original project 54 years ago.

The company pioneers jointly threw the switch that started the new Oxbow's electricity flowing from North America's deepest gorge over a far-reaching net of transmission lines tying the development to the Idaho Power service area and other Northwest Power Pool members.

Brownlee Dam, 450,000-kilowatt producer that is the first unit in the utility's new development, has been in full production since January 1959. The company already has started preliminary work on its Hells Canyon Dam, third unit in the development.

A total of more than 1 million kilowatts ultimately will be generated by Idaho Power's entire $164 million development, which, the company says, provides flood control, navigation, recreation, and fish-conservation benefits in addition to harnessing the full powerhouse, the company oldtimer's potential of the Hells Canyon reach.

Following the brief startup ceremony in the spic-and-span control room of the new Oxbow powerhouse, the group then toured the sprawling project in its scenic setting.

"This certainly is a far cry from the original Oxbow project that we worked on," Senger and Crane agreed.

The first Oxbow project was undertaken about 1907 by the Idaho-Oregon Light & Power Co., which proposed to build a dam that would send the Snake through a tunnel into a powerhouse to be equipped initially with three generators with a 10,800-kilowatt total capacity.

Troubled by financial problems and comparatively primitive construction equipment, Idaho-Oregon Light & Power succeeded in building a concrete-lined tunnel more than 1,100 feet long and 28 feet in diameter.

However, that company's builders were defeated by the swift-flowing river in their efforts to build a dam from shore to shore. They were able to turn only enough water through the tunnel to operate one generator.

Idaho Power continued to operate the original powerhouse after the company was established in 1916, then put it on a standby basis for use during emergencies.

Gomer Condit, Idaho Power resident engineer, said the present Oxbow project harnesses the full capacity of the unusual horseshoe site, "with modern equipment and know-how making our undertaking efficient from the beginning."

To block the Snake at the upper end of the Oxbow, Idaho Power has built a rockfill embankment 205 feet high and flanked by two spillways. Water impounded by this barrier is carried through a spinelike mountain by two concrete-lined intake tunnels, each of which is nearly 1,000 feet long and 36 feet in diameter. From the tunnels, the water drops through four 23-foot diameter steel penstocks to spin the turbines in the powerhouse.

Two 130-foot-diameter surge tanks, carved in solid rock on a bench above the powerhouse, regulate water pressure in the penstocks.

[From the Idaho Daily Statesman, July 13, 1961]

NEW OXBOW GENERATOR GOES ON LINE—DAM AT HALFWAY MARK IN POWER PRODUCTION, 110,000 KILOWATTS

Oxbow Dam's second big 55,000-kilowatt generator went on the line Thursday, little more than a week after Idaho Power Co. started production at its 220,000-kilowatt project on the Snake River under an urgent schedule to provide more electricity for irrigation.

Meanwhile, the first Oxbow generator, which went into production July 5, was being operated above its rated capacity to help fill record-smashing demands on the company's interconnected system.

Startup of the second generator Thursday moved Oxbow to the halfway mark in power production. All of its four initial generators will be on the line and the project completed late this fall.

The second generator was put into production without ceremony. As a switch was thrown to send the generator's power streaming into transmission lines leading from the

mountain-walled canyon, technicians continued to work at their task of readying the third and fourth units for service.

T. E. Roach, Idaho Power president, said the company's startup of the first two Oxbow units was designed to help fill the heaviest irrigation-pumping demand in its history.

He reported that this season's anticipated irrigation load of some 200,000 kilowatts alone will be double the company's entire system load for all purposes in 1948.

"Now that Oxbow has gone into production to take its place beside Brownlee Dam as a great new source of power, we hope the public will visit this development that is so important to the economy of our area," Roach said. "In addition to the power projects themselves, there are numerous recreation areas open for the enjoyment of the public."

The utility president said a new park being developed by Idaho Power near the upper end of Oxbow's constant-level reservoir now is open for public use. Named for the late Fred McCormick, an Idaho Power engineer who directed Brownlee construction, the park is located at the mouth of Wildhorse Creek.

Four major recreation areas already have been developed on the Brownlee Reservoir, including one built by Idaho Power about 3 miles above the dam.

Recreation areas also are planned by the company on the reservoir to be formed by Hells Canyon Dam, third project in its $164 million development. The utility already has started preliminary work on the Hells Canyon project.

ADJOURNMENT TO MONDAY

Mr. SMATHERS. Mr. President, I move that the Senate adjourn until 12 o'clock noon, on Monday.

The motion was agreed to; and (at 5 o'clock and 7 minutes p.m.) the Senate adjourned until Monday, July 24, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 20, 1961:

BUREAU OF CUSTOMS

George K. Brokaw, of California, to be collector of customs for Customs Collection District No. 28, with headquarters at San Francisco, Calif.

Anton Sestric, Jr., of Missouri, to be collector of customs for Customs Collection District No. 45, with headquarters at St. Louis, Mo.

PUBLIC HEALTH SERVICE

The following candidate for personnel action in the regular corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

To be senior sanitarian

John C. Eason, Jr.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 20, 1961:

DISTRICT OF COLUMBIA COMMISSIONER

John B. Duncan, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years and until his successor is appointed and qualified.

ASSISTANT SECRETARY OF LABOR

George L-P Weaver of the District of Columbia, to be an Assistant Secretary of Labor.

U.S. ATTORNEY

David M. Satz, Jr., of New Jersey, to be U.S. attorney for the district of New Jersey for the term of 4 years.

WITHDRAWAL

Executive nomination withdrawn from the Senate July 20, 1961:

POSTMASTER

Charles E. Organ to be postmaster at Waynesville in the State of Illinois.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 20, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Isaiah 40: 31: *They that wait upon the Lord shall renew their strength.*

O Thou who hast revealed Thyself as a prayer inviting, a prayer hearing, and a prayer answering God, always willing and able to renew our strength when it is in danger of becoming depleted, grant that daily we may experience and enjoy the blessings of Thy grace in an ever-increasing measure.

May our faith in the reality of spiritual resources, the power of righteousness, and the strength of justice, never become eclipsed by doubt and extinguished by despair in these perilous days when our President, our Speaker, and the Members of Congress are trying to solve our difficult national and international problems.

We earnestly beseech Thee that they may be inspired with divine wisdom and counsel as they seek to promote and preserve those ideals and principles which will make for amity and peace among all nations.

Humbly and confidently we offer our prayer, in the name of the Prince of Peace. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MILITARY CONSTRUCTION APPROPRIATION BILL, 1962

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tomorrow night to file a report on the military construction appropriation bill for 1962.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JONAS reserved all points of order on the bill.

PRIME MINISTER OF THE FEDERATION OF NIGERIA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday, July 26, 1961, for the Speaker to declare a recess for the purpose of receiving the Prime Minister of the Federation of Nigeria.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PRINTING AS A HOUSE DOCUMENT TRIBUTES TO SPEAKER SAM RAYBURN

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the concurrent resolution (H. Con. Res. 342) with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment, as follows:

Senate amendment. Page 1, line 6, strike out "twenty-five" and insert "twenty-seven".

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

NORTHEASTERN WATER AND RELATED LAND RESOURCES COMPACT

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 378, Rept. No. 745) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 30) granting the consent and approval of Congress to the Northeastern Water and Related Land Resources Compact. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

AUTHORIZING APPROPRIATIONS TO NASA

Mr. BROOKS of Louisiana. Mr. Speaker, I call up the conference report on the bill (H.R. 6874) to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. GROSS. Mr. Speaker, reserving the right to object, I assume the gentleman will take some time to explain this, particularly the additional half billion dollars, as I understand it, or nearly half billion dollars, that was added by the other body; is that correct?

Mr. BROOKS of Louisiana. Four hundred and eight million dollars.

Mr. GROSS. And the gentleman will take time to explain that?

Mr. BROOKS of Louisiana. Certainly, I want to take time to explain it.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 742)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6874) to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That there is hereby authorized to be appropriated to the National Aeronautics and Space Administration for the fiscal year 1962 the sum of $1,784,300,000, as follows:

"(a) For 'Salaries and expenses', $226,686,000.

"(b) For 'Research and development', $1,305,539,000.

"(c) For 'Construction of facilities', $252,075,000, as follows:

"(1) Langley Research Center, Hampton, Virginia, $3,980,000.

"(2) Ames Research Center, Moffett Field, California, $5,680,000.

"(3) Lewis Research Center, Cleveland, Ohio, $3,590,000.

"(4) Goddard Space Flight Center, Greenbelt, Maryland, $9,212,000.

"(5) Wallops Station, Wallops Island, Virginia, $6,313,000.

"(6) Jet Propulsion Laboratory, Pasadena, California, $3,642,000.

"(7) Marshall Space Flight Center, Huntsville, Alabama, $12,891,000.

"(8) Atlantic Missile Range, Cape Canaveral, Florida, $49,583,000.

"(9) Pacific Missile Range, Point Arguello, California, $998,000.

"(10) At various locations, including those specified in subsection 1(c)(1)–1(c)(9), and including land acquisitions therefor, $146,186,000.

"(11) Facility planning and design not otherwise provided for, $10,000,000.

"(d) Appropriations for 'Research and development' may be used (i) for any items of a capital nature (other than acquisition of land) which may be required for the performance of research and development contracts, and (ii) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities; and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to insure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for 'Research and development' pursuant to this Act may be used for construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $250,000, unless the Administrator or his designee notifies the Committee on Science and Astronautics of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate of the nature, location, and estimated cost of such facility.

"(e) When so specified in an appropriation Act any amount appropriated for 'Research and development' and for 'Construction of facilities' may remain available without fiscal year limitation.

"(f) Appropriations other than 'Construction of facilities' may be used, but not to exceed $20,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator and his determination shall be final and conclusive upon the accounting officers of the Government.

"(g) The amount included for personnel security investigations in the sum authorized by section 1(a) in the discretion of the Administrator may be increased by not more than $2,000,000, but the aggregate sum provided by section 1(a) for salaries and expenses may not be exceeded by reason of any such increase.

"SEC. 2. Authorization is hereby granted whereby any of the amounts prescribed in subparagraphs (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), or (11) of subsection 1(c) may, in the discretion of the Administrator of the National Aeronautics and Space Administration, be varied upward 5 per centum to meet unusual cost variations, but the total cost of all work authorized under such subparagraphs shall not exceed a total of $262,075,000.

"SEC. 3. Not to exceed 3 per centum of the funds appropriated pursuant to subsections 1(a) and 1(b) hereof may be transferred to the 'Construction of facilities' appropriation, and, when so transferred, together with $30,000,000 of the funds appropriated pursuant to subsection 1(c) hereof, shall be available for expenditure to construct, expand, or modify laboratories and other installations at any location (including locations specified in subsection 1(c)), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) he determines that deferral of such action until the enactment of the next authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations until the Administrator or his designee has transmitted to the Committee on Science and Astronautics of the House of Representatives and to the Committee on Aeronautical and Space Sciences of the Senate a written report containing a full and complete statement concerning (1) the nature of such construction, expansion, or modification, (2) the cost thereof, including the cost of any real estate action pertaining thereto, and (3) the reason why such construction, expansion, or modification is necessary in the national interest. No such funds may be used for any construction, expansion, or modification if authorization for such construction, expansion, or modification previously has been denied by the Congress.

"SEC. 4. The Administrator is hereby authorized to transfer, with the approval of the Bureau of the Budget, funds appropriated pursuant to this Act, to any other agency of the Government whenever the Administrator determines such transfer necessary for the efficient accomplishment of the objectives for which the funds have been appropriated. Not more than $20,000,000 of the funds authorized by this Act may be transferred by the Administrator under this section, and no transfer in excess of $250,000 shall be made under this section unless the Administrator has transmitted to the Committee on Aeronautical and Space Sciences of the Senate and to the Committee on Science and Astronautics of the House of Representatives a written statement concerning the amount and purpose of, and the reason for, such transfer, and (1) each such committee has transmitted to the Administrator written notice to the effect that such committee has no objection to that transfer, or (2) thirty days have passed after the transmittal by the Administrator of such statement to those committees."

And the Senate agree to the same.

OVERTON BROOKS,
GEORGE P. MILLER,
OLIN E. TEAGUE,
VICTOR L. ANFUSO,
JOSEPH W. MARTIN, Jr.,
JAMES G. FULTON,
J. EDGAR CHENOWETH,
Managers on the Part of the House.

ROBERT S. KERR,
RICHARD B. RUSSELL,
WARREN G. MAGNUSON,
CLINTON P. ANDERSON,
STUART SYMINGTON,
STYLES BRIDGES,
ALEXANDER WILEY,
MARGARET CHASE SMITH,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6874) to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The amendment of the Senate struck out all after the enacting clause of the House bill and substituted a new text. The Committee of Conference has agreed to accept the Senate amendment with certain amendments made by the managers on the part of the House.

The differences are explained as follows:

Total appropriations authorized by the Senate amendment for the National Aeronautics and Space Administration for the fiscal year 1962 are $1,784,300,000. This represents an increase over the House bill of $407,400,000, to which the managers on the part of the House agree.

The Senate amendment authorized for salaries and expenses $226,686,000. This is an increase of $27,400,000 over the House bill, to which the managers on the part of the House agree.

The Senate amendment authorized for research and development $1,295,539,000. This is an increase of $272,000,000 over the House bill. The managers on the part of the House sought to increase this figure by $10,000,000 to $1,305,539,000. The purpose of this amendment is to make available further research in the amount of $7,100,000 for solid and semisolid fuels, and in the amount of $2,900,000 for electrical propulsion. Both are considered vital to the furtherance of the national space program. The managers on the part of the Senate agreed to this amendment.

The Senate amendment authorized for construction of facilities $262,075,000. This is an increase of $123,000,000 over the House bill. Managers on the part of the House requested that $10,000,000 be deleted from this item in order to provide the necessary funds for research and development, as described above, without increasing the total authorization. Managers on the part of the Senate agreed to this amendment.

The Senate amendment eliminated $15,000,000 which had been contained in the House bill for emergency construction of facilities. In its place is a provision agreed to by the managers on the part of the House, authorizing additional latitude for shifting funds from salaries and expenses and research and development to construction of facilities under certain conditions. This provision is described in the next to last paragraph below.

The Senate amendment included a new provision authorizing research and development funds of the National Aeronautics and Space Administration to be used for grants to nonprofit institutions and authorized the vesting of title to research facilities constructed under such grants in the grantee organization. The Administrator must justify all grants, and no grants involving the construction of facilities, including collateral equipment, may be made above $250,000 without notification of the Congress as to nature, location, and estimated cost of such facilities. Managers on the part of the House asked for an amendment which would place title to such facilities in the United States unless the Administrator makes a positive determination that the national aeronautics and space program will best be served by vesting title in the grantee. Managers on the part of the Senate agreed to this amendment.

The Senate amendment eliminated a provision of the House bill which would have authorized freedom to use up to $2,000,000 more than has been budgeted for security investigations of personnel within the National Aeronautics and Space Administration during fiscal year 1962. Managers on the part of the House asked that the substance of this provision be reinstated, which amendment was agreed to by the managers on the part of the Senate.

The Senate amendment authorized the National Aeronautics and Space Administration to transfer up to 5 percent of the funds appropriated for salaries and expenses and for research and development to the construction of facilities portion of its program. It also permitted $50,000,000 of the funds earmarked for construction of facilities to be applied to projects or facilities the exact nature of which is as yet undetermined due to certain unknown scientific quantities in the space program. Managers on the part of the House asked for a reduction in these figures and reached agreement with the managers on the part of the Senate to 3 percent of the funds appropriated for salaries and expenses and for research and development to be transferred, and on $30,000,000 of the funds appropriated for construction of facilities to be available without specification.

The Senate amendment added a new section to the bill which would permit the Administrator of the National Aeronautics and Space Administration to transfer, with the approval of the Bureau of the Budget, funds appropriated under this act to other Government agencies if the Administrator deems it necessary to accomplish the objectives for which the funds have been appropriated. The new section contains a provision that not more than $20,000,000 may be transferred to any agency without the written acquiescence of the Committee on Science and Astronautics of the House and the Committee on Aeronautical and Space Sciences of the Senate, or until notification of such committees has been made and 30 days have passed without action by them. Managers on the part of the House asked for an amendment to limit the total transferable amount under this act to $20,000,000 and to require that any amount in excess of $250,000 shall not be transferred without being subject to the foregoing limitations. Managers on the part of the Senate agreed to this amendment.

OVERTON BROOKS,
GEORGE P. MILLER,
OLIN E. TEAGUE,
VICTOR L. ANFUSO,
JOSEPH W. MARTIN, JR.,
JAMES G. FULTON,
J. EDGAR CHENOWETH,
Managers on the Part of the House.

Mr. BROOKS of Louisiana. Mr. Speaker, the statement of the managers really explains this situation very well. We went to conference yesterday morning on this bill to iron out the differences between the House and the Senate. We came out of the conference with a unanimous report from the conferees on both sides of the aisle.

The authorization bill as we present it to the House of Representatives embodied roughly about $1,364 million. At the time we presented it to the House of Representatives we informed the House that the reports coming to us were that the executive branch of the Government had in mind a program which would increase the tempo of the space program, push it forward more rapidly than our bill contemplated. Our committee had taken the position all along that the program should be pushed. We took the position that there is no room for second place in the race in space. We could, as someone said, sit back and wait on Russia to do all of the development in space.

In that event we would just take the development in research and science from the Russians and tag along in second place. That position is unthinkable, and the committee of conference thought it was unthinkable.

When the Senate received the bill, we had by that time obtained the recommendations from the White House in reference to the matter. These recommendations raised the amount contemplated in the House bill by some $408 million. We had hearings before the Committee on Science and Astronautics, full hearings, at least 3 days of them, in which we went over each and every addition placed by the Senate in the bill.

Following that, the conferees were appointed and we went to conference. We agreed generally to the figures in the Senate bill. The Senate on the other hand agreed almost entirely to our objections to the Senate bill and went along with the House conferees.

We had five objections. One of them that I considered very important was the security amendment. We insisted in the House bill that not more than $2 million be set aside to push the examinations and investigations being made of the employees of the Space Administration. Some of them had been on the payroll for some time. They had been taken over from the Army. They were not completely cleared for security reasons. There were almost 4,000 of them, as I remember, who had not been cleared. The committee felt that this was extremely important and, therefore, these people ought to be cleared as soon as reasonably possible. We provided in the bill, and the Senate accepted it, that not more than $2 million should be used for that purpose.

The matter regarding facilities was substantially kept in line with the House bill. We shifted some funds. The Senate had a provision in this bill that not exceeding 5 percent of the funds under appropriation pursuant to certain sections of the bill should be used as the Space Administration felt it advisable that they should be used; in other words, they might be shifted from one portion of the bill to another portion. We changed that, and we reduced in conference the amount to not exceeding 3 percent and not exceeding $30 million that should be shifted in any respect in the course of the administration of this bill.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to the gentleman from Iowa.

Mr. GROSS. More than $400 million additional went into this bill in conference. Is that correct?

Mr. BROOKS of Louisiana. That is correct; $407,400,000.

Mr. GROSS. Did your committee formally vote on that?

Mr. BROOKS of Louisiana. We did not vote as a formal committee, no. We had hearings on it.

Mr. GROSS. What did you have by way of hearings? This is a lot of money. This is close to half a billion dollars. What did the hearings amount to? How many witnesses did you have before your committee?

Mr. BROOKS of Louisiana. We had the principal officials of the NASA before us, and we went over each item in the bill.

Mr. GROSS. You had two witnesses before your committee and your hearings lasted less than 2 days; is that correct?

Mr. BROOKS of Louisiana. We had more than two witnesses. As I remember, it was 3 days, and we had perhaps 8 or 10 witnesses there. To back up the whole bill, the committee all the way through had had many hearings and we had asked the witnesses from NASA if they could not use more money to speed up this program. All the way through hearings this committee had generally shown an interest in speeding up this program. When we came here to the floor of the House, we took the

same position as we spoke, that the program should be speeded up.

Mr. GROSS. Will the gentleman tell the Members of the House how this additional $400 million is going to be spent?

Mr. BROOKS of Louisiana. Surely, most of it is going to be spent in research and development. For instance, let me tell the gentleman what will be spent on salaries——

Mr. GROSS. It would be interesting to have the details of how this money is going to be spent for research and development.

Mr. BROOKS of Louisiana. If the gentleman will permit me, I will go further into the matter of research and development. On research and development, we plan to spend $1,305,539,000. That will be spent in the major phases of the research and development program. For instance, the Saturn program was included, the Apollo program, the Nova program is included, and a number of other programs as well. There is money here for the space communications program. We have money for the meteorological program, that is the weather program. That comes in the additional amount that we put into the bill as a result of this conference. So I can tell you that this bill, as it comes to you today, provides for the speeding up of the whole program all along the line. It means not only that space communications will be more nearly a reality today than it has ever been before, and this means a speeding up of the communications program and the weather program. We are deeply interested in that, too.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to the gentleman from Pennsylvania.

Mr. FULTON. It should be pointed out that the Science and Astronautics Committee hearings were very extensive. Both the other body and the committee of the other body on space, as well as the committee on our side on space, has gone into these programs thoroughly. The decision has been made to speed up the program. The decision was agreed to by the majority leader, the Senator from Montana [Mr. MANSFIELD] and the minority leader of the other body, the Senator from Illinois [Mr. DIRKSEN]. The minority leader said we should not risk the dangers that are inherent in not moving ahead and speeding these programs of research and development, and space progress.

I was impressed by the witnesses before our Committee on Science and Astronautics of the House who emphasized that this was not just a trip to the moon, but that there were security and strategic considerations involved in these programs. For example, any country or group of nations that can get maneuverable space platforms or vehicles operating in orbit at a minimum or apogee of 89 to 120 miles above the surface of the earth, when they can be controlled at 18,000 miles an hour would have the ability to drop guided nuclear weapons which within the space of from 10 to 15 minutes could wipe out any city in the world. We are not fooling with just a program going over cornfields and wheatfields for the purpose of sailing over fields. We are operating this research and development program for the benefit of the security of the American people and the research and development necessary for the defense of the free world.

After having had many executive committee sessions, it is my judgment likewise, together with Senator DIRKSEN and our good leader on our side of the House committee, Representative JOSEPH MARTIN, of Massachusetts, that we go ahead with these science and space programs as recommended.

It should be pointed out that at the conference meeting we held yesterday on this legislation, the report was unanimous of both Republican and the Democratic conferees appointed and serving on the conference committee. There is no difference of opinion whatever on the conference committee that this amount of money is necessary. We need the backing of the House, and if the chairman does not call for a rollcall vote, I would like to do so because we want to show the American people we are united on these programs, also every spending bill should have a record vote. We want to show the American people we in the United States should be first in research and development in space and likewise that we should be first in peaceful constructive programs like the weather satellites and communications satellites. We should be first in navigation satellites. Yes, we should be first in research and development that will benefit us in many ways that we do not even know. As to the people in the farm areas, of course, the sooner we can get the weather satellites the better. If we have adequate weather satellites, we will be able to tell whether there are going to be droughts, tornados, storms, and so on.

We will be able to protect the country by advance warnings of rains and storms causing floods. It is estimated by the Weather Bureau that it will save from $2 billion or more a year if we have an adequate weather satellite program. You can see that this is really a question of economic and public benefit in these programs, to our U.S. economy, and to the safety and security of America. We should go ahead. This legislation is not a case of pouring money down the drain.

With regard to the transfer of funds to other agencies of the Government by the Administrator of the National Astronautics and Space Administration, there is a provision that not more than $20 million may be transferred to any agency under this conference report.

I have been very interested in electrical and bacteriological basic research both in civilian agencies as well as in the military services, and particularly the Navy. It will be a tremendous thing if we can go ahead with some of the developments of these projects both for helping with desalinization and changing the chemical composition of sea water, for possible thermal and propulsion, keeping ships and boats clear of barnacles, and on shore installations, providing suitable protection for metallic surfaces. This research will be of tremendous help to municipalities as well as to fleets of ships.

In conclusion I want to join with the chairman in strongly backing these programs and the conference report, because I feel it is necessary not only to keep the United States first in research and development but also necessary for our security and our defense.

Mr. BROOKS of Louisiana. Mr. Speaker, I want to thank the gentleman from Pennsylvania for a very excellent statement. I want to say that Dr. Reichelderfer, who is the head of the Weather Bureau, told our committee some time back that by the development of these weather satellites we could save for the people of the United States as much as $3 billion a year. I want also to say that we have a satellite now in operation, and that we are using the weather satellite in practical ways at this very moment in projecting weather reports, in anticipating storms, especially down in the gulf, and in other operations.

Mr. FULTON. Mr. Speaker, will the gentleman yield further?

Mr. BROOKS of Louisiana. I yield.

Mr. FULTON. We should go ahead with the communication satellite programs on a stepped-up basis. We have the proposal of the American Telephone & Telegraph Co. to construct the satellites and put them in orbit without cost to the U.S. Government. The U.S. Government will supply the base and pad facilities, but the A.T. & T. will even pay for the boosters and the facilities for the purpose of getting the research and development of the communication satellites program into operation. I recommend a prompt contract and prompt action. Secondly, we have research and development going on that will within 15 to 18 months result in a communications satellite system in actual partial operation. That would mean enormous advance toward international telephone and telegraph communications as well as radio and worldwide television. Such constructive and beneficial programs would really be a first in space that the people of the world would respect, and it would make the first to the moon or the first to orbit in space a spectacular exhibit but a smaller accomplishment for the progress and peace of all the world's peoples. The American people are ahead in these communications programs, and I hope we will vote to keep ahead. This is the kind of rivalry, competition, and progress that is all for the good and constructive, and is the kind I like. These programs under this conference report, for expanded research and development in the peaceful uses of space and science for the progress and security of our people, are the American people and Congress at their best.

Mr. BROOKS of Louisiana. Mr. Speaker, I yield 5 minutes to the gentleman from New Hampshire [Mr. BASS].

Mr. BASS of New Hampshire. Mr. Speaker, I rise in opposition to this conference report. It provides for an additional $400 million, most of which is to

accelerate on a crash basis this man-to-the-moon program to get there before 1970, and it is because of this crash moon program that I appear in opposition to this conference report. I do so for these reasons.

The Russians are now ahead of us by 3 or 4 years in big booster development, and going to the moon depends mainly on big booster development. So even if we do accelerate this program on a crash basis, there is no guarantee that we can beat the Russians to the moon. In fact, in my best judgment we cannot, because we are so far behind in the big booster field.

I say it is far better for us to direct our resources and efforts primarily in those areas in space exploration where we do excel, namely scientific satellites, communications satellites, weather satellites, oceanography, and the like. Here are areas in space where we do excel. Here is where we can beat the Russians, and at the same time be of direct benefit to mankind. But one sure way to lose out to the Russians in this space race is to try to outmatch them in their own grounds in this area of spectaculars of little benefit to man.

What direct benefit to mankind is going to come from going to the moon? It has some scientific value, but it has very little direct benefit to mankind.

We are told, Mr. Speaker, this program will now cost on a crash basis about $20 billion. The expenditure of $20 billion means that we will be diverting our resources into this moon shot proposition, and inevitably away from those areas where we do excel and where we should concentrate.

One other point. We read today that the President is going to ask us for an additional $3 billion for new mobilization efforts on account of the Berlin crisis. In fact there is every indication that defense spending will skyrocket even more in the next few years. And so, I say this is a poor time for us to be embarking on a man-to-the-moon project costing $20 billion, of doubtful benefit to mankind and with no military or defense significance when we are going to have to devote a great deal of our resources to the cold war effort.

Do not let anyone tell you going to the moon has any military significance. We had a distinguished array of military witnesses before the Space Committee, and not one of the military experts told us going to the moon had any military value. There have been many loose statements made here that this moon project affects our security. It does not. It would be far better to direct our resources and effort right here on earth rather than engage in probably a futile effort to beat the Russians to the moon before 1970.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. BASS of New Hampshire. I yield to the gentleman from Washington.

Mr. PELLY. Mr. Speaker, I would like to associate myself with the opposition to this crash program to land a man on the moon, which the gentleman has expressed. I think the gentleman from New Hampshire is absolutely right. We can well spend the money in other ways, which would benefit our Nation and humanity in better fashion. I have expressed opposition to this program in the past. I shall vote against the conference report on this account.

Mr. BASS of New Hampshire. I thank the gentleman for his contribution.

Mr. Speaker, as I understand it, the parliamentary situation is such that we can vote down the conference report and instruct our conferees to come in with a different type of report.

So, in conclusion, Mr. Speaker, may I say that I trust we will vote down this conference report so that we may then instruct our conferees to come back with something in line with the original authorization we passed a couple of weeks ago in connection with this space program.

Mr. FULTON. If we vote down the conference report at this stage, I believe that would be the end of the bill.

Mr. BASS of New Hampshire. No. That is not my understanding. We have done this before.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman said something about an authorization contained in this bill for communication satellites and meteorological satellites. Could the gentleman advise the House how much authorization is contained in the bill for communication satellite purposes?

Mr. BROOKS of Louisiana. Ninety-four million six hundred thousand dollars is placed in the bill for communication satellites, and that is the program that is very urgent at this time. We are working on it to get it out and actually to put into operation a program for communicating messages by means of communication satellites.

Mr. HARRIS. Yes. The gentleman from Arkansas is familiar with what the program is, but I would like to ask the gentleman if this $94 million is for research and development.

Mr. BROOKS of Louisiana. Yes.

Mr. HARRIS. Is it in any way for operation or installation of a communication satellite program to operate worldwide communication or otherwise?

Mr. BROOKS of Louisiana. It is for research and development.

Mr. HARRIS. Solely for research and development?

Mr. BROOKS of Louisiana. At this particular time it is for research and development.

Mr. HARRIS. I would like to suggest to the gentleman, in view of the jurisdiction of his committee, which I had some knowledge of at the time of the establishment of his committee and the purposes of the committee at the time—that his committee does have jurisdiction over research and development, and we certainly recognize that, and the committee is doing a good job in that field. But, I read one or two of the reports in which it appears to me that the committee is beginning to get into the operational field and the field of regulation. I would like to say to the gentleman that the rules of the House do very definitely and clearly define jurisdiction in these matters, and the question of regulation in the operation of communications and the Weather Bureau comes under the jurisdiction of the Committee on Interstate and Foreign Commerce.

Mr. BROOKS of Louisiana. May I say that the gentleman from Arkansas is a great leader of a great committee and has done a great job for the United States Congress. This bill, however, to which the gentleman refers, covering meteorology and communication satellites deals with research and development.

Mr. HARRIS. Research and development only?

Mr. BROOKS of Louisiana. Research and development only.

Mr. HARRIS. I thank the gentleman, but I have read some reports of the committee, and it occurred to me that there is rather specific language otherwise, and that is the reason I wanted to bring this to the attention of the House at this time.

Mr. BROOKS of Louisiana. May I say further that we are very zealous in our efforts to try to avoid in any way treading upon the jurisdiction of the committee of the gentleman from the State of Arkansas.

Mr. HARRIS. I am glad to have the assurance from my distinguished friend and chairman of a great committee.

Mr. BASS of New Hampshire. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to the gentleman from New Hampshire.

Mr. BASS of New Hampshire. Is it not true that by far the bulk of this increase of $400 million goes into research and development for accelerating the moon project, a man to the moon project, with very little for these other programs?

Mr. BROOKS of Louisiana. Yes, but let me answer the gentleman very briefly. A great military leader told me that every bit of space between here and the moon is of military significance. This was an Air Force officer, and I believe it just as firmly as I believe anything I can believe, that every cubic foot of space between here and the moon is of military and commercial significance. If we let the Russians develop their program of space, the use of space between here and the moon, we are jeopardizing the very security of this Nation; the very foundation on which this Nation rests. I say this, unless we back up this program, we are not going to know how to utilize space either from a commercial or military viewpoint, and we are taking a serious chance on our own security.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Mr. Speaker, I would like to ask the gentleman one question, if the gentleman will yield.

Mr. BROOKS of Louisiana. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Is not the question here today simply this: Do we want to actually compete with

the Russians in the missiles field, and in all conquest of space, or do we want to proceed in a leisurely way and let the Russians excel? It seems to me that is the question. We are taking what the administration says is absolutely necessary for this success.

Mr. BROOKS of Louisiana. Of course.

Mr. MARTIN of Massachusetts. If the gentleman will yield further, if we defeat the bill, Congress is taking all responsibility of defeating it. Of course, if we want to stay in the race we have to support this measure.

Mr. BROOKS of Louisiana. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken.

Mr. FULTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 354, nays 59, not voting 24, as follows:

[Roll No. 116]

YEAS—354

Abbitt	Church	Gallagher
Abernethy	Clark	Garland
Adair	Coad	Garmatz
Addabbo	Cohelan	Gary
Addonizio	Collier	Gathings
Albert	Conte	Gavin
Alexander	Cook	Giaimo
Andersen, Minn.	Cooley	Gilbert
	Corbett	Glenn
Andrews	Corman	Goodell
Anfuso	Cramer	Goodling
Arends	Cunningham	Granahan
Ashley	Curtin	Grant
Ashmore	Curtis, Mass.	Green, Oreg.
Aspinall	Curtis, Mo.	Green, Pa.
Auchincloss	Daddario	Griffin
Avery	Dague	Griffiths
Ayres	Daniels	Gubser
Bailey	Davis, James C.	Hagan, Ga.
Baldwin		Hagen, Calif.
Baring	Davis, John W.	Haley
Barrett	Davis, Tenn.	Halleck
Barry	Dawson	Halpern
Bass, Tenn.	Dent	Hansen
Bates	Denton	Harding
Becker	Derounian	Hardy
Beckworth	Derwinski	Harris
Bell	Diggs	Harrison, Va.
Bennett, Fla.	Dingell	Harrison, Wyo.
Bennett, Mich.	Dominick	Harvey, Ind.
Blatnik	Donohue	Harvey, Mich.
Blitch	Dooley	Hays
Boggs	Dorn	Healey
Boland	Downing	Hechler
Bolling	Doyle	Hemphill
Bonner	Durno	Henderson
Boykin	Dwyer	Herlong
Brademas	Edmondson	Hoeven
Bray	Elliott	Holland
Breeding	Ellsworth	Holtzman
Brewster	Everett	Hosmer
Brooks, La.	Evins	Huddleston
Brooks, Tex.	Fallon	Hull
Broomfield	Farbstein	Ichord, Mo.
Broyhill	Fascell	Ikard, Tex.
Buckley	Feighan	Inouye
Burke, Ky.	Fenton	Jarman
Burke, Mass.	Finnegan	Jennings
Burleson	Fino	Joelson
Byrne, Pa.	Fisher	Johnson, Calif.
Byrnes, Wis.	Flood	Johnson, Md.
Cahill	Flynt	Johnson, Wis.
Carey	Fogarty	Jones, Ala.
Casey	Ford	Jones, Mo.
Cederberg	Forrester	Judd
Celler	Fountain	Karsten
Chamberlain	Frazier	Karth
Cheif	Frelinghuysen	Kastenmeier
Chenoweth	Friedel	Kearns
Chiperfield	Fulton	Kelly
Kilday	Murphy	Scott
Kilgore	Murray	Scranton
King, Calif.	Natcher	Seely-Brown
King, N.Y.	Nelsen	Selden
King, Utah	Nix	Sheppard
Kirwan	Norblad	Shipley
Kitchin	Norrell	Shriver
Kluczynski	O'Brien, Ill.	Sibal
Knox	O'Brien, N.Y.	Sikes
Kornegay	O'Hara, Ill.	Sisk
Kowalski	O'Hara, Mich.	Slack
Kunkel	Olsen	Smith, Iowa
Kyl	O'Neill	Smith, Miss.
Landrum	Ostertag	Smith, Va.
Lane	Passman	Spence
Langen	Patman	Springer
Lesinski	Perkins	Stafford
Libonati	Peterson	Staggers
Lindsay	Pfost	Steed
Loser	Philbin	Stephens
McCormack	Pike	Stratton
McDonough	Pilcher	Stubblefield
McDowell	Pillion	Sullivan
McFall	Pirnie	Taylor
McIntire	Poage	Teague, Tex.
McSween	Poff	Thomas
McVey	Powell	Thompson, Tex.
Macdonald	Price	Thomson, Wis.
MacGregor	Pucinski	Thornberry
Machrowicz	Quie	Toll
Mack	Rabaut	Tollefson
Madden	Rains	Trimble
Magnuson	Randall	Tuck
Mahon	Ray	Tupper
Mailliard	Reifel	Udall
Martin, Mass.	Reuss	Ullman
Mathias	Rhodes, Ariz.	Vanik
Matthews	Rhodes, Pa.	Van Pelt
May	Riehlman	Van Zandt
Meader	Riley	Vinson
Merrow	Rivers, Alaska	Wallhauser
Miller, Clem.	Rivers, S.C.	Walter
Miller, George P.	Robison	Watts
	Rodino	Weaver
Miller, N.Y.	Rogers, Colo.	Whalley
Milliken	Rogers, Fla.	Wharton
Mills	Rogers, Tex.	Whitener
Moeller	Rooney	Whitten
Monagan	Roosevelt	Wickersham
Montoya	Rostenkowski	Widnall
Moore	Roush	Willis
Moorhead, Pa.	Rutherford	Wilson, Calif.
Morgan	Ryan	Winstead
Morris	St. Germain	Wright
Morrison	Saund	Yates
Morse	Saylor	Young
Moss	Schneebeli	Younger
Moulder	Schweiker	Zablocki
Multer	Schwengel	Zelenko

NAYS—59

Anderson, Ill.	Gross	Minshall
Ashbrook	Hall	Moorehead, Ohio
Baker	Harsha	
Bass, N.H.	Hiestand	Mosher
Battin	Hoffman, Ill.	O'Konski
Beermann	Hoffman, Mich.	Pelly
Belcher	Horan	Reece
Berry	Jensen	Roberts
Betts	Johansen	Rousselot
Bolton	Jonas	St. George
Bromwell	Keith	Schadeberg
Brown	Laird	Schenck
Bruce	Latta	Scherer
Clancy	Lennon	Siler
Colmer	Lipscomb	Smith, Calif.
Devine	McCulloch	Taber
Dole	Marshall	Teague, Calif.
Dowdy	Martin, Nebr.	Utt
Dulski	Mason	Westland
Findley	Michel	Wilson, Ind.

NOT VOTING—24

Alford	Kee	Santangelo
Alger	Keogh	Shelley
Bow	Kilburn	Short
Cannon	Lankford	Thompson, La.
Delaney	McMillan	Thompson, N.J.
Gray	Nygaard	Weis
Hébert	Osmers	Williams
Holifield	Roudebush	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Williams against.
Mr. Keogh for, with Mr. Kilburn against.

Until further notice:

Mr. Lankford with Mr. Short.
Mr. Santangelo with Mrs. Weis.
Mr. Thompson of New Jersey with Mr. Roudebush.
Mr. Delaney with Mr. Alger.
Mr. Shelley with Mr. Bow.
Mr. Thompson of Louisiana with Mr. Nygaard.
Mr. Alford with Mr. Osmers.

Mr. SMITH of Virginia changed his vote from "nay" to "yea."

Mr. O'KONSKI changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

AUTHORIZING THE CLERK OF THE HOUSE TO MAKE A CORRECTION IN THE ENROLLMENT OF H.R. 6874

Mr. BROOKS of Louisiana. Mr. Speaker, I call up the resolution (H. Con. Res. 353) authorizing the Clerk of the House to make a correction in the enrollment of H.R. 6874 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives, in the enrollment of the bill (H.R. 6874) to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes, is authorized and directed to make the following correction:

In section 2 of the bill strike out "$262,075,000" and insert in lieu thereof "$252,075,000".

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

REORGANIZATION PLAN NO. 5 OF 1961—NATIONAL LABOR RELATIONS BOARD

Mr. FASCELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the resolution (H. Res. 328) disapproving Reorganization Plan No. 5 transmitted to the Congress by the President on May 24, 1961.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the resolution (H. Res. 328) with Mr. DAVIS of Tennessee in the chair.

The Clerk read the title of the resolution.

The CHAIRMAN. Under the unanimous consent agreement of yesterday, further general debate on the resolution will continue for not to exceed 30 minutes, to be equally divided and controlled by the gentleman from Florida [Mr. FASCELL], and the gentleman from Michigan [Mr. HOFFMAN].

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. CLEM MILLER].

Mr. CLEM MILLER. Mr. Chairman, I take this time because I feel a most important point has been unresolved or left unanswered by the debate on yesterday regarding the protection of litigants. My credentials to speak here today is the fact that I was an employee of the board for a substantial period of time and while I do not presume to be the greatest expert, I do feel that on this point I am qualified to speak.

Yesterday, it was stated by the gentlemen from Georgia [Mr. LANDRUM and Mr. FLYNT], that the courts have no opportunity to rule on the facts, and that if a Board decision is supported by substantial evidence, then the court becomes a rubber stamp for the findings of fact. Now, in truth, I fail to understand how this can be seriously advanced.

Because the fact is that the courts can and do find on the facts. They find on the basis of the complete record, the record as a whole. I might add that the Board must find on the preponderance of the facts, and this one word—this one word "preponderance"—has become the most important single word in the National Labor Relations Act.

Mr. Chairman, the word "preponderance" is the most important single word in the National Labor Relations Act because, in effect, the words "the preponderance of the evidence" and "substantial evidence" has become intertwined as one. To find substantial evidence on the record, considered as a whole, they have necessarily applied themselves to the requirement that the Board's decision be based on a preponderance of the evidence. The courts have said if the Board does not find on the preponderance of the evidence, then it is not supportable, and they have overruled it. They have done this in case after case after case overruling long-established Board precedent.

As an agent of the Board, I have read hundreds and hundreds and hundreds of court decisions where they have examined the facts and looked into the record fully. For anyone to come into this Chamber and in the face of these court decisions say that the courts are now prohibited from looking into the facts, is simply not looking at these court decisions.

The trial examiner's report is a full statement of the facts. The court has this plus the entire transcript of the case. On this basis I would say that the litigants are getting full and ample protection to a review of the facts, and this resolution should be voted down.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. CLEM MILLER. Yes, I yield to the gentleman from Michigan.

Mr. GRIFFIN. In view of the gentleman's statement, surely he must be familiar with section 10(e) of the Labor-Management Relations Act. I should like to read one sentence from that section:

> The findings of the Board with respect to questions of fact, if supported by substantial evidence—
>
> Not preponderance of evidence—
>
> on the record considered as a whole shall be conclusive.

Did I understand the gentleman to indicate that the statement I have just read is not the law? Or does he say that the courts do not follow the law?

Mr. CLEM MILLER. The courts certainly do follow the law. But in deciding what is substantial evidence, they have adopted the practice of requiring a preponderance of evidence. At any rate, under your version or mine the fact is that the courts do examine the facts of the case, and that is the crucial issue. They do determine the facts—whether there is sufficient or whether there is substantial or whether there is a preponderance, the rights of the litigants are protected in having that record fully and completely examined in toto. That is the crucial point. What I object to is the failure of this debate to make this point. To say, as has been said that any evidence is sufficient to preclude examination by the court is not right.

Mr. GRIFFIN. If I understand the argument of the gentleman, he is saying that the preponderance of the evidence is the same thing as substantial evidence.

Mr. CLEM MILLER. I say precisely that. Substantial evidence on the whole record.

Mr. GRIFFIN. I must respectfully disagree, as a lawyer.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. CLEM MILLER. Yes, I yield.

Mr. FASCELL. Is it not true that the very section of the law which was read by the gentleman from Michigan [Mr. GRIFFIN] on which he has disagreed with your interpretation has been interpreted by the court in the Universal Camera case and in many other cases, the citations of which I put in the RECORD yesterday?

Mr. CLEM MILLER. Yes, that is precisely correct, and all you have to do is to read the court cases.

We can come in here and talk endlessly about what this word means or that word means, but when you get down to it it is what the courts have done in their day-to-day work that really counts, and anyone who has examined those cases and who says that the litigants are not protected—and I will have to say this respectfully—is simply not fully conversant with the way the cases work out in practice.

It would certainly be appropriate at this point to say a word about the NLRB staff, the civil servants who have received so much attention in this debate. It may be high time to speak up for civil servants. As I say, I was one of these. I have worked for the Federal Government for 8 years. Five of those years were spent with the NLRB.

It is my judgment, in knowing literally hundreds of these fellow workers that they do a good job, an effective job, and a conscientious job. Labor Relations Board work is a technical field. It is a particular field. Board personnel have to know their stuff, and do. They know a great deal more than the labor specialists. This is so because there is a labor field, of which NLRB is only a small part, however large it may loom in current affairs.

These Board people are good technicians, good craftsmen, and it is unfortunate that an inference has been drawn that proper administration has been somehow illy served by the Board's civil servants.

Yes, I know that critics will claim they are not criticizing the personnel, only the methodology, or at least I presume they would say this, but the clear inference of inferiority is there.

This inference will not be left unchallenged. In fact, I could go further, and say that in the essential and unceasing battle between bureaucrats and legislators, the latter very frequently come off second best. Legislators cannot master the intricacies. They frequently climb in where they are poorly armed with the facts, and are often guilty of egregious errors. I know whereof I speak. For a brief but very significant period, I served with congressional liaison with the National Labor Relations Board. I was appalled and shocked at the depth of ignorance displayed by many legislators who were presumed to be experts. It was a lesson I have never forgotten.

Not that the executive, the administrators, the bureaucrats should not be checked by Congress. Of course they should. I feel very strongly on that. In whatever state the facts may be in, Congress must put a checkrein on the executive.

But occasionally it should be on the record that there is another side; that it is rarely heard in these chambers as we indulge ourselves in the favorite pastime of bureaucrat knocking. It would seem to me in the essential task of governing, that a little less emphasis on recrimination would be better, a more serious effort at establishing the responsible nature of civil servants would be better. It is on the basis of a million daily decisions made by a million individuals that the true integrity of our Government, even our future, rests. If they fail, we fail. And if they are constantly upbraided from pillar to post, then their resolve to do the job cannot help but be weakened.

There has been a lot said here about trial examiners. They are presumed to be slothful because they have not handled X number of cases, or because one of them handled only five. Do these critics know how a trial examiner works? Do they know the circumstances and conditions under which he works? I would suggest not. Hearings may last forever and a day. Because of the particular circumstances surrounding Board history, trial examiners bend over backwards to give every litigant full opportunity to be heard whether or not his evidence bears directly on the point or not. Going through these transcripts takes days and days. He has no assist-

ants to help him as do members of the judiciary. His position with respect to the litigator is extremely precarious because he must seek settlement if he can but be always aware that his power of decision renders him subject to challenge at all times. This takes time, patience, and courtesy.

His decision must be good. It is long and detailed. No per curiam. It must be his own work.

This is just one example. I could list hundreds of others of cases where the civil servant, without any public forum of his own, is subjected to criticism. Thus, to these allegations with respect to the National Labor Relations Board I enter a general denial.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, in considering whether or not we should allow this reorganization plan to become effective I think we have first to look at whether it should have been submitted in the first place. In the first place, the Reorganization Act probably is not broad enough to cover a quasi-judicial body. This fact was brought out very effectively by the gentleman from Georgia [Mr. LANDRUM] yesterday. In other words, we are dealing here with a body which has a judicial function. It is not an independent agency. The legislative history shows it is not. It is not a part of the executive branch. If I could, Mr. Chairman, I would demur to this reorganization plan being here. I do not think it fits under the Reorganization Act.

In the second place, is it a necessary thing? Certainly the National Labor Relations Board has been behind in its docket for years. Everybody knows this. Something should be done about it. However, in the Landrum-Griffin Act last year we did provide certain remedies which I think will have a beneficial effect on the size of the docket in the future.

For instance, on last May 15 the regional directors of the National Labor Relations Board got the authority to handle representation cases. In fiscal year 1961, the Board itself disposed of 2,172 representation cases. It has been estimated by the Board that in fiscal year 1962, review will be sought in only 600 representation cases, and of this number, only 10 percent, or 60 cases, will be granted review. This is a great difference in the workload of the Board. Possibly it will mean the difference between the Board's being able to catch up on its work or staying behind. We do not yet know, and will not know until the plan has worked for a time. So, reorganization may not be necessary.

If the plan does become effective, what difference does it make? It makes this difference. You are putting judicial functions into the hands of the trial examiner. You are making a judge out of an individual who may or may not be qualified to be a judge. I do not mean to say that the trial examiners we have are not competent gentlemen. I do not know whether they are or not. I feel that they probably are. However, let me point out to you that these people are not appointed for life, they are not confirmed by the Senate, and—get this—they do not have to be lawyers. Therefore, they are not judges in any sense of the word. The Civil Service Commission in setting up the classification for a trial examiner has not provided that a trial examiner has to be a lawyer. The Administrative Procedures Act does not provide that a trial examiner must be a lawyer.

What can this trial examiner do? He holds a hearing as the sole judge of the admissibility of evidence, yet, as I say, he does not have to be a lawyer. He decides what will go in the record. This record becomes very important because, as those who have followed the debate know, this record is the basis on which two members of the Board either decide to take up a matter on appeal, or they do not. As of now, of course, any person who is a litigant has an absolute right to appeal to the Board. Since this right would no longer exist, the record acquires even more importance. If the Board decides not to take up the case, there may be an appeal to the circuit court of appeals. And what do we go upon? This same record, which was prepared under the supervision of a man who may or may not be a lawyer.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Indiana.

Mr. HALLECK. It is very obvious to me that the proponents of this plan recognize that there is a fatal, overriding weakness in the plan, and that is that there is no review guaranteed by the Board from decisions by trial examiners or employees. So now they frantically turn to what they say is the right of review by the circuit court of appeals. In all my time in Congress I have been up and down through this substantial evidence rule, whether it should be based on substantial evidence or on consideration de novo. I insist that it is on the substantial evidence rule, which means that if there then is evidence to support the finding it is final. That is the fatal weakness of this plan.

Mr. RHODES of Arizona. I certainly agree with the gentleman from Indiana. If the last speaker from the other side is correct, somebody has written a brand-new book on evidence since I was in law school. In other words, to say that the substantial evidence rule is synonymous with preponderance of evidence certainly is contrary to anything that I learned in law school.

Mr. Chairman, I have some ideas as to what should be done to cut down the backlog of the National Labor Relations Board, if further action is needed. I think we should look back to the hearings which the Committee on Education and Labor had in the years 1953 and 1954. At that time we went rather carefully into the work of this Board, and some of us at least became convinced that this Board which is a quasi-judicial body is performing functions which no quasi-judicial body should be allowed to perform. They are performing functions which are not quasi-judicial, but absolutely judicial. Can you imagine a case which is more of an adversary case than an unfair labor practice case? Can you imagine any possibility of having a case which should be tried in a Federal court any more than some of the unfair labor practices cases which we have had? To me, Mr. Chairman, it would be much more to the point to analyze the jurisdiction of this Board and to realize we have put things in that jurisdiction which never should have been included. I think, for instance, unfair labor practices cases should be sent to the Federal courts. We have just passed a law providing for 80 new Federal judges. Oh, I admit they have not been filled and I suppose they probably will not be filled at least until the end of this session of the Congress. But, at the same time this will greatly enlarge the Federal judiciary so that the argument which was made some time ago that the Federal judiciary cannot handle this load probably is not a valid argument at this time. So, to me, it would be much wiser to take these unfair labor practices cases out of the jurisdiction of the Board and put them into the Federal court where they belong and let the Board then concentrate on those functions of labor law which should be in a Board of this type—in other words, representation cases and the cases involving certification of bargaining agents. This would reduce the backlog very quickly. There is a lot to be done by a Board like this, without having to act as a judge in a situation in which a real tribunal set up with the dignity which we ascribe to the Federal judiciary system, should be the forum.

Also, Mr. Chairman, I want to leave this one thought. You are giving this trial examiner who is not a lawyer the authority to issue orders. The language states that he can issue an order covering any of the functions of the Board. Now, when will this order become effective? Most orders become effective as soon as they are issued. I hope these will not, but I do not know. In paragraph C of plan No. 5 it says that these orders issued by a trial examiner shall be "deemed to be the action of the Board" after the Board has refused to review, or no such review is sought within the time limit set up by the Board. The words "deemed to be the action of the Board" undoubtedly are designed to define the time the action becomes final so that it can be appealed to the CCA. The language does not say specifically and clearly that such an order does not become effective before it is "deemed to be the action of the Board." In fact, there is certainly ground to believe and ground to fear that these orders become effective immediately upon their promulgation. This would result in a reversal of the present situation. Now, an order becomes effective only after the time for an appeal to the Board has expired or until the appeal has been decided. This language seems to indicate that an order issued by the trial examiner—who is not a lawyer—can become effective instanter, subject only to being upset by later appeal.

The time it takes to have an order issued after appeal to the Board now averages 195 days from the day upon which the trial examiner completes his hearing. Thus, the trial examiner's order may well be in effect, and obeyed by all parties for 195 days. This would be true of sensible orders, and nonsensical orders. Great damage could be done in that time. Unions could be broken, businesses could fail, and even reversal on appeal might not serve to make amends.

Mr. Chairman, I do not believe this Congress wants to place such great power in the hands of any officer, however competent, who has not at least been examined as to his views and qualifications by the Senate. I ask for an "aye" vote for the resolution, and therefore the rejection of Reorganization Plan No. 5.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, I take this time to attempt to clarify the confusion which I believe the gentleman from California [Mr. CLEM MILLER] has brought upon the right of review of a trial examiner's finding of fact. He correctly described the present situation by saying that the Board makes the findings of fact, and it is the Board's findings of fact which must be accepted by the court if there is substantial evidence to support them.

Reorganization Plan No. 5 takes this power that is vested in this five-member Board and permits them to pass it down to the trial examiner. The trial examiner would then make the findings of fact if upon a preponderance of the testimony he thinks that any person named in the complaint is guilty of an unfair labor practice. That finding of fact is not that of the Board, it is that of the trial examiner because the Board had delegated that authority to him.

The only way the trial examiner's findings of fact can be reviewed by the Board is if two members of the Board grant an appeal in the nature of a certiorari. There is no guaranteed right of review. Plan No. 5 in effect makes the findings of fact of a trial examiner binding upon the court of appeals if there was substantial evidence on the matter. The holdings of the circuit court of appeals have uniformly been that the findings of the Board cannot be overturned if those findings are supported by substantial evidence. Under plan No. 5 that holding will apply to trial examiners' findings of fact, where no review by the Board has been allowed.

There are very important rights involved in this delegation of the power to make findings of fact and to enter cease-and-desist orders; and I say to you it is a very dangerous thing in this explosive field of labor relations to place any such broad final authority in the hands of a trial examiner, authority which Congress consciously vested in a Board of five members.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield the balance of my time to the gentleman from Michigan [Mr. GRIFFIN].

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

Mr. GRIFFIN. Mr. Chairman, Reorganization Plan No. 5 follows the same general pattern as Reorganization Plans 1, 2, 3, and 4. Surely, any member of the House who voted against the four plans will find very little justification or reason to reverse his position with respect to plan No. 5.

In addition to the principles and reasons that are common and apply as to all of the plans, 1 through 5, there is the additional argument used very effectively by the distinguished Speaker and the chairman of the Committee on Interstate and Foreign Commerce with respect to plan No. 2, affecting the FCC. They made the point, you will recall, that plan No. 2 would have amended fundamental law as written into the Communications Act by this Congress, through the device of a reorganization plan. That same argument applies with equal force and effect to plan No. 5 because if plan No. 5 is not disapproved it will amend a fundamental provision of the Labor-Management Reporting and Disclosure Act as it was enacted by Congress in 1959.

In addition to those important reasons for disapproving this plan 5, there is another very fundamental and basic argument which is peculiarly applicable to this particular reorganization plan. I refer to a significant point made in the House yesterday by the distinguished gentleman from Georgia [Mr. LANDRUM] to the effect that the Executive has no statutory authority under the Reorganization Act to reorganize the National Labor Relations Board. Section 7 of the Reorganization Act specifically provides that only an agency in the "executive branch of the Government" can be reorganized through the device of a reorganization plan.

Now, there has been some argument about several of the other agencies, the FCC, the SEC, and so forth, as to whether they are agencies in the executive branch of the Government subject to the Reorganization Act. The argument made as to those agencies may have been a bit hazy and fuzzy. But let me remind the Members of the House that the legislative history establishing the National Labor Relations Board is very clear. When this Congress and this House adopted the conference report by which the Wagner Act became law the question I have raised was settled clearly and definitely.

In the conference on the legislation which became the Wagner Act, the conferees adopted a House amendment eliminating language in the Senate bill which would have described the National Labor Relations Board as "an independent agency in the executive branch of the Government."

That language was stricken out of the bill. The managers on the part of the House, in their report to the House, explained that action taken in conference in these words, and I quote from the report:

> The Board, as contemplated in the bill, is in no sense to be an agency of the executive branch of the Government.

Mr. Chairman, that is the legislative history. I submit that there is no jurisdiction, there is no authority to reorganize the NLRB through a reorganization plan. We would be wasting our time and only creating a bit of chaos here today if we should vote to approve plan 5 and and attempt in that way to reorganize the NLRB.

Mr. Chairman, I should like to make another point. Many Members are concerned about the centralization of authority inherent in the several plans. Consider for a moment the operation of the NLRB trial examiners who would be elevated to the status of Federal judges if plan 5 becomes effective. When a litigant goes into a Federal district court, of course, he takes his chances with a judge who has been appointed by the President and confirmed by the Senate.

The NLRB trial examiners operate out of a pool here in Washington. The Administrative Procedure Act provides, in language which seems not to be very meaningful, that trial examiners should be assigned on a rotation basis insofar as practicable.

I have been serving as a member of a subcommittee of the Committee on Education and Labor under the chairmanship of the gentleman from Illinois [Mr. PUCINSKI] which has been investigating the NLRB and its procedures. One of our witnesses was the Chief Trial Examiner, Mr. Ringer. I was interested in how cases are assigned to the various trial examiners. Let me quote from the transcript of the hearing:

> Mr. GRIFFIN. Who actually makes the assignment of the case to a trial examiner?
>
> Mr. RINGER. I do, with the assistance of my associates.
>
> Mr. GRIFFIN. Do you or do your associates review the file before you make this assignment?
>
> Mr. RINGER. We review the pleadings; yes.
>
> Mr. GRIFFIN. Why?
>
> Mr. RINGER. So that we can see what the length of the case is going to be and to put a man on that case who can get out an intermediate report in the case he has heard a month before or 2 months before, as soon as he has heard this case, and can come back and work on the intermediate report he hasn't yet gotten out, and we would not, if a man has three intermediate reports unissued for example, send him out on a case that looks like it is going to take a month.

Then later:

> Mr. GRIFFIN. That is interesting because without intending to be critical of * * * Mr. Ringer, * * * I would say that the intent of Congress was that it be an automatic type of rotation. That is exactly what Congress was intending, and that if one trial examiner should happen to get four so-called long cases certainly that would be taken into account by his supervisors in evaluating his record, but the thing that Congress is concerned about would be to have someone in a position like yourself, for example—with no criticism of you—who reviews the file and decides, "Well, let's see. Let's send this case over to John Jones. I think we know how he will decide that one."

This testimony provides some insight as to a danger that could easily develop. Unfair labor practice cases could be decided, in effect, by the person who makes the assignment, particularly if there is no right to review by the Board.

I want to make it clear that I do not question the competence or integrity of the present Chief Trial Examiner who has served ably and well in that position for a long period.

But I do make the point that if plan No. 5 goes into effect, a Chief Trial Examiner would have a great deal of power concentrated in his hands which could easily be abused in affecting the course of justice.

Mr. Chairman, plan No. 5 should be disapproved.

Mr. RYAN. Mr. Chairman, I oppose the resolution and support Reorganization Plan No. 5. The following reasons point up the soundness of the plan:

I. GENERALLY, PLAN NO. 5 IS DESIGNED TO GIVE BOARD MEMBERS MORE TIME FOR CONSIDERATION OF MAJOR POLICY MATTERS BY PERMITTING A MORE LIMITED REVIEW OF THE SO-CALLED RUN-OF-THE-MILL CASES

The purpose of plan No. 5 is set forth in the President's transmittal message to "relieve the Board members from the necessity of dealing with many matters of lesser importance and thus conserve their time for the consideration of major matters of policy and planning." This objective is to be achieved by permitting the delegation of Board functions "to a division of the Board, an individual Board member, a hearing examiner, or an employee or employee board." The Board is required by the plan to retain a discretionary right to review all matters, and the plan provides that "the vote of a majority of the Board less one member thereof shall be sufficient to bring any such action before the Board for review." This obligation to exercise a discretionary power of review requires the Board members to screen each and every case "upon its own initiative or upon petition of a party" to see if the case falls within the category of situations warranting a full and de novo review.

II. SPECIFICALLY, PLAN NO. 5 CONTEMPLATES DELEGATING A GREATER DEGREE OF FINALITY IN UNFAIR LABOR PRACTICE CASES TO THE TRIAL EXAMINERS WHO PRESIDE AT THE HEARINGS

Plan No. 5 authorizes the Board to delegate "any of its functions," subject to the discretionary review on vote of a minority of the Board. In practical terms, however, this means and can only mean, the delegation of a greater degree of finality in unfair labor practice cases to the experienced trial examiners who preside at the hearings and have first-hand information concerning the witnesses and their evidence.

The Labor Board has two principal functions: deciding representation-election cases and deciding "unfair labor practice cases" against employers and unions. The 1959 Landrum-Griffin Amendments to the Labor-Management Relations Act, 1947, authorized the delegation of greater finality in representation-election cases to regional directors. The only important matter left for delegation is the unfair labor practice area of cases.

Plan No. 5 expressly provides that the delegation of decision-making powers "to any employee and employee board" shall be limited by section 7(a) of the Administrative Procedure Act. Section 7 (a) of this act requires that a hearing examiner—appointed by the Civil Service Commission pursuant to the rigorous requirements of section 11 of that act—shall preside at all contested cases of an adjudicatory nature. Unfair labor practice cases fit this description.

III. THE PRINCIPLE OF PLAN NO. 5 HAS BEEN APPROVED BY EVERY IMPARTIAL STUDY GROUP (BOTH IN AND OUT OF CONGRESS) FOR ALMOST 20 YEARS

The principle of plan No. 5—that the triers of disputed facts in administrative cases should have greater finality—is nothing new. It has been considered and approved by every major study group for approximately the past 20 years.

First. The Administrative Procedure Act of 1946: In 1946, Congress adopted the Administrative Procedure Act. This act was the result of the long study by the Attorney General's Committee on Administrative Procedure which began in 1939 and which was continued by a special committee of the American Bar Association. It was introduced by Senator Pat McCarran and Representative FRANCIS WALTER as the codification of best practices in administrative procedure. This act—section 11—created a special corps of seasoned and independent trial examiners whose decisions were intended to have finality subject to a limited and certiorari-type of review—section 8.

Second. The Taft-Hartley Act of 1947: In 1947 Congress made a major overhaul of the then Wagner Act, and, recognizing the increasing workload of the Labor Board, authorized the Board to sit in panels.

Third. The Landrum-Griffin amendment of 1959: In 1959 Congress again gave a general scrutiny to the major labor law of the Nation, and considering the workload of the Labor Board and the then delay in processing cases, authorized the Board to delegate greater authority to its regional directors in representation-election cases. Congress did not consider in its proposals or debates the problem arising from the backlog of unfair labor practice cases.

Fourth. The 1959 McKinsey & Co. report: In 1958 the Bureau of the Budget retained the management consultant firm of McKinsey & Co. to evaluate the organization and administration of the Labor Board and recommend improvements. One of the major recommendations resulting from a 6-month study was that the Board delegate more authority in unfair labor practice cases to the trial examiners.

Fifth. The 1959 Cox Committee report: In 1959 the then Senator Kennedy appointed a panel of 12 outstanding labor lawyers representing the public, management, and labor to advise the Senate Committee on Labor on matters concerning the National Labor Relations Board. This Cox Committee recommended that the decisions of trial examiners in unfair labor practice cases be given greater finality.

Sixth. The 1961 report of the Senate Subcommittee on Administrative Practices and Procedure: On April 14, 1961, a subcommittee of the Senate Committee on the Judiciary—Chairman CARROLL, members HART and DIRKSEN—issued a report making nine major recommendations. One of these conclusions was that the readiest instrument available for a concerted effort to eliminate backlogs and delays in the administrative processes is the utilization of the existing hearing examiner corps by increased delegation of authority, increased finality of their decisions, and increased authority to control the course of hearings.

IV. THE NEED FOR PLAN NO. 5 GROWS MORE ACUTE AS THE BOARD CASELOAD INCREASES, THEREBY CREATING A GREATER TIMELAG, WHICH IN MANY INSTANCES IS FATAL TO THOSE SEEKING A RELIEF WHICH IS RIGHTFULLY THEIRS

The genesis of every administrative agency is the demonstrated need for an inexpensive, expert, and speedy determination with the remedy tailor made to the facts of the individual situation. Certainly, relief at the Labor Board is not speedy, and the denial of justice means in effect that the parties seek remedy elsewhere or do without.

The population explosion, the expanding industrial complex, the increased technicality of our labor laws make it certain that the caseload—already staggering—will continue to mount. The intake figures, that is, the number of unfair labor case appeals filed with the Board each of the last 3 years, bear this out. For fiscal year 1959 the Board received 380 appeals in unfair labor practice cases. In fiscal 1960 the number jumped to almost double—612. In fiscal 1961 the number continued to mount to the number of 740. The backlog of undecided cases correspondingly increased. In 1959 the number was 196; in 1960 it was 312; and for fiscal 1961, 443.

In sum, unless something is done to ease the load at the Board level, the door to administrative relief will become so clogged by a long waiting line that litigants, perforce, must turn to the law of the jungle.

V. CONCLUSION

The final witness in the congressional hearings on plan No. 5 was Boyd Leedom, former Chairman of the Labor Board during much of the Eisenhower administration and presently a member serving on the Board. His final words were these:

> I cannot see any valid objection that has been raised to the plan, and I think that enactment is an important thing to the Board in trying to keep up with the Board's terrific caseload. And I sincerely hope that the Republican members—and I say that because I am a Republican—will see fit to support this plan. I can't see that it is a partisan issue at all. I can't see that it is an issue between labor and management. I say it is simply streamlining, expediting things that should be enacted.

Mr. CELLER. Mr. Chairman, the objective of plan 5 is to assure that the Labor Board may delegate to its hearing examiners the authority to issue "initial decisions" instead of "intermediate reports," subject to a discretionary review by the Board on a certiorari basis. I emphasize that ultimate review by a circuit court of appeals as a matter of right is not affected.

The bases of review by the Board will not be determined until the Board shall

have afforded to representatives of management and labor, as well as to other interested persons and members of the bar, an opportunity to present their positions for full and serious consideration by the Board. It may be safely assumed, however, that the rules to be formulated will assure that all five members of the Board will consider every petition for review, and that review will be granted at least in, first, all cases which appear to contain demonstrable errors of law or fact, or failure to accord fair procedure; second, all cases which present substantial, novel, or important questions of law or administrative policy; and third, all cases in which as few as two of the five members of the Board favor review.

Plan 5 does not involve any denial or lack of due process to litigants. In this connection, I make two points. First, the plan does not involve any modification of the Administrative Procedure Act. Section 12 of that act provides that—

> No subsequent legislation shall be held to supersede or modify the provisions of this Act except to the extent that such legislation shall do so expressly.

The Supreme Court of the United States held in *Shaughnessy* v. *Pedreiro*, 349 U.S. 48, and *Marcello* v. *Bonds*, 349 U.S. 302, each decided during 1955, that the 79th Congress, which enacted the Administrative Procedure Act, could and did bind subsequent Congresses by the quoted provision. Moreover, the reference in plan 5 to section 7(a) of the Administrative Procedure Act is a guarantee that that act shall continue in effect.

My second point is that plan 5 envisions only the removal of any question that the National Labor Relations Act, as amended, prohibits the Labor Board's utilizing procedures which the Congress itself specifically authorized in the Administrative Procedure Act. In other words, plan 5 assures to the Labor Board the right to function procedurally in a manner already approved by the Congress for the various departments and agencies. The Administrative Procedure Act, in section 8(a), authorizes the departments and agencies first, to provide that their hearing examiners may issue initial decisions; and second, to limit review of such decisions. In limiting review pursuant to section 8(a), according to the legislative history, a department or agency may restrict its review to questions of law and policy or, where it is alleged that erroneous findings of fact have been made by the hearing examiner, to determining whether cited portions of the record disclose that the findings are clearly wrong. The majority report of the House Committee on Government Operations, in reporting House Resolution 328 unfavorably, pointed out in footnote 3 that plan 5 will serve to make it clear that the Labor Board may accord to determinations of hearing examiners the status which the Congress intended when it enacted the Administrative Procedure Act. Already, two other agencies of Government, the Atomic Energy Commission and the Federal Trade Commission, utilize review procedures similar to that which plan 5 envisions for the Labor Board. If the limitation of review by those Commissions does not involve a deprivation of rights to litigants, surely a limitation of review by the Labor Board would not involve a deprivation of rights either.

I. THE LABOR BOARD IS IN CRISIS

Mr. FASCELL. Mr. Chairman, the National Labor Relations Board is in crisis. It is smothered by a workload that prevents expeditious handling of routine cases and thoughtful consideration of policy. Employers tell us that they win their cases before the Labor Board, but victory comes too late—after they have been forced out of business by an illegal boycott or other unfair labor practice. Unions complain that their Labor Board triumphs are Pyrrhic; they win the litigation but lose the battle. Employees beset by unions or their company merely shrug it off and walk away; a favorable decision a year and a half away makes no difference.

All—the AFL–CIO, the NAM, the chamber of commerce—are agreed that some remedial action is necessary. The statistics bear this out. In fiscal 1960, the Board members issued decisions in 4,122 cases of all types. This averages to over 11 decisions a day throughout the entire year. Should we permit the Board members a 2-week vacation plus Saturday afternoon and Sundays, the per-day decision load is 15. Moreover, the problem grows daily more acute.

In unfair practice cases alone, the intake of appeals at the Board level continues to mount. In fiscal 1959, the Board received 380 appeals in this type of case; in 1960, the figure was 612; and in 1961, it rose to 740, almost double the figure just 2 years earlier, almost 3 unfair labor practice cases per working day. The Board's backlog has more than doubled and is at the highest level in its history. No Board member, whatever his intelligence, his physical stamina, his ingenuity, can keep abreast. Something must be done about the situation.

II. PLAN NO. 5 OFFERS A MAJOR SOLUTION TO THE PROBLEM OF DELAY AT THE BOARD LEVEL

The Presidential message accompanying plan No. 5 recites that its purpose is to relieve the Board members from the necessity of dealing with many matters of lesser importance and thus conserve their time for the consideration of major matters of policy and planning. This end is to be achieved by permitting the Board to delegate any of its functions to a division of the Board, an individual Board member, a hearing examiner, or an employee or employee board, subject to the provisions of section 7(a) of the Administrative Procedure Act, and subject to the right of a discretionary review upon its own initiative or upon petition of a party.

What this means in everyday terms is that plan 5 permits the Board to delegate greater authority to the independent trial examiners who now initially decide the unfair labor practice cases, screening all cases wherein review is sought, giving full deliberation to those cases which more than one member believes wrongly decided or otherwise important.

The chaff now buries the wheat in the grist of the NLRB unfair labor practice mill. Expert testimony confirms that many frivolous appeals are taken for selfish time-delaying reasons. Most of the cases which do get to the Board are not difficult or policymaking. Nine out of ten call for no more than the resolution of factual issues; the Board acts with unanimity in about 80 percent of the unfair labor practice situations. Thirteen percent of the cases are reversed by the Board in part, 6 percent are reversed in full, and 3 percent are remanded for further proceedings. These are frequently the tough cases, the policymaking cases, the cases that deserve full Board attention if error is to be undone. But now the median time for decision—from filing of complaint to Board decision—is 404 days; plan 5 would enable the Board to grant limited review to all cases but would permit longer review of the important cases and would cut the time consumed in the decision process by 4 to 5 months.

III. THE PRINCIPLE OF PLAN NO. 5 (DELEGATION OF AUTHORITY SUBJECT TO DISCRETIONARY REVIEW) HAS BEEN APPROVED BY EVERY PUBLIC BODY FOR OVER 20 YEARS

The principle of plan No. 5—that the resolution of disputed facts in administrative cases by trial examiners should have greater finality—is nothing new. It has been considered and approved by every major study group for over the past 20 years.

In 1939, the Attorney General appointed a Committee on Administrative Procedure which subsequently continued a study under the auspices of the American Bar Association. This committee suggested legislation which became the Pat McCarran-Francis Walter Administrative Procedure Act of 1946. This act authorizes the creation of a corps of independent hearing examiners—section 11—authorizes them to preside at contested cases of a judicial nature—section 7—and gives finality—subject to limited review—to their decisions—section 8.

In 1947, Congress considered the problems of labor relations and of the Labor Board and in the Labor-Management Relations Act, 1947, sought to solve the problems of administrative delay by authorizing the Labor Board to delegate its functions to panels of Board members.

In 1959, the problems of labor relations again arose in the Congress, and the Landrum-Griffin Act attacked the problem of administrative delay by permitting the Labor Board to delegate a greater degree of finality in representation-election cases to its regional directors.

Three special groups of independent experts studied the problems of delay at the Labor Board—the Cox Committee, appointed in 1959 by Senator Kennedy to recommend improvements in Labor Board procedures; the management consultant firm of McKinsey & Co., retained in 1958 by the Bureau of the Budget to study the operations of the Labor Board; and the Landis Task Force on Administrative Agencies, appointed by President-elect Kennedy in 1960—and arrived at the same conclusion: that the

Board should be permitted to grant greater finality to the decisions of the trial examiners in unfair labor practice cases.

In 1961 the Senate Subcommittee on Administrative Procedure, chaired by Senator CARROLL, made a report in which one of its major recommendations was that the trial examiners be given a greater role in the decision of contested adjudicatory cases.

In sum, every public and independent study group over the past 20 years which has studied the problem of administrative operation, both generally and at the Labor Board, has found that delay is a major problem and that a key to solving this problem is the solution provided by plan No. 5.

IV. THE OBJECTIONS TO PLAN NO. 5 ARE WITHOUT MERIT

There have been many objections to plan No. 5. While those objecting to the plan are highly motivated and intelligent persons, it is submitted that the substance of their objections does not withstand close scrutiny.

A. THE LOSS OF RIGHTS ARGUMENT

During the hearings on plan No. 5 some witnesses testified that plan No. 5 should not be adopted because it would result in a loss of rights. The right claimed is the right to a complete de novo Board review upon request of every trial examiner decision.

Many of the arguments made in this regard are self-defeating in that they would nullify the very right they seek to guarantee.

First, it is argued that the problem of delay can be solved by tightening the Board's jurisdictional standards, thereby depriving the small businessman of any review, full or otherwise, and

Second, it is argued that the plan is unnecessary as the Board has inherent authority to adopt the content of plan 5 on its own initiative, thereby suggesting that plan 5 would give the Board no more authority than it already possesses.

In any event, the objection lacks merit. No one has a right to full and complete Board review of a frivolous appeal taken for selfish, time-delaying purposes. These are the kinds of cases which will be denied further review under plan No. 5, and the right to full review on the vote of two—of the five—Board members assures that the meritorious appeals will be spotted. Furthermore, judicial review remains available for those cases which somehow fail to catch the attention of more than one Board member.

B. THE "FLOOD THE COURT" ARGUMENT

Witnesses have opposed plan 5 on the theory that it will result in a rash of court appeals. The argument goes like this: Litigants will not be satisfied with decisions of the trial examiners, and if and when the Board denies an appeal, the litigants will perforce seek judicial review.

Tears are wept at the unhappy consequences to the court calendars and dockets, but the tears are "crocodile," for these same witnesses in other areas of their testimony suggest as an alternative to plan 5 that the Labor Board be deprived of jurisdiction in these matters and that the whole problem be turned over to the Federal district courts or to special administrative courts to be created.

The fear that plan 5 will release the judicial floodgates need not frighten anyone, for the Federal courts have proved time and again their ability to cope with specious and unwarranted appeals. All others, of course, should be decided, but it is not to be assumed that many mistakes will occur at the administrative level in view of the careful Board screening contemplated by plan No. 5.

C. THE "FACELESS HEARING EXAMINER" ARGUMENT

An argument often advanced against plan 5 has nothing to do with its principle but pertained solely to hearing officers who would be delegated additional authority. This argument went through a narrowing process.

First, it was argued that the plan authorized delegation of authority to the grade 9 clerk. When it was pointed out that the delegation of authority is limited by the terms of section 7(a) of the Administrative Procedure Act—which means that unfair labor practice cases can be heard only by independent hearing examiners—this argument was dropped. Congressman GRIFFIN, who originally advanced this argument, admitted for the record that further study convinced him of his original error.

Second, the argument centered around the NLRB trial examiners, and it was suggested that they should not be delegated this authority as many were nonlawyers. The record shows that all but two are members of the bar, and this argument was abandoned.

Third, the argument then moved to the contention that the trial examiners had a prolabor bias because of their experience during the Wagner Act days. The record shows that 45 percent joined the NLRB during the Eisenhower administration; 65 percent since enactment of the Taft-Hartley law; and that only 35 percent had started during the Wagner Act period. The record also shows that the "prolabor" decisions of certain trial examiners, which were alleged to prove bias, approximated the overall percentage of unfair-labor practice cases filed against employers.

Fourth, it was argued that the trial examiners are "faceless" and not appointed by the President. It is true that the trial examiners are not appointed by the President, but they are not "faceless." They are selected and placed on a special register by the Civil Service Commission pursuant to the mandate of section 11 of the Administrative Procedure Act after FBI screening for loyalty and Civil Service Commission screening for competence. They are further screened by the Board itself before appointment. Their ability, integrity, and judicial conduct has been attested in a number of ways. Prior Board members and employer representatives who have known the trial examiners for many years vouch for them in the strongest terms. Perhaps the greatest attestation of their ability is the degree to which their services are sought by other agencies in Government and by other organizations outside of Government.

D. OTHER ARGUMENTS AGAINST PLAN NO. 5 WHICH HAVE BEEN VOICED NEED BUT SHORT ANSWER

There are other arguments which have been voiced against the plan. They are inconsistent, based on erroneous reading of the law, and self-defeating.

1. PLAN CREATES A LABOR CZAR

It has been suggested that the plan be rejected because it elevates the Chairman of the Labor Board to the position of a czar. This is just not so. The reorganization plans for the Federal Communications Commission and other agencies did in fact have a section giving additional powers to the chairmen of those commissions and boards. Plan No. 5, contrariwise, contains no such provision. The Chairman will continue, as before, to be prima inter pares—first among equals. Despite this clear legislative history, opponents to plan No. 5 conjure up a complicated argument that goes something like this: "any function" can be delegated to a "Board member"; the Chairman is a "Board member"; ergo, the Board members—Republican and Democratic alike—would flout the express provisions of the plan and delegate their powers to the Chairman. Such a hobgoblin argument should be left for bedtime stories. It has no place in the actualities of modern life. Should the members of the Labor Board abdicate their functions to a single member, they would clearly violate their oaths of office, the terms of the plan, and would be called to account in court whenever the first litigant filed a mandamus proceeding in the district court.

2. PLAN IS ULTRA VIRES AND ILLEGAL

The Reorganization Act of 1949 authorizes the President to submit reorganizations plans for agencies "within the executive branch of the Government." It is argued that the Labor Board is not within the executive branch of the Government. It is true that the Reorganization Act of 1939 expressly exempted the Labor Board and other specified agencies. A Labor Board reorganization plan under that statute would have been ultra vires and illegal. However, the subsequent 1945 Reorganization Act was amended to eliminate the exemption of the Labor Board—but not certain other agencies. In the 1949 act, Congress exempted only the Comptroller General and the General Accounting Office. It is clear, therefore, that Congress in the 1949 act intended the President to have power and authority to submit plans concerning the reorganization of the Labor Board.

3. PLAN NO. 5 IS UNNECESSARY AS THE AUTHORITY IT PURPORTS TO GRANT ALREADY EXISTS IN THE LABOR BOARD

Opponents of the plan suggest that it not be adopted because it is unnecessary; the Labor Board has authority already to delegate its decisional authority—subject to discretionary review—to trial examiners in unfair labor practice cases. It is suggested that the Labor Board go

ahead full steam until it runs aground on the legal shoals when the issue can then be litigated in the courts. This course of suggested conduct would subject the Board to legitimate charges of usurping powers withheld by Congress, and as a practical matter, would create administrative havoc as proceedings could grind to a halt awaiting the 2 years or more of court litigation concerning the procedure by which the Board should operate.

In any event, this argument is self-defeating. Assuming the Board already has the powers contained in plan No. 5, there can be no objection to approval of plan No. 5, as it would do nothing more than restate the existing situation. The correct and best approach to this problem is for Congress to approve the President's plan and thus eliminate in limine the legal doubts concerning the Labor Board's powers to delegate greater authority to the independent trial examiner.

V. THE ALTERNATIVE SUGGESTIONS TO MEET THE ADMITTED PROBLEM OF DELAY ARE FARFETCHED, IMPRACTICAL AND IMPOSSIBLE OF ENACTMENT AT THIS TIME. THEY REFLECT OPPOSITION TO ADMINISTRATIVE AGENCIES IN GENERAL, NOT TO PLAN NO. 5, WHICH IS NOW BEFORE US FOR CONSIDERATION

Every witness before the House and Senate committees on plan No. 5 admitted that a serious problem existed. The chamber of commerce witness, for example, testified that "we again agree that reform of the NLRB is imperative." Rather than support plan No. 5 which is now before the Congress, the opponents of the plan offered alternative suggestions for coping with the problem.

A. REDUCE CASELOAD BY TIGHTENING JURISDICTIONAL STANDARDS

Some witnesses suggested that the problem of delay could be approached by tightening the jurisdictional standards and thereby lightening the caseload. This, of course, would result in freezing out the small businessman who could not meet the future increased monetary standard, for example, the Wall Street Journal's "roofer" who was recently accorded Labor Board relief from predatory union practices. In effect, it is to argue that only the rich should have "rights" protected by Federal law and Federal action. Congress, in any event, rejected such an alternative in the 1959 Landrum-Griffin Act when it expressly provided that "the Board shall not decline to assert jurisdiction over any labor dispute over which it would assert jurisdiction under the standards prevailing upon August 1, 1959." (Section 13(c).) Nothing presented in the testimony affords reason for Congress to reconsider the legislation it enacted less than 2 years ago.

B. CONGRESS SHOULD TURN THE MATTER OVER TO THE STATES

Some witnesses suggested that the Labor Board should go out of business, that the problem of labor relations should be returned to the States. This, of course, would turn the clock back to pre-Wagner Act days, when the only law of labor relations in many, if not most of the States, was the law of the jungle. This contention reflects a fear and distrust of all Federal agencies—a fear and distrust which was not felt by the Founding Fathers when they scrapped the Articles of Confederation in favor of a workable national scheme of operations in which Congress delegated the power and authority to regulate "interstate commerce."

C. CONGRESS SHOULD TURN THE MATTER OF UNFAIR LABOR PRACTICES OVER TO THE FEDERAL COURTS (FLOOD THE COURTS?)

Some opponents of plan 5 suggest that the Labor Board go out of the unfair labor practice business and that these matters should be decided by the Federal district courts. This suggestion is not an attack on plan 5 as such, but is a broadside attack on the entire concept of administrative agencies as alternative forums where the litigants can obtain expert, prompt and inexpensive justice. It is suggested here that administrative agencies not be jettisoned, but that they be made effective. Plan 5 is a step in that direction.

D. CONGRESS SHOULD REJECT PLAN 5 AND ENACT LEGISLATION TAILOR MADE TO THE NEEDS OF THE LABOR BOARD

Some witnesses against plan 5 made a "flank attack." Plan 5, they argued, was one of several similar reorganization plans and not tailor made to the particularized situation at the Labor Board. Therefore, the argument went, Congress should defeat plan 5 and turn itself to the task of creating a more particularized version thereof. The proponents of this suggestion well know that it is plan 5 or nothing; that it is impossible for Congress to act on this matter with any degree of dispatch. Indeed, the inability of Congress to act with dispatch on matters of administrative organization is the reason why Congress enacted the Reorganization Act.

VI. CONCLUSION

The choice is between plan 5 and a more efficient Labor Board or rejection of plan 5 and a Labor Board which is way behind in its caseload—and this in an area where justice delayed is indeed justice denied. The only ones who can possibly oppose plan 5 are those who thrive on delay and confusion. Those who favor an efficient, up-to-date administrative agency giving practical enforcement to the laws we have drawn must support the President's plan No. 5.

I would like to note that plan No. 5 has received bipartisan and unanimous support from all the members of the Labor Board. Boyd Leedom, Chairman of the Labor Board during much of the Eisenhower administration, testified as follows:

> I cannot see any valid objection that has been raised to the plan, and I think that enactment is an important thing to the Board in trying to keep up with the Board's teriffic caseload. And I sincerely hope that the Republican members—and I say that because I am a Republican—will see fit to support this plan. I can't see that it is a partisan issue at all. I can't see that is is an issue between labor and management. I say it is simply streamlining, expediting things that should be enacted.

Let us give the Democratic and Republican Members of the Labor Board who testify that plan No. 5 is essential, the opportunity to get on with their work in an efficient manner with the tools required by the measure of the task.

Mr. FASCELL. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Chairman, I would like to take a few minutes remaining to review and to summarize the position of the majority of the committee.

First of all, we must agree that there is one fact upon which everybody agrees, and that is that something needs to be done. But, as with most proposals there is always somebody against it.

It reminds me of the 100-year-old man who was having a birthday party. All of his children and his grandchildren gathered around him. One of them went up to the old gentleman and said, "Grandpappy, you have seen a lot of changes in your time, haven't you?"

Grandpappy says, "Yes, son, and I have been agin every one of them."

No matter what is proposed, there will be people against it, but the changes have to be made.

What alternative changes have been proposed? We are faced with a situation where everybody agrees changes must be made. Let us figure out what changes could be made if this is not going to be the one. I was very much impressed by the Hoover Commission report, after hearing all of this debate, because they alleged that the Congress itself could not be depended upon to initiate the needed changes to give us efficiency and economy in Government. I think we are seeing a good example here today to support that contention.

Now, we should remember that we are dealing here with a two-headed agency: One part is the Board, and the other facet of it is the General Counsel. Unlike other agencies of the Government, the General Counsel here does not advise the Board as their lawyer. They have their own counsel. The General Counsel has separate and distinct duties and responsibilities himself. His office is separate and distinct in this particular agency. This plan does not change in any respect, the duties of the General Counsel so we are not dealing with that at all. All we are dealing with is the Board.

As was said yesterday, the Board has two principal functions: One is in regard to representation cases and the other in regard to unfair labor practices cases. Now, a representation case, if I might be a little bit explanatory of that, is simply a matter of determining what employees or workers, in a factory or employed by an employer, will be within a particular unit or particular union and be able to vote when it comes time to vote on whether they want to be represented by a union. The authority with regard to representation cases was previously delegated to the regional directors. There are 28 of them. So, we are not really dealing with that, either. The impact of this plan has to do with unfair labor cases.

Now, in regard to unfair labor cases, we find that there are trial examiners that examine these cases, hear all of the

evidence, and then enter an order. Under the present system, this order is automatically appealable to the Board. The impact of this legislation is to make it so that every last case is not automatically appealed to the Board. If, for example, a party thinks that he has been wrongfully dealt with, and if he has any reason to back it up, then they can file a motion with the Board for permission to appeal. If they, on this motion, show they have reasonable grounds for appeal, then at that time they will be granted a right to appeal. On the other hand, if it develops that this is just chaff, that all they are doing is trying to delay, then in that case the Board will deny the appeal. Then you have a final order with which to go to court. What good would it do to go to the Board if they are sure to sustain their examiners anyway? All they are doing is using the money of the Government and the operation of this agency in a wasteful way. I think the import of this plan is limited to review procedure, and the purpose of the plan is to eliminate this one step in those cases where it is obvious to the Board that an appeal would change the result anyway.

Someone mentioned here that 25 percent of these examiners' reports are overruled. That is just another way of saying that 75 percent are sustained. It is the 75 percent we are talking about. Of course, 25 percent are overruled, and they will still overrule probably about 25 percent, but they will sort out the chaff and they will take up cases that deserve being taken up. The others then can go to court and give the Board the time they need to work on this 25 percent of the cases.

Now, a lot has been said about hearing examiners relative to their competence. I point out to you that the law requires that they be, in the terms of the law, "qualified and competent." They have said that under the grandfather clause two were blanketed that were not competent. I am surprised really to hear some people talking about incompetency as if the courts are all competent when I have heard the same people allege that the Supreme Court of the United States is not competent. Whether it is the courts or a trial examiner, you will find that some are not as good as others, but in this case you can depend on it that the trial examiners must meet competence requirements in order to obtain that status. We find if they issue an order, the Board under this plan would determine whether or not they might overrule it if it came before the Board. If they think they would not, then they deny appeal and it is eligible for appeal to the court. Now, that is the impact of the plan. So much has been said here about what the plan will do which, in fact, it would not do that I think I should go on and develop what it will not do.

It seems that some people will go behind every word and see a big bear or something. It is like the little girl who was playing out in the driveway and a little dog came around and upset her playhouse. She ran into the house and said, "Mommy, a great big black bear upset my playhouse." Mother said, "I know better than that. I saw that it was your little dog. You go into the bedroom and pray for forgiveness."

So she went into her bedroom and in a little while she came out and her mother said, "Louise, did he forgive you?" "Yes, he forgave me. Yes, he said he would forgive me this time. But, as a matter of fact, at first glance he thought it was a bear, too."

It is somewhat the same here. At first glance some people look at these words and find a big bear behind every one of them.

Mr. Chairman, I want to point out some of the things that this plan will not do that it has been alleged it will do. It does not in any way whatsoever delegate any of the powers of Congress. This deals simply with the powers that the Board has already been given by previous acts of Congress. In no way do we delegate any powers of Congress under this act.

Another thing it does not do, it does not delegate, as did plans 1, 2, 3, and 4, any of the powers of the Board to the chairman. That is not in this plan at all. It is not in any way similar in that respect.

It does not amend the National Labor Relations Act. I defy anyone to find in there any mention whatsoever of amendments to the National Labor Relations Act. It does not amend that act at all.

It does not change the General Counsel's authority and responsibilities in any way. It does not in any way affect any of those responsibilities under the General Counsel, because it does not deal with the General Counsel's Office at all. Those remain as they have been.

So all the plan does is simply this—It merely provides that in certain cases the Board may determine, upon a motion for permission to review, that it does not want to review that case, because it would not change the result anyway. That is all this plan does.

It was stated here that at the present time one member of the Board can always get the others to review any representation case. This same situation would be used with regard to the unfair labor practice cases. Of course, this is a matter of courtesy, but as a matter of right, a minority of the Board can use the Supreme Court rule where a majority less one have the right to bring that case up, whether or not the majority wants to.

All we are doing here is to adopt what has been used in the courts for years. I say to you why should we close the doors of the court to these people until they have gone through this extra useless step that takes another 120 days? That is what turning down the plan would do. That would close the doors of the court to these people for another 120 days.

I notice also that there is complaint about even dropping this one review step on these cases, and yet in the Landrum-Griffin Act the Congress denied all steps to thousands of small businessmen and their employees. We legalized the Board skipping all steps for those engaged in or working for businesses engaged in activities affecting interstate commerce which do not meet certain dollar volumes of business in a year. How can those who would deny all steps to those small businesses and their employees logically oppose skipping one step in cases where it is obvious delay is the real object and result of the appeal. Procedures used by appeal courts all over the United States should not be considered so bad for this administrative agency in the exercise of quasi-judicial responsibilities.

I do not understand the partisan activity on this plan. Mr. LEEDOM, the chairman of the National Labor Relations Board under the Eisenhower administration, has made a statement to the Labor Committee to the effect that if Richard Nixon had been elected President, this plan would have been submitted as the Nixon administration reorganization plan.

In the name of efficiency and economy in Government and to help increase the service of this agency, the majority of the committee request a "no" vote against the resolution to veto the plan so the plan can go into effect.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. SMITH] has expired. All time has expired.

The Clerk will read the resolution.

The Clerk read as follows:

Resolved, That the House of Representatives does not favor the Reorganization Plan Numbered 5 transmitted to Congress by the President on May 24, 1961.

Mr. FASCELL. Mr. Chairman, I move that the Committee do now rise and report the resolution back to the House with the recommendation that the resolution be not agreed to.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DAVIS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration House Resolution 328, disapproving Reorganization Plan No. 5 transmitted to Congress by the President on May 24, 1961, had directed him to report the resolution back to the House with the recommendation that it be not agreed to.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That the House of Representatives does not favor the Reorganization Plan Numbered 5 transmitted to Congress by the President on May 24, 1961.

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. In order that the Members may understand the manner in which the vote comes, is it correct that if one wants to vote to disapprove the plan or vote against the proposed plan the vote would be "aye"?

The SPEAKER. That is correct.

The question is on the resolution.

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. HALLECK. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 231, nays 179, answered "present" 2, not voting 25, as follows:

[Roll No. 117]

YEAS—231

Abbitt	Flynt	Morse
Abernethy	Ford	Mosher
Adair	Forrester	Murray
Alexander	Fountain	Nelsen
Andersen, Minn.	Frazier	Norblad
Anderson, Ill.	Frelinghuysen	Norrell
Andrews	Garland	Nygaard
Arends	Gary	O'Konski
Ashbrook	Gavin	Ostertag
Ashmore	Glenn	Passman
Auchincloss	Goodell	Pelly
Avery	Goodling	Pilcher
Ayres	Grant	Pillion
Baker	Griffin	Pirnie
Baldwin	Gross	Poage
Barry	Gubser	Poff
Bass, N.H.	Hagan, Ga.	Quie
Bates	Haley	Ray
Battin	Hall	Reece
Becker	Halleck	Reifel
Beckworth	Hardy	Rhodes, Ariz.
Beermann	Harrison, Va.	Riehlman
Belcher	Harrison, Wyo.	Riley
Bell	Harsha	Rivers, S.C.
Bennett, Mich.	Harvey, Ind.	Robison
Berry	Harvey, Mich.	Rogers, Fla.
Betts	Hemphill	Rogers, Tex.
Blitch	Henderson	Rousselot
Bolton	Herlong	Rutherford
Bonner	Hiestand	St. George
Boykin	Hoeven	Schadeberg
Bromwell	Hoffman, Ill.	Schenck
Brooks, La.	Hoffman, Mich.	Scherer
Broomfield	Horan	Schneebeli
Brown	Hosmer	Schweiker
Broyhill	Hull	Scott
Bruce	Ikard, Tex.	Scranton
Burleson	Jensen	Selden
Byrnes, Wis.	Johansen	Short
Casey	Jonas	Shriver
Cederberg	Jones, Mo.	Sibal
Chamberlain	Kearns	Sikes
Chelf	Keith	Slack
Chenoweth	Kilgore	Smith, Calif.
Chiperfield	King, N.Y.	Smith, Miss.
Church	Kitchin	Smith, Va.
Clancy	Knox	Springer
Collier	Kornegay	Stafford
Colmer	Kunkel	Stephens
Cooley	Kyl	Stubblefield
Cramer	Laird	Taber
Cunningham	Landrum	Taylor
Curtin	Langen	Teague, Calif.
Curtis, Mass.	Latta	Teague, Tex.
Curtis, Mo.	Lennon	Thomson, Wis.
Dague	Lindsay	Tollefson
Davis, James C.	Lipscomb	Tuck
Davis, John W.	Loser	Tupper
Davis, Tenn.	McCulloch	Utt
Derounian	McDonough	Van Pelt
Derwinski	McIntire	Vinson
Devine	McSween	Wallhauser
Dole	McVey	Watts
Dominick	MacGregor	Weaver
Dooley	Mailliard	Westland
Dorn	Martin, Nebr.	Whalley
Dowdy	Mason	Wharton
Downing	Mathias	Whitener
Durno	Matthews	Whitten
Dwyer	May	Widnall
Ellsworth	Meader	Wilson, Calif.
Everett	Michel	Wilson, Ind.
Evins	Miller, N.Y.	Winstead
Fallon	Milliken	Wright
Fenton	Minshall	Young
Findley	Moore	Younger
Fisher	Morehead, Ohio	
	Morris	

NAYS—179

Addabbo	Bray	Corman
Addonizio	Breeding	Daddario
Albert	Brewster	Daniels
Anfuso	Brooks, Tex.	Dawson
Ashley	Buckley	Dent
Aspinall	Burke, Ky.	Denton
Bailey	Burke, Mass.	Diggs
Baring	Byrne, Pa.	Dingell
Barrett	Cahill	Donohue
Bass, Tenn.	Carey	Doyle
Bennett, Fla.	Celler	Dulski
Blatnik	Clark	Edmondson
Boggs	Coad	Elliott
Boland	Cohelan	Farbstein
Bolling	Cook	Fascell
Brademas	Corbett	Feighan
Finnegan	Kluczynski	Price
Fino	Kowalski	Pucinski
Flood	Lane	Rabaut
Fogarty	Lesinski	Rains
Friedel	Libonati	Randall
Fulton	McCormack	Reuss
Gallagher	McDowell	Rhodes, Pa.
Garmatz	McFall	Rivers, Alaska
Gathings	Macdonald	Rodino
Giaimo	Machrowicz	Rogers, Colo.
Gilbert	Mack	Rooney
Granahan	Madden	Roosevelt
Gray	Magnuson	Rostenkowski
Green, Oreg.	Marshall	Roush
Green, Pa.	Merrow	Ryan
Griffiths	Miller, Clem.	St. Germain
Hagen, Calif.	Miller, George P.	Saund
Halpern	Mills	Schwengel
Hansen	Moeller	Seely-Brown
Harding	Monagan	Sheppard
Harris	Montoya	Shipley
Hays	Moorhead, Pa.	Siler
Healey	Morgan	Sisk
Hechler	Morrison	Smith, Iowa
Holland	Moss	Spence
Holtzman	Multer	Staggers
Huddleston	Murphy	Steed
Ichord, Mo.	Natcher	Stratton
Inouye	Nix	Sullivan
Jarman	O'Brien, Ill.	Thomas
Jennings	O'Brien, N.Y.	Thompson, N.J.
Joelson	O'Hara, Ill.	Thompson, Tex.
Johnson, Calif.	O'Hara, Mich.	Thornberry
Johnson, Md.	Olsen	Toll
Johnson, Wis.	O'Neill	Trimble
Jones, Ala.	Osmers	Udall
Karsten	Patman	Ullman
Karth	Perkins	Vanik
Kastenmeier	Peterson	Van Zandt
Kelly	Pfost	Walter
Kilday	Philbin	Wickersham
King, Calif.	Pike	Willis
King, Utah	Powell	Yates
Kirwan		Zelenko

ANSWERED "PRESENT"—2

Conte	Saylor

NOT VOTING—25

Alford	Kee	Roberts
Alger	Keogh	Roudebush
Bow	Kilburn	Santangelo
Cannon	Lankford	Shelley
Delaney	McMillan	Thompson, La.
Hébert	Mahon	Weis
Holifield	Martin, Mass.	Williams
Judd	Moulder	Zablocki

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Martin of Massachusetts for, with Mr. Saylor against.

Mr. Conte for, with Mr. Santangelo against.

Mr. Hébert for, with Mr. Keogh against.

Mr. Williams for, with Mr. Holifield against.

Mr. Alford for, with Mr. Shelley against.

Mr. Judd for, with Mr. Zablocki against.

Mr. Bow for, with Mr. Thompson of Louisiana against.

Mr. Kilburn for, with Mr. Moulder against.

Mrs. Weis for, with Mr. Delaney against.

Mr. Alger for, with Mr. Lankford against.

Mr. Roudebush for, with Mrs. Kee against.

Mr. SHEPPARD and Mr. BUCKLEY changed their votes from "yea" to "nay."

Mr. SAYLOR. Mr. Speaker, I have a live pair with the gentleman from Massachusetts [Mr. MARTIN]. If he were present, he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. CONTE. Mr. Speaker, I have a live pair with the gentleman from New York [Mr. SANTANGELO]. If he were present, he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL GOVERNMENT MATTERS APPROPRIATIONS, 1962

Mr. ANDREWS. Mr. Speaker, I call up the conference report on the bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies, for the fiscal year ending June 30, 1962, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House, be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 744)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7577) "making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies, for the fiscal year ending June 30, 1962, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 16, and 25.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 7, 9, 10, 11, 14, 22, 23, 24, 26, and 27, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,517,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$18,725,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$14,185,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$33,400,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,990,600,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amend-

ment insert "$1,162,983,264"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$35,000,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$56,250,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 12, 13, and 15.

GEORGE ANDREWS,
J. VAUGHAN GARY,
CLARENCE CANNON,
IVOR D. FENTON,
JOHN TABER,
Managers on the Part of the House.

SPESSARD L. HOLLAND,
ALLEN J. ELLENDER,
WARREN G. MAGNUSON,
ESTES KEFAUVER,
ALAN BIBLE,
CARL HAYDEN,
MARGARET CHASE SMITH,
STYLES BRIDGES,
LEVERETT SALTONSTALL
(with reservation SBA),
THOMAS H. KUCHEL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I

Bureau of the Budget

Amendment No. 1—Salaries and expenses: Appropriates $5,517,000 instead of $5,423,000 as proposed by the House and $5,571,000 as proposed by the Senate.

TITLE II—DEPARTMENT OF COMMERCE

General Administration

Amendment No. 2—Salaries and expenses: Provides $2,000 for entertainment instead of $1,500 as proposed by the House and $2,500 as proposed by the Senate.

Amendment No. 3—Aviation War Risk Insurance Revolving Fund: Reported in disagreement.

Bureau of the Census

Amendment No. 4—Salaries and expenses: Appropriates $10,594,000 as proposed by the House instead of $10,785,400 as proposed by the Senate. The Conferees intend that $76,000 of the amount agreed to will be used for foreign trade and shipping statistics (air cargo statistics). The additional $160,000 requested for the consumer buying anticipation survey has been deferred without prejudice.

Amendment No. 5—1963 Censuses of Business, Transportation, Manufactures, and Mineral Industries: Appropriates $1,000,000 as proposed by the Senate instead of $667,000 as proposed by the House.

Coast and Geodetic Survey

Amendments Nos. 6 and 7—Salaries and expenses: Appropriate $18,725,000 instead of $18,525,000 as proposed by the House and $19,015,000 as proposed by the Senate, and insert language proposed by the Senate.

Amendment No. 8—Construction of surveying ships: Appropriates $14,185,000 instead of $11,965,000 as proposed by the House and $16,725,000 as proposed by the Senate. The funds provided include $4,760,000 for construction of a class II vessel in lieu of $2,540,000 previously included for construction of a class III vessel.

Business activities

Amendment No. 9—Salaries and expenses: Eliminates House language as proposed by the Senate.

Office of field services

Amendment No. 10—Salaries and expenses: Appropriates $3,163,000 as proposed by the Senate.

Business and Defense Services Administration

Amendment No. 11—Salaries and expenses: Appropriates $4,211,800 as proposed by the Senate.

Bureau of Foreign Commerce

Amendment No. 12—Salaries and expenses: Reported in disagreement.

Promotion of international travel

Amendment No. 13—Salaries and expenses: Reported in disagreement.

Maritime activities

Amendment No. 14—Operating-differential subsidies (liquidation of contract authorization): Eliminates House language as proposed by the Senate.

Amendment No. 15—Operating-differential subsidies (liquidation of contract authorization): Reported in disagreement.

Amendment No. 16—Maritime training: Eliminates language proposed by the Senate. If this authority continues to be necessary it should be resubmitted for consideration in connection with a future supplemental appropriation request.

Bureau of Public Roads

Amendment No. 17—Limitation on general administrative expenses: Provides $33,400,000 instead of $33,000,000 as proposed by the House and $33,800,000 as proposed by the Senate.

Amendments Nos. 18 and 19—Federal-aid highways (trust fund): Appropriate $2,990,600,000 instead of $2,990,200,000 as proposed by the House and $2,291,000,000 as proposed by the Senate, and adjust amount of 1961 fiscal year authorization being appropriated.

National Bureau of Standards

Amendment No. 20—Construction of facilities: Appropriates $35,000,000 instead of $25,000,000 as proposed by the House and $40,000,000 as proposed by the Senate.

Weather Bureau

Amendment No. 21—Salaries and expenses: Appropriates $56,250,000 instead of $55,595,000 as proposed by the House and $56,671,000 as proposed by the Senate. The amount agreed to by the conferees includes funds for all programs and projects included in the reports of the Committees of the House and Senate on this bill in such amounts as are specified therein.

Amendment No. 22—Establishment of meteorological facilities: Appropriates $5,250,000 as proposed by the Senate instead of $4,800,000 as proposed by the House.

General provisions—Department of Commerce

Amendment No. 23—Sec. 203: Includes Senate language authorizing employment of experts at not to exceed $75 per diem.

TITLE III—THE PANAMA CANAL

Canal Zone Government

Amendment No. 24—Capital outlay: Establishes unit cost limit of $16,500 for construction of quarters as proposed by the Senate in lieu of average unit cost of $13,000 as proposed by the House.

TITLE IV—INDEPENDENT AGENCIES

Small Business Administration

Amendment No. 24—Salaries and expenses: Appropriates $6,750,000 as proposed by the House instead of $6,950,000 as proposed by the Senate.

Amendment No. 26—Salaries and expenses: Eliminates House language as proposed by the Senate.

Subversive Activities Control Board

Amendment No. 27—Salaries and expenses: Appropriates $395,000 as proposed by the Senate instead of $305,000 as proposed by the House.

GEORGE W. ANDREWS,
J. VAUGHAN GARY,
CLARENCE CANNON,
IVOR D. FENTON,
JOHN TABER,
Managers on the Part of the House.

Mr. ANDREWS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: Page 6, line 15:

"AVIATION WAR RISK INSURANCE REVOLVING FUND

"The Secretary of Commerce is hereby authorized to make such expenditures, within the limits of funds available pursuant to section 1306 of the Act of August 23, 1958 (72 Stat. 803), and in accordance with section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 849), as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for aviation war risk insurance activities under said Act: *Provided*, That this fund shall be effective only upon the enactment into law during the Eighty-seventh Congress of legislation extending the provisions of title XIII of the Federal Aviation Act of 1958. (72 Stat. 800–806.)"

Mr. ANDREWS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ANDREWS moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: Page 10, line 14:

"BUREAU OF FOREIGN COMMERCE

"Salaries and expenses

"For necessary expenses of the Bureau of Foreign Commerce, including trade centers abroad; employment of aliens by contract for service abroad; rental of space, for periods not exceeding five years, and expenses of alteration, repair, or improvement; advance of funds under contracts abroad; payment of tort claims, in the manner authorized in the first paragraph of section 2672 of title 28 of the United States Code, when such claims arise in foreign countries; the purchase of commercial and trade reports

and not to exceed $10,000 for representation expenses abroad; $5,006,000."

Mr. ANDREWS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ANDREWS moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment insert "$4,900,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 13: Page 11, line 4, insert the following:

"PROMOTION OF INTERNATIONAL TRAVEL

"Salaries and expenses

"For necessary expenses of promotion of travel to the United States, including travel offices abroad; employment of aliens by contract for service abroad; rental of space, for periods not exceeding five years, and expenses of alteration, repair, or improvement; advance of funds under contracts abroad; payment of tort claims, in the manner authorized in the first paragraph of section 2672 of title 28 of the United States Code, when such claims arise in foreign countries; and not to exceed $9,600 for representation expenses abroad; $3,000,000."

Mr. ANDREWS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ANDREWS moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment insert "$2,500,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: Page 13, line 17, insert the following: *"Provided further,* That no part of any appropriation in this Act for the current fiscal year shall be used for the payment of an operating-differential subsidy for the operation of any passenger vessel as defined in Public Law 87–45, Eighty-seventh Congress, on any voyage which touches at a port or ports regularly served by another subsidized operator at rates in excess of the rates applicable to any other subsidized operator regularly serving this area."

Mr. ANDREWS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ANDREWS moves that the House insist on its disagreement to the amendment of the Senate numbered 15.

Mr. SIKES. Mr. Speaker, I wonder if we could have some discussion of this situation. I should like to be recognized at the appropriate time.

The SPEAKER. For what purpose?

Mr. SIKES. I should like to ask the gentleman from Alabama to explain this, if possible.

The SPEAKER. The gentleman may offer a preferential motion. If the gentleman does not offer a preferential motion, the question is on the motion offered by the gentleman from Alabama.

Mr. SIKES. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. SIKES moves to recede and concur in Senate amendment No. 15.

Mr. ANDREWS. Mr. Speaker, this amendment in the Senate bill would have nullified the provision of an act passed by the House and Senate and enacted into law back in April of this year, known as the cruise bill. In my opinion, the amendment is legislation on an appropriation bill. It could not have prevailed in the House if a point of order had been made against it.

My understanding of the Senate amendment is, as I stated, that it nullifies the provisions of the act passed in April or May of this year. Before going to conference I called the distinguished chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. BONNER], and asked his opinion of the amendment in the Senate bill, I received a letter from Mr. BONNER dated July 17, 1961, in which he wrote:

In view of all the circumstances, I must say that it does not seem to me it would be right that authorizing legislation which has become law pursuant to full legislative hearings by the committees having jurisdiction should be subject to frustration through amendments to appropriation bills. In my opinion, the amendment in question is legislative in both intent and effect rather than a normal limitation on appropriations.

I also communicated with the Secretary of Commerce asking for his opinion as to the amendment in the Senate bill which is the subject of this motion. I received a letter from Paul A. Johnston, executive secretary to the Secretary of Commerce, dated July 14, 1961, in which he stated:

Now further, there is the matter of the rider added as Senate Amendment No. 15 to the language of the appropriation for operating-differential subsidies. Cruise ships operating out of their usual routes would receive subsidy at the rate allowed for ships normally operating in the cruise area, if the new cruises touch a port served by a usual operator. This is more restrictive than the formula provided by the recently passed Public Law 87–45, which cut subsidies to the lower rate referred to above, on a daily basis, while the new cruise ships were actually in such ports. In view of the fact that all operators concerned had the opportunity to express their views on the legislative bill, and that no warning or voice was given to all operators in the passage of this appropriation rider, the Department does not favor the amendment.

The opposition, Mr. Speaker, on the part of the conferees of the House to the amendment was, first, in our opinion it was legislation on an appropriation bill and, second, it nullified or drastically altered the provisions of an act of Congress which became the law in May of this year. We took the position if there was any inequity in the legislative bill which became law in May of this year that that inequity should be ironed out in a proper forum which is the legislative committee of this House or before the Maritime Administration.

So, Mr. Speaker, the conferees on the part of the House were unanimous in opposing the acceptance of that amendment in the Senate bill.

Mr. FENTON. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Pennsylvania.

Mr. FENTON. Mr. Speaker, the chairman, the gentleman from Alabama [Mr. ANDREWS] has certainly given the House a correct interpretation of just how the conferees of the House came to the conclusion of disagreeing with the Senate regarding amendment No. 15. I am in full accord with his statement.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Virginia.

Mr. GARY. Mr. Speaker, this is a most unusual situation. In April of this year, as the chairman of our committee and chairman of our conferees has stated, a bill was introduced in the House which passed both bodies after extensive hearings and became law. It is a law which affects the shipping interests of the United States and various lines engaged in shipping. All of the shipowners and operators were given an opportunity to come before the legislative committee to present their testimony. The bill passed the House in April, as the chairman said, but it did not actually become law until May 27, 1961. Now before the ink dries on that law, we have here an amendment added by the other body to an appropriations bill which practically nullifies the law. This action cannot be based upon any experience under the law because it has not been in effect long enough to provide any experience thus far. The Appropriations Committee is frequently accused here in the House of Representatives of trying to usurp the authority of the other legislative committees. As a member of the Committee on Appropriations I can assure you that is not true, and here we have gone out of our way to be certain that we do not in any way encroach upon the Maritime Commission which has considered this matter, and upon the action of the Congress which enacted the law. I am certain that in view of these circumstances, this House will want to defeat the preferential motion and insist upon striking the amendment from the bill.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS. I yield to my colleague, the gentleman from Florida.

Mr. SIKES. Mr. Speaker, of course, this is legislation on an appropriation bill. That does not make it bad legislation. There have been many instances when needed legislation was appended to appropriation bills. The only matter in which we should be interested is whether this is good legislation. I consider that it is and I seek to secure its approval by the House. The language was placed in the bill by the other body as an amendment, and it is now before the House for approval or rejection.

The fact that Congress has previously passed a law does not in any way prevent a change in that law, when proposals to do so are properly before us, if the Congress in its judgment considers it advisable to do so.

Let me tell you just what is proposed. It is a very simple matter. It is an effort to save money. It could and probably will run into millions. I do not know how many of us knew the details of the bill which was passed to pay certain subsidies to certain ships in certain areas. I did not and I doubt that most of the membership did. We are busy people. Some measures, particularly those on the Consent Calendar contain legislation much broader and more general than we realize, or even that the sponsoring committees realize.

The facts are that U.S. ships in the North Atlantic draw an operating subsidy of 72 percent. This is because operating costs are higher in the North Atlantic. By contrast U.S. ships that operate in the Caribbean draw an operating subsidy of 57 percent. Shipping is seasonal. There is a greater demand for passenger space on the North Atlantic in summer, and in the Caribbean in winter. Some of the lines which operate in the North Atlantic want to send a part of their fleet to the Caribbean in winter, when shipping is slack in the North Atlantic. Since operating costs are lower there, they can make a double profit because of their higher subsidy rate. That is what the present law does.

The Senate amendment would do just this simple thing. It would specify that ships which normally are assigned to the North Atlantic run on a 72-percent operating subsidy would, when they are assigned seasonally to the Caribbean and touch Caribbean ports, draw the 57-percent subsidy that other ships normally assigned to the Caribbean also draw. In other words, we are trying to take out of the law a situation where one group of ships would be drawing a 72-percent subsidy in the Caribbean and another group of ships would draw only 57 percent. If a subsidy of 57 percent is enough to assure a fair operating profit, and to keep the American flag flying on those ships which normally operate in the Caribbean, why is it necessary to allot a 72-percent subsidy to those ships which are sent to the Caribbean only on a seasonal basis?

Please remember that they are competing in the same waters, for the same passengers, bound for the same ports, presumably with the same operating costs.

It is a very simple proposition to save a few dollars for Uncle Sam. Unfortunately we do not seem to get many opportunities here in Congress to save money for the taxpayers. Here is such an opportunity. Subsidies are extremely costly. They are constantly increasing. Particularly is this true of shipping subsidies. I hope the time will come when the Congress or the administration will take a long and careful look at all subsidies. I hope there can be a general reduction in the subsidies our Government pays. Thus far the trend has been the other way. What I propose here is a comparatively minor item, although it can run into a saving of millions. I believe the Senate proposal is a fair one which will do no harm. The Senate considered the legislation probably as much as the House considered the original bill which this language seeks to amend. Be that as it may, the Senate adopted the amendment. I propose that the House do the same.

Mr. ANDREWS. Mr. Speaker, I yield such time as he may desire to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. I thank you, Mr. Speaker.

Our committee is extremely interested in this particular rider which was attached to the appropriation bill in the other body. Let me say at the outset that my views are in direct contradiction to those expressed by the gentleman from Florida [Mr. SIKES], who says that it will result in a money savings to the Government. The reverse will take place if this amendment is adopted. Uncle Sam will not make any money by it. The reverse will be completely true, and I will try to explain why. Let me give you the general background of this legislation.

In recent years the cruise ship business in the Caribbean has been built up. As I recall—I may be off a few thousand—during the last season about 100,000 or 130,000 American passengers cruised in the Caribbean area not on American-flag ships but foreign-flag ships. Only 5,000 of that number went on American-flag ships. So the American operators operating normally in the North Atlantic trade saw an opportunity to get into what might be called good winter business in the Caribbean because passenger traffic across the North Atlantic falls off very markedly during the winter season. But they could not be taken off the regular routes assigned to them, could not deviate from them, without the permission of Congress or the Maritime Commission. So they came to our committee, pointed out this situation, told us of the lack of passenger traffic in the winter season and that if they could be allowed to operate in the Caribbean it would mean some increase of revenue.

Representatives of the operators came before our committee and we finally arrived at a compromise agreement to satisfy one line and only one line that was pressing for this amendment. The other 14 were not so interested. This bill was reported out of our committee unanimously, passed the House and went over to the other body, and the other body amended it. We accepted that amendment in conference. But as the chairman has said, hardly was the ink dry before this one operator, a very fine company, succeeded in inducing one Member of the other body to offer this rider to the appropriation bill.

In the first place, I think this is a slap in the face, not only to our committee but the committee on the Senate side.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Virginia.

Mr. GARY. Is it not also true that the amendment was written into the bill without a hearing, without a single witness testifying and without any ship owner or operator being given an opportunity to explain the effects of the amendment. I refer to this amendment in the appropriation bill that our committee recommends be stricken.

Mr. TOLLEFSON. That is right.

We have heard a lot about backdoor spending this year. This is backdoor legislating, which I do not like.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Florida.

Mr. SIKES. I have not objected in the slightest to a transfer of North Atlantic vessels to the Caribbean. I object to paying them a subsidy twice. That is what I think is done when a 72-percent subsidy is paid to vessels operating in the same waters, competing for the same passengers, serving the same ports, with the same operating costs as other ships which receive a 57-percent subsidy.

How does the distinguished gentleman possibly feel the Government will lose money if the operating subsidies are reduced? Surely he knows these subsidies cost many millions of dollars. To me it is elemental that a lower subsidy means less cost to the Government and to the taxpayers who foot the bills.

Bear in mind that the ships in the North Atlantic shipping lanes are given a 72-percent operating subsidy, those in the Caribbean are given a 57-percent subsidy. Surely those from the North Atlantic lanes which are sent seasonally to the Caribbean should be content with the same profit from their operations which are assured to those which operate year round in the Caribbean. Remember the Caribbean cruise ships must operate in the lean months as well as the lush months without an increase in subsidy. Yet the Atlantic cruise ships expect to take the cream of their operating season and to compete in the best months of the Caribbean season and to receive a 72-percent subsidy throughout. This hardly seems realistic or a necessary burden on the Government.

Mr. TOLLEFSON. As a practical matter, that is not the way it is going to work. On the strength of legislation we passed, the lines that desire to go into the Caribbean area for winter cruises have now made up their schedules, put out their advertising, and they have begun to make reservations for their cruises. If this amendment is adopted, I dare say they are not going through with their cruise program. As a consequence, they will continue to lose money on their winter operation because they will not go down there, and because of that loss in operations, their recapture position, as we call it, is damaged. They will not be able to pay back to the Government under their contract the required 50 percent of their earnings over their 10 percent profit.

Mr. SIKES. If the ships that normally cruise in the Caribbean and operate and presumably make a profit with a 57 percent subsidy, why is it necessary to pay ships on another line a 72 percent subsidy when they operate in the Caribbean? How can the gentleman justify two sets of subsidies on ships operating side by side, possibly within sight of each other, and out of the same ports?

Mr. TOLLEFSON. They will not do that. Let me say in response to the gentleman's question, this is not exactly what they will do. They will not cover the same ports exactly.

I want to say to the gentleman from Florida, he is concerned about subsidies paid to one operator. I agree that the subsidy payments to that particular operator are low, because when the subsidy was arrived at by the Maritime Administration they took too high a foreign cost base for determining what the subsidy should be. The subsidy should be raised, but that is beside the point here.

Mr. GARY. Is it not true that the current law which fixes subsidies puts certain restrictions on these other lines that go into the Caribbean merely for cruise purposes? They cannot carry one dollar's worth of cargo, and cargo is one of the best sources of revenue.

Mr. TOLLEFSON. That is correct.

Mr. GARY. They can only carry round trip passengers, and run special cruises during the tourist season. They need the additional subsidy for that reason.

Mr. TOLLEFSON. That is correct. They will not be competing with the operator who is presently down there. May I say there is another American operator in that area who does not believe that we should accept the Senate rider.

Mr. MAILLIARD. Mr. Speaker, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from California.

Mr. MAILLIARD. I would like to also point out that the basic law itself says that this is going to adversely affect the interests of another flag carrier when the Maritime Administrator determines he is not permitted to serve that area. So, the protection is in the administration of the law. Also may I point out that just because one of the North Atlantic fleet operators moves to the Caribbean, his higher expenses continue. He still has to pay his crews the wages he paid on the North Atlantic run. It is not comparable. The bill we passed says that if they are actually in the ports of another operator, that their subsidy shall be reduced, but this would apply while they are in the entire area, even in ports that the other operator does not serve at all. I think this would cripple the cruise operators, and the net loss to the Government would be substantial.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Virginia.

Mr. GARY. Is it not true that the law not only says when they are in port that their subsidy shall be reduced, but it says when they are in port for any portion of the day their subsidy shall be reduced for that entire day?

Mr. TOLLEFSON. That is correct.

Mr. GARY. In other words, if they are only in there for 1 hour, they take the reduced subsidy for the entire day. Now, the Senate amendment, on the other hand, which is contrary to the law that was recently passed, says that if they are in port for an hour, then they shall take the lower subsidy for the entire voyage.

Mr. TOLLEFSON. That is correct. We think that the bill that we approved in our committee, which is now law, gives adequate safeguards to the one operator that is contending. These people—and they are very fine people, good operators—are entitled to a higher rate of subsidy. They have an application for a higher rate, and I hope that the Maritime Administrator grants it. But, the bill itself that we adopted gives this one operator adequate protection, and I want to assure the gentleman from Florida that under our bill the Maritime Administrator must intervene if that one operator is damaged by this operation.

Mr. ANDREWS. Mr. Speaker, I yield such time as he may desire to the gentleman from Idaho [Mr. HARDING].

Mr. HARDING. Mr. Speaker, I strongly urge the adoption of the conference report by the House which includes an appropriation making possible a coordination of Federal, State, and local efforts to provide essential weather service to our agricultural areas in southern Idaho.

I represent a State where the No. 1 industry is agriculture—a State which ranks third in the Nation in total acres irrigated—a State where farm operators realize a net income of over $11 billion each year.

More than 900,000 acres of this productive farmland is located in the Magic Valley area in south central Idaho. It is in this area that we are extremely anxious to have an adequate weather service reporting system established.

At the present time farmers in this area must rely on the reports received from the weather stations at Boise and Salt Lake City, which are a considerable distance away. Consequently, these reports are so general that they are of little value, particularly due to the high elevation and highly localized weather conditions which exist in the Magic Valley area.

While potatoes are synonymous with Idaho, there are many other crops which are grown in this area—sugarbeets, corn, various types of seed, wheat, peas, and beans. In addition to these row crops there is also a considerable amount of fruit raised.

The diversified nature of these crops requires far more accurate information than has previously been needed to insure crop success. Conventional forecasts coming from some distance away do not meet this need. Also, increased use of more scientific farming operations, such as the dusting of crops to fight insects, requires that weather information be as accurate as possible.

Mr. Bill Grange, the secretary-manager of the Twin Falls Chamber of Commerce, who has put forth considerable effort to make their weather needs known to the Congress, reported to me, for example, that one cherry grower lost approximately 50 tons of his crop in 1960 due to his dependence on the Boise area forecast. A frost loss of 10 to 20 percent in the bean crop last year can be attributed to the same inaccurate weather information.

What adequate weather service can mean to farmers is dramatically pointed out in the Weather Bureau report issued early last year on the agricultural weather service operating in Mississippi's delta area.

This report states:

> A survey of delta farmers conducted in October 1959 by the Mississippi Agricultural Extension Service county agents indicated that delta farmers saved nearly $3 million in wasted production costs as a direct result of the new State-Federal agricultural weather service. This saving was effected at a cost of less than $60,000—a dollar return of 50 to 1.

Idaho is currently faced with one of the most serious droughts in its history and there is little evidence that this situation is going to change for the next several years.

This dire situation makes even more urgent the need for having available accurate weather information which could assist in the more efficient use of the limited water supply. Many farmers would hold off using their precious supply of stored water for irrigation when they know, for example, that a heavy rainfall is expected around the same time as their water turn is scheduled.

Advance weather warnings would also aid our firefighting crews to take steps which would prevent many blazes caused by the drought from starting and would aid in their determining the best location of firefighting equipment in areas where fires are most likely.

While agricultural needs are certainly our most urgent, there are a number of other factors prompting me to urge the approval of this conference report which includes weather funds for Idaho. The most significant of these is the location in the Magic Valley area of one of the most outstanding winter sports areas in the country.

This sports area includes Sun Valley, Magic Mountain, Soldier Mountain, and Mount Harrison ski areas. I am advised that the airport in this area handles 100 aircraft movements per day, with commercial passenger boardings in excess of 1,200 per month and a slightly higher number of passengers leaving commercial planes at the airport. This great activity results largely from the winter sports enthusiasts coming into the area.

To handle this amount of traffic safely, much more accurate weather information is needed. The Twin Falls community is so anxious to have this service that facilities at the airport have been offered for the establishment of a weather bureau.

A tentative plan for providing 24-hour, full-time agricultural and public weather service to the Magic Valley area and adjacent farming areas which would meet the needs I have outlined has been developed by the Weather Bureau and could be put into operation very shortly for just the cost of establishing one new full-time weather bureau serving only a local area, and yet this plan would aid some 400,000 people.

The plan, a joint effort, would cost $92,500, with the Federal share $68,500,

the State, $6,000 and the local share, $18,000. It would:

Add two agricultural weather forecasters to the staff of the Boise weather airport station.

Establish seven agricultural weather observation stations at State agricultural experiment branches in the area to provide daily weather reports during the crop season.

Establish a joint weather bureau experiment station at Twin Falls, staffed by an advisory agricultural meteorologist and clerical assistant and equipped with weather facsimile receiver.

Establish a public and agricultural weather teletypewriter circuit with send-receive outlets at weather bureau facilities at Boise, Pocatello, and Twin Falls and make information available to mass disseminators at Blackfoot, Boise, Burley, Caldwell, Idaho Falls, Jerome, Payette, Pocatello, Preston, Rexburg, Rupert, Soda Springs, Twin Falls, and Weiser.

Several radio stations have indicated their desire to participate, including KEEP at Twin Falls and KRXK at Rexburg. There is great community interest generally in aiding in every way to get this plan into operation.

I urge the House to approve this conference report.

Mr. ANDREWS. Mr. Speaker, I yield such time as he may desire to the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Speaker, I rise in opposition to the motion that has been offered. To be perfectly frank, this is known as the Grace amendment. Now, the same amendment was offered during consideration of the cruise bill by the Committee on Merchant Marine and Fisheries; it was debated and evidence was offered and witnesses were permitted to testify with respect to this particular matter. It was voted down in the committee. Now, these cruise ships do not interfere with the regular trade routes of cruise passenger vessels. These are round trip cruises. They cannot take on a passenger at an intermediate port nor can they discharge a passenger unless the passenger just walks off and leaves the ship. It is a round trip ticket. They cannot carry cargo.

The British and many foreign ships, as the gentleman from Washington, [Mr. TOLLEFSON], has so ably pointed out, have come into this field. Passenger cruises are becoming very lucrative. They would return dollars that, if we get into it, we can get, where the American dollars today are going abroad with these Caribbean and South American cruises. This does not only apply to the Caribbean; it applies to other ports. In our report we set forth that in the opinion of our committee the proposal is not practical, and if inequities exist, it is a matter of review and correction by the Maritime Board. Moreover, in any proposed cruise touching the port or ports regularly served by a subsidy operator, who would be damaged, the board should take that fact into account in considering the cruise application. So, before such a cruise, even though generally authorized, can be initiated, the Maritime Board has to look into all these phases and give the operating company a permit to cruise in that area after weighing the effect of such operations on the operations of other American operators.

In our considerations in the committee we have tried to be fair and proper with all operators.

Mr. Speaker, there is another matter in connection with this, as long as we have pointed out the particular operator. We withdrew the Panama Line from the freight operation of two ships at the request of the Grace Line. Grace substantially showed, in my opinion, that here was a Government operation that was being carried on in which they as a private operator could function and save the Government money. So we reduced one ship. That was on the basis of an application by Grace, who urged that Government steamship operations were hurting private shipping operations.

But here come applications from other large American passenger vessels to get into a field that is lucrative. In my honest opinion it will not hurt Grace one bit whatsoever. If I thought so I would be one of the first here to say so; and I would never have brought the bill to the floor of the House.

Mr. Speaker, I hope the Appropriations Committee will insist upon its position in the Senate, and I know if it insists, the Senate will recede.

This matter has been thoroughly threshed out before the legislative bill authorizing these cruise ships was brought to the floor of the House. I do not think this is fair. I do not think it is right, and I do not think it is an honorable way to transact business in the Congress.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from Virginia.

Mr. GARY. In order to straighten out the parliamentary situation, the gentleman from North Carolina [Mr. BONNER] as chairman of the Merchant Marine and Fisheries Committee, is against the preferential motion to recede and concur, and is in favor of the committee's position to insist on the House position in this matter.

Mr. BONNER. That is right.

Mr. GARY. The gentleman's remarks were perfectly plain, but I simply wanted to get the parliamentary situation straight.

Mr. BONNER. Mr. Speaker, I do not think the gentleman that offers the motion, had he heard the hearing in the Committee on Merchant Marine and Fisheries of the House, would feel as he does. I know he is a conscientious, honest, able Member of this House. There is much controversy in this shipping business. But the fact is that this is the wrong way to handle a matter of this kind. The cruise bill should have been defeated if it is not a proper bill. I say it is a proper bill.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. BONNER. I yield to the gentleman.

Mr. SIKES. With all due respect to the distinguished chairman of the Committee on Merchant Marine and Fisheries, let me assure him that I do not know the Grace Line from Adam's old fox, and could not care less.

May I ask the distinguished gentleman why it is that all ships that are allowed to operate in the Caribbean are not given a uniform subsidy, a 57-percent subsidy, rather than to saddle the American taxpayer with an additional 15 percent, when certain ships from other lines are allowed to move in seasonally. Why cannot the subsidy be the same? Why is it necessary for one line to be given an opportunity for a higher profit? I do not care how many passengers the line carriers. I want to save a dollar or two for the American taxpayer, if I can. Will the gentleman from North Carolina [Mr. BONNER] explain why all of these ships should not be given the same 57-percent subsidy when they are operating side by side in the same area?

Mr. BONNER. On the face of the gentleman's question and statement he does bring a logical matter to the attention of the House and it would be debatable were we not familiar with the fact that the Congress does not set these rates. The Maritime Board sets the rate of subsidy, up or down. In our report we pointed out if the subsidy of Grace in the area which they operate is not sufficient, then their recourse is to the Maritime Board.

Mr. MAILLIARD. Mr. Speaker, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from California.

Mr. MAILLIARD. I think in reply to the question of the gentleman from Florida [Mr. SIKES] the point has already been made that when these ships are permitted to go under this cruise legislation they cannot carry any cargo. They cannot carry anything but round trip passengers. They are operating on a cruise system, and not on a regular run. It is not a fair comparison between the two.

Mr. BONNER. They may not touch any port served by another operator at all, or they might touch only one port. If they are going to that port, then, as the authorizing legislation finally passed, their subsidy would be reduced for the time spent in that port. But there would be no savings at all, because by complicating the bookkeeping it will take up the amount you save.

Mr. GEORGE P. MILLER. Mr. Speaker, I think we are all interested in saving the taxpayers' money. I assure you that you are not going to save the taxpayers' money unless you reject this proposed conference report, because here is an opportunity for American-flag ships to participate in a $50 million a year business that is being denied them. The more money American-flag ships make the nearer they come to that place where they share the profit with Uncle Sam, and the more money they make and the more money they can show they make, the lower we can fix their subsidy. So if you want to save money, reject this conference report.

If you want to make it look as if there is a saving of public money by comparing the percentages of two subsidies—you may do so but it is based on a false premise—these subsidies are fixed by the Maritime Commission, and if they

are not correct they can be challenged—but if you want actually to save money, vote down this Senate amendment. Let us reject it and send the bill back to conference.

Mr. ANDREWS. Mr. Speaker, in conclusion, I think it is demonstrated here that this is a controversial and highly technical matter. For that reason, the conferees felt we should insist that the Senate amendment be eliminated.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The gentleman from Alabama [Mr. ANDREWS] moves that the House insist on its disagreement to the amendment of the Senate No. 15. The gentleman from Florida [Mr. SIKES] makes the preferential motion that the House recede and concur in the Senate amendment.

The question is on the motion offered by the gentleman from Florida.

The motion was rejected.

The SPEAKER. The question is on the motion offered by the gentleman from Alabama.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include tables.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ANDREWS. Mr. Speaker, this bill appropriates funds for the Executive Office of the President, the Department of Commerce and sundry agencies for the fiscal year 1962. The bill as agreed to in conference provides total appropriations of $641,135,800 which is $14,177,800 over the House bill, $9,302,400 below the Senate bill, and $25,142,200 below the budget estimates. The major increases are for the construction of a replacement Coast and Geodetic Survey vessel, additional funds for the construction of facilities program of the National Bureau of Standards, and a number of new projects for the Weather Bureau. At this point in the RECORD I will insert a summary table showing in comparative form the budget estimates, House, Senate, and conference actions on the bill:

Summary of general government matters, Department of Commerce and related agencies appropriation bill, 1962 (H.R. 7577)

Title	Budget estimates (revised)	Passed House	Passed Senate	Conference action	Conference action compared with—		Senate
					Budget estimates	House	
Title I—Executive Office of the President and Funds Appropriated to the President	$12,911,000	$12,614,000	$12,762,000	$12,708,000	−$203,000	+$94,000	−$54,000
Title II—Department of Commerce	597,562,000	559,059,000	582,101,200	573,052,800	−24,509,200	+13,993,800	−9,048,400
Title III—The Panama Canal	23,230,000	23,100,000	23,100,000	23,100,000	−130,000		
Title IV—Independent Agencies	32,575,000	32,185,000	32,475,000	32,275,000	−300,000	+90,000	−200,000
Grand total	666,278,000	626,958,000	650,438,200	641,135,800	−25,142,200	+14,177,800	−9,302,400

NOTE.—Excludes amounts relating to the "Highway trust fund."

There is only one amendment brought back in actual disagreement and that is No. 15 relating to limitations on subsidy rates applicable to passenger vessels engaged in cruises. This matter has been brought back with the recommendation that the House insist on its disagreement inasmuch as consideration was given to the subject in the recently enacted Public Law 87-45 and constitutes legislation both in intent and effect.

The bill includes appropriations for the Bureau of the Budget. One of the major responsibilities of the Bureau is to coordinate the many and varied activities of the Government. There is one area that should be given more attention and that is the exercise of a stricter control limiting the use of Government owned and leased passenger cars to official purposes only. There are repeated instances being called to the attention of the committee of the use of Government vehicles for obviously private purposes such as transporting certain officials to and from their homes and offices. I would hope that the Bureau would step up its efforts to curtail such practices.

TERRITORIAL AND INSULAR AFFAIRS SUBCOMMITTEE

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent that the Territorial and Insular Affairs Subcommittee of the Committee on Interior and Insular Affairs may meet during general debate this afternoon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

REORGANIZATION PLAN NO. 7—REORGANIZATION OF MARITIME FUNCTIONS

Mr. GROSS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. GROSS moves to discharge the Committee on Government Operations from further consideration of House Resolution 336, introduced by Mr. MONAGAN, disapproving Reorganization Plan No. 7, transmitted to Congress by the President on June 12, 1961.

The SPEAKER. Is the gentleman from Iowa in favor of the resolution?

Mr. GROSS. Yes, Mr. Speaker, I am.

The SPEAKER. The gentleman from Iowa [Mr. GROSS] is recognized for 1 hour and the gentleman from Florida [Mr. FASCELL] is recognized for 1 hour.

The SPEAKER pro tempore (Mr. ALBERT). The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, I yield 10 minutes to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Speaker, the House has under consideration at the moment the Reorganization Plan No. 7 which seeks to reorganize the Maritime Administration. The proposal seeks to do two things. First, it seeks to separate the regulatory functions of the present Maritime Board from the promotional and administrative functions of the Board. It is proposed to do this by creating a five-man bipartisan Maritime Commission. This Maritime Commission would handle only the regulatory matters heretofore performed by the Maritime Board. Many of us have no particular quarrel with this part of the reorganization plan because of hearings before our committee over the past 2 or 3 years, and largely because of hearings before the Committee on the Judiciary over the same period of time, hearings involving investigations of the operations of the maritime industry. These hearings revealed some practices which were of considerable concern principally to the House Committee on the Judiciary. The plan comes about largely as the result of a letter written by the chairman of the Committee on the Judiciary to the President early this year calling the attention of the President to a number of alleged violations by the American and foreign operators who are operating in our so-called conference system. The chairman of the Committee on the Judiciary recommended that there be created a three-man regulatory bipartisan board within the Department of Commerce to take care of the regulatory matters heretofore taken care of by the present Maritime Board. It was apparent throughout our considerations, which had to do not with this reorganization plan, but with the conference dual-rate system, that the present Maritime Board was hampered largely by lack of staff and over the years, for the past 30 or 40 years probably, had not devoted sufficient attention to its regulatory obligations. So most of us have felt, perhaps, in the interest of better administration, it would be advisable to have the regulatory functions separated from the promotional and administrative functions of the present Maritime Board and vest it either in a three-man bipartisan Board, as recommended by the chairman of the Committee on the Judiciary, or in a five-man bipartisan commission, as recommended by the Presi-

dent in this proposal. So there has not been much quarrel over this portion of the President's reorganization plan except to the extent that this particular portion of the plan was defective, and I shall touch upon that presently. But in the meantime, I want to call attention to the other part of the reorganization plan which seeks to abolish the present Maritime Board and to place the remaining authorities and obligations not in a bipartisan Board but in the hands of the Secretary himself.

A single person, then, would have all the authority, promotional and administrative, that the present Maritime Board has had. I think this is a bad mistake. I would like to say to my friends who are presently inclined to support the reorganization plan, I know there are political aspects whenever a reorganization plan comes down, and it is only natural that the President's party membership in the House and the Senate would vote to support it if it is reasonable. I think in this particular instance somebody gave the President some very bad advice. I do not believe that he or the people who drafted the proposal realized what they were proposing to the Congress of the United States. I can understand your wanting to support the President's proposal, but let me say this to you. As sure as I am standing here, had this same proposal been made by a Republican President to a Republican Congress the vast majority of you people on the other side of the aisle would have risen up and fought it tooth and toenail not because it was submitted by a Republican President but because the plan itself is defective.

As I said to our own committee on Merchant Marine and Fisheries, if this plan is adopted it will rise up to plague you, because amongst the powers vested in the Secretary under this proposal is authority to allocate, if I may use that word, the ship construction subsidy fund and the ship operating subsidy fund which run from $250 million to $300 million a year. It is just too much to expect one man to be able to carry out this responsibility. I have the highest regard for the present Secretary of Commerce; I have known him now for several years. I know he is a man of very high caliber and very great stature, but I know also he will not always be in that office. The day will come when somebody will succeed him. I do not know who that individual may be. It might be a Republican, and certainly you people on that side of the aisle would not want to vest in a Republican Secretary of Commerce the authority to allocate subsidy funds totalling $250 million or $300 million a year.

A reorganization proposal was submitted to the Congress about 10 years ago by a distinguished President of the United States, Mr. Truman. Mr. Truman in his reorganization recommendation proposed that the authority to grant subsidy funds should not be placed in the hands of one individual but in a bipartisan board, and he recommended the present three-man Maritime Board.

In testimony before our committee—and our committee informally discussed this reorganization plan—we had some 3 days of hearings and the committee finally voted 14 to 11 in opposition to it, mostly along party lines.

Mr. BONNER. Mr. Speaker, if the gentleman will yield, I am sure he does not mean in opposition. The committee voted for it.

Mr. TOLLEFSON. I thank the gentleman for correcting me. The vote was 14 to 11 in support of the President's plan; that is true.

Among the witnesses was the Secretary of Commerce himself. When we questioned him about what he planned to do if he got this authority he told us he did not intend to take individual responsibility of allocating the funds but would attempt to administer this provision in conjunction with the Maritime Administrator and the latter's assistant. Then the Secretary of Commerce would choose some third person in the department, and these three would constitute some sort of committee. He had no name for it. This group would allocate the subsidy fund. However, the Secretary did say under questioning that his would be the final authority.

If he felt, and if you feel, that a three-man group or five-man group appointed by the Secretary of Commerce is the answer to the arguments that I have made, then why do you not go a step further and agree to a bipartisan board rather than to a three-man board answerable to the Secretary of Commerce, all of whom would be political appointees?

Mr. GROSS. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. TOLLEFSON. Mr. Speaker, the proposal of the Secretary of Commerce to satisfy those of us who opposed the idea of one individual having the authority to administer all of these funds and to allocate them would be much like a proposal coming from one of you to the effect that on every issue coming before the House of Representatives he will turn that decision over to three people in his office and they will tell him how to vote. How ridiculous that would be. That is tantamount to the proposal coming from the Secretary of Commerce. He is the one who is going to say to company A, "You get so much," and to company B, "You get so much." On construction subsidy he will say to company A that he will fix the subsidy in its case and it will amount to $4 or $5 million. It is not beyond the realm of conjecture to foresee a possible situation arising such as company A having supported a successful candidate for the Presidency, and seeing to it that considerable sums of money were raised for his campaign. Company B supported the opposing candidate for President in exactly the same manner. Now, when company A comes up before the Secretary of Commerce and asks for an operating subsidy or a construction subsidy, would it not be logical to believe that the Secretary of Commerce may be more friendly to company A than to company B?

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from New York.

Mr. CELLER. I am very much interested in the statement of the gentleman casting a bit of doubt on the Secretary of Commerce's right or ability to function as a dispenser of funds for these subsidies. Is it not true that the Secretary of Commerce in connection with the Bureau of Public Roads now dispenses over a billion dollars a year for public highways?

Mr. TOLLEFSON. That is correct, but these are two entirely different situations, as I see them. The Maritime Board and the Maritime Administrator have jurisdiction over a form of transportation. This is not true with the Bureau of Public Roads. The Bureau has jurisdiction over the roads, and not over the form of transportation using them.

Mr. ZELENKO. Mr. Speaker, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from New York.

Mr. ZELENKO. The gentleman mentioned company A supporting a presidential candidate and company B as another company supporting another candidate. Does the gentleman contend that companies or corporations are permitted to contribute to political campaigns?

Mr. TOLLEFSON. The gentleman from New York has been around here maybe not quite as long as I have, but I know he is not naive and he knows there are more ways than one to support a candidate.

Mr. ZELENKO. Is it not a fact that in effect up to the present time the Secretary of Commerce has had the final word on the granting of subsidies? I am talking practically, regardless of whether or not under the law it was to be allocated by the Board. It was under his supervision and in the same department.

Mr. TOLLEFSON. No.

Mr. ZELENKO. Can the gentleman point out one instance where the Board awards a subsidy contrary to the wishes of the Secretary of Commerce?

Mr. TOLLEFSON. Putting it the other way, can the gentleman from New York point out one instance where an award was made by the Board that the Secretary of Commerce was able to change? Under the law the decision of the Maritime Board with respect to allocation of subsidies to individual companies cannot be changed or challenged by the Secretary of Commerce. As long as I have been a Member of Congress I have not heard of one case where the Secretary of Commerce has changed a decision of the Board.

Mr. ZELENKO. The gentleman states that perhaps my not being in this House as long as he has has not eliminated my naivete in regard to the question I asked regarding companies contributing to campaigns. I know that the Department of Justice and the gentleman and myself would be happy to have the names of any corporation having contributed to anyone's campaign.

Mr. TOLLEFSON. May I say to the gentleman that that is aside from the merits of the bill. But if I wanted to, I could tell the names of companies or

individuals who have supported presidential candidates.

Mr. ZELENKO. I would suggest that he furnish those names to the Department of Justice.

The SPEAKER. The time of the gentleman from Washington has expired.

Mr. GROSS. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. TOLLEFSON. Mr. Speaker, I have taken up too much time perhaps on the political aspects of this proposal. I would like to go back now to the proposal for a five-man commission. This in itself, irrespective of the other aspects of the bill, should be sufficient for the House to turn the proposal down. The administrative division of the Maritime Law Association of the United States submitted testimony to our committee and also submitted a letter or statement to the Committee on Government Operations to the effect that the plan with respect to the five-man commission was structurally defective and would result in such confusion from a technical, legal standpoint that in all likelihood there would be years of litigation following the enactment of the proposal simply because of the deficiencies in the law.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from North Carolina.

Mr. BONNER. You were referring to Mr. Ewers' testimony.

Mr. TOLLEFSON. I was.

Mr. BONNER. Did I not send the gentleman a copy of the letter from the Maritime Law Association stating that Mr. Ewers did not represent them; that he represented a subdivision?

Mr. TOLLEFSON. That is correct.

Mr. BONNER. Mr. Ewers' testimony bothered me. I had research made. There has been a case on it, and the courts have decided against the testimony that Mr. Ewers offered.

Mr. TOLLEFSON. Well, I do not agree with the gentleman. The gentleman and I have served together for 15 years. There is no finer Member of the Congress than the chairman of our committee. I have been proud to serve with him. We have gotten along wonderfully well and rarely have I disagreed with him, but I disagree with him completely on this reorganization plan and I disagree with him in respect to the testimony of Mr. Ewers who came before our committee and specifically said he was expressing the views not of the Maritime Law Association but of the administrative division thereof and of himself. So, it is perfectly clear. And, the letter that came from the president was for the purpose of clarifying a news item that Mr. Ewers did not issue, and the news item quite evidently was erroneous.

Mr. BONNER. I have a high regard for Mr. Ewers, and I was surprised to get the letter. I merely wanted to point out that the committee did receive the letter, so I am not trying to castigate or throw any aspersions on Mr. Ewers at all. I have a high regard for him.

Mr. TOLLEFSON. Irrespective of the letter from the president of the association itself, Mr. Ewers' testimony was accurate testimony, and I am only sorry that the Members of the House, every one of them, could not have read his statement or read the letter of the division which went to the Committee on Government Operations. We are not quarreling with the idea of separating the regulatory functions from the promotional functions. The wording of the President's proposal is such that we will have such confusion in the administration of the maritime law, if this plan is adopted, that it will be harmful to the American merchant marine and will stop some of its functions. There is no savings clause and no provision for disposition of unfinished cases pending before the Maritime Board at the time it goes out of existence. The reorganization of the Maritime Administration should be done by legislation, such as proposed by a measure I introduced the other day which would create a five-man bipartisan regulatory commission but would continue in existence the present board to administer its remaining functions.

Mr. FASCELL. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. ANFUSO].

Mr. ANFUSO. Mr. Speaker, on the special order I have for today paying tribute to the 25th anniversary of Spain, I ask unanimous consent that I may be permitted to extend my remarks at that time and that all Members may be permitted to extend their remarks following my own and that other Members may have 5 legislative days to extend their remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

LEGISLATIVE PROGRAM BALANCE OF THIS WEEK AND FOR THE WEEK OF JULY 24

Mr. GROSS. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, I have asked for this time to inquire of the majority leader if he will advise us concerning the program for the remainder of this week and for next week.

Mr. McCORMACK. If the reorganization plan presently before the House is disposed of, as well as plan No. 6, that completes the business for this week and I shall ask unanimous consent to go over until Monday.

Monday is District Day, but there is no business; the Committee on the District of Columbia has no bills to present. So there is no legislation programed for Monday.

For Tuesday there is the military construction appropriation bill for 1962.

Also H.R. 4998, the Community Health Services and Facilities Act of 1961. If that can be reached on Tuesday it will be the next order of business after the appropriations bill.

For Wednesday and the balance of the week the program is as follows:

On Wednesday the Prime Minister of Nigeria will address the House.

Then we will have House Concurrent Resolution 351, to which I referred yesterday. Unanimous consent will be asked to take that up. That is in connection with the Berlin situation. As I said yesterday, there will be a rollcall on that, if unanimous consent to take it up is granted, as I assume it will be.

Following that will be the bill H.R. 8230, the general farm bill for 1961, if a rule is reported.

There is the usual reservation that conference reports may be brought up at any time, and any further program will be announced later.

Mr. ARENDS. Mr. Speaker, I thank the gentleman from Massachusetts.

Mr. FASCELL. Mr. Speaker, I yield 15 minutes to the chairman of the Committee on Merchant Marine and Fisheries, the distinguished gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Speaker, I have had the honor and pleasure to serve on the Committee on Merchant Marine and Fisheries of the House of Representatives for 20 years or more. During the past 6 years, prior to this session of Congress, I have had the honor to be chairman of that committee, and have served with pleasure and strong collaboration with regard to all matters coming before the committee with the gentleman who has just preceded me, the Honorable THOR TOLLEFSON of the State of Washington. I do not know a Member of this body and certainly I do not know any member of our committee who has served more faithfully, who has applied himself more diligently, nor for whom I have a higher regard.

This is the first occasion on which Mr. TOLLEFSON and I have strongly disagreed. I admire his position. I am sure he respects mine.

Mr. Speaker, when this plan was sent to Congress, naturally it was sent to the Committee on Government Operations. But, nevertheless, I felt that it was the responsibility of the Committee on Merchant Marine and Fisheries to be informed as to the effect of the plan on the administration of our maritime policy and on the shipping industry. Therefore I advised the chairman of the Committee on Government Operations, the gentleman from Illinois [Mr. DAWSON], that with his approval, we would hold hearings on the plan. We held hearings for 3 days. We gave everybody an opportunity to appear before the committee and testify either for or against the plan. I am very proud to say that the present Secretary of the Department of Commerce, the Honorable Luther Hodges, former Governor of the State of North Carolina, made a great impression on the committee. I think he impressed the left side of the committee as well as he did the right side. I think he instilled confidence in the full membership of the committee that if he were delegated the power to exercise these important maritime functions, they would be in good hands, and would be carried out in a manner that the gentleman himself would be proud of, and that the Congress of the United States would approve.

There is no argument about part 1 of the plan. All sides agree that the supervision of regulations and enforcement of the Shipping Act of 1916 and the Inter-

coastal Shipping Act of 1933 should be strengthened from the manner in which it has been handled in the past.

I do not want to say anything derogatory about the administration of the Maritime Board in the past. I know, and I think my colleagues on the committee know, that there are too many responsibilities and duties in this field for one man to be Administrator of maritime affairs and at the same time Chairman of the Board, responsible for the execution of both regulatory and promotional functions. I think that is where the Board got into trouble with respect to regulatory matters, and it has drifted along.

So much did the gentleman from Washington [Mr. TOLLEFSON] and I think about this that we had the Board before us and called it to their attention that they should give more attention to the 1916 act and the regulatory provisions of the other acts under their supervision. So they began to plant field officers around the country, and they strengthened the regulatory features of their responsibility. So we are all more or less agreed that section 1 is proper and should be a Board separate and distinct from the administration of promotional and operating functions, including the basic construction and operating subsidy program.

Mr. TOLLEFSON. Mr. Speaker, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from Washington.

Mr. TOLLEFSON. I think perhaps I should make it clear that while I agree with the philosophy of separating the functions, with the regulatory functions going into the new Commission and the promotion and administrative functions remaining where they are, I do not agree with the specifics of the proposal.

Mr. BONNER. I understand the gentleman well.

My good friend, the gentleman from Washington [Mr. TOLLEFSON], has spoken about putting this grave responsibility in the Secretary. I had a lot of respect for Mr. Weeks. He came down to my office many times to discuss with me, along with members of the Maritime Board, legislation pending before the committee and administrative matters on which he had to make a decision. So it cannot be said here that this Board has the sole authority. The Secretary of Commerce has had influence over the Board and has had in many cases final decision.

We might just as well be men and understand that where a board is under an agency and is responsible to the head of that agency with respect to its budgetary matters, it is going to have a great deal of influence coming down through the Secretary, through the Under Secretary for Transportation, and so forth. So in the past 3 years the Committee on Merchant Marine and Fisheries and the Committee on the Judiciary have held extensive hearings on various shortcomings in the administration of the laws governing our American merchant marine and the regulation of our waterborne foreign commerce.

Testimony before these committees has made it abundantly clear that the present three-man Board charged with both regulatory and development activities is unworkable, and no serious question has been raised with respect to the desirability of establishing a separate and independent party charged with the regulation of the industry.

A serious question, I think, arises with respect to the development function presently handled by the Federal Maritime Administration and the Maritime Board. I am convinced, as are most people concerned with the defense of our country, that a thriving American merchant marine is an essential element.

The problem confronting us is the best means of assuring the well-being of that aspect of our seapower. The present three-man Board which functions partly as an independent body and partly under the direction of the Secretary of Commerce—and I repeat that—partly under the direction of the Secretary of Commerce, has been less than completely effective in achieving our aims. It is my feeling that the responsibility for the promotion and development of the merchant marine should be vested in a single individual, and that in order to discharge his responsibility properly, he must have full authority. We have that authority with respect to the military. Full authority is vested in the Secretary of National Defense. We have that authority in other Government agencies, and, I believe, this cannot be achieved under the present hybrid Board which is responsible to the Secretary of Commerce under certain circumstances but which is solely a free agent under other circumstances.

Now, that cannot be denied; it just cannot be denied. It is my sincere belief that the best way to assure the future of a healthy merchant marine is to place the sole and whole responsibility for its well-being in the hands of the Secretary of Commerce. Obviously, with the breadth of his responsibility, he will not seek to handle the matter without competent assistance, and to that end the plan provides for the appointment by the President of a Maritime Administrator who will have the direct responsibility under the Secretary of Commerce for the promotional activities of the American merchant marine. That is what we want. The promotional functions relating to the American merchant marine are the matters at stake in part II of the plan. To the extent that the Administrator requires assistance in matters involving hearings, such as subsidy matters, that can be handled through the selection of two competent Deputies who will sit with him as an administrative board and perform all the functions of the present Board—subject, of course, to the overall responsibility of the Secretary of Commerce.

In other words, the Secretary of Commerce, as he proposes to do under this plan, will get the advice and guidance of a high level board of three competent, highly qualified members—one, the Maritime Administrator, appointed by the President with the advice and consent of the Senate—another, the Deputy Administrator—and the third, another high ranking civil service employee who will be selected either as Deputy or Assistant Administrator. Then that board will determine the differential operating subsidies and construction subsidies and be responsible for such promotional aspects of the American merchant marine, under the direction of the Secretary of Commerce. It is a big field and it needs a strong, vital head. I am convinced that the plan offers the best means of assuring the future of our American merchant marine, and to that end I heartily urge my colleagues to support the plan.

Now with respect to the motion here to discharge the committee. I have great confidence in the Committee on Government Operations. I had the honor to serve on that committee under the present distinguished chairman. I always found him fair, I always found him diligent, I always found him a man who conscientiously did the right thing.

This committee has decided for the present to table this plan, keep it in the committee. Here comes the motion to discharge.

I have spoken of the plan itself, and it has been recorded here that the Merchant Marine Committee of the House, your committee which gave 3 days of hearings to all parties, voted on this matter 14 to 11. There were probably several members of the committee unavoidably absent, but that is a pretty strong decision; and as I said in the beginning, our committee has not been political. If it had been political, I, in the position I have held as chairman of the committee, could have done many, many things throughout the past 6 years to have caused the former Secretary of Commerce, Mr. Weeks, an awful lot of trouble in his administrative bills that he sent down to the Congress and the Maritime Board Chairman who was a Presidential appointee, an awful lot of trouble in decisions he may have made, or did make, which probably I did not agree with, and I have the authority and the opportunity to give him a lot of trouble by setting up things to do this, that, and the other, which I did not do. And again, I have never in that committee programed or arranged hearings, and so forth, without first calling the distinguished gentleman from Washington [Mr. TOLLEFSON]. When decisions had to be made in the committee, I always consulted with the gentleman from Washington [Mr. TOLLEFSON], as well as my distinguished colleagues on the Democratic side. So I say, there is nothing political about the matter. It is a matter to expedite the business of the American merchant marine and to perfect a better working system for the promotion of the American merchant marine.

Mr. FASCELL. Mr. Speaker, I yield 10 minutes to the chairman of the Committee on the Judiciary, the distinguished gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, if ever an agency of Government needed reorganization, the Federal Maritime Board does. Based on a 3-year investigation by the Antitrust Subcommittee of the Committee on the Judiciary, of which I am chairman, I can state unequivocally that in my 39 years in the House I have never seen a record of regulatory neglect

by any Government agency that even approaches that of the Federal Maritime Board and its predecessor agencies. This record is due in large measure to the fact that the Board has been charged with two completely different and basically conflicting responsibilities—subsidy awarding and other promotional functions with respect to the U.S.-flag merchant fleet on the one hand and regulatory and supervisory functions over waterborne foreign and offshore commerce of the United States on the other.

Reorganization Plan No. 7 would accomplish what has long been vitally needed in the maritime field—separation of regulatory and promotional functions over the waterborne foreign and offshore commerce of the United States and the assignment of these functions to two distinct agencies.

Under existing maritime laws the present Federal Maritime Board is charged with an almost hopeless task. The Board and its personnel are responsible not only for regulating carriers engaged in the foreign and offshore commerce of the United States, but also for the allocation of vast sums of money for construction and operating differential subsidies to American-flag carriers and for numerous other promotional activities in behalf of the U.S. merchant fleet.

More particularly, in the regulatory area, the Board's responsibilities include the regulation of services, practices, and agreements of common carriers by water; the formulation of rules and regulations affecting shipping in the foreign trade in order to adjust or meet conditions unfavorable to such shipping; the investigation of discriminatory practices in foreign trade; and the control of rates of offshore common carriers. In the promotional area, the Board's responsibilities include such duties as determining, awarding, and terminating construction and operating differential subsidies; and investigating and determining first, the relative cost of construction of comparable vessels of the United States and foreign countries; second, the relative cost of operating vessels under the registry of the United States and under foreign registry; and third, the nature of subsidies granted by foreign governments to their merchant marines.

With this multiplicity of functions, I emphasize multiplicity, the Board members and personnel devote by far the preponderance of their working time to promotional and subsidy programs, relegating the vital task of regulation to subordinate status. Furthermore, while the Board has nearly 3,000 employees, about 80 are assigned to the regulation area.

In addition, there is a complete lack of separation between the Federal Maritime Board and the Maritime Administration of the Department of Commerce, which latter agency has responsibility for carrying out the subsidy agreements made by the Board and for administering various operating and promotional programs. The Maritime Administration and the Board do not have separate staffs. As a consequence, the Administration utilizes jointly with the Federal Maritime Board the services of Board employees. This extends even to its Administrator, who is also Chairman of the Federal Maritime Board, and to its General Counsel who serves as chief legal adviser to both agencies.

As a result of this commingling, Board personnel are engaged in diametrically different and sometimes conflicting types of activities and functions. On the one hand, they are entrusted with the task of managing and fostering the American merchant fleet; on the other, they have statutory responsibility for regulation of international and offshore shipping in which that fleet is engaged.

Experience has shown that with this administrative organization and with such diverse responsibilities the Board has been completely unable to discharge effectively its regulatory responsibilities. What prompts my earnest interest? The Antitrust Subcommittee of the Committee on the Judiciary, of which I am chairman, has devoted almost 3 years to exploring antitrust problems and competitive practices in the shipping industry. Our results may be found in five volumes of hearings held in the 1st session of the 86th Congress, running upward of 5,600 pages of testimony; two volumes of hearings held in the 2d session of the 86th Congress, totaling nearly 2,500 pages; and an as yet undeterminable number of volumes of testimony arising out of hearings held during the 87th Congress. It was a searching inquiry. There had been no comprehensive investigation since 1912 of the maritime industry. Based on the evidence in the record, it is clear that the Federal Maritime Board has been guilty of incredible neglect in carrying out the responsibilities delegated to it by the Congress under the Shipping Act of 1916. Throughout our inquiry there was ample evidence of apathy, indifference, casualness and cavalier disregard of responsibilities. The regulated became the regulators. The industry had become master, the FMB servant. The shipping lines have had a heyday of misrule. There has been no resistance by the Board to their whim and caprice. It is a shocking condition. It cannot continue.

For example, at our shipping hearings held in 1959, 1960, and during the month of March of this year, the subcommittee, on the basis of examining the records of only a small number of steamship lines, discovered more than 240 apparent violations of Federal statutory provisions—violations which have caused the Attorney General to embark on a sweeping grand jury investigation of steamship industry practices, and have caused the Federal Maritime Board to institute a number of investigative and rulemaking proceedings. Of even greater concern, this wholesale disregard of statutory requirements by steamship carriers, coupled with Federal Maritime Board indifference, has injured the foreign commerce of the United States; has made it necessary for American consumers to pay more for imported goods; and has been gravely detrimental to American manufacturers and exporters. The evidence of some of these practices was so compelling and the activities so clearly illegal that officials of several steamship lines had no choice but to admit guilt to the subcommittee.

Thus, when confronted with evidence unearthed by our subcommittee, tending to show that his company was guilty of fraud, the present president of one of the largest of U.S. steamship lines stated:

> I am personally extremely ashamed of it. I am frank to admit it.

Another top steamship company executive, when faced with similar evidence of fraud, told the subcommittee:

> It was wrong, our people were wrong. Ethically, morally and every other way.

I could go on at length with example after example of willfully illegal activity and of Federal Maritime Board neglect.

Mr. TOLLEFSON. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Washington.

Mr. TOLLEFSON. The gentleman made reference to alleged violations or apparent violations by the steamship operators, and I understood him to say they admitted their guilt to the gentleman's committee. Have there been any convictions or findings of guilt by any court or by the Maritime Board in any particular case?

Mr. CELLER. The Department of Justice has impaneled two grand juries, one in San Francisco and one in the District of Columbia. The Federal Maritime Board, as a result of our inquiry and the revelations made therein, has instituted a number of proceedings based upon the evidence that we unearthed. Because of procedural delays only a few have been completed. In one case involving a fraudulent bill of lading, the Board found the parties guilty. I have also made inquiry at the Department of Justice as to the progress that has been made by the grand juries. I was advised that because of limitations of personnel they have been unable to present those charges with as much diligence as they wished, but that from now on, they would carry out their responsibilities in this regard more expeditiously. Up to this point there has been no court conviction.

Mr. TOLLEFSON. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Washington.

Mr. TOLLEFSON. My information may be incorrect; I have not checked on it, but I understood that one or two or more cases, shall I say, have been brought by the Federal Maritime Board under its legislative jurisdiction, and in the cases that they have actually heard and have reached conclusions upon they have found, shall I say, the operators not guilty; is that not true?

Mr. CELLER. That may be true except for the case and law mentioned. I have no specific information about the specific cases you adverted to. I shall, however, in view of what the gentleman has said, make an examination in that regard.

Mr. TOLLEFSON. It is my further understanding that out of some 200 apparent violations only 55 remain. All

others have been disposed of in one way or another without any finding of guilt against any operator; is that not correct?

Mr. CELLER. The gentleman may be correct, but in view of what the gentleman has said, I shall check on that likewise.

Mr. TOLLEFSON. I did not mean to make the statement as being true. I simply say I heard that, and I wonder whether the gentleman had heard it.

Mr. CELLER. I have no knowledge of that.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Washington.

Mr. PELLY. I wonder if the gentleman would explain this: Would not the regulatory features under the reorganization plan remain the same?

Mr. CELLER. No. The regulatory functions would be split off.

Mr. PELLY. Yes, but the actual cases which you have been citing would still remain under the three-man Board.

Mr. CELLER. The regulatory functions would come under the jurisdiction of the so-called Federal Maritime Commission beyond question.

Mr. PELLY. Then, it would still be under the vigilance of a committee, like the gentleman has stated, to require that there be audits and investigations?

Mr. CELLER. Well, if the gentleman will be patient, I will cover that a little later.

In any event, it is clear that the need for regulatory vigor over this industry is now greater than ever. Some of the members of this industry have learned very little from the hearings of the past 3 years. Indeed, one representative of this maritime industry in testifying before the House Merchant Marine Committee last week in opposition to this reorganization plan boasted that the violations of law brought forth during the course of our 3-year study meant very little. He stated that the record of fraud and deceit was one to which "you should point with pride." Such arrogance and blatant disregard for the public interest cannot go unnoticed.

Reorganization Plan No. 7, which, in effect, is before the House, would help remedy that regulatory neglect by establishing a new independent five-man Federal Maritime Commission which will have the sole function of regulating this industry and supervising its use of the antitrust exemption that is granted by the Shipping Act of 1916. The promotional and subsidy-awarding functions will be placed in the Maritime Administration, which remains, as it is now, in the Department of Commerce, subject to the overall policy guidance and administrative supervision of the Secretary of Commerce. For administrative reasons I understand that while the plan structurally places these promotional functions in the Secretary of Commerce with power in him to delegate those functions to subordinates, it is understood that the Secretary will delegate those functions to the Maritime Administration which is also specifically provided for in this plan.

The new regulatory agency called Federal Maritime Commission will have jurisdiction over a broad range of activities. Not only will it include regulation of services and practices of all common carriers engaged in the foreign commerce of the United States as I have indicated before, but it will be required to regulate firms providing forwarding, wharfage, docking, warehouse, and other terminal facilities, and the regulation of various conference agreements and other arrangements and understandings between common carriers and other persons subject to the Shipping Act. Moreover, the Commission will have comprehensive and penetrating regulatory and rate-making responsibilities over offshore commerce between continental United States and the States of Alaska and Hawaii, the Commonwealth of Puerto Rico, the Virgin Islands, and other island possessions.

The task of regulating the foreign and offshore commerce of the United States is a vital one. The functions of this proposed Commission are at least as important in the public interest as those of other independent Federal regulatory agencies. They must therefore be housed in a separate independent regulatory commission as the President proposes. I strongly believe that the interests of our merchant marine and of the public at large require that this reorganization plan be approved speedily in order that there may be effective and vigorous regulation of this industry as soon as possible.

There is widespread agreement that the Federal Maritime Board's long-time failure to regulate the shipping industry can no longer be countenanced. The reorganization plan proposed would not be a panacea. But it would lay the essential groundwork for accomplishing that which Congress intended—fair, impartial, and vigorous enforcement of the regulatory provisions of the shipping laws.

When Members of the House hear that there is opposition to this reorganization plan from the industry that will be affected by it, I hope they will remember that the nonsubsidized segments of the U.S.-flag maritime industry, representing more than half of the deadweight tonnage operating in the foreign commerce of the United States, support this plan. In addition, there are portions of the maritime industry that are not registered under the United States-flag but are United States owned. This part of the industry also supports the President's plan.

Finally, of the 15 subsidized United States-flag lines which together represent less than half of the United States owned maritime tonnage in U.S. foreign commerce, 5 or 6 subsidized lines did not join the others in opposing this plan. Hence, the opposition to the President's plan comes from only a part of the subsidized segment of the steamship industry. This opposition by only a small part of the total industry is based upon an unarticulated fear that their $300 million per year subsidy from the United States might in some undefined way be jeopardized by this plan.

I will say to the gentleman who addressed a question to me before that the function of handling subsidies would be turned over to the Department of Commerce, and the Secretary of Commerce has indicated that he would in turn turn over that function to a three-man group in the Maritime Administration.

But the point is that you cannot mix promotional and regulatory functions together and get proper and efficient exercise of responsibility.

The handling of subsidies and promotional activities must be separated from regulation. If we do that, then I think we will have effective regulation, and will not have the industrywide excesses and wrongdoing that has been possible under the Federal Maritime Board.

For 45 years the maritime industry has been a government unto itself. It has governed itself unwisely and selfishly, without concern for consumers, importers, and shippers. I believe, Mr. Speaker, that as we consider the pending motion the real question before the House is whether present regulatory abdication should be permitted to continue or whether the Congress should require effective regulation of this industry as Congress sought to do 45 years ago. Therefore, I urge the House to vote "nay" and support the President's plan.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. This plan is very simple, very effective, and sound. The opposition emanates from outside Congress. One of the most powerful lobbies against this plan has been conducted. We all know and have known for many years that within the steamship industry they have a powerful lobby. That is a well-known fact. If the American people only knew some of the lobbying that goes on against legislation, they would rise in their indignation. They little realize what is going on, and the pressure upon Members of Congress. The opposition to this is outside, from a lobby that has been operating, as we know around here, for the past several weeks.

Mr. CELLER. I thank the gentleman.

I do think, however, that the congressional inquiries have had a salutary effect on the members of the industry. I think that there are members in the industry who want to do the right thing. I hope, and I am quite sure, that that will be the case in the future.

Mr. Speaker, we all want to support the American merchant marine. It is essential to our defense. It is material to our economy. If the industry acts in a responsible manner and in accordance with statutory requirements, I am sure every Member of this House will support their cause.

Mr. FASCELL. Mr. Speaker, will the distinguished gentleman yield to me?

Mr. CELLER. I yield to the gentleman from Florida.

Mr. FASCELL. There is one point in the gentleman's discussion which might be clarified at this point in the record, since it came up. That is with respect to the alleged violations.

On page 46 of the transcript of the hearings before our committee, in the testimony of Vice Admiral Wilson—on pages 46 and 47, he stated that it can be determined that of the 200-plus alleged violations, 82 or more have been disposed of in one fashion or another, either under the statute of limitations or otherwise, and 118 still remain for action.

Mr. GROSS. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Speaker, I am a little disturbed that the majority leader made reference to lobbying by the merchant marine industry with respect to this plan. I will say for my own part that no one from the merchant marine has lobbied me, and if he is going to talk about lobbyists and their effect upon reorganization plans, he might better have addressed his remarks to Reorganization Plan No. 2 which was overwhelmingly defeated by this House.

In fairness to the people of the country who are considering outside pressure on what we do here in this body, let us not overlook the very powerful lobby from the other end of Pennsylvania Avenue.

Mr. Speaker, I approach this plan from two different activities.

First is, as a member of an Antitrust Subcommittee of the House Judiciary Committee headed by the gentleman from New York [Mr. CELLER], I participated I believe in almost every one of the very numerous and very exhaustive hearings conducted by his subcommittee both here in Washington and in the city of New York.

Second, I am a member of the Government Operations Committee, which held hearings on Reorganization Plan No. 7 with respect to maritime functions.

I must say that I myself was amazed that although we had a Shipping Act on the books since 1916, yet, as I believe, our records showed that not one single penalty had ever been assessed against anyone under that act in some 45 years of its operation.

Whatever may be the outcome of any individual cases of possible violation of the 1916 act or other Federal laws either in grand jury proceedings or in matters before the Federal Maritime Board itself, let me say I believe I must concur with Mr. CELLER in his statement that the record of negligence and inactivity in enforcing the provisions of the maritime laws has been a bad one as far as the Federal Maritime Board and its predecessors are concerned.

However, I am not sure this reorganization plan is going to be any more successful than the two other attempts to shake up this organization by reorganization plans, both of which were advanced in the name of efficiency and economy. I do not think anyone, so far as I know, disagrees with the proposition that the subsidy function, the development, promotional, and operating functions of the maritime agency, whatever you want to call it, and the regulatory functions should be separated, because they are different in nature. To that extent this plan is good.

As a matter of fact, Reorganization Plan No. 21 of 1950, which is the most recent reorganization plan with respect to maritime functions, seemed to have that purpose in mind. However, because of the importance of the subsidy function and, I suppose, in view of the possibility of its being abused, the function, it was thought, should be in the hands of more than one person. The President in transmitting that plan expressed exactly that thought in his message accompanying the plan.

In fact, after the hearings of the Antitrust Subcommittee I was so impressed that this separation of functions was necessary that I explored the possibility of introducing a bill myself on this subject. I thought perhaps it could be done by simply repealing Reorganization Plan No. 21 of 1950. I found when I made my study that technically it just could not be done that way and be made workable.

I might say that I think the complicated nature of this plan as compared with others, although it does retain the unpalatable feature of delegation of powers from a board or commission to subordinate employees, indicates that this is a problem which probably should be handled in the ordinary fashion by legislation, where errors can be corrected either by the committee or on the floor.

I call the attention of my colleagues to a letter on page 78 of the hearings, a letter from Mr. John Mason, president of the Maritime Law Association of the United States, who raises some very serious questions of a technical nature about this plan.

According to his letter, no adequate provision is made for pending cases, cases in the process of decision. Somewhere along the line the Federal Maritime Board is abolished, but nothing is said as to what is to happen to the business that is in process. If that is a defect, and would be likely to give rise to extensive litigation before it is settled, it is something we should correct. But because of the fact that a plan may not be amended by the Congress, only voted up or down, it is impossible to correct even technical defects.

Mr. GROSS. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. ANDERSON].

Mr. ANDERSON of Illinois. Mr. Speaker, my interest in this particular matter arises, I should say at the outset, from the fact that I was a member of the Executive and Legislative Reorganization Subcommittee of the Committee on Government Operations which conducted the hearings and heard some testimony with respect to this particular plan, plan No. 7. As I recall it, we were in hearings on this particular plan less than 1 day. One of the witnesses who appeared before our committee on the day we held those hearings and whose testimony I awaited with great expectation by virtue of his position as chairman of the Committee on Merchant Marine and Fisheries of this House, the gentleman from North Carolina [Mr. BONNER] appeared before that committee and testified with respect to the plan. I quote from page 17 of the record of the hearings, which we conducted. I quote Mr. BONNER as follows:

> Mr. BONNER. Because of my concern for the execution and administration of our merchant marine policy and those features of part 2 of the plan which would vest subsidy and other promotional matters of an adjudicatory nature in the Secretary in lieu of an independent, quasi-judicial board, I recently informed the chairman of my desire to hold hearings on the substance of the plan before it was called up on the floor. He assured me that he would be agreeable to allowing us a reasonable time to make an independent inquiry into this matter in order to arrive at a position which we as the cognizant legislative committee could present to you gentlemen for consideration.

Then he went on and said that he preferred not to express an opinion either for or against the resolution of disapproval on plan No. 7.

Mr. Speaker, it is my understanding, after listening to the statement of the gentleman from North Carolina here on the floor today, that something like 3 days of hearings were held, but they were concluded the day before yesterday and by a very close vote the plan was approved. Now, to my knowledge, no report has been filed—that is, no published hearings have been filed and made available to the members of the committee or to the Members of the House as to the hearings that were held before the cognizant legislative committee. I think that is regrettable. I think when you consider that fact in conjunction with the fact that less than 1 day of hearings were held by the subcommittee of which I am a member; that we are voting this afternoon with only a very small proportion of the membership of the House even interested enough to remain on the floor and listen, we are voting on a fairly fundamental and important basic reorganization plan without all of the facts we should have.

There seems to be pretty general agreement even by those like myself who oppose the plan that there are parts of this plan that are good—that part which would divorce the regulatory from the promotional and subsidy functions is good. The regrettable thing, as I think the gentleman from Michigan [Mr. MEADER] pointed out is that we are obliged to vote these plans up or down, and that we do not have a chance to offer any amendments and simply have to either take them or leave them. I listened as carefully and as conscientiously as I could in the day of hearings which I attended. There are some very substantial and some very good reasons why we should not entrust to the executive branch—and why we should not entrust to even as honorable a gentleman as the present Secretary of Commerce what the distinguished chairman of the Committee on Merchant Marine and Fisheries has referred to as adjudicatory matters—matters which are adjudicatory in nature.

I think somebody mentioned in connection with their remarks on the floor here this afternoon that former President Truman sent up a reorganization plan in 1950, plan No. 21, which abol-

ished the U.S. Maritime Commission. Today this plan abolishes the Federal Maritime Board and establishes a new commission. Maybe that is some indication, albeit somewhat small, that these reorganization plans are not always what they are cracked up to be, are not always a panacea, are not always the solution envisaged by their proponents.

I think it is also interesting and it would be helpful for us to note that one of the purposes of the Reorganization Act of 1949, as amended, was to allow the President to submit plans that would permit the more efficient and more economical operation of executive agencies within the executive branch of the Government. Today I think the President has been notably frank in his transmittal message to the Congress in pointing out that this particular reorganization plan is going to cost more money. As a matter of fact, the Deputy Director of the Bureau of the Budget in appearing before our subcommittee said it would cost at least $173,000 in additional salaries for the 13 new positions which include a Maritime Administrator and an enlarged Maritime Board.

Mr. ZELENKO. Mr. Speaker, will the gentleman yield for a question?

Mr. ANDERSON of Illinois. Certainly.

Mr. ZELENKO. As I understood the gentleman in one part of his discussion just now, he stated that the hearings, in his opinion, were insufficient. If I understand correctly, there is a motion before us to discharge the committee and for the House to take up the reorganization plan. My question is this: If the committee had not had sufficient time to conduct hearings is not that a reason to vote against the motion before us?

Mr. ANDERSON of Illinois. I do not think so. The reason that we are here by virtue of this procedure today, this motion to discharge, is that we had a vote in the Committee on Government Operations tabling any action on the resolution of disapproval. There were some, like myself, in the Committee on Government Operations who voted against the motion to table because we wanted the opportunity of further consideration. Let me point out one or two things. As I say, we do not have available any published hearings before the Committee on Merchant Marine and Fisheries. A number of things were brought out in testimony before the Committee on Government Operations. I call attention to a statement that was given by Admiral Will who appeared before our committee and I quote very briefly from what he said:

> The proposed delegation to the Secretary of Commerce of functions now vested in the Federal Maritime Board by basic statutes, by section 105 of Reorganization Plan No. 21, represents a sweeping change in basic law. In effect Reorganization Plan No. 7 would completely alter basic law by transferring from a statutory board appointed by the President with the advice and consent of the Senate to the Secretary of Commerce all of the functions now vested in the Board by basic law.

I had a brief colloquy during the appearance before the subcommittee of the distinguished Secretary of Commerce, Mr. Hodges, on this matter of delegating to him the determination and the award of subsidies, operating differential subsidies, and construction differential subsidies, and I think it is interesting to point out what his position was. This will be found on page 27 of the record of hearings before our committee:

> Mr. ANDERSON. Mr. Secretary, I gather from your support of this plan and the implications of your testimony, particularly as brought out on page 4, that you do go along with the idea that this business of subsidy awards is an executive function which should be given to the executive?
>
> Secretary HODGES. Yes, sir.
>
> Mr. ANDERSON. It seems to me though, as I examine your proposal on page 7 for a proposed departmental order, that you are just setting up another quasi-judicial body or commission which would, in effect, be exercising something in the nature of a quasi-judicial rather than purely executive authority in determining this matter of awarding subsidy contracts.

In effect he testified that he would further delegate power which would be delegated to him by this reorganization plan, further delegate it to the Maritime Administrator and to other assistants of the Maritime Administrator.

I refer again to a statement that was made and which I think I neglected to mention. I digressed when I started to mention it. I refer to a statement made by former President Truman when he sent down a reorganization plan with respect to the same agency in 1950:

> The impact of the award of subsidies on the shipping industry and on individual operators is such as to make desirable the deliberations and the combined judgment of a board.

That was his decision when he sent down a plan with respect to this agency in 1950. That statement is true today, and we ought to reject this plan for that reason, and many other reasons that I think have been brought out here in the discussion today.

Mr. FASCELL. Mr. Speaker, I yield 6 minutes to the gentleman from New York [Mr. ZELENKO].

Mr. ZELENKO. Mr. Speaker, I rise in opposition to the pending motion, and in support of the reorganization plan. I do not think there are many Members of the House who in the past have been more critical of the operation of the Maritime Administration and the Maritime Board than the present speaker. The record will show that.

Throughout the years I have come to the conclusion that one of the reasons that the old setup has failed up to the present time has been the fact that the combining of the responsibilities of promotion and regulation has been too much for one board to handle, both physically and legally. The distinguished chairman of the Committee on the Judiciary [Mr. CELLER] submitted the proof to you. He has come to the same conclusion, and so has his committee, that there must be a separation of the powers of regulation and those of promotion.

On the question in the plan of the separation of the regulatory powers, we do not have much in the way of controversy. I believe that the Board will have an opportunity to devote its time to regulatory activities.

Mr. TOLLEFSON. Mr. Speaker, will the gentleman yield?

Mr. ZELENKO. I yield to the gentleman from Washington.

Mr. TOLLEFSON. The gentleman from New York is a distinguished member of our committee, and he is a very astute lawyer. I wonder if he has given consideration to the letter written to the Committee on Government Operations by the president of the Division of Administrative Law of the Maritime Law Association of the United States, in which the president called attention to what he called structural defects in part I of the President's reorganization proposal. In effect he says there is no saving clause, there is no provision in the plan for disposing of pending cases as of the date when the old Board goes out of existence.

Would the gentleman comment on that? What happens to a case, if I may be more specific, that has been heard by the Maritime Board but no decision has as yet been reached at the time when the Board goes out of existence? Who renders the decision then?

Mr. ZELENKO. First, I did give consideration to the letter. It is my understanding that the president of that law association disclaimed the position taken by the writer of the letter.

Secondly, may I say to the gentleman from Washington it is to the benefit of those members of the industry who oppose the plan and their attorneys to keep matters in status quo.

I would suggest to the gentleman from Washington that those people will oppose any plan of reorganization for the reason that in the present cluttered up condition of the regulation calendar it is to their advantage to have their matters remain in status quo.

I suggest, sir, that they do not desire to rectify the inequities and the calendar delays. I would say, therefore, I did give consideration to the letter which was later disowned by the president of the association of which the writer is a member.

Mr. TOLLEFSON. Will the gentleman yield right there? The gentleman and I are talking about a different letter.

Mr. ZELENKO. I am talking about the letter the gentleman is talking about.

Mr. TOLLEFSON. No. If the gentleman will yield for a clarification, on page 78 of the hearings before the Committee on Government Operations, there is a letter written by John Mason, president, Division of Administrative Law of the Maritime Law Association of the United States. That is the letter I had reference to. I think the gentleman who has the floor was talking about a letter written by the president of the law association itself.

Mr. ZELENKO. May I say that regardless of which letter it is, my argument applies to both of them. The writers are advocates at the bar. They

want this maritime board to remain in status quo. They will oppose any plan, however perfect, for they do not want their matters to be regulated expeditiously. Most of the time they are appearing for the defendants in regulatory matters. Anyone appearing for defendants does not wish to expedite matters. Delay in administration always favors a defendant. Secondly, as to the powers of the Secretary under the new plan; in effect the Secretary has always had the final voice, albeit a silent one on the actions of the Maritime Board in their promotional activities up to the present time. I have rarely heard of the Secretary expressing an opinion in regard to the awarding of subsidy, whether it be a formal opinion or an informal one, which was not followed by the Board. Further, we have a more important benefit in this new plan, a benefit to all of our people, and that is, under this new plan we will pinpoint the responsibility of the awarding of a subsidy. Up to the present time, with the combination of regulation and promotion, the responsibility, the fairness, and the accuracy of the decision has not always been a clear, distinct, or discernible one; under plan No. 7, the Secretary, with the advice and counsel of the experts in his Department, will be held responsible. Should there be defects developing in the plan, it will be easy to point out the responsibility. This has not been so up to now. Should the plan work properly, as I think it will, with undivided responsibility and in the hands of a dedicated American, a member of the President's Cabinet—and I would say the same for any member of any President's Cabinet—the benefits to the American merchant marine will be apparent almost upon its adoption. This House will be wise to support the reorganization plan and vote down the motion to discharge the committee.

Mr. TOLLEFSON. Mr. Speaker, if the gentleman will yield further, I think the gentleman has failed to answer one question, and that is what happens to the cases that are pending when the Maritime Board ceases to function? What is happening to the cases it heard but not yet reached a decision on?

Mr. ZELENKO. The cases, under the specifics of the plan and legal precedent, will follow the Board over to its regulatory hearing room. Those unfinished cases under the plan will go to the Maritime Board in its capacity as a regulatory agency.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. ZELENKO. I yield to the gentleman from Florida.

Mr. FASCELL. I agree with the gentleman. It is obvious, as a matter of law, that if you transfer functions, you transfer responsibility.

Mr. ZELENKO. The gentleman has answered the question more ably than I have.

Mr. TOLLEFSON. The plan does not make that provision.

Mr. ZELENKO. Well, that is inherent in the law.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. GROSS. Mr. Speaker, I yield 5 minutes to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Speaker, I want to say that failure to reject Reorganization Plan No. 7 of 1961, providing for reorganization of maritime functions, would represent a weakening of the legislative responsibility and transfer to the executive branch of functions which heretofore have been administered by quasi-judicial tribunals under supervision of Congress.

Subsidies on account of the differential between foreign and American ship construction and operation costs under plan No. 7 would no longer be assured an independent determination but the power of such determination would be transferred to the Secretary of Commerce. The result would invite criticism which could be valid that contracts and benefits were decided on the basis of political favoritism.

The part of the plan which would set up an independent regulatory Federal Maritime Commission has encountered no objection. But the transfer of promotional and subsidy functions has met with strong objection. Admiral Wilson, former Chairman of the Federal Maritime Board, said:

> I am opposed to Reorganization Plan No. 7 because I am convinced that it includes more disadvantages than advantages to the public interest.

Admiral Wilson said to avoid undue political pressures on subsidy rates and allocation of construction subsidy contracts, there should be a statutory, impartial board.

As for myself, I can foresee an administration—not this administration necessarily—maybe a Republican administration—seeking to put pressure on Members of Congress—maybe to support a foreign aid program—maybe to enlarge or "pack" a Rules Committee—maybe even to support such a reorganization proposal as this one, maybe by telephone calls from some future Secretary of Commerce to influence a legislator. I am not saying that Secretary Hodges would do this.

But, anyway, that is a possibility under this program. Beneficiaries under subsidies, for example, might respond with an extra sensitiveness, perhaps, to the call to buy $100-a-plate dinner tickets. Not maybe with the present Secretary or administration, but under any administration. Also we might see more fancy pastel mink coats, or vicuna coats in Washington, D.C.

If we fail to reject plan No. 7 that could follow. Would not a bipartisan board offer more in the way of a safeguard?

Finally, we see that here in essence is another example of transfer of legislative power and responsibility to the executive branch.

Who says this is and will continue to be the greatest legislative body in the world?

What with back-door spending and reorganization plans we are indeed moving, as a Member of the other political party said in this Chamber yesterday, toward making a mockery of this legislative body.

We are headed for one-man White House rule in this country. That is why Reorganization Plan No. 7 should be rejected.

Now let me discuss another matter. The majority leader referred to the powerful lobby of the steamship companies. I am a member of the Committee on Merchant Marine and Fisheries. I never heard from any members of the industry with regard to this Reorganization Plan No. 7 except as they appeared before the committee. Mr. Gibbons, the chairman of the finance committee of the U.S. Lines appeared as a member of the executive committee of the Committee on American Steamship Lines. He said that the American Merchant Marine Institute and the Pacific American Steamship Association joined him in opposition. That is the testimony and that is the extent of the pressure of this powerful lobby.

Mr. Speaker, I think there is an answer to this matter. I think possibly, as the chairman of the Committee on the Judiciary has indicated, there has been an inattentiveness to its regulatory duties by the Federal Maritime Board.

But, Mr. Speaker, in my opinion there is a remedy. The defects or weaknesses in the present Board are obvious. I agree that its duties and functions should be split. My colleague from the State of Washington has introduced a bill which would accomplish this. His bill would set up the functions and powers that under this plan would go to the Secretary of Commerce, to be put under a separate independent bipartisan board and I should hope that the Members of the House would reject plan No. 7 and then give the Committee on Merchant Marine an opportunity to study legislation such as has been introduced by the gentleman from Washington, Mr. TOLLEFSON. I believe any defects that have been referred to can be cured in a proper way without abdication to the executive branch of responsibilities and powers of the legislative branch.

I hope the House will reject Reorganization Plan No. 7.

Mr. GROSS. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. MAILLIARD].

Mr. MAILLIARD. Mr. Speaker, most of the points I wished to get on the record have been made by other speakers. I do not want to delay the House unduly. However, there are a couple of things that have been said during this debate that I think require some clarification.

The distinguished gentleman from New York, the chairman of the Committee on the Judiciary, said that only some of the subsidized lines found this plan objectionable. All I can say is that the record of the Committee on Merchant Marine and the Committee on Government Operations showed that Castle, which represents all 15 of the subsidized lines, came in and made a

very effective presentation against the plan.

The gentleman also said that the nonsubsidized portion of our American merchant marine was for the plan. I asked several witnesses before our committee representing the nonsubsidized portions whether their support of the plan rested on their approval of part 1 alone or whether they had considered the implications of part 2. Without exception they replied that part 2 did not affect them so they had not taken it into consideration. So this was only support of the part of the plan that was least controversial, because that is the only thing that affected them.

I would object to both part 1 and part 2 of this plan on the fundamental basis that the distinguished Speaker of the House raised in the debate on Reorganization Plan No. 2. The distinguished chairman of the legislative committee, whom I see across the aisle here, raised the same objection, that is, that we have impaired the individual rights of American citizens under both sections of this plan. Under part 1 because of the unusual authority to delegate the absolute right of an interested party to review by a statutory board is lost. Under part 2 the same right is lost. As a matter of fact, now there is no right under any circumstances to go to a board, only the right to have the decision made by the Secretary of Commerce.

I should like to ask the distinguished gentleman from Florida if he will answer a question or two for me. On page 79, the last paragraph of the letter from Mr. John Mason, contains these sentences:

> These questions are in some degree technical but that does not diminish their importance. Unless they are answered by the plan itself, rather than by the slow and costly process of legal trial and error, the Government's entire maritime program may be seriously retarded and some of its activities may be brought virtually to a standstill.

This is from John Mason, president of the Division of Administrative Law of the Maritime Law Association of the United States.

The gentleman previously stated that one of his objections was taken care of in basic law. I am not a lawyer, and his title is pretty impressive to me, so I feel pretty concerned when a reputable man in the legal field makes such a statement.

Mr. FASCELL. I can appreciate the gentleman's concern, and am very happy he has asked the question. While I will state it is an elementary rule of law, I will also be glad to give the gentleman a citation on the case in which this issue has long been settled. It is *Chairman of the U.S. Maritime Commission* v. *California Eastern Lines, Inc.*, 204 F. 2d 398. The point of that decision basically is that administrative proceedings are not subject to the common law rules of abatement and that a statute should not be so interpreted unless the legislative intent clearly so requires.

Mr. MAILLIARD. Of course I am not a lawyer, so I am at a disadvantage. I know very good lawyers cite cases on both sides of questions.

Mr. FASCELL. I understand that, but the gentleman did not cite any cases.

Mr. MAILLIARD. No, that is true. Citing cases does not impress me. I am in the position of having to believe one or the other of two learned gentlemen, and this is a good reason, it seems to me, why this type of plan should come to the legislative committee so that it can be amended and not by way of a reorganization act. Now would the gentleman answer one other question for me? Was it ever explained in the gentleman's committee as to why in these reorganization plans the maritime industry is the only transportation industry that is so treated? You just had a CAB reorganization plan. The airlines are still kept under the jurisdiction of a quasi-judicial independent agency. The same thing is true of the railroad and trucking industry, which is still under the ICC. Why is it that we take these functions and put them in the Department of Commerce?

There is no other transportation agency like this, and I do not see why this should be.

Mr. GROSS. Mr. Speaker, I yield myself 3 minutes.

Mr. MAILLIARD. Mr. Speaker, will the gentleman be willing to ask the gentleman from Florida if he would answer what I think is a rather important question as to why this transportation industry is treated differently?

Mr. GROSS. Yes, I yield for that purpose.

Mr. FASCELL. I will be happy to answer the question. The answer is that you have not changed the regulatory functions. They are now and will still be in an independent body. The promotional and subsidy aspects of this thing, which are purely administrative basically and fundamentally although they have some adjudicatory aspects, are in the Board now but will not be in the new Commission.

Mr. MAILLIARD. Yes; but no other transportation agency where we have either loans or subsidies or whatnot is treated this way. They are all handled through the agency that is set up for that particular transportation industry. I do not get the distinction.

Mr. FASCELL. The distinction is by way of long precedent.

Mr. GROSS. Mr. Speaker, when the distinguished chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. BONNER] spoke earlier this afternoon, he referred to the appearance of Secretary of Commerce Hodges, former Governor of the State of North Carolina, before the Committee on Merchant Marine and Fisheries. I was there when he appeared. I am sure he is an estimable gentleman and that he is competent, but I am unwilling by implication or otherwise to assume that he is going to be the only Secretary of Commerce who is going to administer that Department from here on out under this reorganization plan. No matter who the Secretary of Commerce may be today, I do not know who is going to be there tomorrow or 3 or 4 years from now so I am not about to buy this reorganization plan on the basis of any one particular individual. I am opposed to this plan for the reason, among others, that I have been opposed to the other reorganization plans submitted by the Kennedy administration because of the naked and unholy delegation of power to the chairman of a commission, which makes of that official a virtual dictator to run the affairs of the commission. I will be opposed to any reorganization plan that contains such a provision. I repeat, it is an unwarranted, naked, and unholy delegation of power.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

Mr. GROSS. Mr. Speaker, I yield 5 minutes to the leader of our party, the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, just to keep the record straight a little something should be said about the way this plan came before the House.

On June 12 the gentleman from Connecticut [Mr. MONAGAN]—I take it he is a member of the majority party, and that he acted with the approval of that party leadership—introduced a resolution which stated the "House does not favor the Reorganization Plan Numbered 7." I would assume from that, that the majority party was then against plan No. 7 which is now the subject of the pending motion. Then along comes the Government Operations Committee controlled by the majority party and votes to table that resolution. That leaves Members a little bit confused as to just what the majority party supports or opposes. But evidently what it now wants is to strengthen the political hands of the administration on every possible occasion. And much might be said on that subject.

Now, it is Thursday, and I know almost everyone wants to go home tomorrow, wants to finish up tonight. I have been advised that the leadership, majority, minority, and third party, is of that desire, and I have no intention of filibustering as the gentleman from Florida so ably did yesterday when he set a pattern for the other body. It was very interesting and very instructive.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. Yes. Do you accept the intended compliment I tendered?

Mr. FASCELL. I want to assure the gentleman from Michigan that I was not filibustering yesterday in the consideration of another reorganization plan, but I did take ample time completely and fully to lay on the record my position with respect to that plan.

Mr. HOFFMAN of Michigan. The gentleman did it very, very well. It is regrettable perhaps, but I do not think the gentleman's constituents will pay too much attention to the action of the House rejecting the gentleman's argument and thinking. I am sure they will not for he did a magnificent job.

The gentleman from Washington [Mr. PELLY], said everything I think I could say on this about the delegation of power. Do I hear someone suggest: Why keep on? Well, if someone will ask me, I will say that I accept and adopt the remarks of the gentleman from Washington [Mr. PELLY] as my own. I think the same statement was made by another gentleman on this side a few moments ago.

What I cannot understand is the reaction of Congressmen. I am reminded of a Congressman in the old days who lived at a hotel down here, I think it was the Continental. He looked over the hotel register when he came down in the morning, and if there was a man from his State he would ask the clerk to point out the individual a little later in the day. Every time the clerk complied and he frequently did, the Congressman would go to the man, stick out his hand, and say, "I am Congressman Blank. Would you like to meet me?" And, of course, the poor citizen who was nothing but a taxpayer, said, "Why, of course, I would be very happy to meet you, a Congressman." People do that even though they may be mistaken as to our ability or qualifications for office.

The point I am driving at is that we should assume our responsibilities, have pride in the office we hold, we should recapture the power to legislate, which we have surrendered to the Executive. It seems to me we should reevaluate our position here and remember our oath of office. Refuse to turn over to the executive department authority, shirk our duty.

Now, out of consideration for your wish to get through, I yield back the balance of my time.

Mr. FASCELL. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, we are considering here and have pending before us a motion to discharge the Committee on Government Operations.

I rise in opposition to that motion and trust that it will be defeated.

Mr. Speaker, agreement is almost universal that the Board is not performing its functions adequately. Its important duty to regulate the maritime industry has been neglected under the press of other duties involving promotion of the same industry.

There is also nearly universal agreement about the main causes of this situation.

First, the Board's two types of responsibilities are mutually inconsistent, if not contradictory. On the one hand, the Board must regulate the rates and practices of the maritime industry. On the other, it must sustain and promote that industry by determining and awarding huge subsidies. For fiscal year 1961, operating-differential subsidies are estimated to total $156.9 million, and obligational authority granted for construction-differential subsidies amounted to $106 million.

Second, the Board and the Maritime Administration, notwithstanding their separate and often divergent responsibilities, are headed by the same individual and are served by the same unified staff. As with the Board itself, most of the time of the joint staff is consumed in promotional, rather than regulatory activity.

In the situation which prevails, we observe a case of administrative schizophrenia. Under existing law, the Maritime Administrator, as head of the Maritime Administration, has the duty to promote the growth of the merchant marine. Yet this Administrator is also the Chairman of the Federal Maritime Board, which regulates operations of the very same merchant marine.

Regulation usually involves restrictions. Thus, failure to allow a rate increase—a regulating function—could tend to inhibit the growth of the maritime industry, and growth is an objective of the promotional function.

As Board Chairman Thomas E. Stakem testified before the Committee on Government Operations:

> The possibility that an agency acting in a regulatory capacity may be influenced in its decisions by the fact that the same agency wearing a promotional hat has promotional functions with respect to the same matter, is, of course, the strongest argument why regulatory and promotional functions should be divorced. This is not to say that a regulatory body should not consider nonregulatory but interrelated statutes. In such instances, however, the promotional agency should bring its facts and arguments before the regulatory agency.

I should like to enumerate the intermixed and interlocking relationships in the present organizational structure. Between the Federal Maritime Board and the Maritime Administration there are: First, intermixture of the two basic functions, regulation and promotion; second, intermixture of agency heads, in that the Chairman of the Board is the same person as the Maritime Administrator; and third, intermixture of operating personnel, since a joint staff serves both agencies.

Furthermore, this intermixture extends to the relationships between the Federal Maritime Board and the Secretary of Commerce:

First. In its subsidy award functions, the Board is under the policy guidance of the Secretary, although individual awards by the Board are final.

Second. The Board is included within the Department of Commerce and uses the administrative services of the Department.

It is not surprising that in numerous instances of their actual operations, the Board and the Administration have maintained no separate, distinguishable identities.

Reorganization Plan No. 7 would correct these organizational defects. In transmitting the plan to Congress, the President declared:

> Existing organizational arrangements have not proved to be satisfactory. The development and maintenance of a sound maritime industry require that the Federal Government carry out its dual responsibilities for regulation and promotion with equal vigor and effectiveness. Intermingling of regulatory and promotional functions has tended in this instance to dilute responsibilities and has led to serious inadequacies, particularly in the administration of regulatory functions. Recent findings by committees of the Congress disclose serious violations of maritime laws and point to the urgent need for a reorganization to vest in completely separate agencies responsibility for (1) regulatory functions and (2) promotional and operating functions.

Testimony before the Committee on Government Operations fully sustains the findings of the President on which he based Reorganization Plan No. 7. In his well-reasoned and effective presentation, the Chairman of the Board supported the plan for reasons very similar to those stated in the message. He ended his statement by declaring:

> Based on 18 years' experience in Government maritime agencies, I am convinced of the need to allow plan No. 7 to become effective. There is an immediate necessity of improving regulatory efficiency in the public interest. Plan No. 7 will accomplish this objective.

I should like to add that in considering the disapproval resolution on plan No. 7, the Committee on Government Operations took note of the following:

First. Almost everyone agrees that a separate and independent agency should be set up to perform solely regulatory functions under the U.S. shipping laws.

Second. The Secretary of Commerce has declared that the subsidy-award function, which under plan No. 7 would be divorced from the regulatory agency and transferred to him, would not be exercised by one man. This function would be delegated to the top three officials of the Maritime Administration, to be exercised by them jointly.

Third. The provision of plan No. 7 authorizing the new Commission to delegate any of its functions is virtually identical in language and purpose to Reorganization Plans Nos. 1, 3, and 4, which were thoroughly considered and endorsed by both the committee and the House.

Fourth. All the procedural safeguards with which Congress has surrounded the performance of maritime functions by existing agencies would survive and be preserved under plan No. 7.

In light of this, the majority of the Committee on Government Operations concluded that the plan should be allowed to go into effect.

It has been made abundantly evident that the matter to which the motion is directed has been fully considered by the Committee on Government Operations. As expressed by their chairmen, testimony taken by the legislative committee and the testimony before the Committee on the Judiciary are clear as to the need for this plan.

It is even admitted by the opponents that a great many parts of the plan should be put into operation. In this connection, I should like to refer to the testimony of Vice Adm. Ralph E. Wilson before the Committee on Government Operations. Admiral Wilson is a member of the Board. He was Chairman of the Board and Maritime Administrator under the previous political administration. Admiral Wilson opposed the plan. Yet, he conceded that the Board has left much to be desired in the area of regulation. He conceded that the Board should be enabled to spend more time on regulation. He conceded that it was difficult for the overloaded

Chairman and Administrator to give positive, day-to-day direction to the Board. Finally, and let me emphasize this point, Admiral Wilson expressed himself in favor of that section of the plan which provides for delegation of functions by the proposed Commission. That provision, he stated, is sound and should serve to expedite matters before the Commission.

Mr. Speaker, I submit that the situation has been amply discussed. In view of the need as expressed by the chairmen of the Committee on the Judiciary and the Committee on Merchant Marine and Fisheries and the action taken by the Committee on Government Operations, the plan should be allowed to go into effect and the motion to discharge the Committee on Government Operations should be defeated.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Arkansas

Mr. HARRIS. The parliamentary situation is about like this: "Is it not true if this motion were to be agreed to then the House would resolve itself into the Committee of the Whole House on the State of the Union for the purpose of then considering the plan itself, with general debate up to 10 hours?"

Mr. FASCELL. I would not want to assume the functions of a parliamentarian or render a dissertation on the law. I am not sure that the matter would be exactly as the gentleman states it.

Mr. HARRIS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore (Mr. ALBERT). The gentleman will state it.

Mr. HARRIS. Mr. Speaker, is it not true if the motion is agreed to the House would then resolve itself into the Committee of the Whole?

The SPEAKER pro tempore. In the first place, a motion could be made that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution and, under the law, 10 hours of debate are permitted.

Mr. GROSS. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, the effect would be if this motion is adopted to discharge the committee, then I would move that the House resolve itself into the Committee of the Whole for the consideration of the disapproving resolution. In that event, I would be agreeable to dispensing with all debate. We have had a full debate on the resolution as of now and it should require no time whatever, I may say to the gentleman from Arkansas.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Arkansas.

Mr. HARRIS. Of course that would not be possible except by agreement on both sides.

Mr. GROSS. If you wanted to filibuster or carry this debate on for 10 hours, certainly you could do it.

Mr. HARRIS. But you could have up to 10 hours of general debate?

Mr. GROSS. Oh, yes. We could have had that on the previous resolution.

Mr. Speaker, I yield the remainder of the time on this side to the gentleman from Washington.

Mr. TOLLEFSON. Mr. Speaker, I apologize to the House for taking this additional time in view of the time I have taken previously, but I do so because in good conscience I must respond to some of the statements made in connection with alleged violations on the part of steamship operators. In the months ahead most of these so-called violations will prove not to be violations. According to the testimony before our committee, out of some 200 alleged violations something like 55 remain now without yet a single conviction or verdict of guilty having been returned. I do not mean to say that some will not be returned, but I only want to point out from the standpoint of numbers only about 55 individual cases remain.

These violations are not such terrible things as the House may have been led to believe. What do they consist of? Most of them are failure to file agreements between shippers and between carriers and shippers and between carriers and transshippers. In many cases the Maritime Board itself, as well as the carriers, felt that certain types of agreements should not have to be filed at all; nobody knew they had to be filed, yet the assertion is now made that they should have been filed and because they were not, they were violations.

The gentleman from New York [Mr. CELLER], chairman of the Committee on the Judiciary, made reference to a case where he says the Government was charged $305,000 in excess freight rates. Now, that is only part of the story. On the face of it and on the basis of the testimony before his committee, I can see where he would arrive at that conclusion. And, I do not mean to indicate in any case that the gentleman has not revealed the full story of the evidence appearing before his committee, but this is the situation which actually existed.

In the first place, the Government was not overcharged in this case; not one penny. The rates were fixed by the Department of Agriculture itself. Furthermore, the rates were below the rate established by the Maritime Administration which has the authority, in connection with shipments of grain, to establish a fair and reasonable rate. And, this particular rate paid by the Government in this particular instance was less than the rate fixed by the Maritime Administration itself. So, the Government did not pay in excess freight one penny. It did pay more than the commercial shipper on the same line.

Here is what happened. When the carrier enters into his agreement with the Department of Agriculture, which set the rate itself, he still did not have a full ship. So, along comes a commercial shipper and says, "Look, I have some grain. I have some barley or corn going over to Germany, along with the Government grain. Can you take it for me? I can get it shipped on a foreign tramp ship for 50 percent of the Government rate on your vessel. Will you take it?" And the man says, "Sure I will take it." The only way he can get it is to compete with the foreign tramp ship, and that is exactly what happened, and it has been the practice of the trade over the years, yes, over the centuries. The carriers want to carry a full load, and they will take additional cargo at a lesser rate than they normally would. But in this case the rate was fixed by the Department of Agriculture itself and was below the rate set by the Maritime Administration, so the violation was not as terrible as you were led to believe.

Mr. ASHLEY. Mr. Speaker, I wholeheartedly support Reorganization Plan No. 7 and I do so after having heard the testimony on the plan presented before the House Committee on Merchant Marine and Fisheries of which I am a member.

I wish to emphasize my position in support of Reorganization Plan No. 7 because I intend to vote for the motion before us. I want to make clear the procedural issue we will be voting upon, as distinct from the substantive issue of whether or not the reorganization plan should be adopted.

Under the procedure for considering reorganization plans, as we all know, a reorganization plan automatically takes effect unless either body of the Congress disapproves the plan within 60 days after it has been submitted. As I understand it, there are only two ways for a reorganization plan to come to the floor of the House. First, and the most usual way, is for the legislative committee considering the plan to send a disapproving resolution to the House. If this resolution is voted down, the House in effect has registered its approval. Two negatives make a positive.

If the legislative committee fails to take the necessary action to send a disapproving resolution to the floor, any Member may move to discharge the committee. If the motion carries, there is an opportunity for the House to consider fully the merits of the reorganization plan. If the motion is voted down, the House has no such opportunity. I believe that this body is entitled to pass upon the merits of plan No. 7 and since approval of the motion before us is the only means of accomplishing this I will vote for it.

Now, Mr. Speaker, I want to discuss the background of plan No. 7.

The American merchant marine and the foreign commerce of the United States which is conducted over water are primarily regulated by two acts and the amendments to these acts which have been made over the course of the last 35 years. Known as the Shipping Act of 1916 and the Merchant Marine Act of 1936, these two laws dealing with different subject matter, arose out of different circumstances, and seek to accomplish vastly different objectives.

The Shipping Act of 1916, the object of which was to protect the American public against certain predatory economic practices of the shipping companies, was enacted as a result of a series of hearings before the Alexander committee of the House, which uncovered widespread economic conspiracies, violations of the antitrust laws, and collusive practices, all in flagrant violation of both the spirit and the letter of the

laws of our free enterprise system. Under the Shipping Act, certain kinds of agreements were made illegal, and many other agreements were to be permitted—presumably because of the demands of international competition—only when they had been filed and approved by a newly established regulatory agency, the U.S. Shipping Board.

During the First World War, however, and in the economic expansion which followed the war, it became clear that the domestic shipping industry was not able, even when protected by governmentally permitted anticompetitive agreements, to provide adequate service to the country. Congress realized that something else had to be done to promote the industry, and a series of stopgap measures were enacted from 1920 through 1933 which finally culminated in the Merchant Marine Act of 1936, the object of which was to promote the merchant marine by establishing Federal subsidies for the construction and operation of American vessels.

By the end of the Second World War, it had again become apparent that even these laws were inadequate. The administration of a huge subsidy program combined with the other strenuous efforts being made by the Maritime Commission to insure the continued existence of a healthy domestic industry had resulted in a situation in which virtually no time, attention, or money was being spent on the vitally important regulatory activities ordered by the Shipping Act of 1916. The Commission had become merely the handmaiden of the industry, faithfully administering the promotional legislation of 1936 while the regulatory 1916 legislation was allowed to literally wither on the vine.

It was with this situation in mind that President Truman recommended the reorganization of 1950, which, in recognition of the need for a separation between regulatory and promotional bodies, brought about the system which prevails today: a Federal Maritime Board charged with making subsidy contracts and regulating the industry, and a Maritime Administration charged with administering the subsidy contracts.

It cannot be denied that the separation of functions which President Truman sought to accomplish was highly desirable. It has become clear, however, in the 3-year study conducted by the Celler subcommittee, that President Truman's plan did not fully accomplish its goal. Under the reorganization plan which has now been submitted by President Kennedy, this separation will be accomplished.

The gist of Reorganization Plan No. 7 is that the Shipping Act of 1916 and the Merchant Marine Act of 1936 will each be administered by a different agency: The Maritime Administration will be responsible for the latter and a newly created Federal Maritime Commission for the former. Under the proposal, the Federal Maritime Commission will regulate, and the Maritime Administration will promote.

The need for effective regulation of the industry—and the virtual impossibility of achieving this regulation under the present organizational setup—was dramatically demonstrated over and over again in the hearings before the Celler subcommittee. The subcommittee uncovered cases in which American lines have conspired with foreign shippers to violate laws of foreign governments; cases in which American companies have charged our Government 50 percent more than they charge private individuals for the same services; and vast plots, involving secret meetings, burned correspondence, and foreign agents, designed to evidence a "bloodthirsty price war" and thereby trick the U.S. Supreme Court into a favorable decision on a pending case; all for the first time discovered by the Celler subcommittee, instead of having been uprooted in the normal course of affairs by the properly designated regulatory body. The 10,000 pages of hearings set forth hundreds of examples of this kind of conspiracy, all of which are against our laws and most of which have been completely neglected by the forces of authority which should be responsible for regulation.

Under the President's proposal, the Federal Maritime Commission would have no other responsibility than the enforcement of the laws which prohibit illegal and conspiratorial agreements such as those I just described. The granting of subsidy contracts, which alone with regulatory authority is now in the hands of the Maritime Board, would be turned over to the Maritime Administration, which would thereby become responsible for all aspects of the subsidy program, instead of merely the administrative aspects, as is now the case. The splitting of functions and conflicts of responsibility which have characterized the administration of the maritime law since 1936 would finally be brought to a halt.

Neither the President, the Merchant Marine Committee, nor the Antitrust Subcommittee believe that this change is a panacea which will eliminate all the problems of the merchant marine. Problems will undoubtdely remain, and it may be a long time before the regulatory functions of the Maritime Commission will be conducted with diligence and dispatch. One thing is sure, however, and that is that this plan will be a long step in the direction of insuring that an industry vital to our national welfare will be regulated in a manner consistent with the best interests of the American people.

Mr. FASCELL. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the motion to discharge the committee from further consideration of the resolution.

The question was taken, and the Speaker pro tempore announced that the noes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 184, nays 218, not voting 35, as follows:

[Roll No. 118]

YEAS—184

Abbitt	Durno	Minshall
Adair	Dwyer	Moore
Andersen, Minn.	Ellsworth	Moorehead, Ohio
Anderson, Ill.	Fenton	Morse
Arends	Findley	Norblad
Ashbrook	Flynt	Nygaard
Ashley	Ford	O'Konski
Auchincloss	Forrester	Osmers
Avery	Frelinghuysen	Ostertag
Ayres	Fulton	Pelly
Baker	Garland	Pilcher
Baldwin	Gavin	Pillion
Barry	Glenn	Pirnie
Bass, N.H.	Goodell	Poff
Bates	Goodling	Quie
Battin	Griffin	Ray
Becker	Gross	Reece
Beermann	Gubser	Reifel
Belcher	Hagan, Ga.	Rhodes, Ariz.
Bell	Haley	Riehlman
Bennett, Mich.	Hall	Riley
Berry	Halleck	Robison
Betts	Halpern	Rogers, Tex.
Blitch	Harrison, Wyo.	Rousselot
Boggs	Harsha	St. George
Bolton	Harvey, Ind.	Schadeberg
Bray	Harvey, Mich.	Schenck
Bromwell	Hiestand	Scherer
Broomfield	Hoeven	Schneebeli
Brown	Hoffman, Ill.	Schweiker
Broyhill	Hoffman, Mich.	Scranton
Bruce	Horan	Seely-Brown
Byrnes, Wis.	Hosmer	Short
Cahill	Jensen	Shriver
Cederberg	Johansen	Sibal
Chamberlain	Jonas	Siler
Chelf	Judd	Smith, Calif.
Chenoweth	Kearns	Smith, Va.
Chiperfield	Keith	Springer
Church	King, N.Y.	Stafford
Clancy	Kitchin	Stephens
Collier	Knox	Taber
Colmer	Kunkel	Teague, Calif.
Conte	Kyl	Thomson, Wis.
Corbett	Laird	Tollefson
Cramer	Landrum	Tuck
Cunningham	Langen	Utt
Curtin	Latta	Van Pelt
Curtis, Mass.	Lennon	Van Zandt
Curtis, Mo.	Lindsay	Wallhauser
Dague	Lipscomb	Weaver
Davis, James C.	McCulloch	Westland
Davis, John W.	McDonough	Whalley
Derounian	McIntire	Wharton
Derwinski	McVey	Whitten
Devine	Mailliard	Widnall
Dole	Martin, Nebr.	Wilson, Calif.
Dominick	Mathias	Wilson, Ind.
Dooley	May	Winstead
Dorn	Meader	Younger
Dowdy	Michel	
	Miller, N.Y.	
	Milliken	

NAYS—218

Abernethy	Cohelan	Gary
Addabbo	Cook	Gathings
Addonizio	Cooley	Giaimo
Albert	Corman	Gilbert
Alexander	Daddario	Granahan
Andrews	Daniels	Grant
Anfuso	Davis, Tenn.	Gray
Ashmore	Dawson	Griffiths
Aspinall	Dent	Hagen, Calif.
Baring	Denton	Hansen
Barrett	Diggs	Harding
Beckworth	Dingell	Hardy
Bennett, Fla.	Donohue	Harris
Blatnik	Downing	Harrison, Va.
Boland	Doyle	Hays
Bolling	Dulski	Healey
Bonner	Edmondson	Hechler
Boykin	Elliott	Hemphill
Brademas	Everett	Henderson
Breeding	Evins	Holland
Brewster	Fallon	Holtzman
Brooks, La.	Farbstein	Huddleston
Brooks, Tex.	Fascell	Hull
Buckley	Feighan	Ichord, Mo.
Burke, Ky.	Finnegan	Ikard, Tex.
Burke, Mass.	Fisher	Inouye
Burleson	Flood	Jarman
Byrne, Pa.	Fogarty	Jennings
Carey	Fountain	Joelson
Casey	Frazier	Johnson, Calif.
Celler	Friedel	Johnson, Md.
Clark	Gallagher	Johnson, Wis.
Coad	Garmatz	Jones, Ala.

Jones, Mo.	Morgan	Rostenkowski
Karsten	Morris	Roush
Karth	Morrison	Rutherford
Kastenmeier	Moss	Ryan
Kelly	Moulder	St. Germain
Keogh	Multer	Saund
Kilday	Murphy	Saylor
Kilgore	Murray	Schwengel
King, Calif.	Natcher	Selden
King, Utah	Nix	Sheppard
Kirwan	Norrell	Shipley
Kluczynski	O'Brien, Ill.	Sikes
Kornegay	O'Brien, N.Y.	Sisk
Kowalski	O'Hara, Ill.	Slack
Lane	O'Hara, Mich.	Smith, Iowa
Lankford	Olsen	Smith, Miss.
Lesinski	O'Neill	Spence
Libonati	Passman	Staggers
Loser	Patman	Steed
McCormack	Perkins	Stratton
McDowell	Peterson	Stubblefield
McFall	Pfost	Sullivan
McSween	Philbin	Taylor
Macdonald	Pike	Thomas
Machrowicz	Poage	Thompson, Tex.
Mack	Powell	Thornberry
Madden	Price	Toll
Magnuson	Pucinski	Trimble
Mahon	Rabaut	Udall, Morris K.
Marshall	Rains	Ullman
Matthews	Randall	Vanik
Merrow	Reuss	Vinson
Miller, Clem	Rhodes, Pa.	Watts
Miller, George P.	Rivers, Alaska	Whitener
	Rivers, S.C.	Wickersham
Mills	Rodino	Willis
Moeller	Rogers, Colo.	Yates
Monagan	Rogers, Fla.	Young
Montoya	Rooney	Zablocki
Moorhead, Pa.	Roosevelt	Zelenko

NOT VOTING—35

Alford	Holifield	Santangelo
Alger	Kee	Scott
Bailey	Kilburn	Shelley
Bass, Tenn.	McMillan	Teague, Tex.
Bow	MacGregor	Thompson, La.
Cannon	Martin, Mass.	Thompson, N.J.
Delaney	Mason	Tupper
Fino	Mosher	Walter
Green, Oreg.	Nelsen	Weis
Green, Pa.	Roberts	Williams
Hébert	Roudebush	Wright
Herlong		

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Santangelo against.

Mr. Alford for, with Mr. Holifield against.

Mr. Williams for, with Mr. Shelley against.

Mr. Bow for, with Mr. Delaney against.

Mr. Kilburn for, with Mr. Thompson of New Jersey against.

Mr. Mason for, with Mr. Bailey against.

Mr. Herlong for, with Mrs. Kee against.

Mr. Scott for, with Mr. Walter against.

Mr. Martin of Massachusetts for, with Mrs. Green of Oregon against.

Mr. Mosher for, with Mr. Green of Pennsylvania against.

Mr. Roudebush for, with Mr. Roberts against.

Mr. MacGregor for, with Mr. Thompson of Louisiana against.

Until further notice:

Mr. Teague of Texas with Mr. Fino.

Mr. Wright with Mrs. Weis.

Mr. McMillan with Mr. Tupper.

Mr. Cannon with Mr. Nelson.

Mr. Bass of Tennessee with Mr. Alger.

Mr. COOLEY changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

GENERAL LEAVE TO EXTEND

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks in the body of the RECORD on the motion just acted on prior to the vote.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills, a joint resolution, and a concurrent resolution of the House of the following titles:

H.R. 1182. An act to create the Wyandotte National Wildlife Refuge;

H.R. 1336. An act for the relief of Anna Catania Puglisi;

H.R. 1379. An act for the relief of the dependents or estate of Carroll O. Switzer;

H.R. 1383. An act for the relief of Hyacinth Louise Miller;

H.R. 1390. An act for the relief of Jung Ngon Woon;

H.R. 1391. An act for the relief of Mrs. Wong Lau Sau Kam;

H.R. 1486. An act for the relief of Mrs. Vicenta A. Messer;

H.R. 1499. An act for the relief of Manuel Nido;

H.R. 1699. An act for the relief of Nick George Boudoures;

H.R. 1704. An act for the relief of Lee Shee Won;

H.R. 1706. An act for the relief of Adela Michiko Flores;

H.R. 1891. An act for the relief of Engineman First Class William J. Stevens;

H.R. 1903. An act for the relief of Mrs. Amina Youssif Cosino (nee Simaan);

H.R. 2354. An act for the relief of Mr. Louis Fischer, Feger Seafoods, and Mr. and Mrs. Thomas R. Stuart;

H.R. 2674. An act for the relief of Eva Nowik;

H.R. 2750. An act to provide for the relief of certain enlisted members of the Air Force;

H.R. 7454. An act consenting to the amendment of the compact between the States of Pennsylvania and Ohio relating to Pymatuning Lake;

H.J. Res. 463. Joint resolution to extend through June 30, 1962, the life of the U.S. Citizens Commission on North Atlantic Treaty Organization; and

H. Con. Res. 353. Concurrent resolution authorizing the Clerk of the House to make a correction in the enrollment of H.R. 6874.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6874) entitled "An act to authorize the appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes.

ADJOURNMENT OVER TO MONDAY, JULY 24

Mr. McCORMACK. Mr. Speaker, I promised yesterday that Reorganization Plans 6 and 7 would be brought up today; but apparently plan No. 6 is not coming up.

Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that Calendar Wednesday of next week be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SPECIAL COMMITTEE ON SPECIAL PROJECTS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. SCRANTON], is recognized for 60 minutes.

Mr. SCRANTON. Mr. Speaker, this is the first of a series of discussions on unemployment in the dynamic American economy, a project of the House Republican Policy Committee's Special Committee on Special Projects. This special committee is under the leadership of the distinguished gentleman from Missouri [Mr. CURTIS], and the eminent gentleman from Arizona [Mr. RHODES]. The discussion this afternoon lays out for consideration by the House of Representatives community efforts in meeting the problem of unemployment. There are so many different phases of this aspect of this great and grave problem of unemployment, and they revolve around so many different difficulties that almost every community with unemployment in the United States has a special problem.

Specifically, there are the problems of finance, of sites, of public utilities, of skilled labor, of housing, of recreation facilities, of labor and management relationships, of education, of transportation and many others, of course. It is possible to point out many varied types of communities throughout the United States which have handled problems of this sort or which are handling them under circumstances of specific cases of unemployment. For example, there were a number of different localities which sent representatives to the Banking and Currency Committee this spring to testify on the types of work that they are doing.

In southern Illinois a number of small towns have set up community organizations to help finance and bring in new industry. In West Virginia, the hardest struck of all the States of the Union with the problems of unemployment, the city of Huntington has done a remarkable job and is doing so with a retraining program for those who are out of work.

Mr. Speaker, likewise the city of Wheeling has done an astounding job, both financial and from other aspects, and it was our honor and privilege to have had the cooperation of Prof. Bruno Hartung, of Wheeling College, who has presented a paper on the subject of what that community has done in this respect.

In the State of Pennsylvania there are innumerable communities where the

people have fostered special community organizations for financing projects which have brought new industries to these areas, and thereby ridding the areas of certain amounts of unemployment.

We all remember not many years ago the establishment in Toledo of a labor-management relations committee which did so much to solve their industrial problems.

The small towns are not left out of this very interesting procedure that is taking place all over the United States on a community basis. The small town of Tupelo, Miss., for example, has done an extraordinary job by citizens getting together and helping to eradicate an unfavorable economic condition.

Specifically, today it is my honor to present to this House the job that is being done in my own county of Lackawanna, Pa. This is an outstanding one and, incidentally, the first that was devised after World War II.

This community has a mining background and, of course, we have a tremendous loss of employment as either the anthracite coal has been depleted or the market for it has deteriorated. As a result, there have been many decades of decline in this industry, which has resulted in a situation where, when once as many as 45,000 people were employed in the anthracite mining business, now only about 1,000 are working in the mines.

The citizens of that area, as did so many other communities around the Nation as a whole, particularly after World War II, gathered together and formed community industrial development associations. These have recently been combined into one such organization in Lackawanna County—LIFE. This is done as it is in other places primarily by three resources: First, and foremost, by the people themselves getting together and forming such an organization. Second, by the use of these people of under their own power going out and doing a job of raising money. Altogether in that small area a little over $5.5 million has been raised for this purpose. Then with this money they are able to organize internally. They take the money and use it and bring to that area new industries to take care of the constant decline in unemployment in the anthracite industry.

The result of this remarkable experiment over some 15 years has been that with this money, a little over $5.5 million, some 33 industrial buildings have been built, costing approximately $20 million. There has been help, of course, from the local banks and other organizations who are interested in such community development. Some 10,000 people in these 33 plants are now at work who otherwise would have no jobs.

Mr. Speaker, at this point I ask unanimous consent to include in my remarks a statement and a number of charts and tables indicating some of the work that has been done in this area.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The matter referred to follows:

THE STORY OF LACKAWANNA COUNTY

I. HISTORICAL BACKGROUND OF AREA ECONOMY

Early economic trends

Economic growth in Lackawanna County, as in all of the northeastern Pennsylvania anthracite region of which it is a part, was from the very early years of its development largely dependent upon the mining of hard coal. Anthracite production enjoyed a tremendous boom between 1890 and 1917, when it reached the rate of 100 million tons yearly in the five-county hard coal region. In those 27 years over 2 billion tons of coal were mined and the population of the region mushroomed as the result of a high birth rate and an influx of migrants seeking jobs.

The boom begins to fade

Since 1917, however, except for the World War II period, the production of hard coal in the region has declined almost steadily. Present output is less than 25 percent of what it was at the 1917 peak. For many decades the mining industry was the single biggest employer in Lackawanna County. Mine employment reached its peak in 1930 with about 39,000 workers employed in the industry. This dropped to about 12,200 in 1950 and to about 1,200 in 1961. The decrease in mine employment in Lackawanna County was sharper than in other sections of the anthracite region because of the earlier depletion of the Lackawanna coal reserves which were in thicker, more easily mined veins than in some other parts of the region where mining developed at a later date.

Hard times hit Lackawanna County

The greatest decline in the county's mining industry occurred during the depression years of the 1930's when some 24,000 miners lost their jobs. These losses, plus the general depressed condition of business, coincided with entrance into the labor force of about 8,000 new workers who were born during the high birth rate period of 1910–20.

As a result, by 1940 nearly one out of every three members of the county work force was out of a job.

The community fights back

As World War II drew to a close, clear-thinking leaders of the community realized that it would be futile for the community to indulge in fools' gold hopes that coal mining would ever again be able to support the area economy. Rapid diversification of industry was needed to keep communities in Lackawanna County from becoming a series of ghost towns. The world-famous Scranton plan and other industrial development corporations were born to pull the area up by its bootstraps.

These industrial development plans, financed by funds contributed by area residents and bolstered by mortgage financing provided by a credit pool of local banks, offered industry 100 percent financing for new plants. The community built the plants and offered them to industry on attractive lease-purchase terms.

Between 1940 and 1953, resident industrial employment in Lackawanna County more than doubled, increasing by an estimated 16,600 persons. This more than offset the loss of some 10,000 resident jobs in the mining industry. About 81 percent of the industrial expansion took place between 1940 and 1950 mainly in the textile and metal industries.

However, since 1953, after the Korean war buildup ceased, manufacturing employment fell off from 32,300 to 29,700 jobs in 1958. Combined with the continued decrease in mining employment, this resulted in a net decrease of some 9,300 jobs in this 5-year period.

In the two decades from 1940 to 1960, manufacturing employment increased from 18,000 in 1940 to 29,900 in 1960, or an average yearly gain of 595 jobs. In the same period, mining jobs decreased from 17,900 in 1940 to 2,800 in 1960, or an average yearly decline of 755 jobs.

II. DEVELOPMENT OF LOCAL EFFORT

The Scranton-Lackawanna effort to achieve industrial diversification was born in 1945 under what is collectively known as the Scranton plan, a program involving three corporations separate in organization but alike in dedication—to bring new payrolls to the area. The Scranton Chamber of Commerce is the promotional agency and administrator of the collective effort.

The Scranton Plan Corp. and Scranton Lackawanna Industrial Building Co. (Slibco) were formed in 1945. The former raised $1,200,000 through the sale to area residents and enterprises of first mortgage bonds to buy a Government-built war plant for the Murray Corp. of America. In the same year, Slibco sold $1,900,000 of 4-percent debenture bonds to the public and currently holds title to, and is the building agency of all plants erected under the development program.

Lackawanna Industrial Fund Enterprises (Life), a nonprofit corporation, was formed in 1950 and has, in two fund drives, received approximately $2,500,000 in outright donations from approximately 50,000 individuals, firms, and industries in Lackawanna County. This company has supplied Slibco with the capital needed in its building operations. A merger between Life and Slibco with Life as the surviving corporation has just been completed. This results in Life being the only countywide community industrial development corporation in Lackawanna County.

The area's industrial building program is financed in the following manner: First, an acceptable industry tenant is secured and a lease or agreement to lease is signed. Life-Slibco provides 20 percent of the construction cost, the Scranton Bank Credit Pool provides 50 percent, and the Pennsylvania Industrial Development Authority the remaining 30 percent. The continuity and the success of the Scranton plan may be found in the willingness of local banks to work hand in hand with the community industrial development agencies.

As evidence of the capital resources available to these industrial development agencies, a consolidated statement of Life and Slibco and the Scranton plan is submitted. The statement shows that a substantial amount of funds are presently invoiced in Life-Slibco buildings. None of the funds have ever been given away as inducements to industrial firms to locate in the area, with the result that the return from interest received in investments in community-built plants from 1945 to 1960 has been added to the original fund for further reinvestment in new plants.

The sound financial condition of these industrial development agencies is a tribute to the leadership personnel. The membership in Life, consisting of approximately 100 individuals, is a cross section of all phases of community life. Included are bankers, labor leaders, commercial and industrial executives, and representatives of government, the professions, and the clergy. Among the board of directors of Slibco and Life, are representatives of business, labor, and the professions.

III. SUMMARY

Whereas various governmental bodies and agencies, State and Federal, are in a position to assist local communities to meet the problem of unemployment, nevertheless, the

ultimate effort to put the unemployed back to work is primarily a local or community one. Whatever the particular need of the community may be, e.g., finance, sites, public utilities, skilled labor, housing, recreation or cultural facilities, labor-management relations, education, transportation—no matter how much assistance comes from government, without local effort and participation, and a community eagerness to solve the problem, the need is not fulfilled.

Leaders of industry have stated over and over again that an essential for new plant location is a favorable community spirit or atmosphere. Community efforts of the types described here, carried forward with vigor and imagination, are the final answer to frictional and structural unemployment.

In essence, this community effort is based on individuals joining together, dedicated to stamp out unemployment. This can be done through community development corporations, supported by every segment of the community.

Mr. George McLean of Tupelo, Miss., testified before the Banking and Currency Committee with reference to the Area Development Act. His testimony pinpoints another community effort to eradicate unemployment, this time a small community in the South, and asserts the basic need of local effort to solve the problem. I quote from his testimony:

"In the 13 years from 1948 through 1960 we have spent more than a quarter of a million dollars in industrial development trying to increase the employment of our people. We have floated bonds for over $2½ million under Mississippi balance-with-industry plan. We have invested more than a quarter of a million dollars in rural development and general community development. In addition, we have bought stock and debentures to help local enterprises, and to provide working capital for new and existing enterprises. Nearly $4 million has been invested by local people in these enterprises.

"We firmly believe that the starting point for any program of this type is people as the basic ingredient. We do not stress projects, programs, professional leadership, nor organization—we put our trust in people.

"We say to our people that there is no Santa Claus. There is no Santa Claus at Washington, at the State capital, at the State college, or at the local county seat, who can hand the good life to them. The people who live in the community and love it must assume their own responsibilities and take advantage of their God-given opportunities."

New industries, community financed

Plant	Date	Size (square feet)	Construction cost	Employment
Scranton plan:				
Murray Corp. (Eljer)	1946	550,000	$4,340,380	950
Warehouse	1947	100,000	389,000	----------
Slibco:				
C. & D. Sportswear	1946	21,000	99,700	134
Royal Miss (manufacturers sportswear)	1946	40,000	122,102	135
Waitt & Bond, Inc	1947	50,000	425,327	528
LIFE-Slibco:				
Golo of Dunmore	1946	50,000	205,700	276
Billig Shoe Co., Inc	1947	56,000	283,125	427
Parker Textile Co	1947	32,600	138,632	98
The Crown Corp	1947	26,000	72,353	248
Harris Hub Bed & Spring Co. (Now Suckle Electronics Co.)	1947	126,000	420,000	107
Scranton Battery Corp	1947	49,000	197,924	75
Superior Fireproof Door & Sash Co	1947	75,000	411,485	250
Douglas Shoe Co. (now Prudential Insurance Co)	1947	61,000	251,519	90
The Trane Co	1948	192,600	902,320	465
Mayflower Shoecase Co	1949	48,200	205,322	169
Sturdi-Wear, Inc	1950	48,000	180,000	200
LIFE-Slibco—Continued				
Poloron Products, Inc	1950	135,500	$575,691	[1] 510
Dearborn Glass Co	1951	55,000	276,835	200
W. L. Maxson Corp. No. 1	1952	100,000	549,759	[1] 1,553
Daystrom Instrument Corp	1953	350,000	3,881,000	[1] 1,540
W. L. Maxson Corp. No. 2	1953	50,000	287,961	----------
Anemostat Corp. of America	1961	163,000	1,200,000	300
El-Tronics Co. (now Piasecki Aircraft Corp.)	1954	67,000	386,213	[2] 100
Luce Luggage Co., Inc	1955	94,000	507,571	70
Consolidated Molded Products	1956	71,000	445,142	125
Chrysler Corp	1957	200,000	1,052,835	415
Precision Engineering	1956	15,000	202,136	10
Fab-Weld Corp	1957	100,000	165,554	100
Associated Transport, Inc	1959	60,000	550,000	400
Roovers-Lotsch, Old Forge	1959	28,900	183,000	100
Eastern Wood Products	1960	57,510	338,000	[2] 125
Continental Cigar	1961	45,300	375,000	180
Shell No. 18	1959	92,000	550,000	[2] 250
Total	------	3,209,610	20,171,586	10,220

[1] At high point.

[2] Estimate.

Slibco-LIFE-Scranton plan consolidated balance sheet as of Apr. 30, 1961

	Slibco	LIFE	Scranton plan	Eliminations	Consolidated
Assets:					
Current assets:					
Cash, in bank	$59,988	$234,773	$5,544	----------	$300,305
Bond redemption	31	----------	8,413	----------	8,444
U.S. Treasury bills	----------	296,114	54,251	----------	350,365
Accounts receivable	15,728	2,212	----------	----------	17,940
Notes receivable	----------	1,467,000	----------	$1,467,000	----------
Rents receivable	24,984	----------	----------	----------	24,984
Total, current assets	100,731	2,000,099	68,208	----------	702,038
Fixed assets:					
Buildings, net of deposits	5,663,911	----------	----------	----------	5,633,911
Land	327,033	----------	----------	----------	327,033
Total, fixed assets	5,990,944	----------	----------	----------	5,990,944
Other assets:					
Mortgage receivable	73,566	----------	----------	----------	73,566
Subscriptions receivable	107,732	----------	----------	----------	107,732
Pledges receivable, net	----------	552,678	----------	----------	552,678
Slibco bonds	----------	239,800	1,000	240,800	----------
Securities	----------	200	----------	----------	200
Total, other assets	181,298	792,678	1,000	----------	734,176
Deferred and prepaid assets:					
Real-estate tax escrow	13,459	----------	1,200	----------	14,988
Insurance escrow	8,056	----------	----------	----------	8,056
Prepaid real-estate taxes	19,447	----------	----------	----------	19,447
Total, deferred and prepaid assets	40,962	----------	1,200	----------	42,162
Total, assets	6,313,935	2,792,777	70,408	1,707,800	7,469,320
Liabilities:					
Current liabilities:					
Accounts payable	3,548	2,212	----------	----------	5,761
Deferred interests, Clidco	2,066	----------	----------	----------	2,066
Accrued interest on bonds	5,696	----------	----------	----------	5,696
Accrued real estate taxes	$13,682	----------	----------	----------	$13,682
Total, current liabilities	24,993	$2,212	----------	----------	27,205
Fixed liabilities:					
Notes payable, LIFE	1,467,000	----------	----------	$1,467,000	----------
Mortgages payable:					
Banks	1,233,050	----------	----------	----------	1,233,050
Insurance companies	580,091	----------	----------	----------	580,091
SBA	32,924	----------	----------	----------	32,924
PIDA	727,020	----------	----------	----------	727,020
1st mortgage bonds	----------	----------	$8,400	----------	8,400
Debenture bonds	831,600	----------	----------	240,800	590,800
Total, fixed liabilities	4,871,685	----------	8,400	----------	3,172,285
Other liabilities: Subscriptions to bonds	117,000	----------	----------	----------	117,000
Total, other liabilities	117,000	----------	----------	----------	117,000
Deferred credits: Interest income on construction	26,324	----------	----------	----------	26,324
Total, deferred credits	26,324	----------	----------	----------	26,324
Total, liabilities	5,040,002	2,212	8,400	----------	3,342,814
Capital and surplus:					
Residue against sale of assets	842,231	----------	----------	----------	842,231
Pledges receivable 1959 net	----------	552,678	----------	----------	552,678
Capital stock	1,004	----------	1,000	----------	2,004
Capital and donated surplus	33,532	2,134,340	----------	----------	2,167,872
Earned surplus	397,166	103,547	61,008	----------	561,721
Total, capital and surplus	1,273,933	2,790,565	62,008	----------	4,126,506
Total, liabilities and capital	6,313,935	2,792,777	70,408	1,707,800	7,469,320

Mr. SCRANTON. Accordingly, the point I want to make this afternoon specifically is this: It is perfectly possible, in fact it is essential, in order to eradicate unemployment throughout the Nation where it exists in a dynamic economy, for the local people to join together to develop community organizations, to eradicate these particular sore points that are causing difficulty and the unemployment that goes with it, because with such development there comes a spirit within the community which is itself an enticement to new industry and new jobs. Community efforts of the type I have briefly outlined this afternoon, carried forward with vigor and enthusiasm, are the final answers to both frictional and structural unemployment.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. SCRANTON. I yield.

Mr. CURTIS of Missouri. I want to compliment the gentleman on the work he has done in this area. I think it would be appropriate to call the attention of the House and particularly those who will read these studies that the gentleman is putting in the RECORD, the one regarding Wheeling, W. Va., and, of course, the work done in Lackawanna County, in Scranton, to the fact that I know the gentleman himself has played a great part in the work done in Scranton, Pa., and Lackawanna.

The point I should like to ask the gentleman to develop is this: Here we are at the Federal level. In what area has the Federal Government assisted in the work done in Lackawanna County, and where, in the gentleman's judgment, would further help have been meaningful in the work that was done in Scranton and possibly these other areas? Would the gentleman develop that a little bit?

Mr. SCRANTON. In the course of the development of these community organizations and their work there has been assistance from both the State and the Federal Governments in these respects.

Both the Department of Commerce and the Department of Labor have done certain work which has been very helpful from two or three standpoints. In the first place, they have clearly made statistics available on unemployment and on the problems of unemployment, and also on what is needed to offset such difficulties. There has never been, to the best of my knowledge, any direct assistance in the form of financial help or otherwise. From the standpoint of the State of Pennsylvania, that is not true. Primarily emanating from the work that was done in our area, a bill which passed the State legislature allows for part of the mortgage money that is used to build these buildings to come from a State organization. But the National Government, except from the standpoint of statistical effort and a considerable amount of sympathy, has rendered comparatively little help so far. With the Area Development Act, it is hoped, and I think it will eventually materialize, there is a possibility of obtaining more financial help which is needed now that the local community has done so much.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. SCRANTON. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I call attention to the studies of the Holland subcommittee of the Committee on Education and Labor which was recently completed in the area of retraining. One of the points I was hoping would be developed in that subcommittee was the work that the Department of Labor could be doing and possibly has to some degree in simply gathering together what information exists throughout the country as to what is being done such as in Scranton, Pa., and being a clearinghouse of that information so that it would be available to other communities. I was wondering if in your work in Scranton, Pa., you had utilized the Department of Labor in that fashion.

Mr. SCRANTON. The Department of Labor has given us the usual type of statistical information which they give to all communities with regard to the status of unemployment. We have recently requested of them information which would help us to get vital statistics on labor management problems, because this is a problem in our area as well. So far we have received some information but not enough to make it thoroughly useful. There is no doubt in my mind, and I am sure there is none in the minds of people who have been in the forefront on this in our area, that both the Department of Labor and the Department of Commerce can be and could be of great assistance, particularly from an informational standpoint because this is something that we can use. I am hopeful that this will occur and we are making efforts to obtain such information.

Mr. CURTIS of Missouri. Returning to the area of the Department of Education, which has the jurisdiction over vocational education and Federal aid, did the Department of Education serve of value in the area of Federal assistance to vocational education in the work done in Scranton?

Mr. SCRANTON. The Department of Education in Washington was not of any material assistance in this. The Department of Labor and Industry of the State of Pennsylvania has done a good job in setting up a vocational retraining program.

Mr. CURTIS of Missouri. Mr. Speaker, at this point in my remarks, I ask unanimous consent to include a letter from the Secretary of Labor, Mr. Goldberg, dated May 12, 1961, addressed to Mr. Donald H. Ackerman, Jr., staff director of the Republican policy committee and staff director of this study on employment that we are conducting. This letter sets forth some of the areas in which the Department of Labor has been gathering statistics and what information is being developed in the States on certain communities. I think it is a basic document that will be very helpful in these studies that we are conducting.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The letter is as follows:

U.S. DEPARTMENT OF LABOR,
Washington, May 12, 1961.

Mr. DONALD H. ACKERMAN, Jr.,
Staff Director, Republican Policy Committee, U.S. House of Representatives, Washington, D.C.

DEAR MR. ACKERMAN: This is in further reply to your inquiry of April 18 requesting information relating to geographical skill surpluses and shortages for use in your long-range study on employment. As previously noted, the Bureau of Employment Security and its affiliated State agencies develop considerable occupational information on manpower requirements and labor supply. These products of the employment security system, geared primarily to meeting community manpower problems and the operating needs of local public employment offices, furnish significant current and long-range data on available skills and the types of workers in demand in specific labor market areas and the Nation.

Some 45 State employment security agencies, with the technical assistance of this Bureau, are engaged in a program of collecting, analyzing, and publishing State and local job opportunities information. Area skills surveys, providing information on the occupational composition of current employment, anticipated requirements, labor supply and related data, are completed or in progress in more than 40 States. These surveys, relating local manpower resources to current and anticipated employment opportunities (generally including needs 2 and 5 years hence), usually include studies of demand and supply in skilled, professional, and other key occupations in the community. In most instances, the consideration of demand and supply in selected occupations has included an evaluation of the output of qualified manpower from area training facilities, including colleges and technical institutes, as well as apprenticeship and other in-plant program. Area skill surveys are particularly useful to a community in providing needed information for directing local educational and training objectives. Copies of the San Diego, Dallas, and Tucson skill surveys, as well as a listing of such studies prepared, in progress or planned, are being forwarded under separate cover.

In addition, 33 State employment security agencies have published or are preparing guides for separate occupations or occupational fields, aided, in many instances, by information made available through the area skill survey program. These guides contain basic information on the job content, employment outlook and other economic factors associated with the occupation.

Industry manpower surveys present analyses of labor market developments, the current employment situation and job outlook for the next 6 months in selected industries. They are based primarily upon establishment manpower reports collected by local offices of the State employment security agencies, supplemented by information from other government, industry, and related sources. These surveys include information on occupational shortages and other manpower recruitment problems.

Three other reports prepared in this Bureau provide additional significant information on occupational labor needs.

CURRENT LABOR MARKET CONDITIONS IN ENGINEERING, SCIENTIFIC AND TECHNICAL OCCUPATIONS

This report was initiated at the request of the National Science Foundation and the President's Committee on Scientists and Engineers. The report has been based prima-

rily on special bimonthly analyses of current conditions in the 30 largest major labor market areas and on statewide statistics on job openings for these occupations which have been placed in interarea clearance by public employment offices. Information has also been developed from other sources, such as departments of the Federal Government, university placement services, and professional societies.

AREA LABOR MARKET TRENDS

This Bureau's bimonthly Area Labor Market Trends" bulletin regularly contains a national roundup of area labor market developments and short-term employment prospects, including the current occupational demand-supply situation. The local labor market reports on which this survey is based provide a manpower demand and supply analysis, including considerable occupational detail regarding job openings and the composition of the unemployed, for the Nation's principal industrial centers and many smaller areas of substantial labor surplus.

QUARTERLY SURVEY OF LOCAL OCCUPATIONAL SHORTAGES

This quarterly analysis is based on inventories of job openings which are published every 2 weeks by all State employment security agencies. The openings listed in these inventories represent a compilation of jobs for which there is not an adequate supply of local workers and employers are willing to recruit out-of-area applicants. While all local occupational shortages are not reflected in these figures, the inventory listings of these openings placed in clearance (a process of matching workers in one area with jobs in other areas), nevertheless, provide a good indication of the relative volume, trend, and types of occupational shortages.

Yours sincerely,

ARTHUR J. GOLDBERG,
Secretary of Labor.

Mr. MOELLER. Mr. Speaker, will the gentleman yield?

Mr. SCRANTON. I yield to the gentleman from Ohio.

Mr. MOELLER. Mr. Speaker, I think the gentleman from Pennsylvania is making a very definite contribution here to the efforts of those of us who are confronted with a tremendously high unemployment situation at the present time.

I would like to share with you an experience we enjoyed just last week, the answer partially at least to the question: What is being done on the Federal level? Seven or eight counties in my district have been labeled depressed areas qualified for assistance under the Area Redevelopment Act. We have had excellent cooperation from the Commerce Department, from the Agriculture Department, and also from HEW, in efforts to pinpoint the problems in all these communities. We spent a solid day in each county. These men were able to see the problems. They met then with the community leaders and offered their advice and assistance in helping them arrive at some solution.

I think there has been excellent cooperation on the part of various governmental agencies. The gentleman, however, made one statement that should be emphasized, and that is that every community must face up to and recognize that it is community leadership and effort on the part of the community to solve their problems that counts. Without that leadership, Government assistance is going to be of no avail.

Mr. SCRANTON. I thank the gentleman.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. SCRANTON. I yield.

Mr. DERWINSKI. I believe it might be helpful to the gentleman in clarifying the situation to point out that the gentleman from Pennsylvania used his home area, Lackawanna County, as an example. I am sure the experience of the Chicago Heights, Ill., area in my district will be of interest, where a local group did an effective job of combating unemployment. It was a repetition of the Wheeling story. In each case we found a significant difference as well as a significant common situation, the difference being that there is definitely a different type of unemployable persons, the geographical conditions, the history, the traditions, and all those problems that go into any community district. Then there are individual problems that enter into the picture.

The greatest factors, however, are the desire, the imagination, and the leadership exercised on the part of local community leaders, that is, the public officials, the businessmen's committee, the labor union leaders, and all those groups which work together. This coordinated efficiency, this dedicated type of local community spirit has done the job which we emphasize here needs to be done in many, many communities throughout the United States.

Mr. SCRANTON. There is no doubt about it. I thank the gentleman for his contribution.

Mr. MOORE. Mr. Speaker, will the gentleman yield?

Mr. SCRANTON. I yield to the gentleman from West Virginia.

Mr. MOORE. I should like very much to acknowledge the very fair way in which the gentleman from Pennsylvania has analyzed the problem in this own particular area. It is likewise applicable to many other areas of the country. What can be done in a given situation depends to a very large extent on local government, local industry, and the desire of the people in the community to help solve their own problems. All that is contained in the survey. A part of this survey was made in the largest metropolitan area in my Congressional District, Wheeling, W. Va., and I think those who have the opportunity to read the insertion made in the RECORD of the work of Dr. Hartung of Wheeling College in the city of Wheeling, W. Va., realize what can be done by local development organizations, listing the aid of both Federal and local governments since 1931, and what has been done in the matter of bringing life and industry to the community. They have dwelt upon local initiative in an attempt to arrive at a suitable answer to a problem over a long number of years.

It is difficult for me to perceive, if I may ask the gentleman to yield further, where we as a community will receive a great deal of benefit from recently enacted legislation in the field of area redevelopment, because that legislation itself attempts to give to local development organizations an initiative along with a push from the Federal Government, a giant push in some respects. Whereas we have been treating this on a local level, on a local basis, for a number of years, the undertaking has not always spelled success; but the Ohio Valley Development Corp. and the participation of local communities in an endeavor to meet the unemployment situation in my community thus far has been a successful undertaking.

I take this opportunity to applaud the local governments and local initiative in the area of Wheeling, W. Va. I thank the gentleman for yielding.

Mr. SCRANTON. I thank the gentleman. We are deeply indebted to Dr. Hartung and the fine job he has done concerning the city of Wheeling. I compliment the gentleman from West Virginia himself and the leadership he has taken there.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. SCRANTON. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. Mr. Speaker, I want to compliment the gentleman from Pennsylvania for his very fine presentation and for the very effective work which he has done in preparing this analysis.

Also I wish to thank the other Member participating, the gentleman from Illinois [Mr. DERWINSKI]. Also may I express my own personal appreciation to the gentleman from Missouri [Mr. CURTIS]. The gentleman from Missouri is not only a member of the great Committee on Ways and Means but he is also a member of the Joint Economic Committee and is, in my opinion, the foremost expert on the economics of the United States in the House of Representatives today. We are most fortunate in having his services in leading this particular discussion on reports by Republican Members, and we appreciate his efforts.

Also, I thank the gentleman from Ohio for his participation.

We certainly have no desire to make this a show on one side of the aisle, and we welcome the participation of our colleagues on the Democratic side, because unemployment and the economics of the country are problems that cut across party lines, and any time a Member on the other side of the aisle desires to participate, the gentleman from Pennsylvania and the gentleman from Missouri, I am sure, will join with me in welcoming that Member.

Mr. SCRANTON. I thank the gentleman very much.

Mr. Speaker, the point of this entire presentation is to bring to the attention of the Members of the House and the country as a whole that community efforts are basic and essential. We are indebted to not only Dr. Hartung and the two gentlemen who are distinguished leaders of this group, but all the participants today, especially the gentleman from Ohio, the gentleman from Illinois, and the gentleman from West Virginia.

Mr. MATHIAS. Mr. Speaker, will the gentleman yield?

Mr. SCRANTON. I yield to the gentleman from Maryland.

Mr. MATHIAS. I would like to second particularly the sentiments expressed by the gentleman from Arizona that the gentleman from Pennsylvania is doing a service to the country as a whole. The problems we are discussing today require the best brains, the best thinking, and the best efforts of all of us. As one who represents a congressional district that has two areas which are classified as areas of persistent and substantial unemployment, I have a direct interest in this matter. We have been working hard within the district, but I believe it is the thinking that the gentleman from Pennsylvania has been presenting today that will help us solve some of the common problems so that we can reach a common conclusion, and I thank the gentleman for his efforts.

Mr. SCRANTON. I thank the gentleman.

The point we are trying to make is that there are many efforts going on all over the country on a self-help community basis.

A great many of them can learn, one from the other. As a matter of fact, we have had delegations from almost every State of the union and many foreign countries to my own community to see the type of work that has been done there. An outstanding example is the very successful plan in the city of Lawrence, Mass., a city which once had the highest percentage of unemployment of any city in the Nation and which today is no longer in any of the categories set down by the Department of Labor as having unemployment of any sizable amount.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. SCRANTON. I yield to the distinguished gentleman from Illinois.

Mr. DERWINSKI. It was a pleasure for me to work with the gentleman from Pennsylvania on this project. As the gentleman has explained to the House, this is the first in a series that we on this side of the aisle will present to the House entitled "Operation Employment." We have found in dealing, as we have, with numerous communities throughout the country that community effort can be extremely vital and efficient, as the gentleman has pointed out. In discussing my home area, the specific area of Chicago Heights, which we used in our studies, I would just like to review for the benefit of the Members that in approximately 7½ years this community, through a civic program, completely local in nature, attracted 23 new industries, expanded 12 existing plants, and created over 6,000 new jobs, and all of this as the result of inspired local effort. And, I am sure if the gentleman from Pennsylvania and I, with our adviser and counsel, Professor Hartung, had had the time to delve into numerous communities all over the country, we could have produced examples that often exceeded those that we present to you this afternoon. And, it is my hope that not only this afternoon but in the days to follow, when our colleagues will participate in Operation Employment, that they do receive the attention of the Members of the House. This problem is certainly one of bipartisanship. It is certainly one that has its repercussions throughout the country and certainly one that deserves our constant attention.

Mr. SCRANTON. I thank the gentleman.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. SCRANTON. I yield to the gentleman from California.

Mr. ROUSSELOT. I want to compliment my colleague, the gentleman from Pennsylvania [Mr. SCRANTON]. I know by my experience with him on the Committee on Banking and Currency that he and many of the people in his area have come to grips with this problem of unemployment. These people have done it on their own without coming to the Federal Government crying for more and more money, when they realize that this does not really solve the problem of unemployment. I think that during the period of over 15 years that our colleague [Mr. SCRANTON] has served in the local area on hard-working committees that have genuinely come to grips with this problem. Mr. SCRANTON has been instrumental in solving it and has proven that it is not necessary to have all problems of unemployment solved at the Federal level. I think he is to be complimented and I think the examples he and Mr. DERWINSKI have given here today should serve as a strong reminder to the whole country that the real problem of unemployment can best be solved at the local level. Federal money just does not hold all the answers to unemployment.

Mr. SCRANTON. I thank the gentleman very kindly.

I wish I could agree that we have completely solved the problem in our community. We have not. But, we have reached the point where unemployment from the coal industry can go no higher, because the coal industry is at its nadir in our area, and without this type of community effort, it would have been impossible to have saved some 10,000 jobs. We are hopeful of saving many more when the community effort is being made.

Mr. DERWINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, I include in the RECORD at this point an article entitled "The Wheeling Story" prepared by Prof. Bruno J. Hartung of Wheeling College, Wheeling, W. Va., in which he tells in a most thorough, practical, and dramatic manner, the story of the community efforts in Wheeling, W. Va., which is one of the outstanding examples of local accomplishments in solving community problems involving chronic unemployment:

THE WHEELING STORY

In this chronicle the writer hopes to present a panorama of events depicting how the community of Wheeling, W. Va., through civic minded groups and individuals has attempted to solve its most pressing economic and social problems. While far from complete in realizing its objectives, it nevertheless should be apparent, to even the most casual observer, that the community has made tremendous strides toward realizing its stated aims. Tragically, the pace is too slow for many as witnessed by the heavy egress of population from this area to other more economically fortunate areas in recent years. It is the writer's hope that this tragic cycle of historical events may be in the nature of a warning to other areas and that they may benefit from our experience.

Historically the community of Wheeling has benefited very early from its location at the head of deepwater navigation on the Ohio River. The location of early manufacturing plants was dependent not only on water power but also on transportation facilities. Until overland routes opened up, settlers for the most part kept to the rivers, and it was on these rivers that the first small manufacturing plants were to be found. As the westward movement gained momentum chiefly through the construction of overland routes, key cities on the route such as Wheeling were given a start toward industrial life.

Largely at the insistence of Albert Gallatin, in his famous report on internal improvements—at the expense of the Federal Government—the Congress authorized (on Mar. 29, 1806), the building of a road known as the Cumberland Road or National Road. It was completed to Wheeling, W. Va., in 1818. Basically it was a portage trail from the Potomac River at Cumberland through southwest Pennsylvania to Wheeling traversing a distance of 130 miles. At Wheeling much of the freight took to flatboats and continued down the Ohio River. The road was later completed to Vandalia, Ill., and its 834 miles provided the chief route for the settlers going west. This double advantage of being at the head of deepwater and being at the terminus of the National Pike provided unparalled economic advantages for the location of infant industries. By 1832 a thriving industrial economy was in the making. Pottery, calico, glass, rope making, as well as tobacco products, particularly the lower priced cigars called "stogies" for "conestogas" were some of the industries which thrived. Earlier coal and limestone deposits were discovered which set the stage for the development of the iron industry and which eventually made it internationally famous as the "Nail City" and later the "Steel City."

By 1900 Wheeling was a thriving old established industrial community. During the period from 1900 to 1926 were sown the seeds of a slow economic erosion possibly because existing economic interests did not want competition or because the rich had become complacent and possibly lacked many of the more sterling qualities of their forebears. By 1926 the eastern Ohio coalfields were depleted. As a result, it has been estimated that this caused payrolls to fall from $60 million to $15 million. It readily became apparent that something had to be done to help the distressed community. The plea was heard when a group of civic minded merchants formed the Ohio Valley Industrial Corp., and by 1931 raised $500,000 for the purpose of buying industrial land sites and helping distressed industries. In 1934, at the depth of the depression, the industrial development program came to an abrupt end.

During the war years the city did not attract large scale war factories and by 1947 it was again apparent that efforts were necessary to revive the economy. In 1948 the Ohio Valley Industrial Corp. was reactivated with one-half of the organizational expenses being borne by the Wheeling Steel Corp., the dominant employer in the area.

Mr. Robert Rownd was the executive director, and under his leadership an energetic campaign was launched to attract new industrial plants; however, new plants needed vast acres of land—something Wheeling did not have to offer. Ohio County's density figure—669.8—is the highest in the State of West Virginia. Thus the viewpoint developed that area development must encompass the entire metropolitan area and not only the city of Wheeling. Over a period of time, Rownd and the OVIC were able to attract several sizable plants to the immediate valley area and one new industrial plant located in the city itself.

In the post World War II years it readily became apparent that efforts had to be launched to develop civic pride which had sunk to a distressingly low point. However, the time was not yet ripe for a concerted drive on such major problems as smoke control, housing, planning, parking, and slum clearance. Not until 1950 was the necessary drive and energy forthcoming to launch an assault on these community sore spots. It was at that time that the Wheeling Civitan Club sponsored a 6-month series of programs delving into all phases of the city's problems. From these discussions evolved an idea later developed by the Wheeling Civic Clubs Association—an organization of representatives of all existing civic and service clubs in town.

These representatives met monthly to discuss and develop current community projects and problems. From these discussions evolved the Wheeling Area Conference on Community Development, whose organizational structure was patterned after the Allegheny Conference on Community Development which sparked so dramatically Pittsburgh's spectacular renaissance.

Quickly $80,000 was raised for organizational purposes. Monthly luncheons were held at which time current and pressing problems were discussed. Expert opinion was solicited and field trips to other cities having similar problems were conducted.

Standing committees included: arterial highways, cooperation with civic organizations, cooperation with governmental units, community improvement, finance, housing and development, legal advisory, parking and traffic, public relations, schools and education, and ways and means.

The first major project on the agenda of the conference was that of smoke control, and this project resulted in a model air pollution control ordinance passed by city council in February of 1955.

Shortly after its founding the realization was forthcoming that a plan prepared by experts was necessary for long-range planning and growth.

In the year 1956, through a contribution of $40,000, the Wheeling Area Conference hired a private consultant, Mr. Francis Dodd McHugh, to submit portions of a comprehensive community plan to the city. Mr. McHugh prepared and submitted for consideration to city officials, two plans: Land use and thoroughfare; two studies: Land utilization and natural resources and economic population; and two regulatory measures: Zoning and subdivision regulations. These plans submitted by Mr. McHugh were never adopted by city council, but have since served as a foundation and guideline that has promoted the efforts of the Wheeling Planning Commission toward a better community.

Wheeling has a nonpartisan city manager-city council form of government. Councilmen are elected at large from 11 city wards. A mayor is selected from this group of councilmen and he presides at council meetings. The mayor has no administrative powers. City council appoints a city manager who directs the administrative end of city government. Council is a legislative body.

Because of the area conference activity in the field of city planning, Wheeling's Planning Commission was revived and became an active, functioning body. For the first time it was provided with a regular annual budget and a staff to carry on the work as initiated by the McHugh studies.

Utilizing Mr. McHugh's material as a basis to start with, the planning commission undertook the job of revising his plans in order to give the city a comprehensive community plan that entails four basic plans and two regulatory measures, which are:

Plans: Land use, thoroughfare, community facilities, and public improvements.

Regulatory measures: Zoning and subdivision.

The planning commission has since completed and city council adopted the land use plan of 1980 and subdivision regulations as well as the community facilities plan and the public improvement plan. Also before council for their consideration is the thoroughfare plan adopted by the planning commission on February 15, 1961.

At present, the planning commission is working toward the revision of the present zoning ordinance, soon to be submitted to council for their consideration.

To give a clearer understanding of the basic elements of a comprehensive community plan, the following explanations are offered:

PLANS

Land use

The land use plan is the most basic and important part of the comprehensive community plan due to the fact that the remaining section of the comprehensive plan will be directed toward the accomplishment of the land use plan by the year 1980. This plan determines to a degree, based on area districts, where people will live, work, shop, and play, by designating residential, industrial, commercial, and recreational areas. It is important to remember, however, as population counts are taken and the actual land use changes, this plan may be revised to meet changes, thus avoiding uneconomical and unbalanced development.

Thoroughfare plan

The thoroughfare plan is a general plan intended as a guide for the planning and construction of highways and proper development of the street circulation pattern.

Community facilities

The community facilities plan is a plan which is designed to accomplish two things: (1) To show existing facilities in the community; and (2) to revise and project these facilities in order that they may serve their intended purpose to the fullest extent.

Public improvement plan

This plan is intended to show where and how the community will acquire the financial means for any public improvement, and to construct a priority schedule for these improvements.

REGULATORY MEASURES

Zoning

Basically, zoning is the legal tool that enables a community to set up its various districts and is also the legal tool that nudges communities into proper planning. Zoning must be reasonably calculated to project the health, welfare, and safety of the public while leading to the betterment of the community. This regulatory measure is also the means and tool for accomplishment of the land-use plan.

Subdivision regulations

Subdivision regulations are necessary to promote the public safety, health and general welfare, to provide for suitable residential neighborhoods with adequate streets and utilities and appropriate building sites, to stifle unnecessary expenditures of public funds by reserving space for public lands and buildings and proper land records for the convenience of the public, and for better identification and permanent location of real estate boundaries.

Thus far, I have discussed the comprehensive community plan, and how this plan, with its elements, offers a pattern that will guide a community toward better economic development. Yet, this plan, important as it may be, is just one of seven parts of Wheeling's workable program prepared by McHugh.

To elaborate, the Housing Act of 1954 called upon all local communities to attack their urban problems by developing a local workable program. Briefly, the workable program is a community's own long-range practical guide to achieve civic facelifting, to rid itself of blighted neighborhoods, to prevent reoccurrence of urban decay, improve building and housing standards, and prepare for orderly municipal growth.

In addition, such a community blueprint, submitted and approved by the HHFA administrator in accordance with the Housing Act of 1954 and its subsequent amendments, qualifies a municipality to apply for certain major Federal assistance programs.

Under the workable program, a community agrees to work toward the attainment, within a reasonable time, of the following seven objectives:

1. Codes and ordinances.
2. A comprehensive community plan.
3. Neighborhood analysis.
4. Administrative organization.
5. Financing.
6. Housing for displaced persons.
7. Citizen participation.

Wheeling, realizing the advantages of receiving Federal aid, submitted its application to the HHFA, and in 1957 became certified as having a workable program and each year since has been recertified. It is important to note that once a community has become certified, this certification is good for 1 year only. Each year thereafter, the community must apply for recertification showing the progress they have made on the attainment of the seven elements. If the HHFA after examination of the application for recertification feels the community has not substantially progressed toward the attainment of the seven elements, the community is then no longer eligible for Federal assistance.

Earlier in 1954 a committee of the Wheeling Area Conference known as the community improvement committee and headed by Robert L. Levenson, saw the need for slum clearance in Wheeling. At the urging of this committee, city council created an urban redevelopment authority. Four members of the area conference committee were appointed to serve on this authority.

With no funds from any source the authority began the task of preparing a survey and planning application for a redevelopment project in what is known as Center Wheeling. After months of labor the application was filed with the Housing and Home Finance Agency under title I of the Housing Act of 1949.

Shortly after, the HHFA approved the application and $75,000 in planning funds. A capital grant reservation for nearly a half million dollars was reserved at that time by the Federal Government for the Wheeling project. This was the first such application in the United States prepared by nonprofessional, private citizens, which won approval of the HHFA.

In 1954 the 1949 act was amended by Congress to bring forth the new idea of urban renewal. The Wheeling authority prepared necessary State legislation and followed it through the West Virginia State Legislature.

When planning was completed on the Center Wheeling project it was determined that this particular blighted area be redeveloped for use as a light industrial park to aid the city's economic base. The HHFA approved the plans in 1957 and reserved a new capital grant totaling nearly a million dollars.

In order to raise the city's share of the project cost—a half million dollars—a 3-year special levy was proposed. Twice the levy was presented to the voters but each time the referendum failed.

It was because of the work of this authority in pressing for urban renewal that the city gained other benefits. The planning commission was revived. A master plan was drawn by professional planners with the cost borne by the area conference. Numerous new codes relating to housing conservation were adopted and a workable program prepared for the city.

After the two levy defeats, members of the authority resigned so that city council would have a free hand in determining a new course of action. New members were appointed to the authority and the planning commission staff aided in revising the original Center Wheeling project.

The downtown Wheeling associates inspired by the administrative lead and after consulting with the new authority, requested council to raise the gross sales tax a sufficient amount to raise $180,000 for urban renewal. The $180,000 plus the city's noncash grants-in-aid provided the necessary financing for the project.

At present, the part I application has been approved, the public hearing is scheduled for May 1961 (no voting by the public will be necessary) and part II loan and grant is being developed. The acquisition and clearance of property is expected to be underway this summer.

Traffic and parking conditions in the city of Wheeling have been improved as a direct result of studies made by a committee of the Wheeling Area Conference. The Wharf Parking Garage is an outstanding example of activity by this committee.

Industrial development is a comparatively recent venture of the Wheeling Area Conference—with a committee established to perform this important phase of overall area development. The preparation of the voluminous data necessary to the success of this activity is a continuing one performed by the conference staff.

In February of 1960, the Ohio Valley Board of Trade was absorbed into the Wheeling Area Conference and the normal chamber of commerce type functions are now performed under the aegis of the trade and commerce committee of the conference.

I would be remiss in my duties as a reporter if I did not cite the many organizations and their consequent contributions toward improving the moral, economic, social, and cultural climate.

CIVITAN CLUB

I have already mentioned the heroic efforts of the Wheeling Civitan Club in sparking the Wheeling Area Conference on Community Development. Many Civitans served on the sponsoring committee of this new organization and on the working committees playing a leading role in pushing through conference projects.

At least three members of the Civitan Club were cited as "Citizens of the Month" individually by the junior chamber of commerce for work on behalf of the community.

Several years ago the club sponsored a downtown improvement award designed to stimulate the rebuilding of downtown properties. Since that time a total of 37 business firms in the central business district have received the cherished award.

In the early postwar period the club sponsored several meetings with State officials which resulted in the construction of the new four-lane Fort Henry Bridge spanning the Ohio River at Wheeling.

Other projects participated in by the Civitan Club include support of a revised city charter, a hearing testing program for all students in Ohio County schools and for many years an annual Christmas party for the area's needy children.

WHEELING COLLEGE

This city's educational picture was enhanced greatly when the new Wheeling College opened its doors for the first time in the fall of 1955. This multimillion dollar coeducational college is operated by the Jesuit Fathers. It is the only college operating within the city limits. Since that time the college has made a lasting imprint on the social, educational, and economic fabric of the community. In 1957, the college sponsored a highly successful 2-month long seminar on community planning problems. In 1959 and in 1960, the conferences were repeated for planning commissioners, municipal officials, and interested citizens.

Currently the senior research seminar for economics majors at Wheeling College is devoted to problems of area research. Students typically choose a subject from a list of suggested topics offered by the Small Business Administration or by interested Wheeling area groups. In addition, each student enjoys some measure of direction by an expert located in the community.

The department of chemistry has undertaken a program to upgrade science teaching in the upper Ohio Valley culminating in a National Science Foundation Workshop. The department has also sponsored a "Chemistry for Industry" series of lectures this past year.

Several members of the faculty have participated in management-development seminars held over the years and one member is serving as a public member on a labor arbitration board.

Over the years the college has been a meeting place for the Ohio Valley Air Pollution Council which itself is served by two members of the faculty.

BETHANY COLLEGE

Under a grant from the Upper Ohio Valley Development Council, Inc., senior economics students have conducted a survey of the reasons for ingress and egress of plants in the upper Ohio Valley.

Bethany College, in cooperation with the Ford Fund for Adult Education, has carried out a community leadership development program.

WHEELING JAYCEES

This organization has attempted to remedy the acute juvenile delinquency problem by promoting projects geared to the youth of the area—mostly in the nature of sports competition.

They were instrumental in changing the name of the city from that of the Power City to the one selected, the Friendly City. They are currently engaged in promoting and managing a city-county "Cleanup campaign." They also contemplate the printing of a monthly tourist guide for distribution by gas stations, hotels, restaurants, and motels. Also in the planning stage is a proposal for tax reform for the city and State. In order to enhance citizen-participation in civic matters, they have sponsored a "Citizen of the Month" program. At the end of each year a banquet is held in honor of these 12 citizens and 1 is selected as the most outstanding of the year.

The Jaycees have furthermore offered their assistance in raising the necessary funds in order to achieve fire safety in the area schools. They also have membership on the committee checking the feasibility of a consolidated high school for the community.

WEST VIRGINIA DEPARTMENT OF EMPLOYMENT SECURITY

The local office of the West Virginia Department of Employment Security in Wheeling is one of five local offices in West Virginia participating in the more than 100-office network for professional clearance services. Inventories from 50 States are received every 2 weeks, listing all the job openings for professional and clerical workers from outside their local area.

Recently students have been selected by the local office for the area vocational training program. This training program was made available by the passage of house bill 7 by the State legislature early in 1960. Mr. Roy Potter, principal, McKinley Vocational High School, is the coordinator for the area vocational training program. The purpose of this program is to assist individuals, who are not gainfully employed, in acquiring the essential skills and related information necessary for entrance into a recognized occupation, to provide training and retraining programs for all adults who need the essential skills and related information necessary for entrance or advancement in a recognized occupation, and to provide a reservoir of trained individuals to satisfy the community or area employment needs. The first class, which trained workers for pressers in the drycleaning industry, was completed in March 1961. A class training electric appliance servicemen will be completed in June 1961, and another class will soon begin. Classes will be held soon for welders, machine operators (machine shop), cooks, and garment alteration.

Display windows in the local office have been used to advantage by local industries to display locally manufactured products. Arrangements for these displays have recently become a project of the local chapter of the Industrial Management Club of the Ohio Valley. Representing some 23 firms, the club is first giving space to member firms and will arrange for displays of other interested firms throughout the Ohio Valley.

Information is furnished regularly to the Wheeling Area Conference on Community Development regarding the skills of applicants registered at the local office. The office also furnishes information to the planning commission for the city of Wheeling and has worked with the save-a-plant committee.

Publications, pertaining to the area, are a central office function. The Labor Market Digest is a bimonthly release pertaining to employment and unemployment for the area comprised of Ohio and Marshall Counties in West Virginia and Belmont County in Ohio. With cooperation from the Bureau of Labor Statistics, it presents statistics on the size of the labor force by industry, the average hours worked, average earnings of production workers and the outlook on employment.

Money was made available in 1958 for a study of the area which, at the time, was known as the Wheeling, W. Va.-Steubenville, Ohio, metropolitan area, comprised of four counties in West Virginia (Ohio, Marshall, Brooke, and Hancock) and two counties in Ohio (Belmont and Jefferson). Released early in 1959 under the title of "Manpower Requirements and Training Needs Survey," it projected the needs, by occupations, for both expansion and replacement to 1960 and 1963. The study included all occupations that required at least 1 year of special education, or formal training, or the equivalent in planned on-the-job training. The study was designed to stimulate local action and provide factual data for setting up inplant training programs, vocational guidance, curriculum planning in school systems, apprenticeship programs and improved methods of worker selection. Distribution was made to all participating firms, schools and interested groups. There has

been no way to measure just how much the survey has been used.

THE UPPER OHIO VALLEY DEVELOPMENT COUNCIL, INC.

The purpose of this organization which lies adjacent to the Wheeling-Bridgeport metropolitan area is to promote and advance the economic, industrial, and transportation interests of the upper Ohio Valley. Although this organization's activities are not primarily concerned with the Wheeling area, there is nevertheless an appreciable degree of economic interdependence, as well as mutual competition for new plants.

Probably the greatest contribution this organization made to the upper Ohio Valley area was engaging the Batelle Memorial Institute of Columbus, Ohio, to study the economic potentialities of this general region.

The council further assisted in having a branch of Ohio University established at Martins Ferry, as well as assisting in establishing at Ohio University a department for regional and community development guidance.

Although the council was successful in locating several medium-sized plants in its own area, it is doubtful if these actions precipitated immediate economic gains to the Wheeling area. Very little, if any, integration presently exists between the two planning groups; however, both organizations may, in the future, provide a measure of cooperation for overall regional planning.

MINISTERIAL ASSOCIATION OF WHEELING

In 1959–60 a group from the Ministerial Association of Wheeling comprised of a number of prominent Protestant clergymen waged a relentless battle against encroaching vice and gambling in the city and its environs. Although not purposefully planned in line with the aims of area development, the campaign nevertheless highlighted the fact that a community cannot hope to attract industry to an area steeped in vice. At this date it is difficult to determine the measure of success achieved by the campaign.

DOWNTOWN WHEELING ASSOCIATES, INC.

Historically, the downtown Wheeling business community had felt the absence of an organization responsive to its own needs—able to solve common problems—capable of bringing more business downtown.

In October 1959, the organization was founded and its membership includes all the major downtown retailers, many small retailers, banks, utilities—nearly everyone who has a stake in downtown Wheeling.

It aims to accelerate the growth of downtown Wheeling as the shopping center of the Wheeling region. In line with this stated aim, the organization has gone down on record as favoring urban renewal, the replacement of the antiquated Market Auditorium, by backing the referendum of "liquor by the drink."

The special events committee of the DWA has engaged in such community services as bringing to the people "Main Street U.S.A.," organizing Fourth of July fireworks, and most recently promoting Wheeling's 125th anniversary.

Although the board of directors is the controlling and guiding force of DWA, a great deal of work is performed through the following committees:

Beautification committee: Recent action in the State, county, and city cleanup campaign.

Executive committee: Acts as a steering committee for the board of directors.

Sales events committee: Organizes and supervises the four sales events each year.

Special events committee: Promotes and supervises civic and community events.

Traffic committee: Promotes improvements in traffic, parking conditions, etc.

Christmas decoration committee: Supervises and plans downtown Christmas decoration.

Finance committee: Financial advisement.

Membership committee: Procure new members, contacts present members.

Civic auditorium committee: Studies feasibility and plans for a civic auditorium.

Communication committee: Contacts all members via newsletter, telephone, etc.

Probably the greatest service rendered by the DWA to the city was their activity in regard to urban renewal. Ever since the voters of Wheeling, for the second time, turned down a special 3-year urban renewal levy, city authorities have been casting about for ways and means of salvaging the Center Wheeling project and the million-dollar Federal grant earmarked for it in the original plan.

The grant had been kept alive on a conditional basis pending the exploration here of other means of financing the local share. The final determination was that, through a combination of money and services, Wheeling could qualify by raising approximately $60,000 a year over a 3-year span.

But raising the money remained the stumbling block. Beset with many other demands, city council could not absorb this amount in the regular budget and still meet essential service requirements without raising the public tax bill, a step which council hesitated to take in view of the voter rejection of a special levy. So with the deadline for action approaching, it appeared that Wheeling had lost its final opportunity to win an important improvement for the city.

It was into this branch that the merchants stepped. Speaking through their organization, the Downtown Wheeling Associates, they formally petitioned council to increase the gross sales tax, to which they are major contributors, by an amount sufficient to raise the urban renewal funds.

DWA has sought to locate so-called ghost owners of run-down buildings and urged them to make repairs to the community eye sores. Furthermore, the DWA has striven toward the total removing of these buildings which have outlived their usefulness. In this they have been aided through a revived municipal building enforcement agency. DWA has given full support and cooperation to highway officials in pushing through to completion Interstate 70, a new State Route 2 through the northern panhandle, and all other highways that provide for ingress to and egress out of the heart of the city. The DWA is also studying an old proposal for a convention hall and a sports arena for the city.

VOLUNTEERS FOR BETTER SCHOOLS

In May 1959, a bond issue for a new high school was defeated by the electorate of Ohio County. In May 1960, the electorate defeated a special levy for the correction of fire hazards existing in the public schools. Faced with the threat that some schools would be closed if these conditions were not corrected, a small group of citizens met early in June to discuss what they felt was now a critical situation. After a few meetings, the group realized that in addition to the fire hazards, many problems confronted the school system. A larger group, more widely representative of the county and the Greater Wheeling area, was soon called together to organize under the name of "Volunteers for Better Schools."

The organization had six programs during this first year, dealing with background material necessary for the basic orientation of the VBS.

To date, three reports have been accepted by the organization and sent to the proper officials with recommendations that they be most thoughtfully considered. The first was the report on fire hazards. Copies of the report on merit rating were sent to the superintendent of schools and to the board of education with the recommendation that such a plan be considered whenever feasible. Copies of the report on secondary curriculum and consolidation of the five county high schools were sent to the board of education, the superintendent of schools and the citizens advisory committee, a group recently appointed by the board of education for the purpose of studying the feasibility of high school consolidation.

The group plans to look into such subjects as school financing and administration and to encourage qualified citizens to run for the school board. It intends to present programs to service groups and others interested in the public school system and is considering sponsoring public meetings with speakers of prominence in various fields of education. The organization realizes that this is a continuing program, but also that an informed citizenry means a progressive community.

The membership at present numbers 80 citizens whose contracts reach into every segment of the county population. It seemed significant that many members of VBS are not native West Virginians and have not been in the Wheeling area very long. It is typical of these young professionals and business men to bring to a community an objectivity and vitality that creates a more progressive spirit. When these people joined with the intelligent, forward-looking members from all walks of the permanent county population, VBS had every reason to believe that its potential could overcome the general public apathy.

SANITARY BOARD

In line with the eight State compact calling for the States bordering the Ohio River to eradicate stream pollution, city council established the sanitary board. Beginning in 1954, four bond issues were floated totaling $7½ million—the proceeds of which established a new filtration plant. The plant, just recently completed, utilizes the new Zimmerman process which completely eliminates sludge, and thus provides the city with the most modern method for the elimination of sewage and yet at the same time contributes to stream purification.

PUBLIC FACILITY PROJECTS

Recently a new city-county building rose in the heart of the downtown business district, as a result of an approval of a special levy by the citizenry. The building was long overdue in that the old city-county building, which twice served as the State capitol was beyond repair. A 1940 bond issue provided for $720,099.99 but this was hardly enough and taxpayers approved a 3-year levy to raise additional funds to insure construction.

During the past several years an extensive building program has been in process at famed Oglebay Park, one of the city's two municipal parks. Here in this beautiful 1,000 acre park one may enjoy such facilities as an 18-hole golf course, tennis courts, swimming pool, and a lake for boating and fishing. In addition Oglebay Institute maintains a cultural and educational programs. The building program provides for the construction of a four-unit park lodge. Unit one provided for a 57-unit sleeping wing; unit two includes a lobby, general dining room, offices and kitchen. Unit three now under construction will be a multiple use auditorium for conventions, banquets, plays, and other community events. Unit 4 now complete provides an additional sleeping wing of 47 rooms.

Recently the Wheeling Electric Co. removed its overhead powerlines in the downtown business district and placed them underground at a cost of $1,800,000.

The Chesapeake & Potomac Telephone Co. of West Virginia recently spent millions of dollars in converting to the dial system.

Probably the most significant demonstration of civic alertness and responsibility was demonstrated in 1954 when the directors of the Ohio Valley General Hospital in Wheeling launched a drive to expand facilities.

The Hill-Burton Act provided Federal funds to finance a portion of the planned expansion but additional money was needed.

A call went out for citywide help. Thousands of volunteer campaign workers responded, eagerly ringing doorbells and making speeches. Within 3 months' time the goal had been topped. Subscriptions totaled $1,911,638.27. An additional 150 beds have been added to the hospital while the total project, costing $6 million, includes a new south building with facilities for chronic, maternity, and psychiatric patient care and a new east wing for pathology, radiology, and surgery. The old building was remodeled giving additional facilities for medical and surgical patients.

UNION-MANAGEMENT COOPERATION

Labor leaders in the area generally feel that they have not been assigned the place in economic redevelopment which should rightfully be theirs. They feel that they have been frozen out of the picture. It is true that they were invited to participate as individual citizens—to this invitation they responded, but they were disappointed when no labor leader was appointed to any meaningful committee. Furthermore, there is a great deal of sentiment on their part for the formation of a labor subcommittee within the framework of one of the existing committees, or in some new organization which would avail itself of their potential.

The above statements do not infer that labor organizations did not take an active interest in the developments of the last several years. Quite the contrary—urban renewal, for instance, received the endorsement of the Ohio Valley labor assembly. Labor, furthermore, worked very closely with Rownd and the old Ohio Valley Industrial Corporation.

Labor leaders generally feel that labor's image in the valley is not what they would like it to be, but they hastily point out that a great deal of misinformation and misquotation, and careless reporting have been spoon-fed to the general public. A particular case in point was the Sav-a-Plant movement which originated after the Wheeling Steel Corp. decided to sell its Ackermann Steel plant. The general public was led to believe that high wage rates were the reason for the shutdown. A study by the union's national research staff showed that wages were actually lower here than in its present location and that freight rates were the prohibiting factor toward further location in this area.

The charge has also been made that Wheeling has historically been a "strike happy" town. Union leaders point to the fact that only three major strikes occurred (in basic industry) in the last 10 years, and that the steel union has had contracts with many employers in the valley characterized by the fact that there has never been a day lost because of strikes.

The concept of poor labor relations is further weakened when one realizes that the National Planning Association in its monumental study, "The Causes of Industrial Peace Under Collective Bargaining," had originally chosen one of Wheeling's industries for a case study depicting an industry wherein good labor relations exist.

As a further example of union cooperation, the steel union has at times permitted distressed industries to pay wages below the basic wage formula in the hopes that the industry would eventually reach a competitive position.

One large craft union even goes so far as to solve all problems that have reached an impasse (including wage negotiation) to an arbitration committee.

CITIZENS' VOLUNTARY ACTION COMMITTEE

This organization, the latest to arrive on the scene, is now in its organizational stage. The group holds that Wheeling is losing its factories and its payrolls because the factories are out of date, obsolete, high cost, which prevent a company from making an adequate profit in today's competitive industrial world.

The CVAC is being formed by local businessmen who will attempt to raise money through its "buck a month" campaign. Each member asks his employees to contribute a dollar a month to a fund for the purpose of attracting new industries and new payrolls. The employer in turn agrees to match this money dollar for dollar.

Specifically, the money would be used to erect "shell plants" suitable for any industry; to acquire the land; to seek out new employers; to encourage new plants; even including "home grown" industries. Here we have the beginning of a development credit corporation so successful in other areas. A valuable byproduct is the opportunity it gives people in the community to participate in plant financing. In other successful areas this has been interpreted by industry as a favorable community attitude toward industry.

CONCLUSIONS

Without a doubt the community has made great strides in realizing some of its objectives; however, a great deal yet remains to be accomplished before eventual success materializes—that of persuading plants to locate in the area. The community has attempted to get the facts—surveys of areas where improvement is needed have been made, and steps have been taken toward remedial action; an inventory of the resources in materials and people has been made, and means of arousing public interest have been explored. There are certain areas, however, that might bear further scrutiny by the community's leaders and these are listed below.

With industrial landsites in such short supply, every effort should be made to extend planning to and beyond the perimeter of the city with options taken on all available industrial landsites. It would be regrettable for private individuals rather than society to realize sizable amounts of economic rent in the years ahead.

Serious thought and study should be given to the passage of a local wage and income tax to gain revenue in order to provide more services. Low taxes have actually, in the past, been a deterrent to ingress of plants. In the final analysis it is not only taxes but services which are important.

Every effort must be exerted to improve the image of good labor-management relations. Labor must be given the opportunity to participate in more planning and to have generally a louder voice in the deliberations affecting the economic well-being of the community.

Perhaps too little attention has been given to the teachers at all levels in the community—a business-education day devoted to industrial plant tours and basic orientation to community problems might be a step in the right direction.

Perhaps greater study devoted to such meaningful areas as product diversification, skill survey of the unemployed, buyers of finished products, sellers of raw materials to our industrial complex, the concept of an industrial park, growth industries, etc.

But what is most urgently needed to cure the disease is skill and leadership. This is a case for the professionals—for the private organizations and trained personnel who are versed in the economics of location. If existing private organizations are not sufficiently resourceful to do the job they should be supplemented by experts.

Equally important is the ability to communicate, to explain, and to consult. Care must be taken to inform the public of every step and provide opportunities for everyone to share in the planning and work. Community spirit will be alive only when educators, welfare agencies, religious leaders, and service clubs discuss the area's needs with one another.

Mr. DERWINSKI. Mr. Speaker, as I discuss this subject this afternoon, I have no knowledge whatever as to the political philosophy of Professor Hartung. For all I know, he may be a militant member of the Democratic Party. My purpose in calling this to your attention is to emphasize the nonpolitical approach that we Republican Members of the House are developing in the presentation of Operation Employment.

My associate in this project, the distinguished gentleman from Pennsylvania, has told you the story of Lackawanna County, his home area. As I have just indicated, Professor Hartung has given us the story of Wheeling, W. Va. In my remarks to you, I use a fine community in my district—Chicago Heights, Ill.—as an example of effective community effort in meeting this challenge of unemployment.

In each instance of unemployment, you will find that a community's problems, its program, and its degree of success, vary. This is natural, and in fact, it is our desire to emphasize the tremendous flexibility and imagination that must be used by local communities in solving their unemployment problems since conditions obviously change throughout the country, affected as they are by local geographic conditions, type of population, size of the community, and the other factors which become readily apparent.

We feel it is our obligation to repeatedly call to your attention the need to emphasize various approaches for the creation of jobs in our free enterprise economy. Others who will participate in this program will literally cover the waterfront in pointing out failures, as well as accomplishments; the pitfalls as well as the tremendous future, of our dynamic American economy.

I personally feel that in addition to the detailed statistics, analyses, and constructive suggestions and criticisms that we and other congressional teams in this Republican operation are providing, there are two main ingredients necessary for our Nation to achieve the greatest possible success which is capable in our free enterprise system.

These ingredients are confidence in and appreciation of the virtues of our way of life.

Confidence is absolutely necessary to provide the inspiration and vigor needed to overcome temporary roadblocks and difficulties, and to bolster us under conditions of great frustration or temporary disappointment.

Appreciation for the historic fact that under our system, we have achieved the highest economic standard of any nation known to man, and our living standards

have been developed under a system of government which has placed maximum emphasis on freedom and the rights of the individual, in contrast to the restrictions that are placed on individuals under socialistic and communistic forms of government.

Mr. Speaker, now may I specifically direct my comments to the city of Chicago Heights, Ill., located in the southernmost section of Cook County, 10 miles from the Chicago city limits, and 25 miles from the center of Chicago.

I will relate the accomplishments whereby a tremendous increase in employment, thousands of new residents, stimulation to the homebuilding industry—all resulted from this effective community effort.

In 1953, a small but determined group of Chicago Heights industrialists, business, and financial men and a newspaper publisher held a number of meetings with the thought of establishing an organization to promote the industrial and commercial development of the Chicago Heights area. As a result of this effort the Committee for Chicago Heights was organized at a meeting on January 12, 1954. The purpose of the organization as stated in its charter is "To promote, foster, and encourage the industrial, commercial, civic, educational, and cultural betterment and improvement of the city of Chicago Heights; to create and maintain a compact, representative, and centralized agency for concerted action upon all matters affecting the betterment of conditions and the general welfare of Chicago Heights."

Early emphasis was put on industrial development in an effort to balance the growing commercial and residential growth of the community.

It soon developed that it was not a one organization job so the cooperation of the local governmental bodies was solicited and secured, including city administration, planning commission, board of zoning appeals, sanitary district, elementary and high school, district boards of education, and park district.

Cooperation was also obtained from local nongovernmental organizations including board of realtors, manufacturer's association of Chicago Heights, and newspaper, and radio stations.

Later it developed that help would be needed from organizations outside of Chicago Heights and cooperation was obtained from the industrial development department of railroads serving Chicago Heights, especially the Chicago & Eastern Illinois Railroad who owned considerable of the land in the area which was desirable for industrial development; the industrial development departments of the electric, gas, and telephone utilities serving Chicago Heights; Industrial Development Division of The Chicago Association of Commerce and Industry; and Chicago Chapter of the Society of Industrial Realtors.

All information on industrial development available was secured from Office of Area Development, U.S. Department of Commerce; Illinois Division of Industrial Planning and Development; American Industrial Development Council; Great Lakes States Industrial Development Council.

In 1956, a brochure listing all available industrial buildings and/or land in the Chicago Heights area was prepared and placed in the hands of the industrial development departments of the railroads and utilities serving the area, industrial realtors, factory locating services, and so forth. This industrial brochure was completely revised in 1960 and is kept up to date as buildings and/or land are sold or rented and new buildings and land come on the market.

Some of the work of the committee has, of necessity, been defensive. Soon after the committee was organized in 1954 a building material supply company optioned a tract of land just east of Chicago Heights for a stone quarry.

The committee felt that this development would not only ruin the site but the area for industrial development and initiated a campaign that resulted in the company abandoning the project. Today the Ford Motor Co. Stamping Plant stands on the site originally proposed for the stone quarry and gives employment to 3,500 to 4,000 people with a yearly payroll of approximately $25 million.

In 1959 the committee in cooperation with their local manufacturers association appeared before many hearings of the Cook County Zoning Board of Appeals during the rezoning of the unincorporated areas of Cook County to assure that the proper amount of land was zoned for industrial development to protect it from commercial and residential encroachment and to insure performance standards for industry that were workable and livable.

Early in the work of the committee it developed that industrialists in the Chicago area seeking new plant locations looked on Chicago Heights as a good place to work but not a good place to live. New plants were being located in the area west and northwest of Chicago primarily so that the executives could live along the north shore and drive to their plant in 10 to 15 minutes. In an effort to show that Chicago Heights was a good place to live and play, as well as work, the committee initiated a program to sell what they called gracious living which culminated in "Culturama," a 2-month program in May and June 1958 to highlight the cultural side of the community.

The committee has followed the policy from the beginning of telling industrial prospects facts about the community and not hopes and false promises. No gimmicks have been offered any prospect in the way of tax abatements, free land, or subsidization of any kind.

As a corollary to their work on industrial development, the committee has worked to improve the civic, commercial, educational, and cultural development of Chicago Heights in order to have a better product to offer industry interested in new plant locations or relocations. The committee has worked constantly to improve the industrial climate of Chicago Heights and while it is not perfect and probably never will be, it feels that it can demonstrate that it is good.

All of the work and results of the committee's activities have been accomplished with funds subscribed by industry, business, and the professional men of the community. Not one cent of subsidy from Federal, State, or local sources has been solicited or received.

What are the results of the community's effort to secure new industry, spearheaded by the Committee for Chicago Heights? In round figures, in 7½ years the 23 new industries and the 12 expansions of existing plants have created 6,000 new jobs and added $30 million in additional annual payroll and close to $1 million in new tax income to the taxing bodies in the area. The resulting benefits to the economy of Chicago Heights is self-evident.

Mr. Speaker, certainly this story of Chicago Heights reminds us of an old adage that "success is 10 percent inspiration and 90 percent perspiration." The community leaders and the people of Chicago Heights proved that they can expand, improve, and advance their own community to the benefit of all its segments, and are an outstanding example that other communities, not only in Illinois but throughout the Nation, might well follow.

Many unemployment problems can effectively be solved by local community actions, primarily since local civic leaders have the awareness of the community's needs, its potential, the skill of its employable members, and the inspiration and dedication to maintain the individual areas in which they work and live.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. SCRANTON. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. One point I would like to make. In the determination of this one aspect of this study, which is primarily at this point demonstrating what specifically has been done at the local level, an article appeared in Fortune magazine this month, the title of which I like very much—"The Hard Realities of Retraining." In even identifying the problem that exists in this area of unemployment the emphasis is affirmative, because technological advancement creates more jobs than it creates obsolete skills and jobs, and the obvious answer is to match the obsolete skills and the people who have those skills with the jobs that have been newly created.

But identifying a problem is only the very beginning of the job. Hard realities are involved in this problem of technological growth. We shall send to all Members a list of how we have scheduled these talks and these papers that we shall put in the RECORD. They will cover various aspects of this problem, and as soon as this list is firmed up a little more we shall put it in the RECORD so that Members may follow it.

Again, Mr. Speaker, I want to compliment the gentleman from Pennsylvania on this kickoff of this discussion on the very many facets of this problem of employment in our dynamic economy.

Mr. SCRANTON. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I ask unanimous consent that all Members who participated in this discussion have permission to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMITTEE ON AGRICULTURE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture have until midnight Saturday to file reports on H.R. 8230 and S. 2197.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

STAND FIRM IN BERLIN

The SPEAKER pro tempore (Mr. SISK). Under previous order of the House, the gentleman from Ohio [Mr. COOK] is recognized for 30 minutes.

Mr. COOK. Mr. Speaker, World War II, the greatest catastrophe in history, was brought about through the aggressive tactics of a Nazi dictator. This holocaust cost the lives of many of the finest men in this Nation and other nations. In addition to the military casualties, thousands upon thousands of civilians were killed and maimed in most of the leading countries of the world. Fortunately, we in the United States were spared an attack on our homeland.

I do not need to dwell on the horrors of World War II, on the slaughter of men, women, and children, on the destruction of billions of dollars' worth of property, and the like. I recall it only to ask, What have we learned from World War II?

Those of us in our forties or older can remember when Franklin Delano Roosevelt warned that Japan should be quarantined after it invaded the Asian mainland in the thirties, but he was then termed a "warmonger." We recall the futile efforts of the League of Nations to slap the wrist of Mussolini when he brought his Fascist black shirts in to spread gas and terror in primitive Ethiopia. We can recall, perhaps even more vividly, that there were people who thought that Hitler himself could be placated when he marched into the Rhineland, or when he absorbed Austria and Czechoslovakia.

But these power-mad nations were not satisfied; their thirst was unquenchable.

Now, today, are there any among us who really believed that Premier Khrushchev will ever be appeased unless communism engulfs the world?

Have you ever wondered, as I have, what the world history books will say about the 1950's and 1960's, in, say, 10, 20, or 30 years? They cannot help but record the strains and crises that have taken place between the Soviet Union and the United States and its allies ever since the end of World War II.

Recent developments cited would include the U–2 incident and the resulting Powers trial, the Communist gains in Laos, and, within recent weeks, the pact between the Soviet Union and North Korea, and the announcement by Khrushchev of his determination to sign a separate peace treaty with East Germany which, presumably, will precipitate a Berlin crisis.

Despite the fact that Khrushchev followed up on this by announcing that Soviet military forces are now not going to be reduced any further, nations within gunshot—France and Britain—have announced through their strong leaders, President de Gaulle and Prime Minister Macmillan, that the allies will stand firm in West Berlin. West German Chancellor Adenauer and West Berlin Mayor Brandt have also called for firmness.

There are few subjects on which Americans are so nearly unanimous—the need for standing firm is shared by almost every thinking person. To be honest, some of them, perhaps, have not fully evaluated the consequences of a nuclear war. Others have made this evaluation and say that even if it does increase the risk of world war III and all that this implies, they are willing to take the risk.

My position is this: I think by making it clear that we will stand firm in Berlin it will reduce—not increase—the dangers of all-out nuclear war. I feel that this is comparable in fact to the possibilities that slipped away from us to stop World War II before it began by taking a firm stand on the early aggressions of Japan, Italy, and Germany.

Some may argue that this is not "early aggression" on the part of the Soviets; that it is, instead, one of a long series of aggressive actions. That certainly is true; there have been more examples of aggression than we like to think about.

But, remember, we have stopped Communist aggression in various places by taking affirmative action.

I am convinced that the success of our Marshall plan and our point 4 programs after World War II saved many countries, including Italy and France, from falling under the Communists. We need an intelligent foreign-aid program today for similar reasons.

While no American is completely satisfied with the outcome of the Korean conflict, we did succeed in accomplishing what we started out to do. We drove the Communist invaders out of South Korea.

In other places we did not act.

When the Hungarian debacle occurred we were invited to assist the Hungarians but we did not respond. More recently we witnessed a sad spectacle just off our own shoreline—we saw the vicious Fascist dictatorship in Cuba fall only to be replaced by a Communist police state.

In these cases we did practically nothing. We let events follow the course guided by the Communists who never just sit back and wait to see how things are going to work out.

Certainly there are many other good and bad examples that can be cited to show our successes and our failures. I have no intent here to compete with the coming white paper on the subject being prepared by the administration.

But I will briefly mention Laos. The situation here is admittedly difficult and we have been given reason to doubt whether the Laotians themselves, are really willing to fight. I have heard an explanation that except for those under hard Communist discipline, the Laotians are such a nice, pleasant, kind people that they just don't want to fight and hurt anyone.

But there is no doubt of what the people want in West Berlin. They want to be part of the free, democratic Western World. While this is true of all West Germany today, this is especially true of West Berlin.

There have been few places in the world where such a side-by-side test has been made of freedom and slavery in action. According to all reports, today West Berlin is bright, throbbing, energetic. When you pass through the Brandenburg Gate into East Berlin, it is like going into another world—it is going into another world. There is not even a traffic cop on the West Berlin side of the gate. On the eastern side there is a squad of armed soldiers; visitors are subjected to a propaganda lecture and must be prepared to produce identifying papers or passports.

There are few cars on the streets, the homes and stores are dark and dingy. Whereas West Berlin is almost completely rebuilt from the devastation of World War II, block after block of East Berlin is still in rubble, more than 15 years after the end of the European war.

But the biggest difference is the people. It is not only a matter of the citizens of West Berlin being better fed and better clothed, they have a sparkle in their eyes, a briskness in their walk, and an effervescent spirit that is utterly lacking in East Berlin. They have tasted freedom, enjoy it, and intend to keep it.

East Berliners, by startling contrast, have a glum, down-in-the-mouth, hangdog look. What better evidence of their feeling is there than the fact that they daily defy Soviet authorities and flee into West Berlin? And this is only part of the story. Berlin is the hole in the Iron Curtain that provides an escape route into the West for all East Germany and Eastern Europe. This is the bone in Khrushchev's throat. Since he made his provocative statements, the flights to freedom have been stepped up. Naturally West Berlin cannot absorb them all and they are being flown to other parts of West Germany.

Of course we cannot control the action taken by Khrushchev. If he chooses, he can sign what he may call a peace treaty with East Germany—really with himself—and he can turn real control of the Communist section of Berlin over to East German stooges. Apparently at least part of his idea is that the United States would be forced to give the Soviet German puppet some de facto status by having to deal with it to arrange access routes, and so forth.

It is suggested that the access routes may be choked with redtape by East Germany and that if the United States forces its way through, the Soviet Union will defend the aggrieved German puppet.

As our President has indicated, things are apt to get much worse before they

get better. However, I do not doubt for a moment that the United States will be able to cope with any and all physical and psychological roadblocks imposed by the Soviets themselves, or by their East German puppets.

Death and taxes may be inevitable, but I am not yet convinced that war with the Soviet Union is inevitable. Certainly it is possible, some say even probable, but I say not inevitable.

My contention is that it is possible to avert war only by taking a firm stand. We are in Berlin, we have a right to be there, and the people there want us to stay. Where a prospective clash with Communist China in the days of the Korean conflict was described as the wrong war, in the wrong place, at the wrong time, with the wrong foe, I say that Berlin is the right place and this is the right time to make it clear that we are not going to back down.

I believe the Soviets are not ready for war, but every precaution should be taken. If the Commander in Chief deems it necessary to call out the Reserves, to have practice defense alerts, to evacuate cities, I am prepared to support him. These actions would have the double value of letting the Soviet Union know that we are serious and it would better prepare us for war, if war should come.

But, as I have asserted, I think that a serious show of firmness will lessen the chances of war.

Every American knows that America will, at some point, fight for its freedom. The Soviets may doubt this. If we should back down now on Berlin, we would give them all the evidence they need to be absolutely convinced that the United States of America will give up its own freedom and the freedom of the world without firing a shot. They would push and push and push. Under such conditions, war would indeed be inevitable.

It has taken the world many years to achieve the freedom and independence that now exists in so many places. We cannot, we will not, allow the Soviets to change the course of history and put out the lamps of freedom that so many noble men have strived so hard and so long to light.

SPAIN'S 25TH ANNIVERSARY OF ITS CIVIL WAR

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. ANFUSO] is recognized for 60 minutes.

Mr. ANFUSO. Mr. Speaker, we are gathered here today in this great Chamber to pay a deserving tribute to Spain on the 25th anniversary of the unity of its people following the outbreak of its civil war which began on July 18, 1936. I want to take this opportunity to salute the people of Spain who, under the capable leadership of Gen. Francisco Franco, succeeded in throwing out the forces of communism from their country after a bloody and costly civil war.

Spain today is a stanch and devoted ally of the United States. They are strongly opposed to Communist domination of their country. Their opposition is based on ideological differences, on political grounds, and on personal experiences which have left deep wounds in the hearts of the Spanish people. There may have been certain misconceptions regarding Spain during the civil war struggle. Many of us had strong reservations about its government at that time.

The situation, however, has vastly changed since then. Today we are faced with a global struggle in which our Communist adversary threatens to enslave us, to eradicate everything that civilization has achieved over these many centuries. Spain is now on our side in this great struggle to help us muster the military potential needed for the security of the free world.

Let us also recognize that General Franco has given Spain over the past quarter of a century a stable government, as well as a certain degree of economic stability. General Franco has also allowed the United States to establish important naval and air bases on its territory which, due to Spain's strategic location, enable the free world to obtain a significant military advantage in its defense effort.

I believe the time has come for us to take the sensible and the very practical step; namely, to admit Spain into the North Atlantic Treaty Organization—NATO—as a full-fledged and rightful member of the Atlantic nations. Spain could provide needed manpower to augment the forces of NATO, which are so badly outnumbered now by the Communist forces in Europe. Spain is a member of the United Nations and of other international bodies, and deserves a seat in NATO.

As we pay tribute to Spain on this historic day, let us remember that the struggle in which she first became involved 25 years ago has spread to all corners of the earth and is now our struggle as well. If we are to succeed in emerging victorious, we must have all the resources in men and materials, all the support that nations everywhere can give us. This is a must, and Spain today understands it just as we do.

On this occasion, I extend best wishes to the people of Spain and to General Franco for their successful crusade to drive communism from their country—a feat which not many nations have been able to accomplish so well and so thoroughly.

I wish to extend my congratulations also to the Spanish Ambassador in Washington, His Excellency Mariano de Yturralde, who is noted as a distinguished diplomat and statesman and is a true friend of the American people.

Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks at this point in the RECORD regarding the anniversary of Spain's Civil War.

Mr. ZABLOCKI. Mr. Speaker, I would like to associate myself with my distinguished colleagues in congratulating the Spanish nation on its efforts in combating the drive of the international Communist movement to establish a beachhead on the Iberian Peninsula.

At this critical time when the entire free world is threatened by Communist designs for world domination, it is important that we know where other nations stand in the struggle between freedom and communism. We should have no doubt where Spain stands in this respect. In the past 25 years, communism has found a determined foe in the Spanish nation. And we, on the other hand, have found a friend willing to cooperate with us in the interest of the collective security of the free world. Even though Spain was not a member of NATO, we have had for a number of years important arrangements with that country—arrangements which enabled us to build some vital bases within 750 miles of the Soviet Union and which contribute greatly to the strength and defense of the free world and of the NATO area. We have had other relations with Spain, serving the best interests and the security of the American people and of the Spanish nation. We should not forget these facts.

There are, however, bonds other than the overriding issue of survival which have existed between our people and the people of Spain for many, many years. From the time when the Spaniards made their first discoveries in the New World, to this very day, these cultural, historical and traditional bonds have contributed to the enrichment of our own heritage.

Mr. Speaker, I would like to take this opportunity to express my profound hope and wish that, through the years to come, the people of Spain may increasingly enjoy the opportunity for their own full development and material advancement. The tact, patience, and understanding shown by the Spanish Ambassador, His Excellency Mariano Yturralde Orbegoso, in matters relating to United States-Spanish relations, is contributing to this goal. I am confident that the efforts which the people of Spain are making to the cause of freedom, and the greatness which they have demonstrated in the past, will aid them in attaining the full flowering of the blessings and the heritage of free institutions.

Mr. O'NEILL. Mr. Speaker, today I join with my colleagues in the House in observing the 25th anniversary of Spain's gallant and successful fight against communism. The observance this year is particularly appropriate when we think about the Soviet campaign presently being waged against West Berlin, and it is a pleasure for me to extend to the people of Spain my congratulations on their great firmness and strength in resisting the brutality and ruthlessness which we have come to associate with the Kremlin.

Since the signing of the United States-Spanish defense treaties of 1953, the United States has invested more than $400 million in modernizing Spain's armed forces. Industrial output is rising and Spain today is recovering at an accelerating pace from the ravages of their civil war, plus the isolation endured during and after World War II.

Twenty-five years ago the Spanish people embarked upon a determined program to resist Communist aggression.

They have a shining record of achievement and their country now serves as a challenging example that communism can be halted.

Mr. O'HARA of Illinois. Mr. Speaker, on this anniversary occasion I would remark on the strong bond of friendship that unites the people of the United States with the people of Spain. This is a friendship that has for its source that time long ago when a woman in Spain, Queen Isabella, gave aid to Christopher Columbus, without whose voyage of discovery to American shores there might never have been a United States of America.

It is a sentiment of friendship that has grown during the years when men and women of Spanish blood have come to and become a part of our great American melting pot. It is a sentiment of friendship that is expressed in the warm hospitality of the Spanish people to Americans journeying to Spain and who on their return are rapturous in their acclaim of Spain itself and of the men and women and children of Spain.

In this troubled world in which we live, Spain has furnished us with bases most essential to our security. In the fight against the threat and spread of an ideology that would destroy our way of life and everything that we regard as precious, Spain has stood steadfast.

Mr. Speaker, I speak on this anniversary with a keen sense of the grief that is universal in the United States and in Spain over the recent tragical death of a daughter of Spain who became an American wife and an American mother and was admired and beloved by everyone who knew her in the home of her adoption.

Mrs. Angier Biddle Duke was of the high nobility of Spain. She represented the finest traditions of the womanhood of Spain. Her family was among the many impoverished by the devastating civil war that ended 25 years ago, and when order finally was restored and Spain started to rebuild from the wreckage she was a girl early in her teens. Her marriage to State Department's present Chief of Protocol came when Mr. Duke was Ambassador to the Central American Republic of El Salvador.

No one ever loved and served America better and more deeply than this fine daughter of Spain. When the news of the crashing of the plane in which she was riding reached us in the Congress it brought to us all who had known her a deep sense of personal grief. Her life as an American wife and an American mother, altogether too brief, added immeasurably to the bonds that unite Spain and the United States.

Mr. Speaker, I would not wish to close without extending to the new Ambassador of Spain, His Excellency Mariano Yturralde Orbegoso, the warmest greetings of the Congress and of the people of the United States.

Mr. DEROUNIAN. Mr. Speaker, it is now 25 years since Spain successfully repelled the yoke of communism and in these years the Spanish people have demonstrated in countless ways their friendship with us.

The history of Spain's devastating civil war was written by a people who fought for causes in which they believed. The scars of this terrible war remain, and the brave Spaniards still struggle to rise above them.

Spain's friendship toward us was shown during World War II when, as a neutral nation, it kept our enemy from crossing the Pyrenees Mountains, separating Spain from then-occupied France, and reaching the Mediterranean.

Today, we have important naval and air bases on Spanish soil. Because of its strategic position in Europe, this cooperation with us and this sharing of our cause is of inestimable value.

Spain has sent to the United States, as Ambassador, his Excellency Mariano Yturralde Orbegoso, who has by his every action demonstrated the friendship of his country and a sympathetic understanding of the efforts of the free world to strengthen its stand against communism.

In these last few years, during his term as American Ambassador to Spain, the Honorable John Davis Lodge contributed enormously to the relationship between our two countries as we know it today and as we face, together, the challenge of communism.

Very recently, Ambassador Lodge issued this statement: "The present excellent relations between the United States and Spain constitute one of the foundation stones of our foreign policy. Spain and the United States not only share common traditions and aspirations but are bound together in a common cause. Together we confront the relentless challenge of Communist aggression. Spain, the third largest national land area in Europe, occupies a vital strategic position south of the Pyrenees and at the gateway of the Mediterranean. Particularly as a result of the bloody and tragic Spanish Civil War, the Spanish people are firmly anti-Communist. Spain has wholeheartedly joined with the United States during the past few years in developing air and naval bases and other military facilities which are an important bastion in a dangerous world.

"The continuation of fruitful and friendly Hispano-American collaboration is of great importance to the achievement of a just and durable peace."

It is my hope that friendly relations with Spain will continue to be fruitful and I congratulate the Spanish people on this 25th anniversary of their successful crusade against communism.

Mr. FOGARTY. Mr. Speaker, it is a great pleasure for me to congratulate the distinguished Chief of State of Spain, General Francisco Franco, on the 25th anniversary of his leadership of a great people and a great country. We must never forget that General Franco and his valiant forces repelled the communistic scourge from within its borders at the supreme sacrifice of a million lives, thus bringing down upon them the never ending hatred of Moscow. I say the free world owes a continuing debt of gratitude to General Franco and the good people of Spain. Again I extend my felicitations to a great general—General Franco—a great people—a country we are proud to have as a loyal, faithful and reliable ally.

Mr. LIBONATI. Mr. Speaker, I thank the gentleman from New York [Mr. ANFUSO] for calling attention to this day the 25th anniversary of the commemoration of General Franco's expulsion of the Communists from Spain.

Several years ago I had the opportunity of visiting San Pedro near Madrid where the SAC airbase is located. I was briefed and inspected the base there. It is a revelation to one to see the great service and strength that Spain has given the NATO cause of freedom in Europe.

After all in entering a protectionary mutual agreement pact with the United States Spain abandoned her neutrality. She had remained neutral in World War II, for which we were grateful.

Spain had dealt in a significant fashion with communism and we dread to think what would have happened to Europe if Spain had become a member of the Communist bloc.

The assistance programs have not only helped to support the economy at a time of critical need but has also had a direct benefit upon the populace in increasing the availability and reliability of electric power, by irrigation, land consolidation, and other help to farmers, and by gifts of food to over 4 million needy children and adults through cantas. We must continue to help Spain in the future with adequate aid.

Spain is active in the international economic organization of nations. We expect Spain to further increase her benefits through economic development.

We Americans must never forget the role that Spain has played in taking over part of our responsibility to protect the liberty loving nations of the world.

The Russians reserve a special hatred for Spain. Each new day brings forth a continuous outpouring of invectives via radio, television, and the press contra Spain and its people. But the Spaniard has only to remember the vicious and bloody encounter during the civil war against communism, to know that only those who are really alert survive.

The Spanish nation is fortunate for having as its Ambassador to the United States the distinguished and popular, His Excellency Mariano Yturrelde Orbegoso. The estimable gentleman enjoys a powerful position among persons of influence. He is a genial and popular personage socially. Spain should be proud of his high heritage and skilled abilities in his efforts to advance the prestige of Spanish influence here.

There is a different feeling in America toward Generalissimo Bahamonde Franco since he commenced the military campaign to rid Spain of the communistic scourge—that is that the cold war brings into focus the true value of General Franco's victory in its contribution to the protection afforded the nations of Europe from communistic overthrow.

It was brought to my attention, as you have stated in your analysis, what the locations of the ports and the airfields mean in military advantages en-

joyed by the United States of America. And this is a control not only in a military sense, but a control of all of Europe in view of the fact that the Continent at that point sets back in the Atlantic and commands all of the areas including Russia which is only 750 miles from San Pedro. We realize now why Russia is so anxious to have the airdromes and the airbases demilitarized. Certainly, San Pedro stands as a spear at the throbbing throat of Russian activity and at the vitals of the Russian manufacturing and production centers. The gentleman from New York is to be congratulated because of the fact that very few people have ever analyzed the civil war as you have done—to consider all of its consistencies as well as its inconsistencies. Very few have made such a keen study of the alinement of political parties and patriots in Spain. The gentleman, of course, realizes the negative effect of our ordering our ships and sealing them off against the ports of Spain for 10 years which added to their misery and to their poverty. The Communist leaders fled from Spain after the civil war and during the civil war and absconded with some $550 million in gold. They brought that gold to Russia. The wonderful women of Spain by public subscription sent their jewels to the Government for the purpose of establishing a treasury so that Spain could carry on its international commerce. Now this great spirit has been inculcated in these fine and wonderful people with a deep sense of religious belief and a strong spiritual attitude. Now we see the benefit we are getting as a result of the establishment of bases that were to control our destiny and the destiny of Europe and the freedom-loving nations. What great losses we would have suffered if the situation were otherwise. I congratulate the President of the United States and our late Secretary of State, Mr. Dulles—God bless his soul—for their comments relative to the strength contributed by Spain to the common cause of liberty-loving nations. I congratulate the gentleman from New York on this day for the thorough study he has made of the problems confronting Spain. I am sure each American as this information is disseminated throughout the country will know that Spain is truly our friend. They will know the great sacrifices she has made for us and that she has forgiven us for the outrageous acts committed against her and the lack of support to her up to 1953.

I am glad that the United States has been able to give real help to Spain in the last 5 years. There have been advances made for the development of capital equipment to industry, agriculture and transportation. We helped to meet consumer goods needs during the period of inflation and shrinking foreign exchange reserves. Recently we helped underwrite the financial success of the stabilization plan through helping to furnish food stuffs, raw materials, and capital projects. The United States has provided in different forms over $1 billion of economic assistance to Spain defense support grants—Export-Import Bank and Development Fund loans, grants, and long-term economic development loans from proceeds of the sales of U.S. farm products for pesetas and technical assistance in many fields.

Mr. MONAGAN. Mr. Speaker, I am happy to take this opportunity to note the present status in domestic and international affairs of the great Spanish nation.

Although Spain within a quarter of a century struggled agonizingly through a great fratricidal conflict, today this historic country stands at a peak of economic recovery that cannot but give satisfaction to those of us who admire the Spanish character and revere Iberian culture.

Like the American Civil War, the Spanish revolution in which families were torn apart and brother fought against brother, left physical and spiritual wounds which have been slow to heal and which have left substantial scars.

Yet Spain today has achieved an economic and social recovery which would have seemed impossible 15 or 20 years ago.

True much of this has been accomplished with American aid, yet the fact remains that the Spanish Government has taken substantial measures of self-help and has instituted programs of land development, of irrigation, and of fiscal reform which have contributed markedly to this recovery.

In addition, from a purely national point of view, Spain has provided the United States with invaluable naval and air bases which form a vital and irreplaceable link in the chain of our world defense against Communist aggression.

Of course, much remains to be done. But under the direction of Francisco Franco who is accepted by the Spanish people as the sole bulwark against disintegration, we can discuss marked progress toward permanent stability.

And may I add a word of tribute here for the excellent work the Spanish Ambassador to the United States, Mariano Yturralde, is doing in advancing the understanding of his country in the United States and improving relations between our two nations.

Of course, as friends of the great Spanish people, we would hope for greater progress. We would hope to see the gradual spread of economic well-being, the rise of living standards, the broadening of individual liberties and the ultimate emergence of this Nation from isolation to a position of equality with our other allied nations in the free world.

But all of this takes time and, most importantly, the sympathetic understanding of nations like ourselves who are greatly dependent upon Spain's cooperation.

Therefore, on this 25th anniversary of the Franco government, I prefer to look upon the progress that has been made, to express appreciation for the support that we have had, to have confidence that economic well-being will bring political maturity and to assist as best we can, without rancor, to return this great country to the position of eminence in the world community which its historic tradition so richly warrants.

Mr. BECKER. Mr. Speaker, I desire very much to join with my colleagues and with the American people in offering my felicitations to the Government of Spain and to the Spanish people for the great strides that have been made in the past 25 years.

Having visited Spain on a number of occasions and traveled over the country, as well as having had discussions with His Excellency Generalissimo Francisco Franco. I have had the very good feeling that Spain and the United States are and will continue to be great friends. This is advantageous to both of our countries.

Spain has been most cooperative in permitting the establishment of great airbases and a great naval base. I am further happy over the fact that I know the cause for which we are all struggling has been furthered by our mutual friendship. I sincerely hope that the future will hold greater things in store in the next 25 years for the people of Spain and that our friendly relationship will continue and grow.

Mr. KIRWAN. Mr. Speaker, today I join with my other colleagues and freeloving people throughout the world in sending felicitations to our near neighbor, Spain, upon the anniversary of her gallant fight for freedom from communism.

This is the 25th anniversary of the outbreak which marked the beginning of Spain's Civil War. Despite its industrial difficulties and near financial collapse, the people of Spain carried on under the heroic leadership of General Franco and with the utmost faith in God.

On the several visits I have made to Spain, I was deeply impressed with the devotion of the women and children—dressed in mourning—tramping the streets, with rosary tightly grasped in their hand. They were on their way to mass to devotedly pray for their loved ones who had given their life's blood for the cause of freedom and their right to worship.

The people of Spain are friendly. They are a great ally for us. We can count on them to be in our corner should the chips be down. They will continue to fight for their rightful place amongst the freedom-loving nations of the world.

When we look back upon the history of our own country, we must not overlook the fact that it was the people of Spain who financed and manned the ship and sent on his way the great explorer who discovered America. And after our discovery—they helped in every possible manner to make America the greatest Nation on earth.

I wish to most heartily salute the generous, God-fearing, and loving people of Spain and rejoice with them and their leader, Generalissimo Franco, upon their triumphant success. May God bless them and keep them always in His divine care.

Mrs. GRANAHAN. Mr. Speaker, it is with great pleasure that I send greetings on the 25th anniversary of the liberation of Spain, at which time I want to take this opportunity, while the House

is discussing our relationships with Spain, to call attention to the fact that one of our most outstanding Pennsylvanians, the Honorable Anthony J. Drexel Biddle, was selected by President Kennedy to serve our Nation in the important post of Ambassador to Spain.

Ambassador Biddle had a remarkable diplomatic career during World War II in a role which played an enormous part toward the success of the forces of freedom. He has most recently been adjutant general of the Commonwealth of Pennsylvania under Governor David L. Lawrence, prior to his appointment by the President to the post in Spain.

It is, of course, a mark of the importance with which the President regards the Madrid post in the furtherance of his foreign policy that he would select for it a man of such recognized ability and stature. In return, we are pleased that the Spanish Government, in designating His Excellency Mariano Yturralde Orbegoso as Ambassador to the United States, has similarly sent us a highly regarded diplomat.

I have never had the pleasure of visiting Spain, but many of my constituents in the Second Congressional District of Pennsylvania, in Philadelphia, who have been lucky enough to travel through Europe on business or pleasure, have told me in glowing terms of the wonderful time they have enjoyed in Madrid and elsewhere in Spain. Travel is indeed a fine way of improving person-to-person relationships between the peoples of different Nations. I am pleased that we are taking steps now to make America more attractive as a tourist mecca and I hope many in Spain will come to visit us.

Mr. DONOHUE. Mr. Speaker, it is most appropriate that we pause here to recognize and salute the great nation of Spain on the occasion of the 25th anniversary of her liberation.

All of us very well realize that the culture of Spain and her contributions to the development of our hemisphere have long been a part of our common heritage.

We also appreciate that long ago they demonstrated they clearly understood what it has taken us and so many other parts of the world a long time to recognize, that communism is evil in its very nature. They very early understood that the determined objective of communism is eventual enslavement and domination of the world by the Soviet Union.

We have long enjoyed a mutually friendly relationship with Spain and her people and they have demonstrated their friendship by cooperating with us in the establishment and operation of airbases there, vitally important to the defense of ourselves and the free world against attempted Communist expansion by force.

The vital import of these defense bases and the cooperation of Spain in our mutual objective of maintaining liberty and freedom in the world has been commended by former President Eisenhower and the later and revered Secretary of State, John Foster Dulles.

Let us, then, today extend our congratulations and best wishes to Spain, her courageous leaders and all the Spanish people for the enjoyment of continued honorable peace and increased economic blessings. Let us renew our expressions of mutual confidence and trust as we move on together in our joined determination that freedom and liberty will not perish from the earth by the plague of Communist tyranny or any other uncivilized terror.

Mr. GARMATZ. Mr. Speaker, I would like to join my colleagues in paying tribute to Spain on this 25th anniversary of the start of their civil war. Little did we realize at the time of that war just how vital to our own welfare the outcome of it would be. Fortunately for us and for the rest of the free world the Spanish people recognized the dangers of communism, when we were hardly aware of its existence, and were brave enough to risk their lives and their fortunes for the cause of freedom and independence.

In addition to being indebted to Spain for the discovery of this continent, and its fight against communism a quarter of a century ago, we must realize that their neutrality during World War II was one of the greatest contributing factors to our victory and the defeat of our enemies. Had they joined forces with either side, the outcome could have been far different.

One need but study briefly the location of Spain to realize its strategic importance to Europe and the rest of the free world. We are fortunate, indeed, to have been able to reach such satisfactory agreement with Spain, which permits our use of their soil for air and naval bases on the Atlantic and Mediterranean. This agreement put them squarely on the side of the free world and makes them a prime target for Communist forces, in the event of open conflict. Thus we have another example of their love of liberty and their willingness to risk war, if necessary, to preserve it.

It is therefore a privilege to join with the people of Spain in observing this anniversary of their struggle for freedom, and to rejoice with them in their victory. We wish for them continued improvement in their economic conditions and with us, many years of peace and freedom, to enjoy their hard-won freedom.

Mr. MORRISON. Mr. Speaker, it is most appropriate that Spain of all countries should be recognized on her anniversary as one of the most important bulwarks of the entire free world.

Within the confines of Spain are some of the most valuable strategic defenses of the free world, and without the sincere and loyal cooperation of this great nation, all this would have been impossible.

Spain has suffered over a million dead and countless thousands of casualties, and with her beautiful cities bombed and destroyed and a large part of her country devastated, has seen destruction everywhere.

The war which brought Spain's victory over communism was a long, tragic, and bloody one. She further triumphed over the intrigues and pressures of the Axis Powers in World War II, and today she stands as one of our great monuments of freedom for the free world. We should never forget that during World War II General Franco kept his country neutral despite tremendous pressure from the Axis Powers.

All in all, over the years, and at this time more than 21 years since her victory over communism, Spain has courageously demonstrated her ability to move ahead with both patience and understanding for the other freedom-loving nations of the world. I think that every freedom-loving American should be most grateful for Spain's contribution to the cause of freedom and for her extreme cooperation and kindness toward the United States. I believe that Spain has justly demonstrated that there will never be a time the United States should fail to put forth every possible effort to aid, help, and thereby keep, the friendship of this great nation.

I wish to take this opportunity to pay special tribute to the Ambassadors and representatives that have been sent to the United States to represent this great nation. They have all been remarkable, able, and outstanding men, and certainly have demonstrated by their unusual and exceptional statesmanship that they are the highest caliber of representatives that any nation could send to our country.

So I am happy, Mr. Speaker, to be able to express my feelings today for the great good fortune that this country has realized as a result of the mutual feeling of friendship between Spain and our Nation, and it is my wish and hope that Spain shall continue to go forward and prosper, and be a symbol as a great bulwark of strength for all freedom-loving peoples of the world.

Mr. RIVERS of South Carolina. Mr. Speaker, Spain—the symbol of opposition to the Kremlin.

Mr. Speaker, for a quarter of a century we have enjoyed the friendship of the Spanish people. Today we have an alliance with these proud people that is the most meaningful of any nation in the Western World. Spain asks for nothing but friendship and the right to fight the ideology of communism.

Some years ago, we made a military alliance with General Franco. Under this pact, Spain permitted our Nation to construct military bases on her soil. We paid nothing for the land—only the cost of construction—other nations made us pay through the nose for every inch of real estate we obtained—not Spain.

Today those bases are built and are the most important we have on earth. At Rota alone we have a base worth many others in Europe.

When our Nation landed at Beirut, General Franco was asked what Spain would do if we got in a war with Russia as a consequence. Would Spain allow us to use the bases? Franco is supposed to have said, "That is why they were built." These words illustrate our friends in Spain. I think we have no more loyal—anywhere on earth.

Spain has always sent her finest representatives to America. I have known them all. The present one is a classic

example of such fine Spaniards, His Excellency Mariano Yturralde Orbegoso.

Mr. Speaker on this 25th anniversary all Americans should salute our friendship. No better exists anywhere on earth.

Mr. MULTER. Mr. Speaker, once again I want to take the opportunity of placing before our colleagues the remarks made on the floor of this House on January 24, 1950.

Since 1950, it has been my good fortune to meet and get to know each of Spain's diplomatic representatives to the United States and to the United Nations. They have committed Spain to being our ally in the all-out struggle against communism. Spain has never once faltered in her pledges to us and has not in the slightest deviated from the highest principles of international law.

It has been my happy privilege to get to know the new Spanish Ambassador, His Excellency Mariano Yturralde Orbegoso. He impresses me as an able career diplomat who will distinguish himself on the American scene, strengthening the ties of friendship and continuing to improve the relations between our countries.

The most recent evidence of the humaneness of the Spanish regime was its action which was announced on June 22, 1961, in relinquishing its right to demand the return to Spain from the United States of two Spanish naval deserters. This voluntary action by the Spanish Government came after our State Department and our American courts had recognized the validity of article XXIV of the Treaty of Friendship and General Relations between the two countries which established the international obligation of the United States to return the seamen at the request of the Spanish Government.

It is conduct of that kind which creates better relations between governments and their people.

THE TRUTH ABOUT THE JEWS IN SPAIN

(Speech of Hon. ABRAHAM J. MULTER, of New York, in the House of Representatives, Tuesday, January 24, 1950)

Mr. MULTER. Mr. Speaker, I wish to take this time to tell the House about the Jews in Spain.

This is not a plea for resumption of diplomatic relations with Spain. Whatever our course of conduct with any country, it should be based upon principle and upon truth.

LOVE OF DEMOCRACY

I love freedom and democracy. I will never embrace any form of totalitarianism. I, therefore, despise every type of dictatorship, political or religious, vicious or benevolent. But the type of government of any nation is not to be decided by outside sources. One of the fundamental features of the United Nations Charter is the right of each country to determine for itself how it shall be governed. My thoughts and feelings on this subject have been openly and freely declared and publicized.

Accordingly, I had never had any desire to visit Spain. In fact, I felt that my vigorous, if not violent, denunciation of Franco would, to say the least, make me unwelcome there. More than a year ago I had been told that my antagonism against the Spanish Government was engendered by misinformation and that the Jew in Spain was accorded the same privileges as any other Spaniard. I made no effort to hide my disbelief. In fact I said that if that were true, the Jews would be the first to proclaim it. Why not, said I, have one or more of the leaders of Spanish Jewry come to the United States and tell it to us. The response was that such procedure would be derided in the American press as paid propaganda.

I continued to believe the newspaper and magazine articles about the terribly oppressive conditions under which Jews lived in Spain, confined in ghettos, denied the right of religious worship, and the pursuit of the traditional rites of practicing Jews.

When my wife and I planned a trip to the European Continent and the Middle East last year, Spain was not on our itinerary. It was not even once considered as a place we cared to see. My mind was closed on Spain and on the possibility of any good coming out of it. Incidentally, even though I planned and did devote much time on that trip to matters of official interest to me as a Member of Congress, I bore the full expense thereof personally.

WHY I WENT TO SPAIN

On the start of our journey, aboard the *Queen Mary*, I heard much talk from apparently responsible sources directly at variance with my beliefs about Spain. In London and Paris I heard more of the same tenor. I continued to hold to my own ideas on the subject.

In Paris we attended the Rosh Hashana—Jewish New Year—services in the famous Rothschild Synagogue. It overflowed with worshippers. There was standing room only. During the portion of the services devoted to meditation I thought of the fact that here were thousands of free men and women praying according to their ancient tradition in a place but so recently occupied by Hitler's Nazis. Through my mind ran the places where freedom of worship was still proscribed. Communist Russia and her satellites came to mind, some Arab countries, and then Spain. An inspiration struck me. At least some of my colleagues were going to Spain and might be misled by false propaganda into bringing tales to the United States that all was well there with the Jew. I could scotch such tales if I could go there and bring home firsthand knowledge of the true situation.

Fearful that my request for a visa would be denied, I did not present myself at the Spanish Embassy in Paris. Instead I asked the American Embassy in Paris to obtain our Spanish visas. In due course our passports came back with the visas affixed.

From France we proceeded to Spain instead of going to Italy as originally planned. Obviously I had no interest in Generalissimo Franco. I had no desire to see him and I did not see him.

NO DISCRIMINATION, NO GHETTOS

We spent most of our time with the members of the Jewish communities. We conversed in English, Yiddish, and German. We were in their places of business, in their homes, and in their synagogues. We were shown around Barcelona by native Jews who were as proud of their city as any Brooklynite is of his Brooklyn—than whom there is no prouder native son. I know it will sound incredible to the average American but here is the truth and I will document it for you.

There is no discrimination against the Jew in business or in employment in Spain. The Jewish employee and the Jewish employer have the same privileges and the same rights as any Spaniard. No one asks him his religion. It is the only place in the Eastern Hemisphere, outside of Israel, where I observed Jews proudly wearing in their lapels the gold Mogen Dovid, the shield of David, colloquially referred to as the Jewish star. The Jews are engaged in business as merchants, exporters, importers and manufacturers.

They live wherever they can afford to rent or buy a home. There is no ghetto. No one asks their religion before they rent or sell a home to a Jew.

They make no attempt to hide their Judaism. They are not afraid of persecution because they happen to be Jews.

FREEDOM OF ACTION

I had been told that they were not permitted to acquire Torahs—Holy Bibles, handwritten in Hebrew upon parchment scrolls. Here is a photostatic copy of an original certificate by the Spanish authorities permitting Mr. D. Salomon Romano, as secretary of the Jewish community of Barcelona, to import a Torah, free of duty or other payment.

Shortly after our arrival in Barcelona the local Jewish community tendered a testimonial dinner to me at the Ritz Hotel. Not only was the dinner publicized but the printed menu cards—I hold an autographed copy of one in my hand—said in Spanish that it was tendered by the Jewish community of Barcelona. The placecards carried the names of every person in attendance. Pictures were taken by a commercial photographer. I have several of them here. That is certainly not the conduct of a minority group of people which is faced with persecution or is fearful of oppression.

Congressman EUGENE J. KEOGH, of New York, made an inspiring talk at this dinner, which was gratefully acknowledged by those in attendance. I visited their synagogue which is used for daily prayer. Here are the photographs of the interior of that synagogue. One of these shows the rabbi in the pulpit. I worshiped with them at their Sabbath services.

Any Christian entering that place of worship will see at a glance that it is not a Catholic church. Any Jew will observe at once that it is a synagogue.

As in most Jewish communities, the synagogue customarily used for daily prayer is not large enough to accommodate the large number of worshippers on the high holy days. In Barcelona, they solved their high holy day problem by renting a theater which they equipped for use as a synagogue during those holidays. I was there between New Year's Day—Rosh Hashana—and the day of atonement—Yom Kippur. Here are the pictures of the interior of that building as it was prepared for use as a synagogue. Note please that the names of the pew holders appear on every seat.

SPAIN'S ROLE IN RESCUING JEWS

It was in Barcelona that I first learned of the thousands of Jews that were rescued with the aid of Spain from the Nazis. That was told to me by a Jew who had been interned in a concentration camp and who was not only rescued by Franco's men but was given the very job he holds today by one of them.

I later had the fact confirmed to me by a representative of the American Joint Distribution Committee that, during the height of Hitler's blood baths, upward of 60,000 Jews had been saved through the generosity of Spanish authorities who permitted them to enter into Spain and then helped them proceed to places of safe refuge.

Upon my return to this country I contacted the World Jewish Congress and received from its representative a copy of the resolution it adopted in November 1944 in Atlantic City, N.J. Let me quote this sentence to you from that resolution:

"The War Emergency Conference extends its gratitude to the Holy See and to the Governments of Sweden, Switzerland, and Spain and to the International Committee of the

Red Cross for the protection they offered under difficult conditions to the persecuted Jews in Hungary. It is confident that this protection will be continued and its scope enlarged in accordance with the contingency of the situation."

From Barcelona we flew to Madrid. Again we devoted ourselves to the Jewish community. There are only about 500 Jews in Madrid and about 3,500 in Barcelona. I since learned that there are also two very small communities in Valencia and Seville. The total population of Spain is 28 million, of whom between 4,000 and 5,000 are Jews.

In Madrid we attended the Yom Kippur services in their synagogue. I participated in the prayer service, wherein we used Torahs which in 1939 had been secreted for safekeeping in a Catholic monastery and later returned by a Catholic bishop to Dr. Ignacio Bauer, as president of the Jewish community in Madrid. Dr. Bauer is a lawyer and a professor of law at the University of Madrid. A teacher of English in a Catholic high school there assured us that the school authorities have known from the day they hired her that she was an orthodox Jewess.

RELIGIOUS RESTRICTIONS

I inquired in both cities about restrictions against the practice of traditional Jewish rites. I was assured that there was no restriction against kosher slaughtering of fowl and cattle.

The Jews are required to obtain permits to maintain their synagogues. The same is true, however, of all non-Catholic places of worship. Having in mind that Spain, like certain other European countries, has a state religion; I thought this was an unfair requirement imposed for the benefit of the Catholic Church. England and the Scandinavian countries have state religions, but no such requirement.

Italy, which has no state religion, does have such a requirement. The reason given for the requirement in Spain and in Italy was that the Government desired to be in a position of assuring itself that no religious institution would be used as a cover for revolutionary or antigovernment activity.

While understanding the reason I do not approve the regulation. I think both Italy and Spain stand to gain more in the eyes of the free world by abolishing such regulations.

What bothered me greatly, however, was the fact that although both the Barcelona and the Madrid Jewish communities had been assured by authorities that their applications for permits were in order and that they could function, no written permits had been issued by the authorities. I also learned that in Barcelona the Jews were not permitted to bury their dead, but were required to seal the bodies in vaults in a wall maintained at one side of the civil cemetery. This condition did not prevail in Madrid, where the civil cemetery was divided by a wall into what became two cemeteries, one for Jews and one for the Protestants.

I was assured by Mr. Enrique Benarroya, president of the Jewish community in Barcelona, and by Dr. Ignacio Bauer, president of the Jewish community in Madrid, as well as by many others in both cities, that they were quite happy with their lot in life, that the Spanish authorities extended every cooperation to them and their coreligionists, and that they suffered no discrimination at the hands of the authorities or of private citizens.

INTERCESSION ON BEHALF OF JEWS

Before leaving Madrid I called on the Foreign Minister. I told him of the things I had learned about the Jews in Barcelona and Madrid. I told him how very glad I was about some of the things I had learned. I also told him about the things I did not like.

I emphasized particularly that, while I did not approve of the regulations requiring permits to maintain places of worship, at least the written permits should be issued if governmental requirements were met. I also said that the cemetery situation was not only intolerable but irreligious.

I was most agreeably surprised to find that the Foreign Minister was in accord with my thinking on both subjects. While he knew that both Jewish communities were maintaining synagogues, he professed not to know that written permits had not been issued by the local authorities. He assured me he would inquire into the matter and see that they were promptly issued. He was disturbed to learn about the cemetery situation, and promised me that if my facts were correct those regulations would be rescinded at once.

After discussing these matters with my distinguished colleague, the gentleman from New York [Mr. KEOGH], he suggested that we discuss them with the Spanish Ambassador at Large, José F. de Lequerica. Upon our return to Washington, D.C., we did just that, and the Ambassador offered to follow the matter with his Government to a satisfactory conclusion.

RESTRICTIONS ABOLISHED

I am happy to announce today that I have before me confirmation of the fact that formal permits have been issued by the proper Spanish authorities for the maintenance of the Jewish synagogues, and for the burial of Jewish dead in accordance with orthodox religious requirements.

This confirmation comes to me from many sources. Ambassador de Lequerica has so advised me orally and in writing. An American friend in Spain, who has nothing to fear from any source, has so advised me in writing. The World Jewish Congress and the American Joint Distribution Committee have likewise confirmed those facts.

The World Jewish Congress wrote me:

"We received direct confirmation from our friends in Spain that the Barcelona community was granted official recognition, and that the communities of Barcelona and Seville were given permission to maintain their cemetery."

Dr. Bauer wrote me from Madrid:

"I am certain you are already aware of your great personal success. Thanks to your intervention, the Barcelona community is already officially recognized, and we hope that the Madrid community will also be approved shortly. I consider this as being really a great feat."

The American Joint Distribution Committee wrote me under date of January 12, 1950:

"The efforts you made while in Madrid apparently have borne early and productive fruit."

Mr. Benarroya wrote me from Barcelona, as follows:

"Since your visit things have been happening very fast and in our favor. On the part of the civil governor and in accordance with instructions from Madrid, we have obtained official recognition for our community, which puts us in the same situation as all other communities in other countries. We are under the impression that this was due to the influence of the United States of America, and knowing that you, my dear Mr. MULTER, had something to do with this, we send you our thanks, and ask that you send same along to the other people who intervened."

I take this occasion to extend such thanks publicly to all those who lent their good offices to the excellent results obtained and especial thanks to my good friend and distinguished colleague, the gentleman from New York [Mr. KEOGH].

Mr. KEOGH. Mr. Speaker, permit me to commend my distinguished colleague, the gentleman from New York [Mr. MULTER] for his typically intelligent address. He has been overly generous in his treatment of me for which, of course, I am grateful. My knowledge of the matters about which he has spoken leads me to observe that he has rendered our country a great and courageous service, in addition to which he has been an important factor in further removing some of the real or fancied differences that have tended to separate us from the people of Spain—a separation which, if removed, would better serve the interests of all peaceful and freedom-loving people. You have listened to a well-documented report from one of our most energetic and capable Members from New York. The longtime effect of his conscientious and successful efforts to improve the situation of the Jews in Spain will become the greater as time goes on. He has well served the cause of peace and has well served the Spaniards of Jewish faith.

On February 24, 1955, I inserted into the CONGRESSIONAL RECORD an item, as follows:

COMMUNITY HEAD STATES SPAIN NOT ANTI-SEMITIC

(Extension of remarks of Hon. ABRAHAM J. MULTER, of New York, in the House of Representatives, Thursday, February 24, 1955)

Mr. MULTER. Mr. Speaker, I am pleased to direct the attention of our colleagues to the following news item which appeared in the Jewish Advocate newspaper in Boston, Mass., on February 10, 1955:

"COMMUNITY HEAD STATES SPAIN NOT ANTI-SEMITIC

"MANILA.—Newspaper accusations in the United States and Britain that Spain has been intolerant of Jews and anti-Semitic were denied here this week by Daniel F. Baroukh, president of the Jewish community of Madrid, who is currently in the Philippines.

"In a statement to the Jewish Telegraphic Agency, Sr. Baroukh noted that 2 years ago he was granted an audience by the Spanish Chief of State, the first such interview granted a Jew in Spain in 450 years. He said he came away from the meeting impressed with General Franco's words and message to the people of Israel.

"Sr. Baroukh recalled that 2 years ago the Spanish Government gave its permission for the holding of public high holiday services in a Madrid hotel and that a Spanish Government representative attended the services, as did leading Spanish Catholics, representatives of the American Embassy, and American Jews. In a reference to the refusal to grant a permit to hold similar services in a Madrid hotel this past Rosh Hashana, Sr. Baroukh said a mistake was committed by his secretary in Sr. Baroukh's absence.

"The head of the Spanish Jewish community stressed that during the Nazi regime many Jews were saved by being admitted to Spain. He listed various other gestures by the Spanish Government toward the facilitating of religious services and instruction, and acknowledged its presentation of a magnificent collection of books for the projected Sephardic Library in Jerusalem. Sr. Baroukh said that there are now 35,000 Jews in Spain."

It has been my happy privilege to become rather well acquainted with the former Spanish Ambassador to the United States and present chief of the Spanish mission to the United Nations, His Excellency José Felix de Lequerica and his successor as the Ambassador to our country, His Excellency José Maria de Areilza. They are both able and distinguished diplomats and truly great statesmen. They have improved relations between our countries, while at all times working for world peace.

I hope that the people of our two countries can continue to work and live together in harmony.

Mr. DOOLEY. Mr. Speaker, currently there is being commemorated in many parts of the world the 25th anniversary of the Spanish Government which was inaugurated on July 18, 1936, following a bloody but unavoidable civil war.

Ever since Benjamin Franklin, our first diplomatic representative to Spain, served our Nation in that historic land, there have been strong ties of friendship between the United States and Spain. Only once in our history have we resolved our difficulties by hostile force, but that was in days long gone and the events of that period have faded into the realm of forgetfulness.

Today, under the leadership of Generalissimo Francisco Franco, Spain has risen to a position of power where it stands as a bulwark against the forces of communism.

The Spanish people are represented in this country by an Ambassador of extreme skill, charm, and ability, namely, His Excellency Mariano de Yturralde, who is a statesman of the highest rank. He has helped cement the relationships between our countries and has given to America a broader understanding of the ideology, the norms, and customs of the Spanish people.

At the present time the United States is dependent upon Spain for the conduct and administration of the joint Spanish-American air bases, naval bases, the 485-mile-long pipeline, and other important military installations built at a cost of some $350 million as a bastion of strength against the inroads of Communist aggression. These bases, far-flung facilities that they are, function effectively under joint Spanish-American operation and they constitute a warning to those who would destroy us that we have the means and the will not only to defend ourselves but to strike a lethal blow at our attackers. In this enterprise of defense are bonds that bind us both close to each other. And in addition, there is a constant exchange of cultural activity including the Fulbright program and the exchange of art, artists, writers, and students.

Of late, thousands of American tourists are discovering the superb art treasures, the ancient monuments, the invigorating air, the majestic landscape, the nostalgic steeples, and the magnificent people of Spain and the magic of this ancient land.

The folklore of Spain goes back centuries beyond recall and the entire country is marked with beautiful alabaster visions.

Under Generalissimo Franco, stability has come to this land that has sometimes been torn with strife. Economic conditions have improved despite hard experiences with inflation, loss of foreign exchange reserves and at time the declining value of the peseta in international markets.

However, the country has become free from the shortages and scarcity of essential goods which were common a decade ago. One thing is certain: other countries will rise and fall, appear and disappear, but the durability of the Spaniards is axiomatic and Spain has the capacity to flourish even when other nations have disappeared by reason of having lost the economic or military struggle.

Although Spain is a member of the United Nations, by some quirk of world politics it has been denied membership in NATO. This is a tragic situation, for Spain alone on the European Continent stands perpetually opposed to the Communist ideology and in the event of a showdown would stand by the United States in close consonance with our objectives.

Mr. GALLAGHER. Mr. Speaker, on this the 25th anniversary of the liberation of Spain, I take this opportunity to salute the Spanish people as friends and allies in the great struggle of our time, resistance to communism. Spain has become a valuable partner of the West in its struggle against the Communist East. Some of our most important airbases are located in Spain and their very existence aids in keeping the peace. The deterrent of an effective strategic Air Force has long prevented the Communist world from indulging in new adventures.

It is significant that on this the 25th anniversary of Spain's liberation that she is embarked on an economic revitalization which will enable her to break out of her post-World War II isolation and embark on a program of worldwide economic activity.

Nowhere can be found people who are more genuinely receptive to Americans than the Spanish people. They displayed true friendship and a real desire to welcome visiting Americans. On my visits to Spain, I have always come away with the feeling that I would like to return and this can be attributed to the wonderful qualities of the Spanish people.

They are not only imbued with a strong desire for friendship with this country but they have always displayed a fierce resistance to godless communism.

They long ago clearly saw what we, and the rest of the world, had to painfully recognize through the light of experience that communism is evil by its very nature, and that communism was but a cause to veil the plans for world domination by the Soviet Union.

So, today, let us wish Spain and the Spanish people well. As they celebrate the 25th anniversary of their liberation let us wish them continued peace and real prosperity. The culture of Spain and their contributions to the development of our hemisphere were long part of our common heritage. We renew that feeling of mutual destiny as we join thanks in our mutual determination that the world will not be engulfed by Soviet communism.

Mr. STRATTON. Mr. Speaker, on the occasion of the 25th anniversary of the Spanish civil war, I am happy to join with my colleagues in saluting the people of Spain and in paying tribute to the role now being played by Spain in our overall defense against communism in Western Europe.

It was my privilege a little more than a year ago, Mr. Speaker, both as a member of the Naval Reserves and a member of the Committee on Armed Services of this House, to make my first visit to Spain. Of course I had read about Spain and the trials and travails that the people of Spain endured during the long years of its civil war. But this was my first opportunity to visit that country in person.

Although my visit was brief, I want to say that I came away very much impressed not only by the physical beauty of the Spanish landscape but also by the amazing development that has occurred in this country in the years that have elapsed since the civil war came to a close.

Let me say too that I had a chance personally to visit the memorial erected outside of Madrid to those who lost their lives in the Spanish civil war, the Valley of the Fallen, a great cathedral fashioned out of the solid rock of the Guardarama Mountains. This is one of the most impressive memorials I have ever seen, and stands as a fitting symbol to a decisive victory over communism on the part of the Spanish people.

Mr. Speaker, I am glad that Spain is a part of our North Atlantic defense community. I had a chance to see our major airbase at Torrejon, outside of Madrid. I satisfied myself of the vital importance of our new naval base at Rota. If the Soviets should ever strike against Western Europe, a factor we must always keep in mind as the crisis in Berlin heightens, Spain alone in Western Europe will provide us with a foothold from which to strike back and as a sanctuary in which to recoup our forces. And, Mr. Speaker, with the whittling away at American air and naval bases in north Africa that has been underway now for some years, our air and naval bases in Spain become absolutely essential to our defense.

Mr. Speaker, the fight against communism requires a broad and solid base. We in America can be glad that communism has gained no foothold in Spain and that the Spanish Government has pledged its support to us in this way in the vital fight against the Communist menace we wage together.

For this reason, I am glad to salute our Spanish ally at this critical and decisive moment in world history.

Mr. GREEN of Pennsylvania. Mr. Speaker, this month the people of Spain are celebrating the 25th anniversary of the beginning of a glorious victory over the dreaded communistic scourge.

It is only fitting and proper that we salute the leader of those victorious forces, the great soldier-statesman, Gen. Francisco Franco.

There is a traditional close relationship between the people of Spain and the people of the United States. The people of Spain and the Government of Spain are strong in their deep faith and their love of God and love of neighbor, and whenever we find the people of any nation who are possessed of such deep faith, we know that in the world of today, they are also bitterly opposed to godless and atheistic communism. The current history of Spain is one of strong

opposition to the international conspiracy. I have always been a strong advocate of friendly and close relationship between the Government of the United States and the Government of Spain, and particularly between the people of both countries.

In the face of the threat to the entire world of atheistic and international communism, it is necessary for those who believe in and love God to unite together in the common cause of preserving the spiritual truths and ideals in which we all believe.

It gives me great pleasure to congratulate and felicitate the great and noble people of Spain who are inextricably a part of our own culture and history, as well as their distinguished Ambassador Mariano de Yturralde who combines the highest qualities of a successful career diplomat.

SPAIN FREED FROM COMMUNISM

Mr. KEOGH. Mr. Speaker, a quarter of a century ago the threat of Communist totalitarianism, which later was to become worldwide, had its overt manifestations, including the now familiar aim of suppressing all religious activity, in Spain, where religion is such an intimate part of the way of life. When these suppressions became intolerable to the good people of that country their struggle for liberation from that yoke was begun on July 18, 1936. After a devastating and heartbreaking war the foreign domination was finally eradicated. Thus the Soviet hold in a strategic part of Western Europe was eliminated and perhaps the course of history was changed. We now know, from bitter experience, how that hold—if permitted to remain—would have sought to spread to other parts of the Continent with, perhaps, disastrous consequences to the United States and the rest of the free world.

We would be deprived of the strategic naval and air bases which we have set up with the consent of the Spanish Government and a most vital area for the defense of Europe would be in unfriendly hands.

At the present time the United States enjoys warm and cordial relations with the friendly Spanish Government, particularly through its eminent and able Ambassador, His Excellency Mariano de Yturralde, who has devoted himself to the furthering of those relations, and who is so capably carrying on in the efficient tradition of his immediate predecessor, Ambassador José Felix de Lequerica.

Mr. Speaker, on this anniversary of the commencement of that great and historic struggle by the people of Spain, I wish to extend to them my sincere congratulations and express the hope that our friendly alliance will continue and flourish. I should like to see an increase in cultural and political relations between our two countries. There are many cherished vestiges in the United States, especially in the West and Southwest, of the Spanish culture and background.

BERLIN AND GERMANY AND MIDDLE EUROPE: WE SHOULD ARM AND PARLEY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. REUSS] is recognized for 30 minutes.

Mr. REUSS. Mr. Speaker, last Monday the United States, Great Britain, and France sent notes to Moscow setting forth our clear determination to maintain the freedom of the 2.2 million people of West Berlin. This House will overwhelmingly endorse, I am sure, the resolution just reported by the Committee on Foreign Affairs, recognizing this moral obligation.

The notes also told of the West's readiness to consider a freely negotiated settlement of the unresolved problems of Germany. And Western foreign ministers will meet in Paris on August 5–6 to consider a Western position for negotiation.

Certainly the West needs a position. As it is necessary to remain firm in our determination not to be pushed out of Berlin, it is equally necessary that we have a set of goals for the future of Germany and of middle Europe.

THE KREMLIN'S MOTIVES

The chances that the Kremlin will accept a sensible Western negotiating proposal are bleak indeed. But we certainly should not be inhibited from setting forth what we believe to be right because the Russians may not like it.

Before considering a set of goals for the West to adopt, let us ask ourselves what is the Kremlin's motive in demanding that West Berlin be made a free city, ending the four-power occupation, and in threatening to sign a separate peace treaty with East Germany, which would then control access routes to West Berlin.

It seems to me that there are two main possible theories of Kremlin action:

First. The maximum theory, that the Kremlin is presently engaged upon an all-out campaign for the destruction of the Western alliance on all continents, and that it aims at Berlin as a symbol, just as the Turks in the 17th century aimed at Vienna as the symbol of Christian Europe. As evidence of the maximum theory, you can look at the Moscow statement of Communist leaders from 81 countries in November 1960, and Khrushchev's January 6, 1961, speech.

Second. The minimum theory, that the Kremlin is uncertain of its European flank, and wants a German treaty pinned down and a status quo clearly established before West Germany gets the atomic bomb.

WHAT KHRUSHCHEV SAID

Walter Lippmann's report—Howard K. Smith, CBS, June 15, 1961—on what Khrushchev told him in his recent interview well delineates the minimum view:

> All I can tell you is that Khrushchev says he wants to negotiate. And my own view is, that the thing he wants more than anything else, and I'd like to tell you why he wants it, I think—he wants to give legal status to the East German State.
>
> Why does he want to have this? I asked him why he was in such a hurry. The answer was: "I am in a hurry because I want the frontiers of Germany, and the status of Berlin and the demarcation line between the two Germanys settled in a treaty before West Germany gets the atomic bomb. They've (the West Germans) already got it—being trained how to use it. They haven't got the warheads, but they are going to get it and they surely will get it in 4 or 5 years—and if that comes then the great danger for Europe exists, because either by their attacking East Germany and overrunning East Berlin—or the other way around, that the East Germans rise and they go to their defense—either way, there'll be nothing to stop it, nobody will have any agreements.
>
> You won't intervene—and there we'll be with a very dangerous war at our hands. So we must have a treaty first. And that is what I am pressing for. But I want to get those frontiers fixed so that if either Germany moves, in a military sense, in the next 4 or 5 years, it will be the aggressor.

I doubt whether anyone outside the Kremlin really knows which of these two theories is correct—or whether neither is, or both are. I shall not engage in Kremlin astrology.

But there is only one way to force our opponent to discuss his thoughts and plans. This is to confront him with a rational and logical concept that would make it difficult for him in the eyes of the world to elude discussion. This sort of probing, exploratory negotiation by the West is a sign of strength, not of weakness. It should be undertaken for its own sake, rather than merely in response to Khrushchev's Berlin threats.

If the maximum theory is correct, there is no hope of successful negotiation. Even so, the West needs a clearly formulated position, lest the uncommitted world be taken in by Khrushchev's demands for nice-sounding things like a "free city" for Berlin, and a "peace treaty" for East Germany.

If the minimum theory has something to it, however, exploratory negotiations have a point. If what Khrushchev really fears is aggression by the West Germans, or a situation in East Germany which might trigger a conflict he has something we can talk about. It should be within the reach of statesmanship to prepare a set of goals which at the least would put the onus of refusing to discuss reasonable proposals on Russia's back.

SOME ELEMENTS OF A PROPOSAL

The outlines of such a proposal have been advanced by myself and by some of my colleagues on this side of the House on many occasions in the past—on March 16, 1955; in December 1956; on March 27, 1957; on November 22, 1957; on December 12, 1957; on January 27, 1958; on April 16, 1958; on March 26, 1959.

Here are some elements to consider in a possible position for the West:

First. The problem of Berlin can be solved not as an isolated problem, but only within the larger framework of Germany, middle Europe, and a security system which embraces East and West.

Second. In middle Europe—where twice in this century world wars have erupted and where a third explosion is

possible—a zone of reduced military tension may be possible. It could involve withdrawal of Russian troops back to her historic borders, and of British, United States, and French troops back to the west bank of the Rhine, or perhaps out of Germany. These withdrawals would not affect the strategic military power of either side in Europe.

In the area between the Rhine and Russia, there would need to be freely agreed and self-imposed limitations on armaments. Nuclear weapons would be banned from this middle European zone. The conventional arms allowed would be sufficient for self-defense, but not for aggressive war.

In the case of Western Germany, the present number of divisions, or a somewhat higher number to compensate for the withdrawal of NATO troops to the West, could be envisaged.

The phasing out from middle Europe of Russian and Western troops, and the limitations on remaining armaments, would have to be supervised by an international control commission, perhaps under the U.N. In addition, both East and West would guarantee the area of middle Europe against outside attack.

True, a zone of arms control confined to middle Europe may seem to "discriminate" against that area. But as an announced first step in a broader program of arms control, it is no more "discriminatory" than, say, a nuclear test ban which only affects nuclear powers.

Third. Politically, the key for middle Europe has to be the protection of human rights. It will inevitably take some time before free elections can be held in the countries of Eastern Europe, and for East and West Germany to be ready for reunification. Meanwhile, the U.N. could be involved as a supranational protector of human rights in the area. Just as Western Europe, under the leadership of France and West Germany, has moved away from traditional ideas of sovereignty, and toward a supranational arrangement, surely the countries of middle Europe could accept some international guarantees that their governments will respect human rights.

THE PROBLEM OF "REENTRY"

Fourth. As in outer space, middle Europe has a reentry problem. The human mind, which recently proved itself capable of devising a system for reentry from outer space, should be equally capable of devising a system to prevent the reentry of Russian troops into middle Europe once they have retired.

Russian reentry, of course, would be subject to the full retaliatory power of the West.

But equally important is an arrangement whereby there would be as little reason for the Soviet Union to reenter as possible. We should insist that the Soviet Union withdraw her oppressive control over middle Europe; but the Soviet Union justly needs guarantees that the countries of Europe would not become anti-Soviet, Fascist, heavily armed states that would once again menace her. There are two ways of forestalling such an evolution, and by so doing minimizing the danger of Russian reentry:

(a) International control of armaments in the region would make it very difficult for any regime to build up military strength which could menace Russia.

(b) A U.N. commitment to protect human rights in the area would exclude Fascist regimes.

Fifth. If Russia undertakes to sign a separate peace treaty with East Germany, the West may have to deal for some purposes with East Germany—just as West Germany now deals with it for purposes of trade. But this does not mean that the West accepts the permanent partition of Germany. In the context of the broad arrangements here described, we could look with some confidence toward the progressive liberalization of East Germany, leading to the ultimate reunification in freedom which is our goal. Since reunification of Germany cannot be brought about by military force, we ought to let the forces of depolarization work in the direction of reunification.

THE ODER-NEISSE PROBLEM

Sixth. A viable arrangement for middle Europe is not possible unless it includes a basis for settling the Oder-Neisse territorial question between Germany and Poland. Until the border question is settled, Poland will quite likely feel that it needs the protection of the Red army. I believe that the Oder-Neisse boundary problem can be settled only in a middle Europe in which the old excessive nationalism, the old economic separatism, and the old political totalitarianism have given way to a middle Europe characterized by political federation, economic integration, humane governments, and internationally limited armaments. In such a framework, the Oder-Neisse question will lose most of its bitterness.

Seventh. It is not necessary to ask Germany, Poland, Czechoslovakia, Hungary, and the other countries of middle Europe to adopt a concept of neutrality like that of Switzerland or Austria. Let the military striking power of these countries be internationally limited; let the human rights of their peoples be internationally safeguarded; and they may safely maintain close economic, political, and cultural ties with either the East or the West, or with both. Germany I should certainly expect to stay with the West, and with such organizations as the Coal and Steel Community, Euratom, the Council of Europe, and the Organization for Economic Cooperation and Development. It would enjoy a full NATO guarantee.

Will Russia entertain such a proposal? If there is anything to the minimum theory I have mentioned, she just might. Khrushchev says his great fears are a resurgent Germany armed with the bomb, and the satellites in ferment. The proposals contain workable guarantees against both of these.

ARE THE SATELLITES A BURDEN?

There is considerable evidence that the satellites, which used to be a great source of loot for the Soviet Union, are today an economic burden, as well as a potential military liability. As Louis Fischer, author of "Russia, America, and the World," and a faculty member of the Institute for Advanced Study at Princeton University, reports in the July 15, 1961, issue of the Saturday Review:

Stalin robbed Poland of her coal shipments, dismantled East German industry, exploited all the satellites through trade at Moscow-made prices without aid. The East German uprising of July 16–17, 1953, was a warning to Stalin's heirs. The Polish and Hungarian revolutions of 1956 called a halt. Now Russia is paying in goods, grants, and loans for the might and prestige which empire supposedly brings. This is reverse imperialism: the colonies submit politically to the "motherland" and exploit her economically. Fine for the power-lusting Soviet dictatorship; bad for the impatient Soviet people who foot the bill. Someday an "Attlee" may arise in the Kremlin who will liberate "India," a Malenkov who will free Russia of the satellites and make Russians free. For the Soviet individual pays not only with clothes, homes, and foods; he pays also with his freedom.

But before we can probe Russia's reaction to such proposals, they must be approved not just by ourselves but by Britain, France, and West Germany.

MR. GERSTENMAIER'S SPEECH

West Germany is the key to the proposals. Most people would say that Chancellor Adenauer is not likely to relish them. I do not know. I do know that a leading member of Chancellor Adenauer's Christian Democratic Union, Bundestag President Eugen Gerstenmaier had some wise and reasonable things to say in his formal address to the German Parliament on June 30:

Within the next few days, it will be 20 years since World War II entered upon its decisive phase with the German attack on Soviet Russia. I fully understand that the Russian people will remember that event with bitterness. There is certainly no one present in this House who does not look back with sorrow on that catastrophe which Hitler's war brought upon the peoples to the east of Germany. I am speaking for all reasonable people when I say that we are ready to do our utmost in conformity with the dictates of justice to remedy the consequences of that war.

We thank God that after so much blood and tears we are living, not simply in a state of peaceful relations with France and other nations of the free world, but in an atmosphere of friendship and reconciliation.

We should like to have similar relations with our neighbors in the east and southeast.

Indeed, we Germans have nothing against peaceful coexistence. But as long as we have to fear that this concept is used merely to camouflage world-revolutionary aggressive maneuvers, there is nothing to be gained by it.

After all that has happened since the capitulation of the German Reich in May 1945, we consider it not only justified but absolutely necessary that the whole German people should be guaranteed a secure existence and freedom

We have been, and we are, ready to give every reasonable guarantee that the German people, once they are peacefully united through a fair settlement that regards their vital requirements, will be a reliable partner

for all their neighbors in the west and the east, the north and the south.

And the Chancellor's Social Democratic opponent in the September Bundestag elections, Mayor Willy Brandt, of West Berlin, in a press conference at Bonn on July 6, called for a peace conference on Germany which would discuss, among other things, a zone in middle Europe free of atomic weapons.

THE GERMAN SITUATION

A note in the July 15 Economist discusses the current German situation:

While the Western Powers have been answering Mr. Khrushchev's proposals on Berlin in notes to the Russian Government, Dr. Adenauer and Herr Brandt have been publicly duelling on the subject in a fairly surprising way. On July 7 Herr Brandt proposed that the West should try and get away from the cold war by producing proposals on the German question as a whole. The West should be prepared to discuss the political and military status of a reunited Germany. It should propose a peace conference of 52 governments; representatives of the two German states could be consulted beforehand.

Holes can obviously be picked in this proposal. Except as a way of buying time, a peace conference of 52 states hardly looks a practical way of making progress over Germany. But in general outline Herr Brandt's idea has much to be said for it. For the West the only way of getting off the Berlin hook in the long run must lie through a serious discussion of the German question as a whole. And if such a discussion is to be fruitful, it will necessarily cover not only the character of a future German Government, but the reunited Germany's alliances, armaments and frontiers.

Dr. Adenauer's reaction, however, has been brusque and bitter: "Mr. Khrushchev is anxious to hear just this sort of thing." If Herr Brandt became Chancellor, the best thing to do would be to emigrate to the United States, he told a rally of Christian Democratic women. Thus Herr Brandt's suggestions, like most suggestions concerning the German question, are branded as dangerous appeasement.

Some of the reasons for Dr. Adenauer's attack are understandable in electoral terms. It is extremely irritating for him that Herr Brandt has been able to quote in support the suggestions for a German peace treaty made 2 weeks ago by Herr Gerstenmaier, the Christian Democratic President of the Bonn Parliament. For once it is the Christian Democrats, more than their opponents, who look divided about foreign policy.

MAYOR BRANDT'S PROPOSAL

Terrance Prittie, in the July 24, 1961, New Republic, reports from Bonn, Germany:

On July 6 Willy Brandt, the Social Democratic candidate for the Chancellorship in this autumn's West German elections, proposed the holding of an international peace conference attended by the 52 nations which fought Nazi Germany. The ostensible purpose would be to discuss a German peace treaty. But its more immediate purpose would be to mobilize world opinion against Nikita Khrushchev and Walter Ulbricht, who have been paving the way with almost maniacal preoccupation for a Berlin crisis at the end of this year. Brandt is aware that the Berlin issue, more than any other, could lead to war.

Brandt points out that the Communist leaders have been talking about the need to liquidate the leftovers of Hitler's war. And they have gone on to say that a peace treaty should be based on the "natural consequences" of that war—chief among them the division of Germany into two separate states. This hypothesis is then used by the Communists to justify the threat that—failing peace treaties with both German states—the Communist bloc will sign one with the East German Republic alone.

Brandt has offered excellent arguments in favor of his super peace conference. He believes it would show the Soviet Union that world opinion is strongly on the side of a fair solution of the German problem—for he is sure that a big majority of the 52 nations would reject any Soviet proposal which could lead to increased tension in and over Berlin. It would show, too, that the West is ready to discuss the German question as a whole—which would compromise the Soviet allegation that the West wishes to avoid, even sabotage, negotiations. The super peace conference might deflect, if not derail Khrushchev's present intention to sign a separate peace treaty, achieve full East German sovereignty, transfer shared control over Berlin's communications from the Soviet to East German hands, and thereafter wage a war of nerves against the 2½ million inhabitants of West Berlin and the Western Powers who are responsible for their freedom and independence.

Willy Brandt is not an outstandingly clever man, but he is eminently sensible. And commonsense rather than cleverness will be more useful in countering Communist pressure in Germany which—unless countered—will lead to crisis and, possibly, to world war. In his commonsense way, Brandt, perhaps not entirely intentionally, has pointed to one essential failure in Western diplomacy—the failure to evolve a negotiating basis for the recapture of diplomatic initiative. The West has so far blankly turned down a whole string of Communist proposals—for a zone of limited armaments in central Europe, for a confederation of two German states, for the signing of German peace treaties, for all-German talks at one table. There has been an almost wearisomely repetitive assertion that the West will not desert West Berlin, or recognize the East German Republic or allow East German supervision of those of Berlin's communications for which the Soviet Union has hitherto been responsible. The attitude of the West may have been firm; it has not been constructive.

This has been recognized by a great many critics, but the critics have themselves fallen into error. Some have assumed that the way to avert disaster is by working out some deal which the Russians might possibly accept. One school of thought wants recognition of the East German Republic or of the Oder-Neisse line traded for firm Soviet guarantees for the maintenance of a free West Berlin. Another school of though would denude West Berlin of allied troops in return for the same guarantees. Yet another would agree to the permanent division of Germany (which the Soviet Union wants anyway) if the 17 million East Germans were allowed to elect their own Government freely. Proposals of deals of this kind merely suggest to Khrushchev and his advisers that there may possibly be more chance than before of wringing concessions out of the West.

There has also been a shocking failure by the West Germans to explain to the outside world just what a foreign-installed, Communist tyranny in Eastern Germany amounts to. There has been an equally bad failure by the West German Government to develop or support ideas for breaking the diplomatic deadlock (one such idea was the so-called "Macmillan plan" for a zone of equalized armaments in Germany, which Dr. Adenauer rejected out of hand). There has, in short, been extreme mental laziness; and the Soviet leaders have taken full advantage of it.

It is a misfortune that Western Germany is now in the throes of a Federal election campaign. Already the Federal Minister of Defense, Franz-Josef Strauss, has denounced Brandt's plan—either out of sheer stupidity but more probably for electioneering purposes. West German parliamentarians have gone on holiday, or departed from Bonn for their constituencies. Dr. Adenauer's mind is given up to the problem of how to win on September 17. And the odds are all on Khrushchev beginning to implement his plans for Berlin and Germany only a month after that.

The West has probably 3 months in which to act, and if it does not act its very inaction will increase the chances of the Communist bloc committing itself to terribly dangerous steps in Berlin. There is a great deal that can be done. The West can elaborate Willy Brandt's proposal of a super peace conference—which should be held in Berlin, where the nations of the world can get a firsthand picture of the Berlin problem. The West can jolt the West Germans into informing world opinion more fully about the East German Republic; for the counterpart to a free, prosperous and generally respected West German Republic is an Eastern Germany which is ruled by an alien tyranny, which is losing 200,000 citizens a year, which is in the throes of economic crisis and which is the worst possible shopwindow for the Communist world. The West should consider putting the plight of the East German refugees before the United Nations. And it should place the illegal rearmament in East Berlin, the Communist kidnapings of West German citizens, the persecution of the Christian churches in Eastern Germany and the continued incarceration of 10,000 political prisoners before the bar of world opinion.

One thing is certain. The government which emerges from the German elections in September will surely be in a position to take a fresh look at the whole problem of middle Europe's security.

THE "WESTERN PEACE PROPOSAL" OF MAY 14, 1959

It is sometimes said that strong elements in both Great Britain and France oppose German unification. But far better than guessing what they may do is for us to come up with a recommendation to them of what we think the West ought to do. We should remember that Britain, France, and the United States all agreed on the "Western Peace Proposal" of May 14, 1959, with its proposals for controlled disarmament in middle Europe.

Developing a constructive set of goals for the West in middle Europe is particularly important because of its effect on the smaller nations in the U.N. Frank Aiken, Ireland's Minister for External Affairs, in a speech on June 5, 1961, talked about the desirability of establishing areas of law in places such as middle Europe:

In order to foster the evolution of world law and to improve the chance of keeping the peace in zones of international tension, we have suggested the establishment of groups of states which I have variously described as "areas of peace," "areas of law," "disarmed areas of law," and "carpets of peace between the great powers." As we envisage them such areas would be composed

of groups of states which would agree to limit their armaments to police level, to settle their differences peacefully, to exclude foreign troops from their territories, and to accept international supervision over the fulfillment of the agreement. The possibility of establishing such areas depends not only on agreement between groups of smaller states but on the forbearance and enlightened self-interest of the great powers who would be required to support the United Nations in guaranteeing the agreement and the inviolability of the countries concerned.

So let us arm ourselves against the Soviet threat to Berlin. But, as Churchill said "We are to parley." The West must equally prepare a set of proposals for the kind of middle Europe it would like to see when the nightmare is over. And if we do, the problem of Berlin will shrink in size.

REORGANIZATION PLAN NO. 5 AND THE NATIONAL LABOR RELATIONS BOARD

Mr. DEVINE. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. SEELY-BROWN] may extend his remarks in the body of the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SEELY-BROWN. Mr. Speaker, I am voting against the resolution (S. Res. 158) to disapprove Reorganization Plan No. 5, because I believe that the plan should become effective, as provided in the Reorganization Act of 1949, on July 24, 1961.

The position I am taking is that the benefits to prompt and orderly labor-management procedures which are to be derived from the reorganization of the daily operations of the National Labor Relations Board overbalance the valid points which have been raised against the Reorganization Plan No. 5.

The Labor-Management Reporting Act of 1959—the Landrum-Griffin Act—like all major legislative products, was not the perfect document that those who voted for it would like to have had it. There were some things about it that needed amendment. It was amended.

One amendment which the Congress did adopt in 1959 without controversy specifically authorized the National Labor Relations Board to delegate its powers in representation cases to its regional directors.

Pursuant to this provision of the law, the Board on April 27, 1961, issued an order, which became effective on May 15, delegating its powers in election cases to its 28 regional directors, subject to the discretionary review of the Board itself. Such actions, now being decided by the regional directors, include decisions as to whether a question concerning representation exists, determination of the appropriate bargaining unit, the direction of elections to determine whether the employees wish to be represented, and rulings on supplemental matters such as challenged ballots and objections to an election.

By this order, as authorized by Congress, the Board has cleared from the workbaskets of its members about 75 percent of all the cases in the shop, which now will be decided by the regional directors. However, it is estimated that a review by the Board will be requested in about half of the cases adjudicated by the regional directors.

This Reorganization Plan No. 5, unless disapproved by Congress, conveys to the National Labor Relations Board "the authority to delegate, by published order or rule, any of its functions to a division of the Board, an individual Board member, a hearing examiner, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting or otherwise acting as to any work, business or matter," provided any or all of these things are done within the requirements of section 7(a) of the Administrative Procedure Act—60 Stat. 241—as amended.

Under this reorganization plan, the trial examiners, of whom the Board last year had 49 who worked the entire fiscal year, will hear the cases pertaining to charges of unfair labor practices, just as they are doing now. The difference will be that the findings by the trial examiners will not have to be reviewed by the Board, unless at least two of the five members of the Board decide that they should be.

The plan does not relieve the members of the Board of any of their responsibilities for the proper operation of the Board or for the proper administration of the act which they are charged with enforcing. It does not change the right of interested parties to seek and secure review in the courts of a decision by the Board or its representatives, nor does it change the standards applicable to such judicial review. It does seek to reduce the tremendous backlog of cases now pending in the Board and to improve the quality of its work.

During the fiscal year just closed, more than 18,000 cases were filed with the National Labor Relations Board. The previous 2 years 21,000 cases were filed each year. It is estimated that the total will be 23,000 cases in the year just begun. It now takes more than 400 days from the time a charge is filed until the Board's mandatory reexamination of all the facts is completed and its ruling issued. Under the Reorganization Plan No. 5, it is expected that this timelag can be cut in half.

The Board's members, Republican as well as Democratic appointees, are unanimous in believing that it would be a gain for timely justice if the decisions of the trial examiners could become final except in cases where a real basis for a challenge exists.

There are a number of objections that have been raised to Reorganization Plan No. 5. I think that I am familiar with all of them. With a number of them, I have no difficulty in being in agreement.

Practically all of these objections, however, were just as valid when the delegation of the Board's powers to the regional directors in representation cases was being considered in 1959. If they were stated, however, they were not heeded by Congress, which proceeded to convey in part the delegation of authority which now it is proposed to carry one step further in Reorganization Plan No. 5.

It is a delegation of authority, but it is not a delegation of power. The Board surrenders none of the power given it in the Labor-Management Reporting Act. Its litigants surrender or are deprived of none of their rights.

Unless the complaints and the claims which are brought to the National Labor Relations Board can be considered fairly and seriously, and decided promptly, the very safeguards provided for all concerned in the Landrum-Griffin Act are destroyed.

The Reorganization Plan No. 5 is intended to obtain for every litigant fair consideration and a prompt decision. It thus becomes an important instrument of progress in the relations between management and labor throughout business and industry.

MR. SALINGER PAYS THE AIR FORCE

Mr. GROSS. Mr. Speaker, with the consent of the gentleman from Illinois [Mr. DERWINSKI], who has a special order, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, this morning I received the following letter, dated July 18, 1961, from Pierre E. G. Salinger, Press Secretary to the President:

> Your speech in the House of Representatives today has been brought to my attention. In fairness to me I think it would be helpful if you would insert in the RECORD that on July 5, 1961, the day I returned from Europe, I reimbursed the Air Force for my daughter's trip.

In fairness to Mr. Salinger, I am glad to accommodate him, but in fairness to the taxpayers it might have been helpful had Mr. Salinger told me the amount of his reimbursement to the Air Force.

Was it the regular commercial first-class jet fare for a child under 12 years of age from Washington to Europe, which I am advised is $270, plus tax? Or could it have been only $153.45, as I have been informed?

In fairness to the taxpayers, it might also have been helpful if Mr. Salinger had reported that the commercial first-class jet fare for an adult from Washington to Europe is approximately $540, plus tax. Mr. Salinger, it will be recalled, accompanied his daughter to Europe, and there has been no reimbursement to the Air Force for his own pleasure jaunt.

In fairness to Mr. Salinger and the taxpayers, I am glad to be helpful.

CAPTIVE NATIONS WEEK COMMITTEE

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Illinois [Mr. DERWINSKI] is recognized for 30 minutes.

Mr. DERWINSKI. Mr. Speaker, we are in the midst of commemorating Captive Nations Week, in accordance with the intent of Congress that this observance be continued on an annual basis and in conformance with the proclamation issued by President Kennedy.

On many previous occasions this year, numerous Members of the House have discussed the specific operation of Captive Nations Week, and much emphasis has been placed on the creation of a Special House Committee on Captive Nations. I will discuss that particular point in some detail this afternoon.

But first, I ask leave to incorporate with my remarks an address by Dr. Lev E. Dobriansky, national chairman of the Captive Nations Committee, Inc., which was delivered this last Sunday afternoon, July 16, at a huge captive nations rally held in Chicago's Grant Park.

This ringing address packs all the dynamic vigor of its title, "A Policy of Emancipation and Liberation of Khrushchev's Captives":

A POLICY OF EMANCIPATION AND LIBERATION OF KHRUSHCHEV'S CAPTIVES

(An address by Dr. Lev E. Dobriansky, Chicago Captive Nations Day, July 16, 1961, Grant Park, Chicago, Ill.)

This magnificent city of Chicago, its illustrious mayor, Richard J. Daley, and you, its freedom-loving citizens, command the profound gratitude and respect of all Americans for your leadership and forward-pressing courage in annually observing Captive Nations Week. Last year you led the Nation in giving forceful expression to the cause of dynamic and expansive freedom; and this year your inspiration is felt in New York, Buffalo, Washington, and numerous other cities and towns where friends of freedom are joining with you in this second anniversary observance. In all humility it is a privileged honor for me to join with you in this observance, my friends of freedom.

From time to time many people ask, "Why do we need a Captive Nations Week?" "What is the meaning and significance of it?" "What do you hope to achieve and accomplish?" You've heard these questions, and I'm sure that in many ways the answers you've given are even better than those I hope to supply today. Complete answers to these recurring questions require, it seems to me, (1) a fixed conviction about the nature and independence of our own Nation, (2) an appreciation of the impact of our history upon Eastern Europe and Asia, (3) an understanding of the ideas of Captive Nations Week, and (4) a restless will seeking the translation of our ideas and convictions into concrete, imaginative, and fearless action.

THE REVOLUTIONARY SYMBOL OF AMERICAN INDEPENDENCE

If you will reread the clauses of the Captive Nations Week resolution, which is now Public Law 86-90, you will again be impressed by its initial emphasis on the revolutionary symbol of American independence. Based on this resolution and law, President Eisenhower issued proclamations, both in 1959 and 1960, giving eloquent expression to this symbol. And this year, we cannot but express our most grateful thanks to President Kennedy for his stirring proclamation. The revolutionary symbol of American independence cannot be anything but a living and dynamic symbol, signifying strong motivation to action and action itself. We were soundly advised early this year, "Ask not what your country can do for you—ask what you can do for your country." Some time ago you and I asked ourselves this question, and our answer is in part given in this annual observance.

Our answer to this bestirring question is founded on a fixed conviction about the nature and independence of our Nation. Two weeks ago we celebrated our Independence Day, and we looked inward, reexamining our souls and consciences as a free and responsible people. Today we look outward and with our blessings give thought to the millions who have actually lost their independence and freedom in the past 42 years.

Calvin Coolidge once said, "Whether one traces his Americanism back three centuries to the Mayflower or 3 years to the steerage is not half so important as whether his Americanism of today is real and genuine." Whether some of you today are products of the Hungarian revolution, the free voices of a conquered Poland, the escapees of a Russian-genocided Latvia, Lithuania, Estonia, past fighters of a Ukrainian or White Ruthenian underground, or past victims of tyranny and oppression in Czechoslovakia, Rumania, Bulgaria, East Germany, Yugoslavia, or in the Caucasus and Asia—or indeed, freedom-loving Russians who have found a haven here—your Americanism is no less than that of those born and reared here. Together we share a common conviction about the nature and independence of our Nation.

Our Day of Independence symbolizes for us, under God, our national freedom, the untampered will of a sovereign people, our firm determination to meet any enemy who would attempt to destroy our independence. It symbolizes, too, the spiritual and moral power of our great tradition, the just institutions of our country, and the warm humanism of its laws. Often different peoples throughout the world see the meaning and essence of this Nation more objectively and even more appreciatively than many of us do.

As the Captive Nations Week resolution indicates, our Nation, built on the free and creative energies of people drawn from every quarter of the globe, is a unique historical experiment—in short, the great experiment of mankind. Our Nation is a living revolution that moves the hearts and minds of freedom rather than just peace-loving peoples everywhere, particularly those in captive Eurasia. Placed against this revolution, the so-called Communist revolution is but a dressedup phantom shielding the most reactionary, barbaric, and feudal forces of all time. Our society, to be sure, is not perfect. But, by all evidence, it is unquestionably one that has given so much in so many ways to so many within a short span in the history of man.

Contrary to some false notions, we do possess an ideology which inspires our continued growth as a morally leading nation and remarkably equips us to contend successfully with the present threat of imperialist Red totalitarianism. This ideology is plainly and precisely spelled out in our Declaration of Independence and the Bill of Rights. It is vitally important for us to reflect continually upon the moral and political principles embodied in these historic documents. Nuclear weapons, missiles, luniks, and the whole array of new technological innovations—which by nature are only instruments and means—cannot possibly reshape or antiquate these natural norms of civilized human existence.

But at this time even more important is the conscious application of the perennial principles of national independence and personal liberty to other Nations and peoples. For, not only is the living application of these principles crucial to the further growth and development of our Nation, but it is also indispensable to the existence and survival of the nontotalitarian free world. A persistent application by every conceivable medium of communication and contact would dwarf the inflated accomplishments and pretensions of Moscow and its colonial puppets.

AMERICAN INDEPENDENCE AND EASTERN EUROPE AND ASIA

This conviction about our own Nation and about the revolutionary symbol of American independence is not enough. It is a base that in these times demands a structure of appreciation, understanding and a will to act in the community of mankind. The captive peoples of Eastern Europe and Asia form a major and, in the cold war sense, a primary part of this community.

With our shared conviction we must convey among our fellow Americans a vivid appreciation of the profound impact of our history upon Eastern Europe and Asia. What a moving and powerful force our Declaration of Independence was on the various nations which were subjugated in the empires of the last century and a half. Nations in the Russian, Austro-Hungarian, and Ottoman Empires soon rose at the beginning of this century to declare their independence with a will to pursue an independent national existence similar to ours. But, in significant part, this was short lived as the unchecked surge of totalitarian Russian imperialism since 1918 once again reduced the many non-Russian nations of Eastern Europe and Asia to servility.

To me it is vitally significant that the first major counterattack against the ravenous forces of Soviet Russian imperialism was staged by the Polish-Ukrainian alliance between Pilsudski and Petlura. Had this alliance destroyed Trotsky's Red army completely and decisively, the course of world developments would surely have been different. The myths of communism and Marxism-Leninism would have only been a peep in the arena of human history. As it was, this alliance gave Europe and other parts of the world a breather of some 20 years before the Soviet Russian scourge began to spread again.

Today, we ourselves are seriously threatened by this barbaric peril, which, as in past centuries, poses as the wave of the future, as the third Rome of mankind, as the Slav center of culture, power and might. Worst of all, in our confusion, generated in the greatest degree by the unsurpassed propaganda skill of the enemy, we aren't even aware of the tremendous opportunities we have to defeat this menace in the cold war and thus stave off an otherwise inevitable hot global war. The prime and chief forces of patriotic nationalism in central Europe, in the Soviet Union itself, in central Asia and east Asia are our paramount ally. We haven't even begun to tap the enormous potential of non-Russian nationalism within the Soviet Union. The insecurity of Moscow's imperialist and colonial domination over the captive non-Russian nations from the Danube to the Pacific would be permanently sealed and intensified once we seriously begin to direct the words of the President to the peoples of these over 20 captive nations: "Fellow citizens of the world, ask not what America will do for you,

but what together we can do for the freedom of man."

THE IDEAS OF CAPTIVE NATIONS WEEK

This necessary togetherness for freedom is best expressed in the Captive Nations Week resolution. This observance gives a crystallized expression to the necessity for working together for freedom, especially in the one area of the world that thirsts for it. Above everything else Khrushchev craves to have his captive world undisturbed and neglected by the free world. But we must never allow him to consolidate his farflung empire; we must never forget that his growing insecurity about the captive nations is our great weapon in the cold war, not to speak of a hot one; nor must we ever forget that the field of the cold war is also Eastern Europe and Asia, not only between imperialist Moscow and the free world but also between the captive peoples and the colonial puppets imposed on them. "They must never," as Mayor Daley so well declared, "be permitted to believe we have deserted them."

Captive Nations Week means all this and more. And an understanding of the ideas of Captive Nations Week must be transmitted to all Americans. What Public Law 86-90 calls for is, in essence, a universalized declaration of independence. It is based on the knowledge that the captive peoples of central and southern Europe—the Poles, Hungarians, Slovaks, Czechs, East Germans, Rumanians, Bulgarians, Serbs, Croats, Slovenes, Montenegrins, Macedonians, and Albanians—have a common bond for freedom with the captive peoples in the Soviet Union and Asia. For the first time, our Government recognized the fundamental fact that the Soviet Union itself is an empire, in which the majority of people constitute captive non-Russian nations.

We all recall how in 1959 the self-confident, blustering and cocky Khrushchev reacted violently against the resolution. At every turn he harried Vice President Nixon with the question: "Are these captives?" Isn't it strange that this colonial and imperialist ruler of a vast empire, forever boasting about his missiles, sputniks, aircraft, steel—and even donning an ill-fitting military uniform to press his points—should be alarmed and explosive over a mere congressional resolution? Ask yourselves what, except for the U-2 incident, has stirred Khrushchev more to this explosive point of fear and anxiety than the ideas contained in the resolution. The fact is that we have focused the spotlight of imperialism and colonialism on the only important center where it today belongs—Moscow.

As in Poland, Hungary and elsewhere, there is a serious colonial problem within the Soviet Union. And if this is emphasized more and more in the forum of world opinion and attention, the proper characterization of Russian Moscow as the last major colonial and imperialist power in the world would be devastating to its propaganda and cold war efforts. Khrushchev well understood this and ranted endlessly; many in this country remained puzzled and bewildered. We muffed our opportunities then and since.

The hour of decision is rapidly approaching, and you and I are convinced that only a policy of emancipation and liberation of Khrushchev's captives is the decision for freedom-loving men. I have always held that a policy of liberation is inescapable for victory in the cold war. And the horrors of a nuclear war only reinforce this position. Our opportunity, I am convinced, will come once we realize the following: (1) that the issues of colonialism and imperialism in Moscow's empire are prime targets for our national concern and effort, (2) that the Soviet Union, which poses as an equal to the United States, is an empire in itself, holding in bondage the captive nations of Latvia, Lithuania, Estonia, White Ruthenia, Ukraine, Georgia, Armenia, Azerbaijan, Turkestan, Cossackia, North Caucasia, and Idel-Ural, (3) that the only types of warfare that Moscow can wage with success are propaganda and guerrilla warfare, (4) that the cold war will be as permanent as the colonial imperium maintained by Moscow from the Danube to the Pacific, and (5) that the universalization of our Declaration of Independence is the most formidable weapon in this type of war. Initiative, positive action, imaginative ideas can be ours with these fixed and new dimensions of thought.

Although it is said that "the fool's treasure is in his tongue," Khrushchev has never uttered a more complete truth when he recently said his tongue is his chief weapon. The typical Russian Potemkin village tactics practiced by him, whether in economic, military, space, cultural or other fields, should frighten no one. In each of these areas a persistent, continuous, and popular concentration and study by us would easily reveal the breadth and depth of the Russian con game. For instance, the economic boasts of Khrushchev could be easily exploded by revelations of the rampant economic imperialism and colonialism within the U.S.S.R. itself. The Gagarin space story will in time become the Russian gangrene story of the cold war. The greatest lies are half truths.

FROM IDEAS AND CONVICTIONS TO ACTION

It is often said by some that the American people haven't the will to prepare for and do the tasks that must be done. You and I don't believe this. The Captive Nations Week observances demonstrate in themselves a restless will in many sections of our country, seeking the translation of these ideas and convictions into concrete, imaginative, and fearless action. Our best defense in the cold war is the offense. There are many things that are required for the successful development of a cold war strategy. In this year's observance we are concentrating on the following:

1. A firm stand without any compromise on West Berlin: The issue of West Berlin is part of the issue of a free reunited Germany, and this is an integral part of the general issue of the captive nations.

2. A determined opposition to the admission of Red China to the United Nations: Mainland China is the largest of all captive nations. Its hope of eventual freedom is in Taiwan. There is nothing inevitable about Peiping being in the U.N. Here, too, no compromise; here, too, no illusions about any mutual suicide pact between Peiping and Moscow.

3. The passage of House Resolution 211 and similar resolutions proposing the creation of a Special House Committee on Captive Nations: The necessity for such a committee has been ably set forth in congressional discussion. There is no agency in Government or private life that continually and persistently studies and investigates all of the captive nations. We need such a body, and this meeting should go on record for the establishment of a Special House Committee on Captive Nations.

4. The passage of the Freedom Academy bill in this Congress: We shall surely continue to lose the cold war until we decide to develop a cold war strategy and apparatus. The Captive Nations Resolution is the basis for such a strategy; the establishment of a Freedom Academy is an essential of the apparatus.

5. The activation of the Kersten amendment to the Mutual Security Act with reference to Cuba: What we failed to do 10 years ago with regard to the captive nations, we must do now with regard to Cuba. The fact of a near-captive nation existing at our doorstep should awaken us to the need of forming units of free Cuba, prepared for guerrilla warfare and the process of liberating Cuba.

6. The expansion and improvement of the Voice of America broadcasts to the non-Russian nations in the U.S.S.R.: It is strange, indeed, that the enemy in effect determines the shifts in Voice of America frequencies as, for example, in Africa and Latin America, while we virtually leave his vulnerable areas untouched, e.g., Turkestan and the Caucasus. There are over 30 million Moslems in the U.S.S.R. who deserve our closest attention and whose significance for the entire Islamic world is immense.

7. The restoration and extension of the Champion of Liberty Stamp series: The good-will impact of these stamps has been well demonstrated. The action of our postal authorities to downgrade the series is mystifying and even irrational, especially when many fighters of freedom among the captive nations should be appropriately honored.

8. The creation of an Executive Agency on the Self-Determination of the Captive Nations: Such an agency would steadily focus world attention on the captive nations of Europe and Asia and, by deed, attest to our policy of never acquiescing to their permanent captivity. By all evidence such an agency is more important than a disarmament agency.

Your fervent support of these and other issues should be forcefully expressed. You will be working in the best interests of our Nation, for the survival of freedom, and for the avoidance of a cataclysmic hot global war. Colonial Moscow knows best from decades of experience and evidence that it cannot trust its own armed forces. This was shown in World War I, World War II, and in Hungary. The momentous conflict of our day will not be resolved by military arms but, instead, by nonmilitary means, particularly in the field of propaganda. But we seek to propagate a diplomacy of truth, the dynamics of freedom, and the certainty of victory in the most essential area of the cold war—the area of Moscow's colonial empire. And the greatest contribution we could make to the independence and freedom of the 100 million Russian people is to work for the independence and freedom of all the captive non-Russian nations now under the heel of imperialist Moscow.

President Theodore Roosevelt was entirely right when he advised, "Speak softly and carry a big stick." But let us, for the sake of world freedom, speak—continuously, persistently, truthfully; and as he also said, "Fear God and take your own part"—for the freedom of the captive nations, for, in reality, our own freedom.

Mr. Speaker, the rally at which Dr. Dobriansky delivered this inspiring message was held under the auspices of the city of Chicago, and drew into its impressive fold all the organized ethnic groups, identifiable with the captive peoples of the European and Asian satellite nations, as well as the captive peoples within the Soviet Union proper.

The master of ceremonies was our distinguished colleague, the Honorable DAN E. ROSTENKOWSKI, and the cofeatured speaker with Dr. Dobriansky, was our colleague from Indiana, the Honorable RAY J. MADDEN, whose inspiring address was truly appreciated by the assembled audience.

It is especially appropriate to note that Congressman MADDEN is a member

of the House Rules Committee, which has before it for consideration numerous resolutions to create a Special House Committee on Captive Nations. His support of this special committee is evidence of his thorough knowledge and grasp of the tremendous potential of our counteroffensive against false Soviet ideology through the vehicle of exposing to the world the imperialism and colonialism now being practiced by the Soviet Union.

Next week the House Rules Committee will once again study the creation of this committee. Therefore, I deem it most appropriate that the Members of the House study the address of Dr. Dobriansky that I have inserted into my remarks, for its clear, concise, vivid explanation of many points in this picture.

There is no doubt that the Soviet Government will continue to muddy the waters of international diplomacy in an attempt to achieve its avowed goal of worldwide communism. We can effectively spike much of their hypocritical material through the vehicle of a Special House Committee on Captive Nations supporting, as it will, the President and the State Department in these times of grave international problems.

It will be truly fitting and proper that following the nationwide Captive Nations Week observances, the House move rapidly to finally organize this committee.

Mr. Speaker, I realize that the Members of the House have a multitude of issues before them and are hard pressed to keep abreast of the tremendous burden of detail. But certainly, we all see the importance of developing an effective coordination with our State Department in these times, and in this way emphasize to all the world the effectiveness of our legislative branch of Government as it, in a spirit of bipartisanship, marches shoulder to shoulder with our executive branch, in representing not only the honest position of the American public but the just aspirations of all peoples throughout the world.

Mr. DEVINE. Mr. Speaker, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Ohio.

Mr. DEVINE. Mr. Speaker, I wish to compliment the gentleman from Illinois on his constant devotion to this particular cause. I know personally the Member from Illinois has been very interested in this matter for many, many years, and has talked about it both on and off the floor from the start of this session. I am glad to see him take the floor of the House at this time to bring it before the American public.

Mr. DERWINSKI. I thank the gentleman for his support.

EQUAL RIGHTS

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Idaho [Mrs. PFOST], is recognized for 20 minutes.

Mrs. PFOST. Mr. Speaker it gives me great pleasure to join my colleagues in commemorating this day which is so historically important to the fight of women for equal rights with men. I am happy, especially, that a number of men in the Congress have joined in sponsoring the equal rights amendment.

It was on a July 20th like this, just 113 years ago, that Susan B. Anthony presided over a meeting at Seneca Falls, N.Y., to discuss the social, civil, and religious condition and rights of women.

That meeting, participated in by a group of 68 dedicated women leaders and 32 men, laid the basis for the passage of the 19th amendment to the Constitution in 1920, which for the first time gave women the right to vote.

Women in the intervening years have made great strides toward equality with men. This has not been accomplished through legislation benefiting women, but rather through the untiring, ceaseless and dedicated service by American women.

I am well aware, as a Member of Congress from the West, that the early pioneer could hardly have succeeded in settling the West were it not for the brave woman by his side who shared the dangers of the frontier. In this environment women were raised to their true stature. They met the challenges of the times—the Indian wars, the disease and hardships—and it instilled in them a passion for freedom and equality.

Out of this came the movement for the right to vote which first took hold in Wyoming and spread to other States helping to lay the foundation for the subsequent amendment to the Constitution.

Names like Amelia Earhart, Madam Curie, and many others are also a reminder that women have written a proud chapter in history. They are not to be denied and I think the time has come for the Congress to recognize the writing on the wall and vote approval of the equal rights legislation, of which I am a sponsor.

Mr. Speaker, a number of points should be kept in mind in regard to this amendment.

First of all the proposal would in no way abrogate or interfere with existing protective laws for special segments of our society. Moreover, it would not interfere with States rights to legislate regarding health, welfare, and civil rights. The amendment would simply provide a guarantee to insure that such laws would apply equally to all citizens regardless of sex.

Secondly, the proposal would require ratification by 36 State legislatures after its passage by Congress before it could become law. This would give an opportunity to the various States to have their say on the question. While many States at this time do have special laws in effect safeguarding the rights of women, some States do not. The national amendment to the Constitution is needed to guarantee that existing inequalities and discrimination against women will be eliminated by all States.

In America today, more than 50 percent of our population are women. The Labor Department estimates that there are some 23 million women in our working force, and this total is climbing steadily. Women thus continue to take an increasingly important role in our society.

As a member of the Business and Professional Women's Club of Nampa, Idaho, I am aware that the national organization has long been one of the spearheads in the struggle for equal rights, and I urge the Congress to give serious consideration to this amendment.

It is not enough, as the common expression goes, to say that "behind every great man there is a woman." Rather, it should say that "alongside every great man there is a woman." In other words, in the motto of Susan B. Anthony: "Men their rights and nothing more; women their rights and nothing less." This is the intent and purpose of the equal rights legislation.

It gives me pride to note the spirit of that Seneca Falls convention of 113 years ago is prevalent in many Members of Congress, including an even 100 of my colleagues who joined with me in introducing the joint resolution on equal rights.

On this historic day for women, let us act accordingly.

HIGH MORTGAGE INTEREST RATES IN THE SOUTH AND IN THE WEST

Mr. COOK. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include a tabulation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. PATMAN. Mr. Speaker, in the RECORD of July 10, at page 12219, I called attention to the fact that people in the South and the West pay much higher interest rates for short-term business loans than people in the East, particularly in New York City. I think this is a serious situation and one that should be corrected.

The prevalence of high interest rates in the South and the West is even more striking in mortgage loan rates. The National Association of Real Estate Boards made a survey of mortgage loan rates in various sections of the country. The response to this survey shows that conventional mortgage loan rates for both new houses and existing houses in good neighborhoods are substantially higher in the South and in the West than in the northeastern part of the country.

The accompanying tabulation summarizes the results of the survey:

Mortgage loan rates in various sections of the country, spring 1961 (percentage distribution)

CONVENTIONAL LOANS—NEW HOUSES

Region	5¾ percent or less	6 percent	6¼ percent	6½ percent	Over 6½ percent
Northeast	46	54			
North Central	12	71	6	8	3
South	26	68		6	
West		33	21	29	17

CONVENTIONAL LOANS—EXISTING HOUSES IN GOOD NEIGHBORHOODS

Northeast	40	60			
North Central	7	70	5	13	5
South	16	60	5	14	5
West		21	29	29	21

Source: National Association of Real Estate Boards. Mortgage market, spring 1961, pp. 8-19.

In the Northeast, nearly half of the respondents reported mortgage interest rates for new houses were 5¾ percent or less and 6 percent was the highest prevailing rate reported.

In sharp contrast, in the South, in a number of cases the rate was 6½ percent, and over two-thirds of the respondents placed the prevailing mortgage at 6 percent. Only about one-fourth of the reports in the South placed prevailing mortgage rates at 5¾ percent or less.

In the West, no prevailing mortgage rates were below 6 percent. One-third were 6 percent, one-fifth were at 6¼ percent, 29 percent were at 6½ percent, and 17 percent were above 6½ percent.

As is to be expected, conventional loan rates for existing houses in good neighborhoods are at a higher level throughout the country than the rates for new houses. However, in this category also there is a sharp discrepancy—the South and West pay very much higher rates than prevail in the Northeast and North Central regions. In the Northeast, again 6 percent is the highest prevailing rate. Forty percent of the respondents report that mortgages carry an interest charge of 5¾ percent or less; 60 percent report 6 percent.

In the South, however, nearly a fifth of the respondents place mortgage rates in their areas at 6½ percent or more. In the West, where the rates are the highest, no rates are below 6 percent, half the respondents place prevailing mortgage rates at 6½ percent or more, and nearly 80 percent report mortgage rates at 6¼ percent or more.

Financing costs are recognized as the second largest and sometimes the largest single component in housing costs. In fact, when a mortgage is spread over an extensive period of years, the cost of interest will often exceed the price of the house itself.

The high cost of money in the South and the West defies logical justification. As I pointed out in my discussion of the banking rates on short-term business loans, if we had a completely free market for funds, you would think that these rates would tend to equalize—that money would flow into the South and the West and bring about a better balance in interest rates.

I am afraid there is widespread complacency about this situation. Little effort is made to explain it, much less to correct it.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Bow (at the request of Mr. HALLECK), until July 24, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. REUSS, for 30 minutes, today, and to revise and extend his remarks.

Mrs. PFOST (at the request of Mr. COOK), for 20 minutes, today, to revise and extend her remarks and include extraneous matter.

Mr. FLOOD (at the request of Mr. COOK), for 30 minutes, on Monday next, July 24, 1961.

Mr. DERWINSKI (at the request of Mr. DEVINE), for 30 minutes, today.

Mr. RHODES of Arizona (at the request of Mr. DEVINE), for 1 hour, on Tuesday, July 25.

Mr. GRIFFIN (at the request of Mr. DEVINE), for 1 hour, on Tuesday, July 25.

Mr. AYRES (at the request of Mr. DEVINE), for 1 hour, on Wednesday, July 26.

Mr. GOODELL (at the request of Mr. DEVINE), for 1 hour, on Wednesday, July 26.

Mr. ALGER (at the request of Mr. DEVINE), for 1 hour, on Thursday, July 27.

Mr. SPRINGER (at the request of Mr. DEVINE), for 2 hours, on Tuesday, August 1.

Mr. MCINTIRE (at the request of Mr. DEVINE), for 1 hour, on Tuesday, August 1.

Mr. CAHILL (at the request of Mr. DEVINE), for 1 hour, on Wednesday, August 2.

Mr. SCHNEEBELI (at the request of Mr. DEVINE), for 1 hour, on Wednesday, August 2.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. BOYKIN (at the request of Mr. COOK) and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $270.

(The following Members (at the request of Mr. DEVINE) and to include extraneous matter:)

Mr. FINO.
Mr. MICHEL.
Mr. WEAVER.
Mr. FINDLEY.
Mr. VAN ZANDT.
Mr. MCCULLOCH.
Mr. SCHADEBERG.
Mr. MORSE.
Mr. WILSON of Indiana.

(The following Members (at the request of Mr. COOK) and to include extraneous matter:)

Mr. EVINS.
Mr. WHITENER.
Mr. BREWSTER.
Mr. STRATTON.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 6874. A act to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes; and

H.R. 7444. An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 331. An act for the relief of Mrs. Kazuko (Wm. R.) Zittle;

S. 438. An act for the relief of Mrs. Maria Giovanna Hopkins; and

S. 1644. An act to provide for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress.

ADJOURNMENT

Mr. COOK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 58 minutes p.m.) under its previous order, the House adjourned until Monday, July 24, 1961, at 12 o'clock noon.

COMMITTEE EMPLOYEES

JULY 12, 1961.

COMMITTEE ON AGRICULTURE

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John J. Heimburger	Counsel	$8,772.00
Francis M. LeMay	Staff consultant	8,051.46
Christine S. Gallagher	Clerk	7,685.21
Hyde H. Murray	Assistant clerk	7,172.76
Lydia Vacin	Staff assistant	4,727.28
Betty M. Preziosa	do	4,727.28
Pauline E. Graves	do	4,712.67
Gladys N. Ondarcho	do	3,908.22
Peggy Jean Lamm	do	3,981.33
Jane C. Wojcik	do	3,404.72
Subcommittee on equipment, supplies, and manpower:		
John Malcolm Smith	General counsel	5,250.02
Martha S. Hannah	Staff assistant	2,091.96
Haywood Taylor	do	1,217.82

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 1 to June 30, 1961	15,579.02
Total amount expended from Jan. 1 to June 30, 1961	15,579.02
Balance unexpended as of June 30, 1961	34,420.98

HAROLD D. COOLEY,
Chairman.

JULY 15, 1961.

COMMITTEE ON APPROPRIATIONS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Kenneth Sprankle	Clerk and staff director.	$8,824.74
Paul M. Wilson	do	8,824.74
Carson W. Culp	Staff assistant	8,754.48
Samuel W. Crosby	do	8,754.48
Jay B. Howe	do	8,578.68
Ross P. Pope	do	8,578.68
Robert M. Moyer	do	8,578.68
Frank Sanders	do	8,051.46
Eugene B. Wilhelm	do	8,051.46
Robert P. Williams	Editor	7,260.60
Aubrey A. Gunnels	Staff assistant	6,909.12
Robert L. Michaels	do	6,733.38
G. Homer Skarin	do	5,942.52
Earl C. Silsby	do	5,634.96
Francis G. Merrill	do	5,634.96
Lawrence C. Miller	Assistant editor	4,605.78
Ralph Preston	Staff assistant	4,403.28
Kelly Campbell	do	5,699.57
James E. Moore	Clerical assistant	1,682.52
George A. Urian	do	1,594.05
Stephen B. Miller	do	826.42
Randolph Thomas	Messenger	2,209.24
George S. Green	Clerk to the minority	8,051.46
Nancie Hammack	Clerk-stenographer	3,002.44
George P. Cossar, Jr.	do	1,028.94
Viola W. Grubbs	do	3,086.82
Jeanne C. Smith	do	3,086.82
Rosalind E. McGovern	do	3,086.82
Suzanne S. Thomas	do	1,543.41
Patrick M. Hayes	do	3,086.82
Donald L. Bernard	do	3,086.82
Florence Pignone	do	893.92
Geraldine Watkins	do	2,572.35
Phyliis N. Troy	do	2,572.35
William J. Neary	do	3,086.82
Elinor L. Malaney	do	3,086.82
Mary F. Wilson	do	2,403.60
Silas Taber	do	3,086.82
Robert Dunkel	do	3,086.82
Josephine Birdsall	do	3,086.82
David R. Hansen	do	3,086.82
Dorothy E. Sweeney	do	1,543.41
Ruth Mahder	do	2,985.57
Gayle C. Raver	do	1,391.52
John H. Murphy	do	2,884.32
William B. Gunger	do	1,229.50
Gloria J. Kilgore	do	51.45
Margie H. Trew	do	51.45
June R. Austin	do	68.60
Kenneth A. Meade	Clerical assistant	677.19
Donald F. Berens	do	1,358.28
Rose M. Kline	Clerk-stenographer	514.47
Catherine D. Norrell	do	1,028.94
George C. Drescher, Jr.	do	480.72
Alice Beach	do	1,543.41
Phyllis J. Morgan	do	1,543.41
Keith Pyles	do	445.87
Anne R. Sylvester	do	1,602.40
Esther T. Purser	do	196.95
J. Suzanne Hubbard	do	290.91

Amount of expenditures previously reported	$225,571.33
Amount expended from Jan. 1 to June 30, 1961	212,045.66
Total amount expended from July 1, 1960, to June 30, 1961	437,616.99

CLARENCE CANNON,
Chairman.

JULY 15, 1961.

COMMITTEE ON APPROPRIATIONS

(INVESTIGATIONS STAFF)

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Joseph K. Ponder	Director, surveys and investigations staff, to May 1, 1961.	$4,890.20
Kenneth T. Delavigne.	Director, surveys and investigations staff.	7,124.40
William B. Soyars	Assistant director, surveys and investigations staff.	7,203.48
Leonard M. Walters	do	2,314.76
Lillian M. Mackie	Stenographer	3,314.70
Helen C. Parrish	do	3,112.18

REIMBURSEMENTS TO GOVERNMENT AGENCIES

Agriculture, Department of:		
Cameron, William H.	Clerk-stenographer	$839.47
Caprio, James T., Jr.	Editorial assistant	1,207.36
Dollinger, Franklin J.	Clerk-stenographer	488.60
Magee, Leroy F	Investigator	4,715.66
Army, Department of: Cranks, Joseph R.	do	2,349.00
Atomic Energy Commission: Jones, Roger M.	Editorial assistant	975.20
Census, Bureau of: McPherson, James L.	Investigator	1,318.00
Central Intelligence Agency: Swisko, George M.	Clerk-stenographer	503.91
Corps of Engineers: Klein, Arthur A.	Investigator	1,424.98
Federal Bureau of Investigation:		
Bennett, Carl L	do	6,458.40
Bolz, Charles	do	5,585.28
Brent, Aubrey S	do	6,458.40
Chisholm, Leslie B., Jr.	do	6,073.60
Crowley, Theodore P.	do	963.60
Durland, Peter R	do	6,198.40
Giovannetti, Carlton.	do	6,160.32
Haebel, James C	do	2,553.20
Hayden, Albert C., Jr.	do	6,593.60
Hayes, Edward J	do	6,676.00
Health benefits fund		734.98
Leon, Maurice P	Investigator	3,270.40
Life insurance fund		358.11
Love, Warren L	Investigator	6,210.00
Martinson, Walter C.	do	6,458.40
Murphy, Peter J	do	5,904.80
McEllece, Richard F.	do	5,885.60
Reamy, W. Wallace	do	4,222.80
Retirement fund		7,047.30
Ruhl, John A	Investigator	5,961.60
Tucker, George R	do	6,458.40
Vahey, Eugene W	do	2,682.72
Versicker, William	do	589.20
Walters, Leonard M.	do	4,222.80
Wood, M. Branch	do	6,458.40
Woolf, Richard M	do	5,481.60
General Services Administration: Chapman, Howard K.	do	3,823.51
Interior, Department of: Barb, Arnold O.	do	7,437.79
Justice, Department of: Urian, George A.	Clerk-stenographer	580.96
Maritime Administration:		
Jarvis, Leon H	Investigator	983.70
Tiedemann, Hollie J.	do	987.34
National Institutes of Health: Monahan, James F., Jr.	do	4,030.30

REIMBURSEMENTS TO GOVERNMENT AGENCIES—Continued

Name of employee	Profession	Total gross salary during 6-month period
Navy, Department of the:		
Goode, S. O	Investigator	$980.80
Williams, Ben M	do	404.88
State, Department of: Schmidt, Orville H.	Editorial assistant	1,567.00
Travel and miscellaneous expense.		35,019.93

Funds authorized or appropriated for committee expenditures	$600,000.00
Amount of expenditures previously reported	300,482.30
Amount expended from Jan. 1 to June 30, 1961	223,256.02
Total amount expended from July 1, 1960, to June 30, 1961	523,738.32
Balance unexpended as of June 30, 1961	76,261.68

CLARENCE CANNON,
Chairman.

JULY 6, 1961.

COMMITTEE ON ARMED SERVICES

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Robert W. Smart	Chief counsel	$8,824.74
John R. Blandford	Counsel	8,798.40
Philip W. Kelleher	do	8,798.40
Frank M. Slatinshek	do	7,796.64
Oneta L. Stockstill	Committee secretary.	4,676.70
Berniece Kalinowski	Secretary	4,676.70
L. Louise Ellis	do	4,676.70
M. Jane Binger	do	3,547.56
Edna E. Johnson	Secretary (from June 1).	667.21
James A. Deakins	Bill clerk	3,547.56
Marie M. Abbott	Secretary (to May 10).	2,788.85
Office of Special Counsel operating pursuant to H. Res. 78 and 79, 87th Cong.:		
John J. Courtney	Special counsel	8,824.74
William H. Sandweg.	Assistant counsel	6,975.00
Dorothy Britton	Secretary	4,403.28
Jane Wheelahan	do	3,456.42
Adeline Tolerton	Clerk	3,248.82

Funds authorized or appropriated for committee expenditures	$150,000.00
Amount of expenditures previously reported	0
Amount expended from Jan. 1 to July 1, 1961	27,722.70
Total amount expended from January 1961 to July 1961	27,722.70
Balance unexpended as of July 1, 1961	122,277.30

CARL VINSON,
Chairman.

JULY 1, 1961.

COMMITTEE ON BANKING AND CURRENCY

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of

the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Robert L. Cardon	Clerk and general counsel.	$8,824.74
John E. Barriere	Majority staff member.	8,824.74
Orman S. Fink	Minority staff member.	8,824.74
Robert R. Poston	Counsel	8,824.74
Helen L. Rogers	Deputy clerk	5,204.16
Mary W. Layton	Assistant clerk	5,204.16
Marguerite Bean	Secretary to chairman.	6,030.36
Alicia F. Shoemaker	Secretary to minority.	4,838.70
Roger J. Brown	Editor	6,004.02

EMPLOYEES PURSUANT TO H. RES. 143, SUBCOMMITTEE ON HOUSING

Kenneth W. Burrows	Housing economist	$8,241.61
John L. Fitzgerald	Attorney (EOD 3-15-61).	2,835.08
Eleanor N. Hamilton	Research assistant	3,547.56
John J. McEwan, Jr.	Deputy staff director.	8,824.74
Grady Perry, Jr.	Clerk	5,702.24
Margaret E. Tucker	Secretary	4,307.04
Frances M. Yeakle	do	3,491.78

Funds authorized or appropriated for committee expenditures	$105,000.00
Amount of expenditures previously reported	0
Amount expended from January through June	38,858.10
Total amount expended from Jan. 1 through June 30, 1961	38,858.10
Balance unexpended as of June 30, 1961	66,141.90

BRENT SPENCE,
Chairman.

JULY 1, 1961.

COMMITTEE ON DISTRICT OF COLUMBIA

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from December 31, 1960, to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
W. N. McLeod	Clerk	$8,754.48
Hayden S. Garber	Counsel	8,051.46
Leonard O. Hilder	Investigator	5,942.52
Dixon D. Davis	Assistant clerk (Jan. 1 to May 31).	2,947.85
Clayton D. Gasque	Assistant clerk (June 1).	899.58
Donald J. Tubridy	Minority clerk	5,397.48
Ruth Butterworth	Assistant clerk	4,767.78
Ann L. Puryear	do	4,099.50
Lillian B. Hamilton	do	3,390.60
Ellen M. Coxeter	Stenographer-clerk	3,390.60
Patricia Ann Dempsey.	Stenographer (Apr. 1).	1,290.27

Funds authorized or appropriated for committee expenditures	$10,000
Amount of expenditures previously reported	None
Balance unexpended as of	10,000

NOTE.—Nothing has been spent out of H. Res. 189, $10,000.

JOHN L. McMILLAN,
Chairman.

JULY 5, 1961.

COMMITTEE ON FOREIGN AFFAIRS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Boyd Crawford	Staff administrator	$8,824.74
Roy J. Bullock	Senior staff consultant.	8,723.70
Albert C. F. Westphal.	Staff consultant	8,723.70
Franklin J. Schupp	do	8,644.62
Harry C. Cromer	Investigator-consultant.	7,361.32
Henry E. Billingsley [1]	Consultant	1,433.44
June Nigh	Senior staff assistant	6,294.00
Winifred G. Osborne	Staff assistant	5,942.52
Helen M. Mattas	do	5,527.98
Myrtle M. Melvin	do	5,397.48
Helen L. Hashagen	do	5,397.48
Ann L. Clark	do	3,990.35
Robert J. Bowen	Clerical assistant	3,937.44

Funds authorized or appropriated for committee expenditures	$150,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 1 to June 30, 1961	21,406.05
Total amount expended from Jan. 1 to June 30, 1961	21,406.05
Balance unexpended as of June 30, 1961	128,593.95

[1] Month of January 1961 only.

THOMAS E. MORGAN,
Chairman.

JULY 15, 1961.

COMMITTEE ON EDUCATION AND LABOR
(STANDING COMMITTEE)

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Louise M. Dargans	Chief clerk	$8,726.69
Russell C. Derrickson	Staff director	8,726.69
Wray Smith	Education chief	5,883.16
Howard G. Gamser	Chief counsel for labor-management.	8,726.69
Livingston L. Wingate.	Associate counsel for labor-management.	7,418.92
Teresa Calabrese	Administrative assistant to the chairman.	$4,945.14
Richard T. Burress	Minority clerk	7,339.30
Melvin W. Sneed	Minority staff assistant.	8,292.48
Louise M. Wright	Administrative assistant.	3,855.11
Cabell Waller Berge	do	2,041.73
Anne K. Fernbach	Administrative assistant (to Mar. 22, 1961).	1,208.37
Charles E. Wilson	Staff assistant (Feb. 1-28, 1961).	1,470.79
John H. Young III	Administrative assistant (to Jan. 31, 1961).	1,372.74
J. Noble Richards	Administrative assistant to the minority (Jan. 4-31, 1961).	806.72
Jeanne E. Thomson	Administrative assistant for the minority (to Jan. 31, 1961).	652.87
Charles T. Lane	Assistant clerk (to Jan. 2, 1961).	97.47
Charles M. Ryan	General counsel (to Jan. 2, 1961).	97.47
Ida S. Miller	Assistant clerk (to Jan. 2, 1961).	43.52
Levi K. Alderman	Clerk (to Jan. 2, 1961).	97.47
Kathryn Kivett	Assistant clerk (to Jan. 2, 1961).	43.52
Melvin W. Sneed	Minority clerk (to Jan. 2, 1961).	97.47
Russell C. Derrickson	Chief investigator (to Jan. 2, 1961).	97.47
Gladys M. Rafter	Assistant clerk (to Jan. 2, 1961).	43.52
James B. Wells	do	86.96

Amount of expenditures previously reported	
Amount expended from Jan. 1 to June 30, 1961	$72,142.27

ADAM C. POWELL,
Chairman.

JULY 15, 1961:

COMMITTEE ON EDUCATION AND LABOR
(INVESTIGATING STAFF)

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
General Subcommittee on Education (Representative CLEVELAND M. BAILEY, chairman:		
Reva Beck Bosone	Legal counsel (to Mar. 15, 1961).	$2,166.94
Ruth P. Ebersole	Assistant subcommittee clerk.	2,950.77
Robert E. McCord	Subcommittee clerk.	7,377.24
General Subcommittee on Labor (Representative CARL D. PERKINS, chairman):		
Peggy Lia Amburgey.	Secretary	250.46
Joe Lee	Counsel (to May 31, 1961).	3,033.58
Hartwell Duvall Reed, Jr.	Counsel	883.51
Jeanne F. White	Secretary (to Mar. 31, 1961).	350.09
Marian Ruth Wyman.	Secretary (to May 31, 1961).	455.56

Name of employee	Profession	Total gross salary during 6-month period
Special Subcommittee on Education (Representative EDITH GREEN, chairman):		
Betty R. Fryor	Subcommittee clerk	$3,501.64
Nicholas H. Zumas	Counsel	3,501.64
Special Subcommittee on Labor (Representative JAMES ROOSEVELT, chairman):		
Doris G. Smith	Secretary	2,751.68
W. Wilson Young	Counsel	7,377.24
Select Subcommittee on Labor (Representative HERBERT ZELENKO, chairman):		
Harvey B. Cohen	do	833.45
Mollie D. Cohen	Administrative assistant.	3,168.40
Joseph I. Paper	Counsel (to May 31, 1961).	3,751.14
Select Subcommittee on Education (Representative FRANK THOMPSON, chairman):		
Mary E. Corbin	Secretary	2,237.40
William P. Gerberding.	Counsel	4,500.64
Ad Hoc Subcommittee on Unemployment and the Impact of Automation (Representative ELMER HOLLAND, chairman):		
Walter Buckingham.	Director of automation study.	2,744.55
Olive M. Gibbons	Secretary	1,983.85
Ad Hoc Subcommittee on the Impact of Imports and Exports on American Employment (Representative JOHN H. DENT, chairman):		
Barbara Dash	do	1,983.85
Stanley D. Metzger	Subcommittee counsel.	2,500.76
Ad Hoc Subcommittee on the National Labor Relations Board (Representative ROMAN PUCINSKI, chairman):		
James McConnell Harkless.	Counsel	5,001.52
Laurine Pemberton	Secretary	1,500.39
Full committee staff:		
Donald F. Berens	Administrative assistant.	2,333.61
Patricia Bergman	Secretary	1,350.86
Cabell Waller Berge	Administrative assistant.	233.39
Adrienne Fields	Receptionist	1,400.90
Mary Sue Leonard	Secretary (to Jan. 31, 1961).	484.29
Mary D. Pinkard	Administrative assistant.	2,448.34
Charles E. Wilson	Assistant education chief.	3,157.75
Anne K. Fernbach	Administrative assistant (to Mar. 22, 1961).	458.35
Investigative task force:		
James E. Branigan	Counsel	4,375.02
Ilene Tena Bushman.	Clerk-receptionist (to June 30, 1961).	1,116.96
Olga Cano	Administrative assistant (to June 30, 1961).	1,875.06
Odell Clark	Assistant chief investigator.	4,167.25
Marvin R. Fullmer	Chief investigator	4,751.44
Ann I. Jordan	Secretary	1,500.39
Waldo E. Parrish	Administrative assistant.	1,500.39
Jose Lumen Roman	Investigator	3,333.80
Ludwig Teller	Consultant	3,751.14
Minority staff:		
Walter P. Kennedy	Clerk (to Mar. 31, 1961).	201.26
Beverly Pearson	Minority secretary	2,741.15
Jeanne E. Thomson	do	3,585.00
Travel and miscellaneous expense.		13,033.41

Funds authorized or appropriated for committee expenditures	$633,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 1 to June 30, 1961	122,306.06
Balance unexpended as of June 30, 1961	510,693.94

ADAM C. POWELL,
Chairman.

JULY 1, 1961.

COMMITTEE ON GOVERNMENT OPERATIONS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 4 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Expenses, Jan. 4–June 30, 1961:	
Full committee	$943.71
Executive and Legislative Reorganization Subcommittee	42,128.14
Military Operations Subcommittee	38,181.02
Government Activities Subcommittee	21,640.56
Intergovernmental Relations Subcommittee	22,908.93
Foreign Operations and Monetary Affairs Subcommittee	32,252.87
Special Donable Property Subcommittee	15,609.20
Special Government Information Subcommittee	33,582.89
Special Subcommittee on Assigned Power and Land Problems	16,034.88
Total	223,282.20
Salaries, full committee, Jan. 1–June 30, 1961:	
Christine Ray Davis, staff director	8,824.74
Orville S. Poland, general counsel	8,224.74
James A. Lanigan, associate general counsel	8,824.74
Earle J. Wade, staff member	5,629.59
J. Robert Brown, staff member	6,733.38
Dolores Fel'Dotto, staff member	4,727.28
Ann E. McLachlan, staff member	4,281.72
Patricia Maheux, staff member	3,988.22
Helen M. Boyer, minority professional staff	8,051.46
J. P. Carlson, minority counsel	7,401.18
Expenses, Jan. 4–June 30, 1961:	
Full committee, travel, publications, telephone, stationery supplies, etc	943.71
Executive and Legislative Reorganization Subcommittee, Hon. WILLIAM L. DAWSON, chairman:	
Elmer W. Henderson, counsel	7,768.62
Phineas Indritz, counsel (Jan. 4–Mar. 31, 1961)	3,742.89
Orville J. Montgomery, associate counsel	6,979.76
Arthur Perlman, investigator	6,979.76
Miles Q. Romney, counsel (Apr. 1–June 30, 1961)	3,322.74
David Glick, associate counsel	5,757.04
Lawrence P. Redmond, clerical staff (Jan. 4–Mar. 27, 1961)	2,479.93
Irene Manning, clerk-stenographer	3,583.07
Veronica B. Johnson, clerical staff (May 1–June 30, 1961)	1,250.04
Expenses	264.29
Total	42,128.14
Military Operations Subcommittee, Hon. CHET HOLIFIELD, chairman:	
Herbert Roback, staff administrator	8,677.66
Earl J. Morgan, investigator (Jan. 3–June 30, 1961)	6,658.56
John Paul Ridgely, investigator	5,670.67
Douglas G. Dahlin, staff attorney	4,628.61
Robert J. McElroy, investigator	4,429.42
Mollie Jo Hughes, clerk-stenographer	3,931.58
Catherine L. Koeberlein, clerk-stenographer	3,931.58
Expenses	252.94
Total	38,181.02
Government Activities Subcommittee, Hon. JACK BROOKS, chairman:	
Edward C. Brooks, Jr., staff administrator	7,571.65
John E. Moore, investigator	5,817.58
L. Russell Harding II, investigator	4,494.15
Irma Reel, clerk	3,488.43
Expenses	268.75
Total	21,640.56
Intergovernmental Relations Subcommittee, Hon. L. H. FOUNTAIN, chairman:	
James R. Naughton, counsel	$7,614.84
Delphis C. Goldberg, professional staff member	7,614.84
Eileen M. Anderson, clerk-stenographer	3,931.58
Bebe B. Terry, clerk-stenographer	3,533.27
Expenses	214.40
Total	22,908.93
Foreign Operations and Monetary Affairs Subcommittee, Hon. PORTER HARDY, JR., chairman:	
John T. M. Reddan, chief counsel	7,800.00
Richard P. Bray, Jr., counsel	7,269.21
Miles Q. Romney, counsel (Jan. 4–Mar. 31, 1961)	3,042.10
Walton Woods, investigator	6,534.72
Phyllis Seymour, clerk	3,931.58
Yvonne J. Kurtak, stenographer	3,334.09
Expenses	341.17
Total	32,252.87
Special Donable Property Subcommittee, Hon. JOHN W. MCCORMACK, chairman:	
Ray Ward, staff administrator	7,917.27
Margaret B. O'Connor, clerk-stenographer	3,533.27
Clara Katherine Armstrong, clerical staff	3,548.20
Herbert Lee Goldblatt, clerical staff (June 15–30, 1961)	160.08
Expenses	450.38
Total	15,609.20
Special Subcommittee on Government Information, Hon. JOHN E. MOSS, chairman:	
Samuel J. Archibald, staff administrator	7,917.27
Jacob Scher, counsel (Jan. 4–Mar. 15, 1961)	1,560.79
Phineas Indritz, counsel (Apr. 1–June 30, 1961)	4,025.73
Harry S. Weidberg, assistant counsel	5,554.02
Jack Howard, professional staff member	6,116.32
Helen Beasley, stenographer	3,931.58
Catherine L. Hartke, stenographer	3,931.58
Expenses	545.60
Total	33,582.89
Special Subcommittee on Assigned Power and Land Problems, Hon. JOHN E. MOSS, chairman:	
Sidney McClellan, professional staff member	6,344.62
Adriene C. Masterson, clerical staff	4,674.75
Francis J. Schwoerer, staff member	4,917.36
Expenses	98.15
Total	16,034.88
Funds authorized or appropriated for committee expenditures	640,000.00
Amount expended from Jan. 4 to June 30, 1961	223,282.20
Balance unexpended as of June 30, 1961	416,717.80

WILLIAM L. DAWSON,
Chairman.

JUNE 30, 1961.

COMMITTEE ON HOUSE ADMINISTRATION

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Julian P. Langston	Chief clerk	$8,824.74
Marjorie Savage	Assistant clerk	7,612.03
John F. Haley	do	3,846.33
Mary F. Stolle	do	2,273.21

Funds authorized or appropriated for committee expenditures	$20,000.00

Amount of expenditures previously reported	----------
Amount expended from Jan. 1 to June 30, 1961	$12,320.40
Total amount expended from Jan. 1 to June 30, 1961	12,320.40
Balance unexpended as of June 30, 1961	7,679.60

OMAR BURLESON,
Chairman.

JULY 7, 1961.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Professional staff:		
Sidney L. McFarland	Professional staff director and engineering consultant	$8,359.02
T. Richard Witmer	Counsel	8,051.46
John L. Taylor	Consultant on territorial and Indian affairs	8,051.46
Karl S. Landstrom	Consultant on mining, minerals, and lands (to Jan. 20, 1961)	894.61
Milton A. Pearl	Consultant on mining, minerals, and lands (from Feb. 1, 1961)	6,270.20
Clerical staff:		
Nancy J. Arnold	Chief clerk	7,172.76
Laura Ann Moran	Assistant chief clerk	4,808.28
Dixie S. Duncan	Clerk	3,998.22
Penelope P. Harvison	----do----	3,863.18
Virginia E. Bedsole	----do----	3,795.66
Patricia B. Freeman	Clerk (from Feb. 1, 1961)	2,589.26
Marjorie Lee Smith	Clerk (Jan. 3-31, 1961)	464.43

Funds authorized or appropriated for committee expenditures	$60,000.00
Amount of expenditures previously reported	----------
Amount expended from Jan. 1 to June 30, 1961	[1] 9,472.87
Total amount expended from Jan. 1 to June 30, 1961	9,472.87
Balance unexpended as of June 30, 1961	50,527.13

[1] Includes payment of $3,150 to Paul D. Shriver, special consultant on territories, under contract approved Mar. 1, 1961.

WAYNE N. ASPINALL,
Chairman.

JULY 7, 1961.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Clerical staff:		
W. E. Williamson	Clerk	$8,801.32
Kenneth J. Painter	1st assistant clerk	7,322.11
Marcella Fencl	Assistant clerk	4,575.40
Glenn L. Johnson	Printing editor	6,206.12
Joanne Neuland	Clerical assistant	3,643.77
Mildred H. Lang	----do----	3,643.77
Mary Ryan	----do----	3,643.77
Roy P. Wilkinson	Assistant clerk	3,593.14
Professional staff:		
Andrew Stevenson	Expert	8,807.16
Kurt Borchardt	Legal counsel	8,807.16
Sam G. Spal	Research specialist	8,807.16
Martin W. Cunningham	Aviation consultant	8,807.16
Additional temporary employees under H. Res. 108 and H. Res. 165:		
Gladys Johnson	Clerical assistant	3,643.77
Margaret J. Robinson	Staff assistant	7,796.63
Elsie M. Karpowich	Clerical assistant	3,643.77
Thomas A. Craig	Messenger (Mar. 1 to Mar. 31, 1961)	362.58
Donald Wayne Cash	Messenger (May 1 to May 31, 1961)	362.58
William J. Smead	Messenger (June 1 to June 30, 1961)	362.58
Subcommittee on Regulatory Agencies:		
Robert W. Lishman	Consultant (to Mar. 31, 1961)	4,239.80
Oliver Eastland	Attorney (to Feb. 28, 1961)	2,553.81
Charles P. Howze, Jr.	Attorney (chief counsel from Apr. 1, 1961)	7,065.19
George W. Perry	Attorney (associate counsel from Apr. 1, 1961)	6,331.17
Herman Clay Beasley	Assistant clerk	7,044.54
Rex Sparger	Special assistant	5,022.38
Lurlene Wilbert	Clerical assistant	4,364.70
Stuart C. Ross	Consultant (from May 1, 1961)	2,688.22

Funds authorized or appropriated for committee expenditures	$435,000.00
Amount of expenditures previously reported	----------
Amount expended from Jan. 3 to June 30, 1961	59,653.18
Total amount expended from Jan. 3 to June 30, 1961	59,653.18
Balance unexpended as of June 30, 1961	375,346.82

OREN HARRIS,
Chairman.

JULY 15, 1961.

COMMITTEE ON THE JUDICIARY

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Bess E. Dick	Staff director	$8,824.74
William R. Foley	General counsel	8,824.74
Walter M. Besterman	Legislative assistant	8,824.74
Murray Drabkin	Counsel	$7,009.53
Herbert N. Maletz	----do----	8,578.68
William H. Crabtree	Associate counsel	7,612.08
Carrie Lou Allen	Clerical staff	3,863.18
Anne J. Berger	----do----	5,631.98
Jane Caldwell	----do----	3,964.48
Frances F. Christy	----do----	5,204.16
Garner J. Cline	Assistant Counsel	5,702.24
Helen Goldsmith	Clerical staff	4,909.56
Velma Smedley	----do----	5,397.48

FUNDS FOR PREPARATION OF UNITED STATES CODE, DISTRICT OF COLUMBIA CODE, AND REVISION OF THE LAWS

A. Preparation of new edition of United States Code (no year):	
Unexpended balance Dec. 31, 1960	$61,610.21
Expended Jan. 1-June 30, 1961	21,519.02
Balance June 30, 1961	40,091.19
B. Preparation of new edition of District of Columbia Code (no year):	
Unexpended balance Dec. 31, 1960	76,695.91
Expended Jan. 1-June 30, 1961	8,751.91
Balance June 30, 1961	67,944.00
C. Revision of the laws 1961:	
Unexpended balance Dec. 31, 1960	9,276.76
Expended Jan. 1-June 30, 1961	8,939.74
Balance June 30, 1961	337.02

SALARIES PAID JANUARY 4 THROUGH JUNE 30, 1961, PURSUANT TO HOUSE RESOLUTION 56 AND HOUSE RESOLUTION 68, 87TH CONGRESS

Employee	Profession	Salary
Appel, Leonard	Assistant counsel	$6,837.16
Beland, Lorraine W	Clerical staff	2,935.84
Burak, Gertrude C	----do----	4,529.02
Eisenberg, Roberta E	----do----	3,831.99
Finger, Alexander E	Assistant counsel	6,275.54
Fuchs, Herbert	----do----	7,053.21
Gary, Leon	Clerical staff (as of June 7, 1961)	440.61
Greenwald, Andrew E.	Clerical staff (as of June 23, 1961)	80.04
Haardt, Alma B	Clerical staff (as of Feb. 13, 1961)	2,056.02
Jett, R. Frederick	Assistant counsel	6,534.72
Kelemonick, Michael	Clerical staff	3,533.27
Meekins, Elizabeth G	----do----	3,831.99
Peet, Richard C	Assistant counsel	6,275.54
Shea, Mary Pat	Clerical staff (to June 15, 1961)	2,909.28
Simms, Regina H	Clerical staff (as of May 1, 1961)	1,130.20
Singman, Julian H	Associate chief counsel, antitrust	7,571.65
Sky, Theodore	Assistant counsel	4,329.89
Walden, Jerrold	Associate counsel (as of June 12, 1961)	803.50
Williams, Stephen L	Messenger	2,437.94

Funds authorized or appropriated for committee expenditures	$200,000.00
Amount expended from Jan. 4 through June 30, 1961	76,277.11
Balance unexpended as of June 30, 1961	123,722.89

SPECIAL SUBCOMMITTEE ON STATE TAXATION OF INTERSTATE COMMERCE, PURSUANT TO HOUSE RESOLUTION 204, 87TH CONGRESS

Employee	Profession	Salary
Bankester, Claude E	Counsel (as of June 8, 1961)	$703.26
Breslow, Jerome W	Assistant counsel (as of Apr. 17, 1961)	1,352.30
Greess, Constance	Clerical staff (as of June 21, 1961)	180.77
Hall, Patricia J	Clerical staff (as of June 26, 1961)	86.17
Meck, Joseph P	Economist (as of June 19, 1961)	242.58
Melville, Robert F	Senior economist (as of June 5, 1961)	938.96
Zelfman, Jerome M	Counsel (as of June 15, 1961)	444.51

Funds authorized or appropriated for special subcommittee expenditures	$150,000.00
Amount expended from Mar. 15 through June 30, 1961	5,586.85
Balance unexpended as of June 30, 1961	144,413.15

EMANUEL CELLER,
Chairman.

JULY 1, 1961.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John M. Drewry	Chief counsel	$8,798.37
Bernard J. Zincke	Counsel	8,227.20
Robert H. Cowen	do	8,525.97
William B. Winfield	Chief clerk	7,612.08
Frances P. Still	Assistant clerk	5,030.16
E. M. Tollefson	Clerk to the minority	4,808.28
Edith W. Gordon	Secretary	3,998.22
Ruth E. Brookshire	Assistant clerk	3,998.22
Vera A. Barker	Secretary	3,998.22

Funds authorized or appropriated for committee expenditures	$75,000.00
Total amount expended from Jan. 1 to June 30, 1961	9,994.49
Balance unexpended as of June 30, 1961	65,005.51

HERBERT C. BONNER,
Chairman.

JULY 12, 1961.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Frederick C. Belen	Chief counsel (resignation effective Mar. 2, 1961).	$2,990.61
Charles E. Johnson	Staff director	8,698.80
George M. Moore	Counsel (effective Mar. 16, 1961).	5,147.76
B. Benton Bray	Professional staff member.	7,970.92
John H. Martiny	do	7,685.32
William A. Irvine	Assistant clerk (effective Mar. 1, 1961).	4,942.92
Lillian L. Hopkins	Assistant clerk	4,909.56
John B. Price	do	4,504.50
Lucy K. Daley	do	4,403.24
Elsie E. Thornton	Secretary	3,930.70
Blanche M. Simons	do	3,542.52

Funds authorized or appropriated for committee expenditures	$100,000.00
Amount of expenditures previously reported	
Amount expended from Feb. 28 to June 30, 1961	$19,652.03
Balance unexpended as of June 30, 1961	80,347.97

TOM MURRAY,
Chairman.

JULY 14, 1961.

COMMITTEE ON PUBLIC WORKS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee:		
Margaret R. Beiter	Staff director	$8,824.74
Richard J. Sullivan	Chief counsel	8,824.74
Robert F. McConnell	Minority counsel (retired Jan. 31, 1961).	1,462.00
Clifton W. Enfield	Minority counsel (appointed Feb. 19, 1961).	6,236.30
Joseph R. Brennan	Engineer-consultant	8,824.74
Stephen V. Feeley	Subcommittee clerk	6,294.00
Helen M. Dooley	Staff assistant	7,172.76
Helen A. Thompson	do	5,854.62
Dorothy A. Beam	do	5,204.16
S. Philip Cohen	do	4,504.50
Ester M. Saunders	Clerk-messenger	2,783.04
Investigating staff:		
Durward G. Evans	Subcommittee clerk	4,909.56
John A. O'Connor, Jr.	do	4,909.56
William B. Short, Jr.	do	4,909.56
Jerome N. Sonosky	Subcommittee clerk (resigned May 7, 1961).	3,902.19
Peter M. Gentilini	Subcommittee clerk (appointed May 16, 1961).	1,349.37
Agnes M. GaNun	Staff assistant	3,572.88
Mary C. Porter	Minority staff assistant.	4,396.47
Murray S. Pashkoff	Investigator (appointed Mar. 1, 1961).	2,668.84
Nicholas Capozzoli, Jr.	Minority clerical assistant (Feb. 1 through Apr. 30, 1961).	1,644.69
Flavil Q. Van Dyke, Jr.	Minority clerical assistant (appointed June 12, 1961).	347.21
Sterlyn B. Carroll	Clerk-messenger	2,783.04
Special Subcommittee on the Federal-Aid Highway program:		
Walter R. May	Chief counsel	8,824.74
Robert E. Manuel	Minority counsel	7,809.84
John P. Constandy	Assistant chief counsel.	7,807.62
James J. Fitzpatrick	Associate counsel	6,996.96
Robert A. McElligott	do	6,996.96
Robert E. Vaughan	Associate counsel (resigned Mar. 13, 1961).	2,445.65
George M. Kopecky	Chief investigator	7,557.18
George M. Martin	Administrative assistant.	7,293.57
Baron I. Shacklette	Investigator	6,996.96
James P. Kelly	do	6,469.74
John N. Dinsmore	do	6,474.15
Sherman S. Willse	do	6,581.79
Charles A. Gannon	Investigator (appointed Apr. 6 1961).	3,069.69
Kathryn M. Keeney	Chief clerk	3,876.66
Mildred E. Rupert	Staff assistant	3,491.88
Jean N. Cameron	Staff assistant (resigned June 23, 1961).	3,356.08
Erla S. Youmans	Minority staff assistant.	3,339.96
Special, etc.—Con.		
Sara L. Vollett	Clerical assistant	$2,909.63
Michael J. McInerney.	Research assistant (resigned Feb. 28, 1961).	900.68
Clifton A. Woodrum.	Research assistant (appointed June 16, 1961).	190.15

Funds authorized or appropriated for committee expenditures	$950,000.00
Total amount expended from Jan. 1 to June 30, 1961	163,437.45
Balance unexpended as of June 30, 1961	786,562.55

CHARLES A. BUCKLEY,
Chairman.

JULY 17, 1961.

COMMITTEE ON RULES

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
T. M. Carruthers	Clerk, standing committee.	$6,733.38
Mary S. Forrest	Assistant clerk	4,200.72
D. E. Lukens	Minority clerk (Jan. 3, 1961, to June 30, 1961, inclusive).	4,554.70

HOWARD W. SMITH,
Chairman.

JULY 10, 1961.

COMMITTEE ON SCIENCE AND ASTRONAUTICS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 4 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Charles F. Ducander	Executive director and chief counsel.	$8,824.74
Charles S. Sheldon II	Technical director	8,824.74
Philip B. Yeager	Special consultant	8,824.74
Spencer M. Beresford	Special counsel	8,824.74
John A. Carstarphen, Jr.	Chief clerk	8,293.14
Emily Dodson	Secretary	3,658.98
Eva F. Lopez	do	3,658.98
Jane J. Zetty	do	3,650.54
Mary Ann Robert	do	3,419.32
Mary L. Myron	do	3,210.04

Name of employee	Profession	Total gross salary during 6-month period
Investigations subcommittee:		
Raymond Wilcove	Staff consultant	$8,293.14
C. Otis Finch	Assistant clerk	4,570.32
Richard P. Hines	Staff consultant	7,163.94
Frank R. Hammill, Jr.	Counsel	7,269.42
Mary Ann Temple	Secretary	3,199.69
Eunice A. Walker	do	3,253.92
Mabel McLaughlin	Stenographer	355.92
Joseph Felton	Publications clerk	830.25

Funds authorized or appropriated for committee expenditures	$300,000.00
Amount expended from Feb. 28 to June 30, 1961	45,692.94
Balance unexpended as of June 30, 1961	254,307.06

OVERTON BROOKS,
Chairman.

JULY 12, 1961.

COMMITTEE ON UN-AMERICAN ACTIVITIES

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 3 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
STANDING COMMITTEE		
Donald T. Appell	Investigator	$7,260.60
Juliette P. Joray	Recording clerk	5,678.88
Thelma S. Michalowski	Secretary to investigators.	4,686.78
Gwendolyn L. Lewis	Administrative assistant (appointed Jan. 4, 1961).	5,584.23
Isabel B. Nagel	Secretary to counsel	3,896.94
Rosella A. Purdy	Secretary to director.	4,686.78
Frank S. Tavenner, Jr.	Director	8,824.74
Anne D. Turner	Chief of reference section.	5,722.80
Lorraine N. Veley	Secretary	3,694.44
William A. Wheeler	Investigator	7,084.86
INVESTIGATING COMMITTEE		
Beatrice P. Baldwin	Clerk-typist	2,681.76
Daniel Butler	do	2,175.48
Charlotte B. Carlson	Research analyst	3,466.56
Regina Marie Crissy	Clerk-typist (appointed June 1, 1961).	362.58
Kathleen Fritz	Clerk-typist (appointed Mar. 7, 1961).	1,268.36
Raymond T. Collins	Investigator	5,010.84
Anniel Cunningham	Information analyst	3,719.71
Rosalyn B. DuVal	do	2,691.84
Oliver Eastland	Consultant (Mar. 1 to 12, inclusive).	394.41
Elizabeth L. Edinger	Editor	3,694.44
Emily R. Francis	Information analyst	2,479.26
Helen M. Gittings	Research analyst	4,605.78
Robert Henry Goldsborough.	Investigator	3,238.74
Betty Ann Gredecky	Clerk-stenographer (appointed Mar. 1, 1961).	1,652.84
Kathleen L. Hagenbuch.	Clerk-stenographer	3,593.16
Walter B. Huber	Consultant	7,172.76
Maura Patricia Kelly	Research analyst	2,965.32
Olive M. King	Editor	4,453.86
INVESTIGATING COMMITTEE—continued		
Evelyn M. Kocis	Clerk-stenographer (appointed Apr. 1, 1961).	$1,376.34
Fulton Lewis III	Research analyst (Jan. 1–12).	208.15
Gwendolyn L. Lewis	Administrative assistant (transferred to standing committee).	94.65
Francis J. McNamara	Research director	6,557.64
William Margetich	Investigator	3,562.80
Vincent J. Messina	Research analyst	2,377.98
David E. Muffley, Jr.	Clerk-typist (appointed Jan. 5, 1961).	2,151.38
Jane S. Muller	Information analyst	2,702.04
Alfred M. Nittle	Counsel	7,001.40
Maureen Phillips Ontrich.	Information analyst	3,026.09
Alma T. Pfaff	Research clerk	2,479.26
Katherine Phillips	Switchboard operator.	2,555.22
Josephine S. Randolph.	Research clerk	2,884.32
Barbara E. Rettew	Editor	3,188.09
Louis J. Russell	Investigator	5,854.62
Olga Seastrom	Clerk-typist (appointed June 16, 1961).	181.29
Hilda C. Schoenek	Clerk-stenographer (terminated Apr. 30, 1961).	1,040.85
Doris P. Shaw	Information analyst	2,702.04
Lela Mae Stiles	do	3,026.09
Consuelo S. Thompson.	Clerk-stenographer (resigned May 15, 1961).	2,098.66
Joseph T. Timony	Clerk-typist (resigned June 15, 1961).	2,133.39
Geraldine M. Unangst	Clerk-stenographer	2,175.48
Mary Myers Valente	do	3,140.84
John C. Walsh	Cocounsel	5,378.16
Vera L. Watts	Clerk-stenographer	3,431.09
Neil E. Wetterman	Investigator	4,403.28
Billie Wheeler	Clerk-stenographer	1,984.26
Regina McCall Wilt	Clerk-typist	2,175.48
John A. Yohe	Staff member (appointed Jan. 4, 1961).	4,840.28

Funds authorized or appropriated for committee expenditures	$331,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 4 to July 1, 1961	123,256.64
Balance unexpended as of July 1, 1961	207,743.36

FRANCIS E. WALTER,
Chairman.

JULY 14, 1961.

COMMITTEE ON VETERANS' AFFAIRS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Full committee:		
Oliver E. Meadows	Staff director (P)	$8,824.74
Edwin B. Patterson	Counsel (P)	8,824.74
J. Buford Jenkins	Professional aid (P)	7,699.98
Jack Z. Anderson	Professional aid for minority (P).	6,373.42
George W. Fisher	Clerk (C)	8,824.74
Paul K. Jones	Assistant clerk (C)	6,294.00
Helen A. Biondi	do	5,160.22
Full committee—Con.		
George J. Turner	Assistant clerk (C)	$4,302.00
Alice V. Matthews	Clerk-stenographer (C).	4,302.00
Helen J. Peterson	Clerk-stenographer for minority (C).	2,375.66
Investigative staff:		
Adin M. Downer	Staff member	6,720.18
Joanne Doyle	Clerk-stenographer	3,496.98
Jean Johnson	do	2,914.15
Billy E. Kirby	Investigator	131.48
Paul H. Smiley	do	66.35
John Billie Smith	do	969.54
Kay N. Small	Clerk-stenographer	1,481.66
William T. McDonald.	Clerk-typist	343.49

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 3 to June 30, 1961	16,918.32
Total amount expended from Jan. 3 to June 30, 1961	16,918.32
Balance unexpended as of July 1, 1961	33,081.68

OLIN E. TEAGUE,
Chairman.

JULY 10, 1961.

COMMITTEE ON WAYS AND MEANS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Leo H. Irwin	Chief counsel (C)	$8,824.74
John M. Martin, Jr.	Assistant chief counsel (P).	8,666.58
Thomas A. Martin	Minority counsel (P).	8,824.74
Gerard M. Brannon	Professional assistant (P).	8,666.58
Raymond F. Conkling.	do	7,928.46
Alfred R. McCauley	do	7,787.82
William E. Wells	Attorney (from Jan. 4, 1961) (P).	3,705.09
Virginia Baker	Staff assistant (C)	4,276.68
Virginia Butler	do	4,383.00
Frances E. Donovan	do	4,276.68
Grace Kagan	do	4,383.00
June Kendall	do	4,453.86
Margaretta G. Pestell	do	3,375.42
Elizabeth L. Ruth	do	4,150.08
Eileen Sonnett	Staff assistant (C) (from Jan. 4, 1961).	3,234.57
Susan Taylor	Staff assistant (C)	5,300.82
Irene Wade	do	4,383.00
Hughlon Greene	Document clerk	2,894.40
Walter B. Little	do	2,894.40

Funds authorized or appropriated for committee expenditures	$25,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 1 to June 30, 1961	844.38
Total amount expended from Jan. 1, to June 30, 1961	844.38
Balance unexpended as of June 30, 1961	24,155.62

WILBUR D. MILLS,
Chairman.

JULY 1, 1961.

SELECT COMMITTEE ON SMALL BUSINESS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 4 to June 30, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Charles S. Beller	Assistant counsel	$2,166.84
Katherine C. Blackburn	Research analyst	3,981.38
John Bryan	Business analyst	1,871.28
Dorothy F. Councill	Secretary-stenographer.	3,956.48
Frances F. Crane	do	3,174.79
Victor P. Dalmas	Adviser to minority members.	7,917.27
Dean B. Dittmer	Research analyst	3,368.92
Jane M. Deem	Administrative assistant.	2,970.19
Jean W. Fender	Secretary-stenographer.	2,950.77
Justinus Gould	Counsel	7,485.21
Martha S. Hannah	Secretary-stenographer.	1,040.33
Bessie C. Harding	do	3,612.92
Bryan H. Jacques	Staff director	8,608.57
Wm. Summers Johnson	Chief economist	1,945.44
Carolyn A. Latimer	Research analyst	3,981.38
Barbara Wright McConnell	Secretary-stenographer.	3,533.27
Alfonso Everette MacIntyre	General counsel	8,608.57
Irving Maness	Assistant counsel-investigator.	2,236.52
Willard F. Mueller	Chief economist	5,367.64
Margaret Fallon Palmer	Research analyst	3,525.19
J. Brooks A. Robertson	Analyst	5,623.76
Lois B. Shupe	Administrative assistant.	583.35
J. Allan Sherier	Counsel	4,025.73
Margaret C. Stalcup	Secretary-stenographer.	200.05
Frederick A. Spinelli	Assistant counsel	3,869.92
Marie M. Stewart	Clerk	4,344.82
Annette F. Vollmer	Secretary-stenographer.	1,775.73

Funds authorized or appropriated for committee expenditures	$580,000.00
Total amount expended from Jan. 4 to June 30, 1961	107,128.63
Balance unexpended as of June 30, 1961	472,871.37

WRIGHT PATMAN,
Chairman.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1148. A letter from the consultant for research and development, Office of the Assistant Secretary of the Army, transmitting a report on Department of the Army research and development contracts awarded during the period July 1 through December 31, 1960, pursuant to Public Law 557, 82d Congress; to the Committee on Armed Services.

1149. A letter from the Comptroller General of the United States, transmitting a report on the review of the loan guarantee and direct loan programs of the Veterans' Administration (VA) for the fiscal year ended June 30, 1960; to the Committee on Government Operations.

1150. A letter from the Under Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill authorizing a celebration of the American patent system"; to the Committee on the Judiciary.

1151. A letter from the treasurer, Jewish War Veterans, U.S.A., National Memorial, Inc.; transmitting a copy of the audit report of the Jewish War Veterans, U.S.A., National Memorial, Inc., for the fiscal year April 1, 1960, to March 31, 1961, pursuant to Public Law 85-903; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COLMER: Committee on Rules. House Resolution 378. Resolution for consideration of H.R. 30, a bill granting the consent and approval of Congress to the northeastern water and related land resources compact; without amendment (Rept. No. 745). Referred to the House Calendar.

Mr. SPENCE: Committee on Banking and Currency. S. 614. An act to authorize the use of Commodity Credit Corporation-owned surplus grain by the States for emergency use in the feeding of resident game birds and other resident wildlife; to authorize the use of such surplus grain by the Secretary of the Interior for emergency use in the feeding of migratory birds, and for other purposes; without amendment (Rept. No. 746). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS of Louisiana: Committee on Science and Astronautics. H.R. 8095. A bill to amend the National Aeronautics and Space Act of 1958, as amended, and for other purposes; without amendment (Rept. No. 747). Referred to the Committee of the Whole House on the State of the Union.

Mr. McCULLOCH: Committee on the Judiciary. H.R. 8140. A bill to strengthen the criminal laws relating to bribery, graft, and conflicts of interest, and for other purposes; with amendment (Rept. No. 748). Referred to the House Calendar.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H.R. 8033. A bill to amend section 17 of the Interstate Commerce Act so as to authorize the delegation of certain duties to employee boards; without amendment (Rept. No. 750). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. S. 763. An act to authorize annual appropriation to reimburse Commodity Credit Corporation for net realized losses sustained during any fiscal year in lieu of annual appropriations to restore capital impairment based on annual Treasury appraisals, and for other purposes; without amendment (Rept. No. 751). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. H.R. 1378. A bill to authorize the Secretary of the Interior to enter into an exchange of certain land in Madera County, Calif., with Mary Saunders Moses; without amendment (Rept. No. 749). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARRISON of Wyoming:

H.R. 8271. A bill to amend the act granting the consent of Congress to the negotiation of certain compacts by the States of Nebraska, Wyoming, and South Dakota in order to extend the time for such negotiation; to the Committee on Interior and Insular Affairs.

By Mr. HIESTAND:

H.R. 8272. A bill to extend for 2 years the temporary provisions of Public Laws 815 and 874, 81st Congress, relating to the construction, maintenance, and operation of schools in federally impacted areas; to the Committee on Education and Labor.

By Mr. KING of New York:

H.R. 8273. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of surplus agricultural commodities to such nations at prices less than those prices available to American consumers; to the Committee on Agriculture.

By Mr. LOSER:

H.R. 8274. A bill to amend the Communications Act of 1934, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. ST. GERMAIN:

H.R. 8275. A bill to amend titles I, X, and XIV of the Social Security Act to make individuals suffering from tuberculosis or mental illness eligible thereunder for public assistance payments (and medical assistance) on the same basis as individuals suffering from other types of illness; to the Committee on Ways and Means.

By Mr. SCHWENGEL:

H.R. 8276. A bill to amend the Small Business Act to improve and promote the development of a sound U.S. economy through the establishment of a program of advisory services to small business and other concerns; to the Committee on Banking and Currency.

By Mr. SPENCE:

H.R. 8277. A bill to amend the Federal Home Loan Bank Act to simplify and improve the election and appointment of directors of the Federal home loan banks; to the Committee on Banking and Currency.

By Mr. THOMSON of Wisconsin:

H.R. 8278. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.

By Mr. ZELENKO:

H.R. 8279. A bill to amend the Fair Labor Standards Act of 1938 to extend the child labor provisions thereof to certain children employed in agriculture, and for other purposes; to the Committee on Education and Labor.

By Mr. BROYHILL:

H.R. 8280. A bill to extend for 3 years the temporary provisions of Public Laws 815 and 874, 81st Congress, and to make certain changes in such laws; to the Committee on Education and Labor.

By Mr. CLANCY:

H.R. 8281. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.

By Mr. TEAGUE of Texas:

H.R. 8282. A bill to amend section 3203(d) of title 38, United States Code, to provide that there shall be no reduction of pension otherwise payable during hospitalization of certain veterans with a wife or child; to the Committee on Veterans' Affairs.

By Mr. WHARTON:

H.R. 8283. A bill to amend title IV of the Social Security Act relating to relief work programs; to the Committee on Ways and Means.

By Mr. DERWINSKI:

H.R. 8284. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.

H.R. 8285. A bill to extend for 2 years the temporary provisions of Public Laws 815 and 874, 81st Congress, relating to Federal assistance in the construction and operation of schools in areas affected by Federal activities; to the Committee on Education and Labor.

By Mr. HOSMER:

H.R. 8286. A bill to provide for research into and development of practical means for utilization of solar energy, and for other purposes; to the Committee on Science and Astronautics.

By Mr. MACDONALD:

H.R. 8287. A bill to extend for 1 year the temporary provisions of Public Laws 815 and 874, 81st Congress, which relate to Federal assistance in the construction and operation of schools in areas affected by Federal activities; to the Committee on Education and Labor.

By Mr. QUIE:

H.R. 8288. A bill to extend for 3 years the temporary provisions of Public Laws 815 and 874, 81st Congress, and to make certain changes in such laws; to the Committee on Education and Labor.

H.R. 8289. A bill to authorize assistance to public and other nonprofit institutions of higher education in financing the construction, rehabilitation, or improvement of needed academic and related facilities; to the Committee on Education and Labor.

By Mr. SCHWEIKER:

H.R. 8290. A bill to provide an exemption from participation in the Federal old-age and survivors insurance program for individuals who are members of a church whose doctrines forbid participation in such program on grounds of religious belief; to the Committee on Ways and Means.

By Mr. WALTER:

H.R. 8291. A bill to amend the act of July 14, 1960, enabling the United States to participate in the resettlement of certain refugees; and for other purposes; to the Committee on the Judiciary.

By Mr. BRAY:

H.J. Res. 491. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. O'NEILL:

H.J. Res. 492. Joint resolution establishing a temporary loan guarantee program under the direction of the Secretary of State in connection with the 1962 world sport parachuting championship to be held at Orange, Mass.; to the Committee on Foreign Affairs.

By Mr. ROUDEBUSH:

H.J. Res. 493. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. RANDALL:

H.J. Res. 494. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. MacGREGOR:

H. Res. 379. Resolution establishing a Special Committee on the Captive Nations; to the Committee on Rules.

By Mr. BARING:

H. Res. 380. Resolution expressing the sense of the House of Representatives with respect to the administration by the Secretary of Commerce of the Federal-aid highway program; to the Committee on Public Works.

H. Res. 381. Resolution creating a select committee to conduct an investigation and study; to the Committee on Rules.

By Mr. MORSE:

H. Res. 382. Resolution to establish a House Committee on the Captive Nations; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the Territory of Guam memorializing the President and the Congress of the United States to create a Territorial Deputy from Guam to the House of Representatives, which was referred to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT of Florida:

H.R. 8292. A bill to confer jurisdiction upon the U.S. Court of Claims to hear, determine, and render judgment upon the claim of Jack Galin for disability retirement as an officer of the Army of the United States; to the Committee on the Judiciary.

By Mr. CLARK:

H.R. 8293. A bill for the relief of Mrs. Miroslawa Kulesza; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H.R. 8294. A bill for the relief of Annie Gabbay; to the Committee on the Judiciary.

By Mr. PIRNIE:

H.R. 8295. A bill for the relief of Dr. Asu Ram Jha; to the Committee on the Judiciary.

By Mr. PRICE:

H.R. 8296. A bill for the relief of Mrs. Kokila Fadia and her minor daughter, Kalpna Fadia; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H.R. 8297. A bill for the relief of Gregory Waskul; to the Committee on the Judiciary.

H.R. 8298. A bill for the relief of Henry Gamero; to the Committee on the Judiciary.

H.R. 8299. A bill for the relief of Vladimir Tsvetanov Trifonov (Vladimir Itsov Toshev); to the Committee on the Judiciary.

By Mr. ROUSSELOT:

H.R. 8300. A bill for the relief of Teh Wen Wong; to the Committee on the Judiciary.

By Mr. VANIK:

H.R. 8301. A bill for the relief of Teresa Mikucki; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

The Dignity of Being American—Statement by George M. Mardikian

EXTENSION OF REMARKS

OF

HON. THOMAS H. KUCHEL

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Thursday, July 20, 1961

Mr. KUCHEL. Mr. President, this country is enriched by many citizens who have come here from other lands, and whose pride in their rights and responsibilities of American citizenship is a never-ending one.

One such distinguished American citizen is George M. Mardikian, of San Francisco, Calif., born in Armenia, a devoted American by choice.

In the June 11 issue of This Week magazine appeared an inspiring statement entitled "The Dignity of Being American." The statement was written by Mr. Mardikian, a prominent and highly successful restaurateur in San Francisco and a public-spirited patriot. I highly commend my fellow Californian for the moving words with which he has portrayed the dignity of holding high our heads, and calling ourselves Americans. I ask unanimous consent that the full text of Mr. Mardikian's statement be printed in the RECORD.

Mr. PASTORE. Mr. President, will the Senator from California yield?

Mr. KUCHEL. I yield.

Mr. PASTORE. Mr. President, I wish to associate myself with the remarks just now made by the distinguished Senator from California.

As a matter of fact, only 2 weeks ago it was my great honor and privilege to be invited to address the Armenian Youth Group of the United States of America, which met in convention in my own beloved city of Providence; and at that time I took occasion to mention the great accomplishments of Mr. Mardikian. I think he is an inspiration to all young Americans; and I am very happy that the Senator from California has brought his statement to the attention of the Senate and the country.

Mr. KUCHEL. Mr. President, I am grateful to my friend, the distinguished

senior Senator from Rhode Island for his comments.

The VICE PRESIDENT. Is there objection to the request of the Senator from California?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE DIGNITY OF BEING AMERICAN

(By George M. Mardikian)

The other day, in Seattle, Wash., I gave a talk before several hundred people, and told them that I thought America was a strong, beautiful, and righteous country. A young man came up to me afterward and said with a knowing smile, "No wonder you go about singing the praises of America. In Europe, you were nothing. America has made you rich and famous." Before I could reply he was gone.

It's true America has been good to me, and I count my blessings every day. But I wanted to find that young man and say, "You miss my point. The priceless thing America has given to me has nothing to do with money or fame. Some would call it national pride. I call it the dignity of being American."

To someone born here—born free—it's hard to understand. He's never known what it is to be without it. I was born in Armenia. Today, I cannot find my Armenia—the Armenia of my fathers—on the map.

Forty years ago, when I came to America, I had to flee my home like a criminal. Yet my only crime was being an Armenian. That July morning, when I first saw the Statue of Liberty from the deck of the immigrant steamer, it was like suddenly hearing a hymn of hope. I lifted my head, and my heart. I took deep breaths of the fresh harbor air. For the first time in my life, I felt free—thrillingly and blessedly free.

This, thank God, is not a private experience. There are millions like me in America today—fugitives from unhappy lands across the seas. We're grateful of course for our three meals a day, and our jobs, and for the opportunities that America has so generously given to us and our children.

But we'd fight and die before we'd give up that feeling of dignity—that right to hold up our heads, look the world in the eye, and call ourselves Americans.

Paying the Bill: The Forgotten Issue

EXTENSION OF REMARKS

OF

HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 20, 1961

Mr. MORSE. Mr. Speaker, the distinguished senior Senator from Massachusetts has written a newsletter which should command the attention of each of us as we contemplate the spending bills. Senator SALTONSTALL examines the conscience of the Congress and his words are a challenge to us all. I commend his comments to all of my colleagues:

PAYING THE BILL: THE FORGOTTEN ISSUE

At the precise time that it deserves more attention than ever before, the issue of Federal spending is being all but ignored in the executive branch, the Congress and, to some extent, by the American people themselves. Perhaps our exasperation over Cuba and our apprehension in the Far East and Berlin are in some way responsible for the shunning of fiscal integrity, but that is hardly any excuse—especially when we are setting an all-time record in Washington on new domestic spending programs.

What the Federal Government does with the public pocketbook has critically serious ramifications on our economic strength, our national willpower and on the whole future of American freedom. We must not let ourselves be distracted from a basic responsibility to the democratic way of life by the lure of a new harbor project, the easy temptation of a new welfare scheme, the glitter of Washington grants in general.

We live in a time when our huge Federal debt extracts for interest $11 out of every $100 paid in taxes. Labor and welfare, at approximately $6 billion, has moved up to third place in an expenditure category, behind only national security and interest on the debt. And the $100 billion-plus annual budget seems nearer.

In the approach to Federal spending—to the imbalanced budget, to the danger of inflation—lies the greatest single difference between the Eisenhower and the Kennedy administrations. President Eisenhower often spoke of the importance of "paying our way" during times of relative peace and prosperity. Increased spending, particularly deficit spending, was something to be avoided if possible. The attitude now is very different. Some people close to our new President regard increased spending as a good thing in itself.

There is a rather widespread current tendency to disparage those who raise a protest about the lack of discipline with Federal spending and the dangers of inflation. Such people are termed unsophisticated, reactionary. Meanwhile, Federal spending increases. President Kennedy's constantly expanding program by the best available estimates promises to reach a deficit of $5.6 billion for the next fiscal year, and this may well be exceeded.

Perhaps the most disheartening fact is that it is almost impossible to get thorough cost figures out of the Federal Government today. To date, a compilation of the overall cost of the President's new spending programs has not been made available to the public or to Congress, and may not even have been prepared. During the past 8 years, a complete rundown on estimated income and expenditures was available on a biweekly basis. No such accounting is provided today.

By the end of March, the spending programs the President advocated for the fiscal year which ended July 1 broke the budget by $2,169 million and his fiscal year 1962 deficit as calculated then was $2,826 million. By President Kennedy's own figuring the Eisenhower deficit would only have been $805 million and $704 million, respectively, for the 2 years.

An unbalanced budget is generally justified these days by the hazy argument of economic growth—a phrase that has a pleasant-sounding ring to it but does not stand up so well under examination. The 3-year study by the Commission on Money and Credit, just issued, summarily rejects the doctrine that inflation is desirable as a cause or result of growth. Dr. Arthur Burns, former Chairman of the President's Council of Economic Advisers, stated recently that he fails to see how all of the new Federal expenditures "can accelerate the Nation's long-term economic growth merely because we now call them investment."

If the goal of economic growth is to become the across-the-board rationalization of every wide-open spending program, our national economy may be in serious trouble in no time. Growth must involve more than serving the interests of various pressure groups. All demands on the budget cannot be treated as essential requirements for the Nation's strength. We must be ready to select first things first, to choose priorities and carry them out; and on the other hand to reject, to sacrifice. I am discouraged at the current administration's lack of priorities, lack of selectivity and discipline, in its spending programs.

I am convinced that the American people feel strongly about how the public pocketbook is treated. I believe that they are aware of the ravages of inflation as a form of hidden taxation which saps the Nation's strength and eats into the savings, pensions, and weekly paychecks of every citizen. Inflation's dangers loom even larger during a time of increased tensions, an unfavorable U.S. balance-of-payments, and the continuing trend for higher wages unrelated to productivity. The urgency that national and international confidence in the dollar be maintained becomes increasingly obvious to all of us.

The American people have been called upon for sacrifice, and I am convinced that the necessity for sacrifice is at hand and that they will willingly sacrifice if the proper leadership is provided. But the administration does not appear to be sacrificing at all. It is not tightening the Federal belt. It is acting as if the only real sacrifice it is either prepared to ask or give is a dollar that is increasingly worthless. We cannot expect the American people to respond unless the pace is set in Washington.

Federal Assistance Programs for Our Smaller Communities

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 20, 1961

Mr. EVINS. Mr. Speaker, the new Housing Act includes many features that should be of particular interest to the public officials of smaller communities. One section of the act in which municipal officials will have special interest is that section dealing with public facilities for community improvement programs.

The public facility loan fund was increased from $150 million to $500 million in the new law. This authorizes loans to communities up to 50,000 population with special priority for loans to towns of less than 10,000 population. The new law also reduced the interest rate from 4 to 3½ percent and established 40 years for the length of the loan.

Since before World War II, our smaller communities have been unable to construct and expand their community facilities to maintain the pace of population growth. Tax revenue has been insufficient. Combined with lack of expansion of facilities, there has been gradual but increasing deterioration of unimproved facilities.

Testimony before committees of the Congress showed that inadequate water and sewer systems are the biggest problems in a majority of our cities. Many urgently need expansion and modernization. Further, we constantly hear of cases of dangerous water pollution and water shortages.

These low-interest-bearing 40-year loans now are available to help smaller communities lick these problems. The

loans, of course, are available for all kinds of public facilities such as streets, street paving, street lighting, sidewalks and parks. They are available for all public facilities except schools. Public facility loans make it unnecessary to float bond issues for public improvements, and probably at a lower interest rate.

These loans and community facility construction and modernization will help relieve unemployment in areas where that is a problem and will help cities to help themselves. The loans also are available to cities up to 150,000 population, if the city has been designated as a depressed area under the Area Redevelopment Act.

Since industry no longer will move into an area that does not provide modern and adequate community facilities and services, a community improvement program undertaken through a public facility loan may be the attraction that coaxes a new industry into a community.

AREA REDEVELOPMENT ACT

The Federal Government has a variety of other programs to assist the towns and cities of our Nation.

The Area Redevelopment Act established one of these programs and is an excellent example of a program calling for joint local and national action to provide for a greater and more satisfactory rate of national growth.

This new act, recently signed into law by President Kennedy sets up a fund totaling $394 million for use in treating some of our Nation's economic ills.

The Depressed Areas Act is largely a loan program, and essentially a local self-help program. The Federal Government has been directed by Congress to carefully confine its participation to measures which will encourage local initiative and stimulate local leadership in this effort over the next 4 years.

The Secretary of Commerce is authorized to cooperate with leaders in designated areas of need for a well-planned attack on the increasingly complex problems of local communities.

This new legislation puts a new challenge to every community to make more careful assessment of community needs, to make larger plans, to exert greater efforts for public improvements, to organize its own industrial corporations.

The new law focuses attention upon the needs, opportunities, and rewards of local industrial development.

It provides aid and expert advice for the development of long-range planning at the local level.

It encourages the local community to engage in the important work of technical training and retraining, which is increasingly essential in this day of automation.

In a word, the Area Redevelopment Act is designed to give real impetus to industrial decentralization which must be speeded up in the interests of a stable national economy and to promote our free enterprise system.

This program has been rather aptly described as operation seed corn for the American community. Federal loan funds are provided in cases where adequate private financing is not available, and Federal grants are authorized in cases where communities are unable to finance public works for themselves.

Specifically, the bill provides $100 million for each of two revolving funds—one to be used for loans in industrial areas and the other for rural areas.

Community and regional development agencies may borrow up to 65 percent of the cost of clearing land, building plants, and, in special cases, the cost of equipment and machinery to attract new plants.

The new legislation also permits the Federal Government to make grants to pay up to two-thirds of the net cost of clearing slum areas. This supplements the urban renewal program previously in effect.

In additional to making the urban renewal grants, the Secretary of Commerce is empowered to make up to 10 percent of any future capital grant for urban renewal for nonresidential slum clearance projects in designated areas. This will make it possible for these communities to provide industrial sites and to bolster their tax bases.

ASSISTANCE FROM OTHER FEDERAL AGENCIES

Other Federal agencies which offer both financial and technical assistance in community development programs include the Housing and Home Finance Agency, of the Community Facilities Administration, the Federal Aviation Agency, the Department of Agriculture, the Department of Commerce, among others.

The Federal Interstate Highway System is one of the most outstanding examples of Federal-State cooperation and of the vast benefits which Tennessee and the Nation receive as a result of an excellent program of cooperation.

A few weeks ago we passed in the House a bill authorizing funds to complete the 41,000-mile Interstate Highway System and put the program back on schedule. Seventy-eight million dollars additional has been earmarked for Tennessee for fiscal 1963.

The Community Facilities Administration of the Housing and Home Finance Agency has accomplished much good through the advances made available for public work planning and loan programs for the Nation.

The U.S. Public Health Service also has a program of making grants to cities, but specifically designed for another purpose; namely, water pollution protection and community public health needs.

So far during the current year, the Public Health Service has made grants of $1,286,000 for nine projects in Tennessee which will cost $6 million plus when completed.

The very recently enacted Water Pollution Control Act is designed to augment the work of the Public Health Service and increases the authorization for sewage treatment plants from $50 to $100 million annually.

The demand and need for this increase has been clearly shown and demonstrated in the public interest.

The Public Housing Administration, under the Public Housing Act of 1949, has certified 164 low-rent housing projects for Tennessee. There are today in our State 57 local housing authorities serving 70 communities with grants to our large- and medium-sized communities.

The latest figures show that currently there are 18,018 units completed and under local management, with 550 units under construction and 1,685 additional units in the planning stage.

Local housing authorities in our State have received more than $30,700,000 in contributions and in fiscal year 1960 alone, payments have exceeded $4.5 million.

The urban renewal program has also been well received by the cities of our State.

On the national scale more than $1,871 million has been spent for urban renewal programs with more than $67.7 million going to 21 cities in Tennessee for 31 urban renewal projects. President Kennedy, in a recent message to the Congress, called for acceleration of this program to help clear our cities of slums. He has requested an authorization of $2.5 billion to be used over the next 4 years. Since 1949 total expenditures for urban renewal projects have been $1.8 billion. The President's new program thus calls for a 30-percent increase in this field during the next 4 years.

This money is matching-fund money and will require the city and State combined to match available Federal funds for urban renewal projects.

Federal grants for airport construction in Tennessee have amounted to almost $15 million.

Thirty-one airports in our State have been built or partially built by Federal grants.

There are a number of other uncompleted and planned airport projects for Tennessee.

FAA's revised budget for 1962 calls for an appropriation of $75 million for an accelerated airport modernization and improvement program on a matching-fund basis.

These large-scale programs have an immense bearing on the future of our cities, towns, and rural areas.

Today our cities are offered challenging opportunities for planning for future growth needs.

With initiative, imagination, and a spirit of cooperation and working together we can move forward to eliminate slums and depressed areas, revitalize underdeveloped areas, promote industry and employment, beautify our cities, raise the level of our community life, and make our cities more prosperous and a better place in which to live.

Our future progress will depend, to a large degree, on the extent of cooperation we each give to our several levels of government. Each is interrelated to the other. All local, State, and Federal agencies are concerned for the common good and the promotion of health, education, safety, and welfare of all our citizens in Tennessee and the Nation.

The Growing Crisis in Education—Address by Congressman Richard E. Lankford, of Maryland

EXTENSION OF REMARKS
OF
HON. DANIEL B. BREWSTER
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 20, 1961

Mr. BREWSTER. Mr. Speaker, recently our colleague, the Honorable RICHARD E. LANKFORD, addressed a group of his constituents in the populous Fifth Congressional District of Maryland. Mr. LANKFORD delivered a timely, thought-provoking, and challenging report on the problems facing U.S. education today. I wholeheartedly agree with his analysis of the situation, and I am sure that many of his other colleagues in the House share this view. Because this problem is paramount in our minds at the present time, I believe it would be appropriate for Mr. LANKFORD's remarks to be extended in the RECORD:

One of the most important domestic problems facing the Congress is the growing crisis in our educational system.

Historically, during normal times control and responsibility for public education rests in the hands of local governmental bodies. However, during periods of emergency, and I am sure we all agree that we are living in such a period, when local governments cannot provide adequate educational systems and a deficit is created, it is the duty of the people, through their elected representatives in Congress, to provide whatever is needed to eliminate the deficit.

One thing many people have failed to fully understand is that the absence of shooting does not mean we are at peace. We are at war, engaged in a struggle for survival; not a war of shooting, it is true, but a war in which education has become one of the major frontlines of battle. If we are to be successful in meeting this threat to our way of life, if we are to prevent the Communists from burying us, as they have boasted they will do, it will not be enough to arm the country more efficiently, although that is essential. National power, necessary to win in a contest of this type, is more than armed might. Education is an indispensable element of national power and should be treated as such.

Our schools have become a major battleground in the cold war struggle with communism. The very future of our country is at stake. If we are to remain the leading power in the developing revolution of technology, we must take all necessary steps immediately to expand and improve our educational system so that tomorrow's citizens will be adequately prepared.

Every leading educational group in the country has expressed grave concern about the growing inadequacies of our present educational structure. Continued neglect of our educational needs will have extremely serious consequences. We cannot increase our national output, or successfully confront the menacing force of world communism, if the next generation lacks adequate educational opportunities. Of utmost importance to the health and survival of our free society is the fullest possible development of every individual. This is the goal toward which we as a nation have aimed from the very beginning. It is this goal which distinguishes democracy from tyranny.

It is generally agreed that the phenomenal growth of our school population has pyramided school needs much faster than the limited bases for local revenues have expanded. Therefore, to maintain a system of education that will be worthy of this great Nation, Federal aid has become necessary as the only way by which we can have the kind and size educational system we need.

Such a program should include allocation of Federal funds to be used by the States, at their option, for either classroom construction or to bring teachers' salaries up to a level with their high professional calling and the rigorous training demanded of them.

We must remember that it is the teacher, not the classroom, which largely determines the quality of our educational program. American teachers have given generously of themselves in spite of the fact they are overworked and underpaid. We must take steps to adequately reward them if we are to attract and retain qualified teachers for today's and tomorrow's children.

Opposition to Federal aid to education, particularly for teachers' salaries, is based on the claim that it might lead to Federal control. Recent experience, especially right here in our own district, is proof that this wouldn't happen. In the past 10 years our schools have received over $40 million in Federal aid because they are crowded beyond normal with children of Federal employees and military personnel. This money has been used for classroom construction, maintenance, and operation, and teachers' salaries without lessening, in the slightest degree, full local control of our schools. Actually, about one-fifth of the Nation's schoolchildren last year received instruction from teachers who indirectly receive all or part of their salaries from Federal grants. There have been no complaints of Federal control raised.

I am opposed, of course, to any program under which the third-grade teacher would receive her check directly from the U.S. Treasury Department. I do favor the procedure under which the funds are made available to the States and the States retain complete control over how the money is to be spent. We can build all the new classrooms we need, but if we do not have enough trained teachers then we cannot give our children an adequate education. It is like having the finest watchcase in the world, but if you do not have the works to go inside the case then you cannot tell time.

It is true that the responsibility of education is a local responsibility—but the problem is a national problem. And the Federal Government must do its share in providing badly needed Federal aid for school construction and for teachers' salaries—which will bring better schools and better educational opportunities to all the citizens of Maryland and of the entire Nation.

Returns on Questionnaire to the People of the 32d District of New York for the 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF
HON. SAMUEL S. STRATTON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 20, 1961

Mr. STRATTON. Mr. Speaker, on May 29 I sent out to some 60,000 persons in my district of upstate New York a questionnaire asking for their views and opinions on several matters of important legislation pending here in Congress. The questionnaires were sent out to a random list, and nearly 10,000 replies have been received to date, a very impressive percentage of returns. Many people have also favored me with additional detailed views and comments on these issues.

The results are summarized below. I would just like to point out one interesting fact; namely, that in my district, which is 3-to-1 Republican by party enrollment and in which President Kennedy received only 45 percent of the 1960 vote, the people today support him by 67 percent. I am sure that a return like this must be a source of real encouragement and inspiration to our President as he leads this country into the critical days ahead when we are determined to stand firm, in Berlin and elsewhere, for the principles of freedom and self-determination on which our Nation is founded.

The returns are as follows:

[Percent]

Question: Do you favor—	Yes	No	Undecided
1. Some form of Federal aid to education to provide for—			
(a) school construction?	62.1	27.9	10.0
(b) increasing teachers salaries?	39.4	47.0	13.6
(c) assistance for private and parochial schools?	25.5	64.1	10.4
2. Letting farmers write their own programs for specific farm commodities, subject only to a veto from Congress?	39.8	37.7	22.5
3. Increased use of existing farm surpluses to help needy peoples abroad?	79.4	12.5	8.1
4. Legislation returning to Congress more control over setting tariffs and quotas on foreign imports?	67.0	16.6	16.4
5. Hospitalization insurance for retired persons as part of an expanded social security system	70.7	22.7	6.6
6. Legislation to promote placing more Government and defense contracts in unemployment areas?	82.2	10.3	7.5
7. Resuming underground nuclear tests if we fail to reach a workable test ban agreement with the Russians within the next few months?	76.2	10.7	13.1
8. Going slow in closing down any defense base located in any unemployment area?	75.2	15.4	9.4
9. Increased 1st class postal rates?	36.6	52.7	10.7
10. President Kennedy's idea of a Peace Corps?	58.9	21.5	19.6
11. Abolishing the House Un-American Activities Committee?	19.5	59.1	21.4
12. Recognizing Red China?	14.0	72.2	13.8
13. Do you generally approve President Kennedy's handling of his job since assuming office?	67.4	16.6	16.0

Federal Debt Will Reach the Moon Before We Do

EXTENSION OF REMARKS
OF
HON. PAUL FINDLEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 20, 1961

Mr. FINDLEY. Mr. Speaker, I supported and voted for H.R. 6874, the original House authorization for NASA. It provided $120 million more than the administration budget figure. NASA officials testified that it provided adequate funds.

The conference report, voted this date, provided $407 million more than the original bill. Under the circumstances I could not support the conference report. This unjustified increase amounts to over $10 for each American family, and should not be handled in such a casual, if not irresponsible manner.

At the rate we are going, the Federal debt will reach the moon long before we do.

If we continue this procedure of boosting authorizations without providing additional tax revenue, we will renew inflation and thus endanger the Republic we are so anxious—through NASA and other activities—to preserve.

Lauds Congressman Collier, of Illinois, for Astute Anti-Communist Address at Washington Conference

EXTENSION OF REMARKS
OF
HON. ROBERT H. MICHEL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 20, 1961

Mr. MICHEL. Mr. Speaker, I take pride in inserting in the RECORD the text of a speech delivered by Representative HAROLD R. COLLIER, of the 10th District of Illinois, on "Communism and Its Goal of World Domination," delivered at the Human Events Conference at the Mayflower Hotel on July 15. It is a summary discourse which not only outlines the blueprint of the Communist conspiracy but points to the need for a firm position in dealing with the threat, both at home and abroad. The speech follows:

To fully understand the grave threat of communism, one must understand the wierd philosophy of the father of modern communism, Karl Marx. To achieve his goal of welding humanity into a gigantic conformist society, Marx openly professed two requirements.

First, he said, there must be total annihilation of all opposition to this society through the destruction of all existing governments, all economies, and all existing concepts. "This accomplished," Marx wrote, "I shall stride through the wreckage as a creator."

Second, and this is important to remember, the achievement of his goal of totalitarian conformity would require a new kind of human being, one who can be blindly motivated into immediate action by the mere command from his master. This involves, of course, an obliteration of individual free will, ethics, morals, and conscience. The process of creating this type of human being and welding him into a collective society of similar human beings, as Marx visualized, has been carefully implemented since he established the blueprint for communism more than a century ago.

I would suggest that those of you who have not read something of the life of Karl Marx do so and that you recommend it to others for reading, for time in this brief discussion does not permit any elaboration upon the life of this man who built the foundation for a philosophy which has recklessly, ruthlessly, slyly, and deceitfully wormed its way into the lives of countless millions across the face of the earth today. And almost as a growing cancer, it has left disease or destruction of a free society wherever it is permitted the slightest contact.

Suffice, then, it to observe that as a young man and a student at the University of Bonn, Karl Marx scandalized his parents by joining a drinking club, running himself deeply into debt, and gathering a reputation for nocturnal drunkenness and rioting. He was, in fact, most unsatisfactory in his studies as a student at the university.

With this preface, I shall direct my further remarks to the basic problems of communism as it affects the free enterprise system and our associations on the international scene. I believe that a proper understanding of the deceit should be the primary concern of every American from at least the junior high school age and up.

Let us never forget that the absolute and positive goal of communism is world domination. And we must remember that every Communist tyrant from the beginning adopted an orderly timetable of world conquest and pursued it with deadly fixation, just as the Kremlin is doing today. Recent successes of the international Communist conspiracy have resulted in its prophecy that time is running out for the free world. Hence, we must coldly and bluntly face the fact that there are but three courses left open to us.

First, we can meekly capitulate as both individuals and nations have done.

The second is pursuing a program of peaceful coexistence at any price.

The third is setting a determined course of opposition to communism wherever it exists.

Perhaps choice No. 2 is not too far departed from the first choice, except in time and circumstances.

Most Americans agree that the survival of free nations is dependent upon a determined course of opposition to communism. There are, of course, those who would construe this statement to be a war-mongering position. This is, in fact, what the Communists would have all of us believe, for the official statement of the Communist Party of America as published in "The Fundamentals of Communism" set forth, and I quote: "Every war of the Soviet Union is a war of defense, even if it is conducted with offensive means."

We cannot afford to be naive about the fact that communism employs every conceivable tool and this approach under different conditions to serve the achievement of their ultimate goal of conquest. Deceit, and in fact, lies, are an accepted part of the plan. One need only to analyze the statement of Lenin taken from his published works regarding the tactics of the Soviets would use in preference to outright war in overthrowing any government. Lenin said, when directly faced with the question, "What methods can best be used to overthrow a government adverse to communism?" and I quote: "Riots, demonstrations, street battles, and detachments of a revolutionary army. Such are the developments of a popular uprising." And he went on to say that combining a mass political strike with an armed uprising is the most ideal circumstance for a successful insurrection.

And with these thoughts in mind, let us return to the definition of a determined course of opposition to communism.

Primarily, this means complete cessation to the coddling of Communists at all levels of our society. Public exposure of Communists and fellow travelers has been criticized by certain groups, but certainly the public has the right to know the identity and activities of those who would wreck our free society.

How often have we witnessed the hypocrisy of those, who, when faced with evidence of their Communist activities, promptly hide behind the very Constitution they seek to destroy? And weakness in dealing with Communist activities within our own society is, in fact, no different than what we have experienced internationally. Where we have taken a firm position, in those areas of the world where the Communists moved aggressively, we have seen them retreat. On the other hand, where we have displayed weakness and vacillation, we have suffered setbacks, as most recently in Cuba and Laos.

During the days of the late John Foster Dulles, we heard much of the coined term, "brinkmanship." Perhaps that is or was a proper reference, but we simply just must expect one crisis after another in the years ahead. The reason is obvious. It is part of a very carefully devised Communist plan to create incidents and situations. This is the design of the Soviet Union—and in the world in which we live, trouble spots are easy to create. Hence, as long as we are faced with this situation, it becomes more and more necessary that our policies in dealing with Red aggression and its threats be right, concise and firm.

Just as we as a Nation abhor the thought of war, I am convinced that the Soviets do not want war either. In fact, it is no secret that Khrushchev has troubles in abundance, at home and throughout the satellite nations. And thus he must create incidents to divert attention from his own problems, gambling upon successes for the propaganda he needs to maintain his personal strength. At the same time, it has become evident that the Soviet Union is intent upon forcing crises which demand increased expenditures of American dollars all over the world, as has been our pattern in dealing with Communist-created crises.

One other reason why it is essential that we maintain a firm position against communism both at home and abroad is the fact that part of the Soviets' trouble today lies in new splits between the pro-Russian and pro-Chinese factions of the Communist Party in India, Japan, Australia, and even Cuba.

And let me hasten to make one further point as one who, as a Member of Congress, has observed the pushing of the panic buttons in recent years. And that is this:

We as a nation had better discard the silly idea of adopting one program after another, both domestic and foreign, to meet some new claim of the Soviet Union. With every boast and achievement that comes out of the Kremlin, somebody in Washington pops up with a panic-button program in reply.

Just as the Communist society is not designed to provide the many advantages of free enterprise and freedom of choice, so we, as a nation, must pursue our strength in the light of the long-term benefits and advantages it offers rather than attempt to ape our adversary.

Let me close my remarks by briefly referring to what I believe may be the most important United States versus Soviet clash in

many months to come. I refer, of course, to the situation in West Berlin, which remains an island that enjoys freedom from Communist rule. As West Berlin flourishes in progress and prosperity, it offers the greatest element of hope for the masses in the Red empire of Eastern Europe. This is one reason for what may be a major showdown before too long.

Our position must be firm. For, as a British authority recently stated: The real Berlin problem is not the weakness of the Western position in Berlin, but in fact the dangerous weakness of the Communists' position today in East Germany. Khrushchev's confidence in Russian success at Berlin is based, not upon Soviet power, either military or economic, but upon his feeling that military and material superiority of the United States and her allies will be nullified by moral weakness.

Hence, you can understand why many of us in the Congress of the United States are calling for a firm policy of maintaining the status quo in West Germany. To do anything less would be a sad day for this country and for millions of people throughout Europe who cherish the hope, slim as it may be, for their ultimate freedom from Communist tyranny.

Commemorative Ceremony in Honor of Gen. Robert E. Lee

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 20, 1961

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein a letter from a wonderful Alabama friend, Mrs. Frank H. Griffin, president of Stratford Hall, the historic hall of the Lees of Virginia, where this great man, Gen. Robert E. Lee, was born. I have had this letter and this information for some time, so I would like permission to insert Mrs. Griffin's letter in the CONGRESSIONAL RECORD and also the accompanying letter I wrote her on the 25th day of May 1961. And also, I would like to insert another great document that was sent to me by the Honorable Forney Johnston and his wonderful wife who invited my wife and me to meet with them on this great occasion at Stratford Hall.

Forney Johnston's father was Governor of Alabama and was in the U.S. Senate until he went to his reward. I could write many stories about these great Johnstons. However, he and his famous and fabulous wife, Mrs. Forney Johnston, have what I think is the most beautiful home in Virginia, down on the James River, at Bremo Bluff. Everybody should see that. I am not sure, but I believe I like it better than I do Stratford Hall. But, the story is told pretty well in these two letters, and I wish everybody could read them. A lot of people will read them in every library in this Nation and many foreign countries.

I wish though, that everybody could have heard every word that was said. And we had dinner out there at Stratford Hall in what is called the Orchard. We had some famous people there from all over this land. We had the Pat Hurleys from far away New Mexico. You remember Mr. Speaker, what a famous man Pat Hurley is and what a beautiful woman his wife is.

I sent our mutual friend, Mrs. Alfred I. Du Pont, who was Jessie Ball of Virginia, a copy of the story there and she, like Mrs. Forney Johnston, and like Mrs. Griffin and hundreds of other women, has done so much for the development of the birthplace of General Robert E. Lee.

Mrs. Du Pont and her brother, Edward Ball, in my judgment, have done more for the development of Florida and the South than anybody that I know. However, I just wanted our folks to know at this time about some of the people who are covered by the stationery of Stratford Hall. You will note that the women are from practically every State in the Union.

I wish you could see their log cabins. There must be a hundred of them. Each one is named and these wonderful women that are trying to keep some part of our way of life have done a wonderful job in doing that, and I wish everybody could have had the great joy and pleasure that my wife and I had when we spent that Sunday down there with them.

The Forney Johnstons have returned to their beautiful mansion on the James River in Bremo Bluff of Virginia. I wish everybody could see that place too, and see the great work that the Honorable and Mrs. Forney Johnston and their family have done keeping that place, and the great developments and additions that they have added on. Everybody should see Stratford Hall and Forney Johnston's Bremo Bluff.

The material follows:

STRATFORD HALL,
Wawa, Pa., May 19, 1961.

Hon. FRANK BOYKIN,
House of Representatives, Congress of the United States, Washington, D.C.

MY DEAR MR. BOYKIN: A highlight for me on May 7 at Stratford was meeting you and Mrs. Boykin. Except for the Johnstons, I think you both were probably the only ones at the commemorative ceremony from my beloved and native State of Alabama. You can understand, therefore, the particular pleasure it was to me personally to have you present. I was so glad to have you for a few moments in my cabin and regretted not having more time with you later at the luncheon.

My son recorded the ceremony on tape. My secretary has typed it out to be mimeographed in the administration office at Stratford to go out to all the directors. Knowing of your interest as a southerner and a distinguished Alabamian in everything connected with General Lee, I am taking the liberty of sending you a copy of this recording. I regret that the recording cannot adequately give any idea of the distinguished exhibit "The Lengthening Shadow of Lee" or of the wonderful cooperation of the Confederate Museum in Richmond, of Washington and Lee University, of the West Point U.S. Military Academy, and of the Lee family itself toward this unique exhibit. I say unique because it is the first time in the history of this country that all of these articles have been presented together to the public under one roof.

I have read with great interest your telegrams to President Kennedy in behalf of our gallant Commander Sheppard. From your record as well as from these telegrams, I realize you are indeed a man of action. All Alabamians, I am sure, know it is an honor to have you represent them in the Congress of the United States.

Please remember me most cordially to Mrs. Boykin. I still, in my mind, enjoy looking at her.

Faithfully yours,
PRISCILLA GOODWYN GRIFFIN,
Mrs. Frank H. Griffin,
President.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 25, 1961.

Mrs. FRANK H. GRIFFIN,
President, Old Orchard,
Wawa, Pa.

MY DEAR MRS. GRIFFIN: What a joy and a pleasure it was to receive your wonderful letter and the full report on the wonderful meeting we had at the historic birthplace of our own Robert E. Lee of Virginia. I'm ashamed of myself for not seeing this wonderful place before, but I had always thought of Arlington as Lee's home, and I can see from our window every day and every night the old Lee Mansion overlooking the Potomac. We live at the Washington Hotel in the old Jack Garner suite. We bought some of his furniture and then bought some more from our beloved Alabama, and we do have a view there of the mansion, the Washington Monument, Lincoln's beautiful Memorial, the White House, the Treasury Department, and I believe you could count 20 of the U.S. flags flying on different buildings from our rooms on the seventh floor of the Washington Hotel in Washington, D.C.

I was so glad that the Forney Johnston's invited us to go to Stratford Hall. I don't know why we hadn't been before—I really and truly don't, but I wouldn't have missed it for anything this time. It was truly an unforgettable day and especially when I found that you were from our own beloved Alabama and that your maiden name was Priscilla Goodwyn and also that the great judge on the supreme court of Alabama, "Wank" Goodwyn, my hunting partner, was your nephew.

Well, when we were there at the Forney Johnston cottage, we happened to look over and see you gathering wild flowers. Then we looked over at Mrs. Alfred I. Du Pont's log cabin, and after our talk with you and your husband and after we finally found the fabulous and famous Forney Johnston and they told us about you, we were again more happy and thankful that we did go down to this great sacred place to pay honor in some small way to the great Robert E. Lee.

Mrs. Forney Johnston and I talked about a paper that she was going to prepare and that I would put in the CONGRESSIONAL RECORD, but she was going to have Forney do this. However, I see that you have done it in such a wonderful way and it seems like you ladies are so much smarter than us poor men, and I'm so glad to get this statement of the wonderful meeting we had at the commemorative ceremony in honor of Robert E. Lee at Stratford Hall May 7, 1961. Well, this will go in our CONGRESSIONAL RECORD which goes to every human being in this great Nation of ours. It will go to every library in the United States and many, many foreign lands. You and General Taylor and everybody else there, and they were all great and good people, told my wife and me so many things that we had never known before about Robert E. Lee.

I was telling my kinsman, who is a great historian, Edward Boykin, about your wonderful meeting, and of course he knew you, and he's known the Forney Johnston's all his life. He lives down at Charlottesville, Va., and if you haven't read his books, I want you to read them. He's quite a writer and, like Robert E. Lee, is a West Pointer.

The other day we had the joy and pleasure of giving Gen. W. K. Wilson, of Alabama, a party in the Old Supreme Court Chambers between the Senate and the House of the Capitol of the United States. We could only get a group of 140 people in there, but General Wilson had just been appointed as Chief of the Army Engineers of this whole Nation. It's about the first time the South has had a real break in a long, long time, and it had to make us feel so good.

Today we are feeling sad about the Freedom Riders, and it just makes me sick. I had lunch yesterday with Senator DICK RUSSELL and Senator JOHN STENNIS of Mississippi, along with Congressman MENDEL RIVERS of South Carolina and many other people. I wrote DICK and JOHN a letter and will enclose a copy.

Everytime we have any of our friends or kinsmen, and I believe we told you we had 12 grandchildren here, we tell them all about this Stratford Hall. Every time they come, we take them to Mt. Vernon to see the home of our first President, George Washington, and then the next place we take them is to the Lee Mansion across the Potomac, where you can look over and see the Capitol of the United States. I've thought a lot of times that Robert E. Lee should have been President of the Confederacy. However, Jeff Davis did a good job, but I don't think he had a publicity man. Anyway, they were all so great and so good and there's nothing we can do that will let the whole wide world know about Robert E. Lee and Jeff Davis and all the great men like the Forney Johnstons' forefathers and so many of our great and good forefathers, who fought in that war of the long, long ago.

Well, you're doing a good job and some great work. You had stars in your eyes, and your talk certainly inspired us. I want to tell you this, Mrs. Griffin—I enjoyed your remarks even more than I did General Taylor's, because you were so sincere, so serious and what you had to say you said it in such a wonderful way that we can never forget it, but will always remember, and, as I've said before, never forget it.

I hope that if you come this way, you're going to come see us. We'd love to have you, and we've talked about you many times. I talked to Forney Johnston a long time on Sunday about the freedom riders in our beloved Southland. What a mistake and a tragedy. I wanted his advice because I was told by the great James Davis who was nominated for the presidency a long time ago down in Tennessee, and this great Davis and I were great friends until he went to his reward, and he told me that our own Forney Johnston had one of the greatest legal brains in this Nation. For that matter, he has the greatest of anywhere on earth. Forney Johnston and his family and my family and I have been friends all of our lives, and we're so glad now that they introduced us to you, because the Johnstons and the Boykins, and we want to include you and all the other great people who think like you, as our friends and we'll all try to go along together, marching to the end together in this world and then in the world to come.

With every good wish to you and your husband in which Ocllo and all the folks here who met you join me, and may God bless you and give you strength to carry on and hoping we are going to have the joy and pleasure of seeing you again real soon, I am

Devotedly your friend,

FRANK W. BOYKIN,
Member of Congress.

COMMEMORATIVE CEREMONY IN HONOR OF GEN. ROBERT E. LEE, STRATFORD HALL, MAY 7, 1961

(Before the ceremony the Virginia Military Institute Band with the color guard marched, maneuvered, and played, thrilling to behold and inspiring to hear. Just before the ceremony proper began, the band played "Dixie" to great enthusiasm and many cheers.)

Mrs. GRIFFIN. We will open this commemorative ceremony with the invocation by Mr. Treadwell Davison, rector of St. James Church, Montross.

Mr. DAVISON. Let us bow our heads in prayer.

Almighty God, our Heavenly Father, who has given us this good land for our heritage, we humbly beseech Thee that we always avail ourselves of Thy favor and always rejoice to do Thy will. Bless our land with honorable industry and sound learning. Save us from violence, discord and confusion, from pride and arrogancy, and from every evil way. Defend our liberties and fashion one united peoples from the many who came here with different kindreds and different tongues; imbue with Thy wisdom of spirit those to whom in Thy name we entrust the authority of government that there may be justice and peace at home, and that through obedience to Thy law, we may show forth Thy praise among the nations of the earth. In the time of prosperity fill our hearts with thankfulness, in the day of trouble suffer not our trust in Thee to fail. All of which we ask through Jesus Christ, our Lord. Amen.

Mrs. GRIFFIN. The magnificent band of the Virginia Military Institute will lead us all in singing "How Firm a Foundation," the favorite hymn of General Lee.

[Band plays and all sing.]

Mrs. GRIFFIN. I have just had word that in the audience today there is a woman who is the only living daughter of a Confederate general, Gen. Clement A. Evans, who served first under General Gordon, and then, at General Gordon's death, became general in charge of that famous brigade, Mrs. George Eyre Lippincott, of Philadelphia. I wish very much Mrs. Lippincott would stand so that we might salute her in spirit. [Applause.] I would like to add that Mrs. Lippincott is the treasurer of the Philadelphia Stratford Committee.

There are, here on the platform, two people who share most practically in my welcome to you today. It is they, who with their committees have worked out the plans and details for this occasion. They are Mrs. Albert C. Bruce, of Baltimore, director for Maryland, and chairman of the Stratford War Centennial Committee, Mrs. Bruce [applause]; and Mr. J. T. Robertson, chairman of the War Centennial Committee for the county of Westmoreland, Mr. Robertson [applause]. There are other members of these committees who have worked with equal generosity and selfishness. I wish I might mention each and every one. I must mention three, Mrs. Lloyd Shippen of Georgetown, director for the District of Columbia, who gave us her house as headquarters for meetings in Washington, who journeyed many times to Stratford and to Baltimore and to Upperville; Mrs. C. W. Kellogg, of Queen Anne, Md., director at large, who with her husband has spent endless days at Stratford working out details for today; Mrs. William Hunter deButts, director on the board as representative of the Lee family and chairman of the exhibit "The Lengthening Shadow of Lee." I might add that Mr. Kellogg and Mr. deButts have assisted nobly. At times husbands are invaluable adjuncts. [Laughter.]

Mr. Robertson is going to read us a cablegram from England, the country that in the colonial days of Thomas Lee we called the mother country. Mr. Robertson.

Mr. ROBERTSON. Thank you, Madam Chairman. If I may trespass upon your time for only a moment, I would like to indicate and remind all of you that the chairman of the Westmoreland County Supervisors has specifically asked me to echo President Griffin's kind welcome to you all on behalf of Westmoreland County. And now, it might be of interest to all of you to know that the Viscountess Dowager Lady Nancy Astor has sent us the following telegram in response to our invitation to her to be present with us this day: I quote: "I deeply regret cannot accept kind invitation. I shall be thinking of you on May 7. Over 50 years absence from Virginia has not damped my rebel ardor. Signed—Nancy Astor." [Applause.]

Mrs. GRIFFIN. From our hearts we welcome you each and every one to Stratford Hall. Stratford Hall is yours and mine, it is ours, for it belongs to every one of us, north, east, south, and west, as a living part of our beginnings as a nation.

It is fitting, therefore, for us to gather here today to commemorate the tragic era of our country and to honor a man who has become for all Americans an embodiment of faith and courage and loyalty and honor, the imperishable realities by which we live. May each and every one of us take back into the terrifying presence of our modern world something of the strength of the mansion's walls of homemade brick, and something of the serenity of pastures, woods and fields and gardens. Above all, may we take back with us the strength and serenity of the invisible, spiritual presence of Robert Edward Lee, that stands guard day and night over Stratford Hall, the house where he was born. [Applause.]

May I now have the pleasure and honor of introducing to you someone who to many of you needs no introduction. He has served Virginia and his country in many ways both civic and legal, and always with distinction, a son of Virginia in the noble tradition of Virginia, Mr. Louis F. Powell.

Mr. POWELL. Mrs. Griffin and the foundation deserve warm commendation for their choice of Gen. Maxwell D. Taylor as the speaker on this significant occasion. It is difficult to think of anyone else who is so uniquely qualified to play the leading role in this commemorative ceremony in honor of General Lee.

The careers of our speaker and of General Lee have much in common. Both graduated with high honors from the U.S. Military Academy; both were field commanders of great courage and ability; both served with distinction in crises which deeply affected the history of their time. It is undisputed that both will live forever in the annals of military science as among the greatest of American generals.

But each of these remarkable men might well prefer to be remembered primarily for other contributions. When the War Between the States ended, General Lee turned to education rather than to business or more remunerative pursuits. Near the end of his 5 fruitful years as president of Washington College, the New York Herald commented that General Lee's innovations in education were "likely to make as great an impression upon our 'old-fogy' schools and colleges—as did his military tactics upon the 'old-fogy' commanders in the palmy days of the rebellion." (Dr. Francis Pendleton Gaines, a leading authority on General Lee, said this: "The 5 years of Lee's presidency of Washington College were characterized by a vigor, a clarity of vision, a wisdom of policy that constitute one of the notable episodes in the history of American education.")

Perhaps inspired in part by General Lee's distinction as a soldier-scholar, General Taylor has become the leading soldier-scholar of our time. An accomplished linquist (with fluency in seven foreign languages), General Taylor returned to the Military Academy at the end of World War II to become its youngest superintendent since Douglas MacArthur.

His first interest was to broaden and reorganize the curriculum, with increased emphasis on a liberal education in the arts and sciences. When shortsighted critics thought this was unnecessary, he prophetically said: "War today is four dimensional—military,

political, ideological, and economic. Nobody in the armed services should rise above the rank of corporal who doesn't have some conception of all of these elements."

General Taylor turned again to a new and challenging experiment in education at the end of the Korean war. As commanding general of the 8th Army, he then organized special schools for the thousands of GI's who had enjoyed less than eight grades of formal schooling.

When General Taylor became Chief of Staff of the U.S. Army in 1955, he was among the few who fully understood the new dimensions of the world situation. In urging a reappraisal of American strategy, he recognized that hydrogen missiles—though necessary to our defense—are ineffectual in the new type of warfare being waged relentlessly by our Communist enemies. As subsequent events have unhappily demonstrated, the techniques of this new warfare—propaganda, sabotage, infiltration, and revolution—have enabled the Communists to make grave inroads upon the free world.

When the recent Cuban debacle profoundly shocked America, the President made an urgent call for General Taylor. Putting aside overnight his enchanting position as President of the Lincoln Center for the Performing Arts, General Taylor returned to Washington. His special mission, vital to the safety of our country, is to review U.S. policy and capabilities with respect to these new techniques of warfare which have placed freedom in such peril.

It is reassuring to his fellow countrymen, and indeed to free peoples all over the world, that in this time of unique crisis we have a Maxwell Taylor.

It is now my personal privilege to present to you this distinguished soldier, scholar, and statesman—Gen. Maxwell D. Taylor.

(General Taylor thanked Mr. Powell for his introduction, and then addressed the audience.)

General TAYLOR. I was very happy indeed to accept the invitation to come here to Stratford on this particular occasion. When I did so I thought I might come more leisurely and perhaps better prepared to face this congregation of those who are devoted to General Lee. Unfortunately, my sudden call to Washington resulted in my being, more or less, cloistered in the heart of the Pentagon. I saw the sun today for the first time in 2 weeks. But I came today feeling indeed inspired by the opportunity to leave Washington and come here to Virginia to visit the birthplace of the great American, Robert E. Lee, to whom America, indeed our whole Western World, owes so much.

I have long been a student of the career of General Lee, not in that scholarly sense of some of you ladies and gentlemen in the audience, but feeling indeed in a very indirect sense that he has influenced my life as he has the lives of countless other Americans. I first received my military bed, if one may call it that, at the feet of an unreconstructed Confederate soldier in Missouri, who taught me warfare as he had known it in the days of the Civil War west of the Mississippi. Although he had never served in Virginia, and had never met General Lee, it was from him that I first sensed that reverence for this great man in the heart of a Confederate soldier thousands of miles from the battlefields of the Army of Northern Virginia. And I am sure, to a large degree, it was that feeling for the great presence in the distance that interested me at first in the military profession and in West Point.

I might interject that grandfather always followed my career after I left West Point with great interest. He didn't understand this Army in which I was serving because it was quite different from the Army that he knew. He had a certain contempt, I felt, for the redtape and formality of the modern Army. I recall that as a second lieutenant, after serving for a while in the Engineers, I wanted to transfer to Field Artillery. It took me 6 months or more of correspondence with the War Department to get the transfer. Grandfather just didn't understand that. He said, "You know when I wanted to transfer from the Cavalry to the Infantry it took no time at all." I said, "Grandfather, what happened?" "Oh," he said, "My horse died." [Laughter.]

Perhaps the first time I ventured to make a public speech was in 1912, as a sophomore in high school, when I delivered an oration on Robert E. Lee. I've read it since, and I must say, frankly, it was rather bad. All it had to commend it was that peroration of V. H. Hill, which I still read with a certain thrill. "Lee was a Caesar without his ambition, a Frederick without his ———; a Napoleon without his selfishness, and a Washington without his reward." But whatever the quality of the oration, it won the gold medal. And No. 2 was about the Apostle Paul, I recall. Rather tough competition even for General Lee. [Laughter.]

Anyone who has lived long at West Point has felt that he is indeed in that "lengthening shadow of Robert E. Lee." I often reflected, when I was a cadet and later as an instructor and a Superintendent, how many cadets were at West Point because it was indeed General Lee's school. It certainly influenced me in the choice of a military career, and I am sure that many, and perhaps most, southern cadets have gone to West Point influenced in a large degree by this fact of history. I lived for 4 years in the house at West Point which was also General Lee's house, and thereby hangs another tale.

Arriving at West Point in 1945 with all the enthusiasm of a very young and very inexperienced young officer, accustomed to the problems of battlefield, but not the problems of public relations in the civilian communities of the United States, I looked over the requirements of West Point, and very quickly determined that the cadets were badly in need of new barracks, and having determined that fact, the next question, of course, was where to build the new barracks. Well, there is obviously just one place where a barracks could be quickly constructed and that was the spot of the Superintendent's house, so I came to Washington with a very fine proposal, a very logical one, I thought, "Let's tear down that house and build a barracks." My friends, it was not the Congressmen's objections to the bill that we provided, but largely you ladies of Virginia who wrote me letters on this subject, not that the cadets were to get barracks, but I was about to defame, to destroy, to commit sacrilege against the house where Robert E. Lee had slept. I am happy to report that you won. That house is still there, but to this day I believe General Lee was on my side. I think he would have said, "The purpose of this Academy is to make better cadets, and not to make generals comfortable." Also in that house, over the mantelpiece, is a picture of General Lee in the uniform which he wore as Superintendent. I have asked many a southern cadet when he came out to dinner, "Well, who do you think that is over the mantel?" He wouldn't know. "Well, that's General Lee." "Oh," he said, "Don't tell me. General Lee in a Yankee coat." [Laughter.]

Until the sesquicentennial of West Point, there was no picture of General Lee or any Confederate graduate of West Point in his Confederate uniform. Whether this was deliberate policy or not, I cannot say, but on the occasion of the sesquicentennial it was planned that General Lee would be hung in a proper portrait in the library, wearing the uniform of the Civil War of 1864. The painting which we had made was a companion piece to General Grant, which has been hanging for a long while in color mauve, exactly in size and in proportion. I had the great honor of dedicating the hanging of that portrait in the library. They put it out, I think somewhat to the unhappiness of the officers on duty at West Point. Both of these generals have their coats brazenly unbuttoned, which was the least truth, I thought, that an unbuttoned coat was not an essential to military genius. I hope the cadets from VMI do not take note.

Not only did the shadow of General Lee fall over West Point, it falls over the entire Army. I know of no General of any nation whose campaigns have been studied with any greater detail by American students of war. I would say, however, that in the Army of which I have known, it was not, perhaps, the tactics and strategy of Lee's campaigns which attracted attention as much as his traits of leadership. How to analyze this great man and to determine his tremendous hold over his soldiers. His ability to take a ragged Army against vastly superior strength, and manpower, and materiel, to win the brilliant victories which fell to the glory of the Army of Northern Virginia. In analyzing leadership one tries to find those qualities which, if analyzed and separated, may indeed serve to guide others who take leadership of American manpower in battle as their career. It seems to me that General Lee was unique in having learned how to lead the American volunteer (I specify the volunteer because the problem of leading the professional soldier in times of peace is quite different from leading this American Nation in time of war). Baron Von Steuben, the Prussian general who helped Washington train the American Continental, made a famous statement which has been studied and written and enlarged on the walls of our military school. Von Steuben, after working with Washington's Army wrote back to a friend in Europe, "The American soldier is not like the European soldier. You tell your man, do this, and he does it, but you must tell an American soldier why he must do it, and then he does it." So that ability to recognize that the American civilian in arms must indeed know the why of things and understand that he is not a serial number in some record book, but an individual who is respected as an individual, was, I believe, the key to General Lee's great gift of leadership. And, I believe, that those Americans who have been successful in leading the American civilian soldier in battle, have also displayed, perhaps in different specific forms, those fundamental qualities of human understanding with regard to the American soldier.

I know also that Lee had that disarming quality of asking the opinions of subordinates. What greater flattery could there have been for a colonel, before the Battle of Gettysburg, than to have been asked by General Lee what he thought about the plans of the battle. I noted throughout my career that those great senior officers who did that always received the respect and the undying loyalty of their supporters.

Again, if you will pardon an autobiographical note, I worked for a great soldier, a great American, a great Virginian, a graduate of VMI, George Marshall. I was a major shortly before Pearl Harbor, one of those military secretaries who come before the Chief of Staff, or did in those days, each day with papers from the general staff to receive the decision of the chief. The first time I did this was quite a harrowing experience, because General Marshall was not one in whose presence you appeared lightly and without adequate preparation, and the first paper on which I had to explain and upon which I had to receive his judgment was really world shaking. The question was, "Should the Army activate two additional companies of National Guard in Alaska?" Duly impressed with the importance of this issue, I had literally memorized the paper

and sat in front of the great man, recited the pros and cons, and then leaned back and said, "General Marshall, what is your decision?" He looked me squarely in the eye, and said, "Taylor, what do you think about it?" I nearly fell off my chair. It never occurred to me that a major had a right to have an opinion about a subject which was being referred to the Chief of Staff. But I can assure you, from that time on I never went into George Marshall's presence without having some opinion on any subject, no matter how great.

It seems to me that as I read the record of General Lee he had that ability of getting young men around him who were tremendously inspired with being in his presence and being helpers in a great cause. And, of course, that in the long run is the explanation and success of any great leader. The fact that he has able men about him and has formed them into an effective team.

After every war the military leaders sit down and analyze the lessons and try to decide why men fight well, or sometimes why men fight badly. After World War II we did this. We had the psychologists, the doctors, the students of sociology. We had all the brains of America involved in various studies analyzing the success of individuals and units under conditions of battle. I was never entirely satisfied with the rather technical answers which came from these committees, because, it seemed to me, that as we studied military history, the reasons for success in battle of various units is fairly simple. In the first place, the men have developed confidence in one another. I used to examine my own division, the 101st Airborne, after battle, and talk to the men, and try to find out why they had performed so well. Inevitably, it was not a question of what I thought about them particularly, but it was what Bill, and Jim, and John, the soldiers on the right and left, who had been with them from Normandy all through the battles of Europe, how they felt, and how impossible it would have been, as they would have said, "to be chicken in the face of D Company." When that feeling of confidence is in a small unit, you can always rely upon it. The problem then is to extend that kind of mutual confidence to a larger unit. And in that General Lee was spectacularly successful in getting that confidence throughout all the Army of Northern Virginia. He was aided, of course, by the third and final requirement for successful development of military units; namely, the kind of faith in the cause for which the Army fought. I have often reflected upon the fact that the Army of Northern Virginia, the Stonewall Brigade, did not require any of those, what we call, "I and E" officers, the officers to explain what is going on in the world to the troops, and get them to understand why they are wearing a uniform. I am sure there was no I and E officer on General Lee's staff, and that there was none needed on that staff, because, down to the last ranking private, there was a deep understanding of the cause for which that man fought. So that in combination then I think, you can find in General Lee's command, confidence in the man to his right and left, confidence in the overall commander, and a devotion to a cause which indeed explains why a small ragged army won victories against superior odds for 4 long years.

Since then, I would say, that General Lee has cast his shadow across the American Army is pointing the way to proper leadership of American citizen soldiers. I think, as the years go by, that that shadow indeed extends across the entire Nation. Today indeed it is well and timely that we in 1961 look back a hundred years on the problems and the dangers of 1861, because we too are living in a dangerous age. The problems are different, but the hazards are just as great, and today, as in 1861, there is that requirement of high-minded leadership which General Lee exemplified. He wrote in one of his letters, "It is to men of high integrity and commanding intellect that the country must look to give character to her council." Certainly today, as we live under the threat of general atomic war, we need men of high integrity and commanding intellect in our national council. We have seen the erosion of the free world by forces which are both dangerous and with which it is difficult to deal. We have seen the effect of an alien creed infiltrated even into our Western Hemisphere. We are observing, perhaps, the most spectacular phenomenon of this decade, the growth of China and the expanding political and military strength in the East. Faced with all of these challenges and attacks of an insidious and sinister character, we are uncertain in our national councils how indeed to utilize our strength. We have the feeling of great assets, human and material, available to our country, but thus far we have been uncertain of how to organize them effectively. We do not yet learn how to use our political, our military, our economic, and our moral assets in that single unifying way to obtain national objective which seems to be the gift of our dangerous opponent. Certainly at a time like this, the leadership which General Lee gave to the South is the kind of leadership we need on a national, indeed on an international basis. And as we look ahead, we need also his calmness, his refusal to be ruffled, his ability to concentrate his great ability without fear and without nervousness.

So, we indeed need men with the character of Lee in the council which make the decisions in the years ahead. Our hope, I believe, lies in a deepened faith in our cause, as the Army of Northern Virginia had a great cause, we indeed have one today, but one which is not appreciateed in that deep sincere sense in which it was in the heart of the Confederate soldiers. We need indeed men of high integrity and commanding intellect to lead us forward in a period when we must sacrifice, to which we must give more of ourselves, and of our possessions, to the defense of the free world. And down that path of sacrifice and abnegation we must be guided by the spirit of Robert E. Lee.

Mrs. GRIFFIN. We will conclude this commemorative ceremony with the benediction by the Rev. Mr. Lawrence Mason of Cople Parish.

Mr. MASON. Let us pray.

Almighty God, who are the Father of all men upon the earth, most heartily we pray Thee to protect thy children, and to lead the nations into the way of peace. May the God of our fathers be within us to refresh us, before us to guide us, above us to bless us, beneath us to hold us up, who liveth and reigneth one God, world without end. Amen.

Report of National Projects Committee to the National Rivers and Harbors Congress

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EXTENSION OF REMARKS

OF

HON. PHIL WEAVER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 20, 1961

Mr. WEAVER. Mr. Speaker, under leave to extend my remarks, I include in the CONGRESSIONAL RECORD the report of the national projects committee which was unanimously adopted by the recent 48th National Convention of the National Rivers and Harbors Congress held in Washington on May 24–27, 1961.

The permanent national projects committee of the congress consists of an outstanding expert on water-resource problems from each of the major drainage basins of the United States. They serve without compensation of any kind whatsoever and bear all of their own expenses when coming to Washington and while here serving on this committee.

The committee's purpose is to assist the sponsors of projects in preparing and presenting their data, so that they may be placed in line for approval. The projects recommended by the committee and endorsed by the congress are vigorously pressed for inclusion in the Government's public works program, and appropriations or allocation of funds sought therefor.

We are grateful to the members of this committee for their public-spirited service in an effort to assist the Congress of the United States and the governmental agencies charged with the responsibility for these public works, as well as the people in the areas to be served thereby.

The members of the committee who served at its recent session are as follows:

PROJECTS COMMITTEE

Representative PHIL WEAVER, Falls City, Nebr., chairman.

New England division: William S. Wise, executive secretary, Flood and Water Policy Commission, State of Connecticut, Hartford, Conn.

North Atlantic division: Brig. Gen. James H. Stratton, U.S. Army, retired, consulting engineer, New York, N.Y.

South Atlantic division: Col. George W. Gillette, U.S. Army, retired, chairman, Wilmington Port and Waterway Development Commission, Wilmington, N.C.

Southwestern division: Dale Miller, executive vice president, Intracoastal Canal Association of Louisiana and Texas, Houston, Tex.

Lower Mississippi Valley division: Hu B. Myers, chief engineer, Department of Public Works, State of Louisiana, Baton Rouge, La.

North Central division: Al Hansen, comptroller, city of Minneapolis, Minneapolis, Minn., vice chairman.

Missouri River division: John B. Quinn, executive director, Missouri Valley Development Association, Inc., Lincoln, Nebr.

Ohio River division: J. I. Perrey, chief engineer, Indiana Flood Control and Water Resources Commission, Indianapolis, Ind.

North Pacific division: Herbert G. West, executive vice president, Inland Empire Waterways Association, Walla Walla, Wash.

South Pacific division: Vice Adm. Murrey L. Royar, U.S. Navy, retired, Washington representative, Oakland, Calif., chamber of commerce.

Western intermountain region: E. W. Rising, Washington representative, State Water Conservation Board of Montana, Helena, Mont.

The report follows:

REPORT OF THE PROJECTS COMMITTEE TO THE 48TH NATIONAL CONVENTION OF THE NATIONAL RIVERS AND HARBORS CONGRESS, MAY 26, 1961

Mr. HENRY H. BUCKMAN,
President, National Rivers and Harbors Congress, Washington, D.C.

DEAR MR. PRESIDENT: In pursuance of the call of the President, your projects committee met on May 24, 1961, to consider the projects submitted since the last session of the National Rivers and Harbors Congress. Hearings were afforded all who made appearance.

The committee at this session has examined 74 proposals embracing all resource improvements with which this Congress is concerned, including navigable waterways, harbors, flood control, hurricane protection, soil conservation, reclamation, and water conservation.

Of the proposals examined, this committee is convinced that 13 constitute projects sound in conception, needful, and sufficiently advanced in status to warrant endorsement, involving a total estimated cost of $161,641,000. Fifteen projects appear to be without sufficiently advanced development to warrant project endorsement at this time, but are believed to be meritorious and entitled to further consideration by this committee, if and when additional information may be adequate to warrant an endorsed status. We find that on 32 proposals, surveys have been authorized, but the reports of said surveys have not been completed, and we, therefore, recommend in these cases that the Congress appropriate sufficient funds to complete these surveys at an early date in order that action may be taken toward classification by this Congress. We find 14 proposals that have sufficient merit to warrant detailed investigation and recommend that surveys be authorized by the U.S. Congress with a view to developing projects for subsequent authorization.

Appendix A of this report sets forth in detail a list of all proposals and projects examined and the action taken thereon.

The President of the United States, in his message to Congress concerning the economic recovery and growth of the Nation, stated that the country's water resources program, including flood control, irrigation, navigation, watershed development, water pollution control, and water desalinization, require priority attention. He indicated that the Nation needs to develop sound and uniform standards for cost sharing between Federal, State, and local governments. The President made it quite clear that long-range energy resource development and accelerated programs for economical production of energy from nuclear sources were essential to economic growth.

The National Rivers and Harbors Congress is wholly in accord with the economic recovery objectives of the President.

In his message to the Congress on natural resources, President Kennedy summed up the situation concerning our greatest natural resource—water—by saying, "Our available water supply must be used to give maximum benefits for all purposes—hydroelectric power, irrigation, and reclamation, navigation, recreation, health, home, and industry." The President went on to say, "If all areas of the country are to enjoy a balanced growth, our Federal reclamation and other water resource programs will have to give increased attention to municipal and industrial water and power supplies, as well as irrigation and land redemption."

The National Rivers and Harbors Congress echoes the objectives and goals established by the President in his message to the Congress on natural resources.

In a memorial to the President and the Congress of the United States, concerning the development of Government policy with respect to water, the National Rivers and Harbors Congress summarized its objectives in this highly important field. It is well to repeat those objectives at this time:

"Water supply for human and animal consumption, agriculture, hydroelectric power generation and industrial use; river and harbor development for maritime and inland water transportation; pollution abatement, irrigation and reclamation; and flood and erosion control all require the energetic pursuit of an enlightened policy if the gradual throttling of our national economy is to be prevented.

"The pollution of our streams and underground water sources must be minimized in order that suitable supplies for human and animal consumption and for industrial use shall continue to be adequate.

"Flood and erosion control which serve to conserve our water resources and to prevent the destructive effects of excessive precipitation must continue to be principal objectives.

"Our defense potential will depend to a very important extent upon the optimum expansion of our internal lines of transport by the development of our inland navigation channels. These should be planned, developed, extended and interconnected in order to afford maximum obtainable relief for the transcontinental rail carriers whenever the intercoastal ocean routes may be unavailable.

"Widespread and continuing research with respect to water, its nature, origin, occurrence, functions, uses, management, and latent developmental possibilities is essential in developing the implementation of a comprehensive water resources policy."

The project committee notes that the Senate Select Committee on National Water Resources, established pursuant to Senate Resolution 48 of the 86th Congress, as amended, completed its studies and made its report to the President of the Senate. The select committee was directed to make studies to determine the extent to which water resources activities in the United States are related to the national interest, and of the extent and character of water resources activities, both govenmental and nongovernmental, that can be expected to be required to provide the quantity and quality of water for use by population, agriculture and industry between the present time and 1980, along with suitable provision for related recreational and fish and wildlife values; to the end that such studies and the recommendations based thereon may be available to the Senate in considering water resources policies for the future. The committee made some 90 studies, covering all aspects of water resources activities in the United States, and has held extensive hearings in all parts of the country.

In view of the highly important nature of the studies made by the select committee, and the conclusions reached, the projects committee considers it beneficial to quote directly from the select committee's report, as follows:

"The nature, the immediacy, and the gravity of the water resources problems faced by the United States vary greatly from region to region, but it is clear that all parts of the country either have or will have problems. In some areas they could become quite painful, and have a far-reaching effect on the economy of the area. In fact, the committee has found that even the well-watered Eastern and Southern States are beginning to share the same concern over water that has been felt in the arid West since its early settlement. As urbanization and industrial development in the East expands, it is becoming more apparent each year that lack of water may deter growth unless early action is taken to assure a continued supply.

"The committee's studies show that existing withdrawals of water, now on the order of magnitude of about 300 billion gallons daily, will be doubled by 1980 and tripled by the year 2000 if present trends are continued. Of even greater importance, however, the studies show the importance of maintaining water quality through pollution abatement in order that increased reuse of water will be possible, and to improve conditions for recreation and for conservation of fish and wildlife to support increased leisure time activities of the people.

"The basic elements of a program to enable the Nation's needs for water to be met are storage facilities to increase the low flow of rivers and sewage, and industrial waste collection and treatment facilities to maintain the necessary quality of water. The cost of this program to 1980, was estimated for the committee to be $12 billion for storage and $42 billion for waste collection, a total of $54 billion. The exact nature of the program, and of auxiliary programs to meet other needs in the field of water resources such as watershed protection, flood control navigation, irrigation, hydroelectric power generation, fish and wildlife conservation, and recreation, cannot be determined with precision at this time by this committee. Formulation of a program to meet the Nation's needs must await the preparation of detailed and comprehensive plans for water resources development in each of the river basins.

"The select committee recommends that such plans be developed cooperatively by the appropriate Federal and State agencies at the earliest practicable time. To assure effective State participation, the committee proposes a program of Federal grants, to be matched by the States, to provide funds to help the States carry on their part of the river basin planning activities."

The projects committee is very much impressed with the report of the select committee. It considers it to be one of the most comprehensive coverages ever to be prepared on the subject of water resources. The committee and its able staff are to be congratulated on a job well done.

Now that the great task of studying and analyzing the Nation's water resources by the select committee has been completed, it is hoped that the recommendations made by that committee will be put into practice at an early date in order to foster and promote sound water conservation practices.

In closing, your committee desires to direct the attention of the Congress to the urgent need for initiating and completing authorized water resource projects and investigations. It is hoped that the committees of Congress will see fit to include in the annual public works appropriations bills for the various Federal agencies concerned with water resource developments, funds necessary to carry out their assigned responsibilities in this highly important field during the next fiscal year.

Respectfully submitted.

PHIL WEAVER,
Chairman.

NOTE A.—A project which has been placed in class II, III, IV, or V by the committee may be reexamined from time to time upon due application and the submission of material supplementary information, with a view to advancing its classification; but no project will be reported upon by the committee more than once in each year.

NOTE B.—Attention is called to the fact that when a project is once put in class I, endorsed, such status continues and it is unnecessary to follow up at subsequent sessions with new applications. All projects endorsed by the Congress, upon the recommendation of the committee, retain their status until finally constructed, unless such action is rescinded by the Congress, and the Congress stands pledged to do everything possible to assist in reaching that goal.

Applications for Approval of Projects Received by the Projects Committee

Division I.—*Endorsed* [1]

[Letter "R" following the project number indicates revision of a previous application]

Docket No.	Name of project	State	Division	Docket No.	Name of project	State	Division
781-R6	Raystown multiple-purpose reservoir.	Pennsylvania	North Atlantic.	1202	Wilmington Harbor (Christina River).	Delaware	North Atlantic.
117-R	East Branch Dam and Reservoir on the Naugatuck River in and above Torrington, Housatonic River Basin.	Connecticut	Northeastern.	1205	Mississippi River, Baton Rouge to New Orleans.	Louisiana	Lower Mississippi Valley.
				1206	Calcasieu River and Pass	do	Do.
				1207	Brazos Island Harbor	Texas	Southwest.
1134-R2	East Fork Reservoir, East Fork, Little Miami River.	Ohio	Ohio River.	1209	Texas City Channel	do	Do.
				1212	South Branch Park River watershed protection and flood prevention project.	Connecticut	Northeast.
1159-R	Wailoa Stream	Hawaii	Pacific Ocean.				
1160-R	Waimea River, Kauai	do	Do.				
1164-R	Rouge River flood control	Michigan	North Central.				
1166-R	Las Vegas Wash and tributaries flood control.	Nevada	South Pacific.	1226	Inland waterway from Delaware River to Chesapeake Bay (Chesapeake & Delaware Canal).	Delaware and Maryland.	North Atlantic.

[1] "Endorsed": This means that it is the judgment of the committee that the project is sound, needful, and sufficiently advanced in status; and that its construction is justified by the public interest it will serve.

Division II.—*Meritorious* [1]

Docket No.	Name of project	State	Division	Docket No.	Name of project	State	Division
793-R8	Flood protection, Cleves	Ohio	Ohio River.	1184-R	Tocks Island Dam and Reservoir.	Pennsylvania and New Jersey.	North Atlantic.
1094-R3	Rend Lake (Big Muddy River)	Illinois	Lower Mississippi Valley.				
1100-R3	Wilmington Harbor	North Carolina	South Atlantic.	1185-R	Prompton Dam and Reservoir	Pennsylvania	Do.
1109-R2	Columbia and lower Willamette River deep-draft ship channel.	Oregon and Washington.	North Pacific.	1186-R	Beltzville Dam and Reservoir	do	Do.
				1187-R	Blue Marsh Dam and Reservoir	do	Do.
1114-R3	Flint River channelization, flood control, hydroelectric power, water conservation.	Georgia	South Atlantic.	1195	Portland Harbor	Maine	Northeast.
				1199	Buttermilk Channel	New York	North Atlantic.
				1200	Chelsea River, Boston Harbor	Massachusetts	Northeast.
1128-R	Imperial Beach small craft harbor	California	South Pacific.	1203	Wilmington Harbor	North Carolina	South Atlantic.
1183-R	Trexler Dam and Reservoir	Pennsylvania	North Atlantic.				

[1] "Meritorious": This means that the committee believes that although the project is not sufficiently advanced in status to warrant its present endorsement, it is meritorious and that the committee is willing to consider in due course, its advancement to division I upon presentation by its sponsors of additional evidence justifying such action.

Division III.—*Expeditious report on authorized survey requested* [1]

Docket No.	Name of project	State	Division	Docket No.	Name of project	State	Division
876-R6	Whitewater River, West Fork, Brookville.	Indiana	Ohio River.	1211	Point Roberts boat harbor	Washington	North Pacific.
				1213	Northeast (Cape Fear) River, above Hilton Bridge.	North Carolina	South Atlantic.
1092-R	Passaic River Basin, flood control.	New Jersey	North Atlantic.				
1096-R3	Deep draft and small craft harbor development, Port San Luis.	California	South Pacific.	1214	Providing a channel at Two-Mile Settlement and Creek near Apalachicola.	Florida	Do.
1126-R2	Norfolk Harbor and Channel to Newport News.	Virginia	North Atlantic.				
				1215	Canal across Santa Rosa Island in the vicinity of Navarre to connect Santa Rosa Sound with Gulf of Mexico.	do	Do.
1128-R(a)	Mississinewa River Channel improvement.	Indiana	Ohio River.				
1157-R	Waikiki Beach improvement	Hawaii	Pacific Ocean.				
1158-R	Iao Stream flood control project	do	Do.	1218	Investigation of San Felipe division of Central Valley project.	California	South Pacific.
1162-R	Kihei District, Maui	do	Do.				
1192	Trenton Channel navigational improvement project.	Michigan	North Central.	1219	Kahoma Stream flood control	Hawaii	Pacific Ocean.
				1220	Cape Fear River above Wilmington.	North Carolina	South Atlantic.
1193	Savannah Harbor improvement program.	Georgia	South Atlantic.				
				1221	Tinkers Creek Dam and Reservoir.	Ohio	North Central.
1193A	Savannah Harbor	do	Do.				
1194	Searsport Harbor	Maine	Northeast.	1222	Review of reports, Red River and tributaries, below Denison Dam.	Oklahoma, Texas, Arkansas, Louisiana.	Lower Mississippi Valley; Southwest.
1196	Portsmouth Harbor and Piscataqua River.	New Hampshire and Maine.	Do.				
				1223	Turkey Run Reservoir on Sugar Creek near Rockville.	Indiana	Ohio River.
1197	Town River and Weymouth Fore River.	Massachusetts	Do.				
				1224	Attica Reservoir on Big Pine Creek near Attica.	do	Do.
1198	New York and New Jersey channels.	New York and New Jersey.	North Atlantic.				
				1225	Lafayette Reservoir on Wildcat Creek, Ind.	do	Do.
1201	New York Harbor, deep-draft anchorages.	do	Do.				
				1227	Hilo Harbor, protection against lava flow.	Hawaii	Pacific Ocean.
1204	Jacksonville Harbor	Florida	South Atlantic.				
1208	Sabine-Neches Waterway	Texas	Southwest.				

[1] "Expeditious report on authorized survey requested": This means that the committee believes that the National Rivers and Harbors Congress should request the engineering authority to expedite any report on any authorized investigation or survey of the project to the end that appropriate further action may be had thereon in regard to its classification.

Division IV.—*Projects recommended for survey* [1]

Docket No.	Name of project	State	Division	Docket No.	Name of project	State	Division
922-R2	Atchafalaya Bay ship channel	Louisiana	Lower Mississippi Valley.	1174-R	Explosive handling facilities within Hawaii harbors.	Hawaii	Pacific Ocean.
1137-R	Brazos River survey	Texas	Southwest.	1190-R	Glasgow levee	West Virginia	Ohio River.
1168-R	Haleiwa Beach erosion project	Hawaii	Pacific Ocean.	1191	Bolinas Harbor project	California	South Pacific.
1169-R	Honolulu Harbor: Deepening and widening of harbor and channel.	do	Do.	1216	Deepening of channel crossing St. George Island and Apalachicola Bay and extending jetties.	Florida	South Atlantic.
1170-R	Harbors for light-draft vessels	do	Do.	1217	Dredging of the Gulf County Canal.	do	Do.
1171-R	Hilo Harbor modification	do	Do.				
1172-R	Port Allen Harbor modification	do	Do.	1228	Intracoastal Waterway—Norfolk to Jacksonville.	North Carolina and Georgia.	Do.
1173-R	Kahaluu Harbor, Oahu	do	Do.				

[1] "Recommended for survey": This means that the committee believes that sufficient showing on behalf of the project has been made to warrant further examination in the form of an adequate survey by an appropriate agency of the Federal Government.

Opposition To Increasing Cheese Imports

EXTENSION OF REMARKS
OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Thursday, July 20, 1961

Mr. WILEY. Mr. President, the cheese industry of the country is making a substantial contribution to the economy and the health of our people.

Because of its significance, I believe, it is extremely unwise to take action that would jeopardize its economic situation.

Recently, the Department of State recommended the Tariff Commission make an investigation of section 22(d) of the Agricultural Adjustment Act, as amended, for the purpose of possibly liberalizing import quotas on blue mold cheese and cheddar cheese.

If this were done, it would, in my judgment, create serious hardships for the domestic industry.

Presently, import quotas permit an annual inflow of 4,167,000 of blue mold cheese and 2,780,100 of cheddar, cheddar substitutes, or derivatives.

Each pound of cheese imported displaces the market for a pound of domestically produced cheese.

During the April–June 1961 period, for example, 21 million pounds of cheddar cheese were purchases under the price support program. If quotas are liberalized it would create new hardships for the domestic industry. This is particularly true for my home State of Wisconsin which produces about one-half of the cheddar cheese and about two-thirds of the blue cheese of the United States.

At this time I ask unanimous consent to have three items—opposing expansion of cheese imports—printed in the RECORD: First, a letter of protest to the Chairman of the Tariff Commission; second, an editorial from one of the outstanding dairy publications, the Dairy Record; and, third, statement by Paul Affeldt, president of Pure Milk Products Cooperative, Fond du Lac, Wis.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
July 18, 1961.

Hon. JOSEPH E. TALBOT,
Chairman, U.S. Tariff Commission,
Washington, D.C.

DEAR MR. CHAIRMAN: I am writing again to urge denial of the request by the State Department for reduction or elimination of quotas on blue mold and cheddar cheese.

Why? Let me respectfully reemphasize these factors:

1. The domestic supply-demand situation is "out-of-balance." During April–June 1961, for example, 21 million pounds of cheddar cheese were purchased under the price support program.

2. U.S. cheese production is up—totaling about 12 percent more during the month of May this year than the same month last year.

3. Milk production is rising in some areas of the country, with the surpluses going into cheese.

4. A survey indicates substantial increases in cheese production in the North Central and South Central States.

5. The expansion of imports then would (a) displace markets, pound for pound, for domestic production; and (b) increase cost to the taxpayer of operation of the price support program.

Because of these factors, then I respectfully urge that no action be taken to allow increases in imports of blue mold or cheddar cheese. If this were done, it would, in my judgment, seriously jeopardize the economy of the domestic cheese producing industry.

With appreciation for consideration of these views, I am with kindest regards,

Sincerely,

ALEXANDER WILEY.

THE ULTIMATE IN ABSURDITY

It is small wonder that the proposal made by the State Department through the Tariff Commission to reduce or drop entirely current restrictions on imports of blue mold cheese (except Stilton) and cheddar cheese blew up a storm of indignation from the cheese industry.

Present quotas permit imports of 4,167,000 pounds of blue mold cheese each year and 2,780,100 pounds of cheddar, cheddar substitutes or derivatives.

Canada has been the most important exporter of cheddar to the United States and Denmark is the principal exporter of blue mold to this country. However, in the background, other foreign cheese producers will watch the July 18 hearing anxiously.

In our opinion, the State Department should have never brought up the issue. Cheese is in surplus at the present time and that surplus has all the earmarks of increasing at a tremendous rate. American cheese production in the United States during May was estimated at 127,405,000 pounds or 12 percent more than was produced for the same month of last year. Milk production in the northeast is rising to add to the surplus problems in that area and much of the surplus milk is going into cheese. The west north central area has shown a large increase in cheese production and the same is true of the south central States.

All indicators point to the necessity of the Government buying large stocks of cheese during the fiscal year of 1961–62 and that means, of course, that every taxpayer will have to dig deeper into his pocket to pay for cheese supports for not only the cheese produced in this country but also for surplus cheese manufactured in Canada, in the event that the Federal Trade Commission eases the import quotas or eliminates them completely.

It is a glaring example of bureaucratic government when one branch of the Government, in this case the State Department, is at odds with another branch, the U.S. Department of Agriculture.

PRESENTATION OF PURE MILK PRODUCTS COOPERATIVE, 500 NORTH PARK AVENUE, FOND DU LAC, WIS., BY PAUL AFFELDT, ITS PRESIDENT, TO U.S. TARIFF COMMISSION, WASHINGTON, D.C., OPPOSING SUGGESTIONS AND PROPOSALS TO INCREASE VARIOUS TYPES OF CHINESE IMPORTS UNDER SECTION 22 OF THE AGRICULTURAL ADJUSTMENT ACT AS AMENDED

Mr. Chairman and members, I represent and am president of Pure Milk Products Cooperative with offices at 500 North Park Avenue, Fond du Lac, Wis. I am a dairy farmer and live on a farm at Sparta, Wis. Pure Milk Products Cooperative is a bargaining and service association, representing approximately 15,000 dairy-farm members. These farms are located throughout Wisconsin and parts of Illinois and the upper Peninsula of Michigan. Nearly two-thirds of these milk producers or dairy farmers by number are grade B patrons. Their milk goes from their farms to manufacturing and cheese plants. The remaining membership are grade A patrons or farmers shipping to markets such as Milwaukee and Chicago. About 40 percent of the production of these grade A patrons moves to manufacturing plants, a large amount of which goes into cheese.

Our total membership markets approximately 2 billion pounds of milk per year. Well over 1 billion pounds of this moves into manufacturing plants and manufactured dairy products, a large part of which is cheese of the cheddar or blue mold types.

This organization is unalterably opposed to increasing imports of dairy products, and particularly these cheese types, in view of the substantial quantity of milk and dairy products being bought by the U.S. Department of Agriculture under the support program of this country. To say that we are very disturbed with the reports that consideration is being given by the State Department and administration to increase the import quotas on various cheeses, is putting it mildly. A large amount of the members' milk and the milk of the nearly 100,000 dairy farmers of Wisconsin is going into numerous types of cheese. Wisconsin is the Nation's largest cheese-producing State, producing approximately one-half of the Nation's total. Thus, you can readily see the impact that increasing imports of cheese from foreign countries would have on the dairy business in this most important State and region.

To increase imports of cheese during a period of surplus milk production can do nothing but weaken American milk producer prices and cheese markets. The imports would replace the volume of milk currently consumed in the form of domestic cheese, and such would end up in Government purchases under our now overburdened agricultural support program.

A review of figures shows that the U.S. Department of Agriculture has purchased about 26,800,000 pounds of cheddar cheese since April 1, 1961, the start of this crop year. For the same period last year, cheese purchases amounted to only 131,000 pounds.

Nonfat dry milk purchases to date, this crop year (since March 29, 1961) are 507,217,000 pounds. Last year for the same period it was only 348,699,000 pounds.

Butter purchases to date for this crop year amount to 144 million pounds. For the comparable period last year, they were 73 million pounds.

These large increases in purchases of dairy products by the U.S. Government to support our dairy-farm income are the strongest possible arguments for limiting imports of dairy products to the barest minimums permitted by existing agreements and quotas.

Forecasts and records indicate that our national milk production will be up slightly this crop year over the prior year. With employment in a weak position, business sluggish, and farm and governmental costs increasing, we believe increasing dairy-product quotas or dairy-product imports of any sort to be decidedly uneconomical and unrealistic.

Storage stocks of natural American cheese reported by the U.S. Department of Agriculture in warehouses at June 30, 1961, were 392,486,000 pounds. A year ago they were 304,111,000 pounds. This is an increase of 29 percent over a year ago.

Other varieties of cheese were 51,595,000 pounds on June 30, 1961. Last year they were 41,054,000 pounds.

Blue cheese production is becoming an increasing user of Wisconsin's milk production. Import quotas on foreign blue cheese are now over 4 million pounds a year. Quotas on all cheese for the current year are about 28 million pounds. This is equal to about 280 million pounds of milk production.

The total purchase of milk for supporting dairy prices last year was approximately 3 billion pounds of milk equivalent. Thus, present quotas on imports go a long way toward nullifying governmental support purchases. Increasing quotas would burden the support program further and needlessly. We repeat that the additional cheese is not needed.

On behalf of dairy farmers of Wisconsin and other areas of the United States and the great cheese industry of our State, we urgently request that imports of cheeses of all types be limited to the very minimum permitted by existing trade agreement.

This request is in line with the resolutions of this organization that were passed by its membership in convention last October. They read as follows:

"Pure Milk Products Cooperative believes Congress should maintain rigid import quotas on all dairy products until such time as domestic production and consumption warrant further imports. We are shocked that our Government has seen fit to make sharp increases in import quotas of several foreign types of cheese recently, while domestic prices for manufactured milk were still at the low levels maintained by the dairy price support program; be it further

"*Resolved*, That as long as we have a surplus of dairy products, we should maintain a strict curb on imports; be it further

"*Resolved*, That Pure Milk Products Cooperative use every possible means to prevent the increase in import quotas for blue cheese as recently requested by the Danish Government."

We recognize the significance of improving foreign relations, but we do not believe the Government should permit imports of unneeded foreign cheese and other dairy products at the expense of dairy farmers and agriculture. This segment of our economy, dairying and agriculture, is suffering at present, great financial hardships.

We appear here to register the strongest possible opposition to all proposals that might increase cheese or any other dairy product imports. If international relations must be improved through channels of agriculture, let's charge the bill to international relations, defense, or the State Department operations, and not to a depressed agricultural economy.

In summary, we believe:

1. Increasing imports of cheese will increase the Government's now heavy tax-load and drive domestic prices of farm milk to minimum levels.

2. Increasing cheese imports will create in the cheese industry and milk producers supplying domestic users, an uncertainty of what the future holds. The ever-increasing pressures for enlarged imports will create increasing uneasiness toward future cheese production and milk for cheese manufacture.

3. Increasing cheddar and blue mold cheese quotas will discourage cheese manufacturers continuing in the production of these types of cheese and create a burdensome expense of conversion to other types of cheese or dairy-product manufacturing. This will mean needless additional expenses for other equipment and dairy-products manufacturing facilities.

4. The increasing of cheese quotas at a period when world problems are at a tense, critical stage, will create further domestic unrest and uncertainty among cheese-plant operators and dairy farmers. Both have been seriously criticized for the "farm mess" in the public press and various news media. To propose increases that have the effect of making the dairy farm and cheese industry draw further criticism from our neighbors in the city is an unrealistic solution to any problem.

Thanks for your consideration, attention, the opportunity to be heard, and your interest in this, from the largest dairy-farm organization. If you have any questions, we would be happy to answer or discuss them with you and commission members.

Statement of Representative Edwin E. Willis, of Louisiana, Before National Association of Tax Administrators' Annual Conference at Denver, Colo., June 18–21, 1961

EXTENSION OF REMARKS

OF

HON. WILLIAM M. McCULLOCH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 20, 1961

Mr. McCULLOCH. Mr. Speaker, our distinguished colleague from Louisiana, the Honorable EDWIN E. WILLIS, chairman of the Special Subcommittee on State Taxation of Interstate Commerce, was a guest speaker before the National Association of Tax Administrators at its annual meeting in Denver, Colo., on June 18, 1961.

Congressman WILLIS' speech is an excellent progress report of the work by the subcommittee, and its advisers, as well as its plans for the immediate future.

The speech follows:

STATEMENT OF REPRESENTATIVE EDWIN E. WILLIS, OF LOUISIANA, BEFORE NATIONAL ASSOCIATION OF TAX ADMINISTRATORS' ANNUAL CONFERENCE AT DENVER, COLO., JUNE 18–21, 1961

Ladies and gentlemen, fellow public servants, it is my pleasure to come before you today to give you the latest progress report on a matter of deep concern to you. The Special Subcommittee on State Taxation of Interstate Commerce, of which I am the chairman, has been moving forward to carry out its mandate from the Congress.

As you know, it was established in 1959 by Public Law 86–272 to study "taxation by the States of income" derived from interstate commerce. However, on April 7 of this year, Public Law 87–17 was approved. It expanded the jurisdiction of the subcommittee so that it is now charged with the responsibility for "full and complete studies of all matters pertaining to the taxation of interstate commerce by the States." Thus, you see there is a recognition by the Congress of the fact that the problems of State taxation of interstate commerce cannot be dealt with on a piecemeal basis.

Perhaps I should outline how the subcommittee is going to proceed in its study. We have been gathering an energetic staff composed of highly competent attorneys and economists. In a recent New York Times story on the subcommittee they were referred to as a "blue-ribbon" staff. They were hired on a nonpartisan basis for their expertise in the area. Ultimately, the committee will have about 10 people doing the hard work which is so vital to a proper solution of the problems which face us.

In order that the subcommittee might have the benefit of the counsel of those who have had long and detailed experience with interstate taxation, the subcommittee has appointed an advisory group made up of distinguished citizens. In forming this group, sincere and successful effort has been made to make available to the subcommittee the advice of men who have dealt with the problem in all of its aspects.

As chairman, we have appointed Prof. Ernest J. Brown of Cambridge, Mass., a distinguished professor of law at the Harvard Law School. Professor Brown brings to our study deep understanding of the constitutional and legal ramifications of State taxation.

Three men who have had direct and intimate experience with State tax problems as experienced by businesses, both large and small, have been appointed. These are:

Henry J. Griswold of Boston, a partner in Scovell, Wellington and Co., and a specialist in the tax problems of small business.

Samuel H. Hellenbrand of New York, director of taxes for the New York central system.

George S. Koch of New York, who is the tax manager for the Standard Oil Co. of New Jersey.

Certainly these men can enlighten us on the great variety of problems met by individual businesses in discharging their tax obligations.

Aware of the great contribution which can be made by men experienced in the problems of State tax administration, we have appointed two outstanding State officials who are, I am sure, well known to you.

Dixwell L. Pierce of Sacramento, Calif., secretary of the California State Board of Equalization, past president of the National Tax Association, and past president of this body, has a long and distinguished career in the field of tax administration, a career with which you are familiar.

You all, also, know Ben F. Johnson of Atlanta, Ga., deputy assistant attorney general for revenue of Georgia, and dean of the Law School of Emory University—a man who is fully conversant with the complex problems of enforcement.

It was, of course, necessary that we bring to the group the best judgment obtainable concerning the economic effects of present practice, and the probable effects of any proposals which might be advanced. To this end, we have appoined Prof. Harold M. Groves of Madison, Wis., professor of economics at the University of Wisconsin and a man preeminent in the field of State taxation.

To further advise the subcommittee on the complex issues, we have appointed two men who are noted for their scholarly achievement in this field. They are:

Paul J. Hartman of Nashville, Tenn., professor of law at Vanderbilt University.

Jerome R. Hellerstein of New York, professor of law at New York University, and a member of the firm of Hellerstein & Rosier.

Finally, to bring to the group a man who has had intimate connection with the general problems of tax policy formation, and has dealt with the tax area as both tax official and practicing lawyer, we have secured the assistance of Mr. Raphael Sherfy, Washington, D.C., member of the firm of Turney, Major, Markham & Sherfy, and formerly associate head of the legal advisory staff of the Treasury Department.

We have also invited to join the advisory group William S. Evatt of Columbus, Ohio. Mr. Evatt is an attorney who has had long experience in the problems of State taxation. He has served as a tax administrator and director of finance of the State of Ohio.

I am sure you will agree that we have succeeded in forming a group which represents the best of American experience and understanding in this very difficult area.

Last Friday the group convened in Washington and labored all day defining the areas of State taxation of interstate commerce that require study by Congress.

The discussions were comprehensive but incisive. A variety of views were expressed but there was also a remarkable amount of

agreement on broad issues. It is my understanding that Professor Brown has prepared a draft expression of the concensus of the meeting. This is to be circulated among the group and then submitted to the subcommittee.

We on the subcommittee feel fortunate to have such knowledgeable and distinguished members of the academic, governmental and business worlds from whose great experience we can derive guidance.

The subcommittee itself is, of course, drawn from the House Committee on the Judiciary. It is a large subcommittee—11 members—and designedly so. Its membership is as geographically diverse as is the membership of the House of Representatives itself. In addition to myself there is BYRON G. ROGERS, Democrat of Colorado; ARCH A. MOORE, JR., Republican of West Virginia; BASIL L. WHITENER, Democrat of North Carolina; WILLIAM E. MILLER, Republican of New York; ROBERT W. KASTENMEIER, Democrat of Wisconsin; WILLIAM T. CAHILL, Republican of New Jersey; LESTER HOLTZMAN, Democrat of New York; JOHN H. RAY, Republican of New York; M. BLAINE PETERSON, Democrat of Utah; and CLARK MACGREGOR, Republican of Minnesota. Counsel to the subcommittee is Mr. Murray Drabkin.

This, then, is the organization. Now, I am sure you want to know what the subcommittee is going to do.

The first thing I wish to impress upon you is that this is going to be an impartial study. What will be done will be done without preconception. The problem of interstate commerce taxation is too big and important to the future of the economy of the States and the country for that. It will not be a study, made only with a view toward determining whether there is too great a burden placed upon multistate businesses in complying with divergent and conflicting State taxing statutes. It will also be concerned with the difficulties of State tax administration. It will certainly take into account the serious problems of meeting State revenue needs.

We are going to proceed slowly and carefully, getting the counsel of all interested parties. It is inescapable that a solution which comes from a careful, thoughtful study should be in the best interests of all parties concerned.

One need only consider the value to the States of a solution to those problems which brought the subcommittee into being.

Promotion of commerce among the States is not in the interest of business alone. All tax collecting agencies, both Federal and State, benefit from expansion of the economy. The benefits of efficient commercial operation spread beyond the area of revenue collection and beneficially infuse the economic life of the citizens of every State. Anything which impedes economic growth is of concern to those who are depending on its increase in size for gains in revenue, and also to those who have responsibility for the well-being of their citizens.

Each cost which does not produce a benefit reduces profit just that much. Every area of uncertainty causes waste; wasted resources, wasted effort, wasted money. In more specific terms, every man-hour not used to determine taxability under 50 different systems, is manpower freed to produce the goods and services on which our economic welfare depends. And, of course, as compliance costs go down, profits, and therefore tax revenues, rise.

The difficulties arising from the diversity of present State taxation systems is not a problem for the business community alone. Certainly, all of you are acutely aware of the opportunities for tax avoidance inherent in those diversities.

It is in the interest not only of the taxing agency, but of the entire society, that artificial arrangements designed for tax avoidance, resulting in revenue losses to the States, and distortion in the area of ordinary business decisionmaking, be reduced to a minimum. It is to be hoped that through your cooperation, the subcommittee will be able to make some progress in this direction. In related areas such as problems of enforcement of tax liability, auditing, and retaliatory taxation, there is a great potential gain in the efficiency and economy of tax administration which may be achieved if we can work together in finding solutions consistent with both State revenue needs and the demands of increasing economic welfare.

There is no doubt that the situation as it now stands creates problems for all. The benefits which may flow from whatever reforms we may be able to develop through our mutual efforts can result in benefits to tax administrator and taxpayer alike. Cost of compliance, uncertainty as to liability, multiplicity of formulas, definitions and interpretations are matters of general concern.

Now I come to the part that you, the State tax administrators, can perform so that the study of the subcommittee might achieve maximum beneficial results. As tax administrators, you can well appreciate the importance and the complexity of the problems, and the vast amount of work involved.

At this stage of the study the emphasis is on the gathering of adequate information. The States will be solicited from time to time for facts and figures. I hope that you will provide us with what may be necessary as promptly as you can. I cannot emphasize the importance of your cooperation too much. Certainly we are all interested in bringing about a taxing system which recognizes economic relations. But to attain this goal we must know what the realities are. The extent to which we gain understanding of your problems is in your hands.

The opportunity which lies before us today is historic.

How often are we given such a chance to concentrate a national effort upon a problem of long standing?

How often is a solution so productive of mutual benefits as a solution to this problem can be? With your assistance, the possible can become reality.

National Lottery of Paraguay

EXTENSION OF REMARKS
OF
HON. PAUL A. FINO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 20, 1961

Mr. FINO. Mr. Speaker, I would like to point out to the Members of this House the national lottery of a nation that makes the gambling urge work for the benefit of health and social welfare—Paraguay.

Paraguay is a small and impoverished nation of less than 2 million people. Revenue sources are few and far between, but public needs are great. Luckily, Paraguay is smart enough to take advantage of a national lottery. Gross receipts in 1960 came to slightly over a million dollars, and the quarter-of-a-million-dollar profit was earmarked for the mother-child care plan of the Ministry of Health and Social Welfare.

Paraguay is not an affluent nation, but they make what they have go a long way. It is most unfortunate that we in the United States have not yet seen to it that we receive the benefits of a national lottery.

The Carrot and the Whip

EXTENSION OF REMARKS
OF
HON. EARL WILSON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 20, 1961

Mr. WILSON of Indiana. Mr. Speaker, some months ago, when the first glimmerings of the New Frontier began to throw their beams into this House, I said that it appeared the new administration was going to use the old method of the carrot and the whip in getting its legislative program through.

When I made that statement, it was based on an early analysis of maneuvers of the leadership as exemplified by the stacking of the Rules Committee and the refusal to seat a duly elected Member of the House from my home State of Indiana.

Over the past several months, we have seen, time and again, the baring of either the carrot or the whip—whichever weapon has been the most expedient at the time.

Some of the gentlemen from the South, who sit on the other side of the aisle, have confided in me privately how they have been either led or whipped into line. We have all read columns of articles about this subject. I have only to mention the impending appointment of Federal judges, certain public works projects, the closing of some military installations and contracts and the opening and expansion of others to illustrate my point.

Just the other day, the House Rules Committee, carefully arranged by this administration to act as a willing faucet for all legislation waiting in the House reservoir of bills, decided to table all education bills for this session. In this instance, the rubberstamp Rules Committee did not render the right impression for the New Frontier.

So, in today's papers, and on television and radio, we read and hear that the arsenal has been opened up again. The carrot and the whip are out in the open again. In his state-of-the-Union message, the President spoke of the American eagle as having in one talon an olive branch and in the other, arrows. Might it be well to suggest, at this time, that the Presidential seal be altered to provide that the eagle on that device hold in one talon, a juicy carrot and in the other a menacing cat-o'-nine-tails?

Just yesterday, I said on television that this House is being driven by this administration harder than any administration has tried to drive a House in my 20 years as a Congressman. Wishes of constitutents we represent are to be shoved aside, in favor of any measure that is propounded and which has the official seal of the New Frontier—the eagle rampant with carrot and whip.

Now that the Rules Committee has seen fit to table the education bills, we find the President is shifting his stand to meet the situation. Heretofore, he has said, aid to parochial schools cannot be conscienced in America. I have

agreed with that statement, lauded him for making it, and supported his stand.

The news accounts of yesterday's Presidential press conference, however, infer that parochial school aid might be all right, after all. The administration is using the carrot, dangling before Representatives with parochial school interests, the possibility of parochial school loans.

Quoted in these accounts was a finding by the Department of Health, Education, and Welfare which stated aid to parochial schools is now constitutional.

Mr. Speaker, where does the Department of Health, Education, and Welfare get its right to decide on the constitutionality of any such question? Perhaps Mr. Ribicoff cannot wait until he gets the Supreme Court seat he so fondly desires before starting to decide on questions that are strictly constitutional and should be resolved by the Supreme Court and no one else.

But the carrot—aid to parochial schools, after all, if Federal aid is brought out and passed—apparently is not enough.

The administration has pulled out the whip, too. It has, by inference, threatened to veto any aid to impacted areas bill that comes out of the Congress. As we all know, this practice obligates the Federal Government to pay money in lieu of taxes to areas where children of Federal personnel attend school, but where some of this personnel does not bear its share of the taxload due to nonresident status.

Evidently, the administration's hope now is to frighten the 319 Congressmen who have impacted areas in their districts into voting for the total Federal aid package of over $6 billion now, and goodness knows how much in the future, just so they can keep the impacted areas program in force.

My southern Indiana district has several small districts of this sort, but the program is of no large consequence there.

Just this week, I told a distinguished colleague that I can vote for the impacted areas bill, but I do not have to and I would not if it means I am going to be coerced by the White House into supporting all the rest of this administration's plans for Federal aid to education.

Mr. Speaker, I, for one, am going to stand up as a Congressman and represent my district as it sent me here to do. I am going to be consistent with my principles, my campaign platform and the wishes of those who elected me to this House for the 10th time after appraising that platform. I am not going to be alternately cajoled and coerced into becoming a rubberstamp for anyone.

It has not gotten out into the open yet, but more and more members of both sides of the aisle, chatting here and elsewhere, are becoming exasperated with the constant attempt to turn this body into a rubberstamp.

Evidently, the brainwashing is having an effect on some, because I read the other day where the junior member of the other House from my State now thinks it is, to quote him, one of the duties of Congress to implement the policies of the chief executive. Where he derives his constitutional authority for that statement, I do not know, but if he will read that august document, he will find himself completely mistaken.

Mr. Speaker, this administration's programs are not popular in my district. People to whom I talk back home, and there are hundreds each week, people who write me letters and people who call on the telephone have in the past expressed an admiration for the President's dedication to his job and for his willingness to serve his country even though his wealth and position makes such duty outside the realm of necessity.

They do not, however, support his program and they are even now expressing this disapproval in the strongest objective terms. Just last weekend, I had hundreds of people tell me how they feel, urge me to stand for a return to fiscal sanity, the preservation of the Constitution and for a halt to the inroads being made by socialism and welfare statism in Washington. That is what I intend to do.

Mr. Speaker, many of the Members in this body know that I have consistently opposed aid to education in principle. Many also know that I was for years a school administrator and have a master's degree in education.

My opposition, therefore, does not stem from a lack of knowledge of the educational problem. I want the Members of this House to know that my opposition centers around four points:

First. Federal aid would eventually lead to Federal control of education, despite protestations to the contrary. The way in which aid to farmers has resulted in control of farming is a good case in point.

Second. Federal aid would put another tax burden on parochial school patrons, who cannot, by virtue of the Constitution, share in Federal funds, but who would have to pay taxes, anyway.

Third. Federal aid would increase the flow of dollars to Washington. Once here, the malignant cancer that is Washington bureaucracy would water down these dollars and waste them until far less was returned to the States than arrived.

Fourth. I do not subscribe to the theory that Federal aid will better education. It has not worked that way in farming. It has not worked that way in many other programs I could name. In short, no better education can be guaranteed than can be accomplished at local levels by local financing and administration of taxes and expenses. Actually, I feel better education can be accomplished with local than with Federal control. Remember the proverb: "Cut your own wood and it will warm you twice."

Mr. Speaker, this administration may be dedicated either to the eastern big-city concept of government by ward-heeling, pressure politics or the Harvard egghead school of government more than any previous administration. I do not know. What I do know is that there stands one midwestern Congressman—a conservative, if you please—who is not to be coaxed or threatened into supporting anything in which he does not fully believe.

In Indiana, I think I have already proven this point. A teachers association executive, Robert Wyatt, tried to put the pressure on all teachers to drum up support for Federal aid to education in my State. He promised every teacher a $500 raise.

I exposed his tactic and asked if the good, hard-working teachers of Indiana supported him. The response was overwhelming. It showed that the good teachers of Indiana—the large majority who work long hours and who are dedicated to their task—do not support either Robert Wyatt or this program. They opposed it by a tremendous majority in letters to me and in so doing destroyed the fallacy that Mr. Wyatt would have us believe—that teachers are interested first in themselves, and second in their mission in life.

They showed me, in their letters, they are more interested in the future of education than they are concerned with fallacies pertaining to the size of their paychecks.

That is the same response I have been getting from other sources on other topics. All urge me to stand fast for conservative, patriotic, American principles in which I believe and to resist the easy expedient in favor of the desired principle at every point. That is what I intend to do.

In short, Mr. Speaker, I do not like carrots and my hide is tough enough to withstand any whip that has been made.

Statement of Congressman Henry C. Schadeberg, of Wisconsin, Concerning the Impact of Imports and Exports on Employment in the Textile Industry Before the Subcommittee of the House Education and Labor Committee

EXTENSION OF REMARKS

OF

HON. HENRY C. SCHADEBERG

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 20, 1961

Mr. SCHADEBERG. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

Mr. Chairman and honorable members of this subcommittee, I am honored to have the opportunity to appear before you. I will comment briefly on the impact of increased textile and apparel imports on employment in the textile industry in my district, Wisconsin's first.

In 1950, the First District of Wisconsin had 13 manufacturers of textile products; today there are 9. In addition, one of the largest remaining firms is sharply curtailing its employment.

The areas which have been most affected are those which now are suffering from chronic unemployment. Nevertheless the total loss of these facilities has, and will continue to have, a detrimental effect upon the economy of the communities deprived of these jobs. This loss is not only felt by those who have lost their means of livelihood; but

every merchant who serves these people suffers when an industry closes its doors. The local tax rolls are depleted and the general economic complexion of the community degenerates.

Another aspect of the impact upon the textile industry in my district is the problem caused by diversification. One of the major manufacturers in my district told me he is going to purchase more and more of his uncut fabrics on the foreign market instead of producing it himself. He will proceed to make finished garments from this material. He now employs 200 people making uncut fabric, but if he makes finished products from his own material, he cannot compete with foreign imports. Nearly all of these 200 people are skilled in the uncut fabric field. However, this skill will be of no value to them as this manufacturer changes the orientation of his operations. This individual says he is sorry this must come about, but to stay in business, he has no choice but to make these changes.

These manufacturers are caught in the infamous cost-price squeeze. They are being priced out of the market by foreign imports. This merchandise is being manufactured in countries where U.S. foreign aid helped to rebuild their industries. Thus not only were textile industries rebuilt in war-torn countries where they had previously existed but textile production was started in countries where it had never before existed. The money to support these aid programs has come from the taxes levied upon the incomes of the very people who now face unemployment. So profitable has this trade become that foreign countries have stepped up their production, sending textiles to the United States as a major export to earn U.S. dollars to further build up their economies and to purchase needed American-made goods. The result has been an increasing flood of textile imports to the United States.

A Racine, Wis., manufacturer whose use of textiles is in the purchase of finished ducks and webbing writes:

"Currently we are being quoted on heavy ducks and webbing, made in England, of a very superior quality, f.o.b. our plant at approximately 20 percent less than the American mills. With the current pressure on price structure it is obvious that the American mills lose production."

The plastic rainwear industry in Wisconsin's First District, indeed throughout the United States, is in serious trouble because of a heavy increase in imports from Japan and Hong Kong. Imported rainwear has taken over the low-priced market and it is moving upward toward the higher priced market. At the present time there is no solution in sight to the problem of the steadily increasing encroachment of imports upon the domestic market. Due to the cheaper labor involved in Japan and especially in the now-crowded British Crown Colony of Hong Kong, the domestic industry cannot compete favorably on a wage-cost-production ratio—neither can it convert its plants to other production nor retrain its workers except at considerable expense. The most recent studies available show conclusively that the retraining of skilled and semiskilled workers for increased automation is neither feasible nor practical in human or monetary terms. Ultimately the end result of this downward production spiral will be the destruction of the textile industry and an economic situation paralleling that of present-day New England, whose experiences in this field have been well detailed.

The voluntary agreement by Japan to limit its export quotas is no solution; other countries and the British Crown Colony of Hong Kong have stepped into the breach and have taken up the slack produced by this agreement.

I would like to insert into the record at this time a letter from Mr. Leo Perry, president of the Whitewater Raincoat Co., Whitewater, Wis., in explanation of the difficulties facing the manufacturer in this field.

Another constituent firm, Cooper's, in Kenosha, Wis., well known for its men's and boys' underwear, while not affected by the flood of cheap imports, recognizes the serious problems facing the American textile industry. Cooper's gets a high price for its product and are not affected to the same degree as other underwear manufacturers. However, because of the unfair tariff barriers, Cooper's has had to license the manufacture of its product abroad to enable it to compete favorably in world markets.

Textiles are not just rainwear. They are not just underwear. They are a part of everything you do—part of all the material world about you. Therefore, they are not an isolated problem, but a problem of vast importance in all economic brackets and to every other major industry which utilizes them to some extent. They can never be entirely replaced with synthetic fibers.

Time is running out for the American textile industry and for those employed in that industry. There are two aspects to the dilemma: First, there must be a mandatory set of sliding-scale or flexible quotas, product by product and country by country. Secondly, the agricultural price-support program enables foreign importers to purchase a commodity, for example—cotton, at a considerably lower price than it can be purchased in the United States where it was home grown.

We can no longer ignore the critical future of the textile and apparel industries, particularly in the small business area of our economy. The Government must face the facts of the situation and take steps to reduce the volume of foreign imports which have depressed the price of U.S.-made goods and closed down textile concerns, creating widespread unemployment.

In conclusion, I would like to reiterate for your consideration, two specific recommendations: (1) A mandatory set of flexible, sliding-scale quotas or tariffs, product by product, country by country, and (2) a reevaluation of the effect of the agricultural price-support programs on the textile industry and related fields.

Thank you very much.

Impact of Imports and Exports on American Employment

EXTENSION OF REMARKS

OF

HON. BASIL L. WHITENER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 20, 1961

Mr. WHITENER. Mr. Speaker, the Subcommittee on the Impact of Imports and Exports on American Employment of the House Education and Labor Committee is conducting an investigation as to the effect that imports are having on employment in our domestic industries. The subcommittee is performing a splendid service, and I commend the chairman and its members for the effort that is being made to protect the jobs of our working people.

I represent the largest textile manufacturing district in the United States. Jobs of the people employed in the textile mills in my district are in grave jeopardy by reason of the increasing flow of textile imports reaching this country.

I appeared before the Subcommittee on the Impact of Imports and Exports on American Employment this morning, and with the thought that my colleagues in the House might wish to read the remarks I made before the subcommittee, I request that they be instrted in the RECORD:

STATEMENT OF BASIL L. WHITENER, OF NORTH CAROLINA, MEMBER OF CONGRESS, 11TH DISTRICT OF NORTH CAROLINA, BEFORE THE SUBCOMMITTEE ON THE IMPACT OF IMPORTS AND EXPORTS ON AMERICAN EMPLOYMENT OF THE HOUSE EDUCATION AND LABOR COMMITTEE, MADE ON JULY 20, 1961

Mr. Chairman and members of the committee, I have a deep sense of gratitude for the membership of this subcommittee in its efforts to develop facts and to suggest remedies for the terrible problem confronting the American textile industry and those who earn their livelihood in that industry. I believe that the members of the subcommittee are aware of the importance of the textile industry and the employment which it affords to the people of North Carolina, and particularly to the congressional district which I am privileged to represent.

The record will show that there are more spindles in place in the 11th Congressional District of North Carolina than in any other congressional district in the United States. I think that this fact alone indicates the great interest which our people have in the problem which is becoming so catastrophic to our area.

Since coming to Congress I have been alarmed at the attitude in so many quarters which reflects a lack of concern for the problems of the industry which constitutes the greatest employment opportunity for the people of North Carolina. Furthermore, 1 of each 12 persons employed in manufacturing in our Nation is employed in the textile and related industries. So, this problem is not one which is confined to any particular area of the country, but it affects the economy of the entire Nation.

From 1947 through 1957 a total of 710 textile mills discontinued operation in this country, and by reason of this discontinuance, 196,000 textile jobs were lost. During the period from 1958 to 1960, 128 more mills were closed, thereby depriving 33,000 textile workers of their jobs. These liquidations of textile plants involved the cotton-synthetic industry, the woolen and worsted industry, and the dyeing and finishing industry. This total displacement of 229,000 workers by liquidation presents only a part of the picture since we know from the statistics of the Department of Commerce that more than 450,000 workers have been displaced in the textile industry since 1947.

These liquidations and other job loss experiences have hit the textile areas in New England, the Middle Atlantic States, and the South with equal intensity.

The studies made by the Department of Commerce with reference to exports and imports of textile manufactures between 1947 and 1960 present clear, cogent, and convincing evidence that the major cause of the results that I have heretofore mentioned is the inordinate amount of imports of textile goods from other lands. The Department records show that the total U.S. exports in 1947 amounted to approximately $1.3 billion. In 1960 the value of our exports dropped to approximately $700 million. At the same time our 1947 imports amounted to approximately $400 million in textiles; whereas in 1960 these imports had risen to in excess of $950 million.

The same source reports that between the period 1950 and 1960 U.S. cotton cloth imports rose from 50 million square yards in 1950 to approximately 450 million square yards in 1960 and that cotton yarn imports to our country rose from 1,200,000 pounds to 15,443,000 pounds. In 1950 U.S. imports of woven wool cloth amounted to approximately 19½ million square yards; whereas in 1960 imports of this commodity had risen to 60 million square yards.

The textile apparel industry has also felt this impact since the Department of Commerce reports that there was a rise between 1950 and 1960 from approximately $47 million value of U.S. apparel imports to in excess of $200 million in value of such imports in 1960.

Translating the import situation into bales of cotton, the Department of Commerce reports that between the period 1947 and 1960 raw cotton in the form of yarn, thread, and cloth increased from approximately 10,000 bales to approximately 315,000 bales; whereas such imports in the form of end products rose from approximately 20,000 bales in 1947 to 566,000 bales in 1960.

The American Carpet Institute reports that imports of Wilton velvet carpets have risen from 200,000 square yards immediately before World War II to approximately 8,300,000 square yards in 1960.

These statistics have great meaning to the people whom I represent since North Carolina is one of the greatest textile-producing States and over 220,000 of her citizens find employment in the textile industry. It may further interest the committee to know that our State has 22 percent of the total U.S. worsted spinning spindles, being second only to Rhode Island which has 25 percent in this important phase of the textile picture in America.

Mr. Chairman, the textile industry in America has historically been a highly competitive industry even without the intervention of the disastrous low-wage foreign competition. It is one of the few—if not the only industry—where prices have not accelerated in recent years. During the last 12 years prices of textiles are down, notwithstanding that the average prices of all commodities, on a wholesale basis, have gone up 28 cents on the dollar. When we couple the domestic competitive situation with the unfair competitive problem presented by imports, we can readily understand the frustration of the people at all levels in textiles.

Many factories have sprung up in foreign lands as a result of the expenditure of American taxpayers' dollars. In such places as Japan, India, Hong Kong, Pakistan, Brazil, Spain, Portugal, and Egypt these mills built with the American textile workers' taxes are now forcing him out of his job because they are flooding our country with products made in those plants at wages as low as 15 percent of the wages paid for similar work in the United States.

We hear a great deal about our foreign cotton markets and the problem of preserving that market if drastic steps are taken in behalf of our textile people. American-grown cotton, subsidized by the taxpayers, constitutes the second largest cost of production in the textile industry, wages being the largest item of cost. How, then, can we justify delivering cotton to foreign mills at a price from 6 cents to 10 cents a pound cheaper than is paid by our own industry and even now consider increasing the disparity between domestic cotton prices and the prices charged to foreign industry?

The subsidy of our own Government is not the only subsidy enjoyed by many of these foreign plants. In Spain, for example, cotton textiles manufactured for export are exempt from internal and direct taxes. The Government of Spain also repays to the Spanish manufacturer his import duties on raw cotton. Portugal, too, grants a tariff amnesty to the textile industry and pays a bonus on all cotton textile exports from its country. Brazil follows the lead of Portugal and gives subsidy to its industry.

Recently I had the privilege of witnessing firsthand textile operations in Japan and Hong Kong. This opportunity convinced me that these two competitors have efficient textile operations and that we are deluding ourselves if we take the position that they could not be competitive if all things were equal between us. Certainly with these great advantages which they are given by U.S. subsidies and domestic subsidies we cannot possibly continue to repel the trend toward destruction of our domestic industry without limiting imports from those and like textile-producing areas.

A distinguished North Carolinian, Spencer Love, president of Burlington Industries, the world's largest textile corporation, recently stated that the American textile industry would be closed permanently within 5 years unless Congress did something to eliminate the unfair competitive situation which we have permitted to develop between ourselves and foreign manufacturers.

Mr. Chairman, I was greatly heartened by the statement of the President on May 2, 1961, in which he set forth a 7-point plan for relief of the textile industry. Since that time developments have occurred which cause me to apprehend that this 7-point plan will not be pressed with the vigor which it deserves.

As I have met with officials of the State Department I have come to realize that we can expect little hope and encouragement from that Department of our Government. The so-called voluntary quota conferences now being held under the sponsorship of the State Department will, in my judgment, result in an increased amount of imports rather than a reduction.

Because of my strong feeling that relief will not be had through agency and departmental action in our Government I still adhere to the view that this is a problem which will only be met by congressional action. This is the proper place for such action to be taken since the Constitution of the United States places that responsibility inescapably upon the Members of the Congress of the United States.

In 1962 when the Trade Agreements Act will be before us for extension we should not fail to assert our authority in the field of regulation of foreign commerce. The Pastore committee of the U.S. Senate has laid down a salutary set of recommendations for congressional action in meeting the textile crisis. These points are: (1) Categorical quotas on imports of foreign textiles; (2) immediate elimination of the two-price system on cotton; (3) revision of depreciation rates to speed up tax writeoffs on textile machinery; (4) improved collection and publication of statistical data affecting the industry; (5) an increase in Federal assistance in basic textile research; and (6) a review of the administration of the U.S. foreign aid program particularly where capital expenditures in foreign countries affect the expansion of textile capacity.

In the meanwhile, Mr. Chairman, the studies being made by subcommittees such as yours will be most helpful in developing evidence in a fair and impartial manner which can be used in the presentation of the cause of the American people as we in Congress meet our obligations. I commend you for the leadership which you are taking in this field, and I know that I speak for thousands of people in North Carolina and elsewhere when I say to you and your colleagues that we are grateful to you for your efforts, and we pledge to you our unstinting cooperation in bringing order out of the chaos which has developed as a result of the maladministration of our foreign commerce affairs during the past several years.

Thank you.

West Virginia Coal Operators and Miners Oppose the $95 Million for Electric Generating Facilities at Hanford, Wash., Reactor

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 20, 1961

Mr. VAN ZANDT. Mr. Speaker, during the Senate debate on July 18 on the authorization of appropriations for the Atomic Energy Commission, S. 2043, a member of that body stated on page 12861 the following:

The chief proponent in the House of the deletion of the $95 million for the Hanford generating facility said flatly that such a plant would displace coal, and implied that it would wipe out 191,360 man-days of mining employment or 37,911 coal cars. If this were true, I would be duty bound to vote against the $95 million item. But the gentleman's statement is off target, because coal has not been displaced, and eastern coal and coal-hauling railroads probably never will serve the region which would be serviced by electric power generated at Hanford.

As the sponsor of the amendment to strike the $95 million item from the House bill it is with pleasure that I accept the title as chief proponent and in doing so I would like to mention the fact that the West Virgina coal operators and miners support my amendment to kill this $95 million authorization for electric generating facilities at the Hanford reactor because as they say: "It is not in the best interest of the coal industry."

The position of the United Mines Workers of America in opposition to this $95 million project is well known. Today a spokesman for the UMWA reiterated they are unequivocally opposed to the spending of $95 million for electric generating facilities at the Hanford reactor. I think it should be understood that the bulk of the membership of the United Mine Workers of America is located in the State of West Virginia.

In addition to the opposition by the miner himself the coal operator in West Virginia is opposed to the project as indicated by the following self-explanatory telegrams:

CHARLESTON, W. VA., *July 10, 1961.*
Hon. JAMES E. VAN ZANDT,
House Office Building,
Washington, D.C.:

Strongly urge your influence to eliminate from AEC authorization bill H.R. 7576 project 6A6 providing for expenditure of $95 million for addition of electric generating facilities to Hanford reactor. This would contribute nothing to civilian nuclear power technology. Would put Government further

in competition with taxpayers. Is not needed to meet area power requirements and would add further to Government-subsidized power.

L. N. THOMAS,
President, Carbon Fuel Co., Charleston, W. Va.

HUNTINGTON, W. VA., *July 10, 1961.*
Hon. JAMES E. VAN ZANDT,
Member, House of Representatives, House Office Building, Washington, D.C.:

Island Creek opposes inclusion $95 million electric generator facility at Hanford reactor under H.R. 7576. Proposed Hanford conversion contrary to best interests coal industry. We support your amendment to remove authorization $95 million for proposed conversion.

CECIL H. UNDERWOOD,
Vice President, Island Creek Coal Co.

HUNTINGTON, W. VA., *July 10, 1961.*
Hon. JAMES E. VAN ZANDT,
House Office Building,
Washington, D.C.:

We oppose inclusion of $95 million for electric facilities at Hanford reactor under H.R. 7576. We believe that the proposed conversion of Hanford to the generation of power would be contrary to the best interest of the coal industry. We support your amendment to remove the authorization of $95 million for the proposed conversion.

E. H. LARUE,
Vice President, Princess Coal Sales Co.

CHARLESTON, W. VA., *July 10, 1961.*
CONGRESSMAN JAMES E. VAN ZANDT,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN: As a coal operator and taxpayer in West Virginia I heartily favor your amendment to delete appropriation of $95 million for Hanford, Wash., project in bill H.R. 7576.

E. M. FREDERICK,
President, E. M. Frederick & Associates.

BLUEFIELD, W. VA., *July 11, 1961.*
Hon. JAMES E. VAN ZANDT,
House Office Building,
Washington, D.C.:

The proposed inclusion of $95 million for electric generating facilities at Hanford reactor under H.R. 7576 is not in the best interest of the coal industry. We support your amendment to remove the authorization.

ASHLAND MINING CORP.,
W. W. WALKER, *President.*

Mr. Speaker, the following telegram received from Mr. A. P. Bundy, vice president of the Glenn Brooke Coal Co., of Weirton, W. Va., sums up the opposition of not only the coal operator from West Virginia but in the States of Ohio and Pennsylvania.

WEIRTON, W. VA., *July 12, 1961.*
Hon. JAMES E. VAN ZANDT,
House of Representatives,
Washington, D.C.:

Your continuing the adoption of your amendment in limiting the $95 million reactor (700,000 kilovolt-amperes) being constructed by the Atomic Energy Commission in the Bonneville area, State of Washington, meets with a lot of approval in this area, particularly in the States of Ohio, West Virginia, and Pennsylvania. If the limitation is impossible, it is suggested that the bill be discarded in its entirety for the following reasons:

1. Large reactors not economical at this time particularly since an abundance of coal is in existence.

2. Power will be pushed from Bonneville through the TVA and eastern points where they are promoting an extra high transmission setup thereby causing additional unemployment in the stricken coal fields of West Virginia.

GLENN BROOKE COAL CO.,
A. P. BUNDY, *Vice President.*

Mr. Speaker, I wish to call the attention of the House to Mr. Bundy's comments contained in his telegram when he says, first, large reactors not economical at this time, particularly since an abundance of coal is in existence; and, secondly, power will be pushed from Bonneville to the TVA and eastern points where they are promoting an extra high transmission setup, thereby causing additional unemployment in the stricken coalfields of West Virginia.

May I say to the gentleman in the other body who said that I was off target the facts as furnished above prove that my amendment to kill the $95 million project is in line with the thinking of the coal operator and miner of West Virginia as well the operator and miner in Pennsylvania, Ohio, Kentucky, Utah, and Wyoming many of whom sent me telegrams in support of my amendment.

Do We Need Federal Aid to Education?—Question Is Debated on the American Forum by Senator Strom Thurmond, of South Carolina, and Senator Jennings Randolph, of West Virginia

EXTENSION OF REMARKS
OF
HON. JENNINGS RANDOLPH
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES
Thursday, July 20, 1961

Mr. RANDOLPH. Mr. President, it was my privilege several months ago to participate in a radio debate on the question of Federal aid to education with the articulate junior Senator from South Carolina [Mr. THURMOND].

Our discussion ranged over a rather wide field of issues within this general area, and though the Senate has already passed the bill authorizing Federal funds for public primary and secondary schools, the measure is still a matter of controversy in the other body.

Because the views expressed by Senator THURMOND and myself represent quite explicit and marked differences in political philosophy, it occurred to me that they might help shed some further light on the discussion of this vital question which continues in Congress and in the Nation at large. I therefore ask unanimous consent that the transcript of the "American Forum" debate between Senator STROM THURMOND and myself be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

DO WE NEED FEDERAL AID TO EDUCATION?—QUESTION IS DEBATED BY SENATOR STROM THURMOND, DEMOCRAT, OF SOUTH CAROLINA, AND SENATOR JENNINGS RANDOLPH, DEMOCRAT, OF WEST VIRGINIA, WITH THEODORE GRANIK, AS MODERATOR

The ANNOUNCER. This is the "American Forum of the Air," America's first discussion program.

Meet Senator STROM THURMOND.

Senator THURMOND. Federal aid to education is unconstitutional, unwise, unnecessary, and uneconomic.

The ANNOUNCER. And Senator JENNINGS RANDOLPH.

Senator RANDOLPH. Federal aid to education is absolutely necessary if we are to give the maximum opportunity to the young people of America.

The ANNOUNCER. Who will discuss "Do We Need Federal Aid to Education?" Now here is the moderator of the "American Forum," Mr. Theodore Granik.

Mr. GRANIK. How can we solve the problem of the ever-increasing school population, classroom shortage and lack of qualified teachers?

President Kennedy in the state of the Union message said Federal grants for both higher and public school education can no longer be delayed. Is this the responsibility of the Federal Government or will the States be able to solve this problem without intervention? To debate this crucial issue we are pleased to have as our guests Senator STROM THURMOND, of South Carolina, who has opposed Federal aid to education, and Senator JENNINGS RANDOLPH, of West Virginia, who has been one of its outstanding proponents.

Senator THURMOND, does Congress have jurisdiction in the field of education?

Senator THURMOND. Neither Congress nor the National Government has jurisdiction in the field of education. Under the tenth amendment to the Constitution, all powers, all fields not delegated to the National Government are reserved to the States. The word "education" is not even to be found in the U.S. Constitution. The field of education has never been delegated to the National Government. Therefore, it is reserved to the States.

Senator RANDOLPH. Well, of course, the right of the Federal Government to enter the field of education has already been proved. We have had it in many legislative acts which have been the law of the land. And there is a need for Federal assistance and the results of such assistance will be beneficial to the country. I could discuss, of course, the general welfare clause of the Constitution, article I, section 8, clause 1, which empowers the Federal Government to give assistance to the States for their public school systems.

Senator THURMOND. That section of the Constitution does not give the power to the National Government to give assistance to the States. The welfare clause is considered in conjunction with the national defense clause. The fields of jurisdiction of the National Government are listed in the Constitution. Such as national defense, interstate commerce, foreign affairs, coining money, and so forth. Education is not even mentioned there.

Senator RANDOLPH. I should like to say to my distinguished colleague from South Carolina that I am sure he would agree that during the last 40 years or so, the general interpretation is as I have indicated. And I suggest that the Constitution, which is a part of the organic law of the United States, undergoes, I believe, a slow progress and a slow process of evolution in the meaning that it has in connection with the total body of law.

Senator THURMOND. That is a meaning that some people have placed upon it but that is not what the authors of the Constitution wrote in it. There are only two ways to amend the Constitution. They are listed in the Constitution and unless those methods are followed, any other interpretation, in my opinion, is wrong. It is true that we have gone into certain specialized fields of education in the last 40 years, but that is no reason we should go any further. Two wrongs don't make a right.

Senator RANDOLPH. Well, I would like to ask, when we speak of specific education pro-

grams of the Federal Government, what about the Smith-Hughes Vocational Educational Act of 1917? Now do you approve or did you approve of the purposes? Of course, safeguards were written in the regulation.

Senator THURMOND. That was passed during the World War I to get more mechanics and then afterward it was expanded and has been gradually expanded. But even there the Federal Government is exercising control. They have put out a booklet of 108 pages of directions.

Senator RANDOLPH. Well, now I have here a questionnaire which was sent out by the U.S. Department of Health, Education, and Welfare in reference to enrollment, and teachers, and school housing and I have read all these questions carefully and I must respectfully disagree with my colleague.

Now what about the GI bill of rights, another Federal participation after World War II?

Senator THURMOND. I think that would tie in with military service and national defense and there might have been some basis there for the National Government to enter that field. It was a phase of compensating for those who served in the service, which is a part of the national defense.

Senator RANDOLPH. I think then we could refer to the Morrill Act relating to our landgrant colleges. These were established with Federal funds and I think the sole element of Federal control which was retained is the prescription that those colleges must maintain, Senator THURMOND, Reserve Officer Training Corps units. I mention that the economy and the variety, diversity of education offered by these institutions—and you are a product of one of these institutions——

Senator THURMOND. That is right.

Senator RANDOLPH. Clemson College——

Senator THURMOND. That is correct.

Senator RANDOLPH. Federal money went to Clemson College and so in a sense you are a product of an institution which received the benefits of Federal funds.

Senator THURMOND. A great many of these specialized programs have been established by the National Government but still there is no authority under the Constitution. In 1958 they called it the "National Defense Education Act." They tried to tie it in with national defense but they really couldn't do it and in my opinion that is unconstitutional. I don't think there is the authority for it.

Senator RANDOLPH. I desire to inquire: How do you feel about the Federal assistance which has been given to those States which have federally impacted areas? South Carolina received during the fiscal year of 1960 Federal funds amounting to about $3.5 million, and almost $3 million of that was for the operation and maintenance of schools in the federally impacted areas of the State of South Carolina.

Senator THURMOND. The areas that have military installations benefit greatly from those installations and they should be able to care for their children. However, there would be more basis in a case of that kind because again that is tied in with national defense. An Army camp or an airbase or something else where the Federal Government brings in a lot of schoolchildren that the district doesn't plan for and therefore the Federal Government feels an obligation by bringing in those soldiers and airmen and so forth, to help to support the education of those children of the servicemen.

Senator RANDOLPH. May I respond by saying that I understand when you were a member of the State Senate of South Carolina, and an able member, that there were Federal funds coming into South Carolina under our programs of work by the Federal Government, where schools were constructed in South Carolina, with both Federal and State funds, and I believe you supported the funds to match the Federal Government. Is that not true?

Senator THURMOND. Back in the Roosevelt days, during the days of depression some funds came to South Carolina and the South Carolina General Assembly matched some of those funds. I wouldn't say whether I supported them or not. I don't recall just now what the situation was.

Mr. GRANIK. Sometimes you ask questions: Is it wise, is it necessary, is it economical. Would you care to discuss any of these? Is it wise?

Senator THURMOND: Well, I don't think it is wise because I think it leads to Federal control. As I mentioned, under the Smith-Hughes Act, there is a booklet of 108 pages of directions, there. In the 1956 Highway Act there were provisions there controlling wages and the location of the highways in the States. And recently out in the State of Oregon the question came up—Oregon had one color of centerline on their highway. The National Government says "If you get Federal aid, you've got to change that to another color." Oregon had to change.

Federal control follows Federal aid, and I think it goes back to a——

Mr. GRANIK. Senator, may Senator RANDOLPH answer that and we will come back to you.

Senator RANDOLPH. Well, of course I think that this is the old argument used against State aid to education and now it is the argument against Federal aid to education. And frankly, today we are a mobile people. We are, in the State of West Virginia, having a loss of our population, some of it going, of course, to South Carolina, and so we are a nation which is not the Nation constituted as we were before. There was a time, certainly, when we attempted locally to handle these problems. Even now in South Carolina a greater burden has been assumed there than the proportion assumed by a number of other States for local schools.

I point out that, in 1959–60, South Carolina contributed 71.9 percent of all its revenue to local elementary and secondary schools, and, Senator THURMOND and Mr. Granik, that was only surpassed by three States: Delaware, Louisiana, and Georgia.

Senator THURMOND. Yes. We have made a fine effort to help our schools and we have done a good job.

Senator RANDOLPH. But you haven't kept up. You are lagging behind. We are lagging behind in West Virginia.

Senator THURMOND. Well, I have a telegram here from the Governor of South Carolina which I think explains our position:

"South Carolina ranks 48th in per capita income and second in school-age population compared to civilian population. In addition to local supplements more than half of our State's budget is for public school education. As a result of this effort, President Eisenhower's Special Study Commission found that no child in South Carolina was being denied an education as a result of a lack of schoolrooms or teachers. Certainly if South Carolina can care for the education of her children without Federal aid, the other States can, too."

Senator RANDOLPH. I can understand the position which has been expressed but I must come back to the——

Senator THURMOND. We have put on a 3-percent sales tax in our State that goes to education. We also have an income tax. I believe the State of West Virginia doesn't have an income tax.

Senator RANDOLPH. It has been enacted by the State Legislature now in session.

Senator THURMOND. And I don't believe you have a sales tax that goes to education. You have a 2-percent sales tax on gross sales that goes into your general revenue but not for schools. And then you have recently put on 1 percent for welfare, I believe, temporarily.

Senator RANDOLPH. A high percentage of general revenue in West Virginia is paid out in aid to local public schools. As to per capita expenditures, in 1958 for all public education, California led all the States with a $130 average. West Virginia was 43d with about $65. And South Carolina, with per capita expenditures of $64 was 44th.

State and local expenditures for all public education as percent of general expenditures of State and local governments, finds South Carolina with about 40 percent, California with 37 percent, West Virginia with about 38. But the fact is that the State of South Carolina and the State of West Virginia, which spend as much per capita on public education as does California, would have to devote, Senator THURMOND, approximately 80 percent of total State and local expenditures to the purposes of education. This is a manifest impossibility.

As the case now exists, South Carolina, as you have said, is already making a greater effort than all but six States and West Virginia is in the top one-third. But we are falling behind, falling behind badly. We Americans are, I repeat, a mobile people. There was once a time when people lived and died within 50 miles of where they were born, but now we are not exclusively a nation in which it is entirely the local responsibility to take care of the schools.

Senator THURMOND. Well, the per capita income in West Virginia is $1,674 per year. In South Carolina it is only $1,218 per year. In 1958 the personal income per school age child in South Carolina was $4,257 per year and in West Virginia, $5,693 per year.

If you made the same efforts to care for your school children in West Virginia as we do in South Carolina you would have no trouble doing it.

Senator RANDOLPH. Oh, no, we are making that effort, sir. South Carolina and West Virginia are almost tops in that——

Senator THURMOND. Let me finish, now.

Senator RANDOLPH. Yes, sir.

Senator THURMOND. Where does your Federal money come from if the Federal Government pays it? It comes from the same source: the taxpayer. The same West Virginia taxpayer or South Carolina taxpayer is going to pay the bills. Now the money comes in the form of personal income taxes to the Federal Government, and out of a $84 billion budget, 52 percent of it comes from personal income. Twenty-eight percent of it comes from corporation income. Eleven percent from excise taxes. Nine percent from other taxes.

The taxpayer is paying it whether it is paid through the National Government or through the States.

Now you might say, "Well, since it is on the personal income, the rich people pay it." I just want to say that is incorrect because the record shows that only 13 percent of the amount that comes in, of this amount of over about $44 billion, is paid by those above the minimum bracket. That is from 20 percent to 91 percent. Eighty-seven percent is paid by the lowest minimum of 20 percent rate.

Senator RANDOLPH. Now you have spoken about your Governor's position and we know your position. But the Office of Education of the United States, not with its own information but, may I remind Senator THURMOND, from information which is sent in by the school district superintendents, indicates that in the fall of 1958, you had more than 17,600 students in excess of your capacity to care for those children. In the fall of 1959 they had increased to almost 22,000, and in the fall of 1960, you had about 24,000 boys and girls in South Carolina who were not given opportunity, the proper normal opportunity, for classroom instruction.

There is a shortage throughout the Nation. There is a shortage of facilities in South Carolina and in West Virginia. And I come back to this point, namely, that 40 million Americans change their place of residence every year.

Senator THURMOND. Your figures are incorrect. They were obtained by juggling. In 1954 we had a shortage of classrooms, here, according to the Office of U.S. Education, of 370,000. In 1956 they had reduced to 176,000. In 1958 this had reduced to 140,000. In the fall of 1959, this had reduced to 132,000. In the fall of 1960, this had reduced to 142,000.

Now this last figure is 10,000 more than the fall of 1959, but that was obtained in this way: The Office of Education instructed the people making the survey that if any classroom had 1 child more than 36 then you would put in for an entire classroom for that child.

Now that is the way those figures were obtained. For instance, they had 1,859 schoolrooms put in for South Carolina. We don't need those schoolrooms. The Governor of the State says we don't need those schoolrooms. Those figures of the Office of Education were obtained in that manner and are incorrect.

Senator RANDOLPH. Would you indict the school administrators and superintendents of the State of South Carolina? Certainly the people of South Carolina——

Senator THURMOND. I indict the Office of Education for telling them to put in for an extra classroom when there was only 1 child more above 36 in that classroom.

Senator RANDOLPH. I say that this is not the fancy of any Washington bureaucrat. The local school district administrators have given these——

Senator THURMOND. They have followed the directives from Washington which were unreasonable and——

Mr. GRANIK. You were a school superintendent?

Senator THURMOND. I am a former teacher and a former school superintendent. And nobody believes in education more than I do. But I think I realize the dangers of this Federal control in education.

Senator RANDOLPH. I want to go back to this point: The normal capacity in the country—and I am certain Senator THURMOND would agree, is 30 students per room at the elementary level and that is criteria which is established, not in Washington, but, in South Carolina.

Senator THURMOND. I repeat: I have answered your question that the figures have been juggled by the Office of Education by asking the questions in such a way that if they answered them they would tend to indict and show the need when there really wasn't a need. As the Governor says in his telegram.

Senator RANDOLPH. Well I am delighted to say that the Governor of West Virginia is interested in the passage of Federal aid to education and at the State level in West Virginia we would determine, if the legislation is passed in the Congress in this way, to use the money for help to teachers' salaries or for additional classrooms, as local needs would indicate.

Senator THURMOND. They claim there is a teacher shortage. Well in the fall of 1960 we had 55,000 more teachers than we did in the fall of 1959. And the record shows that we are averaging 64,000 former teachers going back into the teaching profession. The record shows further that we have more teachers who are coming back—more people who are coming back into teaching than are going out of teaching. And the record also shows that of the graduating classes we have more going into teaching.

For instance, in 1948, only 21 percent went into teaching. In 1957, 32 percent. By now it is about 34 or 35 percent. So we are filling this need.

Senator RANDOLPH. Of course we disagree on this violently, naturally, but pleasantly. There is a teacher shortage in the United States.

Senator THURMOND. Well, these are the figures of the Office of Education.

Senator RANDOLPH. You just said the Office of Education can't be trusted in figures. You said that a moment ago with reference to South Carolina figures.

Senator THURMOND. The way they juggled their figures on classrooms I said was absolutely incorrect and immoral if you want to call it that.

Senator RANDOLPH. Well, if we find juggling in one place, we can expect juggling in another.

Senator THURMOND. Well, we probably will. That is the reason why you can't rely altogether on those figures. Each State I think is meeting its obligations.

Mr. GRANIK. May I read a brief quote from a recent article by Ralph McGill, editor of the Atlantic Constitution, in which he says "There are many schools in the great cities where the lack of opportunity in classrooms is equally deplorable. There are rural schools in all areas of the Nation where the need is vast."

Would you comment on that, Senator THURMOND? Do you feel that need is bad?

Senator THURMOND. Ralph McGill doesn't represent the South. Ralph McGill is one of these do-gooders. If he had his way there would be a centralized government here in Washington powerful enough to bring about a dictatorship, almost.

The question here again, I think boils down to this: Do you favor a powerful central government controlling the lives of the people or are you going to follow the Constitution and let the people in each State handle their matters, as they are given to them under the Constitution as provided ir the 10th amendment to the Constitution?

Senator RANDOLPH. I must take issue with Senator THURMOND about Ralph McGill. He is one of the most——

Senator THURMOND. I thought you would, because you think more like Ralph McGill.

Senator RANDOLPH. I am delighted to think with him.

Senator THURMOND. I don't believe like Ralph McGill. He believes in centralized government. I believe in the rights of the States as reserved to them under the Constitution.

Senator RANDOLPH. I am delighted that in the city of Atlanta in the South there is such an editor as Ralph McGill, the editor of the Atlanta Constitution.

Senator THURMOND. And the people of the South don't consider him a southerner. He has betrayed the South, he has not represented the South, he has represented the North.

Senator RANDOLPH. Well, why do we want to be considered as southerners, or westerners——

Senator THURMOND. No southerner today would be a columnist in the North if he hadn't betrayed the South and he is a columnist for a lot of northern newspapers.

Senator RANDOLPH. Well, Senator THURMOND, why don't we consider ourselves as part of the Union, not as southerners or westerners, or easterners?

Senator THURMOND. That is what we want to do and follow the Constitution and let each State provide for its responsibilities as provided in the Constitution and that is what I am trying to get you to do now.

Mr. GRANIK. Senator, you raise the point, "is it economical?" Do you want to discuss that now?

Senator RANDOLPH. Certainly it is economical. I think that the need, naturally, is paramount. And the legislation which was passed in the Senate during the 86th Congress, which I supported and which Senator THURMOND opposed, called for the State, the local level, to determine whether the money was to be used for additional classrooms or for equalization of teachers' salaries.

Senator THURMOND. Why is it not economical? It will cost the National Government more to put up a school building. It will cost them more to put up a State capitol. It will cost them more to put up an office building than it does the States or the local people. Furthermore, their money has to be collected from the taxpayers. It will come to Washington, go through a wringer, take out about one-third of it and send the rest back. It is very uneconomical. It is well known that the States and the local people can do things very much cheaper than the National Government.

Senator RANDOLPH. Well, haven't we written into legislation for Federal education aid provisions for control at the local level? Wasn't that in the bill as we passed it? Won't it be in the bill as it passes again?

Senator THURMOND. It doesn't mean a thing. They will issue regulations and directions up here and right now it has been suggested that this administration is going to issue an Executive order providing that no money will go to schools that practice segregation. There is nothing in the law about it. Where is the power coming from? The Executive power is tremendous. And sometimes it is abused and if the President does this he is going to abuse his power here, but yet he will do it. And with the Congress constituted like it is today, both parties being afraid of the minority groups and afraid to take steps to do what they ought to do, then you can expect such action to take place.

Senator RANDOLPH. Of course Senator THURMOND was not for President Kennedy and I was for President Kennedy.

Senator THURMOND. How do you know I wasn't for President Kennedy?

Senator RANDOLPH. Well, if you were for him, say so.

Senator THURMOND. I never made any statement in that race either way. I simply refused to endorse him. I didn't want to endorse either one of them.

Senator RANDOLPH. You were neutral?

Senator THURMOND. I felt people would be disappointed with whichever one was elected because of what they stood for heretofore.

Senator RANDOLPH. We will have Federal education aid legislation which I believe will be passed in the 87th Congress, in the Senate and in the House and when that legislation is passed it will go to the President of the United States and he will sign that legislation into law. That is my firm conviction. I know Senator THURMOND is energetic and he is capable and I know he is sincere. I believe, however, a majority of the Congress of the United States in 1961 will determine that we must move forward on this frontier, as it were, to develop a better program of education for the children of the United States. Deficiencies now are not being met. It is a responsibility of the Federal Government.

Senator THURMOND. The Federal Government may do that, but it will be the greatest mistake the National Government has ever made. Someone has said "If you want to control the lives of the people, then you get control of education." That is the way Hitler and Mussolini, by working through the young people, were finally able to maintain a dictatorship. I am violently opposed to Federal aid to education. It won't be long until there will be instructions issued as to regulations for every detail of the

school system. They will prescribe the curriculum—they may not start out with it but you have seen how the Federal power goes, once the Federal Government enters a particular field.

Senator RANDOLPH. Senator, that is fancy. That is not factual. Now——

Senator THURMOND. No, that is not fancy. I just cited you about Oregon out here with the highways.

Senator RANDOLPH. You have talked about Oregon. Are you against Federal aid to highways?

Senator THURMOND. No, that is provided in the Constitution. There is the national defense. There is a reason for that. There is a ground for it in the Constitution. There is no ground for education. The word "Education" is not even mentioned in the Constitution.

Senator RANDOLPH. Well, of course, I disagree with the connotation of the statement made.

Senator THURMOND. You point out to me where education is mentioned in the Constitution and I will withdraw my objections.

Senator RANDOLPH. When the Congress passes a bill and the President signs it we will have proof——

Senator THURMOND. That is no evidence, because the Congress does it. The Congress doesn't always——

Mr. GRANIK. I am sorry, gentlemen, I must interrupt. Our time is up. Thank you Senator JENNINGS RANDOLPH and Senator STROM THURMOND for being our guests on the American Forum of the Air. Now this is Theodore Granik, bidding you goodbye from the Nation's Capital.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 24, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

The words of King Solomon, reputed to be one of the wisest men that ever lived: Proverbs 1: 7: *The fear of the Lord is the beginning of knowledge.*

Almighty and ever-blessed God, may the hours of this new day be radiant with a clear conception and appraisal of those many high and helpful things that we are permitted and privileged to do together for Thy glory and the good of all mankind.

We humbly acknowledge that our human wisdom and judgment are not infallible and that we need Thy divine counsel in all our deliberations and decisions and to enable us to live victoriously.

Grant that our minds and hearts may be stimulated with moral and spiritual impulses and become the lodging place of those nobler thoughts and feelings which are the progenitors of achievement in our aspiration to build a better world.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, July 20, 1961, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 7208. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1962, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PASTORE, Mr. CHAVEZ, Mr. MONRONEY, Mr. HUMPHREY, Mr. HAYDEN, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. ALLOTT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed with amendments, in which the concurrence of the House is requested, concurrent resolutions of the House of the following titles:

H. Con. Res. 307. Concurrent resolution providing for additional copies of a publication entitled "Soviet Total War—Historic Mission of Violence and Deceit," 85th Congress, 1st session; and

H. Con. Res. 310. Concurrent resolution providing for additional copies of a study entitled "Legislative Recommendations by House Committee on Un-American Activities—Subsequent Action Taken by Congress or Executive Agencies—A Research Study by Legislative Reference Service of the Library of Congress."

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 513. An act to authorize and direct the Secretary of the Treasury to cause the vessel *Acadia,* owned by Robert J. Davis of Port Clyde, Maine, to be documented as a vessel of the United States with coastwise privileges;

S. 705. An act for the relief of Norman T. Burgett, Lawrence S. Foote, Richard E Forsgren, James R. Hart, Ordeen A. Jallen, James M. Lane, David E. Smith, Jack K. Warren, and Anne W. Welsh;

S. 935. An act for the relief of certain members of the Army National Guard of the United States and the Air National Guard of the United States;

S. 1347. An act for the relief of Georgia Ellen Thomason;

S. 1412. An act to authorize the Administrator of General Services to convey certain land situated in the State of Arkansas to the city of Fayetteville, Ark.;

S. 1443. An act for the relief of Mrs. Tyra Fenner Tynes; and

S.J. Res. 49. Joint resolution providing for the establishment of an annual Youth Appreciation Week.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication:

JULY 21, 1961.

The Honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith a sealed envelope addressed to the Speaker of the House of Representatives from the President of the United States, received in the Clerk's office at 11:15 a.m. on July 21, 1961, and said to contain a veto message on H.R. 4206, "An act for the relief of Melvin H. Baker and Frances V. Baker."

Respectfully yours,

RALPH R. ROBERTS,
Clerk, U.S. House of Representatives.

MELVIN H. BAKER AND FRANCES V. BAKER—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 214)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith, without my approval, H.R. 4206, "For the relief of Melvin H. Baker and Frances V. Baker."

The bill directs refund of $12,760.04 to the claimants, representing an overpayment of income tax for the year 1953. The overpayment resulted from the fact that the taxpayers received a dividend of $15,293.60 in January 1954, and erroneously included the dividend in their income tax return for 1953. They also included the same dividend in their income tax return for 1954. The taxpayers did not discover their mistake until 1958, after the end of the 3-year period allowed by law for claiming a refund.

The 3-year limit on tax claims for refund of taxes and the related limitations which operate against the Government stem directly from the need for orderliness and finality in the administration of our tax system. While the operation of this 3-year limitation may bar many claims, over 90 million tax returns of all types are filed annually. If returns were open indefinitely for reconsideration by either the taxpayer or the Government, administration would be chaotic.

The case of the present taxpayers is not distinguished from others by any exceptional factors. The record gives no explanation whatever for the mistaken inclusion of the same dividend as income for the year 1953 and also for the year 1954, or for failure to discover the mistake for so long a period.

The Government stood ready to correct this mistake for 3 years, an ample period for making the kind of routine review of returns which would have disclosed an error of the sort involved. I see no basis, therefore, for exercising special leniency in this case. Relief for these taxpayers would violate basic obligations of the Government—the obligation to administer the tax system efficiently and the obligation to treat taxpayers alike.

JOHN F. KENNEDY.

THE WHITE HOUSE, *July 20, 1961.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and, without objection,

the bill and message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

AMENDING THE TARIFF ACT

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6611) to amend paragraph 1798(c)(2) of the Tariff Act of 1930 to reduce temporarily the exemption from duty enjoyed by returning residents, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas? The Chair hears none, and appoints the following conferees: Messrs. KING of California, O'BRIEN of Illinois, MASON, and BYRNES of Wisconsin.

ELECTION TO COMMITTEE

Mr. HALLECK. Mr. Speaker, I offer a privileged resolution (H. Res. 383) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That STANLEY R. TUPPER, of Maine, be, and he is hereby, elected a member of the standing committee of the House of Representatives on the District of Columbia.

The resolution was agreed to.

A motion to reconsider was laid on the table.

A STRONG POLICY NEEDED AT HOME AND ABROAD

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, I have today directed a letter to the President, advocating what I feel to be a proper course for this Nation and for this Congress in these days of increasing peril from without. As is well known, many Members from my side of the aisle have for some time advocated and promised support for any stiff policy toward the inroads of communism. We made that commitment during the Laos affair, but were not listened to. We made the same pledge during and after Cuba, again to be met by deaf ears.

Now, we make it again. I know that many of my colleagues on both sides of this aisle will join with me when I say that the tenor of the people of this Nation is one of resoluteness. The people of the United States are firm in their decision to back any strong opposition to further aggression, cold or hot, by the Reds.

It is not possible, however, for the taxpayers of this Nation to meet both the threat of aggression from the outside and the pleas for more and more Federal spending from within. In a fiscal sense, they just cannot take any more. We are already committing ourselves for a largely domestic-type budget, to more outlay of money than we spent in the peak World War II year of 1945.

Mr. Speaker, something has to give, and I have stated my opinion to the President that it is not possible for the taxpayers of this Nation to support all the liberal legislation that has been stacked up before this Congress and at the same time get it ready for a possible conflict.

They will support, however, a program under the leadership of the Congress and the President to drastically curtail domestic spending legislation in favor of military preparedness programs. I have urged the President to scrap his aid-to-education bill, his Peace Corps measure, much of his costly foreign aid program and some of the more expensive provisions of the farm program, at least for this session of the Congress, to get this Nation ready to meet the threat of conflict.

We will all admit that there is no real emergency for these domestic measures, regardless of the window dressing and the buildup they have been given. They can be suspended and some of this money can be diverted into national defense spending. Any other course could prove to be a fiscal disaster. The American taxpayer is now near his limit in taxpaying capabilities. We must tighten our belt, deal with the threat of aggression first, and then worry about enactment of all these welfare state schemes.

For months, Mr. Speaker, I have been telling the Members of this House that the American people are fed up with appeasement, retreat, and soft policies toward communism. For months, I have been coming on this floor and stating what I have learned from my mail and trips back home—that the American people are of resolute attitude, willing to do whatever is asked of them to stem the tide of communism once and for all.

I think America will back a program of accelerated defense spending. But the Nation is not going to endorse, at the same time, all the spending schemes that can be hatched in the fertile minds of Washington bureaucrats. The people of the Nation have serious reservations about long-term foreign aid commitments, aid to education, and the like when it appears the safety of the Nation is in danger.

You may recall that I was among those Members who early advocated a strong stand in Cuba, who warned against the continuation of the ill-fated summit conferences, who advocated a firm stand, backed up by action, in Laos. I also number myself among those who opposed the Eichmann-like "tractors for people" blackmail.

Mr. Speaker, our Nation is again menaced by the "puff adder" words of Nikita Khrushchev. A "puff adder," as many of my colleagues know, is a Midwest snake that puffs itself up alarmingly, makes all sorts of menacing gestures, but never strikes. This time, let us take "puff adder Khrushchev" at his word. Let us build up our internal strength, tighten our domestic belts, and get down to work to strengthen our defenses. Let us join a united front with our allies and work for the downfall of communism. Let us seize the initiative and show that we have been pushed far enough. We must sidetrack all these deceptive panaceas for our alleged domestic ills, deal with the Red threat as our citizens wish us to do, and channel our might into preparedness in preference to pumping dollars into programs of a welfare state.

FLOWERS—A SYMBOL OF PEACE AND BEAUTY

Mr. YOUNGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. YOUNGER. Mr. Speaker, at a time when crisis has become a household word, when each day presents new and perplexing problems to trouble our minds, we have taken a few minutes to hold a ceremony for the planting of a rose bush at the White House.

There will be delivered to your office, today, a carnation for your lapel.

The obvious point for me to make is that these lovely flowers represent a major industry in our Ninth Congressional District of San Mateo County, Calif.

In recent years, stimulated by dramatic improvements in air transportation, the nurseries of California are producing a wide variety of flowers to bring cheer and good will into the lives of people everywhere.

These fragrant flowers are symbols of a $20 million annual industry in my district alone. They provide livelihood for countless thousands who cultivate, sell, and ship the prize blossoms all over the world.

Our 27th annual fair and floral fiesta, August 4 through 12, will acknowledge the importance of this to our economy.

But I like to think of flowers as something more than just another industry.

They are really symbols of peace and beauty that give us daily courage, that ease the tensions of critical times.

They are delicate, yet resourceful.

The handsome red rose that now graces the White House garden offers a simple—yet practical—guide for living. And the lesson applies to individuals as well as nations.

It blooms only because it is tenacious. Yet it thrives on tender care.

It is like our freedom: Sweet, serene, and precious.

Tactfully obscured by its beauty, but ever present, are its thorns to guard against abuse.

REDUCTION OF THE NATIONAL DEBT

Mr. BETTS. Mr. Speaker, I ask unanimous consent to address the House for

1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BETTS. Mr. Speaker, on July 12, 1961, I introduced H.J. Res. 474 which is identical to the resolution I introduced in the last session of Congress for the application of 2 percent of the annual revenue of the United States toward reduction of the national debt. The resolution is in the form of a constitutional amendment rather than a statute or law. I believe this is necessary because a law with the same or similar provisions could be repealed too easily and probably could and would be avoided by the constant pressures for increased spending.

The amendment should of necessity have an escape clause but one which would not reduce its effectiveness. It would permit Congress to suspend this application of revenue to the debt only upon recommendation by the President and approval by two-thirds of the Members of each House of Congress. It is entirely possible in cases of national emergency that it would be necessary to use much of the revenue in a given year for defense purposes. For that reason it is essential that provision be made to relieve the strict requirement in the amendment for debt reduction. But the necessity of a two-thirds vote in each House for avoidance would place debt reduction beyond the whims of the spenders.

As a realist, I am not too hopeful that this resolution will receive the approval of Congress. But the constant demand for more and more Federal spending with utter disregard for the consequences has reached an alarming stage. Messages from the White House with requests for new and costly programs are a frequent occurrence. It is incredible that an increase in the national debt and an unbalanced budget should be treated by so many with such bland indifference.

The recent debate on the proposal to increase the debt limit pointed up the seriousness of the rise in Government expenditures. I hope it will influence the thinking of the planners in the executive branches. However, voting for or against a debt limit will not save us from inflation or the disaster that waits at the end of the trail of fiscal irresponsibility. Only a dedicated effort to reduce Federal spending will halt our headlong rush into national bankruptcy.

To me the situation is so critical that it can be remedied only by a constitutional amendment. A copy of the resolution follows:

H.J. RES. 474

Proposing an amendment to the Constitution of the United States providing for systematic reduction of the public debt

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, and shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. Two percent of the gross revenue of the United States for any fiscal year shall be applied to the national debt existing at the end of such fiscal year.

"SEC. 2. The term 'gross revenue' shall mean the total amount of revenue as determined by the Secretary of the Treasury, collected by the United States during such fiscal year as taxes or duties, other than—

"(A) amounts collected as taxes under chapter 2 (tax on self-employed income), chapter 21 (the Federal Insurance Contributions Act), chapter 22 (the Railroad Retirement Tax Act), and chapter 23 (the Federal Unemployment Tax Act) of the Internal Revenue Code of 1954; and

"(B) amounts collected under any tax or duty to the extent that the amounts collected under such tax or duty (or that amounts equal to the amounts collected) are specifically appropriated by law enacted prior to the date of the enactment of this amendment.

"SEC. 3. The provisions of this amendment may be suspended and the national debt increased during any fiscal year only upon recommendation of the President and concurrence in such recommendation of two-thirds of the Members of each House of Congress.

"SEC. 4. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission to the States by the Congress."

DISAPPROVING RESOLUTIONS ON REORGANIZATION PLANS

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, because of the apparent confusion last Thursday when Reorganization Plan No. 7 was before the House, an explanation might be made. When reorganization plans first began to come in, because I have always been opposed to that method of legislating, disapproving resolutions were filed and it was said subsequent resolutions would be filed as plans came down. Then some of the plans were rejected by Senate or House. Plans 7, 6, and 5 were scheduled in that order for Wednesday, July 19 in our whip notice. Under the act, any Member of the House could call up any of those plans at any time he should be recognized by the Speaker.

When we had plan No. 5 which was called by the gentleman from Iowa [Mr. GROSS] under consideration, on Wednesday, it was understood by many Members of the House that there would be a vote that day but as time went on the leadership decided not to permit a vote until the next day. At that time the gentleman from Iowa [Mr. GROSS] said that some time in the near future they would all be called up. See the RECORD of Wednesday page 12932. Though the plans had been scheduled by the majority leader no one other than the gentleman from Iowa and your servant had indicated that he would call. I indicated to the majority leader that I would call them up if no one else did and gave the same information to the gentleman from Florida [Mr. FASCELL].

On Thursday, as we got toward the end of the day many Members of the House and some of the leaders on the minority side said they did not want to have plan 6 called. Not having my former statement in mind and it being late—the House adjourned at 5:58—it was agreed plan 6 would not then be called. My previous statement was not intentionally disregarded. The situation had changed and many Members wished to leave for the week. Had anyone insisted, 6 could have been called by anyone. No. 6 will not go into effect before the 11th day of August. Any Member may call it for consideration before that date.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, for the benefit of the gentleman from Michigan and the Members of the House, I read from the CONGRESSIONAL RECORD of last Wednesday:

Mr. GROSS. Would notification tomorrow morning be ample time?

Mr. MCCORMACK. For consideration tomorrow afternoon?

Mr. GROSS. Tomorrow morning. The gentleman is asking as to whether some Member would call them up tomorrow afternoon. Would tomorrow morning be enough time?

Mr. MCCORMACK. Thirty seconds would be enough time for me. I am just thinking of our other colleagues. If the gentleman intends to call them up tomorrow he should let us know.

Mr. GROSS. Would it be possible to dispose of them tomorrow?

Mr. MCCORMACK. Yes; I would like to have them disposed of tomorrow.

Mr. GROSS. Then I will accommodate the gentleman.

That is the record.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. HOFFMAN of Michigan. That is all correct, except there was some little difference between the gentleman from Iowa and the gentleman from Michigan, I guess maybe because I was going to call it up.

Mr. McCORMACK. The gentleman from Massachusetts and all the other Members of the House had nothing to do with any private arrangements made. All I know is what I read from the RECORD, the definite promise made they would be called up.

Mr. HOFFMAN of Michigan. That is the promise of the gentleman from Iowa [Mr. GROSS], that is not mine.

Mr. McCORMACK. I am just reading from the RECORD.

Mr. HOFFMAN of Michigan. That is right.

Mr. McCORMACK. I do not want to get into that unless I have to.

Mr. HOFFMAN of Michigan. I am not dodging; I want the gentleman to understand that.

Mr. McCORMACK. All I know is a definite promise was made to the House and I wanted to protect the House.

HANDLING OF LEGISLATIVE BUSINESS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I can recall a time, about 2 years ago, when the gentleman from Massachusetts [Mr. McCORMACK] scheduled some 35 bills for suspension in 1 day. When he announced the 35 suspensions, I said it was a pretty ambitious program and I doubted if the gentleman could get 35 bills through under suspension in 1 day. The net result was that the House passed or otherwise considered only 4 of the 35 that were scheduled. I did not hear any great lament and, certainly, I did not cry because the majority leader could not deliver on his promise to take up 35 bills under suspension in that 1 day. Now, for last Thursday evening. Far be it from me to interfere seriously with the T. & T. Club, the Thursday to Tuesday Club—it was far behind schedule last Thursday afternoon for it was about 5:30 p.m. when the last reorganization bill was voted on. I do not know how far into the night we would have run, and the T. & T. Club would have been out of operation for all practical purposes this weekend had Reorganization Plan No. 6 been called up for action. I do not believe anybody was seriously hurt by not calling up that legislation at that time. I regret, if I caused the distinguished majority leader any discomfort in that regard, and will try in the future to do a better job in carrying out any agreement I may have with him.

The SPEAKER. The time of the gentleman from Iowa has expired.

MAJOR LEGISLATIVE ACHIEVEMENTS OF KENNEDY ADMINISTRATION—FIRST 6 MONTHS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, now that the Kennedy administration is 6 months old, it is timely to review its major legislative achievements. The performance of the 1961 session to date may be measured against President Kennedy's legislative program.

After his inauguration on January 20, President Kennedy laid a comprehensive and wide-ranging legislative program before Congress and the country in a series of 37 regular and special messages and communications. A mere listing of the subjects of the major messages indicates their broad scope. They dealt with the state of the Union, economic recovery and growth, the balance of international payments, health and hospital care. He also sent us special messages on aid to education, natural resources, highway finances, and the Peace Corps. Subsequent messages dealt with housing and community development, aid to Latin America, the farm program, and foreign aid. He also sent us his proposed revisions of the Eisenhower civilian and defense budgets and messages on urgent national needs, youth employment and training, and his unemployment benefits plan. Several anticrime bills were also submitted by the Attorney General.

Out of upward of 300 legislative requests made in these messages, President Kennedy gave Democratic congressional leaders on February 21 a 16-point priority list of legislation which he hoped could be passed "at the earliest opportunity." This list included:

First. Temporary 13-week extension of unemployment benefits.

Second. Aid for dependent children of unemployed fathers.

Third. Improvements in social security benefits.

Fourth. A $390 million program for aid in redeveloping depressed areas.

Fifth. A support and control program for feed grains.

Sixth. An increase in the minimum wage.

Seventh. Federal aid to education.

Eighth. Health care for the aged under social security.

Ninth. Federal aid for college education.

Tenth. Federal aid for medical education and research.

Eleventh. Federal support for expansion of community health facilities.

Twelfth. Ratification of U.S. affiliation with the Organization for Economic Cooperation and Development.

Thirteenth. Creation of 59 new Federal judgeships.

Fourteenth. Extension of the Government Reorganization Act.

Fifteenth. Establishment of an Office of International Travel.

Sixteenth. Easing of restrictions on trade with Iron Curtain countries.

The 1st session of the 87th Congress has made very substantial progress toward the enactment of this ambitious legislative program. I would like to review this progress for you in the major subject-matter fields.

NATIONAL DEFENSE

In the field of national defense, four major authorization bills have passed both Houses. The first bill, which the President has signed, adds $12.5 billion to funds carried over from prior years for the construction of aircraft, missiles, and naval vessels; to continue the B–52 and B–58 bomber production programs; to provide for 2 new nuclear-powered missile frigates; and to step up the Polaris submarine production to 29 by 1964 instead of 1967.

The second bill, also signed by the President, authorizes $894 million for construction and improvement projects at military bases at home and abroad, including missile sites and nuclear submarine bases; and provides for 7,000 new housing units.

Meanwhile, the NASA authorization has been enacted into law, signed by President Kennedy last Friday. The Atomic Energy Commission authorization bill has passed both branches of Congress.

INTERNATIONAL AFFAIRS

In the field of international affairs, Congress took half a dozen major steps during the first 6 months of the session. It gave effect to the previously authorized Latin American program by appropriating $600 million. This included $100 million disaster relief for Chile, $394 million for loans by the Inter-American Development Bank, $6 million for social and economic programs of the OAS, and $100 million for loans and grants by ICA.

We also provided for the acceptance by the United States of the agreement with France, Netherlands, and the United Kingdom for the establishment of the Caribbean Organization to promote the progress and development of that area.

The Senate has passed a bill consolidating and broadening the programs of educational and cultural exchange of persons between the United States and foreign countries and the bill is pending in the House.

A bill to establish a U.S. Travel Service in the Department of Commerce, to promote and encourage tourist travel from abroad, has passed both Houses and been signed by the President.

The Senate ratified the OECD Treaty on March 16 and the President signed it a week later.

And a bill to exempt foreign central banks from payment of taxes in this country on interest accrued from ownership of U.S. Government securities not used or held for commercial purposes has been passed and signed.

NATIONAL ECONOMY

In the national economic field the achievements of the first 6 months of the session have been outstanding.

They include the authorization of $928 million to provide 13 weeks' additional unemployment compensation, up to June 30, 1962, for jobless persons whose payments expire. We also approved similar benefits to unemployed railroad workers under the Railroad Unemployment Insurance Act.

This Congress has also authorized temporary grants to States to finance the inclusion of dependent children of the unemployed under the Federal-State assistance program for 15 months; increased the minimum wage to $1.25 an hour and extended its coverage to 3.5 million additional workers by gradual wage step-ups; and established an Area Redevelopment Administration in the Department of Commerce with authority to make loans of $300 million and grants of $94 million for industrial plants and public facilities in areas of economic distress.

Furthermore, this session has approved raising the limit on the national debt to $298 billion; we passed a tax bill extending the 52 percent corporate income tax rate and the existing schedule of excise taxes; and we have authorized an additional $11.5 billion for completion of the Interstate and Defense Highway System as scheduled by 1972.

SOCIAL SECURITY, HEALTH, AND WELFARE

The 1st session of the 87th Congress must also be given credit for impressive achievements in the field of social security, health, and welfare.

I refer to Public Law 64 of this session which raises the minimum monthly old-age insurance payments under the Social Security Act from $33 to $40 and otherwise liberalizes that act; to Public Law 70 which authorizes a 4- to 5-year $4.9 billion housing program; to Public Law 38 which provides an interim increase of $1 billion in FHA mortgage insurance authority; and to Public Law 22 which extends for 4 years the program of $5 million a year for grants and scholarships for the training of practical nurses under the Vocational Education Act of 1946.

I refer also to our extension for 1 year of the special milk program for schools and child care agencies; and to our approval of increased disability benefits under the Longshoremen's and Harbor Workers Compensation Act.

GOVERNMENTAL REORGANIZATION

In the field of governmental reorganization the 87th Congress has taken several major steps. We have extended for 2 years the President's authority to submit plans for reorganizations in the executive branch of the Government. The two reorganization plans for the Civil Aeronautics Board and the Federal Trade Commission have become effective. While the House has rejected plans submitted by the President for the reorganization of the Federal Communications Commission and the Senate has rejected a plan for the reorganization of the Securities and Exchange Commission, Congress is considering legislation to reorganize these agencies. We have created 63 additional U.S. district court judgeships and 10 in the circuit courts to meet the increasing caseloads. And we have amended the National Aeronautics and Space Act to make the Vice President, instead of the President, Chairman of the National Space Council.

VETERANS AND SERVICEMEN

At least two measures relating to veterans and servicemen deserve mention in this interim report. One which passed both Houses extends direct and guaranteed home loan programs for World War II veterans to July 26, 1967, and for Korean conflict veterans to February 1, 1975. The other restored the rank of General of the Army—five stars—to former President Eisenhower. Several other bills in this area, for the benefit of servicemen and veterans, are well on their way toward the statute book.

AGRICULTURE

In the important field of agriculture, I am happy to report that five measures have already been enacted by the 1st session of the 87th Congress.

One of them provides for a 1-year voluntary cut in acreage and crops of feed grains, and increases price-support payments to participants for corn, grain sorghums, other feed grains, and soybeans.

A second measure in this category extends the Sugar Act of 1948, fixing quotas of domestic and foreign producers, for 15 months to June 30, 1962, and continues the President's authority to exclude Cuban sugar imports and to reallocate its quota.

A third measure authorizes the disposal of an additional $2 billion in surplus commodities under the provisions of the Agricultural Trade Development and Assistance Act.

The fourth increases the proportion of appropriated farm loan funds available for individual farms with a debt over $10,000 from 10 percent to 25 percent.

And the final bill in this field that has been enacted into law permits the harvesting of hay on conservation reserve acreage under disaster conditions.

NATURAL RESOURCES

Finally, in the field of natural resources, let me invite your attention to the fact that Congress, so far this year, has expanded the important water pollution control program; and considered a variety of bills for the conservation, development, and use of our natural resources. Both branches have approved measures to establish a national seashore park on Cape Cod now in conference, and the Senate has passed a bill to create a Wabash Basin Interagency Water Resources Commission.

DEPARTMENTAL APPROPRIATIONS

As regards the regular annual appropriation bills, up to July 6, 1961, all of them had passed the House of Representatives and five of them had passed the Senate. Meanwhile, on June 29, 1961, Congress passed the usual continuing resolution providing funds for departments and agencies to function pending the enactment of their regular supply bills.

Thus, you will se that the legislative record of the Kennedy administration during its first 6 months of 1961 has truly been an impressive one. Both Houses of Congress and their standing committees have worked hard to produce this excellent record. Up to June 30 at least 12 major measures had become law. I refer to the depressed-areas bill, the minimum-wage bill, the temporary unemployment benefits, the social security changes, aid to dependent children, extension of the Sugar Act, the feed-grain program, the Executive Reorganization Act, the new Federal judgeships, the highway-financing bill, tax extension, and the omnibus housing bill. Meanwhile, hearings had been completed on as many more major measures which were well advanced in the legislative process.

All told, by June 30, 597 measures had passed the House and 487 had cleared the Senate; 81 public bills had been enacted into law and 99 private bills; 1,191 measures had been reported in both Houses.

In short, Mr. Speaker, I feel that it is correct to say that the 1st session of the 87th Congress has been confronted with an exceptionally heavy agenda of Presidential requests for legislation, and that our performance down to date reflects great credit on the Congress, its committees and its hard-working members, and to the outstanding leadership of President Kennedy.

FEDERAL AID TO EDUCATION

The SPEAKER. Under previous order of the House the gentleman from New Jersey [Mr. THOMPSON] is recognized for 60 minutes.

Mr. THOMPSON of New Jersey. I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, the fate of legislation dealing with education is still unknown. Those of us who support the measures tabled last week by the Committee on Rules have not given up the struggle and we intend to press for action during this session of the 87th Congress.

In the meantime, there have been several speeches recently in this body dealing with the general question of Federal aid to education and I have reserved this time to try to answer some of the questions which have been raised and to refute some of the inaccuracies which have been propounded.

I would like to focus my remarks today on the presentation made here on June 29 by my distinguished colleague, the gentleman from New Jersey [Mr. FRELINGHUYSEN]. It is a rather lengthy statement and report and I shall make no effort to answer each and every incorrect statement or misleading implication contained therein; I shall, instead, focus on some of the most important aspects of that presentation, which included the findings of a task force of Republican Representatives, entitled "Report on American Education." The report was described as an examination of American education—its history, its current status, its needs, and its future.

At the outset, it should be noted that this most recent effort of the House Republican policy committee is at least the fourth Republican policy statement within a year designed to set the stage for handling the critical problems which confront American education. I refer in particular to the document, "Goals for Americans," the report of President Eisenhower's Commission on National Goals, to another document entitled "10-Year Aims in Education," released January 19, 1961, by Arthur S. Flemming, then Secretary of Health, Education, and Welfare and to the position paper of Vice President Nixon entitled "A National Program in Support of Education," of September 26, 1960.

It is notable that this most recent attempt in this series of position statements on education by our Republican friends completely ignores the findings

of the three previous Republican studies conducted under the auspices of the Republican Party and administration. Mr. FRELINGHUYSEN and his committee started anew in January before the ink was dry on the goals document and on the "10-Year Aims."

The reason for this is clear from one of Mr. FRELINGHUYSEN's introductory remarks, wherein he claims that nowhere has there been a clear and conscious attempt to collect background materials from experts in the field and subsequently to formulate a concise statement on American education and the related role of the Federal Government. This is a rather frank appraisal of the earlier efforts of his fellow Republicans, including that party's 1960 nominee for the presidency.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. Did the gentleman notify the gentleman from New Jersey [Mr. FRELINGHUYSEN]?

Mr. THOMPSON of New Jersey. Why, of course the gentleman did.

Mr. CURTIS of Missouri. I thought the gentleman probably would, but I just wanted the RECORD to show.

Mr. THOMPSON of New Jersey. Thank you very much. I notified the gentleman that I had a previous special order which circumstances dictated be set aside because the gentleman from New Jersey had other commitments; and the gentleman from New Jersey [Mr. FRELINGHUYSEN] was notified of this present special order.

Of course, the disparity in these policy statements is something we cannot iron out; the Republicans must do that among themselves.

I must, however, protest the implicit criticism of the work of committees in this and the other body which have endeavored conscientiously to develop a record through their hearings upon which an intelligent judgment can be made about the broad policy questions involved in this controversy.

The final thing to be said about this strange statement which I quoted above is that it comes as something of a surprise from a gentleman who has introduced and supported a considerable amount of education legislation over the last few years. I should like at this point in the RECORD to include a résumé of the bills dealing with education which the gentleman from New Jersey [Mr. FRELINGHUYSEN] has introduced since the 83d Congress, and to ask whether he sponsored all of this legislation without the kind of background materials and other data which he now says have been lacking all along.

(The matter referred to follows:)

EDUCATION BILLS INTRODUCED BY THE HONORABLE PETER FRELINGHUYSEN

EIGHTY-THIRD CONGRESS

H.R. 9841: To provide for grants for construction of public elementary and secondary school facilities.

H.R. 10149: Same purposes as H.R. 9841.

EIGHTY-FOURTH CONGRESS

H.R. 3770: To provide Federal assistance for public elementary and secondary school construction.

Title I: Purchase of obligations of school districts with marginal credit.

Title II: Credit assistance to State school building agencies.

Title III: Grant assistance to school districts.

Title IV: Grant assistance for administration of State construction programs.

Title V: General provisions.

H.R. 8779: To provide assistance to students in higher education.

Title I: Statement of policy and definitions.

Title II: Program of scholarships.

Title III: Program of insured loans.

Title IV: General provisions.

H.R. 764: For same purposes as H.R. 10149, 83d Congress.

EIGHTY-FIFTH CONGRESS

H.R. 1130: For same purposes as H.R. 3770, 84th Congress.

H.R. 2802: For same purposes as H.R. 8779, 84th Congress.

H.R. 3976: Committee bill based on H.R. 1130.

H.R. 10279: For aid for various education programs.

Title I: Identification of aptitudes and encouragement of able students.

Part A: Testing, counseling and guidance.

Part B: Undergraduate scholarships.

Title II: Grants for strengthening math and science instruction in public schools.

Title III: Foreign language development (through grants for establishment and operation of foreign language institutes and centers).

Title IV: Expansion of graduate education (through grants).

Title V: General provisions.

H.R. 11530: For same purposes as H.R. 9841, 83d Congress.

EIGHTY-SIXTH CONGRESS

H.R. 4267: To assist institutions of higher education market and retire bonds issued to finance the construction of college facilities through debt service guarantee contracts.

H.R. 4268: Grants to assist school districts in meeting debt service on loans for construction of elementary and secondary public school facilities.

H.R. 11122: For same purposes as H.R. 4268.

DESCRIPTIONS OF THE BILLS

(H.R. 9841, 83d Cong., 2d sess. (1954))

Appropriation: $250 million for each fiscal year beginning July 1, 1954, and July 1, 1955, to be spent for construction of public elementary and secondary school facilities.

Formula for determining State allotment: State allotment equals annual appropriation times school-age population of State times square of Federal percentage divided by corresponding products for all States.

Federal percentage: 100 percent–50 percent times per capita income of State divided by per capita income of continental United States.

State allotment not to be less than $100,000. Federal percentage not to exceed 75 percent or be less than 33⅓ percent for continental United States. Federal share for State construction projects not to exceed 40 percent or $500 per pupil to be accommodated, whichever is lesser. Up to 1 percent may be used for administration of plan.

Required contents of State plan which must be submitted to obtain benefits:

1. Designation of State agency as sole agency responsible for administering the plan.

2. Evidence of State agency's authority to carry out its plan.

3. Description of State effort taken to make full use of school facilities and State and local financial resources, including steps taken toward:

(A) establishment of advising council to consult with State agency in regard to the plan;

(B) provision of qualific ' personnel to assist planning of local school agencies;

(C) economical planning;

(D) development of long-range plan to organize school districts more efficiently;

(E) modification or elimination of restrictive debt or tax limits which prevent financing of school construction.

4. Criteria for determining priority of projects within State, taking into account urgency of need and financial resources.

5. Amount of State funds available and how they are distributed.

6. Provision for fiscal control and fund accounting procedures.

7. Establishment of standards for locating, planning and constructing school facilities.

8. Provision for hearing for local agencies before State agency.

9. Provision for making reports to Commissioner of Education.

10. Provision that construction wages will conform to determinations made in accordance with Davis-Bacon Act, and that at least time and a half will be paid for overtime (8-hour day; 40-hour week).

Certification to receive benefits:

After approval of the plan, the State agency must issue a certification showing (1) school facilities projects approved by it under an approved plan; (2) that each project is required to relieve emergency situations of overcrowding (i.e., less than 15 square feet of classroom floorspace per pupil in average daily attendance); (3) estimated cost of each project, amount of Federal share, and number of pupils to be accommodated.

Duties and authorities of Commissioner of Education:

1. Computation af allotment percentages for distribution of funds (Commissioner's determination conclusive).

2. Authority to approve or disapprove State plan, but not without opportunity for a hearing. Also authority to discontinue payments if State plan changes or ceases to be administered in conformance with requirements outlined above (hearing required). (Bill also provides for judicial review of Commissioner's action.)

3. Authority to promulgate regulations to determine when a project is terminated, abandoned, or not completed. (State then must repay Federal payments received.)

(H.R. 10149, 83d Cong., 2d sess. (1954))

Appropriation: Same as H.R. 9841.

Allotment formula:

Same. Modification of ceiling: Allotments in excess of $12.5 million (for States in continental United States), or in excess of $5 million (for other States), to be reduced to those amounts and redistributed. No allotment to be less than $100,000.

Required contents of State plan: Paragraph 3 modified to eliminate subparagraphs (A), (B), (C), and (E).

Certification to receive benefits: Same with one additional requirement: State must certify that each project is consistent with State's school district organization plans.

Authority of Commissioner: Same.

(H.R. 3770, 84th Cong., 1st sess. (1955))

Appropriation:

Title I: Aggregate of $750 million for the 3 fiscal years beginning July 1, 1955; July 1, 1956; and July 1, 1957.

Title II: Whatever necessary to provide the initial Federal advances to State reserve funds. Issues of State obligations with respect to which Federal advances may be made are limited to those issued between July 1, 1955, and June 30, 1958. Total principal amount not to exceed $6 billion.

Title III: Maximum of $200 million for each of fiscal years beginning July 1, 1955; July 1, 1956; and July 1, 1957.

Title IV: $5 million for each of fiscal years beginning July 1, 1955; July 1, 1956; and July 1, 1957. $3 million for fiscal year beginning July 1, 1958. $2 million for fiscal year beginning July 1, 1959.

Allotment formula:

Title I: Federal percentage of obligations of local educational agency not to exceed:

100–40 percent times per capita income of State divided by per capita income of continental United States.

Federal percentage not to exceed 80 percent or be less than 50 percent for continental United States. Ceiling of 15 percent of total appropriation for any fiscal year to go to any State.

Title II: Federal share of basic reserve fund shall be ½ of maximum annual debt service of the obligation in question.

Title III: State allotment equals annual appropriations times school-age population of State divided by school-age population of all States.

From this State allotment comes the Federal share of payments by State agencies to assist local agencies in financing the cost of construction. The Federal share is computed thus: 100–50 percent times per capita income of State divided by per capita income of continental United States.

The Federal share for a State would range between 60 and 40 percent.

Title IV: Same as title III, above, with floor of $25,000 ($12,500 for Guam and Virgin Islands), and ceiling of 50 percent of State's administrative expenses for development of school construction program.

Required contents of State plan for Federal-State agreement:

Title I: State agency must certify that:

1. it is unable to obtain necessary funds, as evidenced by a public offering of obligations;

2. the obligations are legal and binding on the local agency;

3. the facilities to be constructed are necessary, are consistent with State redistricting plans or policies, and will comply with State construction laws and standards.

Title II: Agreements between local school-building agency and the Commissioner authorized only if:

1. local agency so empowered;

2. Governor of State certifies that there will be effective coordination between the local agency and the State educational agency;

3. State authorized to make advances for deposit in basic reserve fund of the local agency equal to the amount withdrawn in any year.

Required terms of agreement:

1. State school building agency must establish basic and supplemental reserve fund for each issue of obligation (upon agreement, several issues can be regarded as a single issue).

2. State must deposit one-half of maximum annual debt service on its obligations in the reserve fund.

3. if the rentals and other available funds are insufficient to meet the annual debt service, it will be met from these sources in the following order of priority:

(i) supplemental reserve fund;

(ii) basic reserve fund, withdrawals from which shall be equally divided between State and Federal accounts;

(iii) Federal account, up to one-half of debt service.

4. If aggregate in reserve funds exceeds two times the annual debt service, State shall repay Federal advances (according to a prescribed formula).

5. All obligations must mature in not more than 32 years from earliest date of any of them, with first payment of principal due 3 years after such earliest date.

6. Proceeds from sale of obligations must go to construction of school facilities for rental by local educational agencies.

7. School facilities limited to those the State agency certifies (a) are necessary for enrollments, (b) are consistent with State redistricting plans or policies, and (c) the construction of which will conform to State construction laws or policies.

8. The facilities, when completed, must be leased or conveyed to local agency. If conveyed, provision must be made for repayment of Federal advances. If leased, rental must be enough (together with other available funds) to pay:

(i) annual debt service;

(ii) deposit in supplemental reserve fund of 0.25 percent of original principal amount of the obligation;

(iii) cost of maintenance, repair, etc. of the facilities.

Title III: State plan must—

1. provide that the State educational agency will be the sole agency for administering the plan.

2. set forth procedures for determining eligibility of local agencies for benefits, the amount thereof, and the need for the facilities. These procedures must provide "reasonable assurance" (a) that payments will be made only to extent necessary to enable local agencies to sell obligation to the Commissioner or, if legally unable to sell them, to rent facilities from a State school-building agency; and (b) that payments will be made only for facilities needed to relieve overcrowded or unhealthful or hazardous conditions.

3. Provide for making of such reports as the Commissioner might require.

State request for payments must include:

1. description of the project.

2. cost estimate and statement of state share.

3. certification that—

(a) local agency is eligible for aid;

(b) local agency has demonstrated inability to get title I of title II aid;

(c) State funds are available to cover State share of payment.

State agency receives benefits after certifying that the State share has been paid and the financing of the rest of the cost of the facilities has been arranged.

Title IV: State plan must—

1. provide that the State educational agency shall be the sole agency for carrying out programs under the plan.

2. provide necessary provisions for proper administration of program.

3. provide for making of such reports as the Commissioner may require.

4. set forth the programs to be carried out and the policies to be followed in doing so.

Authority of Commissioner:

Title I:

1. can sell or exchange at public or private sale and at prices fixed by him obligations purchased under title I;

2. can consent to modification of terms of agreements;

3. can include provision necessary to assure payment of obligations under title I;

4. calculate the Federal percentage of local agency's allotment.

Title II:

1. can agree to modifications of agreements made under title II.

2. can issue obligations to obtain funds for additional advances (to withdrawals from initial advances).

Title III:

1. promulgation of Federal and State shares (i.e., percentage amount);

2. promulgation of regulations to determine when a facility is terminated or abandoned or not completed—in which case Federal advances must be repaid, to the extent deemed necessary by the Commissioner.

Title IV: No specific powers stated.

(H.R. 9779, 84th Cong., 1st sess. (1956))

Appropriation:

Title II: As much as necessary to carry out provisions of title II.

Title III: As much as necessary, provided that the principal amount of new loans to students covered by this title shall not exceed $10 million in any given fiscal year.

Allotment formula:

Title II: For first fiscal year, one-half of total appropriation apportioned among States on basis of number of high school graduates, one-half on basis of population between 18 and 21 (inclusive).

For succeeding years, Commissioner determines amount necessary to continue payments to eligible students. Any remaining amounts are for new scholarships, to be apportioned on the one-half-to-one-half basis.

Title III: Not applicable.

Requirements for States:

Title II: None. Scholarships awarded on basis of examinations carried out in accordance with regulations prescribed by Commissioner.

Title III: To be insurable, loans must be made to full-time students in good standing. Loan must be evidenced by a note or written agreement providing—

1. an interest rate not exceeding 2½ percent per year;

2. payment of insurance premiums paid by the institution (not to exceed 0.5 percent per year);

3. repayment to begin not more than 4 years after borrower's graduation, and to be completed in a period of 6 years;

4. accelerated repayment shall be permitted.

Authority of Commissioner:

Title II:

1. Authority to determine (in conjunction with other Federal departments and agencies) amount of appropriation necessary based on number of individuals requiring assistance and relative ability of State and other non-Federal sources to meet the need for such assistance.

2. Authority to fix the amount of the scholarship stipends, which shall be based on financial need of recipient. (Maximum period of aid is 4 years.)

3. Authority to approve or disapprove programs of study abroad by recipients of scholarships.

Title III: Authority to prescribe regulations determining—

1. eligibility of institutions to have loans insured;

2. determination of which loans are insurable;

3. limiting the total amount of insurable loans which can be made to a student in any one year and in the period of his college education;

4. insurance premium rates (not to exceed 0.5 percent per year).

5. Commissioner may sue on behalf of United States; consent to modification of loan agreements; enforce, pay, or compromise claims.

Title IV: Authority to choose 12 members of National Council (subject to approval of Secretary of Health, Education, and Welfare).

(H.R. 1130, 85th Cong., 1st sess. (1957), substantially the same as H.R. 3770, 84th Cong., 1st sess.)

Appropriation:

Title I: Same (aggregate of $750 million), but for 4 instead of 3 years.

Title II: Same, but for 4 instead of 3 years.

Title III: Maximum of $300 million for each of 4 fiscal years beginning with July 1, 1957.

Title IV: $5 million for each of the 4 fiscal years beginning with July 1, 1957.

Allotment formula:

Title I: None, except limitation that only 15 percent of the total appropriation for any fiscal year can be used to purchase obligations of local agencies in any one State.

Title II: Same (one-half maximum annual debt service).

Title III: State allotment divided by total appropriation for fiscal year under title equals school-age population of State times State's allotment ratio divided by corresponding products for all States.

State's allotment ratio: 1.00–0.50 times income per child of school age for State divided by income per child of school age for continental United States.

Allotment ratio not to exceed 0.75 or be less than 0.25.

State allotment to be reduced if its school effort index for any year is less than the national school effort index. State index obtained by dividing school expenditures per public school child by State's income per child of school age. National index computed in same way, but using corresponding figures for all States in continental United States. To determine school expenditures per public school child, divide expenditures by State (made from revenue receipts derived from State and local sources) for elementary and secondary education by the number of children in average daily attendance in public elementary and secondary schools.

Federal share limited to the allotment ratio for a given State in a given year, but shall not be less than 0.33⅓ or more than 0.66⅔.

Title IV: State allotment divided by total appropriation for fiscal year under title equals school-age population of State divided by school-age population of all States.

Floor of $25,000 ($12,500 for Guam and Virgin Islands), and ceiling of 50 percent of State's administrative expenses for development of school construction program.

Required contents of State plan:

Title I: Same as H.R. 3770.

Title II: Substantially the same as H.R. 3770.

Title III: State plan must—

1. provide that State educational agency shall be sole agency to administer plan.

2. set forth standards of eligibility of local agencies for payments and amounts thereof, and establish system of priority, based on need.

3. describe steps taken by local agencies for full use of facilities and resources, including—

(a) provision for qualified personnel to assist local agencies in developing long-range construction plans;

(b) achievement of economy in planning, construction and financing of facilities;

(c) development of long-range plan for efficient organization of school districts;

(d) modification or removal of restrictive debt and tax limits which hamper construction of needed facilities.

4. provide for hearing in event application for construction funds is denied.

5. provide for statewide standards for planning and construction of facilities.

6. provide that no facilities will receive aid unless consistent with State redistricting plans or policies and construction laws and standards.

7. provides for proper fiscal and accounting controls and procedures.

8. provide for making reports to Commissioner.

State request for payments must include—

1. description of project.

2. cost estimate and statement of State share.

3. certification that local agency is eligible for aid and has priority, and that State funds are available for State share.

Title IV: Same as H.R. 3770.

Authority of Commissioner:

Basically the same as in H.R. 3770—authority to promulgate regulations; make various calculations, enter into agreements, consent to modifications of same, etc.

(H.R. 2802, 85th Cong., 1st sess. (1955))

Identical to H.R. 8779.

(H.R. 3976 (committee bill from H.R. 1130), 85th Cong., 1st sess. (1957))

Substantially similar to H.R. 1130, with following reorganization of titles:

Title I: Federal grant assistance to school districts needing aid to finance needed school facilities (title III in H.R. 1130).

Title II: Federal purchase of obligations of school districts (title I in H.R. 1130).

Title III: Federal credit assistance to State school financing agencies (title II in H.R. 1130).

Title IV: Federal grant assistance for administration of State programs (same title in H.R. 1130).

Title V.: General provisions (same title in H.R. 1130).

The following pertinent changes were noted in H.R. 3976 (title numbers given are those in H.R. 3976; they were compared with corresponding titles in H.R. 1130):

Appropriations:

Title I: Increased from $300 million to $325 million for each of 4 fiscal years beginning July 1, 1957.

Title II: Appropriation limited to aggregate of $150 million for the 4 years.

Title IV: $5 million for fiscal year beginning July 1, 1957; $7 million for fiscal year beginning July 1, 1958; $5 million for fiscal year beginning July 1, 1959; $3 million for fiscal year beginning July 1, 1960.

Allotment formula: Title II: State allotment divided by total appropriation for title II for year equals school-age population of State divided by school-age population of all States.

Required contents of State application: Title II—same as in title I of H.R. 1130, with this addition: application must show that local educational agency is entitled to priority over other local agencies which have pending requests. Determination of priority to be made by State agency and take into account financial resources, urgency of need for facilities, and difficulty in marketing obligations.

(H.R. 10279, 85th Cong., 2d sess. (1958))

Appropriations:

Title I: For testing and counseling (pt. A): Left up to Congress.

For undergraduate scholarships (pt. B): Fiscal year ending June 30, 1959, $7.5 million; fiscal year ending June 30, 1960, $15 million; fiscal year ending June 30, 1961, $22.5 million; fiscal year ending June 30, 1962, $30 million.

For the next 3 fiscal years, as much as necessary to continue scholarships already begun.

For administering State plans: Left up to Congress.

Title II: For strengthening State educational agencies (pt. A): $15 million for each of 4 fiscal years beginning July 1, 1958. For strengthening science and mathematics in public secondary schools: $150 million for the 4 years.

Title III: None provided.

Title IV: Left up to Congress.

Title V: For improvement of statistical services of State educational agencies: left up to Congress.

State allotments:

Title I:

A. $1.25 for each public and nonprofit school student in grades 9 through 12; remainder to be allotted on basis of number of public school students in grades 9 through 12, such second allotment to be at least $5,000.

B. Initial allocation on basis of number of graduates from public or other nonprofit private secondary schools. Thereafter, in part on that basis and in part on basis of payments to previous recipients. One-half of the cost of administering State plans to be paid by Federal Government.

Title II:

A. Allocation made on basis of number of public school students in grades 1 through 12, with a floor of $5,000. State and Federal Government share costs incurred pursuant to this part of title II equally.

B. Allocation based on public school enrollment in grades 9 through 12, with one-half the cost of programs initiated pursuant to this part of title II to be borne by the Federal Government.

Title III: Not applicable. Provides for contracts with individual institutions and students.

Title IV: Grants to institutions not to exceed one-half the cost of the new program (or at the institution's option, $500 times the number of fellowships awarded for the program by the Commissioner) up to a maximum of $125,000 in one year, plus the cost of fellowships for the new program. Fellowships are limited to 3 academic years and may not extend beyond 6–30–64.

Title V: Total payments to any State under this section may not exceed $50,000 for any fiscal year.

Requirements for State plans:

Title I:

A. State plans for testing, counseling and guidance of high school students must—

1. provide for administration of plan by State agency.

2. set forth State programs for testing of students (must include provisions for testing of all students in grade 9 or a lower grade, and all students in grade 11 or 12).

3. set forth qualifications for counseling and guidance personnel.

4. provide proper fiscal methods and accounting procedures.

5. provide for making of reports to Commissioner.

Part B: State plan must—

1. provide for its administration by the State commission on Federal scholarships.

2. provide for selection of scholarship recipients and amount of award. Selection to be made on basis of ability (with preference given to applicants with preparation or aptitude for math and science) and need. Maximum scholarship to be $1,000.

3. provide for certification to Commissioner of recipients selected and amount awarded, as well as continuing need of previous recipients and amount of their scholarships.

4. provide for proper fiscal methods and accounting procedure.

5. provide for making reports to Commissioner.

Title II, part A: State plan must—

1. provide for administration by State educational agency.

2. set forth expansion or improvement program, which will include program for more and better—

(a) supervision of science and math instruction in public elementary and secondary schools;

(b) teaching aids designed to modernize science and math curricula;

(c) preservice undergraduate teacher-training in science and math.

3. set forth methods for effectuating program.

4. provide proper fiscal and accounting procedures.

5. provide for making reports to Commissioner.

Part B: Payments may be made under this section if the State has an approved plan under part A and if that plan—

1. sets forth minimum qualifications for science and math teachers who receive funds under this program.

2. sets forth criteria to be employed by State agency in approving local programs for—

(a) employment of additional science or math teachers;

(b) increasing salaries of science or math teachers;

(c) provision of laboratory and other equipment;

(d) expanding or improving science or math teaching in public secondary schools by other methods.

Title III: No plan involved; purposes of title III achieved through contracts or grants to individual institutions and students.

Title IV: Same as title III.

Title V: No formal plan required.

Authority of Commissioner:

Title I: General authority to make regulations and perform duties under title I.

Title II: Same.

Title II: Broad authority to make grants and contracts on such terms as he finds necessary to achieve purposes of title III. Also authorized to make studies and surveys and conduct research with regard to improvement of training in foreign languages. Authority to appoint (with approval of Secretary of Health, Education, and Welfare) the 12 members of National Advisory Committee on Foreign Languages.

Title IV: Broad authority to make grants on such conditions as necessary to achieve purposes of title IV. Authority to select (with approval of Secretary of Health, Education, and Welfare), 12 members of National Advisory Committee on Graduate Education.

Title V: General authority to administer provisions of act.

(H.R. 11530, 85th Cong. 2d sess. (1958))

Substantially the same as title I (grants to local school districts in urgent need of facilities) of H.R. 3976. The following pertinent changes were noted:

Appropriation:

Maximum of $600 million for each of the 3 fiscal years beginning July 1, 1958.

The State matching formula was also changed in elimination of the "Federal share" factor. The limitation that the Federal payment is not to exceed one-half the cost of any project or total of projects for any State remains.

(H.R. 4267, 86th Cong., 1st sess. (1959))

Appropriation: Commissioner authorized to issue paper to Secretary of Treasury to meet obligations arising from guarantee of college bonds. General authorization for such appropriations as are necessary.

Allocation: Not done on State level. Aggregate principal amount of guranteed bonds not to exceed $1 billion. Debt retirement commitments limited to 25 percent of principal amount of bonds, aggregate payments made under this provision not to exceed $500 million, and no one institution to be paid more than $5 million.

Conditions of eligibility:

Any "educational institution" as defined in the act can avail itself of the bond guarantee provisions if the bonds are issued for housing, academic or other educational facilities: ("Educationl institution" includes all public and private colleges no part of the net earnings of which inures to the benefit of a private individual or shareholder; hospitals operating programs of internship and nursing above the high school level; and corporations or agencies established by private and public institutions to provide housing, academic, or other educational facilities for educational institutions.) To be eligible for a debt retirement assistance commitment the Commissioner must find—

1. The construction involved will—

(A) substantially expand enrollment capacity; or

(B) prevent a substantial decrease in capacity; or

(C) is for facilities for natural sciences or engineering.

2. The construction will be of simple and economical design.

3. The institution has exhausted available resources.

Authority of Commissioner: In addition to the above, the Commissioner has authority to promulgate regulations, sue, and be sued, foreclose on property in connection with which he has made a debt service guarantee contract, obtain insurance, sell or exchange obligations and securities, etc.

(H.R. 4268, 86th Cong., 1st sess. (1959))

Appropriations: Such sums as are necessary to make the payment provided by the act. Total amount authorized: $600 million, to be expended over 5-year period (July 1, 1959 to June 30, 1964).

Formula for State allotment: State allocation divided by public school children in State times State's total appropriation for all States by year equals allocation ratio divided by corresponding products for all States.

State's allocation ratio determined thus: 1.00–0.50 times income per school-age child for State divided by income per school-age child for all States.

In no case to be less than 0.25 or more than 0.75. State allocation subject to reduction for low school effort index, computed in same way as in H.R. 3976.

Requirements for State plans:

A State plan may be approved if it—

1. Provides that State agency will be sole administrator of plan.

2. Provides that local agency will be eligible for Federal delet service commitment only if—

(a) obligations are to finance facilities needed because of overcrowding, double shifts, or unhealthful or hazardous conditions;

(b) local agency undertakes to make reasonable effort to finance its needs through taxation;

(c) local agency can't raise the money to meet its obligations for construction from taxation or other resources.

3. Sets forth standards for determining what is a reasonable tax effort for a local agency.

4. Sets forth criteria establishing order of priority among contemplated facilities, giving highest priority to local agency with greatest economic need and least ability to pay.

5. Provides a hearing for applicants whose applications are denied.

6. Provides for standards on a State level for planning and construction of facilities.

7. Provides for making of reports to Commissioner.

In its request for a Federal debt service commitment the state agency shall include:

1. Description of facilities and estimate of cost.

2. Amount of obligations to be covered by commitment

3. Certification that—

(a) local agency is eligible under State plan;

(b) project is consistent with State redistricting plans of policies and in accord with construction laws;

(c) all financing has been arranged.

4. Assurances that—

(a) local agency will try to secure most favorable terms for obligations;

(b) the local agency will exert the reasonable tax effort required under the State plan while the obligations are outstanding and 10 years thereafter, and will apply surplus revenues to payment of debt service and repayment of Federal advances.

Authority of Commissioner: General grant of authority to effectuate provisions of the act, including authority to promulgate regulations, agree to modifications of Federal debt service commitments, and to pay, compromise, waive, etc., rights, titles, etc., arising under the act.

(H.R. 11122, 86th Cong., 2d sess. (1960))

Substantially the same as H.R. 4268.

Mr. THOMPSON of New Jersey. The summary of legislation introduced by my friend and colleague from New Jersey since the 83d Congress on the subject of Federal aid to education is a somewhat astounding series of legislation in view of the fact that on June 29, 1961, my colleague says that there is no demonstrated need for aid to education.

In the 83d Congress he introduced the bill H.R. 9841, to provide grants for construction of public elementary and secondary school facilities. This bill would have appropriated $250 million for each of the fiscal years beginning January 1, 1954, to be spent for the construction of the public elementary and secondary school facilities.

The details that are set forth in the enclosure will be a part of the record. One of the most interesting things about all of this legislation is the State plans involved, and I commend them to your attention, because they are in varying degrees considerably detailed and impose a great number of restrictions in the form of a required plan upon the States. In none of this legislation was there a specific disclaimer of the control section as there is in the bill H.R. 7300.

In 1954, the gentleman from New Jersey [Mr. FRELINGHUYSEN] introduced H.R. 10149, which was the same as his earlier bill, with a modification of the ceiling allotment.

In 1955, the 84th Congress, he introduced a bill, H.R. 3770, title I of which provided for an aggregate of $750 million for 3 fiscal years, and again I commend to your attention the details of the bill with respect to its allocation formula and the amount of control in the form of State plans.

Title III of that bill would require $200 million, title IV $5 million for each of several fiscal years.

Again, that bill, and I am referring now to the bill H.R. 3770, would require the State agency to certify it was unable to obtain funds, the obligations which it would set out would be legally binding on the local agency, the facilities that are necessary, and so forth. It would require all sorts and manner of agreements and plans.

In 1956 my colleague introduced a bill, H.R. 8779, substantially the same as the earlier bills, with the same modifications, and again I commend to you the State requirements which are in considerable detail.

In 1957 he introduced a bill, H.R. 1130, substantially the same as the bill H.R. 3770, calling for an aggregate expenditure of $750 million a year and making modifications which are very slight, increasing, however, title III to $300 million a year.

Then he introduced H.R. 2802 in the 85th Congress, 1st session, essentially the same as his earlier bill, and calling for about the same amount of expenditure.

At about this time President Eisenhower suggested a national need for school construction, and recommended the expenditure of some $325 million a year for 4 fiscal years. The gentleman from New Jersey [Mr. FRELINGHUYSEN] introduced this bill. It did not get very far until the second session of the last Congress when it was obvious that the bill which the Senate passed last year, S. 2, would nto receive favorable attention in this body.

So I introduced a bill, H.R. 10128, calling for substantially the same things as the earlier bill of the gentleman from New Jersey [Mr. FRELINGHUYSEN]. In this case Mr. FRELINGHUYSEN, who last month stated that there is no need for Federal education, voted for H.R. 10128 on final passage.

The June 29, 1961, "Report on American Education" discusses six major issues: "Historic Trends," "Needs," "Local Incentive," "Federal Control," "Quality Education," and "Aid to Nonpublic Schools." A seventh section contains 15 statement of recommendations and guidelines for Federal legislation and Republican policy.

HISTORIC TRENDS

In the opening section on historic trends, the report outlines the various educational activities of the National Government from the survey ordinance of 1785, where land was reserved for the maintenance of public schools, to the National Defense Education Act of 1958. It quotes a Library of Congress study showing that in 1960 there were 440 Federal educational programs at a cost of at least $3.8 billion. The conclusion which the report draws is that with the exception of the Morrill Act, the Smith-Hughes Act, and NDEA, all of which were enacted in an atmosphere of emergency and aimed to promote specific subjects which Congress felt were being neglected, none of these activities can be classed as general Federal aid to education.

This is argument by semantics. If the authors of this report want to argue that we have not had general Federal aid to education in the past, that is their privilege; the evidence which they adduce might, however, lead equally reasonable men to the opposite conclusion.

Whatever conclusion one draws about the past is not, however, binding upon the future. In this connection, I should like to quote John W. Gardner's "National Goals in Education," a chapter in the report of President Eisenhower's Commission on National Goals:

> The Federal Government has been a factor in education for almost all of our national history. But its role is changing—and where the change is taking us no one knows how best to design the role of the Federal Government in education. But one thing is certain: With education playing a vastly more crucial role in our national life, there is no likelihood that the Federal Government can escape greater involvement in it. Nor need we be alarmed at such involvement. Our tradition of local control in education is a healthy one.

So the section on "historic trends" makes very little contribution to a meaningful discussion of this issue. It consists of using a lot of well-known information and drawing therefrom a lot of dubious conclusions of doubtful relevance.

NEED

The real heart of the argument is, of course, in section 2, entitled "Need as a Factor in Federal Aid to Education." The report discusses what it calls the alleged classroom shortage and brings together a novel set of figures in an effort to demonstrate that if there ever was a shortage, it is fast disappearing. But the figures used do not bear much analysis. The report purports to demonstrate that between 1956 and 1960 there were 81,000 classrooms constructed above and beyond the ordinary need. This they call a surplus to apply against the shortage existing in 1956. We seem to have passed the hump.

Unfortunately, we have not passed the hump. The Office of Education has been estimating the classroom shortage for the last 5 years. It bases its estimates on information received from State departments of education. Its estimates follow:

Academic year:	*Classroom shortage*
1956 to 1957	159,800
1957 to 1958	143,200
1958 to 1959	141,900
1959 to 1960	135,264
1960 to 1961	142,160

The simple fact is that there is a nagging, persistent shortage hovering around the 140,000 mark.

Mr. GOODELL. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I am delighted to yield.

Mr. GOODELL. I am wondering if perhaps the gentleman has not missed the point of this particular section of the policy committee's declaration. The point was that during this period we have constructed in this country more than 80,000 classrooms in addition to the classrooms that required replacement and to take care of the increased number of children in school. This 80,000-plus construction of classrooms in the 5-year period failed to make itself evident in the figures of the Office of Education on shortage. In other words, we would have expected their figures of classroom shortages to be diminished by well over 80,000 classrooms, during this period, because of this surplus above what was needed.

Mr. THOMPSON of New Jersey. The gentleman will expect a decrease in the classroom shortage based upon hope rather than upon the fact. The fact is that with the population increase, with obsolescence, et cetera, and the construction of 69,000 classrooms a year, we have nonetheless failed to keep up, and we still have a 142,000-classroom shortage. The purpose of the report was to make an attempt to demonstrate somehow or other that the construction of 69,000 classrooms a year in some mysterious way obliterated the shortage, which it did not do.

Mr. GOODELL. Mr. Speaker, will the gentleman yield further?

Mr. THOMPSON of New Jersey. Of course.

Mr. GOODELL. The figures which were cited, the 80,000-plus, were in addition to those necessary to take care of obsolescence and increased classroom use, by the increased number of students.

Mr. THOMPSON of New Jersey. I would gather, then, if that statement is true, that there should be 80,000 classrooms subtracted from the 140,000 as the shortage.

Mr. GOODELL. That is correct, but that is not the point. The final conclusion of this particular section was, and it has been documented, that the standard for determining what a classroom shortage is has been changing; that we have been relying upon the States to set their own standards, that they have been reducing the number of children that they feel should be in an ideal classroom, and therefore have added to their classroom shortage by increasing the standards throughout that 5-year period.

Mr. THOMPSON of New Jersey. Is the gentleman suggesting that the Federal Government dictate to the State education agencies what should constitute an obsolete classroom or what the shortage is?

Mr. GOODELL. Not at all; but that is the point the gentleman seems to be ignoring, that this standard of what the classroom shortage is has been changing in the States in the last 5 years. They have more than absorbed this 80,000-plus surplus of classrooms that has been built in this period. The gentleman will concede that President Kennedy this year sent to this Congress a message in which he said that over the next 10 years this country must construct 600,000 classrooms in order to keep up with our needs and to replace obsolescent classrooms.

Mr. THOMPSON of New Jersey. I believe that is correct.

Mr. GOODELL. That figure of 600,000 in the next 10 years would average 60,000 classrooms a year. In the last 5 years, I believe the gentleman will concede, there have been constructed without general Federal aid 69,000-plus classrooms a year, well over the number of classrooms constructed per year that President Kennedy has said is necessary in the coming 10 years.

Mr. THOMPSON of New Jersey. Yes; but the President is suggesting the additional construction to overcome the existing shortage. The gentleman can stand there and play with words all day long and express his point of view which I know is honestly held; but the fact of the matter is that there is a classroom shortage, there has been, and that there will be—notwithstanding the present rate of construction—if the Federal Government does not intervene and help.

Mr. GOODELL. Mr. Speaker, will the gentleman yield further briefly?

Mr. THOMPSON of New Jersey. I yield.

Mr. GOODELL. The President, in his statement that we need to construct 600,000 classrooms in the next 10 years, was talking about what he apparently considered an accelerated rate that was necessary to meet the needs of this country. The rate he is talking about to meet all the needs—increased enrollment, to take care of obsolescence that developed in that period—was 60,000 classrooms to be constructed per year. The present rate, without the Federal Government's intervening at all, is 69,000-plus per year.

We are reducing the shortage, according to President Kennedy's words, 9,000 classrooms a year.

Mr. THOMPSON of New Jersey. Now I should like to continue, if the gentleman will allow, because I did have some more on this subject, and then I shall be glad to engage in any colloquy with the gentleman that he may desire.

The next paragraph of the report purports to show that the current rate of construction—about 69,000 classrooms a year—the figure the gentleman from New York just mentioned, is almost 10,000 more per year than the yearly average of what the Department of Health, Education, and Welfare estimated this January would be the overall need for the next 10 years. One difficulty with this argument is that the figure 69,000 includes the addition of any rooms during the year. Some of these additions are temporary or makeshift facilities that are unsatisfactory. They do not reduce the number of classrooms needed and hence their inclusion in the figure 69,000 is somewhat misleading.

Moreover, it is misleading to talk about average annual construction needs over the next 10 years. The Department's projected figures included an estimated annual need over the next 5 years of approximately 80,000 classrooms a year, or a total of over 400,000. This is nearly two-thirds of their projected 10-year needs and will not be met even by the inflated 69,000 figure cited above.

The strongest argument amidst all of this statistical juggling, however, is the fact that the shortage goes on from year to year, as noted above. And the shortage persists despite the truly impressive efforts and achievements of most States and localities in the field of construction. No one is trying, as the report suggests, to disparage these efforts. The proponents of Federal aid recognize and applaud these efforts but feel that they are not likely to eliminate the existing and forthcoming shortages.

No one should be deluded about what these shortages mean. According to the fall, 1960, Office of Education publication "Enrollment, Teachers, and School-housing":

> In the fall of 1960, 36 States and the District of Columbia reported a total of 685,000 pupils on curtailed sessions. About three-fourths of these pupils (506,000) were in elementary schools and the other 179,000 were in secondary schools. Eleven States reported that there were no pupils on curtailed sessions and the remaining three States stated that no data were available.

These figures do not, of course, include the millions of students who are affected by overcrowding and makeshift facilities. The publication just cited estimated that 10 million children—almost one-third of the public school population—were affected by these conditions.

Everyone knows where President Kennedy stands on this matter; he believes there is a very real and urgent need for more classrooms. But let us look elsewhere for opinions, too. Last September Vice President Nixon said:

> Let us give due credit to the superb accomplishments of the last several years: Local school districts in every part of the Nation, and public and private college boards, have carried forward an unparalleled building program. But we are faced with classroom shortages right now, and in terms of projected enrollments, the decade ahead offers no breathing space. We must, therefore, set precise goals for new construction for both capital and operating budgets; and we must then find the means to fulfill these goals on schedule.

I suggest to those who are unimpressed by these figures and quotations that they take a careful look at their own districts. I feel perfectly safe in saying that in nearly every congressional district there are some students who are attending classes in makeshift, substandard buildings, or there are some students who are in classes clearly overcrowded where the teacher cannot do justice to each individual child.

Next, the report takes up the questions of teacher recruitment and salaries. It concedes that "there is no question that in some areas teachers' salaries are still inadequate." But it goes on to point to the undoubted progress in this field and implies, without ever actually saying so, that this is no longer a serious issue. The real nadir of this section, however, is the statement that "it is possible that in 10 years there could be a surplus of teachers."

Well, it may be "possible," as the report so ingeniously puts it, but it surely is not likely.

The report cites a 1956 NEA booklet "Teacher Supply and Demand Report," to the effect that there would be an end of the teacher shortage by the early 1960's. In the first place, the booklet contains no such prediction. Secondly, the NEA has published comparable reports for the years 1957, 1958, 1959, 1960, and 1961, and it seems strange that the authors of the report should want to rely on a prediction dating back 5 years rather than consider more up-to-date projections. Finally, as might be expected, the more recent estimates in this annual NEA survey foresee continuing shortages in the future.

Incidentally, the NEA figures relating to the qualified teacher shortage for each of the last 5 years are as follows:

Qualified teacher shortage

1957	120,000
1958	135,000
1959	135,000
1960	135,000
1961	138,000

These figures are estimates compiled by the NEA from information received from the State departments of education. They certainly do not provide the occasion for rejoicing or proclaiming the imminent end of the teacher shortage.

The 1961 figure—like those preceding it—is really a composite of six factors. To replace those who are leaving, it is estimated that 120,000 teachers will be needed. To keep up with increased enrollment, it is estimated that 35,000 teachers will be needed. To relieve overcrowding and part-time sessions, 30,000 teachers. To give instruction and services not now provided, 25,000 teachers. To replace the unprepared, 30,000 teachers. This makes a total need of 240,000 additional teachers for this fall. It is anticipated that 102,000 college graduates will enter teaching this fall. Therefore, the projected shortage of qualified teachers for September 1961, is 138,000.

As for salaries, the report is even less convincing. Indeed, the lame manner in which this matter is discussed leads one to believe that the authors felt on somewhat shaky ground here. For a somewhat different view, consider the views of Vice President Nixon in September 1960:

> It is imperative that teachers' salaries be raised to levels more nearly commensurate than now with their high professional calling and the rigorous training we demand of them. Surely it is true to say that our schools can never be any better than our teachers—and we will neither attract in the future nor keep the best men and women in the profession at the generally prevailing salary level.

The report stresses the advances made in this area in recent years. They are undeniable and mark great progress. But surely we have not yet gone far enough. The average salary of a classroom teacher in this country is $5,215. Compare that with professions requiring comparable training and you can see why teaching is not attracting as many, or as many first-rate, people as it should. American education today is not attracting its fair share of highly talented young people. It is all well and good to hope that enough highly motivated people will choose the profession anyway, but this is a thin reed upon which to base recruitment for anything as vital as our educational system.

I recognize that there is a legitimate debate about how much, if any, of this slack should be taken up by the Federal Government. At the moment, I am confining my argument to the proposition that the Republican report of June 29 is unduly optimistic on this issue of salaries and that it has done the debate a disservice to downgrade it.

In the same section on needs, the report also expressed concern "that no attempt has been made to equate actual need to the provisions for general Federal aid to education now before Congress," whereas "during the Eisenhower administration, the bills recommended by department heads and by the President had provisions tying in need and local effort in determining where aid for school construction would go." I would call the attention of this body to H.R. 7300, section 109(a) which states:

> A State which desires to receive its allotments under this title shall submit through

its State education agency an application to the Commissioner which—

(3) sets forth criteria and procedures to insure that in allocating funds received under this title (exclusive of the amounts to be used under sec. 108) to local education agencies (A) the amounts to be used for school facilities construction will be allocated within the State so that priority is given to local education agencies which, in the judgment of the State education agency, have the greatest need for additional school facilities and which are least able to finance the cost of needed school facilities, and (B) the amounts to be used for teachers' salaries will be allocated so that preference is given to local education agencies, which, in the judgment of the State education agency, have the greatest need for additional teachers or increases in their teachers' salaries and which are least able to finance such costs;

I would like to call attention, also, to the provision in H.R. 11530, introduced by Mr. FRELINGHUYSEN, March 20, 1958. I submit that the provisions in Mr. FRELINGHUYSEN's bill in regard to the State's plan for distribution of Federal funds in accordance with need were not one bit stronger than the provisions in the bill I have introduced to this Congress, H.R. 7300:

SEC. 7. The Commissioner shall approve a State plan for purposes of this Act if such plan—

(b) sets forth standards and procedures for determining eligibility of local educational agencies for payments under the plan and the amounts thereof, the need for the facilities to be constructed, and the order of priority for projects under the plan, which standards and procedures will assure (1) that the highest priority will be given to local educational agencies, which, upon making an effort relatively commensurate with their economic resources, are unable, solely because of lack of such resources, to finance from the resources available to them the full cost of the school facilities needed to relieve or prevent overcrowding, double shifts, or unhealthful or hazardous conditions, and (2) that in other respects the order of priority will be based on the relative need for financial aid in the construction of such school facilities, the relative urgency of the need for such facilities, and, until June 30, 1959, readiness to proceed with such construction.

In short, the task force stretched the point somewhat to conclude that the Eisenhower administration wished only to aid those districts in true need and those which had exerted all possible local efforts and that the Kennedy administration has not considered need and effort. The requirement that the State plans account for need in allocating the Federal funds to districts within the State is as strong in the bill which I have introduced as it is in bills of the Republican administration.

Furthermore, the equalization formula in H.R. 7300 for allocating the Federal funds among the States is substantially the same formula with substantially the same amount of equalization as proposed by Mr. FRELINGHUYSEN in H.R. 11530, March 20, 1958. This effort of the task force to convince this Congress and the public that need is not equated with the proposed distribution of Federal aid proves only the very short memory of the group.

LOCAL INCENTIVE

The third section, "Local Incentive in the Financing of Education," attempts to demonstrate that local efforts will be blunted by the promise of Federal assistance.

The first thing about this section which needs to be challenged is its self-righteous, demagogic stance. I shall quote a few sentences:

We have great faith in the American people. * * * It seems to us that these and other definitions must be made by those who care enough and know enough about them—Johnny's father and mother, his teachers, his neighbors.

Now I submit that this kind of emotionalism contributes nothing to this debate. The issue is not between those who have faith in the American people and those who do not. I do not know anybody in this body who has despaired of our American democracy. And just why is it that local officials are alleged to have a monopoly on public wisdom and virtue? I do not know about the authors of this Republican report, but as for me I feel very close to my constituency and I am sure that feeling is reciprocated. I should think that the amount of mail that floods into Washington every day would be evidence enough that the public feels close to the Congress. I do not look upon this body as something removed from the American people. I regard it as a legitimate and responsible instrument of the American people and I find insinuations to the contrary to be false and demeaning.

The references throughout this Republican presentation to Disraeli, Aristotle, Samuel Butler, et cetera, are surely impressive and I congratulate my colleague on their erudition. I would even be impressed if they could quote Arnold Toynbee in opposition to Federal aid to education. But they have only appeared to do so, quoting instead from one Norvel Young who quotes Toynbee's famous remark about civilizations' dying from within rather than by conquest from without. Dr. Young concludes from this that we should oppose Federal aid to education. This is a politically inspired distortion of Toynbee's position, and it raises in ominous tones the old Republican argument against Federal programs of any kind. The history of this country in the last 30 years is eloquent testimony to the absurdity of these fears. This is a strong and free Nation and will remain so.

This section on local incentive contains the astonishing statement that the mere possibility of Federal aid has already led some local school superintendents to recommend the defeat of local school bond issues. This strikes me as being rather farfetched, but if any such school superintendents did in fact so conduct themselves, I would assume that they are now former school superintendents.

But, of course, this whole section is based on a distortion of the purpose and intended effect of the pending legislation dealing with Federal aid to education. H.R. 7300 provides practical assurances that Federal grants would supplement rather than supplant State and local funds. It includes a maintenance-of-effort section, section 106. States and local school districts would have to maintain present levels of effort, and if they fell below the national effort, they would have to maintain a rate of increase equal to, or in excess of, the national rate of increase. Otherwise, beginning in fiscal 1963, penalties would be imposed in the form of proportionate reductions in an allotment. The maximum penalty would be one-third of a State's annual allotment.

In one of the many obscure and strangely worded sentences in this report, the Republicans state that—

economically, we here in Washington are often shocked by the extent to which Federal taxes are increased, becoming more burdensome than State and local taxes by their higher rates.

I am not sure that I understand this sentence, but if it does say anything it seems to be false, for Federal taxes have not gone up sharply in recent years. To this extent, then, the claim is false. At the end of the same paragraph, it is claimed that—

comparable figures exist for interest on Federal and State debts and for trends in the burden on respective debts as a percent on national income.

No matter how muddy the wording is in this sentence it seems to argue that the trend is for a sharp increase in Federal debts, more so than State and local debts.

The alleged trend invoked here by the authors has not been substantiated and cannot be substantiated because it is false. By way of illustration, here are the figures for 1948 to 1957. During this period the Federal debt went up less than 10 percent; local and State debt went up more than 180 percent. Obviously the trend is the opposite of the one reported by the Policy Subcommittee of the Republican Party.

If there were some credible evidence that Federal aid would serve to reduce State and local efforts in support of education, it would indeed constitute a strong argument against Federal aid. But there is no such evidence and I am confident that the reverse would be true. It is interesting to note what has happened over the last couple of decades with the greatly accelerated participation of the States in the financing of education.

Since 1939, the States have increased their contributions to public-school revenue from $659 million to $5,816 million by 1959–60, an increase of more than $5 billion. Over the same period, 1939–40 through 1959–60, the total local contribution to education increased from $1,490 million to $7,858 million, an increase of more than $6 billion. This maintenance of local support is phenomenal in the light of the fact that most of the school districts had one tax base, the property tax, and the State governments had a variety of choices, including retail sales and personal and corporate income.

The record of local initiative which has been maintained for several decades is adequate refutation to the grave fears of

this Republican task force. In addition, there is no evidence that other current Federal programs—the National Defense Education Act, the impacted areas aid, or the vocational aid—have led to a diminution of local support or initiative.

Section 5 of the report, which is the last one I shall comment directly on, raises the old bogyman of Federal controls. We all know these arguments and counterarguments so well that I shall not bother to recite them in any detail. I believe the quality of this task force report is well illustrated, however, by one of the factual errors contained in this section. There is a one-paragraph quotation attributed to William G. Carr, executive secretary of the National Education Association. This quotation as it appears does not make sense. It goes like this:

> What I can neither understand, nor agree to, is the position that, although the Federal Government has a responsibility, and although the State governments should control education, nevertheless, Federal funds must be used only for purposes deemed most necessary by the State and local school authorities. It seems to me that a policy of "Washington knows best," weakens State and local control of education.

What Dr. Carr actually said makes much better sense and was a forthright defense of State and local control, to be supplemented by Federal funds without Federal control.

Here is the original quotation, with emphasis added to show the omission which thus reverses the meaning:

> I can understand (even thought I cannot agree with) the point of view of those who say that the Federal Government should not help finance the schools. What I can neither understand, nor agree to, is the position that, although the Federal Government has a responsibility, and although the State governments should control education, nevertheless, Federal funds must be used only for a purpose determined in advance by the Congress rather than for purposes deemed most necessary by the State and local school authorities. It seems to me that a policy of "Washington knows best," weakens State and local control of education.

The most charitable comment would seem to be that the staff of the House Republican policy subcommittee was guilty of sloppy workmanship.

In conclusion, I would like to reiterate what my purpose in making these remarks today has been. I have not attempted to answer every point raised by my Republican colleagues, but have instead concentrated on some of the more vital questions raised by their task force report. I began reading this report with high expectations and was quite interested to see what they had come up with. I serve on the Education and Labor Committee with some very able Republicans. Their views very often do not accord with mine but they are often skillful and logical in their arguments. I therefore put down this document with a very real sense of disappointment, for it is not worthy of my distinguished opponents. It contributes nothing new to the debate and most of what it does say it says clumsily and without compelling evidence. The gist of this Republican report is that there is no need for a substantially increased support for education in this country, that the teacher and classroom shortages are either nonexistent or disappearing fast, that teachers are paid well enough or soon will be, and that Federal aid will spell Federal control. None of these things is true. It is a great pity that the Republican task force failed to come up with intelligent and constructive alternatives to the programs now being offered in this Congress by the administration and the majority party.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from West Virginia.

Mr. BAILEY. Something has been said about the matter of precedent. Let us remember that in 1836, more than 125 years ago, the Congress of the United States found itself with a surplus of $47 million in the Treasury. It passed the necessary authorization, following it with an appropriation to the 38 States then members of the Union of $47 million for the purpose of building school buildings. It was taken by the 38 States and used for the construction of school buildings. So we do not have to look too far for a precedent in this particular field.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, I would like to offer an observation in regard to the splendid address the gentleman is giving with particular respect to this issue of Federal control. I have had a letter or two from colleagues who are here in the House of Representatives expressing their great concern at the possibility that the program of Federal aid for the construction of classrooms and for the purchase of textbooks and for the payment of teachers' salaries under the impacted area program may die. What has struck me as being most peculiar is that some of the Members of this body who are most eloquent in their opposition to Federal aid to education are most zealous in their concern to get as much Federal aid as possible for their congressional districts under the impacted area program and, apparently, are not at all concerned about the grave peril of Federal control if that Federal money comes into their congressional districts.

I know that in the last Congress, as the gentleman from New Jersey will recall, we had testimony from the Commissioner of Education under the Eisenhower administration during which I asked the Education Commissioner—I repeat, under a Republican administration—if there had ever been in his knowledge any instance of Federal control of education, Federal control of what was taught in the schools that received moneys under the impacted area program. Commissioner Lawrence Derthick, a Republican appointee, said that in none of the some 4,000 school districts in the United States where this Federal aid for education, Federal aid for textbooks, Federal aid for teachers' salaries, Federal aid for classrooms, in none of the school districts had there been any evidence of Federal control.

The distinguished junior Senator from my State, Senator HARTKE, of Indiana, conducted a survey just a few weeks ago of the school districts in my State which had been receiving Federal aid under the impacted area program to see whether or not these local authorities responsible for the administering of these funds had been subjected to any control by the Federal Government in the expenditure of money for classrooms and the other purposes of Public Laws 815 and 874. There, too, Senator HARTKE found that the Federal aid that had been received in our State had not been followed by Federal control.

Mr. THOMPSON of New Jersey. Now, in regard to the question about the impacted areas, I might point out to this body that the original theory of Public Laws 815 and 874 was that they were to replace lost tax money. And, it is really an amusing thing, you know. Those whose districts include impacted areas to a large extent have that impact created by the presence of a military base for which the Federal Government pays no local property taxes. This creates a horrible impact on them. Why, they say, "It is terrible. All of these people who work for the Federal Government, the Army, the Navy, and the Air Force; they move into our district with all their little children and send them to our schools and we have to educate them, and we lose a tremendous amount of money." "Why, the presence of this military establishment," they say, "is just awful; it has a terrible impact on us." And yet, you try to take a military establishment out of any Member's district, and he screams out of the other side of his mouth, "Good Lord: Our whole economy depends on this. Why, these wonderful people who serve our country so well, they come into our district, they are stationed at this base, and they get paid every couple of weeks and they come in and buy our products; they go to our merchants; they use our facilities, and they contribute to the economic well-being of this area to such an extent that we cannot afford having them leave."

Now, everyone knows that no longer are Public Laws 815 and 874 a pure replacement of taxes; that those are Federal-aid-to-education programs that affect about one-third of the Nation's schoolchildren. And, they are very good as far as they go. But, how about the other two-thirds?

Mr. GOODELL. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New York.

Mr. GOODELL. Did I interpret your remarks to mean that you are opposed to the impacted area legislation?

Mr. THOMPSON of New Jersey. Indeed not. I am very much for it, but as part of the broad Federal-aid-to-education program.

Because the gentleman knows perfectly well that Public Laws 815 and 874 are Federal aid for education, and incidentally, they contain infinitely more

control than H.R. 7300, which is explicit on this point.

Mr. GOODELL. Did I misinterpret what was said by the gentleman from Indiana and yourself that there are no controls in this impacted areas bill?

Mr. THOMPSON of New Jersey. No, sir; I did not say that at all.

Mr. GOODELL. The impacted areas law does not provide any Federal control?

Mr. THOMPSON of New Jersey. The gentleman from Indiana said there had not been one demonstrated incident of Federal control notwithstanding the fact that these laws have been on the books more than 10 years.

Mr. GOODELL. I thought you just said there was control. I would like to know whether there is or is not control that goes with this impacted areas law.

Mr. THOMPSON of New Jersey. With regard to Public Laws 815 and 874 and with regard to the National Defense Education Act, with regard to the George-Barden Act and with regard to the Smith-Hughes Act, each and every one of these has sections which can be construed, compared to H.R. 7300, as having many Federal controls. In the Vocational Education Act the teachers' salaries are paid, the critera are set forth for the curriculums and the design of the building even becomes involved. Yet not one complaint about Federal control.

Mr. GOODELL. Will the gentleman yield further?

Mr. THOMPSON of New Jersey. Yes, I yield to the gentleman.

Mr. GOODELL. Do I interpret what the gentleman just said to be that there are controls in this legislation by the Federal Government?

Mr. THOMPSON of New Jersey. Why, of course, there are.

Mr. GOODELL. If the gentleman will yield further, I take it that the gentleman is disagreeing with the gentleman from Indiana [Mr. BRADEMAS] who just got up and at some length said there was no control?

Mr. THOMPSON of New Jersey. No. The gentleman from Indiana said there had not been a demonstrated incident of a complaint relating to controls.

Mr. BRADEMAS. If the gentleman will yield, perhaps the gentleman from Indiana can state what the gentleman from Indiana said.

I said I asked Commissioner Derthick if there had been any evidence of Federal control under the impacted areas program. He replied that in the 4,000 school districts that had received this money there had been no evidence of Federal control, there had been no complaint.

Mr. GOODELL. If the gentleman would yield, are you saying that there had been no complaints, or that there is no evidence of Federal control? Which is it?

Mr. BRADEMAS. If the gentleman will yield further, I am saying that the Commissioner of Education of the United States under the Eisenhower administration told me there had been no evidence in 4,000 school districts of Federal control of education under the impacted area program.

Mr. GOODELL. If the gentleman will yield, I think the gentleman's statement is in direct contradiction to this.

Mr. THOMPSON of New Jersey. I am not arguing with the gentleman from Indiana [Mr. BRADEMAS]; I am arguing with the gentleman from New York.

Mr. GOODELL. This is my position: I have no impacted areas, and I am not particularly concerned about this legislation. I do not particularly favor it. But let me say this: I think where Federal money is spent there goes with it inevitably Federal control. I am very intrigued by the advocates of Federal aid to education because about 50 percent of them tell us there will be no Federal control. The other 50 percent admit there is Federal control and say, "Why, of course, there is Federal control. We have to have Federal control in order to get these school boards"—one of them said—" 'those fat cats on the school boards'—to do the job."

Mr. THOMPSON of New Jersey. That was one of your people that called them "fat cats."

Mr. GOODELL. No, it was not. It was an article that appeared in the New Republic which was republished in the Washington Post by a strong proponent of Federal aid to education.

Mr. THOMPSON of New Jersey. I do not have much more time to yield. The bill, H.R. 7300, as the gentleman well knows, because he sat in the committee during the entire time it was being marked up, has a specific and categorical statement, section 106, prohibiting any Federal interference. The point that we are making is this: The gentleman from New York, as well as anyone else who has been here for a Congress or two, has voted for Public Laws 815 and 874 which have been in operation now for 11 years, and which contain no specific and explicit prohibition clause.

Mr. GOODELL. Will the gentleman yield to me at that point?

Mr. THOMPSON of New Jersey. Yes, sir.

Mr. GOODELL. This brings up the exact point that I would like to emphasize. That clause that you have put into the present bill is window dressing. It is meaningless. You had one section saying we are not going to impose any Federal control and throughout the rest of the bill you set up the requirements under which the States either accept those Federal specifications or they will not get Federal money.

The Federal Government does not walk in and say "You have to do it this way," but they do say "Unless you accept these requirements, you will not get the Federal money."

Mr. THOMPSON of New Jersey. Will the gentleman from New York do me a favor? My time is running out. I would like to engage in this colloquy with the gentleman for some time. If my time runs out, would the gentleman ask unanimous consent that we be allowed to continue for a few minutes?

Mr. GOODELL. Certainly. In fairness to those who have other special orders, I do not know whether they will agree with it; but I would be glad to request it.

Mr. THOMPSON of New Jersey. If they do not agree, then we cannot do it.

I know the gentleman is not accusing me of some form of dishonesty when he characterizes that section 106 of the bill as being window dressing. It might be the gentleman's opinion that the legal effect of it would not be what I think it is, and that might be so, although I doubt it because I have studied the question very carefully. I can assure the gentleman it was put in there for the specific purpose of being an effective part of the law and for the specific purpose of allaying the fears of those who adopt the thesis that wherever a Federal dollar goes there is Federal control. This is a strange position taken by people who stay in this body for years, for when the Federal Government is going to put an airport in their district they do not cry about that dollar, that is all right, or the Highway Act or the Internal Revenue Code.

Mr. GOODELL. The gentleman will certainly agree that our educational system is far more sensitive to damage from Federal control than any of the things he mentions.

Mr. THOMPSON of New Jersey. Of course I do. For more than 100 years the Federal Government has been in the business of education without one single incident of its imposing its will on the curricula, teachers, or anything else in the school system. Here for the first time is an opportunity to vote for a bill which would categorically prohibit such action, notwithstanding that it has not been done before. I know what the gentleman is doing. He does it very well. He talks about window dressing. I know it when I see it.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Indiana.

Mr. BRADEMAS. The gentleman from New York suggested that 50 percent of the people who are for Federal aid to education are for control and 50 percent against it. I should certainly like to have some evidence to bolster that contention. Among the advocates of school-support legislation on the House Committee on Education and Labor there was 100-percent support among the majority members who voted to report out the bill of the gentleman from New Jersey in favor of this very clause prohibiting the control we have been discussing. I am an advocate of the school-support bill. I strongly oppose Federal control of education. I know of no Member on the Democratic side who advocates Federal control. The gentleman may talk about people outside this body who write articles. They are quite free to write what they want to write.

Mr. THOMPSON of New Jersey. I think what the gentleman is talking about is the division of those Republicans who support this legislation. I think there are about 10, and 5 are in favor of Federal control and 5 are against it.

Mr. GOODELL. Let the RECORD show I am laughing. That is not what I was referring to.

Mr. BRADEMAS. How about the advocates of aid to federally impacted areas? Do they not fear that Federal control will follow the Federal aid they are demanding for their districts?

Mr. THOMPSON of New Jersey. That is different. Do not worry about Federal control in that. You can devise 54 more forms for them to fill out. They will be delighted to fill them out, just so they get that Federal dollar.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Virginia.

Mr. HARDY. I do not want to get into this argument of Federal control at the moment.

Mr. THOMPSON of New Jersey. I wish the gentleman would.

Mr. HARDY. There was a comment the gentleman made a little earlier and I would like to explore it for a moment with him. That has to do with the similarity the gentleman poses as between general Federal aid and aid to impacted areas.

The gentleman made an observation about those of us who have large Federal installations in their districts, and mine is one such. Nevertheless, I have a little difficulty in trying to get the similarity between the two programs which the gentleman posed a moment ago. Now, the gentleman is exactly right, I would scream if they reduced the Federal activity in my area because of its economic significance. And I do not want anyone to misunderstand that. If Federal aid to impacted areas is withdrawn, we will find a way, in my district, to finance the education of these children and it will be done through local taxes. But, I ask the gentleman, considering this as a matter of equity, where there is a disparity between the taxes paid by people employed on Federal installations and those employed in private industry, is there not an obligation on the part of the Federal Government to carry its fair share of that load?

Mr. THOMPSON of New Jersey. Yes, there is and the Federal Government should pay the precise amount, if it could be determined, and I am for it. I was the author of the last version which was passed in 1958 extending Public Law 815 and Public Law 874. Here is what we did in that. Our primary concern in Public Law 815 and Public Law 874 was with the child of the military person.

Mr. HARDY. I will agree with the gentleman that that was the primary purpose.

Mr. THOMPSON of New Jersey. We made permanent the guarantee that the category "A" children, those whose parents both worked on and lived on the establishment be provided an education. That is permanent. Now let me ask the gentleman something—exclusive of the people who live on military establishments in Norfolk in the gentleman's district, there are a great many youngsters whose parents work on the military establishment, but live in the town.

Mr. HARDY. That is correct.

Mr. THOMPSON of New Jersey. And they either rent a home or own a home.

Mr. HARDY. That is also correct.

Mr. THOMPSON of New Jersey. Whether they rent it or own it, the amount of property tax, the ad valorem tax by the city, is reflected in the amount of rent or the taxpayments on the home.

Mr. HARDY. Insofar as the assessment on the home itself is concerned, that is correct.

Mr. THOMPSON of New Jersey. The distinction between the cost to a community of educating the child whose parents are paying rent, through the taxes in the rent, or in the event they own a home, the taxes themselves, is a difficult one to make when the next door neighbor whose father works, for instance, in a haberdashery store pays the same taxes. One child is impacted because of the fact that his parent works on the military establishment and the other is not impacted because he does not. Now somewhere in there, there is some gravy and the gentleman knows it as well as I do. The gentleman can take the total value of all the real estate in his congressional district in terms of what it would bring to the municipalities in ad valorem taxes and add it all up in one column, and then in the other column the gentleman could take the income received from Public Law 815 and Public Law 874, and there would be a net profit to the school district.

Mr. HARDY. I think the gentleman would be entirely wrong on that particular question in that sort of situation. Actually, if the gentleman would refer back to the illustration which he used a moment ago—here is a parent who works in the local haberdashery store and here is one who is a clerk in a military installation.

Mr. THOMPSON of New Jersey. And they live side by side.

Mr. HARDY. It happens—it happens often.

Mr. THOMPSON of New Jersey. I'll say.

Mr. HARDY. But the haberdashery store does pay taxes and the military installation does not.

Mr. THOMPSON of New Jersey. Is there any law under which the district which the gentleman represents so ably has gotten money from the Federal Government in lieu of taxes?

Mr. HARDY. From the Federal Government directly? I cannot think of any at the moment.

The SPEAKER pro tempore (Mr. BASS of Tennessee). The time of the gentleman from New Jersey has expired.

Mr. HARDY. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey may proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HARDY. Concerning this matter of payment in lieu of taxes I will say that the local housing authorities operating public housing do make payments in lieu of taxes. I think also that with respect to certain Navy-owned housing, payments are made for local governmental services.

Mr. THOMPSON of New Jersey. Let me clarify something for the gentleman's benefit. The gentleman has come before the subcommittee on which I serve and has testified very ably in support of Public Laws 815 and 874, and he has always voted for them. The fact is I am an advocate also of those bills, but it is my considered judgment that they represent a return to the local communities in excess of the impact. That is point No. 1.

Point No. 2: It is my considered judgment that since 1950 or thereabouts when these laws were put on the books, district communities have had opportunity to absorb to a very great degree the impact which was caused then.

I believe, therefore, that there ought to be a very close examination of these and that the dollar return for the cost of educating these impacted children should be made as precise in relation to the cost as possible.

Is there any reason, I ask the gentleman from Virginia, why my two children, who go to school in Alexandria's school system, should be considered impacted children? I bought a house there and pay taxes on that house at the same rate as anyone else, yet my children are impacted and my neighbor's children are not.

Mr. HARDY. I will say to the gentleman that there is a different situation in the District of Columbia from what you would find in most congressional districts. You are working in one area or one political subdivision and living in another, insofar as schools are concerned. My children are impacted also, as the gentleman observed, but mine are impacted in the State of Virginia, and in addition to the taxes on my home in Alexandria I also pay substantial taxes in my own Virginia district. So if the gentleman and I were living in Alexandria or Arlington and taxes were being paid on office space we occupy, we would be contributing right much more to the local school cost than we are now paying.

Mr. THOMPSON of New Jersey. What portion of Virginia's personal income tax is devoted to the education of children?

Mr. HARDY. I did not get into the income tax angle. I wanted to stay out of that. But I may say to the gentleman that a considerable portion of Virginia's general funds go to the education of children, and the revenues from the income tax go into the general fund.

Mr. THOMPSON of New Jersey. The gentleman is not implying that my taxes would not support my children to the same extent as anybody's real estate taxes?

Mr. HARDY. The point I am trying to make is that the gentleman would pay taxes in Washington if he had a non-Federal office here as well as on his home in Virginia.

Mr. THOMPSON of New Jersey. Yes, and it is absorbed. My children are considered impacted. We pay everyone's taxes when we deal with the merchants. I never knew a merchant in my life who sold an article at cost to him and then paid the taxes on it in addition.

Mr. HARDY. Does the gentleman maintain that a mechanic working on a Government installation, a military installation, pays the same amount of tax as a mechanic working in a private garage in private business? They do not pay an equal amount toward the schooling of their children. Does the gentleman contend that the two mechanics make equal contributions to the tax structure and to the cost of the schools?

Mr. THOMPSON of New Jersey. Very, very nearly equal, because the gentleman will find that the mechanic on the military installation who has to take his car to the mechanic in a garage pays what the garage charges him and that includes many kinds of taxes plus what they can steal, and so on and so forth; at any rate, it amounts to a great deal more than the cost of the actual repairs to the automobile.

The SPEAKER. The time of the gentleman from New Jersey has again expired.

GENERAL LEAVE TO EXTEND

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and that those who engaged in the colloquy during my address may also have permission to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. McCORMACK. Mr. Speaker, at the request of the gentleman from North Carolina [Mr. WHITENER], I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file a report on the bill H.R. 6242.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PIONEER DAY IN UTAH

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Utah [Mr. PETERSON] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PETERSON. Mr. Speaker, throughout Utah today homage is being paid to the memory of Brigham Young, a colonizer of unexcelled fame who, accompanied by his 15,000 devoted Mormon followers, pioneered into Utah 114 years ago.

The magnificent temple in Salt Lake City, the dome-roofed tabernacle that many of you have seen and the widely acclaimed Mormon Choir which you have heard are all the consummation of the matchless self-reliance of a boy born to poverty in Vermont who "never had the opportunity of letters"—only the courage of his convictions.

The dominating personality of this sturdy frontiersman is evident even today among the descendants of those religionists of the Church of Jesus Christ of Latter-Day Saints who followed Brigham Young into a territory proclaimed by Daniel Webster as "unfit for any use except for wild animals."

"This is the place," Brigham Young declared upon seeing the Great Basin and set about industriously to fulfill his promise to "make the desert bloom as a rose."

Success was far from immediate for these Mormons who, in search of religious freedom, had been driven first from Kirtland, Ohio, to Nauvoo, Ill., and now 2,000 miles to the desolation of the Salt Lake Valley, just beyond the Rocky Mountains. It is doubtful that the colonists would have survived the first year had it not been for the ingenuity and wisdom of President Young together with his constant reminder that "we have been kicked out of the frying pan into the fire, out of the fire into the middle of the floor, and here we are and here we will stay."

Not only did Brigham have the elements to battle that first winter but soon the cold fever was agitated by the gold fever and President Young was adamantly opposed to the Saints who wished to answer the call. Repeatedly he admonished them against another move and to the few who could not resist the temptation, he said:

> I hope the gold mines will be no nearer than 800 miles. If you Elders of Israel want to go to the gold mines, go, and be damned.

The first pioneer day was celebrated on July 24, 1849, 2 years after arrival in Mormon Mecca. The Saints dined sumptuously on the fruits of the earth produced by their own labors. It is unfortunate that the famous trapper, Jim Bridger, was not present because in trying to discourage Brigham Young from settling the barren territory he had even offered "$1,000 for the first bushel of corn grown in the Great Basin."

Success and prosperity came not by happenstance but represented the extraordinary sense of perception and precaution of President Young and the cooperation of his dedicated Saints.

With Brigham, "to think was to act" and even though he was exercising every knowledge at hand to provide for the immediate area, his mind was occupied with dreams of wider colonization of the Great Basin.

In the October conference that year it was voted to extend the settlements of the Saints north and south and to establish a perpetual emigration fund, whereby foreign immigrants, chosen by the missionaries, were brought to Deseret, now known as Utah, and, once established, repaid the fund. Some 70,000 immigrants were brought to the Great Basin through this fund, and many of them were sent by President Young to settle new areas. Generally, Brigham handpicked the group tc colonize the new area which he had previously surveyed. And in this, as with all his important decisions, he displayed unusual vision and judgment of character. The trades of the immigrants were not always applicable to the new frontier, so President Young sent forth a mixture of talents and thereby enriched the education of both factions.

On one occasion, however, President Young entrusted Isaac Morley with the selection of the brethren for the settlement of Sanpete Valley, now known as Manti, but not without a word of caution:

> My heart is full of blessings for the people—I want a company of good men and women to go to Sanpete, and I do say that no man shall dwell in that valley who is in the habit of taking the name of God in vain.

Stern and resolute as he was, Brigham was not entirely without a sense of humor and a responsibility to the principles he advocated.

> When we first preached in the grove—

Brigham wrote—

> I charged the brethren not to let their cattle get into the gardens of the widows and the sick, and if the widows shot them, I would stand between them and harm, and someone, on the Friday following, shot my only cow.

From the age of 31 when Brigham joined the Mormon Church, his every activity in life was subordinated to his religion. He completed many missions at personal expense and deprivation—his first, into Canada, a distance of 250 miles, was on foot through snow and ice. Spiritual welfare was more important to him than personal comfort but he insisted upon cleanliness and order. Years later he still spoke to his brethren about the time he "stayed overnight with a Brother who lived in a very large frame house, said to have stood 150 years, and which was so infested with bedbugs that we could not sleep. Brother George gave it as his legal opinion that there were bedbugs there which had danced to the music of the battle of Trenton, as their heads were perfectly grey."

President Young's superior intelligence, statesmanship, and bold foresight for the temporal as well as the spiritual welfare of the Saints is manifested by the fact that within 3 years 5 valleys were open to settlement, 26 towns were in existence, the settlers had limited stagecoach transportation, stores, roads, bridges, elementary schools, a library, and a newspaper, the Deseret News, which is today one of the leading newspapers of modern times.

These highlights of the technicolored founding of the great State of Utah, which I have the privilege to represent, reflect but a brief recognition of the hardships and dangers which confronted the first Territorial Governor but they are, I believe, reason sufficient to pay tribute to the pioneers who gave us an indelible example of faith, fortitude, and real Americanism.

UNEMPLOYMENT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DINGELL. Mr. Speaker, anyone who follows the financial sections of our newspapers knows that business is now in an upturn, and has been for some time. Orders are being placed and filled, sales are being made and goods and products are being delivered. In this sense, at least, the "winter of our discontent" is over.

It is all too easy, Mr. Speaker, to be lulled into a kind of euphoria by these pleasant facts. It is all too easy to be lulled into thinking that recessions, though unpleasant, will always work themselves out and are merely a cause for distress rather than one for deep, constructive thought and vigorous action. It is all too easy to disregard the fact that there are still a vast number of men and women in this country who cannot find a job.

It is difficult to stir up support for measures to eliminate, or at least substantially rectify, the causes of unemployment, mainly because it is a problem which has been with us, in varying intensities, for many, many years. The specific type of unemployment with which we are now faced does not exist appreciably in many areas of the country, which also increases apathy.

We in Congress, therefore, must take it upon ourselves to wage an intensive and constant war on unemployment and its causes. It is incumbent upon us to take a hard, long, detailed look at our unemployment problem, and to see why we have the problem we do, who the unemployed are, what the unemployment statistics mean, what is being done to help the unemployed and what, if anything, needs to be done further.

Why do we have the unemployment problem? There are three main reasons. The labor supply has increased, due to the wave of postwar babies now coming into the labor market. The demand for labor has relatively decreased, due to our ever-improving technology—the impact of this has been felt more strongly in some areas and industries than others. And at the same time, we have increased our imports from newly developing nations.

I cannot stress too strongly, Mr. Speaker, that these contributing elements of our problem are going to get worse before they get better.

On the subject of unemployment statistics, Mr. Speaker, several volumes could be, and probably have been, written. And the more you look into unemployment statistics, the worse the situation appears. For instance, the Labor Department's latest figure is that there were 5.58 million men, women, and youths unemployed in this country on June 15. Such a figure is publicly announced monthly, and this one figure is what most people of America are guided by. It must be pointed out, however, that this figure is solely the measure of those who can find no work at all. A more meaningful figure would include the full-time equivalent of part-time unemployment, or underemployment. In such terms, the equivalent of another 1.5 million people were out of work on June 15, 1961. This brings the total up to over 7 million people. These are raw figures, not adjusted for seasonal variations.

In addition to numbers of men and women unemployed, our problem is also expressed in terms of percentages of people in the labor force who are among the full-time unemployed. This percentage, as officially released by the Department of Labor, has hovered around 6.8 percent for the past several months. If one takes into account, however, the full-time equivalent of part-time unemployment, and then takes self-employed workers and unpaid family workers out of the labor force, the percentage comes out to 11.3 percent for June 1961. This percentage is not adjusted for seasonal fluctuations, and was computed by the staff of the Joint Economic Committee. It appears in the RECORD for July 12, on page 12390.

In answering the question, "Who are the unemployed?" a dissection of the overall figures is not very meaningful, because there is a great turnover in the ranks of the unemployed. Some, the fortunate, only stay unemployed a few days before finding another job. In writing a prescription, or several prescriptions, for our unemployment problems, therefore, it is necessary to get a profile of who the long-term unemployed are.

Long-term unemployment, by definition, is unemployment which has lasted for 15 weeks or more.

In April 1961, for example, 2.1 million people had been unemployed for 15 weeks or more, out of a total full-time unemployment for that month of slightly under 5 million. For an idea of even longer-term unemployment, we can go to Seymour Wolfbein's statement of July 12, 1961, which revealed that, during the month ending June 15, 1961, there were 900,000 people in the United States of America who had been unemployed for 27 weeks or more. Think of it, Mr. Speaker. Think of a city the size of Lansing, Mich., or Houston, Tex., in which neither man, woman, nor child had earned so much as a nickel in over 6 months. It is in the situation of these people, the long-term unemployed, that our main problem is found.

The long-term unemployed are, in general, older workers, nonwhites, the less skilled and less educated. A more detailed study will show the following:

First. Older men and women unemployed for 15 or more weeks were 35.9 percent and 29.5 percent, respectively, of the total unemployed in the age group of 45 years and older in the first quarter of 1961. In other words, of the full-time unemployed, 35.7 percent of the men and 29.5 percent of the women had been unemployed for 15 weeks or more. The older worker, while he retains his job, enjoys the advantages of seniority protection. When he does lose his job, however, through relocating the operation, displacement by machine, or disintegration of the industry, he has a much harder time getting a new one.

Second. Young people are also among the long-term unemployed. Of the total labor force in the 18- to 24-year age group, 4.4 percent of the boys and 2.7 percent of the girls have been unemployed for 15 weeks or more. Many of these young people have dropped out of high school or college to go to work, only to find that our galloping technology has left the unskilled and poorly educated behind. The young man has the additional problem of employer reluctance to hire unmarried men who have not fulfilled their military service obligations.

Third. Nonwhite workers have at least two strikes against them, race prejudice and a generally lower level of skills and education. It is hard enough in a period of labor scarcity for a nonwhite to find a job. In a period of job scarcity he has even less of a chance, because more whites are available to fill the jobs he can fill.

Not only have we had an unemployment problem in one form or another for many years, but we will almost surely have the long-term unemployment problem with us for a long period of time, at least until the end of this year. There will be little change in the number of full-time unemployed for a number of reasons, particularly because the labor force itself will increase by 1.3 million this year, and because in the early stage of economic recovery, those on short weeks are put on full time before any new hiring is done. The long-term full-time unemployed will be helped even less than the full-time unemployed in general, because, again in the early period of recovery, the skilled workers who were let go last will be rehired first.

This leaves us, Mr. Speaker, with a hard core of unemployment, such as the President's Council of Economic Advisers says does not exist.

A two-pronged attack on unemployment must be made and continued. The whole economy must be stimulated, of course, for reasons of national health and security. It must be stimulated if only to get the part-time workers back to work and provide enough new jobs to employ the workers now coming into the labor force. But we must be aware of the fact that the benefit of such programs will probably not trickle down to the long-term unemployed.

The second prong of the attack must be in the form of measures specifically adapted to solution of the problems of the older workers and younger, but inperienced and inadequately educated, workers. We obviously cannot prohibit further automation, in order to protect the jobs we still have. Even more obviously, we cannot seek a Hitlerian "solution" to the problem of the younger workers. Neither can we protect American jobs by curtailing imports. If we insist on buying American, our oversea customers will in turn freeze us out. We will have fewer jobs, not more jobs, if we must sell American rather than selling internationally.

Constant vigilance must therefore be employed to insure that such measures as the retraining and relocating programs, the Youth Conservation Corps, and the area redevelopment program,

to treat the most diseased areas of the patient, and Federal aid to education, to make sure that our students leave school prepared to deal with our advanced technology, will not be allowed to be either hamstrung or stillborn through inattention and apathy.

The older worker, the younger worker, and the displaced worker—these are the stepchildren of our age. For the health and welfare of our country, Mr. Speaker, they must—I repeat, must—be brought out of the chimney corner.

CAPTIVE NATIONS WEEK, 1961, AND THE NECESSITY OF A SPECIAL COMMITTEE ON CAPTIVE NATIONS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 30 minutes.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include communications and extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, just this past week Americans throughout the Nation solemnly and with sober thought observed Captive Nations Week. From Boston to San Francisco, from New York to Houston, from Chicago to Orlando, from Hartford to Bremerton, Wash., observances were held by Americans of the most diverse social backgrounds. As with one voice they emphasized the strategic value and importance of all the captive nations to our national security and, among their many themes, they highlighted the necessity of a Special Committee on Captive Nations. In short, they gave evidence of the popular and heavy support that exists for such a House committee.

Some of this impressive evidence I have had assembled, and I request that it be appended at the conclusion of my address. This evidence, actually only a fraction of the significant material flowing in from all parts of the country, more than substantiates the numerous reasons and arguments I have advanced since March 8 of this year, when I first submitted House Resolution 211 to establish a Special Committee on Captive Nations. It is not my intention here to review all the reasons and arguments that have been given. Rather, on the basis of most recent developments and events, particularly of this past Captive Nations Week, I deem it vitally important to issue a call for vigorous bipartisan action in the creation of this Special Committee on Captive Nations in this session of Congress.

Now, this Congress, this House, has passed on two occasions such a resolution. Based upon that action I submitted a resolution calling for the creation of such a committee. That resolution is now before the distinguished Committee on Rules, and I would hope that under the circumstances we have outlined on both sides of the aisle, by dozens and dozens of my colleagues—in view of the extraordinary conditions existing in this world at this minute, tomorrow, when I am advised the distinguished Committee on Rules will consider my proposal, I would hope and I would pray, Mr. Speaker, that this weapon be given to us to fight and strike at what we have established as Khrushchev's Achilles heel to place upon his back this monkey of colonialism and imperialism.

THE PRESIDENT'S PROCLAMATION

It should be plain to all that the immediate formation of this committee would be a forthright response to the President's solid proclamation of Captive Nations Week. President Kennedy has urged the American people "to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom." His bold and courageous proclamation speaks of all peoples—I repeat, all peoples—which means all the captive non-Russian peoples and nations within the Soviet Union, which means the Russian people, which means the non-Russian peoples of the other captive nations in Europe and Asia, which means the people of Cuba. The proclamation underscores the necessity of focusing American attention and action on all the captive nations "until such time as freedom and independence shall have been achieved for all the captive nations of the world."

This is a large order, but a necessary and indispensable one. For Americans to recommit themselves and to focus their attention and actions on all the captive nations requires renewed knowledge, understanding, and constant information regarding these nations without letup. The tasks are immense and the work demands persistent application, continuous study, and unremitting investigation and examination. Piecemeal, makeshift concern will not do. Periodic consideration will not do. Do not do that. If you do that, forget about the whole thing; forget about it, and I will forget about it with you.

Indeed, the work calls for a measure of selfless dedication to this vital subject, and proportionate to its value and significance only a special committee could possibly undertake this tremendous work.

There can be no doubt about Moscow's fears and fright concerning such a committee. The establishment of this committee would be the first concrete implementation of the Captive Nations Week resolution. Was it not amazing that despite his boasts about the sputniks, missiles, economic progress, and other inflated items, Khrushchev almost suffered apoplexy over the mere passage of this resolution? Last year a more vehement reaction took place. This year, no sooner had the President proclaimed the week than the Russian Government newspaper Izvestia let out a blast:

> Who gave U.S. ruling circles the right to poke their nose into internal affairs of other countries, with whom the United States furthermore maintains diplomatic relations?

A UPI report of July 18 stated:

> President Kennedy's Captive Nations Week proclamation has produced sharp reaction from Communist countries.

This mounting evidence clearly proves that imperialist Moscow and its colonial puppets have a profound fear for the ideas and implications of the Captive Nations Week resolution.

There is no question but that for 3 years they have been trying desperately, and with some success, to deflect world attention from the captive nations. We must take all this into account and clearly recognize that the spirit and intent of the President's proclamation, based as it is upon the resolution, call for a special committee. The ideas in the resolution must be intensively explored, the reasons why Moscow shudders at the mention of the resolution must be analyzed, the spotlight of systematic and persistent inquiry must be fixed on Moscow's colonialism and imperialism. We can do this and more with a Special Committee on Captive Nations.

Now, Mr. Speaker, I have 30 minutes in this order and I was going to consume all of that time myself. But I see here on the floor several of my colleagues on both sides of the aisle who have as deep an interest in this matter as do I. For the several minutes we have remaining I might ask some of these gentlemen if they have in mind any comments they wish to make. First, I see here the distinguished gentleman from Illinois [Mr. PUCINSKI] who served as my chief investigator on the famous Katyn Massacre Committee, when we did a job on the Communists at that time. Without his help we could never have done it.

Now the people of Illinois had the good sense to send him here as a Member, and it is a pleasure to yield to him at this time.

Mr. PUCINSKI. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I rise to commend the gentleman from Pennsylvania [Mr. FLOOD] for the excellent and penetrating contribution he is making today. I wish there were some way we could take his very eloquent remarks and his approach to this problem, his deep understanding of the meaning of these captive nations, and transmit this deep feeling of his to many of those in our Government today who continue to fail to recognize the real value that lies in our country's insistent, persistent, and continuing demand for the restoration of freedom to these captive people.

I was very depressed last week when the press of the Soviet Union appeared to give greater recognition to this captive nations resolution and the fact that Captive Nations Week was being observed in this country than many of the newspapers in our own country. It is a source of great puzzlement to me why the opinion makers of this country continue to treat this entire subject of captive nations in such a sophisticated manner; when the fact of the matter is that the one thing that Khrushchev has feared more than anything else, as the gentleman from Pennsylvania [Mr. FLOOD] has so eloquently stated, are the

people behind the Iron Curtain. Heaven only knows, if Khrushchev could count on these people, we would not have the peace we have today. The one deterrent to war, the thing that has held Khrushchev back more than anything else, with all due respect to the $45 billion we spend every year on national defense and the expenditures of the rest of the free world on defense—the one thing that has held and contained Khrushchev more than anything else is that he knows better than anyone that if he is foolish enough, in any manner, to divert the Soviet troops now holding these nations captive, these people will be marching eastward against Russia instead of westward.

Mr. FLOOD. What the gentleman says is that our secret weapon is not military hardware.

Mr. PUCINSKI. That is correct.

Mr. FLOOD. Our secret weapon is the millions and millions of people in these captive states. If, God forbid, the lid blows off, they will knock his brains out, and Khrushchev knows it.

Mr. PUCINSKI. The gentleman from Pennsylvania has very properly described these captive nations as the Achilles heel of the Soviet orbit. The fact remains that we have to stand up here in Congress year after year and call attention to the value of the meaning of these captive nations, and we continue to come up against opposition from those in our own State Department who to this day apparently cannot understand the full meaning of these nations behind the Iron Curtain.

That is why I hope that the Committee on Rules tomorrow will adopt the gentleman's resolution and will let this legislative body establish a committee that will put this whole problem of the captive nations in its proper perspective.

Mr. Speaker, I commend and congratulate the gentleman for his stubborn fight to put the meaning of these captive nations in its proper perspective.

Mr. FLOOD. I am grateful to my friend from Illinois, always my strong right arm. Mr. Speaker, I yield to my friend from Indiana.

Mr. BRUCE. Mr. Speaker, I should like to join both the gentleman from Pennsylvania [Mr. FLOOD] and the gentleman from Illinois [Mr. PUCINSKI] in their expression of support for a program that will penetrate the operation of the supranational Communist conspiracy like nothing that has been tried as yet. I think the very words the gentleman from Pennsylvania used apply, that it is a tragedy that it is still a secret. Apparently, as the gentleman from Illinois stated, there are still too many, and have been over the years, who, though they should know better, have ignored or fail to understand this situation.

Mr. FLOOD. It is the people in the State Department who are responsible for making these policies. Not the high level officials in most cases, but the ones who prepare the "working papers." It is these characters who are in the woodwork down there like termites. The only way we can get rid of them at all is to burn the building down.

Mr. BRUCE. Maybe we ought to try to do that. This is my first year in Congress, but I have been vitally concerned in this area for many years, and have been out speaking on it many times. That the gentleman from Pennsylvania and gentlemen on both sides of the aisle should be speaking on this particular area not only of psychological warfare is heartening to me. On last Friday night in Indianapolis we held a giant rally supporting Captive Nations Week. The place was packed. The solidarity there expressed by people from both parties from all over the State of Indiana was a source of real encouragement. If we can succeed in establishing this Captive Nations Committee we will be making real progress.

Mr. FLOOD. I am glad to have the gentleman's contribution, first-year Congressman or not.

Mr. DORN. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from South Carolina. If there is anyone in this Nation who has been trying to do this better than I it is WILLIAM JENNINGS BRYAN DORN, from the great State of South Carolina.

Mr. DORN. I thank my distinguished colleague from the State of Pennsylvania.

I hope that the Committee on Rules will favor reporting out the resolution. I also want to commend the distinguished gentleman from Pennsylvania for finally bringing this matter to the attention of the House and the country.

Mr. FLOOD. Does the gentleman remember when he was sitting here when this bearded marvel Castro was being considered with favor and we both said, "Do not do business with this clown"?

Mr. DORN. Exactly. The gentleman is so right. As long as we have conferences on Berlin, Cuba, Laos, Vietnam, and the Canal Zone, we will never win this cold war. We are talking about something that Khrushchev has nothing to do with.

Mr. FLOOD. Do not remind me of the Panama Canal Zone. You make my mustache stick right up in the air. Do not go into that. I have only 15 minutes.

Mr. DORN. I am referring to countries like Lithuania, Latvia, Estonia, the Ukraine, Bulgaria, Rumania, and the other captive nations.

Mr. FLOOD. I agree about the nations the gentleman has mentioned, but do not forget the dozens of captive nations within Russia itself who have a great background of patriotism and culture.

Mr. DORN. The White Russians, the Ukrainians, the Poles, and many others. The only way we can hope to win the cold war is by putting the Communists on the defensive.

Mr. FLOOD. I thank the gentleman.

Mr. SCRANTON. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield now to my good friend from Pennsylvania [Mr. SCRANTON], whose family established the city by that name, and which I think has among its citizens members of all the captive nations.

Mr. SCRANTON. I thank the gentleman for his leadership in this very important matter. This will be before the Committee on Rules tomorrow, and I do not think it could come at a better time. Right now when this matter of Berlin faces all of us, when Mr. Khrushchev is making every effort to divide our allies through his cries of imperialism and colonialism, it is time for us to make special efforts on behalf of those nations which are now within his control. It is only by the sword and not by their own desire that he controls them. I agree quite completely that not only Americans generally but Americans who have ancestors from these nations and others, and a great number of people behind the Iron Curtain, are for this committee. The fact is that if it were not for his military might, they would not be under Communist domination.

It seems to me this is the one issue, without even a great deal of money or military might, on which the United States of America and those who believe in freedom can demonstrate to Mr. Khrushchev his Achilles heel, as the gentleman from Illinois has indicated. Last but by no means least, having served for some time in the State Department, I am as much aware as the distinguished gentleman that the people who are serving there are somewhat inhibited on this matter because of the fact that they must in their daily task deal through the regular diplomatic channels with the now so-called constituted governments. Consequently, it is more than ever necessary that a committee of this sort be established here in the Congress so that we can show not only our own people but the people of the world that the United States is behind those who demand freedom in these captive nations.

Mr. FLOOD. I thank my friend from Pennsylvania. The last point is particularly well taken. It is so true.

Mr. Speaker, I am glad to yield to the distinguished gentleman from Ohio. When I first came here in 1944, he was already here, a distinguished Member of this body, and every year since. He certainly has been with me in several efforts, on the Katyn committee, the Karsten committee and now, I hope, on this committee to carry on this measure. I yield to the gentleman from Ohio [Mr. FEIGHAN].

Mr. FEIGHAN. Mr. Speaker, I wish to congratulate the distinguished gentleman from Pennsylvania for his very lucid, forthright and powerful presentation.

Mr. Speaker, I am confident the Members of the House were impressed with the response of the American people to President Kennedy's proclamation on Captive Nations Week which ended yesterday. Week long observances of Captive Nations Week were held throughout the country and practically every metropolitan center established civic committees to promote the purposes of Public Law 86–90. It was my privilege to be the speaker at the ceremonies opening Captive Nations Week in Cleveland. The response of the people and the coverage given to this event by the press,

radio, and TV indicates strong and widespread public interest in the cause of the captive nations.

Recent events, and particularly the latest crisis on Berlin provoked by the Russian Communists have required us to seek out and rally the support of all who believe in liberty and freedom. When the chips are down, when sentimentality has no place in hard judgments, and when political realism becomes a necessity—the people of the captive nations are always rediscovered and their proven assets publicly acknowledged. In such circumstances the aspirations of the overwhelming majority of the peoples of the captive non-Russian nations of the Soviet Union and of East Central Europe act as a reliable brake on any aggressive or warlike actions the Russian tyrants may wish to launch.

It is a truism that the Russian dictators can count on no more than the loyalty of some 80 million Russians, if they can in fact count on strong support from that quarter. Within the European part of the empire there are no less than 200 million captive non-Russian peoples, the overwhelming majority of whom regard war as a circumstance in which they can throw off the chains of Russian slavery and regain their once free way of life. The leaders in the Kremlin know this to be a fact and are far more conscious of its reality than are most of the Russian experts now associated with our Government.

It is significant to note that President Kennedy in his answer to the Russian aide memoire on Germany and Berlin raised the question of self-determination as a means of settling the Berlin crisis. The President indicated that the universal application of the principle of self-determination was the only dependable means of settling the political issues involving Central and Eastern Europe. President Kennedy is certainly aware that should the principle of self-determination be made applicable to the captive non-Russian nations behind the Iron Curtain the Russians would soon be confined to that territory which history records as Muscovy. But the important point to be made here is that President Kennedy has emphasized the historic fears the Russians have of self-determination and the stimulus this political principle provides for our most dependable allies—the non-Russian people behind the Iron Curtain.

It is equally significant to note that since the contents of the reply sent by President Kennedy has been made public the Russian-controlled press is now harping the line of negotiation on Berlin. This is but the beginning of the Russian retreat from the ultimatum they gave the West on Berlin. The more President Kennedy urges that the principle of self-determination be applied not only to the German people but to all the non-Russian people behind the Iron Curtain, the more rapid will be the Russian retreat, and it is time that we put them on the defensive. Khrushchev and company stand in deadly fear that a political spark, accidental or intentional, will ignite the seething spirit of revolution behind the Iron Curtain. This the Russians fear more than all the nuclear weapons stockpiled by the Western powers. It is, therefore, in our best national interest as well as consistent with our leadership of the cause of justice and freedom among all nations that we pursue with relentless vigor our demands for self-determination for all the peoples and nations behind the Iron Curtain.

The House Committee on Captive Nations, proposed by House Resolution 211, would be an invaluable arm of the Government in exposing more fully the hopes and the aspirations of the captive peoples for freedom and national independence. Too often we are inclined to forget the cause of these people, our proven allies. Too often we are inclined to accept the Russian dictum that those who fall victim to their imperial policy are to be slaves forever. For too long we have accepted the Russian propaganda claims of a monolith of power and popular support within their empire. It is time that we took the political offensive and provided a platform through which the people of the free world would come to understand better the role played by the captive peoples in making human freedom the wave of the future.

Additional evidence of Russian fears of the people of the captive nations is attested to by a lead article which appeared in Isvestia on July 19 on Captive Nations Week. In this article the Russian propagandists ask, "Who gave U.S. ruling circles the right to poke their nose into internal affairs of other countries." What these Russian propagandists really mean is that they fear the United States will finally get down to business in exposing the Red colonial empire of Moscow. The Russians know that such an exposure would take the political initiative away from them and return it to the United States, the birthplace of self-government and national independence.

I have been asked a number of times in recent weeks to give my basic justification for establishing in the House a Select Committee on Captive Nations. I believe the following reasons are ample justification for the establishment of such a committee:

First, we have developed a dangerous habit of finding fault and weakness on the side of the United States and its associated allies while accepting at face value the extravagant Russian claims of scientific accomplishments, economic development, and military strength. The end result is that we have neglected to understand the basic irremovable weakness of the Russian Empire which is the aspirations of the overwhelming majority of the people therein for freedom and national independence. It is time that we reversed this trend and began to get the facts about the realities of life within the captive nations and made them available to the American public. The sources of such information are many and reliable. But it will take a special task force of the House to collect the facts, to evaluate them, and to present them to the American public in an understandable manner.

Secondly, a Gordian knot has been tied around our American political heritage when it comes to the formulation and execution of national policy toward the U.S.S.R. There exists a profound but popular ignorance concerning Russia, the Russians, and their empire. This ignorance is compounded by the fact that there is a well-trained corps of Russian pleaders in our Government who believe that it is sinful to challenge the unholy empire of the Russian Communists. The pleaders do not object to self-determination for the peoples of Africa but they are determined to prevent the application of the principle of self-determination to the captive non-Russian nations of the Soviet Union. One major task of the proposed Select Committee of the House on Captive Nations will be to cut the Gordian knot which is tied around our policy toward the U.S.S.R. This will be a difficult task but one which must be accomplished.

For these reasons, Mr. Speaker, I urge that a Select Committee of the House on the Captive Nations be established and that such a committee go forward with vigor in support of these two objectives.

For those who may question the existence of the Gordian knot, which I have said is tied tightly around our national policy toward the U.S.S.R., I include an address which I delivered at the civic opening of Captive Nations Week in Cleveland on Sunday, July 16, 1961. A reading of its contents will identify the meaning of the Gordian knot and the threat it poses to our national survival:

THE GORDIAN KNOT

(Address of Hon. MICHAEL A. FEIGHAN, U.S. Representative, 20th Ohio District, delivered at Captive Nations Week observance, Sunday, July 16, 1961, on the Mall, Cleveland, Ohio)

As we gather here to observe Captive Nations Week the primary attention of the American people is centered on Berlin, that island of freedom some 100 miles the other side of the Russian Iron Curtain. Khrushchev has described free Berlin as a bone in the throat of the Russian bear, a bone which he now seeks to remove. Why does Khrushchev consider a free Berlin to be a bone in the throat of the prowling bear? The answer is simple. The exercise of human freedom is alien to all that is Russia, past and present, it is poisonous to the despotic system of government which is Russia's unwanted gift to humanity, and, if freedom is allowed to persist in organized form anywhere within the empire it will eventually suffocate the tyrants clique which now controls one-third of the human family.

The aspirations of mankind to be free and independent is a powerful and contagious motivation for those who are enslaved. So powerful is this motivation that it dwarfs the explosive power of all the nuclear weapons stockpiled on this earth. Its contagion is rapid, deep, and lasting—the smallest drop of this appeal can spread over entire continents with lightning speed. There is no permanent antidote for it, as dictators and despots down through history have discovered. An elaborate set of remedies against mankind's aspirations for freedom have emerged from the efforts of a few to thwart the fondest hopes of the common man. The Russian leadership has always been skilled in the use of such remedies, hence their present empire with the Iron Curtain sealing its borders and the total police state within its borders. That is, with the exception of free Berlin, which to Khrushchev

and company represents that frightening drop of hope for hundreds of millions of non-Russians from the Baltic Sea to the Pacific Ocean. Thus we see that the issue of free Berlin is irrevocably locked with the issue of freedom and national independence for all the captive nations.

Khrushchev has deliberately selected Berlin as the place to test the will and leadership of the Kennedy administration. The outcome of this test will have far-reaching effects. For the people of Berlin they are all too apparent. But they are just as critical to the people of the non-Russian nations behind the Iron Curtain whose future is tied to the outcome. And the test is no less severe in all parts of the free world where respect for our national integrity can be re-won only by a bold commitment to victory over the Russian imperialists. Should a stalemate result from the present Berlin crisis, this will be measured as a defeat for the Kennedy administration. Any tie with the Russians is a crippling blow to free world prestige. That is the nature of the war in which we are engaged.

Let us look then to the latest Russian provocation over Berlin. Khrushchev served notice during his meeting with President Kennedy in Vienna that he intended to sign a so-called peace treaty with his East German puppet regime. This hotfoot treatment was accorded our President in the closing hours of that ill-advised meeting. The alternative offered by the Russian dictator was a peace treaty on Germany in accordance with terms of vengeance dictated by the Kremlin leaders. By this transparent maneuver Khrushchev is up to an old-fashioned Russian trick, the technique of using quislings to do their dirty work. The Russian puppets in East Germany will lay claim to sovereignty over all territory and people within the Russian zone of military occupation. They will then demand that the Western Powers negotiate with them over the clearly established legal and moral rights we already have to be in Berlin. A series of provocations on a graduated basis will be thrown at us while the Russians remain in the shadows, protesting peace and coexistence. By this practice the Russians expect to avoid a brink of war situation while gradually tearing down the collective will of freemen to defend the rights of the people of Berlin.

In the face of this threat the United States and its European allies are engaged in elaborate defense preparations. This process has been and will remain costly and nerve wracking for us and for our allies. It is altogether possible that after we have reached the point of psychological and military build-up the Russians will slip the rug out from under us. That is, they will claim that we have misunderstood them, that they mean no threat to our position in Berlin and that all they want to do is talk about the future and the prospects of peaceful coexistence. They have done this before on Berlin and in the Near East crisis. We must not allow this to happen again because this technique saps our national will to resist and reduces respect for us on both sides of the Iron Curtain. There must be a limit to our playing fool in the international political arena.

The Russians alone provoked this latest and third crisis over Berlin. We must set a very high price on their escape from this political crisis of their making. We can extract that price by stating our terms now while we are forced to gird for defense and by continuing all out defense preparations until our terms are met. Our terms must be just and in harmony with the wishes of all the German people. I propose the following objectives be established for the settlement of the third Berlin crisis.

1. That the principle of national self-determination be applied to Germany. This means that universal elections must be held simultaneously throughout the Federal Republic of Germany and the East German zone of Russian military occupation. Such elections must admit political parties of all hues and colors to present a slate of candidates, to campaign freely on the issues, and the use of the secret ballot under international control.

2. That the United Nations should be designated as the instrument of international control to supervise the freely expressed will of all the German people. The United States, Great Britain, France, and Soviet Russia would be disqualified from participating in this supervisory function because of their role as parties to the dispute. Only those other nations with parliamentary forms of government which allow multiple political parties, the right to open dissent, the secret ballot, and demonstrate respect for the rights of the minority party or parties, would qualify for this function.

3. That such universal elections be designed to elect a parliamentary body which would freely choose the form of government to be established for a united Germany. Such government would take immediate and sovereign responsibility for the affairs of a united Germany and would enter into negotiations for a peace settlement.

4. That the United States declare, as public policy, the belief that a divided Germany is a certain guarantee of world war III and that only a united Germany functioning under a government freely chosen by and responsive to the will of the German people can remove this danger of war. There can be no peace treaty with Germany worthy of the name without an honest recognition of this reality.

Such a program as I propose would set our Nation on a course of political leadership of the free world. For too long we have refused to accept the role as political leaders of the free world community. For too long we have failed to stand up for our political ideals in a world stimulated into a deep revolutionary era by these very ideals. For too long we have tried to buy our way out of crisis after crisis. For too long we have accepted defeat at the hands of the Russian Communists with the complacency of a people in decline. For too long we have been paralyzed by an undue fear of war and stupefied by such catch phrases as "nuclear stalemate." It is time that we stopped talking and began to act like freemen, conscious of our destiny and confident in the victory of the cause we have been called to lead.

Much of the fault for our present, precarious position must be placed at the doorstep of ignorance. That is, ignorance of Russia, the Russians and the fakery of international communism. We are engaged in a war and we have failed to properly identify the enemy. As a consequence we have been dissipating our strength and wasting our human and material resources wrestling with myths and struggling with evasive shadows of the enemy. We are told over and over again that the Soviets are our enemies but few dare to give live, human identity to the term. We are warned that international communism is the real enemy but the shocking facts of life are that the economic and social theories of Marx and Engels were long ago demonstrated as unworkable by the Russian tyrants. In this age of anti-imperialism we hear the curious phase "Soviet Empire" used to disguise the biggest prison house of non-Russian nations in history.

The word "Soviet" means a council of workers, peasants, and soldiers. Hence, if the Soviets are declared as our enemies we are immediately lined up against all the workers, peasants, and soldiers behind the Iron Curtain. Moreover, use of this deceptive phrase allows no distinction between those people with a historic attachment to despotism and those with a historic attachment to liberty and self-government. All are lumped together into one, faceless mass, devoid of national identity and culture, all speaking the same language, all seeking the same goals, and all firmly attached to the will of the Kremlin leaders. This is precisely what the Kremlin leaders have striven to make us believe—and to believe that they have established a monolith of power over the some 200 million peoples of the U.S.S.R. That they believe they have succeeded in this gigantic deception is attested to by the fact that they are presently engaged in throwing this camouflage over the more recently occupied nations of central and south Europe. That our Department of State has been victimized by this deception is attested to by the fact that it supports a policy of non-predetermination toward the captive, non-Russian nations of the U.S.S.R. In other words our Department of State aids and abets this deception of the Kremlin by denying the right of national self-determination to the peoples of the non-Russian nations of the U.S.S.R. It is a startling but true fact that, since the Stevenson declaration of national policy toward the peoples of Africa, only the people of the non-Russian nations of the U.S.S.R. are now excluded from our historic position on the question of self-determination.

In the spirit of realism, unmindful of the world of fantasy created by the Kremlin leaders, let us take an honest look at the situation behind the Iron Curtain.

There we find anything but a monolith of people and power. To the common man in this vast area, Homo Sovieticus is a Kremlin myth and Homo Russicus is a detested reality of the tyranny imposed upon him. There the theories and claims of communism are nothing more than a refinement of the old despotic way of life under the czars. One special refinement has been added, a vast propaganda machine which maintains the image of a fantasy world to beguile and confuse the leaders of the West.

The U.S.S.R. is a prisonhouse of once free and independent non-Russian nations. Such nations as Ukraine, Byelorussia, Georgia, Armenia, Azerbaijan, Turkestan, Cossackia, and Idel-Ural enjoyed their national independence in the aftermath of World War I. Estonia, Latvia, and Lithuania maintained their independence until 1939. Had the Russian people chosen the course of national independence some 40 years ago, when the Empire of the czars collapsed, the world would not be in a state of crisis today. History records that the Russian people alone, of all the nations emancipated by the crack-up on the old imperial system, failed to embrace the spirit of national independence. They were easy prey for the Bolsheviks who soon molded them into a military force dedicated to the reconstruction of the Russian Empire. Nor were the Russians, White or Red, divided on the question of empire. Both sides of the divided Russian family fought against the newly independent, non-Russian nations and it remains a close question today as to which side played the major role in stamping out the flames of liberty in those neighboring nations. Nor is there discernible division today within the ranks of the Russians on both sides of the Iron Curtain on the question of empire. Both sides are united on this critical question. They are divided only on the question of the form of government to rule the empire.

And it is here that we come to the point of basic judgment on our relations with the Russians. Are we prepared to guarantee the territorial integrity of the modern day Russian empire in return for extravagant claims of friendship of the Russian people as distinguished from their Government? This is precisely what the Russian pleaders in the United States are asking of us. The fact that our Department of State supports a policy of nonpredetermination toward the U.S.S.R. indicates the influence of those Russian pleaders at the high policy levels of our Government.

This policy must be publicly exposed and broken before our Government can begin to take effective action against the enemy which now threatens our very existence. That policy forms a Gordian knot on our political ideals and prevents us from engaging the enemy at places and times of our choosing, and with political weapons the enemy cannot counter.

I propose that our Government adopt a policy of Russia for the Russians. We have recently launched a policy of Africa for the Africans—which means self-government for all the Africans, free from European colonial control. A policy of Russia for the Russians would become an immediate rallying point for the majority of the people of the U.S.S.R.—the non-Russians. Such a policy would announce our public support for the national independence movements now gathering political momentum in all the captive nations. It would also guarantee the territorial integrity of the Russian nation, which is but one of the nations of the U.S.S.R. It would also put us on record as allies of the common man behind the Iron Curtain—workers, peasants, and soldiers. If the Russian people objected the issue would be clearly drawn, which is not the case today. If the Russian people supported this policy then and only then may we count them as friends and allies of freedom.

Recently, Khrushchev and company announced a stepped-up policy of liberation, that is, an all-out effort to colonize all the nations contiguous to the Russian empire as well as those nations newly emerging in Africa and Asia. Moreover, anything the United States or its allies does to prevent this Russian takeover of those nations is regarded by them as an act of war, an unjust war. Contrast this state of affairs with Khrushchev's reaction to the passage by Congress of Public Law 86-90, the Captive Nations Week resolution. In his fury, he asked Richard Nixon, then visiting Russia—"How could you do this to us?" In other words, Khrushchev was asking Nixon—why have you decided to make things difficult for us by calling for the rights of my captive nations to be free and independent? That is exactly what Congress intended by the passage of that resolution. It is time that our Department of State accepted the language of Public Law 86-90 as our national policy toward the modern-day Russian empire. Adoption of such a policy will cut the Gordian knot around our political ideals and unleash a peaceful power many times greater than all the armed forces of the world combined.

We are a self-governing people. Our Government is responsive to the will of our people. Our policies, foreign and domestic, can be no better than the people demand. It is time that our people began to demand a realistic approach to the Russian problem, an approach consistent with our political heritage and our hopes for all the peoples of the world. You, the people have it within your power to assist President Kennedy in breaking the Gordian knot which is slowly but surely strangling our Nation. Let your voices of protest be heard.

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include a speech.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FLOOD. Mr. Speaker, if I had only 15 minutes left I would yield them all to the distinguished barrister from the great city of Chicago [Mr. LIBONATI].

Mr. LIBONATI. Mr. Speaker, I congratulate the gentleman and commend him for his courage. The thought occurs to me, Mr. Speaker, under the resolution creating this new committee, what would be the safeguards against this new Committee on Captive Nations becoming the captive of the Department of State?

Mr. FLOOD. That would depend entirely upon who would have the good luck to be named chairman of that committee—and if it would so happen that I should be named chairman of that committee—that is your answer.

Mr. LIBONATI. Does the gentleman from Pennsylvania feel that the definition of captive nations should be limited only to those countries in the orbit of the Iron Curtain or does he feel as do some very important patriots of Ireland that maybe the northern counties of Ireland are also captive counties?

Mr. FLOOD. On that point, I would yield to my friend from Rhode Island [Mr. FOGARTY], and I will designate him as my expert on Irish partition.

Mr. LIBONATI. Mr. Speaker, I commend the gentleman from Pennsylvania for the study he has made of this subject.

I understand his appearance and statement before the Committee on Rules with reference to this matter was deliberate and analytical. I am sure, under the circumstances, if the leadership is impressed as to the need for this new committee for this necessary purpose that you will be successful.

Mr. FLOOD. My colleague is very kind.

Mr. Speaker, I yield to my friend, the gentleman from California [Mr. HOSMER].

Mr. HOSMER. I think one of the principal virtues of the gentleman's resolution is in the recognition of a new tactic on the part of the West against communism. Brigadier General Sarnoff several years ago indicated the West's potential fifth column behind the Iron Curtain is infinitely greater than communism's fifth column in the free countries. Now this simply means that by virtue of the gentleman's resolution, the first step is being taken toward recognizing that up to the present, communism has managed to keep the conflict off its own home grounds and conduct the fighting in areas of the free world.

So long as that continues and so long as we continue to meet it solely on this defensive basis we are going to have to win every one of these battles to break even, and we can never win. It is only by carrying our initiative behind the Iron Curtain into what the Communists call their peace zone that we can commence to tip the scales on our side.

Mr. FLOOD. What my friend means, and if my southern friends do not object, I want to refer to language used by General Grant, who was a good general, too, when he said that "the best defense is attack." In this situation the best defense against communism is to attack with this kind of weapon.

Mr. HOSMER. It is inconceivable that this Nation as the leader of the free world has not pursued this course long ago. It is long past time to take the step the gentleman recommends, not only that, but to take many many other steps that can be taken administratively by our Government, by our allies, by our people to commence to give the Communist terrorists their troubles at home, to pull them down from within, rather than to leave the initiative with them toward our own destruction.

Mr. FLOOD. I begin to see daylight. I can smell trouble for them. The gentleman is right.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Sitting here listening I have been very much impressed by the fact that we have completely bipartisan support and agreement in support of the gentleman's suggestion.

Mr. FLOOD. That has been true from the beginning on this whole matter.

Mr. PUCINSKI. Very important in our consideration is the statement made by the gentleman from Pennsylvania [Mr. SCRANTON] regarding the position of the State Department and other departments. It is important that we get their position in such matters, but there should be a separation of the powers of government as envisaged by the Constitution and we in Congress should make our own decisions based on our own best judgment. I do not think we should accept their decision to the exclusion of our own action, for we would then be destroying the very keystone of democracy, which the separation between the executive and the legislative branch of government provides. It seems to me there is enough support of the gentleman's suggestion here in Congress so we should go ahead and implement it, regardless of what recommendations the various agencies of the executive branch wish to make on this matter.

Mr. FLOOD. I agree with the gentleman.

THE LONG STRUGGLE AHEAD

We must be prepared for the long struggle ahead not only with military weapons but also—indeed, more so—with new ideas, new perspectives, new dimensions of thought, and hitherto untapped sources of factual information. On July 19, during Captive Nations Week, the President soundly observed:

The American people and this Government and the Congress must realize that we are in a long struggle which we will be involved with for a great many years against very powerful countries, with nearly a billion people in them.

Commenting on this, the editors of the Washington Post in the July 20 issue rightly declared that "the central challenge does not spring from Berlin or Germany. It arises out of the aggressive urge of the new imperialism of Soviet Russia."

Mr. Speaker, in urging the creation of a Special Committee on Captive Nations these many months, many of us have again and again given expression to this realization and, again and again, placed our fingers on this central challenge. In stressing the utter necessity for such a committee we emphatically brought out in our statements and addresses the very point made by Stewart Alsop in his recent article in the Saturday Evening Post:

The hatred of Communist oppression within the Communist states * * * is surely the

West's essential asset in the long struggle in which we are now engaged. Ways must be found to exploit this asset.

Indeed, these ways must be found. I am confident they will be found if we do what must be done in this session. They will be found only with heavy concentration of time, study, and effort devoted to the captive nations in aggregate form. Only a Special Committee on Captive Nations can perform this task. This is why it is so urgent and necessary for us to act now on a true bipartisan basis for the formation of this committee. Not only our leaders and ranking journalists sense this urgency but also, as these assorted examples of the Captive Nations Week observances show, our people across the Nation:

CAPTIVE NATIONS WEEK—PUBLIC LAW NO. 86-90

RESOLUTIONS

S.J. Res. 111

H.J. Res. 454, 459

Whereas the greatness of the United States is in large part attributable to its having been able, through the democratic process, to achieve a harmonious national unity of its people, even though they stem from the most diverse of racial, religious, and ethnic backgrounds; and

Whereas this harmonious unification of the diverse elements of our free society has led the people of the United States to possess a warm understanding and sympathy for the aspirations of peoples everywhere and to recognize the natural interdependency of the peoples and nations of the world; and

Whereas the enslavement of a substantial part of the world's population by Communist imperialism makes a mockery of the idea of peaceful coexistence between nations and constitutes a detriment to the natural bonds of understanding between the people of the United States and other peoples; and

Whereas since 1918 the imperialistic and aggressive policies of Russian communism have resulted in the creation of a vast empire which poses a dire threat to the security of the United States and of all the free peoples of the world; and

Whereas the imperialistic policies of Communist Russia have led through direct and indirect aggression to the subjugation of the national independence of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, White Ruthenia, Rumania, East Germany, Bulgaria, mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Tibet, Cossackia, Turkestan, North Vietnam, and others; and

Whereas these submerged nations look to the United States, as the citadel of human freedom, for leadership in bringing about their liberation and independence and in restoring to them the enjoyment of their Christian, Jewish, Moslem, Buddhist, or other religious freedoms, and of ther individual liberties; and

Whereas it is vital to the national security of the United States that the desire for liberty and independence on the part of the peoples of these conquered nations should be steadfastly kept alive; and

Whereas the desire for liberty and independence by the overwhelming majority of the people of these submerged nations constitutes a powerful deterrent to war and one of the best hopes for a just and lasting peace; and

Whereas it is fitting that we clearly manifest to such people through an appropriate and official means the historic fact that the people of the United States share with them their aspirations for the recovery of their freedom and independence: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation designating the third week in July 1959 as "Captive Nations Week" and inviting the people of the United States to observe such week with appropriate ceremonies and activities. The President is further authorized and requested to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world.

TEXT OF THE PRESIDENT'S PROCLAMATION ON CAPTIVE NATIONS WEEK

Whereas by a joint resolution approved July 17, 1959 (73 Stat. 212), the Congress has authorized and requested the President of the United States of America to issue a proclamation designating the third week in July 1959 as "Captive Nations Week," and to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world; and

Whereas many of the roots of our society and our population lie in these countries; and

Whereas it is in keeping with our national tradition that the American people manifest its interest in the freedom of other nations:

Now, therefore, I, John F. Kennedy, President of the United States of America, do hereby designate the week beginning July 16, 1961, as "Captive Nations Week."

I invite the people of the United States of America to observe this week with appropriate ceremonies and activities, and I urge them to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom.

RESOLUTION OF THE STATE OF PENNSYLVANIA

Whereas the Senate and the House of Representatives of the United States of America have by resolution requested and authorized the President of the United States to designate the week of July 16 through 22, 1961, as Captive Nations Week; and

Whereas the President of the United States of America has by such proclamation invited the people of the United States to observe such week with appropriate ceremonies and activities; and

Whereas the citizens of the Commonwealth of Pennsylvania are fully aware and grieve of the plight of those made captive under the heavy yoke of Russian communism; and

Whereas, it is deemed appropriate to call for a public observance of this occasion so that our knowledge and sympathies may be declared—

Now, therefore, I, David L. Lawrence, Governor of the Commonwealth of Pennsylvania, do hereby designate the week beginning July 16, 1961, as Captive Nations Week.

I invite all Pennsylvanians to observe this occasion with appropriate activities so that all may be made aware of the unfortunate status of those enslaved behind the Iron Curtain and to reaffirm our determination to keep our Nation free to help others obtain equal freedom.

Given under my hand and the great seal of the State at the city of Harrisburg this 12th day of July in the year of our Lord 1961 and of the Commonwealth the 186th.

DAVID L. LAWRENCE,
Governor.

RESOLUTION OF THE STATE OF NEW YORK

The roll of nations held captive by Communist colonialism is one of appalling length and we now find the Red tide has come to within 90 miles of our own shores.

As the Congress of the United States has pointed out in a joint resolution, the United States, in the eyes of the enslaved peoples, is the citadel of human freedom. They look to us for leadership in bringing about their liberation and independence and restoring the enjoyment of their religious freedoms. If we fail to provide this leadership, we not only doom these captive peoples, but place our own freedom in jeopardy.

We Americans are proud that many refugees from the oppressed countries have found asylum in the Home of the Free. We have benefited from their coming. They have become valued neighbors and loyal and industrious members of our State and Nation.

Now, therefore, I, Nelson A. Rockefeller, Governor of the State of New York, do hereby proclaim the week of July 16–23, 1961, as Captive Nations Week in New York State, and I urge the widest possible cooperation in the observance of this week.

Given under my hand and the privy seal of the State at the capitol in the city of Albany this 7th day of July in the year of our Lord 1961.

NELSON A. ROCKEFELLER.

RESOLUTION OF CITY OF NEW YORK

Whereas in accordance with the President's proclamation designating the third week of July 1961, as "Captive Nations Week," the people of this country believe that: our Nation was founded upon tolerance and love for one another, and we further believe that the subjugation of any nation, state, or municipality under rule of dictatorship or tyranny is deplorable; and

Whereas harmonious unification of the diverse elements of our free society has led the people of the United States to know a thorough understanding of the aspirations of their fellow man and to recognize the natural interdependency of all nations and people in every phase of our civilization; and

Whereas domination of any part of the world's population by overwhelming power constitutes a mockery of the ideal of peaceful coexistence between nations and is detrimental to natural bonds of understanding between the citizens of the United States and other peoples,

Now, therefore, I Robert F. Wagner, mayor of the city of New York, do hereby proclaim the third week of July 1961, as "Captive Nations Week" in New York City, and do call the attention of the citizens to the fact that while we abhor slavery we are also aware that another world war in our time would mean the end of civilization and therefore we desire, through peaceful means, the restoration of their inalienable rights to all peoples wherever dictatorship exists so that generations hence may enjoy the righteous principles of a true parliament of the world and an indestructible brotherhood of man.

PROCLAMATION FROM THE OFFICE OF THE MAYOR, CITY OF CHICAGO

Whereas by joint resolution of the Congress of the United States and by proclamation of President John Fitzgerald Kennedy, the third week of July has been designated as "Captive Nations Week"; and

Whereas the city of Chicago is linked to these captive nations through the bonds of family, since numbered among the people of Chicago are hundreds of thousands of our citizens who through nativity or ancestry treasure the heritage which endowed them with the culture and industry which are theirs; and

Whereas these nations have been made captive by the imperialistic, aggressive, and heartless policies of communism; and

Whereas the peoples of these Communist-dominated nations have been deprived of their national independence and their individual liberties; and

Whereas it is appropriate and proper to demonstrate to the peoples of the captive

nations the support of the people of the city of Chicago for their just aspirations for freedom and national independence; and

Whereas the people of Chicago, as do all the people of the United States, want for the peoples of the world the same freedom and justice which is theirs;

Now, therefore, I, Richard J. Daley, mayor of the city of Chicago, do hereby designate the week beginning July 16, 1961, as "Captive Nations Week."

I urge the people of Chicago to join with the committee appointed by me to arrange for observance of the occasion in appropriate ceremonies and activities, and I urge all of our churches, our educational institutions, and all media of communications to observe the plight of the Communist-dominated nations and to join in support of the just aspirations of the people of the captive nations.

I especially encourage everyone to concretely demonstrate his or her interest in the people imprisoned in the captive nations by their attendance at the program to be held at the band shell in Grant Park on Sunday afternoon, July 16, at 2 o'clock.

Dated this 11th day of July, A.D. 1961.

RICHARD J. DALEY,
Mayor.

OFFICIAL PROCLAMATION OF THE CITY OF SOUTH BEND, IND.

Whereas many nations throughout the world have been made captive by the imperialistic and aggressive policies of Soviet communism; and

Whereas the peoples of the Soviet-dominated nations have been deprived of their national independence and their individual liberties; and

Whereas the citizens of the United States are linked by bonds of family and principle to many of the captive nation peoples; and

Whereas it is appropriate and proper to manifest to these people of the captive nations the support of the Government and the people of the United States of America for their just aspirations for freedom and national independence; and

Whereas by a joint resolution approved July 17, 1959, the Congress has authorized and requested the President of the United States to issue a proclamation designating the third week in July 1960 as "Captive Nations Week" and to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world:

Now, therefore, I, Frank J. Bruggner, mayor of the city of South Bend, do hereby designate the week beginning July 16, 1961, as "Captive Nations Week," and invite the people of South Bend to observe such week with appropriate ceremonies and activities, and I urge them to study the plight of the Soviet-dominated nations and to recommit themselves to the support of the just aspirations of the brave peoples of those captive nations.

Done at the city hall this 11th day of July 1961.

FRANK J. BRUGGNER,
Mayor.

THE MANION FORUM, SOUTH BEND, IND., JULY 16, 1961—WEEKLY BROADCAST NO. 355—PLIGHT OF MOSCOW'S CAPTIVE NATIONS MUST NEVER BE FORGOTTEN

(Guest: Hon. DANIEL J. FLOOD, of Pennsylvania)

DEAN MANION. Two years ago this week, both Houses of Congress, without a dissenting vote, passed what was called the captive nations resolution. Nothing that has happened—before or since—has served the cause of world freedom so spectacularly as this unanimous declaration of the American Congress.

Khrushchev reacted immediately with an outburst of verbal violence. The captive nations resolution had touched the raw exposed nerve of the Communist conquest and the Red devils were hurting badly.

At long last our anti-Communist guns were "on target" and hundreds of millions of enslaved people throughout a third of the world were inspired with new hopes for freedom.

But, we haven't followed through. On the contrary, a few short weeks ago Khrushchev was boasting about his allied countries around the borders of Soviet Russia. Nevertheless, the raw nerve of Soviet slave-colonialism is still exposed.

The captive nations are still determined to be free. Khrushchev admits as much when he tells us that West Berlin is a bone in the Communist throat. By the language of the famous congressional resolution of 2 years ago, this is Captive Nations Week.

To underscore its observance I have brought to this microphone an ardent, eloquent champion of the captive nations, who is resolved to exploit this weakness in the Communist slave system with another congressional resolution, one which provides for continuous constructive action. It is a pleasure to present the distinguished and able Congressman DANIEL J. FLOOD, of Pennsylvania.

Mr. FLOOD. Thank you, Dean Manion. Many of us will recall the successful Captive Nations Week observed by millions of Americans last year. The data surrounding this first anniversary event reveal that Moscow and its puppets exceeded in vehemence and vituperation the reaction produced by Khrushchev the previous year when Congress passed the Captive Nations Week resolution.

It appears that the Red totalitarians fear the possibility that this observance will become strongly traditional and that its effects will be felt in both our policy and actions.

It is most important for us to observe, too, that this sensitive reaction of Moscow to the Captive Nations Week observance went far beyond the range of mere vitriolic opposition. Khrushchev and his minions carried their attack into the United Nations General Assembly and sought to pin the colonialist label on the United States.

By their massive tactic in the U.N. last autumn they aimed not only to obtain the favor of certain Asiatic and African states, but also to shift the spotlight of colonial rule from their own empire. This spotlight was focused on Russia's unprecedented empire 2 months before during the Captive Nations Week observance.

We are all familiar with Khrushchev's tirades in the U.N., but are we equally cognizant of the tactics and speeches of some of his trained puppets?

A Mr. Podgovny, for example, who ostensibly represents the Ukrainian S.S.R., centered some of his bombastic remarks on the "Captive Nations Week" and tried desperately to show that the Ukraine is a "sovereign and free state."

For appearances sake, Khrushchev even permitted his puppet to deliver his address in the Ukrainian language, the first of its kind in the U.N., on October 4, 1960. The contents of this speech, as well as those of the address given by the Byelorussian delegate, Mr. Mazurov, are not to be taken seriously.

What is to be taken seriously, however, is the Khrushchev masquerade of so-called representatives of "sovereign and free states." His attempt to conceal the colonial and captive status of the many non-Russian nations within the U.S.S.R. must be exposed.

A full-scale exposure of Moscow's extensive colonial rule is in the highest interest of securing peace with justice. Nothing can contribute more to a genuine and solid improvement of relations with the U.S.S.R. than an intelligent expression of our live awareness of Moscow's colonial and imperialist domination over nations both within and outside the Soviet Union.

Any indication of an unawareness of this reality and of an inability to penetrate the blatant hypocrisy of Moscow on the colonialism issue would be inimical to such a desired improvement.

From the examples I have set forth it is evident that there are far too many responsible people in this country who still fail to grasp the strategic meaning and significance of all the captive nations taken as an aggregate. Despite the fact that two Presidential proclamations on Captive Nations Week have summoned the American people to study this subject closely and intensively, many misconceptions, myths, and misunderstandings continue to circulate.

Indeed, in his state of the Union address, President Kennedy demonstrated the consistency of his position when he declared: "We must never forget our hopes for the ultimate freedom and welfare of the Eastern European peoples."

Both domestically and internationally there is an increasing craving for knowledge and understanding of the entire complex of captive nations. I have indicated the tremendous opportunities that such systematic knowledge and understanding can open for us in our contest of ideas and action with colonial Moscow.

Only last December 27, Reuters reported Khrushchev as saying: "Subjugated colonial peoples will not find themselves alone if they have to struggle for their freedom."

SPECIAL COMMITTEE WILL KEEP CAPTIVE NATIONS UNDER SCRUTINY

All of us understand the cynical meaning of this remark. But, aside from underlying objectives, can we truthfully say that our demonstrated and sincere interest in all of the captive nations, particularly those in the U.S.S.R. itself, exceeds the cynical interest displayed by Moscow in the peoples of Africa and Asia? I think not.

The creation of a special Captive Nations Committee, which I have proposed in the Congress, would serve not only to remedy this deficiency but also to provide us with a means of systematically and methodically reporting on these nations in the aggregate. Its studies, reports, and inquiries, undertaken in a regularly consistent and objective manner, would maintain the spotlight of free world attention and opinion on Moscow's colonial system.

No degree or amount of fluctuations in our relations with the Soviet Union can ever be offered as an excuse to be indifferent to or conceal the facts and truths about totalitarian Russian colonialism.

The periodic findings of such a committee would establish the rational grounds for many opportunities of practical action in our relations with Moscow, and it would undoubtedly prove to be of immense aid and assistance to both public and private interests in our society.

From the viewpoint of our own national security and on the question of war or peace, the vital importance of all the captive nations should be self-evident. They constitute a paramount political reality to which we should be devoting proportionate attention and resources in a sustained undertaking of methodic study and inquiry.

For the past several months I have regularly released some of the letters and communications received in support of my House resolution. Space permitting, the CONGRESSIONAL RECORD contains dozens of these letters sent in by groups and individuals from all parts of the Nation.

Many of these letters indicate not only a spirited favorable reaction to my proposal and those of my colleagues, but also the thinking of our citizens and friends on this vital issue. I am happy to report that all the major general organizations with a

knowledgeable interest in this basic subject have endorsed my resolution, House resolution 211, and their representation exceeds 20 million American citizens.

From these endorsements of House Resolution 211, one can extract many sound and convincing reasons for the necessary creation of a Special Committee on Captive Nations. In brief form I should like at this time to advance some of these reasons.

1. From his vantage point President Eisenhower in two proclamations on Captive Nations Week summoned the American people "to study the plight of the Soviet-dominated nations and to recommit themselves to the support of the just aspirations of the people of those captive nations."

2. President Kennedy in answer to a question raised on this subject during the Presidential campaign said: "I am, of course, in agreement with the Presidential proclamations. The captive nations should be studied intensively. If a Joint Congressional Committee on the Captive Nations is the best way to insure such popular study, I would naturally not be opposed to it."

3. There is a hazardous gap in our official and private facilities as concerns this necessary task of studying systematically, objectively, and continuously all of the captive nations, especially those in the U.S.S.R. Nowhere is there any agency, public or private, performing this essential task.

4. Passage of House Resolution 211 would be the first concrete implementation of the Captive Nations Week resolution, passed by Congress in 1959. The fearful reaction of Moscow to this resolution shall never be forgotten. We can show now that we meant what we resolved then.

5. House Resolution 211 is realistically based on the aggregative concept of the captive nations—meaning those inside the U.S.S.R. as well as outside, in Asia as well as in eastern Europe. It emphasizes the strategic importance—indeed, the primary strategic value—of all these nations for peace and also for cold and hot war purposes.

PUPPET GOVERNMENTS EQUALLY GUILTY OF DESPOTISM

6. As advocates of freedom everywhere, we must always realize that the cold war is not just between Moscow's totalitarian empire and the free world, but also and essentially between the captive peoples and the imposed puppet governments. House Resolution No. 211 is based on this realization, and its passage would provide the necessary and the prudent leverage for the captive nations in their cold war against colonial Russian domination.

7. The studies, facts, and truths educed by a special committee would give the constant lie to the propagandized and overblown Russian image, particularly in the underdeveloped areas of Africa, Asia, and Latin America.

8. Such a committee, engaged in continuous work based on the aggregative captive nations concept, would become a rich reservoir of new dimensions of thought, of new and fresh ideas, of solid and grounded recommendations for positive and constructive action against the traditional imperialism and colonialism of Moscow.

9. The existence of such a committee would be a permanent reminder to Khrushchev that we do not now nor shall we ever write off the captive nations. This committee would give concrete evidence to the position expressed by the President in his state of the Union message: "We must never forget our hopes for the ultimate freedom and welfare of the Eastern European peoples."

10. Now that we have reached the second anniversary of Captive Nations Week observance, the House of Representatives can take the lead in making this observance a still more successful one by creating this Special Committee on Captive Nations.

These solid reasons underlying the necessity for a Special House Committee on Captive Nations are in complete consonance with the many forceful declarations made by the President in recent weeks.

As a matter of fact, the committee contemplated by House Resolution 211 would be a proper congressional medium giving concrete expression to these remarkable declarations.

In his note to Khrushchev, the President stated: "The great revolution in the history of man, past, present, and future, is the revolution of those determined to be free."

The special committee will relate and record for the benefit of our people the forces of this revolution in Eastern Europe and Asia. In his address to the American Society of Newspaper Editors the President warned: "We dare not fail to see the insidious nature of this new and deeper struggle. We dare not fail to grasp the new concepts, the new tools, the new sense of urgency we will need to combat it."

The special committee could help immensely in this by showing our people and others in the free world how these new concepts and new tools were employed also in the rape of formerly independent nations in Eastern Europe and in Asia.

In a second note to Khrushchev, the President emphasized that "the people of the United States believe that the right of self-determination is fundamental and should apply throughout the world."

In the full spirit of this fixed belief, our special committee would focus steadfast public and world attention on those over 20 nations in Eastern Europe and Asia whose expressed right of national self-determination has been nullified by Moscow's imperialism and colonialism.

Thank you very much.

DEAN MANION. Thank you, Congressman FLOOD. My friends, tell your Congressmen to join Congressman FLOOD in the sponsorship of this House Resolution 211 and see that it is passed promptly. If you want to twist the bone in Khrushchev's throat, this is the way to do it.

Berlin is not the most dangerous "bone" in Khrushchev's throat. The ones that keep him awake nights are the captive satellite nations, always rumbling with revolt against Russian occupation and Kremlin tyranny.

The West should lose no opportunity to agitate the spirit of resistance latent in those countries.

This enlightening speech by Congressman DANIEL J. FLOOD, of Pennsylvania, points up how we can tighten these "bones" in Mr. K's throat.

This speech merits wide distribution. We urge all companies and individuals to order printed copies in quantities.

CAPTIVE NATIONS WEEK, 1961

(Moderator: Matthew Warren)

Millions of Americans throughout the Nation will be observing Captive Nations Week. The week runs from Sunday, July 16 through Saturday, July 22. The two largest cities—New York and Chicago—are staging under the auspices of Mayor Wagner and Mayor Daley, respectively, official citywide observances. The same is true of Buffalo and other cities.

The annual observance is based on the Captive Nations Week resolution passed by Congress in July 1959. Since then it has been referred to as Public Law 86-90. The law calls upon the President to issue annually a proclamation commemorating the week. Both in 1959 and 1960 President Eisenhower satisfied Congress' request and proclaimed the week. It is expected that President Kennedy will do likewise.

Khrushchev's explosion over the passage of the resolution in 1959 is an unforgettable episode of contemporary history. The 1960 observance brought even greater vehemence and vituperation from Moscow and its colonial puppets. One of the panelists, Dr. Lev E. Dobriansky, who originated and authored the resolution, declares that "with the Independence Day message to the President, fabricated rumors of a growing Moscow-Peiping cleavage, and ziz-zags on the Berlin issue, Khrushchev's propaganda is aimed at influencing the President not to issue a proclamation this year."

The panelists will discuss the themes of the week: (1) firm position on Berlin; (2) no Red China in the U.N.; (3) formation of a House Committee on Captive Nations; (4) the restoration of the champion of liberty stamp series; and (5) the need for a cold war strategy to defeat Soviet Russian imperialism and colonialism.

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Mr. WARREN. Millions of Americans throughout the Nation will be observing Captive Nations Week. The week runs from Sunday, July 16, through Saturday, July 22. The two largest cities—New York and Chicago—are staging under the auspices of Mayor Wagner and Mayor Daley, respectively, official, citywide observances. The same is true of Buffalo and other cities.

The annual observance is based on the Captive Nations Week resolution passed by Congress in July 1959. Since then it has been referred to as Public Law 86-90. The law calls upon the President to issue annually a proclamation commemorating the week.

To begin our discussion, Dr. Dobriansky, I know that you have been interested in this for 3 years now. In the first year of Captive Nations Week, during the first week, you stirred up quite a commotion with Mr. Khrushchev, who violently objected. Is the purpose simply to have Khrushchev violently object to it?

Dr. DOBRIANSKY. No, that isn't the purpose of it. There are quite a number of people in this country—and editors have indicated it in their editorials—who have the idea that the Captive Nations Week resolution, and the proclamations and observances that have been held annually, are purposed to irritate the "Bear." There is no need to irritate the "Bear." The main object here is to crystallize a good deal of thinking concerning the captive nations.

To appreciate these observances, first what do they mean? What is their significance, their effects, well, what is their usefulness? I think one has to get an idea of the background. As you indicated, Mr. Warren, back in 1959, when the resolution was passed by Congress, everyone saw this eruptive explosion out of Moscow. When Mr. Nixon arrived in Moscow the very first thing that Khrushchev brought to his attention was the passage of this Captive Nations Week resolution. And this reaction on the part of Khrushchev continued, into August, into September, and into October. For example, in August he came out with an article in Foreign Affairs in which he expressed his indignation over the resolution. Before the Supreme Soviet in October he dwelt extensively on the resolution. So there was a great expression of fear, indignation, and vituperation on the part of Moscow concerning the resolution. Last year, to give you further background on this, the observances in this country even brought about a larger measure of vituperation and vehemence from press organs, radio and TV networks throughout the Communist empire. Consequently, one looking at this evidence cannot help but arrive at a conclusion which impresses me, at least, and that is this: When you recall, look back, over the past, let us say, 8 years, ask yourselves what events have brought about as great a reaction of fear and loss of confidence on the part of Moscow and its puppets, as this. I submit

that except for the U–2 incident last year, in May 1960, that this resolution and these observances that are being held seem to strike the most sensitive chord in the empire.

Mr. WARREN. Yes, but are you offering any hope to the captive nations themselves? How do you know you're reaching them? Mr. Regnery?

Mr. REGNERY. I don't think it's so essential to reach the people in the captive nations. They know they're captive, and they know the situation. It seems to me that there are two very important things that this annual observance does. One, it keeps people in this country aware of the situation behind the Iron Curtain, of the fact that we are conscious of this situation, and that is that we are strongly aware of Soviet imperialism. And, second, we eventually will do something about it.

Mr. MILLER. As editor of Freedom's Facts in Washington, we watch day after day the reactions to various efforts which are made in the free world and the response to Captive Nations Week by the Communists is, I think, very revealing. Last year they used, for example, a great deal of newspaper space and hours on radio in an effort to persuade people inside the Communist bloc countries that Captive Nations Week was a failure, and that the only enslaved peoples of the world were outside of the Communist bloc. The Soviet news agency Tass, for example, called it another foul scheme. Red Chinese news agencies said Captive Nations Week was a provocation against the Socialist countries. I would judge from the amount of effort put into persuading the captive peoples that Captive Nations Week really didn't amount to much, that the Communists and Communist leaders in Moscow are very much afraid of the ideas which Captive Nations Week proposes. I'd even judge that Captive Nations Week in the United States got as much attention, or nearly as much attention, in the Soviet press last year as the first Russian sputnik did in the United States a few years ago, and for many of the same reasons.

Dr. DOBRIANSKY. I would like to add to that by saying that first, certainly, the captives both within the Soviet Union, mind you, and in the so-called satellite areas are informed extensively by the reactions expressed by the Soviet press, by the radio, and those media in the "satellite" areas. So there is no problem here. They know about the observance from the articles that are being written and appear in various journals. I know on many occasions I have been attacked for this myself in some of the publications in the Soviet Union. And I think that's to the good—in that as the imperialists, the colonialists, in this Empire react to us, at the same time they inform the captive populations of what is going on. A second point is that especially since the sputnik, Bulganin at that time, and Khrushchev, and numerous others, have been attempting to achieve one thing: namely, to deflect the attention of the free world, and particularly the United States, from these captive areas. And I emphasize once again that this embraces not only the captive nations in central Europe, meaning Poland, Hungary, Czechoslovakia, Bulgaria, Rumania—those that we unfortunately look upon as the sole captive nations—but, even more importantly, the many captive nations within the Soviet Union. I'm speaking here of Latvia, Estonia, Lithuania, White Ruthenia, Ukraine, Azerbaijan, Georgia, Armenia, and Turkestan in central Asia. I would even necessarily throw in an entity called Idel-Ural and also Cossackia, and an area called North Caucasia. Then, when one goes into the Asiatic sphere, North Korea, North Vietnam, Red China, that is, mainland China, are also captive nations. Tibet and Cuba must be added.

The objective of the imperialists-colonialists propaganda emanating out of Moscow, also emanating out of Peiping, has been to deflect our attention, get our attention engrossed in one area—in Asia, south Asia, meaning Pakistan, or in the Middle East, meaning Iran, UAR, in Africa, in Latin America, in other words, in all those areas on our side of the 50-yard line. Unfortunately—and I regret to say this—in the past 6 or 7 months, when you look at the press accounts, there really has been relatively little in the way of expression of American interest, a continuing, persistent interest, in all of these captive nations.

Mr. MILLER. Communists, of course, fear two kinds of movements above all others. One, they call revisionism, which means the revision of Communist dogma, which would eliminate mainly the need for loyalty of various Communist-run states to Moscow, and the other is a feeling for individual and national independence of the countries which they have already conquered, as we proclaim in Captive Nations Week. We can throw fear into Communist leaders, we can keep alive opposition to Communist tyranny in the captive nations, and we can move toward their liberation from Communist rule, all without leaving our own communities. And this, I think, is one of the various parts of the Captive Nations Week. We can do this just by raising our voices in favor of freedom, and one of the things that is being done, I know, in Washington—and in many other observances throughout the country—is to give fine American organizations and individuals the opportunity to express their solid support behind the policy of freedom for all captive peoples.

Mr. REGNERY. I would like to say something in connection with Dr. Dobriansky's remark a few moments ago, that the Soviets attempt to take the heat off the captive nations by bringing up the Asiatic countries, Africa, and so on. It seems to me that during the past few months we have in a sense fallen for this sort of thing. Our representative in the United Nations, Mr. Stevenson, voted for the resolution authorizing an investigation of the Portuguese colonies in Africa. Now it seems to me that while it may be perfectly legitimate to investigate Portuguese imperialism, our efforts should be devoted toward investigating Soviet imperialism. And I think one of the great things that Captive Nations Week can do is to remind us and remind our leaders of the fact that the greatest imperialists in the world are the Soviets.

Mr. WARREN. Dr. Dobriansky, let's examine what is going on now behind the Iron Curtain or in captive nations. How long have these nations been captive, first of all?

Mr. DOBRIANSKY. Well, as one goes into the Soviet Union, there are some that have been captives since 1920, 1921–22, during the first wave of what I call Russian Communist imperialism. And the second grouping, of course, began with the Second World War, when certain nations, namely the Baltic States, were thrown behind the Iron Curtain. Then, of course, the third wave, toward the close of the war—Poland, Hungary, Czechoslovakia and the like—bring us up to the Danube. Then, beyond that, looking into the Asiatic sphere, the end of the forties and going into the fifties, there were North Korea, North Vietnam, mainland China, and Tibet. And now, of course, we're down at the frontier of Laos.

Mr. WARREN. All right. And we know that the Communist modus operandi is to indoctrinate the youth. Now, after 40 years, is there much hope for any resistance from these youths whom we assume to have been totally indoctrinated in communism?

Mr. DOBRIANSKY. Well, my reply to that is, first that this question is often brought up. My direct reply to it is simply this: Many of the youth in the Soviet Union, since it was formed back in 1922–23, were indoctrinated. And yet, when the opportunity presented itself at the beginning of the Second World War, you had mass desertions on the part of these people who were so indoctrinated.

Take another illustration: Hungary. Ten years had passed of so-called indoctrination among the workers, the youth, and yet in October 1956 we found this spontaneous revolution on the part of chiefly the youth and the workers.

My point here is, and, of course, this may be at variance with some of the thinking on the part of anti-Communists in this country, that communism as a philosophy is bankrupt. It's a mask, a facade. Mr. Khrushchev uses it; for example, when he came here he posed the problem, communism versus capitalism. To me that is an utterly spurious issue and has no basis in reality. Actually, the main problem is one of sheer colonialism, imperialism, centered in Moscow and fostered by the puppets, the quislings, in many of these captive countries, versus freedom.

Mr. MILLER. I'd like to add one comment on youth. Youth are naturally rebellious against anything which their parents have adopted and tried to inculcate in them, and we are finding that young people in the Soviet Union in the universities and throughout the Communist bloc who did not go through the experience of the Communist revolution now want something new. They're looking about, and many of them, we understand, are looking toward the United States for what new ideas we can offer them. One thing that impresses me in this as we look back through history is that the type of political control which the Communists are using is actually obsolete, as Mr. Dobriansky said. Aristotle, writing some 300 years before Christ, even then called their particular type of political control obsolete. People are bound to move toward greater individual freedom, greater national freedom, and in the process leave the type of tyranny which the Communists are trying to promote, say, in the ashcan of history.

Mr. REGNERY. On the subject of youth, isn't it worth pointing out that a great many of the 5,000 or so refugees that come through Berlin every week are young people, and they, of course, in most cases have come to maturity under communism?

Mr. WARREN. Now what do you expect to do during Captive Nations Week? Here is a period of 7 days in which you can express yourselves—and then what happens?

Mr. MILLER. I am chairman of the Washington chapter of Captive Nations Week for the Washington metropolitan area. In our area our District Commissioners, who collectively represent what mayors do in most cities, have issued a proclamation, urging all people throughout the area to observe Captive Nations Week with appropriate ceremonies, with prayers in churches. And the committee has begun Captive Nations Week 1 day early, with a breakfast on Saturday. There will be prayers in churches throughout the area, and there will be special meetings by nationality groups. We are very fortunate this year in getting the wholehearted support of many veterans, civic, church, and nationality groups. For they are not only examining the themes of Captive Nations Week, but they are also standing solidly behind and letting the Communists know that we stand behind a policy of freedom for all the captive peoples in the world.

Mr. REGNERY. In Chicago there will be a mass meeting in Grant Park. Last year we had 10,000 people, and I am sure that there will be that many this year. There will be a parade and special church services. The mayor has issued a proclamation. And, of course, someone can say all these things are just words. But words by means of which ideas are communicated, and it is ideas that run the world.

I think that all these things help to keep the idea of freedom alive. At the captive nations mass meeting in Chicago last year, we had a very impressive demonstration. There are many nationality groups in Chicago, and each group sent about six or eight representatives in national costume, each one with a national flag draped in black. They sang hymns, had bands. It was a very impressive, solemn dedication to freedom.

Mr. WARREN. Dr. Dobriansky, aside from the mere observing of Captive Nations Week, it seems to me an ideal opportunity for people who are conversant on the subject of communism and understand its problems to express themselves in other ways, such as on the admission of Red China to the United Nations, on the restoration of the championing of liberty stamp series, which I know is one of your themes, and the need for cold war strategy. But do you really express yourselves on these things?

Dr. DOBRIANSKY. Oh, indeed. But before I answer that, may I just throw in, from the national viewpoint here, that in many other cities throughout the country—up in New York Mayor Wagner will be issuing a proclamation, and, of course, the Governor. And this is being repeated in Philadelphia, Buffalo, Cleveland, Detroit, and out in San Francisco. And lest the listener feel that this is simply an ethnic or nationality affair, which it is not—although the nationality groups, or those of ethnic background, with a heritage coming from the captive areas of Europe or Asia are primarily interested in it—you have quite a number of others who are participating in this. Consequently, in Houston, Tex., the mayor is issuing a proclamation, and also the one in Orlando, Fla. I might submit that even in some other areas of the free world, in Formosa, for example, plans have been made for coordination with this, and the same thing in Manila. So there is even the prospect for an internationalization of the week, despite the fact that the resolution is a U.S. congressional one.

Now concerning the themes, these themes that we speak of actually come within the focus of this crystallization. Captive Nations Week itself crystallizes what many Americans have been thinking about in the course of a year. And this gives them an opportunity to express themselves in an exchange of ideas and in a clarification of facts concerning the captive world and its strategic importance to the national interests of the United States. They then can come to certain conclusions. Mr. Regnery is quite correct. You must first have the idea, and we seek through this observance not only a clarification of the idea but the entrenchment of conviction, then, as this conviction proves and magnifies itself, action.

There are many themes that will be taken up. You mentioned a few. We feel that our position in West Berlin should be an uncompromising one, a firm one. We feel that Red China should not be admitted into the United Nations, and we feel that the best gift which the Congress could at this time make to the American people would be to pass House Resolution 211, creating a special House Committee on Captive Nations. There are a number of other things: The passage of the Freedom Academy bill; the activation of the Kersten amendment to the Mutual Security Act with reference to Cuba, a new captive nation; the expansion of the Voice of America; the restoration and extension of the champion of liberty stamps, which, unfortunately, the Post Office Department has been discouraging, and thus making a grave mistake. In this last case we could develop a precious philatelic album of freedom, and this would abet people-to-people contact, one of the best media that one can think of. Also, there is the matter of establishing an executive agency on the self-determination of all of these captive nations. We seem, in the light of fruitless experience, to be more concerned about establishing an agency on disarmament. Yet here is a definite opportunity to seize upon by establishing an agency for the self-determination of these captive peoples.

Mr. WARREN. Are we reaching or communicating with, in any way, the captive nations?

Mr. MILLER. I think that we are communicating with them. The people in the captive nations are very much aware of everything that is done in this country in Captive Nations Week. If we don't reach them directly, through our various radio and newspaper and other media channels, we reach them through the media of their own publications, their own Communist publications, which publicize the ideas we support, in the process of rebutting them. During the past month or so, for example, Khrushchev and others have been making speeches in many different localities, including inside the captive nations, and they have been trying to persuade the people of two things; one is that victory of the Communist cause is inevitable, and that no one can resist it; and the other is that they inside the captive nations, inside the Communist bloc, are the freest people in the world. They are trying to follow, it appears, Pavlov's theory that if you ring a bell and associate certain words with it that people will identify the words in place of the actual physical or material object the word represents. In a sense it's like a jailor trying to convince a man in prison, in a prison cell, that he has freedom. And when someone comes along and says to this prisoner that he wants to achieve freedom for him, the prisoner says, "Well, I already have freedom, but how do I get out of this prison cell?" I think this is the approach they have been taking; so it convinces me that the people in the captive nations, as well as the Communist overlords, are fully aware of the various things that we are doing.

Mr. WARREN. I'm interested in your defining Cuba as a new captive nation, Dr. Dobriansky.

Dr. DOBRIANSKY. I said "new captive" nation. Well, perhaps one can't regard Cuba as a complete captive nation as yet, although there are some who feel that they should be placed into that category. However, I don't think there is any doubt about it being in clear transition. It will be in a state of complete captivity when it becomes openly used as a base for Russian operations throughout Latin America. Instead of waiting, we should take definite steps against this. I indicated here the activation of the Kersten amendment. It's very interesting that 10 years ago, when a number of us were involved in this amendment, we stressed the vital importance of guerrilla warfare. Ten years later we begin to hear a great deal about it.

Mr. WARREN. Now, will you address yourselves to our listeners, and tell them exactly what they may do to help with Captive Nations Week, or to participate in it? Mr. Miller?

Mr. MILLER. Well, there are two things which can be done, of course. One is to hold meetings and let the various news media know that these meetings are being held and that the groups involved are taking positions in favor of freedom for all the captive people. This, of course, includes prayers in churches throughout the week. The other thing, of course, is to become much more aware of Communist colonialism, and the degree to which the captive nations are actually colonial subjects of the Communist power.

Dr. DOBRIANSKY. Also, with a growing familiarization with all of these captive nations, write to your Congressman, to your Senators, and especially in connection with many of the projects that are going on up on the Hill with reference to the captive nations. There are quite a number of things that could be done along these lines.

Mr. WARREN. Gentlemen, thank you very much for your participation in this discussion of Captive Nations Week, 1961, the 765th consecutive broadcast of the Georgetown University Forum, another in a series of educational and informative programs from Washington.

The Georgetown Forum was founded in 1946.

This is Matthew Warren, speaking by transcription from Raymond Reiss Studio on Georgetown University campus, historic seat of Jesuit learning. Our participants in today's program: Mr. Henry Regnery, publisher, Henry Regnery Co., and chairman of the Chicago Captive Nations Week Committee, Inc.; Mr. Donald L. Miller, editor, Freedom Facts, and chairman of Captive Nations Committee, Inc., for Washington, D.C.; and Dr. Lev E. Dobriansky, professor of economics, Georgetown University, and chairman of the National Captive Nations Committee, Inc.

"ASK KEN KEATING": A TELEVISION AND RADIO PROGRAM WITH SENATOR KENNETH B. KEATING, SUNDAY, JULY 16, 1961

(Senator KEATING, urges the United States to take Berlin initiative by sending additional forces to Europe, exploiting observance of Captive Nations Week, and pressing for U.N.-run free elections behind Iron Curtain.)

This is Senator KEN KEATING. Welcome again to "Ask KEN KEATING."

BERLIN

A young man in Rochester, who describes himself as a "student of world affairs" has written me an intelligent letter about the Berlin problem. He asks the question I see often in my mail: "When are we going to get off the defensive and on the offensive in the Berlin situation?"

My answer in a nutshell is that we'd better take the offensive soon, or it may be too late. There's no doubt that Khrushchev's belligerent speeches and actions represent an attempt to push us into a corner in Berlin so the East German satellite can take over. But there's no reason in the world why we should let him have his way.

We are operating from a position of strength in Berlin in the sense that we are there as a result of treaty agreements and because West Berlin is a showcase for freedom which contrasts dramatically with the drab existence of the oppressed East Berliners. The steady flow into West Berlin of escapees from Communist Berlin demonstrates decisively the attractiveness of freedom over communism and this hurts Khrushchev directly and sharply.

We must exploit these strong points, but we can do more. It's time we backed up our pious and stern statements about Berlin with some military muscle flexing. I certainly hope, in this connection, that the current reassessment of our military position will not delay any longer the firm moves which will demonstrate to the world our determination and ability to honor our obligations to preserve a free Berlin. Specifically, the military reappraisal must not stall the sending of additional troops to Berlin and West Germany. It should not put off the proclamation of a partial mobilization, if that is the course the Chief Executive chooses to follow.

In a word, the somewhat tardy reevaluation of our Military Establishment should not be used as an excuse for further indecision and timidity in our Berlin policies.

An additional way in which we can take the initiative in the Berlin situation is by exploiting to the full this coming week's observance of Captive Nations Week. By an active and well-publicized rededication to

the liberation of the noble peoples now trapped behind the Iron Curtain we can jab deeply into the Achilles heel of the Communist empire.

During Captive Nations Week we can reaffirm our sympathy for those now living under Communist domination. We can reassure them that they are not forgotten. And we can resolve anew to work for their return to the family of free nations.

In this connection, the United States must lose no opportunity to continue to press for free elections in Berlin and behind the Iron Curtain. This subject should be high on the agenda at this fall's United Nations meeting, where I hope our delegation will push for U.N.-monitored elections in all nations now writhing in Communist chains. This is an effective way to reveal Communist duplicity and hit them in a vulnerable spot.

GUESTS FOR "AT RANDOM" FOR SATURDAY, JULY 15, IRVING KUPCINET SHOW—CAPTIVE NATIONS WEEK A TOPIC

James Baldwin, author, novelist; Jane K. Ardmore, author; Dr. Ronald Cross, Chicago M.D.; Dr. Morris Fishbein, Chicago M.D.; Prof. Lev Dobriansky, professor at Georgetown University and head of Captive Nations Week; Edward Tannenbaum, professor of history at Rutgers University; Buddy Hackett, comedian.

JULY 15, 1961.

DEAR PROFESSOR DOBRIANSKY: May I take just a moment to express my sincere thanks for being on "At Random" Saturday night. Your appearance helped to make it one of the finest shows we have ever presented. Our audience reaction substantiates that opinion.

My warmest wishes and thanks.

Sincerely,

IRV KUPCINET.

[From the Tablet, July 15, 1961]

KNOW YOUR ENEMY—AN ESSAY FOR CAPTIVE NATIONS WEEK, JULY 16–22

(By Richard Cardinal Cushing)

The Communist Manifesto of 1848, the "bible" as it were for members of that international conspiracy, concludes in part with this challenge:

"The Communists only declare that their ends can be attained only by the forcible overthrow of all existing social conditions. Let the ruling classes tremble at a Communist revolution."

GRAVES OF MARTYRS

Study and experience have proved that there is an impassable gulf between this quotation and our survival. To apply the quotation to our own belief in God there can be no collaboration with communism save eventually at the expense of this belief.

The so-called "ruling classes" should tremble at the thought of a Communist revolution and all others should do likewise, for in the event of a Communist domination of our country we all become slaves to the all-powerful Soviet state.

The pathway to the "dictatorship of the proletariat" or the slave state is paved with the graves of martyrs whose chief offense was belief in the existence of God and fidelity to His will.

We who profess God among men should ask ourselves if we are using all possible diligence for the protection of our faith and for the faith of others throughout the world.

How many of us are thinking of Bishop Walsh in his prison cell in Red China? How many are concerned about the plight of Polish Catholics, whose Primate recently protested that he and his flock were being subjected day by day to Communist pressure? How many consider the sufferings of the religious people in Hungary who are enduring a refined form of persecution?

No people have rallied more generously to the support of missionary work or contributed more abundantly to distressed and persecuted peoples throughout the world than American Catholics. We have given some relief also to captive nations and enslaved individuals but do we think of them in terms of justice?

Have we proved to be as alert as we should be in emphasizing the most effective policies that must be adopted by the free world to curtail and eventually to stop the persecution of helpless people?

HUNGARY: FAILURE OF THE WEST

Consider the sad case of conquered Hungary. We know that the Western Powers have fallen far short in what they should have done for that oppressed land. So weak was the response to save the Hungarians that even today the representative of Red Hungary has a place in the assembly of the United Nations.

What has been the result? In addition to tightening the bonds of Soviet slavery on the people, there has been a quickening within Red Hungary of the persecution of those who believe in God.

Boasting about this, a Communist writer, Koteles by name, speaking for the Hungarian Communist Party, asserts:

"Changed social conditions and the achievements of Socialist construction have weakened the socio-economic roots of religion in the Hungarian People's Republic. The cultural revolution, the spread of Marxism-Leninism and the party's educational work have deepened the political consciousness of the people."

When these words are carefully studied, they indicate that our helpless policies toward Hungary have made the people of that nation so despondent that many are following the precepts of atheistic communism and abandoning their religion.

In fact, the success of Soviet Russia in making us forget Hungary, and the abandonment of the Hungarian people is reflected in this declaration of the 80 and more Communist parties made a short time ago in Moscow:

"Today the restoration of capitalism has been made socially and economically impossible not only in the Soviet Union, but in the other Socialist countries. The combined forces of the Socialist camp reliably safeguard every Socialist country against encroachments by imperialist reaction. Thus the rallying of the Socialist states in one camp and the growing unity and steadily increasing strength of this camp insure complete victory of socialism within the entire system."

The daring prophecy of this declaration by the Communist parties of the world and the fact that it is italicized in all published copies of the report, is intended by the Soviet powers to induce us to continue upon a policy which will permit the captive nations to remain in captivity.

U.S. FOREIGN AID TO SATELLITES?

There is some confirmation of this hope on the part of the Communists in the rumors that have been around lately that some people advocate subsidies for all Eastern European nations. It is claimed that if this is done, it will weaken Moscow's control of these countries.

But we have seen in the case of Poland that this is not true. Red Poland, the beneficiary of financial help from us, took its place among the Communist parties that signed the statement of the 80 Communist parties and committed itself to the declaration that the United States "has become an enemy of the peoples of the whole world."

One of the reasons given for helping the Red Polish Government was that it would tend to normalize that Government, making it more democratic and more tolerant toward religion. But we now know from the militant Lenten sermon of Stefan Cardinal Wyszynski, given in Warsaw's Church of the Visitation on Passion Sunday, that this is not so.

Speaking before a congregation of physicians making a Lenten retreat, the Polish primate cited 20 organizations which he charged were propagating "a program of atheism, laicism, and rationalism." These groups, the Cardinal said, are "dedicated to free our youth from God." And the Cardinal added:

"Nevertheless, it is casually said that there is no struggle against religion. And what is this? What can one call this?"

It is obvious that the same methods are being used in Poland as in Hungary, for the benefit of the other Communist leaders of the captive nations.

Koteles, whom we quoted above, had to admit that the trimming down of religion in Hungary did not mean that religion was dead. "This is not to say," he declared, "that religion is no longer strong in our society. It is, and for this there are a number of reasons. In the course of thousands of years religious ceremonies have become a habit of life. As Lenin used to say, the force of habit is a powerful force. Clearly, it will take years, perhaps dozens of years, to liberate the people from the shackles of religious ideology."

To which he added sarcastically:

"Trade in souls is still going on. The priests try to convert people who profess a different religion. The competition is reminiscent of the capitalist market."

The paths being taken by Hungary and Poland are the same. The spreading of atheism is encouraged in every way by the state. The proletarian state cannot be neutral in this ideological struggle between religion and atheism. It must place itself on the side of atheists. The Socialist state regards as its prime duty the dissemination of a scientific, Marxist-Leninist world outlook in the schools, universities, and governmental establishments, using for this purpose public cultural organizations as well.

FREEDOM OF RELIGION

Another method employed by these persecutors of religion is to claim that they allow "freedom of religion" but oppose to the death "clerical reaction." Those are the words of the Hungarian Communist whom we have quoted above. They were repeated by Gomulka, the Polish Red leader, on March 19, when he made one of his latest attacks upon the Catholics in Poland.

He gave as the reason for that attack, that the hierarchy was following political advice of the Vatican. A similar false charge was the excuse for the sad schism in the church in Red China.

But while I have no reliable information about the practice of religion in Hungary or China, I have direct information from a recent visitor to Poland that the remarkable Poles by the very power of their faith in God and Our Lady will survive despite the exorbitant taxes, the privations and the persecutions.

They have suffered in the past as no other nation ever suffered for their religion. They will never submit in the present crisis. On the contrary they and those like them in other captive nations are the hope of the future.

Let us support them with our prayers. The faith of Poland will never die and the same goes for the Polish nation.

Khrushchev pictures the capitalist world as crisis ridden and tottering, awaiting the "kill" which Russia, backed by other Communist powers, is determined to administer.

THREAT FROM WITHIN

The blueprint reveals a two-pronged strategy to bring about the collapse of the

West, and Russo-Communist victory; a systematic undermining of the capitalist nations from within through propaganda and "front" alinements, and from without, through the support of anti-Western revolutionary movements in Africa, Latin America, and Asia. No major war is needed to achieve such victory, Khrushchev has told his party functionaries.

An up-to-date clue to his thinking, and proof that the basic Soviet goal of triumph over the capitalistic world remains unchanged was contained in the Soviet leader's January 6 statement to Marxist scholars. In it he stressed:

"Communists are revolutionaries and it would be a bad thing if they failed to spot new opportunities arising to find new ways and means leading most surely to the realization of their set goals."

WHAT WE CAN DO

By whatever means the struggle is fought—by hot war or cold—the stakes are the same; either a Communist-dominated world, or a free world.

We American Catholics, enjoying freedom of religion, owe sympathy and support to these martyrs in Hungary, Poland, China, and other captive countries.

We can at least raise our voices against those policies of folly which some propose for strengthening Soviet persecutors by pouring funds into all of Eastern Europe.

We can continue our opposition to the aid being given to such enemies of democracy and religion as Tito and Gomulka, unless we are certain that the aid goes to the 'enslaved" and not to their masters.

We can do our part to prevent trade with or to recognize Red China.

We might also aid the movement started by the National Captive Nations Committee, Inc., for the creation of a special congressional committee on captive nations. If this committee carried on full investigations and was in a position to inform Americans what was transpiring, we might have a more aroused citizenry speaking out on behalf of those whom we have hitherto left to their misery.

We cannot afford to be apathetic or indifferent. Within our own America the Communists are carrying forward a clever infiltration of many organizations on behalf of the dictators in the Socialist countries.

Recently they were called again to that task by their U.S. leader, when he urged as one of the chief responsibilities of the Communists in this country to see to it that the Red leaders of the captive nations are not represented as having established "bureaucratic police regimes that stifle freedom of thought and expression, not only in politics but in many other fields."

He pointed to the fact that such things are said and that some people find arguments for them in the uprisings in East Germany, in Poland, and in Hungary. Such tendencies and talk, he added, must be vigorously combated by the concealed Communists, working in our Government, press, and educational establishments.

If all this is so much concern to the comrades, that they plan extraordinary measures in our own country, to delude us about these captive nations, how much more should we do to extend a helping hand to the peoples who are thus oppressed?

We should have them in our daily prayers; we should consider them in our effort for the preservation of the free world.

And all the while we must do everything in our power to so live and act here at home that we will give evidence of our faith in the forums and marketplaces of this tiny world in which we live.

Those who see us should be impressed by our loyalty to God and our patriotism to our country.

CALL FOR PRUDENCE

It is not enough to condemn communism. We must offer something better to replace it. It is harmful and, indeed, an evil thing to see communism in every good work required for a better social order. It is sinful to falsely accuse and deliberately to condemn all those who disagree with us as following the Communist line.

Some anti-Communists with good intentions but with little knowledge and no prudence have wrought more harm by their rash statements and devastating methods than the Communists themselves.

We can win the cold war if we are strong enough to defend ourselves against any power that would be desperate enough to attempt the domination of the world, including the United States, by force of arms. But the most modern armaments to the maximum degree is not enough. Power alone cannot save us.

Moral fortitude, the basic strength of a people, must reside in us all.

A people seduced by luxury or ease, lulled by a consciousness of security—this is a people of relaxed moral fiber. Those who are strong are ever aware of those inner citadels of the spirit, where arms are powerless and none of man's enemies in this world can enter for plunder or conquest.

It is moral strength which makes nations firm under challenge, heroic in battle, and magnanimous in victory. The truly strong do not provoke crisis; they know how to wait.

Well fortified to subdue an aggressor, they have peace in their hearts, constancy in their actions, patience in their undertakings, and confidence in the triumph of justice.

NEITHER TIMID NOR RASH

We are strong if we conquer ourselves before conquering others. Moral strength is the enemy of timidity on one side, and of rashness on the other. The timid nation fails to defend its rights or lingers in indecision; the destiny of a timid nation is disappearance. The rash nation, on the other hand, squanders its energies with risk after risk, and one day pays a high price for its presumption.

Moral strength, however, gives a nation a balanced look at both its mission and its responsibility. Such a nation has no place for the easy and illusory recourse to arms. It does not put its full confidence in the myth of force as the essential factor in true power.

A lack of this moral strength in a nation never fails to make men weak and wayward. It advances to make them servile toward their neighbors and compromising with evil. Instead of prosperity, it brings ruin and it disintegrates the precious traditions of even great nations.

It is not then the will to power but the will to right, not force but justice, that must give vitality to the life of civilized peoples. In moral strength and the pursuit of right, man will find that liberty which no physical force of itself can secure. Force alone, naked power alone, is a principle of enslavement, not liberty.

In the spirit of faith and confidence in Almighty God let us not fight materialism with greater materialism—but with the sword of the spirit.

[From the Washington (D.C.) Sunday Star, July 16, 1961]

SPIRES OF THE SPIRIT—"THOU ART THE MAN"

(By Dr. Frederick Brown Harris, Chaplain of the U.S. Senate)

(Dedicated to Captive Nations Week)

There was a dictatorial ruler whose will and whim was a yoke upon the necks of all the people. Even though motivated by the rankest self-indulgence, his word was the law. He was the state. Every individual was subject to his master's voice.

This iron ruler, without regard for the most sacred rights of a valiant soldier of his realm, did a dastardly thing. Beguiled by the beauty of the wife of a trusted and devoted member of his armed forces, and while this fighting man was away battling for his commander's cause, the despotic head of state by royal compulsion took unto himself the admired and lawful wife of the absent defender of the king's interests. Then, to cover up his adulterous behavior, the soldier whose spouse the head of state had stolen was, by his order, put in the forefront of an assault on the entrenched enemy. It was certain there would come out no survivors. And so the soldier was killed in battle, a victim of his master's lust.

But now there flashes upon the screen of remembrance a vivid Bible narrative. The villain of this despicable deed is none other than King David. The wronged wife is Bathsheba, and the murdered husband is Urias. At this juncture there strides into the scene a stern figure who speaks for honor and decency and of individual rights violated by a contemptible despotism. For here the conscience-haunted David is confronted by Nathan, the prophet of God, who knowing the facts the king had tried to hide faces the royal culprit with withering scorn.

But first, holding back the vials of his wrath and his prophecy of disaster, Nathan tells David a story. As the king is also a high judge, he requests his verdict on the case depicted. To his royal audience of one the prophet proceeds with his dramatic portrayal:

"There were two men in a certain city. The one rich and the other poor. The rich man had very many flocks and herds, but the poor man had nothing but one little ewe lamb which he had bought. And he brought it up, and it grew up with him and his children; it used to eat of his morsel and drink from his cup and lie on his bosom—and it was like a daughter to him. And there came a traveler unto the rich man, and he was unwilling to take one of his own flock to prepare for the wayfarer who had come to him; but he took the poor man's lamb and prepared it for the man who had come to him."

The prophet's simple story is a masterpiece of pathos and power ranking with the parables of Jesus. It was lifted up so effectively that David, even with a scarlet letter upon his own life, blurted out in righteous indignation: "As the Lord liveth, the man who would do this deserves to die. He shall restore the lamb fourfold because he did this thing and because he had no pity."

And as David thus judged another, he perceived not that the sordid story was a mirror reflecting his own guilty features. Then Nathan thundered, and his words were like forked lightning, "Thou art the man."

If a modern dictator could only look, he would see his own hypocritical countenance in that ancient looking glass. The pungent story throws a searchlight on today's captive nations. A ruthless dictatorial conspiracy against the whole world, with tongue in cheek, hurls vehement charges against the free countries it has marked as its ultimate victims. The greatest colonizer of the 20th century, for instance, charges the world's most altruistic democracy, America, with enslavement designs against little Cuba, which it freed from tyranny years ago. It is the outburst of the guilty David all over again.

The Kremlin conspirators cry to high heaven about the sins of the "imperialists." Every crime on the calendar is listed as being perpetrated by the free world. These farfetched, lurid allegations are but reflections of the nefarious plots of the Soviet robber regime.

In Captive Nations Week, free America joins in a mighty countercharge so that all

the world may hear, "Thou art the culprit." That cry is augmented by the suppressed voices of uncounted millions who against their will have been dragged behind the Iron Curtain—their people enslaved, their resources confiscated to strengthen their enemy, like the little ewe lamb, their cherished national traditions trampled in the dust. They cry from their shackled serfdom to the pious mouthings of their arrogant captors, "Thou art the man."

In reply to the lying perfidy of aggressive communism which insults intelligence by offering its specious brand of coexistence, free America joins with Hungary and Rumania, Latvia, Lithuania, Poland, and all the other peoples now in chains crying, "Thou art the man."

Back of that repeated reminder which so angers the masters of the Kremlin is the Congress of the United States which has decreed that each year, until such time as freedom and independence shall have been achieved for all the captive nations of the world, Captive Nations Week will be observed in America. A hundred and eighty million freemen, this week and every week, put ditto marks under the words of Gen. Dwight Eisenhower: "There can be no true peace which involves acceptation of the status quo in which we find injustice to many nations, and repression of human beings on a gigantic scale."

And so, with its ringing assertion, "Thou art the man," Captive Nations Week serves notice on the Kremlin where there are two dead dictators and another still living in a fool's folly imagining a vain thing, that no rocket-rattling will ever make America forget her vows to keep alive the knowledge of atrocities now being perpetrated, until the submerged peoples are rescued from the invader and their soil no longer defiled by this abomination.

National Captive Nations Committee, Inc.—Report II

Dear friend and member, last year, prior to Captive Nations Week, we reported to you our activities and plans. As you know, the week was a huge success, so much so that our committee continued in operation throughout the year. This was made possible by several generous contributions from persons and groups.

With the approach of Captive Nations Week this July 16–22 we are reporting to you again on what has transpired and what is being planned for the months ahead and beyond. Our continued success in this basic interest of our Nation depends, of course, on your unstinting support.

ORGANIZATION

1. Because of the continuation of the cold war and the strategic importance of the captive nations, National Captive Nations Committee will operate on a year-around basis, provided that sufficient contributions are forthcoming from members and groups.

2. The policy of the National Captive Nations Committee has been and will continue to be entirely in line with the resolution or Public Law 86–90, designed for the independence of the captive nations and the freedom and liberty of the Russian people.

3. Our function has been and will continue to be informational and educational, serving as a clearinghouse.

4. Close attention is being given to legislative and executive developments dealing with the captive nations.

5. Membership increases have compelled a small partial listing on our current stationery. This was necessarily adjusted for geographical, institutional, and similar considerations aimed at the broadest crosssection of our society. As before, the complete list will appear on publications, etc.

HIGHLIGHTS SINCE AUGUST 1960

1. Collation of major accessible data on Captive Nations Week 1960 and publication in the Congressional Record, volume 106, part 13, pages 17675–17694.

2. Extensive replies and responses to inquiries concerning the week and its future.

3. Further distribution of Captive Nations Week brochure; over 15,000 printed and distributed.

4. Information and successive releases on Khrushchev's visit to the United Nations and the issue of colonialism.

5. Statements from Kennedy and Nixon on captive nations during campaign (Congressional Record, Mar. 8, 1961, pp. 3524–3525.

6. Opposition to ill-advised action degrading Champion of Liberty stamp series by new administration.

7. Proposals to Kennedy administration on observances of Captive Nations Week, 1961.

8. Educational support of H. Res. 211 to establish a Special House Committee on Captive Nations (Congressional Record, Mar. 8, pp. 3518–3543.

9. National Captive Nations Committee distribution of data on H. Res. 211 brought wide support of measure, here and abroad.

10. Information sent on Freedom Academy bill, now before Senate Foreign Relations Committee.

11. Responses to offers of international coordination on week's observance in Europe, Latin America, Asia.

PLANS AND POINTS FOR WEEK 1961

1. In a new development we are urging local committees to follow Chicago and New York, where the mayors have been approached to form an official, all-city Captive Nations Week Committee preparing official observances.

2. Because of its striking success in 1960, the same format of local activity as given in the Captive Nations Week brochure is being urged for this July.

3. Some specific themes for week: (a) H. Res. 211 (now before House Rules Committee); (b) creation of executive agency on captive nations and Cabinet officer; (c) commemorative Captive Nations Week stamp and recovery of Champion of Liberty series; (d) passage of Freedom Academy bill; (e) development of cold war strategy and apparatus.

4. National Captive Nations Committee plans: (a) Presidential and congressional observances of week; (b) reprints of proclamation and addresses; (c) newsletter.

Your generous support will enable us to furnish the guidance and inspiration toward a more successful week than last year's.

Lev E. Dobriansky,
Chairman.

Themes of Captive Nations Week 1961

("As a Member of that body [Senate] I have continually spoken in behalf of the eventual freedom of the captive peoples. I'll state here what I have been declaring throughout this campaign: We must never—at any summit, in any treaty declaration, in our words, or even in our minds—recognize Soviet domination of Eastern Europe. This is the theme of Captive Nations Week, and it must be furthered in future observances, indeed, throughout the period of every year until complete freedom is attained."—John F. Kennedy (Congressional Record, Mar. 8, 1961, p. 3524.))

1. A firm stand without any compromise on West Berlin: The issue of West Berlin is part of the issue of a free reunited Germany, and this is an integral part of the general issue of the captive nations.

2. A determined opposition to the admission of Red China to the U.N.: Mainland China is the largest of all captive nations. Its hope of eventual freedom is in Taiwan. There is nothing inevitable about Peiping being in the U.N. Here, too, no compromise.

3. The passage of House Resolution 211 and similar resolutions proposing the creation of a special House Committee on Captive Nations: The necessity for such a committee has been ably set forth in congressional discussion (Congressional Record, Mar. 8, 1961, pp. 3518–3543; Mar. 27, pp. 4927–4928; May 10, pp. 7738–7744; May 24, pp. 8851–8853; June 14, pp. 10413–10421).

4. The passage of the Freedom Academy bill in this Congress: We shall surely continue to lose the cold war until we decide to develop a cold war strategy and apparatus. The captive nations resolution is the basis for such a strategy; the establishment of a Freedom Academy is an essential of the apparatus.

5. The activation of the Kersten amendment to the Mutual Security Act with reference to Cuba: What we failed to do 10 years ago with regard to the captive nations. The fact of a near-captive nation existing at our doorstep should awaken us to the need of forming units of free Cuba.

6. The expansion and improvement of the Voice of America broadcasts to the non-Russian nations in the U.S.S.R.: It is strange, indeed, that the enemy in effect determines the shifts in Voice of America frequencies as, for example, in Africa and Latin America, while we virtually leave his vulnerable areas untouched, e.g., Turkestan and the Caucasus.

7. The restoration and extension of the Champion of Liberty stamp series: The goodwill impact of these stamps has been well demonstrated. The action of our postal authorities to downgrade the series is mystifying, especially when many fighters of freedom among the captive nations (e.g., Shevchenko in Ukraine) should be appropriately honored.

8. The creation of an executive agency on the self-determination of the captive nations: Such an agency would steadily focus world attention on the captive nations of Europe and Asia and, by deed, attest to our policy of never acquiescing to their permanent captivity.

Downgrading of Champion of Liberty Stamps Held "Irrational"

The charge was made today by the National Captive Nations Committee that the Postal Department "appears to be plainly irrational" in downgrading the Champion of Liberty stamp series. In letters sent to members of the Senate and House Post Office Committees, the chairman of National Captive Nations Committee, Dr. Lev E. Dobriansky of Georgetown University, declared the Department is making a serious error in reducing the significance of "this medium for people-to-people contact." He urged the members to influence the restoration and expansion of the series, which will be a major theme of Captive Nations Week beginning July 16.

Three Champion of Liberty stamps were issued last year. The present administration has reduced the number to one and in letters to legislators it cast doubt on the series' continuance.

Professor Dobriansky, in stressing the importance of the stamps in the cold-war struggle, argues that "there are dozens of freedom fighters honored by the captive peoples of Europe and Asia who deserve our knowledgeable praise." He cited the current case of Ukraine's Shevchenko. He also called upon the legislators to thwart Khrushchev's present propaganda play aimed at influencing the President not to issue a Captive Nations Week resolution. The incongruous Independence Day message sent by Khrushchev and reports of growing cleavage between Moscow and Peiping are part of this play, Dr. Dobriansky declared.

A copy of the letter sent to the Senators and Congressmen is attached.

NATIONAL CAPTIVE NATIONS COMMITTEE, INC.,
Washington, D.C., July 6, 1961.

DEAR FRIEND OF FREEDOM: Millions of Americans are preparing to observe Captive Nations Week beginning July 16. One of the major themes of the week will be the restoration and expansion of the Champion of Liberty stamp series. We strongly urge that you, as a member of the Post Office Committee, do everything possible to realize this objective in the interest of our Nation and its cold war struggle.

The ill-advised decision of the Postmaster General to downgrade the Champion of Liberty stamp series is most disquieting and even appears to be plainly irrational. It contradicts not only the spirit of the forthcoming observance but also the many declarations of the President himself, as, for example, in the state of the Union address: "We must never forget our hopes for the ultimate freedom and welfare of the Eastern European peoples." As shown by the impact of the Masaryk and Paderewski stamps, this series has been one of our most effective media for the expression of these feelings and the cultivation of friendship with the captive peoples.

If the present postal authorities simply desire to be different from their predecessors, the wise course is to expand the series and truly develop a precious philatelic album of freedom. There are dozens of freedom fighters honored by the captive peoples of Europe and Asia who deserve our knowledgeable praise. A current case in point is Taras Shevchenko of Ukraine. As shown by the enclosed Lesinski resolution, Congress saw fit last year to honor Shevchenko's Centennial, but the Postmaster General thinks otherwise; in self-contradictory replies to inquiries made by Members of Congress on the Shevchenko stamp, the Department asserts it "carefully considered" the proposal although it already decided not to issue any of such stamps this year.

The importance of this medium for people-to-people contact cannot be too strongly emphasized. A serious error is being made by our postal authorities where we have everything to gain, including a final gain, and nothing to lose. The obscurity that surrounds the Department's reasons for downgrading the Champion of Liberty stamp series deserves your attention.

When Khrushchev is using every propaganda trick (e.g., his July 4 message to the President and ostensible Moscow-Peiping cleavage) to influence the President in not issuing a Captive Nations Week proclamation, you can counter his attempts by emphasizing now the importance of this series to our natural allies, the captive nations.

With many grateful thanks for your careful inquiry into this matter and in the spirit of liberty and freedom animating Captive Nations Week, I am,

Sincerely yours,

LEV E. DOBRIANSKY,
Chairman.

NATIONAL CAPTIVE NATIONS COMMITTEE, INC.
WASHINGTON, D.C.

JUNE 29, 1961.—Captive Nations Week, sponsored by the National Captive Nations Committee in implementation of Public Law 86-90, will be observed this year from Sunday, July 16, through Saturday, July 22. In announcing plans today for the second anniversary observance of the week, Dr. Lev E. Dobriansky, chairman of the committee and professor of economics at Georgetown University, stated that major themes this year would be "a firm policy on Berlin and determined opposition to the admission of Red China into the United Nations." A list of additional themes is attached.

In coordination with the National Captive Nations Committee, the assembly of captive nations, American Friends of the Captive Nations and other groups, cities throughout the country will join in ceremonies reaffirming the belief that "our freedom will be secure only when all men everywhere are free." Mayor Daley in Chicago and Mayor Wagner in New York City, among many others, are sponsoring huge citywide ceremonies.

Dr. Dobriansky, who originated and authored the Captive Nations Week Resolution, said: "The 1960 observance was so successful that the vehemence and vituperation of Moscow and its puppets exceeded that of Khrushchev's explosion the year before. We intend to surpass last year's successes.

"The committee is now looking forward to an early proclamation of the week by President Kennedy. President Eisenhower proclaimed the week twice, in 1959 and 1960, and on the basis of President Kennedy's expressed feelings in the past, we expect him to issue the proclamation soon."

The National Captive Nations Committee, which depends on contributions to carry out its year-around program of informing the public on developments behind the Iron Curtain countries, has a growing membership of university presidents, labor leaders, church officials, industry executives, newspaper editors, publishers, and civic, patriotic, and ethnic groups. It is headed by a newly elected Board of Directors. In addition to Chairman Dobriansky, the Board consists of: Col. Charles H. Kraus, vice chairman; Col. Daniel F. Boone, executive director; Mrs. Colby Bowden, secretary-treasurer; and John T. Doolittle, assistant secretary. Seventeen Senators and sixty-five Congressmen comprise the honorary committee membership.

NATIONAL CAPTIVE NATIONS COMMITTEE, INC.,
Washington, D.C., June 28, 1961.

DEAR FRIEND OF FREEDOM: Because of the heavy and varied demands made on our resources, we appeal to you in this manner to join with us and millions of Americans throughout the Nation in the observance of the second anniversary of Captive Nations Week this July 16–22.

The profound fear and fright that the passage of the Captive Nations Week resolution in 1959 caused Khrushchev and colonial Moscow is an unforgettable episode of our history. In the Nixon exchange, in his foreign affairs article of August 1959, and before the Supreme Soviet in October of the same year, Khrushchev openly disclosed his concern over any possible implementation of the resolution. Last year Moscow and its colonial puppets reacted even more vehemently than in 1959.

Unfortunately, we failed to implement the resolution and to strike Moscow where it hurts most, namely, its colonialism and imperialism both within and outside the Soviet Union. In the cold war it wouldn't require much to deflate and accurately present the image of Russian power. Russia, without the dozen captive non-Russian nations now in the Soviet Union, would be only a second-rate power.

In coordination with the activities of the Assembly of Captive Nations, American Friends of the Captive Nations and other groups, this committee requests that you give full expression in Congress to the themes of this year's Captive Nations Week. They are listed on the attached page. We would appreciate, too, your writing to the President for an early proclamation of the week. On the basis of President Kennedy's expressed views about the resolution, as given on the attached page, we are hopeful that he will release this soon.

With grateful thanks for your cooperation and best personal wishes, I am,

Sincerely,

LEV E. DOBRIANSKY.

PRESS RELEASE OF NATIONAL CAPTIVE NATIONS COMMITTEE, INC., WASHINGTON, D.C., SUNDAY, JULY 16, 1961

President Kennedy's proclamation for Captive Nations Week inspires Americans throughout the Nation to make this week's observance the best yet. The proclamation underlines the necessity for focusing American attention and action on all the captive nations, including those in the Soviet Union, "until such time as freedom and independence shall have been achieved for all the captive nations of the world."

In all major cities and innumerable towns throughout the country Captive Nations Week (July 16–22) is now being observed. Led by Mayor Richard J. Daley, the city of Chicago is staging a huge official observance. In New York City, Mayor Robert Wagner is heading a similar observance. The city of Buffalo is conducting week-long activities under the auspices of a citizens committee headed by Mayor Frank A. Sedita. The anniversary is being observed also in Philadelphia, Cleveland, Detroit, San Francisco, Omaha, Houston, Orlando, and many other cities. Even in far-off Formosa, American Captive Nations Week is being commemorated by coordinated activity. Many Governors, as well as mayors, have issued proclamations.

Dr. Lev E. Dobriansky, chairman of the National Captive Nations Committee, hailed the President's proclamation, saying: "It couldn't have been issued at a better time, with the Moscow-fabricated Berlin crisis staring us in the face and the insidious movement to get the Red Chinese into the United Nations. Nobody knows better than Moscow that it cannot possibly afford a hot global war because it cannot even trust its own armed forces, half of which are made up of captives from the numerous subjugated non-Russian nations in the U.S.S.R."

The National Captive Nations Committee, which is headed by an honorary committee of 17 Senators and 65 Congressmen and which is composed of leaders from all walks of life, has been coordinating local Captive Nations Week activities throughout the country.

PRESS RELEASE FROM THE OFFICE OF THE MAYOR, CITY OF CHICAGO

Mayor Daley announced the appointment of a committee to arrange a program to mark Captive Nations Week in Chicago.

Captive Nations Week was established by a joint congressional resolution in 1959 and was proclaimed by President Eisenhower in 1959 and 1960, and by President Kennedy in 1961.

The week July 16–22 has been designated for this week's observance in Chicago.

The Chicago committee is headed by Joseph McCarthy, Medal of Honor winner. Also on the committee are: Gen. Lawrence Whiting; Gen. Paul Holland, Catholic War Veterans and Military Order of the World War; Eric Smith, commander of the Cook County Council of the American Legion; Arthur J. Miller, State commander of the Veterans of Foreign Wars; and Walter Vertan.

Other committee members are:

S. Yeusof Amen, Catherine Dienes, John Duzansky, Dr. Julius Hoveny, Richard Kolenda, Arthur Koegel, Dr. O. L. Seffer, Viktor Vitamine, and Judge Alfred F. Wells.

PROGRAM FOR CAPTIVE NATIONS DAY, SUNDAY, JULY 16, 1961, AT BAND SHELL, GRANT PARK

Col. Joseph McCarthy, U.S.M.C. Reserve, chairman, Chicago Committee for Captive Nations Week.

Presiding: Chairman, Captive Nations Day program, the Honorable DANIEL J. ROSTENKOWSKI, Member of Congress.

Procession of flags and national groups.

Posting of United States and Chicago flags: Chicago Fire Department color guard.

National Anthem: Louis Sudler.

Invocation: Rev. Cornelius Tessenyi, Grace United Evangelical Lutheran Church.

Pledge of Allegiance: Led by the Honorable EDWARD J. DERWINSKI, Member of Congress.

Choral selections: Captive Nations Choir composed of singers from the many choirs and choruses of the churches and singing societies of Chicago.

The captive nations hymn: God Bless America.

Address: Prof. Lev E. Dobriansky, national chairman, Captive Nations Committee.

Address: The Honorable RAY J. MADDEN, Member of Congress.

Reading of resolution: The Honorable ROMAN C. PUCINSKI, Member of Congress.

Benediction: Rev. Algimantas Kezys, S.J., Lithuanian Jesuit Fathers of Chicago.

THE CITY OF BUFFALO OFFICIALLY SALUTES CAPTIVE NATIONS WEEK OBSERVANCE, JULY 16 THROUGH 23, 1961

MESSAGE FROM THE MAYOR, FRANK A. SEDITA

As we approach the second annual observance of Captive Nations Week the leaders of imperial Russia are again beating the drums of war. This threat is symbolized by the third Russian provocation over Berlin, that is, the Russian challenge to the right of the people of free Berlin to remain free. But the issue involved goes much further than Berlin. It involves the basic issue of freedom versus slavery, totalitarian dictatorship versus representative self-government.

The Russian Communists have been waging a relentless war against all civilizations during the past 40 years. Their path of armed aggression, subversion and terror has engulfed more than a score of once free and independent nations. Today they boldly proclaim a goal of world empire and openly boast that they will "bury us."

Faced with this threat, our thoughts turn to the defense of our beloved nation and to the preservation of freedom's cause everywhere in our troubled world. In times of international crisis we seek allies with equal dedication to the principles of liberty and justice, which are the hallmark of our national existence. The people of the captive, non-Russian nations behind the Iron Curtain form an indispensable segment of the alliances we seek. They are the unwilling captives of Godless communism and the victims of its daily terror. Their refusal to accept the alien regimes imposed upon them together with their aspirations for freedom and national independence mark them as worthy partners in an alliance of honor with all who love liberty.

The U.S. Congress, as a matter of fact and policy, has declared that "the desire for liberty and independence by the overwhelming majority of the people of these submerged nations constitutes a powerful deterrent to war and one of the best hopes for a just and lasting peace." I would add that no Red dictator will dare to launch a new world war in the certain knowledge the non-Russian people in the captive nations will rise up in support of freedom's cause. It is, therefore, imperative that we keep alive the aspirations of the people of the captive nations, to manifest our concern for their present plight and to strengthen our historic alliance with them.

It is for those high purposes that I, as mayor of Buffalo, have appointed a citizens committee to observe Captive Nations Week. Our city takes pride in the fact that so many of our citizens trace their national and cultural origins to the nations we shall honor during that week. Strong family ties exist between those citizens and the people of Poland, Hungary, Ukraine, Lithuania, Latvia, Estonia, Bulgaria, Croatia, East Germany, Albania, Macedonia, Armenia. We must use those ties, supported by a rededication to the American principles of liberty and national independence, to find the way to peace with justice for all nations and peoples.

HIGHLIGHTS OF EVENTS

Sunday, July 16: Prayers and religious observances in churches of the city.

At 4 p.m.: Civic opening of Captive Nations Week at McKinley Monument, in front of city hall.

1. National anthem.
2. Presentation of colors.
3. Invocation: Rt. Rev. Msgr. William J. Wozniak, director, Catholic Charities of Buffalo.
4. Placing of captive nations flags.
5. Reading of mayor's proclamation.
6. Benediction: Rev. Richard Pebel, Mount Tabor Lutheran Church, Buffalo, N.Y.
7. Retire the colors.

Wednesday, July 19, 12 noon: Civic luncheon, sponsored by the Kiwanis Club of Buffalo, Inc., in the Golden Ballroom, Statler Hilton Hotel. Speaker, Senator THOMAS J. DODD, of Connecticut. Tickets, $2.50.

Sunday, July 23, 9 p.m.: Festival of nations at Delaware Park—Buffalo Community Orchestra, Peter Gorecki, conducting. A pageant of songs and dances of the captive nations. Speaker, Hon. Frank A. Sedita, mayor of Buffalo.

All events are open to the public. No admission charge will be made except for the civic luncheon on Wednesday, July 19, at the Statler Hilton Hotel.

CITIZENS COMMITTEE TO OBSERVE CAPTIVE NATIONS WEEK

Honorary chairman: Hon. Frank A. Sedita, mayor of Buffalo.

Chairman: Dr. Edward M. O'Connor.

Director of special projects: Canisius College.

Counsel: H. Bushwell Roberts.

Senior deputy corporation counsel: city of Buffalo.

MEMBERS OF THE COMMITTEE

Raymond J. Balvamowski, commander, Erie County American Legion.

Andrew Diakun, Erie County Bar Association.

Bernhard Epermanis, Latvians of Buffalo and Vicinity.

John A. Faltyn, president, Polish American Congress of Western New York.

Dr. John M. Juhasz, Actio Hungarica.

James L. Kane, president, Buffalo AFL–CIO Council.

Francis M. Kindel, chairman, United Anti-Communist Action Committee of Western New York.

Rev. Stephen Lackovic, Croatian Societies of Western New York.

Alex Marashi, Albanian Independence Committee.

Hon. George M. Martin, Commissioner of Parks.

Romas Masiulionis, Lithuanian Club of Buffalo.

Joseph P. McNamara, Erie County American Legion.

Dr. Chris Mladenoff, president, Buffalo Chapter, Bulgarian National Front.

Emery Molnar, United Anti-Communist Action Committee of Western New York

Marian Morozevych, Organization for Defense of Four Freedoms of Ukraine.

Peter Oja, Estonian Club of Buffalo.

Hon. Henry J. Osinski, president, Central Council of Polish Organizations.

Nick Paluca, president, Albanian Group of Buffalo.

Dr. Bohdan F. Pawlowicz, Polish Veterans in Exile Association.

Dr. Nestor Procyk, Ukrainian Congress Committee of America.

Charles Schnobrick, commander, Erie County Council VFW.

Jivko Shimenoff, Secretary, Macedonian Organizations.

Dr. Laszlo Szimonicz, Hungarian Freedom Fighters Association.

Marian Szcztlik, Representative of Nowy Swiat.

Albert J. Weinert, Edmund Campion Society.

Ragib Zukic, Croatian Guardians of Liberty.

The Secretariat: Lawrence A. Marinelli, William Weiss, John Strauss.

WHY CAPTIVE NATIONS WEEK?

To preserve freedom in the United States of America.

To promote freedom in the enslaved world.

To make all aware of those who lack freedom.

To give hope to those who aspire to freedom.

These are the captive nations: Albania, Armenia, Azerbaijan, Bulgaria, Caucasus, Mainland China, Cossackia, Croatia, Czechia, East Germany, Estonia, Georgia, Hungary, Idel-Ural, Latvia, Lithuania, North Korea, North Vietnam, Poland, Rumania, Slovakia, Slovenia, Tibet, Turkestan, Ukraine, White Ruthenia.

To believe that we may preserve our freedom while these nations remain enslaved is foolish and suicidal indeed. Each and every American must understand and take part in the battle to keep man a free and independent being under God. The battle is here and overseas; within our boundaries in education and material assistance; overseas in the giving of hope and eventual aid. For now, every crack in the Iron Curtain must become an echo chamber for freedom's voice.

For the past few years Moscow has reaped cold war successes because the West allowed itself to be confused, divided and deceived by Russian propaganda, basically to the effect that unless the West accepts Khrushchev's terms of "peaceful coexistence" the alternative is total destruction by atomic warfare. This, of course, is the perennial bluff and bluster of Khrushchev, his method, which unfortunately has been very effective. The recent cynical and reckless Soviet policies in the Congo, Laos, and Cuba, and especially the present aggressive policies in Berlin, only confirm what has long been established as undeniable truth: no "peaceful coexistence" is possible with Moscow, because Communist Russia is irrevocably determined to conquer the entire world and to establish a global Soviet state. None other than Khrushchev himself has repeated time and again his conviction that he will "bury" the United States and that our children will "live under communism."

The Soviet Union presents on the outside a formidable and cohesive front. However, all is not well. All persecutions, deportations, breaking up and rotation of families, brainwashing, and strict censorship has been incapable of stilling the ever-present, innate desire for freedom and independence. The curtain opens now and then and the truth flashes through.

Entire nations are enslaved and suffering under the heavy yoke of Russian communism. Since 1917 this control for the minds and bodies of men has been waged by the Reds. Unbelievable slaughters in Hungary, Ukraine, Poland, China and elsewhere have been the rule, not the exception. Their sufferings are beyond comprehension. Commonsense justice demands that we preface any request for "peaceful coexistence" with consideration of the plight of these captive nations.

The main hope for freedom and independence for these nations rests with us.

We must never forget what is happening and never cease efforts to work toward its eventual end.

When we turn our backs on the captive nations, we decide to allow the suffering of victims today and of yet-unborn millions tomorrow.

It is for this reason we celebrate Captive Nations Week. We must remind ourselves constantly that our freedom is insecure while others are enslaved. We, individually and through our representatives, must do everything possible in the cause of freedom. To fail in this duty, we not only condemn these peoples to their fate, but we will condemn ourselves to a final surrender of our freedom by default.

CAPTIVE NATIONS WEEK

American Institute, cooperating with representatives of captive nations and other patriotic groups, will conduct captive nations freedom rally on Sunday, July 16, at 2 p.m., at John Hancock Hall, 188 Berkeley Street, Boston.

Speaker, Herbert A. Philbrick, author of the best seller, "I Led Three Lives," radio and TV hero and former counterspy for the FBI.

Freedom fighters from behind the Iron Curtain will also participate, reporting on efforts being made toward freeing their homelands from the Soviet yoke.

Unmatched expansion of Communist colonialism is to be challenged by assuring our allies, the oppressed people, that our prayers and sympathies are with them. Please attend this freedom rally and bring your friends.

We need your cooperation and help to combat communism.

MANIFESTO, CAPTIVE NATIONS WEEK, 1961

The undersigned organizations, dedicated to the restoration of freedom in the captive nations, call attention to Public Law 86–90, unanimously adopted in 1959 by the Congress of the United States, by which the third week of July of each year was designated as Captive Nations Week.

All the captive peoples behind the Iron and Bamboo Curtains, including the Russian and Chinese people themselves, have for long years been enslaved by Communist tyranny. Czarist Russia was itself a colonial empire based on the conquest of non-Russian peoples. Since World War II, the Soviets have seized a new colonial empire in Eastern Europe. The captive nations of central and Eastern Europe have been deprived of their national independence, despite solemn Soviet treaties and agreements, while the non-Russian peoples within the Soviet Union have been denied their promised right to national self-determination. All have lost their basic human freedoms—freedom of speech, freedom of religion, freedom of assembly, and, what is perhaps most important of all, freedom from fear.

The captive peoples of central and Eastern Europe have never ceased to strive for freedom—actively when the opportunity presented itself, passively when necessity dictated. Even their disappointment at the failure of the United Nations to come to the aid of the Hungarian revolution has not caused them to abandon hope. But the preservation of this hope and the resistance upon which it feeds depends on the steadfast resolve with which the free world responds to Soviet threats, whether military or political.

The Atlantic Charter, the peace treaties and other agreements signed by both the Soviet Union and the United States, promised freedom to the captive nations of central and Eastern Europe. It is thus not only this country's moral duty to work for their freedom by every means short of war, but its legal obligation as well. It is also in the highest political and military interest of the United States to promote the cause of the oppressed peoples, since their passive resistance is one of the strongest deterrents to Soviet aggression, and in time of war would pose a direct threat to Soviet lines of military communication. There can be no relaxation of tension, no hope for a just and lasting peace, until the basic cause of international tensions—the division of Europe into two parts, one slave, one free—has been removed.

Moreover, at a time when the Soviets seek to exploit the legitimate aspirations of the former colonial peoples of Asia and Africa and turn them against the West, the world must be reminded that Soviet colonialism is more cruel and more thorough than any history has recorded. The Soviets have absorbed the once-free nations of central and Eastern Europe into an imperial system whose sole function is to feed the hungry machines of Communist militarism. Only by leading the fight for freedom of the oppressed peoples everywhere can the West assume the diplomatic and spiritual offensive. Only thus can the West effectively counter both the Soviet strategy of expansion by political-military threats and pressures, and the danger of nuclear war.

We therefore feel it incumbent upon us to give voice to the silent aspirations of the captive peoples:

We accuse the Soviet Union of violating its solemn promises of freedom and independence to the nine captive nations—Albania, Bulgaria, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, and Rumania;

We further accuse the Soviet Union of forcibly depriving the captive non-Russian nations within its own borders of the promised right of self-determination and in destroying the formerly independent states of Ukraine, Georgia, Armenia, and others;

We demand that the Soviet Union withdraw its military and administrative personnel from the captive nations of Central and Eastern Europe beginning with Hungary, in accordance with the 12 United Nations resolutions to this effect;

We urge the governments of the free nations to make the liquidation of all unsolved consequences of the Second World War in Europe, on the basis of the right of self-determination, a precondition of disarmament and security agreements, and to insist that this right be exercised by means of free elections under effective international safeguards; and to this end

We request the governments of the free world to declare their support of the right to self-determination of all peoples held captive by the Communist imperial system in accordance with the principles of the Atlantic Charter, the universal declaration of human rights, and the declaration on the granting of independence to colonial countries and peoples, adopted by the United Nations, October 14, 1960;

We appeal to the people of the United States of America, during the Captive Nations Week, to manifest their awareness of the importance of their silent allies in the Soviet-subjugated lands in the worldwide conflict between the forces of liberty and Communist tyranny, and to pledge themselves to helping them in their struggle for freedom and independence.

MSGR. JONAS BALKUNAS,
Chairman, Conference of Americans of Central and East European Descent.
THOMAS CUITE,
Member, National Captive Nations Committee.
CHRISTOPHER EMMET,
Chairman, American Friends of the Captive Nations.
STEVEN J. JAREMA,
Chairman, American Conference for the Liberation of the Non-Russian Nations in the U.S.S.R.
VACLOVAS SIDZIKAUSKAS,
Chairman, Assembly of Captive European Nations.

CAPTIVE NATIONS WEEK 1961 PROGRAM OF FLAGRAISING CEREMONY AT ACEN HOUSE, ON SUNDAY, JULY 16, 1961, AT 12 NOON

1. National anthems and raising of the United States and captive nations' flags.

2. Address by Mr. Vaclovas Sidzikauskas, chairman of the Assembly of Captive European Nations.

3. Address by the Honorable EMANUEL CELLER, Member of the U.S. House of Representatives and chairman of its Judiciary Committee.

4. Address by the Honorable JACOB E. JAVITS, U.S. Senator, to be read by Mr. Eugene Rossidis.

5. Captive Nations Week manifesto—read by Rt. Rev. Msgr. John Belkunas, Chairman of the Conference of Americans of Central and Eastern European Descent.

[From the Tablet, July 15, 1961]

CAPTIVE NATIONS WEEK

Captive Nations Week, July 16–22, is a necessary reminder of the unjust captivity in which whole nations are held by the cruel tyrants of the worldwide Communist conspiracy. The Red plotters of world domination continually raise new crises in the hope of so distracting us that we will forget the sad plight of the people so long in bondage. Captive Nations Week warns us to remember what the Communists want us to forget.

Our concern over the Berlin situation, Cuba, all South America, Laos, Africa, for example, should not cause us to disregard the wrongful subjugation of Hungary, Poland, China, and all other captive nations. In fact, the remembrance of the fact that whole countries have been made prison camps under Communist domination should spur us to prevent any further Red encroachment upon free nations. In dealing with the present problem, we should benefit from the lessons of the past especially the immediate past.

In these days of reassessment, we would do well to reappraise our dealings with the Red rulers of the satellite countries, particularly scrutinizing the whole theory of our foreign aid to these impostors who falsely claim the rights of legitimate governments. The question to be honestly answered is, "Do not our dealing with these misrepresentatives in the U.N. and elsewhere help them to keep their people enslaved?"

Cardinal Cushing's essay for Captive Nations Week, "Know Your Enemy," which appears on page 4, gives a good answer to that question. The entire essay is profitable reading for this week.

As the Cardinal notes, since the Communists plan extraordinary measures even in our own country to delude us about the Captive Nations, "how much more should we do to extend a helping hand to the peoples who are thus oppressed?"

[From the Journal American, July 17, 1961]

NOTICE TO NIKITA

It is fitting that the observance of Captive Nations Week comes as the Free World faces up to renewed Russian saber rattling.

This is an occasion, as President Kennedy said in his proclamation, for Americans "to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom."

It is an occasion for us to show Nikita Khrushchev that we stand united in the face of his threats to push us out of Berlin and thus extend the yoke of tyranny that now has enslaved nearly half of the civilized world.

By espousing the cause of the millions trapped behind the Iron and Bamboo Curtains we are hitting the Communists at a vulnerable spot, as Khrushchev inadvertently admitted when he lashed out in anger at a previous observance of Captive Nations Week during former Vice President Nixon's visit to Moscow.

So let's keep reminding the world of the plight of communism's 23 captive nations. Let's keep driving home the point that the

Communists are for self-determination only in the parts of the globe they don't control.

It is good that New York and other cities throughout the country are observing Captive Nations Week with flagraisings, meetings of refugees from the Red tyranny and special church services.

Let us all join in these observances. And let us pray that the light of freedom will yet penetrate the Iron Curtain.

[From the Daily News, July 12, 1961]

MEMO FOR J.F.K.

Secretary of State Dean Rusk, in a speech Monday at the National Press Club in Washington, gave a highly optimistic report on U.S. foreign policy.

In the course of his remarks, the Dean noted that Khrushchev is having his troubles, too, in his "world of coercion." Among these troubles, said Rusk, are "dissensions within its ranks, national resistance to this modern imperialism, and a growing demand for freedom."

CAPTIVE NATIONS WEEK: JULY 16–22

Which reminds us that Congress 2 years ago adopted a resolution requesting the President, from then on until further notice, to proclaim the third week in July as Captive Nations Week, in honor of the countries enslaved by Soviet Russia.

President Eisenhower issued the proclamation—which burned Khrushchev to a crisp, and got worldwide publicity because Vice President Richard M. Nixon just happened to land in Moscow during Captive Nations Week, 1959.

Next week is the third week in July, and Congress' request to the President is still on the books. So how about President Kennedy ringingly proclaiming Captive Nations Week, 1961, in a hurry—thereby kicking up further unrest behind the Iron Curtain and going over to the offensive, for a change, in the cold war?

[From the Philadelphia Daily News, July 17, 1961]

AND WITH PRAYERS

Philadelphia this week should join in the annual observance of Captive Nations Week.

Two years ago Congress adopted a resolution calling on the President to proclaim the third week of July as Captive Nations Week every year "until such time as freedom and independence shall have been achieved for all the captive nations of the world."

We all know the bitter truth, that the Red yoke of tyranny still is heavy on the more than 100 million people of east-central Europe.

We don't know what the United States or the rest of the free world can do right now to liberate the people of the Baltic States of Estonia, Latvia and Lithuania. Or the people of Albania, Bulgaria, Czechoslovakia, Hungary, Poland, and Rumania.

But the United States, as leader of the free world, should renew its determination that the Red yoke is not fastened more firmly around the neck of Cuba, in our own backyard. Or extended to the newly liberated countries of Africa.

President Kennedy has already renewed the pledge that the United States will stand by the more than 2 million free people of West Berlin. They are being threatened again by Soviet Premier Khrushchev and his puppet state of East Germany.

This determination should be strengthened by our prayers this week.

Two years ago Khrushchev was hit hard by the appeal of the American Friends of the Captive Nations requesting prayers for the enslaved countries. The Reds have had nearly 43 years to stamp out religion in Russia itself, as much as 21 years in some of the captive nations.

Yet they still fear the power of religion and the power of prayer. Khrushchev complained 2 years ago about the appeal to prayer for the captive nations. Last December Moscow announced the arrest of a group in a Soviet technical library for running "a black market in prayer books." The Russian Orthodox prayer books sold for about 50 cents.

As we have often pointed out on this page, the free world has a secret weapon in religion and prayer. They may move faster than ballistic weapons, strike harder against Red tyranny than H-bombs.

Let us fortify with the power of prayer our determination to resist efforts of international communism to place its deadly yoke on any new captive nations.

[From the Milwaukee Journal, July 16, 1961]

RUSSIA, THE COLONIAL POWER

Premier Khrushchev keeps crying for the end of colonialism and imperialism and for the universal acceptance of right of self-determination. This week is being observed as Captive Nations Week. It shouldn't require any special period to recall that the Soviet brand of colonialism is the most widespread in the world. But in view of the Berlin crisis, it is a good time to remind the world of these facts:

Poland, Hungary, Czechoslovakia, Rumania, Bulgaria, Albania, East Germany, Latvia, Estonia, and Lithuania are behind the Iron Curtain, held there as the result of Russian enslavement.

The United Nations, last December, declared the necessity "of bringing to a speedy and unconditional end, colonialism in all its forms and manifestations." The Soviet Union was a loud supporter of this declaration. The world needs constant reminder that the great colonial power of the world is the Soviet Union itself.

[From the Philadelphia (Pa.) Evening Bulletin, July 17, 1961]

LEST WE FORGET

President Kennedy has proclaimed this week to be "Captive Nations Week," as President Eisenhower did before him in 1959 and 1960. He has asked the American people to observe the week with "appropriate ceremonies and activities," and urged on everyone a recommittal to "the support of the just aspirations of all peoples for national independence and freedom."

His summons comes at an especially appropriate time, when Soviet Russia is attempting once again to destroy freedom in West Berlin, and to complete its colonial subjugation of the 17 million people in East Germany.

The whole free world would do well to bow its head this week and review again the roll of nations that have lost their freedom to Russian imperialism:

Albania, lost to freedom in 1944.
Bulgaria, lost to freedom in 1944.
Czechoslovakia, lost to freedom in 1948.
Estonia, lost to freedom in 1940.
Hungary, lost to freedom in 1949.
Latvia, lost to freedom in 1940.
Lithuania, lost to freedom in 1940.
Poland, lost to freedom in 1947.
Rumania, lost to freedom in 1946.

This is not the full list. East Germany's millions belong in the list, and so do some 90 million non-Russian people within the confines of the Soviet Union. If all the prisoners of Marxism were to be counted, it would be necessary to add the 500 million of China, and millions more in North Korea, North Vietnam and Tibet.

The anger which Premier Khrushchev showed to Vice President Nixon, following the proclamation of "Captive Nations Week," in 1959, spoke eloquently of the Russians' sensitivity to all reminders of their brutal destruction of freedom in these lands, and perhaps of their continuing fears that the spirit of liberty has not died in them.

President Kennedy's purpose, it goes without saying, is not to exacerbate our relations with the Kremlin. He, like all Americans, is profoundly hopeful that freedom will come again somehow to all these captive peoples, and it is fitting that they be made aware of this Nation's sympathy for them in their plight.

The President is undoubtedly keenly conscious, at the same time, that the West has twice found itself unprepared to come to the assistance of freedom fighters, in East Berlin in 1953, and in Hungary in 1958. It is to be hoped that he is giving thought to the possibility of similar struggles in the future.

[From the Syracuse Herald-Journal, June 26, 1961]

VIEWS: PROCLAIM "NEW" FREEDOM—IDENTIFY DECLARATION WITH THE "CAPTIVE NATIONS"

To the HERALD-JOURNAL:

Congratulations on your long-overdue recognition for a new Declaration of Independence on the coming 4th of July as expressed in the editorial of June 11.

For us, this is profoundly meaningful when so many, either through direct experience or indirect understanding know and sense what it means for a nation to lose its independence and be subject to the tyrannical domination of a foreign power. It becomes doubly meaningful when we soberly reflect on the mortal threat that confronts the freedom and independence of our country as well as the other nations of the free world.

This is why, with passionate feeling and intellectual certitude, your editorial assumes as our fight a universalized declaration of independence for all nations everywhere and most of all for the long-ignored non-Russian nations in the Soviet Union itself.

"I have several histories of Russia—not one of which has been satisfactory. Most are based on ideas that were formed before the man started his book and are not based on facts."

These are the accurate words of President Truman.

In effect, he and countless more have recognized that an iron curtain of thought has for too long prevailed in America concerning Russia and its rampant imperialism in eastern Europe and Asia—and in more recent times within Africa and our own hemisphere.

Instead of objective scholarship and honest reporting, political pimpery in the name of the unholy dame Russia has been peddled here, and this intellectual salacity must be fully exposed in order to curb the disease of paralyzed knowledge about Russia. This is a most vital task because truth is the keynote of a universalized declaration of independence and the key to the success of America's renewed dedication to world freedom.

The U.S.S.R. per se is Moscow's basic empire. The internal satellites or captive nations include the Ukraine, Estonia, Latvia, Lithuania, Georgia, Armenia, Uzbekistan and others. There are many essential misconceptions about the U.S.S.R. as is evidenced when that entity and its population is continually miscalled Russia and the Russians by journalists, radio and TV commentators, scholars and teachers, authors and students.

Actually, the U.S.S.R. encompasses a system of internal satellites ruled by Moscow-Russia. Over 55 percent of the U.S.S.R. is made up of non-Russians, developed nations—but captive. Furthermore, these non-Russian countries have not only lost their independence, but they are losing their national identity or individuality under Russian "sovietization" whose objective is to form a single Soviet culture, way of life, and homosovieticus, but one should recognize that the Russian overlordship imposes the Russian language as the language of the conqueror as the medium of communication,

university education and governmental administration as well as party activities. The language remains Russian, the culture remains greater Russian, and the state remains a Russian empire following the ideals of its forebears—the czars.

It is very interesting that whenever one tries to defeat the Communist Party politically, you find a number of people in the United Nations section of the State Department, other echelons of the State Department and scholars among our leading universities, these Russia-firsters and policy planners who are neither Democrat nor Republican, but who will not do anything to embarrass Moscow about her internal satellites of Ukraine, Lithuania, Estonia, Uzbekistan, Latvia, Georgia, Armenia, etc. Furthermore, the same is true of China. Her internal satellites include Tibet, Mongolia, Formosa, and others.

President Eisenhower signed the Captive Nations Week proclamation which caused Khrushchev to howl in the Kremlin, because it enumerated Russian colonies within the territorial limits of the U.S.S.R. It also enumerated the external satellites such as Hungary, Poland, East Germany, Rumania, Albania, Czechoslovakia, etc.

Your editorial failed to take notice of the Captive Nations Week proclamation which is commemorated on the 3d week in July. The Hon. DANIEL J. FLOOD, of Pennsylvania, during the last session, introduced a resolution in the House of Representatives calling for the establishment of a special permanent congressional committee on captive nations. Such a committee would constitute a powerful medium of all information on the captive nations, which information would then be made available to the Government and the public.

Individual freedom and national independence is a fundamental value craved by all the non-Russian countries from the Danube to the Pacific trampled under the heel of Russian Communist imperialism. It is important that we invite the leaders of the free world to Washington for our Independence Day on July 4 and issue a new Declaration of Independence that will be recognized as the signal for us to quit being on the defensive.

We must plan for our national future now.

WALTER D. PRYBYLA, JR.,
Graduate Student, Maxwell School,
Syracuse University.

[From the Sunday Star, July 16, 1961]

CAPTIVE NATIONS WEEK A NOBLE EXPERIMENT

(By Alick de Montmorency)

A remarkable experiment, pitting the power of moral force against the military might of Soviet Russia, enters its third year today.

It began 2 years ago when a joint resolution of Congress set the third week of July as a period of commemoration of the lost national independence of a score of countries in Europe and Asia and of the destroyed freedom of the many millions of people of various races and creeds who lived there.

There was not much new in the resolution, since the loss of freedom by the many nations behind the Iron Curtain was already keenly felt here.

And the resolution itself was a rather innocuous-sounding document, more in the nature of compassion for the helpless captive nations than of a concrete step toward their eventual liberation from the Communist yoke.

HITTING AN EXPOSED NERVE

Yet the Soviet reaction to the resolution and to the celebration of the Captive Nations Week which followed was a very angry one—indicating that the blow struck home and that the Soviet leaders were keenly aware of the chink in their armor constituted by the yearning for freedom of the nations they had enslaved and to which the new American gesture gave new hope.

The captive nations which the congressional resolution enumerated included Idel-Ural, a tiny nation on the eastern fringes of Europe which had existed independently only a few months and was extinguished by the Bolsheviks of Vladimir Lenin in 1918, as well as the largest and oldest existing nation—the Continental China, which came under Communist rule when a Soviet-sponsored revolutionary movement won out a little more than a decade ago.

ANCIENT LITHUANIANS

Those captive nations also included the Lithuanians, who vie with the Chinese in antiquity with their 5,000-odd years of national existence, and who once formed Europe's largest kingdom.

And they included the Ingushes, one of the smallest nations on this globe—a few thousand—who are descended from English crusaders of Richard the Lionhearted and Circassian women. A warlike people, whose tall stature and light complexion bespeak of their crusader ancestry, the Ingushes incurred the wrath of Stalin by their guerrilla activities and were uprooted by his order in 1945, together with their neighbors, the Chechen, and deported in toto to Siberia.

Altogether, the captive nations were conquered by the Soviets in three main phases.

Back in 1917 and 1918, Lenin, mortally afraid lest the non-Russian nations which had been ruled by the czars side with the White Russian armies in the civil war which then raged, solemnly professed to adhere to the principle of national self-determination which President Wilson had just proclaimed.

This strategy largely worked, for only the Cossacks and those Ukrainians who were devoted to the Czar actively helped the White Russian forces.

But once the armies of the "white" generals, Denikine, Yudenich, Wrangel, and those of Admiral Kolchak were defeated, the Bolsheviks turned their attention to the nationalities who had stood aloof. Successively the Nationalist Ukrainians, the Georgians, the Armenians, the Kazaks, the Kirghiz, and the Mongols were conquered and annexed to the U.S.S.R.

Meanwhile, the Poles, the Lithuanians, the Latvians, the Estonians, who had managed to consolidate their independence sufficiently, were able to win out when Lenin attempted to take them over.

However, their turn came in 1939, when Lenin's successor, Stalin, struck a bargain with Hitler and got his blessing to take over half of Poland, plus the Baltic countries and Bessarabia.

THIRD ROUND AT IRAN

The third round of Soviet territorial acquisitions began at the Teheran conference, in 1943, when Churchill and Roosevelt acquiesced to Stalin's winnings which were obtained from the Nazis.

The satellite empire in Europe was rounded out when the Communists seized Czechoslovakia in February 1948.

Today the captive nations—to give them the title bestowed by the U.S. Congress—represent a heteroclite grouping, with little to unite them except their common hatred of the Communist Russian yoke.

The United Nations Organization, whose charter, resolutions, principles, etc., had, at the outset, laid heavy emphasis on national independence of all peoples, has proven a disappointment.

Not only was there right from the beginning, the Soviet veto in the Security Council, but even the General Assembly, on which the organizations representing the captive nations in exile had placed bright hopes, behaved no better.

PROBLEM IN U.N.

A hitherto little-known phenomenon has worked in that international gathering against the captive nations. It is that the many and very diverse nonwhite U.N. delegates, and their clients at home, while very sensitive to any sign of European oppression against—and even simply of European rule over nonwhite nations—are rather indifferent when it comes to endochromatic oppression—that is, to oppression where the tormentor and the victim have a similar skin coloring. They do not get very excited when they see, for example, the Lithuanians being brutalized by their fellow-Europeans, the Russians.

Thus deprived of any legal recourse, the exiled representatives of the captive nations have turned their efforts to the moral realm—appealing to the conscience of ethical people in the Western countries, and first of all in the United States.

A POLICY OF EMANCIPATION AND LIBERATION OF KHRUSHCHEV'S CAPTIVES

(Address by Dr. Lev E. Dobriansky, Chicago Captive Nations Day, Sunday, July 16, 1961, Grant Park, Chicago, Ill.)

This magnificent city of Chicago, its illustrious Mayor Richard J. Daley, and you, its freedom-loving citizens, command the profound gratitude and respect of all Americans for your leadership and forward-pressing courage in annually observing Captive Nations Week. Last year you led the Nation in giving forceful expression to the cause of dynamic and expansive freedom; and this year your inspiration is felt in New York, Buffalo, Washington, and numerous other cities and towns where friends of freedom are joining with you in this second anniversary observance. In all humility it is a privileged honor for me to join with you in this observance, my friends of freedom.

From time to time many people ask: "Why do we need a Captive Nations Week?" "What is the meaning and significance of it?" "What do you hope to achieve and accomplish?" You've heard these questions, and I'm sure that in many ways the answers you've given are even better than those I hope to supply today. Complete answers to these recurring questions require, it seems to me, (1) a fixed conviction about the nature and independence of our own Nation, (2) an appreciation of the impact of our history upon Eastern Europe and Asia, (3) an understanding of the ideas of Captive Nations Week, and (4) a restless will seeking the translation of our ideas and convictions into concrete, imaginative, and fearless action.

THE REVOLUTIONARY SYMBOL OF AMERICAN INDEPENDENCE

If you will reread the clauses of the Captive Nations Week resolution, which is now Public Law 86-90, you will again be impressed by its initial emphasis on the revolutionary symbol of American independence. Based on the resolution and law, President Eisenhower issued proclamations, both in 1959 and 1960, giving eloquent expression to this symbol. And this year, we cannot but express our most grateful thanks to President Kennedy for his stirring proclamation. The revolutionary symbol of American independence cannot be anything but a living and dynamic symbol, signifying strong motivation to action and action itself. We were soundly advised early this year, "Ask not what your country can do for you—ask what you can do for your country." Some time ago you and I asked ourselves this question, and our answer is in part given in this annual observance.

Our answer to this bestirring question is founded on a fixed conviction about the nature and independence of our Nation. Two weeks ago we celebrated our Independence Day, and we looked inward, reexamining

our souls and consciences as a free and responsible people. Today we look outward and with our blessings give thought to the millions who have actually lost their independence and freedom in the past 42 years.

Calvin Coolidge once said, "Whether one traces his Americanism back three centuries to the Mayflower or 3 years to the steerage is not half so important as whether his Americanism of today is real and genuine." Whether some of you today are products of the Hungarian revolution, the free voices of a conquered Poland, the escapees of a Russian-genocided Latvia, Lithuania, Estonia, past fighters of a Ukrainian or White Ruthenian underground, or past victims of tyranny and oppression in Czechoslovakia, Rumania, Bulgaria, East Germany, Yugoslavia, or in the Caucasus and Asia—or indeed, freedom-loving Russians who have found a haven here—your Americanism is no less than that of those born and reared here. Together we share a common conviction about the nature and independence of our Nation.

Our day of independence symbolizes for us, under God, our national freedom, the untampered will of a sovereign people, our firm determination to meet any enemy who would attempt to destroy our independence. It symbolizes, too, the spiritual and moral power of our great tradition, the just institutions of our country, and the warm humanism of its laws. Often different peoples throughout the world see the meaning and essence of this Nation more objectively and even more appreciatively than many of us do.

As the Captive Nations Week resolution indicates, our Nation, built on the free and creative energies of people drawn from every quarter of the globe, is a unique historical experiment—in short, the great experiment of mankind. Our Nation is a living revolution that moves the hearts and minds of freedom rather than just peace-loving peoples everywhere, particularly those in captive Eurasia. Placed against this revolution, the so-called Communist revolution is but a dressed-up phantom shielding the most reactionary, barbaric, and feudal forces of all time. Our society, to be sure, is not perfect. But, by all evidence, it is unquestionably one that has given so much in so many ways to so many within a short span in the history of man.

Contrary to some false notions, we do possess an ideology which inspires our continued growth as a morally leading nation and remarkably equips us to contend successfully with the present threat of imperialist Red totalitarianism. This ideology is plainly and precisely spelled out in our Declaration of Independence and the Bill of Rights. It is vitally important for us to reflect continually upon the moral and political principles embodied in these historic documents. Nuclear weapons, missiles, luniks, and the whole array of new technological innovations—which by nature are only instruments and means—cannot possibly reshape or antiquate these natural norms of civilized human existence.

But at this time even more important is the conscious application of the perennial principles of national independence and personal liberty to other nations and peoples. For, not only is the living application of these principles crucial to the further growth and development of our Nation, but it is also indispensable to the existence and survival of the nontotalitarian free world. A persistent application by every conceivable medium of communication and contact would dwarf the inflated accomplishments and pretensions of Moscow and its colonial puppets.

AMERICAN INDEPENDENCE AND EASTERN EUROPE AND ASIA

This conviction about our own Nation and about the revolutionary symbol of American independence is not enough. It is a base that in these times demands a structure of appreciation, understanding, and a will to act in the community of mankind. The captive peoples of Eastern Europe and Asia form a major and, in the cold war sense, a primary part of this community.

With our shared conviction we must convey among our fellow Americans a vivid appreciation of the profound impact of our history upon Eastern Europe and Asia. What a moving and powerful force our Declaration of Independence was on the various nations which were subjugated in the empires of the last century and a half. Nations in the Russian, Austro-Hungarian, and Ottoman Empires soon rose at the beginning of this century to declare their independence with a will to pursue an independent national existence similar to ours. But, in significant part, this was short lived as the unchecked surge of totalitarian Russian imperialism since 1918 once again reduced the many non-Russian nations of Eastern Europe and Asia to servility.

To me it is vitally significant that the first major counterattack against the ravenous forces of Soviet Russian imperialism was staged by the Polish-Ukrainian alliance between Pilsudski and Petlura. Had this alliance destroyed Trotsky's Red army completely and decisively, the course of world developments would surely have been different. The myths of communism and Marxism-Leninism would have only been a peep in the arena of human history. As it was, this alliance gave Europe and other parts of the world a breather of some 20 years before the Soviet Russian scourge began to spread again.

Today, we ourselves are seriously threatened by this barbaric peril, which, as in past centuries, poses as the wave of the future, as the Third Rome of mankind, as the Slav center of culture, power, and might. Worst of all, in our confusion, generated in the greatest degree by the unsurpassed propaganda skill of the enemy, we aren't even aware of the tremendous opportunities we have to defeat this menace in the cold war and thus stave off an otherwise inevitable hot global war. The prime and chief forces of patriotic nationalism in central Europe, in the Soviet Union itself, in central Asia, and east Asia are our paramount ally. We haven't begun to tap the enormous potential of non-Russian nationalism within the Soviet Union. The insecurity of Moscow's imperialist and colonial domination over the captive non-Russian nations from the Danube to the Pacific would be permanently sealed and intensified once we seriously begin to direct the words of the President to the peoples of these over 20 captive nations: "Fellow citizens of the world, ask not what America will do for you, but what together we can do for the freedom of man."

THE IDEAS OF CAPTIVE NATIONS WEEK

This necessary togetherness for freedom is best expressed in the Captive Nations Week resolution. This observance gives a crystallized expression to the necessity for working together for freedom, especially in the one area of the world that thirsts for it. Above everything else Khrushchev craves to have his captive world undisturbed and neglected by the free world. But we must never allow him to consolidate his farflung empire; we must never forget that his growing insecurity about the captive nations is our great weapon in the cold war, not to speak of a hot one; nor must we ever forget that the field of the cold war is also Eastern Europe and Asia, not only between imperialist Moscow and the free world but also between the captive peoples and the colonial puppets imposed on them. "They must never," as Mayor Daley so well declared, "be permitted to believe we have deserted them."

Captive Nations Week means all this and more. And an understanding of the ideas of Captive Nations Week must be transmitted to all Americans. What Public Law 86–90 calls for is, in essence, a universalized declaration of independence. It is based on the knowledge that the captive peoples of central and southern Europe—the Poles, Hungarians, Slovaks, Czechs, East Germans, Rumanians, Bulgarians, Serbs, Croats, Slovenes, Montenegrins, Macedonians and Albanians—have a common bond for freedom with the captive peoples in the Soviet Union and Asia. For the first time, our Government recognized the fundamental fact that the Soviet Union itself is an empire, in which the majority of people constitute captive non-Russian nations.

We all recall how in 1959 the self-confident, blustering and cocky Khrushchev reacted violently against the resolution. At every turn he harried Vice President Nixon with the question: "Are these captives?" Isn't it strange that this colonial and imperialist ruler of a vast empire, forever boasting about his missile, sputniks, aircraft, steel—and even donning an ill-fitting military uniform to press his points—should be alarmed and explosive over a mere congressional resolution? Ask yourselves what, except for the U–2 incident, has stirred Khrushchev more to this explosive point of fear and anxiety than the ideas contained in the resolution? The fact is that we have focused the spotlight of imperialism and colonialism on the only important center where it today belongs—Moscow.

As in Poland, Hungary and elsewhere, there is a serious colonial problem within the Soviet Union. And if this is emphasized more and more in the forum of world opinion and attention, the proper characterization of Russian Moscow as the last major colonial and imperialist power in the world would be devastating to its propaganda and cold war efforts. Khrushchev well understood this and ranted endlessly; many in this country remained puzzled and bewildered. We muffed our opportunities then and since.

The hour of decision is rapidly approaching, and you and I are convinced that only a policy of emancipation and liberation of Khrushchev's captives is the decision for freedom-loving men. I have always held that a policy of liberation is inescapable for victory in the cold war. And the horrors of a nuclear war only reinforce this position. Our opportunity, I am convinced, will come once we realize the following: (1) that the issues of colonialism and imperialism in Moscow's empire are prime targets for our national concern and effort; (2) that the Soviet Union, which poses as an equal to the United States, is an empire in itself, holding in bondage the captive nations of Latvia, Lithuania, Estonia, White Ruthenia, Ukraine, Georgia, Armenia, Azerbaijan, Turkestan, Cossackia, North Caucasia, and Idel-Ural; (3) that the only types of warfare that Moscow can wage with success are propaganda and guerrilla warfare; (4) that the cold war will be as permanent as the colonial imperium maintained by Moscow from the Danube to the Pacific; and (5) that the universalization of our Declaration of Independence is the most formidable weapon in this type of war. Initiative, positive action, imaginative ideas can be ours with these fixed and new dimensions of thought.

Although it is said that "the fool's treasure is in his tongue," Khrushchev has never uttered a more complete truth when he recently said his tongue is his chief weapon. The typical Russian Potemkin Village tactics practiced by him, whether in economic, military, space, cultural or other fields, should frighten no one. In each of these areas a persistent, continuous, and popular concentration and study by us would easily reveal the breadth and depth of the Russian con game. For instance, the economic

boasts of Khrushchev could be easily exploded by revelations of the rampant economic imperialism and colonialism within the U.S.S.R. itself. The Gagarin space story will in time become the Russian gangrene story of the cold war. The greatest lies are half-truths.

FROM IDEAS AND CONVICTIONS TO ACTION

It is often said by some that the American people haven't the will to prepare for and do the tasks that must be done. You and I don't believe this. The Captive Nations Week observances demonstrate in themselves a restless will in many sections of our country, seeking the translation of these ideas and convictions into concrete, imaginative and fearless action. Our best defense in the cold war is the offense. There are many things that are required for the successful development of a cold war strategy. In this year's observance we are concentrating on the following:

1. A firm stand without any compromise on West Berlin: The issue of West Berlin is part of the issue of a free reunited Germany, and this is an integral part of the general issue of the captive nations.

2. A determined opposition to the admission of Red China to the United Nations: Mainland China is the largest of all captive nations. Its hope of eventual freedom is in Taiwan. There is nothing inevitable about Peiping being in the U.N. Here, too, no compromise; here, too, no illusions about any mutual suicide pact between Peiping and Moscow.

3. The passage of House Resolution 211 and similar resolutions proposing the creation of a Special House Committee on Captive Nations: The necessity for such a committee has been ably set forth in congressional discussion. There is no agency in Government or private life that continually and persistently studies and investigates all of the captive nations. We need such a body, and this meeting should go on record for the establishment of a Special House Committee on Captive Nations.

4. The passage of the Freedom Academy bill in this Congress: We shall surely continue to lose the cold war until we decide to develop a cold war strategy and apparatus. The captive nations resolution is the basis for such a strategy; the establishment of a Freedom Academy is an essential of the apparatus.

5. The activation of the Kersten amendment to the Mutual Security Act with reference to Cuba: What we failed to do 10 years ago with regard to the captive nations, we must do now with regard to Cuba. The fact of a near-captive nation existing at our doorstep should awaken us to the need of forming units of Free Cuba, prepared for guerrilla warfare and the process of liberating Cuba.

6. The expansion and improvement of the Voice of America broadcasts to the non-Russian nations in the U.S.S.R.: It is strange, indeed, that the enemy in effect determines the shifts in Voice of America frequencies as, for example, in Africa and Latin America, while we virtually leave his vulnerable areas untouched, e.g., Turkestan and the Caucasus. There are over 30 million Moslems in the U.S.S.R. who deserve our closest attention and whose significance for the entire Islamic world is immense.

7. The restoration and extension of the Champion of Liberty stamp series: The goodwill impact of these stamps has been well demonstrated. The action of our postal authorities to downgrade the series is mystifying and even irrational, especially when many fighters of freedom among the captive nations should be appropriately honored.

8. The creation of an executive agency on the self-determination of the captive nations: Such an agency would steadily focus world attention on the captive nations of Europe and Asia and, by deed, attest to our policy of never acquiescing to their permanent captivity. By all evidence such an agency is more important than a disarmament agency.

Your fervent support of these and other issues should be forcefully expressed. You will be working in the best interests of our Nation, for the survival of freedom, and for the avoidance of a cataclysmic hot global war. Colonial Moscow knows best from decades of experience and evidence that it cannot trust its own armed forces. This was shown in World War I, World War II, and in Hungary. The momentous conflict of our day will not be resolved by military arms but, instead, by nonmilitary means, particularly in the field of propaganda. But we seek to propagate a diplomacy of truth, the dynamics of freedom, and the certainty of victory in the most essential area of the cold war—the area of Moscow's colonial empire. And the greatest contribution we could make to the independence and freedom of the 100 million Russian people is to work for the independence and freedom of all the captive non-Russian nations now under the heel of imperialist Moscow.

President Theodore Roosevelt was entirely right when he advised, "Speak softly and carry a big stick." But let us, for the sake of world freedom, speak—continuously, persistently, truthfully; and as he also said, "Fear God and take your own part"—for the freedom of the captive nations, for, in reality, our own freedom.

SOVIET RUSSIAN COLONIALISM

(Memorandum submitted by the Conference of Americans of Central and Eastern European Descent (CACEED))

The Conference of Americans of Central and Eastern European Descent (CACEED), speaking for over 15 million American citizens of central and eastern European background and origin, respectfully submits for your attention and consideration the following memorandum:

"During the 15th session of the United Nations General Assembly, the representative of the Soviet Union, Nikita S. Khrushchev, Chairman of the Council of Ministers of the U.S.S.R., proposed on September 23, 1960, that all colonial dependencies, trusteeship territories and other non-self-governing areas be given 'complete independence and freedom in the building up of their national states in conformity with the freely expressed will and desire of their peoples.'

"We regret to say that the representatives of the great powers of the West either could not or would not take advantage of the opportunity that was presented by Khrushchev's proposal. Thereby a rare occasion was missed to turn the tables against this arrogant ruler by bringing up for discussion the vast Russian Communist colonial empire. Yet it was against the great powers of the West that the biting venom and vindictiveness of Khrushchev were directed, the very powers that are the only major obstacles in his way toward the establishment of a global Soviet state under the control of Moscow.

"It was the smaller nations that valiantly rose to the occasion. With an admirable courage they strongly condemned Soviet Russian colonialism and imperialism. Among them were the representatives of such countries as Australia, Canada, Chile, Nationalist China, and the Philippines, who denounced Russian imperialism and colonialism and let Khrushchev know that the best demonstration of his 'policy of liberation' in Africa and Asia would be its application to the captive nations held in slavery by Moscow.

"The second part of the XVth session of the United Nations General Assembly, resumed on March 7, 1961, does not contain on its agenda any discussion of colonialism. Nevertheless, it is imperative for the entire free world to be wholly familiar with the latest data and information on Russian colonialism so as to be fully prepared to cope with any and all attacks by the Soviet Union and its satellites against the free countries of the world. The occasion may well present itself, inasmuch as there is now a concerted drive among members of the United Nations to drop discussion of two important items on the agenda, namely, the question of Tibet and the question of Hungary. Both are considered by Moscow as 'cold war' issues rather than violations of the Charter of the United Nations.

"It is with these thoughts in mind that this memorandum is being submitted. Above all, we firmly believe that the issue of Soviet colonialism resulting in the enslavement of many nations of Europe and Asia is as important to world peace and security as the issue of colonialism in Africa and Asia.

"I. RUSSIAN COLONIALISM IN COMMUNIST GUISE

"While expanding its own colonial empire, the Soviet Union has succeeded in posing as a 'champion of liberation' of the peoples of Asia and Africa. This was possible chiefly because Moscow succeeded in persuading a great number of statesmen throughout the world that Russian colonialism had disappeared with czarism, leaving the Soviet Union as a matchless collection of 'happy peoples and nations' that are developing in freedom and economic prosperity under the benign care and protection of the 'big Russian brother.'

"To discuss rationally the present-day Soviet Russian colonial empire, we must first realize the true nature of its composition. We must face the fact that the Soviet Union constitutes the largest, the most oppressive and ruthless colonial empire in history. Contrary to a popular superficial conception, it is not only the captive nations of central and eastern Europe that suffer from this new type of colonialism. Inside the Soviet Union, the enslaved non-Russian nations, which for centuries have lived on the shores of the Baltic, in the Caucasus, on the Black Sea, in the Urals and central Asia, are suffering under the heel of the same oppressor.

"Immediately upon the establishment of the Soviet power, the Russian Bolsheviks began expanding their areas of control. They adopted the despotic measures and techniques of the czars and improved them. The first victims of Russian Bolshevik imperialism were the Ukrainians, Georgians, Armenians, Azerbaijanis, Byelorussians, and the Moslem peoples of Turkestan. These peoples had proclaimed their independence following the 1917 revolution in Russia. By 1921 they were incorporated by force into the Soviet Union, where to this day they have remained nominally independent members of the U.S.S.R. All theoretically possess a constitutional right to secede from the U.S.S.R. Actually, however, they constitute virtual colonies of the Soviet Union, which exploits their economic wealth, manpower resources and cultural riches for the benefit and expansion of its imperial domain.

"By their treacherous agreement with Hitler the Russians occupied and annexed the Baltic States of Lithuania, Latvia, and Estonia in 1940, in spite of treaties of nonaggression, and in complete disregard of the Atlantic Charter reincorporated them at the end of the war. They have become colonies by the same token as are all constituent republics of the U.S.S.R.

"After World War II, Poland, Czechoslovakia, Hungary, Rumania, and Bulgaria came under Communist rule through forcible intervention of the Soviet Army and by internal violence and subversion directed and

supported with armed pressure by the Soviet Union. This was done in flagrant violation of international treaties and agreements, signed by the U.S.S.R. with these states and with the Western Powers, guaranteeing their independence and their right to live under freely elected governments of their own choosing.

"Oppressive Communist regimes were imposed by the Soviet Union in Outer Mongolia, East Germany, North Korea, and in North Vietnam.

"It is immaterial whether the colonial status of a non-Russian captive nation was hidden behind the label of 'People's Democracy" or whether the land and the people were simply incorporated into the U.S.S.R. as a "Soviet Republic." The overriding fact is that all these peoples lost their independence and freedom, and that their military, administrative, economic, and spiritual wealth and resources in their entirety disappeared in the maw of Russian colonial expansion and territorial aggrandizement.

"In all these captive nations the Russian Communists are directly, or through subservient puppets indirectly, exercising a supreme and unchallenged power that is ravishing the natural resources and spiritual values of these countries.

"Ever since its conquest of these once-free and independent nations, Soviet rule has been characterized by the following features:

"(1) Systematic genocidal destruction of the conquered peoples through mass executions, deportations and forcible 'resettlement' to Kazakhstan, Siberia and other areas;

"(2) Relentless Russification through the forcible imposition of the Russian language and the persecution of the non-Russian cultures, and through the liquidation of the non-Russian intellectuals and the true churches;

"(3) Imposition of the Soviet economic system on the captive countries for the purpose of exploiting all national resources for the benefit of the U.S.S.R.

"Some 10 years ago, the Honorable Dean Acheson, then Secretary of State, testifying before the House Foreign Relations Committee on June 26, 1951, made the following penetrating observation on Russian Communist imperialism:

" 'Historically, the Russian state has three great drives—to the west in Europe, to the south into the Middle East, and to the east into Asia. * * * The Politburo has acted in the same way. It carried on and built on the imperialist tradition. What it has added consists mainly of new weapons and new tactics. * * * The ruling power in Moscow has long been the imperial power and now rules over a greatly extended empire. * * * It is clear that this process of encroachment by which Russia has grown in the last 500 years from the Duchy of Moscow to a vast empire has got to be stopped.'

"It should also be recalled that in July 1959, the U.S. Congress passed by unanimous vote the 'Captive Nations Week resolution,' which subsequently was signed by President Eisenhower and became Public Law 86-96. This resolution provoked violent protests on the part of Khrushchev and the entire Communist bloc, because the resolution correctly labeled the Soviet Union as an imperialistic power, which keeps some 22 non-Russian nations in subjugation and slavery.

"President John F. Kennedy made known his views on the matter of captive nations in his message to the Ukrainian Congress Committee of America, on November 4, 1960:

" 'I deplore the monolithic term often used by the Republican administration in Washington, "Soviet nation" or "Soviet people." In essence, it is contrary to the Captive Nations Week resolution enacted last year. Its use implies that we condone the status quo of the Communist takeover of all the captive nations behind the Iron Curtain. I stated then, and I do now, that I adhere to the statement as contained in the Democratic platform: "We will never surrender positions which are essential to the defense of freedom nor will we abandon people who are now behind the Iron Curtain through any formal approval of the status quo." ' "

"It is regrettable that the Afro-Asian resolution on colonialism adopted before the close of the first part of the current XVth session of the U.S. General Assembly was not broad enough to include also Soviet colonialism. If the United Nations, as Khrushchev proposed, is to be united in opposition to colonialism, it is then its solemn duty to combat Soviet Russian colonialism, the scourge of our time and our civilization as well.

"II. U.N. INVESTIGATION OF RUSSIAN COLONIALISM

"Upon instructions from Khrushchev, the Soviet delegation has been persistently attacking the West on the problems of the Congo, Laos, and Cuba. These attacks are obviously intended to serve as a cover for Russian Communist machinations in the various parts of the globe, especially in the strife-torn Congo, which has been selected by Moscow as the foothold of Russian colonialism in Africa. The same policy of Moscow is being relentlessly pursued in Cuba, where Moscow has been gradually entrenching itself under the pretext of helping a deluded revolutionary in his alleged struggle against 'American imperialism.'

"Recently G. Mennen Williams, Assistant Secretary of State for African Affairs, made a simple but profound statement to the effect that 'Africa is for the Africans.' Although it was denounced and criticized in certain European quarters, it was praised and promptly endorsed by President Kennedy. It is disheartening to note that in the West there is a double standard operating with respect to the liberation of colonial and subjugated peoples. While the U.N. is almost unanimous in promoting the freedom and emancipation of the colonial peoples of Africa and Asia, it distressingly shies away from any tangible support of the captive and enslaved nations held in bondage in the Soviet totalitarian empire. Surely there should be no discrimination as far as the Communist-enslaved nations of Europe are concerned. Any policy which tends to negate or neglect the plight of these heroic peoples can only benefit Communist Russia, the enemy of all mankind, and dooms the newly emerged nations as well.

"In view of the persistent attempts of the Soviet bloc in the United Nations to investigate so-called Western colonialism, we respectfully urge you and appeal to you, to propose at the United Nations General Assembly the following:

"(1) That the United Nations should forthwith institute a full-scale investigation into the Russian Communist aggression in Albania, Bulgaria, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, Rumania, and the Ukraine, as well as in all other captive non-Russian nations now held in bondage both within and outside the Soviet Russian Communist empire proper;

"(2) Free and unfettered elections under United Nations supervision in all the captive nations which would give the opportunity to the enslaved peoples in these countries to make their choice between freedom, self-determination, and independence, on the one hand, and Russian Communist subjugation and colonial exploitation, on the other;

"(3) That the United Nations General Assembly adopt a resolution calling for the withdrawal of Soviet occupation troops and secret police from all the captive countries and to return all the political deportees and exiles whom the Russians have deported to Siberia, and to allow them to resume their normal lives under freedom and democratic government, elected by the free people of these countries;

"(4) Recognition of the fact that the Soviet Union is the most ruthless and oppressive totalitarian empire of our day, and that no peace and stability in the world is possible unless the Russian Communist threat is eliminated forever. This will be possible only after the liberation of all the captive nations held in slavery by the Soviet Union.

"All humanity is now against colonialism of all types, shapes, and origins. A colony is a colony whether it is acquired as the result of oversea expansion or of overland aggrandizement. Soviet Russian colonialism, which proceeds by both covert and overt means, constitutes a unique menace to mankind.

"The Western nations, on the other hand, have been gradually relinquishing their hold on the colonial peoples of Asia and Africa, and in doing so they are upholding the principles of the U.N. Charter. It is the sacred duty and the imperative task of the United Nations to go further. It must exert a supreme effort to see that the principles of the U.N. Charter are applied everywhere. This course alone will achieve our ultimate objective: a durable peace, with free men living in dignity everywhere."

[From the New York Post, July 19, 1961]

COLONIES

(By Seymour Freidin)

LONDON.—Traditionalists and sentimentalists on this side of the channel are still bemoaning the apathy that greeted this year's Bastille Day in Paris. Unnoticed here, however, was a much more dismal July 14 anniversary, far away in the Baltic States.

In Europe, particularly Scandinavia, and in scattered U.S. towns and villages, some people did pay attention. July 14 is not a day to celebrate if you are a Latvian, Estonian, or Lithuanian. The date will live in special infamy because of what happened 21 years ago. The Soviet Union staged its own elections in the Baltic States and reabsorbed the little countries.

Even in the Soviet satellite world, countries are permitted a show of national sovereignty. Not so in the Baltic States. They were annexed and incorporated into the Soviet Union. There was no question of self-determination for these people. The United States has refused to recognize the liquidation of the Baltic States as sovereign entities. The Russians keep on with a program of Russification that started with outright genocide.

As a result, Lithuania, Latvia, and Estonia are really the world's three newest colonies. While Western powers relinquished, grudgingly or cheerfully, their colonial possessions, the Soviet Union made colonies.

Bastille Day, 1940, was miserable for the world in many ways. France was under Hitler's heel and there certainly was nothing to celebrate. Britain was preparing defiantly for the oncoming battle with German planes over English skies. The Soviet Union, still solvent in a pact with Hitler, took over the Baltic States. In the United States, there was some outrage. But the Battle of Britain took the center of attention.

During and after World War II, the Baltic States were a battleground, militarily and politically. The Russians were driven out by the Nazis, who occupied the areas. Then the Red army expelled the Germans, and the Soviet regime went on with the absorption.

How did it all happen? After the Russian revolution and World War I, the Baltic

States declared themselves independent republics. In 1920, Lenin recognized their rights to self-determination. Independence didn't last quite 20 years.

When the Hitler-Stalin pact was made, the Russians demanded military bases from the little countries. Sovietization began in earnest when the Russians moved in military forces in 1940. Some of the most cold-blooded, macabre events occurred immediately thereafter.

Planned depopulation went into effect. For each state, Stalin sent in a proconsul. Andrei Zhdanov took over Estonia, smallest of the republics. V. G. Dekanozov, a deputy commissar for foreign affairs, busied himself with Lithuania. Andrei Vyshinsky made the deportations come up to order in Latvia.

The orders, by the way, were called the "Serov plan." They were named for Ivan Serov, who served Nikita Khrushchev as security boss for some time. He has been sidelined lately.

In the days of depopulating the little republics of Balts, Serov was a big man. Liquidation goals were coldly set—and met. From June 14 to June 17, 1940, thousands of families were dragged from their homes. They were sent in cattle cars due east to Russia. Or they were executed in their hometowns in the most convenient places.

Victims included almost all the natural leaders of the Baltic peoples. Among them were judges, teachers, lawyers, trade union officials, and Social Democrats, philatelists, because they had been in touch with foreign stamp collectors, also were on the list of deportees. When German armies moved in on their way to the eastern front, they expected mass thanksgiving. They got little—much less than they received when they entered the Ukraine.

Still, the Russians, taking over again in 1944, used the charge of collaboration to further sap the Baltic States of their national characters and identities. These had been fairly prosperous and industrious little states that minded their own business. They could not do much else with the mighty neighbor on their frontiers. The Baltic States practiced the first uncommitted policy. They had been anti-Communist, but extremely careful to avoid offense to the Soviet Union.

Official Soviet figures show a rapid decline in the population totals of Balts and a corresponding increase of Russians, White Russians, and Ukrainians. In the Soviet Union proper, regime figures claim a total of 400,000 Baltic citizens. How did they get there? Balts either stay home or, if they have the chance, flee in a westerly direction.

These days there is little chance to get out. Khrushchev, although he assailed Stalin at the 20th Party Congress, has been eminently content to keep up the big brother work begun under Stalin in the Baltic States. That is why July 14 was noted in the U.S.S.R. as an occasion of victory. For the Balts, it's a day of national mourning.

[NATO Letter, June 1961]

IMPERIALISM IN THE SOVIET UNION

(By Paul Barton, sociologist specializing in the problems of totalitarianism and author of L'Institution Concentrationnaire en Russie (Plon) and other books)

We have been repeatedly told that we are watching the distintegration, and even the disappearance, of colonialism; and, by and large, this is true so far as concerns the empires built by the Western nations. But before affirming that a general trend exists in a given age (and this is particularly true of an age such as ours which is distinguished by the interdependence of all parts of the globe) we must look beyond the confines of this or that limited region. And as soon as we consider the vicissitudes of colonialism from a universal viewpoint, things look very much less straightforward.

A STEP BACKWARD

Step by step with the growing tendency of Western empires to abolish colonial status, a powerful colonialist movement is developing under the control of Moscow. In order to appreciate its strength, we need only observe the extent to which it threatens to swallow up those countries which are emerging from the Western colonial system and to rob them of the independence which they are in the process of acquiring.

Far and away the most important sign of this expanding colonialism is, obviously, the Soviet Union's annexation of foreign territories—an annexation which was partly completed during the Second World War and which is partly incomplete and progressive, begun immediately after the war and leading to the establishment of a vast system of satellite countries. But the form of colonialism which has its driving force in Moscow does not only strike at foreign countries but likewise at regions within the Soviet Union itself which are inhabited by a number of non-Russian nationalities. It is, therefore, very strange that the head of the Russian Government should so readily claim to be the main champion of independence for colonial peoples. But it is still stranger that he should presume to refer—by way of contrast to the subject status of these peoples—to the "independence and self-determination" which, according to himself, are enjoyed by the various nationalities of the multinational Soviet Union. Confronted with such presumption on the part of Mr. Khrushchev, it would be as well to glance a little more closely at the real situation of these nationalities.

NOT A UNION OF EQUALS

It is true that the constitution describes the Soviet Union as a federal state comprising at the present time 15 federated republics. If, however, we look beyond Soviet officialese, we find that federation does not mean quite what it meant elsewhere. As early as 1913, Lenin categorically rejected any idea of a federal form for the state in that federation is a union of equals, depending upon common consent. After they achieved power, Lenin and his successors nonetheless accepted the principle of federation, but only after they had emptied it of all real meaning. Their squalid acceptance of federalism reduced the latter to a distribution of power and functions among authorities at different levels. Derek J. R. Scott of Manchester University has remarked there is no question of limiting the prerogatives of the central power in order to respect local or specific interests since the Soviet state, operated like an enormous business, is a structure in which its different components participate, not with various interests and rights, but with various sorts of subjection.

WHERE ARE THE MINISTERS?

Thus, since 1944, the federated republics are entitled to have their own foreign affairs ministeries, to enter into direct relations with foreign states, to conclude agreement and to exchange diplomatic and consular representatives with them. But, except for the Ukraine and Byelorussia, which are represented at the United Nations (thereby merely increasing the number of votes available to the Soviet), not one federated republic has so far maintained a mission of any sort whatever abroad; the foreign affairs ministries of the federated republics only exist in theory.

Another example: at the same time, the federated republics obtained the right to have their own defense ministries, but the facts indicate that this right is as illusory as their right to set up their own foreign affairs ministries. The command and the organization of the Soviet armed forces is so highly centralized—and distinguished, moreover, by a marked predominance of the Russian nationality—that it is hard to see what role these ministries could play. As it happens, not one order from the defense ministry of a federated republic has ever been published and the explanation is not far to seek: no such ministry has ever been set up and the minister of defense in a federated republic has yet to be appointed.

NOMINAL RIGHT TO SECEDE

Similarly, the right of each republic to withdraw from the Soviet Union was written into the constitution at the outset. But this right was conceded to the federal republics by the men in power for purely propagandist reasons. Lenin's 1913 article, mentioned above, bears witness to the fact. In that article, the future head of the Russian Government not only rejected federalism, but also the right to secession: "Generally speaking," he said flatly, "we are against secession," adding "the right to secede is an exception to our general centralist position," but that this exception was necessary to keep the chauvinistic Russian elements in check. In other words, the proclamation of the right to secession had no purpose other than to obtain the support of the national minorities, who were threatened and ill treated by these chauvinistic elements. In any case, during the 43 years' existence of the self-styled federative state, not one federated republic has ever begun the procedure necessary to leaving the U.S.S.R. Any such development would, moreover, be diametrically opposed to everything we have seen in the past. For example, during the early years of Soviet power, the armies under its command occupied several territories which had attempted to separate from the Russian state and overthrew their governments by force of arms: this was the case of Georgia, the Ukraine, Turkestan, and the Crimea. Toward the end of the 1920's, the movements known as milli istiklal (national independence) and milli ittikhad (national unification) were liquidated on the pretext that they were working for the overthrow of the Soviet regime and the institution of a bourgeoisie state. In 1938, eight Armenians were executed after having been accused of wishing to separate Armenia from the Soviet Union. Moreover, agitation and propaganda aimed at undermining or weakening the Soviet state are considered as treason and punishable by up to 7 years' imprisonment.

Finally, it is true that the constitution lays down that no change may be made in boundaries of a federated republic without that republic's consent, but, in practice, no federated republic has ever opposed plans to take away part of its territory or even to wipe it out completely. Part of the Finnish Karelian Republic was incorporated in the Russian Soviet Federated Socialist Republic in 1945 and the rest of its territory went the same way in 1956, which put an end to its status of federated republic. In 1955, the R.S.F.S.R. itself ceded the Crimea to the Ukraine; the following year, part of the territory of Kazakhstan was transferred to Uzbekistan; in 1957, Georgia presented the R.S.F.S.R. with its part of Chechen-Ingush territory.

TRANSFERS OF TERRITORIES

In view of the precarious status of the federated republics, it is scarcely necessary to dwell on the national formations at a lower level—the autonomous republics, the autonomous regions, the national zones, the national districts, the national village soviets and the national collective farms, all of which are integrated in the federated republics and particularly in the R.S.F.S.R. Even the illusory constitutional guarantees providing for the right to leave the U.S.S.R. and for territorial integrity do not extend to the autonomous republics, let alone their internal components. Larger or smaller

slices of their territories are incessantly transferred, as are their capitals, and national zones and districts are emerging and disappearing all the time. All these matters are settled by simple decrees.

COMMUNIST PARTY IS CENTRALIST

No picture of Soviet pseudofederalism would be complete—and, in fact, it would be seriously distorted—without mention of the structure of the Communist Party whose organs double and direct governmental bodies at all levels—to the point where it may be said without exaggeration that the latter are mainly concerned with carrying out the decisions of the former. The organizational structure of the Communist Party of the Soviet Union, governed as it is by a rigorous centralism, does not contain the slightest trace of federalism. The Communist parties of the federated republics are not autonomous parties, even on paper. Their executive committees, known as Central Committees, are classified by the statutes of the Communist Party of the Soviet Union among the regional committees and their congresses among the regional conference. As to the autonomous republics, even their name indicates that the party organizations at this level are regional organizations and the same applies at the level of the autonomous regions. All these bodies are entrusted with the task of insuring that directives from the Secretariat of the Central Committee are duly implemented by the organs within their sphere. Party officials at the level of the federated republics—and still more at the level of the autonomous republics—are frequently not of the same nationality as the bulk of the population of the republic concerned; and, specifically, there is a very high proportion of Russians among them.

RUSSIANIZATION

Until 1956 there was one exception to this arrangement: the R.S.F.S.R. had no party organization of its own. Since 1956, there is a bureau of the Central Committee especially entrusted with the task of directing party activities in the R.S.F.S.R., but its powers are extremely limited. This, as Derek J. R. Scott has observed, is not a form of discrimination against the R.S.F.S.R., but, on the contrary, an indication of its privileged position: The Communist Party of the Soviet Union is, in fact, the Russian Communist Party and the Communist parties of the other Federated Republics are merely its offshoots. Walter Kolarz, an outstanding expert on Soviet policy toward nationalities, has revealed the marked predominance of Russians among members—and especially leaders—of the party. More important still, the same author rightly insists on the Russian character of the 1917 October revolution: By urging the supremacy of the proletariat over the peasants, the Bolsheviks, in spite of their slogans about equality of all nations, established the domination of the Russians over all the other peoples since the latter were almost wholly concerned with agricultural pursuits.

At a later stage, other factors were grafted on to these fundamental facts. The tendency to Russianize minority nationalities initially developed merely as a secondary symptom of colonization governed by economic and strategic demands. The exploitation of distant and underpopulated territories dealt a double blow to the native inhabitants. On the one hand, there was the massive influx of Russians intended to form an elite, from skilled workers to party, administrative, police and economic leaders; on the other hand, from the outset local nationalities were deprived of their customs, taken on as low-level workers in the emerging industries and, above all, transferred to other regions. But, as time went on, the trend toward Russianization received more and more powerful encouragement from the radical change in the policy pursued by the Moscow government in regard to nationalities. Despite the Russian character of the Bolshevik revolution, this policy in the early days made it a point of honor to grapple with Russian chauvinism; but, step by step, this center of gravity shifted toward the struggle against local nationalisms, and since the 1930's this has been the dominant, if not the only, preoccupation. Its most striking manifestations are the introduction of the Russian alphabet for a number of nationalities (carried out only a few years after the introduction of the Latin script), compulsory instruction in the Russian language in all non-Russian schools (decreed on March 13, 1938) and the mass deportations and transfers of members of minority nationalities to distant regions inhabited by other minority nationalities.

ORGANIZED MIGRATION

This last procedure is unquestionably the most characteristic feature of Russian colonialism as practiced within the Soviet Union. The extent of the colonization of distant regions in the U.S.S.R. is more or less known from those involved in forced labor and the deportees compelled to reside in a given area, and from the workers claimed under the guise of organized recruitment of manpower. This colonization has involved the migration of scores of thousands of people. The native populations who were alone in the territories concerned prior to this invasion soon found themselves in the minority; in many places, it would even seem that they are doomed before long to disappear. The evolution which the ethnic structure of these regions has undergone since some of the concentration camp prisoners were released does not represent any radical break with the past. A large proportion of those released are compelled to remain in the area. Others have been replaced by convicted criminals. Finally, there are also to be found there the young people who have been enrolled in other regions through pressure of various kinds and workers taken on under organized recruitment. Thus, these regions continue to be increasingly Russianized through the medium of members of other nationalities which are themselves being Russianized.

EXPLOITING THE VIRGIN LANDS

Onslaughts of a similar type have been organized in recent years in the form of a campaign for the exploitation of virgin or fallow land. During his recent tour of inspection in Kazakhstan, Nikita Khrushchev made a speech at Akmolinsk which was extremely illuminating in this regard. Among other things, he observed that, "Our hearts are filled with pride in our country when we find among the best workers in the virgin lands the names of Russians and Ukrainians, Kazakhs and Byelorussians, representatives of all the peoples of our multinational homeland. We have here Latvians, Estonians, Lithuanians, Jews and Germans; all the ethnography, so to speak, of our great Soviet Union is here represented and all are working valiantly for the good of our Soviet people who are building Communist society."

Commenting on this colonialist profession of faith, Walter Kolarz raised the key question: "Who could believe that the Letts wanted to turn their backs on their civilized capital of Riga in order to settle on state farms in the province of Kustanay where they are cut off from their national culture and their traditions and deprived of the comfort to which they are accustomed?"

THE DISAPPEARING KAZAKHS

And what has happened to the Kazakhs who were once the sole inhabitants of the country, which is being colonized in this way? This unhappy people, which numbered almost 4 million in 1926, was already reduced to 3 million in 1939 as a result of the forced collectivization of agriculture and the crusade against nomadism. At present, they number a little over 3½ million, but only 2.8 million of these live in Kazakhstan where they represent only 30 percent of the population; nearly 4 million inhabitants of this federated republic gave their nationality as Russian at the last census on January 15, 1959; the number of Ukrainians living there is over three-quarters of a million.

In short, the colonization of territories with a minority population by members of other minorities makes it possible to kill two birds with one stone. The colonists themselves soon became Russianized since they find themselves in the middle of an ethnic mosaic where Russian is the only common language, and since in Kazakhstan, Uzbekistan, or in the Komi autonomous republic there are neither Ukrainian, Latvian, or Polish schools, nor newspapers in their respective languages, more than 4 million Ukrainians are in this situation. More than half of the 1,380,000 Poles living in the U.S.S.R. no longer speak Polish.

In the regions which supply the colonists, the departure of the latter leaves gaps which are filled by elements of the Russianization process, either directly by Russians or by citizens of other minority groups. The case of the Baltic States is typical. In Latvia, Estonia, and Lithuania, Russians make up a tenth, a fifth, and more than a quarter of the respective populations; and the proportion of the native ethnic group has been reduced to four-fifths in Latvia, less than three-quarters in Estonia, and less than two-thirds in Lithuania.

Additionally, mass deportations and transfers of minority nationalities affect their natural growth by increasing the mortality rate and reducing the birth rate. The last population census in the Soviet Union provides eloquent proof of this. The number of Kalmuks living within the territory of the U.S.S.R. dropped from 129,000 in 1926 and 134,000 in 1939 to 106,000 in 1959, nearly one-tenth of the survivors no longer speak their native language. The Latvians, Estonians, and Lithuanians in the Soviet Union are less numerous than in 1940; the difference amounts to 300,000 for the first, 150,000 for the second, and 10,000 for the last.

It goes without saying that when a phenomenon occurs on this catastrophic scale, it is the result of avowedly punitive deportations; but we should have no illusions, as to the methods used in current population transfers, the effects of which will be seen in future censuses. Even where these transfers are officially justified on purely economic grounds, as in the case of the organized descent on the virgin lands, most of the colonists are thrust into living conditions which, although not to be compared to those condemned to forced labor, can nonetheless only result in increased death rates and lowered birth rates. Several Soviet writers, among them the well-known dramatist, Nicolas Pogodine, who had previously glorified the reeducation carried out in the concentration camps, have had the courage to paint a truthful picture of the life led by the settlers in the virgin lands and it is a grim picture indeed. But there is no need to look for information in literature; to see what is happening, we need only glance at the newspapers and the official statements which continually complain of the impossibility of putting a stop to the escapes, the flights and the departures of the colonists.

While emphasizing this particular feature of Russian colonialism—the deportations and transfers of peoples—we should not lose sight of the fact that the Soviet Government also makes use of classic methods of denationalization. Compulsory instruction in Russian throughout all non-Russian schools has already been mentioned. In addition, the number of hours devoted to teaching Russian in these schools increases as courses

become more advanced to the detriment of instruction in the national language. In the national schools of Uzbekistan, for example, Russian in the 8th year takes up 6 hours per week and Uzbek 2 hours. We have also seen that members of minority groups are unable to send their children to national schools if they live outside their national territory. It should be added that Russian schools are attended by numerous native children even in non-Russian republics. The percentage of schoolchildren in Russian schools in Byelorussia amounts to more than double the percentage of Russians among this republic's population; much the same applies to Georgia; in Armenia and Moldavia, the proportion is as high as three times the percentage of Russians in the population. Among other reasons is the fact that previous attendance at a non-Russian school is a handicap in applying for admission to a higher educational institution and is thus prejudicial to the individual's career.

The press and publications in general play an important part in the Russianizing process. Only a third of the newspapers published in the U.S.S.R. appear in the languages of those minorities which nonetheless make up 45 percent of the population; the circulation of non-Russian papers represents only 17 percent of the overall circulation of the Soviet press. And Russian domination is still more marked as regards magazines and books.

EROSION OF ETHNIC MINORITIES

The combined effect of these different denationalization methods shows in demographic statistics. The proportion of Russians in the population as a whole, is increasing rapidly: 36 percent in 1897, 53 percent in 1926, 58 percent in 1939. Territories inhabited by more than 22 million non-Russians were subsequently annexed, but Russians nonetheless still account for 55 percent of the population; if we add the 10.2 million members of other nationalities who gave their native tongue as Russian at the last census, the proportion rises to 59 percent. Russians numbered 78 million in 1926, 99 million in 1939 and 114 million in 1959; the minority nationalities numbered some 69.5 million in 1926, 70.5 million in 1939 and 95 million in 1959 after the annexations. In other words, the non-Russian population remained stationary from 1926 to 1939 and then increased by barely the number due to the annexation of foreign territories. It follows that its natural growth is obliterated by Russianization. Never has any colonial power succeeded in so firmly barring access to the future from its subject peoples.

[From the New York Times, July 15, 1961]

KENNEDY APPEALS ON CAPTIVE LANDS—PROCLAIMS WEEK IN SUPPORT OF "JUST ASPIRATIONS"

HYANNIS PORT, MASS. July 14.—President Kennedy issued a Captive Nations Week proclamation tonight similar to one that irked Soviet Premier Khrushchev in 1959.

The President designated next week as a period for Americans "to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom."

He issued the proclamation shortly after arriving here with Mrs. Kennedy for a weekend of rest. Mrs. Kennedy will remain here for the rest of the summer.

Mr. Kennedy's proclamation was issued in line with a 2-year-old congressional resolution calling for designation of the third week in July as Captive Nations Week.

Congress asked for this to be done, he recalled, "each year until such time as freedom and independence shall have been achieved for all the captive nations of the world."

Such a proclamation, referring primarily to the Communist satellite nations of Eastern Europe, aroused Mr. Khrushchev's anger in 1959 at just about the time former Vice President Richard M. Nixon made his visit to the Soviet Union.

"CAPTIVE" WEEK DRAWS RED IRE

MOSCOW, July 19.—The Government newspaper Izvestia reacted angrily today to President Kennedy's proclamation of this week as "Captive Nations Week."

In an article by Nikolai Noviko, Izvestia asked, "Who gave U.S. ruling circles the right to poke their nose into internal affairs of other countries with whom the United States furthermore maintains diplomatic relations?"

Izvestia said Mr. Kennedy showed "no originality. * * * He is simply following in the footsteps of his predecessor."

Former President Eisenhower proclaimed Captive Nations Week in July 1959.

[From the Philadelphia Evening Bulletin, July 15, 1961]

"CAPTIVE NATIONS WEEK" PROCLAIMED IN REBUFF TO SOVIET—IT ANGERED KHRUSHCHEV 2 YEARS AGO

HYANNIS PORT, MASS., July 15.—President Kennedy, faced with a crisis over West Berlin, last night emphasized his concern for all countries behind the Iron Curtain by proclaiming a "Captive Nations Week" starting tomorrow.

Former President Eisenhower issued a similar proclamation 2 years ago which angered Soviet Premier Khrushchev.

Khrushchev complained about it repeatedly after that, particularly to Vice President Richard M. Nixon when he visited the Soviet Union. But the proclamation was issued again last year.

This year, Mr. Kennedy's proclamation appeared to be a firm preface to the note on Berlin he intends to send Khrushchev Monday or Tuesday.

OBSERVANCES PROPOSED

The proclamation of Mr. Kennedy, who arrived with Mrs. Kennedy last evening for a weekend of relaxation at their summer home, was in line with a congressional call in 1959 for designation of the third week in July as "Captive Nations Week" until such time as freedom and independence shall have been achieved for all the captive nations of the world.

The reference was mainly to the Soviet satellites behind the Iron Curtain.

"I invite the people of the United States of America to observe this week with appropriate ceremonies and activities," Mr. Kennedy said, "and I urge them to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom."

[From the Tablet, July 15, 1961]

IS POSTAL DEPARTMENT IRRATIONAL?—DOWNGRADING OF CHAMPION OF LIBERTY STAMPS SCORED

WASHINGTON, D.C.—The charge was made Monday by the National Captive Nations Committee that the Postal Department "appears to be plainly irrational" in downgrading the Champion of Liberty stamp series. In letters sent to members of the Senate and House Post Office Committees, the chairman of NCNC, Dr. Lev E. Dobriansky, of Georgetown University, declared the Department is making a serious error in reducing the significance of "this medium for people-to-people contact." He urged the members to influence the restoration and expansion of the series, which will be a major theme of Captive Nations Week beginning July 16.

Three Champion of Liberty stamps were issued last year. The present administration has reduced the number to one and in letters to legislators it cast doubt on the series' continuance.

Professor Dobriansky, in stressing the importance of the stamps in the cold war struggle, argues that "there are dozens of freedom fighters honored by the captive peoples of Europe and Asia who deserve our knowledgeable praise." He cited the current case of Ukraine's Shevchenko. He also called upon the legislators to thwart Khrushchev's present propaganda play aimed at influencing the President not to issue a Captive Nations Week resolution. The incongruous Independence Day message sent by Khrushchev and reports of growing cleavage between Moscow and Peiping are part of this play, Dr. Dobriansky declared.

TEXT OF PROTEST

A copy of the letter sent to the Senators and Representatives follows:

"DEAR FRIEND OF FREEDOM: Millions of Americans are preparing to observe Captive Nations Week beginning July 16. One of the major themes of the week will be the restoration and expansion of the Champion of Liberty stamp series. We strongly urge that you, as a member of the Post Office Committee, do everything possible to realize this objective in the interest of our Nation and its cold war struggle.

"The ill-advised decision of the Postmaster General to downgrade the Champion of Liberty stamp series is most disquieting and even appears to be plainly irrational. It contradicts not only the spirit of the forthcoming observance but also the many declarations of the President himself, as, for example, in the state of the Union address: 'We must never forget our hopes for the ultimate freedom and welfare of the Eastern European peoples.' As shown by the impact of the Masaryk and Paderewski stamps, this series has been one of our most effective media for the expression of these feelings and the cultivation of friendship with the captive peoples.

"If the present postal authorities simply desire to be different from their predecessors, the wise course is to expand the series and truly develop a precious philatelic album of freedom. There are dozens of freedom fighters honored by the captive peoples of Europe and Asia who deserve our knowledgeable praise. A current case in point is Taras Shevchenko of the Ukraine. As shown by the enclosed Lesinski resolution, Congress saw fit last year to honor Shevchenko's centennial, but the Postmaster General thinks quiries made by Members of Congress on the Schevchenko stamp, the Department asserts it 'carefully considered' the proposal although it already decided not to issue any of such stamps this year.

"The importance of this medium for people-to-people contact cannot be too strongly emphasized. A serious error is being made by our postal authorities where we have everything to gain, including a financial gain, and nothing to lose. The obscurity that surrounds the Department's 'reasons' for downgrading the Champion of Liberty stamp series deserves your attention.

"When Khrushchev is using every propaganda trick (e.g., his July 4 message to the President and ostensible Moscow-Peiping cleavage) to influence the President in not issuing a Captive Nations Week proclamation, you can counter his attempts by emphasizing now the importance of this series to our natural allies, the captive nations.

"With many grateful thanks for your careful inquiry into this matter and in the spirit of liberty and freedom animating Captive Nations Week, I am,

"Sincerely yours,

"LEV E. DOBRIANSKY,
"Chairman."

[From Chicago's American, July 17, 1961]

TWO THOUSAND AT RALLY HERE FOR CAPTIVE NATIONS

"Liberty and freedom are the common goals linking all the captive nations together."

That was the message of Representative EDWARD J. DERWINSKI (Republican, fourth) at a rally of 2,000 persons opening the observance of Captive Nations Week in the Chicago area.

DERWINSKI led the assembly in the pledge of allegiance to the flag yesterday in the Grant Park bandshell ceremony.

HUNDREDS MARCH

"The religious devotion of the captive nations stands out in stark contrast to the godlessness of the Soviets," he said.

Hundreds of marchers in colorful costumes of their native lands paraded to the bandshell. Nations represented included Albania, Byelorussia, Bulgaria, Croatia, Czechoslovakia, Estonia, East Germany, Hungary, Latvia, Lithuania, Poland, the Ukraine, and Cuba.

The invocation was pronounced by the Reverend Cornelius Tessenyi of Grace United Evangelical Lutheran Church. The Reverend Algimantas Kezys, of the Lithuanian Jesuit Fathers of Chicago, gave the benediction.

OTHER SPEAKERS

Speakers also included Fire Department Capt. Joseph McCarthy, marine hero who won the Congressional Medal of Honor; Representative Daniel D. Rostenkowski (Democrat, eighth); Representative Ray J. Madden (Democrat, of Indiana) and Representative John C. Kluczynski (Democrat, fifth).

In proclaiming Captive Nations Week, Mayor Daley said:

"This week may displease Russian Premier Nikita Khrushchev, but we must let the people of the captive nations behind the Iron Curtain know that we Americans have not forgotten them."

Captive Nations Week was first proclaimed by President Eisenhower in 1959.

[From Der Wanderer, July 6, 1961]

MINNESOTA TO NOTE CAPTIVE NATIONS WEEK

ST. PAUL, MINN.—Gov. Elmer L. Andersen, honorary chairman of Minnesota's Captive Nations Week observance, this week called upon Minnesotans to "join with all freemen to do everything possible—by means of word and unity of action—to keep the hope of freedom alive in the hearts of the peoples held in bondage behind the Iron Curtain."

The chief executive signed a proclamation designating the week of July 16–22 as Captive Nations Week in Minnesota.

He announced that a high point of the week will be the official State tribute to the peoples of the captive nations which will be held July 18 at 8 p.m. at the Souls Harbor, Minneapolis. Principal speaker will be Joe Foss, former South Dakota Governor, hero of World War II, and now Commissioner of the American Football League. Governor Andersen will formally open the observance meeting. Master of ceremonies will be Bob Ryan, KSTP–TV newscaster.

On July 22, at 11 a.m., a solemn ceremony honoring America's war dead will be held under Captive Nations auspices at the Fort Snelling National Cemetery. The VFW Color Guard will participate.

Observance of Captive Nations Week is jointly sponsored by the Council for the Liberation of Captive Peoples from Soviet Domination and the Seventh District VFW. Erik A. Dundurs, Minneapolis, is general chairman of Captive Nations Week.

Captive Nations Week was created by a resolution passed by Congress in 1959 authorizing the President "to issue a proclamation designating the third week in July 1959, * * * and inviting the people of the United States to observe such week with appropriate ceremonies and activities."

"It is important," said Governor Andersen, "that concern for the well-being of the captive peoples be felt and expressed every day in the United States and the free world—but it is fitting that one week is set aside to bring particular emphasis to our obligation to do all we can to supplant authoritarian rule and tyranny with freedom.

"Communism is dedicated to the destruction of all the values that comprise the American way of life. For that reason, it is important that we strive not only to end the cold war—but to win it, and reestablish freedom to the peoples who have been crushed under the burden of slavery."

[From Chicago's American, July 16, 1961]

KENNEDY FINISHES KHRUSH REPLY

HYANNIS PORT, MASS.—The White House announced yesterday that President Kennedy has completed his reply to Soviet Premier Khrushchev's latest Berlin demands but would give no details on its content.

Press Secretary Pierre Salinger said it was possible the reply would go to the Kremlin tomorrow.

Mr. Kennedy devoted most of the day to relaxing with his family aboard his father's cabin cruiser, *Marlin*, in Nantucket Sound. Salinger said the Chief Executive took along a pile of memoranda on Berlin and other issues to study. The documents included one from the National Security Council.

The President was expected to take a firm stand in his reply to Khrushchev's recent memorandum threatening to sign a separate peace treaty with East Germany by the end of this year. Mr. Kennedy has stressed repeatedly such a move would violate East-West agreements and increase war tensions.

His firm mood was reflected Friday night when the President issued a strongly worded "Captive Nations week" proclamation calling on Americans to "recommit themselves" to the support of freedom in Communist controlled nations.

The proclamation was similar to one issued by President Eisenhower 2 years ago which brought a sharp protest from Khrushchev.

Kennedy, who arrived here with the First Lady Friday night, will return to Washington tomorrow.

[From the Chicago Sunday Tribune, July 16, 1961]

EVENTS TODAY OPEN CAPTIVE NATIONS WEEK

Chicago's observance of Captive Nations Week will begin today.

Prayers will be said in all churches for the restoration to the people of Soviet dominated nations the privileges of religion of their choice and other liberties.

A program will be presented in the Grant Park band shell, starting at 2 p.m.

THIRTY GROUPS TO MARCH

There will be a procession of representatives of 30 national groups, wearing native costumes. They include:

Albania, Armenia, Azerbaijan, Byelorussia, Bulgaria, China, Cossackia, Croatia, Cuba, Czechoslovakia, East Germany, Estonia, Finland, Georgia, Hungary, Idel-Ural, Laos, Latvia, Lithuania, North Korea, North Vietnam, Poland, Rumania, Serbia, Slovakia, Slovenia, Tibet, Turkestan, Volga Deutsche, and White Rumania.

CONGRESSMEN TO ATTEND

Four Congressmen will take part in the program. They are Representatives DANIEL D. ROSTENKOWSKI, EDWARD J. DERWINSKI, ROMAN C. PUCINSKI, and RAY J. MADDEN.

Songs will be sung by a choir composed of singers from the many choirs and choruses of the churches and singing societies of Chicago.

Col. Joseph McCarthy, who won the Medal of Honor for valor in the battle for Iwo Jima, is chairman of the committee arranging the Chicago observances.

Captive Nations Week was established by a joint resolution of Congress and proclaimed by President Kennedy, Governor Kerner, and Mayor Daley.

[From the Chicago Daily Tribune, July 17, 1961]

OPEN CAPTIVE NATIONS WEEK WITH PARADE—THOUSANDS AT GRANT PARK CEREMONIES

Captive Nations week began yesterday with ceremonies at the Grant Park band shell, where hundreds paraded in costumes of their native lands while thousands watched.

Speakers were Col. Joseph McCarthy, who won the Congressional Medal of Honor for heroism at Iwo Jima, and four U.S. Congressmen—Representative DANIEL D. ROSTENKOWSKI, Democrat, eighth, Representative EDWARD J. DERWINSKI, Republican, fourth, Representative RAY J. MADDEN, Democrat, of Indiana, and Representative JOHN C. KLUCZYNSKI, Democrat, fifth.

CARRY U.S. FLAGS

Each national group in the parade bore the U.S. flag, along with flags of their former nations, now considered to be captives of the Communists. These include Albania, Byelorussia, Bulgaria, Cossackia, Croatia, Czechoslovakia, Estonia, East Germany, Hungary, Latvia, Lithuania, Poland, the Ukraine, and Cuba.

Patriotic and martial music was played by the 50-piece Ukrainian band, directed by John Barabash. A choral group, composed of singers from churches and singing societies, also performed, with Arthur Silhan conducting.

Posting of the flags of the United States and of Chicago was performed by the Chicago Fire Department color guard. Louis Sudier sang the national anthem.

WEAR POLISH COSTUME

DERWINSKI, wearing a costume of the Polish highlands, which includes a combination ax and walking stick and an embroidered cape and plumed hat, led the thousands of listeners in the pledge of allegiance to the United States.

The invocation was made by the Reverend Cornelius Tessenyi, and the benediction by the Reverend Algimantas Keezys.

CAPTIVE NATIONS

WASHINGTON.—A U.S. Congressman told Soviet Premier Khrushchev's son-in-law today that communism will come to an end when the free world awakens and decides to use "your own weapons against you."

Representative JOHN R. PILLION, Republican of New York, made the comment in an open letter to Alexei Adzhubei, who is also editor of the Russian newspaper Izvestia.

The Congressman disclosed its contents at a breakfast here this morning launching "Captive Nations Week" (July 16–22).

The letter was in answer to an article in the Communist newspaper which attacked a resolution PILLION introduced in Congress.

The resolution calls for a "declaration of war" by the United States—not against any government—but against the 98 Communist parties around the world.

PILLION said America should recognize the war which Communist parties are waging against the free world. He said they have publicly proclaimed their intention to seize political power "by any and all means in every country of the world."

Thus, he said, the United States and its allies "must reevaluate and reverse our attitudes, our policies, our strategies and tactics, if we are to survive."

The weapons, he said, should be largely economic, diplomatic, and psychological—"but it must be a war in which our goal can only be victory."

PILLION said his resolution was the only other alternative for avoiding the present alternatives "of surrender or thermonuclear war."

Izvestia pooh-poohed the resolution and said it was a hopeless gesture.

"Today the enemies of peace and progress no longer see communism as a specter, but as a gigantic, incarnate, material power," the Russian newspaper said. "That is the reason for such feverish searches for ways, means, and weapons—anything to stop or slow down the inexorable movement of life."

Izvestia said "neither Marines, nor the newest theories of renovating capitalism, nor the most threatening resolutions adopted 'as a last hope' will help the Old World—even PILLION won't help."

But PILLION told Khrushchev's son-in-law in even more blunt language:

"I reply to you that communism is a smog with which you are blotting out human freedoms and aspirations. The captive people you rule autocratically, in the Soviet Union, in Eastern Europe, in Asia, do not want your slave-labor serfdom.

"We challenge you to hold free elections in the captive nations to allow these people a free choice and a self-determination of their future."

PILLION went on to say that "it is not a question of Marines, or theories, or resolutions, or even of PILLION. It is a question of concerted action by all free peoples of the world fighting for survival, for freedom, and an enduring peace.

"When the United States awakens, when it decides to wage war against Communist parties using your own weapons against you, your era will be at an end. Then the era of peace with justice, the era of genuine peace in which man can reach the fulfillment of his highest aspirations will begin."

[From the Baltimore Sun, July 15, 1961]

CAPTIVE NATIONS WEEK STARTING

HYANNIS PORT, MASS., July 14.—President Kennedy today proclaimed the week beginning tomorrow as Captive Nations Week.

Mr. Kennedy urged the American people to observe the week with appropriate ceremonies and activities and to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom.

A joint congressional resolution approved July 17, 1959, requested the President to issue a proclamation each year designating the third week of July as Captive Nations Week "until freedom and independence shall have been achieved for all the captive nations of the world."

[From the New York Herald Tribune, July 15, 1961]

J.F.K. ISSUES CAPTIVE NATIONS PROCLAMATION; IRKED K. IN 1959

HYANNIS PORT, MASS., July 14.—President Kennedy issued a Captive Nations Week proclamation tonight similar to one which irked Soviet Premier Nikita S. Khrushchev in 1959.

The Chief Executive designated next week as a period for Americans "to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom."

He issued the proclamation shortly after arriving with Mrs. Kennedy at their Cape Cod home in Hyannis Port.

Mr. Kennedy's proclamation was issued in line with a 2-year-old Congressional resolution calling for designation of the third week in July as Captive Nations Week. Congress asked for this to be done, he recalled, "each year until such time as freedom and independence shall have been achieved for all the captive nations of the world."

Such a proclamation, referring primarily to the Communist satellite nations of Eastern Europe, aroused Mr. Khrushchev's anger in 1959 at just about the time former Vice President Nixon made his visit.

Mr. Kennedy said the proclamation was being issued "whereas many of the roots of our society and our population lie in these countries" and "whereas it is in keeping with our national tradition that the American people manifested its interest in the freedom of other nations."

"I invite the people of the United States of America to observe this week with appropriate ceremonies and activities, and I urge them to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom," he said.

[From the New York Journal American, July 16, 1961]

FLAG-RAISINGS OPEN CAPTIVE NATIONS WEEK

Captive Nations Week, a thorn in the paw of the Russian bear, started today.

Observation of the week, which has brought roars of anguish from Nikita Khrushchev in the past, has been officially proclaimed again this year by President Kennedy and Governor Rockefeller.

As the week started, it was dramatically highlighted by growing unrest in East Germany. Alarmed Communist authorities there were unable to check the flight from starvation conditions.

More than 1,000 East Germans were fleeing daily.

CHURCH SERVICES

The start of Captive Nations Week was marked by special church services, flag raisings and meetings of costumed representatives of oppressed nations in New York and elsewhere in the Nation.

Special services marking the week were scheduled for Catholic, Protestant and Jewish houses of worship today.

The 24 captive nations have a total of 910,698,000 people, more than a third of the world's population.

Evidence that the week hits the exposed nerve of Communist Russia was afforded when Khrushchev protested previous proclamations. He roared:

"Direct interference in the Soviet Union's internal affairs."

Khrushchev's blast was delivered to former Vice President Richard Nixon during their famous debate in the American-style kitchen at the American Fair in Moscow.

CARDINAL PRESIDES

Cardinal Spellman was presiding at a solemn high mass in St. Patrick's Cathedral, offered for the captive nations. Priests from those countries were participating.

Governor Rockefeller's proclamation of Captive Nations Week will be read by Attorney General Louis J. Lefkowitz at ceremonies held this evening by American Friends of the Anti-Bolshevik Bloc in the Hotel New Yorker.

Mr. Lefkowitz will present a copy of the proclamation to Justin McCarthy, New York State chairman of the Captive Nations National Committee.

Ignatius M. Billinsky, chairman of the American Friends of the Anti-Bolshevik Bloc, and Katheryn L. Dorney, executive director of the American Education Association, will attend.

A noon flag-raising ceremony marks the day in front of the Assembly of Captive European Nations House, opposite the United Nations.

Senator JACOB K. JAVITS, Republican, of New York, and EMANUEL CELLER, Democrat, of New York, will be the speakers.

Flags of captive nations of East Europe were to be lowered to half staff in memory of the victims of Communist tyranny while the national anthems of the captive nations were played.

VOICELESS MULTITUDE

More than a third of the world's population lives under Communist despotism. The 24 captive nations have a total population of 910,698,000. This is approximately 36 percent of the population of the world.

The nations and their populations are:

Albania	1,507,000
Azerbaijan	3,300,000
Armenia	1,500,000
Bulgaria	7,793,000
China (mainland)	679,232,000
Cossackia	9,300,000
Croatia	7,000,000
Cuba	6,466,000
Czechia	9,000,000
East Germany	17,800,000
Estonia	1,100,000
Georgia	3,600,000
Hungary	9,800,000
Idel-Ural	12,000,000
Latvia	1,900,000
Lithuania	3,000,000
North Korea	9,000,000
North Vietnam	13,000,000
Poland	29,000,000
Rumania	18,000,000
Slovakia	5,000,000
Tibet	1,300,000
Turkistan	17,000,000
The Ukraine	44,100,000
Total	910,698,000

MASS MARKS CAPTIVE WEEK

Francis Cardinal Spellman, Roman Catholic archbishop of New York, presided at a solemn mass in St. Patrick's Cathedral to mark the opening of Captive Nations Week.

A flag-raising ceremony was held afterward in front of the headquarters of the Assembly of Captive European Nations, on First Avenue, between 43d and 44th Streets.

Later in the day, State Attorney General Louis Lefkowitz, Republican candidate for mayor, inaugurated the special week at a dinner in the Hotel New Yorker, sponsored by American Friends of Anti-Bolshevik Nations.

"Khrushchev's threats about Berlin and the Soviet rocket rattling have done much to bring us to one of the hottest phases of the cold war," Mr. Lefkowitz noted.

[From the New York World-Telegram, July 15, 1961]

KENNEDY PLEA DEFIES REDS ON SLAVE LANDS

(By Alvin Spivak)

HYANNIS PORT, July 15.—President Kennedy's firm Captive Nations Week proclamation was regarded today as a rebuff to the Soviet effort to drive the United States from Berlin.

The proclamation, which called on all Americans to "recommit themselves to the support" of enslaved nations in their desire for freedom, was similar to the one issued 2 years ago by President Dwight D. Eisenhower which enraged Soviet Premier Nikita S. Khrushchev.

Mr. Kennedy's message, issued last night after his arrival on Cape Cod for a weekend rest with his family, is to be followed Monday or Tuesday by the note on Berlin he plans to send to Khrushchev. The note is expected to be a firm answer to Khrushchev's threats to squeeze the United States out of West Berlin.

REVIEW ORDERED

The President earlier had ordered a review of U.S. defense might and spending which the Pentagon is expected to finish next week.

On Wednesday Mr. Kennedy will conduct a news conference to discuss his Berlin note, and White House Press Secretary Pierre Salinger said the President might send a special message to Congress next week asking for a buildup in this country's civil defense program.

Khrushchev made his annoyance at General Eisenhower's proclamation quite clear and complained repeatedly about it during

former Vice President Richard M. Nixon's visit to Russia in 1959.

Mr. Kennedy's proclamation was in line with a congressional call in 1959 for the designation of the third week in July as Captive Nations Week "until such time as freedom and independence shall have been achieved for all the captive nations of the world."

The reference was mainly to the Soviet satellites behind the Iron Curtain in Eastern Europe.

"I invite the people of the United States of America to observe this week with appropriate ceremonies and activities," Mr. Kennedy said, "and I urge them to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom."

The President plans to fly back to Washington Monday morning, but Mrs. Kennedy will remain at the cape with their two children—Caroline, 3, and John, Jr., 8 months.

For this weekend, said Mr. Salinger, the President plans "no activities of any kind." He said Mr. Kennedy was here to rest and to read a number of documents dealing with a number of problems, among them the Berlin crisis.

[From the New York Herald Tribune, July 17, 1961]

CAPTIVE NATIONS WEEK REMEMBERS THE STRICKEN—A BISHOP TELLS OF A "SULLEN" SATELLITE

(By Ernie Weatherall)

East Germany is the "10th Soviet colony—grim and grimy, unhappy and hungry—awaiting the Kremlin's latest move to legitimatize it as an ersatz democratic Republic while thousands of its hapless flee to liberty."

This was the picture painted yesterday by the Most Reverend James H. Griffiths, auxiliary bishop of New York, in a sermon in St. Patrick's Cathedral marking the beginning of Captive Nations Week.

Francis Cardinal Spellman, Roman Catholic archbishop of New York, presided at the special Mass which followed a flag-raising ceremony held in front of the headquarters of the Assembly of Captive European Nations. The headquarters is on First Avenue between 43d and 44th Streets, opposite the United Nations.

U.N. OBSERVER

Bishop Griffiths, who also is a U.N. observer for the Holy See, said the Soviets want to reduce "the disfigured, dismembered wrath of eastern Germany to the status of a sullen, silenced, exploited colony of the sprawling octopus of Red imperialism."

The Soviet Union, the bishop pointed out, would like to have its new colony admitted to the U.N. and its delegates seated with the other six Red colonies "in the great hall of the General Assembly, masquerading as sovereign states, applauding or dissenting in unison like trained parrots."

During the ceremony at the Assembly of Captive European Nations, when flags of those countries flew at half staff, Representative EMANUEL D. CELLER, Democrat, of New York, was the principal speaker.

Representative CELLER said that the exodus from East Germany since 1945 has been so great that "this steady stream of refugees reveals the weakness, the barrenness, the stifling atmosphere of life under the Soviet heel."

A message from Senator JACOB K. JAVITS, Republican, of New York, said the United States will never be reconciled to enslavement of the peoples of captive nations dominated by Soviet Communists.

"The right of national self-determination has long been a pillar of the U.S. policy," he said. "The enslavement of once-free captive peoples in eastern Europe" is in violation of Soviet pledge after World War II.

[From the New York Herald Tribune, July 13, 1961]

CAPTIVE NATIONS WEEK IN CITY SET

Mayor Wagner issued a proclamation yesterday fixing the week of July 16–22 as Greater New York Captive Nations Week. The mayor was named chairman of the program. He will be the principal speaker at a city hall ceremony at noon Monday. Mr. Wagner told representatives of the National Captive Nations Committee that he hoped it would not be too long before the nations behind the Iron Curtain joined the free countries of the world.

[From the New York Journal American, July 17, 1961]

MASS MARKS "CAPTIVE" WEEK

Francis Cardinal Spellman, Roman Catholic archbishop of New York, presided at a solemn mass in St. Patrick's Cathedral to mark the opening of Captive Nations Week.

A flag-raising ceremony was held afterward in front of the Headquarters of the Assembly of Captive European Nations, on First Avenue, between 43d and 44th Streets.

Later in the day, State Attorney General Louis Lefkowitz, Republican candidate for mayor, inaugurated the special week at a dinner in the Hotel New Yorker, sponsored by American Friends of Anti-Bolshevik Nations.

"Khrushchev's threats about Berlin and the Soviet rocket rattling have done much to bring us to one of the hottest phases of the cold war," Mr. Lefkowitz noted.

CAPTIVE NATION RITES HERE HIT REDS' TYRANNY

City Hall Plaza looked like United Nations Plaza today as Mayor Wagner presided over a ceremony celebrating Captive Nations Week in the city.

About 300 persons attended—many of them dressed in colorful national costumes.

FEELING FOR FREEDOM

The mayor read a proclamation and then presented it to City Councilman Thomas J. Cuite, Democrat, of Brooklyn. It read in part:

"Harmonious unification of the diverse elements of our free society has led the people of the United States to know a thorough understanding of the aspirations of their fellow man and to recognize the natural interdependency of all nations."

Steven J. Jarema, chairman of the American Conference for the Liberation of the Non-Russian Nations in the U.S.S.R., addressed the ceremony, declaring:

"WE ACCUSE"

"We accuse the Soviet Union of violating its solemn promises of freedom and independence to the nine captive nations.

"We demand that the Soviet Union withdraw its military and administrative personnel from the captive nations, beginning with Hungary."

Captive Nations Week began yesterday with a solemn mass in St. Patrick's Cathedral celebrated by Cardinal Spellman.

[From the Washington Post, July 15, 1961]

CAPTIVE NATIONS PROGRAM

Representative CLEMENT K. ZABLOCKI, Democrat, of Wisconsin, will lead in recitations of the angelus and rosary at St. Dominic's Catholic Church, Sixth and E Streets SW., Sunday noon to mark the opening of Captive Nations Week. Nationality groups will take part in recitations during the week, as follows: Monday, Slovakian; Tuesday, Czech; Wednesday, Polish; Thursday, Lithuanian; Friday, Cuban; Saturday, Pan American.

[From the Evening Star, July 15, 1961]

CHURCH MARKS WEEK FOR CAPTIVE NATIONS

Representative ZABLOCKI, Democrat, of Wisconsin, will lead the recitations of the angelus and rosary at noon tomorrow at the Rosary Shrine in St. Dominic's Catholic Church, Sixth and E Streets SW.

It marks the opening of an observance of Captive Nations Week during which the rosary will be recited by representatives of various nationalities in their native languages.

[From the Washington Post, July 15, 1961]

REPRESENTATIVE PILLION TO OPEN CAPTIVE NATIONS WEEK

Representative JOHN R. PILLION, Republican, of New York, author of a joint House resolution to declare war on the 98 Communist Parties in the world, will address a breakfast at 9:30 a.m., Saturday, observing the start of Captive Nations Week here.

The breakfast, sponsored by the Washington Captive Nations Week Committee, will be held at the Dodge Hotel, 20 E Street NW. Representatives of fraternal, civic, veterans, and ethnic groups in the area are invited.

[From the Washington Post, July 15, 1961]

PRESIDENT TAKING REST AT HYANNIS

(By Carroll Kilpatrick)

HYANNIS PORT, MASS., July 14.—President Kennedy flew here late today for a weekend of rest with his family.

Mrs. Kennedy accompanied the President and is expected to remain here most of the summer. The two Kennedy children were already here.

White House Press Secretary Pierre Salinger said the President planned no special activity of any kind this weekend.

"He intends to rest and read a number of memorandums dealing with various problems," Salinger said.

Asked whether any of the memos related to the Berlin crisis, Salinger said some of them did.

The President today signed a proclamation designating the week beginning Monday as Captive Nations Week.

Two years ago President Eisenhower signed a similar proclamation, following passage of a congressional resolution, shortly before Richard M. Nixon went to Russia. When Nixon arrived he was vehemently denounced by Soviet Premier Nikita S. Khrushchev and other Soviet leaders because of the proclamation.

In signing the resolution, Mr. Kennedy invited the American people "to observe this week with appropriate ceremonies and activities."

The President urged the people to recommit themselves "to the support of the just aspirations of all peoples for national independence and freedom."

The congressional joint resolution calls on the President to issue a proclamation designating the third week in July as Captive Nations Week and to issue a proclamation each year until nations under Soviet domination achieve independence and freedom.

[From the Evening Star, July 15, 1961]

PILLION TELLS REDS TO EXPECT DEFEAT

A New York Congressman who wants the United States to declare war against communism today warned Russia's leaders against expecting a peaceful victory in their struggle with the free world.

In a letter to the Soviet newspaper Izvestia, Representative PILLION, Republican, of New York, said any expectation that the United States will surrender to communism is a serious miscalculation.

"When the United States awakens, when it decides to wage a war against the Communist parties using your own weapons

against you, your era will be at an end," wrote Mr. PILLION.

He disclosed the contents of the letter in an address to a captive nations group observing Captive Nations Week, which is designed to call attention to the countries that have come under Communist control.

[From the Washington Post, July 21, 1961]

SENATOR DOUGLAS CALLS BERLIN A KEY CRISIS

West Berlin presents as crucial a turning point to the free world as Munich, Hitler's invasion of Austria and Italy's invasion of Ethiopia, Senator PAUL H. DOUGLAS, Democrat, of Illinois, said last night at a Captive Nations Week in the Statler.

Surrender on Berlin, he said, would be as deadly a mistake as the surrender to those aggressive tyrannies of the past. If the free world had stood firm at Munich, and on Austria and Ethiopia, DOUGLAS said, Hitler's and Mussolini's hostile intentions would have collapsed.

And with Berlin, as with its historical precedents, the speaker declared, the freedom, not of a single nation, but all of Europe, is at stake.

"We cannot appease dictatorial powers by successive territorial concessions," DOUGLAS said.

Some 70 representatives of nations behind the Iron Curtain attended the dinner at which Senator DOUGLAS was joined at the head table by Senator CARL T. CURTIS, Republican, of Nebraska, and Vaclovas Sidzikauskas, chairman of the Assembly of Captive European Nations.

CURTIS named miscalculation of Soviet intentions and motives rather than the weakness or abandonment of Western principles after World War II for the currently divided state of Europe. There can be no compromise with communism, he said, calling for a ban against the recognition of Communist China or its admission to the United Nations.

Sidzikauskas called for self-determination for all European nations and for "economic sanctions, quarantine and isolation" to compel the Soviet Union to accede.

[From the New York Journal American, July 15, 1961]

KENNEDY JABS AT K. ON PLIGHT OF SATELLITES

HYANNIS PORT, MASS., July 15—President Kennedy's firmly worded "Captive Nations Week" proclamation was regarded today as a new reminder to Russia that the United States will not give up Berlin.

The proclamation, which called on all Americans to "recommit themselves to the support of" enslaved nations desiring freedom, was similar to the one issued 2 years ago by President Eisenhower which enraged Soviet Premier Nikita S. Khrushchev.

Mr. Kennedy's message, issued last night following his arrival on Cape Cod for a weekend rest with his family, preceded by only a few days the note on Berlin he plans to send to Khrushchev.

REJECTION EXPECTED

This note is expected to reject Khrushchev's demands for a separate peace treaty with Communist East Germany before the end of this year.

The President earlier had ordered a review of U.S. defense spending which the Pentagon is expected to finish next week.

Next Wednesday Mr. Kennedy will hold a press conference to discuss his Berlin note and White House Press Secretary Pierre Salinger said the President might send a special message to Congress next week asking for a buildup in this country's civil defense program.

Mr. Kennedy's proclamation was in line with a Congressional call in 1959 for designation of the third week in July as "Captive Nations Week" until such time as freedom and independence shall have been achieved for all the captive nations of the world.

The reference was mainly to the Soviet satellites behind the Iron Curtain in Eastern Europe.

"I invite the people of the United States of America to observe this week with appropriate ceremonies and activities," Mr. Kennedy said, "and I urge them to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom."

THE U.S.S.R.: THE WORLD'S BIGGEST COLONIAL EXPLOITER

(By Saint-Paulien)

COLONIALISM: A RUSSIAN PROPAGANDA HOAX

World politics today are characterized by the most extraordinary paradox. It is one which no logical mind can accept and which is nevertheless accepted by majorities all over the world because confusing propagandas have been at work to disfigure or suppress the facts. The paradox is this: while Western Nations are setting their colonies free at a record pace—all too often prematurely—under pressure of Communist sponsored movements, the colonial empires belonging to Russia and China are in full expansion and ruthlessly exploited.

Ever since the Third International came into being, Communists the world over have been demanding the liberation of colonial peoples. Moscow has led the campaign on the basis that "every people has the right to determine for itself the form of its government." This, of course, is pure propaganda: Communists do not practice what they preach.

In his booklet entitled "Imperialism as the Ultimate Stage of Capitalism," Lenin took a stand against colonialism as far back as 1916. The Russian colonial empire—he stated—was the third most populated in the world, and the second in terms of square miles, but he made bold to predict that "socialist society" would destroy it. He was wrong, for every Russian colony has been kept as such by the Kremlin. Out of the 15 Socialist Republics which make up the U.S.S.R., 8 are original czarist colonial territories:

	Inhabitants
Azerbaijan	3,698,000
Georgia	4,044,000
Armenia	1,763,000
Turkmenistan	1,516,000
Uzbekistan	8,106,000
Tadzhikistan	1,980,000
Kazakhstan	9,310,000
Kirgizia	2,066,000

When the Soviet Constitution was "voted" (Communist semantics) 14 other so-called autonomous republics were very simply integrated into the Socialist Republic of Russia (Soviet) by means of its clause 22. The names of the territories involved are those of the Komis and the Maris peoples, Tataria, Bachkiria, Dagestan, Buriat-Mongolia, Kabarda-Balkaria, Mordovia, North Ossetia, Udmurtia, Tchecheno-Inguchia, Tchuvachia, and Yakutia.

Other territories and peoples were also made a part of the U.S.S.R., viz, the Adyghes, the Karatchaiss, the Hakassans and the Jews (who have often been brutally maltreated), and the Provinces of Gorno-Altaisk, Tuva, and Kalmukia. All these territories are now dishonestly labeled as "autonomous."

THE ABSORPTION OF "AUTONOMOUS" REPUBLICS

The trick of integrating "autonomous" republics into another neighboring "Socialist republic" has been widely used: the Soviet Socialist Republic of Azerbaijan absorbed Nakhitchevan and the Province of Nagorny-Karabakh. The S.S.R. of Georgia has taken into its bosom two "autonomous" republics, those of Abkhazia and Adjaria, plus the Province of South Ossetia. The S.S.R. of Uzbekistan has been made to include the "autonomous" republic of Kara-Kalpakia. The S.S.R. of Tadjikistan has absorbed the Province of Borno-Badakhchan.

These colonial possessions, inherited by the Communist regime from czarist Russia, represent more than 8 million square kilometers (approximately four-tenths square mile) on which live nearly 48 million people.

No one that we know of has ever heard the voice of Mrs. Eleanor Roosevelt lifted to demand the liberation of the Tuvas, the Mongols, or the Uzbeks. Perhaps it should be mentioned in her defense that these people live very far away and bear such strange, unpronounceable names that one may be excused if one has never heard of them. Last, but not least, they are "autonomous" and should therefore have nothing to complain of, i.e., according to the Madison Avenue liberals.

Would it be impertinent to suggest that the Western Powers might be well advised in following such an example? The Algerian problem, for instance, could hardly receive a simpler solution: France adds a clause to its Constitution, creating the autonomous Republic of Algeria and at the same time integrating it into the French Republic.

THE NEW SOVIET COLONIAL EMPIRE

We have still to draw the list of the colonial conquests made by the Communist regime itself. They include countries which have been completely integrated, and others which have become satellites and are kept that way by sheer terror intimidation. Here is the list:

	Square kilometers	Inhabitants
External Mongolia	1,530,000	900,000
ACQUIRED IN 1939–40		
Eastern Finland	70,000	150,000
Estonia	45,000	1,196,000
Lettonia	64,000	2,094,000
Lithuania	65,000	2,713,000
Moldovia	34,000	2,880,000
Western Ukraine	129,000	8,503,000
Western White Ruthenia	54,000	2,102,000
Total	461,000	20,538,000
ACQUIRED IN 1944		
Tannu Tuwa	172,000	172,000
ACQUIRED AFTER 1945		
Poland (Eastern Germany included)	132,000	29,000,000
Central Germany (R.D.A.)	107,000	17,300,000
Northern East Prussia	15,000	810,000
Czechoslovakia	128,000	13,500,000
Hungary	93,000	10,000,000
Rumania	238,000	18,000,000
Bulgaria	111,000	8,000,000
Albania	29,000	1,800,000
Transcarpathia	13,000	923,000
Karafuto (South province/ Sakhaline)	36,000	300,000
South Kurile Islands	Unknown	Unknown
Cuba	115,000	5,200,000
Total	1,017,000	104,333,000

Which means that, in the world today, 11,733,000 square kilometers and their 172,266,000 inhabitants are under Soviet rule as colonies, integrated territories or politically enslaved countries. This is more than a twelfth of the total land area of the world, and the largest colonial empire in the world, as well as the most populated. And contrary to other colonial empires, which are

rapidly shrinking, the Soviet empire is growing, sometimes exactly just as fast.

THE COLONIES OF SOVIET CHINA

What is true of Russia is equally true of Communist China. The Chinese regime has kept and increased the old Chinese empire, which ruled over some fifty non-Chinese peoples.

According to the official 1953 census, national minorities in China made up a total of some 35,300,000 people, occupying approximately 5 million square kilometers.

Thus:

	Peoples
Mongols	1,462,956
Houeis	3,559,350
Tibetans	2,775,622
Ouigurs	3,640,125
Miaos	2,511,339
Yis	3,354,269
Tchuangs	6,611,455
Coreans	1,120,405
Puyis	1,247,883
Mantchus	2,418,931
Various	6,718,025
Total	35,420,360

Recently, Chinese imperialism has been virulently active in Korea and Vietnam, in Tibet and along India's northern frontier.

In 1961, 60 percent of the colonial and nonindependent peoples in the world belong to the U.S.S.R. If we add the Chinese colonies, the total increases to 72 percent.

Is it not, then, a ridiculous paradox to have the regime which keeps 72 percent of the nonindependent peoples under its rule, campaign all over the world to force Western Powers into releasing from their own administration the remaining 28 percent? It is an inconceivable paradox that for years and years, the men responsible for Western policies, kept inexplicably silent about Soviet-Chinese colonialism. It was only on October 2, 1960, in Chicago, that Mr. Dillon made a speech denouncing the U.S.S.R. as a colonialist power. The Communists professed to be startled. They are used to acquiescence.

Mr. Dillon observed that, in the three Baltic states, Lithuania, Estonia, and Lettonia (which were forcibly integrated to the U.S.S.R. after the last World War), and also in Kazakhstan, the original populations have dwindled to 30 percent of what they were before integration.

Reluctantly, on October 28, "Pravda" gave some incredibly vague explanations as to why 70 percent of Kazakhstan's original inhabitants had disappeared. As for the Baltic countries, said "Pravda," they had drawn "immense benefits" from their union with the U.S.S.R. since 1944. This can hardly be considered as an explanation of the drop in population or as proof of the "benefits" enjoyed, but it does prove that the attack had gone home.

Some time after Mr. Dillon, the Canadian Prime Minister John Diefenbacker, and David Ormsbury-Gore, also mentioned Soviet colonialism very briefly, but this time in the United Nations. The Communist reaction was violent. In the Ukraine, however, repercussions were such as to force Communist propaganda into a defensive attitude. The daily Radjauska Ukrainia, the radio stations of Kiev, Kharkov, Winitza, Odessa, etc., insistently gave out the same angry retort against imperialist calumnies. The matter went no further. The thousands of Catholic and non-Catholic Ukrainians who could reveal the sad truth about their country (I used to know a few) are prevented from doing so: they are in hiding, or deported or executed.

Yet, for the first time in many years, Communist propaganda was stopped for a moment from pointing at the mote in Western eyes, in order to attend the beam in Soviet eyes. Why not go on and hammer away at this effective argument?

One can only wonder why the West has waited so long before denouncing—rather timidly and incompletely at that—the real aspects of Soviet and Chinese colonialism. Could it be fear of the Communists? Is it appeasement of the tiger?

THE AIM OF COMMUNISM: TO MAKE THE WHOLE WORLD A SOVIET COLONY

Under pressure of "anticolonialist" propaganda, concocted by Moscow and spread by Communists and fellow travelers, the West is setting its colonies free at an excessively dangerous pace. Recent events in Congo are proof that haste is waste. At the same time, the Kremlin, already the biggest colonialist power in the world, is allowed to expand its empire. Populations which refused to accept Soviet rule—we could mention the Baltic peoples, the Tibetans, the Hungarians, the Tartars, and the Ukrainians—are savagely decimated. No one apparently dares to protest against genocide.

Moreover, in every nation where communism is free to act, it can be said that there exists an extraordinarily powerful instrument of Soviet colonization: the local Communist Party and its parent organizations. The "workers" belonging to many European and American labor unions are already "colonized." Communist propaganda "colonizes" the mind and spirit while waving the flag on "anticolonialism." Soviet imperialism is marching on, not only in Asia, Africa, Central and South America, but also in the minds of millions of Western people. Why?

Because the Western Powers cannot or will not fight back with an intelligent and persuasive propaganda, which would appeal to the common sense of millions of workers, farmers, white-collar groups and intellectuals who are quite capable of recognizing the truth as truth, whenever they are given all the facts. But when they are fed only the Communist line, how can they selectively recognize the truth?

The Communist pattern is always the same: penetration, infiltration, subversion. The final result: colonization, pure and simple.

When Kondriavtsev, alias "Leon," a well-known professional Soviet spy who worked for Moscow in Canada and later in Paris, where he occupied a so-called diplomatic post, appeared in Cuba, it is evident that he has not made the trip just to buy a box of cigars. His arrival means that the fourth stage has been reached in Cuba: that of Soviet colonization.

The "Workers' General Union of Dark Africa"—to take another instance—is not a labor organization. It is a colonizing organization in the service of the Communist international.

Thus it can be said that Soviet colonialism is by far the most dangerous of all similar systems that have ever existed on earth. It threatens the survival of all civilized nations both from the outside and the inside.

NO HALFWAY SUPPORT FOR THE PRESIDENT

The SPEAKER pro tempore (Mr. BASS of Tennessee). Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN], is recognized for 30 minutes.

Mr. FEIGHAN. Mr. Speaker, House Concurrent Resolution 351 is good—as far as it goes. But it does not go far enough in light of President Kennedy's answer to the aide memoire of the Russians on Germany and Berlin.

The President made it clear that we shall not retreat from our legal and moral responsibilities in Berlin nor will we stand by while the Russians use their East German stooges to provoke crisis after crisis over Berlin while the Russian troublemakers stand in the shadows avoiding the brink of war crisis. That is the situation the latest Russian threat to sign a so-called peace treaty with their East German stooges would set up. As I read the language of House Concurrent Resolution 351, I conclude that it is limited to defending a status quo on the situation in Berlin. That is, maintaining the situation as now is and has been for some years past.

If I read correctly President Kennedy's answer to the Russians on this question, he suggests that the time is ripe for a solution, not only of Berlin, but also on the question of a united Germany. This is clear from President Kennedy's call for the application of self-determination to the people of all Berlin, as well as the people of the Russian-occupied zone of Germany. Moreover, President Kennedy in referring to the present unnatural division of Germany made this significant observation:

The U.S. Government is persuaded that a change for the better is to be desired.

It is time that we trusted the freely expressed will of all the German people on the form of government they want, on the relations they desire with their neighboring states, and their role in the world family of nations. That would be a distinct change for the better.

Germany surrendered unconditionally more than 16 years ago. Since that time the Russians have been hassling with the West over matters that properly and honorably should be determined by the German people themselves. That is why I say the time is ripe, if not overripe, for a final solution on the question of a united Germany.

The third Russian provoked crisis over Berlin has caused the leaders of the free world to engage in elaborate defense preparations. This process has been and will remain costly and nerve racking for us and for our allies. It is altogether possible that after we have reached the point of psychological and military buildup the Russians will pull the rug out from under us. That is, they will claim that we have misunderstood them, that they mean no threat to our position in Berlin, and that all they want to do is talk about the future and the prospects of peaceful coexistence. They have done this to us before on Berlin and in the Near East crisis. We must not allow this to happen again because this technique saps our national will to resist and reduces respect for us on both sides of the Iron Curtain.

Should we allow the Russians to pull the rug out from under us at a time when our Nation has been brought to the point of facing the possibility of war, the present stalemate over Berlin will continue, with one exception. That is, the Russians will have won a massive psychological victory over us because they will turn the continuing stalemate into a story of victory. They have done this before and they are almost certain to do it again.

In these circumstances we must set a very high price on the Russian escape from this political crisis of their making.

President Kennedy's answer to the latest Russian demands on Germany and Berlin states that price in clear and precise language. That price is granting to all the German people the benefits of the universally accepted principle of national self-determination. This is the formula for a settlement of the Berlin problem. This is the only means through which a government, representative of all Germany and responsive to the will of the German people, can be established. And such a united Germany is the only legal instrument that can negotiate a final peace settlement which has any chance of avoiding the seeds of world war III. President Kennedy established this formula as our goal when he informed the Russians—

The U.S. Government continues to believe that there will be no real solution of the German problem, nor any real tranquility in central Europe, until the German people are reunified in peace and freedom on the basis of the universally recognized principle of self-determination.

There is increasing evidence that the Russians provoked this latest crisis on Berlin as a means of forcing President Kennedy into a so-called summit meeting. The Russian leaders believe that when they have heated up an atmosphere of war and have sufficiently frightened the people of the free world, then the Russian demand for another summit meeting will be unavoidable. The Russian leader, Khrushchev, and his East German stooge, Ulbricht, have publicly stated that their goal is to prevent the rearming of West Germany, to force its eventual neutralization and then its separation from the NATO community. They seek these objectives in their usual dictatorial manner with no concern whatever for the wishes of the German people. In effect, the Russians offer a choice between a permanently partitioned Germany or a united Germany under conditions which will make it easy prey for the stepped-up Kremlin policy of liberation into communism. President Kennedy warned of the dangers of this maneuver in these words:

But in contradiction of this (the principle of self-determination), by denying freedom of choice to 17 million East Germans, it (the U.S.S.R.) has not permitted freedom of choice to the German people as a whole.

A partitioned or divided Germany is a certain guarantee of world war III. Only a united Germany functioning under a government freely chosen by and responsive to the will of the German people can remove this danger of war. All those who are committed to the prevention of war as well as those who strive for a just peace would do well to consider this reality of life.

The objective of House Concurrent Resolution 351 is narrow and limited in that it seeks nothing more than maintaining a status quo on Berlin. It is, therefore, inconsistent with the higher objective set by President Kennedy, and the will of the American people, that is, a final settlement of the German problem based upon the universally accepted principle of self-determination. The question before us is whether we are prepared to go on record supporting the higher objective established by President Kennedy. If we are so prepared and I am confident we are, we should say so in meaningful language.

There can now be no reasonable doubt that the Government of the United States is determined to take all necessary steps to defend our legal and moral rights in Berlin as well as our legal and moral obligations for all the German people. Nor can there be any doubt whatever that the position taken by President Kennedy enjoys the overwhelming support of the American people. Our people are sick and tired of being degraded and goaded by the Russians; they will not be satisfied with high sounding words or promises; they are demanding action now. The July 24, 1961, issue of U.S. News & World Report carries the results of a nationwide survey on how Americans feel about standing up to Khrushchev. That survey indicates that 71 percent of our people favor a strong stand, risking war if necessary. Another 15 percent favor a firm but cautious policy, avoiding war if possible. This means that our people are fully prepared to support the leadership of President Kennedy in the political initiative he has taken to bring about a settlement of the German problem. They will not be satisfied with maintaining a status quo on Berlin. They want the change for the better called for by President Kennedy.

It has often been said, and I believe it to be true, that Congress is close to the will of the American people. Believing this and desiring to reflect accurately the demands of the American people for positive actions in support of the principle of self-determination, I will offer, as a substitute for House Concurrent Resolution 351 which will be considered on the floor Wednesday, the following resolution, House Concurrent Resolution 354, which I introduced today. House Concurrent Resolution 354 reads as follows:

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the time has come to demand a final settlement on Germany, including Berlin and the East German Zone of Russian occupation, that will accord with the freely expressed will of all the German people, and to that end the right of self-determination be granted the people residing in the East German Zone of occupation, including Berlin, and that pending the establishment of a united Germany by the use of this universally accepted political principle, the people of the United States support their Government's position and are determined that all necessary steps be taken to defend the rights and freedom of the people of Berlin.

SALE OF SURPLUS AGRICULTURAL COMMODITIES TO RUSSIA AND IRON CURTAIN COUNTRIES

The SPEAKER pro tempore (Mr. BASS of Tennessee). Under previous order of the House, the gentleman from Maryland [Mr. MATHIAS] is recognized for 5 minutes.

Mr. MATHIAS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. MATHIAS. Mr. Speaker, about 3 weeks ago I brought to the attention of the House the announcement that had been made by the Department of Commerce that subsidized agricultural products would be sold to the Soviet Union and to the Iron Curtain countries of Europe. I pointed out that this is nothing more than granting American foreign aid to Russia through the back door of the Department of Agriculture. Subsequently I requested the Secretary of Commerce to advise me, for the benefit of all Members of the House, on four points:

One, if the State Department concurred in this reversal of policy.

Two, what reasons did the State Department advance if they did concur?

Three, to whom export licenses were being extended for the sale of these products to the Soviet Union and other European Communist countries.

And four, at whose instigation this change of policy had been made.

I am glad to be able to report that I have a letter from the Department of Commerce and I want to share it with the Members of the House. It answers two of the questions raised in my original request.

The Acting Secretary of Commerce has advised that the State Department has concurred in the sale of subsidized agricultural products to Russia in spite of the extreme and acute conditions which prevail in our foreign policy at this time.

Second I am advised—and I know that every Member of the House will be gratified to know—that the Department of Commerce has decided to make available to Members of Congress, who so request, the names of those to whom export licenses are issued for the shipment of goods to Iron Curtain countries. I am delighted that the efforts of many Members of the House who have sought this information have finally borne fruit. I am delighted that the Secretary of Commerce has seen fit to change his previous policy of denying this information to Members of Congress. It could only have been classified and been withheld from Congress on grounds of security; and surely the security of the Nation is more likely to be served by making known the names of those who plan to deal with the Soviet Union and other Communist countries than by keeping that information restricted.

I want the Congress to know that I intend to pursue the two unanswered questions that I have raised; the question of why at a time of international crisis, when the President is expected to send us a message this week on the situation as it now exists, we should be granting this type of dollar aid to Russia, and I intend to pursue the question of who instigated this change in our policy.

Mr. Speaker, under leave to revise and extend my remarks, I append my correspondence with the Department of Commerce.

THE SECRETARY OF COMMERCE,
Washington, July 21, 1961.

Mr. CHARLES MCC. MATHIAS, JR.,
House of Representatives,
Washington, D.C.

DEAR MR. MATHIAS: I have your letter of July 7 concerning the recently announced policy of the Department to consider applications for licenses to export subsidized surplus agricultural products to Eastern European Communist countries.

The view in this Department, which is shared by officials in other interested Government agencies including the Department of State, is that there is only a limited market, at world market prices, for certain of our surplus agricultural products in the Communist countries of Eastern Europe. The bloc countries of Eastern Europe are able to purchase all the like agricultural products they need at world market prices from sources other than the United States. Therefore, our refusal to sell our products to them at world market prices does not prevent the bloc countries from getting what they want.

What small amounts we may sell to them must be for hard currencies (dollars), not under barter, and assurances will be obtained that the goods are for the economy of the importing country. These sales, as any others from our surplus stocks, will help reduce the burden on the American taxpayer of maintaining such surpluses.

You requested the names and addresses of persons who have received licenses to export subsidized surplus agricultural products to Eastern European countries. To date the Department has not received any applications for such licenses. I have recently ordered the preparation of daily reports on export licenses issued by the Department of Commerce. We will not be able to send copies of these reports to everyone who may request them. However, I have decided that when Members of the Congress indicate they wish to receive the reports, copies will be sent to them as a special service.

Sincerely yours,

EDWARD GUDEMAN,
Acting Secretary of Commerce.

JULY 7, 1961.

Hon. LUTHER H. HODGES,
Secretary, Department of Commerce,
Washington, D.C.

DEAR MR. SECRETARY: Through an announcement to the press by your Department I have learned that you plan to issue export licenses for the sale of certain subsidized farm products to the Soviet Union and its European bloc. I am opposed to such sales and to the issuance of export licenses.

I request that you reconsider this matter and withhold export licenses pending a review of this question in the context of our general foreign policy. A decision of this sort under present conditions could not have been properly made without consultation with the Department of State and I would appreciate knowing whether you did seek the opinion of the Secretary of State. If so, I would like to be advised of the position taken by the State Department. The press reported that the change in public was made at the investigation of certain exporters and I would find it helpful if you could identify such exporters to me. Finally, I would appreciate the names and addresses of any persons to whom you may have issued export licenses for the sale of subsidized agricultural products to Communist countries other than Poland.

A number of my colleagues are vitally interested in this subject and they will be as anxious as I am to have the benefit of your answers to the questions that have been raised.

Very truly yours,

CHARLES MCC. MATHIAS, JR.

NATIONAL COAL ASSOCIATION AND UNITED MINE WORKERS STAND UNITED IN OPPOSITION TO THE $95 MILLION PROJECT TO PRODUCE ELECTRIC ENERGY FOR COMMERCIAL USE AT HANFORD, WASH.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes, and to revise and extend my remarks, and include extraneous matter, and that they be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, this morning's mail brought to my office a copy of the Pittsburgh Post-Gazette for last Saturday, July 22. For some time that newspaper's local representative has been Miss Ingrid Jewell, a highly respected correspondent and keen news analyst.

Miss Jewell's "Washington Calling" column contained several interesting items, one of which I should like to speak to at this time. I quote:

Usually Congressmen from coal-producing States stand together in opposing any legislation giving advantage to other forms on energy. There was a significant deviation from this rule during debate last week on a $95 million item to add power-generating equipment to the Hanford, Wash., atomic reactor. Representative JAMES E. VAN ZANDT, Republican, of Altoona, persuaded the House to delete the $95 million on the argument that to create an 800,000 kilowatt electric plant at Hanford would put the Atomic Energy Commission into the power business. He inferred that coal had enough rivals without creating a new one.

But when the bill reached the Senate, Senator JENNINGS RANDOLPH, Democrat, of West Virginia, voted with the majority for retention of the $95 million item. He said, "It is tragic to imply that if the Hanford reactor heat is wasted, rather than turbanized to generate electric power, there will somehow be created in that region a market for 2 million tons of coal. I do not view the Hanford proposal with any more alarm than Senators from the Northwest viewed the (distressed) area development legislation."

Mr. Speaker, because of the misconceptions about the coal industry's position that have arrived out of the Hanford project, I feel that now is the time to clear up some of these misunderstandings. My own position is certainly clear. My amendment to defeat authorization for a provision to generate electricity by the AEC at Hanford was wisely carried in the House. I thank and congratulate my colleagues who lent support to my efforts.

I shall continue to oppose this and any other such project designed to inject the Government into an ever-increasing share of American industry and business. The Hanford plan is, of course, dually diabolical in that—besides bringing bureaucracy further into the field of electric generation—it would further provide for Government sponsorship of unemployment of American coal miners and railroaders.

There have been attempts to delude some of our coal Congressmen from the East and Midwest into believing that electricity created at Hanford by atomic energy would in no way affect coal demand. This assertion is fallacious. There are huge deposits of coal in the Northwest that can provide all electric power that will be needed for centuries to come in that part of the country. When the Government subsidizes commercial use of fissionable material to go into competition with private utilities, it is going to deprive important segments of our working population of an opportunity to produce coal and transport it.

There is another danger which may be overlooked by anyone so far away from the State of Washington. There have, in fact, been attempts to subdue the severity of the threat by proponents of the reactor scheme. The public utility industry of our country has in recent years made great strides in the advance of long-distance transmission of electric energy. In western and central Pennsylvania we envision more powerplants at the mine mouth serving home and industry many hundreds of miles distant. As efficiency of long-distance transmission increases, more and more electricity will be produced where coal is most abundant, for coal is our most economical fuel and is in far greater supply than either oil or gas.

Under the circumstances, it would be injudicious for anyone to aver that loss of coal markets sufficiently far away from Pennsylvania would not affect the mining industry in our State. Coal management recognizes this situation. The mine workers recognize it.

I have had considerable correspondence, particularly since the electric powerplant was retained in the Senate version of the Hanford bill, asking that I stand firm against the proposal. The interest of United Mine Workers of America was expressed in a brief but enlightening news summary appearing in the United Mine Workers Journal for July 15. I include this article in the RECORD at this point.

HOUSE REJECTS ATOM POWERPLANT

Those persons in Washington who want to produce electricity from atomic energy no matter what the cost to American taxpayers and unemployed coal miners took a beating in the House of Representatives on July 13.

The House, by a vote of 178 to 140, rejected a Kennedy-administration-backed move to generate electricity by atomic power in the Pacific Northwest.

The victory for the American taxpayer and jobless coal miners came in a nonrecorded vote to knock out a $95 million authorization for electric generating features to a new nuclear explosives producing reactor at Hanford, Wash. Washington is the Pacific Northwest's only coal-producing State.

The amendment to kill the authorization for electric generation was offered by Representative JAMES E. VAN ZANDT, Republican, of Pennsylvania, a friend of the UMWA. It won Democratic support from several Southern States and from representatives of depressed coal mining areas, particularly in West Virginia and Pennsylvania.

VAN ZANDT said the $95 million item would set a precedent by putting another Government agency in the electric power business.

The remainder of the atomic energy authorization measure, totaling about $500 million for new construction and additions to earlier approved projects, was passed with virtually no explanation or debate.

The largest single item was $114 million to construct the largest and most powerful research atom smasher in the world at Stanford University in California.

The Hanford, Wash., plutonium production reactor was authorized in 1958 at a cost of $145 million. Of this, $25 million was to have been used to convert the plant to production of electricity if approved by the Congress. President Kennedy on March 28 asked Congress to authorize the $95 million to add electric generating facilities (about 700,000 kilowatts) to the Hanford reactor.

Proponents of the project argued that it would increase the prestige of the United States because it would be the world's largest atomic powerplant. They said heat produced by the reactor would otherwise be wasted.

The UMWA, the coal industry, and other opponents of the "Buck Rogers" project noted it would contribute virtually nothing to the technology of power production. There is no genuine prestige factor in merely trying to be the "biggest" unless there is substantial advancement in power development technology.

The proposed atomic power would be high cost and is not needed to meet the power requirements of the area. Such atomic power would have to be heavily subsidized by the Federal Government; i.e., the American taxpayers would pay for it.

Such an atom powerplant would establish a precedent for other federally operated steam-electric powerplants in the Pacific Northwest as well as other areas of the Nation.

A big majority of nuclear experts in industry and at universities said the proposed $95 million could be better spent on other projects to advance the technology of atomic power production.

The coal industry and the UMWA had good reason to fight the project. Atomic power, developed with the taxpayers' money, is a direct competitor of coal. Such subsidized power can easily be marketed below actual cost of production in competition with coal-produced power.

Still there has been a question about where the coal industry has stood on the Hanford project. An article in last Thursday's Washington Post went so far as to suggest that coal representatives had actually consented to support the Hanford project in return for a $5 million research program inserted into the Senate version of the atomic energy bill. Now, Mr. Speaker, the strategy of resorting to rumors of this kind to divide, dilute, and disperse opposition to a measure before the Congress is not a new tactic. Sometimes a weapon of this nature can be used effectively. On close scrutiny, however, the very possibility of the coal industry's succumbing to such a plan would be dismissed. The so-called deal to give coal the new research effort suggested in the Senate is too vapid and vacuous to merit serious consideration. The coal industry to my knowledge has not yet been willing to sacrifice principle under any circumstances. It will not do so at this time.

I am happy today to insert into the RECORD a statement by the spokesman for the producers and sales companies of bituminous coal. I hope that the following press release containing a statement by Stephen F. Dunn, president of the National Coal Association, will put to rest once and for all any feeling that the coal industry is not wholly opposed to the Hanford project. When this statement and the UMWA article are linked, I would think that any doubt about this matter would quickly be resolved. The NCA statement follows:

WASHINGTON, July 21.—The National Coal Association today announced its unequivocal opposition to the $95 million project to produce electric energy for commercial use at the Hanford, Wash., nuclear reactor.

The NCA position was made clear in the wake of press reports that the coal industry had agreed to support the reactor project in return for Senate approval of a $5 million program to use atomic energy in coal research. Both the Hanford reactor proposal and the $5 million research program are included in an Atomic Energy Commission authorization bill.

Stephen F. Dunn, president of National Coal Association, said:

"The National Coal Association had no connection with the research amendment and, in fact, had no knowledge of it before it was proposed on the Senate floor. The National Coal Association has, to this point, taken no public position on the Hanford proposal, although many of its members have expressed their opposition to it in communications to Members of the Congress.

"In the light of the implications, however, that our organization and its members have been involved in some kind of a barter arrangmenet, I want to make it perfectly clear that we are unequivocally opposed to the production of electrical energy for commercial use at the Hanford, Wash., plant.

"It is our firm belief that the private utility industry is capable of meeting the future energy requirements of all sections of this country, including the Pacific Northwest.

"As far as coal industry research is concerned, the Congress last year created the Office of Coal Research in the Department of the Interior to correlate short-term research activities affecting the coal industry. Congress has wisely appropriated funds for this office, and we are encouraged by the progress made to date. Also, the Bureau of Mines in the Department of the Interior is engaged in long-range research projects with which the coal industry is in sympathy. Desirable as such a research program as that proposed in the Senate may be, we recommend that the atomic coal research program be deleted from the legislation and considered by Congress on its merits when appropriate."

CHARITABLE DONATIONS TO PUBLIC SCHOOLS

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, many people think of giving money to private institutions of learning, but whoever thought of giving money to a public school? Obviously, very few people have thought about this because in many instances if not in all instances there is no mechanism presently existing whereby a person with charity in his or her heart and a desire to further education can make a charitable donation to his or her alma mater—the Margaret Goodall Elementary School, the James Hixson Junior High School, the Frank Hamsher Senior High School, or whatever.

There may be people who would give funds to public schools if the mechanism was established whereby the funds could be received and utilized. This would be a fine way to further improvement in our public school education.

At least some people in Hanover, N.H., thought that this would be a good idea, so they formed the Friends of the Hanover Schools, a private nonprofit corporation devoted to enriching primary and secondary education, about a month ago. This idea is off to a good start because some funds are coming in.

The organizers of the Friends of the Hanover Schools stated that they knew of no other such voluntary, nonprofit group in the United States whose aim is the enrichment of the local public schools' academic programs. I do not either. Doctor Russell, one of the organizers, stated, "We are confident that it will be successful and that it might well set a pattern for other public schools in the country that face similar problems."

Indeed it might, and with that thought in mind I am making this statement on the floor of the House and setting out in the RECORD the full press release on this interesting experiment, which brought this matter to my attention:

HANOVER, N.H.—The Friends of the Hanover Schools, a private, nonprofit corporation devoted to enriching primary and secondary education here, was incorporated this week.

Dr. Stuart Russell, chairman of the school board, said the group would undertake a drive for funds to be used for the "small extra projects that make the difference between a good school system and a first-rate one."

He explained that the organization was conceived principally by two school board members, John G. Kemeny and Andrew H. McNair, as a way of improving the schools' program.

Under New Hampshire law the schools are supported by real estate taxes. Since these are the basis of many other governmental services the taxes have reached such a high level that many residents are hard pressed. However, many others would gladly pay more for their childrens' education, but there is no legal way of taxing these people separately.

The Friends organization gives this group a chance to contribute additionally to education in the community.

"We know of no other such voluntary, nonprofit group in the United States whose aim is the enrichment of the local public schools' academic programs," Dr. Russell said.

"We are confident," he added, "that it will be successful and that it might well set a pattern for other public schools in the country that face similar problems."

"We expect to use the funds to support extra studies and experimental educational projects. We do not contemplate using any of them for increasing teachers' salaries, for ordinary capital expenditures or for any project that normally belongs in the school budget."

Dr. Russell also announced that the board of trustees of Dartmouth College had recently authorized the college to participate in this unique program for the betterment of the Hanover public schools.

The school board approached the college because it felt that the matching feature of the proposed program might have a special appeal and the school board was very gratified at the response of the college, he said.

President John S. Dickey stated to the school board that the Dartmouth Board of Trustees had approved the college's participation on the assumption that all gifts to Friends of the Hanover Schools would be used for the improvement of the academic program and that within this purpose the college's matching gifts would be unrestricted.

The board of trustees' approval of the college's participation on a matching basis is for the school year beginning July 1, 1961, and during this year the college will match the contributions of each full-time college employee who makes a contribution to the Friends of Hanover Schools up to a maximum of $300 per full-time employee. The $300 maximum was suggested to the college by the school board. The participation of the college in this program beyond 1961–62 will be reviewed by its board of trustees annually in the light of the previous year's experience and of the financial circumstances of the college.

President Dickey emphasized that the matching feature of the proposal was extremely significant in the college's decision to participate.

He also emphasized that the board of trustees "felt that participation by the college in such a project is justified because of its direct educational character, the immediate importance to the work of the college of having first-rate public schools in Hanover and the stake the college has as the principal taxpayer in the community in the Hanover public school system."

Dr. Russell said that planning is now underway for the fund drive which is expected to begin in the late summer or early fall. Contributions would be tax deductible.

He emphasized that the friends would seek funds unrestricted by the honors as to use so that the schools would be free to allocate them as the fund's trustees see fit.

Under terms of the incorporation the fund's board of trustees is comprised of the members of the school board for the length of their terms. They are Dr. Russell, chairman; Clinton B. Fuller, vice chairman; Mrs. Leonard Clough, secretary; Mr. McNair, Mr. Kemeny, and William L. Wilson.

THE SMEAR CAMPAIGN AGAINST AMERICA'S HEALTH INSTITUTIONS

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I am placing in the RECORD an article written by George Sokolsky in which he raises this question of what is being gotten at in the investigations of the drug industry.

I do not know the answer to Mr. Sokolsky's specific question but I can point to the fact that for several years now there has been an unremittent attack on all the institutions which comprise the great health care program we have in our society.

The bitter attack against the doctors is surely obvious to everyone, except perhaps the doctors themselves who individually stand high in the eyes of the people in their own communities. Doctors as a group, however, particularly when they are in a medical society, are now viewed with popular suspicion as the result of the campaign of denigration that has been going on.

There has been a similar attack against our hospitals. A lesser attack, but nonetheless an attack, against the nursing profession. The medical equipment profession has come in for its share of abuse. So has the drug industry. So has the health insurance industry—even Blue Cross and Blue Shield.

All of this is most strange when we realize that never has a society been blessed with such progress in the health field as has ours and that progress can be attributed primarily to the institutions that comprise the health field.

I suspect that once we defeat emphatically the attempts to socialize our health institutions we will no longer be subjected to this organized campaign of denigration. Or if we lose and the attempts are successful, then, too, the campaign of vilification will cease and we will then be subjected to the big-brother propaganda the other way of how good everything is.

One of the dangers of the planned campaign to vilify American institutions lies in the fact that America progresses through self-criticism and in our resentment against criticism out of context we may swing in the opposite direction to resent any criticism. This we should never do. Of course there are a great many things that can be done to improve our medical profession, our hospitals, our nurses, our drug industries, our insurance programs—and these things should be identified and done. Let us get on with the constructive criticism in context and silence with facts and arguments and deeds those who are seeking to destroy the good rather than to promote progress.

The article follows:

SMEAR CAMPAIGN AGAINST AMERICA'S HEALTH INSTITUTIONS

(By George E. Sokolsky)

It is difficult quite to understand what Senator KEFAUVER is getting at in his investigation of the drug industry. If it is prices that he seeks to regulate, then why not regulate all prices of goods. If he objects to labels and trade names, he makes a mistake because sensible folks not only demand original labels when they buy a medicine but get to know it by name of the bottle. The day when the doctor scrawls in Latin, so that no one can read what he says, not even the pharmacist, is over. We want to know what it is that goes into us. Also there is the advantage of not taking the wrong medicine, the killer instead of the healer.

Senator KEFAUVER, in a previous investigation, gave the impression that he was bringing the underworld to the surface. It was exciting to watch Frank Costello testify before a television camera. When that investigation was over, the underworld was still in business, as potent as ever, pushing heroin as actively as possible; organized vice continued to compete with private immoral persons; graft in public office became increasingly scientific. Precisely what Senator KEFAUVER accomplished by his crime investigation is not clear. He dropped the whole business.

Now, since December 1959, he has been going after the legitimate drug business. He does not claim that any of these companies are engaged in illegal practices. No one is sent to prison as a result of this investigation. Nothing is being done to stop manufacturers from spending millions of dollars for research. It is therefore difficult to discover precisely what the Senator seeks to accomplish.

I have gone through the material diligently seeking to discover why I have to take expensive pills when I feel so good and can do twice as much work as I used to do. The senatorial committee's reports do not help me at all. In fact, I find much of their information to be baby stuff, uninformative and not very helpful. Of course, drugs are expensive; so are tombstones.

Recently, when my secretary was dying, all sorts of isotopes were used and I presumed that they cost a lot of money. The total bill was enormous. But if one of the isotopes could have saved her life, it would have been cheap at any price.

Nowhere is so much done for the sick as in this country and it is done mostly by private pharmaceutical companies that spend their money on research and then on promoting the drug. Much of this expenditure may be wasted because the research does not prove out. However, one success may save thousands of human lives and how much is a life worth?

Furthermore, there is danger in what Senator KEFAUVER is doing. Patients and their families lose confidence in particular drugs that get front page attention because they are played up at a committee hearing. I know that nobody several years ago survived the series of illnesses that I had, but I have survived and am more active than ever. I am amused by friends who come up to me to say: "How wonderful you look, but do you feel as well as you look?" Sure, and I am doing more work.

And if someone tells me that the medicines I carry about me are expensive, I must laugh, particularly when I read circulars advertising graves. I would rather pay for a medicine than a grave any day. So what is the complaint?

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. ELLSWORTH (at the request of Mr. HALLECK) through July 28, on account of illness in his family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. FEIGHAN, for 30 minutes, today.

Mr. MATHIAS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. SILER.

Mr. BAILEY and to include extraneous matter.

Mr. DENT (at the request of Mr. FINNEGAN) in two instances and to include extraneous matter.

Mr. BRADEMAS.

(The following Members (at the request of Mr. HALPERN) and to include extraneous matter:)

Mr. ALGER.

Mr. FINO in two instances.

Mr. HORAN.
Mr. HALL in two instances.
Mr. ROUDEBUSH.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 513. An act to authorize and direct the Secretary of the Treasury to cause the vessel Acadia, owned by Robert J. Davis, of Port Clyde, Maine, to be documented as a vessel of the United States with coastwise privileges; to the Committee on Merchant Marine and Fisheries.

S. 705. An act for the relief of Norman T. Burgett, Lawrence S. Foote, Richard E. Forsgren, James R. Hart, Ordeen A. Jallen, James M. Lane, David E. Smith, Jack K. Warren, and Anne W. Welsh; to the Committee on the Judiciary.

S. 935. An act for the relief of certain members of the Army National Guard of the United States and the Air National Guard of the United States; to the Committee on the Judiciary.

S. 1347. An act for the relief of Georgia Ellen Thomason; to the Committee on the Judiciary.

S. 1412. An act to authorize the Administrator of General Services to convey certain land situated in the State of Arkansas to the city of Fayetteville, Ark.; to the Committee on Government Operations.

S. 1443. An act for the relief of Mrs. Tyra Fenner Tynes; to the Committee on the Judiciary.

S.J. Res. 49. Joint resolution providing for the establishment of an annual Youth Appreciation Week; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1182. An act to create the Wyandotte National Wildlife Refuge;

H.R. 1336. An act for the relief of Anna Catania Puglisi;

H.R. 1379. An act for the relief of the dependents or estate of Carroll O. Switzer;

H.R. 1383. An act for the relief of Hyacinth Louise Miller;

H.R. 1390. An act for the relief of Jung Ngon Woon;

H.R. 1391. An act for the relief of Mrs. Wong Lau Sau Kam;

H.R. 1486. An act for the relief of Mrs. Vicenta A. Messer;

H.R. 1499. An act for the relief of Manuel Nido;

H.R. 1699. An act for the relief of Nick George Boudoures;

H.R. 1704. An act for the relief of Lee Shee Won;

H.R. 1706. An act for the relief of Adela Michiko Flores;

H.R. 1891. An act for the relief of Engineman First Class William J. Stevens;

H.R. 1903. An act for the relief of Mrs. Amina Youssif Cosino (nee Simaan);

H.R. 2354. An act for the relief of Mr. Louis Fischer, Feger Seafoods, and Mr. and Mrs. Thomas R. Stuart;

H.R. 2674. An act for the relief of Eva Nowik;

H.R. 2750. An act to provide for the relief of certain enlisted members of the Air Force; and

H.R. 7454. An act consenting to the amendment of the compact between the States of Pennsylvania and Ohio relating to Pymatuning Lake.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on July 20, 1961, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 929. An act to amend the Internal Revenue Code of 1954 to permit the prepaid dues income of certain membership organizations to be included in gross income for the taxable years to which the dues relate;

H.R. 1353. An act for the relief of Max Bleier;

H.R. 1477. An act for the relief of Mansureh Rinehart;

H.R. 1620. An act for the relief of Kejen Pi Corsa;

H.R. 1626. An act for the relief of Jack Konko;

H.R. 1911. An act for the relief of Ricaredo Bernabe Dela Cena;

H.R. 1915. An act for the relief of Mrs. Sode Hatta;

H.R. 2360. An act for the relief of Mrs. Tome Takamoto;

H.R. 4557. An act for the relief of Manuel Martinez-Lopez;

H.R. 5432. An act to make permanent certain increases in annuities payable from the civil service retirement and disability fund;

H.R. 5548. An act to authorize the Secretary of the Interior to acquire approximately 9 acres of land for addition to Cumberland Gap National Historical Park, and for other purposes;

H.R. 6874. An act to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes;

H.R. 7444. An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes; and

H.J. Res. 392. Joint resolution to amend the joint resolution of March 25, 1953, relating to electrical and mechanical office equipment for the use of Members, officers, and committees of the House of Representatives to provide that Members having constituencies of 500,000 shall be entitled to an additional $500 worth of equipment; to increase the number of electric typewriters which may be furnished Members; and for other purposes.

ADJOURNMENT

Mr. FINNEGAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 13 minutes p.m.) the House adjourned until tomorrow, Tuesday, July 25, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1152. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated April 18, 1961, submitting a report, together with accompanying papers and illustrations, on an interim report on Wallisville Reservoir, Trinity River, Tex., requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, and the Committee on Public Works, U.S. Senate, adopted March 31, 1944, February 28, 1945, and January 20, 1958, respectively. It is also in partial response to the River and Harbor Act approved July 3, 1958, which authorized a survey of Trinity River, Tex. (H. Doc. No. 215); to the Committee on Public Works and ordered to be printed with two illustrations.

1153. A letter from the Assistant Secretary of Agriculture, transmitting the report of the General Sales Manager for March 1961, concerning the policies, activities, and developments with regard to each commodity which the Commodity Credit Corporation owns or which it is directed to support; to the Committee on Appropriations.

1154. A letter from the Secretary of the Treasury, transmitting a draft of a proposed bill entitled "A bill to amend and repeal certain obsolete provisions of law relating to the mints and assay offices"; to the Committee on Banking and Currency.

1155. A letter from the Administrator, General Services Administration, transmitting the report of the Archivist of the United States on records proposed for disposal under the law; to the Committee on House Administration.

1156. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract with National Park Concessions, Inc., which will authorize it to provide facilities and services for the public within Big Bend, Isle Royale, Mammoth Cave, and Olympic National Parks, and the Blue Ridge Parkway, and such other areas of the national park system as the Secretary may designate, for a period of 20 years from January 1, 1962, through December 31, 1981, pursuant to Public Law 712 (70 Stat. 543); to the Committee on Interior and Insular Affairs.

1157. A letter from the Administrator, Veterans' Administration, transmitting a draft of a proposed bill entitled "A bill to change the classes of persons eligible to receive payments of benefits withheld during the lifetime of deceased veterans while being furnished hospital or domiciliary care"; to the Committee on Veteran's Affairs.

1158. A letter from the Secretary of the Air Force, relative to the number of officers assigned or detailed to permanent duty in the executive element of the Air Force at the seat of government at the end of June 30, 1961, pursuant to section 8031(c), title 10, United States Code; to the Committee on Armed Services.

1159. A communication from the President of the United States, transmitting a draft of a proposed bill entitled "A bill to amend the joint resolution of July 14, 1960, enabling the United States to participate in the resettlement of certain refugees; and for other purposes"; to the Committee on the Judiciary.

1160. A letter from the Governor, Canal Zone Government, transmitting a report of claims paid by the Canal Zone Government for the period July 1, 1960 to June 30, 1961, pursuant to section 2672 of title 28, United States Code, as amended; to the Committee on the Judiciary.

1161. A letter from the Director, Central Intelligence Agency, transmitting a report of claims paid by the Central Intelligence Agency for the fiscal year 1961, pursuant to Public Law 79-601; to the Committee on the Judiciary.

1162. A letter from the Secretary of State, transmitting a draft of a proposed bill entitled "A bill to amend the International Organizations Immunities Act extending certain privileges, exemptions, and immunities to international organizations and to officers and employees thereof"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of July 20, 1961, the following bill was reported on July 21, 1961:

Mr. SHEPPARD: Committee on Appropriations. H.R. 8302. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes; without amendment (Rept. No. 752). Referred to the Committee of the Whole House on the State of the Union.

Under clause 2 of rule XIII, pursuant to the order of the House of July 20, 1961, the following bills were reported on July 22, 1961:

Mr. COOLEY: Committee on Agriculture. S. 2197. An act to amend section 107(a)(3) of the Soil Bank Act, as amended; with amendment (Rept. No. 753). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 8230. A bill to improve and protect farm prices and farm income, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interests of consumers, and for other purposes; with amendment (Rept. No. 754). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted July 24, 1961*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FORRESTER: Committee on the Judiciary. H.R. 7405. A bill to provide for the promulgation of rules of practice and procedure under the Bankruptcy Act, and for other purposes; without amendment (Rept. No. 755). Referred to the House Calendar.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 115. A bill for the allocation of costs on the Wapato-Satus unit of the Wapato Indian irrigation project; without amendment (Rept. No. 756). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS of Alaska: Committee on Interior and Insular Affairs. H.R. 2925. A bill to amend the act of March 8, 1922, as amended, pertaining to isolated tracts, to extend its provisions to public sales; with amendment (Rept. No. 757). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Interior and Insular Affairs. H.R. 6241. A bill to repeal the act of October 22, 1919 (41 Stat. 293; 43 U.S.C. 351–355, 357–360), and the act of September 22, 1922 (ch. 400, 42 Stat. 1012; 43 U.S.C. 356), and to require that entrymen of lands in Nevada under the Desert Land Act be resident citizens of Nevada; with amendment (Rept. No. 758). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARDY: Committee on Armed Services. H.R. 7726. A bill to authorize the loan of naval vessels to friendly foreign countries and the extension of certain naval vessel loans now in existence; with amendment (Rept. No. 759). Referred to the Committee of the Whole House on the State of the Union.

Mr. DONOHUE: Committee on the Judiciary. H.R. 6242. A bill to amend section 508 of title 28, United States Code, relating to attorneys' salaries; with amendment (Rept. No. 760). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of July 20, 1961, the following bill was introduced July 21, 1961:

By Mr. SHEPPARD:

H.R. 8302. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes.

[*Introduced and referred July 24, 1961*]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. BOW:

H.R. 8303. A bill to amend the act entitled "An act for the organization, improvement, and maintenance of the National Zoological Park"; to the Committee on Public Works.

By Mr. CELLER:

H.R. 8304. A bill to provide for the disbursing of judiciary funds; to the Committee on the Judiciary.

By Mr. CUNNINGHAM:

H.R. 8305. A bill to provide funds to pay nationals of the United States who have war-damage claims against Germany and Japan, without additional direct appropriations therefor, and to amend the Trading With the Enemy Act and the War Claims Act of 1948, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. FINDLEY:

H.R. 8306. A bill to provide a program to sell promptly America's price-depressing wheat and feed-grain surpluses without adversely affecting the income of wheat, feed-grain, and livestock producers; to the Committee on Agriculture.

By Mr. HARVEY of Indiana:

H.R. 8307. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of surplus agricultural commodities to such nations at prices less than those prices available to American consumers; to the Committee on Agriculture.

H.R. 8308. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.

By Mr. KING of New York:

H.R. 8309. A bill to amend section 203 of part II of the Interstate Commerce Act with respect to certain Canadian tourist transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. KING of Utah:

H.R. 8310. A bill to provide for periodic congressional review of Federal grants-in-aid to State and local units of government; to the Committee on Government Operations.

By Mr. PUCINSKI:

H.R. 8311. A bill to assist in the promotion of economic stabilization by requiring the disclosure of finance charges in connection with extensions of credit; to the Committee on Banking and Currency.

H.R. 8312. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer a deduction from gross income for tuition and certain other educational expenses paid by him for the education of a dependent at a private nonprofit elementary or secondary school; to the Committee on Ways and Means.

By Mr. RIVERS of Alaska:

H.R. 8313. A bill to authorize the leasing of lands within the Moquawkie Indian Reservation, Alaska; to the Committee on Interior and Insular Affairs.

By Mr. ROUDEBUSH:

H.R. 8314. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.

By Mr. SHELLEY:

H.R. 8315. A bill to amend section 202(c) of the Interstate Commerce Act to provide for partial exemption from the provisions of part II of such act of terminal area motor carrier operations performed by or for common carriers by water in interstate commerce subject to the Shipping Act, 1916, and the Intercoastal Shipping Act, 1933; to the Committee on Interstate and Foreign Commerce.

By Mr. SILER:

H.R. 8316. A bill to amend the Civil Service Retirement Act to provide that annuities payable for disability retirement shall be 60 per centum of the average salary, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Mississippi:

H.R. 8317. A bill to amend the Federal Trade Commission Act to provide for the issuance of temporary cease and desist orders to prevent certain acts and practices pending completion of Federal Trade Commission proceedings; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE of California:

H.R. 8318. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.

H.R. 8319. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of surplus agricultural commodities to such nations at prices less than those prices available to American consumers; to the Committee on Agriculture.

By Mr. THOMPSON of Texas:

H.R. 8320. A bill to amend the Freeport Harbor project, Texas; to the Committee on Public Works.

By Mr. BROMWELL:

H.J. Res. 495. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. HALEY:

H.J. Res. 496. Joint resolution expressing a declaration of war against the 98 Communist Parties constituting the international Communist conspiracy; to the Committee on Foreign Affairs.

H.J. Res. 497. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. KEARNS:

H.J. Res. 498. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. FEIGHAN:

H. Con. Res. 354. Concurrent resolution supporting the President's reply to the Soviet aide memoire on Germany and Berlin; to the Committee on Foreign Affairs.

By Mr. JOHNSON of California:

H. Con. Res. 355. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. BARING:

H. Res. 384. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 381; to the Committee on House Administration.

By Mr. DINGELL:

H. Res. 385. Resolution establishing a Special Committee on the Captive Nations; to the Committee on Rules.

By Mr. RHODES of Pennsylvania:

H. Res. 386. Resolution expressing the sense of the House of Representatives that there should be established a Franklin Delano Roosevelt Memorial National Park; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KILDAY:

H.R. 8321. A bill for the relief of Maj. Clara May Matthews; to the Committee on the Judiciary.

By Mr. KING of New York:

H.R. 8322. A bill for the relief of Maurice Chao Chen Mow, Van Chao-Hsien Mow, Aychuen Wang Mow, William Chao Wei Mow; to the Committee on the Judiciary.

By Mr. PELLY:

H.R. 8323. A bill for the relief of Mrs. Irene Skriabin-Skorniakoff; to the Committee on the Judiciary.

By Mr. POAGE:

H.R. 8324. A bill for the relief of Louis Jung Shaw Gore; to the Committee on the Judiciary.

By Mr. SCHERER:

H.R. 8325. A bill for the relief of Harrison Thomas Harper; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

196. Mr. CUNNINGHAM presented a petition of the mayor and city council of the city of Bayard, Nebr., and of the board of directors of the Chimney Rock Public Power District that Congress appropriate such funds as shall be required to complete the construction of the Colorado River storage project and to include in such appropriation adequate funds to permit the Bureau of Reclamation to construct, without delay, the backbone interconnecting lines and the marketing transmission lines to major load centers in the market area, which was referred to the Committee on Appropriations.

SENATE

MONDAY, JULY 24, 1961

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, as we come to Thee in all the wonder and challenge and uncertainty of new days and new weeks, we do not ask to see life's distant scenes—one step enough for us—enough for us the blessed assurance that Thou art the love that followest all the way.

Thou art the light that never fails, and the life that never ends.

Facing the tasks and problems of another week, save those who here serve in the ministry of public affairs from being embittered by ingratitude, pettiness, or meanness, and from cowardice in days when vital issues must be met.

Give us the grace to be true to our dreams, knowing that dreams are the stuff out of which cities are built, cathedral towers lifted against the sky, frowning mountains tunneled, and shining heroism and radiant goodness perfected.

In these times that try men's souls, by daring deeds of fearless faith may we not be disobedient to the heavenly vision.

In the name of the dear Redeemer we ask it. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, July 20, 1961, was dispensed with.

ENROLLED BILLS SIGNED DURING ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order of Thursday last, authorizing the signing, during the adjournment, of the enrolled bill, H.R. 6874, the NASA authorization bill, be deemed to include three enrolled Senate bills.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Under authority of the order above referred to, the Vice President, on July 20, 1961, signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

S. 331. An act for the relief of Mrs. Kazuko (Wm. R.) Zittle;

S. 438. An act for the relief of Mrs. Maria Giovanna Hopkins;

S. 1644. An act to provide for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress; and

H.R. 6874. An act to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 20, 1961, the President had approved and signed the following acts:

S. 139. An act for the relief of Krste Angeloff;

S. 442. An act for the relief of Aspasia A. Koumbouris (Kumquris);

S. 537. An act to amend the Surplus Property Act of 1944 to revise a restriction on the conveyance of surplus land for historic-monument purposes;

S. 540. An act to authorize agencies of the Government of the United States to pay in advance for required publications, and for other purposes;

S. 576. An act to amend section 216 of the Merchant Marine Act, 1936, as amended, to clarify the status of the faculty and administrative staff at the United States Merchant Marine Academy, to establish suitable personnel policies for such personnel, and for other purposes;

S. 796. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, so as to authorize the use of surplus personal property by State distribution agencies, and for other purposes;

S. 1720. An act to continue the authority of the President under title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, to utilize surplus agricultural commodities to assist needy peoples and to promote economic development in underdeveloped areas of the world; and

S. 1931. An act to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance.

CALL OF THE CALENDAR DISPENSED WITH

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the calendar, under rule VIII, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Foreign Relations Committee was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. CARROLL, from the Committee on the Judiciary:

Erwin N. Griswold, of Massachusetts, to be a member of the Commission on Civil Rights;

Spottswood W. Robinson III, of the District of Columbia, to be a member of the Commission on Civil Rights; and

Berl I. Bernhard, of Maryland, to be Staff Director for the Commission on Civil Rights.

(See the remarks of Mr. CARROLL when he reported the above nominations, which appear under a separate heading.)

The PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the calendar will be stated.

CIVIL SERVICE COMMISSIONER

The Chief Clerk read the nomination of Robert E. Hampton, of Maryland, to be a Civil Service Commissioner for a term of 6 years expiring March 1, 1967.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

TAX COURT

The Chief Clerk read the nomination of William M. Fay, of Pennsylvania, to be judge of the Tax Court of the United States for the unexpired term of 12 years from June 2, 1956.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

PARTICIPATION OF THE UNITED STATES IN RESETTLEMENT OF CERTAIN REFUGEES

A communication from the President of the United States, transmitting a draft of proposed legislation to amend the joint resolution of July 14, 1960, enabling the United States to participate in the resettlement of certain refugees, and for other purposes (with an accompanying paper); to the Committee on Foreign Relations.

REPORT OF GENERAL SALES MANAGER, COMMODITY CREDIT CORPORATION

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report of the General Sales Manager concerning the policies, activities, and developments, including all sales and disposals, with regard to each commodity which the Commodity Credit Corporation owns or which it is directed to support, for the month of March 1961 (with an accompanying report); to the Committee on Agriculture and Forestry.

INTERCHANGE OF JURISDICTION OF MILITARY AND NATIONAL FOREST LANDS

A letter from the Assistant Secretary of the Navy (Installations and Logistics), and the Assistant Secretary of Agriculture, transmitting, pursuant to law, a notice of the intention of the Department of the Navy and the Department of Agriculture to interchange jurisdiction of military and national forest lands (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON NUMBER OF OFFICERS ASSIGNED TO PERMANENT DUTY IN THE AIR FORCE AT THE SEAT OF GOVERNMENT

A letter from the Secretary of the Air Force, reporting, pursuant to law, that as of June 30, 1961, there was an aggregate of 2,324 officers assigned or detailed to permanent duty in the executive element of the Air Force at the seat of government; to the Committee on Armed Services.

REPORT ON DEPARTMENT OF THE ARMY RESEARCH AND DEVELOPMENT CONTRACTS

A letter from the Consultant for Research and Development, Department of the Army, transmitting, pursuant to law, a report on Department of the Army research and development contracts, covering the period July 1, 1960, through December 31, 1960 (with an accompanying report); to the Committee on Armed Services.

AMENDMENT OF CERTAIN PROVISIONS OF LAW RELATING TO MINTS AND ASSAY OFFICES

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend and repeal certain obsolete provisions of law relating to the mints and assay offices (with accompanying papers); to the Committee on Banking and Currency.

ELIGIBILITY OF CERTAIN PERSONS TO RECEIVE PAYMENTS WITHHELD DURING LIFETIME OF DECEASED VETERANS

A letter from the Administrator, Veterans' Administration, Washington, D.C., transmitting a draft of proposed legislation to change the classes of persons eligible to receive payments of benefits withheld during the lifetime of deceased veterans while being furnished hospital or domiciliary care (with an accompanying paper); to the Committee on Finance.

AMENDMENT OF INTERNATIONAL ORGANIZATIONS IMMUNITIES ACT

A letter from the Secretary of State, transmitting a draft of proposed legislation to amend the International Organizations Immunities Act to extend certain privileges, exemptions and immunities to international organizations and to officers and employees thereof (with an accompanying paper); to the Committee on Foreign Relations.

REPORT ON SCIENTIFIC RESEARCH GRANTS, DEPARTMENT OF COMMERCE

A letter from the Secretary of Commerce, reporting pursuant to law, on scientific research grants made by that Department, during the fiscal year 1961; to the Committee on Government Operations.

REPORT ON REVIEW OF LOAN GUARANTEE AND DIRECT LOAN PROGRAMS, VETERANS' ADMINISTRATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of loan guarantee and direct loan programs, Veterans' Administration, fiscal year 1960 (with an accompanying report); to the Committee on Government Operations.

PROPOSED CONCESSION CONTRACT WITHIN BIG BEND, ISLE ROYALE, MAMMOTH CAVE, OLYMPIC NATIONAL PARKS, AND BLUE RIDGE PARKWAY

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed concession contract with National Park Concessions, Inc., to provide facilities and services for the public within Big Bend, Isle Royale, Mammoth Cave, Olympic National Parks, and the Blue Ridge Parkway (with accompanying papers); to the Committee on Interior and Insular Affairs.

AUTHORIZATION OF CELEBRATION OF AMERICAN PATENT SYSTEM

A letter from the Under Secretary of Commerce, transmitting a draft of proposed legislation authorizing a celebration of the American patent system (with accompanying papers); to the Committee on the Judiciary.

REPORT ON TORT CLAIMS PAID BY CENTRAL INTELLIGENCE AGENCY

A letter from the Director, Central Intelligence Agency, Washington, D.C., reporting, pursuant to law, on tort claims paid by that Agency, during the fiscal year 1961; to the Committee on the Judiciary.

COURT OPINION IN CASES OF MAJOR C. TODD, JR., VERSUS THE UNITED STATES, AND G. W. TODD, VERSUS THE UNITED STATES

A letter from the Chief Deputy Clerk, U.S. Court of Claims, Washington, D.C., transmitting, pursuant to law, copies of the court's opinion in the cases of *Maj. C. Todd, Jr.* v. *The United States*, and *G. W. Todd* v. *The United States* (with accompanying documents); to the Committee on the Judiciary.

REPORT ON TORT CLAIMS PAID BY CANAL ZONE GOVERNMENT

A letter from the Governor, Canal Zone Government, Balboa Heights, Canal Zone, transmitting, pursuant to law, a report on tort claims paid by that Government, for the period July 1, 1960, to June 30, 1961 (with an accompanying report); to the Committee on the Judiciary.

AUDIT REPORT OF JEWISH WAR VETERANS

A letter from the treasurer, National Shrine to the Jewish War Dead, Washington, D.C., transmitting, pursuant to law, an audit report of that organization, for the fiscal year April 1, 1960, to March 31, 1961 (with an accompanying report); to the Committee on the Judiciary.

CAPITAL IMPROVEMENTS AT NATIONAL ZOOLOGICAL PARK

A letter from the Secretary, Smithsonian Institution, Washington, D.C., transmitting a draft of proposed legislation to authorize a program of capital improvements at the National Zoological Park (with accompanying papers); to the Committee on Public Works.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, a report of the Archivist of the United States on a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent

value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. JOHNSTON and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the Legislature of the territory of Guam; to the Committee on Interior and Insular Affairs:

"RESOLUTION 248

"Resolution relative to memorializing the Congress of the United States and the President of the United States to create a Territorial Deputy for Guam to the House of Representatives

"Whereas the people of Guam are grateful to the respective Presidents of the United States and the respective Congresses of the United States for all of the benefits and privileges which have been conferred upon the territory of Guam and its people over the years since the adoption of the Organic Act of Guam; and

"Whereas the people of Guam through their duly elected representatives have continued to strive to merit the faith and confidence which has been reposed in them by the Government of the United States and have consistently sought to act at all times within the highest traditions of the democratic process; and

"Whereas 11 years has now elapsed since the passage of the Organic Act and during this intervening period the people of Guam and their elected representatives have gained experience in the government of their affairs and have developed consistent liaison with the Congress of the United States and the various interested Federal agencies; and

"Whereas it is believed that the time has now come for the creation within the Congress of the United States of a nonvoting Territorial Deputy to provide for direct representation of the people of Guam to the Congress of the United States; and

"Whereas the creation of a Territorial Deputy to represent Guam within the U.S. Congress is in the public interest in that it has always been the policy of the Government of the United States to provide such representation in order that the elected representatives of the people of one segment of the United States may participate directly with elected representatives from other portions of the United States, particularly in affairs affecting the future of the territory; and

"Whereas by the creation of the position of Territorial Deputy for Guam, the U.S. Congress will have the benefit of direct communication with elected representatives of the people of Guam which in turn may be of further assistance in interpreting the needs, aspirations and problems of other like areas throughout the world: Now, therefore, be it

"*Resolved*, That the Congress of the United States be and it is hereby respectfully petitioned and memorialized to create the position of a nonvoting Territorial Deputy for Guam within the Congress of the United States in such form as may be found desirable by the Congress of the United States in accordance with the various bills on this subject now pending before the Congress; and be it further

"*Resolved*, That the speaker certify to and the legislative secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States, to the Secretary of the Interior, to the President of the Senate, to the Speaker of the House of Representatives, to the chairman of the respective Senate and House Committees on Interior and Insular Affairs, and to the Governor of Guam."

A resolution adopted by the Department of Natural Resources, Division of Small Craft Harbors, State of California, Sacramento, Calif., favoring the provision by the Department of the Interior of facilities for passage of pleasure craft at the Red Bluff Diversion Dam; to the Committee on Interior and Insular Affairs.

WITHHOLDING OF FEDERAL INCOME TAX BY CERTAIN BANKS AND SAVINGS AND LOAN ASSOCIATIONS—RESOLUTION

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Western New York League of Savings and Loan Associations, of Buffalo, N.Y., protesting against the enactment of legislation requiring commercial banks, and savings and loan associations to withhold Federal income tax on sums paid or credited depositors or members as interest or dividends on deposits or shareholdings in said institutions.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE WESTERN NEW YORK LEAGUE OF SAVINGS AND LOAN ASSOCIATIONS, BUFFALO, N.Y.

Resolved, That the Western New York League of Savings and Loan Associations, assembled in its annual meeting at the Buffalo Trap and Field Club, on Wednesday, May 17, 1961, do hereby protest against the proposal that the Congress enact statutes requiring that commercial banks, savings banks and savings and loan associations be required to withhold Federal income tax on sums paid or credited its depositors or members as interest or dividends on deposits or shareholdings in said institutions.

For the reason that such withholdings, while stated do not require detailed individual reporting of data to the Treasury Department would, irrespective of all allegations to the contrary by said Department, require detail reporting to depositors and members of the amounts of said withholdings in all instances where withholdings were against amounts credited depositors and members and not paid out directly in the form of interest, dividends, etc., which could bear general explanatory data which reporting would involve tremendous outlay in labor and cost; and

Further, such withholding against savings accounts, and particularly against the several types of installment and accumulative savings accounts, which now have the option of reporting income annually or at the maturity of the savings period, would eliminate this opinion, drastically reduce the accumulation of such earnings, lengthen the time of such accumulation, and tend to eliminate this type of savings to the detriment of the savings habits of the peoples of this country; and

Further, a vast numerical majority of depositors and members, having small accounts, and not in taxpaying brackets, would be penalized by needing to file returns claiming refunds, which would discourage thrift and savings of this nature, if it did not eliminate it entirely; and,

Further, that the prospective damage by such withholding requirements to the thrift habits and savings incentives to the country as an entirety would be immeasurable and speed the country toward uninhibited extravagance and socialism; and

Further, that copies of this resolution be forwarded to the Senators and Representatives of the State of New York in Congress; to the several national organizations representing the banks, savings banks and saving and loan associations, and to the such institutions in this State.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, for Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1654. A bill to amend section 1073 of title 18, United States Code, the Fugitive Felon Act (Rept. No. 586).

By Mr. McCLELLAN, for Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 1655. A bill to amend chapter 95 of title 18, United States Code, to permit the compelling of testimony under certain conditions and the granting of immunity from prosecution in connection therewith (Rept. No. 587);

S. 1656. A bill to amend chapter 50 of title 18, United States Code, with respect to the transmission of bets, wagers, and related information (Rept. No. 588);

S. 1657. A bill to provide means for the Federal Government to combat interstate crime and to assist the States in the enforcement of their criminal laws by prohibiting the interstate transportation of wagering paraphernalia (Rept. No. 589); and

S. 1665. A bill to amend chapter 73 of title 18, United States Code, with respect to obstruction of investigations and inquiries (Rept. No. 590).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, without amendment:

S. 2241. A bill to donate to the Jicarilla Apache Tribe of the Jicarilla Reservation, N. Mex., approximately 391.43 acres of federally owned land (Rept. No. 592).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 203. A bill to declare that the United States holds in trust for the pueblos of Santa Ana, Zia, Jemez, San Felipe, Santo Domingo, Cochiti, Isleta, and San Ildefonso certain public domain lands (Rept. No. 591).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

H.J. Res. 124. Joint resolution to provide for amending section 3 of the Puerto Rican Federal Relations Act (64 Stat. 319), as amended (64 Stat. 458) (Rept. No. 593).

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, without amendment:

S. 1807. A bill to authorize the disposition of land no longer needed for the Chilocco Indian Industrial School at Chilocco, Okla. (Rept. No. 597);

S. 2016. A bill to give to the Walker River Paiute Tribe the reserved minerals underlying its reservation (Rept. No. 601);

S. 2087. A bill to direct the Secretary of the Interior to convey certain lands and personal property to the State of Washington (Rept. No. 596);

S. 2216. A bill to authorize the transfer of three units at the Fort Belknap Indian irrigation project to the landowners within the project (Rept. No. 594);

S. 2224. A bill to grant minerals, including oil, gas, and other natural deposits, on

certain lands in the Northern Cheyenne Indian Reservation, Montana, to certain Indians, and for other purposes (Rept. No. 595); and

H.R. 1593. An act to authorize the Secretary of the Interior to convey certain land in the Big Sandy Rancheria, California, and to accept other land in exchange therefor (Rept. No. 602);

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, with an amendment:

S. 1518. A bill providing for the disposition of judgment funds of the Omaha Tribe of Indians (Rept. No. 598).

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, with amendments:

S. 344. A bill to amend the Seneca Leasing Act of August 14, 1950 (64 Stat. 442) (Rept. No. 599); and

S. 1501. A bill to authorize the Secretary of the Interior to contract for the sale, operation, maintenance, repair, or relocation of Government-owned electric and telephone lines and other utility facilities used for the administration of the Bureau of Indian Affairs (Rept. No. 600).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 498. An act to provide additional lands at, and change the name of, the Fort Necessity National Battlefield site, Pennsylvania, and for other purposes (Rept. No. 604);

H.R. 6067. An act to provide for an appropriation of a sum not to exceed $35,000 with which to make a survey of a proposed national parkway from the Blue Ridge Parkway at Tennessee Ball or Beach Gap southwest and running into the State of Georgia (Rept. No. 605);

H.R. 6346. An act to include Ackia Battleground National Monument, Miss., and Meriwether Lewis National Monument, Tenn., in the Natchez Trace Parkway, and to provide appropriate designations for them, and for other purposes (Rept. No. 606);

H.R. 6519. An act to provide additional lands for the Tupelo National Battlefield site, Mississippi, and for other purposes (Rept. No. 607);

H.R. 7042. An act to add certain federally owned land to the Lassen Volcanic National Park, in the State of California, and for other purposes (Rept. No. 608); and

H.R. 7240. An act to authorize an exchange of lands at Wupatki National Monument, Ariz., to provide access to certain ruins in the monument, to add certain federally owned lands to the monument, and for other purposes (Rept. No. 609).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with an amendment:

H.R. 5518. An act to revise the boundaries of the Fort Raleigh National Historic Site in North Carolina, and for other purposes (Rept. No. 610).

By Mr. ALLOTT, from the Committee on Interior and Insular Affairs, with an amendment:

H.R. 2203. An act to authorize the Secretary of the Interior to exchange certain property in Rocky Mountain National Park, Colo., and for other purposes (Rept. No. 603).

By Mr. BARTLETT, from the Committee on Commerce, with amendments:

S. 685. A bill to amend the Coast and Geodetic Survey Commissioned Officers Act of 1948, as amended, and for other purposes (Rept. No. 611).

By Mr. FULBRIGHT, from the Committee on Foreign Relations, with amendments:

S. 1983. A bill to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world in their efforts toward economic and social development and internal and external security, and for other purposes (Rept. No. 612).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LONG of Hawaii (for himself and Mr. FONG):

S. 2293. A bill directing the Secretary of the Navy to convey to the State of Hawaii all right, title, and interest remaining in the United States and to certain real and personal property conveyed to the State of Hawaii by the United States; to the Committee on Armed Services.

By Mr. KEFAUVER:

S. 2294. A bill for the relief of Mr. and Mrs. Thomas M. Nash; to the Committee on the Judiciary.

By Mr. ANDERSON (for himself, Mr. SALTONSTALL, and Mr. FULBRIGHT):

S. 2295. A bill to amend the act entitled "An act for the organization, improvement, and maintenance of the National Zoological Park," approved April 30, 1890; to the Committee on Public Works.

By Mr. ENGLE:

S. 2296. A bill to authorize the Secretary of the Interior to construct a National Fisheries Center and Aquarium in the District of Columbia; to the Committee on Public Works.

By Mr. MAGNUSON (by request):

S. 2297. A bill to amend section 406(b) of the Federal Aviation Act of 1958 to limit the right of certain air carriers to receive subsidy payments; to the Committee on Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. CHURCH:

S. 2298. A bill to establish an Advisory Board on Indian Affairs; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. CHURCH when he introduced the above bill, which appear under a separate heading.)

By Mr. HARTKE:

S. 2299. A bill to provide for the establishment of a Juvenile Division within or in connection with the District of Columbia Youth Correctional Center, and to authorize the judge of the Juvenile Court of the District of Columbia to commit to such Juvenile Division, subject to the provisions of the Juvenile Court Act, children 15 years of age or older; to the Committee on the District of Columbia.

(See the remarks of Mr. HARTKE when he introduced the above bill, which appear under a separate heading.)

By Mr. HOLLAND (for himself, Mr. CARLSON, and Mr. BENNETT):

S.J. Res. 119. Joint resolution to authorize the Architect of the Capitol to construct a memorial to James Madison, and for other purposes; to the Committee on Rules and Administration.

CONCURRENT RESOLUTION TO PRINT ADDITIONAL COPIES OF AN ANALYSIS ENTITLED "THE PUGWASH CONFERENCES"

Mr. DODD submitted a concurrent resolution (S. Con. Res. 33) to print additional copies of an analysis entitled "The Pugwash Conferences," which was referred to the Committee on Rules and Administration, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for use of the Senate Committee on the Judiciary ten thousand copies of a staff analysis entitled "The Pugwash Conferences" prepared for the Internal Security Subcommittee of the Committee on the Judiciary.

LIMITATION OF RIGHT OF CERTAIN AIR CARRIERS TO RECEIVE SUBSIDY PAYMENTS

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend section 406(b) of the Federal Aviation Act of 1958 to limit the right of certain air carriers to receive subsidy payments. I ask unanimous consent that a letter from the Chairman of the Civil Aeronautics Board, enclosing a statement of purpose and need for the proposed legislation be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2297) to amend section 406(b) of the Federal Aviation Act of 1958 to limit the right of certain air carriers to receive subsidy payments, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Commerce.

The letter presented by Mr. MAGNUSON is as follows:

CIVIL AERONAUTICS BOARD,
Washington, D.C., July 18, 1961.

Hon. LYNDON B. JOHNSON,
President of the Senate,
U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: The Civil Aeronautics Board recommends to the Congress for its consideration the enclosed draft of a proposed bill "To amend section 406(b) of the Federal Aviation Act of 1958 to limit the right of certain air carriers to receive subsidy payments."

The Board has been advised by letter from the Bureau of the Budget, dated July 14, 1961, that there is no objection to the presentation of the proposed draft bill from the standpoint of the administration's program.

Sincerely yours,

ALAN S. BOYD,
Chairman.

STATEMENT OF PURPOSE AND NEED FOR PROPOSED LEGISLATION TO AMEND SECTION 406(b) OF THE FEDERAL AVIATION ACT OF 1958 TO LIMIT THE RIGHT OF CERTAIN AIR CARRIERS TO RECEIVE SUBSIDY PAYMENTS

Airmail subsidy, which was a key promotional tool provided in the Civil Aeronautics Act, originally was needed by the entire industry. Today, it is no longer paid to any of the domestic trunkline carriers, all of whom are now and have for a number of years been self-sufficient. However, under section 406(b) of the Federal Aviation Act, such air carriers are entitled to petition for subsidy if they can show that subsidy is needed to enable the air carrier, under honest, economical, and efficient management, to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the Postal Service, and the national defense.

In the opinion of the Board, the posture of the domestic trunkline carriers with re-

spect to their interstate operations has now changed sufficiently so that it is no longer realistic for them to assume that there is a Government subsidy to which they may return on any occasion when situations develop which cause them to have inadequate earnings. The airlines took the lead in passenger traffic between cities in 1959, forging ahead of railroads and buslines. In 1950 the airlines ranked third, with 14.2 percent of intercity passenger-miles carried. In 1959 they accounted for 47.3 percent of such traffic, while the rails and buses handled less than 30 percent each. The Board believes that today it can reasonably be concluded that air transportation is more and more becoming the dominant passenger common carrier in the field of long-haul, domestic operations.

The Board suggests that the time has come for the Government to make clear that it considers the domestic trunkline industry to have reached a state of self-sufficiency where it should no longer expect direct Government subsidy in connection with its domestic mainland operations.

Accordingly, it is recommended that legislation be enacted as proposed by the Board, so that the domestic trunkline carriers will no longer be eligible for subsidy insofar as their operations in interstate or intrastate air transportation are concerned (excluding Alaska and Hawaii).

ANALYSIS OF PROPOSED AMENDMENT TO SECTION 406(b) OF THE AVIATION ACT OF 1958

Section 406(b) of the Federal Aviation Act as presently written directs the Board, in determining fair and reasonable rates for the transportation of mail, to consider, among other things, "(3) the need of each such air carrier for compensation for the transportation of mail sufficient to insure the performance of such service, and, together with all other revenue of the air carrier, to enable such air carrier under honest, economical, and efficient management, to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the Postal Service, and the national defense."

The carriers referred to in section 406, and to which clause (3) quoted above applies, include "each holder of a certificate authorizing the transportation of mail by aircraft." Thus any air carrier holding a certificate of public convenience and necessity authorizing the transportation of mail by aircraft (except where such authorization is on a nonsubsidy basis), is eligible for payments based on need as set forth in clause (3).

In order to achieve the objective of eliminating the trunkline air carriers from the right to receive need or subsidy payments with respect to mainland domestic operations under clause (3), section 406(b) has been amended by adding a new proviso that in determining the rate for any air carrier authorized to engage in air transportation for the primary purpose of furnishing long-haul or trunkline service for the transportation of persons, property, and mail the Board shall not take into consideration under clause (3) any need which arises from interstate or intrastate air transportation (other than transportation to, from, or within Alaska and Hawaii).

Under the draft bill trunkline air carriers engaged in foreign or oversea air transportation will remain eligible for subsidy insofar as "need" therefor arises from such operations, but any profit of any such carrier from mainland operations over and above a reasonable return would be applied as "other revenue" to reduce the subsidy for the foreign and oversea transportation.

The legislation applies only to air carriers authorized to engage in air transportation for the transportation of persons, property, and mail, and hence will not affect the all-cargo carriers.

Air transportation of mail to, from, or within the States of Alaska and Hawaii has been specifically excepted, so that such operations would continue to be eligible for subsidy.

Under this legislation, the Board would consider the need for subsidy only with respect to those categories of operations which would remain eligible thereunder. For example, if a carrier operating from the west coast to Hawaii had a need for subsidy for operations over that route, the Board could consider only the need for subsidy over that route. It could not consider the carrier's need for subsidy on its domestic mainland routes. On the other hand, if the carrier had a profit on its domestic mainland route, anything over and above a reasonable return would, under the proposed legislation, be applied as "other revenue" to reduce the subsidy on the west coast-Hawaii route.

In summary, the purpose of this legislation is to exclude from subsidy eligibility mainland operations of the 12 existing trunkline carriers who received grandfather certificates under section 401(e)(1) of the Civil Aeronautics Act of 1938, as well as those of any other air carrier which may in the future be authorized to engage in air transportation for the primary purpose of providing long-haul or trunkline services of the type performed by the 12 existing trunklines. It is not intended to exclude from subsidy eligibility carriers certificated for the primary purpose of offering short-haul local or feeder air transportation service. Thus, the legislation would not affect the rights of the 13 local service carriers.

COMPARISON WITH EXISTING LAW

RATES FOR TRANSPORTATION OF MAIL

Ratemaking elements

(New matter in black brackets)

SEC. 406 (b) In fixing and determining fair and reasonable rates of compensation under this section, the Board, considering the conditions peculiar to transportation by aircraft and to the particular air carrier or class of air carriers, may fix different rates for different air carriers or classes of air carriers, and different classes of service. In determining the rate in each case, the Board shall take into consideration, among other factors, (1) the condition that such air carriers may hold and operate under certificates authorizing the carriage of mail only by providing necessary and adequate facilities and service for the transportation of mail; (2) such standards respecting the character and quality of service to be rendered by air carriers as may be prescribed by or pursuant to law; and (3) the need of each such air carrier for compensation for the transportation of mail sufficient to insure the performance of such service, and, together with all other revenue of the air carrier, to enable such air carriers under honest, economical, and efficient management, to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the Postal Service, and the national defense [: *Provided*, That the Board in fixing and determining rates for any air carrier authorized to engage in air transportation for the primary purpose of furnishing long-haul or trunkline service for the transportation of persons, property, and mail shall not take into consideration under clause (3) of this subsection any need of such carrier which may arise from the performance of air transportation between places in the same State of the United States, or between a place in any State of the United States, or the District of Columbia, and a place in any other State of the United States, or the District of Columbia (other than transportation to, from, or within the States of Alaska and Hawaii)].

PROPOSED ADVISORY BOARD ON INDIAN AFFAIRS

Mr. CHURCH. Mr. President, I introduce for appropriate reference a bill to establish an Advisory Board on Indian Affairs.

On July 10, the task force on Indian affairs, appointed by the Secretary of the Interior early this year, submitted its final report to Secretary Udall. Among the recommendations suggested for improving administration of Indian Affairs was the creation of an Advisory Board, consisting of 15 individuals well versed in this subject, to advise the Secretary on problems affecting Indian citizens and to evaluate policy research in the field of Indian affairs.

The Secretary of the Interior has submitted an executive communication to the House and the Senate requesting the introduction of legislation to carry out the task force's recommendation.

Mr. President, I ask unanimous consent that there may be printed immediately following my remarks the text of the bill I am sponsoring, together with the Department's communication explaining the need and desirability of this legislation, and a copy of a news release, dated July 14, issued by the Department of the Interior.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill, communication, and news release will be printed in the RECORD.

The bill (S. 2298) to establish an Advisory Board on Indian Affairs, introduced by Mr. CHURCH, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That an Advisory Board on Indian Affairs is hereby established. It shall be composed of not to exceed fifteen persons who shall be appointed by the Secretary of the Interior and who shall serve at his pleasure.

(b) The members of the Board shall serve without compensation, but they may be paid travel expenses, subsistence, or a per diem allowance in accordance with the Act of June 9, 1949 (63 Stat. 166), as amended or supplemented (5 U.S.C. 835), when engaged in discharging their duties.

(c) The function of the Board shall be to consult with and advise the Secretary of Interior on any subject pertaining to Indian Affairs that is referred to it by the Secretary. The Board shall meet when called by the Secretary.

The communication and news release presented by Mr. CHURCH are as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 10, 1961.

Hon. LYNDON B. JOHNSON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is the draft of a proposed bill to establish an Advisory Board on Indian Affairs.

We recommend that the bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

The proposed Advisory Board on Indian Affairs will serve much the same purpose that is served by the Advisory Board on National Parks, Historic Sites, Buildings, and Monuments, which has proved of great value and service to this Department and the country (act of Aug. 21, 1935, 49 Stat. 667, 16 U.S.C. 463). It will provide a much-needed independent public-spirited group of persons to advise on existing and contemplated programs and policies in the field of Indian affairs. It will have no administrative responsibility or authority.

The members of the Board will be persons widely recognized for their achievements, special knowledge, or experience. Membership will consist of both Indian and non-Indian leaders in their respective fields, such as tribal government, State and local government, national civic organizations, religious organizations, industry, labor, education, forestry, mining, grazing, wildlife, and recreation.

The members of the Board will be broadly representative of various points of view from different parts of the country, and will bring to the Department objective and impartial advice and criticism. The Board will be particularly helpful in assuring that new policies and programs are sound and acceptable. Indian leaders on the Board will have access to the top-policy activities of the Department. The Board should promote more continuity in policy and give the Indians a type of service they have not had in the past.

The members of the Board will not receive any compensation. Travel expenses, subsistence, or per diem are authorized, however, because members coming from great distances should not be expected to pay their own expenses. The annual cost to the Government is estimated to be not in excess of $20,000.

The Bureau of the Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the administration's program.

Sincerely yours,

STEWART L. UDALL,
Secretary of the Interior.

UDALL RECOMMENDS BILL TO SET UP INDIAN ADVISORY BOARD

In line with a recommendation recently made by his task force on Indian Affairs, Secretary of the Interior Stewart L. Udall has proposed to Congress the enactment of legislation to establish an Advisory Board on Indian Affairs.

The Board would consist of not more than 15 members and would include both Indian and non-Indian leaders in such fields as tribal government, State and local government, national civic organizations, religious organizations, industry, labor, education, forestry, mining, grazing, wildlife, and recreation. Its function would be to advise the Department on existing and contemplated programs and policies in the field of Indian affairs.

Such a board, Secretary Udall said, would serve much the same purpose as the Advisory Board on National Parks, Historic Sites, Buildings and Monuments, established under a law enacted in 1935. The Parks Board, he added, has proved "of great value and service to the Department and the country."

Under the proposed bill members of the Indian Advisory Board would serve without salary but would be reimbursed for travel and expenses when on official duty. Annual cost to the Government is estimated at not more than $20,000.

PROPOSED JUVENILE DIVISION AT DISTRICT OF COLUMBIA'S YOUTH CORRECTIONAL CENTER AT LORTON, VA.

Mr. HARTKE. Mr. President, I introduce for appropriate reference, a bill to establish a juvenile division at the District of Columbia's Youth Correctional Center, at Lorton, Va.

I have personally seen the pressing need for this proposed juvenile division, to which the juvenile court would be authorized to commit juvenile delinquents for rehabilitation and treatment. This morning, I have personally visited the Children's Center at Laurel, Md., and the District's Receiving Home. This past Friday, I made a personal inspection trip to the National Training School for Boys. The juvenile division proposed by this bill would provide our own District facility for the treatment of juvenile delinquents, and take them out of the National Training School for Boys.

I feel that the National Training School is doing a fine job of training its young charges, even though its facilities are both very old and very overcrowded. I have been favorably impressed by the staff and program of the National Training School, but there are two reasons why a District juvenile division is needed.

First, the National Training School is slated to be removed to a central location in the United States. It accepts juvenile delinquent boys from throughout the United States, and should be more centrally located for that purpose. Thus, by default, the District will be forced to provide its own treatment facility whenever the National Training School does move.

Second, even if the National Training School never moves, but continues to occupy its present buildings and site for another 100 years, the District of Columbia has a responsibility to provide a treatment facility of its own. The National Training School is not administered by the District but by the Federal Bureau of Prisons. About one-third of the present population of 420 at National Training School come from the District.

This bill directs the Commissioners of the District of Columbia to establish a juvenile division within or in connection with the District of Columbia Youth Correctional Center at Lorton, Va. The facilities of the Juvenile Division would be separate and distinct from the facilities for older youth. Juvenile delinquents would not be permitted to mix with adult criminals. The custody, care, education, treatment, and guidance would be completely separate for juveniles committed to the Juvenile Division under the Juvenile Court Act. This bill authorizes an expenditure of $1,200,000 to build a juvenile facility with a capacity of 200 boys.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2299) to provide for the establishment of a juvenile division within or in connection with the District of Columbia Youth Correctional Center, and to authorize the judge of the juvenile court of the District of Columbia to commit to such juvenile division, subject to the provisions of the Juvenile Court Act, children 15 years of age or older introduced by Mr. HARTKE, was received, read twice by its title, and referred to the Committee on the District of Columbia.

AGRICULTURAL ACT OF 1961—AMENDMENTS

Mr. YARBOROUGH submitted an amendment, intended to be proposed by him, to the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. KEFAUVER submitted amendments, intended to be proposed by him, to Senate bill 1643, supra, which were ordered to lie on the table and to be printed.

Mr. MOSS submitted an amendment, intended to be proposed by him, to Senate bill 1643, supra, which was ordered to lie on the table and to be printed.

Mr. METCALF. Mr. President, I submit an amendment in the nature of a substitute, intended to be proposed by me to Senate bill 1643, the Agricultural Act of 1961, which I ask may be printed.

The substitute would reinstate beginning with the 1962 crop of wheat the provisions of legislation which authorized increased farm acreage allotments and marketing quotas for the 1957 crop of wheat for farms producing Durum wheat, except that the provision which permitted the growing without penalty of up to 30 acres of Durum wheat on any farm in the designated counties regardless of the size of the farm acreage allotment would be eliminated. It would be permanent legislation, but would be applicable to any particular crop of wheat only if the Secretary should find that the acreage allotments for such crop established for farms producing Durum wheat would be inadequate to provide for the production of a sufficient quantity of Durum wheat of such crop to meet the demand therefor. In this respect it is the same as the provisions in the bill. The counties in the States of North Dakota, Minnesota, Montana, South Dakota, and California in which the increases would apply would be determined in exactly the same manner under the substitute as in the bill. Likewise, both the bill and the substitute define Durum wheat as excluding Golden Ball and Peliss varieties. With respect to the 1962 crop, under both the bill and the substitute any farm receiving an increased Durum wheat allotment would not be required as a condition of price support to participate in the special 1962 wheat diver-

sion program. In addition, the farm would not be permitted to participate in such program. Under both the bill and the substitute, the increases in allotments would be in addition to National, State, and county wheat acreage allotments, and would not be considered in establishing future State, county, and farm acreage allotments.

Unlike the provisions in the bill, under the substitute, a farm could produce varieties of wheat other than Durum wheat and still receive an increased Durum wheat allotment.

Under the bill, the increased allotment would be by such a uniform percentage of the original allotment as the Secretary should prescribe. Under the substitute the increase would be equal to the acreage by which the original allotment exceeds the acreage on the farm of classes of wheat other than Durum. In other words, if the farm had a 50-acre allotment and produced 25 acres of wheat other than Durum, it could produce 50 acres of Durum wheat; if it produced 50 acres of wheat other than Durum, it would receive no increase for Durum wheat; and if it produced no wheat other than Durum, it could produce 100 acres of Durum wheat. The substitute provides overall limitations that no farm could get an increase of more than 60 acres and that the allotment for the farm as increased could not exceed the cropland on the farm well suited to the production of wheat.

I ask unanimous consent that the amendment be printed in the RECORD.

The PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment submitted by Mr. METCALF is as follows:

Strike out all of section 115 beginning on line 18, page 91, down through line 3, page 93, and substitute therefor the following:

"SEC. 115. Section 334(e) of the Agricultural Adjustment Act of 1938, as amended, relating to increased allotments for Durum wheat, is amended to read as follows:

" '(e) If, with respect to any crop of wheat, the Secretary finds that the acreage allotments of farms producing Durum wheat are inadequate to provide for a production of a sufficient quantity of Durum wheat to satisfy the demand therefor, he shall increase the farm marketing quotas and acreage allotments for such crop of wheat for farms located in counties in the States of North Dakota, Minnesota, Montana, South Dakota, and California, designated by the Secretary as counties which (1) are capable of producing Durum wheat (class II) and (2) have produced such wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested. The increase in the wheat acreage allotment for any farm shall be conditioned upon the production of Durum wheat (class II) on such increased acreage. The increased allotment for any crop shall be determined by adding to the allotment established for such crop without regard to this subsection (hereinafter referred to as the "original allotment") an acreage equal to the acreage by which such original allotment exceeds the acreage on the farm of classes of wheat of such crop other than Durum wheat (class II) (hereinafter referred to as "other wheat"), but such increased allotment shall not exceed the cropland on the farm well suited to wheat on the farm: *Provided*, That for the purposes of this subsection varieties of class II (Durum wheat) known as Golden Ball and Peliss shall be regarded as "other wheat". Notwithstanding any other provision of this subsection, (1) no acreage allotment shall be increased under this subsection by more than sixty acres, and (2) no acreage allotment shall be increased under this subsection for any farm on which the producer knowingly devotes to the production of other wheat an acreage in excess of the acreage allotment established without regard to this subsection.

" 'The increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and the acreage of Durum wheat (class II) on such increased allotments shall not be considered in establishing future State, county and farm acreage allotments.

" 'The provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340(6)), and section 326(b) of this Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection.

" 'Any farm receiving an increased allotment under this subsection shall not be required as a condition of eligibility for price support, or permitted, to participate in the special 1962 wheat program formulated under section 114 of the Agricultural Act of 1961.' "

AMENDMENT OF SHERMAN ACT, RELATING TO PENALTIES FOR VIOLATION—ADDITIONAL COSPONSOR OF BILL

Under authority of the order of the Senate of July 14, 1961, the name of Mr. LONG of Missouri was added as an additional cosponsor of the bill (S. 2252) to amend the Sherman Act by increasing the penalties for the violation thereof, introduced by Mr. KEFAUVER (for himself and Mr. CARROLL) on July 14, 1961.

PENALTIES FOR VIOLATION OF SECTION 1 OF SHERMAN ACT—ADDITIONAL COSPONSOR OF BILL

Under authority of the order of the Senate of July 14, 1961, the name of Mr. LONG of Missouri was added as an additional cosponsor of the bill (S. 2253) to provide penalties for certain violations of section 1 of the Sherman Act, and for other purposes, introduced by Mr. KEFAUVER (for himself, Mr. CARROLL, and Mr. HART) on July 14, 1961.

NOTICE OF RECEIPT OF NOMINATION BY COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nomination of Edmund A. Gullion, of Kentucky, to be Ambassador to the Republic of the Congo.

In accordance with the committee rule, this pending nomination may not be considered prior to the expiration of 6 days of its receipt in the Senate.

NOTICE OF HEARING ON S. 2058, TO AMEND TITLE 18 OF THE UNITED STATES CODE TO PROHIBIT THE COUNTERFEITING OF STATE OBLIGATIONS IN CERTAIN CASES, AND FOR OTHER PURPOSES

Mr. JOHNSTON. Mr. President, on behalf of the Committee on the Judiciary, I desire to announce that a public hearing has been scheduled for Thursday, July 27, 1961, at 10 a.m., in room 2228 New Senate Office Building, on S. 2058, to amend title 18, of the United States Code to prohibit the counterfeiting of State obligations in certain cases, and for other purposes.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Missouri [Mr. LONG], chairman, the Senator from Arkansas [Mr. MCCLELLAN], the Senator from North Carolina [Mr. ERVIN], the Senator from Nebraska [Mr. HRUSKA], and the Senator from New Hampshire [Mr. COTTON].

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on July 21, 1961, he presented to the President of the United States the following enrolled bills:

S. 331. An act for the relief of Mrs. Kazuko (Wm. R.) Zittle;

S. 438. An act for the relief of Mrs. Maria Giovanna Hopkins; and

S. 1644. An act to provide for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 6611) to amend paragraph 1798(c)(2) of the Tariff Act of 1930 to reduce temporarily the exemption from duty enjoyed by returning residents, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MILLS, Mr. KING of California, Mr. O'BRIEN of Illinois, Mr. MASON, and Mr. BYRNES of Wisconsin were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H.R. 1182. An act to create the Wyandotte National Wildlife Refuge;

H.R. 1336. An act for the relief of Anna Catania Puglisi;

H.R. 1379. An act for the relief of the dependents or estate of Carroll O. Switzer;

H.R. 1383. An act for the relief of Hyacinth Louise Miller;

H.R. 1390. An act for the relief of Jung Ngon Woon;

H.R. 1391. An act for the relief of Mrs. Wong Lau Sau Kam;

H.R. 1486. An act for the relief of Mrs. Vicente A. Messer;

H.R. 1499. An act for the relief of Manuel Nido;

H.R. 1699. An act for the relief of Nick George Boudoures;

H.R. 1704. An act for the relief of Lee Shee Won;

H.R. 1706. An act for the relief of Adela Michiko Flores;

H.R. 1891. An act for the relief of Engineman 1st Class William J. Stevens;

H.R. 1903. An act for the relief of Mrs. Amina Youssif Cosino (nee Simaan);

H.R. 2354. An act for the relief of Mr. Louis Fischer, Feger Seafoods, and Mr. and Mrs. Thomas R. Stuart;

H.R. 2674. An act for the relief of Eva Nowik;

H.R. 2750. An act to provide for the relief of certain enlisted members of the Air Force; and

H.R. 7454. An act consenting to the amendment of the compact between the States of Pennsylvania and Ohio relating to Pymatuning Lake.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Address on better utilization of our food resources, of recent date.

Address on the problems of Wisconsin and the Nation, of recent date.

THE SOVIET PROPAGANDA FLOOD

Mr. KEATING. Mr. President, a recent syndicated article, by columnist Roscoe Drummond, on the "Propaganda War," deserves wide attention. In it he deals with a problem which has concerned many of us, namely, the stepped-up activities of the Soviet bloc nations in flooding the United States with all forms of printed propaganda.

In his article of July 15, Mr. Drummond makes the point that "American propaganda must have the right to flow as freely into and throughout the Soviet Union as Soviet propaganda can flow into and throughout the United States."

I certainly agree regarding the importance of this condition, and I made a similar point in remarks on the Senate floor on June 29th.

The Senate Internal Security Subcommittee has held a hearing on this problem. The testimony presented to the subcommittee revealed a tremendous increase in the volume of such Soviet propaganda. Ironically, this material is distributed by our Post Office Department, at a direct cost to the American taxpayers. This is an incredible situation. Certainly we should insist, at the very least, upon a quid pro quo.

Mr. President, I ask unanimous consent that the complete text of Mr. Drummond's article of July 15, 1961, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PROPAGANDA WAR: MOSCOW AND THE MAILS

(By Roscoe Drummond)

Must the Government and the people of the United States supinely accept a mounting mass of Soviet and Chinese Communist propaganda—and do nothing to protect ourselves?

I am not talking about censoring the news or shielding ourselves from the fullest knowledge of the actions and declarations of the Communist government officials. We need to know what the adversary is saying about us, to us, and against us.

But does a free society have to leave itself totally exposed to an unending brainwashing of foreign Communist propaganda—mostly concealed in its origin, subtle, purposeful—directed primarily at young Americans, at college students, at the millions of Eastern European emigrants who are just beginning to put their roots down in American democracy?

This propaganda barrage is now being intensified. The Deputy Collector of Customs in New York estimates that the inflow of Communist material increased fully 137 percent during the past 12 months. The total volume of known Communist propaganda coming into the United States in 1960 was more than 14 million packages, as against 6 million in 1959.

Dr. Bela Fabian, who has fought tyranny his whole life and and is now chairman of the Federation of Former Hungarian Political Prisoners, points out that the Soviets are now making a special drive to get at Ukrainian, Hungarian, and other Eastern European exiles in the United States. They hunt down names and addresses and then flood them with unsolicited propaganda attacking the United States as "imperialist," "warmongering," and "colonialist."

This tide of propaganda from behind the Iron Curtain is mounting, not receding. It is reaching saturation proportions.

Do we have to stand helplessly by and let it come?

Why should we?

Bear in mind that the avowed tactic of the Communists is to try to maintain on the surface normal diplomatic relations with non-Communist governments and behind the scenes to work for their destruction. Since the Communists are dedicated to destroying every non-Communist government, why should we put into their hands any tool to help them do it?

I offer this basic principle to decide how we should deal with unsolicited Communist propaganda: all courtesies and all facilities exchanged between the United States and any Communist government should be reciprocal.

This means that American diplomats must have the right to travel as freely in the Soviet Union as Soviet diplomats travel in the United States. Freedom of travel must be reciprocal. This we require.

This means that American propaganda must have the right to flow as freely into and throughout the Soviet Union as Soviet propaganda can flow into and throughout the United States. Freedom of propaganda must be reciprocal—or the Communist propaganda will be stopped at ports of entry.

I do not mean that solicited Communist material should not be receivable. It should be. That is an American's right. But the U.S. Post Office ought not to have to work for Moscow and Peiping delivering unsolicited and unwanted Communist propaganda.

Mr. KUCHEL. Mr. President, will my able friend yield?

Mr. KEATING. I am very glad to yield to the distinguished Senator from California.

Mr. KUCHEL. I read the excellent article by Mr. Drummond to which the able Senator from New York refers, and I believe it should be required reading for Members of Congress.

In that connection, I wish to say I was particularly interested—and, if I may add, most gratified—to read in the newspapers a few days ago, that our good friends to the south of us, the Republic of Mexico, confiscated several tons of printed Communist propaganda which had been sent into Mexico City to the Soviet Embassy, presumably from Cuba and all in diplomatic pouch. In commending my able friend, the Senator from New York, for placing Mr. Drummond's article in the RECORD for the benefit of Members of Congress, I wish to add the relevant point—and I am sure the Senator from New York agrees with me—that it is, to my way of thinking, a fine thing for freedom in this hemisphere that the Mexican Government is not going to subject itself or its people to the unbelievable barrage of Soviet propaganda from Cuba and from the Soviet Union. The Mexican action was dramatic and telling.

Mr. KEATING. I certainly agree with my distinguished friend, and I thank him for his comments.

PROPOSED DEPARTMENT OF URBAN AFFAIRS

Mr. BRIDGES. Mr. President, the Constitution of the United States is dedicated to the principle that those powers and functions not expressly delegated to the Federal Government of the Republic must be exercised by and under the sovereign responsibility of the several States. With infinite wisdom, the founders of this Nation recognized that the social and economic ills of that era were due in part to autocratic philosophies of authoritarian governments. It was recognized further that the anticipated benefits of a republican form of government would not be realized, unless the principle of noninterference should be guarded and observed.

This principle, much like the frontier, seems to be vanishing from the American scene. To a degree, of course, this has been necessitated by the evolvement of 50 States from 13; by the tremendous physical and economic growth of the Republic, and by the complex and sophisticated requirements of the current age. There can be no question but that Federal participation is appropriate, and often desirable, in those areas where government of the whole can best fill a particular need. However, this should not and does not create license for Federal intervention where the need is speculative, or does not exist, or more properly can be satisfied under the constitutional prerogatives of the individual States. The forbidding spectacle of centralized government looms increasingly on our horizon. Unfortunately, the flood of proposed legislation designed to encourage this trend toward centralization continues to increase in volume.

In view of this, it is gratifying to hear an articulate voice raised in protest. Regrettably, this happens with too little frequence, considering the vital importance this represents with regard to our future. Such a voice was that of Mr. Paul A. Belknap, of Charleston, S.C., president and treasurer of the Charleston Rubber Co., who appeared on behalf

of the National Association of Manufacturers, before the Subcommittee on Reorganization of the Government Operations Committee of the Senate, on June 22, 1961. Mr. Belknap appeared in opposition to Senate bill 1633 and related bills having as their objective the creation of a new department of Government, a Department of Urban Affairs, to be headed by a Secretary of Cabinet rank. Mr. Belknap's able and penetrating analysis of this further manifestation of the trend toward centralization is worthy of careful study by all Americans, and I ask unanimous consent that it be printed in full in the CONGRESSIONAL RECORD at the conclusion of my remarks.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. BRIDGES. Mr. Belknap points out, with complete accuracy, that the major urban areas of this country are located primarily in the heavily populated, heavily industrialized, and wealthier States. It takes little reflection to agree that these are the very States most able to finance and manage their own problems. As he indicates, this hardly is reason for exacting a share of such cost from those States which do not have comparable problems or enjoy comparable resources.

This, of course, is the very essence of what Mr. Belknap calls "centralism"; the compulsive assumption of Federal jurisdiction on the entirely mistaken theory of Government by big brotherhood, that the States and local municipalities lack the capacity or competence to achieve a solution to their own problems.

It is not an oversimplification to state that Federal bounty, of necessity, begets Federal control. Paternalism in any form demands its own reward. Mr. Belknap deserves high commendation for making this clear, succinctly and precisely, to the public of this country, in his very excellent statement.

EXHIBIT 1

STATEMENT OF PAUL A. BELKNAP, ON BEHALF OF THE NATIONAL ASSOCIATION OF MANUFACTURERS, BEFORE THE SUBCOMMITTEE ON REORGANIZATION OF THE SENATE GOVERNMENT OPERATIONS COMMITTEE, JUNE 22, 1961

My name is Paul A. Belknap. I am president and treasurer of the Charleston Rubber Co., Charleston, S.C. I am appearing before you as chairman of the Government Economy Committee of the National Association of Manufacturers and express the association's appreciation, as well as my own for this opportunity to state our views on proposed legislation to create a Department of Urban Affairs.

As you may know, the NAM is a voluntary membership corporation made up of more than 18,000 business concerns of all types and sizes throughout the United States. More than 80 percent of our membership is small business. In fact, 28 percent of the membership employ 50 or fewer persons, 46.5 percent employ 100 or less, and 83 percent have 500 or fewer employees. The association thus speaks for a broad, diversified, and substantial segment of the country's productive—and taxpaying—enterprises.

My statement is in opposition to S. 1633 and related bills, all of which have the common objective of creating a new Federal department to be headed by a secretary of Cabinet rank. According to these bills, the new department would assemble under one general management the various Federal agencies which deal with housing and urban planning, and it is to have such other functions, powers, and duties relating to urban affairs as may be deemed necessary to achieve so-called national purposes in this general area.

The argument which I shall submit here is based on a report of the association's government economy committee entitled "The 'Primrose Path' of Centralism," published in September 1960. This report is the most recent expression of a longstanding association program to "Bring Government Back Home." The original study under this title was published in 1950. The basic concept was further developed in a study entitled "Main Street Versus Washington, D.C.," issued in 1957. I mention these studies to indicate the timespan and the sustained attention which we have devoted to the trend and the interrelationships of Government in our Union of States.

Two major principles have been evolved from these writings as part of NAM policy. These are:

1. Security for the Nation and for the individual citizens in this critical period in world affairs requires that the national responsibility be limited to the truly national tasks.

2. All governmental services and functions pertaining to the welfare of the people except those which can be performed only by the Federal Government should be handled by a lesser jurisdiction. In a country which seeks to retain a government as set up under our Constitution, the several public services should be performed by the smallest units competent to handle them satisfactorily and economically.

On the basis of the foregoing principles, my opposition to these bills rests on two specific grounds, as follows:

1. The creation of a Federal Department of Urban Affairs would assemble into a permanent department an array of activities which are not properly matters of Federal concern. It would thus contribute to a further diversion of attention and effort from those functions and duties which only the Federal Government can handle. It would, moreover, elevate to a status of permanent tenure various forms of Federal grants and supports which are, by their nature, temporary in purpose and usefulness.

2. A Federal Department of Urban Affairs would establish a close working partnership between the Federal Government and the cities which would bypass the States, ignore the legal relationships between the States and the municipal corporations subject to their jurisdiction and control, and undermine the States' responsibility for their own operation and management.

I. A DEPARTMENT OF URBAN AFFAIRS WOULD FURTHER DIVERT FEDERAL ATTENTION AND EFFORT FROM THE TRULY NATIONAL TASKS

The principle of division of labor in government

In these days of increasing world tension, expanding demands for public services and excessive taxation to support government, we should apply in the fullest degree the principle of the division of labor in distributing the responsibilities of public affairs. We have three levels of Government—Federal, State, and local (including county governments, representatives of which have testified against this proposal); and both efficiency of operation and economy of cost require that all public functions and services which can be handled by local governments, or by joint State-local action, should be so handled. Only those matters with which the States and/or their local units cannot deal should be left to Federal responsibility. In other words, the Federal sphere of action and obligation should be limited to the truly national tasks.

The division of labor which I have been emphasizing here was clearly perceived by the men instrumental in drafting and promoting the Constitution. In No. 45 of the Federalist Papers, Madison wrote:

"The powers delegated by the proposed Constitution to the Federal Government are few and defined. Those which are to remain in the State governments are numerous and indefinite. The former will be exercised principally on external objects, as war, peace, negotiation and foreign commerce, with which last the power of taxation will, for the most part, be connected. The powers reserved to the several States will extend to all the objects which, in the ordinary course of affairs, concern the lives, liberties, and properties of the people, and the internal order, improvement, and prosperity of the State."

In No. 14 of these papers, Madison said:

"It is to be remembered that the General Government is not to be charged with the whole power of making and administering laws. Its jurisdiction is limited to certain enumerated objects, which concern all the members of the Republic, but which are not to be attained by the separate provisions of any. The subordinate governments, which can extend their care to all those other objects which can be separately provided for, will retain their due authority and activity."

As the Constitution finally emerged various powers of nationwide application and significance were specifically delegated to the Congress. Included among these national tasks were such matters as the regulation of interstate commerce, the postal system, bankruptcy, naturalization, and the currency system. However, by far the most important of the truly national tasks today are national defense and foreign affairs. These duties involve problems of transcendent importance for ourselves and for all nations on both sides of the Iron and Bamboo Curtain. In two world wars the United States demonstrated its economic strength and earned a high position among world leaders. Our economic might is still superior, although Government interference with the operation of free market forces, through excessive taxation and other impediments, has prevented the Nation from realizing its full growth potential. But for some time there has been growing uneasiness abroad with respect to our leadership qualifications, and at home, with respect to our overall national security effort.

The major source of the loss of stature abroad and of the faltering confidence at home is our failure to recognize the need for a better division of labor in American Government. Instead of leaving to the States and their local units the responsibility for public functions and services which are within their collective competence to perform and pay for, the centralizing trend of the past 30 years has greatly extended Federal jurisdiction. Federal authority to finance and control has spread over ever-wider areas which cannot, in any logical sense, be regarded as truly national responsibilities.

Truth and consequences

The most damaging immediate consequence of uninhibited Federal expansion is that it diverts Federal time, attention, and energy from those truly national tasks, which are now so important and difficult. These should be recognized as the full-time Federal job, yet in the present scheme of things, defense and foreign affairs are only a part-time job. This was clearly indicated by a recent, rather routine, news commentary: [1]

[1] "Heard in Washington," World Telegram and Sun, June 10, 1961.

"President Kennedy will take personal charge of battle for what his people call the big five, when he gets back to White House Monday. The five: foreign aid, education, housing, farm, and highway bills. President's desk is piled high with other problems he must tackle, too.

"Plans for Government reorganization, maritime reorganization, sensitive decisions on glass imports and textiles, civil defense reorganization, unemployment."

All of the time and energy that the President and his advisers must expend in dealing with matters not properly germane to the truly national tasks is a deduction from their capacity to study thoroughly the great problems of diplomacy and defense, to think out the essentials of firm, consistent policy in these areas, and to weigh with utmost care the long-range as well as the immediate implications and consequences of their decisions.

For years the cost of national defense and military assistance has exceeded $40 billion annually. Now it is a $45 billion operation—the largest by far in the free world. The President is its managing head by virtue of being Commander in Chief. The executive officers in charge of very much smaller private activities are obliged to give full time and attention to their management, and where they are negligent or incompetent the results are soon apparent. Yet the President of the United States has to carry his job as head of our Defense Establishment as a part-time job, which, in effect, makes it subordinate to the demands of much less important matters or to the political exigencies of the moment.

We can't afford to divert the time and energy of our top officials into so many byways of national effort that they are simply unable to deal adequately and competently with the big issues. When are we going to face up to the plain fact that in the cold war we are dealing with hard, tough professionals who are playing for keeps? We must be as tough as they are. We can't depend on hearsay, improvisation, or just spending more money.

The general testimony from abroad is that our image there is one of hesitation and uncertainty, of constantly leading from weakness, of habitually wooing the Russians with more concessions, of having little faith in our own strength. We have asked for this reaction; we have built industriously toward it over the years; we have let our top management so overload itself with domestic cares that attention to the truly national tasks has suffered, involving detriment, not only to our international status, but to the survival of our country and its character.

II. THE PROPOSED DEPARTMENT WOULD BYPASS AND DEMEAN THE STATES, AND MAKE VASSALS OF THE CITIES

Democracy works from the bottom up

One of the great virtues of our American political system is the freedom of the people, acting through their local and State governments, to determine the range and scope of public services, and the pace and price at which they shall be undertaken. Self-government presupposes free choice of action—which includes the privilege of deciding not to do something as well as to do things. This is a fundamental of democracy which we, and many of the other free nations, are trying to help extend among the peoples of the world. It is thus contrary not only to our long-established traditions, but to the ideological framework of our present international relationships, for government to impose dictates and commitments from the top down. The truly democratic process works from the bottom up. Hence it is always justifiable in our political structure to presume that the functions and services being performed locally are being performed according to the wishes of the voters. When the people, in whose name and for whose benefit such services are supplied, use neither voice nor vote to have those services supervised or supplied by the top layer of government, the appropriateness of local action—and the non-Federal nature of the functions—is in fact acknowledged.

The principle of noninterference of government

Thus, there is a corollary to the principle of the division of labor among our three levels of government, which I have already mentioned. It is a second principle equally fundamental and important to the continued successful operation of a union or federation of states. This is the principle of mutual noninterference by either party with the agencies and instrumentalities of the other. The two structural parties to the compact of federation under the Constitution are the States, collectively, and the Federal Government. It was understood from the beginning that there could be no validity to, or effective operation of, our Federal system if either of these parties were permitted to impede, impose on, or interfere with the other.

The establishment of a department of urban affairs would set up within the Federal Government a permanent, powerful vehicle which would impede proper State relations with the cities, impose on the authority of the States, and interfere with local prerogatives and determinations. It would constitute a bypass of the States and a direct line of potential dictatorship to urban areas.

All municipal corporations are, legally, creatures of the several States and they have always been regarded as agencies and instrumentalities of the State. They are subject to an extensive body of law and regulations developed by the various States in recognition of this relationship and of the obligations devolving upon the States under it. The States are responsible for the financial management of all local units within their respective borders, exercised through control of their revenues, debt, and accounting procedures. Where Federal programs are set up to be handled by local officials, a direct line of authority is established between the central government and the subdivisions of the States. Whether this influence be "leadership" or "control," it is a direct interference with State instrumentalities and a violation of a basic rule of sound Federal-State relationship.

The Federal Government has already been guilty of violating the principle of noninterference by bypassing the States and engaging in direct dealings with the cities and local school districts. This should not be considered a precedent for creating a Federal department of urban affairs. On the contrary, it should be held that such action would greatly compound existing guilt. First, it would introduce an unequivocal, across-the-board Federal-municipal partnership. Second, direct Federal support to local units would undermine State obligation and promote further shirking of State responsibility.

The need for State leadership

Director of the Bureau of the Budget David Bell, in his testimony before the House Committee on Government Operations, May 24, 1961, said that the States should assume positive leadership in the future in dealing with problems of urban areas. He is quite right in this. But hope of it is practically foreclosed by his emphasis on Federal leadership. The same is true of the language of S. 1633 which declares as part of the purpose of the bill, that a Federal department is desirable to give leadership within the executive branch in securing the coordination of the various Federal activities which have a major effect upon urban, suburban, or metropolitan development and redevelopment. In the first place, the leadership which is needed in this respect is State, not Federal. And in the second place, effective leadership is not divisible. To the extent that it is established within the executive branch it will be forfeited at home—and control with it.

The balance between the powers, responsibilities, and rights of Central and State Governments which was originally contemplated was expected to hold fairly even through insistence by the States and by the Federal Government upon their respective constitutional spheres. Thus each would be a check on too great concentration of power on either side.

No adequate countering of Federal insistance on power has come from the States. They have, rather, aided the concentration of responsibilities in the Central Government. And they have thus aggravated the difficulties of the cities. Instead of insisting on less Federal takeover of functions and less Federal use of the country's financial resources, the States have substantially abdicated their own, and consequently much of the cities' operational and fiscal strength. By not exerting leadership and by acquiescing to a steady expansion of Federal undertakings in matters properly belonging to the composite State-local jurisdictions, the States have contributed to a considerable collapse of the original constitutional design.

The centralizing pressures which have produced the present imbalance between Federal and State responsibilities have stemmed over the past generation from the doctrine of "liberalism." In today's context that term is a complete perversion of the original concept, and might better be called "centralism." This, I believe, is a more definitive word for the rampant assumption of Federal jurisdiction, the massive dollar-persuasion of Federal grants, and the false assertion that State and local governments lack both the fiscal capacity and the competence to deal with their problems.

The "national interest" gambit

Underlying the trend toward ever greater concentration of power and authority at the Federal level is the further assumption—also false—that the Federal Government is the chief custodian of the general welfare and that every situation involving the national interest is inherently and automatically a matter of Federal responsibility and a warrant for Federal action, expenditure, and control. The Nation's interest is no mandate for action by the National Government. As a matter of fact, the Nation's interest in the education of its children, the housing of its families, their health and comfort, use of leisure time, cultural advancement, and so on, is no warrant for government at any level to provide all these things.

Nor is it any warrant for the Federal Government to help cities run their affairs simply because so large a proportion of the population now lives in urban areas. This is equivalent to saying that the more people who live in one place, the less they are able to think for themselves and handle their own problems. Whether more people live in urban or rural areas has nothing at all to do with how municipal affairs can best be managed or the cost met. The attitude that Federal action can solve everything—and should solve anything of widespread, or claimed national concern—is an outgrowth of the centralist doctrine that the Federal Government always knows best. This is like saying no group is able to manage its own affairs but needs Federal leadership. It implies distrust of the people and contempt for their ability.

Actually, the American became what he is, not because his Government so legislated and provided, but because he and his fellow countrymen undertook and did for them-

selves what no Government representatives could or should do for them. This relates not only to American free institutions and enterprises, but to our Federal system of government. It has not been Federal leadership, but the independent decisions and competition among the States and their subdivisions that brought forth the flexible, pertinent answers to community needs throughout the country. Central management promotes uniformity, regimentation. It stifles the very inventiveness and genius that is the American trademark.

The home rule charters of cities have been designed to afford maximum local freedom and flexibility in dealing with local affairs. Home rule will be increasingly supplanted by rule from Washington if a department of urban affairs is established.

An extremely pertinent example of the imposition of Federal authority over the State's instrumentalities has been revealed with respect to the New York Port Authority. The executive director of this creature of interstate compact has just been sentenced to jail for contempt of Congress—for challenging and refusing to accept Federal authority. The judge's opinion said that the port authority was considered a "national asset" and therefore the Congress had authority "coextensive with any threat to national interest" and that "Federal interest" was sufficient to justify congressional scrutiny of the authority's records. Since Congress had approved the compact setting up the authority, it was maintained that Congress had a continuing responsibility to make certain its provisions were being followed.

Here is a potent lesson for any local official who is under the illusion that Federal leadership, guidance, or help with urban affairs will not mean Federal control. In a Federal-local partnership, there will be no question that the biggest power is the boss.

The question of competence

The administrative competence to handle current local affairs and organize the planning for future development exists at the local level. And it can be most effectively applied there. Where extramunicipal assistance or guidance is required, the answer is State not Federal help. The flexibility of administrative competence which is necessary cannot be provided by a Federal department of urban affairs. In fact, the degree of State bypass which appears likely under these bills, would involve a consistency of Federal directives for local operation and planning that would ignore the variations necessary to differing local situations. Our many cities have only one thing in common, namely, a concentration of people into a relatively small area. In every other respect they differ, often radically. Solutions must vary to fit these differences. There must be freedom to experiment, to seek new and different methods of dealing with widely different situations.

The question of fiscal adequacy

To the centralist disbelief in local administrative competence is added the fiction that State and local fiscal resources are not adequate for the job. Hence it is argued that the Federal Government must provide funds for slum clearance, waste treatment, education, depressed areas, juvenile delinquency, housing, and various other things.

It can be bluntly said that the Federal Government is the least able to bear such costs. It is in no position to try to play rich uncle to American municipalities. Its only resources are those within the boundaries of the various States. Its tax rates are detrimental in the extreme; by comparison, State and local rates are relatively moderate. Its debt is nearly five times as large as State and local debt. Legislative action is already underway to raise the temporary public debt ceiling for fiscal 1962. The past 5 months have seen a $5 billion spread from surplus to deficit estimates for 1962. This is not a picture of a Government which can afford to extend itself further into areas of State responsibility.

Unfortunately, State and local officials frequently endorse the view that Federal funds are necessary because it has been easier to get funds from a Federal Government ready and willing to supply them, than it is to make a case to their own constituents. Also, Federal money enables these officials to provide services and benefits which do not require financing by State and local taxes.

If State and local officials and the people were given the option of foregoing Federal grants and having a corresponding reduction of Federal taxes, it is entirely possible that a very different attitude toward Federal aid would be apparent.

It is a strange twist of logic which permits advocates of Federal aid to believe and to make this argument regarding State-local fiscal incapacity. The Federal Government has no money to lend or give away except that which it first takes from the people. The cities are the situs of a very large proportion of the wealth and income of the people and hence the large bulk of the Federal revenues is collected from taxpayers in the cities. It is futile to contend that Federal intervention is necessary to collect money from city residents and businesses in order to hand it back to local municipal officials for specific local benefits.

The fact that municipal improvements of whatever kind are always specific and local should be emphasized. Whether it be housing, school buildings, waste treatment works, parks, or any other improvement, the material benefit is strictly localized. Such net advantage as may be realized with be reflected in local property values, additions to the local ratables, a higher base for local debt, and so on. The steady advance of construction of every sort will add many billions of dollars to the property tax base in coming years and thereby provide local units with greatly increased taxable resources peculiarly adapted to local use.

If there were only one, or a few, communities in great need of improvements, and if these communities were clearly unable to pay the cost, there would be a case for State assistance, but none, even so, for Federal help. But when these problems exist, or so it is alleged, in municipalities everywhere, the levy of Federal taxes to provide aid amounts to self-support by bootstrap levitation. The taxpayers of New York City would contribute to Federal aid across the Nation, and the taxpayers of all other cities would contribute to New York.

It is an ironic circumstance that the major urban areas, like the so-called depressed areas, are located primarily in the more populated, industrialized, richer States—the very States most able to finance their own problems. There is hardly any call for exacting a share of such cost from the States which are without comparable problems or comparable resources.

Since municipal corporations are creatures of the State and subject to its supervision and control, there is a clear obligation on the several States to establish the conditions under which local government can effectively meet its responsibilities. To some extent this obligation is recognized. Programs of shared revenues and State aids to local government vary considerably, but no State is entirely lacking in the provision of some degree of financial support of local functions. Where, in particular local circumstances, more support may be needed, the duty to provide it rests on the State.

It is contrary to fact to plead State fiscal incapacity. There are no limits on the taxing power of the States other than the prohibition on import duties and such restrictions as may be imposed by their own constitutions. The total wealth and income of the citizens of the several States is the aggregate of the United States. The States can obtain as much financial support from these sources as the Federal Government can. Indeed, the States and their local units have, in the property tax, a revenue source not practically available to the United States under the direct tax clause.

The real solution

Instead of adding to Federal costs at this time, the Federal Government should be taking action to reduce the cost to the Nation of a growth-retarding and job-destroying tax structure. This can be done only through a program for reform of the tax rates and methods which unduly penalize and impede capital formation. Achievement of the objectives of such legislation would require priority over increased spending in use of the revenue increase which comes from economic growth. All areas of the country, and all segments of the population, would be in a much better position to handle their problems through local and State governments, and through private initiative, if there were greater and more sustained economic growth than from any programs of Federal aid superimposed on an inadequately growing economy.

Conclusion

In conclusion, I repeat that the establishment of a department of urban affairs will further divert the time and talent of the Congress and the executive branch of the government from the truly national tasks.

Let me emphasize again that Federal aid to municipalities is not needed, either to help pay the bills or to stimulate local initiative. Home rule for cities, rather than supervision and control exercised through leadership in the executive branch, should be our goal. Urban affairs are not a proper Federal responsibility and Federal supervision and direction are not needed to stimulate local initiative. Nor is Federal support needed to help pay the bills. Candid consideration of the facts reveals that the States and cities are much better able to finance and manage local matters than is the Federal Government. They have no massive public debt, no nagging balance-of-payments problem, no prospect of huge budget deficits to inflate the money supply and erode the value of our currency, no obligations for national security or in the diplomatic negotiations on which world peace so heavily depends. Since State tax rates are comparatively moderate and there is a variety of taxes available for their use, their potential for revenue from their own sources is substantial. Instead of yielding to pressures for more Federal authority over the people and their local affairs, the concern of both Congress and the executive branch should be to develop a new emphasis on recognition and assumption of their responsibilities by the States.

The Members of the Senate and House of Representatives have a dual loyalty and obligation. They are Federal officials but they also represent States and districts within the States. Their great influence can be exerted as fully and effectively against more Federal centralization as for it. I submit that they would be doing a greater service for the Nation and for their constituents by working toward a better division of governmental labor and preservation of the vital principle of mutual noninterference than by promotion of a highly centralized Federal Government.

The President has spoken of the sacrifices which the people should be ready to make. The most fruitful sacrifice that they could make would be the surrender of Federal bounty and control for the full right to manage and finance their own local public affairs.

RIFT BETWEEN SOVIET RUSSIA AND RED CHINA

Mr. BRIDGES. Mr. President, from time to time there are reports of an alleged rift between Soviet Russia and Red China. Some experts are quoted as sincerely being of the considered judgment that there are serious differences between the two Red Axis Powers and that now is the time for astute Americans to play one off against the other.

William S. White, one of the country's widely read columnists, recently had a piece in the New York Journal-American which I wish to bring to the attention of every Member of this body. He states, in his July 7 column, that "prudent men will take only with whole boxes of salt all the current rumors and happy speculative reports of some sort of rift or break between Soviet Russia and Red China."

As this timely article has not been placed in the RECORD for all to read and think about, I ask unanimous consent that it be printed in the body of the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Journal-American, July 7, 1961]

KHRUSH-MAO RIFT DOUBTED

(By William S. White)

WASHINGTON.—Prudent men will take only with whole boxes of salt all the current rumors and happy speculative reports of some sort of rift or break between Soviet Russia and Communist China.

There are several sound reasons for great skepticism. And there is no good reason at all for belief, except for the natural American temptation to hopefulness, to find some supposed silver lining in the vast and brooding cloud which hangs over all the Eurasian and Asian world.

For all suggestions of any important division between Mao Tse-tung, the stone-faced Red Chinese dictator, and Nikita Khrushchev of the Soviet Union, are the most strongly doubted by the very people who ought to know best.

These doubters include not only our own most realistic officials, but also even certain diplomats from Iron Curtain countries which are actually parts of the international Communist apparatus.

A sense of cynical realism provokes laughter from these Iron Curtain people in their occasional cautious private contacts with American and allied correspondents here. These men say in confidence that within the Communist world itself few adult minds accept for the moment any notion that Red China and the Soviet Union have broken or could break with each other in any substantial way.

They see the spreading of this notion in the West as only another illustration of the almost infinite capacity for wishful thinking of many on our side.

Khrushchev and Mao no doubt argue about ideological differences between the Russian and Chinese versions of communism. But to suppose that this means anything more than a dreary exercise in logic splitting and dogma chasing is perilous indeed.

Khrushchev has given the most repeated proof that what he respects is power, and power alone. Debating the fine points of Communist theory with Mao is for the Russian hardly more than a sardonic amusement.

This conclusion is not merely this correspondent's. It is also the conclusion of certain indisputable Iron Curtain sources to whom he has talked. These fellows point out the obvious. Khrushchev, like Stalin before him, sees communism as a force to gain naked power. He knows that Red China has, potentially at least, almost limitless power.

Being a rational man, if a brutally rational one, Khrushchev is, of course, aware that some distant day Red China may threaten the Soviet Union itself. In the long meantime, however, he regards the free West as his real enemy.

Moreover, it is a very foolish and mischievous thing in principle to peddle or swallow melodramatic tales of Soviet-Red Chinese divisions. For these permit Khrushchev to pose as a relative moderate, in comparison at least with Mao, and in general to fog up Western thinking. The West must not be diverted from the true core of world crisis—Berlin.

AMERICAN FOREIGN POLICY ON RED CHINA

Mr. BRIDGES. Mr. President, the distinguished senior Senator from Nebraska [Mr. HRUSKA] and Representative WALTER H. JUDD, of Minnesota, participated in a television program July 16, dealing with our Nation's foreign policy.

Most of the discussion concerns Red China and as Dr. JUDD is a recognized authority on China, the Senator from Nebraska questioned him at length on whether or not Red China should be admitted to the United Nations. Dr. JUDD declared:

> There is no legal reason, no legal justification, for admitting Communist China. You have to nullify the charter to let them in.

Dr. JUDD explains that the United Nations Charter states that a country must meet certain conditions to be admitted. Likewise, a country could be expelled from the United Nations if it constantly violated the principles of the United Nations Charter. From Dr. JUDD's viewpoint, Red China does not qualify under the charter and, secondly, even if Red China were admitted the United Nations would, as Dr. JUDD advised and I quote him:

> You would only have to turn around and try to expel her.

The Senator from Nebraska conducted a very penetrating interview and because of its factual information I ask unanimous consent that the transcript of the television program be printed in the body of the RECORD at this point in my remarks.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

SENATOR ROMAN HRUSKA AND CONGRESSMAN WALTER H. JUDD, OF MINNESOTA, DISCUSS AMERICAN FOREIGN POLICY—THE ADMISSION OF RED CHINA TO THE U.N. AND THE PRESIDENT'S FOREIGN AID PROGRAM (TRANSCRIPT OF TELEVISION PROGRAM)

ANNOUNCER. From the Nation's Capital in the public service, we present the regular report of Senator ROMAN HRUSKA to the people of Nebraska. Now here is Senator HRUSKA.

Senator HRUSKA. How do you do, ladies and gentlemen. For today's program we have in the studio a native Nebraskan, Congressman JUDD, of Minnesota. He and I were born in the same county in Nebraska, in Butler County. He was born in Rising City, and I was born in David City.

Dr. JUDD got his degree in medicine at the University of Nebraska and later went to Rochester, Minn., where he did graduate work in the famous Mayo Clinic. Thereupon he went to the Orient where he served for some 10 years as a medical missionary. He was superintendent of one of the hospitals in the interior of China.

In 1942, Dr. JUDD was elected to the Congress of the United States and has served in the Congress ever since. His home is in Minneapolis, Minn. He is a member of the Foreign Affairs Committee of the House of Representatives and is doing very significant and highly constructive work in that field because of his vast personal knowledge of the world situation, particularly with reference to that part of the globe where he spent so many years of his life.

Dr. JUDD, it is a great pleasure to welcome you and to present you to our Nebraska listeners.

Dr. JUDD. Thank you. It's always nice to be back among the cornhuskers. You talked about the degrees. The first degree I received was a diploma from the eighth grade signed by your father who was county superintendent of Butler County, and I'm proud of that diploma.

Senator HRUSKA. Well, I'm pleased to know that. You can prove you got a good start for a fine education.

Dr. JUDD. That's right.

Senator HRUSKA. Now, Dr. JUDD, I wonder if we could briefly discuss two subjects for the benefit of our audience. Our time is limited, but I would like to get your views and your comments. The first subject is the question of recognizing Red China and admitting it into the United Nations. The other deals with the foreign aid appropriation bill.

THE RECOGNITION OF RED CHINA AND ITS ADMISSION TO U.N.

Let's start out with the admission of Red China, if you will. You know, Congress has, on some 18 or 19 occasions, as I recall, expressed its position that the United States should not recognize Red China and that it should not favor the admission of Red China into the United Nations. But now we hear more and more, Dr. JUDD, of the idea that we canot ignore the existence of a big and powerful nation; that it would become respectable and law abiding and that sort of thing. In other words, it seems that now there is another campaign similar to that which was made back in the years 1928 to 1933 for the recognition of Communist Russia. What are your observations on this current campaign to get China into the family of nations?

WHY U.S. SHOULD OPPOSE RED CHINA'S ADMISSION TO U.N.

Dr. JUDD. Well, beginning with the argument that not to recognize Communist China is ignoring the existence of this largest country in the world. It is not true.

When we have crime in a city, we don't invite the criminals into the FBI. We strengthen the FBI to deal with the criminals, and we isolate them and keep them out. You don't bring them in with the idea that the FBI cannot deal with the criminals if it doesn't have the criminals in the FBI to help the FBI plan the campaign against the criminals.

Senator HRUSKA. Why do you call China a criminal?

Dr. JUDD. Because she's living in lawless violation of all the commitments that nations have to live by if they're going to get into the United Nations.

Somebody always says, "But you've got the Soviet Union in; what's the difference?" This is the difference. The Soviet Union got in when it was pretending to be law abiding. It said it was was going to be democratic. It didn't live up to it, and some people will say, "Well, if you're not going to let Communist China in, why don't you kick

the Soviet Union out?" That's a logical question, but it's a useless question because you can't kick the Soviet Union out.

Mr. Hiss wrote most of that charter, and he got it fixed in such a way that the Soviet Union can veto its own expulsion.

They say, "How do you deal with Communist China if she isn't in?" But, how do you deal with her if she is in? If you bring her in, she's in a position to throw more monkey wrenches into the machinery than she can now, and you can't ever get her out because the Soviet Union will veto any effort to expel her.

THREAT POSED BY RED CHINA

So it's not because we aren't aware of the existence of Communist China or because we're hiding our heads in the sand or trying to pretend it isn't there. We're acutely aware of what it is and the way it operates within its own country and, even worse, the threat it poses to all the countries around it. We are aware of what it did in Korea, of what it threatens against Formosa, of its threat against Laos and Vietnam, of what it did in Tibet, and of its seizure of the border stations in India, so that it's downhill now, from the top of the Himalaya Mountains right into India.

This is part of a world program which the Communists have worked out. It's really aimed at ourselves.

Now in a jungle sort of a world survival depends on the capacity to disinguish friend from enemy. And the very fact that all Communist organizations are working day and night to get Red China in ought to alert us that it isn't going to be in our interests. If I can't find out from my own Government what our country ought to do, I try to find out what the Communists are urging us to do, and then at least I know what we shouldn't do. Whatever they urge us to do is whatever they know will be beneficial to them.

I can sum it up by saying No. 1, there's no legal reason, no legal justification, for admitting Communist China. You have to nullify the Charter to let them in.

RED CHINA IS DISQUALIFIED FOR ADMISSION UNDER PRESENT U.N. CHARTER

Some people say the United Nations ought to be a universal organization and should let everybody in. Maybe it ought to be; but it isn't a universal organization. There is a requirement in the Charter that a country must meet certain conditions in order to be admitted. It can be expelled if it consistently violates the principles.

If you admitted Communist China, you'd only have to turn around and try to expel her, which you would not be able to do unless she were to change her behavior. It isn't because we're stubbornly, arbitrarily, rigidly, blindly, keeping Red China out. She's keeping herself out. She won't qualify.

Now, if they want to amend the United Nations Charter so as to strike out all the requirements that a nation refrain from the use or threat of force in international disputes, and so on, that is another matter. If they want to strike this out and just say that who or whatever exists as a nation or that all four-legged animals, whether they're wolves or sheep, ought to be brought into the flock in order to have good relations, then let them do that. But don't nullify and destroy what hope there is in the United Nations of eventually getting people, by and large to respect law and order.

Senator HRUSKA. Dr. JUDD, isn't it true that back in 1928, I believe it was, the Kellogg Peace Pact was signed by Russia, and Russia at that time was not recognized by the United States?

Dr. JUDD. That's right.

Senator HRUSKA. They were able to cooperate as a member of the family of nations without that formal recognition.

Dr. JUDD. That's right.

Senator HRUSKA. Is there any reason why we should not require Red China to show more than promises that she will no longer engage in lawless activity? Shouldn't we require actual proof of having complied with the laws of the organization?

Dr. JUDD. Anybody that takes a piece of paper that they have signed as a substitute for behavior is engaging in an act of self-deception, and we love pieces of paper. We have to have a conference to get a piece of paper. We get a piece of paper, and the Communists get a piece of land. We then have another conference, and generally we get another piece of paper, and they get another piece of territory. The time has come to depend upon behavior. There is no legal reason. There is no moral reason. There is no practical reason.

DEMORALIZING EFFECT ON FRIENDLY NATIONS

There would be no benefit which would come from admitting Communist China. It would strengthen her. It would demoralize a lot of our allies and our friends around the world who are already shaky.

We sent our Vice President out to southeast Asia to tell those people, "Buck up. Don't weaken in Laos or Thailand or Burma." Then we ourselves play footsy with the Communists. We aren't going to have any friends around the world if we try to walk both sides of the street. The United States has got to stand unashamedly for human freedom and cannot be bolstering and assisting an outfit that is dedicated to the destruction of human freedom.

CURRENT RESOLUTIONS PENDING IN CONGRESS

Senator HRUSKA. I know there is now pending in the Senate of the United States another resolution which will express the sense of Congress that it opposes the recognition of Red China and the admission of Red China into the United Nations. I understand that there's a similar resolution pending in the House.

Dr. JUDD. That's right.

Senator HRUSKA. It will be submitted in due time, and you folks are looking at and listening to two Congressmen whose votes will be cast in favor of each of those resolutions, I'm sure. I don't presume to speak for you, Dr. JUDD, but I know how you voted before, and I imagine you'll vote that way again.

Dr. JUDD. Yes. I'm the author of the resolution in the House.

Senator HRUSKA. Then you are pretty sure to vote for it.

PRESIDENT KENNEDY'S FOREIGN AID PROGRAM

Now, let's shift our comments briefly to the problem of foreign aid. I know you have been wrestling with the authorization bill in your Foreign Affairs Committee.

I refer to the President's message on foreign aid which he submitted to the Congress in March. In his message he refers to foreign aid, as "bureaucratically fragmented, awkward and slow, its administration is diffused over a haphazard and irrational structure covering at least four departments and several other agencies." And he speaks of "uncertainty and declining public prestige" and "the fall in the morale and efficiency" of employees, and so on. But he says he is going to change all this, Dr. JUDD. He says he's going to revamp and reorganize it and turn foreign aid into something that's constructive and successful. Do those words mean anything?

Dr. JUDD. Well, I've heard them in each of the 14 years that we've been in foreign aid. Every year they come down with a gimmick or two, and they're going to correct this, that or the other thing. And always their solutions are more money and more power, which leads to more bureaucratic confusion.

Senator HRUSKA. Well, isn't the President asking for more money this time?

Dr. JUDD. Oh yes. A much larger amount than ever before and on a longer term basis. He wants us to make available now, just for loans, up to $1 billion $900 million every year for the next 5 years and to turn it over to them right now.

Senator HRUSKA. Turn it over to the administration.

Dr. JUDD. Turn it over to the administration. It doesn't come back to the Appropriations Committees of either the House or the Senate. We don't get a look at it. Just give it to them, and when they need the money, they just have to go down to the Treasury and sign a paper.

Dr. JUDD. Sign a paper and get some more papers again.

DIFFERING ATTITUDES TOWARD FOREIGN AID

Well, the foreign aid program is necessary in my opinion. There are three attitudes you can take. You can say, "Look at all the individual projects that have failed; therefore, we should scrap the program." This would just turn the world over to our enemies, and we'd stand alone in no time.

There are others, like the President, who say we should have done more. That would have increased the confusion and the irritation.

The third course is to fix it. And the best way to fix it is to simplify it. Pull it down into manageable proportions.

AMERICA'S PAST MISTAKES

We Americans start out to do something, and we go into a country whose main needs are agriculture. But we give it the full treatment. If there needs to be an agricultural attaché, we send an air attaché, a commercial attaché, a social attaché, a cultural attaché, and an educational attaché. And we confuse these countries. We descend upon them, and in our desire to help we crowd them to the point where they're more mixed up than they were before.

I've worked as a missionary, and I know that if you do things simply and work with people, you can do an awful lot of good, and they'll respond to you. But if you go in and crowd them and tell them how to do it, you have, what I call, the imperialism of efficiency. We expose their backwardness. We embarrass them in their own communities.

In Burma, some years ago, they asked us to get out, and I asked them, "Why? What have we done wrong?" They said, "Well, you Americans are so aggressively friendly. If you didn't know all of the answers, if once in a while there was some place where we could help you instead of you always telling us, we'd be much more likely to go along."

Now in the world today, there are a lot of countries which simply can't make it without assistance. But the President shouldn't urge us to do so much and on such a vast basis.

Without the control of the Congress it confuses and mixes up our own economy here at home and curbs balance of payments around the world. It confuses and causes more irritation in some areas than it does good. The thing to do is to fix the program.

Overall it's succeeded in that it's kept two-thirds of the world free. But the time has come when we've got to improve it. And the way to improve it is not to make it bigger and more scattered.

Senator HRUSKA: Well, those countries aren't the only ones who are confused and overwhelmed. We in the Congress are too. I hope we can get some sense into the program.

Thank you very much, Dr. JUDD, for appearing on this program with me.

Mr. BRIDGES. Mr. President, yesterday, July 23, over a number of radio stations throughout the country, two of

our colleagues, the junior Senator from Iowa [Mr. MILLER] and the junior Senator from Alabama [Mr. SPARKMAN] appeared on the CBS program entitled "The Leading Question."

Mr. Paul Niven, the moderator of the program, asked the distinguished Senators how they thought our country could best meet the Berlin crisis. Their opinions and views are well worth considering.

For example, the junior Senator from Alabama [Mr. SPARKMAN] states quite frankly that the administration's position was and is that the United States will not back down regarding our rights in that area of the world.

The junior Senator from Iowa [Mr. MILLER] believes that we ought to make clear that if Mr. Khrushchev signs an independent treaty with East Germany, that at that very instant he will see his embassies and embassies of the bloc countries, the consulates and delegations, either closed down completely, or at least reduced to a skeleton force.

The junior Senator from Iowa adds that in such a situation no trade should be carried on with the bloc countries or with Soviet Russia and that foreign aid to countries that carry on such trade with those countries be stopped.

I have received a copy of the transcript of this CBS radio program, and I ask unanimous consent that it be printed in the body of the RECORD at this point in my remarks.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

HOW CAN THE UNITED STATES BEST MEET THE THREAT IN BERLIN?

Paul Niven (moderator). House Speaker SAM RAYBURN, referring to the Berlin crisis, said the other day that Western civilization is threatened as never before. This week, the United States, Britain, and France rejected Khrushchev's latest demands for a German settlement on Soviet terms and for the transformation of Berlin into a so-called free city. Meanwhile, the executive branch of Government is considering various emergency measures with which to meet the crisis. Our guests today are Democratic Senator JOHN SPARKMAN of Alabama and Republican Senator JACK MILLER of Iowa. Gentlemen, our leading question is: "How can the United States best meet the threat in Berlin?" Senator SPARKMAN.

Senator SPARKMAN. Well, I think that our position has been made quite clear. I think President Kennedy made it clear to Khrushchev when they held their conference. I think the latest note that has gone out has made the position of the Western Powers quite clear. And I think that position is that we are not going to back down. And, as Speaker RAYBURN so well said, that if there is force, we shall have to meet it with force.

Senator MILLER. I think first that we should state our resolve. Our resolve to maintain our rights in West Berlin and also to maintain the rights of our allies and the freedom of the people in Western Germany and in West Berlin. In order to deter aggression—there's an old saying that the ratio of deterrence is dependent upon the capability times the resolve. And if our resolve is zero, there will naturally be no capability or no product of deterrence. So we must have resolve. In order to maintain the resolve and in order to get the idea across to Khrushchev that we have the resolve, first, we have to state our resolve. I think the President of the United States has done a very fine job of doing so. Particularly when he put it on the basis of a moral and a political obligation. But beyond that, certain actions are necessary. Those actions could be categorized in terms of military actions, or in terms of political-economic actions. And it is my belief that the first thing we should do in order to give substance to our resolve that has been so excellently stated is to take certain political-economic actions which will make very clear to Mr. Khrushchev that we do have the resolve.

Mr. NIVEN. I wonder if you could outline those actions briefly, Senator MILLER, and see if Senator SPARKMAN agrees with them.

Senator MILLER. Well, for one thing, it seems to me that we ought to make clear that if Mr. Khrushchev signs an independent treaty with East Germany, that at that very instant he will see that his embassies and the embassies of the bloc countries, the consulates, delegations, will either be closed down completely, or at least reduced to a skeleton force. That no trade will be carried on with bloc countries or with Soviet Russia, that foreign aid to countries that carry on such trade with those countries will be stopped at the very instant that he exercises this overt act of signing an independent treaty in violation of obligations that have been long standing with East Germany.

Senator SPARKMAN. Well, I would not advocate that, simply as a matter of timing. I think the thing for us to remember, that signing the peace treaty with East Germany and trying to set East Germany up as a separate and independent government, is not the act of war. The act of war comes, or the thing we must be prepared to defend against, is when there is interference with the exercise of the rights that we—the United States and the Western Powers—have, both in West Berlin and in West Germany. And that's when, it seems to me, that this overt action would be taken, because—let me say—now I may be way out in left field on this thought—but I don't believe that Khrushchev is prepared to fight over Berlin. My own feeling is—and again this is my own personal opinion—that both East Berlin and East Germany are an economic drag on Khrushchev and that he would like to get rid of them. And I don't believe he's going to back up East Germany in the prevention of our rights in West Berlin and West Germany. And certainly, we ought to be prepared in the event he should determine to back them up, rather than the mere signing of the treaty.

Mr. NIVEN. In other words, we don't care who stamps our papers as long as they get stamped

Senator SPARKMAN. Well, no; now don't go quite that far. That's all right so far as inspection is concerned, as they go through. But one of the problems connected with this is the fact that he is attempting to establish an independent state that we are not willing to recognize. But again I say, that that is not the act of war. The act of war would occur when interference came into our ingress and egress in connection with Berlin and the occupation rights that we and our allies have in both West Germany and West Berlin.

Senator MILLER. Well, let me say first of all, that I am sure that my good friend from Alabama knows how deeply I appreciate his friendship and how much I respect his opinions. But I do think that this draws a rather clearcut line between our views. Senator SPARKMAN would wait for an overt act of war before certain action was taken. What I envision is action ahead of the overt act of war, preliminary action. We know that Mr. Khrushchev has given threats that once he signs a separate peace treaty with East Germany, the next step will be to let the East Germans, of course, under the aura of their independence but obviously pursuant to the dictates of the Kremlin, close down the access routes. So I think what we ought to do is to hit at the very first step which could lead to the overt act of war. And my guess is that if we have the resolve to take the actions that I mentioned, to tell Mr. Khrushchev and other interested countries of the world that at the instant he signs a separate treaty with East Germany these things are going to follow just like night follows day, that we will not get into the overt act of war which I think is going to logically follow, inevitably follow, because Mr. Khrushchev has said it will.

Mr. NIVEN. One of the measures you suggest we should take to punish him is to stop aiding the other Iron Curtain countries. I would like to digress long enough to ask you whether you think Khrushchev likes to have the United States help Poland and Yugoslavia, and whether it would really be punishing him to stop?

Senator MILLER. Well, I haven't seen any outcries from Mr. Khrushchev or other leaders in the Kremlin against our action, so I infer they are not unhappy about it.

Mr. NIVEN. What do you think, Senator SPARKMAN?

Senator SPARKMAN. Well, of course, it would be mere speculation. My guess is that they don't want any business dealings between those countries and the United States. Of course, let us remember that Yugoslavia is not one of the satellites. She's been quite an independent nation for some time now.

Mr. NIVEN. Gentlemen, do you feel that the President has been sufficiently articulate in explaining the crisis to the American people?

Senator SPARKMAN. Well, that is something that could be open to diverse opinions. I think President Kennedy has done a very good job. First of all, remember, before he went to the conference with Khrushchev he addressed a joint session of Congress. And that amounted to an address to the world. Since that time, he has made, if I recall correctly, a television-radio report to the country. He has issued statements. The note that the United States in conjunction with England and France, sent to Khrushchev has been made public. I don't see that there is much more that could have been done.

Senator MILLER. Well, in all fairness, of course, I am a member of the opposite party, but I do think that President Kennedy has done a masterful job of stating precisely what the policy of the United States is with respect to our rights and the rights of our allies in Berlin. I don't know how he can make it any clearer or more articulate. And I think that the policy is dead right. It ties in precisely with our policy which has continued down through President Eisenhower and President Truman. But your question, Mr. Niven, was, Has he done an adequate job of explaining this seriousness to the American people? There are two ways of explaining. One is by words and the other is by deeds.

I think his words have been excellent, but I gather from the feeling of people I talk to out in my own State, from soundings that one receives in newspapers, that the people do not have the feeling of urgency or seriousness which conforms to the words of the President. And I don't think they are going to have that feeling as long as there is business as usual. Our economic situation, our standard of living, our actions here in Washington are as usual, carried on as though there were no crises over Berlin. We're going to have to do something, I think, to tie in our stated policy with our deeds. I have been saying from the beginning of this session of Congress, that we should put first things first. That we should give the

highest priority to our national defense and second, perhaps our foreign aid, and that domestic spending programs, desirable as they may be, should be given lower priority and unless we have enough money and enough appropriations and enough taxes to meet the appropriations, let them continue on at a lower level.

Now this ties in precisely with what the President of the United States called for in a special message to Congress when he said, "I ask the Congress to put things aside which are merely desirable in favor of things which are absolutely essential." And here we are now, faced now with a foreign-aid bill calling for the expenditure of about a half billion dollars more than requested by President Eisenhower. We have word that the Pentagon is considering requesting $2 to $5 billion more in appropriations for national defense and we are already $5 billion in the hole for this current fiscal year, largely due to nondefense spending measures that have been requested or enacted by Congress. And I say to you then, unless we stop this business as usual, we're not going to persuade the people back home that the urgency is in the same degree that the words of the President and the other leaders of the administration and Congress are saying it is.

Mr. NIVEN. Now, Senator SPARKMAN, is a southern Senator going to defend the New Frontier against this Republican?

Senator SPARKMAN. Well, I don't agree with everything that my friend has said regarding this. As a matter of fact, the $5 billion deficit he refers to results largely from the step-up in defense spending and some increase, not a great increase, in the foreign bill over what President Eisenhower had budgeted. And remember that President Eisenhower's budget, if you leave off the increased revenues that were requested from increased postal rates and the other increased taxes that he proposed, would have been a deficit. Now, our deficit is larger. I do not believe there has been an appreciable step-up in spending on the domestic front. I think Congress has done a pretty good job. I think the President has done a pretty good job in stating the priorities and in establishing the priorities. Certainly, national defense, space—remember, we have strongly stepped up the space-exploration program—and the increase that my friend spoke of in foreign aid represent the principal increases that have been made during this Congress.

Senator MILLER. Well, the trouble is—and the good Senator from Alabama knows—the trouble is the administration and the leaders in Congress have not yet come up with increased revenue-raising proposals in the form of increased taxes which will anywhere near match the severe deficit that is staring us in the face. Now this point is made. The answer is: Well, we can't get the postal rate increase. Well, of course, the Republicans are not exactly in control of the committees or in the control of the Congress with respect to the postal rate increases, and I recognize that some members of my party have been voting against the proposed postal rate increases, just like some members of the Democratic Party have been doing. But even if they got together and passed the postal rate increase bill, that would, as I understand, amount to about three-quarters of a billion dollars, which is not going to come anywhere near to satisfying a $5 billion deficit. So it seems to me that we are going to have to do something to make clear to people that there is a sense of urgency and a need for sacrifice. Now, there are only one of two ways of doing it. One is to say to the people you are going to have to pull in your belts and not take as much domestic spending as you would like to have, even if it is desirable, in favor of the more urgent national defense and foreign-aid proposals; or the other is you are going to have to put your hand in your pocket a little deeper and come up with some more taxes. One of the two is going to be necessary. And I don't see anything on the horizon right now that indicates that this is going to come out of this session of Congress.

Senator SPARKMAN. May I say to that, that again, I think, it is a matter of timing. We know there is talk of calling up of Reserves and National Guard, and my guess is that if we go to the point of partial mobilization there may very well be some recommendations for increased taxes.

Mr. NIVEN. Are you in favor of partial mobilization, Senator?

Senator SPARKMAN. If the President and his advisers deem it wise, I certainly would support it without question. As a matter of fact, I think perhaps it might be a very good thing at this time. I think the only difference between me and my friend JACK MILLER is that he apparently would advocate a crash program now. And I say that we ought not to move into a condition of panic on this thing. We ought to go along for the time being on the assumption that we may be able to work this thing out, but be prepared for that crash program when the time comes. And I think, since it does take time to condition a reserve and national guard divisions, it might very well be good to have that partial mobilization.

Senator MILLER. Well, on the contrary, I am not at all in favor of a crash program. In fact, I am in favor of uncrashing some of the crash programs on the domestic front that this administration has requested. We've received innumerable messages, all during this session, great sense of urgency behind them, crash programs for depressed areas legislation, crash programs for Federal aid to education, crash programs for housing, crash programs for many, many things. And I am not in favor of them. In fact, I am in favor of either eliminating them or greatly reducing them.

What I'm in favor of is action which is not what I would call a crash program of domestic activity, but a crash program of political-economic steps. At least, in the nature of an ultimatum to our Soviet adversaries indicating that if they take certain action it's going to be followed by certain political-economic results. Now I recognize that these results would be rather difficult for some people; it would lead to hardship. But I think we had better face up to the fact that if we are not willing to bear up with these inconveniences, if our allies and other interested nations are not willing to close off foreign trade with the Soviets when they take certain action, I must say I do not think we or our allies are going to have the will power and the resolve necessary to employ military forces, and Mr. Khrushchev knows this. Now this is one reason why I am opposed to even a partial mobilization at this time.

I say let's put first things first. Let's come up with the ideas that I have expressed. For example, another thing we might do is to pull out dependents of military personnel and other U.S. personnel in Western Europe because if we bring in up to a million national guardsmen and reserves to fight a conventional war, we are not going to fight any conventional war with these personnel there. Let's take them out. Let Mr. Khrushchev have the ultimatum of what will follow if he signs a separate peace treaty with East Germany and then we might talk about partial mobilization.

Senator SPARKMAN. Well, I just don't agree with Senator MILLER on that. I think that it is very well to have the partial mobilization at this time because of the time element involved in getting them ready. When I spoke of these crash programs, I had in mind, for instance, the levying of special taxes at this time as if a war were certain. That is not the pattern we ordinarily follow. We wait until it becomes a certainty and then we levy the tax in order to carry the burden. I don't think we ought to assume that war is certain on the Berlin situation. I think instead we ought to assume that this thing is going to be worked out. My own personal opinion is Mr. Khrushchev is not going to be prepared to fight a war over this Berlin question. I don't believe he wants to. And as I said in the beginning, I think he wants to get rid of East Berlin and East Germany so far as the Russian economy is concerned.

Senator MILLER. Well, I want to say that I certainly echo the sentiments just now expressed by my able colleague from Alabama. I don't think that there's going to be a war on Berlin or any difficulty provided—and this is the all important thing—provided we have the resolve, first, and second, that Mr. Khrushchev knows that we have the resolve. But I will say this, there will be a war over Berlin, there will be a war over many other areas in the world if Mr. Khrushchev and the other leaders in the Kremlin miscalculate because we have not manifested to them our resolve. This is what led to the war in Korea, of course. And I don't want to see a repetition of that. Hindsight is always better than foresight, but if we take the lesson from Korea and take certain action which will manifest resolve, effective resolve, to Mr. Khrushchev, I don't think there will be a war over Berlin and I think the situation will be resolved through negotiation which will preserve our rights and the rights of the Western Allies and the rights of the people of Berlin.

Senator SPARKMAN. Well, I can't take issue with that. That's just what I have been saying. The only difference is that I think we have shown that resolve. I think Mr. Khrushchev knows that President Kennedy means what he says, and I think now since the note has gone from the three great powers, other occupying powers, I think he knows that the Western Powers stand with the united front.

Mr. NIVEN. I gather neither of you supports the opinions of Walter Lippmann or Senator MANSFIELD that we should negotiate with an aim to improving our situation in Berlin.

Senator MILLER. As I understand Mr. Lippmann's article, he was pointing out that Senator MANSFIELD had opened up an area for discussion. I don't think that a free city of West Berlin is the answer at all. I think it militates against the self-determination feature of the United Nations Charter.

Senator SPARKMAN. I agree with the statement made. I do think that under more nearly normal conditions there might be some kind of a negotiation leading to some settlement and I think that if, if—and I want to stress that if—if we could assure complete protection of the situation, it would be fine to have Berlin as a free city. But I have no hope of that being accomplished.

Mr. NIVEN. Thank you, gentlemen, for joining in this discussion of our leading question.

THE WEST BERLIN ISSUE

Mr. BRIDGES. Mr. President, some of the reasons we must remain firm on the issue of West Berlin—and some of the reasons I hope we will remain firm there—were touched on in an editorial in the July 13 edition of the Washington Daily News, a Scripps-Howard newspaper.

The editorial points up, for example, the vast differences in economic conditions between East and West Berlin.

At one point the editorial states:

Nowhere in the Communist empire is there enough to eat, ranging from scarcities in central European countries which used to

export food, to famine in Red China. The commies have learned to produce guns, but not butter, or decent clothing, or housing.

That is one of the reasons the Communists are dedicated to the overthrow of a free West Berlin, because it will always stand as dramatic evidence of the bright success of free enterprise and the dingy failure of the Communistic system of collectivism.

I ask unanimous consent to have printed in the body of the RECORD at this point in my remarks the editorial previously referred to.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BRUTAL CONTRAST

A main reason for heat on West Berlin is the contrast in living standards between the Communist and free sections of that city. If Khrushchev is going to bury us, he's making a poor start in his East German captive state. And the failure is there for the world to see, through this rift in the Iron Curtain.

Our reporter, Dickson Preston, noted the contrast in a cabled article this week.

West Berlin: "Shops are full of consumer goods, and the people have money to buy them. Everybody has a job. New apartments are growing like mushrooms. Even factory workers for the first time are able to buy cars, refrigerators, and televisions."

East Berlin: "Streets are still rubble lined (from the bombings which ended 16 years ago). People are drab and illclad. Housing is shabby, mostly prewar relics. Shops, many state-owned are virtually empty. Churches remain ruins. Four thousand Germans are still fleeing weekly into West Berlin."

Butter, bread, and potatoes are being rationed in East Germany. Nowhere in the Communist empire is there enough to eat, ranging from scarcities in central European countries which used to export food, to famine in Red China. The commies have learned how to produce guns, but not butter, or decent clothing, or housing.

Communist fever over West Berlin gives the lie to the big talk about peaceful coexistence and economic competition between the two systems. They have been unable to compete and, while West Berlin lives, will be unable to conceal their failure. Hence the resort to threat of arms, the traditional reaction of the bully, anywhere.

CAPTIVE NATIONS WEEK

Mr. LAUSCHE. Mr. President, by proclamation of President Kennedy last week was designated as Captive Nations Week.

It is unnecessary to point out, except briefly, the strategic importance of these captive nations to our own security interests. In recent weeks news reports have indicated that all is not well behind the Iron Curtain. Food shortages and a current of discontent are making the Soviet masters uncertain, and the nations oppressed are becoming increasingly restive under the Kremlin yoke.

In this day of increased international tension and strain, we must again repeat our American belief that nations and peoples have the divine-given right of self-determination in government.

I firmly believe that, if free elections were permitted in the captive nations, Mr. Khrushchev's boast that communism is the "wave of the future" could be soundly proved false.

It is my sincere hope that our Government, at the U.N. and elsewhere, will continue to urge free elections for all nations as provided in the World War II peace treaty.

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

AGRICULTURAL ACT OF 1961

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 539, Senate bill 1643, the Agricultural Act of 1961, and that it be made the pending business.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes, which had been reported from the Committee on Agriculture and Forestry, with an amendment, to strike out all after the enacting clause and insert "that this Act may be cited as the 'Agricultural Act of 1961'."

TITLE I—SUPPLY ADJUSTMENT AND PRICE STABILIZATION

SEC. 101. This title may be cited as the "Agricultural Enabling Amendments Act of 1961".

Subtitle A—Consultation on agricultural programs

SEC. 102. (a) Notwithstanding any other provision of law, whenever the Secretary of Agriculture determines that additional legislative authority is necessary to develop new agricultural programs involving supply adjustments or marketing regulations through marketing orders, marketing quotas, or price support programs with respect to any agricultural commodity, or to make substantial revisions in any existing agricultural legislation or programs, he may consult and advise with farmers, farm organizations, and appropriate commodity organizations, if any, for the commodity involved, to review the problems involved, the need for new legislation, and the provisions which should be included in any such proposed legislation.

(d) In addition, whenever and to the extent he deems such action necessary or desirable, the Secretary of Agriculture may consult and advise with any person or group of persons, or organizations, including farmers, handlers, processors, or others connected with the production, processing, handling, or use of the commodity involved, with respect to the problems involved and need for legislation and the provisions which should be included in any such proposed legislation.

(c) In order that the Secretary of Agriculture may be assured of being able to obtain the advice of any such person or organization, he is authorized, whenever he determines such action necessary, to pay for each day's attendance at meetings and while traveling to and from such meetings, transportation expenses and a per diem, in lieu of subsistence in the amount authorized under the Travel Expense Act of 1949 for Federal employees. No salary or other compensation shall be paid.

SEC. 103. If the Secretary of Agriculture, after such consultation and receipt of such advice as provided in section 102 of this Act, determines that additional legislative authority is necessary to develop agricultural programs involving supply adjustments or marketing regulations through the use of marketing orders, marketing quotas or price-support programs, he shall formulate specific recommendations in the form of proposed legislation which shall be submitted to the Congress together with a statement setting forth the purpose and need for such proposed legislation.

SEC. 104. Nothing in this Act shall be deemed to limit the authority of the Secretary of Agriculture under other provision of law or to establish or consult with advisory committees.

Subtitle B—1962 wheat program

SEC. 111. Section 334 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting (1) after (c) and adding a new subparagraph (2) following subparagraph (c)(1) to read as follows:

"(2) Notwithstanding any other provision of law, each old or new farm acreage allotment for the 1962 crop of wheat as determined on the basis of a minimum national acreage allotment of fifty-five million acres shall be reduced by 10 per centum. In the event notices of farm acreage allotments for the 1962 crop of wheat have been mailed to farm operators prior to the effective date of this subparagraph (2), new notices showing the required reduction shall be mailed to farm operators as soon as practicable."

SEC. 112. (a) In lieu of the provisions of item (1) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(1)), the following provisions shall apply to the 1962 crop of wheat:

"(1) If a national marketing quota for wheat is in effect for the marketing year beginning July 1, 1962, farm marketing quotas shall be in effect for the crop of wheat which is normally harvested in 1962. The farm marketing quota for such crop of wheat shall be the actual production of the acreage planted to such crop of wheat on the farm less the farm marketing excess. The farm marketing excess shall be an amount equal to twice the normal yield of wheat per acre established for the farm multiplied by the number of acres of such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations prescribed by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established, the farm marketing excess shall be such actual production less the actual production of the farm wheat acreage allotment based upon the average yield per acre for the entire 1962 wheat acreage on the farm: *Provided, however,* That the farm marketing excess shall not be larger than the amount by which the actual production, so established, exceeds the normal production of the farm wheat acreage allotment."

(b) Notwithstanding the provisions of item (2) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(2)), the rate of penalty on wheat of the 1962 crop shall be 65 per centum of the parity price per bushel of wheat as of May 1, 1962.

(c) In lieu of the provisions of item (3) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(3)), the following provisions shall apply to the 1962 crop of wheat:

"(3) The farm marketing excess for wheat shall be regarded as available for marketing, and the penalty and the storage amount or amounts of wheat to be delivered to the Secretary shall be computed upon twice the normal production of the excess acreage. If

the farm marketing excess so computed is adjusted downward on the basis of actual production as heretofore provided the difference between the amount of the penalty or storage computed on the basis of twice the normal production and as computed on actual production shall be returned to or allowed the producer or a corresponding adjustment made in the amount to be delivered to the Secretary if the producer elects to make such delivery. The Secretary shall issue regulations under which the farm marketing excess of wheat for the farm shall be stored or delivered to him. Upon failure to store, or deliver to the Secretary, the farm marketing excess within such time as may be determined under regulations prescribed by the Secretary the penalty computed as aforesaid shall be paid by the producer. Any wheat delivered to the Secretary hereunder shall become the property of the United States and shall be disposed of by the Secretary for relief purposes in the United States or foreign countries or in such other manner as he shall determine will divert it from the normal channels of trade and commerce."

(d) Item (7) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(7)), is amended to read as follows:

"(7) A farm marketing quota on any crop of wheat shall not be applicable to any farm on which, under regulations prescribed by the Secretary, the actual acreage planted to wheat for harvest of such crop does not exceed 15 acres: *Provided, however,* That a farm marketing quota on the 1962 crop of wheat shall be applicable to any farm on which the acreage of wheat exceeds the smaller of (1) 13.5 acres, or (2) the highest number of acres actually planted to wheat on the farm for harvest in any of the calendar years 1959, 1960, or 1961."

(e) Subsection (d) of section 335 of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1335(d)), is hereby repealed effective with the 1962 crop of wheat.

(f) Section 336 of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1336), is amended by adding at the end thereof the following: "Notwithstanding any other provision hereof, farmers who have not produced in excess of 13.5 acres of wheat in at least one of the years 1959, 1960, or 1961 shall not be entitled to vote in the referendum conducted with respect to the national marketing quota for the marketing year beginning July 1, 1962."

SEC. 113. Price support for the 1962 crop of wheat shall be made available, as provided in section 101 of the Agricultural Act of 1949, as amended, except that price support shall be made available only to cooperators, only in the commercial wheat-producing area, and if marketing quotas are in effect for the 1962 crop of wheat, wheat of such crop shall be eligible for price support only if the producers on the farm on which the wheat is produced participate in the special 1962 wheat program formulated under section 114 to the extent prescribed by the Secretary.

SEC. 114. (a) If marketing quotas are in effect for the 1962 crop of wheat, producers on any farm in the commercial wheat-producing area shall be entitled to payments determined as provided in subsection (b) upon compliance with the conditions hereinafter prescribed:

(1) Such producers shall divert from the production of wheat an acreage on the farm equal to either (i) 10 per centum of the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961: *Provided,* That such acreage in each of such years did not exceed 15 acres, or (ii) 10 per centum of the farm acreage allotment for the 1962 crop of wheat which would be in effect except for the reduction thereof as provided in section 334 (c)(2) of the Agricultural Adjustment Act of 1938, as amended.

(2) In 1962, such diverted acreage shall be devoted to conservation uses including summer fallow approved by the Secretary.

(3) The total acreage on the farm in 1962 devoted to soil-conserving uses, excluding the acreage diverted as provided above and acreage diverted under the special 1962 program for feed grains, shall not be less than the total average acreage devoted to soil-conserving uses including summer fallow on the farm in 1959 and 1960. Certification by the producer with respect to such acreage may be accepted as evidence of compliance with the foregoing provision. The total average acreage devoted to soil-conserving uses in 1959 and 1960 shall be subject to adjustment to the extent the Secretary determines appropriate for abnormal weather conditions or other factors affecting production, established crop-rotation practices on the farm, changes in the constitution of the farm, participation in other Federal farm programs, or to give effect to the provisions of law relating to release reapportionment or preservation of history.

(4) If the diversion of acreage is made pursuant to the provisions of (1)(i) of this subsection (a), the actual acreage of wheat planted on the farm for harvest in 1962 shall not exceed 90 per centum of the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, 1961; and if the diversion of acreage is made pursuant to the provisions of (1)(ii) of this subsection (a), the farm shall be in compliance with the 1962 farm wheat acreage allotment.

(b)(1) Upon compliance with the conditions prescribed in subsection (a) producers on the farm shall be entitled to payments which shall be made by Commodity Credit Corporation in cash or wheat equal to 40 per centum of the value, at the basic county support rate per bushel for No. 1 wheat of the 1961 crop for the county in which the farm is considered as being located for the administration of farm marketing quotas for wheat in effect at the time the payment rates for the 1962 special wheat program are established, adjusted to reflect changes between the national support rates for the 1961 and 1962 crops, of the number of bushels equal to the adjusted yield per acre of wheat for the farm, multiplied by the number of diverted acres.

(2) The adjusted yield per acre of wheat for the farm shall be determined by the Secretary on the basis of the adjusted county average yield per acre for the 1959 and 1960 crops in the county in which the farm is considered as being located, and the productivity of the farm compared with other farms in the county taking into account special cultural practices, such as summer fallow or irrigation, normally followed. The adjusted county average yield per acre shall be the country average for 1959 and 1960, as determined by the Secretary from the latest available statistics of the Federal Government, with such adjustments as he deems appropriate to take into account abnormal factors affecting production.

(3) The Secretary shall provide by regulations for the sharing of payments among producers on the farm on a fair and equitable basis. The medium of payment shall be determined by the Secretary. If payments are made in wheat, the value of the payments in cash shall be converted to wheat at the market price of wheat as determined by Commodity Credit Corporation. Wheat received as payment-in-kind may be marketed without penalty but shall not be eligible for price support.

(c)(1) Producers who divert acreage on the farm under subsection (a) may divert additional acreage on the farm not in excess of three times the amount diverted under subsection (a).

(2) Payments shall be made with respect to the acreage diverted under this subsection (c) in accordance with the terms and conditions prescribed in subsection (a): *Provided,* That (i) 50 per centum shall be substituted for 40 per centum in computing the amount of the payment, (ii) the acreage diverted under this subsection (c) shall be added to and deemed to be acreage diverted under subsection (a) for the purposes of paragraphs (2) and (3) of subsection (a), and (iii) if the diversion under subsection (a) is made pursuant to (1)(i) of said subsection, the actual acreage planted to wheat for harvest on the farm in 1962, shall be reduced below the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961, by the total amount of acres diverted under subsection (a) and this subsection (c), or, if the diversion under subsection (a) is made pursuant to (1)(ii) of said subsection, the 1962 wheat acreage on the farm shall be reduced below the 1962 farm wheat acreage allotment by the amount diverted under this subsection (c).

(d) Any acreage diverted from the production of wheat to conservation uses for which payment is made under the program formulated pursuant to this section shall be in addition to any acreage diverted to conservation uses for which payment is made under any other Federal program except that the foregoing shall not preclude the making of cost-sharing payments under the agricultural conservation program or the Great Plains program for conservation practices carried out on any acreage devoted to soil-conserving uses under the program formulated pursuant to this section.

(e) The Secretary may provide for adjusting any payment on account of failure to comply with the terms and conditions of the program formulated under this section.

(f) Not to exceed 50 per centum of any payment to producers under this section may be made in advance of determination of performance.

(g) The program formulated pursuant to this section may include such terms and conditions, in addition to those specifically provided for herein, as the Secretary determines are desirable to effectuate the purposes of this section.

(h) Wheat stored to avoid or postpone a marketing quota penalty under the Agricultural Adjustment Act of 1938, as amended and supplemented, shall not be released from storage for underplanting based upon acreage diverted under subsection (a) or (c) above, and in determining production of the 1962 crop of wheat for the purpose of releasing wheat from storage on account of underproduction the normal yield of the diverted acres shall be deemed to be actual production of 1962 wheat.

(i) The Secretary is authorized to promulgate such regulations as may be necessary to carry out the provisions of this section.

(j) The Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making the payments authorized herein and to pay administrative expenses necessary in carrying out this section during the period ending June 30, 1962. There is authorized to be appropriated such amounts as may be necessary thereafter to pay such administrative expenses.

SEC. 115. Section 334(e) of the Agricultural Adjustment Act of 1938, as amended, relating to increased allotments for durum wheat, is amended to read as follows:

"(e) If, with respect to any crop of wheat, the Secretary finds that the acreage allotments of farms producing durum wheat are inadequate to provide for the production of a sufficient quantity of durum wheat to satisfy the demand therefor, the wheat acreage allotment for such crop for each farm located in a county in the States of North Dakota, Minnesota, Montana, South Dakota, and

California designated by the Secretary as a county which (1) is capable of producing durum wheat, and (2) has produced such wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested, shall be increased by such uniform percentage as he deems necessary to provide for such quantity. No increase shall be made under this subsection in the wheat acreage allotment of any farm for any crop if any wheat other than durum wheat is planted on such farm for such crop. Any increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and such increases shall not be considered in establishing future State, county, and farm allotments. The provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340 (6)), and section 326(b) of this Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection. As used in this subsection the term 'durum wheat' means durum wheat (class II) other than the varieties known as 'Golden Ball' and 'Peliss'. Any farm receiving an increased allotment under this subsection shall not be required as a condition of eligibility for price support, or permitted, to participate in the special 1962 wheat program formulated under section 114 of the Agricultural Act of 1961."

Subtitle C—1962 feed grain program

SEC. 121. Section 105(c) of the Agricultural Act of 1949 is amended by adding the following new paragraphs (3) and (4):

"(3) The level of price support for the 1962 crop of corn shall be established by the Secretary at such level not less than 65 per centum of the parity price therefor as the Secretary may determine. Price support for corn, grain sorghums, and barley shall be made available on not to exceed the normal production of the 1962 acreage of corn, grain sorghums, and barley of each eligible farm based on its average yield per acre for the 1959 and 1960 crop acreage.

"(4) The Secretary shall require as a condition of eligibility for price support on the 1962 crop of corn and grain sorghums that the producer shall participate in the special agricultural conservation program for 1962 for corn and grain sorghums to the extent prescribed by the Secretary and (except in the case of a producer of malting barley as hereinafter described) shall not knowingly devote an acreage on the farm to barley in excess of the average acreage devoted on the farm to barley in 1959 and 1960. The Secretary shall require as a condition of eligibility for price support on the 1962 crop of barley that the producer shall participate in the special agricultural conservation program for 1962 for barley to the extent prescribed by the Secretary and shall not knowingly devote an acreage on the farm to corn and grain sorghums in excess of the average acreage devoted on the farm to corn and grain sorghums in 1959 and 1960: *Provided*, That no producer of malting barley shall be required to participate in the special agricultural conservation program for 1962 for barley if such producer has previously produced a malting variety of barley, plants barley only of an acceptable malting variety for harvest in 1962, and does not knowingly devote an acreage on the farm to corn and grain sorghums in excess of the average acreage devoted on the farm to corn and grain sorghums in 1959 and 1960."

SEC. 122. Section 16 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by adding the following new subsection:

"(d) Notwithstanding any other provision of law—

"(1) The Secretary shall formulate and carry out a special agricultural conservation program for 1962, without regard to provisions which would be applicable to the regular agricultural conservation program, under which, subject to such terms and conditions as the Secretary determines, conservation payments in amounts determined by the Secretary to be fair and reasonable shall be made to producers who divert acreage from the production of corn and grain sorghums, and barley, respectively, to an approved conservation use and increase their average acreage devoted in 1959 and 1960 to designated soil conserving crops or practices including summer fallow by an equal amount: *Provided, however*, That any producer may elect in lieu of such payment to devote such diverted acreage to castor beans, guar beans, safflower, sunflower, or sesame, if designated by the Secretary. In order to be eligible for a payment, a producer (other than a producer of malting barley as described in section 105(c)(4) of the Agricultural Act of 1949) who participates in the special agricultural conservation program of 1962 for corn and grain sorghums must not knowingly devote an acreage on the farm in excess of the average acreage devoted on the farm to barley in 1959 and 1960, and a producer who participates in the special agricultural conservation program for 1962 for barley must not knowingly devote an acreage on the farm to corn and grain sorghums in excess of the average acreage devoted on the farm to corn and grain sorghums in 1959 and 1960. Such special agricultural conservation program shall require the producer to take such measures as the Secretary may deem appropriate to keep such diverted acreage free from insects, weeds, and rodents. The acreage eligible for payments in cash or in an equivalent amount in kind under such conservation program shall be an acreage equivalent to 20 per centum of the average acreage on the farm planted to corn and grain sorghums, or barley, in the crop years 1959 and 1960. Such payments in cash or in kind at the basic county support rate for the 1961 crop in effect at the time payment rates for the special feed grain program for 1962 are established, adjusted to reflect any changes between the national support rates for the 1961 and 1962 crops may be made on an amount of the commodity not in excess of 50 per centum of the normal production of the acreage diverted from the commodity on the farm based on its adjusted average yield per acre for the 1959 and 1960 crop acreage. Payments in kind only may be made by the Secretary for the diversion of up to (i) an additional 20 per centum of the average acreage on the farm planted to corn and grain sorghums, or barley, in the crop years 1959 and 1960, or (ii) such additional acreage as will bring the total diverted acreage to 20 acres, whichever is greater. Payments in kind on such additional acreage may be made at the basic county support rate for the 1961 crop in effect at the time payment rates for the special feed grain program for 1962 are established, adjusted to reflect any changes between the national support rates for the 1961 and 1962 crops on an amount of corn and grain sorghums, or barley, not in excess of 60 per centum of the normal production of the acreage divested from the commodity on the farm based on its adjusted average yield per acre for the 1959 and 1960 crop acreage. The adjusted yield per acre for the farm shall be determined by the Secretary on the basis of the adjusted county average yield per acre for the 1959 and 1960 crops in the county in which the farm is considered as being located, and the productivity of the farm compared with other farms in the county, taking into account special cultural practices, such as summer fallow or irrigation, normally followed. The adjusted county average yield per acre shall be the county average for 1959 and 1960, as determined by the Secretary from the latest available statistics of the Federal Government, with such adjustments as he deems appropriate to take into account abnormal factors affecting production. The Secretary may make such adjustments in acreage for the 1959 and 1960 crop years as he determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop rotation practices, type of soil, and topography. The Secretary may make not to exceed 50 per centum of any payments to producers in advance of determination of performance.

"(2) There are hereby authorized to be appropriated such amounts as may be necessary to enable the Secretary to carry out this section 16(d). Obligations may be incurred in advance of appropriations therefor and the Commodity Credit Corporation is authorized to advance from its capital funds such sums as may be necessary to pay administrative expenses in connection with such program during the fiscal year ending June 30, 1962, and to pay such costs as may be incurred in carrying out section 123 of the Agricultural Act of 1961.

"(3) The Secretary shall provide by regulations for the sharing of payments under this subsection among producers on the farm on a fair and equitable basis and in keeping with existing contracts."

SEC. 123. Payments in cash shall be made by Commodity Credit Corporation and payments in kind shall be made through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem for feed grains and, notwithstanding any other provision of law, the Commodity Credit Corporation shall, in accordance with regulations prescribed by the Secretary, assist the producer in the marketing of such certificates at such time and in such manner as the Secretary determines will best effectuate the purposes of the special feed grain program for 1962 authorized by this Act. In the case of any certificate not presented for redemption within thirty days of the date of its issuance, reasonable costs of storage and other carrying charges, as determined by the Secretary, for the period beginning thirty days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate.

SEC. 124. Notwithstanding any other provision of law, the Secretary may place such limits on the extent that producers may participate in the special feed grain conservation program for 1962 authorized by this Act as he determines necessary because of an emergency created by drought or other disaster, or in order to prevent or alleviate a shortage in the supply of corn, grain sorghums, or barley.

Subtitle D—Marketing orders

SEC. 131. The Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended as follows:

(1) Section 2 is amended by adding at the end thereof a new paragraph (5) reading as follows:

"(5) Through the exercise of the power conferred upon the Secretary of Agriculture under this title, to continue for the remainder of any marketing season or marketing year, such regulation pursuant to any order as will tend to avoid a disruption of the orderly marketing of any commodity and be in the public interest, if the regulation of such commodity under such order has been initiated during such marketing season or marketing year on the basis of its need to effectuate the policy of this title."

(2) Section 8a(5) is amended to read as follows:

"(5) Any person exceeding any quota or allotment fixed for him under this title by the Secretary of Agriculture and any other person knowingly participating or aiding in the exceeding of such quota or allotment

shall forfeit to the United States a sum equal to the value of such excess at the current market price for such commodity at the time of violation, which forfeiture shall be recoverable in a civil suit brought in the name of the United States."

(3) Section 8c(2) is amended—

(a) by inserting "(A)" after "applicable only to";

(b) by inserting after "grapefruit," where it first appears "cherries, or cranberries,";

(c) by striking out "and grapefruit" and inserting "grapefruit, cherries, and cranberries";

(d) by striking out "tobacco,"; and "soybeans,"; and

(e) by striking the period at the end and inserting in lieu thereof the following: "; and (B) any agricultural commodity (except cotton, peanuts, rice, tobacco, wheat, corn, grain sorghums, oats, barley, rye, sugarcane, sugarbeets, wool, mohair, livestock (but not excepting lambs), soybeans, cottonseed, flaxseed, poultry (but not excepting turkeys), eggs, fruits and vegetables for canning or freezing, and apples (but not excepting apples produced in New York, Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, and Michigan)), or any regional or market classification thereof, not subject to orders under (A) of this paragraph, but not the products (including canned or frozen commodities or products) thereof. No order issued pursuant to this section shall be effective as to cherries or cranberries for canning or freezing unless the Secretary of Agriculture determines, in addition to other required findings and determinations, that the issuance of such order is approved or favored by processors who, during a representative period determined by the Secretary, have engaged in canning or freezing such commodity for market and have frozen or canned more than 50 per centum of the total volume of the commodity to be regulated which was canned or frozen within the production area, or marketed within the marketing area, defined in such order, during such representative period."

(4) Section 8c(6) is amended by striking subparagraph (I) thereof and section 8c(7) is amended by adding at the end thereof the following:

"(E) Establishing or providing for the establishment of marketing research and development projects, including advertising, designed to assist, improve, or promote the marketing, distribution, and consumption of any such commodity or product, the expense of such projects to be paid from funds collected under section 10 pursuant to the marketing order, except that in the case of orders applicable to milk or its products the order may provide that each producer whose milk is regulated thereby shall pay to any authority or agency established under such order his pro rata share (as approved by the Secretary) of the expenses of such projects and for the purposes of collecting such funds producers shall be deemed handlers subject to the other: *Provided*, That no provision proposed for inclusion in an order pursuant to this subparagraph shall become effective unless the order is otherwise approved by producers and producer approval of the provision under this subparagraph is separately determined as provided in paragraphs (8), (9), (12), and (19) of this section, but failure to approve such provisions shall not affect the remainder of any order otherwise approved."

(5) Section 8c(11) is amended by amending subparagraph (B) thereof to read as follows:

"(B) Nothing contained in this title shall be construed as prohibiting the issuance of separate orders regulating the marketing of a commodity which complement or supplement each other, regardless of the scope of their area application, from being made applicable to the same commodity with respect to the whole or part of any production or marketing area."

Subtitle E—Wool

SEC. 141. Section 703 of the National Wool Act of 1954, as amended (68 Stat. 910, 72 Stat. 944), is amended by striking from the second sentence thereof "1962" and inserting in lieu thereof "1965".

TITLE II—AGRICULTURAL TRADE DEVELOPMENT

SEC. 201. Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended as follows:

(1) Section 101 is amended by adding at the end thereof a new subsection to read as follows:

"(f) obtain rates of exchange applicable to the sales of commodities under such agreements which are not less favorable than the rates at which United States Government agencies can buy currencies from the United States disbursing officers in the respective countries."

(2) Effective January 1, 1962, section 103 (b) is amended to read as follows:

"(b) Agreements shall not be entered into under this title during the period beginning January 1, 1962, and ending December 31, 1964, which will call for appropriations to reimburse the Commodity Credit Corporation in a total amount in excess of $4,500,000,000: *Provided*, That agreements shall not be entered into during any calendar year of such period which will call for appropriations to reimburse Commodity Credit Corporation in amounts in excess of $2,500,000,000."

(3) Section 104 is amended—

(a) by inserting after the words "foreign currencies" in the introductory clause, the following: ", including principal and interest from loan repayments," and

(b) by striking out in the final proviso in such section the language beginning with the words "for the purpose" and ending with the words "specified in" and inserting in lieu thereof the words "pursuant to".

(4) The first sentence of section 106 is amended by striking out "or may reasonably be expected to be" and inserting "at the time of exportation or donation".

(5) Section 109 is amended by striking out "1961" and substituting "1964".

SEC. 202. Title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended as follows:

(1) Section 203 is amended (a) by deleting the first sentence and substituting the following: "Programs of assistance shall not be undertaken under this title during any calendar year beginning January 1, 1961, and ending December 31, 1964, which call for appropriations of more than $300,000,000 to reimburse the Commodity Credit Corporation for all costs incurred in connection with such programs (including the Corporation's investment in commodities made available), plus any amount by which programs of assistance undertaken in the preceding calendar year have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than were authorized for such purpose during such preceding year by this title as in effect during such preceding year."; and (b) by deleting "such" the first time it appears in the second sentence.

(2) Section 204 is amended by striking out "1961" and substituting "1964".

SEC. 203. Title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended, is hereby amended as follows:

(1) Section 401 is amended by adding at the end thereof the following new sentence: "It is also the purpose of this title to stimulate and increase the sale of surplus agricultural commodities for dollars through long-term supply agreements and through the extension of credit for the purchase of such commodities where cash dollars are not available or where insistence on cash dollars would not be in the interest of the United States, thereby assisting the development of the economies of friendly nations and maximizing dollar trade."

(2) Section 403 is amended by deleting the words "in approximately equal annual amounts" in the last sentence thereof.

(3) Section 405 is amended by striking out "Secretary" and substituting "President".

(4) Section 406 is amended by inserting after the word "sections" the following: "101 (a), (b), (c), and (d),".

SEC. 204. In the conduct of foreign market development programs, the Secretary of Agriculture is authorized to credit contributions from individuals, firms, associations, agencies, and other groups, and the proceeds received from space rentals, and sales of products and materials at exhibitions, to the appropriations charged with the cost of acquiring such space, products, and materials.

TITLE III—AGRICULTURAL CREDIT

SEC. 301. (a) This title may be cited as the "Consolidated Farmers Home Administration Act of 1961."

(b) The Congress hereby finds that the statutory authority of the Secretary of Agriculture, hereinafter referred to in this title as the "Secretary," for making and insuring loans to farmers and ranchers should be revised and consolidated to provide for more effective credit services to farmers.

Subtitle A—Real estate loans

SEC. 302. The Secretary is authorized to make and insure loans under this subtitle to farmers and ranchers in the United States and in Puerto Rico and the Virgin Islands who (1) are citizens of the United States, (2) have a farm background and either training or farming experience which the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operations, (3) are or will become owner-operators of not larger than family farms, and (4) are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time.

SEC. 303. Loans may be made or insured under this subtitle for acquiring, enlarging, or improving farms, including farm buildings, land and water development, use and conservation, refinancing existing indebtedness, and for loan closing costs. In making or insuring loans for farm purchase, the Secretary shall give preference to persons who are married or have dependent families and, wherever practicable, to persons who are able to make initial downpayments, or who are owners of livestock and farm implements necessary successfully to carry on farming operations.

SEC. 304. Loans may also be made or insured under this subtitle to any farmowners or tenants without regard to the requirements of section 302 (1), (2), and (3) for the purposes only of land and water development, use and conservation.

SEC. 305. The Secretary shall make or insure no loan under sections 302, 303, and 304 which would cause (a) the unpaid indebtedness against the farm or other security at the time the loan is made to exceed the normal value of the farm or other security, or (b) the loan to exceed the amount certified by the county committee. In determining the normal value of the farm, the Secretary shall consider appraisals made by competent appraisers under rules established by the Secretary. Such appraisals shall take into consideration both the normal agricultural value and the normal market value of the farm.

SEC. 306. (a) The Secretary also is authorized to make or insure loans to associations, including corporations not operated for profit and public and quasi-public agencies, to provide for the application or establishment of soil conservation practices, the conservation, development, use and control of water, and the installation or improvement of drainage facilities all primarily for serving farmers, ranchers, farm tenants, farm laborers and rural residents, and to furnish financial assistance or other aid in planning projects for such purposes. No such loans shall be made or insured which would cause an association's unpaid principal indebtedness under this section and the Act of August 28, 1937, as amended, to exceed $1,000,000 at any one time.

(b) The service provided or made available through any such association shall not be curtailed or limited by inclusion of the area served by the association at the time boundaries of any municipal corporation or other public body, or by the granting of any private franchise for similar service within such area during the term of such loan; nor shall the happening of any such event be the basis of requiring such association to secure any franchise, license, or permit as a condition to continuing to serve the area served by the association at the time of the occurrence of such event.

SEC. 307. (a) The period for repayment of loans under this subtitle shall not exceed forty years. The Secretary shall from time to time establish the interest rate or rates at which loans for various purposes will be made or insured under this subtitle but not in excess of 5 per centum per annum. The borrower shall pay such fees and other charges as the Secretary may require.

(b) The Secretary shall take as security for the obligations entered into in connection with loans, mortgages on farms with respect to which such loans are made or such other security as the Secretary may require, and for obligations in connection with loans to associations under section 306, shall take liens on the facility or such other security as he may determine to be necessary. Such security instruments shall constitute liens running to the United States notwithstanding the fact that the notes may be held by lenders other than the United States.

SEC. 308. Loans under this subtitle may be insured by the Secretary, aggregating not more than $150,000,000 in any one year, whenever funds are advanced or a loan is purchased by a lender other than the United States. In connection with insurance of loans, the Secretary—

(a) is authorized to make agreements with respect to the servicing of loans insured hereunder and to purchase such loans on such terms and conditions as he may prescribe, except that no agreement shall provide for purchase by the Secretary at a date sooner than three years from the date of the note; and

(b) shall retain out of payments by the borrower a charge at a rate determined by the Secretary from time to time equivalent to not less than one-half of 1 per centum per annum on the principal unpaid balance of the loan.

Any contract of insurance executed by the Secretary under this subtitle shall be an obligation supported by the full faith and credit of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge.

SEC. 309. (a) The fund established pursuant to section 11(a) of the Bankhead-Jones Farm Tenant Act, as amended, shall hereafter be called the Agricultural Credit Insurance Fund and is hereinafter in this subtitle referred to as the "fund". The fund shall remain available as a revolving fund for the discharge of the obligations of the Secretary under agreements insuring loans under this subtitle and loans and mortgages insured under prior authority.

(b) Moneys in the fund not needed for current operations shall be deposited in the Treasury of the United States to the credit of the fund or invested in direct obligations of the United States or obligations guaranteed by the United States. The Secretary may purchase with money in the fund any notes issued by the Secretary to the Secretary of the Treasury for the purpose of obtaining money for the fund.

(c) The Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for discharging obligations under this section and for authorized expenditures out of the fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yield of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Secretary under this subtitle. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and, for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

(d) Notes and security acquired by the Secretary in connection with loans insured under this subtitle and under prior authority shall became a part of the fund. Notes may be held in the fund and collected in accordance with their terms or may be sold by the Secretary with or without agreements for insurance thereof at the balance due thereon, or on such other basis as the Secretary may determine from time to time. All net proceeds from such collections, including sales of notes or property, shall be deposited in and become a part of the fund.

(e) The Secretary shall deposit in the fund such portion of the charge collected in connection with the insurance of loans at least equal to a rate of one-half of 1 per centum per annum on the outstanding principal obligations and the remainder of such charge shall be available for administrative expenses of the Farmers Home Administration, to be transferred annually and become merged with any appropriation for administrative expenses.

(f) The Secretary may utilize the fund—

(1) to make loans which could be insured under this subtitle whenever the Secretary has reasonable assurance that they can be sold without undue delay, and may sell and insure such loans. The aggregate of the principal of such loans made and not disposed of shall not exceed $10,000,000 at any one time;

(2) to pay the interest to which the holder of the note is entitled on loans heretofore or hereafter insured accruing between the date of any prepayments made by the borrower and the date of transmittal of any such prepayments to the lender. In the discretion of the Secretary, prepayments other than final payments need not be remitted to the holder until the due date of the annual installment;

(3) to pay to the holder of the notes any defaulted installment or, upon assignment of the note to the Secretary at the Secretary's request, the entire balance due on the loan;

(4) to purchase notes in accordance with agreements previously entered into; and

(5) to pay taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application and transmittal of collections and other expenses and advances authorized in section 335(a) in connection with insured loans.

SEC. 310. The terms "farmowner" and "owner-operator" in this subtitle shall include the owner of such interest in real estate as will give the applicant the rights of possession, management, and control of the property sufficient to accomplish the objectives of the loan applied for and the right to encumber his interest as security.

Subtitle B—Operating loans

SEC. 311. The Secretary is authorized to make loans under this subtitle to farmers and ranchers in the United States and in Puerto Rico and the Virgin Islands who (1) are citizens of the United States, (2) have a farm background and training or farming experience which the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operation, (3) are or will become operators of not larger than family farms, and (4) are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time.

SEC. 312. Loans may be made under this subtitle for (1) paying costs incident to reorganizing the farming system for more profitable operation, (2) purchasing livestock, poultry, and farm equipment, (3) purchasing feed, seed, fertilizer, insecticides, and farm supplies and to meet other essential farm operating expenses including cash rent, (4) financing land and water development, use, and conservation, (5) refinancing existing indebtedness, (6) other farm and home needs including but not limited to family subsistence, and (7) for loan closing costs.

SEC. 313. The Secretary shall make no loan under this subtitle (1) which would cause the total principal indebtedness outstanding at any one time for loans made under this subtitle and under section 21 of the Bankhead-Jones Farm Tenant Act, as amended, to exceed $40,000: *Provided, however*, That not more than 25 per centum of the sums made available for loans under this subtitle may be used for loans which would cause such indebtedness of any borrower under said Acts to exceed $15,000, (2) for the purchasing or leasing of land other than for cash rent, or for carrying on any land leasing or land purchasing program, or (3) in excess of an amount certified by the county committee.

SEC. 314. The Secretary is authorized to participate in loans which could otherwise be made by the Secretary under this subtitle which are made by commercial banks, cooperative lending agencies, or other legally organized agricultural lending agencies up to 80 per centum of the amount of the loan.

SEC. 315. The Secretary shall make all loans under this subtitle at an interest rate not to exceed 5 per centum per annum, upon the full personal liability of the borrower and upon such security as the Secretary may prescribe. Such loans shall be payable in not more than seven years, but may be renewed for not more than five additional years.

Subtitle C—Emergency loans

SEC. 321. (a) The Secretary may designate any area in the United States and in Puerto

Rico and the Virgin Islands as an emergency area if he finds (1) that there exists in such area a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the Secretary is authorized to make under subtitle B or to make or insure under subtitle A of this title or any other Act of Congress), at reasonable rates and terms for loans for similar purposes and periods of time, and (2) that the need for such credit in such area is the result of a natural disaster.

(b) The Secretary is authorized to make loans in any such area (1) to established farmers or ranchers who are citizens of the United States and (2) to private domestic corporations or partnerships engaged primarily in farming or ranching provided they have experience and resources necessary to assure a reasonable prospect for successful operation with the assistance of such loan, and are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans of similar purposes and periods of time.

SEC. 322. Loans may be made under this subtitle for any of the purposes authorized for loans under subtitle A or B of this title.

SEC. 323. The Secretary shall make no loan under this subtitle in excess of an amount certified by the county committee.

SEC. 324. The Secretary shall make all loans under this subtitle at a rate of interest not in excess of 3 per centum per annum repayable at such times as the Secretary may determine, taking into account the purpose of the loan and the nature and effect of the emergency, but not later than provided for loans for similar purposes under subtitles A and B of this title, and upon the full personal liability of the borrower and upon such security as the Secretary may prescribe.

SEC. 325. The Secretary may make loans without regard to the designation of emergency areas under section 321(a) to persons or corporations (1) who have suffered severe production losses not general to the area or (2) who are indebted to the Secretary for loans under the Act of April 6, 1949, as amended, or the Act of August 31, 1954, as amended, to the extent necessary to permit the orderly repayment or liquidation of said prior indebtedness.

SEC. 326. The Secretary is authorized to utilize the revolving fund created by section 84 of the Farm Credit Act of 1933, as amended (hereinafter in this subtitle referred to as the "Emergency Credit Revolving Fund"), for carrying out the purposes of this subtitle.

SEC. 327. (a) All sums received by the Secretary from the liquidation of loans made under the provisions of this subtitle or under the Act of April 6, 1949, as amended, or the Act of August 31, 1954, and from the liquidation of any other assets acquired with money from the Emergency Credit Revolving Fund shall be added to and become a part of such fund.

(b) There are authorized to be appropriated to the Emergency Credit Revolving Fund such additional sums as the Congress shall from time to time determine to be necessary.

Subtitle D—Administrative provisions

SEC. 331. For the purposes of this title and for the administration of assets under the jurisdiction of the Secretary of Agriculture pursuant to the Farmers Home Administration Act of 1946, as amended, the Bankhead-Jones Farm Tenant Act, as amended, the Act of August 28, 1937, as amended, the Act of April 6, 1949, as amended, the Act of August 31, 1954, as amended, and the powers and duties of the Secretary under any other Act authorizing agricultural credit, the Secretary may assign and transfer such powers, duties, and assets to the Farmers Home Administration, to be headed by an Administrator, appointed by the President, by and with the advice and consent of the Senate, without regard to the civil service laws or the Classification Act of 1949, as amended, who shall receive basic compensation as provided by law for that office.

The Secretary may—

(a) administer his powers and duties through such national, area, State, or local offices and employees in the United States and in Puerto Rico and the Virgin Islands as he determines to be necessary and may authorize an office to serve the area composed of two or more States if he determines that the volume of business in the area is not sufficient to justify separate State offices;

(b) accept and utilize voluntary and uncompensated services, and, with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, territory, or political subdivision;

(c) within the limits of appropriations made therefor, make necessary expenditures for purchase or hire of passenger vehicles, printing and binding without regard to the Act of January 12, 1895, as amended, and such other facilities and services as he may from time to time find necessary for the proper administration of this Act;

(d) compromise, adjust, or reduce claims and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into or administered by the Farmers Home Administration under any of its programs, as circumstances may require, but compromises, adjustments, or reductions of claims of $15,000 or more shall not be made without the approval of the Administrator: *Provided, however,* That—

(1) compromise, adjustment, or reduction of claims shall be based on the value of the security and a determination by the Secretary of the debtor's reasonable ability to pay considering his other assets and income at the time of the action and with or without the payment of any consideration at the time of such adjustment or reduction;

(2) releases from personal liability may also be made with or without payment of any consideration at the time of adjustment of claims against—

(A) borrowers who have transferred the security property to approved applicants under agreements assuming the outstanding secured indebtedness;

(B) borrowers who have transferred the security property to approved applicants under agreements assuming that portion of the secured indebtedness equal to the current market value of the security property or transferred the security property to the Secretary;

(C) borrowers who have transferred the security property to other than approved applicants under agreements assuming the full amount of or that portion of the secured indebtedness equal to the current market value of the security property on terms not to exceed five annual installments with interest on the unpaid balance at a rate determined by the Secretary; and

(D) borrowers who transfer security property under subparagraphs (B) and (C) above for amounts less than the indebtedness secured thereby may be released from personal liability only on a determination by the Secretary that each such borrower has no reasonable debt-paying ability considering his assets and income at the time of the transfer and the county committee certifies that the borrower has cooperated in good faith, used due diligence to maintain the security property against loss, and has otherwise fulfilled the covenants incident to his loan to the best of his ability.

(3) no compromise, adjustment, or reduction of claims shall be made upon terms more favorable than recommended by the appropriate county committee utilized pursuant to section 332 of this title; and

(4) any claim which has been due and payable for five years or more, and where the debtor has no assets or no apparent future debt-paying ability from which the claim could be collected, or is deceased and has left no estate, or has been absent from his last known address for a period of at least five years, has no known assets, and his whereabouts cannot be ascertained without undue expense, may be charged off or released by the Secretary upon a report and favorable recommendation of the county committee and of the employee having charge of the claim, and any claim involving a principal balance of $150 or less may be charged off or released whenever it appears to the Secretary that further collection efforts would be ineffectual or likely to prove uneconomical; and

(5) partial releases and subordination of mortgages may be granted either where the secured indebtedness remaining after the transaction will be adequately secured or the security interest of the Secretary will not be adversely affected, and the transaction and use of proceeds will further the purposes for which the loan was made, improve the borrower's debt-paying ability, permit payments on indebtedness owed to or insured by the Secretary, or permit payment of reasonable costs and expenses incident to the transaction, including taxes incident to or resulting from the transaction which the borrower is unable to pay from other sources:

Provided further, That no such compromise, adjustment, or reduction shall be made hereunder after the claim has been referred to the Attorney General.

(e) collect all claims and obligations arising or administered under this title, or under any mortgage, lease, contract, or agreement entered into or administered pursuant to this title and, if in his judgment necessary and advisable, pursue the same to final collection in any court having jurisdiction.

SEC. 332. (a) The Secretary is authorized and directed to appoint in each county or area in which activities are carried on under this title, a county committee composed of three individuals residing in the county or area, at least two of whom at the time of appointment shall be farmers deriving the principal part of their income from farming. Committee appointments shall be for a term of three years except that the first appointments for any new committee shall be for one-, two-, and three-year periods, respectively, so as to provide continuity of committee membership. The Secretary may appoint alternate committeemen. The members of the committee and their alternates shall be removable for cause by the Secretary.

(b) The rates of compensation, the number of days per month each member may be paid, and the amount to be allowed for necessary travel and subsistence expenses, shall be determined and paid by the Secretary.

(c) The committee shall meet on the call of the chairman elected by the committee or on the call of such other person as the Secretary may designate. Two members of the committee shall constitute a quorum. The Secretary shall prescribe rules governing the procedure of the committees and their duties, furnish forms and equipment necessary, and authorize and provide for the compensation of such clerical assistance as he finds may be required by any committee.

SEC. 333. In connection with loans made or insured under this title, the Secretary shall require—

(a) the applicant to certify in writing that he is unable to obtain sufficient credit elsewhere to finance his actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates

and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time;

(b) except for loans under sections 306 and 321(b)(2), the county committee to certify in writing that the applicant meets the eligibility requirements for the loan, and has the character, industry, and ability to carry out the proposed farming operations, and will, in the opinion of the committee, honestly endeavor to carry out his undertakings and obligations; and for loans under sections 306 and 321(b)(2), the Secretary shall require the recommendation of the county committee as to the making or insuring of the loan;

(c) an agreement by the borrower that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source, at reasonable rates and terms for loans for similar purposes and periods of time, the borrower will, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary or the insured lender, or both, and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan;

(d) such provision for supervision of the borrower's operations as the Secretary shall deem necessary to achieve the objectives of the loan and protect the interests of the United States; and

(e) the applications of veterans for loans under subtitle A or B of this title to be given preference over similar applications of nonveterans on file in any county or area office at the same time. Veterans as used herein shall mean persons who served in the Armed Forces of the United States during any war between the United States and any other nation or during the Korean conflict and who were discharged or released therefrom under conditions other than dishonorable.

SEC. 334. All property subject to a lien held by the United States or the title to which is acquired or held by the Secretary under this title other than property used for administrative purposes, shall be subject to taxation by State, territory, district, and local political subdivisions in the same manner and to the same extent as other property is taxed: *Provided, however,* That no tax shall be imposed or collected on or with respect to any instrument if the tax is based on—

(1) the value of any notes or mortgages or other lien instruments held by or transferred to the Secretary;

(2) any notes or lien instruments administered under this title which are made, assigned, or held by a person otherwise liable for such tax; or

(3) the value of any property conveyed or transferred to the Secretary,

whether as a tax on the instrument, the privilege of conveying or transferring or the recordation thereof; nor shall the failure to pay or collect any such tax be a ground for refusal to record or file such instruments, or for failure to impart notice, or prevent the enforcement of its provisions in any State or Federal court.

SEC. 335. (a) The Secretary is authorized and empowered to make advances, without regard to any loan or total indebtedness limitation, to preserve and protect the security for or the lien or priority of the lien securing any loan or other indebtedness owing to, insured by, or acquired by the Secretary under this title or under any other programs administered by the Farmers Home Administration; to bid for and purchase at any execution, foreclosure, or other sale or otherwise to acquire property upon which the United States has a lien by reason of a judgment or execution arising from, or which is pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of, any such indebtedness whether or not such property is subject to other liens, to accept title to any property so purchased or acquired; and to sell, manage, or otherwise dispose of such property as hereinafter provided.

(b) Real property administered under the provisions of this title may be operated or leased by the Secretary for such period or periods as the Secretary may deem necessary to protect the Government's investment therein.

(c) The Secretary may determine whether real property administered under this title is suitable for disposition to persons eligible for assistance under subtitle A. Any property which the Secretary determines to be suitable for such purposes shall, whenever practicable, be sold by the Secretary as expeditiously as possible to such eligible persons in a manner consistent with the provisions of subtitle A hereof. Real property which is not determined suitable for sale to such eligible persons or which has not been purchased by such persons within a period of three years from the date of acquisition, shall be sold by the Secretary after public notice at public sale and, if no acceptable bid is received then by negotiated sale, at the best price obtainable for cash or on secured credit without regard to the laws governing the disposition of excess or surplus property of the United States. The terms of such sale shall require an initial downpayment of at least 20 per centum and the remainder of the sales price payable in not more than five annual installments with interest on unpaid balance at the rate determined by the Secretary. Any conveyances under this section shall include all of the interest of the United States, including mineral rights.

(d) With respect to any real property administered under this title, the Secretary is authorized to grant or sell easements or rights-of-way for roads, utilities, and other appurtenances not inconsistent with the public interest. With respect to any rights-of-way over land on which the United States has a lien administered under this title, the Secretary may release said lien upon payment to the United States of adequate consideration, and the interest of the United States arising under any such lien may be acquired for highway purposes by any State or political subdivision thereof in condemnation proceedings under State law by service by certified mail upon the United States attorney for the district, the State Director of the Farmers Home Administration for the State in which the farm is located, and the Attorney General of the United States: *Provided, however,* That the United States shall not be required to appear, answer, or respond to any notice or writ sooner than ninety days from the time such notice or writ is returnable or purports to be effective, and the taking or vesting of title to the interest of the United States shall not become final under any proceeding, order, or decree until adequate compensation and damages have been finally determined and paid to the United States or into the registry of the court.

SEC. 336. No officer, attorney, or other employee of the Secretary shall, directly or indirectly, be the beneficiary of or receive any fee, commission, gift, or other consideration for or in connection with any transaction or business under this title other than such salary, fee, or other compensation as he may receive as such officer, attorney, or employee. No member of a county committee shall knowingly make or join in making any certification with respect to a loan to purchase any land in which he or any person related to him within the second degree of consanguinity or affinity has or may acquire any interest or with respect to any applicant related to him within the second degree of consanguinity or affinity. Any persons violating any provision of this section shall, upon conviction thereof, be punished by a fine of not more than $2,000 or imprisonment for not more than two years, or both.

SEC. 337. The Secretary may provide voluntary debt adjustment assistance between farmers and their creditors and may cooperate with State, territorial, and local agencies and committees engaged in such debt adjustment, and may give credit counseling.

SEC. 338. (a) There is authorized to be appropriated to the Secretary such sums as the Congress may from time to time determine to be necessary to enable the Secretary to carry out the purposes of this title and for the administration of assets transferred to the Farmers Home Administration.

(b) When authorized by Congress, the Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds in such amounts as the Congress may approve annually for making direct loans under this title. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yields of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Secretary under this title. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and for that purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

(c) The appropriations for loans made under the authority of subsection (a) and funds obtained in accordance with subsection (b) of this section, and the unexpended balances of any funds made available for loans under the item "Farmers Home Administration" in the Department of Agriculture Appropriation Acts current on the date of enactment of this title, shall be merged into a single account known as the "Farmers Home Administration direct loan account", hereafter in this section called the "direct loan account". All claims, notes, mortgages, property, including those now held by the Secretary on behalf of the Secretary of the Treasury, and all collections therefrom, made or held under the direct loan provisions of (1) titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, as amended; (2) the Farmers Home Administration Act of 1946, as amended, except the assets of the rural rehabilitation corporations; (3) the Act of August 28, 1937 (50 Stat. 869), as amended; (4) the item "Loans to Farmers—1948 Flood Damage" in the Act of June 25, 1948 (62 Stat. 1038); (5) the item "Loans to Farmers (Property Damage)" in the Act of May 24, 1949 (63 Stat. 82); (6) the Act of September 6, 1950 (64 Stat. 769); (7) the Act of July 11, 1956 (70 Stat. 525); and (8) under this title shall be held for and deposited in said account.

The notes of the Secretary issued to the Secretary of the Treasury under said Acts or under this title and all other liabilities against the appropriations or assets in the direct loan account shall be liabilities of said account, and all other obligations against such appropriations or assets shall be obligations of said account. Moneys in the direct loan account shall also be available for interest and principal repayments on notes

issued by the Secretary to the Secretary of the Treasury. Otherwise, the balances in said account shall remain available to the Secretary for direct loans under subtitles A and B of this title, and for advances in connection therewith, not to exceed any existing appropriation or authorization limitations and in such further amounts as the Congress from time to time determines in appropriation Acts. The amounts so authorized for loans and advances shall remain available until expended. Subject to the foregoing limitations, the use of collections deposited in the account may be authorized by the Congress in lieu or partially in lieu of authorizing the issuing of additional notes by the Secretary to the Secretary of the Treasury, and the account shall be budgeted on a net expenditure basis.

(d) The Secretary may sell and assign any notes and mortgages in the direct loan account with the consent of the borrower or without such consent when the borrower has failed to comply with his agreement to refinance the indebtedness at the request of the Secretary. Such loans may be sold at the balance due thereon or on such other basis as the Secretary may determine from time to time.

(e) At least 25 per centum of the sums authorized in any fiscal year for direct loans to individuals to be made by the Secretary under subtitle A of this title shall be allocated equitably among the several States and territories on the basis of farm population and the prevalence of tenancy, as determined by the Secretary.

SEC. 339. The Secretary is authorized to make such rules and regulations, prescribe the terms and conditions for making or insuring loans, security instruments and agreements, except as otherwise specified herein, and make such delegations of authority as he deems necessary to carry out this title.

SEC. 340. The President may at any time in his discretion transfer to the Secretary any right, interest, or title held by the United States in any lands acquired in the program of national defense and no longer needed therefor, which the President shall find suitable for the purposes of this title, and the Secretary shall dispose of such lands in the manner and subject to the terms and conditions of the title.

SEC. 341. (a) Reference to any provisions of the Bankhead-Jones Farm Tenant Act or the Act of August 28, 1937 (50 Stat. 869), as amended, superseded by any provision of this title shall be construed as referring to the appropriate provision of this title. Titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, as amended, and the Act of August 28, 1937 (50 Stat. 869), as amended, the Act of April 6, 1949 (63 Stat. 43), as amended, and the Act of August 31, 1954 (68 Stat. 999), as amended, are hereby repealed effective one hundred and twenty days after enactment hereof, or such earlier date as the provisions of this title are made effective by the Secretary's regulations. The foregoing provisions shall not have the effect of repealing the amendments to section 24, chapter 6 of the Federal Reserve Act, as amended, section 5200 of the Revised Statutes, section 35 of chapter III of the Act approved June 19, 1934 (D.C. Code, title 35, section 535), enacted by section 15 of the Bankhead-Jones Farm Tenant Act, as amended, and by section 10(f) of the Act of August 28, 1937 (50 Stat. 869), as amended.

(b) The repeal of any provision of law by this title shall not—

(1) affect the validity of any action taken or obligation entered into pursuant to the authority of any of said Acts, or

(2) prejudice the application of any person with respect to receiving assistance under the provisions of this title, solely because such person is obligated to the Secretary under authorization contained in any such repealed provision.

(c) If any provision of this title or the application thereof to any person or circumstance is held invalid, the remainder of the title and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 342. Title III of the Bankhead-Jones Farm Tenant Act, as amended, is further amended by the following new section 35:

"SEC. 35. The provisions of this title shall extend to Puerto Rico and the Virgin Islands. In the case of Alaska, Puerto Rico, and the Virgin Islands, the term 'county' as used in this title may be the entire area, or any subdivision thereof as may be determined by the Secretary, and payments under section 33 of this title shall be made to the Governor or to the fiscal agent of such subdivision."

TITLE IV—GENERAL

SEC. 401. (a) Congress hereby reaffirms, consistent with the policy embodied in the Capper-Volstead Act, the Cooperative Marketing Act of 1926, the Agricultural Marketing Act of 1929, as amended, the Farm Credit Act of 1933, as amended, and related legislation, the national policy of aiding and encouraging the organization, operation, and sound growth of farmer cooperatives to the end that the farmers of the Nation may through group action conduct their business operations effectively to obtain a fair share of the Nation's income.

(b) Two or more cooperative associations, as defined in the Agricultural Marketing Act of 1929, as amended, may act jointly in a federation of such cooperative associations, or through agencies in common, in performing those acts which farmers acting together in one such association may lawfully perform.

(c) The Capper-Volstead Act is hereby amended by adding the following paragraph at the end of section 1 thereof:

"Any such association or federation of such associations may, in addition to the rights otherwise conferred by law, acquire directly or indirectly the whole or any part of the assets, stock or other share capital of any other such association or any corporation engaged in the same or a related kind of commerce or may merge or consolidate with any other such association or any such corporation, subject to the terms, limitations, and procedures set forth in section 2 hereof, and in addition thereto, the Secretary may require divestiture of the assets, stock or other share capital, held in violation of this Act, if any there be, in such manner and within such time as he may prescribe."

SEC. 402. Section 16 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by changing the third sentence of paragraph (1) of subsection (b) to read as follows: "Such contracts may be entered into during the period ending not later than December 31, 1971, with respect to farms and ranches in counties in the Great Plains area of the States of Colorado, Kansas, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming, designated by the Secretary as susceptible to serious wind erosion by reason of their soil types, terrain and climatic and other factors."

SENATOR JENNINGS RANDOLPH ANNOUNCES CONTINUING SUPPORT FOR HANFORD, WASH., REACTOR PROJECT AND FOR COAL RESEARCH STUDY BY ATOMIC ENERGY COMMISSION

Mr. RANDOLPH. Mr. President, a copy of a statement for the press, issued Friday, July 21, 1961, by Stephen F. Dunn, president of the National Coal Association, announcing that organization's "unequivocal opposition to the $95 million project to produce electric energy for commercial use at the Hanford, Wash., nuclear reactor," has been received by me. I have been asked to comment, and I do so as follows:

Mr. Dunn's release points out that the National Coal Association position was made clear in what he calls "the wake of press reports that the coal industry had agreed to support the reactor project in return for Senate approval of a $5 million program to use atomic energy in coal research."

Then the NCA president was quoted as having declared that his organization "had no connection with the research amendment and, in fact, had no knowledge of it before it was proposed on the Senate floor."

Mr. President, I vouch for the veracity of Mr. Dunn's statement in this respect, insofar as my personal knowledge is concerned. I sponsored the Senate amendment to the Atomic Energy Commission authorization bill, which included in that measure the $5 million item for coal research and development under the AEC program. My West Virginia colleague [Mr. BYRD], and the Senator from Pennsylvania [Mr. CLARK], joined as cosponsors of the amendment. I did not discuss the amendment with Mr. Dunn or any other officer or representative of the National Coal Association prior to or after it was adopted in the Senate.

The further fact is that I did not at any time discuss the Atomic Energy Commission authorization measure or any of its provisions, including that for the Hanford, Wash., project, with Mr. Dunn or any of his associates in the National Coal Association. Therefore, insofar as I am concerned, I can also verify the factuality of Mr. Dunn's further declaration in his news release that "the National Coal Association has, to this point, taken no public position on the Hanford proposal, although many of its members have expressed opposition to it in communications to Members of Congress." But I must add in this connection that only two communications were received by me from coal producers who are presumed to be members of the National Coal Association. Those two individuals expressed their opposition to the Hanford item in the AEC authorization bill.

Mr. Dunn also is quoted in the news release from his office as having said:

> In the light of the implications, however, that our organization and its members have been involved in some kind of a barter arrangement, I want to make it perfectly clear that we are unequivocally opposed to the production of electrical energy for commercial use at the Hanford, Wash., plant.

Having been the principal sponsor of the amendment adding the $5 million coal research item to the Atomic Energy Commission authorization legislation, I am the person who can best answer the question as to whether or not there was "a barter arrangement" allegedly involving my vote and others for the Hanford project item to the bill, presumably in exchange for approval of the coal research item.

I state emphatically that there was no "barter arrangement." I announced my support of the Hanford project on its merits and without any reservations or commitments involving any other item in the AEC authorization bill or any other legislative measure. By the same token, I offered the amendment to add the $5 million coal research project to the AEC authorization bill on its merits, without relationship to any other legislative consideration.

My position favoring the Hanford project is a firm one, which I reached after careful study of all factors and considerations. The National Coal Association is entitled to state its opposition to that project, but I declare that Mr. Dunn's statement of the National Coal Association's opposition does not alter my position of support for both the Hanford and coal research items in the AEC authorization bill, or for each of these items on an individual basis.

I note with interest that Mr. Dunn does not make any claim in his statement that the Hanford project would do violence to the coal industry. He said, however, that it is the National Coal Association's "belief that the private utility industry is capable of meeting the future energy requirements of all sections of this country, including the Pacific Northwest." He and his fellow officers and the members of NCA are entitled to that view, and I have no quarrel with it.

I make clear, nevertheless, that I do not consider the question of whether or not the Hanford project should be expanded to add electric energy production equipment to the atomic reactor to be one which involves the issue of public versus private power. Nor, in my opinion, does it involve the matter of the vital interests of the coal industry versus public power. Rather, I declare that the primary consideration, in my view, involves public policy on the question of whether or not approximately 11 million pounds of steam per hour to be produced by the nuclear reactor shall be wasted or used to produce electric energy for the future needs of the northwest region of our country. I stand with those who oppose the wasteful nonuse of this heat.

The National Coal Association now has taken publicly a position with the private power interests advocating that no public funds be authorized to add equipment to the Hanford reactor which would produce electricity from the reactor heat. They say, in essence, let this heat go to waste—let this steam be blown off as surplus to the needs of the economy and the national growth. Frankly, I do not agree with such a philosophy.

In the last paragraph of his statement, Mr. Dunn pointed out:

> As far as coal industry research is concerned, the Congress last year created the Office of Coal Research in the Department of the Interior to correlate short-term research activities affecting the coal industry.

He added:

> Congress has wisely appropriated funds for this office, and we are encouraged by the progress made to date. Also, the Bureau of Mines in the Interior Department is engaged in long-range research projects with which the coal industry is in sympathy.

I am aware of the developments as they relate to coal research under the jurisdiction of the Department of the Interior. No one in Congress has worked any harder than have I to help bring them about during more than a quarter-century. I share Mr. Dunn's appreciation of Interior Department progress in this field, but I am thoroughly amazed to read this concluding sentence of his pronouncement on behalf of the National Coal Association:

> Desirable as such a research program as that proposed in the Senate may be, we recommend that the atomic coal research program be deleted from the legislation and considered by the Congress on its merit when appropriate.

Mr. Dunn was referring, of course, to the Senate approval of our amendment adding $5 million to the AEC authorization bill for what he terms "atomic coal research," which we believe to be absolutely necessary to complement certain aspects of coal research going on under Department of the Interior auspices.

I make this inquiry: When would be a more appropriate time than during congressional consideration of a bill to authorize appropriations for the program of the Atomic Energy Commission to give attention to the inclusion of a project for "atomic coal research"?

Mr. Dunn suggests that such "atomic coal research" may be desirable; yet he recommends striking it from the bill. I am truly amazed that such a recommendation should come from the head of an association representing the coal industry—an industry which needs the maximum in research and development and which cannot finance such a program within the industry because of shrinking profits and a prevailing degree of economic debilitation.

I do not consider the National Coal Association's recommendation for deletion of the coal research item from the AEC authorization bill to be wise, appropriate, or timely advice. I will continue to advocate retention of this item in the measure by the Senate-House conference committee and by the Congress. Let it be clearly understood, too, that I will continue to support the Hanford project on its merits. I am not a party to any barter arrangement linking together coal research and authorization for electric power production from nuclear reactor heat at the Hanford project. Insofar as I am concerned, each item stands on its own position of validity—and I consider each to be valid and in the public interest.

Mr. President, in addition to having received Mr. Dunn's statement for the National Coal Association, I received last week communications from the presidents of the three United Mine Workers of America districts in West Virginia concerning these same matters.

I ask unanimous consent at this point in my remarks to have printed in the RECORD my response to Raymond O. Lewis, of UMWA District No. 17, which also embraces my replies to telegrams received from George J. Titler, of UMWA District No. 29, and C. J. Urbaniak, of District No. 31.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., July 24, 1961.

Mr. R. O. LEWIS,
President, District No. 17,
United Mine Workers of America,
Charleston, W. Va.

DEAR RAYMOND: Thanks for your letter of July 19, 1961, in which you express "a considerable feeling of disappointment" concerning my action "in speaking and voting in behalf of the construction of an atomic reactor for the generation of electric power at the Hanford, Wash., plant."

I appreciate the opportunity your communication affords me to discuss this subject. In addition to this letter I am forwarding the edition of the CONGRESSIONAL RECORD containing a complete account of Senate debate on the issue, including my remarks. It is my hope that you will study both sides of the debate carefully.

Thank you for the expression in the last paragraph of your letter in which you credit me with having voted my honest convictions on this question. Be assured you are correct. Please know, too, that I arrived at the views which I stated to the Senate and the vote which I cast on the issue after a most searching inquiry and careful study of both the debate in the House and the report of the Joint Atomic Energy Committee, including the separate views of the minority. Frankly, I know of few issues that I have studied more intently. I am convinced mine was an action in the best public interest overall and without damage to the coal industry.

Your letter of July 19, is, of course, an after-the-fact statement of objection to my vote in the Senate against the amendment to delete the $95 million authorization for an appropriation to add dual-purpose conversion equipment to the atomic reactor at Hanford, Wash. Your communication arrived July 20.

Also on July 20, after the Senate had already voted on the issue 2 days earlier, I received the following telegrams from George J. Titler, president of UMWA District 31:

BECKLEY, W. VA.

Senator JENNINGS RANDOLPH,
New Senate Office Building,
Washington, D.C.:

We hope you will oppose the restoration of project 62–A–6 when H.R. 7576 comes before the Senate as it will be detrimental to the depressed mining areas by removing 2 million tons of coal per year from our home market at a fabulous cost to the taxpayers. There are many other objections too numerous to mention in a telegram.

GEORGE J. TITLER,
President, District 29, UMWA.

FAIRMONT, W. VA.

Hon. JENNINGS RANDOLPH,
Senate Office Building,
Washington, D.C.:

The officers and members of District No. 31, United Mine Workers of America, oppose the restoration of project 62–A–6 when H.R. 7576 comes before the Senate. The restoration of this project will eliminate the consumption of well over 2 million tons of coal per year. Your support to oppose would be greatly appreciated.

C. J. URBANIAK,
President, District No. 31, UMWA.

It is pertinent that I state for the record the fact that prior to the Senate action July 18, 1961, on the Atomic Energy Commission authorization bill I did not receive from any State or national officer, representative, or member of the United Mine Workers of America a single word of representation concerning the Hanford reactor issue. By the same token, I did not receive a word of protest or

a statement of position from any officer or representative of the State or National Coal Association.

In fact, before the matter came before the Senate on July 18, I received only two telegrams from two individuals connected with the coal industry stating opposition to the Hanford authorization, and I had additional correspondence from only one other person on this issue—an officer of a private power company who expressed opposition. This is the extent of constituent advice I received on the subject prior to the debate and voting in the Senate.

Although my speech during debate on July 18, as printed in the CONGRESSIONAL RECORD of that date, covers in some degree the major points of objection stated in your letter of July 19, and in the July 20 telegrams of Mr. Titler and Mr. Urbaniak, I will make specific answer to questions raised in your communication and those of the presidents of districts 29 and 31.

No one has presented for my edification what I consider to be unassailable evidence that converting the waste heat from the reactor at Hanford, Wash., to electricity through a generating system will be detrimental to the depressed mining areas. And it is doubtful hypothesis, not fact, to speak of the Hanford project as being one which would "remove 2 million tons of coal per year from our home market at a fabulous cost to the taxpayers." (This quote is from Mr. Titler's telegram.) Mr. Urbaniak phrased it another way by stating in his message that "restoration of this (Hanford) project will eliminate the consumption of well over 2 million tons of coal per year."

In the first place the heat which would be channeled through the proposed system to produce electricity would come from an atomic reactor the prime purpose of which is the production of plutonium. Coal is not and never would be involved in operating the reactor. Its heat comes from the reaction of fissionable material.

What the coal mining opponents of the dual-purpose converter are saying is that the heat from the reactor should not be conserved or used for any purpose. The assumption seems to be that if this byproduct heat from the reactor is not run through a generating system to produce electricity for the Northwest area there will be a vast market for coal—at least 2 million tons—to generate new heat to produce an equivalent amount of electricity for the same Northwest area. This is indeed hypothesis which does not square with the realistic fact that even the private power companies in the area are building hydro generating plants—not steam facilities. Where, then is the market for coal in connection with the Northwest electricity generating industry? How can we say that coal has been displaced when it has not been in the picture in that area and faces little likelihood of being in that market as long as there is a plentiful supply of water there for both public and private power production purposes?

Not only is water for hydroelectric purposes available in abundance in the Northwest, but, also, they would have in that area—in the Hanford reactor project—a tremendous amount of heat available. Many of us believe it should be conserved and used—not wasted, because there is no contribution to national growth inherent in profligate and reckless waste of any resource or its usable byproducts.

There is clear evidence in the testimony on the bill and the project about which you and your associates complain that, contrary to your view, the provision of a dual-purpose converter for the atomic reactor will, over the long range, contribute appreciably to nuclear technology.

Concerning the assumption you state that "its high initial cost and the fact that so long as it remains in operation it will necessarily be heavily subsidized by tax money," I must assert that, in my opinion, the proponents of the project effectively exploded that same argument set forth in the separate views of the Joint Atomic Committee minority which you seem to have embraced. The fact is that there is sound reason to predict the dual-purpose converter will be a good financial investment of public tax dollars which will pay out within a reasonable period of time and not be perpetually "subsidized by tax money," as you state.

Then you expressed the belief that "in addition it will contribute to the already burdensome unemployment problem existing throughout the coal producing areas of the United States." For reasons already explained, namely, that coal—through use for steam production—is not now competitive in the Northwest region and faces very little likelihood of being competitive in the future in that region where both public and private power projects and companies produce almost 100 percent of the region's electricity needs in hydroplants, I cannot associate myself with the thinking that the Hanford project "will contribute to the already burdensome unemployment problem existing throughout the coal areas of the United States." If I had any reason to believe we would overcome unemployment in any substantial degree in the coal fields by refusing to authorize the dual-purpose converter in connection with the atomic reactor at Hanford, I certainly would not support the dual-purpose project.

You further state in your letter that "while the construction of coal burning facilities in the Hanford powerplant would not affect the West Virginia coal industry it most certainly would have a beneficial effect upon the coal industry in the Far West." And you add: "The installation of a coal burning unit at the Hanford plant would, in my opinion, have meant much more to the welfare of the Nation and to the coal industry as a whole than will the $5 million furnished the AEC for experimental research in the use of coal."

My answer is that there is misunderstanding of the whole Hanford project when you write about "the construction of coal burning facilities in the Hanford powerplant."

The project is not to authorize installation of facilities to create new or additional steam heat. The fact is that the reactor is to produce an excess of heat—vast quantities of it from fissionable materials. It would be wasted if not converted to electricity through power generators.

Hence, to build a steam generating plant at Hanford adjacent to or near an atomic reactor which is to produce heat enough, in the making of plutonium, to generate 700,000 kilowatts of power would be as logical as "carrying coals to New Castle."

Bear in mind, too, that even the private power companies in our Appalachian bituminous coal region are building and/or planning combination steam-hydro generating plants—such as the Appalachian Electric Power Co.'s Roanoake River project.

I have cited conditions which those of us from coal producing areas must face as realities. In this connection, as a Senator with an abiding interest in the objective of seeing that everything is done that can be achieved to improve the position of the coal industry and those who are employed in it, one of my responsibilities is to measure on both a day-by-day and long-term basis the attitudes and degree of understanding of our problems by my colleagues on Capitol Hill. The fruits of these evaluations are the measures we are able to have enacted by the Congress. It was a privilege for me to have sponsored, along with Senator ROBERT C. BYRD and Senator JOSEPH S. CLARK of Pennsylvania, the amendment to the Atomic Energy Commission authorization bill which provides in the Senate version for an additional $5 million research and development project by the AEC, probably in cooperation with the Interior Department's Office of Coal Research, to further the objectives of finding new uses for coal. I am sorry that you seem to deprecate the merit and value of such an authorization but, consistent with my convictions concerning the validity of expanding coal research, I shall continue my efforts to have this $5 million authorization included in the measure at final enactment, and I shall work for the actual appropriation for this item in subsequent legislation.

Your concluding remark expressing your "disappointment of the action of a Senator from the largest bituminous coal producing State in the Union in voting against the interests of the coal industry" represents a right which any constituent has to form and state an opinion. But I do not agree that I voted against the interests of the coal industry, and I believe that time and events will prove that I am correct.

Sincerely yours,

JENNINGS RANDOLPH.

Mr. RANDOLPH. Mr. President, I ask also for unanimous consent to have printed in the RECORD another cogent editorial on the subject from the July 21, 1961, the Evening Star, Washington, D.C., entitled "Why Throw It Away?"

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHY THROW IT AWAY?

The Senate has done a good day's work in voting, 54 to 36, in favor of equipping the great new reactor at Hanford, Wash., for peaceful as well as military purposes. This conflicts with last week's 176 to 140 House decision to restrict the facility solely to the production of plutonium for weapons.

Accordingly, what must be hoped for now is a conference agreement under which the House will permit completion of the project. For the project, as recommended by a solid majority of the Joint Congressional Atomic Committee, makes indisputable sense on its face. Calling for an expenditure of $95 million—a self-liquidating investment that would cost the taxpayers nothing, according to its advocates—the undertaking would harness and convert into electricity the tremendous quantity of heat that the reactor will generate in the process of producing plutonium.

Indeed, this heat will be so great (estimated as the equivalent of 11 million pounds of steam per hour) that the Hanford reactor, if converted into a dual-purpose facility, will be capable of producing between 700,000 and 800,000 kilowatt-hours of electricity for commercial operations. Such a plant, if the House reconsiders its shortsightedness and goes along with the Senate, would dwarf all other nonmilitary atomic power facilities, now existing in the world. True, as its advocates acknowledge, it would not advance nuclear technology in an appreciable degree, but it would nevertheless be a facility of more than passing significance—which is why past and present members of the Atomic Energy Commission, including former Chairman John McCone, vigorously support the idea.

The opponents of the project, of course, have put forward many arguments, and some of the arguments are arresting enough to command attention for a while. However, the more one delves into this rather intricate and complex business, the more convinced one feels that men like Senator JACKSON are altogether right in speaking as follows: "The real question at Hanford is whether in the name of false ideology, we are going to waste this steam. I am astounded at the argument that it would be better to waste this steam than to convert it into

kilowatts. Our Nation is not so wealthy, and never has been so wealthy, that it can afford international waste."

This is a viewpoint, it seems to us, that adds up to much more commonsense than the opposition's contention that a dual-purpose Hanford reactor would be a dangerous socialistic encroachment on private enterprise. After all, why throw away all that tremendous potential power? Why not harness it? And why suggest that such action would be a menace to our free way of life?

BERLIN

Mr. YOUNG of Ohio. Mr. President, President Kennedy has stated that the United States will accept no change in the status of East Germany which would jeopardize the freedom and independence of West Berlin.

In rejecting Khrushchev's demands, our President has declared that the United States cannot be intimidated or bullied by the Soviet dictators into surrendering one iota of the free world to Communist domination.

Mr. President, Berlin must be defended and remain a part of the free world. Not 1 inch should be yielded to Khrushchev. How we react to his threats, which have precipitated the gravest crisis since World War II, will largely determine not only our future but also that of our allies and of the uncommitted nations of the world. In reality, all mankind is involved in this controversy. Americans and freemen everywhere must realize that Berlin is but a symbol in the long struggle with Communist aggression from the Soviet Union and Red China, in which we seem likely to be involved for years to come.

In many ways Berlin is a symbol of exactly how far the democracies will go toward defending freedom and the right of people to determine their own forms of government and to shape their own destinies. To surrender our rights in Berlin would be making a downpayment on the future demands of Soviet imperialism, which would eventually engulf the world. Such a prospect is unthinkable.

In view of these facts Americans must—and I believe the great majority of us do—realize that our very survival is at stake. There is no easy way out. We must be prepared to defend our way of life. May I assert optimistically it is my fervent hope that the situation will never arise when we have to do so by the might of our Armed Forces but that reason and commonsense will prevail. Let us all hope that mankind's peaceful destiny will not be disrupted by the horror and destruction of another war in Europe.

Should the Russians remain adamant in their demands, the firepower and means used to repel Soviet aggression would depend on future circumstances. It is our hope and belief that we and our NATO Allies have ample conventional weapon strength in Europe.

Painful as it may be, we all realize that underlying and hovering over this entire controversy is the terrible threat of nuclear war. Whether or not we would use nuclear weapons, and the extent of such use, to defend West Berlin, is something the Commander in Chief of our Armed Forces, President Kennedy, and his military advisers must decide. Let us hope such a decision will never have to be made.

However, I—and I am sure all Americans—will support President Kennedy in whatever steps he and his military and foreign policy advisers determine to be necessary.

Frankly, having just recently returned from Europe, I find more war talk in Washington than in Oslo, Copenhagen, Stockholm, and Paris. We must be firm. We must be vigilant. We must be prepared. We should support the President in the trying days ahead. However, we must not allow hysteria and fear to replace sound thinking and calm reasoning during this extreme crisis.

Mr. President, I wish to embody in my remarks an editorial, "Tragic Miscalculation," which appeared in the Washington Post and Times Herald of July 21. I ask unanimous consent that this editorial may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRAGIC MISCALCULATION

Congress is undertaking to enlighten Soviet Ambassador Menshikov as to the attitude of the American people on the defense of Berlin, and the response in both Houses is likely to be well nigh unanimous. While Mr. Menshikov is waiting for this response to his conclusion that "the American people won't fight for Berlin," we suggest that he read a bit of history. His comment is a grim reminder of Hitler's miscalculation of the intentions of the democratic countries in 1939. The Spectator quotes A. J. P. Taylor, author of "Origins of the Second World War," to the effect that—

"Hitler did not intend, or even expect, a war in the West in 1939. Hitler's conviction * * * was that the Allies, who had continued to grope around for a settlement of the corridor issue all through the summer of 1939, would eventually accept his terms, or something close to them, rather than engage in what would obviously be a futile attempt to save a doomed Poland."

Probably the most pointed lesson in the history of this century is the demonstration of Hitler's error in making this assumption. Britain and France went to the aid of Poland, not because they expected to save it from the Hitler-Stalin dissecting table, but because they saw that war was the only alternative to the doom of freedom in Europe. Appeasement had failed and war, horrible thought it was to contemplate, was less distasteful than enslavement.

There are some indications that Soviet Premier Khrushchev is drawing similarly erroneous conclusions in regard to Berlin, and apparently his Ambassador to Washington intends to fortify these misconceptions. "Many of the Americans I've talked to," Mr. Menshikov said last week, "do not want to fight." It is an easy trick of Marxian logic to translate this into a belief that the U.S.S.R. can impose its will on Berlin with no more than a flare of words in the West.

The danger in the Menshikov line of thinking lies in its oversimplification. Perhaps the average American would not fight for Berlin if it were simply a question of balancing the welfare of people in the former German capital with the appalling destruction of nuclear war. But the American people are neither stupid nor brainwashed by fear. They know that yielding to Soviet threats in Berlin might well mark the beginning of the end of their own freedom, and the triumphant march of coercive communism through Europe and the remainder of the world.

We do not think there is the slightest doubt about the intention of the U.S. Government and people to fight, if necessary, to avert such a catastrophe. The issue is seen more clearly today than it was when Hitler first posed it in Czechoslovakia. In the late thirties the destruction of Czechoslovakia and the shock of the Polish invasion were necessary to galvanize the free world into action. Today the West has been alerted by many events and is determined to resist any eclipse of freedom in Berlin when and if a showdown comes.

A rereading of Hitler's tragic miscalculations in somewhat similar circumstances would be an especially useful exercise in Moscow during the months ahead.

OUTDOOR RECREATION AREAS

Mr. MOSS. Mr. President, I think there is no question about the galloping demand in America for more and better outdoor recreation spots.

Many things are contributing to this demand. Our population is growing by leaps and bounds. Our cities are teeming and overcrowded, and even our suburbs are becoming networks of pavement.

Our standard of living is higher than it has ever been, and we have shorter working hours and more paid vacations. And, most important of all, we have modes of transportation which can take us farther and faster than ever before.

All of this contributes to the desire to get away from our cities—to enjoy the greenness of our countryside, the majesty of our forests and the grandeur of our mountains and our seashores. All of this leads to a stepped-up interest in hunting, in fishing, in camping, and in visiting our national parks and monuments.

I was very much interested to read in Time magazine of July 14 a long article on recreation entitled "Ah, Wilderness?" which spreads out before us America's notable and less-known outdoor recreation areas, and calls camping in them a great and growing national pastime.

I believe no State in the Union has more good camping areas, set in more majestic scenery, and bathed in more solitude than my State of Utah. And we now have in the making a vast project which will make some of these wilderness areas more accessible to the less hardy, and more attractive to those who are smitten, as the Time article puts it so well, "with the call of the not-so-wild."

I refer to the plans of Secretary of the Interior Udall to establish a Golden Circle of national parks embracing upward of 1,000 square miles in southern Utah and northern Arizona. The expanded system would include at least eight existing parks and monuments, and a new park which would be centered in the striking red rock canyon area of southeastern Utah.

It was my privilege over the 4th of July weekend to accompany Secretary Udall and Secretary of Agriculture Freeman on a 5-day trip through part of this rugged, colorful country. We traveled by jeep, by helicopter, and down

the Colorado from Moab to Cataract Canyon by motorboat. We saw country which can now be reached only by mule pack, or by the hardiest of hikers.

The scenery is breathtaking and unique. The country is just as the Creator made it, untouched by the encroachments of civilization. Its development will open up for our growing recreation needs a spectacular and soul-satisfying area to which those who want to get away from our cities and our suburbs, our industrialization and our urbanization, and the wear of everyday living, can come to seek what Thoreau sought at Walden.

I ask unanimous consent that the article from Time magazine be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). Is there objection to the request of the Senator from Utah?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AH, WILDERNESS?

"I went to the woods because I wished to live deliberately, to front only the essential facts of life, and see if I could learn what it had to teach, and not, when I came to die, discover that I had not lived • • • I wanted to live deep and suck out all the marrow of life, to cut a broad swath and shave close, to drive life into a corner, and reduce it to its lowest terms, and, if it proved to be mean, why then to get the whole and genuine meanness of it, and publish its meanness to the world; or if it were sublime, to know it by experience, and be able to give a true account of it in my next excursion."

That is how Henry David Thoreau felt in July 1845 as he went into the woods at Walden Pond. He built himself a little cabin, largely out of secondhand materials, the cost of which he recorded in precise Yankee style: $28.12½, including a 10-cent latch and a penny piece of chalk. Thus he began his celebrated 2-year sojourn in happy isolation. Last week, 116 years later, Thoreau would have been able to find his clump of woods easily enough, but not necessarily the solitude to permit him to drive life into a corner. The snort and belch of automobiles punctuate the old serenity of Walden, and the yelps of children, followed by the cries of their parents, have all but enveloped the summer-soft days. Across the whole expanse of the United States, the wilderness where once only the hardiest of outdoorsmen trod now shuddered under the invasion of hundreds of thousands of families hungering for a summertime skirmish with nature. Smitten by the call of the not-so-wild, these families were happily engaged in a great and growing national pastime—camping.

MOONSCAPES AND RAPTURE

Despite civilization's inroads, the United States still offers some of the world's great spectacles of nature, and campers know it. They fished last week in the Cascades of the Pacific Northwest, threaded among the prehistoric ruins at Colorado's Mesa Verde National Park, trailed animals in the Adirondacks, bathed in the cold streams of South Willow Crater in Utah. On the moonscapes of Arizona, in the thick forests of upper Michigan—wherever the land had managed to preserve its ancient dignity—both tenderfoot and oldtimer paid his respects to grandeur. In return, they absorbed something as ineradicable as it is elusive; the rapture of the spirit in the presence of creation.

In Maine, campers poured into Acadia National Park on Mount Desert Island and swept over 31,000 acres of mountain, freshwater pond, deep woods, and seashore. At Rangeley Lake in the same State, the campers took nature walks between classes at the camping school, where they learned how to keep a campfire from turning into a disaster (dig a hole for the fire, line the rim with rocks; before leaving it, douse it with water and sand and stir thoroughly until it is cool enough to be sifted by hand). In Georgia's Chattahoochee National Forest, the streams rippled with trout (provided by the wildlife commissions), and the campsites, many with their own blacktop driveways, rippled with people. The rhododendron overhung the creeks in Minnesota's Lake Itasca State Park, and little boys overhung the rhododendron, while some of their fathers were just hung over, gazing blankly at the huge oaks, hickories, spruce, and poplars. At Kennedy Meadow, just north of Yosemite Park in the California Sierra, campers hiked along a winding stream through pine and fir forests and sandy flats, fished for brownies and slept under the stars. At Minnesota's Lake Carlos State Park, the overflow of campers slept under picnic tables.

The figures that ooze from reports on the camping economy are wild enough to make a forest ranger reach for a cigarette: This year 16,500,000 people are headed for campgrounds—about 2 million more than last year.

In the 11 Southern States, the craze in the words of park officials, is "blowing sky high." In Georgia alone, the camper-days (number of campers multiplied by number of days camped) are expected to jump 15 percent over last year's 1,362,000.

In the Rocky Mountain national forests of Colorado, Wyoming, South Dakota, and Nebraska, 2 million appeared last year; in 1961, 100,000 more are expected.

In the samp-crazy hotspots of New York, Vermont, New Hampshire, and Maine, where visitors logged 2 million camper-days last year, the 1961 projection indicates another 200,000.

The number of campsites has leaped from 3,000 in 1950 to a record 5,900, including facilities provided by 29 national parks and 152 national forests.

Sears, Roebuck's camping equipment sales are up 40 percent since 1956; its sales of rubberized mattresses alone have risen 700 percent in a single year. The Coleman Co., of Wichita, Kans., one of the biggest suppliers in the country, has already registered its highest sales in company history for the first 4 months of 1961—and this after a 400-percent climb in 10 years.

The U.S. Forest Service, which in 1957 launched "Operation Outdoors" in an effort to keep up with ever-blossoming outdoorsmen by pouring $122 million into new facilities, plans to kick the budget up to $285 million by 1970.

PROMISSORY NOTES

Why this mass movement into the world of mosquitoes, snakes, and burrs? For many, the motive is simply that they are tired of expensive hotels and motels; camping provides an inexpensive vacation. A family of four can go into a national park for $1 (or, in some cases, nothing) and an outlay of as little as $200 for equipment that will last for years. For a great number of other people, the urge goes deeper than economics: in a sense they still seek what Thoreau looked for at Walden.

The industrialization, urbanization, and suburbanization of modern life have sharpened the need for many to rediscover the essential facts of existence. More than ever, Americans now have the means—prosperity, new leisure hours—to make that rediscovery. But as their industries, their urbs, suburbs, and highways encroach upon the wilderness, that wilderness becomes particularly precious. Where it remains, its symbol has become a disturbingly anthropomorphic grizzly named Smokey the Bear, who wears pants and a hat and speaks. With perhaps too much urgency, a physician's wife, drawing water from a campground faucet in the Rockies last week, explained: "We have to get away from the daily routine once in a while, and we want our children to see something of an America that may not be here much longer."

Those who yearn for the primeval places in the mountains and canyons are apt to be highly vocal. Lester Buck, a reporter on the Wichita Eagle and a veteran camper, puts the case for that group as passionately as anyone who ever hiked a trail: "The city man has come to realize that the paper he pushes on his desk is without structure, that it is merely a promissory note guaranteeing that life and death do exist in counterpoint; that somewhere water is truly wet, the sun hot, and the sand granular beyond human belief. He goes camping not to get away from it all but to get back to it all. His customary world is flattened by his own excesses, sealed by its brick, insulated by its pavements. He does not see his apartment building or his office building as 10 or 20 or 30 stories reaching into the sky and seeming to move as the clouds swing by; he hasn't looked up. Outdoors, he knows intimately only two vistas: the entrance to his office building, the entrance to his home; there is no reality in between. Nor does he go camping to relax, to simply fall apart, for that is what urban man has learned to do so well at home for the sake of his sanity: to relax, to stop reacting, to dull the colors, muffle the sounds, dilute the smells."

THE REVOLT

But the man who wants to get back to it all had better know his way around, for progress has caught up with camping in an alarming fashion and has altered it drastically. Once the last refuge of the male—the one leisure activity in which he could be stubble-bearded and dirty—camping has been taken over by the women.

Actually, most women couldn't care less for the mess and comparative hardship of camping; as far as they are concerned, the whole thing is strictly for the magpies. But like golf widows and fishing widows, they know they are licked unless they join the menfolk, so they have revolted, picked up their sunglasses and mosquito spray, and marched off together. They will concede that camping, after all, is good for the children, and besides, it is something that the whole family can do together. Thus established on the threshold of the wilderness, the women have demanded—and are getting at a dizzying rate—all the comforts of home.

At Colter Bay, in the Grand Tetons of Wyoming, a luxurious campground financed by the Rockefellers has segregated areas for cabin campers, trailer campers, club campers, or just plain tenters. A tenderfoot can turn up there with the clothes on his back and rent anything he needs, from a cabin ($5 a couple per night) to sleeping bags (50 cents) to icebox coolers (50 cents) to bath towels and soap (15 cents). At Eastport, on Maine's Cobscook Bay, the campsite opened this year with a woodsy band concert and a Down East fish chowder. At night, the campgrounds were thoughtfully floodlit so that everybody would not be lonesome. At The Gatherings, in Surry, Maine, campers danced to the music of a jukebox and joined in the bridge tournaments and bingo game.

In most of the national parks, campers can find hot and cold water, city-style plumbing, cocktail lounges, automatic laundries, hairdressers, TV, and enough electric power to light the city of Boise. Michigan authorities have already approved installation of additional electrical facilities to handle the increased load of electric frying pans and blankets, but Wisconsin has called

a halt. Says Forest and Parks Superintendent Roman Koenings: "We have had requests to provide sewer hookup facilities for some campers, but we are not going to comply. We've gone as far as we're going."

COMPULSION AND CULTURE

In cases where campers cannot plug their heaters and stoves and coolers and hairdryers and shavers into handy outlets, they can always hike over to the restrooms to plug in there and cook their dinner (a practice on which the authorities frown). There are times, too, that some campers feel compelled to take other drastic measures. Yellowstone Park rangers still chuckle when they tell about the two old ladies who camped together for weeks at a time. They lived in a tent, cooked their meals, embroidered and sewed, read a little. Each afternoon they got into their car and drove off for an hour, then returned to their quiet routine. At length, a polite but curious ranger asked the women where they disappeared to everyday. The shy reply: they had a room in a luxury hotel some distance away, where each afternoon they took a soaking bath.

Another unmistakable sign of the female revolution in camping is culture. Instead of allowing unlimited time for silent meditation or even family conversation, camp officials all over the country feel that they must fill the campers' minds with formal programs and entertainments. There are illustrated lectures on flowers, wildlife, geology, ancient cultures, and mating habits of garter snakes. Family campers can now attend a scientific lecture about a geyser while watching it spout its stuff, or take in a good talk on wildlife and then drive out to the edge of a marsh and see that the wild moose standing out in the water actually has a bell-like tassel hanging from his neck, just as the ranger said.

THE COMPROMISERS

Most modern campers avoid solitude. Like skiers and bowlers, they are a gregarious bunch. They love nothing better than to camp alongside one another in long, soldier-like rows of tent cities. William Roeder, of Aurora, Ill., who, with his family, set up a big (9-foot by 24-foot) wall tent with picture windows and zippered flaps at Devils Lake State Park, Wis., last week sported a portable toilet, aluminum chaises, and gas lanterns. Explained he: "We happened to talk about camping with other people at a cocktail party, and after getting a bit high, we got the urge." The Roeders were enjoying themselves and the vast company, too. So was Warren Fowler, a regional director for the National Campers and Hikers Association. "The thing we like about camping," said he, "is that we meet the nicest, friendiest people. Everybody talks to everybody else at these campsites. And it's easy on my wife. It's easier for her to keep the tent clean than it is to clean the house."

Campers like the Roeders and the Fowlers never regret a moment of their experiences, but like so many people, they find it hard to give up their comforts merely because they are on a vacation. This attitude toward the wilderness, write University of Minnesota Sociologists Gordon Bultena and Marvin Taves in a study of campers, "presumes the existence of picnic tables, wells, toilets, washrooms, and the like. These individuals simply do not adopt the more traditional definition of wilderness, substituting instead an urban frame of reference. They are wilderness compromisers."

Even in Europe, traditional home of the intrepid camper, authorities have had to create new sites and new luxuries for additional, more trepid folk. In Italy campers rent tents with clean linen and floormats, are served their meals by waiters in canvas-cover dining halls. In France, where le camping is drawing more and more enthusiasts, food comes first, even out of doors; the campers will sacrifice air mattresses and luxury tents and the like for refrigerator bags and cooking equipment.

BOOTS AND BAGS

Happily there are plenty of campers who are willing to meet the wilderness on closer terms. There are ascetic backpackers who spend the winter months building lighter-than-air pack frames, breaking in mountain boots, testing clothing, inventing new weight-saving ideas, such as replacing pot handles with wire, stripping grommets from tarpaulins, mixing salt and pepper to save carrying one container, cutting the handles from toothbrushes. But for the average, wilderness compromising family bent on giving it a try, there is no need to be so Thoreau about it. The novice can begin merely by leafing through camp registries and equipment catalogs and deciding right off whether he wants to invest a few hundred or several thousand dollars.

Minimum gear for the family that will hike the trails requires careful choosing. Tents nowadays are made with durable, lightweight fabrics. For about $95 there are 9-foot by 11-foot nylon-walled tents with sewn-in flooring, full zippered flaps, and front and back screen windows; they have telescopic aluminum corner poles and roof-bracing metal stakes and no center pole, can sleep four people comfortably, and can be put up (with a little practice) in 20 minutes by one man. Sleeping bags are a lot handier than cots and blankets. The best and warmest, made with down, cost at least $50, though there are less expensive kinds; some are designed to permit zippering two together, forming a sort of double bed.

Light clothing for day wear is essential. Lightweight, waterproof, angle-height boots are necessary for climbing and long walks, and convenient even for sloshing around the camp in the rain; and a warm jacket will come in handy at night. Many campers pick up inexpensive Army knapsacks at surplus stores, generally a good source of equipment.

Once these major items are secured, the camper must stock up on food (Armour & Co. now markets a variety of lightweight, dehydrated foods that require no refrigeration) and cooking utensils. A nestled set of aluminum skillets, bowls, cups, etc., sells for about $8, and a knife-fork-spoon combination that clips together costs 70 cents. A length of nylon line is handy for lashing bedrolls and tents. Flashlights and spare batteries should be packed, as well as a small kerosene lamp, books, matches, in a waterproof case, first-aid kit, candle, knife, hatchet, bucket, small trench shovel, mosquito repellent, aluminum foil, toilet paper, foul-weather clothing, cameras, binoculars, a good topographical map (available at park and forest headquarters), handy nature guides, and a thermos jug.

TO THE SHOWERS

If packing is no problem, or if the family requires more comfort while in the throes of facing the wilderness, get a portable gas stove, grub box, cots, air mattresses, an air pump for the mattresses (one model gets its puffs from the automobile exhaust pipe), charcoal grill, folding toilet ($11.95), and canvas bathtub ($17.50). If the car battery is in good shape, the camper can also load up a small refrigerator, tent heater, fluorescent lamp, electric smoker for chicken, and coffeemaker—all of which can be wired like an umbilical cord into the dashboard cigar lighter, a versatile instrument that can do almost anything but whistle "Tenting tonight."

If he has more money to spend, the camper can look over the variety of mobile campsites in the showrooms. Volkswagen's Camper comes fitted with bunks and a sophisticated assortment of kitchen equipment, sells for $2,973 (plus taxes and shipping); Chevrolet has a similar model, and both Land-Rovers and Ford station wagons are promoted with special camping equipment. There are small house trailers mounted on pickup trucks, also called "campers" (some are available on a you-rent-it basis), which feature refrigerators, butane or propane stoves, utensils, even hot and cold running water, showers, toilets, and air conditioners (about $2,100). Further down on the scale are specially designed tents that fit over the tailgates of station wagons, lean-to canvas that turns a car into a bedroom, tepees (the rangers' favorite), and pup tents for storage.

LOADING UP

If he is wise, the camper with a new tent will set it up first in his own backyard, cook a little something on his stove, light his lantern, and pump up his air mattress. "Everyone should do his staff work before he starts out," says Yellowstone National Park Superintendent Lemuel Garrison. "Too many people think they have inherited Daniel Boone's knowledge as well as his spirit. They haven't."

Similarly, packing the station wagon requires some forethought. The gear that is needed last will go in first, with the tent and bedrolls on top. When everything is loaded, there is always the wife who remembers the two cartons of groceries, some odds and ends from the kitchen cabinets, and a couple of handbags containing toiletries. Invariably, something is missing, and the load all has to come out so that the baby can be extricated. Then there is the necessity of supplying the children with toys and books (many somehow prefer to look at a picture of a cow than at a whole herd grazing off the highway). Sometimes, though, the kids overdo the toy business. Recalls one Denverite: "I am a pliable sort of human being and a well-trained husband and father, but I damned near threw a tantrum when I started on our last camping trip. The kids had ready to go a toy sword, 24 plastic models of prehistoric saurians, a cannon, two dolls, a toy kitchen cabinet, one dumptruck, and a doll buggy."

At last, after the logistical errors are rectified, the children mollified, and the milkman notified, the camper sets his H-hour for some occult reason at 6 o'clock the next morning. The departure time, however, is always 8:05.

THE CHOPPERS

Chances are that once the family arrives at a campsite, something will go wrong. Somebody will complain about the fellow whose children brought along a pet squirrel or a white rat. At least one man somewhere will drive an ax into his foot, and many others, after a frustrated search for firewood, will get caught chopping up a public restroom or a picnic table. Hundreds of campers will be washed out in the first rainstorm because they neglected to dig a runoff trench around the tent.

At St. Mary Lake in Montana last year, one fellow tried to pound his metal tent stakes into gravel, and after destroying every last one of them along with his temper, hauled his family off to a motel. In Wisconsin a while back, 10-year-old David Pierson, son of a Missouri salesman, dropped his flashlight into a lake and fell in after it. Scrambling out, he squished back to the family fireside and took off his clothes. His mother hung them on a chair near the fire to dry, and in a few minutes both chair and clothing went up in smoke.

And despite all the warnings, there are still a few hundred unfortunate run-ins each year with the bears that roam the parks. Animal lovers simply do not believe that it is dangerous to feed the bears, often forget that leaving food or candy in a tent is an outright invitation to any beast within sniffing distance. Trouble is, they look so cute, and

they seem to be smiling a happy welcome to visitors—but too few campers realize that a bear hardly ever smiles: He just looks that way all the time, even when he is rummaging through a garbage can or swatting somebody in the head. Like TV's cartoon Yogi Bear, the beasts at Yellowstone are "smarter than the average bear": They can open automobile doors, and some have been known to slip a paw through a small ventilator window of a car and open the door from the inside. At Yellowstone recently, a good-sized black bear ambled up to a picnic table where two couples were dining. Three of the people quickly withdrew, but the hostess stayed put. "I cooked this breakfast," cried she angrily, "and no damned bear is going to eat it." With that, she whacked the animal over the head a few times with her skillet, and the bear slunk off.

HUSK AND ASH

With all the trials that camping brings—even with all its absurd concessions to civilized living—the one overwhelming fact about it is that the great mountains and forests of the U.S. are such indestructible marvels, and so mysteriously instructive to man's nature, that even the most unabashed dude and his togetherness-mad neighbor in the sprawl of Tent City return from a camping trip stronger for their experience.

Recently, New York Toy Designer Don Traub and a friend drove into Wyoming's Grand Tetons in Jackson Hole, parked where the road ended, swung their heavy rucksacks and sleeping bags on their backs, and hiked north along a woodland trail to Leigh Lake. From there, they rowed better than 2 miles to the foot of a snow-splotched mountain on the western shore, hacked out the underbrush, laid down a floor of pine boughs, and put up their tent. By nightfall they had a campfire blazing (disdaining such backyard aids as starter fuel), and ate corn roasted in the husk, ash-baked potatoes, hamburgers, cold beer (iced in the lake), and hot coffee.

Next morning, after dressing in the chilling air, they had their breakfast and, carrying light packs, traversed upward through thickets of aspen and pine and cedar and wild flowers. Now and then they recrossed the stream and stopped to drink, and after an hour, high in the mountain, they found the waterfall that fed the stream below. Clambering across a rockslide, they tucked some beer into the water, built a fire, and cooked their lunch. When they returned to their camp, they stripped and plunged with agonized cries into a lake cold enough to recall Joyce's scrotum-tightening sea.

By the time they broke camp at dawn next day and headed for the city, they knew why a man returns again and again to the wilderness; to become aware once more, to regain his natural animal tension; to see the cardinal slash through a sea of green leaves like a streak of new blood; to know again that water has taste as well as temperature, to drink sloppily and desperately because his mouth is dry and his tongue too big for his mouth; to eat the fat trout quickly cooked after the catching; to backpack his gear through glades and trails and to know the relief of rest; to climb high along the creature trails, grabbing suddenly for a fall-saving hold on a limb.

RAVENS AND WILD ROSES

Not quite so uncompromising in their attitude were two New Mexico physicians and their families who camped last week at Vallecito, in Colorado's San Juan National Forest. Hemotologist Samuel Painter, who had camped in the rough before, this time had a rented trailer for his wife and four children because he wanted to save his pregnant wife the heavy work of tent camping. Cardiologist James Conrad and his wife and two children were using a station wagon and a tent. Neither family fished, but they sailed and hiked. Bird lover Painter delighted in helping the children discover some wonderful birds—a hoarse raven that flapped over the yellow pines, a broadtailed hummingbird, a pine siskin, a violet green swallow, bluebirds and chickadees, orioles and woodpeckers.

Late in the afternoons, Painter made the martinis (while Conrad held the vermouth a bit downwind). With Painter playing the harmonica and Conrad the guitar, the children sang till suppertime and then climbed into their sleeping bags. On other days, the Painters and Conrads walked among the ponderosa pine and the aspen trees, past berries and pink dianthus and lupine and wild roses, yarrow and wild strawberry and kitten ears and vetch. Though most campers swear that the forest is a world of green-muffled silence, it is actually full of noise: the constant cry of gulls and other water birds, the chit-chatter of squirrels and chipmunks, and the hum of honey bees in the warm sun, the distant buzz of a motorboat, and the whine of a powersaw biting into the big trees, the drone of an airplane far overhead, the growl of a lumber truck on a steep grade, the small talk of tiny birds in the bushes, and the murmuring of a mountain stream. And at night: the goose-pimpling patter of rain on the canvas that wakes a child, the stark clarity of detail in the tent when lightning flashes, and the crack of thunder and its rolling echo around the lake shore.

LIVING MONUMENTS

Far off, while the Painters and the Conrads and thousands like them slept, trailers and turtlebacked Volkswagens and humpbacked sedans piled high with tents and bedrolls, were sweeping along the roads into the Sierra, the highways circling the Smokies, and the byways of Wisconsin and New Hampshire. Through valleys where mariposa grow, and lilies and larkspur, beyond the cities and into the living monuments of hills and forest and rivers, the camping families were finding their way.

Too many of them, perhaps, wanted their nature well done rather than raw. But even for those who chose the new-style, cocktail-slinging mass encampments that will surely spread from park to park in the years ahead—even for those, there was at least some of the flavor of living as the pioneers had lived. With father bullhorning instructions like a circus hand, the tent would go up, and the kids would find their boxes and their toys and their fishing rods, and mother would get the stove going. They might even sleep off the ground and eat over the picnic table instead of a campfire, and launder their clothes in a machine, and rejoice in the modern plumbing, the community sing, and the backyard tongue flapping with the neighbors. They might bumble into a beehive, or topple into the lake, or get stuck in the tent zipper.

But there would come the moment when, following the nature lecture, one of them would belly down to cool his mouth at a rushing spring, or spot a hoofmark of a deer in the dust, or turn abruptly to see a red-winged blackbird dancing on a reed. To these campers, as to the backpacker in his solitude, would come the experience (in Thoreau's words) of something sublime, and the need to give a true account of what they had discovered.

Mr. MOSS. Mr. President, Mr. Bert Hanna, Denver Post staff writer, accompanied Secretary Udall and others on the trip to which I have referred. Mr. Hanna has written a very comprehensive article, published in the Denver Post of July 16, 1961, and I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES SETS STAGE FOR NEW NATIONAL PARK—SITE IN UTAH HAS UDALL APPROVAL THOUGH STATE HAS SOME OBJECTIONS

(By Bert Hanna)

MOAB, UTAH.—Down in this sun-drenched red rock canyon wilderness area of the Four Corners, where two rivers meet, the folks on the Utah side are excited these days about the possibility of a great new national park.

People in the Monticello and Moab communities, surrounded by unique scenic splendors unsurpassed for their individuality anywhere in the world, envision such a park as a tourist gold mine to buttress the whole economy of the area.

The vision of this new park and possibly others in a golden circle of such recreational areas in this remote and mysterious land was placed in sharp focus by the recent river and land exploration of Secretary of the Interior Stewart L. Udall.

The conclusion of Udall, park officials, conservationists, and three Utah Congressmen who were on the expedition was that congressional authorization of such a park should be sought as soon as possible.

Udall announced he will press for such legislation in the 1961 session of Congress. And he has the ardent support of Secretary of Agriculture Orville Freeman and Karl S. Landstrom, Director of the U.S. Bureau of Land Management, who were on the trip.

But there are problems and conflicts to be resolved.

To create such a park around the confluence of the Colorado and Green Rivers—the largest remaining true wilderness area in the United States—there probably will have to be a compromise between the concept of multiple use of resources and single-purpose recreational use.

And what happens in the negotiations for such a compromise may have material bearing on the creation of other parks in the scenic wonderlands of Utah, Colorado, Arizona, and New Mexico, as well as in other areas of the West and East.

Udall's administration of the Interior Department is going all out for a tremendous expansion of the country's park system to provide more and more recreational opportunities for the exploding population and the increased leisure time of our people.

The aggressive, energetic Arizona Mormon, who exhausts everyone who accompanies him on his wilderness jaunts, insists that our great American heritage of scenic and recreational resources be preserved for posterity.

He deplores uncontrolled, ruthless exploitation of this heritage.

Udall's campaign for an expanded park system in the Four Corners area parallels his support for the wilderness bill in Congress, which has created a stormy controversy.

It dovetails with National Park Service Mission 66 designed to preserve the scenic marvels of this country while there is yet time, in areas like Cape Cod, the secluded beauty of Cumberland Island, Georgia, unspoiled Point Reyes Peninsula near San Francisco, the spectacular Oregon Dunes area, the Sleeping Bear Dunes and Pictured Rock area in the Great Lakes in Michigan.

The critical need for seashore preservation is in the spotlight.

Udall feels that in this mission he is carrying out a mandate of President Kennedy who said in his special message to Congress on natural resources:

"America's health, morale, and culture have long benefited from our national parks and forests and our fish and wildlife opportunities.

"Yet these facilities and resources are not now adequate to meet the needs of a fast growing, more mobile population. And the millions of visitor-days which are now spent in federally owned parks, forests, wildlife refuges, and at water reservoirs will triple well before the end of this century."

To a certain degree, politics has entered the picture.

Udall is the most controversial figure in the Cabinet. He has many enemies who would like to discredit him. Often he has issued statements that have put the administration on the hot seat.

Some of his enemies are those commercial, grazing, and other interests who want to continue exploiting resources on public lands without controls.

Invited to join in the Colorado River boat, helicopter, jeep, and hiking expedition, Utah's senior Republican Senator, WALLACE BENNETT, said he wanted no part of the "stunt." He called it a waste of taxpayers' money.

Actually, all the guests on the Udall trip, including this reporter, paid their own way, except for the transportation in the area which was furnished by the Park Service.

Bennett may not have helped himself politically (he's up for reelection next year and may be opposed by Congressman David King, an enthusiastic participant in the park mission) because the folks in southeastern Utah seem strongly behind the project Udall is pushing.

At least, many of them said, here is a Secretary of Interior who doesn't sit in a stuffy office in Washington and depend on reports of aids to guide him in his park decisions.

At least, he is a vital actionist who gets out in the field and sees at firsthand the problems and objectives of the most far-flung and diversified department in the U.S. Government.

Probably the most difficult hurdle in his dream of an enlarged park system in the Four Corners area is Utah's Republican Governor, George Clyde.

Clyde was one of the moving forces in approval of the Colorado River storage project. He is a great believer in multiple use of resources.

He objects to the size and scope of the proposed new park, while granting that major scenic values should be preserved.

The park proposed by Udall would cover upward of 1,000 square miles of kaleidoscopic sandstone canyon desertland bordering the Green and Colorado Rivers. Most of it is in San Juan County, Utah; some in Grand County.

The boundaries would follow the natural rim of the canyon country extending west from Monticello and Moab. It would reach from famed Dead Horse Point on the north, now a State park, to a point below the confluence of the Green and Colorado.

The main objection voiced by Clyde is the size and scope, and his fear that mineral and oil and other exploration and development would be blocked through creation of a great scenic sanctuary.

Clyde said after the trip at a dinner at the All Saints Church in Monticello:

"On the basic proposition of developing additional scenic and recreational attractions in the area, there is no wide difference between Secretary Udall and myself.

"But Udall's plan would encompass in Utah between 1,000 and 1,200 square miles, which is more land than necessary, in my opinion.

"Under the present Park Service philosophy of one-purpose use, this would lock up a vast area, all of which appears to be potentially valuable in oil and gas and other natural resources.

"I was advised during the tour that the Park Service philosophy is undergoing a change toward multiple use or controlled utilization.

"And should the Park Service come to a multiple use philosophy, the size of the area wouldn't be so important.

"But this State, consisting of 70 percent public land, cannot afford to consent to locking up vast areas containing valuable natural resources."

To illustrate his argument, he pointed to a great new industry developing in Utah—the mining of potash on the Colorado River below Moab.

The potash development of the Texas Gulf Sulphur Co. 20 miles from Moab was visited by the party on the tour. There a great shaft is being sunk to mine potash 2,800 feet below the canyon rims. Stearns Roger Co., of Denver, has the construction contract.

Approximately $30 million in capital funds is being expended on the development, out of which the operating company hopes to start producing more than a million tons of potash a year starting the latter part of 1962.

Thus it would be a $25 million annual industry, employing upward of 500 men throughout the year in mining of a material largely used as commercial fertilizer. These potash deposits are said to be among the richest in the world.

"And who knows," said Clyde on a visit to the Needles country, "but what we may be standing right now over a rich mineral deposit that one day may be vital to the economy of our country."

This is an area near the confluence of the rivers of a group of fantastic and beautiful red rock spires and cliff-dwelling ruins, accessible to the tourist only by a long and tortuous Jeep trail. The exploration party was taken in by Army helicopters.

Much of the land tentatively included in the proposed park boundaries is being explored for oil and gas and Moab has been the center of much of the western uranium development.

Thus, while virtually all of the proposed new park is public domain, many people feel that Clyde's arguments about multiple use have validity.

And Udall himself grants that Clyde has a point in arguing that grazing and mineral rights should be harmonized with the park concept.

"But I don't think this is an either-or choice," Udall said. "With wise conservation and statesmanship, we can have both."

He repeatedly pointed out that the potash development area on the public domain below Moab has been withdrawn from any other use. It embraces about 20,000 acres which would not be included in the park boundaries.

Grazing in the area is limited and most of the uranium deposits are known; thus most of the issue about multiple use centers on oil exploration at this point, he said.

The Udall party's 5-day trip into the area consisted of 3 days of boating on the Colorado and Green rivers covering a distance of about 120 miles of placid waters, and helicopter and Jeep trips on the last 2 days into some of the most remote and scenic areas.

The boat trip made by 13 motorboats under command of Frank Wright, of Blanding, Utah, transported a party of 31, including officials, naturalists, and newspapermen, down the Colorado to its confluence with the Green, then up the Green to a beautiful camping site called Anderson Bottom.

The trip was carefully arranged and every means was taken to insure safety as there were several women and children along, including Udall's wife and three of his six children.

It was not, as some accounts have described it, a particularly hazardous or arduous expedition. On the leisurely boat trip the party never even got into Cataract Canyon below the confluence, where there are dangerous rapids.

From the Green River camping place, the party was transported by Army helicopters to "Island in the Sky," one of the scenic marvels of the region, where Jeeps were waiting for travels to Grandview Point, Upheaval Dome, and Dead Horse Point.

Dead Horse Point, now a State park, may be included in the proposed national park if the proper arrangements are worked out. It is a high promontory commanding a view out over Utah encompassing hundreds of square miles.

In a single spectacle, there are mountains, deserts, forests, canyons, and a river. From here, one looks down 2,000 feet into the Colorado River canyon. Many people think the scenery here is more spectacular and varied than that of the Grand Canyon in Arizona.

At this point, Governor Clyde and a group of citizens from Moab and Monticello communities joined the party for the helicopter expedition into the Needles country.

There is no gainsaying the fact that this land of natural bridges and arches and weird and varied rock formations and remnants of centuries-old Indian cultures is a scenic paradise and deserving of national park status. All members of the party are in agreement on this.

You round a bend of the river and you see an ever-changing variety of canyon color and formation.

You see temples, cathedrals, rocks fashioned by nature into forms of medieval castles.

You turn into one of the canyons on a hike from the Needles to lovely Druid Arch—a huge double-arch formation only recently discovered—and you see before you in all its splendor a natural structure reminiscent of the Taj Mahal of India.

Many centuries ago, this area of the Four Corners had a greater population than now. It was peopled by a long-vanished race of Indians who left what are known as Moki ruins. Many of the ruins are still well preserved, although vandals and thoughtless tourists have destroyed a lot of them.

These Indians, forerunners of the Pueblo groups, left the region before 1200 A.D., probably driven out by drought. The need for saving the heritage they left is one of the motivating forces behind the park movement.

Udall does not halt his ambitious park planning in this area with this one new park proposal.

In a press conference during the trip, he spoke enthusiastically of the possibility of additional parks to complete a golden circle—additions to Mesa Verde in Colorado, Grand Canyon in Arizona, Bryce Canyon and Zion Parks in Utah.

Besides the new park in and around the confluence of the rivers, he said he will urge that some areas that are now national monuments be given national park status.

They would include Rainbow Bridge and Navajo National Monuments near the Arizona-Utah line and possibly Arches National Monument above Moab, Natural Bridges National Monument below the Needles country, and Capitol Reef and Cedar Breaks National Monuments.

Thus, he feels that at least four new national parks could be added to the four now existing in the four-State region.

This is a long-range program. It is an ambitious project, indeed, and he grants that it may take a lot of time and perhaps considerable compromise over the question of multiple use.

He has an ace in the hole in his controversy with Clyde over size and scope and use of this first new park he wants designated.

He could have the area disignated as a national monument by Presidential decree, without action by the Congress. This would at least preserve and safeguard its scenic

and archeological values from uncontrolled exploitation and vandalism.

But both Udall and Clyde oppose this course of action. Udall said he will adopt this procedure only as a last resort because such an area is surely deserving of national park status.

In consideration of multiple use, there is one thing the park and Interior Department officials will insist upon. That is the removal of unsightly scars left by mineral explorations and operations in such areas.

In this connection, Udall denounced irresponsible bulldozing operations of oil seismographic crews exploring on the public domain. These have marred much of the scenic beauty and created erosion.

One of the most noteworthy developments on this trip was a joint manifesto issued by Udall and Secretary of Agriculture Freeman pledging an end once and for all to the long feud over recreation policies between the U.S. Forest and National Park Services.

This is a move which could ultimately bring together as a working unit the Forest Service in the Department of Agriculture and the Park Service in the Department of the Interior.

There was even talk of the possibility of including some Forest Service lands within the boundaries of the proposed new canyon lands park.

It is the first time such accord ever had been reached by Secretaries of Agriculture and Interior. Cabinet officers of the two Departments in the past have had a wall between them.

Whatever happens in the discussion over utilization of expendable resources in this region, there is one resource that will never be exhausted if the lands and scenic values are wisely conserved.

That is the steadily growing traffic of tourists seeking recreation in the area where four States meet. Governor Clyde acknowledges that the tourist business has become one of his State's major economic assets, as it has in Colorado.

And improved roads will contribute to a great increase in the tourist traffic.

A new adventure in vacation travel now awaits the visitor to the Four Corners area who chooses the new, scenic, and colorful Navajo Trail through Colorado, Utah, and Arizona.

For the first time, this route connecting Mesa Verde in Colorado, Grand Canyon and Monument Valley in Utah and Arizona will be paved and then next year the vast Navajo Reservation with its many natural attractions, will be opened to traffic, providing a new shortcut to California.

Mr MOSS. Mr. President, in the same issue of the Denver Post is an editorial entitled "New National Park Good for the West." I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEW NATIONAL PARK GOOD FOR THE WEST

Stewart Udall, President Kennedy's hard-driving Interior Secretary, has proposed the creation of a new national park in southeastern Utah.

It's a big idea—a far-seeing concept. It is a big step in implementation of President Kennedy's resource message to Congress early this year.

America, the President said, needs accelerated development of her parks, forests, and fish and wildlife opportunities in the face of growing population pressure.

His concern is not new. But it has been all too infrequent that a national administration has aggressively set out to do something about the problem.

Udall's plan is discussed comprehensively on page 1 of this section of the Denver Post. Little description of the area need be added—except to emphasize that the beautiful canyons, breathtaking sandstone spires and arches, and great desert vistas make this area one of the most beautiful and unusual in North America.

It is the sort of land where humans shrink in size and get a feeling of the awesome and ancient forces which created our physical world.

Objection to the park has been raised in Utah by commercial interests. The main concern is mineral development, chiefly oil.

Udall has countered with a proposal that statutory provisions could be added to the park legislation providing for development on a multiple-purpose basis of these commercial resources. This would mean that oil and other minerals could continue to be extracted. Such operations would, however, be sharply controlled to prevent unsightly marring of the landscape.

Ultimately, of course, the commercial operators would exhaust their minerals—or perhaps a time limit could be set on such development—and the park would then become exclusively an esthetic, recreational, and educational facility.

Such an idea seems eminently fair. The long-term public need would be served without creating hardship on people who have a direct economic stake in the area.

This pattern, in fact, may also prove effective in developing other parks and monuments.

Colorado should watch this Utah development with interest. There are people who believe Colorado itself ought to be doing more to preserve its own natural wonders and bring more tourist dollars to the State.

The Utah park idea, coupled with Udall's further plans of park development in the Four Corners area, could result in new trends of travel through the West.

With construction soon to be accelerated on the East-West Interstate Highway through Colorado, travelers will be provided with an improved route in reaching this scenic wonderland.

Additionally, west coast visitors to Utah might well find merit in the idea of seeing Colorado's attractions as part of the same tour.

In total, this is the time to set aside the area Udall proposes. The area has not yet been seriously marred. The cost will be less now than it will in the future.

And the benefits will flow not only to westerners but to all the real landlords of the public lands, the American people.

EDUCATION FOR SURVIVAL

Mr. MOSS. Mr. President, in the last few years we in this Chamber have heard many challenging statements on the need for a Federal aid to education bill. I have been impressed, as I know many of my colleagues have also, by the depth of the research which has gone into some of them, and by the effectiveness of the statistics and arguments used. I have also been moved by the appeals for a wider and more effective educational process to meet the deadly peril of our space age world.

But it has remained for the new Commissioner of Education, Dr. Sterling M. McMurrin, to put into words for us—to sum up in simple, clear, and eloquent language—the close and intimate correlation between our level of education and our chances of survival in a nuclear age.

I am proud, naturally, that Dr. McMurrin comes from my State of Utah, where he was formerly vice president of the University of Utah, but I would be gratified regardless of what section of the country produced him, because he is proving he has the quality of national leadership we need in these difficult times.

I ask unanimous consent that the Washington Post and Times Herald editorial of July 22, commenting on Dr. McMurrin's speech at the Harvard Summer Conference on Education Administration be printed into the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EDUCATION FOR SURVIVAL

The Commissioner of Education, Sterling M. McMurrin, chose an appropriate moment to lecture his countrymen on the intimate relationship between adequate schooling and survival in the nuclear age. On Capitol Hill little men are playing politics as usual with the vital aid-to-education bill. In the country as a whole there has been far too much complacency over this seeming failure to understand the new burdens that have been laid on education. The situation calls for an intellectual bombshell, and there are many indications that Dr. McMurrin has hurled one of adequate proportions.

How, the Commissioner asks, are we going to acquire "the intellectual, moral, and spiritual resources to guarantee our security in the presence of totalitarian states of great power" without the regimentation of human souls and their resources—regimentation that we quite properly abhor? In the past, he points out, our educational program has been determined almost entirely by the interests of the individual. People have assumed that the sum total of individual aims and aspirations would somehow serve the national purpose. Now we must recognize that the very survival of our civilization depends upon education that will be adequate to the "needs of the Nation" as well as to those of the individual.

Dr. McMurrin went on to say:

"It is clear that the age of our simple security and comfort lies behind us and that in our future whatever is most precious to us as individuals and as a Nation faces daily the possibility of catastrophic destruction and is at all times threatened by those large and small events that in various and insidious ways may erode our freedom and otherwise affect the quality of our lives."

Recent history, he notes, gives no support for the unsophisticated optimism of the 19th century that our way of life must prevail because it is right. It is now evident that there are no guarantees and that without a more adequate cultivation of our human resources and deployment of our collective effort righteousness will surely fail and we will fail with it. In addition to the prospect of apocalyptic destruction and the march of totalitarianism, he reminds us, we must remember the internal threats from bigotry, irrationalism, cynicism, complacency, and despair.

What Dr. McMurrin is saying is that our new approach to education ought to be fashioned in the light of these colossal forces that are shaping the world in which we live. Vital though it is to protect the individual and to encourage his creativity, there is equal need for education that will serve the larger interests of society and of the Nation. In Dr. McMurrin's words: "What we now do in our schools has importance not only for our immediate communities but for the Nation and for the world."

The aid-to-education bill ought to be appraised against the background of this great

national need to make better use of our human resources. Federal participation in this momentous undertaking seems to be fully justified by the critical shortage of financial support for the schools and by the enormous national interest in the results. Indeed, as Dr. McMurrin notes, the principle of Federal aid to education is already firmly established, with an outlay of nearly $2.5 billion for this purpose in fiscal 1959.

Congress has provided these funds because it has recognized the national interest in improvement of the human mind. Now that national interest has been greatly extended and intensified. If the McMurrin view of education as the first step toward national strength and security can be pointedly communicated to the rank and file, we surmise that the House leadership will find ways and means of blasting the dormant education bill out of the head-in-the-sand Rules Committee.

PIONEER DAY

Mr. CHURCH. Mr. President, today the people of my State celebrate Pioneer Day. July 24 is not the date pioneers first entered Idaho, but it is symbolic and significant for the people of my State as well as for the people of the entire Intermountain West.

On July 24, 1847, 114 years ago today, Brigham Young led his wagon train into the valley of the Great Salt Lake. It had traveled over a thousand miles across the desolate Great Plains and Rocky Mountains to escape the unjustified persecution he and his people had encountered to the east. Hardship and persecution had driven the Mormons from Missouri to Illinois. They endured gross indignities and brutalities at Nauvoo, Ill., including the martyrdom of their prophet, Joseph Smith. Finally, Brigham Young decided to seek refuge in an area where he and his people could live in peace. He finally chose the valley of the Great Salt Lake, a place not then in the boundaries of the United States and uninhabited by other white men.

When Brigham Young first looked over the valley of the Great Salt Lake toward mountains to the west, he is reported to have said, "this is the place." Yet it was not only the valley of the Great Salt Lake that was to become the place for the Mormon pioneers, but the whole of the Intermountain West. Brigham Young, the greatest colonizer in America's history, sent his people into every part of the West. In my own State, Mormon pioneers established Fort Lemhi in 1857. The first permanent settlers in Idaho were the Mormon people who founded the town of Franklin in 1860; Mormon pioneers settled most of the eastern part of the State of Idaho. The Mormons were the first Americans to practice irrigation, and their irrigation projects in Idaho and the rest of the West helped make the deserts bloom.

And, contrary to the lawlessness of much of the frontier West, the Mormon settlements in Idaho and elsewhere were models of community cooperation and Christian brotherhood. This sense of brotherhood continues to the present day. The Church of Jesus Christ of Latter-day Saints has established many food storehouses and farms which help provide for the needy in the church membership. The Saints take care of their own.

To be a Latter-day Saint is not merely a Sunday occupation, but involves full-time responsibility and benefit. The Latter-day Saints are well known for their many excellent organizational services, especially that of their commendable youth program—the Mutual Improvement Association. If there were more such programs in America, we would have far fewer worries about switch-blade gangs and juvenile delinquency.

The L.D.S. Church is also well known for other of its organizations. The Mormon Tabernacle Choir, which is listened to by millions of Americans on radio every Sunday, is certainly one of the best choirs in the world.

Another activity of the L.D.S. Church that has attracted considerable national attention is the annual presentation of "America's Witness for Christ," a dramatic enactment of highlights from the Book of Mormon. This pageant is held on the beautiful Hill Cumorah near Palmyra, N.Y., close to the boyhood home of Joseph Smith. According to the Salt Lake Tribune, this has been called America's greatest religious pageant; last year 100,000 spectators gathered to witness the three performances.

The pageant began 26 years ago. In this year's presentation, which will be held from August 2 to August 5, four performances have been scheduled to accommodate the large numbers of people who wish to attend. This pageant is professional in quality even though most of the participants have little dramatic experience. This year's production includes several outstanding technological features. Three-channel stereophonic sound will carry the music of three choirs from Brigham Young University, the Utah Symphony Orchestra, and the tabernacle organ.

Today my whole State honors the Mormon pioneers and their descendants who have done so much to make Idaho a fine place to live.

NO DIPLOMATIC RELATIONS WITH OUTER MONGOLIA

Mr. KEATING. Mr. President, the air in Washington is thick these days with trial balloons, released left and right by various spokesmen, testing new directions in foreign policy. One of these bouncing balloons, the hint of a new policy toward Red China and Nationalist China, has already been blasted out of the sky by the determined reaction of the American people. The American Nation is strongly united in its opposition to recognition of Red China or admission of this ruthless, lawless predator-nation to the United Nations.

Recently, however, a deceptively modest, but equally unwise balloon has been lofted bearing the name of Outer Mongolia. Our Government is definitely exploring the possibility of sending a U.S. representative to Outer Mongolia. So far no final decision has been made, but there is every evidence that unless the Congress and the people of the United States make their sentiments known, the State Department will open diplomatic relations and support the admission of Outer Mongolia to the United Nations.

Mr. President, there are several reasons why this latest trial balloon deserves the same fate as its predecessors. It too should be burst without delay. First, Mr. President, let me say that if ever there was a nation held captive and imprisoned by Communist tyranny it is Outer Mongolia. Since the early 1920's Outer Mongolia has been a Soviet satellite, ruled in virtually the same manner as the Ukraine, Georgia, and other captive provinces within the U.S.S.R. It is not an independent country any more than East Germany is an independent country. Any time any Outer Mongolian tried to adopt an independent policy he would be crushed under Soviet totalitarianism without a qualm. Outer Mongolia does not even have access to the free world, for it is wholly surrounded by Russia and Red China.

It is said that recognition by the United States would encourage the development of Outer Mongolian independence. Since when has U.S. representation in Hungary, in Poland, in Czechoslovakia, or in any of the other Iron Curtain countries made them any more independent? As long as the Red armies stand by ready to trample down the slightest rising of national spirit and freedom, such an argument as that represents mere wishful thinking.

It is also said that a U.S. listening post in Outer Mongolia could provide useful information on Chinese-Russian relations. What I suspect is really meant is that a U.S. mission in Outer Mongolia would be the thin end of a wedge designed ultimately to push Red China into the United Nations.

It is another move calculated to embarrass our allies on Formosa and elsewhere in the Far East, who already feel let down by our attitude in Laos. Stories of friction between Russia and China have been in the air for nearly 10 years now, but an American policy which puts undue reliance upon these alleged rifts or looks to rumors from Outer Mongolia for policy direction and guidance is in a weak position indeed to defend the worldwide interests of freedom.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. KEATING. I yield to the distinguished Senator from New Hampshire.

Mr. BRIDGES. I compliment the distinguished Senator from New York for bringing this subject to the attention of the Senate. It seems to me that the proposal is a trial balloon, and a very dangerous trial balloon. The Senator from New Hampshire intends to make a few remarks on this subject tomorrow, the next day, or some other time this week.

I am glad that the Senator has had the foresight to bring the question out into the open. There has been too much sly work on this problem, and too much operating in the dark. Too many rumors have been put out, the sources of which we do not know. Sometimes the authors of such rumors are not known,

or at least not announced. Therefore, the Senator is rendering a great service in bringing the Outer Mongolian question, which is a fantastic proposal, into the open in the Senate, and I hope that it may be discussed generally.

Mr. KEATING. I appreciate the comments of the Senator from New Hampshire. At the conclusion of my remarks I shall ask unanimous consent to include a reply which I have received from Brooks Hays, Assistant Secretary of State, indicating that the subject is under consideration, but that no final conclusion has been reached.

If the United States is going to do such a thing as recognize Outer Mongolia, certainly such action should be taken only after a very full and free debate, by Congress and by the people. Even though the Congress has no readily available legal method for stopping such action, certainly it should not be taken behind anyone's back. Whatever we might learn from Outer Mongolia as a so-called listening post would be trivial indeed, compared with the repercussions of such a policy throughout the Far East.

Furthermore, we must not forget the additional nuisance of another Communist satellite in the United Nations, another vote in the General Assembly against the interests of law and order in the world, another puppet state mouthing the epithets of Communist propaganda.

Mr. President, it is also said that unless we agree to admit Outer Mongolia to the United Nations, Mauretania will also be excluded. This is blackmail, pure and simple. The United States is perfectly willing to admit Mauretania. If the Russians veto it, the onus of blame is on them. It is absolutely absurd to argue that this kind of Russian pressure play forces the United States to recognize Outer Mongolia. After all, Mauretania is an independent state with policies of its own. Outer Mongolia is nothing but a Soviet mouthpiece. If the Russians want to link the two, that is their business. Our respect for the genuine independence of Mauretania, if not anything else, should preclude us from going along on such a shameful Red-contrived deal.

Mr. President, I understand that the Department of State is presently studying the question with a view to determining whether the Mongolian Peoples Republic "is willing to enter fully into relations with other states and to discharge its international obligations." It should not take very long to reach a decision on this question. What Communist state anywhere in the world, from Cuba to North Korea, from Czechoslovakia to China, has ever been willing to discharge its international obligations? There can be only one answer to this question and there should be only one response to this latest trial balloon—a resounding "no" from the Congress and from the American people. We want no more Communist satellites in the United Nations, until such time as they can produce positive evidence of respect for the principles of international peace, law, and order on which the United Nations is based.

I ask unanimous consent to have printed at this point in the RECORD the text of a letter from the State Department, replying to mine of June 28, commenting on the subject of the recognition of Outer Mongolia.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., July 12, 1961.

The Honorable KENNETH B. KEATING,
U.S. Senate.

DEAR SENATOR KEATING: We have received your communication of June 28, 1961, requesting information concerning a report that the U.S. Government is considering the establishment of diplomatic relations with the Mongolian People's Republic.

No decision has been made to extend diplomatic recognition to Outer Mongolia or support its application for United Nations membership. The status of Outer Mongolia has been under study for some time. More recently, on April 19, 1961, in connection with the discussion in the United Nations General Assembly on applications for United Nations membership, the U.S. representative stated that the United States would be prepared to support the admission of Outer Mongolia to the United Nations when it had been possible to determine that the Mongolian People's Republic has the attributes of an independent state and is willing to enter fully into relations with other states and to discharge its international obligations. He also stated at that time that the United States was beginning discussions with a number of other governments on the matter.

During the past few weeks the Department has engaged in a number of conversations with other governments on the subject of Outer Mongolia. In addition, the American Chargé d'Affaires in Moscow saw the Mongolian Ambassador there on June 2. These talks were intended to further our knowledge of Outer Mongolia, with particular reference to its willingness and ability to discharge its international obligations. Our study of the status of Outer Mongolia is continuing. Whether or not the United States will extend diplomatic recognition to Outer Mongolia or support its application for United Nations membership are matters for future decision.

If we may be of any further assistance to you, please do not hesitate to call on us.

Sincerely yours,

For the Secretary of State:

BROOKS HAYS,
Assistant Secretary.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a very brief question?

Mr. KEATING. I am happy to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. In the opinion of the Senator would it not be a fundamental mistake of judgment even to consider recognizing Outer Mongolia at this time, when we have before us the problems of Berlin and Europe?

Mr. KEATING. If we ever were to take such action, I could think of no more inopportune time to do so than now, because by doing so, we would inevitably lessen the confidence of other free nations in our determination to defend liberty around the world. If there ever was a time when we should not bend our knees to the Communist powers, this is the time. The recognition of Outer Mongolia would be construed as appeasement and weakness throughout the world, and especially in the Far East. Now would be the worst of all times to take such proposed action, but there is never any good time to take such a bad, unwise, and unnecessary action as this. So long as Outer Mongolia is a complete puppet state, mouthing everything that Red China or Russia suggests, there is no reason why it should be recognized by the United States. I thank the Senator for his comments.

Mr. SALTONSTALL. I agree with the Senator.

UTAH PIONEER DAY ANNIVERSARY

Mr. BENNETT. Mr. President, today marks the 114th anniversary of one of the most significant events in the history of the West, the arrival of the first group of Mormon pioneers in Salt Lake Valley.

Today, in the era of the New Frontier, we tend to forget what the word "frontier" meant in the 19th century, and we often fail to realize what courage it took to venture beyond the limits of the settled and civilized portion of this vast continent. Those who pressed beyond the frontiers of the Nation were literally risking their lives in so doing, and in this case, ironically enough, these pioneers were leaving the boundaries of the United States in order to find religious freedom.

During the 114 years which have elapsed since that historic entry into Salt Lake Valley, life has changed incredibly. Among the pioneers, every man had to be his own butcher, baker, and candlestick maker—along with such other skills such as carpenter, blacksmith, tailor, and doctor. In today's specialized world, we are much more interdependent—and less independent—than our forefathers; and while this has made us more efficient and more comfortable, I am not sure it has made us better men.

The story of the winning of the West is a story of American optimism, self-reliance, and courage. And if the number of gunfights was somewhat less than the followers of Marshal Dillon might expect, the amount of true heroism and stamina required of every participant makes the true story far more dramatic than any synthetic account could ever be. We should become familiar with this story, and thereby keep fresh our appreciation of one of the finest chapters in the record of this or any nation.

DON'T BLAME DEFENSE FOR THE TAX INCREASE

Mr. BENNETT. Mr. President, according to newspaper articles appearing over the past weekend, the American people are to be treated to a $2 billion to $5 billion tax increase by the Kennedy administration. According to the usual authoritative sources, it is likely that individual income taxes will be raised by 2 points in each bracket and corporation taxes raised by 1 point. If approved, this will mean a 10 percent tax increase to the millions of Americans in the lowest, or 20-percent, tax bracket. For corporations, it will be the highest tax in history.

Just what is the justification for this drastic step? As might be expected, the increase is shrouded in the holy cloak

of defense spending. After all, who could possibly vote against vital national defense expenditures to assure our success in the battle against communism. A Washington Post article of July 22 quotes "one authority" as follows:

> A significant but not controlling reason for a tax increase was the administration's sensitivity to Republican charges of fiscal irresponsibility.

This is a delightfully subtle reference which illustrates all too clearly the technique to be used by the Kennedy administration. Not only will Republicans be told that the tax increase is direly needed for our Nation's very survival, but we shall be accused of being fiscally irresponsible if we don't vote for the tax increases.

This is without doubt one of the most cynical plans concocted by a most cynical political administration. However, we should have expected it. President Kennedy layed the groundwork for this strange and wonderful double standard budgetary policy in his March 24 budget message when he said:

> The point I wish to stress in this message is that any budgetary unbalance at the close of fiscal 1962 will not be the result of any nondefense programs I have submitted, for they have been carefully limited to a pattern of expenditures no greater than the revenues estimated by the earlier budget, as supplemented by those additional revenues which enactment of this program can reasonably be expected to stimulate, according to Treasury estimates, in fiscal 1962.

There in one sentence the President sets forth this novel but totally specious budgetary doctrine. Evidently, in some mysterious manner or other, a defense dollar is not supposed to count when piled on the already astronomical national debt. Only nondefense expenditures are of concern under the Kennedy double deficit standard. This is fiscal duplicity.

Quite logically, the Kennedy doctrine will justify the expenditure of every cent of our present tax revenues on his pet welfare state spending schemes. After all, only the defense budget would be out of balance—although out of balance by $47 billion or so. But that is really of no concern because it is for our national defense.

The President is clearly resorting to such specious reasoning because of his profligate welfare state spending policies. Congress has been barraged with countless big spending bills calling for new expenditures of billions of dollars. This avalanche of spendthrift bills has been sent to Congress with no apparent coordination, no determination of priorities, and no thought for the huge deficits they would create. All were accompanied by tremendous fanfare; all appeared to be equally important in the eyes of the Kennedy administration; but none occasioned any worry about the resulting inflationary deficit financing.

The President's own Secretary of the Treasury admitted to the Finance Committee that fully $3 billion of the $3.9 billion deficit for the fiscal year ending this past June 30 was caused by Kennedy spending. Most of that was welfare state spending and not defense spending.

But where were the requests for tax increases when the housing bill, the distressed area bill, Federal aid to education bill, and so forth, were sent to Congress? There were none. It would be more difficult to get tax increases for welfare state proposals, so the policy was to wait and hike taxes in the name of national defense.

I for one refuse to be stampeded by the Kennedy tax increase tactics. If increased defense spending is vital to the survival of our Nation and to freedom in the world, then I shal' support such expenditures. However, if we are so imperiled, then it is high time that we cut back other domestic spending to pay the defense bills. It is time that President Kennedy and his administration retreated from their avowed goals of securing a planned economy and a welfare state.

President Kennedy has repeatedly called upon the American people to make sacrifices for the Nation. Now is the time for him to ask them to give up several score of the Federal giveaway bills that the Kennedy administration now so ardently espouses. I am sure that they are prepared to do it to assure our defense strength. We must not saddle the American people with unjustified, depressing tax increases when we can so readily cut back welfare spending and cut the waste out of our present defense spending.

UNITED MINE WORKERS AND THE NATIONAL COAL ASSOCIATION OPPOSE THE HANFORD REACTOR

Mr. BENNETT. Mr. President, on July 18 the Senate passed the atomic energy authorization bill, including the $95 million Hanford, Wash., reactor steamplant. It was represented at that time that the coal industry supported the Hanford appropriation.

Both the union and the association totally refute the representations made during and following the Senate debate and both express strong opposition to the Hanford steamplant which is nothing but a public power boondoggle.

I sincerely hope that the House conferees will uphold the decisive House vote deleting this wasteful provision.

I ask unanimous consent that a letter I have received from Harry Mangus, president, district 22, of the United Mine Workers of America, and a press release from the National Coal Association be printed in the RECORD following my remarks.

There being no objection, the letter and press release were ordered to be printed in the RECORD, as follows:

UNITED MINE WORKERS
OF AMERICA,
DISTRICT 22,
Price, Utah, July 18, 1961.

Senator WALLACE F. BENNETT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BENNETT: For your information and attention, I do not know whether or not you are familiar with project 62–A–6 electric energy generating facilities for the new production reactor at Hanford, Wash. This project was removed from H.R. 7576, the atomic energy authorization bill on July 13, 1961.

The United Mine Workers opposed this project and continue to oppose it for the following reasons: This project in our personal opinion is an unnecessary waste of the taxpayers money, and from our examinations and information available on this project it would produce again extremely high cost power providing for further Government subsidies.

At the present time the 800,000 kilowatts of power produced for the Hanford plant represents an equivalent consumption of well over 2 million tons of coal a year. The use of western coal would aid tremendously our presently depressed mining communities, the railroad and local industries. For these reasons we respectively ask your cooperation in opposition for the purpose of opposing project 62–A–6 when it comes before the Senate in the near future. I know I do not have to tell you the importance of retaining the western coal market to Carbon and Emery Counties.

I, further, wish to compliment you on your speech given on the floor of the U.S. Senate on Friday, July 14, 1961. I heartily concur with the remarks made in the speech, particularly your remarks regarding the removal of the 50 percent of taxpayers income limitation on percentage depletion with respect to metal and coal mines.

Thanking you for your past actions pertaining to the coal industry, I remain,

Sincerely yours,

HARRY MANGUS,
President.

NATIONAL COAL ASSOCIATION,
Washington, D.C., July 21, 1961.

The National Coal Association today announced its unequivocal opposition to the $95 million project to produce electric energy for commercial use at the Hanford, Wash., nuclear reactor.

The NCA position was made clear in the wake of press reports that the coal industry had agreed to support the reactor project in return for Senate approval of a $5 million program to use atomic energy in coal research. Both the Hanford reactor proposal and the $5 million research program are included in an Atomic Energy Commission authorization bill.

Stephen F. Dunn, president of the National Coal Association, said:

"The National Coal Association had no connection with the research amendment and, in fact, had no knowledge of it before it was proposed on the Senate floor. The National Coal Association has, to this point, taken no public position on the Hanford proposal, although many of its members have expressed their opposition to it in communications to Members of the Congress.

"In the light of the implications, however, that our organization and its members have been involved in some kind of a barter arrangement, I want to make it perfectly clear that we are unequivocally opposed to the production of electrical energy for commercial use at the Hanford, Wash., plant.

"It is our firm belief that the private utility industry is capable of meeting the future energy requirements of all sections of this country, including the Pacific Northwest.

"As far as coal industry research is concerned, the Congress last year created the Office of Coal Research in the Department of the Interior to correlate short-term research activities affecting the coal industry. Congress has wisely appropriated funds for this Office, and we are encouraged by the progress made to date. Also, the Bureau of Mines in the Department of the Interior is engaged in long-range research projects with which the coal industry is in sympathy. Desirable

as such a research program as that proposed in the Senate may be, we recommend that the atomic coal research program be deleted from the legislation and considered by Congress on its merits when appropriate."

AMERICAN MEDICAL ASSOCIATION AND THE NATION'S HEALTH

Mr. BENNETT. Mr. President, on July 18, 1961, at the National Press Club, Dr. Leonard W. Larson, president of the American Medical Association, delivered an outstanding speech entitled "AMA and the Nation's Health."

This address by Dr. Larson clearly outlines the objectives of the medical profession in the United States in providing the best possible medical care to all of our people. His speech succinctly indicates that the doctors of our Nation are dedicated in their service, and that the people of our country enjoy the highest standards of medical care to be found anywhere in the world.

It is my personal belief, and one which I am sure is shared by Dr. Larson and 99 percent of the doctors in this country, that we shall continue to benefit from this high quality of medical care only so long as the practice of medicine remains unhampered by Federal controls. Any legislation which seeks to socialize medical care or substitute the judgment of some Federal bureaucrat for that of our family physicians is a threat to the well-being of each of us and a cancer that will eat away at the freedom of choice which is the heart and core of our constitutional Government.

I congratulate Dr. Larson and the American Medical Association on the battle they are waging against compulsory medical care legislation and other measures which would hamstring the medical profession.

Mr. President, I ask unanimous consent to have Dr. Larson's address printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMA AND THE NATION'S HEALTH

(By Leonard W. Larson, M.D., president, American Medical Association, delivered before the National Press Club, July 18, 1961, Washington, D.C.)

Ladies and gentlemen, today I bring to you, the members of the National Press Club, greetings from the members of the medical profession. I am happy to be here today to speak to you as the 115th president of the American Medical Association. My colleagues back home have already reminded me that after a year in this job I probably will feel like 115.

Already in my first 3 weeks in office I have had many labels hung on me. Most frequent has been "medical politician." Perhaps there is some truth in this designation, so I won't try to dispute it.

However, after more than 35 years as a pathologist, 16 years as a member of the AMA scientific assembly's section on pathology, and 10 years as an AMA delegate from the section on pathology, I do hope that my clinical training and experience can be transferred to the so-called political and socioeconomic matters of medicine.

Perhaps it won't be too difficult, either, because instead of dealing with tissues, I will be coping with issues. Instead of diagnosing malignant tumors, I will be diagnosing malicious rumors. Instead of urinalyses, your interpretive analyses.

For the next few minutes I am going to focus my pathologist's microscope on the American Medical Association, the Nation's health, and how the two are intertwined.

As you all know, the more a physician knows about his patient, the better he is going to understand him and the better his chances will be of diagnosing and treating him satisfactorily. It is the same with you in your work—the more you know about your subject the better your story will be.

This noon it would be impossible for me to give you a full history and examination of the American Medical Association. Yet there are a few basic facts about the American Medical Association which are important in understanding some of the more current health issues before our association, Congress, and the Nation.

The American Medical Association was founded back in 1847 because doctors were concerned with four major issues:

1. The poor quality of medical education in the United States.
2. The brisk traffic in patent medicines and secret remedies.
3. The lack of a recognized code of ethics.
4. The need for a national association of physicians to lead the crusade for better medical care.

Much has been accomplished in all four areas, but because these are continuing challenges, our association even now is vitally concerned with them.

For example, our department of investigation has one of the largest collections of nostrums and quack gadgets and medicines in the Nation and maintains the largest files existent on medical quackery.

Our war on medical quackery is a constant struggle, and on October 6–7, here in Washington, we are cosponsoring a National Congress on Medical Quackery.

I cordially invite each of you to attend and to cover this national congress. In the past the communications media have performed an invaluable service to the public and to the medical profession in reporting the newest information on pseudomedicine. We in the medical profession value you as a most important ally in this continuing campaign.

American Medical Association history also discloses that medical education has progressed from poor quality to the highest quality in the world since our founding. Today the American Medical Association, in cooperation with the Association of American Medical Colleges, periodically surveys all medical schools to insure that high standards are maintained. In addition, we have surveyors evaluating the intern and residency teaching programs in the 1,438 teaching hospitals.

Today our medical schools and their graduates are the models for the world. We are proud of our contributions but also aware of our continuing responsibilities in medical education. And that includes the goal of more medical schools and more medical graduates to meet the increasing population and the growing medical demands of the public.

In the last decade physicians have contributed more than $20 million to medical schools either through the American Medical Education Foundation or directly to their alma maters. In addition, the American Medical Association has launched a student honors and scholarship loan program to attract students to medicine and to assist financially.

Ethical conduct is another of those continuing subjects that requires close attention at almost all times. Our principles of medical ethics have been evolved through the years by action of our house of delegates.

As you may know, at our recent annual meeting I gave strong support to a report on medical discipline which was adopted by our house of delegates. I definitely plan to lend all my strength and efforts to the implementation of greater and more effective medical disciplinary activities within the profession.

It would be tragic, indeed, if a small minority in our profession were allowed to pollute the oceans of superb medical care performed by the vast majority. Perhaps perfection in ethical conduct is not attainable, but I pledge to the public and to you of the press that we shall attempt to get as close to it as possible. I believe your code of ethics is embodied in the "Canons of Journalism." And I am sure that you who are responsible for the enforcement can appreciate medicine's problems.

In carrying out the fourth concern of the founding fathers—a national association to crusade for better medical care—the American Medical Association has worked untiringly for two major objectives:

1. To promote the science and art of medicine; and
2. The betterment of the public health.

The former objective we seek to fulfill through our weekly journal; 10 monthly specialty journals; our annual Index Medicus of medical books and periodical literature published throughout the world; our "New and Nonofficial Drugs," a book that compiles all available information on drugs; our extensive medical and film libraries and lending services, and our two annual sessions in postgraduate medical study, plus a score of annual seminars, symposia and other meetings.

The list of ways in which we have sought to promote and are seeking to promote the Nation's health is almost infinite. I don't say this in a boastful manner but simply as fact.

Each of you undoubtedly knows about many of our services and efforts in behalf of the betterment of the public health. Recent publicized examples have been our seat-belt campaign, sports injuries, plastic bags, accidental poisonings, alcoholism, medical student recruitment, physician placement, infant mortality and morbidity research, mental health, food faddism, diets and overweight, job hazards and diseases, and disaster medical care.

In these and scores of other areas we strive to bring about better health in America. Frankly, with a full-time staff of 700 persons at our headquarters and in addition 700 or 800 physicians contributing their services to American Medical Association councils and committees, the volume and quality of efforts in behalf of healthier and longer lives for Americans are almost incredible.

We shall always take the lead when we believe it is required, and we shall always cooperate when we believe we can serve.

I can assure you that since 1847 our association has played a significant role in all major public health problems in the United States. We also have fostered public health facilities throughout the Nation. The record shows that the American Medical Association in 1872 urged the establishment of State boards of health.

It also is extremely interesting to note that in 1912 the American Medical Association urged the establishment of a department of health in the President's Cabinet, which eventually led to the Department of Health, Education, and Welfare. Our association also recommended the creation of the U.S. Public Health Service and the Federal Food and Drug Administration.

In all our efforts—from all-out campaigns to recommendations for the improvement of the public's health—we are mindful of the excellent cooperation of the press, radio, television, and magazines in assisting us in

accomplishing our goals for the Nation and the people. We also are mindful of your criticisms and barbs which, when justified, have spurred us to either correct the case in point or to interpret our position more clearly.

For example, we know full well that the communications industry has done a superb job in the continuing drive to control poliomyelitis in our country. You have battled this crippling disease shoulder to shoulder with the National Foundation, the U.S. Public Health Service, the Advertising Council of New York, and the American Medical Association since the introduction of the Salk vaccine in 1955.

Because 40 percent of the Nation's population still had not been inoculated against polio at the end of last year, the AMA here in Washington in December 1960 urged physicians to cooperate fully in a renewed campaign called "Babies and Breadwinners" to stamp out paralytic polio.

At that time our association strongly recommended the widest possible use of the Salk vaccine because the new oral polio vaccine would not be generally available in sufficient quantity until late in 1961. This action was in harmony with the position of the U.S. Public Health Service. A few months before U.S. Public Health Service had endorsed the Sabin oral polio vaccine as "suitable for use in the United States." However, the U.S. Surgeon General encouraged continued use of Salk vaccine until the oral vaccine could be marketed widely. He predicted it would be by mid-1961.

Three weeks ago in New York City the American Medical Association again encouraged physicians to support the use of the Salk vaccine at least until oral vaccines of proved safety and potency were available to the public. We again urged that every person below the age of 50 should be protected with Salk vaccine.

We took this action because of our longstanding and continuing endorsement and support of the use of the Salk vaccine, and because the Sabin oral vaccine is not expected to be available to the public until October.

For this action we now have been criticized in certain newspaper quarters, accused of confusing the public. If the public wasn't confused by the position of the U.S. Public Health Service last summer and our association's action last December, why should there be any confusion now?

I suppose that if we had not stated our position clearly, as we have done, on the continued use of the Salk vaccine and the adoption and use of the new oral vaccine when available, we would have been damned editorially for it. Yes, frankly, by some editors we are damned if we do, and damned if we don't.

However, I reemphasize this to you: Our first recommendation for the participation of physicians in community polio-virus vaccine programs is "the use of Salk vaccine on the widest possible scale at least until the oral polio-virus vaccines * * * become available."

I also stress to you that it was our obligation to the public to release the results of our own investigation of the oral vaccine—a study that included a careful evaluation of the tremendous amount of research and data on the vaccine. It was our obligation to state our position because our house of delegates does not meet again until late November and from all indications oral vaccine will be ready before then. It was our obligation to outline for physicians and the public our evaluation and recommendation for communitywide mass vaccination programs when oral vaccine is available. This we have done, and we are proud of it.

I am happy to say that generally reportorial accounts of our action did not confuse the public. Thus, if confusion has arisen, it is because the public did not read the accounts carefully, or because a few editorials misrepresented our position.

I also am aware of the editorial criticism of the American Medical Association's position regarding the proposed Federal legislation authorizing the Food and Drug Administration to determine the efficacy of prescription drugs.

As you know, we had the "pleasure" of testifying before Senator KEFAUVER'S subcommittee 2 weeks ago. I say "pleasure" because I did not present the American Medical Association testimony. Dr. Hussey, who is one of your guests today, appeared in behalf of the American Medical Association. Since the hearing, some misunderstandings and misrepresentations of our basic attitudes have arisen—principally as the result of newspaper editorials.

Let me explain our position briefly. The American Medical Association questioned three sections of the bill. In effect, these three would turn over to the Federal Government responsibility for (1) relaying of drug information to physicians, (2) selecting the nonproprietary names of new drugs, and (3) deciding whether a drug is of value in treating human ills.

It is this latter question of a drug's efficacy in treatment and careless reading of all the facts which has resulted in the latest criticisms of our association.

Our fear is simply that worthwhile drugs may be kept from the market under the provisions of S. 1552, titled "The Drug Industry Antitrust Act."

The AMA is opposed to giving the Federal Government new powers to pass on the efficacy of a prescription drug before being marketed. As you may know, under existing law a drug manufacturer in a new-drug application must submit sufficient information so that the FDA can determine the safety of the drug and the accuracy of the manufacturer's claims for it. In effect then, the FDA already checks the issue of efficacy and can prevent useless or dangerous prescription drugs from being marketed. In addition it can remove a drug from the market under existing law if the claims of the manufacturer cannot be substantiated.

We see no reason for new and extended powers of the FDA to pass on the efficacy question. The public is adequately protected under existing law. Our concern is that given the new powers, the FDA could determine relative efficacy. In this event, FDA might say that drug B, while efficacious, is not as efficacious as drug A, and therefore should not be licensed.

Yet time and experience could prove that drug B had unexpected therapeutic powers perhaps not related to its original purpose. Furthermore, drug B might be exactly the right drug for a certain patient while drug A would be the proper drug for 99 others.

I hasten to add that our opposition to the efficacy provision is not meant in any manner to reflect on the FDA, an agency with which we have worked closely through the years.

Furthermore, we resent the charge by Senator KEFAUVER that the American Medical Association cannot be relied upon to be objective in informing physicians of drug properties because of the revenue obtained from drug companies through advertising in American Medical Association journals.

The American Medical Association has never submitted to such pressures and has no intention of doing so now or in the future. This charge is just as absurd as would be the allegation that editors, reporters and editorial writers are captives of their advertisers. In fact, our members would be the first to repudiate the American Medical Association if it bowed to any pressure to misinform them on the treatment of patients.

Furthermore, our advertising standards are higher than any publication in the medical field of journalism. We reject many, many ads for failing to come up to our strict standards. Therefore, the Senator's charge was an unwarranted slur, and in my opinion he should take the proper action to expunge it from the record.

Just as the American Medical Association or a drug firm would suffer irreparable damage if it deliberately distorted the reliability of a drug, so the Senator will suffer himself from deliberately distorting our reliability on a matter so vital to physicians and the patients they serve.

On this particular issue the position of the American Medical Association is simple. We are opposed to the proposal because we believe it would lower the quality of medical care and would not be in the best public interest.

Two members of our council on drugs are appearing before the Kefauver committee today. They have expressed a contrary opinion to the position adopted by the American Medical Association house of delegates, which I have reviewed for you.

There are 17 members on our council on drugs, and I would be less than frank if I did not admit that there are honest differences of opinion among some council members regarding Government's role in determining efficacy.

The council is made up of many eminent pharmacologists and educators. They are advisory to the American Medical Association's board of trustees and, as such, we rely on their varied opinions to reach the final decision as to what is best for the practicing physician as he serves each individual patient.

This is a perfect demonstration of the democratic structure of the American Medical Association. Medicine is an inexact science and there will always be differences of opinion. We welcome and respect these contrary opinions and evaluate them as fairly as possible.

In the past we have opposed other recommended legislation for these reasons, and we shall continue to do so when we believe legislation will result in poorer health care for the public.

It does seem to me that there has been entirely too much emphasis placed on American Medical Association's legislative activities—especially on proposals we reject. By far the greater part of our association's time and money is expended on medical science, publications, health education of the public and promotion of the highest quality of medical care for all.

Legislation, however, is important, and we have supported hundreds of sound medical proposals through the years. During the 86th Congress, for example, the American Medical Association issued 43 statements on 25 bills—26 were in support of the legislation, 11 were informational only, and only 6 relating to 4 bills were in opposition.

One of the most important measures we backed last year was the Kerr-Mills Medical Aid for the Aged Act. The most important proposal we opposed last year was the financing of limited medical care for the aged under social security.

We are particularly gratified at the rapid implementation of the Kerr-Mills law. To date 27 States either have the law in effect or have enacted it with later effective dates. This progress demonstrates the keen interest in the States to help those who really need help.

This is additionally heartening when you consider that the administration favors social security medicine for the aged and has done little or nothing to promote the Kerr-Mills Act among Governors and State legislatures. It is interesting to note that two prominent Democrats authored the measure.

Our association vigorously has supported the principle of the Kerr-Mills law since its inception because we believe in helping those

who need help, and because we do not believe that tax dollars of the working people of America should be used to finance medical care for any person who is financially able to pay for it.

The Kerr-Mills program can provide these elderly persons with financial help when they need it, as often as they need it, and in the full amount required—regardless of their social security status.

One would have to be politically naive, indeed, not to realize that under Social Security medicine the emphasis would clearly be on expansion of medical benefits and the tax intake, domination of those rendering the services, and perpetuation of the entire program.

I think it is time for everyone to realize that medical care and its financing are just one facet in the overall, changing pattern of life for the elderly. We are in a transitional period with respect to the sociological, medical and financial needs of our senior citizens; both the health and economic status of the aged are far better than they have been portrayed and will continue to improve in the years ahead.

Thus, the situation calls for transitional methods—adaptable, flexible and well-aimed at the target areas of need. It does not call for radical, across-the-board, scattershot methods which would either overshoot or miss the mark completely.

This is not the time for an irreversible, ever-expanding, over-expensive, political program sold to the public with too much emotion and too little logic.

I am convinced that the Kerr-Mills program and private prepayment plans—both voluntary and complementing one another—are solving the current problems of health care financing among our senior citizens. This, I firmly believe, is the best course of action for America to take.

It has been a privilege for me to have had the honor of addressing you today.

FOREIGN AID

Mr. SYMINGTON. Mr. President, some unusual events have taken place recently that relate to the question of foreign aid.

When the President of a foreign nation stood before both Houses of Congress, and in effect told us bluntly that we had no choice but to continue and expand our worldwide economic and military commitments, he was greeted with much applause.

An impressive representative of the Nation's business and industrial leaders, on their own initiative, organized in support of sound and constructive changes in our foreign aid operations.

And for the first time in my recollection, mail from my State in favor of foreign aid has outnumbered mail received in opposition.

None of these events are revolutionary.

None in itself assures the success of the legislation now before us.

But considered together, I believe they indicate we Americans are mature people who recognize the threats to our liberty around the globe; and are willing to do whatever is required so that freedom can be preserved.

We no longer can have the luxury of deciding whether or not to commit ourselves beyond our national shores.

Determined as we are to preserve our democratic heritage, we must be sure that we are not left alone against a hostile world.

A recent editorial in one of the Nation's great newspapers began as follows:

Frankly, we don't like the great tax burden of foreign aid any more than the next fellow. But this is not a question of liking or disliking. Foreign aid is imperative to the Nation's welfare.

Because I believe this statement just about sums up the realistic and sober feeling of American citizens on this issue, I ask unanimous consent that the editorial entitled "Foreign Aid: A 'Must' of U.S. Policy," from the Kansas City Times of July 18, 1961, be inserted at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Kansas City Times, July 18, 1961]

FOREIGN AID: A "MUST" OF U.S. POLICY

Frankly, we don't like the great tax burden of foreign aid any more than the next fellow. But this is not a question of liking or disliking. Foreign aid is imperative to the Nation's welfare. Period and exclamation point. It can be abandoned or seriously curtailed only at great risk. If Congress fails to provide efficient new methods and machinery, as the President has asked, it will critically weaken the Nation's position in a time of great tension.

Definitely, foreign aid is not a matter of politics. The lawmaker who so regards it is doing a disservice to his people. It is not a matter of what the administration wants. Or what John F. Kennedy wants. Like it or not, we have to do the best we can against the great offensive of world communism. We can admit the errors and waste of the past and still know that it is necessary for us to do all this, perhaps more.

Here, then, is the assignment of the moment: To provide the most intelligent efficient strategy for the aid program. Mr. Kennedy has made some very constructive suggestions, we believe. Indeed, many of the same suggestions were made at various times by Mr. Eisenhower. But Congress turned a cold ear to President Eisenhower and from the reports we hear, Mr. Kennedy's program is not doing much better.

We can understand the congressional reluctance. Some of it is based on politics. The lawmaker convinces himself easily that he has no constituents in Pakistan. He forgets that the welfare of his own constituents may very well hinge on the welfare of Pakistan or any one of dozens of nations around the globe.

In addition, there is opposition based on the old congressional control of the purse-strings. Mr. Kennedy's suggested 5-year program would presumably weaken this control. It need not. Congress still has the power of investigation and review. In the past the lawmakers have uncovered some of the worst examples of foreign-aid waste. They might consider this: Part of the waste and inefficiency is due to the fact that Congress has failed to modernize the foreign-aid machinery and insisted on the 1-year program. What business could be successful if it could plan but 1 year ahead? Can we expect a young nation to move on for 12 months, then wait for further word from Capitol Hill?

We are not saying this just in support of Mr. Kennedy in his foreign-aid drive. We supported foreign-aid in the Eisenhower era, and not just because we liked Ike. Then, and now, we supported foreign aid because it was in the interest of the United States. This country is faced with stark reality. It can't ditch the foreign-aid program if it wanted to. It is a first line of defense in the cold war. It checks to Congress to make it the strongest defense possible.

THE INTERNATIONAL SITUATION

Mr. HUMPHREY. Mr. President, a short time ago Eric Sevareid spoke at the University of Minnesota as the first Dalton Le Masurier Memorial Lecturer. In the May issue of the University of Minnesota Alumni News, extensive excerpts of this lecture were printed. I wish to call this article to the attention of the Senate as an extremely cogent dissertation by one of the world's great political observers.

Recently Mr. Sevareid traveled in England, France, Belgium, Germany, Geneva, Spain, and West Africa. The essence of this lecture was a description of the backdrop of political and social trends of ideas, hopes, and fears in these countries. Mr. Sevareid sets forth an ominous warning. I should like to quote him.

Little wonder that virtually every new nation created since the war and which has tried republican, parliamentary institutions, has already abandoned them. Political democracy is not spreading; it becomes more and more the exclusive mechanism of the most sophisticated and educated peoples, those long conditioned in the traits of cooperation and tolerance.

The problem is not to save the world for democracy; it is to save the world; and to save democracy in those parts of the world that know how to operate democracy.

Mr. Sevareid's ensuing remarks about the various countries are brilliant and worth reading. In regard to Africa he says:

The immediate practical problem of the African people is not that they are economically underdeveloped, though they are, but that they are educationally and therefore politically underdeveloped. They need industries, but fundamentally they need teachers.

The main point that Mr. Sevareid makes is that to win the cold war and to increase the number of places capable of sustaining a democracy, the following actions must be taken:

First. Europe must become unified and this necessitates political reorganization.

Second. We will have to surrender some of our sovereignty on both a political and an economic level.

Third. The United States must participate in the great Atlantic trading area.

He goes on to point out that there is an urgency to take these actions. We cannot assume that if we settle the Berlin problem or the problem in Laos that all our troubles are over. Even in peace we must be vigilant. This is when the Communists are most active. The Communist Congress declares for all the world to read:

The policy of peaceful coexistence is a policy of mobilizing the masses and launching vigorous action against the enemies of peace. Peaceful coexistence of states does not imply renunciation of the class struggle * * * it is a form of class struggle between socialism and capitalism * * * it implies intensification of the struggle for the triumph of Socialist ideas.

Mr. Sevareid also points out that in a power stalemate, the Communist forces will fight an endless guerrilla warfare against us, against our positions, our influence, our very meaning. It is the inescapable fate of the United States to be

the headquarters of resistance and counterattack. We must not abdicate our responsibility. Mr. President, I ask unanimous consent to have this article printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SHAPE OF THINGS TO COME

(By Eric Sevareid)

This is a travelog; I have been traveling the last 18 months in England, France, Belgium, Germany, Geneva, Spain, West Africa, and back and forth to Washington from time to time. A travelog, but not in terms of mountains and beaches and quaint peasant villages. The scenery I would like to describe is the backdrop of political and social trends, ideas, hopes, and fears. It is a confusing and contradictory picture that one finds today in the world of Western minds. Never in my working life have I found it so difficult to pick out the dominant threads and tones in the vast mosaic.

The complexity of human events has all but outrun mortal men's capacity to comprehend them. It is an unhappy truth. I pity any modern statesman. He is a man trying to play a hundred chess games at once.

Because every other country in the world is now mixed up in the affairs of every other country, all our institutions of information, free debate, our elaborate techniques for finding a democratic consensus of our people simply break down unless we also resort to the oldest, most primitive political institution—one human being of commanding quality to make it all work and to lead us.

Little wonder that virtually every new nation created since the war and which has tried republican, parliamentary institutions, has already abandoned them. Political democracy is not spreading; it becomes more and more the exclusive mechanism of the most sophisticated and educated peoples, those long conditioned in the traits of cooperation and tolerance.

The problem is not to save the world for democracy; it is to save the world; and to save democracy in those parts of the world that know how to operate democracy.

Spain fascinated me. Not in the political sense. Politically and intellectually, Spain is static. The currents of the 20th century flow around its borders without penetration, save in some subterranean cracks. Spaniards live by primary values, and sometimes I think they will outlive the rest of Europe. I suppose the Spaniards represent the survival of the fittest—which is too tough a system for my American stomach. But, strangely, Spain for a time is refreshing, a curious thing to say about a half-paralyzed society.

Refreshing because there isn't any popular psychiatry in Spain—no women's magazines torturing its readers with articles entitled "Are You Putting Too Much Pressure on Your Husband?" "Are You Sure Your Teenage Daughter Is Pure?" No organized institutions, whether for publications or patent medicines, designed to make screaming neurotics out of the people for sales purposes. In Spain people love or they hate—they don't examine their subconscious. They are brave or they are cowards; there is honor or there is shame; you succeed or you fail. Children obey parents instead of the other way around.

Going there, for any American of this Freudian age, is like stepping with Alice through the looking glass or down the rabbit hole, or whatever it was, into an upside-down world of emotional sanity. You may come back asking yourself if American society hasn't gone too far toward valuing the weak and the sick over the strong and the healthy, the backward over the bright, the callow over the mature. You may ask yourself if it isn't better to teach our young to try to do well, rather than to do good, if that isn't the way to do the most good in the end.

But mass destinies are being formed on the political level in the world, and Spain isn't political.

The new Africa is.

I came back both excited and disillusioned about black Africa. Excited because this is a great movement toward freedom, but I do not mean political freedom. In some places they are going to exchange European white man's rule for a worse native tyranny. But cultural freedom. They are going to have schools, newspapers, television, dancehalls, Oldsmobiles, felt hats, neckties, drive-in banks at the edge of the jungle, Thursday evening current-events clubs, and shopping centers.

Many of us think this is awful, because we are sentimentalists. Why have them just like us? What an appalling conformity. But this isn't conformity, not for them; for them this is freedom. The real conformity has always been the deadly conformity of the tribe.

The truth is that culturally the West has won the world. Culturally, but not politically.

The Congo mess opened our eyes a bit, helped us to rid ourselves of the romantic fallacy which so confuses American and British thinking about Africa or Asia—or Latin America. The fallacious notion of primitive man as one in the good, happy, natural, and ever-loving condition. We have compounded the fallacy by some Christian infusions; that is, we have an idea that the Africans, because they have been oppressed, somehow excel in virtue. They don't. Nor do the poor—in spirit, strength, mind, and resources—inherit the earth, though they may inherit heaven. They merely live at the unfashionable addresses on the earth; the great hope is that by this new cultural freedom they, too, will become strong, so that they can improve their own neighborhoods, though some of them will move westward rather than wait.

Nkrumah's dream of a united Africa is probably just a dream. African national groups come together mostly only when and where they have a common exterior target; apartheid in South Africa, for example, or French atom bombs in the Sahara. They ought to be able to unite on lower levels—common currency, common customs and passport practices, and so on. But even at that level, the emergence of Ghana itself broke up the common west African currency and the West African Airline.

Congos can happen elsewhere, unless the white withdrawal is slow, well planned; it could happen in Kenya, Tanganyika, or the Rhodesian Federation.

The immediate practical problem about these African peoples is not that they are economically underdeveloped—though they are—but that they are educationally and, therefore, politically underdeveloped. They need industries; but, fundamentally, they need teachers.

We can help create institutions of the kind we know more about than anybody else. Systems of education, for example, like our land-grant colleges for technological training, in places with great emphasis on modern agriculture. In this kind of training the colonial powers were very slow. Among the 18 million people of northern Nigeria, for example, there are 1 or 2 fully trained native veterinarians, 2 or 3 native agronomists; 1 qualified dental surgeon. There are more Hausas and Fulani with Oxford and Cambridge degrees in the classics, the educational goal the British, until recently, held out to the Nigerians as the one true goal. There are vast chasms like this all over Africa and we ought to be able to beat the Russians at filling them.

But the problem goes deeper, of course. Africans, like other men, do not live by vitamin-enriched bread alone. Men live by race memories and by faiths. Central Africans, save in the Moslem sectors, have no history in our sense of the word, no deep and generally accepted religions. The new, half educated Africans with whom we must deal are spiritually disoriented, a lost generation; uprooted from their tribal villages, passed through the clerkship life in the shanty towns surrounding the big cities, they learned to despise their tribal culture and to envy and resent the white man's culture. They now belong to neither the one nor the other; in their own homes they are homeless; they do not know where they are going because they do not know where they have been. They fiercely assert, because they must, that with colonialism gone something new and strong and fresh will arise, identifiably, exclusively African. Exactly what, no one knows.

A vacuum of faith, as well as a political vacuum, exists; this the Communists well know.

Building sound economies in the new countries will be hazardous, partly because their new, young—and often highly emotional—leaders want to telescope historical processes; they want a social welfare state with pensions, unions, minimum wages, and all the rest of it before the industrial capital base has been laid.

Western influence is miles ahead of Communist influence in Africa and ought to be able to stay there, but might not because the Communists offer simple slogans and solutions for what are still mostly simple intellects and we offer complicated processes.

Africans, and Asians, will go through all the miserable and sometimes exalting stages of nationalism—that the West has gone through and which the West now knows it must get away from. But this, I suppose, is their historic right; and, after all, nationalism is our idea and our export to them.

Khrushchev has made it perfectly clear that he will support any and all nationalist movements aimed against Western rulers. He is now at a disadvantage in Africa, because Russian Communist influence has barely begun to appear—so far he has no Castro there—and Russian skins are also white. America, too, is at a disadvantage. The colonial rulers remaining in Africa are our allies. It will be extremely difficult for President Kennedy to direct a fresh, exclusively American approach in Africa; our people will bump into a hundred years accumulation of British, French, Portuguese personnel, institutions, techniques, and vested interests everywhere they turn. The American writ in Africa will have to run through London, and Paris for some time to come. We cannot allow African leaders to play us off against our allies, which they will try to do.

Africa, in sum, is producing far more history right now than it can consume locally. This massive indigestion will continue for a long, long time. And until this period is over, Africa will not hold the world's balance of power, as many apocalyptic warnings would have it.

America, working through a steadily uniting and cooperating Europe, can usher Africa into the 20th century, if anybody can. Our role is a delicate one, but not without opportunities. And this is one reason among others why the European unification movement absolutely must keep going. This historical seedbed of great wars has gone further, these 15 years, with the coal and steel community, Euratom, NATO, the Common Market and so on, than it did in the previous 500 years. But until this movement goes much further I believe it wrong to say that Europe is not fully recovered, and that European countries are now our equals in this alliance. It will be an alliance of equals, or near equals, when Europe is a working unity and it is not that yet.

The overt dangers and troubles are obvious to us all. One is the calvary of France, over Algeria. France is not of great practical use as an ally until that is settled; perhaps not for a long time afterwards if DeGaulle must pass from the scene. Belgium may go through a constitutional upheaval and reformation before it steadies down again. The trade split between the Common Market six and the British-led Outer Seven is getting wider; the two groups must somehow be brought together. A serious trade war in Europe would badly weaken this alliance. The disagreements within the military structure of the alliance are serious enough—over who should make the decisions (DeGaulle insists only America, Britain, and France should do so), over the American idea of making NATO itself a so-called fourth nuclear power, with a so far unspecified number of national fingers on the nuclear trigger—and the safety catch; over atomic arming of the Germans. Over the whole political business of the soft or the tough approach to the Russians on such questions as Berlin.

Britain, where I have spent most of the last year, we automatically assume to be our one totally dependable ally. They are a wonderfully calm, brave, and indomitable people, junior partners in this alliance only in terms of power, not in terms of brains, experience or moral influence. But at the moment their past preoccupies them more than does their future. Their chief attention in these years has been the liquidation of a world empire, which they have done and are doing, surely, with more sure footedness and grace than any imperial power has shown in all time.

This, one must salute. But one must, I am afraid, consider very carefully how long, or whether, Britain will remain the ally she is, as matters now are moving. Were I a world strategy planner in Washington trying to plot in advance the world picture 10 years from now, I would be very much concerned about the dual, doubleheaded drift of Great Britain. Historically, Britain has gone to sleep after big wars; she is not asleep now, but she is dozing and nodding. Economically she is drifting down. She has the worst rate of production increase among the big European countries; and she steadily loses her old share of world markets, even in her own Commonwealth.

The Germans, the French, the Dutch, even northern Italians are outstripping the British, even in Britain's own famous specialties. This is a fiercely competitive world; the polite, diffident British take, but awkwardly, to the "hard sell," Madison Avenue style. Union featherbedding, redtape, the encrusted habits and institutions of a Victorian society tend to harden the arteries of the British economy.

All this represents one head of Britain's double-headed drift. The other is political and psychological. It is the partly surface, partly subsurface drift toward neutralism; a state of mind—growing I believe—that equates Americans with Russians as a threat to world peace. Technically and officially at least—though its parliamentary leaders oppose—the British Labor Party is on record favoring withdrawal from any alliance based on nuclear weapons, as NATO is. Private polls suggest that nearly half the British people don't wish to be tied up with America politically any more than with Russia. The Russians are well aware of this; incessantly, they picture their quarrel as one solely with America—and this psychological subsurface rift in the Western common front widens and deepens.

My worry is that we are now approaching a psychological great divide—where European publics, and therefore European governments—will respond to stronger American leadership—which their intellectuals so often call for—only when that lead is in the direction of disarmament and compromise with the Soviet Union. If that lead is toward a bold stand against Russia, as sometimes it must be—perhaps as in Laos—Europeans will not follow with relief and relish, but will recoil away from us.

Mixed up in this psychological phenomenon is a good deal of pure cultural anti-Americanism, if I can call it that. A kind of helpless, intellectual resentment at the tide of American products, techniques, humor, music, dance, television programs, and so on, that now washes across much of Europe. The old European societies are not becoming Americanized in terms of true and individual cultures; in many aspects of popular and surface culture they are. This is as distressing incidentally, to touring American schoolteachers as it is to European intellectuals. But I refuse to feel guilty about this. Popular culture, like nature and politics, abhors a vacuum. Wholesalers buy things because their retail customers like them. If British or Canadian popular culture lacks sparkle and vitality, that is really their problem not ours.

But all this constitutes psychological erosion of the great Western alliance, adds to this period, transitional I hope, of unease and friction. For a generation our allies preached the thesis that if America had come into the world earlier in this century, two world wars might have been averted; well, we have now come in. We have come in all the way, with all of our equipment, including our restraint and our impulsiveness, our kindness and our angers. For some, abroad, it has been a little too much. Prestige is a hard thing to measure; but there can be no question but that American prestige in the world has rather abruptly declined.

Relatively speaking, our prestige had to decline from the peculiarly high and exclusive position of 10 years ago. No matter who had been President this last decade Communist China would still have risen to its immense status; the Russians would still have been first to send man—man's mind, in the form of tangible objects—into space; the boiler of African nationalism would still have steamed over; and it is probable that Latin American restiveness would still have sought, and found, the outlets for its pent-up passions.

I shall attempt no overall formula by which the United States of America can restore general allied and neutral nation confidence in our strength and trust in our specific wisdom; nor any detailed recipe for so doing. Much will depend, in this era of the super personality on the personal image and tone projected by the new American President; he began well, I thought, on his note of never negotiating from fear and never fearing to negotiate.

But, for heaven's sake, let us stop apologizing for being Americans. Let us rid ourselves of feelings of guilt about every political mishap around the world, about every manifestation, in the most remote places, of man's savagery to man. Our overall records of generosity and the bearing of risks for others these past 15 years requires no apology; history shows no precedent for it. We have an almost masochistic capacity for accepting criticism from others, including some of the most venal governments on earth. If we are immature, I suppose that streak in us is the surest sign of it. "Seek to be respected," say our European intellectual friends, "not to be loved." Quite so. I might say to them that respect is a two-way transaction. They might reexamine their notion that rich America is sunk in materialist complacency, which is their theme when we are quiet and cautious; or their quite contradictory theme, when we take actions, that we are trigger happy and reckless. We have the materials, but we are not materialistic in our deepest spirit, we are, indeed, somewhat romantic and idealistic. We are not a complacent people; one can feel the new winds blowing across this land.

There is more hard thinking and talking about the state of the world going on in the United States, among ordinary citizens, than in any country I know. Nor are we culture-less barbarians. There is a cultural explosion going on in this country, in the theater, in music, in the visual arts, which Europeans simply do not know about, partly because so many of their intellectual leaders seem to dislike this truth. "All that and space satellites, too?"—It's a little too much, too soon, for those allied friends who have not quite made the psychological adjustment to America in the world.

I am quite willing to respect the counsels of British diplomacy as expressed in the leisurely offices of Whitehall, given out of their rich experience around the globe, but I am not quite willing to accept their frequent posture of wise and mellowed Athens proctoring big and brassy Rome, because their basic premise is false. They equate our power and responsibilities around the world with those they themselves once exercised and bore. In most places, they had direct authority, including resort to force, to implement their policy and will. We do not; we have immense and immensely complex responsibilities but possess only the authority of persuasion, example and good will with which to carry them out. No great power has ever tried to do this, on this scale, in this manner, in all time, not the Romans, the Spaniards, the French, the British—or the Russians.

Respect is a two-way transaction, still, it must begin at home. A nation, like an individual, is accorded by others the respect it accords itself. Those Americans I encounter abroad who virtually apologize to foreign acquaintances for being American only harm their country in foreign eyes.

But this that I have just been talking about is really only the transitory climate, the weather in which this alliance structure now exists. What about the structure itself? I think it is experiencing some rather critical tensions.

The British try to keep their left foot in Europe, their right in America, with a very special relationship with America. Can they keep that relationship if they drift downward as an industrial power and Europe more and more emerges as an entity? Can De Gaulle drive on with his insistence on a three-power control of NATO with the German military ingredient in NATO fairly surely becoming more important than that of France? NATO has become more and more dependent on nuclear weapons, recasting its original structure and strategy around them. Small, crowded countries that could not possibly contemplate a nuclear war are finding their destinies frozen into this mold. Does the United States continue to control the effective finger on the NATO nuclear trigger? Do the British keep on with their own independent nuclear striking force? Does France continue the frightfully expensive effort to duplicate all this in her own forces? If so, who has the right to deny the Germans the possession of their own atomic weapons? We have reached a stage in this alliance where a fearful snarl of basic problems and decisions confront it. Rethinking is barely begun. It seems clear enough that the further the alliance is driven to basic reliance on massive nuclear retaliation as its means, not only of deterrence, but of actually waging war, the further neutralist sentiment will spread, the stronger the unilateral disarmers will become, the more compelling will be the instinct to wish to compromise with the Soviet

Union on every specific issue. I feel sure this is what the Russians are counting on.

I do not know all the questions involved in straightening out this tangle, let alone all the answers. But my instinctive feeling is that the Western alliance, still our great rallying stage for the decades of cold war struggle that lie ahead, can slowly come apart at the seams unless some very bold initiatives are now attempted, historically on a level of importance and drama with the Marshall plan. It means political reorganization, the surrender of more sovereignty on the political as well as on the practical economic level.

Economically, I suppose it implies the United States and Canada coming into a great Atlantic trading area including all of West Europe. This may be the only way to avoid a disastrous trade war in a squarely divided Europe, it may be the only out for Great Britain, now paralyzed by indecision as between developing Europe and her very special, and conflicting, ties with her Commonwealth.

It may be the only way to hammer out and maintain an agreed-upon defense strategy. The only way to contain France, for example, from striking out on her own in nuclear arms or to keep Germany within the common defense fold over the long haul. It may be the only way to get a common Western approach to the problems of Africa and Asia and a more equitable sharing of the national financial burdens involved in helping those regions. Perhaps, too, it is the best insurance against France, Italy, or Germany surrendering, in further domestic crises, their democratic political institutions for anarchy or dictatorship, as all three have periodically done in the past.

It is, of course, an enormous order, and immensely complex. It implies further surrender of America's sovereign control over our defense and trading policies and our approaches to the poor, new countries of Asia and Africa.

One feels driven to the conclusion that the unification movement in Europe has reached a critical point, is treading into a stretch of bog and quicksand and is not very likely to get through it without pausing for some rather fundamental reorganization and regrouping in which North America will have to play a different role. Failing this, the disintegrative forces are likely to get stronger all the time. If so, then the time may not be too far off when the Western nations will be driven, one by one, to seek their own separate deal and peace with the Soviet Union.

The cold war would then be lost, I believe it can be won, if only there is the vision and the will, for surely the means exist. The potential power and influence of a closely integrated Europe working closely with North America is stupendous. I fail to see why a Western community, including some 450 million human beings, the most talented, experienced, and imaginative in the world, with immense resources at their command, could not stand off the Communist bloc in virtually every important respect, until the drive of the Communist faith and conspiracy is blunted and worn down.

Now, some of you will be thinking: this is all too apocalyptic. The Russians don't want war. They have nothing we want. They can't knock us over; we can't knock us over; we can't knock them over. So let us get about settling our outstanding difficulties, such as Berlin or Laos or Formosa or whatnot, and then we will find that we can disarm, automatically, and that both sides can coexist without real trouble for a very long time to come.

But from Khrushchev's last long domestic speech and from the declaration of the Moscow Conference of World Communist Parties this fall—as well as from Khrushchev's behavior all through 1960—I think we can, in safety, only conclude that the old Communist aims have not changed at all. Khrushchev clearly wants atomic peace—including some atomic disarmament—as a truce that will free Communist energies and resources and make their task of world subversion and division easier for them; all he means by peaceful coexistence is removal of the threat of atomic war. After all, what does the Communist Congress declaration say? I quote from it, "The policy of peaceful coexistence is a policy of mobilizing the masses and launching vigorous action against the enemies of peace. Peaceful coexistence of states does not imply renunciation of the class struggle * * * it is a form of class struggle between socialism and capitalism * * * it implies intensification of the struggle * * * for the triumph of Socialist ideas." They haven't changed since Orwell wrote: "War is peace; peace is war."

Surely, the emergence of China as a vast Communist power on our Pacific flank, the breakup of the old colonial order in Asia and Africa, the rise of anti-Americanism in Japan, of communism in Cuba, and its spread in South America, the uneasy drift toward neutralism and possible division in Europe—surely all this must be taken by the Reds as evidence that the winds are with them, that their day is coming. It is inconceivable that they should now suddenly quit when they are convinced they're ahead, and sit down at the umpire's table, settle a few frontier area problems and call the whole game off.

But none of this necessarily implies atomic warfare. I doubt that Mr. Mathews and others are right in believing that since arms races in the past have ended in war, this arms race must so end. This one is fundamentally different. Previous competitive arms increases were designed to achieve a military superiority and were put to use when aggressor governments believed superiority was achieved and a decision could therefore be made by war. Between the two giants today there can be no meaningful atomic superiority and of course no decision in war save joint extinction. A real measure of atomic disarmament will be a great burden off our backs and off the backs of the Russians; I think it is a possibility, though total atomic disarmament I do not expect to see in my time.

Is the more pressing danger, then, surprise attack, or, the spread of nuclear weapons to still more nations. The last, I would think, is potentially dangerous; it introduces new and unknown factors into the equation. But soon missiles and missiles bases will be of such a nature, deep in the ground, or mobile, in the skies or under the sea, that no surprise attack could prevent massive retaliation and therefore could not achieve its purpose.

I don't much fear frontal assault by one big power against another. There is a balance of power, of military power in the world. As between the big powers directly, perhaps a more stable balance right now than at any time in this country. A new scientific miracle, now unforeseeable, might, of course, upset it. But for some time ahead the world will be enclosed in a fairly rigid shell of big power military stalemate and balance.

It is under this crust that massive, often sudden and violent eruptions and shifts of allegiance are going to take place, as they take place right now. Under this crust Communist forces will fight an endless guerrilla warfare against us, against our positions, our influence, our very meaning; they have sworn political, economic, and propaganda warfare against us, anywhere and at any time. They are playing for keeps.

It is the inescapable fate of the United States to be the headquarters of resistance and counterattack, unless we abdicate by drift or deliberate decision. If we do, we shall eventually be isolated, our friends, our sources of raw materials, our markets, our areas of influence one by one withdrawn—one by one added to the orbit of our enemies.

It was, after all, not the Marxists, but we, in the American Revolution and its soaring words, who set off, in modern times, the world battle for equality and justice under law, and the struggle of the individual, in natural right, to realize himself.

We have come a long way. We have made one of history's good societies out of this vast, diverse, conglomerate federation of races and tongues and regions.

Are the sons and grandsons of the men who did that now so comfortable that they will not endorse the new, young leader's pledge to the world to pay any price, bear any burden to prevent the slow erosion of liberties in this world? Are we so timorous that the mere threat of hypothetical destruction germinates the instinct to appease the tyrants? Or so confused that we will lower our intellectual and physical guard each time the head tyrant speaks soothing words or makes restitution for a crime he should not have committed in the first place?

Has this analytical age of Freudian insight to man's motivations led us to the point where there are no absolutes, anymore? No good that we know to be good; no evil that we know to be evil?

If all this is so; if all this has come to pass, then our day is truly done; tyranny has won, after these thousand years of touch and go struggle; America is over.

But I believe we are still greater than we know.

HEARINGS ON FEDERAL BUDGETING FOR RESEARCH AND DEVELOPMENT; LONG-RANGE PROBLEMS AND OPPORTUNITIES TO BE EMPHASIZED

Mr. HUMPHREY. Mr. President, on Wednesday and Thursday of this week the Subcommittee on Reorganization and International Organizations of the Committee on Government Operations will hold hearings on Federal budgeting for research and development.

We will hear witnesses from the two agencies which support four-fifths of the $9 billion of Federal research and development expenditures. These $9 billion represent one out of every nine U.S. budget dollars and are a crucial factor in the future of the free world.

On the first day we will hear from Dr. Harold Brown, Director of Defense Research and Engineering and from research and development officials of the Army, Navy, and Air Force.

The following day, we will hear from Mr. James Webb, Administrator of the National Aeronautics and Space Administration, and from research officials of that agency.

Several months of intensive study have preceded these hearings. Evidence has been compiled from a wide range of Federal agencies.

The subcommittee is going to look at the subject from one particular standpoint—the relationship between budgeting for research and development and long-range programs to solve major problems of national security, space, and other challenges.

The hearings this week are the logical outgrowth of past studies by this subcommittee.

PRIOR STUDIES BY SUBCOMMITTEE

For several years, this subcommittee has examined: First, the organization of Federal scientific activities; second, the management, procedures, and systems of science information activities; and third, the support of biomedical, physical sciences, engineering, and other research.

At this time, we will examine the budgetary basis for the research and development work.

GENERAL AND SPECIAL AUTHORITY

Under the legislative reorganization law, it is the Committee on Government Operations which is responsible for review of budgeting and accounting, economy, and efficiency.

In addition, under special authority which has been three times conferred upon our committee—the latest such resolution being Senate Resolution 26, 87th Congress—we are responsible for study of interagency coordination, economy, and efficiency.

And so at these hearings, we will be examining the interagency aspects of budgeting for research and development.

EXAMPLES OF INTERAGENCY BUDGETING AND PROGRAMING

We will want to know, for example, how the 10-year timetable for space exploration, prepared by the National Aeronautics and Space Administration, has been coordinated with the future programs of the Atomic Energy Commission—relative to the nuclear rocket; with the National Bureau of Standards—which must establish the scale of measurement for space instruments and rockets; with the Weather Bureau—which must perform the long-range weather studies, and so forth, with the Department of Defense on the long-range booster vehicles.

With regard to the Department of Defense itself, we will want to find out about its long-range research and development programs, designed to meet the threat which the Soviet Union may present to us in the years ahead.

ILLUSTRATIONS OF BUDGETARY PROBLEMS, PER SE

Among the key questions which we will examine are: "How can the U.S. budget be strengthened as an instrument for identifying, managing, and controlling the billions of dollars of Federal research and development expenditures?" "What is the present status—the advantages and disadvantages of so-called 'no-year'—available until expended—funding, emergency or contingency funding, longevity funding for research and development?"

CAREFUL COORDINATION WITH WORK OF OTHER SUBCOMMITTEES

As in the case of all of our prior studies, we have made the most careful effort to assure the coordination of our review with studies conducted by other committees of the Senate or of the House of Representatives.

Our staff has examined all of the pertinent hearings and reports of other committees. In particular, it has noted the very important work performed by the Senate and House Space Committees and by Senate and House Appropriations Subcommittees.

Our subcommittee's interest, of course, is not in the internal budgeting of an agency; for that phase is handled by other Senate committees; instead, our concern is with the Government-wide problem of budgeting for research and development and in particular with interagency phases thereof.

That is why there will be published in our hearings a reply from Director of the Budget, David Bell, on a wide gamut of Government-wide problems, involving budgeting for research and development.

It is why the record of our hearings will contain extensive additional correspondence as well—with the National Science Foundation, the Department of Commerce, and so forth.

Our own Committee on Government Operations is, of course, in a unique position to handle this problem as it affects the entire executive branch.

INCREASING STRESS ON LONG-RANGE RESEARCH

We are in a particularly advantageous position to look not merely at research and development for the 1962 fiscal year, but for the long period ahead.

More and more, we note that other committees of the Congress have been stressing long-range research efforts, instead of spasmodic, year-by-year endeavors.

S. 901, for example, now pending on the Senate Calendar proposes a 10-year program of oceanographic research.

There are other long-range programs—in being or contemplated—involving long-range research in economical desalinization of water, high energy physics, et cetera.

LONG-RANGE DEFENSE SUPPORTED RESEARCH

The Department of Defense is, of course, the leading supporter of long-range research and development efforts. Indeed, the issue of prolonged leadtime in military weapons systems has been one of the most critical from the standpoint of national security.

The Redstone guided missile system, for example, represented a leadtime of July 1950 to August 1960. The Ajax missile had an 8½-year leadtime—May 1945 to December 1953. The Polaris system had a shorter leadtime—from March 1957 to October 1960.

In the B–52, the general operational requirement was published in November 1945; the first aircraft was not delivered to the Strategic Air Command until July 1955.

Now, with the emphasis on space science, the National Aeronautics and Space Administration is sharing the burden of a huge, long-range program—one which will cost the Nation not less than $20 to $25 billion before 1970.

Never before, I believe, has the U.S. Senate made the type of analysis which we are making on interagency, long-range budgeting, as it relates to research and development.

SEPARATE REVIEW BY NATIONAL POLICY SUBCOMMITTEE

I should like, however, to pay tribute to the important pioneering work which has been carried out by another subcommittee of our own committee, under the chairmanship of the distinguished Senator from Washington [Mr. JACKSON], the Subcommittee on National Policy Machinery. It has carefully looked at problems of organizing for national security now and in the years ahead.

By contrast, our own subcommittee's review is, of course, solely on the research and development phase, rather than on national defense per se. The latter topic is far broader; it involves more than research and development, that is, the question of adequacy of diplomatic military planning, forces in being, problems of procurement, operations and maintenance, and so forth.

VARIATION IN COSTS FROM ORIGINAL ESTIMATES

One of the phases which bears study is the variation between, first, original estimates of research and development costs; and second, final actual totals. Consider, for example, the fact that the Navy Department is building a 600-foot "big dish" radio telescope at Sugar Grove, W. Va. Started in 1958, its initial target date was 1962 and its overall cost was estimated at $80 million; at present its target date is 1964 and its cost may reach $180 million.

The question in our minds is to what extent are these cost and time variations due to first, the inherent problems of unprecedented research and development of fantastic complexity and/or, second, faulty agency and interagency planning. Numerous other Federal agencies are, for example, interested in radio astronomy, such as the National Science Foundation which is 2 years behind on a (doubled in cost) $10 million radio telescope, and the Department of Defense, as a whole which is building still another radio telescope in Puerto Rico. The last named was started in late 1959 with completion scheduled for this summer at a cost of $4.6 million; now it is apparently scheduled for next summer as a cost of $7.6 million.

CONCLUSION

The Subcommittee on Reorganization and International Organizations is interested in advancing Federal economy and efficiency. It is interested in helping the American taxpayer get $1 worth of value out of every dollar expended. Nine billion dollars for Federal research and development will soon become $10 billion and more. It is our purpose to help make sure that this money is planned to be spent in the soundest possible way.

REFUGEE RELIEF AND THE BERLIN CRISIS

Mr. JAVITS. Mr. President, I wish to speak today on a subject over which we in Congress have great control with respect to Berlin. The President will be addressing himself to the defense question and the diplomatic question tomorrow and the next day, but he may not address himself to the subject of refugees from East Germany. It is that subject which should be high on the agenda of events relating to Berlin.

The current development of the crisis over Berlin has been featured by a new surge of refugees and escapees from East Germany. This year, the weekend report tells us, the rate is almost 1,100 a

day. That is the number registered for the 24 hours ending at noon on Sunday—just yesterday—July 23, 1961. This gives rise to an estimate of 300,000 refugees from East Germany alone for 1961. This is to be compared with the figure of 200,000 for 1960—at least a 50-percent increase. These refugees are said to be the youngest and the most skillful of East Germany. They are of the type who seek opportunity in the free world.

The basic significance of this new exodus from an East Germany in the grip of a Communist puppet regime has been analyzed many times, and quite properly, as an escape from the Communist "prison." Right now, obviously, there is in East Germany a ferment and disquiet over the dangers which the Soviet-inspired crisis presents for the peoples of Middle Europe. So this exodus is something in the nature of a vote of confidence in the stability of Western Europe which is quite contrary to Mr. Khrushchev's intentions.

We are informed by a commentator writing in yesterday's New York Times on the same subject that:

The mood—

In East Germany—

according to the ample evidence at hand, is, for the first time since 1953—

When we recall there was a revolt—

sullen, fearful, and potentially explosive.

The German Democratic Republic is beset by food shortages and economic stagnation. Its grievous loss of wealth and manpower through West Berlin is greater than ever.

Mr. President, in that regard, we have a responsibility as well as a duty. Communist risktaking as well as Communist denial of real opportunity is resultive in this increased flood of refugees. For us, it should give heart to our determination never to let the hope of freedom expire for the 100 million people in the satellite nations of the Baltic, central Europe, and the Balkans. But there is yet another element in our preparation to meet the Berlin crisis which we have not yet taken or even contemplated, and that is legislation to admit our fair share of refugees and escapees from communism and other tyrannies.

The Displaced Persons Act and Refugee Act were magnificent evidences of U.S. leadership. They have now expired, and we are left with little more than an unsatisfactory and improvised procedure for the admittance of refugees and escapees on a parole basis under a provision of the immigration law which was never intended for any such massive problem of world statecraft as we now face.

The only law on the books at present for the admittance of refugees and escapees, aside from the normal quota numbers, is Public Law 648, passed last year. All it does is to continue the existing parole procedure, which was found to be so unsatisfactory at the time of the Hungarian crisis, and limit the admission of refugees and escapees under parole to 25 percent of the total number of European refugee escapees resettled annually in other parts of the world. For last year, that number came to about 28,000. However, it does not in any way provide a fixed number or a fixed basis, as was done by the two previous acts which I have mentioned, to enable the United States, through the fair-share principle, to give leadership to this very important and critical problem which is facing the free world.

In my opinion, Congress is permitting itself to be controlled in this matter by one committee chairman or perhaps two committee chairmen, and from present appearances there will be no refugee relief legislation under our immigration laws in this session, any more than there has been in the last few years.

Let us remember that this is a problem which does not confront only this administration. President Eisenhower asked Congress year after year to pass legislation which would admit as many as 60,000 refugee escapees a year. We know that there is unlikely to be any such law, because even so humane and elementary a statute as the Alien Orphans Act seems to be blocked, notwithstanding the Senate's insistence on it, as we showed the other night, when over much opposition the Senate adopted an amendment to a bill on educational exchange, which went to the other body, where it now resides.

If ever there was a case for Presidential and congressional leadership to break self-imposed bonds which seem to paralyze us, it is this one for the admission of refugee escapees, especially those from East Germany. The President should urgently and eloquently demand refugee relief as a part of the package to meet the Berlin crisis, and Congress should vote it on its own volition without the self-inhibition of long-delayed committee procedures.

We know how to do these things when we want to do them. It is my opinion that we certainly should want to act in this situation, and the piece of proposed legislation in which to do so is ready, at hand. I have introduced it, and other Senators have introduced it. We have a model, the Eisenhower administration's request for the admission of 60,000 which certainly cannot be characterized as anything radical or improbable.

I close upon this note. The Communists pride themselves upon the fact that they back and, indeed, foment insurrections and all kinds of discontent within countries which they are trying to detach from the free world. They stir up the discontent by propaganda and by paid agents; by preying upon the misfortunes of the people and their chronic inability to earn a living or to have decent standards of living or health, and upon the social injustices in many countries.

Mr. President, how much more supreme is this opportunity for us, in dealing with thousands of persons who come to us not only voluntarily, but out of an exercise of great patriotism for the free world, seeking the aid and cooperation of the free peoples, seeking to join in the struggle for freedom, by abandoning their homes, their relatives, their places of occupation and residence, where many of them undoubtedly lived all their lives, in their brave gesture to join the ranks of the free people. Yet the welcome mat, which should be put out by us, because we always have been the leader in such matters, is, if anything, a little, tiny one marked "parole" and under the express jurisdiction of the Attorney General, on a case-by-case basis, and necessarily with an atmosphere of reluctance surrounding the entire procedure.

Mr. President, we did not do that in connection with the Refugee Relief Act or the Displaced Persons Act. Those two acts turned out to be remarkably successful for our country; and those who came here under those acts were almost uniformly persons who made very great contributions to our life and our economy. They never came in such numbers as to represent opening wide the floodgates or the inundation of our employment markets. On the contrary, they were easily and, indeed, pleasantly and patriotically absorbed.

I hope very much that we shall match our legislation to the facts; and the facts clearly indicate that we must stand fast on Berlin and must make clear to the Russians—and must provide the necessary funds for that purpose—that we will stand fast. Only the other day the Senator from Kentucky [Mr. COOPER] and I said we would vote for increased taxes, if necessary, in order to make sure that our defense posture is made clear to all the world, namely, that we mean what we say. But, Mr. President, it is also necessary that we take care of our proper share of the escapees.

I hope very much the President and our Government will make our stand clear to the entire free world, and will not permit improper inhibitions to handicap us in that connection.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, in connection with my remarks, an article which bears on this question. The article is entitled "West Berlin Seems Like the Calm Center of Storm That Engulfs East and West."

I also ask unanimous consent to have printed at this point in the RECORD, in connection with my remarks, an article which deals with the great flood of refugees and escapees moving at this time from East Germany to West Berlin. The article was published today in the New York Herald Tribune.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 23, 1961]

THE CITY: WEST BERLIN SEEMS LIKE THE CALM CENTER OF STORM THAT ENGULFS EAST AND WEST

(By Arthur J. Olsen)

BERLIN, July 22.—If the Berlin problem is the occasion of an international political whirlwind, this city itself is the placid eye of the storm.

Despite a good deal of racket made by blustering Communist politicians and unusual crowds at the Marienfelde refugee reception center, a visitor might be justified in doubting that Berlin is a center point of international tension. The surface impression of Berlin is one of 3,500,000 people going about their ordinary, undramatic business.

The visitor would not take long to learn, however, that this city is geographically divided and that there reigned this week a division in mood as well, a division as sharp as the sector border that separates Communist Berlin from West Berlin.

BERLINERS CARRY ON

The 2,250,000 citizens of West Berlin were going about the familiar business of making a good living, rebuilding and improving their sprawling metropolis and heading off to Mediterranean shores on summer holidays.

The grea issue of the freedom of their city made headlines all week in world capitals, of which Berlin is no longer one. Although they were the object of the diplomatic and political maneuvering, West Berliners read the newspaper accounts with a curious detachment.

They know the situation here as no one else in the world does, so there was little "news" in the papers. As sophisticated people, they understand that the diplomatic notes and political broadsides in Moscow, Washington, and London are preliminaries to another test of wills between East and West over their city.

Elsewhere there may be cases of jumpy nerves building up. But not along the Kurfuerstendamn.

Apropos of President Kennedy's unyielding message to Premier Khrushchev, which was warmly applauded here, a newspaper printed a cartoon showing the youthful President firing a blunderbuss that emitted a blob of black. The legend read: "A shot from the inkgun."

BRAVADO AND BOREDOM

One could label the spirit that inspired the cartoon as confidence or bravado or boredom. It is a little of all three.

Berliners are supremely confident that the United States will not let them down. They are equally unafraid of the serried ranks of Communist troops who surround them, even though everyone knows West Berlin could not withstand a full-scale assault.

They are also a bit bored in trying to follow the intricate diplomatic maneuverings over Berlin. Not that the jockeying is not important. But it is an old story and, so far, it has not changed the even, agreeable course of life in this expansive, increasingly attractive city.

IN THE EAST, FEAR

The many sources of information—newspapers, refugees, relatives, friends, and foreign travelers—indicate that conditions in East Germany are bad and deteriorating. The mood, according to the ample evidence at hand, is, for the first time since 1953, sullen, fearful, and potentially explosive.

The German Democratic Republic is beset by food shortages and economic stagnation. Its grievous loss of wealth and manpower through West Berlin is greater than ever.

A Soviet-bloc Communist who recently toured East Germany—a man thoroughly sympathetic to Herr Ulbricht's aims—came away depressed.

"The people are being herded from one activist meeting to another," he said. "They are being shouted at and pleaded with and warned. It is not doing any good."

Such reports of a widening division between the East German leadership and the mass of the people—even in Ulbricht's most successful years it was never bridged—are supported by this month's near-panic flow of refugees from the first German workers' and peasants' state.

In the first 3 weeks of July, 20,000 persons fled into the Marienfelde reception center in West Berlin. This is more than double the normal flow.

Year in and year out the bulk of the refugee movement can be traced to the simple desire of thousands of Germans in the East to share in the better life of their compatriots in the Bonn Republic.

In his relatively good years in the late 1950's, Herr Ulbricht was promising that East Germany would catch up with West Germany in major categories of affluence by 1961. In fact, the gap between socialist promise and capitalist reality has widened. With the coming of food shortages this summer, the attraction of the well-fed and prospering West increases.

Add to this the sudden fear that the Iron Curtain might ring down for good and the steady stream of voyagers to Marienfelde turns into something like a stampede, as it has in the last few weeks.

The tide will inevitably slacken, if for no other reason than that the intensified peoples' police patrols are spotting and turning back hundreds of would-be refugees every day. A prudent person may wish to wait until vigilance lets up a bit.

A BELLIGERENT TONE

Herr Ulbricht and his aids respond to the needs of the hour primarily by feeding the political fires over Berlin. They are far more belligerent than Mr. Khrushchev.

A visitor to East Germany and East Berlin encounters few visible signs of trouble, incipient or otherwise. There is an occasional queue outside a food store. Officials at lower levels seem to be a bit more snappish than has been usual. The street life of East Berlin is as drab and spiritless as ever.

A charwoman paused to give her thoughts on the German Democratic Republic. "Maybe the Americans will come one day and run them out," she said.

This was not an expression of hope for U.S. intervention in East Germany. It did not mean that anyone thinks it likely to happen in the foreseeable future. It was just one plain woman's opinion of her Government.

[From the New York Herald Tribune, July 24, 1961]

REFUGEE CAMPS: SERVANT PROBLEM IN REVERSE

(By Gaston Coblentz)

BONN, July 23.—As the flood of refugees from East Germany mounted again this weekend, overworked reception camp officials asked the West German public today not to harass the camps with requests for domestic servants.

At the Uelzen reception camp in Lower Saxony, one of the two largest in West Germany, officials complained about the avidity of West German households in seeking housemaids among the refugees. Domestic servants are increasingly scarce in West Germany.

The head of the Uelzen camp and officials of the local Uelzen labor office said that their offices were being inundated with telephone calls from throughout West Germany.

According to the West German news agency, DPA, they said the calls were being made by persons who apparently believed that unlimited numbers of housemaids and farmhands would be at their beck and call at a moment's notice.

The camp administration and the labor office told DPA that it was proving difficult to persuade the servant seekers that the refugees were being processed on a governmental level for acceptance by one or another of 10 West German states, and that private deals could not be made at the camp.

In the 24 hours ending at noon today, almost 1,100 refugees were registered at West Berlin, marking a new increase after a decline to the 800 or 900 a day level in the second half of last week.

Under a speedup process that will go into effect tomorrow, 800 will be flown out of West Berlin for processing at camps in West Germany, in addition to those processed in Berlin. The purpose will be to prevent the overcrowding of Berlin; the influx of refugees may reach unprecedented proportions if the German crisis deteriorates further.

[West Berlin Mayor Willy Brandt, in his Sunday radio speech to the city, described the flight of refugees as a "daily mass tragedy," a "daily accusation against communism," United Press International reported.]

GOD'S ORDER

BERLIN, July 23.—Germany's leading Protestant churchman told pilgrims from Communist East Germany today to return to their homes and accept their sufferings as Christians.

"God's order to German Christians is to go back to your homes, to your jobs, to your neighbors, and be a ministering Christian to them," declared Dr. Kurt Scharf, president of the Evangelical Church in Germany and a resident of Red-ruled East Berlin.

He addressed about 90,000 persons in Olympic Stadium attending the close of a 5-day Protestant rally in West Berlin.

Dr. Scharf said Christians should accept without murmur all varieties of sufferings, from "the weapons of modern technology to fanatical ideologies and their methods of force."

Dr. Scharf's words were directed at the estimated 11,000 pilgrims from East Berlin and East Germany who risked prosecution to attend the rally which Communist authorities banned in East Berlin. About 25,000 Protestants from West Germany and abroad also attended.

The rally ended with a prayer by Bishop Otto Dibelius, West Germany's best-known Protestant cleric and outspoken anti-Communist.

COMPTROLLER GENERAL DOCUMENTS $50 MILLION OF UNAUTHORIZED DEFENSE DEPARTMENT SPENDING

Mr. PROXMIRE. Mr. President, last week the press reported the contents of a letter which the Comptroller General sent to the Congress earlier this year with regard to armed services construction practices. I have obtained the text of the letter, and I would like to have it printed in the RECORD at the conclusion of my remarks.

Mr. President, this report of the Comptroller General tells a shocking story of how the armed services are evading the law by carrying out construction projects which have not been approved by Congress with money which was appropriated for other purposes. The Comptroller General states that "Congress was neither advised of nor permitted to review and specifically approve all construction," in the manner required by law.

Every year the Defense Department asks Congress to appropriate large amounts of funds for military construction. The Congress acts in good faith to meet the requests it feels justified. But Congress might as well have saved the effort, for if the Defense Department does not get the funds it wants, it "borrows" them from other vital programs in violation of the law and in defiance of Congress.

If Congress's power of the public purse is not to be lost, Congress must insist

that funds be used only for the purposes for which they are appropriated. To do otherwise strikes at the very heart of parliamentary government.

The same report from the Comptroller General also told of $2 million that was wasted by the Navy in two construction projects. In one case $1 million was spent in excess of needs because the Navy failed to change its plans after its needs were reduced. In another instance the Navy wasted $730,000 on a hospital because it failed to let the whole contract at one time.

This is the kind of gross incompetence that amounts to outlawry on the part of Government officials. The American people are willing to pay the price for a strong defense. They are not willing to have their tax money wastefully and extravagantly squandered on projects that make no contribution to that defense.

Mr. President, I ask that this letter from the Comptroller General be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., January 24, 1961.

Hon. SAM RAYBURN,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: Enclosed is our report on review of programing and financing of selected facilities constructed at 63 Army, Navy, and Air Force installations. This review was made for the purpose of studying the extent to which the total cost of construction and construction-type projects has been disclosed to the Congress by the military departments and the extent to which such projects have been financed with other than military construction appropriation funds.

At these installations, we found that more than $50 million worth of construction and construction-type work was accomplished by the military departments in fiscal years 1957, 1958, and 1959 outside the military construction program. Most of this work was financed with operation and maintenance funds. As a result the Congress was neither advised of, nor permitted to review and specifically approve, all construction as contemplated in the military construction authorization processes established by the Congress to control and limit the extent of military construction.

The projects financed outside the military construction program with operation and maintenance funds include conversions of existing facilities from one end use to another, additions or extensions to existing facilities, and even new construction. For example, at Keesler Air Force Base, Miss., a number of administration, hangar, technical training, testing, and hospital facilities were converted to academic training facilities at a cost of $754,750 which was financed with operation and maintenance funds. At McGuire Air Force Base, N.J., more than $500,000 of such funds was used to finance the cost of constructing underground drainage and drainage improvements.

We also found instances where certain construction projects, essentially similar to those included in the military construction program, were being accomplished outside the program as repair, rehabilitation, or modification projects. For example, upgrading of existing airfield pavements at the Naval Air Station, Memphis, Tenn., was accomplished with operation and maintenance funds at a cost of more than $2 million, whereas similar work at the Naval Air Station, Atsugi, Japan, authorized in the Military Construction Act of 1959 at an estimated cost of $1,640,000, was financed with military construction funds. In other instances, operation and maintenance appropriations were used to complete projects when amounts available under construction authorizations were insufficient. For example, at the Naval Auxiliary Air Station, Fallon, Nev., because of the lack of sufficient construction funds, $23,600 of operation and maintenance funds was used to finance the cost of constructing a road to connect taxiways and runways with a crash facility building although the road, as well as the building, was part of a crash facility project authorized in the 1955 military construction program.

Ordinarily, because of statutory restrictions, the expenditure of operation and maintenance funds to finance the construction of public improvements is limited to urgently needed projects not exceeding $25,000 in amount. The military departments, in using operation and maintenance funds for construction-type work, apparently rely upon the fact that, when presenting their justifications for operation and maintenance funds, they disclose to the Congress that such funds are needed to finance those construction and construction-type projects categorized by the departments as projects for the major repair, rehabilitation, alteration, or modification of existing facilities.

The Department of Defense, in commenting on our findings, stated that there had been no intent to circumvent the approval of the Congress in financing construction and construction-type work outside the military construction program with operation and maintenance funds. The Department acknowledged the need for more precise definitions of work if a clear differentiation is to be made between projects which may be accomplished with operation and maintenance funds and those which must be included in the military construction program. The Department has advised us that for the past 2 years it has been developing a proposal to improve financial management and control of construction activities and that this proposal may involve changes in legislative language.

We believe that, regardless of the action initiated by the Department of Defense, the magnitude of construction work financed outside the military construction program and the varying interpretations of terminology that make this possible merit the attention and consideration of the Congress. We are recommending that the Congress, in order to strengthen review and control processes for military construction authorizations and to bring about a more complete disclosure and consistent handling of all construction by each of the military departments, consider the desirability of establishing by the enactment of appropriate legislation, or by such action as the Congress may otherwise determine, uniform definitions and basic policies which will govern military construction program presentations by the military departments. It would seem appropriate that any policies thus established require that presentations include complete information as to scope and foreseeable costs of all construction work of the type to be specified by the Congress.

At Fort Lee, Va., where the Army had used operation and maintenance funds to finance construction of an airfield, we found that the Army had exceeded the $25,000 statutory limitation applicable to use of the funds for such purposes and thereby violated section 3679, Revised Statutes (31 U.S.C. 665), which prohibits the obligation or expenditure of appropriated funds in excess of the amount available. The Department of Defense has advised that action is being taken to inform the President of the United States and the Congress of this violation, as required by section 3679.

Our report also discloses (1) that in a number of instances construction costs of individual facilities have far exceeded the estimated costs submitted to the Congress at the time construction authorization was being sought and (2) that the Department of the Navy has incurred unnecessary costs of almost $2 million on two construction projects. The report includes recommendations to agency officials for corrective action in these areas.

This report is also being sent today to the President of the Senate. Copies are being sent to the President of the United States, the Secretary of Defense, and the Secretaries of the Army, the Navy, and the Air Force.

JOSEPH CAMPBELL,
Comptroller General
of the United States.

ORDER OF BUSINESS

Mr. ELLENDER obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. MANSFIELD. I wish to suggest the absence of a quorum; and I ask unanimous consent that I may do so and that there may be a quorum call at this time, without causing the Senator from Louisiana to yield the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that at this time the Senator from Louisiana may yield to me, without losing his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. Then, Mr. President, I now yield to the Senator from Arkansas.

U.S. FOREIGN POLICY

Mr. FULBRIGHT. Mr. President, I should like to comment briefly today on certain themes contained in the remarks concerning our foreign policy made by the junior Senator from Arizona [Mr. GOLDWATER] on July 13. The Senator's views are, as usual, forthright and provocative. They are of special significance, in that the Senator is an acknowledged spokesman and leader of opinion in his party.

The Senator says that our fundamental objective must be "total victory" over international communism. I must confess to some difficulty in understanding precisely what "total victory" means in this age of ideological conflict and nuclear weapons. Certainly the term is a stirring one. It has a romantic ring. It quickens the blood like a clarion call to arms, and stimulates the imagi-

nation with a vision of brave and gallant deeds.

It would be beneficial and instructive, I think, if those who call for total victory would spell out for us precisely how it might be achieved and, more important, what we would do with a total victory once we had won it. Is it to be won by nuclear war—a war which at the very least would cost the lives of tens of millions of people on both sides, devastate most or all of our great cities, and mutilate or utterly destroy a civilization which has been built over thousands of years?

Or can total victory be won without war—by some brilliant stroke of diplomacy or by arguments of such compelling logic that the Communists will acknowledge the error of their ways and abandon their grand imperialistic design? Perhaps the advocates of total victory believe that we can achieve it by abandoning our efforts toward disarmament and engaging in an unrestricted nuclear arms race, even though such a policy would provoke similar measures by the Communist powers.

The Senator from Arizona suggests that the periphery of freedom "is growing steadily smaller in direct ratio to our failure to act from strength." What would a policy of strength involve? Does it mean a military invasion of Cuba which would destroy the Castro dictatorship, but which would also alienate the rest of Latin America and necessitate the stationing of Marines in Cuba to protect an American-imposed regime against Fidelista rebels and guerillas? Does it mean the commitment of American forces to interminable guerrilla warfare in the jungles of Laos, a war in which all the advantages of geography would be on the side of the Communists?

Even more perplexing than the question of how to win a total victory is the problem of what we would do with it once it was won. Would we undertake a military occupation of Russia and China and launch a massive program to reeducate 200 million Russians and 600 million Chinese in the ways of Western democracy?

Political objectives must be framed in terms of time and circumstance. In the Middle Ages, when military combat took the form of jousts between chivalrous knights, total victory was perhaps a reasonable objective. One combatant bested the other with his sword or lance or mace, and that was the end of it. In our own time the chivalrous encounter has been relegated to the football field or the boxing arena, and it is a dangerous illusion to confuse the rules of a college football game with those that apply to the arena of world politics.

We have had total victories in the past, and their examples offer little encouragement. We fought the First World War to make the world safe for democracy, and prosecuted the Second World War to achieve the unconditional surrender of our enemies. Both World Wars ended in total victory, but the world is far less safe for democracy today than it was in 1914, when the current era of upheavals began. One of the principal lessons of two World Wars is that wars, and total victories, generate more problems than they solve. Apparently we have not yet fully accepted the fact that there are no absolute solutions, that we can hope to do little more than mitigate our problems as best we can and learn to live with them.

As I said in my remarks of June 29, there is a double standard in the struggle between communism and the free nations. While Communist tactics include terror, subversion, and military aggression, the world demands a higher order of conduct from the United States. Our policies must be consistent with our objectives, which are those of constructive social purpose and world peace under world law. Were we to adopt the same mischievous tactics as those employed by the Communists, the principal target of these tactics would be our own principles and our own national style.

The Senator says that world opinion "is an area of official concern which has no reason for existing," that world opinion actually countenances international communism. The Senator does an injustice to the hopes and aspirations of peoples throughout the world and he credits communism with a far greater appeal than it actually has. It is not communism which appeals to the hearts and minds of the emergent peoples of Asia, Africa, and Latin America. These people hope for peace, for a decent material life, and for national self-determination. Only insofar as communism succeeds in identifying itself with these aspirations does it win prestige, allegiance, and respect.

World opinion is eminently worth courting—because the hopes of millions of people for world order and for economic and social reform are our hopes as well. Where world opinion seems to us to be feeble or ill-informed, our proper task is to seek to develop and inform it, not to dismiss it as unworthy of our concern.

We have much to learn, as well as to teach, from the opinions of peoples throughout the world. Our own judgments are not infallible, and there is much to be gained by a decent respect for the opinions of mankind.

World opinion is a civilizing force in the world, helping to restrain the great powers from the worst possible consequences of their mutual hostility. To disavow and override the opinions of other peoples because they do not always agree with our own is to destroy a potentially powerful force for peace and to return to the laws of the jungle.

The Senator says that I favor a policy of "nonintervention." I am indeed opposed to policies that would overextend the United States, especially when such policies find little or no support elsewhere in the non-Communist world. By refusing to permit our national strength to be sapped by peripheral struggles, we maximize our power to honor our obligations and commitments all over the world. We are committed to military and political alliances with many nations and we are committed to assist many more nations toward the fulfillment of their legitimate political, economic, and social aspirations. Such policies are the diametric opposite of any doctrine of nonintervention. Their basic concept is one of intervention—but not indiscriminate military intervention in response to every provocation and every disorder, regardless of its character and cause. The latter approach is one of rigid and negative reaction, one which would leave every initiative to our adversaries. The program which I support is one of long-range intervention in depth, one which employs all of the instrumentalities of foreign policy, the political and economic as well as the military. Its object is the realization of our national interests and not merely the piecemeal frustration of Communist ambitions.

There are limitations to foreign policy. We are neither omniscient nor omnipotent, and we cannot aspire to make the world over in our image.

Our proper objective is a continuing effort to limit the world struggle for power and to bring it under civilized rules. Such a program lacks the drama and romance of a global crusade. Its virtue is that it represents a realistic accommodation between our highest purposes and the limitations of human capacity. Its ultimate objective is indeed total victory, not alone for our arms in a nuclear war or for the goal of a world forcibly recast in our image, but rather for a process—a process of civilizing international relations and of bringing them gradually under a worldwide regime of law and order and peaceful procedures for the redress of legitimate grievances.

AGRICULTURAL ACT OF 1961

The Senate resumed the consideration of the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes.

Mr. ELLENDER obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield, provided I do not lose the floor.

Mr. MANSFIELD. This is an important measure which the Senate is considering today. I am going to suggest the absence of a quorum, but before I do so, I ask the attachés on both sides to call Senators on their sides, because there may well be votes today in the consideration of the measure.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HICKEY in the chair). Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, copies of the statement I am about to make in respect to the pending measure are on the desks of Senators, and I have supplied the radio and press representatives with copies.

Before proceeding with the discussion of the bill, I wish to say that, somehow, when the bill was reported a few days ago, two sentences were inadvertently omitted from the committee amendment. In behalf of the committee, therefore, I modify the committee amendment to include the omitted language. I send the language to be inserted to the desk. The language, as I said, was passed upon by the committee, but was inadvertently omitted from the bill. A full explanation of this language can be found on page 37 of the committee report.

The PRESIDING OFFICER. The language will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 102, in line 9, before the quotation marks, it is proposed to insert the following:

If the Secretary determines that the declared policy of the title will be better achieved thereby, (i) the commodities of the same general class and used wholly or in part for the same purposes may be combined and treated as a single commodity, and (ii) the portion of an agricultural commodity devoted to or marketed for a particular use or combination of uses may be treated as a separate agricultural commodity. All agricultural commodities and products covered hereby shall be deemed specified herein for the purposes of section 8c (6) and (7) of this title.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. ELLENDER. Mr. President, the Senate has before it for consideration S. 1643, the administration's omnibus farm bill. It was introduced by me on April 18 of this year.

Extensive hearings were held by the Committee on Agriculture and Forestry, beginning on May 3 and lasting through June 5. Testimony was presented by national, regional, and commodity farm organizations, by other organizations, by individuals, and by the administration.

On the desk of each Senator is a transcript in 2 volumes, part I and part II of the hearings.

The committee began the markup of the bill on June 27 and on July 12 it was ordered reported.

The bill consists of four titles covering first, supply adjustment and price stabilization; second, agricultural trade development; third, agricultural credit; and fourth, general provisions, covering amendments to the Capper-Volstead Act and the Great Plains program.

Title I has five subtitles providing for (A) consultation on agricultural programs; (B) a 1962 wheat program; (C) a 1962 feed grain program; (D) marketing orders; and (E) extension of the Wool Act.

CONSULTATION ON AGRICULTURAL PROGRAMS

Subtitle A of title I would authorize the Secretary of Agriculture, whenever he determines that additional legislation is needed to develop new agricultural programs involving supply adjustments or marketing regulations through marketing orders, marketing quotas or price-support programs with respect to any commodity, or to make substantial revisions in existing agricultural legislation or programs, to consult and advise with farmers, farm organizations, appropriate commodity organizations, and others, for the purpose of reviewing the problems involved, the need for new legislation, and the provisions which should be included in any such proposed legislation.

Any recommendation made by any farmer or farm or commodity organization, or any other person, group, or organization, as a result of consultations and meetings provided for would be purely advisory.

If, after such advice and consultation, the Secretary of Agriculture determines that additional legislation is needed to develop agricultural programs involving supply adjustments or marketing regulations through marketing orders, marketing quotas, or price support programs, he is required to formulate and submit to the Congress specific recommendations in the form of proposed legislation, together with a statement of the purpose and need for such proposed legislation. In order to be assured of being able to obtain the advice of any such person or organization, the Secretary of Agriculture would be authorized to pay for each day's attendance at meetings and while traveling to and from such meetings, transportation expenses and a per diem, in lieu of subsistence in the amount authorized under the Travel Expense Act of 1949 for Federal employees. No salary or other compensation in addition to such travel expenses and per diem could be paid.

In effect, these provisions would authorize the Secretary of Agriculture to develop methods and procedures under which he could appoint farmer advisory committees to participate in the formulation of farm programs for any commodity, or groups of commodities.

In addition, he would have the authority to include on these committees, representatives, for example, of cooperatives, or others who he thought might contribute in the development of realistic farm programs.

THE WHEAT PROGRAM

Subtitle B of title I provides for a 1962 wheat program. As Senators know, this body passed a wheat bill in each of the last 2 years, providing for acreage reduction and payments-in-kind. Last year the Senate bill provided for a permanent 20-percent cut in acreage, with payment-in-kind of 50 percent for the first 3 years only. Price supports were to be at 75 percent of parity. But neither of these bills became law.

This year, for various reasons I shall enumerate later, the committee is recommending a temporary 1-year wheat program. Essentially, the new wheat bill provisions would—

First. Require a 10 percent reduction in acreage, with a 40 percent payment in cash or kind for diverting the 10 percent cut to soil conserving uses.

Second. Authorize an additional 30 percent diversion with payments in cash or kind of 50 percent.

Third. Reduce the 15-acre exemption to 13½ acres, or the highest acreage planted for harvest in 1959, 1960, or 1961, whichever is smaller.

Fourth. Increase the marketing penalty to 65 percent of the parity price for wheat, and provide for stricter computation of the amount subject to penalty.

Fifth. Authorize the Secretary to increase Durum wheat acreage allotments if necessary to meet demand requirements. This provision would be permanent legislation.

THE WHEAT SITUATION

The Department of Agriculture reports that the carryover of wheat in the United States on July 1, 1961, amounted to 1.4 billion bushels—nearly 100 million bushels larger than a year earlier.

These stocks, plus the 1961 wheat crop, which was estimated as of July 1 at 1.3 billion bushels, provides our country with a total supply of 2.7 billion bushels of wheat.

Since our requirements for the coming year will amount to only 1.3 billion bushels for both domestic consumption and exports, it is evident that we will have more than a full year's supply in excess of our needs.

CCC STOCKS OF WHEAT

Most of this full year's supply is in Government ownership. The Department of Agriculture reports show that as of June 1, 1961, CCC had approximately $3.4 billion invested in about 1.4 billion bushels of wheat. Of this total, CCC owned about 1.3 billion bushels and had outstanding loans on 97 million bushels.

Storage, handling, and transportation charges on wheat alone amounted to $226 million for the first 11 months of the last fiscal year. This accounted for 42 percent of the total costs of storage, handling, and transportation.

Unless adequate steps are taken to reduce production, the carryover of wheat, including CCC's inventory and stocks, would continue to increase, with total carryover reaching a level of around 1.5 billion bushels by July 1, 1963. Most of this carryover would be owned or controlled by CCC. Unless the program is changed, CCC stocks and total investments and costs would continue to increase.

COMMITTEE DELIBERATION

The committee discussed the advisability of making a substantial permanent reduction in acreage allotments for wheat, but decided for several reasons that it was not advisable at this time to adopt a permanent substantial cut in the wheat acreage allotment.

As I indicated a moment ago, the Senate enacted in the past 2 years two bills affecting wheat, which provided for substantial cuts in production which would no doubt have reduced the surpluses of this commodity. If either of these bills had become law, the costs of the program to the Government would also have been reduced. But neither of them became law. This year, however, the committee feared that an effort at this time to write a permanent bill making a substantial cut might result in not being able to put it through and have an effective law for this coming crop. That

was the chief reason why we decided to make this a 1-year bill.

In addition, there is an extended drought developing in the northern Great Plains. Reports indicate that this drought is the most severe since the early thirties and may well become more severe than at present.

In addition, exports of wheat have increased this year. The Department of Agriculture reports that about 665 million bushels of wheat were shipped overseas in the marketing year just ended. This set a new record for wheat exports. If exports and domestic consumption are maintained at the same level in the new marketing year, total disappearance will amount to about 1.3 billion bushels. This would just about equal the 1.3 billion bushels estimated to be produced in 1961.

The committee also gave careful consideration to the percentage reduction that should be made from the 55 million-acre national allotment presently in effect, so that supplies of all classes of wheat would be adequate, and yet the opportunity could be provided for large reductions in production of certain classes of wheat.

The situation with respect to various classes of wheat is materially different, and the committee felt that mandatory substantial cuts of wheat acreage on all farms at this time could result in production of some classes of wheat below that which is desirable. This is applicable to Soft Red Winter and to Eastern White wheat, but, based upon the best information available, the committee decided that a small reduction would not seriously affect the supply.

In the case of Durum wheat, however, the committee felt that the supply situation was of serious enough proportion to warrant an exemption from the requirements of the bill.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. While the Senator is speaking on the wheat section of the bill, I wonder if there is any escape anywhere for any other type of wheat other than Durum wheat. The reason I ask that is that there is only a 25-day supply of Soft Red wheat on hand in the country. That is wheat, as I understand, which is used in the making of cake and pastry flour. It is necessary that that kind of wheat be used for that purpose. It is grown principally in Pennsylvania, Ohio, Indiana, Illinois, Missouri, and North Carolina. There is only a 25-day supply on hand. The harvest will soon start. So far as I know, there will be a normal harvest. I was wondering whether the Senator interprets this provision in the bill as having any authority in it under which the Secretary of Agriculture could, perhaps, hold the reduction in the production of this type of wheat to 10 percent. Otherwise there is likely to be a shortage for next year.

Mr. ELLENDER. There is no specific provision, but the evidence shows that this type of wheat is produced mostly on small farms.

Mr. AIKEN. That is correct.

Mr. ELLENDER. On small acreages.

Mr. AIKEN. Of 15 acres or less.

Mr. ELLENDER. That is correct. The cut that we provide, of 10 percent, would not substantially affect the supply. There would be enough of this wheat. Of course, it would probably be up to the producers of this wheat, who have a large acreage, perhaps not to take advantage of the other provision of the bill, which would give them the opportunity of a further cut of as much as 30 percent

Mr. AIKEN. Does the Senator feel, as I believe perhaps is the case, that the prospects of much better prices in the market place would prevent a more serious cut in the production of this particular type of wheat, and that in all probability the reduction would stay reasonably close to 10 percent?

Mr. ELLENDER. I have no doubt about it.

Mr. AIKEN. They could put on a little extra nitrogen, perhaps, and make up the 10 percent.

Mr. ELLENDER. Yes. I do not believe that the production of the wheat to which the Senator refers would be put in jeopardy.

Mr. AIKEN. It is a hardy winter wheat.

Mr. ELLENDER. Yes. That situation was presented to us. We felt certain that the 10-percent cut would not affect the production drastically. Then, as the Senator says, with a little higher price support, those who have additional acreage would no doubt be satisfied with a 10-percent cut and then proceed to grow it, particularly if there is a shortage and a real lack of it. That would have a tendency to increase the price.

Mr. AIKEN. They would naturally plant the best acres and would give them a little more than usual care, in anticipation of getting a considerably better price in the open market, because of the possibility of a slight deficiency.

Mr. ELLENDER. The Senator is correct. It is my hope that this voluntary cut of as much as 30 percent would be taken advantage of by those States which produce a great deal of the particular class of wheat which accounts for the surpluses. That is why the committee saw fit, as the Senator knows, to make it attractive, by way of payment in kind and a little greater price support. In that way we hope that farmers cut further into their acreage for next year. If producers do cooperate I have no doubt that the savings will be great, and that there will be quite a reduction in the production of the class of wheat in surplus supply. I do hope they will cooperate fully.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. METCALF. I notice particularly that special provision is made for Durum wheat. When the Secretary decides that there is a shortage of Durum wheat, and there is a need for an extra amount, the counties which have a history of 5 years of such production can be taken care of. But as I understand it, in order to take advantage of the increase, the farmer who wants to grow Durum would have to grow Durum exclusively. Is that correct?

Mr. ELLENDER. That is correct. They would have to grow Durum exclusively.

Mr. METCALF. Only a few counties in the United States grow Durum wheat exclusively. A few years ago, as the Senator from Louisiana will remember, there was a shortage of Durum wheat, and Congress increased the amount that could be grown, because there was a rust which destroyed it in the counties of North Dakota where Durum wheat was grown exclusively. Durum wheat is grown as a crop in addition to some other kinds of wheat in many counties of Montana, South Dakota, Minnesota, and California. It was because those farmers were taking an additional risk by putting some of their crop, but not all of their crop, into a risk crop in those States that Congress provided the advantage of taking care of the shortage which would have resulted from the spread of rust which attacked Durum wheat in North Dakota at that time. With this provision in the bill, there will not be that flexibility. That will result in creating a monopoly in the few counties in North Dakota where Durum wheat is grown exclusively.

I wonder if the Senator from Louisiana might not consider an amendment which would provide that the farmers could plant not more than 50 percent of their crop in some other kind of wheat, so that in those other risk areas farmers could take advantage of flexibility in case of need, and at the same time allow them to grow some of their more standard crops.

Mr. ELLENDER. I presume the Senator from Montana will probably offer an amendment to that effect. Of course, the amendment will be debated, and I feel certain the Senate will do justice to it. The objective here is to try to reduce the surpluses of wheat, surpluses which are not needed.

Mr. METCALF. We are in accord with that.

Mr. ELLENDER. We fear that if the door is opened to let Durum producers expand, and we say to them, "You may plant all the Durum you want and get price protection for it, in addition to your usual plantings of other wheat," that will simply add to our woes by further increasing the surplus.

As I said, the committee gave attention to this problem. The Senator from North Dakota [Mr. YOUNG] was the one who proposed this amendment. I feel sure that when the time comes, he will have something to say about the suggestion made by the Senator from Montana. There was some discussion about it, but no action taken to permit producers receiving an increased allotment under this provision to plant both Durum wheat and other wheats. In any event, as I said, when the time comes, the Senate will give attention to this question.

Mr. METCALF. As I understand the bill as written, if the Secretary decides that there should be an increase in the amount of Durum produced, he will allocate it to the counties and the farms which will agree to produce it exclusively, and that is a bonus. There is not any other acreage cultivation, is there?

Mr. ELLENDER. That is correct. Any farm receiving an increase could plant Durum wheat only.

Mr. METCALF. There is no requirement for taking anything out of production.

Mr. ELLENDER. No. The idea is to encourage the production of the kind of wheat which is needed.

Mr. METCALF. The kind of wheat.

Mr. ELLENDER. That is correct; the kind of wheat that is needed. That is why the committee felt more or less inclined to provide as it did, and to deny a farmer who accepts an increased allotment the right to produce the other kinds of wheat. He can have his choice, if he wants it; but if he goes into Durum wheat production exclusively, in order to increase the amount of production in order to supply our requirements, he will get good treatment.

As the Senator knows, Durum wheat, in most cases, has sold at prices above the support price. Not very much Durum wheat has been acquired by the CCC in recent years, for the simple reason that its production has been within consumption requirements.

Mr. AIKEN. I am not certain that anything we might do in the bill would necessarily result in the increased production of Durum wheat. As I recall, recent market reports indicate that Durum wheat has sold for from $2.75 to $3 a bushel. We probably could not afford to raise the price to that amount, and the farmers probably could not afford to raise Durum wheat on some farms at any price we might provide.

It is my understanding that the production of Durum wheat has become so hazardous, in spite of higher prices in recent years, that there has been quite a shift to other kinds of spaghetti wheat. One, I think, is called Romano. I do not know whether anything Congress might do would result in materially increasing the production of Durum wheat, which is so dependent on the weather, the absence of disease, and many other factors.

Mr. METCALF. Certain soil conditions, and the like.

Mr. ELLENDER. Yes.

Mr. METCALF. Mr. President, will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. METCALF. Is it the Senator's understanding that farmers in the Durum wheat producing counties of Montana, South Dakota, Minnesota, and California could produce Durum wheat without price support, under the bill, and still get their support prices for other kinds of wheat?

Mr. ELLENDER. Farmers receiving increased allotments under this provision would be entitled to price support for the Durum wheat they produced.

Mr. METCALF. What would happen to their quotas for other kinds of wheat they would produce?

Mr. ELLENDER. They could not produce any other kind of wheat. In other words, what we are seeking to do is to promote the expansion of Durum wheat, because it is in short supply. If that is done, and at the same time the farmers are given the right to plant other wheat, we would be aggravating the production of the kinds of wheat which are not needed.

I sympathize with the Senator from Montana. The problem is one which needs attention. As I said in my opening statement, the wheat problem has been with us for a long time. As the Senator will remember, what has given us much trouble in the wheat area is that there is a minimum acreage allotment of 55 million acres. When that minimum acreage was fixed in 1938, the production of wheat was about 11.6 bushels an acre. Now the average production is almost 26 bushels an acre—more than double. Yet the minimum acreage remains the same.

What we are seeking to do is to cut back the production of certain kinds of wheat and to encourage the production of Durum wheat because it is needed. So far as the other kinds of wheat are concerned, there is a large supply, and we are trying to decrease its production.

Mr. MANSFIELD. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. MANSFIELD. I wish to associate myself with the remarks of my distinguished colleague from Montana with respect to the production of Durum wheat as it affects ranches in our State. I notice on page 4 of the very thorough and detailed statement made by the chairman of the Committee on Agriculture and Forestry the following:

> In the case of Durum wheat, however, the committee felt that the supply situation was of serious enough proportion to warrant an exemption from the requirements of the bill.

It is my understanding that this applies to farmers who grow Durum wheat only.

Mr. ELLENDER. They could grow only Durum wheat if they took advantage of the increase.

Mr. MANSFIELD. In Montana there are farmers who grow both Durum and other kinds of wheat. I wonder if some consideration should not be given to those persons, in view of the fact that, as the chairman has said in his opening statement, the situation was serious enough, so far as the question of supply was concerned, to warrant the exemption of Durum wheat from the requirements of the bill.

Mr. ELLENDER. As I said to the Senator's colleague from Montana, that will be left to the Senate. The Committee on Agriculture and Forestry gave its attention to this problem. We felt we should encourage the production of Durum wheat to the limit of our ability and take action which would decrease the production of the kinds of wheat which are not needed. That was the reason we provided as we did in the bill.

We felt that in areas where Durum wheat can be grown and is in short supply it would be to the advantage of farmers to plant all the Durum wheat they could, so as to meet the requirements.

Mr. MANSFIELD. But only where Durum wheat is produced exclusively.

Mr. ELLENDER. That is correct. They may have grown other wheats in other years, but for 1962 they would be limited to Durum.

Mr. MANSFIELD. We would like to have some consideration given to Montana ranches, for example, which grow at the same time both Durum wheat and other kinds of wheat. As the Senator well knows, there is an extremely short supply of this particularly durable kind of wheat.

Mr. METCALF. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. METCALF. The Senator from Vermont has indicated the reason why we have had to stretch our Durum wheat production into the other States—because of the risk involved. Of course, we wish to increase the amount of Durum wheat grown in Montana, North Dakota, and Minnesota. But in those areas the wheat farmers cannot afford to grow Durum wheat exclusively, because it is a very risky, hazardous crop. But they would plant part of their land in Durum wheat and would divert some of their acreage to the production of Durum wheat if this proposal "to make an exclusive farm" were stricken from the bill.

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. I think perhaps one point should be clarified at this time. I realize that our friends from Montana and North Dakota have problems relative to the production of wheat which other States do not have, because those States produce most of the Durum wheat. In the past we have given the wheat grower permission to increase his planting over his allotment for wheat, provided he planted Durum wheat. With the enactment of this measure, if the grower in the Durum wheat area decided that he could not afford, for cultural or economic reasons, to continue to produce nothing but Durum wheat, then he would revert to the wheat acreage he had before he increased his planting and planted all his land in Durum wheat. Is that the understanding of the chairman of the committee?

Mr. ELLENDER. Yes, that is my understanding.

Mr. AIKEN. And then he would revert to his original allotment of wheat, and would be required to reduce it 10 percent if he shifted from the production of Durum wheat to the production of Hard Spring wheat.

Mr. METCALF. I am in complete accord with that.

Mr. AIKEN. Yes. I thought that should be made clear in the course of this debate.

Mr. YOUNG of North Dakota. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I am very glad to yield to my friend, the Senator from North Dakota, who is the author of the provision now being discussed.

Mr. YOUNG of North Dakota. The area that traditionally has produced Durum wheat—the area in the North-

west States, and at the present time 80 percent or more of the Durum wheat production is in North Dakota—has developed that production of Durum wheat because the climate there and other conditions are favorable for the production of Durum wheat. There is a relatively small amount of Durum wheat production in South Dakota and Montana and also in the Tulelake area of California. In that area there can be a frost during any month of the year. It seems that cooler nights are required in order to produce the better quality of Durum wheat. Production has been concentrated in the certain areas mentioned because it is the best area for it, and the best quality of Durum wheat is produced there.

I was the sponsor, for 3 years in succession, of legislation such as that now being proposed by the Montana Senators, in order to secure increased Durum wheat production, which at that time was really necessary. We did not then have as much production and did not have varieties that would do well at all.

But this proposal, if put into effect now, would result in greatly increased production—so greatly increased that we might well be in trouble with surpluses and of inferior quality.

I will offer an amendment that such increased production be allowed only to farmers who had been producing Durum wheat over the past 2-year period.

Mr. METCALF. The bill says 5 years.

Mr. YOUNG of North Dakota. That is in regard to being eligible.

Mr. METCALF. Yes.

Mr. YOUNG of North Dakota. I am willing to have this provision amended in the following respect: that there be allowed any increase which the Secretary of Agriculture would deem advisable—for instance, perhaps a 20-percent increase—but it would go only to farmers who had produced Durum wheat during the past 2 years, and the 20 percent would be in addition to the average amount of Durum wheat acreage during those 2 years. In that event, only such farmers would be eligible for a 20-percent or perhaps a 30-percent increase, or whatever increase the Secretary of Agriculture deemed advisable. In that way the Congress would have some idea of the amount of the increased production.

Mr. MANSFIELD. Let me ask the chairman of the committee whether he would be willing to accept such an amendment.

Mr. ELLENDER. Not yet. When it is prepared, I will consider it.

Mr. MANSFIELD. The chairman of the committee will consider it?

Mr. ELLENDER. Yes, I will. Although we spent 7 or 8 successive days working on the bill, there may be some minor changes which we would wish to make. But I prefer to have that done in proper order. First, let the proposals be debated and the reasons for them stated, so we shall know the reasons for doing what is proposed.

Mr. MANSFIELD. I thank the Senator from Louisiana.

Mr. METCALF. I thank the Senator from Louisiana.

Mr. ELLENDER. Mr. President, the total supply of Durum wheat for the 1961–62 marketing year will be around 29.5 million bushels, as a result of the indicated crop of only 16.5 million bushels, while domestic disappearance will amount to about 28 million bushels. Obviously, a cut in Durum wheat acreage would be ill advised at this time.

On the other hand, the committee felt it not only desirable but imperative that positive action be taken now in order to reverse the excessive buildup in the huge supplies of other kinds of wheat in Government stocks.

As a result, the committee decided that a temporary 1-year wheat program, requiring only a 10-percent mandatory reduction in acreage, with an additional voluntary reduction of up to 30 percent, would be more appropriate at this time.

EFFECTS OF THE BILL ON PRODUCTION

Under the proposed acreage reduction program, production and carryover stocks of wheat would be reduced. The mandatory 10-percent reduction in the allotment would reduce wheat harvested about 5.5 million acres, and would divert that land to a conservation use. While it is impossible to determine accurately the extent to which producers would voluntarily retire additional acreages provided for in the bill, the experience of the 1961 feed grain program indicates that at least an additional 10 to 15 percent of the allotment, or from 5 million to 8 million additional acres, would be voluntarily diverted.

With 10 million acres diverted from wheat production in 1962, total production would likely be reduced to around 1,100 million bushels, even if the yield were as high as 26 bushels an acre. If a larger acreage were diverted voluntarily, or if yelds were lower, wheat production might not exceed 1 billion bushels.

This would mean that stocks could be reduced by about 200 million to 300 million bushels. A modified wheat program is absolutely necessary if the trend to larger carryover stocks is to be reversed and if program costs are to be reduced.

COSTS OF THE WHEAT PROGRAM

The Department of Agriculture has indicated that this bill would permit an increase in the support level on wheat from the $1.79 per bushel in effect for the 1961 crop. It is expected that the support for the 1962 crop would be around 85 percent of parity, or about $2 per bushel. This would likely result in increasing the prices received by farmers by 20 to 25 cents per bushel. Such an increase in the support level, coupled with the conservation payments, would assure producers of receiving greater income from the 1962 crop than would occur if the present program were to be continued.

The Department has also estimated that with a reduction in stocks of the nature indicated, expenditures under the proposed program would be nearly $50 million lower than they would be if no change in the wheat program were made.

THE FEED GRAIN PROGRAM

Subtitle C of title I provides for a 1962 feed grain program.

As Senators will remember, earlier this year we passed, and the President signed, a 1-year feed grain program which was put into effect at a rather late date. As a matter of fact, it was not signed into law until March 22 of this year.

That program provided for a mandatory 20-percent reduction in acreage, with payments in cash or kind of 50 percent, and a voluntary reduction of up to 20 percent additional, with payments-in-kind of 60 percent.

At the time the Secretary of Agriculture appeared before our committee, he indicated that the Department hoped to reduce the production of corn by about 500 to 700 million bushels.

Notwithstanding the very late date at which the program became effective, it appears that the suggested goal has been achieved. The July 1 crop report, now available, indicates that the estimated crop of corn for grain this year will be about 716 million bushels below last year's production.

The feed grain program proposed in this bill is essentially the same as that now in effect.

With respect to the 1962 crop, the bill would—

First. Require as a condition of eligibility for price support on corn and grain sorghums that the producer divert 20 percent of his 1959–60 corn and grain sorghum acreage to conserving uses in return for a 50 percent payment in cash or kind and not increase the barley acreage on the farm over the average acreage devoted to barley in 1959 and 1960.

Second. Impose a corresponding condition on eligibility for barley price support, with similar payment.

Third. Authorize a further reduction in corn, grain sorghum, or barley acreage of up to an additional 20 percent or such additional acreage as will bring the total reduction to 20 acres with 60 percent payment in kind.

Fourth. Provide that malting barley be exempt from the production limitations required as a condition of price support for corn, grain sorghums, and barley.

Fifth. Authorize the planting of castor beans, safflower, sunflower, sesame or guar beans on diverted acreage in lieu of the payment.

Sixth. Permit the Secretary to place such limit on the extent that producers may participate in the feed grain program for 1962 as he determines necessary because of an emergency created by drought or other disaster, or in order to prevent or alleviate a shortage in the supply of the commodity.

The committee anticipated that, if there should be a drought or other calamity, whereby there would be signs of a shortage in feed grains, the Secretary could cut back on the program, or eliminate it altogether, in order that we could have a sufficient amount of corn and other feed grains to meet our requirements.

It was necessary to put this provision in the bill as to corn, because there was no such provision in the original law itself. There is such a provision affecting allotments for wheat, cotton, rice,

and other basic commodities other than corn. In other words, in case of a catastrophe or unforeseen event, the Secretary has a right in this bill to modify the acreage to be planted under certain conditions.

Although the committee felt that the danger of a shortage of feed grains was remote, this provision was included to provide assurance that if a shortage did develop, the Secretary would have the authority to limit or call off the reduction program.

THE FEED GRAIN SITUATION

The Department of Agriculture reports that the total supply of feed grains has increased steadily since 1952, reaching a record high of 231 million tons for the 1960–61 marketing year. Annual production of feed grains rose from 105 million tons in 1951 to 155 million in 1960. Production has exceeded total utilization each year since 1952. Although livestock numbers have increased during the past decade and farmers have increased their feeding rates, consumption has consistently fallen below the rapidly expanding production. This has resulted in a steady buildup in stocks, which reached a record high of 75 million tons in 1960 and is expected to increase to about 85 million tons by October 1, 1961. This is more than four times the carryover in 1952.

Indications are that the carryover of corn alone on October 1 of this year will amount to about 2 billion bushels. The July 1 crop report indicated 1961 production would be at about 3.2 billion bushels. This provides a total of 5.2 billion bushels available for the 1961–62 marketing year. This substantially exceeds estimated needs. To be specific this exceeds the amount used for livestock feed in 1960 by 1.6 billion bushels.

CCC STOCKS OF FEED GRAINS

The Commodity Credit Corporation investment in feed grains, as a result of unlimited production and the operation of the price-support program, has doubled since 1956 and now stands at more than $4 billion.

CCC has a total of over $3 billion invested in 2.1 billion bushels of corn; $1.1 billion invested in 737 million bushels of grain sorghum, $97 million invested in 96 million bushels of barley, and $22 million invested in 38 million bushels of oats.

Storage, handling, and transportation charges on feed grains amounted to $266 million for the first 11 months of the last fiscal year. This accounted for 49 percent of the total costs of storage, handling, and transportation. Wheat and feed grains together account for 91 percent of such costs.

Wheat accounts for 42 percent of Government costs of handling and storage charges. If there is added to that amount 49 percent for corn and feed grains, it means that 91 percent of the storage charges are accountable to those commodities. It can be readily seen that it is imperative that something be done in order to curtail, if possible, wheat and feed grain production so as not to further aggregate our surpluses.

Practically all of the increase in feed grain stocks in recent years has been in CCC ownership. Over 85 percent of the total carryover is owned by CCC or is under the 1960 support program.

The record of the past 10 years indicates that reduced price supports and lower corn prices do not bring about reduced corn production. Corn price supports were reduced each year from 1954 to 1960. The 1960 support of $1.06 per bushel was 35 percent below the 1954 support; yet corn production in that period rose more than a third and corn prices dropped to the lowest level since World War II.

In other words, with lower support prices the corn production has increased by one-third since World War II. Even with the reduced 1960 support level, a record of over 600 million bushels of 1960 corn was placed under price supports, much of which will be delivered to the Commodity Credit Corporation.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. AIKEN. I wonder if the Senator does not agree that the removal of acreage controls had something to do with the increased planting, also.

Mr. ELLENDER. I am sure of that. I was told that many farmers even planted their gardens into corn, and planted their backyards into corn. They did not miss a bet. There is no doubt that the removal of acreage controls had an effect.

Mr. AIKEN. That dropped the next year. A further drop was indicated for this year, even before the start of the emergency feed grain program.

I think the significant thing about the feed grain situation is that the consumption over the last 6 years has increased a billion bushels. Of course, much of that is marketed in the form of hogs and beef, which have been bringing relatively good prices. Much of it is marketed in the form of poultry and eggs, and, of course, prices for those have been going up and down like an elevator.

There was a general change in the corn program, virtually taking farmers out from under any regulation. There was a tendency for a big increase in planting the first year. After that there has been a drop in acreage.

Mr. ELLENDER. Yes.

Mr. AIKEN. Possibly prices had something to do with the drop.

Mr. ELLENDER. The statistics which are in the report now on Senators' desks indicate that notwithstanding the increase in the number of cattle the corn surplus has been increasing. It is my hope that if we can have the program for another year, admitting that we would need normal conditions, after next year we might get the carryover of corn down, as I shall indicate later, to about 60 million tons, which is very large.

Mr. AIKEN. About 2 billion bushels.

Mr. ELLENDER. It is much less than we have now, which is 85 million tons.

Mr. AIKEN. Sixty million tons is about 2 billion bushels.

Mr. ELLENDER. The Senator is correct.

Mr. AIKEN. That represents about a 4½ month supply.

Mr. ELLENDER. The Senator perhaps was a little confused, as I was, when we used tons to speak of the grain instead of bushels. The reason, as the Senator knows, is that in a bushel of corn there are 56 pounds and in a bushel of sorghums there are also 56 pounds, but in a bushel of oats there are 32 pounds and in a bushel of barley there are 45 pounds. All of those are feed grains. Instead of using "bushels," we resorted to the use of "tons."

Mr. AIKEN. The Senator understands that this is the principal part of the bill with which I am in disagreement.

Mr. ELLENDER. Yes.

Mr. AIKEN. The reason is that I do not feel it is safe to have less than a year's supply on hand, in the interest of national security and the national economy.

Mr. ELLENDER. Of course, the Senator will concede, I am sure, there is a provision in the bill that if anything should occur between now and the next planting time the Secretary of Agriculture has ample authority to set the law aside, if an emergency exists.

Mr. AIKEN. The provision which authorizes the Secretary to set the feed-grain program aside for next year, if it appears we might incur a shortage by carrying it out, was the saving feature of the bill.

Mr. ELLENDER. Yes.

Mr. AIKEN. Without that provision I doubt I could have voted to report the bill.

Mr. ELLENDER. Yes.

Mr. AIKEN. With that escape clause, one might say, it was helpful.

Another thing which is on the minds of a good many people is, Why did the Department of Agriculture give the ACP committees the authority to add 5 percent to the number of acres of corn from which to take the deductions? The Senator from Delaware raised a question the other day in regard to 87 million acres in one place and only 82 million acres in another. If there were an addition of 5 percent, of course that would add 4 million acres to the amount and could, in part, account for the loss of the 5 million or 6 million acres about which the Senator from Delaware inquired.

The 5-percent addition, which we understand the committees were authorized to put on, worked to the benefit of the cooperators, because those who did not cooperate did not care anyway. They were planting for feeding purposes.

I have never been able to understand why the actual acreage formerly planted was not used, instead of the actual acreage plus 5 percent.

Mr. ELLENDER. As the Senator knows, it is rather difficult to keep records. Why that was done I do not know. I have had a few discussions with the Secretary of Agriculture. I suggested to him on several occasions that he should not use the committees for the purpose of trying to drum up the program or anything like that, but that he

should simply present the facts to the farmers and let the farmers decide for themselves. That is what I hope will be done in the future.

As the Senator knows, I have received a lot of letters to the effect that a lot of the ACP committees and people connected with the Department have been drumming up the program so as to put it over. It may be that some ambitious new appointee might have gone a little too far. I would not deny that. All in all, I believe that this program has been fairly well administered. I hope that, should the Congress extend it for another year, a better job of administering it will be done in the next year.

Mr. AIKEN. I will go along with the statement that the Secretary of Agriculture is trying to do a good job with the program this year, because it would reflect upon him if a good job were not done. I think he has an uphill task ahead of him. In the first place, we do not know whether the amount of reduction in production anticipated will be achieved. If the reduction is the amount which the Secretary hopes for, then I am inclined to think he will face difficulty in holding the price down. Of course, he intends to use the certificates which have been given in payment to the farmers, permitting the Secretary to sell corn out of the CCC stocks to hold the price down.

I think that laudably enough it was planned to hold the price down to $1.25 a bushel for corn, at Chicago, by next August. That is what I understand to be the case. However, there is a strong possibility the Secretary may not have enough certificates with which to do that, in which case one of two things will happen. Either the price of grain will shoot up and the noncooperators will get more benefit than the cooperators, or it will be necessary to sell sound corn for out-of-condition corn at out-of-condition corn prices. I point that out as a possibility.

I hope, along with the Senator from Louisiana and the Secretary of Agriculture, that the program will work perfectly. I still think there is a lot to learn about it.

As the Senator from Louisiana says, if we have the program for another year we expect it to be better administered.

Mr. ELLENDER. Not only that, but the Senator knows that in the administration of such a large program in the first year there are difficulties. We enacted the law late in the season, and there was bound to be a little difficulty in administering it as it should be administered. For instance, a lot of corngrowers in the South had already started. They had already plowed their land and gotten ready to plant corn. Different conditions existed which made it highly difficult for the Secretary of Agriculture to handle the program.

That is why I believe the committee took it upon itself to extend this program now, instead of waiting until next year, so that the law will be on the statute books from now on, and the growers of corn seed, owners of fertilizer establishments, and all people who service farms will know in advance what they can expect.

Mr. AIKEN. I certainly appreciate the escape provision which the Senator from Louisiana inserted in the corn program legislation.

Mr. ELLENDER. That action, as the Senator knows, came about after the hearings. It became apparent only after the hearings, and I thought there should be a saving clause in the bill. We had our attorney and our economist draft the necessary provision under my direction. The provision is now in the bill. I believe it will work, and I am satisfied that under next year's program a better job will be done.

Mr. AIKEN. If we need it.

Mr. ELLENDER. The Senator is correct.

Mr. AIKEN. The paragraph permitting cancellation of the program is a very important paragraph in the bill.

Mr. ELLENDER. I agree with the Senator 100 percent.

RESULTS OF 1961 FEED GRAIN PROBLEM

The Department reports that the 1961 feed grain program will be successful in accomplishing its objectives of reducing the buildup of supplies, increasing farm income, lowering program costs, and assuring feed grain consumers fair and stable prices.

Under the 1961 feed grain program, producers signified their intention to retire 20.1 million acres of corn and 6.6 million acres of sorghums to conserving uses. This represents 23 and 31 percent, respectively, of the 1959–60 adjusted base acreages for these crops. It is certain that the combined production from the acres devoted to corn and grain sorghums in 1961 will be substantially below estimated requirements, which will make possible a reduction both in the carryover of feed grains and in CCC stocks. This is in sharp contrast with the effects of previous programs when, without controls carryover increased consistently year after year.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MILLER. I wish to ask the Senator whether or not there are any statistical tables showing how we can expect to have a substantial reduction below requirements for this year.

Mr. ELLENDER. If the Senator will refer to the reports which are on his desk, he will see tables in those reports indicating what the carryover has been from 1955 to the present; and he will see that notwithstanding the increase in livestock, including chickens and everything else, there has been a continuous buildup of carryover from one year to the next. If the Senator will look at the statistics, he will be able to make the comparisons himself.

Another point has aggravated the situation. As the Senator knows, we have been engaged in a venture of planting more sorghum feed. Sorghum is very good feed. It is not quite as good as corn, but a good deal of it is planted. In the past 3 or 4 years the increase in the planting of that crop alone was about 40 percent, and it has accounted for 712 million bushels of CCC stocks. Improvements of this kind will not do us any harm in the future, but the vast improvement in methods of planting, seed use, and fertilizer have caused us to have a surplus today in corn and other feed grains.

Mr. MILLER. That is exactly my point. I know that certain statistical tables have been drawn up, but there are unknown areas involved, and I am sure that the Senator recognizes them. For example, it is well known that the fertilizer business has been particularly good this year so far as cooperators are concerned. Farmers have been planting the number of acres they have been allowed to plant, and putting on more fertilizer, to be sure that they will have at least the number of bushels that will bring in the minimum support price. But with the surplus going up on the remaining acres, there is concern that we may have additional production from such remaining acres, which will not give us the reduction in production that we had hoped for.

In addition, on the requirements side of the ledger, there are unknown factors, such as the food for peace program and the aid for the needy program. It seems to me that we are groping in the dark at this stage of the game in order to come forth with any substantial estimates, for example, to show that production will be greatly under, or even substantially under, our requirements for the next year.

That was the point I was making. I was wondering whether the Senator had any information on that point that has not appeared in the RECORD.

Mr. ELLENDER. The Senator knows that, considering all the circumstances under which estimates are made, the Department of Agriculture is very accurate.

When the Department estimates the corn crop, the wheat crop, or, in fact, any crop, it does not miss the amount of production by very much. The last estimate, which was issued on July 1, showed that with respect to corn alone, there would be a decrease of 716 million bushels. I am very hopeful that that will be the case.

Of course, I realize that better weather than we expect may be in store, but all and all, it strikes me that the Department of Agriculture has in the past made very fair and reliable estimates, and I am satisfied with the tables to which I have referred, and the most recent estimates made by the Department. No doubt the program will progress about as was anticipated.

Let us hope that it will. I am sure that the Senator believes, as I do, that to have as much as $7 billion to $8 billion tied up in surpluses is not good. What we would like to do is to have production more in keeping with our consumption requirements. I believe the tendency will be in that direction if we pass the wheat bill and renew the corn and feed grain programs for an additional year.

Mr. MILLER. My friend from Louisiana knows that every Senator is in accord with the objective which he has stated, and we all hope that the objective will be attained. But there is

another factor involved in the program that is of concern, and it relates to the cost of the program. The Senator may remember that during the debate on the emergency feed grains bill this year I asked a question about the cost of administering the program, and I did not receive an answer. I do not think we yet know how much it will cost. Until we do, it will be pretty difficult to estimate how much of a saving, if any, there will be to the Federal Government. I realize that it will be several months before we can arrive at some firm figures.

I wish to ask the Senator a question relating to the difference between the present bill and the emergency feed grains bill which was passed earlier. The Senator remembers that the emergency feed grains bill, which is now in operation, provides for a 20-percent retirement. But if that 20-percent retirement does not equal 20 acres, whatever is necessary to make up the 20 acres will be allowed.

Mr. ELLENDER. The Senator is correct.

Mr. MILLER. Under the bill before the Senate, nothing is said about 20 acres. There is merely provision for a 20-percent retirement.

Mr. ELLENDER. The provision is in the bill. There has been no change in that respect.

Mr. MILLER. May I call the Senator's attention to the fact that on page——

Mr. ELLENDER. If the Senator from Iowa sees anything that is different from the present bill, it will be corrected. It was the intention of the committee to have the feed grains bill operate the same as last year, with the exception, as the Senator knows, that we added barley. By including barley, we provided for a 20-percent cut as to that crop, and that is about the only substantial change that was made from the bill that was enacted last year.

Mr. MILLER. I invite the Senator's attention to page 96 of the bill, on line 7, which refers to "acreage equivalent to 20 per centum of the average acreage on the farm." In the Emergency Feed Grain Act the first 20 percent refers to the "average acreage on the farm planted to corn and grain sorghums in the crop years 1959 and 1960 or up to twenty acres, whichever is greater."

The Senator has provided for the second 20 percent, whereas in the Emergency Feed Grain Act there is no language like that. I was wondering why there was that difference. It looked to me as though the bill shifts the first 20 acres in the emergency act to the second 20 percent in the pending bill.

Mr. ELLENDER. I am glad that the Senator has brought that point to our attention. That was not our intention. Our intention was to leave the law virtually as written last year. Since the Senator has called the matter to our attention, I am sure the Senate will agree to an amendment to make it the same, except, as I said, with the addition of barley. I say that even though I am of the belief that it is the same as last year. If not, we will offer an amendment to correct the situation.

Mr. MILLER. I thank the Senator.

Mr. MILLER subsequently said: Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to my friend.

Mr. MILLER. I wonder if the Senator would mind going back to a consideration of the feed grains provisions, before he discusses a new title.

Mr. President, I ask unanimous consent that the colloquy now to occur be printed in the RECORD immediately following our previous colloquy, so that the RECORD will have continuity.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Iowa? The Chair hears none, and it is so ordered.

Mr. MILLER. Mr. President, I ask unanimous consent to have printed in the RECORD two examples comparing the difference between the present law and the bill under consideration by the Senate.

There being no objection, the examples were ordered to be printed in the RECORD, as follows:

EXAMPLE 1

FARMER WITH 40 ACRES IN CORN

A. Under the 1961 emergency feed grains bill:

1. Amount for which he can receive cash payments, 20 acres (20 percent of 40 acres, or 8 acres; "or up to 20 acres, whichever is greater").

2. Amount for which he can receive payment in kind, 8 acres.

Total acres that can be retired, 28.

B. Under the bill (S. 1643):

1. Amount for which he can receive cash payments, 8 acres (20 percent of 40 acres, or 8 acres).

2. Amount for which he can receive payment in kind, 12 acres (20 percent of 40 acres, or 8 acres, "or (ii) such additional acreage as will bring the total diverted acreage to 20 acres").

Total acres that can be retired, 20.

EXAMPLE 2

FARMER WITH 20 ACRES IN CORN

A. Under the 1961 emergency feed grains bill:

1. Amount for which he can receive cash payments, 4 acres (20 percent of 20 acres, or 4 acres; "or up to 20 acres, whichever is greater").

B. Under the bill (S. 1643):

1. Amount for which he can receive cash payments, 4 acres (20 percent of 20 acres, or 4 acres).

2. Amount for which he can receive payment in kind, 16 acres (20 percent of 20 acres, or 4 acres, "or (ii) such additional acreage as will bring the total diverted acreage to 20 acres").

Mr. MILLER. Mr. President, I invite the Senator's attention to a copy of the examples which I have previously given to his staff. These examples show there are some differences between the law and the bill.

In example No. 1, I have considered a farmer with a 40-acre patch of corn. Under the 1961 emergency feed grain bill, the amount for which he could receive cash payment is 20 acres. Although 20 percent of 40 acres is only 8 acres, the law says the farmer may retire "up to 20 acres"—whichever is greater—so the farmer would retire the 20 acres. The amount for which the farmer could receive payment in kind would be 20 percent, or an additional 8 acres.

The total acres which could be retired under the present law would be 28 acres.

Under the bill, however, the amount for which the farmer could receive cash payment would be only 8 acres, because the bill simply provides 20 percent of 40 acres, or 8 acres.

The amount for which he could receive payment in kind would be 12 acres. The bill provides for 20 percent of the 40 acres, or 8 acres, and then contains the provisions "or such additional acreage as will bring the total diverted acreage to 20 acres."

So the total acres that can be retired under the bill is only 20, as against 28 under the present law.

The second example is the case of a farmer with 20 acres of corn. Under the 1961 emergency feed grains bill the amount for which he can receive cash payment is 20 acres, because while 20 percent of 20 acres is only 4 acres, a provision in the law states, "or up to 20 acres, whichever is greater."

Under the bill, however, the amount for which he could receive cash payments would be only 4 acres, because there is no proviso, such as exists in the present law, as to the first 20 percent. But the amount for which he can receive payment in kind would be 16 acres, because that is the amount which, added to the first 4 acres, would amount to 20 acres.

I have checked these provisions with some of the Department of Agriculture representatives, and with the general counsel. I understand that the rationale behind the difference in treatment is to give the small-corn-acreage farmer a little better treatment that he is receiving now, because under the second example he would have 4 acres upon which he would receive cash payment on the basis of 50 percent of production. He would receive payment on 16 acres on the basis of 60 percent of production, whereas under the present law he would receive payment only on the basis of 50 percent of the production.

Mr. ELLENDER. The objection of the Senator from Iowa is to the number of acres on which the amount can be based.

Mr. MILLER. I really think I have two objections. The first objection is that under the bill there would not be as much retired as under the present law. The first example shows that point.

Mr. ELLENDER. As I told my good friend from Iowa a while ago, it was the intention of the committee to have in the bill the same provision applying to the small grower as we had previously. If such is not the case, I can give the Senator assurance that before the bill comes up for a vote, I will have that point looked into, to the end that in respect to the 20-acre provision, producers will be treated under the new bill as they are treated now under the present law.

Mr. MILLER. I appreciate the assurance of the Senator from Louisiana. I

recognize that these things are easily omitted or easily overlooked.

Mr. ELLENDER. The Senator from Iowa may find some other points. I hope the distinguished Senator will study the bill in the hope that we can pass a good bill. I appreciate his suggestion very much.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. YOUNG of North Dakota. There is one important change in this proposed legislation from the feed grain bill passed earlier this year. Barley has been included for the first time. However, if a producer of barley wishes to forgo price supports, he can plant up to the average acres he planted in the previous 2 years and still receive price support for corn.

Mr. ELLENDER. Yes.

Mr. YOUNG of North Dakota. And the same is true with respect to corn.

Mr. ELLENDER. Yes.

Mr. YOUNG of North Dakota. If he does not wish to receive price supports for corn, and is willing to forgo price supports for corn, he can plant up to the average acres planted during the previous 2 years and still receive price supports on barley.

Mr. ELLENDER. Yes. Our idea was to include barley, and to put it on the same basis as corn and sorghums; in fact, to put them in the same category.

Mr. YOUNG of North Dakota. There were complaints from areas which produced corn exclusively for ensilage.

Mr. ELLENDER. Yes.

Mr. YOUNG of North Dakota. Under the bill passed last year the farmer had to take a reduction in acres in order to be eligible for price supports on other crops.

Mr. ELLENDER. Yes. Now he can get price supports on corn and sorghums.

The reduction in corn production for 1961 is confirmed by the July crop report which indicates that corn to be harvested for grain in 1961 will be 13.1 million acres less than in 1960, and that the acreage of sorghums to be harvested will be 4.9 million acres less than last year. Production of corn for grain will be about 716 million bushels below 1960. This is 18 percent less than 1960 production. In total, 1961 feed grain production is expected to be nearly a fifth below the record output in 1960. The resulting net savings to the Government because of the 1961 feed grain program may be well in excess of $500 million, as was stated when the feed grain bill was before us. This saving will result from not having to pay storage, handling, transportation, and interest costs on corn and sorghums which would have been acquired under a 1960-type program, during the long period before they would be reached for disposal on a first-in, first-out basis.

The Department estimates that farm income for the 1961 crop of corn and grain sorghums including payments under the program should exceed that obtained from the 1960 crop. The increase in level of price support from $1.06 per bushel for corn if the 1961 program had not been put into effect, to $1.20 per bushel under the program, should assure producers complying with the program of higher cash returns from their production. The value of farm production of corn for the 1960 crop amounted to almost $4.2 billion. Returns from the 1961 crop plus feed grain program payments should be about $300 million higher.

NEED FOR EXTENSION OF THE FEED GRAIN PROGRAM

The increase in feed grain stocks and Government expenditures in recent years makes obvious the need for further corrective action. Fortunately, because of the overwhelming acceptance of the 1961 feed grain program by producers, the trend to increased stocks appears to be reversed.

Although it is apparent that the 1961 production of corn and sorghums will be less than anticipated utilization—enabling CCC to reduce its stocks and related costs—it will not decrease to desired levels the vast inventories that have been building up throughout the past 8 years.

It is estimated that the 1961 feed grain program will reduce carryover about 13 million tons. This will leave a carryover into the 1962 marketing year of about 72 million tons. If it is assumed that the 1962 program will be equally effective and that production, imports, and utilization remain at about the same level, it can be anticipated that carryover stocks will be reduced by another 12 to 13 million tons, leaving a total of approximately 60 million tons going into the 1963 marketing year. This would go a long way toward bringing the burdensome stocks of the Commodity Credit Corporation down to more realistic reserve levels and reducing the cost to the taxpayer.

As I indicated a little earlier, by 1963, with 2 years under the feed grain program, we can expect approximately 60 million tons going into the marketing year as a surplus. In bushelage that means about 2.2 billion bushels, which is a great deal of corn and other feed grains. That includes, of course, the program that we have put on the statute books this year, as well as an extension of it into next year.

This carryover level is about the same as that which prevailed for the 1958–59 marketing year. But it is almost twice the amount generally considered as adequate for a carryover of feed grain from 1 year to another.

The need is urgent that the feed grain program be reenacted during this session of Congress.

There are a number of reasons why this is so. In my opinion it is incumbent upon the Congress to act now so that feed grain producers would know as early as possible what type of program to expect for next year in order that they might prepare their 1962 farming plans early this fall, instead of being required to wait until late next year.

Another consideration is the fact that many farmers plow a substantial portion of their land in the fall of the year. It is also desirable, therefore, to give them advance guidance in this respect.

With the inclusion of barley—a fall-seeded crop—in the 1962 feed grain program it is essential that this legislation be passed at this session of Congress. In addition, with a wheat program involving the diversion of acres to conservation uses similar to the feed grain program, farmers raising both wheat and feed grains will have a better opportunity to plan their entire 1962 farming operation and coordinate their adjustments from the crops covered by these two programs if they are assured that both programs will be in effect for the 1962 crop.

Even with the exceptionally prompt action taken by Congress with regard to the 1961 feed grain program, many thousands of farmers, particularly in Southern States, had already begun their operations and, therefore, were precluded from participating in the program. The passage of this legislation now will avoid this unfair treatment of certain of our Nation's feed grain producers. Furthermore, it is only fair that the allied industries which serve agriculture—such as hybrid seed corn, fertilizer, and other suppliers of farm production items—are given notice well in advance of the legislative direction of production adjustment programs.

Farmer-elected county and community committees, as well as Department of Agriculture personnel in Washington, did outstanding work in carrying out the 1961 feed grain program under the extreme time pressures of the planting season. However, given ample time beginning this fall to deal with the multitude of complications and problems that exist, the 1962 program can be made to operate even more smoothly and efficiently than in the past year.

MARKETING ORDERS

Subtitle D of title I expands the coverage of the Marketing Agreement Act to other commodities. The Agricultural Marketing Agreement Act of 1937 presently authorizes the issuance of market orders regulating the marketing of specified agricultural commodities. The purpose of the act is to provide for orderly marketing and a fair return to producers for their commodity.

The objectives of the act, with respect to milk, are attained through orders providing for the minimum prices to be paid by handlers for producers' milk on a use classification basis with pooling provisions to provide the vehicle for insuring uniform prices to all producers whose milk is subject to the order. With respect to other commodities, the objectives are attained through regulation of the handling of the commodity by restriction on the quality or quantity to be marketed by handlers, the establishment of surplus pools to minimize and equalize the burden of surpluses, prohibition of unfair trade practices, specifications with respect to packs and containers, and marketing research and development projects—not including paid advertising. The type of regulation utilized in any situation must be adapted to the needs of the industry concerned.

A well-defined procedure is provided for in the promulgation and amendment of marketing agreements and orders. This procedure may be summarized as follows:

Interested producer groups in an area petition the Secretary for the initiation

of a program under the act. If the Secretary, after investigation, determines that there is reason to believe that such a program will tend to effectuate the purposes of the act, he publishes a notice in the Federal Register informing interested persons that a hearing will be held and setting forth the regulatory provisions of the program under consideration. The public hearing is held, presided over by an examiner appointed under the Administrative Procedure Act, at which hearing all interested persons may introduce evidence pertinent to the proposed program with the right of cross-examination of all witnesses. After the close of the hearing, parties interested are afforded an opportunity to submit proposed findings and conclusions, together with briefs, with respect thereto. Thereafter, a recommended decision is prepared and issued by an authorized official of the Department setting forth recommended findings and recommendations as to the regulatory provisions of the program. Interested persons are afforded an opportunity to file exceptions and briefs thereon with respect to the recommended decision. All provisions relating to the program must be supported by evidence of record in the hearing. The matter is then referred to the Secretary for final decision. The Secretary issues a final decision containing a proposed marketing order which is then submitted to a referendum of producers to determine whether or not they approve the issuance of the order. In general, for an order to issue, two-thirds of the producers voting in the referendum, or two-thirds of the volume of the commodity represented in the referendum, must indicate approval of the order.

The act authorizes the Secretary to provide for the selection of an agency or agencies for the administration of programs under the act. In the case of milk orders, the Secretary of Agriculture selects and appoints a market administrator to administer the program under the Secretary's supervision. The market administrator is a full-time employee. In the case of programs relating to other commodities, they are administered through what is known as an administrative committee of producers or producers and handlers. Nominations are made by producers and handlers, but all members are appointed by the Secretary. The administrative committee is responsible for the operation of the program under the general supervision of the Secretary of Agriculture. This involves recommending to the Secretary those types of regulations and the activities required under marketing orders to be used at any given time for the effectuation of the purposes of the act. The committees are authorized to appoint managers and such staff as may be necessary to carry out the committee's responsibility under supervision of the committee.

The cost of administration of the orders through market administrators and administrative committees is borne by an assessment upon handlers levied and paid on each unit of product handled. The Secretary with recommendations from the administrative agency establishes a rate of assessment necessary to meet approved budgetary requirements. The general costs of administering the act are not covered by such assessments.

The marketing orders regulate the handlers of the commodity. Any handler subject to an order who feels that any provision of the order, or any obligation imposed on him thereunder, is not in accordance with law may obtain a review of the question by filing a petition with the Secretary of Agriculture. A formal hearing is had on the petition and the decision must be based upon evidence produced. Such ruling is subject to judicial review in the U.S. district courts.

There are presently in operation 79 milk marketing orders regulating the handling of milk in separate marketing areas of the country in 35 States.

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. I think this might be a good opportunity to point out that proviso of the bill which is known as the volume control program, which would impose quotas on the producers of milk. Under a proposal which was rejected by the committee, all farmers were designated as handlers. That designation, of course, would have made them subject to all the provisions which the Secretary could impose upon handlers anywhere. But there was this difference: Under the present law, which the Senator from Louisiana has explained, and under the bill, handlers may obtain a hearing on questions as to the lawfulness of any provision of an order or any obligation imposed in connection therewith. The proposal which the committee rejected would have eliminated such hearing as a matter of right and left such questions to the review procedure fixed by the order. In fact, the proposal would not have required the Secretary of Agriculture to give the farmers a hearing.

Mr. ELLENDER. I thank the Senator from Vermont. These orders during the past year covered over 43 percent of the milk marketed at wholesale in the Nation with a value to the farmer of nearly $2 billion. In the fruit and vegetable area there are 43 orders relating to 29 different commodities applicable to production areas in 22 different States.

Subtitle D of title I of the bill would extend this beneficial program to a number of additional commodities, if the producers of such commodities desire its application and the Secretary finds such application to be appropriate. The bill would provide authority to issue marketing orders for cherries and cranberries for canning or freezing, lambs, turkeys, apples produced in New York, Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, and Michigan, and any other commodity for which such authority does not now exist, except those specifically excepted.

The commodities specifically excepted are cotton, peanuts, rice, wheat, corn, grain sorghums, oats, barley, rye, sugarcane, sugarbeets, wool, mohair, livestock other than lambs, cottonseed, flaxseed, poultry, other than turkeys, eggs, fruits and vegetables for canning or freezing, other than cherries and cranberries, and apples produced in States other than New York, Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, and Michigan.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Is it not true that the Senate included under the provisions of the bill every agricultural commodity which the committee was asked to include under the marketing agreement and order section, and, further, that from time to time the committee went back and included various commodities, even though in the previous consideration there had not been any indication of a desire to have those commodities included under the marketing agreement and order section?

Mr. ELLENDER. That is correct. Of course, the Senator from Florida will remember that during the proceedings there was considerable discussion as to whether turkeys be included. Certain Senators desired to have turkeys and also lambs included, and they were included.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield further?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Is it not also true that apples produced in some parts of the country had already been included under the marketing agreement and order section?

Mr. ELLENDER. Yes, apples produced in the West.

Mr. HOLLAND. Is it not also true that apples produced in other parts of the country were included in the bill, at the request of those concerned?

Mr. ELLENDER. That is correct.

Mr. HOLLAND. Is it not also true that apples produced in other areas were not included in the bill because those concerned did not indicate any desire to have them included under this provision of the bill?

Mr. ELLENDER. That is correct. Certainly we tried to satisfy everyone.

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. AIKEN. I should like to add that the reason why apples produced in other States are not included under the Senate version of the bill is that until the day following the closing of the books on the part of the Senate committee, apple producers in those States did not ask to have their apples included. On the following day, I received a telephone call to the effect that apple producers in 14 other States would like to be included. I told them that if they wished to be included, they should go to the House committee, which had not then finished its work on the bill, and get their States included in that version of the bill. Some of them did.

So when we come to the final version of the bill, we probably shall have a few more States—such as Pennsylvania, Maryland, and Virginia—included, although they are not covered by the Sen-

ate version of the bill. But certainly all who wished to be included at the time when the Senate committee was working on the bill were included; and if others had said they wanted to be included, undoubtedly they would have been.

Mr. CARLSON. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. CARLSON. The distinguished chairman of the committee has said that many of the commodities were included under the marketing orders because the producers requested inclusion. I have received from the honey producers a telegram in which they state that they object to their inclusion. What was the decision of the committee on that point?

Mr. ELLENDER. Honey was included. The honey producers were divided in their opinion in that respect; and the same is true of the turkey producers But the majority of the witnesses and the majority of those who made requests in that connection, wanted inclusion.

Mr. CARLSON. Is the Senator from Louisiana willing to have printed in the RECORD the telegram to which I have referred?

Mr. ELLENDER. Certainly.

Mr. CARLSON. Then, Mr. President, I ask unanimous consent to have printed in the RECORD, at the conclusion of the remarks of the Senator from Louisiana, a telegram I have received from the honey producers of Kansas.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

(See exhibit 1.)

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I have stated, and the Senator from Louisiana has indicated that my statement was in accordance with the facts, that any commodity groups which wished to be included under the marketing agreement and order section of the bill were included.

Now I should like to ask the converse of that—namely, that all who wish to be excluded from that provision of the bill were excluded.

Mr. ELLENDER. Yes, except for the few as to which the testimony was divided. But where the evidence was predominantly against inclusion—as in the case of cattle, livestock, poultry, and other basic crops—they were not included. The Senator from Florida attended all the hearings, and he knows very well that very few witnesses who appeared desired to have livestock included under the provisions of the bill. So I believe the committee did a very fair job in listening to all those concerned—the producers of cattle and all sorts of livestock. And after we concluded the hearings, we sat down and considered the question of what should be done; and I am sure that the Senator from Florida will remember that, under my own motion, when I found that the testimony was predominantly against the inclusion of livestock, hogs, and poultry, I moved that we strike from the bill those provisions of the original bill which I had introduced. The Senator from Florida also knows that when this bill was introduced by me, I stated in no uncertain terms that I had quite a few reservations about the bill, but that it was my hope that we would give everyone an opportunity to be heard, and that after all the evidence was received, then we would sit around the table and would try to write a bill which would be in keeping with the testimony which had been received.

Mr. HOLLAND. Mr. President, will the Senator yield further to me?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I wish to bear witness, for the RECORD, to the fact that the distinguished chairman of our committee, the Senator from Louisiana, did take exactly the point of view he has stated just now. When it became clearly evident that the witnesses from the livestock industry and practically the entire group of producers in the country wished to be excluded, he announced that he thought they should be excluded, and that he would support their exclusion—and similar action was taken as to other commodity groups.

I wish to make it clear that after all livestock had been excluded, when it became apparent that evidently a large portion of the producers in the industry which supplies lamb to the markets of the Nation had changed their minds, and wished to be included in the bill, the Senator, with the greatest fairness, permitted that section of the bill to be reopened, so that lamb producers could be given the inclusion in the bill which apparently they desired. In fact, I know of no case in which, when it was clearly apparent that a majority of the producers had shown their preference for either exclusion or inclusion in the marketing agreement and order provisions of the bill, the Senator from Louisiana did not adhere completely and positively to their preference.

Mr. President, I have read a letter, which was written by one of our distinguished friends in the Congress, stating that certain industries in Florida had profited very greatly from following the marketing agreement and order procedure, which we have followed for 22 years, as a matter of fact, but that we did not want other commodity producers to have that protection.

I wish to say here, for the RECORD—and each member of the committee knows this is the case—that in the committee my position was identical with that of the distinguished chairman of the committee—namely, that any group or any commodity which wanted to have these tools—as to marketing agreements and orders—made available to them or to their commodity, had my support for the attainment of that objective. So it would be entirely impossible for me to believe that any member of the committee failed to adopt and follow the same point of view. Every member of the committee, without one exception, was trying to ascertain what the various producer groups throughout the Nation wanted, and then to give those groups what they wanted, within the four corners of this bill. I know of no exception to that. If there has been any exception to it, it has been because of failure of some commodity groups to make their wishes known to the committee.

The bill as now drafted, insofar as the inclusion or exclusion of any group of producers and of the commodities which they produce from the terms of the bill that refer to marketing agreements and orders, is in accordance with the expressed desire of the commodity group affected; and there is no exception to that principle and the application of that principle throughout the bill.

I thank the Senator.

Mr. ELLENDER. I can certainly certify what the Senator from Florida has stated. I express the hope that the bill can remain as is, insofar as taking out certain commodities is concerned, because I think the committee as a whole tried to be fair and to present a bill here in keeping with what the hearings indicated.

Mr. DWORSHAK. Mr. President, will the Senator yield on that point?

Mr. ELLENDER. I yield.

Mr. DWORSHAK. In listening to the discussion and comments of the distinguished Senator from Florida, some confusion arises in my mind over what procedure was used to determine what was the majority thinking of any particular segment of the agriculture industry. How was it determined what position was desired by the industry affected?

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield, so I may give at least my reply?

Mr. ELLENDER. I yield, without losing the floor.

Mr. HOLLAND. My reply is, first, that we had long public hearings here, well publicized in the press, well attended by groups of producers and their representatives from one end of the Nation to the other. Second, after we got into the discussion of the record made at those hearings, we allowed groups which felt that their position had not been made correctly known to the committee to give us their views. Not stopping there, after we had made decisions as to the inclusion or exclusion of certain commodities, if later there came into the committee any showing from a voice that sounded to us like the representative of a majority of an industry, we reflected that showing into an amended provision of the bill. Clear up to the last day of the adoption of the committee bill, we allowed for additional showings granting an exclusion or inclusion of certain commodities, as the case might be. We did not conduct referendums. We had no machinery for doing that. But I think we had appear before us, in every case represented by exclusion or inclusion of a commodity, great groups representing trade associations or cooperative associations, or businesses, who we thought spoke with sufficient authority so that we could say, "This is the voice of that particular industry." That is the best we can do.

Mr. DWORSHAK. I have been under considerable pressure from the honey and dry bean producers in Idaho, because they contend they wanted exclusion from the provision covering marketing orders. It has been difficult for

me to ascertain whether the views of the growers in my State reflected the majority or minority viewpoint. That point would rest on how the determination was made by the Committee on Agriculture and Forestry.

Mr. HOLLAND. Honey was one of the commodities which was first excluded, and then, when strong representations were made, was included, subject to the general coverage of the bill which provides that in this field of marketing agreements and orders, the Secretary must proceed through the smallest regions which he thinks can give practical effect to the plan. So still there is no machinery which would permit a large group within that honey producing industry to be included within the marketing agreement if it did not wish to be included.

Mr. ELLENDER. The Senator mentioned dry beans. The provision relating to dry beans has been in the law for a long time. I do not know whether there was any marketing agreement used, but it is in the law now.

Mr. DWORSHAK. I had no way of knowing whether the views of the honey producers and dry bean producers in my State were in accord with the majority thinking of the two industries.

Mr. ELLENDER Dry beans are included already.

Mr. DWORSHAK. They wanted to be excluded from the marketing orders. Was it the principal view that the existing marketing orders should be continued?

Mr. ELLENDER. When there was no request to exclude them, that was done. We did exclude soybeans, which were in the law. We wanted to put oil-producing seeds, such as cottonseed and soybeans, in the same category. Producers of many commodities that are included in the law now have never used marketing orders.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. Soybeans was the only commodity eligible for marketing orders which was excluded, and that was because of its competitive position with other oilseeds.

Mr. ELLENDER. Tobacco also.

Mr. AIKEN. And tobacco.

Mr. ELLENDER. That provision was never used for the simple reason that tobacco has a program now. Marketing orders were never used. If producers asked to be excluded, they were excluded.

Mr. AIKEN. The committee proceeded on the theory that where there was a voice in a particular group, as in honey, from which we got telegrams opposing the inclusion of honey under marketing orders, and telegrams from another large State, Iowa, asking to be included, and it appeared that a substantial number of producers of a particular commodity desired to be included as eligible for marketing orders, and not being able to tell whether they represented a majority or not, we gave them the benefit of the doubt, realizing that before marketing orders could be put into effect, they actually had to have the approval of two-thirds of the producers of that commodity. That requirement appeared to be a sufficient safeguard.

The reason why I voted to put a great many commodities on the marketing order list was this: I do not expect they will all have marketing orders. I do not think many more producers of commodities than now use them will be using marketing orders. But the fact that marketing orders can be applied for and established, if two-thirds of the producers want them, gives them better bargaining power in the marketplace than would be true if they did not have the right to ask for a marketing order. It seems to me that is very important. They are about in the same position as a manufacturer. Perhaps the manufacturer has no union in his plant, but the fact that his workers can organize a union is an incentive for him to give them such good treatment that they do not organize one. Therefore, if producers of any commodity are receiving fair treatment in the marketplace, the inducement to have a marketing order will not be there, and they will continue to do business just as they have been doing. I think nearly all of them will continue to market their commodities in the same way they have been. But if they believe they are being mistreated, then they can ask for a marketing order.

Mr. ELLENDER. There has been a discussion of honey. We felt that since honeybees were included in the law, we ought to put honey in the bill so as to bring them together.

I might point out at this time that marketing order authority already exists for apples produced in Washington, Idaho, and Oregon. Tobacco and soybeans would be removed from the list of commodities for which marketing orders are authorized.

The bill would not extend marketing order authority to any additional products of agricultural commodities, unless such product is itself an agricultural commodity. Honey, for instance, is a product of the agricultural commodity, honeybees, but is itself an agricultural commodity, and therefore the bill would provide authority for marketing orders for honey.

In excluding certain commodities from the authority for marketing orders, the committee considered the following facts: The basic commodities, except corn, are subject to marketing quotas under the Agricultural Adjustment Act of 1938, as well as mandatory price support. Corn and the other feed grains are subject to mandatory price support and to acreage diversion programs. Sugarcane and sugarbeets are regulated by the Sugar Act. Wool and mohair are provided for by the National Wool Act of 1954. These commodities would appear to be best regulated by the special programs provided for them. Soybeans, cottonseed, and flaxseed are competitive with each other, and to a certain extent with feed grains, and have long been subject to price support. Fruits and vegetables for canning or freezing are frequently produced under contract and, with certain exceptions, have been specifically excluded from the act for many years. The bill therefore extends order authority only to those fruits and vegetables for canning and freezing for which there is a specific demand, namely cherries and cranberries. The producers of livestock, other than lambs, poultry, other than turkeys, eggs and apples, other than those produced in certain States, in the main, felt that the regulation provided by marketing orders would not be beneficial to their industries and they were therefore excluded. Many of the commodities excluded are produced on a national basis, and would present special problems for marketing order regulation which has always been provided on an area basis.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to my good friend from Florida.

Mr. HOLLAND. I think the Senator has covered the point I had in mind. The record should show that cranberries and cherries for canning were expressly included within the bill. The reason is that the representatives of those two industries asked to be included. Cranberries and cherries were included under the exact provisions already applicable under existing law to those agricultural commodities which are included for processing purposes. I believe grapefruit is the best example. As to grapefruit for canning or processing, there is required not only the customary approval of two-thirds of the producers, but also the approval of half or more of the processors by volume or by number. A provision identical to those already included in the law as to grapefruit for processing was included as to these two new industries, cranberries and cherries for canning, which wished this protection for their processing activities.

Mr. ELLENDER. I thank the Senator very much. The next paragraph covers that.

In extending marketing order authority to cherries and cranberries for canning and freezing, the bill contains a provision similar to that now in the law for grapefruit for canning or freezing. Under this provision an order for cherries or cranberries for canning or freezing could be made effective only if approved by processors canning or freezing more than 50 percent of the commodity canned or frozen within the production area, or marketed within the marketing area, covered by the order.

In addition to extending authority for marketing orders to additional commodities, subtitle D amends the above-parity regulation provided by the act to prevent termination of orders prior to the end of the marketing season; changes the civil penalty provisions to aid enforcement; permits regulation of groups or portions of commodities; extends research and development authority to milk and advertising authority to all covered commodities, and provides for separate producer approval of research, development, and advertising provisions of an order; provides that the cost of such research, development, and advertising may be assessed against producers in the case of milk; repeals a provision limiting orders for commodities other

than milk to the smallest practicable area; and makes it clear that supplementary orders may be issued for the same commodity.

It is important to point out that any provisions for market research, development, or advertising contained in an order must be voted on separately from the remainder of the order. In other words, producers may at the same time vote to approve a market order and to disapprove a program for research, development, or advertising. In a case of this kind the market order would be effective.

WOOL

Subtitle E of title I extends the Wool Act for 3 years, through March 31, 1965.

The wool program has been in effect since 1954, and provides for incentive payments to domestic producers. These payments are based on the percentage increase over the national average price received by producers for wool that will bring this average price up to a national average incentive level. Using a percentage method to set the rate of payment rather than making a uniform flat payment per pound of wool sold encourages producers to do a good job of marketing their wool, and takes into account the relative value of the various grades of wool.

During each of the years that the program has been in effect, the national average incentive level has been set at 62 cents. In setting this level, the Secretary of Agriculture is required by law to take into consideration prices paid by producers and other cost factors affecting sheep production. He is guided also by the amounts remaining from the funds available for the program, which are limited to an amount equal to 70 percent of the duties collected on imports of wool and wool manufactures since January 1, 1953.

TITLE II—AGRICULTURAL TRADE DEVELOPMENT

Title II of the bill would amend Public Law 480, 83d Congress, to—

First. Extend both titles I and II of Public Law 480 for 3 years through December 31, 1964.

Second. Provide title I authority of $4.5 billion for the 3 years, 1962 through 1964, with a limit of $2.5 billion in any one year.

Third. Continue the present limitation on title II grants of 300 million—plus any amounts carried forward from the previous year—applying it to programs undertaken rather than expenditures.

Fourth. Expand the purposes of title IV so that it would not be restricted to underdeveloped countries, or to the sale of commodities for consumption in the purchasing country.

Fifth. Remove the requirement that payments for commodities under title IV be in "approximately equal annual amounts."

Sixth. Place in the President rather than the Secretary the negotiation of agreements with other exporting nations for participation in the title IV program.

Seventh. Extend to title IV the policy requirements of title I with respect to reasonable precautions to safeguard usual marketings, appropriate steps to assure maximum use of private trade channels, the development and expansion of a continuous market demand abroad for agricultural commodities, and the prevention of resale or transshipment of commodities without Presidential approval.

Eighth. Redefine "surplus agricultural commodity" to make it clear that the commodity must be surplus at the time of exportation or donation;

Ninth. Require exchange rates applicable to title I sales to be as favorable as those at which U.S. agencies can buy foreign currencies.

Tenth. Permit contributions and proceeds from market development exhibitions to be credited to the appropriations charged with the cost of space, products, and materials for such exhibitions.

Eleventh. Permit interest and repayments on foreign currency loans to be used for the same purposes as are authorized for title I sales proceeds.

Twelfth. Permit the allocation of foreign currencies for use for scientific activities, educational activities, and audiovisual materials without appropriation under appropriate provisions of the act other than sections 104 (k), (p), and (r).

SUMMARY OF PUBLIC LAW 480 OPERATIONS

For the past 7 years, Public Law 480 has provided for several constructive means of utilizing surplus U.S. agricultural commodities both at home and abroad, with particular emphasis on operations overseas. Title I, which provides for the sale of surplus agricultural commodities for foreign currencies, has been the largest program, with exports largely directed to underdeveloped countries and distributed through the use of private trade channels both in the United States and in importing countries. In addition to moving a large volume of commodities to expand consumption in food-deficit areas, title I provides for important uses of the foreign currency sales proceeds. These proceeds have been used to accelerate economic development in emerging countries and to finance U.S. agency programs.

TITLE I OF PUBLIC LAW 480

The total authorization under title I of the program through December 31, 1961, is $11.25 billion, of which agreements through June 30, 1961, committed $9.5 billion.

The main recipients have been India, Pakistan, Spain, Poland, Brazil, and Turkey, where there are large opportunities to increase the consumption of agricultural commodities. Agreements have been entered into with 39 countries, with particular emphasis in the Middle East and Far East with increasing operations in Latin America and Africa.

Public Law 480 has contributed greatly to increasing exports of surplus agricultural commodities. In the past year, for example, a record 665 million bushels of wheat was exported from the United States, of which 424 million bushels, or 65 percent, resulted from Public Law 480 programs. During the past year, Public Law 480 exports of rice totaled 14.5 million bags, or 67 percent, of total U.S. exports of rice. Exports of soybean oil and cottonseed oil totaled about 650 million pounds during the past year, or about 50 percent of total U.S. exports of these oils.

In terms of value, U.S. exports set an all-time record of $4.9 billion during the fiscal year ending June 30, 1961, of which nearly $1.4 billion, or 28 percent, resulted from Public Law 480 programs.

A significant adjunct of the program is the use of the foreign currency sales proceeds. In keeping with U.S. overall policy to help underdeveloped countries, the greater part of the currencies is being set aside for economic development projects in these countries. Of the $6.6 billion in foreign currencies which will be generated from title I agreements through June 30, 1961, about 45 percent is reserved for loans for economic development, 17 percent as grants for economic development, and 6 percent is used for military assistance to such countries as Korea, Pakistan, Turkey, and China—Taiwan.

With respect to U.S. uses of currencies, an important program is that which uses foreign currencies to finance the development and expansion of markets abroad for U.S. agricultural products. The program is operated through cooperative agreements with U.S. trade and agriculture groups and covers virtually all U.S. agricultural commodities available for export. Nearly $100 million in foreign currencies has been allocated for this purpose, of which about $80 million has been transferred to Department of Agriculture accounts for use in its various projects and to finance trade fair exhibits all over the world.

The major U.S. use of foreign currencies is to pay U.S. obligations abroad such as Embassy, USIA, and military base construction expenses. Nearly $700 million has been allocated for this purpose, of which $600 million has been transferred to the Treasury and about $350 million has already been disbursed. Currencies are also used to finance international educational exchange programs, American-sponsored schools and binational centers, scientific activities, and housing for the dependents of military personnel.

In total, about $4.6 billion in foreign currencies had been collected as of March 31, 1961, of which $2.1 billion had been disbursed under all programs.

To assure that the foreign currencies obtained under title I sales represent the fair value of the commodity, the bill would amend the law to require the United States, in negotiating agreements with the foreign governments, to obtain rates of exchange which are not less favorable than the rates at which U.S. Government agencies can buy currencies from the U.S. disbursing office in the country. This amendment will require the Department to obtain an exchange rate in title I, Public Law 480 agreements that is equal to the free market rate of the importing government. There have been a number of instances in which the exchange rate agreed upon between the United States and the foreign country has been substantially less than the free market rate. This means

that the United States has been collecting fewer units of foreign currencies under these agreements as compared with the rate used by the Treasury when selling currencies to U.S. agencies. The amendment will eliminate substantial losses suffered by the United States because of unrealistic rates of exchange in title I agreements.

I pointed out to the committee, in the last report that I made on my ventures abroad, that in transactions with four countries involving sales of about $1,500,000,000, because of the difference in exchange rates—which is a situation we are trying to correct in the pending bill—in addition to the losses our country sustained in the sale of these commodities at world prices, we lost about $625 million because of losses in exchange rates. In some cases, such as in Poland, we sold at the rate of 24 zlotys to a dollar. However, the U.S. Government agencies could buy this money from the Treasury at 55 to 1. It is such things as that which the committee was desirous of correcting.

At this point in the RECORD, I ask unanimous consent to place a little table which demonstrates the necessity for this provision of the bill. It is printed on page 21 of the report made by me to the Senate.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Unreported losses on 11 Public Law 480 sales due to unrealistic exchange rates

Country and currency	Agreement date	Collection exchange rate, foreign currency to $1	Market rate foreign currency to $1 at the time	Market rate as of June 30, 1960	Total collections to date		U.S. dollar equivalent at market rate of exchange
					Units of foreign currency	U.S. dollar equivalent	
Poland (zloty)	June 7, 1957	24 to $1	55 to $1	55 to $1	1,534,745,428.80	63,947,726.20	146,546,872
	Feb. 15, 1958	24 to $1	55 to $1	55 to $1	1,692,159,665.16	70,506,652.71	161,577,744
	June 10, 1959	24 to $	55 to $1	55 to $1	1,864,646,884.56	77,693,620.19	178,047,879
Spain (peseta)	Jan. 27, 1958	42 to $1	57.40 to $1	59.85 to $1	4,439,171,228.52	105,694,553.10	150,614,738
	Jan. 13, 1959	40.721 to $1	62.30 to $1	59.85 to $1	4,254,307,633.83	85,563,445.55	107,210,200
Turkey (lira)	Mar. 12, 1956	2.8252 to $1	9.37 to $1	9 to $1	42,611,023.00	15,082,480.21	50,025,500
	Nov. 12, 1956	4.0321 to $1	9.39 to $1	9 to $1	236,459,862.81	58,643,967.24	136,570,700
Yugoslavia (dinar)	Jan. 5, 1955	300 to $1	600 to $1	750 to $1	36,096,732,699.00	120,322,442.04	240,644,884
	Nov. 3, 1956	475 to $1	600 to $1	750 to $1	50,912,753,018.00	107,184,743.02	135,391,254
	Feb. 3, 1958	475 to $1	600 to $1	750 to $1	30,036,733,569.00	63,235,228.26	79,876,077
	Dec. 22, 1958	525 to $1	600 to $1	750 to $1	49,962,785,707.00	89,452,925.02	102,231,914
Total						857,327,783.54	1,488,737,762
Approximate loss							631,409,979

TITLE II OF PUBLIC LAW 480

Mr. ELLENDER. Mr. President, title II has been important in meeting quickly food needs of victims of disasters such as earthquake, flood, and drought. Under legislation permitting the use of surplus commodities to promote economic development, the program has expanded substantially during the past year.

The total title II authorization through December 31, 1961, is $1.4 billion, of which nearly $950 million had been committed through June 30, 1961. This amount includes about $750 million in commodities and the remainder in ocean transportation costs both for title II shipments and for title III foreign donations.

During the past year disaster relief programs totaled about $100 million with most of this being used in Africa and the Near East where drought has brought about large food needs.

The economic development programs, which have become increasingly important, involve the use of commodities to assist underemployed and underfed people working on development projects requiring large amounts of labor. About $140 million was used for these during the past year. Programs include irrigation and drainage projects, feeder roads, the clearing of land, and similar projects which require a large amount of labor. These programs have been particularly significant in Tunisia and Morocco.

TITLE III—FOREIGN DONATIONS

The title III foreign donation program distributes CCC commodities to needy persons through U.S. voluntary relief agencies and intergovernmental organizations. During the past 7 years, this people-to-people program has distributed more than 11 billion pounds of commodities at a CCC cost of about $1.6 billion, with the greatest volume being in flour, nonfat dry milk, rice, cornmeal, and dairy products. The program has distributed commodities in more than 100 countries with a relatively even distribution among the continents.

TITLE III—BARTER

The barter program is an important means of moving CCC commodities in exchange for strategic and other materials produced abroad.

The program reached its maximum volume in fiscal year 1956 when barter contracts were negotiated for more than $300 million worth of commodities. The total value of barter contracts undertaken under Public Law 480 is $1.4 billion.

The value of barter exports during the past 3 years has averaged about $150 million.

TITLE IV

No exports have yet resulted from the title IV program, enacted in 1959, to promote dollar sales through long-term dollar agreements. The program authorizes agreements with friendly governments for commodity deliveries up to 10 years with dollar payment, with interest, to be paid up to periods of 20 years. Interest to be charged under these agreements cannot exceed that which is paid by the U.S. Treasury.

The program is expected to be important in two ways: First, to provide a source of supply, as well as financial assistance, to developing countries during periods of economic development; second, it should provide an additional means to expand U.S. dollar exports of agricultural commodities by supplementing short-term credit now available through U.S. programs or commercial institutions.

TITLE III—AGRICULTURAL CREDIT

Title III of the bill, to be known as the Consolidated Farmers Home Administration Act of 1961, is, as its name implies, a consolidation and modernization of the Secretary's authority to make available to eligible farmers who cannot obtain credit elsewhere direct and insured loans necessary to finance their acquisition, improvement, and operation of farms. This title would be a replacement of and a substitute for titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, the act of August 28, 1937, known as the Water Facilities Act, and Public Law 38 of the 81st Congress, which constitutes the basic authority of the Secretary to make disaster loans.

The existence of several different lending authorities, each with its own eligibility and security requirements, with different limitations as to terms and amounts, and with some overlapping of loan purposes, has made it difficult to develop successfully a credit program which will take into account the entire financing needs of an applicant to support his farming operations.

This title simply consolidates and brings up to date the several authorities now administered by the Farmers Home Administration for real estate, operating, emergency, and water facilities loans.

Title III has four subtitles, namely "(A) Real Estate Loans," including water facilities loans; "(B) Operating Loans"; "(C) Emergency Loans"; and "(D) Administrative Provisions."

SUBTITLE A—REAL ESTATE LOANS AND WATER FACILITIES LOANS

Under subtitle A the Secretary would be authorized to make or insure loans to farmers and ranchers who are unable to obtain sufficient credit elsewhere to finance their actual needs, at reasonable rates and terms, taking into consideration private and cooperative rates prevailing in their communities for loans for similar purposes and periods of time.

Real estate loans would have a maximum repayment period of not more than 40 years at an interest rate not to exceed 5 percent.

To be eligible for real estate loans under this section, the applicant must be or become the owner-operator of not larger than a family farm, have a farm background and either training or experience sufficient to provide reasonable prospects of success, and be a citizen of the United States. This enlarges somewhat the existing authority for loans on farms of less than family size, to make it possible for the owner of a small farm to add to his unit as additional land is available for purchase. Existing law requires that the farm be a full family-size farm at the time of any land acquisition loan. However, it is not intended to make credit available to nonfarmers for the acquisition of subsistence units.

Real estate loans under this subtitle would be made for the acquisition and improvement of farms and for refinancing existing indebtedness. The general effect of the proposed language would be to make available to an eligible farmer assistance for any legitimate agricultural purpose which would normally be secured by long-term financing.

Loans would also be authorized to any farmowner or farm tenant without regard to citizenship, size, or background, for the purpose of land and water development, use, and conservation, subject, however, to the overall eligibility requirement that the applicant is unable to secure his credit elsewhere. This would represent no change from the present eligibility requirements for such loans under the Water Facilities Act.

Real estate loans would be prohibited in amounts which would cause the unpaid indebtedness against the farm or other security to exceed the normal value thereof. Such loans would also be limited to amounts not to exceed the amounts certified by the county committee. In determining normal value, the bill requires the consideration of normal agricultural value and normal market value of the farm. Both direct and insured real estate loans could be made at 100 percent of the normal value of the security property. At the present time direct loans under title I of the Bankhead-Jones Act may be made for 100 percent of the value, while insured loans are limited to 90 percent of the value. These limits should be uniform, and the bill so provides.

Under subtitle A, loans would also be authorized to nonprofit associations and public or quasi-public agencies for the purposes of establishing and applying soil conservation practices, for the conservation, development, use, and control of water, and the installation or improvement of drainage facilities. Such loans are currently authorized by the Water Facilities Act, but the Water Facilities Act requires the benefits of such loans to be on farms. By interpretation, loans to associations cannot now be made unless a major part of the use of the facility is to be by farmers. This section would broaden the utility of this authority somewhat by authorizing loans to associations serving farmers, ranchers, farm tenants, and other rural residents. This provision authorizes the very effective program of financing the installation and development of domestic water supplies serving farmers and others in rural communities. By including service to other rural residents, the cost per user is reduced and the loans are more secure in addition to the community benefits of a safe and adequate supply of running household water.

Under existing law, loans to such associations are limited to $250,000. The bill would increase this limit to $1 million. The committee understands that there are areas where several rural settlements can more economically combine their efforts to establish an adequate water source by developing a common reservoir and pipeline at a cost to the users considerably below the cost attendant to independent facilities serving each community. The aggregate cost would exceed the limitation in the present law. In order to provide an opportunity for maximum utilization of available water reservoir sites and water supplies, the committee feels that the proposed limitation is justifiable.

SUBTITLE B—OPERATING LOANS

Some of the purposes for which operating loans may be made are the purchase of livestock, seed, feed, fertilizer, farm equipment, and supplies.

The eligibility requirements for operating loans are the same as for real estate, except for the requirement of ownership.

The bill provides a maximum outstanding indebtedness limitation for operating loans under this section and prior indebtedness under the Bankhead-Jones Farm Tenant Act of not to exceed $40,000, with a proviso that not more than 25 percent of the aggregate funds available for such loans in any fiscal year shall be used for loans which would create or increase the indebtedness of the borrower above $15,000. The present comparable limitation is a $20,000 indebtedness limit, with not more than 25 percent of the funds available to be used in making loans which would create indebtedness in excess of $10,000.

The necessity of providing high-cost machinery and equipment, the continued increase in the cost of things farmers have to buy, and the necessity of larger capital resources, including a greater number of productive units now necessary to make the family farm operation efficient, require larger sums to finance these operations.

The interest rate on operating loans would be not to exceed 5 percent, as it is under existing authority. While operating loans would be repayable in not more than 7 years, authority is granted for a renewal of such loans for not more than an additional 5 years. This provision compares with the existing provision for repayment within 7 years and the limited 3-year renewal authority found in section 21(d) of the Bankhead-Jones Farm Tenant Act. The proposal is prompted by the high capital operating cost of modern farming and the need of borrowers eligible for this type of credit for a source of intermediate term credit, especially for those borrowers establishing dairy or livestock operations and whose farm equipment purchase costs should be extended for the full useful life of the equipment.

SUBTITLE E—EMERGENCY LOANS

The bill proposes that emergency loans would be available whenever the Secretary finds that there exists a need for credit not available from private, cooperative, or other responsible sources due to the occurrence of a natural disaster. A similar finding by the Secretary is now required before emergency loans can be made under Public Law 38, 81st Congress. That act also authorizes, in areas determined by the President under Public Law 875, a determination by the Secretary that an economic emergency exists in connection with the major disaster which occasioned the Presidential declaration. Actually, the catastrophe which might prompt a Presidential determination would always justify a determination by the Secretary based on a production disaster. For these reasons the committee believed that a continuation of the economic disaster provision is unnecessary. While specific legislation has in the past authorized emergency loans because of peculiar economic situations affecting producers, such as those which have prevailed at times in the production of furs, apples, potatoes, and livestock, the committee would prefer to deal with such situations as they develop. It also appears to the committee that the authority for special livestock loans which the Senate recently voted to extend for the balance of this year should either be limited to producers in a production disaster area, or, if a widespread critical economic situation outside of disaster areas should develop in the livestock production industry, then emergency loans for that purpose should be considered by the Congress as a separate matter.

Under the bill, emergency loans would be made available to any farmer or rancher in the designated area, including corporations and partnerships primarily engaged in farming, if they have reasonable prospects of continuing farming operations and are unable to obtain the necessary credit elsewhere on the same standards as applied for real estate and regular operating loans.

The bill contains no dollar limit on the amount of emergency loans, other than an amount which may be certified by the county committee. While the county committee certification is not required by existing law, it has been required by regulation in the past, and there is no present monetary limitation on the amount of emergency loans.

Emergency loans would all be made at an interest rate of not to exceed 3 percent under the bill.

SUBTITLE D—ADMINISTRATIVE PROVISIONS

Subtitle D includes provisions relating to the administration of the credit provision of the bill. A full explanation of these provisions may be found in the committee report.

TITLE IV—COOPERATIVES AND THE GREAT PLAINS PROGRAM

Section 401(a) of title IV restates the national policy with respect to cooperatives. This does not amend, directly or indirectly, any present statute. It is intended merely to consolidate into one

statement and reaffirm a broad national policy, variously expressed over some 50 years, in four basic statutes and other related legislation that Congress favors aiding and encouraging farmer cooperatives as an effective means through which farmers can meet many of their production, marketing, and farm business service needs.

Section 401(b) of title IV clarifies and affirms the right of farmer cooperatives to act jointly in a federation of such cooperative associations, or through agencies in common, in performing those acts which farmers acting together in one such association may lawfully perform.

Section 401(b) would be applicable not only to marketing cooperatives, but also to cooperatives purchasing farm supplies and cooperatives rendering farm business services, since the definition of a "cooperative association" contained in the Agricultural Marketing Act of 1929, as amended, covers all three types of cooperatives.

Section 401(c) reaffirms and clarifies the original intent of the Capper-Volstead Act regarding the exclusive authority of the Secretary of Agriculture over the right of farmer cooperatives coming within the scope of that act to acquire the assets of, or merge or consolidate with, other such farmer cooperatives or any noncooperative business firm in the same or a related line of commerce. If such transactions should restrain trade to the extent of causing an undue enhancement in the price of any agricultural commodity, the Secretary of Agriculture under section 2 of the Capper-Volstead Act and the bill could require divestiture of the acquired assets or the interests acquired through the merger or consolidation. Section 401(c) does not affect any other action which violates the antitrust laws. In other words, the mere acquisition, merger, or consolidation will not be subject to the test contained in section 7 of the Clayton Act or to the Sherman Act prohibitions.

When the Capper-Volstead Act was enacted in 1922, section 7 of the Clayton Act, enacted in 1914, banned only certain limited mergers or consolidations of corporations engaged in interstate commerce. Although the original Capper-Volstead Act did not specifically mention mergers or consolidations, it did authorize farmer cooperatives to make the necessary contracts and agreements to effect their purposes of collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce, agricultural products of producers of such products. Accordingly, it was generally thought that the Capper-Volstead Act gave the Secretary of Agriculture exclusive jurisdiction over acquisitions, mergers, or consolidations involving farmer cooperatives, and that such transactions would not be subject to challenge by the Department of Justice or give rise to liability to third parties under the antitrust laws if they did not involve some other collateral action which violated the antitrust laws.

The proposed amendment would make it clear that the acquisition by one cooperative—coming within the scope of the Capper-Volstead Act—of the assets of another such cooperative or any noncooperative business firm in the same line of commerce or the merger or consolidation of such a cooperative with another cooperative or other business firm would be legal if it did not result in an undue enhancement of price. It would vest in the Secretary of Agriculture exclusive jurisdiction to determine the issue and, if necessary, to order divestiture. However, the amendment would not deprive the Department of Justice of any jurisdiction which it now has to move against activities of any cooperative, other than the act of acquisition, merger, or consolidation, which are otherwise in violation of the antitrust laws. This subsection would apply only to marketing cooperatives.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to my good friend.

Mr. AIKEN. I think this section of the bill, relative to the merger of farmer cooperatives, is one of the most important sections of the whole bill.

It has been most unfortunate that the Department of Justice seems particularly alert to the activities of farmer cooperatives. Prosecutions which have taken place have, I believe, usually been, not because farmer cooperatives have raised prices, but because the cooperatives have reduced prices and have narrowed the spread between the prices to producers and the prices to consumers.

I had hoped that with the new administration, the Department of Justice would take a different view of this situation. But apparently our farm people are all right so long as they stick to little cooperatives that cannot challenge the efforts of the great corporations to dominate the markets. Yet every day we read about billion-dollar corporations which have acquired other industries and businesses, either within or without their own lines of activity.

I think Congress should recognize the fact that farmer cooperatives are the salvation of the producers of many kinds of commodities. In fact, the bitterest attacks made on farmer cooperatives are made by the same persons who constantly are attacking concentrations of power in the Federal Government and are fearing that some day the Federal Government is going to expropriate or run their businesses. But in attacking farmer cooperatives, they are doing the most to bring about the very thing they fear the most, because farmer cooperatives stand between proprietary interests and preemption by the Federal Government. I wish they would wake up and realize that fact, instead of exerting their efforts against farmer cooperatives, which are making it possible for them to continue as free and independent businesses.

Further than that, I point out once more that the farmer cooperative gets into trouble when it undertakes to reduce the cost to the consumer and increase the price to the farmer.

GREAT PLAINS PROGRAM

Mr. ELLENDER. Mr. President, section 402 of title IV makes December 31, 1971, the final date for entering into contracts under the Great Plains program, rather than the final date such contracts may remain in effect.

Contracts may be entered into for periods of up to 10 years.

Under this program the Secretary of Agriculture may aid landowners and operators within the Great Plains area to achieve a more stable agricultural production, protect the lands of the area from damage arising from erosion, develop farming and ranching practices more adequate to cope with the hazards of climate which characterize the area, and generally stabilize the economy of the region.

The act applies to farms and ranches in counties designated by the Secretary as susceptible to serious wind erosion in the States of Colorado, Kansas, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming. A total of 361 counties has been designated by the Secretary for participation in the program. Within the designated area the Secretary is authorized to make contracts of not to exceed 10 years with agricultural producers for the gradual adoption in an orderly manner of changes in their cropping systems and land use which are needed to conserve the soil and water resources of their farms and the area generally.

Each contract is based upon a plan of farming operations and a schedule of proposed changes in cropping systems and land use designed to bring into operation desirable conservation practices and adapt the farming operations to a system best designed to protect the farm or ranch from erosion and deterioration by natural causes. In the contract, the producer agrees to carry out the program in accordance with the plan and schedule agreed upon, and not to adopt any practice specified as tending to defeat the purpose of the contract, and to forfeit all rights to further payments and to refund to the United States all payments or grants received under the contract upon a substantial violation thereof or upon transfer of the producer's right and interest in the farm or ranch, unless the transferee agrees to assume the obligations of the contract.

In return for such agreement by the producer, the Secretary agrees to share the cost of carrying out the conservation practices set forth in the contract.

The program is a completely voluntary one, which supplements other conservation programs and activities in the designated counties.

In summary, this all-inclusive farm program now before the Congress for consideration represents an important step forward for American agriculture.

It is designed to increase farmer participation in agricultural affairs by providing a method whereby farmers themselves can assist in the development and formulation of future farm programs.

It is designed to adjust the supply of agriculture commodities more in line with our requirements. This Congress has considered both wheat and feed grain programs before. As a matter of

fact, for 2 years in succession a wheat bill was approved by this body, but failed to become law. On the other hand, earlier this year we were successful in having a forward-looking feed grain program enacted into law.

This Congress now has another chance to act constructively in approving a wheat program designed to cut production and by extending the new feed grain program through next year.

This bill is designed to expand the export of agricultural commodities by extending Public Law 480 for 3 years. Under this program we have witnessed a phenomenal increase in exports over the past few years. As a matter of fact, the actual value of exports in the fiscal year just ended was almost $2 billion more than in 1950. Public Law 480 has also contributed substantially to the increase in sales for dollars by providing a method for the development of markets in foreign countries.

This bill is also designed to provide farmers who are unable to obtain credit from normal sources with a source of credit to fill all the needs and requirements of modern-day agriculture. Efficiency requirements compel farmers to adopt the latest and most modern methods available in the production of their crops. The increased size of farms, the mechanization requirements, and the adoption of the latest cultural practices require a high level of financial investment. This bill would assist potentially efficient farmers to meet the needs of 20th century agriculture.

Last, but certainly not least, this new farm program is designed to improve and protect farm prices and income.

Farming is our Nation's biggest industry. It employs over 7 million workers.

The investment in agriculture amounts to almost $200 billion.

Farmers spend about $25 billion a year for goods and services to produce crops and livestock. They spend another $13 billion for food, clothing, drugs, furniture, appliances, and the like.

Four out of every ten jobs in private employment are related to agriculture.

One farmworker produces enough food and fiber for himself and twenty-five others.

The family farm in this Nation has responded magnificently in its primary functions, the production of an abundance of food and fiber to meet human needs. It has made this abundance available to the consumer of this Nation at a lower real cost than ever before in history. The consumer now spends about 20 percent of his disposable personal income for food, as compared with more than 25 percent in 1947.

Agriculture has done its part—but what has been its reward? Realized net farm income in 1960 was one-third below the level in 1947.

Per capita farm income in 1960 amounted to $986, as compared to nonfarm per capita income of $2,282.

As I have often stated, the farmers of this Nation, the producers of our lifeblood, our food and fiber, receive only 2 percent of the net income of our present gross national product of $500 billion, and I think it is shameful that they do not receive more.

The farm population in 1960 amounted to 11.6 percent of the total population, but income to persons on farms amounted to 5.4 percent of our national income.

The index of prices paid by farmers increased to 120 percent of the 1947–49 level, but prices received by farmers has decreased to 86 percent.

The cost-price squeeze experienced by farmers has been unmerciful and has taken its toll.

It is time to reverse this trend. It is time to reward farmers for the magnificent job they have been doing in supplying food and fiber not only for this great Nation, but for our foreign friends as well. I maintain that this can be accomplished by adopting the pending measure.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. YOUNG of North Dakota. I wish to commend the senior Senator from Louisiana, chairman of the Committee on Agriculture and Forestry, for an excellent analysis of the bill. This is one of the most far-reaching farm bills that has been considered since my time in the Senate. The chairman of the committee has had to have a great deal of patience and knowledge and understanding of farming matters to bring out a bill at all. I do not recall a time when there was more difference of opinion on various provisions of a bill; but I think, because of the great patience and understanding of the chairman, we now have a bill that will be very helpful to the farmers.

True, there are some provisions that I do not like so well, but on the whole the bill will go a long way toward bringing surpluses under control and will result in some increase in farm income. It will go a long way toward saving the farm price support program. I believe this means a whole lot to farmers and to others who believe in the need for some kind of price support program.

Mr. ELLENDER. I thank my good friend.

Mr. SYMINGTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. METCALF in the chair). Does the Senator from Louisiana yield?

Mr. ELLENDER. I yield to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, I congratulate the senior Senator from Louisiana for the fine job he has done in respect to this farm bill. It is the most meaningful legislation in regard to agriculture which has been presented to the Congress in many years. I hope the bill will be passed in accordance with the wishes of the distinguished Senator.

Mr. ELLENDER. I thank the Senator from Missouri.

Mr. CURTIS. Mr. President, will the distinguished chairman of the Committee on Agriculture and Forestry yield to me?

Mr. ELLENDER. I yield.

Mr. CURTIS. The distinguished chairman has always been very diligent in his tasks and courteous to Members. He has spent many long hours in behalf of American agriculture, for which I am sure many people in this Nation are grateful.

I should like to ask one or two questions. In the overall, percentagewise, to how much do our surpluses amount?

Mr. ELLENDER. All of them?

Mr. CURTIS. In general, if such a statement can be made. Are we overproducing by 5 percent? By 10 percent? I realize there are surpluses of only certain commodities.

Mr. ELLENDER. The overall, I am informed, is about 8 percent. When we refer to specific commodities, such as corn, feed grains, and wheat, the percentages are greater.

For instance, my good friend is familiar with the wheat situation. As the Senator knows, we have sought in the past 2 years to pass wheat legislation. The Senate succeeded in passing wheat legislation, but we were stymied by the House action. One time the President vetoed a bill we passed. If those bills had been enacted into law, I am satisfied we would not have the huge surplus we have now.

If we do not produce another grain of wheat, right now we have enough carryover to last a year, and perhaps more than a year.

With respect to corn and other feed grains, our surpluses, as I pointed out during the debate, are about three or four times more than what they were in 1952.

It is my judgment that if we can bring the production of those commodities more into keeping with our requirements it will have the tendency to stabilize prices and to keep the Government out of the business.

Mr. CURTIS. Would the distinguished chairman agree that any economically feasible and sound endeavor which would lessen surpluses by even a few percentage points would make a substantial contribution in the overall effort?

Mr. ELLENDER. Yes; I would agree to that.

Mr. CURTIS. I notice in the abbreviated summary of what the act contains, on page 4 of the report, it is stated:

> Authorizes planting of castor beans, safflower, sunflower, sesame or guar beans on diverted acreage in lieu of the payment.

That means instead of having the acres stand idle a farmer can qualify for the support price, waiving the payment in kind and planting these things.

Mr. ELLENDER. The Senator is correct.

Mr. CURTIS. I am very much interested in this section. A few years ago an industrial use for safflower was discovered. I do not know that it was discovered at that time, for it may have been known before, but it was quite apparent it was a very practical use. About that time the College of Agriculture of the University of Nebraska completed some research on the problem. One of our leading industrial companies was induced to contract for safflower oil, provided it would have some areas in at least three States, so that supply would

not be cut off by an act of nature. One of the areas was in California. There was an area in western Nebraska, I believe primarily in Cheyenne County. I believe the third area was in Montana. This contract is now in operation, and the crop is proving to be very valuable. It has brought a small processing plant to our State. The primary purpose of the production is for industry. In other words, the product does not end up being used by man or animals for feed.

That is the kind of product in surplus, is it not?

Mr. ELLENDER. Yes.

Mr. CURTIS. The surplus primarily is in the starches.

Mr. ELLENDER. Yes; I would agree to that.

Mr. CURTIS. The world surpluses are in the starches, and the deficiencies are in the proteins.

Mr. ELLENDER. The Senator is correct.

Mr. CURTIS. We are importing a sizable portion of our castor oil. My State is going into a program with an eastern industry, and the industry is raising castor beans under contract. This again is a taking of land out of production of surplus commodities and putting it into the production of something worth while.

In the report of the President's Bipartisan Commission on Increased Industrial Use of Agricultural Products, there were recommended programs of this type, and it was suggested that during the initial and awkward stage of the development of a product, particularly one which met a need which otherwise required importing, which product was not to be used for human or animal consumption, an incentive program should be considered. Was any discussion held with regard to qualifying a portion, though not all, of the payment for diversion in the case of a crop which was not used for human or animal consumption?

Mr. ELLENDER. No. The proposal made to us was simply to leave it to the farmers to decide for themselves whether they would accept the diversion payment or plant any of the commodities to which the Senator has referred.

Mr. CURTIS. Is it a fair statement to say that the committee proceeded on the assumption that the farmer's ability to qualify for the support would be the incentive intended for permitting him to do so?

Mr. ELLENDER. That is correct. If the farmer decided he could make more money by planting safflower or castor beans, instead of receiving a payment in kind, or by getting cash for diverted acres, it was up to him to decide which one he desired.

Mr. CURTIS. Is the chairman of the committee prepared to express an opinion, at least with respect to his own feeling, in regard to whether the bill should be left as worded or whether the chairman would entertain an amendment?

Mr. ELLENDER. Personally, I would rather have the bill left as it is, because we did not give consideration to that problem. I am sure the committee would like to know more about it. It may be possible that when we write more or less permanent legislation with respect to wheat, corn, and other crops—perhaps next year—we can give consideration to the point raised by the Senator.

Mr. CURTIS. The distinguished chairman has been very generous in yielding. I simply wish to say that I hope before long the Department of Agriculture will render its report on the bill in which I joined with the distinguished Senator from South Carolina [Mr. JOHNSTON] which calls for a revision of the program relating to industrial use of agricultural products.

Mr. ELLENDER. Yes. The Senator knows our attitude on that. We tried our best to put a bill through.

Mr. CURTIS. Yes.

Mr. ELLENDER. We were stymied by our friends on the other side of the Capitol.

Mr. CURTIS. I realize that the junior Senator from Nebraska was an enthusiast on that subject, but even if the program did not reach the expectation of enthusiasm, if industrial uses would take care of 3, 4, 5, or 6 percent of the surplus, it would be a very worthwhile endeavor.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CARLSON. Mr. President, the pending bill reads that "any producer may elect in lieu of conservation payments to devote such diverted acreage to castor beans, guar beans, safflour, sunflower or sesame if designated by the Secretary."

One of these mentioned crops is castor beans, of which we grow about 20,000 to 25,000 acres per year in the United States. A substantial part of this acreage is grown in Kansas.

In 1961 it is estimated we will import 105 million pounds of castor oil or about 87 percent of our total needs. There are no castor beans imported into the United States, only castor oil. It is estimated that our domestic production will be 15 million pounds of castor oil or 13 percent of our domestic needs.

Castor oil, which is produced from the crushing of castor beans has reached a high degree of industrial use with the development of high speed aircraft and other mechanisms that require a lubricant of high dependability and which is largely consistent in its lubricating qualities regardless of rapid changes of temperature.

With the development of missiles and the requirement for small, intricate mechanisms working under tremendous changes of temperature ranging from normal to extremely high as the missile ascends into the rarified atmosphere and then a sudden drop to extreme cold followed by again climbing to a high temperature as they reenter the heavier atmosphere surrounding the earth, castor oil becomes even more important as a strategic and critical lubricant. Its flow qualities being highly consistent, makes it necessary as a lubricant for certain highly intricate industrial production equipment.

Historically the production of the castor bean in this country has been tied to Government procurement programs. During the early years of World War II, under the urging of the Government, production rose from practically nothing to some 24,000 acres. However, when Government procurement ceased, this acreage again fell back to zero.

The reason for this appears to lie in the difficulty of harvesting which gave to the low labor production areas, such as India and Brazil a very marked advantage over domestic growers and it was not until 1952 that a highly improved mechanical harvester was developed that made it possible for domestic producers of castor beans to compete to a limited extent with foreign producers. The harvesting process has been further improved until the year 1958 saw the planting of approximately 24,000 acres of castor beans. This is the approximate acreage that exists today.

With the improvement of harvesting equipment to the point of possible competition with foreign growers, the processors have been encouraging an increase in acreage in this country.

The Congress has attempted to cooperate and at the same time save some money by providing in a special program for feed and grain for 1961—Public Law 87–5, 87th Congress—that any producers of feed grains who were eligible for rentals under the feed grain program as a result of leaving their lands idle could elect in lieu of accepting such rental to devote such diverted acreage to "castor beans, safflower, sunflower, and sesame if designated by the Secretary." It was thought that this would encourage the feed grain grower to plant one of these industrial crops and, in the case of castor beans, thereby encourage the growth of a strategic and critical material domestically.

It is readily apparent that in the event our imports were cut off, we would be in a position to furnish only 13 percent of our needs if the current acreage were maintained. The capacity of our processing industry is pretty well tied to our domestic growth of castor beans. It may be assumed that in case of emergency, we would not only have a shortage of castor oil, but a shortage of processing capacity even if we were able to increase our domestic production.

It has been suggested that language be written into the bill which would permit those historic growers of castor beans for commercial purposes during the years 1959, 1960, and 1961 to plant any diverted acreage under the feed grain program in castor beans and receive therefor a rental equal to 75 percent of that which they would normally receive. This 75-percent rental payment, plus the profit from growing the castor beans would constitute the incentive for increasing the growth of castor beans domestically to at least 100,000 acres which the processors can readily handle and which acreage, with improvements in harvesting and economics of growth, along with expanded uses, would lead to a drastic reduction to our dependence on foreign growers.

The argument might be made that this would constitute a subsidy to the castor bean growers, which might, in fact, be quite true. But it would be a subsidy

that would result in an overall saving of moneys that otherwise would be paid out of the Treasury for rentals under the feed grain program. At the same time, it would increase the stabilization of a strategically important domestic crop which, with continual improvement and increasing uses, would become entirely self-sufficient.

The reason for the recommendation that the rental payment upon lands planted to castor beans be limited to the historic commercial growers for the years 1959, 1960, and/or 1961 is to prevent creation of a surplus which could not be handled. Normally this is controlled by the fact that the growers do not plant more beans than the producers will agree to purchase by firm contracts entered into prior to the planting season.

This matter has been discussed with the Secretary of Agriculture who could see no problem of administration or no objection.

I had prepared an amendment with language which would carry out the above suggestion, but after discussing it with several members of the Senate Committee on Agriculture and Forestry, decided not to offer it.

This is a problem that should have future consideration.

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BURDICK. I compliment the Senator from Louisiana for his excellent analysis of the bill. I know that he is an indefatigable worker. He has spent long hours in the drafting of the farm bill. I have an amendment that probably will not meet with the approval of the chairman of the committee, but I assure him that whether it is accepted or not, the bill will have my wholehearted support.

Mr. ELLENDER. I thank the Senator very much. Of course, I am very grateful for his kind compliments.

I would like at this time to compliment the very fine staff of the Committee on Agriculture. All of them have worked long and hard in helping the committee develop this bill.

I have at my side two able workers who have been with our committee for a long time. They are Mr. Harker T. Stanton and Henry J. Casso. They are my right arm and left arm. Except for them, of course, I doubt that we could do as good a job as we did. They know their job, and they are efficient. I am sure that all members of the committee will testify to the fact that our staff members are hard workers, and they know what the subject is about.

Mr. President, I yield the floor.

EXHIBIT 1

KANSAS CITY, MO.,
July 21, 1961.

Hon. FRANK CARLSON,
Senate Office Building,
Washington, D.C.:

No emergency exists on Senate bill 1643. No. 2: Honey selling above support price past 7 to 8 years, because of free movement to markets. No. 3: Honey industry has enviable record with little or no purchases in recent years by Commodity Credit under support. No. 4: Marketing controls will destroy normal channels distribution. Hold umbrella over imported honey, which is already starting to come in. No. 5: National honey producers and dealers voted overwhelmingly rejection marketing orders. No. 6: Marketing orders are impractical and unworkable when applied to the honey industry with estimated 400,000 beekeepers. Would appreciate very much if you will exert every effort to delete this Senate bill 1643.

HICKS BROKERAGE CO.,
O. H. HICKS.

Mr. SYMINGTON. Mr. President, last March President Kennedy submitted to the Congress a comprehensive message on the state of our Nation's agriculture. He said:

In recent times it has become customary to speak of American agriculture in terms of distress and failure, as a burden on the taxpayers, and a depressant on the economy.

But this is only one part of the picture. As a provider of our food and fiber, American agriculture is a highly successful and highly efficient industry.

In no other country, and at no other time in the history of our own farm economy, have so many people been so well provided with such abundance and variety at such low real cost. Nor is this bounty confined to our own people.

Then the President went on to emphasize some paradoxes in this success story:

As our farm families enter the 1960's, their incomes are lower relative to the rest of the population than at any time since the 1930's. Although there has been a continuous rise in consumer prices the past 10 years, farm income has steadily declined.

Abundant production has filled our bins and warehouses, but 1 out of 10 American households have diets so inadequate that they fall below two-thirds of the standard nutrition requirements.

The President said the current problem results from four factors:

1. The inability of millions of separate producers to control either the output or price of their products.

2. A technological revolution in agricultural production, still underway, that has resulted in generally increased yield from a reduced input in acreage and manpower.

3. A faulty system of distribution, which allows one-half of the people of the free world to suffer from malnutrition at the very time our surpluses have reached a point where the availability of adequate storage facilities has become a real problem.

4. A steady and continued increase in farm costs.

The solution to the problem—

The President observed—

lies not so much in severe restrictions upon our talent to produce as upon proper channeling of our abundance into more effective and expanded uses. American agricultural abundance can be forged into both a significant instrument of foreign policy and a weapon against domestic hardship and hunger.

It is no less our purpose to insure that the farm family that produced this wealth will have a parity in income and equality in opportunity with urban families—for the family farm should be protected and preserved as a basic American institution.

It must be our purpose to provide an agricultural program that will eventually eliminate the vast farm surpluses which overhang the market and overburden the economy; that will permit effective economies of administration; that will recognize the right of the consumer to fair prices; and that will permit the farmer to receive a fair return for his labor.

A wider range of tools for agricultural programs was then asked:

There is no single farm problem, and no single solution. Each commodity requires a somewhat different approach.

Swift and frequent changes in weather, acreage, yield, and international market conditions require Federal programs alert and sensitive to change. * * *

This will require that the Secretary of Agriculture make full and effective use of all the responsibilities now reposed in him; and that the Congress establish guidelines to enable the administration to exercise responsible leadership in consultation with those farmers most concerned in establishing sound programs for each commodity for which they are needed.

A month after the President's message on agriculture had been received by the Congress, and after consultation with farmers and Members of the Congress and experts in various agricultural fields, the Secretary of Agriculture transmitted to the President for submission to the Congress a draft of a bill incorporating the recommendations of the President's message.

In his letter the Secretary said:

It is imperative—in the interests of farmers, consumers, taxpayers, and the American economy as a whole—that we inaugurate a broad program for American agriculture without delay. We can neither ask for nor expect an indefinite continuation of programs and policies under which the U.S. Government pays ever-increasing amounts for stockpiles of commodities that threaten to become ever more unmanageable. Nor can we either ask or expect that the American farmer—the world's most efficient producer of an abundance of the most basic essentials of life—shall continue to invest his capital, his skill, and his management ability for a material reward that is not only shockingly below the national average but substantially below any accepted American standard for a minimum wage.

The draft of the bill, known as the Agricultural Act of 1961, was submitted to the Congress and is now before us, after many weeks of study and revision by the Committee on Agriculture and Forestry.

I congratulate the committee chairman, the distinguished Senator from Louisiana [Mr. ELLENDER], and each member of the committee, for their appreciation of the urgency which is attached to new farm legislation; and also for the many hours of study and hard work they have devoted to this most significant task.

The bill before us is not identical with the proposal of the administration. The major changes are from the original title I, which contained many of the "wider range of tools" referred to by the President in his message, and pertinent aspects of the broad program cited by the Secretary of Agriculture.

The title I concept was new in a number of respects. It also called for extension of a comparatively modern executive-legislative relationship.

Because its aim was flexibility, it did not spell out in minute detail all the alternative uses of the tools for a commodity-by-commodity approach to the total farm problem. It was open to logical, soundly reasoned revision.

Title I was also open to the attacks of those who always oppose farm programs; and to the attacks of those who see dictatorship or socialism—usually both—in any cooperative action of a troubled people with a concerned government.

Our committee has brought us a strong bill, a purposeful bill, a bill which represents the most comprehensive effort at farm legislation since the thirties. I am confident the policies and the programs it puts into effect will be approved by the majority of our citizens, on and off the farm.

But we cannot honestly anticipate that our action in this session will solve every facet of the farm problem. There are some farmers, particularly in specialized fields, who right now are in deep marketing and price difficulties; and are still without quickly opened avenues for remedial action.

So I am hopeful, during the inevitable future consideration we must give agriculture, that we shall not overlook the possibilities contained in the President's request for congressional guidelines to enable the administration to exercise responsible leadership in consultation with those farmers most concerned in establishing sound programs for each commodity for which they are needed.

Meanwhile, as I said earlier, we have before us a strong bill and a purposeful bill—one which has us moving ahead into an era of managed, as against mismanaged, abundance.

This legislation provides meaningful avenues for bringing into balance basic commodities which are in overabundance, while storing fertility which would otherwise be wasted in the land for later utilization.

It continues and strengthens the role of food as an instrument in foreign policy.

It makes credit a more useful tool in the maintenance of the family farm under modern stresses, and adds to the opportunities for young men and women to make farming their way of life.

It widens the opportunity for utilization of marketing orders.

It provides for continuance of essential conservation efforts in the Great Plains area, and for continuance of the wool program.

This bill widens the avenue for realistic management of our agricultural abundance, an avenue opened by the Congress earlier this year with the feed grains program of 1961.

The feed grains program is a success. Farmers have proved that by their participation. It is with pleasure that we can make that report to Congress, especially after some dire warnings to the effect that the feed grain program is not a success.

The July crop report gives clear indication that a big forward step is being taken in adjusting supply to demand.

Last year's corn crop was 3,891 million bushels harvested for grain. The 1961 crop is estimated at about 3,175 million bushels—a reduction of more than 700 million bushels—or 18 percent.

For the first time in 10 years Government-owned stocks of corn will be reduced rather than increased.

Instead of spending taxpayers' money to acquire corn we do not need, the Government will actually sell corn acquired from previous stocks. And at the same time, instead of producing unwanted and unneeded grain, we are storing fertility in the soil for the future or for possible emergencies.

We have paid farmers for diverting acres to nonprofit conservation uses. This investment is not only necessary to help producers adjust production and stay in business—it is in the national interest, for now and for the future.

In connection with these payments we have heard a lot about one farmer—one among millions—who did not need the money to stay in business and bought a Cadillac.

He is in no way a representative of cooperators in this program. Most farmers have been using their earnings to buy necessities rather than luxuries, or to pay off bills attached to farm operation so they might continue on the land for at least 1 more year.

In this connection I call attention to a survey of country bankers made recently by a great newspaper—the Des Moines Register. This Iowa paper sought to determine the impact of the program on the economic life of Iowa rural communities.

John W. Kelly, president of the First Trust & Union Savings Bank of Sigourney, Iowa, told the Register:

> These payments have been a lifesaver to us. The merchants have been helped a great deal. Many of these farmers did not have money this spring to pay for their motor fuel and such items as seed. The early payments really helped.

A. E. Muir, president of the State Bank at Onawa, Iowa, reported:

> These payments have helped considerably. I know a lot of farmers have paid bills. The merchants got their share, too.

At Pocahontas, Iowa, John J. Gordon, executive vice president of the Pocahontas State Bank, said:

> The advance payments have been a shot in the arm for business—there's no doubt about that. The money went for purchases of various commodities. I know that the merchants have been doing right well.

This banker estimated that checks have averaged around $200 to $225 each for tenant and landlord in the advance payments.

Earl B. Lemen, persident of the National Bank of Rockwell City, Iowa, said the payments have "brought in a little extra money to flow around. The farmers have used the cash for fuel bills, seed, and immediate family needs."

Participation in the 1962 feed grains program, like participation in the program this year, will be voluntary on the part of producers. Those who do not have as little as a nickel's worth, or as much as $6,000 worth, of faith in its effectiveness or its morality do not have to become cooperators.

Across the country thousands of dirt farmers have been participating in this program for only a relatively few dollars in immediate benefits because they want to work constructively toward the management of an abundance that has burdened them both as producers and as taxpayers.

The Cadillac gimmick was not only a cheap trick against relatively unfortunate people, it painted a totally false picture of the economic status of nearly all our farmers.

Let me emphasize that the Des Moines Register survey did not cover farmers, or politicians, or organizations. It was directed at country bankers—men who have a close, day-to-day familiarity with the financial welfare of the farmers and businessmen they serve.

And let me repeat—the 1961 feed grains program is a successful operation, a meaningful forward step for the agricultural economy; one which merits immediate extension into the coming crop year.

It is an operation which provides the pattern for wheat supply adjustment incorporated in the bill we now have before us—a pattern which can be adopted with a confidence that is based on experience.

In the interest of American agriculture, I urge that we continue the feed grains program, adopt the wheat program, and make available to our country all the worthwhile additional programs incorporated in the Agricultural Act of 1961.

ERNEST HEMINGWAY

Mr. CHURCH. Mr. President, following the death of Ernest Hemingway at Sun Valley, Idaho, Joseph Alsop wrote a poignant article worthy of the exceptional man he sought to remember. Hemingway's books were great, because they were the expression of a vivid life and personality. Alsop recaptures a part of both that life and personality in his article, published recently in the Washington Post. I ask unanimous consent to include it in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ERNEST HEMINGWAY

(By Joseph Alsop)

The luncheon was pretty wonderful, for Mary Hemingway knows about food; and it was gay and full of life, too, for everyone there liked the same jokes and one another. But the best part of the day was the cockfights that followed.

Even the arrival at the rickety little Cuban cockpit was an event of sorts, with its own processional, almost ritual character. Ernest led our small parade, unencumbered as was only fitting, with something of the air of being the host at a huge, exceptionally successful party. His pretty Irish secretary and the rest of us followed, bearing many wine bottles.

The country people can hardly have been Hemingway readers; but they seemed to know that a great man was living in their midst. Whole groups hurried to welcome him. An official of the little village offered his services as Hemingway's bookmaker for that afternoon. The climb to the reserved seats had the character of a major entrance. One expected the uncorking of the first wine bottle to be greeted with general applause.

At this distance in time, it is not easy to disentangle the details of the ensuing hours. How can one ever tell, in truth, just what happened at a really good party? The essence of a good party, after all, is nothing but uninterrupted, steadily accumulating

enjoyment; and this accumulation is really what happened.

Yet the long, hot, gloriously enjoyable afternoon had its own rhythm, nonetheless. The rhythm was imposed by the terrible but beautiful recurrent blood-drama of the cockfight. While the cocks were fighting, a strong, electric current of excitement gripped the whole audience. Both losers and winners, both those who were tensely silent and the majority who shouted their heads off, were then held in a kind of brief, temporary union.

In the intervals, the winners celebrated. New bets were placed on the next main. The wine bottles passed up and down among the people in our corner of the stands. And Ernest talked—about the war in Spain, about the Cuban strains of fighting cocks, and about many other things including even Gertrude Stein, a common friend, whom he could not quite forgive for regarding him as her own private invention.

As the afternoon wore on toward dusk, the party's gaiety mounted. The wine and winning the equivalent of $1.50 were too much for a fashionably bearded young Castroite soldier. Starting with the pretty Irish secretary, he embraced everyone in our corner of the stands; and then went out and spent all his winnings on bottles of beer to supplement the diminishing wine supply. The last fights were the best, and people climbed on other people's shoulders, in order to see a tall red cock, famous in the district, claim yet another victim in a flashing, cruel, breathlessly exciting combat. Then suddenly it was all over, and the party ended in an enormous round of enormously, quite genuinely affectionate farewells.

Everyone who knew Ernest Hemingway even a little must have some familiar memory of a last party with him. The memories have a point at this moment, too. But the point is not that Ernest liked cockfighting as well as bullfighting; or that he also liked wine; or that he was a man whose love of life made him much loved by many sorts of people.

The point is, rather, that he cared so much about intensity of experience that he could conserve a curious intensity and memorableness even on a casual, almost accidental afternoon at a rustic Cuban cockpit. If one may make a guess about the inwardness of a great man and a great artist (always a dangerous thing to do), the key to Ernest Hemingway himself, and in some sense the key to his art as well, was his strong sense that all experience ought to be vivid and real and intense.

There was, perhaps, something a bit anachronistic in this feeling. The wish to experience intensely has become uncommon. Indeed, this wish has become all but antisocial in our security-minded, suburbanized, televised, homogenized, sanitized, endlessly bland era, when the most we ask for is togetherness at a backyard cookout followed by forgetfulness with a western on the tiny screen.

Who wants intense experience, nowadays, when all of life, or at least all of life for most respectable persons, comes prepackaged, precooked, and perhaps even premasticated, in neat plastic wrappings designed for the consumers' convenience, presenting no problems at all unless little children happen to put their heads in the pretty, leftover transparent bags?

A great change in the circumstances and the standards of our lives—the change one conceives so clearly if one reads Hemingway's pieces about his boyhood—is somehow underlined and emphasized by Hemingway's death.

In more than one way, he was a heroic figure, and he believed in heroism as well as pleasure, as every man or woman must believe who wants the human experience to be intense. But do we believe in heroism any longer? Do we even believe in pleasure? Are they, perhaps, going out of fashion, with no one on Madison Avenue to give them so much as a single singing commercial? The questions are nagging and troublesome, so they had better be forgotten.

TAX RELIEF IN ANTITRUST DIVESTITURE CASES

Mr. WILLIAMS of Delaware. Madam President, last week an erroneous impression developed as the result of letters sent by the Treasury Department and the Department of Justice to the chairman of the Ways and Means Committee in which they expressed opposition to the previously introduced House bills dealing with the question of easing the tax burden resulting from antitrust divestiture orders.

The fact is that the Departments' objections to those two bills are substantially the same as the objections expressed by me last year to similar legislation then pending; namely, that under the formula of those bills some stockholders of the affected companies would actually receive a tax reduction while in other instances some stockholders would be severely penalized.

I opposed those bills last year and have publicly expressed opposition to the bills which had been introduced this year embracing similar formulas. In expressing this opposition, however, I recognized that this was a problem which needed the attention of the Congress since the tax rates under existing law would have confiscatory results.

For the past several weeks I had been working with the Department trying to find a formula which would give the necessary relief and at the same time would not be subject to abuse.

S. 2266, as introduced last week, and its companion bill, H.R. 8190, as introduced by Representative MASON on the same date, represented what we felt would be a solution, and in introducing the bill I stated that its provisions eliminated the objections which the Treasury Department and I had raised against the other proposals.

Later, as the result of the press conference and the release of the Treasury Department's and the Justice Department's letters wherein they expressed opposition to those previously introduced bills, a certain amount of confusion developed concerning the Treasury Department's present position in connection with S. 2266.

To clarify this situation I directed a telegram to the Secretary of the Treasury, Douglas Dillon, asking if I was correct in my understanding that his criticism was directed against the previously introduced bills and that the Treasury Department was not objecting to the enactment of S. 2266 as introduced in the Senate last Monday.

In his reply, Secretary Dillon confirmed that his objections had been directed against other bills and that S. 2266, as introduced, did in a manner satisfactory to his Department overcome their main objection; namely, the manner of treatment of intercorporate dividends.

But there was one additional suggestion which he insisted be included as a part of S. 2266 or its companion bill, H.R. 8190—a reduction in the suggested time of distribution. There is no disagreement on this latter suggestion, and on this point we are only awaiting the results of further conferences between the Treasury Department and the Justice Department as to what period they would recommend as being acceptable.

The Secretary's telegram concludes with the statement that if Congress should pass the bill with these two amendments—the first of which is already a part of S. 2266 and H.R. 8190, and the second, a suggestion which is only awaiting their final recommendation—his Department would have no objection to its becoming law.

I now ask unanimous consent that both my telegram of July 20, 1961, to Secretary Dillon and his reply thereto be printed at this point in the RECORD.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). Without objection, it is so ordered.

The telegrams are as follows:

JULY 20, 1961.

Hon. DOUGLAS DILLON,
Secretary of the Treasury,
Washington D.C.:

Yesterday in discussing proposed legislation dealing with easement of the tax burden resulting from antitrust divestiture orders the Treasury Department expressed very strong opposition to two bills which had been introduced in the House. This statement has created some confusion as to the position of the Department. Am I correct in my understanding that your criticism was directed against H.R. 7348 and H.R. 7349? Does the Treasury Department have any opposition to the enactment of S. 2266 as introduced in the Senate last Monday?

JOHN J. WILLIAMS,
U.S. Senate.

JULY 20, 1961.

The Honorable JOHN J. WILLIAMS,
U.S. Senate, Washington, D.C.:

Replying to your telegram of this morning to me, the Treasury takes no position with respect to the need or desirability of tax relief in antitrust divestiture cases because the factors which would determine whether or not such relief would justify the loss of revenue lie outside of this Department's primary responsibilities.

If the Congress should determine that relief should be granted along the line of H.R. 7349, we have urged in the Treasury Department's report of July 18, 1961, to the chairman, House Ways and Means Committee, that two amendments to H.R. 7349 be made—one relating to the intercorporate dividend tax and the other to the period over which the divested stock may be distributed. I am advised that S. 2266 introduced in the Senate last Monday is intended to meet our first recommendation, and with possible technical refinements should do it in a manner satisfactory to this Department. I continue to urge the amendment outlined in our second recommendation if the Congress should determine to enact S. 2266. If Congress should pass the bill with these two amendments, this Department would not object to its becoming law.

DOUGLAS DILLON,
Secretary of the Treasury.

PLUS SIGNS FOR FOREIGN AID

Mr. McGEE. Madam President, I call attention to an excellent monograph

which was published in the Outlook section of the Washington Post of Sunday, July 23, 1961. The article is entitled "A Battery of Plus Signs Supports Foreign Aid," and was written by Carroll Kilpatrick.

Because of the very practical, straight-from-the-shoulder attempt to assess the foreign-aid picture, I think the article comes at a very critical time and in a very fruitful way to help us thread our way through the difficulties of economic development and legislation. In particular, the article recasts in perspective, really, the times in which we find ourselves, as we look backward through the recent years when America, for the first time in the history of nations a victorious power has sought to share with the less fortunate and, in some cases, actually defeated areas of the world, her abundance and her leadership.

Madam President, I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A BATTERY OF PLUS SIGNS SUPPORTS FOREIGN AID

(By Carroll Kilpatrick)

"To expect this sort of program, a program of this nature, to succeed in every phase is asking too much."—President Mohammad Ayub Khan, of Pakistan, in an ad-address to Congress.

The Western failures in Laos, the military coup d'etat in South Korea, the newly exposed weaknesses in Iran, the evidences of economic deterioration in Latin America—all these things, and more, have called into serious question the validity of America's foreign aid programs.

To answer the criticisms, President Kennedy has launched a major campaign and has held a series of meetings with leading Members of Congress to emphasize the positive aspects of the effort.

For, despite the failures, despite the well-substantiated criticisms, the President and his advisers still believe, as their Republican and Democratic predecessors did, that the aid program is essential to American security.

One may well ask why.

Guerillas are still being fought in South Vietnam; the Indian peasant is lucky who reaches the ripe old age of 35; in many countries, only 1 child in 10 will get even a modest eduaction—and the population explosion is negating many of the gains made at so much cost and effort.

Why should the United States continue to spend, as it has for the last 15 years, about 1.5 percent of its gross national product on foreign assistance?

VERY LITTLE CHOICE

Perhaps no one in the administration has answered the question more eloquently than Pakistan's President Mohammed Ayub Khan in his address to Congress July 12.

"In our struggle for economic growth," he said, "we have tremendous problems, we are up against time. If we do not make the grade, within, shall we say, another 15 to 20 years, we shall be overtaken by communism, and that will be a great, great calamity.

"In order to be able to maintain our independence and maintain our freedom, which we so dearly love, we have to seek assistance of friendly countries, and your country, your people, have been great friends and have been very generous in assisting us. You are carrying out a very noble task.

"We are pressing against you today as friends. If we make good, I think you will in some fashion get it back—in many ways you will get it back. If we do not make good and if, Heaven forbid, we go under communism, then we shall still press against you—but not as friends.

"So, to my mind, there is very little choice so far as the affluent countries like yours are concerned. As far as the problem of aid is concerned, you have to give it to us because it involves the fate of the world and also your own destiny."

BAD—BUT BETTER

When Vice President JOHNSON was in Pakistan 2 months ago, he found living conditions which not only shocked him but which raised the question of whether real advancement could be made in 100 years. Yet he saw also signs of progress that made him say that American towns could learn from Pakistan's example.

Wherever JOHNSON went, whether in Pakistan, South Vietnam, Taiwan, Thailand, or India, he heard one refrain. Yes, the situation is serious, living conditions are deplorable, there is a vast need for a greater effort on the part of all concerned, there are not enough children in school, and health facilities are inadequate—but you should have see conditions 5 years ago. Everything is better today.

Last year, Stanley Andrews, director of the point 4 program under President Truman, revisited Ethiopia, Jordan, Iran, Pakistan, India, Thailand, South Vietnam, the Philippines, and Taiwan. Wherever he went he found progress that surprised him—and also inefficiency and waste that disturbed him.

Yet in every one of the countries he visited there are independent governments, some making more progress than others, some experiencing setbacks, but all still able to look to the future with some degree of hope that they may continue to manage their own affairs.

SOME PLUS SIGNS

The President and his spokesmen before congressional committees have been making these principal points:

American economic aid made possible the rapid recovery of Europe. Today the European countries are strong allies of the United States and a major bulwark against Communist expansion. Now they are participants in the efforts to assist the underdeveloped countries.

American aid helped preserve the independence of Greece and Turkey, thus contributing to the stability of the Mediterranean area and checking Communist ambitions in the Middle East.

America has not been involved in a shooting war since Korea.

Despite many discouragements and many prophecies that this or that country (Iran, Greece, Italy, South Vietnam) was about to fall to the Communists, only one country which received substantial amounts of American aid (Laos) has been divided by the Communists and none has fallen to Communist control. (Cuba, which never received substantial amounts of aid, is a special case.)

NOT A PANACEA

No one in the administration claims that aid was solely responsible for these encouraging results. No one has ever said that aid could be more than supplementary.

In some countries, in fact, aid has done little more than prevent collapse. In Iran, for example, despite large amounts of aid, the situation today is as serious as it was 5 or 10 years ago and the Russians are putting on the pressure.

In India, on the other hand, where there is a stable government, a minimum of waste and corruption and a high sense of purpose, there is much to show for America's aid contribution.

Just 5 years ago, Carl T. Rowan, now Deputy Assistant Secretary of State for Public Affairs, wrote in his book, "The Pitiful and the Proud" that the non-Communist world's biggest gamble was in South Vietnam.

"It was there that the United States was wagering millions of dollars—and perhaps the last big chance to preserve democracy in southeast Asia without war—on a 53-year-old Catholic named Ngo Dinh Diem," Rowan wrote. "When I reached Indochina in January (1956), nobody pretended it was a good gamble, for the odds were considered at least 8 to 1 against Diem and the free world."

When Rowan returned to South Vietnam this May as a member of Vice President Johnson's staff, the struggle was still going on there and the United States was still gambling on President Ngo Dinh Diem. But the odds are no longer 8 to 1 against him and the free world. Now there is a 50–50 chance that an independent South Vietnam can be maintained—if the free world and the Vietnamese make a tremendous struggle.

Statistics in the underdeveloped world are not always reliable, and they should be read with caution, but the International Cooperation Administration has assembled some surprising ones to show what has been accomplished.

In South Vietnam, for example, agricultural production doubled between 1955 and 1960 and electric power production increased more than 40 percent.

In India, the gross national product in stable prices went up 19 percent between 1955 and 1960; industrial production increased 38 percent; electric power production, 87 percent.

In Pakistan, electric power production rose 162 percent; industrial production, 61 percent; agricultural production, 17 percent.

Even in Iran there was progress. Electric power production was up 34 percent; agricultural production, 3 percent; and cement production, 500 percent.

There were substantial gains in Taiwan. Industrial production went up 65 percent from 1955 to 1960; agricultural production, 29 percent; electric power production, 84 percent.

In Greece, there was a 24-percent increase in the gross national product per capita in stable prices.

In the Philippines, agricultural production was up 27 percent; industrial production, 25 percent; electric power production, 101 percent.

In South Korea, agricultural production, was up 13 percent; industrial production, 95 percent; and electric power production, 93 percent.

The comparable U.S. figures are: Agricultural production up 14 percent; industrial production, 12 percent; and electric power production, 33 percent.

Much more could have been accomplished abroad if there had not been waste and inefficiency, corrupt government, feudal conditions, and illiterate people, but perhaps even more costly than all these has been the population explosion. It could negate everything accomplished.

In India, for example, a 2-percent annual population increase means that if India is to maintain the same standard of housing for its population 25 years from now that it does today, it must invest $25 billion in housing alone. To provide classrooms to keep the same percentage of children in school will require a three- or four-fold increase in educational investment.

The estimates were made recently by Eugene R. Black, President of the World Bank, who warned that "population growth threatens to nullify all our efforts to raise living standards in many of the poorer countries. We are coming to a situation in which the optimist will be the man who thinks that present living standards can be

maintained. The pessimist will not look even for that.

"Unless population growth can be restrained, we may have to abandon for this generation our hopes of economic progress in the crowded lands of Asia and the Middle East."

This is one aspect of the development programs which has not been given enough attention by any government, yet the solution of this problem is crucial to long-run success. President Ayub spoke of its gravity to President Kennedy.

After 15 years of foreign aid, the American taxpayer and the recipient countries now expect more than a holding operation, however necessary that may have been or still may be in some places. The President has told Congress that his new program is more than a palliative; that if approved, it would signal a new step forward not only in administration but in the concept of foreign aid.

As Mr. Kennedy argues for his aid proposals, he at least can say that the aid programs have bought time, have helped hold the Communist advance in check, and have been a force for peace. The challenge is to do much better in the future.

OUR GROWING ASSETS

Mr. McGEE. Madam President, I call attention to an article entitled "Signs of Cheer Breaking Through," written by William S. White, and published in the Evening Star of today, July 24, 1961. The burden of Bill White's column is that the unity within the firmness of our Government and recent successes in other ways, including the space shots, have added to our country's list of growing assets, assets which strengthen our position all around at a moment when a critical decision of complicated sorts is impending; namely, a decision which applies not only directly to Berlin and the German question, but which affects, psychologically, militarily, and economically, the rest of the world, as well.

Madam President, I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SIGNS OF CHEER BREAKING THROUGH—UNITY, FIRMNESS, AND SPACE SUCCESSES LEAD LIST OF NATION'S GROWING ASSETS

(By William S. White)

So much has been said of Russia's strength and Russia's iron purpose that there is some danger we may be underestimating our own present position in this world.

The sober, realistic facts are that there is also a thing called American strength and another thing called American purpose—and that both are rising.

Only the witlessly laugh-happy would suggest that all is simply peachy in this large and decisive American corner of the free Western World. But it needs no professional optimism to look out upon the current scene and find a certain careful but persistent cheerfulness breaking through.

The items on the debit side of the ledger are all too well known. There is the fact that the U.S. Government as leader of the free world must cajole and argue with its public and allies, whereas Nikita Khrushchev can do what and how he pleases, when he pleases, without consulting anybody. His greater freedom of maneuver in the Berlin crisis is an advantage which no amount of theorizing can wave away.

There is the fact that the United States does not threaten, will not threaten, and is in the position, if worse should come to worst, of having to give the enemy opportunity for the first blow.

And there are all those other well-advertised factors: Our alleged preoccupation with longer and longer automobile tail fins and with the easy life in general.

All the same, the credit side of the ledger is doing very well. The Kennedy administration, with the profoundly helpful and unpetty support of a list of powerful Republicans running from Herbert Hoover through Dwight Eisenhower and Richard Nixon to Nelson Rockefeller, has in fact chosen the firm and not the soft line toward the Berlin issue.

This country is now committed to that policy of firmness without rashness for which many had hoped but which some had feared would never be achieved. And it is a policy stoutly based on the greatest degree of political unity known by this country, in this correspondent's lifetime, in a time of trouble and danger.

In the face of this achievement the Russians and their associates are in plain fact showing a considerably less tough face than a few weeks ago. They are now even giving some indications of alarm that perhaps they have oversold their threat to Berlin.

Moreover, the one historically big issue of this whole session of Congress, President Kennedy's long-range foreign aid program, has won its first great test in the Senate Foreign Relations Committee. It is now possible for the first time to predict with conviction that the end will be congressional approval of a strong, sensible bill.

This will strengthen our allies both economically and militarily. It will give us a better means for making right and proper appeals—in national dignity and in now-proved national strength—to such of the neutral nations as are really open to honest recruitment to freedom's side.

And in the race for space we have again scored in putting Capt. Gus Grissom up in America's second successful space flight. It is now possible to say—again with confidence and not merely in hope—that on the measure of obtaining genuinely useful—as distinguished from spectacular—propaganda results, we are at least ahead of the Russians.

All is by no means well along the Potomac, and maybe it never will be again in our lifetime. But the position is far from bad for our side. And that infinitely important intangible, time, is now moving for us.

This is not to say that any of our troubles is over. It is to say, however, that many men are behaving with great credit to the responsible traditions of their country—a President resisting the easy line of the pacifists; a Republican like Nixon refusing to seek small political capital out of that President's troubles; a great group of men down at Cape Canaveral getting on quietly and competently with the job and giving the world a picture of a country that can do as well as talk.

PROPOSAL TO NAME NEW STADIUM IN HONOR OF WALTER JOHNSON

Mr. CHURCH. Madam President, a fine new stadium is being built in Washington. It will be the home of the Washington Senators and the Washington Redskins. The new structure will be the first fully suitable stadium in this area and will be one of the most comfortable and best lighted in the world.

Madam President, the new stadium should have a name. It is only fitting that it should be named for one of the great athletes associated with the Washington area. I should like to suggest the name of such an athlete who was not only associated with the Washington area, but was one of the greatest athletes in our country's history. I suggest the name should be the Walter Johnson Stadium.

It is appropriate that we have a Walter Johnson Stadium in Washington. Walter Johnson was the greatest player ever to pitch for the Senators. Many consider him the greatest pitcher in major league history. Johnson was elected to baseball's Hall of Fame in 1936, a high and richly deserved honor. He had an extraordinarily long major-league career for a pitcher; he pitched for Washington for 21 seasons, from 1907 to 1927. During this lengthy career, he acquired the phenomenal record of 414 wins and 280 losses. In number of major league wins, he is second only to "Cy" Young. Johnson deserved the title given him by Grantland Rice—"The Big Train."

Many of Johnson's seasonal records are a wonder to recall. In 1912, "The Big Train" won 32 games and lost 12; in 1913 he won 36 games and lost only 7. And Johnson's fantastic record was not due to the "deader" ball used before the First World War. Despite his advanced age, he continued to win during the twenties, during the era of the "live" ball and of such great hitters as "Babe" Ruth. In 1924, at the age of 36, Johnson won 23 and lost only 7; in the next season he won 20 and lost 7.

Johnson compiled his winning record with a team that usually lost. During most of the time that Johnson pitched for the Senators, it was often said that Washington was "first in war, first in peace and last in the American League." Actually, though not often last in the league, the Senators were usually embedded in the second division. Who knows how much better a record Johnson might have compiled if he had pitched for a stronger ball club?

Johnson was discovered by the Senators in my own home State of Idaho, a State which has produced other great major league pitchers. Johnson was playing baseball for Weiser, Idaho, when he was discovered by the Senators in 1907. He is reputed to have pitched 75 innings for Weiser without allowing a run, and to have fanned 166 batters in 11 games.

Johnson carried his abilities with him to the majors. In 1908, he shut out the Yankees three times in 4 days; in 1912 he won 16 games in a row; in 1913 he pitched 56 consecutive scoreless innings. He holds the major league record in shutouts with 113 and was beaten by 1-to-0 scores no fewer than 20 times.

Johnson's main attributes were blinding speed and exceptional control. For a fast-ball pitcher, he showed amazing ability in getting his pitches over the plate. In 1 year, 1913, he walked only 38 men in the 346 innings he pitched that year.

Many think that Johnson was the fastest hurler ever to pitch in the major leagues. His speed was of prime importance in the huge number of strikeouts he recorded. "The Big Train" holds the

alltime record for total number of major league strikeouts—he fanned 3,497 batters in his major league career.

Johnson might have accumulated even more strikeouts if he had not been afraid of hurting batters with his fastball. The more courageous among them, like Ty Cobb, could always crowd the plate on Johnson, knowing that he would pitch outside to them. His concern with the welfare of the players he faced is shown by a quotation from the baseball player Al Schacht:

> Johnson was the only pitcher I ever saw who would throw a ball out of the game if he found it scuffed or roughed up in any spot on the cover. Other pitchers would try and keep such a ball in play so that they could "cheat" a bit with it. Scuffed baseballs will sail and are twice as difficult to follow as one on which the cover is smooth. Walter was always afraid of hitting somebody. He knew that with his speed it could be fatal.

"The Big Train" was celebrated in song many times at the annual baseball writers' show in New York, but always with the same lines, written for the first show in 1924, by Ring Lardner, to the tune of "I Want a Girl":

> I want a man, just like the man
> That Johnson used to be;
> Fresh from the West, Walter was the best
> That you will ever see;
> Talk of Matty, Vance, or Addie Joss,
> Alexander, Walsh, or Georgie Dauss,
> But I want a man, just like the man
> That Johnson used to be.

The new Washington stadium should be named for the late Walter Johnson, not only because he was a fine athlete, but also because he was a fine man. This is indicated in his concern for the batters he faced, and also in his relationships with everyone around him. His excellent personal reputation is indicated by this quotation from baseball expert Thomas Meany:

> Rarely has there been a baseball hero with the innate modesty and decency of Walter Johnson. He neither smoked nor drank, never beefed at an umpire, or argued with a teammate. He didn't swear, and he never had the faintest semblance of a swelled head.

This high opinion of Johnson's character is confirmed by baseball authority Ken Smith's statement that Johnson had many private tragedies but that he had retained "a soft voice that never publicly expressed wrath, oath, or disagreement with an umpire, the most remarkable record in all baseball annals. He held a unique and enviable place in the hearts of all fans."

Madam President, the people of my State are proud that Walter Johnson came to Washington from Idaho. We think that the whole country and especially the people of the District of Columbia also have great reason to be proud of Walter Johnson. When the new District of Columbia stadium is dedicated this autumn, it ought to bear the name—"The Walter Johnson Stadium."

Mr. CARLSON. Madam President, will the Senator from Idaho yield?

Mr. CHURCH. I am very happy to yield to the distinguished Senator from Kansas.

Mr. CARLSON. Madam President, I wish to commend the distinguished Senator from Idaho [Mr. CHURCH] for making his most excellent suggestion in regard to the naming of the new District of Columbia stadium. Walter Johnson was a Kansas farmboy, whose boyhood was spent in Coffeyville, Kans. During the time he spent on the baseball diamond, he was a hero of every Kansas boy; in fact, I think it is correct to state that he was a hero of all American boys. He was one of the greatest pitchers ever to grace a baseball diamond. He was the epitome of fairplay. He wanted no "shortcuts" or no favors or advantages on the baseball field. As has already been stated, it was Ty Cobb who stated, in his memoirs, that whenever Walter Johnson was pitching, he crowded the plate, because he knew Walter Johnson would not try to force him back from the plate or, as is said in baseball, "dust him off."

Walter Johnson was universally loved; and I know of no one who would not approve the suggestion which has been made by the distinguished Senator from Idaho in regard to the naming of the new District of Columbia stadium. This proposal will receive unanimous approval in the State of Kansas.

Personally, I wish to associate myself with the suggestion the Senator from Idaho has made; and I assure him that if I can be of any assistance in securing the naming of the new studium the Walter Johnson Stadium, I shall be very happy to do so.

Mr. CHURCH. I thank the Senator from Kansas very much. Certainly if there are two States that have a rightful claim to Walter Johnson, they are the States of Kansas, where he was born, and Idaho, where he was discovered.

Mr. KEFAUVER. Madam President, will the Senator from Idaho yield?

Mr. CHURCH. I am very happy to yield to the Senator from Tennessee.

Mr. KEFAUVER. I wish to associate myself with the suggestion of the distinguished Senator from Idaho in regard to the naming of the new District of Columbia stadium. I am delighted with his proposal that it be named "The Walter Johnson Stadium."

Years ago, I had some interest in athletics, first as a participant, and later as a coach of athletics; and I know not only of the expertness of Walter Johnson as a great pitcher, but also of his life as a clean, moral, upright man. Thus he was, and is, the inspiration of many, many young people all over our Nation.

I can think of nothing more appropriate to commemorate the memory of this great athlete and this fine, good, upright citizen than to name the new stadium in Washington, D.C., the Walter Johnson Stadium, in memory of him.

Mr. CHURCH. Madam President, I know that support by the distinguished Senator from Tennessee will be very helpful, indeed; and I am very grateful to him for it.

Madam President, in connection with this proposal, Morris Siegel has written a feature article, published today in the Washington Daily News. I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News, July 24, 1961]

IN BEHALF OF WALTER JOHNSON

(By Morris Siegel)

The off-and-on harpooning between the Messrs. Udall and Marshall over the proper pigmentation of pigskin performers who are to occupy our $22 million stadium next October is interrupted today for an additional and more palatable stadium matter.

The cease-fire between Udall and Marshall is supplied by Senator FRANK CHURCH of Idaho, who doesn't care whether the lavish new playpen is used to accommodate three-toed sloths or for a convention of sockdolagers. All he's asking is that we name the new baby.

Senator CHURCH has a suggestion along those lines. It's a good one, too. He wants it called Walter Johnson Stadium after the fellow generally regarded as the mostest pitcher ever, certainly the one who threw harder than anybody.

Unless you hate nice guys and loathe great athletes you'll find it awful tough to buck the good Senator's suggestion. In all of Washington's sports history nobody, but nobody, is better remembered than the Big Train who hung around for 21 years on the Griffith payroll.

Senator CHURCH's interest in Johnson is a bit more than merely academic. There's a touch of politics in his sudden inspiration, but regardless of the motives his idea is a corker. Senator CHURCH is an Idahoan and it was in Idaho, in Weiser to be exact, that Johnson really got started as the greatest fog baller of all time.

Senator CHURCH never saw Johnson pitch. Probably never even saw the man at all. He might, but the odds are against it. Senator CHURCH didn't arrive on our planet until July 25, 1924, which makes him 37 tomorrow. When the church bells were tolling the arrival of FRANK CHURCH in Boise in 1924, Walter Johnson was pitching the Nats to their first pennant.

But you didn't have to see Johnson pitch to recognize his greatness. It's all in the record books and if you don't believe them there are still scores of eyewitnesses to his greatness around to testify that the "Big Train" was not a myth, but everything the statistics show.

They show, for example, he hummed 414 victories for a team generally in the second division; pitched 56 consecutive scoreless innings, struck out more batters than anybody, 3,497; won 16 games in a row; pitched 3 shutouts in 4 days, plus a mass of other mound accomplishments to certify he belongs.

Senator CHURCH, in his proposal to christen the new edifice for Johnson, brings into play a commendable bipartisan approach. Johnson was not a native of Idaho. He was born in Humboldt, Kans. Johnson did not achieve his greatest fame in Idaho where mostly potatoes thrive. But Johnson was discovered in Idaho and that's good enough for Senator CHURCH.

"The new Washington stadium should be named for the late Walter Johnson," CHURCH told the Senate, "not only because he was a fine athlete, but because he was a fine man. The people of my State are proud that Walter Johnson came to Washington from Idaho. We think that the whole country, especially the people in the District of Columbia area, also have great reason to be proud of Walter Johnson."

Amen, Senator. Will those opposed please signify by saying "nay"?

NOMINATIONS TO THE CIVIL RIGHTS COMMISSION

Mr. CARROLL. Madam President, it is my honor and my pleasure to present to the Senate at this time the favorable report of the Senate Judiciary Committee on the nominations of Dean Spottswood W. Robinson III and Dean Erwin Griswold to be Commissioners of the U.S. Commission on Civil Rights, and of Berl I. Bernhard to be Staff Director of the Commission.

I ask unanimous consent that the reports may be submitted at this time, as in executive session.

The PRESIDING OFFICER. Without objection, it is so ordered; and the reports will be placed on the Executive Calendar.

Mr. CARROLL. Madam President, because of the high importance of the work of this Commission, it is my strong hope that the Senate will be able to give prompt approval to the nominations of these three distinguished nominees, so that the Commission studies now under way may continue with full effectiveness and force. A most important biennial report of the Commission is due on September 9, 1961; and it is vital that there be a full Commission to make this report.

Madam President, I ask unanimous consent that biographies of these three men, prepared by the Senate Subcommittee on Constitutional Rights, be included at this point in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

BIOGRAPHICAL DATA OF SPOTTSWOOD W. ROBINSON III

Born: July 26, 1916, in Richmond, Va.

Parents: S. W. Robinson, Jr. (deceased), and Inez C. Robinson.

Occupation: Dean of the School of Law, Howard University.

Marital and family status: Married to the former Miss Marian B. Wilkerson, of Richmond, Va. Two children, Spottswood W. Robinson IV and Nina C. Robinson.

Church affiliation: St. Philip's Episcopal Church, Richmond, Va.; vestryman since 1955, trustee since 1957.

Academic preparation: Attended Richmond public schools; graduated from Armstrong High School, Richmond, Va., June 1932; undergraduate collegiate work at Virginia Union University, Richmond, Va., 1932–36; attended Howard University School of Law, Washington, D.C., 1936–39, receiving degree of bachelor of laws, magna cum laude, June 1939, with highest scholastic average in history of school.

Teaching experience: Member of the faculty of the Howard University School of Law in the following capacities for the following periods: Teaching fellow in law, September 1939–June 1941; instructor in law, July 1941–June 1943; assistant professor of law, July 1943–June 1945; associate professor of law, July 1945–June 1948 (on leave July 1947–June 1948); dean and professor of law since September 1960.

Professional associations: Member of the bar of the State of Virginia, July 1943 to date; member and partner of firm of Hill & Robinson, Richmond, Va., July 1943 to November 1944; member and partner of firm of Hill, Martin & Robinson, Richmond, Va., November 1944 to September 1955; sole practitioner in Richmond, Va., September 1955 to September 1960. Legal representative for State of Virginia, N.A.A.C.P. Legal Defense and Educational Fund, Inc., 1948–1950, southeast regional counsel, N.A.A.C.P. Legal Defense and Educational Fund, Inc., January 1, 1951, to September 1960. Member of Virginia State bar. Member of National Bar Association. Member of Old Dominion Bar Association. Member of American Bar Association.

Professional honors: Degree of doctor of laws, Virginia Union University, 1955. Howard University, Annual Alumni Award (in law), 1951. National Bar Association, testimonial of merit, 1948. Maryland State conference of N.A.A.C.P. branches, award, 1959. Phi Beta Sigma Fraternity, Social Action Achievement Award, 1953. Alpha Phi Alpha Fraternity, Beta Gamma Lambda Chapter, annual nonmember Citizenship Award, 1951. Delta Sigma Theta Sorority, Beta Theta Sigma Chapter, citation, 1954. Omega Psi Phi Fraternity, Psi Phi Chapter, testimonial of merit in jurisprudence, 1946. Frontiers of America, Richmond Chapter, citation, 1954. Richmond Afro-American honor roll, 1946.

Address: Home, 330 College Street, N.W., Washington, D.C.; office, Howard University School of Law, Sixth Street and Howard Place, Washington, D.C.

BIOGRAPHICAL DATA OF ERWIN NATHANIEL GRISWOLD

Born: East Cleveland, Ohio, July 14, 1904.

Parents: James Harlen and Hope (Erwin) G.

Occupation: Lawyer; law school professor and dean, Harvard University.

Marital and family status: Married Harriet Allena Ford, December 30, 1931. Children, Hope Eleanor (Mrs. Daniel Murrow), William Erwin.

Academic preparation: A.B., Oberlin College, 1925; A.M., Oberlin College, 1925; LL.B., Harvard University Law School, 1928; S. JD., Harvard University Law School, 1929.

Professional experience: Admitted to the Ohio Bar, 1929, Massachusetts Bar, 1935; practicing attorney, Griswold, Green, Palmer & Holden, Cleveland, 1929; attorney, Office of the Solicitor General and Special Assistant to the Attorney General, Washington, D.C., 1929–34; assistant professor of law, Harvard University Law School, 1934–35; professor, 1935–46; dean and Charles Stebbins Fairchild professor of law, 1946–50; dean and Longdell professor of law since 1950.

Memberships and associations: Alien Enemy Hearing Board of Massachusetts, 1941–45; consulting expert, U.S. Treasury Department, 1942; trustee, Oberlin College, Bradford Junior College, 1942–49; Teachers Insurance and Annuity Association, 1942–46; Harvard Law Review Association; director, Fund for the Republic, Inc.; American Bar Association; Massachusetts Bar Association; American Law Institute; American Philosophical Society; Phi Beta Kappa; fellow, American Academy of Arts and Sciences (vice president, 1946–48). Clubs: Harvard (Boston and New York); Cosmos (Washington); Century Association (New York); Charles River Country.

Publications: Author, "Spend-thrift Trusts," 1936; 2d. ed. 1947; "Cases on Federal Taxation," 1940; 2d ed. 1946, 3rd ed. 1950, 4th ed. 1954; "Cases on Conflict of Laws" (with others), 1941, revised edition, 1951; "The Fifth Amendment Today," 1955. Contributor, legal periodicals and Geographical Review. General editor, Prentice-Hall Law School series.

Professional honors: L.H.D., Tufts College, 1949; Case Institute of Technology, 1950; LL.D., University of British Columbia, 1949; Brown University, 1950; University of Sidney, 1951; University of Melbourne, 1951; Dalhouse University, 1952; Harvard University, 1953; Amherst College, 1953; Columbia University, 1954; University of Richmond, 1954; Brandeis University, 1956.

Address: Home, 36 Kenmore Road, Belmont, Mass.; office, Langdell Hall, Cambridge, Mass.

BIOGRAPHICAL SKETCH OF BERL I. BERNHARD

Born September 7, 1929, New York, N.Y.

Residence: 4701 Overbrook Road, Chevy Chase, Md. (legal residence).

Married Janice (Hartman) Bernhard; two sons, Peter Brigham, 6 years, Andrew Morris, 2 years, and one daughter, Robin Churchill, 4 years.

Education: Englewood School for Boys, 1947, Englewood, N.J.; Dartmouth College, B.A., 1951; Yale Law School, LL.B., 1954.

Academic record: Phi Beta Kappa, junior year, magna cum laude with highest distinction in government; Rufus Choate Scholar; Woodbury Law Fellowship.

Extracurricular activities:

Undergraduate: President, undergraduate council (student government); vice president, junior and senior class; Palaeopitus (senior governing body); student representative, Blandin committee on public relations for Dartmouth College; chairman, Northern New England chapter, national Students Association; business manager, The Dartmouth Quarterly; freshmen football and lacrosse.

Graduate: Graduate instructor, political science, Yale University (1952-3); tutor, political science, Yale Tutoring Bureau (1951–2; 1953–4); exhibition argument, Thurman Arnold Moot Court; Barristers' Union; public defender.

Memberships:

Undergraduate: Sigma Nu Fraternity; Casque and Gauntlet (Senior Honor Society).

Graduate: Phi Delta Phi, legal fraternity.

Professional: The bar of the District of Columbia; The bar of the Supreme Court of the United States; The American Bar Association; the Bar Association of the District of Columbia; the Association of Interstate Commerce Practitioners.

Legal experience: Davis, Polk, Wardwell, Sunderland and Kiendl, New York City (summer 1953); law clerk to Judge Luther W. Youngdahl, U.S. District Court for the District of Columbia (September 1954–56); Turney & Turney, 2001 Massachusetts Avenue, Washington D.C. (June 1956–58).

Federal Government: Commission on Civil Rights, staff general attorney, November 1958–October 1959; head of voting section, Division of Laws, Plans and Research, June 1959–October 1959; deputy staff director, October 1959 to January 1961; appointed by President Eisenhower as acting staff director, January 7, 1961; nominated by President Kennedy to be staff director, March 15, 1961 (not yet confirmed).

Award: Arthur S. Flemming Award as one of the 10 outstanding young men in the Federal Government in 1960.

Mr. MANSFIELD. Madam President, let me ask whether I correctly understood the Senator from Colorado to say that at this time he is reporting these nominations.

Mr. CARROLL. Yes. I assume that the nominations will lie over, under the rule. When the majority leader decides to call them up, I urge speed in the taking of action on the nominations, because there is necessity for it.

Mr. MANSFIELD. Let me say that they will be given due consideration.

Mr. CARROLL. I thank the able majority leader.

Madam President, I am sure that Senators will agree that the careers of Dr. Robinson, dean of Howard Law School, and of Dr. Griswold, dean of Harvard Law School, make them well suited to the responsibilities which they undertake. Mr. Bernhard was chosen in 1960

as one of the 10 outstanding young men in the Federal Government, on the basis of his work as deputy staff director and head of the voting section of the Civil Rights Commission. He should do equally well in his new position as staff director.

It is vitally important that these nominations be promptly confirmed.

It is of even greater importance that the life of the Commission be extended. Founded in 1957, and extended for 2 additional years in 1959, the Civil Rights Commission will expire on November 8, 1961, as matters now stand. Unless the Congress acts at this session, this bipartisan Commission will cease to exist. But its work is not yet done.

Madam President, this Commission's duty is not enforcement; its duty is to act as a factfinding, impartial, and evaluative agency. Its job is to hold up a mirror to the American people to find out whether we are living up to our solemn constitutional duty to see to it that no citizen of the United States is denied equal protection of the laws.

To assist it in this task, the Commission has established an advisory committee in every one of the 50 States. These report to the Commission on civil rights progress within their separate States.

I have watched the work of the Colorado Advisory Committee, and I know what careful, thoughtful studies it has produced. Headed by Arthur Ballantine, Jr., of Durango, Colo., as chairman, this group has studied and spoken out on the problems of Colorado minorities.

To a casual observer, these problems might appear relatively minor, for it is well known that Colorado's record on antidiscrimination legislation is second to none in the country:

Colorado has outlawed discrimination in public accommodations since 1896.

Colorado has had a fair employment practices law since 1951—broadened by the legislature in 1957.

Colorado has had a fair housing act since 1959.

And yet, even Colorado, I regret to say, has not solved completely its discrimination difficulties. This is why the work of the advisory committees is important and, on a national level, this is why it is vital that the life of the Commission itself be extended.

Madam President, I ask unanimous consent that the 1961 annual report of the Colorado Advisory Committee of the U.S. Civil Rights Commission be included in the RECORD at this point.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

DRAFT REPORT OF COLORADO ADVISORY COMMITTEE ON CIVIL RIGHTS, FEBRUARY 1961

INTRODUCTION

This report deals with current civil rights problems in Colorado and the administration of justice.

The committee prepared its first report 2 years ago, with special emphasis on the fields of housing, public accommodations, and migratory labor. The information already acquired by the committee at this time has been helpful in the preparation of the present report.

In connection with the present report the committee has held six monthly meetings from September 1960 to February 1961 with a second meeting in February to discuss the report. In addition its members have met frequently with individual law-enforcement officers and others concerned with law enforcement problems.

There were three public hearings; in Denver in December, in Durango (La Plata County—southwest Colorado) in January, and in Trinidad (Las Animas County—south Colorado) in February. Minutes of these meetings, prepared by Secretary James D. Childress, have already been sent to Washington and should be considered as appendixes to this report.

The committee has had neither the funds nor personnel to make detailed studies on such subjects as arrest records. However, its hundreds of contacts these last 2 years with officials, private citizens concerned with these matters and members of the minority groups involved have led it to a number of conclusions about civil rights in Colorado.

Two years ago all meetings were in Denver. This year the committee decided to hold two meetings elsewhere to see if conditions varied. Trinidad was selected because Spanish-named citizens, Colorado's largest minority, are a majority of the residents and there is also a significant minority of Italian-named citizens. Durango was chosen because Spanish-named citizens form about 30 percent of the city's population and in southwest Colorado are Colorado's only tribal Indians, the southern and mountain Utes.

Differences were found. The district attorneys and police in the two small cities of 10,000 population know individuals in a way impossible in a city the size of Denver and thus have different problems. In Trinidad where Spanish-named citizens are in the majority and are elected as public officials, they have greater acceptance than in Durango where they have no elected officials and are in a minority. The Negro problem is nearly nonexistent in the smaller cities since they have only a handful.

Undoubtedly individual characteristics would be found in other Colorado cities such as industrialized Pueblo. However, the cities visited are sufficiently representative for a picture of the situation in Colorado.

The smallness of minority groups in Colorado in relation to the rest of the population may be one of the reasons why the State has made greater progress in race relations than other States.

Colorado has 1,753,947 residents according to the 1960 census. The general populations characteristics advance report of February 16, 1961, gives no breakdown of Colorado's largest minority, Spanish-named citizens, but this minority is estimated in excess of 200,000 or about 11 percent. About 50,000 live in Denver forming about 10 percent of this city's population. Many southern Colorado towns have higher percentages.

The advance report does give figures on other minority groups as follows: Negro 39,992, Japanese 6,846, Chinese 724, and Filipino 605. These minorities live chiefly in the Denver area.

No figures are given on the Jewish minority as these citizens are defined as whites in the advance report, but these have been estimated at 27,000 with 24,000 living in Denver. Italian-named citizens, also defined as white by the census, are a small minority, but significant minorities in the cities visited.

There are approximately 1,500 southern and mountain Utes living in southwest Colorado. Meetings were held with both these tribal councils. The advance report lists 4,288 Indians in Colorado indicating that many Indians, unconnected with these tribes, are living in the Denver area. Only the tribes were studied.

Unless otherwise specified, this report is concerned with minority groups who are American citizens.

CIVIL RIGHTS PROBLEMS IN COLORADO

Since Colorado accepts in principle civil rights, such as voting, integrated schools, fair employment and housing and impartial administration of justice, its problems differ from those States where the principle itself is under debate.

All minorities can vote, but will they exercise this right? The Southern Ute Tribal Council of Ignacio, Colo., told the committee that only 11 members of the tribe registered to vote in the presidential election. The tribe numbers 640. Illegal voting practices have been tolerated particularly in rural areas and are currently under investigation in Costilla County.

Integration in education is widely accepted. A good example is the peaceful manner in which southern Ute and mountain Ute Indian children have been integrated into the schools of La Plata and Montezuma Counties during the last 10 years, a period when integration in many places has been marked by strife and unrest.

Yet there are problems. What should be done about school boundaries when the geographical location of the school means it will largely be attended by minority groups?

How should differences in background and scholastic aptitude be handled? Language is a barrier to many Spanish-named children in Durango. Thus the schools have started a special first grade to teach English, and such students often go into the regular first grade the next year. For students who fall behind in elementary school, Durango is designing an extra year at the 7th and 8th grade level. It could be argued such measures are discriminatory since they are designed chiefly for minority groups, but they are also practical plans whose goal is to enable all children to compete equally. There is need for teachers in the lower grades to have special training in race relations.

How is the high rate of dropouts from school to be stopped? This involves such questions as the need to earn a living, academic and social difficulties, the lack of understanding advice.

Social questions, usually unimportant on the elementary level, tend to become more important at high school and college level. Minority students may be accepted on the athletic field, in the classroom and in the cafeteria, but what about dating, dancing, and membership in cliquey organizations?

Progress in basic civil rights begins to raise such social questions. However, as civil rights advance, these questions which seem so difficult to so many today will cease to seem as difficult. The climate of opinion will gradually change as people learn more and more to judge each other on their merits. Certainly legislation is not the way to handle such matters.

Colorado has a fair employment practice act. Its effect has recently been limited by a State supreme court decision, involving a Negro applicant as a Continental Airlines pilot. The court ruled the act did not apply to a company in interstate transportation.

However, it applies to a great many businesses. The act has been beneficial and has opened new work doors to minority groups. But it is possible for an employer to give token employment and consider he has complied with the act. A number of witnesses testified that minority employees often do not get a break in promotion and that several labor unions need to review their racial policies. Promotion of majority and minority groups should be based solely on their merits and qualifications.

From the employer's point of view it may be hard to find qualified employees from

a particular minority group. An important part of the southern and mountain Ute Indian rehabilitation programs are directed toward training skilled workers.

Colorado has a new fair housing act, strongly endorsed by this committee 2 years ago. This is a big accomplishment but raises new questions. Should the first objective be to provide adequate housing for minority groups that have been unable to get any at all or should all housing developments be immediately opened as the law requires? In Denver many Negro and Spanish named families were unable to get good quarters even if they could pay for them before the act was passed. The Denver Urban League feels that still there "is almost no purchase or rental of housing by Negro families outside the areas in which Negroes now live in the Denver area."

The committe was interested in testimony that members of minority groups with money could buy houses almost anywhere they pleased in Durango or Trinidad. Yet economics is closely related to the housing problem. It is the poorest families that live in shacks just outside the city limits of Durango and in hovels within the city limits of Trinidad. The best available solution seems to be urban renewal and Federal housing—plans now at the research stage in both these cities.

There was no evidence of discrimination in Denver's public housing projects. The problem is with the private developer.

Police records show that certain minority groups including the Negro and Spanish-named citizens commit crimes out of proportion to their percentage of the population. Yet in general the principle of impartial administration of justice seems well established. Cortez officials told of a study in that city a year ago showing that the courts were leaning over backward in sentencing Indians when compared with similar sentences for Anglos. Denver police now receive instruction in race relations.

Current difficulties arise from the prejudices of individual law enforcement officers, whether juries always reach an impartial verdict even though minority groups are represented on jury panels in the three cities visited, the sometimes violent resistance of repeated offenders, including women, the desire of the police to protect the public—a reasonable desire but one which sometimes runs into conflict with the civil rights of specific individuals.

The reasons why members of some minority groups get into trouble need consideration. The fact one is a member of a minority group is not conclusive—the Japanese and Jewish citizens are involved in very little crime while some of the worst offenders are Anglos. Among the factors are poverty, lack of education and opportunity, sense of inferiority and frustration, poor environment and absence of standards.

There is inadequate provision under Colorado law for handling youths who get into trouble. While some institutions, such as those located in the Colorado towns of Morrison, Golden, and Buena Vista, have begun to pay attention to the needs of young offenders, they are essentially penal institutions.

The judge must often make the choice of either sending a boy to the reformatory or of returning him on probation to the environment which caused the difficulty. The situation is especially desperate in Trinidad where even boys with good records have a hard time finding jobs. Colorado needs a boys' home or homes where security is minimal, vocational training is stressed and psychiatric care is available if needed. It would be highly beneficial if the Federal Government were to reestablish a civilian conservation corps similar to the depression organization.

Racial prejudice in Colorado exists not only between minority groups, but sometimes between minority groups themselves. Citizens of Spanish descent may have little to do with those of Mexican origin since the latter arrived as poor farm laborers. The Italian who has obtained power and influence in such towns as Durango and Trinidad may look down on Spanish-named citizens. The two instances of discrimination cited in Trinidad were of Italian-named citizens against Spanish-named citizens. Some minority group members may segregate themselves because they find it more comfortable to live together; they share a language or a religion.

These are some of the reasons why it is impossible to consider civil rights in Colorado, solely on constitutional or legal grounds, important as these may be. One quickly finds himself involved in problems of economics and sociology.

The objective is that all individuals should be treated on their merits regardless of race, color or creed. Legislation is important, but it is only one of the necessary approaches to racial equality.

Legislation is vital because, unless there was the prospect of compulsion, men being what they are might say, "Why bother? Why stir up the ants? Let's take the easy way out?" A State so dependent on the tourist industry might easily condone barring Negroes from motels when Texans flock here at the height of the tourist season, unless there were a public accommodations law. The gradual uphill battle for better housing and employment might slow to a stop if it were not for Colorado's good housing and employment laws. The very existence of sound legislation makes it possible to negotiate peacefully substantial advances. Retail stores which feared the effect upon sales of employing Negroes have cautiously started the experiment and found they have not lost business. The Denver Urban League feels there is still a good way to go. It claims only two downtown department stores employ Negroes as salesclerks or clerical helpers and only two Negro checkers are now employed by major food chains in Denver.

Yet legislation is only part of the answer, for legislation can be evaded as Colorado's dedicated antidiscrimination commission knows. This commission, charged with enforcing both the housing and fair employment acts, often has hard decisions to make. Should it follow the letter of the law and insist the State's most exclusive residential developments be open to minority groups? Should it demand full, complete compliance in employment when a business has started to move in that direction?

The antidiscrimination commission appears to have taken a middle ground; namely, considering carefully where progress can be made, pushing ahead in these areas with the hope of creating conditions which will make further progress possible. This committee is sympathetic with such an approach, provided that the commission constantly reviews the situation to make sure that steady gains are being recorded in the areas under its jurisdiction. The work and problems of the commission need greater understanding and attention from the State government and the people of Colorado. It is not enough simply to create such a group, the group needs constant support.

It is easy to evade civil rights laws, and evasion is probably Colorado's biggest problem. How does one determine whether a prospective home purchaser is financially responsible, whether a man with a criminal record is being persecuted as a Negro or as a troublemaker, whether the man promoted by a business is more competent than his Jewish associate, whether a hotel has truly sold out its accommodations? The laws of evidence, so highly valued in many areas of civil rights, also make such matters difficult of proof.

The evader even has an answer to those who say that the evader's past record will show that he discriminates. The clever evader will have established a lipservice record of compliance by making sure his record contains one or two examples of observance of civil rights laws. Such actions make proof even more difficult.

Legislation will only be fully effective when public opinion, the businesses and officials concerned, accept the same goals. Laws establish conditions for greater contact—the schoolroom, neighborhood, place of employment. It will be the attitude of the individual that determines whether this greater contact is successful.

Contact does not necessarily improve race relations. Few trained by the Nazis could appreciate the intellectual achievements of the Jewish people; few Ku Klux Klanners could recognize the great gains the American Negro has made in business, the arts, sports, and government, once education has been allowed him. Greater hatred would be the result if modern methods of promoting mass hysteria were employed by prejudiced officials.

However, contact can improve attitudes and is the best way of getting men to accept each other. It is vital that men be ready to benefit from association. One cannot expect the white man to accept the Negro, simply because he is a Negro, or vice versa. Friendship only comes when they have common interests and equal intelligence.

Schools have a big role to play. While some minority groups are as smart or smarter than so-called Anglos, the ones causing greatest concern in Colorado, Spanish-named citizens and the Negro, have suffered because of the poverty, ignorance, and lack of opportunity for so many.

There is no reason to believe these minorities are potentially any less intelligent, once their disadvantages are remedied. Negroes and Spanish named citizens have already made able records. Not all Anglos are desirable citizens. It is well to remember that many of those who came to this country on the Mayflower had accomplished little until they came to this land of opportunity.

All members of minorities need the chance to develop their intellectual abilities in our schools and colleges. The conditions which prevent this must be countered. Often such children fail to make use of their legal opportunity because of their different ways of thinking. The Ute Indians pointed out that many of their children, coming from tribal life on the reservations, have special problems in coping with American public schooling. The Spanish-named boy may come from a poor home and grow up with the high family standards that often tie Spanish-named people together. He is not used to American ideas of freedom in such matters as dating and late hours. These children often tend to become conscious as they grow older that they belong to minorities and for social reasons give up the schooling battle. Witness after witness told of the necessity of having teachers and advisers in our schools capable of counseling such students.

Minority groups should not forget that, fairly, or unfairly, they have a large role to play in solving intergroup problems. It is a human tendency for majorities to be content with surroundings regarded as acceptable. The way a Jew and Spanish-named citizen, or a Negro, performs as a neighbor, a fellow student, or an employee affects the way the majority regards his race or religion. Thus minority leaders should strive to build self-confidence in their own peoples and to emphasize the importance of convincing others they are outstanding individuals.

The committee doubts whether a proper goal of civil rights is to produce uniform American citizens with no remembrance of differing cultural identity. The Ute Indians

say they are trying to relearn the meaning of competition so they can cope with the white man's world. Perhaps this is a practical necessity, but should they ever forget their heritage as Indians? Spanish-named citizens have a proud heritage that can be traced directly to Spain. Neither the Catholic nor the Jew is going to want to forget his association with two of the world's greatest religions. The Negro who had the fewest chances of anybody in the early history of this country nevertheless has always had a sense of rhythm and music, the world envies him.

The United States has been dynamic because of the interplay of different cultures upon each other. Americans need to understand the new nations, societies, and races that are coming into their own today in different parts of the globe. Is this any time to forget the total American heritage?

Perhaps the aim should be to remove the sense of inferiority; that some groups have to strive for the day when minorities are proud to say, "I am a Negro, I am a Jew. My name is Mexican, Italian, or Finnish." If all men are judged as individuals and have equal opportunities, isn't this result not only possible but desirable?

The Colorado committee feels the Federal Commission on Civil Rights would perform a valuable service if it points out to Congress that the problems of civil rights are considerably different in Northern States such as Colorado than in the Southern States.

Moreover, it is likely that as progress is made in such fields as integrated schools, voting and the like, the problems of the Southern States will tend to resemble more and more those of the North.

ADMINISTRATION OF JUSTICE

Every police witness stated there should be no discrimination in law enforcement. However, most police feel that civil rights groups sometimes make their job of stopping crime difficult.

A policeman feels his first duty is to protect the public. He is apt to consider that some judges and probation officers are too lenient in sentencing undesirable characters or giving them freedom. The crowded dockets of most courts enable many to postpone their trials for long periods; one Denver instance of 3 years was cited. This enables men with known criminal records to continue their activities for long periods of time. A policeman believes that sometimes the charge of discrimination is raised unfairly by defendants and their attorneys as a smokescreen.

The police do have such problems, and there should be greater understanding of the obstacles facing the conscientious policeman. Many aspects of law enforcement should be considered in their application to all individuals, whether or not they are members of minority groups. How long should a man be held in jail without charge? When is it proper to pick up a suspicious character? What bail is needed? Is sentencing and parole fair?

Of most concern is the plight of the poor, and often ignorant, man who does not have enough money to hire an attorney. The well-to-do of any group usually know their legal remedies, their attorneys understand the use of habeas corpus, publicity and pressure.

The aim should be to get all those arrested before a judge as quickly as possible. There was ample evidence that judges are the most qualified individuals to see that a man's civil rights are protected.

In Denver the practice is for the police to complete investigation before the district attorney takes action. After the DA files charges, the police make no further investigation unless new evidence turns up. Thus there is temptation in hard cases to hold defendants for several days before filing charges and enabling them to post bond. While most cases are handled within 3 days, the time can be 6 or 7 and in one extreme case 10 days.

A Denver defendant can be at a disadvantage if he is arrested late Friday on a felony charge. Since offices are closed over the weekend, there is no action until Monday. A recent Colorado supreme court decision, the Merris case, has greatly added to the number of matters the DA must handle, matters such as drunk driving.

The problem is not as serious in small towns such as Durango and Trinidad where the DA can usually be reached on the weekend. Trinidad has worked out a system in routine district court cases whereby the defendant can post a set bond with the sheriff and obtain his release.

The Colorado Supreme Court is considering a rule saying charges must be filed without unnecessary delay. Many law enforcement officials wish the time to be defined as 72 hours.

The committee prefers the definition of "without unnecessary delay." There are many cases in which the accused should have prompt release. If 72 hours were cited, this might become a norm. There are also a few cases in which the judge might feel longer investigation is warranted. Judges are able to consider each individual situation, determining what is and what is not an unnecessary delay.

The State supreme court recently acted on one matter involving discrimination when it reversed the conviction of a Spanish-named citizen because there were no Spanish-named citizens on the jury panel. Minority groups have had representation for some time on jury panels in the cities visited. However, in La Plata and Las Animas Counties, jury panels are selected from the tax rolls. While this is a logical, convenient policy, it bars many residents. Very few Indians are taxpayers in La Plata County. Shouldn't the election be widened to include voting registration as well?

Nondiscrimination on jury panels does not necessarily mean minorities will be on juries in controversial cases. Lawyers have the right of challenge. No members of minority groups were accepted for the important case, involving race in La Plata County in March 1960. The victim was an Indian, also of Spanish origin. He had a poor record. The man who shot him was a respected Anglo.

The case was complicated by a skillful defense and a weak prosecution. The jury's verdict of acquittal may have been warranted, but one can ask whether the race and record of the deceased was not a factor. The Federal commission already has in its possession a file on this case which shows the difficulty of determining whether or not there was prejudice, and if so, how important a factor it was.

A case in Denver involves rounding up Spanish-named citizens, including passersby, following a shooting in a dancehall. No Anglos were arrested. A police official pointed out there was no reason to bring in Anglos since the evidence was that the shooting was done by a Spanish-named citizen. The question remains whether it was proper to arrest all persons of Spanish origin, simply because they happened to be in the neighborhood.

Reputable persons in Las Animas County said that the influence of two prominent Italian-named citizens was the principal reason that two auto accident cases where the victims were Spanish-named were not taken to court. Law-enforcement officials said one case was settled out of court and that civil courts are the proper place for damage suits. One cannot be certain, but one can't help but wonder whether the action in these cases might have been different had more influential people been involved.

The committee was told of one sheriff who told a man no security from a man of his minority background would be acceptable as bail. A number of incidents involved police brutality.

The committee believes that the attitudes as they relate to impartial administration of justice are satisfactory in Colorado. However, instances of discrimination still occur, either because individuals are prejudiced or because community attitudes sometimes may affect juries and other law-enforcement officials.

Colorado's biggest task is to set up sound police procedures which apply to everyone. The other task is to do away with the remaining remnants of prejudice.

Mr. CARROLL. Madam President, if the U.S. Commission holds a mirror up to our society, the reflection which we see is not one of which we can be proud.

Discrimination because of color, of race, and of creed exists still in the United States. The problem is not one of geography; as I have attempted to show, with my own State as an example, it is a national problem and it calls for action on a national level.

It is heartening to observe the forceful efforts of the Attorney General, Robert F. Kennedy, to assist in the enforcement of constitutional rights in the fields of education, voting, and interstate transportation.

The executive branch, at long last, is acting forcefully.

The courts are speaking out, decision after decision.

It is time for the legislative branch to act.

I am encouraged that our able and respected majority leader has pledged that we shall not adjourn this session until the Senate has had the opportunity to debate the amendment of rule XXII, the cloture rule.

In this powerful and revered democratic body, it is paradoxical that a small minority of the Senate should be allowed to obstruct the Congress from passing just and necessary legislation to assist the peaceful integration of schools; to allow the Attorney General to intervene on behalf of the Federal Government in civil discrimination suits; and to insure and guarantee the right to vote to all citizens without regard to color or creed.

Some of us have fought for years to amend rule XXII to make filibusters but a distasteful memory of the past. Some of us intend to continue fighting. Some of us will fight until this battle is won; until the majority of this body is able to guarantee every citizen his full constitutional rights.

I am pleased to be able to report these nominations to the Senate today; I look for their early confirmation. I am confident that the call for extension of the Civil Rights Commission will not go unattended. It has work to do and it must be given the time with which to do it.

Those of us who seek action are anticipating the coming debate on limiting the filibuster—for the Congress also has work to do in this field and this work cannot be done so long as the obstructive powers of the few are able to block the constructive wishes of the many.

Madam President, I see in the Chamber, sitting close by me, the able junior Senator from Michigan, Mr. HART, who

has been so valiant, forceful, and intelligent in this fight on the Judiciary Committee. He is one of the great leaders in this movement, and especially in the immediate fight to appoint these new members to the Civil Rights Commission to give it some life, hope, and vitality. I am happy to note the presence of the able junior Senator from Michigan.

Mr. HART. Madam President, will the Senator yield?

Mr. CARROLL. I yield.

Mr. HART. I wish to express my appreciation to the Senator from Colorado for presenting to the Senate the names, and the observations he made in connection with them, to which I subscribe fully. I hope that, together, we shall be able quickly to act favorably on the three nominations, which, incidentally, have been pending for many months, as the Senator from Colorado painfully knows.

Mr. CARROLL. As I have indicated, the Senator from Michigan has been most helpful in his leadership in this fight. I must say for the RECORD now, so all may know, that we must act quickly, or lose the Commissioners we have. They are exasperated by the delay. It is an important Commission. I hope we can move ahead quickly, as the able majority leader has indicated.

ORDER FOR ADJOURNMENT TO 11 A.M. TOMORROW

Mr. MANSFIELD. Madam President, I ask unanimous consent that when the Senate adjourns tonight, it adjourn to meet at 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. CRIME FIGHT

Mr. CARROLL. Madam President, an article entitled "U.S. Crime Fight Nears a Climax" appeared in the Sunday, July 23, 1961, New York Times. This is a subject of importance to every citizen.

The power and size of organized crime pose a threat to the safety, to the welfare of us all. According to J. Edgar Hoover, organized crime costs $22 billion a year, a sum equal to $128 for every man, woman, and child.

There exist large interstate networks of men profiting from the proceeds of gambling, narcotics, prostitution, and corruption.

Madam President, Attorney General Robert F. Kennedy is determined to use the full powers of his office and his Department to see that these rackets are broken up. He has well said:

> If we do not on a national scale attack organized criminals with weapons and techniques as effective as their own, they will destroy us.

To assist the Attorney General in his task, we of the Senate Judiciary Committee have spent much time in recent weeks in hearings and study on his proposed revisions of the criminal code. Six of these seven proposals have now been cleared by the committee.

Madam President, it is of national importance that the menace of interstate crime be brought under control, and I applaud the work of the Attorney General and that of our own Judiciary Committee, as detailed in the Times article by Cabell Phillips.

Madam President, I ask unanimous consent that this article may be included in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. CRIME FIGHT NEARS A CLIMAX—BIG GAIN EXPECTED THROUGH TEAMWORK AND NEW LAWS

(By Cabell Phillips)

WASHINGTON, July 22.—The Kennedy administration believes it is about to make a major advance in the long and so far frustrating fight on organized crime.

Its optimism rests on two fairly substantial propositions. The first is that it has broken the longtime habit of noncooperation between a score of Federal police and investigative agencies. This enables them for the first time to focus their diverse talents and energies on the problems of fighting racketeers.

The second is that this Congress, before adjournment, will tighten the web of criminal law in which interstate crime syndicates can be snared. Six items of a seven-part package of such statutes have recently been reported out by the Senate Judiciary Committee, and final action is hoped for before Congress goes home.

One certainty about Robert F. Kennedy, when he was named Attorney General, was that he would exert himself as a crime-buster.

His history over the last 5 years as chief counsel for Senator JOHN L. MCCLELLAN'S Select Committee on Improper Activities in the Labor or Management Field, and his authorship of a best-selling book, "The Enemy Within," showed clearly his deep preoccupation with the corrosive activities and the relative immunity of the bigtime operatives in the field of interstate gambling, narcotics, prostitution, and labor rackets.

RESULT OF FIGHT

His dedication to this fight, which has been materially if subtly aided by the fact that his brother sits in the White House, has begun to pay off. An example of it materialized a few weeks ago in the indictment in New Orleans of 13 persons using an illegal telephone setup to conceal a wide-ranging gambling racket.

The significance of the case lies less in its size, however, than in the circumstances by which it was developed and broken.

The principal defendants were Benjamin and Robert Lasoff, brothers, of Cincinnati. With others, they are accused of persuading certain telephone company employees to arrange regular long-distance telephone connections that bypassed central office switchboards.

In this way, it is charged, they were able to carry on a thriving business transmitting horserace information between different parts of the country without leaving a record of their calls.

The Lasoffs' activities were detected more than a year ago by agents of the Internal Revenue Service. But the service is interested primarily in collecting delinquent taxes, not in gambling or racketeering, as such. And the taxes the Lasoffs were alleged to be evading—excise taxes on their unrecorded long-distance phone calls—were relatively small change.

Under Robert Kennedy's prodding, however, Treasury officials agreed to press on with the case. At the same time, the reluctance of the Federal Bureau of Investigation to operate in the jurisdiction of another agency was overcome, and FBI agents cooperated in the later stages of the investigation. Leads were run down at points as far distant as Miami, New York City, New Orleans, Las Vegas, and Los Angeles.

CONSPIRACY CHARGED

The indictment, which was brought by a Federal grand jury in New Orleans on June 27, charge the defendants with conspiring to obstruct the Internal Revenue Service in the collection of 10-percent excise tax on their telephone calls. At the same time, however, it has brought into the open a highly organized and ramified national network of illegal gambling operations.

The key element in the Kennedy strategy is the creation of a new unit in the Justice Department's Criminal Division. This is known as the organized crime and racketeering section and is headed by Edwyn Silberling, a former special assistant to the attorney general of New York in charge of criminal investigations in Suffolk County.

The section acts as a central clearinghouse and coordinating center for rackets investigations and prosecutions. Under a special deficiency appropriation of $135,000 it has built up a staff of 48 lawyers who devote their time exclusively to interstate rackets.

As a prelude to creating the division, however, the new Attorney General had to break down bureaucratic barriers of long standing.

For many years, it has been understood that the FBI does not meddle in what the Secret Service or the Bureau of Narcotics is doing, and vice versa.

There are 24 Federal agencies empowered in various degrees with investigative and policy authority. Partly because of statutory limitations, partly because of their specialized interests, but chiefly because of departmental jealousies, there has been in the past little cooperation among them.

INVESTIGATORS CONFER

Early in his career as Attorney General, Mr. Kennedy got together with the Secretary of the Treasury and other cabinet heads having investigating units under their jurisdiction and sought to work out a cooperative enterprise. Under the agreement, that resulted, Mr. Silberling's section has put together a master file with the name and records of some 700 known racketeers, plus a file of several thousand of their associates. Data for these records have been contributed from every intelligence agency in Government, and they are constantly replenished as new material becomes available.

"Interstate crime has a huge interlocking directorate," Mr. Silberling explained the other day. "It often happens, for example, that a minor dope pusher whom the narcotics people don't find it worth while to prosecute, is also the layoff man for a gambling syndicate who has escaped the eye of the Internal Revenue people or the FBI.

"By putting all of our information together we get a clearer picture of what these individuals are doing," he said.

In addition to the central rackets file, there are regular meetings among the heads of the various investigative agencies here in Washington and, what is more important, among their respective field agents. Whether the ancient barriers of jealousy and suspicion have been finally breached cannot be finally determined, but officials here believe that the prospects for continued cooperation are good.

It is this prospect that cheers Department officials more than the raw statistics of their accomplishments to date.

So far, the new team is able to claim partial credit for only seven convictions of racketeers and racketeering groups—partial credit for the reason that in most instances

the cases were initiated before the present administration came into office. Two similar cases have been lost through acquittal.

Meanwhile, however, three cases largely developed since Mr. Kennedy became Attorney General have been set for early trial. These involve Frank Wortman, et al., of St. Louis, and William Finnegan of Cleveland, who face tax evasion charges, and Vincent La Duca of Buffalo, who faces a charge of violation of the Taft-Hartley Act. In addition, 11 other racketeering cases are being presented to grand juries in various parts of the country.

"This is the first really concerted attack on organized racketeering, as such," Mr. Silberling said recently. "The way we are set up now, the Department of Justice can take the initiative in isolating the racketeering cases and not wait for them to be disclosed incidentally through some other form of prosecution."

It is worth noting, incidentally, that as a Senate crime investigator, Mr. Kennedy was highly critical of the Justice Department's handling of cases referred to it by the Senate Committee. In "The Enemy Within," he wrote:

"The lack of action by the Department of Justice is disappointing. Many of the cases we sent for possible prosecution lay dormant for 10 months, a year, and sometimes even longer."

The new section for investigating organized crime and rackets apparently is Mr. Kennedy's effort to correct this deficiency.

To strengthen the Department's hand in this effort, the President earlier this year asked Congress for new laws aimed at closing some of the loopholes used by interstate racketeers. As the Attorney General explained in his testimony before the House Judiciary Committee last May, the kingpins in gambling and other rackets often live impeccable lives in communities half a continent away from the scenes of their operations. And not infrequently the offenses in which they are discovered are not punishable under Federal law.

COMMITTEE CLEARS BILLS

A number of these bills have already cleared the Senate Judiciary Committee and are destined soon to go to the floor for debate. They have the following provisions:

To prohibit interstate travel in pursuit of racketeering enterprises. This would trap the couriers and payoff men who carry gambling or other illicit receipts across State lines from one crime headquarters to another.

To prohibit the use of interstate telegraph and telephone wires to transmit gambling information.

To prohibit the intimidation of witnesses in administrative investigations, such as questioning by the FBI or other similar agencies.

To amend the Fugitive Felon Act, making it possible for the FBI to arrest a fugitive charged with an offense punishable by a 1-year sentence when he flees from one State to another. At present, the law is applicable only to such acts of violence as murder, kidnapping, and burglary.

To prohibit the interstate transportation of betting paraphernalia, such as numbers slips, lottery tickets or facsimiles or plates from which they can be reproduced.

To compel the giving of testimony under certain conditions by granting immunity from prosecution for any admissions of wrongdoing thus obtained.

Another bill, to prohibit the interstate shipment of slot machines, has so far not been reported out.

"These are very important tools for us," Mr. Kennedy said the other day, "and I hope Congress will act favorably on all of them. With these and an awakened public consciousness, I think we can go a long way toward drying up the rackets in this country."

Mr. CARROLL. Madam President, I conclude by saying that I see present in the Chamber the able senior Senator from Tennessee [Mr. KEFAUVER], who has done more work in this field, in my opinion, than any other Member of this body, not only as a member of the Judiciary Committee, but as chairman of the subcommittee in the hearings which have been described, in which six of the seven proposals have been adopted. I am happy to see him present. I wish to pay my tribute to his splendid work in service to his Nation, not only along this line, but in many other lines of endeavor.

Mr. KEFAUVER. Madam President, will the Senator yield?

Mr. CARROLL. I yield.

Mr. KEFAUVER. I had not expected to ask the Senator to yield, but he has been so generous in his references to me that I must ask him to do so.

I appreciate what the Senator has said, but, frankly, after having been chairman of the crime subcommittee for about 2 years, and hearing the problems, most of which are covered by the proposed legislation to which the Senator has referred, and which are dealt with in the bills proposed by the Attorney General, it was quite discouraging for a long time that we were not able to enact some legislation to deal with the problems of organized crime, about which we all know.

There has been one difficulty after another. Some legislation has been enacted in years past which has been helpful. Some Executive orders have been effective in thwarting efforts of bigtime criminals. On some occasions proposed legislation has been passed by the Senate, only to die in the other body.

I have been encouraged to see the enthusiasm with which the Attorney General has proposed this legislation. He has pointed out that the rate of organized crime has been growing at a rapid pace every year, and the Senator from Colorado, with his subcommittee, has given us much information of the same kind. So I hope now, at long last, we are on the threshhold of passing, not only in the Senate, but in the House of Representatives, some effective measures, which are contained in the Attorney General's program.

I commend the Senator from Colorado for his study of this problem and for the work and effort his subcommittee has given toward helping the Attorney General get the program through.

Mr. CARROLL. I thank the Senator from Tennessee. I quite agree that the time has come for some action to get the bill from the Committee on the Judiciary and before the Senate for debate.

I am pleased to report that the Attorney General is speaking on this issue in city after city throughout the country. There is great need for that. The proposed legislation would deal not only with prostitution, gambling, and narcotics, but also with all types of corruption, extortion, and racketeering.

I agree with the able Senator from Tennessee that the time has come for this legislative body to strengthen the laws of this Nation which deal with crime syndicates.

DRUG INDUSTRY ANTITRUST ACT

Mr. KEFAUVER. Madam President, on July 5, 1961, the Senate Subcommittee on Antitrust and Monopoly began hearings on S. 1552, the Drug Industry Antitrust Act. At the opening of the hearings, I made a statement pointing out the need for legislation and explaining the provisions of the bill.

We have received many requests for copies of this statement. There seems to be considerable interest in it. I therefore ask unanimous consent that the statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

OPENING STATEMENT BY SENATOR ESTES KEFAUVER, OF TENNESSEE, AT LEGISLATIVE HEARINGS ON S. 1552, JULY 5, 1961

In opening these hearings on S. 1552, the Drug Industry Antitrust Act, I want to make some remarks concerning the majority findings of the Subcommittee on Antitrust and Monopoly based on the extensive investigation of the ethical drug industry and of the ways in which the major provisions of S. 1552 relate to the specific problems disclosed by that investigation. Incidentally, the term "ethical" connotes the fact that these drugs are sold only on a doctor's prescription, in contrast to proprietary or over-the-counter drugs. Our examination of this particular industry has embraced 13 volumes of hearings numbering some 8,668 pages of testimony. A vast amount of new knowledge and information concerning this field, which alone among our major industries had never been subjected to a major investigation, has been placed into the record. Witnesses have included representatives of the drug industry, government officials, eminent medical authorities, and others.

There is now available a report (S. Rept. 448) in which the majority members of the subcommittee—Senators CARROLL, HART, DODD, and myself—set forth the principal findings which we have reached in this broad-scale investigation. The same document also contains the individual views of Senators DIRKSEN, HRUSKA, and WILEY.

COSTS AND PROFITS

The principal, though not the only reason for the bill is that ethical drug prices are generally unreasonable and excessive. They are unreasonable whether compared to costs, to profits or to prices in foreign countries. With respect to costs, prednisone and prednisolone, leading drugs used by arthritic sufferers, represent a typical case in point. Under the big drug companies, brand names, such as Meticorten or Meticortelone, these products are sold to druggists for around 18 cents a tablet and the suggested price to consumers is 30 cents a tablet. Yet the cost of production for these tablets including tableting, bottling and packaging is no more than 1.5 cents per tablet. An arthritic patient will frequently remain for long periods on a dosage of about 100 of these tablets a month. Thus he pays $30 a month for his medicine, for which his druggist paid around $18 and which cost around $1.50 to produce.

As was made abundantly clear throughout the hearings, this does not mean that the difference between 1.5 cents and 18 cents consists entirely of net profits; it also includes selling and distribution costs, taxes and other indirect costs. But the subcommittee has received numerous complaints

from physicians, supported by abundant testimony in the record, to the effect that advertising and selling costs are excessive, wasteful and often misleading.

The new oral antidiabetic drugs constitute a similar case in point. The leading seller is Orinase, discovered by a German firm (Hoechst) and marketed in this country by the Upjohn Co. Those sufferers from diabetes who can substitute the oral drug for insulin injections, pay a list price of 14 cents a tablet for which the druggist pays 8 cents. The cost of production, including tableting, bottling and packaging, is only 0.7 of a cent. At three tablets a day, the typical patient must pay $150 a year for an amount of a drug which is manufactured at a total production cost of about $14.

The well-known mild tranquilizer, Miltown, sells to the public for 10.8 cents a pill, to the druggist for 6.5 cents, but costs only seven-tenths of a cent to manufacture.

Or take the case of the wide-range antibiotics—a type of product with which most parents are all too familiar. These are the drugs which cost the consumer around 50 cents a capsule and are prescribed for a wide variety of infectious diseases in adults as well as children. The largest selling product of this type, tetracycline, is sold to the druggist at around 30 cents a pill. Yet the average production cost, again including tableting, bottling, and packaging is less than 3 cents per capsule. On a single sale of this product to the U.S. Government amounting to $830,625 one company made total profits of $562,339, of which $239,135 remained after payment of all taxes. In other words, before-tax profits amounted to five-eighths of the sales value.

Since these margins above production costs are greater than in any other manufacturing industry, they make possible profit showings which can only be described as extraordinary. According to the FTC–SEC the rate of return on net worth after taxes for the drug industry in 1959 was 18.1 percent, as compared to 10.5 percent for all manufacturing. According to the First National City Bank of New York, it was 21.9 percent for 27 leading drug corporations, as compared to 11.6 percent for all manufacturing. Both sources also showed profits as a percent of sales in drugs to be about twice that of all manufacturing.

I wish to emphasize that these figures are after taxes and after all expenses, including research. The profit rates for a number of the individual drug companies are astonishing. Thus Carter Products in 1958 enjoyed a rate of return on its invested capital after taxes of 38.2 percent; at this rate it would recover its entire investment in less than 3 years. American Home Products made 33.5 percent; Smith Kline & French, 33.1; Norwich Pharmacal Co., 28.7; G. D. Searle & Co., 23.2; Sterling Drug, 22.7; Schering Corp., 21.8; Parke, Davis, 21.6; U.S. Vitamin & Pharmaceutical Corp., 20.9; and Warner-Lambert, 20.1.

With such a capacity for profitmaking, it has been inevitable that the investing community would come to look with favor on the stocks of drug companies. Since World War II the stock market quotations of drug companies have soared. Some impression of the extent of the resulting increase in values can be gained by a few examples: In 11 years the stock of American Home Products would have returned $16,480 in dividends for a $10,000 investment. In addition, the capital value of the stock, as reflected in quotations on the New York Stock Exchange, would have risen to $137,200 at the end of 1959. Such a rise represents nearly 14 times the initial investment. Between 1949 and 1959 another company, Smith Kline & French, paid in dividends more than double the initial cost; its stock appreciated over 24 times, the stock being split 18 for 1 during this 11-year period. The original investment of $10,000 at the beginning of 1949 was worth $244,000 at the end of 1959—an appreciation of $234,000 dollars—and the investor would in addition have received $20,000 in dividends.

These and similar profit showings are made by companies which manufacture products that represent the difference between sickness and health and often quite literally the difference between life and death.

While most of the leading American drug companies operate all over the world, the greater part of their unparalleled earnings come from the American consumer. This is due not only to the size of the American market, but also to the fact that drug prices are usually higher—and often considerably higher—in this country than abroad. To take just a few examples in terms of prices paid by druggists: the price in England for the arthritic drug, prednisone, is less than half that of the U.S. price. The tranquilizer, thorazine, is sold in France by Rhone-Poulenc, the company which developed it, at only 17 percent of the U.S. price charged by its American licensee, Smith Kline & French.

In England the price is one-fourth the U.S. price and in Germany only one-third. The mild tranquilizer, Equanil, is sold in Germany, England, and Austria for less than half the U.S. price. The diabetic sufferer in Germany can purchase Orinase, manufactured by the company which developed it, for less than half the price charged by the U.S. licensee. In Austria, Holland, England, and France, as well as Germany, the price is less than half of the U.S. quotation. The widely sold antibiotic, Chloromycetin, can be purchased in Iran and England for about half the U.S. figure, while tetracycline can be bought for a third less in Brazil than in the United States.

During the hearings representatives of the drug companies attributed lower prices in foreign countries to lower labor costs, but this can explain only a very small part of the difference. Where a product such as prednisolone sells in England for 7.5 cents per tablet and in the United States for 17.9 cents, and where in the United States total production costs, of which labor costs are only a small part amount to only 1.5 cents, it is difficult to see how differences in wage costs could possibly explain anything more than a slight fraction of the difference in price.

These extraordinary prices and profit showings in ethical drugs are made possible by the existence of a very tight control of the market in the hands of a few large companies. As compared to other highly centralized industries, an unusually large number of products in this field are produced in their entirety by just one company. In 27 out of 51 leading ethical drugs, there is a complete monopoly of U.S. production by one or another of 15 leading companies, and in 45 of the 51 products the entire output is accounted for by 3 or fewer of these companies.

As the committee report points out, the high level of concentration stems in turn from three principal sources: (a) The success of the drug companies in persuading physicians to write their prescriptions in terms of brand names rather than generic names; (b) intensive and costly advertising and sales efforts directed to the physician; and (c) the practice followed by this country of granting product patents on drugs. On April 12, 1961, I introduced S. 1552, the Drug Industry Antitrust Act, a bill to amend and supplement the antitrust laws with respect to the manufacture and distribution of drugs. The fundamental purpose of the bill is to bring about lower prices of drugs by infusing competition into this monopolistic industry. It would accomplish this result by doing something about each of these three sources of monopoly power which are described at length in the report.

TRADE NAMES VERSUS GENERIC NAMES

In the case of unpatented drugs (and this is an important reservation), it is usually possible for the consumer to achieve substantial savings if his physician writes out the prescription in terms of the product's generic or official name rather than in terms of a trade name of some particular company. Two examples will illustrate the magnitude of the savings that can be achieved. When sold under the trade name "Meticorten," the arthritic drug, prednisone, retails at a list price of approximately 30 cents a tablet. But today when the physician writes out the prescription in terms of the generic name, prednisone can be purchased from drugstores in Washington, D.C., for less than 4 cents a tablet. Similarly, potassium penicillin G tablets are sold by Merck and the Squibb Division of Olin-Mathieson to the druggist at $12 per hundred; this product is sold to druggists by one small company at a price of $2.95 and by another at $3.30 per hundred. Other smaller firms quote prices in the area of $4 or $5. If the prescription is written in terms of the generic name, the druggist is able to supply the consumer with the lower-priced products of the smaller companies.

In view of the possibility of securing such savings for their patients, why is it that the great majority of physicians write out their prescriptions in terms of trade names? Fundamentally there are two reasons: First, the drug companies have been remarkably successful in persuading the physicians that, if they were to prescribe in terms of generic names, their patients might receive drugs of inferior or even harmful quality; and, second, the drug companies have made it difficult for the physicians to use generic names, even if they wish to do so, by coining long, complex, unpronounceable generic names which it is difficult, if not impossible, for physicians to remember and spell. As if this were not enough, the drug companies have, on occasion, come up with several generic names for the same product, or alternatively have designated no generic name whatever.

With respect to the quality issue, there is very little in the way of solid evidence to prove that drugs offered by small companies under generic names are generally inferior in any significant degree to those of the large enterprises. For example, Mr. O. K. Grettenberger, director of drugs and drug stores of the State of Michigan, testified that on the basis of 11 years of experience:

"Within the State of Michigan I have yet to find an inferior drug product, as far as generic basic medicinal substance is concerned within tolerance, as labeled, of any yet analyzed. Our analytical work has been done by the Michigan State Department of Agriculture in East Lansing, Mich. I am afraid that the pharmaceutical industry has overly frightened the pharmacists by implying that everything that is not a brand name is of a poor quality."

There are good reasons for assuming that Mr. Grettenberger's experience is not unusual. After all, prescription drugs must meet the exacting requirements of safety, purity, quality, etc., as prescribed by the Food and Drug Administration under the law. Failure to comply with these standards is a criminal offense. Nonetheless many physicians have feared that because of inadequacies of funds and staff the Food and Drug Administration under present law is not able to do an adequate job of enforcement, and that consequently, unless they prescribe by trade names, there is a real and present danger that their patients may receive a drug of inferior quality.

In two specific ways the bill seeks to eliminate whatever grounds there may be for this widely held apprehension. In the first place,

it provides for Federal licensing of all drug manufacturing companies. No drugs can be marketed unless the producer has an unsuspended and unrevoked license. No license is to be granted unless the company meets standards established by the Secretary of Health, Education, and Welfare as necessary to ensure the continued chemical structure, strength, quality, purity, safety, and efficacy of the drugs. The license can be suspended or revoked if the Secretary of HEW finds that the firm is not qualified to make the drugs for which he has received the license or has adulterated or misbranded them. These same provisions also apply to imports of foreign drugs.

To implement these licensing provisions the bill gives to the Secretary of HEW further powers to enter and inspect any drug establishment. Incidentally, the powers to be granted here are the same as those requested by the Food and Drug Administration in 1952 but not sought, for some unkown reason, since that time.

These provisions put real teeth into the Food and Drug Act. By realizing that any firm which produces inferior drugs can have its license to do business suspended or revoked, the physician should gain assurance that any drug sold in the country, whether produced at home or abroad, whether made by large companies or small companies, and whether marketed under a brand name or a generic name, is of adequate and acceptable quality.

With respect to the problem of unpronounceable, duplicate and nonexistent generic names, it must be recognized that at present no one has any real authority to compel a change in generic names which are originated by the drug companies. The council on drugs of the American Medical Association, the Pharmacopoeia of this and other countries may make recommendations for changes in the generic name, but the drug companies are not compelled to accept them, and in fact generally do not do so. To meet this problem the bill places upon the Secretary of Health, Education, and Welfare the responsibility of establishing the generic or official names of drugs. The tests to be used are those of usefulness and simplicity. The power is retroactive in that the Secretary can cause review to be made of generic names in effect at any time and determine whether revision of any of the names is necessary or desirable in the interest of usefulness and simplicity. When he finds that a generic name is unduly complex or is not useful, he may designate another name to be used in its place. The bill provides that every drug shall have a generic name but that there shall not be more than one generic name for any drug. To assist physicians, the Secretary is directed to publish a list of all revised generic names and such other matters as he deems necessary for the effective use of those drug names. Also on all labeling (which includes advertising material mailed directly to the physician) the generic name must be printed in type as large and as prominent as that used for any brand name appearing on the label.

The Secretary of HEW is thus equipped to devise generic names which the physician can remember, pronounce, spell, and write on his prescriptions. If the generic names themselves are useful and simple and if physicians realize that by virtue of the licensing and added inspection powers all drugs sold are of adequate and acceptable quality, the bases should be established for a substantive increase in the writing of prescriptions in terms of generic names. For those drugs which are not subject to patent monopolies, the result should be dramatic savings to the consuming public.

ADVERTISING AND PROMOTION

Advertising and promotion, as carried on by the drug industry, has come to be an important source of monopoly power in that the amounts spent by the major companies have reached such proportions as to be far beyond the resources of their smaller competitors. According to Mr. Seymour Blackman, of Premo Pharmaceutical Laboratories, the principal problem faced by the small drug manufacturer is the difficulty of competing in the face of the tremendous amounts spent by the large drug companies on advertising and promotion:

"As this investigation proceeds, it will become evident to you that the only real competition that we have in our field is the tremendous competition for the eye and ear of the physician, how many pages of advertising we can put out, how many samples we can distribute, how many detail men we can put in the field. These, and these alone, govern the ultimate acceptance of the product" (hearings, pt. 14, pp. 8205–8206).

For the entire industry, promotion expenses run around $750 million a year, or nearly four times the $200 million available in 1957 to all medical schools in the United States for their educational programs. For the 22 largest drug companies, approximately 24 cents of every sales dollar is expended for promotion, or, roughly, four times the amount spent on research. That promotional expenditures have reached such proportions in this industry is particularly surprising, in view of the fact that the most expensive media normally used for advertising—television, newspapers, and magazines—are not employed in the regular course of prescription-drug advertising. In this industry there is a separation of the buyer from the orderer. The former, namely, the patient, pays the bill, but the latter, the physician, places the order. And it is, therefore, to the physician that this vast expenditure of advertising resources is directed. Three principal media are used—visits by salesmen, known in this industry as detail men; advertisements in medical journals; and direct-mail advertisements, sent to the physician's office.

So important is the first of these media that from one out of five to one out of eight of all employees of major drug companies is a detail man. So much money is spent in sending advertising literature to the physician's office that he is literally inundated. According to the testimony of Dr. James E. Bower before our subcommittee,

"It would take 2 railroad mailcars, 110 large mailtrucks, and 800 postmen to deliver the daily load of drug circulars and samples to doctors if mailed to one single city. Then after being delivered, it would take over 25 trash trucks to haul it away, to be burned on a dump pile whose blaze would be seen for 50 miles around.

"All told nearly 60 pharmaceutical houses were represented in the grand total of circulars and samples that began to pile up in my office in both the 1957 and 1959 survey. In a single day these varied from 1 to 28 pieces with a daily average of 10.5. (The average in 1957 was 9.1 pieces as shown in table 1.) This means that the estimated 150,000 doctors all over the country were receiving daily over 1.5 million pieces of mail.

* * * * *

"What purpose does it accomplish for the drug manufacturer or for the doctor? Does a doctor, who has a professional education, require so much repetition to get across to him the idea of a new drug, or push an old one? And do the drug firms have the right to take up so much of a doctor's time or his tax money—and that of other taxpayers—by burdening the post office to deliver circulars at a reduced rate?" (hearings, pt. 18, p. 10453–4).

But above and beyond the quantity of this advertising and promotional material, there is the further and more serious question of its quality. It is indeed a serious question because if the physician is misled, the public health is endangered. It was therefore most dismaying to learn from medical authorities that this advertising is often misleading and sometimes downright false. For 3 years one medical college has included in its course work for second-year students an evaluation of drug advertising. According to Dr. Solomon Garb who conducted the course, "In all 3 years it was found that the majority of the mailed ads were unreliable to the extent that a physician trusting them could be seriously misled." Part IV of the report contains excerpts of testimony from eminent medical authorities criticizing the quality of drug company advertising and giving specific examples of misleading claims.

Concerning their new arthritic drug, Merck informed physicians in an advertisement that "no worrisome side effects attributable to [it] have occurred as yet." During the hearings I asked the company's medical director, "Is that statement true?" He replied, "As of today I would say it is not true" (hearings, pt. 14, p. 8185). Pfizer, in introducing its new antidiabetic drug, withheld from the medical profession a report addressed to the president by its own medical officer who was in charge of clinical testing of the product. His summary report showed that of a total of nearly 2,000 clinical cases tabulated, no fewer than 27 percent reported one or more side effects. These side effects included not only minor irritations but adverse effects upon the central nervous system, serious skin disorders, and jaundice. Although this information was in the possession of the company, the original package insert first sent out in 1958 began with the statement "side effects are generally of a transient and nonserious character" (hearings, pt. 20, pp. 11296, 11344, 11370).

The subcommittee has received hundreds of letters from physicians from all parts of the country denouncing the flood of advertising with which they are inundated. Many report that they destroy the direct-mail advertising immediately upon arrival, denouncing these advertising claims as extreme and unsupported. The testimony of Dr. Harry F. Dowling, head of the department of medicine, College of Medicine, University of Illinois, aptly summarizes the lines of thought expressed in these communications:

"One especial source of confusion for the practicing physician is printed advertising that comes to him by direct mail or in medical journals. In this present era when truly new drugs are appearing with rapidity and causing revolutionary changes in the practice of medicine, the physician needs facts most of all. Because misinformation and mistakes about drugs can affect health and life, advertising of drugs cannot be allowed to fall to the level of other advertising. Advertising of drugs should be informative. Above all, it should not be misleading. Misleading advertising by one company not only causes doctors to make mistakes in using their drugs; it also affects other pharmaceutical companies adversely (1) because it destroys the confidence of the physician in the industry as a whole, and (2) because competitive advertisements may tempt another company to make its own advertising a little more blatant, a little more suggestive than it would otherwise be, thus making this competing company's advertising misleading also" (hearings, pt. 24, p. 14172).

The attempt in this bill to prevent physicians from being misled about the therapeutic properties and dangerous consequences of drugs surely cannot be interpreted as an attack upon advertising in general. In their appearance before the subcommittee, physicians repeatedly emphasized that today the busy doctor has little time in which to make his own evaluation of a new drug based upon his own analysis of the scientific literature. They stated that it is utterly impossible for the practicing physi-

cian to keep up with the medical literature on the flood of new drugs, particularly those outside his specialty. Under these circumstances it is inevitable that the massive amounts of advertising and promotional activity to which the physician is subjected have a very definite effect, and this in fact is demonstrated in the evidence developed in our hearings. In the words of Mr. William Bean, of the School of Medicine, Iowa State University:

"Advertising by mail must be effective, or it would not be so prevalent. The sample for the physician's personal use or for some handy patient works on the principle that a pill in the hand will be put into somebody's mouth. As a method of practice, it appeals to the lazy or hurried and harried physician. But it is the practice of expediency, not of mature thought. One never knows when the mail will bring a pillow and a pill for peace of mind. Samples may provide an alarming toy for children playing at doctor or for those who are still curious. The drug sample is a poor substitute for thought in the practice of medicine" (hearings, pt. 18, p. 10336).

Against the background of this rather serious problem, the provisions of the bill are relatively mild in character. It would require the Food and Drug Administration to determine whether or not a new drug is efficacious. Today the FDA is limited to a determination of safety. In other words, a drug which has no therapeutic effect but which is not harmful can be marketed; under the bill it could be marketed only if in addition to being safe it can be shown to be efficacious. In addition, the bill would require all advertisements and other printed material issued by the manufacturer to include "a warning approved by the Secretary of Health, Education, and Welfare as to any dangerous or harmful effects, and a full and correct statement of the drug's efficacy."

The bill would also require manufacturers to send to all physicians a copy of what is referred to as the package insert. This is the brochure containing information on dosage, usefulness, side effects, etc., which must be approved by the Food and Drug Administration for all new drugs. It is the one document in which the information contained about the drug has been approved by the FDA.

The reason for a requirement in the bill that these package inserts be sent to physicians arises from the curious fact that this is not now being done. In order to send out their vast quantities of advertising, the drug companies use mailing lists of physicians, broken down in detail by specialty, by geographic area, etc. For some unknown reason they have not seen fit to use these same mailing lists to regularly send to physicians copies of the one Government-approved document which sets forth the bad as well as the good points about a new drug. In the past the FDA has never required them to do so. In the absence of such a requirement, the package inserts for the most part go to the pharmacist, to whom they may be of some interest and who may on occasion pass along some of the information to a physician. But since the pharmacist, of course, cannot alter the prescription, the package inserts tend to end up in the waste-paper basket. In any event, it is obvious that the recipient of the Government-approved information should be the man who writes the prescription. In addition to requiring the manufacturers to send the brochures to physicians, the bill directs the Secretary of HEW to publish their contents in convenient and readable form and distribute them to doctors, hospitals, and others concerned with the handling and utilization of drugs.

Finally, to help physicians identify those drugs for which they should be particularly on guard, the bill requires the Secretary of HEW to publish and distribute to physicians annually, and at such other times as he deems desirable, a list of drugs which have the potentiality of particularly serious, dangerous or harmful effects as he may consider in the interest of public health.

The advertising profession is noted for its extreme sensitivity to criticism on proposed restraints of any kind. Although what we are dealing with here is indeed a serious problem, there is in these proposals nothing in the way of censorship or Government control of advertising content. There are merely requirements that a drug to be sold must be efficacious as well as safe; that advertising and promotional material contain information about a drug's efficacy and safety; that the package inserts, which have long been regularly prepared for approval by the Food and Drug Administration, be regularly sent to those for whom they would have primary value, namely the physicians; and that drugs with particularly dangerous side effects be flagged to permit quick and ready identification. If the drug companies and the drug advertising agencies permit themselves to be outraged by these very modest proposals, I submit that they have lost all touch with reality.

PATENT MONOPOLIES

The most controversial part of S. 1552 will certainly consist of the provisions dealing with patents. Obviously, no legislator wishes to jeopardize other parts of a bill by including therein a highly controversial provision unless he feels that he absolutely must do so. Such is the position in which I find myself. While some savings would occur for nonpatented drugs by the greater use of generic name prescribing, the hard fact remains that the leading products in most of the major categories of ethical drugs—steroid hormones, tranquilizers, sulfa drugs, oral antidiabetics, and broad-spectrum antibiotics—are protected by patents. Where the drug is patented and the patentholder licenses none or only a very few other firms, the price tends to be the same whether the prescription is written in terms of its generic name or its trade name. For example, the buyer will pay the same price for Parke, Davis' antibiotic regardless of whether the physician writes out the prescription for Chloromycetin, the trade name, or chloramphenical, the generic name. Therefore, if any real progress is to be made in reducing the exorbitant prices of ethical drugs, there is no way of avoiding the necessity of facing up to this thorny problem of patents.

There is a widely held and quite mistaken view that the present provisions of the patent law, under which exclusive rights are granted for 17 years, are contained in the Constitution itself. Yet nowhere in the Constitution is the word "patent" used. Article 1, section 8, merely provides "the Congress shall have power * * * to promote the progress of science and the useful arts by securing for limited times to authors and inventors the exclusive rights to their respective writings and discoveries."

The exclusive right referred to is left to be defined by Congress and is subject to redefinition by Congress. Indeed the most prominent inventors among our Founding Fathers, Benjamin Franklin and Thomas Jefferson, were opposed to patents—an attitude shared, though many years ago, by some of the founders of today's giant drug companies.

It is also not generally known that most countries of the world do not grant product patents on drugs. Process patents, that is, patents on methods and processes of producing drugs are granted. But on the product itself, 49 out of 77 countries for which information has been obtained do not award patents in the pharmaceutical field. Of the 17 foreign countries for which usable price information was obtained for the subcommittee by the Department of State, 11 do not grant patents on pharmaceutical products, while only 6 do. Most of these six have either compulsory licensing provisions or price control on drugs or both. The United States is the only major economic power which grants product patents on drugs without imposing any of these limitations or safeguards to the public welfare.

The practice followed by most other countries of making drugs an exception to their patent laws is based upon the simple moral belief that no one should have the right to withhold from the public products which are vital to the health of mankind. No one, it has been felt, should make a monopoly profit on the sale of such products.

Any suggestion of limiting the patent grant on drugs will be immediately denounced on the grounds that it would dry up research and thus prevent the development of new drugs. Yet it is a curious fact that the great fountainhead of drug discovery, Germany, does not now and never has granted product patents on drugs. Other countries which have historically followed the same policy and have been outstanding in the development of drugs include France, Switzerland, and Sweden. In a tabulation of important drug discoveries included in the report, it is revealed that drugs discovered in foreign countries without product patents outnumber those discovered in countries with such protection in the order of 10 to 1.

U.S. discoveries are outstanding in steroid hormones and in antibiotics. But according to the Pharmaceutical Manufacturers Association, prednisone, the most widely used steroid hormone in recent years, was invented by a Mexican firm. While the American companies have made important discoveries in the field of antibiotics, these contributions are all based fundamentally upon the original discovery of penicillin in 1929 by Sir Alexander Fleming and on the investigative work carried on at Oxford University and English hospitals a few years later. Moreover, the work of American companies in this area was greatly aided by substantial grants from the Federal Government during the war and by important scientific discoveries made by the Northern Regional Research Laboratory of the U.S. Department of Agriculture in Peoria, Ill.

As might well be anticipated, prices for individual drug products are higher for countries with than for those without product patents. This was found to be true for each of 12 individual products for which such comparisons could be made. A particularly interesting comparison involves products discovered by foreign firms. Here, the price of the inventing company in its home country is contrasted with the price of the American licensee in the United States. Although the American firm was not the one which made the discovery, its price in the United States ranged from two to eight times the price charged by the inventing company in its own country.

I wish to stress again that these observations should not be regarded as an attack upon the patent system as such. But we are confronted with a situation in which prices of this critical industry are extraordinarily high and frequently outrageous, in which there is little possibility of obtaining any widespread reductions in these excessive prices without imposing limitations upon the patent grant, and in which from the evidence of other countries the discovery of new drugs can and does proceed without the benefit of any patent protection whatever. To those who are concerned that a limitation on the patent grant in this industry would spread to other fields, may I state that this has not happened in other countries, and there is no reason to assume that it would take place here.

Repeatedly in the drug trade press I have seen my proposals on patents described as a simple curtailment of the duration of the patent grant from 17 to 3 years. This is a distortion. What I am proposing is that the grant still be for 17 years, during the first 3 of which the patent-holder shall have exclusive rights, but that for the remaining 14 he shall be required to license qualified applicants upon the payment of a royalty of up to 8 percent on the licensee's sales. A qualified applicant is one who holds a license from the Secretary of Health, Education, and Welfare to manufacture the drug.

By specifying precisely the qualifications of the licensee and the size of the royalty, years of litigation before the courts will be avoided in establishing who is a qualified applicant and what is a reasonable royalty.

It is true that the requirement to license others will reduce somewhat the profits of the patent holder. But as I have pointed out earlier, there is ample room for a reduction in those profits without impairing what would be regarded as a reasonable return on investment. Moreover, the receipt of 8 percent on sales from the licensee is a not inconsiderable return, particularly since such income can be received without the necessity of making any expenditures for production and distribution. With a few exceptions, the royalty rate of 8 percent is higher than that found in patent license agreements examined by the subcommittee in the course of its investigation. There is also the possibility that with additional firms selling the product, new uses may be developed which would result in greater sales than if the product had not been licensed. As compared to the practice followed by most other countries of refusing to grant patents on pharmaceutical products at all, or of coupling such a grant with Government price control, this is a rather modest proposal. It is the best way I can conceive of bringing down the prices of ethical drugs through the force of competition while at the same time assuring a more than reasonable return on their investment to the patent-owning companies.

The other principal provision concerning patents has to do with what are referred to as molecular modifications and drug combinations. During the hearings physicians objected to the constant introduction of allegedly new drugs through molecular manipulation or the combining of existing drugs. Since the drug companies are usually able to secure patents on these slight modifications or combinations, they can afford to launch them with blitz campaigns as important new drug discoveries. In Dr. Bean's words, they can make "a quick kill with the quick pill," before physicians are able to discover that the new wonder drug is nothing more than this year's model of the same old products. In the words of Dr. A. Dale Console, formerly medical director of Squibb:

"The problem arises out of the fact that they [the drug companies] market so many of their failures. Between these failures which are presented as new drugs and the useless modifications of old drugs, the addition of zinc to vitamins is a good example, most of the research results in a treadmill which moves at a rapid pace but goes nowhere. Since so much depends on novelty, drugs change like women's hemlines and rapid obsolescence is simply a sign of motion, not progress as the apologists would have us believe.

* * * * *

"I doubt that there are many other industries in which research is so free of risks. Most must depend on selling only their successes. If an automobile does not have a motor no amount of advertising can make it appear to have one. On the other hand, with a little luck, proper timing, and a good promotion program a bag of asafetida with a unique chemical side chain can be made to look like a wonder drug. The illusion may not last, but it frequently lasts long enough. By the time the doctor learns what the company knew at the beginning, it has two new products to take the place of the old one" (hearings, pt. 18, pp. 10372–10373).

To cut down on this flow of manipulated molecules and useless combinations, the bill provides that a molecular or other modification of an existing drug or combination of two or more existing drugs is not patentable unless the Secretary of Health, Education, and Welfare has determined that the therapeutic effect is significantly greater than before the modification or combination. This, in effect, transfers the initial determination of therapeutic effect for these types of drugs from the Patent Office to the Department of Health, Education, and Welfare. The reason is simply that the Department, which embraces not only the Food and Drug Administration but the National Institutes of Health and the U.S. Public Health Service, has vastly more knowledge and resources to make such a determination than the overburdened examiner in the Patent Office. A precedent for this arrangement exists in the treatment of patents for plants, on which no patent can be issued without a prior determination on the part of the Department of Agriculture, which in this field is far better equipped than the Patent Office to determine what constitutes a significant improvement.

Finally, the bill would make certain types of contracts and agreements unlawful per se under the Sherman Act. It frequently happens that different companies hit on the same discovery at about the same time. In such cases they customarily file patent applications, all laying claim to the same invention. A determination must then be made as to which is the true inventor. To do this, the Patent Office employs the procedure of declaring an interference, which in essence is an administrative hearing on the claims of the various parties. Increasingly in such cases the function of determining priority has been transferred from the Government to the private parties through the device of the private settlement of interference actions.

The procedure is for the applicants to enter into an agreement as to which is entitled to receipt of the patent. Once this is done, the others immediately withdraw their applications and the interference proceeding is automatically ended. The patent is issued to the remaining applicant, and in exchange for withdrawing their applications the other parties become licensees. Usually these agreements contain restrictive provisions prohibiting them from selling to outside parties, prohibiting sales in bulk form, etc. And usually the company receiving the patent and all of the licensees just happen to put their products on the market at exactly the same price.

To meet these problems, S. 1552 provides that any contract, combination or conspiracy concerning drugs violates the Sherman Act if any party to a restrictive agreement agrees to (1) withdraw or cause to be withdrawn any pending patent application; (2) concede to another patent applicant priority of invention; and (3) not grant or cause another not to grant any patent license. I wish to emphasize that what is prohibited are practices engaged in pursuit to a restrictive agreement, since the bill is in no way intended to interfere with bona fide sales.

CONCLUSION

What we are confronted with in the ethical drug industry is the existence of prices which by any test and under any standard are excessive. A corollary problem is the danger to the public health arising from the dissemination to physicians of advertisements which are false or misleading in their claims and less than candid in their warnings. Confronted with a situation of this type, there are two different conceptual approaches to the devising of appropriate remedies. One is the approach of direct governmental controls. Thus there have been proposals that the drug industry be made a public utility and be placed under direct governmental price control. There have been proposals that all advertising to physicians be screened and approved by the Government before distribution to physicians. There have been proposals that all prescriptions be written in terms of generic names. None of these proposals has been incorporated in S. 1552.

They have been rejected because the bill rests upon the alternative approach to the problem. This is the approach of securing relief from a monopolistic industry by infusing therein the force of price competition. Prices are to be brought down, not by governmental fiat but by the rivalry of competing producers in the market. To make this competition fair as well as effective, certain safeguards and limitations are provided for. These safeguards will also have the corollary effect of improving the quality and reducing the quantity of information distributed to the physician. This is the traditional American approach to the problem of monopoly, and it is one which I think is particularly well suited to the drug industry.

While I cannot predict whether in fact this bill will completely solve all of the problems to which it is directed, I know that unless this measure or something closely resembling it is adopted, the American people, whose patience with price gouging in drugs is wearing thin, will demand that their Government adopt the tougher approach of direct governmental controls. And I have no doubt but that the drug companies would find such direct controls far more repugnant than the relatively moderate measures contained in S. 1552. The present situation in which the United States alone among the major powers grants monopolies on products which spell the difference between life and death, without at the same time providing for any protections to the public interest, will not long continue.

Mr. KEFAUVER. Madam President, since the opening of the hearings, excellent editorials in two of New York's finest newspapers have appeared on this subject. One is from the New York Herald Tribune, of July 7, 1961, the other from the New York Times, of July 24, 1961. I ask unanimous consent that they be printed at this point in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune, July 7, 1961]

THE AMA POSES A PROBLEM: HOW SHOULD DRUGS BE CONTROLLED?

The American Medical Association, in its zeal to preserve the freedom of the profession it represents—a goal that is most important to the maintenance of the present high standards of medical care in this country—has created a situation that poses a grave problem for laymen, whether legislators or ordinary citizens.

When questions arise concerning relations between the Government and the physicians, it is often difficult to be sure that the AMA is not allowing zeal to outrun discretion. This is certainly true in respect to Senator KEFAUVER's bill for the further regulation of drugs.

The Senator, of course, has often allowed his own zeal for his own causes to outrun discretion. His sponsorship of a bill is by no means a sound reason for accepting it. But in attacking its regulatory features and

insisting that the medical profession should be the sole watchdog over the efficacy and potential side effects of new drugs, a spokesman for the AMA has used arguments that would have applied almost equally forcibly to the original Pure Food and Drugs Act half a century ago.

The country—and the medical profession—has accepted with gratitude the work of the Federal Government in regulating the purity, initial safety and labeling of drugs. No responsible person wants to return to the days when a pitchman could mix a little alcohol, some coloring material and a lot of water and sell the brew as a cure for everything from hangnails to cancer.

The question is whether the present regulatory system, plus the efforts of the AMA and the profession generally, can insure the American public against subtler dangers in the distribution of drugs.

Mr. KEFAUVER insists that drugs cost too much, sometimes produce side effects that are not made known by the seller and vary considerably in their ability to combat disease.

The AMA contends that it is up to the doctors to find out these things and guard their patients against them; that blanket rulings from Washington may bar useful drugs because they are held to be less effective in some cases.

On the technical side, it is hard for the layman to judge a matter of this kind. He is aware that in one recent case—the use of injected versus oral vaccine against polio—the AMA managed to confuse the issue to no one's advantage.

He is also aware that the anxiety of the AMA to avert socialized medicine has led that organization to view almost every activity of Government with suspicion. Consequently—and this may have very serious results in the future—he wonders whether he can accept the association's judgment in a realm where informed and objective judgment is badly needed.

[From the New York Times, July 24, 1961]

TIGHTER DRUG CONTROL

The objections raised by the American Medical Association to Senator KEFAUVER's bill for more Federal testing of new drugs have been challenged by two members of the AMA's own council on drugs. Their testimony and that of other distinguished physicians and pharmacologists before the Senate Antitrust Subcommittee cast doubt on the adequacy of organized medicine's prescription for safeguarding the public without an extension of governmental activity in the pharmaceutical field.

The basic position of the American Medical Association is that it is better to have each individual physician pass on the efficacy of new drugs than to make a Government agency the watchdog over whether drugs do what they are supposed to do and whether harmful side effects accompany their use. The association contends that the broadened information program it expects to have operating by 1963 will give physicians all the technical guidance they need to make accurate judgments.

The AMA is justly proud of the leading role it played more than a half-century ago in the enactment of the first Federal pure food and drug law. Since then it has frequently argued for plugging loopholes in the interest of greater health protection. Perhaps the criticisms put forward by its own specialists will convince the AMA that it ought once again stand for tighter drug regulation. Otherwise, it will be hard to escape a suspicion that its fears of socialized medicine are driving the association into an area of blanket resistance to any new Government moves for better health.

We recognize that too much bureaucracy may have a deadening effect on pharmaceutical progress; but it is difficult to believe that the average practitioner can possess the resources to evaluate the scores of new drug products that come from the laboratories each year.

AGRICULTURAL ACT OF 1961

The Senate resumed the consideration of the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes.

Mr. KEFAUVER. Madam President, previous to today I sent to the desk amendments to strike out or to amend sections 401 (b) and (c) of the Agricultural Act of 1961, which is now the pending business of the Senate.

In connection with these provisions I have read a very scholarly, well prepared, excellent analysis of the harmful effects, antitrustwise, of these two provisions, written by Representative EMANUEL CELLER, chairman of the Committee of the Judiciary and chairman of the Antitrust and Monopoly Subcommittee of the House of Representatives, to Representative HAROLD COOLEY, chairman of the Committee on Agriculture of the House of Representatives.

The arguments made in this letter should be considered by the Members of the Senate in their consideration of sections 401 (b) and (c) of the pending bill. With the permission of Representative CELLER, I ask unanimous consent to have the letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 14, 1961.

Hon. HAROLD D. COOLEY,
Chairman, Agriculture Committee,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: I am deeply concerned about a provision of H.R. 6400, the omnibus farm bill, which is pending before your distinguished committee. This provision, section 401(b), would unnecessarily and unjustifiably carve out a broad and unprecedented area of immunity from the antitrust laws and be exceedingly damaging to the consumer interest. For similar reasons I am equally concerned about proposals to modify section 401(c) of the bill, dealing with mergers and acquisitions by agricultural cooperatives.

Section 401(b), while short and deceptively simple, actually would grant sweeping and unjustified antitrust exemptions for two or more agricultural cooperatives to conspire to fix prices, divide territories, boycott third persons, and otherwise restrain trade. It would give to groups of cooperatives an exemption from the antitrust laws not permitted any other form of business enterprise.

Section 6 of the Clayton Act as amended by the Capper-Volstead Act was adopted by the Congress to allow farmers to act together in a cooperative association without the association as such being held to be an illegal combination in restraint of trade under the antitrust laws as it otherwise might have been. Thus, "the full effect of section 6 is that a group of farmers acting together as a single entity in an association cannot be restrained from lawfully carrying out the legitimate objects thereof but the section cannot support the contention that it gives such an entity full freedom to engage in predatory trade practices at will" (*Maryland and Virginia Milk Producers Association, Inc.* v. *United States* (362 U.S. 458)). In short, the objective of this legislation with which I entirely agree has been to permit a farmer to join with others sharing live interests in a cooperative association to market his products jointly with his neighbors. The cooperative association of agricultural producers was to stand, so far as the antitrust laws were concerned, on the same footing as a business corporation, and was to be subject to the antitrust laws to the same extent and in the same manner as a business corporation was subject to those laws. However, it has always been perfectly clear that the cooperative itself, like the business corporation, must conduct its activities within the bounds prescribed by the Sherman Act.

This status of agricultural cooperatives with regard to the antitrust laws would be radically changed by section 401(b). Instead of remedying any disadvantage which individual producers may have suffered, and instead of giving the farmer and his association equality with business entities, this bill would place agricultural cooperatives in a preferred position. It would give to such cooperatives as distinct from farmers an economic advantage over competitors not available to any other business segment of the economy.

The Sherman Act was designed to be a comprehensive charter of economic liberty aimed at preserving free and unfettered competition as the rule of trade. It rests on the premise that the unrestrained interaction of competitive forces will yield the best allocation of our economic resources, the lowest prices, the highest quality and the greatest material progress, while at the same time providing an environment conducive to the preservation of our democratic political and social institutions.

Section 401(b) would frustrate this basic purpose of the antitrust laws on which our free enterprise system is based by sanctioning concerted activities of farm cooperatives which now would constitute per se violations of the antitrust laws. For example, the section would sanction conspiracies between farm cooperatives to fix prices, to divide territories, to allocate markets, to boycott third persons, and otherwise to restrain trade. Such broad erosion of the antitrust fabric not only is unjustified, it would serve as an unfortunate precedent for similar demands for special antitrust exemption by other types of business enterprises.

Agricultural cooperatives perform vitally needed services in our Nation. It is in the public interest that they have prospered. But it is detrimental to the public interest that they be accorded special and sweeping exemption from the antitrust statutes, the basic laws of trade for the Nation.

It has also come to my attention that proposals are being advanced for amending the provisions of section 401(c) to give the Secretary of Agriculture authority to approve mergers and acquisitions by agricultural cooperatives. All of the proposals of which I am aware would do violence to traditional antitrust principles and to the concept of equality of competitive opportunity and equality of regulation for all business units similarly situated. In the first place, these proposals seem intended to interfere with the longstanding jurisdiction of the Attorney General and the Federal courts to deal with acquisitions and mergers which may substantially lessen competition or tend to create a monopoly. The only justification asserted in support of this impairment of the historic functions of the Attorney General is the alleged "threat" to cooperatives posed by the ruling of the Supreme Court

in *Maryland and Virginia Milk Producers Association* v. *United States* (362 U.S. 458 (1960)). There the Supreme Court held that an acquisition of a dairy by a cooperative which increased the cooperative's share of the market from 85 to 95 percent and which the evidence disclosed was entered into "with the intent and purpose of restraining trade" was a violation of both the Celler-Kefauver Antimerger Act and of the Sherman Act.

No responsible cooperative official to my knowledge defends the acts of the cooperative in the Maryland and Virginia case. Indeed, it is generally admitted that the Government's case against that cooperative was fully justified. But this single prosecution is said to pose a "threat" to all cooperative mergers and acquisitions. This simply is not true and the record does not support such contention. In the entire period since the 1950 Celler-Kefauver amendment to section 7 of the Clayton Act, the Attorney General has instituted one antimerger case against a cooperative, although there have been hundreds of mergers and acquisitions by cooperatives in this period. I am informed that of all the acquisitions and mergers which took place in this country in 1960, the Department of Justice screened approximately 1,200 which on their face raised a question. Of these, only a handful involved cooperatives. In short, most cooperative acquisitions and mergers probably do not raise antitrust questions. The relatively few that do should be judged by the same antitrust yardstick which applies to those with whom the cooperatives compete. This, of course, is the second reason why placing cooperative mergers and acquisitions under different rules and different procedures seems ill-advised.

I have been informed that certain cooperative spokesmen have represented that transferring authority to pass upon cooperative mergers and acquisitions to the Secretary of Agriculture is analogous to the jurisdiction conferred upon various Government agencies charged with supervision of regulated industries. Such analogy overlooks several essential distinctions. First, in the regulated industries entry is controlled, terms and frequency of service are prescribed, and prices are subject to Government regulation. The marketing of agricultural products, however, is for the most part wholly free of Government regulation.

The great mass of transactions in the marketing of agricultural products, on the part of cooperatives and noncooperative businesses alike, are subject to the basic policy of competition under the antitrust laws rather than to direct Government regulation. The second important distinction is that where Congress has given authority to administrative agencies to pass upon mergers and acquisitions by firms under their regulation, such legislation has applied the same standards to all persons engaged in the affected business and has placed all such persons under the same enforcement agency.

The current proposals would, on the other hand, prescribe an exceedingly liberal standard for cooperative mergers and acquisitions as compared with similar noncooperative transactions. This would result in the following anomaly. An ordinary business concern engaged in the same business in direct competition with an agricultural association would be subject to Celler-Kefauver Act standards when it seeks to acquire a distribution outlet. Were a cooperative to seek to acquire the same facilities, however, it would be judged by entirely different standards. Furthermore, the acquisition by the cooperative would be judged by an officer required by law to favor the growth of such associations whereas the same acquisition by its competitor would be judged in the impartiality of the Federal courts which are required by law to apply the Celler-Kefauver Act standards. This potential result, it seems to me, highlights the very substantial and unwarranted privilege which the various current proposals would confer upon cooperatives.

Note also must be made as to how ineffectual will be the safeguards of the public interest contained in the various proposals which have been advanced. These proposals almost uniformly would bar or open to challenge only those cooperative acquisitions which unduly enhance prices. This approach disregards the completely unfair and anticompetitive results, aside from price effects, which so frequently stem from mergers and acquisitions. Loss of markets and outlets, an undue reduction in the number of competing enterprises, establishment of relationships between buyers and sellers which deprive their rivals of a fair opportunity to compete—these and other results of a merger or acquisition may in a given instance be far more significant than a change in price relationships which may occur at some subsequent date. Indeed, under the proposals I have seen cooperatives themselves, particularly the small associations, would be afforded no protection against the loss of markets which might result from acquisitions by competing larger and dominant cooperatives.

It is clear that existing law is well suited to the legitimate needs of cooperatives insofar as mergers and acquisitions are concerned.

Those mergers and acquisitions which strengthen cooperatives and do not unfairly interfere with the rights of their competitors or the public interest will raise no more antitrust questions in the future than they have in the past. The relatively few mergers or acquisitions which do raise antitrust questions will be judged on their merits under the accepted standards of the Celler-Kefauver Act. I am satisfied that that act now provides an effective means for discriminating between mergers and acquisitions which are socially and economically appropriate to cooperatives and those which have substantial adverse competitive effects and which should be prohibited.

With all good wishes,

Sincerely yours,

EMANUEL CELLER,
Chairman.

Mr. CARLSON. Madam President, as a nation we are fortunate to have an abundance of food and fiber which is available not only for domestic consumption, but which also permits the great productive capacity of American agriculture to play an increasingly important role in constructive international relations.

The farmers of America are entitled to high honors for the great strides they are making in the ever-increasing use of the overrapid technical advance now going on in agriculture. Farm technological advances are cost reducing and are largely irreversible. They have made possible our great strides in increased efficiency on the farm.

Largely because of great technical advances in agriculture, food costs have been dropped rapidly in relation to nonfarm workers' earnings.

The cost of the weekly market basket of food, plus the current record high farm program costs, take a smaller percentage of the average worker's weekly earnings today than would have been required for the food alone 5 or 10 years ago.

Competent agricultural economists tell me that the backlog of cost-reducing technologies, which also are production increasing, are so great at the present time that in the absence of policies for balancing supplies with market outlets available the production of all major farm commodities will continue to expand faster than market outlets for a number of years.

Commonsense demands that constructive steps be taken to adjust production to the market, improve net income to the grower, and reduce the size and cost of Federal operations.

Unfortunately, all those interested in the future welfare of agriculture have been unable to reach an agreement as to the type of program or programs necessary to bring about the above results.

The pending bill does not meet the overall approval of our farm organizations, but I have received word from Walter C. Peirce, president of the Kansas Farm Bureau, endorsing the plan for a 1-year period. Martin J. Byrne, president of the Kansas State Farmers Union, endorsed the original bill presented to the Senate Committee on Agriculture and Forestry by the Secretary of Agriculture.

In a personal conversation with Mr. Harry Colglazier, master of the Kansas State Grange, I was advised it was his opinion that the program in the proposed legislation would meet with general farm approval.

Many of our farm cooperative organizations in Kansas have assured me of their support of the program. I expect to vote for the pending bill.

This legislation, as in the case of previous farm legislation, further restricts and limits the farmer in the operation of his own farm.

In this day and age of technological revolution which is sweeping rural America, many of our personal beliefs and values regarding the freedom of farm operations from controls are rapidly disappearing.

The sharpest value conflicts generated by our highly productive farms and limited markets is a clash between the deep-seated desire for economic justice, and the equally deep-seated desire for proprietary freedom. All of us would prefer more, rather than less, individual freedom in our farming operations. All of us would prefer to do away with price support and production controls if farm prices and farm income would not fall to disastrously low levels.

It is easy to discuss some of the difficult problems facing agriculture, but there are also encouraging phases of our present agricultural situation.

I am encouraged by the vigorous expansion in the food-for-peace program in recent weeks. Shipments under title I of Public Law 480—under which the commodities are sold for local currencies—are increasing moderately this year. New agreements, covering periods of several years, similar to the Indian agreement last year, have been completed for Pakistan and Brazil.

Total exports of wheat are heading for a new alltime high. For the first year on record, exports will exceed domestic use.

Announcement that the Great Plains Wheat Marketing Association, headed by Clifford R. Hope, of Garden City, is going to work on the food-for-peace proposal may be a start toward the solution of the wheat surplus program.

Working with both people and governments in other nations, particularly the underfed peoples of the Near and Far East, the Great Plains association has accomplished a great deal in finding new markets for wheat, considering the short few years it has been in operation.

It has presented what appears to be the first and only real, workable plan for distributing our surpluses to other parts of the world.

It is likely that it can do more in the food-for-peace plan to send surplus wheat into hungry parts of the world. Its development of wheat into a quickly prepared food for underprivileged people should expedite these hesitant markets. Its offices in many places of the world, manned by practical wheatmen who know the value of wheat and how to use it, and their connections with private enterprise in the few nations which have milling facilities, are all factors which have contributed to the use of wheat as a food in nations that have never tried it before.

Abundant foods from the United States are being used in increasing quantities in school lunch programs and as direct payment for labor costs in development projects in a number of countries. Food is playing an increasingly important role in our foreign policy. This encourages me. It permits the great productive capacity of American agriculture to play an increasingly important role in constructive international relations.

I am especially encouraged by the large signup in the 1961 emergency feed grains program. It has exceeded our expectations. We could not afford to continue piling up unneeded supplies in larger and larger Government warehouses.

Producers of hogs, eggs, turkeys, cattle, and chickens also faced declining incomes if feed grain supplies were not stabilized either by storage or by production adjustment. Agricultural economists for the Joint Economic Committee, after detailed analyses, concluded that with feed grain production unchecked by 1965 income of hog producers would be down 17 percent as compared with 1959–60. Incomes of egg producers would be down 13 percent; incomes of turkey producers down 10 percent; incomes of producers of cattle and calves, down 9 percent; and incomes of chicken producers would be down 2 percent. Of all the groups of livestock producers, only dairymen would be able to avoid a decline in cash receipts.

If, however, feed grain production is stabilized for the next few years, both livestock and feed grain producers will benefit. With feed grain production stabilized at 140 to 150 million tons, burdensome stocks can be reduced, and livestock producers can look forward to modest increases in income.

I am proud that I voted for the 1961 Feed Grains Bill. The Department of Agriculture did an unusually fine job in preparing the necessary forms and explaining the program to farmers before planting time.

This successful first effort in dealing with the feed grains problem encourages me. With improvements based on experience, the current program should be continued. When stocks of feed grains are drawn down to desirable levels or when a better program is developed, new legislative authority may be needed. Until then, however, a continuation of the 1961 feed grains program appears desirable.

In the fall of 1959, I proposed the inauguration of an annual Farm Policy Review Conference as an integral part of future administration of farm programs. I was thinking of including the provision for such an annual review in farm legislation.

I am happy that the Iowa Center for Agricultural and Economic Adjustment thought well of the idea, and in December 1960, without waiting for legislation, sponsored the first annual Farm Policy Review Conference on an invitation basis.

The Iowa Center and the North Carolina Agricultural Policy Institute are now joining in sponsoring the second annual Farm Policy Review Conference at Raleigh, N.C., this coming November.

At these conferences, goals and accomplishments of the administering agencies in the fields of price support, rural area development and food distribution at home and abroad are reviewed in relation to national goals and policies for the entire economy.

I look forward to continued improvement in the administration of our farm programs as a result of these annual reviews, in which Government officials, members of the agriculture committees of Congress, college economists, and farm organization representatives appraise and evaluate the current operation of farm programs.

Another thing which encourages me is that agriculture's highest spokesmen are emphasizing farmers' amazing productive successes. Here in America, one of mankind's oldest anxieties—the fear of hunger—has been abolished. Agriculture's spokesmen are at last making an impact on the American people with the meaning of this truly great breakthrough. More than that, they are doing an even better job than ever before in acquainting the public with the importance of agriculture.

My greatest discouragement perhaps has resulted from the unwillingness of the new administration to honor its campaign promises to wheat producers. I understood they would sponsor a bill authorizing a bushel management program for wheat. There is agreement that existing wheat legislation should be modified before the 1962 crop is planted. Wheat producers and several of the farm organizations are agreed upon a bushel management program which would protect and improve growers' income, reverse the buildup in wheat stocks, reduce Government costs and prevent the surplus wheat-producing resources from adversely affecting feed grain producers.

Yet for reasons which are not clear to me, the administration has not sponsored legislation to accomplish this purpose. Instead, it has become embroiled in a most unfortunate controversy with important sectors of agriculture by urging the adoption of a broad omnibus farm bill.

Farmers, individually and cooperatively, have struggled with their problems for many decades in the hope of achieving a better life for themselves and their families.

When production outran demand, farmers called for Government action to provide relief from an economic situation that they could not correct individually. But Government action often includes control and regulation. To some, this implies infringement on the traditional freedoms of American life.

But there are two opposite meanings of freedom. In the negative sense, to be free is to be left alone—free of restraints to manage production as one sees fit. In a positive sense, freedom means the right of each individual to an equal voice in deciding upon the rules all must observe for the sake of the common good.

Under the positive concept of freedom, the American people have achieved liberation from many oppressive ills. But in doing so, they have restricted freedom in the negative sense—freedom for the individual proprietor to do as he pleases. Antitrust laws and acts to outlaw unfair methods of competition, that is, expanded freedom in the positive sense and restricted proprietors' freedom.

Attempts to achieve equality of income opportunities for agriculture often involve collective restraints on individual actions that are incompatible with freedom in its negative sense. Hence, they have always been put forward as temporary, or emergency solutions eventually to be made unnecessary by future market developments.

The experience of the 1950's casts serious doubt on the validity of the thesis that market developments will soon make farm programs unnecessary. For a long time to come, rapid growth of the national economy may be accompanied by excess farm production capacity and price-depressing surpluses. Agriculture is caught in a longrun squeeze. The very technical advance of farm people and their overabundant production prevents them from sharing equitably in the benefits of their superior industry.

Shall they continue to insist on freedom in the negative sense? Or, in the interest of sharing more equitably in the benefits of superior technical practices, will they want a democratic order which places some restraint on overproduction?

I am sure the farmers in our States agree that usual supply-and-demand forces do not achieve equilibrium in agriculture at satisfactory price and income levels under conditions of rapid technical advance. Market adjustments in land use, labor and size of farm neither prevent excessive production in relation to market needs nor assure

satisfactory income levels for commercial farmers under such conditions.

Commercial agriculture must develop policies and programs which provide production-balancing mechanisms similar to those available to the industries reported in Business Week.

A program is needed which will enable farmers to produce at something less than full potential capacity for the next few years and yet maintain the farm plant to meet enlarged demands for food and fiber which lie ahead.

In my opinion this can be achieved without having a rigidly controlled agriculture. The only major problems at the present time are feed grains and wheat. The dairy, tobacco, cotton, rice, and peanut price support and quota programs and the market order programs for perishable products appear to be operating satisfactorily.

A bushel management program for wheat and extension of the 1961 feed grains program, with improvements based on experience, would bring supplies of these crops into adjustment with market needs for the next few years. There are good grounds for believing that with an expanded food-for-peace program, further extensions of control programs will not be needed in the near future.

Commodity groups—such as the turkey growers—may develop a need for market order programs now available to producers of specified perishable products. But I am confident that legislation extending the coverage of market orders can be passed without undue delay when the need for it is demonstrated.

In the meantime, it seems to me that the farmers' greatest need is a better understanding of the economic conditions under which they are producing and marketing their products in the 1960's.

In my opinion, one of the greatest services the new administration can perform in the field of food and agriculture is the development of vigorous educational and informational programs for both agricultural producers and consumers.

Mr. HOLLAND. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLAND. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLAND. Madam President, I think it is always appropriate to know what the attitude of the reputable organizations of farmers in the United States may be with reference to any important proposal of Federal farm legislation. I have been interested to receive from the American Farm Bureau Federation a letter signed by its president, Charles B. Shuman, under date of July 20, stating the attitude of Mr. Shuman and of his organization toward the pending measure. I ask unanimous consent that the letter be printed in the RECORD as a part of my statement for the information of the Senate, which I understand will continue the debate, which I hope will be concluded tomorrow.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
Washington, D.C., July 20, 1961.

The Honorable SPESSARD L. HOLLAND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HOLLAND: As S. 1643, the omnibus farm bill, comes to the floor of the Senate, we have some observations about it that we hope will be of assistance to you.

We first would like to congratulate the members of the Senate Agriculture Committee for striking from the original version of this bill some of the most dangerous and unsound provisions submitted by the administration. Among the bad features that have been deleted was the proposal to bypass the constitutional role of Congress in preparing and passing on agricultural legislation and, instead, to permit Congress merely to have veto power with respect to proposals initiated by the executive branch of Government after the U.S. Department of Agriculture had consulted with handpicked advisory committees. Several other bad provisions, including authorization for the use of far greater Government controls on an expanded number of farm commodities, also have been deleted.

The provision to extend Public Law 480 meets with our general approval.

We support the changes made in the agriculture credit title of this bill.

We believe it unfortunate, however, that the bill extends at this time the emergency feed grain program. Currently, there is no way of knowing what the ultimate results of the 1961 program will be. We do know that payments to corn and grain sorghum producers in 1961 will be in the neighborhood of $700 million. We feel that any extension of this act should be delayed until the beginning of the next session of Congress when the program can be appraised on the basis of its actual accomplishments.

We also regret the inclusion in the bill of a temporary, 1-year wheat program. It is our judgment that if wheat price supports are raised, as the Secretary has indicated may be done, the program will be very costly and will not solve the wheat problem. The serious wheat surplus situation requires more fundamental treatment than can be provided by a 1-year program of limited potential merit.

In our judgment, it would have been much better had the Senate Agriculture Committee seen fit to recommend an overall cropland adjustment program which would have dealt effectively with the entire wheat and feed grain problem.

The advertising checkoff provision in the marketing order section of this bill is bad and could be extremely costly to farmers. This proposed revision of the marketing order program should be deleted from the bill.

Farm Bureau supports cooperatives as a vital part of our private competitive enterprise system. If cooperatives are to continue to serve farmers effectively, they must have the opportunity to grow and to provide business units large enough to compete effectively with other enterprises on a regional and national basis. However, we also believe that the exercise of monopolistic economic power by any group—whether agriculture, industry, or labor—is a threat to the maintenance of the competitive enterprise system and individual freedom.

We, therefore, have serious misgivings with respect to subsection 401(c) which would give the Secretary of Agriculture authority to require divestiture of assets held in violation of the Capper-Volstead Act in such manner and within such time as he may prescribe. We fear a division of the authority to deal with threats to competition resulting from acquisitions and mergers between the Department of Justice and the Department of Agriculture would weaken the Government's ability to deal effectively with antitrust matters.

It is unfortunate that the omnibus bill approach was taken in S. 1643. Several of the items included in this bill should be enacted. As we have pointed out, other parts—particularly the advertising checkoff provision, the 1-year wheat program and extension of the feed grain program—do not merit approval. This creates a dilemma both for Members of the Congress and for us.

In closing, I should like to reiterate our appreciation to the Senate Agriculture Committee for its constructive work in eliminating the most objectionable features of this legislation as originally proposed. So long as the Congress and the farmers own organizations preserve their opportunity to determine the public policies that are to affect the agricultural economy, I am confident we will increase opportunities for high per family farm income and at the same time protect individual freedom.

Sincerely yours,

CHARLES B. SHUMAN,
President.

Mr. HOLLAND. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. HOLLAND. Madam President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLAND. I now move, in accordance with the order previously entered, that the Senate adjourn until 11 a.m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 41 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Tuesday, July 25, 1961, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate July 24, 1961:

DIPLOMATIC AND FOREIGN SERVICE

Edmund A. Gullion, of Kentucky, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Congo.

POST OFFICE DEPARTMENT

William J. Hartigan, of Massachusetts, to be an Assistant Postmaster General.

U.S. DISTRICT JUDGES

Lewis R. Morgan, of Georgia, to be U.S. district judge for the northern district of Georgia, a new position.

James Braxton Craven, Jr., of North Carolina, to be U.S. district judge for the west-

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ern district of North Carolina, a new position.

Earl R. Larson, of Minnesota, to be U.S. district judge for the district of Minnesota, vice Robert C. Bell, retired.

OFFICE OF CIVIL AND DEFENSE MOBILIZATION

John E. Cosgrove, of Maryland, to be an Assistant Director of the Office of Civil and Defense Mobilization.

The following-named officers for appointment in the Regular Army of the United States to the grades indicated, under the provisions of title 10, United States Code, sections 3284 and 3307:

To be major general, Medical Corps

Maj. Gen. Clinton Stone Lyter, O18291, Army of the United States (brigadier general, Medical Corps, U.S. Army).

To be major general

Maj. Gen. William Wilson Quinn, O19283, Army of the United States (brigadier general, U.S. Army).

The following-named officers for temporary appointment in the Army of the United States to the grades indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major generals

Brig. Gen. James Benjamin Lampert, O20147, Army of the United States (colonel, U.S. Army).

Brig. Gen. Chester Victor Clifton, Jr., O20246, Army of the United States (colonel, U.S. Army).

Brig. Gen. John Arnold Heintges, O20281, Army of the United States (colonel, U.S. Army).

Brig. Gen. Oliver Clark Harvey, O38776, Army of the United States (colonel, U.S. Army).

Brig. Gen. James Leslie Snyder, O19627, Army of the United States (colonel, Medical Corps, U.S. Army).

Brig. Gen. Ethan Allen Chapman, O19076, Army of the United States (colonel, U.S. Army).

Brig. Gen. Jonathan Owen Seaman, O19385, Army of the United States (colonel, U.S. Army).

Brig. Gen. John Francis Franklin, Jr., O19476, Army of the United States (colonel, U.S. Army).

Brig. Gen. Stanley Robert Larsen, O22094, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Andrew Jackson Goodpaster, O21739, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Andrew Ralph Lolli, O29844, Army of the United States (colonel, U.S. Army).

Brig. Gen. Andrew Joseph Adams, O18579, U.S. Army.

Brig. Gen. Berton Everett Spivy, Jr., O19479, U.S. Army.

To be brigadier generals

Col. Arthur Houston Frye, Jr., O19716, U.S. Army.

Col. George Henry Walker, O20617, Army of the United States (lieutenant colonel, U.S. Army).

Col. James Emile Graham, O19622, Medical Corps, U.S. Army.

Col. John Marshall Kenderdine, O43446, Army of the United States (lieutenant colonel, U.S. Army).

Col. Edward Clare Dunn, O20245, U.S. Army.

Col. Ephraim Foster Graham, Jr., O20838, Army of the United States (lieutenant colonel, U.S. Army).

Col. Adam Watts Meetze, O30087, U.S. Army.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 24, 1961:

CIVIL SERVICE COMMISSIONER

Robert E. Hampton, of Maryland. A Civil Service Commissioner for the term of 6 years expiring March 1, 1967.

POSTMASTERS

ALABAMA

William R. Forbus, Alexander City.
Frances M. Cruise, Hope Hull.
Ramon N. Days, Sr., Magazine.

ARKANSAS

William B. Naylor, Pleasant Plains.
George W. Gardner, Strawberry.
Vincent M. Flusche, Subiaco.
William C. Coe, Tuckerman.

CALIFORNIA

Virginia M. Rowland, Richgrove.
Rollo L. Van Slyke, Port Hueneme.
John R. Riley, Orange Cove.

COLORADO

Daniel Sanders, Roggen.

FLORIDA

Gladys M. Clifton, Barberville.
James E. Combs, Glen St. Mary.
Howard H. Babb, Umatilla.

GEORGIA

Curtis C. Land, Hazelhurst.
Florence C. Logan, Sautee-Nacoochee.
Louise W. Murphy, Moreland.

IDAHO

Joyce N. Johnston, Peck.

INDIANA

Herbert A. Hedges, Universal.
Carl E. Livers, Loogootee.

IOWA

Elijah L. Simpson, Wesley.
Thomas J. Hamilton, Epworth.

KENTUCKY

Emery C. Kitchen, Sadieville.
Bryant J. Nugent, Jr. Hawesville.
Clara P. Norris, Guthrie.

LOUISIANA

Earl L. Monk, Pitkin.
Alma L. Farrar, Lillie.
Murat B. Decoux, Jeanerette.
Marshall O. Aswell, Eros.

MARYLAND

John R. Smith, Funkstown.

MASSACHUSETTS

Kathryn M. Mango, Woronoco.

MICHIGAN

John M. McNamara, Whitmore Lake.
Ray L. Ogden, Wolverine.
Kenneth W. Holcomb, Sumner.
William F. Johnson, Quincy.
Harold L. West, North Adams.
Roland H. Bramer, Nahma.

MINNESOTA

John W. Dugan, Winona.
Eino R. Latvala, Tamarack.
Sherman A. Granberg, Scandia.
Lawrence E. Hanson, Santiago.
Donald W. Sand, Russell.
Oliver G. Lee, La Salle.

MISSOURI

Monroe D. Wilkison, Puxico.
Byron E. Bird, Graham.
Horace C. Taylor, Malta Bend.
Calvin V. Jones, Linneus.

MONTANA

Earl S. McLees, Three Forks.
Ernest R. Shamley, Wolf Point.

NEW JERSEY

Elwood B. Croll, Milford.
Marie J. Holloway, Magnolia.

NEW MEXICO

LaVerne W. Barnes, Thoreau.
Salomon O. Telles, La Mesa.

NORTH CAROLINA

John M. Burkett, Warrensville.
Walker T. Brown, Wrightsville Beach.
Ammie R. Sanderson, Rose Hill.
Lindsay G. Baity, Yadkinville.
Tom B. Rabon, Winnabow.
Clyde D. Stowe, Jr., Dallas.
Gilbert M. Bailey, Carthage.

NORTH DAKOTA

Reinhart Stradinger, Mercer.
Richard R. Benson, Fortuna.

OHIO

Floyd Hollberg, Wellston.
Ernest F. Jones, Belpre.
Bernard A. Bruns, Yorkshire.
Orville A. Burkhart, Lewisville.

OKLAHOMA

Josephine R. Bayliff, Rosston.
James E. Fesperman, Bokoshe.

PENNSYLVANIA

Henry R. Beitler, Old Zionsville.
Richard Wasser, Bedminster.
Michael S. Liptak, Grindstone.

SOUTH CAROLINA

Bette J. Perritt, Peedee.
Guy H. Smith, York.
W. Robert Cooper, Lane.

SOUTH DAKOTA

Elvera Pitzl, Eden.

TENNESSEE

Lilliam C. Boyd, Rossville.
Herman R. McEwen, Petersburg.
Henry F. Richardson, Leoma.

TEXAS

Samuel J. Morse, Jr., Linden.
Thompson T. Garrard, Seagraves.
Edwin O. Norwood, Waco.
L. B. Bratten, Wellington.
Louise E. Crump, St. Jo.
Joe A. Chapman, Lone Oak.
Eugene L. Mickey, Sweeny.
Floyd D. Inman, Warren.

VIRGINIA

James S. Clower, Woodstock.
John L. Mitchell, Walkerton.
Peter D. Holland, Jr., Moneta.
Reuben N. Falls, Pembroke.
Herbert E. Hamric, Sugar Grove.

WASHINGTON

John A. Skok, Valley.
Scotty Rohwer, Rosalia.
Raymond J. Marr, Touchet.

WEST VIRGINIA

Victor J. Robinson, Tams.
Phelps P. Taylor, Pennsboro.
Harry H. King, Osage.

WISCONSIN

Willard I. Lee, Star Prairie.
Robert A. Holden, Orfordville.
Harold C. Shay, New Richmond.

WYOMING

Katheryn M. Clemens, Yoder.
Thomas J. Ferguson, Wolf.

TAX COURT

William M. Fay, of Pennsylvania, to be judge of the Tax Court of the United States for the unexpired term of 12 years from June 2, 1956.

EXTENSIONS OF REMARKS

Report From Washington

EXTENSION OF REMARKS
OF
HON. DURWARD G. HALL
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, July 24, 1961

Mr. HALL. Mr. Speaker, under leave to extend my remarks I insert in the RECORD the following "Report From Washington" sent to my constituents this past week:

Amidst the current controversy over how much the Congress should approve for foreign aid, and for how long, it might be well for us to pause and remember our own experience as an underdeveloped nation in 1776.

Following the Revolutionary War we were a nation full of hope and ambition, but with our economic resources virtually exhausted as a result of our struggle for freedom.

Our foreign aid was limited to a few small loans which we promptly paid off. I doubt that our slaves would have met the definition of foreign aid and our technical assistance consisted chiefly of Benjamin Franklin's ability to serve as host to Lafayette of France.

As an underdeveloped nation emerging from the throes of colonialism, we received less direct financial help in our first 20 years than we have bestowed on many other nations in a single day—even allowing for inflation.

Did we suffer from our lack of foreign aid? Obviously not.

We learned that our own two feet were the strongest pillars we had. We worked, struggled, invested in our own future, took risks, and became the strongest Nation on earth.

Today, many in our new administration would deny that same lesson to many of our friends.

They would have us provide a crutch that would forever encourage other countries to rely on us, instead of developing their own resources to the fullest extent, as we did.

Our foreign aid program has multiplied to such proportions that it is impossible for the average taxpayer to comprehend its size.

Some say we can buy new friends with wiser management of the billions we are now spending. This is utter fallacy on the part of those who do not understand the inborn characteristics of bureaucrats who have spent $84 billion on foreign aid since 1944.

Every time we establish a new agency to administer foreign aid, we create a new empire dedicated to the hiring of more and more employees at higher and higher salaries, with a built-in capacity to devise new programs to justify its own existence. It is virtually impossible to discharge them from public service.

Every time we have failed to prevent the spread of socialism or communism, we have listened to those who said we did not spend enough or it did not have proper planning. In many cases we have actually subsidized Communist countries. We are doing so today.

Surely the time has arrived when the American people realize that our efforts to strengthen the free world on a foundation of American dollars is doomed to failure. We cannot buy culture or purchase loyalty.

After World War II Soviet Russia had only military force and her total effort was directed at the rebuilding of her own war-torn economy. Ironically, the greatest strides made by the Communists in their spread of influence occurred while the Russians were spending virtually nothing outside their own boundaries, and while we were spending billions.

Our commitments may be too great to bring the program to an immediate halt. Certain areas of technical assistance and self-liquidating loans may deserve to be continued, and certainly we should encourage private capital to invest in sound development.

But, I agree with those back home who write and ask me why we are shipping $37 million worth of farm commodities to Communist Yugoslavia, or why we are building jointly with Russia a $168 million power dam on the Volta River in pro-Communist Ghana.

I believe we owe the other free nations of the world the same opportunity which was ours 185 years ago. We owe them our firm moral support, our military deterrent against armed aggression, technical assistance, private investment, etc.

But it is time to stop deceiving ourselves, and them, that billions of dollars appropriated by the Congress can defeat communism. Communism is an idea (a godless one—by definition) and it must be defeated with ideas, sweat, personal conviction, and action, not merely dollars.

DURWARD G. HALL,
Member of Congress.

Stuck on the Green Light

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, July 24, 1961

Mr. HORAN. Mr. Speaker, under permission granted me to extend my own remarks in the CONGRESSIONAL RECORD, I do wish to include last Thursday's joint statement by Secretary of the Treasury Dillon and Budget Director Bell.

At a time when prudent fiscal standards are a crying need; when we are in a period of relative peacetime prosperity; when we should be guarding world confidence in the dollar; we find just the reverse.

Maybe we should recall a statement attributed to Calvin Coolidge:

Nothing is easier than the expenditure of public money. It does not appear to belong to anybody. The temptation is overwhelming to bestow it on somebody.

Note that the January projection was for a slight surplus. In March it was an acknowledged $2.2 billion deficit. In May, it was "thought" to be $3 billion in the red, and now officially it crowds $4 billion in red ink.

JOINT STATEMENT OF DOUGLAS DILLON, SECRETARY OF THE TREASURY, AND DAVID E. BELL, DIRECTOR OF THE BUREAU OF THE BUDGET

The monthly budget statement for June, released today, showed that Federal expenditures for the fiscal year ending June 30, 1961, were $81.5 billion. Revenues were $77.6 billion, leaving a budget deficit of $3.9 billion. The deficit was higher than expected, because of the revenue and expenditure effects of the recent recession were greater than anticipated.

Lower total receipts resulted primarily from individual income tax collections substantially below previous estimates, plus an unexpected increase of $329 million in tax refunds. Expenditures were higher than had been anticipated, mainly for the military activities of the Department of Defense. On February 2, the President directed that expenditures for procurement and construction be temporarily accelerated as an antirecession measure. The yearend figures show that this acceleration was more rapid than was anticipated.

The following table compares the actual results for fiscal year 1961 with the estimates made in March by the present administration, the January estimates of the previous administration, and the results for 1960.

Budget totals

[Fiscal years. In billions]

	1960 actual	1961		
		January estimate	March 28 estimate	Actual [1]
Receipts	$77.8	$79.0	$78.5	$77.6
Expenditures	76.5	78.9	80.7	81.5
Surplus (+) or deficit (−)	+1.2	+.1	−2.2	−3.9

[1] Preliminary.

Budget receipts were $946 million lower than estimated in March resulting primarily from a decline of $856 million in individual income tax collections and an increase of $329 million in refunds of receipts. Final payments (in April) on calendar year 1960 personal incomes and recent tax withholdings were both lower than had been expected. Although a substantial increase in refunds over their 1960 level had been taken into account in the earlier estimates, the actual increase exceeded expectations, as taxpayers with recession-reduced incomes filed 2 million more refund claims than were expected. The decline in individual income tax receipts and the increase in the number of refunds were partially offset by higher than estimated corporation income taxes (up $65 million) and all other receipts (up $206 million). The latter, however, reflects over $500 million collected from the advance loan repayment by the Republic of Germany.

Budget expenditures were $810 million greater than the March estimates. The largest increase was for the Department of Defense—military (including military assistance), which was $651 million more than estimated. The next largest increase over the March estimates was for the Department of Agriculture, up to $147 million, mainly because of higher participation by more farmers than had been expected in the new feed grains program.

COMPARISON WITH JANUARY ESTIMATES

The 1961 deficit of $3.9 billion contrasts with the surplus of $79 million estimated in January of this year by the preceding administration.

Tax collections, based chiefly on earnings received in the calendar year 1960, fell short of the January estimate by $2 billion not including the advance repayment of over $500 million on the German loan, which was not counted in the January estimate.

Total expenditures exceeded the amounts estimated in January by $2.6 billion. Military expenditures of the Department of Defense (including military assistance) showed an increase of $1,451 million above the January estimate, of which $561 million reflects higher expenditures for the programs in the January budget estimates rather than program changes. Expenditures of the Post Office were higher than anticipated, chiefly because the January budget was based on the assumption that the Congress would enact postal rate increases effective April 1, 1961, in time to reduce the 1961 postal deficit by $160 million. The program of temporary extended unemployment benefits, recommended by President Kennedy, accounted for $498 million of the increase over the January estimate.

Budget receipts and expenditures

[Fiscal years. In millions]

Description	1960 actual	1961			
		Jan. 16 estimate	Mar. 28 estimate	Actual	Change from Mar. 28 estimate
RECEIPTS BY SOURCE					
Individual income taxes	$44,946	$47,800	$47,000	$46,144	−$856
Corporation income taxes	22,179	21,100	21,700	21,765	+65
Excise taxes	9,222	9,404	9,204	9,146	−58
All other receipts	7,155	6,719	6,719	6,925	+206
Less refunds	5,045	5,323	5,423	5,752	+329
Subtotal	78,457	79,700	79,200	78,227	−973
Deduct interfund transactions	694	676	676	649	−27
Net budget receipts	77,763	79,024	78,524	77,578	−946
EXPENDITURES BY MAJOR AGENCY					
Legislative branch and the judiciary	175	208	200	185	−15
Executive Office of the President	56	61	72	70	−2
Funds appropriated to the President:					
Mutual security—economic and contingencies	1,613	1,675	1,725	1,792	+67
Other	143	43	58	3	−55
Independent offices:					
Atomic Energy Commission	2,623	2,660	2,660	2,716	+56
Export-Import Bank	−323	−100	−50	37	+87
Federal Aviation Agency	508	640	630	639	+9
National Aeronautics and Space Administration	401	770	720	744	+24
Veterans Administration	5,250	5,314	5,400	5,401	+1
Other	555	770	759	741	−18
General Services Administration	408	442	420	387	−33
Housing and Home Finance Agency	309	544	525	498	−27
Department of Agriculture	5,419	5,739	5,807	5,954	+147
Department of Commerce	539	511	511	498	−13
Department of Defense—Military:					
Military functions	41,215	41,500	42,500	43,211	+711
Military assistance	1,609	1,700	1,500	1,440	−60
Department of Defense—Civil	902	986	1,015	971	−44
Department of Health, Education, and Welfare	3,403	3,716	3,744	3,685	−59
Department of the Interior	690	785	785	801	+16
Department of Justice	258	285	285	284	−1
Department of Labor	$549	$295	$892	$831	−$61
Post Office Department	525	786	926	929	+3
Department o. State	247	260	260	253	−7
Treasury Department:					
Interest	9,266	8,993	8,993	9,055	+62
Other	865	965	965	976	+11
District of Columbia	28	48	42	50	+8
Allowance for contingencies		25	25		−25
Subtotal	77,233	79,621	81,369	82,152	+783
Deduct interfund transactions	694	676	676	649	−27
Total budget expenditures	76,539	78,945	80,693	81,503	+810
Budget surplus (+) or deficit (−)	+1,224	+79	−2,169	−3,925	+1,756

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

EXPLANATION OF MAJOR DIFFERENCES BETWEEN ACTUAL 1961 EXPENDITURES AND MARCH ESTIMATES

FUNDS APPROPRIATED TO THE PRESIDENT

Mutual security—economic and contingencies: $67 million more than estimate, as loans, grants, and deliveries were made at a somewhat higher rate than indicated by previous trends.

Other: $55 million less than estimated, because estimated 1961 payments for Chilean reconstruction were deferred ($25 million) and unexpected repayments were received on loans for defense production activities (net loans down $30 million).

ATOMIC ENERGY COMMISSION

The sum of $56 million more than anticipated as a result of faster progress in the construction program.

EXPORT-IMPORT BANK

The sum of $87 million more than the estimate principally because portfolio sales were less than anticipated.

GENERAL SERVICES ADMINISTRATION

The sum of $33 million less than estimated mainly because there was slower progress than expected on (1) construction and (2) general supply activities.

HOUSING AND HOME FINANCE AGENCY

The sum of $27 million less than expected chiefly for special assistance purchases of the Federal National Mortgage Association.

DEPARTMENT OF AGRICULTURE

The sum of $147 million more than estimated.

Commodity Credit Corporation: $220 million more than estimated mainly as a result of higher than expected participation in the feed grain program.

Other: $73 million less than estimate principally for the Rural Electrification Administration, the Farmers Home Administration, and domestic distribution of surplus agricultural commodities.

DEPARTMENT OF DEFENSE—MILITARY (INCLUDING MILITARY ASSISTANCE)

The sum of $651 million more than estimate, mainly because of greater acceleration of procurement and construction programs than had been anticipated and earlier payments of some defense bills.

DEPARTMENT OF DEFENSE—CIVIL

The sum of $44 million less than expected as result of construction delays caused by bad weather, floods, and land acquisition difficulties in certain parts of the country.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The sum of $59 million lower than expected, primarily for the new program for aid to dependent children of unemployed parents ($20 million), for the National Institutes of Health ($20 million), and for defense educational activities ($17 million).

DEPARTMENT OF LABOR

The sum of $61 million less than estimated, principally because of a congressional deferral of a portion of the advance to the unemployment trust fund for the temporary extended unemployment benefit program.

TREASURY DEPARTMENT—INTEREST

The sum of $62 million higher than estimated, because of the higher deficit and increased borrowings.

Foreign Aid Adjudicated in the Court of Commonsense

EXTENSION OF REMARKS

OF

HON. EUGENE SILER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 24, 1961

Mr. SILER. Mr. Speaker, if I were sitting as a judge in the imaginary supreme court of commonsense and if I were asked to adjudicate the rights of a citizen as to the foreign aid program and make a declaration as to its constitutionality, I would render an opinion for and on behalf of the court about as follows:

Supreme court of commonsense—John Q. Citizen, appellant, against judgment reversing United States of America, appellee.

Opinion of the court by Judge SILER: John Q. Citizen, the appellant, is a citizen, resident and taxpayer of Wild Cat, in Clay County, Ky., and he brought this action for declaration of rights and for constitutional determination, on behalf of himself and millions of others similarly situated, against the United States of America, the appellee, as a legal test of that act of Congress known as the mutual security law but popularly known as the foreign aid giveaway program.

The trial court, apparently under some pressure of local political maneuvering and the flutterings of ever present alarmists, rendered judgment against appellant. He now appeals.

Appellant alleged, among other things and without controversy as to his factual presentation, that appellee had expended $300 million in a certain country of southeast Asia, known as Laos,

thousands of miles from appellee, having a constitutional monarchy and a Buddhist religion among its people; that Laos is a backward country without manufacturing capacity or warmaking potential and could not possibly develop such capacity or potential within the next 25 years; that part of his own taxes were taken from him without his consent and against his wishes in order to pay out the said sum of $300 million to Laos; that part of this same tax money had been used in Laos and elsewhere to build better highways than now exist in Clay County, Ky., and to construct waterway dams such as his county does not possess and to erect local industries in Laos and elsewhere even though his own county and many others throughout America had no such local industry whatsoever; that the ostensible purpose of this $300 million expenditure was to keep Lao people happy and contented and prone to be democracy minded rather than Communist minded; that Laos nevertheless had already had a majority of its people and most of its territory converted away from its monarchy and into its newly found communistic ideology with the net result that appellant's tax money and that of his compatriots had been dissipated and poured down the proverbial rathole of total waste; that the U.S. Constitution provides at no place therein for the levying of taxes upon persons or property in Clay County, Ky., in order to bolster the economy or support the monarchy of Laos or of any other country; that the United States of America is already burdened with a national debt of $298 billion and with substantial deficit financing and with a heavily unbalanced budget, all of which will have to be reckoned with by appellant's children and grandchildren for the next 10 generations; that this governmental folly had been engaged in by leaders of both major political parties for more than 15 years and at a total taxpayer cost of more than $85 billion; that no one can prove that the United States of America had ever bought any friends or cured any ills in any part of the world with these fantastic expenditures but that, on the contrary, it had as few friends as it ever had in its history, all of which was recently evidenced by insults and abuse against one of its Vice Presidents in South America and toward a proposed visit of its President to Japan for purposes of international friendship.

So, John Q. Citizen now asks for a declaration of his rights and for a constitutional determination by this supreme court of commonsense pertaining to all of the program set forth above.

Having carefully considered the agreed facts and all of the reasonable inferences deducible therefrom, as they clearly appear to be established in this case, the court now adjudges that John Q. Citizen has the complete legal right to be hereafter free from paying the taxes necessary for this foreign-aid program, especially since this program, first, furnishes to Laos and other countries roads, dams, and industries such as John Q. Citizen does not enjoy and since the program, second, has cost his country $85 billion without any tangible or proven benefit whatsoever and since the program, third, is not sanctioned nor permitted by any provision of the U.S. Constitution and since the net effect of the entire program, fourth, is to impoverish John Q. Citizen and millions of others like him for the benefit of Lao citizens and other people in foreign domains and entirely against his will and without his consent.

The judgment of the lower court is now accordingly reversed for further proceedings consistent with this opinion of the supreme court of commonsense.

Abuses of the U.S. Patent System

EXTENSION OF REMARKS
OF
HON. RICHARD L. ROUDEBUSH
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 24, 1961

Mr. ROUDEBUSH. Mr. Speaker, a few weeks ago, I introduced a bill (H.R. 6811) which is aimed at correcting an abuse of the patent system that in recent years has victimized a number of manufacturers in this country. Under present law the Federal Government may—and often does—purchase from foreign producers who make use of American patents without licenses or other arrangements with the patent owners. This bill would prohibit Government officials from making any purchases of items produced with the use of an American patent unless the American patent owner has granted the firm a license. The objective of my bill is simple and clear. It states that nothing in section 1498 of title 28, United States Code, "shall be construed to authorize the use or manufacture by or for the United States of any invention described in and covered by a patent of the United States, which has not previously been held invalid by an unappealed or unappealable judgment or decree of a court of competent jurisdiction, without license of the owner thereof."

I have also considered the special situation of the Department of Defense. An exception is made for the Secretary of Defense when "he shall determine in the case of each such invention that the national security of the United States requires such use or manufacture."

Within the last week a situation has developed which would seem to lend official Government support to the purpose for which I have introduced my bill, H.R. 6811. The Treasury Department is now making an investigation to determine whether Italian pharmaceutical manufacturers, using American drug patents without licenses or payment of royalties, are selling their products to the U.S. Government at far below the domestic bulk price of these products in Italy.

I should at this point wish to read into the RECORD the full text of the Treasury Department's press release of July 12, announcing its initial public action in this matter.

The Treasury Department has instructed customs field officers to withhold appraisement of tetracycline tablets and capsules from Italy, pending a determination as to whether this merchandise is being sold in the United States at less than fair value. Notice to this effect has been published in the Federal Register.

Under the Antidumping Act, determination of sales in the United States at less than fair value would require reference of the case to the Tariff Commission, which would consider whether American industry was being injured. Both dumping price and injury must be shown to justify a finding of dumping under the law.

The complaint in this case was received on February 16, 1961. Available information indicates that the dollar value of imports of this merchandise from Italy received during 1960 was approximately $1,031,000.

What is the significance of this Treasury action? What may it lead to? Initially, Treasury has withheld appraisal of the most recent shipments. If later, Treasury finds evidence of dumping in this situation, it will turn over its findings to the Tariff Commission. That Commission then would decide whether an American firm or industry had been hurt by such dumping. If the Commission's decision is that no injury has been shown, the action would be dropped. But if the decision is yes, the Italian producers—or the Military Medical Supply Agency, the Federal office through whom these products were purchased from Italian sources—would be held liable for an equalizing duty for the shipments of tetracycline under consideration. I am told that this penalty might run as high as $500,000, and would be determined as being the difference between the price at which the product is imported into this country and the price at which the product sells in the same relative quantities on the Italian domestic market.

I should like to point out that my bill, H.R. 6811, is one of general application. It would apply to all situations where American patentholders are victimized by patent pirates who would then compete for Government contracts. The situation I have outlined to you above applies only to one industry. It can happen to many. I believe the concerns presented by my bill are sufficient to warrant the support of every Member of this House. I would urge each and every Member to support my measure.

The National Lottery of Greece

EXTENSION OF REMARKS
OF
HON. PAUL A. FINO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, July 24, 1961

Mr. FINO. Mr. Speaker, I would like to bring to the attention of the Members of this House the national lottery of Greece. A nation does not have to be large in population or size to realize the merits of a national lottery—all that is

required is a little commonsense. Greece is another one of those many nations making up in wisdom what they lack in size.

Greece is a small nation, and one not overly blessed with natural resources. The Greeks work hard to earn their money, and they know a good revenue device when they see one. In 1960, the Greek national lottery took in $12.6 million, of which $4.4 million was clear profit. The bulk of the money was applied by the Government to the support of welfare, education, and archeology.

The Greeks have an outstanding past, and they cherish their cultural heritage. They are wise enough, however, to promote it with modern fiscal means. Do we have cobwebs in our minds that prevent us from doing the same?

Needed: More Effective National Food Policy

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, July 24, 1961

Mr. WILEY. Mr. President, the United States has been blessed with a capacity for producing food. However, we have not yet, in my judgment, succeeded in developing an effective, long-range, production-utilization food program.

For this reason, I am proposing the adoption of a more realistic national food policy. The purpose would be to better utilize this valuable and abundant resource to serve the nutritional, humanitarian, and strategic goals of the Nation.

Yesterday I was privileged to discuss some ideas for better utilization of our food resources in an address over radio station WGN, Chicago.

I ask unanimous consent to have excerpts from the address printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR WILEY

In a troubled world, the United States—if it is to emerge triumphant over the space-age challenges, particularly the Red threat to our survival—must more effectively mobilize and utilize its resources.

The major resources, of course, include: Manpower, brainpower, will-to-win power, industrial, technological, scientific power.

And as well, our valuable and abundant resource: foodpower.

Productionwise, we, as a Nation, have been blessed with a great unequalled capacity for producing an abundance—in fact, a surplus—of food.

Now, the question is, Are we best utilizing this resource to serve the interests of the Nation? In my judgment, the answer is, No—not adequately. Why? Because today there are still thousands of hungry, underfed people right in our own country. Around the globe also there are hundreds of millions of undernourished people—who could be potential consumers and markets for our food commodities.

Now, what can be done?

First, we need—in my judgment—to adopt a realistic, comprehensive national food policy.

What would this involve?

1. A reevaluation of our short- and long-range national food requirements—both in times of peace and in national emergency.

2. Establishment of a national food bank. The purpose would be to—

Better distribute food to folks in this country existing on inadequate diets;

Maintain a flexible ready-to-be-moved supply for emergencies arising out of natural disasters such as droughts, famines, floods, hurricanes, storms, etc.—here and abroad;

Maintain a supply of foodstuffs to be utilized either for humanitarian or strategic purposes in support of our foreign policies.

3. We need to establish and maintain a national food reserve to meet the needs of our people—both in times of peace and particularly in case of war.

In recent years, plans have been made by the Civil Defense Board, the Department of Agriculture, and other agencies to meet our food needs in times of national emergency. However, such efforts have not yet crystallized into realistic programs.

Generally, I believe there is a real need for a greater public consciousness—as well as action—to get the job done.

Now, what would be the overall benefits? It would:

1. Better enable our country to use this valuable asset in support of our national policies at home and abroad. Food for example can be for more effective as a strategic weapon in a cold or hot war.

2. Strengthen our people's sense of security by assuring a food supply for an emergency.

3. Feed the fast-expanding population—growing by 49 million a year throughout the world (according to predictions, this could amount to an additional 100 million in the United States in the next 22 years).

4. The establishment of a food bank—in the awful event of nuclear war—would give citizens a better chance to survive, to defend themselves, and to carry the fight to the enemy.

I am urging the administration to undertake a special study to determine the feasibility of such a program. If deemed advisable in the national interest—as I believe it will be—the necessary legislation should then be enacted.

The National Lottery of Uruguay

EXTENSION OF REMARKS

OF

HON. PAUL A. FINO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 24, 1961

Mr. FINO. Mr. Speaker, I would like to tell the Members of this House about the national lottery of South America's foremost democracy—Uruguay.

In this small nation of some three million people, national lottery gross receipts were $23.4 million last year. The profits accruing to the treasury was close to $7 million. Most of this money was applied to the general budget, but a significant proportion was utilized directly on behalf of the public welfare.

Uruguay's national lottery makes an important contribution to workers' unemployment funds. The fight against tuberculosis is another beneficiary of the urge to gamble in Uruguay, as is the drive for physical education.

The stronghold of democracy in South America has the sense to realize that great benefits may be derived from a national lottery. Would that this was true of the leading democracy of North America.

Governors Favor Federal Aid to Education—Find No Federal Control

EXTENSION OF REMARKS

OF

HON. CLEVELAND M. BAILEY

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 24, 1961

Mr. BAILEY. Mr. Speaker, the Governors of our States recently conducted a conference, one of the regularly scheduled such meetings, in Honolulu, Hawaii. They adopted a number of resolutions, including one calling upon Congress to enact a Federal-aid-to-education program.

I had intended to include this resolution as a part of my remarks, but it has already appeared in the RECORD. Our former colleague, the distinguished majority leader of the other body, has placed this resolution in the RECORD on Friday, July 14, and it may be found on page 12535.

Secretary Ribicoff, of the Department of Health, Education, and Welfare prepared an address for the Governors, which was read for him by Assistant Secretary Quigley on June 27, 1961. I quote the following two paragraphs from Secretary Ribicoff's remarks:

There has been distributed to each of you a paper, prepared by our Department, which gives the details of Federal aid to education paid in each of your States—for fiscal 1959—the latest complete figures. The total annual expenditure exclusive of loans, was nearly $2½ billion. This year the figures are even higher. I want you to look at the funds each of your States received under all of these federally aided programs. I want you to tell me if you know of a single instance of Federal control of education because of these expenditures. And I would also like those who oppose the School Assistance Act of 1961 to tell me which of these existing programs they would like to have withdrawn.

Are you opposed to receiving funds for land-grant colleges, for vocational education, for National Defense Education Act loans and fellowships, for school construction and teachers' salaries in federally impacted areas?

I have checked HEW and find that as of this morning no Governor has cited any instance of Federal control of education under the programs listed.

Mr. Speaker, I include as a part of my remarks the same State-by-State breakdown that was distributed to the Governors by Secretary Ribicoff. I invite the attention of my colleagues to it and

ask them whether they know of an instance in their States or their districts where, under these programs, there has been any Federal control.

I draw two conclusions from all this.

First. A majority of the State Governors have, in effect, petitioned Congress to enact a program of Federal assistance for public elementary and secondary schools.

Second. No Governor has been able to find any instance in his State where the Federal dollar has been followed by Federal control.

The table follows:

Summary of Federal funds for education: Fiscal year 1959

State or Territory	Grand total	Funds administered by the DHEW	Funds administered by the USDA	Funds administered by the Veterans' Administration	Other Federal funds for education
(1)	(2)	(3)	(4)	(5)	(6)
Total	$2,413,188,176	$737,865,486	$383,555,847	$602,035,460	$689,731,383
Alabama	46,770,590	17,857,383	10,630,572	17,366,993	915,642
Alaska	14,681,956	7,446,634	544,330	178,827	6,512,165
Arizona	18,642,806	9,330,420	3,210,172	4,622,848	1,479,356
Arkansas	20,934,089	6,460,150	7,492,685	6,549,971	431,283
California	167,511,839	72,369,482	23,018,268	59,846,992	12,277,097
Colorado	28,122,129	11,279,373	3,718,375	7,758,181	5,366,200
Connecticut	19,244,837	6,364,334	3,128,078	5,882,019	3,870,406
Delaware	3,620,127	1,993,573	818,351	540,447	267,756
Florida	50,242,002	22,314,771	7,980,338	18,351,819	1,595,074
Georgia	50,681,256	18,047,884	11,088,497	18,785,163	2,759,712
Hawaii	8,723,224	6,268,747	1,752,632	(1)	701,845
Idaho	9,581,298	4,103,481	2,818,877	2,349,801	309,139
Illinois	66,127,578	19,844,028	14,977,011	25,092,806	6,213,733
Indiana	34,386,230	10,690,748	8,338,568	12,423,408	2,933,506
Iowa	26,738,927	6,598,421	7,241,032	10,946,977	1,952,497
Kansas	22,626,280	9,716,234	5,016,755	6,040,344	1,852,947
Kentucky	28,574,560	9,283,402	9,566,550	9,128,063	596,545
Louisiana	34,042,929	8,999,682	9,397,399	14,344,701	1,301,147
Maine	10,375,781	5,490,374	2,157,204	2,083,512	644,691
Maryland	28,418,818	17,374,363	4,538,062	4,618,911	1,787,482
Massachusetts	53,419,900	18,195,199	7,872,577	17,031,940	10,320,184
Michigan	58,352,348	16,632,878	13,038,304	20,840,155	7,841,011
Minnesota	32,693,051	8,058,787	8,326,755	13,460,584	2,846,925
Mississippi	26,579,794	9,586,191	9,140,958	7,234,234	618,411
Missouri	38,994,917	12,010,612	9,167,353	15,860,103	1,956,849
Montana	9,914,260	2,791,549	2,501,153	2,315,311	2,306,247
Nebraska	15,397,996	5,473,240	3,199,103	6,470,584	255,069
Nevada	3,603,789	2,066,074	696,340	508,471	332,904
New Hampshire	5,873,528	2,555,771	1,253,318	1,698,938	365,501
New Jersey	29,611,922	10,992,415	5,905,387	10,837,239	1,876,881
New Mexico	24,928,522	11,001,940	3,054,071	3,234,088	7,638,423
New York	$120,065,530	$42,347,922	$22,443,854	$38,860,263	$16,413,491
North Carolina	47,483,863	16,601,061	13,328,390	14,972,679	3,581,733
North Dakota	8,952,025	2,063,003	2,314,043	3,965,514	609,465
Ohio	57,345,452	18,917,493	15,464,646	19,415,761	3,547,552
Oklahoma	34,801,768	15,543,211	6,550,618	10,744,196	1,963,743
Oregon	39,945,226	6,053,341	11,130,990	5,845,796	16,915,099
Pennsylvania	75,865,949	21,206,389	16,217,027	33,520,547	4,921,986
Rhode Island	9,067,556	4,024,628	1,179,610	3,061,318	802,000
South Carolina	28,304,584	10,024,128	7,909,538	9,921,273	449,645
South Dakota	11,149,782	3,951,494	2,322,730	4,040,199	835,359
Tennessee	38,892,529	12,538,495	11,568,784	12,749,448	2,035,802
Texas	86,338,598	36,224,365	17,588,892	28,932,089	3,596,312
Utah	17,942,607	5,767,241	2,583,456	5,940,205	3,651,705
Vermont	3,930,027	1,585,282	1,050,654	958,322	335,769
Virginia	48,201,471	24,005,955	9,431,135	13,484,834	1,279,547
Washington	38,754,147	17,969,208	9,383,561	10,084,867	1,316,511
West Virginia	17,197,692	5,314,027	5,287,942	6,238,241	357,482
Wisconsin	34,273,486	8,334,687	8,531,412	12,053,827	5,353,560
Wyoming	16,822,884	1,949,774	1,186,370	1,037,214	12,649,526
District of Columbia	25,755,108	1,993,528	721,047	9,510,758	13,529,775
American Samoa	218,113	0	0	0	218,113
Canal Zone	5,068,045	49,000	0	0	5,019,045
Guam	953,347	928,357	24,990	0	0
Puerto Rico	12,806,646	4,000,691	8,547,948	0	258,007
Virgin Islands	212,710	113,530	99,180	0	0
U.S. possessions	21,627,655	0	0	21,627,655	0
Foreign countries	2,967,074	0	0	2,967,074	0
Unallotted	173,416	0	173,416	0	0
AMA contracts	170,000	0	170,000	0	0
Trust Territories	89,539	0	89,539	0	0
National and other	618,394,064	106,160,536	6,570,000	5,700,000	499,963,528

[1] Amount included with U.S. possessions.

Source: Department of Health, Education, and Welfare, Office of Education, Federal Funds for Education, 1958-59, table 7.

Summary of amounts of Federal loans for educational purposes, fiscal year 1959

State or Territory	Total amount loaned	Housing and Home Finance Agency, college housing loans	Department of Health, Education, and Welfare, National Defense Education Act of 1958	
			College student loans	Nonprofit private school loans
(1)	(2)	(3)	(4)	(5)
Total	$216,127,000	$178,407,000	$31,000,000	$6,720,000
Alabama	2,394,896	1,900,000	460,337	34,559
Alaska	9,556	0	6,989	2,567
Arizona	636,579	400,000	206,424	30,155
Arkansas	1,512,307	1,250,000	249,249	13,058
California	10,159,980	6,818,000	2,974,650	367,330
Colorado	468,537	0	423,473	45,064
Connecticut	3,035,801	2,500,000	431,675	104,126
Delaware	713,749	665,000	27,500	21,249
Florida	6,254,238	5,625,000	566,768	62,470
Georgia	6,959,454	6,427,000	510,490	21,964
Hawaii	549,544	437,000	75,040	37,504
Idaho	622,326	490,000	123,939	8,387
Illinois	14,122,337	11,917,000	1,586,598	618,739
Indiana	6,908,020	5,855,000	906,382	146,638
Iowa	2,267,660	1,570,000	592,720	104,940
Kansas	2,437,740	1,875,000	506,694	56,046
Kentucky	4,507,586	4,010,000	401,903	95,683
Louisiana	2,613,532	1,900,000	552,715	160,817
Maine	164,601	0	118,583	46,018
Maryland	1,615,710	1,050,000	422,929	142,781
Massachusetts	4,188,789	2,584,000	1,295,272	309,517
Michigan	4,034,263	2,349,000	1,328,606	356,657
Minnesota	3,187,115	2,310,000	701,108	176,007
Mississippi	5,293,260	4,927,000	341,351	24,909
Missouri	3,802,232	2,871,000	754,327	176,905
Montana	2,575,607	2,420,000	123,166	22,441
Nebraska	1,985,866	1,631,000	298,062	56,804
Nevada	$1,409,488	$1,382,000	$22,635	$4,853
New Hampshire	921,003	750,000	127,902	43,101
New Jersey	1,608,990	700,000	557,410	351,580
New Mexico	456,943	295,000	129,628	32,315
New York	26,827,984	22,574,000	3,246,582	1,007,402
North Carolina	5,498,935	4,763,000	717,028	18,907
North Dakota	533,046	380,000	130,984	22,062
Ohio	15,602,300	13,854,000	1,420,211	418,089
Oklahoma	2,813,764	2,213,000	578,393	22,371
Oregon	417,377	0	380,742	36,635
Pennsylvania	27,988,571	25,458,000	1,844,117	686,454
Rhode Island	2,101,193	1,874,000	164,737	62,456
South Carolina	1,503,002	1,150,000	341,543	11,459
South Dakota	1,335,710	1,175,000	142,014	18,696
Tennessee	3,193,271	2,585,000	572,534	35,737
Texas	11,596,802	9,670,000	1,766,742	160,060
Utah	1,647,450	1,425,000	216,587	5,863
Vermont	1,491,082	1,365,000	103,837	22,245
Virginia	1,134,561	575,000	504,090	55,471
Washington	4,815,983	4,210,000	548,296	57,687
West Virginia	1,314,901	1,100,000	195,966	18,935
Wisconsin	7,249,972	6,270,000	707,581	272,391
Wyoming	55,076	0	49,943	5,133
District of Columbia	1,249,750	848,000	369,758	31,992
Canal Zone	[1] 631	0	0	[1] 631
Guam	3,128	0	0	3,128
Puerto Rico	241,548	0	173,790	67,758
Virgin Islands	3,254	0	0	3,254

[1] Did not choose to participate.

Source: Department of Health, Education, and Welfare, Office of Education, Federal Funds for Education, 1958-59, table 8.

UNIVERSITY OF MICHIGAN LIBRARIES

Federal aid payments to State and local units for selected educational programs, fiscal year 1960

[In thousands]

States, Territories, etc.	National Defense Education Act	School construction (Public Law 815)	School operation (Public Law 874)	Cooperative vocational education	Library services in rural areas	Colleges for agriculture and mechanic arts	Cooperative agricultural extension work	School lunch and school milk programs
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Total, including undistributed to States	$68,507	$70,553	$166,661	$39,140	$7,037	$5,052	$59,934	$231,868
50 States and District of Columbia	67,887	70,034	162,924	38,292	6,790	5,002	50,445	230,384
Alabama	1,924	1,179	4,134	1,063	208	101	1,876	5,614
Alaska	79	2,273	4,937	86	47	71	105	132
Arizona	140	3,360	3,911	205	72	77	347	1,682
Arkansas	883	660	954	781	165	89	1,569	3,480
California	1,869	12,396	26,023	2,084	239	176	1,325	15,791
Colorado	1,163	1,483	4,658	341	88	83	534	2,161
Connecticut	317	361	1,505	352	68	90	267	2,322
Delaware	109	0	641	186	48	73	135	465
Florida	2,025	1,578	4,765	642	146	98	622	5,563
Georgia	821	1,365	4,651	1,094	224	104	2,009	6,316
Hawaii	284	2,331	959	181	55	75	239	996
Idaho	588	602	1,313	232	86	76	394	990
Illinois	1,186	1,073	2,911	1,682	230	157	1,581	11,888
Indiana	1,946	1,438	862	963	0	109	1,309	5,693
Iowa	957	319	598	850	214	96	1,415	4,630
Kansas	487	1,467	4,527	577	77	89	990	2,921
Kentucky	1,055	206	1,113	1,066	221	99	1,895	5,466
Louisiana	1,978	268	850	871	158	97	1,261	5,517
Maine	322	368	1,401	232	61	79	354	1,260
Maryland	485	4,251	5,487	447	72	93	492	3,734
Massachusetts	1,050	573	4,769	733	80	117	379	6,023
Michigan	2,950	2,800	920	1,358	222	134	1,472	10,056
Minnesota	1,678	246	414	935	172	100	1,390	5,670
Mississippi	2,068	684	1,349	961	193	92	1,975	4,950
Missouri	1,641	932	2,050	1,085	199	109	1,706	5,842
Montana	356	1,520	1,415	205	72	76	442	747
Nebraska	512	486	1,557	442	109	83	839	1,686
Nevada	84	125	1,227	180	68	72	172	244
New Hampshire	331	0	1,035	173	62	75	181	737
New Jersey	1,757	963	3,079	768	97	118	362	8,157
New Mexico	663	4,430	4,037	235	73	77	425	1,820
New York	4,762	1,567	3,417	2,482	249	218	1,358	18,185
North Carolina	3,223	703	2,012	1,500	302	111	2,542	8,395
North Dakota	422	846	336	289	42	76	583	1,076
Ohio	1,953	1,048	4,139	1,670	271	149	1,803	11,709
Oklahoma	1,345	3,066	6,615	736	100	92	1,339	3,431
Oregon	849	266	852	390	90	85	572	2,120
Pennsylvania	4,663	6	5,166	2,119	250	175	1,785	11,443
Rhode Island	382	242	1,608	173	69	78	97	906
South Carolina	568	526	2,890	733	128	91	1,384	4,536
South Dakota	269	958	1,699	287	82	77	561	1,130
Tennessee	1,751	226	1,892	1,123	219	103	1,907	6,203
Texas	6,592	4,575	11,099	1,983	288	147	3,000	10,929
Utah	364	690	1,645	190	75	77	311	1,327
Vermont	219	0	65	187	63	74	238	821
Virginia	2,607	4,004	13,007	987	211	103	1,525	5,605
Washington	1,588	1,353	7,100	542	125	94	697	3,517
West Virginia	1,789	0	116	628	168	90	931	2,809
Wisconsin	2,329	0	556	961	190	104	1,381	6,143
Wyoming	303	199	661	171	50	73	280	434
District of Columbia	230	0	0	118	0	0	0	603
Puerto Rico	510	0	2,950	742	220	50	1,369	4,137
Virgin Islands	45	0	75	43	11	0	0	84
Other territories	65	520	712	64	15	0	0	36
Undistributed to States	0	0	0	0	0	0	8,120	−2,773

NOTES

Detail may not add to total because of rounding.

Col. 1: Other territories includes American Samoa, Canal Zone, Guam, Trust Territory of the Pacific, and certain foreign countries.

Col. 2: Excludes loans, and $18,600,000 payments to individuals, etc., for fellowships, institutes, language centers, and educational media.

Cols. 3 and 4: Assistance to schools in federally affected areas.

Col. 8: Excludes $1,400,000 in cooperative marketing projects. Undistributed amount for penalty mail costs, and retirement costs of extension agents.

Col. 9: Includes $57,000,000 value of school lunch commodities distributed, and $5,000,000 direct payments to private schools. Omits value of certain commodities acquired for removal of agricultural surplus and for price support operations. Payments for special school milk program are net of refunds.

Source: Treasury Department Annual Report of the Secretary on the State of the Finances, Fiscal Year 1960, table 88, cols. 26, 23, 24, 22, 25, 21, 2, 3, and 10.

Problems of Wisconsin and the Nation

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, July 24, 1961

Mr. WILEY. Mr. President, over the weekend, I was privileged to discuss problems confronting my own State as well as the Nation in an address over Wisconsin radio stations.

I ask unanimous consent to have excerpts from the address printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

In a turmoil world, we find ourselves faced with great challenges: for attaining our individual and national goals; and for serving the cause of peace.

Whether or not we preserve the peace, or at least prevent a nuclear war, will dramatically affect our future. For this reason, I would like to talk with you briefly about the Communist-created tensions in the world, particularly in Berlin.

In my judgment, the situation is extremely serious. In the face of such a grave crisis, we must, however, keep our heads. At the same time, we must also be alert to defend freedom. As you are aware, the crisis rises out of Khrushchev's efforts to "take over the city."

For what reason?

First. West Berlin, a showplace of Western progress, continues to taunt the Reds by making East Berlin and East Germany look drab and draggy economically. As Mr. K has often stated, the city is a "bone in his throat." Apparently, he is now choking on it.

Second. The flow of "thinking people," including the technical, professional and other highly trained individuals, to the West is not only embarrassing to the Communists, but it seriously jeopardizes progress in East Germany.

Third. Red strategy may call for further tightening of the Communist grip on Eastern Europe, including wiping out remnants of Westernism, symbolized by Berlin.

Fourth. Reportedly, also, there is growing discontent within the Soviet bloc, over low food production and lack of other consumer goods. As in the past, the Red leaders stir up world crises to take the dominated people's minds off their home troubles.

Whatever the reason, Khrushchev has now chosen to discard his deceitful cloak of peace, which did not fit anyway, and flex his military muscles.

Now, how should we, and the free world, meet this new Red-inspired crisis? In my judgment:

We need to alert, sharpen up and, as necessary, strengthen our defenses, girding ourselves for whatever action, military or nonmilitary, may be needed to protect freedom in Berlin or elsewhere.

We need to close ranks in NATO and other Western alliances, to present a strong bulwark against Red aggression.

We must effectively present the Western position to the court of world opinion. The West is in Berlin by right, obligation, and commitment, not by sufferance of the Reds. In a crucial test, short of war, the impact of aroused world opinion may be decisive.

Overall, we must mobilize our resources to provide the necessary brainpower, manpower, and materiel to protect freedom from Communist aggression.

OPPOSITION TO CHEESE IMPORTS

Now, let's look at some problems on the homefront.

This week, the Tariff Commission held hearings on a proposal by the State Department for increasing imports of blue mold and Cheddar cheese.

I opposed such action. Why? Because it would seriously jeopardize the economic outlook of our domestic cheese-producing industry. How? By taking over markets.

This threat is particularly crucial for Wisconsin, for we produce about one-half of the Cheddar and two-thirds of the blue mold cheese in this country. In 1960, for example, Wisconsin produced 641½ million pounds of cheese, enough to meet the needs of more than 76 million people at the current per capita rate of consumption.

Let me state some additional factors for my opposition to increasing cheese imports:

1. Currently, the domestic supply-demand situation is out of balance. During April–June 1961, for example, 21 million pounds of Cheddar cheese were purchased under the price support program.

2. For this year, U.S. cheese production is up over that of 1960, totaling about 12 percent more during the month of May than for the same month last year.

3. Milk production also is rising in many areas of the country, with the surpluses going into cheese.

4. Reportedly there are substantial increases in cheese production in the North Central and South Central States.

5. The expansion of imports, then, would: (a) displace markets, pound for pound, for domestic production; and (b) increase cost to the taxpayer of operation of the price support program.

Generally, I believe the liberalization of imports would be extremely harmful to our cheesemakers and the general economy. I shall continue to oppose such action.

NEEDED: IMPROVEMENT OF TV PROGRAMING

Now, what else is going on here in Washington? Well, on July 28, the Juvenile Delinquency Subcommittee has scheduled more hearings on the impact of television on the youth of the Nation. Today, there are an estimated 47 million TV sets. Television is watched in 88 percent of the homes of the Nation, the average nightly audience is estimated to be 60 million. In serving the public, this youthful medium has presented splendid news, discussion, dramatic, entertainment, and other types of programs. However, there is also a glut of violence, murder, crime, creating a dangerously adverse, not a constructive, impact on the public mind, particularly of youth.

Now, what can be done? Fundamentally, the television industry itself, in my judgment, has a basic responsibility—

For selecting more creative, constructive, moral lifting, not lowering, themes;

For attempting to present programs that lift public standards, not lower them to, or below, the common denominator mental level;

For self-discipline in refusing to show themes that may make the wrong kind of impression upon the public mind, particularly of youth.

However, this is not a job for the industry alone. Rather, the public, you and I, also have a responsibility—

To encourage better programing;

And to be an audience for better programs.

Unfortunately, pioneering efforts to improve the level of radio-television broadcasts in the past have all too often suffered from neglect. The overall challenge for better serving the public includes, of course, not only television, but also radio, publications, and all kinds of public information media.

I am hopeful that out of the hearings by the Juvenile Delinquency Subcommittee, of which I am a member, will come some useful, creative ideas on how we can improve the standards in this field.

LEGISLATION ON AGRICULTURE

Now, let's turn to the farm scene.

This week, the Senate Agriculture Committee reported a new farm bill to the Senate.

Extremely controversial, this bill is expected to be taken up in the coming week. The major provisions would include:

1. Authority for consulting and advising with farmers and farm and commodity organizations in developing better agricultural programs.

2. New recommendations for wheat and feed grain programs.

3. Extension of authority for establishing marketing orders for cherries and cranberries, turkeys, lambs, and other commodities, as well as provide for research and development under milk and other marketing order system.

4. Consolidation of lending authorities of the Farm Home Administration for making loans for farmownership operating, disaster, and water facilities.

5. Extension and expansion of the programs for sale of surplus commodities overseas.

Generally, these are highlights of the new omnibus proposal.

The bill, of course, will have to be very carefully scrutinized and fully debated in the Senate.

SHARPENING UP U.S. DEFENSES

Another major issue before Congress, of great significance to the Nation, is that of defense.

Khrushchev's "missile menacing" toward Berlin; threats to use force against the United Nations; the "beefing up" of Soviet military forces; the display of lethal airpower in Moscow—all of these reflect a new militarism, "provocative acts" against which the West must be prepared to defend itself.

Consequently, we must look to our guns—to our defenses.

Currently, our Government and our allies are reevaluating this situation.

The President is expected to report to the Nation on Tuesday.

As a leader of the free world, the United States must remain strong, willing to negotiate with the Reds on "negotiable issues," but firm in our resolution not to be pushed around in Communist expansionist efforts to take over not just Berlin but the world, either piecemeal or wholesale.

This, then, is a brief review of some of the major issues confronting us on the home and world fronts.

Now, this is your senior Senator, ALEX WILEY, signing off, and saying: "Thanks for listening."

Indiana Colleges and Universities Take the Lead in Training for the Peace Corps

EXTENSION OF REMARKS
OF
HON. JOHN BRADEMAS
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 24, 1961

Mr. BRADEMAS. Mr. Speaker, few ideas have so captured the imagination of people in the United States as well as in other countries as has President Kennedy's proposal for a Peace Corps.

As one of the sponsors of legislation authorizing the establishment of a Peace Corps, and as a Representative in Congress from the State of Indiana, I am particularly proud that the colleges and universities of Indiana are showing vigorous leadership in support of this bold and constructive plan.

On July 21, the training of Peace Corps volunteers for rural education work in Chile began at the University of Notre Dame, which is located in the congressional district I have the honor to represent.

The University of Notre Dame, acting as the agent of the Indiana Conference of Higher Education, representing 34 Indiana institutions, will offer the volunteers intensive training courses in Chilean area studies, including Chilean culture, traditions, and history; refresher courses in U.S. history, government, culture, and political life; physical and medical training, and Spanish. Many of the volunteers have some degree of fluency in that language, and the others will be intensively coached to give them enough proficiency for their work.

The selection of the volunteers for the Chilean project followed a special recruitment drive throughout Indiana by the constituent members of the conference. Those finally selected came from the Indiana selection list and from the regular pool of Peace Corps volunteers.

The Chilean Institute of Rural Education, a nonsectarian private organization, widely recognized for its work in basic education and rural community development among the peasants and small farmers of rural Chile, will utilize the Peace Corps volunteers in its operating centers and selected villages. The volunteers will work with trained Chilean educators in family education, hygiene, organized recreation, home economics, and small farming methods and demonstrations. Volunteers include both men and women.

About 40 volunteers will be sent to Chile following successful completion of the Indiana training program, which will continue for a period of 2 months. A number slightly in excess of that have

UNIVERSITY OF MICHIGAN LIBRARIES

been invited to participate in the training so as to provide for a continuing selection process during the training period. Upon arrival in Chile, the volunteers will be given additional orientation, language and technical training in the Chilean Institute's training center.

TRAINING TO BE AT NOTRE DAME

I am proud also that among the students who are to train at Notre Dame for the Peace Corps project in Chile are two from my congressional district, both from Goshen, Ind. Their names are: Weddell J. Berkley, Jr., 23, of 413 South Sixth Street, who received his A.B. degree this year from Hanover College. He speaks Spanish fluently and requested assignment to Latin America, preferably to Chile. His major fields of study in college were Spanish, government, and economics.

The other volunteer is Lawrence West, 23, of Route 2, box 208, who received his B.A. in history at Manchester College, North Manchester, Ind., in June 1960. This past year he has been studying at the Pacific School of Religion, Berkeley, and at the Elkhart Mennonite Seminary, Elkhart, Ind. He was president of the Manchester College String Symphony in 1959 and 1960. He is experienced in working with youth groups and is also skilled in the use of carpentry, auto, plumbing, electrical, and masonry tools. He is fluent in Spanish.

HOOSIER STUDENTS PARTICIPATE IN PEACE CORPS

Mr. West is the son of one of the outstanding citizens of my State, Dan West, who for a number of years has been in charge of the famous heifer project, which seeks to make available to persons in underdeveloped areas of the world seed and livestock to enable them to develop their own agriculture. At this point in the RECORD, I wish to include an excellent article from the Elkhart (Ind.) Truth, of July 18, 1961, concerning Lawrence West's participation in the Peace Corps project:

YOUTH JOINS PEACE CORPS TO TRAVEL, HELP OTHERS

Why does a young man from Elkhart County enter the Peace Corps?

Lawrence West, who will join 41 other volunteers at Notre Dame Thursday to begin 8 weeks of training before going to Chile for 2 years says that he has several reasons.

On the lighter side, one of the conspicuous advantages to such a program is the opportunity to travel and to get to know people of another land.

West's fluency in Spanish will aid him in attaining a bond with the natives of Chile. The importance of the knowledge of the language is emphasized by the fact that more than one-third of the class hours during training will be devoted to the study of Spanish.

DESIRE TO HELP

But it is not the thrill of travel that leads a young man to volunteer for 2 years of hard work without pay in a foreign land.

West—and he believes that it is his Brethren upbringing that is responsible for this—expresses the desire to help people who are less fortunate than he, in the belief that this can be done through such a program as the Peace Corps.

Ultimately, he says, it is through such a program that the world tensions will be lessened as the peoples of different nations get to know and to understand each other through closer contact and communication.

The inroads of communism, which are made easy by poverty and misery, will be checked as the United States raises the standards of living of less well off nations.

GIVES EXAMPLE

The goal of the group which West has joined is to further the education and raise the standard of living of the rural population of Chile.

"This will be brought about," he said, "not by preaching carefully prepared phrases, but by setting examples of good actions."

West says that a young person entering a foreign country as a member of the Peace Corps should have the basic idea of what is right so deeply ingrained in him that he can act correctly without feeling it necessary to explain or apologize for what he does.

LEADERSHIP OF REV. THEODORE M. HESBURGH PRAISED

I think, Mr. Speaker, that it is also appropriate that I should pay tribute at this time to the magnificent leadership given to the development of the Peace Corps training program at Notre Dame and to the Peace Corps program in general by the distinguished president of the University of Notre Dame, the Reverend Theodore M. Hesburgh, C.S.C. Father Hesburgh's vision and imagination and boundless energy have already made a great contribution to what I am confident will be a project in Chile that will make all Americans proud of the young people who are participating in it.

Subcommittee on the Impact of Imports and Exports on American Employment

EXTENSION OF REMARKS

OF

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 24, 1961

Mr. DENT. Mr. Speaker, in all fairness, I believe that I should at this time clarify the situation, publicly aired of recent date, regarding the severance of connections between the Subcommittee on the Impact of Imports and Exports on American Employment with its counsel, teacher of law at Georgetown University, Stanley D. Metzger. In view of the fact that there have been some later disturbing statements made, I would like to present for the record the historical truth in this matter.

With the consent of my chairman, the Honorable ADAM C. POWELL, of the House Education and Labor Committee, and in his presence, we discussed with the Honorable WILBUR MILLS, chairman of the House Ways and Means Committee, the selection of a counsel for this subcommittee. This was done at my own personal suggestion. Conditions which I do not care to make public, made it impossible for this subcommittee to perform its proper function with Mr. Metzger as its counsel. I want to present first exhibit "A," a newspaper item which appears to quote Mr. Metzger, although this subcommitee or its chairman had made not public statement whatsoever. In view of this article, I transmitted it to the Honorable WILBUR MILLS; incidentally I had informed him of my intentions of severing connections with Mr. Metzger. You will find, therefore, my letter of transmittal to the newspaper article and Mr. MILLS reply—exhibit "B."

I also would like to present a most important item, a letter from the United States-Japan Trade Council, which, to say the least, shows the extent of the arrogance and power assumed by trade groups in this country who now believe they have inherent rights, not only in the activities relating to trade and aid but, rather strangely, to dictate the behavior and employment policy, as well as the type of investigation to be conducted by committees of the House. Therefore I present at this point exhibit "C," the letter from the United States-Japan Trade Council, and exhibit "D," my reply as chairman of this important subcommittee, in order that the House of Representatives may know the situation as it really is:

EXHIBIT A

[From the Journal of Commerce, July 10, 1961]

REPORT TO BUSINESSMEN

WASHINGTON.—The House Labor Subcommittee investigating the impact of foreign trade on American industry is having trouble.

Its chief counsel, a highly respected former State Department legal officer, has quit because his confidants say he has despaired of ever getting the subcommittee to conduct an objective investigation. More serious, from the subcommittee's point of view, it is running out of witnesses on the protectionist side of the foreign trade fence.

The net result is that the subcommittee is having to turn to the perennial pleaders for tariff protection to make a case of its preconceived notions that imports are bad for the economy.

The decision of subcommittee Chairman JOHN DENT, Democrat, of Pennsylvania, to turn the investigation into a forum for the traditional prohigh tariff groups hurts its claim, made when it set up shop earlier this year, that the investigation would be a fact-finding effort.

HEARINGS CANCELED

Mr. DENT's decision took the form of an abrupt cancellation of 2 days of hearings in Pittsburgh, scheduled to start today, on the impact of trade on the aluminum and steel industries.

He pleaded the press of other business in Washington, but the fact that the witness list in Pittsburgh was not buttressed with protectionists is said by some to have been the real reason. While the aluminum companies have flirted with protectionism in the past, they intended to tell the subcommittee a protrade story, as did the steel companies. In addition there were importer witnesses scheduled to appear.

Mr. DENT canceled the Pittsburgh hearing without telling Stanley Metzger, subcommittee counsel, who had been striving against great odds to keep the investigation on an objective basis. So Mr. Metzger quit last week.

As a liberal trader and a former State Department legal adviser for economic affairs, Mr. Metzger's appointment to the subcommittee earlier was cited by Chairman DENT as evidence that it would conduct a fair investigation.

DEMANDED BY MILLS

What was not said was that the real reason Mr. Metzger went on the subcommittee

payroll was because Chairman WILBUR D. MILLS, Democrat, of Arkansas, of the House Ways and Means Committee insisted on it.

Since the Ways and Means Committee had jurisdiction in the House over tariff and trade legislation—and since Mr. MILLS knew the trade views of the members of the Dent subcommittee—he had an obvious interest in getting a liberal trader to run the investigation, so he asked Mr. Metzger to take on the job. Mr. Metzger's resignation last week was given orally to Mr. MILLS.

Undaunted, Representative DENT is moving ahead as though nothing had changed. While he canceled the Pittsburgh hearings, he still plans hearings in Wheeling, W. Va., later this month to get the views of the pottery and gas industry. He also has announced hearings in Washington to record, yet another time, the complaints of the textile industry about foreign competition.

EXHIBIT B

The Honorable JOHN H. DENT,
Chairman, Subcommittee on the Impact of Exports on American Employment, Committee on Education and Labor, U.S. House of Representatives, Washington, D.C.

DEAR JOHN: I appreciate the opportunity of reading the item from the July 10 Journal of Commerce, written by John King.

Sometimes the reporters don't get all the facts when they write an article. Had they wanted the facts in this instance they would have found out that you had come to me of your accord and asked my assistance in helping you to find someone to help you with your study.

With kindest personal regards, I am,
Sincerely yours,

WILBUR D. MILLS.

EXHIBIT C

Representative JOHN H. DENT,
Chairman, Subcommittee on the Impact of Imports and Exports on American Employment, Committee on Education, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN DENT: We wish to thank you for your kind invitation to the United States-Japan Trade Council to testify at the textile hearings being conducted by your subcommittee in Washington on July 19, 20, and 21.

You will recall that our council submitted a statement on the employment effects of coal exports at the initial hearings held by your subcommittee on June 19 and 20 in Washington. We have been following the subcommittee's activities closely since then, and must say with genuine regret that certain of its actions have cast doubt on the objectivity and impartiality of its study of the impact of imports and exports on American employment.

When Prof. Stanley D. Metzger was appointed as counsel to the subcommittee, you issued a press release stating that you had "sought the services of a person whose leanings were toward free trade in order that there will be complete cooperation from all parties concerned with this problem."

You further stated that "it is the aim of this committee to get at the truth of the situation," and that the only assurance of arriving at an acceptable answer would be to have both the "free traders" and the "restrictive traders" represented on the subcommittee. On June 1, in a speech on the House floor, you said that your choice of Professor Metzger was based on a desire to make your committee study "unbiased and unbossed."

Unfortunately, Professor Metzger found it necessary to resign in protest against committee actions which appeared to indicate a one-sided approach to the subject under investigation.

For example, hearings on steel and aluminum scheduled for Pittsburgh on July 10 and 11 were suddenly canceled for the stated reason that subcommittee members could not spare the time from their congressional duties in Washington.

However, hearings on the glass, ceramics, and toy industries scheduled in Wheeling on the next day were held, despite the pressure of congressional business. Informed observers could not help but speculate that the steel and aluminum hearings might well have turned up substantial evidence of the beneficial effects of exports on U.S. employment, while the glass, ceramics, and toy hearings were devoted exclusively to testimony on import competitive industries.

The subcommittee also suddenly called an unscheduled hearing on the cheese industry in Fond du Lac, Wis., thus intervening in a pending Tariff Commission investigation on cheese. Your request that the Tariff Commission postpone its investigation pending your hearing was denied.

These actions have caused many to wonder whether the subcommittee intends to conduct its hearings solely in response to the pressures of various protectionist groups. We earnestly hope that these fears will prove to be unfounded.

One action which the subcommittee could take to reassure observers of its intention to conduct a fair investigation would be to appoint immediately as successor to Professor Metzger an equally distinguished and impartial counsel to balance off the admittedly restrictionist composition of the subcommittee. We believe, in view of your own explanation for your original choice of counsel, that such a step is necessary if your conclusions are to have any claim to validity.

We would also like to call your attention to the fact that all subcommittee hearings held thus far have been on import competitive industries. Since the announced scope of your investigation includes the impact of both imports and exports on employment, we hope that future hearings will be devoted to testimony on the employment created by our export industries.

In the meanwhile, in view of the existing uncertainty about the subcommittee's methods of operation, we must regretfully decline your invitation to testify at the textile hearings. We request that this letter be made a part of the subcommittee's record in explanation of our decision not to testify.

Sincerely,

ALLEN TAYLOR,
Executive Secretary.

EXHIBIT D

ALLEN TAYLOR,
Executive Secretary, United States-Japan Trade Council, Washington, D.C.

DEAR MR. TAYLOR: It is with regret that I received your letter stating the position of the United States-Japan Trade Council that you will not appear before the Subcommittee on the Impact of Imports and Exports on American Employment in protest against its method of operation.

I can only surmise who your source of information is because your letter is completely at variance with the facts. You have not attended any of the hearings of the subcommittee as a witness; you did, however, submit one statement which was accepted for the record—as all statements from any source have been and will be accepted.

By your own admission you are in receipt of an invitation to appear at the current textile hearings; I can assure you that you will continue to receive invitations to appear on any subject whatsoever that will give this committee the information it is seeking.

You state that the former counsel of this subcommittee found it necessary to resign as a protest against committee actions because he found "committee actions which appear to indicate a one-sided approach to the subject under investigation." Counsel was responsible for the invitation and lining-up of witnesses; I would suggest that the character of the hearings necessarily would have to follow arrangements made by him.

I have not found it in the best interest of the activities of this committee nor of the personal welfare of the former counsel to make further public statement concerning his severance from our committee staff. However, I can assure you that the reasons were good and sufficient.

You question my authority to call hearings on the cheese industry in Fond du Lac, Wis. As a Member of the House of Representatives, I respectfully submit that such a decision is not yours to make. If, in the wisdom of this committee, the cheese hearings could add something of value to the committee's work, it would seem that such a hearing would be in order.

Your letter seemed to be rather critical of the hearings held by this subcommittee, and yet you have never been denied the forum of the committee room, personal interviews, or the right to present any material you desire. It would appear to me, and I believe to any observer, that either you have nothing to add to this committee's deliberations or the material that you would submit would not prove the point you desire to make. I can only say that if you wish to refrain from appearing at the hearings it certainly is within your prerogative.

It should set your suspicious mind at ease concerning the steel and aluminum hearings in Pittsburgh that the House of Representatives did have rollcalls during the time set for the hearings—hearings, incidentally, which were set up by the counsel without, to the best of my knowledge, his having checked with the House leadership.

You will please note that I not only called off the meetings in Pittsburgh, but also the Charleston coal industry hearings on Thursday, July 13, because duties in Washington, D.C., called us back after the Wednesday hearings in Wheeling, W. Va., which were held on a day on which our presence was not required in Washington.

I resent very much the implications contained in your letter concerning the character of this committee. The Subcommittee on the Impact of Imports and Exports on American Employment was chosen by the Honorable ADAM C. POWELL, of New York, chairman of the Committee on Education and Labor of the House of Representatives. The only reason I am subcommittee chairman is because, under the rules of the House, seniority prevailed.

In closing, I wish to assure you that whomever I employ as a staff consultant will not at any time create or determine policy for this subcommittee. And I also can assure you that should he attempt to do so he would immediately find that he was no longer employed.

Sincerely yours,

JOHN H. DENT,
Chairman.

The Administration's Foreign-Aid Bill

EXTENSION OF REMARKS
OF
HON. DURWARD G. HALL
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Monday, July 24, 1961

Mr. HALL. Mr. Speaker, last Friday Members of Congress received a most unusual letter on the subject of the administration's foreign-aid bill jointly signed by Secretary of State Dean Rusk

and Secretary of the Treasury Douglas Dillon.

In the letter of the two Secretaries an inference is contained that the Representatives of the people are not qualified tc review annual appropriations in our foreign affairs, an inference with which I cannot agree either in principle or in practicc. Under leave to extend and revise my remarks, I include in the RECORD my reply to the Secretaries for consideratiCn by Members of the House:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 22, 1961.

Hon. DEAN RUSK
Secretary of State,
Department of State.
Hon. DOUGLAS DILLON,
Secretary of the Treasury,
Department of the Treasury,
Washington, D.C.

MY DEAR MR. SECRETARY: I have your letter of July 21 urging me to support the administration's foreign-aid program in its present form, with particular emphasis on long-term financing. In basic principle, I cannot agree.

As a member of the Armed Services Committee, I would remind you that we also have a long-range defense program requiring the expenditure of over $43 billion this year. This expenditure is subject to annual review by the Congress and I do not think the exercise of congressional responsibility as provided in the Constitution has had an adverse effect on our defense efforts. In fact, I am reasonably certain that without such annual review of appropriations we would have experienced far more waste and inefficiency, or even lagged shamefully behind as we did in the late forties. I do not believe the State Department should expect any more latitude than our Defense Department in its handling of fiscal affairs with the Congress.

Numerous actions taken in recent months by the State Department have, in fact, convinced me that perhaps the Congress ought to make a semiannual review of appropriations, to wit:

1. Recently the Department of Commerce, with the consent of the State Department, has reversed a long-standing Government policy and decreed that Russia and her Communist bloc satellites in Eastern Europe, can buy cheap wheat, flour, rice, cotton, corn, and beans from surplus stocks which our tax dollars have underwritten. I do not believe that, at the very time we are facing a critical crisis in Berlin, we should use American tax dollars to subsidize the Communist breadbasket, and permit more diversion of Communist manpower into arms production. Reflect on Napoleon's axiom to the effect that the military travels on its stomach.

2. In the textile industry, Japanese importers are buying our tax-subsidized cotton at far less cost than American textile factories must pay for the identical local product, and as a result thousands of domestic jobs have been lost in this industry.

3. State Department policy regarding imports and tariffs on lead-zinc has had the effect of virtually wiping out a large segment of this industry. Within the past few days the President, in reply to a remonstrating letter, has indicated at least partial agreement with my objections to the barter-and-stockpile policy of the State Department.

4. A similar situation prevails in many other industries including the typewriter industry and the shoe industry, both of which are directly affected in the district I represent by State Department policy.

5. The State Department has shown a consistent pattern of equating social and economic progress with mutual security and the definition of social and economic progress on the part of State Department officials all too frequently is much closer to socialism or interrationalism, than to free enterprise.

I do not concur in your statement that there is an inescapable partnership between economic and social progress as interpreted by the State Department on the one hand and the conditions of essential security on the other.

Your inference is that you have no confidence in the representatives of the people to decide how the people's money should be spent. I cannot concur in this implication that "big brother" knows best. I have always opposed back-door spending on domestic expenditures and certainly have no intention of compromising on this issue in the field of foreign expenditures. In effect you are recommending a vest-pocket approval technique whereby an act of Congress is required to restrict appropriations rather than following the constitutional provision that only the Congress can initiate appropriations.

In the city of Springfield, Mo., the citizens are preparing to make a large capital outlay for construction of an Army-National Guard aircraft maintenance facility. In order to amortize (through rentals), this expenditure these citizens of my district must rely on the annual appropriations by the Congress based on annual review of the project. It occurs to me that if taxpaying citizens of the district I am privileged to represent are willing to invest in a long-range (11 year) capital outlay subject to annual review and appropriations by the Congress, then they certainly can expect the State Department to observe the same basic principle in the handling of their tax dollars for expenditures outside of this country.

Respectfully submitted.

DURWARD G. HALL.

Washington Report

EXTENSION OF REMARKS
OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 24, 1961

Mr. ALGER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following newsletter of July 22, 1961:

WASHINGTON REPORT
(By Congressman BRUCE ALGER, Fifth District, Tex.)

The first 6 months of the New Frontier shows an unparalleled increase in the cost of Government. The deficit for the fiscal year which ended June 30 will be about $3 billion. During its first 5 months in office the Kennedy administration was responsible for $2.3 billion of this by spending money in excess of revenues. Senator JOHN WILLIAMS, of Delaware, summed it up: "The Kennedy administration has been spending $650,000 per hour more than its revenue 24 hours a day for every day it has been in office." A large part of this huge spending is going into the creating of new jobs. Every day the executive offices have been open under President Kennedy additional Government employees have been added at the rate of four every 5 minutes.

A study of the legislative program of the Kennedy administration and its relative cost thus far illustrates the emphasis on spending. In a summary of 67 major recommendations, which are only a portion of the President's requests in the first 5½ months of his administration, we find over 95 percent involve either direct expenditures of Government funds, of the funds of individual taxpayers, or of specific groups in our economy.

Actual major legislation passed by the House as of July 10: 12 appropriation bills (including two supplementals); unemployment compensation, temporary extension; minimum wage amendments to the Fair Labor Standards Act; Area Redevelopment Act (depressed areas); Social Security Amendments of 1961; Housing Act of 1961; Tax Rate Extension Act of 1961; Keogh bill (self-employed individuals tax retirement act); Agricultural feed grains bill for the 1961 crop year; continuation of Mexican farm labor program; increase in judgeships; extension of aid-to-dependent-children program; increase in Federal debt ceiling; extension of Sugar Act; provision of housing loans for veterans; Water Pollution Control Act; adjustments in Federal-aid highway program; extension of milk program for children; expression of disapproval of President Kennedy's FCC reorganization plan.

Cost of action taken through July 10 and of pending measures: To date, Congress has been asked to enact new authority to obligate and commit the American people to increased Federal expenditures of $11.8 billion in excess of the Eisenhower estimates for fiscal years 1961 and 1962. January 16, 1961, President Eisenhower estimated expenditures for fiscal year 1962 of $80.86 billion. By June 5, 1961, President Kennedy's program has already led to increases of $4.12 billion, $84.98 billion; also by June 5 back-door spending (bypassing Congress) has led to additional new obligational authority of $2.62 billion, $87.6 billion; plus increased new obligational authority for fiscal year 1961 of $5 billion, $92.6 billion. Kennedy administration proposals have already soared above President Eisenhower's estimates for fiscal year 1962 by approximately: $1¼ billion in welfare; three-fourths billion dollars in defense; one-half billion dollars in agriculture; one-half billion dollars in space; one-third billion dollars in housing; one-fourth billion dollars in foreign aid.

Impact of back-door spending makes it difficult to estimate the cost of new and proposed programs. Example: in foreign aid, President Kennedy has requested authorizations of $3.9 billion in fiscal year 1962 plus $7.3 billion in development loans over a 5-year period. (Nine hundred million dollars for first year and $1.6 billion in each of the next 4.) Thus the only realistic estimate would be $4.8 billion for fiscal year 1962 and, assuming continued requests at the same $3.9 billion level annually in addition to the $1.6 billion in loans annually, we reach a total figure of $26.8 billion in the next 5 fiscal years. The administration farm programs have no limit. Secretary of Agriculture has not responded to requests for information from members of the Agriculture Committee. The head of the American Farm Bureau testified that the annual cost would be between $14 and $15 billion. Using even a more modest estimate of $10 billion per year, this would still result in $50 billion over a 5-year period.

Cost of enacted and proposed programs in the House of Representatives: estimated for fiscal year 1962, $24.335 billion; 5 year potential (assuming current plans) $107.918 billion. This is a modest estimate, since funds counted as back-door spending could be spent more rapidly and new authority enacted to take its place. Also, future appropriations, under this administration will not diminish if this year is an example of future policies. Counting present appropriations, future authorizations and back-door spending, Congress is already being forced to deal with budgets stretching far in excess of $100 billion annually.

My own thinking: Continuation of this spending trend will lead to national bankruptcy and the end of our system of freedom. All nonessential spending must be

cut, no new welfare programs enacted, bureaucratic waste and inefficiency must be eliminated.

GREAT TRUTHS

"The very essence of a free government consists in considering offices as public trusts, bestowed for the good of the country, and not for the benefit of an individual or a party."—JOHN C. CALHOUN.

A Fresh Look at What the Little American Is Thinking About

EXTENSION OF REMARKS
OF
HON. JOHN H. DENT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 24, 1961

Mr. DENT. Mr. Speaker, I am wondering if it is not about time this Congress gets a fresh look at what little Americans are thinking about.

For this past decade and longer, we have been reading and listening to so many titled, learned, and honored leaders from every land, every university, and every phase of American life, labor, industry, farm, and business.

I just finished reading a letter from an ordinary taxpaying family raising God-fearing little Americans, one who lives in a once prosperous coal community and works miles away from his home.

His ideas basically are the fundamental of the economic thinking of the platform writers, but somehow they are lost in the shuffle of the internationalism that appears to have made nationalism a taboo subject and way of life.

Personally, it was refreshing to know that in spite of sputniks and space, Berlin and Cuba, Congo and Korea—someone in this big, broad land of ours still thinks jobs are important, life here in America has a certain meaning and obligation, and that domestic tranquillity and prosperity are the No. 1 obligations of our society.

Maybe he is wrong in what he thinks are our duties, but again many before him lived, loved, and prospered by this simple philosophy.

What does he want from his Government? Simply stated, a job for those willing to work, security through contributory pensions, a realistic approach to the problems of automation, the changing technocracy of production and trade, educational opportunities, but above all the right and opportunity for his children and his children's children to live and prosper in this, he calls it, "land of happiness and abundance."

"Who can ask for more? Stripped of all the four syllable words, it is the same goal, of the fact-talking, high-sounding academicians that have left the low-paying jobs in the classrooms to come to Government for the high pay, job security, and fat retirement schedules.

It is no secret that most of the idealistic promoters of theoretical happiness and abundance make sure they get the best out of the taxpayers' pie.

What we need are a few more simply stated facts. This country did not do too badly as a fledgling democracy with a brandnew concept of freedom for the individual with its doors wide open to the underprivileged and poor of the whole world, with its protection of industry of unions, of business, of everything American.

Its rewards can not always be measured, but sufficient to say, it had the highest prosperity rate individually, industrially, and collectively of any nation on the face of the earth.

It had more, it had the most loyal defenders of everything American than any other nation before or since the Declaration of Independence.

Another day is coming when none of these achievements and virtues will be left us.

When a man loses the pride of family, he loses the main purpose of life and when we Americans lose pride of America, it products, its peoples, its laws, its Government, and above all, its national family, we lose all purpose of self-Government.

How can a small voice, its message written out by pencil on both sides of a single sheet of notebook paper, carry the message of the near 6 million chronically unemployed, the 17 million living on social security, the 7 million dependent upon relief, the millions more working part time and millions of our youth who every year come knocking at the door of opportunity and the door closed and barricaded in this land of happiness and abundance.

And to the above millions, the additional millions of Americans dependent upon Government jobs, local, State and Federal, the schoolteachers, the highway workers, the clerks, the professors, elected officials, and the civil servants, you start to grasp the magnitude of our taxpayers payroll.

When you are all finished figuring the total number (about 40 million so-called income receivers), start to try to figure how many in the production of goods are dependent upon taxpayers' spending.

Figure about $4 billion in defense spending; about $4 billion in farm subsidies, about $10 billion in bankers interests, and about $5 billion of our so-called export trade paid for by Americans and figure how many more millions of workers in this country are on the taxpayers' payroll.

I know and every other Member of Congress knows that the world moves forward, but how many of us, including myself, have the courage to face the hard, simple cold facts of our economic life. We are in a whole mess of trouble, let us admit it.

Recently, my subcommittee met in Wheeling, W. Va., and another little American made this observation.

I admire Kennedy, and I believe he's trying to do what's right, but I wish he would pay just a little more attention to West Virginia, and maybe a little less to West Berlin.

One wonders if all the little voices ought to be ignored, or should we once in a while listen.

My friend, the little American (whose letter follows), put his ideas in high-school English, words with but a single meaning.

By contrast, compare his forethought, lament and philosophy with the tons of expert advice and departmental "big American" talk. Here's a little example picked at random from this morning's stack of wasted pulp. The following is a quote from the Monthly Digest, June, 1961:

The Federal Reserve Bank of New York has said: "There was a possible paradox in the fact that the ebb of inflationary expectations, with its favorable longer run implications for economic growth without inflationary distortions—and boom-and-bust patterns—contributed in the short run to a slackening in economic activity."

The leading business indicators have been in a rising trend since last December, the coinciding indicators, since February.

Since the beginning of the second quarter there have been increasing indications that the low point of the recession had been reached and passed.

There is now a general belief that a solid, moderately strong recovery is under way. This unanimity of opinion about our business recovery is a strongly bullish factor.

Improving inventory positions and increasing consumer, capital goods and Government spending will increase aggregate demand during the next 6 months, and at least through the first half of 1962. This will increase industrial production and gross national product.

Now my little friend from home—the little American puts it this way:

You wouldn't know the place. Unemployment? My God, help those people.

What about the shorter workweek that MacDonald talked about? What better time than now to put it in effect?

In speaking for the unemployed—

I have a job in Westinghouse. I'm working; so I'm not bitter because I'm not working.

I want them to grow up (6 children, 14 grandchildren) in happiness and abundance the best and richest country in the world.

Compulsory pensions, full social security, not 80 percent, cutting the pension age—put young people to work.

Somehow, this simply put program makes more sense than the following, also from June 1961 Monthly Digest:

Government expenditures—Dr. Walter Heller, Chairman, Council of Economic Advisers, has estimated that by the end of this year Federal, State, and local government outlays will be at an annual rate about $9 billion higher than in the 1961 first quarter. He expects that this will increase the Nation's output of goods and services by the fourth quarter to an annual rate of $525 to $530 billion, which would make the year's average about $514 billion—$11 billion, or 2.2 percent, above 1960.

In plain words, we will spend $9 billion of tax money—borrowed or cash—to increase the national product $11 billion. It sounds like a fairy tale when you figure that the $9 billion collected from the people, either by taxes or borrowing, has already been counted in the gross national product; to $9 billion plus $9 billion makes $18 billion in the gross national product, but only adds $11 billion over the previous year's total. In plain words, if the Government follows its economic advisers, we can increase our gross national product by being our own best customers.

Let us clear the deck and start from scratch. We need jobs, employment, production, payrolls, consumption, and

consumers. Unless we have American payrolls we will not have American consumption of goods, and if we have foreign jobs and American consumption we are headed for economic as well as political oblivion.

I like my friend's letter; maybe you ought to read it.

This letter was received from Herminie, Pa., part of my district, the 21st:

DEAR MR. DENT: Your report to all the people of June inspired me to a few comments. On the issue of school and teachers aid I agree with you that it sure is a confused thing. But I have enough faith in you to help make and pass the right legislation to be best for all. In that part about school aid you mentioned our area being in serious trouble on unemployment. I don't know how long it's been since you've been in Braddock, Pa. I hadn't been there for a few years, and went down there 2 weeks ago. You wouldn't know the place. Unemployment? My God help those people. I hope the Kennedy administration doesn't make me feel sorry I voted for them. I wrote to you once before asking you about the shorter work week that McDonald talked about. What better time than now to put it in effect. What makes Kennedy against it, he'll never make me understand. You mentioned something your dad used to say. Well my dad used to say, "The satisfied appetite doesn't believe the hungry." Could that be Kennedy's trouble? Words do not satisfy appetites. We don't want words, we want action. I'm speaking for the unemployed. I have a job in Westinghouse and I'm working so I'm not bitter because I'm not working. I have six children, five married and blessed me with fourteen grandchildren. I'm 55 years old. I want them to grow up in happiness and abundance, because we live in the best and richest country in the world. What's the matter with cutting the pension age, I mean compulsory pension, not that crazy thing Kennedy wants. Full social security, not 80%. Put young people to work. What's the first thing a young guy thinks about when he has a job, a car. Workers make cars. Old people hold on to their money, afraid they may need it for something else. Sorry, JOHN, but I got carried away, I'm a union steward so you know why.

HERMINIE, PA.

Thomas Jefferson, in speaking of Shay's Rebellion said, "Rebellions are the natural manure of a Democracy."

Ours is not the kind of people who rebel behind the barricades, but who knows when and where the elections take place.

Our peoples rebel with ballots, not bullets.

SENATE

TUESDAY, JULY 25, 1961

The Senate met at 11 o'clock a.m., and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O God, before whose face the generations rise and pass away, change and decay in all around we see, for all earthly things fade as a garment and as the flowers of the field, yet Thou remainest forever the same.

We are fretful creatures of this restless change. The hurrying pace of passing days, the stabbing loss of those we love, the terror of the shade of mortality which haunts our uncertain steps, all remind us that only upon Thy changeless concern for us can we build more stately mansions for our soul—its foundation the rock of Thy faithfulness, which is man's dwelling place in all generations.

In that firm reliance take away our needless fears, flood with Thy guiding light our confusions, and gird us with such strength as shall enable us to meet steadfastly whatever summons and challenge to our stewardship these days may hold.

We ask it in the name of the One who keeps our minds in perfect peace when we stay them on Him. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, July 24, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of Crane C. Hauser, to be Assistant General Counsel (Chief Counsel for the Internal Revenue Service), which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Foreign Relations Committee was authorized to meet during the session of the Senate today.

On request of Mr. DIRKSEN, and by unanimous consent, the Finance Committee was authorized to meet during the session of the Senate today.

VISIT TO THE SENATE BY PRIME MINISTER OF NIGERIA

Mr. MANSFIELD. Mr. President, for the information of the Senate, let me state that tomorrow, Wednesday, the Senate will be honored by a visit by the Honorable Sir Abubakar Tafawa Balewa, Prime Minister of the Federation of Nigeria. At approximately 2:30 p.m. the Prime Minister of Nigeria will be escorted to the floor of the Senate, where he will be introduced to Members of the Senate. At approximately 2:40 or 2:50 p.m. the Prime Minister of Nigeria will depart from the floor of the Senate, and will be escorted to the House of Representatives.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, with an amendment:

S. 1540. A bill to amend the law establishing the Indian revolving loan fund (Rept. No. 613).

By Mr. DWORSHAK, from the Committee on Interior and Insular Affairs, with amendments:

S. 1085. A bill to provide for the disposal of certain Federal property on the Minidoka project, Idaho, Shoshone project, Wyoming, and Yakima project, Washington, and for other purposes (Rept. No. 614).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

S.J. Res. 76. Joint resolution authorizing the Secretary of the Interior during the calendar year 1962 to continue to deliver water to lands in certain irrigation districts in the State of Washington (Rept. No. 615).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, without amendment:

S. 1674. A bill to amend the Mineral Leasing Act for Acquired Lands (61 Stat. 913) with respect to the leasing of mineral deposits in which the United States owns a partial or future interest (Rept. No. 616).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 809. A bill to authorize the transfer of a Bureau of Reclamation bridge across the Colorado River near Needles, Calif., to San Bernardino County, Calif., and Mohave County, Ariz. (Rept. No. 617).

By Mr. HILL, from the Committee on Appropriations, with amendments:

H.R. 7035. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1962, and for other purposes (Rept. No. 618).

By Mr. MAGNUSON, from the Committee on Appropriations, with amendments:

H.R. 7445. An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1962, and for other purposes (Rept. No. 620).

AMENDMENT OF TITLE V OF AGRICULTURE ACT OF 1949, AS AMENDED—REPORT OF A COMMITTEE—SUPPLEMENTAL VIEWS (S. REPT. NO. 619)

Mr. JORDAN. Mr. President, from the Committee on Agriculture and Forestry, I report favorably, with an amendment, the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes, and I submit a report thereon. I ask that the report be printed, together with the supplemental views of Senators

McCARTHY, YOUNG of Ohio, HART, PROXMIRE, and NEUBERGER.

The PRESIDENT pro tempore. The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from North Carolina.

RELATIONSHIP OF UNITED STATES WITH REPUBLIC OF CHINA AND COMMUNISTIC CHINA—REPORT OF A COMMITTEE

Mr. FULBRIGHT, from the Committee on Foreign Relations, reported an original concurrent resolution (S. Con. Res. 34) relative to the relationship of the United States with the Republic of China and communistic China, which was placed on the calendar, as follows:

Whereas the Government of the United States enjoys close and friendly relations with the Government of the Republic of China, including treaty obligations which this Government honors; and

Whereas the Republic of China has faithfully discharged its obligations under the Charter of the United Nations; and

Whereas the Chinese Communist regime by its aggression in Korea, its repression in Tibet, its threats against its neighbors, its failure to release American prisoners as promised, and its hostility toward the United States and the United Nations has demonstrated that it is not qualified for representation in the United Nations:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the United States shall continue to meet its commitments to the people and Government of the Republic of China and shall continue to support that Government as the Representative of China in the United Nations; and be it further

Resolved, That the United States shall continue to oppose the seating of the Chinese Communist regime in the United Nations so long as that regime persists in defying the principles of the United Nations Charter; and be it further

Resolved, That it is the sense of the Congress that the American people support the President in not according diplomatic recognition to the Chinese Communist regime.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BURDICK:

S. 2300. A bill for the relief of Byron Wong; to the Committee on the Judiciary.

By Mr. BRIDGES (for himself, Mr. BUSH, Mr. CLARK, Mr. COTTON, Mr. JACKSON, Mr. JAVITS, Mr. KEATING, and Mr. MCCLELLAN):

S. 2301. A bill to amend section 2 of the Federal Deposit Insurance Act with respect to the membership of the Board of Directors of the Federal Deposit Insurance Corporation; to the Committee on Banking and Currency.

By Mr. BRIDGES (for himself, Mr. BUSH, Mr. CLARK, Mr. COTTON, Mr. JACKSON, Mr. JAVITS, and Mr. KEATING):

S. 2302. A bill to amend section 9 of the Federal Reserve Act, section 18(d) of the Federal Deposit Insurance Act, and section 5155 of the Revised Statutes; to the Committee on Banking and Currency.

(See the remarks of Mr. BRIDGES when he introduced the above bills, which appear under a separate heading.)

By Mr. MOSS:

S. 2303. A bill to provide for certain highway and bridge construction as part of Flaming Gorge Dam and Reservoir project in the State of Utah; to the Committee on Interior and Insular Affairs.

By Mr. CLARK:

S. 2304. A bill for the relief of Dr. Ching Ho; to the Committee on the Judiciary.

By Mr. FULBRIGHT (by request):

S. 2305. A bill to amend the Foreign Service Act of 1946, as amended, and for other purposes; to the Committee on Foreign Relations.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill, which appear under a separate heading.)

By Mr. BEALL:

S. 2306. A bill to provide for the issuance of a special postage stamp in commemoration of the launching of the satellite Transit A on June 28, 1961, marking the first use of atomic power in space; to the Committee on Post Office and Civil Service.

By Mr. MAGNUSON:

S. 2307. A bill to increase the salaries of members of certain regulatory agencies; to the Committee on Post Office and Civil Service.

By Mr. MAGNUSON (by request):

S. 2308. A bill to prohibit the destruction of, or injury to, certain property moving in interstate or foreign commerce, and for other purposes; to the Committee on Commerce.

By Mr. HARTKE:

S. 2309. A bill for the relief of Tio Sien Tjiong; to the Committee on the Judiciary.

By Mr. HICKENLOOPER:

S. 2310. A bill for the relief of H. F. Hsu; to the Committee on the Judiciary.

CONCURRENT RESOLUTIONS

RELATIONSHIP OF THE UNITED STATES WITH THE REPUBLIC OF CHINA AND COMMUNISTIC CHINA

Mr. FULBRIGHT, from the Committee on Foreign Relations, reported an original concurrent resolution (S. Con. Res. 34) relative to the relationship of the United States with the Republic of China and communistic China, which was placed on the calendar.

(See the above concurrent resolution printed in full, when reported by Mr. FULBRIGHT, which appears under the heading "Reports of Committees.")

EXPRESSION OF SENSE OF CONGRESS AGAINST IMPORTATION OF WHISKEY DESIGNATED AS "BOURBON WHISKEY"

Mr. MORTON submitted the following concurrent resolution (S. Con. Res. 35), which was referred to the Committee on Commerce:

Whereas it has been the commercial policy of the United States to recognize marks of origin applicable to alcoholic beverages imported into the United States; and

Whereas such commercial policy has been implemented by the promulgation of appropriate regulations which, among other things, establish standards of identity for such imported alcoholic beverages; and

Whereas among the standards of identity which have been established are those for "Scotch whiskey" as a distinctive product of Scotland, manufactured in Scotland in compliance with the laws of Great Britain regulating the manufacture of Scotch whisky for consumption in Great Britain and for "Canadian whisky" as a distinctive product of Canada, manufactured in Canada in compliance with the laws of the Dominion of Canada regulating the manufacture of whisky for consumption in Canada and for "cognac" as grape brandy distilled in the Cognac region of France, which is entitled to be so designated by the laws and regulations of the French Government; and

Whereas "bourbon whiskey" is a distinctive product of the United States and is unlike other types of alcoholic beverages whether imported or domestic; and

Whereas to be entitled to the designation "bourbon whiskey" the product must conform to the highest standards and must be manufactured in accordance with the laws and regulations of the United States which prescribe a standard of identity for bourbon whiskey; and

Whereas bourbon whiskey has achieved recognition and acceptance throughout the world as a distinctive product of the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the recognition of bourbon whiskey as a distinctive product of the United States be brought to the attention of the appropriate agencies of the United States Government toward the end that such agencies will take appropriate action to deter and prevent persons outside the United States from designating whisky as "bourbon whiskey" and to prohibit the importation into the United States of whisky designated as "bourbon whiskey."

PROPOSED LEGISLATION TO ASSIST IN PERPETUATION OF THE DUAL BANKING SYSTEM

Mr. BRIDGES. Mr. President, on behalf of myself and several of my distinguished colleagues, I introduce, for appropriate reference, two legislative proposals which would assist in the perpetuation of the dual banking system, and further improve the banking climate. In so doing, they would change certain of the operations and modify the organizational structure of the Federal banking supervisory agencies.

One bill would amend the Federal Deposit Insurance Act with respect to the membership of the Board of Directors of the Federal Deposit Insurance Corporation. Joining in this proposal are Senators BUSH, CLARK, COTTON, JACKSON, JAVITS, KEATING, and MCCLELLAN. I am pleased that this distinguished group is in agreement with this proposal.

This proposal would amend the FDI Act to provide that there be a three-member board, but that "none of the members hereafter appointed" to the FDIC Board shall hold any other public office in State or National Government, or any position in the Federal Reserve System. Therefore, the enactment of this bill would not expel the present encumbent of the Office of the Comptroller of the Currency from the FDIC Board—it would, however, prohibit any successor in that Office from participating as a member of the FDIC Board.

The presence of the Comptroller of the Currency on the FDIC board incurs conflict of interest. He is the supervisor of the national banks and acts independently on national bank applications for new banks, branches, mergers, and so forth, even though the banks are insured by FDIC. Then, as a member of the three-man FDIC board which acts

on like competitive applications of State banks which are not members of the Federal Reserve System, he exercises one-third of the voting power.

The presence of the Comptroller on the FDIC Board violates a basic principle underlying the administration of law: No man should be in a position where there is a possibility of a conflict of interest. It is almost impossible to expect the Comptroller of the Currency—the promoter and supervisor of national banks—to act impartially when the interests of national banks conflict with the interests of State banks.

The second bill would amend the Federal Deposit Insurance Act, the Federal Reserve Act, and section 5155 of the Revised Statutes which set forth "the conditions upon which a national banking association may retain or establish and operate a branch or branches."

My associates in this proposed legislation are Senators BUSH, CLARK, COTTON, JACKSON, JAVITS, and KEATING.

The foregoing statutes provide that branch applications of State-chartered Federal Reserve member banks be passed upon by the respective State bank supervisor and by the Federal Reserve Board—that the State-chartered banks which are insured by FDIC and which are nonmembers of the Federal Reserve System be passed upon by the State bank supervisor and by the Federal Deposit Insurance Corporation—and that the Comptroller of the Currency act independently on branch applications of national banks.

This proposed amendment to the foregoing statutes would delegate to FDIC, the insuring agency, final action on branch applications of all FDIC insured banks—the State-chartered banking institutions which are not members of the Federal Reserve System; the State-chartered banking institutions which are members of the Federal Reserve System; and the nationally chartered banking institutions.

The branch applications of national banks would then be passed upon by the Comptroller of the Currency and by FDIC. The State-chartered banking institutions—members and nonmembers of the Fed—would then be acted upon by the respective State bank supervisor and by the FDIC.

This proposal would establish uniformity of judgment in the application of standards at the Federal level, and would be a step toward the elimination of conflict between the Office of the Comptroller of the Currency and the respective State banking departments.

This proposal would transfer to FDIC the Federal Reserve approval authority over branches of State member banks. The principal duties of the Board lie in the area of money and credit control. The question of whether a proposed branch of a State member bank is needed in a suburban shopping center is unrelated to those vital purposes. FDIC, as the insuror, has a legitimate interest in the establishment of branches.

The PRESIDENT pro tempore. The bills will be received and appropriately referred.

The bills, introduced by Mr. BRIDGES, were received, read twice by their titles, and referred to the Committee on Banking and Currency, as follows:

By Mr. BRIDGES (for himself, Mr. BUSH, Mr. CLARK, Mr. COTTON, Mr. JACKSON, Mr. JAVITS, Mr. KEATING, and Mr. MCCLELLAN):

S. 2301. A bill to amend section 2 of the Federal Deposit Insurance Act with respect to the membership of the Board of Directors of the Federal Deposit Insurance Corporation.

By Mr. BRIDGES (for himself, Mr. BUSH, Mr. CLARK, Mr. COTTON, Mr. JACKSON, Mr. JAVITS, and Mr. KEATING):

S. 2302. A bill to amend section 9 of the Federal Reserve Act, section 18(d) of the Federal Deposit Insurance Act, and section 5155 of the Revised Statutes.

FOREIGN SERVICE ACT AMENDMENTS OF 1961

Mr. FULBRIGHT. Mr. President, I introduce a bill to amend the Foreign Service Act and ask that it be appropriately referred.

On last June 16, Mr. Roger W. Jones, Under Secretary of State for Administration, sent me a series of proposed amendments to the Foreign Service Act. He expressed the hope that the Senate might consider these amendments during the course of its consideration of the foreign aid bill.

In view of the length and complexity of the foreign aid bill, however, it was felt better not to include these amendments to the Foreign Service Act in the aid legislation.

It is my hope that sometime before adjournment the committee may have opportunity to consider these amendments. In general, they are designed to improve the quality of our oversea representation and make it possible for members of the Foreign Service to serve abroad for longer periods of time than is now the practice.

As is my custom, I am introducing this bill "by request" and of course reserve my right to propose any changes in the legislation which may be appropriate.

Mr. President, I ask unanimous consent that there be printed in the body of the RECORD the following documents which I now send to the desk:

First. The letter of June 16, 1961, from Mr. Jones to me.

Second. A statement showing existing legislation, proposed legislation, and the executive branch arguments in support of their proposed changes.

Third. A statement of the estimated cost of the proposed bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter and statements will be printed in the RECORD.

The bill (S. 2305) to amend the Foreign Service Act of 1946, as amended, and for other purposes, introduced by Mr. FULBRIGHT, by request, was received, read twice by its title, and referred to the Committee on Foreign Relations.

The letter and statements presented by Mr. FULBRIGHT are as follows:

JUNE 16, 1961.

Hon. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations, U.S. Senate.

DEAR MR. CHAIRMAN: During the course of consideration of the proposed Act for International Development it became apparent that additional authorities and flexibility were needed in order to recruit and retain the specialized personnel so urgently needed for successful implementation and administration of the foreign aid program. In our consideration of those needs it was felt that the specific provisions were also necessary and desirable to strengthen and improve administration in all agencies engaged in foreign affairs activities. It was therefore determined that the proposals would take the form of amendments to the Foreign Service Act of 1946 rather than being confined to the Act for International Development.

Accordingly, the Department wishes to propose the attached draft amendments to the Foreign Service Act of 1946, as amended, for incorporation in the Act for International Development of 1961. In substance these provisions would:

1. Repeal the authority to pay salary differentials to officers and employees of the Foreign Service assigned or detailed to any Government agency, including those assigned or detailed to positions in the Department, except with respect to persons serving in positions to which they are appointed by the President.

2. Liberalize provisions relating to orientation and language training for members of the family of officers and employees of the Service.

3. Increase flexibility by providing authority to permit payment of travel expenses on a commuted basis thereby enabling the Department to provide for commutation of costs to or from those areas of the world where savings can be accomplished.

4. Increase flexibility by providing authority for the travel of officers and employees of the Service and their families for annual leave in connection with rotation assignments to the United States after service abroad and thereby eliminate current requirement that home leave be authorized in all cases after continuous service of 2 years abroad.

5. Provide authority to enable members of the families of officers and employees of the Service to accompany the officer or employee for representational purposes within the country of his assignment or at the Secretary's discretion outside the country of assignment.

6. Provide authority to transport the remains of officers and employees of the Service and members of their families to the family burial place.

7. Increase flexibility by permitting travel at Government expense from selected posts specifically designated by the Secretary of State for officers and employees of the Service and members of their families for rest and recuperation purposes.

8. Provide authority to permit payment of travel expenses of members of the family in connection with orientation and training of officers and employees of the Service at a place other than the employee's assigned post and in connection with temporary duty en route to the post assignment.

9. Provide authority to authorize travel for officers and employees of the Service and members of their families for medical care, such as diagnosis, treatment, or emergency dental care, to the nearest available facility in cases where local facilities at the post are inadequate or unavailable.

10. Increase flexibility by providing authority to administratively establish lengths

of tours of duty abroad from 18 to 36 months thereby eliminating current mandatory requirement that home leave be authorized from all posts after 2 years continuous service abroad.

11. Provide authority to settle and pay claims against the United States by officers and employees of the Service for damage to, or loss of personal property incident to service abroad.

The amendments provide authority in the administrative field which we believe are essential for more effective personnel administration. The specific proposals have been developed on the basis of careful consideration of the operational needs of all agencies operating in the foreign affairs field including the somewhat specialized problems encountered by the economic aid program and represent those items which are urgently needed at this time. I appreciate the fact that the submission of these proposals at this time may pose an additional burden on you and your committee, and it is only because of our deep conviction that they are necessary that I do so.

I can assure you that the Department will be happy to provide any assistance which you and your committee may desire in bringing about the enactment of these amendments.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this draft legislation.

Sincerely yours,

ROGER W. JONES.

FOREIGN SERVICE ACT AMENDMENT OF 1961

ASSIGNMENTS TO ANY GOVERNMENT AGENCY OR INTERNATIONAL ORGANIZATION

(Matter in black brackets to be deleted; new matter in italics)

Existing legislation	*Proposed legislation*
SEC. 571. (c) If the basic minimum salary of the position of which an officer or employee of the Service is assigned pursuant to the terms of this section is higher than the salary such officer or employee is entitled to receive as an officer or employee of the Service, such officer or employee shall, during the period such difference in salary exists, receive the salary and allowances of the position in which he is serving in lieu of his salary and allowances as an officer or employee of the Service. Any salary paid under the provisions of this section shall be the salary on the basis of which computations and payments shall be made in accordance with the provisions of title VIII. [No officer or employee of the Service who, subsequent to the date of enactment of the Foreign Service Act Amendments of 1960, is assigned to, or who, after June 30, 1961, occupies a position in the Department that is designated as a Foreign Service Officer position, shall be entitled to receive a salary differential under the provisions of this paragraph.]	SEC. 571. (c) If the basic minimum salary of the position to which an officer or employee of the Service is assigned pursuant to the terms *of paragraph (b)* of this section is higher than the salary such officer or employee is entitled to receive as an officer or employee of the Service, such officer or employee shall, during the period such difference in salary exists, receive the salary and allowances of the position in which he is serving in lieu of his salary and allowances as an officer or employee of the Service. Any salary paid under the provisions of this section shall be the salary on the basis of which computations and payments shall be made in accordance with the provisions of title VIII.

It is proposed to repeal the provisions of section 571(c) with respect to payment of differentials except in cases of appointment by the President. The provisions of existing section 571(c) are the result of changes made by the Foreign Service Act Amendments of 1960. The Department sought at the time of enactment of those amendments to eliminate the requirement that an officer or employee of the Service assigned or detailed to duty with any Government agency (including the Department of State) should receive the difference, if any, between his salary as an officer or employee of the Service and the basic minimum salary of the position to which he was assigned. It was pointed out that there was no longer any justification for this so-called Washington salary differential for officers of the Service assigned to positions in the Department since the integration of the Department and Foreign Service had made the interchange of officers between oversea and Washington assignments a normal procedure. Accordingly, since Washington was, in effect, a post of duty similar to any post abroad the payment of a salary differential was not believed justified. Amendments made to section 571(c) provides that "No officer or employee of the Service who, subsequent to the date of enactment of the Foreign Service Act Amendments of 1960, is assigned to, or who, after June 30, 1961, occupies a position in the Department that is designated as a Foreign Service Officer position, shall be entitled to receive a salary differential under the provisions of this paragraph."

The Department believes that all officers of the Foreign Service should be treated alike and that no Washington salary differential should be paid to any officer assigned to a position in the United States. Existing legislation would require the payment of differentials to a small percentage of Foreign Service personnel assigned to the United States while denying such payments to the majority of those so assigned. Therefore, the Department is proposing an amendment to section 571(c) in the interest of fair and equitable treatment of all officers and employees of the Foreign Service who are assigned to the United States.

The only exceptions would be those Foreign Service officers who are appointed by the President alone or by and with the advice and consent of the Senate, as authorized in section 571(b). Such officers would receive the salary of the office to which appointed or their FSO salary, whichever is greater.

ESTABLISHMENT OF

(Matter in black brackets to be

Existing legislation

SEC. 701. The Secretary shall, in order to furnish training and instruction to officers and employees of the Service and of the Department and to other officers and employees of the Government for whom training and instruction in the field of foreign relations is necessary, and in order to promote and foster programs of study incidental to such training, establish a Foreign Service Institute, hereinafter called the Institute. The Secretary may also provide [to the extent that space is available therefor] appropriate orientation and language training to [spouses] of officers and employees of the Government in anticipation of the assignment abroad of such officers and employees. Other agencies of the Government shall, wherever practicable, avoid duplicating the facilities of the Institute and the training provided by the Secretary at the Institute or elsewhere.

Knowledge of the language, institutions, and history of the country of assignment is essential, in varying degree for officers and employees who are assigned abroad to perform their official functions and to represent the United States adequately. Since representation most often requires the teamwork of husband and wife it is most desirable that wives also have a suitable knowledge of the languages, and to a lesser extent the customs and institutions of these countries. Other members of the family may assist materially in the representational function, e.g., sisters who act as hostesses for single officers, grown daughters who act as hostesses for widowed officers, and sometimes even children whose presence creates a friendly and more intimate atmosphere.

At present authority exists only for the Institute to provide instruction on a space-available basis for spouses of officers and

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PART B—TRAVEL AND RELATED

Existing legislation

SEC. 911. The Secretary may, under such regulations as he shall prescribe, pay—

(1) the travel expenses of officers and employees of the Service, including expenses incurred while traveling pursuant to orders issued by the Secretary in accordance with the provisions of section 933 with regard to the granting of home leave;

(2) the travel expenses of members of the family of an officer or employee of the Service when proceeding to or returning from his post of duty; accompanying him on authorized home leave; or otherwise traveling in accordance with authority granted pursuant to the terms of this or any other Act;

The purpose of these proposed amendments is (1) to increase flexibility for providing authority to permit payment of travel

THE INSTITUTE

deleted; new matter in italic)

Proposed legislation

SEC. 701. The Secretary shall, in order to furnish training and instruction to officers and employees of the Service and of the Department and to other officers and employees of the Government for whom training and instruction in the field of foreign relations is necessary, and in order to promote and foster programs of study incidental to such training, establish a Foreign Service Institute, hereinafter called the Institute. The Secretary may, when he considers it in the public interest, also provide appropriate orientation and language training to *members of family* of officers and employees of the Government in anticipation of the assignment abroad of such officers and employees *or while abroad*. Other agencies of the Government shall wherever practicable avoid duplicating the facilities of the Institute and the training provided by the Secretary at the Institute or elsewhere.

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employees "in anticipation of the assignment abroad of such officers and employees." It would be helpful to expand this authority, by removing the "space available" limitation, by extending it to cover other members of the family, and by prolonging it to cover orientation and language training after the arrival of the family in the field. Some family members already study the language of the post at their own expense, but it would be to the advantage of the Government to have such study carried out on a wider scale. Opening existing language courses at the posts to participation by members of family would accomplish this purpose. Such orientation and language training will be given at the Institute to the maximum extent possible, or at such other facility or institutions as may be deemed appropriate.

EXPENSES—GENERAL PROVISIONS

Proposed legislation

SEC. 911. The Secretary may, under such regulations as he shall prescribe, pay, *including payment on a commuted basis*—

(1) the travel expenses of officers and employees of the Service, including expenses incurred while traveling pursuant to orders issued by the Secretary *authorizing annual leave at their homes upon reassignment to the United States after service abroad or* in accordance with the provisions of section 933 with regard to the granting of home leave;

(2) the travel expenses of members of the family of an officer or employee of the Service when proceeding to or returning from his post of duty; accompanying him on authorized *travel to his home on annual leave when he is reassigned to the United States or on authorized* home leave; *accompanying him for representational purposes on authorized travel within the country of his assignment or, at the discretion of the Secretary, outside the country of his assignment;* or otherwise traveling in accordance with authority granted pursuant to the terms of this or any other Act;

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and transportation expenses on a commuted basis; (2) to permit travel to a place of residence in the United States for annual leave when an officer or employee is to be assigned to duty in the United States following duty abroad; (3) to provide for the travel of members of family when for representational purposes they accompany the officer or employee on official trips within the country of their assignment or, at the discretion of the Secretary, outside the country of their assignment.

At present the laws and related regulations pertaining to the travel of personnel and the transportation of their effects do not allow the adoption of simplified procedures which would result in lower administrative costs to administer the Foreign Service travel and transportation system.

The proposed addition to the first sentence of section 911 of the phrase "including payment on a commuted basis" would permit audit, payment of travel and transportation expenses on a commuted basis rather than the present system of multiple vouchers covering a single journey. On the basis of examination of an itinerary it is possible to predetermine, with a high degree of accuracy, the amount of per diem, transportation, and miscellaneous expenses to be incurred.

At present the traveler is required to maintain meticulous records in order to prepare a claim for reimbursement. His reimbursement vouchers and the several transportation vouchers must be individually obligated, audited and paid. Under the procedure proposed, the cost of the trip would be computed in advance and a single voucher processed to effect payment to the traveler prior to commencement of the journey.

Payment of travel expenses on a commuted basis would result in appreciable savings in time spent by the traveler and time spent by auditing and accounting personnel would be greatly reduced.

Current authority provides for transportation to places of residence following duty abroad only for home leave purposes.

At present an officer or employee is granted home leave after a foreign assignment and before an assignment in the United States if he has completed 2 years of continuous service abroad and if he is expected to serve abroad again following his assignment in the United States. Such leave is not necessary from the viewpoint of acquainting the officer or employee with circumstances in his own country to make him a better representative abroad. His assignment in the United States will accomplish that purpose.

The officer or employee may need leave, however, to refresh himself and his family, and to attend to important private affairs (putting children in college, visiting aged parents, settling estates, etc.). Annual leave will adequately serve this purpose for personnel returning from the majority of posts. Normally an individual will have an accumulation of 1½ month's home leave to which he could add annual leave. The Department can expect to wait 60 days before he reports back to work. If he takes only annual leave he will report sooner.

It is therefore proposed that transportation for visits to the home leave address following a foreign assignment and before entering upon a U.S. assignment be paid for by the Government, but that the period of leave be shortened by allowing only annual leave for those on transfer to the United States from posts where living and working has not imposed a particular hardship. Annual leave would be charged for his absence from the time he would have arrived had he made a direct journey from his post to Washington until the time he actually arrives in Washington. However, he will be entitled to per diem for the time actually spent in travel status in the United States as well as for actual or constructive travel costs.

Experience has shown that representation is frequently conducted more successful by a man-and-wife team than by an officer alone and in the case of single officers or widowed officers for example, when they are accompanied by a sister or a grown daughter who normally acts as their hostess. This has become increasingly the case with the improving status of women in societies throughout the world. In the past when officers have taken members of their family with them on official trips the representational benefit to the United States has frequently been pronounced. The Department does not believe officers should be required to bear this additional expense when the travel of members of family is in the public interest.

Existing legislation

(8) [the cost of preparing and transporting to their former homes in the continental United States or to a place not more distant, the remains of an officer or employee of the Service who is a citizen of the United States and of the members of his family who may die abroad or while in travel status;]

Proposed legislation

(8) *the cost of preparing and transporting to their former homes or to such other place in the United States as may be determined to be the appropriate place for interment the remains of an officer or employee of the Service who is a citizen of the United States and of the members of his family who may die abroad or while in travel status.*

The current provision relating to the transportation of remains of officers and employees of the Service and members of their families is limited to transportation to their former homes or to a place not more distant. Experience has shown that the family burial plot and the place of residence is not always the same. When the cost of the shipment of the remains to such a place is in excess of the cost of shipment to the former home, the difference in cost cannot be paid by the Government. The proposed amendment would permit in appropriate cases the transportation of such remains at Government expense to their former homes or to any other place considered appropriate, such as a family burial plot or national cemetery anywhere in the United States. Although the Government-wide provision is not applicable to dependents, the language as proposed is comparable to authority presently applicable to U.S. Government employees while in travel status or while serving abroad in other than the Foreign Service and will serve to make the provisions of the section more equitable and bring it into agreement with authority already in existence.

Existing legislation

No existing legislation.

Proposed legislation

SEC. 911. *(9) the travel expenses of officers and employees of the Service who are citizens of the United States, and members of their families, while serving at posts specifically designated by the Secretary for purposes of this paragraph for rest and recuperation to other locations abroad having different environmental conditions than those at the post at which such officers and employees are serving, provided that such travel expenses shall be limited to the cost for each officer or employee and members of his family of one round trip during any continuous two year tour unbroken by home leave and two round trips during any continuous three year tour unbroken by home leave.*

The purpose of this proposed amendment is to enable officers and employees, and members of their families, serving at designated posts where there are no nearby places offering climatic or environmental change to travel at Government expense to locations specified by the Secretary or construction costs of travel to other locations at the option of the employee if this does not extend his absence from post. It is contemplated that only one round trip would be authorized while serving a continuous 2-year tour or two round trips for a continuous 3-year tour.

It is difficult under present conditions for the Secretray to staff certain isolated posts where conditions are extreme and where there is no nearby place to which an employee can go on annual leave for change of atmosphere. For example, an employee in Yemen or Khartoum might wish to take his family to Asmara or Cairo, respectively, but would be unable to do so because of the high cost of transportation.

Rest and recuperation leave should bring particularly valuable dividends in the case of the Department's junior hard language officers (e.g., Laotian, Vietnamese) who must now in many instances spend 4 years at a post broken only by home leave. The prospect of such assignments has discouraged young officers from volunteering in adequate numbers for hard language specialization. The prospect of 3 or 4 years broken once or twice by leave for rest and recuperation with travel costs covered by the Government should elicit a very favorable response and strengthen the hard language program.

Provision will be made in regulations for the charging to annual leave of the employee's travel time and for the period spent in rest and recuperation. The minimum leave period for which such travel may be authorized will vary with the post and the need for the employee's service. In some instances families will be authorized rest and recuperation travel whether or not the employee is able to be absent from post.

Existing legislation

No existing legislation.

Proposed legislation

(10) the travel expenses of members of the family accompanying—preceding or following an officer or employee whenever he is ordered for orientation and training to a place other than his post of assignment, or if he is given temporary duty en route to his post of assignment.

The purpose of this amendment is to permit payment of travel expenses for families of employees when accompanying, preceding, or following an officer or employee ordered for purposes of orientation and training to a place other than his post of assignment, or if he is given temporary duty en route to a post of assignment. In the conduct of the aid program, experience has indicated that it is most important that all employees assigned to a post other than the capital city report to the mission headquarters for briefing and orientation in connection with the aid program wherever possible prior to taking up their assignments at outlying posts, or as soon thereafter as possible.

It is also important in some countries to provide language training for the employees at mission headquarters or elsewhere because the facilites at the outlying post may not be available nor adequate. Experience has further indicated that it is useful to the agency to request employees to perform temporary duty en route to post of assignment at some place other than at post of assignment.

Under existing authority, when the employee is sent to another post for orientation and training or is assigned for temporary duty en route to his post of assignment, he may not take his dependents with him at Government expense unless the post designated for orientation and training or the temporary duty post happens to be on a direct route to his post of assignment. For example, the mission headquarters for Afghanistan is Kabul. When the post of assignment is Kandahar which is a stopover en route to Kabul, the employee must leave his dependents in Kandahar and go on to Kabul for orientation and training, or pay the cost himself for their accompanying him to and returning from the headquarters city. In many cases political or physical conditions at the post of assignment make it unreasonable to expect the families to go to the post of assignment without the employee. For example, in some countries technicians under the aid program are assigned to the outlying post where there are no other Americans or suitable facilities to provide temporary lodging or to assist in making suitable living arrangements. In others, lack of housing or unfamiliarity with local rental customs, or language, makes it very difficult for members of the family to establish suitable residence at such post unless the employee is there to assist or to handle the arrangements.

ORDERING RETURN OF PERSONNEL TO

(Matter in black brackets to be

Existing legislation

SEC. 933. (a) The Secretary [shall] order to the continental United States, its Territories and possessions, on statutory leave of absence [every] officer [and] employee of the Service who is a citizen of the United States upon completion of [two years'] continuous service abroad [or as soon as possible thereafter.]

The basic purpose of this proposed amendment is to provide needed flexibility in establishing the length of a tour of duty at the various posts abroad in connection with authorizing employees to travel for home leave. Existing authority requires that employees remain at all posts for 24 months before becoming eligible for home leave travel.

It is intended that the flexibility will be accomplished by establishing length of tours of duty ranging from 18 months to 3 years, depending upon the characteristics of the post.

Before the Foreign Service Act of 1946, the Secretary had authority under Public Law 135, 68th Congress (the Rogers Act), to order Foreign Service officers on statutory home leave after 3 years or more of continuous service abroad. Home leave after 2 years of continuous service abroad "or as soon as possible thereafter" was made mandatory by the Foreign Service Act of 1946 (sec. 933 (a)). The intention was to insure that officers and employees would return more often to the United States "to renew touch with the American way of life and so become better representatives of this country abroad." The subsequent integration of the Department of State and the Foreign Service between 1954 and 1956 led immediately to rotation of assignments between the Department and the field, with an attempt to divide service on the basis of 6 years in the field

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PART E—MEDICAL SERVICES

(Matter in black brackets to be

Existing legislation

SEC. 941.

[(c)] After sufficient experience in the operation of the medical protection plan authorized in subsections (a) [and (b)] of this section has been obtained, as determined by the Secretary, and if he considers that the benefits so authorized can be provided for as well and as cheaply in other ways, the Secretary may, under such regulations, and for such persons, locations, and conditions as he may deem appropriate, and within the limits prescribed in such subsections, contract for medical care pursuant to such arrangements, insurance, medical services, or health plans as he may deem appropriate.

The changes made in section 941 are purely technical ones. Section 942(b) has been redesignated as section 941(c) because it relates more directly to the subject of this section, "Expenses of Treatment." Other

UNITED STATES ON LEAVE OF ABSENCE

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Proposed legislation

SEC. 933. (a) The Secretary *may* order to the continental United States, its Territories and possessions, on statutory leave of absence *any* officer *or* employee of the Service who is a citizen of the United States upon completion of *eighteen months'* continuous service abroad *and shall so order as soon as possible after completion of three years of such service.*

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and 4 in the Department. There has been less need since 1956, therefore, to bring personnel back as a matter of re-Americanization, every 2 years for home leave.

The amendment will permit needed flexibility in staffing and operating missions abroad by enabling the establishment of tours of duty at posts based upon a consideration of factors such as living and working conditions.

In the conduct of the AID program, the term of 3 years will provide greater continuity in the implementation of the program. Additionally, establishment of 18-month terms at certain hardship posts will provide greater incentive for employees to return to such posts for an additional term.

The possibility of home leave after 18 months should also bring particularly valuable dividends, through extending continuity of service at severe hardship posts of language specialists and through increasing their number. Young officers have not volunteered in adequate numbers to study some hard languages because the prospect of 4 years at difficult posts, broken by home leave, has been too unattractive. The prospect of 3 years broken in the middle by home leave, or even three successive 18-month tours separated by home leave should elicit a very favorable response and strengthen any hard language program.

—EXPENSES OF TREATMENT

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Proposed legislation

SEC. 941.

(c) *The Secretary may establish a first-aid station and provide for the services of a physician, a nurse, or other medical personnel at a post at which, in his opinion, sufficient personnel is employed to warrant such a station.*

(d) After sufficient experience in the operation of the medical protection plan authorized in subsections (a), (b), *and* (c) of this section has been obtained, as determined by the Secretary, and if he considers that the benefits so authorized can be provided for as well and as cheaply in other ways, the Secretary may, under such regulations, and for such persons, locations, and conditions as he may deem appropriate, and within the limits prescribed in such subsections, contract for medical care pursuant to such arrangements, insurance, medical services, or health plans as he may deem appropriate.

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minor changes are the redesignation of 941 (c) as 941(d) since is should remain at the end of this section; and appropriate reference changes.

Existing legislation

[TRANSPORTATION TO APPROVED HOSPITALS]

SEC. 942. [(a)] In the event an officer or employee of the Service who is a citizen of the United States or one of his dependents [incurs an illness or injury requiring hospitalization, not the result of vicious habits, intemperance, or misconduct, while stationed abroad in a locality where there does not exist a suitable hospital or clinic,] the Secretary may, in accordance with such regulations as he may prescribe, pay the travel expenses of such person by whatever means he shall deem appropriate and without regard to the Standardized Government Travel Regulations and section 10 of the Act of March 3, 1933, as amended (60 Stat. 808; 5 U.S.C. 73b), to the nearest locality where [a suitable hospital or clinic exists], and on [his] recovery pay for the travel expenses of his return from such [hospital or clinic.] If any such officer, employee, or dependent is too ill to travel unattended, the Secretary may also pay the round-trip travel expenses of an attendant or attendants.

[(b)] The Secretary may establish a first-aid station and provide for the services of a physician, a nurse, or other medical personnel at a post at which, in his opinion, sufficient personnel is employed to warrant such a station.]

Proposed legislation

TRAVEL FOR MEDICAL PURPOSES

SEC. 942. In the event an officer or employee of the Service who is a citizen of the United States or one of his dependents, *requires medical care, for illness or injury not the result of vicious habits, intemperance or misconduct, while stationed abroad in a locality where there is no qualified person or facility to provide such care,* the Secretary may, in accordance with such regulations as he may prescribe, pay the travel expenses of such person by whatever means he shall deem appropriate, *including the furnishing of transportation,* and without regard to the Standardized Government Travel Regulations and section 10 of the Act of March 3, 1933, as amended (60 Stat. 808; 5 U.S.C. 73b), to the nearest locality where *suitable medical care can be obtained.*

If any such officer, employee, or dependent is too ill to travel unattended, *or in the case of a dependent too young to travel alone,* the Secretary may also pay the round-trip travel expense of an attendant or attendants.

Existing section 942(b) is being redesignated as section 941(c).

Under present authorities the Secretary of State may provide transportation to suitable facilities for employees and members of their families having an illness or injury requiring hospitalization and he may also establish first-aid stations.

There is a wide range of medical problems that arise between what can be treated as first-aid and that which requires hospitalization. The purpose of the provision is to provide the additional flexibility deemed important in meeting the variety of medical needs that arise in the various isolated locations in the world where employees and their families are required to live for prolonged periods.

The proposed amendment will enable the Secretary to provide for travel for personnel or members of their families who need medical care such as diagnosis, physical examination, inoculation, emergency dental care, outpatient care, hospitalization, and obstetrical care which is inadequate or not available at their post of assignment and which cannot or should not be delayed until the employee is eligible for home leave, transfer, rest or recuperation, or other official travel.

The dispersion of Foreign Service personnel is such that it is often not feasible to have medical personnel or facilities at all locations where technicians are serving. To do so would be prohibitively expensive and a poor utilization of medical resources. The use of this authority will prove to be more economical than attempting to provide local medical facilities where such are nonexistent or inadequate.

In many instances, there is need to move the employee or the dependent from an isolated area to a place where he can have a diagnosis as to whether or not hospitalization may be required. In Sudan, for example, there are three technicians and their families in the city of Juba, some 800 miles south of Khartoum. It is the closest place having medical facilities though even these are minimal. If one of the dependents becomes ill no authority exists at the present time which will permit the dependent to travel at Government expense to obtain treatment or even a diagnosis of the illness unless hospitalization is obviously required.

Generally, the nature of the illness or its seriousness cannot be determined without an examination by a doctor, and in some such instances laboratory facilities may be required before the need for hospitalization can be determined. Further, once the patient has been initially treated, there may be instances where further monthly treatment may be required. Present authorities would not permit this necessary followup medical care.

There are some posts, particularly in the newly emerging countries where even minimally adequate dental care is also not available. Personnel do try to get necessary dental work attended to when they are on leave in the United States, but in a 2- or 3-year period away from the United States emergencies can and do arise. It is in the interests of good health and efficiency to take care of these emergencies when they come up. The proposed language would provide reasonable authority for this essential need.

It continues to be especially difficult to recruit and retain persons to work exclusively in remote underdeveloped areas, which the mutual security program frequently must do. Unless some reasonable assurance can be given that minimal medical requirements will be met, they are reluctant to accept employment. This authorization for travel from isolated areas is a most important one in meeting the Government's obligation.

Another purpose of the proposed amendment is to permit the travel cost of an adult to accompany a child too young to travel alone who must depart from the post to obtain necessary medical or emergency dental care. This is regarded by the Department

as a reasonable extension of the existing authority to pay the round-trip travel expenses of an attendant for a person who is going to a place away from the post for necessary hospitalization and who is too ill to travel unattended.

(New matter in italics)

Existing legislation	*Proposed legislation*
No existing legislation.	PART F—CLAIMS *Sec. 1051. The Secretary may, under such regulations as he shall prescribe, settle and pay claims against the United States Government for damage to, or loss of, personal property of any officer or employee of the Service incident to his service outside the United States in a sum not to exceed $5,000 for a single claim: Provided, That a claim may be allowed under this section only if (i) it is presented in writing within two years after the incident causing it occurs, and (ii) it was not caused wholly or partly by the negligent or wrongful act of the claimant. Notwithstanding any other provision of law, a settlement of a claim pursuant to this section shall be final and conclusive.*

The purpose of this amendment is to simplify the procedure for reimbursing, within limits, Foreign Service personnel and members of their families who suffer property loss incident to service abroad.

The lack of political stability in a number of areas of the world where Foreign Service personnel are stationed, and the incidence of civil disturbance, riot, arson and sundry threats to the property of such personnel have made it certain that the U.S. Government will be presented from year to year with legitimate claims for recompense.

Past experience indicates that hasty evacuation of a post in the face of hostilities leads almost inevitably to personal property losses. When Seoul was evacuated in 1950, 24 hours ahead of its takeover by the advancing North Korean Army, American Embassy personnel were evacuated by plane and saved only what they wore and what they could put into one suitcase.

At the present time the Department's Claim Board, operating under administrative regulations, considers claims for noninsurable losses incurred by Foreign Service employees as a result of emergency conditions and recommends approved cases to the Congress for settlement under private bills. For losses sustained since the evacuation of personnel from Seoul, Korea, in June 1950, 15 claims have been approved by the Claim Board, 11 of which have been settled under four separate private laws approved by the 83d, 85th, and 86th Congresses. Four of the 15 cases will be recommended for reimbursement to the Congress in January 1962.

The proposed amendment would provide a permanent vehicle for the quick settlement of legitimate claims, thus enabling personnel who have suffered losses to replace them, at least in part.

This proposal would be consistent with authority presently vested in the Secretary to settle tort claims abroad involving State Department operations.

Estimated cost of proposed bill

Item	First year cost	
	State	ICA
1. Repeal of Washington salary differentials (sec. 571(c)).—Comment: Based on the average annual salary differential now being paid to Foreign Service officers while assigned to Washington, this provision would result in a saving in the amount of $115,000 for the Department and $20,860 for ICA	(−$115,000)	(−$20,860)
2. Orientation and language training for members of family, officers, and employees (sec. 701).—Comment: The estimated cost is based on an increase of $7,500 for training at posts abroad and $50,000 for training in the Department. Training for ICA personnel is included in the State estimate	57,500	
3. Travel expense for officers and employees for annual leave in lieu of home leave (sec. 911(1)).—Comment: This provision would slightly decrease the cost of travel now performed for home leave purposes for persons being assigned to the United States		
4. Travel expense for members of families for annual leave purposes and representational purposes (sec. 911(2)).—Comment: The annual leave provisions would result in a slight saving over present costs of accompanying officers and employees on home leave. Cost of travel for members of family to accompany officers and employees on official travel for representational purposes is estimated at	40,000	10,000
5. Shipment of remains to place of burial (sec. 911(8)).—Comment: The increased cost of shipping the remains of officers and employees and members of their families to the family burial place is estimated to be	2,000	1,500
6. Travel expenses for rest and recuperation purposes (sec. 911(9)).—Comment: The cost of providing travel from hardship posts for rest and recuperation purposes is estimated at	445,000	485,000
7. Travel for members of family to accompany employee for orientation and training (sec. 911(10)).—Comment: This authorizes travel expenses for a family to accompany an employee for orientation, training, or tour of duty at a post other than his post of assignment. The additional cost is estimated at approximately	10,000	95,000
8. Return of personnel for home leave (sec. 933(a)).—Comment: The authority would provide flexibility to establish length of tours abroad ranging from 18 months to 3 years before home leave eligibility is acquired. For the most part the extension of some tours to 36 months would offset the increased incidence of travel for 18-month tours. For ICA, however, which has more people in hardship areas the 1st year costs would be increased to an estimated		60,000
9. Travel for medical purposes (sec. 942).—Comment: The provision for round trip travel from an area where no doctor or medical facility is available to the nearest locality where medical treatment can be obtained, and the provision for the travel of a parent to accompany dependent children on such trips will result in an increased cost estimated at	40,000	110,000
10. Claims (sec. 1051).—Comment: Since June 1950, 266 claims, averaging $1,804, were settled by private laws at a total cost of $479,993.68. The average annual cost for claims settled during this period was	47,994	40,000
Total estimated cost	527,494	780,640

NOTICE OF HEARING ON NOMINATIONS OF LEWIS R. MORGAN AND EARL R. LARSON TO BE U.S. DISTRICT JUDGES

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday August 1, 1961, at 10:30 a.m., in room 2300, New Senate Office Building, on the following nominations:

Lewis R. Morgan, of Georgia, to be U.S. District judge, northern district of Georgia, a new position.

Earl R. Larson, of Minnesota, to be U.S. district judge, district of Minnesota, vice Robert C. Bell, retired.

At the indicated time and place persons interested in the hearings may make such representations as may be pertinent.

The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nebraska [Mr. HRUSKA], and myself, as chairman.

NOTICE OF HEARING ON NOMINATION OF JAMES BRAXTON CRAVEN, JR., TO BE U.S. DISTRICT JUDGE, WESTERN DISTRICT OF NORTH CAROLINA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, August 1, 1961, at 10: 30 a.m., in room 2300, New Senate Office Building, on the nomination of James Braxton Craven, Jr., of North Carolina, to be U.S. district judge, western district of North Carolina, a new position.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from North Carolina [Mr. ERVIN], chairman, the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Nebraska [Mr. HRUSKA].

NOTICE OF PUBLIC HEARINGS ON DESIGN PROTECTION—S. 1884

Mr. McCLELLAN. Mr. President, as chairman of the Standing Subcommittee on Patents, Trademarks and Copy-

rights of the Committee on the Judiciary, I wish to announce that the subcommittee has scheduled public hearings on S. 1884, a bill to encourage the creation of original ornamental designs of useful articles by protecting the authors of such designs for a limited time against unauthorized copying.

The hearing is to commence on Tuesday, August 15, 1961, at 10 a.m., in room 2228, New Senate Office Building.

Anyone wishing to testify or file a statement for the record should communicate immediately with the office of the Senate Patents, Trademarks and Copyrights Subcommittee, room 349A, Senate Office Building, Washington 25, D.C., telephone CA 4-3121 or Government code 180, extension 2268.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. JORDAN:

Address entitled "The Role of the Supreme Court as the Interpreter of the Constitution," delivered by Senator ERVIN at a meeting of the State Bar Association of South Dakota, at Yankton, S. Dak., on July 1, 1961.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

AGRICULTURAL ACT OF 1961

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of the unfinished business, Senate bill 1643.

The motion was agreed to; and the Senate resumed the consideration of the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CONTROL OF THE GENERAL ANILINE & FILM CORP.

Mr. KEATING. Mr. President, almost 19 years ago the United States vested the stock of the General Aniline & Film Corp. as an enemy asset. To this day, this corporation remains under the ownership and management of the Federal Government. Continued Government control of this vast enterprise has severely handicapped its growth and prosperity, to the detriment of the general economy, as well as employment opportunities in the areas in which its main facilities are located.

Recently there was published in the Binghamton (N.Y.) Press an editorial criticizing the long congressional delay in enacting measures to permit this asset to be sold to American owners and operated without the shackling effect of Government control. For a number of years I have joined in sponsoring proposed legislation for this purpose, in association with my colleagues in the other body, Representatives HOWARD W. ROBISON and LEO W. O'BRIEN. The Senate bill this year—S. 760—was cosponsored by my colleague, the Senator from New York [Mr. JAVITS], and by the Senators from New Jersey [Mr. CASE and Mr. WILLIAMS]. Until this year, the bill has had the strong endorsement of the Department of Justice.

But the new Attorney General has not yet submitted an official report on the measure to the Congress.

The Binghamton Press editorial explains the basis for this legislation in clear and persuasive language. I hope that its plea will be heeded and that we will not permit another session to expire without action.

Mr. President, I ask unanimous consent that the text of the editorial and a list of organizations on record in support of this bill be printed at this point in the RECORD.

There being no objection, the editorial and list were ordered to be printed in the RECORD, as follows:

[From the Binghamton (N.Y.) Press, June 16, 1961]

ANSCO TOO LONG SHACKLED

When will General Aniline & Film Corp. be free of the shackles of Government control that keeps it from being the growing, expanding corporation it could be? Must the unshackling come only through passage of 100 years and a day?

GAF was seized as an enemy alien asset in 1942. It has been operated since under the supervision of the Office of Alien Property in the Justice Department.

Freedom from constrictive governmental control is offered by congressional action. Representatives HOWARD W. ROBISON and LEO W. O'BRIEN, along with Senator KENNETH B. KEATING, long have supported legislation that would permit purchase of the corporation by Americans, keeping receipts of the sale in escrow pending outcome of litigation over Interhandel claims.

Whether the Kennedy administration will favor such a legislative solution is yet to be ascertained. Such legislation was endorsed by the Eisenhower administration. Chief opponent is Senator OLIN D. JOHNSTON, Democrat, of South Carolina, member of the Senate's Judiciary Committee and chairman of the Senate Subcommittee on Trading With the Enemy. JOHNSTON favors return of GAF to its claimants, which is a minority viewpoint.

Freedom from Government control would be very much in the best interests of GAF and its 9,000 or so employees, but also the best interests of the communities, including the Triple Cities, where GAF plants are situated. It amounts to a lapse of congressional responsibility that no legislative decision has been taken over the many passing years.

GAF suffers great corporate and competitive disadvantages under the restrictions imposed by Government control. GAF is impeded in financing, and in buying and creating subsidiaries needful in its relations with suppliers and customers.

Government control, posing uncertainties about the future, causes uneasiness among employees and raises a barrier to obtaining managerial personnel of top competence. The corporation is under curbs in planning. In nearly all ways GAF faces barriers to achieving its great potentialities in chemical and allied fields. That it cannot do so denies consequent benefits to both workers and management.

It is very wrong that the problem should be perpetuated from year to year for want of responsible congressional action.

NATIONAL, STATE, AND LOCAL ORGANIZATIONS AND GROUPS SUPPORTING SALE AND/OR OPPOSED TO RETURN TO FORMER OWNERS OF ALIEN PROPERTIES VESTED BY THE UNITED STATES DURING WORLD WAR II

National Legislative Committee of the AFL–CIO.

U.S. Chamber of Commerce.

Section on international and comparative law of American Bar Association.

The American Legion.

American Veterans of World War II and Korea (AMVETS).

American Association of European Jurists.

International Chemical Workers Union.

New York State Federation of Labor.

New York State Department of Commerce.

Pennsylvania State Chamber of Commerce.

Union County, N.J., Central Labor Union.

Kentucky State Post of the American Legion.

Kentucky State Post of American Veterans of World War II and Korea (AMVETS).

Association of Commerce of Paducah, Ky.

Chamber of Commerce of Binghamton, N.Y.

Chamber of Commerce of Easton, Pa.

Non-Sectarian Anti-Nazi League.

Axis Victims League.

GENERAL ANILINE & FILM CORP.

Local unions

International Chemical Workers Union, Local 306, AFL–CIO, Ansco Division, Binghamton, N.Y.

General Industrial Workers Union, Local 146, AFL–CIO, Linden, N.J.

Printing Pressmen and Assistants Union, Local 57, AFL–CIO, Ansco Division, Binghamton, N.Y.

Sheet Metal Workers International Association, Local 112, AFL–CIO, Ansco Division, Binghamton, N.Y.

International Brotherhood of Electrical Workers, Local 325, AFL–CIO, Ansco Division, Binghamton, N.Y.

International Association of Machinists, Lodge 1807, AFL–CIO, Ozalid Division, Johnson City, N.Y.

Employee groups

General Aniline Supervisors' Association, the Chemical Group, Rensselaer, N.Y.

General Aniline Supervisors' Association, the Chemical Group, Linden, N.J.

Technical staff of Ozalid Division, Johnson City, N.Y.

Employees group, Central Research Laboratories, the Chemical Group, Easton, Pa.

Research and development staff, Ansco Division, Binghamton, N.Y.

Employee groups of the Chemical Group, New York, N.Y.

Sales offices of the Chemical Group at Providence, R.I., Charlotte, N.C., Philadelphia, Pa., Chattanooga, Tenn., Chicago, Ill., and San Francisco, Calif.

Minority stockholders

General Aniline & Film Corp. American Shareholders' Committee.

Mr. KEATING. Mr. President, it is significant that this list of organizations includes the AFL–CIO, the U.S. Chamber of Commerce, the American Legion, and a number of other veterans' organizations, and a long list of individual unions and civic groups. There is almost unanimous support of this legislation.

INTERNATIONAL PIRACY ON THE AIRLINES

Mr. KEATING. Mr. President, the hijacking of an American plane by Cuban bandits proves once more—if there was ever any doubt—that Castro and his henchmen are pirates and bandits. They are trying to test our patience, to see how far they can go before getting the retribution they deserve.

What the incident also shows is that our own security provisions in Miami, and perhaps elsewhere, are not what they ought to be. The U.S. Government should keep close track of any suspected Castro agents or sympathizers in this country, just the same as they do outright Communists, for there is no longer any doubt about Castro being a Communist. If these agents attempt to travel on any American airlines, they should be followed by armed American agents, either military or FBI men. It is necessary for the safety of American air travelers. It is their lives that may be at stake. A fighter plane can do nothing effective without threatening all involved, but an armed Government agent on the plane could quickly put a stop to this kind of Blackbeard tactics.

I hope the administration will take the strongest possible steps to put an end to this kind of piracy. Furthermore, it certainly does not strengthen our position, with regard to an incident like this, when our Ambassador to the United Nations simultaneously, in the same paper that carried the hijacking story, makes a statement to the effect that Latin Americans want the United States to mediate its problems with Cuba. If this is another trial balloon, hinting at an even more conciliatory policy toward Cuba, then it should be shot down at once. In fact, the hijacking incident shows more clearly than any words we could utter here in the Senate, or elsewhere, that it is impossible to mediate with a bandit, Communist state which has no respect for international law, no concern for a human life, and which has continually tried to substitute international blackmail for the orderly processes of diplomacy.

FEDERAL AID TO SCHOOLS IN IMPACTED AREAS

Mr. FONG. Mr. President, two long-standing, well-accepted, noncontroversial Federal school assistance acts were permitted to expire on June 30 this year.

As a result, many school districts throughout the 50 States face a real financial crisis. Schools in Guam, Puerto Rico, the Virgin Islands, and Wake Island also are adversely affected by expiration of Public Law 874 and Public Law 815.

These two measures were first enacted in the year 1950 and have been extended by Congress from time to time until this year, when they were unfortunately tied to a general Federal school aid program which has failed thus far to clear the Congress.

Under Public Law 874, Federal funds were made available to meet operating and maintenance of schools with greatly expanded enrollments because of large military installations or other Federal projects located nearby.

Public Law 815 granted Federal funds for school construction in these so-called impacted areas.

Although the Senate extended these two statutes for 3 years as part of a general Federal aid to education bill, action by the House has not been forthcoming.

In reporting the bill to the Senate, our Labor and Public Welfare Committee advised the Senate that, in the current year, there are an estimated 219,000 children living on Federal property who have a parent employed on Federal property and who attend school in the adjacent communities.

The committee further advised the number increases from 8 to 14 percent each year as military housing projects already authorized by Congress are completed and occupied and as some new Federal projects are undertaken.

The Senate committee also reported that, in the current year, there are some 1,375,000 children in about 4,000 public school districts who live with a parent employed on nontaxable Federal property. This number, we were told, is increasing 4 to 6 percent each year.

Such is the overall impact of Federal activities on schools in the 50 States and in U.S. territories and possessions.

In my own State of Hawaii, more than 28 percent of our school population is attributable to the impact of Federal activities. We have been receiving $155 each year for each such school child under these laws, but even this does not cover all the costs of schooling which the State of Hawaii is obliged to provide for them.

Under Public Law 874, the Federal ment, the Federal Government contributed $962½ million to local school districts in federally impacted areas to be used for school construction. Expiration of this law entails a loss of $62,042,000 in Federal funds to such districts in 1962.

Under Public Law 874, the Federal Government provided funds to meet teachers' salaries and other operating and maintenance expenses of 3,821 school districts, in which are located some 10,200,000 schoolchildren—about one-third of all public schoolchildren in the United States.

Expiration of Public Law 874 entails a loss of $250,046,000 to school districts with impacted areas in 1962.

School administrators in 319 congressional districts have been compelled to prepare their budgets for the 1962 term without knowing whether this Federal aid would be available. Unless Congress reenacts both Public Law 815 and Public Law 874, it will not become available, and many of these school districts face serious financial distress.

There are disturbing rumors that the administration is using the threat of a veto of separate legislation reenacting these two measures, as a "blackjack" to force action in Congress on a general aid to education bill.

It would be ironic indeed if the present administration, which professes to be strong for Federal aid to education, were to block reenactment of Public Laws 815 and 874, and thereby deny Federal aid to nearly one-third of the Nation's school children.

At this late date, many school districts would find it difficult, if not impossible, to fill the financial gap left by expiration of these two laws.

In Hawaii, we would be forced to raise $5,269,500 for operating and maintenance costs, including teachers' salaries, which we will not receive because Public Law 874 has been allowed to expire.

For school construction, Hawaii citizens would have to raise $1,748,000 to meet the school construction fund gap occasioned by expiration of Public Law 815.

To raise these sums in Hawaii on such short notice for the 1962 school year will be extremely difficult and most burdensome.

In the coming year, then, instead of holding to last year's standards, school districts with impacted areas undoubtedly will be compelled to take drastic steps to stay within their shrunken budgets.

How tragic if this year our school systems should worsen instead of improve.

I urge that the Congress perform its clear duty and promptly reenact Public Laws 874 and 815. I call on the leadership on the other side of the aisle to bring before the Senate and the House a bill extending both these programs at least for 1 year. Let the membership of the Senate and the House express themselves on the merits of this program.

I am confident such a bill would pass both Houses by overwhelming majorities.

In view of President Kennedy's expressed desire to improve our Nation's schools, I find it difficult to believe he would veto this effort to provide school aid for nearly one-third of America's public school children.

It is true that, at his press conference July 19, President Kennedy said impacted areas aid should be part of a general bill, and not considered as separate legislation.

When confronted by separate legislation approved overwhelmingly by both Houses of Congress, President Kennedy may decide to sign the bill, rather than

to deny needed assistance to schoolchildren and schoolteachers throughout America.

Should he veto such a bill, I believe Congress would override it, for every State in the Union has impacted areas which have been receiving Federal aid under these laws and which still have a need for this aid.

First, however, the leadership in control of both Houses and the appropriate committees should promptly bring up for Senate and House action a simple extender of Public Laws 874 and 815, so that our schoolchildren and schoolteachers will not suffer.

SLOWDOWNS IN OUR MISSILE PROGRAM

Mr. MUNDT. Mr. President, this morning I received my copy of the August 1961, issue of the Reader's Digest, which contains as its lead article a most devastating and illuminating report on the deplorable activities which caused delays and slowdowns in our missile program.

The article is most appropriately entitled "The Scandal of Our Missile Program," and is written by Mr. Kenneth O. Gilmore.

Mr. President, what particularly impresses me with the fine article written by Mr. Gilmore is the fact that he did not merely depend upon the information—devastating as it is—brought out during the hearings conducted by the Senate Permanent Subcommittee on Investigations on which I serve and of which my distinguished colleague, the Senator from Arkansas [Mr. McCLELLAN] is chairman.

In reading this informative report, you will note that Mr. Gilmore, after listening to the testimony as we of the committee did, departed on an investigative trip of his own to determine fully the impact of the labor strife upon the vital missile program.

What he reports should provide ample demonstration that the solution to this disturbing situation will not be found in pious proclamations of noble intent such as a "no-strike pledge." Even while our committee was focusing attention on these activities we learned that while such a pledge could be made in all honesty and with the highest of intentions, it did not mean anything to those who wished not to abide by it.

Mr. President, there is only one remedy to prevent a reoccurrence of these walkouts and slowdowns and that is to adopt legislation carrying severe penalties for those who cast aside the national security for their own personal gain.

I do not at this time intend to discuss the type of remedial legislation needed, Mr. President, but I would call attention to the recommendations contained in this outstanding report in the Reader's Digest by Mr. Gilmore. His suggestions are worthy of our consideration and clearly present guidelines from which we can develop measures to put an end to these practices which certainly can never be justified in any way as being in the public interest.

Mr. President, I request that the article from the Reader's Digest be made a part of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SCANDAL OF OUR MISSILE PROGRAM

(By Kenneth O. Gilmore)

(No Communist effort could have undermined our missile and space effort as effectively as opportunistic labor unions have done at the launching pads and ICBM bases.)

One of the sorriest chapters of self-serving in American history has been unfolding in the last half decade. It is the shameful undermining of our $3 billion-a-year missile and space effort by reckless union leaders and their too willing followers. Even worse is the way our arthritic Federal bureaucracy timidly allowed this hijacking of our Government through harassments and blackmail to continue. In 5 years the ballistic-missile bases and test sites have been beset by 330 strikes and walkouts, with a lost of 163,000 priceless man-days—all this at a time when Soviet ability to fire long-range nuclear missiles has launched us on an incredibly expensive crash program to make our ICBM weapons ready for operation, and even as Russians have orbited a man into space ahead of us.

"Wildcat strikes, work stoppages, slowdowns, featherbedding and a deliberate policy of low productivity on the part of some unions and workers may well be responsible to a substantial degree for whatever lagging behind exists in our space and missile programs. This concerns every man, woman, and child in the country who loves freedom. If greed, graft and extortion are to dominate our way of life and our economy, especially in a program vital to our survival, it is time for Americans to wake up."

These were the words of Senator JOHN L. MCCLELLAN after testimony was presented at the recent hearings conducted by the Senate Permanent Investigations Subcommittee, of which he is chairman. For 5 months the subcommittee's investigators dug into records and fanned out across the land to question hundreds of persons at union and contract offices, missile-assembly plants and ICBM launching centers. Some 40 witnesses from labor, industry and Government were brought to the Capitol to testify under oath. Senator MCCLELLAN claimed that the "appalling" disclosures were "as shocking as anything that has been revealed" in nearly 5 years of labor investigations.

As a reporter I listened to the testimony before that congressional subcommittee. Then, to measure fully the damage done by the strikes and boycotts, I traveled 7,000 miles from Washington to the flatlands of the West, on to the Pacific coast, then back across to the marshes of Cape Canaveral, Fla. At missile sites, on launching pads, deep inside subterranean silos, in blockhouses and contruction trailers, I talked with the men shouldering the day-and-night rush assignment of tooling up our space weapons.

One stop was at the missile complex near Lowry Air Force Base at Denver, Colo., where, as it had been explained before the McClellan subcommittee, 350 craft-union workers put down their tools last April at shelters being built for Titan intercontinental ballistic missiles. A month and a half earlier, construction-union chieftians had issued a stirring pledge not to strike our missile bases until they had exhausted every means for a peaceful settlement. Yet since that pledge, there have been a half-dozen craft walkouts on missile bases, with 34 more strikes by other unions.

The Lowry incident began when building-trades workers of all types remained away from the missile complex 3 days. Why? To press a ridiculous demand that a handful of craft workers be allowed to maintain and operate an intricate subterranean powerhouse where the work had been turned over to employees of the Martin Co., who were represented by another union. Only when it appeared that the National Labor Relations Board was about to seek a court injunction against them did the strikers return to their jobs. It was a blatantly illegal walkout.

Less than 2 weeks later another walkout occurred at the missile sites. The reason was much the same. This time the walkout spread like a disease to 4,000 strikers. Construction on 11 ballistic-missile locations was paralyzed, not only at Lowry but at Atlas pads scattered through northern Colorado. When the union men finally went back to work after 5 days, our race to offset Russia's awesome missile striking power had been retarded by 64,000 priceless man-hours.

Yet none of these workers was ever penalized or disciplined. On the contrary, they were rewarded. Upon returning to work, many collected generous overtime paychecks because the construction had to go ahead around the clock so as not to fall further behind.

Consider some of the outrageous excuses craft-union members have given for delaying the missile program. Pipefitters, electricians and asbestos workers in Colorado wanted to make their own coffee—so they walked out. Cement finishers in Florida said painters must not fill small holes with the same tool the finishers use, a trowel—so the finishers walked out. Electricians protested elimination of overtime, while ironworkers contended they were too tired to work—so they all walked out. Some Cape Canaveral tilesetters who went home to Birmingham, Ala., for a Fourth of July holiday became so imbued with their own brand of Americanism that they stayed there 4 extra days in sympathy with a hometown strike by their union.

Why has all this labor sandbagging of our missile effort been tolerated through the years—until the McClellan subcommittee began laying the evidence on the record?

The answer lies in our Government's ponderous redtape and in officials cowering before the whim of union demands. It has been their naive hope that if they bowed to the demands, the problem would disappear. Labor Department bureaucrats have refused to take the decisive action that long ago could have nipped this trouble in the bud. As a consequence, strikes have been so prevalent that in one recent 8-month period a work stoppage occurred every 2 days at 21 missile bases. Thomas J. O'Malley, the man who will fire the first American into orbit, believes that labor difficulties delayed our space program by several precious months.

Nor is management entirely blameless. With taxpayers picking up the bills, some companies have permitted featherbedding, loafing, and molasses-like production, so as to curry the favor of union bosses and avoid walkouts. Testimony before MCCLELLAN revealed how buying of labor peace reached a ridiculous point when company technicians at Cape Canaveral, performing a necessary job, unhooked 1,000 wires in a blockhouse. The next day craft-union electricians claimed it was their work and demanded that these same wires be reattached. Once this was done, the craftworkers unfastened the wires a second time, at $3.75 an hour.

Step with me into the small blueprint-spattered quarters of a major in charge of three ICBM silo projects at sprawling Vandenberg Air Force Base northwest of Los Angeles. Just yards away sit subterranean launching pads burrowed into the hills overlooking the Pacific. Here, on strict orders from the Pentagon, nothing is officially to be said about the strikes and walkouts which in just 1 year at Vandenberg alone caused a stoppage 1 out of every 10 days. Yet when

the doors close, the conversation voluntarily moves to the labor problem.

"What's happening to our loyalty?" the major asked me. "I don't see any evidence of patriotism here. All the workers are looking for is big money. If I tried to reduce overtime pay by putting these guys on 8-hour shifts, there'd be nobody around in a matter of minutes."

At Vandenberg electricians have averaged $510 a week—$145 more than the combined pay and allowances of the base's missile commander, Maj. Gen. David Wade, a 25-year veteran. Elevator operators have collected as much as $363 a week, truckdrivers $324, warehouse clerks $262—all in excess of the pay of the major I had talked to, who must ready million-dollar missiles to be fired on 15 minutes' notice.

There is reason to worry about the effect this gravy train has on promising young officers who have seen ditchdiggers making more than the total pay and allowances of our astronauts, not to mention the pay scale of their foreman, which exceeds that of the Secretary of the Air Force. "Too often the officers can't stomach it," I was told, "and they quit when their obligated service runs out."

Hand in hand with the absurd pay is shameful featherbedding. When certain factory-made missile assemblies arrived at Vandenberg, union pipefitters insisted that they be allowed to tear this surgically manufactured equipment apart and reassemble it themselves. Rather than permit this damaging process, the Air Force let the pipefitters conduct a "blessing," a bizarre ritual whereby the workers merely watched the equipment for as long as it would have taken them to do the job—the while drawing $4.13 an hour.

Cried Senator McClellan after hearing of this: "If that is not gouging, if that is not blackmail, if it is not the most sordid kind of extortion at a time when the only one on earth who would benefit from it is the enemy who is determined to destroy us, then I simply do not know what those terms mean."

The taxpayers have taken a licking in endless ways. The McClellan hearings brought out that local union electricians working at Malmstrom Air Force Base near Great Falls, Mont., rigged their contract last March so that they could receive up to $8.40 a day extra in "hardship" travel pay. They did it by transferring their membership to another local union 100 miles away in Helena, to classify themselves as working in an "isolated area" at Malmstrom.

For unmitigated undermining of our defense effort, however, nothing matches the record of unions at Cape Canaveral, our missile test center. In 5 years the Cape has been staggered by 110 strikes, but it's not only the strikes that have undercut missile progress. B. G. MacNabb, operations manager for the Atlas testing program at Canaveral, says, "The productivity of trade unions at the Cape is lower than I have seen anywhere in my 25 years of experience in industry."

"Every time we turn around, it seems as if men are walking off or threatening to leave," an Air Force officer told me as we stood at the edge of a concrete-lined 80-foot hole put down into the scrub-covered sand at Canaveral to test the ICBM solid-fuel Minuteman, which in the next 3 years is supposed to be implanted in more than 700 silos across the Nation. The responsibilities of running tests on a missile system such as this, costing the taxpayers at least a million dollars a day, are awesome. Mistakes and delays can be devastating when the Corps of Engineers is already supervising the pouring of millions of tons of concrete for Minuteman silos.

One of the major stoppages at Cape Canaveral was touched off by Jimmy Hoffa's Teamsters. As the McClellan testimony revealed, Hoffa's organizer, Joseph W. Morgan, tried to force Canaveral truck drivers into the union, refusing to let the issue be decided by a worker's election. Morgan threw up picket lines and virtually all construction and installation work at the cape halted. Finally, a court injuction ordered the picketing stopped, ruling it an unfair labor practice. But the damage had been done. The strike had drained away time that could never be regained.

In Washington, Morgan was asked by Senator McClellan: "When you shut down that operation for 4 weeks, were you serving your country or a foreign country that wants to bury us?" The Teamster ducked behind the fifth amendment.

The acknowledged kingpin of labor chieftains at Cape Canaveral, according to witnesses at the congressional hearing, is Robert Palmer, business manager of local 756 of the International Brotherhood of Electrical Workers. Records kept by Palmer himself, which were cited at the hearing, show that during 4½ years his electricians caused 19 work stoppages, not to mention participation in the walkouts of others. Yet Palmer stays clear of the law by hiding behind the supposedly uncontrollable actions of his men who pull wildcat strikes. "I have never called them out on strike," he says piously.

Perhaps the most outrageous of Palmer's feats was his battle with the National Aeronautics and Space Administration. Last August a team of its highly trained technicians at the cape attempted to proceed with high-priority installation of ground-support equipment for the Saturn space rocket. This urgent project now represents America's greatest immediate hope of matching Russia's space achievements. With 1,500,000 pounds of thrust from a cluster of eight improved Jupiter engines, it will be four times more powerful than an Atlas ICBM. Already at the cape an awesome 30-story service tower has been built for it, the biggest structure on wheels in the free world.

But when the NASA technicians arrived at pad No. 34 to install the equipment in the blockhouse, Palmer's men staged a protest walkout along with the pipefitters. Immediately, NASA meekly pulled its specialists off the complex, and for more than 3 months they did not dare go back to the blockhouse except to try to slip in twice for important assignments. Even then the union men threatened to walk out, so the NASA experts left.

Finally, to prevent Saturn's schedule from falling badly behind, NASA had to send its experts back in, last November. Within hours Palmer's electricians again walked out—along with pipefitters, carpenters and laborers, 728 altogether.

Dr. Wernher von Braun and other NASA officials were forced to interrupt their work in order to plead with union representatives behind closed doors in Washington. Only after two weeks could these craft unionists be prevailed upon to return to their jobs, and then only on the promise that a special committee, headed by a Labor Department official, would look into the "dispute."

This official committee, instead of giving Dr. von Braun and his team a full go-ahead, would do no better in its report than offer weak-kneed palliatives such as "continuing reexamination" and an appeal to the unions "to make every effort to work out disputed problems without recourse to work stoppages." This despite the fact that NASA pleaded "it was very necessary" for its experts "to be intimately involved" with certain construction activities so they could "achieve the reliability which is vital to firing success." To do otherwise, NASA warned, "would go to the very heart of its mission and may even render the Saturn project a failure."

To the men who are straining to rush our missile and space programs to completion, union callousness and indifference are more than disheartening. The demoralization in our defense buildup is so serious that in the wake of Senator McClellan's hearings the Kennedy administration hastily promised to prevent stoppages by setting up a Presidential Commission designed to head off and mediate disputes. Yet this commission was given no real authority to enforce its decisions or immediately halt hit-and-run strikes that gnaw away on missile progress.

Worse, the President and his Labor Secretary are promoting legislation that would make it legal for union construction bosses to persuade their followers to strike in sympathy with other unions. Throwing open the door to such secondary boycotting, already a cause of scores of missile stoppages, only encourages union bosses to set up picket lines wherever they please to influence other crafts to join in.

The time is long past when lipservice to the antistrike cause will suffice. Here is what must be done:

1. The criminal-conspiracy laws that so recently put businessmen in jail should be equally applied to strike-happy workers who conspire to foment walkouts for their own enrichment.

2. Congress must ban strikes at our missile bases, with fair appeal procedures but with severe penalties against those strikers who would endanger the national security. Employers found guilty of certain labor-law violations are blacklisted from all Federal contracts for 3 years. Shouldn't a similar penalty be applied to workers who strike illegally?

A new law must be passed that will put a stop to the practices that are undermining our defense prospects. Says the ranking Republican on McClellan's subcommittee, Senator Karl Mundt: "The oldest panacea in Washington is a White House commission. What should have came from the President was a forthright call for legislation to end this nonsense."

And on the floor of the Senate, after summing-up the "appalling" disclosures, Senator McClellan declared: "I do not care what Executive order is issued and what no-strike pledge is given, we shall not do right by the country or by the people if we permit such a situation to occur again without its being a violation of the law of the land. Conditions such as those that have prevailed in this program challenge the very efficacy of Government itself."

3. As a final significant step, the President must inspire a revival of real patriotism, not just as a noble sentiment but as an everyday necessity for survival in the cold war.

Recently Senator McClellan received an anguished question from a high school student who had heard about the labor scandals. "Is Americanism dead?" she asked. "Why don't more people care about our Government's success or failure in affairs so important that they could destroy our whole way of life?"

It's a question that makes you wonder. For since then another 15 men have walked out at Cape Canaveral in protest against NASA technicians trying to do their duty for the country.

TEXAS COUNTY JUDGES AND COMMISSIONERS URGE 88-MILE-LONG PADRE ISLAND PARK

Mr. YARBOROUGH. Mr. President, quick-buck speculators and some landowners who put their private profit interest far ahead of the public interest are fighting hard to try to block passage of the Padre Island National Seashore Recreation Area legislation.

They are fighting a delaying action simply because the longer they stall the

project the more they stand to profit by: First, chipping away more miles of America's longest unspoiled beach for private development; second, boosting the prices they intend to charge the Government for this park area.

In his message to the Congress on natural resources, President Kennedy urged the establishment of Padre Island National Seashore Recreation Area legislation. The able and distinguished chairman of the Senate Interior and Insular Affairs Committee, the Senator from New Mexico [Mr. ANDERSON], has stated on this floor that his committee hopes and intends to bring the Padre Island bill, S. 4, of our committee and put it through the Senate at this session.

Mr. President, with time growing short for enactment of the bill this session, I again urge action at the earliest possible date. Putting this bill off, even until next year, would result in the project's costing the Government more of the people's tax money.

Mr. President, the public support of the proposed Padre Island National Seashore Area project is stronger in Texas now than ever before. And, this support is not confined to the gulf coast area. It goes into every county in the State, as was evidenced when the last statewide convention of the County Judges' and Commissioners' Association of the State of Texas reaffirmed its earlier resolution by unanimous vote urging the establishment of an 88-mile-long Padre Island National Park.

The resolution passed by this highly influential organization of county officials, men who understand the sentiment and needs of Texans in every county in Texas perhaps better than any other group, urged the Governor and the legislature to do everything within their power to give fullest cooperation to the Federal Government in establishment of Padre Island National Seashore Park.

I ask unanimous consent to have printed at this point in the RECORD the aforementioned resolution as certified by the Honorable Harry Taylor, of Mount Pleasant, Tex., who is secretary and treasurer of the organization.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

To All Whom This May Concern:

I, Harry Taylor, secretary and treasurer of the County Judges' and Commissioners' Association of the State of Texas, do hereby certify:

That at the annual convention held by said association at the Rice Hotel in Houston, Tex., on the 27th of September 1960, the following Resolution 17, was unanimously adopted by said association, to-wit:

"RESOLUTION 17

"Whereas there is pending in the Congress of the United States, a bill providing for the establishment of a seashore or recreation area on Padre Island—same to be 88 miles long; and

"Whereas the park board and the State of Texas and the Department of the Interior at Washington have unanimously agreed that such recreational area should be 88 miles long; and

"Whereas such bill provides that the Federal Government authorizes the expenditure over a period of a few years of $8 million of U.S. money for the purpose of purchasing said area from private owners and for development of roads and other conveniences on such area—same to be under the direction of the Department of the Interior at Washington, D.C.; and

"Whereas this association realizes that the establishment of such recreational area will be of outstanding benefit to each and every part of the entire State of Texas; and

"Wherefore this association goes on record as requesting the Texas delegation in Congress in both the Senate and House of Representatives to do all within their power to secure the passage of such bill and the establishment of such area; and that the Legislature of the State of Texas be and is hereby requested to do all within its power to give fullest cooperation to the Federal Government in the establishment of such improvement.

"*It is further ordered*, That a copy of this resolution be furnished to each Member of Congress in both the Senate and the House of Representatives and also that a copy be furnished to His Excellency, Hon. Price Daniel, Governor of the State of Texas."

In witness whereof, I have hereunto set my hand and the seal of said association at Mount Pleasant, Tex., on this the 10th day of July 1961.

HARRY TAYLOR,
Secretary and Treasurer.

Mr. YARBOROUGH. Mr. President, recently one of the outstanding, prize-winning daily newspapers in my State, the Wichita Falls Times, published an excellent editorial on the need for additional national parks. I ask unanimous consent to have printed at this point in the RECORD the editorial from the June 13, 1961, Wichita Falls Times, entitled "National Park Expansion."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NATIONAL PARK EXPANSION

Growing America may soon have more public space for rest and play. Congress is expected to authorize this year establishment of at least one or two new national parks. Thirty now exist, mostly in the West.

Chairman CLINTON P. ANDERSON, Democrat, of New Mexico, of the Senate Interior and Insular Affairs Committee, told Congressional Quarterly: "We hope to put four park bills through the Senate in the next few weeks establishing new seashore parks at Cape Cod, Padre Island, Tex., and Point Reyes, Calif., and the Great Basin National Park in Nevada. We are studying park possibilities in many other States."

Chairman WAYNE N. ASPINALL, Democrat, of Colorado, of the House Interior Committee, said he expected his committee to approve legislation authorizing the establishment of Cape Cod National Seashore Park and perhaps one more seashore park.

Congress has created only two new national parks in the past 14 years. There are presently 188 national parks, monuments, parkways, battlefields, historic sites, memorials, and cemeteries comprising about 24 million acres of land within the national park system.

The major need is to provide recreation areas near heavily populated urban centers. Only 7 of the 30 national parks and only a fraction of the national park system lie east of the Mississippi River, where the bulk of the population lives.

Although Secretary of Interior Udall has consistently talked about the necessity for providing more parks in the east, most of the areas being proposed for inclusion in the national park system are in the west.

The Department of Interior recently recommended the establishment of Cape Cod, Padre Island, Point Reyes, and the Oregon Dunes as national seashore parks, a Prairie National Park in eastern Kansas, and the Ozark River areas in Missouri as a national monument.

Other areas known to be under consideration for inclusion in the national park system include Cumberland Island, Ga.; the Allagash River region in Maine; the Sawtooth Range in Idaho; the Northern Cascades in Washington; Sea Lion Caves in Oregon; Great Salt Lake, Rainbow Bridge and the Needles area, all in Utah; Huron Mountains, Pictured Rocks, Grand Sable Dunes and Sleeping Bear Dunes, all in Michigan; the Indiana Dunes; Pigeon Point, Minn.; an Ice Age National Park in Wisconsin; the Delaware Water Gap in Pennsylvania, and new park possibilities in West Virginia, Colorado, and New Mexico.

Representative ASPINALL questions the wisdom of greatly expanding the park system in the West. "The big need for new park and recreation areas is in tracts of 2,000 to 10,000 acres to provide recreation areas for Eastern urban areas," such as New York, Philadelphia, Detroit, and Chicago, he said.

But Senator ANDERSON believes that all areas worthy of inclusion within the national park system should be bought up now by the Federal Government—while they can still be had, because growing population is putting land at a premium.

Last year 72 million visits were made to areas in the national park system, when U.S. population numbered more than 180 million. It is estimated by park experts that 238 million visits will be made to the national park system by year 2000, when the population is expected to total more than 360 million.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 6345) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1962, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KIRWAN, Mr. MAGNUSON, Mr. CANNON, Mr. JENSEN, and Mr. TABER were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendment of the Senate to each of the following concurrent resolutions of the House:

H. Con. Res. 307. Concurrent resolution providing for additional copies of a publication entitled "Soviet Total War—Historic Mission of Violence and Deceit," 85th Congress, 1st session; and

H. Con. Res. 310. Concurrent resolution providing for additional copies of a study entitled "Legislative Recommendations by House Committee on Un-American Activities—Subsequent Action Taken by Congress or Executive Agencies—A Research Study by Legislative Reference Service of the Library of Congress."

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the entrolled joint resolution (H.J. Res. 463) to extend through June 30, 1962, the life of the U.S. Citizens Commission on North Atlantic Treaty Organization, and it was signed by the Vice President.

EXECUTIVE OFFICE OF THE PRESIDENT, THE DEPARTMENT OF COMMERCE, AND SUNDRY AGENCIES APPROPRIATION BILL, 1962—CONFERENCE REPORT

Mr. HOLLAND. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 20, 1962, pp. 13078–13079, CONGRESSIONAL RECORD.)

The PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HOLLAND. Mr. President, the committee on conference is perfectly willing to respond to any questions which may be advanced. I think it might be well simply to state for the record certain facts.

The 1961 appropriations from the general fund for the Executive Office of the President, the Department of Commerce, and sundry related agencies were $794,900,825. The 1962 estimates, as revised by the so-called Kennedy supplemental budget, were $666,278,000. The conference action brought forth a bill providing $641,135,800.

Mr. President, the conference amount is $153,765,025 under the 1961 appropriations, as well as $25,142,200 under the revised 1962 estimates.

Mr. President, with respect to appropriations from the Highway Trust Fund, the 1961 appropriations from that fund were $2,688,691,500. The 1962 budget estimate was $2,991 million. The conference action presents a bill of $2,990,600,000. The conference amount is $301,908,500 over the 1961 appropriations, and $400,000 under the 1962 budget estimates.

Mr. President, so many items are included in the bill that I shall not attempt to cover them in my statement at this time, unless there are questions which deal with specific items in the conference bill.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Vermont.

Mr. PROUTY. The Senator may recall when I appeared before the subcommittee to discusss a rather serious problem with respect to Vermont weather reports. I should like to ask the distinguished Senator if it is the intention of the conferees that, within the funds recommended by the committee of conference, the Weather Bureau will make certain necessary improvements in Vermont weather services, which would require about $20,000?

Mr. HOLLAND. In reply to the distinguished Senator, that amount for that project is included within the conference report. The Senator will find that in the Senate report on the Senate bill are included these words:

> It is expected that within the funds herein recommended the Weather Bureau will make certain necessary improvements in Vermont weather services which would require about $20,000.

In the conference report, page 6, under the heading "Weather Bureau" appear these words:

> The amount agreed to by the conferees includes funds for all programs and projects included in the reports of the committees of the House and Senate on this bill in such amounts as are specified therein.

There is no question at all that the amount and the project which are of such great interest to the Senator from Vermont and his State are included within the conference bill.

Mr. PROUTY. I am very grateful to the distinguished Senator for that information. I assure him a great many people in Vermont will be happy.

Mr. HOLLAND. I thank the Senator from Vermont.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. Will the Senator tell us what happened to amendment No. 15, the amendment in which we were trying to restrict the amount of operating subsidies which could be paid the merchant marine?

Mr. HOLLAND. The Senator from Florida is sorry to report to his friend that the conference was not able to include that amendment, which I shall refer to as the Magnuson amendment. The Senator will remember it was an amendment offered by the Senator from Washington [Mr. MAGNUSON] on the Senate floor to an amendment which had been inserted in the bill by the committee.

We were not able get the House conferees to accept the Magnuson amendment, which I greatly regret, because I thought it would be a step in the right direction. The Senate conferees did not agree to follow that course. That amendment is brought back in disagreement.

If the Senator from Florida thought there were any chance whatever of gaining the approval of the House to that amendment, he would insist upon the Senate maintaining the Senate position in approving the Magnuson amendment. Unfortunately, this was argued thoroughly before the House at the time of consideration by the House of the conference report—and the Senator from Florida wishes to express his very great appreciation to his colleague, Mr. SIKES of Florida, who presented very strongly the position of the Senate amendment and of the Senate—but the House refused to concur therein. Rather than hold up the many important projects which are included in the bill, which covers so much ground for so many different agencies, the Senator from Florida regretfully is going to recommend to the Senate that it not insist upon its amendment but recede therefrom.

In further answer to the Senator, I feel the bill which we passed earlier in the session, which would have been changed somewhat in its operation by the amendment we adopted, is a very unwise bill in that it provides a differential with respect to the operation of shipping lines which will transfer from North Atlantic trade routes to Caribbean routes for tour ships during the winter. A very great differential is provided compared to the operations of the tourist cruises and the operations of the line which has regularly assigned routes in that area. The difference in subsidy is between 72 percent of the wage amounts in the case of the North Atlantic ships and 57 percent in the case of the ships assigned to the Caribbean routes.

The Senator from Florida has warned the shipping industry as clearly as he can that he thinks they are taking a position which will present trouble to them, trouble to the subsidy system, and which will bring upon that entire system added criticism from citizens throughout this country, as well as from economy-minded Senators and Members of the House of Representatives, by insisting upon the bill to which I have referred, which does provide that differential. It seems to me very clear that I could not defend—and I do not believe anybody in a reasonable mind would attempt to defend—a differential which says that two ships sailing along, side by side, in the waters of the Caribbean in the winter, can be so differently recognized in the subsidy scale by our Government with any degree of justice or any degree of reason whatever. One of the ships would draw 72-percent subsidy as to wages, and the other, 57 percent. If there is any justice or fair dealing in that practice, the Senator from Florida has not been able to discover it.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield further?

Mr. HOLLAND. I yield.

Mr. WILLIAMS of Delaware. I was not altogether concerned about the Magnuson amendment because, frankly, I felt that the Magnuson amendment really weakened the original amendment reported by the Appropriations Committee. My question was directed to what happened to the Appropriations Committee amendment dealing with the same subject. Was that also stricken from the bill?

Mr. HOLLAND. The committee amendment was stricken from the bill by the action of the Senate in adopting the Magnuson amendment as a substitute for the committee amendment.

Mr. WILLIAMS of Delaware. The Magnuson amendment modified the committee amendment. But do I correctly understand that the entire proposal of the Committee on Appropriations, including the Magnuson amendment, as agreed to by the Senate, was rejected in the House?

Mr. HOLLAND. The Magnuson amendment was rejected by the House.

The committee proposal was rejected by the Senate in accepting the Magnuson amendment as a substitute for it.

Mr. WILLIAMS of Delaware. Then we are back in this position: In rejecting the committee amendment and in accepting the Magnuson amendment the committee expanded its subsidy program, and then the House, by rejecting even that modified version, further expanded the subsidy program of the merchant marine.

Mr. HOLLAND. I do not believe the statement of the Senator is exactly correct, but I do not think there is any difference between the Senator from Delaware and myself. The bill which was passed earlier in the session dealing with this subject would have expanded the subsidy arrangement.

Mr. WILLIAMS of Delaware. The Senator is correct. The committee amendment corrected that possibility. I am sorry that we were unable to hold this position.

Mr. HOLLAND. The committee amendment, as a limitation, would have prevented such expansion. The Magnuson amendment lay between the provisions of the bill which was passed, I believe, in May of this year, and the committee amendment.

I thought the Magnuson amendment itself operated as a sizable curtailment of the subsidy structure in this field. I am merely reporting to the Senate that the House conferees refused to accept the Magnuson amendment, which was then a part of the Senate version of the bill, and that when the subject was presented on the House floor very ably and skillfully by my distinguished colleague, the Representative from Florida [Mr. SIKES], the House did not agree to accept the Senate amendment and concur therein.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield further?

Mr. HOLLAND. I yield.

Mr. WILLIAMS of Delaware. I agree that the Magnuson amendment as agreed to by the Senate was an improvement over existing law in that it would restrict payments thereunder, although, as the Senator from Florida knows, it was a liberalization of the amendment originally approved by the Senate Committee on Appropriations.

I objected to that liberalization, but I regret that now the House has seen fit to leave out even the small savings which could have been achieved as a result of the Senate action. As the Senator from Florida pointed out, the shipping industry may well take notice of the fact that the continuous expansions in their subsidy program will discredit them some day to the point where they will lose much of that which they have and perhaps some of that to which they may really be entitled, because the pendulum will swing back sometime. I do not think we can continue subsidies in this industry to the extent that they are now being given.

Mr. HOLLAND. I could not agree more fully with the Senator from Delaware in his feeling that the action is unwise. I would insist upon the retention of the Senate amendment and the indefinite extension of the argument in conference but for the fact that in the four corners of the bill are included so many important activities. For example, in the bill are appropriations for the White House and all the agencies directly operated by the White House, and the Department of Commerce and many related agencies. Many projects await the passage of this bill, some of which represent an opportunity for the Government to make material savings. For example, there is a possibility of making a saving in the ordering of two ships for immediate construction by the Coast and Geodetic Survey. Also, there is included the beginning of construction of the Bureau of Standards headquarters at Gaithersburg, Md. I cite those two instances as examples of the kind I have mentioned.

But I do not feel that we are justified in holding up all those projects, agencies, and programs merely because we strongly disagree with the attitude of the other body on this particular subject, as I do, and as I believe the Senate does, as shown by its action on the Magnuson amendment.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. BRIDGES. As the distinguished chairman of the subcommittee knows, I originated the amendment. I am sorry to see it lose out. I believe the Senator from Florida, as chairman of the conference, did everything in his power to carry out the wishes and desires of the committee and the Senate.

Mr. HOLLAND. I thank the distinguished Senator from New Hampshire for his comments.

Mr. BRIDGES. However, I believe that the position taken here, as explained to us by the distinguished Senator from Florida and also as stated by the distinguished Senator from Delaware [Mr. WILLIAMS] points out exactly what those in the maritime field and others who sponsored the provision will do in insisting upon the approach that they make. They are trying to kill the goose that laid the golden egg. The program will have that result. What we are trying to do by our approach to this problem is to protect a fair and equitable basis of ship subsidies.

As the distinguished Senator from Washington [Mr. MAGNUSON] and others know, there has always been a running battle in Congress on subsidies. If we are to perpetuate and keep a shipping industry alive in this country, it must be done on a fair and reasonable basis, and I believe that in the approach of our committee and in the Senate we have tried to do so.

I wish it had been possible to attain that objective. I am glad that the distinguished Senator has explained the position of the committee, and the fact that we have gone as far as we can on the question. That is all we can do at this time.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. HOLLAND. I will yield in a moment. I thank the distinguished Senator from New Hampshire. Probably more than any other member of the conference, and perhaps more than any other member of the committee, the Senator from Florida has a very definite interest in this subject, because as a rule, all special cruises to the Caribbean touch at Florida ports and they enhance our principal business, which is, of course, the tourist business. I believe all Senators know that. I wish to do all in my power to encourage legitimate operations of that kind and to encourage the diversion of much of our cruise business to American-flag shipping. But it seems to me that by the adoption of the Magnuson amendment we have gone about as far as we could to show our disposition to be fair and reasonable.

Notwithstanding the fact that the distinguished Senator from Washington was placed in a rather difficult position, I certainly appreciated his attitude in the furtherance of the main objective by the offering of this amendment on the floor of the Senate, and his position in conference in adhering to that principle. But we reach the point where, if we do not wish to hold up large numbers of other agencies and projects, we must yield on the point. I do not think any Senator is quite so regretful as is the Senator from Florida that such is the situation.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. HOLLAND. I had agreed to yield to the Senator from Alaska. When he has concluded, I will be happy to yield to the Senator from Delaware.

Mr. BARTLETT. Mr. President, considering all the circumstances, I am altogether happy that the Senator from Florida has agreed to acquiesce in the House position on the amendment. My interest in this subject was generated by the fact that I was assigned by the distinguished Senator from Washington, the chairman of the Commerce Committee, to conduct hearings on the bill which on May 27 last became Public Law 87–45.

We heard witnesses from the Government and from all the steamship lines involved, including the Grace Line. We were in session 2 days. Subsequently, the staffs of the Senate committee and the House committee met for 3 days with those involved.

Our desire was twofold in its principal aspects. First, we wanted to capture for American-flag lines a substantial share of the Caribbean passenger cruise business, although this law is not restricted to the Caribbean and applies anywhere. However, the testimony mostly dealt with the Caribbean. The evidence presented to the committee demonstrated that annually about 175,000 vacationers from the United States go to that area on these cruise ships. Not over 10 percent of them in all probability are carried on the one American line which regularly serves that area, the Grace Line. However, it does not serve all the ports. So we wanted to make it possible for other American steamship companies to join in that trade.

Additionally, we had the hope that there would be a saving to the American taxpayers. That would possibly come about because the business of these steamship lines would be increased and that over a 10-year period—which is the

basis of calculation used—their subsidy requirements would be diminished. It was demonstrated to the committee that the passenger business on the Atlantic lines in certain seasons is considerably diminished. But subsidy payments continue without reduction even in the "off season" in the Atlantic trade. So if the ships are placed elsewhere, in a more lucrative trade, subsidy needs might be cut.

Admittedly, a strange situation would be created if we were to allow these lines which are permitted to go into the area in competition with the Grace Line to receive a higher subsidy. However, that can be corrected by the Federal Maritime Board through an administrative consideration. If the Grace Line is deserving of more money, the Board should raise the subsidy.

It is also true that the two lines which principally are expected to go into this trade, namely, Moore-McCormack—which already advertises several cruises touching at Florida points, particularly Port Everglades—and the U.S. Lines, cannot enjoy the same advantages in this trade that are enjoyed by the Grace Line.

For example, these American cruise ships going down there will not be permitted to carry one-way passengers. They must purchase round-trip tickets in advance. The ships cannot carry cargo, which generally is the mainstay of a steamship line's ability to make money. They cannot carry mail. They are limited to a maximum of one-third of the year for all cruises. All schedules must be submitted and must be approved by the Maritime Board. These are the restrictions placed upon them.

I am glad to hear the Senator from Florida say that the committee will not insist upon the amendment. This matter was debated at some length in the House on July 20. It is true, as the Senator from Florida has said, that his colleague in the House [Mr. SIKES] made a most able presentation of this matter. It is also true that every other Member of the House who spoke on the subject—and there were many—was in favor of applying the language of the May 27 law, and not of acquiescing in the adoption of any amendment.

Therefore I think that we can test this out, and we can see if some of this business can be captured by American lines from the foreign lines, thereby helping the American steamship industry. Next year we will have a chance to see how the operations proceed.

I express my appreciation to the Senator from Florida for the consideration he has given and for the action he has finally taken.

Mr. HOLLAND. I thank the Senator. I am sorry that our differences of opinion are so marked. However, my opinion remains the same. I do not see how we can possibly defend an operation under which outside vessels coming into the area during the lush period of tourist travel, during the cruise season, should be allowed to retain their 72-percent subsidy, when ships of the line which regularly trade in that area are confined to a 57-percent subsidy. I hope the results will be better than I anticipate. However, I believe that the results will be that more and more people will be offended by the extravagance of this subsidy program and that the net result to the merchant marine of the Nation—which certainly has always had the support of the Senator from Florida on the floor of the Senate, as he managed this particular appropriation bill on the floor of the Senate for many years—will be harmful to the whole subsidy program.

This particular bill does not operate in such a way as to commend it to the citizens, who simply want fair dealing as between the various lines which are enjoying the generosity of the Federal Government. I hope it may be otherwise. I have no quarrel with the Senator from Alaska or others who are interested in the bill. I have a greater stake in the working out of this objective than any other Senator, except my own colleague from Florida.

I believe that the disparity between the operations of the cruise ships which come from the North Atlantic lines and the cruise ships of the line which regularly operates in that area does not commend itself to fairminded people. If it appears otherwise, I will be the first one to admit it on the floor of the Senate.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. BARTLETT. From what the Senator previously said to the Senator from Delaware [Mr. WILLIAMS], I am sure he will agree with me when I state that the subsidy requirements of the Moore-McCormack Line and the U.S. Lines will not be increased by reason of the diversion to the Caribbean of any of their ships.

Mr. HOLLAND. It will still have to be 72 percent of the wage rate—that will be one of the factors in the subsidy—in contrast with the 57-percent subsidy of the other line which serves the area regularly.

One of the things which causes me concern is that when I carefully read the debate which took place on the floor in the House I found that three of the Members of the other body who supported the same position now taken by the distinguished Senator from Alaska suggested that the thing to do to make the arrangement fair is to raise the subsidy of the Grace Line. I am certainly not interested in raising subsidies at all. What I am trying to do is make this program more acceptable to our taxpayers. That will not be done by raising the subsidy of the line already operating in that area, but instead by trying to bring about a uniform and fair rate between that line and the lines which come down there during the time of lush travel in that area.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MAGNUSON. The cruise operation is a very small percentage of the total amount of subsidy required by the Grace Line and the U.S. Lines and the other lines. It seems to me that the Maritime Board can look at this segment of the operation and equalize the subsidy. If we do not recapture this business for American-flag steamships, the subsidies will go up for all of them. It seems to me that the Maritime Board can do it very simply.

Mr. HOLLAND. The only way the Maritime Board could equalize it under the operation of the law we passed last spring would be to raise the holders of the contracts from 57 to 72 percent.

Mr. MAGNUSON. Only as they affect their cruise operations, which provides a very small segment of their total gross revenues. In the meantime, whatever the other lines are able to get, would, in effect, lower their subsidies much more, according to the best figures I have been able to obtain. The addition to the gross revenues would lower the subsidies much more, so that the total gross revenues, for all the lines, would be even less, because the Grace Lines' part is a very small segment of the amount they would have to raise.

Mr. HOLLAND. I hope the suggestion of the Senator from Washington will be realized. I hope he will continue to use his influence as chairman of the legislative committee to deal with this subject matter in such a way as to reduce rather than to enhance or raise the subsidies, because the total amount now involved in the subsidies is proving to be a greater and greater handicap to our reasonable support of the U.S. merchant marine. At least, I find that to be so in my mail and in the comments of citizens of my State of Florida, many of whom are very frank to say that they believe the subsidies have reached such proportions that they are out of bounds.

My interest in maintaining the American flag on the seas is exactly the same as that which is so ably manifested by the distinguished Senator from Washington and the distinguished Senator from Alaska. However, I believe we can never forget that public opinion has something to do with this situation and that the attitude of the taxpaying public at this time is anything but cordial toward the whole problem.

Mr. MAGNUSON. It comes down to the point that we must do everything possible to enable the gross revenues of the subsidized lines to become larger and larger. That is the old story in the transportation business. The foreigners come in and take approximately 85 percent of the Caribbean business—I am speaking only of the Caribbean now—while the American lines argue among themselves about it.

I should like to make this suggestion. I do not know how to run a steamship line, but it seems to me that U.S. steamship operators could get together and arrange to operate to two or three of the so-called glamour ports and thus build a shield against the destructive foreign competition. These are things that can be done to enable the ships to continue to operate and thus to lower their overall cost of operation.

I feel certain that if the Maritime Board examined into this segment of the cruise operation, which is a very small segment considering the total operation—cargo and passengers—the

Board will find that if this proposal is successful, as the Senator from Alaska thinks it will be, the total subsidies for the North Atlantic lines will drop even much more if that little adjustment is provided.

This situation does not apply exclusively to the Caribbean area. The Caribbean happens to be the area where we encountered another U.S. line. However, we have some hope that some of the lines operating in the Pacific can use their ships for cruises. We believe that in some instances the Pacific can offer just as good bargain cruise possibilities as the Caribbean. We are thinking in terms of cruises to Hawaii, Alaska, and the South Pacific. We are hopeful that it will be possible to keep the ships operating in the Pacific, because there is a seasonal business out there, too. There is a seasonal business to the State of the distinguished Senator from Alaska.

As the Senator from Alaska has said, we will see how this proposal works. However, I cannot conceive, under any circumstances, that the proposed operation would not have the effect of providing more gross revenues, which is what is sought to be done. Of course, it will have the effect, under the general formula of the law, to lower subsidies.

Mr. HOLLAND. Our objectives are not different, but the methods adopted are different, so I join with the distinguished Senator from Washington and the distinguished Senator from Alaska in the hope that we may find that more cruises, more tourists, and more travel will take place in the Pacific. However, I call attention, with a little pride, to the fact that up until now most of the travel has been in the Caribbean area in the winter, and that there is a very large amount of travel there. Those ships customarily dock either at Port Everglades, which is between Fort Lauderdale and Hollywood, or at Miami. They are always welcome, but they generally fly the Portuguese flag, the Italian flag, the Dutch flag, the British flag, or the Swedish flag, and we are so hopeful that more American flags will be seen on the cruise vessels. We do not believe that is likely to be the case, by and large, or for any large part of the time, if there is a differential between the American cruise ships serving that area. That does not commend itself to the sense of justice and fairness of our citizens. I do not see how we can get around our consciences to approve a differential between 57 percent and 72 percent.

I have adopted an attitude which I think is reasonable and necessary, but I have not yielded my convictions in the matter. I simply say that I hope the ideas of the Senators who have not agreed with me will be realized in the history which will be made this winter, and that we may have a different picture next year.

Mr. MAGNUSON. The Senator from Florida did the very best he could. As veterans of conferences—I observe the distinguished Senator from New Hampshire [Mr. BRIDGES] smiling at me—sometimes we do not get done what we want to have done in conferences. I think the Senator from Florida did the very best he could.

Speaking with respect to the entire bill, I do not know of any more difficult, conscientious work than was expended on this very important bill. It is becoming larger and larger every year, with the growth of the country and the necessity for increased services. I do not know how a finer piece of work could be done than was done with respect to the whole, difficult Commerce Department appropriation bill this year.

Mr. HOLLAND. I thank the distinguished Senator from Washington.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, in the interest of time, I subscribed to the bill in the belief that no new subsidies would ultimately be added to the expense which we now incur in maintaining the merchant marine. I concur in the apprehension expressed by the distinguished Senator from Florida pertaining to the great cost to the taxpayers in subsidizing the merchant marine.

There is grave reason to feel more apprehensive about the problem now than there was in 1936, when the Merchant Marine Act was passed.

Our competitive position now is worse than it was in 1936.

In 1936 the differential in the cost of construction of ships in American ports, with American labor, was 32 percent greater than it was for a ship constructed in a foreign port, with foreign labor. At that time, it was believed that in the course of time the differential would grow more favorable to our competitive position. Tragically, however, although the differential in 1936 was 32 percent, by 1960 it had risen to 52 percent.

In 1960, it was necessary for Congress to amend the law to remove the 50-percent limitation and lift it to 55 percent.

Pending on the calendar at present is a bill which contemplates granting an additional subsidy to the companies which have ships built in accordance with the law by a manufacturer who is not the low bidder. Moreover, there is now pending the dispute between the longshoremen and the carriers about wages. I predict that the ultimate result will be that the competitive position of our country will be worse. The costs of ship construction in the United States will go up, and foreign ships will move in more and more. The query will be: How shall we solve the problem? The answer, in my opinion, indefensibly, will be: Provide more subsidies.

Mr. President, subsidies do not solve the problem; they make it worse. They offer an inducement for the asking of inordinate concessions, in the knowledge that finally the taxpayer will pay the bill through subsidies.

I repeat: I subscribe to the bill based upon the argument that ultimately it would not increase the subsidies. But I simultaneously commend the Senator from Florida respecting his deep concern about the huge bill the taxpayers have had to pay as a result of subsidizing the merchant marine. I would feel somewhat at ease if I thought that after 25 years of subsidizing, we had reached a better competitive position. But our competitive position has actually grown worse, instead of better; and the prospects are that the subsidies will have to be increased, in order to meet this worsened condition.

I thank the Senator from Florida for yielding to me.

Mr. HOLLAND. Mr. President, I thank the Senator from Ohio for his gracious statements. He has been talking about construction differentials, and in this amendment we dealt only with operating differentials; but the subject matter is the same.

Mr. LAUSCHE. Yes.

Mr. HOLLAND. And it is one of the most critical problems which confronts the Nation.

Mr. President, I move that the conference report be agreed to.

The PRESIDING OFFICER (Mr. KEATING in the chair). The question is on agreeing to the report.

The report was agreed to.

EXECUTIVE OFFICE OF THE PRESIDENT, DEPARTMENT OF COMMERCE, AND SUNDRY AGENCIES APPROPRIATION BILL

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 7577, which was read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 3 to the bill (H.R. 7577) entitled "An Act making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes," and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 12, and concur therein with an amendment, as follows:

In lieu of the sum proposed in said amendment, insert: "$4,900,000".

That the House recede from its disagreement to the amendment of the Senate numbered 13, and concur therein with an amendment, as follows:

In lieu of the sum proposed in said amendment, insert: "$2,500,000".

That the House insist upon its disagreement to the amendment of the Senate numbered 15.

Mr. HOLLAND. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 12 and 13. My motion is addressed to only two of the items contained in the message.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to.

Mr. HOLLAND. Mr. President, with regret, but because of the practicalities of the situation, I now move that the Senate recede from its amendment No. 15.

The PRESIDING OFFICER. The question is on agreeing to the motion of

the Senator from Florida that the Senate recede from its amendment No. 15.

The motion was agreed to.

Mr. HOLLAND. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table reflecting the amounts of the 1961 appropriations, the 1962 budget estimates, the amounts included in the House version of the bill, the amounts included in the Senate version of the bill, and the amounts finally agreed upon in the conference, under each of the categories of the bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

General government matters, Department of Commerce, and related agencies appropriation bill, 1962 (H.R. 7577)

	1961 appropriation [1] (to date)	1962 estimate [2] (revised)	House bill	Senate bill	Conference action
TITLE I—EXECUTIVE OFFICE OF THE PRESIDENT					
Compensation of the President	$150,000	$150,000	$150,000	$150,000	$150,000
The White House Office	[3] 2,398,560	2,495,000	2,495,000	2,495,000	2,495,000
Special projects	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Executive Mansion and grounds	505,000	528,000	528,000	528,000	528,000
Extraordinary alterations and repairs	100,000				
Bureau of the Budget (H. Doc. 158)	5,286,000	5,720,000	5,423,000	5,571,000	5,517,000
Travel limitation	(115,000)	(135,000)	(125,000)	(125,000)	(125,000)
Per diem rate for consultants	(50)	(75)	(75)	(75)	(75)
Council of Economic Advisers (H. Doc. 158)	411,000	614,000	414,000	414,000	414,000
Salary limitation			(345,000)	(345,000)	(345,000)
National Security Council (H. Doc. 158)	817,000	554,000	554,000	554,000	554,000
President's Advisory Committee on Labor-Management Policy	80,000	[4]	200,000	200,000	200,000
President's Advisory Committee on Government Organization	50,000				
Total, Executive Office of the President	11,297,560	11,561,000	11,264,000	11,412,000	11,358,000
FUNDS APPROPRIATED TO THE PRESIDENT					
Emergency fund for the President, national defense	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Expenses of management improvement	165,000	350,000	350,000	350,000	350,000
Total, funds appropriated to the President	1,165,000	1,350,000	1,350,000	1,350,000	1,350,000
Total, title I	12,462,560	12,911,000	12,614,000	12,762,000	12,708,000
TITLE II—DEPARTMENT OF COMMERCE					
GENERAL ADMINISTRATION					
Salaries and expenses (H. Doc. 128)	2,830,875	[5] 4,095,000	3,620,000	3,620,000	3,620,000
Entertainment language		(2,500)	(1,500)	(2,500)	(2,000)
Salaries and expenses, Office of Field Services	2,868,000	[6]		3,163,000	3,163,000
Great Lakes pilotage administration	60,000	[6]			
West Virginia Centennial Celebration	10,000				
Aviation war risk insurance revolving fund	Language	Language		Language	Language
Total, general administration	5,768,875	4,095,000	3,620,000	6,783,000	6,783,000
BUREAU OF THE CENSUS					
Salaries and expenses (H. Doc. 128)	9,646,500	11,075,000	10,594,000	10,755,400	10,594,000
1962 census of governments	96,000	1,147,000	1,096,000	1,096,000	1,096,000
Eighteenth Decennial Census	27,194,000	3,630,000	3,630,000	3,630,000	3,630,000
1963 censuses of business, transportation, manufactures, and mineral industries		1,000,000	667,000	1,000,000	1,000,000
1958 censuses of business, manufactures, and mineral industries	1,246,000				
Total, Bureau of the Census	38,182,500	16,852,000	15,987,000	16,511,400	16,320,000
COAST AND GEODETIC SURVEY					
Salaries and expenses (H. Doc. 128)	18,121,000	19,275,000	18,525,000	19,215,000	18,725,000
Retired officers' pay	(759,000)	(809,000)	(809,000)	(809,000)	(809,000)
Construction of surveying ships (H. Doc. 128)	4,700,000	16,725,000	11,965,000	16,725,000	14,185,000
Construction and equipment	340,000				
Total, Coast and Geodetic Survey	23,161,000	36,000,000	30,490,000	35,740,000	32,910,000
BUSINESS AND DEFENSE SERVICES ADMINISTRATION					
Salaries and expenses	4,553,000	[6]		4,211,800	4,211,800
BUREAU OF FOREIGN COMMERCE					
Salaries and expenses	3,404,000	[6]		5,006,000	4,200,000
Export control	3,025,000	3,480,000	3,480,000	3,480,000	3,480,000
Transfer to Bureau of Customs	(1,062,000)	(1,237,000)	(1,237,000)	(1,237,000)	(1,237,000)
Transfer to "General administration"	(81,000)	(80,400)	(80,400)	(80,400)	(80,400)
PROMOTION OF INTERNATIONAL TRAVEL					
Salaries and expenses				3,000,000	2,500,000
BUSINESS ACTIVITIES					
Salaries and expenses (H. Doc. 128)	[7] (10,885,600)	[8] 17,007,000	14,639,000		
Field Service	(2,898,000)	(3,206,000)	(3,113,000)		
Business and Defense Services Administration	(4,553,000)	(4,700,000)	(4,665,000)		
Bureau of Foreign Commerce	(3,404,600)	(9,107,000)	(6,861,000)		
Representation expenses		(34,000)	(17,000)		
OFFICE OF BUSINESS ECONOMICS					
Salaries and expenses	1,597,500	1,600,000	1,600,000	1,600,000	1,600,000
MARITIME ACTIVITIES					
Ship construction	126,200,000	98,000,000	98,000,000	98,000,000	98,000,000
Research and development	(5,980,000)				
Administrative and warehouse expenses	(3,093,000)	(3,150,000)	(3,150,000)	(3,150,000)	(3,150,000)
Reserve fleet	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
Operating-differential subsidies (liquidation of contract authorization)	150,000,000	182,000,000	182,000,000	182,000,000	182,000,000
Voyage limitation	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)
New operators and Great Lakes	(225)		(225)		
Research and development	[9]	7,000,000	6,500,000	6,500,000	6,500,000
Administrative expense limitation		(600,000)	(600,000)	(600,000)	(600,000)
Salaries and expenses	15,148,000	15,600,000	15,600,000	15,600,000	15,600,000
Representation allowance	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)
Administrative expenses	(8,603,000)	(9,300,000)	(9,300,000)	(9,300,000)	(9,300,000)

See footnotes at end of table.

General government matters, Department of Commerce, and related agencies appropriation bill, 1962 (H.R. 7577)—Continued

	1961 appropriation [1] (to date)	1962 estimate [2] (revised)	House bill	Senate bill	Conference action
TITLE II—DEPARTMENT OF COMMERCE—Continued					
MARITIME ACTIVITIES—continued					
Shipyard facilities and warehouses	($1,284,000)	($1,000,000)	($1,000,000)	($1,000,000)	($1,000,000)
Reserve fleet	(5,261,000)	(5,300,000)	(5,300,000)	(5,300,000)	(5,300,000)
Maritime training	3,216,000	3,218,000	3,218,000	3,218,000	3,218,000
Language authorizing intra-agency reimbursement				Language	
State marine schools	1,270,000	1,270,000	1,270,000	1,270,000	1,270,000
Vessel repair	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Grants	(1,020,000)	(1,020,000)	(1,020,000)	(1,020,000)	(1,020,000)
Total, maritime activities	295,834,000	307,088,000	306,588,000	306,588,000	306,588,000
INLAND WATERWAYS CORPORATION					
Administrative expense limitation	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
PATENT OFFICE					
Salaries and expenses (H. Doc. 128)	23,882,500	24,925,000	24,860,000	24,860,000	24,860,00
BUREAU OF PUBLIC ROADS					
Limitation on general administrative expenses	(31,470,000)	(33,800,000)	(33,000,000)	(33,800,000)	(33,400,000)
Passenger motor vehicles	(30)	(47)	(47)	(47)	(47)
Federal-aid highways (trust fund) (liquidation of contract authorization)	(2,688,691,500)	(2,991,000,000)	(2,990,200,000)	(2,991,000,000)	(2,990,600,000)
Emergency fund (reimbursement)	(10,000,000)	(6,363,325)	(6,363,325)	(6,363,325)	(6,363,325)
Reimbursement for bridges on and across dams		(636,675)	(636,675)	(636,675)	(636,675)
Forest highways (liquidation of contract authorization)	27,000,000	27,400,000	27,400,000	27,400,000	27,400,000
Public lands highways (liquidation of contract authorization)	2,700,000	3,000,000	3,000,000	3,000,000	3,000,000
Repayable advances to the highway trust fund	160,000,000				
Total, Bureau of Public Roads	189,700,000	30,400,000	30,400,000	30,400,000	30,400,000
NATIONAL BUREAU OF STANDARDS					
Research and technical services (H. Doc. 128)	19,753,000	24,750,000	22,000,000	22,000,000	22,000,000
Payment to working capital fund	(1,275,000)	(2,220,000)	(1,800,000)	(1,800,000)	(1,800,000)
Research and technical services (special foreign currency program)		1,000,000	1,000,000	1,000,000	1,000,000
Plant and facilities (H. Doc. 128)	2,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Construction of facilities	23,500,000	50,000,000	25,000,000	40,000,000	35,000,000
Payment to working capital fund	(2,500,000)	(500,000)	(500,000)	(500,000)	(500,000)
Working capital fund:					
Passenger motor vehicles		(3)	(3)	(3)	(3)
Total, National Bureau of Standards	45,253,000	85,750,000	58,000,000	73,000,000	68,000,000
WEATHER BUREAU					
Salaries and expenses	48,800,900	55,615,000	55,595,000	56,671,000	56,250,000
Research and development (H. Doc. 128)	6,446,500	9,500,000	9,000,000	9,000,000	9,000,000
Establishment of meteorological facilities	5,250,000	5,250,000	4,800,000	5,250,000	5,250,000
Total, Weather Bureau	60,497,400	70,365,000	69,395,000	70,921,000	70,500,000
GENERAL PROVISIONS					
Sec. 203, $100 per diem for consultants	(50)	(160)	(60.88)	(75)	(75)
Sec. 204, 10-percent transfer authority between appropriations (H. Doc. 128)		Language			
Total, Department of Commerce	694,829,375	597,562,000	559,059,000	582,101,200	573,052,800
TITLE III—THE PANAMA CANAL					
CANAL ZONE GOVERNMENT					
Operating expenses	19,709,450	20,881,000	20,800,000	20,800,000	20,800,000
Capital outlay	6,921,000	2,349,000	2,300,000	2,300,000	2,300,000
Passenger motor vehicles	(8)	(7)	(7)	(7)	(7)
Construction limitation	(9,000)	Language	(13,000)	(16,500)	(16,500)
Total, Canal Zone Government	26,690,450	23,230,000	23,100,000	23,100,000	23,100,000
PANAMA CANAL COMPANY					
Limitation on general and administrative expenses	(9,393,900)	(7,824,000)	(7,824,000)	(7,824,000)	(7,824,000)
Passenger motor vehicles	(14)	(18)	(18)	(18)	(18)
General provisions: Sec. 202, transfer of Cardenas townsite to Federal Aviation Agency		Language	Language	Language	Language
Total, the Panama Canal	26,690,450	23,230,000	23,100,000	23,100,000	23,100,000
TITLE IV—INDEPENDENT AGENCIES					
ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS					
Salaries and expenses	143,500	375,000	375,000	375,000	375,000
AMERICAN BATTLE MONUMENTS COMMISSION					
Salaries and expenses	1,320,000	1,360,000	1,360,000	1,360,000	1,360,000
Travel limitation	(69,000)	(77,000)	(77,000)	(77,000)	(77,000)
Construction of memorials and cemeteries	Language	Language	Language	Language	Language
FOREIGN CLAIMS SETTLEMENT COMMISSION					
Salaries and expenses:					
Appropriation	506,000	725,000	625,000	625,000	625,000
By transfer	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Travel limitation	(30,000)	(20,000)	(20,000)	(20,000)	(20,000)
ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION					
Administrative expense limitation	(414,000)	(425,000)	(425,000)	(425,000)	(425,000)
Passenger motor vehicles	(2)	(1)	(1)	(1)	(1)

See footnotes at end of table.

General government matters, Department of Commerce, and related agencies appropriation bill, 1962 (H.R. 7577)—Continued

	1961 appropriation [1] (to date)	1962 estimate [2] (revised)	House bill	Senate bill	Conference action
TITLE IV—INDEPENDENT AGENCIES—Continued					
SMALL BUSINESS ADMINISTRATION					
Salaries and expenses (H. Doc. 129)	$5,943,000	$6,950,000	$6,750,000	$6,950,000	$6,750,000
Transfer from revolving fund	(16,363,000)	(18,447,000)	(18,447,000)	(18,447,000)	(18,447,000)
Transfer from Reconstruction Finance Corporation liquidation fund	(675,000)	(397,000)	(397,000)	(397,000)	(397,000)
Revolving fund	50,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total, Small Business Administration	55,943,000	26,950,000	26,750,000	26,950,000	26,750,000
SUBVERSIVE ACTIVITIES CONTROL BOARD					
Salaries and expenses	395,000	395,000	395,000	395,000	395,000
TARIFF COMMISSION					
Salaries and expenses	2,611,000	2,770,000	2,770,000	2,770,000	2,770,000
Travel limitation	(65,000)	(60,000)	(60,000)	(60,000)	(60,000)
Total, Independent agencies	60,918,500	32,575,000	32,185,000	32,475,000	32,275,000
Grand total, titles I, II, III, and IV	794,900,825	666,278,000	626,958,000	650,438,200	641,135,800

[1] Includes amounts appropriated in the 3d supplemental appropriation bill for 1961 (Public Law 87-14, approved Mar. 31, 1961).
[2] Includes amendments for the Department of Commerce totaling $23,492,000 (H. Doc. 128); for the Small Business Administration in the amount of $320,000 (H. Doc. 129); and a net increase of $434,000 (H. Doc. 158) for Executive Office of the President items.
[3] And $100,000 by transfer from "Special projects."
[4] $150,000 requested in H. Doc. 108 for Labor Department and $150,000 requested in H. Doc. 128 for Commerce Department.
[5] Includes $100,000 for activities previously appropriated for under Great Lakes pilotage administration and $150,000 for portion of President's Advisory Committee on Labor-Management Policy.
[6] $3,200,000 for activities previously under Office of Field Services; $4,700,000 for activities previously under Business and Defense Services Administration; and $9,107,000 for activities previously under Bureau of Foreign Commerce, included under "Business activities."
[7] Total of appropriations for Office of Field Services, Business and Defense Services, and Bureau of Foreign Commerce.
[8] Limitation of $5,900,000 included under "Ship construction."

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Post Office and Civil Service be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Mining Subcommittee of the Committee on Interior and Insular Affairs be permitted to sit during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Antitrust and Monopoly Subcommittee of the Judiciary Committee be permitted to sit during the session of the Senate today.

Mr. BRIDGES. Mr. President, by request, I have to object to that request.

The PRESIDING OFFICER. Objection is heard.

AGRICULTURAL ACT OF 1961

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes.

THE QUESTION OF RECOGNITION OF OUTER MONGOLIA

Mr. BRIDGES. Mr. President, in recent weeks I have addressed the Senate briefly, and from the facts at hand, on two important foreign policy matters.

The first was on the question of Berlin.

The second was on the question of resumption of nuclear tests.

Today, as the senior Senator on this side of the aisle, I want to raise some questions and to explore and stimulate our thinking on another of the important decisions which confront this Nation of ours at a time when our enemies are becoming bolder and bolder and are issuing ultimatum after ultimatum.

Mr. President, the Department of State is reliably reported as studying the advisability of extending diplomatic recognition to Outer Mongolia—also known as the Mongolian People's Republic.

One of the main reasons advanced for such recognition is that it would give us a "listening post" in that little-known and far-away land. Apparently, this may appear to some persons to be a very valuable and important advantage to us.

This "listening post" argument is not new; it has been used for years in attempts to convince this country that we should extend diplomatic recognition to various Soviet satellites.

My own reaction to this "listening post" argument is to ask this question: Precisely what would the State Department expect to listen to, in Outer Mongolia?

One expert, who has lived in Outer Mongolia for 16 years, was recently quoted as saying:

> About all that a listener would hear in Outer Mongolia are the winds of the Gobi Desert.

While this is true, Mr. President, there are other sounds to be heard in great volume in Outer Mongolia.

All reference sources I have had checked state that this little-known land is almost entirely devoted to livestock raising, and that much of the population therefore is nomadic. So, in addition to the winds of the Gobi Desert, our embassy at Ulan Bator, the capital, would also be able to listen in on the bleating of sheep, the whinnying of vast herds of wild Mongolian ponies, the lowing of cattle, and whatever musical notes the yaks may emit.

Mr. President, I have before me a copy of today's issue of the New York Times. In it there appears an article entitled, "Mongolia Cocks Ear to Modernity, But Land of Genghis Khan Has a Long Way To Go."

The article reads in part as follows:

> The Mongolian Republic, like many of today's undeveloped countries, is trying hard to catch up with the 20th century.
>
> Genghis Khan's land, high in central Asia, is still primarily one of yurts, yaks, and yogurt.

Mr. President, I ask unanimous consent that the entire article be printed in the body of the RECORD at the conclusion of my remarks on Mongolia.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. BRIDGES. Mr. President, the major exports of Mongolia are listed as livestock, wool, hides, furs, and animal hair. Therefore, the prospects for future trade with this "listening post" in the Gobi Desert do not appear too promising. Indeed, the country is entirely surrounded by Red China and Soviet Russia.

We have had so-called listening posts for years in Soviet satellites, without ever hearing anything much except what the Communist secret police permit to filter through. It is a snare and a delusion in most cases to believe that listening posts in Communist police states are ever going to pick up anything which a good newspaper correspondent would not already have found out in the regular and normal pursuit of his legitimate duties, despite censorship.

Many of my colleagues may also like to know that, by one of the curious ac-

cidents in our world today, Owen Lattimore just happens to be studying in Outer Mongolia at the present time.

I am sure Mr. Lattimore needs no introduction to this body; but for those who might wish to review the record, I refer them to the July 2, 1952, Report No. 2050 of the Senate Internal Security Subcommittee, dealing with the Institute of Pacific Relations.

It makes interesting reading.

One rather involved excuse for yielding to Russia's demand that Outer Mongolia be admitted to the United Nations is that it could be part of a package deal whereby Russia would drop its opposition to the admission of Mauretania—the new, independent nation in what once was French West Africa, I do not like deals with the Soviets; we always seem to come out the losers on such deals.

Outer Mongolia, as a Communist state, could be depended upon to vote 100 percent with the Soviet bloc. No one on our side, or for that matter Mauretania itself, can guarantee that that country would vote 100 percent with the United States on all issues. This new nation in Africa is a free nation. Every applicant for U.N. membership should stand on its own qualifications.

As to the facts of this, and other related matters, I ask unanimous consent to have printed in the body of the RECORD, at the conclusion of my remarks, a news item written by the Reuters news agency and which appeared in the Chicago Daily Tribune on July 13, 1961.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BRIDGES. Mr. President, also, the Moscow radio announced on July 11 that a great celebration was being observed honoring the 40th anniversary of the Mongolian (Communist) revolution. I quote from this Moscow broadcast:

> The Mongolian peoples revolution developed under the influence of the great October revolution [meaning the Bolshevik revolution of November 7, 1917] which awakened the colonial peoples of the east and aroused them to struggle for national and social liberation. The all-conquering ideas of the great October revolution were an inexhaustible source of strength for the Mongolian revolutionaries and yielded excellent fruit on Mongolian soil.

Further on in this same Soviet broadcast, Khrushchev is quoted as having said that there were only two Socialist states at the end of World War II—the U.S.S.R. and the Mongolian Peoples Republic. Also, the broadcast reports that Mr. Khrushchev has been trying to get Mongolia into the United Nations for several years without success.

Peiping radio, on a July 10 broadcast in English to Europe, gave excerpts from speeches made at the Mongolia celebration marking the 40th anniversary of the Mongolian Peoples revolution. The celebration and speeches lasted more than 5 hours.

According to this Peiping broadcast, representatives from more than 14 Communist countries journeyed all the way to Mongolia to honor the celebration. In typical Communist fashion, they berated the "imperialist powers"—including this country—and boasted of the early victory of Marxism-Leninism all over the world. Note carefully that Mr. Gomulka of Poland, on whom we are presently lavishing millions in order to wean him away from Russia, was also on hand at this celebration.

RED POLAND GIVES AID TO MONGOLIA

May I also add that I was quite interested to read in the press this morning that Mr. Gomulka, the Communist boss of Poland, has just announced Poland is ready to give $10 million to Outer Mongolia. I think some persons in this country who have favored pouring out U.S. foreign aid to Communist satellite countries, including Poland, might now want to take a second look at our mutual security programs for Poland. I like the Polish people, but I do not like the Polish Government—which country gave between $11 million and $16 million, to Cuba a short time ago, and is now offering $10 million to Outer Mongolia, another Communist country. Poland is helping our enemies; she is helping purely Communist countries. Why would anyone in the United States want to pay out their money for this purpose.

Mr. President, because of its importance to the factual background dealing with any possible diplomatic recognition to the Mongolian Peoples Republic, I ask unanimous consent to insert in the body of the RECORD at the conclusion of my remarks the most significant parts of the Peiping broadcast to which I have referred and the remarks of M. A. Suslov, member of the Secretariat of the Communist Party of Russia.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. BRIDGES. So, Mr. President, there we have it: Outer Mongolia, in other words, has been a Communist state for 40 years, a fact which the State Department must have known—yet, so important is this listening post to receive the sound effects created by the winds of the Gobi Desert, and the sound effects emitted by millions of horses, cattle, sheep, goats, and camels, that apparently some persons nevertheless think we should open up a full embassy there.

To the average American taxpayer it must appear a bit puzzling why we need a listening post to the winds of the Gobi Desert, 10,000 miles away in a Communist country, while at the same time we virtuously sever diplomatic relations with a nearby Caribbean country—Dominican Republic—which has committed no unfriendly acts toward the United States. I am not arguing the merits of that case, but only point out this curious difference.

Finally, and most importantly, Mr. President, there is the fact that Outer Mongolia sent 5,000 troops to fight against American boys in Korea, leaving this country with bereaved families whose sons, fathers and brothers were killed by these very same Mongolians who some persons may now want us to recognize.

Let us take heed: Recognition of Outer Mongolia would merely be a side-door device to make the recognition of Red China a bit easier to put over at an early date.

EXHIBIT 1

[From the Chicago Daily Tribune, July 13, 1961]

FIFTY THOUSAND MARCH ON MONGOLIAN FREEDOM DAY

ULAN BATOR, OUTER MONGOLIA, July 11.—A crowd of 50,000 paraded in the main square here today celebrating the 40th anniversary of Outer Mongolia's declaration of independence.

Wrinkled peasants riding camels and horses joined youngsters on motorcycles and soldiers in armored cars and Russian and Chinese Communist technicians in the 2-hour parade.

President Zhamsaraugin Sambuu stood on a reviewing stand on the tomb of the leaders of Mongolia's 1921 revolution with Russia's Communist Party secretary, Mikhail Suslov, and the Polish Communist leader, Wladyslaw Gomulka, watching the parade led by thousands of Mongolian soldiers in Soviet-style uniforms.

Huge portraits of Russian Premier Nikita Khrushchev, China's Communist Party leader, Mao Tse-tung, and Russian spaceman, Maj. Yuri Gagarin, bobbed over the heads of young pioneer children brigades.

Among the foreign visitors was American Mongolian affairs expert, Owen Lattimore, and his wife. Lattimore, a history professor, said he hopes to stay a month.

Earlier, at a 6-hour meeting opening the celebrations, visiting delegates expressed the hope that Outer Mongolia soon would be admitted to the United Nations.

Sambu thanked the Soviet Union for its aid to the country. Mongolia stood for peace, disarmament and the banning of nuclear weapons, he said.

EXHIBIT 2

PEIPING BROADCAST ON MONGOLIA

(On July 10, 1961, at 2059 g.m.t., the Peiping radio broadcast in English to Europe an extensive report on the 40th anniversary celebration in Ulan Bator, Outer Mongolia, of the founding of that Communist state. Excerpts from the New China News Agency report, as broadcast, follow:)

Z. Sambuu, president of the Presidium of the Mongolian Great People's Rural, addressed the meeting. He first extended holiday greetings to the Mongolian people.

He then dealt with the tremendous successes scored in various fields by the Mongolian people under the leadership of the Mongolian People's Revolutionary Party in the past 40 years. He said that the Mongolian people's revolution was the outcome of the October Socialist revolution and a result of the selfless labor of the Mongolian working people and the wise leadership of the Mongolian People's Revolutionary Party. Mongolia has become an agrarian-industrial country from a livestock breeding country. The Mongolian People's Republic is now in its prime of life and looking ahead with certainty.

He said that Mongolia has entered into a new stage of completing the building of socialism. The 14th Congress of the Mongolian People's Revolutionary Party has set forth tremendous tasks for further developing the national economy. The Mongolian people will certainly be able to realize the third 5-year plan, 1961–65, he said.

Sambuu said the foreign policy of our country is to consolidate the unity with the socialist countries, to coexist peacefully with other countries, and for the banning of nuclear weapons and for the realization of general and complete disarmement. He said

that Mongolia has established diplomatic relations with 21 countries on four continents.

He said the policy we pursue is not to the taste of the imperialist overlords. So they have tried in a thousand and one ways to slander Mongolia. Imperialism is the enemy of the small and weak nations. The experiences of Mongolia prove that a small and weak nation can develop independently of the assistance of the imperialist countries.

* * * * *

Wladyslaw Gomulka, head of the Polish party and government delegation, in an address extended warm holiday greetings to the Mongolian people. He said Mongolia's experiences are highly significant to the countries that have just shaken off colonial oppression in recent years through varied struggles or are fighting for freedom and independence, countries that wish to develop their economies and raise the living standards of their people. He said that the socialist countries defend the sovereignty and neutrality of Laos. They demand that the right be given to the Korean and Vietnamese peoples to realize the unification of their fatherlands, that the colonial system be liquidated, and that Angola, the Congo, and Algeria achieve independence. They oppose imperialist intervention in the internal affairs of other countries.

Today, he said, peace is still being menaced. The imperialist countries are now carrying out armed suppression of the people fighting for freedom and independence. U.S. imperialism is carrying out arms expansion and war preparations, arming West Germany and reviving the Bonn revanchists. Although the world is subjected to the imperialist threats of a new war, the alliance of all progressive forces could check the outbreak of a new war and bring about peaceful coexistence among countries with different social systems, he added.

Ulanfu, head of the delegation of the Chinese Communist Party and government, made a speech at the meeting.

V. Slavik, head of the delegation of the Czechoslovak Communist Party and government, in his speech said that the development of Mongolia in the past 40 years proved that no force whatever can resist the will of the people, who had won freedom under the leadership of a Marxist-Leninist party. He said we are resolutely opposed to the imperialist policy of war and war preparations and enslavement and exploitation.

S. Miklos, head of the delegation of the Hungary Socialist Workers' Party and government, in his speech wished the Mongolian people greater achievement in the implementation of the third five-year plan and further consolidated cooperation with other countries of the socialist camp. The common aspirations of the socialist countries and all the peoples who had won liberation from colonial rule and were engaged in the struggle for national independence were world peace and freedom for all peoples.

P. Froehlich, head of the delegation of the German SED and government, said that the resolutions of the 14th Congress of the Mongolian People's Revolutionary Party were of great significance in peaceful construction and improving the people's life. He exposed the violations of the Potsdam agreement by the United States and Western countries and U.S. suppression of the Cuban, Laotian, South Korean, and South Vietnamese, and other peoples in Asia, Africa, and Latin America in their struggles for national independence. He condemned U.S. imperialism for the crimes of invading the Chinese territory of Taiwan for a long period of time.

E. Staykov, head of the delegation of the Bulganian Communist Party and government, said in a speech: "We witnessed with our own eyes the great achievements scored by the Mongolian people in 40 years. Your example convinced the people that the road of noncapitalist development is the best road to getting rid of the backwardness of the old era and to bettering living conditions. He also expressed support for the admission of Mongolia into the United Nations."

A. Draghici, head of the delegation of the Rumanian Worker's Party and government, said that the correct program formulated by the meeting of representatives of the Communist and workers parties held in Moscow last year armed the Communist parties of various countries. He said: The peoples of our two countries are convinced that in the further consolidation of the socialist camp lies our fundamental strength and the guarantee for the security of the peoples of all countries.

Chong Il-yong, head of the delegation of the Korean Worker's Party and government, first expressed warm greetings to the Mongolian people. He said that the achievements scored by the Mongolian people in the struggle for building a new life were the victory of the great Marxist-Leninist teachings.

M. A. Suslov, member of the Secretariat of the Communist Party of Russia, also spoke. He said in part:

"Back in 1946 the Mongolian People's Republic was one of the first to apply for U.N. membership. Since then it has repeated its request many times. The Soviet Union and the other socialist countries have been persistently striving to get the Mongolian People's Republic admitted to the United Nations. In defending the need for the admission of the Mongolian People's Republic to the United Nations, Comrade Khrushchev said: When World War II ended there were only two socialist states in the world—the Soviet Union and the Mongolian People's Republic. Unfortunately, that republic has not yet been admitted to the United Nations, and we would like to stress once again that such an attitude toward the Mongolian People's Republic is quite unjustified. There is no doubt that your country will soon assume its rightful place in that international organization.

"Dear friends, recently the 14th congress of the MPRP ended its work. The MPRP is a glorious unit of the world Communist movement. The decisions of the congress open up new, wide horizons before the Mongolian people in the establishment of a flourishing Socialist society. The Soviet people do not doubt that the Mongolian people, led by the MPRP and its central committee under Comrade Tsedenbal, will successfully implement the decisions of the MPRP congress.

"The Soviet people and all peoples of the Socialist comity (sodruzhestvo) are engaged in peaceful, constructive work and are vitally interested in the preservation and stabilization of peace. Pursuing a Leninist policy of peaceful coexistence, the CPSU central committee and the Soviet Government headed by Comrade Nikita Sergeyevich Khrushchev, an indefatiguable fighter for peace, are constantly fighting for a lessening of world tension and for mankind's liberation from the threat of a new destructive war. The Soviet proposals on complete and general disarmament, a German peace treaty, and the liquidation of all kinds of colonialism open up a reliable road to a stable peace on earth. The U.S.S.R. and all the Socialist countries are resolutely unmasking the aggressive plans and intrigues of imperialism, insistently pursuing a Leninist policy for the consolidation of peace and friendship between nations and aspire to a solution of all outstanding issues through negotiations.

"One of the serious international questions which demands an undelayed solution is the conclusion of a German peace treaty and West Berlin's transformation into a free demilitarized city. The bourgeois press distorts Soviet proposals on the conclusion of a German peace treaty and has started a hullabaloo about an alleged threat in them. But the U.S.S.R., firmly and consistently pursuing a peace-loving policy, has never threatened anybody at any time.

"Over 16 years have passed since World War II. It is high time that a peace treaty was concluded with Germany and, as Comrade Khrushchev said recently, a line drawn through World War II, and the question of West Berlin solved on that basis.

"The stubborn refusal of the imperialist powers to conclude a German peace treaty and the continuation of the occupation regime in West Berlin are a continuation of the cold war and an accumulation of forces for a new war. On the other hand, the Soviet proposals for a peace treaty, which have met with support from socialist countries and all peace-loving peoples, are aimed at a stabilization of peace in Europe and throughout the world. And these proposals will be implemented.

"Dear comrades, the Mongolian people and the Soviet people, all the peoples of socialist countries, rallied together in a great fraternal comity, are forging ahead and confidently looking to the future. The majestic ideas of Marxism-Leninism are like a brilliant beacon illuminating the road ahead of us that leads to a better social system about which mankind has dreamed for many generations, the road to communism."

EXHIBIT 3

[From the New York Times, July 25, 1961]

MONGOLIA COCKS EAR TO MODERNITY—BUT LAND OF GENGHIS KHAN HAS A LONG WAY TO GO

WASHINGTON.—The Mongolian Republic, like many of today's undeveloped countries, is trying hard to catch up with the 20th century.

Genghis Khan's land, high in central Asia, is still primarily one of yurts, yaks, and yogurt. Only 1 million or so people inhabit the windswept plateau, mountains, and deserts that stretch over an area bigger than Alaska, the National Geographic Society says. Most Mongols are nomads who depend on their livestock for nearly all needs. No complete census has ever been reported.

Since 1946, however, Mongolia's Communist leaders have been seeking membership in the United Nations. They have sent trade missions to other Asiatic countries, and occasionally welcome American newspapermen and scholars.

Offices, factories, and schools are rising in Ulan Bator, the capital. The city is a major stop for planes flying between Moscow and Peiping.

UNIVERSITY ESTABLISHED

The Mongolian State University, established there in 1942 with 90 students, now enrolls more than 2,500 yearly. Doctors, nurses, and teachers are emerging from a pastoral people whose ancestors were once the most feared, destructive warriors in the world. Lamaist Buddhism is declining.

Curiously, Genghis Khan, who died in 1227, left little or nothing of lasting material value. Not a stone is standing at the site of his great capital, Karakorum.

Since the crumbling of the Mongol empire, the country has served as a buffer between Russia and China, ever vulnerable to the winds of fortune. The part of it known as Inner Mongolia was absorbed by China. The borders of Outer Mongolia (the present republic) were the subject of frequent negotiations between the two large powers, but it has regarded itself as independent since a Soviet-supported coup in 1921.

The Buddhist theocratic monarchy of Bogdo Gegen Khan continued to rule until his death in 1924, when the Mongolian People's Republic was proclaimed. Apparently

the Russians have exerted little overt influence in domestic affairs, however, and the Chinese claimed a measure of suzerainty until 1945.

CHAPMAN ANDREWS' EXPEDITION

It was during the 1920's that Roy Chapman Andrews led his famed expeditions to Mongolia and found the first dinosaur eggs known to man. Writing in National Geographic he said: "In all this vast area there is not a single railroad. Transport is by camels, ponies, and oxcarts. The climate is severe. During the winter the temperature drops to 40 or 50 degrees below zero Fahrenheit, and the plateau is swept by bitter winds."

In Urga, as the capital was then called, almost every house was surrounded by a palisade of unpeeled logs reminiscent of pioneer America.

Present-day visitors still find much to remind them of the American frontiers. North of the harsh Gobi desert, a great natural pasture extends toward mountains in endless seas of grass and wild flowers. Eagles circle in the sky. Chattering prairie dogs sit with folded paws beside burrows.

It is a green and fragrant land, well watered. The Mongols, leathered by sun, graze their herds of horses, cattle, sheep, and goats in tribal patterns. They live in yurts, felt tents stretched over a circular, collapsible framework.

Genghis Khan would recognize his people—even now.

HIJACKING OF AMERICAN AIRPLANE

Mr. BRIDGES. Mr. President, I thought, as does every American—at least every thoughtful American—when I picked up the papers yesterday and read that an American airplane was hijacked and taken at gun point to Cuba, it was something which, in the heart and mind of the average American, called for immediate action. I do not know what we are going to do about it, but I know what we should do. Instead of calmly asking for the return of the plane, we should demand that the plane be returned, and, if necessary, we should go into Cuba and get it.

I think we should start paying less attention to the feelings of some so-called neutral countries in this hemisphere or any other, who hold up their hands in holy horror every time we say something that affects Cuba, and I think we should start treating Cuba with a realistic approach. I am not directing these remarks at anyone in particular. I am not aiming them at this administration. I am aiming them at any administration that has dealt with this subject in the past.

I think both the Republican administration and Democratic administration, through their State Departments, have taken the wrong approach to Cuba. If we are to command any respect in the world, if we are to have any respect among the nations of the world that are our friends, or our enemies, or the large body of neutrals, we cannot stand still and see American rights walked on, trampled upon, American property seized, and make merely a very mild protest, or not say anything at all.

I am one of those who believes we would be much better off if we took a firm position in these cases, with what we expect of others and what we will do spelled out. I realize that when we take a firm position, we must follow through with action to back up our position. I am also one of those who thinks we should be ready and willing to follow through, without being the victim of one threat and one ultimatum after another from our enemies.

My colleagues will recall the instance in which an American submarine, cruising in international waters, was fired upon by a Cuban gunboat early last year. It was a warning to this country of what to expect of the Castro government. Cuba was supposed to be an ally of ours in defending the free world. This gunboat, which earlier had been given by us to Cuba, was turned against us by Castro and his forces to fire upon an American submarine.

Previously, before Mr. Castro became President, his brother Raul seized 47 American sailors and marines and held them in the Sierra Maestre Mountains. We have seen over a billion dollars in American property seized by Castro and his forces. We have seen all these things happen over the period of the last 2½ years, and we have just mildly acquiesced, or perhaps made very mild protests.

I think the time has arrived for us to do something more than mildly rebuke the Cuban Communists, if we are going to hold up our head in the world or in this hemisphere.

Unless we want a satellite of Russia, with the latest Soviet arms, pointing its missiles at our very heart, 90 miles from our shores, we must be ready to take firm, decisive action. We must be ready to move forward in a positive manner. I, for one, think it will eventually come to that. I see no reason why it should not be done at this time. I would give Mr. Castro an ultimatum either 24 or 48 hours to return the plane, the pilots, the passengers and turn the hijacker over to the United States for prosecution and trial.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. SYMINGTON. Mr. President, I have listened with great interest to the remarks of the able senior Senator from New Hampshire. The plane was flying from Miami west into other parts of the United States. I share with the Senator a grave concern about future possibilities if a strong protest is not made by our Government in this connection.

Mr. BRIDGES. I thank the Senator. I feel that is true. One thing after another has happened. If we continue to let these things happen, if we do nothing but make mild protests, it simply will give encouragement for other incidents to happen, until the situation becomes increasingly difficult and unbearable.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. WILLIAMS of Delaware. I join the Senator from Missouri in paying my respects to the Senator from New Hampshire for his remarks on this timely subject.

We must remember the difference in regard to this situation. The confiscation of American property in Cuba was one thing, but this particular plane was hijacked over U.S. soil. Therefore, this can only be classified as piracy. I do not think this is something about which we should sit down to negotiate with Mr. Castro. I agree fully with the Senator from New Hampshire—we should lay down our demands and be willing to back them up.

Mr. BRIDGES. I thank the Senator from Delaware.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. JAVITS. I like the use of the word "piracy." It is the word which occurred to me.

Being a lawyer, I must say the evidence will have to come in as to whether this was a unilateral action by an individual who held up the plane and caused it to land at Havana.

The question is: What will happen now? I join with the Senator from New Hampshire and with my other colleagues in affirming the fact it is basic to American policy that when a nation finds a plane of that character landing upon its soil it must look after those who occupy it, must see to their needs if they need medical attention, and must return them and return the plane. If it does not do that, or if it damages or injuries the plane, then it will violate international law, must make reparations, and must be answerable for its conduct.

I thoroughly agree with the Senator from New Hampshire that there can be a tyranny of weakness. That is what Mr. Castro has pulled on us time and time ago—he is a "little guy," so "Come step on me. Come drown me. Come extinguish me."

This does not save him guiltiness from an international crime.

I am glad the Senator from New Hampshire has spoken. He speaks with authority. As many of us who can should support the position that the rules for Castro are the rules of international law. We intend to enforce them. We will not be intimidated by a tyranny of weakness, which Castro has imposed successfully time and time again.

I join with my colleagues in flagging this action for what it is. This is when it counts as to what Castro is doing. Because we are big and he is little does not mean that we can allow him to outrage us or to outrage international law.

Mr. BRIDGES. I thank the distinguished Senator from New York.

In answer to what the Senator from Missouri, the Senator from Delaware, and the Senator from New York have said, in joining with the Senator from New Hampshire, I remember that Wendell Willkie once told me it was not so much what a man said as when he said it that counted. This incident occurred yesterday, and the time to act is now. We could negotiate it for a period of time, and in a month or so perhaps the American people would forget all about it—all except a few—but while the matter is fresh in the minds of people it is time to take some firm, definite action.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CASE of South Dakota. Mr. President, I stepped into the Senate Chamber only a minute ago, but it happens that I have been in the lobby reading the statements in the press with regard to the plane incident. I am not aware of the statement or the suggestion of the Senator from New Hampshire, but, judging from the context of what I heard the Senator from New York say and the Senator's remarks immediately after my entering the Chamber, I assume the Senator said that now is the time to act with reference to Castro's action taking advantage of the hijacking of this plane.

Mr. BRIDGES. I did. I said it was time for firm action.

Mr. CASE of South Dakota. Mr. President, I thoroughly agree. I think the time should be expressed in terms of a few hours for the return of the plane and for the freedom of the people who are on it. Regardless of who did the hijacking of the plane or how it was prompted, it seems to me for Mr. Castro now to take the position he wishes to negotiate about the plane, to take advantage of whatever act of piracy in the air was committed, is totally improper.

I have in my hand three dispatches: one from Washington, one from New York, and one from Miami. They all deal with the plane incident. I ask unanimous consent to have them printed in the RECORD at this point, and I shall briefly comment on them.

There being no objection, the dispatches were ordered to be printed in the RECORD, as follows:

NEW YORK.—Premier Castro of Cuba is willing today to free the passengers and crewmen who landed here aboard a hijacked Eastern Air Lines plane, NBC Correspondent Herb Kaplow reported.

But Castro wants to negotiate with the United States over the turboprop super-Electra plane itself, Kaplow said in a broadcast from Havana.

Kaplow, in Havana for July 26 celebrations, said Castro told him the passengers and crew were "free to stay or leave Cuba as they wished" and the Cuban Government would help them get Pan American World Airways plane reservations to the United States if necessary.

But he said Castro also told him he wanted to negotiate an exchange of Cuban planes impounded in the United States for the Eastern airliner because "the United States does not want Cuban planes and Cuba does not want U.S. planes."

WASHINGTON.—The State Department said today that it still had no reply to its request to the Cuban Government for the return of the Eastern Air Lines plane, passengers, and crew diverted at gunpoint yesterday to Havana.

The U.S. request was sent through the Swiss Government, whose Embassy in Havana represents U.S. interests in Cuba.

"We are still waiting to hear from the Swiss any reply that the Cuban Government may make," Press Officer Francis W. Tully, Jr. said.

MIAMI.—Special security precautions were established today for commercial planes serving Florida to block a reported plot by pro-Castro agents to hijack additional U.S. airliners.

Informed sources said yesterday's hijacking of an Eastern Air Lines Electra was part of a plot possibly to "avenge" seizure of a number of Cuban airliners for unpaid bills in the United States.

They said the operation apparently was timed to coincide with tomorrow's "26th of July" revolutionary commemoration.

The 38 persons aboard the Electra, which was commandeered during a Miami-Dallas flight, were being held incommunicado in Havana today despite U.S. State Department demands that they and the $3.5 million aircraft be promptly released.

Eastern Air Lines announced from its New York headquarters today: "All possible precautions have been taken to prevent another incident."

Strict secrecy surrounded security measures. The Federal Government, however, has authority to place armed guards aboard commercial airliners if considered necessary to protect the U.S. mail carried on passenger flights.

Airline officials generally declined comment on measures to protect their flights other than to say normal service was being continued.

It appeared there would be technical as well as diplomatic complications over yesterday's incident. Airline sources doubted if the Cubans have special equipment required for servicing and starting the jetprop engines of the EAL Electra.

Mr. CASE of South Dakota. The dispatch from New York says that Herb Kaplow, in a broadcast from Havana, said that Castro wants to negotiate with the United States over the turboprop super Electra plane itself, although he is willing that the passengers and the crewmen who landed be freed.

Mr. President, it is my opinion that Castro should immediately be told that if the plane and the people are not returned within a definite deadline of a few hours the United States will go in with whatever is necessary to rescue the plane and to rescue the people. To equate this incident with some plane which may have gone into the United States under normal commercial intercourse, which would have been liable for some duties or fees of some sort, is entirely beside the point. The plane did not go to Cuba under the will of its owner or operator. It was merely an act of air piracy. I do not know what the legal term should be, but I note my lawyer friend from New York is nodding his head.

Clearly the plane did not go to Cuba under its own free will. The protection of the United States should be accorded to the plane and to the people involved.

Mr. BRIDGES. Mr. President, will the Senator permit an interruption for a minute.

Mr. CASE of South Dakota. Yes.

Mr. BRIDGES. I wish to point out that the person or persons who, at gun point, did the hijacking, did it over American soil. The person or persons who hijacked the plane at the point of guns should be turned over to us, also.

Mr. CASE of South Dakota. Again I agree with the Senator. I heartily endorse that.

Mr. President, the Miami dispatch says that special security precautions are being established for other planes in that area. While that may be warranted as a domestic step, of course it does not correct the insult which has taken place in connection with the other plane.

Mr. President, the Washington dispatch is peculiarly significant. I think it should be brought to the attention of the Senate. The dispatch which has a Washington dateline of 12:10 p.m. says:

The State Department said today that it still had no reply to its request to the Cuban Government for the return of the Eastern Air Lines plane, passengers and crew diverted at gunpoint yesterday to Havana.

The U.S. request was sent through the Swiss Government, whose Embassy in Havana represents U.S. interests in Cuba.

"We are still waiting to hear from the Swiss any reply that the Cuban Government may make," Press Officer Francis W. Tully, Jr., said.

In my judgment, we ought not to wait very many minutes.

What the President does today about this plane and the people hijacked into Cuba will impress the world more than what he says about Berlin tonight.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HOLLAND. I agree completely with the able Senator from South Dakota. Clearly, the act was an act of piracy. I do not think we would wait a moment for the response of the Cuban Government if a ship occupied by civilians traveling on legal business had been seized off the coast of Cuba and brought into a Cuban harbor. I am sure we would term that as an act of piracy. I am sure we would demand immediate return of the ship and passengers. I do not see any difference at all between that situation and the seizure of the Eastern Air Lines plane which, as a matter of fact, was a good deal farther away from Cuban shores than such a ship would have been, and which was on a purely domestic trip from Miami in my State to Tampa in my State.

Many of those who were traveling on the plane are citizens of my State. To say that the act is not piracy pure and simple, and that such action should not be taken as would be justified by such an act of piracy, I think would be a most feeble position. I do not believe any of us would want to take such a position.

I remember that it has not always been so. Piracy upon our shipping off of Tripoli brought immediate retaliation, in our early days when we were relatively small and weak.

It seems to me that to delay a moment in demanding the return of the plane and our people, and taking such other steps as may be necessary to undo what was clearly an act of piracy, would show abject weakness. I hope that the incident, brought to the attention of the Senate by the Senator from South Dakota [Mr. CASE], will be followed by immediate action by our State Department, our President, and, if necessary, by the Department of Defense to meet as we should an act that is piracy of the most extreme kind.

Mr. BRIDGES. Castro has the wrong understanding of America. He first got his misunderstanding when he seized 47 American marines and sailors, having kidnapped them when he was still a

bandit in the mountains of eastern Cuba. We did not do anything about the incident at that time. Then when each successive act occurred, instead of our taking a forthright firm position, and backing those positions with action, we made mild protests. Such a course has continued over a period of time.

Then, when Castro came to this country, instead of treating him for what he was—an outlaw and Communist bandit—some of our leaders wined and dined him. Some of our leading citizens were involved. A number of our intellectuals paid tribute to him. Therefore, Castro may understandably have gotten the wrong idea about us. We must change our attitude so that he at least will have the understanding that he cannot walk over us 24 hours a day, 365 days a year.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HOLLAND. I should have said a moment ago that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from South Dakota [Mr. CASE] had raised the question. I believe it was originally raised by the Senator from New Hampshire. I had left the Chamber when the Senator from New Hampshire was talking about Outer Mongolia and I came back in to hear the Senator from South Dakota reading excerpts from a press dispatch about the hijacked Eastern plane. I congratulate both distinguished Senators for bringing the incident to the attention of the Senate. I think now is the time for action—the golden moment—for which we have been waiting, because we are confronted with an act of piracy pure and simple in which citizens and property of our country have been seized by armed force and taken to a Cuban air base. I hope that our Government will show force, strength, and complete willingness to come to grips with this incident. I believe that any other position would brand us as hopelessly weak.

Mr. CASE of South Dakota. Mr. President, will the Senator yield further?

Mr. BRIDGES. I yield.

Mr. CASE of South Dakota. I express my appreciation for what the Senator from Florida has said. I emphasize what the Senator from New Hampshire has said about the time to speak and the time to act. The incident is one which the world will clearly understand if we act with firmness. There may be times when such action might be misunderstood. The only chance for misunderstanding in the present instance would be if we should fail to act. If we should fail to take appropriate action in this incident, then the United States would not be properly understood around the world. Action at this time would be understood and respected.

Mr. BRIDGES. If an American citizen cannot get on an American plane and travel to a desired point of destination within his own country, without fear of being hijacked by some outlaw Cuban and taken to Cuba and then turned over to Castro and his Communist band, we have reached a dangerous point in this country.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. ELLENDER. I am in agreement with all that has been said. How did the men committing the act of piracy get into our country? We are now permitting, or will permit, 20,000 refugees from Cuba to come here. It strikes me that something ought to be done in that regard to properly screen these refugees in order to assure that no Castroites are allowed to enter rather than talking about action to take now with respect to a particular plane. In my judgment, if anything should take place which would result in more difficulty with Russia or some other country, a great deal of damage or sabotage might be done by an enemy of this country who has entered as a refugee from Cuba. It strikes me that something should be done to prevent refugees from coming in, indiscriminately and without screening rather than let them in, without any check at all as we are now doing.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CAPEHART. I agree with the able Senator from Louisiana. I read the newspaper article which reported that 20,000 refugees would be permitted to come into the United States. They would be flown into this country at a cost to the American taxpayers of $450 million. I was startled to think that we would take such action.

I ask the Senator from New Hampshire what has happened to the 38 Americans who were on the hijacked plane?

Mr. BRIDGES. So far as we know, they are still in Cuba in Castro's care facing possible brainwashing by Communist secret police. Perhaps Castro wants some tractors.

The Senator from South Dakota [Mr. CASE] read a wire dispatch from Cuba stating that Castro wanted to negotiate with respect to the plane, but that he was favorably considering allowing the American citizens who were hijacked and restrained illegally to return to their home country.

Mr. CAPEHART. Does not the Senator believe that the time has arrived when the proper way to handle this problem would be to give Mr. Castro 24 hours in which to return both the American citizens and the American plane, or go and get them?

Mr. BRIDGES. That is the way I feel about it and so, apparently, do many millions of Americans.

Mr. CAPEHART. That is the way I feel.

Mr. BRIDGES. We have reached a point at which we must do something, one way or another, without any more waste of time.

Mr. CAPEHART. I feel that way. I do not believe we dare fool with this Castro any longer. He is a Communist. Russia is shipping war materials into the country. While we talk about incidents, hijackers come into this country and deliberately steal a plane with 38 Americans and take them to Cuba. Castro laughs. I understand at one point last night Castro laughingly said, "Maybe we will return the 38 Americans, but we are going to keep the plane."

When did we in the United States so completely lose our courage and our guts that we find ourselves unable to stand up to this man? What is the use of our talking about standing up to Russia in Berlin if we do not have guts enough to stand up in Cuba?

Mr. JAVITS subsequently said: Mr. President, before it gets too late in the day, I wish to complete the record on the discussion we had earlier with respect to the hijacked plane. The latest information is that the passengers will be released. However, there is no word yet as to whether the plane will be released also.

I wish to state, having checked the law on the situation in the course of the day, that it is my considered judgment that the plane should also be released; that we should exercise the same firm position with respect to its release as we do with respect to the passengers; and that the situation is not analogous to that of the Cuban planes which have been brought here by the owners, for commercial reasons, or have been sequestered under orders of the court for judgments, or for other purposes.

This plane was hijacked in violation of law, domestic and international, and is in Cuba against the will of its owners.

I make this statement because our discussion earlier in the day assumed that it applied to both the plane and the passengers. Now we have the statement that the passengers will be returned, and I make this statement with reference to the plane.

ASTRONAUT VIRGIL IVAN (GUS) GRISSOM—TYPICAL HOOSIER

Mr. CAPEHART. Mr. President, there is an old saying in Indiana that nothing really important ever happens unless a Hoosier has a part in it.

That was never a more factual statement than right now, when Hoosiers all over the world, wherever they are, are beaming with pride over the accomplishment of our own boy, Capt. Virgil Ivan "Gus" Grissom, the astronaut.

We thank God that he is alive today, and that he handled with such skill a phenomenal suborbital flight that went higher, faster, and farther than any other American in history.

It is typical of Captain Grissom that he is such a loyal member of a seven-man team that is making space history for the United States. Such devotion to the team is just a part of the Hoosier makeup.

Captain Grissom is a Hoosier through and through. He was born at Mitchell, Ind., a city of about 3,500 persons some 75 miles south of Indianapolis. He is a product of Indiana public schools and our own Purdue University School of Engineering. His charming wife, Betty, also is a Hoosier.

Captain Grissom's father is a railroader. Dennis Grissom and his wife

reared well three sons and a daughter. I have met Mr. and Mrs. Grissom and they are typically fine residents of my State. Captain Grissom, his wife, Betty, who has been a real helpmate, and their two fine sons have visited my office. The family photograph has a place of honor in the collection on my office wall.

Captain Grissom is a typical Hoosier. He wanted to be a test pilot. It was a hard road. But, he worked at the job, and now the facts prove that he is one of the best.

To Captain Grissom and his teammates on the astronaut team I say congratulations for a job well done. We are all indebted.

AGRICULTURAL ACT OF 1961

The Senate resumed the consideration of the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ELLENDER. Mr. President, I understand that there are several amendments to be offered. I do not see present in the Chamber the Senators who intend to offer them. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER (Mr. KEATING in the chair). Without objection, it is so ordered.

Mr. HOLLAND. Mr. President, I send forward a short amendment which makes no change in the intention of the bill, and which I shall be glad to explain.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 137, line 7, before the period, insert a comma and the following: "except that the repeal of section 2(c) of the Act of April 6, 1949, shall not be effective prior to January 1, 1962".

Mr. HOLLAND. The occasion for the amendment is simply that the Senate passed a bill offered by the Senator from Utah [Mr. Moss] and other Senators a few days ago which revived until the end of this year the authority to make initial special livestock loans under the act of April 6, 1949, and extended the authority for supplemental advances to borrowers already indebted on such loans until the end of this year.

It appears that one of the acts which would be repealed by the pending bill is the act in which the special livestock loan authority is contained along with a good many other provisions. The proposed amendment would simply except from the repeal of that act, which includes a number of other provisions, the repeal of the special livestock loan provision, which is section 2(c) of the act of April 6, 1949, until January 1, 1962.

It would simply carry out the action already taken not only by the Senate but also by the House under a bill which is now at the White House awaiting approval by the President. If the President should not approve it, the conferees could agree to strike the amendment. However, if the President does approve the bill—and I believe he will, because of the drought conditions in the West, to which the emergency livestock loan operation applies—the amendment is in order. Of course if he should disapprove the bill, the conferees could easily withdraw the amendment. I ask that the amendment be adopted.

Mr. ELLENDER. As I understand the statement of the Senator from Florida, we are simply carrying out the intention of the bill passed by Congress, which is now on the President's desk. I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida.

The amendment to the amendment was agreed to.

Mr. HUMPHREY. Mr. President, I wish to make a few general comments on the pending legislation. Earlier this year Congress enacted the 1961 feed grain program, a program which has proved to be a major move toward reversing the steady, disheartening decline of farm prices and farm income. That program, insofar as the reduction of acreage and compliance are concerned, has been a success. More than that, it held forth the promise of reducing the Government costs of holding in stock tremendous and unneeded reserves of feed grains; that promise is being borne out as the success of the feed grain program becomes evident.

Today we have before us the Agricultural Act of 1961, a comprehensive bill, which moves further in the direction of balancing agricultural production with true national and international needs for food and fiber. Admittedly, this proposal does not encompass the full approach to a coordinated national food policy which the Senator from Minnesota has urged—a policy which would strengthen the family farms of America while providing the abundance production of food and fiber needed to maintain American standards of living and bolster our international policies in the developing countries of the world.

However, the proposals in S. 1643 are sound, reasonable, and positive. There is here a tacit approval of the principles of farmer cooperation in the formulation and administration of farm programs. There is here an acknowledgement that marketing agreements and orders—self-help programs, they are sometimes called—are valuable tools in the effort to bring order and stability into the marketing of certain commodities.

Certainly there are major proposals here regarding immediate wheat and feed grain production that are designed to correct the tremendous pileup of surplus stocks of these commodities at the expense of the Government.

For 8 years the surplus problem has been a constant concern of Congress. The lack of effective legislation and action in these past several years certainly was not due to a lack of information and will on the part of Congress; it was due, I regret to say, to a viewpoint on the part of the administration that made it impossible to achieve measures that would improve farm income and decrease Government costs.

However, it is certainly not my intention to spend my time looking backward at mistakes and misdirections.

Rather, it is my desire to look forward with optimism and confidence to the enactment of legislation of the kind before us today, legislation that represents an honest appraisal of the causes of the decline of farm income and positive efforts to correct farm program faults.

For these reasons, I welcome the proposed wheat program for 1962, and the extension of the feed grain program.

The bill before us also deals with a matter that is vital to the family farmers of this Nation who, confronted with the demands for change and expansion of their farming activities to meet the demands of our rapidly changing farm technology, may lose out unless adequate sources of farm credit are made available to them.

The title of the bill dealing with the Farmers Home Administration would bring about a needed recodification of the many laws administered by this agency as well as bringing into more realistic focus the provisions dealing with size and terms of loans.

I feel that while we have made substantial progress on farm credit in the pending bill, the needs of farm credit are even beyond what we are currently contemplating in the pending measure. I am hopeful that at a later date, when the new administration has had an opportunity to carefully study the farm credit needs, we will expand our farm credit program.

The omnibus farm bill gives recognition to the role that farmer-owned and farmer-controlled cooperative marketing and supply enterprises play in sustaining the farm economy. Farmer cooperatives are the free world's answer to collective agriculture. They are a powerful example to the world of how free men, working together, can develop democratic institutions that are efficient and effective. Farmer cooperatives present a legitimate and desirable means of preserving individuality and yet finding a way to compete in an economy of bigness. Farmer co-ops must be recognized as a vital part of our free enterprise system, and strengthened to meet the changes in our marketing system.

Mr. President, I am hopeful that in the administration of the farm program the Secretary of Agriculture will recognize that the intent of Congress is to use these farmer-owned farm cooper-

atives to serve very practically for the accomplishment of the objective of a fair price, a parity price, for our farmers and for the control of production and supply.

Also included in the omnibus farm bill are proposals which extend the Agricultural Trade Development and Improvement Act and make it more responsive to the requirements of our food-for-peace program.

Mr. President, there are other proposals in the farm bill to which I will address my attention at a later time. Right now, I would like to discuss at greater length the interest of the consumer in farm programs that will bring about desirable agricultural production adjustments. I wish to emphasize the fact that in our society none of us functions solely as a producer, or solely as a consumer.

Each of us wears two hats. We produce and market goods, or skill, or services so we may in turn buy and consume goods and skills and services.

The farmer, generally associated with food production, is also a buyer and consumer of food. The wheat grower does not live by bread alone. By the same token, the factory worker who builds tractors rarely owns or operates one.

Our roles as producers and consumers are so interrelated that attempting to divide them is like trying to blend water and oil.

A price for labor and for distribution and sales services that enables factory and white-collar workers to provide their families with adequate, well-balanced daily diets helps the farmer.

A fair price to the farmer for the varied and abundant supplies of food he ships out from his land and his lots enables him to make the maximum use of the goods and services provided by the blue- and white-collar workers and the skills of the various professions. Therefore, when we talk about efforts to provide production and income stability opportunities for farmers, we are not talking about what is good for producers and bad for consumers; we are talking about the general welfare of the Nation.

The Senate has heard repeatedly the assertions and, indeed, a statement of the facts relating to the consumption capacity of American agriculture. In general, those facts are well known. The farmer is one of the largest consumers of electricity. He is the largest consumer of steel products, outside the automobile industry. He is one of the largest consumers of processed foods. The farmer, in other words, is one of the great consuming factors or elements of our economy. By the same token, the producer of factory goods is the greatest consumer of farm products.

All the world finds much to admire about the United States of America. An admiration even our enemies share is related to our ability to produce, distribute, and market foods. Americans eat more food, a greater variety of food, and food which meets higher standards of quality and purity than any other people, anywhere. In other words, when our so-called high cost of living is considered, I think it ought to be noted that in the United States the cost of food related to the cost in terms of hours of work is the cheapest food in the world. The American consumer has a wider variety of food, a higher quality of food, and he is better fed at cheaper and lower costs than any other consumer in the world. This is one economy in which there is no danger of a food shortage.

The major credit for this situation rests with the farmers, of course. But they could not go it alone. The best lettuce and potatoes, the tasty steaks and chops, the rich milk, and the refreshing fruits are useless to a society unless they can be quickly and efficiently moved from farm to processor and manufacturer and to retail outlets and our tables.

Seven million Americans are engaged in producing food and fiber. More than twice that many—16 million—are engaged in supplying goods and services utilized in food production and in transporting, storing, processing, manufacturing, and selling farm products. Among other things, they mill, they bake, they can and freeze and dehydrate, they churn and concentrate and pack, they weave fibers into fabrics, and they get all these things to the right places at the right times.

The coordinated efforts of 23 million mean that 183 million Americans get quality foods in a variety and abundance unmatched in all the history of man.

At this particular stage, when we are looking for things to point to with pride, it seems to me this is an appropriate opportunity to cite for the record again that American agriculture is the modern miracle; it is the greatest accomplishment of the 20th century. There has never been anything like it in terms of efficiency, distribution, and production; in terms of quantity and quality of goods. Our major achievements in outer space and in science and technology fade into insignificance when we stop to consider the role of American agriculture, with 7 million farm producers producing enough for 183 million in this Nation, and plenty for millions and millions of people throughout the world.

American food and fiber has become a part of our national security program. American food and fiber is an essential, vital part of our foreign policy. American food and fiber is an essential part of our economic policy. In other words, the farm families of America, with modern machines, with trained skills and ability, today stand as the miracle and the wonder of the world. No society, at any time in the history of man, has ever even approximated the capacity of these producers to provide the bounty of food and fiber which a modern society requires.

Tonight the President will deliver his message relating to the critical international situation and what we might do about it. There is one segment of our economy that stands ready today for peace or war. That segment of the economy is agriculture.

To digress for a moment, regrettably, certain departments of our Government have not seen fit to utilize properly this great abundance of our food and fiber. We ought to have in this country storehouses of food for civil defense needs. If the international situation is as serious as some persons say it is—and I think it is—if our President is about to ask for more billions of dollars for armament, as I am sure he will—and there are persons who are advocating the mobilization of reserves and the National Guard; if there is a danger of thermonuclear war, then Congress is derelict and the Government is derelict, unless we provide food stocks which may become necessary to protect the civilian population in case of a nuclear blast. Radioactive fallout is a serious danger to the safety of our Republic. No preparations have been made. Were preparations made, there would be no surplus commodities. The abundance of wheat in our storage today could well be processed—much of it—for emergency food rations, as, indeed, could the abundance of vegetable oils and some of the other fats and oils and dairy products which we have. Those things should be done.

Furthermore, I believe it would be a good idea for the Committee on Armed Services to question the military officials of our Government as to the amount of food supplies which are available for our forces in Western Europe. If the facts are brought out, they will be shocking.

I remember 4 years ago, when I made a tour of southern Europe and visited with the commander of the NATO forces in that area, Admiral Briscoe. I was told then that our forces had less than one week's supply of food on hand. So I asked the Admiral, "What would happen if a war broke out?"

He said, "We would do the best we could and supply limited quantities of food to our forces on the fields of battle."

I asked, "What about the neighboring population?"

He said, "They would have to take care of themselves."

In Berlin, there are substantial quantities of food in case a blockade is placed upon that city. In other words, we learned from the 1948 blockade and airlift a very important lesson. But I am willing to state on the floor of the Senate that we do not have substantial quantities of food in Western Europe for the 250,000 American Forces which are located in that part of the world. If a war should break out or if an international situation should develop in which a blockade was imposed upon the movement of goods, services, and manpower, we would be in serious trouble. Therefore, I suggest that when we consider proposed agricultural legislation, we remember that we are dealing with the national security. We are not dealing merely with the plight or the welfare of an individual family farmer out in Minnesota or Iowa or California or North Dakota or Louisiana. We are dealing with the very life of the Nation.

Were there proper organizations established for the use of our foods, internationally, through our foreign policy

programs, in terms of our national security, in terms of our alliances, I submit that the Nation would not have a surplus of food, but rather would find itself with an operating deficit.

Imagine having only enough ammunition for our Armed Forces overseas for 5 days of battle. A commander would be removed from his command if he permitted such a situation to exist. I placed in the RECORD 3½ years ago testimony of the Department of Defense which indicated that the food supplies for our Armed Forces were something which had not been coordinated, something in which the Department did not feel it had primarily a responsibility. I submit that the availability of stocks of food is as important to the survival of the Nation as the availabilty of stocks of munitions.

We are constantly talking about our capacity to deliver weapons. I wonder about our capacity to deliver food and fiber. Nations have been starved into submission. In fact, our British ally in World War I almost perished because of the submarine blockade on the part of the Central Powers, and in World War II because of the blockage on the part of Hitler. I submit we have learned little from the lessons of history when it comes to food, because food has been made a political football on the American political scene, rather than looked upon as food and fiber to feed a hungry world, or food and fiber to be used in a world of international tension, food and fiber as a positive asset. Today our food and fiber is looked upon as a problem.

Mr. President, this is an old thought upon my part. I have talked about it repeatedly. I shall continue to do so. Just as one senator used to stand in the senate of Rome and repeatedly remind that senate that Carthage must be destroyed, so I shall stand in this Chamber and say that the U.S. Government had better well utilize its reserves of food and fiber, looking to the future, because the future may well depend, not upon which nation has more bombs, but which nation has the capacity to survive; which nation has the capacity to produce food and fiber in a world that is hungry, in a world in which supply problems are unbelievably complex, in a world in which the distribution of the supply becomes ever more difficult.

I believe that a program of farm legislation that looks ahead for 3 years, for example, in regard to the field of our food for peace program is sound. I believe that a program of legislation that looks ahead to more available farm credit, to keep our farm plant modern and productive, is sound. I believe that we must have the hand of the Secretary of Agriculture authority to deal with the problems of supply, demand, and distribution. That is exactly what this farm program does.

I suggest most respectfully, as a friend of this administration and as one who is a friend of agriculture, that there is need for closer coordination between the Department of Agriculture, the Department of State, and the Department of Defense. I suggest that our foreign policy and our agricultural policy are international. I further suggest that our defense policy, our national security policy, and our agricultural policy are inseparable.

Mr. President, this morning there came to my desk a letter from Canada. What was once a great supply of surplus agricultural products in Canada has evaporated. I submit that unless we manage well our supplies, unless we take a long-term look at the needs for food and fiber, we might well encounter a situation in which the consumer would be hurt because of a lack of supply—a situation in which our national security could be imperiled, and in which our foreign-aid commitments would have to be forgotten.

This is a grim picture to paint; but I do not believe it will develop, primarily because of the current interrelationship and coordination between our domestic policy, our foreign policy, and the requirements of our national security.

But again I remind the Senate that these problems are with us; and I suggest that we are now giving all too little attention to them.

Mr. President, as I have already indicated, the benefits and the problems of our great agricultural industry belong to all of us.

The benefits are apparent at least three times each day for nearly every American.

The problems are difficult and seemingly complex, but they do not defy solution. They demand solution, and this can be achieved by men and women of good will.

But neither solution nor good will is to be found in efforts to draw a dividing line between the interests of producers and those of consumers.

Buyers of food will not get more of it, at less cost, by the creation of a peasant class upon the land.

Producers of food will not gain, over the long haul, through a restrictive, monopolistic system leading to administrative pricing.

I believe the majority of the Nation's food buyers appreciate the tremendous contributions of farmers to their welfare, and are willing for farm families to share fairly in the national income.

Mr. President, let me say that for years the farmer has subsidized the bulk of the American people, by means of his excess of production, because it is the very fact of the excess of production over the demand that has had a cushioning or leveling effect upon the prices of agricultural commodities.

Imagine, Mr. President, if tomorrow—and it might well happen—Durum wheat were to become in even shorter supply. Every Senator knows that today it is in short supply. In that event, I predict that the price of Durum wheat could go sky high, because of the shortage of supply. If that does happen, it will have a definite effect on the prices to consumers.

Mr. President, imagine what would be the situation if, tomorrow, there were to develop a shortage of eggs. Eggs are a staple commodity for every home in the Nation. If such a shortage were to develop, it is not beyond the realm of possibility that eggs might sell for $1.25 or $1.50 a dozen. Then the people would complain very bitterly.

The fact is that the American farmer, by his abundance of production, has been able to maintain a rather stable price level for food products. Many times those prices have risen, not because of the payments received by the farmers, but because of increased distribution costs and increased merchandising costs. We have seen that happen repeatedly.

I believe that the majority of the Nation's food producers take logical pride in their ability to serve so many of their neighbors so well, and want no families driven away from the markets by exorbitant prices.

But their concern, one for the other, is not strengthened by those who would prey upon selfish interests and would emphasize places of possible division over points of unity.

The farm bill has as its primary objective the creation of opportunity for farmers to increase their incomes. Any other prime objective of comprehensive farm legislation would be rather ridiculous, because the big trouble in agriculture is simply that farmers are not making enough money, are not getting a return on their investment in work and skills and capital proportionate to the returns experienced by other segments of the economy.

Mr. President, it is fair to state for this RECORD that today the vast majority of the producers of agricultural commodities on the farms in the United States make less than $1 an hour, which is far below the minimum wage which the Congress has provided for unskilled workers who make no investment. According to a survey conducted by the School of Agricultural Economics of the University of Minnesota, many of the farmworkers make less than 75 cents an hour; and this is without regard to the large investment which farmers have in land and equipment.

Fair income for farmers means, for all Americans, continued abundant production of quality foods by free and independent producers. But this is not the only advantage in economic equality for people on the land. The goods and services created by thousands and thousands of food buyers find a market with food producers.

Each year farm people provide a market for from $40 to $45 billion worth of goods and services, of which only $26 billion is for goods and services used in farm production. This means the agricultural sector is a $15 to $20 billion market for family automobiles, television sets, home furnishings, appliances, clothing, cosmetics, and pharmaceuticals—the whole range of consumer goods. When this market expands, the entire society is enriched. When it shrinks, the entire society is hurt.

I repeat: If we are looking at the farm bill now before us simply in terms of producer welfare or consumer welfare we are taking a short range and extremely narrow view.

What we have before us is a total proposition.

Mr. President, if farm income in the United States were to rise as much as 10 percent, I believe that much of our unemployment of today would be eliminated. One of the real reasons of un-

employment in our country today is the constant drop in farm income over the past 10 years. That income has dropped in its totals as well as in its per capita amounts.

Let me say that today the largest market in the United States for housing is not in the cities, but is in rural America. However, the least amount of housing is being built in rural America. That is primarily because the housing programs for rural America are not as generous as are those for urban America. I submit that if and when we gear the farm credit program to meet the farmers' needs in connection with operating costs, as well as those in connection with the costs of building homes and other buildings, we shall have added a great deal to the strength of our total economy.

So, Mr. President, if Senators are considering the pending farm bill simply in terms of consumer welfare, and without regard to the national welfare, they are taking a short range and an extremely narrow view. I believe that the total proposition before us must be considered.

I repeat that this bill is the most comprehensive single piece of agricultural legislation since 1938. It provides the Secretary of Agriculture with many of the tools he needs in order to do the job of supply management. The bill strengthens our foreign policy, through the food-for-peace program. The bill will extend the feed-grains program, which now is working—and which, by the way, has already offered opportunities for better business to vast areas of our Nation. In addition, this bill will do something about our problem in connection with wheat, by giving to the Secretary of Agriculture better supply management authority over our wheat production.

This bill, in other words, will strengthen the farm economy, and particularly the cooperatives in our farm economy.

I am hopeful the bill will be passed without amendment. It seems to me the committee deserves the support of the Senate in its endeavors.

Mr. PROXMIRE. Mr. President, I call up my amendment identified as "7-20-61—B."

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Amend section 131 by—

(a) amending paragraph (1) thereof by—

(i) on page 100, line 3, inserting "(a)" after the word "by";

(ii) on page 100, line 10, after the word "commodity", inserting ", other than milk or its products,"; and

(iii) adding at the end thereof, following line 14, the following:

"(b) adding at the end of paragraph (2) a new sentence reading: 'The prices to farmers referred to herein with respect to milk shall be deemed to be the monthly average price received by farmers.'; and

"(c) inserting in paragraph (4) after 'section 8c(2)' the following ', other than milk or its products,'." and

(b) by adding at the end thereof on page 103, following line 18, three new paragraphs as follows:

"(6) Section 8c(18) is amended by adding a new sentence at the end thereof as follows: 'Notwithstanding the foregoing, this paragraph shall not be applicable to the pricing under an order of any milk to which any provisions of an order authorized under section 8f of this title are applicable.'

"(7) By adding a new section 8f as follows:

"'SEC. 8f. Notwithstanding any other provision of this Act—

"'(1) any order issued under section 8c of this title may, in addition to, or in lieu of, the provisions in sections 8c (5) and (7), contain provisions allotting, or providing methods for allotting, the amount of milk or its products which each producer may be permitted to market or dispose of in any or all markets or use classifications during any specified period or periods on the basis of (i) the amount produced or marketed by such producer or produced on or marketed from the farm on which he is a producer in such prior period as the Secretary of Agriculture determines to be representative, subject to such adjustment for abnormal conditions and other factors affecting production or marketing as the Secretary may determine, or (ii) the current quantities available for marketing by such producer, or (iii) any combination of (i) and (ii), to the end that the total allotment during any specified period or periods shall be apportioned equitably among producers. Allotments hereunder may be in terms of quantities or production from given production units. Any allotment hereunder shall establish the total amount of milk which may be marketed by the producer in all markets including the marketing area to which the order is applicable;

"'(2) a producer for whom an allotment is established shall be deemed a handler subject to the order for purposes of sections 8c(14), 8c(15)(B), 8d, and 10(b)(2) of this title;

"'(3) any producer for whom an allotment is established under the authority of this section may obtain a review of the lawfulness of his allotment as prescribed by the order of the Secretary establishing the allotment and rules and regulations thereunder, which shall constitute the exclusive procedure for review thereof and section 8c(15)(A) of this title shall not apply thereto. Under such order, rules, or regulations any officers or employees of the Department or any committees or boards created or designated by the Secretary of Agriculture may be vested with authority to perform any or all functions in connection with such review proceedings, including ruling thereon. Committees or boards created or designated for this purpose shall be deemed agencies of the Secretary within the meaning of subsection 8c(7)(C) and section 10 of this title. The ruling upon such review shall be final if in accordance with law. The producer may obtain a judicial review of such ruling in accordance with the provisions of section 8c(15)(B) of this title;

"'(4) when allotments for producers are established under this section the order may contain provisions allotting or providing a method for allotting the quantity which any handler may handle so that any and all handlers will be limited as to each producer to the quantity allotted to each producer, and such allotment shall constitute an allotment fixed for each handler within the meaning of section 8a(5) of this title.'

"(8) By adding a new section 8g as follows:

"'SEC. 8g. Proposals for producer allotment provisions under section 8f in an order with respect to milk or its products shall not be considered with respect to application thereof to an area where provisions under section 8c(5) are already in effect unless there is simultaneous consideration of the need for changes in the existing order to coordinate it with the proposed provisions. Producer approval shall be determined for the combined proposal resulting from such consideration, but disapproval thereof shall not affect the existing order previously approved.'"

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. BUTLER. This is a very comprehensive amendment. Is the Senator going to ask for the yeas and nays?

Mr. PROXMIRE. No; I have no intention of asking for the yeas and nays.

Mr. BUTLER. I ask for the yeas and nays. It is a very important amendment. I think we ought to have the yeas and nays on it.

The PRESIDING OFFICER (Mr. BURDICK in the chair). The yeas and nays are requested. There is not a sufficient second.

Mr. PROXMIRE. I would appreciate it if the Senator from Maryland would defer his request until I finish my explanation of the amendment. If the Senator from Maryland then wishes to suggest the absence of a quorum or request the yeas and nays, he has every right to do so.

The PRESIDING OFFICER. The Senator from Wisconsin declines to yield.

Mr. BUTLER. Mr. President, do I not have——

Mr. PROXMIRE. I have the floor.

Mr. ELLENDER. Mr. President, the regular order.

The PRESIDING OFFICER. The Senator from Wisconsin has the floor. He declines to yield.

PROXMIRE DAIRY SELF-HELP AMENDMENT

Mr. PROXMIRE. Mr. President, the Proxmire amendment would permit milk producers to work out allotment programs for the marketing of milk. This is a self-help program. The purpose of the amendment is to enable dairy farmers to increase their income, and to do so in a way that I think will help get the Government out of dairy farming.

Such allotments would be based on extensive hearings, at which all points of view would be fully brought out. The procedures would be similar to those now followed in the promulgation of marketing orders for milk. After a preliminary decision by the Secretary of Agriculture, based on the evidence, then a further opportunity to gather opinions and comments is afforded.

The Secretary then offers a final decision which is voted on by the affected producers. The decision, as in other amendments to Federal orders, requires a two-thirds majority.

Several Federal order markets have requested this kind of authority, so that they could work out means to limit production and avoid excessive surpluses. Under present law, such a production limitation program is not permitted even if every producer in a marketing area votes for it.

The price paid to dairy farmers under existing Federal orders is a "blend" of the prices received for the several classes of milk which come out of each order pool. The class I price, which is for fluid use, is significantly higher than other class prices, which are for manufacturing purposes.

When milk production goes up without a proportional rise in higher priced

fluid consumption, this leaves an increased amount of surplus, which is paid for at the lower, manufacturing price. The effect is to depress the blend price, thus reducing the payments to all dairy farmers in the area.

A program of allotments based on marketing history, such as my amendment provides, would permit producers to work out a fair method of limiting production to what can be marketed at reasonable prices, avoiding the overproduction which swells the amount of surplus sold at low prices, and thus drops the blend price.

A number of producer groups have asked the Department of Agriculture to put into effect such an allotment program. But permission has been denied for lack of authority. My amendment would remedy this lack. Support for it has come from the Chicago market, the Miami, Fla., market, and from a number of groups in the Southwest, including the Arizona milk producers.

The reason why I offer this amendment is very, very plain—as plain as the drain on the taxpayer's pocketbook when the Commodity Credit Corporation has to stockpile surpluses to support prices.

It is a fact of life in American agriculture that there is a recurrent tendency to produce more than the market will accept. Demand for food and other farm products is relatively inelastic, overall. Overproduction simply means that the bottom drops out of the market price.

Our farm abundance is, of course, a blessing as well as a bane. No other country of the world has experienced as magnificent a rise in farm efficiency and technology. But at the same time, no group in America has shared so poorly our prosperity of the past two decades as our farmers, as the distinguished majority whip said so eloquently a short time ago.

In order to maintain farm prices at levels which will permit an efficient producer to earn an income commensurate with his investment of money, time, and material, and to reward him for his labor, price-support programs have been adopted. These also serve the important function of leveling out farm prices through the flush and lean periods caused by the seasonal nature of farming.

But when there is a chronic tendency to overproduce, then the result of price-support programs is an enormous pile-up of surpluses in CCC warehouses. In the case of milk and milk products, this has happened before, and it can happen again.

The Department of Agriculture has prepared a table showing the cost of dairy programs under the Commodity Stabilization Service, for the years 1945 through 1960. I ask unanimous consent that it be printed in the RECORD at this point, with the short explanation that accompanies it.

There being no objection, the table and statement were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE, COMMODITY CREDIT CORPORATION, COMMODITY STABILIZATION SERVICE

Washington, D.C., May 3, 1961.

Realized cost of dairy program, fiscal years 1945 through 1960 and total program expenditures for the eradication of brucellosis, fiscal years 1955 through 1960.

The attached table I summarizes the cost of dairy programs primarily for stabilization of milk and butterfat prices and related programs.

PROGRAMS PRIMARILY FOR STABILIZATION OF MILK AND BUTTERFAT PRICES

Included under programs primarily for stabilization of milk and butterfat prices are: (1) CCC losses on sales; (2) amount of cost over market value of CCC donations (including donations under section 416 of the Agricultural Act of 1949, as amended, donations to the Armed Services and Veterans' Administration under Public Law 690, 83d Congress and to penal institutions under Public Law 540, 84th Congress), and donations for famine relief and other assistance to friendly foreign nations under title II, Public Law 480; (3) amount of cost over value of foreign currency collected on sales under title I, Public Law 480; (4) cost of dairy products distributed domestically for school lunch and welfare uses (removal of surplus commodities) under section 32, Public Law 320, 74th Congress. For foreign donations by CCC and under title II, Public Law 480, the estimated world price has been used as the market value.

RELATED PROGRAMS

Under "related programs," the following items are included: (1) The market value of CCC donations (a) to the Armed Services and Veterans' Administration, (b) under section 416, (c) under Public Law 690 and (d) under Public Law 540; (2) the market value of donations under title II, Public Law 480; (3) CCC expenditures in the military and veterans milk program; and (4) CCC payments under the special milk program for children.

The attached table II, summarizes the total program expenditures for the eradication of brucellosis.

TABLE I.—*Realized cost of dairy programs, fiscal years 1945 through 1960*

[In millions of dollars]

	Fiscal years [1]													15-year total
	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	
All dairy products:														
Programs primarily for stabilization of milk and butterfat prices:														
CCC losses on sales and loans, and excess of cost over market value on donations	[2] 0.4	[2] 0.1	11.4	46.0	1.1	3.6	83.3	125.5	77.4	36.6	28.5	26.8	23.6	463.3
Donations to other nations (excess of cost over market value) [3]								5.3	9.2	14.9	4.9	1.7	4.6	40.6
Sales under title I, Public Law 480:														
CCC cost								1.8	7.0	10.1	30.2	16.5	4.1	69.7
Foreign currencies collected									[2] 5.4	[2] 7.5	[2] 13.8	[2] 11.5	[2] 5.9	[2] 44.1
Net cost								1.8	1.6	2.6	16.4	5.0	[2] 1.8	25.6
Removal of surplus commodities [4]		1.8	15.6		4.2	22.1	88.7	.5	78.4	55.5	122.6	101.2	51.8	542.4
Total, primarily for stabilization	[2] .4	1.7	27.0	46.0	5.3	25.7	172.0	133.1	166.6	109.6	172.4	134.7	78.2	1,071.9
Related programs:														
CCC donations to armed services and Veterans' Administration								21.5	15.7	12.7	15.8	17.8	6.1	89.6
CCC donations under sec. 416: [5] [6]														
Domestic			5.7	25.5	.1		.2	98.0	74.5	32.8	13.9	38.1	45.2	334.0
Foreign			2.6	30.3		1.7	47.2	172.1	229.1	131.5	155.4	88.8	36.9	904.6
Donations to other nations [3] [6]								6.0	10.7	18.6	5.9	2.0	7.3	50.5
Other CCC donations [5]									.1	1.1	1.1	.9	.5	3.7
Military and veterans' milk program								1.0	7.3	16.4	30.4	23.0	23.6	101.7
Special milk program for children								22.2	45.3	56.5	66.1	74.0	80.7	344.8
Total, related programs			8.3	64.8	.1	1.7	47.4	320.8	382.7	269.6	288.6	244.6	200.3	1,828.9
Total, all programs	[2] .4	1.7	35.3	110.8	5.4	27.4	219.4	453.9	549.3	379.2	461.0	379.3	278.5	2,900.8

[1] No costs reflected for the fiscal years 1945 through 1947.
[2] Gain or minus expenditures.
[3] Donations through International Cooperation Administration under title II, Public Law 480, 83d Cong.
[4] Donations for domestic school lunch and welfare uses under sec. 32, Public Law 320, 74th Cong.
[5] Market value.
[6] Sec. 416 of Agricultural Act of 1949, as amended.

Mr. PROXMIRE. The table indicates that the realized cost of programs primarily for the stabilization of milk and butterfat prices rose from $1.7 million in 1949 to the very high figure for the 1954–60 period. It is this cost to the taxpayers which the dairy farmer is very anxious to prevent, and which certainly every taxpayer wants to avoid, which my amendment is designed to take care of:

In 1954, the cost was $172 million.
In 1955, $133.1 million.
In 1956, $166.6 million.
In 1957, $109.6 million.
In 1958, $172.4 million.
In 1959, $134.7 million.
In 1960, $78.2 million.

These are losses after all income from sales, and so forth, have been taken into account.

The figures for the total costs of all dairy programs, including those not primarily for stabilization, was much higher, as the bottom line of table 1 indicates.

I also ask unanimous consent to have printed in the RECORD the second table, prepared by the Department of Agriculture, which is a comparison of total realized costs of dairy programs for specific periods, together with a memorandum on the cost of dairy programs.

There being no objection, the table and memorandum were ordered to be printed in the RECORD, as follows:

Comparison of total realized costs of dairy programs for specific periods

Fiscal year periods	Number of years	Total cost (millions)	Average annual (millions)
1948 through 1952	5	$152.8	$30.5
1953 through 1960	8	2,748.0	343.5
1948 through 1960	13	2,900.8	223.1
1951 through 1955	5	816.9	163.4
1956 through 1960	5	2,047.3	409.5

COST OF DAIRY PROGRAMS

The larger average cost of the dairy programs during the last 5 fiscal years than in the preceding 5 fiscal years is due principally to four things:

1. The support purchases were very light in 1950–51.

2. A substantial part of CCC's acquisitions were sold back to the market following the outbreak of the Korean war.

3. The very large inventories which were built up by 1954 were liquidated in the next few years. This increased utilization was made possible by the authority granted in the 1954 amendment to section 416 for CCC to pay for processing, repackaging, and transportation of donated dairy products.

4. Substantial expenditures have been made since 1954 in the special milk program for children and in the military and veterans programs.

The support price for manufacturing milk was $3.14 a hundred pounds in 1949 and $3.07 in 1950–51. Substantial purchases of dairy products were made in those 2 years. Following the outbreak of the Korean war the demand for dairy products increased, milk production slackened, and market prices rose. CCC sold a substantial part of its previous acquisitions back to the commercial market.

The support level was increased on April 1, 1951, to $3.60 and again on April 1, 1952, to $3.85. However, market prices were above the support level during most of the 1950–51 and 1951–52 marketing years and CCC purchases were small until late in the 1952–53 year.

The support level was $3.74 in 1953–54. Milk production increased sharply during 1953 and 1954. CCC purchases increased and CCC stocks accumulated. Its peak inventories of uncommitted stocks in 1954 were 466 million pounds of butter, 436 million pounds of cheese and 599 million pounds of nonfat dry milk.

The support price for manufacturing milk was decreased on April 1, 1954, to $3.15 and was continued within 10 cents of that level until September 1960.

Milk production reached a peak in 1956, then declined through 1959 and turned upward again in 1960.

CCC purchases of butter and cheese were very large in 1953–54. Since then purchases of butter have ranged between 135 million pounds in 1959–60 and 210 million pounds in 1957–58, while cheese purchases have ranged from a very small quantity last year to 248 million pounds in 1957–58. Nonfat dry milk purchases (delivery basis) have continued large, ranging from 825 to 907 million pounds in recent years.

Support levels and prices of manufacturing milk and butterfat under the milk and butterfat price-support program since 1949

Marketing year beginning Apr. 1 (except as noted)	Manufacturing milk: Support level: Percent of parity equivalent [1]	Manufacturing milk: Support level: Per 100 pounds	Manufacturing milk: Actual price per 100 pounds	Butterfat: Support level: Percent of parity [1]	Butterfat: Support level: Per pound	Butterfat: Actual price per pound
	Percent	*Dollars*	*Dollars*	*Percent*	*Cents*	*Cents*
1949 [2]	[3] 90	3.14	3.14	[4] 90	58.5	62.1
1950–51 [5]	[6] 81	3.07	[7] 3.35	[6] 87	60.0	64.0
1951–52	86	3.60	3.97	89	67.6	74.1
1952–53	90	3.85	4.00	90	69.2	71.6
1953–54	89	3.74	3.46	90	67.3	65.7
1954–55	75	3.15	3.15	75	56.2	57.3
1955–56	80	3.15	3.19	76	56.2	57.7
1956–57	82	[8] 3.15		78	[8] 56.2	
	84	[8] 3.25	3.31	81	[8] 58.6	60.0
1957–58	82	3.25	3.28	79	58.6	60.3
1958–59	75	3.06	3.16	75	56.6	58.8
1959–60	77	3.06	3.22	77	56.6	59.5
1960–61	76	[9] 3.06		76	[9] 56.6	
	80	[10] 3.22		80	[10] 59.6	
	85	[11] 3.40	3.31	82	[11] 60.4	59.6
1961–62	83	3.40		81	60.4	

[1] Except as noted the figures listed are the actual percentages of the parity or parity equivalent prices published near the end of March before the beginning of the marketing year. In some cases the announced percentages, based on forward estimates of parity, were slightly different.
[2] Calendar year.
[3] Based on parity equivalent published in March 1949.
[4] Based on parity published in December 1948.
[5] Jan. 1, 1950–Mar. 31, 1951 (15 months).
[6] Percent of parity equivalent and parity prices (based on modernized parity) published in January 1950.
[7] Adjusted to 3.95 percent butterfat to adjust for seasonal variation in butterfat content.
[8] Price increased effective Apr. 18, 1956.
[9] Price effective Apr. 1–Sept. 16, 1960.
[10] Price effective Sept. 17, 1960–Mar. 9, 1961.
[11] Price effective Mar. 10, 1961.

Mr. PROXMIRE. Mr. President, dairy farmers know that CCC purchases this year have been going up week by week. At the most recent tally, July 12, 1961, uncommitted stocks of cheese in Government warehouses were nearly 27 million pounds. Last year the figure was zero. Since the start of the marketing year the Government has bought 29.7 million pounds of cheddar, compared with 131,000 last year.

The story for butter and dried milk is similar. Stocks of butter are 111 million pounds now, versus 28 million pounds a year ago. Purchases have run at well over twice last year's rate. We have purchased 522,196,600 pounds of nonfat dried milk since March 29, compared to 365,107,800 in the equivalent period a year ago.

Despite these heavy purchases, the Department of Agriculture has not been able to bring the price of manufacturing milk up to the $3.40 per hundredweight announced by the Secretary a few months ago. Just last week the Department raised the buying prices on dairy products bought by the CCC for price support purposes.

From January through April 1961, receipts from producers in 75 Federal order markets averaged 5.7 percent above a year ago. Since May of 1956, producers in fluid milk markets have delivered more milk each month than in the corresponding months of the previous year.

On the other hand, total sales of fluid producers have not kept pace with population growth. From January through April, class I sales of producer milk in Federal order markets were only 1.3 percent of the levels of a year ago.

These trends create a problem for both the producers in fluid milk markets and the producers in areas producing manufactured dairy products. From the fluid markets the result has been a smaller proportion of producer milk going into class I uses and deterioration of the blend prices paid in many of these markets. To manufactured milk producers it has meant larger surpluses of manufactured products.

If producers in Federal milk markets were permitted to use an allotment plan, such as my amendment would permit, to discourage the production and marketing of milk supplies which are not needed in their particular market, it would benefit both the fluid producers and midwestern manufactured-milk producers.

Fluid producers would benefit in terms of higher class I prices because their class I prices are related to the total

volume of their marketings through supply-demand adjusters in the markets. Blend prices received by producers would also be higher because of the greater proportion of the higher value class I sales. Manufactured producers would benefit because there would be less competition from the surplus of fluid milk markets which goes into dried milk, butter, and cheese.

Mr. President, there has been some opposition to my amendment from Senators from Eastern States. I think if those Senators will study the amendment and the explanation of the amendment they will come to the conclusion that the farmers of their States will benefit from the amendment. Their income will be increased and they will be better off, while the cost to the taxpayers will be reduced.

Mr. President, if an allotment plan had been in effect in the New York-New Jersey milk marketing order and prevented the increase in production during 1960, it would have meant 16 cents per hundredweight more for the producers in that market. This higher price would have been due to avoiding much of the downward adjustment in the class I price, and from producers having some 4 to 5 percent more of their milk in class I usage. The additional milk that was produced, considering the effect that it had on the class I price and on the utilization of milk in that market, was probably worth less than $2 per hundredweight to the producers, and in some months was worth less than $1.

During the first 3 months of the current marketing year, purchases of butter under the price-support program were 127 million pounds as compared with 65 million pounds during the same period last year. A significant part of this increase is coming from the increased production on fluid milk markets and the declining sale of many of the cream products.

Mr. President, unless the amendment is agreed to, American dairy farmers and the Secretary of Agriculture will face some grim alternatives as milk production increases.

First, the support price for manufacturing milk will have to be reduced, with absolutely devastating effects on our dairy economy. I speak from the heart, as a Senator from Wisconsin, because it could be a disaster to our State if the price support for milk is reduced much below the present $3.40 level. Our State depends very heavily upon dairy production. The dairy farmer is literally the backbone of the community in town after town and county after county of Wisconsin.

The Secretary of Agriculture will be in a dilemma, because the alternative to the reduction of price supports is that hundreds of millions of dollars will have to be spent to purchase and to stockpile dairy surpluses. This waste is something which the taxpayer will not stand for and which the farmers emphatically do not want.

Mr. President, I am enthusiastically in favor of the amendment. Some leading Wisconsin dairymen have told me that without this amendment dairy farmers will drown under their milk production. I think it is essential and must be given every consideration by the Congress. I recognize, however, that the bill before the Senate is an extremely important bill for all farmers, including our Wisconsin dairy farmers. The chairman of our committee has worked diligently on the bill, as have other members of the committee. Because I feel the amendment would complicate the bill seriously, I hereby withdraw my amendment. But I hereby serve notice that I intend to fight for this right for dairy farmers in the future and fight hard for it. Only the fact that a number of Senators have told me that they could not support my amendment at this time but that later under other circumstances they will support it—has persuaded me to withdraw it. I think it essential that this record be made now and that dairy farmers and taxpayers work toward the kind of opportunity this amendment would provide.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. ELLENDER. Mr. President, I am very grateful to the Senator from Wisconsin for withdrawing the amendment. As stated, the committee did consider the amendment and refused to adopt it.

Mr. President, I ask unanimous consent that my statement in respect to the amendment may be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

This amendment would provide for producer quotas on milk or milk products, fixing the amount which any producer might dispose of in any or all markets or use classifications on the basis of past production or marketings, or the current quantity available for marketing, or both. Any quota established would limit the total quantity of milk which the producer could market, whether in the marketing area covered by the order or elsewhere, so that he could not dispose of his surplus in other markets.

Producers could obtain a review of the lawfulness of their allotments in such manner as the Secretary might prescribe, with the right of appeal to the U.S. district court.

Handler quotas could also be imposed so that any and all handlers would be limited as to each producer to the quantity allotted the producer.

In the case of an order establishing producer quotas for milk, the parity price for milk would not be adjusted to reflect feed prices and supplies and other economic factors affecting supply and demand, and no regulation resulting in monthly average prices above parity would be permitted.

If producer quotas were proposed in an area already subject to an order fixing minimum prices, changes in the existing order to coordinate it to the producer quota order would have to be considered at the same time the producer quota was being considered. Producer disapproval of the combined proposal would not affect the previously existing order.

At present the Marketing Agreement Act of 1937 does not provide for any volume controls on milk. There are presently in operation 79 milk marketing orders in 35 States, and these orders have been highly satisfactory. The bill as introduced provided for producer quotas and the committee gave this provision careful consideration, with particular regard to the manner it might be applied to milk.

If this amendment were adopted it could disrupt the entire market order structure for milk that has been developed and perfected by experience over the many years these orders have been in effect. It could cause shortages in some markets, while surpluses outside the regulated markets would be barred from entering it and would be accentuated. All States have sanitary regulations that apply to milk. These vary from State to State, and would make equitable imposition of quotas a difficult and trouble-making process. Adoption of this amendment might require farmers to meet the highest standards in order to be sure of being able to market their allotments. At the present time many farmers produce only for manufacturing purposes. Standards for this type of milk are considerably lower than for the high quality milk required and produced for fluid consumption.

This amendment could unduly penalize those areas of the country which have recently expanded production in order to meet the needs of the area. For many years certain sections have been deficit producers, but with the adoption of new techniques and modern feeding methods, they have been able to increase production. However, if allotments are to be based on a history of production, it is obvious that they will be penalized sharply in favor of producers who operate in surplus areas.

Producer quotas imposed on farmers now would sharply injure many of our Nation's dairy farmers in many ways.

It would reduce efficiency. At the present time dairy farmers, like other farmers, are experiencing a cost-price squeeze. In an effort to minimize the impact of rising costs, dairy producers in most cases have tried to maximize efficiency by adopting the most economical operation possible. If they are required to reduce the size of their herds because of reduced allotments, the entire operation would be upset. This would result in increased costs and lower profits.

Producer quotas would limit opportunity to those dairy farmers who are attempting to expand the constant effort to reduce operating costs. Quotas would impose a status quo and relegate many producers to an enforced unprofitable operation.

Producer quotas would react unjustly against young farmers who are attempting to make their way in farming.

The opportunity for these younger members of our farm society to advance in agriculture would be made difficult if not impossible. The absence of a quota, or a small allotment, would prohibit the growth necessary to the development of an efficient operation.

Because quotas in most instances would require producers to cut production, it is inevitable that costs would be increased. This would result in lower net farm income.

Present milk marketing orders may provide for the payment to producers of prices adjusted above parity to take into account various economic factors. Under this amendment an order providing for producer quotas could not be maintained to provide prices above parity. If an area now subject to an order were to be included in a producer quota order, the producers would not only be restricted in their marketings, but might well have to take less for what they do produce.

The amendment would also make milk producers under a producer quota order handlers for the purposes of criminal penalties, reporting, and books and records examination requirements, and assessments on handlers for the expenses of administering the order.

After careful consideration of these provisions for producer quotas the committee struck them from the bill.

The PRESIDING OFFICER. The committee amendment in the nature of a substitute is open to further amendment.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. METCALF in the chair). Without objection, it is so ordered.

Mr. BURDICK. Mr. President, I call up my amendment, 7–18–61—D.

The PRESIDING OFFICER. The amendment of the Senator from North Dakota will be stated.

The LEGISLATIVE CLERK. On page 85, line 18, it is proposed, after "SEC. 113.", to insert "(a)".

On page 86, between lines 2 and 3, it is proposed to insert the following:

(b) Notwithstanding the provisions of subsection (a) of this section, any producer who (1) is the owner or operator of a farm located in an area designated by the Secretary pursuant to the provisions of the Act of September 21, 1959 (73 Stat. 574), or any other emergency relief Act, to have been an emergency area during the 1961 crop year (as defined by the Secretary), and (2) as the result of the conditions upon which such designation was based suffered more than a 50 per centum loss of the expected normal production of his 1961 crop of wheat, shall, if he so elects, be exempted by the Secretary from the requirement of participating in the special 1962 wheat program formulated under section 114 of this Act. The reduction in the wheat acreage allotment for farms prescribed by section 334(c)(2) of the Agricultural Adjustment Act of 1938, added by section 111 of this Act, shall not be applicable to any farm described in (1) and (2) above if the producer on such farm makes application for exemption therefrom in such manner as may be prescribed by the Secretary. For the purposes of this subsection, the term "expected normal production" means the number of bushels equal to the adjusted yield per acre (as defined in section 114 (b)(2)) of wheat for the farm multiplied by (A) the number of acres in the wheat acreage allotment for the farm, or (B) the actual number of acres planted to wheat on the farm, whichever number is less.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota.

Mr. BURDICK. Mr. President, the proposed amendment is to title I of the act, which is commonly known as the wheat section. In brief, it provides that in areas which have been declared disaster areas in the wheat sections of this Nation, where a farmer has a production which is less than 50 percent of the expected production based upon the 1959–60 period, he shall at his option retire as much acreage as he wishes, up to 40 percent. In other words, it would exempt such farmer from the 10-percent mandatory cut provided in the wheat section of the bill if he asks for it.

The reason why the amendment is offered today is that the Northwest part of our Nation is experiencing the worst drought in the last quarter of a century. It extends from eastern Montana across the entire State of North Dakota, into western Minnesota, into Wisconsin, and envelops a great portion of Canada.

I have before me an article written by Mr. John F. Lawrence and published in the Wall Street Journal of Wednesday, July 12. This is an impartial, third party description by the author, who visited the State of North Dakota and wrote about his experiences. Also included in the article are important figures and facts regarding production this year. I ask unanimous consent that the article may be included in my remarks at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RAINLESS PLAINS: SPRING WHEAT CROP CUT 42 PERCENT, CATTLE PRICES OFF AS DROUGHT GETS WORSE; RAILROADS, MERCHANTS, STATE BUDGETS FEEL THE IMPACT IN NORTH CENTRAL REGION; A FARMER RECALLS THE 1930'S

(By John F. Lawrence)

BISMARCK, N. DAK.—Husky, bronze-faced David Mills steps easily over a barbed wire fence on his 3,100-acre farm just east of here. His heavy cowboy boots kick up little clouds of dust and scatter hundreds of grasshoppers as he trudges slowly across a wheatfield, the stunted, pencil-long stalks crackling under foot.

"In a good year this crop would be waist high. I won't be able to harvest one bushel. It's our first complete failure since the thirties."

Farmer Mills' misfortune is typical of what the drought is doing to farmers here in the northern Great Plains. Most of the area from northern Wisconsin to the Continental Divide in western Montana and from parts of Nebraska far north into Canada's Prairie Provinces has received less precipitation in the last year than in any period since 1936. In North Dakota, typically, rainfall has been short for more than 3 years. Dry weather is bringing out hordes of grasshoppers in some places to eat what's left of the dying crops.

The drought area normally produces a fifth of the Nation's wheat and accounts for roughly 15 percent of the country's beef cattle population. It's also a big producer of corn, barley and oats. North Dakota alone usually raises 80 percent of the Nation's Durum, a type of wheat used for macaroni and spaghetti, and over half of the flaxseed, from which linseed oil is produced.

GOVERNMENT CROP REPORT

The Government crop report, released yesterday afternoon, is dramatic evidence of the impact the drought is having on farm production. The estimate on Spring wheat was slashed to 142.8 million bushels, down 42 percent or 103.6 million from 1960. A month ago, the Federal forecasters figured the crop would hit 222 million. Durum was put at 16.5 million, 52 percent below 1960; flaxseed, 19 million, 36 percent below a year ago. These estimates are based on conditions July 1; grainmen say the continuing dry weather probably means prospects are for even smaller harvests. In Canada, where wheat is the No. 1 crop, output is expected to drop below 300 million bushels, at least 190 million less than in 1960.

Within the past 3 weeks the U.S. Government has labeled more than 100 counties, including all of North Dakota, a disaster area. The effects stretch far beyond the farm. Flaxseed prices in Minneapolis have jumped to $4 a bushel from $3.15 in mide-June. Durum wheat now brings $2.90 a bushel, up 57 cents in a month. Parched hayfields and pastures are forcing cattlemen to market part of their herds to conserve feed, depressing meat prices.

The shrunken wheat crop will help balance supply with demand in this country, preventing any further buildup in stocks. More than a billion bushels of wheat currently are being stored at taxpayers' expense. In Canada, the effect on the surplus could be more dramatic. The drop in production, combined with big shipments scheduled to go to Red China, might wipe out a fourth or more of the Dominion's 550-million-bushel surplus.

However, the drought is proving a drag on the country's economic recovery generally. Farm equipment business of some dealers in the area has fallen as much as 70 percent below last year and railroads figure to lose a heavy share of their grain hauling traffic. Dollar loss to farmers, based on the reduction from their 1960 crop production, is conservatively estimated at $400 million. The loss in Canada is much greater.

BROWN LANDSCAPES

Fly into Bismarck, in the heart of the drought area. From the plane most of the land looks brown. White patches mark spots where ponds have dried up. Green fields still dot the landscape but this greenery is deceptive. Most of it is worthless crops, like Mr. Mills' stunted wheat. Flaxfields that should be a solid bed of purple buds are filled instead with worthless thistles and an occasional shoot of the intended crop.

Naturally, some localities are better off than others—the recipients of local showers. But even a light rain at Bismarck earlier this week had little effect. It was too late to help the wheat and would have to be duplicated many times to be of major aid to other grains. Above average temperatures have heightened drought damage.

In many of the generally lush years North Dakota farmers have had since the droughts of 1934 and 1936, snow and rain have poured 10 inches or more of moisture into the ground by midyear. The area has received only 5 inches so far in 1961. With normal dampness in the ground from prior years, this might have been enough. But as in much of the drought area, rainfall has been light for several years. As recently as 1957, farmers around Bismarck could find subsoil moisture extending down 3 feet or more, but it has declined steadily since.

"We were turning up dry dirt at 6 inches when we worked the ground this spring," says Mr. Mills.

"Good rains might still bring back a little pasture and give us a corn crop to cut up for silage, but we're headed into what's usually the hottest, driest season now," another farmer comments grimly. "Normally by this time of year we'd have about 50 haystacks scattered around the farm and by the end of the summer we'd have 80. We've probably already scratched up all we're going to get this year and we have only 15 stacks."

The anticipated shortage of feed is forcing some cattle raisers to sell their calves earlier than usual—normally they're fattened and sold in the fall. While efforts to conserve feed may forestall the trend, some already have started to liquidate their entire herds, including cows that are the foundation stock for future production.

"The run started 3 weeks ago," reports an official of Kist Mandan-Bismarck Auction, one of the biggest cattle auctions in this area. Kist has handled 6,200 head over the past 3 weeks, triple the year-ago rate. The added volume is pushing down prices. "A couple of weeks ago calves were bringing $34.25 (per hundred pounds); now they're down to $31.25," says the Kist official. "Plainer quality cows have dropped about $2 and now bring $13."

Farmers take a beating when they sell calves at this time of year, even if prices hold up. A calf weighing 200 pounds now may bring a total price of $62. The same calf fattened on pasture and sold this fall at 500 pounds would normally bring twice as much or more.

In Canada, cattle marketings have been heavy, too, and many of the animals are being shipped across the border into sections of the United States not affected by the drought for further fattening before slaughter.

The loss of much of the Spring wheat crop would have extensive repercussions. This wheat, harder than the Winter wheat grown on the central and southern Great Plains, is used in higher grade flours, such as are used in hard rolls and other bakery products. "Bakeries won't be getting the flour they're used to and this may affect quality," says a key executive of one big Minneapolis flour milling company. The Government has 178 million bushels of Spring wheat in storage but this grain has lost some of its quality, he explains. Blending in more Winter wheat flour would reduce quality, too, he adds.

NOODLES AND MACARONI

Noodles are certain to be affected. Durum held over from last year will total only 3 million bushels by September, when the new crop is harvested, and that will leave the supply at least 7 million bushels below recent yearly consumption levels. In Canada, the Government's wheat board, controlling exports, won't even quote Durum for foreign shipment now because of expected crop losses.

When millers blend in other types of wheat to make the flour used for spaghetti, macaroni, and noodles, the resulting product becomes softer. When cooked, macaroni, for example, is gummy and sticks together.

Flour millers also face higher costs as a result of the Spring wheat losses. The big Minneapolis concerns, like General Mills, Inc., and Pillsbury Co., may have to reach out to Nebraska for wheat instead of buying it closer to their mills. One company estimates added freight charges would push up the cost by 15 cents a bushel or 7 percent.

Grain elevators stand to lose business. Bismarck is an example of what will take place at other rail centers. "We handled 65 carloads of grain here last year and we'll be lucky to ship out 5 this year," says P. J. Frank, manager of the Peavey Elevators here. The company ships the grain on the Soo Line Railroad.

IMPACT ON LOCAL BUSINESS

All across the northern plains, local merchants and State treasuries will suffer because of the farmers' loss of income. North Dakota figures 80 percent of the personal income of its citizens comes directly or indirectly from farming. "We'll feel the impact of the grain losses on (income) tax payments due in January 1963," says Math Dahl, North Dakota's commissioner of agriculture and labor. The tax due then is on income earned in the current fiscal year ending June 30, 1962.

Federal crop insurance will help some farmers, but in this region only wheat is covered and less than half the farmers have the insurance. On the average, a farmer pays $1.60 an acre for the insurance and gets back around $11 an acre if the wheat crop fails. "We expect to pay out more than $200,000 in this county, the most since 1938, when the program began, and more than double the next highest year," reports Emil Hilken, the Government's insurance agent at Bismarck. Federal payments may come to $20 million throughout North Dakota alone.

The Government has taken other steps to provide help to drought-stricken farmers. The disaster area classification opens the door to Government loans for use in buying feed and covering other operating expenses. The interest rate is only 3 percent, less than half of private lending rates. Farmers also now can purchase grain held in Government storage and graze cattle or cut hay on soil bank acreage. The soil bank land hasn't been harvested for several years, so moisture was still sufficient to allow grasses to grow this summer.

Most of these have been in effect for only about 2 weeks, so it's too early to measure their effect. But Bismarck farmers without soil bank acreage of their own report they are having trouble lining up any of this acreage to cut. Some are traveling 100 miles or more across the State to find whole farms in the soil bank, figuring the owners won't need the hay themselves.

Mr. BURDICK. Referring to the article, it states that the estimated Spring wheat crop will be 42 percent lower than the 1960 crop. There will be a reduction of Hard Spring wheat, based upon July figures, of 103.6 million bushels. Durum wheat is estimated at 52 percent below the 1960 production figures.

We must bear in mind that these estimates are based on July 1 figures. Rains did not fall in any significant amount for at least 10 days later. This fact is underscored by a further quotation from the article, which states:

Grainmen say the continuing dry weather probably means prospects now are for even smaller harvests. In Canada, where wheat is the No. 1 crop, output is expected to drop below 300 million bushels, at least 190 million less than in 1960.

The article also states:

Durum was put at 16.5 million, 52 percent below 1960.

The article also states that the Hard Red Spring wheat production has been decreased by 42 percent.

These facts are recognized by the committee. I refer to the committee's report at page 11, as follows:

At the present time an extended drought is developing in the northern Great Plains. Reports indicate that this drought is the most severe since the early thirties and may well become more severe than at present. In addition, exports of wheat have expanded substantially this year. The Department of Agriculture reports that about 675 million bushels of wheat will be shipped overseas. This sets a new record for wheat exports. The committee decided that expanded consumption of wheat coupled with a drought would make it inadvisable at this time to impose a severe permanent cut in wheat acreage.

In other words, we have before us a 1-year wheat bill, because, as the committee report states, the serious drought and the increase in foreign shipments probably will make a permanent wheat bill at this time inadvisable. The drought which has beset the part of the country in which I live has alleviated to some degree, at least, the surplus problem in wheat.

The basis for my amendment is that these areas of the country which have been beset by this devastating drought should have some consideration, and some opportunity to recoup from the great losses they have sustained in this year's production.

There is a basis and almost a precedent for the amendment I am offering this afternoon. I call attention to page 37 of the committee report, which deals with feed grains:

Section 124. Emergency created by drought or other disaster: Section 124 of the bill authorizes the Secretary to place such limits on the extent that producers may participate in the 1962 feed grain program as he determines necessary because of an emergency created by drought or other disaster or in order to prevent or alleviate a shortage in the supply of corn, grain sorghums, or barley. This provision is needed to provide the Secretary with authority to take care of any emergency situations which might arise after the enactment of this legislation. Under this section, the Secretary could impose uniform limitations on the participation of all producers if a general feed grain shortage should develop, or a uniform limitation on all producers within a particular area if a drought or other disaster in such area should make such limitation necessary.

In other words, under the feed grain section of the bill recognition is given to the drought in these areas, and the Secretary of Agriculture is given authority to make adjustments.

All I am asking for in the amendment I have offered is that somewhat the same theory apply to the Hard Spring wheat area which has been enveloped by this disastrous weather situation.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. BURDICK. I yield.

Mr. CASE of South Dakota. I was happy to associate myself with the amendment offered by the Senator from North Dakota. Not only will these disaster counties not contribute to the surplus this year, but the facts of life are that probably many of these counties will be below normal in their production of wheat next year. Many of the areas where the drought has occurred this year are being visited by grasshoppers. I have had several reports from the areas which would indicate that in the drought areas the grasshoppers have come in, and they have undoubtedly laid eggs. Therefore next year the production in these particular areas will be below normal. I have been reading several of our weekly newspapers. The reports which have come in on the early threshing would indicate that where any harvesting is taking place it is far below normal. Of course, in a large portion of the disaster areas, or in practically all of them, there will be no wheat harvest at all.

Therefore, there is abundant justification for the discretionary authority which is proposed by the amendment. I call attention to the fact that it is discretionary authority. The Secretary would be expected to establish conditions very similar to the requirements that he might establish under section 124 for feed grains. If we give him authority in connection with feed grains it is only logical that he should have similar authority with respect to the wheat production in the disaster areas.

Mr. BURDICK. I thank the Senator for his contribution. It is true that the drought has visited the Hard Spring wheat areas of this country. I call the attention of Senators to table 5 which

appears at page 14 of the committee report. I call particular attention to the third column headed "Hard Red Spring." That is one of the varieties of wheat which has not been increasing the surplus. For 3 out of 5 years it has had a carryover of less than normal production. Normal annual production for a 10-year period for this type of wheat is about 230 million bushels.

As the report goes on to say, this year it is down 42 percent. With a 42 percent reduction from the present carryover and with possible further reductions to be shown by a later crop report, it is entirely possible that the Spring wheat carryover will be approximately one-half of normal production.

I believe that the discretionary features which apply to the feed grain bill should apply to this area. As a matter of practice, this amendment permits a farmer who has been in the drought area to manage his plant next year. It is entirely conceivable that many farmers will cut not 10 percent, but will cut 20, 30, or 40 percent, depending upon the individual planning.

The amendment simply provides that if a county or an area has been declared by the Secretary of Agriculture to be a disaster county or area, a farmer who lives within that area and has received less than half his normal production should be given an opportunity to decide how much he should cut next year. That is all the amendment provides.

As the Senator from South Dakota has said, this area has made its contribution to the solving of the surplus problem this year. I think it is asking very little to give it this discretion with respect to the crop year 1962.

Congress has considered bills to alleviate unemployment in the industrial areas of the East and the Middle West. I have supported all of them. I think this amendment offers a small concession to the great area in which I live. So I ask for serious consideration and acceptance of the amendment.

Mr. ELLENDER. Mr. President, I am very sorry to have to oppose the amendment. The discretion lies not in the Secretary of Agriculture, but in the farmer who produces the crop. In my humble judgment, the amendment would pose administrative problems with which the Secretary could not cope.

Suppose the area covered seven or eight States. It would be necessary for the Department to ascertain whether a particular farmer produced less than 50 percent of normal. However, the Department has no records of individual farm production. How is the Secretary going to determine what the farmer actually produced last year? Then it would be necessary for the Secretary to ascertain from the farmer whether he desired to come under the program. He would have to contact each farmer and explain the program. It is my judgment that this proposal would do little good. The farmers of the area are required to reduce acreage by only 10 percent of the allotment. It strikes me that the amendment would lead to much more trouble than the Secretary could fairly handle. Under this amendment, the Secretary would be open to considerable criticism for trying to carry out an impossible task.

Mr. BURDICK. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. BURDICK. It will mean something to the farmers of my area. In the first place, for the past several years they have suffered under a price squeeze. This year they are experiencing a devastating drought. It may be too much to compel some farmers to cut another 10 percent. So far as the proposal being complicated is concerned, I do not think it is at all complicated. The Agricultural Marketing Service has all of the productivity indexes, data, and information which it acquires for the feed grain program. The information is at the disposal of all the ASC committees. All the farmer would have to do would be to show his record along with his productivity report. I do not believe there would be any complication at all.

Mr. CASE of South Dakota. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. CASE of South Dakota. The farmers for whom we are seeking to provide an opportunity to obtain relief have made a contribution of 100 percent of their acreage this year in reducing the wheat surplus.

Mr. ELLENDER. That is the result of an act of the Lord.

Mr. CASE of South Dakota. That is a penalty.

Mr. ELLENDER. If we, through the bill, try to take care of every little emergency which occurs throughout the country, there is no telling what will happen. Consider the administrative problems which would be posed, particularly when the Secretary would have to obtain from each area, or from each county, or from each farmer information as to whether a particular farmer produced 50 percent or 60 percent of his wheat. If he produced 60 percent of his normal production, he would be ineligible. If he produced 51 percent he would be ineligible. Just think of the problems involved and the dissatisfaction that will result.

Mr. CASE of South Dakota. Does the Senator from Louisiana believe it would be any more of an administrative burden than is provided under section 124, with respect to feed grains?

Mr. ELLENDER. In that case, the program applies nationwide, and is mandatory in every case. In this instance, the Secretary would have to make a special effort to ascertain what effect the drought had among farmers, and in the drought area a special effort would have to be made by the Secretary of Agriculture, if I understand the amendment, to determine whether the production in that particular area on a particular farm was below 50 percent of the normal yield.

Mr. CASE of South Dakota. In my opinion, all that would be necessary would be to have the Secretary establish some guidelines and give them to the State committee, which in turn would establish rules for the county committees. The county committees would simply apply those rules to the individual farmers in the drought area.

Mr. BURDICK. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield

Mr. BURDICK. I believe the Senator just said that the feed grain situation applies nationwide. I call attention to the report, which states:

Under this section—

Section 124—

the Secretary could impose uniform limitations on the participation of all producers if a general feed grain shortage should develop, or a uniform limitation on all producers within a particular area if a drought or other disaster in such area should make such limitation necessary.

Mr. ELLENDER. Yes; but that is in the case of an exemption. And it would be uniform among farms.

Mr. BURDICK. Of course.

Mr. ELLENDER. That is a little different. In order to comply with the provisions of the amendment, it would be necessary, in my humble judgment, for the Secretary of Agriculture to have his representatives go out and contact every farmer.

Mr. BURDICK. No.

Mr. ELLENDER. The Department has studied the amendment very carefully and is opposed to it for the reason I have just stated, namely, that it poses administrative problems that could not be met.

Mr. BURDICK. Are not production records kept by the agricultural marketing service for all classes of wheat?

Mr. ELLENDER. They are kept on a nationwide basis, and with respect to a particular farm, are kept in terms of acreage, not production.

Mr. BURDICK. Do we not have to use the same kind of information with respect to the feed-grain program?

Mr. ELLENDER. On a uniform nationwide basis in terms of acreage, and with discretionary authority in the case of farms with respect to production.

Mr. BURDICK. If it is applied to an area, that makes it no more difficult.

Mr. ELLENDER. The Senator from North Dakota is proposing a special program, one which is particular to a drought area, one in which a special survey will have to be made first; namely, is the farmer in a drought area producing less than 50 percent, and has the farmer filed an application? As I said, that would pose many difficulties.

I do not believe that farmers will suffer very much from the required 10-percent cut they would have. And, I must say they would be paid, not on the production of that year, but there is a special provision which states that the payment is to be made on normal production, not on the production which took place during the year in which a drought or inclement weather or something else abnormal took place. In other words, the 10-percent cut would be required of farmers, and it might be that if the drought continues in that area the producer might come out on top because of the payment he will receive.

Mr. BURDICK. That is correct.

Mr. ELLENDER. Exactly. That is why I say it is an advantage to the farmer to leave things as they are and not impose on the Department the burden of having to proceed on the basis of going to every farmer and measuring his production and finding out his individual situation.

Mr. BURDICK. An exception was made for Durum wheat, and I am grateful for that.

Mr. ELLENDER. That was because there is a shortage of Durum wheat. There is no shortage in other categories of wheat.

Mr. BURDICK. There will be, based upon present estimates, a carryover of only half of the estimated production of Hard Red Spring wheat.

Mr. ELLENDER. That is something the Department will no doubt take into consideration, the same as it has in the case of Durum wheat.

Madam President, I hope the Senate will reject the amendment.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The question is on agreeing to the amendment of the Senator from North Dakota [Mr. BURDICK].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. YOUNG of North Dakota. Madam President, I submit an amendment which is at the desk and ask that it be read. The amendment is offered for myself and on behalf of the senior Senator from Montana [Mr. MANSFIELD], the junior Senator from Montana [Mr. METCALF], the junior Senator from South Dakota [Mr. CASE], the junior Senator from North Dakota [Mr. BURDICK], the senior Senator from South Dakota [Mr. MUNDT], and the Senators from Minnesota [Mr. HUMPHREY and Mr. MCCARTHY].

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 91, beginning with line 18, it is proposed to strike out down through line 3 on page 93 and substitute the following:

SEC. 115. Section 334(e) of the Agricultural Adjustment Act of 1938, as amended, relating to increased allotments for Durum wheat, is amended to read as follows:

"(e) If, with respect to any crop of wheat, the Secretary determines that the acreage allotments of farms producing Durum wheat are inadequate to provide for the production of a sufficient quantity of Durum wheat to satisfy the demands therefor, he shall increase the farm marketing quotas and acreage allotments for such crop of wheat for farms located in counties in the States of North Dakota, Minnesota, Montana, South Dakota, and California, designated by the Secretary as counties which (1) are capable of producing Durum wheat (class II), and (2) have produced such wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested. The Secretary shall determine the percentage factor by which the average acreage of Durum wheat (class II) produced during the last two-year period for which statistics are available (excluding any increases in Durum wheat acreage as a result of increases in wheat acreage allotments authorized by this subsection) must be increased to satisfy such demand. The wheat acreage allotment for any farm established for such crop without regard to this subsection, after reduction in the case of the 1962 crop as required by section 334(c)(2), (hereinafter referred to as the 'original allotment') shall be increased by an acreage computed by multiplying the average acreage of Durum wheat (class II) on the farm during such two-year period (excluding any increase in the acreage of Durum wheat as a result of an increase in the wheat acreage allotment for the farm authorized by this subsection) by such percentage factor: *Provided*, That such increased allotment shall not exceed the cropland on the farm well suited to wheat. The increase in the wheat acreage allotment for any farm shall be conditioned upon the production of an acreage of Durum wheat (class II) at least equal to the average acreage of such wheat produced during such two-year period plus the number of acres by which the allotment is increased. Any increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and such increases shall not be considered in establishing future State, county, and farm allotments. The provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340(6)), and section 326(b) of this Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection. As used in this subsection the term 'Durum wheat' means Durum wheat (class II) other than the varieties known as 'Golden Ball' and 'Peliss'. Any farm receiving an increased allotment under this subsection shall not be required as a condition of eligibility for price support, or permitted, to participate in the special 1962 wheat program formulated under section 114 of the Agricultural Act of 1961. The Secretary shall give growers and millers of Durum wheat and manufacturers of semolina products an opportunity to present their views and recommendations, prior to making any determination hereunder."

Mr. YOUNG of North Dakota. Madam President, we have had a severe shortage of Durum wheat in the United States in past years. In 1956, 1957, and 1958 the Congress passed special legislation to increase acreage to help take care of our shortage problem. This permitted an increase in the Durum wheat acreage, over that allowed under the quotas.

The pending bill contains a provision which allows the Secretary of Agriculture to increase the Durum wheat acreage when there is a shortage, such as at the present time. By September 1, the carryover is expected to be only about 3½ million bushels.

There was some objection to this provision of the bill, in that it requires that any farmer who accepts additional acreage under this provision must plant 100 percent Durum wheat on his farm. I have modified that provision; and the modified amendment provides simply that any farmer who has had Durum wheat acreage in the past 2 years, can receive an increase in acreage, as permitted by the Secretary of Agriculture, on a percentage basis. For example, if the farmer had had an average of 50 acres planted to Durum wheat during the past 2 years, and if the Secretary of Agriculture permitted a 20-percent increase, that farmer could then plant 20 percent in addition to what he had previously planted. But if the farmer had planted some spring wheat and he had some history of planting spring wheat on that land, he would have to accept the same 10-percent acreage cut that other producers would have to accept.

This amendment will go a long way toward increasing the production of Durum wheat, which is badly needed. Durum wheat is the only kind of wheat that does not receive a subsidy; and our stocks of it are down to practically zero.

Mr. METCALF. Madam President, will the Senator from North Dakota yield?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Montana?

Mr. YOUNG of North Dakota. I yield.

Mr. METCALF. Madam President, I am glad to associate myself with the sponsorship of this amendment.

I rise to ask a question about the matter of exclusive, 100-percent growth of Durum wheat on the farms which would receive the benefit of the amendment. I understand that the amendment applies to the increased production of Durum wheat only in a year when the Secretary of Agriculture decides there should be increased production.

Mr. YOUNG of North Dakota. That is correct.

Mr. METCALF. Any farmer can grow Durum wheat as part of his regular allotment, regardless of whether this amendment is applicable to him or not; is that true?

Mr. YOUNG of North Dakota. Yes; there is nothing to prevent him from growing Durum wheat, up to his quota.

Mr. METCALF. But, in addition, farmers who had been growing Durum wheat on their farms during the past 2 years will receive the increased production allotment if the Secretary of Agriculture decides that increased production is necessary; is that correct?

Mr. YOUNG of North Dakota. That is correct.

Mr. METCALF. And any farmer who has a history of growing Durum wheat will be permitted to receive the benefit of that arrangement, even if he grows other wheat, in addition to Durum wheat?

Mr. YOUNG of North Dakota. That is correct. He would have to reduce his acreage of other wheat in accordance with the requirement of the Secretary of Agriculture.

Mr. METCALF. That is in accordance with the other provisions of the bill, is it?

Mr. YOUNG of North Dakota. Yes.

Mr. ELLENDER. Madam President, I should like to ask several questions of the Senator from North Dakota. I wish to say that he is the author of the original Durum wheat amendment which is incorporated in the bill.

As I understand, under the bill as now drafted, a farm would have to be planted in Durum wheat only, in order to receive the benefit of this 25 percent increase, or whatever increase the Secretary of Agriculture might allow in the plantings, and still receive the support price?

Mr. YOUNG of North Dakota. That is correct.

Mr. ELLENDER. Yes.

As I understand the purpose of the amendment, it is to take care of farmers who grow both Durum wheat and other varieties of wheat.

Mr. YOUNG of North Dakota. That is correct.

Mr. ELLENDER. And that would come about in this way: Suppose a farmer in North Dakota has an allotment of, let us say, 500 acres of wheat. Let us assume that he plants half of that acreage in Durum wheat—let us assume that is his 2-year average—and the other half in other kinds of wheat. As I understand the amendment, the Secretary of Agriculture would be permitted to allow the farmer to grow the same amount of Durum wheat which was allotted to him, plus whatever percentage increase the Secretary of Agriculture might fix as being necessary in order to increase the production of Durum wheat.

Mr. YOUNG of North Dakota. That is correct.

Mr. ELLENDER. As to the other wheat, the 10 percent reduction would have to be taken, as I understand, on the overall wheat allotment, and that amount would be deducted from the other kind of wheat he produced.

Mr. YOUNG of North Dakota. Under this provision, the Secretary of Agriculture would have to determine what wheat history the farmer had for Durum wheat and the farmer would have to increase his Durum wheat by the amount of the increase under this amendment. The 10 percent reduction provided by the new section 334(c)(2) would have to come out of his other wheat.

Mr. ELLENDER. The 10 percent reduction would be based on his entire allotment. Then his acreage of other wheat would have to be reduced by an acreage equal to 10 percent of his share of the 55 million acre national allotment.

Mr. YOUNG of North Dakota. It would be 10 percent of the whole allotment, which he would have received from the 55 million acre national allotment.

Mr. ELLENDER. His share of the 55 million acre national allotment would be reduced 10 percent, and this would have to be taken out of other wheat. Then the acreage of Durum he might plant would be increased as provided by this amendment?

Mr. YOUNG of North Dakota. Yes.

Mr. ELLENDER. That is what I wanted to clarify.

Mr. YOUNG of North Dakota. Yes, that is right.

Mr. ELLENDER. So it would be possible for the farmer to plant a total acreage of wheat in excess of the 500 acres, if the amount of additional Durum wheat plantings would be, let us say, 15 percent?

Mr. YOUNG of North Dakota. Yes.

Mr. ELLENDER. And he would take the 10 percent reduction on his whole share of the 55-million-acre national allotment from the other wheat acreage he would plant, would he?

Mr. YOUNG of North Dakota. Yes.

Mr. ELLENDER. Very well.

Mr. YOUNG of North Dakota. But any farmer in the five States who had a Durum wheat history—or, for that matter, any farmer in the area outside the five-State area—could plant his entire allotment after the 10-percent reduction and any increase provided by this amendment to Durum wheat, if he so desired.

Mr. ELLENDER. Yes. But as I understand, the principal purpose of the amendment is, I repeat, to permit farmers who had planted both Durum wheat and other kinds of wheat to plant both under the provisions of the amendment.

Mr. YOUNG of North Dakota. That is correct—and with an increase in the Durum wheat acreage, if the Secretary of Agriculture deems that advisable.

Mr. ELLENDER. Yes.

Madam President, on that basis, I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota.

The amendment to the amendment was agreed to.

Mr. MUNDT. Madam President, I submit, and send to the desk, an amendment which is submitted on behalf of the distinguished Senator from North Dakota [Mr. YOUNG] and myself.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 86, in line 20, it is proposed to strike out the period, insert a semicolon in lieu thereof, and insert the following: "and the Secretary shall require producers to take such measures as he may deem appropriate to keep such diverted acreage free from grasshopper infestation, weeds, and rodents."

Mr. MUNDT. Madam President, before explaining the amendment, I have a few words to say about the agricultural bill itself. Then I will advert to my amendment.

Today in a troubled world we are discussing legislation which is designed to correct the ills which have befallen a troubled segment of our economy; namely, the agriculture industry.

We are discussing a farm bill which has been the subject of many hours of effort on the part of the chairman of the Senate Agriculture and Forestry Committee and the 16 other members of the committee, of which I am honored to be one. The bill which we have before us today is a stopgap measure designed to assist the producers of America over a short-term period; namely, the coming crop year. It is not the long-range type of farm legislation designed to furnish the farmer with a program under which he can plan operations for years to come and advance his economic betterment toward the full parity of income to which he is entitled.

In my opinion, Madam President, the administration and the Senate are not attacking the farm problem in the right perspective. This year, as in past years, the Secretary of Agriculture and the committee have attempted to solve the farm problem—too much production—by attempting to design programs which curtail production. In my opinion, we are attacking the wrong end of the farm difficulty. I firmly believe that the administration and the Congress should be legislating programs which will expand the utilization of our farm abundance so that farmers and ranchers can live in an expanding production economy, using all of their farm plant, instead of being forced to limit production and forced to abide by a stagnant economy limited in scope and limited in opportunity. Certainly, this country, with all of its scientific genius, can find the answers to use the products which we raise.

I feel very strongly that a country which makes available to every householder the many mechanical gadgets which we have, or which can send astronauts into the sky and bring them back safely, or which can place instruments in orbit almost at will, could, if the program were designed energetically, find a use for every farm product raised on any farm in America. We in these United States live in an ever-increasing betterment of our standard of living. Statistics released show our income per family of our urban friends constantly shooting up. These urban cousins of ours are employed in industry which is forward looking. They are employed by leaders who look for new markets and new horizons to conquer. Their standard of living is ever increasing.

Yet we who can place two astronauts in space have not solved the farm problem. Mr. Khrushchev earlier this year said:

> We must not detract the attention of the Soviet people from other targets, and these include catching up with the United States in the standard of living.

This was said at the time their one astronaut was presumed to have made his trip into space.

As we listen to speeches and read articles about our growth economy, I as a Senator from the heart of rural America become disillusioned with the manner in which our agricultural economy is treated. According to testimony of Secretary Freeman, a survey some 5 years ago showed that farmers and their families represented a market for 40 billions of dollars of purchases from the economy. That was 5 years ago. It undoubtedly is more today. For example, farmers spend some 2½ to 3 billions of dollars annually for tractors, motor vehicles, and farm machinery. This could be increased with full utilization of the farm products and farm plant, and eliminate some of the unemployment we hear so much about in our urban centers.

Many more facts can be cited on the importance of agriculture to our everyday economy. Farmers consume 320 million pounds of rubber, about 9 percent of the total amount of rubber used in the United States. Farmers purchase products involving 6½ million tons of finished steel—more than the total amount used by the automobile industry. Farmers buy 45 million tons of chemical materials. They buy 18 billion gallons—I repeat, billion gallons—of petroleum more than is used by any other single industry. Farmers use more kilowatt-hours of electricity than are used by the cities of Chicago, Detroit, Baltimore, and Houston, all combined.

The thesis I am trying to establish is that when agriculture stands still or contracts—a vast number of people are

hurt, whether they live and work in the small rural communities or in the big manufacturing centers far removed from the farm production line.

I am proud of the agricultural efficiency and productivity record established in the past decade. Agriculture has tripled its output per hour of labor, while that of industry has only doubled. During the 1950's alone, farm output increased by 28 percent, while farm population increased only 19 percent. This increase in output was accomplished with the use of only 2 percent more resources than were used 10 years ago. The composition of these resources has changed sharply, with about one-third less labor, and 6 percent less cropland. However, the use of machinery, fertilizers, pesticides, and other purchased inputs has risen sharply. Overall efficiency, in terms of output per unit of input, has gone up by 25 percent.

Madam President, this technological revolution in agriculture production has only begun. Only a few of our farmers are using all of the new technology to best advantage. We are told that if all our farm production in 1975 were to be carried on with only the best techniques in use in the late 1950's, given the increase in population which, it is estimated, would rise to about 225 million—this is 1975—we still would not need to use all of our cropland. We would not need to use all of our cropland even if we applied present technology to the 1975 estimated population of the country.

However, we must assume that agricultural productivity will increase at an accelerated pace. Secretary Freeman told the committee that farm production research is more extensive and more productive than ever before and will add tremendously to our production potential in the next few years.

Secretary Freeman also expressed the hope that we could increase our utilization of agricultural products both at home and abroad.

> But we know that in the years immediately ahead we cannot increase their consumption enough to absorb the increasing productivity of our farms.

The Secretary said.

Here I disagree emphatically with the Secretary. I am firmly convinced that, if we look forward instead of backward, with our scientific know-how we can, on a crash basis, find the answers to uses for our farm products. If, as I read in the papers, the scientists can advance by years our first trip to the moon with a crash program, why cannot scientists, with a crash research program, find the answers to some questions for use of our agricultural products?

The Secretary said:

> It is in the American tradition to seek to raise the economic level of all segments in our society.

All of us subscribe to this thinking. All of us here today know that, if we expand the economy of our farmers and ranchers and increase their buying power, we make jobs for many, many more people in other places, and negate the need for expenditures in the economically depressed areas caused by lack of a buying power of one segment of our society.

The bill we have before us today limits the buying power of the farmer. It is a program based on idle acres, nonproductivity. Less production means fewer jobs for our city cousins and more depressed areas. We must enact this stopgap bill today, but I hope the Congress, before next year, will pass a bill and establish a program for a crash research program on use of farm products.

On July 27, 1959, the Senate passed a bill which provided for such a crash program. On September 1, 1959, the House passed its version of such a bill. Conferees were appointed in June of 1960, but they never agreed. On January 5, 1961, I introduced S. 7, which is the bill approved by the Senate in 1959. I had intended to offer it to the farm bill as a separate title. However, in view of the changes in the farm bill and due to the fact that both the wheat and feed-grain programs are for 1 year periods, I am not going to present the bill as an amendment, but I sincerely hope the Senate Agriculture and Forestry Committee will report this bill, that the Senate will approve it and the House of Representatives will act on it before adjournment.

We need for agriculture a program of research for uses of farm products which will take the American taxpayer out of the business of farming. Let us put our scientist to work on an agriculture Cape Canaveral project researching out uses for our abundance. We know we can use wheat and corn starches as coating agents for textiles. We already produce a corn fiber called vicara for the manufacture of clothes. I am advised that with intensification of our research we would see buildings constructed of corncob concrete; clothes made of luxurious corn fiber similar to cashmere; rainproof coats made from corn—some are already made from lard.

We can divide a bushel of wheat, use the starch for commercial alcohol, and develop new markets for the protein that is the residue. We can make a K-ration, rich in vitamins and minerals, and pack it in a wheat carton to supplement our school lunch program and also to help the needy who are on a relief status.

We know the straw we once burned in South Dakota can be used to make a much needed newsprint and strawboard. Grain alcohol can be used to make synthetic rubber and new more pliable plastics, solvents; surface coatings to repair the miles and miles of roads needing resurfacing. It can be used for explosives, insecticides, and lubricants.

As a matter of fact, Madam President, industrial uses of farm products open up a whole Pandora's box not only of new economic opportunities for the farmer on the farm but also of an expanding and growing economy for people generally, living throughout the country. With this kind of information available to researchers who could be put upon the job under legislation such as I have recommended this afternoon, it is indeed a sorry day when we find ourselves once again following the same old melancholy formula of trying to restrict opportunities for the farmers by restricting production in order that the farmer can get paid enough for what he raises to survive on the farm.

I make this plea on this occasion simply in the hope that we can activate enough interest around the country to do something constructive and comprehensive and vital to bring the farm problem to an end and to provide for farmers an opportunity to expand and to grow, as is now available to industries throughout the country.

If we but use the brains of some of our space age scientists in an agricultural Cape Canaveral that includes both creative and marketing research, we can bring to American homes a flood of new products that will stagger the imagination.

Mr. CURTIS. Madam President, will the distinguished Senator yield?

Mr. MUNDT. I am happy to yield.

Mr. CURTIS. Madam President, I commend the distinguished Senator from South Dakota for his statement and for his line of reasoning in respect to the agricultural problem. Actually the problem of surpluses involves only perhaps 8 percent of our total agricultural production. If we would pursue the known avenues of utilizing these surpluses in industries, probably in a period of not longer than 4 or 5 years we could consume all the surpluses.

Coupled with that, we should adopt the principle that we should not import food in the United States when we are plagued with surpluses. At the present time we are importing 45 percent of our sugar. Vast areas in my State now producing surplus grains are inhabited by farmers who desire very much to produce sugar. We need not stop there. Sugar is such an energy product that the potentialities for sugar in industry are beyond imagination.

Imports of livestock and meat are so sizable that they are contributing in considerable significance to our surpluses.

It is a far better approach to use the market we have and to increase industrial uses than to say to one segment of American enterprise, "You cannot enlarge; you must restrict and you must retreat." We expect every other aspect of American economy to grow. That is not a healthy situation.

I commend the distinguished Senator from South Dakota for his position. It is regrettable that we have never had leadership from the executive branch of Government toward doing the things which would improve the long-range aspects of agriculture.

Mr. MUNDT. I thank the Senator for his contribution. The Senator from Nebraska speaks as an authority, because he is one of the persistent, pioneer crusaders for legislation for industrial utilization of farm products. It was a bill which the Senator authored, of which I was happy to be a cosponsor, which set in motion the Presidential Commission appointed a few years ago to study the potentialities of industrial uses of farm products. That was a Commission ably led by Mr. Leroy Welch, of Omaha. He

did a most commendable job. The Commission issued a most challenging statement.

Despite this, we continue to legislate in the area of trying to tell the farmer he can earn more by producing less, when we should be legislating in the direction of finding new ways to utilize more of the products the farmer raises, at a greater profit, by turning them into the commercial markets which will be opened up by the type of industrial research program I have been discussing this afternoon.

Mr. CURTIS. Madam President, will the Senator yield further?

Mr. MUNDT. I am happy to yield.

Mr. CURTIS. In order to have some specifics for the consideration of the Senate and of the public generally—if not today, at some time or other—does the Senator think it would be wise to grant the same price concessions from Government stocks of grain for new industrial uses as are granted for export, if that can be done under regulations which would assure that the end product would not result in food or beverage for human or animal consumption?

Mr. MUNDT. If that could be done with assurance of the fact that the commodity which would be turned into the market at a reduced price would be used in areas of producing new products from basic farm products, so that we would not be giving anybody a competitive advantage over somebody else, I think it would be a perfectly appropriate way to use some of the surpluses which are now being stored, which cost the taxpayers a great deal of money every year simply in storage charges.

Mr. CURTIS. For instance, the Government is subsidizing exports to the point that actually in some instances the gift is greater than the cost of the commodity given away. By the time we pay all the past storage charges, the expenses of transportation, and a subsidy, we are in reality paying somebody to take the product.

Mr. MUNDT. The Senator is correct.

Mr. CURTIS. Certainly colleges, universities, experiment stations, private research laboratories, and other facilities should be able to acquire surplus stocks for experimental purposes—not for commercial purposes—at little or no cost, or at least on the same basis as would a party obtaining the surplus stocks for export.

Also I think it is important that once a new outlet is found for surplus commodities, the Secretary of Agriculture should be permitted to enter into a contract with someone for a period of 5 or more years so that if a factory is built, the owner could be assured a sustained supply so long as the Government is involved in surpluses.

Many things could be done. Our own experiment stations and research laboratories have done an excellent job in increasing production, but not nearly enough attention has been devoted to the question of what to do with the stocks after they are produced.

Mr. MUNDT. The Senator is exactly correct. He has stated my major criticism of the vast use of the research funds which Congress provides in abundance for the Department of Agriculture.

The Department has done an excellent job in helping the farmer to learn to raise two blades of grass where one grew before and in helping him to expand productivity. The field of increased productivity is important. But the Department has not done nearly as good a job in developing the industrial uses of farm products, and then crossing the very important bridge which exists across the great chasm between the laboratory, in which a practical process has been developed, and the actual implementation of the new formula in the competitive economic system. In that area the Senator has made a very constructive suggestion with respect to providing a guarantee of some kind to the producer of a new product made synthetically from crops raised on the farm. If certain concessions, inducements, and stimuli are provided, I believe we could find a greater pickup in the use of the new formula already available.

Mr. CURTIS. Mr. President, will the Senator yield further?

Mr. MUNDT. I yield.

Mr. CURTIS. Congress provided rapid tax amortization to build storage facilities for grain. Even though some examples are pointed to with much criticism, the fact remains that the action provided grain storage without Government appropriation. It provided grain storage. The property was on the local tax rolls, and it took care of the profit. But certainly it would be much more in the public interest to provide rapid tax amortization to a factory that would convert surpluses into industrial products on a continuing basis than to give such treatment to a mere building that would store the problem rather than solve it.

Mr. MUNDT. I agree with the Senator 100 percent. What we need to develop in connection with the farm problem is something resembling ingenuity and initiative. We have been trapped by a habitual process which we have followed in the main since the passing of the Steagall amendment in 1938. They have served the farmer well to the extent of their capacity. But for some reason or other we cannot break out of the groove. We seem unable to develop new imagination, new ingenuity, and to spend funds in solving the problem rather than in ameliorating the injuries which flow from it.

Mr. CURTIS. Mr. President, will the Senator yield further?

Mr. MUNDT. I am happy to yield.

Mr. CURTIS. The Senator holds in his hand an ordinary piece of paper. It is known that by increasing the starch content of paper by 5 percent a market for 100 million bushels of surplus grain in a year could be provided. The result would be a paper that would be brittle. It would crack when folded. Chemists agree that is a problem that could be solved in not too long a time or with not too much expense. We are short of paper. We are importers of paper and of pulp with which to make paper. While 100 million bushels of grain alone would be only a part of a solution, it would be a significant step toward a solution that would go on year after year, because paper is one product the per capita use of which is increasing along with the increase in population.

Mr. MUNDT. What the Senator has said about paper can be said with even more dramatic emphasis about rubber. We import virtually all the natural rubber that is used in this country. Chemists and other scientists have produced a formula for transforming corn into commercial alcohol, and commercial alcohol into butadiene, and butadiene into a perfectly successful rubber tire. It is impossible for the senior Senator from South Dakota to believe that scientists who have the capacity to shoot a man into orbit do not have the capacity of adding the minute improvements still required for the development of a synthetic rubber tire in order to enable the American motoring public to ride exclusively on tires of synthetic rubber made from products of the American farm.

If we should take such action, there would be no farm problem except to produce more, because as a Nation we are rolling along to our destiny on rubber, whether in peacetime or wartime.

So I insist that all we need to do is to tackle the problem, to look up instead of down, to look ahead instead of back, and to utilize only a small appropriation of money to encourage the scientific colony to complete the answers to the existing problems which they have already begun to unravel, and which, indeed, they have almost solved from the standpoint of manufacturing tires from synthetic rubber produced from products grown on the farm.

Mr. CURTIS. Madam President, the Senator has been generous in yielding. I now make my last request to yield.

Mr. MUNDT. I am happy to yield.

Mr. CURTIS. I point out that for some years the use of synthetic rubber has exceeded the use of natural rubber, but synthetic rubber is not being made from farm products. At the time of the compilation of the Welch report, by the bipartisan committee appointed by President Eisenhower, it was estimated that the use of synthetic rubber in the United States would increase by 50 percent in the following 5 years. Were that increase alone given to the American farmer, it would have amounted to 300 million bushels of grain a year.

The problem is that we can make synthetic rubber from petroleum cheaper than we can from alcohol made from grain. Under our system of free enterprise we cannot pass a law and say, "You must buy a certain product," any more than we could attempt to solve the cotton problem by forbidding ladies to buy other materials.

At least I would not vote for such a measure. But, as the Senator suggested earlier in his remarks, with a little more research we could revise the process of extracting alcohol from grain. At the present time a certain fermentation takes place. The protein residue is a livestock feed only, and a very good one. It has a

value by the ton. But by separating the protein from the starch in the first process, the protein will then have a human value for human food. It will have the high per pound value of starch derivatives, including alcohol and the synthetics. Everything from there on will become a byproduct. It will be competitive with all other sources of material—for plastics, rubber, paper, and many other commodities.

Mr. MUNDT. I point out also to the Senator that one of the reasons the petroleum industry has made the fine progress it has is that it has enjoyed a tax incentive from Congress. It is a controversial tax incentive, but one which the Senator from South Dakota has supported in the past, because I believe it serves an essential purpose in opening up new oilfields, in maintaining sources of supply, and in stimulating a growth economy for America.

By utilizing some compensatory tax incentives in the development of synthetic rubber from corn products and from other farm products, I am sure we can capture for the farmers of America a big percentage of the rubber tire market and solve permanently the problems of agriculture.

S. 7, which I have introduced, would establish the separate agency of Government needed with funds and authority to apply modern techniques of research, marketing, and merchandising. This new agency—when created—would have the authority to let contracts to industrial organizations with laboratories. It would have the authority to put scientists to work in a needed field. It would have the authority to seek out new ways to utilize the knowledge found in these laboratories; authority to develop markets, to help finance early production of new products from farm commodities.

It would have authority to do precisely the type of thing the distinguished Senator from Nebraska [Mr. CURTIS] and I have been discussing in our recent colloquy.

It would apply modern techniques to create a real consumer demand for these products. It would offer scholarships to young people to study farm-product science.

While Public Law 480 has materially assisted in disposing of surplus farm products it has not supplied the basic answer to our farm problem. All of us must recognize that to find a realistic solution to the farm surplus problem we must create additional farm-product markets here at home. These markets can only be created by the research program suggested in S. 7 and by industrial application of our farm products.

By establishing on a Cape Canaveral basis a crash research program this new program would not only move grain out of the warehouses onto the American markets, it would create in the process many new jobs. It would restore to production acres which have necessarily have been idled because of corn production surpluses. It would spur merchandising, advertising, transportation—in fact all retail progress. It would spark a new, higher standard of living throughout the American economy. It would permit the growth rate about which we have heard so much to be based on American free enterprise and ingenuity rather than Government expenditures and taxpayers dollars. It would mean a fair price for a full crop for the American farmer.

So I urge the Senate to approve this stopgap 1 year bill today. I shall not offer my bill (S. 7) as an amendment today, because it should be legislated as a permanent proposal, not as a 1-year proposal. Should some other Senator, however, be motivated to offer this solution as an amendment, I shall of course vote for it. I do urge the Senate to go about the job of enacting legislation which will look forward for the American farmer and develop a program which will permit him to "farm" his plant, which will increase employment opportunities for our city neighbors, and which will increase the economy growth rate as it should be increased, and once and for all place the American standard of living outside the reach of Mr. Khrushchev and his compulsive Communist creed. I hope we can get action, soon one way, or another on legislation to develop industrial uses for farm products.

I shall now allude briefly to my amendment pending at the desk. I have discussed it with the chairman of the committee. It provides, from the standpoint of retired wheat acres, precisely the same conditions that the committee applies to retired acres from the standpoint of corn and feed grains. In other words, it contains protective language which will prevent retired acres from becoming incubators of insects, weeds, and grasshoppers. We are now plagued throughout the drought area and the Midwest with grasshoppers. Many of them were nested and nourished and raised on retired acres. It is manifestly unfair to have one farmer in one area enjoying a return from not farming his idled acres when those acres are being used to incubate and grow grasshoppers, which move across the fence line into his neighbor's fields and destroy income of the farmer who is trying to make a living by producing crops.

I use the same language that we have used for corn and feed grains and provide that it shall be applicable also to the retired wheat acres provided for in the proposed legislation.

I am hopeful that the chairman of the committee will see the wisdom and logic and consistency of the amendment, and accept it.

Mr. ELLENDER. As I understand, it is the same language that is used for corn.

Mr. MUNDT. Yes; and for feed grains also.

Mr. ELLENDER. It authorizes the Secretary of Agriculture to require the farmer whose land has been retired to destroy rodents and grasshoppers and insects. Is that correct?

Mr. MUNDT. To do whatever he is supposed to do in connection with feed grains and corn.

Mr. ELLENDER. As chairman of the committee I have no objection to the amendment. We have done the same thing for corn.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota.

The amendment to the amendment was agreed to.

Mr. AIKEN. Madam President, I had printed an amendment for myself and five of my colleagues in the Senate, which would have the effect of striking out the feed grain program for an additional year. I had intended to offer the amendment had the Proxmire amendment restoring in the bill volume controls over milk been accepted by the Senate.

Inasmuch as the Senator from Wisconsin has withdrawn his amendment, which in the view of farmers of the Northeastern United States—and I believe in the view of most of the country also—was one of the most damaging sections of the entire omnibus farm bill as originally introduced, I shall not offer the amendment, which would have stricken out the extension of the feed grain program for another year.

There are reasons for not offering it. When we wrote up the bill in committee it seemed to me that we should get rid of the most damaging sections of it. We were able to do that only by agreeing to leave in the bill the provision authorizing the feed grain program for another year. However, in the proposed feed grain program for 1962 special authority is provided the Secretary of Agriculture to cancel it if it appears that the supply of grain is likely to be short or inadequate by planting time next spring. I believe such will be the case. However, I am not sure. I stated in committee that I would not push the amendment if the more damaging parts of the bill were not restored. Apparently they are not going to be restored; nor is any effort going to be made to restore them. I reserved the right to vote to delete the feed grain program if such an amendment were offered. In view of the fact that the bill appears to be on its way through the Senate in substantially the same form as when it left the committee—and I believe it is in the best shape that we were able to get it, although there are some provisions in it which perhaps will have to be reconciled with the House—I feel it would be unwise and possibly even unethical for me to offer the amendment at this time. Therefore I shall not offer it.

Mr. HRUSKA. Madam President, it was with much interest that I listened to the colloquy concerning industrial uses of farm products which was initiated by the Senator from South Dakota. I wish to address an inquiry to the Senator from Louisiana concerning a related subject which is discussed in a letter I received from the Director of the Department of Agriculture and Inspection of the State of Nebraska. First, I ask unanimous consent that the text of the letter be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 21, 1961.

Hon. ROMAN L. HRUSKA,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HRUSKA: I would like to urge you to support a change in the feed grain bill that would be very important to Nebraska.

Castor beans may be planted on diverted acreage in lieu of payment. Nebraska farmers have shown interest in growing castor beans and we feel that they should receive 75 percent of the diverted acreage payment. This would save the Government 25 percent of the payment and serve as an incentive for farmers to learn to produce crops not in surplus.

On the basis of our experience in the past year and a half with our industrial uses program, we feel this help is needed. As you know, an incentive payment to help establish a new crop through the initial and awkward stage was a recommendation of the Welch report to Congress on how to increase industrial uses of agricultural products.

Castor oil is now considered a strategic material, it is a contracted crop, and can be regulated since approximately 90 percent of the castor oil used in this country is being imported at the present time.

Three-fourths of the incentive payment would boost our castor bean program in the State.

Any support you can give this proposal to help Nebraska's tax supported new crops program will be greatly appreciated.

Sincerely yours,

PEARLE F. FINIGAN,
Director.

Mr. HRUSKA. Madam President, the letter relates to a proposal that castor beans may be grown on diverted acres in lieu of payment, without the farmer's losing eligibility for price support on the remainder of the land in question. I read a part of the letter:

Nebraska farmers have shown interest in growing castor beans and we feel that they should receive 75 percent of the diverted acreage payment. This would save the Government 25 percent of the payment and serve as an incentive for farmers to learn to produce crops not in surplus.

It is pointed out, further, that castor beans are in large measure imported, are grown under contract, and also that they are now in an awkward stage of development as a staple crop. I ask the Senator from Louisiana if there is any merit to this proposal; and if not, why not?

Mr. ELLENDER. The question was discussed yesterday by the distinguished junior Senator from Nebraska [Mr. CURTIS]. The committee has had no opportunity to examine the matter. The testimony indicated that we should leave it optional with the farmer either to accept the payment on the diverted acres or to plant certain crops which were named, and among those named was castor beans. The right to plant was conditioned on the farmers not receiving any payments whatever.

I assure the Senator from Nebraska that the next time the question arises—and it may come up next year when the Wheat Act and probably the Corn Act, as well, are reconsidered—the committee will give consideration to the proposal discussed in the letter, which is a part payment in order to encourage the production of castor beans, guar beans, and safflower.

Mr. HRUSKA. And sesame beans.

Mr. ELLENDER. Yes. We will give the subject consideration at the proper time.

Mr. HRUSKA. Madam President, there are other, similar seeds of that general nature, such as are the Lesquerella, Veronia anthemintica, and Crambe abyssinica.

I have prepared a statement concerning some of the efforts now being made by the Agricultural Research Service to adapt those seeds, and also to make them industrially and commercially desirable, so that they also may be planted under similar circumstances. I ask unanimous consent that the statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HRUSKA

The budget for the Department of Agriculture this year contains approximately $155 million for research. I suspect that we may be reaching a point in these endeavors where each piece of research does not produce a direct result. And in many cases we learn not how to do something but how not to do it.

In one very important area, some of this research money is being spent on investigations concerning new seed-oil plants as potential new crops for the United States. The Agricultural Research Service informs me that in an attempt to step up research on new crops of a noncompetitive nature which might utilize some of the acreage now in surplus, three objectives are currently being pursued. The Crops Research Division, working closely with the Utilization Research and Development Divisions of the Agricultural Research Service is looking for new vegetable oils of value to industry, new paper pulp crops which could be harvested as annual crops for cheap paper, such as newspaper and boxboard, and crops which will produce gums and mucilages of importance to industry.

I am pleased that the Nebraska Agricultural Experiment Station of the University of Nebraska, whose College of Agriculture is headed by Dean Elvin Frolik, is cooperating in experimental trials looking toward the development of some of these new crops.

Plant materials are collected from all over the world, chemically screened as to potential end use, and from this program those which show promise are evaluated further as to industrial and crop potential.

Three plants are prominent among the potential new seed-oil crops. These are the Lesquerella, a group of native U.S. annual species belonging to the mustard family, from the seeds of which can be obtained lesquerolic acid. This acid has high industrial utilization potential for the production of high-temperature lubricants and plasticizers. From the crop standpoint the group appears amenable to crop production.

A second plant is Veronia anthemintica. This is an annual plant from India belonging to the sunflower family. The oil from its seed produces a high percentage of vernolic acid. The primary industrial market for the acid would be in the field of plasticizers and as stabilizers in plastics applications. The plasticizer industry has expanded 165 percent in the past 10 years and continues to expand rapidly.

A third plant is Crambe abyssinica, an annual plant native to Ethiopia belonging to the mustard family. The seed-oil from this species produces a high percentage of erucic acid which has industrial value for multipurpose lubricants and greases, synthetic waxes, detergents having unique properties, and as plasticizers. The plant appears to be adapted to western wheatlands and its crop potential appears excellent.

It is no doubt too early to say just what the future of these new crops may be but if their utilization and crop potential prove to be as good as they now promise, their production could expand to several million acres. All three have a high potential for Nebraska and I commend Dean Frolik and the university's agricultural experiment station for their pioneering work in this important field.

Finally, Madam President, I must caution that we sometimes let our dreams about these new industrial uses for crops get ahead of reality. For example, the University of Nebraska has been working to develop the amylose content of corn to make it suitable for paper and boxboard production. But the researchers have warned us not to expect any dramatic, overnight developments. It may be years, as many as 5 or even 10 years, away from a practical wide use. Thus, we should continue to work away at the job of finding new crops and new uses and I salute the scientists at the University of Nebraska Agricultural Experiment Station and in the Agricultural Research Service of the Department of Agriculture for their continuing efforts to bring this about.

Mr. LONG of Missouri. Madam President, for the past 3 months, congressional committees on agriculture have been considering the Agricultural Act of 1961. We are now about to vote on the Senate measure.

It seems to me the great need expressed by the Secretary of Agriculture in his appearance before the Senate committee was for enabling legislation—legislation for flexibility and speed in providing programs for the farm economy, so the Department of Agriculture could react when a problem is in the critical stage rather than in the disaster stage.

I am sure that the President and the Secretary of Agriculture are fully aware of the problems facing agriculture. They are doing their level best to alleviate the critical economic situation in which American agriculture finds itself—that of high cost and low income.

Conditions on the farm have gone from bad to worse. The income of the two million families on commercial farms producing most of the farm products marketed are now lower, relative to nonfarm incomes, than at any time since the 1930's.

In 1960, returns to workers fell to 82 cents an hour—only a little more than one-third of the $2.29 per hour received by workers in manufacturing.

We no longer can expect the American Government to pay vast sums for ever-increasing stockpiles of commodities.

Early, effective action is needed to stop the mountainous buildup of grain crops, and the Kennedy administration already has taken a successful step in halting this overproduction in the feed grains field.

The principles used in the 1961 feed grains program and the enthusiastic response by growers of corn and grain

sorghums to the program make it self-evident that it will be a success if continued and expanded. This has been done in the Agricultural Act of 1961.

Those of us in Missouri are grateful that we do not have a Farmer Smith such as New York State who bought a Cadillac to drive to Washington with a sign, "I bought this car with money paid not to raise corn." It was a vaudeville stunt—to say the least—and not a very good one at that.

As my colleagues all know, I am a banker back in Missouri, and most of my customers are small farmers. Farmer Smith made a serious error when he admitted he received only $3,100 for his feed grain program check and then turned around and spent over $6,000 for his automobile. I repeat—that was a stunt. And it backfired, at that. The Capitol Police refused to let Farmer Smith park his car on Capitol grounds where he could get good publicity.

I know firsthand that these advance payments under the feed grains program have saved many a farmer. If it were not for the $21 million that has gone into our State, there are any number of farmers who would not have made it through this year.

But, let us get back to the Agricultural Act of 1961. Barley has been added to the feed grains sections of the act, and a similar program has been developed for wheat. These grains combined make up the great bulk of our stored overproduction.

So the Agricultural Act of 1961 will make some major accomplishments where these grains are involved.

It has been estimated that if the 1961 act is passed, the wheat and feed grains section of the bill will create a savings of from $750 million to $1 billion on the 1962 crops. At the same time, the build-up of these stocks of grains will be halted, and a reasonable reduction in stockpiles will be accomplished. Meanwhile, farm producers of these grains will show a gain of from $600 million to $800 million above what they would have received under pre-1961 law.

So we are making considerable progress in the Congress this year. We have approved the 1961 emergency feed grains program, and we now have a chance to get ahead to next year's crops of wheat, barley, corn, and grain sorghums. Thus, the farmers of our Nation can better plan ahead.

We need a continuing course of action, though, a course which will be flexible to changing conditions of supply and demand, with as much of the development and mechanics as possible in the hands of commodity groups involved so as to reduce Government costs and effectuate traditional American democratic processes.

We are making much headway in farm legislation with the proposal before us now—the most comprehensive in nearly a quarter century.

But the situation could be further improved. I believe the Secretary of Agriculture must be given more long-range capability to cope with developing trends. He must have the machinery and the guidelines from Congress, the enabling legislation which he sought from the Congress in the administration's original legislative proposal. While I did not entirely agree with the methods outlined in the original proposal, nevertheless I realize the intent was headed in the right direction. Almost everyone agrees with the goal, but the routes leading to this goal were subjected to dispute.

As originally offered, the basic enabling portion of the legislation gave a voice to the individual commodity farmer. Immediate action was taken by some groups against this legislation. These forces tried to kill the measure even before it was introduced and given a bill number.

True, there has been considerable agitation, cleverly planned. Little of it, however, has come from individual farmers. Most of it comes from industries, and their allies, which handle farm products and primarily are not concerned with a farmer's return but are more concerned with the quantity of turnover so they can maintain their industrial margin of profit.

No large organization representing egg producers appeared at hearings on the Agricultural Act of 1961, but a number of organizations representing feed dealers, hatcherymen, and egg handlers testified the bill would not be good for the poultry growers. Obviously their concept is that, "What is good for egg handlers is good for egg producers," just like the saying, "What is good for General Bullmoose is good for America."

We all know what wide and wild fluctuations in prices do to agriculture. We all are acquainted with the frantic scurrying in each session of the Congress, the long hours of fruitless arguments and the late and disputed decisions which have resulted. This has been rough on our Members, but it has worked untold hardship on farmers who deal with Nature as it moves in its ponderous cycles—not subject to legislators.

Farmers have been prevented from getting their fair share in the economic progress of the Nation during the last decade. The original Agricultural Act of 1961 would have provided authorization for developing the machinery for this sharing. It would allow farmers, through programs which they themselves develop, to claim their fair share of the national income.

If we do not approve some sort of permissive legislation on an orderly continuing basis, we are going to continue to have a series of agricultural crises and a continuous wrangle in the Congress.

Commodities in addition to wheat and feed grains are most surely going to face trouble in many sections of the country. Some of the Members in committee who voted against enabling legislation outlined in original title I of the Agricultural Act of 1961 will be coming up from their States and districts asking for help for their farmers in the next year or so, I need only to cite the poultry, egg, cotton, potato, some livestock, fruit and vegetable and various other commodity groups, which even now are heading into a most difficult future. The title I principle merely provided an invitation to develop a program. If not interested, a commodity group would not have to participate. They still would have available for their use the legal permission to set up a program—they would have a congressionally granted tool for possible future use.

As was brought out by the Secretary of Agriculture in testimony before our Senate committee:

> However ready the Agriculture Committees of Congress might be, and however great the concern might be on the part of those Members of the Congress who represent farm constituencies, experience in recent years has shown that the Congress as a whole is beset with so many grave problems, and subject to so many conflicting demands and pressures, that it cannot be asked or expected to respond to each new need of each commodity that might be in trouble. Therefore, in this legislation, it is important that Congress give guidelines and directions that can be used to develop new programs if and when the need arises—subject always to the check by the Agricultural Committees and the Congress itself as to whether these guidelines and directives are followed. In order to be inclusive, this enabling legislation must also be flexible.

The problems of adjusting supplies in agriculture and results of not doing so are little understood by many people today. A little too much in the way of food supplies leads to drastic farm price declines, while a little too little in the way of food supplies leads to soaring food prices and a real bite on consumer income—a situation so often encountered in wartime.

To cope with the problems, we have imposed price ceilings in war emergencies, and placed floors under farm prices during periods of overabundance. Neither measure, however, deals effectively with the supply problem.

Price ceilings by themselves create the long waiting lines of housewives scrambling for costly short supplies, and price floors alone lead to vast and costly build-ups of Government-owned surplus stocks.

The uncoordinated efforts of millions of farm producers cannot effectively correct unbalanced supply situations in their particular commodity.

What happens is this—farmers respond to short-supply situations in a particular commodity, for instance hogs, by overproducing. They respond to the long-supply situation by underproducing. The results, if let alone, are commodity price and income gyrations which alternately hurt the consumer and the producer. This bounding price-output response gave way to chronically low farm prices in the 1950's as they generally came to rest on price support levels which had been progressively lowered.

No one liked the program of the late 1950's—farmers, because it gave no hope for improved incomes; consumers, because it was wasteful and ineffective, and congressional leaders because it was needlessly costly.

We have now arrived at the crossroads in our modern American agricultural life. Any realistic solution to the farm problem requires the adjustment of our productive capacity in agriculture to current and attainable domestic and foreign needs and demands. We must adjust our abundance, and we must provide

the legislative machinery in order to provide methods for such adjustment.

The Secretary of Agriculture has presented a good solution. I believe it will work. If we don't give him the solution, the Congress will have to bear the blame for near-future farm crises which may develop for lack of such a program as has been presented in the Agricultural Act of 1961.

Mr. KEFAUVER. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEFAUVER. Madam President, I call up my amendment identified as "7-24-61—D," and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Tennessee will be stated.

The LEGISLATIVE CLERK. On page 139, beginning in line 3, it is proposed to strike out all of subsection (b).

Mr. KEFAUVER. Madam President, on the question of agreeing to this amendment, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. DIRKSEN. Madam President, I rise to a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DIRKSEN. What is the pending question?

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from Tennessee, numbered "7-24-61—D." On this question, the yeas and nays have been requested.

Is there a sufficient second?

The yeas and nays were not ordered.

Mr. KEFAUVER. Madam President——

Mr. DIRKSEN. Madam President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield.

Mr. DIRKSEN. Madam President, I suggest the absence of a quorum, so there will be adequate opportunity for the ordering of the yeas and nays on the pending question.

The PRESIDING OFFICER. Does the Senator from Tennessee yield for that purpose?

Mr. KEFAUVER. I yield.

The PRESIDING OFFICER. The absence of a quorum has been suggested; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment "D" of the Senator from Tennessee.

Mr. KEFAUVER. Madam President, on this question I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. KEFAUVER. Madam President, this amendment would strike out section 401(b), on page 139 of the bill.

After the action of the Senate on this amendment, I intend to offer a similar amendment in connection with section 401(c), which also appears on page 139 of the bill.

Madam President, I wish to focus the attention of the Senate on section 401 of this vitally important omnibus farm bill. This single section raises fundamental issues with which I am deeply concerned. In my opinion, subsections 401 (b) and (c) are directly contrary to the basic tenets of free enterprise and unrestrained competition, which are the bulwarks of our American economy. I have submitted to S. 1643 an amendment which would strike from the bill subsection 401(b). Later, I shall submit an amendment to strike out section 401(c). In discussing the pending amendment, I shall discuss at the same time section 401(c).

Madam President, let me briefly recall the legislation which has preceded this bill.

In 1914, Congress passed the Clayton Act. Among its provisions was section 6, relating to labor unions and farm cooperative associations. Although today we have become much more familiar with the antitrust provisions of section 3 of the Clayton Act, which has to do with discriminations, and section 7, which has to do with mergers, the importance of section 6 must not be forgotten. It stands high in the tradition of labor and agricultural legislation in its ringing declaration that "the labor of a human being is not a commodity or article of commerce."

Section 6 of the Clayton Act goes on to say that nothing contained in the antitrust laws shall be construed to forbid the existence of labor and agricultural organizations, instituted for the purposes of mutual help, and not having capital stock or conducted for profit. The courts have always construed this section to permit the joining together of farmers into cooperative associations, so long as the purpose is a legitimate object, and not the restraint of trade, the obtaining of monopoly power, or the lessening of competition.

In 1922, the Congress implemented section 6 of the Clayton Act by passing the Capper-Volstead Act—which is, of course, printed in the report, beginning at page 138, which is now before us. That act, it will be recalled, extended the Clayton Act rights of farmer cooperatives in two ways. First, it gave to individual farmers the right to join together into stock as well as nonstock cooperatives. Secondly, it made clear that one of the legitimate objects of a farmers marketing cooperative is the forming of common marketing agencies by two or more cooperatives, and the making of necessary contracts and agreements to effect such purposes.

Against this background of legislation, let us now turn to the bill before us. Section 401 of title 4 of the omnibus farm bill is divided into three subsections. Subsection (a) reaffirms our national policy of aiding and encouraging farmer cooperatives—a great national policy with which, I believe, no serious student of economics or agriculture can find fault.

Subsection (b) declares that two or more cooperative associations—be they marketing, purchasing, testing, grading, processing, distributing, or supplying cooperatives—may join together and perform all those acts which a single cooperative may lawfully perform. This would, of course, include much more than the mere formation of common marketing associations, authorized by the Clayton and Capper-Volstead Acts. It would include, for example, restricting output, dividing territories and customers, group boycotting, blacklisting, and many other related activities.

It would include from whom one can buy and to whom one can sell.

Subsection (c) authorizes farmer cooperatives to acquire, directly or indirectly, the assets, stock or other share capital of, or to merge with any other cooperative or any corporation which is engaged in the same or related kind of commerce. In so doing, a farmer cooperative is not limited by the proscriptions of section 7 of the Clayton Act which require that it not tend to create a monopoly or substantially limit competition. Rather, the cooperative is subject only to the limitations of section 2 of the Capper-Volstead Act. This means that the only review of such a merger or acquisition, if this bill passes, would be by the Secretary of Agriculture. Furthur, it means that mergers and acquisitions would only be limited if they monopolize or restrain trade to such an extent as to unduly enhance price.

Under this provision, the Maryland milk case was decided last year. In that case there was involved a merger, which nobody can defend, but there was no price enhancement. So the Secretary of Agriculture would not have been able to have done anything about the situation.

Having briefly outlined the proposed legislation and its historical origins, I would like to take up each of the three parts of section 401 and subject them to careful scrutiny.

No one, I am sure, can quarrel with subsection (a), which reaffirms our belief in, and intention to foster the farmer cooperative movement. Farmer cooperatives have been a bulwark in improving the standard of living of American farmers for over 40 years.

Today, there are more than 7,500,000 individual memberships in farmer cooperatives. There are more than 9,500 marketing, farm supply, and related service cooperatives, serving our Nation's agriculture, our Nation's farmers, and our Nation. During the year 1958-59, these cooperatives did a total gross volume of business of about $15.2 billion.

Not only are these figures impressive in and of themselves, but perhaps even more impressive is the rate of growth they reflect. For example, the total number of cooperative membership has doubled since 1942-43. In the 9-year

period from 1950–51 to 1958–59, the total gross business of farmer cooperatives increased by approximately 45 percent.

This record of growth, both in number of members and in volume of business, is something in which the cooperatives—and more important, the farmers—of America can take great pride. Indeed, all Americans can and should share in the pride of this record of growth and achievement, honestly won through diligence, perseverance, and just plain hard work.

I have always considered myself a friend of the cooperative movement. Not only does my State of Tennessee have many successful and responsible farmer cooperatives, but it enjoys the contributions of cooperatives in many other areas of endeavor as well.

I have always reflected my conviction in my voting record, both as a Representative and a Senator, that the contribution of farmer cooperatives to our Nation's economic welfare is great. I remember, with no little pride, voting for additional appropriations for cooperative agricultural extension work more than 16 years ago, in 1945. Since then, I have taken the same pride in supporting the Schoeppel-Cooper amendment to the Agricultural Department appropriations bill in 1954, and in opposing the Williams amendment to the Farm Credit Act of 1955.

But my long-time devotion to the cooperative movement notwithstanding I am unalterably opposed to monopoly power, no matter where it be found. And, I am unalterably opposed to any manner or sort of legislation which would have the effect of fostering the maintenance or creation of monopoly power. It is my view that the fundamental philosophy of free competition expressed in the antitrust laws is as important to farmers as it is to any other economic group.

My opposing of monopoly power is not merely a question of being consistent with the antitrust laws. No; my opposition arises from a far deeper conviction than merely being consistent. It is my heartfelt and unalterable belief that it is the strict adherence to the tenets of free, competitive enterprise which has made our great country economically great and morally strong. Any law which permits monopoly in any sector of our economy weakens us. It weakens our economy and it weakens our moral fiber. Free competition and free enterprise are the lifeblood of our Nation. They are what set us apart from the collectivist philosophy of the Communist bloc. Thus, any proposed law which would in any way tend to lessen free competition weakens us, not only economically, but politically as well.

It matters not what form of business organization is granted the right to achieve monopoly power. Be it a single individual, a group of individuals, a partnership, a corporation, or even a cooperative, the impact of monopoly on our national welfare is the same. Sections 401(b) and 401(c) are a long step toward the creation of monopoly power in a vital sector—indeed, one of the most vital sectors—of our economy. Permit me to repeat myself, so that there can be no question as to where I stand: I am opposed to monopoly power of any sort, by any person or group of persons, in any sector of our economy, no matter what sector that may be.

The Senate report on the omnibus farm bill states that the purpose of section 401 is to restore the original intent of Congress, declared in the Capper-Volstead Act. In fact, in my view, it does nothing of the sort.

I have studied the legislative history of the Capper-Volstead Act with great care and interest. There can be no doubt, in my opinion, that the true purpose of Congress in passing that act was to assure that the right of individual farmers to join together into farmer cooperatives for their mutual help would not be impaired. Congress was deeply concerned with the welfare of the individual farmer.

The House report on the Capper-Volstead bill clearly spells out the simple but basic intent of the legislature. It says:

> Instead of granting a class privilege [the Capper-Volstead bill] aims to equalize existing privileges by changing the law applicable to the ordinary business corporation so the farmers can take advantage of it.

The intent, Madam President, was to place the helpless, individual farmer on a parity with giant corporations, by permitting him to join together with his fellows in cooperative associations.

Section 401 deals not with the joining together of individual farmers, but rather with the joining together of cooperative associations—and even of cooperative associations and private corporations. Subsections (b) and (c) effectively exempt farm cooperatives from the antitrust laws. Indeed, it would, to a significant extent, exempt private corporations engaged in agricultural or related pursuits from the antitrust laws. This is so because subsection 401(c) permits the merger of cooperative associations and corporations engaged in the same or related lines of commerce.

Such a vast exemption does not in any way reflect the legislative intent of 40 years ago, irrespective of the unsupported assertions of the current Senate report. There was a House report on the Capper-Volstead Act.

We tried to find a Senate committee report, but there does not seem to have been one. Apparently the action was taken on the House report. The House report was unequivocal on the impact which the act was intended to have on the antitrust laws. I have a copy of the original House report with me. I read from that report:

> In the event that associations authorized by this bill shall do anything forbidden by the Sherman Antitrust Act, they will be subject to the penalties imposed by that law. It is not sought to place these associations above the law, but to grant them the same immunity from prosecution that corporations now enjoy so that they may be able to do business successfully in competition with them.

Mr. LAUSCHE. Madam President, will the Senator yield?

Mr. KEFAUVER. I am happy to yield to my colleague from Ohio.

Mr. LAUSCHE. Would the Senator from Tennessee be so kind as to illustrate the last statement he quoted from the report? The Senator read to the effect that it was not intended deeds prohibited by the Sherman antitrust law should be permitted by the act which was discussed. Could the Senator illustrate more exactly that statement?

Mr. KEFAUVER. I give examples later in my statement.

Mr. LAUSCHE. Good.

Mr. KEFAUVER. However, I appreciate the Senator's question, and I shall answer. I shall be glad to yield to other Senators who are interested at any time, either for a question or an observation.

This is the situation. The Capper-Volstead Act enables a group of farmers to get together to form a cooperative. Farmers can act as a unit. The idea was to give to them the same power of acting together a corporation has, so that they could have some unity. An individual cooperative, of course, can decide to whom it will sell, from whom it will buy, what price it will charge, in what market it will sell. It acts as an individual.

Section 401(b) provides that any number of cooperatives can join together in an agreement, either acting together through a common agency or through an agreement, and they might enter into agreements and do the same things any one cooperative might do; that is, fix prices, allocate the markets, blacklist buyers, engage in group boycotts, and do other related acts.

All of these things that I have mentioned are violations of the Sherman Act, several of them per se.

Mr. LAUSCHE. I conclude that it was not intended by the act to allow cooperatives to commit deeds which, if committed by noncooperatives, would be in violation of the Sherman antitrust law.

Mr. KEFAUVER. The Senator is correct. That was not intended in the Capper-Volstead Act. Furthermore, it was not intended that these cooperatives would be able either to conspire with others or to agree with others for the violation of the antitrust laws.

Mr. LAUSCHE. I heard the Senator say this applied to the formation of cooperatives dealing in agricultural products and related industries. Does the act confine its operation to agriculture and related industries, or is it applicable to all types of operation?

Mr. KEFAUVER. The original Capper-Volstead Act had to do with producing-marketing cooperatives. The Agricultural Marketing Act of 1929 defined cooperatives to include service and supply cooperatives.

Subsection 401(b) in the bill, to which I refer, takes the definition of cooperatives as defined in the Agricultural Marketing Act of 1929, which would include cooperatives engaged in producing, marketing, service and supply; all in the field of agriculture.

Mr. LAUSCHE. I thank the Senator very much.

Mr. KEFAUVER. I thank the Senator for his question.

Madam President, I suggest that the intent of the Congress in 1922—to protect and encourage individual farmers

to join together in cooperative associations—is as appropriate now as it was then.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. Boggs in the chair). Does the Senator from Tennessee yield to the Senator from Louisiana?

Mr. KEFAUVER. I am happy to yield.

Mr. LONG of Louisiana. Is it the Senator's impression that Congress, in passing the Sherman Act, at any time intended knowingly to cover labor unions or farm cooperatives?

Mr. KEFAUVER. Congress passed the Sherman Act in 1890. I do not think there were many cooperatives or labor unions, as we know them at the present time, in existence. The Congress intended to cover, so far as business enterprises are concerned, certain transactions, regardless of the question of who committed them.

Mr. LONG of Louisiana. Mr. President, I know the Senator will agree with me in the statement I am about to make.

When Congress passed the Sherman Act in 1890 it had no intention whatever of covering labor unions or farm cooperatives. I do not think that was ever considered.

Yet the largest judgment which was assessed in the first 30 years under the Sherman Act was in the Danbury Hatters case. The Attorney General of the United States—I am happy to say he was not a Democratic Attorney General—succeeded in making the law apply to a labor union. In the Danbury Hatters case, in Connecticut, a fine was slapped on every member of that labor union, because they went out on strike. The fine was levied on the ground the strike was a conspiracy and a restraint of trade by these people against the manufacturer.

Upon that basis the conscience of the entire Nation was outraged to the extent that in 1914 Congress passed the Clayton Act, which contained amendments which provided that neither a labor union nor a farm cooperative would be covered under the Sherman Act. I ask the Senator if what I have stated is not in accord with his understanding of the law?

Mr. KEFAUVER. I think so, to the extent that in 1890 there were no cooperatives or labor unions as we now know them. The fact is that several courts have recently held that when a labor union goes into business and has control of that business, and that business conspires with another business or fixes prices or does anything else that might be a violation of the Sherman Act, the owner of the corporation, namely, the labor union, is liable. Of course, the Sherman Act does not provide anything about corporations specifically. The first part is written in very general language. It deals with every contract or combination, in the form of trust or otherwise, or conspiracy in restraint of trade, by whomever it may be done.

Mr. LONG of Louisiana. I am trying to get the Senator to understand my point.

Mr. KEFAUVER. That was part of the background of section 6 of the Clayton Act when it was written in 1914.

Mr. LONG of Louisiana. I fear that the Senator does not appreciate the point that sticks in my mind. The point is this: By the very nature of a labor organization, if it seeks to obtain better wages by collective action, or a farm cooperative, by collective action of farmers, seeks to obtain a better price for the product, such labor organization or farm cooperative is thereby in restraint of trade to the extent that it seeks to achieve the objective.

Mr. KEFAUVER. The Senator is correct.

Mr. LONG of Louisiana. In the Sherman Act, Congress has never sought to reach such groups, because it did not feel that the collective action generally went to the extent of injuring the public interest. With regard to labor unions, Congress has lifted the lid completely off. In other words, at present there is no limit as to how far the American Air Lines Pilots Association can go in trying to obtain pay raises. Perhaps some day the abuse will become so great that we may insist on putting a limit on such raises. At the present time there is no limit.

With regard to farm cooperatives, if by concerted action such cooperatives are able to obtain a price that is unduly high, Congress has provided that the Secretary of Agriculture may step in and fix the price. The Senator is familiar with such provision; is he not?

Mr. KEFAUVER. If one farm cooperative engages in price fixing, the Secretary of Agriculture has the power to step in as to that cooperative, if prices are unduly increased.

Mr. LONG of Louisiana. The Senator knows that even that power is not at this time particularly needed, because the Secretary has all the power he needs under his power relating to marketing orders to issue a marketing order which will permit competing products from other areas to break the price in the event he feels the price is too high.

Mr. KEFAUVER. As I shall point out later, the Secretary's power in connection with what he may do as to a single cooperative does not refer to a federation of cooperatives. So it is very doubtful whether even section 2 of the Capper-Volstead Act applies to actions by federations of cooperatives, because that section refers only to cooperative associations—not federations.

Mr. LONG of Louisiana. Can the Senator point out to me any case in which cooperatives, by acting collectively, have abused the public interest to any extent, or to such an extent that the Secretary of Agriculture did not have the power to bring prices down to what he believed to be a fair level?

Mr. KEFAUVER. I shall deal with that subject later, but the fact is there have been a substantial number of mergers of cooperatives. One has acquired the other in a great many instances for the purpose of improving their efficiency and effectiveness; and although the Department of Justice has jurisdiction, it has never felt that the process has gone so far as to tend to substantially lessen competition or create a monopoly. That is one of the points I bring out. The cooperatives have been merging. They have been acting together in a great many instances, and they have not reached the point of violating the antitrust laws. But the proposed measure would exempt them altogether from the antitrust laws, so that there would be no restraint whatsoever on what they might do together.

For example, the Virginia Milk Growers had 86 percent of the local market. They acquired the Embassy Dairy, which then gave them 95 percent of the market, I believe. But the acquisition did not of itself increase the price of milk. So in that case there would have been nothing the Secretary of Agriculture could have done about the situation. There would have been no relief whatsoever if the bill had been the law.

Mr. LONG of Louisiana. Madam President, if the Senator will yield at that point.

Mr. KEFAUVER. I yield.

Mr. LONG of Louisiana. The Senator stated that the local milk producers had 86 percent of the market. I believe what he meant was that they were producing 86 percent of the milk consumed in the area. It is not at all an unusual situation for local farmers to produce the milk that is consumed locally.

Mr. KEFAUVER. The Senator is substantially correct.

Mr. LONG of Louisiana. When he said they acquired the Embassy Dairy, what he meant was that they acquired a dairy which at that time was processing about 9 percent of the milk processed in that area, and they did so in an effort to put themselves in a better position to bargain for a better price with those who engaged in the processing industry. I believe the Senator will find that the giant of the processing and selling industry here is National Dairy Products, which merchandises its products under such names as "Sealtest" and "Chestnut Farms." They probably have approximately 40 percent of the local milk market. Certain other dairies had some share in the market.

The farmers were trying to purchase a dairy. Under the law I believe the Senator will find that they could have borrowed the money from the Department of Agriculture to build the dairy the way it is now, and there would have been no prohibition upon their doing so. It was only because they were buying a dairy that they could not engage in the transaction. I wonder if the Senator knows that the very companies that are complaining about the farm cooperatives themselves acquired 1,100 independent dairies in the past several years.

Mr. KEFAUVER. The point is that any corporation that can raise money, can enlarge its activities without violating the antitrust laws. I assume the Virginia Milk Producers could have borrowed the money and increased their volume or their share of the production. But if they had done so, there still would have been the Embassy Dairy, which would have been competing, so that the monopoly situation would not have been increased.

Mr. LONG of Louisiana. I should like to ask the Senator why it would be evil for Sealtest, which I believe is the

National Dairy Products Co., to have been able to buy that dairy and thereby have 50 percent of the distribution, and wrong for farmers in the areas to have 9 percent of the distribution?

Mr. KEFAUVER. Of course, the antitrust test of illegality as to both corporations and cooperatives is always whether the action would restrain trade or would tend to substantially lessen competition or tend to create a monopoly. Such decision would depend, of course, upon the attitude of the Supreme Court at the particular time the case would be decided, and also upon the factual situation in each case.

The Senator is not correct as to the attitude of the Virginia Milk Producers Association in wanting to acquire a firm like Embassy.

The reason why they wanted to acquire Embassy Dairy was set forth in the U.S. district court decision, where some of the association's confidential memorandums were put in evidence. I refer to 167 Federal Supplement 799. The court quotes the association's saying that acquiring the Embassy Dairy will remove a disturbing influence which has been a thorn in the side of the association for many years. It also goes on to say that they—the association—thereby might get a higher price for their product, if they eliminated Embassy. Therefore the acquisition was not merely an altruistic desire to get more members on the part of the association.

Mr. LONG of Louisiana. Does not the Senator recognize the fact that the very reason that the farm cooperatives were exempt from the antitrust laws was for the purpose of their getting a better price for their product? That was the intent of the Capper-Volstead amendment, to make it possible for them to organize collectively and to get a better price, and also to acquire processing facilities in furtherance of just that purpose.

Mr. KEFAUVER. Apparently the Senator was not present when I read the report of the House of Representatives with respect to the intent of the House in passing the Capper-Volstead Act. It was not intended to give an exemption from the antitrust laws to farmer cooperative associations.

Mr. LONG of Louisiana. Let us read the act.

Mr. KEFAUVER. Very well. I will read the paragraph of the House report on the Capper-Volstead Act to the Senator, if he wishes. I have it before me. The pertinent part of it is contained on pages 2 and 3. There, it states that if the associations authorized by the bill shall do anything forbidden by the Sherman Antitrust Act they will be subject to penalties imposed by that law. As the Senator so well knows, in the Virginia Milk Producers case, decided by the Supreme Court in 1960, the Court specifically said unanimously that there was no intent to give either labor unions or cooperatives a total exemption from the antitrust laws in either the Clayton or Capper-Volstead Act.

Mr. LONG of Louisiana. The Senator will recall the language in the Capper-Volstead Act, which reads:

> Persons engaged in the production of agricultural products as farmers, planters, ranchmen, dairymen, nut or fruitgrowers may act together in associations, corporate or otherwise, with or without capital stock, and collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce, such products of persons so engaged. Such associations may have marketing agencies in common; and such associations and their members may make the necessary contracts and agreements to effect such purposes.

What does that mean? It means that they can market their product in common. It means that they can agree that they will ask for a particular price, and to bargain for a particular price collectively.

Mr. KEFAUVER. I point out that two corporations can get together and market their products jointly. They can purchase together. Two corporations can merge. Two corporations can do almost anything, so long as in doing it they do not substantially lessen competition or tend to create a monopoly, or so long as in doing so they do not reach the extent of violating section 1 and section 2 of the Sherman Act.

They cannot blacklist. They cannot boycott. But, they can do anything else through a common agency, so long it does not violate the antitrust laws.

Mr. LONG of Louisiana. I believe the Senator will find that the act does not authorize any predatory practices. That amendment does not authorize any predatory practices. It does not authorize any blacklisting. We can establish the fact that the proposal does not. It does not authorize any violation of the Federal Trade Act, which, as the Senator knows, is a subsequent act to this one.

Mr. KEFAUVER. It does not authorize them to violate the Sherman Act and the Clayton Act.

Mr. LONG of Louisiana. Insofar as they organize to act collectively and insofar as they acquire their own marketing agencies to act together in collectively selling and in collectively processing and in collectively marketing their product, they are specifically authorized to do so by the act. The committee report from which the Senator has been reading can be regarded in the same light as some statements which are made on the floor of the Senate. One might say that it does not get around the Sherman Act, but it does that. The Clayton Act provides that labor can organize collectively and act collectively. By doing that it gts around the antitrust laws in that regard.

Mr. KEFAUVER. I call attention to the fact that the House report of April 26, 1931, states it is not intended to take farmer cooperative associations out of the Antitrust Act. That report was written by Mr. Volstead, who at that time was a member of the House and the cosponsor of the Capper-Volstead bill.

Mr. LONG of Louisiana. Does the Senator have the language of the act as it passed the House?

Mr. KEFAUVER. I have the House report by Congressman Volstead.

Mr. LONG of Louisiana. Was the language of the House bill at that time identical with the language of the Senate bill and the language which is now in the law?

Mr. KEFAUVER. I believe the House bill was passed in the Senate without any substantial change. In looking over what the House dealt with, it seems to be about the same as the language passed by the Senate.

Mr. LONG of Louisiana. Will the Senator explain this to me? Why should it be that right here in this district in Washington, with regard to the case that the Senator has discussed, it should be completely within the law for these farmers to put up a dairy with Uncle Sam's money, and to own the processing facility locally, but that it should be against the law for them to buy a dairy?

Mr. KEFAUVER. I will try to explain it to the Senator.

Mr. LONG of Louisiana. It is not the biggest distribution facility here.

Mr. KEFAUVER. What was dealt with in the Milk Producers Association case was the question of competition; whether the acts therein involved would lessen competition. It would not lessen competition if the association had borrowed the money or had put up the money to increase their business, because the Embassy Dairy would still be operating. If somebody else borrowed money or put up the money, it would increase the competition, not lessen it.

Mr. LONG of Louisiana. The Senator agrees, does he not, that a purpose of exempting agricultural cooperatives from the antitrust laws, insofar as it permitted the farmers to get together to act collectively in merchandising and processing their product was for the purpose of permitting them to act collectively to get a better price? At least that was one of the principal purposes, was it not?

Mr. KEFAUVER. The purpose was to allow individual farmers to act as a group, so that they could properly protect their interests, or perhaps get a better price. It was perfectly all right for them to do that. I hope they will get a better price.

Without the Capper-Volstead Act, if two or three farmers had gotten together and formed an agreement to market together or to agree to whom they would sell, it might have been considered a violation of section 1 of the Sherman Act. This makes it absolutely clear that they can pool their interests in one cooperative and act together. It attempts to put them on a parity with corporations which are owned by many individual stockholders.

Mr. LONG of Louisiana. In my judgment the purpose of the Capper-Volstead Act clearly intended that it would be possible under this exemption from the Sherman Act for farmers to monopolize a particular area insofar as their product was concerned.

Section 2 of the bill provides:

> If the Secretary of Agriculture shall have reason to believe that any such association monopolizes or restrains trade in interstate or foreign commerce to such an extent that the price of any agricultural product is unduly enhanced by reason thereof, he shall serve upon such association a complaint stating his charge in that respect.

That is in there for the very purpose of looking down the road. Congress, in the Capper-Volstead Act, recognized it

was conveying power to those associations to monopolize prices in an area, if they could. If they did, and a price got out of line, the Secretary of Agriculture had the power to protect the public and bring the price down to where it ought to be. The difficulty has been, unfortunately, that farmers in general have never been able to get anything like the income for their effort that the workers in other segments of industry and commerce have been able to get. That is why this act was passed. It was to enable the farmers to have a chance to improve their income, and that was the reason why Congress exempted them from the antitrust laws.

Mr. KEFAUVER. I am for the cooperative movement. I favor letting farmers have the opportunity to act together to get better prices. I hope they can get better prices. I have always supported legislation to aid cooperatives. However, I call attention to the fact that under subsections 401 (b) and (c) there can be a combination of cooperatives. Moreover, under subsection (c) a combination of cooperatives and corporations is permitted. That could literally drive the independent or smaller cooperative or independent processor out of business. To give them unrestrained power is not right.

Mr. LONG of Louisiana. The Senator has yet to produce the first case where that has happened.

Mr. KEFAUVER. Then why legislate? If it will never happen—and I grant it may never have happened in the past—I do not see any necessity for section 401(b). If farmer cooperatives have no intention to violate the antitrust laws, what is the need for the proposed legislation?

Mr. LONG of Louisiana. The legislation is needed for the same reason that necessitated legislation to permit industrial labor to organize and bargain. The farmer is a member of a segment of our economy which is getting about half the income of the other segment of the economy. It is necessary to make it possible for the farmers to do the same things that labor does for itself—to make it possible for them to organize, to market, process and merchandise their products; to enable them to get better prices for themselves; rather than to leave them at the control, for example, of the Big Four in the milk industry.

Mr. KEFAUVER. Farmers need never get into antitrust difficulties. My information is that the Department of Justice, in its review methods, has reviewed the acquisitions or the mergers of many cooperatives. Only one or two have ever been questioned. But, of course, there is at least one monopoly situation which did occur, namely, the monopoly of the milk producers, to which we have referred.

Mr. LONG of Louisiana. The Senator may have referred to it, but he has not shown one in the segment to which we have been referring. If I recall, at that particular time the same Big 4 who were the Big 4 in the milk distribution industry in Washington were, for the most part, four of the big milk distributors across the country; and the prices they charged in other parts of the Nation were actually higher than the prices being charged in the District of Columbia.

Mr. KEFAUVER. The farmers who were producing milk for the Embassy Dairy were confronted with a situation of either joining with the cooperatives, taking their milk to Baltimore or some other distant place to sell it, or going out of business.

Mr. SYMINGTON. Mr. President, will the able Senator yield?

Mr. KEFAUVER. I yield.

Mr. SYMINGTON. As I understand, there is no difference, fundamentally, between the authority being granted under the bill to the Secretary of Agriculture and authority to the administrator of the Federal Trade Commission or the Federal Communications Commission, in their particular scope of activity.

Mr. KEFAUVER. Oh, there is a vast difference. Public utilities are natural monopolies. Utilities can come into existence, in the first place, only by virtue of a permit from the Government. So the Government must necessarily regulate the utility.

The Government regulates the rates, where the utility may do business, and the terms and conditions under which it can operate. That is very thoroughly set forth in Representative CELLER'S letter to Representative COOLEY, chairman of the House Agriculture Committee, which is contained in the CONGRESSIONAL RECORD of yesterday. There is no analogy at all between the public utilities, which are monopolies to start with, and cooperatives, which compete with both public and private companies.

Mr. SYMINGTON. What about regulation of railroads by the Interstate Commerce Commission?

Mr. KEFAUVER. Public utilities come into existence only by virtue of permits from the U.S. Government.

Mr. SYMINGTON. What about the Federal Communications Commission?

Mr. KEFAUVER. The rates of public utilities are regulated, and the location of their business is regulated. There is no requirement that a Government permit is needed to become a farmer. Farming is the most competitive and most democratic avocation in the world.

Mr. SYMINGTON. I am sure the Senator does not mean that all activities conducted under the Interstate Commerce Commission and other such regulatory agencies are undemocratic. If the Secretary of Agriculture has the same character and ability other agency heads have, he should be allowed to have a comparable position with respect to the control of farm cooperatives.

Some cooperatives in my State have been successful. Some have not been so successful. It seems to me the Secretary of Agriculture, a Cabinet member, should have the right to decide what is or what is not right in agriculture, from the standpoint of the public good.

Mr. KEFAUVER. I have the fullest confidence in our Secretary of Agriculture. However, there are three difficulties. First, this proposal takes away most of the antitrust criteria which would apply to big combinations or cooperatives or corporations, so there is no antitrust criterion, to speak of, left.

Second, with all due deference to the Secretary of Agriculture, his is not a judicial agency. He does not have primary jurisdiction in connection with antitrust laws.

Third, the only jurisdiction the Secretary has with respect to restraint of trade or monopoly, is to the extent that such restraint of trade or monopoly unduly enhances prices. Monopoly, combination, or merger may or may not unduly enhance prices. Blacklisting does not enhance prices—at least, not immediately. A competitor might be destroyed—be put out of business—and be long gone before there would be any undue enhancement of prices. There is a great background of judicial history in connection with the administration of the antitrust laws by the Department of Justice, and a large body of cases based upon the antitrust laws.

Mr. SYMINGTON. Not on the basis of farmers and cooperatives. If so, I did not understand what the Senator said to the Senator from Louisiana, except as to one case, the milk case. I do not know of antitrust laws that have been invoked against cooperatives. I do not say they cannot be or should not be, if the authority were given to any one, including the Secretary of Agriculture. But there is no pertinent legislative history, to the best of my knowledge.

Mr. KEFAUVER. There was also the citrus fruit case, decided last year by the ninth circuit, where Judge Barnes presided. Substantially the same thing was said there as was said by the Supreme Court, namely, that there is no complete exemption from the antitrust laws in either the Clayton or Capper-Volstead Acts. The Sherman Act is supplemental to the power which the Secretary of Agriculture has under the Capper-Volstead Act. The language of Representative CELLER is more persuasive than anything I could say—and this is what he said in connection with the difference between cooperatives and the Interstate Commerce Commission, the Federal Communications Commission, and other regulatory agencies.

I have been informed that certain cooperative spokesmen have represented that transferring authority to pass upon cooperative mergers and acquisitions to the Secretary of Agriculture is analogous to the jurisdiction conferred upon various Government agencies charged with supervision of regulated industries. Such analogy overlooks several essential distinctions. First, in the regulated industries entry is controlled, terms and frequency of service are prescribed, and prices are subject to Government regulation. The marketing of agricultural products, however, is for the most part wholly free of Government regulation.

The great mass of transactions in the marketing of agricultural products, on the part of cooperatives and noncooperative businesses alike, are subject to the basic policy of competition under the antitrust laws rather than to direct Government regulation. The second important distinction is that where Congress has given authority to administrative agencies to pass upon mergers and acquisitions by firms under their regulation,

such legislation has applied the same standards to all persons engaged in the affected business and has placed all such persons under the same enforcement agency.

The current proposals would, on the other hand, prescribe an exceedingly liberal standard for cooperative mergers and acquisitions as compared with similar noncooperative transactions. This would result in the following anomaly. An ordinary business concern engaged in the same business in direct competition with an agricultural association would be subject to Celler-Kefauver Act standards when it seeks to acquire a distribution outlet. Were a cooperative to seek to acquire the same facilities, however, it would be judged by entirely different standards. Furthermore, the acquisition by the cooperative would be judged by an officer required by law to favor the growth of such associations whereas the same acquisition by its competitor would be judged in the impartiality of the Federal courts which are required by law to apply the Celler-Kefauver Act standards.

It seems to me this distinction highlights the unwarranted privileges which the various proposals would confer upon cooperatives.

Mr. SYMINGTON. Mr. President, I must say that the statement "Furthermore, the acquisition by the cooperative would be judged by an officer required by law to favor the growth of such associations" is strong. It implies a lack of impartiality on the part of the person who was attempting to develop what was best for the public, in this case the Secretary of Agriculture.

Mr. HRUSKA. But that is found in the preamble of the Capper-Volstead Act. The recitals set forth there constitute the position which has been the national policy ever since.

Mr. SYMINGTON. That act was placed on the statute books quite a long time ago. The implication is that action would be at the expense of the public. I cannot agree with that statement.

Mr. KEFAUVER. I favor the growth of the cooperatives and the fostering of their activities, so long as they do not violate the antitrust laws.

Mr. SYMINGTON. I should think the Secretary of Agriculture would feel the same way the Senator from Tennessee does.

Mr. KEFAUVER. But on page 138 there is stated, as the policy:

> Congress hereby reaffirms, consistent with the policy embodied in the Capper-Volstead Act—

And so forth—

> the national policy of aiding and encouraging the organization, operation, and sound growth of farmer cooperatives to the end that the farmers of the Nation may through group action conduct their business operations effectively to obtain a fair share of the Nation's income.

Mr. SYMINGTON. But that does not currently require the Secretary of Agriculture, without regard to the public's interest, to take such action.

In business, if an organization becomes so large it is having a restraining effect upon the public good, then the law should operate to prevent such an effect.

Only today, at lunch, we were speaking of the fact four companies in the United States now control over 50 percent of all the meat retailed in this country. That is the type of operation really inimical to the public interest, depending on whether the prices charged are the same, or close to the same.

The Senator from Louisiana has pointed out the difference between the income of these groups as against farmers; and the great antitrust problems which in the past have faced this country.

Especially when we all, I am sure, would agree that the Secretary of Agriculture would operate in the public interest, I cannot believe this amendment should be adopted. Producers of agricultural products still receive a much lower income than other segments of the economy.

Mr. KEFAUVER. I agree with the Senator about the meat industry, and I am trying to be consistent.

But I point out that although there may be some small benefit to the farmers by allowing them to form groups which would be above the laws which are applicable to everyone else, in the long run the farmers will not benefit from that. In the long run, if the antitrust laws fostering the free enterprise system are good for the Nation, they are also good for the farmers.

Subsection (b) of section 401 of the bill would permit any number of large cooperatives—for instance, the Florida citrus growers' cooperatives, as I shall point out later, and their California counterpart, Sunkist—to join together with all other cooperatives to boycott, to say to whom they would sell and to whom they would not, to say where they would ship their products, and to divide the market between themselves, and to blacklist anyone from whom they did not wish to buy. It would be improper for such powers to be granted, and the farmers do not want them granted.

Mr. LAUSCHE. Mr. President, will the Senator from Tennessee yield for a question?

Mr. KEFAUVER. I yield.

Mr. LAUSCHE. Is there any denial by the proponents of this measure of the statement the Senator from Tennessee has made just now—namely, that if those provisions are enacted into law, those rights would be vested in these cooperatives?

Mr. PROXMIRE. Mr. President, if the Senator will yield, let me say I certainly do not deny it.

Mr. LAUSCHE. Will they be allowed to fix prices, to blacklist, and to boycott?

Mr. PROXMIRE. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield.

Mr. PROXMIRE. First of all, so far as subsection (b) of section 401 is concerned, it was called for in the President's message, and it was specifically supported by the Attorney General. His representative testified before the committee that, under his interpretation of the law, he would have every right to prosecute, and he would be free to prosecute, any groups which were predatory or were engaging in blacklisting.

There is no question that subsection (b) of section 401 was supported by the Attorney General. Subsection (c) is different, and I shall be glad to discuss it later. But certainly I emphatically disagree with the position taken by the Senator from Tennessee.

Mr. KEFAUVER. I wrote to the Attorney General, too; and I received a copy of the letter he sent to the Senator. He talked about both subsection (a) and subsection (b) of section 401. He did not comment, except to say they were part of the President's program. Then he said he was opposed to subsection (c) of section 401. Is not that correct?

Mr. ELLENDER. That is what I desired to point out, also. The Attorney General was not opposed to either subsection (a) or subsection (b).

Mr. KEFAUVER. He merely said that was part of the administration's program. He did not say why, or anything else. Then he went on to subsection (c) of section 401.

Mr. AIKEN. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield.

Mr. AIKEN. I should like to point out what appears to be a misapprehension here—namely, that cooperatives are prosecuted for enhancing prices. They are not prosecuted for enhancing prices. They are prosecuted for lowering prices. That is when they get into trouble with the Department of Justice—when they lower prices, and thus lower, or at least threaten to affect adversely, the earnings of large corporations.

Mr. KEFAUVER. But that was not the Maryland-Virginia case.

Mr. AIKEN. That was the case when they lowered the prices to consumers and raised the prices to farmers and narrowed the spread. Then they were prosecuted for getting 75 percent or 80 percent of the business with the consumers. And that amounts to being prosecuted for lowering prices, because if they had not lowered the prices, they would not have gotten the increased business.

Mr. KEFAUVER. They purchased the Embassy Dairy.

Mr. AIKEN. But are not the consumers entitled to a "break"?

Mr. KEFAUVER. Certainly; and they will get it by having free competitive enterprise, not monopoly.

The farmers may get a temporary "break" by being able to join groups to blacklist, boycott, and practice monopoly. But in the long run the antitrust laws are as much for the benefit of the farmers, if not more for the benefit of the farmers, as they are for the benefit of any other section of the economy; and it will not be possible for us to remove groups of farmers, who join together in cooperatives, and also when they act in conjunction with corporations, from the application of the antitrust laws without weakening the application of the antitrust laws to other corporations.

Mr. AIKEN. Does the Senator from Tennessee consider a cooperative which engages in a $1 billion business or enterprise an organization which should fear competition?

Mr. KEFAUVER. Well, I believe my record shows that I am always on the side of fair treatment of the little fellow.

Mr. AIKEN. Not this time.

Mr. KEFAUVER. What I am thinking about, I say to the Senator from Vermont, is: if they have been able to do these things, to join up and make agreements, without violating the antitrust laws, what do they have in mind? Why do they want the blanket exemption from the Sherman Act contained in subsection (b) of the present Act?

Mr. AIKEN. So the farmers will not be vassals. They want to be able to stand on their feet and have an opportunity equal to what is available in other sectors of our economy.

Mr. KEFAUVER. How does the Senator justify keeping partnerships and corporations under the antitrust laws, if we allow others to have equally great power and strength, so they can do the same thing that partnerships and corporations are prohibited from doing?

Mr. AIKEN. How does the Senator from Tennessee justify a corporation's acquiring perhaps 100 other corporations, until it becomes so powerful that it can practically control the operations of that industry and if two farm cooperatives try to get together to strengthen their own position, they are prosecuted, or threatened with prosecution by the Justice Department?

Mr. KEFAUVER. As the Senator may well know, I have been very critical of the Department of Justice from time to time for having let some of the big corporate mergers take place and be approved. I have been a cosponsor, and am a sponsor, of the prenotice of corporate merger bill, providing for the giving of notice before a merger. We have had innumerable hearings aimed at strengthening the antitrust laws to stop such mergers. I think mergers have gone too far. Apparently, the Department of Justice has rarely felt that mergers have gone to the extent that they substantially lessen competition or tend to create monopoly.

I disagreed with the last Attorney General on that question. The present Attorney General has not been in office long enough to get his views. I think he may be more vigorous in connection with that question.

But the other point is that mergers of cooperatives have been going on all along. There has been a great number of mergers of cooperatives, and there should be, to strengthen their efficiency and economy and to compete better. I have not heard of one merger of cooperatives criticized by the Department of Justice. Perhaps the Senator can name one for me.

Mr. AIKEN. Yes, I can name one. I would rather not name it here on the floor. I can name one that absorbed a small cooperative not long ago, and which is being prosecuted by the Department of Justice. I shall be glad to give the Senator the name of it, but I do not want to bring it out on the floor.

Mr. KEFAUVER. I know of no reported case and no suit pending against one cooperative that has joined with another cooperative. The Department of Justice apparently has not seen fit to think that any such merger had gone to the extent where it substantially lessened competition. But does the Senator want two great citrus cooperatives to be able to join together and to have it in their power to take over the entire industry?

Mr. AIKEN. If it is necessary to prevent corporative monopoly of the industry, I would prefer to have the two cooperatives unite. But with regard to the dairy cooperative that is being prosecuted, or which has had charges made against it by the Department of Justice, does the Senator see any significance in the fact that only a few months after it sought to join with a smaller cooperative, it had charges brought against it for something that had been done for about 20 years without being prosecuted?

Mr. KEFAUVER. If the Senator will not tell me what case it is——

Mr. AIKEN. I will tell the Senator, but I do not want to bring the names of these innocent people out on the floor.

Mr. KEFAUVER. It is difficult for me to express an opinion because I do not know what the Senator is talking about.

Mr. AIKEN. I will give the Senator the name. There are some more besides.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. PROXMIRE. Is the Senator aware of the fact that subsection (b) is not only in the message transmitted by the President, but was interpreted to the committee by a representative of the Justice Department as not excluding the Justice Department from prosecution of a cooperative if it were engaged in predatory practices, dividing markets, blacklisting, and so forth?

It is the intention of the author of the bill, who is present and can speak for himself, and the intention of the committee, and I say this as a member of the committee, that cooperatives shall not be exempt except from the Clayton Act and that section of the Clayton Act which refers to acquisitions and mergers. This has nothing to do with predatory practices under the Sherman Act. We tried to make that clear. The committee has tried to make it clear, in the hearings and the legislative history on the floor, that this provision is only in order to permit cooperatives to merge. In my State, and in other States, there are hundreds of cooperatives. They have to merge, and when they do they lessen competition——

Mr. KEFAUVER. I shall come to mergers later on. We are talking about subsection (b) now.

I had understood, from the letter of the Department of Justice, that this provision was recommended by the administration. Let me point this out to the Senator: There is absolutely no prohibition against blacklisting, boycotting, dividing markets, running anybody out of business, in subsection (b) that the Department of Justice can do anything about. The Department of Justice is completely stripped of jurisdiction under subsection (b).

I shall explain why that is true.

It is true for the reason that under the Sherman Act there has to be at least an agreement in restraint of trade. There would have to be two parties. There would have to be party A and party B. They would have to enter into an agreement to divide the market, boycott, blacklist, or do one of the other reprehensible things which nobody wants to see done.

Subsection (b) authorizes several cooperatives to get together to do what one can do. One cooperative can now sell to whom it wants to, refuse to buy from someone, refuse to sell to someone, refuse to sell in an area, say at what price it will sell. That is not a violation of the Sherman Act, because only one cooperative is involved. It is when one cooperative enters into an agreement with someone else to restrain competition that the Sherman Act is violated. Subsection (b) provides that two or more can join together and that they can do those acts which farmers acting together in one association may lawfully perform. In other words, all of them can join together and make agreements between one another. If it would be lawful for one to do it, then it is lawful for them to do it together.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. LONG of Louisiana. Does not the Senator recognize that the whole problem is that those who favor the farmer do not want to treat a farmer as though he is a corporation, because of the obvious difference between him and a corporation that by its very nature tends to achieve a concentration of power? The Senator knows well that in certain industries it is not unusual to have four or five producers dominate a certain industry. With regard to farmers, there are 4 or 5 million farmers competing against each other. The competition is so keen that there is little chance for farmers to sell their products at a fair profit unless they join together in large numbers to try to act collectively, in which event the antitrust laws would be imposed and the Department of Justice would prosecute them if the Sherman Act were applied. Or, if the Government feels prices have been controlled and fixed, it can proceed against them for violating the law.

What we are trying to do here is the same thing that was intended by the Capper-Volstead Act—to try to make it possible for farmers to work together to get their prices somewhat in line with those prices we would like to have recognized. The problem in dealing with the farm economy has been just the opposite from what it has been with regard to corporations.

The problem has never been one of having prices too high for the farmers. Invariably the problem has been that the price was too low. We are trying to make it possible for the farmers to act jointly to produce and to market their products, to have better incomes. There is all of the protective power which is needed to enable the Secretary of Agriculture to act. The Secretary can make

the farmers break up their associations and divest themselves of their holdings if they get too much money. Unfortunately, we have never yet arrived at that state of affairs, in which the Secretary of Agriculture might move against them. Some day I hope we may find that the farmers will work together to such an extent that it will be necessary for the Secretary of Agriculture to move in to tell them they are getting too much. That has never happened. If it happens, I shall be pleased to join with the Senator in supporting whatever legislation is necessary, if the Secretary needs more legislation, in order to break up farm cooperatives, if they are getting too much for their products. I do not see anything like that happening at this time.

Mr. KEFAUVER. I certainly join with the Senator in expressing the hope that the farmers will share better in the economy of our Nation. I have voted, for 22 years, for every measure presented rightfully to help the farmers, according to my best judgment. However, it will not help the farmers in the long run to destroy the basic tenets of our antitrust laws.

In the second place, if these little cooperatives are so small, so insignificant, and so lacking in power as the Senator describes them, they can merge and join together and do anything else they wish, and they will never reach the stature of substantially lessening competition or creating a monopoly.

In the third place, all of these groups are not of that small size. It is my understanding that the Sunkist Cooperative in California has 70 percent of the market of oranges and lemons.

Mr. HOLLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. PELL in the chair). Does the Senator yield?

Mr. KEFAUVER. The Senator from Florida has risen. I understand there is a very fine citrus cooperative in the State of Florida, though it is not nearly as large or as powerful as the one I have mentioned.

I do not wish to give cooperatives the power to violate the antitrust laws to the detriment of an individual or of a smaller cooperative or of the consumers.

I yield to my colleague.

Mr. HOLLAND. I thank the Senator.

The Senator referred to the California Fruit Growers Exchange, which I believe is the only cooperative in existence in our country controlling such a large percentage of the crop which it serves. As I recall the last figure, it is about 70 percent.

Originally the marketing agreement law simply required a signing of two-thirds of the producers, or of the producers who produced two-thirds in volume. When it was found, a little later, that the California Fruit Growers Exchange had already exceeded that percentage in California, the Congress moved to amend the marketing agreement law solely as it applied to California citrus fruit so as to require 80 percent to sign, as the Senator will recall, because Congress did not wish any one organization, even though a cooperative, to control the market.

The point I am making is that there is a clear illustration of what I think the Congress will do whenever or if ever any cooperative becomes so great as to jeopardize the public interest, as the Congress evidently believed was the case with reference to the California citrus industry. Congress swiftly amended the law so as to require 80 percent, instead of 66⅔ percent, of the producing group to join in a marketing agreement as to California citrus before it could be operative.

I think the Senator is seeing things way out in the future which may not occur. If they do occur, I think they will be met by appropriate action of the Congress so as to protect the public interest, as was the case in the one instance of which I know in which any cooperative attained such a dominance as to threaten the public interest.

I thought that comment might perhaps satisfy the Senator's doubt as to the availability of action to be taken to prevent the doing of something by a combination of farmers which would impose upon the public interest. The Congress did what was necessary in that instance, in its judgment, to protect the public interest. I believe that will always be the case.

Mr. KEFAUVER. I think it is very much better to have fair rules of the game written into law to cover concentrations of power wherever they exist. If we authorize a concentration of power, such as 70 percent of the oranges and lemons of California, or 86 percent of the milk production in the Washington area, which the cooperative has, and let those groups get as big as they wish, two injuries will occur.

In the first place, other concentrations are entitled to the same or similar treatment. How would we be able to go after a partnership or corporation who might wish to do the same thing, if we make an exception for one concentration?

Secondly, I say to my distinguished friend from Florida, if a concentration has gotten so big that it is able to push some little fellows under, it probably has put some out of business, and if these little fellows have to wait until Congress passes a law in order to take away the power of that combination, that will be too late. Competition will be gone.

That is one of the troubles with our antitrust laws today; they operate very slowly. At least we do have the rules of the game to be fair. They ought to apply, with the exception of the exemption made in the Capper Volstead Act, all the way around.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. KEFAUVER. I yield.

Mr. HOLLAND. I think the points made by several other Senators are sound in this regard. They have pointed out that the continued struggle of the Congress and of the growers who have been following the policy laid down by Congress is to get enough growers together in one organization to have an economical unit.

The Senator has not gotten to section 401(c) yet, but the act proposes to give some assurance to these people that they will proceed legally. There are a couple of cooperatives, or a group of them, which have to get together to operate more economically, or else they will fail. They are confronted with tremendous opposition from large groups.

Mr. KEFAUVER. I should like to ask the Senator a question. The Sunkist Cooperative, which is the old California Fruit Growers' Association, seems to have control of 70 percent of the oranges and lemons of California, which is a pretty substantial control, without being challenged by the Department of Justice. The Maryland-Virginia Milk Producers' Association was up to 86 percent of the milk in the area, and was not challenged. How big does the Senator want them to get?

Mr. HOLLAND. I remind the Senator that the challenge to the California Fruit Growers' Exchange did not come from other producers in California, but came from producers in Florida and Texas. We were taking the markets away from the California growers every year through our increased production. Instead of the California growers having a larger percentage of the market covering more of the total fruit, their share was a good deal less of the total fruit than was the case when the organization controlled only 70 percent.

Mr. KEFAUVER. I am talking about the legal challenge. The admitted purpose of section 401(b) is to allow cooperatives to join together. The Senator says it is to allow them to get big enough to compete with the big fellows. The California cooperative is up to 70 or 75 percent, and there has been no Department of Justice challenge against it. How big does the Senator want them to get?

Mr. HOLLAND. The Department of Justice was against them, when they tried to go overboard by forming an agreement with certain elements in Florida.

The case to which the learned Senator referred a while ago, which involved a transaction of individuals and corporations, got as high as the Court of Appeals for the Ninth Circuit. That court held that the arrangement that was in the making was monopolistic. Substantial fines were imposed, and certain orders were entered which prevented the continuance of the relationship.

The Senator will find that the Department of Justice has aggressively proceeded to prevent monopolistic action, but that Congress has consistently and insistently tried to give farmers the opportunity to compete with the big operators on terms of some kind of equality. That is exactly what we are trying to do. I am not in the slightest afraid of cooperatives becoming so strong that they will put others out of existence. Quite the contrary. Small cooperatives, such as those which were created in the days when there were small packinghouses, have a need to merge in order to be competitive. We did not at that time have good roads and equipment. It

did not cost very much to merge in order to cover a greater territory then. But it is important to cooperatives now to be able to know when such companies merge that they are proceeding lawfully. There is no way now by which such companies can know. I think they are thoroughly within their rights to propose a statute upon which they can rely before they take a step which to them may mean the difference between life and death.

Mr. KEFAUVER. They are only little fellows wanting to merge to become more efficient. No one has ever bothered them. To the best of my knowledge no case against cooperatives for joining together has ever been brought by the Department of Justice. Furthermore, the Department of Justice has a preclearance program, so if a company or cooperative has any doubt about whether it is reaching that point, it can submit its proposed merger to the Department, and the Attorney General will tell it whether it is on safe ground or not.

The Senator from Florida would have the Senate believe that in the case involving Sunkist, which company now has 75-percent control in California, I believe——

Mr. HOLLAND. The last time I heard it was 70 percent.

Mr. KEFAUVER. It was not at all challenged by the Department of Justice.

The suit was a private one brought against Sunkist, and the plaintiff who sued Sunkist had been treated so badly and pushed around so much that he was already bankrupt when he brought the suit.

Such result is what monopoly brings. The Senator will find that in the case in Sunkist against Winkler in the Ninth Circuit, the decision written by Justice Barnes, decided in September 1960.

Mr. HOLLAND. I do not believe that is the case to which I referred.

Mr. KEFAUVER. It is the case against Sunkist. The suit was a private suit against Sunkist because of practices which allegely caused the bankruptcy of the plaintiff. It was not an action by the Government.

Mr. HOLLAND. Would the Senator have any objection to a private citizen having the power to bring such a suit?

Mr. KEFAUVER. My point is that if a company in California can secure a 70 percent concentration under the law as it now stands, and another company 86 percent of milk production in this area under the law as it now stands, then, without being challenged for monopoly, why does the Senator wish to pass a bill which would enable such companies to obtain 100 percent?

Mr. HOLLAND. I am not thinking about the 86 percent interest. I am thinking of the literally hundreds of small cooperatives that need to have greater unity to be able to operate with greater economy.

Under the recent milk case in the District of Columbia to which the Senator has referred, the companies had no way to know with assurance that the program which they proposed to set up by merger was lawful. I think such companies should have the same power to get that assurance from someone who knows their problems, and who is concerned with their business, that the banks have, when they go to the Comptroller of the Currency. The Senator has not mentioned that banks which existed long before any such law was set up at all have to go to the Comptroller of the Currency to have their mergers approved, and when they have their mergers approved they know that they can proceed with assurance and safety from that time on.

Mr. KEFAUVER. I thought I told the Senator a few minutes ago what he must already know. In the Department of Justice is a well-established program under which, if a cooperative wishes to merge with another one, and there is some question as to whether the merger will be attacked by the Department of Justice, the preclearance program is provided. I do not know what else the Senator wants.

I believe I can also say that section 2 of the Sherman Act gives to the Department of Justice power to bring suit if it thinks there is a monopoly.

Mr. HOLLAND. Section 2 of the Capper-Volstead Act——

Mr. KEFAUVER. I ask the Senator to permit me to finish my statement. The fact is, as shown in at least the two cases mentioned, that when cooperatives have become very big, the Department of Justice under section 7 of the Clayton Act could have challenged any acquisitions they made if they thought they were getting too big, as was finally done in the Embassy Dairy case. But the Department of Justice also has the right, if the Department thinks they are getting too big, to bring a case under section 2 of the Sherman Act on the grounds of monopolization, as it did against the Aluminum Co. The fact that such action has not been taken seems to indicate that there will not be any proceeding against a cooperative even when it gets far above 50 percent or 70 percent of the production of a region. I do not know what else the Senator can ask. I do not think we ought to tell the American people, the people who allow cooperatives, that they are going to be permitted to grow to the point that they will drive all the little people out of business, hurt the customer, and hurt our American free enterprise system.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. AIKEN. I have one question. Did the Senator from Tennessee say that the Maryland-Virginia Milk Producers Association produces and sells 86 percent of the milk in this area?

Mr. KEFAUVER. No.

Mr. AIKEN. No, of course, not.

Mr. KEFAUVER. I say that the farmers produce that quantity.

Mr. AIKEN. They produce 86 percent of the milk produced in the area. They do not retail it.

Mr. KEFAUVER. That is what I thought I said.

Mr. AIKEN. They do not control 86 percent of the milk business in the city.

Mr. KEFAUVER. If I did not so say, I meant to say production.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. LAUSCHE. The Senator from Tennessee has read section 401, paragraph (b), and his interpretation of paragraph (b) is that it will allow combined cooperatives reaching an abnormal size to do those things which individual cooperatives may do by contract, agreement, or otherwise, although those acts normally would be subject to prosecution under the Sherman antitrust laws. If this section is adopted, the cooperatives will be immune from the law.

Mr. KEFAUVER. The Senator is correct.

Mr. LAUSCHE. The Senator takes the position that combinations may be made and they are immune from prosecution unless they take on attributes which presently are in violation of the Sherman antitrust law, and that if they begin to blacklist, boycott, or divide areas of marketing under existing law, they are subject to paragraph 2 under this amendment.

Mr. KEFAUVER. The Senator is correct.

Mr. LAUSCHE. I should like to ask the Senator from Florida if it is his understanding that the language and intent of subsection (b) contemplate allowing the cooperatives to blacklist, boycott, divide marketing areas, and fix prices. I should like to ask the chairman of the committee that question also, because there seems to be some divergence of view. I will not approve the granting of such privileges so far as my vote is concerned.

Mr. HOLLAND. Will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. HOLLAND. So far as the Senator from Florida is concerned, he does not think the proposed subsection (b) would grant any such power. I believe the chairman of the committee is of the same understanding. We were so assured by representatives of the Department of Justice, who sat with us when the bill was marked up. The only question they raised was with reference to section 401(c), which the able Senator from Tennessee has not yet discussed. That does not relate to this point, however.

Mr. LAUSCHE. The Senator from Tennessee points out that under subsection (b) there can be combinations of cooperatives, that combined cooperatives may do what one cooperative may do under existing law, and that under existing law one cooperative can blacklist and can divide the market and can boycott. How do we escape the force of the statement made by the Senator from Tennessee on that point?

Mr. KEFAUVER. The Senator from Florida said that what I said was not correct with reference to the limitation in subsection (b).

Mr. HOLLAND. All I can say is that the committee wanted to have assurance on this point from the Department of Justice. We did not have to ask for

it. The Department of Justice had not approached us. We sent for an expert from the Department of Justice to sit in with us and to advise us on this particular subsection of the proposed act. The expert from the Antitrust Division of the Department of Justice assured us that no such result would be accomplished and that, to the contrary, there was plenary power in the Department of Justice to prevent any of the things happening which seem to be feared by the Senator from Tennessee.

Mr. KEFAUVER. Was that statement made in open hearing?

Mr. HOLLAND. That statement was made during the executive markup of the bill. The attorney for the Department of Justice was present.

Mr. KEFAUVER. What was his name?

Mr. ELLENDER. Mr. Saunders.

Mr. KEFAUVER. What effect does the Senator think the opinion of someone in the Department of Justice will have on the Supreme Court, when there is no limiting language in the bill, and when the words of the bill are to the contrary? Does the Senator believe that the Supreme Court will take into consideration what an assistant to an Assistant Attorney General stated to the committee in executive session?

Mr. HOLLAND. We were not asking the able adviser from the Department of Justice, who is charged with the enforcement of this particular part of the law, to tell us what the Supreme Court was going to do in interpreting the law. We asked him to advise us as to what authority they had and whether or not that authority would be adversely affected by the proposed law. His statement to us was that subsection (b) occasioned them no concern at all; that they had ample authority. The thing that they were concerned with was subsection (c).

Mr. KEFAUVER. Why was this done in closed session? The Senator knows as well as all Senators know that what the courts will have to act upon is the language of subsection (b), not what some lawyer in the Department of Justice tells the committee in executive session.

Where is there any language in subsection (b) which would prevent a federation of cooperatives by agreement or by merger from blacklisting, dividing up markets, boycotting, and doing any of the things which are, per se, violations of the Sherman Act? Where is there any such language in the bill?

Mr. HOLLAND. The Senator from Florida believes that the debate so far shows rather ample addition to the record of the case as to what is intended by the committee. The Senator from Florida has said what we did to try to arrive at a proper interpretation of the law.

Mr. KEFAUVER. Where is that language in the bill? Will the Senator tell me where that language appears?

Mr. HOLLAND. I have not tried to tell the Senator where it is. Language does not all have to be included in a particular law. The expert from the Department of Justice told us that this particular subsection (b), which is a part of the President's program, gave them no concern; that they had ample power to deal with any combination of two cooperatives or more that could enter an illegal field.

Mr. KEFAUVER. Let me ask the Senator a question. The provision is short. I shall read it. You tell me where is the language that will deal with this problem:

(b) Two or more cooperative associations, as defined in the Agricultural Marketing Act of 1929, as amended, may act jointly in a federation of such cooperative associations, or through agencies in common, in performing those acts which farmers acting together in one such association may lawfully perform.

Mr. HOLLAND. So far as the Senator from Florida is concerned, he found no contrary language there. He was only discussing what existing law permitted, and whether or not the Department of Justice felt that this language interfered in any way. The statement of the Department of Justice representative to us was that under existing law there was no difficulty about this matter, and that the proposed language interposed no difficulty at all in that regard.

Mr. KEFAUVER. I think it would have been well to have a public hearing on a question like that, so that some of us who have other opinions might come to testify.

Mr. HOLLAND. I do not recall that the able Senator asked to be heard. I do not recall anyone asking to be heard on this subject. The chairman of the committee proceeded diligently for a great many weeks in trying to obtain a hearing for anyone who had any claim to a hearing. If the Senator from Tennessee had had any objections or any difficulty, he could have appeared. The section has been in the bill since it was introduced back in April. Apparently neither he, nor the Department of Justice, nor anyone else did any caviling against the subsection, because no one appeared to testify against it. To the contrary, when the committee inquired of the Department of Justice on this specific point, we were completely reassured.

Mr. KEFAUVER. I did not read anywhere that the representative of the Department of Justice was at the hearing.

Mr. HOLLAND. We asked him to appear. If the Senator had wanted to appear, in view of his skill in the monopoly field, it could have been arranged. This action was not taken under a shadow somewhere. This subsection was included in the bill as it came to both Houses. No one was caused any concern by it. When the committee sought to check the situation by having the Department of Justice itself advise us, we were advised as has already been stated.

I wish to make one further point. It is no answer to say that two or three or four cooperatives have a right to go to the Department of Justice to have a check made on their plans. In the first place, in this field the Department of Justice has the same kind of glassy eye that bankers have when they are asked for a loan.

In the next place, they have no skill or knowledge in the field of marketing of agricultural commodities. In the case of banks, no matter how long ago they were established, long before any authority over mergers was created, they now get an answer from the Comptroller of the Currency as to whether they can merge in a particular way. So cooperatives in the field of marketing agricultural goods would like also to have the right to appeal to an agency which knows something about their business, and which will understand them when they tell about their problems.

For all of his legislative life the Senator from Tennessee has been a known friend of the farmers and of the cooperatives, and of cooperative marketing. We must realize that the Department of Justice is not the friendly adviser, with knowledge of some of the operations that the cooperatives come to talk about, that the Department of Agriculture is found to be.

It is completely understandable that the same practice set up by section 2 of the Capper-Volstead Act should be slightly enlarged by this provision, and that is all this amounts to. Section 2 of the Capper-Volstead Act gives to the Secretary of Agriculture specific jurisdiction and power in this field, as the Senator knows. This section is but a slight enlargement, to allow the giving of repose to good people who want to move ahead and form an economical cooperative organization.

Mr. KEFAUVER. I believe the Senator from Florida does the Department of Justice some injustice. The Department of Justice representatives are fairminded. They try to look at things all the way around. They are trained in determining how much competition will be harmful, or whether it will be harmful to small competitors. I think the Senator from Florida does the Department of Justice, particularly, an injustice. This is true, especially, in view of the fact that, according to the record known to me, and according to Representative CELLER's letter, in preparation of which he apparently made inquiry, quite a number of cooperatives have submitted their cases to the Department of Justice, and the Department has given virtually every one of them clearance.

Mr. HOLLAND. Perhaps the difficulties they had before the Department of Justice are responsible in some measure for their desire to get before a friendly agency.

Mr. KEFAUVER. Why does the Senator from Florida think the Department would give the cooperatives a hard time, in view of the fact that every cooperative which has been screened by the Department of Justice has apparently been given a clean bill of health?

Mr. HOLLAND. The Senator from Florida does not know that to be true. He does not know how many stayed away from the Department of Justice. However, the Senator from Florida knows that in the case of banks, railroads, airlines, and other activities of many kinds,

special opportunities are provided for them to go before the people who understand their type of business, and to get from them a ruling as to whether or not the proposed merger is fair, lawful, and in the public interest.

Would the Senator from Tennessee continue that right to the farmers? It appears that the Senator is willing to have everybody else have the right to have his desire to merge passed upon by a friendly agency, one which knows something about his business, except in the case of farmers. How does the Senator justify that position?

Mr. KEFAUVER. We are talking about farm cooperatives which may become large enough to make a monopoly or to substantially lessen competition. In the other cases, or in most of the other cases, there are regulatory agencies which issue permits to start the business in the first instance. The regulatory agency sets the rates which are to be charged and establishes the place where the company is to do business. The agency regulates every other aspect in connection with the operation of that utility, as in the case of banks, railroads, and similar businesses.

However, the Department of Justice contends that in this case cooperatives are subject to the Sherman Act. Suits have been filed on that basis, challenging certain mergers of banks and railroads as being violative of the Sherman Act and the Clayton Act.

Mr. HOLLAND. To conclude my part of the colloquy—and I appreciate the courtesy and the graciousness of the Senator from Tennessee—I do not believe farmers will have any opportunity to get a sympathetic hearing from people who do not understand their problems. They will not gain the repose which comes from a favorable ruling from an agency which does understand the problems of farmers. Unless the farmers are given the chance to go before the Department of Agriculture to get that ruling, which amounts to nothing in the world but an assurance—a reposeful assurance—they will not be encouraged to merge. If their activity after that time trespasses the antitrust laws, section 2 of the Capper-Volstead Act, as the Senator knows, is applicable; and if the activities trespass that act, the Department of Justice is called upon to prosecute.

Mr. KEFAUVER. I think the Senator's argument would be more forceful if the Department of Agriculture had people trained with respect to proposed cooperative mergers.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. MILLER. I am concerned about the differences of opinion which have been honestly expressed here. Possibly one or two questions might help me, at least, to formulate a judgment on this problem. I should like to ask the Senator from Florida who is, I believe, very much concerned about small cooperatives, and particularly marketing cooperatives, whether those cooperatives would be amply protected in their proper growth if the amendment under consideration should prevail, taking out subsection (b), but allowing subsection (c) to remain.

Mr. HOLLAND. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield.

Mr. HOLLAND. I do not pose as an expert in this field. I know something about what has been done in Florida under the Cooperative Marketing Acts and also under the Marketing Order Acts; but I do not pretend to know the whole field. I think the two sections relate to entirely different matters.

I think section (b), which is a part of the President's program and is approved by the Department of Justice, applies to the doing jointly by two or more cooperatives of things that they wish to do together, and which are legal for them to do separately, without their giving up their separate identities as separate corporations or structures.

Subsection (c) is the one which relates to mergers. That would result, of course, in the giving up of separate corporate structures and would result in the unification of two or more businesses to become a single business, with a single overhead, and with the capacity to build, in our case, for instance, a much larger packinghouse, a much larger canning plant, or a much larger concentrating plant. That would not have been reasonable under the old situation, when transportation was poor in our State, and when the fresh-fruit business handled a great majority of the fruit. That is not the case now. Most of the fruit goes to the canneries of concentrators, which are much more expensive than the fresh-fruit packinghouses.

So I believe section (c) applies to an entirely different form of merger. I do not believe either section would do away with the antitrust laws. We have the assurance of the Department of Justice that section (b) would not. We know from section (c) that it does not, because it refers to and makes a part of itself old section 2 of the Capper-Volstead Act, which specifically deals with the subject of monopolies and combinations which become too powerful and which increase prices.

In case there is such a finding under a merger, the Department of Justice is called upon, under section 2 of the Capper-Volstead Act. However, the two sections apply to different phases of the growth cooperation of farmers in the cooperative marketing field. I think there is a field for the operation of each of these sections.

Mr. MILLER. That was my original interpretation. I detect that the Senator's interpretation of section (b) is that this section will preserve the autonomy of the independent cooperatives. However, I refer the Senator to page 78 of the report of the committee, which reads, in part:

> The federation or joint sales agency would be a formal, incorporated cooperative properly incorporated under a State cooperative law and having as members only bona fide cooperatives also so incorporated or producers of agricultural products.

So it seems to me that we will be superimposing another corporation or corporate entity on top of the independent cooperatives. I am wondering how much autonomy would be preserved as against the individual stock membership under merger, such as subsection (c) provides for.

If I may make another point, it seems to me that what is envisaged by the authors of the bill, when the word "federation" is used, is some new, superimposed cooperative organization on top of the smaller cooperatives.

Mr. HOLLAND. My understanding of that part of the report is that it is predicated upon a ruling of the Federal court in the case of Sunkist Growers, Inc. against Winckler & Smith Citrus Products Co., the citation of which appears just above the part of the report from which the Senator has read. That paragraph, which includes a reference to that decision, makes it clear that that decision casts doubt on the right of separate units, separate cooperative organizations, to confederate and to continue to do lawfully what they could do unilaterally, and that the language of the bill and the language of the President's opinion and the approval by the Department of Justice would do away with any such question as the one which might be created by the wording of the decision to which I have referred.

Mr. MILLER. But I call attention to the fact that this provision relates to a corporation. So a new corporation would be superimposed on the cooperatives. I suppose the control would be through stock ownership. I cannot see any difference between that situation and the situation which would be protected if subsection (c), relating to mergers, were to remain in the bill.

Mr. HOLLAND. Perhaps I can explain what is done in Florida, which I think is an answer to this question. The Florida Citrus Exchange is a central marketing agency. It is a separate corporation, under the Capper-Volstead Act. The members of that exchange are called subexchanges, and are themselves separate organizations under the Capper-Volstead Act. The members of the subexchanges are single associations operating packinghouses, canneries, or the like; and they are composed solely of growers. So the confederated type of activity ends in the marketing of the fruit, under marketing names and labels, and with the use of the marketing machinery that is supplied for the entire group, statewide, but without causing the lowest units or the intermediate units of either to lose their identity as separate corporate structures.

As I read this report, apparently the decision of the Federal court in the case referred threw doubt on the right of the agricultural cooperatives to continue to function under the protection of the Capper-Volstead Act under such a setup.

In that connection, I quote from the decision of the court in that case:

> We do not now understand (since the Milk Producers decision)—

And the whole trouble comes back to that decision—

that different agricultural cooperatives, combining together, are entitled to claim a total immunity for acts which they may lawfully do unilaterally, any more than individuals may claim for certain of their joint actions the same immunity under antitrust laws which would exist as to their several independent acts.

That is part of the court's decision.

And then the following language is to be found in the committee report:

This language—

That is to say, the language of the court decision to which I have just now referred—

seems to cast doubt on the right of two or more cooperatives to do through a corporate federation or incorporated joint sales agency all things which they may lawfully do unilaterally, without indicating possible areas of illegality.

It is for that reason that subsection (b) is in the bill.

Frankly, judging from the reports from Florida—and I have also received some from California—they do not know what their situation will be; and they have no feeling of repose that even their long-established business, functioning properly and, I think, helpfully to the growers in California and Arizona, in the one case, and to the growers in Florida in the other case, is lawfully set up, and whether it stands the test as set forth in the last word on this subject by the Federal court. I think they are entitled to have that repose, just as I think that cooperatives which wish to merge and thus lose their separate identities, and to have only a single identity, have a right to go to the proper agency and find out whether their program is approved, before they go to the expense of taking such action. Once they have done that, however, they are not free to do anything at all. If they violate the antitrust laws, they will be in trouble—as was the case in Florida and in California when an attempt was made to operate jointly, as I stated a while ago. But they will have knowledge that if they take action of the sort referred to in subsection (c), it will be legal. On the other hand, if they trespass against the antitrust laws, they will still be subject to prosecution.

Mr. MILLER. The Senator has quoted from the opinion of the court. It seems to me that that language of the decision is very important; I refer to the statement by the court:

We do not now understand * * * that different agricultural cooperatives, combining together, are entitled to claim a total immunity for acts which they may lawfully do unilaterally—

And so forth. Any more than individuals can say that they can combine together to do the same acts which they may do lawfully individually.

To me, this is powerful language; and it seems to me to support the statement, made by the Senator from Tennessee, that nothing in subsection (b), as it now stands, makes this clear.

As I understand, in that case the court said, in effect, "If you wish to combine, do not try to do everything that you can do as individuals, because if you do, you will run afoul of the antitrust laws."

The bill states, in effect, "Go ahead and combine, and do not worry about doing everything that you can do when you operate individually."

Do I correctly understand that that is the point the Senator from Tennessee is making?

Mr. KEFAUVER. Yes, it is.

Mr. MILLER. Then I invite the attention of the Senator from Florida to this express statement by the court; and I can anticipate a future decision using the same language, except in reverse—in other words, saying, "You are not in violation now, because although you did something that you can do individually, you have done something in combination which you could not do unless this provision was included in subsection (b) of the bill."

Mr. HOLLAND. Mr. President, if the Senator will yield again, if he will read the first part of the paragraph which mentions the style of the case, he will see that earlier in 1930 the Attorney General gave a ruling which apparently sustained the legality of the operation of such federations; and from that time forth they have been operating in that way, thinking they were on good, clear, safe ground; and they had no doubt about that until this statement was made by the court in the decision in the Sun-Kist Growers case; and here they have some repose, under language which would put them back under the prior decision.

The question is whether we are going to make their situation more difficult, or whether we are going to try to restore the ability of the cooperatives to serve their people, as they were able to do under the earlier decision.

Mr. MILLER. But I am quite sure that the Senator from Florida does not wish to open the doors for any abuses of the kind referred to by the Senator from Tennessee, who said that in his opinion such abuses would occur under this provision of the bill. I wish there were some way to amend this part of the bill so as to make clear that such abuses are not involved.

But, as of now, I am concerned that the language of subsection (b) is, let us say, a little loose; and I wish it were possible to nail it down.

Mr. KEFAUVER. No, Mr. President, the language is not loose. It is a plain, unequivocal, complete exemption from the antitrust laws, if two or more cooperatives act jointly, through a contract or in any other way. There is nothing uncertain about that provision; it plainly gives them the right to boycott, blacklist, divide markets, and so forth.

There has been much talk about small marketing cooperatives. But this involves more than marketing cooperatives, because it will be noticed that subsection (b) changes the definition of cooperatives to that set forth in the Agricultural Marketing Act of 1929.

It also provides for cooperatives that purchase farm machinery, fertilizer, and everything else that may be used on the farm. It provides for service cooperatives. So the power here is not only in the complete exemption from the antitrust laws, but also in greatly broadening the kind of cooperatives that encompass marketing, processing, producing, servicing, and purchasing. Such cooperatives could drive of out of business a little servicing cooperative or a small businessman trying to compete for machinery, through blacklisting in the selling of machinery. Another cooperative that was trying to sell fertilizer could be blacklisted. The extent to which such a cooperative could destroy any little or medium-sized organization is contained in the wide definition of the term "cooperative" and its complete exemption from the antitrust laws.

Mr. MILLER. I thank the Senator.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. LONG of Louisiana. The Senator recognizes that, under the Capper-Volstead law, there is no limit fixed as to how big a cooperative may become. In other words, there is nothing in the law to prohibit every farmer in America from joining a single cooperative.

Mr. CASE of South Dakota. There is a limitation.

Mr. LONG of Louisiana. There is no limitation other than, that if the price should become unduly enhanced, the Secretary of Agriculture has the power to order divestiture or to order the price reduced to that which he thinks is correct.

Mr. KEFAUVER. I defer to the Senator from South Dakota on that question.

Mr. CASE of South Dakota. I thought there was a limitation in the Capper-Volstead Act that the association shall not deal in products of nonmembers in a volume greater than that of members.

Mr. LONG of Louisiana. If all the farmers were members of a cooperative, that limitation certainly would not affect them.

Mr. AIKEN. Mr. President, if the Senator will yield, the law means that not more than 50 percent of the business of a cooperative can be for nonmembers.

Mr. LONG of Louisiana. The point I had in mind is that there is no limitation as to how many farmers may be included in a single cooperative. The only limitation relates, not to concentration, which we seek to avoid for corporations under the Sherman Act; the limitation relates to the reasonableness of price. That is the law as it stands, and that is the law as it has been since 1922. The Capper-Volstead Act, and the intention of the Congress since 1922, a period of almost 40 years, has been one that seeks to encourage farmers to organize without any fear whatever, insofar as concentration is concerned, of the degree to which farmers may broaden and widen their cooperatives. So the only limitation relates to the abuse of that power, and the Secretary of Agriculture is given the power to act in that case.

That provision would perhaps be regarded as being favorable to the farmers, in that ordinarily the Secretary of Agriculture would be one who would be regarded as perhaps more sympathetic to the farmers than to others. But since 1922 there has been no limitation on the degree or size of farm cooperatives. In fact, the whole policy, as stated by Congress itself, as it is now the law, and as it is proposed to be the law for the future, is that we shall encourage farmers to organize in cooperatives, and to expand the size of their cooperatives, in an effort to provide for themselves better prices and better marketing arrangements. The limitation does not relate to any disapproval of the degree or size of the cooperatives. In fact, the whole congressional purpose is stated to be to encourage cooperatives to expand and be greater.

So I submit what the Senator is talking about is something on which the Attorney General, speaking in terms of joint action, gave an opinion as being the law of the United States. That opinion apparently has been questioned somewhat; but, certainly, if we encourage the cooperatives to expand their functions, we hardly say something that is contrary today by encouraging them to do what they could otherwise do only by joining together in one cooperative.

Mr. McNAMARA. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. McNAMARA. I am not sure that I understand the argument. Am I correct in assuming that the Senator would apply the antitrust laws to nonprofit groups under certain conditions?

Mr. KEFAUVER. They are applied today.

Mr. McNAMARA. I am not aware that they are applied today. Will the Senator tell me how they are?

Mr. KEFAUVER. The Sherman and Clayton Acts are applied today.

Mr. McNAMARA. To nonprofit organizations?

Mr. KEFAUVER. Yes.

Mr. McNAMARA. It would help my thinking if the Senator could cite some examples.

Mr. KEFAUVER. Where two or more cooperatives enter into an agreement in restraint of trade, to boycott, blacklist, and so forth, they are subject to the Sherman Act today. Presumably, if one cooperative has 86 percent of the market in a producing area and wants to join with another cooperative that has practically the rest of it, they could be prevented, by section 7 of the Clayton Act, from doing so.

Mr. McNAMARA. Is the California fruit growers organization, about which we have been talking so much, a nonprofit organization? Does it operate under a nonprofit arrangement?

Mr. KEFAUVER. It operates under a cooperative which makes a profit for the farmers.

Mr. McNAMARA. I wanted to understand the situation. If the amendment offered by the Senator is to apply the antitrust laws to nonprofit organizations, I would be automatically opposed to it. I wanted that understood.

Mr. KEFAUVER. My amendment is not to apply the antitrust laws to nonprofit organizations or to cooperatives. My amendment proposes to keep the law as it is today, which is that when such cooperatives attain such power that they abuse that power so as to violate the antitrust laws, there should be some remedy. We are not talking about something small, such as a little farm association in the State of the Senator from Florida. We are talking about something that goes into processing, making cans, filling the cans, filling crates, squeezing juice from oranges, and freezing it. We are also talking about purchasing cooperatives that purchase farm machinery or fertilizer for all their members. We are talking about big business. We are also talking about service cooperatives.

It is a $15-billion-a-year business.

Mr. McNAMARA. In my State there are profit organizations processing grapes into grapejuice. Welch's has a big plant that processes grapes into grapejuice. It is not a cooperative, and it should be subject, as I understand, to the antitrust laws.

Mr. KEFAUVER. It is.

Mr. McNAMARA. But if there is a group of farmers operating a processing plant, I do not think it should be subject to those laws, because it is a nonprofit group. I make that very definite distinction.

Mr. KEFAUVER. I make that distinction, too. There is a group of farmers operating a cooperative, and they can do anything they want to do in practice.

They can decide to whom they wish to sell. They can refuse to sell to somebody else. They can determine in which market they wish to sell. One cooperative can do a hundred things which would be a violation of the Sherman Act if four or five of them got together and made an agreement to act jointly. It is the making of the agreement to act jointly which brings about a violation of the law.

Let us consider the two big citrus farm cooperatives. One controls 70 percent of the market in California. I do not know know how much the one in Florida controls. Suppose those two organizations got together to decide from whom they would buy oranges, where they would sell them, what canners they would use, what distribution points they would have, what ships they would employ, what railroads they would use, and whether they would buy from independents or not. They would have virtually the power of life and death over a sizable segment of our agricultural economy.

Mr. McNAMARA. But they use that power of life and death for the benefit of their members, who are the farmers, the growers, ultimately.

Mr. KEFAUVER. If they do that and do not violate the antitrust laws, it is well and good.

Mr. McNAMARA. I do not want to have the antitrust laws apply under those circumstances, so a violation would not enter into it.

Mr. KEFAUVER. I do not see why the Senator would wish to make it possible for the organization, as a business entity, to squeeze the little fellow out of business, or to blackmail him, or to decide whom he shall buy from.

Mr. McNAMARA. I think there should be laws against those practices, but I do not think they should be as vicious as the antitrust laws could be, in application.

Mr. KEFAUVER. All we are trying to do is to provide for protection under the antitrust laws.

Mr. McNAMARA. The Senator is trying to apply the antitrust laws, not merely to provide against improper and immoral practices.

Mr. KEFAUVER. The antitrust laws are not vicious. They are pretty lenient, in fact.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to my friend from Pennsylvania.

Mr. CLARK. Is it not the opinion of the Senator from Tennessee that subsection 401(c) would make legal activities which are illegal and are not in the public interest?

Mr. KEFAUVER. Unquestionably.

Mr. CLARK. I thank the Senator.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to the Senator from Rhode Island.

Mr. PASTORE. I should like to add a rejoinder to the question asked by my good friend from Pennsylvania.

Do I correctly understand that my friend from Florida has interpreted subsection 401(b) as not to exclude the application of the antitrust laws?

Mr. HOLLAND. It would not exclude the application of the antitrust laws.

Mr. PASTORE. I have been listening to the debate for some time. I gather the Senator from Tennessee is saying that subsection 401(b) would exclude the application of the antitrust laws and the Senator from Florida, who is a Member of the committee, says it would not, because the Justice Department has not challenged it.

Mr. HOLLAND. Because the Justice Department assures us it does not interfere.

Mr. PASTORE. Then why do we not say so in plain English? It strikes me that we can solve the problem very easily. If the Senator from Tennessee takes the position that we are excluding the application of the antitrust laws by agreeing to subsection 401(b) and if the understanding of the committee is that we do not intend to exclude such application, why do we not say so and get on with our work? We have been talking about this problem for an hour and a half. We have been arguing back and forth. It strikes me that the issue is very simple. If the Senator from Tennessee would like to have the antitrust laws apply—and I say that they should—and if the committee wishes to have the antitrust laws apply and says there is no intention not to have them apply, then why not say so in plain English and move forward with the measure?

Mr. KEFAUVER. I should be happy to have the language:

Provided, however, It does not violate the Sherman or Clayton Antitrust Act.

Mr. PASTORE. I do not see why the committee cannot accept that amendment. The history in regard to the proposed legislation is very confusing. The Supreme Court, in determining what is the intent of the Congress, will find that there are here two schools of thought. Does it exclude application of the antitrust laws? One says it does, and the other says it does not. That will leave it up to the Supreme Court to come to its own conclusion. I say that all we need to do is to have a very simple amendment providing, "except, however, that the antitrust laws shall apply."

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. KEFAUVER. I shall be happy to accept that amendment.

Mr. PASTORE. Then we can get on with our work.

Mr. KEFAUVER. We can get on with our work immediately. If the chairman of the committee and the proponents will accept that amendment, I shall be glad to yield the floor.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. PASTORE. What does the chairman of the committee say to that proposal? Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to the Senator from Rhode Island.

Mr. PASTORE. Will the Senator yield so that I may direct a question to the manager of the bill?

Mr. ELLENDER. Mr. President, I would prefer to consult with members of the committee. I would rather not take a specific position at this time.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. HOLLAND. The request of the Senator goes much too far. The Capper-Volstead Act itself is designed to hold, as it does hold, that a combination of growers to market their own products jointly, even though that does operate to give them economic advantages, is not a violation of the antitrust laws.

Mr. PASTORE. That comes under subsection 401(c). I am talking about subsection 401(b).

Mr. HOLLAND. I am talking about subsection 401(b) also. The Senator from Louisiana suggested to me that if the things which are worrying the Senator from Tennessee are all that are involved, we could provide for those. I think the Senator has mentioned three. He mentioned blacklisting. What were the others?

Mr. KEFAUVER. Boycotting. Dividing territories.

Mr. HOLLAND. I think those were the three. If those are what are worrying the Senator, so far as the Senator from Florida is concerned—and he is the only one whose conscience he has consulted—he is perfectly willing to have a recital that the law should not permit blacklisting, boycotting, or a division of territories.

Mr. KEFAUVER. Or the creating of monopolies?

Mr. HOLLAND. The Senator from Rhode Island suggests that we should restore the operation of all antitrust laws; and the Capper-Volstead Act, of course, would be wiped out if the suggestion is accepted.

Mr. PASTORE. No. I would go so far as to say that "two or more cooperative associations, subject to the provisions of the Sherman Act and the Capper-Volstead Act, as defined," and then go on from there. I would include both.

Mr. KEFAUVER. Include all of them.

Mr. PASTORE. That would give all the protection needed, and would serve the public interest.

Mr. LONG of Louisiana. Mr. President, will the Senator yield? I should like to shed some light on this subject.

Mr. KEFAUVER. The suggestion of the Senator from Rhode Island is entirely satisfactory to me provided that there is not a violation of the Sherman Act, of the Clayton Act, or of the Capper-Volstead Act, whichever may be applicable.

Mr. PASTORE. Either one. We could not rivet it down better than that.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. KEFAUVER. Does the Senator wish to have the Senator from Rhode Island yield?

Mr. LONG of Louisiana. The Senator from Tennessee has the floor.

Mr. KEFAUVER. I thought the Senator wished to engage in colloquy with the Senator from Rhode Island. I yield to the Senator.

Mr. LONG of Louisiana. I should like to have the Senator from Rhode Island hear what I say, because it relates to the problem.

There are certain cooperatives which are placed in a doubtful situation as a result of the Sunkist decision, as well as others. An example of that is the Land O Lakes federation, in Wisconsin and that area, where a number of cooperatives work together to market a product. These might be ruled to be in violation of the Sherman Act. Certainly they could be so ruled to be in violation minus the Capper-Volstead Act. While the act gives them the right to organize cooperatives, to market their product, and to have facilities to process their product, the act does not specifically state that they have the right to act together as a federation of cooperatives in doing the same thing.

A single cooperative which included all these members could clearly do so under the Capper-Volstead Act. The Attorney General of the United States ruled many years ago that in his opinion a number of cooperatives could federate to do what this particular cooperative has been doing for many years. That was regarded as the law for a long period of time. As I understand the situation, that is somewhat in doubt today.

No one who is interested in the farmer is going to accept any amendment which would provide that the farm cooperatives are subject to the Sherman Antitrust Act, because the moment the farmers get together to try to maintain the price of their product, or to try to act collectively to get a better price for their product than they would get if 4 million farmers were each competing against the others for a sale, they will be in violation of the Sherman Act as being a combination in restraint of trade.

Mr. PASTORE. Therefore the Senator is arguing that subsection 401(b) does exclude the application of the Sherman Act. That is not the position the committee is taking. The committee tells us that a representative of the Justive Department assures them the Department is not troubled about this because there is no intent to repeal the antitrust laws.

I believe we should be told whether we intend to have the antitrust law apply or not. If we do not intend to do so, it would be simple to say so in the law. That is the only point that the Senator from Tennessee is making.

Mr. LONG of Louisiana. I am not quite through. What I am trying to say to the Senator is that today the law is in doubt. The committee seeks to make it clear that a number of farm cooperatives may act together as the Land O Lakes federation of cooperatives is doing now. We see the name Land O Lakes on butter and other products in the District. In merchandising a product, a number of cooperatives act together jointly as a federation of cooperatives to merchandise a product that the farmers are producing. These are farmers working together as farmers. They would be in violation of the law if we did not have the Capper-Volstead Act. But there is still some question as to whether a group of cooperatives acting together as a federation might be in violation of the law.

Cooperatives are not interested in a law that provides that someone could be blacklisted or boycotted. That is not what they are seeking. They are seeking the right to act together in merchandising their product and in processing their product. Such action is what they are seeking.

If the particular section is amended to provide that the provision in no way would affect any activity in conflict with the old Sherman Act, then we would be right back in the situation of inviting the same kind of decision that we had against labor in the Danbury Hatters case in Connecticut, in which case the Supreme Court ruled that when a group of laboring men walked out on strike in a hat factory they were acting in combination in restraint of trade.

The law intended to break up the Standard Oil Co. must then apply to a group of laborers who walk out in an endeavor to get a decent living wage.

Under the Capper-Volstead Act the same principle is intended to apply to farmers, providing that they can work together in merchandising their product, or that a group of them can work together as a federation of farmers in a number of cooperatives in merchandising their product. That is what paragraph (b) seeks to authorize.

What we confront in section (c) is the question whether farmers are to be permitted to purchase existing facilities for the processing of their product. For example, the law is very clear that farmers in this district or anywhere else can buy for themselves a dairy and process their product, but the Supreme Court has declared that such people cannot buy an existing dairy.

So while we have two companies, the National Dairy Products and one other company, which during the last 30 years have proceeded to acquire 1,100 independent dairies by purchase, the law is such that a farm cooperative that has a substantial portion of the production of milk in an area cannot buy a dairy, even though the large companies—National Dairy Products, Borden's, Beatrice, and Foremost—acquired 1,100 such dairies during the last 30 years.

What is the real objection to that action? It has nothing to do with boycotting or blacklisting. It has to do with the big concerns in the business not wanting competition, because they know competition would result in a narrowing of the price between the point at which the farmer sells the commodity and the point at which the housewife gets it. That is where the big profit is, and the farmer is anxious to see a higher percentage of the food dollar go to the producer. By getting into the processing business, he can somewhat narrow the price margin on the part of the operator who is getting the big end of the profit today, who happens to be the processor.

If the Senator will prepare an amendment that would provide that the bill would not authorize boycotting, blacklisting, or an agreement to share markets, as far as this Senator is concerned, he would have no objection to such an amendment and would be willing to vote for it.

If we seek to say that farmers cannot buy a dairy or some other facility, such as a grain silo or a facility to clean or to process fruits and vegetables, we would be going too far, because farmers should have that right. Such action is what the big concerns are most afraid of. They are afraid that they are going to get some competition from the farm cooperatives, and will have to narrow the margin between the point at which the farmer sells the product and the point at which the housewife obtains it.

Mr. MANSFIELD. Mr. President, after consultation with the distinguished senior Senator from Tennessee, the proposer of the amendment, the distinguished chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER], and the distinguished Senator from Florida [Mr. HOLLAND], who has been handling this particular aspect of the bill, I propose a unanimous-consent agreement that a vote be held at 6:30 on the pending amendment, and that in the meantime the time be equally divided.

Mr. CASE of South Dakota. Mr. President, reserving the right to object——

Mr. MANSFIELD. It is intended to keep the Senate in session until 8 or 9 o'clock tonight.

Mr. CASE of South Dakota. Merely for clarification, I wish to know whether the pending amendment relates to paragraph (b) or to both paragraphs (b) and (c).

Mr. MANSFIELD. Paragraph (b).

Mr. CASE of South Dakota. Paragraph (b).

Mr. KEFAUVER. The amendment relates only to paragraph subsection (b).

Mr. President, reserving the right to object, it will take me 35 or 40 minutes to finish my talk, and even longer if I am asked to yield. I am anxious to yield whenever I am asked to. Cannot a vote be had in the morning?

Mr. MANSFIELD. No, because we have gone along pretty well now. Many Senators have remained in the Chamber. I think it would be a discourtesy to break the debate off now. How about a vote at a quarter to 7, with 40 minutes of the remaining time before that hour allocated to the Senator from Tennessee, and the yeas and nays immediately upon conclusion?

Mr. KEFAUVER. Several suggestions have been offered with respect to an amendment.

I do not know whether an appropriate amendment or substitute, which might alleviate a great deal of the discussion, can be agreed upon.

Mr. MANSFIELD. We could abrogate any unanimous-consent agreement if such a substitute were offered. But in this way we could give some assurance to Senators that a yea-and-nay vote would be taken at a quarter to 7, and the Senator from Tennessee, who has been on his feet for several hours, would have an additional 40 minutes to explain his position on paragraph (b).

Mr. KEFAUVER. I shall not object.

Mr. JAVITS. Mr. President, reserving the right to object, may we know the intention of the leadership in respect to the bill and the other amendment offered by the Senator from Tennessee, upon which I understand that he also desires the yeas and nays?

Mr. MANSFIELD. The agreement refers only to the one amendment offered by the Senator from Tennessee. The Senate will be in session until 8 or 9 o'clock this evening. I am trying to arrive at a unanimous-consent agreement whereby a vote can be had at quarter to 7, and then the Senate can take up the second amendment relating to paragraph (c), which the Senator from Tennessee will offer, and ask for the yeas and nays, so that Senators will be on notice. By such action we would thereby get on with the bill.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. I should like to ask the Senator from Tennessee whether it is his intention to seek the yeas and nays on section (c) as well?

Mr. KEFAUVER. Such will be my intention.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. KEFAUVER. Mr. President, I further suggest that any legislation which would permit existing cooperative associations and private corporations to join together, either by acting in concert or by merger, will tend radically toward monopoly, and is as inappropriate now as it was then. Common action by cooperative associations in concert with private corporations, achieved through merger or acquisition, is inexcusable.

There would be no remedy with respect to service and producing cooperatives under the section of the Capper-Volstead Act.

With respect to producer cooperatives engaged in marketing their products, only section 2 of the Capper-Volstead Act would apply. Any remedy against restraints of trade and monopolization under section 2 could be applied only when the Secretary of Agriculture believes and determines that the price of the agricultural product has been unduly enhanced by reason of the restraint of trade or monopolization. Such a remedy is almost wholly ineffective since the monopoly may not result in an immediate undue enhancement of the prices of the product, as was the situation in the Virginia milk case.

It would be practically impossible to prove that a subsequent enhancement was the direct result of the restraint of trade or monopolization. In fact, monopolists frequently hold prices abnormally low for a period of time. When prices are eventually increased to an unduly high level, it is indeed difficult to prove that such enhancement is the direct result of the creation of the monopoly.

Moreover, the effect of sections 401 (b) and (c) would be completely to remove jurisdiction over anticompetitive and monopolistic practices by cooperatives from the Department of Justice. On the basis of the legislative history, I cannot agree with the statement in the current report of the Senate Committee on Agriculture that it was generally thought, at the time of passage, that the Capper-Volstead Act gave exclusive jurisdiction with respect to antitrust violations by farmer cooperatives to the Secretary of Agriculture. I cannot agree that producer cooperatives were intended to be removed from application of the antitrust laws, except in the precise manner and instances set forth in section 1 of the Capper-Volstead Act. Some Members of Congress subscribed to such views, but many, many others took the opposite view.

I am hard pressed to understand, Mr. President, why the mere fact that a business enterprise is organized in the form of a cooperative—rather than a corporation, partnership or what have you—justifies exempting it from the same responsibility to refrain from anticompetitive acts required of all other forms of business organizations.

Let me point out, in detail, how subsections 401 (b) and (c) operate to completely nullify the antitrust laws as they apply to farmer cooperatives.

As I have previously pointed out, section 401(b) provides that two or more cooperative associations, as defined in the Agricultural Marketing Act of 1929 and not as defined in the Clayton Act, may act jointly in a federation of such cooperative associations, or through agencies in common, in performing those acts which farmers, acting together in one such association, may lawfully perform. This power is conferred upon not only producer cooperatives but also purchasing and service cooperatives.

Thus, the great body of antitrust laws with respect to what two or more individuals or corporations can do acting in concert is nullified by this section with respect to farm co-ops. The Capper-Volstead Act limited such joint actions in restraint of trade or monopolizing to certain express purposes and express instances, and then, only with respect to marketing by producer cooperatives. Section 401(b) will nullify any violation of the antitrust laws resulting from joint actions in restraint of trade or in monopolization when done by farmer associations of any kind, if one association could legally do that which is being done jointly. Thus, farmer cooperatives, under this bill, would be free to conspire to divide markets and customers, blacklist and boycott third persons and otherwise restrain trade.

The present committee report seems to attach great significance to the fact that the federation or joint sales agency of two or more cooperatives would be a formally incorporated cooperative under a State cooperative law; would have as members only bona fide cooperatives also so incorporated; and that their power would be limited by State statute. But, this gives no assurance with respect to violation of the Federal antitrust laws.

This bill, in my opinion, grants complete exemption from the Federal antitrust laws to marketing, purchasing, and service cooperative federations. Since such complete exemption is conferred on federations which engage in purchasing or service operations, and section 2 of the Capper-Volstead Act applies only to producer associations in marketing, or two or more such associations having a common marketing agency, this bill, if passed in its present form, will furnish no remedy with respect to restraints of trade or monopolization by purchasing or service farmer cooperatives or federations of such cooperatives.

If it were necessary to wait 6 months, a year, or a longer time after the merging has taken place before the Secretary of Agriculture can bring any action or make any order or divestiture under his power with regard to marketing cooperatives, the eggs would be so scrambled it would be impossible to unscramble them. We have that situation with respect to corporations, and it would be even more difficult with cooperatives. How would the Secretary of Agriculture be able to tell one group of people, "You will belong to this cooperative," and another group, "You must belong to another one"? It would be impracticable.

Moreover, blacklisting and boycotting practices, made legal under this section, could well have substantial anticompetitive effects without having any direct impact on prices whatsoever.

Section 401(c) goes much further than section 401(b) with respect to farmer cooperatives as defined in the Capper-Volstead Act. It also increases the rights of such associations and federations of such associations. It gives to such associations and federations, in addition to the rights provided in section 401(b) and elsewhere in the laws, the power to acquire all or any part of the assets, stock or other share capital of any other such association, or any other corporation engaged in the same or related kind of commerce, and to merge and consolidate with any other such association or any other corporation. Thus, such associations and federations may not only acquire or merge with other farm cooperatives, but with private corporations as well.

The only curb on such actions provided in section 401(c) is the application of section 2 of the Capper-Volstead Act to such acquisitions or mergers. As the current report of the Senate committee clearly states, this would remove such acquisitions and mergers from the application of both the Sherman Act and section 7 of the Clayton Act, even though they clearly violate these laws. The only remedy would be a proceeding by the Secretary of Agriculture under section 2 of the Capper-Volstead Act, and only then if the Secretary can prove that the price of the product involved had been unduly enhanced by reason of the acquisition or merger.

My opposition to this situation is directed to the weakness of the proposed bill. I assure you, Mr. President, that I have the fullest confidence in our excellent Secretary of Agriculture, Mr. Orville Freeman, to administer wisely and properly any authority conferred on him by Congress.

Furthermore, the criteria which he would have to enforce do not protect the public. Moreover, there is substantial doubt that section 401(c) would permit the Secretary of Agriculture to take any kind of remedial action whatsoever against mergers of cooperative federations which unduly enhance prices by restraining or monopolizing trade. Section 401(c) states that federations may merge, "subject to the terms, limitations, and procedures set forth in section 2" of the Capper-Volstead Act. But, section 2 of the Capper-Volstead Act expressly applies only to cooperative associations, and not to federations of such associations. Thus, if two federations of cooperative associations merge and, by virtue of the merger, obtain a 100-percent monopoly over a given product, the courts may well construe section 401(c) to give no remedial powers to the Secretary. Since this section also removes such mergers from the jurisdiction of the Department of Justice and the Federal Trade Commission, the net result would be that no branch of the Government would have authority to block such a merger.

The current Senate report, in commenting on section 401(c), says that—

> The mere acquisition, merger, or consolidation will not be subject to the test contained in section 7 of the Clayton Act or to the Sherman Act prohibitions.

It also states that—

> The amendment would not deprive the Department of Justice of any jurisdiction which it now has to move against activities of any cooperative, other than the act of acquisition, merger or consolidation, which are otherwise in violation of the antitrust laws.

I cannot agree with this last conclusion because section 401(b) has, in my opinion, almost completely nullified the antitrust laws and the jurisdiction of the Department of Justice and the Federal Trade Commission with respect not only to producer co-ops engaged in marketing, but also purchasing and service cooperatives.

Thus, I must conclude that sections 401 (b) and (c) result in complete immunity from the antitrust laws for farmer cooperatives. Neither the Sherman Act, section 7 of the Clayton Act, nor the Federal Trade Commission Act would have any application; nor could they be enforced by the Department of Justice or the Federal Trade Commission. The only remedy would be a cease and desist order or an order of divestiture by the Secretary of Agriculture based upon the ability of the Secretary to prove that there has been an unduly enhanced price of the product as a direct result of the antitrust violation. With respect to acquisitions and mergers, whether it be of other cooperatives or private corporations, 100 percent monopolization of the market would be possible. Unless it could be proven that there was an undue enhancement of prices as a direct result of the monopoly, the law would be without a remedy.

Let us consider some of the results made possible by the bill, and to which the bill could well lead.

Consider the following example: Suppose the Sunkist Growers, Inc., a farmer cooperative association with tremendous influence in the California citrus fruit market, were to merge with the Florida Citrus Growers Exchange, a farmer cooperative with great influence in the Florida citrus fruit market, and with other Florida citrus fruit cooperatives. The newly formed cooperative then proceeds to acquire or merge with all the major canners and processors of citrus fruit in the country. It acquires the major distributing agencies in New York, Chicago, Los Angeles, and all the other major cities in our country. Finally, it buys out the ships, tank cars, and trucks specially designed for the transportation and refrigeration of fruit and fruit juice.

Each of the steps I have described would have a devastating effect on competition in citrus fruit and juices. Their net effect would be an octopus-like monopoly controlling the citrus fruit industry; a monopoly of unheard-of power. Such a cooperative trust would have absolute control over the production, transportation, distribution, and sale of citrus products. It would have absolute power over the output and price of such products. It would have the power to say who would be

permitted to deal in those products at each level of the distribution system from grower to consumer.

Each step I have outlined, taken together or separately, would be a patent violation of the antitrust laws. This would be true without question.

However, each and every step I have outlined would, if section 401(c) is enacted into law, be in and of itself legal, irrespective of the antitrust laws. I submit that this is a preposterous situation to specifically permit by legislation, under the subtle guise of protecting farmer cooperatives.

We do not need to use hypothetical cases, however, to convince ourselves that farm cooperatives, like all other forms of business associations, are run for the profit of the members and, as such, are subject to abuses of power. The case of Maryland and Virginia Milk Producers Association against United States, decided only last year by the Supreme Court, is a classic case in point.

There, the Maryland and Virginia Milk Producers Association, a cooperative association of about 2,000 dairy farmers, controlled 86 percent of the sales of milk in the District of Columbia area. It acquired Embassy Dairy and thereby achieved control over 95 percent of the sales of milk in the Metropolitan Washington area.

This was a fantastic concentration of economic power, and it was decisively struck down by the Supreme Court in a unanimous opinion. The Court said:

> We believe it is reasonably clear from the very language of the Capper-Volstead Act, as it was in section 6 of the Clayton Act, that the general philosophy of both was simply that individual farmers should be given, through agricultural cooperatives acting as entities, the same unified competitive advantage—and responsibility—available to businessmen acting through corporations as entities. * * * [The House report on the Capper-Volstead Act] * * * does not suggest a congressional desire to vest cooperatives with unrestricted power to restrain trade or to achieve monopoly by preying on independent producers, processors, or dealers intent on carrying on their own businesses in their own legitimate way.

If section 401 is passed, however, such a concentration will be completely permissible. Indeed, there will be nothing to stop an association such as the Maryland and Virginia Milk Producers Association from extending its monopoly control of milk sales into every city on the eastern seaboard—or in the entire country, for that matter.

The Milk Producers case is illustrative of another point. It will be contended by some persons, I am sure, that the bill now under consideration will aid the individual farmer. Before the acquisition of Embassy by the Milk Producers Association, there were 120 independent farmers selling their milk to Embassy. These farmers had chosen to remain independent. After the acquisition, they were foreclosed from selling to Embassy and, since the newly expanded cooperative controlled practically the entire Washington market, they were forced to either ship their product to Baltimore, where the association was not in control, or give up their independence. Of course, if the Baltimore market had also been controlled by the Milk Producers Association, these 120 farmers would have had no choice but to give up their independence or go out of business.

Cooperatives, after all, are not altruistic institutions—and should not be. The Milk Association case is instructive on this point. Why did the Milk Producers Assocation acquire Embassy? The answer is to be found in a memorandum of the association, written by its general manager and quoted by the district court. The reason was that Embassy was, in the association's view, "a disturbing influence which had been a thorn in the side of the association for many years." The association pulled out this thorn in precisely the same way as would a corporate monopolist—by buying up its competitor.

Mr. LONG of Louisiana. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I will yield, but I am speaking on limited time.

Mr. ELLENDER. Mr. President, I yield to the Senator from Tennessee such time as he may require.

Mr. LONG of Louisiana. Does not the Senator recognize that in the Capper-Volstead Act, to which he is referring, the procedure is spelled out under which the Secretary of Agriculture is to act and issue cease-and-desist orders and require that the price be reduced, in the event that a farm cooperative unduly increases the price of the product?

Mr. KEFAUVER. Yes; I have been telling about that all afternoon; but there was no immediate price increase when the Embassy Dairy was acquired.

Mr. LONG of Louisiana. Since there is adequate authority in the law for the Secretary to protect the public from any undue increase in price, would the Senator concede that the kind of situation which he describes, where a cooperative could conceivably monopolize the business, would nevertheless leave the public protected against undue price increases?

Mr. KEFAUVER. If the Secretary proved that as a result of the merger and the monopoly, there was undue enhancement of the price, he would have a right to go through the procedure of issuing a cease and desist order, holding a hearing, and so forth.

Mr. LONG of Louisiana. Not only would he have the right; he would have the duty.

Mr. KEFAUVER. Yes. But I do not think there has ever been one.

Mr. LONG of Louisiana. Is that not a good thing?

Mr. KEFAUVER. But the trouble is that this right under section 2 of the Capper-Volstead Act does not apply, in my opinion, to subsection (b). In the first place, the Capper-Volstead Act does not apply to servicing or purchasing cooperatives, because it applies only to marketing cooperatives. In the second place, the Capper-Volstead Act applies only to a cooperative, not to a federation of cooperatives.

Mr. LONG of Louisiana. The Senator speaks of maintaining their independence. I assume he realizes that they cannot have it both ways—in other words, that we cannot encourage them to organize and also not to organize at the same time. Under the same analogy, I would assume that the Senator does not want workers to join labor unions——

Mr. KEFAUVER. Mr. President, the Senator from Louisiana knows me better than to think that I would make such a proposal; therefore, he should not indulge in such an insinuation. I am afraid he is letting this matter get under his skin a little.

Mr. LONG of Louisiana. I know the Senator does not favor right-to-work laws; but I suggest——

Mr. KEFAUVER. Certainly in this connection the Senator should not indulge in personalities which might be considered a reflection.

Mr. LONG of Louisiana. Certainly I intended no reflection on the Senator. But I say in all seriousness that I do not see how we can very well have it both ways. We cannot very well enact a law designed to encourage farmers to organize, on the one hand, and at the same time encourage them not to organize. The purpose of the act is to encourage them to work together cooperatively.

Mr. KEFAUVER. At least they should be able to exercise that choice. If they wish to join cooperatives, they should have that right; and if they wish to remain independent, they should not be forced to join, nor to go all the way to Baltimore in order to sell their milk.

But I was merely reciting what the Supreme Court said.

So, Mr. President, my main argument is that, as this section is now written, I do not think there is any application of section 2 of the Capper-Volstead Act to it. It does not apply to two of the types of cooperatives which are allowed by this section to federate—servicing and purchasing cooperatives—and it does not apply to federations; and this section deals with federations.

At any rate, finally, the loophole opened in the antitrust laws by section 401 would be large enough for groups other than farmer cooperatives to pass through. Business groups, bearing no ideological attachment to the cooperative movement, could be—and undoubtedly would be—formed under the cloak of cooperative incorporation, in order to escape antitrust sanctions. Moreover, giant corporations could put great pressure on cooperatives to merge with them, thus bestowing on the cooperation the cooperative's kiss of antitrust immunity.

Mr. President, some may say that taking jurisdiction over farmer cooperatives away from the Department of Justice and the Federal Trade Commission and transferring it to the Secretary of Agriculture is analogous to the conferring of jurisdiction over certain regulated industries to various Government agencies. The well-conceived letter which Representative CELLER recently sent to Representative COOLEY, chairman of the House Agriculture Committee, makes clear the fallacy of this argument. Mr. CELLER said:

> I have been informed that certain cooperative spokesmen have represented that transferring authority to pass upon cooperative mergers and acquisitions to the Secretary of Agriculture is analogous to the jurisdiction

conferred upon various Government agencies charged with supervision of regulated industries. Such analogy overlooks several essential distinctions. First, in the regulated industries entry is controlled, terms and frequency of service are prescribed, and prices are subject to Government regulation. The marketing of agricultural products, however, is for the most part wholly free of Government regulation. The great mass of transactions in the marketing of agricultural products, on the part of cooperatives and noncooperative businesses alike, are subject to the basic policy of competition under the antitrust laws rather than to direct Government regulation. The second important distinction is that where Congress has given authority to administrative agencies to pass upon mergers and acquisitions by firms under their regulation, such legislation has applied the same standards to all persons engaged in the affected business and has placed all such persons under the same enforcement agency.

The Department of Agriculture reports in its April 1961 newsletter for farmer cooperatives that there has been a substantial merger trend among farmer cooperative associations in recent years. We all realize that many of these mergers improve efficiency, are beneficial, not only for farmers, but for the Nation as a whole, and should not be discouraged. Nothing in the existing antitrust laws does discourage mergers of farmer cooperatives, so long as they do not tend substantially to lessen competition or to create a monopoly.

I understand that quite a number of proposed mergers of cooperatives have been presented to the Antitrust Division of the Department of Justice, under its clearance program, and that none has been turned down. This does not indicate that there is any need for a law to exempt them. It does indicate that the only purpose of such a proposed law to exempt them is in anticipation that they will make agreements in restraint of trade, in violation of the Sherman Act, or that they are contemplating mergers which will substantially lessen competition and tend to create a monopoly, in violation of the Clayton Act.

But when a cooperative becomes as huge and powerful as was the Maryland and Virginia Milk Producers Association, any further mergers by such a cooperative are obviously going too far, are contrary to our competitive system of economy, and are contrary to the public welfare.

As the Milk Producers case and the Citrus Growers case—decided only last fall by the ninth circuit—clearly illus trate, cooperatives, like corporations or any other form of business organization, are capable of restraining free competition, and will, on occasion, do so. Whether a monopoly will be created or competition will be lessened in any sector of the economy, is not determined by the organization form of a business. Such formalisms are irrelevant.

The economic spirit of man is sometimes weak, and he will quest after great economic power—to the detriment of our free enterprise system, and, ultimately, to the detriment of the Nation as a whole. Whether such a man be the director of a corporation or the manager of a cooperative is of no importance. Nor is it relevant whether he sells steel, automobiles, milk, or any other commodity or service.

It is for the protection against aggrandizement of great economic power by a single, unfranchised individual or group of individuals that the antitrust laws are designed. The antitrust laws provide a buffer between our national economic welfare and the foibles of men. To exempt certain men from the proscriptions of these laws, because of the business form through which they choose to operate, is unsound. Monopoly, no matter what form of organization is used to perpetrate it, is a better weed in the garden of free competition. It must be checked and uprooted wherever it grows or threatens to grow, if our capitalistic form of economy is to survive.

Mr. President, the House Agriculture Committee after considering the monopoly provisions and Representative CELLER's letter, struck out both subsections (b) and (c) of section 401, when it reported the 1961 omnibus farm bill.

I cannot believe that the Senate is willing to approve proposed legislation which would nullify the antitrust laws in a most vital sector of our economy. I cannot believe that the Senate will approve proposed legislation which would countenance the creation of gigantic cooperative trusts. For these reasons, Mr. President, I have submitted these amendments to strike subsection 401(b) and subsection 401(c) from title IV of that bill.

Mr. LAUSCHE. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield.

Mr. LAUSCHE. What happened on the floor of the House with respect to these subsections?

Mr. KEFAUVER. I do not believe the bill has been taken up on the floor of the House.

Mr. LAUSCHE. But in the House committee these two subsections were stricken out, were they?

Mr. KEFAUVER. Yes, in the House committee subsections (b) and (c) were stricken out.

Mr. LAUSCHE. Do I correctly understand that the law now provides that when an entity covered by the Sherman Antitrust Act becomes so large that it controls a substantial part of the traffic in a particular industry, because of size alone a proceeding can be brought under the antitrust laws?

Mr. KEFAUVER. Yes; because of size alone and because of the economic power going with that size, section 2 of the Sherman Act is applicable, and suit can be brought.

Mr. LAUSCHE. In other words, size, combined with economic power, and leading, I suppose, to restraint of trade in a particular business?

Mr. KEFAUVER. The power of monopolization standing alone is sufficient for a suit, under section 2 of the Sherman Act. The Supreme Court has fixed various degrees of what that power must be. For example, at one point, in the Aluminum Co. case, the Supreme Court said 33 percent was permissible; if it was 66 percent, the answer might be "Yes" or "No"; but if it was 90 percent, the answer was "No."

Mr. LAUSCHE. It is the position of the Senator from Tennessee, is it not, that, in the long run, not only the consumer, but the farmer and the country, will be rendered more secure if monopolies and combinations in restraint of trade are not allowed to exist?

Mr. KEFAUVER. The Senator has correctly stated the situation. The farmer is the first victim of monopoly. It is he who pays the price first. Frankly, I have not been satisfied with the protection the farmer and the public have been getting. Corporate mergers have resulted in raising prices. But the farmer is the first victim. It is just as important to him as to anybody else that we keep our antitrust laws strong.

Second, the farmers who want to have cooperatives and who want to work together do not need this extraordinary exemption. There has been no showing that they need it.

Third, if this power is given to giant cooperatives which are powerful influences, we are going to make it extremely difficult even to hold the antitrust laws generally as they are, let alone strengthen them.

Mr. LAUSCHE. Mr. President will the Senator comment on the correctness of this position from the standpoint of law? When the language of a law is unequivocal, and it is argued that that unequivocal language was not intended to mean what it obviously means, there is no room for the offering of extraneous testimony to show what the clear and unequivocal language means. Is that correct?

Mr. KEFAUVER. The Senator is exactly correct. If the language is clear and unequivocal, it is the language which decides what the Congress meant.

Mr. LAUSCHE. And if that statement of law is correct, then, regardless of what the Attorney General said he understood this language to mean, if and when the question is to be decided by a court, it would have to make its decision on the basis of the language, and not on the basis of the construction given to it by an Assistant Attorney General testifying before a committee. Is that correct?

Mr. KEFAUVER. The Senator is exactly correct, but let me make clear that it was not the Assistant Attorney General in charge of the Antitrust Division, Mr. Loevinger, who made that statement. It was someone down in the ranks, meeting with the committee when the bill was being marked up, in executive session.

Mr. President, one of the best friends the cooperative movement has had in the Congress of the United States and in our Nation is the distinguished Senator from Kentucky [Mr. COOPER]. The Senator from Kentucky has sponsored measures strengthening the cooperative laws, appropriations for cooperatives, and many other measures beneficial to cooperatives. Unfortunately, the Senator from Kentucky is confined in the hospital as a result of an operation, but he is recovering very satisfactorily. I talked with him on the telephone this morning. He is very concerned about these two subsections. He thinks that they are

shortsighted, and that it is an untenable position to authorize great conglomerations of power to undermine the antitrust laws.

The Senator has also written a letter to me about both subsection (c) and subsection (b), in which he enclosed a copy of a letter from the Department of Justice to the Senator from Louisiana [Mr. ELLENDER].

I ask unanimous consent to have the letters included in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JULY 24, 1961.

Hon. ESTES KEFAUVER,
Chairman, Antitrust Subcommittee,
Senate Committee on Judiciary.

DEAR SENATOR: I am in the hospital, and will not be able to be in the Senate when S. 1643, the Agricultural Act of 1961, is considered. For this reason, I am taking the liberty of writing you about section 401(c) of the bill, which is a committee amendment, and which I opposed in the Senate Committee on Agriculture during consideration of the bill.

Section 401(c) would amend section 1 of the Capper-Volstead Act by providing that a marketing cooperative association or federation of such associations may acquire the assets, stock or other share capital of any other such association, or of any corporation engaged in the same or a related kind of commerce, or may merge with any other such association or with any such corporation, subject to the terms, limitations and procedures set forth in section 2 of the Capper-Volstead Act. The Secretary of Agriculture would be authorized to require the divestiture of the assets, stock or other share capital held in violation of the act, in such manner and within such time as he may prescribe.

I support the organization and growth of farmers' cooperatives. But my objection to this section is that it is designed to exclude their mergers and acquisitions accomplished under this section from the provisions of the antitrust laws. The committee report expresses this intent quite clearly. It states, on page 78:

"This subsection reaffirms and clarifies the original intent of the Capper-Volstead Act regarding the exclusive authority of the Secretary of Agriculture over the right of farmer cooperatives coming within the scope of that act to acquire the assets of, or merge or consolidate with, other such farmer cooperatives or any noncooperative business firm provided those transactions do not create an undue enhancement in price, which can be prohibited by the Secretary of Agriculture under section 2 of the Capper-Volstead Act, or do not also involve some other action which violates the antitrust laws. In other words, the mere acquisition, merger or consolidation will not be subject to the test contained in section 7 of the Clayton Act or to the Sherman Act prohibitions."

I do not agree with the language of the report which says "this subsection reaffirms and clarifies the original intent of the Capper-Volstead Act * * *." The Supreme Court of the United States in the case of *Maryland and Virginia Milk Producers' Association, Inc.* v. *United States* (362 U.S. 458 (1960)), said that the legislative history of the Capper-Volstead Act did not disclose such intent by the Congress. But beyond this point, the report makes it clear that the purpose of the committee amendment is that mergers accomplished under it will enjoy an immunity from the provisions of the Clayton Act and other antitrust laws not enjoyed by other businesses. For, except in cases where an enhancement of prices might result from such a merger—and price enhancement might not occur or be foreseeable until after a merger—a merger would be permitted even though its effect would be to create a monopoly or unfairly restrict competition.

The argument can easily be made in support of the provision that it would authorize a merger of small cooperatives—to better enable them to compete with great cooperatives and businesses. But the merger of small cooperatives is not forbidden now. And this is specifically affirmed in section 401(b), which section is approved by the Department of Justice. The danger of the committee amendment is that it will open the way for large cooperatives to merge with large private businesses to the disadvantage of small cooperatives and businesses.

As pointed out by the committee report on page 79, third paragraph, the committee amendment would vest in the Secretary of Agriculture exclusive jurisdiction to determine whether a merger was proper, and if necessary, to order divestiture. The report goes on to say, however, "the amendment would not deprive the Department of Justice of any jurisdiction which it now has to move against activities of any cooperative other than the act of acquisition, merger, or consolidation, which are otherwise in violation of the antitrust laws." The point is, that the merger itself could have the effect of restraining trade, permitting unfair competition or creating a monopoly. And yet, the Attorney General would be deprived of his present power to intervene and submit the issue to a Federal court unless the merged business engaged in some other type of illegal activity. I emphasize again the point that the permitted merger itself may be illegal under the antitrust laws.

The kind of situation which could arise if this amendment should become law shows why jurisdiction relating to the extension of economic power through mergers and acquisitions should rest exclusively in the Federal courts, and should be invoked by the Department of Justice as the representative of the general public interest in these matters. The Department of Agriculture is a nonjudicial agency; it is not equipped to deal with these matters and should not be burdened by them.

On July 15, I wrote to the Attorney General asking for his opinion on section 401(c) as amended, and directing to his attention the questions upon which I have commented above. The Assistant Attorney General for Antitrust, Judge Loevinger, replied on July 21, enclosing a copy of his letter to Senator ELLENDER. His letter points out many objections to the amendment and contains the following paragraph:

"For the reasons stated, the Department of Justice opposes enactment of substitute section 401(c) in its present form and urges that it be deleted from the bill."

By permission of Senator ELLENDER, I am enclosing a copy of the letter of the Attorney General. No hearings were conducted on this very important amendment, as it was offered in the latter stages of executive sessions. Because it is important, I believe there should be full opportunity for hearings before the Senate Committee on Agriculture, and also before the Senate Committee on the Judiciary.

As I said, I support farmers' cooperatives. But I think it would not be helpful to them for the Congress to reverse its record of legislative effort against improper extension of economic power.

Sincerely,

JOHN SHERMAN COOPER.

DEPARTMENT OF JUSTICE,
Washington, D.C., July 21, 1961.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and
Forestry, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your letter of July 17 requesting the comments of the Department of Justice on the provisions of title IV of S. 1643 (87th Cong., 1st sess.), which were reported to the Senate on July 17, 1961, by the Committee on Agriculture and Forestry. We appreciate the opportunity to inform the committee of our views.

Section 401(a) is a restatement by Congress of the policy embodied in previous enactments of aiding and encouraging the organization, operation, and growth of farmers' cooperatives. Section 401(b) would specifically authorize two or more cooperative associations, as defined in the Agricultural Marketing Act of 1929, to act jointly in doing things which farmers acting together in one association might lawfully do. Both of these sections were in the bill as transmitted to the Congress by the President.

Section 401(c) is a substitute provision inserted in the bill by the Committee on Agriculture and Forestry. It would amend section 1 of the Capper-Volstead Act (7 U.S.C. 291) by adding a paragraph at the end thereof providing generally that a marketing cooperative association or federation may acquire the assets, stock, or other share capital of any other such association, or of any corporation engaged in the same or a related line of commerce, or may merge with any other such association or with any other corporation subject to the terms, limitations, and procedures set forth in section 2 of the act. The Secretary of Agriculture would be authorized to require the divestiture of assets, stock, or other share capital held in violation of the act, in such manner and within such time as he may prescribe.

Our analysis indicates that substitute section 401(c) is badly drafted and ambiguous. The intent and effect of the section is not clear on its face. It can be interpreted to impose an additional restriction on mergers and acquisitions of cooperatives by authorizing the Secretary of Agriculture to act against those which result in undue enhancement of prices. Under such interpretation the authority of the Attorney General to move against cooperative mergers or acquisitions having other anticompetitive effects would remain unchanged. On the other hand, the section can be construed, although it does not explicitly say so, to authorize certain cooperative mergers and acquisitions to be made subject only to the terms, limitations, and procedures of section 2 of the Capper-Volstead Act. Under such construction the provisions of the antitrust laws would not apply to the mergers and acquisitions covered by this section.

Further, the substitute section is not clear in the scope of its application. It may apply only to marketing cooperatives, although section 401(a) refers to farmers' cooperatives generally, and section 401(b) is not limited to marketing cooperatives. Thus, substitute section 401(c) has a different scope than section 401(b). In addition, it may be noted that substitute section 401(c) may apply to some selling organizations that are essentially business organizations rather than true farmers' cooperatives.

There is also a technical inconsistency between the language of the substitute section of section 2 of the Capper-Volstead Act. The substitute section refers both to associations and federations of associations and purports to subject both to "the terms, limitations, and procedures set forth in section 2 of the Capper-Volstead Act." However, section 2 of the Capper-Volstead Act empowers the

Secretary of Agriculture to act only against associations and contains no reference to federations.

The Department of Justice believes that the vagueness, ambiguity, and uncertainty of the substitute section 401(c) are such that it seems unlikely to achieve its purpose of aiding farmers and farmers' cooperatives, and it may well create wholly new legal problems and difficulties in this field.

In addition to these objections to the substantive terms of the substitute section, the Department of Justice believes that the authority to interpret and apply statutory standards relating to the permissible extension of economic power through mergers and acquisitions should be in the Federal courts, and should be invoked by the Department of Justice as the representative of the general public interest in litigation conducted according to established due process standards. As a matter of principle, the Department of Justice is opposed to lodging such authority in a nonjudicial agency.

In case there is concern over the possibility of prosecution of associations that have merged or acquired the stock or assets of other organizations, we would like to advise that the Department of Justice has had for many years a program for advance clearance of mergers. This program permits the large number of mergers that are not subject to legitimate challenge to be consummated without fear of subsequent prosecution while reserving to judicial determination the interpretation and application of legal standards in the case of the few mergers that may be questioned. Cooperatives, as well as other business enterprises, are entitled to present proposed mergers or acquisitions for advance clearance pursuant to this program. The Department of Justice is willing to do everything in its power to facilitate the rendition of appropriate clearances on proposed cooperative mergers. If it is thought desirable, we are willing to work with the Department of Agriculture in establishing formal regulations for this procedure. However, we call attention to the fact that, although the need for certainty has been cited as one of the reasons for legislation on this subject, the substitute section provides no method or procedure for such premerger notification and clearance.

For the reasons stated, the Department of Justice opposes enactment of substitute section 401(c) in its present form and urges that it be deleted from the bill.

We would like to make it clear that we believe the growth of the cooperative movement is of great advantage to farmers and rural communities and should be encouraged. We would welcome the opportunity to work with your committee and the Department of Agriculture in seeking suitable legislative measures to accomplish this purpose.

The Bureau of the Budget has advised that there is no objection to the submission of this report from the standpoint of the administration's program.

Sincerely,

LEE LOEVINGER,
Assistant Attorney General.

Mr. KEFAUVER. Mr. President, perhaps the opponents of the amendment would like to take some time on this question.

Mr. ELLENDER. Mr. President, I wish to take only 2 minutes. This amendment has been fully debated. As was stated on several occasions, the farm marketing cooperatives thought that, under a ruling of the Attorney General which was made back in 1930, they had the right under the Capper-Volstead Act to do all that the present amendment proposes. That act expressly authorizes the use of marketing agencies in common, and since the 1930 opinion that act was considered as covering federations of marketing cooperatives; but, as the report shows on page 78, a doubt has recently been raised in the case of Sunkist Growers Inc. against Winckler and Smith Citrus Products Co. which was decided in 1960, and is itself based on the court's understanding of another 1960 case, Maryland and Virginia Milk Producers against the United States. What has long considered to be the law has now been thrown in doubt within the last year. The amendment we are now considering would strike out all of subsection (b) of section 401 of the bill. The purpose of this subsection is to clarify and reaffirm the right of farmer cooperatives to act jointly in a federation of such cooperative associations, or through agencies in common, in performing those acts which farmers may lawfully perform when acting together in one association.

The law is not changed in this respect. This is a right that many of us familiar with the law have always thought that farmers cooperatives had. We wish for cooperatives no special privileges, but only to retain those rights which have been theirs for many years.

As was stated on the floor on several occasions, Mr. Saunders, from the Justice Department, was before the committee when the bill was marked up. It was his view that section 401(b) did not prevent the Justice Department from acting under the antitrust laws.

It would appear to me that if the powers of the Justice Department were reduced in any manner that they would have objected and the language would not have been included in the bill. However, in his letter to me, the Attorney General indicated that section 401(b) was in the bill as transmitted to the Congress by the President. The inference is clear in this respect that the Justice Department has no objections to its inclusion.

As was brought out by the Senator from Ohio regarding specific language, if the Attorney General is wrong, and the specific language indicates to the contrary, of course the court will then consider the matter.

Section 1 of the Capper-Volstead Act, which was intended to give farmer cooperatives protection against prosecution under the antitrust laws, now covers marketing cooperatives only. Although the Capper-Volstead Act does not specifically refer to cooperatives which join together in an incorporated federation, that act has been interpreted for many years by the Attorney General to give federations of marketing cooperatives the same protection accorded to a single cooperative.

The recent court decision, however, in the Sunkist case has cast doubt on the right of two or more cooperatives to do through a corporate federation or incorporated joint sales agency all things which they may lawfully do separately, without possible conflict with antitrust laws. The purpose of subsection (b) is to remove this doubt and to extend to all farmer cooperatives the right to act jointly in a federation of cooperatives or to act through agencies in common in performing their lawful activites.

Subsection (b) therefore merely reaffirms what has long been considered the existing law with reference to marketing cooperatives, and affords the same rights to cooperatives engaged in purchasing farm supplies and performing farm business services.

Mr. President, I yield 5 minutes to the distinguished Senator from Wisconsin [Mr. PROXMIRE].

Mr. PROXMIRE. I thank the chairman of the Committee on Agriculture and Forestry. I wish to reiterate and to underline what the chairman of the committee has said, and to emphasize some other points.

Mr. President, this particular section of the bill, section 401(b), was recommended in the bill which was transmitted to the Congress by the President of the United States. It is my understanding that before the bill was transmitted the Attorney General had an opportunity to review this section and had plenty of opportunity to interpose an objection to it.

We have before us, available to all Members of the Senate, a letter from the Department of Justice, signed by Mr. Lee Loevinger, Assistant Attorney General, Antitrust Division, who is the No. 1 man responsible in the administration for the enforcement of the antitrust laws. The letter is dated July 21, addressed to the chairman of the committee, and specifies that section 401(b) has been considered, indicates what it would do, and then says that the section was in the bill transmitted to the Congress by the President. No objection was interposed by the one man in the administration who is most responsible for the enforcement of the antitrust laws. Obviously it was considered by him.

In addition, the Department of Justice sent to the Committee on Agriculture and Forestry a competent antitrust expert, Mr. Saunders, who was authorized to speak for the Department. Mr. Saunders also indicated there was no objection to section 401(b), which would be stricken from the bill by the amendment of the Senator from Tennessee.

The President, the Attorney General and the chairman of the committee and the full committee all feel that section 401(b) is acceptable. All of us agree that the cooperatives would not be exempted from antitrust prosecution.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. KEFAUVER. Will the Senator point out the language in subsection 401(b) which would enable antitrust prosecution against federations, under either the Sherman Act or the Clayton Act?

Mr. PROXMIRE. The Attorney General made it clear to the committee that it was his view, after analyzing the Capper-Volstead Act and after analyzing the bill, that there would be no restraint against prosecution of cooperatives which engaged in predatory practices.

Mr. KEFAUVER. One or two lawyers came before the committee in executive session and it is said that they seemed to think the language was satisfactory, but I ask the Senator where there is any saving of the antitrust laws in subsection 401(b)?

Where is the application? How would it be possible to apply the Sherman Act or the Clayton Act to what takes place under subsection 401(b)?

Mr. PROXMIRE. It is the position of the lawyers, the position of the committee, and the position of the Senator from Wisconsin that there is nothing in subsection 401(b) which would exempt the cooperatives from the Sherman Act. I understand the argument of the Senator from Tennessee is that the Sherman Act is based upon the idea of a conspiracy, and a conspiracy requires more than one agency. It requires two cooperatives or two corporations to combine.

Mr. KEFAUVER. That is correct.

Mr. PROXMIRE. What the subsection provides is that two or more cooperatives can act in concert provided they engage in actions legal for one cooperative.

It is also my understanding that there are provisions in the law which would outlaw predatory practices, which are not stricken by the particular subsection 401(b).

Mr. KEFAUVER. Where are those?

Mr. PROXMIRE. The Senator from Wisconsin is not a lawyer. The Senator from Wisconsin has relied on the advice of committee counsel and on the advice of the attorney from the Department of Justice, as well as on the statement by the man who is most responsible for the antitrust laws in the administration, Mr. Loevinger. Mr. Loevinger is the Government's No. 1 expert on this issue. All of these people seem to feel there is nothing in subsection 401(b) which would prevent them from acting. As a nonlawyer, it seems to me it is the better part of wisdom for the Senator from Wisconsin to rely on this competent advice.

Mr. President, it seems to me that the real argument is based on the case made so very well by the Senator from Louisiana today, that this is a question of practical economics. Exactly as labor unions are exempt to some extent from the antitrust laws, so farmers should be allowed to combine and to operate with some exemption.

The PRESIDING OFFICER. The time of the Senator from Wisconsin has expired.

Mr. PROXMIRE. Mr. President, will the Senator yield me an additional 2 minutes?

Mr. ELLENDER. I yield 2 more minutes to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I should like to read into the RECORD at this time some evidence from the hearings before the Department of Agriculture, from testimony given by Mr. Frank A. Barrett, General Counsel of the U.S. Department of Agriculture, August 13, 1959. He said:

Despite substantial increases in membership and business volume farmer cooperatives have not kept pace either in size or resources with the demands imposed upon them by rapidly changing conditions. In terms of proportion of farm products handled, marketed, services performed, and extent of vertical economic integration between the farmer and the consumer, dairy cooperatives are the leaders in the farmer cooperative field. Yet let us see what some comparisons in this area show. In 1924 the three largest cooperative dairies had $48 in sales to every $100 in sales of the three largest noncooperatives. By 1955 this figure had dropped to $14 for the cooperatives as against every $100 in sales of the noncooperatives. Moreover since the 1920's, additional large noncooperatives have come on the scene and there are now eight with annual sales of over $100 million. Yet today only two cooperatives are in this class. One national noncooperative dairy corporation grew from $14 million in sales in 1924 to $1.3 billion in 1955, a figure as great as the net sales of the countries 1,600-odd local and regional dairy cooperative associations (excluding bargaining associations). Although specific information is not available, general market data indicates that similar examples could be found in other major food and fiber groups. More than one-half of the marketing cooperatives in 1955–56 had business volume below $500,000 and more than three-fourths below $1 million.

Mr. President, in view of the fact that my time is limited, I ask unanimous consent that other sections of the testimony be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

The average annual net values of farm products marketed by farm cooperatives for the period 1950–57, adjusted to avoid duplication but not for changes in price levels, was $7,328 million. During the same period the total average annual cash receipts of all farmers were $30,907 million. Thus, during this period farmer marketing cooperatives handled less than 25 percent of the total farm production.

During the same period the average annual net values of farm supplies and equipment procured for farmers by farmers' cooperatives was $1,971 million, and the average annual cash expenditures by all farmers for supplies and equipment was $13,014 million. So farmer cooperatives during the period handled substantially less than one-sixth of the supplies and equipment sold to farmers.

The foregoing figures for cooperatives might well be compared with the following figures (taken from published annual statements of the respective companies):

[In thousands of dollars]

	1958			1948		
	Total sales	Net earnings		Total sales	Net earnings	
		Before taxes	After taxes		Before taxes	After taxes
Standard Oil (New Jersey)	$7,543,571	$962,475	$562,475	$3,300,786	$568,605	$365,605
Great A. & P. Tea Co.[1]	5,094,741	118,905	53,905	2,837,291	64,162	38,662
International Harvester [2]	1,098,389	75,243	42,987	945,486	87,082	55,679
National Dairy Products	1,451,245	87,645	45,455	986,404	41,559	26,359

[1] Fiscal years ending Feb. 28, 1959, and Feb. 28, 1949.
[2] Fiscal years ending Oct. 31, 1958, and Oct. 31, 1948.

Since 1946 the gross national product has more than doubled (index 1947–49 equals 100; 1946, 210.7; 1959 (estimated), 485) minus (taken from Investors Reader, Sept. 2, 1959).

It will be observed that in 1958 Standard Oil of New Jersey sales exceeded the average annual total sales of all farmer cooperatives for the period 1951–57; exceeded the average annual total sales of all farmers purchasing cooperatives for the same period by more than $5 billion, and exceeded the petroleum products sales of all farmer supply cooperatives in 1956–57 ($529,679,000) by more than $6½ billion; in 1958 its net earnings after taxes were $562 million, almost twice the total patronage earnings of all farmers cooperatives in 1954.

In 1958 the Great Atlantic & Pacific Tea Co. sales were $5,094,741,000, more than 30 times the sales of all consumer-urban cooperatives in 1957 ($170 million); its net earnings after taxes in 1958 were $53,905,000 (as compared with $1,721,175 in 1957, for the 26 leading consumer cooperatives).

In 1958 National Dairy Products sales were $1,451,245,000; the sales of all farmer marketing dairy cooperatives for 1956–57 were $2,759,409,000. National Dairy Products Co. alone did approximately three-fifths as much in dollar volume as all the dairy cooperatives.

In 1958 the sales of International Harvester Co. exceeded by more than 10 times the farm machinery and equipment sales of all farmer supply cooperatives and were only slightly less than one-half as much as the total sales of all farmer supply cooperatives.

In the period from 1948 to 1958 the business of Standard Oil Co. of New Jersey more than doubled, and its earnings after taxes increased roughly 55 percent; the business of Great Atlantic & Pacific Tea Co. almost doubled, and its earnings after taxes increased by roughly three-sevenths, while the business of National Dairy Products Co. increased almost 50 percent, and its earning before taxes increased by about four-fifths.

Mr. PROXMIRE. Mr. President, I conclude by saying that the record is overwhelming that the farmer's bargaining position is extremely weak. He must rely on his co-ops and they have been getting much weaker, not stronger, relative to the giant processing corporations with which they must deal. This is the reason why the farmer has been getting such a very small income—in view of his effort, in view of the amount of labor he employs, in view of the investment he makes—as compared with other segments of our economy.

I think legislation of the kind proposed is absolutely essential if the farmer is going to be able to move ahead, rely less on Government and more on his own organization power through his cooperatives.

UNANIMOUS CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, will the Senator yield to me for some unanimous consent requests?

Mr. ELLENDER. I yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, after consultation with a good many

Members on both sides of the aisle, I have a unanimous-consent request to propound. I ask unanimous consent that tomorrow, after the conclusion of morning business, debate be limited to 2 hours on each amendment and 2 hours on the bill, S. 1643, the time to be equally divided and controlled.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I present the unanimous consent agreement for incorporation in the RECORD.

The unanimous consent agreement, as reduced to writing, is as follows:

Ordered, That, effective on Wednesday, July 26, 1961, at the conclusion of routine morning business, during the further consideration of the bill S. 1643, the Agricultural Act of 1961, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 2 hours, to be equally divided and controlled by the mover of any such amendment or motion and the chairman of the Committee on Agriculture and Forestry: *Provided,* That in the event the said chairman is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the said chairman and the minority leader: *Provided,* That the said persons, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. KEFAUVER. This means that any amendment which may be either pending or offered between now and then will have time?

Mr. MANSFIELD. The Senator is correct.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. LAUSCHE. Does it mean that after the conclusion of morning business no further amendments will be eligible?

Mr. MANSFIELD. No. It means exactly the opposite.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations tonight it stand in adjournment to meet at 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION TOMORROW

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on the Judiciary was authorized to meet during the session of the Senate tomorrow.

AGRICULTURAL ACT OF 1961

The Senate resumed the consideration of the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield 10 minutes to the distinguished Senator from Louisiana.

Mr. LONG of Louisiana. It seems to me that anyone who wishes to understand the problem involved should recognize the basic difference between the philosophy of the Sherman Act and the philosophy of the Capper-Volstead Act.

The Sherman Act was specifically directed against the Standard Oil Co., but in sufficiently broad language to try to prevent in the future similar abuses when a single large corporation would be in a position to dominate and control a market, to crush competition, and to victimize the public as a result of the economic concentration in large companies. The Standard Oil Co. was the principal corporation against which the act was directed at that time. It was directed against certain large concentrations of economic power which had been found to be evil and contrary to the public interest in this economy. It was never considered at that point how the act might or might not apply to labor unions or to farm cooperatives.

In the Danbury Hatters case it was held that the act, because of the general terminology involved, applied to a labor union when a group of working men went out on strike against a hat factory in Connecticut. The decision so outraged the conscience of the United States that a specific act of Congress was passed to provide that the law should not apply to a labor union, collective bargaining, going out on strike, and efforts to get better wages and working conditions. By specific exemption under the act a labor union has never been held, to be in conspiracy in restraint of trade, on the theory that it would be good for laboring men to work together to try to improve their conditions and to try to improve their wages.

Similarly in 1922, without a holding to the contrary so far as I know, Congress proceeded to act in a similar fashion in regard to farm cooperatives, and it passed the Capper-Volstead Act. The principle was exactly in the opposite direction from the Sherman Act. It proceeded not upon the principle that farmers had too much concentration of power, as was the case with certain large corporations, but in exactly the opposite respect. It proceeded upon the assumption that there was not enough concentration of economic power among farmers, that farm prices were too low, and would continue to be too low unless farmers sought to work together cooperatively to achieve a concentration of power and work through farm cooperatives.

So Congress sought to encourage farmers to organize, to work together, and to try to maintain the price of their product. Congress tried to obtain marketing arrangements and to make other provisions to help those farmers.

Unfortunately, down through the years the Department of Justice has felt some strange compulsion, and particularly under Republican Attorneys General, to fail to distinguish between a farmer and a giant corporation. Invariably we find the Department trying to prosecute strawberry farmers in Louisiana, milk producers in Maryland, fishermen somewhere else, fruit producers somewhere else, when the clear intendment of the law was that such people were to be encouraged to work together collectively to achieve a concentration of power on the theory that by obtaining a better price for the products, they would be bringing their income in line with what other people were making in other segments of the economy, and that such a course would be good for the country.

Unfortunately, with very few exceptions, farmers have never been able to organize sufficiently to achieve any substantial degree of economic power. In fact, they have not even been able to organize their cooperatives and grow large enough to the point at which the cooperatives have been able to operate efficiently and achieve their purpose in many instances.

For example, out of 9,827 existing farmer cooperatives, less than 10 percent of that number have annual volume of $2 million, and less than 20 percent of them have annual volume as much as $1 million. Those figures mean that of almost 10,000 farm cooperatives, 8,000 of them are not even big enough for an efficient operation. Yet we see the great giants of the dairy industry and the giants of certain other industries fearing that the farmer cooperatives may compete with them, and hence they are trying to make the little cooperatives subject to the antitrust laws if they so much as buy a dairy or a processing plant, or try to arrive at some arrangement to reduce the price of fish, strawberries, or whatever else they produce. One can talk about blacklisting or boycotting, but the issue involved from an economic point of view, so far as the economic interests of this Nation are concerned, involves those who make large profits by taking food at a low price from the farmer, beating his price down, and maintaining a large spread between what the farmer gets and what the housewife pays. They do not want the farmer to get into the position where he can acquire a dairy or a processing plant to attempt to narrow that margin between producer and consumer.

One Senator, who knows the problem, pointed out to me that farmers, by competition, could do more to reduce the price of commodities which the housewife purchases if the cooperatives had 15 percent of the processing facilities than all the Government laws we could

pass, trying to help the housewife to get something at a reasonable price.

They are seeking to compete. They are not big enough to compete now.

The purpose of the bill is twofold: First, the bill is intended to permit small organizations to merge so that they can be big enough to have some strength, and there is no showing that they are too big today. I will get to that point in a moment.

Secondly, the law is intended to permit such cooperatives to acquire certain facilities. Why? So that by competition in the milk and processing industries, by acquiring some processing facilities, the cooperatives can help themselves get a better price, on the one hand, and help to narrow the margin between the producer and the consumer, on the other hand. It is the later aspect of the question that is particularly objected to by those who must compete with farm cooperatives in the event that they are able to acquire processing facilities.

I am not in favor of cooperatives having an unfair tax advantage. I am a member of the Committee on Finance, and as such will see that no particular advantage is given to them. But there is no good reason why farm cooperatives should not be able to buy a dairy or a processing plant when the big giants of industry buy them constantly.

For example, I have spelled out on the floor the case of the four large milk processors. They are the National Dairy Products, selling their product under the Sealtest label, Borden, Beatrice, and Foremost. Those corporations have acquired 1,100 dairies in the last 30 years. Yet if a farm cooperative attempts to buy the facility of a producer in its area, it is told by the Department of Justice it cannot do so, because such action would tend to reduce competition. Some independent producer somewhere else may have difficulty selling milk in the area because he could not sell the particular dairy which proposes to process the product of its own members.

Mr. President, for the most part it was thought that the law was broad enough to permit cooperatives to merge and work cooperatively together. Looking down the road, Congress passed a law to provide that in the event cooperatives ever get so strong that they could obtain prices that were unreasonably high, the Secretary of Agriculture not only has the power, but also has the duty to cite such cooperatives, to offer them the opportunity to be heard within 30 days, and, after a hearing, to order such companies to reduce such prices. If that action would not reduce the price, they could then go to court.

The bill that we have before us would go even further. In the event that cooperatives get too strong, the Secretary of Agriculture also has the power to require the cooperative to divest itself of its assets and split up the cooperative.

What more can one ask? Unfortunately, the power he has exceeds that which has been used, because the Secretary has never needed that much power. All he has ever needed is the power, as under the marketing agreements, to say, "It looks as though you are getting your price too high. We will permit the importation of sufficient products from the outside to reduce the price."

In any case, the Secretary of Agriculture has the power and duty to act if these cooperatives get too strong.

Mr. KEFAUVER. The Senator's discussion is in connection with subsection (c). The subsection to which the amendment is directed is subsection (b). It is my contention that under subsection (b) there is no antitrust restraint left whatever, and even under the Capper-Volstead Act——

Mr. LONG of Louisiana. The Senator could not be any more wrong.

Mr. KEFAUVER. I wish to finish my statement. I was very generous in yielding to the Senator from Louisiana. I will yield from my own time.

Mr. LONG of Louisiana. The Senator yields time to himself.

Mr. KEFAUVER. The Capper-Volstead Act applies only to cooperatives dealing and marketing. Under the definition of what is contained in subsection (b), there are also purchasing cooperatives and service cooperatives, which are included in the definition in the Agricultural Marketing Act of 1929, to which section 2 of the Capper-Volstead Act has no application whatever.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. LONG of Louisiana. The Senator from Tennessee was speaking on his own time.

Mr. KEFAUVER. Yes. Furthermore, section 2 of the Capper-Volstead Act applies to what is contained in section 1 of that act. Section 1 refers to "cooperative." It does not say "federation of cooperatives." Therefore it is my position that section 2 of the Capper-Volstead Act has no application to any action that is taken under subsection (b).

Mr. LONG of Louisiana. I refer to page 139, the next to the last page of the report of the committee which states what section 2 of the Capper-Volstead Act provides. It states specifically what the duty of the Secretary of Agriculture is in the event the price gets out of line. Insofar as that section is concerned, if it is illegal for one cooperative to do an act about which the Senator complains, it would be illegal for two of them joined together to do that act if it is forbidden under the law for one of them to do it. The Secretary of Agriculture could proceed against either one or both of them if they did anything which unduly enhanced the price of any product.

Mr. ELLENDER. I yield 1 minute to the Senator from Vermont.

Mr. AIKEN. I am opposed to the Kefauver amendment. The Department of Justice has never asked to have this section stricken out. To the best of my knowledge the opposition to the amendment was started by the world's largest grain dealer. Representatives of the firm came to my office and pointed out that this section was objectionable to them, and they hoped it could be thrown out. I said I would look into the matter. I looked into it. I decided that they could hold their own against any small farmer if it remained in the bill. I hope it will remain in the bill.

Mr. KEFAUVER. The Senator spoke about where the opposition came from. I yield myself one minute of my own time, Mr. President. The Senator stated that the opposition to this section came from some powerful grain cooperatives. No grain cooperative has been in touch with me. Nobody else has been in touch with me to suggest that I offer the amendment. I have done so because I believe in the antitrust laws, and I believe that they ought to apply all around. I believe in free competition.

Mr. AIKEN. The Senator has misquoted me. I did not say the opposition came from the largest cooperative. I said it came from the world's largest grain dealer. It is not a cooperative. They do not believe in cooperatives.

Mr. ELLENDER. How much time have I remaining?

The PRESIDING OFFICER. The Senator from Louisiana has 1 minute remaining.

Mr. ELLENDER. I yield 1 minute to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I want to commend the Committee on Agriculture for its excellent work with regard to the Farmers Home Administration provisions in the omnibus farm bill. It has produced a much needed consolidation and modernization of the Secretary's authority to make credit available to farmers who cannot obtain it elsewhere and to provide insured loans necessary to finance and purchase improvements and operations of farms.

Title III of the bill replaces to a great extent the Bankhead-Jones Tenant Act, the Water Facilities Act and Public Law 38 of the 81st Congress which new constitutes the basic authority for the Secretary of Agriculture to make disaster loans. Under the present law it has been most difficult to develop successfully a credit program which will take into account all of the financing needs of applicants to support farming operations.

With several different lending authorities, each with its own requirements, different limitations and terms, confusion and inconvenience has been inescapable. The consolidation which this title provides can be a much more efficient service to our farmers for their credit needs.

Real estate loans and water facilities loans under subtitle A would authorize the Secretary to make or insure loans to farmers and ranchers who are unable to obtain sufficient credit elsewhere. This credit would be provided to finance their actual needs at reasonable rates and terms. Real estate loans would have a maximum repayment term of not more than 40 years and at an interest rate of not to exceed 5 percent. Terms and rates would take into consideration rates prevailing in the communities for loans for similar purposes and periods of time.

A farmer must have money to operate on like a man engaged in any other industry. He must have funds with which to purchase livestock, seed, feed, fertilizer, farm equipment, and supplies. Under the provisions of the bill before us, the eligibility requirements for operating loans are the same as for real estate loans, except for the requirement of ownership. The bill provides a maximum outstanding indebtedness limitation not to exceed $40,000. The present limitation is $20,000. The high cost of machinery and equipment and the necessity for more capital with which to make family operations efficient requires larger sums to finance these operations.

Mr. President, I am greatly pleased with the prospects of liberalizing our farm credit services in this area. It is essential to continued development and growth of the business of our farm families.

In addition to providing a more practical loan service for real estate, water facilities and operating loans, provisions of the law relating to emergency loans have been changed to recognize the needs which experience has revealed. Under the bill emergency loans would be made available to farmers if they have reasonable prospects of continuing farming operations. The bill contains no dollar limit on the amount of emergency loans other than the amount which may be certified by the county committee.

Mr. President, again I want to say that the committee has produced a fine result in its work on the provisions of this bill relating to the Farmers Home Administration. These FHA provisions consolidate and simplify the existing law and at the same time maintains all authorizations and lending authorities. More credit is provided for purchase of family-type farms and these provisions make it possible to provide, in a more realistic manner, for the credit needs of those engaged in this industry so vital to the welfare of our Nation.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. KUCHEL. Regardless of the result of the vote on the amendment now at the desk, does the Senator from Tennessee propose to offer a second amendment directed to deleting the next subsection, subsection (c)?

Mr. KEFAUVER. I do.

Mr. KUCHEL. I thank the Senator.

Mr. ELLENDER. I yield back whatever time I have remaining.

Mr. KEFAUVER. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Tennessee has 3 minutes remaining.

Mr. KEFAUVER. I yield the remainder of my time to the Senator from Connecticut.

UNESCO'S DOUBLE STANDARD

Mr. DODD. Mr. President, last November someone brought to my attention a special issue of the Courier, official UNESCO publication, dedicated to the subject of racism.

I think racism should be exposed, and I, for one, certainly do not object to the fact that UNESCO decided to go into this matter.

But I was appalled and worried by UNESCO's perniciously one-sided presentation of the subject.

The October 1960 issue of the UNESCO Courier completely paralleled the Communist propaganda line in the sense that it made the charge of racism and anti-Semitism against the United States and other free countries, while ignoring the fact that the Soviet Union is today the chief breeding place of the virus of anti-Semitism, and that there is massive persecution of national minorities in the U.S.S.R. all the way from the Ukraine to Mongolia.

The first photograph in issue No. 10 of the UNESCO Courier had to do with the Nazi persecution of the Jews. The second photograph had to do with the massacre at Sharpeville in South Africa. The third photograph showed Federal troops escorting Negroes to school at Little Rock. The next series of photographs had to do with the Notting Hill riots in London, and so on to the very end.

Not a word was said about the terrible persecution of the minorities, and especially of the Jewish minority in the Soviet Union today.

I felt that this publication could not by any stretch of the imagination be considered impartial, that it was on the contrary a publication which the Communists could and would use for propaganda purposes. I found this all the more distressing because, as is common knowledge, the United States foots fully one-third of the UNESCO budget.

I immediately addressed a letter to Ambassador James J. Wadsworth at the United Nations, with a copy to the Secretary of State, asking that the matter be taken up with the UNESCO Council.

On April 29 I finally received a reply from Mr. Brooks Hays, Assistant Secretary of State for Congressional Relations, informing me of the status of their representations.

It appears from Mr. Hays' letter that the Director General of UNESCO saw nothing wrong with their special issue on racism. His position was that the special issue of the UNESCO Courier was intended to describe only areas of racism that had been discussed in the 56th session of UNESCO's Executive Board and which represented situations publicly and officially recognized by the member states.

If UNESCO's report on racism was outrageously one sided, I find the stand now taken by the Director General of UNESCO doubly outrageous.

The Soviet Government denies that minorities are persecuted in the Soviet Union. Therefore, despite the mountains of evidence on the persecution of the Jews, the Ukrainians, and other national minorities in the Soviet Union, UNESCO takes the stand that it cannot recognize or report on such persecutions within the territory of the Soviet Union and in other countries of the Communist sphere.

On the other hand, in the United States and other free countries, every instance of bigotry and racism is generally treated as page 1 news. Since the existence of racism is recognized in democratic countries and frankly covered by the free press, UNESCO considers it its duty to take cognizance of these situations and to report on them to the U.N. community.

The Director of UNESCO may not realize this, but this is a prescription that plays directly into the hands of the Soviet propaganda apparatus.

To its credit, the State Department did not accept UNESCO's explanation as satisfactory.

It instructed its permanent representative to UNESCO to transmit to the Director General three documents published by the United Nations Economic and Social Council dealing with anti-Semitism in the U.S.S.R.

It also instructed our representative to inform the Director General that our Government does not consider the UNESCO formula a valid and reliable one, since it is bound to favor closed as opposed to open societies.

Finally, the State Department expressed the view that the situation brought to light by the October issue of the Courier demands a careful review of UNESCO's editorial policy and calls for the development of criteria in the selection of materials which will apply equally and fairly to all member states.

Mr. President, I want to take this opportunity to congratulate the State Department publicly on the very strong position it has taken in this matter. I also wish to state for the record that if UNESCO persists in the position it has taken, I intend to move in this body that the United States withdraw from UNESCO.

I am loath to recommend so serious a step because I know that UNESCO has done much good work. When I first wrote to Ambassador Wadsworth, I assumed that the imbalance in the special edition of the UNESCO Courier was simply due to an error in judgment, and I suggested that this imbalance be rectified by printing another issue of the UNESCO Courier focused on minority persecution in the Soviet sphere.

From the Director General's reply to the State Department's representations, however, it now develops that what is involved here is not an error in judgment but a matter of basic policy. If this policy is not revised, then, as much as I would regret it, I feel that withdrawal from UNESCO is the only honorable course open to us.

In closing, I want to say that I have recently been informed that the State Department is pursuing the matter and that it believes that it will be resolved in a manner satisfactory to the United States. I am further encouraged by the fact that the U.S. representative to the UNESCO Council is Dr. George N. Shuster, who, in addition to his eminence as an educator, is a man of rare courage and political judgment.

Mr. President, I ask unanimous consent to have inserted in the RECORD at this point the following documents:

First. Letter from Senator THOMAS J. DODD to Ambassador James J. Wadsworth, dated November 28, 1960.

Second. Letter from Mr. Brooks Hays to Senator THOMAS J. DODD, dated April 29, 1961.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NOVEMBER 28, 1960.

The Honorable JAMES J. WADSWORTH,
U.S. Ambassador to the United Nations, U.S. Mission to the United Nations, New York, N.Y.

DEAR MR. WADSWORTH: A few days ago the enclosed copy of the UNESCO Courier was brought to my attention. I must say, I was disturbed and worried by it.

No one could complain if UNESCO went into the matter of racism and anti-Semitism in an impartial manner, examining the nature and scope of these evils with equal frankness in countries on both sides of the Iron Curtain. If it did so, indeed, it would be performing a service. But that is not what issue No. 10 of the UNESCO Courier does.

Issue No. 10 of the UNESCO Courier completely parallels the Communist propaganda line in the sense that it makes the charge of racism and anti-Semitism against the free world only. It also parallels the Communist propaganda line in the sense that it beats the dead horse of Nazi anti-Semitism while ignoring the live fact that the Soviet Union is today the chief breeding place of the virus of anti-Semitism. It laments the dead victims of nazism—but it does not lift a finger to help the living victims of Soviet anti-Semitism, or to protest against it.

In my opinion, the total emphasis on racism and anti-Semitism in the free world, and the total failure to comment on racism and anti-Semitism in the Communist world make this document one which the Communists can, and I am certain will, use for propaganda uses. This is a situation where a half-truth is the equivalent of a complete untruth—an untruth that ties in completely with the big lie of communism.

The first photograph in issue No. 10 of the UNESCO Courier has to do with the Nazi persecution of the Jews. The second photograph has to do with the massacre at Sharpeville in South Africa. The third photograph shows Federal troops escorting Negroes into schools at Little Rock. The next series of photographs has to do with the Notting Hill riots in London. The article on "A Look at Modern Anti-Semitism," which follows, places its entire emphasis on the Nazi persecution of the Jews. Then there is an article entitled "The Cinema Says 'No' to Racism." In this we find a photograph of a white prisoner beating a Negro prisoner, taken from "The Defiant One," a photograph from Charlie Chaplin's "The Great Dictator," in which Chaplin holds back Nazi stormtroopers, and some photographs of Anne Frank.

Not a word is said about the terrible persecution of minorities and especially of the Jewish people in the Soviet Union today. This omission, in my opinion, is inexcusable in view of the mass of evidence, much of it filed with the U.N., relating to the persecution of the Jews and other minorities in the Soviet Union today. As examples of the type of evidence, I enclose:

1. The Soviet Empire, prison house of nations, a study prepared by the Subcommittee on Internal Security.

2. Facts for October 1960—an issue devoted entirely to the question of anti-Jewish propaganda in the Soviet Union.

3. A copy of a recent article in the New York Herald Tribune pointing out, with documentary proof, that the official Communist press in the Soviet Union has now revived the basest of all anti-Semitic lies—the ancient lie that the Jewish religion requires that Jews drink the blood of non-Jews.

I spoke in the Senate on this matter on March 15, 1960. A copy of this speech is enclosed for your information.

In the Soviet Union there are some 3 million Jews. In a land where all minorities are persecuted, they are the most persecuted of all minorities. They have been the victims of a policy that can only be described as physical and cultural genocide. They are without political representation, without community organizations, almost without religious or cultural rights and without opportunity for higher education or employment.

Summing up the plight of the Soviet Jews, the Anti-Defamation League of B'nai B'rith said in 1958:

"The prospects for Soviet Jewry are dire and gloomy: at best, the extinction of a once flourishing and rich cultural tradition and life; at worst, the completion by the Communists of the heinous work begun by the Nazis—the liquidation by forcible assimilation of this community of 3 million Jews."

Between the brutality of Soviet anti-Semitism and the brutality of Nazi anti-Semitism, there is little to choose. About all that is lacking so far in the U.S.S.R. is the gas chambers.

I am outraged by the fact that this document should have been produced at all by an organ of the U.N.—doubly outraged because most of the money for its publication had to come from the American contribution to UNESCO.

I wish to request formally, Mr. Ambassador, that you take this matter up with the American representative on the UNESCO Council. If UNESCO is willing to print a second issue of Racism, devoted to racism and anti-Semitism in the Soviets' sphere, then it may help to restore the balance and prove its impartiality. In any case, I believe this is a matter which should be brought to the attention of Congress.

I hope that you will be able to give this matter your personal consideration.

Yours truly,

THOMAS J. DODD.

P.S.—As a personal postscript, I want to congratulate you on your very cogent statement against the admission of Communist China to the United Nations. It was one of the best statements of its kind I have yet come across.

DEPARTMENT OF STATE,
Washington, April 29, 1961.

The Honorable THOMAS J. DODD,
U.S. Senate.

DEAR SENATOR DODD: This letter refers further to our reply of December 9, 1960, concerning the treatment of racism in the October 1960 issue of UNESCO's Courier. At the Department's request the U.S. permanent representative to UNESCO, in Paris, took up the issues raised in your letter of November 28, 1960, with the Director General of UNESCO. The latter advanced the position that the Courier issue was intended to describe only areas of racism that had been discussed in the 56th session of UNESCO's executive board and which represented situations publicly and officially recognized by the member states concerned. The implication of this explanation was that racial discrimination in the U.S.S.R. was not treated in the October issue because it had neither been discussed at the executive board meeting nor publicly and officially recognized by the Soviets as existing within the U.S.S.R.

The Department was not satisfied with the explanation given by the Director General. It therefore transmitted to the Director General, through its permanent representatives, three documents published by the United Nations Economic and Social Council (E/CN. 4/sub. 2/L. 216 of Nov. 9, 1960, including addenda 2 and 4) dealing with manifestations of anti-Semitism in the U.S.S.R. Our permanent representative, on instruction, also informed the Director General of our dissatisfaction with his explanation, and stated that the question whether a situation is "publicly or officially recognized by a member state" should not be left to the exclusive determination of UNESCO, but required clarification through consultation with the member government concerned. The permanent representative added that we had no knowledge of any consultations having taken place between UNESCO and our Government on this subject. The Director General was also informed that our Government does not consider the formula used by UNESCO for the selection of problems as a valid and reliable one since it is bound to favor closed as opposed to open societies. Finally we expressed the view that the situation brought to light by the October issue of the Courier demands a careful review of UNESCO's editorial policy and calls for the development of criteria in the selection of materials which will apply equally and fairly to all member states.

I shall write you again when we have further information on this subject.

Sincerely yours,

BROOKS HAYS,
Assistant Secretary.

RECOGNITION OF RED CHINA AND ITS ADMISSION TO THE UNITED NATIONS

Mr. DODD. Mr. President, this morning the Senate Committee on Foreign Relations approved the draft of a concurrent resolution reaffirming the opposition of Congress to the recognition of Red China and to its admission to the United Nations.

I offered a substitute resolution because I was not satisfied with the statement of justification contained in the preamble. The substitute resolution was defeated by a narrow margin in committee. I am reluctant to give the impression of dissension on an issue such as this. But I consider this to be of basic importance, and I therefore plan to offer my substitute resolution on the floor when the concurrent resolution comes up for consideration.

In the draft resolution which has been reported by the Foreign Relations Committee, the statement of the bill of particulars against the Chinese Communists is incomplete, and certain charges that should be stated specifically are stated in generalities.

It is not enough to speak in generalities.

It is not enough to say that we oppose the recognition of Red China or that we oppose its admission to the United Nations.

In enacting such a resolution, the Congress of the United States is, after all, addressing itself to world public opinion.

In such a situation, a decent respect for the opinion of mankind requires that we spell out in detail the reasons for our action.

This is what I have attempted to do in my substitute resolution.

I consider it mandatory that we make some reference to the occupation of areas of India and Burma; to the flagrant violations of the Korean armistice and the Geneva Convention on Vietnam; to Red China's open advocacy of the use of force to settle international disputes; to the

fact that the Communist regime does not truly represent the Chinese people; and to Red China's role as the major source of the international illicit drug traffic.

All of these charges are simple statements of fact. They can all be documented to the hilt, and I plan to do so on the floor of the Senate in the near future.

For example, the description of Red China as "the major source of the international illicit narcotics traffic" is taken verbatim from a statement made by Harry Anslinger, Federal Narcotics Commissioner.

In every civilized society, the peddling of dope is considered a crime that ranks just after murder. But whereas civilized governments prosecute this crime with all the powers at their command, the Chinese Communist Government engages in the peddling of dope as a major source of foreign revenue. The scale of its operations dwarf the combined operations of all the Lucky Lucianos in the world.

That any government should do this is so unspeakably vile, so completely counter to all the tenets of civilization and international law, that this fact by itself should disqualify Red China for membership in the United Nations. It is preposterous to me that this criminal government should even be considered for United Nations membership.

I know that my colleagues are as opposed to Red China as I am. But I believe that it is a serious error not to spell out the justification of our action, in terms of specific charges that people in every country can understand.

We must spell out our charges in full, because the sponsors of Red China's admission to the United Nations will spell out their arguments in full.

I ask unanimous consent to include at this point in the RECORD the resolution which I offered in the committee meeting this morning and which I shall offer on the floor of the Senate as a substitute for the committee approved resolution.

There being no objection, the text of the resolution was ordered to be printed in the RECORD, as follows:

PROPOSED RESOLUTION OF SENATOR THOMAS J. DODD OPPOSING DIPLOMATIC RECOGNITION AND U.N. ADMISSION OF RED CHINA

Whereas the Government of the United States enjoys close and friendly relations with the Government of the Republic of China, including treaty obligations which this Government honors; and

Whereas the Republic of China has faithfully discharged its obligations under the Charter of the United Nations; and

Whereas the Chinese Communist regime—

by its aggression in Korea

by its brutal repression in Tibet

by its occupation of areas of India and Burma and by its other threats against its neighbors

by its export of narcotics to non-Communist countries, in collaboration with criminal elements in these countries, and on a scale that makes it the major source of the international illicit narcotics traffic

by its many flagrant violations of the Korean armistice and of the Geneva Convention on Vietnam

by its failure to release American prisoners as promised

by its fraudulent germ warfare charges and its equally mendacious propaganda charges against the United States on other issues

by its general hostility toward the United States and the United Nations

by its open advocacy of the use of force to settle international disputes has demonstrated that it is not qualified for representation in the United Nations; and

Whereas the Chinese Communist Government has flagrantly violated basic human rights, has imposed on the Chinese people one of the most brutal regimes known to history, and is completely without authority to speak for the Chinese people other than the authority that derives from usurpation and tyranny: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the United States shall continue to meet its commitments to the people and Government of the Republic of China and shall continue to support that Government's representation in the United Nations; and be it further

Resolved, That the United States shall continue to oppose the seating of the Chinese Communist regime in the United Nations so long as that regime persists in defying the principles of the United Nations Charter; and be it further

Resolved, That it is the sense of the Congress that the United States supports the President in not according diplomatic recognition to the Chinese Communist regime.

AGRICULTURAL ACT OF 1961

The Senate resumed the consideration of the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee [Mr. KEFAUVER] to the committee amendment, as amended. All time for debate has expired. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Oregon [Mr. MORSE] is absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from Oregon [Mr. MORSE] and the Senator from New Mexico [Mr. CHAVEZ] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] is absent because of illness.

The Senator from Hawaii [Mr. FONG] is necessarily absent.

The result was announced—yeas 39, nays 57, as follows:

[No. 101]

YEAS—39

Allott	Cotton	Long, Hawaii
Anderson	Curtis	Miller
Bible	Dirksen	Morton
Boggs	Dodd	Moss
Bush	Douglas	Pastore
Butler	Dworshak	Pell
Cannon	Engle	Schoeppel
Capehart	Fulbright	Scott
Carroll	Goldwater	Thurmond
Case, N.J.	Gore	Tower
Case, S. Dak.	Hruska	Williams, N.J.
Church	Kefauver	Williams, Del.
Clark	Lausche	Young, Ohio

NAYS—57

Aiken	Holland	Mundt
Bartlett	Humphrey	Muskie
Beall	Jackson	Neuberger
Bennett	Javits	Prouty
Bridges	Johnston	Proxmire
Burdick	Jordan	Randolph
Byrd, Va.	Keating	Robertson
Byrd, W. Va.	Kerr	Russell
Carlson	Kuchel	Saltonstall
Eastland	Long, Mo.	Smathers
Ellender	Long, La.	Smith, Mass.
Ervin	Magnuson	Smith, Maine
Gruening	Mansfield	Sparkman
Hart	McCarthy	Stennis
Hartke	McClellan	Symington
Hayden	McGee	Talmadge
Hickenlooper	McNamara	Wiley
Hickey	Metcalf	Yarborough
Hill	Monroney	Young, N. Dak.

NOT VOTING—4

Chavez	Fong	Morse
Cooper		

So Mr. KEFAUVER's amendment to the amendment was rejected.

Mr. ELLENDER. Mr. President, I move that the vote by which the amendment to the amendment was rejected be reconsidered.

Mr. HOLLAND. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the majority leader about the program for tomorrow; and I would suggest to him that he refresh the memory of Senators in regard to the unanimous-consent agreement which was entered into late this afternoon.

Mr. MANSFIELD. Mr. President, in reply to the Senator from Illinois, let me say there will be no further yea-and-nay votes tonight.

Under the unanimous-consent agreement, the Senate will meet tomorrow morning at 10 o'clock. Two hours will be allotted for the consideration of each amendment to the farm bill—1 hour to each side—plus 2 hours on the bill.

It is anticipated that at the conclusion of consideration of the farm bill, the Senate will take up the nominations on the Executive Calendar.

I hope that tonight, at the conclusion of action on the amendment to be offered by the Senator from Delaware [Mr. WILLIAMS], which I understand is acceptable to the chairman of the committee, the Senate will take up certain measures on the calendar to which there is no objection, such as Calendar No. 565, House Joint Resolution 124, amending the Puerto Rican Federal Relations Act; Calendar No. 549, Senate bill 1589, dealing with the issuance of radio operator licenses; Calendar No. 551, House bill 4328, to reassign officers designated for supply duty as officers not restricted in the performance of duty in the Marine Corps; Calendar No. 552, House bill 2086, for the relief of Earl H. Spero; Calendar No. 553, Senate bill 702, to authorize the Secretary of Agriculture to exchange certain lands in the State of Wyoming with the town of Afton, Wyo.; Calendar No. 554, House bill 2249, to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity; Calendar No. 555, House bill 2250, to authorize and direct the Secretary of Agriculture to convey certain lands in Lassen County, Calif., to the city of Susanville, Calif.; and Calendar No. 556, Senate bill 860, to provide greater protection against the introduction and dissemination of diseases of livestock and poultry, provided the consideration of those measures is not objected to.

It is the intention to bring up, later in the week, the bill reported by the distinguished senior Senator from Rhode Island [Mr. PASTORE] on the proposal to reorganize the Federal Communications Commission.

I hope that now that our distinguished colleague has returned, the plea of the Senator from Washington [Mr. MAGNUSON] will be observed and the oceanography bill will be brought up.

I also hope that on Thursday or Friday it will be possible to lay before the Senate the foreign-aid bill.

COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

Mr. MANSFIELD. Mr. President, at this time I ask unanimous consent that the Senate Agriculture Committee's subcommittee, under the chairmanship of the Senator from North Carolina [Mr. JORDAN], on agricultural research and general legislation be authorized to meet during the session of the Senate tomorrow.

The PRESIDING OFFICER. Without objection.

Mr. DWORSHAK. Mr. President, reserving the right to object, let me ask whether other committees will meet tomorrow.

Mr. MANSFIELD. The Judiciary Committee will meet.

Mr. DWORSHAK. There is a decided disadvantage to the members of committees which hold hearings concurrently with the proceedings on the floor of the Senate with reference to the farm bill; that deprives those committee members of an opportunity to acquaint themselves with various aspects of this very important legislation.

Mr. MANSFIELD. The Senator has a point. However, knowing him as I do, I think he knows a great deal more about the bill than he is letting on.

Mr. DWORSHAK. That is a very nice compliment, I am sure; but, at the same time, certainly it is difficult for Senators to be in two places at the same time and to do an effective job in each place.

Mr. MANSFIELD. That is true, but all of us are in the same boat. In fact, sometimes Senators have four committee meetings scheduled on the same morning.

The PRESIDING OFFICER. Without objection, the request of the Senator from Montana is granted.

Mr. HUMPHREY. Mr. President, will the Senator from Montana also request permission for the Reorganization Subcommittee of the Government Operations Committee to meet tomorrow during the Senate session?

Mr. MANSFIELD. I so request, Mr. President.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CLARK. Mr. President, will the Senator from Montana also request permission for the Committee on Post Office and Civil Service, which has scheduled a hearing for tomorrow morning, to hold that hearing during the Senate session tomorrow?

Mr. MANSFIELD. I so request, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE of South Dakota. Mr. President, the Appropriations Committee has standing authority to meet during the sessions of the Senate, has it not?

Mr. MANSFIELD. That is correct.

Mr. CASE of South Dakota. I understand that top representatives of the Department will come before that committee tomorrow.

Mr. MANSFIELD. Of course we have problems. The Democratic Policy Committee is scheduled to meet tomorrow morning at 9:30 or 10:30.

Mr. CASE of South Dakota. There is no problem in that connection.

Mr. MORTON. Mr. President, I ask unanimous consent that it be dispensed with. [Laughter.]

ELECTORAL COLLEGE REFORM

Mr. KEFAUVER. Mr. President, as chairman of the Judiciary Subcommittee on Constitutional Amendments, I have been honored to receive a statement from Hon. Harry S. Truman, former President of the United States, on the subject of electoral college reform.

President Truman hoped to appear in person before the subcommittee, but was prevented from doing so. However, he went to the trouble of preparing a written statement of his views and a suggested amendment to the Constitution. I know that Members of the Congress and the public will attach great significance to President Truman's views in this field; and I ask unanimous consent that his letter to me and the enclosed memorandum be printed at this point in the RECORD.

There being no objection, the letter and the memorandum were ordered to be printed in the RECORD, as follows:

INDEPENDENCE, MO., *July 10, 1961.*

Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D.C.

DEAR ESTES: Attached hereto is my suggested proposal to amend the Constitution in relation to the electoral college.

I had hoped to appear before your committee in person and to respond to any questions, but was prevented from doing so by developments here.

Some of my thinking on the subject is covered in the memorandum herewith enclosed. I am inclined to think my proposal will help to solve the problem and I hope you will be good enough to put it into the RECORD.

Sincerely yours,

/s/ HARRY S. TRUMAN.

ELECTORAL COLLEGE—SUGGESTED AMENDMENT

I see no need for any drastic change in the electoral college device as part of our process of electing a President and Vice President of the United States.

I do believe, however, that it is necessary to modify the structure of the electoral college to meet the needs of the times.

The electoral college was first devised to protect the small States from dominance by the larger States, as for example, Delaware and Rhode Island from being dominated by Virginia and New York.

The problem we face today is that of the emergence of the big cities into political overbalance, with the threat of imposing their choices on the rest of the country. And in order to offset such encroachment by the big cities, I would suggest that we consider modifying our method of choosing the electors along the following lines:

1. Electors designated by each party should be submitted to the direct vote of the people at the time that the candidates for Congress are voted on at the presidential elections. These electoral candidates should be selected for nomination by the political parties in the same manner now used by individual States for selecting candidates for Congress, and that is by districts.

It would provide an additional stimulant to the democratic process by making the electoral candidates active participants in the campaign for the party's congressional and presidential choice.

It would, in addition, provide an important and necessary way of giving expression to shifts in political complexions in every State.

2. As a further step of enabling each State to have an equal role in the choice and election of a President and Vice President I suggest that two additional electors at large be elected from each State. These electors at large—chosen by the States—added to the electors from each congressional district would serve to offset in large measure the preponderance of electors from the big States and the big cities.

3. The electors, immediately after the presidential election, would meet in each State to cast their votes.

4. In the event of a tie all the electors from all the States would then convene in Washington and vote again until the tie is broken.

5. If the tie fails to break, after a set period, then the election should be thrown into the House of Representatives, where each State would have one vote.

I suggest that this proposed modification, herewith briefly outlined, is all we should

need at this time to meet present-day conditions and to carry out the intent and purposes of the framers of the Constitution.

There is always great danger of writing too much into the Constitution. Yet we must have certain flexibility to meet changing conditions. We have already experienced the consequences of hastily amending the Constitution without adequate public discussion, as in the cases of the 18th and 22d amendments.

The framers of our Constitution drafted a brilliant and inspired document in which they anticipated and provided for nearly all of the basic developments of our democracy. But who could fully foresee the role of the American President in the kind of a world in which we now live?

To amend amendment 12 adopted in 1804. On September 25, 1804, Secretary of State James Madison sent a circular letter to the Governors of the several States which declared the 12th amendment ratified by three-fourths of the States.

I submit, therefore, the following:

PROPOSED AMENDMENT TO THE CONSTITUTION

Presidential electors shall be nominated in the several congressional districts of the various States of the Union of the United States as the law of the States provides.

Two electors at large shall be nominated to represent the various States as a whole. The nominations for the congressional districts and for the State at large shall be made according to the law of the State.

The nominees for presidential electors shall then be elected in the general election provided by law and shall be declared elected under the same rules and laws that provide for the election of Senators and Representatives in Congress from the various States.

On the first Tuesday after the first Monday in December after the general election, the presidential electors who have officially been declared to be elected under the laws of the various States, shall meet in the capitols of the States and cast their votes for President and Vice President of the United States. They shall make distinct lists of all persons voted for as President, and of all persons voted for as Vice President, and of the number of votes for each, which lists they shall sign and certify, and transmit sealed to the seat of the Government of the United States, directed to the President of the Senate; the President of the Senate shall, in presence of the Senate and House of Representatives, open all the certificates and the votes shall then be counted; the person having the greatest number of votes for President, shall be the President, if such number be a majority of the whole number of electors elected; and if no person have such majority, then from the persons having the highest numbers not exceeding three on the list of those voted for as President, the House of Representatives shall choose immediately, by ballot, the President. But in choosing the President, the votes shall be taken by States, the representation from each State having one vote; a quorum for this purpose shall consist of a member or members from two-thirds of the States, and a majority of all the States shall be necessary to a choice. The person having the greatest number of votes as Vice President, shall be the Vice President, if such number be a majority of the whole number of electors appointed, and if no person have a majority, then from the two highest numbers on the list, the Senate shall choose the Vice President; a quorum for the purpose shall consist of two-thirds of the whole number of Senators, and a majority of the whole number shall be necessary to a choice. But no person constitutionally ineligible to the Office of President shall be eligible to that of Vice President of the United States.

Mr. KEFAUVER. Mr. President, Mr. Henry D. Irwin, of Bartlesville, Okla., testified on July 13 before the Subcommittee on Constitutional Amendments. His testimony is a vivid illustration of the urgent need for reform of our outmoded electoral college procedure for electing the President.

Mr. Irwin worked actively as a part of a scheme to cause members of the electoral college to vote for election as President of persons who were not even candidates. The degree of success of his "coalition plan" is not important. What is important is the fact that it is legally and constitutionally possible to accomplish what Mr. Irwin and his associates set out to do. The American people would be powerless to enforce their will if sufficient electors joined Mr. Irwin, or other electors such as Mr. Irwin, and exercised a free choice, as originally contemplated by the Constitution. The electoral college is a loaded pistol pointed every 4 years at our system of government. To continue it is to play Russian roulette with presidential elections. I hope the Congress and the American people will not wait to make needed changes until it strikes a loaded cylinder and causes chaos in our Government.

Two very fine editorials resulting from Mr. Irwin's testimony have come to my attention. They were published in the Louisville Courier-Journal of July 17 and the Washington Post of July 19. I ask unanimous consent that they be printed in the RECORD following my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Louisville Courier-Journal, July 17, 1961]

A PRESIDENTIAL ELECTOR WHO USED HIS OWN DEFECTIVE JUDGMENT

Our Founding Fathers meant that Presidential electors should actually be electors—that is, that they should actually choose the President. They were to use their own judgment. Though there were differences of opinion on this point in the Constitutional Convention, some of the delegates were dubious about the judgment of the people. Alexander Hamilton thought that "the immediate election should be made by men most capable of analyzing the qualities adapted" to the Presidency. Obviously Hamilton did not believe the people at large capable of such analysis.

However, after George Washington's time, our political party system developed outside the Constitution. The electors were reduced in status. When a party has carried a State, all of the State's electors have traditionally voted for that party's presidential and vice presidential nominees. They have done so, of course, because they wanted to; they were not legally bound.

Our way of electing Presidents may have various flaws, but none could be worse than that which leaves electors legally free to use their own judgment. This was dramatically demonstrated at the 1960 election. The leading role was played by a theretofore obscure Oklahoman, Henry D. Irwin, self-named "slave laborer for the Federal Government." Mr. Irwin had run as a Republican in a State which Richard M. Nixon and Henry Cabot Lodge carried handily. Nevertheless, as an elector, he voted for Senator BYRD, a Virginia Democrat, for President, and Senator GOLDWATER, an Arizona Republican, for Vice President.

Mr. Irwin's performance before a Senate subcommittee last week showed that, no matter what one may think of the judgment of the people, the judgment of an elector can approach and even exceed farce. He revealed that, after last November 8, he got the impression that he had the tacit support of the Republican National Committee and of most of the Republican electors for delivering the Nixon-Lodge vote to Mr. BYRD and Mr. GOLDWATER.

He confessed that he received no help from either of his candidates. He had no real evidence that his scheme had any official Republican endorsement or any considerable support among the Republican electors.

THE RESULTS IN 1960

In the 1960 electoral college Mr. Kennedy got 300 votes, Mr. Nixon 223, and Mr. BYRD 15. The Virginia Senator's support came from Mr. Irwin, from six Alabama electors who had run as unpledged and from all eight of Mississippi's electors, also unpledged. The Alabama-Mississippi scheme was to throw the election into the House of Representatives. The Constitution provides that if no candidate for President wins a majority of the votes in the electoral college, then the decision goes to the House, with each State entitled to one vote.

The authors of the Constitution were great and wise men. But they could not have foreseen a presidential elector like Henry D. Irwin or a plot like that hatched in Alabama and Mississippi to turn a presidential election into confusion on Capitol Hill.

"I just did my patriotic duty to my country," Mr. Irwin told the Senate subcommittee last week. That is exactly what he did, even though unwittingly, if he called his country's attention to a serious defect in the electoral college system. The Constitution has 23 amendments. It clearly needs a 24th, named the Irwin amendment in tribute to the obliging Oklahoman and prohibiting his kind of monkey business hereafter.

[From the Washington Post, July 19, 1961]

SHABBY CONFESSION

Henry D. Irwin has given a strong demonstration of the need for reform of the electoral college system. His testimony to the effect that a conspiracy among electors to swing the presidential election to Senator HARRY F. BYRD of Virginia last fall came near success must of course be seasoned with a whole ocean of salt. But the fact remains that Mr. Irwin himself, having been elected as a member of Oklahoma's slate of Republican electors pledged to Vice President Nixon, violated the elementary rules of good faith and cast his electoral vote for Senator BYRD of Virginia.

Judging from his testimony, Mr. Irwin must have used whatever powers may be at his command to persuade other electors to help him steal the election. Fortunately, his wild scheme seems to have made no impression on his fellow electors. But it could have been otherwise. The frightening fact is that the existing system for the election of the President and Vice President depends upon the integrity and discretion of "dummy" electors who may turn out to be as irresponsible as Mr. Irwin.

No one should forget, moreover, that 14 Democratic electors chosen in Alabama and Mississippi had refused to say how they would vote until the popular election was over. Then, instead of supporting the candidate of the party which had elected them, John F. Kennedy, they also cast their electoral votes for Senator BYRD of Virginia.

It is almost incredible that a nation the size of the United States, which lays so much store upon the election of a President to reflect the will of the people, continues to tolerate an electoral system so wide open to trickery and manipulation. There are many conflicting ideas as to how this system should

be changed, but the experience of 1960 certainly indicates that change is necessary and that the first essential step is abolition of the outmoded, useless, and positively dangerous electoral college. It should not take another contested election or a period of leaderless chaos in these perilous times to prod Congress into action on this front.

THE FOREIGN-AID PROGRAM

Mr. KEFAUVER. Mr. President, as the Nation is poised on the threshold of debate about our foreign-aid program, I call attention to a report of a small incident, written by Ray Vicker, and published in the Wall Street Journal of July 20, 1961.

Although the article tells of only one small community and of one small contribution by the United States, it speaks volumes about the value of our assistance to foreign nations when such aid is properly presented.

I ask unanimous consent that Mr. Vicker's report be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ROAD TO BARQUIJAN—HOW IRANIAN VILLAGE AWAKENED WITH ONLY A SLIGHT NUDGE

(By Ray Vicker)

BARQUIJAN, IRAN.—"Now that we have a road, we have everything," says slender, dark-eyed Ebrahim Toosi.

His gesture encompasses the flat-roofed mud brick houses, the tall poplars, and the goat pastures in this amphitheater among the mighty Elburz Mountains below the Caspian Sea.

Ebrahim, a member of the council of elders in this village, is a man of quiet dignity, though his unpressed Western suit resembles a blanket draping a pole. And his words carry weight.

Other villagers nod. Before the road was built, it took a day's donkey ride over a mountain to reach the village of Afjeh, where buyers from Teheran use the military road to collect produce from the hinterlands. Isolated Barquijan, which had never seen a wheel on its rutted streets, lived 2,000 years behind the outside world.

Now, thanks to the road, civilization is coming to Barquijan.

Barquijan is only one small village of 1,500 people, but it is a microcosm of life in all the 49,240 villages of Iran where 17 million of the country's 21 million people live. It provides a glimpse into the heart of Asia, with its countless thousands of villages. It also provides a foreign aid lesson very often overlooked: Gift aid presented with Santa Claus liberality may be wasted; while a small amount used as a grassroots pump primer may win appreciation and results for the United States.

In the schoolhouse conference room, which serves as village council headquarters, you ask Esaiu Toosi, Ebrahim's venerable 65-year-old cousin, what he thinks of America. Esaiu, who is well padded with fat and wisdom, scratches a stubble of beard and says: "We like Americans because if we had no assistance from America we would not have our road."

Then, he catches the arm of an interpreter to emphasize: "But remember, America only helped us. It was our labor that built the road."

U.S. aiders advanced nearly $4,000 for tools, engineering assistance, and a little cement for culverts. Villagers built the road with picks, shovels, and wheelbarrows. Work was divided systematically so that each man put in about the same amount of time over the 12 months the road was under construction.

TALE OF AWAKENING

Now villagers speak of that access way as "our road." Willingly they volunteer for maintenance necessary in this mountain valley where snows block passes 4 months of 12.

You reach Barquijan in a jeep, bouncing for miles over a rocky road. Barren hills roll upward to snow-covered peaks nearly 19,000 feet high, and swift streams cut through green oases in valleys. The road twists and turns, mounts and descends.

On the edge of the village, wind ripples a field of green barley, creating wild patterns of motion. Inquisitive children swarm around, girls wearing pajamalike pants beneath bright dresses, boys in baggy pants, with skullcaps atop close-shaven heads.

Villagers, reserved at first, relax in conversation. You learn soon that this is a village of small landowners, with most peasants owning their own land.

A chat with Mullah Hossein, the bearded, aristocratic holy man reveals the deep religious spirit of the Moslem villagers.

In the new stone schoolhouse, a village elder nods respectfully as he passes a big picture of Reza Shah Pahlavi, the present Shah's father. His action reveals the respect of the conservative peasant for order and tradition—the respect of a people who scorn foreign ideologies.

As you pause for tea in the hut of one villager, for a bowl of yogurt in another, or for a dish of cherries and cucumbers at a third, you realize the simple wants of these people. They only wanted a road. Now they ask nothing more.

The story of the road is really a tale of the awakening of the village, the opening of a door to the 20th century. For years villagers realized the disadvantages of isolation. Fertile lands could not be developed for lack of markets. Villagers raised only what they could store and eat, but had little money for that lean time of the year before new crops are harvested. With no electricity, no telephone, only one battery radio, and not even a bicycle, the village passed unchangingly through its endless cycle of spring, summer, autumn, and winter.

Even today, the village is as it was in the 10th century, or the 1st. Start the day with villagers and you find yourself awakened at 4:30 a.m. while lying on a thin mattress spread on a Persian carpet. Breakfast, in the cheery glow of a kerosene lamp, consists of cheese, sangak (an unleavened bread), and still warm goat's milk.

Two boys briskly milk several goats in the compound before the house. They are nearly done when villagers trek to fields in the gray dawn. An irrigation ditch is cleaned of mud, and water is diverted into a channel. Weeds are hoed in cabbage and melon patches. Boys drive goats to pastures above the fields, then race to a cherry orchard to pick the ripe fruit.

SHISHKEBAB FOR LUNCH

Lunch is at noon, the biggest meal of the day, shishkebab with rice and tea. Then, comes a 2-hour nap, in the heat of the day, before resuming work which lasts until 7 p.m. Goats and cows again are milked before the evening meal of bread, cheese and meat stew. By that time, even a mattress spread on the hard floor is inviting.

It was about 4 years ago that the spark of advancement struck tinder in the village. Villagers lobbied for a road, for a school, and for a mullah or holy man to help pave their way to the Paradise of the good Moslem.

The government promised to send teachers, if villagers built a school. So everybody pitched in to construct the six-room single-story schoolhouse now sitting in a grove of tall poplars. But, without a road, villagers knew it would be difficult to lure and hold teachers.

Then, U.S. aid money was advanced for the road, but only enough to prime the construction camp. For most of 1959 villagers alternated between working on the road and in fields. Last year was the first full year that the highway, if it can be called that, was in service. Today, daily bus and truck service connects the village with the outside world.

Now, in summer holidays, the school is silent. But this fall 105 of the village children will attend classes extending to the sixth grade. Before, only a handful of children occasionally received tuition from a wandering mullah.

The road has stimulated a raft of new projects. A newly built footbridge now spans the fast-running creek, joining two halves of the village. Two new mosques are rising. Near one, a score of villagers labor in an excavation for a community bath. Water from the creek will pass into clay tanks for heating, then into a pool.

The road has transformed life in many ways. Now the government health officer can come once every 10 days to examine villagers, instead of once a year. This means a lot in a village where formerly 5 of every 10 children died before reaching their teens.

Since the road was finished 125 acres of additional land has been placed under cultivation by villagers who now see markets for their produce.

LOVE FOR WORK

The outside world, even with the road, is hazy and indistinct for most villagers. They respect the present Shah. Russia is an ominous shadow to the north, but one which sometimes seems very distant. Communism has little political significance. To villagers it is merely something that is contrary to Islamism, so is sinful. America is a vague power with much money which it gives away in a puzzlingly free manner, while making big automobiles in a place called Detroit.

"We do not pay much attention to what is going on outside," admits Esaiu Toosi, as he stands among fellow villagers before the school. "All we ask of Allah is the health to work hard. Work is good for a man."

He shows surprise when asked what he does for recreation, a word which obviously is not in his vocabulary. He pauses, rubs his grizzled chin then answers: "Our recreation comes when we look back at a job that is well done."

And he gestures toward the road climbing up the ridge and over the mountain.

THE FUTURE DEVELOPMENT AND THE SIGNIFICANCE OF OUR MILITARY DETERRENCE

Mr. STENNIS. Mr. President, I speak today on the future development as well as the significance of our military deterrence.

Eleven years ago, when I became a member of the Senate Armed Services Committee, our frontline striking power was the old propeller-driven B–36 bomber, with its maximum speed of 270 miles an hour. The decision then to be made was whether to spend additional money and to equip our bomber fleet with jets.

To do so cost a great deal of money. But suppose we had not? In that event, our Nation would now have a fifth-rate Air Force.

A few years later, the decision was whether to put in the intercontinental ballistic missiles at a further enormous cost. But, again, suppose we had not done so. Then we would be an early and easy prey to an aggressor.

Now the decision is whether we shall let do with what we have, or move forward with our deterrence capabilities. I refer specifically to the B–70 bomber and other attendant supersonic aircraft, including fighters—in a word, our airpower.

The Preparedness Investigating Subcommittee is now holding executive hearings on the subject of our missile and missile delivery systems. We have been told many revealing facts concerning our ability to put our ICBM's on target; and the net result, thus far, has been encouraging and reassuring as to the progress of our missile development. But should we stop here? I think not. We must look down the road to the years ahead, when the use of manned weapons might mean the difference between survival and defeat.

We should know from past experience that unless we spend the money for advanced weapons in time, the money goes down the drain. We should know that endlessly long leadtimes have cost the Government simply enormous sums of money and have bought the Government largely obsolescent weapons.

Are we ignoring these lessons today, as history repeats itself and as we are presented with differing ideas as to how fast we should progress with the B–70, an intercontinental bomber which will fly at three times the speed of sound?

If we follow the present plan, now contemplated, for B–70 development, I think we shall be courting the procurement disaster of the past.

We cannot afford to give up on the manned bomber and to give up on planning for a better bomber and better manned aircraft.

The importance of the making of a decision now to push ahead with the B–70 program is comparable to the importance of the decision we made, after World War I, to develop the airplane.

Where would we be today in aircraft development if a decision had not been made to go forward? Furthermore, where would our Nation be today?

Without the benefit of our airpower through the years, we would exist today only as a satellite nation—if at all. We can stay out of the technology of manned aircraft only at the risk of the free world.

We cannot pamper neurotic tendencies to "wait and see" until the aircraft proves out.

The defense budget presented to Congress by the Eisenhower administration called for $358 million for the B–70 bomber. The new administration's defense budget requested $220 million for development, test, and evaluation of the B–70—a cut of $138 million.

The House of Representatives acted upon this request, by allowing $220 million for the B–70, and adding $238 million, on top of that, for long-range bombers, including the B–52 and the B–58, but with some preference for the B–70.

The Senate should set at rest the matter of the B–70 for the fiscal year 1962, by expressly adding $138 million to the $220 million allowed for this express purpose of the B–70.

What the Senate does and what the conferees do with the bomber section of the defense budget will in large measure determine the outcome of this important area of our military deterrent planning.

I think the time to act is now. But I want to assure Senators that my recommendation for a step-up of the B–70 program is not based on the Berlin crisis. It is based on a continuing need for the development of the foremost manned weapons that our skills and resources can provide.

I consider the B–70 a must for a balanced program in the years ahead.

The Berlin problem calls for an added program which we hope will be largely of a temporary nature. This added program is going to have a corresponding added cost.

We might just as well face the fact now that this may require an increase in taxes.

If we vote a large added amount for the Berlin problem, we should exhaust every effort to make savings elsewhere.

When this effort has been made and there still appears to be a need for additional revenue to carry these vital programs, I will vote accordingly. Such action would show that we mean business and that we mean to defend ourselves at all cost.

Confidence is the byword today.

Congressional confidence in our weapons systems and our deterrent capability is only proportionate to that confidence exhibited by each military department as it applies to the deterrent weapons within their individual jurisdiction.

In this regard, we have also been told by the Air Force of their great confidence that the B–70 bomber will add greatly to the deterrent posture of our country. With the conviction that we were furnished the fullest disclosures during our recent hearings—and disclosures lacking misleading omissions—I am confident that there is a great need for the B–70 bomber.

We have again heard of the appeal of the mixed force concept as promulgated by the Air Force and our military planners for some time, especially in the light of the need for a more flexible defense structure for our country. The argument has added validity because of the recent Moscow airshow.

We were led to believe that the Soviets were depressing their bomber and fighter force—but the airshow proved differently. Our defense posture cannot vacillate depending on Mr. Khrushchev's speeches when, in fact, he changes his mind from day to day. We have seen the folly of guiding our defenses on Russia's intentions. The theory of stops and starts must end if we are to get the defenses we need when we need them. We must progress in the knowledge of our own capabilities and our own developments in the military field.

We should keep our bomber production lines open. They should not be allowed to rust shut, because once these production lines are closed down it will be difficult to get them back into gear for full output.

The Soviet airshow has forced us to ask ourselves—and more searchingly than we have before—whether in an airpower war, and perhaps a conventional air power war, we have kept the pace.

I believe the Members of Congress should react favorably toward providing the necessary funds to expedite the development of the B–70. In view of the changing world situation, I am sure the President will use the added funds we provide.

I share the concern of my colleagues that we may be faced with a critical manned bomber gap in the immediate years ahead unless vigorous action is applied now. I consider the manned bomber a firstline defense weapon of the future, and I believe that development of manned bombers, including the B–70, should be pushed to the utmost.

ARTICLE CONCERNING SENATOR McNAMARA OF MICHIGAN

Mr. LONG of Hawaii. Mr. President, we all know our distinguished colleague from the State of Michigan, Mr. PAT McNAMARA, has been a valiant leader in the fight for needed social legislation. We also know that he is an effective fighter for his ideals.

It is not always, however, that we understand how long he has been interested in social legislation, and particularly the great interest he has had in passing laws beneficial to aging people.

An article entitled "PAT McNAMARA Says What He Thinks," by James Sibbison, appeared in the July issue of the magazine Fifty Plus. The article gives some interesting details about Senator McNAMARA's experiences which I believe will be of interest to all the Members of this distinguished body.

I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PAT McNAMARA SAYS WHAT HE THINKS

(By James Sibbison)

When PAT McNAMARA was a construction foreman in Detroit in 1925, Pipefitters Local No. 636 sent him to a meeting called to organize the Michigan Old Age Pension League.

"In those days," he recalls, "when a man and his wife gave up the struggle and finally went to the poorhouse, the man went in at one door and his wife went in another.

"Thereafter he lived in one ward, she lived in another. They saw one another seldom. It always burned me."

That meeting on pensions turned out to be the beginning of a successful fight to persuade the Michigan Legislature to pass the State's first old age assistance law.

It was, McNAMARA says, a pretty weak program—but a start nevertheless.

Today, that same PATRICK VINCENT McNAMARA—at 66 still the kind of man who gets burned over the miseries of the aged—is again involved in a struggle to make their years more meaningful.

CHAIRMAN

This time, though, he is a U.S. Senator from Michigan. As chairman of the Senate Subcommittee on Aid to the Aged, he is a leader in the current effort to enact new legislation of this type.

An imposing man physically (6 foot 2, 240 pounds) with blue eyes looking out from under a thick sheaf of gray hair, MCNAMARA still has the air of a workman who mistakenly strayed into the hushed, clublike U.S. Senate.

His usually pallid face contrasts with the Florida tan of some of his colleagues. His suits are plain colored, lacking Ivy League dash. His speech is plain, too. It's the voice of a man more familiar with the problems of a plumber than those of a poet.

This voice has a quality well suited to long-range duty on a construction job. It is deep, loud on occasion, and rough—not unlike a truckload of stones being dumped.

Sometimes, MCNAMARA forgets himself and lapses into mild profanity. "I don't know what the hell you're talking about," he once burst out to a fellow Senator during a Senate Rackets Committee hearing.

SHRINKING GROUP

But for all his lack of polish, MCNAMARA belongs to a shrinking group of politicians who really say what they think and mean what they say. Certainly, he is earnest enough about trying to help the elderly.

Last year, MCNAMARA was briefing himself and some colleagues by holding subcommittee hearings around the country to hear from the aging themselves the kind of legislation they want.

In seven cities—Boston, Pittsburgh, San Francisco, Charleston, W. Va., Grand Rapids, Mich., Miami and Detroit—the McNamara subcommittee held town meetings.

Those meetings, along with the main hearings in Washington, convinced MCNAMARA—if he really needed convincing—that the elderly really want medical insurance, better housing, and other comforts.

NO HANDOUTS

On the other hand, he says: "It was clearly evident that our senior citizens are proud people and want no handouts."

This year, MCNAMARA and many other Members of Congress are starting a drive toward a new program for the aged.

Although he grew up to make an excellent salary as a construction boss, MCNAMARA'S origins and general background qualify him well to sympathize with the problems of an aged person with little money.

He was born the eldest of eight children in North Weymouth, Mass. His parents, natives of Ireland who settled there despite earlier plans to live in Canada, were never blessed with excessive wealth.

As MCNAMARA recalls it, his father earned as much as $1.50 a day, 7 days a week, in a fertilizer plant, but more when he became a foreman.

NOT POOR

"We always had plenty to eat," MCNAMARA says. "I don't recall feeling poor. We lived simply. We had lots of fish from the ocean, chickens from the yard, eggs, plenty of milk.

"Father was very independent. If the grocery bill wasn't paid Saturday night he would have been ashamed to go to church on Sunday."

Young PAT left Weymouth High School before graduation to learn the pipefitting trade in the Fore River Shipyard of the Bethlehem Steel Co. His apprentice pay was 8 cents an hour.

Soon he was bossing a crew of journeymen installing pipes in oil burning ships.

ROAMING

After World War I, MCNAMARA left home and roamed westward. In Cleveland, in 1921, he married his first wife, Kathleen Kennedy, then found a job as a traveling foreman for the Grinnel Co. in Warren, Ohio.

It was while performing a job in Detroit for this company that the local Pipefitters Union persuaded him to make that city his home. There he did well, reaching $150 a week by the late 1920's.

By this time, MCNAMARA had bought his own home. Then, in 1929, his wife died, leaving two small children, Mary Jane and Patrick, Jr. The following year he married Mary Mattee, a girl working in the office of his employer, the H. Kelly Co.

LABOR POLITICS

Like many another man in the 1930's, MCNAMARA became involved in labor politics. He saw, at close distance, the hardships of the depression. Ever since, MCNAMARA has been a stout defender of the labor union man.

It was during the depression that MCNAMARA became, briefly, a follower of the Michigan radio priest, Father Coughlin. MCNAMARA agreed with Coughlin's attacks on bankers who charged what he considered exorbitant interest rates.

For a while, MCNAMARA was chairman of a unit of Coughlin's National Union for Social Justice. Then one day he was advised that Father Coughlin disapproved of the unit's candidate for Congress.

MCNAMARA went to see the priest. After hearing MCNAMARA out, Coughlin told him: "You're absolutely right, young man."

Two days later, MCNAMARA said he was told that Coughlin still preferred another candidate. At that point, he withdrew from the movement.

MOVED UP

MCNAMARA did, however, continue to move up in the Detroit labor movement, and by 1939 he was a vice president of the Detroit Federation of Labor.

During the war, he was rent control administrator, and immediately after the war he was elected to Detroit's Common Council.

It was pretty much luck that put MCNAMARA in the Senate. MCNAMARA was running in the Democratic primary against the favorite, Blair Moody, because, he claimed, Moody was handpicked by United Auto Workers chief Walter Reuther.

NOMINATION

Moody suddenly developed pneumonia and died, and MCNAMARA was nominated. Surprisingly, he defeated the favorite Senator Homer Ferguson, a Republican. Last year, MCNAMARA was reelected.

Probably MCNAMARA has more solid labor union background than any Senator who went before him. He declines, however, to accept the label of labor spokesman, and here there is some justification: He has worked a great deal on the side of management.

Nevertheless, MCNAMARA was often the only man on the old Senate Rackets Committee who would show some sort of sympathy for the hostile union witnesses—such as Teamsters President James R. Hoffa.

Finally, in March of 1958, MCNAMARA abruptly resigned from the committee, accusing it of antilabor bias. Asked whether union leaders had discussed his resignation with him beforehand, he rasped, characteristically: "Hell, no."

Asked once whether he can be considered prolabor in any event, MCNAMARA put it this way: "I consider that I am middle of the road—not prolabor, not promanagement. I am propeople. To the extent that the unions are propeople—and they usually are—I am prounion."

FOUGHT JOHNSON

Some of his fellow Senators, on the other hand, he says, aren't always propeople. Once he started a protest against what he considered one-man rule in the Senate by the then Senate leader, now Vice President LYNDON B. JOHNSON.

On another occasion, he said: "A Senator ought to try to represent all the people, and you might be surprised at how few of them up here really do a good job of that. Too many vote for special interests."

HEALTH OF AGED

Since turning his attention to the health needs of the aged, MCNAMARA has concentrated many of his blasts on the American Medical Association. He told a group of aged people this year that the AMA seems to have virtually inexhaustible resources to fight the kind of legislation he wants for them.

But he knows how to stay out of a fight, too. When Senator EVERETT M. DIRKSEN, (Republican, of Illinois), denounced a statement on aid to the aged by Walter Reuther as "stinking," MCNAMARA tried to change the subject and get on with the hearing.

Nevertheless, MCNAMARA is decidedly concerned over this problem—not only from the point of view of legislation but also regarding the attitude of the young to the old.

NOT CHILDREN

For one thing, he believes there is too much of a tendency to treat elderly people like children—letting them play games in recreation centers and patronizing them at home.

"And how many of us include older parents, relatives, and associates in social activities?" he asks. "How many make it clear, in subtle ways, that when friends visit, the grandparent living in the same house should retire to his room?"

In MCNAMARA'S view, there are many things that can be done to restore the "rights of adulthood to our elders."

BLACK MAGIC

For one thing, he says: "Let's put a stop to thinking of 65 as the black magic figure when a person automatically becomes 'old'—a false assumption that is morale shattering."

Also: "Let's start arranging for a decent level of retirement income."

Oldsters, though, MCNAMARA said, must speak up for themselves.

"Some already do," he says, "but many more groups and thousands of individuals must put in their 2-cents worth, so that older citizens no longer are treated like children but instead are accorded dignity and respect."

NATIONAL DEFENSE AND DOMESTIC SPENDING PROGRAMS

Mr. MILLER. Mr. President, within a few hours, President Kennedy will deliver to our country a message which has been heralded as a major speech relating to the Berlin situation and his program for dealing with it and the other crises which may be expected to arise under the war of nerves being conducted by the Communist world.

No one knows precisely what the President will ask of our people. However, it is anticipated that we will be called upon to spend many more billions of dollars for national defense and related activities. If this is so, do we not have the right to ask the President to couple this request with a program of reduction in nondefense, domestic spending programs either previously requested or already passed by Congress pursuant to the President's request? I think we do. So we shall be listening with interest this evening, Mr. President, to see whether a new call for sacrifice for national defense by the American people will be matched by the President's sacrifice in his own domestic spending programs.

In this connection, there appeared a timely editorial in the Sunday, July 23, Omaha World-Herald entitled, "This Much We Ask," and I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THIS MUCH WE ASK

What course President Kennedy will chart for the American people, what demands he will make upon their sons and their treasure, are still at this writing an official secret.

But one thing is not at all secret. It is as certain as the rising of the sun next Tuesday morning before the President's scheduled nationwide address. It is this:

Whatever the President may propose in his get-ready program will cost a barrel of money—how many billions or tens of billions probably not even the President could say.

When you, Dear Reader, are faced with a huge expense above your usual budget, if you have to build a new roof or shore up the foundations of your home, what is the first thing you do?

If you are ordinarily prudent you cut expenses someplace else, and everywhere you possibly can.

And precisely that same step is the second which should be taken by the Government in Washington after it does whatever may be necessary to throw the national defense program into high gear.

Do you contend, Mr. President or Mr. Senator or Mr. Bureaucrat, that the ordinary, nonmilitary budget already has been cut to the bone?

Don't make us, the taxpayers, laugh.

Pending in the Lower House, although perhaps more dead than alive, is the administration's aid-to-education bill. It should be poleaxed at once, not by its enemies but by its sponsors.

Pending also is a foreign-aid bill, bigger and flossier than ever. Has it been trimmed down to proportions which are realistic for a Nation whose very existence is menaced? If so, its sponsors (including, alas, Richard M. Nixon) have not taken the public into their confidence. So far as the taxpayers are aware, it is the same bumbling, bungling program which equipped Laos with American machinery for the use and convenience of Communist conquerors.

Pending likewise are all manner of welfare and do-good programs which, if adopted by the Congress and piled upon the costly measures already approved, will add enormously to Washington's spending, and to the taxpayers' burdens.

Can we, the American people, afford a sound, strong national defense and all these added goodies besides?

Mr. President, we cannot.

Mr. Senator and Mr. Representative, we cannot.

Mr. Bureaucrat, we are beginning to reach the limit of our patience.

We are not interested in any desire you may have to buy votes from this, that, or the other pressure group.

We are not in the least concerned about perpetuating the jobs of the foreign-aid bureaucracy, nor do we have any desire to butter up any foreign regimes which, when trouble comes, may throw us to the Communist wolves.

We are interested first and above all in defending America, and beyond that we would like again to make ourselves so strong militarily that the likes of Khrushchev and Mao will never dare to provoke us to battle.

To reach those goals we will sacrifice to the limit of our capacity.

But a great many of us intend to demand that, for the duration of this national-defense crisis, our Government in Washington put a stop to politics-as-usual, bungling-as-usual, giveaway-as-always national spending.

FORMER PRESIDENT HERBERT HOOVER

Mr. MILLER. Mr. President, in October of this year, the Herbert Hoover Library will be formally dedicated at West Branch, Iowa, the birthplace of this distinguished elder statesman of the United States.

America has always stood as a shining example of the form of self-government under which the free enterprise, capitalistic economic system enables its citizens to most fully develop their talents and to not only merit, but achieve, the rewards that come from hard work, sacrifice, thrift, and initiative. No example better demonstrates the vitality and the soundness of the American way of political and economic life than the example of Herbert Hoover. Born amidst humble surroundings and orphaned at an early age, Herbert Hoover pulled himself up by his own bootstraps to become a successful engineer and, eventually, the President of the United States.

In the Omaha World-Herald magazine section for Sunday, July 23, there is an excellent article concerning Mr. Hoover and his birthplace, written by Mr. James Denney, of West Branch, Iowa. I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOOVER'S HUMBLE BEGINNING—WEST BRANCH SHOWS RESTORED BIRTHPLACE

(By James Denney)

WEST BRANCH, IOWA.—Herbert Hoover once told the Iowa Society of Washington that he preferred to remember the Hawkeye State "as I saw it through the eyes of a 10-year-old boy—and the eyes of all 10-year-olds are or should be filled with the wonders of Iowa's streams and woods, of the mystery of growing crops."

The significance of his words come into focus as one stands on the back porch of the two-room cottage that was the birthplace of the 31st President in this small village 10 miles east of Iowa City.

Between the porch and the Overlook area, a section of high ground to the southwest, lies a park built as symbolic proof that a barefoot boy, born in the humblest surroundings, could become President of the United States.

From here one can see the lazy Wapsinonoc Creek as it gurgles a song of peaceful bliss. And if you look toward the horizon, you'll see corn—tall corn—the kind that causes Iowans to shout and hold their hands high.

Fast becoming one of the Nation's top tourist attractions, the cottage and small park are close by the soon-to-be completed Interstate Highway 80. Picnic facilities are available for more than 500. There are two shelters; one was dedicated by the Boy Scouts of Iowa and contains a huge fireplace built of limestone taken from Stone City, Iowa, a community which was immortalized on canvas by the late Iowa Artist Grant Wood.

A statue of Isis, an Egyptian goddess of plenty, is available for public inspection. It was given to Mr. Hoover by the people of Belgium for his humanitarian efforts in feeding the hungry after World War I.

And last, but not least, is the new $500,000 Herbert Hoover Library-Museum, which is scheduled to open either late this summer or early fall. It will make available for the first time most of Mr. Hoover's private papers and the gifts received while he served as the Nation's Secretary of Commerce and Chief Executive.

BLACKSMITH SHOP REPLICA

The library-museum, like the park, is quaint. A desk and chair are placed similar to the way they were in the Presidential Office in the White House. Instead of guides, built-in tape recorders with earphones describe for the visitor the objects in each display case. There are 185 file cases of papers.

Another attraction is a replica of the blacksmith shop used by Jesse Hoover, the President's father. It is in approximate location of the original shop across from the small cottage.

Because Mr. Hoover himself saw Iowa "through the eyes of a 10-year-old," the magazine of the Midlands persuaded a group of present-day West Branch 10-year-olds to visit the old grounds. A colorphoto of these youngsters in the yard behind the Hoover cottage is shown on the cover today.

The park has two entrances, one for automobiles which leads directly to the new museum-library, and the other to the cottage and blacksmith shop.

The cottage sits behind a white board fence. The gate is of pergola design, and within it is the large bronze plaque given to Herbert Hoover in 1951 as the "Iowa Award," a special recognition presented by the Iowa Legislature.

To enter the cottage, you pass over a tiny porch covered with trumpet vine. Once inside, your eyes gaze upon a combination living room, dining room and kitchen. A dinner table is set for five. There were three children in the Hoover family, with Theodore J., the oldest, and Mary, the youngest.

Most of the furniture is typical of the times although not actually used by the Hoovers. An exception is a small high chair that was occupied by young "Bertie." A chest of drawers in a corner of this room and the bureau in the bedroom are the other items used by the Hoover family. The dining table belonged to Herbert Hoover's Grandfather Eli.

ORPHAN AT EARLY AGE

Herbert Hoover was born in the only bedroom of the small cottage on August 10, 1874. He was an inquisitive boy and once tossed a burning ember into a kettle of tar which his father was heating as coating for a fence. It exploded into a large fire and caused excitement throughout the small town.

His parents died at an early age, leaving Mr. Hoover, his brother and sister orphans. He was taken in tow by his Uncle Allan and spent the next year on a farm near West Branch.

He left the eastern Iowa town in 1885 to live with another uncle, Dr. H. John Minthorn, in Newburg, Oreg. But he never forgot his early years on the banks of the Wapsinonoc (an Indian word meaning "sweet water") and the friendly Quaker environment.

When he was to look back on his life in West Branch, the former President said, "They were days of chores and labor. I am no supporter of factory labor for children, but I never joined with those who clamored against proper work of children on farms outside school hours. And I speak from the common experience of most Iowa children of my day in planting corn, hoeing gardens, learning to milk, sawing wood, and the other proper, normal occupations for boys."

Mr. Hoover received an engineering degree from Leland Stanford University and soon built a reputation for skill in operating and rehabilitating mining and metallurgical properties. Before he was 40, his engineering had carried him into every part of the world, and he established a competence

which was to enable him to give 40 years of public service without accepting remuneration.

He was Secretary of Commerce under Presidents Warren Harding and Calvin Coolidge. In 1928, the Republican National Convention, meeting in Kansas City, named West Branch's native son to face New York Gov. Alfred E. Smith in the presidential election.

THE HOOVER COMMISSION

The history of the Hoover administration was one of the great depression and frustrations. But despite heavy criticism leveled against him, Mr. Hoover never turned his back on the devotion for public service.

He served 40 years as a trustee for Stanford University. For 20 years, he was chairman of the Boys' Club of America. In 1946, President Truman asked Mr. Hoover to coordinate activities in meeting a worldwide famine. The Iowan visited 37 countries and succeeded in preventing starvation. He headed a campaign for aid to undernourished children and reorganized the food supply of Germany in 1947.

Probably his most important task since the end of World War II was the chairmanship of the famed Hoover Commission, which made 273 recommendations for reorganizing the Federal Government on a more efficient basis to meet the challenges of the second half century.

In 1953, Congress again created a similar Commission with wider powers. Mr. Hoover again was named chairman and served with distinction.

Twice in recent years he has returned to West Branch to make important addresses. These were on the occasions of his 74th (1948) and 80th (1954) birthdays.

The 1948 speech was called "The Meaning of America" and in it Mr. Hoover told his countrymen: "America flows from one pure source. Within the soul of America is the freedom of mind and spirit in man. Here alone are the open windows through which pours the sunlight of human spirit. Here alone human dignity is not a dream but a major accomplishment."

He also related, "I have had every honor to which any man could aspire. There is no place on the whole earth except here in America where all the sons of man could have this chance in life."

TO STAY FULLY FREE

The 1954 talk was a warning:

"Today we have more Federal employees in nearly every State than all the local officials, including constables. They penetrate every part of local government. They produce great waste of the taxpayers' money. They create a vested interest of a vested habit for some pressure group. They interfere in politics and too often are infected with corruption.

"Their magics invade personal freedom of every citizen, every moment of every hour. The remedy is to restore the checks and balances of power, to reinvigorate State and local governments and to deflate the bureaucratic empires.

"My countrymen, all these corrosions of the checks and balances of power call for constant battle from you, the people. They must be wiped out if you would stay fully free."

While Mr. Hoover was Secretary of Commerce he met a young West Branch mortician, William B. Anderson. Bill Anderson immediately became interested in the future President's career and he went to Kansas City to see him nominated.

"I served on the committee that welcomed him home, from whence he started his successful campaign," said Bill Anderson, now retired. "It was the biggest celebration in the history of West Branch."

Bill Anderson now serves as the president of the Herbert Hoover Birthplace Society. Since 1935, it has directed the restoration of the cottage, construction of the blacksmith shop, establishment of the park, and finally building the new library-museum.

There is as yet no cornerstone in this structure, made of native Iowa limestone. Mr. Hoover intends to lay it himself during the dedication. He also has turned down a suggestion that a large statue of himself be placed on top of the Overlook for future generations to see.

"Bill," he once said to Mr. Anderson, "when people come to West Branch, they don't want to see a statue of me."

Mr. Anderson said preliminary plans call for the former President to speak at the library-museum dedication, when he probably will reiterate his long-held view on the Nation's future—a view which was forcefully outlined in 1954.

"A nation is strong or weak," said Herbert Hoover then, "it thrives or perishes upon what it believes to be true. If our youth is rightly instructed in the faith of our fathers, in the traditions of our country, in the dignity of each individual man, then our power will be stronger than any weapon of destruction that man can devise."

COMMITTEE MEETING DURING SENATE SESSION TOMORROW

On request of Mr. DOUGLAS, and by unanimous consent, the Production and Stabilization Subcommittee of the Committee on Banking and Currency was authorized to meet during the session of the Senate tomorrow.

AGRICULTURAL ACT OF 1961

The Senate resumed the consideration of the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes.

Mr. MILLER. Mr. President, I have amendments at the desk, which I ask to have stated.

The PRESIDING OFFICER. The amendments offered by the Senator from Iowa will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 96, line 9, before the period, to insert the following language: "or up to twenty acres, whichever is greater."

On page 96, line 20, to strike out "(1)".

On page 96, beginning in line 23 with the comma, to strike out all down to, but not including, the period in line 25.

Mr. MILLER. Mr. President, all the amendment does is incorporate in the bill the exact language which appears in the emergency feed grains bill passed earlier in the session.

I have discussed the amendment with the distinguished Senator from Louisiana [Mr. ELLENDER], manager of the bill. I understand he has no objection to the amendment.

If there are any questions, I shall be happy to yield.

Mr. ELLENDER. Mr. President, personally, I thought the provision that is now sought to be put in the bill was already in the bill. The bill in substance extends the 1961 feed grain program which we provided earlier this year for another year and extends it to barley. In extending it to barley it was necessary to make some changes from the bill we passed earlier this session. Some changes were made in the 20-acre provision. The pending amendment would make the 20-acre provision conform more closely to the 20-acre provision in the 1961 program.

The amendment would restore in the feed grains provisions of the pending measure almost the same language which is now in the law with respect to the 20-acre provision. Under it any farmer could divert a total of 20 acres from corn, grain sorghums, and barley, even though that might be in excess of 20 percent of his corn, grain sorghums, and barley base acreage and receive payments in cash or kind at the 50-percent rate. Then he might divert an additional acreage up to 20 percent of his base acreage of these three crops and receives payments in kind for the additional diversion at the 60-percent rate.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Iowa to the committee amendment, as amended.

The amendments to the amendment were agreed to.

Mrs. NEUBERGER. Mr. President, as we approach the concluding arguments on this year's farm legislation, I want to express my disappointment that the committee on which I serve has not seen fit to support and to report a much more constructive and progressive farm bill than the one we are considering today.

This bill on which we are spending many Senate hours, in addition to the long and tedious days in committee, really has nothing new.

We have labored and brought forth a mouse.

I feel that I have failed to fulfill a commitment which I made during my recent election campaign, wherein I "promised" that if the voters would only elect us Democrats we would do something about the farm problem.

But we have continued the same old type of acreage control which has proved unsuccessful if surpluses are a problem. I should have liked to have seen an eagerness to at least try out the bushel as the unit of control for wheat.

For many years I have heard a hue and cry from farm State representatives, from some farmers and from many consumers, "Why does not the Government get out of the farm business?" We know this is unrealistic if taken literally, and I have seen no inclination among my colleagues to accept that challenge. In fact, my conclusion is that there are very few people who want the Government to drop the ball and let the "survival of the fittest" slogan prevail.

But Secretary Freeman proposed a start in that direction. He proposed having farmer-producer groups meet and suggest their own programs. Could it be that farmers do not want the Government to get out of the farm business? When I heard some of their

leaders testify before the committee, I wondered.

The Secretary suggested we accept a congressional review rather than having us politicians turned farmers and farmers turned politicians decide what was good for the farmers. Why does the Government not get out of the farm business?

Agriculture procedures, not programs, could have been the order of the day. It would have meant less government in the farm business, not more.

As it is now, we have curtailed acreage but upped the support price. It remains to be seen if this will have any appreciable effect on the cost of the farm program dealing with production and support payments.

We are told that we will make a saving by not having costly storage fees, which have been running over a million dollars a day.

I hope so.

The people not familiar with farm problems will continue to point the finger at the farmer in scorn for high subsidies, a high cost of living, and high taxes for farm programs.

We know that in the past less than one-fourth of the Department of Agriculture's budget has gone to farmers; and the billions for defense or foreign aid, food for peace, school lunch, and so forth, are important but should not be used to beat the poor farmer over the head.

Business and consumers will continue to use "subsidy" as a bad word, forgetting that business itself gets many subsidies. One example is the tariff regulations which put up a protective wall limiting competition. Airlines and railroads and truckers get subsidies for carrying the mail or building a road. Free enterprise, itself, is possible because of our protective tariffs, our subsidies, our fair trade laws and utility regulations.

What is the point of my criticism?

That the Congress was unwilling to take a bold new step in arriving at a farm program which would lead to farmer participation, which would hope to take the Government away from so much manipulating of farm produce, which would reduce grain in storage with its resultant reduction in cost.

I had hoped that we might find a way to keep the migration of farm families to the city from increasing and to perpetuate a way of life that is no longer rewarding.

I feel that we have failed.

Mr. WILLIAMS of Delaware. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 103, after line 18, it is proposed to insert the following:

(6) Section 8c(19) is amended to read as follows:

"(19) For the purpose of ascertaining whether the issuance of an order is approved or favored by producers or processors, as required under the applicable provisions of this title, the Secretary may conduct a referendum among producers or processors and in the case of an order other than an amendatory order shall do so. The requirements of approval or favor under any such provision shall be held to be complied with if, of the total number of producers or processors, or the total volume of production, as the case may be represented in such referendum, the percentage approving or favoring is equal to or in excess of the percentage required under such provision. The terms and conditions of the proposed order shall be described by the Secretary in the ballot used in the conduct of the referendum. The nature, content, or extent of such description shall not be a basis for attacking the legality of the order or any action relating thereto. Nothing in this subsection shall be construed as limiting representation by cooperative associations as provided in subsection (12) of this section."

Mr. WILLIAMS of Delaware. Mr. President, I can explain the amendment very briefly. The amendment provides for two major points. First, it provides that the initial marketing order shall be submitted to the interested parties and voted upon prior to being declared in effect. It would make the holding of a referendum mandatory in the case of an initial order. Second, it provides that the order shall be described on the ballot, in order that those voting can more clearly understand the question before them. The amendment would also provide for referendums to determine processor approval of an order where such processor approval is required.

I have discussed the amendment with the chairman of the committee. I understand he has no objection to it.

Mr. ELLENDER. Mr. President, we understand that referendums have always been held in the case of initial orders. That is the customary procedure. In the few cases in which processor approval of an order is provided for, the referendum procedure would appear to be the best method of determining such approval. And certainly the producers and processors should be completely informed as to the proposed order covered by the referendum. I see no objection to the amendment. I have discussed the amendment with some members of the committee, as well as department representatives. There is no objection to the amendment.

In connection with my statement, Mr. President, I ask unanimous consent to have printed in the RECORD at this point an outline of the development of the marketing agreement for oranges and grapefruit grown in lower Rio Grande Valley in Texas, to show the procedure which is usually gone through in promulgating the marketing orders. It may be interesting to Senators to see exactly how those are handled.

There being no objection, the outline was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE,
AGRICULTURAL MARKETING SERVICE,
Washington, D.C.

Subject: Outline of the development of the marketing agreement and order for oranges and grapefruit grown in lower Rio Grande Valley in Texas.

The following briefly outlines the major actions in connection with the promulgation of the marketing agreement and order program for Texas oranges and grapefruit and the operation of this program during the initial marketing season. Prior to 1960, however, there had been considerable discussion of the desirability of such a program. As early as 1957, a group of Texas citrus-fruit growers and handlers conducted several meetings on this subject and, at the request of this group, a representative of the Fruit and Vegetable Division attended one of these meetings. While it was evident that there then was considerable support for a marketing agreement program for Texas citrus fruits, the majority of the independent handlers, who make cash purchases from growers of the fruit they handle, appeared to be opposed to a program and there was little evidence of general support of a program on the part of the growers who marketed their fruit through independent handlers. Approximately 85 percent of the annual fresh shipments of Texas citrus fruit are made by independent handlers. A marketing agreement and order regulate only the handlers of the commodity concerned and these programs generally will operate successfully only if a substantial majority of the handlers are in agreement with the objectives of the regulations under the program. Consequently, since such conditions did not then exist in the Texas citrus fruit industry, the proponent group decided not to pursue the matter further at that time.

1. February 22, 1960: Industry meeting sponsored by the Board of Directors of Texas Citrus Mutual, a recently formed grower organization, to discuss need for a marketing agreement and order for Texas citrus fruit. A drafting committee composed of representatives of Mutual, the Valley Farm Bureau, and Texasweet, a handler organization, was appointed.

2. February 26, 1960: Meeting of drafting committee to discuss general provisions to be included in a proposed marketing agreement and order.

3. March 1, 1960: Meeting of drafting committee (also attended by others) to discuss a preliminary draft of proposal.

4. March 7, 1960: Industry meeting to present draft of a proposed marketing agreement and order.

5. March 8, 1960: Stanley Crockett, president of Mutual, and C. Y. Mills, attorney, meet with fruit and vegetable representatives in Washington to discuss procedures in connection with promulgation of a marketing agreement program.

6. April 11, 1960: Meeting of drafting committee. Proposed marketing agreement and order unanimously approved.

7. April 16, 1960: Proposed marketing agreement and order submitted to Department, with a request for a public hearing thereon, by the Chairman, Drafting Committee, stating that the Valley Farm Bureau and Texas Citrus Mutual had approved the committee draft.

8. April 25, 1960: Notice of hearing signed fixing date for opening of hearing on May 24, 1960.

9. May 15, 1960: Representative of Fruit and Vegetable Division left for Texas to be available to interested parties in explaining hearing procedures.

10. May 24–26, 1960: Public hearing. Final date for filing of briefs fixed as June 15, 1960.

11. July 21, 1960: Recommended decision issued. Date for filing exceptions thereto fixed as August 10, 1960.

12. August 17, 1960: Final decision of the Secretary issued.

13. August 28–September 6, 1960: Grower referendum on program.

14. September 14–16, 1960: Industry meetings to nominate growers and handlers for local administrative committee.

15. September 19, 1960: Marketing agreement signed and marketing order issued by Secretary, effective September 22, 1960.

16. September 23, 1960: Administrative committee selected by Secretary.

17. September 26, 1960: Organization meeting of Administrative Committee. Selected officers. Adopted budget of $35,000. With assessment rate of one-half cent per 1⅘-bushel box handled. Initial regulations recommended to limit shipments both oranges and grapefruit to U.S. No. 3 or better grade with minimum size of 2$^{9}/_{16}$ inches for oranges, 3$^{0}/_{16}$ inches for seedless grapefruit, and 3$^{13}/_{16}$ inches for seeded grapefruit.

(Periodic grade and size limitations, generally for 2-week periods, recommended and issued thereafter throughout marketing season. These regulations usually limited shipments to oranges and grapefruit grading at least U.S. No. 2 with following minimum diameter limitations: Early oranges, 2$^{7}/_{16}$ inches; Valencia oranges, 3$^{0}/_{16}$ inches; seedless grapefruit, 3$^{0}/_{16}$ inches; and seeded grapefruit, 3$^{0}/_{16}$ inches.)

18. October 17, 1960: Administrative Committee recommended regulation limiting the containers used by handlers to 10 specified containers.

(With slight variations, container limitations continued throughout marketing season approximately as indicated above.)

WHAT HANDLERS REQUIRED TO DO

1. Ship only grades and sizes authorized by regulations.

2. Use only containers authorized by regulations.

3. Have all fruit inspected for compliance with regulations prior to shipment.

4. File reports needed for program administration.

5. Pay assessments to cover expenses of Administrative Committee.

WHAT GROWERS REQUIRED TO DO

1. At least two-thirds of growers voting in referendum must approve marketing order before it can be made effective.

2. No other requirements unless grower is also a handler, in which case must meet same requirements as any other handler.

[Reprinted from Federal Register of September 22, 1960 (25 F.R. 9093)]

U.S. DEPARTMENT OF AGRICULTURE, AGRICULTURE MARKETING SERVICE—ORANGES AND GRAPEFRUIT, EFFECTIVE SEPTEMBER 22, 1960

PART 1031—ORANGES AND GRAPEFRUIT GROWN IN LOWER RIO GRANDE VALLEY IN TEXAS

Order regulating handling

Sec.
1031.0 Findings and determinations.

Definitions

1031.1 Secretary.
1031.2 Act.
1031.3 Person.
1031.4 Production area.
1031.5 Fruit.
1031.6 Handler.
1031.7 Handle.
1031.8 Producer.
1031.9 Grade and size.
1031.10 Pack.
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Authority: §§ 1031.0 to 1031.62, issued under sections 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674.

§ 1031.0 Findings and determinations.

(a) Findings upon the basis of the hearing record. Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674), and the applicable rules of practice and procedure, as amended, effective thereunder (7 CFR Part 900), a public hearing was held at Weslaco, Texas, May 24–26, 1960, upon a proposed marketing agreement and a proposed marketing order regulating the handling of oranges, grapefruit, and tangerines grown in Texas. Upon the basis of the evidence introduced at such hearing, and the record thereof, it is found that:

(1) This order, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) This order regulates the handling of oranges and grapefruit grown in the production area in the same manner as, and is applicable only to persons in the respective classes of commercial or industrial activity specified in, a proposed marketing agreement upon which a hearing has been held;

(3) This order is limited in its application to the smallest regional production area which is practicable, consistent with carrying out the declared policy of the act, and the issuance of several orders applicable to subdivisions of the production area would not effectively carry out the declared policy of the act;

(4) There are no differences in the production and marketing of oranges or grapefruit grown in the production area which make necessary different terms and provisions applicable to different parts of such area; and

(5) All handling of oranges and grapefruit grown in the production area as defined in the order is in the current of interstate or foreign commerce or directly burdens, obstructs, or affects such commerce.

(b) Additional findings: It is hereby found on the basis hereinafter indicated that good cause exists for making the provisions of this order effective not later than the date of publication in the Federal Register; and that it would be contrary to the public interest to postpone such effective date until 30 days after publication (60 Stat. 237; 5 U.S.C. 1001–1011). As soon as practical after such effective time it will be necessary to establish the Texas Valley Citrus Committee, the agency charged with administration of the program. Subsequently, and prior to imposition of regulations, it will be necessary for the committee and the Secretary to initiate, and complete, various actions of both organizational and regulatory natures, including the formulation and promulgation of rules and regulations to govern operations under the program. Shipments of grapefruit are expected to begin on or about September 26, 1960, and of oranges soon thereafter. Hence, for the program to be of maximum benefit during the 1960–61 shipping season the order should be made effective as soon as practicable. The provisions of the order are well known to handlers of oranges and grapefruit since the public hearing in connection with the order was completed May 26, 1960, and the recommended decision and the final decision were published in the Federal Register on July 26, 1960 (25 F.R. 7061), and August 23, 1960 (25 F.R. 8077), respectively. Copies of the regulatory provisions of this order were made available to all known interested parties; such provisions do not place any restrictions on handlers until regulations are issued thereunder and shipment of oranges or grapefruit takes place; and, therefore, compliance with such provisions will not require advance preparation on the part of persons subject thereto which cannot be completed prior to the effective date of regulation pursuant hereto.

(c) Determinations: It is hereby determined that:

(1) A marketing agreement regulating the handling of oranges and grapefruit grown in the lower Rio Grande Valley in Texas, upon which the aforesaid public hearing was held, has been signed by handlers (excluding cooperative associations of producers who were not engaged in processing, distributing, or shipping the citrus fruits covered by this order) who, during the period beginning August 1, 1959, and ending July 31, 1960, both dates inclusive, handled not less than 50 percent of the volume of oranges and not less than 50 percent of the volume of grapefruit covered by this order; and

(2) The issuance of this order is favored or approved by at least two-thirds of the producers who participated in a referendum on the question of its approval and who, during the period August 1, 1959, through July 31, 1960 (which has been determined to be a representative period for the purpose of such referendum) were engaged, within the production area specified in this order, in the production for market of oranges and grapefruit, respectively, such producers having also produced for market at least two-thirds of the volume of each fruit represented in such referendum.

It is, therefore, ordered, That on and after the effective date hereof, the handling of oranges and grapefruit grown in the said production area shall be in conformity to, and in compliance with, the terms and conditions of this order; and such terms and conditions are as follows:

Definitions

§ 1031.1 Secretary.

"Secretary" means the Secretary of Agriculture of the United States, or any employee of the Department to whom authority has heretofore been delegated, or to whom authority may hereafter be delegated, to act in his stead.

§ 1031.2 Act.

"Act" means Public Act No. 10, 73d Congress, as amended and as re-enacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674).

§ 1031.3 Person.

"Person" means an individual, partnership, corporation, association, or any other business unit.

§ 1031.4 Production area.

"Production area" means all territory in the counties of Cameron, Hidalgo, and Willacy in the State of Texas.

§ 1031.5 Fruit.

"Fruit" means either or both of the following citrus fruits grown in the production area: (a) Citrus grandis, Osbeck, commonly called grapefruit, and (b) Citrus sinensis, Osbeck, commonly called oranges.

§ 1031.6 Handler.

"Handler" is synonymous with "shipper" and means any person (except a common or contract carrier of fruit owned by another person) who handles fruit or causes fruit to be handled.

(a) Independent handler: "Independent handler" means any handler other than a handler that is a cooperative marketing organization.

§ 1031.7 Handle.

"Handle" or "ship" means to transport or sell fruit, or in any other way to place fruit, in the current of commerce between the production area and any point outside thereof in the United States, Canada, or Mexico.

§ 1031.8 Producer.

"Producer" means any person engaged in a proprietary capacity in the production of fruit for market.

(a) Independent producer: "Independent producer" means any producer who does not market his fruit through a handler that is a cooperative marketing organization.

§ 1031.9 Grade and size.

"Grade" means any one of the established grades of fruit and "size" means any one of the established sizes of fruit as defined and set forth in the applicable U.S. Standards for fruit (§§ 51.680–51.717 and §§ 51.620–51.654) issued by the United States Department of Agriculture, or amendments thereto, or modifications thereof, or variations based thereon recommended by the committee and approved by the Secretary.

§ 1031.10 Pack.

"Pack" means the specific grade, quality, size, or arrangement of fruit in a particular container or containers.

§ 1031.11 Maturity.

"Maturity" means various degrees of ripeness for fruit as established by the committee with approval of the Secretary.

§ 1031.12 Container.

"Container" means any box, bag, crate, hamper, basket, package, bulk carton, or any other type of receptacle used in the packaging, transportation, sale, or other handling of fruit.

§ 1031.13 Variety or varieties.

"Variety or varieties" means any one or more of the following groupings or classifications of fruit: (a) Navel oranges; (b) Early and Midseason oranges, except Navel oranges; (c) Valencia and similar late type oranges; (d) white seeded grapefruit; (e) white seedless grapefruit; (f) pink and red seeded grapefruit; and (g) pink and red seedless grapefruit.

§ 1031.14 Committee.

"Committee" means the Texas Valley Citrus Committee, established pursuant to § 1031.18.

§ 1031.15 Fiscal period.

"Fiscal period" means the period beginning August 1 and ending July 31 following; or such annual beginning and ending dates as may be approved by the Secretary pursuant to recommendations of the committee.

§ 1031.16 District.

"District" means any of the geographic divisions of the production area initially established pursuant to § 1031.20 or as reestablished pursuant to § 1031.21.

Committee

§ 1031.18 Establishment and membership.

(a) The Texas Valley Citrus Committee, consisting of fifteen (15) members is hereby established. For each member of the committee there shall be an alternate who shall have the same qualifications as the member.

(b) Nine members shall be producers who produce fruit in the district which they represent and are residents of the production area. Two of the producer members shall be producers who market their fruit through cooperative marketing organizations, and seven of the producer members shall be independent producers. Producer members shall not have a proprietary interest in or be employees of a handler organization: *Provided,* That members of a cooperative marketing organization shall not be considered as having a proprietary interest in a handler organization because of such membership.

(c) Six members shall be handlers who are residents of the production area. One handler member shall represent cooperative marketing organizations; five handler members shall represent independent handlers.

§ 1031.19 Terms of office.

(a) The term of office of committee members and their respective alternates shall be for three years beginning August 1 and ending July 31: *Provided,* That the term of office of one-third of the initial producer members and alternates and one-third of the initial handler members and alternates shall end July 31, 1961, and the term of office of an identical number of such committee members and alternates shall end July 31, 1962. No member or alternate member shall succeed himself.

(b) Members and alternates shall serve in that capacity during the portion of the term of office for which they are selected and have qualified, and until their respective successors are selected and have qualified.

§ 1031.20 Districts.

For the purpose of determining the basis for selecting producer committee members the following districts of the production area are hereby initially established:

District No. 1: The county of Cameron in the State of Texas;

District No. 2: The county of Hidalgo in the State of Texas; and

District No. 3: The county of Willacy in the State of Texas.

§ 1031.21 Redistricting.

The committee may recommend, and pursuant thereto the Secretary may approve, the reapportionment of members among districts, the reapportionment of members between grower and handler members representing cooperative marketing organizations and independent grower and independent handler members, and the reestablishment of districts within the production area. In recommending such changes, the committee shall give consideration to: (a) Shifts in production; (b) the importance of new production in its relation to existing districts; (c) the equitable relationship of committee membership and districts; (d) changes in amount of fruit handled by cooperative marketing organizations in relation to fruit handled by independent handlers; and (e) other relevant factors. No changes in districting or in apportionment of members may become effective in less than 30 days prior to the date on which terms of office begin each year and no recommendations for such redistricting or reapportionment may be made less than six months prior to such date.

§ 1031.22 Selection.

(a) From District No. 1 the Secretary shall select initially two producer members and their alternates representing independent producers. From District No. 2 the Secretary shall select initially two producer members and their respective alternates representing producers who market their fruit through cooperative marketing organizations, and four producer members and their respective alternates representing independent producers. From District No. 3 the Secretary shall select initially one producer member and his alternate representing independent producers.

(b) From the production area the Secretary shall select initially six handler members and their respective alternates. One handler member shall represent cooperative marketing organizations and five handler members shall represent independent handlers.

§ 1031.23 Nominations.

The Secretary may select the members of the committee and alternates from nominations which may be made in the following manner:

(a) A meeting of producers who are members of cooperative marketing organizations and a meeting of independent producers shall be held for each district having both cooperative and independent producer members and alternates to elect nominess for such positions. For all other districts, meetings of all producers shall be held for such purpose. A meeting of handlers representing cooperative marketing organizations and a meeting of independent handlers shall be held in the production area to elect nominees for handler members and alternates. For nominations to the initial committee, the meetings may be sponsored by the United States Department of Agriculture or by any agency or group requested to do so by such Department. For nominations for succeeding members and alternates on the committee, the committee shall hold such meetings or cause them to be held prior to June 15 of each year, after the effective date of this subpart.

(b) At each such meeting at least one nomination shall be designated for each position as member and alternate.

(c) Nominations for committee members and alternates following the initial committee shall be supplied to the Secretary not later than July 1 each year.

(d) In districts having both cooperative and independent producer members, only producers who market their fruit through cooperative marketing organizations may participate in designating nominees for members and alternates representing cooperative producers; and only independent producers may participate in designating nominees for members and alternates representing independent producers. In all other districts, all producers may participate in designating the nominees for producer members and alternates. Only handlers representing cooperative marketing organizations may participate in designating nominees for members and alternates representing cooperative handlers; and only independent handlers may participate in designating nominees for members and alternates representing independent handlers. In the event that a person is engaged in producing fruit in more than one district such person shall elect the district within which he may participate, as aforesaid, in designating nominees.

(e) Regardless of the amount of fruit handled by a handler or the number of districts in which a person produces fruit, each person is entitled to cast only one vote on behalf of himself, his agents, subsidiaries,

affiliates, and representatives in designating nominees for committee members and alternates. An eligible voter's privilege of casting only one vote shall be construed to permit a voter to cast one vote for each position to be filled. Votes must be cast in person at all nomination meetings.

§ 1031.24 Failure to nominate.

If nominations are not made within the time and in the manner specified in § 1031.23, the Secretary may, without regard to nominations, select the committee members and alternates, which selection shall be on the basis of the representation provided for in § 1031.20 through § 1031.22, inclusive.

§ 1031.25 Acceptance.

Any person selected as a committee member or alternate shall qualify by filing a written acceptance with the Secretary within ten days after being notified of such selection.

§ 1031.26 Vacancies.

To fill committee vacancies, the Secretary may select such members or alternates from unselected nominees on the current nominee list from the district and group involved, or from nominations made in the manner specified in § 1031.23. If the names of nominees to fill any such vacancy are not made available to the Secretary within 30 days after such vacancy occurs, such vacancy may be filled without regard to nominations, which selection shall be made on the basis of representation provided for in § 1031.20 through § 1031.22 inclusive.

§ 1031.27 Alternate members.

An alternate member of the committee shall act in the place and stead of the member for whom he is an alternate during such member's absence. In the event of the death, removal, resignation, or disqualification of a member, his alternate shall act for him until a successor of such member is selected and has qualified.

§ 1031.28 Procedure.

Ten members of the committee shall be necessary to constitute a quorum, six of whom shall be producer members. Ten affirmative votes shall be required to pass any motion or approve any committee action. All votes shall be cast in person.

§ 1031.29 Expenses and compensation.

The members of the committee, and alternates, shall serve without compensation; but they may be reimbursed for expenses necessarily incurred by them in the performance of their duties and in the exercise of their powers under this subpart.

§ 1031.30 Powers.

The committee shall have the following powers:

(a) To administer the provisions of this part in accordance with its terms;

(b) To make rules and regulations to effectuate the terms and provisions of this part;

(c) To receive, investigate, and report to the Secretary complaints of violation of the provisions of this part; and

(d) To recommend to the Secretary amendments to this part.

§ 1031.31 Duties.

It shall be, among other things, the duty of the committee:

(a) At the beginning of each term of office, to meet and organize, to select a chairman and such other officers as may be necessary, to select sub-committees, and to adopt such rules and regulations for the conduct of its business as it may deem advisable;

(b) To act as intermediary between the Secretary and any producer or handler;

(c) To furnish to the Secretary such available information as he may request;

(d) To appoint such employees, agents, and representatives as it may deem necessary and to determine the salaries and define the duties of each such person;

(e) To require adequate fidelity bonds for all persons handling funds;

(f) To investigate from time to time and to assemble data on the growing, harvesting, shipping, and marketing conditions with respect to fruit;

(g) To prepare a marketing policy;

(h) To recommend marketing regulations to the Secretary;

(i) To recommend rules and procedures for, and to make determinations in connection with, issuance of certificates of privilege;

(j) To keep minutes, books, and records which clearly reflect all of the acts and transactions of the committee; and such minutes, books, and records shall be subject to examination at any time by the Secretary or his authorized agent or representative; and minutes of each committee meeting shall be promptly submitted to the Secretary;

(k) At the beginning of each fiscal period, to prepare a budget of its expenses for such fiscal period, together with a report thereon;

(l) To cause the books of the committee to be audited by a competent accountant at least once each fiscal period, and at such other time as the committee may deem necessary or as the Secretary may request (the report of each such audit shall show the receipt and expenditure of funds collected pursuant to this part; a copy of each such report shall be furnished to the Secretary and a copy of each report shall be made available at the principal office of the committee for inspection by producers and handlers); and

(m) To consult, cooperate, and exchange information with other marketing agreement committees and other individuals or agencies in connection with all proper committee activities and objectives under this part.

Expenses and Assessments

§ 1031.32 Expenses.

The committee is authorized to incur such expenses as the Secretary may find are reasonable and likely to be incurred during each fiscal period for its maintenance and functioning, and for such purposes as the Secretary, pursuant to this subpart, determines to be appropriate. Each handler's share of such expense shall be proportionate to the ratio between the total quantity of fruit handled by him as the first handler thereof during a fiscal period and the total quantity of fruit handled by all handlers as first handlers thereof during such fiscal period.

§ 1031.33 Budget.

At the beginning of each fiscal period and as may be necessary thereafter, the committee shall prepare an estimated budget of income and expenditures necessary for the administration of this part. The committee shall recommend the rate of assessment calculated to provide adequate funds to defray its proposed expenditures. The committee shall present such budget to the Secretary with an accompanying report showing the basis for its estimates and recommendations.

§ 1031.34 Assessments.

(a) The funds to cover the committee's expenses shall be acquired by the levying of assessments upon handlers as provided in this sub-part. Each handler who first handles fruit shall, with respect to the fruit so handled by him, pay assessments to the committee upon demand, which assessments shall be in payment of such handler's pro rata share of the committee's expenses.

(b) Assessments shall be levied upon handlers at rates established by the Secretary. Such rates may be established upon the basis of the committee's recommendations and other available information. Such rates may be applied to specified containers used in the production area.

(c) The rate of assessment may be increased at any time by the Secretary if he finds such increase is necessary in order that the money collected shall be adequate to cover the committee's expenses during a given fiscal period. Such increase shall be applicable to all fruit handled during such fiscal period.

(d) The payment of assessments for the maintenance and functioning of the committee may be required under this part throughout the period it is in effect irrespective of whether particular provisions of this part are suspended or become inoperative.

§ 1031.35 Accounting.

(a) If, at the end of a fiscal period, the assessments collected are in excess of expenses incurred, such excess shall be accounted for in accordance with one of the following:

(1) If such excess is not retained in a reserve, as provided in subparagraph (2) of this paragraph, it shall be refunded proportionately to the persons from whom collected.

(2) The committee, with the approval of the Secretary, may carry over such excess into subsequent fiscal periods as a reserve: *Provided*, That funds already in the reserve do not equal approximately one fiscal period's expenses. Such reserve funds may be used (i) to defray expenses, during any fiscal period, prior to the time assessment income is sufficient to cover such expenses; (ii) to cover deficits incurred during any fiscal period when assessment income is less than expenses; (iii) to defray expenses incurred during any period when any or all provisions of this part are suspended or are inoperative; and (iv) to cover necessary expenses of liquidation in the event of termination of this part. Upon such termination, any funds not required to defray the necessary expenses of liquidation shall be disposed of in such manner as the Secretary may determine to be appropriate. To the extent practical, such funds shall be returned pro rata to the persons from whom such funds were collected.

(b) All funds received by the committee pursuant to the provisions of this part shall be used solely for the purpose specified in this part and shall be accounted for in the manner provided in this part. The Secretary may at any time require the committee and its members to account for all receipts and disbursements.

(c) Upon the removal or expiration of the terms of office of any member of the committee, such member shall account for all receipts and disbursements and deliver all property and funds in his possession to the committee, and shall execute such assignments and other instruments as may be necessary or appropriate to vest in the committee full title to all of the property, funds, and claims vested in such member pursuant to this part.

(d) The committee may make recommendations to the Secretary for one or more of the members thereof, or any other person, to act as a trustee for holding records, funds, or any other committee property during periods of suspension of this subpart, or during any period or periods when regulations are not in effect, and if the Secretary determines such action appropriate, he may direct that such person or persons shall act as trustee or trustees for the committee.

Research and Development

§ 1031.37 Research and development.

The committee, with the approval of the Secretary may establish or provide for the establishment of marketing research and

development projects designed to assist, improve, or promote the marketing, distribution, and consumption of fruit. The expenses of such projects shall be paid from funds collected pursuant to § 1031.34, and shall not exceed 10 percent of the total expenses of the committee during the initial fiscal period nor exceed 25 percent of such expenses during any subsequent fiscal period.

Regulation

§ 1031.38 Marketing policy.

Prior to or at the same time as initial recommendations are made pursuant to § 1031.39, the committee shall submit to the Secretary a report setting forth the marketing policy it deems desirable for the industry to follow in shipping fruit from the production area during the ensuing season. Additional reports shall be submitted from time to time if it is deemed advisable by the committee to adopt a new or modified marketing policy because of changes in the demand and supply situation with respect to fruit. The committee shall publicly announce the submission of each marketing policy report and copies thereof shall be available at the committee's office for inspection by any producer or handler. In determining each such marketing policy the committee shall give due consideration to the following:

(a) Market prices of fruit, including prices by grade, size, and quality in different packs, and such prices by foreign competing areas;

(b) Supply of fruit, by grade, size, and quality in the production area, and in other production areas, including foreign production areas;

(c) Trend and level of consumer income;

(d) Marketing conditions affecting fruit prices; and

(e) Other relevant factors.

§ 1031.39 Recommendations for regulation.

The committee, upon complying with the requirements of § 1031.38, may recommend regulations to the Secretary whenever it finds that such regulations, as are provided for in this sub-part, will tend to effectuate the declared policy of the act. The committee shall give notice to handlers of any such recommendation at the same time such recommendation is submitted to the Secretary.

§ 1031.40 Issuance of regulations.

The Secretary shall limit the handling of fruit whenever he finds from the recommendation and information submitted by the committee, or from other available information, that such regulation would tend to effectuate the declared policy of the act. Such regulations may:

(a) Limit the handling of particular grades, sizes, qualities, maturities, or packs of any or all varieties of fruit during a specified period or periods: *Provided*, That specific maturity requirements applicable to the handling of any variety may be prescribed under this section only in the event that appropriate maturity requirements for such variety are not in effect under State authority.

(b) Limit the handling of particular grades, sizes, qualities, or packs of fruit differently for different varieties, for different containers. for different purposes specified in § 1031.42, or any combination of the foregoing, during any period.

(c) Limit the handling of fruit by establishing, in terms of grades, sizes, or both, minimum standards of quality and maturity.

(d) Fix the size, weight, capacity, dimensions, or pack of the container or containers which may be used in the packaging, transportation, sale, shipment, or other handling of fruit.

(e) Prohibit the handling (1) of any fruit which does not have marked on each container the grade or the registered grade label of the fruit contained therein; (2) of any grapefruit which does not have marked on each fruit the word "Texas" or other words implying Texas origin, except that the committee may recommend and the Secretary establish a tolerance for grapefruit in any container or lot not so marked; and (3) of any container fruit which is misbranded as to variety.

(f) No regulations may be issued under the provisions of this subpart which allots to individual handlers the quantity of fruit which each handler may ship during any regulation period.

§ 1031.41 Gift fruit shipments.

The handling to any person of gift packages of fruit individually addressed to such person, in quantities aggregating not more than 500 pounds and not for resale, are exempt from the provisions of §§ 1031.34, 1031.40, and 1031.45, and the regulations issued thereunder, but shall conform to such safeguards as may be established pursuant to § 1031.43.

§ 1031.42 Shipments for special purposes.

Upon the basis of recommendations and information submitted by the committee, or other available information, the Secretary, whenever he finds that it will tend to effectuate the declared policy of the act, shall modify, suspend, or terminate regulations issued pursuant to §§ 1031.34, 1031.40, 1031.45, or any combination thereof, in order to facilitate the handling of fruit:

(a) For relief or for charity;

(b) For processing or for manufacture or conversion into specified products; and

(c) In such minimum quantities and for such other purposes as may be specified by the committee with the approval of the Secretary.

§ 1031.43 Notification of regulation.

The Secretary shall notify the committee of any regulations issued or of any modification, suspension, or termination thereof. The committee shall give reasonable notice thereof to handlers.

§ 1031.44 Safeguards.

(a) The committee, with the approval of the Secretary, may prescribe adequate safeguards to prevent the handling of fruit pursuant to §§ 1031.41 or 1031.42 from entering channels of trade for other than the specific purpose authorized therefor, and rules governing the issuance and the contents of certificates of privilege if such certificates are prescribed as safeguards by the committee. Such safeguards may include requirements that:

(1) Handlers shall file applications with the committee to ship fruit pursuant to §§ 1031.41 and 1031.42.

(2) Handlers shall obtain inspection provided by § 1031.45, or pay the assessment levied pursuant to § 1031.34, or both, in connection with shipments made under § 1031.42: *Provided*, That such inspection and assessment requirements shall not apply to fruit handled for canning or freezing.

(3) Handlers shall obtain certificates of privilege from the committee to handle fruit affected or to be affected under the provisions of §§ 1031.41 and 1031.42.

(b) The committee may rescind or deny certificates of privilege to any handler if proof is obtained that fruit handled by him for the purposes stated in §§ 1031.41 and 1031.42 was handled contrary to the provisions of this part.

(c) The Secretary shall have the right to modify, change, alter, or rescind any safeguards prescribed and any certificates issued by the committee pursuant to the provisions of this section.

(d) The committee shall make reports to the Secretary, as requested, showing the number of applications for such certificates, the quantity of fruit covered by such applications, the number of such applications denied and certificates granted, the quantity of fruit handled under duly issued certificates, and such other information as may be requested.

Inspection

§ 1031.45 Inspection and certification.

(a) During any period in which handling of a variety of a type of fruit is regulated pursuant to §§ 1031.34, 1031.40, 1031.42, or any combination thereof, no handler shall handle any variety of such type of fruit which has not been inspected by an authorized representative of the Federal or Federal-State Inspection Service, unless such handling is relieved from such requirements pursuant to § 1031.41 or § 1031.42, or both;

(b) Regrading, resorting, or repacking any lot of fruit shall invalidate any prior inspection insofar as the requirements of this section are concerned. No handler shall handle fruit after it has been regraded, resorted, repacked, or in any other way prepared for market, unless each lot of fruit is inspected by an authorized representative of the Federal or Federal-State Inspection Service: *Provided*, That the committee, with the approval of the Secretary, may provide for waiving inspection requirements on any fruit in circumstances where it appears reasonably certain that, after regrading, resorting, or repacking, such fruit meets the applicable quality and other standards then in effect;

(c) Insofar as the requirements of this section are concerned, the length of time for which an inspection certificate is valid may be established by the committee with the approval of the Secretary;

(d) When fruit is inspected in accordance with the requirements of this section a copy of each inspection certificate issued shall be made available to the committee by the inspection service;

(e) The committee may recommend and the Secretary may require that any fruit handled or transported by motor vehicle shall be accompanied by a copy of the inspection certificate issued thereon, which certificate shall be surrendered to such authority as may be designated.

Reports

§ 1031.51 Reports.

Upon request of the committee, made with the approval of the Secretary, each handler shall furnish to the committee, in such manner and at such time as it may prescribe, such reports and other information as may be necessary for the committee to perform its duties under this part.

(a) Such reports may include, but are not necessarily limited to, the following:

(1) The quantities of fruit received by a handler;

(2) The quantities disposed of by him, segregated as to the respective quantities subject to regulation and not subject to regulation;

(3) The date of each such disposition and the identification of the carrier transporting such fruit;

(4) Identification of the inspection certificates, and the certificates of privilege, if any, pursuant to which the fruit was handled, together with the destination of each lot of fruit handled pursuant to § 1031.41.

(b) All such reports shall be held under appropriate protective classification and custody of the committee, or duly appointed employees thereof, so that the information contained therein which may adversely affect the competitive position of any handler in relation to other handlers will not be disclosed. Compilations of general reports from data submitted by handlers is authorized, subject to prohibition of disclosure of individual handlers' identities or operations.

(c) Each handler shall maintain for at least two succeeding years such records of the fruit received and disposed of by such

handler as may be necessary to verify the reports he submits to the committee pursuant to this section.

Miscellaneous Provisions

§ 1031.52 Compliance.

Except as provided in this subpart, no handler shall handle fruit, the handling of which has been prohibited by the Secretary in accordance with provisions of this subpart, or the rules and regulations issued thereunder, and no handler shall handle fruit except in conformity to the provisions of this part.

§ 1031.53 Right of the Secretary.

The members of the committee (including successors and alternates), and any agent or employee appointed or employed by the committee, shall be subject to removal or suspension by the Secretary at any time. Each and every order, regulation, decision, determination or other act of the committee shall be subject to the continuing right of the Secretary to disapprove of the same at any time. Upon such disapproval, the disapproved action of the said committee shall be deemed null and void, except as to acts done in reliance thereon or in compliance therewith prior to such disapproval by the Secretary.

§ 1031.54 Effective time.

The provisions of this subpart, or any amendment thereto, shall become effective at such time as the Secretary may declare and shall continue in force until terminated in one of the ways specified in this subpart.

§ 1031.55 Termination.

(a) The Secretary may, at any time, terminate the provisions of this subpart by giving at least one day's notice by means of a press release or in any other manner he may determine.

(b) The Secretary may terminate or suspend the operation of any or all of the provisions of this subpart whenever he finds that such provisions do not tend to effectuate the declared policy.

(c) The Secretary shall terminate the provisions of this subpart at the end of any fiscal period whenever he finds that such termination is favored by a majority of producers who, during a representative period, have been engaged in the production of fruit for market: *Provided,* That such majority has, during such representative period, produced for market more than fifty percent of the volume of such fruit produced for market.

(d) The provisions of this subpart shall, in any event, terminate whenever the provisions of the act authorizing them cease to be in effect.

§ 1031.56 Proceedings after termination.

(a) Upon the termination of the provisions of this subpart the then functioning members of the committee shall, for the purpose of liquidating the affairs of the committee continue as joint trustees of all the funds and property then in the possession of or under control of the committee, including claims for any funds unpaid or property not delivered at the time of such termination. Action by said trusteeship shall require the concurrence of a majority of the said trustees.

(b) The said trustees shall continue in such capacity until discharged by the Secretary; shall, from time to time, account for all receipts and disbursements and deliver all property on hand, together with all books and records of the committee and of the trustees, to such person as the Secretary may direct; and shall, upon the request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title and right to all funds, property, and claims vested in the committee or the trustees pursuant to this subpart.

(c) Any person to whom funds, property, or claims have been transferred or delivered by the committee or its members pursuant to this section, shall be subject to the same obligations imposed upon the members of the committee and upon the said trustees.

§ 1031.57 Effect of termination or amendment.

Unless otherwise expressly provided by the Secretary, the termination of this subpart or of any regulation issued pursuant to this subpart, or the issuance of any amendments to either thereof, shall not (a) affect or waive any right, duty, obligation, or liability which shall have arisen or which may thereafter arise in connection with any provision of this subpart or any regulation issued under this subpart, or (b) release or extinguish any violation of this subpart or of any regulations issued under this subpart, or (c) affect or impair any rights or remedies of the Secretary or of any other person with respect to any such violations.

§ 1031.58 Duration of immunities.

The benefits, privileges, and immunities conferred upon any person by virtue of this subpart shall cease upon the termination of this subpart, except with respect to acts done under and during the existence of this subpart.

§ 1031.59 Agents.

The Secretary may, by designation in writing, name any person, including any officer or employee of the United States, or name any agency in the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this subpart.

§ 1031.60 Derogation.

Nothing contained in this subpart is, or shall be construed to be, in derogation or in modification of the rights of the Secretary or of the United States to exercise any powers granted by the act or otherwise, or in accordance with such powers, to act in the premises whenever such action is deemed advisable.

§ 1031.61 Personal liability.

No member or alternate of the committee or any employee or agent thereof, shall be held personally responsible, either individually or jointly with others, in any way whatsoever, to any handler or to any person for errors in judgment, mistakes, or other acts, either of commission or omission, as such member, alternate, agent, or employee, except for act of dishonesty, willful misconduct, or gross negligence.

§ 1031.62 Separability.

If any provision of this subpart is declared invalid, or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder of this subpart, or the applicability thereof to any other person, circumstance, or thing, shall not be affected thereby.

Issued at Washington, D.C., this 19th day of September 1960, to become effective upon publication in the Federal Register.

E. T. BENSON,
Secretary.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware to the committee amendment, as amended.

The amendment to the amendment was agreed to.

Mr. CASE of South Dakota. Mr. President, I send to the desk an amendment for printing under the rule, and ask that it lie on the desk.

The PRESIDING OFFICER. The amendment will be received, printed, and will lie on the desk.

NOTICE OF INTENTION TO REQUEST REFERRAL OF BILL RELATING TO PLANNING FOR WATER RESOURCES DEVELOPMENT TO COMMITTEE ON PUBLIC WORKS

Mr. CASE of South Dakota. Mr. President, I intend to ask tomorrow that the bill proposing a program in connection with water resources planning be referred to the Committee on Public Works. The bill has been introduced by the distinguished Senator from New Mexico [Mr. ANDERSON], and deals with planning for water resources development. The Committee on Interior and Insular Affairs is to hold hearings on it. I intend to ask that the bill be referred to the Committee on Public Works after the Committee on Interior and Insular Affairs has completed its hearings and action. I state this now because I wish to give Senators notice. I do not make the request now, because the Senator from New Mexico is not present.

The bill would make it possible for the Governor of any single State in a water basin to make a request to the President for the creation of a basin commission, and the President would be empowered, upon the request of a single Governor, to appoint a commission to deal with all the States which are involved in the river basin. It seems to me this suggests the broad scope of the bill and the reason why extended hearings should be held on it.

In view of the fact that in many instances legislation pertaining to the development of river basins has come under the jurisdiction of the Committee on Public Works, I shall make the request that the bill be referred to the committee on Public Works when the Committee on Interior and Insular Affairs has completed its deliberations.

I make this in the form of an announcement at this time in order that the Committee on Interior and Insular Affairs may be advised, when the committee meets tomorrow.

AGRICULTURAL ACT OF 1961

The Senate resumed the consideration of the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. ELLENDER. I understand the Senator from South Dakota has an amendment to make certain that any per diem paid to any of the members of advisory groups be limited to that

provided by law for Federal employees under the Travel Expense Act of 1949.

Mr. CASE of South Dakota. I do. In fact, that is the amendment I have sent to the desk for printing, to be considered tomorrow. I thought it might be helpful to the Senators to have the amendment in writing.

Mr. ELLENDER. I am willing to accept the amendment. As I understand the amendment, all it would do is add a comma in line 25 on page 80.

Mr. CASE of South Dakota. Mr. President, I thought possibly the language would be more clear if we changed the order of the words, "in lieu of subsistence." I have no objection to consideration of the amendment now, if the chairman is willing to accept it.

Mr. ELLENDER. I think we can agree to it now. It was the intention of the committee that travel cost and subsistence would be paid in accordance with the Travel Expense Act of 1949, as amended.

Mr. CASE of South Dakota. I am glad to have the chairman state that intent, because that is the intent of the amendment.

Mr. President, I offer the amendment and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 80, in line 25, it is proposed to strike out "and a per diem, in lieu of subsistence" and in lieu thereof to insert "and, in lieu of subsistence, a per diem."

Mr. CASE of South Dakota. Mr. President, in order that the meaning may be clear, one has to read the language with the punctuation. The fault in the text of the bill is that it reads:

(c) In order that the Secretary of Agriculture may be assured of being able to obtain the advice of any such person or organization, he is authorized, whenever he determines such action necessary, to pay for each day's attendance at meetings and while traveling to and from such meetings, transportation expenses and a per diem, in lieu of subsistence in the amount authorized under the Travel Expense Act of 1949 for Federal employees.

So the language as presented in the bill would give the Secretary authority to pay transportation, expenses, and a per diem, in lieu of what is offered by the Travel Expense Act. My amendment would change the language to read that the Secretary could authorize pay for each day's attendance at meetings and while traveling to and from such meetings, transportation expenses, and, in lieu of subsistence, a per diem in the amount authorized under the Travel and Expense Act of 1949, for Federal employees.

It would make the per diem limited to what the Travel Expense Act provides and not make it discretionary with the Secretary. Some of us have a recollection of the fact that several years ago a meeting was held at St. Paul in which the county committees were called in and paid a fairly liberal per diem. Many of us thought the purpose of the meeting was as much political as it was to explain the act. We do not wish to place such temptation before any Secretary, whoever he may be, to call meetings with carte blanche authority to fix per diems at whatever he wishes.

Mr. ELLENDER. I assure my good friend from South Dakota that it was the intention of the committee merely to pay actual travel expenses, and a per diem not in excess of that provided, in lieu of subsistence, under the Travel Expense Act of 1949 for Federal employes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota to the committee amendment, as amended.

The amendment to the amendment was agreed to.

INTERNATIONAL FOOD YEAR

Mr. HART. Mr. President, there has come to my attention an editorial from the July 14 issue of the Oklahoma Courier. As we consider the farm legislation with its new extended authorization for the use of our food abundance in development programs throughout the world, I commend to my colleagues this editorial, proposing that the United States take the lead in establishing an International Food Year. I ask unanimous consent that this editorial from the Oklahoma Courier be printed at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A NEW IDEA—IFY

In a first-page editorial to "The Two Mr. K.'s," the editor of Afrique Action, Mr. Bechi Ben Yahmed presented a challenging thought. There was a photograph of an old Algerian woman eating raw dandelions which filled almost half the page. Its caption read "One Hundred Billion Dollars for the Moon." The text invites the world's two leading nations to consider the matter of hunger, the main problem of half the world.

It goes on, "Messieurs K., your people need peace to live; we need bread just to exist, and then tranquility in which to make progress. Three billion people say to you: 'Listen.'"

And listen we should. Everyone should listen to this plea. Certainly Christians must, in charity, listen to the cry of the needy—the beloved of Christ. So should secularists, humanists, nationalists, and all the other American "ists" who value what this country stands for and its future. We must approach this world problem ourselves or we will not be around as a nation to listen to future generations.

World hunger has been a lot like the weather. Those who need to do something about it have neither the talents nor the resources to solve the problem. There is plenty of talent and resource in the prosperous countries like ours—enough to really make some significant progress toward a solution.

Certainly, we in the United States cannot and should not go it alone. This is much more than aid to underdeveloped countries. This is much more than just combating communism, but it would undoubtedly be effective in that too. In fact, we don't have to do it by ourselves.

We have just gone through a highly successful experiment in international, worldwide cooperation on a scientific and engineering development. IGY (the International Geophysical Year) was a model of just what is needed to attack the world food problem. Why not have the United States propose an IFY (International Food Year)?

International scientists and engineers could pool their efforts to solve economical saline water conversion and transportation, weather forecasting and control. Agriculturists could tackle water and soil conservation production problems and suitable hybrids for unfavorable climates. Dietitians could study nutrition balance from available foods. And on and on.

Whether it is IFY, or some other effective programs, we should not miss this opportunity to exercise world leadership. The way we get things done is through our elected representatives. Everyone should write his Congressman and express his concern over this problem. Go see him personally, or clip this editorial and send it, or write a postcard, but in some way make it known that you are interested in the plight of your fellow man. Half of all humanity needs this simple act on your part.

Mr. MANSFIELD. Mr. President, it is my understanding that the amendment just agreed to is the last amendment on the farm bill to be considered today.

ISSUANCE OF RADIO OPERATOR LICENSES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily, and that the Senate proceed to consideration of Calendar No. 549.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (S. 1589) to amend the Communications Act of 1934 to authorize the issuance of radio operator licenses to nationals of the United States.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement as to the purposes of the proposed legislation being considered.

There being no objection, the excerpt from the report (No. 575) was ordered to be printed in the RECORD, as follows:

The purpose of S. 1589 is to amend section 303(1) of the Communications Act of 1934, as amended, so as to authorize the Federal Communications Commission to issue radio operator licenses to natives of American Samoa who are nationals of the United States and owe allegiance to it, but to whom full citizenship has not been extended.

GENERAL STATEMENT

This bill was introduced by the chairman of your committee at the request of the Department of Interior for the main purpose of enhancing safe and efficient navigation by the use of radio in the American Samoa area.

Under existing law (sec. 303(1) of the Communications Act) the Federal Communications Commission may issue radio operator licenses only to citizens of the United States and in certain cases to foreign nationals in the field of aviation.

Section 303(1) of the Communications Act of 1934, as amended, reads as follows:

"(1) Have authority to prescribe the qualifications of station operators, to classify them according to the duties to be performed, to fix the forms of such licenses, and to issue them to such citizens of the

United States as the Commission finds qualified, except that in issuing licenses for the operation of radio stations on aircraft the Commission may, if it finds that the public interest will be served thereby, waive the requirement of citizenship in the case of persons holding U.S. pilot certificates or in the case of persons holding foreign aircraft pilot certificates which are valid in the United States on the basis of reciprocal agreements entered into with foreign governments."

According to the Department of Interior, the inability of nationals of the United States to obtain operator licenses imposes a serious handicap upon shipping in and from the waters of American Samoa, since numerous privately owned craft are manned by Samoans who are U.S. nationals but not citizens.

Under this bill the Federal Communications Commission will be empowered to issue radio operator licenses to the nationals of the United States as well as to citizens.

The Samoan people owe complete allegiance to the United States, have proved their loyalty for almost 60 years under the American flag and have served their country bravely on many battlefields. Your committee knows of no reason why these nationals should not be equally eligible with citizens to obtain radio operator licenses.

Your committee therefore urges the enactment of this legislation.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 303(1) of the Communications Act of 1934 (48 Stat. 1082) as amended (47 U.S.C. 303 (1)), is hereby amended by inserting the words "or nationals" immediately following the word "citizens".

REASSIGNMENT OF OFFICERS DESIGNATED FOR SUPPLY DUTY IN THE MARINE CORPS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 551.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 4328) to reassign officers designated for supply duty as officers not restricted in the performance of duty in the Marine Corps.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a pertinent excerpt from the report of the Committee on Armed Forces accompanying the bill.

There being no objection, the excerpt from the report (No. 577) was ordered to be printed in the RECORD, as follows:

This bill proposes to eliminate the supply-duty-only officer category in the United States Marine Corps and to authorize the reassignment of officers now designated supply duty only as officers not restricted in the performance of duty.

EXPLANATION

Present system

Under existing law Marine Corps officers may be appointed as supply-duty-only officers in the grade of captain and above. Upon being designated for supply duty these officers thereafter compete only among themselves for promotions on the basis of anticipated vacancies. Supply-duty-only officers are restricted in their assignments to the performance of supply duties.

Proposed change

The bill proposes to reassign all officers on the active list of the Marine Corps who are designated for supply duty, except the incumbent Quartermaster General, as officers not restricted in the performance of duty. It would consolidate the grade distribution now authorized for supply-duty officers with the grade distribution now authorized for restricted officers without increasing the total number of officers who may serve in the various grades.

To protect those officers who now are designated for supply duty only, the bill contains provisions requiring that when these officers are first eligible for promotion to the next higher grade after enactment of this bill there must be an allocation of vacancies so that the former supply-duty-only officers will receive the same percentage of selection for promotion as their counterparts within the same zone who are unrestricted in the performance of duty. The Marine Corps promotion system for Regular officers is based on the best-fitted concept. As the law exists today, supply officers compete among themselves for promotion. If this bill is enacted the supply officers will become unrestricted officers and then will compete against unrestricted officers for promotion to the next higher grade. Because of their restricted assignment pattern, promotion attrition of former supply officers could be excessive. To permit a sufficient length of time for former supply officers to reestablish the qualifications needed to compete fairly for promotion as unrestricted officers, these officers would be granted equal promotion opportunity to the next higher grade.

The office of the Quartermaster General of the Marine Corps is now filled by appointment by the President, by and with the advice and consent of the Senate. This bill proposes to provide that the Quartermaster General of the Marine Corps shall be detailed by the Commandant. The incumbent Quartermaster General would not be reassigned under the terms of this bill but would be permitted to complete his appointed term of office as Quartermaster General prior to reassignment. Upon completion of this term of office the incumbent Quartermaster General would be entitled to be reappointed by the President alone to the permanent grade of major general, with the same date of rank he would have had if he had served as a major general not restricted in the performance of duty.

Section 5 of the bill repeals those special provisions of law relating to the appointment, promotion, continuation, and elimination of supply-duty-only officers. In the future these officers would be governed by comparable provisions now applicable only to officers not restricted in the performance of duty.

Reason for change

There now are 402 Marine Corps officers, designated for supply duty only. The grade distribution of these officers is 1 major general, 5 brigadier generals, 35 colonels, 86 lieutenant colonels, 122 majors, and 153 captains.

The Commandant of the Marine Corps believes that the supply-duty-officer concept is one that has outlived its usefulness in the Marine Corps and that the small officer strength of the Marine Corps does not lend itself to fragmentation into specialized groups of officers. The supply functions of the Marine Corps are less involved with design, development, and technical competence in scientific fields than are the supply functions of other armed forces. Marine Corps supply effort is concentrated more on supply management and close support of combat formations. The Commandant considers that supply cannot be isolated as a function, but that it blends with fiscal management and logistics planning. The Marine Corps has placed increased responsibility on commanders for management of fiscal affairs. To accomplish this objective it is important for the officers not restricted in the performance of duty to acquire more competence and experience in dealing with supply problems. The Commandant also considers it desirable for supply-duty officers to receive experience and training in command billets to increase their effectiveness throughout their Marine Corps careers.

COST

Enactment of this bill will have no fiscal impact.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 4328) was read the third time and passed.

EARL H. SPERO

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 552.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 2086) for the relief of Earl H. Spero.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point, in the consideration of the bill, pertinent excerpts from the report of the Committee on the Judiciary accompanying the bill.

There being no objection, the excerpts from the report (No. 578) were ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to pay Earl H. Spero, of New York, N.Y., the sum of $500 in full settlement of his claims against the United States for the amount of a departure bond which he posted for Mrs. Sima Katz on December 11, 1956.

STATEMENT

The facts and conclusions surrounding this claim are set forth in House Report 99 on H.R. 2086, and are as follows:

"On December 26, 1956, Mrs. Sima Katz was admitted to the United States at New York, N.Y., as a visitor for pleasure until February 8, 1957, and a maintenance of status and departure bond in the amount of $500 was posted in her behalf as required under applicable law. Mr. Earl H. Spero furnished cash collateral to the company posting the bond which amounted to $500. Mrs. Katz was granted extensions of her temporary stay until February 7, 1958. The evidence presented to this commitee shows that Mrs. Katz failed to depart by this date because of the condition of her health. She had given birth to a child and was ill. While she was in the hospital she had sought to have her husband attempt to get an extension of time because of her illness. However,

this attempt did not meet with success with the result that she did not depart within the period prior to the date referred to above. The result was that the bond was declared breached and on May 5, 1959, the collateral in the amount of $500 was received from the surety company and deposited in the U.S. Treasury."

The House report further points out that Mrs. Katz subsequently filed an application for reexamination which was approved, and on September 9, 1958, she was admitted for permanent residence. In conclusion it is stated:

"The committee has carefully considered this fact in connection with the facts surrounding the original failure to depart, and has concluded that clearly this is a case in which legislative relief is appropriate. The ultimate burden to repay the amount of collateral will fall upon Mrs. Katz. She is a poor woman, and she and her husband have five children who are dependent upon them for their support. On the facts of this particular case the committee feels that the case merits relief, and accordingly recommends that the bill be considered favorably."

The committee, after consideration of the foregoing, concurs in the action taken by the House of Representatives and recommends that the bill, H.R. 2086, be considered favorably.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

EXCHANGE OF CERTAIN LANDS IN THE STATE OF WYOMING

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 553.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (S. 702) to authorize the Secretary of Agriculture to exchange certain lands in the State of Wyoming with the town of Afton, Wyo.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 702), which had been reported from the Committee on Agriculture and Forestry, with an amendment to strike out all after the enacting clause and insert:

That (a) the Secretary of Agriculture is authorized to convey by quitclaim deed the following described tract of land situated in Lincoln County, Wyoming: Commencing at a point which is 6 rods east and 10 rods north from the southwest corner of lot 4, block 20, of the Afton, Wyoming, townsite; thence east 4 rods, thence north 5 rods, thence west 4 rods, thence south 5 rods, to the point of beginning, containing 0.125 acre, subject to the reservation of an easement for a right-of-way for a road, 1 rod in width, across the north side of said tract.

(b) In exchange for the land to be conveyed pursuant to the provisions of subsection (a) the Secretary of Agriculture is authorized to accept on behalf of the United States the conveyance in fee simple, subject to such outstanding rights and reservations as he determines will not interfere with the purposes for which the land is being acquired, of other land in the State of Wyoming: *Provided*, That the value of the land to be conveyed to the United States shall be not less than the value of the land granted in exchange as determined by the Secretary of Agriculture.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point in the consideration of the bill, pertinent excerpts from the report of the Committee on Agriculture and Forestry, accompanying the bill.

There being no objection, the excerpts from the report (No. 579) were ordered to be printed in the RECORD, as follows:

S. 702 provides for the exchange of less than 0.2 of an acre formerly used as a corral by the Forest Service for land of equal value. The committee recommends the adoption of substitute language suggested by the Department of Agriculture to correct the legal description so that it does not include an easement not intended to be conveyed, and so that it reserves an easement needed by the Forest Service. The substitute amendment is agreeable to the other party to the exchange, the town of Afton, Wyo. The amendment would also omit specific reference to the town as the grantee of the land to be received by the United States in exchange to eliminate the possibility of legal objections that might be raised if the land to be received by the United States were outside of the town limits.

The report of the Department explaining the bill in detail is attached.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., May 17, 1961.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, U.S. Senate.

DEAR SENATOR ELLENDER: This is in reply to your request of February 1, 1961, for a report on S. 702, a bill to authorize the Secretary of Agriculture to exchange certain lands in the State of Wyoming with the town of Afton, Wyo.

We recommend that S. 702 be amended as hereinafter set forth. If it is so amended, then this Department would favor its enactment.

The bill would direct the Secretary of Agriculture to convey certain land described in the bill to the town of Afton, Wyo., and in exchange therefor, to accept from the town on behalf of the United States, any tract agreed upon by the Secretary and the town. The bill provides that the appraised value of any tract so conveyed to the United States shall be not less than the appraised value of the land conveyed by the United States.

S. 702 is intended to provide for the conveyance of a tract of less than 0.2 acre in Afton, formerly used chiefly as a corral in connection with a national forest administrative site but no longer serving that purpose, in exchange for other land suitable for a Forest Service horse pasture in or near the town. The Federal tract needed by the town adjoins and is suitable for addition to the public park of Afton. It is a portion of a tract donated to the United States by its former owner in 1933.

The description of the land which the bill would direct to be conveyed to the town includes a strip of land, 1 rod width and 10 rods long, which was not a part of the donated tract. This is a strip of land over which an easement was recently granted to the United States by the town for an existing and necessary access road to some ranger station buildings and facilities on adjoining Government land. It is necessary that this easement be retained by the Government. Also, in order to assure adequate access to the Afton administrative site, the United States needs to reserve an easement of like width (1 rod) for the continuation of this access road across the north side of the land which would be conveyed to the town. We are advised that this is acceptable to the town officials.

If the land agreed upon for conveyance by the town to the United States should be outside the established town limits, there would be questions as to the authority of the town officials to acquire or exchange such land. In the absence of such authority, the enactment of further legislation by the State of Wyoming would be necessary to authorize the town to acquire such land and exchange it for land of the United States. If, however, the Secretary were given authority by S. 702 to complete an exchange without specific reference to the town, arrangements might be made whereby an individual could trade land of at least equal value for the Government land the town desires and subsequently convey this land to the town. Such discretionary authority of course would not preclude the Secretary from exchanging lands directly with the town if the town officials could legally acquire and exchange it. We are advised that town officials are agreeable to such provisions.

Because of the several changes which would be necessary to take into account the circumstances that exist or may develop with respect to the lands to be exchanged, we have prepared an amendment which is in the nature of a substitute for S. 702. We would favor the enactment of the substitute bill, which is attached.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,
ORVILLE L. FREEMAN,
Secretary.

The PRESIDING OFFICER. The question is on the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN PROPERTY IN THE STATE OF CALIFORNIA

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 554.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 2249) to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point in the consideration of the bill pertinent excerpts from the report of the Committee on Agriculture and Forestry.

There being no objection, the excerpts from the report (No. 580) were ordered to be printed in the RECORD, as follows:

H.R. 2249 authorizes the return, without consideration, to Trinity County, Calif., of a small part of a 12.36-acre tract donated by it to the United States in 1934 for a ranger

headquarters. The land to be returned, 0.496 acre, is not needed by the United States and is currently being used by the county and the Weaverville Fire District under permits from the Forest Service.

The report of the House Committee on Agriculture, containing the views of the Department of Agriculture on the bill, is attached.

[H. Rept. 443, 87th Cong., 1st sess.]

The Committee on Agriculture, to whom was referred the bill (H.R. 2249) to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

The purpose of this bill is to authorize the Secretary of Agriculture to return by quitclaim deed to Trinity County, Calif., approximately one-half acre of a 12-acre tract which was donated to the United States by the county in 1934 as a site for the headquarters of the Weaverville and Trinity Lakes Ranger District, Trinity National Forest.

The parcels of land covered by this bill lie in the extreme eastern edge of the administrative site and have never been used by the Government. In fact, the parcels in question have been used by the county for the past several years under a special use permit for streets and other public purposes. The Department of Agriculture in its report states that the Forest Service sees no further need for this land and believes that the highest foreseeable use for the parcels is the public purpose to which they have been put.

HEARINGS

Hearings were held on an identical bill (H.R. 9732) in the 86th Congress. The bill passed the House but was not acted upon in the Senate.

COST

There would be no direct cost to the Government as the result of the enactment of this bill, since the land in question, was acquired by donation and is not being used by any Government agency.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 2249) was ordered to a third reading, was read the third time, and passed.

CONVEYANCE OF CERTAIN LANDS IN LASSEN COUNTY, CALIF.

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 555.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 2250) to authorize and direct the Secretary of Agriculture to convey certain lands in Lassen County, Calif., to the city of Susanville, Calif.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point in the consideration of the bill pertinent excerpts from the report (No. 581) of the Committee on Agriculture and Forestry accompanying the bill.

There being no objection, the excerpts from the report (No. 581) were ordered to be printed in the RECORD, as follows:

H.R. 2250 authorizes conveyance of 1.2 acres to the city of Susanville, Calif. The land was donated to the United States in 1939 for a Forest Service headquarters site on behalf of the city, the county, the Susanville Chamber of Commerce, and individual citizens. It has been used only for a temporary dwelling, which was removed about 4 years ago. No present or foreseeable future need exists for Forest Service installations thereon.

NEED FOR THE LEGISLATION

The city of Susanville needs the affected site, which is located in the center of the city, for municipal purposes. The Forest Service has not used, and will not use, the land for the purpose for which it was donated or for any other presently contemplated purpose. A similar bill (H.R. 11917) was passed by the House in the 86th Congress but was not acted on in the Senate.

COST

Since the land involved herein was originally donated to the United States, its reconveyance to the city would not represent any net cost to the United States.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 2250) was ordered to a third reading, was read the third time, and passed.

ANIMAL QUARANTINE LAWS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 556.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (S. 860) to provide greater protection against the introduction and dissemination of diseases of livestock and poultry, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point in the consideration of the bill pertinent excerpts from the report of the Committee on Agriculture and Forestry accompanying the bill.

There being no objection, the excerpts from the report (No. 582) were ordered to be printed in the RECORD, as follows:

This bill, except for minor changes of a technical nature, is identical to S. 864 of last Congress, as passed by the Senate on July 16, 1959. It is designed to close a number of gaps which have shown up in the animal quarantine laws and to clarify authority for certain actions under such laws. Those laws have been enacted from time to time to meet particular situations. They are applicable to specific animals, diseases, or circumstances, and fail to cover, or provide different authority with respect to, other animals, diseases, and circumstances where there is a need for uniform, broad authority. The bill is designed to provide such authority for all cases of like need.

For instance section 11 of the act of May 29, 1884, gives the Secretary certain control and eradication authority with respect to a long list of named diseases. It has been amended from time to time to add additional diseases. The bill would make it applicable to all communicable diseases of livestock or poultry.

Sections 1 through 4 of the act of March 3, 1905, provide quarantine measures for cattle and livestock. The bill would extend these provisions to all animals.

Section 1 of the act of March 3, 1905, authorizes quarantine of any State in which there are diseased livestock. The bill extends section 1 to States in which the contagion, or vectors which may disseminate the disease exist, even though there are no diseased livestock.

Section 2 of the act of February 2, 1903, authorizes the Secretary to seize, quarantine, and dispose of hay, straw, forage, or similar material. Section 2(b) of the bill authorizes the Secretary to seize, quarantine, and dispose of any articles which he finds were so related to certain animals as to be likely to be a means of disseminating disease.

These are but a few examples of the gaps which would be filled by the bill. The bill would increase the Secretary's seizure authority; clarify his authority to restrict imports; increase authority for inspection and for sanitary regulations, and provide injunction authority. The purpose of the bill is to provide adequate safeguards for the protection from disease of our domestic livestock and poultry industry.

DETAILS OF BILL

The bill would—

(1) authorize seizure, quarantine, and disposal of animals—(a) moved or handled in interstate or foreign commerce contrary to Federal quarantine laws and regulations, (b) moved into the United States or interstate while affected with or exposed to a communicable disease dangerous to livestock or poultry, or (c) affected with or exposed to an extremely dangerous disease creating an extraordinary emergency, but only if State or other authorities are not taking adequate measures (and in such case seizure, quarantine and disposal of carcasses of such animals and contaminated products and articles would also be authorized);

(2) require payment of indemnity in an amount not exceeding the difference between the fair market value and the compensation received from a State or other source for any animal, product, or article so disposed of, except one moved or handled contrary to certain Federal or State quarantine laws and regulations;

(3) authorize sanitary regulations for conveyances, stockyards, feed, and other facilities used in connection with moving animals into or from the United States, or interstate;

(4) authorize regulations restricting or prohibiting importation of animals likely to disseminate disease if necessary to protect domestic livestock or poultry;

(5) authorize inspection of (a) persons and conveyances moving into the United States; (b) persons and conveyances moving interstate upon probable cause; and (c) premises with a warrant;

(6) provide penalties of fine and imprisonment for violation of the regulations under the preceding provisions and authorize enforcement of the preceding provisions and regulations thereunder through injunction;

(7) extend to all communicable diseases of livestock or poultry the Secretary's authority under section 11 of the act of May 29, 1884, to eradicate named diseases by purchase, destruction, indemnities, and otherwise;

(8) authorize the quarantine of any State, territory, or the District of Columbia, or any portion thereof, if the contagion of, or vectors which may spread, any contagious, infectious, or communicable disease exist therein, and extend the first four sections of the act of March 3, 1905, and the related

provision in the act of June 30, 1914, to all animals (instead of livestock and poultry); and

(9) make it clear that Federal officers performing any function authorized by the Secretary of Agriculture under any Federal or State quarantine program would be covered by laws prohibiting interference with Federal officers.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That as used in this Act unless the context indicates otherwise—

(a) The term "Secretary" means the Secretary of Agriculture.

(b) The term "animals" means all members of the animal kingdom including birds, whether domesticated or wild, but not including man.

(c) The term "United States" means the States, Puerto Rico, Guam, the Virgin Islands of the United States, and the District of Columbia.

(d) The term "interstate" means from a State or other area included in the definition of the "United States" to or through any other State or other such area.

SEC. 2. (a) The Secretary, whenever he deems it necessary in order to guard against the introduction or dissemination of a communicable disease of livestock or poultry, may seize, quarantine, and dispose of, in a reasonable manner taking into consideration the nature of the disease and the necessity of such action to protect the livestock or poultry of the United States: (1) any animals which he finds are moving or are being handled or have moved or have been handled in interstate or foreign commerce contrary to any law or regulation administered by him for the prevention of the introduction or dissemination of any communicable disease of livestock or poultry; (2) any animals which he finds are moving into the United States, or interstate, and are affected with or have been exposed to any communicable disease dangerous to livestock or poultry; and (3) any animals which he finds have moved into the United States, or interstate, and at the time of such movement were so affected or exposed.

(b) Whereas the existence of any extremely dangerous, communicable disease of livestock or poultry, such as foot-and-mouth disease, rinderpest, or European fowl pest, on any premises in the United States would constitute a threat to livestock and poultry of the Nation and would seriously burden interstate and foreign commerce, whenever the Secretary determines that an extraordinary emergency exists because of the outbreak of such a disease anywhere in the United States, and that such outbreak threatens the livestock or poultry of the United States, he may seize, quarantine, and dispose of, in such manner as he deems necessary or appropriate, any animals in the United States which he finds are or have been affected with or exposed to any such disease and the carcasses of any such animals and any products and articles which he finds were so related to such animals as to be likely to be a means of disseminating any such disease: *Provided,* That action shall be taken under this subsection only if the Secretary finds that adequate measures are not being taken by the State or other jurisdiction. The Secretary shall notify the appropriate official of the State or other jurisdiction before any action is taken in any such State or other jurisdiction pursuant to this subsection.

(c) The Secretary in writing may order the owner of any animal, carcass, product, or article referred to in subsection (a) or (b) of this section, or the agent of such owner, to maintain in quarantine and to dispose of such animal, carcass, product, or article in such manner as the Secretary may direct pursuant to authority vested in him by such subsections. If such owner or agent fails to do so after receipt of such notice, the Secretary may take action as authorized by said subsections (a) and (b) and recover from such owner or agent the reasonable costs of any care, handling, and disposal incurred by the Secretary in connection therewith. Such costs shall not constitute a lien against the animals, carcasses, products, or articles involved. Costs collected under this section shall be credited to the current appropriation for carrying out animal disease control activities of the Department.

(d) Except as provided in subsection (e) of this section, the Secretary shall compensate the owner of any animal, carcass, product, or article destroyed pursuant to the provisions of this section. Such compensation shall be based upon the fair market value as determined by the Secretary, of any such animal, carcass, product, or article at the time of the destruction thereof. Compensation paid any owner under this subsection shall not exceed the difference between any compensation received by such owner from a State or other source and such fair market value of the animal, carcass, product, or article. Funds in the Treasury available for carrying out animal disease control activities of the Department of Agriculture shall be used for carrying out this subsection.

(e) No such payment shall be made by the Secretary for any animal, carcass, product, or article which knowingly has been moved or handled by the owner thereof or his agent in violation of a law or regulation administered by the Secretary for the prevention of the interstate dissemination of the communicable disease, for which the animal, carcass, product, or article was destroyed or a law or regulation for the enforcement of which the Secretary enters or has entered into a cooperative agreement for the control and eradication of such disease, or for any animal which has moved into the United States contrary to such law or regulation administered by the Secretary for the prevention of the introduction of a communicable disease of livestock or poultry.

SEC. 3. The Secretary, in order to protect the health of the livestock or poultry of the Nation, may promulgate regulations requiring that railway cars; vessels; airplanes; trucks; and other means of conveyance; stockyards; feed, water, and rest stations; and other facilities, used in connection with the movement of animals into or from the United States, or interstate, be maintained in a clean and sanitary condition, including requirements for inspection, cleaning, and disinfection.

SEC. 4. The Secretary is authorized to promulgate regulations prohibiting or regulating the movement into the United States of any animals which are or have been affected with or exposed to any communicable animal disease, or which have been vaccinated or otherwise treated for any such disease, or which he finds would otherwise be likely to introduce or disseminate any such disease, when he determines that such action is necessary to protect the livestock or poultry of the United States.

SEC. 5. Employees of the Department of Agriculture designated by the Secretary for the purpose, when properly identified, shall have authority (1) to stop and inspect, without a warrant, any person or means of conveyance, moving into the United States from a foreign country, to determine whether such person or means of conveyance is carrying any animal, carcass, product, or article regulated or subject to disposal under any law or regulation administered by the Secretary for prevention of the introduction or dissemination of any communicable animal disease; (2) to stop and inspect, without a warrant, any person or means of conveyance moving interstate upon probable cause to believe that such person or means of conveyance is carrying any animal, carcass, product, or article regulated or subject to disposal under any law or regulation administered by the Secretary for the prevention of the introduction or dissemination of any communicable animal disease; and (3) to enter upon, with a warrant, any premises for the purpose of making inspections and seizures necessary under such laws and regulations. Any Federal judge, or any judge of a court of record in the United States, or any United States commissioner, may, within his jurisdiction, upon proper oath or affirmation indicating probable cause to believe that there is on certain premises any animal, carcass, product, or article regulated or subject to disposal under any law or regulation administered by the Secretary for the prevention of the introduction or dissemination of any communicable animal disease, issue warrants for the entry upon such premises and for inspections and seizures necessary under such laws and regulations. Such warrants may be executed by any authorized employee of the Department of Agriculture.

SEC. 6. (a) Whoever knowingly violates any regulation promulgated pursuant to the provisions of sections 1 through 5 of this Act shall be punished by a fine not exceeding $1,000 or by imprisonment not exceeding one year, or both.

(b) The Secretary may bring an action to enjoin the violation of, or to compel compliance with, any regulation promulgated or order issued under said sections, or to enjoin any interference by any person with an employee of the Department of Agriculture in carrying out any duties under said sections, whenever the Secretary has reason to believe that such person has violated, or is about to violate, any such regulation or order, or has interfered, or is about to interfere, with any such employee. Such action shall be brought in the United States district court, or the United States court of any Territory or possession, for the judicial district in which such person resides or transacts business or in which the violation, omission, or interference has occurred or is about to occur. Process in such cases may be served in any judicial district wherein the defendant resides or transacts business or wherever the defendant may be found, and subpenas for witnesses who are required to attend the court in any judicial district in any such cases may run into any other judicial district.

SEC. 7. Section 11 of the Act of May 29, 1884 (58 Stat. 734), as amended (21 U.S.C. 114a), is further amended by inserting the words "any communicable diseases of livestock or poultry, including, but not limited to," after the word "eradicate".

SEC. 8. (a) The first section of the Act of March 3, 1905 (33 Stat. 1264), as amended (21 U.S.C. 123), is further amended by striking out the phrase "cattle or other livestock" and inserting in lieu thereof the words "any animals", and by inserting after the word "disease" the words "of livestock or poultry or that the contagion of any such disease exists or that vectors which may disseminate any such disease exist in such State or Territory or the District of Columbia".

(b) Sections 2, 3, and 4 of such Act (33 Stat. 1264, 1265), as amended (21 U.S.C. 124, 125, 126), are further amended by striking out the phrase "cattle or other livestock" each time such phrase appears in those sec-

tions and inserting in lieu thereof the words "quarantined animals".

SEC. 9. The first proviso under the heading "General Expenses, Bureau of Animal Industry" in the Act entitled "An Act making appropriations for the Department of Agriculture for the fiscal year ending June thirtieth, nineteen hundred and fifteen", approved June 30, 1914 (38 Stat. 419), as amended (21 U.S.C. 128), is further amended by striking out the phrase "cattle or other livestock" and inserting in lieu thereof the words "quarantined animals".

SEC. 10. Section 1114 of title 18 of the United States Code is amended by inserting after "wild birds and animals," the following: "any employee of the Department of Agriculture designated by the Secretary of Agriculture to carry out any law or regulation, or to perform any function in connection with any Federal or State program or any program of Puerto Rico, Guam, the Virgin Islands of the United States, or the District of Columbia, for the control or eradication or prevention of the introduction or dissemination of animal diseases,".

SEC. 11. The Secretary is authorized to issue such regulations as he deems necessary to carry out the provisions of this Act.

SEC. 12. The authority conferred by this Act shall be in addition to authority conferred by other statutes. Any provision of any other Act inconsistent with the provisions of this Act is hereby repealed.

SEC. 13. If any provision of this Act or application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

AMENDMENT OF PUERTO RICAN FEDERAL RELATIONS ACT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 565.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The CHIEF CLERK. A joint resolution (H.J. Res. 124) to provide for amending section 3 of the Puerto Rican Federal Relations Act (64 Stat. 319) as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. MANSFIELD. Mr. President, the Senate has under consideration House Joint Resolution 124, which is of significance on this day. The chairman of the Senate Committee on Interior and Insular Affairs, the distinguished Senator from New Mexico [Mr. ANDERSON], will explain the joint resolution.

Mr. ANDERSON. Mr. President, tomorrow a great day in Puerto Rico will be celebrated. The present head of the government of Puerto Rico, the Honorable Muñoz-Marín, a former Resident Commissioner, who is well known to many of us, has sought to bring about what he calls Operation Bootstrap. He is trying to lift Puerto Rico from many things with which it has been encumbered in the past, and he has tried to give the people of the country a brand-new outlook.

One of the things he would like to do is to arrange for Puerto Ricans to bond themselves for needed improvements in the economy of that country. In the Subcommittee on Territories, headed by the junior Senator from Washington [Mr. JACKSON], we took into consideration the request of Gov. Muñoz-Marín with reference to the problem of increasing the bonding capacity of the territory. At the present time we limit Puerto Rico's capacity to 10 percent of the assessed valuation.

I know of no State upon which we impose that sort of an obligation, but I certainly know that there is no State which is limited by the Federal Government as to how much it may bond itself. It does those things on its own. Every one of our States has the right to decide for itself how much it will bond itself for improvements, for the construction of schools and highways, and various other projects.

The people of Puerto Rico would like the privilege of doing the same thing. They would like to be able to decide that they can bond themselves for whatever amount is necessary.

We were a little worried with respect to complete authority to do so, and we found out that they intend to bring this matter in proper fashion before the legislature. The measure will have to pass by a two-thirds vote. Any limitation that they want to put on it or any lifting of the limitation will then be referred to the people, and the people will decide whether they will or will not bond themselves.

We discussed the subject in the committee at great length. We heard all sorts of viewpoints upon it. We decided that the measure ought to be passed. It is a House joint resolution. The House held carefully prepared hearings, and decided that this action was satisfactory. The Senate Committee on Interior and Insular Affairs has considered the joint resolution carefully. We think it is all right. It would be of great benefit to the people of Puerto Rico if it could be passed by the Senate today in order that the people of Puerto Rico might know, when they celebrate this fine independence day of theirs, that we have taken the same action which the House has taken. Therefore the House joint resolution should be agreed to.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the joint resolution.

The joint resolution was ordered to a third reading, was read the third time, and passed.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, for the information of Senators I wish to state that at the conclusion of the consideration of the farm bill, which is now pending, and certain nominations on the Executive Calendar, it is the intention to proceed to the consideration thereafter of a number of bills which have been reported by the distinguished chairman of the Committee on Interior and Insular Affairs, Senator ANDERSON.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

RESOLUTION

TO PRINT AS A SENATE DOCUMENT A STUDY ENTITLED "PROPOSED FEDERAL AID FOR EDUCATION"

Mr. CLARK. Mr. President, on behalf of the senior Senator from Oregon [Mr. MORSE], the distinguished chairman of the Education Subcommittee of the Senate Committee on Labor and Public Welfare, I send to the desk, for appropriate reference, a resolution to have printed as a Senate document a committee print entitled "Proposed Federal Aid for Education."

Mr. President, the material was prepared by the Legislative Reference Service of the Library of Congress at the request of Senator MORSE to serve a dual purpose. It will serve as a handbook for legislators concerned with various proposals for Federal aid to education and it will be most helpful as a source of material for the high school students who will be participating in the 1961–62 debates, the topic of which has been announced as "What Should Be the Role of the Federal Government in Education?"

The demand for this publication, because of the interest in, and controversy surrounding, the education bills of this session, will probably be very great. The resolution asks that 9,000 copies be printed. This number, together with copies currently being obtained, will provide slightly in excess of 15,000 copies. Three years ago a similar compilation brought more than 25,000 requests for the document.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 183) was referred to the Committee on Rules and Administration, as follows:

Resolved, That there shall be printed as a Senate document the document, together with illustrations, entitled "Proposed Federal Aid for Education", prepared by the Legislative Reference Service of the Library of Congress. There shall be printed 9,000 additional copies of such Senate document which shall be for the use of the Committee on Labor and Public Welfare of the Senate.

AGRICULTURAL ACT OF 1961—AMENDMENTS

Mr. CAPEHART submitted an amendment, intended to be proposed by him, to the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. KEFAUVER submitted an amendment, intended to be proposed by him, to Senate bill 1643, supra, which was ordered to lie on the table and to be printed.

Mr. CASE of South Dakota submitted an amendment intended to be proposed by him, to Senate bill 1643, supra, which was ordered to lie on the table and to be printed.

Mr. YOUNG of Ohio submitted an amendment, intended to be proposed by him, to Senate bill 1643, supra, which was ordered to lie on the table and to be printed.

ACT FOR INTERNATIONAL DEVELOPMENT OF 1961—AMENDMENT

Mr. JAVITS submitted an amendment, intended to be proposed by him, to the bill (S. 1983) to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world in their efforts toward economic and social development and internal and external security, and for other purposes, which was ordered to lie on the table and to be printed.

ADJOURNMENT

Mr. ANDERSON. Mr. President, if there be no further business to come before the Senate at this time, I move, pursuant to the order previously entered, that the Senate adjourn until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 7 o'clock and 39 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Wednesday, July 26, 1961, at 10 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate July 25, 1961.

In the Marine Corps

The following-named officers of the Marine Corps for temporary appointment to the grade of major general, subject to qualification therefor as provided by law:

John P. Condon
Robert E. Cushman
Richard G. Weede
Leonard F. Chapman, Jr.
Henry W. Buse, Jr.
Herman Nickerson, Jr.

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general, subject to qualification therefor as provided by law:

Carl A. Youngdale
Ormond R. Simpson
John G. Bouker
Norman J. Anderson
Keith B. McCutcheon
Ronald R. Van Stockum

The U.S. Army Reserve officers named herein for promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, section 3384:

To be major general

Brig. Gen. John William Libcke, O233642.

To be brigadier generals

Col. Frederick Victor Austin, Jr., O252501, Corps of Engineers.

Col. Herbert Borden Brand, O916491, Transportation Corps.

Col. Philip Joseph Donovan, O1577103, Transportation Corps.

Col. Selig Jacob Levitan, O276524, Chemical Corps.

Col. William Surles McArthur, O312407, Artillery.

Col. Philip Daniel Myers, O293334, Artillery.

Col. Roy William Peters, O309977, Infantry.

Col. Laddie L. Stahl, O448301, Artillery.

Col. Hugh Reid Thompson, Jr., O342933, Infantry.

Col. Robert Cleland Tyler, O281150, Corps of Engineers.

Col. John Wister Wurts, O283443, Artillery.

The Army National Guard of the United States officers named herein for promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, section 3385:

To be major general

Brig. Gen. Harley Bruce West, O268317.

To be brigadier generals

Col. Charles Watts Fernald, O1287851, Adjutant General's Corps.

Col. George Oliver Pearson, O253334, Adjutant General's Corps.

Col. Noble F. Schlatter, O408711, Adjutant General's Corps.

Col. Charles C. Thorstensen, O283700, Artillery.

Col. Howard Samuel Wilcox, O423347, Infantry.

Department of the Treasury

Crane C. Hauser, of Illinois, to be an Assistant General Counsel in the Department of the Treasury (Chief Counsel for the Internal Revenue Service), vice Hart H. Spiegel, resigned.

In the Army

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3305.

To be colonels, Medical Corps

Buesing, Oliver R., O41775.
Chapman, Edwin S., O24318.
Cooper, Franklin B., O67804.
Dashiell, George R., Jr., O65529.
Grossman, Harry J., O22786.
Hallinger, Earl S., Jr., O69497.
Hardaway, Robert M., 3d, O24301.
Hunter, Robert C., Jr., O23680.
Lyman, Irving R., O24319.
Potter, George V., O26434.
Rauscher, Robert C., O23573.
Smith, Phillip B., O30952.
Stein, William, O63775.
Tessmer, Carl F., O24300.
Thuss, Charles J., Sr., O67968.
Tigertt, William D., O26412.
Walker, Weldon J., O24307.

To be colonels, Dental Corps

Bolton, Frank G., O20976.
Hurt, William J., O56811.
Meador, Maurice A., O30835.
Smith, Jerome T., O30874.
Vollertsen, Arthur H., O38851.
Walker, Virgil G., O21700.

To be colonels, Veterinary Corps

Christensen, Nels F., O40100.
Crawford, James P., O30906.
Gollehon, Charles W., O30918.

To be colonels, Medical Service Corps

Archer, Harvey E., O31170.
Beaudet, Bertrand N., O40119.
Chaffee, Elmer F., O52057.
Hamrick, William A., O38878.
Jarboe, Jesse J., O30921.
Jefferis, Tomas C., O31137.
Orth, Richard H., O29308.
Partlow, Frank A., O31099.

The following-named officer for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3304.

To be colonel, Army Nurse Corps

Barrett, Carrie E., N124.

The following-named officer for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3299.

To be captain

Erickson, Paul G., O70701.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3298.

To be first lieutenants

Adams, Hugh W. H., Jr., O91732.
Allen, Jerry P., O83847.
Altom, Gilbert J., O85475.
Horniman, Alexander B., O83736.
Lagasse, Louis R., O82739.
Putman, William P., O89577.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, and 3288:

To be major

Leggett, Rufus L., O944515.

To be captains

Bonnstetter, William E., O4017582.
Brownfield, John F., O2266246.
Collins, Thomas W., O2021606.
Fontaine, Sully H., O4030905.
James, Ralph F., O4010303.
Kirschner, Thomas R., O1923525.
Lambert, David R., O2021642.
Lane, Pearce A., O4016272.
Ledwidge, Augustine T., O4038926.
Niedermeyer, Fredrick H., O4009668.
Orsech, Walter A., O4030607.
Rossman, Jay D., O4006966.
Welsh, Milton, O1940694.

To be first lieutenants

Byrom, Seymour B., II, O5301947.
Conway, James B., O4074794.
Cooper, Albert C., O5701758.
Fowler, John G., Jr., O5304205.
Jackson, James W., O1922747.
Ladd, Ottie A., O5402515.
Lane, David L., O5300653.
Laseau, Joseph N., O1925426.
Lawson, Robert A., O4069578.
Martucci, Carmen C., O1937915.
Meckel, Peter S., O5700955.
Mitchell, John H., O4065837.
Moe, Richard L., O5700995.
Mulvey, Robert A., O4085996.
Oberst, Guenter G., O4010907.
Olivares, Edward C., O2300897.
Parker, Franklin S., Jr., O4026074.
Philipp, Ronald E., O4004722.
Pianka, Thomas A., O4047651.
Schneble, Elmer J., O5405039.
Stearns, Henry A., O5302740.
Swanson, David V., O4085545.
Theuer, Paul J., O4085601.
Willis, Richard S., III, O1879574.

To be second lieutenants

Bishop, Matthias J., Jr., O5006566.
Brooks, Edwin C., O5307439.
Downing, David A., O5005162.
Furno, Jimmie F., O5510452.
Haines, George H., III, O5006517.
Holder, Henry G., O5508447.
Jayroe, Glenn L., O5409337.
Johnson, David A.
Johnston, James D., O5402943.
Lamon, Harold J., Jr., O5504073.
Lamont, John R., O5505636.
Letteney, Ronald L., O5008172.
Lucas, Robert H., O5506549.
Maddox, Edgar D.
Marecek George, O5307368.
Marti, John H., O5405379.
Mitchell, Donald G., O5310795.
Patch, Robert W., O5008126.
Perry, William R., O5307126.
Phelps, Keith A., O5307514.
Phillips, Harold E., O5305796.
Polk, Charles B.
Powell, Jamo C., O5401710.
Risley, Dannie J., O5508659.
Schofield, Elvin J., O5409336.
Smith, David K., O5310459.
Sparks, Jerry D., O5409556.

Stephens, Donald L., O5502771.
Waterman, Arleigh D., O5307289.
White, Walter S., Jr., O5400206.
Wray, Duane P., O5702924.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, 3288, 3289, 3290, 3291, 3292, 3293, and 3294:

To be captains, Army Nurse Corps

Hall, Marjorie, N805336.
Hall, Natalie, N805418.
Kumpf, Elizabeth, N777291.

To be captains, Dental Corps

Barnes, George P., O5213960.
Stern, Martin, O5004066.

To be captains, Medical Corps

Canales, Luis, O4028445.
Ceremsak, Robert J.
Feldstein, Robert M., O5703155.
Gilroy, Francis J., O4020403.
Hawes, William J., O4006393.
Hitzelberger, Anton L., O5004580.
Kurland, Kenneth Z.

To be captains, Medical Service Corps

Carollo, Donald J., O4018454.
McWilliam, Robert D., O4027703.

To be first lieutenant, Medical Service Corps

Sutton, Mark R., O2283588.

To be first lieutenants, Army Nurse Corps

Berry, Dorothy M., N2300711.
Tauscher, Etta R., N902389.

To be first lieutenants, Chaplain

Lindenauer, Jon M., O4067785.
VanVerth, LeRoy E., O2298166.

To be first lieutenants, Judge Advocate General's Corps

Voss, Kenneth E., O2300938.
Wasinger, Edwin P., O2300937.

To be first lieutenants, Medical Corps

Allen, Ray F., O2296869.
Feldman, Edgar A., O2300503.
Franklin, Gerald S., O2305700.
Grames, George M., O2300499.
Guilfoyle, Francis M., O4064820.
Readling, Thomas A., O4063205.
Sallee, Lowell C., O4045671.
Stevens, James C., O4066269.

To be second lieutenants, Army Nurse Corps

Cope, Doris A., N2394979.
Letzelter, Lucille A., N5407371.
Vineys, Eugenia A., N5407221.

To be second lieutenants, Medical Service Corps

Bouchelion, Horace C., O5310242.
Briggs, Duncan D., Jr., O5309607.
Burn, Joseph J., Jr., O5308347.
Hanson, Thomas M., O5501798.
Holmes, Garth H., O5703935.
Lanier, Jack O., O2300455.
Loucks, James R., O5008778.
McKinnery, William N., Jr.
Miller, Roger E., O5211326.
Morgan, Thomas E., Jr., O5210405.
Newman, Ronald G., O5309935.
Schiefer, Donald D., O5505322.
Schultz, Claron G., O2288176.
Sutherland, Ian D. W., O5408196.
Tuten, William R., III, O5303922.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade and corps specified, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, 3288, and 3290:

To be second lieutenants, Medical Service Corps

Boksleitner, Rudolph P.
Cole, Evan H.
George, Thomas A.
Hedlund, Dalva E.
Nesbitt, Earl W.
Sheridan, Richard M.
Sintell, Jack H.

The following-named distinguished military students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, and 3288:

Alley, Norman L.
Bailey, William C.
Baim, David H.
Bass, Louis R.
Bechtold, Loye D., Jr.
Bennett, John L.
Bergeron, Richard J., Jr.
Bograd, Barry M.
Bottoms, David N., Jr.
Boyd, Thomas G.
Bradberg, Richard R.
Browning, Albert J., Jr.
Bush, Charles, R.
Clune, James M.
Corcoran, Edward A.
Coutant, Norman J., Jr.
Crockett, William R., II
Crotty, Timothy J.
Darlington, Robert D.
Davison, Daniel P.
Dixon, Richard A.
Dorrell, Dillon R., Jr.
Doup, Herbert C., Jr.
Elliott, John A., III
Gerhard, Carl S.
Guiberson, Ronald M.
Howard, Robert P.
Hurworth, Samuel G.
Jones, Kenneth H.
Jones, Nova G.
Kallina, Gerald F.
Kannady, Roger D.
Kilthau, Jerome H.
King, William E.
Knauer, William M.
Knight, James R.
Kulle, Franklin C.
Larson, Ian W.
Leister, Ancil D., Jr.
Lewis, James E.
Louser, Gary G.
McKinstry, Jerome D., Jr.
Miller, George R., Jr.
Moore, Robert G.
Musgrove, Robert G.
Newell, Arthur L., Jr.
Nicholls, DeLoy H.
Pray, David E.
Primmer, Ronald R.
Putnins, Andzs
Reanier, Burton F.
Riley, Ray A.
Roach, Robert W.
Rosbeck, Richard A.
Schaefer, Gerhardt T.
Schaerer, Emil T., II
Sharp, Warren H.
Shepard, James L.
Simerly, Julian C., Jr.
Smith, Ronald L.
Storey, Donald L.
Turner, John A.
Villines, Larry K.
Walter, Thomas J.
Watters, Robert A., Jr.
Wieting, Gary L.
Williams, Robert F.
Word, Alan A.

WITHDRAWAL

Executive nomination withdrawn from the Senate July 25, 1961:

Crane C. Hauser, of Illinois, to be Assistant General Counsel (Chief Counsel for the Internal Revenue Service), which was sent to the Senate on July 18, 1961.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 25, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Habakkuk 2: 4: *The just shall live by faith.*

O Thou great God, our Father, who art here and everywhere, grant that we may sense Thy directing and sustaining presence in all the varied experiences of this new day.

May we understand more clearly that life yields its highest joys and most durable satisfactions to those who do Thy bidding.

Help us to give primacy and preeminence to strength and nobility of character and to walk in the ways of righteousness and to minister to the needs of humanity.

Inspire us never to lose heart and allow our faith to become eclipsed by the debasing spirit of cynicism which would have us believe that our search and struggle for world peace is a forlorn hope.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

APPROPRIATIONS FOR THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES, 1962

Mr. KIRWAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6345) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1962, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? The Chair hears none, and appoints the following conferees: Messrs. KIRWAN, MAGNUSON, CANNON, JENSEN, and TABER.

PROVIDING ADDITIONAL COPIES OF "SOVIET TOTAL WAR—HISTORIC MISSION OF VIOLENCE AND DECEIT"

Mr. HAYS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the concurrent resolution, House Concurrent Resolution 307, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment, as follows:

Line 3, strike out "five" and insert "seven".

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PROVIDING FOR ADDITIONAL COPIES OF STUDY BY HOUSE COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. HAYS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the concurrent resolution, House Concurrent Resolution 310, with an amendment of the Senate thereto and concur in the Senate amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment as follows:

Line 3, strike out "twenty" and insert "twenty-five".

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ATOMIC ENERGY COMMISSION APPROPRIATIONS, 1962

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to take from the

Speaker's table the bill (H.R. 7576) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, with a Senate amendment thereto, disagree to the amendment of the Senate and request a conference with the Senate.

The Clerk read the title of the bill.

Mr HALLECK. Mr. Speaker, reserving the right to object, may I respectfully say to the gentleman from California that in all my time here in the Congress of the United States, whether in the majority or in the minority, I have cooperated as best I could to expedite the business of the House of Representatives. There comes a time, however, when I think the rights of the majority of the House of Representatives need to be protected. In this instance the bill which is now sought to be sent to conference was acted upon in the House of Representatives first. There was in controversy an item known as the Hanford reactor project. A motion was made to strike it out in the committee and that motion carried overwhelmingly, decisively, in the Committee of the Whole. No record vote was subsequently had, but there is no question in my mind but what the vote would have been more overwhelming to strike that item from the bill.

After the measure left this body it went to the other body. That item was put back in the bill in the other body; the bill was messaged back with the amendment. Under the regular rules that generally operate, the House would have acted first on the conference report. It is no secret among us that the House conferees, or the majority of them, will be for this project; they were before.

I raise this point, Mr. Speaker, because already in this session of Congress on several occasions the House has been foreclosed from working its will on a conference report because the other body has acted first, and discharged the conferees. Then the report is sent to us and we have got to vote it up or down. That is the thing that will confront us here if the Senate acts first, and I just want to say to the gentleman from California that unless he can assure me that the papers will come first to the House of Representatives I shall be constrained to object to its going to conference.

Mr. HOLIFIELD. The gentleman from California will say that of course he cannot give an assurance on a matter of that kind. I am not in control of the situation. Once it goes to conference it will be decided there as all other matters are decided in conference. I recognize the gentleman's position and his right under the parliamentary processes to make the objection.

Mr. HALLECK. Mr. Speaker, I appreciate the position of the gentleman, and I would not quarrel with it. At the same time, I feel very strongly not only in respect to this individual item about which I have some very definite convictions but about the right of the membership of the House of Representatives to have something to say about what finally shall be in these bills. Of course, we all understand if we get the papers first, then a motion to recommit is in order; then if the majority of the House at that time does not want this particular item in the bill it can be stricken and the matter could go back to conference.

I am getting tired of being confronted with the situation and argument that unless the conference report is adopted all we can do about it is to vote it up or down.

Mr. Speaker, I object.

MILITARY CONSTRUCTION APPROPRIATION BILL, 1962

Mr. SHEPPARD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8302) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from North Carolina [Mr. JONAS], and myself.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from California.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8302) with Mr. Bass of Tennessee in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SHEPPARD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in the committee's consideration of the fiscal year 1962 military construction program it has continued several policies to the fullest extent practicable in determining the projects and the funds to be approved. These policies are listed on page 2 of the committee report, but let me reiterate them to you at this time.

First and most important is the disapproval of projects not clearly essential to the military posture of this Nation at the present time or in the foreseeable future. We are constantly being reminded of the effect of breakthroughs in scientific and technological fields, the present world situation, and crises breaking out in various and sundry trouble spots, all of which can change the direction of our military effort and consequently the amount of spending of military funds on a short notice. Yet in times like these the Department of Defense continues to propose business as usual in the military construction program, including projects which are planned around obsolete or marginal requirements. Already we have seen installations at which Capehart housing has recently been constructed declared excess to the needs of the military. Needless to say the Federal Government and the taxpayers will have to pick up the bill for the remaining costs of this housing. I have no doubt that announcements of further closings will eventually be made where the same situation exists. The committee does not feel that it can accept as essential the construction of officers' clubs, additional commissaries, the needless transfer of functions, or facilities in support of research and development programs which can easily be performed by private institutions or other Government agencies.

Second, the committee has always insisted that maximum utilization be made of existing facilities. The services are still requesting funds for the replacement of facilities while planning at the same time to continue to hold the facilities to be replaced for so-called mobilization reserve or less important purposes. The committee has taken the attitude that if the facilities are good enough to hold in Standby Reserve or for other purposes that there is no reason for new construction.

Third, projects have been deleted where the costs were excessive or plans were not solid. Your committee has again recommended against appropriation of funds in several instances involving complicated structures where the architect engineer to do the planning and design work had not yet been appointed or where plans were in the beginning stage. We believe the Congress is entitled to firm and realistic cost estimates before funds are appropriated. The committee has deleted the various requests for hospitals for the Department of the Air Force and reduced the request for Army hospitals because of these excessive cost factors and because the requirements submitted in support of the estimates were entirely unrealistic and improperly reviewed.

Fourth, the committee has insisted that maximum utilization be made of funds appropriated in support of prior year programs and remaining uncommitted or unobligated. The nature of the military construction program is such that changes in technology, changing requirements, and highly competitive bids constantly result in overall savings. The committee does not feel that sufficient emphasis has been given by the Departments to the recoupment of these funds and their application to the military construction program for fiscal year 1962 in lieu of requesting new funds. There seems to be a growing tendency on the part of the services to build up so-called slush funds to be used to cover mistakes or perhaps request projects of a lesser priority than those included in the regular military construction program. Needless to say the committee will expect the Department of Defense and the services to make marked progress in this field in the immediate future.

In other words, Mr. Chairman, the committee insists on a firm realistic military construction program based on sound requirements, sound planning, and

supported only by the funds needed to accomplish the construction in an efficient and economical manner. Those estimates which do not meet the standards I have outlined have either been deleted or reduced.

With these policies in mind the committee considered budget estimates totaling $1,035,568,000 and recommends appropriations of $886,768,000, a reduction of $148,800,000 in the estimates. A detailed tabulation of the projects approved by the committee will be found at the end of the report and in certain portions of the committee hearings. The specific reductions will be found in the body of the report accompanying this bill.

The program approved by the committee places emphasis on the construction of facilities to strengthen and modernize essential operating forces. For example, $323 million or approximately 40 percent of the program funded for the active services relates to essential missile facilities. These include facilities in support of operational squadrons of the solid propellant Minuteman, intercontinental ballistic missile, additional training and support facilities for the Navy Nike-Hercules and Hawk missile system.

The construction of facilities in support of the research, development, test and evaluation activities of the military services requires another large portion of the funds. For example, the committee has included $17,500,000 for the construction of an advanced aerospace environmental test chamber at the Arnold Engineering Development Test Center, in Tennessee. This test chamber is designed to permit the testing of full scale models of space vehicles and satellites. The chamber will be available, not only for programs of the Department of Defense, but for the National Aeronautics and Space Administration programs as well.

Another large segment of the program relates to facilities in support of worldwide communication requirements, many of which are vitally tied in with the intelligence functions of the Department of Defense. One of the largest communications programs approved is an additional $36 million for the Naval Radio Research Station, Sugar Grove, W. Va.

The fiscal year 1962 program sees a reinstitution of the use of appropriated funds for the construction of family housing. I am personally heartily in favor of this change and believe that it will not only force a closer review of housing requirements by the services and the Department of Defense, but will result in saving of funds and in the construction of better housing. The committee has recommended the approval of the complete military housing program approved in the Military Construction Authorization Act and requested by the Department of Defense, a total of 5,000 units. Total cost of this program including both the appropriated fund housing and Capehart housing support is $38,100,000.

Many of you have asked questions about armory and other construction projects for the reserve and National Guard components of the services. I would like to emphasize the committee has approved all of the funds requested for these programs in the three services.

The situation with reference to construction of National Guard Armories while different is not unusual. The Bureau of the Budget under the present and former administrations has refused to release funds appropriated by the Congress for National Guard Armory construction. As of the end of June over $4 million had been virtually impounded and the Guard denied the use of these appropriated funds. As a matter of fact, apportionments to the Army were handled in such a fashion last fiscal year as to make it impossible for the Guard to realize even its reduced obligational program. In addition, to the $4,200,000 sitting idly by, the other unobligated balances at the end of fiscal year 1961 are estimated to be in excess of $7 million. The financial plan presented to the Committee in support of the budget estimates for fiscal year 1962 still does not propose the obligation of all of the funds available for this program. Mr. Chairman, your committee has stated in its report and I reiterate now that these funds should all be released to the Guard and made available for authorized projects. If this is done and the budget estimate approved by the committee is made available in a prompt manner the Guard will be provided with a realistic construction program in fiscal year 1962. In the opinion of the committee such a program will not be provided under the financial plan which has been presented and unless these additional funds from prior appropriations are made available. To assist the Guard in the prompt obligation of these funds, the committee has not allocated any of the budget estimates or the savings from prior year funds to specific projects, but has provided a lump sum to be allocated by the Army for any authorized project.

DEPARTMENT OF THE ARMY

The committee has approved $150,859,000 for the regular construction program of the Department of the Army. These funds when added to unexpended balances from prior years will make $412,019,000 available for expenditure. A large portion of the funds approved for the Army are in support of missile programs including research and development for Nike-Zeus.

DEPARTMENT OF THE NAVY

The amount of $181,387,000 is approved for the regular construction program of the Navy which when added to carryover funds will make $478,755,000 available for expenditure in fiscal year 1962. The projects approved for the Navy are almost entirely in support of the operational efforts of the Navy including facilities in support of the Polaris ballistic missile, antisubmarine warfare, nuclear shipbuilding, and essential communication facilities.

DEPARTMENT OF THE AIR FORCE

The committee has approved $479,522,000 in support of the regular forces of the Air Force. This amount when added to unexpended balances estimated to be available at the end of fiscal year 1961 will provide in excess of $1½ billion for expenditure by the Air Force in fiscal year 1962. As has been pointed out previously, large portions of the Air Force appropriation, and for that matter the largest single item in the entire bill, is in support of the ballistic missile program. Other essential operational facilities have also been provided, including continued support of SAC dispersal and alert capabilities.

SUMMARY

In total, the bill as approved by the committee when coupled with existing unexpended balances will make almost $2.5 billion available for the military construction programs in support of the regular forces of the services in fiscal year 1962.

Mr. Chairman, when a committee recommends a reduction even of this magnitude in a defense program the question is always raised as to whether or not we are crippling the defense effort.

First, let me point out to you that a major portion of the reduction is realized from the recoupment of funds as a result of dropouts from prior programs and other savings as a result of favorable bid experiences.

Second, your committee has approved the essential operating facilities requested in this program. Unfortunately, the policy of the Department of Defense has been to slice the monetary pie early in the budgetary process and once the slices have been passed out the program is allowed to develop in haphazard fashion as long as the fiscal boundaries of the slice are not exceeded. This has resulted in the inclusion of nonessential and questionable facilities as well as estimates based on inadequate planning.

Mr. Chairman, because of this we have eliminated projects. For example, the committee has deleted the request of over a million dollars for additions to officers' clubs at various locations. We have eliminated additional commissaries. We have, as I stated before, denied funds for complicated structures such as a supertoxic laboratory at the Army Chemical Center because design is still in the embryonic stage. We have denied funds to allow the Air Force to do dental research work when Congress has appropriated over $14 million to the National Institutes of Health and constructed a new building at the cost of $4 million for work in this field. We have eliminated administrative space, headquarters facilities, and other items where adequate consideration had not been given to existing facilities at the same or other locations.

Mr. Chairman, your committee has done these things and we are presenting a realistic construction program. Those of us on both sides of the aisle, who have participated in the rather lengthy and detailed hearings and in the writing of this bill do not believe that the actions taken will in any way, shape, or form retard or damage our defense effort. On the contrary, if properly implemented, these actions will add to the defense effort of this country.

This bill is based on long days and hours of searching, exhaustive hearings,

and research as well as careful and detailed committee markup sessions. I know that it will not satisfy every military service. Perhaps it will not satisfy every Member of this House, but this is a solid bill.

Our goal has been and will be a program that, if properly implemented by the Department of Defense and the military services, will save money, make better use of existing facilities and keep the military construction program under continuous review by those in authority in the executive branch and the Congress.

The committee has been concerned about the lack of coordination of the military construction program and re-Department of Defense level. This is pointed out in our report but I would like to elaborate on it at this time. Supposedly the responsibility for the military constructions program and requirements are vested in the Assistant Secretary of Defense, Installations and Logistics. It is this office which presents the program to the legislative committees and together with the Defense Comptroller makes the presentation to the Appropriations Committees. Close examination, however, of the various elements of the programs disclosed that in the field of research and development facilities, this group is almost entirely dependent upon the decisions of the technical personnel involved in the Directorate of Research and Development. These people are not responsible to the Assistant Secretary of Defense, Installations and Logistics. Where there may be some reason for a partial dependence upon technical personnel for advice in the research and development area further coordination is a must.

In the field of personnel support, however, such as morale, welfare, recreational facilities as well as hospitals there is absolutely no reason why the final decisions cannot be made by the Assistant Secretary vested with responsibility for the installations programs. Such is not the case. The committee's examinations find that decisions in these areas are made basically by the Assistant Secretary concerned with hospital, welfare, and the like. Yet the committee must look to the Assistant Secretary for Installations and Logistics for the requirements for this program. Such management concepts are utterly ridiculous and will not be tolerated by the committee in the future. The Assistant Secretary of Defense, Installations and Logistics, either has or has not the authority to act for the Secretary of Defense in making decisions and determining the requirements of this program. If he has the authority the committee will expect it to be exercised. If he does not have the authority, the committee will expect him to either get it or see that those who do have it present the programs and take the responsibility within their area of authority.

Mr. Chairman, in closing let me call your attention to one thing. As I have stated in the past this committee realizes that unfortunately it cannot run a popularity contest in handling these bills. In my opinion, thanks to the loyal and continued support of members of the subcommittee, we have done a good job and a thorough job in bringing the bill before you. It deserves your attention, your consideration, and, I am convinced, your approval.

Mr. BROWN. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I am pleased to yield to my colleague, the gentleman from Ohio.

Mr. BROWN. It is a little difficult for those of us who are not on the Committee on Appropriations, and especially on the subcommittees handling these bills, to ascertain exactly what is done or what is not done in connection with some of these appropriations.

I have had, however, a number of telephone calls from the Wright-Patterson Air Force Base area to the effect that in this appropriation bill there has been stricken out—or is not carried in the bill—perhaps, I should state it that way—an item for certain reconstruction work at Wright-Patterson in connection with research activities there, as requested by the Air Force, and by the officials of Wright-Patterson, and as provided in the authorization act as it passed the House after being reported out of the Committee on Armed Services. Could the gentleman explain that situation to me?

Mr. SHEPPARD. My answer to the distinguished gentleman is that no architect engineer has even been selected to draw up plans for the job. That was one of the reasons. The work has been carried on in these facilities for sometime in the past without any detrimental effects so far as we can determine. The annual maintenance cost is only $10,000 a year, all of which would not be saved by the construction of a new building so that the amortization period on any new construction will be in excess of 10 years. The committee could see no reason why this work could not be carried on here, as it has been in the past, for at least another year.

During this time we can only assume that the planning appropriations will be advisedly spent and that eventually we will have a more definite cost factor to consider and one to which we can probably give more favorable consideration.

Mr. BROWN. I can understand the position of the gentleman's committee, and also the attitude of the Armed Services Committee at the time of its hearing on this matter. It was the judgment of the Armed Services Committee at least that this construction item was proper, and they, therefore, recommended it and the House authorized it.

The thing which concerns me is that the report is very prevalent throughout Ohio that there will be an attempt made to move this research activity, which is carried on in this building, to a State called California. Can the gentleman give me any information about that? Of course, he is strong for the State of California, and I can not blame him for that, but it seems like a very great amount of these appropriations and activities go to California.

Mr. SHEPPARD. In the first place, the State of California is in no sense seeking that operation. In the second place, there is nothing in here even to indicate remotely that there is any transfer in the picture. So with all due respect to the gentleman's idea about California and how she has been favored, there are no grounds for his fears.

Mr. BROWN. Can the gentleman from California give the gentleman from Ohio any assurance there will be no attempt made, as there has been in the past on other activities, to transfer this particular activity to the State of California rather than to furnish the necessary facilities to continue it at the birthplace of aviation in the great Miami Valley of Ohio?

Mr. SHEPPARD. May I say to my friend from Ohio who has been in the Congress many years, in fact, longer than has the gentleman from California, that I thank him for the kind words he has said about what has been accomplished in California, both up to the present time and in the future.

Mr. BROWN. May I reply to the gentleman from California that facts speak for themselves, and I know only that which has been accomplished, in some way or other, by the very able gentleman from California and his colleagues. They have been able to get a great many transfers of our military and defense activities to the great State of California. Perhaps there is some reason for that, but the very able gentleman, I am sure, has had great effect, in one way or another, in being able to get a decision as to whether or not this particular facility will be moved from Wright-Patterson Field.

Mr. SHEPPARD. I thank my distinguished colleague for his compliment to myself and my colleagues, but assure him that I do not have the abilities to which he refers. Any ability I may have along that line emanates from my association with the distinguished gentleman from Ohio himself.

Mr. BROWN. May I express the hope the dialog between us may not have any adverse effect upon him as far as his standing in his own State may be concerned.

Mr. JONAS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the bill under consideration today appropriates $148,800,000 less than the amount budgeted for military construction in fiscal year 1962. It is also $108,087,000 less than the amount appropriated for such purposes last year. Nevertheless, the bill appropriates a very large sum of new money, $886,768,000, to be exact. But a mere recital of these figures does not tell the whole story. Substantial sums in addition to the funds appropriated in this bill are available for spending by the armed services on military construction projects in fiscal year 1962. These unexpended balances amount to $1,727,636,000. When this sum is added to the new money provided in the bill, it can be seen that we are dealing here with $2½ billion of our taxpayers' money. This is almost as much money as was required only a few years ago to run the entire Federal establishment, but that was when a dollar was worth 100 cents and the word "economy" was not considered a naughty word.

The members of the Military Construction Subcommittee have had long years of experience dealing with the construction program of the armed services. Every member of the subcommittee is deeply conscious of the menace of communism and also deeply conscious of the need to keep our country militarily strong and our Armed Forces well equipped, well supplied, and alert.

We are also well aware of the fact that military forces require things other than planes, guns, tanks, and ships. The need for training bases, missile sites, barracks, runways, repair shops, hospitals, messhalls, and recreational facilities is manifest and well recognized by the committee.

The committee is also aware of the fact that the resources of our country are not unlimited and the tax burden carried by our people today is a heavy one. Our job, therefore, in making up this bill and deciding how much new money to recommend for appropriation for these purposes was to determine which items in the budget program were essential to the security of our country, and which items might properly be eliminated or deferred to some future date.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from Iowa.

Mr. GROSS. I was interested in the statement of the gentleman from California [Mr. SHEPPARD], chairman of the subcommittee, that the requests for substantial expenditures for officers' clubs, and other facilities had been eliminated from the bill. I am pleased to hear that.

Does the gentleman have any comment on that subject as being one of the unnecessary expenditures for national security?

Mr. JONAS. The gentleman is correct, and I am glad to respond to his question. The budget contained estimates amounting to about $5,397,000 for clubs, gymnasiums, and recreational facilities. The committee recognizes the need for some recreational facilities, but we felt that the construction of new officers' clubs at this time could not be justified and that new recreational facilities should be held to a minimum. So the bill before you reduced budget estimates for these purposes by $2 million, cut it almost in half. There are no officers' clubs funded in this bill. The only clubs that are provided are for servicemen and noncommissioned officers.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from Florida.

Mr. SIKES. I think it would be well to point out to the membership that even though there are not new recreational facilities carried in this bill in most instances, it does not mean that such facilities are not available. These are not new bases. These are bases that are presently in operation. They have recreational facilities at the present time. They may not be as good as the people who use the facilities would like or that we would like, but under the circumstances, when we may be facing a very grave emergency, the committee felt we should put first things first and limit expenditures for these facilities.

Mr. JONAS. That is correct. I am glad the gentleman from Florida has made that comment, and I would merely add this word: While we did cut out some requests for new facilities, the record should clearly show that adequate recreational facilities are available at every military installation.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. JONAS. I will be glad to.

Mr. GROSS. In view of the stepped-up draft call and expanded training of Reserves, does the gentleman feel that there are now adequate facilities to take care of the increased activity in the training of military personnel?

Mr. JONAS. I certainly do. We have many military installations in the United States that are not being used to full capacity today. We are planning to close some of them, and I would not think there is any reason for worry about our inability to take care of the training program for whatever additional men might be called up for service.

Mr. GROSS. Well, I am pleased to hear that statement. And, I would like to say this, if the gentleman will permit me: I would like to commend the chairman of the subcommittee and the gentleman now addressing the House, the gentleman from North Carolina [Mr. JONAS], on what I think is described as a rather solid bill. This bill, as I understand, is $108 million below expenditures for the same general purposes last year. I wish to take this time to commend the subcommittee for the work they have done, and I hope that when the bill goes to conference with the other body that the gentleman from North Carolina and the gentleman from California and the other members of the subcommittee will stand firm against any substantial increase in this bill.

Mr. JONAS. I thank the gentleman from Iowa. Compliments from him on an appropriation bill are well received, because we all know of the close study he gives these bills. I appreciate his remarks.

Mr. JOHNSON of Maryland. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from Maryland.

Mr. JOHNSON of Maryland. Do I understand that in the bill there is a substantial sum for the naval training center at Great Lakes, specifically, under service school facilities? I believe there is included some $2.5 million for the construction of a recruitment messhall; is that correct?

Mr. JONAS. That is correct.

Mr. JOHNSON of Maryland. In addition, also, for the Great Lakes training school there is something over $2 million for a dispensary and dental clinic; is that correct?

Mr. JONAS. No, only the training facilities were approved.

Mr. JOHNSON of Maryland. Did the committee take into consideration that at Bainbridge Naval Training Center all of these facilities are available, or most of them, and that they are not being utilized; that if they were utilized many of the expenditures for Great Lakes Naval Training Center would not be necessary?

Mr. JONAS. I would say to the gentleman that the subject he raises has given the subcommittee considerable concern. We have been raising the question of Bainbridge with the Navy for the last 2 or 3 years and have been quite insistent on the utilization of facilities there to the maximum extent possible. The trouble about it is that they changed the mission of Bainbridge two or three times actually in recent years, or several times, at least, and the Navy always makes the point that they need the facilities where training stations are being operated. Now, in order to do what the gentleman suggests, they tell us they would have to reconvert Bainbridge, change its mission, and go back to recruit training, which they are not doing at the present time.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from Vermont.

Mr. STAFFORD. I wonder if the gentleman could inform me about this. I note that the military construction bill contains $12 million for National Guard construction and $13 million for Army Reserve construction, and also having in mind that the authorization for Reserve forces facilities for this year contains a $136,000 item for Newport, Vt., and $79,000 for Burlington, Vt., whether the funds for those two facilities are included in this $12 and $13 million figure in this bill.

Mr. JONAS. I could not say that specifically they are included as line items, because this is a lump sum appropriation. The two projects in Vermont have been fully authorized, however, and they are in the program. We did not cut the funds. There is a substantial sum here and also a carryover item of $2 million that will go into the spending program for next year. The committee was very explicit in its report in urging that these funds that had been appropriated be fully spent in order that authorized armories might be provided.

Mr. STAFFORD. I thank the gentleman.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from Wisconsin.

Mr. LAIRD. The two projects in Vermont were in the funding program as presented to the committee.

Mr. JONAS. Mr. Chairman, in the few minutes remaining at my disposal I would like to call particular attention to one project that the subcommittee eliminated, because we felt that the costs were excessive and resulted perhaps from overdesign. I mention this particular item to illustrate how it is possible for a committee, if it has the will, to go into these projects that are proposed and reject some of them if they are excessive in cost. I refer to the budget request for $771,000 to build a grocery store at Fort Leonard Wood in Missouri. Of course, they do not call it a grocery store; they call it a commissary, but it

is actually a grocery store. We found out that the cost involved $17.25 a square foot. While this cost included installed mechanical equipment, I felt that it was excessive, certainly in comparison with construction costs for similar buildings in my section of the country. I made some inquiries of a gentleman who runs a chain of supermarkets. He told me he could not make any money if his construction costs exceeded $13.50 or $14 a square foot. Of course, all of us know that these modern supermarkets have to be more elaborate and contain more frills than would be required on a military post where there exists a captive market. We noted that the Army was proposing to build a student dormitory at the Presidio of Monterey which would cost only $18.25 a square foot. If you can build a student dormitory with all of the rooms and other things required for $18.25 a square foot, we just did not think we could justify spending $17.25 a square foot for a commissary. We cut that item out of the bill altogether.

I might say that this action on the part of the subcommittee received considerable attention. Apparently some newspaper out in Kansas City reported the action, because I have received several letters from interested citizens commending the subcommittee for its action.

I received one yesterday from a man who said he would be glad to build this commissary for much less than $17.25 a square foot.

Be that as it may, I offer this item as an example of overdesign and excessive cost which justifies the subcommittee in giving close and careful attention to all requested projects.

Mr. Chairman, I can assure the Members of the House that this subcommittee is very conscious of the need to provide the services with all the essential facilities they require. We are interested in the security of our country, and we do not intend to deny any of the services any of the essential facilities that they may need. But at the same time, we do not intend for them to be extravagant with the taxpayers' money. I think this is a good, sound bill and that it deserves your approval.

Mr. CHAMBERLAIN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Chairman, I am pleased to observe that the military construction appropriation bill includes an appropriation of $5 million for construction of a headquarters building for the Ordnance Tank-Automotive Command at Detroit Arsenal.

As a member of the Committee on Armed Services, I have personally inspected the two installations in Detroit at which the Ordnance Tank-Automotive Command functions. One of the buildings, which I understand will be offered for sale when the new headquarters is completed, is antiquated and continued use would necessitate expensive repairs.

The Ordnance Tank-Automotive Command at Detroit is a multifunction agency, under the command of Brig. Gen. J. F. Thorlin. OTAC's missions for the U.S. Army include providing tanks, trucks, self-propelled artillery and repair parts and instruction manuals. It also provides repair parts, instruction manuals and technical assistance to some 74 foreign nations, in order to keep vehicles furnished by the U.S. Army in good condition.

For the Department of Defense, OTAC purchase almost all vehicles for the Air Force, Navy, and Marine Corps, and also is responsible as "single manager" for all automotive supplies for the Nation's Armed Forces.

At the present time, OTAC command functions are split between two locations in Detroit. One facility is on Beard Street, in downtown Detroit; the other is at Detroit Arsenal, 21 miles away. Use of these two facilities has necessitated a large amount of administrative travel, as design engineers, production engineers, maintenance engineers, purchasing agents and inspectors have shuttled between the two locations.

The amount of time lost through such travel has been large and, in addition, there has been a considerable amount of direct expense for travel. These expenses will be saved by construction of the new headquarters building.

I have been impressed by the Army's claim of the savings that will be realized when this new headquarters building is completed and occupied. As my colleagues realize, from reading the report of the Committee on Appropriations, Secretary of the Army Elvis J. Stahr, Jr., specifically accepted the responsibility to accomplish substantial savings. Secretary Stahr's letter of July 19 to the Honorable HARRY R. SHEPPARD, chairman, Subcommittee on Military Construction, Committee on Appropriations, said:

DEAR MR. SHEPPARD: During the recent hearings before your Subcommittee on Military Construction, information was presented which indicated that, if construction of the proposed Ordnance Tank-Automotive Command Headquarters Building in Detroit were approved, a minimum of 175 positions presently filled by administrative and support employees would be eliminated and that this would amount to an annual savings to the Government of approximately $970,000.

The basis for this information has been carefully studied and the Department of the Army accepts its responsibility to accomplish the indicated savings. This action will be possible because of greatly improved efficiency through the consolidation of two widely separated operational entities.

Sincerely yours,

ELVIS J. STAHR, Jr.,
Secretary of the Army.

The Beard Street facility was housed in an old building and it will not be necessary now to spend any further sums for repairs and maintenance, and sale of the property is estimated to yield $360,000. All told, annual savings through construction of the new building are estimated at $1,354,000 and there will be one-time savings of $1,100,000 through the consolidation. Thus, as the Committee on Appropriations recognized in its report, there is a realistic period for amortizing the costs of this new construction.

Mr. JONAS. Mr. Chairman, I do not have any requests for time.

Mr. SHEPPARD. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I am a member of the subcommittee which today presents the military construction appropriation bill for the coming fiscal year. We have reduced the funds requested by $148,800,000. These cuts have been made in requests for construction which, in the opinion of the committee, is largely a part of the overall plan of having each base full and complete with permanent facilities, even though usable facilities are now available. Our committee did not consider all of those facilities requested as vital at present. If we had been able to know just what changes the Defense Department plans in the coming year, we might have made further reductions.

Mr. Chairman, my experience and my interest in this area cover a great many years. In World War II, I served on the subcommittee handling naval appropriations with Chairman HARRY SHEPPARD. During that period we checked on military facilities in many areas. We spent considerable time with Admiral Nimitz in the Pacific, General MacArthur in the Philippines, and General Hurley in China.

During those war years I was able to show the Navy had requested hundreds of millions of dollars for new facilities, though the Army had vacated facilities which would serve the purpose. As a result of questioning 229 Army facilities which had been vacated were used by the Navy instead of new bases being constructed.

Our committee has continued to urge and to force, where possible, the use of existing facilities instead of building new ones. Since World War II I have been the author of numerous provisions, including that calling for an investigation of procurement practices, which have saved billions of dollars. Notwithstanding our best efforts, however, the practices followed leave much to be desired.

Mr. Chairman, in 1954 Congress approved a master plan for the eventual establishment of complete military bases in almost all parts of the United States. With this action we were on the road to making the military a group apart. History shows that such a course has not been good in other countries. Today the request before our committee is termed this year's increment. The justifications show what the master plan calls for, how much has been funded, how much is presently requested for permanent facilities, and how much is left to be obtained at each base in future years, although next year many of these same bases may be closed.

In connection with the appropriation bill for fiscal 1959, the Assistant Secretary of Defense, under questioning, testified that 469 installations, or portions thereof, consisting of 1,841,076 acres of land, representing an investment of

$700,910,000, had been determined to be excess to the needs of the Defense Department. He further testified that 717 facilities on 6,077,501 acres, representing an acquisition cost of $1,756,932,000, were currently being examined as to whether they were excess. We do not have the complete picture to date.

You can easily see what lack of coordination here can do, when I point out to you that in connection with the bill for fiscal 1959 the Department testified on examination that they had requested, the Congress had appropriated, and the military services had spent more than $16 million for permanent facilities on bases shortly before they were closed. The picture has changed little, if any.

Mr. Chairman, with the advent of the new administration, it was announced that 73 additional military bases were likely to be closed as a result of the changing defense picture. I believe we should do everything possible to see that such bases are used instead of building new ones. Pending a decision, however, I know we should not provide additional permanent facilities to replace existing ones. With a minimum of information our committee has tried, as best we could, to make reductions.

In the hearings I raised the question about a request for building trailer courts, at an average of $2,000 per parking space. After the question was raised, the Air Force witnesses who were testifying at the time said this included some other minor facilities. These statements were picked up by the press and carried under the headline, "Congressman WHITTEN Hits at Military Castes." Subsequently, I received an anonymous letter from a writer who said he was an Air Force colonel and was retiring as the result of my statement and others of a similar nature. In this letter the colonel said the PX was no good; commissaries save little; "And now," he said, "it looks like we may have to pay toward our retirement." Then he asked the question: "Why should I stay on with a colonel's pay when I can triple my pay doing the same job for Lockheed, Boeing, et cetera?" Doubtless, under present contracts with such defense contractors he can obtain such increase, all of which is part of our defense costs.

Mr. Chairman, I am seriously disturbed that we are setting up the military as a separate class. I believe this is not good for either the military or the Nation. Certainly, it is in order for this Government to pay those in the military service in line with that earned by other citizens, with extra pay for dangers faced. However, when this Government provides separate facilities from top to bottom and sets the military and their families apart from others, with separate stores, separate movies, separate swimming pools, separate hospitals, separate doctors, separate officers' and enlisted men's clubs, separate living quarters, not merely in foreign lands and isolated areas but throughout the United States, and also provides different tax rates on expenditures, separate retirement programs, et cetera, anyone who looks at the setup will see there is the real danger they will become separate and apart from the average citizen.

When we add to this the change which has been made in the basic law having to do with the appointment of cadets to the various academies, it is certainly enough to raise in the mind of those who have studied history the question of whether we may not be following in the footsteps of Germany and providing for a military group which can, and in future years likely will, dominate domestic and foreign policy. In fact, as I shall point out later, the military is one of the most dominant factors in the Government today.

Originally the Congress recognized that appointees to the military academies should be named from all over the United States, so as not to have a grandfather-father-son-type military hierarchy. The privilege of recommending candidates was largely placed with Members of the House of Representatives and the Senate. This was not for the purpose of giving any special benefit to the Representative or Senator, but was done so that each generation of military forces would come fresh from the people. In recent years the law has been changed so that if the academies are not kept filled to capacity through that means, a full roster is maintained by appointment through other means; and we are more and more changing to a father-son-grandson military setup.

There are no finer people than those in the military service. Certainly, they are entitled to every reasonable effort by the Nation, including, however, our best efforts to prevent this Nation from making the mistakes of the past by setting up military domination with all its dangers, so clearly illustrated by the history of Prussia and later Germany. Doubtless present officers have no desire to set up a military party, as we see in foreign countries. I ask you, however, what will be the result after several generations of following the present course?

Already we see signs of where our course leads. About 3 years ago $300,000 was requested to build a residence for the Chairman of the Joint Chiefs of Staff. Congress refused. Nevertheless, the Chairman recently spent $107,000 for remodeling his residence; and the Chief of Air Force spent over $80,000 on the residence he occupies here in Washington, not with construction funds but from "Operations and maintenance" funds; and this was done 2 days before limitations became effective. Doubtless, they and their families felt entitled to such facelifting. In past years we have cited many similar examples, as has the Hébert committee.

We can all agree it is in line for those in military service, stationed abroad, to have their dependents with them where practicable; but we see the danger when in recent weeks, due to the Berlin crisis, it is said in the press that the National Guard and Reserve troops may be called into active service. Certainly, if the situation is that serious and all these dependents are stationed abroad, it greatly endangers not only them but their husbands and fathers in the service and makes our situation weaker rather than stronger.

Mr. Chairman, it is difficult for our leaders to make an objective decision today, for I fully believe the military, including defense contractors and communities which feel they are dependent upon defense spending, is probably the biggest factor in American domestic policy and politics. In saying this I agree that any party or any candidate who would neglect the defense of this Nation should be defeated. However, when it reaches the point where any candidate or any party cannot stand for a reduced level of defense spending, however wasteful it may be, without fear of defeat, we can see what a dangerous situation we have gotten ourselves into.

I know there are many people, including some Members of Congress, who say we cannot do anything about the situation because if we cut down defense spending we will have a depression. It is that attitude which is extremely dangerous. The fact is that needless spending in the name of defense to prevent a depression and not for defense needs, if spent where we had some economic goods to offset the spending, would help prevent inflation and would contribute much more to our economy. In fact, military spending, however essential, is almost 100 percent inflationary, and the military has testified that because of inflation each year it takes 5 percent to 7 percent more money to buy the same thing.

Mr. Chairman, our subcommittee has done the best it could with a difficult problem. I hope my remarks may have the careful study of all Members from all sections of the Nation.

We must protect our economy, for all our defense capability is dependent upon having a sound economy to back it up. We must have a strong military; but we must keep it a part of the people and not make it something separate and apart.

Mr. SHEPPARD. Mr. Chairman, I yield such time as he may desire to the gentleman from Maryland [Mr. JOHNSON].

Mr. JOHNSON of Maryland. Mr. Chairman, I am happy to hear that the committee has considered greater utilization of the Bainbridge Naval Training Center located in my district.

During the 84th Congress, the sum of $6 million was appropriated for military construction at the Bainbridge Naval Training Center, Md. Because this appropriation did not meet the approval of the Bureau of the Budget at that time, the entire naval recruit training program was ordered to be moved to the naval center at Great Lakes. This was done despite an already overcrowded situation at Great Lakes, and more than that, despite the fact that the Department of Defense declared there was a need for a training station on the east coast.

On May 21, 1957, the Department of the Navy emphatically stated they

planned to continue operation of training facilities located at Bainbridge, Md. They stated, and I quote:

These plans are based on the current and foreseeable need for recruit and technical training, the necessity for geographic decentralization in order to economize on travel funds, and the requirement for dispersed potential for use in the event of a national emergency.

Shortly after issuing this statement the Navy ordered the inactivation of Bainbridge, and further ordered all incoming recruits be sent to Great Lakes and San Diego.

Mr. Chairman, this sudden, dramatic, and to date unexplained move, created economic chaos in my district from which it has not recovered. When an entire community adjusts its economic life on specific assurances by the Department of the Navy that this facility would be permanent, one can readily see the hardship imposed upon my people by the sudden decision to inactivate Bainbridge.

I find no real sense of economy in appropriating funds to rebuild recruit training facilities in one area while permitting training facilities to deteriorate in another. This is happening at Bainbridge.

I am not satisfied with the Department of the Navy's view that the Navy's decision to move recruit training was economically justified, and furthermore, I do not believe it was in the best interest of our Nation's defense program. I shall therefore continue my efforts toward securing greater utilization of the Bainbridge Naval Training Center.

Mr. SHEPPARD. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I should like to inquire of the chairman of the subcommittee as to the total amount made available for armories and also for Army Reserve units.

Mr. SHEPPARD. Sixteen million dollars for the guard armories including $4 million from prior appropriations which have been frozen by the Bureau of the Budget and $13 million for the Reserves.

Mr. BAILEY. I thank the gentleman.

Mr. SHEPPARD. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

MILITARY CONSTRUCTION, ARMY

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Army as currently authorized in military public works or military construction Acts, in sections 2673 and 2675 of title 10, United States Code, to remain available until expended, $150,859,000.

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES of Illinois: On page 2, line 19, strike out "$150,859,000" and insert "$147,450,000".

Mr. YATES. Mr. Chairman, I dislike very much to disrupt the apparent tranquillity surrounding this bill, but I believe this amendment is very important. This amendment is essential to prevent the final perpetration of an Army mistake.

The Food and Container Institute of the Quartermaster Corps was established in Chicago, Ill., in July 1936 and over the years has become the central laboratory of the Army in conducting basic research in food, nutrition, military rations and food products for the Armed Forces, together with various containers for protecting them. This bill contains an appropriation of $3,800 million to uproot the Food and Container Institute from its logical location in the heartland of America's agricultural and container industries and to move it to new quarters at Natick, Mass. This is being done in the name of the efficiency which centralization is supposed to bring. My amendment proposes to strike it out, so that we can take a good look at it. I emphasize the word "good."

There have been numerous investigations which have been made about the feasibility of this move. The most thorough investigation that I have seen was made by the staff investigators of the Appropriations Committee whose report is found beginning at page 517 of part II of the hearings on this bill. The staff investigators recommended against the move.

Earlier this year when the military construction authorization bill was on the floor, the House approved an amendment which I offered which struck the funds to move the institute at Natick, Mass., and ordered an investigation by the Advisory Board on Quartermaster Research and Development of the National Academy of Sciences—National Research Council. That amendment approved by the House was used by the Secretary of the Army as an instrument to drive through his determination to move the institute from Chicago to Natick, for he refused to give the Board sufficient time to prepare a fair and objective report.

I had spoken personally to the chairman of the task group 2 weeks before I offered my amendment to find out how long it would take them to make a fair investigation. He told me it would take about 30 days. Yet the Secretary of the Army insisted that the Board complete its hearing and its report in a week. The only opportunity given the people of Chicago to present their case came on March 29 when the president of the Illinois Institute of Technology received a telephone call advising him that the Board was holding a hearing the next Friday—2 days later, and on Good Friday, too—at which time he would be given the opportunity to present any testimony he wished to offer. I was not even advised of the hearing, even though I had offered the amendment.

On Good Friday I attended the so-called hearing with staff people from the institute of technology and asked for 2 weeks time in order to prepare and present our side of the story. It was denied. The chairman of the hearing told us that he had been instructed by the Secretary of the Army to file his report by the following Tuesday.

The report of the investigating group was a foregone conclusion under such circumstances. Of course it recommended moving the Food and Container Institute from Chicago to Natick, Mass. I wrote letters immediately to the Secretary of Defense and the chairman of the Armed Services Committee protesting against the "rigged study."

I still think that study was unfair. I still think the House has been hoodwinked by the Secretary of the Army, through his refusal to permit a fair study of the matter to be made as the House had directed.

That is why I say that the only adequate study made on the subject so far is the one made by the appropriations staff which appears in the hearings.

On page 521 you will see the statement:

Officials of the Quartermaster Food and Container Institute in Chicago advise the staff they consider the present military facilities to be satisfactory and completely adequate for the performance of their mission. They stated even though the CAC has become obsolete for a warehouse operation, this obsolescence does not apply to a laboratory type mission.

What would happen to the trained staff in the event the institute were to be moved to Natick? The Army says that it has not polled personnel, but that it assumes most of them would move to Natick with the installation. Yet on page 525, the Appropriations Committee staff reports that an official at the Food and Container Institute in Chicago advised that 15 of the 30 key employees in his division would resign if the move to Natick is made. An official of another division advised it was his opinion that one-third of the technical staff of his division would resign if the transfer went through.

On page 525 you will read about the Food and Container Institute's relationship with the Military Subsistence Supply Agency and the Army Subsistence Center which are the subsistence procurement agencies for all branches of the service. These are located in Chicago. They work together closely now and their relationship will be broken up if the Institute should move to Natick.

On page 527:

According to officials in the container Division of the institute, the midwestern area, and specifically Chicago, is the hub of the food and container business for the entire country. They said this locale is the most accessible from the standpoint of geographical distribution of container industries and related professional organizations.

Container officials at the Food and Container Institute stated that the exchange of information and solutions of current and long-range problems in container activity is greatly expedited through the cooperative working arrangements between Q.M.F. & C.I. and the industries' technical and scientific organizations located in the Chicago area.

I think you should read, too, the analysis on the savings supposed to accrue as a result of moving to Natick. You will note that the staff differs from the

Army and points out that instead of the Army's claim that the Natick construction will be amortized in 3 years, according to the staff it would take about 46½ years.

The report concludes as follows:

> The staff is of the opinion the Army planning in reaching its decision to deactivate the CAC has been inadequate. The Army's claim that the closing of CAC is dependent upon the relocation of Q.M.F. & C.I. to Natick does not appear sound. Q.M.F. & C.I. occupies only 10 percent of the total space at this facility and is but one of a number of military and civilian tenants. It is felt that the Army has not realistically computed the overall costs involved in relocating all the tenants of the CAC. The staff believes the Army should reevaluate this entire proposal and that any decision to move the Q.M.F. & C.I. from Chicago should be predicated upon locating that facility where it can best perform its mission.

Mr. Chairman, I think the important thing for us to consider is stated in that last sentence. Where can the Quartermaster Food and Container Institute best perform its mission—in Chicago or Natick? We think the best place for it is Chicago and I ask you, therefore, to support this amendment to strike the funds from the bill to construct the new installation at Natick.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. YATES. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the chairman.

Mr. SHEPPARD. I wonder if the gentleman has been apprised of the fact that the annual savings is approximately $1,155,000, if the move is approved.

Mr. YATES. May I recall to the chairman that according to the staff of his own subcommittee instead of the proposed saving of $1,297,000 last year the gentleman will recall that the figures varied.

Mr. SHEPPARD. That was last year. This is a new estimate based solely on savings to the institute alone.

Mr. YATES. Last year's estimate was presented to the committee as well, and at that time special investigators pointed out that that saving was applicable to the Government from the CAC—the entire Army installations. The portion that was applicable to the savings if the Food and Container Institute was moved was only $230,000. It was stated by the staff at that time that rather than a savings suggested by the Army which was an estimate of $1,297,000, the actual savings were only $230,000. That was in the staff's report last year.

I suggest to the gentleman, furthermore, that the gentleman knows very well that the figure this year varies from last year. The gentleman himself pointed it out in the hearings when he came in with their figures.

Mr. SHEPPARD. The gentleman is correct in his statement up to this point. This is the present situation as the present findings have been determined.

Mr. YATES. I suggest to the gentleman that last year the Army came before the gentleman's subcommittee and stated that the savings were going to be $1,297,000. This year the situation is different. Has there been an investigation by the Appropriations Committee staff that the savings this year will be the same as estimated for last year?

Mr. SHEPPARD. Yes, there is a study made by the staff. This is the result of their study and planning.

Mr. YATES. Has that been testified by the staff, that this was an actual saving?

Mr. SHEPPARD. Yes, it has.

Mr. YATES. And has the staff, then, changed its mind over its approach from last year when it recommended against this change being made?

Mr. SHEPPARD. That is the investigative staff the gentleman refers to, not the Appropriations Committee professional staff.

Mr. YATES. Oh, the investigative staff. Then the answer to my question is that there has been no report by the investigative staff of the Appropriations Committee on the representations of the Army, a similar investigation to the one conducted last year.

Mr. SHEPPARD. That is correct.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

(By unanimous consent Mr. YATES was allowed to proceed for 2 additional minutes.)

Mr. YATES. Then I suggest to the gentleman that just as the Army's figure was shown to be wrong last year, the same would be shown by a study by the investigative staff of the Appropriations Committee this year.

I dislike to be in the position of disagreeing with my good friend from California, but I feel very strongly about this matter. I think the correct place for this institute is in the center of the food industry, is in the center of the paper-container industry.

Mr. Chairman, I want to conclude by reading from the report of the investigative staff last year. They said this:

> The staff is of the opinion the Army planning in reaching its decision to deactivate the CAC has been inadequate. The Army's claim that the closing of CAC is dependent upon the relocation of Q.M.F. & C.I. to Natick does not appear sound. Q.M.F. & C.I. occupies only 10 percent of the total space at this facility and is but one of a number of military and civilian tenants. It is felt that the Army has not realistically computed the overall costs involved in relocating all the tenants of the CAC. The staff believes the Army should reevaluate this entire proposal and that any decision to move the Q.M.F. & C.I. from Chicago should be predicated upon locating that facility where it can best perform its mission.

Mr. KLUCZYNSKI. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Illinois.

Mr. KLUCZYNSKI. The Food Container Institute happens to be in my district. It has been there for 25 years. I believe that when the military construction bill was before this House we voted on that and I believe the vote was 280 to 140 to keep it there.

Mr. YATES. That is right.

Mr. KLUCZYNSKI. I made a speech on the subject. I have been here 6 years.

Mr. Chairman, it is my hope that the House will not take this away from me. If it does this is my swansong. I hope you keep it in.

Mr. YATES. I urge my amendment's adoption.

Mr. COLLIER. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I want to compliment the gentleman from Illinois [Mr. YATES], for offering his amendment, which I intend to wholeheartedly support.

Three months ago, or thereabouts, this body voted by a rather substantial margin to make a study of the issue before us today, that of moving the Food and Container Institute from its present location in Chicago to Natick, Mass.

The Quartermaster's facility at Chicago has long served in this capacity. It has done an exceptionally fine job. As my colleague from Illinois mentioned, not only is it currently located in the very heart of the agricultural Middle West but it is also located close to the greatest food processing industries in the country in the city of Chicago.

Without belaboring the issue here in the House, I say the amendment should be adopted in order to be consistent with the position the majority of the Members of the House took 3 months ago.

Mr. SIKES. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, this matter has been argued with zeal and with ability by my distinguished friend from Illinois [Mr. YATES], the author of the amendment. I respect him for his views. I realize that to take an important facility away from one congressional district and transfer it to another is a difficult thing for many reasons. But I do want to acquaint the Members with some of the reasoning which the committee followed in making its recommendation.

First, Mr. Chairman, Natick is the center of all of the Army Quartermaster research and development activities. The proposal to move the facility now in Chicago to Natick is an effort to confine presently scattered activities and to place them in one location where they can be more efficiently and effectively carried on.

The gentleman from Illinois quoted from a staff study conducted at the request of the Committee on Appropriations, the results of which were announced in April of 1960. That staff study did not specifically say that the facility should not be moved. Instead it cast doubt upon the recommendations the facility be moved and said:

> The staff believes the Army should reevaluate this entire proposition and that any decision to move the Quartermaster Food Container Institute from Chicago should be predicated upon locating that facility where it can best perform its mission.

The report did not at any point say "Do not move the facility." The report

said, "Reevaluate your study, get all the facts together, then decide."

Since April a year ago this matter has been conclusively studied by a number of agencies. It has been studied by the Armed Services Committee, by the Committee on Appropriations, by the General Accounting Office, by the Army itself, and by an independent group especially selected to carry on this study. This independent group incidentally was recommended by the gentleman from Illinois who now disagrees with its findings. All of these, Mr. Chairman, have recommended now that the transfer be made.

Here are some of the reasons they have followed in recommending that the transfer be made. They find that activity being carried on in Chicago, would be much less costly if it were moved to Natick. The transfer would result in a saving of $1,155,000 annually. It would require the services to the Government of 167 fewer people on the Army payroll. It would result in centralization of scientific and technical personnel which are available to the Army Quartermaster Corps at a single location where modern laboratories are available.

They have stated that the location of this organization at any place other than Natick, including Chicago, would require for the same job the construction or the rehabilitation of an additional 60,000 square feet of space. This is because there is a laboratory and administrative space and personnel available at Natick which is not available at any other location. They say, also, that the condition of the facilities now available in Chicago is such that they will have to be rehabilitated if the function is not transferred, and it is estimated that rehabilitation would cost $3 million.

Even if the Congress were to approve the expenditure of this $3 million for rehabilitation—an expenditure not necessary at Natick—there still would not be available at Chicago the complete, modern research facilities that are desired. Mind you, rehabilitation alone at Chicago would cost almost as much as it is proposed to cost to move to improved facilities at Natick. This is in addition to the annual saving of more than $1 million a year.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. SIKES. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Now, the proposal has also been made, Mr. Chairman, to construct new facilities at the Illinois Institue of Technology to do this same job. The cost of that proposal is estimated at $5.3 million, exclusive of land acquisition, another $218,000, and exclusive of design and engineering fees, another $200,000. These costs, Mr. Chairman, are based on the assumption that construction costs at Chicago and Natick are comparable; that they include the construction cost of the 60,000 square feet of additional space which would be required anywhere else except in Natick, but which are already available for use if the facility is moved to Natick.

Now, a very significant part of this consideration is the fact that at Natick it is estimated that amortization will be completed in 4 years. That is an unusually short time for a new facility or a change in activity to pay for itself. That is what we mean by amortization of an installation; that it will pay for itself in 4 years. This represents a distinct saving which the Members of the House will certainly not want to overlook.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Illinois.

Mr. YATES. May I suggest to the gentleman that his statement is very good and very eloquent. However, it bears correction in three places: First, the statement that the gentleman made respecting the fact that we will need 160 less employees applies to all the Army installations that will be moved out of Chicago. Proportionately, as applicable to the Quartermaster Food and Container Institute, it would represent 48 employees.

Mr. KLUCZYNSKI. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and eight Members are present, a quorum.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Illinois.

Mr. YATES. The second point is with respect to the amount it would cost the Army in the event the Illinois Institute of Technology would construct the facility. That estimate was given in the absence of any knowledge as to what the Army specifications were. At that time 180,000 square feet were required. This was more than the square footage the Army actually needed, and the Army refused to make its requirements known to the Institute.

Third, the gentleman states there will be a rapid amortization. I read from the staff committee's report, page 528 of the hearings, where the Army claims that moving the Institute today would permit amortization in 3 years. The staff said that the Army's figures were incorrect. It stated that instead of 3 years the amortization would take 46½ years.

I suggest to the gentleman that throughout this whole proceeding the Army figures have been grossly exaggerated. Even the General Accounting Office said this in its report on this matter. It said that the figures the Army has submitted are inflated.

Mr. SIKES. Mr. Chairman, again let me say that I respect the zeal with which my frend is defending the cause of the people he represents. Let me hasten to clarify my statement on a saving of 167 people. I may have left the wrong impression, to an extent. There will be 45 people now associated with this operation whose services will no longer be required. There are 122 others who now are employed in this operation in Chicago who also will not be needed in the operation at Natick. Presumably, some of them may be needed by GSA or by other Government agencies for the operation of the same facilities in Chicago if they are used by other agencies. To that extent I may have left the wrong impression. But there would be 167 fewer people required for the operation which is now taking place in Chicago.

As to the cost figures that my distinguished friend has used, let me remind him that he is quoting from an April 1960 staff report which is not borne out by subsequent findings. Mr. Chairman, let me remind you that since that time there have been further studies by the Committee on Armed Services, by the Committee on Appropriations, by the Department of the Army, by the General Accounting Office, and by an independent agency. These subsequent studies show that amortization would be complete within 4 years or less. They show an annual saving of $1,155,000. They show that to remain in Chicago would require rehabilitation costs almost as great as the cost of the move—and result in quarters that still are inadequate.

Finally, Mr. Chairman, the proposed move to Natick is supported by the recommendations of both the legislative and the appropriations committees which deal with the armed services.

It is more economical, will result in better utilization of highly critical scientific and technical personnel and just plain makes more sense to move this work to Natick and provide facilities at the reduced amount recommended by the subcommittee. The amendment should-be defeated.

Mr. LAIRD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, some 3 months ago, when the military construction authorization bill was on the floor of the House for consideration, an amendment was adopted providing for a study of the question under consideration in this amendment. At that time I supported the amendment to provide for an additional study. This study was made, in accordance with the action of the House of Representatives 3 months ago, and I have a copy of the task force report. This task force conducted hearings in Chicago and studied this whole matter very carefully and very thoroughly. The chairman of this particular subcommittee happens to be a distinguished constituent of mine, Dr. Allen Abrams of Wausau, Wis., former vice president of the American Paper Corp. and in charge of the research work for the American Paper Corp., which is now a part of the American Can Co.

Appearing before this task group was the gentleman from Illinois [Mr. YATES]. The report which was authorized by the task force at the request of the Congress, in the amendment which I supported to the military construction authorization bill, very clearly and emphatically shows the reason why Natick should be the location for this research facility. The decision of this task force group in making the recommendation to locate this

installation at Natick is based on their broad experience. The members of this task force had had a great deal of experience in the overall research field. It is a very eminent group of individuals.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Illinois.

Mr. YATES. I have great respect for the gentleman's constituent, Dr. Abrams.

Mr. LAIRD. I thank the gentleman for his compliment. Dr. Abrams is a very fine gentleman.

Mr. YATES. That is correct. I called Dr. Abrams 2 weeks before the amendment was adopted and asked him how long it would take to make this study. Dr. Abrams told me it would take 30 days. Now may I have 30 seconds of the gentleman's time to read from the hearings of this group:

Congressman YATES. Now you indicated to me that you thought 30 days was necessary for a detailed report.

Chairman ABRAMS. I said for a detailed investigation. That is correct. Much of that has been done by your own congressional committee, sir.

Congressman YATES. All right, does this mean that you have altered your opinion? Do you no longer require 30 days for detailed investigation?

Chairman ABRAMS. It doesn't for a detailed investigation, it doesn't at all.

The point I make is this: The Secretary of the Army insisted that Dr. Abrams' group submit its report in 5 days, less than a week, when it never was possible for the group to make that report in such a short time.

Mr. LAIRD. I disagree with the gentleman from Illinois. The Secretary of the Army did not put out any such directive to this particular group. If the gentleman has ever dealt with a group of scientists, I think he would know that the Secretary of the Army would be very foolish to issue such a directive to a committee such as this.

Mr. YATES. If the gentleman will read the hearings, and I have them here, he will see that implicit throughout was the requirement that the group file its report within a week.

Mr. LAIRD. The gentleman cannot show us any place where a directive was issued by the Secretary of the Army along this line.

Mr. YATES. There never was a directive, there was not any writing to do that, to file this report in a week.

Mr. LAIRD. I do not believe that would be borne out by the Secretary of the Army.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from North Carolina.

Mr. JONAS. On page 10158 of the RECORD of June 13 of this year the gentleman from Illinois inserted a letter to the chairman of the Committee on Armed Services from the Secretary of the Army in which Mr. Stahr stated that he did not direct any report in a given time, and that he asked for an objective study and a report based upon the investigation.

Mr. LAIRD. I realize that. That is why I disagree with the gentleman from Illinois. This was a completely objective report done by outstanding scientific advisers. I believe the amendment offered by the gentleman from Illinois should be rejected.

Mrs. CHURCH. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this proposal to move the quartermaster facilities to Natick from Chicago, where they have been for 25 years without question or criticism, has more lives than the proverbial nine lives of a cat. I would like to premise my remarks by saying, I do not officially represent the city of Chicago except for two one-third precincts which were recently so incorporated. I would like to say that I am not fighting the battle just in the interests of Chicago. I am fighting the battle of the entire Middle West against piracy of its installations. This is not the first time—this is not the first time that installations have been moved out of the Midwest area to the eastern coast. I am told by those who laugh at me today for rising in support of what they say is an amendment bound to be defeated; that nothing can be done to prevent the proposed present piracy. I am fearful that similar action regarding other midwestern institutions looms large in the future.

This House in its wisdom ordered a new, complete study on this matter quite overwhelmingly a few months ago. It is inexpressibly regrettable that such study report was brought in in so short a time that, with all my respect for the chairman of the task force and its members, I cannot fail to think that the results must have been premeditated; or that in any event absolutely insufficient time was given to it.

I wonder if you all know the great Midwest of which Chicagoland is the heart. I wonder if you know of its universities; of its research possibilities; of its agricultural interests and power; of its medical institutions; of its existence as a rail and steamship center; of its site as the center of great military installations?

I wonder if you know what it means, in these days in particular, not to put all your eggs in the basket of one coast. It was in support of that principle that long years ago, this Congress in the thirties began to scatter its defense installations in the Middle West, and rightly so, from a defense standpoint.

I would not engage today in a battle of words or of figures. I made my plea for continuation of the Quartermaster Institute at Chicago at the time when the request for an adequate study was made. I would not take the time of the Congress to do more than to warn just this: It would be perfectly easy and foreseeable for the Government in its wisdom—or lack of it—to build a new installation any place in this country and then argue as to the availability of space and the necessity for centralization and gather unto itself, from all over this country, installations which are long established and well established and well located—and which represent and stand like the Chicago Institute for a great deal in a very great section of this country.

I would ask the gentleman from Illinois, if I may, whether I am right in concluding that this ordered study could not have been adequately accomplished in the short time in which the report was made?

Mr. YATES. I thank the gentlewoman for asking me the question. I now read from page 62 of the transcripts of the hearing. I hope the gentleman from Wisconsin listens to this:

Congressman YATES. I am speaking for myself as a representative of the congressional delegation, but I would think that what we would want is an opportunity to present our entire case. This study, both the long one and the summary and the picture of the building you have before you, are just a part of our case. As you well know, as I understand it, you told IIT to present its proposal. You called them on Wednesday, or somebody called them on Wednesday and said: "Tell you what you want to do on Friday. This really doesn't offer much time."

Chairman ABRAMS. I think you understand we haven't had much time given to us.

Congressman YATES. I didn't know. How much time have you had given to you.

Dr. WORK. April 4.

Congressman YATES. April 4. This is March 31, incidentally. If that's the case, I will call up CARL VINSON, and I will protest against a rigged presentation.

Chairman ABRAMS. What time do you want?

Congressman YATES. Two weeks to present it.

Chairman ABRAMS. I don't think we need that much time.

Congressman YATES. You need to have 2 weeks to get a comparable figure on the construction of a building, don't you?

Chairman ABRAMS. I wouldn't know.

Congressman YATES. Of course, you do. You can't say we have an authorization for a building of this size and then expect this institution to give you an estimate on it immediately. I think it is something you should know.

April 4, my God.

Dr. HOFF. Why do you think you are meeting here on Good Friday?

If there was not any policy to get this through in a hurry why were they sitting on Good Friday?

Mrs. CHURCH. I would like to ask the gentleman just one further question.

The CHAIRMAN. The time of the gentlewoman from Illinois has expired.

Mr. GROSS. Mr. Chairman, I ask unanimous consent that the gentlewoman from Illinois [Mrs. CHURCH] may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. YATES. If the gentlewoman will yield further, answering her question specifically, I say this investigation was not an objective investigation. I say it was not a fair decision. I say that the Army never intended to give us a fair decision because it had made up its mind that this installation had to be moved to Natick, and it would not permit any deviation from that.

The gentleman from North Carolina called attention to the letter that I inserted in the RECORD. I now read another paragraph in that letter by the Secretary of the Army. This is what he said when we had requested additional

information as to what the Army wanted if the installation was left in Chicago.

As for the availability of overall plans and specifications which could be adapted to any selected location, the Army has never prepared any detailed plans for relocation of the Food and Container Institute other than to Natick, Mass., since all prior studies over a period of years have consistently demonstrated the overriding advantages of this location from the viewpoint of operating efficiency and economy.

Mrs. CHURCH. Am I right in saying that not only was the investigation inadequate but that the Army had decided what they were going to do before the investigation was started?

Mr. YATES. That is true.

Mrs. CHURCH. And what the gentleman is asking today is merely that this appropriation be cut out as indicated in his amendment until such time as an appropriate study of this subject may be made.

Mr. YATES. That is correct.

Mr. LAIRD. Mr. Chairman, will the gentlewoman yield?

Mrs. CHURCH. I yield to the gentleman from Wisconsin.

Mr. LAIRD. The gentlewoman from Illinois brought up a colloquy that we had a little earlier.

Mrs. CHURCH. May I interrupt the gentleman to add that if he thinks 5 days was sufficient time for a scientific investigation, I do not.

Mr. LAIRD. The information we had was that there was no time limit on this study and that the instructions placed in the authorization bill were fully carried out by the Secretary of the Army.

I believe that if the gentleman does not want to go forward with this Natick location but wants to eliminate it, that it should have been done when the authorization bill was under consideration; that was the time to do it.

The gentleman from Wisconsin understood the gentleman from Illinois to propose that a study be made as to whether or not that should or should not be located there. The authorization bill directed the Appropriations Committee to limit the location of this particular research facility to Natick.

Mrs. CHURCH. If the gentleman from Wisconsin will recall, the question is whether what this Congress authorized was done. We ordered that particular study to be made. My conviction is that it is ridiculous to claim that a proper study was made. It is an insult to the intelligence of the Congress to claim that in 5 days an objective or subjective study could be made of this subject.

Mr. Chairman, I yield back the balance of my time.

Mr. JONAS. Mr. Chairman, I rise in opposition to the amendment.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield.

Mr. LAIRD. I would just like to add one point. It is important that we move forward in the area of food and container packaging research. We can only delay effective research in this bill for another year by deleting these funds. This will hurt the argricultural economy. I believe it would be a great mistake for us to delay this type of research activity.

Mr. JONAS. Mr. Chairman, my distinguished friend from Illinois, the gentleman who offered the pending amendment, reminds me of the man who made a motion in a public meeting and then voted against it himself. This study he complains about was made by a committee which he, himself selected. He selected the committee which made the study. He named the committee by name in the resolution that this House passed. It was his own selection. Do you know who composed the committee? Members of the Advisory Board of the National Academy of Science and the National Research Council. I do not believe that distinguished committee would permit itself to be rigged or hamstrung in its investigation.

I read from a letter the Secretary of the Army, Mr. Elvis J. Stahr, addressed to the chairman of the Committee on Armed Forces in which he said that he requested this committee to make an objective study, that he wanted the views of the committee, and that he desired their recommendations as promptly as possible."

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield to the gentleman for a question.

Mr. YATES. I read from this transcript of the group that the gentleman has referred to. It was my group, I agree with the gentleman, but the best investigation of any group can be killed by not giving it sufficient time to conduct the investigation. I read from the transcript indicating we had 4 days to carry on these studies.

Mr. JONAS. Not only did the National Academy of Science investigate this matter, but the Committee on Armed Services appointed a special task force consisting of two Members of this body, the gentleman from California [Mr. DOYLE] and the gentleman from Pennsylvania [Mr. VAN ZANDT]. They made a thorough study of it, and they recommended that this move be made.

Not only that, but the Secretary of the Army in this administration, and the Secretary in the last administration, have recommended that this change be made. Why? Not because they are opposed to Chicago or the Middle West, but for the simple reason they believed these research activities should be consolidated in one location.

Now, what is the issue here? The issue is whether or not, if you assume these research facilities should be consolidated, you either move the facilities from Chicago to Natick or those now at Natick to Chicago.

When we had hearings before the committee, I said this to Dr. Sieling:

I am also impressed by the special report on relocation prepared by the Advisory Board of the National Academy of Sciences.

And I quote from the Board's report the following two reasons why it recommended this move:

First. The increase in efficiency of research and development operations, and the assured lower operating costs of research management and administration at one location; and second, the desirability and advantage of having an integrated team of scientists of different disciplines who can freely communicate daily on a person-to-person basis to help solve the unique military problems entrusted to the Quartermaster Corps.

Then I said to Dr. Sieling: If that is sound reasoning, and I accept it as sound, then we ought to move the Chicago facility to Natick or we ought to disband the facility at Natick and move it to Chicago.

I asked him what this would involve.

He said it would involve $25 million in new construction, plus the transfer of 1,250 people from Natick to Chicago.

Mr. Chairman, I submit that every group that has studied this proposal—every single one in the Department of Defense, in the Department of the Army, in the Committee on Appropriations, in the Committee on Armed Services, and the National Academy of Sciences—has recommended this transfer. What more do you want? This is not a fight between Chicago and Massachusetts, so far as I am concerned. I have no kinfolks at either place. I have not been lobbied by people from either place. My vote is based upon the unanimous verdict of every department and agency of Government that has been investigated. I think the Congress should go along with those recommendations.

Mr. SHEPPARD. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The chair recognizes the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, I rise in support of the amendment, and because of the very restricted time allotted me, I should only like to make one point.

I think the gentleman from North Carolina [Mr. JONAS], made the most compelling argument for supporting this amendment offered by the gentleman from Illinois [Mr. YATES], when he said that these people want to consolidate all of the research facilities. This is the crux of the whole problem that is going to confront this Congress from now on. A vast percentage of all defense expenditures of this country today are being spent on development and research, and I hope that every Member of this House, on both sides of the aisle, is going to take into consideration the fact that if you let the Defense Department get away with this piracy, your own area is going to be next. They are going to slowly try to move all of these research facilities over the east coast and consolidate them, as the gentleman has stated, and I think every Member should consider this when the time comes to vote on this issue.

Mr. Chairman, I hope the amendment offered by the gentleman from Illinois [Mr. YATES], is adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Chairman, this amendment seeks to strike out from this bill on page 2, $3.4 million for the Quartermaster Research and Engineering Center in Massachusetts. Now, this is something that the Massachusetts people did not request. This comes before us on the recommendation of the Secretary of Defense. Seldom has opposition to any measure availed itself of one step after another and various other compelling tactics as you saw here today. Mr. Chairman, to those who are trying to block the move of the Quartermaster Food and Container Institute from Chicago to Natick, the result is always the same. Expert testimony offered before your Committee on Appropriations and the Committee on Armed Services clearly establishes that this inevitable move is in the best interests of the Army and the taxpayers. I call your attention to the statement of this committee on page 11 of the report on this military construction appropriation bill for 1962, the following:

> This matter has been investigated and studied on numerous occasions by several committees of the Congress, the Army, and the Department of Defense. Testimony received by the committee and information made available have been both detailed and voluminous. Based on this testimony and the various studies to which it has access, the committee believes that it is in the best interest of the Government to transfer this function as recommended in the budget.

In other words, you have heard a great deal this afternoon in reference to the hearings before this Appropriation Committee. The evidence produced through the interrogation by our colleagues on that committee has shown conclusively the compelling reasons for the transfer of the Quartermaster Food and Container Institute from Chicago, Ill., to Natick, Mass.

I wish that the Members would read from page 533 of part II of the hearings before this Subcommittee on Appropriations on Military Construction, in which the astute and able gentleman from North Carolina [Mr. JONAS], asks this question:

> This committee is primarily concerned with the dollars involved because we are not a legislative committee; we are an appropriating committee. We have to satisfy ourselves as to the effect the spending will have.
>
> I asked Dr. Sieling the questions about the advantages of the move from a scientific and research standpoint because I thought the record should contain a statement setting forth the practical advantages and the benefits that might be derived.

Dr. Sieling answered as follows:

> I appreciate that, sir. I would not want to belabor the subject, but the technical advantages that would be derived from consolidation of this food and container research activity with the other elements of the Quartermaster research organization at Natick would be outstanding in that we would bring together the technical people from the various fields so that they, when they have a problem to solve, could personally talk with each other on a day-to-day basis as the solutions develop, leaving nothing to chance discussion at later time and having, let us say, a simple example of the development of a dehydrated meat requires the work of the engineers to develop a method of dehydration, it requires the work of chemists to elucidate the color changes that may result from dehydration, the work of physicists to examine the influence of dehydration on the ability to reconstitute the food.
>
> All of these attendant scientific skills are at Natick. The bacteriologist, engineer, plastics expert, chemist, the metallurgist, the etymologist, all of these people who have to do with the keeping quality and the original fabrication of this item except the food technologist are at Natick. The last man is at Chicago. At the present time he must rely on telephonic or letter communication with the other scientists.

Now, do you need any further proof of the necessity for this transfer recommended by our military services?

The opposition has had more than its day in court, and has been unable to prove its case. There is no foundation for any further delay in authorizing the transfer.

The Quartermaster Research Center at Natick, Mass., is the most modern and efficient facility of this type in the Nation. In close proximity to Boston, it is part of the greatest research center in the world.

The evidence in support of this transfer is overwhelming. The Army, under a Republican administration and a Democratic administration, has recommended it. Both the House and Senate Armed Services Committees have favorably reported this measure on two occasions.

It will result in annual savings of $900,000. By placing both the scientists and the technologists under one roof at Natick, it will provide the close daily cooperation that is the basis of economical and efficient management.

As a matter of fact, Natick now manages the contracts for Food and Container, which are spread over the country, with relatively few of them assigned to the Chicago area.

Natick is equipped with the most up-to-date equipment. At the Institute's present location in Chicago, such equipment would have to be borrowed or rented, which would result in waste and inconvenience. The research techniques available at Natick are made to order for the integrated and efficient operation of this Quartermaster responsibility.

On March 22, 1961, the House again directed the Army to restudy the matter, and the evidence was so conclusive that its report reinforced the original recommendation.

Delaying tactics have already cost $1 million.

Although the opposition has waged a gallant fight, in the face of all the facts to the contrary, reason and sound economics had to prevail.

The Quartermaster Research and Engineering Center at Natick, Mass., by every standard for determining location and efficient functioning, is the natural home for the Food and Container Institute, Quartermaster Corps, U.S. Army.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

The Chair recognizes the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, the gentlewoman from Illinois has called this by its right name, piracy. I cannot conceive of this body doing nothing when pirates are ganging to raid Chicago, Ill., and the entire Middle West. There is too much decency in this body, and the proposed theft of the food container facility from Chicago in the Middle West, where properly it should be located, is an act of indecency. I am supporting the amendment offered by the gentleman from Illinois [Mr. YATES], and I hope it will be adopted by a tremendous majority.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Chairman, I hope this amendment will not be adopted and that the Committee on Appropriations will be sustained.

This matter has been studied time and time again. In fact, it has been studied to death. Every study has come out with the same conclusion, that it would be advisable to transfer this installation to Natick, Mass., and save the taxpayers $1 million per year. In one study they said that it is like reuniting a child with a parent. Who would be against such a reunion? Mr. Chairman, this move from Chicago, Ill., to Natick, Mass., was approved by the Army, Department of Defense, Armed Services Committee, and the full Appropriation Committee. It will save the taxpayers $1 million per year and at the same time make for a better working arrangement, it will place these scientists all under one roof.

Therefore, for efficiency and economy sake this amendment should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BATES].

Mr. BATES. Mr. Chairman, this is a vote for economy and efficiency. This matter has been studied, as the senior Senator from Georgia in the other body has said, more than any other subject that has ever been studied in the Congress.

I am a member of the Committee on Armed Services. Our committee passed this twice. We had a special investigating committee, requested by the gentleman from Illinois, Mr. YATES, to study it. The committee reported unanimously that it should be transferred to Massachusetts.

In the other body the Senate Committee on Armed Services on two separate occasions heard testimony, recommended it to the Senate, and it was passed in the Senate.

This year the gentleman from Illinois wanted another study. It seems that he is going to look for a study until he finally finds some one group or some agency that will agree with him. But that will be an extremely difficult thing

to do. This is costing the taxpayers of the United States $1 million a year, merely to satisfy the gentleman from Illinois, and as deep as our affection is for him we have to draw the line somewhere. Here is the place to do it.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Chairman, I think anybody who really wants to resolve this question fairly, and honestly, ought to pay some attention to the arguments of those who are on the Committee on Appropriations and also those who serve on the Committee on Armed Services. Anyone who listened to the arguments of the gentleman from Florida [Mr. SIKES] and the gentleman from North Carolina [Mr. JONAS] ought to be convinced that this move is based solely and simply on what is best for the Army and, for that matter, the country, in matters concerning research and development. Some seven studies have all concluded that the transfer of these facilities should be made. This is no rape of Chicago at all. The only reasonable, sound, sensible reason why this particular installation is being moved to Natick is because Natick is already the center of all Army research and development for the Quartermaster Corps. That in and of itself ought to be an important consideration here. I think it is the overriding and controlling issue here.

Mr. Chairman, I hate to get into an argument with my good friend from Illinois [Mr. YATES], and my good friend from Illinois [Mr. KLUCZYNSKI], and the distinguished Congresswoman from Illinois [Mrs. CHURCH], or anyone else from Illinois. They are all really great Members of this body. In this instance I think they are too provincial. I would be on this floor defending this move if the tables were reversed. All that is sought by the committee action is to bring more efficiency and order into the Army's Quartermaster's research activity.

Here is an opportunity to do the kind of job that the sound, sensible legislator ought to do. When they label this piracy, it is wrong. It is just befuddling the issue.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. KLUCZYNSKI].

Mr. KLUCZYNSKI. Mr. Chairman, I do not like to get into any argument between States. I love them all in Massachusetts, and I am sure the Illinois delegation feels the same as I do. They are all good gentlemen, Democrats and Republicans; and I hope they respect us as much as we respect them. But this happens to be in my district, Mr. Chairman. You take this important facility away from me, and these fellows from Massachusetts will decide to take something away from you next month or maybe next year. You know the way they operate; be careful, this may happen to you in your State in the future.

Mr. Chairman, I rise in support of the Yates amendment and I urge its adoption. As I said before, I love you all. I would like to be with you next session, so if you take this away, it may lead to the defeat of poor "KLU." Please relieve me of any worry.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Illinois.

Mr. PUCINSKI. I am grateful to my colleague from Chicago for yielding the time. The gentleman from Massachusetts described these efforts as provincial. I say that any Member who fights for the best interests of his district and his country can be proud to be categorized as provincial.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SHEPPARD] to close debate on the amendment.

Mr. SHEPPARD. Mr. Chairman, the condition of the present facilities in Chicago is such that they must be rehabilitated even if the function is not transferred. The estimated cost of this rehabilitation exceeds $3 million, and would not result in a modern research facility or overcome major deficiencies in the present plant.

I ask you to support the committee and reject the amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Illinois [Mr. YATES].

The question was taken; and on a division (demanded by Mr. YATES) there were—ayes 63, noes 65.

Mr. YATES. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. YATES and Mr. SIKES.

The Committee again divided, and the tellers reported that there were—ayes 92, noes 82.

So the amendment was agreed to.

The Clerk read as follows:

MILITARY CONSTRUCTION, AIR FORCE

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Air Force as currently authorized in military public works or military construction Acts, in sections 2673 and 2675 of title 10, United States Code, the Act of April 1, 1954 (Public Law 325), without regard to section 9774(d) of title 10, United States Code, to remain available until expended, $479,522,000.

Mr. SCHENCK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCHENCK: On page 3, line 13, after "to remain available until expended" strike out "$479,522,000" and insert "$480,303,000".

Mr. SCHENCK. Mr. Chairman, the amendment which I have offered goes to the point of providing funds for the remodeling and modifying of a former shop building into an urgently needed laboratory to make it a useful and usable facility.

I want to express my appreciation to the Chairman, the ranking minority member, and all other members of the subcommittee for the consideration they have given this matter and I want to commend to all my colleagues here in the House that this is a matter of economy and a matter of urgency which I hope to bring out.

Unfortunately those who represented the Air Force in the hearings before the Subcommittee on Appropriations were civil engineers and, therefore, not entirely acquainted with all the research, the research program, and all the need for the various research facilities that should be available. So there have been some false impressions created unfortunately, and I say that without any criticisms of the men who testified. May I say just quickly that this research facility, or this building was built as a shop in 1932. It was remodeled during World War II with the wartime materials then available to those who were doing the work. Since that time it has been used as a research facility. It is located at Wright-Patterson Air Force Base for the Aeronautical Space Command. The Aeronautic Systems Division at Wright-Patterson Air Force Base is commanded by Maj. Gen. W. O. Davis. The Deputy Commander is Brig. Gen. David M. Jones. The Air Force Systems Command is commanded by Gen. Bernard A. Schriever. All of these high ranking and knowledgeable officers have cooperated with me in the preparation of this information and fully corroborate my views. The Materials Research Center is the only such central research information agency in this field and controls some 665 active projects. The Aeronautics Systems Division is the largest command post of the Air Force Systems Command. At present there are some 80 internal projects being handled there, and these projects and processes deal with industry and facilities not dealt with elsewhere. They are in such fields as metals, plastics, and polymers which are useful in space activity and the electronics field. This laboratory does a great deal of work for the National Aeronautics and Space Administration as well as all other components of the National Department of Defense including, of course, the Air Force itself.

This covers such critical materials as nose cones and items used in the construction of the B–70's, Dyna-Soar construction, and many others. There are facilities here which are available at no other place and cannot be made available at any other place because of the time and expense involved. For example, this particular laboratory deals with development, testing, and research in connection with metals, ceramics, and plastics to withstand extreme temperature differentials ranging from a low of minus 425° F. to a high of 6,000° F.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHENCK. Mr. Chairman, this facility contains some 75,000 square feet and, as I say, it was remodeled during World War II with the materials then available and is now a testing laboratory.

There are some improvements necessary to control dust, which is manifoldly greater than it should be in order to do proper research work. There are at the present time inadequate wiring systems which will not provide enough electricity to develop the heat necessary and the electricity necessary to do this work. There is an inadequate ventilation system to take care of the noxious gases and, as I have indicated, there is need for additional plumbing facilities to take care of chemical testing and chemical experimental work.

The cost of refurnishing or rebuilding or changing this facility into an effective laboratory taht can do an effective, good job, and an urgently needed job for the Air Force, is estimated at $781,000, or about $10 per square foot, which is well within the proper limitations. Nothing has been done outside of ordinary maintenance on this building since it was first remodeled during World War II, and it was inadequately remodeled at that time.

There are, as I also indicated, some 665 active research projects going on; there are 30 internal projects; there is a staff of 102 scientists, of which 12 have doctor of philosophy degrees. There are 35 on the technical staff.

It is very essential that we get value and progress in the Air Force, particularly at this time when we are told that these things and progress in this work are so very, very essential.

I am sure the Committee on Appropriations here is a very earnest, sincere committee, interested in doing what is best for the Nation. But I submit to all of my friends on the committee and all of my colleagues here in the House that the real important decision to make from the standpoint of economy, from the standpoint of urgency, and the standpoint of need is to approve my amendment to permit this very necessary work to be done on this research building. It is estimated that the value of the work now being performed in this present inadequate facility is in excess of $8 million a year. More and better work can be accomplished in less time, and time is so very precious right now if this facility can be properly remodeled. The Aeronautical Systems Division on Wright-Patterson Air Force Base has the greatest in-house capability anywhere within the U.S. Air Force, and it should be used at its highest and best use in the best interest of the Nation.

Mr. Chairman, my amendment is a matter of economy and much needed increase in efficiency and I urge the adoption of this amendment.

Mr. BROWN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment which has been submitted by the gentleman from Ohio [Mr. SCHENCK] who represents one of the districts in which the Wright-Patterson Air Force Base is located. I have the honor and privilege of representing the adjoining district in which Wright-Patterson is also partially located. Both of us know very well the need for this particular function at Wright-Patterson Air Force Base. This matter has been gone into thoroughly—that is, the reconstruction and the modernization of this particular facility for research purposes—by the House Committee on Armed Services. A great deal of testimony was taken at that time, and the Air Force made a good case as to the need for this particular modernization program. It has been shown, I think, beyond any peradventure of a doubt, that the modernization of this particular building will mean real economy. It will be much cheaper and more beneficial to the taxpayers of the country than if it should be decided to build some new research structure somewhere else, perhaps in some other section of the country. There is a great need at this particular time, when we are talking about war clouds over Europe, for a continuation of this research program and an expansion of it.

And, of course, Wright-Patterson is in the great Miami Valley, being the very birthplace of aviation. There we have the greatest Air Force installation in the world—yes, not only in America but in the entire world, right at Wright-Patterson Air Force Base, and the various Air Force installations surrounding it—is the logical place to do this research work. It is the one place where we have the capacity and the manpower to accomplish those ends which are sought to be accomplished, that is, in the field of research and development.

To put this structure into proper condition, modernize it for the latest type of research work, would cost, as the gentleman from Ohio, Mr. SCHENCK, has said, some $781,000. To do the same thing elsewhere in the country would probably cost almost $7 million, perhaps even more; perhaps 20 times as much as has been requested in this particular instance.

Then, too, we would lose a great deal of time, because the prompt modernization of this facility would save many, many months and perhaps might mean, in case war should come, the saving of a great many American lives, as well as the lives of other people in this old world of ours.

I do not like to disagree with my colleagues on this subcommittee, but I am convinced in my own mind that it is false economy—that it is a mistake—to strike out this particular item from the authorization bill and refuse to bring in here, as part of this appropriation, an item which will take care of this particular requirement of what many of us believe to be the greatest air force in the world, one that we certainly hope will prove to be such, and for which we must have research facilities to keep ahead, to keep modern, to keep ahead of the enemy, regardless of what may develop.

So, Mr. Chairman, I rise in support of the amendment offered by the gentleman from Ohio [Mr. SCHENCK], and I hope this body will see fit to restore this item, which, as I have said before, was authorized after long and extensive hearings by the great Committee on Armed Services of this House.

Mr. Chairman, I hope that this amendment will prevail.

Mr. SHEPPARD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I deeply regret that it is necessary to be in opposition to the two splendid gentlemen from Ohio, whom I have had the pleasure of knowing for so many years. But, in order that the Members of the House may not look upon this particular operation of your committee as being master surgery, I might call attention to the fact that we have a capital investment in this particular location of $245 million, and in this bill which your committee is presently presenting to the Members of this House you are getting $1.2 million without the amendment.

Mr. SCHENCK. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield to the gentleman from Ohio.

Mr. SCHENCK. May I respectfully point out to my friend, the gentleman from California [Mr. SHEPPARD], that this project to which I referred, the proper remodeling and modernizing of this former shop building into an urgently needed laboratory is the only research project in this entire bill for the Air Force at Wright-Patterson Air Force Base, and that it is tremendously important. It is the best and only in-house capability that they have.

Mr. SHEPPARD. Mr. Chairman, I would like to call to the attention of the Members of the House, because so many here have manifested in the past an interest in trying to preserve the integrity of the taxpayers' interests, that this particular modification is a technical, complicated requirement because it has to do with the modification of a building which within itself presents quite a construction and engineering problem. Up to this minute, or up to the time that we closed our hearings, the military had selected no architect engineer to plan and evaluate the total cost involved. This was merely one of those rapid estimates.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I will be delighted to yield to the gentleman.

Mr. JONAS. Is it not true that the subcommittee eliminated quite a few items that were proposed for that very same reason because the plans were not definitized, they were not in shape for us to give careful scrutiny and consideration to the project?

That was one of the reasons we felt justified in taking this action.

Mr. SHEPPARD. The gentleman is absolutely correct. In other words, your committee has had this policy, and heretofore the Congress has concurred in the policy on many occasions. We are not going to issue blank checks to the military insofar as I am concerned. If you want to abandon that policy, that is your prerogative. I have reached the limit of taking estimates that are not predicated upon proper engineering and architectural design.

Furthermore, the annual maintenance cost of the present building is only $10,000, all of which would not be saved by the construction of the new building.

The amortization period here is in excess of 10 years at the moment. Consequently, I ask the House to sustain the committee and vote against the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. SCHENCK].

The question was taken; and on a division (demanded by Mr. SCHENCK) there were—ayes 32, noes 65.

Mr. SCHENCK. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. SHEPPARD. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BASS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8302) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. SHEPPARD. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

Mr. SHEPPARD. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 241, nays 170, not voting 26, as follows:

[Roll No. 119]

YEAS—241

Abbitt	Bolton	Dorn
Addabbo	Brademas	Dowdy
Addonizio	Breeding	Dulski
Albert	Bromwell	Durno
Alexander	Brooks, Tex.	Edmondson
Andersen, Minn.	Brown	Elliott
Anderson, Ill.	Broyhill	Everett
Anfuso	Bruce	Fallon
Arends	Burleson	Farbstein
Ashbrook	Byrne, Pa.	Fascell
Ashmore	Casey	Findley
Aspinall	Chenoweth	Finnegan
Avery	Chiperfield	Fino
Ayres	Church	Fisher
Bailey	Coad	Forrester
Baker	Collier	Fountain
Baldwin	Cook	Friedel
Baring	Cooley	Gallagher
Barrett	Corman	Garmatz
Bass, Tenn.	Cunningham	Gathings
Battin	Daniels	Gilbert
Becker	Davis, Tenn.	Granahan
Beckworth	Dawson	Grant
Beermann	Delaney	Gray
Berry	Dent	Green, Oreg.
Blatnik	Denton	Green, Pa.
Boggs	Derwinski	Griffin
Bolling	Diggs	Griffiths
	Dole	Gross
Hagan, Ga.	Mack	Rostenkowski
Harding	Madden	Roudebush
Harris	Magnuson	Roush
Harrison, Va.	Marshall	Rutherford
Harsha	Mason	Ryan
Harvey, Ind.	Matthews	Santangelo
Hays	May	Saund
Healey	Michel	Saylor
Hechler	Miller, Clem.	Schadeberg
Hemphill	Miller, George P.	Schenck
Herlong	Mills	Schwengel
Hoeven	Minshall	Selden
Hoffman, Ill.	Moeller	Shipley
Hoffman, Mich.	Montoya	Short
Holifield	Moore	Shriver
Holland	Moorhead, Pa.	Siler
Holtzman	Morgan	Sisk
Hull	Morris	Slack
Ichord, Mo.	Morrison	Smith, Calif.
Ikard, Tex.	Moss	Smith, Iowa
Inouye	Moulder	Smith, Miss.
Jarman	Multer	Smith, Va.
Jennings	Murphy	Spence
Joelson	Nelsen	Springer
Johansen	Nix	Staggers
Johnson, Calif.	Nygaard	Steed
Johnson, Md.	O'Brien, Ill.	Stephens
Johnson, Wis.	O'Brien, N.Y.	Stubblefield
Jones, Ala.	O'Hara, Ill.	Sullivan
Jones, Mo.	O'Konski	Taylor
Karsten	Olsen	Teague, Tex.
Karth	Patman	Thompson, La.
Kastenmeier	Pfost	Thompson, N.J.
Kee	Pilcher	Thompson, Tex.
Kelly	Pirnie	Thomson, Wis.
Keogh	Powell	Thornberry
King, Calif.	Price	Toll
Kluczynski	Pucinski	Trimble
Kowalski	Quie	Tuck
Kyl	Rains	Udall, Morris K.
Landrum	Randall	Ullman
Langen	Reece	Vanik
Latta	Reifel	Watts
Lesinski	Reuss	Weis
Libonati	Rhodes, Pa.	Wickersham
Loser	Riley	Williams
McDowell	Rivers, Alaska	Willis
McFall	Rodino	Wright
McMillan	Rogers, Fla.	Yates
McVey	Rogers, Tex.	Young
MacGregor	Roosevelt	Zablocki
Machrowicz		Zelenko

NAYS—170

Adair	Feighan	McIntire
Alger	Fenton	Macdonald
Andrews	Flood	Mahon
Auchincloss	Fogarty	Mailliard
Barry	Ford	Martin, Nebr.
Bass, N.H.	Frelinghuysen	Mathias
Bates	Fulton	Meader
Belcher	Garland	Merrow
Bell	Gary	Milliken
Bennett, Fla.	Gavin	Monagan
Bennett, Mich.	Giaimo	Morse
Betts	Glenn	Mosher
Boland	Goodling	Murray
Bonner	Gubser	Natcher
Bow	Hagen, Calif.	Norblad
Bray	Haley	Norrell
Brewster	Hall	O'Hara, Mich.
Brooks, La.	Halleck	O'Neill
Broomfield	Halpern	Osmers
Burke, Ky.	Hardy	Ostertag
Burke, Mass.	Harrison, Wyo.	Passman
Byrnes, Wis.	Harvey, Mich.	Pelly
Cahill	Hébert	Perkins
Carey	Henderson	Peterson
Cederberg	Hiestand	Philbin
Chamberlain	Horan	Pike
Chelf	Hosmer	Pillion
Clancy	Huddleston	Poage
Cohelan	Jensen	Poff
Colmer	Jonas	Ray
Conte	Judd	Rhodes, Ariz.
Corbett	Kearns	Riehlman
Cramer	Keith	Rivers, S.C.
Curtin	Kilburn	Robison
Curtis, Mass.	Kilday	Rogers, Colo.
Curtis, Mo.	King, N.Y.	Rooney
Daddario	King, Utah	Rousselot
Dague	Kitchin	St. George
Davis, James C.	Knox	St. Germain
	Kornegay	Scherer
Davis, John W.	Kunkel	Schneebeli
Derounian	Laird	Schweiker
Devine	Lane	Scott
Dingell	Lankford	Scranton
Dominick	Lennon	Seely-Brown
Donohue	Lindsay	Sheppard
Dooley	Lipscomb	Sibal
Downing	McCormack	Sikes
Doyle	McCulloch	Stafford
Dwyer	McDonough	Stratton
Teague, Calif.	Vinson	Whitener
Thomas	Wallhauser	Whitten
Tollefson	Walter	Widnall
Tupper	Weaver	Wilson, Calif.
Utt	Westland	Wilson, Ind.
Van Pelt	Whalley	Winstead
Van Zandt	Wharton	Younger

NOT VOTING—26

Abernethy	Ellsworth	Martin, Mass.
Alford	Evins	Miller, N.Y.
Ashley	Flynt	Moorehead, Ohio
Blitch	Frazier	Rabaut
Boykin	Goodell	Roberts
Buckley	Hansen	Shelley
Cannon	Kilgore	Taber
Celler	Kirwan	
Clark	McSween	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Buckley for, with Mr. Martin of Massachusetts against.

Mrs. Hansen for, with Mr. Miller of New York against.

Mr. Celler for, with Mr. Taber against.

Mr. Ellsworth for, with Mrs. Blitch against.

Until further notice:

Mr. McSween with Mr. Moorehead of Ohio.

Mr. Evins with Mr. Goodell.

Mr. BREWSTER changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SHEPPARD. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 409, nays 0, not voting 28, as follows:

[Roll No. 120]

YEAS—409

Abbitt	Bolling	Curtin
Adair	Bolton	Curtis, Mass.
Addabbo	Bonner	Curtis, Mo.
Addonizio	Bow	Daddario
Albert	Brademas	Dague
Alexander	Bray	Daniels
Alger	Breeding	Davis, James C.
Andersen, Minn.	Brewster	Davis, John W.
Anderson, Ill.	Bromwell	Davis, Tenn.
Andrews	Brooks, La.	Dawson
Anfuso	Brooks, Tex.	Delaney
Arends	Broomfield	Dent
Ashbrook	Brown	Denton
Ashmore	Broyhill	Derounian
Aspinall	Bruce	Derwinski
Auchincloss	Burke, Ky.	Devine
Avery	Burke, Mass.	Diggs
Ayres	Burleson	Dingell
Bailey	Byrne, Pa.	Dole
Baker	Byrnes, Wis.	Dominick
Baldwin	Cahill	Donohue
Baring	Carey	Dooley
Barrett	Casey	Dorn
Barry	Cederberg	Dowdy
Bass, N.H.	Chamberlain	Downing
Bass, Tenn.	Chelf	Doyle
Bates	Chenoweth	Dulski
Battin	Chiperfield	Durno
Becker	Church	Dwyer
Beckworth	Clancy	Edmondson
Beermann	Coad	Elliott
Belcher	Cohelan	Everett
Bell	Collier	Fallon
Bennett, Fla.	Colmer	Farbstein
Bennett, Mich.	Conte	Fascell
Berry	Cook	Feighan
Betts	Cooley	Fenton
Blatnik	Corbett	Findley
Boggs	Corman	Finnegan
Boland	Cramer	Fino
	Cunningham	

Fisher	Lankford	Rivers, S.C.
Flood	Latta	Robison
Fogarty	Lennon	Rodino
Ford	Lesinski	Rogers, Colo.
Forrester	Libonati	Rogers, Fla.
Fountain	Lindsay	Rogers, Tex.
Frelinghuysen	Lipscomb	Rooney
Fulton	Loser	Roosevelt
Gallagher	McCormack	Rostenkowski
Garland	McCulloch	Roudebush
Garmatz	McDonough	Roush
Gary	McDowell	Rousselot
Gathings	McFall	Rutherford
Gavin	McIntire	Ryan
Giaimo	McMillan	St. George
Gilbert	McVey	St. Germain
Glenn	Macdonald	Santangelo
Goodling	MacGregor	Saund
Granahan	Machrowicz	Saylor
Grant	Madden	Schadeberg
Gray	Mack	Schenck
Green, Oreg.	Magnuson	Scherer
Green, Pa.	Mahon	Schneebeli
Griffin	Mailliard	Schweiker
Griffiths	Marshall	Schwengel
Gross	Martin, Nebr.	Scott
Gubser	Mason	Scranton
Hagan, Ga.	Mathias	Seely-Brown
Hagen, Calif.	Matthews	Selden
Haley	May	Sheppard
Hall	Meader	Shipley
Halleck	Merrow	Short
Halpern	Michel	Shriver
Harding	Miller, Clem	Sibal
Hardy	Miller, George P.	Sikes
Harris	Milliken	Siler
Harrison, Va.	Mills	Sisk
Harrison, Wyo.	Minshall	Slack
Harsha	Moeller	Smith, Calif.
Harvey, Ind.	Monagan	Smith, Iowa
Harvey, Mich.	Montoya	Smith, Miss.
Hays	Moore	Smith, Va.
Healey	Moorhead, Pa.	Spence
Hébert	Morgan	Springer
Hechler	Morris	Stafford
Hemphill	Morrison	Staggers
Henderson	Morse	Steed
Herlong	Mosher	Stephens
Hiestand	Moss	Stratton
Hoeven	Moulder	Stubblefield
Hoffman, Ill.	Multer	Sullivan
Hoffman, Mich.	Murphy	Taylor
Holifield	Murray	Teague, Calif.
Holland	Natcher	Teague, Tex.
Holtzman	Nelsen	Thomas
Horan	Nix	Thompson, La.
Hosmer	Norblad	Thompson, N.J.
Huddleston	Norrell	Thompson, Tex.
Hull	Nygaard	Thomson, Wis.
Ichord, Mo.	O'Brien, Ill.	Thornberry
Ikard, Tex.	O'Brien, N.Y.	Toll
Inouye	O'Hara, Ill.	Tollefson
Jarman	O'Hara, Mich.	Trimble
Jennings	O'Konski	Tuck
Jensen	Olsen	Tupper
Joelson	O'Neill	Udall, Morris K.
Johansen	Osmers	Ullman
Johnson, Calif.	Ostertag	Utt
Johnson, Md.	Passman	Vanik
Johnson, Wis.	Patman	Van Pelt
Jonas	Pelly	Van Zandt
Jones, Ala.	Perkins	Vinson
Jones, Mo.	Peterson	Wallhauser
Judd	Pfost	Walter
Karsten	Philbin	Watts
Karth	Pike	Weaver
Kastenmeier	Pilcher	Wels
Kearns	Pillion	Westland
Kee	Pirnie	Whalley
Keith	Poage	Wharton
Kelly	Poff	Whitener
Kilburn	Powell	Whitten
Kilday	Price	Wickersham
King, Calif.	Pucinski	Widnall
King, N.Y.	Quie	Williams
King, Utah	Rains	Willis
Kirwan	Randall	Wilson, Calif.
Kitchin	Ray	Wilson, Ind.
Kluczynski	Reece	Winstead
Knox	Reifel	Wright
Kornegay	Reuss	Yates
Kunkel	Rhodes, Ariz.	Young
Kyl	Rhodes, Pa.	Younger
Laird	Riehlman	Zablocki
Landrum	Riley	Zelenko
Lane	Rivers, Alaska	
Langen		

NAYS—0

NOT VOTING—28

Abernethy	Ashley	Boykin
Alford	Blitch	Buckley
Cannon	Goodell	Moorehead, Ohio
Celler	Hansen	Rabaut
Clark	Keogh	Roberts
Ellsworth	Kilgore	Shelley
Evins	Kowalski	Taber
Flynt	McSween	
Frazier	Martin, Mass.	
Friedel	Miller, N.Y.	

So the bill was passed.

The Clerk announced the following pairs:

Until further notice:

Mrs. Hansen with Mr. Taber.

Mr. Evins with Mr. Martin of Massachusetts.

Mr. Boykin with Mr. Miller of New York.

Mr. Keogh with Mr. Moorehead of Ohio.

Mr. Rabaut with Mr. Ellsworth.

Mr. Abernethy with Mr. Goodell.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7577) entitled "An act making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to Senate amendments Nos. 12 and 13.

The message also announced that the Senate recedes from its amendment No. 15 to the foregoing bill.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the U.S. Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 62–2.

COMMITTEE ON RULES

Mr. COLMER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

BOURBON WHISKEY

Mr. WATTS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. WATTS. Mr. Speaker, under permission to extend my remarks, I bring to the attention of the House that I have today offered a resolution for the consideration of the Congress that is intended to protect a significant segment of American industry and one of Kentucky's principal industries from unscrupulous foreign competition. Also intended is a safeguard to the recognized quality which distinguishes the product of this industry from importations.

This commodity is an important product of a nationwide distilling industry which bears a greater proportionate share of the Federal tax burden than does any other industry. The economic well-being of the great Commonwealth of Kentucky is substantially dependent upon the continued successful operation of this industry as well as upon its future progress and expansion.

Unfortunately, there have been several attempts by foreign concerns to apply the name "bourbon" to certain spirits produced abroad in hopes of marketing them here and capitalizing on bourbon's trademark. A few of these attempts have been successful.

Foreign countries, principally the United Kingdom and some in Europe, have recognized the distingulshing characteristics of bourbon whiskey and have also recognized the right of American producers, because of their developing efforts throughout the years, to the sole proprietorship in trade circles of the bourbon trademark. This recognition is attested to by the action of the Federation Internationale des Vins et Spiriteux, a distinguished body of recognized authorities on wines and spirits, in adopting a resolution restricting the application of the name "bourbon" to whiskey produced in the United States under U.S. Government standards.

Standards for bourbon whiskey are clearly defined by regulations issued pursuant to the Federal Alcohol Administration Act. Similar measurements are provided in these same regulations protecting the whiskies of Scotland, Ireland, and Canada from imitation in the United States.

American distilleries are noted for their scrupulous observance of these standards. It is to implement these standards through greater awareness of and effective enforcement against spurious importations on the part of our Federal agencies that I have introduced the following resolution:

CONCURRENT RESOLUTION

Whereas it has been the commercial policy of the United States to recognize marks of origin applicable to alcoholic beverages imported into the United States;

Whereas such commercial policy has been implemented by the promulgation of appropriate regulations which, among other things, establish standards of identity for such imported alcoholic beverages;

Whereas among the standards of identity which have been established are those for "Scotch whisky" as a distinctive product of Scotland, manufactured in Scotland in compliance with the laws of Great Britain regulating the manufacture of Scotch whisky for consumption in Great Britain and for "Canadian whisky" as a distinctive product of Canada, manufactured in Canada in compliance with the laws of the Dominion of Canada regulating the manufacture of whisky for consumption in Canada and for "cognac" as grape brandy distilled in the Cognac region of France, which is entitled to be so designated by the laws and regulations of the French Government;

Whereas "bourbon whiskey" is a distinctive product of the United States and is unlike other types of alcoholic beverages, whether imported or domestic;

Whereas to be entitled to the designation "bourbon whiskey" the product must conform to the highest standards and must be manufactured in accordance with the laws and regulations of the United States which prescribe a standard of identity for "bourbon whiskey";

Whereas bourbon whiskey has achieved recognition and acceptance throughout the world as a distinctive product of the United States: Now, therefore, be it

Resolved by the House (the Senate concurring), That it is the sense of Congress that the recognition of bourbon whiskey as a distinctive product of the United States be brought to the attention of the appropriate agencies of the U.S. Government toward the end that such agencies will take appropriate action to deter and prevent persons outside the United States from designating whisky as "bourbon whiskey" and to prohibit the importation into the United States of whisky designated as "bourbon whiskey."

PERSONAL EXPLANATION

Mr. FRIEDEL. Mr. Speaker, because of very important business, I was unable to be present on the rollcall today on the military construction appropriation bill. I should like to say that had I been here I would have voted "yea."

COMMITTEE ON RULES

Mr. ELLIOTT, from the Committee on Rules, reported the following privileged resolution (H. Res. 388, Rept. No. 773), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8230) to improve and protect farm prices and farm income, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interests of consumers, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

COMMUNITY HEALTH SERVICES AND FACILITIES ACT OF 1961

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 375 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4998) to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield myself such time as I may consume, after which I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, House Resolution 375 provides for the consideration of H.R. 4998, a bill to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes. The resolution provides for an open rule with 2 hours of general debate.

The overall purpose of H.R. 4998 is to expand certain existing Federal grant-in-aid programs and to initiate one new program with a view to stimulating States, local communities, and private nonprofit organizations to provide new or improved community health facilities and health services for the care of chronically ill or aged persons.

First, the legislation would increase from $30 to $50 million annually the limit on Federal expenditures for grants-in-aid to the States which are designed to assist States and local communities in providing adequate public health services, and it would authorize this program for a period of 5 years.

Second, the legislation would increase approximately in proportion the subceilings on funds which are especially earmarked within the aforementioned grant-in-aid program (a) for demonstrations, training of State and local public health personnel, and the detailing of U.S. Public Health personnel to assist States, and (b) for grants to accredited public and nonprofit schools of public health.

Third, the legislation would authorize for a period of 5 years a new program of up to $10 million annually of special project grants to States, local communities, and nonprofit organizations for studies, experiments, and demonstrations of new or improved methods of providing health services outside hospitals, particularly for chronically ill or aged persons.

Fourth, the legislation would for a period of 3 years increase from $10 million to $20 million the limit on expenditures for Federal grants-in-aid to the States for the construction of nursing homes under the Hill-Burton Act.

Fifth, the legislation would eliminate from the provisions of the Hill-Burton Act the present ceiling of $1.2 million on expenditures for research and demonstrations relating to the effective utilization of hospital services, and would authorize the utilization of these funds to provide matching grants for the construction of experimental hospitals and other medical facilities; and

Sixth, the legislation would repeal a provision of the Public Health Service Act authorizing, without any matching requirement, outright grants for the construction of health research facilities. Thus, only matching grants could be made under the act for the construction of such facilities.

Mr. Speaker, I urge the adoption of House Resolution 375.

Mr. BROWN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, House Resolution 375 makes in order, as the gentleman from Arkansas has stated, the consideration of H.R. 4998. It is an open rule and provides for 2 hours of general debate.

Mr. Speaker, this is a bill to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes. This bill comes from the House Committee on Interstate and Foreign Commerce which, as you know, has jurisdiction over public health matters. Roughly speaking, the bill would provide for some increases and some authorizations over a period of time for certain research in connection with the health care of the aged and also other medical research coming under the Surgeon General and the Public Health Service. As I understand it, the report was unanimous. There was no objection to this bill in either the Committee on Interstate and Foreign Commerce or before the Committee on Rules. Then, after the Committee on Rules had acted upon the bill, it was discovered that the last paragraph of the bill, lines 19, 20, 21, and 22, on page 8, would repeal section 433(a) of the Health Act.

That, by the way, happens to be the section of the law under which, at the present time, certain grants are made to a number of hospitals, most of them connected with State university medical schools which have been doing research on various types of medical problems, especially cancer. In our own State, for instance, there is the Children's Hos-

pital, a branch of the University Hospital of Ohio State University. The Ohio State Medical School furnishes a great deal of service and the hospital does research on leukemia in children. It is the largest children's hospital in the world, incidentally.

Mr. Speaker, it was found that already the National Cancer Research Council of the National Cancer Institute out at the National Institutes of Health at Bethesda has agreed and has made commitments to furnish certain facilities and certain equipment to some, I believe, 17 various hospitals of the type I have just mentioned. These include the University of Wisconsin; Temple University, up in Philadelphia; Wistar Institute of Philadelphia; Johns Hopkins University in Maryland; the University of Texas; the University of Washington; the Oklahoma Medical Research Center; the University of Iowa; Delafield Hospital, in New York; California Department of Public Health; the University of North Dakota; Emory University, down in Georgia; the University of Pennsylvania, and that has a great medical school there, as you know, as well as a great hospital; the Children's Hospital in Columbus, which I mentioned as being part of the great Ohio State University Medical Center; the University of California, and the New England Deaconess University of Boston.

Since that time, or before this bill was brought before the Rules Committee, the Subcommittee on Appropriations, in control of the appropriations bill for the Department of Health, Education, and Welfare, reported a bill which carried $5 million in one item to take care of these particular commitments, or at least to go a long way toward taking care of such commitments. That bill, of course, is now pending in the Senate.

Mr. Speaker, the question has arisen if this particular bill now before us is passed with this repealer clause in it as is, whether or not the appropriation bill which has cleared the House and is now pending in the Senate will be enacted into law, and, if so, whether those funds would be available to meet the commitments already made by the National Research Council. We have discussed this matter rather thoroughly with the members—the chairman and the ranking member of the Subcommittee on Appropriations, and also with the distinguished gentleman from Arkansas [Mr. HARRIS], chairman of the Interstate and Foreign Commerce Committee, who has had a number of conferences with Public Health officials on it in the last day or so—and an attempt is being made, or has been made, to work out some sort of amendment to this particular section. Whether it be a complete repealer, or amended so as to postpone the date of repeal, has to be settled here this afternoon. I would like very much, if I might address myself to the gentleman from Arkansas [Mr. Harris], to ask what his views are on the action that should be taken.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. BROWN. I yield to the gentleman from Arkansas. First, though, I am wondering if the gentleman will agree that I have stated the problem properly.

Mr. HARRIS. Not altogether. I would like to enter into a discussion in order that we might try to clear it up.

Mr. BROWN. I thought we would take 3 or 4 minutes on it now, if we could.

Mr. HARRIS. Would the gentleman like me to try to get it straightened out here or wait until we get into the general debate?

Mr. BROWN. Yes. The gentleman from Arkansas can use more time if he needs it, and I am sure he will only take the time if it is necessary.

Mr. HARRIS. We will be glad to do that.

In the first place, the provision with respect to Public Health aid is contained in title III, General Powers and Duties of Public Health Service, the provision that was passed in 1950. The gentleman is not altogether correct when he states that this bill proposes to repeal section 433(a). Section 433(a) provides in part:

> Where an institute has been established under this part, the Surgeon General shall carry out the purposes of section 301 with respect to the conduct and support of research relating to the disease or diseases to which the activities of the institute are directed (including grants-in-aid for drawing plans, erection of buildings, and acquisition of land therefor), through such institute and in cooperation with the national advisory council established or expanded by reason of the establishment of such institute.

We do not repeal that provision of law. The only language in that provision we would repeal would be "(including grants-in-aid for drawing plans, erection of buildings, and acquisition of land therefor)."

In other words, we do not interfere at all with the research program under section 433(a). It remains authorized just as it is. This has to do only with the construction of buildings.

Mr. BROWN. Will the gentleman answer this one question. The gentleman has of course discussed this matter with the Public Health officials. Would this in any way affect any of the commitments made to the facilities I have mentioned?

Mr. HARRIS. There seems to be a question between what was told us on yesterday afternoon by the Director of the National Institutes of Health and what the members of the Appropriation Committee tell us now. There seems to be a difference of thinking as to the $5 million that the Appropriations Committee has included for this fiscal year. We were told by the director yesterday afternoon that the $5 million was for construction only. The gentleman tells us that he understands that Ohio State University has provided for the construction of a building already, and the amount that is included in the estimate of the Department of $143,000 would be for research activities. I do not know who is right about it at this moment from what they tell me.

Mr. BROWN. I understood the gentleman to say earlier that the Public Health officials had also stated to him that this was for research only. Is that correct?

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. BROWN. I yield to the gentleman from Illinois.

Mr. SPRINGER. I had a talk with Dr. Shannon about this on the telephone. These are for equipment in the laboratories that have already been built by Ohio State University. He does not say that every penny is, but he does say the great amount is for equipment for the laboratory.

Mr. BROWN. That is my understanding.

Mr. HARRIS. May I say that I asked our colleague, one of the ranking members of the minority, just a moment ago to call Dr. Shannon so we could clear this up. That is the reason he has just brought this information back. That being true, the language we propose here with reference to repealing only this provision I referred to a moment ago would not in any way affect the funds included, the sum of $143,000 for the gentleman's institution, Ohio State University.

Mr. BROWN. I appreciate the gentleman's statement. Of course, in fairness to the other Members of the House who have schools, perhaps, in their States or hospitals that are affected by this, I am interested in knowing what may be done or can be done to protect their interest as well as our own.

Mr. HARRIS. I am glad to advise the gentleman, after having our attention called to this by the gentleman from Wisconsin and the gentleman from Ohio, we went into it and, yesterday, after going into the present situation, we decided that we would not interfere with any of the action of the appropriations committee or the cancer council at this time, and that I would offer an amendment to the amendment in this bill, that the repeal provision would not become effective until July 1, 1962. We decided this because the Research Facilities Act expires June 30, 1962. That is the provision which the Congress passed in 1956 for 3 years and which was extended for another 3 years. But that is on a matching basis. The amendment referred to here refers to the 1950 act which provides for 100 percent Government grants and requires no matching whatsoever. We feel this entire matter ought to be gone into. The departments tell us it is difficult for them to administer a program where you have certain institutions and certain programs receiving an outright grant and others are required to match.

Mr. BROWN. I understand from the gentleman that it is the intent and purpose of your committee to make a complete study of all these research facilities; is that correct?

Mr. HARRIS. Immediately after the next session of the Congress.

Mr. BROWN. That is next year?

Mr. HARRIS. Obviously, we cannot go into it now.

Mr. BROWN. I thank the gentleman.

The SPEAKER. The gentleman from Ohio has consumed 15 minutes.

Mr. BROWN. Mr. Speaker, I yield 10 minutes to the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Speaker, I take this time to call the attention of the House to the provision of this bill discussed by the gentleman from Ohio, appearing on page 8, lines 19 through 22, which repeals section 433(a) of the Public Health Service Act under which nonmatching grants have been made for the construction of cancer research facilities.

Six years ago, when I first became interested in a program for the construction of cancer research facilities, I found there was a crying need throughout the United States in our medical colleges and universities for such facilities. At that time I introduced a bill which was referred to the Committee on Interstate and Foreign Commerce. That bill provided for 100-percent grants for cancer research facilities throughout the United States. At the time a report on that bill was rendered. The Solicitor of the Department of Health, Education, and Welfare ruled that the legislation was not needed because section 433(a) of the Public Health Services Act already provided all the necessary authority. For that reason, the Committee on Appropriations, after receiving the testimony of the Department of Health, Education, and Welfare and many eminent authorities in the field of medical research, commenced a program last year of funding the construction of cancer research facilities in the amount of $5 million each year. In the United States today, the greatest need in cancer research for making a breakthrough in the area of cancer cures is in the area of research facilities. I have here with me the testimony before the subcommittee on appropriations for the Department of Health, Education, and Welfare for this fiscal year. I can point to the testimony of Dr. Luther Terry, the new Surgeon General of the United States, on page 53 where he says research facilities are the crying need as far as the cancer research program is concerned.

I point to the testimony of Dr. Hunt; I point to the testimony on page 534 of Dr. Shannon, the Director of the National Institutes of Health; and the testimony beginning on page 870 of Dr. Kenneth Endicott, Director of the National Cancer Institute, all substantiating the fact that investigators are not the crying need in the field of cancer research today. The No. 1 priority is cancer research facilities.

This piece of legislation we have before us this afternoon does not deal with medical research facilities; it deals with one amendment to the Hill-Burton Hospital Construction Act, and it deals with community facilities, but has nothing to do with the medical research construction program.

The Medical Research Facilities Act expires on June 30 of 1962. It is necessary for the House Committee on Interstate and Foreign Commerce to give consideration to the extension of this matching program which is now on a 50–50 matching basis under an authorization of $30 million a year. We should give consideration to the conduct of hearings on this program, and it seems to me that at the time these hearings are conducted would be the time to take up the question of repealing section 433(a) of the Public Health Service Act as it has to do with grants for the erection of medical research facilities, and under which the cancer research facilities program has been funded.

It does not seem to me that it is in the best interest of effective and efficient cancer research activities in this country to repeal section 433(a) at this time without giving a single investigator in the field of cancer research an opportunity to appear before the committee to outline the problems which do exist in the field of financing construction of cancer research facilities. It is my hope that the Committee on Interstate and Foreign Commerce will accept my amendment to strike out the last paragraph on page 8 so that that great committee of this Congress can give consideration at one time to the whole area of medical research facilities. Or, as a minimum we should postpone this repeal for 2 years so that the whole question can be studied and proper legislation acted upon without an interruption of this vital program.

The new administration has sent down a recommendation which is to be considered by the committee. Their recommendation did contain this particular section to repeal 433(a), but that was to be repealed on the basis that the matching formula was to be made more flexible. Here we are repealing this section which has to do with medical research facilities in a bill which has nothing to do with medical research facilities but has to do with the Hill-Burton hospital construction program and community facilities. This repeal section does not belong in this bill; it should be considered at the time the whole medical research facility program is before this Congress for consideration.

The gentleman from Ohio [Mr. BROWN], has discussed with you the various institutions which are involved. No commitments have been made for the fiscal year 1962 as far as the funding of any cancer research construction program is concerned because the appropriation has not yet been approved by this Congress. The House of Representatives, under the authority of section 433(a), approved an appropriation of $5 million for the construction of cancer research facilities on a nonmatching basis, but the bill has not yet been considered by the other body.

This particular bill before us today, if enacted into law in its present form, would completely do away with the authority under which that appropriation was made. But, as I said before, no funding commitments have been made. There have been approvals of applications made by the National Advisory Council which acts as the advisory group to the National Cancer Institute. Those particular approvals were made on a priority basis by the Advisory Council on Cancer. The Surgeon General will tell you that no commitment has been made on the basis of the recommendations of the Cancer Council. That is true. These are merely recommendations. But for practical purposes none of the recommendations of the Cancer Council, the Heart Council, or any other council have been overridden by the Surgeon General under any administration, as far as individual investigative research grants, and as far as medical research facility grants are concerned.

This list includes funds for the University of Washington. The University of Washington was included in the amount of $1,059,309 in the fiscal year 1961 program. Their request was for $1,600,000. They have yet to receive $540,700. Many other institutions have had their applications approved but have not received funds and will not if this repeal section is approved. Iowa State University's application was approved for $206,000; the Francis Delafield Hospital, New York, $1,779,000; Oklahoma Medical Research Foundation, $463,685; the California Department of Public Health, $1,180,000; the University of North Dakota, $402,000; Emory University, Atlanta, $218,271; University of Pennsylvania, $750,123; Children's Hospital, Columbus, Ohio, $143,000; University of California, $129,000; New England Deaconess Hospital, Boston, $930,000; all approved but unfunded. This makes a total unfunded but approved by the Advisory Cancer Council of $6,741,779.

In view of the testimony which we have had that cancer research facilities are the No. 1 priority in the whole field of cancer research, as we look for a breakthrough in this most dreaded disease, it seems to me it would be outright folly for the Congress of the United States to repeal section 433(a) of the Public Health Service Act in our action here today.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Arkansas. I have had the opportunity of talking with the gentleman on many occasions about this program.

Mr. HARRIS. May I say to the gentleman I think the entire Congress is well aware of the gentleman's tremendous interest and concern in this program. I would like also to assure the gentleman that he has no deeper feeling toward this program than I and other Members of this Congress. I think we all share the same feeling in that respect.

I remind the gentleman again that insofar as section 433(a) is concerned, we do not repeal the section, as the gentleman has alluded. We only eliminate the provision which calls for 100 percent Government grants-in-aid on the construction of building facilities in that institutional grant.

Mr. LAIRD. The research facilities program is repealed outright.

Mr. HARRIS. The gentleman is in error. That is not true. It includes only the parenthetical language.

Mr. LAIRD. Here is the section of the bill before us. On page 8 lines 19 to 22:

> The parenthetical phrase in the first sentence of section 433(a) of such Act which reads "(including grants-in-aid for drawing plans, erection of buildings, and acquisition of land therefor)" is repealed.

My contention is that that repeals the authority under which we are conducting and carrying on a cancer research facilities construction program on a nonmatching basis.

Mr. HARRIS. In the gentleman's own bill that is now going through the Congress there is a total of some $125 million appropriated for cancer research which would not be affected in the slightest.

Mr. LAIRD. The rest of section 433 (a) does not have to do with the construction of buildings, and what I am talking about is construction, construction of cancer research buildings. This does repeal this authority under which we have funded those construction programs.

Mr. HARRIS. You agree that it is true, then, that the research program in section 433(a) is not repealed, only that phase of it with reference to the construction of buildings.

Mr. LAIRD. Only that phase that I have addressed myself to; the construction of research facilities, the research construction program on a nonmatching basis is repealed.

Mr. HARRIS. I want every Member of this House to understand definitely that no part of section 433(a) as far as cancer research is concerned is at all affected.

Mr. LAIRD. Except the construction of cancer research facilities.

Mr. HARRIS. Yes.

Mr. LAIRD. And that is all I am directing my discussion to here. I never contended that it would take away all the authority to carry on cancer research, but it does take away authority for grants for construction of facilities, which is the No. 1 priority as far as cancer research is concerned.

Mr. HARRIS. Does the gentleman interpret the language to mean that construction is one thing and facilities in cancer research is another? Does he interpret construction as facilities?

Mr. LAIRD. Construction of facilities is what I am addressing myself to.

Mr. HARRIS. But research itself is not construction.

Mr. LAIRD. Research is being hamstrung because of the lack of these facilities, and facilities is the No. 1 priority in the whole field of cancer research. I would direct the attention of the House to our hearings in which this is very carefully and thoroughly spelled out.

Mr. TRIMBLE. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Speaker, I just want to say that I find myself very sympathetic to the views just expressed by the gentleman from Wisconsin. For the last 3 years I have had the privilege of being the head of a cancer foundation which has recently affiliated with the American Cancer Society, and I can give firsthand testimony to the fact that cancer research without cancer facilities in the form of buildings just plain does not go on. And, I can also give testimony to the fact that since the rumor came about that the funds for the buildings would be cut down, the amount of requests from private sources, which are not available, has increased tremendously. Without this building, cancer research, as such, simply will not go forward on the scale that in my opinion is vitally necessary to implement the hope of finding further cancer prevention and cures.

If there is some fundamental reason why these buildings should not be built, that is a question on which I am openminded enough to want to discuss; but without any sound reason for not having these buildings erected in order that the research may take place, I cannot see the reason at this time, as has been pointed out, for repealing this particular provision.

Mr. TRIMBLE. Mr. Speaker, I yield 5 minutes to the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Speaker, first I want to congratulate the Chairman of the Committee on Interstate and Foreign Commerce for bringing this bill before the House. I think it is a very good bill. I think it is a step in the right direction. The only thing I find fault with is the repeal of the construction phase of section 433(a) of the Public Health Service Act.

It seemed to me in the colloquy between the gentleman from Arkansas [Mr. HARRIS] and the gentleman from Wisconsin [Mr. LAIRD], the ranking member on the Subcommittee on Appropriations handling this matter, there was some misunderstanding as to what each meant. The gentleman from Arkansas [Mr. HARRIS] was making it clear that the bill would not cut out any funds for research on cancer. I agree with him. But I also agree with the gentleman from Wisconsin [Mr. LAIRD] that when you strike out the authorization to make construction grants, contained in section 433(a), as is proposed in this bill, you are repealing the only place in law today where grants for construction of facilities for research in cancer can be made on a nonmatching basis. So I think both gentlemen are right.

Mr. Speaker, as I recall the history of this program, it began back in 1948 under the leadership of Mr. Keefe who was then chairman of the Subcommittee on Appropriations for Labor, Health and Welfare. We started on a 3-year program of about $25 million for heart and $25 million for cancer. I think we appropriated $10 or $12 million the first year for heart and cancer on a nonmatching basis. In 2 years the Korean war came along and construction was curtailed. Some Members of Congress raised the question as to whether or not the general provisions of the Public Health Service Act were enough authority to carry on such a nonmatching program. As a result, in 1950, when the legislation authorizing the National Institute on Neurology and Blindness and the Institute on Arthritis was passed by this House, section 433(a) was added to authorize grants for construction of research facilities, which is the provision it is proposed to strike out now.

There has been testimony before our committee in the last 3 years that the greatest lack in this area is in the construction field. There are many universities, many of them State universities and other institutions that have capable personnel and capable research teams, but they do not have the money with which to construct the necessary facilities to carry on this kind of research. It is true that this House passed just a few weeks ago an appropriation of over $125 million for the National Cancer Institute, but not one dime of that appropriation can be used for the construction of facilities. It is impossible to carry on research unless we have the facilities and equipment and the buildings. I hope that before general debate is concluded we may all get together on this matter, because I know we are all interested in doing what is best for the health of our people. I would hope that we could delay the repeal of section 433(a) until hearings are held by the committee under the chairmanship of the gentleman from Arkansas [Mr. HARRIS]; and a bill can be presented which covers this whole field of assistance for construction of research facilities. Then I think we would agree that if an extension of the Health Research Facilities Act is made with a variable matching basis and the level of authorized appropriations raised, that there would be no need for section 433(a) of the Public Health Service Act.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Florida.

Mr. HALEY. Many times I have had the question asked me as to what advance of importance, what great advance, what great drug have we obtained out of these tremendous amounts of dollars we have put into research programs. I realize the gentleman is an authority on that, and I am truly seeking information, because I should like to know.

Mr. FOGARTY. If the gentleman wants me to take the time to give him one specific example, if I may have the time I will explain a particular one; and I want to make it clear there are others.

A few years ago a Dr. Papanicolau discovered a method of diagnosing cancer of the cervix in women in time to cure it. As the result of his discovery, and testimony by the American Cancer Society before our committee, we appropriated, about 5 years ago, $100,000 over the President's budget to establish a clinic in Memphis, Tenn. The next year we gave them another $100,000. The third year we asked them what the results were. They testified that in the 3-year period they were able to examine over 100,000 women over the age of 21, and they found

between 700 and 800 cases of cancer; and those women are living today as the result of this new diagnostic method of Dr. Papanicolau. So now if any woman goes to her doctor this simple smear is taken and put under a microscope. If any cancer cells show up, her doctor is notified in time to save her life, if she gets a regular examination every year.

I do not know how much it has cost the Federal Government. We spent about $300,000 on this clinic in Memphis, Tenn. We have had several all over the country. We had one in Rhode Island for a 3-year period. But these have now been discontinued because they were just to demonstrate the technique and prove its effectiveness. Now all the doctors of Rhode Island, and elsewhere in the country, too, are performing this examination on women. The doctors tell us that today because of this relatively small amount spent on this research and the expenditure of the money appropriated for the demonstration program, this kind of cancer can be eliminated in human beings.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. ROGERS of Florida. I know the gentleman has stated the proposition correctly that nonmatching funds would be done away with if we made this change. However, I know the gentleman would not want the House to think, nor would the gentleman from Wisconsin want the House to think, that there would be no money for construction facilities on a matching basis.

Mr. FOGARTY. No. There is the $30 million program on a 50–50 matching basis.

Mr. ROGERS of Florida. On a 50–50 matching basis there is available $30 million a year. So this can be used and has been used in the past.

Mr. FOGARTY. But we should be spending much more. We do not like to see this part of the Public Health Service Act repealed before you extend and improve the existing act, which is about to run out.

Mr. BROWN. Mr. Speaker, I should like to say that this has been a most interesting debate. I feel sure every Member of this body is very much interested in continuing cancer research and doing it in the best and most effective way. It may be possible that at times there is some difference of opinion as to what may be right. Here are Members who have given a great deal of time to the study of this particular problem and to the execution of our present laws, in the field of research, and cancer research especially. Here is the chairman of the great Interstate and Foreign Commerce Committee with one viewpoint, and here are members of the Appropriations Subcommittee on Health, Education, and Welfare, which deals with this problem, who interpret it a little differently.

I want to express the hope, personally, and I believe I am expressing the hope of most of the Members of this body, that somehow or other these gentlemen may work out the proper solution of what should be done and as to whether or not this section should be stricken out completely or whether or not there should be some extension of time and, if so, I hope it will be a considerable length of time so that the great Committee on Interstate and Foreign Commerce may have an opportunity to hold the hearings which have been suggested and recommended by the Department of Health, Education, and Welfare, and which, I understand, has been agreed upon will start sometime in January.

The only thing I want to say in conclusion is, it is my hope that nothing will be done here that will in any way interfere with the continuation of the research work that has been done on cancer, especially, because there is great hope, they are beginning to see the light toward curing cancer. In my opinion, one of the most important things the Government can do is to support these research activities.

Mr. Speaker, I yield back the balance of my time.

Mr. TRIMBLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4998) to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4998, with Mr. THOMPSON of Texas in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Arkansas [Mr. HARRIS] will be recognized for 1 hour, and the gentleman from Michigan [Mr. BENNETT] will be recognized for 1 hour.

The Chair recognizes the gentleman from Arkansas.

LEGISLATIVE PROGRAM

Mr. HARRIS. Mr. Chairman, I yield myself 10 minutes.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I am glad to yield to the distinguished majority leader.

Mr. McCORMACK. Mr. Chairman, if the pending bill is disposed of today, and the resolution on the Berlin matter comes up by unanimous consent tomorrow, and I would remind my colleagues that we are going to have a distinguished visitor in the Chamber tomorrow, and if then the farm bill is disposed of by Thursday, then there will be no more legislative business this week. But, it would be important in connection with disposing of the farm bill by Thursday, if we could complete consideration of this bill tonight.

Mr. BROWN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Ohio.

Mr. BROWN. Is it the purpose of the majority leader to call up the farm bill on Wednesday, that is, tomorrow?

Mr. McCORMACK. That is correct.

Mr. BROWN. As I understand, a rule has been reported?

Mr. McCORMACK. The gentleman is correct. Of course, the farm bill will come up after action is taken on the Berlin resolution.

Mr. BROWN. In other words, the Berlin resolution will come up first?

Mr. McCORMACK. The gentleman is correct.

Mr. BROWN. As I understand, there is not going to be a joint session of the two bodies tomorrow; is that correct?

Mr. McCORMACK. That is correct.

Mr. HARRIS. Mr. Chairman, I shall try to keep in mind the suggestion of the distinguished gentleman from Massachusetts, the majority leader, and will advise the House I have no doubt that we will be able to conclude consideration of this bill this afternoon. You have heard the discussion under the rule.

The principal purpose of the legislation is to provide improved community health services and facilities for the care of the aged and the chronically ill.

Why is it necessary to provide these facilities and services?

The answer to that question lies in the simple fact that here in the United States we have been so successful in taking care of the health of our people that we have substantially increased the life span of our population.

There are now nearly 17 million persons over 65 years of age and this number will increase to 20 million by 1970.

A recent health survey indicates that 11 million of these older citizens over and above those who are actually hospitalized have some kind of chronic health problem which requires care and attention. Such care and attention can be given either in nursing homes or preferably in their own homes, but every effort must be made to keep the aged and chronically ill out of hospitals as long as they do not need the much more expensive care given in hospitals. Therefore, it is necessary to provide additional community health services and facilities to give the needed care and attention outside of hospitals.

How would the bill attempt to do this?

We propose to reach this complex problem in a number of ways which taken together are expected to meet the problem in a satisfactory manner.

Let me give you some of the highlights of this legislation.

First. At the present time, the Public Health Service Act authorizes an annual appropriation of $30 million for public health grants to the States. These Federal grants are matched dollar for dollar out of State and local funds and these grants and the matching funds are expended in providing general public health services.

The bill would increase this authority from $30 million to $50 million with the intent that the additional funds would

be spent particularly on providing community health services for the aged and the chronically ill.

The additional Federal funds would, of course, be matched dollar for dollar out of State and local funds.

Under present law the authority for the appropriation of $30 million for public health grants is permanent. Under the bill, the authority would become limited to 5 years beginning after June 30, 1960.

The purpose of this time limit is to secure a congressional review of this important program at reasonable intervals in order to determine the adequacy and effectiveness of the program.

Second. The bill would authorize for a period of 5 years a new program of special project grants to States, local communities, and nonprofit organizations for experiments and demonstrations of improved methods of providing health services for the aged in their own homes. These services are known as homemaker services.

As is well known, hospital care is very expensive. Nursing home care is somewhat less costly. The least expensive yet the best care in the case of many elderly persons and chronically ill persons is care given to these persons in their own homes.

For this new program the bill would authorize an annual expenditure of up to $10 million for the succeeding 5 years.

Third. Next the bill would increase from $10 million per year to $20 million per year the limit on expenditures for the construction of nursing homes.

The Members of the House will remember that the Hill-Burton hospital construction program was expanded some years ago to provide not only for the construction of general hospitals but also for the construction of nursing homes and chronic disease hospitals.

Now the applications for nursing home grants in many States have far exceeded available funds and the increase in the limit of $10 million to $20 million provided for in this legislation will go a long way toward satisfying the need for additional nursing homes.

Finally, the legislation would eliminate from the Hill-Burton Act the present ceiling of $1.2 million on expenditures for demonstrations of the effective utilization of hospital services. The bill would further authorize use of Hill-Burton funds for the construction of experimental hospitals and other medical facilities outside of the regular hospital plans which have to be prepared under the Hill-Burton Act in every State.

The committee has heard testimony from representatives of the Mayo Clinic and the Department of Health, Education, and Welfare that important savings may be made if hospital services are provided in hospitals designed in such a way that fewer nurses may provide better care for more patients.

By authorizing matching grants to institutions like the Mayo Clinic which are willing to experiment with such new hosptal facilities, it might be possible to bring about important savings in the future in providing hospital services.

The total additional cost annually of these programs which I have just discussed would be $40 million. In view of the importance of this program. I feel that this is a comparatively modest amount.

I believe that the Members of the House should be mindful that for 1961 the Congress authorized an expenditure of $426 million for health research and research training grants.

We have made marvelous progress in discovering new methods of treating and preventing diseases. In order to apply some of this new knowledge to our older and chronically ill citizens we must expand our existing community health facilities and services.

Experience has shown that States and local communities will meet needs in the field of public health if proper leadership is exercised by the Federal Government through the provisions of matching grants.

Following our hearings, I addressed letters to the Governors of the 50 States requesting their views with regard to the program contained in H.R. 4998. Thirty-one Governors replied in detail.

Without exception the Governors indicated that there was a substantial need for this kind of program, and with one exception—Governor Hatfield of Oregon—the Governors indicated that Federal assistance such as would be authorized by H.R. 4998 would provide an important incentive in developing more adequate community health facilities and services for the aged and the chronically ill.

Only a few Governors indicated that their States might not be able initially to take full advantage of such Federal grants because adequate State matching funds might not be available.

I feel that the program contained in H.R. 4998, which is a cooperative Federal-State program, and which has the support substantially of all of the Governors who responded to our inquiry, is a modest and necessary program. Our committee was almost unanimous in reporting this legislation and it is my hope that the Members of the House will follow suit by giving their overwhelming support to this legislation.

Now I come to the provision that was discussed during the consideration of the rule, and that is the provision of the bill, if you have a copy, on page 8. I should like to give you a little background of the action of the committee in connection with this provision.

In the first place, we must remember that we have in the field of research various types of programs. We have, No. 1, a provision in the law whereby there is authorized $30 million annually for making matching grants for the construction of facilities for research in the sciences related to health. This is on a matching basis.

Now, we feel from the experience that we have had and the record we have made in the committee that institutions which seek funds for research facilities should be required to make some financial contribution. These are permanent facilities. They belong to the institution, and the institution is going to have the benefit thereof permanently.

The matching requirement runs through this whole program beginning way back when the Hill-Burton program was adopted. For that reason we required matching when the research facilities construction program was adopted by the Congress in 1956 for a period of 3 years. In 1959 it was extended for a period of 3 years. It expires on June 30, 1962.

Now, in addition to that, in 1950, as the distinguished gentleman from Rhode Island, chairman of the subcommittee on appropriations handling these matters, explained a moment ago—an outright grant program was written into law. I want to take my hat off to the gentleman from Rhode Island and also the gentleman from Wisconsin and other members of that committee for the great contribution they have made in these fields. And, I would like to say, if you will pardon a personal reference, I yield to no one in this House or in this country in my concern insofar as cancer research is concerned. I had the unfortunate personal experience of watching my father die from cancer. So, when anyone talks to me about this kind of death and this kind of dread disease, I have had some actual experience. But, I am also practical enough to know that the Federal Government should not assume this responsibility all alone. If we are going to be as successful in the future as we have been in the past, then there must be responsibility shared by all, and that includes the Federal Government; that includes the institutions who conduct these programs; that includes the medical profession of this country; that includes the scientists who have dedicated their lives to these problems. So help me, I do not want to take any action whatsoever that would in any way, in my judgment, interfere with, or that would in any way retard even by one day the activities in this field.

Mr. Chairman, my attention was not called until yesterday afternoon to the fact that the health research facilities program providing for matching grants would expire next year. For the first time I suddenly realized that there was going to be a lag in the particular program. We are going to try to make that up one way or the other.

During the consideration of this bill, H.R. 4998, the people from Mayo Clinic came to our committee and testified how they thought they could improve hospital care. I was impressed with their testimony. They went to other people here in Washington and on Capitol Hill.

Mr. Chairman, a few years ago Mr. Henry Kaiser came to our committee, and he suggested certain experiments and demonstrations in hospital facilities somewhat along similar lines. We have included in this bill a research section providing authorization for such experiments and demonstrations in connection with hospital construction. We expect and hope that there can be a great deal accomplished under such a research program.

In the meantime we have in the mill an omnibus bill that was recommended by the administration, as this bill was. This bill is an administration proposal. In that omnibus bill are contained proposals for medical school construction aid, and there are other provisions. They propose a special program for regional facilities. In connection with that program they suggest the repeal of the provision for construction grants only in section 433(a).

Mr. Chairman, I think we should have a thorough understanding of what is involved here.

In the meantime, the section referred to, section 433(a), was originally designed, as the gentleman from Rhode Island [Mr. FOGARTY], mentioned a moment ago, for research relating to disease or diseases when an institution has been organized to participate in the program. It is an institutional program in the field of research.

The administration feels that here we have two programs going on. One is a matching program. The other is a 100-percent grant program. They tell us that it makes it very difficult for them to administer two programs of this kind where you have one program going one way and another going another way. For that reason they recommend a different approach to it. It is because of that situation that the committee decided that we ought to get this thing worked out on a consistent basis in some way.

It is not our purpose to interfere with anything the Appropriations Committee has done. When we adopted this amendment to the bill our attention was not called to the fact that the cancer research construction program was being affected by it. On the other hand, after yesterday's meeting with the Director of the National Institutes of Health and after getting the full story, I am of the opinion they have made some commitments. I think when they accept and put it on paper, outline it to the Appropriations Committee and outline it to us, and set down the dollars and cents that the Council has recommended, and the record of their procedure is there to look at, that is equivalent to a commitment.

Further, the Appropriations Committee accepted it and obviously felt it was a commitment and appropriated $5 million for it.

When we found out that was the situation, we said in the consideration of it we did not believe that program ought to be interfered with. Consequently, since it came up rather suddenly, the committee decided we would offer an amendment to this amendment in which we would not interfere with the present program under the action of the Appropriations Committee at all, but that we would say that you could not program in the future until we did get this thing straightened out. That is the reason the limitation would be effective July 1, 1962, and with the assurance that the committee early in the next session would take up this whole matter of research construction and try to work out something consistent on it. That is precisely the situation under which we arrived at the conclusion we have reached on this particular problem.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Illinois.

Mr. SPRINGER. May I say to the distinguished chairman that there has been considerable doubt about the programs as they now exist. Is that not true?

Mr. HARRIS. Obviously there must be a great deal of question because of the understanding that members of the Appropriations Committee had and the understanding that the Director had when he explained it to us yesterday.

Mr. SPRINGER. There must be considerable anxiety also in the other body. I know that the House has already in its bill set up $5 million for this particular program. It is my understanding as of today that the other body has stricken out that $5 million. So I will say that the anxiety with reference to this whole program is not just with the House Committee on Interstate and Foreign Commerce or the Subcommittee on Public Safety. But there is considerable doubt not as to the program itself but as to how it is being conducted and what has been done to date and, as you say, going off in different directions so far as the entire program is concerned. I think everyone is in sympathy with what ought to be done in this field and is willing to appropriate the money. I bring this before the House because I do not think our committee is the only one that has this feeling.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I would disagree with the gentleman. I believe the anxiety expressed by the other body is nothing new. As a matter of fact, the House of Representatives last June appropriated $5 million for cancer research facilities under the provisions of section 433(a). The Senate knocked it out of the bill last year and the House insisted upon its position and maintained its position in conference. Now the Senate used section 433(a) in the 1959 appropriation act and used the provisions on a nonmatching basis to construct the primate colony in Oregon and to go forward with three other primate colonies. It seems to me, only when it comes to cancer research on a nonmatching basis does the Senate committee ever raise any question. This happens to be because this particular program originated in the House of Representatives and did not originate in the Senate.

Mr. HARRIS. I would say to the gentleman that seems to me to be all the more reason why this whole matter ought to be taken up and cleared up in some way so that we will have a consistent program. From what the gentleman has said, when the provisions of this law are being carried out it apparently depends on who wants what and where. It seems to me, we should have a consistent program where everyone would be on the same basis to make all the contribution he can make.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I would like to agree with the distinguished gentleman from Arkansas, the chairman of this committee, that what we do need is thorough and complete hearings on the whole question of construction of medical research facilities in the United States and that is what I hope your committee will do. But I hope the people who are interested in cancer research facilities will be given an opportunity to appear before your great committee before you recommend the repeal of section 433(a), the provision governing the construction of cancer research facilities.

Mr. HARRIS. Of course, I have already stated that since the health research facilities program expires on June 30 next year, it is going to be imperative that the Congress do something about it. The committee has already discussed it, and has come to the decision that we are going to take this up as one of the very first things when we get back into the next session in January. We want to clarify this and bring forth an authorization which, I hope, will be accepted by everyone and which will accomplish what ought to be accomplished.

Mr. LAIRD. I understand the gentleman's committee made some objection, and it has been alluded to here on the floor on several occasions, to the appropriation which was made under section 433(a) for hospital research facilities.

Mr. HARRIS. Now I did not want to go into that because I did not want to get into an argument. The gentleman talked a moment ago about what we were getting into here on research facilities. This bill is for hospital facilities and does deal with that subject. Now if the gentleman wants to pursue it——

Mr. LAIRD. I should like to discuss this whole matter today and I should like it to be thoroughly discussed.

Mr. HARRIS. If the gentleman wants to pursue it, you know one of the things that brought this to a head was the fact that in your appropriation bill you made a provision of $10 million based on this authorization of section 433(a) for a hospital research program.

No one is more concerned and interested in hospital improvements and research facilities than I, but I think the gentleman will agree that section 433(a) of the act was never intended to cover this kind of situation. If that provision is going to be interpreted that you can build hospitals with outright grants, $10 million, $20 million, whatever it might be, then you can do almost anything you want.

Mr. LAIRD. I think the gentleman is correct.

Mr. HARRIS. Once this authority is provided in H.R. 4998, the limit of June 30 next year ought to be agreed to so there will not be any more encroachments on this legislation.

Mr. LAIRD. Mr. Chairman, will the gentleman yield further?

Mr. HARRIS. I yield.

Mr. LAIRD. In the bill you approve the idea of the nonmatching grants for these demonstration projects. Take for instance the one at Mayo.

Mr. HARRIS. That is right.

Mr. LAIRD. On page 4 of your bill as I read that language, the Mayo project is approved.

Mr. HARRIS. No, it is not approved particularly.

Mr. LAIRD. It is not approved?

Mr. HARRIS. No, it is not authorized.

Mr. LAIRD. If the gentleman will yield, I do not mean to say that this bill approves it by name, but projects of a similar nature could be carried forward under this authorizing language.

Mr. HARRIS. I have great admiration for Mayo, it is a great institution; but if we do it this way for Mayo, what about hundreds of other clinics in the country? Instead of having a national program it would be done without any program at all. They would come to your committee and ask to be given funds. What we are trying to do is to work this out so there can be a program and we can know just what we are doing. I do not think that is any way to run a train, myself.

Mr. LAIRD. But you are approving nonmatching funds here.

Mr. HARRIS. If there is a program worked out for it, if Congress provides this way, yes.

I now yield to the gentleman from Michigan [Mr. BENNETT].

Mr. BENNETT of Michigan. Does the gentleman favor enactment of the bill as reported by the committee? In other words, as it appears before us now? Or does he have an amendment to the controversial section?

Mr. HARRIS. We have several amendments to the bill. The only one in controversy is subsection (d) on page 8. We had some little difference of opinion and we thought we would amend it by saying that it would not be interpreted in any way to injure the present program, that the program will be maintained just as it is planned until the end of the fiscal year next June, and in the interim our committee would try to work out the situation to have a consistent program.

Mr. BENNETT of Michigan. The gentleman has an amendment he will offer?

Mr. HARRIS. I have one prepared. Very frankly, I will say that if this can be worked out—and I apologize for taking so much time, but if we can work it out now with a little discussion it will save a great deal of time later. I have no particular feeling about this at all except to see a consistent program. We do not want to set this up on a piecemeal method of preferential treatment.

Mr. BENNETT of Michigan. I am in sympathy with and I agree with what the gentleman is trying to do. I wonder if the gentleman would read the short amendment he intends to offer?

Mr. HARRIS. Yes, it would be like this: Page 8, line 19, strike out the parenthetical phrase and insert in lieu thereof "Effective July 1, 1963, the parenthetical phrase." That would leave the whole program just as it is, just as it has been planned, without interfering with the provision the Appropriations Committee has already reported, and that the House approved, and the other body, I understand, has dealt with it today.

I did not know that it had stricken the $5 million out over there. I do know that they struck the $10 million. And now they struck the $5 million too.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. In listening to the debate, apparently there is some controversy here and there will be a few rollcalls. Am I mistaken about that?

Mr. HARRIS. I do not see any reason for a rollcall. Because of the importance of the matter, I think we should work it out without that.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Minnesota.

Mr. QUIE. Just to set the record straight, the Mayo Clinic is not asking for any research money. It is the Rochester Methodist Hospital, and the necessity for that is on account of the per capita population they cannot get under the Hill-Burton law the necessary funds. I thought I would straighten the gentleman out on that. It happens to be some individuals on the Methodist Hospital Board who are in the Mayo Clinic, but the Mayo Clinic itself is not seeking any money. It is the Rochester Methodist Hospital.

Mr. HARRIS. That is true. The way the organization is set up there, the gentleman is correct.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, I know that there is some misunderstanding among my colleagues as to what is involved in the questions that have arisen here this afternoon. I think the testimony yesterday in the conference we had with the Surgeon General and his staff shows that we have three different programs and that we were appropriating for three different programs. There was this one section which our committee felt had but one interpretation. But that was many years ago. In the meantime, the attorney for the Department of Health, Education, and Welfare has interpreted it more broadly, giving the Committee on Appropriations the right to make appropriations under this section without the further necessity of getting authorizations.

Due to the fact this interpretation has been given is one of the reasons why we have these programs going off in different directions, as the chairman has indicated to you on the floor of the House here today. It was the feeling yesterday of the Attorney General that this all ought to be brought under one consistent program meaning the same thing to everybody.

When we discovered this situation we did not have time during the rest of this year to consider the matter. Our committee, as you know, is a busy one, not more than any others, but our time is programed for the remainder of the session. We did say that as soon as the next session opened in January 1962 we would take this whole thing up and iron it out, coming up with an entirely new and consistent program—one program, not three programs—and we would do it in accordance with the rules of the House, and what we felt was best for the various research programs that are now in being.

I want to say we are in agreement both on the right and left that this ought to be done. The only difference that has risen here today, raised by the distinguished gentleman from Wisconsin and the distinguished gentleman from Rhode Island, is as to whether or not this particular clause ought to remain in the bill. I believe if the committee is given an opportunity in January 1962, we will come up with a program that will have the unanimous approval of all of those who are interested in research in connection with these various diseases; heart, cancer, and others.

All I am asking today is that you give us that opportunity to do this in due time. I believe that the amendments which the chairman will introduce here a little later will clarify the atmosphere, and I believe it will be sufficient for these programs to go ahead, as far as the appropriations are concerned, for the next year, and as far as the commitments are concerned, to June 1, 1963.

Mr. BENNETT of Michigan. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, as a member of the Interstate and Foreign Commerce Committee I have given careful consideration to the provisions of H.R. 4998 and it is a pleasure for me to support it.

During the hearings on this bill I was impressed by the unanimously favorable testimony of the witnesses that came before the committee. Their knowledge and information presented to the committee enabled the members to make what I consider to be an honest and complete assessment of the situation we face in this area of health services for our citizens.

I was especially impressed by the answers that the committee received from the Governors of the States in response to the committee's questionnaire. From more than 30 Governors—of both political parties—there seemed to be no disagreement that a real shortage exists in the availability of community services and facilities for the health care of the chronically ill and aged and that States are ready now to participate financially in these programs.

Moreover, in response to the committee's questionnaire, the Governors knew to remarkable degree how they would be able to use the Federal grants to stimulate action in their individual States.

One of the things that enables me to lend support to this bill is its modesty and reasonableness. It offers a chance to start an attack on what we all agree

to be a serious problem—but the theory of this bill is stimulatory to the States, with a 5-year time limit attached, so that the Congress will have a chance to make a full evaluation of its effectiveness after a period of operation.

It is my opinion also that the $40 million annual increase in appropriation authorization ceiling on the bill is sufficient to begin a program in the States and local communities which is capable of having a real effect within 5 years—and yet one that is essentially modest in its approach at this time.

This bill would help finance community home nursing and home health care programs in order that the chronically ill and aged can leave hospitals and go to nursing homes or to their own homes where they can receive high quality health care suited to their needs. It seems to me this cannot but be successful because these things offer a substitute for costly hospital care.

If the home nursing, home care, and restorative programs that have been described to the committee members as ready for widespread use prove to be as successful as we hope, then we may be truly sure, even now, that literally thousands of older people with chronic illnesses will become self-sufficient members of society more quickly and more economically. I am sure that the satisfaction that gives us will be nothing as compared with the joy of those people who realize that once again they can carry their weight in the world.

An examination and enumeration of the sections of the bill itself will illustrate the reasonableness of its approach.

The bill would provide grants to States to assist them on a matching basis to establish and improve home nursing services, homemaker services, and other types of home health care programs. These funds would also be used to improve the safety and quality of health care in nursing homes throughout the country. The bill also authorizes funds for studies, experiments, and demonstrations to develop new and better ways of providing out-of-the-hospital health services for the chronically ill and aged.

Section 3 of the bill raises to $20 million annual appropriation ceiling for grants under the Hill-Burton program for the construction of nursing homes. The committee has been advised that there is a deficit of over one-half million nursing home beds in the United States and that this deficit will become greater unless action is taken to speed up the construction of these facilities.

Finally the bill would authorize increased appropriations for research related to the effective development and utilization of hospital services and facilities. Such research is vitally necessary in order to develop better and more economical methods of hospital construction and administration in order to improve hospital services and to reduce the cost of hospital care.

I would like to emphasize for the Members of the House that this bill is, in the language of the businessman, the beginning of the payoff on our investment. It is, as has been said before, a major step in putting to work some of the vast knowledge that we have been acquiring from the funds appropriated for medical research in recent years.

Let me cite a few figures to bring this point out clearly for you. For the last fiscal year the Congress appropriated for health reseach grants and health research training grants more than $426 million—a figure representing an increase of 2,500 times as much as was appropriated 15 years ago. On the other hand, money for grants for health services and health care training during the last fiscal year amounted to about $52 million—representing an increase of only 2½ times over the same appropriation 15 years ago.

Let me say again that it is only good business to assist States and communities to take advantage—for the millions of aged and chronically ill—of the money that they have spent and are continuing to spend for medical research. As one Governor wrote back to the committee:

> Research knowledge is of little value to our citizens if this knowledge cannot be brought to bear directly upon their problems.

I am convinced that this is sound legislation. The committee has worked long and hard and, I believe, brought forth a bill that all of us can support—I urge its passage.

Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. QUIE. Mr. Chairman, I rise in support of H.R. 4998. The section providing authority for the construction of research hospital facilities is of special interest to me. Experimental work for the construction of research hospital facilities has been conducted in my congressional district at the Rochester, Minn., Methodist Hospital—and the results of what they have accomplished in the past 6 years could have a dramatic and profoundly important consequence for all Americans. First, I will discuss the specific problems which the Rochester Methodist Hospital as well as the Mayo Clinic confronted. Then, I will explain the scope of the problem as it concerns our country as a whole. Finally, I will discuss the results of the experimental work already completed, and what remains to be done.

Mr. Chairman, I doubt if there is a Member here in this House who has not personally been a patient in a hospital, or who has not had a member of his family as a patient in a hospital. This experience is just as general among all of our citizens. Therefore, all of us have some general knowledge of the tremendous rise in the costs of hospitalization.

To be more specific, the costs of hospitalization have risen—according to the Department of Labor statistics—more than 300 percent in the past 20 years.

In a study conducted by doctors at the Mayo Clinic, in Rochester, Minn., it was found that of the total hospital charges to a patient, about 65 percent of these charges were the result of personnel costs and of this 65 percent about one-half was the cost of nursing personnel.

As a first consideration, the doctors at the Mayo Clinic and the Rochester Methodist Hospital thought it best—back in 1955—to find out just what kind of patients the average hospital in the country took care of. Through a scientific sampling method, they sampled two hospitals in Rochester, Minn. One was the Rochester Methodist Hospital, which has 500 beds, and the other was St. Mary's Hospital, which has 900 beds and is the largest private hospital in our country.

Mayo Clinic doctors and administrators found that on any given day, about 20 percent of the total hospital population was made up of those people who needed intensive nursing care; about 60 percent was made up of those who needed average nursing care and the other 20 percent needed less than average nursing care.

Therefore, it became obvious that the patients they should concentrate on were the patients costing the most, that is, the 20 percent needing intensive nursing care.

Their problem was to attempt to cut the costs of intensive-care patients and they decided to do this by constructing a radically new type of hospital which they hoped would enable a highly efficient level of nursing care to be maintained at a drastic reduction in costs.

You can easily visualize the type of design they decided on when I tell you it was circular in design—something like if you cut an orange in the center.

At the core would be the nursing station, and in the various compartments would be the rooms. This enabled the patients to have direct eye contact with the nurses at all times, and also cut down the walking distances of the nurses—giving them more time with the patients themselves.

After this 3-year study, they also found that the drastic reduction in the cost of nursing care which they were hoping to accomplish was actually realized. To bring these results into concrete figures, an intensive-care patient in Rochester—and these costs are similar in most parts of our country—would pay $54 a day for 24 hours of nursing care. In this experimental unit, the same nursing care was obtained at a cost of $13.88 a day.

Mr. Chairman, I think these results are of vital importance to our whole country. If the 20 percent of intensive-care patients in our hospitals today could all be taken care of with such efficiency and with such savings, untold millions could be saved.

Now, I have discussed the problems which the doctors and administrators of the Rochester Methodist Hospital tried to solve, and the result of their experiment with the 20 percent of intensive-care patients. The results speak for themselves, but there is much more work to be done.

As the doctors and administrators themselves have pointed out to me, they have proven out only the beneficial effects of this new design on intensive-care patients. Now, they want to expand their study, and precisely determine if new hospital designs would prove as beneficial and efficient as their first experimental unit for patients requiring only average or minimum nursing care.

To do this, they wish to build a 450-room hospital at a cost of $11,500,000. Just as they did not expect the costs of their experimental hospital to be borne completely by outside sources, they equally do not expect the total costs of this new experimental hospital to be borne by the Federal Government.

The Rochester Methodist Hospital representatives have reported that they could raise—on a local level—about one-third of the construction costs if the Federal Government would provide two-thirds of the cost. In view of the dramatic results already obtained in this first experiment, and considering the ever-increasing burden which the hospitals of our country will have to face in the future because of increasing population and a greater percentage of older citizens, I strongly urge the Members of this body to support this endeavor. It is a program that will ultimately benefit our entire population. In addition to urging your support, I conclude with an expression of keenest admiration for the humane work of the Mayo Clinic and Rochester Methodist Hospital doctors and administrators for this great contribution they have made the common property of our citizens—continuing in their great medical tradition.

Mr. BENNETT of Michigan. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. SCHENCK].

Mr. SCHENCK. Mr. Chairman, our Subcommittee on Health and Safety, of which I have the honor to be the ranking minority member, has considered this entire matter very carefully and we are in full accord with the purposes of this legislation.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon [Mr. DURNO].

Mr. DURNO. Mr. Chairman, the reason why I asked to speak to the Committee for 2 minutes is because I think there is an overlapping on the question as to whether there is enough money in research construction facilities, on the question of the personnel to carry on in the facilities, and the question of the equipment to be used within the facilities. I have been told that money for cancer research is running out of the ears of a certain medical school. Their basic problem is they do not have money to pay the personnel properly to conduct this research. I would hope that this great committee in its deliberations next January will go into an extensive and careful study of all phases of this problem.

Mr. BENNETT of Michigan. Mr. Chairman, I yield to the gentleman from Missouri [Mr. HALL] such time as he may require.

Mr. HALL. Mr. Chairman, I believe adoption by the Congress of H.R. 4998 will help fill a serious gap which now exists in the providing of medical care for our older citizens, and will do so without compromising any basic principles.

This bill should be considered apart from the controversial question of how to finance the costs of hospitalization and related health services for older groups. In fact, I believe adoption of this legislation will serve to lower medical costs for people over 65. As a doctor Member of Congress, I take personal pride in having had a small part in the development of this legislation along with the Surgeon General, USPHS.

H.R. 4998 would meet a need which the practicing physician has long recognized—the need for special health services for the chronically ill and aged.

At present, most communities are better prepared to deal with acute illness than to help the chronically ill. In the acute state of an illness, it is important for the patient to be seen frequently, often daily, by his physician. The ready availability of nursing service is also important. Consequently, the hospital is usually the best place to care for the acutely ill patient. Communities have recognized this and, assisted by the Hill-Burton program, they have made great progress in building up their hospital services.

Today, however, a high proportion of the physician's patients are the elderly and those with long-term, chronic illnesses. Their conditions do not change much from day to day. Medical supervision can be provided through home or office calls at weekly, or even monthly intervals. Only occasionally do they need the intensive care which hospitals are equipped to provide.

With these patients, it is the daily regime they follow and their own attitudes and incentives that count most heavily in preventing their condition from deteriorating further and in helping them gradually to improve.

Surroundings are important to these people and many get along better in their own homes or in a nursing home that has a family, rather than an institutional atmosphere. Yet to get the best from a home or homelike environment, they must not feel that they are a burden to those who care for them.

Careful observance of instructions on medication, diet, and exercise is also important. Yet, because their gains are slow and the diets and exercises may be dull and tedious, patients have a tendency to neglect some part of the routine some part of the time.

Because of these problems, physicians will frequently recommend hospital care for such patients.

What the physician would often prefer to recommend is care at home or in a good nursing home. But all too often, this is not practical. Home care may be out because the patient lives alone or in a family where all the adults are away at work during the day. Even if someone is at home to look after the patient, the doctor may doubt her ability to handle the injections, changes of dressings, exercises, and other services the patient needs. Nursing home care may be equally impractical because of the shortage of nursing homes that are equipped to give nursing, rehabilitation, and other special services.

H.R. 4998 would help communities give their chronically ill the out-of-hospital services they need, just as the Hill-Burton program has helped communities get the facilities needed for their acutely ill.

It would help them build nursing homes.

It would help them get home nursing services—nurses who could do the more complicated nursing tasks themselves and train members of the family or a homemaker to do the less difficult nursing.

It would encourage the development of programs that relate the care the patient receives, in and out of the hospital, to the care he requires at any given time. A number of communities have already begun to use this progressive patient-care system within the hospital, but few, as yet, extend it to patients who are in their own homes or in nursing homes.

H.R. 4998 would help communities to fill all these and other gaps in services to their chronically ill and aged. It is a constructive response to a long-felt need.

H.R. 4998 contains no provisions for back-door spending, thereby insuring annual review by the Congress for the expenditure of funds. I do not believe that "facilities" are the primary need of our Nation in order to further cancer or specific research. I am not, and will never be, in favor of any such full—outright—grants for any purposes from the Federal Government; and finally, I do not believe in, or favor, the special grant inherent in this bill, title II, for building any type of hospital, for any purpose, in any regional area or community, especially when there are similar facilities in existence and such construction is precluded under the usual and existing law.

Because this measure will permit greater emphasis on home nursing services it actually will lower hospital costs and, in this respect, may remove some of the pressures for unsound legislation in the field of medical care for the aging.

Mr. HARRIS. Mr. Chairman, I yield such time as he may require to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT of Florida. Mr. Chairman, I congratulate the committee on bringing forth this vital legislation.

Mr. Chairman, I believe this legislation to assist in expanding and improving community facilities and services for the health care of aged and other persons is meritorious legislation and should be enacted.

Florida's excellent Governor, Gov. Farris Bryant, has written me concerning his great interest in this bill and has urged its passage. As he has ably pointed out to me hospital facilities, the construction of which has been stimulated by the Hill-Burton Act, contribute greatly in providing for intensive, short-term care for the acutely ill, but many hospital patients could be, and ought to

be, cared for in a nursing home, and also, many need only care at home with added services that are provided by a home nursing service. A substantial number of those in nursing homes could be cared for at home if conditions were favorable. Florida's county health departments, in cooperation with the State board of health are working diligently toward upgrading the standards of existing nursing homes. They are trying to assure that all proposed conversions of existing structures, as well as new constructions, are planned to meet optimum, rather than minimum, standards. They place particular emphasis upon fire protection, safe building construction, sanitation, and good nursing care. At present over 9,000 licensed nursing home beds exist in Florida. There is a need for double this number, and equally important, a need for greater skilled services in nursing homes.

While hospital and nursing homes are needed for those with chronic illnesses and disabilities of the aged, there is also need for assistance to be directed toward making it possible for suitable continuing care to be provided in the familiar environment of the home. Some nursing service at present is provided in the home as an established part of every county health department in Florida but it is very inadequate with respect to bedside nursing care. The approximately 550 public health nurses employed in Florida devote a major portion of their time to the needs of mothers and children and services related to control of communicable diseases. One of the additional community health services needs of foremost importance is to extend such services to include bedside nursing care as needed by the ill and disabled at home. Substantial additions to local nursing staffs will be necessary if home nursing needs are to be satisfied and particularly in rural and less populous areas.

I believe that without question, Federal assistance to Florida would stimulate programs designed to meet the key provisions of H.R. 4998. The State's past experience in the use of Federal grants for construction of hospitals and health centers, for the promotion and development of local health services, venereal disease control, heart disease control, cancer diagnosis and detection, water pollution, maternal and child health programs and others, illustrate the stimulation that could be expected.

If this legislation passes, I am sure that our State board of health will develop a plan for using the additional Federal funds to provide better care to our thousands of aged and chronically ill citizens. Even now, our State has recognized these needs and has systematically proceeded with a plan to develop, as part of its regular State and local public health services, programs to better care for this segment of our population. Greater State and local funds have continually been used for these types of services to the limit of our resources; and there would be no difficulty in matching Federal funds. At the present time Federal funds constitute less than 10 percent of Florida's health departments' State and local budgets. This figure not only indicates our ability to match, but the minimum nature of Federal participation in the present program.

I sincerely hope that Congress will approve this legislation either in its present form or with proper amendments. This is money well invested in the welfare of American citizens everywhere.

Mr. HARRIS. Mr. Chairman, I yield such time as he may require to the distinguished gentleman from Pennsylvania, a member of the committee, and author of the provision of the bill with reference to public health facilities.

Mr. RHODES of Pennsylvania. Mr. Chairman, I rise in support of H.R. 4998. This bill attempts to carry out President Kennedy's recommendations for extending and improving the availability of community health services and facilities.

The need for this legislation is evident. Long-term illness is a major and growing problem throughout the entire Nation. In a large measure it results from our aging population of which nearly 17 million are over 65 at the present time.

Of these 17 million aging people, 11 million have some type of chronic health problem. More than 6 million are limited in their daily activities as a result of some form of chronic illness.

However, Mr. Chairman, the problem of chronic illness is not limited to our senior citizens. It also affects the middle-aged, young adults, and many of our children.

The problem before us is not a local one. Nor is it one that the States have been able to cope with themselves. The problem before us in this area is a national problem. It involves persons of all age groups, of all economic levels, and of all our States and localities.

Early diagnosis is the most effective method for meeting this national menace. To do this, both private and governmental efforts to make this possible for all our people must be given increased and vigorous attention.

Adequate community facilities are of absolute necessity. Such facilities as provided for in H.R. 4998 would go a long way in protecting our people by facilitating the early diagnosis and identification of these conditions which, if arrested in time, would prevent the long-term disabling effects which so often can accompany chronic illness.

In addition to a system of adequate community facilities and services, the effective health care of persons with long-term illnesses requires hospitals, nursing homes, and programs for health care in the patients' own homes.

Unfortunately, Mr. Chairman, organized community services to provide health care for patients in their own homes are almost nonexistent in most communities today. Even limited nursing services are available in less than 1,000 communities. At the present time, coordinated homecare programs are available in only 30 communities.

It is clear, Mr. Chairman, that increased efforts on the part of our National, State, and local governments is necessary to expand and improve the availability and quality of our community health services and facilities.

Increased efforts are needed to insure adequate out-of-the-hospital facilities and services. We need to find better ways of utilizing our existing hospitals. We must develop new and improved methods of coordinating community services for the health care of the aged and chronically ill.

As a member of the Health and Safety Subcommittee, Mr. Chairman, I have come to know the importance of legislation in this important area of national concern. In my work as a member of this subcommittee, I have had the opportunity to come into contact with many dedicated doctors, nurses, and other public health officers who provide the essential manpower for the effective and successful operation of our public health facilities. These dedicated men and women are protecting the health and welfare of our people at great sacrifices in salary and personal benefit.

One of the most important parts of our public health effort is the special training program to meet the tremendous shortage of doctors, technicians, and other professional people in the public health field. In the last Congress it was revealed that there were over 2,500 vacancies for physicians and trained personnel in our Federal, State, and local health agencies.

Previous Congresses have passed legislation which is now helping 12 public health schools throughout the Nation to provide well-qualified public health specialists.

These graduate schools of public health in the United States are located in the following universities: Columbia, Harvard, Johns Hopkins, Pittsburgh, Tulane, Yale, California at Berkeley, California at Los Angeles, Michigan, Minnesota, North Carolina, and Puerto Rico.

The function of the 12 schools of public health in the United States is to prepare physicians, engineers, nurses, and others who are basically trained already in their several professions, to organize and administer programs, and to do research and teaching aimed at the prevention of disease and accidents and the promotion of health among whole population groups—communities, States, and nations.

The Federal Government and the 50 States are dependent on these 12 schools for graduate-trained public health physicians, nurses, and other personnel. Only 25 percent of the graduates work in the States where they attended public health school.

The importance of the 12 schools of public health in 10 States as the only source of comprehensively trained public health personnel for all of the States and for the Federal Government has been recognized by the Congress and by the administration and had bipartisan support.

These schools of public health are striving incessantly to meet the tremendous need for trained personnel to protect our families and fellow citizens from epidemics, impure food and water supplies, unsanitary conditions in our

cities and rural areas, and from many crippling and killing diseases.

Mr. Chairman, I feel that H.R. 4998 is soundly conceived and constructive legislation which would help to meet a pressing need throughout our country for improved and expanded health-care services and facilities for the aged, chronically ill, and others who do not actually require high cost hospitalization but do need some professional attention out of the hospital.

It seems clear that the cost of sharing with the States the cost in developing such out-of-the-hospital services and facilities would result in savings of public and private funds which otherwise would be spent for far more expensive medical care. Furthermore, for those not now receiving proper health care for lack of adequate services and facilities in their communities, the proposed act would work to conserve human beings, which after all is the real wealth of the country.

We cannot afford to ignore public health needs and the health needs of our senior citizens and the chronically ill.

I trust that this essential health legislation will be approved.

Mr. HARRIS. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, I appreciate the opportunity to voice support for this bill, and feel it a particular privilege being a member of the committee and having heard the testimony presented pointing up the necessity for this legislation.

Mr. Chairman, long-term illness is common among our aging citizens. There are now nearly 17 million persons of age 65 or older living in the United States. By 1970 it is estimated that the figure will reach 20 million. A national health survey has shown that 11 million of these citizens have a chronic health problem; however, these are not in institutions. Furthermore, over 6 million of these people suffer physical limitation in their daily activities.

The hospital facilities of this Nation are not as adequate as they should be. We have a shortage of general medical and surgical beds. Our hospitals and health facilities which treat the bulk of short-term medical cases are further strained when a geriatric or convalescent patent occupies a bed which could be used by an urgent case. Though many of the geriatric patients are in need of medical supervision, they may not need the facilities of an emergency ward at hand. Better results with our health facilities suggests that long-term illnesses be treated in nursing homes, geriatric hospitals, or have medical facilities available to them at home.

There is a shortage of these facilities in present perspective. This bill, and I believe this is its true strength, is aimed at stimulating State, local, and private nonprofit health organizations to provide adequate community health facilities and services for our senior citizens.

The approach contained in the bill is a sound one. The employment of the matching fund formula which has worked so successfully in the present Hill-Burton Act will bring about increased nursing home facilities for the aged.

Mr. Chairman, I should like to mention the fact that this legislation amounts to less than 10 percent of the health research grant appropriations made by the Congress in fiscal year 1961.

This legislation has the approval of a majority of State Governors. The Governor of the State of Florida has also written a letter of support. There are additional features of the bill which warrant special mention because of the relief of the health problems of the senior citizens. The first is the provision for additional nursing homes, and the second is that of out-of-hospital services.

The nursing home portion of the bill which I would like to emphasize is one which strikes home to every Member of Congress—and, indeed, to every citizen of our Nation. I have reference, of course, to that portion of the bill which would increase the annual Hill-Burton appropriation for nursing homes. The annual appropriation authorization for nursing homes is now $10 million. The present bill would increase this amount to $20 million.

All of us are vitally concerned and affected by the problems faced by our senior citizens who are in need of special care. However, many families face the frustration of finding it impossible to locate nursing homes in their communities which are staffed and equipped to provide suitable care for aging parents or relatives. It is indeed true that the problems of the aged are universal and in some manner touch the lives of each of us.

The Nation's most critical need in the health facility field is for nursing homes and long-term-care beds. At the present time only 31 percent of our country's needs are being met. Unless we take some prompt action the need will grow even greater in view of the dramatic increases occurring in the number of aged in our population.

By providing skilled nursing homes for these people who are mostly aged, we will be helping to relieve a problem which has beset us for far too many years. Moreover, such facilities will relieve some of the pressures for construction of additional general hospital beds which are more expensive to build as well as operate.

Passage of the bill will take us one step forward in our attempt to improve services for our sick and disabled aged. The homes constructed under this bill will be tailored to the individual needs of the community, will provide the physical facilities necessary to first-class care of persons requiring nursing home care, and last but not least, will, under the terms of the Hill-Burton legislation, be operated by the communities involved without Federal interference.

There has been a great deal of debate about the financing of health care for the aged. It seems to me that both sides apparently overlook the fact that the facilities and services simply do not exist in many communities.

Those who push for the adoption of different proposals to pay for health care for the aged seem to assume that the only reason why some of our aged people are not getting good care is that they have not big enough incomes to pay for these services. No doubt that is often true. But it is also true in many areas of our country that no matter how much money a person has, he cannot get needed services because the facilities are not available, nor can he get a nurse to come to his home because all the nurses in his community are on hospital duty. Scarcity always increases cost.

We had a similar problem right after World War II when there was such a serious shortage of hospital beds in most communities. Lots of people who needed hospital care and could have paid for hospital care had a hard time getting it. That is why we started the Hill-Burton hospital construction program and I think everybody agrees it has been and still is a boon to communities throughout the Nation. There is still a hospital shortage, but it is no longer so acute.

The acute shortage now is in out-of-hospital facilities and services. There are lots of aged people in hospitals right now who would rather be at home and would be better off at home if certain services could be provided. Sometimes just 1 hour or even a half hour a day of skilled nursing service is all they need, but if there are no visiting nurses in the community, the only way they can get nursing care is to stay in a hospital. Furthermore, a visiting nurse would be trained to note any change in the health condition and initiate prompt and intelligent action if such action is indicated.

Very few communities today have home nursing and other services for elderly people who are well enough to stay in their own homes. No community has as much of this type of service as it needs.

I believe this bill would do as much to help communities get the out-of-hospital services they need as the Hill-Burton program has done to get the hospitals they need. It would give balance to our health care programs and bring improved medical care for the aged.

Mr. Chairman, to better utilize the health facilities and services of this Nation, and to better care for the lives and welfare of its senior citizens, I ask the Members of this body to join in full support of this worthy legislation.

Mr. HARRIS. Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. HEMPHILL], a member of the committee.

Mr. HEMPHILL. Mr. Chairman, I take this time to ask the chairman of my committee questions that have been asked me by constituents.

Do I understand correctly that this bill is not designed in any way to compete with those private institutions which are presently engaged in the performance of the high duty of caring for people in nursing homes?

Mr. HARRIS. This provision insofar as the nursing homes are concerned under the Hill-Burton Act increases that

obligation by $10 million. It does not affect the authorization in any other way.

Mr. HEMPHILL. Those private nursing homes would still be able to continue? This would not put the State and local communities in competition with the nursing homes presently in existence?

Mr. HARRIS. No. That was not the purpose of the act which was provided several years ago, when we increased the authorization under the Hill-Burton Act to include four categories. This is just one category. It requires local sponsorship by some institution or entity of the locality in order for that program to proceed.

Mr. HEMPHILL. The question has been put to me that perhaps this could be taken care of by the local welfare programs which are in existence in every State, and of course most of the county seats in the States of the Union.

Mr. HARRIS. The gentleman is familiar with the fact that the welfare program which has been in existence for some time does not include such care and facilities as are provided by nursing homes. The welfare programs, as the gentleman knows, have entirely different purposes than this program. Such programs come from the Committee on Ways and Means, as the gentleman well knows, and provide grants or benefits to individuals who can qualify under the requirements of the law. This provides nursing home facilities for those who have the diseases or chronic illnesses referred to so they can go there and be taken care of.

Mr. HEMPHILL. I thank the gentleman for his courtesy in answering my questions.

Mr. HARRIS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Community Health Services and Facilities Act of 1961".

GRANTS FOR PUBLIC HEALTH SERVICES

SEC. 2. (a) Section 314(c) of the Public Health Service Act is amended by striking out "there is hereby authorized to be appropriated for each fiscal year a sum not to exceed $30,000,000" and inserting in lieu thereof "there are hereby authorized to be appropriated for each fiscal year such sums as the Congress may determine".

(b) Clause (1) of the second sentence of such subsection is amended by striking out "an amount, not to exceed $3,000,000, to enable the Surgeon General" and inserting in lieu thereof "such amount as may be necessary to enable the Surgeon General".

(c) Such subsection is further amended by inserting after the first sentence the following new sentence: "When so provided in any Act appropriating funds for carrying out the purposes of this subsection for any year, such amounts as may be specified in such Act shall be available only for allotments and payments for such services and activities included under this subsection as may be provided in such Act; and in such case the requirements of subsection (h) shall be separately applied to such allotments and payments."

(d) Section 314 of such Act is further amended by adding at the end thereof the following new subsection:

"(m) The Surgeon General, at the request of the State health authority, may reduce to payments to a State under this section by the amount of the pay, allowances, traveling expenses, and any other costs in connection with the detail of an officer or employee of the Public Health Service to the State or any of its political subdivisions when such detail is made for the convenience of and at the request of the State and for purposes of carrying out its State plan approved under this section. The amount by which such payments are so reduced shall be available for payment of such costs by the Surgeon General, but shall, for purposes of subsection (h), be deemed to have been paid to the State agency."

(e) Part B of title III of the Public Health Service Act is further amended by adding after section 315 the following new section:

"SPECIAL PROJECT GRANTS FOR IMPROVING COMMUNITY HEALTH SERVICES

"SEC. 316. (a) There are hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1962, such sums as the Congress may determine, for grants to State or other public or nonprofit private agencies or organizations for studies, experiments, and demonstrations looking toward development of new or improved methods of providing health services outside the hospital, particularly for chronically ill or aged persons. Any grant for any such project made from an appropriation under this section for any fiscal year shall include such amounts as the Surgeon General determines to be necessary for succeeding fiscal years for completion of the Federal participation in the project as approved by the Surgeon General.

"(b) Payments under this section may be made in advance or by way or reimbursement, and in such installments, as may be determined by the Surgeon General; and shall be made on such conditions as the Surgeon General finds necessary to carry out the purposes of this section.

"(c) The Surgeon General, at the request of a State or other public agency, may reduce the grant to such agency under this section by the amount of the pay, allowances, traveling expenses, and any other costs in connection with the detail of an officer or employee of the Public Health Service to such agency when such detail is made for the convenience of and at the request of such agency and for the purpose of carrying out its study, experiment, or demonstration with respect to which a grant is made under this section. The amount by which such grant is so reduced shall be available for payment of such costs by the Surgeon General, but shall, for purposes of subsection (b), be deemed to have been paid to such agency."

INCREASE IN GRANTS FOR CONSTRUCTION OF NONPROFIT NURSING HOMES

SEC. 3. (a) Paragraph (4) of section 651 of the Public Health Service Act is amended by striking out "$10,000,000" and inserting in lieu thereof "$20,000,000".

(b) Section 652 of such Act is amended by striking out "(3) or (4)" and inserting in lieu thereof "(3)" and by striking out "(1) or (2)" and inserting in lieu thereof "(1), (2), or (4)".

(c) The amendments made by subsections (a) and (b) shall be applicable in the case of fiscal years beginning after June 30, 1961.

RESEARCH, EXPERIMENTS, AND DEMONSTRATIONS IN UTILIZATION OF MEDICAL FACILITIES

SEC. 4. (a) Section 636 of the Public Health Service Act is amended by striking out "hospital services, facilities, and resources" each time it appears therein and inserting in lieu thereof "services, facilities, and resources of hospitals or other medical facilities" the first time and "services, facilities, and resources of hospitals or other medical facilities, agencies, or institutions, and including projects for the construction of experimental or demonstration hospitals or other medical facilities and projects for acquisition of experimental or demonstration equipment for use in connection with hospitals or other medical facilities" the second time.

(b) Section 636 of such Act is further amended by striking out the last sentence thereof and inserting the following in lieu of such sentence: "Any award for any such project made from an appropriation under this section for any fiscal year shall include such amounts as the Surgeon General determines to be necessary for succeeding fiscal years for completion of the Federal participation in the project as approved by the Surgeon General. Payments of any such grant may be made in advance or by way of reimbursement, and in such installments, as may be determined by the Surgeon General; and shall be made on such conditions as the Surgeon General find necessary to carry out the purposes of this section. Except where the Surgeon General determines that unusual circumstances make a larger percentage necessary in order to effectuate the purposes of this section, amounts paid under this section with respect to any project for construction of a facility or for acquisition of equipment may not exceed 66⅔ per centum of the cost of such project. The provisions of clause (5) of the third sentence of subsection (a) of section 625 and any other provisions of such section which the Surgeon General deems appropriate shall be applicable, along with such other conditions as the Surgeon General may determine, to grants under this section for projects for construction or for acquisition of equipment."

(c) Such section is further amended by striking out "In carrying out the purposes of section 301 with respect to hospital facilities, the Surgeon General" and inserting in lieu thereof "(a) The Surgeon General", and by adding at the end of such section the following new subsection:

"(b) If, within twenty years after completion of any construction for which funds have been paid under this section—

"(1) the applicant or other owner of the facility shall cease to be a public or other nonprofit institution or organization, or

"(2) the facility shall cease to be used for the purposes for which it was constructed or for the provision of hospital or other services for which construction projects may be approved under this title (unless the Surgeon General determines that there is good cause for releasing the applicant or other owner from the obligation to do so), the United States shall be entitled to recover from the applicant or other owner of the facility an amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated) of the facility, as the amount of the Federal participation bore to the cost of construction of such facility. Such right of recovery shall not constitute a lien on such facility prior to judgment."

Mr. HARRIS (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, and that the bill be printed at this point in the RECORD, and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows: On page 1, strike out line 6 and all that follows down through line 7 on page 2, and insert in lieu thereof the following:

"SEC. 2. (a) Subsection (c) of section 314 of the Public Health Service Act is amended by striking out 'there is hereby authorized to be appropriated for each fiscal year a sum not to exceed $30,000,000' and inserting in lieu thereof 'there is authorized to be appropriated for each of the first five fiscal years ending after June 30, 1961, the sum of $50,000,000 for each such fiscal year'.

"(b) The second sentence of such subsection is amended (1) by striking out '$3,000,000' and inserting in lieu thereof '$5,000,000', and (2) by striking out '$1,000,000' and inserting in lieu thereof '$2,500,000'."

On page 3, beginning in line 23, strike out "There are hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1962, such sums as the Congress may determine" and insert in lieu thereof the following: "There are hereby authorized to be appropriated for each of the first five fiscal years ending after June 30, 1961, the sum of $10,000,000 for each such fiscal year."

On page 4, line 15, strike out "or" and insert "of".

On page 4, line 18, after "section.", add the following: "Nothing in this Act shall preclude a State or community from establishing and collecting fees for personal health services which may be provided through programs financed from funds under this section when collection of such fees is authorized or required by State or local law."

On page 5, line 16, strike out "4" and insert "3".

On page 6, line 6, strike out "5" and insert "4".

On page 8, beginning in line 6, strike out "(unless the Surgeon General determines that there is good cause for releasing the applicant or other owner from the obligation to do so)".

The committee amendments were agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 8, line 19, insert:

"(d) The parenthetical phrase in the first sentence of section 433(a) of such Act which reads '(including grants-in-aid for drawing plans, erection of buildings, and acquisition of land therefor)' is repealed."

Mr. HARRIS. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. HARRIS of Arkansas: On page 8, line 19, strike out "The parenthetical phrase" and insert in lieu thereof "Effective July 1, 1963, the parenthetical phrase."

Mr. HARRIS. Mr. Chairman, it has been suggested that what is considered to be in my judgment a commitment in connection with these research construction projects that were outlined by the gentleman from Wisconsin [Mr. LAIRD] earlier in the afternoon, that $5 million would cover not quite all of it. The Cancer Advisory Council recommended these various projects which if undertaken would require a total expenditure of $6,741,000. The $5 million was included in the appropriation when it passed the House recently, and it is now being considered by the other body and will undoubtedly be a matter to be taken up in conference.

In the meantime, it is thought that should the committee get busy with something else or get tied up and not get to the research construction program which expires by June 30 of next year, then that would bring about a lapse in the program. Consequently, it was thought if we would extend this limitation until June 30, 1963, these possible pitfalls could be avoided. After discussing it with members of the committee on both sides of the aisle, realizing the importance of this, we have agreed to offer this amendment to place a limitation on this authorization of section 433(a) until June 30, 1963. But it would not alter the intention of the committee to take up this entire problem of research early in the next session of Congress in an effort to get it worked out; and it is for that reason that we have come to general agreement that this would be about the best way to work out the problem.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from California.

Mr. ROOSEVELT. Might I just say to the gentleman from Arkansas that he has offered a very fine solution to the problem in the offering of this amendment. I would like to state that the program for next year is a most important one. The gentleman has the support of all the Members of the House.

Mr. HARRIS. I thank the gentleman; and, as I have already said, we would welcome the suggestion, advice, and counsel from members of the Appropriations Committee and, and as a matter of fact, any Member of Congress interested in this program.

Mr. BROWN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Ohio.

Mr. BROWN. I want to express my appreciation to the gentleman for the work he has done and the fairness he has shown here and willingness in attempting to work out what I believe is a very serious problem that might affect a great many institutions in the United States and perhaps the lives of many people in this country.

I hope the gentleman and his committee will carry through with this study, that they will go into the entire field of research and bring us a proper program, one that will be more effective under present laws. Again I thank you, sir.

Mr. HARRIS. Let me thank the gentleman for his devotion to and interest in this program. I have personally known of the situation in connection with his own family and his interest in the program out in his own State. I commend him for the contribution he has made to it.

Mr. BROWN. Thank you.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. LAIRD. I would like to commend the chairman of the committee and also the Committee on Interstate and Foreign Commerce. I think they have worked out this matter very thoroughly and satisfactorily. I wish them well in their efforts with this medical research facilities program, and I hope I will be able to make a contribution to the gentleman's committee at the time the hearings open.

Mr. HARRIS. I thank the gentleman and commend him for the fine interest he has taken in this matter.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. FULTON. When these amounts are added on, what will be the total expenditure authorized under this bill?

Mr. HARRIS. Approximately $40 million.

Mr. FULTON. Is that for the total program or is that the annual cost?

Mr. HARRIS. That is the cost for each year annually for 5 years.

Mr. FULTON. So it will run to approximately $200 million.

Mr. HARRIS. Yes. Over the period of the authorization.

Mr. FULTON. I have had a bill in that would require a roll call on all bills authorizing expenditures in major amounts. I think we ought to have roll calls on all these bills so we will know the spending record of each Member. I am not going to have the roll called on this bill, I have been asked not to; yet without rollcalls there is no way to find out how individuals vote, what a Member's spending budget is for a year. A lot of these services come around and build up a Member's voting record in a rather captious manner and selectively. I seem to be the only one on the floor that seems to want to have the Members recorded, and being the only one I am not going to press it on this bill, but I think we have an obligation to account for every dollar we authorize and should be on record about the authorization.

Mr. HARRIS. Mr. Chairman, the gentleman understands this is worthy legislation and of so much importance to the welfare and health of the people of this country that there is simply no one opposed to it. I am sure the gentleman is not opposed to it. I do not think there is any opposition to it at all.

The CHAIRMAN. The question is on the committee substitute.

The committee substitute was agreed to.

The CHAIRMAN. The question is on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. HARRIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: Page 8, line 22, add two new subsections:

"(e) Section 704 of the Public Health Service Act is hereby amended by striking out 'five' and inserting 'six'.

"(f) Section 705(a) of the Public Health Service Act is hereby amended by striking out '1961' and inserting '1962'."

Mr. HARRIS. Mr. Chairman, this merely brings into line the provisions

for matching as required under the Health Research Facility Act with what we have just done with the regard to the nonmatching provision. That is all it does, and it is offered for that purpose.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. HARRIS].

The amendment was agreed to.

Mr. FOGARTY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to congratulate the chairman of this committee for the wonderful job he has done today, and all of the members of the Committee on Interstate and Foreign Commerce, because they have been most helpful to the Committee on Appropriations.

I think I can assure the committee that our Appropriations Subcommittee has never gone to the Rules Committee for a rule waiving any points of order. We want to cooperate with you as a legislative committee.

Mr. Chairman, I am anxious and even eager to have the opportunity to express to the distinguished Members of this body the thoughts I have on this outstanding piece of legislation. It represents a real attack on what is almost an overwhelming health problem in our Nation today—and I would like to speak in some detail about how I think it will solve some of the health problems of our people as I have seen them in my years of dealing with the health budget of the Nation.

Before I do, however, I would like to express my admiration and gratitude for the work of the chairman of the Interstate and Foreign Commerce Committee, the distinguished gentleman from Arkansas, in bringing this bill to the floor. I watched with close interest the great skill and obvious enthusiasm the chairman displayed during the weeks of effort that went into setting up the hearings on this bill, the carrying out of the hearings themselves and the leadership he put into the necessary effort that went into committee passage of the bill and getting it to the floor of the House.

I would like to express particularly my admiration for the action of the chairman in writing to all of the Governors of the States to seek their detailed comments and opinions on this bill. This is the kind of thoroughness and statesmanship that will be reflected in the quality of this legislation.

I believe the American people owe a real vote of thanks to the chairman and the members of the committee for their accomplishment of putting together a fine bill and bringing it to this body for consideration. It is truly a pleasure for me to have the opportunity to express to the chairman and the members of his committee my admiration and congratulations for their achievement.

It was my pleasure to testify before the committee during the hearings on the bill and I would like to reemphasize today some of the reasons why I consider this such an important piece of legislation.

As a member of the Appropriations Committee, I am proud of the fact that in recent years the Congress has continued without deviation its increasing support of an aggressive program of medical research. All of us can take pride in knowing that today this country has the greatest medical research effort in the world. And it is my firm belief—from the many days and weeks that the members of the Appropriations Committee have spent in considering the health problems of the Nation—that we are getting our money's worth from our medical research.

But we are getting our money's worth from research primarily in those areas like surgery and chemotherapy—where the practicing physician can apply the new research knowledge he learns about.

All the research-gained knowledge in the world is of no use if this knowledge is not applied.

That is one important reason to support this bill—it is intended to increase the application of medical knowledge we already have on hand. There is no doubt in my mind that it will accomplish this objective.

For instance, our research in recent years has developed many new techniques for the prevention of disease that can work only if applied long before a person thinks of consulting his physician for a troublesome condition. For example, there is the Papanicolaou test, which makes possible the diagnosis of cancer of the cervix at an early stage so that if adequate treatment is given death can be prevented. We know too that blindness from glaucoma, a disease of the eye, can be prevented if detected early and adequate treatment begun.

As the Members of the House know, we have in our Nation today more than 17 million citizens who are either aged—and need some type of health care—or who are younger persons suffering some manner of chronic illness. The seeking of new knowledge that will be of help to these people has been a major concern of our research efforts in recent years.

This legislation is aimed precisely at delivering to these 17 millions of our citizens all of the fruits of our research in the many fields of concern to them. It is designed to help every American community create and maintain—in an efficient and economical fashion—the facilities that will bring medical services to these people.

One of the greatest health facility needs at the present time is additional beds in nursing homes which provide good care. H.R. 4998 will make it possible for us to build 6,000 beds a year which is a conservative number when compared to our national need of about half a million beds; but it is a hundred percent better than what we have done in the last year.

This bill will also help in the nationwide adoption of another remarkable advance in caring for our aged and chronically ill. This advance is actually a series of methods of home nursing, and home care—all directed at getting those folks out of hospitals, once expensive hospital care is no longer necessary, and into the nursing home or a private home where the necessary services can be brought to him. With the knowledge we have, many of them can be trained to take care of themselves—but we need to put that knowledge to work.

This bill will stimulate the training of many kinds of specialists who—working under the physician's orders and supervision—can do some of the things he wants done just as well as he can.

Another striking example is that of mentally retarded children. No expert doubts that in time much more can be done for them—and much research is already going on and new knowledge emerging. But we also need to increase the number of professional workers with special training in mental retardation and thus put this knowledge to work as it develops. It is just another example of finishing the job we start with research.

A special feature of this bill that should achieve remarkable results within 2 years is that feature expanding the authority for hospital research. Some aspects of hospital operation are changing and growing every day as rapidly as space technology—other aspects are entirely neglected even though they offer great possibilities. This provision of the bill will fill that gap, and I believe help us to get more efficient and complete care from the modern hospital.

This bill will provide assistance precisely where it is needed—right in local communities. It is primarily a State and local program, stimulated by Federal grants, matched with local moneys, operated by local people, for the benefit of local people.

This bill offers an efficient, economical, and immediate way to assist our chronically ill and aged. It helps to finish the job we all have started with our wonderful medical research. I sincerely urge its passage.

While I support passage of this bill I must in good conscience warn the Members of the House that in my opinion the provisions are woefully inadequate. Our society has allowed a situation to arise which I believe borders on criminal negligence wherein countless thousands of persons suffer needlessly and millions of manhours which could be put to profitable use are wasted.

This bill is an important step in the right direction but I believe we should be building 25,000 new nursing home beds per year instead of the 6,000 authorized in H.R. 4998. We should be training at least 12,000 nurses to bring needed care to the ill at home. We should be training 1,000 doctors and 800 dentists for work in this program. We should be training 1,000 physical therapists to instruct the crippled and disabled and help them regain the optimum use of their limbs. We should be training at least 10,000 homemakers who can go into the homes of the chronically ill and accomplish efficiently the necessary household tasks that now occupy the time and energies of untrained members of the family who are now but who should not be confined to caring for the sick. Other needed skills include those of 1,000 nutritionists and dietitians and of 1,000 social workers. Seventy-five thousand nursing personnel now employed in nursing homes need additional training.

Until this Congress and this Nation face this chaotic situation realistically, we must accept the inevitable dissipation, no, the utter waste of these hundreds of thousands of persons who could be making a magnificent contribution to our Nation's efforts.

Mr. FINO. Mr. Chairman, I believe it to be exceedingly important that this House act favorably upon the proposal to make possible the further improvement of our community health services and facilities. The expansion of these services and facilities would be an important step toward the overall betterment of opportunities for adequate and appropriate medical care in America.

This measure, if enacted, would help fill a pressing gap in our medical facilities—the lack of adequate services for those who need professional medical care but do not require continued hospitalization should appropriate outside services, such as those provided by nursing homes, be reasonably available.

This bill would beneficially provide for increased Federal grants for new nursing home construction and for financial aid to existing homes and home-care service agencies through matching grants to State health authorities. It would also offer technical assistance for the improvement of substandard facilities. Additional clinics and medical information centers would be provided for as well.

It can be expected that these improvements would be a great blessing to our elderly citizens. The very real needs of these people constitute one of the most crucial reasons why we must look favorably upon these proposals.

The expansion of our community health services and facilities is sorely needed. I hope very much that it will soon be made possible.

Mr. RYAN. Mr. Chairman, I wish to express my complete support for the Community Health Services and Facilities Act of 1961, H.R. 4998, which provides increased Federal funds to improve community health facilities and health services for the care of chronically ill and aged persons.

I believe that the increased funds that will be made available by this legislation constitute one of the wisest, and most necessary, investments we could make in promoting the general welfare of this Nation. As was pointed out by the committee report on the bill, the Federal Government is currently spending in the neighborhood of half a billion dollars a year for basic health research and health research training. At the same time, Federal appropriations for health care services and health care service training amount to only $52 million during the current fiscal year.

In other words, the amount we are spending on health care services is a little over 1 percent of the amount we are spending on basic health research. It is time, I believe, that we increase our investment in health care services to put into practical application some of the progress that has been made in recent years due to the splendid work that has been carried on by the researchers. Progress of this kind is not made to lie fallow in laboratory files. The ultimate purpose of medical research is to make available new techniques, new treatments, new medications to combat illness and disease. These improvements are wasted if they do not reach the persons who need them.

The committee's bill is designed to improve the treatment of chronically ill and aged persons by increasing the Federal funds available to assist communities in providing them with better health services and facilities. These services and facilities include home health care programs, outpatient diagnostic services, health referral and information centers, and the construction of public or other nonprofit nursing homes. Each of these services or facilities helps to alleviate overcrowding in hospitals by providing treatment which does not require the use of a hospital bed.

This bill was introduced at the request of the administration, and carries out specific recommendations contained in the President's special health message to the Congress of February 9, 1961. Extensive hearings were held on the bill by the full Committee on Interstate and Foreign Commerce during which the proposals it contains received widespread support from associations representing public health administrators, State and local health officers, nurses, labor, and others.

The maximum cost of the increases in Federal grants contained in the bill is $40 million a year. This is a modest sum when one considers the great need for improving health care services in the 50 States. The need for these improvements is as great in one State as it is in another. A town in Iowa will benefit from this bill, proportionately speaking, as much as will the city of New York. There is no doubt whatsoever in my mind that we should pass this bill.

Mr. HALPERN. Mr. Chairman, I am in full accord with this legislation. I rise in enthusiastic support of it.

It provides the means to fill the wide gaps in our community health services and facilities. It's a long step forward toward resolving the vital needs to meet one of America's ever-pressing medical care problems—the necessity for adequate services for persons who must have medical care, but not necessarily hospitalization.

H.R. 4998 provides increased Federal grants on a matching basis for the construction of nursing homes and for assistance to existing homes and needed home-care services.

Another phase of the bill would be the extending of technical assistance for improving substandard conditions. It also provides for new clinics and information centers. Beyond expanding certain existing Federal grant-in-aid programs, it initiates a new program with the view of stimulating States and localities and private nonprofit organizations.

One cannot emphasize enough the need for such a program to meet one of the truly weak spots in our social welfare programs, to provide new or improved community health facilities and health services for the care of the chronically ill or aged persons.

Mr. Chairman, I am privileged to associate myself with H.R. 4998 and I fervently hope that this Congress will give overwhelming approval to it and that the President will, in his wisdom, sign it.

Mr. DURNO. Mr. Chairman, it is with pleasure that I arise to support H.R. 4998.

In doing so, I am the wearer of two hats:

First, as a responsible Member of the Congress I support the proposed legislation because it would correct one of the most glaring defects of our social system, namely, the lack of good nursing home facilities. Such a bill would encourage private nonprofit enterprise to do the job.

Secondly, this bill would further implement the Hill-Burton program which has done so much in America to add good hospitals in regional areas, where they are badly needed, and

Thirdly, it would provide the means and impetus to a more careful study and evaluation of the high cost of hospital care, in carefully chosen community health centers, and in demonstration and experimental hospitals.

Surely, in these days when we appropriate billions for underdeveloped nations, and we provide subsidies domestically of millions of dollars for peanuts and pigs, it seems that we have at least an equal obligation to our elderly citizens.

The second hat I wear is that of a practitioner of medicine for more than 30 years. I have grown old with my patients and I have come to know them well, their feelings, their philosophy of life, their physical status, their attitude toward senescence, and their fear of approaching senility.

The total problem of growing old has many facets and the responsibilities of this Congress are very great. Our responsibilities and obligations to our elder citizens will become greater as succeeding Congresses take an ever larger bite out of their income in the way of direct taxes, withholdings, and in the form of legislation that by statute will permanently put them on the shelf of inactivity.

I categorically and arbitrarily place our elder citizens in three groups:

First. Those that have been recently retired, many of them productive and in the prime of life who have been left without a job, without responsibility, and who have developed a feeling of not being wanted. This group in the eddies of life's stream, have had no time or desire to acquire hobbies or avocations, which might take up their leisure time, suddenly acquired. We at least owe guidance to those people.

The second group are the middle oldsters, who have suddenly lost loved ones, have expended savings in the last illness of the one they have lost, and now face life in poverty, fear, and with an ever increasing necessity of seeing their doctor for psychosomatic reasons as well as for their earthly ailments.

The third group are the death bed contingent, those that are waiting to die

from degenerative or malignant disease. They live alone, in fear and in despondency.

The bill would provide nursing homes and hospitals, and I hope, more economical and more adequate nursing homes and hospitals in which to spend their last days on this earth.

In conclusion, I would reiterate our responsibilities are great.

We must provide encouragement, assistance, advice, and guidance. Local groups should assist the "overfifty clubs," the "Golden Age group," and others in their endeavor.

We must provide home services, nursing home services and hospitals, these services to be provided by local subdivisions of government, and by private nonprofit corporations.

Surely, our elderly citizens are entitled to such treatment by the richest and most generous Government on this earth. Very few on this floor will disagree with the need of our elderly citizens, the methods of how the program is to be carried out, may be a subject for controversy.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. ALBERT] having resumed the chair, Mr. THOMPSON of Texas, Chairman of the Committee of the Whole House of the State of the Union, reported that that Committee having had under consideration the bill (H.R. 4998) to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes, pursuant to House Resolution 375, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore (Mr. ALBERT). Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made on the bill H.R. 4998, and that all Members may have 5 legislative days to extend their remarks in the RECORD on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CREDIT UNIONS AND BANKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, one of the ablest addresses on the relationships of credit unions and banks has been made by Glenn Addington, public relations director of the Texas Credit Union League. The league received so many requests for copies of the address that the organization published his speech in its July Bulletin.

The July Texas Credit Union League Bulletin also announced the election of Texan R. C. Morgan to the presidency of the Credit Union National Association. Mr. Morgan, of El Paso, is widely and favorably known throughout the State of Texas and is immediate past president of the Texas Credit Union League.

Mr. Addington's remarks about credit unions and banks are candid and help clarify certain misunderstandings on the part of the American Bankers Association. His popular address follows:

RELATIONSHIPS OF TEXAS CREDIT UNIONS AND BANKS

(NOTE.—The following speech by Glenn Addington, director of public relations for the Texas Credit Union League, has been given before several of the credit union chapters of Texas and has been well received. It was also presented to the Chapter Presidents Associations. Many have requested copies so we are producing it here in a special supplement.)

(By Glenn Addington, director of public relations, Texas Credit Union League)

For the first time in its history the credit union movement is faced with a well-organized, well-financed, national program of opposition. For more than a year the American Bankers Association has been waging this anticredit union campaign with a full-time paid staff.

Before we examine what the bankers are saying and doing against credit unions, let's examine the credit union position.

First, credit unions are not designed to replace banks, they are designed to supplement them.

Second, by law every credit union must deposit its funds in a bank.

Third, we have no intention or desire to take over any banking functions.

Fourth, most of us like our bankers and think they do a fine job, not only for us, but for the country.

We do not wish to answer false charges by the American Bankers Association with countercharges. We wish to answer with facts.

In their campaign the bankers are putting out a tremendous amount of information—misinformation if you please—about credit unions. This does not go to the general public. It goes to bankers, to legislators, to credit union sponsors, and to businessmen.

Their strategy seems to be to have credit unions restricted at every level—to stop their growth and to harass them, if possible, with restrictive legislation and through their supervisory agencies.

Much of the information is false—a lot of it is misinformation and half-truth and a great deal of it is rather vicious.

There are those in the credit union movement who don't believe the bankers really are working against credit unions. Not all of them are by any means.

Some credit unions believe we should ignore the campaign altogether—and maybe it will go away. Others are outraged and want to do battle with all bankers. These are not the answers. We'll come to what should be the answer to this problem later.

First, just what are the bankers doing and saying about credit unions?

One move is to set up direct competition through the device of inplant banking. This has been very effective in most parts of the country and is growing more effective. It is strong competition, and I might add, it is fair competition. This is a free country. It was built on competition.

As a matter of fact, the challenge of competition should keep credit unions on their toes. The answer to competition is better service to your members. No good credit union giving proper service to its members has yet been hurt by inplant banking. Only a very few, very weak credit unions which were not servicing their members properly, and who had lost the credit union idea have been hurt at all.

I will not go into all the details of inplant banking or the so-called one-check payroll plans of the banks. But they are strong programs and you most certainly can expect to see more of them in the future.

The American Bankers Association is urging bankers to contact businessmen with credit unions in their plants and to ask them to quit giving them free quarters, free help, free utilities, and payroll deductions.

As a matter of fact, we always urge credit unions to stand on their own feet as soon as possible. Many credit unions having free quarters have a desk in someone's office that is used part time. Most employers with credit unions consider them as strong fringe benefits for their employees. Many credit unions have payroll deduction, but some of them pay for it.

The bankers in many instances ask for payroll deduction for their inplant banking programs. They want it for themselves, but they don't want credit unions to have it.

The way to handle this problem, is to see that your relations with your management are the best possible. All too often we are guilty of not keeping management informed about the credit union once we have obtained the charter.

The American Bankers Association is pushing for restrictive legislation at both national and State levels. They want credit unions taxed, conveniently ignoring the facts that we are nonprofit organizations who do not do business with the general public. They don't want credit unions to be allowed to make certain types of sizes of loans.

We believe they will fail in their attempts at restrictive legislation. But it takes constant alertness on the part of your league and your national organization to see that some joker isn't slipped into an innocent—or not so innocent—looking law.

Credit unions certainly have no intention of asking for legislation restricting the bankers.

We believe that we have a right to modernize and improve our services to our members. And we believe the banks have the same rights. We don't believe either of us has the right to restrict the other fellow's business.

They are accusing credit unions of being socialistic. Now this is patently untrue. Credit unions are free enterprise. They are economic democracy in action. Credit unions follow the good old American custom of people helping each other, and thereby helping themselves.

There are credit unions in the White House, the Senate, the House of Representatives, the Army, the Air Force, the Navy, and practically every Government agency, including the Federal Bureau of Investigation. Do you think for a minute these credit unions would exist in these places if there were the slightest doubt about them being socialistic?

It is even being said that credit unions are subsidized by the Government. This is a false statement. Credit unions pay their own way. They do not receive one penny

of governmental funds. In fact the Bureau of Federal Credit Unions is the only Federal Bureau which draws no Federal funds—it is entirely self-supported by supervisory and inspection fees. And State credit unions pay their own way in the same manner.

When you get right down to it, credit unions are the opposite of socialism. They teach people how to be capitalists. They are free enterprise at its best. They teach people how to stand on their own feet without asking for Government handouts.

Some of the ABA material claims that credit union officials (you) are amateurs and shouldn't, or can't be, trusted with other people's money, and that your money management sense is poor—that you make too many bad loans.

Well, it is true that thousands of our credit union officials are so-called amateurs. But, if there is one thing that credit unions have proved over the years, it is that the average man can learn to handle money, his own, or other people's money, and they have proved it beyond doubt.

Let's look at the record.

Bad loans? Over the years the losses of credit unions from bad debts have been less than one-half of 1 percent; the best record among all financial institutions.

Can't be trusted? Credit unions, of course, have had some defalcations, but they are fully protected with a 100 percent bonding program developed entirely by the organized credit union movement.

And speaking of defalcations, the American Bankers Association recently said that bank defalcations caused a total loss of $20 million between 1957–59. There were 256 bank defalcations during the period, and of these 172 were traced to bank officials, accounting for $17.6 million of the loss.

Even the professionals have their embezzlement problems.

There were fewer credit unions closed during the depression than any other type of financial institution. Credit unions have proved they can weather the storms of war, depression and inflation, as well or even better than others. Credit unions are stable and sound.

How widespread is this campaign against credit unions? It is national in scope, and unfortunately certain phases of it have come to Texas.

Just recently commercial bankers were urged to set up a $20-million war chest to fight nonbank competitors by the chairman of the Foundation for Commercial Banks, L. M. Schwartz. He told the Independent Bankers Association that the war chest was necessary if the bankers want to win the "cold war against nonbank competitors." These are tough combat words.

Just a few weeks ago in Dallas, the Texas Bankers Association held its 77th annual meeting. Several months ago I talked to the executive secretary of this association and asked him if the Texas bankers were going to take an active part in the American Bankers Association campaign against credit unions. He was very friendly and very frank, and said that they were not participating and had no intention of doing so. We even offered facts and figures on credit unions so they would have correct information.

Well, the keynote speaker at the Texas bankers meeting in Dallas was one David Molthrop, a man who goes around the country making violent speeches against credit unions. This set the tone of their meeting.

He went right down the line against credit unions with the usual false charges of socialism, run them out of the plants, et cetera. He asked all the bankers to go back home and start campaigning against credit unions in their cities.

Another speaker at this same meeting was Carl Bimson, president of the American Bankers Association. He warned the Texas bankers about credit union competition, and called credit unions the fastest growing financial institutions of recent years.

It still is true that figures can't lie, but liars can figure.

Of course, credit unions have grown, but overtake the banks? Threaten their existence? This is absurd. It's hard to see how even the most prejudiced of bankers can swallow this line.

All the credit unions in the United States have assets of only slightly over $5 billion. The banks? Why they have assets of $283.6 billion. Think of it, $5 billion against $283 billion.

Since 1946 credit union assets have grown by almost $4.5 billion, while bank assets have grown $113 billion.

There are three individual banks in this country, each of which has assets greater than the entire credit union movement. There are several individual banks here in Texas with assets greater than all the 1,166 Texas credit unions put together.

Bank assets are growing at the rate of $6.3 billion per year, and credit unions one-tenth that.

Banks are enjoying the most prosperous years in their history and their outlook is for even better times. This is good. We wish them prosperity. But, don't try to tell the public or anyone else that credit unions are threatening the banks.

We are flattered by the attention. Perhaps we enjoy the recognition. But it sort of reminds me of the 7-year-old who received a handmade pot holder from her favorite aunt for her birthday. Her mother made her write a "thank you" note. The note read: "Dear Auntie: Thank you for the pot holder. It is just what I always wanted, but not much."

As for competition between banks and credit unions, yes, there is some. But, we feel that perhaps the banks are competing with us. Remember that when credit unions started the banks would not accept savings from or make loans to the average workingman.

Now that we have pioneered the field and proved that the average man can be trusted and that he can save, the banks want all the business, and seem to indicate we have no right to it.

There are those, even among credit unions, who say, "Yes, but my banker is not a part of this program. He told me he is against it." This may be so.

Actually, I have yet to hear of any banker telling a credit union customer that he supports this campaign. In fact, you would think there wasn't a banker in the room when their associations passed the appropriations for this campaign.

Have you heard of any banker writing to his association and protesting against this campaign?

The ABA even is saying that credit unions want to set up a third banking system in this country. This just isn't so. We do not want to, and will not. We do not want to take over any of the banking functions which they serve so well. We just want to serve our members to the best of our ability.

Now, the story is not all bad. There are bankers who like credit unions. Not all Texas bankers are against credit unions, and many of them believe in them and cooperate most wholeheartedly.

Others have fine business relations with their credit union customers.

I know of at least one bank president who was responsible for the organization of a teachers credit union. He was also president of the school board and he insisted that one be organized. He also insisted that the school superintendent give the new teachers credit union payroll deduction.

I know of several bank presidents and officers who are members of credit unions, and there are even some who serve on their credit union committees and boards.

I know of a recent president of the Texas Bankers Association who has stated publicly that he wishes his bank had over 100 employees so they could have a credit union at his bank.

I know of a recent instance in Dallas where a credit union member sold his home for $10,000 or $12,000. He went to his banker and asked his advice on what to do with the money. The banker told him the best possible thing he could do with the money was to put it in his credit union. The member took his banker's advice.

So all is not black; not all bankers hate credit unions. Thank goodness, because we certainly don't hate them.

Let's be honest with ourselves. If some of the bankers don't like credit unions and either put out misinformation about us, or don't understand us, whose fault is it? It isn't the banker's fault, it is our fault because we haven't informed them about the true nature of credit unions.

Of course there are some we never convince, but I think we can inform many.

We recently did a survey of credit unions here in Texas as to their banking relationships. Over 500 credit unions filled out the long questionnaire. Only 14 were not satisfied with their banking service, and several of these were unhappy because of inadequate banking service.

Most credit unions, though, have not gone to the trouble of establishing personal contacts with their own banks. This is our fault.

Every credit union must have a bank. And you can only get the most and the best from your banking services if you establish a friendly business relationship with your banker. Most credit unions have not gone to the bother of even asking their banker to visit their credit union, or attend a meeting with them.

We certainly can't have good relations with our bankers unless we have personal contact with them.

If we are not going to tell our bankers the credit union story, who is? It is up to us. It is up to you. At each place tonight you will find a little booklet on "What Every Banker Should Know About His Credit Union Customers." It is excellent, and each of you should see that your banker gets it from you, personally. Study the booklet carefully yourself first.

Perhaps the best we can hope for is a friendly business relationship, but also don't forget many bankers are fine credit union friends, and this is what we should aim for.

Credit unions first started because there was a need for them. This need was not being met by the banks or any other type of financial institutions. Credit unions grew and prospered because there was a need for them. Credit unions continue to grow and prosper because the need is still there. They will keep on growing in order to fill the need which continues to exist, particularly in Texas.

Smart bankers are beginning to realize they can get more business by cooperating with credit unions, rather than fighting them. Most of the money saved in credit unions never would have been saved at all if the credit unions were not there.

Most of the loan business is business the banks don't want. Credit unions make many, many loans that a bank couldn't make, and shouldn't make.

But, every credit union deposits its funds in a bank. As a matter of fact, Texas credit unions must have an average of some $20 million on deposit in Texas banks on any given day. In addition they have about $30 million savings and loan shares, and some $12 million or more in Government bonds.

And, credit unions go to the banks for about 80 percent of their borrowing needs. Like any other financial institution, credit unions run into seasonal demands.

So bankers would be wise to encourage business with credit unions as credit unions. It would be much more profitable and much easier for them.

This we feel is the proper answer to the question of credit union-bank relationships.

A bank in Houston actually has run short courses for credit union managers and employees on money management, investment, and banking services. This is the enlightened way for banks and credit unions to work together. This same bank has an in-plant banking program, but it's still a free country.

You have heard a good many bad words tonight about what the bankers have to say about credit unions.

Now I'm going to give you some good words about credit unions.

One word for credit unions is "enterprise."

The enterprise that's most likely to be called progress is addressed to the needs of the many rather than the profit of a few. And nowhere is this better realized than through credit unions where the services are the direct result of people's expressed demands. Credit unions are free enterprise at its best.

One word for credit unions is "efficiency."

Credit unions tie those who save to those who borrow, forming the shortest possible link between thrift and low-cost credit. Credit union members find the most efficient way to get what they want is to serve themselves, without waste or lost motion.

One word for credit unions is "abundance."

Credit unions have sliced the interest rates that other lenders charge. Still they save their average borrower a day's wages a year—a day's wages he can spend for something additional.

Another word for credit unions is "competition."

For the fellow with a better mousetrap, competition spells opportunity. Credit unions have the better mousetrap.

Another word for credit unions is "freedom."

Each credit union member has one vote regardless of his shares.

This is democracy at its best. One man—one vote. And there is no partisan politics or religion. No one yet has discovered a Catholic way to save money or a Baptist way to lend it. Nothing could be freer than a credit union.

Still another word for credit unions is "sharing."

Credit union members in this troubled century of ours understand the truth in the paradox: You can keep your abundance only if you share it.

Another word for credit unions is "understanding."

The mark of a good credit union is that it encourages its management, its employees, and its members not to merely have an opinion, but to have an informed opinion; not merely to know the facts, but to understand what they mean.

But the best word for credit unions is "ours."

In a credit union every one of us has the strength of all of us. A credit union is us and it's ours.

I submit this is where our strength lies. This is why credit unions will survive any and all attacks, and be stronger than ever.

We continue to hold our belief in the brotherhood of man and that most certainly includes our bankers.

WHAT EVERY BANKER SHOULD KNOW ABOUT HIS CREDIT UNION CUSTOMERS

What is a credit union?

The credit union is a corporation formed by a group of people with some reason to feel a responsibility to one another, for the dual purposes of saving and making low-cost loans within the group for provident purposes. It is a nonprofit, volunteer-run, democratic organization.

How are credit unions started and operated?

Credit unions are chartered and supervised under either State or Federal law. In most States the same agency supervises both banks and credit unions. A group usually must have a potential of 100 or more members in order to obtain a charter.

The group must have a common bond which membership is limited, and only members may save or borrow.

Members elect a board of directors, credit committee, supervisor or auditing committee, and sometimes others. All officers, directors and committeemen serve without pay, except the treasurer, who may be paid.

Members save by purchasing shares in the credit union on which they earn a dividend if the net margin will permit.

The most common interest rate on loans is 1 percent per month on the unpaid balance, and by law may not be more than this. There are no extra charges and almost all credit unions provide credit life insurance at no extra charge to the member.

Every member has one vote in governing the credit union, regardless of the number of shares held.

What is the common bond concept of credit unions? Is it important? Do credit unions want to keep it?

The common bond, which is required by law, means that persons who form a credit union must belong to a clearly defined group. They might be the employees of a business firm, members of an association, church congregation, or farm cooperative, residents of a small community or other well-defined geographical area. More than 80 percent of the credit unions in the United States are operated by employee groups. The proportion of credit unions among the various types of sponsoring groups has not changed materially in recent years.

Credit union leaders realize that the common bond is one of the key factors that makes a credit union work. The common bond fosters a feeling of obligation within the membership. Credit union borrowers are inclined to take this responsibility seriously. Although the exact definition of a suitable common bond varies among chartering agencies, the importance of the common bond is widely recognized and credit unions want it preserved.

How large is the credit union movement in the United States? How fast is it growing?

Total assets of U.S. credit unions are approaching $5 billion, compared to $283.6 billion for banks. Three individual banks in this country have greater assets than the entire credit union movement.

Credit union installment credit loans have reached the $3.6 billion mark (8 percent of the market), compared to $14.9 billion for banks (37.8 percent of the market).

Since 1946 credit union assets have grown by almost $4.5 billion while bank assets have grown $113 billion.

Since the credit union movement is relatively young and small, its growth in terms of percentage is still greater than that of banks and other larger financial institutions. However, as in the case of banks and each of the others, this rate of growth can be expected to continue tapering off, as has been the case generally in recent years.

With bank assets growing at a rate of $6.3 billion per year (1959) and credit unions one-tenth of that the same year, it is hard to imagine credit unions as a threat to commercial banking.

Banking losses in percent of the overall consumer lending market have been primarily to other larger, fast-growing lenders, and credit unions have not been a serious factor.

DISCRIMINATION AGAINST OLDER WORKERS SEEKING JOBS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, as a Member of Congress, I have direct contact with an increasing number of people who find it difficult to secure employment because of their age. They tell me that when they are being interviewed for a job, their superior skill and experience is making a favorable impression up until the moment when they are asked to state their age. Then there is a sudden cooling of interest on the part of the interviewer.

Sometimes this is carried to extremes. I know of men and women in their forties who have lost out on job opportunities simply because of their age. They are not told that this is the reason, but they feel the invisible door closing against them as soon as they state their age.

This was but one of the many problems discussed at the White House Conference on Aging that was held in January of this year.

Its impact falls most heavily on those who are 65 years and older. Jobs are extremely important to individuals in America today, not only for financial but also for social and psychological reasons. A person's job often is a major source of his feelings of self-esteem and personal worth.

The report submitted by Massachusetts at the White House Conference shows that it is relatively more difficult for an older worker to get a job in this State than in many other States. This is due, in part, to the fact that Massachusetts has a larger number of elderly individuals than most States.

Reluctance to employ the older worker rests on a number of misconceptions regarding the productivity and the absentee rate of such persons. But as we dig down for the real reasons, we find that some employers base their reluctance to hire older workers on possible increased costs of fringe benefits—life insurance, workmen's compensation, and Blue Cross-Blue Shield—for older workers. Another excuse given "off the record" is the greater expense in providing adequate pension rights for older workers. But the additional costs in all these categories have been exaggerated.

The belief that insurance companies, through rate differentials, make the employment of older persons impractical is not a substantial reason for refusing to hire them. The additional cost, due to this factor, is so small that it can be absorbed by the employer, or deducted from the employee's wages, or adjusted in some other manner, without a noticeable effect on employer or employee.

Massachusetts, as an industrial State that values its human resources, is doing something to overcome the prejudice against older workers seeking jobs.

In 1950, it became the first State in the Nation to enact a law that prohibits discrimination in employment because of age. This applies to all persons between the ages of 45 and 65. In the 10 years since its enactment, over 600 cases of discrimination have been considered, but none has gone to the courts during that period. This is consistent with the commission's policy of education and conciliation rather than rigid enforcement through legal action.

One of the specific results of the Massachusetts law against age discrimination in employment is the prohibiting of compulsory retirement before the age of 65.

There is nothing automatic about the age of 65. Many individuals of 68 are better able to work than others at 58. It is up to the individual—his health, his type of work, and his personal situation. It is true that some men and women wish to work after the age of 65, and because of the difficulty of reemployment, it is often impossible for them to do so, if they are retired from a job of many years' standing.

Eventually, the Congress must seek nationwide understanding and cooperation in the solution of this problem.

As a first step, it should enact an effective law to eliminate discrimination in employment because of age—from 45 to 65 and above—covering the thousands of employers across the country who provide goods and services for the U.S. Government.

AGRICULTURAL ACT OF 1961

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a summary of the farm bill which is to be considered in the House tomorrow, July 26.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Speaker, the House takes up tomorrow H.R. 8230, the Agricultural Act of 1961. This is the most important bill, in the interest of the farm people of America, to be considered by this body in a decade. This bill is in the interest of all Americans.

Because it is so essential that each Member of the House understand the scope and importance of this legislation, I have asked for this time to present to you a brief summary of its provisions.

H.R. 8230 aims to break the cost-price squeeze that now is strangling the agricultural economy. It will restore stability to large areas of agriculture. It will reduce burdensome farm surpluses. It will save taxpayers almost $1 billion by diminishing expenditures on farm programs. It will contribute substantially to the strength of the Nation's economy by reviving long-depressed rural purchasing power.

The bill marshals a major assault upon the farm price and production problem.

Special and effective 1962 programs are provided to stop the surplus production of wheat and corn and other feed grains. These crops account for 88 percent or $7,555 million of Government investments in farm commodities now totaling $8,598 million. Wheat and feed grains employ 193,358,000 or 60 percent of the 323,735,000 acres devoted to crops in the United States.

Moreover, the bill directs the Secretary of Agriculture, in consultation with farmers, to develop other programs, on a commodity-by-commodity basis, where stabilization action is needed. Such additional commodity programs would become effective if wanted by producers and if approved by the Congress through the regular legislative procedures. The Secretary is specifically directed to submit to Congress, by January 15, 1962, wheat and feed grains program recommendations for 1963 and subsequent years.

The established programs for dairy products, cotton, tobacco, rice, peanuts, and other commodities are not changed by this bill.

H.R. 8230, in addition to its general stabilization provisions, amends and extends the Agricultural Trade Development and Assistance Act, more commonly known as Public Law 480, to expand foreign trade in agricultural commodities and to make full use of America's agricultural abundance.

It modernizes the authority for loans to farmers administered through the Farmers Home Administration, improving substantially the procedures under which such loans are made.

It extends the National Wool Act for 5 years.

It extends the Great Plains conservation program for 10 years.

It continues and expands the school milk programs.

While intended to achieve stability generally in the agricultural economy, the bill declares it to be the policy of the Congress to "recognize the importance of the family farm as an efficient unit of production and as an economic base for towns and cities in rural areas, and encourage, promote, and strengthen this form of farm enterprise."

The committee, through H.R. 8230, seeks to achieve unity on farm policy, recognizing that broad differences between farm groups have forestalled the development of measures to break the recession in agriculture and to restore to farmers the opportunity to participate equitably in the Nation's free enterprise economy.

Therefore, the committee has revised the administration's farm bill, introduced as H.R. 6400, to remove controversial provisions. In doing so, the committee has retained and improved its effectiveness in many major respects and now presents the revised and refined legislation as H.R. 8230.

The special machinery in the original administration bill for setting up advisory committees on production adjustment program development, and for Congress retaining only a review or veto power over such programs, is eliminated in H.R. 8230.

Also deleted are the provisions which would have encouraged the operation of national marketing orders, if approved by the producers of the various commodities. The bill, as revised, makes no change in the scope of the marketing agreements and order law, except to add to the list of commodities which may develop programs under this law these commodities: peanuts, cranberries for canning or freezing, and turkeys, and also apples, both fresh and for processing, in New York, Michigan, New Jersey, Maryland, Indiana, California, and in the six New England States.

All language relating to compensatory payments is dropped.

The original provision giving the Secretary powers to transfer acreage allotments is deleted. Language which would relate allotments to producers, as well as to the farm, is stricken. This language was directed only to rice, production of which now is allotted to producers rather than to farms in some areas. The bill as presented does not authorize the substitution of quantitative production allotments—bushels, bales, pounds, and so forth—for acreage allotments.

The committee decided to take out of the bill and consider as separate legislation the provisions relating to joint action by two or more cooperatives and the acquisition or merger of cooperatives or of cooperatives and private business. Further study is needed before a decision is made on these provisions.

While H.R. 8230 does not encompass all of the recommendations of the administration, it deals directly and effectively with major surplus and cost problems of agriculture, and it turns agriculture again in the direction of stability and prosperity. The bill is built upon the principle that any successful farm program must be fair to farmers and consumers alike. It recognizes the farm problem as a free enterprise problem.

The enactment of this legislation is imperative, not only for urgent national economic reasons, but as a matter of simple justice to the farm families and to all the Nation's workers in agriculture.

This committee respectfully submits to the House that, in the world contest between communism and freedom, the Russians may boast of conquests of space, and may claim great strides in industrial growth, but communism has not begun to match the productivity of America's farms. Famine has settled over large areas of the Communist world, while our farmers have blessed America with great abundance for all our needs and to share with the friends of freedom in other nations.

Yet our farmers are the least rewarded of all the workers in America's free enterprise economy.

The situation demands action. Following is a concise summary of the action this committee now proposes:

BRIEF SUMMARY OF H.R. 8230

The committee bill contains four titles Title I deals with (A) formulaiton of new programs, (B) 1962 wheat program, (C) 1962 feed grains program, (D) amendments to the Agricultural Marketing Agreement Act of 1937, and (E) extension of the Wool Act of 1954. Title II deals with the extension and

amendment of Public Law 480 of the 83d Congress. Title III deals with the consolidation and simplification of the agricultural credit laws administered by the Farmers Home Administration. Title IV deals with an extension of the Great Plains conservation program, an extension of the special milk programs for children, the Armed Forces and veterans' dairy program, and the expansion of food donations to certain State penal institutions. Following are the major provisions in each title:

TITLE I—SUPPLY AND PRICE STABILIZATION

Subtitle (A)—Formulation of commodity programs

Directs the Secretary of Agriculture to approach the overall farm problem on a commodity-by-commodity basis and, after consultation with farmers and their spokesmen, to submit to the Congress recommendations for specific programs for those commodities where, in his opinion, such action is needed and is favored by a majority of the producers. These programs will be embraced in regular legislation to be considered under the procedures as any other bill is acted upon by the Congress. The Secretary is directed specifically to submit by January 15, 1962, wheat and feed grain program recommendations for 1963 and subsequent years.

Subtitle B—1962 wheat program

Calls for:

1. A mandatory reduction of 10 percent in wheat acreage and offers incentives for producers to reduce their acreage voluntarily another 30 percent to a maximum 40 percent acreage curtailment on individual farms. A producer could retire up to 40 percent of his allotment or 15 acres, whichever is greater, and receive payment for such diversion.

2. Secretary of Agriculture Freeman advised the committee that "under such a program it would be our judgment that the support price (for wheat) should be fixed at a national average of $2 a bushel." This would be 83⅓ percent of parity. The support this year is $1.79 or 75 percent of parity.

3. An exemption from marketing quotas limited to 13.5 acres per farm or the highest acreage planted for harvest in 1959, 1960, or 1961. The present exemption is 15 acres.

4. Price support limited to producers who do not exceed their reduced 1962 acreage allotment and who divert an acreage at least equal to 10 percent of their previous acreage allotment to conservation uses, with payments in cash or in kind on up to 50 percent of normal production for such diversion.

5. Payments in cash or in kind up to 60 percent on normal production on wheat acres voluntarily removed from production above the mandatory 10 percent diversion.

6. Authority for the Secretary to increase allotments of Durum wheat in 1962 if he finds that existing allotments will be inadequate to meet demands for Durum and to exempt Durum from the 1962 wheat program.

Subtitle (C)—1962 feed grain program

Provides: 1. A voluntary retirement of acreage previously devoted to corn, grain sorghum, and barley. The 1962 program would add barley to the grain production reduction program in operation for corn and grain sorghum this year. The Secretary would be given special authority to encourage the production of malting barley, if a shortage of this variety of barley is threatened in 1962.

2. Payments to producers on retired acreage up to 50 percent of the normal value of production on these acres, at the current support rate, for the first 20 percent of the corn, grain sorghum, and barley acres retired to a conservation use, and payment up to 60 percent of the normal value of production on land retired above 20 percent of the previous acreage in these crops. Any producer may place a minimum of 20 acres of cropland in conservation use and receive payments.

3. A price support level determined at the discretion of the Secretary of Agriculture, but not less than 65 percent of parity. Under similar provision in the 1961 program the Secretary set the support of corn at $1.20 a bushel or 74 percent of parity, and grain sorghum at $1.93 a hundredweight or 78 percent of parity. The corn support in 1960 was $1.06 and grain sorghum, $1.52.

4. As a condition of eligibility for price support a producer of corn, grain sorghum or barley must participate in the acreage reduction program for these crops in 1962, to the extent prescribed by the Secretary. To be in compliance with the program, a producer of corn or grain must not increase his acreage of barley and a producer of barley must not increase his acreage of corn or grain sorghum.

Subtitle (D)—Marketing orders

1. Adds to the Agricultural Marketing Agreement Act of 1937: peanuts, turkeys, cranberries for canning or freezing; and also adds apples, both fresh and for canning or freezing, in New York, New Jersey, Michigan, Indiana, Maryland, California, and the six New England States.

2. Requires processors representing over 50 percent of the volume of such cranberries and apples for canning or freezing to approve any such marketing order.

3. Applies uniform standards to both domestic and foreign-produced commodities if the domestic commodities are produced under a marketing order pursuant to such act.

Subtitle (E)—Wool

Extends the National Wool Act of 1954 for 5 years to March 31, 1967.

TITLE II—EXTENSION AND AMENDMENT OF PUBLIC LAW 480 (AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT)

1. Amends title I (sales of commodities for foreign currencies) of Public Law 480 to—

(a) Extend title for 3 years through December 31, 1964.

(b) Eliminate fixed limitations on total of agreements which may be entered into but provides that any agreements calling for reimbursement of CCC in excess of $5 million may not be finalized until 15 days after the time a report containing the provisions of the proposed agreement is submitted to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry.

(c) Authorize the use of foreign currencies for dollar sales to American tourists.

(d) Improve the agricultural market development activities in foreign nations by setting aside 5 percent of the foreign currencies acquired each year to this purpose and by requiring that not less than 2 percent of the foreign currency sales proceeds be convertible into the currencies of other foreign nations as the Secretary of Agriculture deems necessary to improve overall U.S. market development activities.

2. Amends title II (food donations to relieve distress among friendly peoples) to—

(a) Extend title II for 3 years through December 31, 1964.

(b) Extend authority for economic development for 3 years through December 31, 1964.

(c) Continue present authorization of $300 million per year, plus carryover.

(d) Make annual limitation applicable to amount programed rather than amount spent.

3. Amends title IV (dollar sales of commodities on long-term credit) of such law to—

(a) Permit sales to private trade as well as on a government-to-government basis.

(b) Expand purposes for which sales may be made.

(c) Make certain provisions of title I relating to foreign currency sales applicable to sales under title IV of Public Law 480.

(d) Provide that interest rates on dollar sales under title IV of Public Law 480 be not in excess of 3 percent per year.

(e) Authorize the President to permit other friendly and historic supplying nations to participate in supplying surplus commodities under title IV of Public Law 480 sales agreements.

TITLE III—AGRICULTURAL CREDIT

1. Real estate loans:

(a) To persons who are or will become owner-operators of not larger than family farms. Owner defined to include holders of fractional interest provided all owners join in mortgage.

(b) Available to all farm owners and tenants for soil and water conservation measures.

(c) May be made to certain nonprofit associations for soil and water conservation, drainage, and flood control, with an insured loan limit of $2,500,000 and a direct loan limit of $500,000.

(d) Sets the limit on loans to individuals for land acquisition at $60,000.

(e) Both insured and direct loans may be made up to 100 percent of normal value of the farm.

(f) Provides interest rate of not to exceed 5 percent plus fees. Out of 5 percent paid by insured loan borrowers, one-half of 1 percent to go to insurance fund and one-half of 1 percent now used for administrative expenses could go to the lender as additional interest.

(g) In determining eligibility for real estate loans the Secretary must consider prevailing private and cooperative interest rates and must determine that the applicant is a U.S. citizen, has farm background and either training or experience, and is or will become a family farm owner-operator.

2. Operating loans:

(a) Increases loan limit from $20,000 to $30,000 and limits term of loan to 10 years. Not more than 25 percent of the annual appropriation can be used to create borrower indebtedness in excess of $15,000.

(c) Authorizes participation loans up to 80 percent with private lenders.

(d) Provides interest rate of not to exceed 5 percent.

(e) Authorizes loans to soil conservation districts which are unable to obtain necessary credit elsewhere on reasonable terms and conditions, to purchase farm equipment to be rented to farmers under terms and conditions approved by the Secretary. Single loans are limited to $30,000 outstanding indebtedness and total loans cannot exceed $500,000 in any one year.

(f) In determining eligibility for operating loans the Secretary must consider prevailing interest rates and must determine that the applicant is a U.S. citizen, has farm background and either training or experience, and is or will become a family farm owner-operator.

3. Emergency loans:

(a) Authorized in areas suffering from natural or economic disaster conditions.

(b) Provides interest rate of not to exceed 3 percent under terms applicable to regular real estate or operating loans.

(c) In determining eligibility for emergency loans the Secretary must consider any established farmer or rancher or citizen of the United States or a private domestic corporation or partnership engaged primarily in farming or ranching in designated areas with experience and resources sufficient for probable successful operation, and persons or corporations outside designated areas who have suffered severe production losses not general to the area.

TITLE IV—GENERAL

Contains the following provisions:

1. Extension of Great Plains conservation program to December 31, 1971.

2. Extension of the school milk program for 5 years through June 30, 1967.

3. Extension of the veterans and Armed Forces dairy programs for 3 years through December 31, 1964.

4. Makes additional State penal and correctional institutions eligible for donation of surplus foods.

MORE INTEREST IN FATE OF SMALL TOWNS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, it has given me considerable satisfaction in recent weeks to hear and read that more persons of position and responsibility are becoming increasingly concerned about the future welfare of our smaller communities.

A few days ago I received a copy of an article, "A Proposal To Assist Towns, Both Large and Small," prepared by the University of Iowa Bureau of Business and Economic Research. Many of those who are talking or writing about community life have taken a modified approach to that recommended in President Kennedy's proposed Department of Urban Affairs and Housing, but very few have omitted the importance of full consideration for our smaller communities. Members of Congress have had much to say before congressional committees and for the RECORD about the plight of small towns. More has been written about smalltown problems than ever before.

JUST AWAKENING

We are just beginning to awaken to the fact that we have completely ignored the economies of our smaller communities. They were born and just grew because they were located on a navigable river, at a railroad stop, or at a road juncture, generally speaking. Perhaps they attracted families to a central spot because the church or the school had been built there. Then maybe a store and an inn followed and it became a shopping place for the countryside around. The truth is no one has made any studies of the economic growths of our smaller communities. What attention has been given to local economic growth has been devoted entirely to our larger metropolitan areas or to depressed areas plagued by underemployment.

The University of Iowa study says:

The problems of the small town are different from those of truly urban places. Many of the smaller towns came into existence to serve as a connecting link between the farm population and the cities. Changes taking place on the farms have resulted in changes in those small towns dependent on farm income. Their problem becomes one of survival rather than one of accommodation to growth.

At last we are aware of the deterioration in those communities which have been the bulwark of the Nation's strength and independence since its birth.

HOPE FOR ACTION

With the administration's reorganization plans out of the way, I understand the House Government Operations Committee soon will consider the President's proposed urban affairs department bill. I hope it is reported to the House for action and that the committee and the House are smalltown conscious in their deliberations and action. I think it is essential to establish a separate division for smaller community development in the department if it is the wisdom of Congress to create another Cabinet department. If not, I think that Congress should create a separate and independent commission for smaller community development. The smaller communities throughout the Nation have serious economic problems and deserve our attention. They certainly are as worthy of consideration by this body as are other segments of our economy.

PLIGHT OF OUR SCHEDULED AIRLINE INDUSTRY

Mr. JARMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JARMAN. Mr. Speaker, for the past several months other Members of this body and I have expressed great concern over the plight of our scheduled airline industry, with particular emphasis on the international field. We pleaded with our State Department to be most forceful in its dealings with foreign governments in the matter of bilateral air agreements. We placed special emphasis on negotiations with the Government of the Netherlands.

I am pleased, as are my concerned colleagues, Mr. Speaker, that our State Department negotiators apparently functioned so well that the Dutch broke off further discussions in behalf of their air carrier, KLM, the Royal Dutch Airline. You will recall that the Dutch sought a polar route from Los Angeles to Amsterdam, in addition to the routes they already operate between Amsterdam and New York. Rightfully, since our international carriers are already so hard pressed and because the Dutch have nothing in the way of reciprocity to offer in return, our State Department was firmly negative, in a positive sense.

Let us hope, Mr. Speaker, now that the United States has begun negotiations with the Soviet Union for reciprocal landing rights in Moscow and New York, that our State Department people display the same sort of fortitude they did in hard-nosing the Dutch. Wily and slick as they are, the Russians must be made to understand that any operations between Moscow and New York must, under no conditions, include a route to Cuba.

Mr. Speaker, those of us who have evidenced concern for the frightening trends our regulated air transport system have experienced in the past few years—and which seem to be continuing on an alarming scale—were intrigued with a well-researched article in the current edition of Time magazine.

This article, Mr. Speaker, conducts a most thorough study of the illness from which our scheduled airline industry is suffering. One of the principal symptoms, the article suggests, is too much competition and not enough mergers.

I am inclined to agree with the Chairman of our Civil Aeronautics Board, Mr. Alan Boyd, who suggests that the days of rewarding routes to weak airlines to keep them alive has passed. It was a total failure, as a matter of fact, and Mr. Boyd is now looking around for more mergers which can build a profitable air transport system, domestically and internationally, for our carriers and for our country.

Mr. Speaker, this is no time to consider handing out more CAB certificates. This is a time for our Government agencies concerned with air transport to relieve the pains being suffered by our already established carriers without suggesting more competition to make their condition even more critical. Our airlines are ill, but we haven't given up hope; pile some more competition upon them through the medium of newly certificated operators and it will be time for the bugler to blow taps.

Mr. Speaker, under leave to advise and extend my remarks, I include in the RECORD the Time magazine article of July 21.

AVIATION—LOSING ALTITUDE

In the golden era of jetplanes, U.S. airlines are flying in the red. Though their revenues have climbed steadily from $1.4 billion in prejet 1957 to an annual rate of $2 billion so far this year, the Nation's 11 major domestic airlines collectively have lost some $20 million in the first half of 1961. Trans World Airlines alone lost $10 million, while Eastern, National, Northeast, and Western also turned in deficits. On the usually rich North Atlantic run, Pan American dropped close to $2 million, and this month its big jets were winging to Europe little more than half full. Says American Airlines' President C. R. Smith, whose company barely made a 6-month profit: "Our industry is in a severe depression, and it will take some real Government understanding and industry effort to pull us out."

LOADS DOWN, COSTS UP

The rise in revenue and the drop in profit both can be traced to the same source: the jets. The airlines have invested well over $2 billion to buy 200 jets, have another 200 of them on order. As expected, the high-priced jets have attracted many new passengers, but not nearly enough to fill the expanded number of seats. Load factors have slumped since 1957 from 61.5 percent to a tree-skimming 54.6 percent.

Airline costs have increased at jet speed. Interest payments on the lines' big jet debt topped $43 million last year. Maintenance costs have jumped 47 percent in the past 3 years, and the airlines must also pay higher rents and landing fees for the bigger planes at newly built jet terminals. Labor bills

alone have doubled in the past decade. It costs $30,000 to train a captain for jets, and he now earns an average of $28,000 yearly against $15,000 on yesterday's piston planes.

In such rough weather, with some airlines in trouble, the Civil Aeronautics Board has pursued a well-intentioned but debatable policy. To keep weaker lines from bankruptcy it has given them good routes in direct competition with the strong lines. With rare exceptions the added competition hurt the strong and weak lines alike. Classic example: hoping to help out much-troubled Northeast Airlines, the CAB permitted it to fly the blue-ribbon New York-Miami route in competition with vigorous Eastern and National. Result: not only has Northeast failed to make a profit, but the sharp competition has turned the other two lines' black ink to red on that route.

Faced with such competition, airlines have spent more energy and money trying to win passengers from one another than trying to woo more people into the air. An estimated 55 percent of today's air travelers are businessmen, a fact that increased the recent recession's impact on airlines. Companies shifted executives from first class to coach and eliminated unnecessary trips. This year, for the first time in the industry's 40-year history, more than half of all travel is in the less profitable coach class.

MORE EFFICIENCY, LESS LUXURY

Airlines are doing their best to cut costs. They have the support of a Presidential fact-finding commission in their effort to eliminate the flight engineer from the jet crew, on the ground that the jets already carry three pilots (against only two for piston craft) and that the simpler engines do not require the attention of a full-time engineer. (The angered engineers may strike Pan Am this week to dispute the recommendation.) Airlines have also put a new emphasis on efficiency. Continental Air Lines, which makes money, owns only five jets but gets the most out of them by repairing and servicing them at night, claims the industry's best utilization record.

Executives of the airlines have come to realize that low fares and on-time performance attract more passengers than do frills and filet mignons. Eastern Air Lines has had good success with its new air shuttle linking New, York, Washington, and Boston with older prop planes. Passengers have no reservations but are promised a seat, pay for their tickets aboard. Fares are lower (by some 16 percent) in return for Spartan service (passengers wheel their own bags to the loading gate, and water is the only flight-time refreshment). Profitmaking United Air Lines is trimming costs by serving more modest meals on the jets. Says President William A. Patterson: "It's plain ridiculous to stuff down as much food on a short jet flight as on a long piston one."

TREND TO MERGERS

No one thinks such economies are enough to solve the industry's troubles. Many transportation experts, among them Harvard's Paul Cherington, argue that the United States hardly needs a dozen major lines, that some sensible mergers would eliminate costly separate facilities and ground crews. The CAB's new Chairman, Alan S. Boyd, 39, is merger-minded, and he is already hunting a strong mate for Northeast Airlines. His goal is to strengthen the airlines so that they will be able to make the next technological leap forward—to supersonic jets by the early 1970's—without massive Federal subsidy. To accomplish that, Chairman Boyd believes that the CAB must abandon its policy of rewarding the weak to keep them alive. "That era has passed," says Boyd. "My philosophy is one of consolidation."

EMPLOYMENT IN THE DYNAMIC AMERICAN ECONOMY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Arizona [Mr. RHODES] is recognized for 60 minutes.

Mr. RHODES of Arizona. Mr. Speaker, at the end of the remarks which I will make and which the gentleman from Minnesota will make, I ask unanimous consent to include papers by Prof. Clarence D. Long, of Johns Hopkins University, and a paper by Prof. Yale Brozen, and to include certain tables.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. RHODES of Arizona. Mr. Speaker, this is the second in a series of speeches on employment in the dynamic American economy—a project of the House Republican Policy Committee's Subcommittee on Special Projects.

Mr. Speaker, the gentleman from Minnesota [Mr. MACGREGOR] and I have read and analyzed two papers by Prof. Clarence D. Long, of Johns Hopkins University, titled respectively "A Theory of Creeping Unemployment and Labor Force Replacement" and "Prosperity Unemployment and Its Relation to Economic Growth and Inflation."

I might note that Professor Long has recently been selected as chairman of the Maryland Democratic Party, which illustrates the fact that the employment study has drawn on academic and professional experts of varied philosophies and party orientations. We surely welcome the contribution of Professor Long to our study, and appreciate greatly his courtesy in allowing our congressional team to benefit from his knowledge and views.

Last Thursday, the gentleman from Illinois [Mr. DERWINSKI] and the gentleman from Pennsylvania [Mr. SCRANTON] reported to us how the communities of Wheeling, W. Va., Chicago Heights, Ill., and Scranton, Pa., have helped to solve their local problems as surplus labor areas. Professor Long's paper touches more on the problem of "prosperity unemployment" as opposed to "recession unemployment." He shows our concern over the persistence of a high level of persistent unemployment since World War II, and illustrates by a series of charts the fact that five-sixths of our unemployment has been of the kind that prevails even during the good years. In light of this, it is quite obvious to me why the palliatives of extension of unemployment insurance benefits, make-work programs, Government spending as a stimulant to the economy, and other antirecession programs do not solve our unemployment problem in the long run.

Employment in our dynamic American economy during prosperity does not depend on total spending, as some have insisted. Our aggregate spending has increased substantially since 1948, but persistent and increased unemployment has risen during both the peaks and valleys of our economic cycles. Neither will employment be increased by higher minimum wages, enlarged social security, and welfare benefits, or similar legislation. Professor Long has developed two postulates related to continued persistent unemployment in our economy, and I commend to those who are interested in his development of these theories the papers which will be inserted in the RECORD at the close of our remarks.

Professor Long feels that the greater opportunity that is offered the average worker to improve his personal productivity, the further some will fall below the average and be in an unfavorable relative position. He also mentions a "social minimum wage"—defined as the wage below which custom, ethics or law forbids workers to be employed—and assumes that as the social minimum wage rises the productivity of some stragglers lags behind—thus forcing them to leave the labor force or to become unemployed since it is no longer profitable to hire them. The implication of his theories of "widening productivity spread" and "relative wage spread" form the basis of my remarks today.

The incidence of unemployment today largely falls on manual and blue-collar workers; on the younger and older laborers; and on the poorly educated. Many aspects of our economy make the position of those who cannot improve even more unfavorable. For example, Congress this year passed a minimum wage bill increasing to $1.15 now and to $1.25 eventually the minimum wage of workers in a time of recession. Minimum wage was intended to be a floor at the subsistence level. If the minimum wage had increased proportionately with higher productivity and the cost of living, it would by now be close to $1. By an untimely increase and extension of the minimum wage, I fear we have caused small businesses, seasonal industries and marginal concerns to lay off workers and shorten hours. And who are the victims? Again the older and younger workers, and the unskilled workers of all races. Professor Long has done a service by pointing at the need for pricing labor reasonably. Otherwise, we will continue to be faced with the prosperity unemployment of certain classes of skill and education.

Second, it is clear that high employment under conditions of our economy can be best enhanced, as Professor Long states, "not by increasing the aggregate demand for labor through spending but rather by improving the quality and availability of the prosperity unemployed." It is through an expanding economy rather than inflation that job opportunities are at a maximum. Freeing our private enterprise system from its hobbles will do more to mitigate unemployment than continuing to increase the restrictions and regulations which already narrow productivity in our economy.

I would here assert that there is no one cause of unemployment, but that a multitude of causes might well restrict job opportunities in the American economy. However, if we look beyond automation, recessions and the cases where

particular industries have declined in the so-called depressed areas, we find a growing problem in that the level of employment in peacetime prosperity appears to now be stabilized at over 4 percent. We, the Republican Members of the House, refuse to admit that unemployment of this level is a necessary evil, or that we must promote either inflation or a slower rate of growth in order to attain a really low level of unemployment.

George Shea recently wrote in the Wall Street Journal that—

> the important point to remember is that production can be growing, employment can be growing, and the Nation as a whole can be making substantial progress even though unemployment may remain undesirably high. This does not mean the problem should be dismissed as unimportant, for no modern society can afford to do that. But concentration on it should not be allowed to mask the real economic trend.

Mr. Shea points out that the mid-June figures indicate that unemployment is at nearly the highest percentage of the labor force that was reached during last year's recession, but that employment was also at a record high. He illustrates that we are now producing as a nation the greatest amount of goods and services that we ever produced. The figures we have today thus support Professor Long's thesis that it is prosperity unemployment we have most to fear—and that our high rate of unemployment today must not be allowed to obscure the fact that ours is a growing, dynamic economy. If we act now to prevent the structural unemployment of the future we may well prevent widespread joblessness in years to come.

My colleague, the gentleman from Minnesota [Mr. MACGREGOR], will now suggest some of the more practical ways of alleviating this so-called prosperity unemployment. I yield to him at this time.

Mr. MACGREGOR. Mr. Speaker, Professor Long states at one point that "this is an argument for an attack on the principal causes—those which lie in the deficiencies in the supply of labor among the prosperity unemployed." Among feasible suggestions which I find most promising to alleviate the problems the gentleman from Arizona [Mr. RHODES] has mentioned would be improving the education and the training of the unskilled and young; restoring the usefulness of the middle-aged through rehabilitation and replacement of obsolete skills; by providing more job information to workers of all ages and extending encouragement to move to new occupations, industries, and areas; and by removing barriers to the employment of the old, the Negro, and the female workers.

I should here point out, however, an interesting conclusion of Professor Long in which he shows that women have been entering the labor force in large proportions, thus replacing the younger and older males and even some of the men of prime working age. This, he asserts, is reflected in the superior education and the more rapidly improving education of female workers as compared to the male, especially in the service area. Thus the entire problem of the "working wife" has become a causal factor in the employment picture.

At any rate, when we note the composition of the prosperity unemployed as being primarily the unskilled workers, we come to the conclusion that retraining on both a short- and long-term basis is one of the most potent suggestions for improving employment opportunities. The Armour study has shown just what can be done through industry efforts, but it also alludes to the fact that some workers cannot be retrained and others are not interested in this opportunity. However, for those willing and able to undergo retraining, it certainly is a worthwhile effort as an alternative to increased and widespread unemployment.

Labor and management alike have a responsibility here. Management must keep its employees abreast of coming changes and the need for new skills. Labor must bear a responsibility to end featherbedding and set up, where possible, an apprenticeship program with some of its dues in preference to political contributions which so often are used contrary to the wishes and best interests of the individual members.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MACGREGOR. I am very happy to yield to the majority leader.

Mr. McCORMACK. I am very interested in what the gentleman is saying. The legislation he is referring to is very meritorious and certainly fits into an important part of the life of America. I understand the two bills are now pending before the House Committee on Education and Labor; is my understanding correct?

Mr. MACGREGOR. The gentleman's understanding is correct.

Mr. McCORMACK. All I can say is that as soon as the bills are reported out and the rule is obtained, I shall program them for the consideration of the House as soon as possible thereafter.

Mr. MACGREGOR. I am pleased to advise the majority leader that I was instrumental in having a constituent of mine testify before one of those committees recently and he valued the experience which he had on that occasion.

Through labor-management bargaining, future crises can be anticipated, as well as with the help of all-out community efforts the like of which our colleagues discussed here last Thursday.

Government bears a responsibility here as well. One of the most successful programs ever undertaken has been the vocational rehabilitation of the handicapped. My State of Minnesota has made great strides in this area.

Saving money in potential relief costs as well as in human pride and dignity, this effort has helped labor and management alike. This year a Republican substitute to the depressed areas legislation, if adopted, would have increased retraining funds fourfold in these areas. While relocation of workers is a fairly new concept and at this time is fairly nebulous due to the community ties of the older workers most often hit by unemployment and due to the lack of centralized, national classification of new skills and their geographic incidence of surplus, this is an area which needs much study. Certainly the Government should consider tax advantages and eligibility for unemployment benefits for those undergoing retraining.

Professor Long asks in his paper whether it would be wise to jettison the statutory minimum wage and to reduce the social security and welfare benefits that reinforce a rising social minimum wage? While this will seem to some a question worthy of further attention, we would surely recommend at least the fiscal responsibility and concentration on economic expansion which will enable the marginal workers, with the help of retraining in some cases, to once more enter the labor force during peacetime prosperity. If Professor Long's analysis is correct, spending to stimulate a sluggish economy is the remedy of pessimists, and creates more problems than it solves. The test of a wise economic policy is whether it recognizes the positive nature of our dynamic economy and seeks to expand rather than restrict it.

Mr. Speaker, I ask unanimous consent that all those who participate in this discussion be permitted to revise and extend their remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. RHODES of Arizona. Mr. Speaker, I wish to thank the distinguished gentleman from Minnesota not only for the remarks he has made but for the hard work he has expended in analyzing and preparing the discussion upon which we have entered today. The gentleman is a very active and a very able Member of the House of Representatives. It is a pleasure to work with him.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. CURTIS of Missouri. I would like to join in the gentleman's remarks about the work the gentleman from Minnesota [Mr. MACGREGOR] has done in this area. I particularly want to thank the gentleman from Minnesota for bringing to my office a gentleman who is the head of one of the industrial technical schools in Minnesota, whose name I would ask the gentleman from Minnesota to give me in full at this time.

Mr. MACGREGOR. His name is Mr. Joseph R. Kingman, Jr., president of the Dunwoody Institute in Minneapolis, a very fine institution, as I am sure the gentleman will agree.

Mr. CURTIS of Missouri. And this applies not only to this institution but to others in the field of vocational training. I take this opportunity to express my appreciation of him and the gentleman from Minnesota.

Mr. RHODES of Arizona. Mr. Speaker, it has become fairly evident that the

paper, "Causes of Unemployment," by Prof. Yale Brozen of the Graduate School of Business, University of Chicago, related so clearly to Professor Long's paper that it readily lent itself to incorporation into my remarks. Brozen mentions two areas in which unemployment is caused; first, through external factors acting on the economy; and second, inadequate adaptations of prices and wages to offset external factors. Thus, technological change, our tax structure, monetary policies, and so forth, cause unemployment only if prices and wage rates fail to adjust rapidly enough. Again I would emphasize flexibility in price and wage rates as a foil to unemployment.

Professor Brozen points up the actions of the NIRA and AAA during the thirties as adding to our rolls of the unemployed. He concurs with my feeling that minimum wage laws have decreased the employment of the unskilled and minority groups. He further cites figures in the Peterson and Colberg studies to show that minimum wage increases in 1950 and 1956 were responsible for the loss of employment opportunities for many. The 75-cent minimum wage in 1950 resulted in 17 percent of the workers in mills averaging below this figure losing their jobs, while the 1956 increase led to a rise in jobless workers under 19 and unemployed females over 45 despite the general prosperity which then prevailed.

Wage increases also have their effect, such as the finding by Dr. Sobotka's group that a 1-percent increase in wage rates in the primary metal industry causes a 1.2-percent decrease in industry employment unless productivity and output increase. Brozen also used extensive data to illustrate his concept that maintenance of a steady rate of change in the money stock rather than imposing a fluctuating rate on the economy will minimize fluctuations in unemployment.

For Professor Brozen's solutions to the unemployment problems, which involve more stabilized labor-management conditions and more consideration of the timeliness of wage increases, I refer my colleagues to Professor Brozen's paper. He has made most interesting conclusions as to automation, its necessity in a period of higher wages, and the service he claims it has performed in cutting rather than increasing unemployment.

If I were to summarize the conclusions the gentleman from Minnesota and I have formed with the benefit of the thinking of these economists I would point to:

First. The failure of Government spending legislation to make a dent on the serious problem of unemployment which we suffer to an increasing degree in times of prosperity.

Second. The fact that Congress rarely understands the background or the long-range effects of the far-reaching legislation passed in the economic field.

Third. The burden of prosperity unemployment, falls on the unskilled, the young, the old, and minority groups.

Fourth. The cost of this unemployment to all concerned is so extreme that Republican Members of Congress are determined that no avoidable unemployment, frictional or structural, should exist in the United States at any time.

Fifth. While some studies show the problems associated with retraining of workers, it is apparent that the most benefits with the least expense will evolve from labor-management cooperation in retraining in order to upgrade skills, and perhaps to relocate unemployed where surplus labor areas are involved. In some cases, Government must extend assistance for retraining programs as well as leadership in the statistical analysis, on a geographic basis, of skill shortages throughout the Nation.

Prosperity Unemployment and Its Relation to Economic Growth and Inflation

(By Clarence D. Long, Johns Hopkins University)

I. Introduction

Two noteworthy and paradoxical features of the behavior of employment since 1947 may serve as the starting point of this investigation. One is the 7½ million increase of civilian employment during those 13 years; the other is the persistence of a high level of peacetime unemployment—one that has risen in three recessions to over 6 percent and even approached 8 percent briefly, and in December 1959, equaled 5.2 percent of the civilian labor force.

This paper focuses on the significance of this recent unemployment. A certain amount of unemployment, it is sometimes implied, is of positive value for stimulating economic growth and checking inflation.[1] Has the recent unemployment served such a function? What has been the nature of the recent unemployment? How much of it is recession, how much prosperity, unemployment?[2] Is the burden widely distributed, or concentrated on a small hard core? Where can we look for a better employment-generating performance of our economy—one that will yield a more rapid economic advance and a more stable wage-price level, with a lower residue of prosperity unemployment?

These are large questions and he would be a bold investigator indeed who claimed to answer them definitely in a short paper. Some of them have been before us a long time and most of them will remain unanswered for years to come. The data requirements are themselves formidable. A fruitful inquiry requires lengthy series of annual and monthly (or quarterly) estimates, based on household interviews or on unemployment insurance. The data should be available by age and sex, by color and family tie, by duration and number of spells of idleness, by industrial and occupational attachment, by whether workers are new or experienced, and by whether they occupy a full- or a part-time status. The concept of unemployment should be reasonably well articulated and should remain comparable from one month or year to the next.

No such information was available before 1940: only data based on censuses conducted for 1 month or week every decade; on an occasional one-time sample survey for this locality or that State, each with its own concept; or on thin estimates of employments deduced from even more shaky estimates of labor force, to yield estimates of unemployment cluttered with residual errors. Beginning in 1940, monthly unemployment data became available from the household survey conducted first by the WPA, then by the Census; but these early reports rested on slender samples and doubtful techniques. In any case, the behavior between 1942 and 1946 was dominated by World War II. Only since 1947 can unemployment be viewed in the light of fairly adequate statistics and peacetime conditions.

These years have brought a treasure of increasingly accurate and detailed information, as a result of expansion in size of sample and improvements in techniques of interviewing households and evaluating responses. Household unemployment data can be supplemented by unemployment insurance data developed during the same period. The insurance data cover only about two-thirds of the unemployed and rest on a somewhat different concept; but they derive from complete administrative records rather than from sample interviews and are available for individual States and labor market areas rather than merely for broad regions. Neither type of data is ideal but both have their advantages and they place us in a far better position to understand unemployment than we have ever been before.[3]

II. Unemployment and the Business Cycle

Three economic contractions have occurred since 1947. The first, which began in 1948 and lasted 11 months, was accompanied by a rise of unemployment which had started 4 months earlier, from a level of 3.6 percent, and rose to a peak of 7.8 percent in October 1949. Thereafter, unemployment declined steadily until the spring of 1951. The second increase began in August 1953 after the close of the Korean war and reached a peak of 6.2 percent in September 1954. From there it fell to slightly over 4 percent in mid-1955 and stayed remarkably close to this 4 percent until the recession which began in July 1957. Unemployment actually began rising about 4 months before the onset but did not gain much altitude until a month or so afterward. It reached a final peak in August 1958. By June 1959, just before the steel strike and 13 months after the trough of the recession, unemployment had declined to 4.8 percent, somewhat more than had prevailed that long after the previous two recessions but not far from the same percentage rate of recovery. During the second half of 1959, unemployment increased again, probably as a byproduct of the steel strike.

Several features of this cyclical behavior are noteworthy:

1. All three recessions have been reflected in sharp increases in unemployment, extending to all working groups, classified by age, sex, color, family status, industry, occupation, experience, or locality.

2. Unemployment has led the downturns, and lagged the upturns, of recessions. On

[1] Walter D. Fackler, of the United States Chamber of Commerce, Hearings before the Special Committee on Unemployment Problems, United States Senate, Oct. 5–7, 1959, p. 47.

[2] "Prosperity" unemployment is a much more comprehensive concept than "frictional" unemployment. "Technically, the term 'frictional unemployment' is usually reserved for unemployment of short duration . . ." Charles D. Stewart, op. cit., p. 281. Prosperity unemployment includes also hard-core and structural unemployment.

[3] For the most part these data are not to be found in any one place but are scattered through releases of the Bureau of the Census and the Department of Labor. A review of the Census data and their concepts will be found in my recent book, The Labor Force Under Changing Income and Employment (Princeton Univ. Press, 1958), pp. 42–48; 388–99. Two recent computations and analyses of unemployment data are The Measurement and Behavior of Unemployment, C. D. Long, ed., Universities-National Bureau Committee for Economic Research (Princeton Univ. Press, 1957); Joint Economic Committee, Study Paper No. 6, The Extent and Nature of Frictional Unemployment (U.S. Dept. of Labor, Nov. 19, 1959), p. 69.

TABLE 1.—*Timing of cycles in unemployment in relation to the business cycle, United States, 1947–59*

A. UNEMPLOYMENT BY PERSONAL CHARACTERISTICS AND NATURE OF UNEMPLOYMENT DATA

Reference cycle turning points [1]	Total unemployment		Unemployment by sex; percent of labor force		Unemployment by age and sex (number)				New workers (number)	Temporary layoffs (number)	Initial claims (number)
					Males		Females				
	Percent of labor force	State insureds (number)	Males	Females	14 to 24	25 and older	14 to 24	25 and older			
Peak, November 1948	+4	+1	+1	+1	+1	+5	+1	+6	−1	+4	+11
Trough, October 1949	0	0	0	−3	0	0	−3	−5	+2	0	+2
Peak, July 1953	−1	+1	−1	+2	+2	+4	+2	+2	−1	+3	+5
Trough, August 1954	−1	−1	−1	+4	−1	−1	−1	0	+6	+9	−1
Peak, July 1957	+4	+1	+4	+3	+10	+4	−3	+3	+26	+13	+20
Trough, April 1958	−4	−6	−4	0	−5	−4	0	0	−6	+1	0
Number of—											
Leads	2	3	2	4	3	3	2	3	3	5	4
Lags	3	2	3	1	2	2	3	1	3	0	1
Coincidences	1	1	1	1	1	1	1	2	0	1	1
Average lead (+) or lag (−) (months):											
Whole period	+⅓	−⅓	−⅙	+1⅙	+1⅙	+1⅓	−⅓	+1	+4½	+5	+6⅙
Recessions	+2½	+1	+1½	+2	+4½	+4½	0	+3½	+8	+6½	+12
Recoveries	−1⅔	−2½	−1⅔	+½	−2	−1⅔	−1½	−1⅔	+⅔	+3½	+½

B. UNEMPLOYMENT BY MAJOR INDUSTRY ATTACHMENT

Reference cycle turning points	Manufacturing		Construction	Transportation and public utilities	Trade	Services	Agriculture	Other
	Durable goods	Nondurable goods						
Peak, November 1948	+1	+1	+4	+4	+6	+6	+6	+1
Trough, October 1949	0	+3	0	0	−3	−3	−3	0
Peak, July 1953	−1	+3	+8	0	+2	+2	+5	−4
Trough, August 1954	0	0	−2	−1	0	0	+2	−1
Peak, July 1957	+4	+4	+15	0	−3	+3	+4	−5
Trough, April 1958	−6	−3	−4	+1	−3	−4	0	−2
Number of—								
Leads	2	4	3	2	2	3	4	1
Lags	2	1	2	1	3	2	1	4
Coincidences	2	1	1	3	1	1	1	1
Average lead (+) or lag (−) (months):								
Whole period	−⅓	+1⅓	+3⅔	+⅔	−⅓	+⅔	+2⅓	−1⅔
Recessions	+1⅓	+2⅔	+9	+1⅓	+1⅔	+3⅔	+8	−2⅔
Recoveries	−2		−2	0	−2	−2⅓	−⅓	−1

[1] The reference cycle turning points (November 1948, through July 1957) are those marked off by the National Bureau of Economic Research. See Gerhard Bry, "The Average Work Week as an Economic Indicator," Occasional Paper 69 (NBER, 1959), p. 37. The trough date for the recent recession of April 1958 was selected in this study.

Source: Seasonally adjusted data supplied by courtesy of the National Bureau of Economic Research and the Department of Labor.

the three downturns, total unemployment began to rise as much as 4 months earlier (table 1). This lead also stands out in data classified by age, sex, or broad industrial group. It is even greater for new workers, temporary layoffs, or initial claims to unemployment insurance. By contrast, in economic recoveries, unemployment has tended to delay its decline by 1 to 6 months. The delay has also occurred in detailed categories of unemployment, classified by age or industry, though there was a small lead for new workers, temporary layoffs, and initial claims.

3. The level of unemployment in peacetime prosperity since 1947 has been about 4 percent: During January, 1947, through November, 1948, it was 3.9 percent; during mid-1955 to mid-1957, it was 4.2 percent. Only during the Korean war and the peacetime balance of 1953 was prosperity unemployment notably less.[4]

4. The recession increases have been less substantial than they seem. Unemployment doubled in 1948–49, more than doubled in 1953–54, and rose about four-fifths in 1957–58. The typical increase was 3.8 percent of the labor force, or 2½ million unemployed. The unemployment peaks, however, have been relatively short lived, and the average recession excess of unemployment over the 4-percent prosperity level was 1½ percent during the first recession, ¾ percent during the second, and 2 percent during the third. Spread over the entire peacetime, they have been less than 0.8 percent. Altogether, only one-sixth of the average peacetime unemployment since 1947 has been directly traceable to the business cycle; five-sixths has been of the kind that prevails even during the good years. The main problem of unemployment since World War II has been one not of recession unemployment but of prosperity unemployment.

III. UNEMPLOYMENT, ECONOMIC GROWTH, AND INFLATION

The 13 years have seen a variety of behavior. Unemployment has fluctuated rather widely. Output and productivity have at

TABLE 2.—*Output, productivity, wages, and prices at different levels of unemployment, United States, January 1947–June 1959*

	Annual percentage rate of increase				
	Output, real GNP		Wages, gross hourly earnings	Prices	
	Total	Per worker		Wholesale	Retail
A. Periods in which unemployment began and ended on about the same level: Unemployment level generally:					
4 percent or less	3.5	2.2	7.3	2.6	4.0
January 1947 to November 1948	3.9	1.8	10.1	7.5	6.3
December 1950 to November 1953	3.3	2.4	5.6	−.6	2.5
Over 4 percent	4.0	2.8	4.6	2.6	1.7
November 1948 to January 1951	5.8	4.3	5.0	4.5	2.3
November 1953 to May 1959	3.3	2.2	4.5	1.7	1.4
Over 5 percent	5.2	4.4	3.2	.9	.5
March 1949 to July 1950	7.5	5.7	3.3	2.0	.7
January 1954 to January 1955	3.6	4.3	2.2	−.7	−1.5
November 1957 to May 1960	4.5	3.5	3.8	1.0	1.3
Over 6 percent	6.7	4.9	3.5	−.3	−.05
June 1949 to April 1950	5.7	3.8	2.3	−1.2	−1.3
January 1958 to March 1959	7.4	5.8	4.4	.5	.9
B. Periods in which unemployment was generally rising:					
Under 5 percent	−5.1	−2.6	3.2	−1.3	.5
Over 5 percent	.4	1.5	.8	−1.1	.5
C. Periods in which unemployment was generally falling:					
Under 5 percent	7.7	5.0	7.7	10.9	5.9
Over 5 percent	9.3	6.5	6.2	3.1	.7

[4] There is the possibility, however, that the census was underreporting unemployment during the peacetime half of 1953, as a result of a change-over in the sample: C. D. Long, The Labor Force Under Changing Income and Employment (Princeton Univ. Press, 1958), p. 47. Also Report of the Special Advisory Committee on Employment Statistics (Bureau of the Census, mimeo., Aug. 1954).

times accelerated and at others slowed to a near halt. Wages and prices have alternated between rapid inflation, lagging advance, and near stability. Has there been any relationship between these developments in unemployment and the changes in output, wages, and prices? Are there any levels of unemployment most favorable for rapid growth and stable prices?

As a first step we mark off, in the monthly data since 1947, periods in which unemployment was generally over 6 percent, over 5 percent, over 4 percent, and 4 percent or less (table 2). The periods were so selected that unemployment was on the same level at beginning and end, higher in between (except for an occasional slight dip below). This device was chosen to insure that the periods would not differ widely in the degree to which unemployment was rising or falling, since rising unemployment is usually associated with lagging output and prices and falling unemployment with accelerating output and prices, regardless of unemployment level.

The results may be summarized in three statements.

First, the rates of advance of output, wages, and prices were related to the levels of unemployment.

Second, real gross national product advanced more rapidly the higher the level of unemployment; and this more rapid advance of GNP seemed due to more rapid advance of real GNP per worker. When unemployment was over 6 percent, real GNP grew almost twice as fast as when it was 4 percent or less. Per worker it grew more than twice as fast. At unemployment levels in between the rates of growth were roughly commensurate. So far as averages were concerned there were no exceptions: each higher level of unemployment brought higher growth rates of both GNP and GNP per worker. (However, individual periods sometimes yielded comparisons that went against the relationship. For example, the period of November 1953, to May 1959, when unemployment was generally over 4 percent, yielded the same growth for GNP and a slightly slower growth for GNP per worker as the period of December 1950, to December 1953, when unemployment was 4 percent or less.)

Third, the higher the unemployment level the less the rise of wages and prices. When unemployment was over 6 percent, gross hourly earnings in manufacturing rose less than half as rapidly as when unemployment was under 4 percent. And prices, which went up at an annual rate of 2.6 percent for wholesale and 4.0 percent for retail at the lowest level of unemployment, inflated very little when unemployment was over 5 percent and even declined slightly when it was over 6 percent. There were no exceptions to the rule that the average advance of prices was less the higher the unemployment level, but wages do offer one exception in that they rose slightly more when unemployment was over 6 percent than when it was over 5 percent.

Though periods were chosen so that unemployment began and ended on the same level, we must still be concerned with the fact that, whatever the level of unemployment, output and prices usually accelerated when unemployment was falling and lagged when unemployment was rising. Do the above results hold if periods when unemployment was rising and falling are each segregated into subperiods of high and low unemployment (table 2, sections B and C)?

Section B shows that, when unemployment was generally rising, output and productivity rose while it was over 5 percent and fell while it was under 5 percent. Section C reveals that, when unemployment was generally falling, productivity rose twice as fast while it was over 5 percent as while it was under 5 percent. Similarly, though of course in opposite direction, with wages and prices with minor exceptions. Hourly earnings[5] and prices tended to rise more (or fall less) when unemployment was below 5 percent than when it was above 5 percent—both when it was generally rising and when it was generally falling.[6]

Altogether, whether unemployment was rising or falling, a high level seemed strongly associated with accelerating growth and stabilizing prices. Nearly 40 percent of the rise in real GNP, and half of the rise in real GNP per worker for the 13 years occurred during the 3¼ years when unemployment was over 5 percent. Only an eighth of the wage rise, a tenth of the wholesale price income, and a thirtieth of the consumers price increase occurred during these years, which made up a fourth of the overall period.

IV. POSSIBLE EXPLANATIONS FOR THE APPARENT UNEMPLOYMENT EFFECT

Was the effect due to hidden changes in inputs? Hours per week put in by the average worker tend to rise before the upswing of employment in the recovery of the business cycle.[7] There are also cyclical changes in the quality-mix of the employed labor force. Could these rather than the higher level of unemployment as such be the explanation for the more rapid growth of productivity?

A full answer waits upon a more detailed study which must contend with serious difficulties in the quality and quantity of labor and other inputs and must make use of monthly or quarterly data. Meanwhile, we rely on the annual data of John Kendrick,[8] which undertake to measure output per unit of labor input, taking account of changes in hours and in quality of labor measured by different levels of compensation. Kendrick also computes a total productivity measure that attempts to take account of variations in the inputs of both labor and capital. Unfortunately, Kendrick's data do not cover the recent recession, since they end in 1957 (table 3).

This comparison, despite its reliance on crude annual data, fully supports our findings that the higher the unemployment the more rapid the productivity advance. When unemployment was over 5 percent, output per unit of labor input rose over three times as fast as when unemployment was under 4 percent; and output per unit of both capital and labor inputs rose 3½ times as fast.

TABLE 3.—*Comparison of unemployment levels and productivity, taking account of changes in labor and capital inputs, 1947–57*

Unemployment level	Annual percentage increase	
	Output per labor input	Output per unit of capital and labor input
4 percent or less	1.7	1.2
1947–48	1.2	.5
1951–53	2.1	1.6
4 to 5 percent	2.7	2.2
1955–57	2.7	2.2
Over 5 percent	5.5	4.3
1949–50	5.5	4.3

Was higher unemployment the result of rapid productivity advance? We have seen that output per worker grew most rapidly during high unemployment. Could unemployment have been the effect rather than the cause of the acceleration of productivity and its consequent reduction in labor requirements per unit of output? We shall not answer this question in any complete way; but one set of comparisons seem to establish a presumption against technological advance as a cause of unemployment and a second seems to favor unemployment as a cause of technological advance.

The first set consists of cross-sectional comparisons of increases in output per worker and unemployment for seven major industry groups. The productivity data are those of John Kendrick and are available only for keys years: 1937, 1948, and 1953.[9] We compare for each industry group the average annual change in productivity between 1937 and 1948, and the level of unemployment in 1948. Similarly we compare the average annual change in an industry's productivity between 1948 and 1953 and the percentage of its workers unemployed in 1953. The first yields an inverse relation; the greater the average change in productivity between 1937 and 1948, the smaller the unemployment rate in the latter year. The second yields no significant association in any direction. So crude a cross-section comparison is far from conclusive but, for what it is worth, it does point in opposite direction from the idea that unemployment was the result of productivity advance.

The second analysis, which favors unemployment as a cause, is based on time series. Year-to-year changes in the unemployment are compared with year-to-year percentage changes in Kendrick's GNP per worker.[10] This comparison suggests that the two movements may have been related, but it shows that the three major increases in output per worker—those in 1949–50, 1954–55, and 1958–59—followed those of unemployment by a year and that by the time the increase of output per worker reached its peak the rate of increase of unemployment had taken a sharp decline. More research is needed on this question of which, unemployment or productivity, moves first; no doubt there is interrelation. But the presumption seems to support unemployment as the prime mover.

"Lubrication," "insecurity," and "pencil-sharpening" effects of unemployment: It is often maintained that a certain amount of unemployment is necessary, to grease the

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[5] Gross hourly earnings of manufacturing production workers, including premium payment for overtime. Data excluding overtime pay are available since Jan. 1953 (Survey of Current Business, Business Statistics, 1957, p. 74; 1959, p. 76). These reveal patterns very similar to those of the gross hourly earnings; if anything, they support more strongly our finding that periods of higher unemployment were periods of slower advance in wages. In addition, hourly earnings data are available for all industries, including trade, services, government, and agriculture, adjusted to eliminate the impact of changes in the broad industrial composition of unemployment. These data have been computed on a quarterly basis, but only for the years 1947–56 (C. D. Long, "The Labor Force Under Changing Income and Employment" (Princeton Univ. Press, 1958), pp. 365–6). They give full support to the factory wage data in revealing generally less rapid wage increases on each higher unemployment level.

[6] These results were also upheld, though weakened slightly, when the percentage changes in output, wages, and prices were deflated by the percentage changes in unemployment.

[7] Gerhard Bry, "The Average Workweek as an Economic Indicator," Occasional Paper 60 (NBER, 1959), pp. 4–16.

[8] John W. Kendrick, Productivity Trends in the United States (NBER, 1959, mimeographed). App. A, table XXII.

[9] Productivity Trends in the United States, op. cit., App. D–K. In some cases the industries may differ in coverage as between productivity and unemployment. Notably, Kendrick has computed productivity data for government only for the Post Office.

[10] Op. cit., app. A, table XXII.

way for economic growth and to prevent the frictional heat of inflation. Newly born firms and expanding industries may need workers in larger numbers than are being released by those that are currently dying, and the workers released may have obsolete skills and need new training. The unemployed can fill the breach while new workers are adapting and moving to the areas of expansion. Were it not for the unemployed reserves, the expansion might grind more slowly or generate inflationary wage and price increases. This I call the lubrication effect.

Unemployment could also exert what I call an insecurity effect. Fear of losing jobs could make labor—union or nonunion—less aggressive in pressing for wage increases and more disposed to put extra effort and care into its work. Difficulty of getting new jobs would reduce labor turnover and thus enhance efficiency through greater continuity of employment and less training expense. The insecurity effect on workers may also lead to, and be associated with, what I call a pencil-sharpening effect on employers. Pressure from directors and stockholders of firms losing money and stiffer competition from other firms in similar difficulties might make management more anxious to cut costs and, therefore, more resistant to wage demands and more willing to increase efficiency and cut prices in order to regain lost business and restore profits.[11]

The insecurity effect, the lubrication effect, and the pencil-sharpening effect may all work in the same direction, and it is probably not possible to disentangle them quantitatively. But why should 5- to 6-percent unemployment be required to stimulate growth and check inflation and why, at levels of 4 to 5 percent, should wages and prices leap ahead so nimbly while output brings up the rear? What is the nature of prosperity unemployment that it seems to fail either as a lubricant or as an insecurity stimulant?

The balance of this paper will examine the prosperity unemployment, in order to throw light on whether it is due to a deficiency in the power of our economy to generate full employment at stable prices and rapid growth, or to the nature of the unemployed and their possible inability to fill the needs of an expanding economy except under inflation and lagging technology.

V. THE ANATOMY OF PROSPERITY UNEMPLOYMENT

Understanding unemployment requires an examination of the unemployed themselves: the kind of people they are, where they are located, and the nature of their idleness.

Sex: During recession males and females tended to have roughly the same unemployment rates, and their proportions of unemployment have reflected their proportions of labor force—about two-thirds males and one-third females. During prosperity, however, female unemployment seems to maintain one-half to 1 percent higher level, undoubtedly because of a much higher labor force turnover in normal times.

Age: Wide differences in unemployment rates prevail between different age groups—mainly between males over and under 25 and females over and under 20—with the younger persons having much the highest idleness. Indeed, about one-third of the unemployed were under 25, in both prosperity and recession years. Less than a 1-percent rate separated the various male age groups between 25 and 64. Men 65 and older tended to have roughly median rates for those groups 25 and older, but many doubtless leave the labor force and are thus not identifiable from those who are voluntarily retired. Unemployment of younger persons seems to fall relatively less in prosperity than the unemployment of persons 25 and older, again because of more turnover among jobs or between school and labor force.

Duration: The seriousness of unemployment is reflected not only in number but also in length. The average duration during the recent recession was higher than during the earlier vote; one in three was idle 15 weeks and longer, compared to one in four in the recession year 1954 and the high prosperity year 1955. Long-duration unemployment increases with age of both females and males; and in both recession and prosperity years it was more than double for the men 65 and older what it was for the teenage workers. The young person is more apt to become unemployed; the older person to stay unemployed.

Color: About one in five unemployed persons has been nonwhite. Unemployment rates of colored have ranged from two-thirds more than those of the whites to double. Fluctuations have been similar, except that the colored rates did not fall as fast in the recoveries from any of the three recessions. Colored unemployment rates manifest an upward trend relative to whites, especially since 1954.

Industry: Unemployment has differed greatly among industries. Rates were highest in construction, mining, and manufacturing, median in trade, and lowest in transportation, public utilities, services, and government. The peacetime prosperity rate of idleness in construction was over five times as great as that in government. The rankings held over most of the years, especially since 1954; that is, the industries with relatively high unemployment in prosperity were also the industries with relatively high unemployment in recession.

Occupation: Unemployment has varied even more widely between major occupations. In 1958, the 15-percent unemployment of laborers was seven times that of professional and technical employees. The rates were in general highest for the blue-collar or manual occupations and lower for the white-collar and service occupations, with the self-employed, the employer, and the managerial groups at the bottom. As with the industrial groupings, the rankings were remarkably stable, both among the recession years of 1949–54 and 1958 and between recession and the prosperity. Since 1948 the civilian labor force in white-collar and service occupations has risen substantially, from under 47 percent to over 53 percent; but the proportion of total unemployment in these occupations has, if anything, declined. This is because the rates of unemployment among these manual occupations have risen more since 1954 than those in the white-collar occupations. Since 1954, the proportion of total unemployment borne by the manual occupations has been about two-thirds. The white-collar and service occupations, with over half the labor force and a rising proportion of the labor force, have suffered only one-third of the unemployment.

Geographical area: Unemployment rates have differed between States and communities, most widely between small towns or specialized cities, whose fortunes depend on a particular industry (say, textiles, steel, lumber, coal, education, or government). The biggest cities have had unemployment rates closer to the national average. Some differences occur between broad regions, but not as great as within these regions. Since 1955, the Northeast rate appears to have been somewhat higher than the national, that of the South somewhat lower, with the West and North Central near the national average. However, the proportion of national unemployment contributed by the excess unemployment of the so-called depressed areas has been relatively minor, though of course serious to the areas concerned.

Is there a typical unemployed person? The answer is partly yes and partly no. Unemployment falls on all classes, but especially on the young person under 25, the colored worker, the older worker, the manual or blue-collar worker, the worker attached to construction, mining, and manufacturing, and notably the worker with little or no education. In the prosperity month of March 1957, the half of the civilian labor force with less than 4 years of high school suffered 70 percent of the unemployment. College graduates, who were 9 per cent of the labor force, contributed only 1.6 percent of the unemployment.[12]

Of the groups that have the most unemployment at any one time, some are apt also to suffer most from long-duration or repeated spells, particularly older workers, colored workers, laborers, domestic servants, single, widowed, or divorced men or women, and workers in construction or nondurable goods manufacturing. Repeater unemployment can be measured in the work experiences published once a year by the Census.[13] With these, we can construct Lorenz curves indicating the percentages of total man-weeks of unemployment suffered each year by various percentages of unemployed. Distributions for each of 4 years, 1955 through 1958, reveal several interesting phenomena.

First, the distribution of unemployment among the unemployed is remarkably uneven. In the prosperity years, about one-fourth of the unemployed suffered nearly two-thirds of the aggregate unemployment and half of the unemployed suffered 85 to 88 percent of the unemployment.

Second, the distribution varied only slightly between the prosperity years 1955, 1956, and 1957.

Third, if anything, the distribution of unemployment was somewhat more uneven during the 3 prosperity years than during the recession year. In 1958 the most heavily afflicted group of unemployed suffered, not two-thirds, but only 57 percent of the aggregate man-weeks of unemployment.

VI. CONCLUSION

If the foregoing analysis is correct, the performance of our economy in providing high employment under rapid growth and stable prices would be best enhanced, not by increasing the aggregate demand for labor through spending, but rather by improving the quality and availability of the prosperity unemployed, in order to qualify them for the kind of jobs the economy can provide in time of peacetime prosperity without inflation.

This is not so simple as increasing aggregate demand through spending. It means fighting unemployment on many levels; by improving the education and training of the young and unskilled; by restoring the usefulness of the middle aged through rehabilitation and replacement of obsolete skills; by removing barriers to the employment of the old, the negro, and even the female worker; by providing more job information to workers of all ages and extending more encouragement to move to new occupations, industries, and areas; by eliminating the temptation of some workers to malinger in order to collect unemployment insurance; by modifying the unsettling effects of bad weather and irregular

[11] On the other hand it is possible that insecurity could have negative effects on productivity, through monopolistic restrictions, price supports and featherbedding devices. However, most firms and industries probably do not have the great degree of monopoly required to resist the competitive pressure from rival products and subsitutes.

[12] Bureau of the Census, Current Population Reports, "Educational Attainment of Workers, March 1957," series P–50, No. 78, p. 8.

[13] Bureau of the Census, Current Population Reports, "Work Experience of the Population," series P–50, Nos. 68, 77, 86, 91.

buying and selling habits in creating seasonal variations in employment; by moving new capital and enterprise to depressed areas; by improving the efficiency of small and marginal firms, in order to reduce the high rate of business deaths that occur even during normal times; and by curbing the monopoly power of giant firms and unions—a power which enables them to seize on improvements in business as an opportunity less to expand production and employment than to raise wages and prices.

Some final words of caution in drawing inferences from the results of this paper:

The fact that economic growth seems to have been more rapid and inflation less rapid at higher unemployment levels does not prove in itself that higher permanent levels of unemployment would be accompanied by more rapid secular rates of economic progress and greater longrun wage-price stability (though these possibilities must not be excluded). The episodes of unemployment over 5 or 6 percent have been brief and may have merely ripened the technological harvest rather than planted or cultivated it. Our results must also be tested against the data of other times and other nations, as well as of those of detailed industries and localities.

In any case, if it should be true that rapid growth and stable prices are not presently compatible with a really low level of unemployment, this is an argument, not for inflation, not for a slower rate of growth, not for unemployment as a positive benefit or a necessary evil, but for an attack on the principal causes—those which lie in the deficiences in the supply of labor among the prosperity unemployed.

A Theory of Creeping Unemployment and Labor Force Replacement

(By Clarence D. Long before the Catholic Economic Association annual meeting, Tuesday evening, December 27, 1960, Chase-Park Plaza Hotels, St. Louis, Mo.)

1. Introduction

For a generation the theory of what determines unemployment has been the theory of what determines demand. Under the demand theory, unemployment results when total spending falls below the sum needed, at existing prices, to buy all the output the economy can produce at full capacity.

Unfortunately for the demand theory, it has not been able to explain why, in the face of very substantial increases in aggregate spending, unemployment can persist, and even increase. Since 1948 the gross national expenditure has risen more than 90 percent, while the full capacity gross national product of the economy in constant prices has risen about 50 percent (the excess demand having been soaked up by a rise of nearly 30 percent in the price level). There has not been any shortage of aggregate spending; yet peacetime prosperity unemployment has crept generally upward: from 3.85 percent of the labor force during the prosperity period 1947–48; to 4¼ percent during the 30 prosperity months from January 1955 through July 1957; 5⅓ percent during 1959–60.[1] The period has suffered three complete recessions, when unemployment rose to moderate peaks, but these peaks have been short lived, so that only a small fraction of the average peacetime unemployment since 1947 has been directly traceable to the business cycle; five-sixths of it has been the kind that prevails even during the good years. The recent problem of unemployment has been not recession unemployment, but the upward creep of prosperity unemployment.

This rise has been accompanied by a great lengthening in the duration of unemployment, by a great increase in the relative burden of unemployment on the colored, especially since 1954, and by especially high unemployment rates in construction, mining and manufacturing, and in blue-collar and manual occupations; since 1954 the blue-collar occupations have borne about two-thirds of the total unemployment, and the white-collar occupations, with over half the labor force and a rising proportion of the labor force, have suffered only one-third. Altogether, the distribution of idleness during the 1950's has been remarkably uneven.

The decade has been characterized not only by creeping unemployment but also by long-term changes in the age and sex composition of the labor force. Over half of the labor force increase for the decade was women 35–64, and the proportion of female workers rose from less than 29 percent of the total labor force in 1950 to nearly 32 percent in 1960, while the proportion of male workers decreased accordingly. Part of this relative decline for males was the continued fall in the labor force participation rates of older men and youths under 25.

These trends raise three questions:

1. What has caused this creeping unemployment?
2. What has caused the relative replacement of the labor force of men with women?
3. What are the prospects for creeping unemployment and labor force replacement in the future?

2. A Model To Explain Creeping Unemployment

In order to answer these questions, an attempt is made here to develop a theory of creeping unemployment and labor force replacement, and to support it with empirical data. The theory works through two postulates, each serving as the blade of a scissors: First, the greater the opportunity offered to the average worker to improve his personal productivity, the further some of the workers will fall below the average. That is, the faster the march of the average, the greater the lag for the stragglers. We call this the widening productivity spread.

Second, the social minimum wage—the wage below which custom, employer ethics, or law forbids workers to be employed—rises at the same percentage rate as the average wage, and the average wage rises at the same rate as the average productivity. We call this the constant (relative) wage spread.

The widening productivity spread: In recent decades unprecedented opportunities have opened to the average person to improve his personal productivity: better food, sanitation, and medical care, resulting in improved physical strength and well-being; lowered barriers to occupational and geographical movement of workers, enabling millions of workers to aspire to jobs which can bring forth their full productive power; and, above all, more and better education for the average worker.

It is a basic argument of this paper that the greater the average quality of the labor force, the more unfavorable the position of those who cannot improve. Some lack the intelligence to absorb better training and education. Others are deficient in willpower, motivation, or emotional stability. Still others are barred by age, color, or inferior school facilities in their locality. These workers fall behind the average; the higher quality the labor force, the greater the disparity of this group compared with the average. It is much worse to have no education when the average person is a high school graduate, as in 1960, than when the latter has only 8 years of equivalent full-time education, as in 1930.

It is still worse to be an illiterate when the average person has 8 years of education than when he is also an illiterate.

Under capitalistic or mass-production conditions, the pace of work and the job arrangements are geared to the majority of workers. It may be impractical to slow down an assembly line, or to set up a separate and slower assembly line, in order that the weak or slow-witted can find a place. If most workers are literate, firms may not choose to set up special arrangements in order that the illiterate can learn safety rules and other job instructions. In extreme cases this could be true even if the substandard worker were willing to work for nothing.

Even without mass production, it may not be worth while to employ substandard workers if there is a minimum wage which obliges the employer to pay the worker more than his individual productivity justifies.

The social minimum wage: Our second postulate, then, is that there is a social minimum wage below which workers are not employed, because minimum-wage legislation and union wage standards forbid it; because social security and private pensions provide an alternative; and because employers themselves set minimum scales, to head off unionization, to avoid a reputation as a sweatshop, or to maintain employee morale.

This model does not assume that the social minimum rises faster than the average wage (though, if it did, that would accentuate the creeping unemployment); only that the social minimum rises at the same rate as the average wage, that the average wage rises at the same rate as average productivity. The productivity of the stragglers lags behind both the average productivity and the social minimum wage. It becomes unprofitable to hire these stragglers and they become unemployed or leave the labor force. Whether unemployment rises or labor force shrinks depends on whether the stragglers are replaced in the labor force by persons, formerly outside, whose personal productivity rises at a rate equal to, or faster than, the social minimum.

A subsidiary proposition is that the total expenditure of the economy is great enough to buy all the products of the economy at existing prices, and grows at the same annual rate as the full capacity gross national product at constant prices. If aggregate demand should rise at a slower rate than the full capacity output of the economy, we have an additional cause of unemployment. And if it should increase much more rapidly than full capacity output, then, as we show later, it is possible to have an offset to creeping unemployment.

The model is illustrated in chart 1, where it is assumed for illustration that the labor force is divided into nine segments of equal size, each segment increasing its productivity at a different compound percentage rate: the lowest at 1 percent, the next at 1¼ percent, and so on, to the top segment which increases its productivity at the annual rate of 3 percent. Average productivity is the weighted mean for the nine segments. The average wage is assumed to rise at the same rate as the average productivity; thus the same line represents both. The social mini-

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[1] In the United States the labor force is currently defined as the sum of all persons reported by the census to be employed or unemployed during a certain specified week, the week which includes the 15th of the month to which the measure refers. The employed category covers all persons 14 and older who have jobs or businesses for pay or profit, including employers and self-employed, unpaid family workers in a store or on a farm who help produce a salable product or service, and employees of nonprofit enterprises and government agencies. The unemployed category includes persons 14 and older who have no job or business of the above-mentioned sort and are seeking such employment during the survey week (or who say they would have sought it had they not been sick or had they not believed that there was no work to be found).

mum wage, while below the average wage, is assumed to rise at the same percentage rate.[2] A rise of aggregate demand just fast enough to buy the expanding output of the economy at constant prices is reflected in the rise of both money and real wages at the same rate.

Given these assumptions—a widening dispersion of the productivities of the various segments of the labor force, and an advance of the social minimum wage at the same percentage rate as the average productivity—the lower segment of the labor force tends to lag in its productivity behind the main advance and to become less and less employable at the wage which it insists on getting or which society insists on paying.[3] Thus the tendency toward creeping unemployment and separation from the labor force.

3. EMPIRICAL FOUNDATIONS OF THE THEORY

How realistic are our postulates that, as average productivity of the labor force rises, certain segments lag; that average wages rise at the same rate as productivity; and that the social minimum wage rises at least as rapidly as the average wage and average productivity?

The widening productivity spread: The usual statistics on productivity refer only to average output per unit of input. They thus measure the combined product of such inputs as labor, capital, management, and technical knowledge, and cannot indicate the productivity of the individual worker or particular segment of the labor force.[4] For this personal productivity, we need measures of such worker characteristics as age, sex, health, skill and training, occupational and industrial attachment, and education.

In the last two decades a large body of information has developed which establishes a close connection between unemployment and labor force participation on the one hand, and educational attainment, on the other. The strategic factor is not education as such. Education can be regarded as merely standing for intelligence, drive, emotional stability, family affluence, economic opportunity and other factors. These data may not be conclusive—what empirical data ever are? But they do much to support our model.

What do these data show?

First, there has been a close moment-of-time association between education and unemployment. Within a given age and color group, the unemployment rates of urban men varied inversely with years of education. The association was upheld at each of the 1940 and 1950 censuses and may also be observed in the results of the 1959 sample survey. The moment-of-time association was also pronounced in March 1959 among major nonfarm occupations. At one extreme laborers had a median education of 8½ years and unemployment of 11.4 percent. At the other, professional workers had a median education of 16.4 years and unemployment of only 1½ percent. In between, unemployment and education were inversely associated.

Second, there has been a remarkable inverse moment-of-time association between education and percentages of men not in the labor force (charts 3A and 3B). For men with no education, the not-in-the-labor-force group has been as high as 25 percent of the population of men in the same educational categories. In the case of middle-aged white men, e.g., aged 35–44, the percentage not in labor force fell rapidly with additional education through the eighth grade, then slowly with additional education; for college graduates, the proportion outside the labor force was no more than 2½ percent. In the case of older white men, 55–64, the percentages not in labor force fell more gradually with additional education: beginning at 25 to 32 percent for those with no schooling, and falling to about 15 percent for elementary school graduates, and to 10 percent for college graduates.

For colored men, the slope was more gradual yet. Colored men with no schooling had much smaller percentages not in the labor force than white men of the same age and lack of education. But colored college graduates had somewhat higher percentages not in the labor force than whites in the case of the younger men, and about the same percentages in the case of the men 55–64. In general, education was less of a factor in determining labor force status of colored; but the data were for the urban South, where most jobs open to Negroes were possibly not the kind for which education helped a man to qualify. Also, the social minimum wage was surely lower in the urban South for Negroes than in the urban United States for whites, so that a person with modest qualifications was less apt to be priced out of the market. The economy of the urban South, out of its long experience with Negro labor, has possibly adjusted both in the nature of the job and the level of wages to make a place—humble though it be—for the poorly educated colored man.

So far, the intimate relation of education to unemployment and nonlabor-force status has been demonstrated only in moment-of-time associations. Has education been advancing overtime at different rates for different segments of the labor force, as called for in our model?

The evidence is interesting.

The unemployed have improved much less in education over the past decade than have the employed. In 1950 the unemployed man 18 and older averaged 91.8 percent the education of the employed; in 1959, only 81 percent. In 1950 the not-in-labor-force averaged 92.8 percent the education of the employed; in 1959, only 72.6 percent.

Similar developments have occurred for the various age groups. For the labor force, education rose for each age group from 18–24 through 65 and older. For the not-in-labor-force, education actually fell for several age groups, including 18–24, 35–44, and 45–64.

All these comparisons have been confined to males, because of the complex situation which obtains for female labor force participation relative to husbands' incomes and their own education. Other things equal—age, color, child-care responsibilities, and education—wives are less likely to be in the labor force the higher the incomes of their husbands. But wives of higher income husbands are more apt to have superior education and therefore better job opportunities. These two effects—the income effect and education effect—tend to cancel, but only partially. Thus, women unemployed or not-in-labor-force tend to be inferior in education to the employed women, though the margin—10 or 15 percent—is not as great as in the case of males.

There is, however, a more important comparison. We have seen that women have been entering the labor force in large proportions, replacing the younger and older males and even some of the men of the prime working ages. What has been happening to the education of the employed women, compared to that of the males? Here we find that the female employed had in 1950 25 percent more education than the male not-in-labor-force; in 1952, 41 percent more; and in 1959, 43 percent more (table 1). The replacement of older and younger males by women is reflected in the superior education and the more rapidly improving education, of female workers compared to the males.

The statistical basis for the social minimum wage: The other basic postulate which underlies our theory of creeping unemployment—the second blade of the scissors—is that the social minimum wage rises at the same rate as both average wage and average productivity—in other words that the percentage differential between minimum and average wage remains constant, or at least does not widen. What is the evidence that the social minimum wage has in fact kept pace with the average wage during the last decade?

One set consists of the distribution of straight-time hourly earnings of factory production in 1947, 1954, and 1958. The distribution shows that the effective minimum—40 cents in 1947, 75 cents in 1954, and $1 in 1958—not only kept pace with the average (which is all our theory requires) but actually rose faster than the average, from 44 percent in 1947, to 45 percent in 1954, to 50 percent in 1958 (table 2). The pattern was followed between 1954 and 1958 for each of the major regions, Northeast, South, Midwest, and Far West.

A second set of evidence consists of the distribution of union hourly earnings, on July 1, 1950 and 1958, for the printing trades, the building trades (helpers and laborers), motortruck drivers and helpers, and local transit workers. In the first three cases, both the minimum and the third quartile rose faster than the average. In the fourth, the minimum and third quartile rose slightly less than the average.

A third set consists of the benefit levels in 1950 and 1959 for various social insurance and welfare programs, compared with employment earnings.[5] In the case of old-age and survivors' insurance, average monthly benefits paid to older workers and their wives rose from 21 to 33 percent of monthly earnings of factory workers, and the proportion 65 and older drawing benefits increased from 13 percent in 1948 to 63 percent in 1959 (partly offset by a small decline in the proportion drawing public assistance). In the case of unemployment insurance, average benefits in 1950 were 40.7 percent of net spendable average weekly earnings of factory production workers and in 1959, 41.8 percent. In the case of general public assistance programs, average monthly payments per case in 1950 were 21.1 percent of net spendable average monthly earnings of factory workers and in 1959, 22.0 percent.

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[2] A few students maintain that a more meaningful wage differential is an absolute rather than a percentage differential. If the social minimum wage were to remain below the average wage by a constant absolute differential, it would mean that the social minimum would rise much more rapidly than it does in this theory and therefore have much greater effect in causing creeping unemployment.

[3] In this model we assume that it is the lower productivity segments of the labor force that advance in productivity at a lagging rate. This assumption is made only for simplicity of presentation and is not necessary to the argument. In actual fact, it is likely that some of the higher productivity members of the work force will advance in productivity at lower rates and some of the lower productivity members at higher rates. This will have the effect of narrowing the productivity spread until the two rates of advance cross each other; thereafter the effect will be a widening of the spread.

[4] Even the productivity for individual industries, such as manufacturing and agriculture, are largely the gross result of other sectors of the economy, such as better roads provided by government, scientific knowledge provided by universities, improved communications provided by the telephone industry.

[5] Statistical Abstract of the United States, 1960, pp. 223, 268, 271, 280.

4. SOME QUESTIONS TO BE ANSWERED

This paper began by reviewing for the past decade the upward creep of prosperity unemployment, with its heavy incidence on the manual and blue-collar worker, on the younger and the older worker, on the colored worker, and on the poorly educated worker. In order to explain these events, a model was constructed on the basis of two postulates: First, a widening productivity spread of the labor force as the average productivity increases, so that in the upward march of productivity certain segments of the labor force lag behind the average; second, a social minimum wage which rises at least as fast as the average wage (in turn assumed to rise as fast as average productivity).

Both postulates seem borne out by the statistics. But certain questions must be dealt with before we can be satisfied with the foundation of our theory.

First, why has there not been much more creeping unemployment? The average education of the unemployed has lagged far behind that of the employed; and the social minimum wage has kept pace with, even risen faster than, the average wage and productivity. Yet prosperity unemployment has in recent years been only 1½ higher percentage of labor force than it was in 1948, a distressing waste but not impressive in comparison with what might perhaps have been expected from differential movements of education and wages.

The explanation is that the poorly educated unemployed have tended to drop out of the labor force, as evidenced by the still greater worsening in the relative education of the not-in-labor-force group.

A second question arises out of the first. If many unemployed have been dropping out of the labor force, why hasn't the labor force been declining as a share of working-age population, instead of remaining approximately constant? What has happened is that their places in the labor force were taken by others, and these others were the better educated women. The superior education of employed female compared with the male not-in-labor-force, and their widening margin of educational superiority during the decade, is consistent with this development.

But what about the social minimum wage of women relative to men? How does this fit into the replacement of men by women over the past decade?

No extensive documentation is needed for the lower pay of women.[6] But have the earnings of women been rising less or more than those of men? On this question the evidence is not plentiful, but recent data for 17 large labor market areas indicate that, in manufacturing, wages of women office workers and industrial nurses rose about the same between 1953–59 as the wages of men in skilled maintenance and unskilled plant work. With employed women enjoying a large and widening superiority in educational attainment over men not in labor force, and working for wages that have been not only lower but show no signs of creeping up on the wages of men, it is not surprising that women have increasingly entered the labor force to take jobs in the expanding clerical, service, technical, and professional occupations; while poorly educated men have left the labor force as they were squeezed from the contracting blue-collar and manual occupations.[7]

A third question concerns the colored workers. Since 1952 rates of unemployment of Negro males have risen and rates of labor force fallen more than the white male rates (table 3). Separate data are lacking for the education of colored unemployed, but exist for colored not-in-labor-force. These show that the education of the not-in-labor-force was about the same percentage margin below that of labor force—colored or white—in 1959 as in 1952. If the replacement of Negro males was due to this relatively inferior education, at least there was no worsening during the decade. Why then have their employment rates fallen more than those of white males? The explanation may well be that the colored social minimum wage has risen more rapidly. There is no very direct evidence to support this for recent years, because of the lack of separate wage rates for colored and whites. We can perhaps infer this from the widespread extension of social security and welfare benefit programs. Since 1954 old-age and unemployment benefits have been extended to more industries and firms, and disability benefits have been provided persons "totally and permanently disabled" beginning at age 50. All of these programs favor the low-wage worker much more than they do the higher wage worker, and therefore the lower wage colored worker more than the higher wage white worker. We also have data on median wage and salary earnings of year-round full-time male workers given separately for white and colored. These show that colored earnings rose from 45 percent of white in 1939 to 63 percent in 1957, to 65 percent in 1959.

A fourth question concerns the farming and rural areas. Separate statistics have not been offered here for these areas, but it can be said that education is poorer in these areas and yet unemployment rates are also lower. What is the explanation for this paradox?

The answer is threefold. Unemployment as a concept is less well-defined for rural areas, because of the large factor of family and self-employment. Much of farming is organized in such a way that education is not important in enabling a person to qualify for wage work. And there is a lower social minimum wage in farm areas; because employers are smaller, community sentiment favoring a minimum wage is weaker, unions are nonexistent, and statutory minimum wage and unemployment insurance protection do not apply to farm labor.

A fifth question concerns the size of demand. We have tried to show that creeping unemployment has resulted even though demand was adequate to buy the full capacity output at constant prices, or even with considerable price rise. However, creeping unemployment need not occur, if the rise of aggregate demand is so rapid as to outstrip the rise in the social minimum wage. This could happen because much of the social minimum is set by wage boards and administrative action and by Federal and State legislation. Such action takes time, especially since most State legislatures meet in regular session only every 2 years and since resistance to increase is usually offered by employer and tax-paying groups. Even that part of the social minimum which is determined by public opinion and employer conscience may lag during rapid demand inflation, as a result of the money illusion. Creeping unemployment is most apt to occur during periods such as the 1950's when aggregate demand, though it rose fast enough to allow a moderate price inflation, did not prevent the social minimum wage from keeping up with—even gaining on the average level of wages and productivity.

A sixth question concerns whether creeping unemployment could be due to the immobility of labor in the face of shifting demand. Demands for products, and for manual and blue-collar labor, have been shrinking in mining, manufacturing, transportation, and agriculture, and demand for white collar and service labor has been expanding in the services and trade industries, even in manufacturing. Is it possible that the chief factor has been sheer reluctance or inability to move?

Seeming to favor this argument is the fact that the industries—manufacturing, mining, and agriculture—for which demand has been shrinking relatively have been those in which productivity has been surging ahead; whereas the industries—especially services—for which demand has been expanding relatively have been the industries in which productivity has apparently been lagging. There is also much evidence that people—especially older workers—do not want to move out of the areas of shrinking demand, for example, mining, depressed textile towns, and even agriculture.

Opposing this argument, however, are persuasive considerations.

For one thing, shifts in structure of demand for labor are not entirely autonomous; to some extent they are initiated and stimulated by shifts in the composition of the supply of labor. A plentiful supply of better educated men and women surely stimulated the research and development, the technological innovation; the growth of accounting and recordkeeping, and the other work of the kind so necessary to automation. Undoubtedly shifts in supply and demand interacted to cause the labor market to take the form it did. Stated in another way, the shift in demand for labor is not independent of its cost. The cost is a combined result of both the efficiencies and the prices of different types of labor. Just as the productivity of the better educated made their services relatively cheap, so the steadily advancing social minimum made the services of the uneducated, unskilled, and weakly motivated segments relatively expensive, inducing employers to put in special-purpose machinery and automated systems in order to displace the poorly equipped and overpriced manual labor.

For another thing, while it is true that many of the sectors shrinking in demand and employment are the rapidly rising productivity sectors, the people they are losing are in no way responsible for these increases, except in that their low personal productivity, in comparison with the wages they command, makes it profitable to substitute better methods and machinery in order to get rid of them. Thus, the rapidly rising productivity of the industries they are leaving is due to improving management, additional capital, new technology, and external

[6] W. S. Woytinsky, "Employment and Wages in the United States" (New York: Twentieth Century Fund, 1953, p. 451); also C. D. Long, "The Labor Force Under Changing Income and Employment" (Princeton University Press, 1958), p. 356.

Much of the difference is due to the difference in work that women do. Where they do the same work, the margin is much smaller; perhaps no more than 10 to 20 percent. For example, recent data for 19 large labor market areas disclose that women accounting clerks earned a median of 14 percent less than men accounting clerks of the same grade: "1959 Statistical Supplement, Monthly Labor Review," pp. 32–33.

[7] It must be conceded—and this seems to contradict our theory—that the educational attainment relatively rose more overtime for the blue-collar occupations which had low education and high unemployment, than it did for the white-collar occupations, which had high education and low unemployment; yet unemployment rose relatively more also for the blue collared. However, these particular education data referred only to the employed, not to the unemployed, attached to those occupations. We are entitled to expect that the slow rise of educational attainment of all unemployed would apply also to the blue-collar unemployed—if we had the data to bring this out.

economies. Even the industries that are giving up manual and blue-collar workers are at the same time taking on well-educated technical and professional workers for research and development and other staff work, and clerical workers for the expanding office work connected with automation.

Still another consideration is that while some of the industries, such as services, which are gaining new workers seem to lag in productivity, the most rapidly expanding employment has been occurring in the technical and professional occupations where productivity cannot be measured and for all we know, may be rising rapidly—for example, research and development, medicine, and education itself. Indeed the tremendous expansion of the education industry is undoubtedly based on the recognition of the average parent, child, and taxpayer that the great productivity and earning power conferred by education are well worth the expenditure.

A final consideration is that much of the immobility of the workers in industries from which workers should be moving at faster rates but are not is due to two factors. On the one hand, the poor education of these workers gives them very little freedom of choice as to where to move and little information as to where to go. Their immobility is thus closely related to their lagging productivity. On the other hand, the high social minimum wage in their locality relieves the pressure to make a move. High hourly and daily wages make it possible for coal miners to stay on in mining industries so long as they can get 1 or 2 days of work a week. Price supports serve as a social minimum wage, enabling many low-income farmers to hold on in agriculture.

A seventh problem arises from our having attached considerable importance to education as representing the personal productivity of the worker. To what extent is this justified?

Certainly, there has been a close moment-of-time association between annual incomes and years of education completed of persons of any given age, sex, color. In 1939 and 1949, the incomes of white males of a given age, say 35–44, were higher for each higher level of educational attainment, and the same was true for colored males. In 1958, the same pattern was upheld for both races combined (separate data on race not being available). Incomes of colored males were much lower than those of white males of the same education and age group, though it is likely that their quality levels of education were also lower. For whites and colored alike, education has been far more important than age in explaining income difference.

Income has also been related to education over time. Census data show that males of a given age, say 45–54, had larger increases of income from 1949 to 1958 for each higher level of educational attainment: rising from a 26-percent increase for men with 8 years of education, to a 66-percent increase for men of the same age with 4 or more years of college.[8] Shultz estimates that "of the rise in real income per worker from 1929 to 1956 at least half, although it could be substantially more than this," was due to additional education.[9]

[8] Arnold Katz, Educational Attainment of Workers, 1959, Special Labor Force Reports No. 1, Monthly Labor Review, February 1960, Reprint No. 2333, p. 115.

[9] Theodore W. Shultz, Education and Economic Growth, University of Chicago, Economics of Agriculture Research Paper No. 6002, Apr. 20, 1960 (mimeographed), pp. 53–54.

It is, of course, true that the moment-of-time comparisons also reflect differences in property incomes and employment. The relationship still holds, however, when property incomes and degree of employment are abstracted. For 1939, years of education were closely related to median wage and salary earnings of native white males and Negro males of various age groups.[10] In 1958, data of the census survey display a good moment-of-time correlation between median wage and salary earning of males employed full time the year round in major nonfarm occupations, and median years of education completed by males 18 and older in those occupations.[11] Not all property income is eliminated when we use wage and salary data. The overeducated dope who inherits a fat job in a family firm will earn a higher wage or salary income than a high quality person who has no family connections. Thus, the high education and high earnings of some need not reflect greater personal productivity. However, it is difficult to see how, in occupations outside of firm managers and officials, this would operate on a major scale to invalidate the relation between education, productivity, and earnings.

An eighth problem arises from the question whether productivity is really a personal matter, instead of being set by the job and by the equipment and facilities that go with it?

At first thought, there appears to be much validity to this objection. An individual of very modest personal qualities could be quite productive on an auto assembly line. And however distinguished one's individual qualities, there is surely a limit to one's personal productivity as a barber.

Further thought, however, would seem to weaken this objection or destroy it entirely. With any kind of mobility of capital and labor, workers of superior personal potential are eventually drawn to those industries and occupations which offer the greatest scope for developing their potential. A graduate of the Harvard Business School will not allow himself to be penned up in a barbershop but will seek out areas where his potentialities find greater scope. The advantage of having great drive, education, and ability is that it widens the choice of occupation. Where large quantities of capital and managerial know-how have made it possible to get high output from workers of very modest personal qualities, the employer will not want to hire very superior workers because they will cost too much in wages (since they would be foregoing greater opportunities). Given mobility in the labor market, it will pay the employer to hire workers who have just the personal attainment needed and no more. The greater the competition the more this will be true.

But suppose competition in the labor market is limited by unions, so that a given occupation, say, barbering, can, by limiting apprenticeship and establishing quotas on numbers of licenses, gain high wages for workers of little education and ability. To be sure, it is usually difficult in practice to enforce such restrictions, unless there are some scarce qualities called for in a particular job. Nevertheless, it is at least conceivable that unions, by greatly restricting output, can create high marginal value productivity and enforce high wages for poor quality workers. But the unions cannot insure that all these workers get jobs. On the contrary, the restriction of output reduces the number of jobs. The workers thus displaced must offer their services for what they will bring in the nonunion sector, or become part of the problem of creeping unemployment.

[10] Herman P. Miller, Income of the American People, New York, John Wiley & Sons, Inc., 1955, p. 67.

[11] Current Population Reports, Consumer Income, Income of Families and Persons in the United States: 1958, series D–60, No. 33, p. 51.

A ninth question concerns whether the minimum wage has had any demonstrable effect on employment in particular industries. The Department of Labor and others have conducted a number of studies of the employment effects of raising the minimum wage, under the Fair Labor Standards Act, to 75 cents in 1950, or to $1 in 1956. These studies have applied mainly to the South and have compared employment in certain low-wage industries just before, and just after, the increase in the minimum.[12] A recent study, for example, measured the impact in five industries producing cigars, fertilizer, lumber, men's and children's seamless hosiery, and wooden containers. It showed that the aggregate employment of these five declined 4½ percent just after the minimum wage increase went into effect, in April 1956, and that employment declined for all but wooden containers—the declines ranging from 3 percent for sawmills to 14 percent for children's seamless hosiery.[13] The report regarded these declines as modest and further indicated that employers attributed only a small part of them directly to the rise in the minimum.

On the other hand, it seems clear that the main employment effects of a minimum wage rise are not realized immediately. The same report revealed that by the end of 12 months (April 1957), there had occurred a further decline of nearly 8 percent—12 percent altogether. One is entitled to wonder what would be the effects after a still longer period—say, 5 years.

The effects of the minimum wage may not only be delayed but also be indirect. Often it is urged that one reason for a reduction in employment is a fall in product demand or a new machine or process. These effects may flow indirectly from the minimum wage. A fall in product demand may be due to a rise in the product price, traceable both to the direct effects of a higher minimum wage and to the indirect effects of higher costs of materials purchased from other industries whose costs have in turn been raised by the minimum. A new machine or process may arise out of research and development in the machinery-making industry and may be inspired by a general climate of desire to eliminate the relatively inefficient and overproofed manual and blue-collar worker. The employer sees merely that here is a new machine that will save labor or turn out a better product and recognizes no close connection between its development and the rise in the minimum wage. Thus the main employment effects

[12] Paul A. Brinker, "The $1 Minimum Wage Impact on 15 Oklahoma Industries," Monthly Labor Review, September 1957, pp. 1092–1095; Norman J. Samuels, "Effects of the $1 Minimum Wage in Seven Industries," Monthly Labor Review, March 1957, pp. 323–328, April 1957, pp. 441–446; "Effects of the $1 Minimum Wage in Three Seasonal Industries," Monthly Labor Review, September 1957, pp. 1087–1091; "Effects of the $1 Minimum Wage: Men's and Boys' Shirt Industry," Monthly Labor Review, November 1957, pp. 1339–1342; Louis E. Badenhoop, "Effects of the $1 Minimum Wage in Seven Areas," Monthly Labor Review, July 1958, pp. 737–743.

[13] Norman J. Samuels, "Effects of the $1 Minimum Wage in Five Industries," Monthly Labor Review, May 1958, pp. 492–501. The rise for wooden containers was 2.1 percent.

of a minimum wage increase are likely to be long run and indirect.

But the statutory minimum wage is, in any case, not the main keystone of the social minimum wage, as we conceive it in this study. Indeed a statutory wage minimum cannot be a firm floor under wages, since it merely prevents a worker from being employed below a certain wage in covered industries. It does not provide a job at that wage or insure a minimum income. Such a minimum income is provided, however, by the various social welfare programs—old-age and survivors' insurance, disability insurance, unemployment insurance, and general relief or charity. It is these programs which provide the real foundation for the social minimum wage; and a full-dress study of their employment effects has yet to be made.

A final question is why creeping unemployment has not been observed long before the 1950's?

It is possible, of course, that creeping unemployment—at least as a temporary phenomenon—has been in existence for a long time, but that it could not formerly be observed, for lack of data. Before 1940, the only national statistics of unemployment covering the whole labor force, and measuring the composition of unemployment, were those reported by the census for 1 month, or 1 day every 10 years. Residual estimates, constructed by subtracting employment interpolations from labor force interpolations, did not show any long-term upward creep.[14] Such estimates, however, were too crude to throw any clear light on unemployment levels and trends. Since 1940, sample surveys have provided monthly estimates of unemployment and its composition, but war and postwar inflations in aggregate demand could have wiped out creeping unemployment during most of 1940–53.

Furthermore, the social minimum wage, while it has doubtless always existed in some degree, did not become important and general until the New Deal of the 1930's, when there were instituted, for the first time, national minimum wage laws, old-age insurance, public assistance, unemployment insurance, and widespread private pension system; when government began to employ so many people that its relatively generous wage effects for lower echelon workers could be felt in the private sector and when unionism was extended to mass production.

Both these considerations explain why creeping unemployment either did not exist before the 1950's, or could not be detected. Another factor has been labor force dropout and replacement. Labor force replacement has occurred extensively for a half century or longer in the United States, Great Britain, Canada, New Zealand, and Germany. In another place we have shown the importance of the relatively rising educational attainment of women who have replaced the poorly educated young children and older men.[15] The acceleration of this labor force replacement beginning with 1940 is also connected with the upsurge of average education and the consolidation of the social minimum wage that have occurred since that year.

4. CONCLUDING REMARKS

What do these results suggest for the future? With the tremendous increase in working-age population and labor force that has been projected for the next decade, can we look for some combination of a continued upcreep of prosperity unemployment and replacement of the labor force? The answer will, of course, depend on many developments at home and abroad—including fiscal and monetary—not considered in this paper. If those developments should turn out to be not too different, the answer may well be, "Yes." There is likely to be pressure toward strengthening and broadening minimum wage and social insurance legislation, so that there is little prospect of a widening wage spread to match a widening productivity spread.

To be sure, some developments may seem to promise a narrowing of the productivity spread. Federal aid to education will raise its level in rural areas and especially in the South. Negro education will probably improve greatly and should advance closer in standards to white education. Lower barriers to employment of Negroes and older workers, and more job guidance should open up new opportunities for many workers now suffering prosperity unemployment.

On the other hand, these improvements and consolidations may merely alter the identity of the individuals suffering lagging productivity and creeping unemployment, rather than reduce the number. Always there will be some who do not have the intelligence, the motivation, the personality, and the emotional stability to keep up with the average. Many such persons may be holding jobs only because others are prevented from competing with them, and may be displaced if new educational and employment opportunities enable those others now at the lower part of the productivity spread to move up relatively to higher levels. Thus, the productivity spread may continue to widen, because of the innate diversity in the talents and personalities of human beings, despite all efforts to extend advantages to everyone.

Does this mean that it would be wise to jettison the statutory minimum wage and to reduce the social security and welfare benefits that reinforce a rising social minimum? Many will prefer to wait for far more evidence that creeping unemployment is caused by a constant or narrowing relative wage spread, in the face of a widening productivity spread, than we have been able to marshal in a short paper. Others will perhaps accept the present explanation, but still feel that a social minimum wage is worth the cost of considerable unemployment, because of the protection it gives to the employed. On such matters of policy this paper gives no advice. Our theory of creeping unemployment and labor force replacement is just now being exposed to the weather, and a theory should be well-seasoned before it is used to fashion a plank in a political platform.

TABLE 1.—*Educational attainment of females relative to males, and its association with their relative unemployment and not-in-labor-force rates, United States, 1950–59*

	1950	1952	1957	1959
Percentage which education of females employed was of that of—				
Males unemployed	127	136	135	128
Males not in labor force	125	141	142	143
Percentage which female labor force participation rates were of male	38.2	35.6	42.8	44.1

Source: Education: See note to chart 4; labor force participation rates, Current Population Reports, Labor Force, series P–57, Nos. 98, 117, 177, 201.

TABLE 2.—*Effective minimum hourly wage and its percentage relation to average straight-time hourly earnings. Manufacturing and 4 union occupation groups, United States, 1947–58*

	1947	1950	1954	1958
Factory production workers:				
Effective minimum wage	$0.40	------	$0.75	$1.00
Average hourly earnings	$1.12	------	$1.88	$1.97
Minimum as percent of average	34	------	45	51
Printing trades (union):				
Effective minimum wage	------	$1.00	------	$1.50
Average hourly earnings	------	$2.27	------	$3.01
Minimum as percent of average	------	44	------	50
Building trades (union):				
Effective minimum wage	------	$1.00	------	$1.60
Average hourly earnings	------	$1.65	------	$2.55
Minimum as percent of average	------	61	------	63
Motortruck drivers and helpers (union):				
Effective minimum wage	------	$0.95	------	$1.60
Average hourly earnings	------	$1.56	------	$2.41
Minimum as percent of average	------	61	------	66
Local transit workers (union):				
Effective minimum wage	------	$1.20	------	$1.65
Average hourly earnings	------	$1.50	------	$2.21
Minimum as percent of average	------	80	------	75

Source: Bureau of Labor Statistics, Handbook of Labor Statistics, 1947 Ed. Bull. 916, p. 90; 1954, Bull. No. 1179, p. 14; May 1958, Bull. 1252, p. 20. Bull. 1011, p. 7; 1012, p. 4; 1018, p. 7; 1019, pp. 2–3; 1244, p. 5; 1245, p. 12; 1246, p. 7; 1247, p. 13. In the case of local transit, motortruck drivers and helpers, and printing trades, the wage chosen for minimum allowed for 1 percent of the workers receiving less; in the case of building helpers and laborers, 4 percent received less than the minimum.

TABLE 3.—*Relative educational attainments of colored and white males and their relationship to relative unemployment and not-in-labor-force rates, United States, 1952–59*

	1952	1957	1959
Percentage which education completed by colored males not in labor force were of education completed by—			
Colored males in labor force	60	58	70
White males in labor force	46	40	49
Percentage which not-in-labor-force rates of colored males were of those of white males	99	114	105
Percentage which unemployment rates of colored males were of those of white males	205	229	250

Source: Current Population Reports: Educational Attainment, series, P–50, No. 49, p. 9; No. 78, p. 11; Monthly Labor Review, Reprint No. 2333, February 1960, p. A–9. Annual Report on the Labor Force, 1952, p–50, No. 45, p. 23; 1957, p–50, No. 85, p. 27; Joseph S. Zeisel, "Labor Force and Employment in 1959," Preprint No. 2336, Monthly Labor Review, May 1960, pp. A10–11.

CAUSES OF UNEMPLOYMENT

(By Yale Brozen, professor of economics, Graduate School of Business, the University of Chicago)

Causes of unemployment lie in two main areas: (1) External factors acting on the economy; (2) inadequate adaptations of prices and wage rates to offset external factors. External factors include monetary policy, technological change, shifts in consumer tastes, changes in the tax structure, and weather. If prices and wage rates adjust rapidly enough, none of these forces create unemployment. An increase in a payroll tax, for example, causes unemployment only if wage rates fail to fall (or rise less than they would have risen) by the amount of the tax.

Sufficient flexibility in prices and wage rates can prevent unemployment in the face of adverse conditions. We must also recog-

[14] Stanley Lebergott, "Annual Estimates of Unemployment in the United States 1900–1950," Measurement and Behavior of Unemployment, Princeton University Press, 1957, p. 261.

[15] C. D. Long, "The Labor Force Under Changing Income and Employment" (Princeton University Press, 1958), pp. 20–25, ch. 13.

nize that prices and wage rates may be moved to levels which cause unemployment despite other conditions favoring increased employment. Measures such as the National Industrial Recovery Act and the Agricultural Adjustment Act of 1933 increased wage rates and prices and consequently increased unemployment from 9 million at the time they began operating (September 1933) to 12 million a few months later (January 1934). This occurred when other factors would have decreased the number of jobless but for these actions.

Minimum wage laws have decreased the employment of the unskilled, minority groups, and people in disadvantaged areas of the country such as Southeast United States and western Pennsylvania. After the Fair Labor Standards Act came into operation in October 1938, for example, and successive increases in the minimum wage rates were imposed in the following years, employment dropped in the seamless hosiery industry in western Pennsylvania, where many plants had been paying less than the minimum rate provided in the act. The drop occurred during a period of rising employment in the United States.

Studies by John M. Peterson of the University of Arkansas and Marshall Colberg of Florida State University[1] show that increases in minimum wage rates in 1950 and 1956 were responsible for loss of employment opportunities for many people. In large southern pine sawmills Peterson found, from surveys made before and after the imposition of the 75-cent minimum in January 1950, that 17 percent of the workers in mills averaging below 70 cents per hour lost their jobs. Colberg found similiar consequences in low wage Florida counties stemming from the 1956 increase in minimum wage requirements. Data on unemployment in the whole of the United States in 1956, show a rise in jobless workers under 19 and unemployed females over 45 despite an increase in total employment of all workers by 1.8 million in 1956 over the levels prevailing in 1955. These are the workers who bore the brunt of the unemployment created by the 1956 increase in minimum wage levels.

Unions sometimes win wage increases which lift employment costs to levels exceeding those that would prevail in free markets. In these cases, a loss of employment opportunities occurs in the affected industries. Where these industries employ a large proportion of the people of an area, depressed areas conditions result. West Virginia suffers from the excessive wage costs imposed by the United Mine Workers. Michigan suffers from the unduly high wage rates set in negotiations between auto manufacturers and the United Auto Workers. Northern Indiana's depression is as much a consequence of the success of the United Steel Workers as it is of the decreased demand for steel.

The relationship between wage rates and job opportunities, given any level of output, has been measured by the group working on regional economics at the University of Chicago under the direction of Dr. Stephen Sobotka. They have found, for example, that a 1-percent increase in wage rates in the primary metal industry causes approximately a 1.2-percent decrease in employment in the industry assuming no change in the output of metal.[2] The increased employment costs lead companies to invest in improvement of organization and flow of work, to increase supervision, and to invest in equipment to increase productivity. For a State such as Michigan, given its complex of industries, a 1-percent increase in manufacturing wage rates decreases job opportunities in Michigan manufacturing by approximately 1.5 percent, assuming no change in the total manufacturing output of the State. (Of course, increased costs tend to decrease total output and further decrease job opportunities.)

The relationship between wage rates and job opportunities in various manufacturing industries is shown in table 1. The figure shown for each industry is the percentage decrease in job opportunities for each 1-percent increase in wage rates assuming no decline in total output of each industry as wage rates increase.

TABLE 1.—*Elasticity of demand for labor by industry (assuming no effect on price of product from changes in wage rates)*

Food	−0.6
Tobacco	−3.8
Textiles	−1.7
Apparel	−1.2
Lumber	−0.9
Furniture	−1.0
Paper	−1.6
Printing	−1.2
Chemicals	−1.5
Rubber	−0.9
Leather	−1.3
Stone, clay, and glass	−0.5
Primary metal	−1.2
Fabricated metal	−0.5
Machinery	−0.2
Electrical equipment	−0.9
Transportation equipment	−2.8
Elasticity of demand for manufacturing production workers by region	
Michigan	−1.6
East North Central	−1.2

MONETARY CHANGES AND UNEMPLOYMENT

Among the external forces acting on the economy, monetary policy is the major one capable of creating widespread joblessness. Adaptive reactions in the economy adequately cope with most of the other forces when monetary policy does not interfere.[3] Generally, unemployment caused by the variables other than money may be expected to hover around 3 million, or approximately 4 to 5 percent of the work force.[4] In the case of changes in monetary policy, however, we find that adaptations in prices, and particularly wage rates, lag changes in the monetary sphere. As a matter of fact, wage rates seem to move adversely at the very time that monetary forces also behave adversely. Both tend to act together to compound the unemployment problem.

Research by members of the workshop in money and banking at the University of Chicago suggests that turning points in the rate of change in the money supply precede turning points in business activity[5] and in velocity of circulation.[6] Stability in the money supply growth rate would lead to greater stability in velocity. The combined stability of these two items, which determine the rate of spending, would lead to greater stability in the economy.

The Federal Reserve Board has an unofficial rule of thumb that the mony supply should be allowed to grow about 3 percent per year. The rule, however, is erratically observed. Following the March 1951 accord which freed the Federal Reserve from domination by the Treasury, the Federal Reserve was able to do the excellent job of preventing inflation for which it can be praised. It has, however, done a poor job of stabilizing employment or economic activity. From mid-1951 to mid-1952, it allowed the money supply to grow by 5.6 percent (see table 2). In the following year it decreased the rate of growth to 2.5 percent with a further decrease to 0.8 percent in 1953–54, thus setting the stage for the rise in unemployment from 1.6 million in 1953 to 3.2 million in 1954. If it had held the rise in money stock under 4 percent from mid-1951 to mid-1952 (approximately the same rate of growth as that in the preceding year), it would not have had to slow the rate of rise as drastically from 1952 to 1954 to prevent inflation, and the growth in unemployment would have been far more modest.

TABLE 2.—*Changes in the stock of money, 1950–60*

Year	Demand deposits adjusted, plus currency outside banks,[1] June 30 or nearest available date (millions)	Change from preceding year (percent)
1950	$110,225	
1951	114,736	4.1
1952	121,228	5.6
1953 [2]	124,267	2.5
1954 [2]	125,225	.8
1955	130,609	4.3
1956	133,038	1.9
1957 [2]	133,724	.5
1958 [2]	133,959	.2
1959	139,000	3.8
1960 [2]	136,100	−2.1

[1] Federal Reserve Bulletin, various issues, and "Historical Statistics of the United States" (Washington: USGPO, 1960), p. 646.
[2] Recession.

In mid-1954, the Board cut reserve requirements and allowed the money stock to grow by 4.3 percent in the following year.

[1] John M. Peterson, "Employment Effects of Minimum Wages, 1938–50," Journal of Political Economy, October 1957.

Marshall R. Colberg, "Effects of the $1 Minimum Wage on Florida," Journal of Law and Economics, October 1960.

[2] Stephen P. Sobotka, "Michigan's Employment Problem: The Substitution Against Labor," Journal of Business, April 1961.

[3] The adaptive reactions cope with the situation only in the sense of meeting the unemployment problem. When the wage rates of mineworkers rise to levels which force coal miners out of jobs, they can generally find other jobs in the area or by migrating, although usually at lower wage rates, provided normal prosperity prevails. However, union and employer agreement on wage rates which restrict employment opportunities in an industry very frequently forces people out of high-productivity jobs into low-productivity occupations. Also, this prevents people from moving from low-productivity-low-wage jobs to high-productivity jobs. Minimum-wage laws have a similar effect in forcing people out of high-productivity-covered occupations into low-productivity noncovered alternatives. To this extent, growth in average productivity is slowed to less than that of which the economy is capable. Since one-fourth of the annual productivity gains of the past have come from the shift from low- to high-productivity jobs, wage setting of the type which prevents this and encourages a reverse movement is, indeed, pernicious. The adaptive mechanism of the economy does not cope with this problem.

[4] For a discussion of the amount of unemployment resulting from technological change, see Y. Brozen, "Automation: Creator or Destroyer of Jobs," Iowa Business Digest, vol. 27, No. 2, February 1956.

[5] Clark Warburton's work has also demonstrated this point, although he relates the quantity of money to departures from trend rather than examining rates of change. "The Misplaced Emphasis in Contemporary Business Fluctuation Theory," the Journal of the University of Chicago, vol. XIX, No. 4, October 1946.

[6] After a decrease in the rate of increase in the money stock, velocity continues to increase in the lag period before it turns. Similarly, after an increase in the rate of growth of money, velocity declines in the lag period before it turns.

This created a threat of inflation which led the Board to slow the rate of growth again. It held the rate to 1.9 percent from mid-1955 to mid-1956 and further slowed it to 0.5 percent from 1956 to 1957 and to 0.2 percent from 1957 to 1958. This, together with adverse movements of wage rates, caused unemployment to rise from 2.6 million in 1956 to 4.3 million in 1958. The Board had again made the mistake of allowing too rapid an increase in the stock of money (in the latter half of 1954) which it then attempted to offset by slowing the rate of increase. If the increase had been held under 3 percent (or even lower in view of the only 0.8 percent increase in the preceding year), the tight money conditions resulting from the Board's lack of action in offsetting the gold outflows of 1956 and 1957 would not have been necessary to prevent inflation. The money stock could have been allowed to grow at least as rapidly as population and little increase in unemployment would have occurred except for those knocked out of jobs by the 1956 increase in the minimum wage.

In early 1958, worried by unemployment and the decline in economic activity, the Board took steps to increase the money stock. It cut required reserve ratios early in the year. From mid-1958 to mid-1959, then, the money stock grew by 3.8 percent. Once again, the Board allowed the money stock to grow too rapidly.[7] Determined to avoid the 1956 pattern of a rise in prices resulting from its 1954 action, the Board tightened money policy much sooner in the recovery phase than it had before. The result was a pinching off of the recovery in early 1960 before unemployment had dropped back to the 1957 level. The growth in money stock was not only slowed this time; the money stock was actually decreased by 2.1 percent from mid-1959 to mid-1960.

This precipitated the recession in which we have been in recent months. Once again, the Board had made the mistake of increasing the stock of money at a greater than 3-percent rate. And again, the Board tried to offset the mistake by slowing the growth in stock to much less than 3 percent. By slowing the growth in money stock, it again brought about a recession.

The 3-percent rate has no magic about it. The required action for minimizing fluctuations in unemployment is maintenance of a steady rate of change in the money stock rather than imposing a fluctuating rate on the economy. A steady rate of 1 or 2 percent a year is probably as good for the economy, or maybe better, than a steady 3-percent rate. A rate fluctuating from 5.6 percent to minus 2.1 percent (as it did in the decade of the fifties) is worse than no change in the stock of money. Without a steady rate of change, businessmen and labor leaders cannot foresee the consequences of setting any given price for labor. If they gear their expectations to the past change in money stock, price levels, and economic activity, the prices they set will turn out to be incompatible with full employment if the rate of change in money stock is decreased.

Monetary action has caused the deflations of the past which initiated employment declines (see table 3). The decrease in the quantity of money by 16 percent in 1920 was the direct result of Federal Reserve policy beginning with the actions of November 1919. Further steps were taken up to the middle of 1920 to squeeze the economy[8] in spite of the fact that a downturn in economic activity began in January 1920.

TABLE 3.—*Volume of money and unemployment*

Year	Money in circulation, June 30 or nearest available date		Unemployment[3] (millions)	
	Billions[1]	Per capita[2]	Annual average	June
1920	$23.7	$223	1.7	.....
1921	20.8	192	5.0	.....
1923	22.7	203	1.4	.....
1924	23.1	202	2.4	.....
1926	25.6	218	0.9	.....
1928	25.9	214	2.1	.....
1929	26.2	215	1.6	.....
1930	25.1	204	4.3	.....
1931	23.5	189	8.0	.....
1932	20.2	162	12.1	.....
1933	19.2	153	12.8	.....
1937	30.7	238	7.7	.....
1938	29.7	229	10.4	.....
1948	108.3	739	2.1	1.8
1949	107.1	718	3.4	3.3
1953	124.3	779	1.6	1.6
1954	125.2	771	3.2	3.3
1957	133.7	781	2.7	3.0
1958	134.0	770	4.3	5.1
1959	139.0	785	3.5	3.6
1960	136.1	758	3.6	4.1

[1] Federal Reserve Bulletin, various issues, and "Historical Statistics of the United States" (Washington: USGPO, 1960), p. 646.

[2] Computed using population data from "Historical Statistics of the United States" (Washington: USGPO, 1949), and Current Population Reports, series P-25 (Washington Bureau of the Census, June 1960).

[3] "Historical Statistics of the United States" (Washington: USGPO, 1960), p. 73 and "Economic Report of the President" (Washington: USGPO, 1961), p. 146. Data from 1957 to date adjusted to maintain comparability with preceding data.

The 1929–33 decline came from a mixture of causes with monetary authorities contributing a full measure to the deflation of the quantity of money by 27 percent. The 1937 descent into depression was preceded by increases in required reserve ratios in August 1936, and in March and again in May 1937. As a result, the quantity of money declined continuously throughout 1937 and the first 4 months of 1938. The turning point did not come until reserve requirements were reduced in April, 1938.

In the postwar period, each of the recessions was preceded by actions on the part of monetary authorities which reduced the rate of growth or decreased the supply of money. The drop in employment which began in late 1948 was preceded by increases in required reserve ratios in February, again in June, and once again in September. These increases forced a decline in the quantity of money. The 1953–54 recession was preceded by a period of monetary stringency which was strongest in May, 1953. This recession, however, was as much a consequence of the rapid increase in real wage rates between the third quarter of 1952 and the third quarter of 1953 as of monetary policy.

REAL WAGE RATES, PRODUCTIVITY, AND EMPLOYMENT

We can plausibly argue that the unemployment we now suffer, and have suffered, is a consequence of administered prices and wage rates, given the monetary circumstances described above. Some of these prices are administered by governmental authorities; others by private authorities.

Many wage rates are set by governmental authorities. Minimum rates for employees of enterprises in interstate commerce have been set by Congress. Much higher minimums have been set for companies producing goods under contract with the U.S. Government by the Secretary of Labor under the powers granted by the Walsh-Healey Act and the Davis-Bacon Act. Other rates are set for long periods in advance by negotiations between employers and unions. This year, for example, several million workers in the United States have received, or will receive, wage increases under contracts negotiated in prior years when 1961 economic circumstances and markets were but imperfectly known.

The relationship between wage rates and unemployment is such that these 1961 changes will add to the number of unemployed, at least in the sense that more people will remain unemployed than would have if no wage rate increases occurred. They partially offset the employment increasing effects of present fiscal and monetary policies, some of which have automatically[9] come into operation and others of which are the result of discretionary actions.

This is not the place to attempt a proof of the proposition that other things being equal, the number of jobs is inversely related to the wage rate. I would like to point to data which illustrate the point that increases in real wage rates which outrun increases in productivity are frequently associated with an increased volume of unemployment (see table 4). Purchasing power is determined by factors other than money wage rates.

Between 1929 and 1933, real wage rates in manufacturing rose relative to average output per manhour by 7 percent. This was associated with a rise in unemployment in the United States from 1.6 to 12.8 million. Between 1937 and 1938, real wage rates rose 0.4 percent more than productivity, and unemployment averaged 10.4 million in 1938 (among those who would have normally been a part of the labor force, unemployment was 9.8 million).[10]

TABLE 4.—*Movement of productivity, wage rates, and unemployment (in periods of rising unemployment)*

Year	Percent change, real hourly earnings (manufacturing)[1]	Percent change, average productivity (private nonfarm sector)[2]	Crude percent change in productivity relative to wage rate	Unemployment (millions)[3]
1920	+4.1	−1.1	−5.2	1.7
1921				5.0
1923	4.5	+3.5	−1.0	1.4
1924				2.4
1926	5.8	−.4	−6.2	.9
1928				2.1
1929	3.6	−3.5	−7.1	1.6
1933				12.8
1937	2.4	+2.0	−.4	7.7
1938				10.4
1948	4.8	3.0	−1.8	2.1
1949				3.4
1952	7.1	5.4	−1.7	1.7
1954				3.2
1956	1.5	.7	−.8	2.6
1958				4.3

[1] Computed with data from the Economic Almanac, 1958 (New York: Thomas Y. Crowell Co., 1958), p. 253, and Economic Indicators, March 1959.

[2] U.S. Congress, Joint Economic Committee, "Potential Economic Growth of the United States During the Next Decade" (Washington: USGPO, 1954), p. 34, for pre-World War II data. "Recent Changes in Output per Man-hour" (mimeographed, Washington: Bureau of Labor Statistics, January 1959) for postwar data. Bureau of Census series used.

[3] "Historical Statistics of the United States" (Washington: USGPO, 1960), p. 73, and "Economic Report of the President" (Washington: USGPO, 1961), p. 146. Data from 1957 to date adjusted to maintain comparability with preceding years.

[7] The rate of growth itself is not as important as the increase from a 0.2-percent rate to a 3.8-percent rate.

[8] Robert F. Wallace analyzed the especially onerous effect of Federal Reserve policy on agriculture in "The Use of the Progressive Discount Rate by the Federal Reserve System," Journal of Political Economy, vol. LXIV, No. 1, February 1956.

[9] M. Friedman, "Why the American Economy is Depressed-Proof," Nationalekonomiska Föreningens, April 28, 1954, describes some of the automatic stabilizers referred to here.

[10] From 1936 to 1938, real wage rates rose by 10.9 percent and average output by 4 percent. Relative to average output, real wage rates rose by 6.9 percent. Because of lags, the unemployment effects did not appear until 1938. The measurement and discussion of these lags is beyond the scope of this paper.

In the various post-World War II recessions, we find similar experiences. The rise in real wage rates outran the average output rise between 1948 and 1949 by almost 2 percent, and unemployment rose by 1.3 million. From 1952 to 1954, real wage rates again rose almost 2 percent more than productivity, and unemployment rose by 1.5 million. Between 1956 and 1958, the rise in real wage rates was 0.8 percent greater than the average output rise, and unemployment rose by 1.7 million. On the other hand, real wage rates rose less than output per man-hour from 1949 to 1950 and 1951. Unemployment declined in these years. Similar experiences have occurred in other years (see table 5).

I should warn you that average output is not a proper measure of the level of wage rates compatible with full employment. We should use marginal productivity of the total labor force. If average output were highly correlated with marginal productivity, changes in the average would be a guide to changes in marginal output and, therefore, a guide to changes in wage rates consonant with the maintenance of employment. This has been implicitly assumed as true over short periods in the preceding discussion.

Over long periods, we would expect that increases in average output per man caused by a rising supply of capital would be less than changes in marginal output. We would, therefore, expect wage rates to rise by a larger proportion than average output over long periods if an increased supply of capital and capital saving technological change were the dominant forces at work. In fact, we do find that real wage rates rose by nearly 120 percent between 1929 and 1956, while average output rose by only 93 percent. Yet 1956 was as good a year in the employment sense as 1929. Changes in average output over long periods are a poor guide to the proper amount of change in wage rates, but may serve well for determination of changes over short periods.

TABLE 5.—*Movement of productivity, wage rates, and unemployment (in periods of declining unemployment)*

Year	Percent change, real hourly earnings (manufacturing)[1]	Percent change, average productivity (private nonfarm sector)[2]	Crude percent change in productivity relative to wage rate	Unemployment (millions)[3]
1921	+6.2	+12.01	+5.8	5.0
1923				1.4
1924	−3.1	5.7	8.8	2.4
1926				.9
1928	+.7	.7	0	2.1
1929				1.6
1933	17.2	19.5	2.3	12.8
1936				9.0
1938	6.2	7.6	1.4	10.4
1940				8.1
1949	12.4	16.2	3.8	3.4
1953				1.6
1954	4.2	4.7	.5	3.2
1955				2.7
1958	3.3	4.2	.9	4.3
1959				3.5

[1] Computed with data from the Economic Almanac, 1958 (New York: Thomas Y. Crowell Co., 1958), p. 253, and Economic Indicators, March 1960.

[2] U.S. Congress, Joint Economic Committee, "Potential Economic Growth of the United States During the Next Decade" (Washington: USGPO, 1954), p. 34. "Recent Changes in Output per Man-hour" (mimeographed, Washington: Bureau of Labor Statistics, January 1959) for data after World War II except change from 1958 to 1959. Data for latter change from "Output Per Man-hour in the Private Economy" (mimeographed, Washington, Bureau of Labor Statistics, June 28, 1960).

[3] "Historical Statistics of the United States" (Washington USGPO, 1960), p. 73, and "Economic Report of the President" (Washington: USGPO, 1961), p. 146. Data from 1957 to date adjusted to maintain comparability with preceding years.

WHY REAL WAGE INCREASES OUTRUN PRODUCTIVITY

It would seem that a method of keeping unemployment at a low level would be one which prevents real wage rates from moving by amounts which are out of line with productivity changes. Let us then look at the factors which have caused movements in real wage rates which are incompatible with full employment. From this we can draw inferences concerning the means for preventing unemployment.

From May 1919 to October 1920, money wages rates in manufacturing rose by 25 percent. The peak in business activity occurred 9 months before the peak in wage rates. The peak in product prices preceded the labor price peak by 5 months. This lag in the turn in money wage rates is a typical phenomenon. The National Bureau of Economic Research found an average lag behind manufacturing activity of 9 months in the United States and 11 months in the United Kingdom in its study, "Behavior of Wage Rates During Business Cycles." In the railroad industry the lag averaged 19 months.

The period after a downturn in business activity before wage rates turn is usually a period of less rapidly rising, or declining, productivity. Real wage rates continue to rise, however, in such periods. (The real rate rise is the result of a continuing rise in money wage rates and a downturn in prices preceding the downturn, if any, in money wage rates.) The movement of real wage rates acts in this period, therefore, as a destabilizing factor. The downturn would be damped if money wage rates were to fall, or at least cease rising sooner. A reduction in the timelag would be an important means of maintaining employment. We shall return to this point.

Real wage rates rise relative to productivity in the period preceding downturns in business activity, thus leading to the fall-off, as well as in the period following the turn in activity when the continuing rise serves to further the descent and worsen the slump. For the third quarter of 1952 to the third quarter of 1953, for example, real wage rates rose by 5 percent, while productivity rose less than 4 percent. In 1957, straight-time money wage rates rose by 4.5 percent while the wholesale price index for nonfood items rose less than 1 percent, and productivity rose less than 1 percent. The contraction then occurring may be attributed to the fact that increases in productivity were not sufficient to moderate the effect of the real wage rate increase.

The severity of the 1937–38 decline may also be attributed in part to the wage rate increases in the preceding period. Between October 1936, and May 1937, money wage rates in manufacturing were pushed from 62 cents to 70.1 cents per hour despite the still sizable volume of unemployment. This 13-percent rise in wage rates in the face of a slowing in the growth of the money supply shot unemployment from a less than 5 million level before mid-1937 to nearly 12 million by early 1938.

The rise in periods such as these is frequently blamed on unions. Whatever merit there is to this argument, the fact remains that employers are less resistant in their bargaining in the late stages of a boom. Rates in nonunionized industries and in nonunionized periods in history seem to behave similarly. Anticipation of continued increases in productivity and prices—increases which occur at unusually good rates in the intervals preceding a downturn in activity—lead to overbidding for labor.

The overbidding occurs at a time when few idle men are available at current wage rates. Additional men can be obtained only by outbidding other employers. Perhaps the overbidding may be caused by the same reactions which lead to overpricing occasionally in speculative markets. Less aggressiveness on the part of unions, or less power in their hands, might lessen the problem. The pattern, however, seems to stem largely from mistaken anticipations concerning the future worth of labor and the worth of product from present labor which will reach the market in the future.

MEANS FOR PREVENTING UNEMPLOYMENT

Part of the reason for the rise in real wage rates relative to productivity in periods such as 1920, 1930–33, 1937, and 1949 lies in the fall of product prices. We should, therefore, direct our attention first to the problem of preventing this decline.

Changes in the rate of growth of the money supply are primarily responsible for the fall of prices and, secondarily, for the rise in real wage rates stemming from this type of occurrence together with continued increases in money wage rates while activity is declining. Any decrease in the rate of growth of the money supply sets the stage for a decline. The lags in our economy are such that the adjustments made to a growing money supply are not compatible with full employment in the following periods if the money supply does not continue to grow as rapidly.

This suggests that monetary authorities must use caution in allowing high rates of growth in the stock of money at any time if they intend to slow the growth later to prevent inflation. It is wiser to use more moderate means to remedy recessions of the 1953 variety, for example, than the cuts in reserve requirements of the amount made in June 1954.

Rather than attempting to meet various exigencies as they arise by discretionary monetary action, monetary authorities would be better advised to maintain a stable rate of growth in the quantity of money at, let us say, 2 percent per year, or, perhaps, 3 percent. In any event, there should be no shifting in monetary policy from time to time in order to accelerate or slow the rate of growth in the stock of money.

Although greater consistency in monetary policy would do the major part of the job required to prevent unemployment, we must face the fact that there may be monetary instability at various times as long as politics and human beings influence the devising and execution of monetary policy. In order to minimize the harm that may be done by unwise policy, the adaptive mechanism of our economy must be made more responsive.

The second factor, then, to be considered in devising means for stabilizing the economy is the lag in turnarounds of wage movements behind turnarounds in business activity and employment. We cannot attribute the lag simply to the presence of labor unions. Wage rates lagged when the union movement was unimportant in the United States, as well as in the period since it has become a much stronger force in the economy. It is significant, however, that wage rates apparently begin moving upward much sooner in periods of expansion than they formerly did when unionization was less widespread. This tends to slow the recovery process. Furthermore, the lag has been much longer in the railroad industry which was highly unionized long before the unions grew strong in most other industries.

The paramount problem here seems to be one of restraining the continuance of an upward wage rate movement after employment has turned down. I might suggest two devices that would help provide a solution. One is that employers should insist on escape clauses in long-term agreements which provide for future wage rate increases. If in the 2 months prior to a time when a wage increase is scheduled, a firm's employment is down, let us say, 10 percent below the level of the similar period in the preceding year, then an escape clause should provide that wage increases would not go into effect.

A second device would be to bring labor monopoly within the range of the Sherman Act, limit the size of collective bargaining units, and make collusion among them unlawful. The case for such action has been explored and the legislative changes required delineated by Prof. H. Gregg Lewis in "The Labor-Monopoly Problem: A Positive Program" (Journal of Political Economy, vol. LIX, No. 4, August 1951).

Both of these devices still leave untouched the reluctance of employers to cut wage rates after a downturn, or their willingness to grant increases at times of declining employment and sales. Here we need more information on what happens and why. Economists have engaged in speculation on this point. Rather than suggest measures based on such speculation, however, it would be wiser to find out more about the reasons for the occurrence of the phenomenon. Whether it is social pressure, fear of effects on morale and productivity, inability to diagnose the current situation, or the human failing expressed in the phrase that "generals always prepare to fight the last war," we do not know.

Perhaps businessmen should be taught to pay attention to quit rates and qualified applicant rates before determining whether or not to raise a wage rate. Voluntary quit rates usually sink to low levels months before the community becomes aware that a recession was underway. Simply because a wage increase was required last year, and each year before, to hold employees is not an indication that another is currently required.

Perhaps the community and employees must be taught that an employer who cuts wage rates, or fails to give a wage increase in times of declining business is performing a social service and maintaining employment by doing so. There is some evidence that workers and the public at large are not unaware of this. Polls of workers in the Flint, Mich., area in 1958 indicated that they preferred jobs and greater assurance of job continuity, to increases in wage rates at that time. A preponderant majority of those sampled in a nationwide poll expressed similar opinions.

It may be that recurrent wage increases are granted as a means of simplifying the decisionmaking life and providing administrative ease for managers. Other rules of thumb for granting wage increases may have to be devised to conserve decisionmaking capacity and avoid administrative unease, and at the same time function to produce the adaptations required for a stable economy.

CONCLUSION

Although the current fashion blames unemployment on automation and structural changes in the economy, the unemployment levels of recent months are a consequence of other forces. Automation is in part a response to high wage costs (properly, employment costs including fringe benefits). The automobile and coal mining industries find it necessary to automate and reduce their labor force because wage rates have been set above the levels compatible with productive use of the available manpower. They have been forced to concentrate more capital—more equipment—on fewer men to make them productive enough to be worth employing at current wage levels.

If automatic techniques had not been available, unemployment would be much greater than it now is in these industries. Without automatic techniques, the task of increasing productivity sufficiently to make a man worth employing would have required the concentration of the available capital on even fewer men. More men would have, then, lost their jobs as a consequence of the increases in employment costs which have occurred.

As far as structural changes are concerned, these are again largely the consequence of high wage costs whose incidence has fallen on industries with concentration in certain geographic areas (automobiles in Michigan, coal mining in West Virginia) and on groups with certain types of skills (or lack of skills). Young workers just entering the labor force and older workers lacking skills find their job opportunities narrowed by minium wage rates set by law or by union-employer agreements. Limits on the number of apprentices agreed upon by unions and employers further frustrates new entrants to the labor market by preventing them from acquiring the skills which would make them worth employing at or above the minimum wage rates.

Also, the unemployment level is higher than it would be with wage levels and prices unchanged, i.e., with the same real wage rates we now have, if the stock of money had not been decreased between 1959 and 1960. With the same level of real wage rates, but a larger stock of money relative to the level of money wage rates and money prices, a larger volume of employment would be provided. Inasmuch as the Federal Reserve Board has been increasing the stock of money since mid-1960, employment levels have finally begun to rise in spite of continuing increases in money wage rates. Employment would rise even faster if the level of money wage rates were increasing less rapidly.

DOWN SIDE UP

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 60 minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, there was a time when John S. Knight who, if memory serves, went abroad as a representative of President Roosevelt; the present owner and publisher of the Detroit Free Press and of several other large dailies, and once, I think, the owner and publisher of the Chicago Daily News, bitterly criticized conservative Members of Congress in his editorials although his father once rendered distinguished service as a Congressman from Ohio.

Experience has caused him to reverse his position. Last Sunday in a signed editorial he called for Congressmen who would vote "no" when local and State governments come to Washington for money.

In 1942 when it was the fashion to abuse and vilify conservative Members of Congress, Mr. Knight joined Walter Winchell and several others in attempting to show that certain Members of Congress were disloyal or to say the least, misfits. Mr. Knight wrote: [1]

A Congressman is a man who played ball with the drys during prohibition, but never missed an opportunity to sample his friend's private stock.

A Congressman is a man who will drink your liquor all night.

A Congressman is a man who collects mileage from the Government for trips he never takes.

A Congressman is a bumptious, slow-witted politician who depends upon smarter men to elect and reelect him; a small chip in the big international poker game now being played at Washington. He is susceptible to flattery, devoid of backbone, lacking in principle, short on ability, and usually labors under the delusion our Government exists chiefly to perpetuate him and his kind on the public payroll.

In brief, most Congressmen are a total waste of time, money, and effort.

The Detroit Free Press in its Sunday issue of May 17, 1942, under the heading "You Can Do Something About This," stated:

By the action of some 200 of its Members who participated in an undignified scramble for unlimited gasoline ration cards, the 77th Congress has again confirmed its reputation as one of the worst in history.

* * * * *

"Bundles for Congress" and the X gasoline rationing farce are but symbols of its restricted collective mentality and utter inability to sense the national temper before hearing from the people back home.

* * * * *

A stupid, spineless postwar Congress which yielded to the insistent demands of each selfish pressure group could very well throw this Nation into an economic tailspin from which there could be no recovery under our present system of government.

* * * * *

The inept, spineless 77th Congress, now assembled in Washington, should be a direct challenge to every good citizen to see to it personally that the 78th Congress will be a better one.

Mr. Knight then condemned the 78th Congress because, as he charged, it was "a rubberstamp Congress." He characterized as enemies of our country those who ventured to disagree with the President's—F.D.R.—actions or policies.

Yet, on May 24 following, he laid the President's hide wide open because the President had commuted Browder's sentence.

In Sunday's—July 23—Detroit Free Press, Mr. Knight wrote an editorial captioned "Judgment on Berlin Situation Must Wait Kennedy Report." That is undoubtedly good advice but in the same issue Mr. Knight had another editorial entitled "Background on Berlin" in which he writes:

There are three basic reasons why we now face the possibility of a war with Russia over Berlin.

One conclusion to be drawn from that editorial is that following the policy laid down by Franklin Delano Roosevelt and Joseph Stalin instead of that of Winston Churchill was a "miscalculation" and it "sowed the seeds for a future harvest of trouble"—a harvest now with us. Yesterday's editorial on this subject reads:

BACKGROUND ON BERLIN

There are three basic reasons why we now face the possibility of a war with Russia over Berlin.

The first mistake was the Allied command's failure to capture Berlin when it was well within our grasp.

General Eisenhower now attributes this decision to the politicians at Yalta, a meeting attended by Franklin D. Roosevelt, Winston Churchill, and Joseph Stalin.

And yet I once heard Eisenhower say that the Berlin decision was taken on his "sole responsibility."

At that time, Ike was still in the Army and presumably the politicians had to be protected. But the unhappy facts are that after reaching Leipzig, our forces were ordered to retreat 125 miles to get back into the U.S. Zone.

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[1] CONGRESSIONAL RECORD, May 28, 1942, vol. 88, pt. 4, p. 4729.

This miscalculation, agreed upon by Roosevelt and Stalin but opposed by Churchill, sowed the seeds for a future harvest of trouble.

Walter Trohan, chief of the Chicago Tribune's Washington bureau, Monday advised as to another sowing of seed which accounts in part for today's harvest of trouble:

IT'S 17½ YEARS SINCE TEHERAN CONFERENCE

It is 17½ years since the Teheran Conference. Although there were many demands for publication of the minutes of the high-level meeting, publication was delayed until now when the disclosures can hardly be expected to be translated into political indignation at the polls.

Disclosure in 1944 of the dealing away of nations and peoples might conceivably have cost F.D.R. the election in 1944. It is likely they would have spelled defeat for Harry S. Truman in 1948 and possibly for President Kennedy last fall. Now they hardly ripple national consciousness.

There was more excitement in Europe, especially in England, about the publication of the conference papers than in America. In England, indignation centered about dealing behind Churchill's back, a matter for national pride. In the rest of Europe, a grim lesson was seen in F.D.R.'s playing "palsy-walsy" with Stalin to the extent of joking about the fate of peoples and nations.

In dealing with the future of Poland, Lithuania, Latvia, and Estonia, F.D.R. displayed himself as cynical as his terrible ally. The President said there were, in the United States, six to seven million Americans of Polish extraction, whose votes he did not want to alienate.

F.D.R. said he didn't want to run again, but said he might have to if the war was still in progress. Then he asked Stalin not to rock the boat of his political fortunes by asking him to take part publicly in any boundary shifts of the Polish State.

FAVORED MOVING BORDER TO THE WEST

F.D.R. said he favored moving the eastern border farther to the west, which would give a considerable zone of Poland to Russia, and compensating Poland with German territory to the Oder River. This was done ultimately, and at Teheran F.D.R. expressed his approval, although he did not want to partake in any arrangement at the moment.

F.D.R. also said that he personally accepted Russian annexation of Lithuania, Estonia, and Latvia, saying he realized all three had been a part of Russia up to the Versailles Treaty.

Jokingly he told Stalin that when the Russian Armies reoccupied those nations, he did not intend to go to war with Russia on this point. He added that he was confident that the people themselves would vote to go with Russia after the war.

Then F.D.R. revealed his estimate of the intellect of the people whose votes he was to woo. Stalin said he didn't know why the question of American public opinion on a referendum in the three Baltic States was being raised. F.D.R. replied, according to the published papers, that "the truth of the matter was that the public neither knew nor understood."

It is evident that the public did not know what F.D.R.'s attitude was on handing over nations to Stalin. The Roosevelt image has been so securely fixed that it is to be doubted that it will be dimmed by the disclosure of the enormity of his cynicism.

The fate of his image is relatively unimportant as compared with the public's demand of the right to know details of international relations which spell peace or war.

John S. Knight, continuing, wrote:

The second mistake compounded the first. When the European Advisory Commission met in London in 1944 to draw up plans for the occupation of Germany, Eisenhower, and other military leaders opposed the division of conquered territory into separate zones.

According to Ike's most recent interview, they had become suspicious of Soviet intentions in the postwar world. But once again, the political leaders prevailed. Germany was partitioned with Berlin lying 110 miles from the west in the center of what became Communist East Germany.

Our representative on the European Advisory Commission was John Winant, Ambassador to England. He later committed suicide.

The third grave error was our failure to obtain guaranteed access to Berlin.

This serious omission has been variously attributed to Eisenhower, Gen. Lucius Clay, and former President Truman.

Apparently, all three share some degree of responsibility. If one is inclined to be charitable, the blunder can partially be explained by the incredible confusion which followed the cessation of hostilities.

So we now have access to Berlin by roads and air corridors at the pleasure of the Russians. If Khrushchev signs a separate peace treaty with East Germany, these controls will ostensibly fall into the hands of Russia's satellite.

It is true, as President Kennedy has said, that continued presence in West Berlin by the United States, the United Kingdom, and France is by "clear, legal right, arising from war, acknowledged in many agreements, signed by the Soviet Union, and strongly supported by the overwhelming majority of the people of that city."

It is the President's contention that "these rights" cannot be ended by any unilateral action of the Soviet Union. The President calls attention to a statement by President Ulbricht of East Germany to the effect that once the "peace treaty" is signed with Russia, he intends to curb West Berlin's communications with the free world and to suffocate the freedom it now enjoys.

Actually, there is nothing we can do to prevent the conclusion of a peace treaty between Russia and East Germany.

The showdown will come only when and if the East Germans impose air and ground controls which seriously hamper free movement to and from West Berlin.

If war should result, the responsibility will lie heavily upon the statesmen of the West who, with the exception of Winston Churchill, failed utterly to penetrate the shrewd and sinister motivations of the late Joseph Stalin.

And for these tragic errors, another generation, and perhaps all of mankind, may be consumed in a nuclear holocaust.

Though he then condemned conservatives, Knight by inference now admits they were then right in their opposition to Roosevelt's foreign policy.

CONSERVATIVES NOW PRAISED

This Sunday's—July 23, 1961—editorial also carried the following statement:

Representative CHARLES A. MOSHER, a freshman Ohio Congressman from Oberlin, writes that he sees no men in Washington "who stand so extraordinarily tall." * * * MOSHER's main complaint about Congress is "its lack of will to say 'No' when local and State governments come to Washington for money." * * * In speaking of the need for revitalization of State government, MOSHER says it can't be accomplished by asking Congress to solve State problems * * * thinks Congress might force the needed improvement in State government if only it could firmly say, "No, no, no."

In applauding Mr. MOSHER's views, we worry only as to whether the Congressman who says he likes Washington and "can understand the urge to stay forever," will be as forthright 2 years hence.

JOHN S. KNIGHT.

Now what is the point of all of this? The point is that the conclusion of the publisher, editor, or columnist is not always infallible and the foregoing is cited as an example that after all Congressmen selected by an intelligent constituency must be assumed to be just as patriotic and sincere, even though they may not be as intelligent or well advised, as publishers, editors, or columnists.

Some publishers are giving Members who often vote "No" encouragement by editorials like the one in the Saturday Evening Post of July 29.

CONGRESS SHOULD KEEP CONTROL OVER FOREIGN-AID SPENDING

People can argue ad infinitum about the number of billions which the American taxpayer should be willing to contribute to the "economic development of less-developed countries and areas, with emphasis upon assisting the development of human resources." Doubtless there are humanitarian reasons for many of these activities, although their relation to American interest and security seems difficult to establish.

The Act for International Development S. 1983) sets no overall price tage on "foreign aid" beyond the $8,800 million in loans over 5 years, plus some $1,700 million in grants to be made available in fiscal year 1962. However, the bill gives the President such wide authority to tap other programs and resources, including military and strategic stockpiles, that the total could be far greater. An estimated total outlay of $10,529 million over the next 5 years, not including $1,885 million in military aid plus "such sums as may be necessary" to implement the act, is probably close to reality.

Whatever the total, it is an amount which caused Arthur Krock, of the New York Times, to report widespread fear that "without new and more painful price inflation the economy cannot furnish $7,300 million more for foreign aid and also finance the welfare measures urged by the President." Furthermore, it is curious that such a measure should be urged by the same administration that wants to impose new taxes on corporations that set up plants in other countries—genuine "foreign aid" as opposed to giveaways.

However, the central objection to this bill is the method designed to get the money without troubling Congress to appropriate it in the traditional way. This foreign-aid bill contemplates backdoor spending on an unprecedented scale, a practice which Representative CLARENCE CANNON, Missouri Democrat, has described as "reprehensible." The annual appropriation system, which has taken care of vastly expanding Government activities, including two major wars, an expensive police action, and billions in foreign aid, is not considered adequate to finance the social development of Africans, Asians, and Polynesians. So Congress is asked to authorize the President to make loans for projects in unspecified areas of up to $900 million in 1962 and $1,600 million for each of 4 years thereafter and to get the money for this purpose by borrowing from the Treasury—in other words putting the whole thing on the cuff and outside the regular appropriation process. The bill grabs $300 million a year from repayments to the Treasury, which would in normal circumstances go to reduce the national debt or even to relieve the taxpayer.

In attempting to defend backdoor spending, the State Department points to other programs which have been financed by this inflationary method and add that it is necessary in "helping the aid agency to administer a long-range development program."

This is not an impressive argument. The U.S. Congress constantly appropriates money for domestic long-term projects, and the military departments receive their money through the usual appropriation process. Why should the bureaucrats in charge of a speculative foreign-aid program be an exception to this prudent practice?

In addition to the loans, which are to be handed out through the back door, and the grants for which Congress is graciously permitted to appropriate the money, the administrators of this act have access to an undetermined amount by tapping other agencies and resources. About $6,100 million remains unexpended from previous assistance programs, including $2,400 million for military aid.

The bill is also questionable because of many grants of power to the President seeming out of proportion to the objects of the bill. For example, the administrator is required to make all facts and figures available to the General Accounting Office—unless deterred by "a certification by the President that he had forbidden the furnishing thereof pursuant to such request and his reason therefor." Thus it would seem that there need be no accounting to Congress of the way vast sums are spent if the President is willing to state why the information should be withheld. However, similar clauses have appeared in earlier foreign-aid bills.

It is hard to believe that any Congress worth its weight in Federal judgeships would surrender the power of the purse, carefully reserved to Congress in the Constitution. To do so for no more critical "emergency" than the doling out of funds to "less developed" countries, however promising, could set a precedent for more bypassing of Congress for all kinds of projects.

Many Members of Congress for years have consistently voted "no" on measures which we thought were harmful to our economy, destructive of our national independence or sovereignty and because they voted "no" when some publisher, editor, columnist, or professor disagreed, have been bitterly, unjustifiably vilified.

Though several may have been mistaken, some of us who have voted against measures advocated by pressure groups, who have voted against spending of more than the Government had or could collect from taxpayers we considered already overburdened, are happy to see a publisher and editor like John S. Knight say it is all right and an example of courage to say "no" "when local and State governments come to Washington for money."

Many here in Congress who have served for years have consistently not only talked but voted "no" and because of those votes and subsequent publicity have been repeatedly, consistently characterized as reactionaries. May we also oppose the exorbitant demands of pressure groups without now being so characterized?

It is encouraging to know that gentlemen desiring to be helpful, as does the editor of the Detroit Free Press, are willing to admit that we cannot advance our economic position by excessive spending; that we cannot retain our independence as a nation nor insure its future security by repeatedly surrendering a part of our national sovereignty.

Mistaken we may be, but we believe that when threatened with impairment of our welfare, our national sovereignty, we should think of our own people, our own Nation first. If that makes me an isolationist, then that is what I am, for experience has taught me that by excessive effort to help everyone, we may be unable to help anyone, even ourselves.

My answer to our critics who so thoughtlessly characterize so many of us as lacking in every qualification which a Congressman should have is today the same as it was on May 28 of 1942, and that is, either lay off, or, if the Congressman from your district is so lacking in everything he should have, "run for office and perform your duty to the people of this Government by giving them the kind of Congressman they should have."

PUERTO RICAN CONSTITUTION DAY

Mr. RYAN. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, 9 years ago today, July 25, 1952, the establishment of the Commonwealth of Puerto Rico was proclaimed. On that day the people of the United States and of the island of Puerto Rico entered into a relationship unique in American experience.

This relationship is so unique that even after 9 years there exists no adequate descriptive name for it. Perhaps the Puerto Rican phrase is most apt: Associated Free State.

This has been an enormously successful partnership.

The elements of the ties that bind together the United States and Puerto Rico are simply stated. The Puerto Ricans have just about the same autonomy in their local affairs as do the citizens of a State of the Union. They elect their own officials. They pass their own laws. Their constitution flows from the broad stream of American political tradition and is based on American political forms and practice. There are no tariff or trade barriers between the island and the U.S. mainland.

Puerto Ricans are, and have been for many years, citizens of the United States. They are subject to military draft and have, in fact, performed great feats of arms on behalf of this country. Most Federal laws apply to Puerto Rico as they do to the States. But Puerto Rico's residents are not subject to Federal taxation. They have no voting representative in Congress, but are ably represented by a Resident Commissioner, the distinguished ANTONIO FERNÓS-ISERN. Puerto Rico sends delegates to the conventions of both national parties, but its residents do not vote in national elections. The Federal Government retains control in matters of foreign policy, defense, customs, and postal services, as it does for the 50 States.

This arrangement is a completely voluntary one. It is the one Puerto Ricans have voted again and again to maintain. It is the one of their own choosing and development.

Under the chairmanship of our distinguished colleague, Dr. FERNÓS-ISERN, the convention which was elected to draft a constitution produced a document universally praised for its progressive character.

With some minor changes, this constitition was accepted by the Congress of the United States and by the Puerto Rican people, and it is the instrument under which the island is currently governed.

The preamble of this document gives us a brilliant summary of the aspirations of Puerto Rico:

> We consider as determining factors in our life our citizenship of the United States of America and our aspiration continually to enrich our democratic heritage in the individual and collective enjoyment of its rights and privileges; our loyalty to the principles of the Federal Constitution; the coexistence in Puerto Rico of the two great cultures of the American Hemisphere; our fervor for education; our faith in justice; our devotion to the courageous, industrious, and peaceful way of life; our fidelity to individual human values above and beyond social position, racial differences, and economic interests; and our hope for a better world based on these principles.

The ideals expressed in this constitution have been and are being implemented.

There has been amazing social and economic progress made in Puerto Rico during the past decade under dedicated and vigorous leaders.

Over 2,000 years ago, Aeschylus wrote:

> To the man who himself strives earnestly, God also lends a helping hand.

Puerto Ricans have indeed striven earnestly.

Picture a land with what economic experts have called the most unfavorable ratio of population pressure against natural resources in the world. Picture a land, which in 1940 had a per capita income of $121 a year, strangling in a one-crop economy and almost totally bereft of mineral wealth.

Imagine a people so determined to improve itself that it could, under these grim circumstances, raise its per capita income nearly five times over that of 1940 to the point where it now ranks higher than any other Caribbean country and second in all of Latin America only to oil-wealthy Venezuela. Puerto Rico's gross product has increased almost sixfold in 20 years. Family income soared nearly 258 percent between 1940 and 1956.

In addition, the infant mortality has been halved, life expectancy has risen almost 50 percent, and illiteracy has dropped from almost 80 percent of the island's population to less than 20 percent.

I believe that Puerto Rico's experiences should be widely publicized.

The President has advanced a program for our future relations with Latin America which he has called the Alliance for Progress. We know the need to build a better relationship with our neighbors in this hemisphere.

The problems with which those neighbors are confronted are startlingly similar to those already faced by Puerto Rico. It seems to me that this island

associate of ours is perfectly situated to act as a bridge between the United States and Latin America, culturally and economically.

Puerto Rico is already famous for its achievements. During the past 8 years more than 14,000 leaders, planners, and technicians from 107 foreign countries have visited the island to study the methods by which it has accomplished such progress. In my opinion, Puerto Rico can lead us in our dealings with the nations of Central and South America.

We have already taken steps in that direction. Teodoro Moscoso, who directed Operation Bootstrap from 1942 until this year, was recently appointed U.S. Ambassador to Venezuela. Arturo Morales-Carrion, former Under Secretary of State for Puerto Rico, has been named Deputy Assistant Secretary of State for Inter-American Affairs. I hope the President will make even wider use of Puerto Ricans and of Puerto Rico's experience.

No discussion of Puerto Rico can take place without mention of the island's Governor, Luis Muñoz-Marín. He is, in my opinion, one of the greatest statesmen of this era. Utterly devoted to democratic methods and to his country, he has played an incalculable role in Puerto Rico's progress.

Puerto Rico is the clear and irrefutable proof of what a free people under a democratic system of government can accomplish. Here is the shining example for all the underdeveloped and newly independent nations of the world. Freedom is compatible with economic and social progress. Puerto Rico is the answer to dictatorships of both the left and the right.

I am proud of our country's association with the wonderful people of Puerto Rico. May they prosper in all their endeavors.

CALENDAR WEDNESDAY

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, now that the reform of the Rules Committee is showing itself to be what many of us knew all along that it was, and publicly said so, no reform at all, but a mere device to distract attention from the political realities of the great schisms in the Democratic Party perhaps we can straighten out the misconceptions that have been fostered about Calendar Wednesday.

Calendar Wednesday was put into the rules of the House back in the early part of the 20th century when the Rules Committee, or more truthfully, the power of the Speaker suffered a real reformation, for the specific purpose of preventing dictatorial power vesting either in the Speaker or the new Rules Committee which would prevent the majority of the House from considering legislation it desired to consider.

Calendar Wednesday is not a cumbersome procedure. It does not "necessitate disposal of a bill on a single day," as the editorial in the Philadelphia Inquirer says. It requires disposal in a legislative day which anyone knowledgeable of parliamentary rules knows can mean a week, if necessary.

Calendar Wednesday procedure requires that the House resolve itself into the Committee of the Whole House on the State of the Union and then to procede to debate the bill under the 5-minute rule. This is exactly the procedure under which the House considers most of its legislation. It is not cumbersome. It is not subject to "delaying tactics permitted by the House rules" as an AP article states because the House rules do not permit of delaying tactics of any significance. It is impossible to conduct a successful filibuster in the House against the will of the majority for the very simple reason that by majority vote debate can be shut off and a vote required at once. In fact shutting off debate in this manner is a usual procedure in considering a bill under the 5-minute rule.

Now why has there been all this misrepresentation about Calendar Wednesday?

I believe the reason is quite obvious. The Democratic leadership wishes to conceal the fact that it does not have the majority of the votes on a particular issue. Of course, if a party does not have the majority of the votes Calendar Wednesday is a cumbersome method to try to enact legislation; so is every other method, including trying to threaten and bribe Congressmen with executive largesse to change their votes, cumbersome.

The truth of the matter is and always has been, the Rules Committee packed and unpacked has been an accurate reflection of the wishes of the House leadership. The House leadership might wish to enact certain legislation, but these wishes are tempered with a knowledge of how the majority of the House will vote on the measure. If the majority is against the measure, the House leadership's wishes are altered from wishes to pass the legislation to wishes not to have it known that it did not have the necessary votes to pass the measure.

The Rules Committee, which is nothing more than the committee on agenda, has been unfairly used as a whipping boy. It never has had the power to bottle up legislation the majority really wanted enacted. If the truth of Calendar Wednesday is told then the entire jig is up. The jig is up. Now let the press start telling the people the truth—the coalition is the northern Democrat-southern Democrat coalition entrusted with the power of organizing the House by electing the Speaker, dominating the committees numerically and electing the powerful chairmen of the committees, but not sufficiently in agreement on many major issues of the day to assume the responsibilities that this power requires.

BERLIN AND HANFORD

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SAYLOR] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SAYLOR. Mr. Speaker, the President is scheduled to speak to a nationwide television audience tonight on the world crisis. Presumably, he will suggest what the American people can expect and what they must be prepared to do in the crucial period that lies ahead.

Whatever sacrifices are needed, there is no doubt about the general determination to make every contribution that may be necessary to demonstrate clearly and without equivocation that the free world will make no further concessions to the Kremlin's unreasonable demands. On this question, America is firmly united. We are genuinely annoyed at the Soviet's perennial call for the Western Powers to retreat further in order that godless communism may extend its sphere of domination ever further.

A defense program requires enormous Federal expenditures. Under prevailing conditions, scientists and engineers must always have in development new weapons and mechanisms that make existing models obsolete. It has become a truism that an airplane, rocket, or other projectile may be outmoded before it comes off the production line. The public is aware of the cost of such progress. The taxpayer does not object to whatever expenditures that are necessary for national safety. He has never failed to respond.

Yes, Mr. Speaker, if keeping our faith and refusing to concede in Berlin requires an all-out mobilization effort, we are ready to pay the bill. In the light of this anticipated financial burden, however, we resent more than ever the numerous unnecessary projects—both foreign and domestic—that are ever present for congressional consideration.

If the international situation is so critical as to require mounting appropriations for defense purposes, the administration owes it to the people of this Nation to reexamine its other spending programs and eliminate or reduce every nonessential project.

Take the proposed Hanford electric generating facilities, for instance. The provision—wisely rejected by the House—to invest $95 million in generating facilities has been reinstated in the Atomic Energy Commission authorization bill by the Senate. I am confident that my colleagues will again refuse to permit appropriations for this monstrous extravagance, but meanwhile the administration, under the pressure of its revitalized defense program, should voluntarily withdraw its announced desire to go ahead with the Hanford power station.

Now, under the popular philosophy of reckless Government spending without regard to indebtedness or responsibilities, $95 million is not considered a large

sum by big bureaucrats. Let me tell you how a $95-million burden would affect the people who pay the taxes. If every man, woman and child in the seven largest communities in the congressional district which I represent were to pay $1,000 each to the Federal Government, the total amount would still not be enough to cover the initial cost of the Hanford electric generating project. I emphasize the word initial because you know and I know that this $95 million would shoot up over the 100 million mark very quickly after the project got started, and before you knew it you would be sending many more millions of good money after the bad used in the kickoff ceremonies.

I ask my friends here today to take these figures and adapt them to your own districts. Add up the populations of some of your communities until you come to 95,000 and then visualize the Government's taking away from every single citizen $1,000 to be used, not for settling the Berlin crisis, not for pulling Laos out of a hole, not for saving 1 square foot of this earth from further communism encroachment, but for erection of a powerplant out where you do not need additional power even for civilian requirements. Now I recognize that 95,000 people are but a small percentage of the total populations of some of our metropolitan cities, but who here would be willing to take that large a segment of the people of New York or Philadelphia or Chicago or points south and west and explain that 95,000 individuals, not households, must hand over $1,000 each to the Federal Government so that it may undertake another expensive bureaucratic masterpiece?

For the information of my colleagues who are also fearful of the Federal Government's attempts to take over progressively larger shares of American business and industry, I refer you to a 1952 Bureau of Reclamation publication entitled "Future Power Transmission of the West." That booklet includes a map of what is described as a concept of a 500,000-volt power system. You will find that, even 9 years ago, the bureaucratic dream was to link generating facilities from the Pacific coast to the Great Lakes and even down to the Gulf of Mexico in a vast grid work of lines that would make a commissar of power in the Kremlin look like a minor leaguer.

We are building to challenge the totalitarian state, not to imitate it. We do not need to use $95 million of U.S. Treasury funds to take over more of the responsibilities of private industry.

The taxpayers in Pennsylvania resent the administration's insistence on the Hanford generating facilities. We have an additional interest in defeating the proposal because it would present another impediment to our economy. Project Hanford represents a vicious disregard of the taxpaying public. It is completely unrealistic at a time when emphasis should be placed on national defense. It sets the pattern for further debilitation of the coal industry.

If the administration has any regard for its pledges to assist coal areas, for its promises to cut unnecessary extravagances, and for its responsibility in matters of national defense, the Hanford power project will be withdrawn forthwith.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as follows:

Mr. ST. GERMAIN, for 3 days, on account of official business.

Mr. CLARK (at the request of Mr. BARRETT), for an indefinite period, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ROGERS of Texas, for 1 hour, on Monday next.

Mr. MICHEL, for 30 minutes, on Thursday, July 27, 1961.

Mr. HOSMER, for 1 hour, on Wednesday, July 26, 1961, and to revise and extend his remarks.

Mr. HOFFMAN of Michigan, for 60 minutes today, to revise and extend his remarks and to include extraneous matter.

Mr. BYRNES of Wisconsin (at the request of Mr. HALPERN), on Wednesday, July 26, for 30 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mrs. KEE.

Mr. WALTER.

Mrs. GRIFFITHS.

Mr. WILSON of Indiana and to include extraneous matter.

Mr. GATHINGS and to include extraneous matter.

Mr. GEORGE P. MILLER and to include extraneous matter.

(The following Members (at the request of Mr. HALPERN) and to include extraneous matter:)

Mr. HOEVEN.

Mr. HOSMER.

Mr. UTT.

Mr. FINO.

Mr. VAN ZANDT.

(The following Members (at the request of Mr. RYAN) and to include extraneous matter:)

Mr. HOLTZMAN.

Mr. TUCK.

Mr. SANTANGELO.

Mr. WICKERSHAM.

Mr. ANFUSO.

ENROLLED JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 463. Joint resolution to extend through June 30, 1962, the life of the U.S. Citizens Commission on North Atlantic Treaty Organization.

ADJOURNMENT

Mr. RYAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 34 minutes p.m.), the House adjourned until tomorrow, Wednesday, July 26, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1163. A letter from the Assistant Secretary of Agriculture and Assistant Secretary of the Navy (Installations and Logistics), transmitting in duplicate, notice of the intention of the Department of the Navy and the Department of Agriculture to interchange jurisdiction of military and national forest lands, as authorized by this act, pursuant to the act of July 26, 1956 (70 Stat. 656); to the Committee on Agriculture.

1164. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting the case of Chan Yee Sing, A11078199, involving suspension of deportation, pursuant to the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

1165. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to authorize the Secretary of the Interior to sell to landowners in urban areas the rights of the United States to certain minerals, and for other purposes"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ELLIOTT: Committee on Rules. House Resolution 388. Resolution providing for the consideration of H.R. 8230, a bill to improve and protect farm prices and farm income, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interests of consumers, and for other purposes; without amendment (Rept. No. 773). Referred to the House Calendar.

Mr. VINSON: Committee on Armed Services. H.R. 218. A bill to provide that individuals enlisted into the Armed Forces of the United States shall take an oath to support and defend the Constitution of the United States; with amendment (Rept. No. 782). Referred to the House Calendar.

Mr. PHILBIN: Committee on Armed Services. H.R. 763. A bill to provide for an additional payment of $165,000 to the village of Highland Falls, N.Y., toward the cost of the water filtration plant constructed by such village; with amendment (Rept. No. 783). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. H. R. 2877. A bill to authorize the Director, Office of Civil and Defense Mobilization, to approve a financial contribution for civil defense purposes to the State of Oklahoma; without amendment (Rept. No. 784). Referred to the Committee of the Whole House on the State of the Union.

Mr. GEORGE P. MILLER: Committee on Science and Astronautics. H.R. 2049. A

bill to provide that the National Bureau of Standards shall conduct a program of investigation, research, and survey to determine the practicability of the adoption by the United States of the metric system of weights and measures; with amendment (Rept. No. 785). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 4785. A bill relating to withholding for State employee retirement, disability, and death benefit system, on the compensation of certain civilian employees of the National Guard; with amendment (Rept. No. 786). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 4790. A bill to amend section 709 of title 32, United States Code; without amendment (Rept. No. 787). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 4792. A bill to clarify the status of members of the National Guard while attending or instructing at National Guard schools established under the authority of the Secretary of the Army or Secretary of the Air Force, as the case may be, and for other purposes; without amendment (Rept. No. 787). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 4786. A bill to provide travel and transportation allowances for members of the National Guard and Reserve components when travel is performed in an active duty or inactive duty training status in compliance with Federal directives; without amendment (Rept. No. 789). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 7719. A bill to amend section 6(d) of the Universal Military Training and Service Act (50 App. U.S.C. 456(d)) to authorize certain persons who complete a Reserve Officers' Training Corps program to be appointed as commissioned officers in the Coast and Geodetic Survey; without amendment (Rept. No. 790). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Armed Services: H.R. 7934. A bill to authorize the Secretaries of the military departments to make emergency payments to persons who are injured or whose property is damaged as a result of aircraft or missile accidents, and for other purposes; with amendment (Rept. No. 791). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. H.R. 7447. A bill to amend the Strategic and Critical Materials Stock Piling Act to provide for the immediate disposition of certain waterfowl feathers; with amendment (Rept. No. 792). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of the rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. H.R. 2822. A bill for the relief of Gregoire A. Kublin; without amendment (Rept. No. 761). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 3133. A bill for the relief of Mrs. Maria A. Schmoldt; without amendment (Rept. No. 762). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 3718. A bill for the relief of Matthias Nock, Jr.; without amendment (Rept. No. 763). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 5136. A bill for the relief of Compton Jones; with amendment (Rept. No. 764). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 6646. A bill for the relief of Maria Concetta Cozza; without amendment (Rept. No. 765). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 19. An act for the relief of Mrs. Takimi Yamada; with amendment (Rept. No. 766). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 82. An act for the relief of Naoko Ishiwatari White; without amendment (Rept. No. 767). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 85. An act for the relief of Maria Rosario Barrena-Villachica, Maria Dolores Villar Salinas, Angela Casanova Cabello, Carmen Guenaga Anchustegui, and Flora Casals Pons; with amendment (Rept. No. 768). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 231. An act for the relief of Helga G. F. Koehler; without amendment (Rept. No. 769). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 316. An act for the relief of Minsun Chen; without amendment (Rept. No. 770). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 435. An act for the relief of Knud Erik Didriksen; without amendment (Rept. No. 771). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 700. An act for the relief of Fung Wan (Mrs. Jung Gum Goon); without amendment (Rept. No. 772). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 570. An act for the relief of Giuseppa Alonzi; with amendment (Rept. No. 774). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 722. An act for the relief of Aideh Kobler; with amendment (Rept. No. 775). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 825. An act for the relief of Vasiliki Yeannakopoulos; without amendment (Rept. No. 776). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 944. An act for the relief of Mr. Najm Boulos Rihani; without amendment (Rept. No. 777). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1373. An act for the relief of Giuseppa Lanza Lascuola; without amendment (Rept. No. 778). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1432. An act for the relief of Shau Ying Lin, and her children, Gee Chek Lin, Gee Ming Lin, and Chi Fong Lin; with amendment (Rept. No. 779). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1673. An act for the relief of Blagoje Popadich; without amendment (Rept. No. 780). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H.R. 5382. A bill for the relief of Marie Haladjian; with amendment (Rept. No. 781). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FULTON:

H.R. 8326. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from income tax for certain nonprofit clubs organized and operated for the purpose of paying benefits to the members and their dependents; to the Committee on Ways and Means.

By Mrs. GRIFFITHS:

H.R. 8327. A bill to amend section 101(7) of the Federal Aviation Act of 1958, so as to include flight attendants within the definition of "airman"; to the Committee on Interstate and Foreign Commerce.

By Mr. HARSHA:

H.R. 8328. A bill to extend for 2 years the temporary provisions of Public Laws 815 and 874, 81st Congress, relating to Federal assistance in the construction and operation of schools in areas affected by Federal activities; to the Committee on Education and Labor.

By Mr. HOLTZMAN:

H.R. 8329. A bill to make the Commission on Civil Rights a permanent agency in the executive branch of the Government; to the Committee on the Judiciary.

H.R. 8330. A bill to provide additional means of securing and protecting the civil rights of persons within the jurisdiction of the United States; to the Committee on the Judiciary.

By Mr. LINDSAY:

H.R. 8331. A bill to strengthen the criminal laws relating to bribery, graft, and conflicts of interest, and for other purposes; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H.R. 8332. A bill to amend title II of the Housing Amendments of 1955 to increase the portion of the funds available thereunder which may be used in providing financial assistance for mass transportation facilities; to the Committee on Banking and Currency.

By Mr. MAILLIARD:

H.R. 8333. A bill to amend title 10, United States Code, to provide that members of the Armed Forces shall be retired in the highest grade satisfactorily held in any armed force, and for other purposes; to the Committee on Armed Services.

By Mr. MOULDER:

H.R. 8334. A bill to amend section 101(7) of the Federal Aviation Act of 1958, so as to include flight attendants within the definition of "airman"; to the Committee on Interstate and Foreign Commerce.

By Mr. SANTANGELO:

H.R. 8335. A bill to provide that tips and gratuities received from customers of an individual's employer may be included as part of such individual's wages for old-age, survivors, and disability insurance purposes; to the Committee on Ways and Means.

By Mr. ADAIR:

H.R. 8336. A bill proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. HENDERSON:

H.R. 8337. A bill to amend section 113(a) of title 28, United States Code, to provide that Federal District Court for the Eastern District of North Carolina shall be held at Goldsboro, Jacksonville, and Clinton; to the Committee on the Judiciary.

By Mr. IKARD of Texas:

H.R. 8338. A bill to amend title 28 of the United States Code, section 2109, to provide

for 11 special judges of the U.S. Supreme Court; to the Committee on the Judiciary.

By Mr. MACHROWICZ:

H.R. 8339. A bill to amend the Internal Revenue Code of 1954 to require the filing and publication of additional information by certain tax-exempt nonprofit organizations which conduct public fund drives, in order to protect the public against improper utilization of the proceeds of such drives; to the Committee on Ways and Means.

By Mr. ST. GERMAIN:

H.R. 8340. A bill to amend section 203 of part II of the Interstate Commerce Act with respect to certain Canadian tourist transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. O'HARA of Michigan:

H.R. 8341. A bill to authorize the Secretary of the Interior to conduct a study covering the causes and prevention of injuries, health hazards, and other health and safety conditions in metal and nonmetallic mines (excluding coal and lignite mines); to the Committee on Education and Labor.

By Mr. BOGGS:

H.R. 8342. A bill to amend the Internal Revenue Code of 1954 to permit a gift to an educational institution to be deducted as a charitable contribution even though it is made to provide a scholarship for a specified individual, so long as such individual is not a relative of the donor; to the Committee on Ways and Means.

By Mr. HALPERN:

H.R. 8343. A bill to provide Federal assistance for projects which will evaluate and demonstrate techniques and practices leading to a solution of the Nation's problems relating to the prevention and control of juvenile delinquency and youth offenses and to provide training of personnel for work in these fields, and for other purposes; to the Committee on Education and Labor.

By Mr. KEARNS:

H.R. 8344. A bill to provide for the restoration of the home of John Philip Sousa in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. KING of Utah:

H.R. 8345. A bill to provide for certain highway and bridge construction as part of the Flaming Gorge Dam and Reservoir project in the State of Utah; to the Committee on Interior and Insular Affairs.

By Mr. MATTHEWS:

H.R. 8346. A bill to provide for the restoration of the home of John Philip Sousa in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. PETERSON:

H.R. 8347. A bill to provide for certain highway and bridge construction as part of the Flaming Gorge Dam and Reservoir project in the State of Utah; to the Committee on Interior and Insular Affairs.

By Mr. LIBONATI:

H.J. Res. 499. Joint resolution authorizing a celebration of the American patent system; to the Committee on the Judiciary.

By Mr SMITH of Virginia:

H.J. Res. 500. Joint resolution to authorize the Architect of the Capitol to construct a memorial to James Madison, and for other purposes; to the Committee on Public Works.

By Mr. SLACK:

H.J. Res. 501. Joint resolution to authorize the Architect of the Capitol to construct a memorial to James Madison, and for other purposes; to the Committee on Public Works.

By Mr. POFF:

H.J. Res. 502. Joint resolution to authorize the Architect of the Capitol to construct a memorial to James Madison, and for other purposes; to the Committee on Public Works.

By Mr. MOORE:

H.J. Res. 503. Joint resolution to authorize the Architect of the Capitol to construct a memorial to James Madison, and for other purposes; to the Committee on Public Works.

By Mr WATTS:

H. Con. Res. 356. Concurrent resolution to designate bourbon whiskey as a distinctive product of the United States; to the Committee on Ways and Means.

By Mr FARBSTEIN:

H. Res. 387. Resolution establishing a Special Committee on the Captive Nations; to the Committee on Rules.

By Mr. WILSON of Indiana:

H. Res. 389. Resolution to authorize the Committee on Armed Services to conduct an investigation and study of the utilization of certain property under the jurisdiction of the Department of Defense; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSEN of Minnesota:

H.R. 8348. A bill for the relief of Nicolaos Louvaris; to the Committee on the Judiciary.

By Mr. LANE:

H.R. 8349. A bill for the relief of the estate of Mrs. Rasheedi Kater; to the Committee on the Judiciary.

By Mr. MACDONALD:

H.R. 8350. A bill for the relief of Young Kee Yem; to the Committee on the Judiciary.

By Mr. SCRANTON:

H.R. 8351. A bill for the relief of Anthony Joseph Calandi; to the Committee on the Judiciary.

By Mr. ULLMAN:

H.R. 8352. A bill for the relief of Mary Dawn Polson (Emmy Lou Kim) and Joseph King Polson (Sung Sang Moon); to the Committee on the Judiciary.

By Mr. FULTON:

H.J. Res. 504. Joint resolution to give recognition to the two American scientists who discovered the great radiation belt surrounding the earth; to the Committee on Science and Astronautics.

PETITIONS, ETC.

Under clause 1 of rule XXII,

197. The SPEAKER presented a petition of Edwin C. Turski, president, Council No. 53, Polish National Alliance, Schenectady, N.Y., requesting that a Polaris submarine be named *General Casimir Pulaski*, which was referred to the Committee on Armed Services.

EXTENSIONS OF REMARKS

Equal Rights for Women

EXTENSION OF REMARKS
OF
HON. MARTHA W. GRIFFITHS
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 25, 1961

Mrs. GRIFFITHS. Mr. Speaker, on July 19, 1848, Susan B. Anthony presided over a historic meeting at Seneca Falls, N.Y., which resulted in the adoption in 1920 of the 19th amendment granting women the right to vote.

Today, I would like to urge action on a resolution which would result in another amendment to the Constitution—an amendment guaranteeing equal rights for women.

Surely, it cannot be denied that progress has been made in the field of women's rights. Yet this success has not been complete, for there are still areas where full equal rights have not been realized. This is especially true in the fields of labor and industry.

Women are not asking for any unwarranted or special privileges. They are merely asking that legislation be enacted which will raise them from what can be aptly termed "second-class citizenship."

Certainly, our democratic faith is strong enough, our economic system dynamic enough, and our sense of fair play elastic enough to make women full citizens.

Gen. Curtis E. LeMay

EXTENSION OF REMARKS
OF
HON. VICTOR WICKERSHAM
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 25, 1961

Mr. WICKERSHAM. Mr. Speaker, I had occasion recently to convey my congratulations in person to Gen. Curtis E. LeMay on his appointment to Chief of Staff for the Air Force. I now wish to take the opportunity to make public my considered opinion of this great Air Force officer.

In addition to having known him personally for 19 years, it comes into my particular province to make these remarks because General LeMay literally made the Strategic Air Command the important arm of defense that it is, and in my district in Oklahoma there are two bases harboring SAC.

He assumes this position of tremendous responsibility at a very grave time and in the midst of a heated argument. There is a group of military strategists who claim that the manned bomber is a dead issue and that the future belongs to the missiles. On the other hand, there are equally as strong advocates arguing that the manned bomber as it is currently used is one of our main deterrents of war.

Only time and General LeMay will settle this argument.

In the meantime, if the general proves true to form, and I am convinced he will, he will develop the most efficient, the

best managed Air Force the country has ever had.

That was what he did with SAC from the time he took over that command in 1948, reorganized it, and whipped it into the finest, most efficient bombing force ever—on a constant worldwide alert.

General LeMay was commissioned a second lieutenant in 1929, almost 32 years ago, and for 17 years of those 32 he has been a general—a record of recommendation in itself.

So it is with complete confidence, and with thorough appreciation of the job he is undertaking, that I add my commendations to the many that have already preceded.

Fuel Use in Military Installations

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 25, 1961

Mrs. KEE. Mr. Speaker, my colleagues will be interested in a communication which I have received from the Office of the Assistant Secretary of Defense regarding a policy change in fuel use. On July 7 I wrote to the assistant secretary for properties and installations to request that the National Coal Association be notified of proposed conversions of military heating plants from bituminous coal to other fuels.

I am now happy to report that my request has been honored and that no switching from bituminous coal to other fuels in military installations can be effected until the National Coal Association has been advised and has an opportunity to offer its technical assistance to the Department in determining the most economical course to be followed in fuel selection.

Previously there has been too many instances of changing from coal on the basis of inaccurate information on fuel prices and availability. In consequence, the coal industry has unfairly been deprived of important business and the Nation's taxpayers have been forced to underwrite unnecessarily expensive fuel bills.

Agreeing to comply with my suggestion is a highly commendable decision on the part of the Department of Defense. This action will serve to insure that military installations involved will use the most efficient and economical fuel. I am confident that the new procedure will be most helpful to the coal industry.

While it is my personal conviction that both the general welfare and national defense would benefit immeasurably if coal, whose reserves are so abundant, were to be used exclusively for heat and power in Government establishments located within close proximity of producing States, I want to make clear that such favoritism was not asked or implied in my correspondence with the Department of Defense. Coal at the mine is selling for less now than it did in 1948. An enviable record was made possible through the willingness of industry management to invest in mechanized equipment and methods, with the consent and cooperation of the United Mine Workers of America. Under these circumstances, bituminous coal usually proves to be the most economical fuel in most regions of the country. In addition, there is no question about supplies for the long term. To disregard these advantages in selecting heat and power for Government use is a violation of principle and responsibility.

I thank Mr. Edward J. Sheridan, Deputy Assistant Secretary of Defense for Properties and Installations, for his letter outlining the new procedure. I congratulate the Department for this sound and sensible attitude.

Civil Rights Legislation

EXTENSION OF REMARKS
OF
HON. LESTER HOLTZMAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 25, 1961

Mr. HOLTZMAN. Mr. Speaker, I am today introducing in the House of Representatives legislation which will provide additional means of securing and protecting the civil rights of persons here in the United States.

Since the enactment of the Civil Rights Act of 1957, we have had ample evidence of the continued denial of rights guaranteed by our Constitution. Recent demonstrations of mob violence against the freedom riders in particular, and actual defiance of the law on the part of individuals aided and abetted by public officials—as evidenced by the actions of Gov. John Patterson, of Alabama—certainly indicate that the Federal Government must step in and act boldly to suppress these flagrant attempts to continue racial discrimination and segregation in this country.

I served as a member of the subcommittee of the House Committee on the Judiciary which considered the Civil Rights Act of 1957 and the amendments of 1960, and while I believe these laws were important initial steps, much remains to be done to combat the failure or inability of law enforcement officials to prosecute those responsible for crimes against his fellowman, because of race or color. We must safeguard for every American not only his right to vote, but also his right to study, to travel, to be housed, to be employed—in short to live with dignity in full freedom and equality.

The legislation I am introducing calls for the establishment of the Civil Rights Commission as a permanent agency, the creation of a Joint Congressional Committee on Civil Rights, a strong antilynching provision, prohibition against discrimination or segregation in interstate transportation, strengthening of basic civil rights statutes by increasing punishment where death or maiming result from violation of these statutes, and reinstatement of part III of the original Civil Rights Act of 1957. Part III is the very heart of the problem as it would give the Attorney General the right to proceed on his own in filing civil suits for injunctions against deprivations of any civil rights.

I recognize, of course, that the paramount issues facing our country today are seemingly international, but I do not feel that the two can be divorced, as they are inextricably intertwined—mob violence, intimidation, and discrimination must be curbed wherever it occurs when the safety of the individual is threatened. This is not the time to slow down in cleaning up our own house. Law and order must be maintained if we are to prove to the world, particularly to those nations behind the Iron Curtain, and those on the brink, that the United States is a land where freedom and the rights of each and every individual are respected and protected by the highest standards of justice. We cannot and must not countenance defiance of what is legally and morally right. The Congress must fulfill its responsibilities and enact strong laws which will absolutely guarantee these basic rights, if we are to continue to preach democracy, freedom, and equality to the rest of the world.

Impacted School Area Discharge Petition

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 25, 1961

Mr. HOSMER. Mr. Speaker, I call attention of the House to the discharge petition now at the Clerk's desk calling for action on H.R. 5349, a simple 2-year extension of the federally impacted school area laws—Public Laws 815 and 874.

School districts in 319 of the Nation's congressional districts have been entitled to assistance under these statutes. Not one of these school districts has proceeded under any assumption other than that the assistance will continue during the next school year.

The school budgets for the school year commencing in September have been made up with this in mind. Failure of the Congress promptly to extend these laws will result in financial crises ranging from serious to catastrophic in each and every one of these school districts. It is too late for them now to obtain funds from other sources.

Unless these laws are promptly extended, U.S. public school education will receive a major setback. The education of millions of young Americans is endangered. This is an unconscionable risk to run for the mere purpose of using the extension of these statutes as a blackmail device to force support for the broader, unrelated school bills.

The emergency is clear. It is definite. It is one that no Member of this body should wish to assume a responsibility

for pushing to a disastrous conclusion. Those who have not already signed the discharge petition on H.R. 5349 have the power to ward off this emergency by signing it. It affords an immediate and positive way to be of major material assistance to American education.

True Information Needed

EXTENSION OF REMARKS
OF
HON. CHARLES B. HOEVEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 25, 1961

Mr. HOEVEN. Mr. Speaker, there has come to my desk a remarkable publication entitled "Food for a Nation." This is released by the U.S. Department of Agriculture and bears the date May 1961. There is no other identification on it, so one cannot tell whether this is a product of the research service or the marketing service or some other service. Apparently no agency in the Department was willing to allow its name to appear on the document. I can only conclude that responsibility lies with the Secretary of Agriculture.

On page 3 of this publication is this notable paragraph:

> Agriculture is comprised of 3.7 million farms. They vary in size from very small to large. The operators of these farms have had no means of adjusting total production to demand at home and abroad.

It is this last sentence to which I call your attention: "The operators of these farms have had no means of adjusting total production to demand at home and abroad."

This statement is not based on facts. It is not only untrue, but seems to pave the way for the adoption of production controls for all farm products—a step toward the socialization of agriculture.

The hog farmers of my district have a way of adjusting production to demand. When hog prices are profitable they expand production; when hog prices are low they cut back.

The poultry farmers of my district adjust total production to demand. When eggs are high priced they increase output; when eggs are cheap they buy fewer chicks.

Farmers who grow watermelons and strawberries adjust production in the same way. So do cattle feeders and soybean growers. These people all make adjustments, on their own, without orders from Washington.

As a matter of fact, those commodities for which farmers themselves are free to make adjustments are not in surplus. The surpluses are exactly for those commodities which have been regulated by the Government, such as wheat and cotton.

I challenge the Secretary of Agriculture or anyone else to produce a piece of valid research which shows that farmers "have had no means of adjusting total production to demand." Anyone who says that farmers cannot adjust production is dead wrong. He is without any explanation for the generally good adjustment of supply to demand for livestock products, poultry, fruits, and vegetables which, taken together, comprise the major part of agriculture. He is without an explanation of how all of agriculture adjusted, until recent years, to changes in population, changes in diet, and changes in production methods.

Anyone who says that farmers "have had no means of adjusting total production to demand" has no appreciation for the thought that farm people undertake in planning their production. He has no awareness of the ingenuity of our farm people who adjusted broiler production upward, when more efficient production methods came along, and adjusted horse production downward when tractors came in. There was no Government program to increase broilers, and no Government program to decrease horses. Had there been, we would now probably have a shortage of broilers and a surplus of horses.

What is the solution to the farm problem, as set forth in the publication from which I have just quoted? It is found on page 8: "production adjustment." Presumably this refers to the original omnibus farm bill, which would have regimented all agriculture. Fortunately this bill has been cut down to size.

It follows, with perfect logic, that if farmers have no way to adjust production the Government must do it for them. Thus the Secretary proceeds from an erroneous premise to a false conclusion.

This publication holds in low regard the accomplishments of our farm men and women. It holds in low esteem the resourcefulness of a free people. It reveals an abysmal ignorance of facts of farm life.

The Department of Agriculture was established, according to its charter, to "distribute useful information" to our farm people.

The passage I have read is not information, it is misinformation. It is not useful, it is misleading.

National Lottery of New Zealand

EXTENSION OF REMARKS
OF
HON. PAUL A. FINO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 25, 1961

Mr. FINO. Mr. Speaker, I would like to point out to the Members of this House the national lottery of New Zealand. This small nation uses a national lottery to help provide funds for charitable and other nonprofit organizations.

In 1960 the gross receipts of the New Zealand national lottery came to $1.7 million. The profit to the government in that year was $600,000. The bulk of this money went to welfare, charitable, cultural, and youth organizations.

The people of New Zealand realize that even if a lottery is not operated on a large scale, it is a most worthwhile enterprise if the revenue it brings in is used for the right purposes. We could learn a lesson from New Zealand.

Save the White Ash

EXTENSION OF REMARKS
OF
HON. E. C. GATHINGS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 25, 1961

Mr. GATHINGS. Mr. Speaker, some notice has been given to a letter I wrote on July 7, 1961, to the Chief of the U.S. Forest Service concerning the virulent disease which has threatened the white ash.

Because of the widespread interest in this matter, under unanimous consent, I wish to place in the RECORD a copy of my letter to Mr. Richard E. McArdle and the reply I have received from the U.S. Forest Service on actions being taken.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, July 7, 1961.

Mr. RICHARD E. MCARDLE,
Chief, U.S. Forest Service, Department of Agriculture, Washington, D.C.

DEAR MR. MCARDLE: It is distressing to learn that a new virulent disease of unknown origin—ash-dieback—has been found in New York State which threatens the white ash of that State, the primary source of stock for baseball bats.

According to the assistant commissioner for lands and forests of New York State, the white ash (Fraxinus americanus) is in danger of extinction. A recent survey showed that up to 70 percent of the trees in commercial woodlots are in various stages of decline as a result of the disease.

What would be the state of our great American sport without the sharp crack of the bat that sends the horsehide away into far rightfield?

What young bonus rookie could hope to earn the public's favor and be compared with the immortal Babe Ruth, or crafty Ty Cobb, or the master of the long ball, Ted Williams, if he must accept a choice from three synthetic bats before striding to the plate and scratching out a batting stance? What miserable metallic bong or plastic thud could trigger the roar of the bleachers with the same purity of contact as the crack of the white ash bat?

Please, Mr. McArdle, as one bleacherite to another, get our Forest Service experts and our research scientists at work immediately to save the white ash.

With kind regards, I am,
Yours very sincerely,
E. C. GATHINGS.

U.S. DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Washington, D.C., July 17, 1961.

HON. E. C. GATHINGS,
House of Representatives.

DEAR CONGRESSMAN GATHINGS: This is in response to your letter of July 7 expressing concern over the excessive losses of white ash in New York. This subject has concerned the Forest Service too and we cannot yet explain the cause of the losses.

In cooperation with the New York Conservation Department and the College of Forestry at Syracuse, our research people have for several years carried on research to determine why these losses are occurring. These studies have shown that a fungus is almost invariably associated with the twig and branch dieback that precedes death of affected ash trees, but inoculations of healthy vigorous trees with this fungus have not reproduced the disease. Moreover, the fungus may be found growing saprophytically on dead branches in an otherwise healthy tree with no evidence of any injury. Careful examination of ash trees in all stages of decline shows that they undergo a period of reduced growth for several years prior to infection by the fungus. From this and other supporting data our scientists are of the opinion that the fungus is only weakly pathogenic and cannot be considered to be the primary cause of the disease.

In addition to damage to ash we have observed a similar decline and dieback condition in other tree species that are associated with the ash in several Eastern States. This rather general decline of different species of trees leads us to believe that adverse environmental conditions, largely climatic, are more likely responsible for the ash decline and loss of growth and mortality than any specific pathogen. This condition may be associated with a climatic cycle, and if true, we hope for improvement as the cycle swings back to less adverse conditions.

Nevertheless, our Northeastern Forest Experiment Station has recently strengthened its research attack on this problem. Also, the College of Forestry at Syracuse, N.Y., is adding to its research on the problem. The purpose of these additional studies is to try to get a better understanding of the underlying causes of ash mortality. When such an understanding is acquired, then we may be in a position to recommend corrective or remedial measures.

We appreciate your letter of inquiry and assure you we shall do what we can to help save the white ash for forestry and for the many uses made of its wood.

Sincerely yours,

RICHARD E. MCARDLE,
Chief.

By CLARE HENDRE.

Iron Curtain Over Washington

EXTENSION OF REMARKS
OF
HON. JAMES B. UTT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 25, 1961

Mr. UTT. Mr. Speaker, under unanimous consent, I extend my remarks in the CONGRESSIONAL RECORD to include the following newsletter of June 22, 1961:

WASHINGTON REPORT
(By Congressman JAMES B. UTT, 28th District, California)

IRON CURTAIN OVER WASHINGTON

The administration's censorship of news to which the American people are entitled is becoming oppressive to newsmen and frightening to those of us who see the trend toward the elimination of free speech and the coming twilight of the freedom of the press. The first 5 months of the administration so closely parallels the first 5 months of the Third Reich under Chancellor Adolf Hitler.

Three days after Hitler became Chancellor, his Propaganda Minister, Dr. Goebbels, wrote in his diary, "Now it will be easy to carry on the fight, for we can call on all of the resources of the state. Radio and press are at our disposal. We shall stage a masterpiece of propaganda."

Every morning the editors of the Berlin daily newspapers and the correspondents of those published elsewhere in Germany gathered at the office of the Propaganda Minister to be told by Dr. Goebbels what news to print and what news to suppress, how to write the news and headline it, what campaigns to call off or institute, and what editorials were desired for that day. It is impossible for those of us who have not lived under a totalitarian government (as yet) to conceive how difficult it is to escape the dread consequences of calculated and incessant propaganda.

When J.F.K. was a candidate, he said: "I want to be a President who has the confidence of the people, and who takes the people into his confidence, who lets them know what he is doing and where we are going." Since becoming President, he has inaugurated a strict censorship that keeps the public from knowing what he is doing and where we are going. He has instituted an incessant and massive self-serving propaganda program. An interdepartmental memo was issued requiring that all statements and all releases made by the various departments and agencies should include "liberal quotations from the President" to show his deep compassion for the people.

The first evidence of censorship was the rebuke of Adm. Arleigh Burke, Chief of Naval Operations, for saying that J.F.K.'s task force had determined there was no missile gap. The White House denied he had made the statement, although it was made in public and easily verified. This was followed by the demand that the news services should withhold from the public the news that the two American fliers shot down by Russia in the Bering Sea had been released and were in the hands of our Ambassador Thompson in Moscow. The news services had this information 18 hours before the President's first televised news conference, and he wanted to personally release this sensational information. Surely this did not show compassion for the wives and families of these two fliers nor for the American public. Even yet, the White House has refused to permit these two fliers to tell the whole story of the shooting down of the aircraft, their rescue and imprisonment by Russia.

After the Key West meeting with Prime Minister Macmillan, Pierre Salinger set up a press briefing from which some of the White House correspondents were excluded, and when these correspondents complained about it, Salinger simply said that there had been no briefing. This was not the truth, and does not inspire confidence. The Copley Press which owns, among others, the San Diego Union, and has not been too complimentary about the activities of the New Frontier, has been unable to get its correspondents on trips with the 7th Fleet in the Pacific.

Again, when the President went to Palm Beach, Salinger assured the news corps that there would be no news break on that trip, but the biggest news break of the year was given at Palm Beach to some of the favored White House correspondents. That was the announcement of the forthcoming summit meeting with Khrushchev.

The President did not want the public to know that he was an avid golf player, and will not permit newsmen to photograph him with golf clubs nor on the golf course.

The worst censorship is on Pentagon news. No correspondent wants or is seeking to give information to the public on anything involving security, but all sources of information from the Pentagon have been closed. Even the Army-Navy-Air Force Register and Defense Times, a private publication, has been denied information to the point that their issue of June 17, 1961, used a black cover to their magazine and entitled that issue "Pentagon News Blackout." Without the prying eyes of the press, skeletons can be buried, blunders will pass unnoted, waste will go undetected, and general confusion will flourish. Correspondents can and should keep the searchlight of truth constantly turned upon the spenders of 50 percent of our $84 billion annual budget.

The President even went so far as to demand that a certain commentator, not favorable to the administration, should be removed from the broadcasting staff if that agency expected to get news breaks from the White House. He indicated that the favored correspondents should be on a first-name basis with him.

Apparently our foreign relations dealing with Castro have been taken out of the State Department and placed in the hands of private citizens. Upon their return from Havana after the blackmailer, Castro, had upped his price from $15 million to $28 million, the committee refused to be interviewed and wished only to report to their superiors, Mrs. Roosevelt, Mr. Reuther, and Dr. Milton Eisenhower. Again, I ask, "Where are we going?"

It is regrettable that President Kennedy has a back ailment, and I sincerely wish him rapid recovery. But the public is entitled to know how he is faring. Hagerty used to issue hourly bulletins on Eisenhower's health. Pierre Salinger will not even talk to the newsmen about it. Last week when the President presented the Robert J. Collier Trophy to Vice Adm. William F. Raborn, Jr., who directed development of the Polaris missile, he was moving about on crutches and all newsmen were barred. He made a duplicate presentation sitting at his desk with the crutches hidden, so that the public would be misled. Such things do not inspire confidence and certainly do not carry out the President's promise to let us know where he is, what he is doing, and where we are going.

Compulsory Unionism, Right To Work, and James Hoffa

EXTENSION OF REMARKS
OF
HON. WILLIAM M. TUCK
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 25, 1961

Mr. TUCK. Mr. Speaker, under leave to extend my remarks in the RECORD, I desire to submit the following comments on the subject of compulsory unionism, right to work, and James Hoffa.

Many of us, I am sure, have reflected upon the recent frightening spectacle of the union Teamster boss, James Hoffa, gathering unto himself absolute power over thousands of workingmen. In private life there are few, if any, who can dictate to a captive group and increase the total yearly take from $8 million to $20 million. The one man I know who can do so is James Hoffa.

There is no secret, there is no mystery about this synthetic Sampson's grip over thousands of workers. This Teamster tyrant has found a fountain of power. This fountain can be described simply in one word—force. In the long course of history there have been many who looked

for the fountain of youth and beauty or the money tree, but without success. At last we have with us in this country, in the person of Hoffa, one who has discovered the fountain of power.

The sad part of it is that this fountain of force and compulsion grew from a tiny spring created and brought into being by the Federal Government itself. Under the Railway Labor Act and the Taft-Hartley Act, the Federal Government condones and encourages labor unions to use the compulsory union shop.

The compulsory union shop is a club over the head of every person who must labor and work for a living. Innocuous sounding and oftentimes confused by laymen, the union shop provides that a person must join a union within a stated number of days—usually 30—after going to work or he will lose his job and be dropped from the payroll. In short, these provisions of law encourage and enable the unions to force and compel a man to pay union dues and belong to the union or forfeit his job.

Let us trace this power structure from the compulsory union shop clause to Mr. Hoffa. Because of the bargaining position the Teamsters have and their propensity to use unlawful force, Hoffa has union shop contracts in nearly every case. Thus, his 1.7 million members have no choice but to pay the fee. They have no method for withholding financial support to the institution which reduces them to a virtual state of serfdom. With this vast resource of dependable income, Hoffa can well afford to pay himself a nominal $75,000 a year salary plus an unlimited expense account. Moreover, the chief henchman and lieutenants in Hoffa's union retain their jobs at his pleasure and receive their generous pay out of the same bankroll of exacted union dues. Who, then, in the union can dispute Hoffa?

This monstrous system can be changed by a simple and long overdue proposal. Since the source of Hoffa's power is compulsion, this Congress can remove that compulsion. We can provide the American worker with freedom from compulsory union membership.

The freedom of an individual to join or not to join a union is known by several names. In some places, it is called voluntary unionism; in others the principle is called right to work. The great Commonwealth of Virginia in 1947 recognized this basic right of individual freedom and has provided workers with the right to work and earn honest bread for themselves and families. It is altogether fitting and proper that the cradle of American liberty which produced, among others, Washington, Jefferson, Madison, Mason, and Henry, was also one of the very first States in the Union to enact a right-to-work law and thus make legal recognition of this fundamental principle of freedom.

During the recent Democratic primary in Virginia, in which the forces of conservatism were triumphant, this law became a part of the political controversy. All of the candidates professed to favor the Virginia right-to-work law, but it was nevertheless an issue in the campaign. One candidate, who had attempted in the past to repeal Virginia's right-to-work law, was defeated in his bid to be nominated and then, probably, to establish compulsory unionism in our State. His attempt was thwarted by the alert voters of Virginia who could see through the words and recognize compulsion under any guise.

Virginia has yet the spirit of liberty which burned deeply into the hearts of the noble patriots of yesteryear. In regard to this great freedom, Virginia is providing leadership for the growing right-to-work movement nationally. I am proud to say that there are at least three Virginians who are original members of the board of directors for the National Right to Work Committee—Edwin Dillard, Nathan Thorington, and Robert Englander—and each has served as chairman of the board of directors. These patriotic Virginians carry on the torch of liberty which Thomas Jefferson lighted when he said "that to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves is sinful and tyrannical."

We now know, Mr. Speaker, how sinful and tyrannical compulsory membership and payment of dues can become. The power exercised by Hoffa smacks of tyranny, the likes of which this country has never before seen. The day is fast approaching when the Congress must remove the sanction for forceful and compulsory unionism and set the workingman free. We must arise and loosen the worker's chains. We must release these laborers from the draconian hands of despots. We must restore the freedom of the workingman of America and thus destroy the power back of Hoffa and his likes.

Return Moth-Balled Bases to Private Ownership

EXTENSION OF REMARKS
OF
HON. EARL WILSON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 25, 1961

Mr. WILSON of Indiana. Mr. Speaker, during the days of World War II, millions of acres of American property were purchased by the U.S. Government for conversion to military bases of various types. These bases brought with them employment for the construction trades, employment for those who staffed them after they were completed, and prosperity for many communities of varying size.

They also attracted many new residents to the communities involved, and helped to swell the manpower pool of these towns. At the close of World War II, there was, of necessity, a sharp cutback to standby status for many of these emergency bases. Employees were laid off by the thousands. The communities which had prospered, now suffered economically and some went from boom to bust in a short time.

Then along came the Korean action. Again many of these bases were activated. Some who had found other work again heeded the call of the Federal payroll and were reemployed. Others continued at their old jobs. More new families were brought to these towns all over the Nation. Again the boom was on.

After the Korean war was concluded, the bust was even harder, and hundreds of U.S. communities had to go through another painful adjustment period.

Today, there are hundreds of these mothballed bases around the United States—proving grounds, airfields, emergency army camps, and the like. The Defense Department, which has not changed character since Valley Forge, still does not want to give up any property it has. It maintains these bases, some of which can never again be used, hiring handfuls of employees, and thereby holds the specter of of future boom-and-bust times over these communities.

Many of these bases, Mr. Speaker, would better serve the Nation if they were returned to private ownership. I mention two in my district, Jefferson Proving Ground at Madison, Ind., which would make an excellent industrial park, and Camp Atterbury, near Columbus, which offers some of the same possibilities. There are hundreds of others, scattered over the Nation.

Mr. Speaker, I have today introduced a resolution (H. Res. 389) empowering the Armed Forces Committee to make a complete investigation of these bases, starting with pilot studies at Jefferson Proving Ground and Camp Atterbury, and I earnestly solicit the support of my colleagues for this measure. It reads:

HOUSE RESOLUTION 389

Resolution to authorize the Committee on Armed Services to conduct an investigation and study of the utilization of certain property under the jurisdiction of the Department of Defense

Resolved, That the Committee on Armed Services, acting as a whole or by subcommittee, is authorized and directed to conduct a full and complete investigation and pilot study of the present and proposed utilization by the Department of Defense of the Jefferson Proving Ground, Madison, Indiana, and Camp Atterbury, Columbus, Indiana, for the purpose of determining whether such property and properties of similar status elsewhere should be transferred to the Administrator of General Services for disposal in accordance with the Federal Property and Administrative Services Act of 1940. In the conduct of such investigation and pilot study the committee or subcommittee shall give particular attention to—

(1) the activities, if any, presently being conducted and proposed to be conducted at Jefferson Proving Ground and Camp Atterbury and other bases of similar status throughout the United States;

(2) the effect of such activities, or the lack thereof, on the economy of the surrounding communities; and

(3) the effect on the economy of the surrounding communities of the continued utilization of Jefferson Proving Ground and Camp Atterbury by the Department of Defense as compared with disposal under the Federal Property and Administrative Services Act of 1949.

For the purpose of carrying out this resolution the committee or subcommittee is authorized to sit and act during the present Congress at such times and places within

the United States, including any Commonwealth or possession thereof, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary; except that neither the committee nor any subcommittee thereof may sit while the House is meeting unless special leave to sit shall have been obtained from the House. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

The committee shall report to the House as soon as practicable during the present Congress the results of its investigation and pilot study, together with such recommendations for action in this and other cases as it deems advisable. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

The committee shall also be empowered to make similar and like studies of other such installations throughout the United States and to study the effect of intermittent accelerations and closing on the economy of nearby communities. The purpose of the resolution shall be such that the committee is empowered to make a full and complete study of all such inactive bases in the United States, with a view toward returning the lands and properties involved to private ownership, thereby assisting in the solution of economic problems of the communities involved.

Resettlement of Refugees

EXTENSION OF REMARKS
OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 1961

Mr. WALTER. Mr. Speaker, pursuant to the provisions of the act of July 14, 1960—Public Law 86–648—a law enabling the United States to participate in the resettlement of certain refugees, the Attorney General has forwarded to the Congress a report of the Commissioner of Immigration and Naturalization on the second 6-month period of operations undertaken under the new law.

In submitting this report to the House I wish to commend the Immigration and Naturalization Service for its efficient and humanitarian administration of the law and I wish to compliment the Commissioner of Immigration and Naturalization, General Swing, personally, for the forthright way in which he reports to the Congress the facts on the refugee situation as it exists in Europe.

General Swing's report is as follows:

U.S. DEPARTMENT OF JUSTICE, IMMIGRATION AND NATURALIZATION SERVICE,
Washington, D.C., July 13, 1961.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: During the second 6-month period, from January 1, 1961, through June 30, 1961, the Service found 2,123 refugees eligible for parole into the United States under the provisions of the act of July 14, 1960 (Public Law 86–648). On February 6, 1961, on the recommendation of the Secretary of State, Belgium was added to the countries in which operations had been carried out during the first 6-month period, viz: Austria, France, Germany, Greece, Italy, and Lebanon. Comparative figures for the two periods are tabulated below.

	1st period	2d period
Authorized by statutory "fair share"	5,571	3,705
Pending beginning of period	0	500
Registered during period	6,334	4,191
Total registrations	6,334	4,691
Found qualified for parole	5,141	2,123
Rejected or otherwise closed	693	1,509
Pending end of period	500	1,059

Because of the few registrants during the first 6-month period, as I mentioned in my first report to the Congress, the Service had not found it necessary to impose any system of priorities such as had been initially proposed for the operation. When the registration, particularly of in-camp refugees of the "long residence, hard-core class," continued unexpectedly low during the second 6-month period, concern was expressed that many refugees who were eligible for parole either did not know of the privileges available to them or were not being assisted by the nongovernment agencies in processing applications. If such were the case, a foundation would have been laid, upon the expiration of the current law, 1 year hence, for demands to extend or broaden the law, because of the presence of numerous hard-core refugees in European displaced persons camps. To determine whether our concern was valid, a country-by-country survey of refugee camps was conducted by personnel of the Service in Europe during June of this year.

The survey established that our fears were groundless. In over 300 camps personally visited by Service officers during June, not one was found in which full information about opportunities for migration under the U.S. laws had not been made available to interested and eligible refugees by camp officials, by representatives of the United Nations High Commissioner for Refugees (hereinafter UNHCR), or by workers of the cooperating U.S. voluntary agencies. A summary of the survey follows:

Country	Federal camps	Other camps	Nonnational refugee population	UNHCR eligible refugees	Current INS registrants
Greece	3	0	434	263	236
Italy	6	0	3,446	2,123	633
Austria	40	129	4,413	2,941	153
Germany	43	458	11,609	10,360	119

Italy and Greece present true refugee situations of nonnational, nonethnic refugees in considerable numbers residing in a few, centrally supervised refugee locations, who cannot be absorbed by the local economy and are being supported by public or private charity. Most of these persons desire to migrate and all who express a preference for the United States are being considered.

In Germany and Austria, the lands from which over a million refugees were moved in the decade after World War II ended, the situation has now changed completely, although the surface indications appear unchanged. Almost every able-bodied, willing worker can obtain employment. In addition to the natives of the German Federal Republic and Austria, over 10 million German ethnics from East Germany and adjacent areas and over 1 million other nationals are firmly resettled in these two countries. Germany has, notwithstanding this tremendously swollen population, imported approximately one-half million supplemental workers from other countries to meet the demands of the labor market. Despite this, the misnomer "Refugee Camp" is still applied to the converted army barracks, schoolhouses, churches, warehouses, etc., in which hundred of thousands of persons, largely German or Austrian nationals, continue to reside for extended periods of years on payment, in most cases, of very small rental charges. These persons live almost completely on the proceeds of their employment in local communities, with little or no public or private assistance. Some remain because of a reluctance to move into the few available higher priced houses or apartments, but most continue in their present accommodations because of the complete unavailability of alternate housing. Since the inception of the program, 1 year ago, despite the widest publicity on emigration opportunities, only 381 applicants in Germany and 633 in Austria have registered for the U.S. refugee-parole program from these camps, and of this total of 1,014, the cases of 301 have been withdrawn or rejected.

In France, Belgium, and Lebanon there are no refugee camps. Of the 300 registrants in the last named, over 200 have been examined, found qualified, and have either entered the United States or are awaiting transportation. Service operations in Lebanon are expected to end by the close of the next reporting period. Operations in Belgium have been of too short a duration to base any conclusions; however, the refugee situation there is relatively stabilized and no new influx of refugees is anticipated. France, on the other hand, continues to be a country of initial asylum of comparatively recent fugitives or expellees, with high percentages from the Middle East and their registration rate is relatively high.

At the close of the first year of operations under the law, as a result of the studies and surveys outlined above, it is appropriate to make two general observations, which are contrary to popular belief. The first is that the number of persons in Europe who are within the mandate of the United Nations High Commissioner for Refugees, who are within the refugee-escapee definitions of the act, and who desire to migrate to the United States has been overestimated. The second observation is that no U.S. legislation in the general area of immigration, no matter how broad in scope or how thoroughly and conscientiously implemented, can result, in itself, in the elimination of refugee camps, as that term is popularly applied.

Since the beginning of the program, registrations for refugees who are not residing in camps has been appreciably higher than from those within the camps as the following comparative table illustrates:

	In camp	Out of camp	Total
Austria	633	964	1,597
Belgium		833	833
France		3,213	3,213
Germany	381	1,786	2,167
Greece	308	167	475
Italy	1,540	396	1,936
Lebanon		304	304
Total	2,862	7,663	10,525

To insure that the basic purpose of the law, that the United States take its fair share of UNHCR mandated, emigrable, admissible refugees, who are not firmly resettled in their countries of present residence, with a view to the abolition of the refugee camps insofar as that is practicable by joint, international effort, the Service has reinstituted the following priority classifications in considering applications:

1. Status of refugee acquired prior to January 1, 1958: (a) camp resident, (b) out-of-camp resident.

2. Status of refugee acquired since January 1, 1958: (a) camp resident, (b) out-of-camp resident.

These priorities will be so administered within each country in which refugee operations continue that no applicant in any category will be paroled into the United States if his emigration would deprive any eligible with a higher priority of an opportunity to come to this country. Criteria will continue to be basically the same as used for visa issuance and immigration examination of immigrants. Examinations of all parole applicants consist of the identical medical examination, including X-rays by physicians of the U.S. Public Health Service, as is accorded normal immigrant visa applicants, and interrogation and fingerprinting of each principal applicant and accompanying member of his family under the age of 14 by U.S. immigration officers. The records of security, intelligence, and other agencies of this Government are examined, as are the records of the countries in which the refugees are processed. Additionally, the Service will exercise discrimination in the consideration of the application by an adult who has left a spouse or child behind in any Iron Curtain country or in his country of origin.

The application of these criteria resulted in 841 denials of parole applications during the period covered by this report, as follows:

Ineligible	43
Security risks	187
Criminal	69
Medical rejects	87
Immorality	25
Undesirability	98
Firmly settled	145
Spouses and children of above principals	187

In 617 cases the applications were closed because the applicant had taken advantage of resettlement offered by other countries or withdrawn his application for other reasons.

Upon receipt of the assurance of housing and employment required by regulations implementing the act, 3,700 refugees had been referred to the Intergovernmental Committee for European Migration, the organization which arranges for the transportation of the parolees to the United States, and 2,600 had arrived in the United States as of May 31, 1961. In compliance with the provisions of section 2(a) of the act, detailed reports of the facts on those paroled into this country between January 1 and May 15, 1961, are attached.

Sincerely,

J. M. SWING,
Commissioner.

Enclosures.

The submission of General Swing's report was preceded by exchange of correspondence between myself and the Attorney General of the United States regarding the desirability of certain changes in the administration of Public Law 86–648, those changes having been recommended by Subcommittee No. 1 of the Committee on the Judiciary, after I concluded an extensive study of the administration of that law in Europe.

The correspondence is as follows:

MAY 23, 1961.

Hon. ROBERT F. KENNEDY,
Attorney General of the United States, Department of Justice, Washington, D.C.

DEAR MR. ATTORNEY GENERAL: Upon my return from a study trip to Europe, in the course of which I have attended the 14th session of the Council of Intergovernmental Committee for European Migration and reviewed, together with General Swing, the administrative operations undertaken by the Department of Justice pursuant to sections 1 and 2 of the act of July 14, 1960 (Public Law 86–648), I have orally reported to this subcommittee my observations and findings.

The principal subject of my report was the disturbingly high percentage of aliens paroled into the United States who, having left the country of their nationality within the last 2 or 3 years, applied for parole under rather spurious claims of refugee status.

Further, I have acquainted the subcommittee with my observations relating to the lack of effort to provide entry into the United States to refugees residing in camps, as well as with my finding that the review of the available statistics discloses the truly unproportionate participation in the benefits of parole by one national group, Yugoslavs, the overwhelming majority of whom appear to have the least genuine claim to refugee status, as most of them are, in fact, seeking economic opportunities rather than political asylum.

The purpose of this letter is to advise you that the subcommittee has reached the conclusion that the manner in which the so-called fair share law is administered at the present time is in sharp conflict with legislative intent as indicated in House Report No. 1433 of the 86th Congress, accompanying House Joint Resolution 397. The report stated: "The committee believes that if enacted and wisely used, this legislation will greatly contribute to the resettlement of the diminishing residue of unsettled refugees and permit the United Nations High Commissioner or Refugees to achieve the main purpose of the World Refugee Year, the liquidation of camps."

This legislative intent was even more emphatically stated in the course of the debate held on the floor of the House on April 4, 1960, including my own explanation of the legislation which I introduced and recommended to the Congress. It was made abundantly clear that the primary purpose of House Joint Resolution 397 was to eliminate the remaining refugee camps, particularly those located in Western Germany and in Austria. In that connection, this subcommittee noted with surprise that an extensive parole program is conducted in France, a country which has no refugee camps whatsoever and where resettlement and employment opportunities are widely available.

By direction of the subcommittee, I wish to present to you the need for immediate action designed to correct the situation above outlined.

It is recommended that the Immigration and Naturalization Service be instructed, forthwith, to apply and enforce a rule of selectivity in granting parole entry into the United States pursuant to Public Law 86–648. Consistent with the intent of Congress, the minimum requirements for a basic change in the present procedures would involve the following:

1. To enforce priorities benefiting bona fide political refugees who are residing in camps and who have been camp inmates for proportionately the longest periods of time.

2. To enforce priorities benefiting bona fide refugees who, for reasons beyond their control, are unable to avail themselves of locally existing resettlement opportunities.

3. To eliminate entirely the consideration of applications for people made by aliens who leave their country in search of employment opportunities and who have no valid claim to fear of political, racial, or religious persecution.

The urgent need of a strict enforcement of point 3, above, is evident by the fact that the policy applied at the present time appears to be in violation of the definition of a refugee-escapee as contained in the law itself.

Trusting that we may have your cooperation in this matter of grave importance, I am,

Sincerely yours,

FRANCIS E. WALTER,
Chairman, Subcommittee No. 1, Committee on the Judiciary.

U.S. DEPARTMENT OF JUSTICE,
Washington, D.C., May 24, 1961.

Hon. FRANCIS E. WALTER,
Chairman, Subcommittee No. 1, Committee on the Judiciary, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN: This is in response to your letter of May 23, 1961, advising that the subcommittee has concluded that the so-called fair-share law for paroling of aliens into the United States is presently being administered in a manner conflicting with the legislative interest as reflected in House Report 1433 of the 86th Congress, accompanying House Joint Resolution 397.

I am glad to have the benefit of the observations, findings, and recommendations based upon your recent study trip, and will communicate with you in the near future as soon as I have looked into this matter.

Sincerely,

ROBERT F. KENNEDY,
Attorney General.

U.S. DEPARTMENT OF JUSTICE,
Washington, D.C., May 26, 1961.

Hon. FRANCIS E. WALTER,
Chairman, Subcommittee No. 1, Committee on the Judiciary, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Further reference is made to your letter of May 23, 1961, concerning the administration of Public Law 86–648, for the parole of alien refugees into the United States. Your letter suggests a system of priorities in the processing of such cases for the purpose of carrying out the intent of the Congress as indicated in the legislation and in the accompanying legislative history.

You will be interested to know that prior to the receipt of your letter the Immigration and Naturalization Service had established the precise priority system desired by your subcommittee and has directed the immediate institution of processing procedures to carry that system into effect. I am happy to observe, therefore, that your letter lends support to the action taken.

With respect to the countries in which a refugee parole program is being conducted, the Department of Justice is conducting such a program only in those countries in which the Secretary of State informs the Attorney General that a refugee situation exists. Your letter refers, particularly, to France as a place where such a program is being conducted. That country is one of the places in which a refugee situation exists, and, in accordance with the priority system which has been established, refugee parole operations will be conducted therein.

Your letter requests a report concerning the administration of Public Law 86–648. The statutory report called for by section 2 of that act will be furnished to you in great detail on or before June 15, 1961, as required by the law.

Sincerely,

ROBERT F. KENNEDY,
Attorney General.

Coal Research Belongs to the Office of Coal Research Within the Department of the Interior and Not the Atomic Energy Commission

EXTENSION OF REMARKS
OF

HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 1961

Mr. VAN ZANDT. Mr. Speaker, I was literally amazed when reading the July 18 CONGRESSIONAL RECORD and the debate which took place on the floor of the Senate concerning S. 2043, the AEC authorization bill.

What attracted my attention was the amendment offered by my good friend and former colleague in the House, the distinguished Senator from West Virginia [Mr. RANDOLPH], authorizing an appropriation of $5 million for "study, development, and design for nuclear processes which have application for improving and utilizing coal and coal products."

The distinguished Senator's amendment was adopted by the Senate without any debate whatsoever, and represents one of the two differences between the AEC authorization bill approved in the House July 13, and the bill approved 5 days later in the Senate.

In explaining his amendment to the Senate, the able Senator from West Virginia said:

> We know that currently (the coal industry) is an industry incapable of adequately advancing research on its own initiative and exclusively with its own resources. The Congress recognized this by creating the Office of Coal Research within the Department of the Interior. But that agency needs much technological assistance of the nature which the Atomic Energy Commission alone is capable of providing.

In offering his amendment to the AEC authorization bill, the Senator from West Virginia, who stated he read and reread the debate on the authorization bill in this House on July 13, overlook what his colleague from West Virginia [Mr. BAILEY] said here at that time. My friend, the Representative from West Virginia, reviewed briefly for our information the history of the laboratory set up at Morgantown, in his State, under an authorization voted in 1945 for the purpose of developing a process of creating high-octane gasoline and lubricating oil from processing coal.

Concerning the subject of coal research, our colleague from West Virginia told us:

> Some time ago, when we found out from the research that it was necessary to produce 3,300° F. in order to break coal down to its component parts to make those necessary researches which would set up an industry which would guarantee prosperity to these coal-producing States for the next 500 years by processing their coal into high-octane gasoline and lubricating oil, I took this matter up with the Atomic Energy Commission and the gentleman's committee, and I got a polite runaround.

The committee to which the gentleman from West Virginia referred is the Joint Committee on Atomic Energy. The chairman of the Joint Committee, Mr. HOLIFIELD, responded to the remarks of the gentleman from West Virginia with the following words:

> I will say to the gentleman from West Virginia that most of the Members on this side supported the Morgantown appropriation, and I will say that he is asking for something that we cannot give. We cannot handle 3,300° F. of heat in a reactor for experimental purposes. That is one of the things that is holding back our development. We do not have the metallurgical knowledge, the knowledge of metals, to permit the use of heat at that rate.

Mr. Speaker, the chairman of the Joint Committee was apparently saying, in effect, that "I sympathize with your problem, but technologically speaking we—the AEC and the Joint Committee—are unable to help you." Yet, only 5 days later, in the other body, the Senator from West Virginia successfully sponsored an amendment so designed as to provide just the sort of coal research requested by our colleague from that same coal-mining State. In that brief interval the Senator from West Virginia, who is not a member of the Joint Committee, seemed to have come into possession of some information which must not have been transmitted to the chairman of the Joint Committee, the gentleman from California.

So it would appear that the Senator from West Virginia and his colleague in this House are in complete agreement as to the need for application of nuclear energy to coal research, and may I say I join them in such agreement. Yet, where the gentleman from West Virginia [Mr. BAILEY] "got a polite runaround," the Senator from his State offered an amendment to accomplish the same fundamental purpose and had his amendment adopted without a dissenting voice being heard in the other body.

In offering his amendment to the AEC authorization bill, the Senator from West Virginia mentioned that the Congress had established an Office of Coal Research in recognition of the fact that the coal industry has neither the initiative nor the resources to carry on an adequate industrywide research program. To refresh the memory of the Members, it seems appropriate to take a moment to review Public Law 86-599 of July 7, 1960, which established the Office of Coal Research. Section 2 of that act reads as follows:

> SEC. 2. The Secretary (of the Interior) shall establish within the Department of the Interior an Office of Coal Research, and through such office shall—
>
> (1) develop through research, new and more efficient methods of mining, preparing, and utilizing coal;
>
> (2) contract for, sponsor, cosponsor, and promote the coordination of, research with recognized interested groups, including but not limited to, coal trade associations, coal research associations, educational institutions, and agencies of States and political subdivisions of States;
>
> (3) establish technical advisory committees composed of recognized experts in various aspects of coal research to assist in the examination and evaluation of research progress and of all research proposals and contracts and to insure the avoidance of duplication in research; and
>
> (4) cooperate to the fullest extent possible with other departments, agencies, and independent establishments of the Federal Government and with State governments, and with all other interested agencies, governmental and nongovernmental.

This section of the act establishing the Office of Coal Research in the Department of the Interior provides the Secretary of the Interior with a broad range of activities in the field of coal research. This section would seem to cover every conceivable activity which the Office would want to undertake.

It is of further interest to note that this act included, in section 8, an appropriation of $2 million for fiscal year 1961 to start the Office on its activities. The act also includes, in this same section 8, blanket authortiy to appropriate for the current and succeeding fiscal years, such funds as may be necessary to carry out the purposes of the act. The fiscal year 1962 appropriation bill for the Department of the Interior includes an item of $1 million for the Office of Coal Research, of which not more than $225,000 would be spent for administration and supervision. All funds appropriated for this Office remain available until expended.

Now it strikes me, Mr. Speaker, that the proper place for an appropriation of $5 million for coal research designed to develop "processes having application for improving and utilizing coal and coal products" is an agency charged with developing "new and more efficient methods of mining, preparing, and utilizing coal." The Office of Coal Research, therefore, is the only Federal agency to which the $5 million should be appropriated for coal research. Since the AEC is not charged by law with coal research, as the Office of Coal Research undoubtedly is, the AEC is not the agency to be given primary responsibility for such a project. Furthermore, we need no further authority to appropriate such an amount to the Office of Coal Research whereas authorizing legislation is required in the case of the AEC.

When we mention atomic energy or nuclear processes in the Congress the natural inclination has been to say, "Give the job to the AEC. No other agency knows anything else about the field." This is just what happened in the other body with respect to the coal research amendment. But this does not have to be the case at all, as a brief look at the AEC's own history bears out.

Other Federal agencies have become interested in atomic energy and nuclear research and have, on their own, developed research programs requiring the use of certain nuclear processes and nuclear research reactors. Officials of these agencies did not run to the AEC and cry that the Commission should build and operate a reactor for them and do their research for them. They took the bull by the horns.

One of these agencies is the Office of Naval Research, the Naval Research Laboratory at Anacostia. With an appropriation of something like $1 million obtained under the Department of the Navy budget they started from scratch

and built their own pool-type research reactor at Anacostia under the same type of license from AEC that any private enterprise would have to get under similar circumstances. At the laboratory they fabricated practically all of the reactor parts, except for the fuel elements which the AEC provided under specifications set up by the NRL. This reactor, completed for just under $1 million, is operated today under an AEC operating license, just as though it were a privately owned facility, and with this reactor the Naval Research Laboratory conducts a wide variety of research activities.

Right in this same area around the Nation's capital there are other instances of nuclear research being carried out by Federal agencies and departments other than the AEC. Walter Reed Army Hospital, here in the District, and the National Naval Medical Center, out in Bethesda, each has its own nuclear research reactor which was procured and is operated under the AEC license, using funds appropriated not for the AEC but for the Departments of the Army and the Navy, respectively. And there are other instances similar to these elsewhere in the country, as any Member can determine by merely looking at a listing of the Commission's reactor licensees.

Thus, Mr. Speaker, there is more than ample precedent for the Office of Coal Research to get into the atomic energy field on its own, or through its contractors, for the purpose of carrying out the functions prescribed for this Office in Public Law 86–599.

Because I support the intent of the amendment offered in the other body by the Senator from West Virginia, but do not feel it should properly be a part of the AEC authorization bill. I intend to introduce legislation appropriating $5 million, an additional $5 million, to the Office of Coal Research for the purposes outlined in the Senate. I will call upon my good friend, the able and distinguished gentleman from West Virginia [Mr. BAILEY], to join me in a bipartisan effort to get this much money as soon as possible for this worthy cause. As soon as the gentleman and I can work out the details of draftsmanship required here, we will have ready two identical bills which would serve to place the funds in the proper agency, an agency which we here in the Congress last year created for just this purpose. The money should not be appropriated for the AEC, and I intend to urge that it be put where it belongs. If the need is as great as pictured by the Senator from West Virginia, and I agree with him on this point, then the funds should be put where they belong, in the hands of the Office of Coal Research.

Therefore, I sincerely urge every Member of this House who represents, as I do, an area which produces coal to resist any attempt to hoodwink you into voting to waste $95 million on the unnecessary Hanford steamplant because you support the $5 million coal research item.

Finally, let us not forget that the Van Zandt amendment which deleted this $95 million item from the AEC authorization bill was approved by the House by a teller vote of 176 to 140. It is almost unanimously agreed that had we asked for a roll call the vote would have revealed still a greater majority in opposition to the Hanford electric generating facility. Therefore, I hope that the overwhelming majority of the House of Representatives will ignore the Senate action in restoring the $95 million to the bill by voting to delete it from the conference report or if necessary to vote to reject the conference report.

The Role of the Supreme Court as the Interpreter of the Constitution

EXTENSION OF REMARKS
OF
HON. B. EVERETT JORDAN
OF NORTH CAROLINA
IN THE SENATE OF THE UNITED STATES
Tuesday, July 25, 1961

Mr. JORDAN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of an address delivered by my distinguished colleague, Senator ERVIN, at a meeting of the State bar of South Dakota at Yankton, S. Dak., on July 1, 1961.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE ROLE OF THE SUPREME COURT AS THE INTERPRETER OF THE CONSTITUTION

Ladies and gentlemen of the South Dakota bar, I am grateful to you for the privilege of being in your great State which is so ably represented in the Senate by my good friends, FRANCIS CASE and KARL MUNDT.

The constitution of my native State of North Carolina has always contained a warning which all Americans would do well to heed. It is this: "A frequent recurrence to fundamental principles is absolutely necessary to preserve the blessings of liberty." Let us pause for a few moments, and recur to some fundamental principles.

The men who composed the Constitutional Convention of 1787 were wise men. They had read the history of the long and bitter struggle of many for freedom, and had found this shocking but everlasting truth inscribed upon each page of that history: No man or set of men can be safely trusted with governmental power of an unlimited nature. As a consequence, they were determined, above all things, to establish a government of laws and not of men.

To prevent the exercise of arbitrary power by the Federal Government, they embodied in the Constitution the doctrine of the separation of governmental powers. In so doing, they utilized this doctrine in a two-fold way. They delegated to the Federal Government the powers necessary to enable it to discharge its functions as a Central Government, and they left to each State the power to regulate its own internal affairs. It was this use of the doctrine of the separation of powers which prompted Chief Justice Salmon P. Chase to make this trenchant observation in *Texas* v. *White:* "The Constitution, in all its provisions, looks to an indestructible union, composed of indestructible States."

In their other utilization of the doctrine of the separation of governmental powers, the members of the Convention of 1787 vested the power to make laws in the Congress, the power to execute laws in the President, and the power to interpret laws in the Supreme Court and such inferior courts as the Congress might establish. Moreover, they declared, in essence, that the legislative, the executive, and the judicial powers of the Federal Government should forever remain separate and distinct from each other.

This brings me to my subject, "The Role of the Supreme Court as the Interpreter of the Constitution."

In discussing this subject, I must tell you the truth about the Supreme Court.

I know it is not popular in some quarters to tell the truth about this tribunal. Admonitions of this character come to us daily from such quarters: When the Supreme Court speaks, its decisions must be accepted as sacrosanct by the bench, the bar, and the people of America, even though they constitute encroachments on the constitutional domain of the President or the Congress, or tend to reduce the States to meaningless zeros on the Nation's map. Indeed, the bench, the bar, and the people must do more than this. They must speak of the Supreme Court at all times with a reverence akin to that which inspired Job to speak thus of Jehovah: "Though He slay me, yet will I trust Him."

To be sure, all Americans should obey the decrees in cases to which they are parties, even though they may honestly and reasonably deem such decrees unwarranted. But it is sheer intellectual rubbish to contend that Americans are required to believe in the infallibility of judges, or to make mental obeisance to judicial aberrations. They have an inalienable right to think and speak their honest thoughts concerning all things under the sun, including the decisions of Supreme Court majorities. It is well this is so because the late Chief Justice Harlan F. Stone spoke an indisputable truth when he said: "Where the courts deal, as ours do, with great public questions, the only protection against unwise decisions, and even judicial usurpation, is careful scrutiny of their action, and fearless comment upon it."

As one whose major efforts have centered in the administration of justice, I have the abiding conviction that tyranny on the bench is as objectionable as tyranny of the throne and that my loyalty to constitutional government compels me to oppose it. In entertaining this conviction, I find myself in the company of such great Americans as Thomas Jefferson, Andrew Jackson, and Abraham Lincoln, who refused to accept in abject silence what they conceived to be judicial usurpations.

I do not find it easy to express my disapproval of the action of the Supreme Court. I was taught in my youth to repose an absolute confidence in that tribunal by my father, an active practitioner of law in North Carolina for 65 years, who was accustomed to refer to it with almost reverential awe. He used to say that the Supreme Court would administer justice according to law though the heavens fell.

I regret to say, however, that the course of the Supreme Court in recent years has been such as to cause me to ponder the question whether fidelity to fact ought not to induce its members to remove from the portal of the building which houses it the majestic words, "Equal Justice Under Law," and to substitute for them the superscription, "Not justice under law, but justice according to the personal notions of the temporary occupants of this building."

The truth is that on many occasions during recent years the Supreme Court has usurped and exercised the power of the Congress and the States to amend the Constitution while professing to interpret it.

In so doing, the Supreme Court has encroached upon the constitutional powers of Congress as the Nation's legislative body, and struck down State action and State legislation in areas clearly committed to the

States by our system of constitutional government. This action has been accompanied by overruling, repudiating, or ignoring many contrary precedents of earlier years.

A study of the decisions invalidating State action and State legislation compels the conclusion that some Supreme Court Justices now deem themselves to be the final and infallible supervisors of the desirability or wisdom of all State action and all State legislation.

This is tragic, indeed, because there is nothing truer than the belief attributed to the late Justice Louis D. Brandeis by Judge Learned Hand, that "the States are the only breakwater against the ever-pounding surf which threatens to submerge the individual and destroy the only kind of society in which personality can survive."

Time does not permit me to analyze or even enumerate all of the decisions which sustain what I have said. I must content myself with stating in summary form the effect of only a few of them.

Congress was told by the Court in the *Girouard* (328 U.S. 61) and *Yates* (354 U.S. 298) cases that it really did not mean what it said in plain English when it enacted statutes to regulate the naturalization of aliens and to punish criminal conspiracies to overthrow the Government by force. Congress was told by the Court in the *Watkins* case (354 U.S. 178) that its committees must conduct their investigations according to rules imposed by the Court which make it virtually certain that no information will ever be obtained from an unwilling witness. Seventeen States and the District of Columbia were told by the Court in the *Brown* (347 U.S. 483) and *Bolling* (347 U.S. 497) cases that the equal protection clause of the 14th amendment and the due process clause of the 5th amendment had lost their original meanings because the state of psychological knowledge had changed. California was told by the Court in the *Lambert* case (355 U.S. 225) that it cannot punish its residents for criminal offenses committed within its borders if such residents are ignorant of the statutes creating such criminal offenses. California was told by the Court in the first *Konigsberg* case (353 U.S. 252) that it cannot resort to cross-examination to determine the fitness of qualifications of those who apply to it for licenses to practice law in its courts. New Hampshire and Pennsylvania were told by the Court in the *Sweezey* (354 U.S. 234) and *Nelson* (350 U.S. 497) cases that they cannot investigate or punish seditious teachings or activities within their borders. New York was told by the Court in the *Slochower* case (350 U.S. 551) that it cannot prescribe standards of propriety and fitness for the teachers of its youth. North Carolina was told by the Court in the first *Williams* case (317 U.S. 287) that it cannot determine the marital status of its own citizens within its own borders. Pennsylvania and the trustees of the will of Stephen Girard, who had slumbered in the tongueless silence of the dreamless dust for 126 years, were told by the Court in the *Board of Trusts* case (353 U.S. 230) that the 14th amendment empowers the Court to write a post mortem codicil to the will which Stephen Girard made while he walked earth's surface and entertained the belief that disposing of private property by will is a matter for its owner rather than judges. And within the last fortnight, 24 States have been told by the Court in the *Mapp* case that the fourth amendment has somehow lost its original meaning 170 years after its ratification, and that in consequence they no longer have the power which they possessed in times past to regulate the admissibility in their own courts of evidence obtained by searches and seizures.

In saying these things, I am not a lone voice crying in a legal wilderness. The concurring opinion of the late Justice Robert H. Jackson in *Brown* v. *Allen*, and the resolution adopted by 36 State chief justices in Pasadena, Calif., disclose that a substantial portion of the judges and lawyers of America believe the Supreme Court is not confining itself to its allotted constitutional sphere.

I quote these words from Justice Jackson's concurring opinion: "Rightly or wrongly, the belief is widely held by the practicing profession that this Court no longer respects impersonal rules of law but is guided in these matters by personal impressions which from time to time may be shared by a majority of the Justices. Whatever has been intended, this Court also has generated an impression in much of the judiciary that regard for precedents and authorities is obsolete, that words no longer mean what they have always meant to the profession, that the law knows no fixed principles." Justice Jackson closed his observations on this score with this sage comment: "I know of no way we can have equal justice under law except we have some law."

Let us consider and weigh the reasoning of those who seek to justify the proposition that it is permissible for the Supreme Court to amend the Constitution under the guise of interpreting it.

They make these assertions: The Constitution must change to meet changing conditions. As its authorized interpreter, the Supreme Court has the rightful power at all times to make the Constitution conform to the views of the majority of its members. Since the doctrine of stare decisis, i.e., the rule that judges stand by and follow the decisions of their own court, might handicap the Supreme Court in making the Constitution conform to the views of a majority of its members on some occasions, the Supreme Court is not bound by its own decisions on constitutional questions.

These arguments rest upon a wholly fallacious premise, namely, that the power to interpret and the power to amend are identical. The distinction between these powers is as wide as the gulf which yawns between Lazarus in Abraham's bosom and Dives in hell. The power to interpret the Constitution is the power to ascertain its meaning, and the power to amend the Constitution is the power to change its meaning.

It seems at first blush that those who advance these arguments overlook the significant fact that article V of the Constitution vests the power to amend the Constitution in the Congress and the States, and not in the Chief Justice and Associate Justices of the Supreme Court. But not so. They simply nullify article V with these neat assertions.

The method of amendment authorized by article V is too cumbersome and slow. Consequently, the Supreme Court must do the amending. "The alternative is to let the Constitution freeze in the pattern which one generation gave it."

To a country lawyer, this is merely a "high falutin" way of saying that the oath of a Supreme Court Justice to support the Constitution does not obligate him to pay any attention to article V or any other provision displeasing to him.

When all is said, the thesis that the Supreme Court has the rightful power to amend the Constitution under the guise of interpreting it is repugnant to the end the Founding Fathers had in mind when they gave this country a written constitution. Indeed, it is incompatible with the primary object of all law.

The Federalist, Judge Thomas M. Cooley's monumental treatise on "Constitutional Limitations," and certain great decisions of the Supreme Court antedating the last quarter of a century, reveal with unmistakable clarity the end the Founding Fathers had in mind in giving our country a written constitution.

The Founding Fathers "were not mere visionaries toying with speculations or theories, but practical men, dealing with the facts of political life as they understood them" (*South Carolina* v. *United States*).

They understood the facts of political life exceedingly well. "The history of the world had taught them that what was done in the past might be attempted in the future." In consequence, they foresaw that the fundamentals of the government they desired to establish and the liberties of the citizen they wished to secure would be put in peril in troublous times by both the government and the people unless they protected such fundamentals of government and such liberties by "irrepealable law" binding equally upon the government and the governed at all times and under all circumstances ex parte *Milligan*).

The Founding Fathers knew that the surest way to protect the fundamentals of the government they desired to establish and the liberties of the citizen they wished to secure was to enshrine them in a written constitution, and thus put them beyond the control of impatient public officials, temporary majorities, and the varying moods of public opinion. To this end, they framed and adopted a written constitution, thereby putting into form the government they were creating and prescribing the powers that government was to take (*South Carolina* v. *United States;* Constitutional Limitations).

The Founding Fathers knew that "useful alterations" of some provisions of the Constitution would "be suggested by experience." Consequently, they made provision for amendment as set out in article V. James Madison, whom historians rightly call the Father of the Constitution, informs us that the Constitutional Convention preferred this mode for amending the Constitution because "it guards equally against that extreme facility which would render the Constitution too mutable, and that extreme difficulty which might perpetuate its discovered faults" (The Federalist).

Since the Constitution is a written instrument, its meaning does not alter, unless its wording is changed by amendment in the manner prescribed by article V. "That which it meant when adopted it means now * * *. Those things which are within its grants of power, as those grants were understood when made, are still within them, and those things not within them remain still excluded" (*South Carolina* v. *United States*).

Chief Justice John Marshall declared in his great opinion in *Gibbons* v. *Ogden* that "the enlightened patriots who framed our Constitution and the people who adopted it must be understood * * * to have intended what they said."

This being true, it is as clear as the noonday sun that the role of the Supreme Court as the interpreter of the Constitution is simply to ascertain and give effect to the intent of its framers and the people who adopted it (*Gibbons* v. *Ogden; Odgen* v. *Saunders; Lake County* v. *Rollins*). As Justice Miller said in ex parte *Bain:* "It is never to be forgotten that in the construction of the language of the Constitution here relied on, as indeed in all other instances where construction becomes necessary, we are to place ourselves as nearly as possible in the condition of the men who framed that instrument."

Since the meaning of a written constitution is fixed when it is adopted and is not different at any subsequent time when a court has occasion to pass upon it, Judge Cooley was justified in declaring in his "Constitutional Limitations" that "a court * * * which should allow a change in public sentiment to influence it in giving to a written constitution a construction not warranted by the intention of its founders would be justly chargeable with reckless disregard of official oath and public duty."

I know that in recurring to fundamental principles I lay myself open to the charge that I am setting the clock back. As one who believes truth to be eternal, I am not troubled by this charge. Moreover, I have observed that the charge is usually made by those who labor under the delusion that there was little, if any, wisdom on earth before they arrived. It was a wise man and not a wag who suggested that these persons object to setting the clock back because it would require them to adjust their clocks and their minds forward.

Let us reflect at this point on the primary object of all law.

Laws are designed to furnish rules of conduct for government and people. As a consequence, a law is destitute of value unless it has sufficient stability to afford reliable rules to govern the conduct of government and people, and unless it can be found with reasonable certainty in established legal precedents. Justice Louis D. Brandeis had this truth in mind when he said: "It is usually more important that a rule of law be settled, than that it be settled right. Even where the error in declaring the rule is a matter of serious concern, it is ordinarily better to seek correction by legislation."

If the thesis that a majority of the members of the Supreme Court have the rightful power to change the meaning of the Constitution under the guise of interpreting it every time a sitting Justice wavers in mind or a newly appointed Justice ascends the bench should find permanent acceptance, the Constitution would become to all practical intents and purposes an uncertain and unstable document of no beneficial value to the country. Yea, more than this, it would become a constant menace to sound government at all levels, and to the freedom of the millions of Americans who are not at liberty to join Supreme Court Justices in saying that Supreme Court decisions on constitutional questions are not binding on them.

I cannot forbear expressing my opinion that the notion that Supreme Court Justices are not bound by the decisions of the Court on constitutional questions exalts Supreme Court Justices above all other men, and is of the stuff of which judicial oligarchies are made. Be this as it may, what Justice Benjamin N. Cardozo said in "The Nature of the Judicial Process" concerning the contention that the judge is always privileged to substitute his individual sense of justice for rules of law applies with equal force to this notion. "That might result in a benevolent despotism if the judges were benevolent men. It would put an end to the reign of law."

What I have said on this point finds full support in the ringing words of Edward Douglas White, one of the ablest lawyers and wisest judge ever to grace the Supreme Court bench. He said: "In the discharge of its function of interpreting the Constitution, this Court exercises an august power. * * * It seems to me that the accomplishment of its lofty mission can only be secured by the stability of its teachings and the sanctity which surrounds them * * *. The fundamental conception of a judicial body is that of one hedged about by precedents which are binding on the Court without regard to the personality of its members. Break down this belief in judicial continuity, and let it be felt that on great constitutional questions this Court is to depart from the settled conclusions of its predecessors, and to determine them all according to the mere opinion of those who temporarily fill its bench, and our Constitution will, in my judgment, be bereft of value and become a most dangerous instrument to the rights and liberties of the people."

What has been said does not deny to the Supreme Court the power to overrule a prior decision in any instance where proper judicial restraint justified such action. A sound criterion for determining when proper judicial restraint justifies a judge in overruling a precedent is to be found in the standard which Judge Learned Hand says his friend and colleague, Judge Thomas Swan, set for his own guidance: "He will not overrule a precedent unless he can be satisfied beyond peradventure that it was untenable when made; and not even then, if it has gathered around it the support of a substantial body of decisions based on it."

In ending this phase of my remarks, I wish to emphasize that precedents set by the Supreme Court on constitutional questions were tenable when made if they conformed to the intention of those who framed and adopted the constitutional provisions involved, no matter how inconsistent they may be with the views of Justices subsequently ascending the bench.

This brings me to the argument that Supreme Court Justices must nullify article V and usurp the power to amend the Constitution while pretending to interpret it to keep the Constitution from freezing in the pattern which one generation gave it.

I assert with all the emphasis at my command that there is really no substantial validity in this argument. I take this position for three reasons:

First. Although the Constitution does not change its meaning in the absence of amendment under article V, the provisions of the Constitution are pliable in the sense that they reach into the future and embrace all new conditions falling within the scope of the powers which they in terms confer (*Missouri P.R. Co.* v. *United States; South Carolina* v. *United States*). Existing grants of constitutional powers will enable the Federal Government to take action in virtually all new fields in which action on its part will be appropriate.

Second. As the possessor of all the legislative power of the Federal Government, Congress has complete authority at all times to make, amend, or repeal laws relating to all matters committed by the Constitution to the Federal Government.

Third. For these reasons, occasions which really call for amendments to the Constitution are comparatively rare. While it is frequently asserted that the method for amending the Constitution prescribed by article V is too cumbersome and slow for practical purposes, those who make the assertion furnish no satisfactory proof of its truth. To be sure, they cite as evidence the failure of Congress and the States to make constitutional changes they deem desirable. They overlook the fact, however, that the evidence they cite has just as logical a tendency to prove that the wisdom of Congress and the States exceeds theirs. Thomas Riley Marshall said that "it is as easy to amend the Constitution of the United States as it used to be to draw a cork." While this statement is not literally true, it is substantially true in instances where Congress and the States believe a constitutional amendment to be advisable.

In the final analysis, those who contend that Supreme Court Justices are justified in changing the meaning of constitutional provisions while pretending to interpret them confuse right and power.

What Justice Cardozo said of the judge as a legislator in "The Nature of the Judicial Process" is relevant here. He said: "I think the difficulty has its origin in the failure to distinguish between right and power, between the command embodied in a judgment and the jural principle to which the obedience of the judge is due. Judges have, of course, the power, though not the right, to ignore the mandate of a statute, and render judgment in despite of it. They have the power, though not the right, to travel beyond the walls of the interstices, the bounds set to judicial innovation by precedent and custom. None the less, by that abuse of power, they violate the law."

Let me refer in closing to the Father of Our Country, who was President of the Convention which wrote our Constitution. As the Encylopaedia Britannica says, the weight of George Washington's character did more than any other single force to bring the Convention to an agreement and to obtain ratification of the Constitution afterward.

If the America which George Washington and the other Founding Fathers created is to endure, Supreme Court Justices as well as Presidents and Congresses must heed what he said in his farewell address to the American people. I quote his words:

"It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes. To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil, any partial or transient benefit which the use can at any time yield."

Tips and Cash Gratuities To Be Included for Social Security Benefits

EXTENSION OF REMARKS

OF

HON. ALFRED E. SANTANGELO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 1961

Mr. SANTANGELO. Mr. Speaker, I have introduced today a bill which will provide that tips and gratuities shall be included as wages under the old-age, survivors', and disability program. This bill will correct an unjustice, produce additional revenues, and will make realistic the social security benefits for service workers.

This bill will consider tips as wages for the purposes of social security. Service workers pay income taxes on their tips, but their tips are not considered in computing their social security benefits. The provisions of my bill will increase social security revenues by collections on income which has never been subject to the payment of social security taxes. It will result in a reporting of realistic wages, thus increasing the social security

benefits for service workers when they become eligible.

I introduced similar legislation in the 85th and 86th Congresses when the minimum-wage bill was $1 per hour for covered employees. Now that the 87th Congress has enacted the $1.25-per-hour minimum-wage bill, one of the objections to my previous proposals is obliterated. During the consideration of the omnibus social security bill in 1958, the chairman of the Ways and Means Committee indicated that, while the committee favored the principle in my bill, the subject required further study. Three years have passed and the necessary study has been made. This bill serves a great need and eliminates a great inequity against workers who rely on tips for their income, in part or in total.

This bill makes the following provisions:

First. The bill gives the option to an employee within 10 days from the close of any month to report to his employer the amount of tips and other gratuities which he has received during the month of his employment with such employer. In addition, the employee must turn over to the employer an amount equal to the social security contributions required by section 3101 of the Internal Revenue Code and deducted under section 3102 of such code as if such total amount had actually been paid to him by such employer. The amount reported as tips by said employee shall be considered as wages or remuneration to him by his employer.

Second. In the event that the employee fails to report such tips, then the employer is required to file within 10 days after the close of the month a report of tips which the employee has earned during the month. This mandatory report shall compute tips on the basis of one of two alternative methods. The first method in essence computes tips as the difference between $1.25 per hour and the paid hourly wages multiplied by the number of hours worked by the employee. The second mandatory method computes tips as wages in a scheduled amount for each designated group of employees.

Third. This bill grants the employer the right to review the amount which the employee has reported to him as tips received.

Fourth. This bill authorizes the Secretary of the Treasury to prescribe rules to carry out the provisions of the bill and to review the amounts reported as tips.

The only reason that tips were excluded originally in computing social security benefits is that it was thought that to include them would be impracticable and there was a desire not to encumber the social security system with difficult administrative problems. Experience and time have demonstrated that those deficiencies and difficulties no longer obtain. Experience shows that a workable plan of computing tips is not only possible, but also administratively practicable. My bill offers that plan.

Eight States and the District of Columbia require that tips and gratuities be treated as wages received from the employing unit. Unemployment compensation regulations in 14 other States under certain conditions recognize tips as wages, such as where an employee gives an accounting to his employer of his tips or where tips contribute more than 50 percent of the employee's base earnings. In the State of New York, in analogous situations, namely, the computation of taxes on board and lodging, tips and gratuities for unemployment insurance purposes, the New York State Industrial Commission has issued rules which solve the problem inherent in the situation.

Under the provisions of my bill, the employee will inform his employer of the amount of tips received during a given month within 10 days after the close of the month and turn over to the employer the amount necessary to pay the employee's share of the social security tax on the tips. The employer also has the right to withhold the estimated social security taxes from the base wage of the employee. Where the employee fails to inform his employer of the amount of tips or other cash gratuities, the employer must report in either of two ways. The first alternative method which the employer may use in the reporting of tips is the reporting of an amount equal to the difference between the employee's average hourly pay for employment performed for such employer during such month and $1.25 multiplied by the total number of hours of employment performed by such employee for such employer during such month. In other words, the employer reports as total wages for the month an amount equal to $1.25 multiplied by the number of hours worked by the employee during such month. If the employee does not file his report to his employer within 10 days of the close of the month, the employer may use a second alternative. This alternative provides that the employer must file as employee's wages the employee's base salary plus tips which are set forth in a schedule. The employer shall collect from the employee or deduct from the employee's base wages 2½ percent of the employee's wages or such percentage as is provided for by the Internal Revenue Code.

In any event, where the employee fails to report his tips to the employer within 10 days of the close of the month, the employer must report as tips the sum provided for in either of the two alternative methods.

My bill is divided into four sections. Section 1 of the bill adds a new paragraph to section 209 of the social security law and provides that tips and other cash gratuities received by an employee in the course of employment from persons other than his employer shall be considered remuneration for purposes of payment of social security taxes as provided for under chapter 21 of the Internal Revenue Code of 1954.

Section 2 of the bill adds another paragraph to section 3121(a) of the Internal Revenue Code of 1954 and provides that tips and cash gratuities customarily received by an employee in the course of employment from other than the employer shall be considered remuneration for purposes of social security.

Section 3 adds a subsection (p) to section 3121 of the Internal Revenue Code of 1954 and this subsection (p) is divided into six parts. Each of the first three parts sets forth a method of computation of tips and cash gratuities for purposes of social security. The amount of tips is either the actual amount received by the employee, or an estimated amount representing the difference between $1.25 per hour and the actual hourly base wage, or an estimated amount based on experience and set forth in a schedule.

The fourth part of section 3 sets forth the conditions which must exist in order for tips not to be included as remuneration for purposes of social security. The fifth part of this section provides for the withholding by the employer of the social security tax on tips and cash gratuities from the base wage. The sixth part of this section 3 requires the Secretary of the Treasury or his delegate to promulgate rules and regulations to carry out the provisions of the subsection and requires the Secretary of the Treasury to prescribe rules for the review of the amount reported.

Subsection (p), subdivision (1) of section 3 of the bill provides that where an employee within 10 days after the close of any month reports to his employer the amount of tips which he received during the month and pays to his employer the required rate of social security taxes, then the total amount which the employee reported shall be considered remuneration paid to him by the employer and the sum so paid shall be treated by the employer as though it had been deducted from wages.

Subsection (p), subdivision 2 of section 3 provides for mandatory reporting by the employer where the employee does not report actual tips and his hourly wage is less than $1.25 per hour. Under such conditions the employer must report as tips the difference between $1.25 per hour and actual base wage per hour multiplied by the number of hours which the employee worked during a month for such employer, or the employer, at his election, must report as tips the amounts provided for in a schedule set forth in section 3, subsection (p), subdivision (3).

Subdivision (2) of this subsection provides that the employer shall collect from the employee or deduct from the employee's wages the 3 percent or the appropriate percentage of tax which the employee must pay.

Subsection (p)(3) provides for alternative computation for mandatory reporting by the employer. This method computes tips as wages for each designated group of employees. This part of the bill provides that where the employee has not reported his actual tips and where the employer does not elect to report as tips the difference between $1.25 per hour and hourly base wage where the employee's base wage is less than $1.25 per hour, the employer shall report an amount which experience shows service groups on the average receive. The nine service groups and the amounts which they have deemed to

have received from the point of view of experience as tips and cash gratuities are as follows:

(a) Beauty parlor operators: The amount of the tips and other cash gratuities received by a beauty parlor operator during any month shall be deemed to be equal to 10 percent of the wages (determined without regard to this subsection or the last sentence of subsection (a)) paid to such operator by his or her employer.

(b) Service employees in restaurants: The amount of the tips and other cash gratuities received by a service employee in a restaurant during any month shall be deemed to be equal to 7½ percent of the amount charged for food and beverages served by (or attributable to service by) such employee during such month, except that the amount of such tips and other cash gratuities shall be 5 percent of the amount charged for food and beverages served by (or attributable to service by) such employee during such month if he is employed at a counter or in a drugstore.

(c) Dining room employees in American plan hotels and in eating clubs: The amount of the tips and other cash gratuities received by a dining room employee in an American plan hotel or an eating club shall be deemed to be $2 per day of full-time employment for waiters and waitresses and $1 per day of full-time employment for busboys.

(d) Hotel service employees: The amount of the tips and other cash gratuities received by a bellhop, porter, baggage porter, or doorman employed by a hotel shall be deemed to be $2 per day of full-time employment.

(e) Taxicab drivers: The amount of the tips and other cash gratuities received by a taxicab driver shall be deemed to be equal to 12½ percent of his total bookings if he operates his cab in a city having a population of 100,000 or more, or $9 per week in any other case.

(f) Employees in barbershops: The amount of the tips and other cash gratuities received by an employee of a barbership during any month shall be deemed to be equal to (i) 15 percent of the wages (determined without regard to this subsection or the last sentence of subsection (a)) received during such month in the case of a barber, (ii) 25 percent of the wages (as so determined) received during such month in the case of a manicurist, or (iii) 5 cents for each customer of the barbershop in the case of an employee shining shoes or brushing and otherwise attending to customers' clothes.

(g) Baggage porters in bus and airline terminals: The amount of the tips and other cash gratuities received by a baggage porter at a bus or airline terminal shall be deemed to be $2 on any day on which he worked at least 7 hours, and 30 cents per hour of employment actually performed on any day on which he did not work for at least 7 hours.

(h) Pinboys at bowling alleys: The amount of the tips and other cash gratuities received by a pinboy at a bowling alley shall be deemed to be equal to 2 cents for each game for which he sets up pins.

(i) Maritime service employees: The amount of the tips and other cash gratuities received by a maritime service employee shall be deemed to be equal to whichever of the following amounts per day is applicable for each day of full-time employment: bartender, $1.70; bellboy, $1.80; deck steward, $2; headwaiter, $3.35; night steward, $1; room steward, $2.90; salon steward, $1.75; stewardess, $1.65; waiter, $2.50.

Subsection (p) subdivision (4) provides that under certain conditions, no tips shall be included as remuneration for social security purposes. Tips or cash gratuities shall not be included where (a) acceptance of tips or gratuities is not allowed; (b) notice is displayed that tips are not allowed; (c) employer adopts reasonable means to insure that tips or cash gratuities are not received; (d) employer submits to the Secretary a statement setting forth that tips are not allowed and methods to obtain compliance by customers and employees.

Subsection (p) subdivision (5) provides that an employer at his own option or upon the request by the employee may withhold from the employee's base wages the social security taxes due on the actual tips reported or on the estimated tips collected during the month.

Subsection (p) subdivision (6) provides that the Secretary of the Treasury shall prescribe regulations to carry out the provisions of the bill and to prescribe rules for the review of the amount reported.

Section 4 of the bill deals with the effective date of the law and provides that the amendments shall apply only to tips received on and after the first day of the second month which begins more than 10 days after the enactment into law.

The custom of rewarding a person for satisfactory services rendered is an ancient one. This custom has become highly formalized with the development of our social habits. Considerable discussion is devoted to it in our best etiquette books. It has also become a fixed part of our economic system and, as a result, millions, of our workers today depend upon the receipt of gratuities or tips in order to earn a living.

We are all aware of this. Each time we eat in a restaurant, get a shoeshine, have our luggage handled, we know that the person serving us must depend upon our tipping him for a substantial portion of his or her daily wages. It is now part of the system governing the relations of these persons with their employers.

As I understand, a great many of these personal service personnel would like to see the system changed. They would prefer to have an assured weekly wage and have the cost of their services taken up in the bill presented by the employer to the customer. This, of course, is a subject which is beyond the power of a legislature to handle.

During my travels throughout Europe, I noted that the employer includes the amount of the employee's tips as part of the bill. The practice is to allocate a percentage of the total bill as tips. The percentage which was most frequently used was 13 percent.

Service employees, however, have another problem, one for which the Congress, and the Committee on Ways and Means in particular, should take responsibility. They are denied the benefit of social security coverage of that portion of their income which comes directly from the customers they serve. Only the low basic wage, which they receive from their employer, may be credited as wages under the present law, except in a small percentage of cases where the employer requires the employee to account to him the amount of tips. The injustice of this treatment is manifest. When these people become eligible to receive their social security benefits, they find themselves entitled to payments which fail to reflect their true earnings histories. This is because the wages which have been credited to them in many cases make up as little as one-half or one-third of their total earnings, counting their tips.

My proposals and proposals similar to mine have met with opposition from only one quarter—the associations of employers of personal service personnel, the restaurant and hotel operators. The reason they have advanced for their position is difficulty of administration—although, one cannot help but recognize that if the proposal were adopted their employer's taxes would be increased. The difficulty, they claim, arises in ascertaining the sums involved in the tips received by their employees.

If difficulty of administration were allowed to prevent the adoption of worthwhile legislation, most of the activities of the Federal Government would never have been undertaken. In this instance, the administration of the bill, while intricate, is not impracticable. The people affected by my bill are entitled to consistent treatment by the Government. We have found ways to collect income taxes based upon their tips. There is no reason why we should deny them social security protection on an equal basis. Simple justice requires that Congress treat service employees fairly and grant these worthy citizens the protection intended for all workers by the Social Security Act.

What Agriculture Means to the City Resident

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 1961

Mr. ANFUSO. Mr. Speaker, the bill H.R. 8230, known as the Agricultural Act of 1961, will be coming up for consideration in the House soon. This bill seeks to improve and protect farm prices and income, to adjust supplies of agricultural commodities according to the requirements for such commodities,

to improve the distribution and expand exports of agricultural commodities, to protect the interests of consumers all over the country, as well as other important purposes.

As a former member of the House Committee on Agriculture and as one who has always taken an active interest in protecting the American consumer, particularly the big-city consumer, I want to go on record in support of this measure. In this connection, I should like to express some views and bring some interesting information to the attention of my colleagues.

The United States has the world's most efficient agriculture. It is a mainstay of the free nations, and a tremendous force for peace. Nowhere can our agricultural abundance be matched. To the Communist countries it is a goal on the horizon that they one day would like to reach—and cannot even approach.

Yet most of us in this country, particularly those of us who live in the city, know very little actually about how really remarkable our agriculture is. We know very little about how vital the operations of the American farmers are to each one of us. Most of us are aware that the crops growing in the fields somehow mean food on our tables. But that is about as far as our knowledge goes.

We never take time to see how closely we are linked to the rural areas and how much of our good living comes from those who cultivate our land. City dwellers have a real bond, a strong bond with the farmer. In a sense, their lives depend on him.

Actually, our national economy is one whole piece, and agriculture is woven into practically every part of that fabric. Without an abundant agriculture, our patterns of eating—our very patterns of life—would be wholly different.

To us good meals are commonplace. They are so much an accepted part of our daily lives that we seldom stop to think of our good fortune. Or of the ample supplies that our agriculture produces to give us the type and amount of food that we want. We take our good eating for granted.

There is no lack of the kind and quantities of food that we may choose to have. So far as food supplies are concerned, our meals can be as large and as varied as we want them to be. If the larder at home is low, we simply go out to the supermarket or the corner grocery for all the food we want to stock our kitchens. So does the restaurant or hotel owner.

We have all this plenty but we forget or ignore the astounding achievements of the men on the land who pile our pantries high.

FOOD IS A BARGAIN

We now have a better and more varied diet than at any time in our history. And the real cost of our food is cheaper than ever before. It takes a smaller part of our income. Back in the last half of the 1930's—just before World War II—food expenditures took 23 percent of consumer income. Today we spend only 20 percent—one fifth—of our take-home pay for food. Outside the United States most people of the world spend at least half of their income for food.

Food costs in this country have risen less than most other items on the cost-of-living index. Since 1947–49 food costs have gone up only 20.7 percent while the increase on all items other than food has been 31 percent. And some items have gone up much more than 31 percent. For instance, transportation costs have gone up over 46 percent and rents have moved up over 43 percent.

There is another indicator that the real cost of our food is low. Wages from 1 hour of factory work now buys 83 percent more round steak, 126 percent more milk, 138 percent more oranges, or 169 percent more bacon than in 1929.

If these facts from the domestic picture fail to impress you, make a few comparisons with food costs in other countries.

Food that takes an hour's pay of the average industrial worker in this country would require 2 hours in England and Germany, 4 hours in Austria, 4½ hours in France, and more than 5 hours in Italy.

A Russian would have to work 3½ times as long as an American to get a pound of potatoes, 4 times as long to get a pound of beef rib roast, 8 times as long to get a dozen eggs and 9 times as long to get a pound of butter.

In the United States our farmers give us an abundance that keeps our nutritional standards high. The average daily intake of calories per person in this country is 3,200, which is well above the estimated requirement of 2,640 calories. But in some of the other parts of the world the daily diets run below even their reduced requirements. In the Far East daily diets are deficient by 200 calories, in western Asia by 150 calories, and in Latin America by 117 calories.

Facts like these are little understood. They need to be widely circulated so that the significant role American farmers are playing in our Nation's welfare can be better understood.

BENEFITS OF EFFICIENCY

Here is another little-known fact. Farmers are more efficient than workers in any other occupation. This amazing efficiency of American agriculture brings a return directly to each of us. It slows the rise in marketing costs. We get better food at less cost. We have more money left to buy other things. In fact, the consumer has benefited far more from this efficiency than has the farmer.

When we speak of the efficiency of the American farm, just what do we mean? One of the simplest ways to explain this efficiency is to show how much one farmworker accomplishes today compared to one farmworker a number of years ago. In the United States today, 1 farmworker produces enough food and clothing for himself and 25 other persons. A century ago he could produce enough for less than five persons.

One hour of farm labor today produces four times as much food and fiber as it did in 1919–21. Crop production is up 65 percent per acre. Output per breeding animal is 88 percent greater. Milk production per cow has almost doubled.

Let me cite a specific example of the benefits of efficient production in the broiler industry. Researchers developed a faster growing broiler and also a better diet for it. Today the growers produce a 3-pound broiler in 9 weeks whereas 30 years ago only a broiler of half that weight could be produced in that length of time. Between 1950 and 1960 the drop in the retail price of frying chickens averaged 15.8 cents a pound. The consumer has benefited, but the farmer has not. Last year the average hourly earnings of the poultry farmer was 45 cents—not much to get excited about.

BETTER AND MORE DESIRABLE DIETS

It is not only abundant supplies that we get from agriculture; it is also better food and more of the kinds we want. Our diet is high in animal proteins—meat, poultry, dairy products. It is in the area of proteins that diets in many other countries are lacking. In India, for example, red meat and dairy products represent only 4 percent of the diet; in Japan, only 2 percent.

The consumer is getting more of the foods he wants. The farmer is tailoring his output more and more to demands—citrus fruits, meats, milk, eggs, leafy greens, and yellow vegetables. He is giving us fresh fruits and vegetables the year around. He is growing varieties that were unknown not so many years ago.

He is developing varieties to give the right flavor, color, texture, and other qualities that make food more palatable. He grows the kind of strawberries that retain the same good red color and flavor when they are frozen. He is taking similar measures for frozen fruits and vegetables and fruit juices.

Many other things could be mentioned about agricultural production and marketing, things that are altogether lacking in many countries, and things that we take for granted.

We can trust our food supplies. Inspection and grading services make it possible for us to buy safe and wholesome meat, poultry and eggs, dairy products, and fruits and vegetables. Farmers seek to keep their animals disease free. The animals that go to market are inspected under veterinary medical supervision against disease and contamination. Grading of products by specialists shows us the quality that we want to consider in our buying.

Through refrigeration and other means, such as proper packaging, we have better handling of perishable foods. In this way millions of dollars are saved to consumers. And better produce reaches the buyer. To prevent spinach from losing about half of its vitamin C in 3 days, for instance, as it does at ordinary room temperature, the spinach is kept at about 34° to 37°.

In short, we have the safest, cleanest, and most wholesome food in all the world.

FIBERS AND FORESTS

But our American agriculture means more to us than a great plenty and a great variety of nourishing, dependable foods at reasonable costs. It not only means three square meals a day but also

the fibers for much, if not most, of the clothing we wear. It means wood products that go into our homes; three out of four forest owners are farmers, and they, with other small woodland owners, control over half of the Nation's commercial forests.

Agricultural research applies to fibers as well as foods, and forest research is done in the laboratories of the Forest Service in the U.S. Department of Agriculture. As you may know, new qualities have been added to cotton. A resin treatment puts creases and flat seams in summer suits, slacks, and other cotton clothes. They are made wrinkle resistant and may be laundered. As to forest products, special treatments lengthen the life of wood and make possible stronger, lighter, and more durable crates, boxes, and cartons.

MILLIONS OF JOBS

But agriculture does many more things for the benefit of all of us. As our biggest industry, it means employment for millions of persons. You would assume, of course, that it means employment to the 7 million or more engaged in agriculture. But its effects reach far beyond that number.

For 16 million others, agriculture means a paycheck every payday. Agriculture brings employment to those who manufacture the machines now used on the farms—the tractors, the combines, the milking machines, and many others. Farming today requires thousands of dollars in equipment—a really large investment.

What the farmer needs to grow our food and fiber, in addition to machinery, also means employment for others—those who manufacture fertilizer, and fencing, and building materials; those who generate and transmit electricity; those who refine petroleum or make tires.

Those who transport these supplies and those who sell them also benefit from agriculture. Then, there is the sizable group who store and process and manufacture and market farm products. They mill, bake, can, dehydrate, concentrate, or freeze food. They work in meat and poultry packinghouses. They work in cotton and woolen mills. They put food and clothing aboard railroad cars, trucks, and ships; and unload them. They warehouse these products.

Not only are business and industry customers of the farmer but also farmers are important customers of business and industry. Farmers spend about $25 to $26 billion a year for equipment, goods, and services to produce crops and livestock. More than that, they spend at least another $15 billion a year for family items. They spend, for instance, about $3.5 billion for fuel, lubricants, and maintenance of machinery and motor vehicles every year.

Farmers are also taxpayers. In 1960 income taxes paid by the farm population amounted to $1¼ billion. At the same time farm real estate taxes totaled $1⅓ billion. Tax on personal property on farms was another quarter billion dollars. Net taxes paid by farmers on motor fuels were $375 million and on motor vehicle license fees and taxes about $174 million, while sales taxes totaled about $300 million.

WATER AND SOIL RESOURCES

City residents have a direct concern with agriculture also in flood, sediment, and water supply problems. Watershed and flood prevention plans in agriculture provide many opportunities for developing and improving water supplies for municipal and industrial uses.

Conservation of our soil and water resources is an important agricultural undertaking. Water becomes more and more of a limiting factor to both agricultural and industrial development. This calls for greater attention to soil and water conservation and to watershed protection.

A national survey of soil and water needs is nearing completion. This will provide for the first time a complete picture of land use, land use trends, and physical conditions on the Nation's privately owned lands. It will make possible more comprehensive soil and water conservation.

Conservation plans and practices of agriculture, of course, are basic to the wise use of our resources. They help insure a continuing abundance in production of food, fiber, and shelter. They contribute to us now but they also contribute to future generations, to the food and water needs of our children.

BULWARK OF DEFENSE

The role of agriculture in international relations is highly significant. Agriculture is one of our bulwarks of defense. It not only fed our troops and our civilian population during World War II but it also helped feed our allies around the globe. It is a strong right arm in any future war we may face. It is vital to our strength and our well-being.

Our food plays a potent part in helping feed the world today. We are the world's largest exporter of agricultural products. In the fiscal year ended June 30, 1961, our shipments of farm products to other countries totaled almost $5 billion—$4.9 billion to be exact—the largest total in our national history.

Our agricultural abundance is helping maintain world peace. Through our food-of-peace program we are helping relieve hunger and promoting economic growth in the newly developing countries of the world.

AN UNFAIR RETURN

With all of his contribution to you and to me, to the city resident as well as the rural ones, to our national economy and our international well-being, the American farmer gets a small return. His productivity per worker is now growing three times as fast as the productivity of workers in industry, yet he is caught in a price-cost squeeze.

His net income has gone down. Since 1947–49 the prices that he receives for his crops and livestock have dropped 12 percent. In the same time the prices he pays have risen 20 percent. The incomes of our farm families are lower relative to the rest of the population than they have been at any time since the 1930's.

The farm population had an average income per capita in 1960 of less than $1,000—$986. Of this total, $329 came from nonfarm sources and only $657 from farming. Yet the per capita income of the nonfarm population was $2,282.

There is little justice in agricultural workers receiving less than 82 cents an hour while factory workers average $2.29 and those working in the food marketing field average $2.14.

When we make an actual analysis of the circumstances, we find that the charges of subsidy against the farmers are really the other way round—farmers are subsidizing the consumers.

You and I who are on the receiving end of the farmer's abundance, who benefit daily from his plentiful production and efficiency—we need to see that he gets a fair return for his labors. He should have as good an economic opportunity as the other parts of our national economy.

We need to see that those who have been producing in abundance get the reward they deserve for their ability and productivity.

We need to keep our agriculture strong. Otherwise we face grave danger, both personally and nationally.

Oceanography—Opportunity for Industry

EXTENSION OF REMARKS

OF

HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 1961

Mr. GEORGE P. MILLER. Mr. Speaker, during the past several years much emphasis has been placed on the need for knowing more about the mysteries of the deep. As we give great emphasis to the exploration of outer space, we become more conscious of the fact that little is known about three-fourths of our own planet which is covered by the waters of the ocean.

The Subcommittee on Oceanography of the House Merchant Marine and Fisheries Committee has held detailed studies on my bill, H.R. 4276, and the Senate has held extensive hearings on S. 901, introduced by Senator WARREN MAGNUSON, of Washington. These hearings brought forth the great need for research, exploration, scientific training, and other developments which will reflect the biological, geological, chemical, and physical factors of underwater environment. President Kennedy, on February 23, 1961, delivered an eloquent message to Congress on the importance of establishing a vigorous program of oceanography.

Mr. Speaker, in the June issue of Data magazine, a renowned authority on the subject of oceanography; namely, Rear Adm. Philip D. Gallery, retired, authored a most timely article entitled "Oceanography: Opportunity for Industry." Since the ingenuity of American industry will have a vital effect on the research and development phases of oceanography, I think it is essential that

the premises of this article should be given thorough study and consideration.

Under leave to extend my remarks, I am pleased to insert this article in the CONGRESSIONAL RECORD.

OCEANOGRAPHY: OPPORTUNITY FOR INDUSTRY

"THE WHITE HOUSE,
"March 29, 1961.

"MY DEAR MR. PRESIDENT: The seas around us, as I pointed out in my message to Congress on February 23, represent one of our most important resources. If vigorously developed, this resource can be a source of great benefit to the Nation and to all mankind.

"This is not a 1-year program—or even a 10-year program. It is the first step in a continuing effort to acquire and apply the information about our part of the world that will ultimately determine the conditions of life in the rest of the world. The opportunities are there. A vigorous program will capture those opportunities.

"Sincerely,

"JOHN F. KENNEDY."

This letter was addressed to Vice President JOHNSON as President of the Senate. It added to the display of President Kennedy's personal interest in oceanography that was noted in his state of the Union message, in which, for the first time, the word "oceanography" appeared in a state of the Union message.

The Soviet Union, a land bound nation, has invested far more money in oceanographic research, exploration, shipbuilding, training of scientists, and similar fields than the United States, a maritime nation. The author attended the International Oceanographic Congress at the United Nations headquarters in New York in 1959. On a visit aboard the 5,000-ton Soviet oceanographic ship *Lomonosov*, he was shown a most impressive array of scientific equipment, laboratories, specimens collected, even track charts of the vessel's 4-month oceanographic cruise in the Middle and North Atlantic. One unusual fact observed was the number of women scientists aboard—the most prominent woman scientist addressed an assemblage of about 500 scientists at the United Nations that afternoon on her special branch of oceanography. The Soviet ship *Lomonosov* was only one of a fleet of Soviet oceanographic vessels and more were building, we were told. Soviet interest in the seas is obviously not necessarily economic since they have only a small seacoast but they possess a fleet of 500 submarines.

OCEANOGRAPHIC INTEREST IN CONGRESS

The President's expressed interest in oceanography adds emphasis to the importance of the passage of two oceanographic bills introduced in this Congress by Senator MAGNUSON, of Washington, S. 901, and Representative MILLER, of California, H.R. 4276. Last year the Senate passed unanimously the Magnuson bill, but, unfortunately, it was July by the time the House got hold of it so it died as another casualty in the election adjournment rush. Prospects for full passage and implementation by this Congress are considered good.

The Magnuson bill is based largely on recommendations of the comprehensive study by the National Defense Research Council of the National Academy of Sciences. The research effort involved and ships and equipment required are so extensive that a program of 10 years is initially envisioned, costing about $650 million over that period.

The greatest part of the engineering needs will have to be met by industry so there are great opportunities for the companies that get into the business early.

An indication of the importance of the proposed program and of its permanence is contained in Representative MILLER'S bill which advocates the establishment of a National Oceanographic Council at Cabinet level with the following memberships:

1. Secretary of the Treasury.
2. Secretary of Defense.
3. Secretary of the Interior.
4. Chairman of the Atomic Energy Commission.
5. Secretary of Commerce.
6. Director of the National Science Foundation.

Among the Government agencies that will be involved are the Department of Defense (particularly the Navy Department, including the Hydrographic Offices, Bureau of Ships, and Office of Naval Research), Fish and Wildlife Service, Coast and Geodetic Survey, and the Coast Guard.

OCEANOGRAPHIC DATA CENTER

A first move in implementing this program has already been made in the establishment of the Oceanographic Data Center at the Naval Weapons Plant in Washington, D.C. Previously the data sent in from our currently operating research ships has been laboriously handled and sorted manually. Modern techniques utilizing computers and data-processing equipment will be employed henceforth. The expected mountains of factual data that will be assembled demand that modern methods be installed, requiring assistance from industry. At present the Navy Hydrographic Office has sponsored the center, located, until recently, at the Hydrographic Office Headquarters in Suitland, Md.

OCEANOGRAPHIC AUTHORITIES

Eventually it may prove necessary to give one agency control of this oceanographic program, perhaps with one individual as administrator and coordinator of the widespread activities. Since the Hydrographic Office has been involved in this field for many years, and, since this will be a Government program, it is felt that the logical "boss" of the program is the hydrographer of the Navy, currently Rear Adm. E. C. Stephan, U.S. Navy.

One of the most qualified and dedicated authorities in the oceanographic field is a naval officer now on duty with the Hydrographic Office—Capt. C. N. G. Hendrix, U.S. Navy. He has the unusual distinction of having commanded a submarine, and a submarine squadron and having acquired his master's degree in oceanography at Scripps Institute of Oceanography, La Jolla, Calif. Admiral Stephan has placed Captain Hendrix in charge of coordinating recommendations of various laboratories and agencies for the oceanographic program. Sometime this summer it is expected that a conference of all industry, science, and Government personnel interested in oceanography will be called, probably in Washington, D.C.

GAINS BEING REALIZED

The oceanographic bills before Congress emphasize the economic benefits to the Nation and the world and the scientific gains to be realized. The defense angle is scarcely mentioned. The Navy, however, has a vital stake in learning all it can about the ocean for two conflicting reasons: (1) to combat the submarine menace of the U.S.S.R., currently owning about 500 ocean-going submarines; (2) to increase the effectiveness of our own atomic Polaris missile-firing submarines. We need knowledge of the underwater topography, the sound, light, and thermal characteristics of the sea, current data for both acoustic and flow problems and many related areas. All such information can help improve our Polaris attack capabilities and our antisubmarine measures and operations.

Industry has in recent years shown increasing interest in tackling the ASW problem. The National Security Industrial Association and the Institute of Aeronautical Science have sponsored very constructive symposia for hundreds of industry leaders and representatives. The NSIA First National Innerspace Symposium on May 23–25 in Washington is the most recent example. Working committees of the NSIA in the ASW field have come up with a number of concrete and significant recommendations for assisting the Navy in the ASW effort.

Examples of scientific and industrial contributions recently in oceanographic matters are: The "Optimum Track Ship Routing System" developed by Dr. R. W. James, oceanographer of the Hydrographic Office, resulted in an award of $5,435 by the Secretary of the Navy to Dr. James. The development and initiation of this system saves an estimated $10 million a year to the Navy. It has been responsible for similar savings to commercial shipping.

General Mills Nuclear Equipment Department, Minneapolis, Minn., has developed a mechanical arm manipulator to be fitted to the bathyscaphe Trieste for underwater investigation and sampling. General Mills employed its experience in producing manipulators for tending atomic reactors to develop this undersea device. The Trieste program is jointly sponsored by the Office of Naval Research and the Bureau of Ships.

Reynolds Aluminum Co. is developing an all-aluminum submarine for research at depths to 15,000 feet. The success of this model, Project Aluminaut, could lead to revolutionary developments in material used in construction of submarines or even surface ships.

Project Mohole, the probing of the ocean bottom, got off to a surprisingly successful and promising start recently in the Pacific off southern California. Samples 500 feet below the ocean bottom in 12,000 feet of water were obtained. The test demonstrated the feasibility of the delicate maneuvering operation that required the precise positioning of the unmoored barge for perfect initial penetration of the core. The ultimate objective of Project Mohole is to drill through the crest of the ocean at depths of 18,000 feet and then 15,000 feet through crested rock in the bottom. The scientific information obtained is considered of highest value by scientists studying the history and formation of the inner earth.

OCEANOGRAPHY NEEDS

Many of the engineering and equipment needs for this vast program are yet to be determined. Some of the current needs, however, have been expressed by various authorities in oceanographic laboratories, the Navy and industry. Following are a few of high priority equipment needs together with their uses and rough estimates of costs involved:

1. Precision echo sounder for oceanic survey use: A high resolution, stabilized echo-sounding system for detailed precision surveys in deep ocean surveys and for ASW developments is urgently needed. Estimated cost of prototype is $400,000 and about 20 more units at $300,000 will be required by 1962.

2. Oceanographic plankton sampler: No such sample is now available to get selected sizes and samples at discrete depths. Estimated cost is $120,000 for development, then $10,000 to $15,000 per unit for about 20 units initially with indefinite number of replacement units.

3. Sea floor sediment sampler and analyzer: Needed to study interaction between biological products in bottom areas. Estimated $300,000 for development and about $120,000 per unit thereafter with 10–20 units required.

4. Marine mobile geophysical packaged system: This packaged system is needed for all oceanographic vessels in existence and in the future. It should include echosounder, towed magnetometer, seismic equipment, radio communication, portable winch for

handling instruments on wire to 4,000 fathoms, and data recorder. Five units complete are needed immediately and 10 additional (less some items) by 1963.

5. Geophysical gravity meter: This device is needed to obtain gravity profiles from ships and aircraft for a variety of departments including Defense. Ten are required by 1962 and 10 more by 1965. Estimated $500,000 for development and $75,000 per unit for production.

6. Electron resonance magnetometer: Needed to obtain continuous measurement profiles of total intensity of earth's magnetic field. Ten are needed by 1962 and 10 more by 1965. Development estimate $250,000, production approximately $25,000 a unit.

7. Sea floor dredge winch: Present winches are inadequate mechanically and engineering wise. One will be needed for each AGOR and AGS being built or planned. Three will be required by 1962. Estimated cost $100,000 per unit.

OPPORTUNITIES FOR INDUSTRY

Some people are concerned about the prospect of the huge industrial firms currently in defense business "hogging" this oceanographic effort. The contrary may prove true since emphasis in the field is comparatively new and there is a current trend in Government to make every effort to place more Government business with small business. An example: in November 1960, a contract was awarded to the Christy Corp., Sturgeon Bay, Wis., a small business, for the construction of two oceanographic research vessels for $4,509,411. These ships will have a full load displacement of 1,370 tons, length overall of 208 feet and beam of 37 feet. (In passing, we might note that they are going to require a great amount of equipment, principally from other specialized industries.)

The subject of oceanography is gaining the attention of the entire world and holds great opportunities for industry. The United States is embarking upon a program that not not only may bring important discoveries in feeding the world but should have vital implications in the defense effort. The engineering needs are great for new ideas on equipment for research, data-processing analysis, and distribution. There are requirements that both large and very small organizations can tackle. As President Kennedy said in his letter to the Senate urging action on oceanography bills: "The opportunities are there."

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 26, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

I Corinthians 13: 13: *Now abideth faith, hope, and love.*

Almighty God, grant that daily the cardinal virtues and spiritual capacities, with which we have been created and endowed, may be brought to fulfillment and fruition.

Inspire us with a steadfast faith in Thee and in those ideals and principles which Thou hast ordained for the peace and prosperity of the world.

Illuminate our minds with a radiant hope as we seek to walk humbly and reverently in the ways of our blessed Lord who alone is our light in these days of darkness.

Expand and enlarge our hearts with a love that is ready to make every sacrifice that will redound to Thy glory and the good of humanity.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 2086. An act for the relief of Earl H. Spero;

H.R. 2249. An act to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity;

H.R. 2250. An act to authorize and direct the Secretary of Agriculture to convey certain lands in Lassen County, Calif., to the city of Susanville, Calif.;

H.R. 4328. An act to reassign officers designated for supply duty as officers not restricted in the performance of duty in the Marine Corps; and

H.J. Res. 124. Joint resolution to provide for amending section 3 of the Puerto Rican Federal Relations Act (64 Stat. 319), as amended (64 Stat. 458).

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 702. An act to authorize the Secretary of Agriculture to exchange certain lands in the State of Wyoming with the town of Afton, Wyo.;

S. 860. An act to provide greater protection against the introduction and dissemination of diseases of livestock and poultry, and for other purposes; and

S. 1589. An act to amend the Communications Act of 1934 to authorize the issuance of radio operator licenses to nationals of the United States.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 6611) entitled "An act to amend paragraph 1798(c)(2) of the Tariff Act of 1930 to reduce temporarily the exemption from duty enjoyed by returning residents, and for the other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. KERR, Mr. LONG of Louisiana, Mr. WILLIAMS of Delaware, and Mr. CARLSON to be the conferees on the part of the Senate.

THE PRESIDENT'S ADDRESS TO THE NATION OF TUESDAY, JULY 25, 1961.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point the text of the timely and courageous report and address made last night to the American people by President Kennedy.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

(The address referred to follows:)

TEXT OF KENNEDY APPEAL TO NATION FOR INCREASES IN SPENDING AND ARMED FORCES

(Following is the text of President Kennedy's address to the Nation last night, as recorded by the New York Times.)

Good evening. Seven weeks ago tonight I returned from Europe to report on my meeting with Premier Khrushchev and the others. His grim warnings about the future of the world, his aide memoire on Berlin, the subsequent speeches and threats which he and his agents have launched and the increase in the Soviet military budget that he has announced have all prompted a series of decisions by the administration in a series of consultations with the members of the NATO organization.

In Berlin, as you recall, he intends to bring to an end, through a stroke of the pen, first our legal rights to be in West Berlin and secondly our ability to make good on our commitment to 2 million people of that city. That we cannot permit.

We are clear about what must be done—we intend to do it.

I want to talk frankly with you tonight about the first steps that we shall take. These actions will require sacrifice on the part of many of our citizens. More will be required in the future. They will require from all of us courage and perseverance in the years to come. But if we and our allies act out of strength and unity of purpose—with calm determination and steady nerves—using restraint in our words as well as our weapons—I am hopeful that both peace and freedom will be sustained.

IMMEDIATE THREAT

The immediate threat to freemen is in West Berlin. But that isolated outpost is not an isolated problem. The threat is worldwide. Our effort must be equally wide and strong and not be obsessed by any single manufactured crisis. We face a challenge in Berlin, but there is also a challenge in southeast Asia, where the borders are less guarded, the enemy harder to find, and the dangers of communism less apparent to those who have so little. We face a challenge in our own hemisphere and, indeed, wherever else the freedom of human beings is at stake.

Let me remind you that the fortunes of war and diplomacy left the free people of West Berlin in 1945 110 miles behind the Iron Curtain. This map makes very clear the problems that we face. The white is West Germany, the East is the area controlled by the Soviet Union and as you can see from the chart, West Berlin is 110 miles within the area which the Soviets now dominate, which is immediately controlled by the so-called East German regime.

We are there as a result of our victory over Nazi Germany and our basic rights to be there deriving from that victory include both our presence in West Berlin and the enjoyment of access across East Germany. These rights have been repeatedly confirmed and recognized in special agreements with the Soviet Union. Berlin is not a part of East Germany but a separate territory under the control of the Allied Powers. Thus our rights there are clear and deep rooted. But in addition to those rights is our commitment to sustain and defend, if need be, the opportunity for more than 2 million people to determine their own future and choose their own way of life.

NATO POSITION NOTED

Thus our presence in West Berlin and our access thereto cannot be ended by an act of the Soviet Government. The NATO shield was long ago extended to cover West

Berlin and we have given our word that an attack upon that city would be regarded as an attack upon us all.

For West Berlin, lying exposed 110 miles inside East Germany, surrounded by Soviet troops and close to Soviet supply lines, has many roles. It is more than a showcase of liberty, a symbol, an island of freedom in a Communist sea. It is even more than a link with the free world, a beacon of hope behind the Iron Curtain, an escape hatch for refugees.

West Berlin is all of that. But above all it has now become—as never before—the great testing place of Western courage and will, a focal point where our solemn commitments stretching back over the years since 1945 and Soviet ambitions now meet in basic confrontation.

It would be a mistake for others to look upon Berlin, because of its location, as a tempting target. The United States is there; the United Kingdom and France are there; the pledge of NATO is there, and the people of Berlin are there. It is secure in that sense as the rest of us, for we cannot separate its safety from our own.

I hear it said that West Berlin is militarily untenable—and so was Bastogne, and so, in fact, was Stalingrad. Any dangerous spot is tenable if men—brave men—will make it so.

We do not want to fight—but we have fought before. And others in earlier times have made the same dangerous mistake of assuming that the West was too selfish and too soft and too divided to resist invasions of freedom in other lands.

Those who threaten to unleash the forces of war on a dispute over West Berlin should recall the words of the ancient philosopher: "A man who causes fear cannot be free from fear." We cannot and will not permit the Communists to drive us out of Berlin—either gradually or by force.

For the fulfillment of our pledge to that city is essential to the morale and security of West Germany, to the unity of Western Europe and to the faith of the entire free world.

EXAMINES SOVIET STRATEGY

Soviet strategy has long been aimed not merely at Berlin but at dividing and neutralizing all of Europe, forcing us back on our own shores. We must meet our often-stated pledges to the free peoples of West Berlin and maintain our rights and their safety, even in the face of force, in order to maintain the confidence of other free people in our word and our resolve.

The strength of the alliance on which our security depends is dependent in turn on our willingness to meet our commitments to them.

So long as the Communists insist that they are preparing to end by themselves unilaterally our rights in West Berlin and our commitments to its people, we must be prepared to defend those rights and those commitments. We will at all times be ready to talk, if talk will help. But we must also be ready to resist with force, if force is used upon us. Either alone would fail. Together, they can serve the cause of freedom and peace.

The new preparations that we shall make to defend the peace are part of the long-term buildup in our strength which has been underway since January. They are based on our needs to meet a worldwide threat, on a basis which stretches far beyond the present Berlin crisis. Our primary purpose is neither propaganda nor provocation—but preparation.

A first need is to hasten progress toward the military goals which the North Atlantic allies have set for themselves. In Europe today nothing less will suffice. We will put even greater resources into fulfilling these goals and we look to our allies to do the same.

The supplemental defense buildups that I asked from the Congress in March and May have already started moving us toward these and our other defense goals. They included an increase in the size of the Marine Corps, improved readiness of our Reserves, expansion of our air and sea lift, and stepped-up procurement of needed weapons, ammunition and other items. To insure a continuing invulnerable capacity to deter or destroy any aggressor, they provided for the strengthening of our missile power and for putting 50 percent of our B–52 and B–47 bombers on a ground alert which would send them on their way within 15 minutes warning.

These measures must be speeded up and still others must be taken. We must have sea and airlift capable of moving our forces quickly and in large numbers to any part of the world.

NEED IS SEEN

But even more importantly we need the capability of placing in any critical area at the appropriate time a force which combined with those of our allies, is large enough to make clear our determination and ability to defend our rights at all costs—and to meet all levels of aggressor pressure with whatever levels of force are required. We intend to have a wider choice than humiliation or all-out nuclear action.

While it is unwise at this time either to call up or send abroad excessive numbers of these troops before they are needed, let me make it clear that I intend to take as time goes on whatever steps are necessary to make certain that such forces can be deployed at the appropriate time without lessening our ability to meet our commitments elsewhere.

Thus in the days and months ahead, I shall not hesitate to ask the Congress for additional measures or exercise any of the Executive powers that I possess to meet this threat to peace. Everything essential to the security of freedom must be done; and if that should require more men, or more taxes, or more control or other new powers, I shall not hesitate to ask them. The measures proposed today will be constantly studied and altered as necessary. But while we will not let panic shape our policy, neither will we permit timidity to direct our program, and accordingly I am now taking the following steps:

(1) I am tomorrow requesting the Congress for the current fiscal year an additional $3,247 million of appropriations for the Armed Forces.

(2) To fill out our present Army divisions, and to make more men available for prompt deployment, I am requesting an increase in the Army's total authorized strength from 875,000 to approximately 1 million men.

(3) I am requesting an increase of 29,000 and 63,000 men, respectively, in the active-duty strength of the Navy and the Air Force.

(4) To fulfill these manpower needs, I am ordering that our draft calls be doubled and tripled in the coming months; I am asking the Congress for authority to order to active duty certain Ready Reserve units and individual reservists, and to extend tours of duty, and, under that authority, I am planning to order to active duty a number of air transport squadrons and Air National Guard tactical air squadrons to give us the airlift capacity and protection that we need. Other Reserve Forces will be called up when needed.

(5) Many ships and planes once headed for retirement are to be retained or reactivated, increasing our airpower tactically and our sealift, airlift, and antisubmarine warfare capability. In addition, our strategic airpower will be increased by delaying the deactivation of B–47 bombers.

(6) Finally, some $1,800 million—about half of the total sum—is needed for the procurement of nonnuclear weapons, ammunition, and equipment.

The details on all these requests will be presented to the Congress tomorrow. Subsequent steps will be taken to suit subsequent needs. Comparable efforts for the common defense are being discussed with our NATO allies, for their commitment and interest are as precise as our own.

And let me add that I am well aware of the fact that many American families will bear the burden of these requests; studies or careers will be interrupted; husbands and sons will be called away; incomes in some cases will be reduced.

But these are burdens which must be borne if freedom is to be defended. Americans have willingly borne them before, and they will not flinch from the task now.

SOBER RESPONSIBILITY

We have another sober responsibility: to recognize the possibilities of nuclear war in the missile age without our citizens knowing what they should do and where they should go if bombs begin to fall would be a failure of responsibility.

In May I pledged a new start on civil defense. Last week I assigned on the recommendation of the civil defense Director basic responsibility for this program to the Secretary of Defense, to make certain it is administered and coordinated with our continental defense effort at the highest civilian level.

Tomorrow I am requesting of the Congress new funds for the following immediate objectives: To identify and mark space in existing structures—public and private—that could be used for fallout shelters in case of attack; to stock those shelters with food, water, first aid kit, and other minimum essentials for our survival; to increase their capacity; to improve our air raid warning and fallout detection systems, including a new household warning system which is now under development, and to take other measures that will be effective at an early date to save millions of lives, if needed.

In event of attack, the lives of those families which are not hit in a nuclear blast and fire can still be saved, if they can be warned to take shelter, and if that shelter is available.

We owe that kind of insurance to our families and to our country. In contrast to our friends in Europe, the need for this kind of protection is new to our shores, but the time to start is now.

In the coming months I hope to let every citizen know what steps he can take without delay to protect his family in case of attack. I know that you will want to do no less.

The addition of $207 million civil defense appropriations brings our total new defense budget request to $3,454 million and a total of $47,500 million for the year. This is an increase in the defense budget of $6 billion since January and has resulted in official estimates of a budget deficit of over $5 billion.

The Secretary of the Treasury and other economic advisers assure me, however, that our economy has the capacity to bear this new request.

We are recovering strongly from this year's recession. The increase in this last quarter of our year of our total national output was greater than that for any postwar period of initial recovery. And yet wholesale prices are actually lower than they were during the recession, and consumer prices are only one-fourth of 1 percent higher than they were last October. In fact, this last quarter was the first in 8 years in which our production has increased without an increase in the overall price index. And for the first time since the fall of 1959, our gold position has improved and the dollar is more respected abroad. These gains, it should be stressed, are being accomplished with budget deficits far smaller than those of the 1958 recession.

This improved business outlook means improved revenue, and I intend to submit to the Congress in January a budget for the next fiscal year which will be strictly in balance. Nevertheless, should an increase in taxes be needed because of events in the next few months to achieve that balance or because of subsequent defense rises, those increased taxes will be requested in January.

CLOSE SCRUTINY PLEDGED

Meanwhile, to help make certain that the current deficit is held to a safe level, we must keep down all expenditures not thoroughly justified in budget requests. The luxury of our current post office deficit must be ended. Costs in military procurement will be closely scrutinized—and in this effort I welcome the cooperation of the Congress. The tax loopholes I have specified—on expense accounts, oversea income, dividends, interest, cooperatives and others—must be closed.

I recognize that no public revenue measure is welcomed by everyone. But I am certain that every American wants to pay his fair share, and not leave the burden of defending freedom entirely to those who bear arms. For we have mortgaged our very future on this defense—and we cannot fail to meet our responsibilities.

But I must emphasize again that the choice is not merely between resistance and retreat, between atomic holocaust and surrender. Our peacetime military posture is traditionally defensive; but our diplomatic posture need not be. Our response to the Berlin crisis will not be merely military or negative. It will be more than merely standing firm. For we do not intend to leave it to others to choose and monopolize the forum and the framework of discussion. We do not intend to abandon our duty to mankind to seek a peaceful solution.

As signers of the U.N. Charter, we shall always be prepared to discuss international problems with any and all nations that are willing to talk, and listen, with reason. If they have proposals, not demands, we shall hear them. If they seek genuine understanding, not concessions of our rights, we shall meet with them.

We have previously indicated our readiness to remove any actual irritants in West Berlin. But the freedom of that city is not negotiable. We cannot negotiate with those who say, "What's mine is mine and what's yours is negotiable."

But we are willing to consider any arrangement or treaty in Germany consistent with the maintenance of peace and freedom and with legitimate security interests of all nations.

We recognize the Soviet Union's historical concern about their security in central and eastern Europe, after a series of ravaging invasions. And we believe arrangements can be worked out which will help to meet those concerns, and make it possible for both security and freedom to exist in this troubled area.

RIGHT IN BERLIN DEFENDED

For it is not the freedom of West Berlin which is abnormal in Germany today, but the situation in that entire divided country. If anyone doubts the legality of our right in Berlin, we are ready to have it submitted to international adjudication.

If anyone doubts the extent to which our presence is desired by the people of West Berlin compared to East German feelings about their regime, we are ready to have that question submitted to a free vote in Berlin, and, if possible among all the German people.

And let us hear at the same time from 2,500,000 refugees who have fled the Communist regime in East Germany—voting for Western-type freedom with their feet.

The world is not deceived by the Communist attempt to label Berlin as a hotbed of war. There is peace in Berlin today.

The source of world trouble and tension is Moscow, not Berlin. And if war begins, it will have begun in Moscow and not Berlin.

For the choice of peace or war is largely theirs, not ours. It is the Soviets who have stirred up this crisis. It is they who are trying to force a change. It is they who have opposed free elections. It is they who have rejected an all-German peace treaty and the rulings of international law.

And as Americans know from our history, on our old frontier, gun battles are caused by outlaws, and not by officers of the peace.

In short, while we are ready to defend our interests, we shall also be ready to search for peace—in quiet exploratory talks, in formal or informal meetings.

We do not want military considerations to dominate the thinking of either East or West.

And Mr. Khrushchev may find that his invitation to other nations to join in a meaningless treaty may lead to their inviting him to join in the community of peaceful men, in abandoning the use of force, and in respecting the sanctity of agreements.

While all of these efforts go on, we must not be diverted from our total responsibilities, from other dangers, from other tasks. If new threats in Berlin or elsewhere should cause us to weaken our program of assistance to the developing nations who are also under heavy pressure from the same source, or to halt our efforts for realistic disarmament, or to disrupt or slow down our economy, or to neglect the education of our children, then those threats will surely be the most successful and least costly maneuver in Communist history. For we can afford all these efforts, and more. But we cannot afford not to meet this challenge.

CHALLENGE TO EVERY NATION

And the challenge is not to us alone. It is a challenge to every nation which asserts its sovereignty under a system of liberty. It is a challenge to all those who want a world of free choice. It is a special challenge to the Atlantic community—the heartland of human freedom.

We in the West must move together in building military strength. We must consult one another more closely than ever before. We must together design our proposals for peace, and labor together as they are pressed at the conference table. And together we must share the burdens and the risks of this effort.

The Atlantic community as we know it, has been built in response to challenge: the challenge of European chaos in 1947, of the Berlin blockade in 1948, and the challenge of Communist aggression in Korea in 1950.

Now, standing strong and prosperous, after an unprecedented decade of progress, the Atlantic community will not forget either its history or the principles which gave it meaning.

The solemn vow we each of us gave to West Berlin in time of peace will not be broken in time of danger. If we do not meet our commitments to Berlin, where will we later stand? If we are not true to our word there, all that we have achieved in collective security, which relies on these words, will mean nothing. And if there is one path above all others to war, it is the path of weakness and disunity.

Today, the endangered frontier of freedom runs through divided Berlin. We want to remain a frontier of peace.

This is the hope of every citizen of the Atlantic community; every citizen of Eastern Europe and, I am confident, every citizen of the Soviet Union. For I cannot believe that the Russian people—who bravely suffered enormous losses in the Second World War—would now wish to see the peace upset once more in Germany. The Soviet Government alone can convert Berlin's frontier of peace into a pretext of war.

AIMED AT AVOIDING WAR

The steps I have indicated tonight are aimed at avoiding that war. To sum it all up: We seek peace—but we shall not surrender. That is the central meaning of this crisis—and the meaning of this Government's policy.

With your help and the help of other free men, this crisis can be surmounted. Freedom can prevail—and peace can endure.

I would like to close with a personal word.

WARS ARE RECALLED

When I ran for the Presidency of the United States I knew that this country faced serious challenges. But I could not realize, nor could any man realize who does not bear the burdens of this office, how heavy and constant would be those burdens.

Three times in my lifetime our country and Europe have been involved in major wars. In each case serious misjudgments were made on both sides of the intentions of others which brought about great devastation.

Now in the thermonuclear age any misjudgments on either side about the intentions of the other could rain more devastation in several hours than has been wrought in all the wars of human history.

Therefore I, as President and Commander in Chief, and all of us as Americans are moving through serious days. I shall bear this responsibility under our Constitution for the next 3½ years.

But I'm sure that we all, regardless of our occupation, will do our very best for our country and for our cause.

For all of us want to see our children grow up in a country at peace and in a world where freedom endures. I know that sometimes we get impatient. We wish for some immediate action that would end our perils.

But I must tell you that there is no quick and easy solution.

The Communists control over a billion people and they recognize that if we shall falter their success would be imminent.

We must look to long days ahead which, if we are courageous and persevering, can bring us what we all desire.

In these days and weeks I ask for your help and your advice. I ask for your suggestions when you think we could do better.

All of us, I know, love our country and we shall all do our best to serve it.

In meeting my responsibilities in these coming months as President, I need your good good will and your support and, above all, your prayers.

Thank you and good night.

PERMISSION TO FILE CONFERENCE REPORT

Mr. McCORMACK. Mr. Speaker, on behalf of the gentleman from Ohio [Mr. KIRWAN], I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on H.R. 6345, the Interior and related agencies appropriation bill for the fiscal year 1962.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMITTEE SESSION DURING GENERAL DEBATE TODAY

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the Committee

on Interstate and Foreign Commerce may sit during general debate in the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CALL OF THE HOUSE

Mr. COLMER. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 121]

Adair	Evins	Randall
Anfuso	Gray	Rivers, S.C.
Ashley	Holifield	Roberts
Bates	Kilgore	St. Germain
Cannon	McSween	Sikes
Celler	Norrell	Steed
Clark	O'Konski	Stratton
Cohelan	Patman	Taber
Diggs, Jr.	Powell	Willis
Ellsworth	Rabaut	Wilson, Ind.

The SPEAKER. On this rollcall 407 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FREEDOM OF WEST BERLIN

The SPEAKER. The Chair recognizes the gentleman from New Jersey [Mr. GALLAGHER].

Mr. GALLAGHER. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 351, supporting the President's reply to the Soviet aid memoire on Germany and Berlin.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the present consideration of the resolution, the title of which has just been read?

Mr. FEIGHAN. Mr. Speaker, reserving the right to object, I wish to ask the gentleman from New Jersey if, when he has time on the floor, he will permit me to introduce an amendment and speak in support thereof. If his answer is in the affirmative I will not object; but if his answer is in the negative, I object.

Mr. GALLAGHER. Mr. Speaker, I do not have authority to yield time for the offering of amendments. I will be very happy to allow the gentleman to speak for as long as he wishes on behalf of this resolution. I personally feel that it is highly important in view of the President's firm stand last night, that we present complete unity. The terminology of this resolution has the approval of the Department of State and has been checked out with the White House and the leadership on both sides. I am sure the gentleman would prefer stronger language; however, in the interest of the resolution's having immediate consideration so that we can demonstrate our firmness and unity of purpose here today I do not have authority to yield for amendment.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. FEIGHAN. Mr. Speaker, I object.

AGRICULTURAL ACT OF 1961

Mr. ELLIOTT. Mr. Speaker, by direction of the Commission on Rules I call up House Resolution 388 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8230) to improve and protect farm prices and farm income, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interests of consumers, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ELLIOTT. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN], and at this time I yield myself such time as I may consume.

Mr. Speaker, House Resolution 388 provides for the consideration of H.R. 8230, a bill to improve and protect farm prices and farm income, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interests of consumers, and for other purposes. The resolution provides for an open rule, waiving points of order, with 4 hours of general debate.

THE OMNIBUS FARM BILL

H.R. 8230 contains four titles. Title I deals with first, formulation of new programs, second, 1962 wheat program, third, 1962 feed grains program, fourth, amendments to the Agricultural Marketing Agreement Act of 1937, and fifth, extension of the Wool Act of 1954. Title II deals with the extension and amendment of Public Law 480 of the 83d Congress. Title III deals with the consolidation and simplification of the agricultural credit laws administered by the Farmers Home Administration. Title IV deals with an extension of the Great Plains conservation program, an extension of the special milk programs for children, the Armed Forces and veterans dairy program, and the expansion of food donations to certain State penal institutions.

The farm economy is depressed and large areas of agriculture have been impoverished in recent years by a severe and unremitting cost-price squeeze. The Nation no longer can risk the consequences of failure to deal with the causes of this depression.

THE FARM INDUSTRY

Agriculture is by far the Nation's largest industry. Farming employs more persons than the steel industry, automobile industry, transportation industry, and public utilities combined. What happens in agriculture bears directly not only upon farmers but ultimately upon consumer, taxpayers, and the economy as a whole.

LOW INCOME OF FARMERS

The nonfarm public is unaware of the critically low level of the income of the people who produce our food and fiber. Farm income has dropped to the lowest level, in relation to the income of nonfarmers since the depression years of the 1930's. Farmworkers, including farm operators and hired labor, received last year an average of only 81 cents an hour, while factory workers averaged $2.29, and those working in the food marketing field averaged $2.14. Hired workers in many areas of agriculture received hourly pay larger than the earnings of farm owner-operators.

Income declines over the past decade have not been the same for all classes of farms. But net incomes in 1960 of representative commercial poultry farms in New Jersey, of representative wheat-fallow farms in the Pacific Northwest, of representative wheat-small grain-livestock farms in the northern plains, and representative cash grain farms in the Corn Belt, all were down to between 20 and 30 percent below the 1947–49 level.

It is anticipated that H.R. 8230 would have a great effect in relieving this depression.

Mr. Speaker, I urge the adoption of House Resolution 388.

This bill is the result of extensive hearings by the Committee on Agriculture in which all provisions of the bill were carefully considered as well as possible revisions. The passage of this bill is necessary to help the farmer and thereby benefit the welfare of the whole country.

SEVENTH DISTRICT BROILER INDUSTRY

My congressional district is one of the heaviest broiler producing areas on earth.

The broiler industry, only a dozen years old, now furnishes employment to 4,000 of my people. The broiler industry, in Alabama, and I believe in the rest of the country, has been built primarily by the ingenuity and enterprise of the broiler contractor.

The broiler contractor is the fellow who furnishes baby chickens and feed and medicine and field service, sometimes including marketing, to the broiler grower. The broiler grower produces broilers under a contract which he has with the poultry contractor. The going contract rate for producing broilers has been about 2 cents a pound.

THE BROILER CONTRACTOR

The broiler contractor is the fellow who has been willing to put up his

money, and his credit, and to look the possibility of failure squarely in the eye. He has been willing to stake his faith in the future of the broiler industry when other men were afraid to go ahead. Because the broiler industry is an up-and-down industry, often without benefit of ordinary bank financing, I have seen broiler contractors pay an interest rate of 20 percent.

I have seen this industry face many problems: I have seen it face and absorb the shock of Federal inspection; I have seen it meet and overcome the stilbestrol scare.

However, these problems are relatively minor compared with the problem of overproduction. The broiler industry is right now in the midst of most serious overproduction. Broilers are this minute selling for 10 cents a pound, the lowest selling price in the history of the industry. This price is at least 4 cents a pound below the cost of production. This means that every time a broiler contractor sells a 3½-pound broiler, he is losing 14 cents.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman from Georgia.

Mr. LANDRUM. As to the statement which the gentleman has made about the overproduction of broilers, is there anything in the record to support the statement by the gentleman that there is actually an overproduction insofar as the ability of the American consuming public to consume this broiler production?

Mr. ELLIOTT. No. I will say to the gentleman that I think the record is replete with the fact that present production is moving, but the price at which it moves is resulting in a disaster for those responsible for the production.

Mr. LANDRUM. Is the gentleman of the opinion that there may be other factors contributing to this low price in addition to some measure of overproduction, if there is overproduction?

Mr. ELLIOTT. Well, I think so. I will say to the gentleman I think there are many factors that are contributing to the situation in which the broiler industry finds itself today.

Mr. LANDRUM. Has the gentleman received any information which would suggest the possibility of efforts of large feed mills, for example, to come in and control this industry from the top and depress the price so that they could gain control of it?

Mr. ELLIOTT. Yes. I will say to the gentleman from Georgia that there is evidence, and I will not say that as of this minute that that evidence is conclusive, but evidence is coming to me; it came to me yesterday; it came to me over the week end; it came to me last night. Evidence is coming to me, as I am sure it is to the gentleman and to representatives from the other broiler areas of America that arouses fear on the part of the people who earn their living in the broiler industry that there may be an attempt on the part of the large feed manufacturers to step in and take over this industry, as the broiler contractors, who built it, fall by the wayside in the face of the disastrously low prices with which they are confronted today.

Mr. LANDRUM. Can the gentleman state that this bill contains no provisions which would be directed at that or any similar alleged ailment of the poultry or broiler industry?

Mr. ELLIOTT. Yes; I will say to my friend from Georgia that this bill does not deal in any manner with the conditions that he speaks of.

Mr. LANDRUM. Would the gentleman agree with me, as a matter of fact, then, that in legislation of this type it is not practical to try to reach a solution of the complaints registered, that these giant feed mills are attempting to come in and control the industry?

Mr. ELLIOTT. I believe the gentleman is correct about that; with respect to the problem he mentions I believe it could not be dealt with in this bill.

Mr. LANDRUM. Then to reach that problem it is going to be necessary to conduct investigations by appropriate Government agencies and by appropriate committees of the Congress.

Mr. ELLIOTT. I agree with the gentleman's conclusion.

Mr. LANDRUM. There are no provisions in this bill to be considered under this resolution providing for production controls of poultry?

Mr. ELLIOTT. There are no provisions in this bill for production controls of broilers.

Mr. LANDRUM. As a matter of fact, is there any provision in this bill for production controls of meat commodities?

Mr. ELLIOTT. I understand not.

Mr. SISK. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman.

Mr. SISK. Mr. Speaker, I want to say that I agree in general with the colloquy which my colleague has had with the gentleman from Georgia [Mr. LANDRUM]. However, I think, if I understood my friend from Georgia correctly, I probably would find myself somewhat in disagreement. It is my understanding that there is nothing in this bill that would do anything at all for the chicken and broiler industry. It is my belief, though, that there could be legislation, and legislation could have been included in this bill, that could possibly have helped the broiler and chicken industry. At least, this is the position that many of my producers take. I realize that we are getting mail, telegrams, and so on, from both sides of this issue. But it is the understanding that I have, as I read my mail, that the people who are still independent—and frankly, there are very few of them, because vertical integration, I believe the gentleman will agree, has pretty well taken over already, and the feed companies are pretty well completely in control from top to bottom, and they are actually now calling their shots on what little the so-called tenant farmer gets; he is simply working for the feed companies.

The growers in my district who still have some little independence left are very desirous of being including in this bill or in some similar legislation for purposes of setting up a marketing order under which they might be able to help themselves.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman from Georgia.

Mr. LANDRUM. What was there in the colloquy between the gentleman from Georgia and the gentleman from Alabama with which the gentleman from California might find himself in disagreement?

Mr. SISK. Let me apologize to the gentleman if I misunderstood him. I understood the gentleman from Georgia to indicate that he did not think that the possibility of including poultry under this bill, in the form of a marketing order, would be in the best interests of the industry. Possibly I misunderstood him.

Mr. LANDRUM. I did not so state, and I did not intend to convey that impression. I just stated that the bill does not include any provisions which would be applicable to the production of poultry.

Mr. SISK. That is correct, as I understand; yes, sir.

Mr. LANDRUM. The question in my mind is still an open one as to whether or not we ought to have controls.

Mr. SISK. Mr. Speaker, I would like to apologize to my friend from Georgia, because I think actually he and I probably have a common objective. We are interested in doing something to improve the economic condition of the poultry people and broiler producer. I believe in that we agree; is that right?

Mr. LANDRUM. Mr. Speaker, will the gentleman yield further?

Mr. ELLIOTT. I yield.

Mr. LANDRUM. A close reading of the hearings I believe will indicate that the majority of the associations representing the poultry did come before the committee and oppose the inclusion of poultry in these bills; is that correct?

Mr. SISK. I agree with the gentleman. That is my understanding. This is a point on which I did not disagree with my colleague but disagreed with the testimony, as to whether or not some of the big organizations were representing the best interests of the growers, the little producers, or representing the big companies, the allied industries.

Mr. LANDRUM. I believe I understand the area in which the gentleman from California might feel some disagreement, and that is the statements by poultry producers from all over the country that part of the problem connected with this industry is associated with the so-called vertical integration being caused by the giant feed companies, and that this bill does not reach the problem and is not the proper place to try to reach that point.

Mr. SISK. I think we are in agreement. The problem of integration is not a problem we could properly handle in this legislation. I appreciate the gentleman's setting me straight on his thinking. I know we are both concerned about this.

Mr. LANDRUM. Will the gentleman agree such complaints ought to be in-

vestigated by the appropriate Government agencies and the appropriate committees of Congress?

Mr. SISK. I agree completely.

Mr. LANDRUM. I agree with the gentleman. I thank the gentleman from Alabama for yielding.

Mr. CLEM MILLER. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman from California.

Mr. CLEM MILLER. Does the gentleman from Alabama believe that the marketing orders will not assist the poultrymen, besides what may or may not be true of integration? Does the gentleman believe the marketing order would assist the poultry industry particularly?

Mr. ELLIOTT. Let me say to the gentleman from California that I am deeply concerned with the problems of the broiler industry, which is so large in my congressional district. I am trying to explore the question of whether or not marketing orders, if contained in this bill would not be helpful to an industry that is, so to speak, falling on its face, at least those parts of the industry that now are still in an independent or somewhat independent position.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. I yield.

Mr. HOFFMAN of Michigan. Who controls the production and marketing of poultry?

Mr. ELLIOTT. The production of poultry is controlled in various ways. The gentlemen to whom I have just yielded, and I feel that they are in a measure correct about it, believe that the control of the industry is coming too much into the hands of the giant feed mills, who now in the face of these small fellows as they go broke, are going out—at least I have evidence that leads me to believe it—in the field and are taking up this production to the end that if the prices remain as cheap as they are for the next few months, and the indications are they will not go up, but if that price situation continues for a few months apparently there will be hardly anybody left in the industry except the large feed companies.

Mr. HOFFMAN of Michigan. Do those to whom the gentleman referred as controling the industry get help from the fact that we pay a subsidy to the grain growers, that they get cheap grain, and I suppose the poultry eat grain?

Mr. ELLIOTT. The poultry does eat grain. I am not sure of the extent to which the feed mills get the cheap grain. I do not know how valid the gentleman's statement is as to that.

Mr. HOFFMAN of Michigan. They are selling the surplus, I gather from the papers, of corn and maybe some other grains to make meals and alcohol and several other things. I just wonder if these fellows who control the poultry market got in on it.

Mr. ELLIOTT. I am not sure, I will say to the gentleman.

Mr. HOFFMAN of Michigan. That is indirectly, of course.

Mr. JOHNSON of Maryland. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman from Maryland.

Mr. JOHNSON of Maryland. I commend the gentleman on his remarks with respect to the large grain manufacturers projecting themselves into this poultry operation. I wonder whether the gentleman would comment on the marketing of these poultry products through the large chainstores and as to what impact they may have on the market and the depressed market condition in poultry and poultry products.

Mr. ELLIOTT. I feel that the marketing practices of the large chainstores do have something to do with the depressed condition of the broiler industry, but again I say I am not sure that is a subject for discussion under the rule on this bill.

Mr. Speaker, I want to return for just a minute to what I was saying to state that the average broiler contractor, the fellow who is going broke now, has maybe from a half million to 1 million broilers on feed usually at one time in a poultry area.

Many are larger. A contractor with 1 million broilers on feed at one time will ordinarily be selling off about 100,000 broilers a week. At 14 cents a broiler, he will be losing $14,000 a week or $2,000 a day. These fellows cannot stand that. I have said that many or them pay the equivalent of 20 percent interest on the money they borrow to invest in chickens, and feed, and medicine, and field service while producing these broilers. In the last 3 days, I have received 25 calls from broiler contractors in my district telling me they are suffering from the horrible pinch of these disastrous prices. Many have told me they were losing $1,000 a day. One told me he had lost $260,000; another told me he had lost $150,000; another $100,000. Now, if we were talking about somebody who was able to sustain these losses, it would be one thing, but we are talking about relatively little fellows, fellows who have invested all their own funds in their business, but who must, nevertheless, in the course of things operate primarily on credit, and who, therefore, cannot stand such losses. They now face bankruptcy or a lifetime spent in trying to recoup and pay off their losses.

While I have been opposed to economic control for any industry that can live without it, I pose the question this afternoon whether this industry should not be subject to some controls, or some market order, rather than be allowed to fall flat on its face. Those familiar with broilers know that the explosive nature of the industry is such that the producers of broilers—the contractors and others involved—cannot voluntarily get together and effectuate any reasonable limitations on production so as to prevent these horrible losses.

The bill before us does not provide any relief for this situation. The original bill did provide for marketing orders for broilers. Some thought such orders would provide a reasonable safety valve, and furnish the industry some stability that it does not now have.

The House Committee on Agriculture saw fit to reject this suggestion, and I am confident it did so because most of the spokesmen for the poultry organizations came to the Congress and said they did not want controls. That was only a few weeks ago. However, since they testified the price of broilers has slipped from about 14 cents a pound—roughly a break-even point—to the 10 cents per pound of today.

Now, Members of Congress are beginning to hear from those who have contributed most to this industry and from those who are being pinched hardest. I personally wish that it were possible to postpone the consideration of this bill until we have had time for all poultrymen to be heard from further. I believe the time is coming when the voices of those that are suffering most would drown the spokesmen for the industry organizations who earlier testified before the House Committee on Agriculture.

Here is what is going to happen if we allow this industry to go busted. The large feed companies who have plenty of capital are going to step in and take it over. Producing broilers will lose its distinction as a family farm enterprise and will instead become not agriculture but industry. It will take on the aspects of manufacturing rather than farming. The result will be that the Congress of the United States will have stood by and allowed the folks who have built a great new industry in the South, and in other parts of the country to go busted.

I realize the committee had much testimony before it in opposition to the marketing orders or any other kind of controls.

However, I hope the House Committee on Agriculture will take note of these new developments and will order new hearings so that it may properly assess the new conditions now confronting this industry. If the conditions appeared to be temporary, we might well enough overlook them. However, many experts believe that these conditions of low prices may continue for the rest of this year. Some say they will get worse long before they get better.

Mr. Speaker, I urge the adoption of this rule.

Mr. BROWN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from Alabama has explained, this resolution, or rule, makes in order the consideration of the bill (H.R. 8230), the so-called omnibus farm bill, with 4 hours of general debate and waiving all points of order.

I have heard the testimony given by the members of the Committee on Agriculture before the Rules Committee, and I have read this bill and the accompanying report with mixed emotions.

First, I believe I should say, frankly, in my opinion, the committee has taken a poor bill, a dangerous piece of legislation, the so-called administration-sponsored omnibus farm bill, H.R. 6400, and has stricken from it title 1, which contained many dangerous provisions which, in the opinion of many people, would have made the Secretary of Agriculture a virtual dictator over American agriculture and every farm and farmer in this

country. So I believe the great House Committee on Agriculture is entitled to much credit for that particular action.

As a whole, this bill covers all the different facets of agriculture, almost without exception—the only exception I know of being the poultry industry concerning which the gentleman from Alabama just spoke—and is rather broad in that which it does. It includes the extension of a number of laws, including Public Law 480, the Wool Act, the milk program for schoolchildren, and various matters. It extends, by the way, the rather controversial—or it was a few weeks ago—Feed Grain Act once before the House.

The reports coming in from the country indicate very strongly the Feed Grain Act we passed as a temporary measure has at least resulted in a great many farmers signing up under it and receiving a great deal of money from the Federal Treasury for not producing corn and other feed grains. Many people believe the plan is working very well. On the other hand, in my opinion, there can be no real judgment as to the value of that plan, and what it actually accomplishes, until we know for a certainty just what the corn and other feed grain crops may be this autumn.

In other words, it may prove to be a very, very good measure, and a helpful solution, or partial solution, to the feed grain problem. On the other hand, it may prove not to be as good as many people now claim it is.

So it has been my opinion that perhaps the Committee on Agriculture would have been wiser if it had waited until the first of January, or until the next session of the Congress, to pass judgment on whether or not the Feed Grain Act, as such, should be continued.

I wish to direct special attention to the first section of the bill which deals with wheat. There is a rather peculiar situation in connection with this particular portion of this very important bill, and that is, somehow or other, the Committee on Agriculture, made up of the most able men in this House who are best acquainted with the problems of agriculture, have seen fit to just blanket all types of wheat under the name "wheat," not differentiating between different types of wheat raised in this country.

There is no question but what we have a great surplus of wheat in storage, a costly surplus. Someone from the Committee on Agriculture testified before our Rules Committee that we have over $3 billion of the American taxpayers' money invested in surplus wheat in spite of all the millions of dollars' worth of wheat we have either given away or have sold for soft currency from which we will realize little value in the months and years ahead.

There are different types of wheat produced in this country and different kinds. There is the Soft Red Winter wheat.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. BROWN. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The gentleman is correct in saying we have disposed of a lot of wheat in foreign programs, some of it we have given away. That is true of every type of wheat that is produced in the United States.

Mr. BROWN. I understand that, but I am also wise enough to know, as the gentleman knows, that we have sold or given away very little Soft Red Winter wheat. The wheat we have shipped abroad, the great portion of it, has been, of course, the other type, because we have had so much more of it.

Let us look at the facts for a moment. This Soft Red Winter wheat is raised in relatively few States. Most of those are in the middle section of the country and the eastern section of the country. This type of wheat is used primarily in making bread, crackers, cakes, cookies, and all of that. It is the type of wheat best adapted to that purpose and greatly used for such purposes. There has never been a real surplus of this type of wheat, regardless of what the gentleman may or may not say about it.

The figures from the Department of Agriculture show, for instance, that we carried over this last year 13 million bushels of this Soft Red Winter wheat, about 1 month's supply for the millers and for the baking industry of this country. But at the same time we carried over 1,118 million bushels of Hard Red Winter wheat.

Let me repeat those figures. We carried over 13 million bushels of the type of wheat raised in the eastern part of the country, and in the Middle West, and we carried over 1,118 million bushels of Hard Red Winter wheat, a type that is not adapted for use in the production of bakery products. That 1,118 million bushels of Hard Winter wheat is a 2-year supply.

Again let me repeat and emphasize that the carryover of the Soft Red Winter wheat is only 1 month's supply, 13 million bushels, and if we have a crop failure, as we may have in the sections of the country raising this particular type of wheat, we would be short almost immediately of enough wheat to meet the needs of the bakery industry and of the people themselves, here in this country.

Now, another part of this bill I want to mention and emphasize—and it is tied right in with this whole matter of producing bakery-type wheat—is that under the reduction section, where the bill cuts by 10 percent, at least, the amount of wheat that can be produced on a farm, this bill cuts those farmers, who have been allowed 15 acres of wheat by 10 percent, down to 13½ acres. Practically all of those farmers—not all of them but a great portion of them—are the small farmers of this country, not only the family sized farmer but the small farmer, maybe with 50 or 75 acres, who is producing this particular type of wheat, Soft Red Winter wheat, used by the bakery industry. So, what you are proposing to do, when you cut the 15-acre wheat man down to 13½, is to also cut production, in addition to the 10-percent cut, a large cut in the production of this very vital wheat, this very necessary Soft Red Winter wheat, that is used for baking bread and cakes and cookies and crackers and other foods.

I understand there will be an amendment offered to this bill for the purpose of at least protecting the interests, not only of the small farmer in certain sections of the country, by rectifying an injustice, if you please, but also doing something that will in no way affect the great surplus of wheat that we have piled up, because this Soft Red Winter wheat does not add to our wheat surplus problem at all in America, and everyone knows it.

There are some other matters I would like to mention. By the way, I note that someone has seen fit in writing this bill to do certain things by indirection that they have not been able to do by direct action on the floor of the House, and that is through an amendment of the Marketing Act so as to bring in under the act certain food products that the Congress has never seen fit to place under that section of the law, by just generalizing and saying that all farm products shall come under the Marketing Act in addition to those that in the past the Congress has seen necessary and proper to come under it. And, I hope that when we get to this section of the bill and an amendment is offered, that proper consideration will be given thereto.

Mr. ELLIOTT. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, I appreciate this opportunity on the part of the gentleman from Alabama, Congressman ELLIOTT, a member of the Committee on Rules, to call attention to the fact that the poultry industry is one of West Virginia's up-and-coming industries.

I have listened to the colloquy a few minutes ago in the House and I heard repeated statements that this legislation did not affect the broiler and poultry industry. I would hope that possibly if this legislation cannot be amended, and it would be difficult to do at this time, that the Committee on Agriculture should immediately give attention to doing something about the sorry situation that is getting worse in the poultry industry.

Mr. BROWN. Mr. Speaker, I yield the balance of the time on this side to the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I know of no opposition to the rule. Certainly the rule should be adopted making in order the debate on what we describe as the omnibus farm bill of 1961.

I think most of us representing the Middle West—not all of us, but most of us—will be in support of this legislation if it remains substantially the same as it is at this time, as it comes before the House. If broad amendments are adopted probably our position might change. If, however, I represented strictly a consumer area, I think I would examine this legislation very closely and I would listen to the debate to determine whether or not the cost of this program would justify the end result is anticipated in the provisions of the bill.

Also, there are several blind spots in this bill that I think should be pointed out. One of them is the absence of any reference to the sugar program. Those of us who have been Members of this body for several sessions will remember that just about 15 minutes before we think we are going to adjourn, we are faced with the necessity of legislating on a crash basis on the sugar program, to extend the Sugar Act on some nefarious basis or other for a stated length of time. I can see no reason why it should not be treated deliberately in this bill. And I say that objectively, because, of course, I do not represent a sugar-producing area.

Another blind spot in the bill is the one touched on briefly by my colleague from Ohio [Mr. BROWN]. I question the necessity and in fact the advisability of extending the feed grains program at this time. We know what it is going to cost. The Secretary of Agriculture tells us it is going to cost about $680 million. That is over half a billion dollars, if you please. But we do not know for sure how effective it is going to be in reducing the supply of feed grains. If you read the papers the other day, you noted we had 5 million phantom acres of feed grains involved, 5 million acres that cannot be found. The Department of Agriculture announced originally that it had contracted 20 million acres in the feed grain program. So we assumed that the acreage of feed grains would be reduced by approximately 25 percent. However, when the Department of Agriculture crop report came out on July 11, I think it was, it was revealed that instead of actually reducing the acreage by 20 million, we only reduced it by 15 million. So there are 5 million acres lost somewhere out on the horizon that nobody knows quite where they are, but we do know that the Secretary of Agriculture has contracted to pay for their retirement. It would be a little like the farmer taking three steers down to sell at the stockyards and getting paid for four. So we really do not know at this time whether or not the desired and the anticipated amount of reduction in feed grains production is going to be realized.

I do not think the argument is valid that the farmers have to know about next year's feed grain program in order to make plans for next year's crops. You will recall that this feed grains program was not even signed into law until March 22 of this year so the farmer has only 30 to 60 days to get ready for the original program. Certainly there would be enough time next year if we consider this matter early in the second session to decide whether or not it should be extended.

Mr. Speaker, in regard to the wheat section, I think those of us, again, representing the wheat area are going to support this bill generally. We have some reservations about it. At the same time, there are other provisions that compensate for any reservations we might have.

I should like at this time to pay tribute to the chairman of the Wheat Subcommittee and the majority whip of the House, Mr. ALBERT. I think they have done a tremendous job in working out some very difficult problems that have plagued the wheat industry for 30 years. I refer to the repeal in this bill—and please understand this, especially the Members representing the Eastern and Northeastern States—the repeal of the 15-acre exemption that has existed in the wheat program since its original inception back in 1949. The 15-acre exemption, I am sure, was written in there to permit area adjustment to certain restrictions, but it has had the effect of negating the effect of the control program; a control program the wheat farmers have been subject to now since the program was authorized by Congress.

Let me say it another way. The wheat farmers in the traditional wheat producing areas have had their wheat allotments reduced approximately 30 percent. We started out with a farm base we call 100 percent. Since 1951 that has been reduced 30 percent. At the same time we had a situation whereby the 15-acre farmers have been crowding into the program. We now have 150,000 farms producing wheat that were not producing wheat in 1956. Reliable estimates are that these 150,000 farmers have produced about half a billion bushels, or approximately one-third of our present wheat surplus.

So I feel that despite the fact the wheat farmers are being asked to take an additional 10-percent cut in their allotments in this bill they are being compensated the most, not so much in the support price—that really is not important as far as I am concerned; the important thing is that we are closing the door on this 15-acre exemption whereby the wheat production is being preempted from the wheat-producing area and is scattered all over all of the Eastern and Southern States that traditionally have not been engaged in the production of wheat.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Virginia.

Mr. JENNINGS. What the gentleman is really complaining about is that these 15-acre people have been permitted to come into the program.

Mr. AVERY. What I am complaining about is that they have not been eliminated before now. We are rolling the allotment back on Kansas, Nebraska, Dakota, Wyoming, and other wheat-producing States. At the same time, we are now producing wheat in States that did not even raise hardly an acre of wheat.

Mr. JENNINGS. We are back to 55 million acres, which still produces more wheat than is needed. My point is this, under the provisions of this bill, the 15-acre producer will now be permitted to put his entire acreage into this reserve. Therefore, we will reduce the amount of wheat production the gentleman has been talking about. I assume the gentleman is in favor of that provision?

Mr. AVERY. I am not sure I am in favor of it. I am not going to oppose it. I think the traditional wheat farmers have to pay this for the intervention into their production by these areas that have not historically been engaged in the production of wheat. But you have not taken any cuts.

Mr. JENNINGS. We have certainly taken cuts in tobacco, 25 percent one year, 15 percent another year, and we have kept production in line with demand. But on this 15-acre provision which is now being repealed, you would certainly much rather have them out of production than remain in production? That is what the bill provides.

Mr. AVERY. I would agree with the gentleman but I would point this out to him further, that it is not quite fair to say you have taken repeated cuts in tobacco. We have taken repeated cuts in our wheat production. Nevertheless the 15-acre farmer came in to offset that cut. That is where our surplus came from. If we had been permitted to enter the tobacco-producing industry and the cotton-producing industry, how much surplus do you think you would have?

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Oklahoma, who is an expert on wheat problems.

Mr. ALBERT. The gentleman's statement is sound, in my opinion. You will recall the 15-acre exemption was put in so that those historical areas where small tracts had been planted on a rotation basis would be protected and would not be cut back considerably by allotments. But what has happened is that there are three times as many 15-acre tracts now as there were when that program started. So we have left an open end exemption trying to take care of the few historically small producing areas.

Mr. AVERY. The gentleman from Oklahoma is entirely correct, and I further call to his attention the fact that we have the same troubles every year that we have a wheat bill. Previously it was pleaded we had to have a 15-acre exemption in order that all farmers could raise feed for their chickens, the gentleman will recall, and that carried on here for 10 years. Now we are not talking about chicken feed any more. We are talking about a certain variety of Soft Red Winter wheat that is needed by the baker. To me, it is perfectly ridiculous because it is merely circumventing entirely the intention of the control program, whereby we attempted at least to bring some degree of stability to the wheat farming areas.

Mr. Speaker, permit me to mention one more item. Those Members who are not directly associated with agriculture, I am sure, have the illusion from listening to the debate here on the floor and from reading the papers that the only burdensome surplus we have is wheat—and we do have quite a lot of wheat. We have about 1,400 million bushels which is slightly in excess of 1 year's supply. But I would respectfully call your attention to the fact that we have twice as much corn. We have 2,800 million

bushels of corn. But nobody talks very much about that. It is the wheat they keep pointing out as being the expensive item to support and store. I will concede the support price is not as much for corn as it is for wheat. However, the expense of storing is identical. So let us broaden our perspective just a little when we start to analyze and evaluate the cost of the agricultural program in respect to the separate commodities.

Mr. Speaker, I think we might take one further look as to where we are with our surpluses, especially in view of the statement made by the President of the United States last night. I think we can all conclude from that statement, Mr. Speaker, that we are entering into a quasi, shall I say, mobilization effort to firm up the military strength of this country. I do not suppose in the history of the world there was ever a country that was approaching this quasi-military position with such a firm and strong supply of food as we now have in the United States of America. You will recall that of the various areas that the President referred to last night which he felt needed to be firmed up, there was no mention made as to increasing or stabilizing our supply of food. I think when we compare that, Mr. Speaker, with the well known position of persons and countries behind the Iron Curtain, ours is a very satisfactory position to be in, indeed. I think it is appropriate that we should contrast the statement or the admonishment, of Khrushchev about 2 weeks ago, suggesting that the people of Russia should eat horsemeat. The situation in China is well known as the result of poor crops, poor farming methods, and adverse weather. What a contrast that is—to be in a quasi-mobilization position and to have the arsenal of food behind this country that we have in the United States of America. Certainly, I think it should be viewed as an additional national asset and not with the idea that it is a liability as it has been so often presented to be on the floor of the House.

Mr. ELLIOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. HERLONG].

Mr. HERLONG. Mr. Speaker, I want to address myself to the remarks made by the gentleman from Alabama [Mr. ELLIOTT] in connection with the poultry situation. I understand that the original language of the bill would permit poultry producers to enter into marketing agreements. I have heard from my poultry producers; they are small independent producers. They want a definite provision in the bill to that effect. I hope the gentleman from Alabama will offer such an amendment.

Mr. AVERY. Mr. Speaker, I yield the remainder of my time to the gentleman from Ohio [Mr. FEIGHAN].

The SPEAKER. The gentleman from Ohio is recognized for 2 minutes.

FREEDOM OF WEST BERLIN

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to proceed out of order and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, the reason I objected to consideration of House Concurrent Resolution 351 was because I consider its language inconsistent with the policy set forth by President Kennedy in his reply to the Russian aide memoire on Berlin and Germany.

President Kennedy calls for a change in the Berlin situation and a solution to the overall German problem which will concert with the freely expressed will of all the German people. House Concurrent Resolution 351 calls for nothing more than a retention of the status quo on Berlin.

President Kennedy's reply makes extensive reference to applying the principle of self-determination to bring about a settlement of the present Berlin crisis and the basic problem of a free and united Germany. House Concurrent Resolution 351 makes no reference whatever to this point and therefore raises doubt whether Congress will support the President in advancing this peaceful solution to the problem. I feel strongly that we should allow no doubts to occur with respect to our support of the position taken by President Kennedy on Berlin and Germany as a whole.

Mr. Speaker, last night the President took an unprecedented step through his forthright address in which he alerted the people to the dangers confronting the Nation. The President must have the support of the Nation and the strongest support from Congress. This support must, at minimum, be equal to that required by the urgency of the situation so bluntly defined by President Kennedy last evening. House Concurrent Resolution 351 does not give this support. It is weak because it advocates no more than a status quo. I was told that House Concurrent Resolution 351 had the support of the State Department and the President. After inquiry to the White House I was informed, late yesterday afternoon, that the President had taken no position on House Concurrent Resolution 351.

I have introduced House Concurrent Resolution 354, because the President needs the strongest type of support. I remember the actions of another great President, Harry Truman. He met Communist aggression head on in Korea. Then, certain elements began gradually to delay, paralyze, and divert our stand. The result was a defeat, the repercussions of which are still felt in our foreign relations. This is a matter of record. The details are in testimony given before Congress.

This cannot be allowed to happen again in the present situation. We must support the President wholeheartedly in his political offensive, as well as his military defensive actions.

I requested that I be permitted to offer House Concurrent Resolution 354 as an amendment and speak on behalf thereof. Such permission was not agreed to. Therefore I objected—thus the matter may then go to the Rules Committee where an open rule may be granted.

It is as important that we know what we are standing up for as well as what we are standing up against. We know that what we are standing up against is the constant and aggressive threat of imperial Russian communism. It is important that we define what we stand for in Berlin. President Kennedy has made it crystal clear that we stand for self-determination not only in Berlin, but for all of Germany, including the Russian zone of military occupation, as well as in all other countries where the exercise of this principle has been denied to the people. Accordingly Congress should, in keeping with the clearly expressed wishes of the President, announce a policy of firm support for the principle of self-determination in regard to the Berlin and all Germany crisis. That is what we should be standing up for. Such a stand will move us to a positive political offensive and that would be a happy change in our manner of dealing with the Russian threat.

House Concurrent Resolution 351 falls far short of the political requirements laid down by the President. I repeat, it advocates nothing more than status quo. It offers no realistic support to President Kennedy in his efforts to bring about a positive solution of the problem based upon the principle of self-determination. Unless we do something about the Berlin crisis now and bring it to a solution—we will have crises, one after another, on Berlin. It is time we removed this temptation from the cold war arena. We can do this by putting the Russians on certain notice as to what we stand for, with the assurance that any time they start trouble over Berlin we will press them to the limit on our political demands. We should not forget the Russians know our demand for the exercise of the principle of self-determination could well spark total political revolution within their empire. It is time we used this political leverage in the cause of peace.

My resolution, House Concurrent Resolution 354, supports the President wholeheartedly in his political as well as his military plans.

Mr. GALLAGHER. Mr. Speaker, will the gentleman yield?

Mr. FEIGHAN. I yield.

Mr. GALLAGHER. I understand that the gentleman's feelings on this subject are strong, as are the feelings of all of us. However, he misinterpreted the wording of House Concurrent Resolution 351. This is a strong resolution. This is a resolution that was taken word by word from the President's own reply to the aide memoire of Mr. Khrushchev. The gentleman's interpretation is mistaken.

The SPEAKER. The time of the gentleman from Ohio has expired.

AGRICULTURAL ACT OF 1961

Mr. ELLIOTT. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8230) to improve and protect farm prices and farm income, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interests of consumers, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8230 with Mr. KILDAY in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from North Carolina [Mr. COOLEY] will be recognized for 2 hours, and the gentleman from Iowa [Mr. HOEVEN] for 2 hours.

Mr. COOLEY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, about 5 months ago the President sent a special message to Congress making certain recommendations with regard to agriculture. Along with that communication was transmitted a bill. I received the bill on a Friday afternoon, and on the following Tuesday the bill was introduced.

Our committee immediately started hearings. We conducted these hearings over a long period of time. I am certain that everyone desiring to be heard was given the opportunity to be heard.

After we concluded the hearings I separated the bill into parts and referred certain sections to certain subcommittees. These subcommittees worked faithfully, diligently, and long on the provisions referred to them.

We had a wheat bill, a feed grain bill, extension of the Wool Act, and extension of the programs for distributing milk to schoolchildren, to the Armed Forces, and veterans' hospitals, as well as a bill dealing with the Farmers Home Administration.

Mr. Chairman, I have been in Congress now for 27 years. I have been a member of the Committee on Agriculture for 27 years. I have been chairman of that committee for a period of 10 years.

I can truthfully say to the House I have never known members of a congressional committee to work more faithfully than the members of our committee have worked on the legislation now before you. I want to publicly congratulate and commend all the members of my committee, Republicans and Democrats alike, for their faithful attendance at committee meetings, and subcommittee meetings, both open and in executive session. I want especially to express my appreciation to Mr. HOEVEN, ranking minority member, for his cooperation in the long and difficult work that has produced the legislation before us.

The bill which we received from the Department, and which I introduced, was given the number H.R. 6400. Many of its provisions were highly controversial. They provided for delegation of congressional power which I knew in the beginning the Congress would not be willing to approve.

I want also to compliment and commend our Secretary of Agriculture, Hon. Orville Freeman. He is a man of vision, a man of courage, a man of dedication. He sent this message and bill to us sincerely believing that its enactment would be in the interest and welfare of all of our people.

His purpose was to extend to all commodities the opportunities to develop stabilization programs, such as now are available to only a few commodities. I think that where a majority of the producers of a commodity work to develop a sound and democratic stabilization program they should have that opportunity.

In presenting his farm program to us, the Secretary of Agriculture had in mind not only the producers of America but likewise the consumers of our country. He had in mind the great abundance now stored in our warehouses throughout the length and breadth of this vast Republic. He had in mind the gigantic costs involved in the programs which were then in operation at the time he sent his message to Congress.

Our committee considered all recommendations and we eliminated many, if not all, of the controversial provisions of the administration's bill.

The fact is that I do not know of any real controversy over any of the provisions of the bill which you are now considering.

I mentioned the grain bill and the wheat bill because now of the amount of approximately $9 billion we have invested in agricultural commodities 88 percent of the total investment is in wheat, corn, and other feed grains.

I want also to compliment and congratulate the farmers of America for the magnificent job that they have done during all the years, both in times of war and in times of peace. Production is no longer a problem for the American farmer. The American farmer has made this Nation the best-fed nation on this earth, and yet the American farmer is held up to ridicule and scorn because he has performed so magnificently.

Now I want to say another thing—that the farmers of the Nation, generally speaking, have tried honestly and sincerely to follow the advice of the experts of the Federal Government. Our tobacco program has operated remarkably well. The rice program is operating very well. The cotton program at the moment is being successfully carried on. It is only these two commodities, wheat and corn, that now are a burden upon the economy of our country.

This bill will not solve all of the problems. It does not provide all the solutions that will be needed in the various areas of agriculture, but it goes a long way in maintaining farm income, reducing Government costs of the program, and it still provides for an abundance for the consumers of our country.

We were told back in the spring that the feed-grain program, if enacted and put into operation, would result in the saving of perhaps half a billion dollars. The program was put into operation, and now we are told that we have reduced production, we have decreased surpluses, and we are saving for the taxpayers more than half a billion dollars. Some say that the program is too lush; that it is too profitable to the farmer. Those who say that must realize that the program is less burdensome to the taxpayers of the country, notwithstanding the substantial payments which have been paid to producers.

Now, we have the feed-grain program here. I shall not undertake to discuss any of the provisions of this bill which have been considered by subcommittees. The gentleman from Oklahoma [Mr. ALBERT] is chairman of the wheat subcommittee, and he is prepared to discuss that program and to answer all questions which might be propounded to him. The gentleman from Texas [Mr. POAGE] is chairman of the Livestock and Feed Grains Subcommittee, and he is prepared to discuss that program in all of its phases and to answer all questions. We have another section dealing with the Farmers Home Administration. That likewise was considered in the subcommittee headed by the gentleman from Texas [Mr. POAGE] who was assisted by the gentleman from Maine [Mr. MCINTIRE]. And, I think that Mr. MCINTIRE is probably the best informed man in this House on the activities of that great agency which has meant so much to the economy of our country. We have another subcommittee headed by the gentleman from Wisconsin [Mr. LESTER JOHNSON] which dealt with the school milk and other special milk programs.

So, I shall not detain you by discussing the details of these various programs. I only want to remind you that, notwithstanding our failure to accept many of the recommendations of the Department, I think we have saved just about all of the vital provisions of the administration's bill. We have amended it; we have refined it; and we have improved it, and we present the bill here in the hope that it will meet with your approval.

It represents a lot of labor on our part.

Mr. Chairman, I have today a letter from the President of the United States. The President tells us what he thinks of the legislation under consideration here today. This is what he has to say:

THE WHITE HOUSE,
Washington, July 24, 1961.

Hon. HAROLD D. COOLEY,
Chairman, Committee on Agriculture,
House of Representatives,
Washington, D.C.

DEAR HAROLD: First, I wish to thank you for your diligent and effective efforts in guiding the Agricultural Act of 1961 (H.R. 8230) through the Committee on Agriculture. This bill, as approved by the committee, will substantially strengthen the laws designed to meet the problems which beset

American agriculture. Although it omits some of the provisions which I recommended, the bill nevertheless is a very important and constructive piece of farm legislation.

I wish to emphasize especially the need for prompt approval of programs for the 1962 crops of wheat and feed grains along the general lines included in these bills.

These programs will accomplish the following results:

1. Increase the income of producers of these grains above that which they would receive under existing law—probably in the neighborhood of $600 to $800 million in the 1962 crop year;

2. Reduce the ultimate costs to the Government resulting from the 1962 crops to a point far below the costs of the programs for these grains which would be required under existing law—probably about $750 million to $1 billion;

3. Prevent a further buildup and achieve a moderate reduction in the excessive stocks of these grains now on hand; and

4. Assure the continued availability of abundant stocks of these grains to meet the needs of consumers at reasonable and stable prices, and to provide adequate reserves for peacetime and emergency purposes.

Early action on the wheat program is especially needed so that production can be reduced, and wheat carryovers decreased substantially in 1962–63, following the pattern being set by the emergency feed grain program this year.

Extension of the 1961 emergency feed grain program is equally important. Corn stocks are expected to be reduced by 400 million bushels in the coming year. Total feed grain stocks will be reduced by about 15 percent—the first reduction in nearly a decade. But feed grains on hand when the 1962 harvest begins will still be equivalent to around 2,500 million bushels of corn, higher than any time except 1960–61, and far above our needs for reserve stocks.

If the emergency feed grain program is not extended, acreage and production in 1962 would increase to pre-1961 levels. Stocks of grain and costs to the Government would increase once more. Farm income would decline, both because of lower livestock prices which inevitably follow excessive grain supplies, and because the price support levels effective in 1961 could not be justified in 1962 without substantial adjustment of feed grain acreage and production.

The feed grain program should be passed now—not postponed until 1962. This will avoid the inconvenience to growers which results from emergency actions, will permit producers of fall-seeded barley to participate, and will provide time for a thorough review of administrative procedures.

With every good wish, I am,

Sincerely,

JOHN F. KENNEDY.

There is an appeal from the White House for us to reenact the grain bill, which has operated successfully and well. There is an appeal from the White House for us to pass the wheat provision in the bill now before you.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. JENSEN. When the 1961 feed grain bill was before this House this spring, we understood, I am sure the gentleman will agree, that as far as the corn section of the bill was concerned the corn farmer who reduced his acreage was to receive payment according to the last 2 years' average production. Then when the corn farmers began signing up as participants in that program, they discovered that they were only to receive the average production for a township or a county. About the only complaint I received from my people, and I represent a great corn-producing area, was the complaint that for instance if they had raised an average of say 100 bushels to the acre for the last few years, but the township average was possibly 60 or 65 bushels, they were told that they could receive the payment only for the average of the township. My question is, and I am sure the gentleman can answer it, Does not this bill specifically state what the corn farmer will receive who takes land out of production?

Mr. COOLEY. Not in specific terms. It leaves broad discretionary powers with the Secretary of Agriculture. The situation to which the gentleman refers results from the fact that in the particular farmer's case he did not have accurate information regarding his production and yield. In that case, if the farmer was unable to satisfy the local committee of farmers that his production was at a certain level, then I understand they did take the average in the community where the farmer lived.

Mr. JENSEN. That is not quite right, Mr. Chairman.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. POAGE. May I read to you what we put in this bill in an attempt to take care of exactly the situation the gentleman from Iowa describes.

Mr. JENSEN. I will be happy to listen to it.

Mr. POAGE. We provided:

To the extent that a producer proves the actual acreages and yields for the farm for the 1959 and 1960 crop years, such acreages and yields, subject to such adjustments as may be made pursuant to the foregoing authority, shall be used in making determinations.

What we are saying there is that regardless of what the county average is, regardless of any figures the Secretary has, if the farmer proves what he actually grew or actually planted, those figures shall prevail.

Mr. JENSEN. And he shall be paid accordingly?

Mr. POAGE. Yes. That is in this bill on page 20.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. SANTANGELO. We have seen the spectacle of a farmer dramatizing the situation by the gift of a Cadillac car for not producing feed grain. Can you tell this body how much it would have cost the Government if this gentleman had planted the corn or feed grain?

Mr. COOLEY. It certainly would have cost the Government far more than the farmer received from the Government for not planting corn under this new program.

Mr. POAGE. According to the information I have, that would cost the Government about 50 percent more had this gentleman not collected those payments and gone ahead and planted all his land in unneeded grain. In other words, he would come out with $4,500 or more whereas he has actually received about $3,000.

Mr. COOLEY. I think that is the answer.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOEVEN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the bill now under consideration is the culmination of almost 3 months of effort by the Committee on Agriculture. The committee not only considered the now late lamented H.R. 6400, but also at least three separate committee prints before reporting out H.R. 8230.

The bill was reported out of committee by a bipartisan voice vote, the large majority of the committee voting in favor of the bill.

I want to take this opportunity to commend the chairman of the committee, the gentleman from North Carolina [Mr. COOLEY], for his patience and fairness in conducting the long hearings on this legislation. I also want to commend all members of the committee for their loyal devotion to duty. I am particularly grateful to the minority members of the committee for the splendid cooperation they afforded me as ranking minority member of the committee. Their steadfastness and determination to stand together in the face of many difficulties was indeed encouraging and inspiring to me.

There is no minority report as such to H.R. 8230. There are several separate views covering certain provisions of the bill. It is to be noted, however, that all members voicing separate views are in accord with the sections of the bill relating to the extension of Public Law 480, extension of the Wool Act, extension of the school milk program, extension of the Great Plains conservation program and the section of the bill dealing with the modernizing of the loaning authority of the Farmers Home Administration.

The only real areas of disagreement relate to the wheat section and the feedgrains section of the bill.

H.R. 8230 is a far cry from H.R. 6400, which from its very inception was a very bad piece of legislation. In fact it was so bad that even several members on the majority side of the committee refused to swallow it.

The bill before us today contains four titles—title I deals with the establishment of new farm programs by the Congress, and I emphasize the Congress, it also deals with 1962 wheat and feedgrain programs, with an extension of the National Wool Act for 5 years, and with several amendments to the basic law authorizing Federal marketing orders. Title II deals with the extension and amendment of Public Law 480, the Agricultural Trade Development and Assistance Act of 1954. Title III deals with the streamlining of the agricultural credit laws administered by the Farmers Home

Administration. Title IV deals with the extension of the school milk, Armed Forces, and veterans' dairy programs, the extension of the Great Plains conservation program, and the expansion of surplus food donations to more State and correctional institutions.

Before going into the merits and demerits of the bill, I would like to take this opportunity to clarify the record as to not only what is in the bill, but also what is out of the bill.

There has been of late a lot of propaganda going out about this legislation, but none has been as farfetched as that illustrated by the speech of Mr. John Baker, Director of Agricultural Credit, U.S. Department of Agriculture, before the Fertilizer Management Seminar in Chicago, Ill., on July 20, 1961.

In his printed speech distributed to all press outlets, Mr. Baker quoted Secretary of Agriculture Orville Freeman as making the following statement to a group of reporters:

> But I would call to your attention that this was an omnibus bill, a very comprehensive one. It had quite a number of titles.
>
> There was one involving a new enabling procedure.
>
> There was one involving wheat and feed grain programs of a year's duration.
>
> There was one on the food for peace, Public Law 480.
>
> There was one on the Wool Act.
>
> There was another on school milk.
>
> There was another on a codification and expansion and strengthening of supervised credit.
>
> Now, so far, the only part of this program which the Congress has indicated in committee would not be approved was the new enabling act procedure. And from all indications—and again I don't presume to say what the Congress will do—it will pass in terms of the other titles with minor adjustments.
>
> And as such, if it does, it will constitute the most comprehensive piece of farm legislation since 1938.

Our distinguished chairman, the gentleman from North Carolina [Mr. COOLEY], echoed this sentiment but only went back 10 years when he said the day H.R. 8230 was approved:

> While the committee did not accept all of the administration's recommendations, most all of the vital provisions of the administration bill were approved. The programs provided by the bill will increase farm income, and will reduce the production of agricultural commodities now in surplus supply and which are burdensome. At the same time the programs provided will result in great savings to the Government. I consider this the most important farm bill to be reported by our committee in a decade.

He reiterated this last statement on page 13421 of yesterday's CONGRESSIONAL RECORD and again on the floor this afternoon.

As Al Smith would say, "Let's look at the record."

There are absolutely no new programs or laws involved in this bill. Everything in it is either an extension or modification of existing statutes. In fact the overwhelming majority of the bill consists of extension changes in laws either recommended by President Eisenhower or passed by the Republican 83d Congress.

Just taking the programs mentioned by Secretary Freeman I would point out that the new enabling procedure was stopped cold and buried by the committee.

Public Law 480—food for peace—was recommended by President Eisenhower and enacted by the 83d Congress.

The National Wool Act of 1954 was recommended by President Eisenhower and enacted by the 83d Congress.

The school milk program, the Armed Forces, and the veterans dairy programs were all enacted by the 83d Congress and signed into law by President Eisenhower.

The farm credit provisions of this bill are basically the same as those recommended by President Eisenhower both last year and again this year before the 87th Congress convened. A bill very similar to title III of H.R. 8230 passed the House by voice vote on June 2, 1960. That bill, which was cosponsored by Senator ALLOTT, of Colorado, was H.R. 11761 of the 86th Congress.

That means then that of the six main provisions of the administration farm program listed by Secretary Freeman, one was deleted, four are extensions of Eisenhower farm laws and one is a modification of farm programs instituted in the 1930's.

I for one fail to see how this bill can be classed as "the most comprehensive piece of farm legislation since 1938."

Neither does Wayne Darrow, the veteran farm writer, who said in his July 22, 1961, newsletter:

> Bill contains much more than the publicized controversial parts. Administration is not getting new price support procedures adopted, but it is getting much else. It is not, as claimed by some, the greatest piece of farm legislation since 1938. It's mostly an extension, clarification and improvement of old legislation. On price supports, it deals on a 1-year basis with 88 percent of the surplus problem—wheat and feed.

Neither did the Wall Street Journal on Friday, July 21, 1961, when its news story reported:

> Neither the House committee's bill nor a similar measure approved by the Senate Agriculture committee contains the key administration request for authority to work with producer groups to overhaul price support programs and work out new methods for curbing surpluses. The House committee, like the Senate group, took the view that Congress would be surrendering too much of its jurisdiction over farm matters.

Neither did the Farm Bureau News on July 3, 1961, when it reported:

> Both the House and Senate committees last week struck out the major provisions of title I of the Cochrane-Freeman omnibus farm bill.

Neither did the Washington Post of Friday, June 30, 1961, when it reported:

> President Kennedy suffered a major defeat yesterday when the key provisions of his farm program were plowed under on Capitol Hill.

And neither did a multitude of other responsible members of the press, farm organizations and citizens, and I might add, neither does the American farmer.

At this point, Mr. Chairman, I would like to enumerate 50 major items of authority that the administration asked for in H.R. 6400 but which have been refused by the House Committee on Agriculture. Here they are:

First. The administration bill would have given the Secretary authority to establish marketing quotas for all agricultural commodities—which include 256 crops and products. Under current law, marketing quotas can be applied to only five of the basic commodities.

Second. Price supports would have been applied on any commodity from 0 to 90 percent. Currently, there are minimums of 65 percent of parity on tung nuts, cotton, rice, and corn, and 60 percent on honey. There is a 75-percent minimum on peanuts, milk, and wheat, and approximately 90 percent on tobacco. Also, under current law, the top limit on corn is related to the average market price and not limited to 90 percent of parity.

Third. The Secretary, under the proposed bill, could have done away with minimum allotments at the national level, and also individual minimum allotments. Varying minimums are now in effect for cotton, tobacco, wheat, rice, and peanuts.

Fourth. The Secretary would have had the right to resell CCC stocks of basic commodities and other commodities at whatever price his new program would have set forth. Currently, for domestic use, he is prohibited from selling cotton from CCC stocks at below 115 percent of the loan rate, and other basic commodities at below 105 percent plus carrying charges.

Fifth. The Secretary would have had authority to establish maximum payments of all kinds, including a maximum on loans.

Sixth. The Secretary would have been authorized to make provision for the sale or rental of allotments.

Seventh. Under the proposed legislation, the Secretary and his handpicked committees would have acted as the legislative and hearing end of the development of Government programs, and the Congress would have been relegated to only having a veto right on any proposed program the Secretary brought forward. This is the very reverse of what our Constitution intended.

Eighth. The Secretary would have received broadened authority to make use of national marketing orders.

Ninth. The proposed bill would have authorized the Secretary to extend the application of marketing orders to cover every agricultural commodity produced, to include producer controls, and to be administered on a nationwide basis.

Tenth. The Secretary, under the authorities granted in the administration bill, would have been allowed to spend any amount of money. The programs could have included every commodity, and the totals of expenditures could have been extremely high. CCC would have been used, which meant that the Appropriations Committee would not have been brought into the picture until expenditures had been authorized. The difference here is primarily one of

magnitude. The sky was the limit unless Congress should veto the proposals offered.

Eleventh. The bill would have given the Secretary authority to establish programs under marketing orders providing for collection of money—checkoff—to be used for direct advertising.

Twelfth. H.R. 6400 would have given the Secretary authority to establish individual producer allotments, including minimum allotments, as part of nationwide marketing orders.

Thirteenth. The bill would have given the Secretary broadened authority to regulate individual producers under marketing orders by stating they are handlers. The purpose of this provision was to penalize noncomplying farmers.

Fourteenth. H.R. 6400 would have given the Secretary exclusive authority to terminate national marketing orders. Under current law, marketing orders can be terminated by either producer vote or by the Secretary.

Fifteenth. The bill would have given the Secretary specific power to regulate marketing by grade, size, pack, and container, in addition to quality and maturity authority provided under existing law.

Sixteenth. H.R. 6400 would have given the Secretary complete authority to establish what farmers shall be eligible to vote in a referendum.

Seventeenth. The bill would have given the Secretary authority to determine who shall be covered by the provisions of any program, including allotments and quotas and penalties.

Eighteenth. H.R. 6400 would have given the Secretary the right to set quotas or allotments on the basis of quantity—that is, bushels, bales, cows, sows, and hens.

Nineteenth. The bill would have given the Secretary the right to rig the choices in the referendum so that if producers voted down a proposal they would lose the programs they have under current law.

Twentieth. H.R. 6400 would have given the Secretary the authority to set up on an official basis a system for using the township and county committees to nominate people to formulate—and to help formulate—programs in the legislative area. Their current job is to administer farm programs.

Twenty-first. The bill would have given the Secretary blank-check authority to establish a wheat program in 1962 without even bringing it back to Congress for chance of veto.

Twenty-second. H.R. 6400 would have authorized the Secretary to select an advisory committee only when he found it necessary or desirable.

Twenty-third. The bill would have allowed him to handpick the 1962 Wheat Advisory Committee without any reference to the regular selection process.

Twenty-fourth. H.R. 6400 made no provision for farmers to take the initiative in securing the establishment of an Advisory Committee.

Twenty-fifth. The Secretary would have set the terms of office for the committee members.

Twenty-sixth. He would have also conducted the nomination and selection process.

Twenty-seventh. He would have selected whatever farm organization representation he determined to be appropriate.

Twenty-eighth. Under the bill he could have set the number of members, limited the functions of the Advisory Committee, and would even have had the power to dissolve it.

Twenty-ninth. The original bill would have included all commodities for canning and freezing under marketing orders without any processor representation.

Thirtieth. The bill would have allowed national marketing orders either by the procedure in present law or by the new procedures set forth in the bill.

Thirty-first. The bill would have repealed certain provisions in the present marketing order law dealing with notices and hearings, findings, violations of orders, terminations of orders, amendments to orders, and the manner of regulation.

Thirty-second. Under certain circumstances the bill would have made inapplicable the provisions in the present marketing order law which deal with milk prices and with discrimination in milk marketing between various areas of the United States.

Thirty-third. The bill would have adopted the broadest possible concept of interstate commerce. Every agricultural commodity in America would have been automatically declared to be in interstate commerce under the bill.

Thirty-fourth. H.R. 6400 would have allowed a portion of a commodity or a combination of commodities to be treated as single commodities if the Secretary so desired.

Thirty-fifth. New definitions for acreage, acreage allotments, total supply, carryover, normal supply, normal yield, market, normal production, actual production, and marketing year would have been established by the bill.

Thirty-sixth. Under the bill the Department of Agriculture would write new farm plans. After approval by the White House, only a statement of the basic features of the new plan would have been sent to Congress. There would have been no legislative document on which Congress could have worked. Congress could have made no amendments or changes in the proposal.

Thirty-seventh. There was no requirement in the bill for hearings or any record to be made on the proposal of the executive branch. New programs could have gone into effect in utter secrecy.

Thirty-eighth. The bill would have allowed the strictest controls and the greatest penalties in the history of American agriculture. Violations by farmers under the marketing order section would have brought penalties equal to the value of the excess production. Violations of quotas by farmers would have brought penalties equal to double the normal yield—or actual yield—of the excess production times 75 percent of the parity price.

Thirty-ninth. H.R. 6400 would have allowed the Secretary to set the period of time for which historical bases would be established. He could have set it at 1, 2, 5, 10, 20, and so forth, years. The period of time selected would have been of vital importance to new and expanding areas of production.

Fortieth. The bill would not have provided for a producer referendum on the price support provisions established by the Secretary.

Forty-first. H.R. 6400 sought a 5-year extension of title I of Public Law 480. The committee recommended a 3-year extension.

Forty-second. The bill would have set up food reserves in foreign nations. This provision was struck by the committee.

Forty-third. The bill would have allowed outright grants of foods which were not in the surplus inventory of the Commodity Credit Corporation. The committee bill limits this authority to items in CCC inventory.

Forty-fourth. The bill would have extended title II of Public Law 480 for 5 years. The committee has recommended a 3-year extension.

Forty-fifth. The bill would have declared the policy of Congress to expand foreign trade in agricultural commodities to all nations. The committee bill limits this to friendly nations only.

Forty-sixth. The bill asked for vast new authority to make loans to nonprofit organizations for the purchase of farm equipment and facilities. The committee severely limits this authority.

Forty-seventh. H.R. 6400 asked for a permanent extension of the school milk program. The committee has limited the extension to 5 years.

Forty-eighth. The bill would have established new rules governing the antitrust status of farm cooperatives. The committee has removed these provisions from the bill.

Forty-ninth. The Department of Agriculture recommended against broadening surplus food distribution to additional State penal and correctional institutions. The committee has done so regardless of the Department's position in this regard.

Fiftieth. A later so-called compromise version of the bill dropped a number of objectional features but in many respects was even more undesirable than the earlier version. For example, national marketing orders with producer controls would not even have gone to Congress for review. The committee also rejected this compromise version.

The bill before us is being considered under an open rule, and all germane amendments may be considered. I am sure amendments will be offered to the wheat and feed grain sections of the bill. There may be others.

Let me now direct my remarks to the wheat and feed grain sections of the bill.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HOEVEN. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, everyone I know of in and out of Congress fully realizes that something must be done to alleviate the great surplus problem as it pertains to wheat and feed grains. We may disagree as to methods and timing, but I am confident we all realize that something must be done to cut down on production and reduce the terrific cost of these programs including heavy storage costs.

Personally, I favored a 20-percent cut in wheat acreage production. The committee in its wisdom, however, decided that a 10-percent cut was all that could possibly be enacted into law at this session. A 10-percent reduction may only be a token curb, but this even is a step in the right direction. At least, it will indicate that Congress wants to do something about reducing the wheat surplus.

As to the feed grain section, I anticipate there will be an amendment offered to strike the feed grain section. In proposing an extension of the program we are trying to do something about a problem that must be solved. I find that in my section of the Corn Belt, the feed grain program is a very popular program. The degree of participation in the program certainly indicates that. The participation in Iowa is 56.4 percent; Minnesota, 50.2; Missouri, 58.9; North Dakota, 73.5; and Nebraska, 71.5—all in the great feed grain area of this country.

It has been suggested that the feed grain program should not be extended for another year. I see some logic in that kind of argument and perhaps we should wait until early next year to determine the actual degree of participation and the cost of the present program before extending the law for another year.

But let us be realistic about the situation. The Iowa farmer, at least, plans his next year's program during the preceding winter months. When the snow is flying he gets out his tablet and pencil to figure out just what he is going to plant next season. Having completed his fall plowing, he makes arrangements for his seed, and utilization of his acres for the following spring. The farmer is entitled to know what he may expect in the way of legislation before planning his next year's crops.

Mr. Chairman, the American farmer today is at the bottom of the economic totem pole. His income is not at par with the income of other segments of our economy. He is in a real price-cost squeeze. We ought to be willing to help him out and if the feed grain bill will help in raising his income, I am all for it.

I never apologize for trying to do something for the American farmer in trying to raise his level of income.

So, Mr. Chairman, it seems to me that on balance we have a pretty good bill. It has been cut down to size with all the bad features eliminated. We have taken out title I which provided for the complete delegation of legislative authority to the executive branch of the Government. We have eliminated the national marketing order provision as such, and the only thing that remains in that section is the addition of a few minor amendments to basic law. We have eliminated the controversial title IV dealing with the consolidation of farm cooperatives. This provision is still in the Senate bill so the matter will have to be adjusted in conference.

The bill is about as satisfactory as you can make it. The bad features have been eliminated, and no one is finding much fault with the various extensions of the basic laws which I have previously discussed. I expect to vote for the bill.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. I would like to congratulate the gentleman from Iowa on his very fair analysis of this particular bill, especially upon his statement as to the effect of the operation of the so-called feed grain bill adopted by the Congress early this spring. There is no question but what that bill has done good. There is no question but what a good many of the farmers throughout Iowa and Minnesota believe that it is doing good. I would like to ask the gentleman from Iowa [Mr. HOEVEN] this question. If some Members of this House think that they can get the benefits of the wheat legislation in this bill and knock out the feed grain provisions, does not the gentleman feel that perhaps it will end up with no legislation at all?

Mr. HOEVEN. That is very possible, because anyone who knows anything about our feed grain situation knows that the problems of wheat and feed grain are very much interrelated.

Mr. POAGE. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, I would like to make a brief and summary statement of the situation with respect to wheat; and then, if Members desire me to yield after I have completed my formal statement, I would be very glad to do so.

Mr. Chairman, subtitle B of title I of this bill sets up a wheat program for the year 1962. The need for changes in the wheat law has long been recognized. Two years ago when former Assistant Secretary of Agriculture Marvin McLain appeared before the Subcommittee on Wheat he stated:

> We think that wheat is one of the most serious problems facing all of American agriculture today.

That statement was made because wheat stores in the United States, including those in the hands of the Commodity Credit Corporation and in private trade, had reached proportions beyond all conceivable domestic or foreign requirements. It was made because the cost of the storage and management of wheat supplies then in the hands of the Federal Government had reached a figure of approximately $1 million per day. That was the picture 2 years ago. On July 1 of this year the Department of Agriculture estimated that the carryover of wheat was in the neighborhood of 1,400 million bushels. This is nearly 100 million bushels above the carryover of a year ago and 5½ times larger than the carryover of 256 million bushels 9 years ago. The supply of wheat in the continental United States in 1961 at 2,672 million bushels was at an alltime high and represents an increase of 1,420 million bushels over the supply in 1951-52. The total disappearance of wheat in the last crop year is estimated at 1,271 million bushels consisting of 606 million for domestic use and 665 million exported. Exports were at an alltime record and so large as to exceed for the first time in history the quantity used for domestic purposes in the United States.

Mr. Chairman, the provisions of this bill are designed to make a start on reducing the wheat surplus and at the same time to make it possible for the wheat producer to maintain or slightly increase his farm income. These objectives would be achieved by moving on four fronts:

First, all farm wheat allotments for 1962 would be reduced 10 percent from the allotments which otherwise would be established on the basis of a national allotment of 55 million acres.

Second, the control features of the present law would be improved in order to discourage the production of excess wheat.

Third, the present price support provisions would be strengthened.

Fourth, payments would be made available to farmers who divert wheat acreage to soil conservation uses.

The present national minimum allotment of 55 million acres has resulted in excessive wheat supplies. This bill requires a mandatory 10-percent cut in 1962 from acreage allotments. The effect of the bill will be to reduce the national minimum from the next crop year by 5½ million acres.

One of the loopholes in existing law, and one which has been recognized for years by the Department of Agriculture and farm organizations, is the so-called 15-acre exemption. This bill undertakes to plug up this loophole. For the next crop year the exemption for those who planted under 13.5 acres during any one of the 3 years 1959, 1960, and 1961 will be decreased to 13.5 acres, and for those who have planted less than 13.5 acres during any one of these years the exemption will be the highest planted acreage during any one of such years. The effect of this is not only to limit plantings of those who have operated under the 15-acre exemption to the highest planted during the base period but also to make it impossible for any new exempt grower to enter the picture next year. In other words, no person who has not grown wheat during 1959, 1960, or 1961 will be exempt from marketing penalties if he plants wheat in the 1962 crop year.

Under existing law there has been a large increase in the number of persons

taking advantage of the 15-acre exemption. It has been estimated that some 5,000 new growers a year come in under the 15-acre exemption. Commercial growers who have cut their acreage from some 84 million to some 55 million acres have complained about this increase in exempt acreage. There is no question but what the big cuts which have been taken in the commercial wheat belt have furnished an umbrella for the producer who without allotments takes advantage of the 15-acre exemption. Next year when we are requiring and encouraging further reductions in acreages in the commercial wheat belt, and when the wheat supply situation can be expected to move downward, there is no question but what thousands of new growers would take advantage of the 15-acre exemption if we did not plug this loophole. The more restrictive the law with respect to commercial growers, the greater is the temptation for others to take advantage of acreage exemptions.

In making these cuts we have tried to make it possible for farmers to maintain, or if possible to improve, their incomes. We have not changed the price-support level which is set between 75 and 90 percent of parity by law, but the Department of Agriculture has indicated that wheat would probably be supported at about 83 percent of parity next year. In addition the bill provides for a 50-percent payment in cash or in kind for the mandatory 10-percent cut required in this bill, provided the diverted acres are devoted to conservation uses including summer fallow approved by the Secretary of Agriculture.

As a means of inducing farmers to make further cuts in their wheat acreage the bill also provides that in addition to the 10-percent mandatory cut, an additional 30-percent cut, or 15 acres whichever is the higher, may voluntarily be taken by farmers and if such diverted acreage is devoted to appropriate conservation uses, such farmers may receive payments in cash or in wheat up to 60 percent of the value based on a formula contained in the bill.

For many years the Department of Agriculture, both during the administration of Secretary Benson and during the present administration, has been recommending that the Congress plug up various loopholes in the wheat law.

Many farmers have long taken advantage of the provision in the 1938 act which provides that for overplanting they shall be penalized only on their normal production or their actual production, whichever is lower. The bill tightens up this defect in the law by requiring that penalities shall be paid on twice the normal production or the actual production, whichever is lower. The bill also raises the penalty rate for noncompliers from 45 to 65 percent of parity.

This bill eliminates, as a matter of permanent law, the so-called 200-bushel exemption which has long since been an anomaly in the law.

These provisions have been in several bills which have been heretofore passed by the House but which, for one reason or another, failed finally to be enacted into law.

Mr. Chairman, it is the view of the committee that the wheat provisions of this bill will be acceptable to the vast majority of the wheat producers of this country and that they will give us a chance to begin reducing the ever-increasing surpluses of wheat which have been plaguing the farm program for a number of years and have consequently been an increasing burden upon the taxpayer. We believe that it will not only maintain but will strengthen the income of wheat farmers of this country. We believe it will be fair to farmers, to processors, to consumers, and to taxpayers alike.

Mr. BATTIN. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Montana.

Mr. BATTIN. Assuming this 10-percent reduction in wheat, is there a provision that a farmer in Montana or any other State who is required to reduce his acreage by 10 percent will be permitted to plant this acreage in a barley crop?

Mr. ALBERT. On the mandatory cut, that is the 10-percent mandatory cut, which a farmer must take in order to be in compliance and not be subject to penalties and to get his price support, there is no cross compliance provision. But before he can get this payment, that is, the 50-percent extra payment or the 60 percent for further cuts, he must divert his acreage to soil conservation uses or summer fallow practices recommended by the Department of Agriculture.

Mr. BATTIN. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Montana.

Mr. BATTIN. I understand then, with the 10-percent mandatory cut, he could take that acreage and put it into barley or other feed grains.

Mr. ALBERT. I would hardly think he would put it into feed grains. It would seem to me inconceivable that any great number of farmers who have to take the 10-percent cut would not go into the payment program.

Mr. SCHWENGEL. If the gentleman will yield—the farmer could do that.

Mr. ALBERT. But he could.

Mr. BATTIN. I do not want to take up too much of the gentleman's time in pressing this matter, but in the area from which I come and which I represent, there is only a very limited number of crops that can be produced—spring wheat, winter wheat, barley, mustard seed and some crops of that nature. I wonder whether or not, if the farmers are out of one program, can they go into another program so that they at least can make a living?

Mr. ALBERT. It is our hope under this bill that the 50-percent payment for the mandatory cut will be sufficient. Of course, a farmer cannot participate in the remaining program at all—that is the additional 30-percent cut without diverting his acreage into soil conservation uses.

Mr. BATTIN. I thank the gentleman.

Mr. ALBERT. We think it will work out quite well.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. With reference to the 10 percent which the gentleman on the other side of the aisle just referred to, if the wheatgrower takes out 10 percent of his land, he cannot plant that to any other allotment crop nor can he plant it to feed grains and get price supports on it. If he did such he would also lose his wheat payment.

Mr. ALBERT. That is correct.

Mr. SCHWENGEL. Mr. Chairman, if the gentleman will yield, I would like to pursue this 10-percent cut a little.

Mr. ALBERT. I yield to the gentleman from Iowa.

Mr. SCHWENGEL. Did I understand you to say that anyone who had not been growing wheat on 15 acres now could not come into this program, if this bill passes in its present form?

Mr. ALBERT. Only if he gets a new grower allotment which, of course, is a very limited and exceptional sort of thing; or only if he pays his marketing penalties on every bushel of wheat that he grows which under this bill are very high.

Mr. SCHWENGEL. I know of a situation where a young man is in the service and because of that the whole farm operation has been in the soil bank, and they have been cooperating in every respect with the Government program and helping with the surplus problem in that way. I think it is a help but not enough in my opinion. But in this kind of situation, he would be penalized for having been a good boy.

Mr. ALBERT. He might get a new grower allotment.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from New York.

Mr. SANTANGELO. As I understand it, one of the major purposes of this bill is to reduce the tremendous surplus which is costing us so much in storage charges.

Mr. ALBERT. That is correct.

Mr. SANTANGELO. If we were to exempt the farmers with 15 acres or less, how many more extra bushels of wheat would be produced and how much would it cost the Commodity Credit Corporation to take it off their hands? Does the gentleman have any idea?

Mr. ALBERT. I have no idea. It has been estimated that something like 25 percent of the surplus has been caused by the 15-acre exemptions. But that is just part of the story. If we require the commercial belt to reduce, the temptation of farmers who have never planted before to take advantage of an exemption would be stronger than ever.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield further?

Mr. ALBERT. My time has about expired and I do not feel I should take further time.

There have been about 5,000 new 15-acre growers each year, according to estimates. I would say there would be about 15,000 or 20,000 such new growers if we permitted the 15-acre exemption to continue next year.

Mr. HOEVEN. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. DAGUE].

Mr. DAGUE. Mr. Chairman, I regret to state that I cannot support many of the programs that are suggested in H.R. 8230. It is very unfortunate in my judgment that a few good and necessary things are included in this omnibus bill along with many bad features. I can, of course, support the extension of Public Law 480, which has been used over the past several years very effectively. It has been a means of unloading our surplus commodities that have been created by unwise Government programs over many years. I shall continue to support its extension.

I also support the extension of the Wool Act. Wool is one of the few deficit produced farm commodities. Because wool is normally imported in large volume, the type of program involved in the Wool Act in my judgment is the best that can be developed up to this time. It is the easiest way to operate a program without causing trouble with our friends abroad and also helps preserve a very necessary domestic agriculture industry.

I cannot, however, support the extension of the emergency feed grain program. Over $700 million will be paid out to farmers in 1961 under the first year of this program, and I do not have positive proof as of this date as to what, if any, real accomplishments will come from this program.

We do know, according to the USDA crop estimates available to date, that there will be a reduction of less than 15 million acres of corn on planted basis. Whereas, the USDA reports also show that we are paying for a reduction of over 20 million acres. All the reports I have seen so far indicate that farmers are taking out their very poorest land and are pouring on the fertilizer on the areas being planted. The net result could even be far less when it comes to bushels harvested than the particular record already indicated on reduced acres planted.

The same applies to the grain sorghum program. My farmers are not very happy about this feed grain program, and I would suggest that it be deleted from this bill until we know more about the actual net effects and total cost of the program.

The wheat section of the bill is very obnoxious to the small wheat farmer in my section of the country. In the first place, there is not much, if any, surplus of the kind of wheat grown in the eastern part of the United States. Why should these farmers be asked to make any reduction. In the second place, many of my farmers have been taking advantage of the 15-acre privilege in the current law; and, while they have not had the right to vote in referendum, they have likewise not been penalized if they planted up to 15 acres of wheat. Under this law, if they have been planting less than 15 acres, they will be held to the highest of what they have planted in the last 3 years and will be penalized if they exceed their allotment. Even though they are subject to this penalty and have been planting below 15 acres, they will not be allowed to vote under this program. This is very unfair and not justified.

A cropland adjustment program such as I introduced into bill form several months ago would be a much better approach to both the wheat and feed grain program. It would involve all cropland and would get away from the individual acreage allotments on wheat, corn, and the other feed grains. It would not reward the farmer that had been overplanting in the base years of 1959 and 1960 such as the current feed grain program does. The farmer that had been properly caring for the land would get equal treatment with the farmer who had been abusing land. This is only justice. Furthermore, the farmer would be allowed to make his own decision as to how much he planted on his crop acres after he had made the reduction in total cropland required by my bill. This would give farmers freedom of operation and decisionmaking; and, in my judgment, my farmers are much better able to do this than the Secretary of Agriculture or any bureaucrat.

As a member of the House Agriculture Committee, I am well aware that it is difficult to come up with a program that satisfies everyone. However, passing this bill as it comes from the committee will be extremely costly, and it will not solve the wheat and feed grain problem. Part of this bill is considered only temporary and for only 1 year; but past experience in this body has indicated that what starts out temporary, generally ends up as a permanent program. This would be sad indeed in the case of the wheat and feed grain sections of this bill.

Mr. POAGE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. KILDAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8230) to improve and protect farm prices and farm income, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interests of consumers, and for other purposes, had come to no resolution thereon.

COMMITTEE TO ESCORT HIS EXCELLENCY SIR ABUBAKAR TAFAWA BALEWA, K.B.E., M.P., PRIME MINISTER OF THE FEDERATION OF NIGERIA

The SPEAKER. The Chair appoints as members of the committee to escort our distinguished guest into the Chamber the gentleman from Massachusetts, Mr. MCCORMACK, the gentleman from Pennsylvania, Mr. MORGAN, the gentleman from Indiana, Mr. HALLECK, and the gentleman from Illinois, Mr. CHIPERFIELD.

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

(Accordingly, at 2 o'clock and 36 minutes p.m., the House stood in recess, subject to the call of the Chair.)

During the recess the following occurred:

The Prime Minister of the Federation of Nigeria and his party entered the Hall of the House of Representatives at 3 o'clock p.m., and the Prime Minister of Nigeria was escorted to the Speaker's rostrum by the committee appointed for that purpose.

The SPEAKER. Members of the House of Representatives, it becomes my high privilege and great pleasure to present to you the representative of a great, a proud, and a free people, a people who are friendly to the United States, as the United States is friendly to them.

I present to you the Prime Minister of the great Federation of Nigeria. [Applause, the Members rising.]

ADDRESS BY ALHAJI, THE HONORABLE SIR ABUBAKAR TAFAWA BALEWA, PRIME MINISTER OF THE FEDERATION OF NIGERIA

The PRIME MINISTER of the Federation of Nigeria. Mr. Speaker, I regard it a signal honor and privilege to be invited to address this world-famed gathering not only because the United States of America is one of the leading nations of the world and one of the most powerful and advanced on earth today, but also because I believe that those who have struggled and worked to achieve independence will share with you and the great country which you represent a special meaning of liberty, of freedom from outside control, and opportunities for the fulfillment of one's national desires and cultural heritage.

Sir, this is my third visit to your great country. The first was in 1955 when I came to study river transport on the Mississippi. I was then my country's Minister of Transport. My last visit was October when I came to witness the admission of my country into the United Nations Organization.

It is with a special sense of affinity that I have the great pleasure of visiting your country on the invitation of President Kennedy. Our affinity with the United States is twofold. We share with you a history of common struggle to achieve freedom from anything that is oppressive to the human spirit. We also share with you a blood affinity with some 20 million of your citizens of African descent. Between our two countries there resides the largest concentration of peoples with African blood.

Therefore, my Government and the people of Nigeria watch with great interest the gallant effort which your Government and administration are making

to remove those elements in your social institutions which have in the past caused us great anxiety. We in Nigeria do appreciate your difficulties in tackling this most delicate and complicated problem. We congratulate your Government for its courage in facing up to its responsibilities in this sphere, and we can assure you that as long as your administration continues in its effort it will always have our sympathy and understanding.

My colleagues and I have been overwhelmed by the kindness which we have found on all sides and the hospitality with which we have been received since our arrival. We have been struck by the spirit of understanding we have found in discussing with those to whom the American people have entrusted the care and control of their national affairs and we are highly gratified that in this part of the world, far away from our own home, we have found friends willing to listen to our own point of view and to understand the purpose and impulses that underline our actions and our faults.

No one who visits the United States of America will fail to notice the effects of a free society and of a democratic system of government in which the rulers are the embodiments of the will of the people and where the activity of those who rule are reviewed frankly from time to time by the entire population. We admire the American way of life and we respect the people of the United States for their love of freedom.

Like you, Mr. Speaker, we in Nigeria, cherish freedom and individual liberty. Our policy as has always been stated is one of friendship with all the nations of the world. We do not wish to identify ourselves as a matter of routine with the policies of any particular country or groups of countries. We will continue to base our attitude to the problems of the world on an unflinching respect for truth and the desire to find out and to strive to support what is right. It is our determination in all our dealings within our own country and with the outside world that we should uphold the dignity of man everywhere. We shall endeavor with every means at our command to make certain that in our own country the freedom which we have attained and which we so dearly cherish shall extend to all who are still under the domination of other people.

We know full well from our own experience that the preparation of a people for freedom and nationhood in the modern world requires some effort and sense of purpose among those on whom the freedom is to be conferred. We realize also that some planning and training are always necessary for the establishment of a successful independent state. In many cases, the governing powers of these dependent territories have not accepted the principle of the right of self-determination for these peoples. As a result, training and preparation are not forthcoming from them in the hope that the territories under them will remain in perpetual bondage.

Sir, Nigeria is emphatically opposed to this attitude. Our own freedom can only have meaning to the extent we utilize our efforts and good will to achieve the same for all Africans. I am happy today to have the opportunity of expressing these views before the Congress of a country which all through its history has had the high reputation of being the one leading nation of the world which has consistently been opposed to the domination of one country by another. [Applause.] In Nigeria today, we are engaged in the exciting task of nation-building. Like many of our neighbors, we are faced with the problems of raising the living standards of our peoples and of expanding our social services. Members of the Congress of the United States of America, I would like to say how very much we in Nigeria appreciate your assistance and the ready help we have received from the Government and people of the United States. An example of this is the assistance which you have recently given to enable us to have a gigantic program of education based on what we now call the Ashby Commission report. This educational program foreshadowed by the Ashby Commission report is only a part of the major 5 years' development program which my Government is now engaged in formulating. In this connection, the U.S. Government showed its great interest by dispatching a team of four experts in economic planning to study how the plan is progressing. I am sure that your Government must have received by now the report of the four experts.

Mr. Speaker, the Government and people of the United States have tremendous responsibilities. Responsibilities not only to the citizens of their own country, but to the entire world. Nigeria looks at the international situation with increasing anxiety. Since World War II, the great powers have been trying to find ways by which the peace of the world could be preserved. For many years now, the great nations have been holding series of conferences with a view to achieving everlasting peace for mankind. So far, Mr. Speaker, there has been no spectacular result. I think this is due largely to suspicion and distrust. I believe that such conferences by the great powers are useful, and I also believe that exchange of ideas between the different peoples of the world is good. However, it is my view also that the most effective way of creating understanding and removing suspicion and distrust is by closer association of peoples at all levels, by exchange of ideas, and by personal contact. The East must understand the West, not only at the high government level but also the ordinary people from the East must be encouraged to visit the West and see how the people there live in their ordinary day-to-day life.

The people of the West, Mr. Speaker, must also be encouraged to visit the East to see, feel, and learn what life is like there. Sir, we in Nigeria think that the United States of America and other big nations could really preserve world peace without necessarily engaging in the traditional way of waging war. The dangers of war are so great today that all nations, big or small, must do everything they can to stop an armed conflict.

Mr. Speaker, we in Nigeria have faith in the United Nations, and it is our wish that the United Nations Organization should be greatly strengthened so as to make it impossible for any nation to ignore its authority. We think that the whole structure of the United Nations needs to be reexamined and the Security Council should be composed in such a way that the new independent African countries can have an effective voice. We believe the United Nations Organization is the only one sure guarantee of preserving the independent sovereignty of all states that are weak. The United States of America working in cooperation with the other nations has a very important part to play in bringing this about.

My presence in the United States of America today is a mark of genuine international cooperation and friendship. We in Nigeria fully realize that in the modern world no nation can shut itself out from the rest of mankind, and that mutual cooperation between nations for the preservation of peace and the development and progress of society is inevitable. While consolidating our long established friendships and making new ones we have not failed to make it apparent that for us our continent of Africa is a very special place. You will have heard, Mr. Speaker, of our recent efforts in Africa to come together and to examine ways by which all the various states in our continent can cooperate in a joint endeavor for the development of their resources, for the improvement of communications, and a general movement toward closer association. When the representatives of 20 independent African countries met recently in Monrovia we tried to lay the foundations of what we thought would make for lasting association based on respect for each other's feelings and understanding of each other's point of view.

We cannot underestimate the tremendous difficulties and the enormous task before us in Africa. We are conscious of the trials and the complications which we must face before our dreams materialize. In furtherance of this knowledge and determination our experts are now meeting at Dakar in an air of friendship to put up concrete proposals for the establishment of an effective organization for the implementation of the resolutions of the Monrovia conference. These proposals will be submitted to the resumed conference to be held in Lagos later this year. The Africans today are determined to foster greater cooperation among themselves, so that while drawing on the advanced techniques and the skills from the other nations of the world they will on their own develop their own resources and their own culture in order to make their own contribution to the general progress of mankind.. Gone are the days when Africa was viewed only through storybook pictures as a remote and dark continent. Africa today is awake and alive to the problems of the world and the difficulties of modern government.

Many African countries are now becoming independent, and I hope, sir, that the people of America, people of the United States, should appreciate that many of those countries have been under colonial rule for over a hundred years, therefore each one of them after achieving independence should be given the chance to consolidate its new position because, Mr. Speaker, independence brings with it much excitement; and the transfer of power from colonial regime to self-rule is not always very easy because not all the colonial powers are of the same temperament.

We are yearning for means to foster self-sustained economic growth. We expect help from the enterprising people of the United States. We need every possible assistance because we think we share with you the American people, a faith in the destiny of mankind. Nigeria in particular, and the African countries in general, present tremendous opportunities; and we earnestly hope that the great American Nation will be alive to the importance of Africa in its making the fullest contribution to the peace and happiness of mankind.

Mr. Speaker, the spirit of freedom, which was kindled in the hearts of the founders of your great Nation and has impelled you to great feats in moments of national emergency as well as in your daily activities that same spirit has shown itself in Africa and we are determined that the flame of freedom once alight shall not go out again in our continent.

Once more, I thank you Mr. Speaker, and Members of the Congress of the United States, for this great opportunity to address you this afternoon. Our experience in your country will long be remembered. Thank you. [Applause, the Members rising.]

At 3 o'clock and 20 minutes p.m., the Prime Minister of the Federation of Nigeria and his party retired from the Hall of the House of Representatives.

AFTER RECESS

The recess having expired, at 3 o'clock and 30 minutes p.m., the House was called to order by the Speaker.

AUTHORIZATION TO PRINT PROCEEDINGS HAD DURING RECESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the proceedings which took place during the recess be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AGRICULTURAL ACT OF 1961

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 8230) to improve and protect farm prices and farm income, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interests of consumers, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 8230 with Mr. KILDAY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose the gentleman from North Carolina [Mr. COOLEY] had 1 hour and 24 minutes remaining, and the gentleman from Iowa [Mr. HOEVEN] 1 hour and 27 minutes.

The Chair recognizes the gentleman from North Carolina.

Mr. COOLEY. I wonder if the gentleman from Iowa would not care to proceed at this time.

Mr. HOEVEN. Mr. Chairman, I yield 10 minutes to the gentleman from Maine [Mr. MCINTIRE].

Mr. MCINTIRE. Mr. Chairman, I wish to take this time to mention two or three portions of this bill to which I would like to refer specifically rather than to comment on the bill as a whole.

The first section to which I wish to refer is that designated in the bill as subtitle (D) dealing with amendments to the Marketing Agreements Act of 1937. The provisions of the original bill, H.R. 6400, contained some rather extensive amendments to this act.

I want the committee to understand that our House Committee on Agriculture struck from the bill all of that portion in H.R. 6400; and in subsequent committee prints, and in the final bill, H.R. 8230, we have none of the recommendations contained in the administration bill, but have rather specifically added some commodities to the existing legislation. Because there will be some interest on the part of some Members of the House relative to these commodities, because these Members come from different States, I would call attention to the fact that the commodities we have added without further change in the act are apples, both fresh and for processing, from New York, Michigan, Maryland, Indiana, New Jersey, and the six New England States. We have also added cranberries for canning and freezing, and peanuts and turkeys as additional commodities within this act.

I would specifically point out that it is the intention of the Committee on Agriculture that in amending Marketing Agreements Act of 1937 to bring some of these commodities within an area of eligibility for canning and freezing that we are specifically referring here to the commodity before it is processed and not to the commodity after it is processed.

This is a point of distinction which is important. We are intending here to amend this marketing agreement legislation in relation to use of these commodities for processing and not to cover or to permit marketing orders or agreements on the processed product.

Mr. Chairman, I should also like to mention another section of the bill, title III. Perhaps we may get into a further discussion of this under the 5-minute rule. But just briefly may I say that title III of this bill is a very comprehensive piece of legislation which has for its purpose the consolidation into one legislative statute, so to speak, of all of the existing Farmers Home Administration authorities, together with legislation permitting assistance under emergency situations.

We are bringing together some eight or nine separate legislative acts or statutes into a consolidated legislative vehicle or statute. The purpose of this is to improve the internal administration of the Farmers Home Administration. This will greatly facilitate administration of the Farmers Home Administration authorities and functions.

We propose to make some changes in the statutory limitations on loans. We are not withdrawing any specific areas in which the Farmers Home Administration is now functioning. This consolidation will be very constructive.

We have changed the method of funding and financing only in respect to establishing some revolving funds, but here again all funds will be strictly under the control of the Appropriation Committees of the Congress.

May I next refer to Public Law 480. I call to your attention one of the administration's proposals in title II, extension of Public Law 480, would have provided for the storage of commodity credit grains abroad with title held by the United States. This portion was stricken from the bill and is not in H.R. 8230. So that if anyone has had either a reservation or has been in support of this type of activity, they should know that proposal of the Secretary is not in this bill.

May I take a further moment to elaborate a bit on the Farmers Home Administration legislation included in this bill. It is the purpose of the committee to help to facilitate the administration of Farmers Home Administration activities. We have tried to recognize in some of the amendments that the demand for credit in agriculture is changing. Some of the statutory limits of loans have been expanded. We have provided for some improvement in the insured provisions of the act.

We have provided for some increases in the water facilities provisions of the act. The insured loan limit is set at $2.5 million, while the direct loan limit is set at $500,000. This is an increase above the previous statutory limit, but it was our considered opinion that this was a constructive move to make.

A new provision within the Farmers Home Administration legislation is an authorization that permits the Farmers Home Administration to participate, with other lenders, in loans up to 80 percent on operating loans. We also have made a provision here, which is new, that the Farmers Home Administration is authorized to make loans to soil conservation districts where these districts need some financial assistance in funding in relation to equipment which they might need to further the work of the soil conversation district. These loans are limited to $30,000 in a

single loan and not to exceed a total in any one year of $500,000 in the country.

These are the major provisions which are included. I think this is a very important section of this bill. The House had similar legislation before it last year, which passed the House but failed of passage in the Senate. We have modified some of the recommendations of the Secretary. They have been in most instances limiting modifications—less authority than the Secretary asked for.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. POAGE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I think it well to understand in connection with this legislation, and particularly in connection with the feed grain section, that the basic question which has been before us in regard to the farm program for a good many years has been the question of whether we should enable farmers to balance their production with the demand for their product. Generally speaking, everybody else in the United States does this. We have not heard of any other large segment of American business or labor which does not have a practical means of balancing the supply of their product with the demand for that product. Basically that is all that is involved in the so-called farm question. Many of us believe that we should do what we can to bring about a balance between supply and demand. Certain large groups of interested individuals disagree with my view. These people feel that there should be no opportunity for farmers to use the law of supply and demand.

Mr. Chairman, I think the farmers have the same right to balance supply and demand that banks do. Oh, I know some of you will say "Well, banks haven't anything to do with this." You just try to establish a bank, State or National, in any community in the United States, and you will find that the Comptroller of the Currency of the State Banking Commission must make a finding that there is a need for the additional facility, and if there is not a need, in other words, if the demand for those banking services is already met, you cannot provide an additional supply. I merely cite banking facilities as an example. There are many other facilities of the same kind. All of our public utilities operate on that basis. You cannot provide a common carrier truck service to the smallest town in the United States without establishing that there is a need for this service over and above the existing supply of those services. Of course, everyone in my part of the country is familiar with the oil proration laws. Right now, if you are fortunate enough to own an oil well in Texas, you cannot let it run more than 9 days per month. That is control spelled with a large "C," but it is a type of control which is approved in the best and most conservative quarters. I only ask, Why not the same rule for oil men and cotton men?

I want to make the law of supply and demand work for farmers, not against them. I want our farmers to share on the same basis with other groups in our national prosperity. I know, and every one of you know, that so long as farmers produce far more than the market will take of any product that the price of that product is going to remain far below a fair level.

We are only saying that farmers should have some practical means of doing this sort of thing. That is basically what this bill attempts to do.

Mr. Chairman, it is perfectly true, as was said here earlier, that this bill has been so stripped of new ideas that it is nothing more than an extension and renewal of existing programs. But those programs are of vital importance to American farmers and to American consumers, and speaking of consumers, let me point out that the consumers of the United States are—thanks to the efficiency of our farmers—getting more and better food today for a smaller part of their disposable income than the people of any other age or country. I cannot believe that our consumers are going to object to farmers getting a fair price for what they produce. We have made it against the law to pay an industrial worker less than $1.25 per hour, and every consumer pays far more labor costs than farm costs, yet farmers, including farmer owners, make only about 80 cents per hour at present farm prices, and many make far less.

No, these farm programs are essential, as I see it, to the maintenance of our whole economy. It would be an outstanding tragedy were we not to extend and enlarge those existing programs. It would be inexcusable were we to fail to try to lift from farm income. That is what this bill tries to do.

The fact that the idea is old does not diminish its importance one whit. So, when we come to the problem of feed grains, we are immediately confronted with the question of how to bring about a balance between the supply and demand.

With reference to feed grains we have never had any very serious effort made to balance supply and demand until this year. I want to repeat that, because many of us do not realize that fact. Feed grains, corn especially, is the one great crop in the United States in which there has never been made any very serious effort to bring about a balance between supply and demand. We have in the past followed what seems to me to be an utterly indefensible program of supporting the price of corn and of grain sorghums and of other feed grains without making any effort to control production.

Mr. HARVEY of Indiana. Mr. Chairman, will the gentleman yield?

Mr. POAGE. Yes, I yield to the gentleman.

Mr. HARVEY of Indiana. Since the gentleman has mentioned the fact that he feels not sufficient effort has been made to control feed grains in the past, in all fairness it should be said that in contrast with cotton, which is the commodity that the gentleman from Texas is much interested in, feed grains are not marketed for the most part as feed grains. I agree with the gentleman that we have not made the progress we should have made, but I would also say in the same sentence that I think the reasons why progress has not been made in this area are very obvious. If it were as easy to arrive at a settlement of our problem as it is apparently with the cotton problem, I would be very happy.

Mr. POAGE. I think the gentleman is entirely correct. But he anticipated the very next point that I wanted to make, which was the difficulty of handling the feed grain problem.

The fact remains that we have not made—I should not say we have made no effort—I should say we have not provided programs to balance the supply of feed grains with the demand for feed grains as we have with all other major agricultural products in the United States, with the probable exception of milk. I know that the gentleman from Indiana will agree that this is a correct statement, but I hasten to add that I agree that the gentleman from Indiana is exactly correct as to the reason for our failure. We have failed to act in the past because it is extremely difficult to control the production of livestock feed, far more difficult than it is to deal with cotton and wheat, where all of the product is sold. No farmer has any use for cotton as such on his farm, and, for practical purposes, no farmer has any use for wheat as such on his farm. Both must be processed, and both are sold. They are cash crops.

On the other hand, feed grains are fed to livestock, and the bulk of it is sold, not as a grain, but as a meat product or as milk or eggs—anyway, as an animal product. Most feed grains reach the market in the form of animal products. It is very difficult to devise a program which deals fairly with everyone. That unquestionably explains much of the delay in developing a feed-grain program, but it does not solve the problem. I merely point out that the problem is difficult, and that it has been allowed to go unsolved so long that we have built up tremendous stocks of surplus grain which simply must be reduced. Every taxpayer has a right to demand action.

We believe that today we are working on an approach that does give us a real prospect of balancing the supply of feed grains with the reasonable demand therefor. I think it is quite clear that that reasonable demand is tied very closely to the demand for animal products. I, as one who comes from the leading livestock State in the Nation, believe sincerely that the welfare of the livestock industry is tied directly to the level of prices and the volume of production of feed grains, because when we produce an unlimited amount of feed grains which hang over the market, either to be sold today at a low price or to be held at Government expense for years, with the certain knowledge that it will ultimately go into livestock at some future date, it cannot but depress the livestock market.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Iowa.

Mr. HOEVEN. I am glad the gentleman from Texas has emphasized that point. I think those of us who are rather intimately acquainted with the feed grain and the livestock industry know that whenever we have cheap grain we have cheap livestock. It causes a great deal of difficulty as far as livestock prices are concerned.

Mr. POAGE. I appreciate the statement of the gentleman from Iowa. I think it is so true. We must recognize that when we are dealing with feed grains we are dealing with probably two-thirds or three-quarters of all agricultural production in the Nation. We are dealing not only with the value of the corn and the grain sorghums, we are dealing with the value of our cattle, our hogs, even our chickens, and our milk. We are talking about the great bulk of agricultural income when we talk about feed grains. So it is extremely important that we deal intelligently with feed grains.

This bill attempts to bring about a better balance, not an exact or scientific plan, but a better balance, between the supply and demand for feed grains by continuing substantially the program which is presently in operation, under which the Government makes payments to the producer of feed grains who will reduce their acreage of feed grains including barley during the coming year. The farmer must retire as much as 20 percent of his feed grain acreage to be eligible. When he does that he can receive payments in kind or cash at the option of the Secretary at the rate of 50 percent of his normal production on those acres. If he takes out another 20 percent, he can receive 60 percent of his normal production on these additional retired acres.

In addition, when he cooperates by taking out at least 20 percent of his acres, he is then assured of a support price on all of his production, which price is of itself quite attractive. This support is this year, as you know, based upon $1.20 corn. We have every reason to assume it will be about the same next year. The bill as we drew it up this spring did not fix any dollars or cents or any percentage of parity as the actual support level, but left that to the Secretary.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. NELSEN. I would like to ask two questions. Perhaps for the purpose of clarification further on in the debate, it may be that the gentleman will need more time to answer. But, you will recall, I offered an amendment that silage would not be considered grain when put into a silo. It was adopted in the House. I now am told farmers buy sweet corn seed, permitting it to grow into mature corn, and are permitted under the law to fill their silo with sweet corn containing the ear which, of course, replaces the corn, and is really getting around the intent, I think, of the act. That is question No. 1.

Could we have it clarified as to what would happen?

Question No. 2: In the event the farmer has practiced some conservation practices like cleaning up his land on a farm that has a history of corn over a period of 100 years, but suddenly he decides to summer fallow his land, he loses his corn base because he has not had corn in it for the last 2 years; can he recover his corn base by some adjustment by the committee in such an event? It may be that this will take up too much time, but I merely bring the questions to your attention in the hope that this may be cleared up before we vote on the feed grain bill.

Mr. POAGE. I thank my colleague. Permit me to suggest that I would like to proceed to explain the program before I go generally to answering questions. But I think clearly the answer to your second question, which is the last question you asked, is to be found on page 20 where we say:

> The Secretary may make such adjustments in acreage and yields for the 1959 and 1960 crop years—

Remember, he makes that in the yields which creates your base for the next year—

> as he determines necessary to correct for abnormal factors adversely affecting production, and to give due consideration to tillable acreage, crop rotation practices, type of soil, soil and water conservation measures, and topography.

I think that rather clearly gives the Secretary authority to make those necessary adjustments where a man actually had a history of rotation.

Mr. NELSEN. The reason I asked the question is the fact that I made inquiry of the Department. In the one case, I received an affirmative answer that something could be done. The second reply was that nothing could be done. I am particularly concerned about it because I have had several letters inquiring and asking for information. I am sure we could work it out, if the Department has some legislative intent to go on.

Mr. POAGE. I think the bill quite clearly takes care of the man who actually did have that history. Now then, if a man simply has never grown any corn and suddenly wants to get into the business, I do not think it gives him any authority.

Mr. NELSEN. I thank the gentleman.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I could not fail to yield to my colleague from Texas.

Mr. MAHON. I am very much interested in the overall provisions of this bill. But, for the moment, I would like to ask the gentleman to turn to page 18, line 9, for the purpose of discussing a possible amendment. On page 18, line 9, the following is stated:

> *Provided, however,* That any producer may elect in lieu of such payment to devote such diverted acreage to castor beans, safflower, sunflower, or sesame, if designated by the Secretary.

There are a few producers of guar beans in the congressional district which I have the honor to represent. They are interested in producing this bean on the diverted acres that come about as the result of participation in the feed grain program. I have a letter from the Secretary of Agriculture in which he says he would be glad for the guar bean to be added to this list which includes castor beans, safflower, sunflower, and sesame. I have discussed this matter with some of the members of the committee, and I wonder if the committee would be favorable to adding guar to these other crops.

Mr. POAGE. I would have to point out to my colleague that while I personally would be entirely sympathetic and actually suggested to the subcommittee that it include guar, the subcommittee indicated, and I think without any formal vote, that they did not want to include anything that was not included in the 1961 act.

I do not think there is any serious objection to the inclusion of guar, but I think there was simply the feeling on the part of the subcommittee at that time that it was not desirable to go beyond what we had provided in existing law. I personally think it is a logical and very proper inclusion.

Mr. MAHON. It seems that the Secretary favors the inclusion of guar in the list of crops eligible for planting on diverted acres. We consume in excess of 45 million pounds of guar beans per year. We produce not more than 10 percent of our requirement. It is a crop that is not in surplus supply and one that we might encourage. It would not have a dramatic effect on the economy, but I hope before the amendment stage the committee will be able to look into this matter and include this crop along with the other four.

Mr. POAGE. Personally, I would say that if the gentleman offers this amendment I would find no objection in the world to it. I would be happy to support it but I cannot bind the committee.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. ARENDS. Will the gentleman from Texas provide some additional information as to guar beans?

Mr. MAHON. It is a bean from which gum is made. It is a kind of legume.

Mr. POAGE. Yes, it is a summer growing legume. It is supposed to fill a great need for ground cover in an area where we have few summer legumes.

Mr. MAHON. This gum is used extensively. It requires over 45 million pounds of beans a year, I believe, to produce the gum used in the manufacture of paper, in the manufacture of explosives, in mining industry, drilling, textiles, and in certain food products; it has quite a use. It seems to me this is a program which might come into greater prominence and displace some of our surplus crops.

Mr. POAGE. Mr. Chairman, I would like to point out that the feed grain law has been working quite well. It has been endorsed, I believe, by everybody who has testified as to the effect of the program and is probably the most popular program of this type which has come

before us. I have been pleased to see so many of my colleagues who opposed this program this spring now praising it. This bill would continue for next year substantially the same kind of program and extend it to barley as well as to corn and grain sorghum. It is a 1-year program, and I think it should be clear that we do not expect it to become a permanent program because we anticipate that we will draw down from the surpluses in the Commodity Credit Corporation something like 700 million bushels of feed grain a year. That will bring down our stocks to such an extent, if all goes well, that we might not want to continue this for a third or fourth year. That is the reason the committee does not bring in a permanent bill in this connection but next year we want to look at the condition of those crops and decide then as to whether we can afford to make a further drawdown. It might be desirable to continue something like this temporarily, but it is not proposed as a permanent solution of our problems.

I would also point out that although you have possibly heard considerable discussion as to malting barley, I believe we have answered all the serious complaints from the beer and malt people. They want to be sure that there is no shortage of barley next year.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. HOEVEN. Will the gentleman be kind enough to give us the definition of malt barley?

Mr. POAGE. No; I wish I could. I do not want to be impolite to the gentleman, but I cannot give him a definition. It was not given to the committee. We understand that there are certain varieties, possibly 10 or 12, which are listed as malting barleys; that they have the ability to ferment a certain way and produce this malt; that certain other barleys do not have that characteristic, but that even those that are listed as malting barleys may turn out to be nonmalting barleys depending upon the growth during the season. So there is no very clear line and we do know that in some seasons certain barleys will be used that would be rejected in other seasons when there is a greater supply available.

So I am convinced there is some degree of movement from one to the other. But since it has been suggested, due to the great drought that is now sweeping the valley of the Red River of the North where most of this malting barley is grown, there might possibly be some kind of a shortage, and the committee has made provision that the Secretary may allow the growth an exception for this malting barley if he feels it is necessary. This is on page 18 and reads: "except that the Secretary may permit acreage in excess of such average acreage to be devoted to malting barley subject to such terms and conditions as he may prescribe."

So we believe we have taken care of all of the eventualities that might arise and that nobody is going to suffer any hardship under the terms of this bill.

Mr. LANGEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. LANGEN. I thank the gentleman for yielding. I wish to make an inquiry with regard to the provision in the bill relating to malting barley. The area I represent and to which the gentleman has referred does produce a great quantity of malt barley. It is my understanding that the provisions in the bill are so written that it would permit the Secretary, provided the stocks were in his judgment short, to extend the opportunity to farmers to produce malting barley, an exemption from the feed grain provisions or any reductions. The question I have relating thereto is, If that were the case, is it the intention of the committee that these farmers will still be eligible for price support on the barley raised under those conditions?

Mr. POAGE. I am sorry the gentleman was not here a moment ago, because I just read from page 18, line 17. The bill provides, after stating you cannot do certain things, "except that the Secretary may permit acreage in excess of such average acreage to be devoted to malting barley subject to such terms and conditions as he may prescribe."

In other words, the committee has not prescribed the terms and conditions but has authorized the Secretary to prescribe the terms and conditions on which a man may grow malting barley without losing his eligibility for support.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HOEVEN. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, I rise in support of this bill H.R. 8230. However, before discussing in detail the various measures contained in this 1961 agriculture bill, I wish to commend the House Agriculture Committee for the diligence, sincerity, and work which they extended—regardless of political party—to rescue this bill into acceptability from the totally unacceptable and glaringly wrong condition it came to our committee from Agriculture Secretary Orville Freeman.

On April 17, 1961, those of us in Congress first received this proposed omnibus farm bill noted—first of all—that this proposed legislation did not provide specific programs for individual commodities, but rather set up machinery under which the Secretary of Agriculture would, with the advice of committees appointed by him, write farm legislation for some 256 commodities. I pointed out repeatedly in the Agriculture Committee that this bill would transfer legislative power from the Congress to the Secretary of Agriculture—to me, one of the boldest power grab attempts I have witnessed. This was true because the bill would have given the Secretary of Agriculture the authority—formerly reserved to Congress—to formulate and implement production and marketing controls on every agricultural commodity produced in the United States.

The bill would also have authorized the Secretary to impose quantitative controls on every agricultural commodity and also authorized the Secretary to use any price-support device available—including compensatory payments. It would also have authorized the Secretary to establish a wheat program for 1962 which would not be subject to any review by Congress, and it would have required that the Secretary submit to Congress only the basic features of any new program. And, that new program would go into effect unless Congress—with no power to change or amend—rejected it in 60 days.

Both Republicans and Democrats joined together in the Agriculture Committee to cut out of such outrageous proposals as recommended by Secretary Freeman before going to work on this new and acceptable bill. I want the record to show clearly just exactly the enormity of what Secretary Freeman attempted, even though his recommendations were defeated by vigilant and responsible Congressmen of both parties, and that is why I make this review here on the floor of this House today.

There is another thought that I wish to direct to this House in general today, but particularly to those Members who come from large cities. I tell you that one of the strongest, most respected, and enterprising elements of our country today is our agriculture. American farmers—mainly American family farmers—are the envy of the world. Most of the nations of the world have populations which go to bed each night underfed. In countries such as Russia, it takes one farmer to produce enough food and fiber for four other Russians. In China, with more than 90 percent of her population engaged in agriculture, there is famine today. But, the American farmer, in contrast, produces enough food and fiber to support 24 of his fellow citizens. To hear some of our populous Eastern States citizens talk, one would think that price supports for farmers amounted to some kind of economic sin. My fellow colleagues, the only sin the American farmer is guilty of is hard work, ingenuity, enterprise, and the most fantastic production record in the world. The farm problem—our surpluses—are a result of the American farmers hard work, ingenuity, and enterprise; and he deserves from his fellow citizens not misinformed criticism, but respect and praise. Our family farmers, and I was proud to be one of them, are some of the finest citizens in our country today—and I'll debate that issue with any living being.

Having thus prefaced my remarks, I turn to this bill now before us, H.R. 8230.

I believe it is an acceptable piece of legislation. The changes that we have made in it will enable the law to be administered more effectively and more efficiently. For that reason I supported it in the committee and strongly support it here on passage in the House.

Beginning in the reverse part of the bill and going to the front, I like the expansion of the special school milk program. Some of us many times talk about backdoor spending, but when it comes to a commodity that is specifically

interesting to us, we are not always consistent. I mention this because a person who comes from the first district in Minnesota, a dairy area, will make use of the special milk program, and it is also important to the dairy farmers of that area. So we are going to change the funding of the special school milk program from backdoor spending through the Commodity Credit Corporation. Now we are going to do it through the direct appropriation route. I am happy that we in the committee are now taking this action.

We also provided that surplus foods can be furnished in State penal or correctional institutions. My colleague from Minnesota [Mr. MACGREGOR], representing the Third District, has been strongly supporting this legislation. I am happy that this is a part of it too. I understand he will be talking about it later.

The extension of the veterans and Armed Forces program will be of benefit for the nutritional standards of the young men in our Armed Forces. The President said last night he would request an increase of about 217,000 men. This will be of benefit to them, as their parents and friends will know when they get into the service.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. I am glad the gentleman mentioned the matter of financing the school milk program. It is correct to say, is it not, that during the years this program has been operating as a consumer program, but in the bookkeeping it has shown up as a debit against the price support program and as a charge against support prices for agricultural commodities.

Mr. QUIE. That is correct.

Mr. ABERNETHY. And henceforth it will be debited in the appropriate place as a consumer item; that is correct, is it not?

Mr. QUIE. That is correct. I thank the gentleman. I know he has been a strong supporter of this section.

The changes in the farm credit loans and Public Law 480 will be beneficial.

Title III of the bill consolidates, adds to, and reenacts existing authorities of Farmers Home Administration for real estate, operating, and emergency loans. It is similar to legislation which passed the House in the 86th Congress. It contains the following main provisions:

First. Real estate loans:

(a) Loans may be made to persons who are or will become owner-operators of not-larger-than-family farms. Owners defined to include holders of fractional interest if all join in mortgage.

(b) Farm owners and tenants would be eligible for soil and water conservation loans.

(c) Loans may be made to certain nonprofit associations for soil and water conservation, drainage, and flood control. Insured loan limit set at $2,500,000 and direct loan limit set at $500,000.

(d) Loans to individuals for land acquisition limited to $60,000.

(e) Allows both insured and direct loans at 100 percent of normal value of the farm.

(f) Provides interest rate of not to exceed 5 percent plus fees. Out of 5 percent paid by insured loan borrowers, one-half of 1 percent to go to insurance fund and one-half of 1 percent now used for administrative expenses could go to the lender as additional interest.

Second. Operating loans:

(a) Increases loan limit from $20,000 to $30,000 and limits term of loan to 10 years. Not more than 25 percent of the annual appropriation can be used to create borrower indebtedness in excess of $15,000.

(b) Participation loans up to 80 percent with private lenders are authorized.

(c) Interest rate set at not to exceed 5 percent.

(d) Authorizes loans to soil conservation districts which are not engaged in any other business and are unable to obtain necessary credit elsewhere on reasonable terms and conditions. Such loans must be used for the purchase of farm equipment to be rented to farmers under terms and conditions approved by the Secretary. Single loans are limited to $30,000 outstanding indebtedness and total loans cannot exceed $500,000 in any one year.

Third. Emergency loans:

(a) Areas suffering from natural or economic disaster conditions would be eligible.

(b) Interest rate set at not to exceed 3 percent under terms applicable to regular real estate or operating loans.

In Public Law 480 I felt that it was unwise to take the limit off title I sales, because the commodities not in Commodity Credit Corporation storage can be sold under title I sales. The committee did not set any limit on the amount sold, so I will not offer an amendment but accept their jurisdiction.

This title II of the bill contains the following main provisions:

First. Amends title I of Public Law 480, dealing with foreign currency sales to—

(a) Extend title for 3 years through December 31, 1964.

(b) Provide an open-end authorization for appropriations to reimburse CCC for foreign currency sales. No limit is placed on the total amount of funds to be spent during the 3-year extension period or during any one year. All agreements calling for later appropriations in excess of $5 million may not be finally consummated until 15 days after the time a report containing the provisions of the proposed agreement is submitted to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry.

(c) Authorize the use of foreign currencies in subsequent agreements for dollar sales to American tourists.

(d) Strengthen the agricultural market development activities in foreign nations by setting aside 5 percent of the foreign currencies acquired each year to this purpose and by requiring that not less than 2 percent of the foreign currency sales proceeds be convertible into the currencies of other foreign nations as the Secretary of Agriculture deems necessary to improve overall U.S. market development activities.

Second. Amends title II of such law, dealing with donations overseas to—

(a) Extend title for 3 years through December 31, 1964.

(b) Extend authority for economic development for 3 years through December 31, 1964.

(c) Continue present authorization of $300 million per year, plus carryover.

Third. Amends title IV of such law, dealing with long-term-dollar sales to—

(a) Place overall responsibility for foreign agreements in the President.

(b) Expand purposes for which sales may be made.

(c) Make certain provisions of title I relating to foreign currency sales (use of private trade channels, developing and expanding new export markets) applicable to sales under title IV of Public Law 480.

(d) Provide that interest rates on dollar sales under title IV of Public Law 480 be not in excess of 3 percent per year.

(e) Authorize the President to permit other friendly and historic supplying nations to participate in supplying surplus commodities until title IV of Public Law 480 sales agreements.

In the extension of the National Wool Act, this is of benefit not only to the producers in the western part of the country, but there are small flocks throughout the country that will benefit thereby.

Main provisions of subtitle (E) of title I—Wool:

First. Extends for 5 years without change the National Wool Act of 1954, as amended.

Our committee never really held open hearings on marketing order changes, and I believe a thorough study should be made of our present marketing orders and of the proposed changes many groups have been proposing. For example, the turkey growers did not want to be added to the Agricultural Marketing Agreements Act of 1937. They really wanted to be in under the National Turkey Growers Federation Enabling Act.

For another example, some honey producers wanted to be in the act—others did not. Consequently, with such widely differing opinions, I believe all these groups should be given an opportunity to testify before our committee. Now, let us examine the main provisions of subtitle (D) of title I—

In the key vote on H.R. 6400, the committee by a 20–15 vote struck out of subtitle (D) provisions which dealt with (a) broad commodity coverage, (b) producer allotments or quotas under marketing orders, (c) mandatory checkoff for research and promotion, (d) approval by processors of 50 percent of the volume of marketings of fruits and vegetables for canning or freezing, and (e) all other provisions in the administration's proposal.

The committee then adopted two amendments to the Agricultural Market-

ing Agreement Act of 1937, as amended, which would:

First. Add turkeys, peanuts, and fresh apples produced in New York, New Jersey, Michigan, Maryland, Indiana, California, Maine, Rhode Island, Connecticut, Massachusetts, Vermont, and New Hampshire to the list of commodities now eligible for marketing orders. In addition, apples for canning and freezing in these 12 States and cranberries for canning and freezing would be subject to marketing orders only if processors representing more than 50 percent of the volume of these commodities agreed to such order.

Second. Include all agricultural commodities eligible for marketing orders in the provision of the act imposing import restrictions on foreign-produced commodities. Present law authorizes such uniform standards for only nine commodities covered by orders issued under this act.

I am happy to see that the feed grain program will be extended for another year. This provides for—

First. A 1-year extension of present feed grain law.

Second. Inclusion of barley along with corn and grain sorghum now covered.

Third. Authorization for the Secretary to use the funds and assets of CCC for both cash and in-kind payments for land retirement.

Fourth. A special provision for malting barley whereby the Secretary may allow price support and rental payments on corn and sorghum if malting barley acreage is increased.

The feed-grains bill has been extremely popular in my area, and embodies many of the provisions that I have been advocating as well as my colleague, the gentleman from Minnesota [Mr. NELSEN] has been advocating since coming to the Congress. This is payment in kind to induce farmers to reduce acres, and price supports apply to the program. So often we have seen price supports given when the farmer did nothing to earn those price supports. This is a sounder type of legislation. We are still waiting to see how the Secretary will administer the jurisdiction given to him to sell surplus commodities that he now has in his hands, due to the certificates turned back to him, but only time will tell how judiciously he uses this authority.

In the wheat program I am concerned about two things.

But first, let me point out the main provisions the bill contains:

First. A mandatory 10-percent cut in allotments, or plantings in the case of farmers in the 15-acre marketing quota class.

Second. Payments in cash or kind at the rate of 50 percent of normal yield.

Third. Voluntary 30 percent additional cuts permitted with payments at a 60-percent rate.

Fourth. Reduction of the 15-acre exemption to 13½ acres, or the highest planted acreage in 1959, 1960, or 1961 if it is less than 13½ acres.

Fifth. Increased price supports to 83½ percent of parity, which is $2 per bushel.

Sixth. Increase penalties and tighter controls on all wheat farmers.

Seventh. The inclusion of summer fallowing as an approved conservation use both for the 1962 program and for the base period 1959–60.

Eighth. A provision allowing small growers to retire up to 15 acres of their historic wheat plantings and receive land retirement rental payments in cash or in kind.

Ninth. A special provision for Durum wheat giving the Secretary authority to adjust Durum allotments in case of a threatened shortage.

Tenth. A requirement that farmers control weeds, rodents, and insects on the diverted wheat acreage.

The first thing I am concerned about is the 10-percent mandatory reduction in acres will not be sufficient to give us the necessary reduction and will not even cut into the surplus at all. Secondly, there are other types of wheat, such as Durum, that will be in short supply, and we have not given the Secretary permission to exempt it in anyway.

Looking at the program and determining what the allotment should be, I was interested last November when I saw a paper given by Mr. O. B. Wells of the Department of Agriculture, that if it was not for the 45-million-acre minimum, the allotments given all the farmers who produce wheat for this year would have been zero.

Let me quote some facts for the RECORD by introducing these figures on wheat production and disappearance:

Wheat production and disappearance 1958–59 through 1961–62 (estimated) [1]

Crop year	Production (million bushels)	Total disappearance (million bushels)	Surplus (million bushels)	Percentage of production
1958–59	1,457	1,048	409	28
1959–60	1,121	1,108	13	1
1960–61	1,350	1,152	198	15
1961–62 [2]	[3] 1,259	[4] 1,152	[5] 107	8
3-year average (1958–59 through 1960–61)	1,309	1,102	207	15
2-year average (1959–60 through 1960–61)	1,235	1,130	105	9

[1] Source: Statistical Handbook—AMS–USDA, Wheat, dated July 19, 1961.
[2] Preliminary.
[3] Crop Reporting Board, July 11, 1961.
[4] Assumed same as 1960–61.
[5] Estimated.

NOTE.—10-year average production (1950–59) was 1,094,770,000 bushels.

Wheat: Estimated supply and distribution by classes, United States, 1956–60 [1]

[In millions of bushels]

Item	Hard Red Winter	Soft Red Winter	Hard Red Spring	Durum	White	Total
1956–57						
Carryover, July 1, 1956	691	17	185	7	133	1,033
Production	446	187	178	39	154	1,004
Imports [2]			8			8
Supply	1,137	204	371	46	287	2,045
Exports, including shipments [2]	254	60	35	11	193	553
Domestic disappearance [4]	235	134	140	22	52	583
Carryover, June 30, 1957	648	10	196	13	42	909
1957–58						
Carryover, July 1, 1957	648	10	196	13	42	909
Production	425	159	167	40	160	951
Imports [2]			11			11
Supply	1,073	169	374	53	202	1,871
Exports, including shipments [2]	219	30	38	1	118	406
Domestic disappearance [4]	241	133	133	27	50	584
Carryover, June 30, 1958	613	6	203	25	34	881
1958–59						
Carryover, July 1, 1958	613	6	203	25	34	881
Production	838	195	233	22	174	1,462
Imports [2]			8			8
Supply	1,451	201	444	47	208	2,351
Exports, including shipments [2]	259	43	46	1	98	447
Domestic disappearance [4]	252	137	147	28	45	609
Carryover, June 30, 1959	940	21	251	18	65	1,295
1959–60 [5]						
Carryover, July 1, 1959	940	21	251	18	65	1,295
Production	618	161	151	21	176	1,127
Imports [2]			7			7
Supply	1,558	182	409	39	241	2,429
Exports, including shipments [2]	292	41	50	1	128	512
Domestic disappearance [4]	258	131	140	26	48	603
Carryover, June 30, 1960	1,008	10	219	12	65	1,314

See footnotes at end of table.

Wheat: Estimated supply and distribution by classes, United States, 1956–60 [1]—Continued

[In millions of bushels]

Item	Hard Red Winter	Soft Red Winter	Hard Red Spring	Durum	White	Total
1960–61 [2] [6]						
Carryover, July 1, 1960	1,008	10	219	12	65	1,314
Production	796	193	188	34	152	1,363
Imports [3]			8			8
Supply	1,804	203	415	46	217	2,685
Exports, including shipments [3]	436	56	40	5	131	668
Domestic disappearance [4]	250	134	140	28	51	603
Carryover, June 30, 1961	1,118	13	235	13	35	1,414

[1] Figures by classes are not based on survey or enumeration data and are therefore only approximations. Estimated stocks on farms and in interior mills, elevators, and warehouses, by kinds, are assumed to be present in about the same proportion as produced; the classes within kinds are established on the basis of the quinquennial wheat-variety surveys. Commercial stocks and CCC inventories are reported by classes. Exports by classes are estimated on the basis of "inspection for export" for wheat as grain and on the basis of the area from which exports are made for flour.

[2] Excludes imports for milling in bond and export as flour.

[3] Includes shipments to Alaska and Hawaii and the U.S. territories. Includes exports for relief or charity by individuals and private agencies.

[4] Wheat for food (including military food use at home and abroad), feed, seed, and industry.

[5] Preliminary.

[6] Imports and distribution are partly estimated.

Source: U.S. Department of Agriculture.

We have so much wheat in storage right now that it was not necessary and under the formula devised no one needed to ever raise any wheat this year. But, with the 55 million acres we are in trouble. The biggest trouble is that the average production per acre has doubled. This gives us more than we can consume in this country and more than we can export overseas, and at the present time we are exporting more overseas than we are consuming.

In looking at the oversupply, it has not been White wheat; it has not been Soft Red Winter wheat that has caused it; it has not been Durum or the Hard Red Spring wheat.

Eighty percent of the 1.4 billion bushels about which the gentleman from Oklahoma [Mr. ALBERT] spoke earlier comes from the Hard, Red Winter wheat area. A mandatory 10-percent reduction in acres in that area will not give them the cutback that is necessary to balance supply with demand.

Mr. Chairman, we have heard many times in the past that the farmers would accept controls in order to make these programs work. There is nothing in the bill before us that in any way determines at what level the Secretary of Agriculture shall set the price support. We have not changed the law which says he may set it any place between 75 percent to 90 percent of parity. But this mandatory 10-percent reduction I do not believe will give the retirement in acres necessary.

Mr. Chairman, in looking at the amount of carryover in the various commodities, in 1956–57, the carryover of Hard Red Winter wheat was 648 million bushels. Now it is practically doubled. But in the other types of wheat they stayed practically the same over that period of time. The exports of the various types of wheat have been quite substantial. I think it should be borne in mind that of the 650 million bushels of wheat that have been exported, about 73 percent have gone under some Government-type program.

Mr. Chairman, under Public Law 480 in 1960, title I sales amounted to 301 million bushels. Titles II and III sales under Public Law 480 amounted to 48 million bushels. The title III sales or barter sales amounted to 25 million bushels. However, under the International Wheat Agreement—the wheat did not go at the same price that the farmers received for it in this country. There was an average in 1960 of 63 cents a bushel paid as an export subsidy in order that we could sell this vast amount of wheat. So I think that the people who produce wheat, when they have the opportunity given to them to cut back their production, would accept more than a 10-percent reduction in their acreage because they are paid 50 percent of their payment on the mandatory portion and 60 percent of what they could have raised on the voluntary portion and, Mr. Chairman, if we did that, I think we would get at the over production.

When we look at the old acreage reserve, which was somewhat comparable to the program that we are advocating now, in 1957 12.8 million acres were put into the acreage reserve. This amounts to about 23-percent reduction in acres. In that year we produced about 2 percent more than we could consume. The next year in the acreage reserve about 5.3 million acres were left out of production. That is about comparable to what we are talking about in this bill, a 10-percent reduction in acreage. In that year we produced 28 percent more than we consumed. We had a surplus of about 409 million bushels that had to go into the Commodity Credit Corporation storage.

Mr. Chairman, I think if we really want to get at the overproduction that has been occurring and cut back on the surpluses that now are costing us a tremendous amount—and wheat is giving the biggest problem of any commodity—we ought to take a mandatory 20-percent reduction in acres.

Some of you questioned the income of wheat farmers, but there is nothing in this bill nor in the present law which prevents the Secretary of Agriculture from setting the price support of wheat at a level which would compensate them for the loss of income due to the retired acreage. I think this is the direction we ought to go. It is similar to what we did last year when the House adopted a 25-percent mandatory retirement of acreage, and the Senate adopted a 20-percent mandatory retirement of acreage.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mr. MICHEL. Mr. Chairman, I would certainly subscribe to what the gentleman has said, and ask him whether or not an amendment will be offered to bring that figure from 10 percent up to 20 percent so it would be comparable to what we did with the corn farmers in the emergency feed grain bill?

Mr. QUIE. Yes. I plan to offer two amendments which I hope the House will accept: One to exempt types of wheat in short supply and, second, to increase the mandatory retirement from 10 percent to 20 percent so we will have a program comparable to feed grains—20 percent mandatory and 20 percent voluntary over and above that.

Mr. NELSEN. Does the Secretary not have authority to raise or lower the support at his discretion now, under the law?

Mr. QUIE. That is right. He could set wheat supports at 90 percent of parity if he so desired.

Mr. NELSEN. Could he not differentiate between types of wheat to encourage production of a certain type of wheat?

Mr. QUIE. No, he cannot, only Durum. I think he ought to be given the authority to do that with other types of wheat.

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, I would like to expand on something said previously by the gentleman from Minnesota in his remarks. Although the bill as brought before us is not satisfactory in each and every respect, and some Members will vote against it, I do want to give credit where credit is due; namely, to the Republican members of the House Committee on Agriculture who after diligent and determined effort were able to strike out of the original bill as proposed by Secretary Freeman, many very objectionable features. They refused to turn over to the Secretary all of the expanded powers which he wanted in order to control, in every respect, all segments of agriculture. Also, some committee members were subject to criticism as a result of grossly inaccurate reporting, and I wish to emphasize here that those members are dedicated to serve agriculture in the best of American traditions.

In my opinion, this bill now being considered still permits the Secretary too much power, and I sincerely hope that this bill can be amended under the 5-minute rule.

Mr. HOEVEN. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY of Indiana. Mr. Chairman, I was very happy that the gentleman from Texas [Mr. POAGE] made the comments he did at the beginning of his remarks before the Committee of the Whole today in which he set forth the peculiar problems that affect the feed grain and livestock industry. Therefore, I will not take the time of the committee here today to repeat those remarks, because they were very well said.

I want at this time to express my appreciation to all the members of the committee, for this has been a long and tiresome process of trying to come up with this bill which, incidentally, I think has much to commend it. I am sorry there are not more Members here on the floor today to listen to this discussion. I fear that probably most of our city colleagues have become so disgusted with the farm problem that they are fearful if they stay on the floor they might have their convictions changed by listening to some of the debate.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HARVEY of Indiana. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I see a lot of Members here from the cities. I come from a city where I do not have a farm in my whole district, but I have always voted for farm legislation. I see a lot of Members here from the city districts. I just want the RECORD to show that.

Mr. HARVEY of Indiana. Permit me to say that not only has the gentleman from Massachusetts, our distinguished majority leader, but also many of the other Massachusetts Members, shown a very unusual interest in these problems. I want to commend them. Certainly from my remarks I would exclude Massachusetts.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HARVEY of Indiana. I yield.

Mr. HOFFMAN of Michigan. I am afraid our delightful friend from Massachusetts, our majority leader, does not know what the farms produce. He cannot distinguish farmers from those in the cities, you know, those window-box farmers.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. HARVEY of Indiana. I yield to the gentleman from Minnesota.

Mr. NELSEN. I appreciate the comments of the majority leader. I think if we could hurry this thing up so we farmers could get home for chores, I would appreciate it very much.

Mr. HARVEY of Indiana. Mr. Chairman, the bill contains the extension of Public Law 480, the extension of the Wool Act, extension of the school lunch program, and the revision of farm credit provisions of the Farmers Home Administration, all of which are very fine pieces of legislation and deserve the most favorable consideration.

I am not going to dwell too long on the feed-grain provision of this bill. I just want to say that to the extent it is going to reduce our ever burgeoning supply of feed grains, it is certainly a commendable piece of legislation. My great regret is that the House committee itself has been unable to proceed beyond this one step on the path of a long range and better solution to the problem that has plagued us for so many years.

Mr. Chairman, the other feature to which I would like to devote the time remaining to me has to do with the wheat problem as it applies to the area east of the Mississippi.

We have in our area a type of wheat that is not in surplus. It is not a bread-type wheat. It is used for pastry and other uses, and it is not and has not been in surplus in recent years. I am hopeful that when we start to read the bill for amendment, and in line with the remarks of our colleague, the gentleman from Minnesota [Mr. QUIE] that an amendment will be accepted by the House that will free this section of our wheatgrowers from the provisions and the controls that have been in effect in the past. I, for one, know that the farmers from my particular area have felt for a long time, it is just a lot of unnecessary redtape to impose this kind of program on them when their product has not been in surplus. I feel it will greatly simplify the operation of our farms. In line with our President's talk last night, when he commented that we may be facing up to very serious times and that we may have to take a new look at all of our production facilities, it would be dangerous to enact a program here that would have the effect of running us short and very substantially short of an important type of wheat. I think the House ought to give very serious consideration to the idea of exempting this particular type of wheat from the provisions of the act.

Mr. Chairman, I yield back the balance of my time.

Mr. JONES of Missouri. Mr. Chairman, I yield 10 minutes to the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to speak out of the regular order.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Chairman, I thoroughly agree with the statements that have been made by Members on both sides today, as has been the case in years past, during debates on farm legislation. As my colleagues know, it has been my honor to be a Member of the House of Representatives for many years considering this type of legislation having to do with a very important and vital element in our national economy and, above that, having to do with the national life of America in terms of human beings and the contributions of the men and women and their families who live on the soil. I thank God that America has a strong and dynamic agriculture. We fortunately have, too, Mr. Chairman, a strong and dynamic industrial life. A nation that is strictly industrial has many challenging problems in the world of today and will have even more challenging problems in the world of tomorrow. The great question is how to meet those problems. And, too, Mr. Chairman, a nation that is strictly agricultural has many challenging problems both in the world of today and the world of tomorrow, as to how to meet those problems.

But where a nation like ours is constituted, and fortunately so, as both a great industrial nation and a great agricultural nation, our problems multiply manifold. Despite the problems, we are, however, fortunate that we have not only this great industrial life in our country but also this great agricultural life, because those who live on the soil are men and women and their families, thoroughly imbued with loyalty, patriotism, and love of country, and they make a valuable contribution to the life of America.

As one who represents a district which does not have a single farm in it, I thoroughly appreciate the meaning to the country of a strong agriculture. We would not grow if we did not have a strong agriculture. Suppose our soil were such that agricultural life would be at a minimum in America, where would we get the food for our people to eat? We would turn to imports, but I wonder how many Americans realize the importance and significance of agriculture as part of our national defense and the defense of our country? In time of war if we did not have a strong agricultural life in America, an enemy or combination of enemies, might be able to besiege America and stop imports coming here and force us to surrender through inability to obtain food.

So from the affirmative angle, our agricultural life, our farmers and their families are vitally important; and, as I said, we can thank God we have that kind of growing and dynamic agriculture in America.

How many have stopped to consider, or paused for a moment and considered, the importance of this great agricultural life that we have in America in case of war? Have they thought how powerful it would be in connection with America's surviving and emerging victorious?

So I make these general observations as one who does not, as I say, have a farm in his district, because I want the farmers and those who live on the soil to realize that we of the cities not only profoundly understand their problems but also try to help them in our own way by our contributions and by our respect for them, not only as American citizens but also for the powerful contribution they have made and always will make to the life and strength of our country.

Mr. Chairman, I want to talk for a few moments on the President's report and address to the American people of last night. The report last night and the recommendations today by President Kennedy show leadership and strength in our military forces and in

the military field and a firmness in foreign policy. As he said, and I quote:

We seek peace, but we shall never surrender.

That will become just as historic as the phrase, "Give me liberty or give me death," or "Where law ceases, tyranny starts," and other historic utterances of yesterday. He spoke a language, followed by action in his recommendation to the Congress, a language that the present inhabitants of the Kremlin will understand.

The President also by his action strengthened the peoples of the free nations in their desire and determination to retain liberty, as well as keeping alive and strengthening the hopes and wishes of millions of persons in dominated countries who despise their Communist oppressors.

Fortunately for our country and the world at large, desire for liberty exists in many places where it is temporarily suppressed. President Kennedy, as President, has as complete support of the Congress of the United States as did former President Eisenhower, former President Truman, and the late President Roosevelt. Each and every one of them had the strong support of Congress without regard to party, because the Congress of the United States during my service here, during the period in which the world underwent strain and stress, has always been on the side of strength. Where danger confronts our country, the national interest of the Nation is uppermost in our minds, and that is without regard to our political affiliation.

Congress as constituted is a source of strength in the world of today, for with a strong Chief Executive, such as President Kennedy is, a strong Congress implementing, coordinating, and strengthening his policy, with an understanding appreciation of the menace and danger and a cooperative spirit that exists, we will obtain the maximum results for our country and for a future world of peace. Such knowledge and unity of our people, a unity between the President and the Congress, is an important fact in the world period that we are undergoing, an important fact to be effectively conveyed to the leaders and the peoples of all nations, particularly to the evilminded men of the Kremlin, and their like throughout the world.

A little over 20 years ago Hitler and his type misunderstood the determination of free men and women to retain their liberty.

Khrushchev and his associates had better study, not ancient history in this respect, but the history of a little over 20 years ago to realize that the spirit of liberty can never be destroyed.

President Kennedy's important message to the country clearly shows an appreciation of the historic aspects of this period of a little over two decades ago. It clearly showed that uncertainty in leadership is accepted by the dictator as a sign of weakness, that it is an invitation for the dictator to become more and more aggressive, that weakness and uncertainty is the road to appeasement, and that the road of appeasement is the road to war.

President Kennedy shows a recognition that the calculated risk of inaction is sometimes more dangerous than the calculated risk of action. The President recognizes that representatives of free nations cannot negotiate with the Communists on a moral level or on the level of idealism because they have neither. In fact they deny both.

But there is one level that Khrushchev and the Communists cannot deny. That is the level of the law of self-preservation, for this law of nature applies to the Soviet Union and her people just the same as it applies to the people of any other nation in the world.

The only thing the Communists respect is what they fear, and that is military strength and power greater than they possess themselves.

The message of the President represents a return on our part to the basic policy of peace through strength. But this means not only possessing the power of defense but also more important, the power of retaliation. The great bulk of the people of Russia want to live just the same as others do. So the strength of our national defense, wisely and courageously decided on by President Kennedy, is the best means of preventing a future general war, for the dangers of strength are far less than the dangers of weakness.

The Congress and the American people will support the President in the strengthening of our national defense as such strength is for peace, not war, and to hope for the best but be prepared for the worst.

Mr. HOEVEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, President Kennedy's talk last night was a much needed, long overdue statement of policy which we all can and must follow.

The President gave us many reasons why we should avoid unnecessary wasteful spending.

If Khrushchev means what he has been saying and is determined to follow through, war is inevitable, and the next war may be the world's last. This is not because some one nation or group of nations will become all-powerful and rule the world but because, if what the scientists tell us is true, we may all, with today's weapons, destroy ourselves, end civilization.

If we are to have even a chance to either avoid war by a superior show of strength or to win a war, we must forget many of the very desirable things we have been trying to do—devote our whole, undivided, determined efforts toward the accomplishment of just one end—that is, preparation for a war which we must win—a determination to do whatever, make whatever sacrifices may be necessary.

It matters not at all who is responsible for the present situation nor why we are where we are. All that is water over the dam, under the bridge, beside the point. For years, the welfare of our people and the security of our Nation have been threatened, and, as the President said, we can no longer further retreat and continue to exist as a free people, a sovereign nation.

Trying only to be helpful, permit me to call attention to some of the things the President did not say.

He made no mention of Cuba, the Communist threat on our doorstep, nor of Castro's act of piracy in retaining possession of the Eastern Air Lines propjet Electra plane which was hijacked, forced to land, and still is in Havana.

Cuba, a Russian base, has all too long been a danger threat. We should have demonstrated our support of the Monroe Doctrine, our defiance of invaders of the Western Hemisphere. We should without further delay, through diplomatic pressure, force the return of the plane, or send the Marines to get it.

No need to tell of the horrors of war, of its cost in lives, suffering, privations imposed upon a civilian population, the creation of millions of additional war widows, orphans, disabled veterans, whose future needs must and will be met. All these hardships our people have experienced and still remember.

Populations in other countries, China, India, have been kept in check by starvation. We, a civilized nation, have in other wars, minimized unemployment, prevented overpopulation by the killing of many of the most physically and mentally fit youth of our land. That should never happen again.

Another war will again make necessary similar previous as well as additional sacrifices, bring us economic disaster and, for that reason, any future war must be won so that peace throughout the world may be possible—this war, if it comes, be the "war which will end all wars."

It follows that some things which the President did not say should and must be said.

The South lost the War Between the States, not because it lacked courageous, determined, fighting men, not because it lacked skilled professional leaders nor a civilian population willing to make whatever sacrifices might be needed, but because it did not have the things, the equipment, the industrial, the economic strength, which were and always are necessary if a war is to be won.

The President did not have time or did not choose to tell us that hundreds of thousands of Americans, women, children, civilians, whose presence is not necessary, are still in what is the war zone.

To lend efficiency to our war efforts, to minimize the sacrifices which will be necessary, it would seem they should be brought home at the first opportunity, not left for the Russians to send to Siberia.

If we are to fight and to win a war, we must remain economically, productively strong, devote our whole energy toward the one objective.

We must forget many of the socially desirable things which we have been

quarreling about for too many years—and heed the advice, use the counsel of experts, travel a single road toward victory, however twisting or rocky it may be.

As an example, we should, temporarily, at least, forget our trip to the moon.

We may well start with the thought and determination that no one, neither the worker, the farmer, nor the industrialist, is to make one cent of profit out of this war. War millionaires we cannot, we will not, tolerate.

Pressure groups—and there are many—must, until the danger is over, forget and abandon their heretofore determined efforts to obtain some special advantage for their members.

Officeseekers and politicians must avoid demagoguery, rabble-rousing speeches and statements, forget their personal political ambition.

The President is asking for millions, if not billions, for civil defense. Civil defense, and that without frills, we must have. But it must be civil defense based upon experience and advice from the experts, not upon the theories of individuals more interested in their jobs and the organization they represent than in what it actually can do to protect civilians.

To repeat a thought just given—labor disputes, strikes, for either higher wages or caused by a desire for greater profits must be prohibited. Stockholders and executives of corporations must get their eyes off the prospect of a dividend, a bonus—think only of winning the war, minimizing its cost in lives and suffering. Workers must forget their demands for higher wages and desirable fringe benefits.

Yes, the President made a long overdue, a very helpful, courageous talk. He lost a brother in the last war. He fought, was wounded and suffered in that war.

There is no reason to doubt his patriotism, and, while we must and gladly will follow where he leads, he, too, must forget—I hope and think he will—every so-called social or other gain which does not contribute toward winning the war which may come.

Mr. HOEVEN. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. LATTA].

Mr. LANGEN. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Minnesota.

Mr. LANGEN. I thank the gentleman for yielding to me. I take this time, first of all, to commend all of the members of the Committee on Agriculture for the very diligent and determined manner in which they have dealt with a most difficult problem. Surely they have produced a bill under difficult circumstances that will be of advantage to the Nation as a whole.

Mr. Chairman, undoubtedly it would be easier to speak in opposition to the legislation that is before us than to speak in favor of it. It is always easier to find fault with any legislation or any action than it is to defend its principles in their entirety.

The legislation before us most surely contains many provisions with which I am not completely satisfied and that, I might add, will not serve the best interests of my own farming operation. However, in view of the existing agricultural circumstances, by my judgment there are sufficient advantageous provisions in the bill to warrant a favorable consideration.

I do not suppose that anyone on this floor would deny that there is not a need for legislation of some kind which deals with the existing surplus problem, the faltering farm income, and the excessive tax burdens provided by these circumstances. The magnitude of the surpluses has already been presented to the House by the initial statements of the chairman of the committee and others. There are many sections of the bill in which, I am sure, there is almost universal agreement.

The only sections in which there is a noticeable diversity of opinion are those dealing with the wheat and feed grains problems. Speaking specifically to these two sections, permit me to first call to the attention of the House that this legislation does not provide a big improvement in farm income in either of these fields. For while the legislation does provides for a very modest increase in price supports and a modest payment for the diverted acres, the combination of these two with a reduced production by virtue of a smaller acreage, still leaves much to be desired in the way of expanded income to the individual participating farmer. In fact, under the wheat provisions if a farmer elects to reduce his acreage beyond the required 10 percent he may well find that his income has been reduced rather than increased.

In view of these facts I think it is imperative that we recognize that the farmer's participation in these programs actually amount to a contribution on his part to the solution of the surplus problem, and the excessive burden to the taxpayer now aggravated by storage and administrative costs in connection with surplus supplies. Probably more significant to every segment of our populace and to the Nation's future food and fiber supply is the fact that the diverted acres provided for in the bill will be placed in approved conservation practices. This is truly a great national asset, because these practices tend to preserve soil productivity and fertility for times when the Nation may be experiencing greater needs. This fact takes on additional significance when we recognize the impetus of the President's message last night and his emphasis on the need for the Nation to be prepared to meet any emergencies. Such emergencies have surely alerted all of us to the great demands required in the production of food and fiber.

All of these factors are specific indications of not only the need, but also the benefits that possibly can be derived from this legislation. I have already stated that there are many provisions in the bill which do not meet entirely with my own interpretation of what would be the best solution. I am sure that it is fair to say that it would be impossible for any legislation to specifically satisfy everyone's opinion, or every farmer's or farm area's needs and desires. I have great reservations in asking either wheat farmers or feed grain farmers to be required to further reduce their production, as well as being further restricted in their operations. Wheat farmers in the recognized wheat producing areas, such as the one I represent, have already been called upon to reduce their acreage by 35 percent. A further reduction is bound to be a great handicap to them both in operational practices and income possibilities.

I am just as hesitant in requiring that feed grain producers be required to make reductions in their production and to be placed under restrictions that to this point they have not previously been subjected to. It seems particularly wrong to me that we should be making them subject to these restrictions, when in other areas we are also expending taxpayers' dollars to increase production of like commodities. I refer specifically to irrigation projects which have recently been recommended to this House by another committee. I have documented in the committee reports on these projects the extent to which surplus commodities will be aggravated by bringing into production new land, and increased production on other land.

It seems anything but just or equitable that we should make expenditures amounting to nearly $400 million for this purpose, and then ask other farmers to submit to production restrictions. The very same injustice prevails with regard to imports that have been constantly aggravating many of our feed grains—oats, barley—and which have proved to be the deciding factor in determining the need for reduced production. In this respect I have introduced legislation which provides that the President must call for an investigation of the degree to which any agricultural product might be aggravated by imports when it has been declared a surplus commodity by the Department of Agriculture.

I hope that the Congress in further deliberations may give adequate consideration in this session to each of these matters which I know will provide a further opportunity to alleviate the agricultural problem.

While these reservations and others are most meaningful and pertinent, in my judgment, it still seems that the situation is so critical that we must seriously consider the approval of the legislation before us. Two provisions of the wheat and feed grain sections are particularly desirable in that they provide the opportunity for the Secretary to consider increased production of Durum wheat and malting barley. It is surely most desirable that we should provide every opportunity for the American farmer to produce commodities for which there is a ready market.

These provisions might well be expanded to the production of Soft Red Winter wheat, Hard Spring wheat, where again we have an ample domestic, as well as export market. It is my understanding that an amendment to accomplish this purpose will be offered. I hope the

House may register its approval for this amendment. In my opinion every opportunity should be encouraged for farmers to produce commodities that will not cause a surplus problem to exist. Such provisions by themselves will tend to alleviate the production on those same acres of commodities that are burdensome to the taxpayers and detrimental to the price structure for other producers.

In light of these facts, I am sure that the farm families, the taxpayer and the consumer will find the legislation before us to serve in a modest manner the best interests of both our national and agricultural economy.

Mr. LATTA. I thank the gentleman.

Mr. Chairman, at the outset of my remarks I would also like to say to the chairman of our committee, the gentleman from North Carolina [Mr. COOLEY] and the ranking minority member of our committee, the gentleman from Iowa [Mr. HOEVEN] that I feel, as a member of the committee, they have done a yeoman job in bringing this bill to the House floor. It took a lot of direction and a lot of guidance from these two gentlemen to get this bill in the shape that it is in today, and as a member of the committee I want to compliment them for their effort, as well as the other members of our committee who worked so diligently on an impossible bill that was submitted to us for consideration by the Secretary of Agriculture. I have reference to H.R. 6400.

In order that you may fully comprehend the job that this Committee on Agriculture has done for this House in preserving the legislative prerogatives of the House I would just like to read a couple of paragraphs from H.R. 6400, on which your Committee on Agriculture performed such excellent legislative surgery. This bill provides on page 4:

> Whenever the Secretary determines such action is necessary or desirable, he shall provide for the selection under this section of a national farmer advisory committee for any commodity or group of commodities.

We, therefore, would have brought all of agriculture under the provisions of this bill whenever the Secretary determined that such an advisory committee was necessary.

The bill further provided:

> The Secretary shall provide for the election of nominees from which he shall appoint at least two-thirds of the members and alternate members of any such committee. The nominees shall be producers of the commodity or commodities for which the committee is established and shall be elected by members of the county committees, established pursuant to section 8 of this Act, in designated areas:

We heard considerable talk after this bill was introduced, that the farmers of America would be writing their own programs. Actually, the farmer would have been thrice removed from any participation in any program under the terms of this bill that was submitted to us. He would only have his say on the election or selection of a township committee which would have then elected a county committee, which would have then voted on an advisory committee, which would have then advised the Secretary of Agriculture, and this advice could either have been accepted or rejected. Once the Secretary of Agriculture had finally decided that an advisory committee had recommended a bill on a commodity that should, in his judgment, become law, the Congress of the United States would have had only the right to veto that bill if it were to be prevented from becoming law. Certainly this was legislating in reverse and was taking from the Congress of the United States its legislative responsibility. But, your Committee on Agriculture completely eliminated that section from the bill and we have brought to you agriculture legislation in proper order and you can make a determination on it in the first instance after full debate. In other words, we are not delegating your legislative responsibilities to the Secretary of Agriculture in H.R. 8230 as was being attempted in H.R. 6400.

One objection, however, that I have to this omnibus farm bill, or to any omnibus bill, is that they all have a good many good parts and a good many bad parts in them; and, in order to either vote for or against any of them, you must do it in its entirety. For example, how many Members of the House would be for voting against the school milk program, Public Law 480, the Wool Act, and the other meritorious programs that are renewed and covered in this bill? I, for one, have always supported these programs and shall continue to do so.

Mr. Chairman, there has been a lot of discussion on the floor of the House concerning the wheat section of this bill and also as to the matter of extending the feed grain bill. As a Member of the House and as a member of the Committee on Agriculture, I think it would have been much better if we had had an opportunity to have voted on those two proposals independent of one another, as there is a considerable amount of divided opinion here. One thing that this wheat bill does in particular—and I have pointed this out in the additional views I have submitted—is that we have failed once again to recognize the fact that we have different classes of wheat in the United States, that these different classes of wheat are used for different purposes; and, as a consequence, I believe—and I have so maintained in the House ever since I came here—that we should treat them differently. But, what we are doing in this bill is this: We are saying to the Soft Red Winter wheat producers, even though their product is not significantly in surplus, that they must take the same reduction as the Hard Red Winter wheat producers who are producing a product which is significantly in surplus.

Mr. Chairman, I have here the latest copy of the publication called the Wheat Situation, put out by the Department of Agriculture as of June 1, 1961. The Department states that the carryover on June 30, 1961, of Hard Red Winter wheat was 1,118 million bushels; whereas the Soft Red Winter wheat carryover was only 13 million bushels. Why, then, should we treat these two types of wheat producers the same? There is no reason.

Mr. Chairman, at the proper time I shall offer an amendment to give some exemption to the Soft Red Winter wheat producers in this bill. I might say that in this regard, I shall have some support from the Department of Agriculture as it recognizes the scarcity dangers in this bill as presently written insofar as the Soft Red Winter wheat production is concerned. The Department is fearful that we shall end up with a shortage of Soft Red Winter wheat if this bill becomes law as it is presently written. I have just talked to a Department representative who informs me that 696,000 of the 801,000 farms producing Soft Red Winter wheat are operating under the 15-acre provision of the present law. Considering that we only had about 199 million bushels of this type of wheat produced and that we only had a 13-million-bushel carryover, should these producers be forced to take a 10-percent reduction, we end up with a deficit of some 6 million bushels of this type wheat. This, I am certain, we do not want.

Mr. Chairman, I know it is argued by many people that so long as we are exporting one single grain of Soft Red Winter wheat, we do not have any surplus. I cannot subscribe to this argument as I do not feel that the producers of Soft Red Winter wheat should be asked to give up any of their export market any more than the producers of the Hard varieties should be asked to give up any of their export market. Strange as it may seem, this is the only argument ever used against any kind of separate legislation for these various types of wheat.

Mr. Chairman, I am sorry I do not have the time to go into a matter that I think every Member of the House should be considering, in view of the remarks made by the President of the United States last night, and in view of the remarks made by the distinguished majority leader just a few minutes ago. I agree that we should have the best possible defense and that we should let Mr. Khrushchev know in no uncertain terms that we intend to protect America and to protect freedom.

In view of what must now be done by all Americans, I ask if what I am about to announce to the House is consistent with this effort.

On June 22 the Department of Commerce issued an order which will permit exports to Russia and to the Eastern European Communist countries of our agricultural abundance at subsidized prices. This means that in the only area where Mr. Khrushchev is ready and willing to admit failure, agriculture, we are now going to take up the slack, at taxpayers' expense.

Let me point out to the House and to the American people, for example, in the case of the exportation of Hard Winter wheat to Russia from our New York port, the taxpayer will now be picking up the 62-cents-a-bushel difference between the world price and the American price. The Russians will be buying our grain cheaper than Americans can buy it and the taxpayers will be forced to supplement the Russian economy with their hard-earned dollars. Frankly, I do not think we should permit that order to stand.

I think while we have the agricultural bill before us, we should do something

to vitiate this order and let the people downtown know that we still believe that an army marches on its stomach and we should not help Mr. Khrushchev at a time like this by subsidizing his farm economy.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, this bill is brought to the floor after many months of hard work. No one suggests that it is perfect. In fact, it is the result of compromise as is most legislation of major character. It is the belief of most every member of the committee that the bill is needed and that it will benefit both farmers and consumers.

When the Congress convened in January it was faced with many difficult problems. Certainly none was more difficult than that facing the Nation's farmers. And except for our national defense, none was more important.

The income of our farmers has been constantly declining for many years. Income of the average farmer is far below that of the national per capita income. This has indeed been a poor reward for a group of people who have made Americans the best fed of any people on earth; and also the cheapest fed. It is indisputable that the consumer is paying a smaller percentage of his income today for food than at any time in history.

In recent years farm legislation has been bogged down in politics. Many contend that the farm politics had its beginning with former Secretary Benson. Others lay it to former Secretary Brannan and his dubiously famous Brannan plan. Whenever and with whomever this situation originated, and without any intention of laying blame, the situation has done rural America irreparable damage.

One of the most difficult problems which faces any Secretary of Agriculture or the Congress is the division among farmers themselves. It has no single organization to speak for it. Representatives of more than 30-odd farm groups annually appear before our Committee. The big three of this group are usually always divided. Farm Bureau pursues a conservative course; National Grange, down the middle; and Farmers Union takes the liberal view. This cleavage, in an arena of political bickering, fanned by an abundance of antifarmer publicity presented a very difficult situation for Secretary Freeman and the Congress.

In my opinion, Freeman got off quite well. He launched into a campaign of extolling the abundant production of American farmers instead of criticising them for it. He contended that production of American agriculture was one of the great success stories of this era. I agree with him. With food supplies short and extremely high priced in every other section of the world, Americans were enjoying an abundance of food at low prices. This is a story that should have been told over and over to the American consumer during recent years. Instead they had been treated to releases and speeches which actually condemned our farmers, and held them up to scorn, for providing this abundance.

Secretary Freeman drove home the truth to consumers. I congratulate him for it. I believe that as a result of his statements, speeches and releases, the public now has a better understanding of farmers, their problems and their needs. And I am quite sure that the consumers have now formed some degree of appreciation for the fine job which our farmers have done.

This bill is not offered as a cure-all. It does contain proposals which are positively essential. The highly controversial sections have been eliminated, particularly title I that appeared in the original bill, H.R. 6400.

We do have surplus problems, particularly with wheat and feed grains. In previous Congresses we have passed and sent to the President programs which would have reduced these surpluses. Personally I thought these were very good bills. Unfortunately they met with veto. Veto was invoked not because the bills would have failed to reduce the surplus but because they, in the judgment of the President, would not reduce them enough. In any event, these bills were the result of compromise and we all know that it is through compromise that legislation is finally agreed upon. I sincerely believe that had the bills which we previously passed been permitted to become law our wheat and feed grain surpluses would now be at a minimum. Instead, the surpluses are now even greater.

I am confident, Mr. Chairman, that the wheat and feed grain provisions in the legislation before us will contribute materially toward bringing these surpluses under control.

Surely no one will contend that Public Law 480 should be allowed to expire. This legislation, passed early in the Eisenhower administration, has made a material contribution not only to our domestic economy but it has been of tremendous importance.

On the wheat and feed grain provisions there were some differences in the committee, although they are supported by a strong majority. On the other provisions dealing with farm credit, the Wool Act, and the school milk program, I can assure you the committee is strongly united. By and large, this entire bill has bipartisan support. We urge you to support it and to vote down crippling amendments.

Mr. HOEVEN. Mr. Chairman, I yield such time as he may desire to the gentleman from South Dakota [Mr. REIFEL].

Mr. REIFEL. Mr. Chairman, I rise in support of this farm bill. It contains nothing very new, startling, or fearsome. It is a bill that ought to be passed in the interest of doing something for the American farmer.

The controversial features that formerly were a part of this bill have all been dropped. What remains is a relatively mild measure providing some progress in meeting the most pressing farm problems.

Our surplus problem is largely in the area of wheat and feed grains; some 88 percent of it, as pointed out earlier in this debate.

The extension of the feed grain program for another year and this 1-year wheat program will give us some indication of how this kind of attempt at a solution of this complex problem will work out.

I have advocated a conservation reserve approach with payment in kind or cash at an adequate support price level without including entire farms, and the programs embodied in this bill are along these lines.

Our South Dakota wheatgrowers have taken serious acreage cuts in the past in order to comply with the wheat program and they cannot, without running into uneconomic units, now take more than a 10-percent cut in many situations. I am therefore hopeful that this percentage will not be increased beyond a 10-percent mandatory reduction in wheat acreage.

I have some reservations about the total effect of getting the surpluses reduced to manageable proportions but these approaches seem to be a step in the right direction and yet give some protection for the smaller farmers.

If this bill is enacted into law along the lines now set out it will provide the Congress with experience on the way this approach will work and thus furnish it with much valuable information on which to develop a long-range program for both wheat and feed grains which make up the major difficulties faced in our supply-demand balance.

Mr. HOEVEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. SCHWENGEL].

Mr. SCHWENGEL. Mr. Chairman, the great Agriculture Committees of the House and of the Senate have refused to give their approval to the key provisions of Secretary Freeman's omnibus farm bill.

The omnibus farm bill would not have been a solution to the farm problem; rather, it was a tent which could have been spread to bring yet more farmers under Federal control.

There are a great many reasons why the Secretary's bill was rejected.

Title I, the key provisions of the omnibus bill would have greatly increased the power and control of the Secretary of Agriculture over this Nation's agricultural industry. What this increased control might have meant is suggested by the Secretary's determination to raise the support price of soybeans from $1.85 to $2.30. Whether or not this was wanted by the producers and whether or not this would harm the producers, the Secretary of Agriculture was determined to raise the support price and to help the soybean producers even if his action meant killing them.

The omnibus bill would have given to the Secretary of Agriculture the authority to select the members of the so-called advisory committee for each commodity. Although the bill provided that one-third of the members of the advisory committee would be selected from lists submitted by appropriate farm organizations, this was not a check on the

Secretary's authority for Mr. Freeman's concept of "appropriate" has not been totally unbiased.

What this meant then was that these advisory committees would have been the Secretary's committees, composed of individuals which he selected with views which were in accord with his own.

The Secretary could have drawn up draft legislation and would not have had to accept any advice on it.

Further, the omnibus bill would have given the Secretary of Agriculture authority to initiate steps to bring other sectors of agriculture under Federal control.

The omnibus bill provided no limits on the amount of money which could have been spent.

That provision of the bill which gave Congress a veto on any legislation formulated by the Secretary was no answer to the charge that the bill would snatch away the power of Congress. The 60-day period during which this veto could have been exercised is wholely inadequate for detailed and extended consideration.

Advocates of the bill have maintained that there was a safeguard in the provision that any legislation would have to be approved in a referendum of farmers raising the commodity in question. However, the Secretary of Agriculture would have had authority to determine which farmers raised enough of said commodity to be entitled to vote.

The Freeman bill would have been voluntary in name only. The choice for the farmer would have been between compliance—with high price support—and noncompliance—punished by a drastic cut in Federal subsidies. This would have hardly presented the farmer with a free choice.

Earlier this year a spokesman for one of the major farm organizations told me:

> If the Secretary flunks out, another bill on agriculture should most certainly be considered.

The Secretary's bill has failed; the farm problem remains.

The farm problem is one of our most difficult and crucial domestic problems. While the farm population constitutes only about 10 percent of the Nation's labor force, they produce more than 60 percent of our raw material. Agriculture and the farm problem affects not only the farmer but all Americans and all facets of the American economy.

The farm problem is a most complex problem which demands thorough and complete study by experienced and competent individuals. The Freeman bill was not the product of such careful study. Such a study should be begun by the great Committee on Agriculture.

This should not mean, however, that we should not do something now which is good for agriculture and for our Nation. There are many people, especially in the organized farm groups who have been thinking about this, who have been studying this problem, and who have ideas about some plans which would be good for America, and could have a salutary effect on the difficult farm surplus problem.

A suggestion which these farm leaders have brought forward for our consideration is called a crop adjustment act or a conservation reserve program. I like such an approach.

In talks with farmers and farm leaders in the First District of Iowa, which I have the great honor to represent and which is one of this Nation's finest agricultural regions, I have found that such an approach has overwhelming support.

I have introduced two bills—H.R. 2736 and H.R. 4267—to this effect. The bill I introduced on January 16, 1961, H.R. 2736, provides legislation to expand the conservation reserve program under the soil bank to 80 million acres. This feature would seek to amend the Soil Bank Act and the Agricultural Act of 1956 in order to make necessary adjustments in the Nation's agricultural economy and I believe would tend to bring supply more nearly in line with demand. The bill would provide a $10,000 annual payment limitation to any one producer in any State.

The 10 amendments included in my bill are as follows:

First. Extend the period during which the Secretary of Agriculture is authorized to enter into conservation reserve contracts through 1969.

Second. Change the authorized period of contracts for the establishment of tree cover from 15 to 20 years.

Third. Provide for a limit of 80 million acres under the conservation reserve program in lieu of the monetary limit as now provided in the Soil Bank Act.

Fourth. Make land owned by the State and Federal Government ineligible to be placed in the conservation reserve program.

Fifth. Provide for a $10,000 annual payment limitation to any producer within any State.

Sixth. Authorize the Secretary of Agriculture to make annual payments in cash or by the issuance of certificates redeemable in wheat or feed grains.

Seventh. Require the Secretary of Agriculture to formulate and announce the conservation reserve program not later than March 1 of the year preceding the first year of the contract period.

Eighth. Require producers who enter into conservation reserve contracts to agree to carry out farming operations on the entire farm in accordance with good farming practices.

Ninth. Provide for 100-percent civil penalty instead of 50 percent as now provided in the Soil Bank Act.

Tenth. Provide that for a period of 5 years after such lands are first devoted to agricultural production, newly irrigated or drained lands within any Federal irrigation or drainage project or lands reclaimed by flood control projects shall be ineligible for certain crop loans, soil bank payments, price-support benefits, and other farm payments.

After further thought and after further counsel with agricultural leaders in the Government, on the committees and with the leaders of farm organizations in Washington, I have introduced another bill, or a refined version of my original bill. I introduced this bill—H.R. 4267—February 13, 1961.

This bill differs from the original bill in that it authorized taking out of production up to 100 million acres of agricultural land.

This bill provides, also, a plan to fit the farm output to market needs and at the same time liquidate the apparent accumulated Government stock in surplus, by providing a payment-in-kind feature.

I prefer to call this the Cropland Adjustment Act of 1961; however, I want to emphasize that this plan also is a conservation plan. In this area, it would be just as effective and probably more effective than the original bill that I introduced on this subject.

This plan, if enacted into law, would be a major step toward better farm prices and an increase in per family farm income as well as a means of reducing the tax cost of the farm program.

My bill calls for the Secretary of Agriculture to make an annual determination of the overall acreage adjustment of feed grains, wheat, soybeans, and flax necessary to bring the total estimated annual production plus the anticipated disappearance. The Secretary shall also establish annually the percentage of cropland which must be placed under contract to qualify for price support of these commodities. This is the payment-in-kind feature.

This bill provides for voluntary participation by producers of all crops, but to be eligible for price supports on wheat, feed grains, soybeans, and flax, producers must participate in the cropland adjustment program. Producers of other commodities may also participate. Any cropland retired under the program in excess of the minimum requirement for price supports must be placed under contract for at least 3 years.

Other features of this bill—H.R. 4267—include:

First. Cropland adjustment payments shall be made at a level which will encourage voluntary participation to attain the desired result.

Second. Annual payments may be made in cash or in kind. Emphasis would be placed on payment in kind with care to minimize disturbance of the market price structure of grain.

Third. Cropland retired under the program must be in addition to land normally left idle or fallowed.

Fourth. Acreage retired under the program may not be harvested or grazed.

Fifth. A maximum limit shall be placed on the percentage of cropland acreage that may be retired in any county after allowing for minimum acreage required for price support. Acreage retired under previous programs shall not prevent participation in the annual adjustment program.

Sixth. Wheat acreage allotments shall be terminated.

Seventh. The price-support level on corn shall be left unchanged and related to the average price received by farmers during the immediately preceding 3 years with a floor of 65 percent of parity, the same as the Agricultural Act of 1958. The support levels for other food grains and wheat shall be comparable to the level for corn with adjustments for the

difference in weight, nutritive value, buyer preference, and supply-demand conditions. The support price for wheat of the 1962 crop shall not be less than 120 percent of the support price for corn of the 1962 crop.

Eighth. Adequate measures shall be taken to protect farmers from the competition of commodity credit sales from accumulated stocks.

Mr. Chairman, it is extremely difficult for me to understand why, when all the farm organizations in America are in complete support of the philosophy embodied in a conservation reserve or cropland adjustment program act, the great Agriculture Committee has not even had 1 day of hearing on this proposition.

Representatives of the National Farmers Organization, the newest of the several farm organizations in my district, indicated to me that they were in complete support of this philosophy.

The Farmers Union members in my district indicated that they see considerable merit in this approach.

The Farm Bureau from my district expressed complete confidence in this approach. Every national affairs committee from every Farm Bureau in every county in my district has given its support to this approach.

The oldest of the national farm organizations, the Grange, has firmly endorsed such a program. That organization, in its 1961 legislative program, declares:

> The Grange supports the establishment of a reasonable and effective program of land retirement for crops in surplus supply and for preservation and improvement of our soil resources for future use.

This great legislative body, elected to represent the people and to reflect their interests, and their ideals and ideas, has not even seen fit to give consideration to some of the proposals that I think are of great merit and which can, in the long run, do much for the farmers of America and at the same time will be in the public interest.

There is a demand everywhere in the agricultural community for a conservation reserve program. It is something we need; it is something America must have.

The great Agricultural Committee should now give its attention to the needs and wishes of almost all farm leaders. That is, the Agricultural Committee should begin hearings on a conservation reserve program, a program that is truly in the public interest and which will have a salutary effect on the farm surplus problem that is depressing the farm market today.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON of Wisconsin. Mr. Chairman, I want to urge my colleagues to support H.R. 8230, the omnibus farm bill. It is a sound, workable measure. As a member of the House Agriculture Committee, I know how many hours went into the careful consideration of each of the provisions of this legislation.

While intended to achieve stability throughout our agricultural economy, the bill recognizes the importance of the family-type farm as an efficient unit of production and as an economic base for towns and cities in rural areas. It is significant to note that the measure declares it to be the policy of the Congress to encourage, promote, and strengthen this form of farm enterprise.

Mr. Chairman, I would like to call the attention of my colleagues to two provisions of this bill which are of special importance to the Nation's dairymen as well as to our schoolchildren, members of the Armed Forces, and hospitalized veterans. These provisions, included under title IV of H.R. 8230, would extend the very worthwhile special milk program for children and the veterans and Armed Forces dairy program.

Specifically, the bill authorizes to be appropriated for the fiscal year beginning July 1, 1962, and for each of the 4 fiscal years thereafter, such sums as may be necessary to enable the Secretary of Agriculture to encourage consumption of fluid milk by children in nonprofit elementary and high schools and nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. At the present time, the special milk program for children is operating under an emergency 1-year extension and will expire on June 30, 1962.

The bill would also extend the veterans and Armed Forces dairy program to December 31, 1964. Unless this measure is enacted into law, this program will expire December 31, 1961.

Mr. Chairman, the special milk program for children was first authorized in the revised dairy price support provisions of the Agricultural Act of 1954, which was enacted into law in August of that year. Since then, eight bills to extend and expand the program have been passed by the Congress. I have sponsored many of them and supported all of them. In 1956, I introduced the legislation which made summer camps, settlement houses, and other child-care institutions eligible for participation in the program.

Nearly 450 million half-pints of milk were used by children in over 41,000 participating schools during the first year the program was in operation. Since that time, both the amount of milk consumed and the number of schools taking part have snowballed. In the school year just ended, the special milk program helped city and rural youngsters in more than 85,000 schools and child-care institutions to increase their milk consumption by 2.5 billion half-pints. This figure represents more than 2 percent of the Nation's annual nonfarm fluid milk consumption.

Mr. Chairman, the program is operated through State agencies, which in turn use the Federal funds to reimburse the schools and institutions for part of the cost of the additional milk purchased locally and made available to youngsters through high school age. This milk is in addition to milk served as part of the national school lunch program.

Currently, better than half of the Nation's schoolchildren are now drinking milk at school as the result of the special milk and school lunch programs. However, it is my feeling, and the feeling of the U.S. Department of Agriculture, that we must concern ourselves with getting milk to the rest of our school population, as well as seeing to it that schools already participating in the program are able to continue to do so.

Mr. Chairman, as chairman of the House Dairy Subcommittee, I conducted hearings on April 11 and 12 of this year on nine bills to extend and expand the special milk program. Because the omnibus farm bill, introduced on April 18, included this program, the subcommittee did not report these earlier bills to the full committee. However, the testimony at those hearings proved useful by showing the extensive support for this program and by indicating the way that it should be handled in the future.

For instance, the Department of Agriculture testified in favor of putting the special milk program on a direct appropriation basis, rather than having the money come from the Commodity Credit Corporation, as it has in the past. The USDA witnesses noted that the program has now become a positive measure for the nutritional betterment of our children and for the expansion of farm markets, instead of a temporary device for helping to support the price of milk and dairy products. I agree with this approach, which is the one utilized in H.R. 8230.

Mr. Chairman, my Dairy Subcommittee also held hearings on eight bills to extend the Veterans and Armed Forces Dairy Program, under which butter, cheese, and milk are provided to our servicemen and hospitalized veterans. This program has worked effectively and efficiently during the past 7 years. It has been extended on two occasions by enthusiastically large affirmative votes in both Houses of Congress.

Unless renewed, this program will expire at the close of this year. I am pleased that a 3-year extension of the program has been included in the omnibus farm bill.

According to figures just received from the Department of Agriculture, members of our Armed Forces and patients in our veterans hospitals increased their consumption of milk over the standard ration by about 543 million pints in 1960 under the dairy program we are discussing. As a result, total consumption of fluid milk by personnel in the Army, Navy, Air Force, Marines, Coast Guard, U.S. Merchant Marine Academy, and veterans hospitals was more than double what it would have been if only standard ration purchases of fluid milk had been made.

Under an agreement between the Commodity Credit Corporation and the Army Quartermaster Corps—acting for all military agencies, the Coast Guard and the Merchant Marine Academy—and another agreement between CCC and the Veterans' Administration, part of the cost of the increase in fluid milk purchases is paid from CCC funds. The resulting increase in milk consumption diverts fluid milk from the manufacture of dairy products that otherwise would

have to be purchased by CCC under the price-support program.

Mr. Chairman, payments to the cooperating agencies for the 1960 increase in consumption totaled $23,911,074. This is the approximate cost that CCC would have incurred in purchasing, handling, and storing butter and nonfat dry milk produced from the amount of milk equal to the increase of 543 million pints in consumption.

The year of 1960 also saw the addition of 15,947,000 pounds of surplus butter, 496,000 pounds of surplus cheese, and 76,000 pounds of surplus nonfat dry milk to the standard dairy rations of our servicemen and hospitalized veterans under this program. Since 1954, our Armed Forces and veterans hospitals have benefited from a total of 177,175,000 pounds of surplus butter, 11,606,000 pounds of surplus cheese, and 549,000 pounds of surplus nonfat dry milk.

A recent survey of the food preferences of servicemen shows that milk tops the list, with other dairy products ranking high. Since these foods are available as a result of our price-support programs, it is simply good commonsense to put these surpluses to use by donating them to the military and to the veterans hospitals.

Mr. Chairman, both the special milk program for children and the veterans and Armed Forces dairy program are excellent examples of how we can put the productive resources of our farmers to work for better nutrition. Milk that might otherwise be classified as surplus Government inventories is being used to help guard the health of the Nation's children during their important growing years and is improving the diets of our servicemen and hospitalized veterans. These programs represent a positive approach to managing food abundances rather than a means of disposing of farm surpluses.

I might add that these programs are also an excellent example of how farm programs work for the benefit of all of our citizens. When city people hear stories of the high cost of the farm program, all too many of them are not aware that farm programs help to provide milk at reduced prices for their children; low-cost, well-balanced lunches at school; better fare for our military personnel and veterans in hospitals; food for needy families in their communities; research in household economics; and a whole array of marketing services which protect the quality of the food that reaches our dinner tables. Because we are now an urban nation, city families benefit more from these services even though they are labeled as part of the cost of the farm program.

Mr. HOEVEN. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. FINDLEY].

Mr. FINDLEY. Mr. Chairman, this bill is essentially an extension of the feed grains program and an application of some of the features of the feed grains program to the wheat program.

I should like to remind this body that less than 5 months ago there were 202 Members of this body who voted "No" on the feed grains program. I am sure each Member had valid reasons for so voting on that occasion. I am sure those reasons are still valid today. If any Member has indicated a change in heart, I have not heard of such.

That means, in my opinion, that the reasons we had for opposing the feed grain bill are still valid. In addition to those reasons, we have some new ones. I am sure many Members of this body saw the statement in the CONGRESSIONAL RECORD dated July 18 entered by the Senator from Delaware in which he pointed out the likelihood if not the certainty that about 160 million tax dollars had been paid for phantom acres under the feed grains program.

I am sure the Members of this body will also recall repeated occasions on March 7, 8, and 9, it was stated in debate that the feed grains program would be a payment-in-kind program, a mechanism under which the surplus stocks which the taxpayers now own would be sold on the market and the proceeds used to finance this program. Now, for all practical purposes, the payment-in-kind feature of the feed grains program is out the window.

Third, new reason we have for our opposing the bill, because of the nature of the feed grains program, is that the action would be premature. It has been only 5 months since we enacted the first feed grains program. We would have plenty of time in January or February to take this action if the effects of the program by that time seem to justify it.

The cost of the program is unknown, but it is already clear it will approach $800 million and, perhaps, $1 billion. The impact of the feed grains program on the livestock complex of our country is as yet undetermined, and so far there is no clear evidence that the feed grains program will actually result in a reduction of our Government-owned surpluses. Certainly, that was intended to be one of the effects of the program.

Some would say, perhaps, the big signup is a reason today to vote "yes" for the feed grains program whereas he voted "no" in March. What does this signup really mean? In my opinion, it really reflects the fact that the feed grains program places tremendous price and market breaking power in the hands of the Secretary of Agriculture. There was evidence earlier this year that the Department of Agriculture was willing to use that power to force compliance in the feed grains program.

The feed grains program also had tremendous lure for the farmers short of cash—the lure of money in the springtime. All you do is come in, sign your name, and get your cash. But what will the farmer think 6 months from now when this money is gone and he faces the bills which he ordinarily would have paid with the cash from his crops?

Regarding the wheat section, I would like to point out that for the first time in American history, it would mean that American farmers would be forbidden to raise wheat unless they could show they had raised wheat in the crop years of 1959, 1960, or 1961. If this bill is enacted in its present form, it means that wheat will join the long and growing list of basic commodities in which there is no longer freedom of choice to plant, such as tobacco, rice, cotton, and peanuts.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Oklahoma.

Mr. ALBERT. I think we ought to get the record straight on that point. In the first place, under the section providing for 30 acres of wheat for feeding, which my subcommittee put through a few years ago, anybody can grow 30 acres of wheat for feed. This bill does not change that law. In the second place, there are new grower allotments allowed under the law and new grower allotments have always been allowed. In the third place, anybody can grow wheat and sell it, if they pay a marketing penalty. A man can grow any amount of wheat that he wants to grow, if he is willing to pay the marketing penalty. So the statement that the farmer is forbidden or prohibited from growing wheat is not exactly in line with the actual situation so far as the law is concerned.

Mr. FINDLEY. Mr. Chairman, I have references that I would like to make, and which I will make later in the debate, in response to what the gentleman brings up, but at this point my time is limited and I would like to devote my time to the essential, broad problems involved, if we enact this legislation. Suffice it to say that, for practical purposes, this bill slams the door tight on freedom of choice wheat planting. Wheat for feed cannot be sold. New farm allotments can be issued only if excess allotments are available. As to freedom to plant if one wishes to pay a penalty, what does this freedom amount to? We are free to commit murder too, if we want to pay the penalty.

There may be some support for this legislation in the light of political expediency, but what of the long-range interests of the farmer? We have had many examples in history to prove that the first goal of the dictator is to destroy the independence, the freedom of choice, the freedom of action of the farmer. This was done in Red China, it was done in Russia, it is being done in Cuba, and would it not be a terrible tragedy if in the guise of helping the farmer we were to accomplish the same thing here in America?

Recently I conducted an extensive survey among my constituents—and my district is predominantly agricultural. One of the questions I asked was, "Do you favor greater Government control of farm production?" Eighty-eight percent of more than 10,000 replies I received said, "No." There was almost no response in favor of greater Government control, and I firmly believe that the farmers do not want more Government control.

This bill moves in the wrong direction. The farmers have confidence in our private enterprise system, and they want to preserve private enterprise in farming.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I gladly yield to the chairman of the committee.

Mr. COOLEY. I apologize for interrupting the gentleman's thought; but talking about controls and farmers being opposed to controls, I am wondering just how many crops in the gentleman's district are under control.

Mr. FINDLEY. We grow some wheat in my district. Of course, corn is a large item. We fear the danger of the control of livestock, too. The bill in its original form included livestock marketing quotas. We are concerned about that.

Mr. COOLEY. Is the gentleman talking about experiences with Government control or fears that arise of possible Government control?

Mr. FINDLEY. The people in my district can look at the experience of the tobacco farmer, the cotton farmer, and others who are working under controls, and they see that such controls tighten the noose around the necks of those participating. They do not want any part of it.

Mr. COOLEY. Your farmers are just standing in fear of something that might happen. My farmers know what controls are. Ninety-eight percent of the tobacco crop is under controls, and it has been a very successfully operated program.

Mr. FINDLEY. I would like to devote my entire time to answering that statement, but I am not able to. Is the tobacco program successful? It depends on from whose standpoint you speak whether or not it is a success. How about the farmer who wants to grow tobacco, but cannot because he has no allotment?

Mr. COOLEY. I am talking about the farmers who produce tobacco, the Government that operates the program, and the cooperators that handle the crop.

Mr. FINDLEY. That is all well and good for the little circle that profits from it, but what about the rest of the American people?

I understand there are 86,000 burley tobacco growers, each with allotments less than one-half acre in size. Some call this apportioned poverty. Would you impose this fragmentation of agriculture on the Midwest? We can see your unhappy experience with tight Government controls, and profit from it. The Midwest farmer is determined to escape the quagmire of regimentation.

Mr. Chairman, let me now review the bill in detail.

H.R. 8230 is an omnibus bill, and it contains a few good features along with the bad. Unfortunately, the bad far outweigh the good.

It improves the Agricultural Trade Development and Assistance Act of 1954—Public Law 480—Farmers Home Administration lending authority, and the milk programs for schools, armed forces, and veterans. It provides extension of the Wool Act and the Great Plains Conservation Act.

There is little dispute over these features, but it would be a serious error to assume that bad legislation must be accepted in order to get the good. If this bill is defeated, these extensions and improvements could be accomplished very quickly in separate legislation.

Other features would impose a new 1-year control program on wheatgrowers, extend the 1961 feed grains program for another year, and extend authority for marketing orders to several new commodities.

These features would impair the independence and opportunity of the farmer, and would be harmful to his long-range interests.

Marketing orders involve a great measure of compulsion and restraint of trade. They should be authorized only with caution and after extensive hearings. No hearings have been held concerning the marketing order authority requested in this bill, nor has there been any substantial evidence of desire for such authority.

The wheat and feed grains sections would not solve any problems. Indeed, they would make more difficult the action which ultimately must be taken if grain producers and handlers are to escape complete Government regimentation.

Our goal should be to get Government out of the grain business, and let the marketplace keep supplies in balance with demand. In formulating new farm legislation, we should bear in mind this fact: The healthiest segments of agriculture are those free of Government controls.

This bill would move agriculture in the wrong direction: toward greater Government controls, rather than less. It would put the entire grain market in the palm of the Secretary of Agriculture's hand. He could influence market prices at will. This is too much power to give any man.

The feed grains program would be extended for another year, with minor changes. Reporting to Congress on June 21 concerning the 1961 feed grains program, Secretary of Agriculture Freeman said:

> Data in this report must be considered preliminary, and the full effects of the program will not be known until sometime after harvest.

We should wait until "after harvest," instead of rushing into this 1-year extension. Next January would be soon enough. Farmers and other taxpayers are entiled to know the effects and cost of this program before they are bound to it for another year.

A costly boondoggle is already indicated. Contracts exceed $680 million. A sudden drop in corn prices in March, believed by experts to reflect the implied threat of market breaking in the feed grains program, stampeded many farmers into late-season loans on 1960 corn. This put a record quantity of corn—611 million bushels—under loan, and this extra tax cost should be included in computing the cost of the 1961 feed grains program.

When all costs are added, the figure will probably rise to $800 million, perhaps $1 billion. Only a trifling amount has been financed, as directed in the bill, by means of sales of Government grain stocks.

Using Department of Agriculture figures, it is already clear that the first-year cost for each acre retired under this program will be over $40.

There is no assurance it will reduce surplus stocks. Least productive acres are retired, and abnormal use of fertilizer would tend to offset the effect of land retirement. The payments-in-kind feature, which would ordinarily result in some reduction in Government-owned stocks, is now under a cloud of doubt. Virtually all farmers under this program have transferred—or will transfer—their payments-in-kind certificates to the Secretary for cash. There is no deadline under which the Secretary must redeem their certificates by marketing Government-owned stocks.

As a practical matter, the feed grains program is cash payment all the way.

These certificates will influence the market, however, as they give the Secretary authority to redeem them any time he wishes by selling Government grain on the open market.

Heretofore, Government stocks could be sold on the market only if "going out of condition" or at 105 percent of the support price plus reasonable carrying charges. These conditions tended to restrict to some degree the price-depressing influence of Government surplus stocks. Feed grains certificates now give the Secretary the power to break the market on a moment's notice.

Many farmers oppose this boondoggle because it would put the farmer in a bad light. Heavy signup under the 1961 program does not mean cooperators think the program will solve anything. To many of them, signup was the only way to protect themselves against market-breaking power in the hands of the Secretary. Some of the payments for idling land go as high as $70 per acre. The lure of this "sure thing," half of the cash to be paid in the spring, would be hard to resist.

When analyzing preliminary crop reports, bear in mind that early-season estimates usually are on the conservative side.

The wheat section would make a miserable situation worse. It would add a 10 percent mandatory acreage reduction, and permit an additional 30 percent reduction. In both cases farmers cooperating would get cash payments similar to the feed grains system. Likewise, the Secretary would gain new market-breaking power through the certificate procedure.

Farmers without allotments who have in any of the last 3 years planted 15 acres of wheat could retire the entire 15 acres and get paid for them.

The Secretary has indicated that the wheat support level will be increased to $2 a bushel, so this will probably induce heavier production on remaining acres. Worth noting is the fact that wheat plantings in recent years have been about 10 percent less than the legal limit. Higher supports would probably take up this slack, canceling off the effect of the 10-percent mandatory reduction. Another hint that this legislation may actually cause bigger surplus stocks, rather than smaller.

Per bushel wheat subsidy would have to go to about 80 cents so producers can

hang onto their foreign markets. This would add about $125 million extra burden on the U.S. taxpayer, and bring the total wheat export subsidy to $500 million.

The feed grains and wheat sections of this bill would let the Secretary of Agriculture pass out over $1,200 million during 1962. He would also have the authority to make grain market prices fit the election calendar.

This bill would increase Government regimentation of agriculture at heavy expense without solving any problems.

The American farmer deserves better than this. He is entitled to be free from the oppressive influence of bureaucracy in producing and marketing his grain. He deserves the opportunity for progress and profit that historically has been found in such abundance when freedom-of-choice production is permitted.

Mr. HOEVEN. Mr. Chairman, I yield such time to the gentleman from New York [Mr. KILBURN] as he may use.

Mr. KILBURN. Mr. Chairman, the omnibus farm bill originally presented by Secretary Freeman was greatly improved by the Committee on Agriculture. However, it is still an extremely complicated bill. I have tried to study it the best I know how and while there are provisions in the bill that are good, the feed grains section I feel is bad for our dairy farmers. Their cost of feed will go up and they are having a tough enough time as it is.

I understand the gentleman from Maine [Mr. MCINTIRE] will offer an amendment correcting that. I will vote for his amendment and if it carries, I expect to support the bill. However, if his amendment is defeated and the present feed grains section remains in the bill, I will vote against the measure feeling that the good parts do not outweigh the bad features of the feed grains section.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. BREEDING].

Mr. BREEDING. Mr. Chairman, who gets Government subsidies?

Ask the average man on the street what he thinks of Government subsidies and chances are 10 to 1 that he will tell you he is against them. Ask him who gets most Government subsidies and his answer will be "farmers." Ask if he or his business receives a subsidy and the answer is likely to be an emphatic "No."

But despite such commonly expressed opinions, the American public has been supporting an elaborate system of Government subsidies since the First Congress met in 1789. It is difficult to name a business which is not receiving some type of Government subsidy. This average man on the street, who says he is opposed to all subsidies, comes into contact with them every day.

When he awakens in the morning, he turns on a light and immediately starts sharing the results of a subsidy provided through a fast tax write-off plan which saves power companies billions of dollars—and which reduces his light bill accordingly.

When he goes to a breakfast of bacon and eggs, he shares the benefits of the Government's $21 million Federal meat inspection program—a program conducted by the U.S. Department of Agriculture for the sole purpose of assuring the public a safe and wholesome supply of meat.

If he has children in school, their education is subsidized by taxes paid by the childless neighbor across the street. And, if his are among the 12 million children who eat a hot lunch provided through the highly popular Government school lunch program, he receives direct benefits from another $150 million Government subsidy. If his children are in one of the 78,000 schools participating in the special school milk program, they come in for a share of still another $75 million subsidy.

When "Mr. Average Man-on-the-Street" drives the family car into the filling station and tells the attendant to "fill 'er up," he again shares in a major Government subsidy.

If he makes a trip by plane, he rides at a fare made possible by a direct subsidy to airlines—and by tax supported airports and air traffic control facilities.

If he lives in a house purchased with a GI loan, he pays a lower rate of interest because Uncle Sam has agreed to bail the banker out in case there is a default in payments.

When he sits down to read a magazine, he starts sharing a subsidy provided through the U.S. Post Office Department—a subsidy which has cut the annual cost of mailing a single publication by as much as $8,604,000.

Ready for bed, the average man-on-the-street goes to a closet and places his trousers on a steel hanger that came from a plant built on a cost-plus basis during World War II and sold to a steel company for a song a few years later.

So, throughout the day, the man who says he is opposed to all forms of subsidy has been sharing special services provided at the taxpayers' expense.

These conditions do not justify a continuation of ineffective farm price support programs now in operation. They do show clearly that farmers have not been—and are not now—the exclusive beneficiaries of special subsidies and services supplied at the expense of U.S. taxpayers.

The following figures show the Bureau of Budget's breakdown of current expense of aids and special services for a recent year.

	Millions
CCC losses on farm price support	$184
International wheat agreement	77
Grants in aid (extension service, experiment stations, etc.)	60
Other USDA operations	94
Total for agriculture	463
Post Office Department in favor of business	670
Navigation aids	137
Air navigation aids	93
Ship operation subsidies	50
Other special aids to business	138
Total to business	1,041
To labor (grants to States for operating employment service and unemployment compensation programs)	200

These conditions do show clearly that farmers have not been, and are not now, the exclusive beneficiaries of special subsidies and services supplied at the expense of U.S. taxpayers.

Editorials labeling total USDA's expenditures as—"A $6½ or $7 Billion Subsidy to Farmers"—have become commonplace.

Many critics, in an effort to discredit farm programs they do not like are using inaccurate and misleading figures which tend to turn the public against any type of Government service to agriculture and even against farmers themselves.

Eliminating excessive Government farm program cost—and even farm programs themselves, where they are not effective—should be the goal of every American, but we cannot, and we must not, permit the public to think of the cost of all USDA activities as a subsidy to farmers.

We must remind the public that USDA activities serving the total public include:

First. The farm commodity export program, which in 1957 cost $843 million—or about one-sixth of the total USDA appropriation for that year.

Secretary Freeman has said of this program:

> It is helping keep the free world free. It is an ambassador of good will. Every American can be proud of the constructive use being made of the abundance of American agriculture.

Second. About half a billion dollars annually for REA loans. These are repaid with interest and repayments are over $100 million ahead of schedule.

Third. A market research program. The $28 million appropriated for this program last year is financing over 600 projects, the results of which are already benefiting industry and the public as well as farmers. Studies already completed have provided: (a) New handling methods now saving the grain trade over $1 million annually; (b) techniques which cut industry's cost of storing cotton by $2 million per season; and (c) processes reducing food handling cost by $6 million annually in the city of Philadelphia alone.

Fourth. Federal meat inspection, which cost about $19 million annually. The sole purpose of Federal meat inspection is to assure the public of a clean, wholesome supply of meat. It is, in effect, a program for policing the packing industry.

Fifth. The brucellosis eradication program. This one cost around $22 million annually and its primary goal is public health protection.

Sixth. The International Wheat Agreement, which has been costing about $20 million annually. This program helps provide farmers a higher price for wheat—but it also helps members of the grain trade expand their export business—and profits.

Seventh. The universally popular school lunch program. In terms of cash and commodities, USDA contributed around $284 million to this program last year. Several million schoolchildren shared the benefits of this program. Among these are those whose fathers

are writing editorials referring to the program as a part of the $6½ or $7 billion subsidy to farmers.

Eighth. The supervision and operation of 181 million acres of national forests. These are maintained and managed by the Government for the production of timber, regulation of streamflow, flood control, water power, irrigation, navigation and municipal water supply—all in the interest of the public.

Furthermore, over 45 million citizens took advantage of the recreational facilities of national forests last year.

USDA appropriations editorially referred to as "a subsidy to farmers," or "the cost of the price support program," are also used to pay for the operation of rural development program, Extension Service, retirement program for some 83,000 USDA employees, Commodity Exchange Authority and many other USDA activities, which serve the general public as well as farmers.

A report issued by the House Committee on Agriculture on June 25, 1958, states that farm price support losses from 1933 to 1958, have cost taxpayers $5,173,746,788.

The House Committee on Appropriations, however, reports the following taxpayer subsidies:

	Millions
Mail subsidies (10-year period, 1946–56)	$5,968
Business reconversion payments	43,262
Subsidies to maritime organizations (1938 through 1957)	3,500
Subsidies to airlines (1938 through 1957)	614

The December 12, 1958, issue of Wall Street Journal reports that subsidies to U.S. ship line operators run $120 million annually, and that, if approved, requests now before the Maritime Board will bring the total to $220 million.

The U.S. News & World Report for August 8, 1958, reports that the Government is building two new steamships for ship line operators.

One, the *America*, is to cost taxpayers $120 million—it will sell for $47 million.

The other, the *President Washington*, is to cost Uncle Sam about $80 million and it will sell for $34 million.

This is not to say that all subsidies are wrong or that they are right; it is clear proof that subsidies are not an exclusive benefit of farmers.

Here is one to think about: A 10-percent increase in farm prices could, first, increase consumer food cost 4 percent and, second, increase net farm income 50 percent.

Here is how it figures: Farmers receive 39 cents from each $1 spent for food. Therefore, if we increase the farmer's price by 10 percent—consumers will pay 3.9 cents more or about $1.04 for food that now cost $1—4-percent increase.

The farmer has about 80 cents expense on each $1 of sales. In other words, if his total sales run $10,000, his expense is about $8,000 and profit $2,000.

Increase his price 10 percent, and his profit increases $1,000, or 50 percent.

Thus, if no one else were to act, a 10-percent increase in farm price would increase the farmer's net income by 50 percent and food cost 4 percent.

The typical midwestern farm represents an investment of about $50,000 per worker. That compares with about $15,000 per worker in industry.

Farmers have $3 invested in production for every $1 that is invested in the marketing of their products.

The number of persons supported by one farmworker was 6.9 in 1900, 10.6 in 1940, 15.9 in 1950, and 23.5 in 1958.

In 1948, farmers were getting $2.81 per bushel for wheat and consumers were paying 13.8 cents for a 1-pound loaf of bread.

By 1955, the farmer's price had dropped to $2.14 per bushel and the consumer's cost had climbed to 17.5 cents per loaf.

But by 1957, the farmer was getting only $2 per bushel for wheat, and the consumer was paying 18.8 cents per loaf for bread.

Thus, between 1948 and 1957 wheat prices dropped 29 percent and bread prices increased 38 percent.

One hour's pay would buy: First, 6.4 1-pound loaves of bread in 1929, 11 loaves in 1957; second, 1.2 pounds of steak in 1929, 2.2 pounds in 1957; third, 7.8 pints of milk in 1929, 16.6 pints in 1957; fourth, 1 pound of butter in 1929, 2.8 pounds in 1957; fifth, 1.3 pounds of bacon in 1929, 2.8 pounds in 1957; sixth, 1.1 dozen eggs in 1929, 3.7 dozen in 1957; seventh, 17.7 pounds of potatoes in 1929, 36.3 pounds in 1957; and eighth, 1.3 dozen oranges in 1929, 3.6 dozen in 1957.

Between February 1950, and February 1958, the average New York retail price of a pound of beef increased from 70 cents to 74 cents.

During the same period, average weekly earnings of factory workers increased from $59.33 to $80.85.

Thus, beef prices increased 5.7 percent while weekly earnings increased 35 percent, and the amount of working time required to buy a pound of beef dropped from 30 to 19 minutes.

Farmers and ranchers are among the biggest customers of American industry.

For example: There are 12 million tractors, cars, and trucks on the U.S. farms. Agriculture buys more petroleum than any other industry. Farmers provide a market for 6½ million tons of finished steel annually.

Rubber used on the farms of America would put tires on nearly 6 million automobiles annually.

Sixteen percent of the gross freight revenue is from agricultural products.

Agriculture consumes 50 million tons of chemicals each year.

Agriculture uses more electric power than Chicago, Detroit, Houston, Baltimore, and Boston combined.

About 10 million persons actually work on the farms of America.

In the total agriculture economy, about 25 million workers are gainfully employed as follows: First, 6 million in manufacturing and selling farm production supplies; second, 10 million actually on the farm; and third, 9 million are processing and distributing farm commodities.

Thus, approximately 25 million workers or 40 percent, approximately, of our gainfully employed are involved in the production and distribution of food and fiber from the farms of America.

While the actual farm population has steadily declined, this total number engaged in the total agriculture economy has remained fairly stable over a long period of years.

In 1951, farmers received $20.2 billion for producing food that cost consumers $43 billion.

In 1957, farmers received $19.5 billion for producing about 11 percent more food that cost consumers $50.4 billion.

Thus, consumers paid $7.4 billion more and farmers received $700 million fewer for about 11 percent more food.

Furthermore, in the food industry during that period, corporate profits increased $0.7 billion, labor costs $3.6 billion, transportation costs $1 billion and other business expenses $2.8 billion.

In 1957, per capita farm income was $967, while per capita nonfarm income was $2,082; $309 of the farmers' $967 was for work done off the farm.

During that year, the hourly income for farm labor and management was 70 cents while workers in manufacturing industries received $2.07 per hour.

During 1956, farm families operating the Nation's 2,213,000 commercial farms received an average income of $5,415 while all nonfarm families—including those living on skid row and public relief—received an income of $6,900.

Efficiency is essential to continue success in any business, but increased efficiency has not provided farmers an equitable income. Farmers are caught in a terrible cost-price squeeze. The income of farmers has dropped drastically in recent years. The exodus from the farm becomes greater each year.

There are many problems for critics of the present farm program to consider. But by misrepresenting the true facts and by clouding the issue with irresponsible talk about huge subsidies, these people are only complicating an already serious problem.

What is needed is calm deliberation; not wild, irresponsible talk. After all, the well-being of a large segment of our population is at stake—the businessman, as well as the farmer.

Mr. COOLEY. Mr. Chairman, I yield to the gentleman from Texas [Mr. POAGE], such time as he may desire.

Mr. POAGE. Mr. Chairman, the gentleman from Illinois has sought to cast doubt on the effectiveness of the existing feed grain program.

Questions have been raised regarding the apparent discrepancy between the number of acres that feed grain program cooperators indicated they would divert from corn acreage this year, and the total reduction indicated in the July crop report. Producers who signed up for the 1961 feed grain program stated their intention to divert 20,090,000 acres of corn. When the July crop report came out, it indicated a 15,469,000-acre reduction below 1959–60 corn acreage. As a result there has developed a misunderstanding to the effect that producers might have been paid to take out of production 4½ million acres which was never intended to be put into corn production in 1961.

Here are the facts: There are no so-called phantom acres.

To begin with, conservation payments will be paid only to farmers who actually divert grain acreage to conservation uses. The extent of this diversion is being determined by actual farm-by-farm measurement of acres taken out of production. Moreover, payments until now are only partial payments, the remainder to be completed after September 1 when the facts are all in.

Second, it is too early to say definitely how many acres have been diverted, notwithstanding the estimated planted acreage as indicated by the July crop report.

Third, this is a voluntary program, and there is nothing to prevent nonparticipants from exceeding their 1960 acreage. The best estimate is that nonparticipants have increased acreage by about 3 percent above the 1959–60 average—or an increase of about a million acres. With approximately 40 percent of the corn-sorghum acreage on noncooperating farms, even a slight per-farm increase could cause early estimates to differ from final results.

Fourth, it is recognized that farmers who sign up for a program may later decide to plant more acres than their original estimate. In the case of the feed grain program, the ASC committees have estimated that land actually diverted would probably be about 7 percent less than indicated. This means that acreage actually diverted is more likely to be 18.7 million than the 20.1 million first estimated. This is the Department of Agriculture's own assessment. At any rate, final payment will be based on actual measurement of acres diverted to conservation and not on an early season statistical estimate.

The Department of Agriculture has at no time indicated that the total amount of acreage signed up under the program would be the amount actually taken out of production. And whatever the final figure turns out to be—whether it is 20 million, 18 million or some other figure—the payments will be made only for the acreage taken out of production. Further, as a condition of payment, this land must be protected through conservation practices during the current crop year.

Also, it should be emphasized that these misunderstandings about acreage numbers in no way alter or jeopardize the total success that we now know the feed grain program to be. The July crop report confirmed the effectiveness of this program in reducing inventories and saving tax money.

The report shows that corn produced for grain will be 700 million bushels less in 1961 than in 1960. This is a reduction of about 18 percent. More important, it is 700 million bushels below the crop that we could have expected this year if the special feed grain program had not been adopted. This year, we will be producing less corn than we will use up—for the first time in 9 years. Government stocks will be reduced, and instead of spending public funds for corn we do not need, the Government will actually be able to sell some of the corn acquired in previous years.

This will result in an estimated saving in storage, handling, interest and other carrying charges of an estimated $750 million below the program it replaced.

Mr. HOEVEN. Mr. Chairman, I yield to the gentleman from Nebraska [Mr. BEERMANN] 5 minutes.

Mr. BEERMANN. Mr. Chairman, as indicated in my opposing views in collaboration with my colleague, the gentleman from Illinois [Mr. FINDLEY], the bad features of this bill outweigh the good features; therefore, I am in opposition to it.

I agree with the proponents of Public Law 480 and various other features of this bill that are good.

My main objection to the bill is that it would move agriculture in the wrong direction, toward greater Government control rather than less. It would give the Secretary of Agriculture almost complete control of grain markets and thereby influence our market prices at his will.

I like the remarks of the distinguished majority leader. Our country does not have the same problem that Russia and China have, because we do have a strong and dynamic agriculture, but our strong and dynamic agriculture did not get that way by following the advocates of this type of program or by a program that in any way could eventually be the same kind of program that Russia and China are under today. I wish you would study the effects this type of legislation will have.

When I say we farmers want to be free, I mean we would like to have freedom in our operation. We want a gradual decrease of Government intervention in our programs, because the grain feed area of the United States is the entire United States now. Just a few short years ago the grain feed area was from Ohio to Nebraska. Because of Government controls, price supports, and marketing, the entire United States has now become a competitive area to the original feed grain area.

We need some Government controls to work out of this program. I fear if we do not start doing it soon and on a gradual basis, you members from the cities, with the hundred votes you have, may get so disgusted with our farm program you would vote it out overnight. This could be very disastrous for our national economy. I want to see this withdrawal worked out on a gradual basis. The provision that gives the Secretary of Agriculture the power to set prices by release of grain or setting prices at his will is probably my most strenuous objection.

In H.R. 8230, the temporary feed grains program would be extended for another year. I believe farmers and other taxpayers are entitled to know the full effect and cost of this program before they are bound to it for another year.

Permit me to read a portion of the hearings on the "Farm Cost-Price Squeeze" held in Sioux City, Iowa, on April 22, 1961. On page 319 Mr. Albert Watson of Wayne, Nebr., is testifying:

Mr. Chairman, with your permission I would like to ask somebody a question.

Chairman HOEVEN. You certainly may, and you may also file your entire statement which will be incorporated in the record. To whom do you wish to direct your question?

Mr. WATSON. To the committee as a whole, I believe.

Chairman HOEVEN. Very well.

Mr. WATSON. I am wondering why the Department of the Interior continues to bring more land under irrigation, often at excessive costs, at the same time the Department of Agriculture is paying us to take land out of production.

Chairman HOEVEN. You have asked the $64,000 question. That is very much a matter involving a geographical consideration. Let me say that most of us from the Midwest and the Farm Belt don't think such operations make any sense. We can't understand why they should put new land in production, through irrigation or otherwise, so as to put new producing areas in competition with an oversupply of grains in our area.

On the other hand, we have a great number of Members of Congress from the Far West and Mountain States who are vitally interested in reclaiming land. They are fighting just as hard for their constituents as we are fighting for our constituents in protecting their own interests. I don't know how that question is going to be resolved. Does anyone else want to elaborate upon my observation?

Mr. WATSON. Mr. Chairman, it is true that in some, if not quite a few of these projects, they are actually prohibited from the possibility of using any of this irrigation water that is stored up for the production of crops in surplus and that has been made in some instances, but of course it is not general enough.

Chairman HOEVEN. Do any other members of the subcommittee wish to comment?

Mr. BEERMANN. I wish you were in Washington and could ask that question almost every day. Thanks for your testimony.

Mr. Chairman and Members, I refer you to a 10-cent booklet published in 1955, entitled "The Farm Crisis." I wish we had an hour and we had enough people who were interested. I would read this to you and ask you where it came from and who wrote it. I commend this to your reading and invite you to make your own comparison of much of the legislation that has been before us in this session with the recommendations contained in "The Farm Crisis."

I will read just the last paragraph:

It is with the aim of furthering the struggle for these objectives and of uniting the people in the city and country that the Communist Party offers this program for friendly discussion and common action.

We do not have H.R. 6400 before us any more, but as the illustrious chairman of the Committee on Agriculture said in his news release the other day, the major provisions are still in the bill.

Mr. HOEVEN. Mr. Chairman, I yield 3 minutes to the gentleman from Montana [Mr. BATTIN].

Mr. BATTIN. Mr. Chairman, I take this opportunity to congratulate the Committee on Agriculture on removing the 15-acre exemption which, as stated by the gentleman from Oklahoma [Mr. ALBERT], was a loophole that badly needed plugging. However, coming from an area that is principally dryland farming, when it comes to the production of wheat and barley and some of the feed grains, I am concerned over the mandatory reduction of 10 percent. Some say it should be 20; some think it should be

more. I personally think there should be no reduction. But, I think it proves the fact that it is almost impossible to legislate generally across the country for all sections and all classes of the various producers. We in Montana cannot produce tobacco, cotton, or peanuts, but we can produce such things as wheat, barley, mustard seed, safflower, and some Durum. Certainly the farmer in the dryland area has no control whatever over the problem of moisture and general weather conditions. All we ask for is equity, and I am not sure that this particular bill is going to give us that.

It has been suggested that we distinguish between various types of wheat so that those in short supply or, at least, not in surplus, will not be penalized by a reduction of what is generally classified as wheat. I do not think there is any need to control these types nor do I think the Committee on Agriculture is basically concerned with varieties that are not in surplus.

I would like to ask one question of the gentleman from Texas [Mr. POAGE], on this feed grain section. I understand barley is now under the feed grain program. Assuming the mandatory 10-percent reduction in wheat is in effect and a person in my State decided not to go into the feed grain program, could he still plant as much acreage as he previously had in a barley crop?

Mr. POAGE. He could plant all the barley he wants to so far as the wheat program is concerned.

Mr. BATTIN. There is no cross compliance then?

Mr. POAGE. There is no cross compliance there. There is cross compliance between barley on the one hand and corn and grain sorghums on the other. In other words, a man cannot increase his corn and grain sorghums and still go into the barley program. But, he does not have to go into the wheat program in order to go into the barley program or vice versa.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. BATTIN. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Of course, the feed grain program is entirely a voluntary program; you realize that.

Mr. BATTIN. Yes. The question of cross compliance in our area is vital. We produce wheat and barley. If a farmer is under the wheat program, and does not participate in the feed grain program, can he take the 10-percent reduction in wheat acreage and put it into barley?

Mr. POAGE. No, he could not do that, because he has to retire that 10 percent.

Mr. ALBERT. Mr. Chairman, if the gentleman will yield, he can plant 10 percent in barley; he can draw his price support on his reduced wheat acreage and plant 10 percent in barley, but he cannot participate in either the wheat or the barley program.

Mr. BATTIN. I thank the gentleman.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. HAGEN].

Mr. HAGEN of California. Mr. Chairman, I would like to comment briefly on this legislation, which I support, with particular emphasis on some items of special interest to California farmers.

This legislation does not present a perfect farm program. However, it has some permanent values and a large number of short-range values. For example, the wheat provisions will permanently tighten up some of the ground rules governing wheat allotments and other aspects of control to the end of effecting a permanent improvement in the wheat program. Also the reduction in production which will be accomplished in the field of wheat production and in the field of feed grain production will at a minimum shift the returns from the Government to a larger degree to the farmers rather than to the warehousemen and handlers and may result in an overall decrease in government cost even on a 1-year basis.

To the extent that irrigated wheat and corn and grain sorghums and barley are produced in California, the program can be of great benefit as a water conservation measure. We have been confronted with three extraordinarily dry years with a major decline in water tables in many areas. The retirement of land devoted to any irrigated crop should help our ground water table situation.

I now wish to refer to a matter which was voted on in our committee at my request, to wit, a policy statement regarding purchases of fluid milk by Federal agencies. The committee approved the inclusion of such a statement in the report to accompany H.R. 8230. However, such statement was inadvertently omitted from the report before you. The statement which the committee approved reads as follows:

> In extending these programs (referring to the extension of veterans and Armed Forces dairy programs set forth in section 403 on page 60 of the bill) for increased utilization of milk and milk products by our armed services and the other specified Federal agencies, we wish to reaffirm the historic position of this committee and the Congress that all Government procurement of milk and milk products shall conform to Federal marketing order and local law requirements relating to minimum prices to milk producers which are in effect in the area or areas where such milk or milk products are procured. It has been reported to us that such conformity has not always been the practice in the recent past.

It is my intention to officially confirm this action of our committee on the floor tomorrow by a report from the committee chairman.

I sought this language because of a situation which has arisen in many States with respect to procurement of class 1 fluid milk by various Federal agencies. These agencies have in many instances secured milk in violation of State laws which establish minimum prices to producers. It is my further understanding that in some instances there has been a violation of Federal marketing order provisions of this character. This practice violates the policy of the Congress in establishing the vehicle for Federal milk orders and their price provisions and this congressional policy is sufficiently broad to extend the same protection to State and local laws and regulations established for the same exemplary purpose, to wit, the provision of an adequate supply of safe and sanitary milk at a reasonable price which will permit the dairy farmer a reasonable profit.

I would also like to comment on the amendment of section 8e of the Agricultural Marketing Agreement Act of 1937, accomplished at the top of page 23 of H.R. 8230.

One of the prime features of most marketing orders which are essentially self-help programs for farmers—which do not involve large expenditures of Federal money—is the establishment of quality controls in order that a wholesome product salable at a fair price is delivered to railroads and other transportation agencies for movement into distant markets. A supporting provision of the Marketing Agreement Act is section 8e which says that identical products coming into this country from abroad shall meet the same standards of wholesomeness and quality. Unfortunately, the present coverage of this protection is limited to an enumerated list of commodities. This bill would expand such protection to all commodities which are subject to marketing orders involving standards of quality and wholesomeness. Certainly it is logical that if this protection has been deemed suitable for these few commodities for many years then it should be equally suitable for all commodities which have the same kind of regulation. It has been charged that this expansion of coverage is bad because it would result in a termination of certain importations without logic or reason. This charge is simply not true. If the foreign product is different from the domestic product, obviously the same standards should not apply and the statute provides that they shall not be applied to such importations. This exception would govern the case of dates, for example, if the Secretary in his judgment determined that foreign dates were a different product than those produced by domestic dategrowers. It is true that there is some inspection of imported food products by the Food and Drug Administration; however, this has been a hit-and-miss sampling inspection and the fact is that many marketing orders establish standards of sanitation and wholesomeness which are more rigid than those which govern the Food and Drug inspection and, therefore, more protective of the consumer. For example, less foreign material is permitted in the marketing of domestic dates than is presently permitted in the marketing of dates imported from abroad.

I trust that this body will resist any amendments which are not agreed to by our committee. In this connection, it is my understanding that the Secretary of Agriculture supports H.R. 8230 in every aspect of its present form.

Mr. HOEVEN. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. ROBISON].

Mr. ROBISON. Mr. Chairman, because I am aware of the vast importance of a healthy farm economy not only to the district I represent but to the Nation as a whole, I have carefully studied H.R. 8230 and its accompanying report with the hope that it would offer a formula

under which we could progress toward our goal of bringing production of farm products into better balance with the demand therefor, in a manner that would help to preserve every farmer's opportunity, protect his freedoms, and yet relieve his current distress.

My studies have not convinced me that H.R. 8230 offers such a formula, and I regret that I cannot support it, even though it does contain numerous features that are meritorious and that I would have separately supported. It is my understanding that H.R. 8230 is all that remains—and I say "all" with tongue in cheek, since even in its abbreviated form the bill has 60 pages—of what was once known as the Cochrane-Freeman omnibus farm bill, a most controversial measure that would have led us down the road toward a completely regulated, subsidized, controlled and—it was hoped—"comfortable" peasantry.

Judging from the storm of mail, all in opposition to the more radical features of the Cochrane-Freeman bill, which its introduction and consideration brought into my office, I should be grateful to the members of the committee that joined together to kill its public utility approach to American agriculture, and I am so grateful even though I suspect that the forthright rejection of that sort of an approach took place in the heart and mind of the average American farmer, himself.

In ordinary circumstances, there is both a personal and a public duty to speak of the dead. In this instance, however, the less said about the now-defunct Cochrane-Freeman monstrosity the better.

Turning, then, to H.R. 8230, as I read through the report this sentence appearing on page 7 thereof caught my eye:

> The bill recognizes the farm problem as a free enterprise problem.

Now, if that were truly the case and the committee had then gone on to write a bill that would at least have begun the eventually inevitable turnback toward the idea of letting the free enterprise system have a chance at solving its own problem, this would have been the greatest and most encouraging step this Congress would have made in the farm-legislation area since 1938. Unfortunately, the committee was unable to so follow through, and, as a matter of fact as the bill is now written, instead nudged our farm economy a little further in the wrong direction—toward even greater governmental controls rather than less, even though we have long since discovered that most of those controls are inadequate to deal with the consequences they, themselves, produce. I suppose this only once again proves what a hopeless task it is to ever escape from the entangling mesh of bureaucracy once one falls prey to it.

In all the bundle of material both pro and con I have received these past few months on the legislative effort which is here reaching its culmination, nothing more impressed me than the statement presented by the Northeastern Poultry Producers Council to the Committee on Agriculture on last May 3, in which their spokesman said that NEPPCO's policy was "incompatible with the basic concepts" of the Freeman-Cochrane bill then under consideration, since their policy embodied such things as, "freedom of enterprise and individual effort; the right of independent action; the right to produce on our own land as much or as little of whatever commodities we choose; the right to freely bargain in the marketplace, independently or cooperatively; the right to succeed, or to fail."

The statement then went on to say:

> NEPPCO adheres to the basic principles of free enterprise and the free market system upon which this Nation was founded and by which property is privately owned, privately managed, and operated for profit and individual satisfaction—the system in which supply and demand are the ultimate determinants of market price.
>
> In the words of a distinguished former official of the Department of Agriculture, Dr. Earl Butz, "Our bill of rights guarantees equality, but it is equality of opportunity, not necessarily equality of reward."
>
> Leave the poultry industry with its opportunities, Mr. Chairman. It will develop its own rewards.

Now I do not presume that the above statement met with the approval of all of NEPPCO's members, nor that it would be subscribed to by all of the American poultry industry whether NEPPCO members or not, but, in view of the pertinent fact that the healthiest segments of agriculture are those still free of governmental controls, one cannot help but wonder what our farm situation would have been today if just such an attitude had been adopted by the presently controlled segments back in 1938.

In any event, while I recognize the impracticability and the chaos that would ensue if my bill, H.R. 1077—which would repeal the Agriculture Adjustment Act of 1938 and all amendments thereto—were enacted, I do not believe that we will ever solve our farm problem until we begin to move in that direction.

Before I close, Mr. Chairman, I would like to say a few words about some of the specific sections of H.R. 8230. With respect to the extension of marketing orders into new areas—a matter that has aroused considerable favorable interest in some sections of my State—it is my understanding that no hearings were held concerning the new marketing authority here requested. While properly drawn and managed marketing orders undoubtedly serve a most worthwhile purpose, they also involve a considerable measure of compulsion and restraint of trade, and I do not think should be entered upon lightly; should not these provisions thus receive more careful Committee consideration, and be submitted to wider review by the affected producers before we are called upon to vote upon them? It seems to me the answer must be an affirmative one.

As for an extension—now—of the feed-grains program which we adopted only a few months ago, Secretary Freeman said, as recently as June 21 of this year:

> The full effects of (this) program will not be known until some time after harvest.

It may be working well for all I know, even though it is reputed to have boosted feed-grain prices in deficit areas such as mine by as much as $5 to $10 a ton—thus increasing the cost-price squeeze on the northeastern dairy farmer—and then, on the other hand, it may be proving to be costing the taxpayer, let alone the consumer, more than it is supposedly saving the Government. Until we know better which way the wind is blowing—either toward the success or failure of this program—it should not be extended.

At this point, I cannot resist the temptation to remind my colleagues that it was under this New Frontier experiment that my constituent, farmer "Bill" Smith, of Big Flats, N.Y., purchased a Cadillac automobile with the proceeds of his not growing corn, and so advertised the auto with appropriate words of gratitude to both President Kennedy and Secretary Freeman for their bounty. Perhaps "Bill" Smith wishes he had not done this, because he has reaped a whirlwind of both abuse and praise which continues to rage about his head, but one cannot help but admire the courage of this lone individual who took the only means he knew of telling the world how wrong he thought this sort of an experiment to be.

I would support the 1962 wheat program if I thought it would help, since this is obviously our greatest single problem; however, based upon what some of my colleagues who know much more about this problem than I are saying, it seems doubtful that it will reduce our surplus as efficiently as the vagaries of the weather—which we have not yet submitted to governmental controls—are already doing.

Finally, I must say that I am considerably disturbed by what may be a real "sleeper" in H.R. 8230—section 314—which seems to permit soil conservation districts to borrow Federal dollars in order to buy farm machinery to rent to farmers. Maybe there is more here than meets the eye, but, at least on the surface, this section, even with the small amount authorized—$500,000 a year—would seem to strike another blow at the heart of the free enterprise system by destroying the opportunities of the implement and farm machinery dealers.

In closing, I think it would be well to take note of the fact that Mr. Khrushchev has recently been extolling the virtues of horse meat for his constituents. I have never tasted horse meat—so far as I know, having had confidence in my butcher and in the restaurants I visit—so it may be that it is improperly maligned; however, if this bill is defeated as I hope it will be, let us try once again to go on from here in an effort to insure that the incentive of the American farmer—his urge to get ahead—is never so blunted that beef, pork, chicken, and ice cream go out of style here, too.

Mr. HOEVEN. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. MACGREGOR].

Mr. MACGREGOR. Mr. Chairman, I take this brief time to speak in support of an amendment which I will offer tomorrow. I call the attention of my colleagues to the very last page of the bill,

page 60, and specifically to the very last section, section 404. I have reference to that language which was incorporated by the Committee on Agriculture which would make available out of Commodity Credit Corporation stocks surplus foods for State penal and correctional institutions in addition to the availability under present law of such help for Federal institutions.

The amendment which I will offer tomorrow will broaden section 404 so as to include local penal and correctional institutions as well as such State institutions. This proposal of mine has brought support from the American Correctional Association. Following my introduction of a bill to accomplish this objective, I received support from the Commonwealth of Pennsylvania, the State of Alabama, Board of Corrections, the Commonwealth of Virginia's Department of Welfare and Institutions, and from other similar public bodies in the States of Illinois, Nevada and many other States throughout our Union. I think the present situation is largely the result of legislative oversight. We should make available to qualified institutions throughout America, regardless of whether they are State or local, the benefits accruing from the consequent release of local dollars for the rehabilitation and the correction of offenders. I think if we can use our surplus agricultural stocks in this fashion to alleviate the strain upon local budgets, not only for Federal institutions but for State and local institutions of a penal and correctional nature as well, we will be making a substantial contribution in two specific respects. First, we will be doing the most constructive thing we can do to cut down on the costly surpluses which burden farmer and consumer alike. Secondly, the Federal Government will be extending a helping hand in a partnership effort with State and local penal and correctional institutions to the end that the meager budgets of these institutions may be expanded. We will be enabling them to spend more dollars for the accomplishment of the principal purpose of these local correctional institutions; namely, the rehabilitation of offenders.

Mr. HOEVEN. Mr. Chairman, I have no further requests for time.

Mr. COOLEY. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Act of 1961".

DECLARATION OF POLICY

SEC. 2. In order more fully and effectively to improve, maintain, and protect the prices and incomes of farmers, to enlarge rural purchasing power, to achieve a better balance between supplies of agricultural commodities and the requirements of consumers therefor, to preserve and strengthen the structure of agriculture, and to revitalize and stabilize the overall economy at reasonable costs to the Government, it is hereby declared to be the policy of Congress to—

(a) afford farmers the opportunity to achieve parity of income with other economic groups by providing them with the means to develop and strengthen their bargaining power in the Nation's economy;

(b) encourage a commodity-by-commodity approach in the solution of farm problems and provide the means for meeting varied and changing conditions peculiar to each commodity;

(c) expand foreign trade in agricultural commodities with friendly nations and make full use of our agricultural abundance;

(d) utilize more effectively our agricultural productive capacity to improve the diets of the Nation's needy persons;

(e) recognize the importance of the family farm as an efficient unit of production and as an economic base for towns and cities in rural areas and encourage, promote, and strengthen this form of farm enterprise;

(f) facilitate and improve credit services to farmers by revising, expanding, and clarifying the laws relating to agricultural credit;

(g) assure consumers of a continuous, adequate, and stable supply of food and fiber at fair and reasonable prices; and

(h) reduce the cost of farm programs by preventing the accumulation of surpluses.

Mr. ULLMAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Chairman, while I rise in support of passage of this bill as reported by the committee, I want to make a clear record of my strong support for the principles which were embodied in the earlier version recommended by the President and sponsored by the able chairman of the Agriculture Committee, the gentleman from North Carolina [Mr. COOLEY]. He and his colleagues are to be commended for their long hours of work on this proposal and for the measure which they have brought to the floor for our consideration. It is, on balance, a sound measure and the existing needs of the basic agricultural sector of our economy demand, in my opinion, that we act favorably upon it. But, at the same time, as I indicated, I want to make my own position clear on various aspects of the measure and to outline the principles on which I sincerely hope the Congress and the administration will continue to build in this vital area of farm policy.

The wheat program proposed for 1962 is of great importance to my district which is a major wheat producer. I am firmly convinced that the 1-year program recomended is, under the circumstances, deserving of our full support in moving to meet our two primary objectives: the reduction of surpluses which have developed over recent years while at the same time providing wheat producers a more adequate opportunity to secure a fair and equitable return on their investment of labor and capital. As title I makes clear, this is a temporary program. I hope that in the future we will enact the type of legislation which will allow the wheat producers to work their own will in terms of a continuing program that fits the needs of all the wheat producing sections of our Nation. In the Pacific Northwest we produce Soft White wheat, a variety which is, let me stress, not in substantial surplus and which, due to the imaginative efforts of our producers, is securing an increased overseas market, especially in Asia. I feel very strongly that we must face up to the complexities of our wheat economy and come up with a program that will take into account the differing factors in various producing areas and will protect rather than harm our vital export markets. I am hopeful that the Secretary of Agriculture, in pursuance to the directive in title I of this bill, will formulate such a long-range program and will recommend it to the Congress. I am equally hopeful that we will act favorably upon it.

With regard to the feed grain program which is to be extended, I want to also stress that my support for this program is based on my conviction that it is a sound approach, for the Nation as a whole. Again, let me point out that our livestock producers in the Pacific Northwest have some special feeder problems under the operation of this program. I have discussed this situation with the Secretary of Agriculture and strongly urged that in administering the program, he take full account of its competitive effects on livestock feeders in the Pacific Northwest and their need for feed grains at prices which will not put them at a disadvantage with respect to livestock producers in other areas.

A third major section of title I of the bill deals with the Marketing Agreements Act. As my friends in this body know, I have long been convinced that this program offers a sound basis for meeting many of our different commodity problems in agriculture. It is a self-help program enabling producers to work together in regulating their production and marketing. It is a voluntary approach and our great success over the years in those commodities which have been covered by the program convinces me that its principles can be extended to many other commodities. I was strongly in support of the President's recommendations that enabling legislation be authorized for an extension of this program, not only to additional commodities but also to allow regional and national agreements where the producers desired and the circumstances permit. I deeply regret that the committee was able to recommend only the addition of a few specified commodities under the marketing agreements program. In my opinion, the needs in field and seed crops, for example, are particularly well suited to the marketing agreements approach. I hope that the Agriculture Committee will give continuing consideration to the possible further expansion of the Marketing Agreements Act to clear the way for such commodity groups to come under it if they desire, either on a regional or a national basis.

Subtitle E of title I, extending the Wool Act 45 years, is another provision of great importance to my area. Earlier this year I appeared before the Agriculture Committee to express my strong support for the proposal to put this program on a permanent basis. It has proved itself an outstanding success and the 5-year extension proposed by the bill before us is fully warranted. In addition

to ending the decline which had threatened to wipe out our domestic wool industry, the Wool Act has provided a self-help program to promote the marketing and consumption of wool. The cooperation of the domestic industry in this effort has given evidence of its enthusiastic support for the act. The economic statistics on our wool industry speak for themselves in demonstrating that the Wool Act has succeeded where previous programs had failed and the Agriculture Committee deserves high tribute for its recommendation of a 5-year extension.

Finally, I want to mention briefly the important provisions in title II and title III of the bill before us. The extension of Public Law 480 is vital, not only to our agricultural economy but to our efforts to strengthen the free world. Under the able direction of our former colleague, George McGovern, the food-for-peace program can and will, I am confident, provide increased evidence to the world that the American people can not only produce abundance but utilize it for the welfare of all mankind in the struggle against hunger and poverty and against the totalitarianism which breeds on human need.

The expansion of agricultural credit provided for in title III will serve to more adequately meet human needs in our own country. Again, this is a tried and proven program of utilizing the people's credit in the interests of the general welfare I don't need to point to the record of this program in making possible an expanded pattern of farm ownership in the United States—a pattern which is in striking contrast to that in many other nations. It is well known to all of us and is in the best traditions of our democratic heritage.

In summary, Mr. Chairman, I urge my colleagues to act favorably on H.R. 8230. As I have indicated, there remain areas in which I believe we must move in the future to provide more adequate long-range programs for agriculture, but the bill before us is necessary to meet the existing situation and to provide the basis on which we can, and I sincerely hope will, move in the months and years ahead.

Mr. HOEVEN. Mr. Chairman, I understand, the first section of the bill having been read, it will be subject to amendment when the Committee reconvenes tomorrow.

Mr. COOLEY. That is my understanding. We have just read the declaration of policy.

The CHAIRMAN. The Chair will state that section 2 of the bill has been read. The Clerk has read down through line 7 on page 3.

Mr. HOEVEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOEVEN. This section is now subject to amendment when the Committee reconvenes?

The CHAIRMAN. Section 2 would be subject to amendment.

Mr. BYRNES of Wisconsin. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BYRNES of Wisconsin. There is an amendment to be presented to section 1, the declaration of policy. It was my understanding that was as far as they were going to read today, and that that section would be open to amendment.

Mr. HOEVEN. To clarify the record, the proposed amendment is to the declaration of policy, which is section 2 of the bill, which has been read.

Mr. ALBERT. Section 1 is the title of the bill.

Mr. COOLEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having assumed the chair, Mr. KILDAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8230) to improve and protect farm prices and farm income, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interests of consumers, and for other purposes, had come to no resolution thereon.

AMENDMENT OF FEDERAL AIRPORT ACT

Mr. THORNBERRY, from the Committee on Rules, reported the following privileged resolution (H. Res. 391, Rept. No. 796), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8102) to amend the Federal Airport Act so as to extend the time for making grants under the provisions of such Act, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

AUTOMATION AND EMPLOYMENT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Hampshire [Mr. BASS] is recognized for 60 minutes.

Mr. BASS of New Hampshire. Mr. Speaker, this is another of a series of discussions on Operation Employment, a special project of the House Republican policy committee dealing with the problems of employment and unemployment in our economy today. This afternoon the gentleman from Illinois [Mr. ANDERSON] and I will discuss employment problems raised by automation.

At this point I wish to include in the RECORD a thoughtful and scholarly article on automation by Prof. Almarin Phillips, of the University of Virginia, entitled "Technological Change and Unemployment." Professor Phillips is an economics professor at Charlottesville, and is a distinguished and recognized authority in this field. The article follows:

TECHNOLOGICAL CHANGE AND UNEMPLOYMENT

(By Almarin Phillips)

There is little sense in arguing whether automation—or, better, technological change—causes some people to lose their jobs. It is an inescapable fact that new technologies do cause some amount of unemployment. Indeed, the economic benefits of such changes would not be nearly so great if they did not create a reallocation of the Nation's resources, including labor.

The unemployment resulting from technological change appears from several directions. The new technology may involve a direct substitution of machines for men. It may involve more and better capital for employees to work with and induce such an increase in output per man-hour that only phenomenal increases in total output would be adequate justification for employers to maintain the previous work force intact. New methods may give particular firms a competitive advantage which forces other firms and their employees from production. Similarly, if the change results in new products which are substitutes for existing ones, the men and machines which hitherto had been employed in producing the latter may be displaced.

In an imperfectly functioning market economy, substantial periods of time may elapse between the time a job is lost and another found. In the circumstances that the lost job involves special skills or depends on natural resources no longer required, the alternative occupation, if there is one, may be poor indeed compared with the preceding one. It is no wonder, then, that particular groups of employees—or particular groups of employers and owners of natural resources—act to impede the rapidity of some types of technological change and express honest skepticism about the alleged benefits. When the displaced industry or occupation is geographically concentrated, it is as understandable that their political representatives display similar tendencies. It is true that the benefits to them are not obvious and may, in fact, be nonexistent.

The problem of technological unemployment is the more noticeable at certain times because of a reasonably well defined cyclical character in the appearance of major changes in technology. Capitalism emerged in England in the midst of the industrial revolution. The high unemployment rate, the deplorable working conditions in many trades and the drastic demographic upheavals of early 19th-century England had an obvious though not exclusive technological base. Some estimates suggest that per capita income actually declined during the same period in the United States. Except in such unusual circumstances, however, periods of rapid technological change are also periods of extensive investment activity and, hence, of prosperity and economic growth. While technological or frictional unemployment may be relatively high in these times, total unemployment is usually low. It is after the technological change has been absorbed and diffused in the economy, after the incentive to investment has temporarily passed, that the total unemployment picture is apt to become worse.

But then it is more properly viewed as cyclical, not technological, unemployment despite the intimate historical connection it must have with technological change.

It follows that in terms of an overall employment objective, technological change has net beneficial effects. The employment made possible because of changes in methods of production and in the goods being produced must far outmeasure the loss in jobs which they occasion. Increases in employment may sometimes—perhaps, even often—occur in the industry applying the new techniques. Employment may also rise in other industries which supply capital goods or raw materials to that industry. Of far gerater significance, however, are other indirect employment effects. In an economy in which the mass of consumer expenditures depends roughly on the levels of disposable personal income, the level of capital expenditures plays a crucial role in employment stability. Absent technological changes, a persistent tendency would develop for capital expenditures to decline, profit margins to shrink, and unemployment to rise. These phenomena would not be restricted to capital goods nor even to the durable goods sectors, but would extend as well across the whole of the economy.

The beneficial effects of technological change are perhaps more obvious when seen in the light of their effects on output. Increases in output can come from but three general sources. These are (1) increases in the quantities of input, (2) shifts in inputs from economic activities in which output per unit of input is low to activities in which output per unit of input is high, and (3) technological changes which increase output per unit of input in particular activities. Each of these has been of great significance in the economic growth of the United States. Growth of the labor force, the opening of new lands and additions to the stock of capital goods all fall within the first category. The nearly continuous relative shift of the labor force during the past century from the primary industries, especially agriculture, to the secondary and tertiary industries—manufacturing, transportation and communication, distribution, finance, etc., represent the general trend of the second source of growth. It is difficult even to summarize the more important technological changes.

Conceptual as well as statistical reasons make it impossible to state with precision the relative importance of these sources of growth. It is probably a conservative estimate, however, that as much as 40 percent of the increase in total national production has been associated with the third-increased factor productivity. In terms of increases in output (or income) per capita, technological change has been of even greater relative significance since the first source of growth in total output—the use of more human and material resources—need not increase at all the output per unit of resources used.

All this suggests, then, that given the apparently generally accepted goals of growth and stability, technological change should be encouraged, not discouraged. It does not follow, however, that particular employees or particular industries or particular geographic areas may not suffer from such encouragement. Neither does it follow that new public policies may not be required or that old policies ought not be abandoned because of such suffering. The labor force is not so mobile, knowledge is not so freely available, skills are not so easily learned and employment policies are not so easily changed that the labor market will necessarily operate automatically to maintain unemployment at socially acceptable levels throughout all segments of the economy.

Most economists, it seems safe to assert, would prefer that the market mechanism work no less satisfactorily in the future than it has in the past. If it does, and if monetary and fiscal policies are reasonably successful in balancing aggregate demand and supply, the market can successfully cope with most of the problems associated with allocating resources and maintaining reasonably full employment. Nonetheless, the hope that the market will so operate should not become such a blind that past failures of the market, past remedies for those failures, and possible future analogs of both of these are ignored.

There are no data which conclusively demonstrate nor even strongly suggest that the economic aspects of the present technological change—automation or whatever one wishes to call it—are significantly different from the economic aspects of the general technological change so characteristic of capitalism since the Industrial Revolution. The upward trends in output per man-hour, in total output and in capital employed in production so far show no tendencies to breach the general patterns of the past. But as in the past, the impact of the changes falls on different parts of the economy. The industry injured today may well be the one which a few decades past was inflicting injuries on others. And today, as in the past, it is not difficult to find particular industries—even groups of industries—in which dramatic changes are occurring. These changes and the displacements they cause are necessary incidents to the longrun process of capitalism.

It would be surprising—in fact, disappointing—if there were no problem of technological unemployment in the future. And granted the irregularity of major technological breakthroughs, it is at least possible that the present years are in fact the threshold of just such an occurrence. Contemporary technology may be taking a direction which will alter capitalism as fundamentally as the developments just prior to and after the Civil War and the developments between the 1890's and the 1920's.

The limited perspective of those living through such a time tends to obscure the change. Today's methods, products, and problems seem much as yesterday's; tomorrow's will appear not radically different. Still comparatively rapid change may be in the making. The coming decades, for example, may witness the use of new sources of energy. It is not unthinkable that a transportation revolution could occur. Or, new basic materials for construction and manufactures may arise. Surely there is reason to believe that new methods of control will be used and that these will alter the relationship between men and machines. Judging by past experience, the thing to be emphasized is that some such changes are to be expected in the normal course of events, even if the particular ones mentioned seem fanciful.

By the 1890's, it was reasonably clear that a new set of problems had emerged from the basic technological changes of the past decades. There were transportation problems, monopoly problems, agricultural problems, monetary problems—all in a new framework. And these were treated by legislative and executive action during the following years. By the 1930's, it was reasonably clear that the technological changes following the 1890's had created another set of problems. There was still a transportation problem but it was different from the old one. There was still a monopoly problem, but it too was different. And so it goes.

The remarkable feature of legislature response is not its apathy toward problems but rather the tardiness with which problems are noted and response is made. Viewed in the broad sweep of history, legislative response is as irregular as the technological changes themselves and seems to follow the time when problems emerge by several years. In addition, legislative response has tended to cluster in periods of crisis, producing such things as progressive eras and new deals. It can be argued with some cogency that the failure to recognize problems in their infancy, when really marginal corrections might suffice, tends on the one hand to aggravate the ensuing crises and that the crisis legislation tends, on the other hand, to alter the structure of capitalism more drastically than is necessary.

In the context of the present and future unemployment situation, these remarks suggest that the remedies for unemployment appropriate for the 1930's may be quite inappropriate for tomorrow. Relief, public works projects, security measures and the encouragement of collective bargaining are most appropriate when unemployment is cyclical, when the total demand for goods is far less than potential supply and when the technical changes of the past have created an atmosphere in which industrially organized unions require additional market power.

It seems reasonably safe to assert, however, that tomorrow's unemployment problems will not be primarily cyclical and that, to the extent they are, existing tools are quite appropriate. Tomorrow's unemployment will be more closely related to technological change and a restructuring of the economy. Total demand will more than likely be at least adequate to keep cyclical unemployment low and temporary. The unemployment problem of tomorrow is to relocate jobs and men so that pockets of unemployment—centered industrially and geographically—do not have cumulative effects which will precipitate later crisis-type legislation.

The market economy may, indeed, succeed in solving the biggest part of the problem. But it is quite likely that legislation aimed at increasing the industrial and geographic mobility of labor and industry, at reeducating displaced persons and, especially, at educating their children for occupations different from their parent's, would be helpful. In addition, factors which influence labor and industrial mobility and flexibility are involved in other legislation. Laws affecting labor organizations, agriculture, defense contracts, public housing and distress industries, to mention but a few, have direct connections with technological unemployment and, for the most part, are today being treated in ways which aggravate rather than mitigate its extent.

I should like particularly to subscribe to Professor Phillips' comments on automation as a desirable trend in our social and economic life. Historically, technological changes in our economy have in the long run created more, not fewer jobs. "Given the apparently generally accepted goals of growth and stability, technological change should be encouraged, not discouraged," he points out. Automation in its broad sense, then, should be positively approached and encouraged as the continuing development of a richer and more productive life for all U.S. citizens. It is in fact an indication of a growing, dynamic economy.

I am also impressed with Professor Phillips' evaluation of the belated and ineffective actions of the Federal Government to date in attempting to deal with the unemployment problems created, often temporarily, from automation or technological change. In his words:

The remedies for unemployment appropriate for the 1930's may be quite inappro-

priate for tomorrow. Relief, public works projects, security measures, and the encouragement of collective bargaining are most appropriate when unemployment is cyclical, when the total demand for goods is far less than potential supply, and when the technical changes of the past have created an atmosphere in which industrially organized unions require additional market power.

This crisis-type legislation is not the answer to present day employment problems. I say this because we have this type of legislation on the books, and yet still have serious unemployment with us at a time of general prosperity and expanding economy. Rather we should heed Professor Phillips' suggested approach when he says:

The unemployment problem of tomorrow is to relocate jobs and men so that pockets of unemployment—centered industrially and geographically—do not have cumulative effects which will precipitate later crisis-type legislation.

In my own State of New Hampshire, I think it is fair to say that both labor and management have generally handled automation problems in an intelligent and farsighted manner. It is also true that an important segment of our manufacturing business depends upon the acceptance and reliance by industry of technological improvements in their production lines. I refer, for example, to the Joy Manufacturing Co. plant in Claremont, N.H., which makes coal mining machinery. Another example is our important machine tool industry in New Hampshire. In this connection I wish to include here in the RECORD a letter from Mr. H. H. Whitmore, president of Jones & Lamson Machine Co. of Springfield, Vt.

JONES & LAMSON MACHINE CO.,
Springfield, Vt., July 11, 1961.

HON. PERKINS BASS,
U.S. Representative from New Hampshire,
House Office Building, Washington, D.C.

DEAR SIR: I wish to express to you my deep interest in the growing discussions on the unemployment supposedly caused by technological improvements.

The machine tool industry is the foundation of our high standard of living and has continuously sought to improve techniques and to better methods. We do not believe, and history backs us up, that improved technology causes unemployment. On the contrary, there is ample proof that it has created new jobs and has upgraded other work. It seems that the administration and labor are using the catch word "automation" as the whipping boy for unemployment and as the basis for urging certain socialistic types of legislation.

I understand that House Republicans have appointed you the head of a special automation subcommittee and that this subcommittee will point out the fallacies in the administration's viewpoint on automation and employment.

We would be pleased to be of help to you. Also, the Machinery and Allied Products Institute has made a detailed study of technology and employment and could be of considerable assistance to you. I am taking the liberty of sending a copy of this letter to Mr. Stewart, MAPI's president, and urging him to get in touch with you.

Yours truly,

H. H. WHITMORE,
President.

I well remember in my first campaign for Congress walking through one of our textile plants and seeing such machinery in action, but practically no workers to solicit. Even though I could not get in much campaigning, it was impressive to note that automation and technological improvements have really hit our New Hampshire textile concerns, thereby greatly reducing costs and increasing productivity. Our textile plants are having a hard time competitively, particularly from cheap textile imports from abroad. But if it were not for automation, this important industry, which is the second most important in New Hampshire, would be out of business.

Mr. BASS of New Hampshire. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include an article and a letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. BASS of New Hampshire. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Speaker, I am told that the Chinese have a salutation that goes: "May you live in interesting times." Unquestionably, we do in this modern world with its ever-changing technology live in most interesting times. These times, in addition to being interesting are also novel in the challenge that they present. There are new problems to claim our attention. I am pleased to participate in this particular phase of Operation Employment and discuss the impact of automation on our economy because it is important to focus the attention of not only the Congress, but the general public on this important problem.

Professor Phillips, in his scholarly paper on "Technological Change and Unemployment," has treated this subject from the standpoint of the trained economist. It is scarcely his intention, I am sure, to either underplay or overdramatize the problems resulting from technological unemployment. Yet, I am impressed with the distinctly optimistic tenor of his analysis of the problem and his prognosis of our future ability to deal with it.

For example, and I quote:

Except in such unusual circumstances, however, periods of rapid technological change are also periods of extensive investment activity and hence of prosperity and economic growth.

One of the problems seems to be as he further points out, and I quote:

It is after the technological change has been absorbed and diffused in the economy, after the incentive to investment has temporarily passed, that the total unemployment picture is apt to become worse.

Now it seems to me that this points up the importance, indeed, the necessity, of maintaining a favorable climate in this country for investment, growth, and expansion of our economy. One of the most frequently mentioned palliatives for unemployment caused by automation is job retraining. I certainly agree and do not for one single instant question the importance of this approach. However, as Stanley H. Ruttenberg, AFL-CIO research director, pointed out in a recent article, and I quote:

As essential as training and retraining are, they won't result in getting people jobs if there are no job opportunities.

Henry C. Wallich, former member of the President's Council of Economic Advisers, in his book, "The Cost of Freedom, a New Look at Capitalism," had this to say:

A high rate of saving and a high rate of technological advance are the joint promoters of economic progress, with technology probably the senior partner of the firm. In practice, we have enjoyed very satisfactory progress because invention has been accompanied by a high rate of business saving and because we have been willing to save as consumers.

I do not think, therefore, that we are getting off into a peripheral field when we suggest that a sound program of tax reform and tax revision can do much to encourage the kind of saving by business and by individuals that will nourish the additional economic growth we need in the form of capital investment. I support the President's current proposal to grant an 8-percent tax credit for certain types of investment by business. I think it will provide a healthy stimulus. At the same time, I think it is only one step in the direction that I hope we will go. I happen to be one who favors the Herlong-Baker bills. I firmly believe that this type of tax revision and reform could do much to encourage the savings that will furnish the capital formation or accumulation that in turn will provide the jobs for millions of Americans.

I should like also to call attention to another reason why rather than adopting policies which would impede automation—and what I am now saying is applicable to Government, management, and labor, we must encourage further automation. We face today increasingly severe problems because of foreign imports. I shall not belabor you with statistics on this problem; you have heard them many times over, on the floor of the House. In my own district, we have a very important segment of industry devoted to the manufacture of wood screws, other types of metal fasteners, hinges and hardware. We also have an important industry which manufactures steel and barbed wire and allied products. These industries today are facing increasingly difficult competition in our domestic market because of an enormous growth in imports of these manufactured articles.

Because of higher wage scales in this country and generally higher costs of production up and down the line it is essential that they have the opportunity and the incentive to explore to the fullest the possibilities of automation as a means of meeting this threat to their continued existence. This in turn means that wise tax policies are imperative and a favorable economic climate in general is essential to permit the replacement of obsolete or obsolescent machinery and equipment with machinery and methods that will permit American industry to remain competitive. Again, I do not suggest this as the entire solution. The

problem is obviously far more complex than that. However, I do earnestly suggest that a regressive system of taxation can do incalculable damage at a time when we need to provide additional job opportunities. I also suggest that continual enlargement of the public sector of our economy can quite obviously only occur at the expense of the private sector. And that by draining our private economy—and I speak now not only of business, but more importantly of individuals—by levying more and more taxes, we simply cannot have the savings and the investment that we must have to create new job opportunities.

Mr. ANDERSON of Illinois. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BASS of New Hampshire. I thank the gentleman from Illinois for his very thoughtful contribution to this discussion.

At this time I shall yield to the gentleman from New York [Mr. GOODELL], but before doing so I should like to point out that the gentleman from New York [Mr. GOODELL] has made a very careful study of this problem of automation as it relates to employment and unemployment. It gives me great pleasure to yield now to the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. Mr. Speaker, may I compliment both the gentleman from New Hampshire and the gentleman from Illinois for their presentations here today. They are making a very real and substantial contribution to this matter.

As the ranking member on the minority side of the Committee on Education and Labor that has been dealing with this automation problem, I should like to make some observations about the problem in general and about Professor Phillips.

The thing that impressed me most, Mr. Speaker, about Professor Phillips' total analysis was his judgment that automation is not only inevitable but it is beneficial. He emphasizes very strongly that if we are to go forward we will accept the goals of growth and stability and technology which must be encouraged, not discouraged.

In that connection I think we had a bipartisan approach in our hearings and in our report from the subcommittee. The Democrats and Republicans alike agreed on this particular point, that automation had a great potential for the good of mankind. We called it the problem of the present and the promise of the future.

Mr. Goldberg, Secretary of Labor, made a statement before our committee, as follows:

> All of the things he did testify to indicate why automation and other technological progress is so important to the American economy and why it may be necessary to step up the pace rather than tone it down.

We have had some difficulty in our hearings and in our discussion on automation in determining exactly what we were talking about. I think it might be well if we discussed it here a little bit today.

James R. Bright, in his book "Automation and Management," made the statement:

> Few words of recent years have been so twisted to suit a multitude purpose and phobia as this new word "automation." It has been used as a psychological rallying cry, a manufacturing goal, an engineering challenge, an advertising slogan, and a labor campaign banner, and as the symbol of ominous technological progress.

For the purposes of our discussion, it might be well to single out one phase of technological progress that we refer to when we say "automation."

In the subcommittee we tried to put automation in perspective by pointing out that the first phase of development of technology was the industrial revolution of the 18th century. Later we had mass production based on the principle of organized productive capacity. Automation was distinguished both from the original industrial revolution and mechanization and the second stage of mass production in that automation involves communication and control.

A simple way of putting it is this: It is a machine running another machine.

I think one of the best statements that our subcommittee had on this subject was from a gentleman testifying for the Ford Motor Co., Mr. Dinese. He pointed out, as you have pointed out, that automation often results in immediate hardships to individuals, but in the long run automation will normally create more jobs than it will destroy.

The way he put it is the net result is not fewer jobs but more required jobs. Somebody said a while back that we have a great problem that justifies rather drastic action. In our subcommittee we had some proposals that were rather drastic in my opinion. I believe that this is a wrong approach to the problem.

Professor Phillips points out that if we do not meet the immediate problems today that are being created by automation, we will get to the stage where we will have a crisis approach which would be very unfortunate. And, he points out historically some of the other instances where this country has, through Government, taken a crisis approach that has, in the long run, done us a great deal of damage. If we face these problems a little sooner, that might not be necessary.

It is easy to talk about the soft coal industry, the railroads, the electronics industry, and others, pointing out that the total production in these industries is going up fantastically fast. In some instances the total employment in those industries is going down, with the unusual situation of more production of goods and fewer workers producing this increased production. These industries, Professor Phillips points out, in general do not give the total picture.

I think a great contribution in Professor Phillips' paper is pointing out that technological advances generally have been of a cyclical nature and that they affect certain industries through a cycle and then they ease off and come back up to affect other industries. It is not automation of all industries all at once that is going to put everybody out of a job in a very short span of years, but we have seen this occur in the last 10 years. For instance, we had a great discussion about the automobile industry and the fact that they are producing more cars and employing fewer people. Mr. Denise, in talking about this, pointed out that it is through technological advances, through automation, that we have produced better cars that are available to more people. And, in addition, he pointed out the interesting fact that during the period from 1920 to 1960 we have not seen a great increase in the unit production of cars per employee who was working in producing those cars. He pointed out than in 1920 the automobile industry was producing on the average about 13 or 14 cars per employee. In 1950 it was slightly less than that, and in 1960 it was about 13½ cars per employee per year. He explains it on the basis of the fact that automation has made possible much greater refinement in our automobiles. Many more complexities have been added to our automobiles, and while we have perhaps created production lines where they send through an engine block of an automobile without one human hand touching it and have destroyed the jobs of those workers who used to work on that assembly line, at the same time we have created a multitude of other jobs in other phases of the automobile industry which are adding extras to our cars and many conveniences to our automobiles.

In addition, it is very clear that while certain of our production employment has been going down in this country, the retail and wholesale trades, finance and real estate fields have been going up. We had some testimony, for instance, that in this country today we have a shortage of about 250,000 auto mechanics. This is an area that we need people to move in and learn the skills and make their skills available to our economy.

A very real problem, I think, in talking about the question of retraining, which the gentleman from Illinois mentioned, is that we do not have a very good idea today of just exactly what skills are needed.

We do not even have a dictionary of some of the newest skills. They do not have very good labels that are understood, even in the Department of Labor. The Secretary of Labor testified concerning such new types of work as transistorized circuitry, inertial guidance, gyrodynamics, et cetera. These are jobs that were not even heard of, not 10 years ago but even 5 years ago.

We have in our subcommittee given considerable attention to the problem of what the Federal Government can do first of all to assist in solving this problem without moving in and trying to take over the entire solution and ending up doing more harm than good. I think that the Manpower Act as it has been revised in our subcommittee and is now before our full Committee on Education

and Labor is a considerable improvement over the original bill. I am hopeful that it will come out of the full committee in a form that will have bipartisan support which will begin to attack the problem of mobility of our labor force, training of those people whose jobs are obsolescent today in our economy and encouraging and stimulating our private economy to solve these problems itself.

A certain number of these jobs must be done by Government. We will concede that local government, State government, and Federal Government will each have their role in this process.

Mr. Speaker, I wonder if the gentleman from New Hampshire would comment briefly on a question which has impressed me. We have heard as a defense for some rather drastic steps recommended that the Federal Government should take comparisons between our economy in this country, the economy of Great Britain, Sweden, Germany, and some of the other advanced economies in the world, particularly with reference to the matter of unemployment.

We today have an unemployment rate somewhat less than 6 percent, seasonally adjusted. We often hear that, for instance, in Great Britain last year the unemployment rate was 1.6 percent; in Germany, 1.2 percent; in the Netherlands, 1.1 percent; and in Sweden, 1.5 percent. And it has impressed me that we should not get an inferiority complex from a comparison of our unemployment statistics with the countries such as the ones I named.

For instance, I believe it to be true, and I will ask the gentleman from New Hampshire what his information is on the subject, that these statistics in the European countries are compiled on a completely different basis than they are in the United States. For instance, in most of the European countries they do not count temporarily laid-off individuals as unemployed. In some of these countries they do not count a worker unemployed until the employer, his previous employer, has given his employment card back to the State. And in some instances an employer will keep the employment card for a considerable period of time anticipating he might call this worker back. During that period the employer holds onto that card. He is not classified as unemployed in these countries. In Europe new workers often are not classified as unemployed. If they have never had a job, if they have just come into the labor force, they are not classified as unemployed. I think self-employed workers are particularly not classified as unemployed in those countries.

Mr. BASS of New Hampshire. Mr. Speaker, I think what the gentleman has just said is true. Certainly our unemployment figures are based on an entirely different formula from those in these other countries that he mentions. In fact, I have often criticized and questioned the accuracy of our own unemployment figures. I, in the past, have had reason to believe that perhaps they are a little higher than was actually the case, and I think perhaps in Europe the error is the other way.

Mr. GOODELL. In that connection it is certainly true that they have been redefining what the word "unemployed" means. Over in our Department of Labor in 1957, for instance, they added those workers who were scheduled to report for work within 30 days to an employer, as unemployed workers. Prior to 1957 they were never called unemployed if they were scheduled to report to work within 30 days of the date on which they took a sampling.

Also in these other countries, I know in Europe, for instance, they base their unemployment statistics on the workers who have come into an unemployment office and registered as unemployed and desiring a job somewhere. Many of these countries have qualifications that a worker must meet before he can put in his application to those offices, so that anybody who is turned away from the office is not classified and is not put down as unemployed. He is just never registered in an unemployment office. This kind of hidden unemployment exists in most of these advanced economies that are often compared to the United States with reference to unemployment. I agree with the gentleman that our figures are, if anything, inflated rather than deflated in this respect.

I wish to quote from Professor Phillips' paper one other point that I thought was particularly interesting. As a man not engaged in the everyday affairs of government, he pointed out that there are a good many features of our present laws which aggravate the situation insofar as labor mobility is concerned, the flexibility of labor, and the Government's example.

On the final page of his treatise he referred to our laws affecting labor organizations, agriculture, defense contracts, public housing, and distress industries. He pointed out that they are being in many instances today treated in our Federal laws in a way that aggravates rather than mitigates the problem of unemployment.

I think the point is well taken. Many of these laws have built-in stabilizers, so-called, which discourage labor mobility, discourage people from seeking a new job in a new industry in a different geographical location. I am a very strong believer in increasing the labor mobility in our country, but I resisted very strongly in our subcommittee the proposal of President Kennedy for relocation allowances, which unfortunately smacked of a state power to load workers up in a bus and send them off to some other part of the country. Admittedly the proposal President Kennedy made did not actually give any compulsory power to the Secretary of Labor to move labor from a distressed area, for instance, into an area where they felt there was a labor shortage, but it did provide that the Federal Government would pay workers all the expenses of moving and in some instances pay them for moving from one area of labor surplus to an area of labor shortage.

I opposed that particular provision. It may be that after we have developed some of the techniques that are presently available in the Federal Government in utilizing those weapons to the fullest we will find some type of encouragement of labor mobility will be necessary, but I do not think it will be a reasonable move to be taking today.

We have, it seems to me, a great danger in dealing with this problem of structural unemployment, unemployment due to the impact of automation, that we will move right in with some sort of massive Federal program that complicates the program more than it simplifies it. I believe the original proposal of the President involved the expenditure of $700 million over a 4-year preiod. The very vast new powers given to the Secretary of Labor and a complete new retraining program to be administered by the Secretary of Labor and the Secretary of Health, Education, and Welfare have some real dangerous aspects to them.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. BASS of New Hampshire. I yield.

Mr. ANDERSON of Illinois. Mr. Speaker, I think it is pertinent to call attention in that respect to another comment made by Professor Phillips in his paper: there are no data which conclusively demonstrate or even strongly suggest economic aspects of present technological change are significantly different from economic aspects of general technological changes so characteristic of capitalism since the industrial revolution.

Would not the gentleman agree there, since we have management adjustment or did have management adjustment during that period without adopting some of the more radical innovations now being suggested, that that is a further reason to believe that we can place a little more faith and reliance on the operation of the market system, and that some of these people who propose some of these extremely radical—or at least to me extremely radical—things with respect to moving people around the country, and some of the other things the gentleman referred to in his remarks, should bear that in mind?

Mr. GOODELL. Mr. Speaker, if the gentleman will yield further, I agree with that observation made by the gentleman from Illinois. Earlier I made reference to the testimony of Mr. Denise before our subcommittee. I would like to quote Mr. Denise in this connection:

> There is nothing new or mysterious about the substitution of mechanical for human energy. This is the basis of rising productivity and economic growth and improvement of living standards. It has always been so and always will be. The human energy released by technological gains is thereby made available for other productive work and the evidence of the past tells us that the net result is not fewer jobs but more rewarding jobs.

Later, Mr. Denise makes a statement that if we are, in fact, suffering from galloping productivity, then it may well be that automation is the prime cause of today's high unemployment rate. But he goes on and says that he does not think this country today is suffering from galloping productivity. As a matter of fact,

one of our most acute problems is to increase the rate of improvement of productivity in this country so that we can compete with our foreign friends more effectively so that we will have more goods available for our general populace. I might say this view is held not on a partisan basis either. Prof. Paul Samuelson, of MIT, testified before our committee and, in effect, he said he sees nothing dramatic that has happened in quantitative terms to productivity in the past few years.

Each of them seems to indicate that what has happened today in what we call automation is part of a historical perspective that has been going on for some time. There is a little bit of a new angle to aspects of it, but it is nothing to panic about and it is something we can cope with in very moderate terms and in very effective terms from the Government point of view, if we will utilize the advantages and the assets of our free economy as it exists today. I would say that Professor Phillips pointed out—and I might quote a paragraph when he was talking about this particular point also:

> That given the apparently generally accepted goals of growth and stability, technological change should be encouraged and not discouraged. It does not follow, however, that particular employees or particular industries or particular geographic areas may not suffer from such encouragement. Neither does it follow that new public policies may not be required or that old policies ought not to be abandoned because of such suffering. The labor force is not so mobile; knowledge is not so freely available; skills are not so easily learned and employment policies are not so easily changed that the labor market will necessarily operate automatically to maintain employment at socially acceptable levels throughout all segments of the economy.

Professor Phillips then refers in his paper to the possibility, and seems by implication to recommend, that the Federal Government should take some action in this field of a moderate nature designed to meet the problem before it becomes of crisis proportions.

Mr. BASS of New Hampshire. I wish to compliment my distinguished friend and colleague from New York [Mr. GOODELL] for his very fine and thoughtful and constructive approach to this subject of automation.

Mr. Speaker, I yield back the balance of my time.

THE ADDRESS OF THE PRESIDENT OF THE UNITED STATES TO THE NATION

The SPEAKER pro tempore (Mr. BOLLING). Under previous order of the House, the gentleman from Wisconsin [Mr. BYRNES] is recognized for 30 minutes.

Mr. BYRNES of Wisconsin. Mr. Speaker, I commend the President for his forthright discussion of our choices in Berlin and for his determination that this city shall remain free. I know every Member will support the President in making whatever military preparations are necessary to enable us to meet our responsibilities there.

At the same time, I feel it necessary to say that I am disappointed at the apparent decision of the President that, while we can periodically reappraise our defense expenditures upward, there is no need to reappraise his total legislative program in the light of new demands upon our fiscal resources.

The President has asked for increases of $6 billion in defense spending since January. At the same time, he has proposed a vast domestic spending program which will increase expenditures heavily this fiscal year but whose full effect will fully be felt in subsequent years.

The President told us last night that he foresaw a deficit of over $5 billion in this fiscal year, a year when he says the economy will be operating at high levels. Yet, prior to his speech and his request for over $3,500 million in additional spending, there were estimates that the deficit this year would be close to $5 billion. While I appreciate that all estimates of receipts and expenditures looking into the future are subject to honest error, we would be reckless indeed if we did not realize that we now face a prospective deficit in the range of $7 to $10 billion. Such a deficit, in an economy on the upswing and under the heavy impetus of arms buying and a consumer psychology hypoed by a crisis abroad, has grave implications for the kind of stability we need to deal with the lengthy struggle in which we are now engaged.

The President, apparently conscious of the incongruity of this heavy deficit in a year of prosperity, maintains that he will submit a balanced budget to Congress next January for fiscal year 1963. That may be his intention now, just as it was his intention, when he deilvered his state of the Union message, to submit a program of expenditures which will not of and by themselves unbalance the earlier budget for fiscal 1962.

The plain facts are that the President is not the master of future budgets. He is subject to the spending enthusiasm of his advisers, the course of the economy, the reluctance of his Congress to tax and its willingness to spend, new scientific developments which could lead to the need for new weapons or conditions in a world under steady pressure from an aggressive and ruthless enemy.

The President does not know, nor does any man know, what conditions will prevail next January when the budget is submitted, let alone what demands there will be upon available resources during the entire year, which will not begin until 11 months from now.

That is why I say that, in my opinion, the President is not acting prudently in telling the American people that we cannot only meet the terrible drain of defense preparations, but that we can safely proceed with all of his other spending plans developed and proposed during a time when the international and economic situations were radically different than they are today.

The prudent man, the wise man, does not prepare for trouble ahead by loading himself down with new burdens and new commitments. He makes himself ready for action. He gets rid of excess baggage and excess fat. He takes in his belt; he does not let it out a few notches. He knows that a lean fighter, in sound shape, stands a much better chance than one whose mind and body are weighted down with anything beyond what he needs to overcome his foe.

Governments are not much different, in my opinion. When the possibility of serious trouble arises, when the call upon its resources and its vigor seems certain to increase, a prudent government does not overburden itself with new commitments and new demands upon its time, energy, and fiscal capacity. It puts first things first; it makes sure that its basic strength—the economy from which it draws its wherewithal—will remain strong, beyond any doubt.

This fact was recognized by the President on May 25, when he talked to us of our urgent national needs. He said then:

> If the budget deficit now increased by the needs of our security is to be held to manageable proportions—if we are to preserve our fiscal integrity and world confidence in the dollar—it will be necessary to hold tightly to prudent fiscal standards.

I say that if we are to hold tightly to prudent fiscal standards, we cannot continue to proceed recklessly to make vast increases in both our defense and nondefense spending. The President has made three reappraisals of our defense spending, each resulting in requests for additional funds; the time is long overdue when the President and this Congress should reappraise our nondefense spending and the proposals which have been made to increase it.

For, the President also told us on May 25:

> Our security and progress cannot be cheaply purchased; and their price must be found in what we all forgo as well as what we all must pay.

I say the time has come, for the sake of our security and progress, to determine what programs the Federal Government can forgo in view of the heavy demands, now and in the future, which our preparedness will require.

Certainly, this Congress should give immediate attention to those revenue-raising requests which the President has made, including the transfer to postal users of over a half billion dollars in postal costs now being borne by the taxpayer through the General Treasury.

But more than that is needed.

We must continue to provide the best possible education for our youth, but this does not mean that the Federal Government must assume responsibility for elementary and secondary education. In the face of the magnificent job being done by our States and local government in vastly increasing expenditures for public school education, it is the height of folly for the Federal Government to supersede this effort with the wasteful and unnecessary general grant program now pending in Congress. The incongruity of the Federal Government, burdened with debt and an arms race, in providing millions to States who are well able to take care of their own needs should be apparent to all.

We must meet the challenge of the underdeveloped countries and meet the needs of military assistance to our friends abroad. But, if ever a program needed the careful scrutiny of Congress for excess fat and waste and misdirected effort, our foreign aid program is it. This Congress, if it bends itself to the task, can meet our critical needs abroad and still make substantial reductions in the money requests submitted by the administration.

We can review such programs as the multi-billion-dollar housing program just passed by Congress. We should review the sewer bill just passed by Congress. How absurd can we get when the Federal Government, with all its burdens, now takes over substantial responsibility for such uniquely local responsibilities as sewer construction? This law is the epitome of a government intent upon doing for the people what they are fully capable of doing for themselves. It should be reviewed and cut back to bare essentials.

We can start a continuing review of appropriations. We should require justification on the basis of essentiality; we should consider the possibility of rescissions, where these are possible, in programs not absolutely essential to our security and progress. We should be highly critical, and take appropriate action, in cases where waste and negligence are uncovered in the expenditure of public funds.

One of the reasons, Mr. Speaker, I take this time to urge this note of caution is the shocking situation that developed today in the other body where, in spite of the message of the President last evening, in spite of the critical situation in which we find ourselves, the Committee on Appropriations of the other body reported a bill increasing appropriations for the Department of Health, Education, and Welfare $800 million in excess of the bill as it passed the House of Representatives; and the bill as it passed the House of Representatives was in excess of what the President had asked for to run that agency. It is time, Mr. Speaker, that we wake up and act with some commonsense.

And, if we do all of these things, if we cut the fat out of this vast governmental operation for which we are basically responsible, and if the need for more revenue to keep our economy sound becomes apparent, we should not hesitate, as the branch of Government responsible for raising revenue, to increase taxes in order to provide balanced budgets in years of prosperity, regardless of the recommendations of the President.

Mr. Speaker, I am conscious, as much as any man, of the burdens imposed upon our President. I do not speak today because I want to add to those burdens. I speak to let him know, and this body know, of my concern for the future of this Nation. It is tempting to take the easy course at a time like this, and base fiscal plans on the most optimistic predictions and assumptions, but I deeply believe it is unwise to do so.

We should prepare for the worst, and if the worst does not come, we have lost nothing by having been prudent. We have only put this Nation on a sound footing from which it can proceed to whatever objectives it chooses for itself. But, we are unwise to assume that our troubles are temporary, or that in our lifetimes we will always be able to have our cake and eat it, too. This is a time for testing the very fiber of our Nation. Let us show the world, and the men in the Kremlin, that our sinews are hard and our resolve is unflinching, not with words, but by our actions here at home.

CUBAN INDEPENDENCE DAY

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, as you know, today marks the eighth anniversary of Castro's revolution. A great celebration is planned in Havana, and Soviet Spaceman Yuri Gagarin is the guest of honor. He shares the spotlight with Dictator Castro and scores of emissaries from the Sino-Soviet bloc.

I am told that part of today's celebration includes an exhibition of Communist-built Mig jet fighter planes. Only a short time ago these aircraft were being uncrated and assembled by Czechoslovakian technical assistants. Castro also now has more than enough arms for his 30,000-man standing army, as well as the people's militia, which now reportedly numbers over 200,000. This fact would suggest that Cuba could be used as a relay point for a massive arms export to Latin America.

It is clear that Castro is the most bellicose government figure in this hemisphere, and that peaceful progress in Cuba is not one of his intentions. When he came to power in 1958 his regime promised a government responsible to the people. There has been no such demonstration. Just compensation is another promise which was extended to owners of seized property. Neither the American interests involved nor the Cuban people have seen the first payment. The only sign of Castro's awareness that property seized should be accompanied by compensation has been his attempts to hijack further U.S. civilian aircraft.

Yesterday another attempt to commandeer defenseless civilian aircraft was uncovered. These acts represent piracy of the most serious order, and may be the boldest affronts to U.S. dignity yet suffered. If these attempts are not halted, and the safety of commercial air travel is again threatened, then action is the answer. The time has arrived for this nation to deliver an ultimatum to Castro, and to back it up with forceful unilateral action.

When Castro came to power he promised free elections to the Cuban people. He has not kept his promise. Instead, he has led them farther away from freedom. He has organized a police state, with friends and neighbors now informing on one another. He has organized a people's militia with women and children bearing arms. He has regimented Cuban youth in the same manner Hitler did in the early days of fascism. The shame and degradation heaped upon the Cuban people by Fidel Castro has been done without their consent. The 26th of July is a state holiday in Cuba—a day not to mark the beginning of freedom for the Cuban people but rather the beginning of a despotic and neurotic tyranny. Only those Cubans who flee Castro's Communist domination realize the price Cuba is paying.

CASTRO'S HIJACKING OF AN AMERICAN PLANE

Mr. HALPERN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HALPERN. Mr. Speaker, I was appalled—as I am sure were all the Members of this House—to learn of the hijacking of an American commercial airliner by Cuba's Dictator Castro.

This is an outright act of aggression—a flagrant violation of international law. It is as repugnant an act as this Nation has seen in many a year. This outright airway robbery, this banditry—and that's exactly what it is—on the eve of Cuba's revolution celebration shows more clearly than anything else that the Castro revolution is built on dishonesty, deception, fraud, and complete disregard for decency and morality.

It is a regime of thugs, gangsters, schemers, and despots. How tragic that a great people—a friendly neighbor—should have been so engulfed by such a regime.

Mr. Speaker, I am today calling on our State Department to immediately present the case of the hijacked plane before the Organization of American States as well as the United Nations. In the name of international law and decency this dastardly act of aggression should be placed before the community of nations for appropriate adjudication.

SCHEDULE OF REMARKS ON OPERATION EMPLOYMENT

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include a table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, most everyone is now aware of the studies and speeches on employment in our dynamic American economy which are being enunciated by a task force of Congressmen under the auspices of the subcommittee on special projects of the House Republican policy committee. Last week, during the colloquy related to the remarks of the gentleman from Illinois, Representative DERWINSKI,

and the gentleman from Pennsylvania, Representative SCRANTON, I promised to insert a schedule of speeches as soon as one was available. At this time, I would like to include in the RECORD a recent letter sent to my colleagues on July 24 reflecting the schedule of remarks on Operation Employment as it now stands. The Members will be kept informed as to future dates and topics as soon as they become available:

JULY 24, 1961.

DEAR COLLEAGUE: As you no doubt know, Operation Employment was launched last week with a report on community efforts to solve problems of surplus labor areas. Representatives DERWINSKI and SCRANTON inserted a study by Prof. Bruno Hartung on "The Wheeling, W. Va., Story," into the RECORD and discussed comparable local efforts in Chicago Heights, Ill., and Lackawanna County, Pa.

This study, conducted by the special projects subcommittee of the House Republican policy committee, will continue with reports by congressional study teams related to study papers by academic and professional experts during the next 3 weeks, with a final report due by mid-August. I was pleased to note the colloquy among a number of Congressmen of both parties last Thursday. Thus, I am enclosing a schedule of future reports in order that interested Members might turn out and join in the discussion of a particular topic if they so desire. We welcome participation from all.

Date of special orders	Topic	Congressional teams
July 20	Community efforts in meeting problems of unemployment.	Representatives Derwinski and Scranton.
July 25	Prosperity unemployment	Representatives Rhodes and MacGregor.
Do	Causes of unemployment	Representatives Griffin and Schweiker.
July 26	Automation and employment	Representatives Bass and Anderson.
July 27	Adequacy of the benefit amount in unemployment insurance.	Representatives Alger and Mathias.
Aug. 1	Employment and balance of payments in international trade.	Representatives Springer and Mosher.
Do	Employment and foreign competition	Representatives Adair and Sibal.
Do	Worldwide economic effects on U.S. business and employment.	Representatives Conte and Bromwell.
Do	New directions in foreign aid	Representatives Lindsay and Reifel.
Do	Agricultural marginal workers	Representatives McIntire and Battin.
Aug. 2	Industrial efforts in meeting problems of unemployment.	Representatives Cahill and Schneebeli.
Do	Jobs and their creation	Representatives Ayres and Garland.
Aug. 2 or 3	Employment as a goal in public policy	Representatives Goodell and Dole.
Aug. 11	10 a.m., press conference, Hotel Congressional	
Aug. 14	Final report (tentative), on floor of the House	

Other reports will be presented on August 3, 8, 9, and 10, by the following congressional teams not yet scheduled:

Date of special orders	Topic	Congressional teams
Aug. 3	Rural development	Representatives May and McVey.
	Growth and stability of employment	Representatives Judd and Stafford.
	Price stability and employment	Representatives Schwengel and Ashbrook.
Aug. 9	Employment objectives and price stability	Representatives Curtis and Durno.
Aug. 10	Toward employment stability	Representatives Short and Beermann.
	Unemployment insurance and stability of employment.	Representatives Lipscomb and Milliken.
	A history of unemployment insurance	Representatives Weis and Morse.
	Rates of growth of real product	Representatives Widnall and Findley.
	Rehabilitation of workers and industrial retraining	Representatives Laird and Ellsworth.
	Approaches to surplus labor areas	Representatives Nelsen and James Harvey.
	Economic statistics	Representative Curtis.

Employment in the dynamic American economy is a problem faced by Americans of both political parties and the direction of public economic policy will be shaped by the views of all our citizens and their elected representatives. Please feel free to take a few extra minutes at each session during the next few weeks in order to make your contribution to this vital project.

Sincerely,

THOMAS B. CURTIS,
Member of Congress.

CUBA

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HIESTAND] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HIESTAND. Mr. Speaker, an American plane has been hijacked and flown to Havana. Now, if ever, is the time for U.S. action.

In this world of setting deadlines, let us set one ourselves. Let us set a deadline for Fidel Castro—say, 10 o'clock tomorrow morning—telling him to return the stolen plane or we will come and get it.

What better foundation could be laid for our position in the Berlin crisis than to seize the initiative in Cuba, only 90 miles away? An American plane has been stolen and taken to Havanna. Let us not play a game of words; let us get it back.

If not, we should move in military forces. The military reports that Castro's regime could be toppled in 12 hours.

Are we to let the Communists in Cuba get away with hijacking our planes? Already, Castro reportedly wants to exchange the craft for 10 smaller planes. This looks like another blackmail scheme such as was tried with the ill-fated tractors-for-bodies exchange.

The President issued some strong words on the Berlin situation last night, but it is foolhardy for the United States to constantly react to Communist-created problems without grabbing the initiative.

A firm stroke in Cuba is both necessary and proper.

NATIONAL DEFENSE

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. WILSON] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WILSON of California. Mr. Speaker, on July 13 I pointed out the threat to our security posed by the offensive potential of the supersonic Soviet bombers which were flown in such numbers as to dispel forever any optimistic speculation that Mr. Khrushchev regards manned bombers as a thing of the past.

Why are these Soviet bombers in mass production? The answer is simple. The aims of communism have been continuously frustrated by the might and striking power of our Strategic Air Command ever since the end of World War II. All-out nuclear war has been averted—but not for long unless we take immediate, firm, and positive action.

We now see firsthand evidence of the current Soviet estimate of the situation. As President Kennedy pointed out last night, Mr. Khrushchev has stirred up the Berlin crisis to proportions which may well mark the turning point in the life of the free world. Khrushchev does this with the confidence of a nation possessing a strategic bomber force of ever-increasing potential who faces a counterforce—the United States of America—whose strategic bombing force is already withering on the vine of obsolescence.

We are the richest nation in the world, caught in the morass of indecision, wallowing in a sea of unqualified advice and displaying no evidence of continuity of effort. We have stifled the inventiveness of our aircraft industry. As a matter of fact, we are faced with unmistakable evidence that our aircraft industry is about to disappear.

The development of the B–70 has been pushed and pulled so many times that even now it will be difficult to get it onto a straight track. In Fort Worth, we are about to stop the production of our only operational supersonic strategic bomber, the B–58, at the very time that we could begin to realize the tremendous potential of its inherent growth. The work force that has created this masterpiece of weapons design across the entire Nation is already being dissipated and dispersed. It will be impossible to reassemble such a team without irretrievable losses in efficiency and in the reliability of their products. As far as I know, there are no new strategic bombers on the drawing boards.

And still, Mr. Speaker, we study the problem. We study the studies. We fail to act.

The people of the United States were told last night to dig holes in the ground. We are asked to provide $200 million to aid in this effort.

What must we do, Mr. Speaker? We who are charged by the Constitution to provide for the common defense. We must take the necessary steps to insure that the only Soviet bombs that ever fall on our cities, our factories, or our homes come from the few Soviet bombers that manage to survive the most deadly hail of defensive weapons as far from our shores and cities that it is possible for our science, our technology, and our resources to provide. To be effective, such a defense must be flexible; it must have sufficient density and performance to absorb and contain any Soviet offensive thrust. It is obvious, Mr. Speaker, that a fence around half of the field will not keep the cows out. I pointed out to this body on July 13 and on several occasions before this that we now face a new and real threat from a new direction—from the unprotected south. Castro flew 17 of his newly acquired Migs in Cuba this morning. Norad and Air Defense Command, the agencies directly charged with the responsibility for protecting our homeland, recognized not only this threat but the inadequacies for our overall weapons density and urgently requested that the funds wisely provided by the 86th Congress for the procurement of additional quantities of F–106 all-weather interceptors be immediately released for this purpose. Their request was turned down.

Inquiries to the Department of Defense asking why these funds were not used for their intended purpose have been answered by evasive replies and statements that the defensive weapons density is considered adequate consistent with budgetary considerations. The determination of the appropriation level to meet the needs of the people is the irrefutable prerogative of the Congress.

At this point, Mr. Speaker, I should like to call your attention to certain statements of our esteemed colleague in the other body, the junior Senator from Arizona, Mr. GOLDWATER, who is an accomplished and distinguished jet pilot in his own right. He has intimate first-hand knowledge of the situation. In a colloquy between himself and the distinguished senior Senator from Missouri, Mr. SYMINGTON, which is recorded on page 12635 of the RECORD, Mr. GOLDWATER states:

> I wish to remind him and my colleagues as well as the American people, that as of today, we have only the F–106, coming off the line in very limited numbers at almost the end of the line.

In this connection, the distinguished Senator is in error since the last F–106 was delivered to the Air Force in June. The production tools, however, are still in place. Again I quote from this same statement:

> Mr. President, we actually have no fighter force in this country worthy of the name. We can thank those people—I do not know where they are and I do not know on whose payroll they are, though I have my suspicions—who have been advising our President and advising our executive department that we need think of the manned aircraft no longer.

I sincerely urge that every Member of the Congress take time to study the entire statement as reported in the RECORD and ponder the wisdom therein.

We have reached the time of decision. The way is crystal clear. We must demand action.

At this point, Mr. Speaker, I would like to call the attention of the Members to pictures appearing on page 26 of the July 24 edition of Aviation Week magazine. For the record, these pictures clearly show several types of air-to-surface missiles attached to the undersides of not one but four different types of Soviet strategic bombing aircraft. All of these aircraft are in the hands of the Soviet SAC in quantity. The threat to the security of our homeland is ominous and it is explicit. It carries with it a clear mandate for action on our part. Those directly responsible cannot study the problem any longer, they must act.

This means that we must have faster interceptors of longer range to go out and destroy these bombers before they can launch their missiles. We must have them in sufficient quantities to handle mass raids and to handle raids from a variety of directions. These interceptors must be compatible with the existing command and control system or their capabilities will be wasted. These interceptors must be available in quantity and in the hands of trained air defense squadrons. These interceptors must be produced with all possible speed and with the tools that are at hand.

While I concede the necessity of entering a development program for a new long-range interceptor of superior performance, Mr. Speaker, we cannot afford the luxury of the time necessary to develop, test, produce airplanes and train squadrons to meet an existing threat.

The mach 3 long-range interceptor development program, the F–108, was canceled. Experience has proven that more confusion would most likely result from any effort to restart this program than constructive effort. We must start with a clean slate and apply all of the improvements in the state of the art which have occurred and been proven since its termination to a new long-range interceptor. Given proper continuity of effort and funding, the resultant airplane could begin to come off the production line in 5 to 7 years. But what about the interim period?

Fortunately, Mr. Speaker, the tools are still in place and the work force has not dispersed. We can make an immediate restart of F–106 all-weather interceptor production for the Air Force. These airplanes are already tested. The flight and maintenance crews are already trained. They are compatible with the command and control system. We can phase in orderly improvements bringing radius of the planes up to over 800 nautical miles and their speed up to mach 2.4. They can include the new fire control systems and the new air-to-air missiles to contain the demonstrated threat of the Soviet supersonic bombers. They can be available 3 to 5 years sooner than any new long-range interceptor. The authorization and the funds already exist for the initiation of this program, but we can realize its benefits, Mr. Speaker, only if we act—and act quickly.

In conclusion, Mr. Speaker, I would much rather dig my own hole in the ground, and with my own shovel, than divert funds from the defense of my country to build foxholes, if this is the alternative.

A U.S. DISARMAMENT AGENCY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Washington [Mr. PELLY] is recognized for 15 minutes.

Mr. PELLY. Mr. Speaker, there has recently been introduced by Members of both parties, both in the House and in the Senate, legislation to establish a U.S. Disarmament Agency for World Peace and Security.

At a time of world crisis when the President is asking the Congress to vastly increase military spending, at first glance it may seem inappropriate or ill timed to talk about legislation to provide preparation for cuts in arms spending.

Actually, however, the President is right. Now is the very time we should step up our efforts and planning for peace. The more this Nation expands its military expenditures the more we should study the impacts of any future curtailment in those same defense contracts. Furthermore, if one reviews presently existing domestic distressed areas in this country, and then in turn considers the conditions that would exist nationwide if defense industries were closed down, the enormity of adjustments which would have to be made becomes apparent.

As one who has been concerned with disarmament and the planning and study of domestic problems of industry and labor in any transition from military to peacetime production, I am greatly interested in and applaud President Kennedy's proposal for a Disarmament Agency. Certainly it deserves bipartisan consideration. Also, I may say the President's choice of John J. McCloy as his disarmament adviser invites confidence in the idea of this new Agency.

One of the important functions of the new Disarmament Agency bill is research relating to disarmament, including coordination of studies in the field by or for other Government agencies.

Mr. Speaker, the economic impact and political consequences of disarmament and especially of the problems of readjustment for labor and industry arising from it, recognized in the President's proposal, are of extreme importance. In addition, I would hope those authorized to carry out the President's recommendations also would send up to Congress suggested legislation to provide for the preparation of an actual standby domestic plan, such as is called for by my resolution, House Joint Resolution 219, for a standby program in the event of armament reduction to implement immediately the conversion of adversely affected industries and employment.

As I have said before, the Federal Government either studies the overall transition problem now, giving business and labor a chance to work out plans in advance, or we risk the enactment of a crash program when the time comes without planning, with the obvious probability of undesirable Government intervention and actions at that time. In this connection, I have wondered if the Soviets would not actually gain more by throwing us into the economic chaos of disarmament than by continuing to contribute to our false prosperity under military spending by their unwillingness to reach agreement on armament control.

Under the resolution, House Joint Resolution 219, I have sponsored, which I hope will have the support of the administration, the overall position of our Government would be greatly strengthened in any peace discussion and would offset some of the present unfortunate saber rattling over Berlin.

It is essential in times such as these that we keep our powder dry. It is equally essential that we apply our best efforts to creating for our own and our children's sakes an alternative to an ever-increasing arms buildup with the accompanying threat of eventual annihilation. In this regard I would like to quote at length from the recent eloquent address by General of the Army Douglas MacArthur, at a joint session of the Congress of the Republic of the Philippines in Manila on July 5:

> The great question is, Can global war now be outlawed from the world? If so, it would mark the greatest advance in civilization since the Sermon on the Mount. It would lift at one stroke the darkest shadow which has engulfed mankind from the beginning. It would not only remove fear and bring security—it would not only create new moral and spiritual values—it would produce an economic wave of prosperity that would raise the world's standard of living beyond anything ever dreamed of by man.
>
> The hundreds of billions of dollars now spent in mutual preparedness could conceivably abolish poverty from the face of the earth. It would accomplish even more than this; it would at one stroke reduce the international tensions that seem to be insurmountable now to matters of more probable solution. This would not, of course, mean the abandonment of all armed forces, but it would reduce them to the simpler problems of internal order and international police. It would not mean Utopia at one fell stroke, but it would mean that the great roadblock now existing to the development of the human race would have been cleared.
>
> You will say at once that, although the abolition of war has been the dream of man for centuries, every proposition to that end has been promptly discarded as impossible and fantastic. But that was before the science of the past decade made mass destruction a reality. The argument then was along spiritual and moral lines, and lost. But now the tremendous evolution of nuclear and other potentials of destruction has suddenly taken the problem away from its primary consideration as a moral and spiritual question and brought it abreast of scientific realism. It is no longer an ethical equation to be pondered solely by learned philosophers and ecclesiastics, but a hard-core one for the decision of the masses whose survival is the issue.
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> It may take another cataclysm of destruction to prove the bald truth that the further evolution of civilization cannot take place until global war is abolished. But this is the one issue upon which both sides can agree, for it is the one issue upon which both sides will profit equally. It is the one issue in which the interests of both are completely parallel. It is the one issue which, if settled, may well settle all others.
>
> The present tensions with their threat of national annihilation are fostered by two great illusions. The one, a complete belief on the part of the Soviet world that the capitalistic countries are preparing to attack them; that sooner or later we intend to strike. And the other, a complete belief on the part of the capitalistic countries that the Soviets are preparing to attack us; that sooner or later they intend to strike.
>
> Both are wrong. Each side, so far as the masses are concerned, is desirous of peace. Both dread war. But the constant acceleration of preparation may, without specific intent, ultimately precipitate a kind of spontaneous combustion.
>
> Many will tell you with mockery and ridicule that the abolition of war can be only a dream—that it is but the vague imagining of a visionary. But we must go on or we will go under. And the great criticism that can be made is that the world lacks a plan that will enable us to go on.
>
> We are in a new era. The old methods and solutions no longer suffice. We must have new thoughts, new ideas, new concepts. We must break out of the straitjacket of the past. We must have sufficient imagination and courage to translate the universal wish for peace—which is rapidly becoming a universal necessity—into actuality. And, until then, at whatever cost or sacrifice, we must be fully prepared—lest we perish.

I think it is significant that this great soldier's eloquent concern is directed during a period of great tension toward alternatives to a spiraling arms race, as well as toward our full preparedness.

As I understand, the proposed Agency would be charged in part with the design of inspection and control procedures to verify compliance with any disarmament agreement in furtherance of our national security. But as I indicated earlier, I am particularly gratified to note that also it is concerned with our economic adjustment to disarmament. Thus this bill is consistent with my proposed House Joint Resolution 219, and concurs with the necessity for careful consideration of this problem.

Section 31(h) of the proposed bill provides that the Agency shall study the economic and political consequences of disarmament, including the problems of readjustment arising in industry and the reallocation of national resources.

I do not believe that there is any question of our ability to make better use of our national resources than the continual creation of arms which rapidly become obsolete. I am, however, concerned that we carefully plan for the millennium when we may adjust to a more peaceful world. Such planning is particularly needed to avoid massive Government action to replace the withdrawal of Government funds. Instead of this alternative we must carefully devise means of stimulating private investment and of developing private rather than Government activity to replace our arms industry.

The most recent figures which I have been able to obtain indicate that in the year 1959 in my home State of Washington, defense expenditures exceeded $900 million and supported directly over 50,000 people. Indirectly the number must be double this figure. Only last week I received notification from Mr. Walter E. Berg, district secretary-treasurer of Aeronautical Industrial District Lodge 751, representing 20,000 employees of the Boeing Co., recording support of my resolution, House Joint Resolution 219. I am very pleased that the proposed Agency will be authorized to pay continuing attention to the type of economic adjustment planning called for in this resolution. It strikes me as most important that retraining of workers and retooling of industry be planned in advance of any peace. Otherwise, I have feared, as I said before, the impact of disarmament might well cause Government action and controls rather than private initiative. By peace rather than war, the Soviets might achieve our economic collapse. A U.S. Disarmament Agency might well do more than achieve world peace and security. It might preserve our free way of life at home.

When we consider the substantial percentage of the Federal budget devoted to defense—the effects of a reduction in this type of spending points up the desirability of orderly transition to nonmilitary production in event of an international agreement.

Mr. Speaker, reverting again to the subject of the President's proposal for a new agency for arms control and disarmament, let me say I believe it merits our support in the interest of peace and security.

As a complementary move to the recent administration decision for an arms buildup, it is most appropriate, it seems to me, for the United States simultaneously with such increased spending to explore a basis of limiting armaments and to plan for the impact of reduced military expenditures. In this connection, I urge immediate consideration of legislation to establish a new Disarmament Agency for World Peace and Security and, likewise, consideration of House Joint Resolution 219, to develop a standby plan to meet the economic impact of eventual reduced military spending.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. GATHINGS (at the request of Mr. TRIMBLE), for the remainder of today and for tomorrow, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HOFFMAN of Michigan, for 15 minutes, today, and to revise and extend his remarks.

Mr. HALPERN, for 10 minutes, on July 27.

Mr. PELLY, for 15 minutes, today.

Mr. AYRES, for 1 hour, on August 2.

Mrs. MAY, for 1 hour, on August 3.

Mr. CURTIS of Missouri, for 1 hour on August 3 and August 9.

Mr. SCHWENGEL, for 1 hour, on August 10.

Mr. MATHIAS, for 30 minutes, on July 27.

Mr. HEMPHILL, for 1 hour, on August 1.

Mrs. GREEN of Oregon, for 1 hour, on August 1.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ALGER and include extraneous matter.

(The following Members (at the request of Mr. CAREY) and to include extraneous matter:)

Mr. ALFORD.

Mr. MAHON.

(The following Members (at the request of Mr. HALPERN) and to include extraneous matter:)

Mr. DAGUE.

Mr. OSMERS.

Mr. HOSMER in two instances.

Mr. HALPERN.

Mr. FINO.

Mr. LATTA.

Mr. ROBISON.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 702. An act to authorize the Secretary of Agriculture to exchange certain lands in the State of Wyoming with the town of Afton, Wyo.; to the Committee on Agriculture.

S. 860. An act to provide greater protection against the introduction and dissemination of diseases of livestock and poultry, and for other purposes; to the Committee on Agriculture.

S. 1589. An act to amend the Communication Act of 1934 to authorize the issuance of radio operator licenses to nationals of the United States; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2086. An act for the relief of Earl H. Spero;

H.R. 2249. An act to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity;

H.R. 2250. An act to authorize and direct the Secretary of Agriculture to convey certain lands in Lassen County, Calif., to the city of Susanville, Calif.;

H.R. 4328. An act to reassign officers designated for supply duty as officers not restricted in the performance of duty in the Marine Corps; and

H.J. Res. 124. Joint resolution to provide for amending section 3 of the Puerto Rican Federal Relations Act (64 Stat. 319), as amended (64 Stat. 458).

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that committee did on July 25, 1961, present to the President, for his approval, bills of the House of the following titles:

H.R. 1182. An act to create the Wyandotte National Wildlife Refuge;

H.R. 1336. An act for the relief of Anna Catania Puglisi;

H.R. 1379. An act for the relief of the dependents or estate of Carroll O. Switzer;

H.R. 1383. An act for the relief of Hyacinth Louise Miller;

H.R. 1390. An act for the relief of Jung Ngon Woon;

H.R. 1391. An act for the relief of Mrs. Wong Lau Sau Kam;

H.R. 1486. An act for the relief of Mrs. Vicenta A. Messer;

H.R. 1499. An act for the relief of Manuel Nido;

H.R. 1699. An act for the relief of Nick George Bondoures;

H.R. 1704. An act for the relief of Lee Shee Won;

H.R. 1706. An act for the relief of Adela Michiko Flores;

H.R. 1891. An act for the relief of E1c William J. Stevens;

H.R. 1903. An act for the relief of Mrs. Amina Youssif Cosino (nee Simaan);

H.R. 2354. An act for the relief of Mr. Louis Fischer, Feger Seafoods, and Mr. and Mrs. Thomas R. Stuart;

H.R. 2674. An act for the relief of Eva Nowik;

H.R. 2750. An act to provide for the relief of certain enlisted members of the Air Force; and

H.R. 7454. An act consenting to the amendment of the compact between the States of Pennsylvania and Ohio relating to Pymatuning Lake.

ADJOURNMENT

Mr. CAREY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 24 minutes p.m.) the House adjourned until tomorrow, Thursday, July 27, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1166. A communication from the President of the United States, transmitting a draft of a proposed bill entitled "A bill to authorize the President to order units and members in the Ready Reserve to active duty for not more than 12 months, and for other purposes"; to the Committee on Armed Services.

1167. A letter from the Secretary of Defense, transmitting a draft of a proposed bill entitled "A bill to authorize additional appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes"; to the Committee on Armed Services.

1168. A letter from the Acting Secretary of Commerce, relative to reporting a violation of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1169. A letter from the Assistant Secretary of Defense (Installations and Logistics) transmitting the May 1961 report on Army, Navy, and Air Force prime contract awards to small and other business firms, pursuant to the Small Business Act, as amended; to the Committee on Banking and Currency.

1170. A letter from the Comptroller General of the United States, transmitting a report on the review of procedures for recovering overpayments of insurance benefits, Bureau of Old-Age and Survivors Insurance (BOASI), Social Security Administration, Department of Health, Education, and Welfare (HEW); to the Committee on Government Operations.

1171. A letter from the Acting Administrator, General Services Administration, transmitting the report of the Archivist of the United States on records proposed for disposal under the law; to the Committee on House Administration.

1172. A letter from the Secretary of Agriculture, transmitting a report of all claims adjudicated and paid by the Department for the period July 1, 1960 to the end of the fiscal year, June 30, 1961, pursuant to 28 U.S.C. 2671–2680; to the Committee on the Judiciary.

1173. A letter from the Administrator, National Aeronautics and Space Administration, transmitting certain information outlined in section 4 of the act of June 1, 1960 (74 Stat. 151, 152) and is submitted to the Speaker of the House pursuant to rule XL of the House of Representatives; to the Committee on Science and Astronautics.

1174. A letter from the Assistant Secretary of the Treasury, transmitting the Annual Report of the Federal Bureau of Narcotics, prepared by the Commissioner of Narcotics, for the calendar year ended December 31, 1960, pursuant to the act of June 14, 1930; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 793. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mrs. PFOST: Committee on Interior and Insular Affairs. H.R. 4458. A bill to authorize the Secretary of the Interior to replace lateral pipelines, line discharge pipelines, and to do other work he determines to be required for the Avondale, Dalton Gardens, and Hayden Lake Irrigation Districts in the State of Idaho; with amendment (Rept. No. 794). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. Report on U.S. aid operations in Peru (Rept. No. 795). Referred to the Committee of the Whole House on the State of the Union.

Mr. THORNBERRY: Committee on Rules. House Resolution 391. Resolution for consideration of H.R. 8102, a bill to amend the Federal Airport Act so as to extend the time for making grants under the provisions of such act, and for other purposes; without amendment (Rept. No. 796). Referred to the House Calendar.

Mr. KIRWAN: Committee of conference. H.R. 6345. A bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1962, and for other purposes (Rept. No. 797). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FEIGHAN: Committee on the Judiciary. H.R. 1325. A bill for the relief of Mrs.

Seto Yiu Kwei; without amendment (Rept. No. 798). Referred to the Committee of the Whole House.

Mr. MOORE: Commtitee on the Judiciary. H.R. 1349. A bill for the relief of Fong Houck Pong; with amendment (Rept. No. 799). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 1422. A bill for the relief of Mrs. Agavni Yazicioglu; with amendment (Rept. No. 800). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. VINSON:

H.R. 8353. A bill to authorize additional appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. PERKINS:

H.R. 8354. A bill to authorize pilot training and employment programs for youth including on-the-job and other appropriate training, local public service programs, and conservation programs; to the Committee on Education and Labor.

By Mr. BUCKLEY (by request):

H.R. 8355. A bill to authorize executive agencies to grant easements in, over, or upon real property of the United States under the control of such agencies, and for other purposes; to the Committee on Public Works.

H.R. 8356. A bill to authorize reimbursement to owners and tenants of certain lands or interests therein acquired by the United States for certain moving expenses and losses and damages, and for other purposes; to the Committee on Public Works.

By Mr. CANNON:

H.R. 8357. A bill to amend the act entitled "An act for the organization, improvement, and maintenance of the National Zoological Park"; to the Committee on Public Works.

By Mr. COLLIER:

H.R. 8358. A bill to amend the Federal Trade Commission Act to prohibit the use of the term "mahogany" in advertising for the purpose of the sale of woods or wood products which are in fact not mahogany; to the Committee on Interstate and Foreign Commerce.

By Mr. CUNNINGHAM:

H.R. 8359. A bill to provide for appointments to positions in the postal field service on the basis of qualifications and experience, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FOGARTY:

H.R. 8360. A bill to authorize the disposal of the property known as Ellis Island for purposes consistent with the public interest; to the Committee on Government Operations.

By Mr. FRIEDEL:

H.R. 8361. A bill to provide a deduction for payment of ground rents; to the Committee on Ways and Means.

By Mr. LANKFORD:

H.R. 8362. A bill to provide for the conveyance of certain real property of the United States to the State of Maryland; to the Committee on Interior and Insular Affairs.

By Mr. LINDSAY:

H.R. 8363. A bill to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges; to the Committee on Foreign Affairs.

By Mr. SIBAL:

H.R. 8364. A bill to direct the Secretary of Commerce to initiate steps leading to a redefinition of a national transportation policy; to the Committee on Interstate and Foreign Commerce.

By Mr. MORRIS K. UDALL:

H.R. 8365. A bill to provide that certain real property of the United States and of the State of Arizona shall be made a part of Saguaro National Monument; to the Committee on Interior and Insular Affairs.

By Mr. VINSON:

H.J. Res. 505. Joint resolution to authorize the President to order units and members in the Ready Reserve to active duty for not more than 12 months, and for other purposes; to the Committee on Armed Services.

By Mr. COLLIER:

H.J. Res. 506. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mrs. DWYER:

H.J. Res. 507. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. CHAMBERLAIN:

H.J. Res. 508. Joint resolution to amend the Constitution to enable the Congress to function effectively in time of emergency or disaster; to the Committee on the Judiciary.

By Mr. MOORE:

H.J. Res. 509. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. SAUND:

H. Con. Res. 357. Concurrent resolution supporting the President's reply to the Soviet aide memoire on Germany and Berlin; to the Committee on Foreign Affairs.

By Mr. SCHWENGEL:

H. Con. Res. 358. Concurrent resolution providing for the printing of certain proceedings commemorating the 100th anniversary of the first inaugural of Abraham Lincoln; to the Committee on House Administration.

By Mr. LANE:

H. Res. 390. Resolution expressing the sense of the House of Representatives regarding the establishment of a Franklin Delano Roosevelt Memorial National Park; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DULSKI:

H.R. 8366. A bill for the relief of Shawqi T. Shalala; to the Committee on the Judiciary.

By Mr. HOLTZMAN:

H.R. 8367. A bill for the relief of Mai Har Tung and Lee Har Tung; to the Committee on the Judiciary.

By Mr. MATHIAS:

H.R. 8368. A bill for the relief of A. Eugene Congress; to the Committee on the Judiciary.

SENATE

WEDNESDAY, JULY 26, 1961

The Senate met at 10 o'clock a.m. and was called to order by Hon. MAURINE B. NEUBERGER, a Senator from the State of Oregon.

Rt. Rev. Msgr. Edward H. Roach, pastor of the Shrine of the Most Blessed Sacrament, Washington, D.C., offered the following prayer:

In the name of the Father and of the Son and of the Holy Ghost. Amen.

Almighty God, who in the beginning didst command the light to shine out of darkness, and didst go before Thy people in a pillar of fire, let Thy word be a lamp to our feet and a light to our path.

Illumine our minds and kindle our hearts, that we may see Thy truth and run in the ways of Thy commandments. When the fathers of our country assembled together to frame our Constitution, they labored all the night in vain, until they turned to Thee for light.

Keep us in the humble spirit of that beginning, that we stray not from Thee, in whom we have put our trust and from whom we have received our liberty. Spare us from blinding pride and from vain thoughts that darken counsel.

Before us lie grave problems that perplex the wisest among us: problems of government, of politics, of commerce, of labor, of education, and of religion; problems that concern the moral, social, and economic welfare of our Nation.

Bless this land of promise; and by the help of Thy grace, make us willing to share the milk and honey of its riches among all our people, in justice and charity, according to Thy divine commandments. We are all Thy children, members of one family. Forgive us our trespasses, and turn our hearts toward Thee and toward one another, and set our feet into the way of a great and lasting peace. Have mercy on us and bless us and cause Thy face to shine upon us, O Thou, our God, who livest and reignest, world without end. Amen.

In the name of the Father and of the Son and of the Holy Ghost. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 26, 1961.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. MAURINE B. NEUBERGER, a Senator from the State of Oregon, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mrs. NEUBERGER thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. HUMPHREY, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, July 25, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 25, 1961, the President had

approved and signed the joint resolution (S.J. Res. 116) to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 4998. An act to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes; and

H.R. 8302. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 4998. An act to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes; to the Committee on Labor and Public Welfare.

H.R. 8302. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes; to the Committee on Appropriations.

Mr. HUMPHREY. Madam President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HUMPHREY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. HUMPHREY. Madam President, under the rule there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. HUMPHREY, and by unanimous consent, the Committee on Rules and Administration was authorized to meet during the session of the Senate today.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communications and letter, which were referred as indicated:

AMENDMENTS TO BUDGET FOR FISCAL YEAR 1962, INCREASE IN AMOUNT FOR MILITARY FUNCTIONS OF DEPARTMENT OF DEFENSE (S. Doc. No. 39)

A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1962, involving an increase in the amount of $3,454,600,000 for the military functions of the Department of Defense (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

AUTHORIZATION FOR PRESIDENT TO ORDER UNITS IN THE READY RESERVE TO ACTIVE DUTY

A communication from the President of the United States, transmitting a draft of proposed legislation to authorize the President to order units and members in the Ready Reserve to active duty for not more than 12 months, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

ADDITIONAL APPROPRIATIONS FOR AIRCRAFT, MISSILES, AND NAVAL VESSELS FOR ARMED FORCES

A letter from the Secretary of Defense, transmitting a draft of proposed legislation to authorize additional appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MONRONEY, from the Committee on Post Office and Civil Service, with an amendment:

S. 189. A bill to increase the equipment maintenance allowance for rural carriers (Rept. No. 621).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 427. A bill for the relief of Mardiros Budak and Armenuhi Maryam Budak (Rept. No. 622);

S. 1934. A bill for the relief of Mrs. Chow Chui Ha (Rept. No. 623);

H.R. 2616. An act for the relief of Habib Mattar Nacol (Rept. No. 624); and

H.R. 6514. An act for the relief of Doctor Louis Karel Dupre (Rept. No. 625).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1179. A bill for the relief of Alicja Zakrezewska Gawkowski (Rept. No. 626); and

S. 1335. A bill for the relief of W. B. J. Martin (Rept. No. 627).

By Mr. HILL, from the Committee on Labor and Public Welfare, without amendment:

S. 2073. A bill to authorize two additional Assistant Secretaries in the Department of Health, Education, and Welfare, and for other purposes (Rept. No. 628).

By Mr. McNAMARA, from the Committee on Labor and Public Welfare, without amendment:

S. 1815. A bill to provide for one additional Assistant Secretary of Labor in the Department of Labor (Rept. No. 629).

By Mr. MANSFIELD, from the Committee on Rules and Administration, without amendment:

S. Res. 175. Resolution authorizing the printing of additional copies of a report on Federal civilian employment by county (Rept. No. 631);

S. Res. 179. Resolution to print as a Senate document an article entitled "Khrushchev and the Balance of World Power" (Rept. No. 632);

S. Res. 180. Resolution authorizing additional expenditures by the Committee on Appropriations (Rept. No. 633); and

S. Res. 181. Resolution providing additional funds for the Committee on Labor and Public Welfare (Rept. No. 634).

By Mr. MANSFIELD, from the Committee on Rules and Administration, with amendments:

S. 1057. A bill to provide for a National Portrait Gallery as a bureau of the Smithsonian Institution (Rept. No. 630).

ELIA F. GARCIA—REPORT OF A COMMITTEE

Mr. MANSFIELD, from the Committee on Rules and Administration, reported an original resolution (S. Res. 184) to pay a gratuity to Elia F. Garcia, which was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Elia F. Garcia, widow of Jose F. Garcia, an employee of the Senate at the time of his death, a sum equal to five months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Donald E. O'Brien, of Iowa, to be U.S. attorney for the northern district of Iowa; and

James V. Ryan, of Pennsylvania, to be U.S. marshal for the eastern district of Pennsylvania.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RUSSELL (for himself and Mr. SALTONSTALL):

S. 2311. A bill to authorize additional appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. RUSSELL when he introduced the above bill, which appear under a separate heading.)

By Mr. BUTLER:

S. 2312. A bill to amend the Internal Revenue Code of 1954, relative to taxes on property subject to redeemable ground rent; to the Committee on Finance.

(See the remarks of Mr. BUTLER when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (by request):

S. 2313. A bill to unify apportionment of liability in cases of collision between vessels, and related casualties; and

S. 2314. A bill to limit the liability of shipowners, and for other purposes; to the Committee on Commerce.

By Mr. JOHNSTON (by request):

S. 2315. A bill to amend the Federal Employees' Group Life Insurance Act; and

S. 2316. A bill to authorize the voluntary election by employees of annual premium compensation instead of the saved pay rate; to the Committee on Post Office and Civil Service.

By Mr. HARTKE:

S. 2317. A bill to authorize the establishment of the Indiana Dunes National Monument; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. HARTKE when he introduced the above bill, which appear under a separate heading.)

By Mr. ALLOTT (for himself, Mr. CARROLL, and Mr. KUCHEL):

S. 2318. A bill to provide that the price at which the Coast and Geodetic Survey sells aeronautical radio navigation charts and certain related material to the public shall not be less than the total cost thereof; to the Committee on Rules and Administration.

By Mr. RUSSELL (for himself and Mr. SALTONSTALL):

S.J. Res. 120. Joint resolution to authorize the President to order units and members in the Ready Reserve to active duty for not more than 12 months, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. RUSSELL when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTION
ELIA F. GARCIA

Mr. MANSFIELD, from the Committee on Rules and Administration, reported an original resolution (S. Res. 184) to pay a gratuity to Elia F. Garcia, which was placed on the calendar.

(See the above resolution printed in full when reported by Mr. MANSFIELD, which appears under the heading "Reports of Committees.")

UTILIZATION OF THE READY RESERVE ON ACTIVE DUTY AND APPROPRIATIONS FOR THE PROCUREMENT OF AIRCRAFT, MISSILES, AND NAVAL VESSELS

Mr. RUSSELL. Madam President, for myself and the senior Senator from Massachusetts [Mr. SALTONSTALL], I introduce, for appropriate reference, a joint resolution and a bill which would confer authority for the utilization of the Ready Reserve on active duty and for appropriations for the procurement of aircraft, missiles, and naval vessels.

The joint resolution would provide authority until July 1, 1962, for the President to order not more than 250,000 members of the Ready Reserve to active duty for not more than 12 months. It also would authorize until July 1, 1962, the extension for not more than 12 months of enlistments, appointments, and other periods of obligated service that otherwise would expire before July 1, 1962.

The bill would authorize appropriations for the procurement of aircraft, missiles, and naval vessels in a total of $958,570,000.

In his address last evening the President explained the reasons for requesting these authorities in his usual eloquent and convincing style. Perhaps it is an apparent contradiction in terms to say that the President was both resolute and restrained, but the circumstances require that our national attitude reflect both resolution and restraint. The President effectively outlined the need for both.

Since I know that the Committee on Armed Services will desire to give expeditious consideration to his requests, a meeting of the committee has been scheduled for 10 a.m. tomorrow, at which time Secretary McNamara will testify on the joint resolution and the bill that I am introducing for myself and the senior Senator from Massachusetts.

The ACTING PRESIDENT pro tempore. The bill and joint resolution will be received and appropriately referred.

The bill and joint resolution, introduced by Mr. RUSSELL (for himself and Mr. SALTONSTALL), were received, read twice by their titles, and referred to the Committee on Armed Services, as follows:

S. 2311. A bill to authorize additional appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes; and

S.J. Res. 120. Joint resolution to authorize the President to order units and members in the Ready Reserve to active duty for not more than 12 months, and for other purposes.

Mr. SALTONSTALL. Madam President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. Madam President, when the distinguished Senator from Georgia asked me to join him in sponsoring the bill and joint resolution I considered it an honor to do so. I believe thoroughly in what the measures attempt to carry out in connection with the President's address last night. I am confident the Committee on Armed Services will promptly consider the proposal and act favorably upon it.

Mr. RUSSELL. I thank the Senator.

AMENDMENT OF INTERNAL REVENUE CODE, RELATING TO TAXES ON PROPERTY SUBJECT TO REDEEMABLE GROUND RENT

Mr. BUTLER. Madam President, since 1927 homeowners in the State of Maryland, and all other States permitting the sale of property subject to redeemable ground rents, have been permitted to deduct for Federal income tax purposes those amounts which they pay annually as ground rent. Now, however, the Commissioner of Internal Revenue has taken the position that they shall no longer be deductible. This will mean the loss of income tax deductions to most homeowners in the Baltimore and Eastern Shore areas of Maryland of between $100 and $200 per year—and in some cases much more.

This action taken by the Commissioner would be bad enough if it applied to all States which have redeemable ground rents, but he has limited it to the State of Maryland in an inexcusable and discriminatory manner. Why he has singled out Maryland, I do not know, and the Commissioner himself has been unable to supply me with an adequate or plausible explanation. He has asserted that this change in regulations is necessary to conform to a decision made by the Fourth Circuit Court of Appeals in the Simmers and Welsh homes cases, and he hastens to point out that because of those decisions, ground rent deductions can no longer be permitted. Consistency of treatment, he says, is necessary. He apparently fails to recognize, however, that the Simmers decision was made 5 years ago, and the deductions have been permitted ever since. He also fails to point out that neither of the above decisions are in any way related to the issue of tax treatment of amounts homeowners pay as ground rent. Rather, they related to the inequitable tax treatment that the Internal Revenue Service previously applied to sellers of property impressed with ground rents.

Madam President, I think the Treasury Department's decision in this case will eventually have a more far-reaching effect than is readily apparent. It is my opinion that this action is the beginning of a move on the part of the Treasury Department to eliminate as tax deductions those payments which are made by homeowners as interest on their mortgages. Such a move will, of course, affect millions upon millions of taxpayers throughout the country, but I shall say no more about that issue until it arises, and I am sure that it will arise.

At this time, Madam President, I am introducing a bill which will preserve the ground rent deduction not only to Marylanders, but to all Americans who may by chance own property subject to ground rents. It is my sincere hope that the Senate will take early action on this bill without the air being clouded by irrelevant and inaccurate assertions by the Internal Revenue Service about consistency of treatment and the effect of certain court decisions.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2312) to amend the Internal Revenue Code of 1954, relative to taxes on property subject to redeemable ground rent, introduced by Mr. BUTLER, was received, read twice by its title, and referred to the Committee on Finance.

PROPOSED ESTABLISHMENT OF INDIANA DUNES NATIONAL MONUMENT

Mr. HARTKE. Madam President, I introduce, for appropriate reference, a bill authorizing the establishment of the Indiana Dunes National Monument. This is a new and positive approach to resolve what I feel has been a needless controversy. I have repeatedly stated that I believe that there can be both

beauty and business, industry and recreation in northern Indiana.

My earlier efforts to resolve this matter were unsuccessful because I was unable to secure the cooperation of the previous administration here in Washington.

I have now had two conferences with the new Secretary of the Interior, Stewart Udall, and several conferences with members of his staff about this matter. Secretary Udall is interested in the full development of northern Indiana. He has been sympathetic with the desire of those of us wanting to provide a national park area for northern Indiana.

In my conference with him today, I advised him that I was prepared to propose legislation which I felt would permit business activity in northern Indiana without interfering with the full development of a national monument preserving representative portions of the Indiana dunes, beaches, forests, bogs, and related landscapes which are suitable for conservation, educational, scientific, and public recreational purposes. He has promised to examine my proposals carefully in the light of information he has received and his own on-the-spot tour of the dunes last Sunday.

The bill I am introducing will permit the Secretary of the Interior to acquire land in northern Indiana bounded on the north by Lake Michigan, on the east by the Porter County east boundary line, on the south by U.S. Highway 20 and on the west by the Northern Indiana Public Service Co. property.

The Secretary may acquire by purchase, gift, or donation up to 5,000 acres of land in this area for the Indiana Dunes National Monument. The national monument will be used for conservation, scientific, educational, and public recreational purposes.

The Secretary is also authorized, in order to provide for the proper development and maintenance of the Indiana Dunes National Monument, to construct and maintain markers, buildings, a refuge and facility for small pleasure boats, and other improvements and facilities for the care and accommodation of visitors he feels necessary.

Madam President, I hope that action on this proposed legislation will be taken at an early date. We in Indiana are anxious to have this project completed as soon as possible. I will continue to work with the Secretary of the Interior and the administration in an effort to have this completed at an early date.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2317) to authorize the establishment of the Indiana Dunes National Monument, introduced by Mr. Hartke, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

WATER RESOURCES PLANNING ACT OF 1961—REFERENCE OF BILL TO ADDITIONAL COMMITTEE

Mr. CASE of South Dakota. Madam President, in accord with the notice which I gave last night, I ask that the bill (S. 2246) to provide for the optimum development of the Nation's natural resources through the coordinated planning of water and related land resources, through the establishment of a Water Resources Council and river basin commissions, and by providing financial assistance to the States in order to increase State participation in such planning, be referred to the Committee on Public Works after the Committee on Interior and Insular Affairs has completed action on the bill.

The ACTING PRESIDENT pro tempore. Without objection, the bill will be so referred.

PRESIDENT KENNEDY'S STATEMENT ON BERLIN AND U.S. PREPAREDNESS

Mr. HUMPHREY. Madam President, I am sure that during the day many of our colleagues will refer to the splendid, courageous, and statesmanlike address delivered last evening by the President of the United States. It was my privilege to hear it, and, of course, to see the President on television as he spoke, and, along with the distinguished Senator from Indiana [Mr. CAPEHART], to make very brief comment about the message.

I feel that President Kennedy's message will go down in the annals of American history as one of the decisive statements of our national policy and of the program of national security and, indeed, of international peace. The President's message was challenging. It was, indeed, a statement of a courageous man. It was a message that should cause every lover of freedom, everyone in the world who believes in national independence and free institutions, to pause, to think, and then to act in unity.

President Kennedy gave us a commitment last evening to firmness on the one hand and the desire to conduct honorable negotiations on the other. It is to that whole point that I shall take this moment to address myself.

The President, in the concluding words of his message, asked us to offer suggestions. He asked the American people for their guidance, their help, their good will, their trust; and he asked the American people to do whatever they could to give enlightenment or to shed some light in the hours of this terrible period of tension and the possibility of war.

I hope Members of Congress will take it as a serious challenge to themselves, because it is perfectly obvious, in light of the President's commitment, that we will defend our rights, that we will not retreat under threats of force. It is equally obvious that the President of the United States seeks ways and means, as the leader of the free nations of the world, to negotiate honorably and to find avenues to peace and to law and order.

I hope the committees of the Congress who have responsibility for acting upon the President's request of last evening will act expeditiously, and I hope those of us in the Senate and the House who are called upon in the coming days to act upon the foreign aid bill will act quickly and judiciously. This is a time when, by action of the Congress, we can demonstrate our faith in the Chief Executive of the Nation, and, indeed, in the great traditions of our democracy. We can set the pattern of world leadership, not only by what the President says, but by what Congress does.

I call upon my colleagues to give the President what he has asked for from our people, and in so doing I am sure we will magnify our strength.

I ask unanimous consent that an editorial and article which appeared in today's New York Times be printed in the RECORD at this point.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 26, 1961]

THE PRESIDENT'S SPEECH

In a speech at once solemn, determined and conciliatory, President Kennedy last night reasserted American leadership of the free world and outlined some of the measures and the sacrifices that are necessary to safeguard our survival and our heritage in the face of the Soviet challenge. We are confident that the American people and freemen everywhere will support him.

As already outlined in the Western notes recently delivered to Moscow, the President again proclaimed a policy that is firm in principle. He again warned the Soviet Premier against precipitating a war by miscalculation of our determination to defend our principles. "We do not want to fight," he said, "but we have fought before." And he emphasized anew the other component of that policy, which the United States must never tire of stressing; namely, the willingness to settle all international disputes by peaceful means, in conformity with the United Nations Charter. If the Soviets challenge our rights in Berlin, the President is ready to submit the issue to adjudication and he is willing to leave an expression of the will of the people of West Berlin to their vote.

The lesson of experience proves that negotiations with a power which measures its respect for others by the number of their divisions can only proceed from a position of strength based on Western unity. Weakness and disunity, the President warned, are the path to war. Cognizant of this truth, he outlined a broadly based, long-range program for strengthening the military and political posture of this country and its allies.

The speech makes plain that, contrary to some fears expressed abroad, the President has no intention of pushing any panic or atomic buttons. He is carefully avoiding any step that might give the Soviets a pretext for attempting to shift the blame for their own warmongering on us.

The potentiality of exercising massive retaliation with nuclear arms remains both our best deterrence against war and our best ultimate defense. But the United States does not intend to be faced with the choice between humiliation or all-out nuclear war. We will use nuclear weapons only as a last resort. There will be no automatic escalation to atomic war if we can help it. Because of that, President Kennedy last night asked, as an immediate measure, for an increase in our conventional forces and in other areas of defense.

These are costly steps which will add well over $3 billion to a defense budget that has already passed $44 billion. They will demand some sacrifices within our affluent society. But this call for sacrifice, such as it is, also gives President Kennedy the right to ask of our allies corresponding measures and sacrifices. We are ready to do our share and bear our part of the burden; we must expect others facing the same dangers to do as much. The advance endorsement of the

main points in the President's speech by our NATO allies is the promise that they will not fail.

[From the New York Times, July 26, 1961]

THE QUESTION KENNEDY DID NOT ANSWER

(By James Reston)

WASHINGTON, July 25.—President Kennedy and Premier Khrushchev have now done two things in common. They have announced increased defense expenditures (up $3,247 million in the United States) and they have called for negotiations on Berlin and Germany.

What is still missing, despite the President's suggestion of adjudication of the West's rights in Berlin, is any evidence of a new basis for a political accommodation. Each is insisting on a settlement that is unacceptable to the other. Khrushchev has been threatening war in the hope of gaining acceptance of his formula for Germany and Berlin. Kennedy has now indicated his willingness to risk war rather than accept Khrushchev's formula. But neither has suggested a new political formula that gives any hope of a negotiated settlement.

This has given an impression of stalemate, even of a kind of fatalistic drift toward a military settlement of the differences between the two Goliaths. Yet even the authors of the new Kennedy defense program agree that neither the freedom of Berlin nor the unity of Germany can be achieved by military means.

For example, the Russians have 1,200 tanks within 50 kilometers of Berlin, and 175 divisions within easy striking range of the boundary between East and West Germany. Thus, even if the British, who in a masterpiece of mistiming announced today that they were reducing their defense expenditures, increased their forces in Germany, and if Germany increased its mobilization, and France and the United States strengthened the defenses of the West in Germany, the allies would still face the choice of waging a nuclear war or negotiating.

The question, therefore, still is whether there is any new basis for negotiation which might be acceptable to both sides. On the basis of what has been said here officially so far, the outlook is fairly grim, but once the military program proposed by President Kennedy tonight is accepted by the Congress, the prospects for useful negotiations may improve.

Actually there has been far more private discussion here of negotiations with the Russians than either the statements of our officials or the headlines of the press would suggest. The determination of the Kennedy administration not to be bullied into dishonorable concessions had to be established first. The President had to make clear that there was something tangible behind his repeated assertions that the West was going to stand firm.

This was what he was trying to establish in his speech tonight, but now that he has made his military position clear, the main political question still remains unanswered: Is there any possible new basis for an agreement that would preserve Western rights in Germany, guarantee the freedom of Berlin, and still enable Khrushchev to say he made progress toward his objectives?

Some responsible officials here think there is, and that it centers on acceptance by the United States and the other Western powers of the so-called Oder-Neisse line as the permanent boundary between Poland and Germany.

This line was accepted tentatively by the United States, Britain, and the U.S.S.R. at the Potsdam Conference in 1945. On August 2 of that year, President Truman, Prime Minister Attlee of Britain, and Joseph V. Stalin signed the following:

"The three heads of government reaffirm their opinion that the final delimitation of the western frontier of Poland should await the peace settlement.

Increasingly since then, the U.S.S.R. has wanted that agreement made final. This has been one of the main reasons why it has wanted a peace treaty with Germany. Accordingly, there is some sentiment here for meeting the U.S.S.R. on this point, provided a new arrangement, containing all the West's present rights in Berlin, can be negotiated, with a guarantee, supported by the United Nations and all nations concerned, of uncontrolled access from Western Germany to Berlin.

In the event of such an agreement, the Soviet Union would remain responsible for seeing to it that this uncontrolled access to Berlin was not interrupted by the East German Communists or anybody else. If, despite the objections of the West, Moscow insisted on signing a separate peace treaty with East Germany, the United States would insist on a provision in that treaty containing the guarantee of the freedom of Berlin and free access and association between West Germany and West Berlin.

It is not yet time for this kind of thing to be discussed with the Russians officially, but it should not be assumed that the Kennedy administration is relying solely on military reactions to the German problem.

President Kennedy tonight tried to make his position believable to Khrushchev. He tried to do so with words when he met the Soviet leader in Vienna, but apparently this did no good. Now he is trying to back up his words with new military preparations. In the process, military considerations dominate the debate, but behind all this there is some serious thought of honorable political accommodations and these will take their place in the dialog in due course.

Mr. KUCHEL. Madam President, the Chief Executive spoke for the American people last night. It is crucially important that the world understand there is no division in this country with respect to our basic goals and to our inflexible resolve to honor our commitments throughout the world.

It is Berlin at the moment which looms as a potential powderkeg which could engulf and destroy all mankind; and it is supremely important that the leaders of international communism understand there is no political division, nor partisan division, nor any division at all, in the Senate, in the Government, or in the country, with respect to our goals and hopes and resolve concerning which the President spoke last night. We stand for freedom.

We on this side of the aisle will sustain this Government in emergency with the same zeal and the same patriotism that those of the President's party will sustain this Government in emergency.

The Chief Executive, the Democratic Party, and the country do not want any of those impositions of legislative responsibility to act as rubberstamps; and where, by constructive criticism, we, as Republicans, can seek to improve legislative proposals as they come before us dealing with this emergency, it will be our responsibility to do just that. But I rise today to speak in these few moments after my able colleague, the acting majority leader, simply to reiterate, as best I can, that there is no division no cleavage, no divergence, among the American people with respect to our rights, our responsibility, and our duty in Berlin.

Mr. HUMPHREY. Madam President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. HUMPHREY. I wish to express thanks to the acting minority leader for his statement. I believe that this sort of unity between the respective political parties and those of us who are privileged to represent different points of view of political thought in this country is one of the areas of strength in America.

It appears to me that when we in the Congress join hands and forces in this kind of program for the fulfillment of a common objective and a noble purpose, and we expedite the legislation which the President may need as the Commander in Chief in this critical hour, we lend strength to the common cause of freedom.

It was with that thought in mind that the Senator from Minnesota spoke, and I know it was with that thought in mind that the Senator from California made his remarks.

May I compliment him as a leader in his party, not only now, but in days past, and in days to come, for always putting the welfare of the Nation above the temporary needs of his party.

Mr. JAVITS. Madam President, first, I should like to join the Senator from California in his pledge of bipartisan support of what the President said last night with respect to the determination of the American people. Also, I should like to state that, in my view, the President spoke the heart of our country, and read it truly, and that these very brave words—and I say that with the greatest commendation—must now be matched by equally brave deeds. It is that thought to which I wish to address myself, because the decisions with which the needs will be met will not be easy decisions to make.

Congress has two hard decisions to make which will bear very heavily upon our success in respect to the new posture of telling the Communists that they can go no further and that we are willing to back up our assertion with force if need be. We must back that resolve up with hard decisions. One of those hard decisions is going to be in respect of money. It costs money to do what is required. It also means we must save money on some of the programs for which we should not be spending money. This will not be an easy decision for the Congress to make.

Another decision to be made is on trade. We cannot win the battle if we follow restrictive or regressive trade policies. Yet that is the tendency of the country and, as I see it, the heavy tendency in the Congress. This tide will have to be defeated if we are going to match with deeds on our part in the Congress what the President has called for.

Third, we are not yet using the American private enterprise system in this struggle appreciably at all. We are still

trying to fight with 20 percent of the Nation's resources which are controlled by the Government. We are not yet enlisting in that struggle the resources of our private enterprise system. I have proposed a Peace Production Board. Others have made other suggestions. These proposals must be acted upon if we mean what we say.

Finally, with respect to our allies, at the very moment that this magnificent speech of the President is reported, we find the British are reducing their commitments in respect to this very matter of Berlin the President has discussed. The Chancellor of the Exchequer, in his effort to have the pound—and that is just as vitally important to the world as any aspect of the problem the President talked about—said Britain has to hold her defense spending down some $224 million less than they expected to spend. I have little doubt that will include defense.

In a parallel column in the Times today we find that British authorities here are arranging for a drawing on the International Monetary Fund.

Madam President, I say to the Congress and to the President, if you wish to match these brave words with deeds—we all do, and we honor the President for what he said—we know we cannot do it alone. We know we have to do it with our most important allies, France and Great Britain.

Madam President, Britain needs help now. She needs monetary help. That is a cheap form of help to give, if Britain will keep her forces intact and, indeed, increase them so as to make a full contribution, not to draw in at this time when she should not be drawing in merely because she has to save the pound.

Therefore, Madam President, I ask the President and the Congress to take a new look at Britain's financial requirements. This is a real case in point. It may be a case for another British loan. With all of the talk about the $3¼ billion we loaned to Britain when the British needed it, it is a good loan. They are paying it back now. They are paying it back regularly. Britain is a good debtor.

I hope very much we shall be realistic and really adult about our international and foreign affairs. I hope we shall realize we have to work with our allies. We need their support now. It is not enough simply to beat ourselves on the chest and to say, "We will do everything ourselves. We are big enough and strong enough to do it." That is unnecessary. It will not work. We need the whole world behind us.

This is a ready case in point in which the President and the Congress this morning, the day after the President's speech, can strike a really constructive and statesmanlike blow for the strength of the free world, by helping the British shore up the British pound and making it not necessary for them to reduce their defense commitments at the very time when we propose to increase our own and when they should be, commensurately with us, assuming part of the burden, which I believe they are willing to do. The British should not be inhibited from doing that because of financial restrictions, especially since they are an excellent credit risk and have demonstrated it time and time again.

Mr. KUCHEL. Madam President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KUCHEL. My able friend from New York has made a telling point with respect to the responsibilities which lie before us. There can be no question that to the extent our allies are strong, our longtime friends the British and the French—I add now, the West Germans; indeed, all our allies in the cause of freedom—the cause of the security of the United States is advanced.

Having made that general statement, I wish to say to may friend that we need to face up to the problem of trade. We need to recognize, as I think my able friend will completely agree, that we need a mutually profitable policy of trade relations with our friends abroad. It would be regrettable indeed if we turned our backs on our friends in mutually profitable trade policies.

Mr. JAVITS. I am grateful to my colleague.

Madam President, I ask unanimous consent that I may proceed for an additional minute, to complete my thoughts.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

Mr. JAVITS. In saying what I have said about the British, I did not, of course, in any way exclude the French, with whom we are very friendly and whom the President visited when he visited President de Gaulle, whose problems in Algeria we regard with the greatest of sympathy. I did not exclude the West Germans. The President certainly undertook a massive commitment in every word he said last night in regard to them. That is demonstrably clear.

This is the case of Britain this morning. The British obviously need some help to sustain their part of the job. When we are talking about these great words—I do not call them brave words, for they are great words—let us match these great words with great deeds, not after we become embroiled in trouble, but when we are preparing for it.

Mr. ELLENDER. Madam President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. ELLENDER. Do I correctly understand that the distinguished Senator from New York is suggesting this country loan more money to England? Where does he suggest we obtain this additional money?

Mr. JAVITS. The Senator from New York is suggesting that this country should make it possible for Britain to carry a greater share of its defense responsibility, which it is inhibited from doing by money. I say it is cheaper, if necessary, to lend money—and I say that advisedly—than to appropriate it for ourselves, in addition for our own Army, Navy, and Air Force. I say precisely that.

Mr. ELLENDER. Madam President, it was my privilege to visit Western Europe on two occasions last year. I wish to say frankly that I have heard more talk about war here in this country than I did in Western Europe. The people there do not seem to care. They are enjoying tremendous prosperity, and they look to the United States to put up the money to defend them.

I am surprised and disappointed, after all that we have done for the British, that the distinguished Senator from New York should stand on this floor and say that we should help the British more by way of loans. The British have not repaid what they now owe us. I think it is high time that the British, as well as all the other nations of Western Europe, shoulder more of the burdens in keeping the free world free.

The Senator does not seem to take cognizance of the fact that our great country today owes more money now than the rest of the whole world put together. That is the extent of our national debt. No country is making greater sacrifices for freedom than is the United States. But we should not be asked to do this alone.

If the countries of Western Europe took steps to help themselves not only economically but also with respect to meeting the crisis which is now before us as was described by our great President last night, we would go far toward solving the problem.

Madam President, I wish I were able today to tell the Senate what I learned last summer in Western Europe as to the efforts put forth by our so-called allies.

Unfortunately, our own military personnel in those countries do not tell the whole story. They report that our so-called allies are making a full effort to live up to their NATO obligations. But this is not so. I saw this with my own eyes.

We carried the load during World War I, during World War II, and during the Korean war. We were overburdened, but we carried the load on behalf of the forces of freedom. We paid 94 percent of the cost of the Korean conflict although it was supposed to be a full United Nations operation. Of all the military personnel who died in Korea, outside of the Koreans, 96 percent were Americans. I do not want this to happen again.

Those who are in the most danger today are, in my opinion, putting forth the least effort. I hope the President will take action whereby our so-called allies will make sacrifices similar to those we are called upon to make.

Unfortunately, I fear that as soon as our allies read that we are increasing the strength of our army to 1 million men, that we are also increasing the strength of our Navy and our Air Force, that we will make an expanded expenditure for conventional arms, then they will begin to reduce their own efforts. I fear they will say, "Why should we burden ourselves with increased defense spending? Uncle Sam will take care of us. He has enough money for all of us."

Madam President, we cannot allow this to happen. I, for one, stand ready

to support any expenditure of funds for our protection, but I want our allies to share in this burden. This is not only our battle; this is a battle on behalf of the entire free world. I hope that our President will take every step necessary to insure that the United States, and the United States alone, will not be forced to shoulder this heavy burden.

Mr. HUMPHREY. Madam President, I take the liberty of uttering one word of caution. I think in these particularly crucial days we would do well in this Chamber to attempt to bind up any wounds we may have, to attempt to encourage greater cooperation and unity among ourselves and our allies, and be constantly mindful that all sacrifices are not monetary. Some sacrifices are even greater than money. All nations in the free world which have been engaged in conflict have made great sacrifices.

My hope and plea is that we shall do everything we can to give leadership, in the truest sense of the word—to unite, to strengthen, and to help wherever help is needed.

Mr. BUSH. Madam President, apropos of the remarks of my able friend, the Senator from Louisiana [Mr. ELLENDER] a few moments ago, and also the remarks of the Senator from New York [Mr. JAVITS], preceding those remarks I should like to make the following observation. It is all right to say that our allies in the NATO organization are in greater danger than we, and therefore should do more. It is true that they are in greater danger.

The fact is, however, as we learned in World War I and in World War II, that without the assistance of the United States, with the full force and weight of our strength behind the allied nations, neither of those wars would have been won against what was then the gigantic power on the continent of Europe. So I think that we must face the situation, as President Kennedy did last night, in a spirit of complete partnership and cooperation and do whatever may be necessary to fortify our friends individually and collectively. If doing so involves bolstering the strength of the British pound through extending additional credit to them on a temporary basis, then I think that such action should be considered, and not ruled out because the British already owe us some money.

In other words, my plea is that we are in an exceedingly critical time, a time of the gravest danger, as President Kennedy pointed out last night in an extremely vivid fashion. For that reason we must examine every avenue of assistance that may be open to us to render to our allies, who are in greater danger than ourselves, so to speak, but whose danger is our danger from which we cannot possibly escape.

Mr. JAVITS. Madam President, will the Senator yield?

Mr. BUSH. I am happy to yield.

Mr. JAVITS. I am grateful to the Senator for his remarks, because they put in focus what I had in mind to say. I did not wish to interrupt our colleague, the distinguished Senator from Louisiana [Mr. ELLENDER]. The question is one of need. If the need is present, then we must help our allies to supply that need. Or if, as my colleague may feel, in the case of West Germany or France, there is a holding back and there is no real financial need, but merely a holding back for policy or other reasons—short draft terms, for example, which in Germany are only 12 months compared with our 2 years—there is a place where we all, the President, Congress, and everyone else who has influence, can lay emphasis. But where there is a real need, as the Senator, who is a distinguished financier himself, has said, if, for example, there is a sliding pound, and bolstering it would be the way to get the most out of our allies, we would indeed be shortsighted if we did not try to get that potential realized.

Mr. BUSH. I thank the Senator.

Mr. MANSFIELD. Madam President, last night, President Kennedy addressed the Nation on the Berlin situation and related matters. It was a clear call to duty and responsibility.

He spoke of the needs of defense, with neither panic nor trepidation, with neither brashness or timidity. Rather, he spoke temperately and firmly in terms of a well-reasoned long-range plan for strengthening the Armed Forces for a multiplicity of eventualities.

He set forth the general scope of the sacrifice which this will involve. This sacrifice must be made if we are to maintain the present international position of the United States and freedom. The first installment is in terms of personal sacrifice on the part of the young men and women who will be called to augment the Armed Forces, and in terms of the $3.5 billion for additional military and civilian defense expenditures which will be paid by the people of the Nation.

These measures, Madam President, and others must be set in motion regardless of immediate development in the international situation. What may ensue in the next few months no one can foretell. Mr. Kennedy is looking squarely at the dangers in the situation and acting prudently with respect to them. But he has not closed any doors to peaceful settlement, through negotiations. The doors are and will remain open to honest, give and take negotiations. It is the highest duty of statesmen of all nations, the deepest responsibility which they have to their own peoples and to humanity to see to it that they remain open.

Mr. LAUSCHE. Madam President, I desire to express my views on the President's message. It was a sober, dispassionate, objective presentation on the problem confronting us. His theme was that to achieve and maintain peace, it is essential that we possess a military strength adequate to cause the Soviet Union to pause and think of the consequences if it precipitates war.

Fleeing our responsibilities as citizens and as a nation, and abandoning our honor and the memory of the patriots, soldiers, and heroes of the past will not lead to peace. Flight will accelerate the coming of the day of violence.

Yielding now will give encouragement to the Communists to precipitate difficulties in other parts of the world and upon our very borders. If we give in now, where do we stop?

While we declare our purpose and belief not to suffer the loss of our rights in Berlin, the people of our country should know and believe it to be a fact that our country will not precipitate violence, but that if it is to come, it will be the consequence of the unalterable purpose of the Soviet. The Russian people should understand that our country wants peace, and that we will strive in every honorable way possible to achieve that peace through negotiation on matters that are negotiably consistent with the security of our country.

The details of the implementation of the President's expanded preparedness program will have to be studied before I can express an opinion on it.

Madam President, I would also wish to comment on the current discussions with respect to our military leaders.

Madam President, I do not approve of participation by our military leaders in the political arguments taking place between our respective political parties, especially insofar as they partake in it ostensibly in the performance of their duties. However, I cannot approve the increased attacks that are made upon our military men. If I had to plan to advance communism in the world, I would urge the destruction of the confidence of the people of the United States in our military men. When we lose confidence in our military structure, we shall make an advance toward the success of communism that will be unprecedented.

The Communists are probably dropping the seeds, hoping that they will unwittingly be fertilized by our leaders, thus bringing attacks on our whole military structure.

I, for one, do not subscribe to it; and I want the people of my State to know that, in my judgment, I want the military vigorously to bespeak the virtues of our system of government and point out the evils of the Communists.

Tragically, we are frightening the military from speaking about the goodness of our Nation; and I cannot subscribe to it.

COUNTEROFFENSIVE FOR TRIUMPH OF FREEDOM

Mr. WILEY. Madam President, President Kennedy sounded a trumpet for a national alert and a mustering of strength to defend the cause of freedom in Berlin and elsewhere in the world. The Nation, I am confident, will respond, patriotically.

In my judgment, the President's talk served the following purposes:

First, he warned Khrushchev that we, as a nation would—contrary to Red assumption—act when the chips were down, ready, alert, strong, to defend the rights and the cause of freedom.

Second, he alerted our citizens to the great seriousness of the present crisis.

Third, he announced the establishment of a stronger foundation of military strength—a language which the Reds best understand—to cope with the threats not only in Berlin, but around the globe.

From all the evidence, the struggle between East and West will become sharper in the days and years ahead.

This is particularly true in areas where the West stiffens its backbone and tells Khrushchev, "You cannot take over this land or people."

By recent action, too, we have analyzed and corrected the twisted, distorted logic of Soviet policy which charges that any nation resisting Communist efforts to take it over is, itself, an aggressor. In addition, we, with our allies, have clarified that war over Berlin—now at peace—would be blood on the hands of the Communists, not the West.

The right of self-determination by a people behind, as well as in front of, the Iron and Bamboo Curtains fortunately also has now become a negotiable issue, one which we can—and should—diligently and relentlessly push.

With a stronger military defense, we must also undertake a stronger counteroffensive in the nonmilitary field—economically, politically, ideologically.

In the struggle, however, we need a new national attitude. Defense, alone, or containment is no longer an effective policy. Rather, we must assume a counteroffensive and not only defend free lands that exist, but contest, with the Communists, for recognition of the rights of self-determination for peoples and lands now within the Red orbit.

This will require a new national spirit and policy, not simply of defending freedom against aggression, but of mobilized, dedicated efforts to go forth to assure the triumph of freedom in the world.

Mr. BYRD of Virginia. Madam President, the President's speech last night clearly defined the issues between the free world and communism. It was a powerful statement of the American position. I am in full accord with the firm and unequivocal stand that has been taken.

It would be fatal to appease Russia or to recognize Red China. I am convinced that the course outlined by the President is the course we must take. Actually, he proposes preparation for war to avoid a shooting war.

I hope Russia has reached the peak of her power. There are some signs that she may be losing ground. Not one of her satellites is her friend. Thousands upon thousands of East Germans have been fleeing that unhappy country. Red China's difficulties are gradually becoming known.

But these signs must not deter us from the immediate necessity for military strength beyond traditional invincibility. This may cost up to $50 billion this year. And we must recognize that once military buildup of this magnitude is started it will continue a long time. Ten years of cold war have been predicted by well-informed authorities.

This means huge deficits or huge taxation. The other alternative is reduction of costs in all nonessential areas.

After his notable address last night, the President's attention should be turned immediately to curtailment of all nondefense expenditures—including those recommended since January—which may be desirable but not absolutely necessary.

Our fiscal deterioration is emphasized by the fact that President Eisenhower early in January estimated a surplus for the year which ended June 30. President Kennedy later in January said the deficit would be $1.5 billion. Actually the deficit was nearly $4 billion. There will be billions more in deficit spending this year.

Our ability to pay for invincible military power over the long period ahead depends upon the action we take to maintain fiscal solvency. Critical reassessment of what Federal expenditures are essential must go hand in hand with the objectives put forth by the President last night.

Vast increases in both nondefense and defense expenditures at the same time will create uncontrollable inflation and reopen the run on our gold. These are elements of weakness, not strength. Military strength must be accompanied by fiscal strength if our defense objectives are to be achieved.

In the next few days I shall speak in detail with respect to the elements of fiscal strength and weakness, and reduction in nondefense expenditures in particular.

Mr. MORTON. Madam President, President Kennedy's message to the Nation Tuesday night placed in clear perspective the danger to our Nation and to world peace from continuing Russian belligerency over Berlin and other global hot spots, and emphasized the firm measures which America is compelled to take in order to deal effectively with the growing restlessness of the communistic challenge.

The President deserves the commendation of all Americans for the resolute and firm manner in which he stated our position and for putting in motion the steps required to strengthen our defense establishment. America is united behind the President with a spirit of determination to make any and all sacrifices asked of them to resist any further Soviet aggression.

I do not at this time desire to comment on the full extent of the additional billions the President indicated would be sought to reinforce our military capabilities. However, I want to make it absolutely clear that I support the President's firm policy and will cooperate to the fullest in supporting programs effectively implementing this course of action.

In my opinion, it is now urgent that the administration respond to the need for emergency arms spending by reevaluating its domestic spending programs and cutting back any and all domestic programs which cannot be justified as being absolutely necessary. Unless some fiscal belt-tightening is applied to domestic spending, the extra defense costs outlined by President Kennedy are going to be impossible to meet without incurring additional deficit spending or an increase in taxes. The Federal deficit was $3.9 billion last year, and expectations are that it will reach $9 billion in fiscal 1962.

In the area of postal deficits alone, nearly a billion dollars in annual operating losses of the Post Office Department could be diverted to the military by transferring to postal users adequate charges to cover the deficit. If the congressional committees refuse to act on specific legislation of the administration eliminating the deficit, I feel that every effort should be made to incorporate the proposal in some appropriate legislation on the floor of the Senate.

WEST VIRGINIA PLEDGES SUPPORT TO PRESIDENT ON BERLIN

Mr. BYRD of West Virginia. Madam President, in this time of deepening crisis the decisions which the President of the United States must make are heavy with responsibility. He must search his very soul to see if they are the right ones for the Nation, for the free peoples of the world, and for those who yearn for freedom from the shackles of Communist enslavement.

It is important, therefore, for the President to know when his decisions have the eager support of the citizens of our country, for only with such knowledge can he feel secure in taking whatever further steps he may deem to be necessary.

To this purpose, therefore, the West Virginia congressional delegation has today sent the following telegram to President Kennedy, and I ask that its text be printed in the RECORD, as a guide to other Americans who may also wish to advise the President of their support.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

JULY 26, 1961.

THE PRESIDENT,
The White House,
Washington, D.C.:

Your speech last night on the subject of Berlin was restrained but firm. You expressed, without equivocation, America's intention to keep her pledge on behalf of freedom. Your words should reassure fainthearted nations that they need not cringe before the bluff and bluster of vaunted Soviet might. Our allies will now have renewed faith in our commitments, and those who would disregard and dishonor their pledges will have cause to soberly and solemnly ponder their actions.

Your words of caution to the Russians fill us with pride. The motto of our State is "Montani Semper Liberi," which means "Mountaineers are always free." We know, however, that freedom must be indivisible if we are to feel secure in our own liberty. You, therefore, have our pledged support in whatever action you may deem to be necessary on behalf of freedom anywhere in the world.

ROBERT C. BYRD,
JENNINGS RANDOLPH,
U.S. Senators.
CLEVELAND M. BAILEY,
ELIZABETH KEE,
KEN HECHLER,
JOHN M. SLACK, Jr.,
HARLEY O. STAGGERS,
Members of Congress.

Mr. SCOTT. Madam President, I am sure we were all much impressed by the President's address last night. The President has taken a firm stand with respect to our obligations as to Berlin and elsewhere, particularly southeast Asia. I think the American people

should support the President wholeheartedly. I intend to do so.

I talked to Secretary of State Dean Rusk recently and suggested to him that a phrase used quite often by the State Department, "self-determination of peoples," is a broad general phrase with not too much impact or meaning to many people. I expressed the hope that the Secretary and the President would both stress the importance of free elections in East Germany and in the satellite nations of the world. I am personally very much pleased that the President last night made quite clear the stand of the United States in respect to any country which lies under the control or suzerainty or dominance of another nation, particularly the Communist powers, and the people of which are being denied a right to free elections and free expression of their own wishes as to how and by whom they shall be governed.

I am very happy indeed I can entirely support the President in his excellent statement last night.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H.R. 2086. An act for the relief of Earl H. Spero;

H.R. 2249. An act to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity;

H.R. 2250. An act to authorize and direct the Secretary of Agriculture to convey certain lands in Lassen County, Calif., to the city of Susanville, Calif.;

H.R. 4328. An act to reassign officers designated for supply duty as officers not restricted in the performance of duty in the Marine Corps; and

H.J. Res. 124. Joint resolution to provide for amending section 3 of the Puerto Rican Federal Relations Act (64 Stat. 319), as amended (64 Stat. 458).

THE BRITISH POUND

Mr. BUSH. Madam President, in this morning's New York Times and also in the Washington Post for today there appear editorials which deal with action yesterday of the British Government. The editorial in the New York Times is entitled "Defending the Pound"; and the one published in the Washington Post is entitled "Buttressing the Pound."

Madam President, the action yesterday by the British Government reflects courage in meeting a difficult situation, particularly involving fiscal affairs, and especially this time in dealing with a very difficult balance-of-payments problem.

Madam President, because we in this country have been facing a very difficult balance-of-payments problem, and may in the future have to face the problem again, I suggest that these editorials are worthy of the attention of Members of the Senate and Members of the House of Representatives, and that there is a lesson in them for us. For that reason, I ask unanimous consent that they be printed in the RECORD following my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 26, 1961]

DEFENDING THE POUND

The moves announced in London yesterday to defend the British pound are fully as rigorous as advanced warnings suggested they would be.

Interest rates and sales taxes have been raised substantially; a campaign to reduce British Government spending abroad has been announced; an official policy of keeping down increases in wages and dividends has begun. For the immediate future, these measures—together with others taken in the past week or so—should attract short-term foreign capital, reduce British purchases and other spending abroad, and generally ease the balance-of-payments deficit which is at the immediate root of the pound's recent difficulties.

From a longer term point of view, however, the fundamental of the present problem is the increasing degree to which Britain has been failing to earn its way in international markets. Frequent wage rises without an equivalent rise in productivity have weakened the competitive abilities of British manufacturers in many world markets. Some of the traditional sources of foreign currency income from services have vanished altogether or at least diminished in the face of stiff competition from other nations. With essentially full employment at home and markets available domestically for almost everything they could produce, British manufacturers have not had the incentive to expand exports.

The current moves may be nothing more than short-term palliatives, unless Britain takes action soon toward joining the European Common Market. To take that road will not be easy in view of the many vested interests, in Britain and in key Commonwealth countries, that would be disturbed. But it is in that direction, with its promises of expanded sales opportunities abroad for the most competitive kinds of output and of increased competition at home for the most lethargic areas of the British economy, that the hope for a sounder British financial future must be sought.

[From the Washington Post]

BUTTRESSING THE POUND

Never has austerity been more widely advertised than in anticipation of the emergency British economic program presented yesterday to the House of Commons. The proposals put forth by the Chancellor of the Exchequer, Selwyn Lloyd, met most of the expectations or apprehensions. They included a 2-percent boost in the bank interest rate, a 10-percent increase in many purchase taxes, and drastic cuts in foreign and domestic spending. Britain also plans to draw upon the International Monetary Fund to stabilize the pound.

Despite an air of resigned masochism in the Macmillan government, it is seldom easy to tell a people that they have been living beyond their means. The Government has dragged its feet, indeed, on such obvious remedies as the interest rate while seeking to prepare opinion through talk of belt-tightening. Not surprisingly, though, disgruntled members of the Labor opposition have pointed to the contrast between the new measures and the 1959 Conservative election slogan, "You never had it so good."

Of this the Economist sagely commented in advance of the announcement: "* * * it is a bleak acceptance of poverty to abandon the aim, and castigate the idea, of having it so good; one should not confuse that phrase's bad grammar with its excellent dynamic principles. * * * The trouble is that in free-for-all markets—such as markets abroad are—Britons are not earning enough; but that in some monopoly-influenced or trade-union-rigged or subsidy-protected markets at home they are too often getting profits or wages that they do not earn."

Yet the dilemma is real. British prices have risen, in part because of a succession of wage increases exceeding productivity gains, to the point where a growing number of British exports have become uncompetitive on world markets. Sterling has been subjected to an additional speculative strain since the run on American gold reserves was eased this spring. Diminished invisible returns from services have aggravated the trade imbalance. At home a somewhat inflated prosperity has increased the demand for imports.

Several sobering questions arise, nonetheless, respecting Mr. Lloyd's prescription. Will cuts in investment limit the kind of economic expansion upon which real long-range prosperity depends? Will the reductions in oversea spending, what with the imminence of the Berlin crisis and the importance of stronger NATO defenses, impair the British contribution to security? Will the Government provide leadership, in restraining subsidies, and inflationary wage and price demands, for the kind of self-discipline of which the British people are so magnificently capable in real emergencies?

Surely it would be misfortunate if the program were to imply that Britain will be forced to retrench on her free world commitments. And it would be a great pity if the program were to exaggerate the obstacles to British membership in the European Common Market. Ultimately the impetus for a more efficient and competitive industry is to be found in the stimulus of a larger market.

In political terms, at least, the Macmillan government seems again to have demonstrated a remarkable skill for sensing just when a wave is going to break and riding its crest. Meanwhile there is perhaps a lesson for certain segments of American industry and labor in the unpalatable consequences of becoming uncompetitive.

COMMITTEE MEETING DURING SENATE SESSION

Mr. McNAMARA. Madam President, for the record, I ask unanimous consent that the Subcommittee on Labor of the Committee on Labor and Public Welfare be permitted to meet today in order to take the testimony of Secretary Goldberg and others on proposed legislation intended to improve the reporting and disclosure section of the Federal labor law.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. KUCHEL. Madam President——

Mr. McNAMARA. Madam President, I am asking unanimous consent for the purpose of making the record. I believe that we have taken too lightly the calling of Cabinet members to committee hearings in order to testify.

I mentioned in my request Secretary of Labor Goldberg. At 7 o'clock last evening a decision was made to hold a session of the Senate at 10 o'clock this morning. Under the rules, I know that the minority has every right, as has any

other Senator, to object to holding such a hearing, but I think that a little thoughtful consideration should go into stopping a hearing of the testimony of a Cabinet member.

Cabinet members generally are pretty busy these days, particularly the individual whom we have scheduled to be heard this morning. I think it is one of those actions which are taken merely for the purpose of being dilatory or delaying action on important legislation, but it does not look too good for Congress, and particularly it does not look good for the minority, to object to hearing testimony under the circumstances. I have stated the purpose of the request, and I hope it will be granted.

Mr. KUCHEL. Madam President, an objection has been lodged by a member of the minority with the acting minority leader against the unanimous-consent request of my friend from Michigan. On that basis, I object to the unanimous-consent request.

The ACTING PRESIDENT pro tempore. Objection is heard.

AMENDMENT OF TARIFF ACT OF 1930, TO REDUCE TEMPORARILY THE EXEMPTION FROM DUTY ENJOYED BY RETURNING RESIDENTS

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 6611) to amend paragraph 1798(c)(2) of the Tariff Act of 1930 to reduce temporarily the exemption from duty enjoyed by returning residents, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. HUMPHREY. Madam President, I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. BYRD of Virginia, Mr. KERR, Mr. LONG of Louisiana, Mr. WILLIAMS of Delaware, and Mr. CARLSON conferees on the part of the Senate.

GEN. EMERSON C. ITSCHNER, ARMY CHIEF OF ENGINEERS

Mr. CASE of South Dakota. Madam President, I wish to express my appreciation of the services of Gen. Emerson C. Itschner who has recently retired as Army Chief of Engineers to go to an important post overseas.

General Itschner's retirement gives cause for those of us who have had the privilege of working with him to express our sincere best wishes for the future and our gratitude for the years of dedicated service he has given to the United States.

His appointment as Army Chief of Engineers came in September 1956, when he was a major general. Three years later—in 1959—he was elevated to the temporary rank of three-star general, recently confirmed in permanent rank. Indicative of his leadership and ability was the fact that General Itschner was given a 2-year duty tour extension in 1960.

While there have been times when we have had problems arising out of activities of the Corps of Engineers, I can say that we always found General Itschner ready to listen to our problem and to that of any constituents. I know that he has served the United States well during the years. I am proud to salute General Itschner for his numerous and varied accomplishments and wish unanimous consent to have printed in the RECORD a summary of his military history.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

MILITARY HISTORY OF EMERSON CHARLES ITSCHNER, O15516, MARCH 27, 1961

Lieutenant general, U.S. Army.

Born: July 1, 1903, at Chicago, Ill.

Service (Active); Over 36 years.

Present assignment: Chief of Engineers, U.S. Army, Washington, D.C., since October 1956.

Military schools attended—Year completed:

U.S. Military Academy, 1924.

The Engineer school, civil engineer course, 1926.

The Engineer school, company officers' course, 1927.

Command and general staff school, 1940.

Educational equivalent to the engineer school, advanced course, 1947.

Educational equivalent to the engineer school, basic course, 1947.

Educational equivalent to Armed Forces Staff College, 1947.

Educational equivalent to National War College, 1947.

Educational equivalent to command and general staff college, 1947.

U.S. decorations:

Legion of Merit (with two oak leaf clusters).

Bronze Star Medal.

Air Medal.

Purple Heart.

Promotions	Temporary (AUS)	Permanent (RA)
2d lieutenant		June 12, 1924
1st lieutenant		Jan. 23, 1929
Captain		Aug. 21, 1935
Major	Feb. 4, 1941	June 12, 1941
Lieutenant colonel	Jan. 6, 1942	July 22, 1947
Colonel	July 31, 1942	Mar. 25, 1949
Brigadier general	July 30, 1953	Aug. 1, 1955
Major general	Dec. 21, 1955	Oct. 1, 1956
Lieutenant general	Sept. 9, 1959	

Duty assignments (last 10 years):

Engineer, I Corps, Far East Command, from March 1951 to September 1951.

Engineer, 5th Army, Chicago, Ill., from September 1951 to April 1952.

Division Engineer, North Pacific Division, Portland, Oreg., from April 1952 to November 1953.

Deputy Assistant Chief later Assistant Chief of Engineers for Civil Works, Office, Chief of Engineers, Department of the Army, Washington, D.C., from November 1953 to September 1956.

By authority of the Secretary of the Army:

R. V. LEE,
Major General, USA,
The Adjutant General.

Mr. KUCHEL. Madam President, will the Senator yield?

Mr. CASE of South Dakota. I yield to the Senator from California.

Mr. KUCHEL. I should like to have the honor of associating myself with the comments which my able friend from South Dakota has made. General Itschner is a great soldier, a dedicated American citizen who, as Chief of the Corps of Engineers, guided the labors of the corps in all their constructive undertakings across the country. As one who comes from a State which is interested in great work of the corps, I merely wish to testify to the cooperation and high ability which always marked General Itschner in his labors before the Senate Committee on Public Works, of which my able friend the Senator from South Dakota [Mr. CASE] is a member.

Mr. BUSH. Madam President, will the Senator yield?

Mr. CASE of South Dakota. I yield to the Senator from Connecticut.

Mr. BUSH. I am happy to add a word of association with the expressions that have been made. I have known General Itschner during his incumbency as Chief of Engineers and before that time. I never discovered really what the Army Engineers meant to our country until the great floods we had in Connecticut in 1955. In that year and in succeeding years I had a great deal of contact with the corps, its New England representative, and the Chief of Engineers in Washington. In this way I have come to know General Itschner, and I hold him in the very highest respect. So I am glad that the distinguished Senator from South Dakota [Mr. CASE], who is always very thoughtful and considerate of all of us, has thought of making the comments which he has today made about General Itschner, and I congratulate him on what he has said.

Mr. CASE of South Dakota. Madam President, I believe that the voluntary expression we have heard from California, Connecticut, and the Midwest demonstrates clearly that General Itschner had a national capacity and a national point of view.

Mr. JAVITS. Madam President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. JAVITS. I would like to have New York joined in that company, because we, too, are very grateful to General Itschner for the many wonderful things which under his leadership were done for our ports and other installations through the Corps of Army Engineers.

COMMITTEE MEETING DURING SESSION OF THE SENATE

Mr. HUMPHREY. Madam President, I ask unanimous consent that the Interior and Insular Affairs Committee and the Committee on Public Works be permitted to sit jointly during the session of the Senate today.

Mr. BUSH. Madam President, reserving the right to object——

Mr. HUMPHREY. This request has been cleared with the minority leadership.

Mr. BUSH. I have no objection.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE LOST COLONY

Mr. ERVIN. Madam President, on Saturday evening, July 22, 1961, I had the privilege of attending one of the great outdoor dramas of America, a drama which all Americans should see. I refer to Paul Green's symphonic drama, "The Lost Colony," which has been given every year for the last 21 years at the spiritual birthplace of America, Roanoke Island, N.C.

I ask unanimous consent that certain remarks which I was privileged to make at that time be printed in the body of the RECORD at this point, as a part of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR SAM J. ERVIN, JR., AT THE WATERSIDE THEATER ON ROANOKE ISLAND ON SATURDAY EVENING, JULY 22, 1961

As we gather at the Waterside Theater on Roanoke Island to witness America's most famous outdoor play, Paul Green's symphonic drama, "The Lost Colony," we find ourselves in the center of a land of many enchantments for those whose hearts are attuned to nature, history, or legend.

To the north, the east, and the south of us lie nature's unique creations, the Outer Banks, which offer relaxation of body, mind, and spirit to those who love the beauty of the sand, the shore, and the sea, and the healing qualities of salt-laden air. Nearby are the waters of Albemarle, Croatan, Currituck, Pamlico, and Roanoke Sounds, and the mighty Atlantic, which constitute a paradise to those who boat, swim, or practice the art of Izaak Walton.

Beginning at the Whalebone Junction near the southern end of Nags Head and stretching along the Outer Banks for some 70 miles to the western end of Ocracoke Island is Hatteras National Seashore Park, one of the most fascinating recreation areas of the Nation, and extending southward along the Outer Banks from Oregon Inlet almost to Rodanthe is Pea Island Natural Wildlife Refuge, a haven of refuge for migratory geese and ducks and shore birds of many varieties.

Roanoke Island and the Outer Banks are steeped in history and legend. Legend links Nags Head and Ocracoke with the piracies of Edward Teach and Maj. Stede Bonnett. Tradition recounts the heroism of the men on Roanoke Island and the Outer Banks in saving from an angry ocean those who go down to the sea in ships.

Roanoke Island was the site of the gallant defense offered by Col. Henry M. Shaw's Confederates to the overwhelming might of Gen. Ambrose E. Burnside's Union Army, and Prof. Reginald A. Fessenden's successful transmission of the first wireless messages across the ocean. Kitty Hawk witnessed man's conquest of the air when Wilbur and Orville Wright sent the first power-driven airplane aloft.

We are primarily concerned tonight with the historical relationship between Roanoke Island and the Lost Colony.

Sir Walter Raleigh was one of the most remarkable of the many remarkable men who lived in Elizabethan England. He was famous as courtier, sailor, soldier, poet, and dreamer of dreams.

As a favorite of Queen Elizabeth, Raleigh secured a royal patent granting him fee-simple title to any lands he should discover "not actually possessed by any Christian Prince, nor inhabited by Christian people."

Three hundred and seventy-seven years ago, that is, in 1584, Raleigh sent Capts. Philip Amadas and Arthur Barlowe forth in two tiny barks to find the lands granted him by the Queen. They discovered and explored Roanoke Island and the adjacent lands and returned to England with a glowing account of what they had seen, taking with them two natives of Roanoke Island, the Indians Manteo and Wanchese. As a consequence, Raleigh was knighted and the newly found lands were named Virginia in honor of the Virgin Queen.

During the following year, 1585, Raleigh sent his first colony to the New World. It consisted of the noted painter, John White, and 107 other men, headed by Gov. Ralph Lane, who were transported to Roanoke Island in ships commanded by Sir Richard Grenville. Here the colonists built the original Fort Raleigh and some dwellings. After some weeks, Sir Richard Grenville returned to England for supplies. He was accompanied by John White, who carried with him his famous paintings.

Ralph Lane's colonists became dissatisfied because of lack of food and developing hostility on the part of the Indians, and returned to England in a fleet of the old sea dog, Sir Francis Drake, who happened to touch Roanoke Island. A short time later, Sir Richard Grenville returned from England with supplies. Finding Ralph Lane's colony gone, he left 15 of his men to hold the land.

With the assistance of some joint adventurers, Raleigh sent his second colony to Roanoke Island in 1587. This colony, which is known to history as the Lost Colony, was led by Gov. John White and consisted of 95 men, 17 women, and 9 children. It found Fort Raleigh in ruins and no identifiable trace of the 15 men left by Sir Richard Grenville. These colonists rebuilt Fort Raleigh and repaired the old dwellings and constructed new ones. As Dr. Hugh Lefler informs us, "the best-known incident in the history of the colony was the birth, on August 18, of Virginia Dare, daughter of Ananias and Eleanor White Dare, granddaughter of Governor White, and the first child of English parents born in America."

After some time, Governor White was compelled to return to England for supplies. Before he left Roanoke Island, he discussed with the colonists the possibility that circumstances might make it advisable for them to remove from the island to the mainland during his absence. The colonists agreed that they would leave a sign indicating their new location in case of their removal and would carve over the sign a cross if they suffered any distress in that connection.

As a result of vicissitudes occasioned by the threat which the Spanish Armada presented to England, Governor White could not return to Roanoke Island until 1590. At that time, he discovered to his consternation that his colony had vanished, leaving no indication of its fate except the cryptic word "Croatoan" carved on one tree, and the mystifying letters "CRO" on another. Neither tree bore the carving of a cross.

The Lost Colony thus vanished forever from the pages of history, but has ever since occupied a prominent place in the speculations of historians. Some historians surmise that the members of the Lost Colony were massacred by the Indians, others that they were slaughtered by the Spaniards, others that they were absorbed by the Indians of Robeson County, N.C., and others that they were lost at sea in attempting to return to England.

A poet has addressed this inquiry to history:

"Speak, history! Who are life's victors? Unroll thy long annals and say;
Are they those whom the world called the victors, who won the success of a day?"

Judged by his contemporaries, Sir Walter Raleigh was not one of life's victors. He lost favor at the English Court, became destitute of worldly possessions, and suffered beheading as a criminal. Judged by their contemporaries, the lost colonists were not life's victors. They vanished into the unknown.

I am sure, however, that when its long annals are unrolled, history will number Sir Walter Raleigh and the lost colonists among life's victors. This is true because they dreamed a dream and had a vision. They saw America as a land destined to be peopled by men and women who spoke the language of Shakespeare, who were governed by the principles of the common law of England, and who were dedicated to the proposition that every person is entitled to be the master of his own fate. While Sir Walter Raleigh was beheaded and the lost colonists disappeared, others were inspired by their dream and their vision and brought them to pass.

We are privileged to see and hear on this occasion a great symphonic drama created out of the history of Sir Walter Raleigh and the lost colonists by one of America's greatest playwrights, Paul Green. As the characters of the drama pass to and fro upon the stage of Waterside Theater, we will understand the dream and the vision of Sir Walter Raleigh and the lost colonists and realize that here on Roanoke Island is the spiritual birthplace of America.

FOREIGN AID

Mr. LONG of Missouri. Madam President, the Senate within the week will undertake consideration of one of the most vital pieces of legislation which has ever come before the Congress. The Foreign Relations Committee has reported a foreign aid bill designed to meet the grave situation which faces the free world.

The Senate has the opportunity to take the initiative in the present worldwide struggle by approving the reported bill.

The Kansas City Star last Sunday carried a hard-hitting, straight-from-the-shoulder editorial on the absolute need for a foreign aid program as set out in S. 1983 reported by the committee. I ask unanimous consent that this editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REALITY DICTATES NEED FOR FOREIGN AID

Congress still has its toughest and most important job ahead: Foreign aid.

The alternatives are clear:

The necessary dollars can be voted and the machinery of mutual security can be updated to fit the needs of the mid-20th century. The United States will thereby be strengthened in the continuing cold war. The Senate Foreign Relations Committee has selected this alternative, although it reduced the President's dollar request somewhat.

The foreign aid program can be destroyed or seriously weakened. The cold-war confidence of the Kremlin will thereby be bolstered.

Put it another way, and borrow an old saw: "An ounce of prevention is worth a pound of cure." In this case the ounce may seem—and it is—expensive. But the cure might have to be shooting war, incomparably more expensive in lives and dollars.

We recognize that these are blunt words. Nor do we suggest that a sound foreign aid program can, of itself, insure permanent peace. Obviously it cannot, and we should not fool ourselves. But it can do—and has done—much. We need only cite history and the Marshall plan concept that helped create a free, economically strong Western Europe.

Hear the historian, Arnold Toynbee:

"The 20th century will be remembered as the first age in which people thought it prac-

tical to make the benefits of civilization available to the whole human race."

The leaders in this great effort were the people of the United States and their drive began June 5, 1947, at Harvard, when George C. Marshall expressed a Nation's motivation.

Hear, too, Winston Churchill:

"There is no other case of a Nation arriving at the summit of world power, seeking no territorial gain, but earnestly resolved to use her strength and wealth in the cause of progress and freedom."

Perhaps we can dwell too much on history. The concern now is today, and tomorrow. The cold war grows colder, the tensions mount. We seem to hear new fulminations almost daily from the citadel of world communism. Indeed, we might conclude that perhaps the best advocate of the U.S. foreign aid program is Nikita Khrushchev.

This year President Kennedy has not, in fact, proposed a great dollar increase in foreign aid spending. He has asked for, roughly, $4.8 billion, and that is less than 1 percent of the gross national product of the United States. It will cost each man, woman, and child an average of about $27.

So we can rid ourselves of the delusion that this is a terribly expensive program. Over the years the total of foreign aid spending has mounted to astronomical figures ($84 billion since 1946). Had this been an unbearable load, how could the Nation, in the same period, have reached the economic heights?

The argument in Congress, however, is most bitter not over money, but over methods. Historically, each Congress has cut the President's foreign aid request by from 10 to 15 percent. We can assume that a similar reduction will be made this year and the State Department is probably prepared to live with it. In addition, the Chief Executive has asked for certain very important alterations in the foreign aid mechanism.

The change that has drawn the shrillest screams from Congress is actually an old idea revived. It was proposed at various times by President Eisenhower. In effect, Mr. Kennedy wants to finance repayable, long-term economic development loans through presidential authority to draw on the Treasury for a total of $7.3 billion in the 5 years ahead. Another $1.5 billion in repayed loans would be thrown into this aid kitty.

Mr. Kennedy has also proposed the establishment of a single foreign aid agency that would combine the International Cooperation Administration and the Development Loan Fund.

The emphasis would be on loans, not gifts. The idea of simply giving other people money would be tossed out. The stress would be on sound, banker-type loans designed for long-range economic development. Perhaps the United States has finally profited from the lesson of the World Bank.

So we have the program that President Kennedy proposed. There are indications that many Congressmen are determined to dispose with a vengeance.

But the Nation, we suggest, has arrived at a foreign policy crossroads. We can move ahead with efficient, modern machinery, geared to the changing times. Or we can proceed with the old philosophy that was so applicable to the reconstruction years after the war. If the latter course is followed, we have no doubt that foreign aid will gradually atrophy. The United States will be deprived of an effective weapon of foreign policy.

Now certainly the foreign aid debate in Congress each year is a battle of cliches offered by both sides. Proponents, for example, tend to rely on the theme that aid is, in reality, a means of bolstering the U.S. economy. To be sure, it is to a degree. Some 80 percent of the aid dollars are actually spent in this country. Someone has estimated that the jobs of 600,000 workers are dependent on this money. But if the goal is simply to boost our own economy, we could suggest a better way to spend all that money.

Aid proponents have some other cliches, too. The idea that we can buy friends, for example. Obviously we cannot. Or some idealists seem to think that we can throw a few million bills on a world crisis and it will simply go away. That is a false concept, too.

On the other side, you hear the economy argument. But it strikes us that in the long run it will cost us far more not to have an efficient foreign aid program. Besides, we are arguing here only about 5 percent of the total national budget.

Then you hear that foreign aid hurts American business. U.S. assistance has rebuilt the economies of West Europe and Japan. Industries in those nations are competing with U.S. industry. These facts may be granted. But we may note also that Europe has become a far more dependable purchaser of U.S. goods. Moreover, Paul Hoffman has suggested that by 1970 the developing nations might offer to the United States a potential market for an estimated $14 billion of exports.

Foreign aid critics have their field day, however, when they get into the area of waste and inefficiency. There has been inefficiency. There has been waste. In some nations we unquestionably have fed the rich and starved the poor. We have found some mighty convenient ratholes down which to pour our dollars. All this is granted. Nor is there particular comfort in the knowledge of Communist aid mismanagement, too.

(But we may pause to recall the story of the 4,000 Soviet vehicles that sat on an Indonesian dock. And the windshields melted in the sun. Or the tons of cement piled on the docks of Rangoon when the monsoons came.)

It is precisely this matter of waste and inefficiency that offers the best argument for the President's program. A large part of the waste must be attributed to the fact that foreign aid machinery has drifted along, aimlessly, with Congress resisting the changes necessary to changing times.

We no longer are participating in reconstruction. That job has been virtually completed and the economic strength of a free Western Europe is testimony to its success. Instead, we are working with our allies in development—development of the new nations that are the participants in this dramatic revolution of rising expectations. We cannot do this job with the same techniques. But for the last few years we have been trying to do it. We have denied the advantages of long-term planning to the nations that we wanted to build. Can we not say that this denial has cost us money? After all, no businessman in the world would would run his affairs on a year-to-year basis.

In short, the old instrument worked with fine efficiency for years. It has become rusty. It no longer can do the job that has to be done.

You may note that we have not mentioned here the argument for aid based on altruism. Obviously the American people, in all their good fortune, should recognize their responsibility to aid the less fortunate. But this argument, quite frankly, does not seem to carry much weight. Selwyn Lloyd could note that "we in Europe should never forget the unparalleled generosity of the Americans." But Congress is not going to buy foreign aid on the basis of past or future generosity. It is a hardheaded business and it must sell itself on that basis.

We think it does. The Nation is faced with the stark reality of our times. Nikita Khrushchev has declared unremitting war. It is nonshooting war, but it is only scarcely less ominous. Like it or not, we must be prepared to fight back and with the most efficient weapon possible.

Here, we believe is the definitive case for a continuation—perhaps even an eventual expansion—of the U.S. air program. It is not a matter of politics. Harry S. Truman, Dwight D. Eisenhower and now John F. Kennedy have fought for this program, each in his way. Of all U.S. policies, mutual security is perhaps the most bipartisan. The opposition to it is also bipartisan.

Today the needs have changed but not the urgency. The Flying Fortress was once a heroic weapon of war but it is now obsolete. The Marshall plan and the machinery it created were equally heroic weapons of cold war. Today they are obsolete. In this area of the continuing struggle against world communism, we must have the best weapon possible. To be sure, we can call on our European friends and Japan to share with us more of the load. They have responded within their capabilities. Because they were helped by U.S. aid in the past, they are now able to stand with us in this economic defense against the Reds.

The United States would desert them only at great risk to its future. We say this flatly, without reservation. We do not say that a revitalized foreign aid program, alone, will win the cold war. This world is far too complex for so simple a solution to its problems.

We cannot, however, avoid reality. The degree to which Congress and the American people face up to it will determine the free world's success—or failure—in the cold war.

CAPTIVE NATIONS WEEK

Mr. PELL. Madam President, because I was in Europe last week it was impossible for me to make a statement during Captive Nations Week. Nevertheless, the plight of the captive nations was certainly on my mind and just Sunday I was in Berlin. During my stay in that outpost of freedom, I visited the Marianfelde Reception Center for escapees from the East Zone. As I talked with many of the refugees I was struck by the loss of skilled manpower which the Communists are suffering.

The stepped-up exodus of refugees from East Germany is eloquent testimony to the troubles which Khrushchev faces within his own colonial empire. Some of us have, I believe, tended to underestimate the strength which rests on our side. As Under Secretary Bowles, Senator HUMPHREY, and other distinguished observers have pointed out, all is not well within the Communist world today. The Communist propagandists have never been able to explain to the world why over 11 million people have fled communism since the end of World War II and that in spite of threats and doubletalk they have never been able to dampen the hope of the peoples of the captive European nations. It is this hope, man's deep and abiding desire to live in dignity and freedom, which is an inspiration for all of us who are determined never to forget the brave people behind the Bamboo and Iron Curtains.

Madam President, it is indeed appropriate that we observe Captive Nations Week in order to pay special tribute to those brave people, whose spirit Khrushchev, or any other dictator, can never crush.

C. & O. CANAL NATIONAL HISTORICAL PARK

Mr. BEALL. Madam President, on Monday, the Senate Committee on Interior and Insular Affairs approved S. 77 for the establishment of the C. & O. Canal National Historical Park. This bill, which I had the privilege of introducing, is of vital importance, not only to Maryland and the National Capital but also to 18 million people in 7 States, for it would establish a great and sorely needed recreational area in this region.

Under the provisions of S. 77, the Federal Government could purchase 10,200 acres of additional land for the park and thus increase the area to a total of 15,000 acres. Secretary of the Interior Udall has promised the administration's support for this bill, and I am confident that the Members of the Congress will see how urgently it is needed and act accordingly.

An editorial on this project was printed in this morning's Baltimore Sun, and I ask unanimous consent to have it printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

POTOMAC VALLEY PARK

It was back in September 1938, that the Federal Government purchased the 185-mile right-of-way of the old Chesapeake & Ohio Canal between Washington and Cumberland. In the following few years the 23-mile canal section from Georgetown area of Washington to Seneca—which includes the series of locks bypassing Great Falls—was restored. This part of the waterway and the recreation facilities developed along its banks are now a part of the regular National Capital parks system.

Above Seneca there have been no restorations or recreation projects. Some Federal money has been spent to rehabilitate—or, maybe, one should say, save from the destructive forces of the elements—the old canal's most interesting historical features: the few aqueducts across Potomac River tributaries and the 3,000-foot tunnel under the mountain at Paw Paw.

The public should be thankful for the work which has been done to date along the waterway; the canal has great historical value. But from the beginning of Federal action there has been general agreement in Washington that a park of one type or another should be developed up the Potomac Valley to Cumberland. This is why the canal property was purchased.

Over the years one barrier after another has stood in the path of such a development, the prime one being the inability of those immediately concerned to reach an agreement on a plan. Another barrier has been the Federal Government's inability to date to decide what should be done to develop the Potomac River to meet the future water needs of Metropolitan Washington.

Senator BEALL, a resident of western Maryland, has been the chief sponsor of legislation for a Federal start on the long-envisioned park. He has met with success in the Senate but rebuff in the House of Representatives. Now another of his bills seems to be on its way through the Senate. This measure deserves congressional approval. The Potomac Valley park is certain to come, and the quicker it comes the lower the cost.

MEMORIAL TO GEORGE WHARTON PEPPER

Mr. SCOTT. Madam President, a very interesting and touching memorial to the late Senator Pepper of Pennsylvania has come into my hands. I ask unanimous consent that the memorial be printed in the RECORD.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

MEMORIAL TO GEORGE WHARTON PEPPER, PRESENTED BY ERNEST SCOTT TO THE PENNSYLVANIA BAR ASSOCIATION, AT BEDFORD SPRINGS, JUNE 28, 1961

Bismarck once said, "A really great man is known by three signs—generosity in the design, humanity in the execution, moderation in success."

These three signs were clear and unmistakable in George Wharton Pepper, who died on May 24, 1961—president of this association in 1928 and the last survivor among the founders of this body.

His long career as teacher, practitioner, public servant, and churchman has been open to public inspection for many, many years.

This has come about through his widely known autobiography, "Philadelphia Lawyer," through his other books and writings and through the persistent coverage of his career by press and magazines on the occasion of public appearances and in connection with his many honors.

This is but natural and inevitable in the case of a lawyer about whom one of our association members has written: "As a practitioner he was precocious. At 27 he argued a case in the Supreme Court of the United States; at 28 he made the principal address at the first meeting of the Pennsylvania Bar Association; at 42 he was offered a judgeship in the Court of Appeals for the Third Circuit; at 54 he was appointed a U.S. Senator; at 55 he was offered an appointment to the Supreme Court of the United States; at 69 he was elected to preside over the proceedings of the American Law Institute and continued to do so for 11 years. At 85 he was still appearing regularly in court cases."

You will see that all these events relate to his legal career. Similar recitations could be made with regard to his activities in the teaching field, in the field of charitable and welfare work, and with regard to his churchly life.

Each of these three areas as practiced by Mr. Pepper would represent a full-time career for any ordinary person.

There is no need to dwell on the well known biogaphical facts which are familiar to many and are available in many places. Even if we did, we would not do justice to Mr. Pepper's memory.

Actually no single person has captured, or will be able to capture the whole vital thrust of this remarkable man for his true measure lay even more in the warmth and humaneness of his vibrant and compelling personality than in recorded events of his life.

He literally radiated a warmth which extended in so many ways, to so many persons and causes that we will never know or be able to count all those cheered, helped, or benefited in one way or another through his interest and intervention.

Perhaps the unanimous reaction to him can be happily capsuled by referring to a letter recently received by the family. This friend wrote that, upon hearing of Mr. Pepper's death, he "felt impelled to go at once to the telephone and put in a call for him because he knew precisely where he could be reached."

On the afternoon of Mr. Pepper's death a radio announcer at station WPEN broke into his description of the Philadelphia municipal scandals and said, "I interrupt to tell you that Senator George Wharton Pepper died today at his home at the age of 94, after a long career never touched by the breath of scandal."

In support of these generalities let me mention just three of Mr. Pepper's personal qualities which, in my view, highlight his true image. In this way we will be speaking of the living man and not of the dead past. In doing so one cannot fail to feel both presumptuous and afraid because men of giant stature, gifted intelligence, and impeccable character have already occupied the field.

For example, on May 24, 1957, speaking of the American Law Institute and its work at the annual dinner in Washington, Judge Learned Hand paid an awesome tribute to Mr. Pepper who was in attendance. Said Judge Hand: "And we remember—and always shall remember—that whatever we have done and whatever we are that has been good, it has been through him, through his authorship, through his leadership, and his guidance."

Seventeen years before Leonard Brockington, leader of the Canadian bar included the following statement in his address to the American Bar Association:

"It was once said of someone—I think of Robert Louis Stevenson—that when he entered a dining room, or drawing room it was as though another candle had been lit * * *. When he [George Wharton Pepper] comes into a meeting of lawyers it is as though many lamps were lit, for it has always seemed to me that his ardent and glowing spirit is an illumination to all who follow in the pathway of justice and the footsteps of her handmaiden, our mistress, the law."

Sentiments were later echoed by Sir Norman Birkett, former Lord Justice of Appeals of England, in private correspondence. But the small voices, as well as the great, clamour to be heard and it may not be inappropriate to listen briefly.

Somehow speaking of the living man seems more in keeping with the spirit of his comprehensive and careful funeral instructions which in part read as follows:

"I want the service to be redolent with life and hope. My hope is that everybody present will leave the church with a sense of exaltation and renewed faith. I hate a doleful or lugubrious funeral." In this spirit of life and hope I venture to go forward.

Mr. Pepper was a man of outgoing personality, articulate and friendly. His vocabulary and command of the English language were second to none. He was always able to find the exact word to express his precise meaning. People in all walks of life reacted to this articulate friendly outgoing quality in just the same way.

A reporter in the New York Herald Tribune's article of May 25 said: "Rich and poor, high and low, reacted alike to his charm."

A former employee at Mr. Pepper's office wrote, "His presence in the world was an inspiration * * * which lifted an ordinary humdrum day into a day you were glad to be living in, merely by his way of saying 'good morning' to you."

Next, Mr. Pepper was a man of great humanity, generous almost to a fault, and always ready to help those in need. The simplest way to illustrate such a characteristic would be to list the enormous number of positions of leadership he held throughout his long career in welfare activities.

But again these are well known and readily available, so let's look at it from a different and more intimate point of view.

Although a man of no inherited wealth, he supported, during his active years, welfare causes far beyond the limits allowed by the income tax laws.

In addition, a number of individual situations, which could never have met the test of tax deductibility, came to light at the close of his active career, which situations no one had ever known about before.

Kindness and selfless generosity were a way of life with him. But humanity is made up of a number of qualities in addition to generosity. One of them is just plain humaneness, and perhaps the following letter which was recently received from Claude Pepper, former Democratic Senator from Florida—and no relation—will illustrate a further facet of his quality of humanity of which I speak. Senator Claude Pepper writes: "My first contact with the Senator came when I received, soon after going to the Senate (totally) by mistake, a letter addressed to him by the Republican National Committee thanking him for raising the $800,000 Republican deficit. I sent it on to the Senator with some humorous remark and, as you may imagine, received a clever reply from him. Shortly thereafter, we exchanged photographs. The Senator's photograph, which I used to have proudly hanging in my office, read:

" 'To the Pepper who is, from the Pepper who was, with best wishes for everything but success.'

"A good many years later he sent me the 'Philadelphia Lawyer,' and on the flyleaf inscribed the following:

" 'If Peter Piper ever picked
Two peppers that were pickled
These, quoth he,
(And owned that he was tickled),
If either one was offered drink
He'd lap it up so hearty
That neither one would stop to think
They differed as to party.'

"In bad verse, but with the spirit of admiration I always bore him, on a little Law Review article that I sent him I inscribed the following:

" 'There are Peppers good and Peppers bad
And Peppers red and green.
There are Peppers strong and Peppers weak
And Peppers no doubt mean.
But of all the Peppers known to me
Whether on land or sea,
You're the kind of Pepper
I'd really like to be.'

"He was one of the great of our time. Surely we shall not see his like again."

About an hour after Mr. Pepper's death I took a cab to the undertaker's establishent. Naturally this final severance lay heavy on my mind. I said to the taxi driver, "We have lost one of Philadelphia's great today."

He replied, "Not many of those around here, brother; who was it? Senator Pepper?"

I like to think of this not as a coincidence but as a condition of mind of our citizenry, and I believe it was.

Finally, Mr. Pepper was a man of tremendous humor. He found fun in life. He loved stories and anecdotes. He saw the funny side of any situation wherever it was possible to see fun.

Most of you have listened to him and laughed with him. Thank heavens quite a few of us possess a sense of humor. But too often this blessed quality stops short when the subject is one's self. Mr. Pepper could laugh at himself.

I recall vividly one office meeting. Mr. Pepper was forcefully describing, with his remarkable persuasive clarity, a legal theory in support of a somewhat doubtful position. In point of fact, he was using his partners and associates for skull practice, preparing for the forthcoming appellate court contest.

At the conclusion of his skillfully made point, he looked around the table of admiring faces and said, "Boys, what do you think of it?"

The group was somewhat overawed by Mr. Pepper's oratory and nobody said anything for a minute, whereupon Mr. Pepper turned to one partner for whose legal ability he had a particularly high regard and of whom he was particularly fond, and said to this partner, "Well, X, what do you say?"

X seemed in sort of a brown study, but the question brought an answer just as if X was a machine and his answer button had been pushed. He said, "All damn nonsense—just nonsense."

Mr. Pepper looked startled for a second, then threw back his head and roared with spontaneous laughter. It was a beautiful scene, one which no man present will ever forget; one which stamps an indelible and human picture of this man on the mind forever.

I wanted to share that picture with you. For that was Mr. Pepper—warm, generous and fun-loving, generosity in design, humanity in execution, moderation in success.

Let me conclude this inadequate attempt at a very personal word picture by turning about and paraphrasing for that picture Mr. Pepper's own inscription on the photograph he sent to Claude Pepper a long time ago:

"To the Pepper that was and to the Pepper that is, from all those for whom he has set a shining example of what a lawyer should be, wishing him nothing but perpetual joy. May he rest in peace."

On motion duly made and seconded the following resolution was unanimously adopted by rising vote of the assembly:

"*Resolved*, That we, the members of the assembly, unanimously record our recognition and appreciation of the incomparable and many-sided contribution rendered by George Wharton Pepper to the cause of justice in this Commonwealth and Nation through this association and otherwise, and direct that the foregoing remarks and this resolution be spread on the records of the association as a permanent testimonial of our respect, affection, and esteem for him, and that a copy thereof be sent to his surviving daughter, Mrs. F. E. Newbold."

Done at Bedford Springs, Pa., June 28, 1961.

FEDERAL JUDICIAL SELECTION

Mr. SCOTT. Madam President, the very distinguished chairman of the standing Committee on Federal Judiciary of the American Bar Association, Mr. Bernard G. Segal, recently delivered an address on "Federal Judicial Selection—Progress and the Promise of the Future," at New Orleans, La. I am sure the address will be of great interest to Senators, to the press, and to the public generally. I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FEDERAL JUDICIAL SELECTION—PROGRESS AND THE PROMISE OF THE FUTURE

(An address delivered by Regent Bernard G. Segal, chairman, standing committee on Federal judiciary of the American Bar Association, New Orleans, La., March 28, 1961)

Mr. President and fellows of the college, to President Kennedy will fall, in this year of 1961 the responsibility of appointing more judges to the Federal bench than any other President in our whole history has named in an entire term of four years. If legislation already passed by the Senate and presently pending in the House is enacted into law, the total number of President Kennedy's appointments this year may well amount to 125 judges—fully one-third of all the judges on the Federal bench today.

The question whether in the filling of these important lifetime judgeships, the processes of our political system will work at their finest, fulfilling the highest aspirations of the people, and securing none but the best qualified lawyers and judges for the Federal bench, will be answered in largest part by the determination of the President and his advisers. But another, and a not inconsiderable factor, will be how active, how effective the lawyers of the country will be, through the organized bar and all its segments, in helping secure the most qualified persons available for these appointments; how determined, how militant they will be in counteracting the pressures sometimes exerted in behalf of lawyers not qualified to serve on the Federal bench.

The role of the American Bar Association in the matter of the appointment of Federal judges commenced in 1945. In that year, the association created for the first time, a special committee on Federal judiciary. This committee was successful in quickly establishing a cordial relationship with the Judiciary Committee of the U.S. Senate. The chairman of the Senate committee made it a practice, which succeeding chairman have continued, to notify the chairman of the American Bar Association committee whenever there was to be a hearing on a judicial nomination. The American Bar Association committee was thus afforded an opportunity to advise the Senate committee of its collective opinion on the nominee's qualifications.

In two notable instances in those days, the strong objections of the American Bar Association committee, backed by evidence vigorously presented at public hearings of the Senate subcommittee, resulted in President's withdrawing the nominations and submitting other more qualified nominees instead. A fellow of this college, John G. Buchanan, was chairman of the American Bar Association special committee at that time. He conducted the investigation and presented the evidence before the subcommittee in one of these cases.

From 1945 to 1952, the American Bar Association committee made repeated efforts to establish a similar relationship with the Attorney General, but it was completely unsuccessful. The channels of communication from the Attorney General to the committee were practically nonexistent. Under these circumstances, the committee followed the only procedure available to it. When it knew of a vacancy, it canvassed the judges and lawyers of the particular community and sent to the Attorney General a list of qualified persons available for appointment. Often, however, before the committee had an opportunity to complete its canvass, the nomination had already been made. And in numerous other cases, the committee's first information of the existence of a vacancy came from the public announcement that the President had sent a nominee's name to the Senate. It hardly seems possible that this was the situation as recently as 8 years ago.

In August 1952 a notable step forward was taken. Ross L. Malone, a fellow in this college, had just been appointed the Deputy Attorney General of the United States. Promptly thereafter, he entered into an agreement with the American Bar Association committee that he would submit to the American Bar Association committee for its

investigation, report, and recommendation, the name of each prospective judicial nominee. This was to be done simultaneously with the submission to the Federal Bureau of Investigation, which traditionally had conducted investigations prior to any nomination. As it happened, there were no judicial nominations during the short period of President Truman's term which remained, but Mr. Malone's agreement represented an important principle, officially pronounced, and a blueprint for future development.

Attorney General Brownell and Deputy Attorney General Rogers, with President Eisenhower's approval, put the system into effect immediately after they assumed office in 1953. There was one modification. Mr. Brownell suggested that the committees' influence would be more persuasive and its reports less suspect of partisanship in behalf of any individual, if it discontinued its practice of proposing names of individuals when vacancies occurred. The committee readily adopted Mr. Brownell's recommendation, and since then, the ABA has scrupulously avoided initiating any nominations.

Step by step, appointment by appointment, the program developed during Mr. Brownell's tenure as Attorney General, and later during Mr. Rogers' when Judge Walsh became the Deputy Attorney General.

During the 8 years, there were, of course, many problems and numerous difficulties, but there were remarkably rapid advances, too.

A word about the American Bar Association standing committee on Federal judiciary. It consists of 11 members, 1 from each of the Federal circuits. A majority of the members, 6 of the 11, are fellows of this college.

The primary sources of the committee's information on a prospective nominee's qualifications are the opinions of the judges and the lawyers of the community involved. We endeavor to secure the views of a fair cross section of the bench and bar there, always including American Bar Association, State, and local bar association officials, and fellows of this college. In a very real sense, our committee is the conduit through which the informed opinion of the bench and the bar in a given area, sifted and weighed, is objectively conveyed to the President, through the Attorney General.

To us as lawyers it seems clear that the opinions of lawyers, through the organized bar, should be sought and should carry weight with the President in the appointment of judges. Government seeking a scientist for highly skilled work in a critical scientific area would be expected to solicit the advice of the professional community of scientists. In the process of judicial appointments, Government is seeking a lawyer for highly skilled work in the critical areas of litigation and justice; it would seem equally appropriate that it officially solicit the recommendation of the professional community of lawyers.

Yet, in spite of the reasonableness of this view, vigorous protests have been voiced against the role the American Bar Association's standing committee plays. Though now greatly reduced in number and intensity, these protests still continue. They come not only from disappointed candidates and their sponsors. Some officials, both in the legislative and the executive branches of Government, some newspaper editors as well, seem sincerely to believe that the influence the organized bar has had on judicial appointments in recent years is fundamentally wrong. We have succeeded in converting many of them as our work has progressed, and our objectives and procedures have become known and better understood. Important Senators of both parties, in public addresses and on the floor of the Senate, have acclaimed the committee's work; leading newspaper editors have commended the President and the Attorney General for thus seeking the views of the profession through the organized bar and have urged that the present system be continued and carried forward.

But the remaining critics must not be disregarded merely because they are so much in the minority. The organized bar is a professional agency especially qualified by experience and training, to occupy a respected position of advising on judicial selection. If we are to continue to deserve the confidence of the responsible officials in Government, who call upon this committee for advice, information, and service, and have publicly commended our efforts, we must meet and answer the arguments of the dissenters.

By continuous and public representation of our point of view, we must persuade them that only qualified lawyers should be named to judgeships in our courts, and that the organized bar is the best professional agency to pronounce on the qualifications of any lawyer for the bench. In the last analysis, citizens at large care deeply about the quality of their judges. If their concern is properly marshalled, if the facts are given them, they will heartily support and esteem every effort of the lawyers of their communities to secure the best man for each judicial post.

Above all, in carrying on our work, we must realize the extremely delicate position the committee occupies. The committee is not an agency of Government. It has no official status. Its position and its influence can be maintained only so long as the Government officials with whom it works continue to have confidence in the complete objectivity, the scrupulous fairness, and the painstaking thoroughness of the committee's investigations and reports.

From the beginning, a problem with which the committee has constantly grappled is the definition of qualified. Some standards must be applied in determining whether an individual is qualified to be a Federal judge. But the committee's work is collecting the opinions of the profession—of lawyers and judges—and these opinions come to us in all varieties of expression, a whole range of information and reflections. We dare not impose standards in advance of our canvass; we must, however, apply objective standards in collating all the data and the opinions we receive.

Everyone would readily agree that every person appointed to a Federal judgeship should be possessed of character, judgment, industry, experience, judicial temperament, professional ability. This is axiomatic. But to apply this principle to any given case is sometimes difficult. Long ago, a great practicing lawyer, Alexander Hamilton, observing how difficult it would be in the new Government to secure able judges, commented on the difficulty of accurately appraising in advance whether an individual would be a good judge. "Science," he observed, "had discovered no way of measuring the faculties of the mind." It hasn't even yet.

All of us as lawyers have observed the metamorphosis which that thin, black robe can cause in a man. But dare we count on it? The office can make, has made, its holder, on occasion. On more occasions, however, the holder has reduced the office to his own level. Normally, we can rely on a lawyer's past record as a reliable guide to his future performance. We have little else to rely on; it is his past record which our canvass of professional opinion reveals.

Sometimes, as I have said, the record reveals facts which oblige the committee to report adversely on a prospective nominee. There is no more difficult or unpleasant task for any group of lawyers than to report to executive authority that an individual is deemed by his professional colleagues not qualified for a post to which he has probably aspired during the whole of his career. Unfortunately, our committee has had to make many such unfavorable reports—as many as 27 in a single year. I assure you, we have never made an unfavorable report that was not based on especially intensive investigation, particular thoroughness, the most careful scrutiny and weighing of testimony, and a very deep searching of our own collective soul.

Many reasons may contribute to the judgment "not qualified." Two in particular have caused a great deal of controversy before we were able to establish them as accepted principles, at least insofar as the President, the Attorney General, and the Deputy Attorney General were concerned.

One is the matter of age. It is only 3 years since it has become firmly established that no lawyer 60 years or over, should be appointed to a lifetime judgeship for the first time, unless he is regarded by professional opinion as "well qualified" or "exceptionally well qualified," and is in excellent health. This rule has not been applied to a Federal judge under consideration for elevation to an appellate court, but the rule has been that in no event, should anyone, even a judge being elevated to an appellate court, be appointed if he has passed his 64th birthday. Congress itself has decreed that a Federal judge, with the requisite years of service, may retire at age 65 with full pay for life. Surely this is not the age at which a person should be tendered a new appointment.

One other qualification—really disqualification—has aroused even more dispute. This is the question whether a lawyer should be required to have trial experience before he is considered qualified for appointment to the Federal bench. In England, of course, no one but a barrister is eligible for appointment to the bench. Our committee has not adopted the rigid view that only trial lawyers should be considered, but we have taken the position, from which we have refused to recede, that in the case of a vacancy in a U.S. district court—a trial bench called upon to conduct the most complex and varied litigation—a lawyer to be considered must have a reasonable amount of trial experience, preferably at least some of it in the Federal courts. We have stood firm in this position, even though it has resulted in delaying appointment of needed judges for a year and a half in two cases and for more than a year in a third. In two of the cases, the individuals were incumbent U.S. attorneys. Nevertheless, the President and the Attorney General supported the committee's position and the appointments were not made.

A measure of the usefulness of the committee to public authority may be found in the increased use of the committee in the past few years. For example, during the first years of the Eisenhower administration, the committee was not consulted respecting appointments to the Supreme Court of the United States. But a change came beginning with the nomination of Mr. Justice Brennan, when President Eisenhower announced that he wished to have the report and recommendation of the American Bar Association committee before considering the nomination. And from that time on, by virtue of the President's decision, the committee's role respecting Supreme Court nominations has been the same as for all other courts.

A serious complaint, proved by our experience over several years' appointments, was that the committee's views were being sought too late in the nominating process. Usually, we received only a single name per vacancy—the person who had virtually been decided upon for the vacancy, most often with the knowledge of the prospective nominee and his senatorial sponsor. Under these circumstances, only clearest evidence of the most glaring lack of qualification could stop the nomination.

Three years ago, in a step of the utmost importance, Judge Walsh agreed to use the committee at a much earlier point in the

selective process—to request of us an informal investigation and report on every individual whose name was submitted to the President or the Attorney General by any responsible source, and who therefore was likely to be seriously considered for the nomination. This preliminary screening, conducted by the chairman and the member of the committee from the particular circuit in which the vacancy exists, has provided the Attorney General with information concerning the comparative qualifications, early in the appointive process, of all probable candidates. It has in numerous cases enabled the President to hold out for the better or the best of a number of qualified candidates.

The informal requests did not eliminate formal reports. In every case, the committee is still asked, at the same time as the FBI, for a formal report on the qualifications of the person who finally appears most likely to be nominated.

To accommodate the procedures of the committee to this significant new function, the committee no longer uses only the word "qualified" in affirmative reports. It now distinguishes among those whom professional opinion deems "qualified," "well qualified," or "exceptionally well qualified."

These changes have brought singularly beneficial results, even though the informal reports have vastly increased the committee's responsibilities and the volume of its work. In a single year, the committee has been called upon to investigate and report on the qualifications of 127 judges and lawyers, as many as 19 in connection with a single vacancy. If they were evenly spaced, that would mean a report every 2½ working days, if the committee worked 6 days a week. This gives some indication of the high level of the liaison which had developed between the Department of Justice and the committee. It could not have been improved upon.

Most of the committee's contacts were with the Deputy Attorney General, to whom was delegated prime responsibility for processing judicial appointments. In addressing the house of delegates of the American Bar Association in 1959, Judge Walsh, speaking of the American Bar Association Judiciary Committee, stated: "Your chairman * * * has become, next to the Attorney General himself, I think, my most intimate associate in Washington. I work with him and spend more time with him and talk longer with him than anybody else in the Department."

By the end of the Eisenhower administration—8 years after the Attorney General's arrangement with the American Bar Association committee had first been put into effect—certain statements of the utmost significance could be made with complete assurance. It could be said that no person would be considered by the President for nomination to a lifetime judgeship without first, a preliminary screening, later, a formal report to the Attorney General, by the American Bar Association's standing committee on Federal judiciary. It could be said that the President would not nominate to any Federal court, including the Supreme Court, any person whom the committee, for valid reasons stated in detail to the Deputy Attorney General, had reported as "not qualified." Indeed, during the last 3 years of the administration, no nomination had been made without a prior favorable report from the committee; during these 3 years, two out of every three appointees to the U.S. courts had been rated by the committee, not merely as "qualified," but as "well qualified" or "exceptionally well qualified"—designations reserved for the best qualified among those available.

In one respect, however, the record was not improved. Appointments during the past 8 years have been made, as before, primarily from members of the political party of the administration in office. Invariably, Presidents have appointed judges from the ranks of their own party. Criticism on this score goes back as far as the Presidencies of John Adams and Thomas Jefferson. Judicial appointments by Democratic Presidents Cleveland, Wilson, Franklin D. Roosevelt, and Truman ranged from 92 percent Democratic by President Truman to 99 percent Democratic by President Wilson. Judicial appointments of Republican Presidents Theodore Roosevelt, Taft, Harding, Coolidge, Hoover, and Eisenhower ranged from 86 percent Republican by President Hoover to 98 percent Republican by President Harding.

The implication of this is not at all to suggest that political bias or partisanship is an issue in the courtroom. The members of this college are best qualified to attest to the fact that with remarkably few exceptions in our history, Federal judges, secure in life tenure, have left political affiliations behind them when they mounted the Bench, and have conducted the judicial function without consideration of previous party associations.

And, of course, there is nothing inherently wrong about political activity prior to a lawyer's appointment to the bench. Lawyers traditionally are leaders in politics. One of the strongest positions the American Bar Association committee has taken on any question is that political activity should not bar a lawyer from appointment as a Federal judge—any more than it should be his primary qualification.

But certainly we cannot expect to have full citizen respect for law and our courts, so long as members of the public have their present cynicism about judicial appointments and politics. Citizens have, not unjustly, come to regard judicial appointments as matters of political patronage, just like appointments of local postmasters.

Under these circumstances, the American Bar Association has long contended for the austere objective that only the best qualified lawyers or judges available should be appointed Federal judges, without regard for political affiliation. We recognize we are a long way from achieving this objective, but we shall continue to strive for it nevertheless.

In the meantime, we seek bipartisanship in appointments as an intermediate step. This is controversial, too. There are those who argue that in bipartisan appointments, politics would continue to be as much of a factor as before. I do not think so. As Judge Walsh has aptly remarked, bipartisan appointments would reduce the impact of partisan politics on judicial selection. It would create a wholesome atmosphere around the whole issue of judicial appointments, and would be a long step toward establishing in the public mind, the difference between a Federal judgeship and Federal patronage.

When President Eisenhower assumed office, approximately 84 percent of the Federal judges had been Democrats when appointed. He announced his determination to make appointments on a bipartisan basis as promptly as possible. Four years later, when the balance of judgeships was approaching more nearly toward equality between the two parties, Attorney General Rogers stated that it would be desirable as a matter of national policy to prevent a gross imbalance from ever occurring again. He urged both political parties, in the public interest, to arrange appropriate safeguards to this end.

Last summer, for the first time in the history of either political party, the American Bar Association standing committee and an American Bar Association special committee, assisted by Albert E. Jenner, regent of this college, were successful in having included in the Republican platform, a plank calling for Federal judges to be appointed on the basis of highest qualifications and without limitation to a single political party. Possibly, in an oral presentation, the American Bar Association representative might have persuaded the Democratic platform committee to recede from its rejection of the American Bar Association proposal, but an unfortunate plane cancellation resulted in our representative's arriving at Los Angeles just after the meeting of the committee had been adjourned.

In a letter to our regent, John Randall, then president of the American Bar Association, Vice President Nixon said last August: "I believe it is essential * * * that the best qualified lawyers and judges available be appointed to judicial office, and * * * that the number of judges in Federal courts from each of the major political parties be approximately equal."

Editorial writers throughout the country hailed these statements at the time, and urged their implementation at the earliest possible moment. Undoubtedly, the stage was set for a major step forward in the substantial reduction of political considerations in judicial appointments. That was the situation as a new administration took over the reins on January 20, 1961.

This year 1961 may well be regarded in the future, as the start of a new era in the history of the Federal judiciary.

In the first place, for the first time in 40 years, the judges sitting in the Federal courts throughout the Nation are just about evenly divided as to their preappointment political party affiliation—half of them Democratic, half Republican.

In the second place, there are certain to be more appointments of Federal judges to the U.S. courts this year, than ever before in 1 year—indeed in a whole presidential term—in the history of the country.

The Senate has passed a bill providing for 73 new judgeships—10 in the courts of appeals, 63 in the district courts. The House Judiciary Committee has reported a bill which would create 71 new judgeships—2 fewer district court judgeships than in the Senate bill. In addition, there are now 15 vacancies in existing judgeships—6 in the courts of appeals, 9 in the district courts. Three recess appointments await action. These, with the normal number of vacancies created in any year by retirement and death, mean that the new appointments to be made by President Kennedy during this year are likely to reach the completely unprecedented total of perhaps as many as 125 judges.

In his entire 4-year administration, President Hoover named only 49 judges. In a similar 4-year term, President Cleveland appointed 37. In 8 years, President Wilson made only 72 appointments; in more than 12 years, President Franklin Roosevelt only 106. President Kennedy will have the opportunity to make more judicial appointments this year than President Franklin Roosevelt had in his more than three terms of office.

In the third place, the campaign of the organized bar for appointment of only the most qualified lawyers and judges to the Federal bench, without regard to political party, now has the widest public acceptance it has ever received. Within the past 2 months, editorials and articles by columnists have been appearing in newspapers throughout the country in increasing numbers, spotlighting the issue and in many cases urging that the time has come for a new look—adopting the President's words, some have said a New Frontier—in the matter of appointment of judges in the U.S. courts. This very morning's mail brought me more than a dozen such editorials and articles.

Two weeks before the Kennedy administration took office, President Seymour and I visited Attorney General-designate Robert

Kennedy and Deputy Attorney General-designate Byron White. We received their unequivocal commitment that the Kennedy administration would continue the policy of submitting to the American Bar Association committee, both for preliminary screening and for later formal report, all names of persons under consideration for Federal judicial appointment, and of appointing only those who were pronounced clearly qualified. At the hearing on his confirmation before the Senate Judiciary Committee shortly thereafter, Attorney General Kennedy reiterated this statement.

During the past few weeks, right up to the present moment, I have received from Deputy Attorney General White, requests for informal opinions on 37 individuals under consideration for 10 vacancies in courts of appeals and district courts—as many as 6 for a single vacancy. I have also received four requests for formal reports, involving, in each case, persons as to whom our committee had previously rendered informal opinions.

One appointment has been made—William A. McRae, Jr., a fellow in this colleague, to the U.S. District Court for the Southern District of Florida. Our committee had previously reported to Judge Walsh our unanimous view that Mr. McRae was "exceptionally well qualified." Mr. White had called me for confirmation of this report.

Thus, the liaison between Attorney General Kennedy and Deputy Attorney General White on the one hand, and the American Bar Association committee on the other, is established, insofar as the system of reference for investigations and reports is concerned. There has already been developed a relationship of frank, easy, and confidential communication.

There have been, not unnaturally, certain dislocations, which if intentional, would be disturbing. In a new administration with new personnel, some confusion is likely to occur, and there is no reason to believe that the liaison we have been accustomed to will not continue at its eminently satisfactory level. For my own part, I believe that Attorney General Kennedy and Deputy Attorney General White are entirely sincere in their declarations that they will recommend only clearly qualified persons for appointment to the bench. The organized bar has no more important duty than to give them every possible support in the attainment of this objective. Obstacles will undoubtedly be thrown in their path, which the organized bar can assist them in overcoming.

Finally, there is every reason to believe that the President himself is determined in this objective. Some of you will recall the statement by the then Senator Kennedy in his letter of August 30, 1960 to John D. Randall, at that time the president of the American Bar Association. Senator Kennedy, after expressing full agreements with the concept of a qualified and independent judiciary as promulgated by the American Bar Association added these very significant words:

"I would hope that the paramount consideration in the appointment of a judge would not be his political party, but his qualifications for the office.

"Please be assured of my cooperation in the effort to achieve your objectives in this regard."

A reading of the entire letter justifies the conclusion that Mr. Kennedy weighed his words carefully, and I believe he wrote them with the purpose of fulfilling his pledge if elected President.

Political pressures are great on any President, especially at the start of a new administration, marked by a change from one party to another. They will be great now in the area of judicial appointments, despite the parity which at last exists insofar as the prior political affiliation of judges now on the bench is concerned. However, the very large number of appointments which President Kennedy will be making, together with the substantial support of the organized bar and the news media of the Nation, afford him the greatest opportunity which has been available to any President, to break new and significant ground in the matter of judicial appointments. With three times as many appointments in 1 year as most Presidents have had in a full term of 4 years, President Kennedy has sufficient latitude to enable him to meet every proper objective of the leaders of his party, and at the same time to introduce a truly bipartisan aspect into his judicial appointments.

I must report in frankness, that since the new administration has taken office, there has been as yet no concrete evidence of an intention to make bipartisan appointments, nor any reiteration of President Kennedy's pledge of last August. At a hearing before the House Judiciary Committee earlier this month, Attorney General Kennedy and I testified on the need for additional judgeships. Congressman McCULLOCH specifically asked the Attorney General whether the administration would make appointments from both political parties. Attorney General Kennedy did not specifically commit himself on this question; his response was, "I think the best qualified individuals should be selected as judges."

I assure you that we are not discouraged, and certainly we shall not relax our efforts. The administration has been in office but 2 months. Only one appointment has actually been made. We continue to believe that as President, Mr. Kennedy will carry out the high purpose he enunciated as candidate. If he does, the cause of the sound administration of justice and the citizens' esteem for our courts will alike be advanced.

Our efforts, as a standing committee of the American Bar Association, need the continuous active support of every segment of the organized bar, and of every lawyer individually. Particularly, there is a special area in which vast improvement is needed, and I solicit your help in this. Officials of State and local bar associations, and of important professional organizations, such as the American College of Trial Lawyers, have been of incalculable assistance to our committee in connection with our work. However, one critically important task can be performed best, perhaps only, at the local level, rather than by our national committee. This is the task of influencing U.S. Senators and local political leaders—persuading them to propose no one but qualified persons for judicial appointment.

A few Senators have lately begun the practice of submitting the names of persons they were considering to State and local bar associations. But only a few—most have not. Several Senators have been persuaded to withhold public announcement of their choices until they have had from the Attorney General a report of the preliminary screening by our American Bar Association committee. A number of others have recently instituted the practice of submitting several names to the Attorney General in advance of making their final recommendation, in order to learn which, among those they were considering, were deemed best qualified by the committee. And a few have actually communicated directly with the committee to secure our views.

But, in my opinion, State, and local bar associations, and important professional groups like this college, have not even scratched the surface of their potential influence in this area. Local units of the organized bar simply must do more than they have done up to now, to bring the tremendous force of their influence to bear on U.S. Senators and political leaders to assure the sponsorship, at the very beginning of the appointment process, of qualified individuals only. For if the first candidates publicly named by any responsible person were all individuals on whom a favorable report could be given, then the ultimate choice would necessarily be made from among a much higher-qualified group.

We have, let me say, been securing a very good quality of Federal judges, some of them unusually able and qualified. The further vigorous activity by State and local bars which I am urging would do much to eliminate the exceptions—which, of course, are the appointments which receive the greatest notoriety.

The final check on public acts, in our democratic system, is the vigorous expression of public opinion in behalf of worthy ideals. It is essential to our free society that the American people, lay and professional alike, hold the judgeship in the highest esteem, that they regard it as the symbol of impartial, fair, and equal justice under law. The selective process has had enough of political pressures and partisan enthusiasms in the past. Public opinion, determined that the best men of law in each community should be persuaded to accept the most critical and demanding posts of the law, could effectively uphold the hands of all who strive to achieve this result.

It is the lawyers' task to lead in this public campaign. To foster understanding, respect, and support of our courts is one of the most solemn duties of the organized bar. It can have no greater interest than the judicial system of the country, no more pressing activity than participation in the selection, the work, and the well-being of the bench.

I enlist you all in this cause—the next great step that lies ahead for the organized bar.

SEGREGATED FACILITIES FOR INDIANS

Mr. MONRONEY. Madam President, several weeks ago there was inserted in the RECORD an article by David Sentner criticizing certain policies of the Department of Interior as promoting continuation of segregated facilities for Indians.

These charges were very ably answered by the junior Senator from Utah [Mr. Moss] on May 29.

There has recently been called to my attention a letter from Oliver LaFarge, president of the Association on American Indian Affairs, and Clarence Wesley, president of the National Congress of American Indians, addressed to the syndicate which originally distributed the Sentner article. I believe that this letter should also be included in the RECORD and should serve to finally dispose of the inaccurate charges leveled at the Department of the Interior.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ASSOCIATION OF AMERICAN INDIAN AFFAIRS, INC.,
New York, N.Y., June 2, 1961.

HEARST HEADLINE SERVICES,
New York, N.Y.

To the EDITOR:

Our attention has been called to the column by Mr. David Sentner, entitled "Indian Sign's on Udall," which attacks Secretary Udall's policies on Indian affairs. We consider this column improper and unjust for two reasons: (1) It tries to introduce political partisanship into the field of Indian policy, in which such partisanship should not exist, and (2) the column simply misrepresents the facts.

Federal Indian policy, we feel, is a matter for the conscience of the American people, of equal concern to members of both political parties. It bears no relationship to political partisanship. Indians and their friends have applauded the policies on Indian affairs of Presidents Hoover and Roosevelt. They have condemned the policies of the last years of the Truman administration and of the early years of the Eisenhower administration. They have praised the policies announced by Secretary Seaton and Assistant Secretary Ernst during the latter years of the Eisenhower administration, and, on the basis of his record in the House of Representatives and his policy pronouncements thus far as Secretary of the Interior, have confidence in Secretary Udall.

Our trust and confidence in Mr. Udall is thus not a matter of politics. It is based on his past record and on our expectations for his future actions.

The report of the Department of the Interior on the bill which is the subject of Mr. Sentner's article is a part of that past record. Mr. Udall's action in recommending against enactment of the bill conforms fully to what Indians hoped he would do on this matter. Evidently Mr. Sentner was not informed on that subject. Nor was Mr. Sentner informed on the contents of the bill. The bill is not designed, as Mr. Sentner thinks, "to bring Indians back into the general stream of American life." It is simply a bill which provides a Federal subsidy for States exercising criminal and civil jurisdiction on Indian reservations. The only issue in the bill is whether such a subsidy should be granted.

Indians have been opposed to a law-and-order subsidy to the States. They believe that they should be entitled to maintain local home-rule authority as long as they wish. In the State of South Dakota, where State law provided for a referendum on that question, they voted overwhelmingly in favor of continuing home-rule. Indians do not want to see a situation created in which a Federal grant of money would be a special incentive for a State to end Indian home-rule powers without Indian consent. When they do surrender their rights voluntarily, they expect to be treated just like other citizens of the States, without being the subject of special Federal handouts to the States to finance services which the States are obligated to provide.

Let us make it clear that this has nothing to do with segregation. Indians have not been guilty of practices of discrimination. Non-Indians have been welcome to reservation schools, no one questions their right to eat in Indian-owned eating establishments or to ride a bus through a reservation. All they ask is that they be allowed to maintain their own tribal authority as long as they wish and to whatever extent they wish.

The foregoing is only one aspect of the problems of American Indians, which are manifold and complex. President Kennedy has pledged himself to find solutions to them, to eliminate "the conditions of poverty and disease which afflict so many American Indians" and to embark on "a program for the development of the human and natural resources of Indian reservations." Secretary Udall's staff is now working on a plan to carry out that pledge. It is incumbent on all of us, without regard to party or partisanship, to assist our Government in this effort to discharge its responsibility to the first Americans.

OLIVER LA FARGE,
President, Association on American Indian Affairs.

CLARENCE WESLEY,
President, National Congress of American Indians.

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

Mr. ELLENDER. Madam President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ELLENDER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AGRICULTURAL ACT OF 1961

The ACTING PRESIDENT pro tempore. Under the order entered yesterday, the Chair lays before the Senate the unfinished business, which will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes.

Mr. CASE of South Dakota. Madam President, I have an amendment at the desk which I call up. It is identified as "7–25–61–C."

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 104, beginning with line 6, strike out all of paragraph (1) down through line 12, and renumber the succeeding paragraphs.

Mr. CASE of South Dakota. Madam President, I yield myself 15 minutes. Before I take up the amendment, I would like to deal with a few other matters which are related to the agricultural program and the operation of it under the bill. First I wish to read into the RECORD a telegram which I received, signed by a large number of persons at Desmet, S. Dak. The telegram poses a question to President Kennedy and Secretary of Agriculture Freeman. The text of the telegram is as follows:

DESMET, S. DAK., *July 21, 1961.*

Senator FRANCIS CASE,
Senate Office Building,
Washington, D.C.

Is it the policy of your administration to remove ASC county office employees solely because of political affiliation with the Republican or Democrat Party? Previous administrative regulations prohibited dismissal for political reasons only. Please promptly advise if your present policy is opposed to said regulation. Please direct your reply to Henry Poppen, Desmet, S. Dak., our representative in this matter.

The telegram is signed by L. E. Clendenning, Hans Lorenz, Richard Rowan, L. A. Crobin, Chris Thompson, Merle Hoeye, E. W. Westerberg, Edna Westerberg, Merle Stricker, W. L. Westerberg, O. L. Porter, Russell Lapsky, Harold Cundy, Leo M. Schultz, Ella B. Schultz, Fred Otto, Duncan Flann, R. W. Habberstad, Andrew P. Tschetter, Mrs. Willis Drake, Mrs. Susie S. Tschetter, Herbert Schoenfelter, Clarence Redl, Hugh Evans, Wayne Nelson, John Wiles, H. W. Munger, Earl E. Holm, C. H. Hoey, Vernon R. Johnson, Glen Vantassel, Merle E. Pratt, Dr. Dan L. Slaight, Mrs. Dan R. Slaight, C. E. Greer, Arthur H. Poppen, M. M. Hyink, Bernard Peterson, Don Buchele, K. Buchele, G. H. Krieger, Lee McGarvie, C. L. Korkow, H. Kopperud, D. Kopperud, Stanley Falconer, Frank M. Larsen, Leroy Helfinstine, Gordon H. Maxam, W. L. Mikelson, Mrs. Milton Swenson, H. C. Hendrickson, Lloyd Smith, Leroy Pederson, Leslie E. Danielson, Elden Andersen, Milo Thorsvold, Thomas E. Thorsvold, Wayne Rapp, Ralph Rapp, Clyde Converse, Loyd Converse, Mayo Neilson, Leslie Nelson, Myrun Matson, K. V. Hesby, K. E. Hesby, Art Kallesen, Elmer Ellingsen, Orville Ryland, Walter Fenske, Ray Pedersen, Dwaine Nelson, A. A. Nelson, Roy Elmstrand, A. F. Peterson, Milo A. Peterson, Linell A. Johnson, Arch Nelson, Harry Bailey, Ecil Goss, Kenneth Widman, Ernest B. Johnson, Edith V. Johnson, Melvin E. Johnson, Spencer Spriggs, Mrs. Lily Johnson, Lovell Johnson, Alice Johnson, Seth Hall, Mrs. Joyce E. Hall, Dennis Sprang, Otto H. Poppen, Keith Larson, Lee Kracht, Daniel Jones, Homer N. Nelson, Calvin O. Poppen, John Sittner, Howard Melstad, Merrill Thomas, Max F. Tuttle, Leonard Svihel, I. L. Oines, Dr. C. M. Spidle, L. K. Arbon, Charles Warren, Milton S. Swenson, Fred Werner, V. G. Pike, Len Aman, Ralph Bode, James Arends, J. C. Shaw, Jack McGarvie, Clarence Hedberg, Warren Albert, Leonard Lorenz, Earl Strub, Harold Strub, Mrs. Earl Strub, B. C. Aughenbaugh, Ruth Aughenbaugh, Aarlin Clendening, Mrs. Leonard Lorenz, Alton Aughenbaugh, August W. Abel, Donald Widman, L. W. Engel, Edward Poppen, Emil Nelson, Oliver Seefeldt, Chas. Russell, and Glen Hassenbrock.

Madam President, I have read these names because I want it to be perfectly clear for the record that the whole community is aroused over the apparent removal of ASC county employees apparently on the basis of political affiliation, that, I believe, is in violation of the rules pertaining to the ASC and, to a certain extent, of the civil service, because some of those employees, I feel certain, are entitled to civil service protection.

I call attention to this particularly because when Mr. Kennedy was running for the Presidency, he made a speech on October 17 at Springfield, Ohio, which was devoted largely to the subject of ethics in government and ethics in appointments. He said:

> It would also be my intention—through Executive orders, the appointment power, and legislation—to reform and streamline our lagging administrative agencies, their organization, and their procedures.

Then he proposed a code, having eight principal features, which he said would guide his administration. He said it would—

> if nothing else, attempt to inform prospective Federal appointees under a Kennedy administration what they have a right to expect—and it does tell the American voters what they have a right to know—that is, the kind of attitude which the next President himself must exemplify in setting the moral atmosphere in Washington.

The sixth principle in that code Mr. Kennedy stated as follows:

Sixth, all appointments, both high and low, will be made on the basis of ability—without regard to race, creed, national origin, sex, section, or occupation. Campaign contributions will not be regarded as a substitute for training and experience for diplomatic positions; and appointees shall be drawn from all segments of the community—wherever the best talent can be found.

Then he said:

I do not want our politics colored by considerations of national security and I do not want our national security colored by considerations of politics.

Through the eight guidelines which he set forth, he tried, apparently, to suggest to the public that only fitness for the position would be considered. Nevertheless, these employees in the county ASC office have been removed purely on the basis of party affiliation; at least, that is the opinion of the community.

Madam President, I ask unanimous consent that the text of the address delivered by Mr. Kennedy at Wittenberg College, Springfield, Ohio, on October 17, 1960, be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I have spoken many times this fall about the need for a new spirit in Washington—a spirit of dedication—an enthusiasm for progress—a willingness to meet new challenges on the New Frontier of the sixties.

If we are successful this fall, such a program will be accomplished only with a Government that is honest—a Government that is efficient—a Government that is dedicated to the public interest. I pledge that kind of government to the American people.

One cannot make such sweeping promises, however, without recognizing that they have been made before. Every challenger talks about a great crusade to end corruption—to obtain government "clean as a hound's tooth."

But experience has shown that such promises are not enough. For ours is a government of men, not of promises—and some men yield to temptation—other men lack discrimination—and other men see no wrong in pursuing their private interest in their public capacities.

NOT ONLY VICUNA COATS

The problem is not merely one of vicuna coats or deep freezes. Less flamboyant but at least equally flagrant are the cases of those who use their office to obtain contracts for firms in which they have a financial interest—those who use their position to repay political or financial debts—those who extract profits from the information they receive or the power they wield.

These cases are not only tragic in the public sense—in terms of justice denied or taxes wasted, or problems ignored. These tragedies have their private effects as well, for cheating in the Government cannot help but lead to cheating in the classroom, or on the expense account, or on the quiz show.

The appointment of good men, moreover, is not a matter of morality alone. It may not be unethical to appoint an ambassador who is not acquainted with the language or problems of the country to which he is sent—but it is harmful to the interest of our Nation.

It may not be immoral to appoint to key positions men drawn only from the area of private business who intend to return to that business as soon as possible—but the national interest cannot be adequately maintained by top Defense Department officials with an average tenure of less than 1 year.

It may not be improper to confine Presidential appointments to the members of one political party—but the whole Nation was the beneficiary from the bipartisan services of such men as Stimson, Knox, Forrestal, McCloy, and Lovett.

CALLS FOR BEST EXAMPLE

And if we are to open employment opportunities in this country for members of all races and creeds, then the Federal Government must set an example as the Nation's largest employer—and the President, in his key appointments, must set the best example.

I am not going to promise a Cabinet post or any other post to any race or ethnic group. That is racism in reverse at its worst. So I do not promise to consider race or religion in my appointments—I promise only that I will not consider them.

If we are to keep the cost of living in line and protect the interests of consumers, then those agencies which regulate the cost of public services must be dedicated to their mission—and not concern themselves with future employment or personal ties.

I am making no charges and mentioning no names. For history teaches us that no party has a monopoly on honesty. Both parties attract their share of crooks and weaklings.

But that does not mean that these problems are incapable of solution. That does not mean that campaign promises are enough.

A new administration must screen out those who regard Government service as the door to power or wealth—those who cannot distinguish between private gains and public trust—and those who believe that old-fashioned honesty with the public's money is both old and out of fashion.

MUST SET MORAL TONE

And the next President himself must set the moral tone—and I refer not to his language, but to his actions in office. For the Presidency, as Franklin Roosevelt observed, "is preeminently a place of moral leadership"—and I intend to restore that kind of leadership and atmosphere beginning in 1961.

Should I be elected President, it would be my intention to ask the ablest men in the country to make whatever sacrifice is required to bring to the Government a ministry of the best available talent—men with a single-minded loyalty to the national interest, men who would regard public office as a public trust. For no government is better than the men who compose it—and I want the best.

It would be my intention, at the earliest opportunity, to submit to the Congress a single, comprehensive code on conflicts of interest—aimed at eliminating duplications, inadvertencies and gaps, at drawing a clearer line between propriety and impropriety, at protecting the public against unethical behavior without making it impossible for able and conscientious citizens to accept public service.

It would also be my intention, through Executive orders, the appointmenting powers, and legislation, to reform and streamline our lagging administrative agencies, their organization, and their procedures.

DECISIONS OFTEN DELAYED

Often cases are decided years after the controversy has arisen—years in which the public interest, which the agency is designed to protect, has been severely injured through the action of the regulated industry. For justice delayed is too often justice denied—and these agencies were designed to protect the public swiftly and effectively.

But I believe a candidate for President has an obligation to say more than promise new laws, new men, and new procedures. I do not want anyone to support me without a clear understanding of the basic personnel principles and ethical practices which will characterize my administration from Inauguration Day on.

I would like to take this opportunity, therefore, to set forth the eight basic principles which I intend to use as guidelines to the appointment and conduct of those who will serve under a new administration.

This list is not presented as a legal code, complete in detail—although some parts of it may well be spelled out in law, with civil and criminal sanctions. But it does—as a list of illustrations, if nothing else—attempt to inform prospective Federal appointees under a Kennedy administration what they have a right to expect—and it does tell the American voters what they have a right to know—that is the kind of attitude which the next President himself must exemplify in setting the moral atmosphere in Washington.

BARS PERSONAL GAIN

First, no officer or employee of the executive branch shall use his office position for financial profit or personal gain, or reveal to others for their advantage confidential information acquired through his position for he serves as a trustee for all the people.

Secondly, no officer or employee shall engage in any business transaction with—or hold any financial interest in—or accept any gift, favor, or substantial hospitality for himself or his family—from any enterprise or person who is doing business or seeking to do business with that unit of the Government which he serves or is able to influence, or who is subject to regulation, investigation or litigation under the jurisdiction of that unit. To be above criminality is not enough. I want my appointees, alike Caesar's wife, to be above suspicion.

Third, all gifts which cannot appropriately be refused—such as gifts from public organizations or foreign governments to the President of the United States—shall immediately be assigned to the Smithsonian Institution or other Federal agencies for historical, scientific or welfare uses. The President must set the example.

Fourth, no Federal appointee to any public regulatory agency shall represent any view other than the public interest. Appointments to such agencies shall be made with the advice of those knowledgeable in the field; but shall not be dictated by those with a vested interest in the appointment. As the constant increases in utility rates and the cost of living in general reveal, the consumer is the only man in our economy without a high-powered lobbyist in Washington. I intend to be that lobbyist.

Fifth, no member of any such agency, and no person who assists in its decisions, shall entertain any ex parte communication from any person—including political pressure or requests originating within the executive or legislative branches—concerning any case or other proceeding which is determined solely upon matters of record, unless that communication is made a part of the record and every party at interest is given an opportunity to reply. As Finley Peter Dunne's Mr. Dooley used to say:

"Trust everyone—but cut the cards."

Sixth, all appointments, both high and low, will be made on the basis of ability—without regard to race, creed, national origin, sex, section or occupation. Campaign contributions will not be regarded as a substitute for training and experience for diplomatic positions; and appointees shall be drawn from all segments of the community—wherever the best talent can be found.

This will not be a businessman's administration, with "business in the saddle," as Secretary [of the Interior Douglas] McKay once described his mission—but neither will it be a labor administration, or a farmer's administration. It will be an administration of, for, and by the people.

Seventh, senior positions in the State Department, the Foreign Service and the Defense Department shall be filled by the best talent in both parties, and from the ranks of career diplomats and civil servants; and officials engaged primarily in the conduct of foreign and defense activities will not be permitted to participate actively in political campaigns. I do not want our politics colored by considerations of national security, and I do not want our national security colored by considerations of politics.

Eighth, preference in appointments will be given to those willing to commit themselves to stay on the job long enough to apply what they learn.

The goal is a full-time effort for the full tenure of the presidential term, without regard to any prior affiliation or prospective employment. The prospects for the Nation in the coming years are not easy—the tasks facing the President will not be easy—and no appointee should assume his life will be any easier.

These eight guidelines are not a magic formula for achieving a government perfect in all its parts. All human weakness cannot be avoided. All errors of judgment cannot be predicted. A code of ethics by itself—when confronted with a concrete case—may be found either too general to be meaningful or too specific to be enforcible.

But these guidelines can illustrate an atmosphere, a tone of Government, an attitude which a new President will take. And they emphasize this basic principle: The essence of any government that belongs to the people must lie in the Biblical injunction:

"No man can serve two masters; for either he will hate one and love the other; or else he will hold to the one, and despise the other."

All America seeks a government where no man holds to his own interest and despises the public interest—and where all men serve only the public—and love that master well.

Mr. CASE of South Dakota. Madam President, under date of May 11, 1961, I received from Mr. John F. Schoof, of Gettysburg, S. Dak., a letter which presents another point of view with respect to the farm program and Federal employees. The letter reads:

DEAR SENATOR: You may recall that I have written you from time to time regarding farm program ideas. There is no question but what it has been most difficult to formulate a program which might prove satisfactory to all elements in agriculture. Recently, however, it has occurred to me that we may have overlooked the obvious solution. I will try to describe it to you.

There are thousands of people in the employ of Uncle Sam's Agricultural Department. They are scattered over the length and breadth of the land. The gross payroll must be several million dollars per week. Those employed must know a great deal about the farm situation and should not only be most anxious to solve it, but should also know how to do it, especially if given a commitment to go ahead. My plan therefore is this:

We will continue with the present setup throughout the Nation—no employee loses his or her job—and as a matter of fact more jobs may be created. However when it comes to paying the salaries of those thousands of employees each week or month we will pay them on the basis of one-half cash and the other half in surplus agricultural commodities. This will distribute the surplus on a very wide basis and since the recipient will have made what he considers an intensive study of the problem he should be able to dispose of his own property in an orderly manner and in this way, each month, the problem is solved.

Very truly yours,

JOHN F. SCHOOF.

Madam President, that is a novel adaptation of the payment-in-kind idea.

Now I wish to address myself to the question raised by the amendment which I have offered.

Madam President, my amendment would strike out a paragraph identified as paragraph (1) on page 104, line 6, which reads as follows:

(1) Section 101 is amended by adding at the end thereof a new subsection to read as follows:

"(f) obtain rates of exchange applicable to the sales of commodities under such agreements which are not less favorable than the rates at which United States Government agencies can buy currencies from the United States disbursing officers in the respective countries."

I briefly and informally discussed this proposal with the chairman of the committee. As I understand, the purpose of the language which is in the bill, to amend section 101 of the act of 1954, is intended to cure a loss—a paper loss—which is possible by reason of the fact that some countries have two scales for their currency.

Public Law 480 has been administered liberally. However, it has been administered with the idea of making it possible to reduce our surpluses of certain grains or commodities in this country, and to acquire foreign exchange which could be used constructively, either in the development of the countries concerned or in the discharge of some of our obligations there.

I note that in the course of the remarks made by the chairman of the committee in the Senate on July 24, he placed in the RECORD, at page 13260, a table presumably giving the unreported losses on Public Law 480 sales, due to unrealistic exchange rates. They were principally in Poland, Spain, Turkey, and Yugoslavia.

The pesetas we received from Spain and the lira we received from Turkey have been useful in connection with the building of facilities for our military bases in those areas. Even if we have sustained some losses, theoretically, because of the exchange rate, we have saved dollars which otherwise would have had to have been paid for the construction of those facilities in both Spain and Turkey. To that extent, I think we might regard the operation as one of salvage.

What concerns me particularly—and I am not in any way imputing any unworthy purpose to the chairman of the committee or to the committee itself in including this language—is the fear that the application of this rule to the Latin American countries, where exchange systems are most frequently used in this matter, would mean killing the Public Law 480 program in Latin America.

I had a call made to the State Department; and although the State Department was not prepared to provide a written report, because the officials who might approve it were out of town, it did appear that officials in the State Department have a fear that there would be a decreasing chance for the negotiation of Public Law 480 agreements with countries which have multiple exchange rates. It is also possible, it was indicated, that such countries, in order to continue their Public Law 480 programs, would withdraw their present provision of tourist rates for Embassy exchange and that would result in a need for greater appropriations in order to maintain U.S. representation in such countries. Then the probable result would be either a cutback in the Public Law 480 program or a greater dollar cost for maintaining diplomatic representation abroad.

Because of these possibilities, I have felt that I should submit the issue to the Senate; and I have brought the matter before the Senate by means of this amendment.

At this time I shall be glad to yield the floor, for the time being, and reserve the remainder of the time available to me.

Mr. ELLENDER. Madam President, I yield myself 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Madam President, as the distinguished Senator from South Dakota has stated, the purpose of his amendment is to permit the State Department, together with the Department of Agriculture, to sell our surplus commodities at more or less cut rates.

Madam President, we must not forget that when the surplus commodities are sold to foreign governments, they are sold at a great loss to our Treasury. As an instance: If we sell wheat to Poland or to any other country, a subsidy is paid by our Government, so as to meet world competition; and that subsidy may amount to as much as 60 to 80 cents a bushel. In the case of cotton, the subsidy ranges from $30 to as much as $45 a bale.

In addition to that subsidy, our State Department has been negotiating sales, and has been accepting, in payment for the commodities sold, the currencies of foreign governments at rates far lower than the market exchange rates. In my recent survey of our operations abroad, I cited an instance; it appears on page 21 of Senate Document No. 20, a report by me on U.S. foreign operations. In Poland, where the zloty is the monetary unit, the collection exchange rate was 24 to $1, but the market rate was 55 to $1; and when we made a sale of wheat and other surplus commodities to Poland, instead of being paid at the market rate of 55 to $1, we were paid at the rate of 24 to $1. As a result of one transaction, we lost $63,947,726. We sold to Poland, to Spain, to Turkey, and to Yugoslavia.

The ACTING PRESIDENT pro tempore. The 5 minutes the Senator from Louisiana has yielded to himself have expired.

Mr. ELLENDER. Madam President, I yield myself an additional 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana is recognized for an additional 5 minutes.

Mr. ELLENDER. Madam President, at about the same time—that is, within a period of perhaps 14 or 15 months—we sold to those countries much of our surplus commodities.

In that connection let us consider the case of Spain: The collection exchange rate at the time of the sale, and for which our commodity was sold, was 42 to 1; but the market rate was 57.4 to 1.

Or consider the case of Turkey: The collection exchange rate was 2.82 for $1, and we sold at that rate. The market rate was 9.37 to $1.

In Yugoslavia, the collection exchange rate was 300 dinars to $1, but the market rate was 600 dinars to $1.

So, Madam President, in all those transactions, in addition to the cost of the subsidy to which I have referred—a subsidy of 60 to 80 cents a bushel, on wheat; a subsidy of $30 to $45 a bale on cotton; and similar losses on all other surplus commodities, that our Treasury suffered—on our transactions with those four countries which took place between June 7, 1957, and December 22, 1958, the total value of the commodities was $1,488,737,762. But we received the equivalent in U.S. dollars of only $857 million—thereby showing an actual loss, as to those four transactions, to our Treasury—in addition to the subsidy, to which I have referred—of $631,409,979.

Madam President, what becomes of these proceeds under Public Law 480 after the sales are made? Do they come back to us? No. They remain in the country. Some of the money is spent to pay some of our employees. Some is given by way of grants or economic aid to the country to which we sell the surpluses, but most of it is loaned back to the purchasing country at a very, very low rate of interest, repayable over a long period of years.

As I have said, I think it is adding insult to injury when we sell our surplus commodities to those countries at prices lower than domestic prices and subsidize this cost out of our Treasury, and in addition, take a tremendous loss on the exchange rates. I think it is unconscionable.

Mr. CASE of South Dakota. Madam President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. CASE of South Dakota. The point the Senator is making is one with which I am in sympathy. Personally, I do not understand why some of these countries have two exchange rates, but some apparently have. What bothers me is what the rigid language might do with respect to helping the relations of our country and also in handling the surplus problem in the Latin-American countries. I was wondering if we might not accomplish the same purpose the committee had in mind and at the same time make it possible for the program to be carried on without quite the straitjacket the Senator has suggested——

The ACTING PRESIDENT pro tempore. The additional 5 minutes have expired.

Mr. ELLENDER. I yield myself 5 additional minutes.

Mr. CASE of South Dakota. In the report of the committee, under the title "Agricultural Trade Development and Assistance Act of 1954," section 101 of title I is set forth, which reads, as follows:

> SEC. 101. In furtherance of this policy, the President is authorized to negotiate and carry out agreements with friendly nations or organizations of friendly nations to provide for the sale of surplus agricultural commodities for foreign currencies. In negotiating such agreements, the President shall—

Then would follow the various paragraphs which have been approved by the committee. So these negotiations are conducted in the name of the President, and the President is the authority. I wonder if the purpose the committee had in mind might not be accomplished by, instead of striking out the paragraphs, there were inserted the words, at the beginning of the paragraph, "endeavor to."

So then the language would read:

> In negotiating such agreements the President shall endeavor to—
>
> (f) obtain rates of exchange applicable to the sales of commodities under such agreements which are not less favorable than the rates at which United States Government agencies can buy currencies from the United States disbursing officers in the respective countries.

That would give the President a little leeway, but it would place on him the responsibility and duty of trying to obtain favorable rates, and then we would go on with the language.

Mr. ELLENDER. That leaves a little loophole.

Mr. CASE of South Dakota. Yes; it does leave a little loophole.

Mr. ELLENDER. I said "a little." It is really a big one, whereby these sales can be negotiated on almost any terms. There are some instances where the difference in the exchange rate at which these commodities are sold is as much as two and a half to one. There is no excuse for it. Under the act, the President has the right to make grants of the proceeds of these sales, if he wants to, to the foreign government for economic development.

The point I wish to make to the Senator and to the Senate is that we do not get the money back. We spend it in the countries that purchase the commodities. Most of the soft currencies that are obtained are spent in those countries. As I remember, about 60 percent of the total amounts of these sales throughout the world are loaned or given back to those countries for their own development.

Mr. CASE of South Dakota. Turkey is one of the countries the Senator cited——

Mr. ELLENDER. Let me say further that we are offering a provision which would give the Administrator the authority to take the collections made on these loans and use them for the same purposes provided in title 1, which means that the Secretary of State and the ICA can use these collections in order to help develop the economy of countries wherein these commodities are sold. We do not get any benefit out of it except to assist those countries. The money is used within the borders of those countries, and almost every dollar is spent there. Nothing is spent in any other country.

Mr. CASE of South Dakota. That is not wholly the situation. I was in Turkey, and I visited one of our installations where we were providing some housing by using some Austrian money to provide that housing in Turkey, because we had run out of Turkish counterpart money.

Mr. ELLENDER. There is a 2-percent transfer, so it does not amount to much. But, essentially, 98 percent of every dollar of soft currency collected is spent within the country where it is collected.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. CASE of South Dakota. I yield 5 minutes from my time to the Senator.

In the two countries of Spain and Turkey we have not had as much counterpart money as we have needed for our military expenses in those countries, in building bases, roads, and paying other expenses. In both Spain and Turkey we could have used more.

Mr. ELLENDER. We could get more if only the exchange rate was normal. In other words, instead of paying us at the rate of 9.37 on the dollar, we received 2.82 from Turkey. If we had sold our commodities at the rate of exchange that was current then, we would have had more money to spend, and we would have had more money to build railroads and construct our airfields. That is what I am complaining about.

Since this matter has been brought to the attention of the Department of Agriculture and since it has been brought to the attention of the State Department, they are trying to do a better job.

Mr. CASE of South Dakota. Madam President, I should like to see them do a better job.

Mr. ELLENDER. Surely.

Mr. CASE of South Dakota. I should like to add the admonition that they should endeavor to obtain sales at exchange rates not less favorable than those which the Government can obtain buying currencies if it puts up hard dollars to get them. However, I think there is some advantage in getting the exchange and making the disposal, particularly when the exchange obtained is used for constructive purposes, in many instances for purposes of our own Government.

Madam President, I shall withdraw my amendment at the present time, but I should like to ask that the chairman of the committee give a little thought to the possibility of inserting the words "endeavor to" at the beginning of the language. Perhaps we shall have an opportunity to confer about this during the day.

Madam President, I withdraw the amendment at the present time.

The ACTING PRESIDENT pro tempore. The amendment is withdrawn. The committee amendment is open to further amendment.

Mr. ELLENDER. Madam President, I yield back the remainder of my time, if that is necessary.

The ACTING PRESIDENT pro tempore. The time for debate is ended when the amendment is withdrawn.

Mr. WILLIAMS of Delaware. Madam President, I call up my amendment which is at the desk, on behalf of myself and Senators JAVITS, KEATING, PROUTY, BUSH, and BOGGS. I ask to have the amendment stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 93, beginning with line 4, it is proposed to strike out all through line 21 on page 99.

The ACTING PRESIDENT pro tempore. How much time does the Senator yield?

Mr. WILLIAMS of Delaware. Madam President, I yield myself 5 minutes.

The purpose of the amendment is to strike from the bill that section which would extend the Feed Grains Act for another 12 months.

Prior to considering the amendment, I promised other Senators I would suggest the absence of a quorum because some wished to be alerted at the time the amendment was before the Senate.

Briefly, I think the section should be stricken from the bill without prejudice. The Feed Grains Act was only enacted about 4 months ago. It is in the midst of its first trial run. It was put on the books with the clear understanding it would be a 1-year program for more or less experimental purposes only. No one in the Senate and no one in the administration has the slightest idea whether it will be a success or not. It is a program which will cost us this year in excess of $700 million. I think it would be irresponsible on our part to extend for another full year an experimental $700 million program at this time, particularly in view of our present world situation as outlined by the President last night.

I think this particular section should be stricken. If the program proves to be a success in the minds of the members of the Department, it can be extended in the early part of the next session of Congress. It can be acted upon far more intelligently then than today.

It can be enacted next year in ample time for the 1961 crops.

I shall discuss the amendment in more detail later. In the meantime, I ask unanimous consent that I may suggest the absence of a quorum and that the time necessary for the call of the roll not be charged to either side.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Delaware? The Chair hears none, and it is so ordered. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 102]

Aiken	Hickenlooper	Pastore
Allott	Holland	Pell
Boggs	Jordan	Prouty
Burdick	Lausche	Randolph
Cannon	Long, Hawaii	Smith, Mass.
Carlson	Mansfield	Talmadge
Case, S. Dak.	McNamara	Tower
Church	Morton	Wiley
Ellender	Moss	Williams, Del.
Gruening	Neuberger	Young, Ohio

Mr. HUMPHREY. I announce that the Senator from Oregon [Mr. MORSE] is absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] is absent because of illness.

The Senator from Hawaii [Mr. FONG] is necessarily absent.

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. MANSFIELD. Madam President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. ANDERSON, Mr. BARTLETT, Mr. BEALL, Mr. BENNETT, Mr. BIBLE, Mr. BRIDGES, Mr. BUSH, Mr. BUTLER, Mr. BYRD of Virginia, Mr. BYRD of West Virginia, Mr. CAPEHART, Mr. CARROLL, Mr. CASE of New Jersey, Mr. CLARK, Mr. COTTON, Mr. CURTIS, Mr. DIRKSEN, Mr. DODD, Mr. DOUGLAS, Mr. DWORSHAK, Mr. EASTLAND, Mr. ENGLE, Mr. ERVIN, Mr. FULBRIGHT, Mr. GOLDWATER, Mr. GORE, Mr. HART, Mr. HARTKE, Mr. HAYDEN, Mr. HICKEY, Mr. HILL, Mr. HRUSKA, Mr. HUMPHREY, Mr. JACKSON, Mr. JAVITS, Mr. JOHNSTON, Mr. KEATING, Mr. KEFAUVER, Mr. KERR, Mr. KUCHEL, Mr. LONG of Missouri, Mr. LONG of Louisiana, Mr. MAGNUSON, Mr. MCCARTHY, Mr. MCCLELLAN, Mr. MCGEE, Mr. METCALF, Mr. MILLER, Mr. MONRONEY, Mr. MUNDT, Mr. MUSKIE, Mr. PROXMIRE, Mr. ROBERTSON, Mr. RUSSELL, Mr. SALTONSTALL, Mr. SCHOEPPEL, Mr. SCOTT, Mr. SMATHERS, Mrs. SMITH of Maine, Mr. SPARKMAN, Mr. STENNIS, Mr. SYMINGTON, Mr. THURMOND, Mr. WILLIAMS of New Jersey, Mr. YARBOROUGH, and Mr. YOUNG of North Dakota entered the Chamber and answered to their names.

The ACTING PRESIDENT pro tempore. A quorum is present. The Senator from Delaware has the floor.

Mr. WILLIAMS of Delaware. Madam President, how much time has been used on the amendment?

The ACTING PRESIDENT pro tempore. Two minutes have been used on the amendment.

Mr. WILLIAMS of Delaware. Madam President, I yield 2 minutes to the distinguished Senator from Ohio.

(At this point Mr. LAUSCHE addressed the Senate on the President's address. His remarks will be found elsewhere under the appropriate headline.)

Mr. SALTONSTALL. Madam President——

Mr. WILLIAMS of Delaware. Mr. President, I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Madam President, I rise to a point of personal privilege: I do not like to be called by the Deputy Sergeant at Arms and told to come here to answer a live quorum call. I wish to report that the bells in my office did not ring, and I had no knowledge of any quorum call until I was called on the telephone and ordered to report here, or otherwise a Deputy Marshal would be on my trail. I wish to make that clear.

I thank the Senator from Delaware for yielding to me.

Mr. WILLIAMS of Delaware. Madam President, in order that Members of the Senate may know that there will be a record vote on this amendment, I now ask that at this time the yeas and nays be ordered on the question of agreeing to this amendment.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

The yeas and nays were ordered.

Mr. WILLIAMS of Delaware. Madam President, I yield myself 10 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Delaware is recognized for 10 minutes.

Mr. WILLIAMS of Delaware. Madam President, the purpose of this amendment is to strike from the bill the section which would extend the Feed Grains Act for an additional 12-month period.

Early this spring the Congress first passed the Feed Grains Act. Since that time, under the provisions of that act, the Department of Agriculture has paid approximately $700 million in retiring from production 20,090,511 acres of corn and 6,597,171 acres of sorghum grains.

Although the Government has paid about $700 million to retire 20 million acres from corn production, there has been achieved, based upon the reports of the Department of Agriculture, a reduction in corn acreage of only about 15 million acres as compared with the acreage last year. That means that we have paid for retiring from production approximately 4½ million acres which would not have been in corn anyway.

In light of the President's message of last night asking us to provide billions of additional dollars for the defense of the country and at a time when we have no knowledge as to whether we shall even want this Feed Grains Act extended or whether there will be need to extend it, I think it the wisest policy to strike out this part of the bill. We could do this without prejudice, and then if next year the program is deemed to be a workable one and if world conditions then are such that the administration and the Congress feel it desirable that the program be extended, we can do so.

But the program was purely an experimental one, when it was initiated 3 or 4 months ago.

Therefore, at this time I strongly recommend that this $700 million experimental program not be extended until we find out how it will work.

Mr. JAVITS. Madam President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. JAVITS. I have joined the Senator from Delaware in proposing this amendment because of the information

I have received from dairy farmers and poultry feeders in the State of New York. They feel that it will be very much to their interest, in terms of the consumer, to have this part of the bill stricken out. I simply wished to explain my reasons for joining the Senator from Delaware in sponsoring his amendment.

Mr. WILLIAMS of Delaware. Madam President, I appreciate the remarks of the Senator from New York.

Mr. PASTORE. Madam President, will the Senator from Delaware yield to me?

Mr. WILLIAMS of Delaware. I yield.

Mr. PASTORE. Let me ask whether I correctly understand, from the remarks of the distinguished Senator from Delaware, that this amendment does not in any way affect the Feed Grains Act the Congress passed earlier this year for the first time and that all that this amendment will do will be to strike out the part of the bill which would continue that act for an additional year.

Mr. WILLIAMS of Delaware. That is correct. The Feed Grains Act for 1961 crops is already on the statute books; and the question of whether we approved it then or opposed it then is now immaterial. That act is now the law and is being carried out by the Secretary of Agriculture, based upon the instructions presented to him in connection with the act.

But I think—and I think the Secretary of Agriculture would admit—that although he hopes this act will work, no one now can say whether it will be worth what it will cost. We can tell that only when this year's crop is harvested; then we shall be able to see to what extent the act did result in a reduction in the corn crop.

We shall have the benefit of that information when we come back here next January, and if at that time it is considered wise to extend the act for a further period we shall then have ample time to extend it. On the other hand, if at that time it is not deemed wise to extend it for a further period we can then let the act lapse.

It has been suggested, "We can expand it now for a year; and next year, if we do not like it we can rescind it."

But that is no argument. Programs of that nature are not rescinded because they are looked upon as commitments to the farmers. The result is that once such a program is extended it is next to impossible to rescind it.

It is much better to carry out the provisions of the act itself—namely, use it for 1 year and then decide whether to extend it or not. Let us not allow this to become permanent law by too early an extension.

Mr. PASTORE. I agree with the distinguished Senator from Delaware, and I am very happy to support the amendment.

Mr. KEATING. Mr. President, will the Senator from Delaware yield 10 minutes to me?

Mr. WILLIAMS of Delaware. I yield 10 minutes to the Senator from New York.

The PRESIDING OFFICER (Mr. METCALF in the chair). The Senator from New York is recognized for 10 minutes.

Mr. KEATING. Mr. President, the distinguished Senator from Delaware makes a very good point when he says this is not the time to extend the temporary and experimental Feed Grains Act, which was passed last March. It should appeal even to those who may favor the program. I do not favor it, and I think this is an inopportune time to extend it.

Secretary Freeman himself, in a report to the Congress dated June 21, 1961, said that "the full effect of this program will not be known until sometime after harvest," which will be this fall. Although the Department has developed estimates of what the effect of the feed grain program will be, we do not have full or final information.

Mr. President, plenty of time remains between now and next March, when this program will expire, for the Congress carefully to evaluate its performance and determine whether it has been successful or whether basic changes should be made in its structure and scope.

Thirty-five Members of the Senate opposed the conference report on the feed grain bill on March 22. Now we are being asked to extend it even before we know whether it worked. It is my opinion that the interest of feed grain farmers, other agricultural producers, and consumers would be best served if the Congress took the time to make a careful and detailed study of the results of the 1961 Emergency Feed Grain Act.

I opposed this bill when it passed the Senate and as embodied in the conference report. To me, on its merits, this program is no more acceptable than it was when it passed before. It places too many restrictions on the farmer and permits unwarranted gains to marginal producers and to many farmers who would not otherwise use their land for production. It can be said it is a "boondoggle" to some and a ball and chain to others. It does not represent the type of long-range program to meet the needs, not just of certain feed crops, but of all of our basic agriculture commodities.

The feed grain program has strengthened the official doctrine of prosperity by subsidy. Recently, I met in Washington with Mr. William T. Smith, of Big Flats, N.Y., who bought a Cadillac with the money which he got under the feed-grains program, or with the money he got plus the money he will get this fall. Mr. Smith has entered a forceful protest against Government policies that rob Peter to make Paul prosperous. The role of government is certainly to aid and assist the less fortunate; but, to completely reverse the tables and make the fortunate even more fortunate is way off base. We need better perspective in the framing of our farm policies.

Furthermore, I am convinced that the hue and cry about an oversupply of corn and other feed grains is overstated. I understand that there is a real possibility that decreased planting and increased food and feed exports could result in a reduction of our surplus within a few years to a level which would threaten our economy. These questions and the fundamental question as to whether increased production and fertilization will compensate for feed grain acreage reductions are very much up in the air. Also increased feed prices to dairy, poultry, and livestock producers and the ultimate impact of the feed grain bill on consumer prices are aspects of the 1961 program which should be explored by the Congress before this act is extended.

Just a word further about Mr. William T. Smith, of Big Flats, N.Y. Last Saturday he was fined $321.84 for planting 26 acres of wheat—7.1 acres in excess of his allotment. He has a right to grow wheat on up to 30 acres if he feeds all of it to his own livestock. He planted only 26 acres. But he had not gone through the formality of applying in advance for permission. He used all of his wheat to feed his own livestock and cattle, which is the only purpose for which he ever grows wheat.

Mr. Smith is able to pay this fine. I have not been in touch with him, but I am certain he is not regretful about it, even if this is retaliation against him for the position which he took. I do not allege it is retaliation. I have, however, written to the General Counsel of the Department of Agriculture to get a little more information, and I have asked him whether it is standard departmental procedure to initiate action and to levy a fine under circumstances where a farmer grows too much wheat, or where he simply failed to ask permission to grow it. I have also asked for the number of cases on record in the Department of Agriculture where a producer failed to apply for his exemption and the Department did not prosecute.

In other words, Mr. Smith has indulged in a technical violation of the law by not asking permission to grow wheat to feed to his own livestock and cattle. He is able, and I am sure he is willing, to respond if he owes the Government any money, but certainly he should not be discriminated against for his efforts to dramatize the apparent foolishness of the feed grains act. So I hope I shall soon have a comment from the General Counsel of the Department of Agriculture.

I am not familiar with all of the facts. It may be that it is standard practice to fine a farmer who grows crops within the 30-acre limitation, but does not apply for permission to grow them and has not indicated in advance that he is going to grow them to feed his own stock.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. SCOTT. May I inquire of the Senator whether Mr. Smith could also go to jail for having failed to apply for permission to grow the wheat?

Mr. KEATING. I am not familiar with the law. I cannot answer the Senator as to whether this particular legisla-

tion calls for civil penalty in the nature of a fine, or whether it calls for a jail sentence.

Mr. SCOTT. I suppose if Mr. Smith, after having put on his own little "Mr. Smith Goes to Washington" performance, did not pay the fine, the Government could levy on the Cadillac.

Mr. KEATING. Yes; the Cadillac is in his own name and the Government could levy a fine on it. Mr. Smith has other property. He has a very prosperous farm, on which he was able to take about one-third of his cornland out of production and fertilize the rest of it so as to get as much corn as he got out of the greater amount of acreage previously. And besides, he did it with free fertilizer from the Government. I am sure he is able to pay the $300-odd fine. As he has pointed out, he has been fined before for growing more wheat than he had permission for. He is one of those rugged individuals who thinks when he is feeding wheat on his own farm to his own chickens and cattle, he should not be interfered with by the Government. I share that viewpoint. I do not think we would have gotten very far in this country if we had always had a limitation of this kind.

Mr. SCOTT. I was going to suggest that one of the most sacred rights an American citizen has is to make fun of the Government.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KEATING. Later, I shall ask for more time.

Mr. SCOTT. Mr. President, may I be recognized?

Mr. RUSSELL. Mr. President, if the Senator from Louisiana will be so generous as to yield for a very brief time——

The PRESIDING OFFICER. The Chair recognizes the Senator from Louisiana [Mr. ELLENDER].

Mr. ELLENDER. I yield to the Senator from Georgia.

(Mr. RUSSELL made a statement in connection with the introduction of a resolution and a bill, which appears elsewhere in the RECORD.)

Mr. WILLIAMS of Delaware. Mr. President, I yield 3 minutes to the distinguished Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 3 minutes.

Mr. HRUSKA. Mr. President, I rise to support the pending amendment offered by the distinguished Senator from Delaware [Mr. WILLIAMS] for himself and other Senators, which would, in effect, strike the portion of the bill containing the so-called emergency feed grains program. I support the amendment not for the reason of opposing the merits of the emergency feed grains program itself, but rather on the basis that we ought to have time in which to get a final report on how the program actually operates in the crop year 1961 before we are called upon to pronounce judgment on it. We ought to wait until next January, by which time we shall have a full report not only on the production, but also on the costs of the program, in cash and in kind, as well as the administrative expenses.

The advantage in this suggested procedure is that, if there would be any adjustments or amendments indicated at that time, it would be much easier to effect them by dealing with the bill on its own merits rather than amending the bill now.

At least one set of statistics indicates that we ought to have time to consider the program on the basis of an accomplished 1961 crop year. The program will eventually cost in the range of $700 million, which is a tidy sum, even in Washington, and forms a big item in itself.

Secondly, we must consider the factor that in 1960 the acreage of corn was approximately 81 million. In 1961 that acreage will be approximately 66 million, or a reduction of approximately 15 million acres. That reduction of 15 million acres has been achieved after a signup on corn acreage of 20 million acres, which represents a rapid movement backward. Some of us would like to inquire into that trend, to analyze the figures, and find out wherein the shrinkage lies.

For those reasons I believe it would be well to defer action on translating the emergency program into law for the crop year of 1962 until the early weeks of next year. It is on that basis that I propose to vote for and support the amendment of the Senator from Delaware.

I yield back the remainder of my allotted time.

Mr. ELLENDER. Mr. President, I yield myself 7 minutes.

The PRESIDING OFFICER. The Senator is recognized for 7 minutes.

Mr. ELLENDER. Extended hearings were held on the bill. There was little or no opposition to the section the distinguished Senator from Delaware seeks to delete.

I believe it is incumbent upon us to enact an extension of the feed grain provision now. In addition to corn and sorghum, we have added barley to the program. Barley is a crop that must be planted in the fall. Production of barley has been on the increase, and it forms a very important ingredient in our feed grains.

The feed grain program was enacted last March. Because of the lateness of action, we placed a huge job in the lap of the Secretary of Agriculture in ordering him to carry out the program. Corn and sorghum producers had prepared for the usual plantings, but many of them decided not to plant, and to carry on the program as we devised it.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MANSFIELD. I hope the Senate will look at the very thorough and detailed report accompanying the Agricultural Act of 1961, especially pages 29 and 30, as related to the amendment presently before the Senate.

It is my understanding from reading the report that—

Under the 1961 feed grain program, producers signified their intention to retire 20.1 million acres of corn and 6.6 million acres of sorghums to conserving uses. This represents 23 and 31 percent, respectively, of the 1959–60 adjusted base acreages for these crops.

Does not the program have an escape clause in it?

Mr. ELLENDER. That is one of the points I intended to bring out.

Mr. MANSFIELD. Is it not true, according to the report, that on the basis of the program to date—and it is a new program—the resulting net savings to the Government, because of the 1961 feed grain program, may be well in excess of $500 million?

Mr. ELLENDER. The Senator is correct. I intended to cover that point also in answer to my good friend, the Senator from Nebraska [Mr. HRUSKA].

Mr. MANSFIELD. Would that program mean that there would be less in the way of rentals, so to speak, for storage and other purposes, and thereby the overall cost would be reduced?

Mr. ELLENDER. The Senator is correct.

Mr. MANSFIELD. I thank the committee chairman.

Mr. ELLENDER. Mr. President, the majority leader, the distinguished Senator from Montana, has anticipated me, which I do not mind. I am proud to perceive that he is in accord with what I was about to say in opposition to the amendment.

As I started to say awhile ago, the factor which has caused us a great deal of difficulty as to corn and other feed grains, as well as wheat, is the great costs that we must pay for storage, handling, and transportation. As I pointed out a few days ago, 91 percent of the amount spent by the Commodity Credit Corporation for storage, which amounts to about $600 million a year, is attributable to corn, other feed grains, and wheat. If the program were permitted to go along as it did last year, the cost to the Government would eventually be in excess of $1,200 million. But by curtailing the production of corn, the record shows that we shall save the taxpayers approximately $500 million. We shall still have more than a sufficient amount on hand.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield myself an additional 5 minutes.

I point out to Senators that the carryover of feed grains, which includes all of them—corn, sorghum, oats, and barley—as of October 1st, was 85 million tons. The estimated reduction through the present program will reduce the carryover to 72 million tons.

If the Senate votes with the committee and extends the feed grain act for another year it will mean that at the end of fiscal year 1963 we will have a total of 60 million tons, or about 2.2 billion bushels in the carryover, which is far in excess of our needs. I would like to point out—and I refer Senators to page 23 of the report—that the carryover in 1950 for all grains was 30.5 million tons. In 1951, it was 28.6 million tons. In 1952, it was 20.1 million tons. All of that was during the Korean War. Then in 1953 it rose to 27 million tons. In 1954 it rose to 31.7 million tons. In 1959, it was 39.1 million tons. And so on through 1961, there was a gradual increase to the point where now we have,

as I pointed out a moment ago, 85 million tons on hand.

Unless something is done to reduce the amount it will cost the taxpayers millions of dollars in storage costs and in carrying charges and in other administrative expenses.

I wish to point out that a delegation visited me a few weeks ago. They represented the people who grew seeds for planting hybrid corn. They desire to put in a claim against the Government because we had curtailed, through this act, the growing of corn and other feed grains. Of course I told them that I did not believe the Government was indebted to them at all. I suggested to them that this year we hoped to extend the act early so that they would know what the program would be next year and they would not be adversely affected.

I believe that the evidence produced before the committee and the showing made up to now warrants our proceeding to have this program extended for an additional year. It will give the farmer an opportunity to plan what he will plant next year. It will give the seed producers an idea of what they ought to do for the next crop.

In addition to all of this I venture to say that if this program is carried out it will save the taxpayers in excess of a half billion dollars. It is my hope that the committee's action will be sustained and that the Senate will vote down the amendment proposed by my good friend from Delaware [Mr. WILLIAMS].

During the hearings there was some doubt expressed about extending the act for another year because of the drought in many of the corn States.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield myself 2 additional minutes.

In order to meet the situation, the committee prepared and adopted an escape clause, whereby, if there is a drought which curtails the production of feed grains to the point where there may be a shortage, or for any other reason, the Secretary of Agriculture has the right to cut it out altogether or reduce it in order to meet the situation.

I should like to read at this point the section which appears at page 99 of the bill. It is section 124, and reads:

SEC. 124. Notwithstanding any other provision of law, the Secretary may place such limits on the extent that producers may participate in the special feed grain conservation program for 1962 authorized by this Act as he determines necessary because of an emergency created by drought or other disaster, or in order to prevent or alleviate a shortage in the supply of corn, grain sorghums, or barley.

Mr. President, I would like to read at this time a letter addressed to me by the President of the United States dated July 24. It reads as follows:

THE WHITE HOUSE,
Washington, D.C., July 24, 1961.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

DEAR ALLEN: First, I wish to thank you for your diligent and effective efforts in guiding the Agricultural Act of 1961 (S. 1643) through the Committee on Agriculture and Forestry. This bill, as approved by the committee, will substantially strengthen the laws designed to meet the problems which beset American agriculture. Although it omits some of the provisions which I recommended, the bill nevertheless is a very important and constructive piece of farm legislation.

I wish to emphasize especially the need for prompt approval of programs for the 1962 crops of wheat and feed grains along the general lines included in these bills.

These programs will accomplish the following results:

1. Increase the income of producers of these grains above that which they would receive under existing law—probably in the neighborhood of $600 to $800 million in the 1962 crop year.

2. Reduce the ultimate costs to the Government resulting from the 1962 crops to a point far below the costs of the programs for these grains which would be required under existing law—probably about $750 million to $1 billion.

3. Prevent a further buildup and achieve a moderate reduction in the excessive stocks of these grains now on hand; and

4. Assure the continued availability of abundant stocks of these grains to meet the needs of consumers at reasonable and stable prices, and to provide adequate reserves for peacetime and emergency purposes.

Early action on the wheat program is especially needed so that production can be reduced, and wheat carryovers decreased substantially in 1962–63, following the pattern being set by the emergency feed grain program this year.

Extension of the 1961 emergency feed grain program is equally important. Corn stocks are expected to be reduced by 400 million bushels in the coming year. Total feed grain stocks will be reduced by about 15 percent—the first reduction in nearly a decade. But feed grains on hand when the 1962 harvest begins will still be equivalent to around 2,500 million bushels of corn, higher than at any time except 1960 and 1961, and far above our needs for reserve stocks.

If the emergency feed grain program is not extended, acreage and production in 1962 would increase to pre-1961 levels. Stocks of grain and costs to the Government would increase once more. Farm income would decline, both because of lower livestock prices which inevitably follow excessive grain supplies, and because the price support levels effective in 1961 could not be justified in 1962 without substantial adjustment of feed grain acreage and production.

The feed grain program should be passed now—not postponed until 1962. This will avoid the inconvenience to growers which results from emergency actions, will permit producers of fall-seeded barley to participate, and will provide time for a thorough review of administrative procedures.

With every good wish, I am,
Sincerely,

JOHN F. KENNEDY.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield myself 1 more minute.

I hope that the Senate will sustain the committee. As I said, the bill will no doubt save the taxpayers many dollars. It will reduce the huge surpluses which dangle over the market and depress prices. It is my hope that we can work to the point where supply will be in line with demand.

Mr. RUSSELL. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. RUSSELL. Do I understand correctly that it is proposed to extend the law for 1 more year; that it is not proposed to make it permanent?

Mr. ELLENDER. It is proposed to extend it for 1 more year.

Mr. WILLIAMS of Delaware. Mr. President, I yield 4 minutes to the distinguished Senator from Iowa.

Mr. MILLER. Mr. President, during the debate on the emergency feed grain bill earlier this year, I stated that I thought there were certain defects in the bill, and that that belief would be borne out if the proposed legislation were enacted; that a test of the legislation would show that certain defects existed in the bill.

I now find myself in the situation of being asked to vote for the same legislation all over again, without having had the benefit of the experience of the previous legislation. Unless I am persuaded that my views as expressed during the debate on the emergency feed grain bill earlier this year are erroneous, I shall be compelled to vote in the same way I voted earlier this year, and that will be against this particular feed grain provision.

I wish to make it very clear that I am not opposed to a feed grain measure. As a matter of fact, there is no one who is more interested in a decent program for the farmers and in saving money for the taxpayers than I. My State has the largest number of diverted acres of any State in the Union under the present program, and when I go back to my State, and people tell me that a lot more corn will be grown in my State than the statistics would seem to point out, I am concerned.

I am concerned because, as I stated this spring, farmers will retire certain acres, but on the remaining acres they will grow as much corn as they possibly can as insurance that they will harvest enough corn to meet the quota for which they can get the support price. The excess that will be produced either will be sold in the open market or will be fed.

It was very interesting to note in Wallace's Farmer magazine for one of the early months of this year, shortly after the feed grain bill was passed, an article which stated, in effect, that farmers could not lose by going into the program. So Iowa farmers went into the program wholeheartedly.

On the next page of the magazine was another article, entitled, "How To Grow More Corn Per Acre." So in one article the farmers were told that they could not lose by coming under the program; and in another article they were told how to grow more corn per acre. I am advised that the fertilizer business has been very good this year. Mr. President, it will take time to ascertain what the results of the program will be.

There is another area of difficulty, namely, the program whereby the small farmer having corn or sorghum acreage of under 20 acres can plant all of his 20 acres, not less than 20 acres.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. WILLIAMS of Delaware. Mr. President, I yield 2 additional minutes to the Senator from Iowa.

Mr. MILLER. Mr. President, I have a report from James T. Ralph, Assistant Secretary of Agriculture, transmitted to me by a letter dated July 25, 1961, in which he states:

Information is not available at this time on the total number of small corn farms or grain sorghum farms of 25 acres or less, or on the number of such farms participating in the program. However, data are available on the number of small farms—

Farms of 25 acres or less—

having corn and/or grain sorghums in the program which diverted their entire base.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table received from the Assistant Secretary of Agriculture entitled "Total Diverted Acres of Corn and Grain Sorghums, Farms With 25 Acres or Less Diverting Their Total Base, and the Per Cent Diverted Acres on Small Farms Is of Total Diverted Acres."

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1961 FEED GRAIN PROGRAM

Total diverted acres of corn and grain sorghums, farms with 25 acres or less diverting their total base, and the percent diverted acres on small farms is of total diverted acres

State	Total diverted acres of corn and grain sorghums	Farms with 25 acres or less diverting total base		Percent diverted acres on small farms is of total
		Number of farms	Base acres	
	Acres	*Number*	*Acres*	*Percent*
Maine	360	30	226	62.8
Vermont	979	53	566	57.8
Massachusetts	159	10	130	81.8
Rhode Island	30			
Connecticut	1,065	37	345	32.4
New York	189,295	8,667	83,243	44.0
New Jersey	38,863	842	10,138	26.1
Pennsylvania	168,198	8,262	76,446	45.4
Ohio	1,045,449	24,422	294,766	28.2
Indiana	1,362,845	20,628	287,998	21.1
Illinois	2,278,312	18,976	232,560	10.2
Michigan	548,815	15,261	176,977	32.2
Wisconsin	599,256	10,360	115,111	19.2
Minnesota	1,586,084	7,563	98,725	6.2
Iowa	2,916,391	7,688	108,286	3.7
Missouri	2,045,378	26,958	357,071	17.5
North Dakota	414,886	4,331	58,686	14.1
South Dakota	930,481	2,069	35,241	3.8
Nebraska	2,420,899	3,442	49,771	2.1
Kansas	2,599,475	11,157	162,738	6.3
Delaware	38,536	611	8,185	21.2
Maryland	79,895	1,386	16,887	21.1
Virginia	137,176	6,724	50,821	37.0
West Virginia	9,532	599	4,389	46.0
North Carolina	545,055	20,866	154,750	28.4
South Carolina	210,723	5,960	49,246	23.4
Georgia	334,444	3,008	34,762	10.4
Florida	122,310	984	12,261	10.0
Kentucky	586,301	19,364	193,979	33.1
Tennessee	464,761	18,334	175,360	37.7
Alabama	439,182	11,501	119,689	27.3
Mississippi	248,932	6,668	63,423	25.5
Arkansas	90,323	3,102	32,466	35.9
Louisiana	78,557	2,047	23,258	29.6
Oklahoma	537,615	7,384	103,052	19.2
Texas	2,940,248	14,605	193,293	6.6
Montana	41,969	542	7,102	16.9
Idaho	6,971	268	2,927	42.0
Wyoming	12,522	138	1,444	11.5
Colorado	348,400	1,058	14,984	4.3
New Mexico	112,665	292	3,909	3.5
Arizona	57,927	259	3,503	6.0
Utah	7,586	403	3,772	49.7
Nevada	778	25	324	41.6
Washington	20,806	388	4,918	23.6
Oregon	15,731	613	6,470	41.1
California	111,129	843	10,859	9.8
United States	26,747,294	298,728	3,445,057	12.9

Mr. MILLER. Mr. President, I know that almost 13 percent of the diverted acres under the emergency feed grain program comes from the small farms. This represents a large number of farmers, who are getting a better deal than farmers having large acreages, because even though they might have only 2 or 4 or 5 acres of corn on the 20 percent basis, they still can go up to 20 acres, whereas farmers having larger acreages are stuck with the 20-percent maximum.

There is another factor. We know that a cutback in production can best be achieved on the large corn-producing farms. There will not be a substantial reduction in production by concentrating on the little farms. I am interested in seeing how much of a reduction in production the small farms—298,000 of them—will contribute to the program. I think I have a right to ask this, because in my State only 3.7 percent of the diverted acres come from the little farms.

As I have already said, my State leads the Nation in the number of diverted acres, with 2,916,391, approximately one-eighth of the total number of diverted acres in the entire program.

I see absolutely no reason why we cannot, when we return in January of next year, after the experience that has been received under the current program, promptly enact another program, preferably a long-range program, absent the defects which inevitably will show up in the emergency feed grain bill. I think that is the only sound basis for passing legislation of this importance.

I support the amendment of the Senator from Delaware; I hope it will be adopted.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield 2 minutes to me?

Mr. ELLENDER. Mr. President, I yield 2 minutes to the distinguished Senator from Florida.

Mr. HOLLAND. I shall vote against the amendment offered by the distinguished Senator from Delaware and for keeping the bill intact. It is well known to Senators that I did not support the existing feed grain program, because I believed it was not along lines which would have been most beneficial. Nevertheless, it is the feed grain program which is underway, and it is the only serious attempt to cut down the surpluses of corn and other feed grains which we have a chance to support at this time.

I would rather have waited until the early part of next year, if conditions had been ideal; but they were not ideal when we began the formulation of this omnibus bill in the great and complex field of agriculture.

The committee held 3½ weeks of hearings and heard everyone who wished to be heard. We worked 2 weeks in executive session. A great deal of give and take was necessary in order to report the bill. Much of the bill which I thought detrimental was cut out. I realize that I cannot hope to get everything into a bill of this scope and coverage that I should have preferred. I concurred in it because of the many good features remaining in it and the many eliminations of bad features which were made. We were engaged in the process of give and take in the effort to accomplish many worthwhile things, with the help of the chairman of the committee, who himself was not pleased with everything which had been done by the committee, in seeing that we reported and passed a bill in the form in which the committee had agreed.

The bill contains many items which are necessitous. The extension of Public Law 480, dealing with the use of surpluses; the extension of the Great Plains program; the extension of the Wool Act for a period of 3 years; the inclusion in the provision for the marketing agreement and order law of many commodities, or of several commodities, which were sought to be included, which had been previously excluded; and various other provisions which time does not permit me to enumerate.

I think that rather than to get into a troublesome program of elision, under which we would strike out this and strike out that and get something which does not hang together, and which would not have the general approval of the committee, which studied the bill so long, and of the Senate, we should accept the pending bill. That is my position, and that is why I shall vote against the pending amendment.

Mr. HICKEY. Mr. President, will the Senator from Louisiana yield 1 minute to me?

Mr. ELLENDER. Mr. President, I yield 1 minute to the Senator from Wyoming.

Mr. HICKEY. Mr. President, I should like to associate myself with the remarks made just now by the Senator from Florida. Like the Senator from Florida, I opposed the feed grains bill earlier this year. But I certainly concur fully in what the Senator from Florida has said, and I propose to vote as he will vote.

Mr. HOLLAND. I thank the Senator from Wyoming.

Mr. President, I yield the floor.

Mr. ELLENDER. Mr. President, I understand that the Senator from Delaware is willing to yield back the remainder of the time under his control. If so, I am willing to do likewise.

Mr. WILLIAMS of Delaware. First, Mr. President, let me ask how much time remains.

The PRESIDING OFFICER. Twenty-seven minutes remain under the control of the Senator from Delaware; 28 minutes remain under the control of the Senator from Louisiana.

Mr. WILLIAMS of Delaware. I do not think we shall need all that time.

At this time I yield to the Senator from Illinois whatever time he wishes to use.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIRKSEN. Mr. President, I shall support the amendment of the distinguished Senator from Delaware.

I recall rather vividly the debate which was had on the feed grains bill at the time when it was finally passed by the Senate earlier this year. It was then made to appear of world-shaking dimensions and of the greatest urgency. It became public law on March 22; and today it has been on the statute books for almost 4 months, to the day.

Assuming that at least 30 days of preliminary preparations had to go into the fieldwork in connection with that act, it was in effective operation, then, in the field for perhaps as long as 90 days. There has now been time for one quarterly report to be filed. I offered to that bill the amendment which required that quarterly reports, rather than annual or semiannual reports, be filed, so that we might be advised how efficient the program was and what the cost would be.

It was represented in the most forceful terms, here on the floor of the Senate, that the program would save money, as compared with the cost of the old program. However, insofar as I am advised, we are right now in the $800 million level of cost; and who knows what the final cost will be. So we are in the very awkward position of being requested to continue a program on which only one quarterly report may have been filed. Not only is that an awkward position; I would say it is also embarrassing for every Member of the House and every Member of the Senate, to be called upon now to extend the program before even 1 year's experience with it has been had and before we are able to appreciate what has been achieved, how much extra money has been spent, and how the program compares with the program which was on the statute books, and which this one has displaced. Frankly, that does not make sense in my book.

The very fact that this provision is part of the pending bill does not mean that it cannot be excised without doing harm to the other provisions of the bill, as such.

Under the circumstances, and in view of the representations which were made to the Senate by the Secretary of Agriculture and others at the time when the feed grains bill was before us, it occurs to me now that it is the better part of wisdom for us to strike this extension provision from the bill, until we have had an opportunity to be fully advised as to whether the program is working and whether those representations will stand up in light of the experience in the field.

Therefore, Mr. President, I hope the amendment of the distinguished Senator from Delaware will prevail; and it ought to prevail.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 3 minutes.

Mr. WILLIAMS of Delaware. Mr. President, I urge the Senate to accept this amendment. I think this section of the bill should be stricken, without prejudice.

Great emphasis has been placed on the point that perhaps we shall save $500 million under the feed grains program. How can $500 million be saved on a program that has already cost us over $700 million? And we are still not through paying. We will not know the full cost until the present crop has been harvested and housed.

We are paying $700 million in order to make that $500 million saving. If we continue to save money that way, we can "save" ourselves into bankruptcy.

We might just as well recognize that in this case we are not saving money by paying $700 or $800 million to retire from production 20 million acres of corn, particularly when we get only 15 million acres retired from production after paying to have 20 million acres withdrawn.

Another point which should be considered, and I mentioned this also under the preceding administration, is that the Government owns considerable land which is even now being leased by various governmental agencies to farmers for the planting of crops. Why do we not automatically retire that land from production instead of leasing it?

We are leasing this land for about $2 per acre and then paying under another Government agency as high as $40 per acre to get it out of production.

I have received from the Department of Defense figures in connection with this leased acreage, although as yet I have not been able to obtain such figures from other departments. For example, this year the Department of Defense is leasing approximately 2½ million acres of Government-owned land. This land is being leased for grazing and for crop production. That portion of the land that is being used for grazing purposes is not affected by this bill. But the Government through the Defense Department is leasing for the production of agricultural crops 417,306 acres of land, and the Government is collecting in annual rents for that land $1,072,997, or about $2 an acre. That is the amount of the rental paid to the Government for the use of that land for the production of crops. But under this Feed Grains Act another Government agency is paying $30 to $40 per acre to take similar land out of production.

Under the civil division of the Defense Department in 1960 they leased another 623,484 acres of land, on which they are collecting annual rentals of $912,002.

It seems to me that it would be wiser for the Government to stop leasing such Government land to be used for the production of agricultural crops, when at the same time another Government agency is paying $30 to $40 an acre to get the farmers to take the same land out of production.

This land is being leased for an average rental of $2 an acre.

Last night, the President said that in view of the emergency which is facing the country we shall have to tighten our belts. This is the place to start. Who knows whether we shall wish to pay $700 million next year to reduce the production of corn. We may well need more production if world conditions do not improve.

This program was enacted only at the beginning of April 1961, and there has been barely time to get it underway in connection with the 1961 crops. Certainly in January or February 1962, we shall have more time to review the program and to see how it has worked, and at that time determine what the world conditions are, and then more intelligently decide whether we wish to extend the program.

Mr. HRUSKA. Mr. President, if the Senator from Delaware will yield to me, on the point of the sufficiency of time, is it not true that the act was passed later this year than the time when presumably it would be extended next year, even if the amendment prevails? Furthermore, we should bear in mind that all the administrative procedures in connection with the program have now been set up. So no difficulty or hardship would be caused by extending the act in the latter part of February, at which time the program will have been in full operation for an ample length of time.

Mr. WILLIAMS of Delaware. That is correct. This year, we passed that measure about the last of March. Furthermore, as the Senator has said, the program was then entirely new. But even though the machinery for the program had to be established then for the first time, it was put into operation in sufficient time this year.

So certainly the machinery which already has been set up could be continued in operation by means of congressional action in January or February, and thus get the program underway in ample time for next years' crops if so desired.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, a letter from the Assistant Secretary of Defense, with an attached table entitled "Acreage Leased by Department of Defense for Agriculture and Grazing Purposes in the United States"; and also a letter from the Commissioner of the Bureau of Reclamation and an attached table showing the thousands of acres of new agricultural land being brought into production through new reclamation projects. These reports emphasize the contradiction between these programs.

There being no objection, the letters and the tables were ordered to be printed in the RECORD, as follows:

OFFICE OF THE ASSISTANT
SECRETARY OF DEFENSE,
Washington, D.C., July 14, 1961.

Hon. JOHN J. WILLIAMS,
U.S. Senate.

DEAR SENATOR WILLIAMS: In accordance with the request in your letter of July 7, 1961, there is attached a tabulation showing acreage leased by the Department of Defense in the United States for agricultural and grazing purposes for the past 3 years.

As indicated on the tabulation, information on grazing leases by the Department of the Navy is not available for fiscal years 1958 and 1959.

Sincerely yours,

CHARLES J. HITCH,
Assistant Secretary of Defense.

Enclosure: tabulation.

Acreage leased by Department of Defense for agricultural and grazing purposes in the United States [1]

AGRICULTURAL PURPOSES

Fiscal year	Military		Civil	
	Number of acres	Annual rentals	Number of acres	Annual rentals
1958	359,356	$1,424,518	688,832	$952,424
1959	382,258	1,258,477	664,627	911,405
1960	417,306	1,072,997	623,484	912,002
GRAZING				
1958	[2] 1,119,332	[2] $505,556	249,719	$222,823
1959	[2] 1,378,214	[2] 589,187	298,648	242,162
1960	2,021,835	799,365	343,825	276,896

[1] Does not include Alaska and Hawaii.
[2] Does not include data for the Department of the Navy which are unavailable.

U.S. DEPARTMENT
OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, D.C., July 24, 1961.

Hon. JOHN J. WILLIAMS,
U.S. Senate, Washington, D.C.

DEAR SENATOR WILLIAMS: Responsive to your telephone request, we are pleased to supply information, by projects, of the acreage available to receive initial irrigation service from facilities completed in fiscal years 1958, 1959, and 1960 under the Federal reclamation program, together with the estimated cost per acre assignable to irrigation.

It will be observed that the data reflects the completion of facilities for (1) full irrigation service to land not previously irrigated; (2) supplemental irrigation service to lands previously irrigated but having insufficient water; and (3) rehabilitated irrigation projects constructed originally by non-Federal interests. These are designated F, S, and R, respectively. Full irrigation service provides water to lands formerly dry farmed or grazed. The supplemental service projects and the rehabilitation of privately built projects are rescue-type operations. These are necessary to halt the decline in the local farm and associated business economies which are so completely dependent on the availability of adequate water.

It is important to recognize that several years may be required in the construction of irrigation facilities such as main canals and laterals, including control structures, before the final facility is completed for delivery of water to the high point of a farm.

The data shown in the enclosed table represents the acreage available to receive service in the year in which the final delivery facility was completed. Notwithstanding the fact that facilities were completed for service to the indicated areas, the total acreage will seldom be irrigated immediately. This is due to the necessity for the farm operator to construct farm ditches, level the land, and fully subjugate for irrigation the lands to be irrigated. Thus, a lag of several years may occur between completion of the delivery facilities and the actual irrigation of the total acreage.

The estimated investment per acre for assignment to irrigation is based on total estimated dollars and acres, and relates to the direct benefits which accrue to the farmers, plus the indirect, and public benefits which accrue to the local communities and which are generated by the irrigation enterprise.

Sincerely yours,

FLOYD E. DOMINY,
Commissioner.

BUREAU OF RECLAMATION

Acres available to receive initial irrigation service from facilities completed in fiscal years 1958, 1959, and 1960 under the Federal reclamation program

[Explanation of symbols: F=full irrigation service; S=supplemental irrigation service; R=rehabilitated irrigation service]

Project and unit	Symbols	1,000 acres			Per acre [1] [2]
		1958	1959	1960	
Central Valley	F	------	0.2	------	$402
	S	3.7	33.6	------	
	R	------	------	------	
Chief Joseph Dam, Foster Creek division.	F	2.3	------	------	917
	S	.1	------	------	
	R	------	------	------	
Columbia Basin	F	37.0	25.1	14.4	743
	S	------	------	------	
	R	------	------	------	
Eden	F	------	------	------	409
	S	------	------	------	
	R	3.0	2.9	1.2	
Little Wood River	F	------	------	------	100
	S	------	------	9.5	
	R	------	------	------	
Michaud Flats	F	10.0	------	.2	523
	S	------	------	------	
	R	------	------	------	
Middle Rio Grande	F	------	------	------	225
	S	------	------	------	
	R	28.0	45.0	18.7	
Minidoka, north side pumping division.	F	19.3	4.3	------	166
	S	------	------	------	
	R	------	------	------	
Rathdrum Prairie, Hayden Lake.	F	------	------	------	198
	S	------	------	------	
	R	.4	------	------	
Santa Maria	F	------	------	------	273
	S	------	------	35.2	
	R	------	------	------	
Solano	F	------	71.9	------	354
	S	------	24.2	------	
	R	------	------	------	
Ventura River	F	------	------	10.7	1,235
	S	------	------	2.5	
	R	------	------	------	
Wapinitia, Juniper division.	F	------	------	------	263
	S	------	------	2.1	
	R	------	------	------	
Weber Basin	F	------	1.6	3.0	499
	S	5.0	------	1.1	
	R	------	------	------	
Yakima, Kennewick	F	1.1	------	------	128
	S	------	------	------	
	R	------	------	------	
Missouri River Basin, Bostwock division.	F	11.7	11.4	------	$991
	S	------	------	------	
	R	------	------	------	
Frenchman-Cambridge division.	F	6.8	11.4	.9	879
	S	------	1.0	------	
	R	------	------	------	
Glendo unit	F	------	------	------	104
	S	37.6	------	------	
	R	------	------	------	
Helena Valley unit	F	------	------	------	796
	S	------	------	------	
	R	------	5.2	5.0	
Kirwin unit	F	8.9	------	------	1,013
	S	------	------	------	
	R	------	------	------	
Rapid Valley unit	F	------	------	------	296
	S	8.4	------	------	
	R	------	------	------	
Sargent unit	F	7.7	------	------	462
	S	------	------	------	
	R	------	------	------	
Webster unit	F	------	------	4.8	1,281
	S	------	------	------	
	R	------	------	------	
Total acreages, all projects.	F	104.8	125.9	33.7	------
	S	54.8	58.8	50.4	------
	R	31.4	53.1	24.9	[3]

[1] Estimated irrigation investment.
[2] Relates to project totals.

Mr. WILLIAMS of Delaware. If the Senator from Louisiana wishes to yield back the remainder of his time I will do the same.

Mr. ELLENDER. Mr. President, I yield back my time.

Mr. WILLIAMS of Delaware. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent to suspend further proceedings under the quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Delaware for himself and other Senators. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. WILLIAMS of New Jersey. On this vote I have a pair with the senior Senator from Oregon [Mr. MORSE]. If he were present, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. HUMPHREY. I announce that the Senator from Oregon [Mr. MORSE] is absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ] would vote "nay."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] is absent because of illness.

The Senator from Hawaii [Mr. FONG] is necessarily absent.

On this vote the Senator from Kentucky [Mr. COOPER] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Kentucky would vote "yea," and the Senator from New Mexico would vote "nay."

The result was announced—yeas 36, nays 59, as follows:

[No. 103]

YEAS—36

Aiken	Dirksen	Morton
Allott	Dodd	Pastore
Beall	Dworshak	Pell
Bennett	Goldwater	Prouty
Bible	Hickenlooper	Robertson
Boggs	Hruska	Saltonstall
Bridges	Javits	Scott
Bush	Keating	Smith, Mass.
Butler	Kuchel	Smith, Maine
Cannon	Lausche	Thurmond
Case, N.J.	McClellan	Tower
Cotton	Miller	Williams, Del.

NAYS—59

Anderson	Hart	Metcalf
Bartlett	Hartke	Monroney
Burdick	Hayden	Moss
Byrd, Va.	Hickey	Mundt
Byrd, W. Va.	Hill	Muskie
Capehart	Holland	Neuberger
Carlson	Humphrey	Proxmire
Carroll	Jackson	Randolph
Case, S. Dak.	Johnston	Russell
Church	Jordan	Schoeppel
Clark	Kefauver	Smathers
Curtis	Kerr	Sparkman
Douglas	Long, Mo.	Stennis
Eastland	Long, Hawaii	Symington
Ellender	Long, La.	Talmadge
Engle	Magnuson	Wiley
Ervin	Mansfield	Yarborough
Fulbright	McCarthy	Young, N. Dak.
Gore	McGee	Young, Ohio
Gruening	McNamara	

NOT VOTING—5

Chavez	Fong	Williams, N.J.
Cooper	Morse	

So the amendment offered by Mr. WILLIAMS of Delaware for himself and other Senators to the amendment of the committee was rejected.

Mr. ELLENDER. Mr. President, I move to reconsider the vote by which the amendment to the amendment was rejected.

Mr. HOLLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

Mr. McCARTHY. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 101, line 14, after the word "eggs" add the following: "(but not excepting turkey hatching eggs and chicken hatching eggs.)".

Mr. McCARTHY. Mr. President, the amendment is presented at the request of people concerned with providing turkey hatching eggs and chicken hatching eggs. So far as I know, the industries would like to have these made eligible for marketing orders. The amendment would not establish any program, but would simply provide that these producers can attempt to develop a marketing program subject to the approval of the Department of Agriculture.

So far as I know, the amendment is acceptable on both sides of the aisle.

Mr. ELLENDER. Mr. President, I have no objection to the amendment. I yield back the remainder of my time.

Mr. McCARTHY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment to the committee amendment, as amended, offered by the Senator from Minnesota.

The amendment to the amendment was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee [Mr. KEFAUVER] is recognized.

Mr. KEFAUVER. Mr. President, I have an amendment to call up, but I think the Senator from Michigan [Mr. HART] has an amendment which will not require much time. My amendment will not require too much time.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. HART. Mr. President, I thank the Senator.

For myself and the Senator from New York [Mr. KEATING] I offer an amendment which I send to the desk. I ask unanimous consent to have the amendment printed in the RECORD without its being read.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan? The Chair hears none, and it is so ordered.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 91, line 21, strike out "(e)" and insert in lieu thereof "(e)(1)".

On page 93, line 3, strike out the quotes at the end of the sentence.

On page 93, between lines 3 and 4, insert the following:

"(2) If, with respect to the 1962 crop of wheat, the Secretary determines that the production of any kind of wheat (other than Durum wheat as defined in subsection (e) of this section) will be inadequate to provide a sufficient quantity of that kind of wheat to satisfy the demand therefor, the wheat acreage allotment (and the number of acres which may be planted under item (7) of Public Law 74, Seventy-seventh Congress, without making a farm marketing quota applicable to the farm) for such crop for each farm located in a county which has produced such wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested, shall be increased by such uniform percentage as he deems necessary to provide for such quantity. No increase shall be made under this subsection in the wheat acreage allotment of any farm (or in the acreage which may be planted without making a farm marketing quota applicable to the farm) for such crop if any kind of wheat other than that for which the increase is made is planted on such farm for such crop. Any increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and such increases shall not be considered in establishing future State, county, and farm allotments. The provisions of paragraph (6) of Public Law 74, Seventh-seventh Congress (7 U.S.C. 1340(6)), and section 326(b) of this Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection. Any farm receiving an increased allotment under this subsection shall be excused from participation in the special 1962 wheat program formulated under the provisions of section 114 of the Agricultural Act of 1961 to the extent deemed appropriate by the Secretary to provide for the increase in allotment under this subsection."

Mr. HART. Mr. President, during the course of detailed hearings the committee heard much testimony with respect to the possible shortage of wheat of the varieties Soft Red Winter and Soft White, if the retirement of acreage which at various times was proposed is adopted. The Secretary of Agriculture was most helpful to the committee in developing figures with respect to Soft Red and Soft White wheat. At the conclusion of the hearings it was the opinion of the committee, based upon figures which I shall present for the RECORD, developed by the Department, that under the Senate formula, as finally developed, there would not be a shortage of supply of either of these types of wheat.

The amendment which I have offered would authorize the Secretary, in the event such a shortage should develop notwithstanding other provisions of the bill and of the program, to authorize, on a fair percentage basis, an increase in the production of any type of wheat, with especial concern directed toward Soft Red and Soft White.

The reason why I raise the point is that word has reached us that the other body has proposed in its bill to authorize total withdrawal under its program of the 15-acre operator. Such withdrawal would not be permitted under the Senate formula, and the figures upon which the Department of Agriculture made its estimate and gave us the assurance that there would not be a shortage were developed on the basis of the Senate formula and not the formula which, I am advised, is contained in the House bill.

May I inquire of our distinguished committee chairman whether, in view of information we have received from the House that would suggest that a very deep withdrawal may be permitted of the 15-acre producer, it would be desirable to add the amendment which I have offered and in which I am joined by the Senator from New York [Mr. KEATING], whose State is also vitally concerned?

Mr. JORDAN. Mr. President, will the Senator yield for a question?

Mr. HART. I yield.

Mr. JORDAN. Is the Senator speaking of the 15-acre provision, which was reduced by 10 percent?

Mr. HART. Yes.

Mr. JORDAN. What would the amendment offered by the Senator from Michigan do? Would it strike out that provision or leave it in?

Mr. HART. The amendment would not change the formula proposed by the committee bill, except that, notwithstanding the formula, it would authorize the Secretary, in the event of a shortage in any type of wheat, to authorize an increase in the production of that type of wheat.

Mr. JORDAN. In other words, it would authorize an increase, but would not strike out the 15-acre provision.

Mr. HART. It would not be mandatory, but would be left to the discretion of the Secretary.

Mr. JORDAN. I thank the Senator for the information.

Mr. HART. I thank the Senator from North Carolina for his question.

Mr. ELLENDER. Mr. President, the committee gave consideration to the various types of wheat involved, and it was felt that a 10-percent cut would not impair the quantity of the several classes necessary to provide a sufficient supply. As the Senator knows, the only wheat that was really in short supply was Durum wheat. The records indicated that in the case of Durum wheat, the available supply for 1961–62 would be 30 million bushels, and the amount necessary for consumption would be 27 million bushels, thereby leaving a carryover of only 3 million bushels.

But the record shows a different picture as to all other wheat. As I understand, the wheat in which my good friend, the Senator from Michigan [Mr. HART] is interested is the White wheat produced principally in his area.

Mr. HART. That is our direct concern.

Mr. ELLENDER. The same is true with respect to the State of New York. The figures show that as to White wheat, the wheat available for 1961 and 1962 is estimated to be 186 million bushels. The total that would be consumed is estimated to be 151 million bushels. A carryover of 35 million bushels would remain, which I am informed by the Department is sufficient.

Mr. HART. The Senator is correct.

Mr. ELLENDER. I am very hopeful that the Senator will not insist upon his amendment, because it is an open-end amendment. The difficulties which the Secretary of Agriculture would encounter in administering the provisions of the amendment would be very great and costly. But I feel confident that with the 10-percent cut that we agreed upon, and the fact that the farmers who have a larger allotment may not take advantage of the 30-percent cut provided in the bill, we shall have an ample supply of wheat in the category of the White wheat of which the Senator is now speaking.

Mr. HART. The point of concern on my part and on the part of others is that under the Senate formula we would not jeopardize our situation, but we would under the proposal contained in the House formula. I agree with the committee chairman. After very careful and patient study on his part, he made the point clear in the hearings. On page 13 of the report there is a careful evaluation. There is a conclusion—with some dispute, which I think is soundly based—that under the Senate formula there would not be a shortage. My concern, however, is that the House has now provided a formula which would permit the withdrawal of all 15 acres, and if that formula should be agreed to, the figures which the Department developed, and on which we have based our conclusion that we would be safe, would go out the window and we could have a very critical situation.

Mr. ELLENDER. I assure my good friend the Senator from Michigan that I shall probably serve as one of the conferees on the bill, and I do not believe we shall have too much trouble sustaining the views that would be voted upon by the Senate, because all of us are most anxious to maintain a sufficient supply of the various kinds of wheat. I do not believe that we will have very much trouble.

Our trouble lies, of course, in the category of Hard Red Winter wheat. As the Senator knows, we are striving to induce farmers to reduce that class of wheat and to cut back as much as possible in order not to aggravate our surplus situation further.

Mr. HART. I thank my chairman.

Mr. ELLENDER. I assure the Senator that, so far as I am concerned—and I am sure I speak for the other conferees—the conferees on the part of the Senate will certainly make every effort to sustain the position of the Senate.

Mr. HART. So that the record may reflect the basis of concern of those of us who raise the point now, I should like to read very briefly from the report of our committee. I ask Senators to remember that as we read this portion of the report, we are operating on the assumption that the withdrawal that will occur will be a withdrawal under the Senate formula and not under the House formula. But even under the Senate formula we report to the Senate as follows:

> The situation with respect to various classes of wheat are materially different and the committee felt that a mandatory cut of more than 10 percent of wheat acreage on all farms at this time could result in production of some classes of wheat below that which is desirable. This is particularly applicable to Soft Red Winter, to Eastern White wheat, and to Durum.
>
> Parenthetically, I believe the Durum wheat situation has been adequately handled.
>
> The estimated carryover by classes of wheat as of July 1, 1961, and for earlier years is shown in table 5. This indicates clearly that carryover stocks of Soft Red Winter and Durum are not excessive. A mandatory reduction of more than 10 percent coupled with even moderate voluntary diversion of acreages of these classes of wheat could result in short supplies for domestic and cash export markets. The total supply of Durum wheat for the 1961–62 marketing year will be around 29.5 million bushels as a result of the indicated crop of only 16.5 million bushels. The Department indicates that about half of the estimated carryover of 13 million bushels on July 1, 1961, was sold for export before July 1 for delivery in the new marketing year. Barring an unexpected improvement in the Durum crop prospects for this year, carryover on July 1, 1962, will be exceptionally low.

I ask the chairman of the committee if it would be helpful in the conference for the amendment to be added to the bill, or is it his opinion that we can be assured that any reduction deeper than the Senate formula can be resisted, and therefore the amendment is not needed?

Mr. KEATING. Mr. President, will the Senator yield to me?

Mr. ELLENDER. I yield.

Mr. KEATING. I was a cosponsor of the amendment and am very much interested in it.

I was heartened by the remarks of the distinguished chairman of the committee, because they indicate that under the Senate formula there would not be a shortage of this wheat. Some of the mills in New York State have indicated to me that more than half of the Red Soft and White wheats are grown on small farms, of 15 acres or less. They point out that these wheats are not now and never have been in surplus, and that the provision—I assume they are referring to the House provision—would make it very likely that the crop of these needed varieties of wheat would fall short of domestic demands. It would throw the processing plants, the mills, and the bakeries, out of kilter entirely if the House formula were adopted, as it is represented to me, and therefore I join in urging the distinguished chairman of the committee to stand firm on this particular point if this amendment is not to be pressed.

Mr. ELLENDER. I again give assurance that the conferees on the part of the Senate will do all in their power to sustain the amendment of the Senate. If the House conferees realize that a shortage would exist, they undoubtedly would recede. Our aim is to reduce surpluses of Hard Red Winter wheat. For example, there will be a carryover in that category of more than all the rest of the wheat produced put together. I am satisfied that when the conferees meet there will be no difficulty in carrying out the provisions which the Senate places in the bill.

Mr. KEATING. Mr. President, I am very happy and grateful because of the remarks of the distinguished Senator. I know that conferees on other farm bills have encountered some difficulties in the past. I hope that will not be the case with this bill. Perhaps it would be helpful, if the Senator from Michigan would not object, to have the amendment printed in the RECORD at this point in order that it may be before the conferees if the optimistic hope expressed by the distinguished chairman is not justified. However, I am confident that he will stand firm, and that the other conferees will also. I ask unanimous consent that the amendment may be printed.

The PRESIDING OFFICER. The Chair informs the Senator that it was printed at the request of the Senator from Michigan when he offered it.

Mr. ELLENDER. At this point I ask unanimous consent to have printed in the RECORD a table from which I have read some figures during my remarks. It indicates the available production of various kinds of wheat, the disappearance, and the total carried over.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Wheat

[In million bushels]

Item	Hard Red Winter	Hard Red Spring	Soft Red Winter	Durum	White	Total
Carryover June 30, 1961	1,118	235	13	13	35	1,414
Production 1961	790	102	199	17	151	1,259
Total available for 1961–62 (matching year)	1,908	345	212	30	186	2,681
Estimated requirements 1961–62:						
Domestic requirement	260	141	137	21	51	610
Exports	476	45	51	6	100	678
Total	736	186	188	27	151	1,288
Estimated carryover June 30, 1962	1,172	159	24	3	35	1,393

Mr. YOUNG of North Dakota. Mr. President, if the amendment were to be adopted by the Senate, I would have to ask that it be amended to include Hard Red Spring wheat, because it has a higher percentage of domestic disappearance than has Soft White wheat or Soft Red wheat. The important point about Durum wheat exemption is that Durum wheat does not have an export subsidy. An export subsidy is provided for Soft Red wheat and Soft White wheat. If the people interested in this kind of wheat believe there will be a shortage, they should ask that the export subsidy be removed. Then there would be no problem of short supply.

Mr. HART. My amendment is not limited to any category. It authorizes action with respect to shortage of any type of wheat.

Mr. YOUNG of North Dakota. I was looking at the amendment of the Senator from New York [Mr. KEATING], which refers only to two types of wheat—Soft Red and White wheat.

Mr. HART. I hope my statement was correct. I assume it is correct. That was my intention. I believe it would be helpful also, for use in the conference, as well as for a better understanding of what tragically is not well understood; namely, that not all wheat is the same—and that the glut is not in many cases contributed to by some regions—if a memorandum prepared by the Department of Agriculture at the request of the distinguished chairman of our committee were made a part of the RECORD at this point. I ask unanimous consent that that be done.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MARKET USES OF EASTERN AND WESTERN SOFT WHITE WHEAT

Production of White wheat by States in 1959–60 is shown in table 1. Estimated supply and distribution of Eastern and Western White wheat is on table 2. Most U.S. White wheat is produced in the Pacific Northwest. Michigan is the largest eastern producer, with New York second.

The sheet entitled "Protein Content and Use of Western Wheats" [chart omitted in RECORD] shows White Club to be lowest in protein of the White wheats. Western White, a combination of White Club (65 percent) and Soft White (35 percent) is second lowest in protein. White Club is lower on the protein scale than Soft White, the type grown in Michigan and New York as well as in the Pacific Northwest, by about 2.5 percent. While the Eastern States do not produce the lower protein White Club wheat, the uses of Eastern White wheat are about the same as Western White. Western Low Protein White wheat is not substituted in quantity for Eastern White in the eastern domestic market.

Utilization.—About half the 1959–60 crop of Eastern White wheat was milled for food use in the United States. Only 15 percent of the crop of Western White wheat was so used.

Most of the remaining supply of Eastern White wheat was exported under the special export programs in 1959–60. An amount equal to about half the crop was so shipped, as shown in table 3.

Most of the exports of Western White wheat in 1959–60 also were made under the special export programs, as shown in table 3. More than half the crop was handled in this way.

In the year ended June 30, 1960, India, Japan, Pakistan, Korea, Formosa (in order of importance) took most of their White wheat from the west coast because of the freight rate advantage (see table 3). However, India and Pakistan took some wheat from Atlantic ports also. Egypt would ordinarily take from Atlantic ports. In 1959–60, Egypt took wheat from the west coast because prices were attractive.

TABLE 1

[Preliminary (except as noted)]

State	White wheat					Soft Red Winter wheat				
	Percent [1]	Estimated acreage		Estimated production		Percent [1]	Estimated acreage		Estimated production	
		1959	1960	1959	1960		1959	1960	1959	1960
		Thousand acres	*Thousand acres*	*Thousand bushels*	*Thousand bushels*		*Thousand acres*	*Thousand acres*	*Thousand bushels*	*Thousand bushels*
New York	97.0	254	239	7,497	7,159	3.0	8	7	232	221
New Jersey	1.5	1	1	24	24	97.5	49	48	1,536	1,577
Pennsylvania	.9	5	5	126	142	98.5	522	527	13,834	15,545
Ohio	.1	1	2	32	52	99.7	1,312	1,496	32,145	52,342
Indiana						97.8	1,227	1,249	31,912	40,923
Illinois						42.6	707	679	18,386	16,692
Michigan	85.8	963	924	30,806	29,108	13.8	155	149	4,955	4,682
Wisconsin						48.6	32	26	901	816
Iowa						1.3	2	2	43	39
Missouri	.2	3	4	76	75	32.8	498	433	12,448	12,349
Delaware						100.0	27	25	742	775
Maryland						100.0	166	161	3,984	4,588
Virginia						98.1	270	251	6,339	6,530
West Virginia						97.9	24	26	563	740
North Carolina						99.5	402	337	9,447	7,926
South Carolina						100.0	192	146	3,936	3,358
Georgia						99.4	109	89	2,241	2,058
Kentucky						93.6	171	168	4,197	4,859
Tennessee	1.6	3	2	60	55	92.3	160	131	3,434	3,146
Alabama						100.0	60	52	1,380	1,300
Mississippi						100.0	33	37	858	1,110
Arkansas						90.5	127	123	3,294	4,000
Louisiana						99.1	50	42	1,189	1,207
Oklahoma						.1	5	5	89	121
Texas						4.2	144	158	2,514	3,555
Montana	.4	17	16	317	318	.1	4	4	79	80
Idaho	51.4	613	573	[2] 30,900	[2] 23,000					
Wyoming	1.0	3	2	55	55					
New Mexico	.1			4	5					
Arizona	92.7	95	24	3,404	795					
Utah	26.7	62	60	1,430	1,363					
Nevada	100.0	21	14	756	457					
Washington	85.6	1,712	1,668	64,256	55,727					
Oregon	97.9	797	785	27,866	25,985					
California	96.8	359	341	8,439	7,496					
United States		4,709	4,660	[3] 176,048	[3] 151,816		6,462	6,368	[3] 160,903	[3] 193,734

[1] USDA Statistical Bulletin No. 272.
[2] Includes an additional amount because of higher yields in White Spring wheat.
[3] Official figures.

TABLE 2.—*Estimated supply and distribution of eastern, western, and total White wheat, United States, 1959–60*

[Preliminary; million bushels]

Item	Eastern White	Western White	Total White
Supply:			
Carryover	4	61	65
Production	39	137	176
Subtotal	43	198	241
Domestic disappearance:			
Food	18	24	42
Feed	0	1	1
Seed	1	4	5
Exports and shipments	21	107	128
Carryover	3	62	65

TABLE 3.—*White wheat: Exports of grain only for dollars and under Government programs, by coastal area and country of destination, July 1959–June 1960*

[Preliminary; thousand bushels]

Coastal area and country of destination	For dollars	Under Government programs	Total
Atlantic to—			
Egypt		8,050	8,050
United Arab Republic, other than Egypt		1,487	1,487
Pakistan		3,813	3,813
India		1,844	1,844
Syria		1,086	1,086
United Kingdom	665		665
Turkey		504	504
Ecuador	110		110
Other		782	782
Subtotal	775	17,566	18,341

TABLE 3.—*White wheat: Exports of grain only for dollars and under Government programs, by coastal area and country of destination, July 1959–June 1960*—Con.

[Preliminary; thousand bushels]

Coastal area and country of destination	For dollars	Under Government programs	Total
Pacific to—			
India		53,712	53,712
Japan	23,099		23,099
Pakistan		9,087	9,087
Korea		7,601	7,601
Formosa		4,274	4,274
Egypt		1,106	1,106
Canary Islands		974	974
Other	2,630		2,630
Subtotal	25,729	76,754	102,483
Total United States	26,504	94,320	120,824

Mr. HART. Included in the statement and of interest to Senators who asked me on the floor about the difference between the various types of wheat, is a table which shows that in some production Soft wheat is not interchangeable. I know the Senator from New York was especially concerned about it.

Last, I ask unanimous consent to have included in the RECORD, a very brief summary of the supplies of Soft Red wheat and Soft White wheat, also prepared by the Department.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SUPPLIES OF SOFT WHEAT

SOFT RED WINTER

Stocks of this class, produced primarily in the Eastern Corn Belt are 13 million bushels or 1 month's supply for domestic use.

Production in 1961 is unofficially estimated at nearly 200 million bushels. Production plus carryover will provide enough Soft Winter wheat to supply the domestic market in the 1961–62 crop year, to export an amount of this class of wheat equal to the record export of 60 million bushels in 1956–57, and still to add a small amount to the carryover.

The mandatory reduction of 10 percent in the farm allotments for 1961–62 crop wheat would not be expected to result in any shortage of this class of wheat for domestic use or export, unless the growers were to participate heavily in the voluntary acreage diversion program. If Soft Red Winter wheat producers were to divert 12 to 15 percent of their acreage under the proposed program, production in 1962 would normally be great enough to provide for all domestic needs, for cash exports, and a small amount for export under special programs.

WHITE WHEAT

The July 1, 1961, carryover of White wheat produced in the Eastern United States was very low—about 4 million bushels or 2 month's supply for domestic food uses. Relatively favorable crop conditions are indicated now for the 1961 crop of White wheat in the Eastern United States.

The crop now being harvested appears to be large enough to provide both for a large volume of exports in the 1961–62 crop year, and for a small increase in the carryover. The mandatory 10 percent reduction in the acreage allotment proposed would not be expected to reduce Eastern White wheat production by enough to result in a shortage either for domestic food use or for dollar exports.

Mr. HART. Having heard the distinguished chairman of our committee make his statement, and having benefited and sometimes even suffered under it, but knowing his courage and his persistence and his persuasiveness, I, along with the Senator from New York, feel that we can anticipate that the conferees will succeed in maintaining the Senate formula.

I thank the chairman.

Mr. KEATING. Mr. President, I wish to endorse those adjectives with respect to the chairman, relating to his standing firm, and say that I do not take second place to anyone as to all the fine characterizations about our distinguished chairman of the committee to which the Senator from Michigan has given voice.

Mr. HART. After all this, it would be impossible for him to let us down.

Mr. KEATING. That was my hope.

Mr. HART. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. MUNDT. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 106, beginning with line 21, it is proposed to strike out all down through line 23.

On page 106, line 24, it is proposed to strike out "(3)" and insert in lieu thereof "(2)".

On page 107, line 1, it is proposed to strike out "(4)" and insert in lieu thereof "(3)".

The PRESIDING OFFICER. How much time does the Senator from South Dakota yield himself?

Mr. MUNDT. I yield myself 5 minutes.

My amendment proposes to strike from the bill a section which provides for the deletion of the customary procedure which has been followed in the Public Law 480 operations, requiring annual payments to be made in return for the farm products which are sold. I propose to restore the language of Public Law 480 as it has always been operated.

As members of the Committee on Appropriations realize, we have been working for some time, under the Development Loan Fund, to establish a practice set in action by my motion that some payments on an annual basis must be made on loans abroad no matter how small the payments. The reason for this is, I believe, logical and practical. The recipient countries are required to set up a bookkeeping mechanism, so that they will acquire the habit of making annual payments in return. This arrangement has worked very satisfactorily over the past 3 years, since we have made it a part of our practice in the Development Loan Fund. Experience has demonstrated that unless this is done recipient countries tend to postpone repayment schedules and are then unable or unwilling to pay their debts on the expiration date.

I have discussed the amendment with the chairman of the committee. Requiring annual payments compels the recipient countries to establish bookkeeping procedures and fiscal repayment habits making clear the debts are to be paid and making them easier to pay. There is some plausibility to the argument of those who inserted this provision in the bill, which strikes out the words "equal amounts." It is not so important that the amounts be equal as it is that they be annual. By striking this provision from the bill at this time, it will leave the matter in conference, where, I feel certain, satisfactory language can be developed which will require annual payments to be made. I am confident that the American taxpayers will be greatly benefited by continuing this annual payment program in terms of our international sales as well as loans. If there are some good and prevailing reasons why annual payments should not each be equal with the other, we can arrange for that in conference. The important factor is that repayments be on an annual and a regular basis.

I believe we can agree on the amendment at this time.

Mr. ELLENDER. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. ELLENDER. As I understand, the language the Senator wishes to retain, by striking out, was enacted about 3 or 4 years ago.

Mr. MUNDT. Yes; it has been in Public Law 480 since 1954.

Mr. ELLENDER. The effect would be, as I understand, to make the purchasing country pay on a yearly basis.

Mr. MUNDT. That is correct; not to wait until the end of 20 years to make its settlement.

Mr. ELLENDER. I see no objection to the amendment.

Mr. MUNDT. I yield back the remainder of my time.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from South Dakota is agreed to.

The bill is open to further amendment.

Mr. CAPEHART. Mr. President, I call up my amendment designated "7–26–61—D" and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill add a new title as follows:

TITLE V—TO PROVIDE FOR THE INCREASED USE OF AGRICULTURAL PRODUCTS FOR INDUSTRIAL PURPOSES

Declarations and findings

SECTION 1. That the Congress of the United States hereby makes the following declarations and findings concerning the development of new and improved uses for farm products, new crops to replace those now in surplus, and the disposal of surplus commodities owned by the Government:

(a) Farms in the United States have a capacity to produce more farm products than can now be marketed at prices that will return sufficient incomes to farmers to maintain an efficient and progressive agricultural industry.

(b) A prosperous agriculture will contribute immensely to national welfare by efficient production of needed food, feed, and fiber, by provision of raw materials for the transportation and processing industries, by purchases of production supplies, and by its contribution to maintenance of a balanced and high-level national economy.

(c) National defense and security interests of the United States require protection of agricultural resources against deterioration and the maintenance of high productive capacity in order to meet possible emergency needs of the United States and other friendly nations.

(d) Basic research in agricultural products and their uses is essential in any long-range program of benefit to agriculture.

(e) Research programs to develop new and improved uses for farm products and new farm products have potentialities for providing outlets for a larger volume of farm production and greater stability of the prices of farm commodities.

(f) Public and private research agencies, including the Departments of Agriculture and Commerce, the land-grant colleges, other universities and research institutions, as well

as private firms, can and should be utilized for an all-out attack on development of new and improved uses, and new and extended markets and outlets for farm products and byproducts. Research, pilot plant, development and trial commercialization work and corollary economic and related studies should be devoted to the expansion of industrial uses for agricultural commodities in surplus, and to any food and feed uses and replacement crops that can make substantial contributions toward the solution of the surplus problem. Facilities should be established as needed to permit adequate experimentation and testing, and production and market development, of promising new uses and new products.

(g) Development of new and improved industrial and other uses of farm products and new farm products and new and extended markets and outlets for farm products and byproducts will enlarge income opportunities for farmers. It also will reduce Government costs for acquisition, storage, and ultimate disposition of commodities now in surplus.

(h) Disposition of a portion of the surplus stocks of the Commodity Credit Corporation through industrial channels for new or byproduct uses, so that the carryover of any commodity beyond the needs of the Nation can be reduced, will have a stabilizing effect on the market prices for farm commodities.

Agricultural Research and Industrial Administration

SEC. 2. There is created and established in the Department of Agriculture an agency of the United States to be known as the Agricultural Research and Industrial Administration, all of the powers of which shall be exercised by an Administrator, under the general direction and supervision of the Secretary of Agriculture, who shall be appointed by the President, by and with the advice and consent of the Senate, for a term of six years and who shall receive basic compensation at the rate of $20,000 per annum. The duties of this agency shall be to coordinate and expedite efforts to develop, through research, new industrial uses, and increased use under existing processes, of agricultural products; to develop new replacement crops; and to reduce the stocks of commodities owned by the Commodity Credit Corporation.

Salaries

SEC. 3. The positions of three Deputy Administrators of the agency shall be in grade GS–18 of the General Schedule established by the Classification Act of 1949, as amended. Such positions shall be in addition to the number of positions authorized to be placed in such grade by section 505(b) of such Act. The agency is authorized to fix the compensation, notwithstanding other provisions of law, for not more than ten positions which require the services of especially qualified scientific or professional personnel: *Provided,* That the rates of basic compensation for positions established pursuant to this provision shall not exceed the maximum payable under the Act of August 1, 1947 (61 Stat. 715), as amended and supplemented. The agency may appoint and fix the compensation of any technically qualified person, firm, or organization by contract or otherwise on a temporary basis and for a term not to exceed six months in any fiscal year to perform research, technical, or other special services, without regard to the civil service laws or the Classification Act of 1949, as amended.

Powers and duties

SEC. 4. The agency shall have power and authority, within the limits of the funds made available to it, to coordinate and expedite activities toward research, pilot plant, development, trial commercialization and industrial uses, with Federal and State governments, educational institutions, private research organizations, trade associations, individuals and industrial corporations in expanding the industrial utilization of the products of farm and forest and the development of new crops. In the discharge of these duties, the agency is empowered to:

(a) Make use of the facilities of the Department of Agriculture and other Federal departments and agencies, land-grant institutions, and experiment stations. The agency shall utilize existing facilities owned or controlled by the Federal Government to the greatest extent practicable, including pilot plants, regional laboratories and other facilities and equipment, and is authorized to utilize authority now available to the Secretary of Agriculture under existing law;

(b) To make grants, for periods not to exceed five years duration, to State agricultural experiment stations, colleges, universities, and other research institutions and individuals;

(c) Contract with foreign individuals, organizations, institutions of learning, or private corporations where payment can be made in foreign currency accumulated under Public Law 480, Eighty-third Congress. The agency is hereby authorized to utilize such foreign currencies notwithstanding other provisions of law requiring reimbursement;

(d) To make contracts or cooperative arrangements in the manner provided by sections 10(a) and 205 of the Act of August 14, 1946 (7 U.S.C. 427i, 1624), including contracts and agreements providing for the commercialization, market acceptance, and the economic feasibility of industrial utilization in the competitive market for agricultural products and processes with respect thereto;

(e) Extend suitable incentives to farmers or to industry to hasten the establishment of a new crop or of a new industrial use, where such appear likely to lead to durable additional markets;

(f) Grant agricultural development certificates for the amortization of new facilities, for tax purposes, on the basis of sixty months from the date of completion of a facility in such cases as the agency deems advisable and necessary for the discharge of its duties, particularly with regard to equipment and facilities for harvesting, storing, and processing of new crops and with regard to research, development, and trial commercialization facilities for industrial utilization of the products of farm and forest. Such agricultural development certificates of rapid amortization may be issued at any time during the existence of the agency and shall otherwise be governed by the provisions of law governing emergency facilities contained in section 168 of the Internal Revenue Code of 1954 and the provisions of law governing the amortization of grain-storage facilities contained in section 169 of the Internal Revenue Code of 1954;

(g) Direct the Commodity Credit Corporation to make delivery of any of its stocks of commodities to agencies of the Government, persons, or corporations designated by the agency where such stocks are to be used for (A) research, (B) pilot plant operation, (C) trial commercialization, (D) export of manufactured products, or (E) new or byproduct uses. The Commodity Credit Corporation, with respect to commodities thus requisitioned by the agency, shall pay necessary handling and delivery charges to the destination directed by the agency. Such sums of money as the agency shall receive, if any, on such transfers of commodities, shall be turned over to the Commodity Credit Corporation;

(h) To make contracts or leases for the private operation of any property or facilities transferred from another Government agency pursuant to this Act or other legislative authority;

(i) To make loans or grants to those with whom contracts or other arrangements are entered into, for the purpose of providing assistance in the acquisition or expansion of facilities and equipment for research or development activities;

(j) Provide in all contracts for the disposition of inventions produced thereunder in a manner calculated to protect the public interest and the equities of the individual or organization with which the contract or other arrangement is executed: *Provided, however,* That nothing herein shall be construed to authorize the agency to enter into any contractual or other arrangement inconsistent with any provision of law affecting the issuance or use of patents;

(k) To grant exclusive licenses with or without payment of royalty for a fixed period of not to exceed five years for the use of patents under the control of the Department of Agriculture:

(l) To pay incentive awards to private citizens for suitable and acceptable suggestions to implement the program established by this Act, such payments to be made in accordance with previously published rules stating the amounts of, criteria for determining, and subjects of, such awards; and

(m) To test production procedures on a commercial basis, maintain and operate manufacturing facilities where necessary to prove the commercial feasibility of volume production and to build, purchase, or lease plant facilities, or necessary equipment suitable for manufacturing needs.

Scholarships

SEC. 5. The agency may provide graduate scholarships and fellowships and for this purpose may make grants to individuals: *Provided,* That such individuals agree to pursue courses in an accredited college or university in the United States leading to a degree or degrees in a science or field of study having application in agricultural research: *Provided further,* That the initial grants in any one year may be made to individuals to attend any one institution in a number not exceeding 1 percent of the student body.

Transfer of Government plants

SEC. 6. Notwithstanding any other provision of law, any Government agency holding any Government-owned facility useful in the program authorized by this Act is authorized to transfer such facility to the agency, for use in the program, if requested to do so by the agency, provided such transfer has the approval of the Director of the Bureau of the Budget. The agency is authorized to exercise, with respect to the facilities transferred, all of the authority vested in the agencies transferring such facilities. At the time of such transfer, funds and personnel related to the operation or administration of such facilities, shall, with the approval of the Director of the Bureau of the Budget, also be transferred to the agency.

Definition of "agricultural products"

SEC. 7. The terms "agricultural products" and "farm and forest products" as used in this Act shall have the same meaning as the term "agricultural products" in section 207 of the Act of August 14, 1946 (7 U.S.C. 1626).

Annual report

SEC. 8. The Administrator shall present annually to the Congress not later than the 20th day of January in each year a full report of his activities under this Act.

Savings provision

SEC. 9. The authorities under this Act are addition to and not in substitution for thorities otherwise available under existing law.

Appropriations

SEC. 10. There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

Mr. CAPEHART. Mr. President, I yield myself 5 minutes; and I shall yield myself more time if I need it.

The amendment provides for research, to be supervised by the Federal Government, to develop new uses for farm products in industry and new markets. The amendment is word for word, comma for comma, and period for period the same as the bill which the Senate passed last year in respect to the subject of developing new uses for farm products in industry through research. I have introduced the amendment in the form of a bill on a number of occasions, as has the able Senator from Louisiana, chairman of the committee. In fact, the amendment is really the same as the bill which was passed by this body—I think unanimously—last year. The able Senator from Louisiana, the chairman of the committee, was the author of the bill. It bore his name.

I believe I am correct in stating that even though the Senate passed the bill unanimously last year, the House did not see fit to pass it. I am offering the proposal as an amendment to the pending bill because the farmers have only one problem, and have had it for years. That is, they produce more goods than the market will absorb. That is the only reason in the world for the present proposed legislation we are considering, and it has been the only reason for farm legislation in the past; namely, that farmers produce more than the market will absorb. The legislation which Congress has been passing during the last several years, including the proposed legislation we are considering today, is an effort, somehow and in some way, to get rid of the surpluses or to absorb in some way the overproduction of farm products. That is the only reason for the proposed legislation we are considering today. It was the only reason for the legislation considered earlier this year, known as the feed grain bill.

I have maintained for years, and I still maintain, that the proper way for Congress to attack the problem and really to be helpful to the farmers is through research, to develop new uses for farm products in industry and in the markets, in order that the farmer might till every one of his acres, might grow more per acre, and have a market for what he grows, thereby enhancing the general economy of the Nation.

The weakness of all farm legislation to date, and the weakness of the present legislation, is that the people are taxed to take out of production X number of acres. That means, first, that the taxpayers must put up a large sum of money; second, it means that the farmers will till fewer acres. Thereby, the farmers will buy less from the merchants in their hometowns. It means that manufacturers will produce less. It means that fewer jobs will be available for labor. Therefore, when agricultural production is reduced because of a lack of markets, the general economy of the Nation is hurt. To me, that is how simple the whole farm problem is.

I know something about this problem, because I am a farmer. I farm every day. I own and operate my own farm. I pay the bills every day. I understand the situation. I am aware of the price squeeze which confronts farmers. I understand the burden which is placed upon the taxpayers of the Nation. I know of the indirect burden which is placed upon the merchants who sell to farmers, and upon the manufacturers who manufacture goods for the farmers and the wage earners who work in the merchants' places of business and in the manufacturing plants.

Similarly, a reduction in farm production reduces the number of tons which the railroads and trucks carry.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. CAPEHART. I yield myself an additional 5 minutes.

My amendment and the bill which the Senate passed last year are an effort to take a part of the money—a very small percentage of the money—which is now being paid to farmers in the form of a subsidy—if that is the word; it is not exactly the word, because the farmer renders a service in return for the payments he receives. I do not wish to say that he does not render a service. He reduces his production; therefore he makes a sacrifice. He does not get the money without rendering some kind of service.

Nevertheless, the purpose of the amendment is to spend a portion—a very small portion—of what the Government is paying, in order to develop new uses for farm products in industry.

Soybeans are a good example. I can remember when no soybeans, to speak of, were grown in the United States. Today millions and millions of bushels and millions and millions of dollars worth of soybeans are grown in this country. The great bulk of soybeans are produced for industrial uses. If soybeans were not grown today, corn would be grown on the land instead. There would be an even larger surplus of corn, and the problem of surpluses would be greater.

I have maintained for years, and I still do, that a small portion of the money which is being spent on farm programs should be spent to develop, through research, new uses for farm products in industry. I know that it can be done. So far it has not been possible to sell Congress on this principle. The Senate, yes; but not Congress as a whole.

I do not know why. I shall be the first to admit that possibly this measure should be handled by means of a separate bill, rather than as an amendment to the pending bill.

But I am forced to submit the amendment and to talk about it because I feel so deeply on the subject. For the life of me, I cannot understand how we are ever going to solve the farm problem and get the Government out of the farming business unless we take action of this sort. The farmer should be permitted to stand on his own feet and run his own business in the way that any other business is run, without any interference or help by the Government. But, for some reason, the farmer has not been able to do so.

I should like to suggest to the Senator from Louisiana [Mr. ELLENDER], the chairman of the committee, that since last year he was the author of this measure, as a separate bill, he accept the amendment and take it to conference, since we could not get the bill enacted last year. Would it be possible for the chairman of the committee to take the amendment to conference?

Mr. ELLENDER. Of course it would be possible to take the amendment to conference; but I know what would happen there. No doubt the result would be only to delay the taking of action on the bill, for I am sure the House conferees would not accept the amendment.

The Senator has referred to the bill which was introduced in 1959, and which we sponsored.

Mr. CAPEHART. This amendment is identical to that measure, as passed by the Senate last year.

Mr. ELLENDER. But it contains a section on tax amortization which was not included in the bill the Senate passed, and that addition might add to our woes.

I urge that the Senator introduce the measure as a separate bill. In the event he does so, I assure him that the committee will hold hearings on it, if necessary—although I do not believe that will be necessary, because we held hearings on it in the past. If he will do that, I assure him——

Mr. CAPEHART. In other words, the Senator from Louisiana is suggesting that we introduce this measure as a separate bill, and have it considered by the committee, and then let the Senate have an opportunity to pass it as a separate bill?

Mr. ELLENDER. Yes, and I do not believe there will be any trouble in doing that.

Mr. ALLOTT obtained the floor.

Mr. MANSFIELD. Mr. President, in view of the circumstances covering the visit of a distinguished guest, the Prime Minister of the Federation of Nigeria will both Senators be so kind as to yield to me?

Mr. CAPEHART. Yes.

Mr. ALLOTT. Certainly.

VISIT TO THE SENATE BY THE PRIME MINISTER OF THE FEDERATION OF NIGERIA

Mr. MANSFIELD. Mr. President, outside of the time allotted for the consideration of the pending bill, I wish to announce that the Prime Minister of the Federation of Nigeria is waiting in the ceremonial room of the Vice President, in company with the Vice President and the minority leader, the distinguished Senator from Illinois [Mr. DIRKSEN].

Last week and this week it was stated that the distinguished Prime Minister of that great African country would meet with us. At the proper time, I shall ask that a recess be declared for that purpose.

In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HICKEY in the chair). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, the Senate is about to receive, during a recess, Alhaji, the Honorable Sir Abubakar Tafawa Balewa, K.B.E., P.P., Prime Minister of the Federation of Nigeria, and a number of his distinguished Cabinet and legislative colleagues, along with the distinguished Ambassador of that country to the United States. I ask unanimous consent that the list of those colleagues be printed at this point in the RECORD. We are delighted that this former teacher and civil servant, this man of purpose, dignity, and understanding, this man who has done so much for his country, is to be our guest.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Accompanying the Prime Minister as members of the official party: The Honorable Jaja Wachuku, Minister of Foreign Affairs and Commonwealth Relations; His Excellency J. M. Udochi, Ambassador of Nigeria; Alhaji, the Honorable Shehu Shagari, Minister of Establishments; the Honorable T. O. S. Benson, Minister of Information; Senator, the Honorable Dr. M. A. Majekodunmi, Minister of Health; Senator, the Honorable Nuhu Bamalli, Minister of State, Minister of Foreign Affairs; Dr. K. O. Mbadiwe, Personal Adviser to the Prime Minister on African Affairs; Mr. S. O. Wey, Secretary to the Prime Minister, and Mr. L. O. V. Anionwu, Permanent Secretary, Ministry of Foreign Affairs.

Mr. MANSFIELD. Mr. President, the Senate is indeed honored by being visited by the outstanding Prime Minister of the Federation of Nigeria, an outstanding leader of one of the great and new countries on the continent of Africa, a nation of 40 million people. We value his friendship and that of his people, and we are delighted to welcome him at this time. On behalf of the Senate, I express our regret that the Honorable M. T. Mbu is detained by illness. We wish him a speedy recovery.

Mr. President, at this time I ask unanimous consent that the Senate stand in recess, subject to the call of the Chair, so that the Senate may honor and Senators may personally greet our distinguished visitor.

The PRESIDING OFFICER. Is there objection?

There being no objection, at 2 o'clock and 9 minutes p.m., the Senate took a recess, subject to the call of the Chair; and the Prime Minister of the Federation of Nigeria, escorted by the Vice President of the United States and by Senator DIRKSEN, of Illinois, entered the Chamber, and was greeted by the Members of the Senate.

At 2 o'clock and 14 minutes p.m., the Senate reassembled when called to order by the Presiding Officer (Mr. HICKEY in the chair).

AGRICULTURAL ACT OF 1961

The Senate resumed the consideration of the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes.

Mr. CAPEHART. Mr. President, I shall withdraw this amendment in a moment, after a couple of Senators who had requested me to yield some time to them to make statements. I shall withdraw the amendment after having had a colloquy with the chairman of the committee, to the effect that the amendment will be considered as a bill in committee and acted on by the committee and by the Senate, as was done last year.

Such a bill was passed by the Senate last year unanimously, but failed to pass in the House. I think it is good legislation. I think it is the proper way to handle this question. Some legislation has been introduced on this subject. The able Senator from South Carolina [Mr. JOHNSTON] has introduced possibly more than one bill on the problem of finding new uses for farm products in industry. I understood the Senator from South Carolina introduced legislation to that effect last year.

Mr. JOHNSTON of South Carolina. Yes.

Mr. CAPEHART. I know of no one in the U.S. Senate who is opposed to such legislation. I shall withdraw the amendment only because the chairman of the committee prefers to handle it as a separate bill.

Now I yield 5 minutes to the able Senator from Colorado [Mr. ALLOTT].

Mr. ALLOTT. Mr. President, first of all, I wish to commend the able Senator from Indiana for offering the amendment. I realize, as he does, that this is probably not the occasion or the time for this particular amendment. Yet it seems to me a little futile that we can spend over $10 billion in research in this country each year, which we are doing, in the various departments and branches of our Government, but cannot spend a few paltry dollars in research in this particular area, which would give us at least an opportunity to learn if we cannot cure one of the biggest problems in the United States, which is that of farm surpluses, which continually plague us.

I believe the Senator has ably and properly called this matter to our attention at this time, even though the proposal will not be taken up. I hope the proposal will be taken up and that we can get after this problem, so we can have a meaningful program which will help cure some of our agricultural ills.

The Senator from Indiana has been very persistent in this effort, as have other Members of Congress, and I hope we can be successful.

I wonder if the Senator will yield me a few additional minutes.

Mr. CAPEHART. I yield 5 additional minutes to the Senator from Colorado.

Mr. ALLOTT. Mr. President, on another phase of this matter, I see included in the bill, on page 107, "Title III: Agricultural Credit."

When I became a Member of the U.S. Senate in 1955 I realized that one of the greatest holes in the entire agricultural system was the system of agricultural credit. In that year, and in each of the subsequent years, I have introduced legislation designed for the purpose of consolidating the old Bankhead-Jones Act and some 30 amendments that have been made to it. The original act and amendments involved altogether 1,200 pages of interpretative regulations. It meant that certain farmers and ranchers, when asking for credit of FHA, had to make as many as four or five different loans. No matter how sincere the local committees, and the local committees are sincere, and no matter how conscientious they might be, and they are all conscientious, they simply could not tell the farmer or rancher whether or not he could get credit. Therefore, I proposed consolidating the measures, and in some seven or eight bills over the last 6 years we have worked out an act which is now contained in the present farm bill under Title III: Agricultural Credit.

It was introduced in the House last year by Representative COOLEY, and in the Senate by myself. Because we could not get it passed before, now is the time to enact it.

I hope that in the present situation it will be more palatable.

The chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER], and the chairman of the subcommittee, the senior Senator from Florida [Mr. HOLLAND], last year bent every effort to have the so-called Allott-Cooley farm credit bill passed. Due to objections by two or three people, it was not possible to pass the bill in the closing days of the Congress.

I know of the sincere desire of the chairman of the committee to effect reform in this area. The Senator from Florida is not in the Chamber, having stepped out for a minute, but I wish to express my deep appreciation to both Senators for having the matter considered. At last I think we have a workable farm credit law which is up to date, which will be meaningful and helpful to every farmer and rancher in the United States.

Mr. CAPEHART. Mr. President, I congratulate the able chairman of the committee and the committee itself for taking action on the original bill introduced in respect to the many, many proposals made by different people, and for reporting to the Senate the kind of bill reported.

I still do not think it is particularly good legislation. I think perhaps it will help some farmers over a short period

of time. Over the long pull, I do not think it will be in the best interests of the farmers. Because it is so much better a bill, in my opinion, than was originally talked about, both in the press and in the Senate, as well as in proposed legislation introduced, I feel I should congratulate the able Senator from Louisiana, the chairman of the committee [Mr. ELLENDER].

Mr. President, I now withdraw my amendment. I shall introduce it as a separate bill at a later date.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield 2 minutes to the able Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 2 minutes.

Mr. LAUSCHE. Mr. President, I likewise commend the Senator from Louisiana [Mr. ELLENDER] for his fine work in removing from the bill the items which, in my opinion, were very objectionable and, in fact, indefensible.

The initial bill contemplated having the Congress abdicate its responsibility and assigning responsibility to the executive branch of the Government. It is pleasing to note that the committee was not willing to subject the Congress to a recommendation which would have said, "Give up your responsibilities and allow others to make laws."

In my opinion, the vitality of what was sought to be done goes beyond requiring felicitation to the chairman of the committee. I should like to know who originated the plan of abdicating legislative responsibility. I should like to know what is the basic philosophy of government possessed by the proponents of that plan of abdication. I should like to know to what other economic problems these designers felt their plan would eventually apply.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. LAUSCHE. May I have 2 more minutes?

Mr. KUCHEL. Mr. President, I yield 2 more minutes to the able Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 2 additional minutes.

Mr. LAUSCHE. If it was thought advisable to abdicate the responsibility of Congress with respect to the agricultural problem, did the designers of this plan contemplate in the future suggesting that it be applied to other economic problems?

I am glad the proposal has been stricken, but I cannot rest at ease even in the face of that fact, when I know someone has been designing a plan contemplating surrendering the powers of the Congress and placing them in the hands of economic interests affected, combined with the executive branch of the Government.

The PRESIDING OFFICER. The committee amendment as amended, is open to further amendment.

Mr. CHURCH. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 101, line 10, after the word "except" it is proposed to insert the word "honey".

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Idaho. How much time does the Senator yield?

Mr. CHURCH. Mr. President, I yield myself such time as I may require.

Mr. President, the purpose of the amendment is to exclude honey from the coverage of the bill. It seems to me, on the basis of communications I have received from independent honey producers in my own State and from many other States, that the consensus in the industry is against the inclusion of honey under the general coverage of the bill. There are a number of reasons which I think explain this feeling.

Mr. President, first of all, there is not now, nor has there been in the past 7 or 8 years, any emergency in the honey industry.

Honey has been selling substantially above the support price for the past 7 or 8 years.

Under the support price program the honey industry has had an enviable record wherein Commodity Credit has had to purchase little or no tonnage in the past 7 or 8 years. What little amount the Government has taken over has been mostly in the commercial, nontable grades. The honey industry can point with pride as one of the few commodities under support that has not had to rely on Government assistance.

The honey industry in the United States is very small in comparison with other agricultural commodities, the annual volume of business amounting to approximately $30 million. This honey is produced by an estimated 400,000 beekeepers located in 49 States, producing more than 27 flavors of varying grades and colors. Thus, the establishing of marketing orders for this small an industry with such a large number of producers would not only be impractical but extremely hard to administer.

I am informed that the great majority of the honey producers are opposed to marketing orders. The National Beekeepers' Federation, at their Phoenix meeting in 1960, voted by a large majority against marketing orders. Their stand was again reaffirmed at their Omaha meeting in 1961.

Honey is perhaps one of the most widely produced commodities in the United States. Each area of production has small and large producers growing honey for local and interstate markets. An estimated 60 percent of the national crop is sold locally by producers without going through handlers. A basic reason for the failure of Federal marketing agreements in other commodities is that the production area is too widely scattered. There is scarcely a commodity more widely produced, with greater number of growers or with more unusual characteristics, than honey.

I think these reasons combined, Mr. President, do present a very persuasive case that honey ought not to be included within the provisions of the bill covering marketing orders.

It is my understanding that the Committee on Agriculture of the other body, after having given full and careful consideration to honey, voted to exclude it from the bill. It is my further understanding that in the deliberations of the Committee on Agriculture and Forestry in the Senate a decision was first taken to exclude honey, but then the decision was reversed in the final hours of discussion.

For these reasons, Mr. President, it seems to me honey ought not to be included in the bill. This clearly is the position taken by the independent honey producers of my State. I ask unanimous consent to have two telegrams I have recently received—one from Albert A. Larson, President, Idaho Honey Producers' Association, Burley, Idaho; and the other from Neal Miller—printed in the RECORD at this point.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

WENDELL, IDAHO, *July 20, 1961.*

Hon. FRANK CHURCH,
U.S. Senator, Idaho,
Senate Office Building, Washington, D.C.:

The entire honey industry and Idaho Beekeepers Association are happy to know you will strive to get honey removed by amendment from the floor of the Senate agricultural bill, S. 1643, when brought up for action Monday, July 24. We urge you to do all possible in addition to material you already have. D. B. Bradshaw is airmailing summary of arguments to help you present strong case for deleting honey. Most grateful your cooperation.

ALBERT A. LARSON,
President, Idaho Honey Producers Association, Burley, Idaho.

BLACKFOOT, IDAHO, *July 21, 1961.*

Senator FRANK CHURCH,
Senate Office Building, Washington, D.C.:

Regarding Senate bill 1643, report 66, please do everything possible to delete money from marketing order. Last year sold my crop for highest price I ever received. Our industry is in good sound condition. Marketing order would only favor a large co-op at expense of independent producers and packers especially Idaho residents being an exporting State.

NEAL MILLER.

Mr. YOUNG of Ohio. Mr. President, will the Senator yield?

Mr. CHURCH. I am happy to yield to the distinguished Senator from Ohio.

Mr. YOUNG of Ohio. Mr. President, I commend the distinguished junior Senator from Idaho for offering his amendment, and I hope that it will be accepted by the chairman of the committee. But even if it is not accepted by the chairman, I trust that it will be agreed to.

The State of Ohio is a producer of honey. I have received from my constituents telegrams and letters urging that honey be excluded from the bill. At one time this provision relating to honey was excluded from the bill. It had been taken out of the bill in the Senate Committee on Agriculture and Forestry, of which I am a member, and then within a few days it was reinstated.

Having received letters, telephone calls, and telegrams from constituents asking that honey be excluded from the bill, and not having received one letter, telegram, or telephone call asking that the provision be retained, I then proceeded to draft an amendment very similar to the amendment offered by the distinguished Senator from Idaho. My amendment is at the desk. Of course, I shall not now press it because my amendment is so similar. Instead of using the word "honey," my amendment would have provided as follows:

On page 101 of the bill, line 14, immediately after the word "eggs" insert the following: "products of honey bees."

The only product of honey bees that I know of other than honey is beeswax. Therefore, I am satisfied with the wording of the amendment before us. I understand that all the producers of honey in Ohio are doing very well. They would like to be left alone. They do not wish to be included in this legislation.

As a rule, the weight of letters and telegrams which a Senator receives from his constituents is not very persuasive with me. I maintain that if a Member of Congress is expected to weigh the letters and telegrams for or against any proposal, a butcher might as well be sent to Congress. We would then pay a butcher's wages to have him weigh the mail and vote accordingly.

Seriously, uninformed public opinion has never been accepted as a sound principle of jurisprudence or lawmaking since the time, nearly 2,000 years ago, when the crowd in the marketplace cried "Crucify Him! Crucify Him!" Because of the public opinion and the outcry of the rabble at that time, the greatest Teacher who ever trod on this earth was crucified between two thieves.

I am not persuaded to support this amendment because a number of constitutents have said they do not want honey to be included. Rather, I know from the situation in my State—and evidently it is the same in Idaho and other States—that the producers of honey are doing well. They are making money and do not require this governmental assistance. They have expressed a desire not to be included, and therefore I say to the distinguished Senator from Idaho that I will vote in favor of his amendment, and I hope it will be agreed to.

Mr. CHURCH. I appreciate very much the support of the Senator from Ohio. Of course, he is quite right. No emergency with respect to honey exists. For the past 7 or 8 years, honey has been selling well above the support prices. I think it is a fair statement that the consensus of the honey producers is one of opposition to being included in the provisions of the bill. I am informed that the only honey producers that asked to come under the bill are members of a single cooperative, which in its totality produces approximately 12 percent of the total honey crop. Therefore, I think that the amendment is in accord with the position taken by the great majority of the independent honey producers. They have asked to be left out. I think they have made a good case, and therefore I suggest to the Senate that the amendment is worthy of support. I hope other Senators will join the distinguished Senator from Ohio in giving the amendment the support I think it warrants.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. CHURCH. I am happy to yield to the distinguished Senator from New York.

Mr. KEATING. The numerous flowers and other beauties of New York State lead many bees to migrate to that State, and we produce a considerable amount of honey there. I have been importuned by some of the apiarists of my State to exclude honey from the marketing agreements. I think in a situation like this we should give considerable weight to their wishes in that regard. I hope I shall sweeten the Senator's amendment by telling him that I shall support it and hope that it is agreed to.

Mr. CHURCH. I thank the Senator. That, of course, is sweet news to me.

Mr. ELLENDER. Mr. President, I yield to the Senator from Minnesota as much time as he desires.

Mr. McCARTHY. Mr. President, I rise in opposition to the amendment, not because I have heard from the honey producers of Minnesota, although in my State there are a number of beekeepers, who produce a considerable volume of honey, but because in the course of the hearings on the bill we received telephone calls and various communications from beekeepers in one part of the country or another.

When we had under consideration title I of the bill, which was a highly controversial title, it was argued by a majority of the committee—and certainly there was a great argument on the subject outside of Congress—that farmers should not be dictating programs to Congress. Of course, after having taken title I out of the bill, we raised the question of honey, and one member of the committee said, "I have received a telephone call. The honey producers want to be excluded."

So we eliminated the honey section.

The next day another man came in and said, "I heard from the honey producers in my State. They want to be included."

So we put them back in.

Today we are hearing a Senator from another State telling us that he has heard from the honey producers of his State and they want to be excluded.

It seems to me that if we are concerned about having the farmers tell us what to do about the program, we ought to work out some way of finding out what they really want instead of proceeding on the basis of telephone calls or single letters. No Senator knows what most of the honey producers wish. Senators know that it takes, not a majority, but two-thirds of the honey producers, either by number or volume, to get a marketing order. No Senator knows whether one-third of the honey producers of this country do not want a marketing order. If they did, I would say, "Let us take it out." We did not have to put it in. But the procedures under marketing orders are so complicated and so involved that this one-third of the honey producers of the country have all the protection they need in case they do not want to be brought under a marketing order.

I will not read the whole procedure as to what must be done before a marketing order can be established. However, I shall insert in the RECORD by unanimous consent the procedures describing how the marketing order or agreement is instituted. It has to go through steps A, B, C, D, E, F, G—at least seven or eight significant and complicated procedures. The important one is that there must be a two-thirds vote by the producers, either by number or volume of production, to approve it. It seems to me that if the honey producers of the country are as alert as they seem to be, in the course of these six or seven or eight procedures, they can find the provision they need, so far as the one-third who want to be protected from the two-thirds who might want a marketing order are concerned. We should leave the general provision in the act so that if two-thirds of the producers want a marketing order at some time in the future they can go through the procedures outlined. They can apply to the Secretary of Agriculture, and they can have a referendum. That will require a two-thirds vote. If those people approve it, the honey would become subject to a marketing order. This would leave a kind of basic right for two-thirds of the honey producers, if they wish, to establish a procedure for a marketing order and the right to look into the possibility of such an order being instituted. They should not be cut off at this stage.

I ask unanimous consent that the procedures be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

10. How is a marketing agreement or marketing order instituted?

The formulation and development of a marketing agreement or marketing order is somewhat complex and requires considerable time and effort. The following steps are necessary to develop a marketing agreement and issue a marketing order:

(a) There must be a desire on the part of the industry concerned to enter into a marketing agreement program. A preliminary proposal is drafted for consultation by industry members and groups. General agreement should exist within the industry concerning the detailed provisions of the proposal.

(b) The industry proposal is submitted to the Secretary of Agriculture with a request for a public hearing. The request for a hearing should be signed by members or organizations representing the majority of the industry

(c) The statute requires that a public hearing be held. Notice thereof must be given at least 15 days prior to the day of the hearing, and the notice must be published in the Federal Register. Copies of the notice of hearing are mailed to all known growers and handlers. The hearing is held in the area covered by the program and may be held in one or more places for the convenience of the industry concerned. The hearing is presided over by a hearing examiner. All evidence and testimony is taken under oath and cross examination is permitted. The hearing is an important

step in the development of a marketing agreement program and should be given a great deal of attention. Any order issued must be supported by substantial and reliable evidence contained in the hearing record, consequently it is well to make complete and detailed preparation for the hearing. At the close of the hearing a period of time is ordinarily fixed, during which written briefs or arguments may be filed.

(d) After the close of the hearing and the expiration of the period for filing briefs, the Administrator prepares and files a recommended decision. This recommended decision outlines the issues developed at the hearing, how the issues were resolved, and contains the terms of the marketing agreement as revised on the basis of the evidence presented at the hearing. This report is published in the Federal Register, and all interested parties are given a period of time during which to file exceptions thereto.

(e) After the expiration of time for filing exceptions to the recommended decision of the Administrator, the exceptions are analyzed and the decision of the Secretary with respect to the marketing agreement is prepared and announced. This decision rules upon the exceptions which were filed and contains the finding and conclusions of the Secretary with respect to the terms and provisions of the marketing agreement. The Secretary's decision is published in the Federal Register.

(f) The marketing agreement, as approved by the Secretary, is submitted for approval of growers and handlers. Copies of the agreement are sent to handlers for their signatures. At the same time, a referendum of producers is ordinarily conducted to determine whether the proposal is approved by producers. A referendum is not required by the statute, but in most industries it is the most practical method by which the views of the producers may be obtained. Such a referendum is conducted by the Department and ballots are held confidential.

(g) If the handlers sign the agreement and producers approve the issuance of the order, the Secretary may issue an order making the terms of the marketing agreement program effective upon the entire industry. No order may be issued, however, unless it is approved by growers as outlined above. The order is published in the Federal Register effective on a specified date.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Iowa.

Mr. HICKENLOOPER. I thank the Senator from Louisiana. I do not believe I will take 5 minutes. As one of those who participated in discussing the question of "Now you see it, now you don't" so far as the honey producers are concerned, in being either in or out, I should like to recite what happened in committee. So far as I know, in the original proceedings under the bill, while the honey people had not expressed themselves one way or another, the rumor was circulated that honey had been eliminated from the provisions of the bill, and that honey producers could not come under a marketing order if two-thirds of the honey people had OK'd such a request. That rumor got around. I received a telegram from the Sioux Honey Association of Sioux City, Iowa. That is the focal point for the processing and marketing of a substantial amount of honey. I believe that about 12 percent of all the honey in the United States is marketed through that association.

That was the first communication I had, pro or con, on this situation. They urged that they be given an opportunity to vote as to whether or not they would invoke marketing orders for themselves.

I took the telegram to the committee and said, "This is the first communication I have had on honey. This is a very reputable outfit in Iowa. They say it is a group which represents about 12 percent of the honey processing and sales operation in the country, and they want 'in.'" I have no reason to doubt that they represent 12 percent of those people.

There was great generosity on the part of the committee in deciding that if a particular or specific group seriously wanted the opportunity to come under marketing orders in any section of the country, and if two-thirds of them voted for it, they ought to have an opportunity to do it. It was a very friendly, cooperative operation. So I presented this telegram to the committee and said, "This is all I know about it. This is the first communication I have had on the subject."

The committee very kindly looked at the telegram and thought it over and said, "All right, here are 12 percent of the honey producers and sellers in the country who want an opportunity to vote on it." The committee put them back in the bill.

There it is, Mr. President. Now, either today or yesterday, I received a telegram on the other side of the question from my home State, from a very substantial individual honey producer, a very reputable man, who does a great deal of business in honey. He wires me that he does not want any part of it, and does not think the honey producer should be in the bill. Well, there is the honey situation, so far as I know. I do not know what the organized honey producers and sales people of the United States want. I follow the philosophy that if the honey producers through their organizations actually want an opportunity to pass on this question of marketing quotas, I would just as soon let them have it.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. CURTIS. Would the Senator give us his opinion with regard to a commodity such as honey or soybeans or any other commodity with respect to which the law clearly permits the placing of marketing quotas on it? May that be done by the Secretary, or is there anything basic in the law that calls for any kind of referendum?

Mr. HICKENLOOPER. The Senator is getting into some of the technicalities of the law in that regard. I would like to defer to the chairman to answer that question.

Mr. CURTIS. I would be happy to have the chairman state the situation.

Mr. ELLENDER. There is a specific method by which this is to be handled.

Mr. CURTIS. It could be or must be.

Mr. ELLENDER. It must be voted upon. We added an amendment yesterday which provides that the Secretary of Agriculture must have a vote of two-thirds of the producers of a certain commodity in a certain area, and that in the ballot submitted the order must be included.

Mr. CURTIS. Do I understand correctly that with respect to any commodity on which there is not now a marketing order one cannot be imposed without a referendum of the producers, and that it must be carried by—what percentage of vote?

Mr. ELLENDER. Two-thirds in volume or number.

Mr. CURTIS. Who defines a producer?

Mr. ELLENDER. That is left to the Secretary. But usually it is any one affected by the order. There is also the matter of volume. It must be two-thirds by number or volume. Usually the vote that takes place shows that the producers of the commodity are desirous of getting into a marketing order.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield the Senator from Iowa 3 additional minutes. I placed in the RECORD yesterday the entire procedure which must be followed. Market orders are not imposed. I can point to a number of commodities which have been in the law and on which orders could have been put through but on which no orders have been put through because the producers did not want them.

Let us take, for example, soybeans. The Senator is familiar with that commodity. We had in the law a program that could have been put into effect by the soybean producers of the country. They never used the procedure. With respect to soybean producers and producers of certain other seeds and oils, as well as others who have the same common interest, the committee decided to put them all out. With respect to the soybean producers and cottonseed producers and other producers of oil we felt that they should all be on an equal basis—either put them in or put them out—and we decided to put them all out.

Mr. HICKENLOOPER. My time seems to have slipped away somewhere. I do not know what has happened to it.

Mr. ELLENDER. I gave the Senator 3 additional minutes. I wish to emphasize that orders are not imposed upon producers by the Secretary. It has to be done by the producers themselves. They must make application to the Secretary of Agriculture and say that they are desirous of coming under the program. They present the ways and means by which they think the program ought to work.

It is all presented to the Secretary of Agriculture. He proceeds to work out a program. After the program is worked out, those who may oppose and those who may desire to do something about it are given an opportunity to present their views. After it is perfected, it is submitted to the producers of the commodity affected for a vote.

Mr. CURTIS. I believe what I am going to say will meet with the approval of a majority of the Senate. With respect to any commodity, whether it be

honey or dry beans, or any other commodity, we would not want an interpretation of the law to be that when a marketing order is permissible it is a directive of Congress that the Department of Agriculture shall initiate it; that they should not initiate until there is a clear demand from a majority of the producers. Would the Senator share that view?

Mr. ELLENDER. Exactly; that is the way it is done.

Mr. CURTIS. I do not believe it is in the interest of clarity throughout the country to frighten a great many concerns which feel they are getting along all right and do not want a situation to develop in a field where the Government so far has not had to enter.

Mr. ELLENDER. In addition to the telegrams which the Senator from Nebraska has received, I, too, have received a number of communications. I was informed that the American Beekeeping Federation, which is an association having membership throughout the country, has been trying for some time to have the Marketing Act of 1937 amended so as to include them; so, acting on the advice of a number of producers, the committee decided to include honey.

Mr. HICKENLOOPER. Mr. President, I should like to make a few comments, and then back out of the situation a little. I tried a minute ago to recite the history of this proposal and said I had requests on both sides of the question. I am reminded of a story which is told about a famous Senator who served some years ago. He was asked, with respect to a certain proposal, how he stood. He said:

> Some of my friends favor the bill; some are against it. I want you to know that I always stand with my friends.

As I recall, the committee had no hearings on this subject. No evidence was developed as to whether the honey producers wish to be included or do not.

Mr. ELLENDER. They had the opportunity to testify.

Mr. HICKENLOOPER. Yes; I am not finding fault because there were no hearings on this question. The issue was really not raised on honey until the question began to jell. [Laughter.]

Mr. CURTIS. Did the Senator mean to imply that honey jells?

Mr. ELLENDER. He meant the bill.

Mr. HICKENLOOPER. I think the pectin content is not in issue here. My humble apologies for an unintentional pun.

I simply say that this association, having headquarters in my State, is highly respected and well known throughout the State. When they came in, representing 12 to 14 percent of the honey producers, and said they desired to have an opportunity to come under the law, if they could, I felt that I should represent their case and support it in the absence of good reasons to the contrary.

Now I have received a telegram from an independent producer who is against the proposal. I feel that the provision should be retained at this time. We should leave it in the bill; and if the honey producers wish to come under marketing quotas, they will have the opportunity to vote themselves in. They will have the opportunity to go through the necessary procedure. If they do not wish to be included, they do not have to come in. Therefore, I oppose the amendment.

Mr. McCARTHY. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. McCARTHY. Those who seem at best to even talk about the possibility of honey coming under a marketing order are in the position of one of the witnesses who said he did not want those for whom he was speaking to be in the position where they could if they did not want to. [Laughter.]

Mr. KEATING. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. KEATING. I express my deep sympathy to the Senator from Iowa because he has honey growers in his State who are on both sides of this difficult question. In the State of New York, honey growers seem to be united in wanting to be exempted. That is a very nice situation for the Senator from New York, because it is always distressing to oppose well-intentioned individuals. I wonder whether the Senator from Iowa felt, perhaps, it might be wisest for him to withhold his vote because of the conflicting views of the beekeepers in his State.

Mr HICKENLOOPER. No. I think a time comes when one must cast his vote "yea" or "nay." I think one should stand up and be counted.

Mr. KEATING. One may as well do it on honey.

Mr. HICKENLOOPER. The universal pressure which comes from the Senator's State demands that he should vote on the amendment. I sympathize with the great difficulty he has and with his internal emotion, which is tearing him from one side to the other. I will not say that it has jelled in his own mind as yet. The Senator has my sympathy.

Mr. KEATING. This is the only issue upon which all the people in New York seem to be united. It is a wonderful moment for me.

Mr. HICKENLOOPER. Considering the geographic dispersal of the metropolitan and rural divisions of the State of New York, it certainly is astounding that New York is completely united for once. I congratulate the Senator.

Mr. President, I yield back the remainder of my time.

Mr. HRUSKA. Mr. President, will the Senator from Idaho yield 2 minutes to me?

Mr. CHURCH. Mr. President, I yield 2 minutes to the distinguished Senator from Nebraska.

Mr. HRUSKA. Mr. President, I support the amendment. After all the talk on the subject, I do not know but that all that remains to be said is that honey is honey is honey, just as, last week, we heard, in the words of a poet, that a rose is a rose is a rose, with apologies to the Senator from New York.

I have received communications similar in nature to those received by the Senator from Iowa, but both of them are unanimously in favor of the amendment of the Senator from Idaho. In one instance, Mr. E. H. Adee, of Sutherland, Nebr., says:

> We are opposed to putting honey under a marketing order. We have been selling all the honey produced in United States at a fair price the past several years.

The same sentiment is expressed by Mr. P. E. Braun, of Cairo, Nebr., another well-known producer.

Mr. President, I ask unanimous consent that these communications be printed at this point in the RECORD.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

NORTH PLATTE, NEBR.,
July 17, 1961.

Senator ROMAN HRUSKA,
Senate Office Building,
Washington, D.C.:

Bill to place honey under a marketing order coming up for vote in Senate. We are opposed to putting honey under a marketing order. We have been selling all the honey produced in United States at a fair price the past several years. It seems to me only members of a large honey cooperative want a marketing order, hoping it will give them special favoritism. At the last two annual meetings of the American Beekeeping Federation, members voted to table all marketing orders. We have 3,200 colonies of bees and want to sell our honey as in the past without restrictions.

E. H. ADEE.

SUTHERLAND, NEBR.

CAIRO, NEBR., *July 12, 1961.*

Senator ROMAN HRUSKA,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: I am a professional beekeeper making my living at it. I note that the Senate Agriculture Committee has voted to allow the Secretary to place marketing quotas on honey. This we definitely do not need or want. I protested the increase in support prices recently allowed on honey. If the leftwing Department of Agriculture can get control of enough honey through the increased support prices now in effect they will have us over a barrel like they have the feed grain producer now. With their top support price of 12.9 cents per pound they are going to get a lot of honey. They can then use this as a club to force the honey producer into any kind of a scheme they might devise.

We are selling our honey crops at a good price by our own efforts. All we need is for the New Frontiersmen to leave us the hell alone and we will get along just fine.

Very truly yours,

P. E. BRAUN.

Mr. CHURCH. I thank the Senator from Nebraska.

Mr. President, I yield 2 minutes to the distinguished Senator from Kansas.

Mr. CARLSON. Mr. President, I join in supporting the amendment of the Senator from Idaho [Mr. CHURCH]. I have received many communications from Kansas. The producers of our State, who produce a substantial amount of honey, are all opposed to being included in the marketing orders. I placed in the RECORD on Monday of this week several telegrams to that effect. Therefore, I appreciate the opportunity to vote for the amendment of the Senator from Idaho.

Mr. CHURCH. I thank the Senator from Kansas.

Mr. President, it has been urged that the industry is divided, and that this is a reason for including the industry within the marketing order provision of the bill.

I would say that when an industry is divided, it is a better argument for leaving it out of the bill. Moreover, the best evidence available indicates that the great majority of independent bee producers of the country are against being included in the bill. Twice they have met in their conventions, in 1960 in Phoenix, and in 1961 they again reaffirmed, in Omaha, a resolution passed the Phoenix meeting a year earlier, in which they expressed their opposition to having their industry brought under marketing orders. So I believe the industry has expressed itself very clearly, at two of its recent conventions, and by large majorities, as being opposed to the inclusion of their industry under the marketing order provision of the bill.

Mr. PROXMIRE. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I yield for a question.

Mr. PROXMIRE. Does the Senator have a copy of the resolutions adopted by the association?

Mr. CHURCH. I do not have a copy of the resolution with me, but I am advised that these two resolutions were adopted at the two meetings. I am sorry that I cannot at this time present the resolutions. Does the Senator from Wisconsin know of any reason to dispute my statement?

Mr. PROXMIRE. No; except that I think the wording of the resolutions would be extremely important. I can understand why they would not want a marketing order forced on the industry. On the other hand, they might have taken a position that they should not have a marketing order when two-thirds of the producers voted in favor of it. So the wording would be very important.

If they said they did not want Congress to pass a law requiring them to come under something like this, that would be one thing; but that is not what the bill provides. The bill leaves it open to them, and by a very large and decisive majority.

Mr. CHURCH. The Senator from Wisconsin is quite correct. I think the members of the industry are familiar with the procedures that normally obtain in establishing marketing orders, and they must have had those procedures in mind at the time they passed the two resolutions. So I repeat that on the best evidence that is available at present to us, the industry is opposed. Moreover, there is no substantive reason why the industry should be brought within the provisions of the bill. Honey has been doing exceptionally well. It has been selling above the support price for the last 7 or 8 years. There is no emergency for the honey producers of the Nation. The majority of them seem to have indicated that they wish to be left out.

The honey-producing industry is a very small one. In its entire aggregate, it amounts to only $30 million worth of business a year.

It is spread over a very large number of independent beekeepers in 49 States. Therefore, it is the kind of industry that is not easily susceptible to marketing orders.

So, Mr. President, from the substantive standpoint, it seems to me there is no reason to include honey producers in the bill. Judging from the best evidence that is available, the honey producers are against it.

When we combine the two considerations, it seems there is a good case for excluding them from the bill, as the House committee did a few days ago.

Therefore, Mr. President, I think the amendment is worthy of support; and I hope the Senate will adopt it.

Mr. CARLSON. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I yield.

Mr. CARLSON. I should like to read a telegram which I placed in the RECORD on July 24. I believe it confirms the statement the distinguished Senator from Idaho has made.

The telegram reads as follows:

KANSAS CITY, MO.,
July 21, 1961.

Hon. FRANK CARLSON,
Senate Office Building,
Washington, D.C.:

No emergency exists on Senate bill 1643. No. 2: Honey selling above support price past 7 to 8 years, because of free movement to markets. No. 3: Honey industry has enviable record with little or no purchases in recent years by Commodity Credit under support. No. 4: Marketing controls will destroy normal channels distribution. Hold umbrella over imported honey, which is already starting to come in. No. 5: National honey producers and dealers voted overwhelmingly rejection marketing orders. No 6: Marketing orders are impractical and unworkable when applied to the honey industry with estimated 400,000 beekeepers. Would appreciate very much if you will exert every effort to delete this Senate bill 1643.

HICKS BROKERAGE CO.,
O. H. HICKS.

That telegram comes from the honey producers in my section of the country.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield 5 minutes to me?

Mr. ELLENDER. I yield 5 minutes to my friend, the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. HOLLAND. Mr. President, I have had very little correspondence from my State on this subject, although Florida does happen to be a sizable producer of honey. However, included in the small group of letters on this subject is one letter which I regard as so persuasive that I ask unanimous consent to have it printed at this point in the RECORD, as part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COGGSHALL HONEY HOUSE,
Minneola, Fla., July 15, 1961.

Hon. SPESSARD HOLLAND,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HOLLAND: Recently, the Agriculture Committee of the House of Representatives, while considering the proposed Agricultural Act of 1961, included honey in the commodities eligible for a marketing agreement. This seems to have stirred up a "tempest in a teapot"; the old classic struggle between a large number of poorly organized producers trying to better their lot, and a few well organized processors and packers trying to keep things as they are now.

For some unknown reason, honey was one of six commodities that were specifically restricted from considering a marketing agreement in the Agricultural Act of 1938. Recently, the honey producers, through their national organization, the American Beekeeping Federation, have been trying to see if they could not improve their business by (1) compulsory deductions for honey promotion and research, and (2) selling honey by U.S. grades by the use of a national honey marketing agreement. However, the restriction imposed in 1938 prevents any thorough study of the advantages and disadvantages of such a marketing agreement. Those who do not believe an agreement would handle the situation are using the above-mentioned restriction as a gag to prevent the entire industry from making a study of all the facts and expressing their own decision for themselves.

While I happen to believe that a proper type of marketing agreement would benefit the honey industry, I am much more concerned about the basic, fundamental unfairness of those who are not willing to let all the facts be brought out and discussed and then let all the honey people vote on the matter. The prevention of this right for an individual to decide for himself the merits of the matter closely resemble the acts of dictators, who are also unwilling to trust the actions of their subjects, if they are allowed freedom of discussion.

The steps between the consideration of a marketing agreement by a group and its adoption, as outlined by the 1938 law, are long and fully protect everyone's rights. Should an agreement be adopted and prove unworkable, it can be quickly done away with.

The producers of Florida oranges, grapefruit, limes, and Temple have continued since the late 1930's to use a national marketing agreement to protect the quality of their fresh fruit shipments out of the State. The California honey people have been operating a California Honey Advisory Board, under their State marketing agreement act, for several years, and it is an outstanding example of self-help by honey producers and honey packers. It seems to prove that people can work together for mutual benefit, if given the chance and the proper vehicle to work with.

The honey producers would like to have the opportunity to study all sides of the matter and arrive at their own conclusions. At present, this can only be done if honey is allowed to be eligible for a national marketing agreement, and I respectfully ask your help in this matter.

Yours truly,

MILLARD V. COGGSHALL.

Mr. HOLLAND. Mr. President, I should like to read three statements from the letter, which I think persuasive, and I think Senators may be interested in them.

The first is as follows:

While I happen to believe that a proper type of marketing agreement would benefit the honey industry, I am much more concerned about the basic, fundamental unfairness of those who are not willing to let all the facts be brought out and discussed and then let all the honey people vote on the matter. The prevention of this right

for an individual to decide for himself the merits of the matter closely resembles the acts of dictators, who are also unwilling to trust the actions of their subjects, if they are allowed freedom of discussion.

I find that a very persuasive statement.

The second one is as follows:

The producers of Florida oranges, grapefruit, limes, and Temple have continued since the late 1930's to use a national marketing agreement to protect the quality of their fresh fruit shipments out of the State. The California honey people have been operating a California Honey Advisory Board, under their State marketing agreement act, for several years, and it is an outstanding example of self-help by honey producers and honey packers. It seems to prove that people can work together for mutual benefit, if given the chance and the proper vehicle to work with.

The third statement is as follows:

The honey producers would like to have the opportunity to study all sides of the matter and arrive at their own conclusions. At present, this can only be done if honey is allowed to be eligible for a national marketing agreement, and I respectfully ask your help in this matter.

Mr. President, I think those are three rather sound statements. Incidentally, they come from the operator of a well-known concern in the honey industry, at Minneola, Fla., Mr. Millard V. Coggshall, who operates the Coggshall Honey House, at Minneola, Fla.

I see no reason why, following the action taken by the committee, we should not leave this provision in the bill, so the producers of honey can, if they wish to do so, have a marketing agreement; or so that a group of them, if they prefer to handle the matter in that way, can have a marketing agreement; or, if they do not want to have a marketing agreement, so they can vote it down. I believe it is in the interest of the democratic handling of the matter by the producers of a relatively small agricultural commodity, in terms of total value, to give them this right, which I think they will use wisely. My observation of the honey producers in my State and those in other States is that they are very high-class people; and I think they will proceed to handle a matter of this kind in a very orderly and fine way, and I believe it desirable that they have an opportunity to do so.

Mr. President, I yield back the remainder of the time which has been made available to me.

Mr. CHURCH. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of a letter I have received from Mr. Ken Bradshaw, dated February 11, 1960, in which he sets forth in very cogent style the reasons why he believes the amendment should be supported; and also a resolution of the Idaho State Beekeepers Association, adopted at their convention at Idaho Falls, Idaho, on November 14, 1959, opposing the inclusion of honey under the Federal marketing control provisions of this act.

There being no objection, the letter and the resolution were ordered to be printed in the RECORD, as follows:

R. D. BRADSHAW & SONS,
Wendell, Idaho, February 11, 1960.

Re Senate bill 1989 and House bill H.R. 8269.

Hon. FRANK CHURCH,
U.S. Senator from Idaho.
Senate Office Building,
Washington, D.C.

DEAR SENATOR: The National Honey Packers and Dealers Association held their national convention in Phoenix, Ariz., the week of January 11, 1960, and passed the attached resolution to kill the above bills. Senate bill 1989 and House bill H.R. 8269 were introduced in 1959 for the purpose of placing honey under Federal marketing agreements and orders. Our organization, after due study and evaluation concluded beyond any reasonable doubt that Federal marketing agreements and orders would be harmful to our industry and the attached copy of resolution sets forth specific reasons why our organization has requested that the above bills be killed.

For your posting the American Beekeeping Federation held their meeting in Phoenix the week of January 11, 1960, and that organization also voted overwhelmingly (2 to 1) that the above bills be tabled.

Also the Idaho State Beekeepers Association in their annual meeting held in Idaho Falls, Idaho, November 14, 1959, passed a resolution opposing the above bills. I am enclosing herewith a copy of this resolution signed by Neil Miller, Blackfoot, Idaho, president of Idaho State Beekeepers Association.

You can rest assured that the honey people including those in Idaho are definitely opposed to Federal marketing agreements and orders and passage of these bills would be harmful and detrimental to the honey industry.

These two bills are now in the Agriculture Committees of House and Senate, and because of the strong opposition to Federal marketing agreements and orders it is not likely there will be any request to bring these bills out of the committee. However, should pressure develop to bring these bills up for discussion or a hearing, we kindly ask you to keep us advised of any developments, and help us kill the two bills.

The attached documented report gives the basic reasons why the honey industry is opposed to this legislation.

Yours very truly,

R. D. BRADSHAW & SONS,
KEN BRADSHAW

RESOLUTION

We, the Idaho State Beekeepers Association, assembled at Idaho Falls, Idaho, on this 14th day of November 1959, are opposed to Federal marketing controls, orders and agreements on honey as established under the Agricultural Adjustment Act of 1937, and because legislation now before the U.S. Congress (S. 1989 and H.R. 8269) will permit establishment of machinery for initiating marketing orders, controls and agreements, we hereby resolve that our association go on record as opposing Senate bill 1989 and House bill H.R. 8269.

STATE BEEKEEPERS ASSOCIATION,
NEIL J. MILLER, *President.*

Mr. CHURCH. Mr. President, I think this matter has been discussed fully on both sides. Therefore, I yield back the remainder of the time available to me.

The PRESIDING OFFICER. Does the Senator from Louisiana yield back the remainder of the time available to him?

Mr. ELLENDER. Mr. President, I do not know of any other Senator who desires to be heard at this time; and, so far as I am concerned, I am willing to yield back the remainder of the time under my control.

The PRESIDING OFFICER. All remaining time has been yielded back.

The question is on agreeing to the amendment of the Senator from Idaho.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that further proceedings under the quorum call be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment of the Senator from Idaho has been yielded back. The question is on agreeing to the amendment.

Mr. CHURCH. Mr. President, I ask for a division.

On a division, the amendment to the amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KEFAUVER. Mr. President, I call up my amendment identified as "7-25-61—E."

The PRESIDING OFFICER. The amendment offered by the Senator from Tennessee will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 139, line 8, delete the period, insert a colon and the following words:

Provided, however, That nothing contained in this subsection shall limit the application of the Sherman Act (15 U.S.C. 1 and 2), the Clayton Act (15 U.S.C. 18), as amended, or the Capper-Volstead Act (7 U.S.C. 291, 292).

Mr. KEFAUVER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. How much time does the Senator from Tennessee yield himself?

Mr. KEFAUVER. I yield myself 10 minutes.

Mr. President, subsection (b) of section 401 of the bill provides:

Two or more cooperative associations, as defined in the Agricultural Marketing Act of 1929, as amended, may act jointly in a federation of such cooperative associations, or through agencies in common, in performing those acts which farmers acting together in one such association may lawfully perform.

It was my argument on yesterday that this provision substantially took federations of cooperatives, or several cooperatives that enter into agreements with one another, out from under the antitrust laws, to wit, the Sherman Act.

It was also my argument that this provision took purchasing and servicing cooperatives out from under the restriction of the Capper-Volstead Act, in that the Capper-Volstead Act as passed applied only to marketing cooperatives. The enlarged definition of cooperatives,

by referring to the Agricultural Marketing Act, brings into this section service cooperatives and buying cooperatives.

I also stated that the courts might decide, and it could be reasonably argued, that even as to selling cooperative federations, as defined under the original Capper-Volstead Act, the limitation of section 2 would not apply, because the Capper-Volstead Act refers to cooperative associations, and not to federations of associations.

In the debate, yesterday, some of the sponsors of the bill took exception to the interpretation that this provision would substantially take agreements between cooperatives, or federations of cooperatives, out from under the antitrust laws. I refer Members of the Senate, in this connection, to the statement which appears on page 13358 of the RECORD of yesterday, a speech by the Senator from Louisiana [Mr. ELLENDER], chairman of the Committee on Agriculture and Forestry, and the Senator in charge of the bill on the floor of the Senate. Among other things, the Senator from Louisiana said:

> The law is not changed in this respect. This is a right that many of us familiar with the law have always thought that farmers cooperatives had. We wish for cooperatives no special privileges, but only to retain those rights which have been theirs for many years.
>
> As was stated on the floor on several occasions, Mr. Saunders, from the Justice Department, was before the committee when the bill was marked up. It was his view that section 401(b) did not prevent the Justice Department from acting under the antitrust laws.
>
> It would appear to me that if the powers of the Justice Department were reduced in any manner that they would have objected and the language would not have been included in the bill. However, in his letter to me, the Attorney General indicated that section 401(b) was in the bill as transmitted to the Congress by the President. The inference is clear in this respect that the Justice Department has no objections to its inclusion.

Of course, in his statement the Senator talked about other matters.

The Senator from Wisconsin [Mr. PROXMIRE], who has been much interested in the proposed legislation, also said a gentleman from the Department of Justice was present when the bill was being marked up. The inference to be drawn from the statement of the Senator from Wisconsin [Mr. PROXMIRE] was that he doubted if immunity was being given from the antitrust laws, which I have stated to be the case.

The distinguished Senator from Florida [Mr. HOLLAND] suggested it was not his intention, at least, that the proposed legislation would authorize cooperatives, acting together by an agreement or by a federation, to boycott, to blacklist, or to divide markets.

Mr. President, I felt the issue ought to be clearly presented to the Senate. The amendment will make it clear that if, at the present time, cooperatives, acting together by agreement, restrain trade by boycotting, blacklisting, dividing of markets, or other acts which are per se violations of section 1 of the Sherman Act, the legislation does not remove the applicability of the Sherman Act.

Mr. President, the Capper-Volstead Act is included in the amendment which I have offered, because I think it ought to be clear that the provisions of section 2 of the Capper-Volstead Act would apply to actions of service and purchasing cooperatives, which were included in the Agricultural Marketing Act of 1929, as well as actions of selling cooperatives, which are included in the original Capper-Volstead Act.

Mr. President, I wish to point out again that the amendment will not prohibit cooperatives from acting together or even boycotting, blacklisting, dividing markets or engaging in any kind of restraint of trade, so long as they act singly, unless the action reaches a proportion which would be a violation of the Sherman Act.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. KEFAUVER. Mr. President, I yield myself such other time as I may require.

Mr. President, the history of this problem is that cooperatives have been acting in federations from time to time. They have been merging. They have been entering into agreements. They have strengthened themselves in efficiency in some cases by so doing. The Department of Justice has not complained.

The only thing which would be prevented by the amendment would be some larger restraint of trade, some larger merger, some larger and more predatory blacklisting or discrimination against some smaller competitor.

Some Senators who voted against the amendment presented by me yesterday, to strike out the section, indicated they did not wish to limit the application of the antitrust laws to the action of cooperatives entering into agreements or operating under a federation. This amendment will give Senators an opportunity to vote definitely "yes" or "no" on that question.

Mr. President, I shall be glad to have the opponents of the amendment take some time. I have stated my case.

Mr. HOLLAND. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time necessary for the call of the roll being charged to either side. The chairman of the committee is having lunch. I should like to have some time to get him to the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? The Chair hears none, and it is so ordered.

Mr. HOLLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLAND. Mr. President, I yield myself 5 minutes. The amendment states—

> *Provided, however,* That nothing contained in this subsection shall limit the application of the Sherman Act (15 U.S.C. 1 and 2), the Clayton Act (15 U.S.C. 18), as amended, or the Capper-Volstead Act (7 U.S.C. 291, 292).

The amendment provides that nothing shall limit the application of the three measures, two of which are opposite or different in their meaning from the third measure, the Capper-Volstead Act. The Capper-Volstead Act was designed to exempt producers of agricultural products from many aspects of the antitrust law.

I ask unanimous consent that the provisions of the Capper-Volstead Act be printed at this point in the RECORD.

There being no objection, the act was ordered to be printed in the RECORD, as follows:

CAPPER-VOLSTEAD ACT

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That persons engaged in the production of agricultural products as farmers, planters, ranchmen, dairymen, nut or fruit growers may act together in associations, corporate or otherwise, with or without capital stock, in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce, such products of persons so engaged. Such associations may have marketing agencies in common; and such associations and their members may make the necessary contracts and agreements to effect such purposes: *Provided, however,* That such associations are operated for the mutual benefit of the members thereof, as such producers, and conform to one or both of the following requirements:

First. That no member of the association is allowed more than one vote because of the amount of stock or membership capital he may own therein, or,

Second. That the association does not pay dividends on stock or membership capital in excess of 8 per centum per annum.

And in any case to the following:

Third. That the association shall not deal in the products of nonmembers to an amount greater in value than such as are handled by it for members.

SEC. 2. If the Secretary of Agriculture shall have reason to believe that any such association monopolizes or restrains trade in interstate or foreign commerce to such an extent that the price of any agricultural product is unduly enhanced by reason thereof, he shall serve upon such association a complaint stating his charge in that respect, to which complaint shall be attached, or contained therein, a notice of hearing, specifying a day and place not less than 30 days after the service thereof, requiring the association to show cause why an order should not be made directing it to cease and desist from monopolization or restraint of trade. An association so complained of may at the time and place so fixed show cause why such order should not be entered. The evidence given on such a hearing shall be taken under such rules and regulations as the Secretary of Agriculture may prescribe, reduced to writing, and made a part of the record therein. If upon such hearing the Secretary of Agriculture shall be of the opinion that such association monopolizes or restrains trade in interstate or foreign commerce to such an extent that the price of any agricultural product is unduly enhanced thereby, he shall issue and cause to be served

upon the association an order reciting the facts found by him, directing such association to cease and desist from monopolization or restraint of trade. On the request of such association or if such association fails or neglects for 30 days to obey such order, the Secretary of Agriculture shall file in the district court in the judicial district in which such association has its principal place of business a certified copy of the order and of all the records in the proceeding, together with a petition asking that the order be enforced, and shall give notice to the Attorney General and to said association of such filing. Such district court shall thereupon have jurisdiction to enter a decree affirming, modifying, or setting aside said order, or enter such other decree as the court may deem equitable, and may make rules as to pleadings and proceedings to be had in considering such order. The place of trial may, for cause or by consent of parties, be changed as in other causes.

The facts found by the Secretary of Agriculture and recited or set forth in said order shall be prima facie evidence of such facts, but either party may adduce additional evidence. The Department of Justice shall have charge of the enforcement of such order. After the order is so filed in such district court and while pending for review therein the court may issue a temporary writ of injunction forbidding such association from violating such order or any part thereof. The court may, upon conclusion of its hearing, enforce its decree by permanent injunction or other appropriate remedy. Service of such complaint and of all notices may be made upon such association by service upon any officer or agent thereof engaged in carrying on its business, or on any attorney authorized to appear in such proceeding for such association, and such service shall be binding upon such association, the officers, and members thereof.

Mr. HOLLAND. Mr. President, the act provides:

That persons engaged in the production of agricultural products as farmers, planters, ranchmen, dairymen, nut or fruit growers may act together in associations, corporate or otherwise, with or without capital stock, in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce, such products of persons so engaged. Such associations may have marketing agencies in common; and such associations and their members may make the necessary contracts and agreements to effect such purposes:

The purpose of the act was to relieve from the application of the antitrust laws agricultural producers who might seek the benefit of collective arrangements for the doing of the things covered by the act. Such was the purpose of the law. The law was not intended to exempt such producers entirely.

As I maintained yesterday in the Senate, and shall always maintain, such producers are subject to certain provisions of the antitrust laws, but the act was intended to make it affirmatively clear that they could associate themselves together collectively in the forms stated to process, to prepare for market, to handle, and to market in interstate and foreign commerce their agricultural products.

It permitted them specifically to have marketing agencies in common, which meant that they could not be charged with illegal combinations in restraint of trade in such a case, and that such associations and their members might make the necessary contracts and agreements to effect such purposes. If the distinguished Senator wished to change his amendment so as to provide that—

Nothing contained in this subsection shall limit the application of the Capper-Volstead Act—

I should have no objection to such an amendment. But so long as he includes the other provisions, which the Capper-Volstead Act sought definitely and deliberately to create relief against for the benefit of agricultural producers, I could not support the amendment. The wording is like providing in the amendment, "We are for both black and white, and we hope they will both prevail." That is the purport and meaning of an amendment of this kind.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. HOLLAND. I shall yield in a moment.

The Capper-Volstead Act is designed to protect from certain aspects of the antitrust laws the producers of agricultural commodities. It is effective to that end. It has been held repeatedly to be so effective.

What we are trying to do is to give the producers of agricultural products who are availing themselves of that act greater repose, greater assurance that they are proceeding under it and under its philosophy; not to make it more doubtful, and certainly not to say that they must act in such a way that they are not in any way in violation of any provision of the Clayton Act or of the Sherman Act. I yield to the Senator from Tennessee.

Mr. KEFAUVER. The purpose of the amendment, or at least my intent, is a little different from what the Senator has stated. To the extent that the Sherman Act or the Clayton Act may now be applicable to cooperatives acting by joint agreement or in a federation, my intention is that the law would still be applicable to that extent. I would be satisfied if the law were made applicable to sections 1, 2, and 3 of the Sherman Act, which sections have to do with boycotting, blacklisting, monopoly, and dividing up the market, if such language would make the amendment more acceptable to the Senator. If the law is not now applicable to cooperatives acting in a federation, the amendment would not make it applicable. It merely provides "shall limit the application."

I understood from the statement of the Senator yesterday that it was not his intention that the application of the antitrust laws, such as it might be, would be limited, or that he wanted it limited by the passage of subsection (b). The reason the Capper-Volstead Act is included is to make certain that nothing will be taken away from cooperatives, that they will have the right set forth in the Capper-Volstead Act, and also that the remedial section, section 2, would apply to purchasing cooperatives and service cooperatives as well as to marketing cooperatives.

Mr. HOLLAND. Mr. President, I accept at complete face value the statement of the Senator as to what he intends to do. But I say again that the meaning of the amendment, as I interpret it, and as I think its clear wording requires it to be interpreted, is that:

Nothing herein shall limit the application of the Sherman Act or of the Clayton Act or of the Capper-Volstead Act—

When all Senators know perfectly well—and the Senator from Tennessee is perhaps the best educated man in the Chamber in this field—that the Capper-Volstead Act was deliberately framed to eliminate from the operation of the antitrust laws the farmers of our country when they proceed under the Capper-Volstead Act.

Mr. President, I recognize for 5 minutes the Senator from Wisconsin [Mr. PROXMIRE].

The PRESIDING OFFICER. The Chair recognizes the Senator from Wisconsin.

Mr. PROXMIRE. It is difficult for the Senator from Wisconsin, in reading the amendment of the Senator from Tennessee, identified as 7-25-61-E, to come to any conclusion except that the amendment, if adopted, would accomplish exactly what the amendment which was rejected yesterday would have accomplished. It would in effect strike out subsection (b) of section 401 of the bill. The purpose of subsection (b) is to reaffirm the exemption which cooperatives have enjoyed and needed from the Clayton Act and from antitrust laws for certain purposes. This Kefauver amendment would obviously destroy that purpose.

I believe that subsection (b) can only be appreciated if it is viewed in connection with the committee report, which I believe helps us in this situation. I honestly feel that both the Senator from Tennessee and members of the committee had the same objective in mind. The Senator from Tennessee is perfectly correct when he states that there is no intention in the Committee on Agriculture and Forestry to permit cooperatives or any other economic institution to engage in any predatory practices. I call attention to page 77 of the report. I believe this subsection should be read in connection with the committee report, which states the firm intention of the committee in offering the bill. It makes it very clear, indeed. It reads:

Section 401(b)—Joint action of cooperatives: This subsection clarifies and affirms the right of farmer cooperatives to act jointly in a federation of such cooperative associations, or through agencies in common, in performing those acts which farmers acting together in one such association may lawfully perform. Section 1 of the Capper-Volstead Act (7 U.S.C. 291) covers farmer cooperatives that are "collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce" the products of "persons engaged in the production of agricultural products as farmers," etc. It does not expressly mention federations of such cooperatives. Moreover, it has generally been interpreted to exclude farmer cooperatives which purchase farm supplies or perform farm business services.

The reason for this subsection is then stated in the committee report:

Since a 1930 ruling of the Attorney General (36 Op. Atty. Gen. 326), the act has been considered to include federations of marketing cooperatives—that is cooperative

corporations organized under State cooperative statutes and having as members only local cooperative corporations also organized under their State cooperative statutes or producers of agricultural products. However, in *Sunkist Growers, Inc.* v. *Winckler and Smith Citrus Products Co.* (284 F. 2d 1 (1960)), the Court said:

"We do not now understand (since the Milk Producers decision) that different agricultural cooperatives, combining together, are entitled to claim a total immunity for acts which they may lawfully do unilaterally, any more than individuals may claim for certain of their joint actions the same immunity under antitrust laws which would exist as to their several independent acts."

It was the feeling of the committee that because of that particular court decision the intent of Congress to provide for some degree of exemption for cooperatives and federations of cooperatives, specifically from the Capper-Volstead Act, was now prejudiced. Therefore it felt, in order to protect federations of cooperatives, according to the intent of the Capper-Volstead Act, it was necessary to insert this provision. The report continues to explain this situation. I shall read further from the report, because I believe it demonstrates the view in the light of what the intent of the committee is, as expressed in the committee report:

This language seems to cast doubt on the right of two or more cooperatives to do through a corporate federation or incorporated joint sales agency all things which they may lawfully do unilaterally, without indicating possible areas of illegality. In order to remove the uncertainties created by this language, subsection (b) states affirmatively that two or more cooperatives, as defined in the Agricultural Marketing Act of 1929, as amended, "may act jointly in a federation of such cooperative associations, or through agencies in common in performing those acts which farmers acting together in one association may lawfully perform." The federation or joint sales agency would be a formal, incorporated cooperative properly incorporated under a State cooperative law and having as members only bona fide cooperatives also so incorporated or producers of agricultural products. The corporate powers of the federation or joint sales agency would be limited by the State statute and the express term of its articles and bylaws. This language will cover not only marketing cooperatives but also cooperatives purchasing farm supplies or rendering farm business services, since the definition of a "cooperative association" contained in the Agricultural Marketing Act of 1929, as amended (12 U.S.C. 1141j) covers all three types of cooperatives.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield 2 more minutes to the Senator from Wisconsin.

Mr. PROXMIRE. It is clear that the intention of the authors of the bill and the intention of the committee was simply to provide that federations of cooperatives, as very carefully defined in the committee report and as defined in the Capper-Volstead Act, should have this particular exemption. It is clear that the Attorney General of the United States and his principal expert in antitrust matters, Mr. Lee Loevenger, as well as the expert who conferred with the committee, Mr. Saunders, agreed that this would not significantly change the status of cooperatives; that it would not give them any additional privilege which would diminish the power which the Antitrust Division of the Attorney General's office has had under laws in the past; that its purpose was simply to clarify the law in view of this court decision, which seemed to prejudice the position of cooperatives.

I yield back the remainder of my time.

Mr. ELLENDER. I yield 7 minutes to my colleague from Louisiana.

Mr. KEFAUVER. I wish the Senator would yield to me briefly so that I might modify my amendment.

Mr. LONG of Louisiana. I yield for that purpose to the Senator from Tennessee on his time.

Mr. KEFAUVER. Yes.

Mr. LONG of Louisiana. What is the wish of the Senator from Tennessee?

Mr. KEFAUVER. In light of my discussion with the Senator from Florida, I would like to modify my amendment.

Mr. ELLENDER. I understand such request requires unanimous consent.

The PRESIDING OFFICER. That is correct.

Mr. ELLENDER. I object.

Mr. LONG of Louisiana. As I understand the amendment, it seeks to completely negative the intent of subsection (b), which would permit farm cooperatives to act to achieve the same objective——

Mr. AIKEN. Mr. President, if the Senator will yield briefly, there is some confusion as to what amendment is under consideration. I thought it was an amendment to strike out subsection (c). Now I understand that it is an amendment to strike out paragraph (b).

The PRESIDING OFFICER. The amendment before the Senate is identified as 7–25–61–E.

Mr. LONG of Louisiana. Mr. President, starting in 1914, Congress passed a law to make it clear that under the Sherman Act, which outlaws any combination in restraint of trade, Congress did not have in mind the organization of a labor union seeking to better wages and better working conditions for labor; nor did it intend to apply the terms of that act to farm cooperatives in which a group of farmers seek to associate themselves together to achieve the same objective.

Let me read a section from the Clayton Act, which makes it very clear that so far as Congress is concerned, going back to 1914, it regarded a farm cooperative as posing much the same problem as a labor union. I ask Senators to note this language in the Clayton Act, as written in 1914:

SEC. 6. That the labor of a human being is not a commodity or article of commerce. Nothing contained in the antitrust laws shall be construed to forbid the existence and operation of labor, agricultural, or horticultural organizations, instituted for the purposes of mutual help, and not having capital stock or conducted for profit, or to forbid or restrain individual members of such organizations from lawfully carrying out the legitimate objects thereof; nor shall such organizations, or the members thereof, be held or construed to be illegal combinations or conspiracies in restraint of trade, under the antitrust laws.

Not just the same section, not just the same paragraph, but the same clause gave a labor organization an exemption from the Sherman Act as a result of the Danbury Hatters decision, under which they were held to be regulated, and which was a case decided in Connecticut some years previous to that.

But the very next word, following the one which exempted labor, exempted farm cooperatives. Subsequently, it was found desirable that farm cooperatives should be able to incorporate, so as to enable them to obtain some of the managerial efficiencies of corporations. In view of the fact that individuals were permitted to organize, if they wanted to use the corporate form, an amendment to the law was necessary. So what happened? Congress amended the law to provide that farmers, by incorporating, could achieve the efficiency of operation of corporations. A farmers' cooperative could do that. It could operate as a corporation. It could expand without limit, but with the exception that there is a built-in price-control provision in the same act, the Capper-Volstead Act, which provides that in the event a farm organization gets so large or so strong that it causes prices to get out of line, the Secretary of Agriculture has both the right and the duty to cite the organization, to conduct a hearing, and to require the organization to reduce prices to an amount which is reasonable. That is the law.

But farm organizations have never grown as big as some persons feared they would. They have never grown so big as to justify the Secretary of Agriculture using this power. In other words, since 1922, a period of almost 40 years, the farm cooperatives have never been able to control the prices of their commodities so as to get unreasonably high prices for them. Thus the Secretary of Agriculture has never had any need to act.

Quite the contrary. His actions have had to be in the opposite direction. He has had to use the powers of the Federal Government to try to get farm prices up, because farmers were not making enough to enable them to survive on the farms and continue their operations.

In this very District of Columbia, for example, the price which the milk farmers get is determined by a marketing order of the Secretary of Agriculture. It provides that they shall not sell their milk, or the producer cannot buy their milk, for less than a stated price. In the District of Columbia, the big four milk processors operate under that regulation. The largest of them is Sealtest, which controls 40 to 60 percent of the business.

I know the Senator from Tennessee would never for a moment do what I would believe to be economic justice and agree to amend his amendment to include labor organizations. He will not tell labor organizations that they cannot decide with whom they want to do business. He will not tell labor organizations that if one of them walks out on strike, the others cannot do so also. He will not tell labor organizations that they can or cannot provide workers on a certain job.

Labor in large measures is in exactly the same position occupied by farmers, because most farm commodities represent a much higher degree of labor than do the products of labor and capital.

So it would be the most unfair, most outrageous thing I could conceive of to say that an airline pilot, making $35,000 a year, is permitted to do all these things to improve his conditions and his wages and his income, as if he were not doing them anyhow. That is what the amendment would do. It would completely negate the effort of one farm organization to cooperate with another. It would provide that in the Land O' Lakes Federation, in Wisconsin, a group of small milk cooperatives, one producer could not agree with another that one would process the other fellow's milk into butter, while the other would take the first man's milk production and make it into powdered milk—a so-called exclusive agreement, one to process the butter, and the other to process the milk.

That would not be permitted; it would be against the Senator's amendment.

Farmers and laborers were never intended to be treated as business corporations in the Sherman Antitrust Act.

The moment the Danbury Hatters decision was rendered, the Nation was shocked. Yet the Senator from Tennessee wants to put the farmers in the position of coming under the Antitrust Act. If he wants to take it out on someone, why not include the labor unions? Why not put them in? If he seeks to protect farm cooperatives, and those who work on farms, and who oftentimes work harder for the money which they make to earn a higher income than is made in organized labor, it would be most unfair for the Senator to favor all these giant labor unions, where Hoffa can work with any union in America, and put anybody out of business, but a little farm cooperative, in which farmers join together, one to process butter, the other to process milk into powder, is against the law. Why discriminate against a little cooperative?

Eighty percent of the little co-ops do not have a million dollars of business in volume and I submit it would be most unfair to deny them the benefit of an opportunity to work and try to support one another in a parallel course of action, so as to increase their income, with a firm provision written into the law that if they ever get unreasonably high prices, the Secretary of Agriculture has to do everything possible to bring the prices down again, a power he has never needed in 40 years, because farm income has always been too low.

Congress is asked to pass price control legislation involving millions of dollars worth of goods. Why not let a few farmers try to help themselves? That is what the committee is trying to do. I applaud the committee for doing it. I hope the amendment will be rejected.

Mr. ELLENDER. Mr. President, I yield myself 1 minute.

I thought the Senate had gone on record yesterday in deciding the issue. The distinguished Senator from Tennessee made an effort to strike section 401(b) from the bill, but he failed by a vote of 39 to 57. As was stated by the distinguished Senator from Florida [Mr. HOLLAND], it strikes me that the amendment which the Senator from Tennessee now proposes would make the situation worse.

Section 401(b) is designed to clarify the relationship of the antitrust laws to farmer cooperatives. Ever since a 1930 opinion of the Attorney General, federations of farm marketing cooperatives have been considered to have the authority stated in section 401(b). The Capper-Volstead Act authorizes farmers to join together in marketing cooperatives and authorizes such cooperatives to have marketing agencies in common. A federated cooperative is a cooperative whose members are cooperatives. The members of the member cooperatives in turn would have to be farmers. The federated cooperative is therefore, in essence, an association of farmers.

Only recently, in 1960, the right of different agricultural cooperatives, combining together, to claim immunity for acts which they may lawfully do unilaterally has been questioned. The purpose of section 401(b) is to remove this question, to make it clear that federated cooperatives may do what it has always been assumed they could do, namely, to do whatever any one of them could legally do alone.

The amendment of the Senator from Tennessee would have an effect opposite to that intended by section 401(b). Instead of clearing up the situation, the amendment would provide that any provision of the Clayton or Sherman Acts which might conceivably be applicable shall continue to be applicable. It leaves the cooperatives in the same doubtful situation that they are in today.

In fact, it increases those doubts by legislatively suggesting that they are now prevented in some way by the named acts from doing together what they might lawfully do alone.

This amendment would further cloud a situation which badly needs clarification, and I hope that the amendment will be rejected.

Mr. President, if it is agreeable to the Senator from Tennessee to vote now, I shall yield back the rest of the time available to me.

Mr. KEFAUVER. Mr. President, I shall speak for about 2 minutes; then I shall yield back the rest of my time.

The Senator from Louisiana speaks about small farmers cooperating together. I am completely in favor of small cooperatives working together, whether they be selling cooperatives under the Capper-Volstead Act, purchasing cooperatives, or service cooperatives. Indeed, today they are working together. They can continue to do so.

The only time sections 1 or 2 of the Sherman Antitrust Act, or any other antitrust act would prohibit them from doing anything together, or working and cooperating together, would be if they engaged in predatory practices, to wit, blacklisting, boycotting, or dividing markets, or if they became a monopoly as that term is interpreted under the antitrust laws. I do not believe any Senator desires cooperatives working together to become so powerful that they can join together and, through a common agreement, boycott a small competitor; that they can blacklist and say that they will not buy milk from this group or that group; or that they can say, "You will have the market in the eastern part of Tennessee, while I will have the market for the western part of Tennessee," thereby driving out all of their competitors. When they reach that stage of predatory practice, then, and only then, do the provisions of the Sherman Act come into operation. Sections 1, 2, and 3 of the Sherman Act are the only ones that are really involved here.

Also, I wish to make perfectly clear that the amendment is intended to give them the full protection of the Capper-Volstead Act. That is why the amendment is included. It is included in order to require cooperative associations by contract to operate within the provisions of the antitrust laws to the extent they are operative now; and the amendment makes clear that they will have the exemptions, rights, and prerogatives which are set forth in the Capper-Volstead Act.

The PRESIDING OFFICER. The time the Senator from Tennessee has yielded to himself has expired.

Mr. KEFAUVER. Then, Mr. President, I shall proceed further in the time available to me.

Mr. President, I wish to make clear that it was never intended by the sponsors of the Capper-Volstead Act that farm cooperatives be completely removed from the effect of the provisions of the Sherman Act. It is true that they are exempted to the extent set forth in the Capper-Volstead Act. But I suppose the best authority in regard to the intent of that measure are the statements made by one of its sponsors, Representative Volstead, who wrote the report of the House committee, and who stated in clear and unequivocal language that farmer cooperatives are not to be exempted completely from application of the provisions of the antitrust laws. That statement is to be found on page 3 of House Report No. 24, 67th Congress, First Session, dated April 26, 1921, in which Representative Volstead wrote as follows:

> In the event that associations authorized by this bill shall do anything forbidden by the Sherman Antitrust Act, they will be subject to the penalties imposed by that law. It is not sought to place these associations above the law, but to grant them the same immunity from prosecution that corporations now enjoy, so that they may be able to do business successfully in competition with them.

So the amendment will not forbid the ordinary members of a cooperative from doing business with one another. Indeed, that is to be encouraged. The amendment would only prevent them, once they become powerful and big enough, from engaging in predatory actions, if they then desire to do so—in other words, to enter into agreements to boycott, blacklist, or take other actions designed to put their competitors out of business.

Mr. President, it has been argued that we should be proposing an amendment to include the labor unions under these provisions. Of course they are subject to the antitrust laws if they begin to deal in commodities. If they buy some commodities and enter into a plan intended to have an adverse effect on someone else, they are covered by the provisions of the Sherman Act—and also if they enter into a conspiracy to fix prices.

Only when they follow legitimate functions covered by section 6 of the Clayton Act are they exempt; and in carrying out those functions, what they are allowed to do has been defined and prescribed in various and sundry laws applicable to labor unions—to wit, the Hobbs Act, the Taft-Hartley Act, the Wagner Act, the Labor Act of 1960—passed only last August—and so forth, acts which are restraints on what they can do in carrying out their labor functions.

Mr. LONG of Louisiana. Mr. President, at this point will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield.

Mr. LONG of Louisiana. The Senator from Tennessee well knows that any labor union that has a grievance against a particular business can boycott that business. In other words, if I am a laboring man, and if I am on strike against the General Electric Co., I can say, "I will not buy any of their products, because they are unfair, and I don't like them, and I will boycott them." And a union can establish a picket line, and then no labor union members will cross it.

The Senator will be among the first to champion that and to urge that they be permitted to do that. But if a farmer agrees to sell all his milk to one dairyman, and if another farmer agrees to sell all his cream to another dairyman, those are exclusive arrangements; and one cooperative could do that, if it were big enough. But because one happens to own the milk plant and the other owns the creamery, the Senator would not permit them to take actions which are authorized by the law.

On the other hand, if the airline pilots decide to go on strike because they are not satisfied with their salaries of $35,000 a year, other labor unions and their members in the entire Nation can support them, and the Senator from Tennessee will not object.

Mr. KEFAUVER. Let me ask whether the Senator from Louisiana has a question to ask.

Mr. LONG of Louisiana. I ask the Senator from Tennessee if this is not the case: By means of this section, we are trying to give two farm cooperatives or three or four farm cooperatives an opportunity to work together by taking parallel action, and to be protected in that action, in the same way that the Senator from Tennessee would protect a labor union.

Mr. KEFAUVER. Let me say that I will never favor protection of a labor union which engages in a predatory practice.

Mr. LONG of Louisiana. But is not the Senator from Tennessee willing to support them when they engage in such boycott practices?

Mr. KEFAUVER. I ask the Senator from Louisiana to wait just a minute, for I am now stating my position. If the Senator from Louisiana can point out such a practice which is wrong, I will vote to correct that situation. I am entirely in favor of permitting the small, the middle size, and even the larger cooperatives to act together, as they can do under present laws.

But the question here is whether we want them to be able to boycott, blacklist, and engage in other operations which will put out of business their small competitors who are engaged in merchandising the same products. It is only there that the Sherman Act would come into effect.

So, Mr. President, I cannot see that they need this amendment. They can do everything the Senator from Louisiana says they want to do at the present time; and, indeed, I know of no Department of Justice complaint that has been filed against cooperatives because of their action together to process, and so forth. Apparently none of them has gone to the extent of engaging in a predatory practice.

Mr. PROXMIRE. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I am very happy to yield to the Senator from Wisconsin.

Mr. PROXMIRE. As I tried to state, the reason for the inclusion of subsection (b) is a recent court decision. Does the Senator from Tennessee find that between 1930 and 1960 it was the practice, according to the statement made by the Attorney General, that federations of farm cooperatives were considered to come under the provisions of the Capper-Volstead Act and were considered to be subject to the exemption the Capper-Volstead Act provided?

Mr. KEFAUVER. I must say that the opinion of the Attorney General is quite confusing; I refer to the one written about 1930, to which the Senator is referring. They have a perfect right to act in associations and to enter into contracts with one another, for joint, parallel action; and they always have had that right, so long as they do not go to the extent of engaging in unfair boycotting or blacklisting practices.

Yesterday, I understood the Senator to say that he did not think they should engage in such blacklisting or boycotting practices and that that is not the intent of the bill.

Mr. PROXMIRE. The Senator is correct.

Mr. KEFAUVER. If that is what the Senator means, that is all that this amendment of mine provides.

Mr. PROXMIRE. In reply to the Senator from Tennessee, I say it is the view of the Government's expert, the Assistant Attorney General in charge of the Antitrust Division, that this measure would not inhibit the Department of Justice from proceeding as it has been able to proceed in the past, but that it would simply act to correct the situation which was created by the decision in the case of Sunkist Growers versus Winckler, which seemed to prejudice the opportunity for federations of cooperatives to continue to be exempt, under the Capper-Volstead Act, from the provisions of the antitrust laws.

Mr. KEFAUVER. Then this amendment will merely do what the representatives of the Department of Justice told the Senator it would do. In other words, if they engage in blacklisting or boycotting operations prohibited by the Sherman Act, they will not be exempt.

Mr. PROXMIRE. Will the Senator from Tennessee agree with the Senator from Wisconsin that this amendment might do a little more, in view of his interest in modifying his amendment?

Mr. KEFAUVER. No; in clarifying it. What I was going to clarify was my intention to embody the provisions of the Capper-Volstead Act. I was going to put in the words "Sherman Act as modified by the Volstead-Capper Act," but it means the same thing.

Mr. PROXMIRE. In view of the fact that the Senator from Tennessee and the Senator from Wisconsin are now seeing things pretty much alike, does not the Senator from Tennessee think that subsection (c), viewed in the light of the committee report, would provide, as the Assistant Attorney General has said, the opportunity for the Attorney General to prosecute predatory practices?

Mr. KEFAUVER. There is nothing in the committee report on section 401(b) which says they are now subject to the antitrust laws. The language here is just exactly what the attorney from the Department of Justice told the Senator—section 401(b) will not affect the application of the antitrust laws to the extent that they are applicable to federations of cooperatives.

Mr. PROXMIRE. I thank the Senator.

Mr. KEFAUVER. Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Louisiana.

Mr. LONG of Louisiana. Mr. President, it seems to me the Senator from Tennessee has given a misleading impression of what his amendment seeks to do. My understanding of the amendment is that it would completely negate what the committee sought to do by saying 2 cooperatives could, by acting together in agreement, do that which would be legal for a single cooperative to do. That is what the section says.

Let us look at what the Senator from Tennessee wants to prohibit. Let us say there is a large milk cooperative in upper New York State, and there is also a large milk cooperative in Illinois. Under existing law, there is some doubt whether the people of New York could say, "As far as we are concerned, we will undertake to sell our milk in the New York area," and the people in Illinois could say, "As far as we are concerned, we will undertake to sell our milk in the Illinois area." That is the traditional way milk is sold.

It has historically been regarded in the public interest that farmers should be able to do this kind of thing, in order to try to get a better price for their products, because the problem ever since

1922, when this act was passed to permit this kind of thing, has not been that farm prices were too high, but that they were not adequate and farmers were not being permitted to make enough money to enable them to stay on the farm and live.

Congress has consistently passed laws to try to get farmers to cooperate together because their income has been too low. It has been regarded as a good thing to let the farmers organize and work together to try to increase their income.

The question of one milk cooperative trying to cooperate with another milk cooperative to help them raise their income and provide better service has been regarded as desirable. Congress has moved in that direction. It has been seeking to clear up what may be an ambiguity in the intention of the law.

The Senator from Tennessee has said we cannot take one attitude toward a labor union and another toward a farm cooperative. Then why does he do it in this amendment? For example, the law is this, and here is what we seek to make it: As long as farmers are working together as farmers, they are not in violation of the antitrust laws when they engage in activities by which they seek to improve their service and raise their prices, as long as the prices are not unduly high. We have not had a case in 40 years where prices have been unduly high. So we do not have to worry about that. The Government is not worried about farm cooperatives unless prices get out of line.

The Senator would not require that a labor union be obliged to take into the union anybody who wanted to join it. He would permit the requirement of dues and other qualifications. Yet why should a farm cooperative be required to take in anybody that wants to join it?

When a cooperative bought Embassy Dairy in the District of Columbia, 200 farmers were offered the opportunity to join the cooperative if they wanted to. They did not care to join. The Department of Justice got outraged. The cooperative wanted to sell to Embassy. They could sell to Thompson, Foremost, or anybody else under the sun; even to Sealtest, which had 40 percent of the District milk market. But if they wanted to sell to Embassy, which had 8 percent, they would have to join the cooperative. The cooperative offered to take them in, but the Department of Justice was outraged over the fact that one single dairy owned by farmers would be selling to its own farmers.

Suppose farmers worked together to achieve that objective? What is wrong about a farmers' cooperative saying, "We will buy milk first from our own members?" It is about as simple as saying that a farmer should be able to churn his own butter. Yet, if they achieved that objective, the Senator from Tennessee would want to put them in jail if, when working together, they would favor a cooperative instead of some big corporation.

National Dairy Products Corp., doing business under the name of Sealtest, does $1,500 million worth of business a year. Yet the Department of Justice gets outraged when it finds dairy farmers are selling $30 million worth of milk. It does not make sense.

National Dairy Products Corp., better known as Sealtest, can declare it will no longer buy milk from the milk cooperative. It has that privilege. It could refuse to buy milk from the local cooperative.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield 2 more minutes to the Senator.

Mr. LONG of Louisiana. It can do that. It has the right to say that it is not going to buy milk from farmers who have organized against the cooperative. Why should not the farmers have the right to say they are not going to sell milk to that same organization?

One would think that what is good for the goose would be good for the gander, but, no, that is not to be permitted.

Again, in consideration of labor unions, if one labor union walks out on strike, it is completely within the law for another labor union, on the same job, to also walk out. In fact, the unions usually do. The minute one union throws a picket line in front of a plant, every union member walks out and nobody will cross the picket line. That is within the law. I am sure my friend from Tennessee would fight to keep it that way.

With respect to the two farm cooperatives seeking to do that which they could do if they were one, the Senator would say, "No; that is against the law."

So long as labor union members and members of a farm cooperative are working together, as laborers or farmers, they are not subject to the Sherman Antitrust Act. But when they make contracts with a businessman or a third party; when a laboring man makes a contract with a farmer or a businessman; or when a farmer makes a contract with a laborer or a businessman; if in any respect the action violates the Sherman Act, those people are subject to the provisions of the Sherman Act and subject to prosecution. Nothing of that sort would be changed by the proposed legislation. The bill would only permit two cooperatives engaging in parallel action to seek to arrive at the same result they could reach if one were acting individually.

If the farmers in New York State and the farmers in Illinois were all in one cooperative, they could agree. The cooperative could decide, "The milk which we produce in New York we will sell in New York, and the milk which we produce in Illinois we will sell in Illinois." That makes sense. Why should they haul the milk halfway across the country, when plenty of milk is available in the area? One might do so, if one could get a better price, and if it made sense. There is nothing wrong with that. So long as the price does not get out of line it is perfectly proper.

That is all the section seeks to do. The Senator talks about "blacklisting" and all the other horrible terms. It is a very simple concept, that the farmers be permitted to buy a dairy or, if the cooperative is too little or too weak, for two cooperatives to get together and buy a dairy. If the cooperative wishes to buy a canning plant, and if one is not big enough, three or four might get together to buy the canning plant. That is what the bill seeks to permit. It does not relate to all the complicated things the Senator seeks to bring in.

The Senator has yet to provide the first concrete example of something which has happened in respect to farm cooperatives, which had to be outlawed. I therefore submit that this is a carefully considered provision to give the little farm cooperatives, most of which do not do a million dollars worth of business a year, an opportunity to work together. The problem is not that these cooperatives are too strong, but instead that they are too weak. We hope that we shall give them some opportunity to be able to work together.

Mr. KEFAUVER. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 5 minutes.

Mr. KEFAUVER. Mr. President, I engaged in a colloquy with the Senator from Wisconsin [Mr. PROXMIRE] a little while ago. Does the Senator from Wisconsin believe that section 401(b) is so written that the Sherman Act would be applicable to it in its present form, or to any actions whatever that might be taken by people acting in concert?

Mr. PROXMIRE. It is the concept of the Senator from Wisconsin that, as the section says, we would treat two or more cooperatives like one. If there were a contract with someone not a farmer, that would be the case.

Mr. KEFAUVER. I did not understand the answer of the Senator. Is it the opinion of the Senator that the Sherman Act to some extent is now applicable to the provisions of section 401(b) or not?

Mr. PROXMIRE. It is or is not applicable?

Mr. KEFAUVER. Yes. Would it be applicable under the present language of section 401(b)?

Mr. PROXMIRE. I am not sure of the thrust of the Senator's question. As I understand the question, my answer is that the purpose of section 401(b) is to provide that two or more cooperatives shall be treated as one cooperative. As the Senator from Louisiana said, the whole purpose of the exemption of the Capper-Volstead Act is to provide that farmers can get together and be exempt. Whether they get together through 1 cooperative, 10 cooperatives, or 50 cooperatives, they would still enjoy the same kind of exemption. In that sense, they would be exempt; yes.

Mr. KEFAUVER. Does the Senator feel that the Sherman Act would have any application to cooperatives if section 401(b) is made law as presently written?

Mr. PROXMIRE. Yes. If there were a contract which involved a predatory practice of some kind with a business or with some labor union or something of that kind, then, the action would be subject to the Sherman Act.

Mr. KEFAUVER. I thought the Justice Department informed the Senator that section 401(b) would not change the present law.

Mr. PROXMIRE. This is not a change of the law as it was understood between 1930 and 1960. The proposal is to clarify a situation which has been very badly clouded by the Sunkist Growers case. That case seemed to prejudice the opportunity of two or more cooperatives to act as one. That two or more cooperatives should be treated as one was the opinion of the Attorney General in 1930. It was the ruling of the Attorney General at that time. Cooperatives operated under this opinion for 30 years until last year.

Mr. KEFAUVER. Mr. President, I think there ought to be some understanding as to whether the Sherman Act, to any extent, does or does not apply, or will or will not apply. The only purpose of the amendment is to provide that to the extent the Sherman Act or Clayton Act do apply, or to the extent the Capper-Volstead Act gives protection, the situation will remain that way; that the legislation shall not change their application.

I should like to say a word about the remarks of my good friend the Senator from Louisiana [Mr. LONG]. He said that, ipso facto, if the amendment is agreed to, two cooperatives acting together for joint purposes of processing this, that, or the other will be in violation of the law. Of course that cannot be true and is not true, because many of the cooperatives are operating that way now. Many of them are doing things in common. All of the history of cooperatives acting together under common agreements, to my knowledge, is that their right to do so has never been challenged by the Department of Justice.

There has been reference to the Virginia Milk case. I am sure the Senator raised a question about it. That was not an action between two cooperatives acting together. That was one cooperative and acquiring a noncooperative corporation.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. LONG of Louisiana. The Senator asked about the antitrust laws.

Mr. KEFAUVER. Does the Senator know of any case? I am using my own time, now. Does the Senator know of any case in which two cooperatives have been required to desist from cooperating together? Is there a single instance in which the Department of Justice has required two cooperatives to stop jointly working together? Does the Senator know of one?

Mr. LONG of Louisiana. The fact is that any exclusive dealing contract is subject to a contest as a violation of the existing antitrust laws.

Mr. KEFAUVER. I asked the Senator a question.

Mr. LONG of Louisiana. That is true.

Mr. KEFAUVER. I asked the Senator if he knew of a single case in which the action together of two cooperatives of any kind had been challenged by the Department of Justice.

Mr. LONG of Louisiana. I do not know of one, but that does not mean there is not one.

Mr. KEFAUVER. The Senator does not know of one. I do not know of one. I do not believe any other Senator knows of one.

Mr. HOLLAND. If the Senator will yield to me, I told the Senator yesterday of the old case in which the officials of the Florida Citrus Growers Exchange and the California Fruit Growers Exchange were indicted in the District Court of the Southern District of California, and had to pay a heavy fine.

Mr. KEFAUVER. That was not for cooperating together. That was for another reason.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired. Does the Senator yield himself additional time?

Mr. KEFAUVER. Mr. President, I yield myself an additional 5 minutes.

Mr. President, Mr. Flurry, the senior counsel with the Subcommittee on Antitrust and Monopoly Legislation, was in the Department of Justice for many, many years, as Senators know. He is familiar with those cases.

The case to which the Senator from Florida refers was not one in which there was a charge of mere acting together. Other acts were involved in that case which had nothing to do with the joint action. Mr. Flurry knows of no case where the mere acting together was involved.

Mr. President, what is the need for the proposed legislation?

The Senator from Louisiana [Mr. LONG] said, "Suppose there is a large milk cooperative in New York and suppose there is another large milk cooperative in Illinois." I shall use the Senator's example. If those cooperatives wish to act together about what price they will charge for milk, or if they wish to act together as to processing, bottling, or anything else, that is perfectly all right, and they can legally do it, and they will not be violating the antitrust laws now or at any other time.

But suppose the two cooperatives enter into a formal agreement that they will refuse to buy from certain farmers or other cooperatives in their area in New York, or in their area in Illinois, and they boycott and blacklist certain farmers from whom they refuse to buy.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. KEFAUVER. I cannot yield. My time is about exhausted.

Or suppose that the cooperatives enter into an agreement that they will sell to stores A and B but will refuse to sell to stores C, D, E, and F, boycotting certain stores to which they will not sell. Suppose that they agree that they will sell to one cheese plant but will refuse to sell to seven other cheese plants that make up the territory, forcing out of business those plants to which they do not sell, thus ruining them, and gaining complete control over the future of those plants. Such action would be boycotting and blacklisting.

When the cooperatives start to take such action, I do not know who would want to protect them in the right to do so. The amendment would prevent the cooperatives from engaging in such practices. So long as the cooperatives act legitimately and do not engage in that kind of predatory practice, they will be protected by the Department of Justice, as they have been protected since cooperatives were formed.

I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee [Mr. KEFAUVER]. All time has been yielded back. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLARK (when his name was called). On this vote I have a pair with the senior Senator from Oregon [Mr. MORSE]. If he were present, he would vote "nay." If I were at liberty to vote, I would vote "yea"; I therefore withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Oregon [Mr. MORSE] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Arkansas [Mr. FULBRIGHT]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from Arkansas would vote "yea."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] is absent because of illness.

The Senator from Hawaii [Mr. FONG] is necessarily absent.

The result was announced—yeas 40, nays 53, as follows:

[No 104]

YEAS—40

Allott	Dirksen	Moss
Anderson	Dodd	Pastore
Bennett	Douglas	Pell
Bible	Dworshak	Saltonstall
Boggs	Engle	Schoeppel
Byrd, Va.	Goldwater	Scott
Cannon	Gore	Smith, Mass.
Capehart	Hickenlooper	Thurmond
Carlson	Hruska	Tower
Carroll	Kefauver	Williams, N.J.
Case, N.J.	Lausche	Williams, Del.
Church	Long, Hawaii	Young, Ohio
Cotton	Miller	
Curtis	Morton	

NAYS—53

Aiken	Holland	Mundt
Bartlett	Humphrey	Muskie
Beall	Jackson	Neuberger
Bridges	Javits	Prouty
Burdick	Johnston	Proxmire
Bush	Jordan	Randolph
Butler	Keating	Robertson
Byrd, W. Va.	Kerr	Russell
Case, S. Dak.	Kuchel	Smathers
Eastland	Long, Mo.	Smith, Maine
Ellender	Long, La.	Sparkman
Ervin	Magnuson	Stennis
Gruening	Mansfield	Symington
Hart	McCarthy	Talmadge
Hartke	McGee	Wiley
Hayden	McNamara	Yarborough
Hickey	Metcalf	Young, N. Dak.
Hill	Monroney	

NOT VOTING—7

Chavez	Fong	Morse
Clark	Fulbright	
Cooper	McClellan	

So Mr. KEFAUVER's amendment to the committee amendment was rejected.

Mr. ELLENDER. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KEFAUVER. Mr. President, I call up my amendment designated "7-24-61—E," and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 139, beginning on line 9, it is proposed to strike out all of subsection (c).

Mr. KEFAUVER. Mr. President, the distinguished Senator from Kentucky [Mr. COOPER] is ill in the hospital, but wishes to be a cosponsor of the amendment. I ask unanimous consent that he may be so listed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEFAUVER. Mr. President, on this amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KEFAUVER. Mr. President, I yield myself 15 minutes. I shall try to conclude in that time.

Section 401(c) authorizes farm cooperatives to "acquire directly or indirectly the whole or any part of the assets, stock, or other share capital of any other such association or any corporation engaged in the same or a related kind of commerce."

It exempts farm cooperatives from the Clayton Act and the Sherman Act, in connection with mergers with other cooperatives or with corporations. It particularly exempts them from provisions of section 7, of the Clayton Act, as amended, which is sometimes referred to as the Celler-Kefauver Antimerger Act. It completely removes jurisdiction from the Department of Justice and the Federal Trade Commission, and places exclusive jurisdiction over mergers in the Secretary of Agriculture.

In my talk yesterday, I covered most of the salient points with respect to the impact on free competition of this section. Today, in a few words, I should like to restate three or four of those points. First, it is my view that section 401(c) is more pernicious in its impact on competition, even, than section 401(b), which has been allowed to remain in the bill.

Section 401(c) provides no assistance whatsoever for small, struggling farmer cooperatives. It assists only giant cooperatives, which have a very large share of the market and which would run afoul of the antitrust merger laws but for this section. It would assist giant cooperatives such as the Maryland and Virginia Milk Producers Association. It would assist Sunkist, in California, which produces, according to the Senator from Florida [Mr. HOLLAND], upward of 70 percent of the orange and lemon crop in the State of California.

This is simply common sense. Small- or even medium-sized cooperatives are absolutely free under the present antitrust laws to merge with or to acquire whomsoever they please.

They have been doing so to a very large extent during the last few years. There is absolutely no doubt about this. Would the acquisition by a small producer cooperative of a small canning factory violate the antitrust laws? Of course not. Section 7 of the Clayton Act clearly provides that an acquisition must tend substantially to lessen competition or to create a monopoly. When a monopoly is created, that is prohibited by the act.

The requirements of section 2 of the Sherman Act are often harder and more rigid than the requirements of the Clayton Act. Then whom are we trying to help by this subsection? I have nothing but respect for Senators who favor this part of the bill, but I am at a loss to understand why they do not grasp that it relates only to the merger of the great giants and to acquisitions by giant cooperative associations, which would be saved from antitrust proscriptions by subsection 401(c). It is not the thousands of small- and medium-sized cooperatives, that need our support and our encouragement, which will be aided by this subsection. As a matter of fact, they might, and undoubtedly will be, badly affected, because the authorization to giants to merge into larger giants places them in a position which would make it difficult to compete.

It is as simple as this. The only business groups which need exemptions from the antitrust laws are groups which are likely to violate the antitrust laws.

It is not the small cooperatives which are the helpless pawns of giant vested interests which violate the antitrust laws by merging. Rather, the possible antitrust violators are the giant associations with tremendous market power. These are the cooperatives which will be immunized if we approve section 401(c).

It would seem that a group having such economic strength would be the group which would least need the exemptions of section 401(c)—that is, if they were small ones. But, of course, a brief moment's reflection reveals the fallacy in that supposition. It is rather the giant cooperatives, the giant concentrations of economic power, which strongly urge us to protect the poor struggling cooperatives from the tentacles of the oppressing private corporations. Why is this? Because they themselves fear that as they extend their own great economic power, they will be restrained by the competition-fostering provisions of the antitrust laws.

It was said in connection with section 401(b) that this was a part of the President's program, although Judge Loevinger, the Assistant Attorney General in charge of the Antitrust Division, did not comment on it one way or the other. However, 401(c) is not a part of the President's program, in that it is opposed by the Attorney General, through the Assistant Attorney General in charge of the Antitrust Division. The Loevinger letter was placed in the RECORD yesterday and appears at page 13357. I think it would be well to consider the letter a little more closely. I read the letter, as follows:

DEPARTMENT OF JUSTICE,
Washington, D.C., July 21, 1961.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your letter of July 17 requesting the comments of the Department of Justice on the provisions of title IV of S. 1643 (87th Cong., 1st sess.), which were reported to the Senate on July 17, 1961, by the Committee on Agriculture and Forestry. We appreciate the opportunity to inform the committee of our views.

Section 401(a) is a restatement by Congress of the policy embodied in previous enactments of aiding and encouraging the organization, operation, and growth of farmers' cooperatives. Section 401(b) would specifically authorize two or more cooperative associations, as defined in the Agricultural Marketing Act of 1929, to act jointly in doing things which farmers acting together in one association might lawfully do. Both of these sections were in the bill as transmitted to the Congress by the President.

Section 401(c) is a substitute provision inserted in the bill by the Committee on Agriculture and Forestry. It would amend section 1 of the Capper-Volstead Act (7 U.S.C. 291) by adding a paragraph at the end thereof providing generally that a marketing cooperative association or federation may acquire the assets, stock, or other share capital of any other such association, or of any corporation engaged in the same or a related line of commerce, or may merge with any other such association or with any other corporation subject to the terms, limitations, and procedures set forth in section 2 of the act. The Secretary of Agriculture would be authorized to require the divestiture of assets, stock, or other share capital held in violation of the act, in such manner and within such time as he may prescribe.

Our analysis indicates that substitute section 401(c) is badly drafted and ambiguous. The intent and effect of the section is not clear on its face. It can be interpreted to impose an additional restriction on mergers and acquisitions of cooperatives by authorizing the Secretary of Agriculture to act against those which result in undue enhancement of prices. Under such interpretation the authority of the Attorney General to move against cooperative mergers or acquisitions having other anticompetitive effects would remain unchanged. On the other hand, the section can be construed, although it does not explicitly say so, to authorize certain cooperative mergers and acquisitions to be made subject only to the terms, limitations, and procedures of section 2 of the Capper-Volstead Act. Under such construction the provisions of the antitrust laws would not apply to the mergers and acquisitions covered by this section.

Further, the substitute section is not clear in the scope of its application. It may apply only to marketing cooperatives, although section 401(a) refers to farmers' cooperatives generally, and section 401(b) is not limited to marketing cooperatives. Thus, substitute section 401(c) has a different scope than section 401(b). In addition, it may be noted that substitute section 401(c) may apply to some selling organizations that are essentially business organizations rather than true farmers' cooperatives.

There is also a technical inconsistency between the language of the substitute section for section 2 of the Capper-Volstead Act. The substitute section refers both to associations and federations of associations and purports to subject both to "the terms, limitations and procedures set forth in section 2 of the Capper-Volstead Act." However, section 2 of the Capper-Volstead Act empowers the

Secretary of Agriculture to act only against associations and contains no reference to federations.

The Department of Justice believes that the vagueness, ambiguity and uncertainty of the substitute section 401(c) are such that it seems unlikely to achieve its purpose of aiding farmers and farmers' cooperatives, and it may well create wholly new legal problems and difficulties in this field.

In addition to these objections to the substantive terms of the substitute section, the Department of Justice believes that the authority to interpret and apply statutory standards relating to the permissible extension of economic power through mergers and acquisitions should be in the Federal courts, and should be invoked by the Department of Justice as the representative of the general public interest in litigation conducted according to established due process standards. As a matter of principle, the Department of Justice is opposed to lodging such authority in a nonjudicial agency.

In case there is concern over the possibility of prosecution of associations that have merged or acquired the stock or assets of other organizations, we would like to advise that the Department of Justice has had for many years a program for advance clearance of mergers. This program permits the large number of mergers that are not subject to legitimate challenge to be consummated without fear of subsequent prosecution while reserving to judicial determination the interpretation and application of legal standards in the case of the few mergers that may be questioned. Cooperatives, as well as other business enterprises, are entitled to present proposed mergers or acquisitions for advance clearance pursuant to this program. The Department of Justice is willing to do everything in its power to facilitate the rendition of appropriate clearances on proposed cooperative mergers. If it is thought desirable, we are willing to work with the Department of Agriculture in establishing formal regulations for this procedure. However, we call attention to the fact that, although the need for certainty has been cited as one of the reasons for legislation on this subject, the substitute section provides no method or procedure for such premerger notification and clearance.

For the reasons stated, the Department of Justice opposes enactment of substitute section 401(c) in its present form and urges that it be deleted from the bill.

We would like to make it clear that we believe the growth of the cooperative movement is of great advantage to farmers and rural communities and should be encouraged. We would welcome the opportunity to work with your committee and the Department of Agriculture in seeking suitable legislative measures to accomplish this purpose.

The Bureau of the Budget has advised that there is no objection to the submission of this report from the standpoint of the administration's program.

Sincerely,

LEE LOEVINGER,
Assistant Attorney General.

Mr. President, large cooperatives or federations of cooperatives—that is to say, when five or six have joined together—can acquire any other group of cooperatives or any corporation, and obtain 100-percent control of processing and marketing—which are under the Capper-Volstead Act—and distribution and transportation, and there will be nothing that the Department of Justice can do about it. The only remedy which might be available would be section 2 of the Capper-Volstead Act, which would become applicable only when the Secretary of Agriculture found there had been an undue enhancement of price as a direct result of the merger or acquisition.

Of course we know that such corporations may purposely keep their prices low for the time being, until they can "scramble the eggs"; and then it is impossible to do anything about the merger or acquisition.

The power which this provision would give to large groups of cooperatives to merge with large corporations and other large federations of cooperatives goes directly contrary to the spirit of our free, competitive enterprise system.

The PRESIDING OFFICER (Mr. BURDICK in the chair). The time the Senator from Tennessee has yielded to himself has expired.

Mr. KEFAUVER. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for an additional 5 minutes.

Mr. KEFAUVER. Mr. President, we do not object to having mergers or joinings together or the acquiring of assets, so long as they do not tend substantially to lessen competition or to create a monopoly. That test has been set. But when the activities go beyond that, they are unfair to the smaller competitors, and bring about monopoly that is repugnant to our economic system, regardless of who may engage in such activities.

Furthermore, corporations may induce large federations of cooperatives to join in a merger, so that the assets or property can be used in violation of the antitrust laws, in a way that they could not be used if the organization had remained a corporation. We see too much of such concentrations of economic power in the Nation today. We read about them every day. If we do not do something about them, they will lead to collectivism and to the concentration of power in a very, very few hands.

I am opposed to corporate mergers which give the power of abuse and monopoly power. I am opposed to having large federations of cooperatives join with corporations or others, when the same power results. We do not want to have cooperative socialism in the United States, any more than we want to have corporate socialism or corporate dictatorship in the United States.

I call attention to the fact that under present laws the Department of Justice has not, to my knowledge, turned down a single effort by cooperatives to merge. The Virginia Milk Producers case was not one which involved one cooperative and another cooperative; instead, it involved a cooperative and a private corporation.

So, Mr. President, with the California Citrus Association having upward of 70 percent of the industry, and with the Florida group having a large percentage, and with the Virginia Milk Producers Cooperative having 86 percent of the production of milk in this market, how large is it desired that such groups become?

The only purpose of this section would be to enable cooperatives to obtain more than 75 percent or 85 percent of the market. In that event, competition would be stifled and a blow would be struck at our free enterprise system.

Mr. ELLENDER. Mr. President, I yield myself 2 minutes, so I can explain the purpose of the committee in including subsection (c) of section 401 of the bill, which the Senator from Tennessee wishes to have stricken from it.

This amendment would strike out all of subsection (c) of section 401 of the bill. The purpose of this subsection, as set forth in the committee report, is also to reaffirm and clarify the original intent of the Capper-Volstead Act regarding the exclusive authority of the Secretary of Agriculture over the right of marketing cooperatives to acquire the assets or merge or consolidate with other cooperatives or any noncooperative corporation, provided those transactions do not cause an undue enhancement of the price of the commodity handled by the marketing cooperative.

Subsection (c) would make clear that the mere acquisition, merger, or consolidation of farmer marketing cooperatives are not subject to section 7 of the Clayton Act or to the Sherman Act prohibitions.

Up until the decision of the Supreme Court of the United States in Maryland-Virginia Milk Producers Association, Inc., vs. United States, it has been assumed by leaders of cooperatives and others that the merger and acquisitions involving farmer cooperatives were under the exclusive jurisdiction of the Secretary of Agriculture. The decision of the Supreme Court, however, has left the original intent of the Capper-Volstead Act in this regard in doubt and the purpose of subsection (c) is to clarify the situation regarding mergers and acquisitions of marketing cooperatives. This subsection would make clear that acquisitions and mergers involving cooperatives would be legal if they did not result in an undue enhancement in the price of products marketed by the cooperative involved. The subsection would vest in the Secretary of Agriculture exclusive jurisdiction to determine this issue and, if necessary, to correct the situation and order divestiture of the properties. The amendment, however, would not deprive the Department of Justice of any jurisdiction which it now has to move against activities of any cooperative, other than the act of acquisition, merger, or consolidation, which are otherwise of the violation of the antitrust laws.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield myself 1 more minute.

Mr. President, this subsection, being an amendment to the Capper-Volstead Act, covers only marketing associations, which are the only cooperatives now covered by section 1 of that Act. It does not involve cooperatives engaged in purchasing farmer supplies or furnishing farmer business services.

I now yield 5 minutes to the Senator from Louisiana [Mr. LONG].

Mr. LONG of Louisiana. Mr. President, this amendment, which was reported by the committee, is made necessary by a set of facts under which the court has held that farmers who organize to form a cooperative cannot buy a dairy if they are in the milk business.

We have a specific set of facts that we can look to here. Here in the District of Columbia we had a concrete illustration.

A group of farmers sought to buy a dairy. That dairy had 9 percent of the business. It was not the biggest dairy. The biggest in this community is the National Dairy Products Co. It does anywhere from 40 to 60 percent of the business. But the farmers bought a dairy which does 9 percent of the business.

This dairy had been buying milk from 200 farmers who were not members of the cooperative. The Justice Department prosecuted the cooperative on the basis that the 200 farmers were not in a position to sell their milk to a dairy, to which they had been selling their milk, because the dairy was going to buy milk from members of the association.

The association said to those 200 farmers, "Come and join us. We will be glad to have you in our association. Join if you want to, but you are going to have to pay the dues if you are going to sell to this dairy."

The same 200 farmers could sell to National Dairy Products Co., which operates under the name of Sealtest, if they wanted to, but perhaps Sealtest did not want to buy from them. Sealtest had a perfect right to refuse. They could sell to Foremost, but Foremost did not particularly want to do business with them. It had not done so in the past, and it did not particularly care to do so.

If Sealtest can turn 200 farmers down, if Foremost can turn 200 farmers down, if Thompson can turn 200 farmers down, if Beatrice can turn 200 farmers down, what is so unreasonable about a farm cooperative saying, "If you want to sell your milk to us, you have to join the cooperative, because you have to take our milk first?"

That is against the law. That is what the court held. Why? Because it tended to deprive 200 farmers of their opportunity to sell milk to this particular dairy, and they had been old customers. It is in violation of the antitrust laws. That is the way the Senator from Tennessee wants to keep it.

The big four—Sealtest, Borden's, Foremost, Beatrice—have bought 1,100 dairies from independent producers. They have run them out of business by competition or have bought their assets.

Why would it not be permitted under the law for a farm cooperative selling milk to the dairy to buy the dairy and preserve an outlet for itself, for the purpose of narrowing the margin between the producer and the housewife?

In many instances where these farm cooperatives have bought diaries they have reduced prices. A reduction in price has occurred more often than an increase in price.

What does the proposed law say about that? It does not weaken the antitrust law. It strengthens it. If the Senator will look at the amendment which amends the Capper-Volstead Act, and look at page 139 of the committee report, he will see that if a farm cooperative gets so strong that it is in a position to, and does, unduly enhance the price—and I point out that none has ever been that strong—it is the duty of the Secretary of Agriculture to proceed against the farm cooperative and make it reduce the price.

What has the committee done? In addition to the power which now exists for the Secretary to reduce the price, he also has the power to make the cooperative divest itself of that property. The Secretary will have more power under the new law than he does under the old law. But the new law makes it clear that the farmers can buy the dairy.

This amendment also strikes at a ridiculous situation that occurred in the District of Columbia. The Department of Agriculture made a study of the effect of making a loan to the farmers to buy Embassy Dairy. The Department decided it was a good thing, and would help the farmers, and actually increase competition, because it would put the farmers in a position to compete with the four giants who control the industry.

The Department of Agriculture thought it was a good thing. It made the loan. It put up the loan for the farmers to buy the dairy. Then the Department of Justice prosecuted the cooperative for doing what the Department of Agriculture gave it money to do. The Department even gave notice that it planned to do this. Then the cooperative was prosecuted for doing that and was told it was in violation of the antitrust laws.

The proposal is very simple. The law would be that the farmers would be able to buy a dairy, a cannery, or other facility, subject to the existing law that, if the price got unduly high, the Secretary had the duty to make them reduce it. The Secretary has the additional power, if the law was repeatedly violated, to divest the farmers of the property they had bought, and which they are authorized to purchase under the proposal.

These farm cooperatives are permitted to merge. Why should they be permitted to do so? Because out of roughly 10,000 farm cooperatives, 80 percent have less than $1 million worth of business.

The Senator from Tennessee was very upset that there were some farmers in this area producing $30 million worth of milk wanting to sell it to a dairy. We have not heard any Senator say that it was going to compete with the big competitors. The biggest is Sealtest. What is its annual business?—$1.5 billion a year. So someone is concerned and upset about the fact that the cooperative has $30 million worth of milk to sell, but that same person is not the least concerned about the fact that a competitor does business of $1.5 billion. I cannot divide that quickly, but Senators will readily see that one would try to strike at the farmers because they are big, but would permit another corporation to be 50 times that big without complaint.

The language would simply permit the small cooperatives—80 percent of them do not do a million dollars worth of business in volume annually—to merge to become big enough to have an efficient operation. The cooperatives would remain subject to a price control law which has never been needed in 40 years, because they have never succeeded in getting an exorbitant price for their product as a result of forming cooperatives.

As I have said before, the problem is not that the farmers have been getting too much. The problem has been and still is that the farmers are not getting enough.

We are faced with two courses of action. We can either pass laws which will help the farmers help themselves, or we can pass laws to pay the money to try to do something for the farmers, because the farmers are not in a position to help themselves. If Senators believe in self-help, they ought to let the farmers strengthen their cooperatives and strengthen their bargaining position.

This has historically been the trend of the antitrust laws. We have done this with respect to labor and we have done this with respect to farmers. We have taken the attitude that the bargaining power of these groups was too weak and too diffused, and we have passed laws and urged them to help themselves in their organizations. At the same time, we have recognized an evil which existed with respect to certain large corporations, and we passed laws to break up undue economic concentration. We have done both.

One other thing the bill would do, which should be done, relates to the question of whether a merger should be permitted. The bill provides that the question shall be passed on by the Secretary of Agriculture, whose heart is on the side of the farmers, instead of having the question passed upon by the Department of Justice, which seems to feel, under some administrations, under undue pressures against the farmers. The Justice Department seems willing to rush out to prosecute a group of sharecroppers, to prosecute a group of farmers, or to prosecute a group of fishermen, instead of the great giants of industry, with respect to which the fight would be very tough, against very good lawyers. The Justice Department knows that if it prosecutes farmers it has a good chance of winning, because the farmers cannot hire expensive lawyers. The Department rushes down to Louisiana to prosecute the strawberry farmers; then rushes to prosecute some maritime sharecroppers who are trying to get a better price for fish; and then rushes to prosecute some dairy farmers in this area. Those are all the little tadpoles. They leave all the sharks alone. They come to the Congress and say they do not have enough money to do the job. That has happened time and time again.

The question is, Who should pass upon the question? It should be someone sympathetic to the farmers if we wish to help the farmers.

We have considered this type of problem before. Two years ago we considered the question of who ought to pass upon the bank mergers. We had under consideration a bill to let the banks merge. We passed that bill.

Joe O'Mahoney, may the good Lord bless him, first saw the antitrust problem with clear vision, and he offered an amendment to provide that the big banks could not merge if the result would be to create a monopoly or to unduly reduce competition. We could not

persuade the Senate to adopt the amendment. I voted for it. The senior Senator from Illinois voted for it. Twenty-nine Senators voted for it. Fifty-five Senators voted against the amendment.

Under that proposal those who knew the bankers on a first-name basis, those who sat down at least once a year to have dinner with the bankers, were in a position to pass on the bank mergers.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. LONG of Louisiana. I ask my colleague to yield me 3 more minutes.

Mr. ELLENDER. I yield 3 additional minutes, Mr. President.

Mr. LONG of Louisiana. At the time the amendment was considered, there was already pending a merger of J. P. Morgan & Co. with six up-State banks, which would make J. P. Morgan & Co. the biggest holding company in the world. The Senate voted for that. I did not, but some Senators did. There are 55 votes for it. That was the language.

The Chemical Bank merged with the Corn Exchange, and then the Corn Exchange merged with the New York Trust Co.

The banks to which I refer have assets of from $3 billion up to $6 billion. Some of these merged banks are bigger than all the farm cooperatives in America put together, yet it was said that that process was a good thing. The argument was made before the Senate—it is in the RECORD—that it would be good for the banks to merge, even though it would create monopoly. There were 29 votes for the O'Mahoney amendment. That is all we could muster. There were 55 votes against it.

I am curious to know who in this body is prepared to swallow the camel, so far as banks are concerned, and to strangle upon a gnat when the farmers are involved. That is the problem. If we would treat the farmers as fairly as we treat the bankers, we would be willing to let the farmers have some mergers of cooperatives doing a million dollars' worth of business. One thousand farmers in a cooperative doing a million dollars worth of business in volume should be able to merge with another little cooperative. It would not upset anything.

Consider the problem of the Land O' Lakes cooperative in Wisconsin, and perhaps partly in Minnesota. We should be willing to let five or six cooperatives get together. They sell butter under the same name, anyway. We should not be upset, unless we are of the type of the fellow who strangles on a gnat although he swallowed a camel 2 years ago when we passed the bill for the banks. The banks are now forming the greatest concentration of power in the world, under the law we passed to make it easy.

Why, under the sun, should we not permit these little farmers, when they wish to merge, to have the question of the desirability of their merger considered by the Secretary of Agriculture?

Why not let the Secretary of Agriculture consider whether it would be desirable for a group of farmers to buy a dairy? The Secretary of Agriculture would say it is a good thing for groups of farmers to buy a dairy, but the Justice Department would say it is a bad thing. The Justice Department would prosecute them and make them divest themselves of it.

We would like to see that type of decision made by someone who has the farmers' interest at heart. That is the Secretary of Agriculture. In some administrations the Secretary of Agriculture really happens to be for the farmer. Sometimes that really happens. I think that is the case now.

That being the case, I hope the amendment will be rejected.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. AIKEN. Mr. President, the amendment offered by the Senator from Tennessee undertakes to strike out a provision of the bill which is of great interest to the dairy cooperatives of this country.

Dairy production in this country today is almost entirely founded on the cooperative system. To lose that system would certainly be a calamity.

I remember well when milk was selling for $1 a hundred pounds. That was before the cooperatives came into the picture and gave farmers bargaining strength.

There are in this country 1,744 dairy cooperatives, which do a total business of $2,970 million a year. The average, for the cooperatives selling milk, is about $1.5 million. That is the average annual amount of business done by a dairy cooperative in this country.

With whom do these cooperatives deal? They deal with billion dollar corporations. The largest of these is National Dairy, which did a business of $1,677 million last year. They do business with Borden's, which did a business of $956 million last year. They do business with Beatrice Foods, another large dairy company, which did a business of $443 million last year. They do business with Foremost Dairy, which has grown the fastest of all during recent years and which did a business of $437 million last year.

These four companies, Mr. President, did a business of $3½ billion last year, or over $500 million more than done by all the dairy cooperatives in the country put together. Apparently the cooperatives, doing business on the average of $1.5 million, are supposed to sit down at the bargaining table to do business with multibillion-dollar corporations.

How did these corporations reach the size they are today? They merged and made acquisitions. They have done so for the last 30 years. They have done the most merging in the last 10 years. Every time other companies have been acquired in the same line of business, the companies have grown much faster and their profits have become much larger. National Dairy, for instance, had a net income in 1951, I believe, of about $26 million.

Ten years later the amount was over $50 million, having doubled in 10 years time. It has gained every quarter, with one or two exceptions, over the earnings of the same quarter in the previous year. They are worried for fear that the dairy cooperatives, averaging today $1½ million gross business apiece, will ruin them. Such an idea is absolute nonsense.

Being big or being a large corporation is not necessarily a crime. Big corporations are not necessarily evil. Good people as well as bad people operate them, as also small industries are operated. But being big in itself is not harmful to this country. In fact, such organizations have helped to make this country the powerful Nation that it is today, and have had a great deal to do with developing the economies of the entire world.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield an additional 5 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, while big business is not a crime, effecting a monopoly ought to be a crime, when others are shut out from engaging in the same line of business. Today a very intensive war is going on against the farm cooperatives of this country. There is a determination to put them out of business.

I am sorry to say that that effort, which has been intensified in recent months, is spearheaded by the Attorney General's Office and the Department of Justice, and when we vote on the amendment offered by the Senator from Tennessee, we shall be voting on whether we believe in promoting great monopolies in this country or whether we are voting to maintain opportunity for all people, even though they may be small.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. ELLENDER. Mr. President, I yield 5 minutes to the distinguished Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, after the stirring addresses we have had on our side opposed to the amendment, the Senator from Wisconsin believes he can speak on the subject very briefly, because I believe the case has been brilliantly made already.

The report is very clear on what the section of the bill to which reference is made is intended to do. It tries to clarify what we thought all along was the law providing that the Secretary of Agriculture should have exclusive jurisdiction over the merger of cooperatives. We thought such was the law, and it seemed to be considered so until recently, when we received a decision in the case referred to by the distinguished Senator from Louisiana.

We also feel that the provision is in keeping with other provisions of the law, which provide that the ICC shall have jurisdiction over railroad mergers, that the CAB shall have jurisdiction over airline mergers, and so forth. We feel that it is extremely important that the Secretary of Agriculture, rather than the Department of Justice, should have the proposed power, because of the weakness

of the farmer and the great importance of trying to improve the bargaining power of the farmer. The provision in the bill would change the application of the antitrust laws in connection with a merger to provide that the criteria should not be lessening competition, but that the criteria that would prevent a merger should be undue enhancement of price. This point is extremely important in the State of Wisconsin, because we have literally hundreds of small cooperatives. They do lessen competition. Competition available to the processors is reduced, and they would be violating the law, it seems to me, unless the section of the bill to which reference is made were passed.

The cooperatives would be violating the law if the amendment of the Senator from Tennessee should prevail. The only way that the cooperatives can operate efficiently is to merge, because they are too small.

The distinguished Senator from Tennessee has raised the specter of huge cooperatives and the prospect that they may increase in the future. We may have a cooperative socialism. Such an argument is a fairy tale. In 1959, a representative of the Department of Agriculture appearing before the Committee on Agriculture and Forestry placed in the record evidence of the fact that cooperatives had been losing ground at a very rapid rate to the corporations. Their jurisdiction, assets, and volume of sales are far less than they used to be. In 1924 the three largest cooperative dairies had $48 in sales to every $100 in sales of the three largest non-co-ops. By 1955 this figure had dropped to $14 for the cooperatives against $100 in sales to the non-co-ops. One national noncooperative dairy corporation grew from $14 million in sales in 1924 to $1.3 billion in 1955, a figure as great as the net sales of the country's 1600-odd local regional dairy cooperative associations.

It has already been brought out repeatedly that the National Dairy Products Co., which has $1.5 billion, dwarfs any cooperative or any combination of cooperatives, and even if we were to add up all the dairy cooperatives in the country, their size would not be much greater than that one corporation.

There is no question that it is essential, if the dairy farmers and other farmers are to have an opportunity to organize so that they can bargain effectively, that they must be given the right to merge, and to merge under the friendly jurisdiction and authority of the Secretary of Agriculture.

Mr. KEFAUVER. Mr. President, cooperatives have had a good and healthy growth, and I am proud that it is so. In June of 1959 there were 7,558,550 members of cooperatives, which represented an increase of more than 77,000 in a 1-year period. The increase in the business of cooperatives has been from $10½ billion in 1950–1951 to $15.2 billion in 1958. There has been a large increase in the amount of products marketed by dairying cooperatives. These increases have taken place because of the value of cooperatives and also because there have been mergers which have increased the efficiency of cooperatives. Because of the mergers, there are fewer cooperatives today than there have been in years past.

The point is that the cooperatives have been able to merge and make acquisitions with other cooperatives without violating the present laws. There have been no cases of this sort presented to the Attorney General of the United States that have been turned down, to my knowledge.

Mr. CLARK. Mr. President, will the Senator yield for a question?

Mr. KEFAUVER. I yield.

Mr. CLARK. Is it the opinion of the Senator that the small cooperatives of this country will be in jeopardy so far as legitimate growth is concerned if the Senator's amendment should prevail?

Mr. KEFAUVER. No, indeed. The amendment that we have is for the protection of the small cooperatives.

Mr. CLARK. I thank my friend.

Mr. KEFAUVER. If we are to allow one cooperative to acquire the entire marketing, purchasing, and servicing business in a particular line of endeavor in a community or in a State, what will happen to the small independent entrepreneur?

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. KEFAUVER. I am happy to yield.

Mr. CLARK. What is the answer of my good friend from Tennessee to the argument made by my equally good friend from Wisconsin [Mr. PROXMIRE] that if the amendment prevails, small cooperatives throughout the country will be unable to attain enough size and enough strength to compete adequately with great corporations in the dairy business?

Mr. KEFAUVER. The Sunkist citrus fruit cooperative has not been challenged.

Mr. CLARK. I am much more interested in cooperatives.

Mr. KEFAUVER. I will give the Senator another example. The Maryland-Virginia Milk Producers Association in the District of Columbia—and let us make this clear—have 86 percent of the sales and dealers in this area. They have not been challenged.

Mr. CLARK. They are a cooperative?

Mr. KEFAUVER. They are a cooperative. I do not know what the Senator from Wisconsin wants.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. KEFAUVER. Does he want a complete monopolization, 100 percent? If so, he is acting against the interests of the small people.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. KEFAUVER. I am glad to yield.

Mr. PROXMIRE. The Senator from Wisconsin does not want that.

Mr. KEFAUVER. What does he want?

Mr. PROXMIRE. He wants a definition in the law which will permit the small cooperatives in Wisconsin and in Tennessee and elsewhere in the country to merge. So as long as we say they cannot merge if they lessen competition, they cannot merge, because if they merge they do tend to lessen competition. It may be said that the Department of Justice will not prosecute. That is little solace for a cooperative. It wants to be law abiding. It cannot do so with a law that makes mergers illegal if they lessen competition. Competition is always lessened in a small county when the 2 or 3 small cooperatives in that county get together.

Mr. KEFAUVER. The Senator overlooks the vital word "substantially" in the Clayton Act.

Mr. PROXMIRE. They would substantially lessen competition. The adverb "substantially" looks to the marketing area.

Mr. KEFAUVER. We must look to the effect of the decisions of the Supreme Court. That is what we must go by. Unless an outfit gets big enough so that it can in effect economically ruin other people, then it does not come under the definition of substantially lessening competition or creating a monopoly. There has been much talk about National Dairies and other dairies. Frankly, I believe that more suits ought to be brought against them. They have not been immune from the laws. The Senator need only go to the Attorney General's office or to the Federal Trade Commission to find a great roster of cases against these various private dairies. However, to the best of my knowledge, never has there been a case brought against, or an adverse decision rendered against, two cooperatives which wanted to merge in order to increase their efficiency.

Whom are we trying to protect? Are we trying to protect someone who has more than 75 percent of the market? Does the Senator believe it would help to enable Sunkist in California to merge with some other cooperative which has the other 25 percent, and thus squeeze out everybody else. We are not dealing with peanuts. We are not dealing with marketing cooperatives. We are dealing with processing cooperatives and purchasing cooperatives, and all the cooperatives which are defined in the Agricultural Marketing Act of 1929.

Mr. PROXMIRE. Does the Senator want me to answer the question?

Mr. KEFAUVER. It will be seen that this provision refers to federations of cooperatives. Federations of cooperatives are also dealt with and are authorized in the preceding subsection (b), which is a part of the bill.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. HOLLAND. I do not like to differ with the Senator so completely, but my understanding of his pending amendment is that it relates wholly to the Capper-Volstead Act type of associations. They are associations which do nothing but the things which are set up in the Capper-Volstead Act: Collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce. It does not relate to sales organizations or fertilizer organizations and all the other large procurement and furnishing associations. The Senator's amendment of yesterday did, but the present amendment applies only to the marketing organizations, as shown by the report.

Mr. KEFAUVER. The Senator from Florida may be correct—processing and preparing for market.

Mr. HOLLAND. I thank the Senator. It seemed to me that we ought to have a clear understanding that the pending amendment relates exclusively to marketing organizations established under the Capper-Volstead Act.

Mr. KEFAUVER. On reading the section again, I agree with the Senator from Florida.

Mr. HOLLAND. I thank the distinguished Senator.

Mr. KEFAUVER. Much has been said to the effect that the Maryland-Virginia Milk Producers Association could not buy a little dairy. What the court prohibited it from doing was becoming a monopoly. That same rule would have applied to a corporation if it had 86 percent of the sales to milk dealers and tried to acquire someone else. In such a case the same rule would apply. The reason the acquisition of Embassy by the Milk Association was struck down is that no substantial competition was left in the District of Columbia and Maryland.

I hope that in the interest of protecting our antitrust laws, at a time when they need protection and strengthening, we will not start chipping away on the antitrust laws, which would make their enforcement very much harder.

Mr. ELLENDER. I yield a few minutes to the Senator from Minnesota.

Mr. McCARTHY. Mr. President, we are confronted with a very simple problem. It is the question of whether we wish to preserve the terms and provisions of the Capper-Volstead Act, or whether we wish to change them. The committee is seeking to make clear what was accepted all through the years until 1960 as the meaning of the Capper-Volstead Act. If we are going to change all that, it should be done only after extensive hearings, and after considerable discussion and study. The committee has very carefully considered this subject. After considering the subject, we attempted to draft into the bill an amendment to the Capper-Volstead Act which would make clear what has been the accepted intent and purpose of that act since it was enacted.

I have been somewhat distressed by reading a letter sent by the Assistant Attorney General in charge of antitrust actions.

He says:

> Our analysis indicates that substitute section 401(c) is badly drafted and ambiguous.

Have Senators ever heard that kind of language before? Almost any draft is ambiguous unless the language is discussed by the lawyer who drafted it himself. Here is an Assistant Attorney General who says this is badly drafted and ambiguous. He states: "The intent and effect is not clear on its face."

I believe it is quite clear on its face. If we read the Capper-Volstead Act I believe the amendment becomes absolutely clear. The Capper-Volstead Act in its declaration of intention states what we are seeking to do for cooperatives. The amendment makes clear that cooperatives can do what they have to do in order to accomplish what the Capper-Volstead Act wanted them to accomplish. This should be clear.

Congress used very careful language in section 2, to which this amendment makes reference. The language reads:

> If the Secretary of Agriculture shall have reason to believe that any such association monopolizes or restrains trade in interstate or foreign commerce to such an extent that the price of any agricultural product is unduly enhanced by reason thereof, he shall serve upon such association a complaint stating his charge in that respect.

And so on.

This puts a very specific obligation on the Secretary of Agriculture.

The language of the bill, to which the amendment relates, provides:

> Any such association or federation of such associations may, in addition to the rights otherwise conferred by law, acquire directly or indirectly the whole or any part of the assets, stock or other share capital of any other such association or any corporation engaged in the same or a related kind of commerce.

Then the language describes what is to be done if a cooperative is to be effective:

> Subject to the terms, limitations, and procedures set forth in section 2 hereof—

To which I have just referred, which imposes an obligation upon the Secretary of Agriculture to proceed when a cooperative violates the terms of the Capper-Volstead Act—

> and in addition thereto, the Secretary may require divestiture of the assets, stock or other share capital, held in violation of this act, if any there be, in such manner and within such time as he may prescribe.

The procedures, it seems to me, are not only essentially but absolutely the same as they are at the present time under the Capper-Volstead Act.

The Assistant Attorney General goes on to say:

> On the other hand, the section can be construed, although it does not explicitly say so, to authorize certain cooperative mergers and acquisitions to be made subject only to the terms, limitations, and procedures of section 2 of the Capper-Volstead Act.

This is true. This is an amendment to the Capper-Volstead Act. We are not making any changes in the Sherman Antitrust Act or the Clayton Antitrust Act. If the Assistant Attorney General could say that this proposal amended the Sherman Act or the Clayton Act, he would have a case. But here is an amendment to the Capper-Volstead Act, and the Assistant Attorney General seems to think it is bad to have an amendment to the Capper-Volstead Act which bears upon the Capper-Volstead Act. It is difficult for me to understand why this should be confusing to him. He continues:

> Under such construction the provisions of the antitrust laws would not apply to the mergers and acquisitions covered by this section.

The amendment applies only to the Capper-Volstead Act. It clarifies only the Capper-Volstead Act. It takes no authority away from the Secretary of Agriculture, and takes no responsibility away from him, to proceed when a cooperative violates the terms of the Capper-Volstead Act.

Mr. KEFAUVER. Mr. President, will the Senator from Minnesota yield for a question, the time for the question to be charged to the time under my control?

Mr. McCARTHY. I yield.

Mr. KEFAUVER. The report of the Assistant Attorney General was as to the section of the bill as amended. The administration proposal, I take it, or at least the bill as introduced by the Senator from Louisiana [Mr. ELLENDER], at page 77, section 401(c), related to any cooperative under the Agricultural Marketing Act of 1929. That is how I became confused about coverage. It provided that such cooperative could merge and acquire other cooperatives. Then it had this saving clause:

> Unless in any line of commerce in any section of the country, the effect of such acquisition, merger, or consolidation may be substantially to lessen competition, or to tend to create a monopoly.

So the viewpoint of the administration, as I take it from the language of the original bill, was that they needed the saving protection of section 7 of the Clayton Act.

It was my understanding that the present provision was an amendment offered by the Senator from Wisconsin [Mr. PROXMIRE], and that there was a very close division within the Committee on Agriculture and Forestry itself as to whether the protection of the Clayton Act would be retained in the bill or would be removed, as is now provided in section 401(c), which is the amendment offered by the Senator from Wisconsin. Is that a correct statement of the situation?

Mr. McCARTHY. I do not remember the exact stages.

Mr. PROXMIRE. Mr. President, will the Senator from Minnesota yield?

Mr. McCARTHY. I yield.

Mr. PROXMIRE. I should like to clarify that point. The vote on the amendment of the Senator from Wisconsin was 13 to 4 in the committee. There was a larger modification of the amendment by the Senator from Minnesota. The vote of 13 to 4 would seem to me to be a very decisive vote.

Mr. KEFAUVER. In the original bill, the saving protection of the section was in section (c):

> Unless in any line of commerce in any section of the country the effect of such acquisition, merger, or consolidation may be substantially to lessen competition, or tend to create a monopoly.

Mr. McCARTHY. Yes, but that language did not occur in the Capper-Volstead Act. This amendment relates to the Capper-Volstead Act. We have changed none of the basic language of the Capper-Volstead Act. We have taken away no authority from the Secretary of Agriculture.

The Assistant Attorney General commented, since his letter has been introduced as having a significant bearing on the debate:

> Further, the substitute is not clear in the scope of its application.

Mr. President, it seems to me that the Attorney General has made a very unclear case, and the amendment ought to be rejected.

Mr. ELLENDER. Mr. President, I understand that the Senator from Tennessee is willing to yield back the remainder of his time, and I am agreeable to yielding back the remainder of my time.

Mr. KEFAUVER. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. KEFAUVER] to the committee amendment. All time has been yielded back. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOSS (when his name was called), On this vote, I have a live pair with the Senator from Oregon [Mr. MORSE]. If the Senator from Oregon were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. PROUTY (when his name was called). On this vote, I have a live pair with the distinguished junior Senator from Texas [Mr. TOWER]. If the Senator from Texas were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Arizona [Mr. HAYDEN], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Oregon [Mr. MORSE], and the Senator from Oregon [Mrs. NEUBERGER], are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ], is absent because of illness.

On this vote, the Senator from Oregon [Mrs. NEUBERGER] is paired with the Senator from Kentucky [Mr. COOPER]. If present and voting, the Senator from Oregon would vote "nay," and the Senator from Kentucky would vote "yea."

On this vote, the Senator from Utah [Mr. Moss] has a live pair with the Senator from Oregon [Mr. MORSE].

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] is absent because of illness.

The Senator from Hawaii [Mr. FONG] and the Senator from Texas [Mr. TOWER] are necessarily absent.

The pair of the Senator from Texas [Mr. TOWER] has previously been announced.

On this vote, the Senator from Kentucky [Mr. COOPER] is paired with the Senator from Oregon [Mrs. NEUBERGER]. If present and voting, the Senator from Kentucky would vote "yea," and the Senator from Oregon would vote "nay."

The result was announced—yeas 50, nays 39, as follows:

[No. 105]

YEAS—50

Allott	Bridges	Carlson
Anderson	Bush	Carroll
Beall	Butler	Case, N.J.
Bennett	Byrd, Va.	Case, S. Dak.
Bible	Cannon	Church
Boggs	Capehart	Clark
Cotton	Keating	Russell
Curtis	Kefauver	Saltonstall
Dirksen	Kuchel	Schoeppel
Dodd	Lausche	Scott
Dworshak	Long, Hawaii	Smith, Mass.
Engle	Monroney	Smith, Maine
Goldwater	Morton	Thurmond
Gore	Mundt	Williams, N.J.
Hickenlooper	Pastore	Williams, Del.
Hruska	Pell	Young, Ohio
Javits	Robertson	

NAYS—39

Aiken	Holland	Metcalf
Bartlett	Humphrey	Miller
Burdick	Jackson	Muskie
Byrd, W. Va.	Johnston	Proxmire
Douglas	Jordan	Randolph
Eastland	Kerr	Smathers
Ellender	Long, Mo.	Sparkman
Ervin	Long, La.	Stennis
Gruening	Magnuson	Symington
Hart	Mansfield	Talmadge
Hartke	McCarthy	Wiley
Hickey	McGee	Yarborough
Hill	McNamara	Young, N. Dak.

NOT VOTING—11

Chavez	Hayden	Neuberger
Cooper	McClellan	Prouty
Fong	Morse	Tower
Fulbright	Moss	

So Mr. KEFAUVER's amendment to the committee amendment, as amended, was agreed to.

Mr. ANDERSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KEFAUVER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. YARBOROUGH. Mr. President, I call up my amendment——

Mr. ELLENDER. Mr. President, may we have a little order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ELLENDER. As I understand, there are but two more amendments to be offered, one affecting imported dates, and one affecting lambs. If Senators will remain in the Chamber for a few minutes, we shall be able to complete action on them. So far as I am concerned, I shall not ask for a yea and nay vote on final passage of the bill.

Mr. LONG of Louisiana. Mr. President, I have in mind offering an amendment, in view of the action taken on the last amendment. I believe it will require a yea-and-nay vote.

If 50 Senators who voted for the amendment are willing to let the Comptroller of the Currency determine whether banks can merge, or the Interstate Commerce Commission to determine whether railroads can merge or buy the assets of another railroad, or the Federal Communications Commission to determine whether television stations can merge, or the Civil Aeronautics Board to determine whether airlines can merge, I do not think they consider it fair not to permit the Secretary of Agriculture to determine whether farmers, who are most in need of our help, should be able to merge.

I intend to offer my amendment. It relates to the same issue, but I propose to add the words, "Unless the Secretary determines that such acquisition, merger, or consolidation would substantially lessen competition or tend to create a monopoly."

The reason I shall offer the amendment is that there was a situation in the District of Columbia in which the Department of Agriculture thought it would be a good thing to lend farmers money to buy a dairy. Then the Justice Department prosecuted the farmers for doing it.

The PRESIDING OFFICER. The Chair wishes to know whose time is being yielded.

Mr. YARBOROUGH. Mr. President, I have the floor. I did not ask for the regular order because I was very much in sympathy with what the distinguished Senator from Louisiana was saying, but I have the floor on my amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. YARBOROUGH. I yield.

Mr. HUMPHREY. I also wanted to express a word not only in sympathy, but in support, of what the Senator from Louisiana was saying.

Mr. YARBOROUGH. I also support him.

Mr. HUMPHREY. I think his argument was very persuasive. I hope he will offer the amendment.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. YARBOROUGH. Yes, but not for more than 1 minute.

Mr. PASTORE. I submit——

The PRESIDING OFFICER. Will the Senator state his amendment?

Mr. YARBOROUGH. I have asked the clerk to state the amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Texas will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 101, lines 12 and 13, to strike out "(but not excepting lambs)".

Mr. PASTORE. Now will the Senator yield?

Mr. YARBOROUGH. For 1 minute.

Mr. PASTORE. Merely for the purpose of the record, I think the Senate ought to understand that there is a great deal of difference involved here. All the agencies which have been enumerated by the Senator from Louisiana regulate the industries involved. The enterprises have to seek authority to operate in the public interest, and those companies can operate if they apply and the agency permits them to operate. But here the situation is entirely different. There is no control over the cooperatives. They can do anything they wish to, even violate the antitrust laws, unless the Attorney General sees that they obey the law.

The Senator from Louisiana mentioned banks. They have to get charters before they can operate. The Senator mentioned railroads. They have to get franchises before they can operate. They are regulated by the agencies. That is the reason why that jurisdiction is reserved to the Comptroller of the Currency and the various departments that they have been enumerated by the Senator from Louisiana.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. PASTORE. I do not have the floor. The Senator from Texas yielded to me.

Mr. YARBOROUGH. I think it well that the Senator from Louisiana has called attention to the fact that there will probably be a record vote on the Capper-Volstead Act amendment. I will not call for a record vote on the lamb amendment, but I will present my argument for the amendment so it can be passed on soon, and the Senate can proceed to the amendment to be offered by the Senator from Louisiana.

My amendment is a simple one. It simply takes lambs out of the bill.

The committee has reported—page 41, committee report—that it included in the bill producers of all commodities that indicated they wanted to be included, and excluded producers of all commodities whose producers indicated they wanted to be excluded. Members of the lamb producing industry tell me they were not asked before they were included. They understood livestock was to be excluded from the bill. They say they have been included without having had an opportunity to be heard before the committee.

I have received a letter from the National Wool Growers Association, Salt Lake City, Utah, dated July 24, 1961, which reads:

DEAR SENATOR YARBOROUGH: This is to advise you that the executive committee of the National Wool Growers Association held a called meeting last week in Denver, primarily for the purpose of determining the position the association should take relative to the inclusion of lambs under the provision authorizing marketing orders in the general farm bill.

At this meeting every member State but one was officially represented. The matter was discussed in detail and experts explained the workings of such a provision. After careful consideration, this committee, which makes the policies of this association, voted that they did not favor the inclusion of lambs in the marketing order provision.

Pursuant to this action I respectfully request that you use your best efforts to secure adoption of an amendment which would strike lambs from the portion of the bill dealing with marketing orders.

Sincerely yours,

PENROSE B. METCALFE,
President.

The letter does not state what the vote in the executive committee was. I asked for the vote. The President states that the delegates voted 10 to 7, but of the lamb-producing States, voting by States, 8 States voted to take the lamb marketing provisions out of the bill, and 4 States voted to keep it in. So the vote was 8 to 4 by the delegates voting by States last week, and it was 10 to 7 when counted by individuals from the lamb-producing States.

I also have a letter from the Texas Sheep & Goat Raisers' Association, San Angelo, Tex., signed by Charles Schreiner III, president, dated July 22, which reads:

DEAR SENATOR YARBOROUGH: I am writing in further regard to our request for your assistance in securing the deletion of lamb from the marketing agreement provision of the farm bill.

We earnestly believe that the suggested idea of area or national action on permissive marketing agreements and orders for lamb is not desirable and could prove to be seriously detrimental to our lamb industry.

Successful marketing of lamb depends on the fullest cooperation of the feeders, packers, dealers, and market agencies. Any program established by the producers under a marketing order might be conflictive with this orderly procedure so necessary for the prompt moving of lamb. Restrictions imposed under such a program might prevent the ready marketing of a lamb crop which cannot afford to be delayed because of loss of finish and deterioration in value. The marketing of our product is far broader and more complicated than a nonperishable agricultural commodity.

I offer these opinions to you as an official of the Texas producers' organization, and as a producer. Your consideration of our views on this problem and assistance in amending the bill to remove lamb from the marketing agreement provision will be appreciated.

Sincerely,

CHAS. SCHREINER III,
President.

Mr. President, in reading these letters from the producers, I am not referring to the middlemen. I am referring to producers, and Mr. Schreiner is a producer, a member of a distinguished Texas family which has been raising sheep and goats for three generations.

Mr. CASE of South Dakota. Mr. President, will the Senator yield for two or three questions?

Mr. YARBOROUGH. I yield to the distinguished Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, as I understand the situation, a marketing order could be issued on lamb under the language in the bill. The amendment offered by the Senator from Texas would take lambs out of the bill.

Mr. YARBOROUGH. The amendment is that simple.

Mr. CASE of South Dakota. The Senator is aware that the livestock producers generally—at least in my part of the country—have taken the position that livestock ought not to be subject to marketing orders, because livestock does not lend itself to being put on ice or put in storage. Livestock, when finished and ready for the market, must go to the market. Marketing orders might interfere with the normal orderly marketing of cattle and other forms of livestock; is that correct?

Mr. YARBOROUGH. The Senator has stated exactly the position of the livestock growers in my part of the country, both the producers of lamb and the producers of beef cattle.

Mr. CASE of South Dakota. Does not the Senator think that those of us who believe cattle ought not go under marketing orders would be consistent if we were to support his amendment, to provide that lambs should also be taken out from under the provisions of the bill?

Mr. YARBOROUGH. I certainly do. I thank the distinguished Senator for bringing up this question, because the growers of lambs think another problem might arise. The market for lamb is more limited than the market for beef. The growers of lambs fear that under a marketing order, with more restrictions on their marketing than were applicable to beef marketing, might worsen their competitive position, and they might lose part of their market to beef. Some people do not eat lamb, anyway, and marketing restrictions might make the situation of the lamb growers more difficult.

Mr. CASE of South Dakota. Mr. President, I think the Senator is to be commended for offering the amendment. If we leave lamb under the terms of the bill we will lay the foundation for those who would like to put other forms of livestock—for instance, cattle—under marketing orders. To me that is not workable. I think an industry which is now as sensitive and delicate as is the production of lambs deserves an opportunity to work out its own destiny.

In view of the letters which the Senator has received from the National Wool Growers Association, I hope the amendment will be agreed to.

Mr. YARBOROUGH. I thank the distinguished Senator from South Dakota.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr YARBOROUGH. I will yield to the distinguished Senator from Colorado in a moment.

Mr. President, I wish to read two paragraphs from a letter written to me by Mr. T. A. Kincaid, of Ozona, Tex., one of the best known sheep and lamb producers in our part of the country. He has been president of the State association and an officer of the national association. This letter further illustrates what the distinguished Senator from South Dakota has said. He states:

Marketing orders would make possible the erection of trade barriers on regional bases, thereby removing some large population and consuming areas from the market for growers in other States.

Market orders might be valid in fields of agriculture where there are surpluses but that is not the case in the lamb market. Every lamb raised in America is quickly absorbed by the market and even large quantities of foreign raised lambs are imported.

Those in the lamb growing States know that lambs have come in frozen, in shiploads, from New Zealand.

Mr. President, I now yield to the distinguished Senator from Colorado.

Mr. ALLOTT. Mr. President, I thank the Senator, who has done a very great service in offering the amendment, which was bound to be offered by one of those of us who are interested in lambs.

The questions asked by the Senator from South Dakota [Mr. CASE] have made perfectly clear what the issues are. All of us who are involved with livestock believe that livestock should be left out of the terms of the bill. There is no reason for including lambs, because lambs, must be submitted to the market when ready. There is no waiting. There is no stalling for time. The lambs must be submitted to the market. If they are subjected to marketing orders, it might very well destroy the logical and orderly submission to the market of the lambs.

I hope the Senator will join with the Senator from Texas and those of us who feel, as he does, that we should eliminate lambs from the terms of the bill, so that those who wish to operate their own businesses may continue to do so.

I thank the Senator for yielding.

Mr. YARBOROUGH. I thank the distinguished Senator from Colorado.

Mr. President, I wish to read two more sentences from the letter from Mr. Kincaid.

Our difficulty is one of management and we already have the means to help ourselves. We are well on the road with a new approach to lamb promotion and advertising in the American Lamb Council.

As those who come from the lamb-growing areas know, the problem is one of competition with other meat. A council has been formed for the promotion and advertising of lamb as a food product. The problem is more of promotion and advertising than of regulation.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. YARBOROUGH. I yield to the Senator from Kentucky.

Mr. MORTON. I thank the Senator from Texas.

As the Senator knows, and as we all know, Kentucky spring lambs are the finest in the country, and they demand a premium price in New York. The growers in Kentucky agree with the Senator from Texas that his amendment should be adopted. The Kentucky growers do not need it, because a premium is paid for our lambs because of their great quality. We are proud of that, and wish to maintain the status quo.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. YARBOROUGH. I yield to the distinguished Senator from Kansas.

Mr. SCHOEPPEL. I commend the Senator from Texas, and I wish to associate myself with the statement made by the distinguished Senator from South Dakota [Mr. CASE].

Mr. YARBOROUGH. I am glad the distinguished Senator did not associate himself with the remarks of the distinguished Senator from Kentucky, who claimed that the finest lambs in all the country are from Kentucky; we do not confess that the lambs produced in our area are inferior to Senator MORTON'S area production.

Mr. SCHOEPPEL. There is a genuine feeling in my State of Kansas that livestock people want no part of this kind of arrangement. A fear was prevalent among the cattle interests that if the provision were left in the bill it would be an opening wedge. I commend the Senator from Texas, and I shall support his amendment.

Mr. YARBOROUGH. I thank the distinguished Senator from Kansas.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the letter from T. A. Kincaid, of Ozona, Tex., July 22, 1961, a distinguished citizen of my State; and also a resolution adopted by the executive committee, National Wool Growers' Association, Denver, Colo., July 18, 1961.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

OZONA, TEX., *July 22, 1961.*

Hon. RALPH YARBOROUGH,
U.S. Senate, Washington, D.C.

DEAR SENATOR YARBOROUGH: I want to add my personal support to your effort to amend the Senate agricultural bill by removing lamb from the list of commodities the legislation makes eligible for market orders. This is constructive action that will insure a freely operating sheep industry.

I can see no possible way that marketing orders would, in any manner, improve the lamb market for the grower. On the other hand I feel certain that this step would open up our industry for unwanted and unnecessary controls, possible grade and production quotas.

Marketing orders would make possible the erection of trade barriers on regional bases, thereby removing some large population and consuming areas from the market for growers in other States.

Market orders might be valid in fields of agriculture where there are surpluses but that is not the case in the lamb market. Every lamb raised in America is quickly absorbed by the market and even large quantities of foreign-raised lambs are imported.

We do not need additional legislation. We desire to work out our problems through the methods provided by the National Wool Act in the form of the American Sheep Producers' Council. Our difficulty is one of management and we already have the means to help ourselves. We are well on the road with a new approach to lamb promotion and advertising in the American Lamb Council.

Please accept my thanks for your work and assistance in keeping the sheep industry American.

Sincerely yours,

T. A. KINCAID.

RESOLUTION ADOPTED BY THE EXECUTIVE COMMITTEE, NATIONAL WOOL GROWERS' ASSOCIATION, AT DENVER, COLO., JULY 18, 1961

We appreciate the fact that the Congress of the United States has taken notice of the deplorable economic condition of the American lamb producer and feeder; however, we do not feel that marketing agreements, orders, or quotas are the answers to our problem.

We, therefore, respectfully request that the word "lambs" be deleted from the proposed Agricultural Act of 1961 where it deals with the above matters.

Mr. YARBOROUGH. Mr. President, I yield the floor.

Mr. ELLENDER. Mr. President, when the Committee on Agriculture and Forestry was completing its work on the bill, my good friend from North Dakota [Mr. YOUNG] moved to include lambs. I put the question. There was no objection.

Mr. YOUNG of North Dakota rose.

Mr. ELLENDER. Mr. President, I yield to the Senator from North Dakota as much time as he desires.

Mr. YOUNG of North Dakota. Mr. President, I shall take only 2 or 3 minutes.

I have no strong feeling on this amendment. I offered an amendment to add lambs to the bill in the committee, because the wool growers of my area wanted it. I understand that the vote at the national meeting held recently was very close.

This provision might be helpful to the lamb producers at some time. It is not necessary to use the provision, unless there is a desire to do so. Soybeans have been under the provisions of the act for marketing orders ever since 1937, and the provision has never been used.

Such a provision might prove helpful to the lamb producers some day. If the producers do not wish to have it, that is all right with me. The wool growers of my area would like to have it.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. YOUNG of North Dakota. I yield.

Mr. MANSFIELD. I am in accord with what the Senator from North Dakota has said, with what the chairman of the committee has said, and with what the Committee on Agriculture and Forestry has done. As the Senator from North Dakota has pointed out, there is a discretion clause in the language. Furthermore, I think these proposed changes are coming in at a pretty late date and with pretty poor grace. I hope the committee proposal will be retained in the bill.

Mr. YARBOROUGH. Mr. President, I ask for a division.

The PRESIDING OFFICER. Do Senators yield back their remaining time?

Mr. ELLENDER. Mr. President, I have nothing further to say. I yield back my remaining time.

Mr. YARBOROUGH. Mr. President, I yield back my remaining time, and I request a division on the amendment.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment to the committee amendment, as amended, offered by the Senator from Texas [Mr. YARBOROUGH]. On this question a division has been requested.

On a division, the amendment to the committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KUCHEL. Mr. President, on behalf of my colleague, the Senator from California [Mr. ENGLE], and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 103, after line 18, it is proposed to insert the following:

(6) Section 8(e) is amended by inserting in the first sentence thereof after "grapefruit," the following: "dates with pits, dates with pits removed, and products made principally of dates,".

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California.

Mr. KUCHEL. Mr. President, I shall be brief.

The PRESIDING OFFICER. How much time does the Senator yield to himself?

Mr. KUCHEL. Five minutes.

Mr. President, I speak for the American-date producer and for the American consumer, as I offer the amendment. Section 3(e) of the Agricultural Marketing Act of 1937 prohibits the importation into the United States of certain agricultural commodities during the time when an order under the act is in

effect containing terms regulating the grade, size, quality, and maturity of such agricultural commodity.

I wish to read from the present law. Here are the products which today are given the protection of requiring equal standards when any competing commodity is imported into this country. I list those American agricultural products which are given equal treatment by section 8(e) of the law:

Tomatoes, avocados, mangos, limes, grapefruit, green peppers, Irish potatoes, cucumbers, and eggplants.

To that list our amendment would add "dates." Dates are produced in this country. The date growers in America voluntarily have subjected themselves to inspection by the Department of Agriculture under the law. What is wrong about requiring that dates, imported into this country from the Middle East or elsewhere, be subjected to exactly the same standards to which the American date grower himself is subjected?

The principle of the law is that when the producers of a domestic agricultural commodity are required to meet certain standards, the importers of similar and competing commodities ought to meet precisely the same standards. The amendment would apply that principle to dates and to date products.

Mr. ELLENDER. Mr. President, I am sorry to oppose the amendment. The committee gave it no consideration whatever. I understand that there is much opposition to it. I yield to my good friend the Senator from Illinois [Mr. DOUGLAS].

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. ELLENDER. I yield 5 minutes.

Mr. DOUGLAS. Mr. President, as I understand, the amendment of the Senator from California would virtually eliminate the importation of dates, which I believe is wrong in principle. We certainly ought to encourage trade to the fullest degree possible. In addition, it would be extremely adverse to American concerns which process foreign dates.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I will yield in a moment.

I know that our California friends have their attention concentrated on their own State, but there are 49 other States to the Union, and I believe that the interests of consumers and processors of foreign dates should be considered.

I am now glad to yield.

Mr. KUCHEL. The distinguished Senator from Illinois is aware that the amendment is not in the nature of a quota nor a prohibition against date importation, but one which is solely intended to give the stomachs of the American people the comfort of a guarantee that imported dates would come up to the same standards as required of domestic dates. Is not my friend aware of that point?

Mr. DOUGLAS. The dates are different products.

They are processed into fig newtons.

Mr. KUCHEL. The Department of Agriculture has not made the statement that they are different. The Department of Agriculture has asked that the proposed legislation, which my colleague from California and I have offered, be written into the law. The amendment would not prohibit the importation of dates into this country in any fashion. Let the dates come in. But we represent American farmers. We represent the people who grow crops in this country. We represent the American housewife. What possible justification is there to an American law which permits a foreign importer to bring dates in that do not meet the same quality standards as American-produced dates? To oppose my amendment does not make sense to me.

Mr. DOUGLAS. We all have an appreciation of the beauties of California and the glories of California fruit, but the idea that they are always superior in every respect is somewhat foolish. For many years the American people ate dates which came from Asia Minor and enjoyed them. I think we still eat dates from that area. I do not believe the market should be closed to the countries of the Near East. To do so would bring about great damage to the concerns of this country which process foreign dates and which, incidentally, are in almost every State.

Mr. TALMADGE. Mr. President, will the Senator from Louisiana yield me some time?

Mr. ELLENDER. I yield to the Senator from Georgia as much time as he wishes.

Mr. TALMADGE. I appreciate the courtesy of the Senator from Louisiana in yielding time. I am sorry that the Senator from California brings in the amendment at this late hour in our consideration of the farm bill. The amendment has not even been printed. Senators have not had an opportunity to study it. No hearings have been held on the amendment. We do not know the import of what we are asked to vote upon. In my judgment it is erroneous to legislate in any such manner. All I do know about the situation is that there is a small town in Georgia called Woodbury. It was formerly a great peach and cotton area. The citizens of the community worked and have finally gotten for themselves a little industry. It is an industry that employs approximately 500 people, whose livelihood is dependent upon the importation of the dates that they must have from the Middle East. Without such importation the company would be out of business.

The owners of the plant have said that California dates are fine, but they are not suited to the particular purpose for which they desire the dates. They desire to use the Middle East dates, which fit best in the cracker that they make at that plant.

We have been talking about foreign aid and foreign trade. We have in Georgia one thriving little industry that is engaged in the business. The Senator from California has offered an amendment upon which no committee hearings have been held. The amendment has not been printed, and Senators do not know what they are asked to vote upon. In one fell swoop the Senator offers an amendment which would put the small business in my State which I described out of business. I do not think we ought to do so, and I hope the Senate will reject the amendment that has been proposed.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. KUCHEL. First, I have introduced a bill on this very subject, and it has been pending before the Committee on Agriculture and Forestry since early this year. The Department of Agriculture approves the proposed legislation, and did so in the last Congress.

The amendment is certainly simple. It would add dates to the present law and date products.

I believe the issue is plain enough. We will either subject foreign imports to the same standards of quality which we require of our fellow American producers, or we will say to our fellow Americans, "We are going to hold you to higher standards than we will hold a foreign competitor who wishes to bring a competitive product into this country." The issue is that simple.

There is no need for a long study of the subject. There is no need for a long hearing on it. The question is whether or not we will require foreign competition to comply with the same standards that we require of our fellow American citizens.

Mr. TALMADGE. The Senator has spoken of standards. We do not know what the standards are. We are required to rely on what the Senator says. The people in my State have said that the dates are of a different kind, and that one is suited for one purpose and the other is suited for another. The Senator wishes to hold a hearing on the floor of the Senate. Those who speak as Senators, I am sure, are gifted in many fields, but they are not experts in the field of dates, and I do not think our testimony should be accepted as such.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. TALMADGE. I am delighted to yield.

Mr. KUCHEL. The Department of Agriculture is the responsible Federal agency in this field. The Department of Agriculture has recommended that the proposed legislation be adopted.

Mr. TALMADGE. The Department of Agriculture is not a legislative body. It is not charged with the responsibility of making the laws of this country.

I am sure that the Committee on Agriculture and Forestry would, at a time convenient to the Senator, hold a hearing on his bill and give him an opportunity to explain to the members of that committee the total import of the bill, when the Senate Committee on Agriculture and Forestry could cross-examine witnesses and could have experts in the field testify, and could make some report to the Senate in connection therewith.

I do not believe that at this late hour we should take up a controversial issue

like this, on which no hearings have been held and on which Senators do not have information on which to make up their minds, and to try to handle a foreign trade policy at this late hour in the afternoon on an agricultural bill.

Mr. KUCHEL. I yield myself 1 minute. So far as I am concerned, if any Senator came forward asking the Senate to give protection or to provide equal standards with respect to agricultural products affecting his State, I would vote to give it to him. I speak today for the only section in the United States where our fellow Americans grow dates. I do not see how Senators can justify opposing a simple one-word amendment which would simply require the imported competition to live up to the same standards that we provide for the domestic production of dates. Senators have come to the floor of the Senate with this kind of amendment. That is why we have the present provisions in the law.

I urge my colleagues to give consideration to something which the Department of Agriculture has recommended.

Mr. ELLENDER. Mr. President, I yield such time as my good friend from Illinois desires to use.

Mr. DIRKSEN. Mr. President, unless in his lifetime one has indulged in the delight of sinking a molar into a succulent fig newton, much of life has gotten by him. If he has had no opportunity to sink a molar into a succulent cookie filled with dates, he has not come to grips with life and reality, and he has no place on the New Frontier, I am sure. I must say to my distinguished friend from California [Mr. KUCHEL] that I am heartbroken that I must oppose his amendment. This little controversy has been going on for quite some time. It is a controversy between the date processors in the country who import a great many dates and the growers of dates in this country. It involves a question of price. If the processors can buy dates cheaper abroad, obviously they are going to do so. I was in the bakery business once upon a time, although not in so large a business that I was involved in wholesale cookie making with dates or figs. However, I am sure that if I had had the opportunity to buy a carload of dates from that area made famous by Sinbad the Sailor, on the Persian Gulf, where the date winds blow and where Omar Khayyam sat under a fig tree with a jug of wine, reading and writing his lovely and enduring verses, I would want to buy at the best price I could.

So here is a controversy between the processors who make the cookies, cakes, and other goodies, and our distinguished friends from California, who would like to protect their market, if they could. I do not blame them a bit. I concur in the observations of my distinguished friend from Georgia, that the question ought to be heard. I am going to ask the chairman of the Committee on Agriculture and Forestry whether he will not assure my distinguished friend from California that he can have a hearing on this proposal at a very early date, and that it will be considered before the present session is over.

Mr. ERVIN. Did the Senator from Illinois say an early date or an early day?

Mr. DIRKSEN. I meant both.

Mr. ELLENDER. I was about to say to my good friend that that would be what I would say when I made my closing remarks. I would give my good friend from California an opportunity to be heard on the bill. His bill has been before us, and no effort was made that I know of to provoke hearings. He did not appear before our committee to do anything about it. As the distinguished Senator from Georgia has said, it involves many people. I do not believe it would be appropriate for us to pass upon it tonight without holding hearings on it.

I reassure my good friend from California that the bill he proposes will receive early attention by the committee.

Mr. DIRKSEN. That seems like a most amicable approach. I do not want this controversy between the date growers of California and the cookie processors of Chicago to get to the nuclear stage, because then we shall really be in difficulty. I trust that the amendment will be rejected.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JAVITS. May I ask the Senator from Louisiana a question in this connection? I have listened with a great deal of interest to what he has said because of our interests, the consumer interests of big cities, such as our interests and the interests of the Senator from Illinois [Mr. DOUGLAS]. How does the Senator from Louisiana go about ascertaining the position of a Government department which relates to the views of the consumers? I heard the Senator from California say that the Department of Agriculture has constantly approved this amendment. I could hardly believe my ears in terms of consumer interests in that regard, because I know a little about this problem with respect to bakery products. I wonder if the Senator from Louisiana could tell us whether reports are requested from other departments besides the Department of Agriculture. For example, in this case would it be the State Department? The State Department would be interested in the import question. On what department does the Senator rely for a report with respect to the consumer angle?

Mr. ELLENDER. The process so far as the Committee on Agriculture and Forestry is concerned is to send the bill to every department affected. In this case, the Department of Agriculture is affected. It would also be sent to the Department of State, because it involves trade; also to the Department of Commerce. I am not certain as to whether any reports were made by the departments affected except the Department of Agriculture. At any rate all Departments must clear with the Bureau of the Budget.

Mr. JAVITS. I thank the Senator.

Mr. KUCHEL. Mr. President, I yield myself one minute. First of all, a year ago the State Department opposed the bill. I regret its position. One of my friends on the Democratic side has suggested that some day we ought to have an American desk in the State Department. That was his observation.

Mr. PASTORE. It was the Senator from Rhode Island who made that suggestion.

Mr. KUCHEL. I thank my friend from Rhode Island. The State Department a year ago was opposed to the bill. I think it was wrong. The Department of Agriculture was in favor of it. It is in favor of it now. I have nothing more to add. The amendment would not prohibit foreign importation. I simply say what I said earlier. It would provide standards for the imported product which competes against the American product now under standards. It would provide the same standards.

Mr. ELLENDER. I yield a few minutes to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, there may come a time when the balmy date winds will blow across the shores of Lake Michigan, and those lovely shores will be fringed with date palms. Until that time we should reserve judgment on the issue. I earnestly hope that the amendment of my distinguished friend from the great State of the Golden Gate will not prevail.

Mr. ELLENDER. I yield back the remainder of my time.

Mr. KUCHEL. I yield back the remainder of my time. I ask for a division.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California [Mr. KUCHEL]. A division has been requested. [Putting the question.]

On a division the amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DIRKSEN. Mr. President, I yield myself 2 minutes under the bill.

Earlier today an amendment was submitted with respect to the so-called Soft Red Winter wheat program. It was submitted by the distinguished Senator from New York [Mr. KEATING].

Mr. KEATING. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. KEATING. I submitted it with the Senator from Michigan.

Mr. DIRKSEN. Yes. It was cosponsored by the Senator from Michigan [Mr. HART]. There was discussion of the amendment. It was withdrawn, but the record was made, in case the question should arise on the House side. There seems to be a great deal of concern about the possibility of a real shortage of flour milled from Soft Red Winter wheat, which is used mainly for cake flour. In connection therewith, I ask unanimous consent to submit a short statement as a part of my remarks, and also a table showing the total production, the total used domestically, the percentage used domestically, the total disappearance, the carryover, and the number of weeks' supply in the carryover.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The proposed wheat program, as it affects Soft Red Winter wheat, could create a man-made disaster—a shortage of a major type of wheat. As a matter of cold fact, the failure to recognize the difference between types of wheat is already felt in the heat of the short supply which is already blazing across the Durum wheat economy. We are now short of Durum wheat. The Senate proposes to do something about this. However, if this wheat proposal as now written is implemented, we will have a similar deficit of Soft Red wheat. Let us examine the relevant facts in the case:

1. In spite of all that we hear about wheat surpluses, in 3 of the last 5 years more Soft Red wheat was used at home and abroad than was produced in the United States.

2. On July 1, 1961, we had less than a 20-day supply on hand of this type of wheat. This is a very low margin of safety for the baking industry.

3. The Government has practically no stocks of Soft Red wheat and could not implement any payment-in-kind program for this type of wheat.

4. Thirty to forty percent cut in Soft Red wheat would mean a shortage—a shutdown of certain flour mills—a stoppage in the production of certain types of baked goods in the United States—a loss of dollar export markets—a loss of thousands of jobs.

The following table tells the story:

[Millions of bushels for Soft Red wheat]

	1956–57	1957–58	1958–59	1959–60	1960–61
1. Total production	187	159	195	161	190
2. Total used domestically	134	133	137	131	134
3. Percentage used domestically	72	86	70	81	70
4. Total disappearance	194	163	180	172	190
5. Carryover	10	6	21	10	10
6. Number of weeks' supply in carryover	3	2	6	3	3

Mr. LONG of Louisiana. Mr. President, I offer an amendment, and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 139, after line 8, it is proposed to insert the following:

(c) The Capper-Volstead Act is hereby amended by adding the following paragraph at the end of section 1 thereof:

"Any such association or federation of such associations may, in addition to the rights otherwise conferred by law, acquire directly or indirectly the whole or any part of the assets, stock or other share capital of any other such association or any corporation engaged in the same or a related kind of commerce or may merge or consolidate with any other such association or any such corporation, subject to the terms, limitations, and procedures set forth in section 2 hereof unless the Secretary determines that such acquisition, merger, or consolidation would substantially lessen competition or tend to create a monopoly. In the case of any such determination, the Secretary, in addition to the orders provided for by section 2, may require divestiture of the assets, stock or other share capital, held in violation of this Act, if any there be, in such manner and within such time as he may prescribe.

"(d) Wherever the word 'association' appears in section 2 of the Capper-Volstead Act insert immediately thereafter the words 'or federation of associations'."

Mr. LONG of Louisiana. Mr. President, I yield myself 5 minutes.

The amendment restores the language that was stricken by the Kefauver amendment, with this exception: It contains the language:

Unless the Secretary of Agriculture determines that the acquisition or the merger would tend substantially to lessen competition or tend to create monopoly.

The words "tend substantially to lessen competition or tend to create a monopoly" are the language of the Clayton Act. That is the language which is controlling, insofar as decisions on mergers are made by the Department of Justice.

There is this difference. The determination of whether farmers may buy a dairy or will be permitted to merge two farm cooperatives, based on whether the merger would tend to lessen competition, would be made by the Secretary of Agriculture rather than by the Attorney General.

Many precedents exist for this decision. The practical effect is that the determination would be made by one who ordinarily would have greater sympathy for the farmer than would be the case if the decision were made by the Attorney General.

Congress has made similar provision for banks. In 1959—only 2 years ago—Congress passed a law to that effect. The Senate rejected an amendment offered by former Senator O'Mahoney which would have given the Attorney General the right to exercise his usual function in determining whether bank mergers would tend substantially to lessen competition. So such a law was passed for the benefit of banks.

Instead of the decision being made by the Attorney General, it is made by the Comptroller of the Currency, if he is the one who regulates a particular kind of bank; it is made by the Federal Deposit Insurance Corporation if the bank is insured by that agency; or it is made by the Federal Reserve Board if the bank is a Federal Reserve bank. Under that law, the Attorney General is forbidden to report on whether a merger would tend substantially to lessen competition. He is only permitted to report, in effect, on the competitive aspects of the merger.

For example, under that very statute there is at present an application of the First National City Bank to merge with the First Bank of Westchester, N.Y. The First National City Bank already has assets of $6 billion. The determination of that application will be made by one who would ordinarily tend to be more favorable to the point of view of the banks than the Attorney General could be expected to be.

The amendment to permit such mergers was adopted, and the O'Mahoney amendment, which sought to apply the Kefauver concept of mergers to banks, was rejected by the Senate by a vote of 55 to 29. Many Senators who voted for the Kefauver amendment on this bill voted to reject the O'Mahoney amendment which applied the Kefauver concept to the banks.

I believe most Senators are willing to be as fair to farmers as they are to bankers. Bankers are a group whose incomes are high. No one ever accused bankers of being in the low-income bracket. On the other hand, farmers usually make about one-half the income of persons engaged in other kinds of endeavors.

The same concept has been applied to television stations. If station owners wish to merge their companies they apply to the agency which understands their problem, the agency which is more favorable than the Attorney General would be. They go to the Federal Communications Commission.

If railroads desire to merge, their applications are presented to a very considerate commission, the Interstate Commerce Commission, which has historically been friendly to and understanding of the problems of the railroads.

If airlines wish to merge, they are not tied to the test of whether the mergers will tend substantially to lessen competition, and their mergers are not prosecuted by the Attorney General. Their applications are considered by the Civil Aeronautics Board.

So there is a vast amount of precedent for having the decision as to whether cooperatives may merge made by the Secretary of Agriculture, instead of having it made by the Attorney General.

Some of us feel it is patently unfair to say that the American Federation of Labor and the Congress of Industrial Organizations, two labor unions, may merge without any restraint in any respect, even though such a merger would create one gigantic labor organization; or to say that favored business groups may merge, although the merger be approved by one who could be expected to be more considerate of and friendly to the problems than the Attorney General of the United States would be, but that cooperatives desiring to merge may not enjoy such a privilege.

I recognize that a problem exists for the farmers in the low-income group; therefore their problems, including the mergers of farm cooperatives, should be determined by the Secretary of Agriculture. It is logical that they should be, for this reason: the Secretary of Agriculture makes the decision, in most instances, as to whether farmers may acquire facilities in any event, because in most events the farmers borrow money from the Federal Government through an agency of the Department of Agriculture to buy a facility such as a dairy. They do not themselves have the money, but they borrow it from the Bank for Cooperatives, which is controlled by the Department of Agriculture, in order to

buy a dairy or to buy a packing plant or a food processing plant.

When the Secretary of Agriculture determines that such a merger or purchase would be a good thing, and that it would tend to create competition for the processor, although it would, in some respects, tend to reduce competition as between farmers, he determines that it does not lessen competition, does not create a monopoly, and does not victimize the public, but would be a good thing. Then he makes the loan on that basis.

It does not make good sense that the Department of Justice should prosecute farmers, as was done in the Embassy case, for buying a dairy with money that was advanced by the Secretary of Agriculture, after he had made a study and determined that such a purchase would be desirable.

So my amendment would place on the Secretary of Agriculture the burden of determining whether such mergers would tend to create monopoly. Contrary to what the Senator from Rhode Island suggested, farmers are subject to regulation. The farm cooperatives certainly are. I refer to the act and ask Senators to look at the last page of the committee report, which relates to the Capper-Volstead Act. What does it provide in section 2? If in any case farmers, by acting together, are able unduly to enhance the price—in other words, if they are able to get a price which is excessive or unreasonable—it is the duty of the Secretary of Agriculture to proceed against them. He then invokes the authority of the Attorney General to proceed to prosecute the farmers, seeking to require that they reduce the price.

The section I am seeking to reinsert gives additional power, which makes the antitrust laws even more effective than before. It gives him an additional power, so that the Secretary of Agriculture may require these farmers to divest themselves of the assets, if they have unduly enhanced the prices. That language is at the desk.

So these farmers are subject to that price regulation—much more regulation than that imposed on the television stations by the Federal Communications Commission, because while the Commission determines who will get the licenses and what is material fit to go on the air, there is no regulation whatever as to the rates the television stations can charge their advertisers or can charge for providing service; and the same is true of banks, which may be regulated by certain State usury laws, but have no regulation in regard to the amount of profit they can make, and are not even required to comply with the provision about not substantially lessening competition when they merge.

So it seems to me the case is clear that farmers should be entitled to as favorable consideration as are the business groups. Some persons feel more friendly toward these groups than they do toward pipelines; I refer particularly to gas pipelines. If we are going to give this break to all these groups, I submit it is fair to give it to the farmer cooperatives. Certainly the test is there; namely, the test in regard to substantially lessening competition.

The person who would make the decision should not be the Attorney General, who in some cases has been altogether too disposed to spend his appropriation in trying to prosecute some strawberry farmers or some dairy farmers, when he should be prosecuting the economic giants of America.

The amendment places on the Secretary of Agriculture the responsibility to determine whether there is a tendency to create a monopoly or whether competition would be substantially lessened.

Mr. AIKEN. Mr. President——

Mr. LONG of Louisiana. I yield 5 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 5 minutes.

Mr. AIKEN. Mr. President, the amendment of the Senator from Louisiana should be adopted. It is an attempt to correct an injustice.

Mr. President, this week I have been shocked to find the Attorney General lending his great office to the attack which has been made on the farmers of America. But I still think the Presidency is an even higher office than the Attorney Generalship; and certainly we should know what the President of the United States thinks—or thought—about farmer cooperatives.

So I shall read into the RECORD the statement of John F. Kennedy on September 21, 1960:

Farmers' marketing, purchasing, and service cooperatives are an essential part of our American system of private enterprises, and as such must be given an opportunity to function effectively.

These are the farmers' own enterprises, established by them to give greater bargaining power in the marketplace when they sell their products, and to reduce the cost of their production supplies, and to provide necessary services.

Farmers suffer an almost unique disadvantage in our modern economy. Millions of individual farmers compete against each other when they sell their products. But the markets in which the farmer sells his products are dominated to an ever-increasing degree by a shrinking number of buyers. The market power of these fewer and larger firms grows steadily as each comes to command a growing share of the total market.

A most important first step to take in restoring farmers' income is to create a climate in which farmers can combine their resources as is done within other groups in our economy, and thus increase their bargaining power in buying and selling.

The Federal Government has both an opportunity and an obligation to assist by providing a favorable economic and legal climate for farmers to help themselves in this way. This will be one of the first steps which a new Democratic administration will undertake in its efforts to raise farm income. We can—and we will—help to create this climate in which farmers can work together to strengthen their bargaining power.

I believe in the spirit as well as the letter of the Democratic Party's platform pledge to protect and encourage the efforts of farmers to work together effectively through their own cooperative enterprises. I stand behind that pledge, and a Democratic administration will carry it out.

During the past 8 years, farmer cooperatives have been harassed by confusing, conflicting, and openly hostile policies of the Republican administration's Treasury and Justice Departments. The administration's hostility toward cooperatives has been supported and encouraged from the White House itself and by certain powerful Republican leaders. Under this Republican administration, even the Department of Agriculture has retreated from its traditional mission of championing farmer cooperatives.

Farmers who choose to sell their products and buy their supplies through their own cooperatives have an unqualified right to do so. The Federal Government should defend and protect that right, instead of attempting to abridge it as the Republican administration has done.

That is a wonderful statement; and if we simply change the word "Republican" to "Democrat," the statement would be just as good today as it was last September.

I continue to read from the statement:

Likewise, farmers have an unqualified right to invest in their cooperatives in any way they see fit, including the savings which they realize through operation of their own cooperatives. The Federal Government has no moral or legal right to single out the investments made by farmers in their own cooperatives for special restrictions and penalties.

Farmers who patronize cooperatives should be liable for a single tax on their income just as other citizens are, including that part of their income which comes to them through their cooperatives.

Nor does the Federal Government have any right or reason to fix arbitrarily the rate of interest on such investments nor their duration. I publicly and vigorously opposed the recommendations which were made by the Republican administration to hamper farmer cooperatives in this manner.

The PRESIDING OFFICER. The time yielded to the Senator from Vermont has expired.

Mr. AIKEN. I should like to have 2 more minutes, if I may.

Mr. LONG of Louisiana. Mr. President, I yield 4 more minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 4 additional minutes.

Mr. AIKEN. I thank the Senator from Louisiana.

Mr. President, I continue to read from the statement by John F. Kennedy, on September 21, 1960:

Farmers are entitled to adequate legal protection of their right to operate efficiently through cooperatives. To secure this legal protection the Capper-Volstead Act of 1922 was adopted, with bipartisan support. This act simply gives farmers the right to organize and to operate voluntary busness associations to market their products, and to make the contracts necessary to carry out that purpose. This act rightfully does not give farmers the freedom to engage in predatory business practices, and it was never intended to do so.

Mr. President, I think this is the important part of the entire statement:

Recent court decisions, however, have jeopardized the right of farmers to act together effectively and efficiently in processing and marketing their products which the Capper-Volstead Act was intended to protect. It is of special importance that the original intent of the Capper-Volstead Act be reaffirmed and clarified by Congress in unmistakable terms. This will be recommended to Congress by a new Democratic administration early next year.

I have no comment to make on that statement.

Mr. LONG of Louisiana. Mr. President, let me ask the Senator a question, in the time under my control: Do I correctly understand that when our great President was running for office, only a year ago, he was promising to give just the kind of relief that this amendment would give to farmers?

Mr. AIKEN. Absolutely so. If I am able to read the English language, he was promising to give the very thing which the Department of Justice has been successful in defeating today, on this floor.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield to me?

Mr. LONG of Louisiana. I yield.

Mr. HUMPHREY. Let me say that in light of the statement read just now by the distinguished Senator from Vermont, and in light of the position of the administration, the amendment of the Senator from Louisiana should be adopted unanimously.

I regard the Senator from Vermont [Mr. AIKEN] as one of the great agricultural leaders in the Senate. His distinguished associate, the Senator from North Dakota [Mr. YOUNG], is another of the great leaders in the Senate in the field of agriculture.

On this side of the aisle, the chairman of our committee, the Senator from Louisiana [Mr. ELLENDER], brings this bill to the floor of the Senate including the provisions along the lines of the amendment of the Senator from Louisiana.

So this is a bipartisan approach to the correction of an injustice.

Mr. President, let me make the matter crystal clear: I have gone into this matter. The Secretary of Agriculture supports the bill and the provisions which were in the bill. The amendment of the Senator from Louisiana does what subsection (c) of the bill provided, with the exception that the amendment tightens up the bill, in terms of any possibility of injury to competition or any tendency toward the creation of monopoly.

I submit that the administration does support the amendment of the Senator from Louisiana, and I have made it my business to find out.

I submit that the Secretary of Agriculture, speaking for the administration in the field of agriculture, in the field of farm cooperatives, and in the field of the Capper-Volstead Act, supports what the Senator from Louisiana is attempting to do here on the floor of the Senate. I call upon my colleagues on the Republican side and my colleagues on the Democratic side to join ranks to correct an injustice. Frankly, the Senator from Tennessee made a powerful argument in terms of subsection (c). The Senate saw fit to strike subsection (c). The Senator from Louisiana has made corrective adjustments of subsection (c) by tightening the language and the controls which the Secretary of Agriculture will be able to utilize in order to protect consumers and competition and prevent monopoly.

I hope the Senate will restore the language.

I compliment the junior Senator from Louisiana [Mr. LONG] and the senior Senator from Louisiana [Mr. ELLENDER] for bringing this proposal to the Senate. Farm cooperatives are not a threat to economic free enterprise in America. Farm cooperatives are about as free as enterprise can be.

I submit that the amendment offered by the Senator from Louisiana, and supported by the Senator from Vermont, will do much toward what should be done.

Mr. AIKEN. Mr. President, I believe the Republican Party has also been consistently on record as wanting to strengthen cooperatives. Inasmuch as I have appealed to Senators on the Senator's side of the aisle to live up to their party's pledge, and the Senator from Minnesota has appealed to Senators on my side of the aisle, I hope the amendment offered by the Senator from Louisiana will be unanimously approved.

Mr. HUMPHREY. I thank the Senator.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield 5 minutes to the Senator from Ohio, if I have the floor. Does the Senator from Louisiana have the floor?

The PRESIDING OFFICER. The Senator from Louisiana has the floor.

Mr. LONG of Louisiana. I yield 5 minutes to the Senator from Ohio.

Mr. ELLENDER. Mr. President, I yield 5 minutes on the bill to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, I voted for the three Kefauver amendments because I am of the belief that monopolies, exercised by whatever business identity in our economy, ought not to be permitted; and monopolies that unduly restrain trade ought not to be permitted, whether such a monopoly is perpetrated by a partnership, a corporation, an individual, an unincorporated association, or a cooperative.

Yesterday the Senator from Tennessee [Mr. KEFAUVER] made the statement that we should not allow our judgments to be dominated by formalism. By "formalism," he meant that we should not accept mere names as determinative of our thinking.

Judgments should be determined by principles applied to the facts. It was on that basis that I supported the Senator's proposals three times, believing that monopolies that can be perpetrated cannot contribute to the development of a sound economy and social advancement.

This afternoon I heard the Senator from Louisiana [Mr. LONG] point out that 2 years ago—to be exact, on May 14, 1959—the Senate passed a bill that placed the power of determining whether mergers shall be held among banks in specific, supposedly friendly agencies of the Government. At that time the Senator from Tennessee [Mr. KEFAUVER] very vigorously argued that he did not subscribe to the proposal, because he thought that the approval of a merger ought to be determined by the Attorney General.

When the vote was cast, it was overwhelmingly decided by the Senate that mergers of banks shall not be approved or disapproved by the Attorney General of the United States, but by the written approval of three Federal agencies. Those three Federal agencies were the Federal Deposit Insurance Corporation, the Federal Reserve Board, and the Comptroller of the Currency. At that time the argument made was identical to the one now made—keep this control in the Department of Justice.

The argument, on the contrary, by the bankers and by the proponents of the bill was that we should place the control of mergers in those agencies of Government that were keenly and thoroughly familiar with the problems involved.

When the Senator from Louisiana [Mr. LONG] made his argument this afternoon, pointing out the fact of 2 years ago, I became alarmed that 2 years ago I possibly took a course that was inconsistent with my course today. I proceeded to read the RECORD, and I found that what I did 2 years ago was thoroughly consistent with what I am doing today.

I respectfully say to the Senator from Louisiana that the bill dealing with bankers does not conform with his description of the situation today. The bill dealing with bankers still prohibits monopolistic operations and combinations that will unduly restrain trade. That was provided for in the bill of 2 years ago.

Today the amendment offered by the Senator from Louisiana embodies, practically with complete identity, the same language that was embodied in the bill proposed by the Senator from Virginia [Mr. ROBERTSON] 2 years ago, and which I believe the Senate approved by a vote of 55 to 29. Is that the correct vote?

Mr. LONG of Louisiana. 57 to 28.

Mr. LAUSCHE. I am of the belief, and I want it generally understood, that the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Federal Reserve Board may have been too lax in allowing mergers and consolidations.

If I viewed the proposal of the Senator from Louisiana on the basis of that theory, I would vote against it; but I cannot vote against his proposal, and I am obliged to vote for it, for this reason: If we gave to the Interstate Commerce Commission the power to control consolidations of railroads, to the Federal Communications Commission the power to control mergers of communications systems, to the Comptroller of the Currency and to the Federal Deposit Insurance Corporation and the Federal Reserve Board the right to control mergers of banks—then I submit that we ought to give to the Secretary of Agriculture the power to deal with farmers, imposing upon him, however, the limitation that there should be no monopoly or undue restraint of trade. For that reason, I shall support the amendment of the Senator from Louisiana.

Mr. PASTORE. Mr. President, will the Senator yield me 5 minutes in opposition to the amendment?

That measure affecting banks was passed by a vote of approximately 52 to 20.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG of Louisiana. I yield myself 1 additional minute. If we are to provide for mergers of banks, airlines and others, including labor, and permit them to consolidate and merge world without end and not ask any questions as to how much such organizations bargained for, we should consider more carefully the argument in respect to the farmer. Senators know as well as I do that the Airline Pilots Association can decide tomorrow that $35,000 a year is not sufficient for a pilot, and that a pilot must be paid $75,000. If such demand were made, the pilots would be paid the desired amount, and there would be no recourse to any board. The airlines would either pay the wage or the public would not fly on the airlines. The airlines would be shut down until they were ready to pay the amount demanded.

If we are to consider all the activities which I have mentioned, the least we can do for the farmer, who is in the lowest income group of any segment of our economy, is to let his case as to whether a merger will create a monopoly or tend to lessen competition be decided by one who would be expected to be friendly to him.

It is appropriate that this should be the case, because the Secretary of Agriculture is in most instances the one who makes the loans so that farmers may buy a cannery or a dairy. If the Secretary has the responsibility of making the loans, let him be the one who would decide whether the farmers' action would create a monopoly or substantially lessen competition. If he should make the decision, then let us not have the Attorney General spending his appropriation trying to prosecute farmers while presenting the excuse for not prosecuting the big fellows that he did not have enough money to do the job.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, I yield 10 minutes to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, there has been some discussion as to the position of the administration and the President on this issue. The best way I know to determine what the position of the administration is, is to look at the bill, at least insofar as concerns section 401(c), which was reported by the Senator from Louisiana [Mr. ELLENDER] as chairman of the committee. If Senators will look at page 77 of the bill, they will find that section 401(c) was stricken out by virtue of the Proxmire substitute. Section 401(c) represented, I understand, the position of the President, the administration, and the Department of Agriculture. If I am mistaken on that point, the Senator from Louisiana will correct me.

Section 401(c) provides in substance that cooperatives may merge or acquire the assets of another cooperative unless the effect would be to substantially lessen competition or tend to create a monopoly, which is the protective language, of course, of section 7 of the Clayton Act against consolidations and mergers. Of course, the Clayton Act is administered by the Department of Justice, so that section 401(c) as recommended by the administration would be administered by the Department of Justice. The Federal Trade Commission also would have jurisdiction.

So the position of the President, the Secretary of Agriculture, and the administration is that they want the decision whether competition will be substantially lessened and whether a tendency to creation of a monopoly exists made by the Department of Justice, which is the law enforcement agency of the Government. I refer the Senators to the letter of Judge Loevinger, the head of the Antitrust Division of the Department of Justice, which is reprinted on page 13357 of the RECORD of yesterday, in which he makes a very substantial and sound argument that the Department of Justice has the facilities and the background for administering the antitrust laws. That is its business.

To proliferate the enforcement of our laws throughout every agency would render those laws ineffective indeed.

It has been brought out that the regulation of business enterprises which are in the nature of a utility, such as banks and railroads, or pipelines and oil companies, is carried out by other agencies in the Federal Government. Let us take the case of banks. They are regulated for some purposes either by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, or the Federal Reserve Board, depending on the kind of bank involved.

In such cases, an agency of Government decides whether they can go into business in the first instance, generally what their profit can be. An agency decides, in the case of railroads, where they can operate and, in the case of banks, whether they can change location. From the beginning and all the way through, there is regulation of such utility-type companies' operations by Government agencies. Let it be noted that that does not mean that these agencies have exclusive jurisdiction. The jurisdiction to bring an antitrust suit is still retained in the Department of Justice.

For example, in connection with the regulation of bank mergers, I have in my hand the report on Calendar No. 186, dated April 17, 1959, which has the specific statement that in the case of banks, S. 1062 would not affect in any way the applicability of the Sherman Act upon mergers or consolidations. At this moment two or three cases are pending. One of them is in Philadelphia, against banks in that city. It has been brought by the Department of Justice under section 7 of the Clayton Act and under section 1 of the Sherman Act. The Department claims that they merged in violation of these acts. There is also the Lexington case, in which suit has been brought against the First National Bank & Trust Co. of Lexington and the Security Trust Co., the Department of Justice claiming Sherman Act violations.

This is not exclusive jurisdiction which has been given to these agencies. I believe that the Department of Justice has the right to proceed against railroads in violation of the Sherman Act. It is my belief, however, that already we have had too much placing of these agencies in other departments insofar as antitrust enforcement is concerned. All we want to do is bring them back in so that there will be uniform antitrust enforcement. However, at least they are utility-type industries which are regulated to some extent, but not to the exclusion of the Department of Justice. That is very different from little manufacturing corporations. That is very different from cooperatives dealing in articles of commerce and selling and purchasing—regular commerce activities that we think of in connection with corporations which do not need a permit to go into business.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. CASE of New Jersey. There is one point which I believe has been blurred over. It has been suggested that we are deciding whether the Secretary of Agriculture or the Attorney General would have the power to make final decisions in these matters. Does not the Senator agree with me that that is not an exact way of putting the case? The Attorney General cannot on his own whim make a decision as to whether a cooperative or a business is in violation of the antitrust laws. All he can do is bring the case before the courts of the United States, for the courts to determine whether the laws of the United States passed by Congress in regard to monopolies or conspiracies restrain trade, and all the rest of it, are being violated. We ought to put this question in better focus. What is proposed is taking away from the courts of the United States the right to pass upon whether the transactions proposed here are in violation of principles established by Congress in its wisdom a long time ago and revised and strengthened until 1913, but, I am afraid very much weakened since that time.

Mr. KEFAUVER. The Senator is correct. I do not know the final language of the amendment as it has been modified several times by the Senator from Louisiana [Mr. LONG]. Under the antitrust laws cases are submitted for judicial determination by people who have education and experience as lawyers.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. I yield 5 more minutes to the Senator from Tennessee.

Mr. KEFAUVER. The amendment would take out of the jurisdiction of the courts the determination of whether there is a violation of the act by reason of a substantial lessening of competition or the creation of a monopoly. It would place it in the hands of the Secretary of Agriculture, who would sit as judge and jury and determine whether a merger of giants—which it would have to be

in order to substantially lessen competition or create a monopoly—was justifiable.

Can Senators imagine a more ridiculous situation than the Secretary of Agriculture sitting in judgment as a supreme court, apparently with the last word, according to the pending amendment, with all the thousands of documents that would be brought in and the witnesses that would be heard as to the sharing of the market, and determining whether there was a substantial lessening of competition or the creation of a monopoly? It would be a ridiculous situation.

What we would have, if we followed the amendment, would be the FHA, for example, determining whether a merger in connection with homes created a monopoly. The Secretary of Commerce would decide whether a merger in connection with a business engaged in commerce had the same effect. The Secretary of the Interior would decide whether mergers in connection with coal and minerals substantially lessened competition or tended to create a monopoly. We might have the SEC passing on mergers of corporations in any field. We might have the Department of Health, Education, and Welfare in the position of passing on mergers of great pharmaceutical manufacturers, to determine whether such mergers substantially lessened competition or tended to create a monopoly.

There would be a complete breakdown of our jurisprudence in connection with antitrust laws. It would be substituting an executive agency without judicial ability for an agency with such ability in the making of decisions on complicated judicial problems, such as what is meant by substantially lessening competition and what is meant by a monopoly.

It would place in every executive agency a great mass of investigators who would collect all the facts—and this is a very difficult task—subpena records, conduct pretrial hearings, and deal with lawyers. Every executive agency would have to be sitting as a court, to pass upon whether something caused a substantial lessening of competition or tended to create a monopoly. We might as well completely abolish the Antitrust Division of the Department of Justice, if that were to be the case. There would be a complete breakdown of antitrust enforcement. The surest way to do that, and the surest way to further foster the monopolistic trend, which has gone too far and which ought to be stopped—and I hope the present administration will do something about it—would be to assign to a person in an agency the sole responsibility for making a decision, be he a civilian unversed in law or be he unequipped to pass upon antitrust matters, and letting him spend all his time on such matters, to the detriment of the other duties which he is supposed to perform.

Mr. HOLLAND. Mr. President, will the Senator yield me some time?

Mr. ELLENDER. I yield 4 minutes to the Senator from Florida.

Mr. HOLLAND. I have listened with a great deal of interest to the last phase of this debate. Yesterday and up through the debate today, I have listened to my distinguished friend from Tennessee talk about matters of substance, whether there would be a proper effort to prevent a monopoly and a proper effort to assure competition.

Now that an amendment has been offered which includes both those factors in the clearest possible words, the distinguished Senator from Tennessee has been reduced to the point of fighting on the procedural question—and that is what we are talking about now—Who shall administer it, whether the Secretary of Agriculture or the Attorney General?

I think every one of us knows that the Department of Justice is the most overworked agency in the Government. To the Department of Justice, the farmer is only a secondary activity over in the corner, as compared with all the organizations of business and the problems it must deal with. To the Secretary of Agriculture, the farmer is a person of the greatest concern in the Nation. The farmers' problems are what he is trying to solve.

We have given the right to many others to appear before agencies that will not be harsh on them, but which understand their problems. I do not believe the Secretary of Agriculture would be willing to approve a monopoly or some activity which would strike down competition merely because he understands the problems of the farmers. I would rather have a farmer go to the Secretary of Agriculture and his legal staff, who know something about farm problems and are working with them every day, than to have him go to the Department of Justice, to whom the farmer is someone far away on the outside, someone living in the country, somewhere out of sight.

My second point is that I was interested and a little amused to hear the distinguished Senator from Rhode Island [Mr. PASTORE] conjure up the possibility that all farmers might get into one cooperative organization, march down the field, and destroy the consumers of the Nation. Anyone who has served on the Committee on Agriculture and Forestry 1 month, much less almost 15 years, as I have, knows that when we talk about farmers, we are talking about the most combative, most contentious, most independent, most "unworking together" group there is. We have tried time and time again to get any two of the "big four" farm organizations together on a program. I shall not even name them; we all know who they are. We can never get them together on a program, much less persuade them to arrive at a common denominator of thinking.

Farmers are that way. They are independent. They are the most independent people left in our country. The very idea of farmers ever combining into one big group to destroy the consumers of the Nation is, I think, a very humorous note on which to end this debate. We are talking about natural competitors, naturally independent people, who fight for continuance of their independence.

Mr. HICKENLOOPER. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield to the distinguished Senator from Iowa.

Mr. HICKENLOOPER. I wished to throw a little light upon the Senator's expression of regret at the lack of unanimity of farm organizations. I sat in a subcommittee hearing this morning on a proposal for the eradication of cholera in the United States. At least in my term of service on the Committee on Agriculture and Forestry, for the first time all the major farm organizations are at one on a subject.

Mr. HOLLAND. I am so glad to hear that that I am willing to have the Senator from Iowa puncture my balloon. The fact is that on any economic problem, it is virtually impossible to get all the farmers of the country to agree. They will not be controlled from one source. They will combat, compete, and fight, one group against another, one industry against another. Everyone who has served on the Committee of Agriculture and Foresty knows that.

I hope the amendment of the Senator from Louisiana will be adopted.

Mr. HICKENLOOPER. Mr. President, will the Senator from Illinois yield me 2 minutes?

Mr. DIRKSEN. I yield 2 minutes to the Senator from Iowa.

Mr. HICKENLOOPER. I assure the Senator from Florida that I was not endeavoring to puncture any balloon. This all came to pass today. The report has not been published. I thought there was no speedier way in which the Senate could otherwise be apprised of this unique situation. It was in a spirit of friendliness and information, and not in a spirit of hostility, that I made the statement.

Mr. HOLLAND. I thank the Senator from Iowa. One of my neighbors said that probably the reason for that is that they are suffering every day from hog cholera, and the United States is proposing to pay for its eradication.

Mr. HICKENLOOPER. I have not tested that by an examination for deep-seated reasons, necessarily; I am only stating the fact.

Mr. MILLER. Mr. President, I offer an amendment to the amendment offered by the Senator from Louisiana and ask that it be read.

The PRESIDING OFFICER. All time will have to be yielded back on the pending amendment before an amendment to that amendment can be considered.

Mr. LONG of Louisiana. Mr. President, I am willing to yield back my time, provided that I may control the time in opposition to the amendment to my amendment.

Mr. DIRKSEN. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time has been yielded back on the amendment of the Senator from Louisiana. The amendment of the Senator from Iowa will be stated.

The LEGISLATIVE CLERK. On page 139, after line 8, it is proposed to amend the

Mr. DIRKSEN. Mr. President, first I yield 2 minutes to the Senator from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. President, I asked for this time so that I might address an inquiry to the Senator from Louisiana [Mr. LONG].

Why did the Senator insert the words "In the case of any such determination" in the last sentence? It seems to me that language possibly would restrict the Secretary in the authority to "require divestiture of the assets, stock, or other share capital." In the original paragraph this language was attached, in the first part. If the Secretary makes a determination that "such acquisition, merger, or consolidation would substantially lessen competition," I do not see how one could turn around and say, "In the case of any such determination, the Secretary—"

I suggest to the Senator that he should eliminate the words "In the case of any such determination," so as to give to the Secretary the same authority he would have had. The paragraph would be improved by the limitation that the acquisition could not be made if the Secretary determined there was a monopoly.

Mr. LONG of Louisiana. The words "in the case of any such determination," are language which the committee reported. I did not propose to change that language.

Mr. CASE of South Dakota. I beg the Senator's pardon.

Mr. LONG of Louisiana. I ask the Senator to look at page 139 of the bill as reported by the committee. The Senator will note the language "and in addition thereto, the Secretary"——

Mr. CASE of South Dakota. But the language gave the Secretary the authority to make the additional requirement and did not condition it upon having found a monopoly. If the Senator will take out the words "in the case of any such determination," I think he will strengthen the amendment.

Mr. LONG of Louisiana. I shall do that.

Mr. President, I modify my amendment to strike the words "in the case of any such determination," and to make a capital letter on "The."

Mr. KEFAUVER. Mr. President, does that require unanimous consent?

Mr. LONG of Louisiana. It does not require unanimous consent. The yeas and nays have not been ordered.

Mr. ELLENDER. The yeas and nays have not been ordered.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Mr. PASTORE. Mr. President, will the Senator yield me 5 minutes?

Mr. LONG of Louisiana. Mr. President, it has been suggested by the Senator from Vermont that the amendment should also be modified to provide a subsection (d):

> Wherever the word "association" appears in section 2 of the Capper-Volstead Act, insert immediately thereafter the words, "or federation of associations".

That would mean that federations of associations of cooperatives would be covered, because it is intended that the Secretary of Agriculture should also have the power to proceed against any associations of cooperatives, in the event they should unduly enhance prices.

The PRESIDING OFFICER. Will the Senator send his modification to the desk?

Mr. LONG of Louisiana. I shall send the language to the desk, Mr. President.

The amendment, as modified, is as follows:

> On page 139, after line 8, insert the following:
>
> "(c) The Capper-Volstead Act is hereby amended by adding the following paragraph at the end of section 1 thereof:
>
> "'Any such association or federation of such associations may, in addition to the rights otherwise conferred by law, acquire directly or indirectly the whole or any part of the assets, stock or other share capital of any other such association or any corporation engaged in the same or a related kind of commerce or may merge or consolidate with any other such association or any such corporation, subject to the terms, limitations, and procedures set forth in section 2 hereof, unless the Secretary determines that such acquisition, merger, or consolidation would substantially lessen competition or tend to create a monopoly. The Secretary, in addition to the orders provided for by section 2, may require divestiture of the assets, stock or other share capital, held in violation of this Act, if any there be, in such manner and within such time as he may prescribe.'
>
> "(d) Wherever the word 'association' appears in section 2 of the Capper-Volstead Act insert immediately thereafter the words 'or federation of associations'."

Mr. DIRKSEN. Mr. President, I yield 5 minutes to the distinguished Senator from Rhode Island [Mr. PASTORE].

Mr. PASTORE. Mr. President, I hope the Senate will reject the amendment which is being sponsored by my good friend from Louisiana, because if the amendment is agreed to the Senate will actually be repudiating the action it took a short while ago when it voted for the Kefauver amendment by a vote of 50 to 34.

In all the discussion this afternoon we are overlooking the forgotten man, the consumer of America. Everybody wants the case to be brought before the man who is sympathetic to agriculture. Everybody wants to make sure that the farmer will get a good price. Certainly the Senator from Rhode Island is interested in that, too.

However, Mr. President, who is thinking about the consumer? If we do not put this responsibility in the hands of the Department of Justice, we shall actually be forgetting and overlooking the consumer of America.

The argument is made this afternoon, "In the case of banks we go to the Comptroller." Banks are controlled. They are regulated as to what they can charge for interest.

When Senators talk about the airlines, they talk about going to the Civil Aeronautics Board, but when the airlines would like to have an increase in rates the public has a right to make an appearance and to be heard.

We have talked about other mergers. Surely, they come before the regulatory agencies. Why is that? It is because those are regulated industries.

Who regulates the cooperatives? Who tells the cooperatives, "You may be charging too much money."

Let us carry this to ultimate ridiculousness. Let us assume that every farmer in the country joins one cooperative, and that there is no more competition, because the Secretary of Agriculture thinks that is a good thing.

Usually, when there is appointed a Secretary of Agriculture, who is appointed? Is it a man who has been interested in the consumers of America? He may be interested in them incidentally, but usually he is a man who is sympathetic to the farmers of America.

I would like to have the farmers protected, but I say to my friend that if we continue doing things to the consumers of America we may be killing the goose that lays the golden egg. We may go too far in protecting the sacred cow of agriculture. We may go so far in forgetting the consumers of America that one day we shall see removed from the statute books much good legislation.

I say that the man we should be trying to protect is the consumer of America. What is wrong with leaving the responsibility to the Attorney General, who will see that there is enough competition even in this field to make sure that prices for goods to the consumer are fair and reasonable?

Mr. CASE of New Jersey and Mr. LONG of Louisiana addressed the Chair.

Mr. PASTORE. I yield first to my friend from New Jersey.

Mr. CASE of New Jersey. Will the Senator from Rhode Island state whether he thinks it would be quite a logical extension of the amendment to provide that all industry in this country might merge or consolidate with the approval solely——

Mr. PASTORE. Of the Secretary of Commerce.

Mr. CASE of New Jersey. Of the Secretary of Commerce.

Mr. PASTORE. Positively. I anticipated the question of my good friend from New Jersey, because I knew precisely what he was going to say. Any time we are interested in any phase of our economy, we go to the Secretary who is very sympathetic to that phase. What happens to the public generally? What about the people who buy the food? Who will protect them?

All we are trying to do is to make sure we protect what? It is to make sure that we protect high prices.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PASTORE. Will the Senator yield me 2 more minutes?

Mr. DIRKSEN. Mr. President, I yield the Senator 2 more minutes.

Mr. PASTORE. I want to protect the farmers of America. I have voted for them. I shall continue to vote for them. I shall vote for the bill. However, I say that we are going a step too far. The amendment offered by the Senator from Louisiana would repudiate the action we took a short time ago. All the Senator from Tennessee [Mr. KEFAUVER] is trying to do is what he has done with respect to food and drugs. He is trying to protect the man who has to buy these

things. That is why he stood upon this floor and offered his amendment. He is interested in the consumers of America. That is the reason why I voted for his amendment.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. LONG of Louisiana. Would the Senator be willing to vote for a provision to the effect that the American Federation of Labor and the CIO could not merge? They are not regulated.

Mr. PASTORE. Where does the consumer enter, in respect to the labor movement?

Mr. LONG of Louisiana. Every time wages are raised, the consumer must pay them.

Mr. PASTORE. But that must be done through the process of collective bargaining. The man who will have to pay the higher wages sits with them and has to decide. Who decides in this case what the price will be for the consumers?

Mr. LONG of Louisiana. Both the person who buys and the person who sells.

Mr. PASTORE. Labor has to use collective bargaining. I knew the Senator would ask that question. Labor has to sit down with management, and management must decide whether to pay the price. There is a right to be heard in that instance. When will the consumer be heard in this case?

Mr. LONG of Louisiana. Does it not occur to the Senator that the farmers will have to sit down and do business with such concerns as the National Dairy Products Corp.?

The PRESIDING OFFICER. The time of the Senator from Rhode Island has expired.

Mr. LONG of Louisiana. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. LONG of Louisiana. Mr. President, the Senator has said that he wishes to protect the consumer. I am interested in the consumer, also.

I should like to ask a question. What corporation in America—other than a few regulated monopolies which, by the nature of their activity, are regulated—has a price control law which provides that it cannot charge a price which is unduly high? There is no such corporation. Some of them are charging 50 times the cost of production of items. We pay it, and there is no price control law to cover it.

However, there is a price control law with respect to the farm cooperatives. I ask Senators to look at the language in the bill with respect to the Capper-Volstead Act. It provides that if the farmers, by working together, are able to control the market and to get an unduly high price it is not simply the right of the Secretary of Agriculture but it is the duty of the Secretary of Agriculture to proceed against them and to make them reduce the price.

The committee has reported a bill which provides that the Secretary shall have the right to make these cooperatives divest themselves of their assets. That is a price control law which has never been used. Do Senators know why? The farmers have never been able to achieve that degree of economic concentration. They never have. As a matter of fact, what the Secretary has had to do is exactly the opposite. He has had to move in and provide marketing orders, fixing minimum prices for milk and minimum prices for this and that, in order that the farmer can get a price as high as 90 percent of parity, or even less than 90 percent of parity in many cases.

But these operators are controlled by a price control law which is now on the statute books. The Senator has said that those people are not regulated. He is interested in the consumer. I point out that television stations are not regulated in one line. They can make a thousand percent profit if they are capable of doing so. There is no regulation at all on how much profit such stations can make.

Mr. PASTORE. Mr. President, will the Senator yield on the point which he has raised?

Mr. LONG of Louisiana. I yield.

Mr. PASTORE. The Senator knows that one cannot operate a television station without getting a license to do so.

Mr. LONG of Louisiana. So what?

Mr. PASTORE. That license is good for only 3 years and then must be renewed. If the station does not operate in the public interest, its license will not be renewed.

Mr. LONG of Louisiana. Mr. President, I yield myself an additional 3 minutes.

Yes, one must have a license to operate a television station, but that fact does not have a thing to do with what the station can then charge the public. It can charge anything it wishes when it obtains a license. When a license is applied for, no questions are asked as to what the rates will be.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. PROXMIRE. I ask the Senator from Rhode Island [Mr. PASTORE], who is the expert in the Senate on communications, whether he can give us a single instance in which a television station has had its license revoked? Such action is not taken, and the Senator from Rhode Island knows that it is not. It is ridiculous to say that stations have their licenses revoked. They never have been and never will be.

Mr. PASTORE. Perhaps that is because the industry has been behaving. What has that argument to do with the price of apples? The television product—its programs—are free to the public.

Mr. LONG of Louisiana. Mr. President——

Mr. PASTORE. Let me say to my good friend, if he will yield for another question——

Mr. LONG of Louisiana. Mr. President, I insist on the regular order.

The PRESIDING OFFICER. The Senator from Louisiana has the floor.

Mr. LONG of Louisiana. As I have attempted to make clear, pipelines are permitted to merge. Such mergers do not require the consent of the Attorney General. All that is required is the consent of the Federal Power Commission. The Committee on Commerce, of which the Senator from Rhode Island [Mr. PASTORE] is a member, reported the bill which resulted in that law. I do not think the Senator was a member of the committee at the time, but that is the law.

We permit banks to merge, and such mergers do not require the consent of the Attorney General of the United States. Certainly banks are not submitted to the test that we would impose on farmers. Labor unions are permitted to merge without restraint.

The Senator would like to suggest that such activities are different. Labor unions in bargaining for wages must sit down and bargain with employers. Farm cooperatives must also sit down and bargain with a corporation such as, for example, the National Dairy Products Corp., which enjoys a business of $1,500 million a year. The largest milk cooperatives one can find today is doing a business of perhaps $40 million or $50 million in the District. How does that situation compare with the $1,500 million business of a single corporation like the National Dairy Products Corp.? But we propose to keep such cooperatives tied to a test by which they cannot merge if the Secretary of Agriculture determines that the consolidation would substantially lessen competition or tend to create a monopoly.

In taking such action we would provide an additional power that the Secretary never had. If he finds that any farm cooperative or any federation of cooperatives that now exists or may exist in the future, unduly increases the price, he may order them to divest themselves of their assets. In addition, the Secretary has the other powers available to him in the price control process. So we have a tighter control. The Senator from Vermont read the statement of Jack Kennedy when he was running for President of the United States, in which he said that this is the kind of thing that he proposed to do. He would try to overcome the burden of some of the decisions like the one in the Embassy Dairy case, to make it possible for farm cooperatives to work together in the way it was intended they should work. The only difference is that the decision would be made by one who would be expected to be more friendly to the farmer.

I am happy that the Senator from Ohio, who voted for the amendment to strike the committee proposal, is supporting the present amendment because he has said, and I think correctly, that the amendment is on all fours with what Congress did in 1959. At that time Congress provided that banks could merge if they had the consent of the Comptroller of the Currency, in the event that he is the one who has the power to regulate; or the Federal Deposit Corporation, if that body was the one which had the power; or the Federal Reserve Bank, if that body had to consider the merger.

That measure affecting banks was passed by a vote of approximately 52 to 20.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG of Louisiana. I yield myself 1 additional minute. If we are to provide for mergers of banks, airlines and others, including labor, and permit them to consolidate and merge world without end and not ask any questions as to how much such organizations bargained for, we should consider more carefully the argument in respect to the farmer. Senators know as well as I do that the Airline Pilots Association can decide tomorrow that $35,000 a year is not sufficient for a pilot, and that a pilot must be paid $75,000. If such demand were made, the pilots would be paid the desired amount, and there would be no recourse to any board. The airlines would either pay the wage or the public would not fly on the airlines. The airlines would be shut down until they were ready to pay the amount demanded.

If we are to consider all the activities which I have mentioned, the least we can do for the farmer, who is in the lowest income group of any segment of our economy, is to let his case as to whether a merger will create a monopoly or tend to lessen competition be decided by one who would be expected to be friendly to him.

It is appropriate that this should be the case, because the Secretary of Agriculture is in most instances the one who makes the loans so that farmers may buy a cannery or a dairy. If the Secretary has the responsibility of making the loans, let him be the one who would decide whether the farmers' action would create a monopoly or substantially lessen competition. If he should make the decision, then let us not have the Attorney General spending his appropriation trying to prosecute farmers while presenting the excuse for not prosecuting the big fellows that he did not have enough money to do the job.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, I yield 10 minutes to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, there has been some discussion as to the position of the administration and the President on this issue. The best way I know to determine what the position of the administration is, is to look at the bill, at least insofar as concerns section 401(c), which was reported by the Senator from Louisiana [Mr. ELLENDER] as chairman of the committee. If Senators will look at page 77 of the bill, they will find that section 401(c) was stricken out by virtue of the Proxmire substitute. Section 401(c) represented, I understand, the position of the President, the administration, and the Department of Agriculture. If I am mistaken on that point, the Senator from Louisiana will correct me.

Section 401(c) provides in substance that cooperatives may merge or acquire the assets of another cooperative unless the effect would be to substantially lessen competition or tend to create a monopoly, which is the protective language, of course, of section 7 of the Clayton Act against consolidations and mergers. Of course, the Clayton Act is administered by the Department of Justice, so that section 401(c) as recommended by the administration would be administered by the Department of Justice. The Federal Trade Commission also would have jurisdiction.

So the position of the President, the Secretary of Agriculture, and the administration is that they want the decision whether competition will be substantially lessened and whether a tendency to creation of a monopoly exists made by the Department of Justice, which is the law enforcement agency of the Government. I refer the Senators to the letter of Judge Loevinger, the head of the Antitrust Division of the Department of Justice, which is reprinted on page 13357 of the RECORD of yesterday, in which he makes a very substantial and sound argument that the Department of Justice has the facilities and the background for administering the antitrust laws. That is its business.

To proliferate the enforcement of our laws throughout every agency would render those laws ineffective indeed.

It has been brought out that the regulation of business enterprises which are in the nature of a utility, such as banks and railroads, or pipelines and oil companies, is carried out by other agencies in the Federal Government. Let us take the case of banks. They are regulated for some purposes either by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, or the Federal Reserve Board, depending on the kind of bank involved.

In such cases, an agency of Government decides whether they can go into business in the first instance, generally what their profit can be. An agency decides, in the case of railroads, where they can operate and, in the case of banks, whether they can change location. From the beginning and all the way through, there is regulation of such utility-type companies' operations by Government agencies. Let it be noted that that does not mean that these agencies have exclusive jurisdiction. The jurisdiction to bring an antitrust suit is still retained in the Department of Justice.

For example, in connection with the regulation of bank mergers, I have in my hand the report on Calendar No. 186, dated April 17, 1959, which has the specific statement that in the case of banks, S. 1062 would not affect in any way the applicability of the Sherman Act upon mergers or consolidations. At this moment two or three cases are pending. One of them is in Philadelphia, against banks in that city. It has been brought by the Department of Justice under section 7 of the Clayton Act and under section 1 of the Sherman Act. The Department claims that they merged in violation of these acts. There is also the Lexington case, in which suit has been brought against the First National Bank & Trust Co. of Lexington and the Security Trust Co., the Department of Justice claiming Sherman Act violations.

This is not exclusive jurisdiction which has been given to these agencies. I believe that the Department of Justice has the right to proceed against railroads in violation of the Sherman Act. It is my belief, however, that already we have had too much placing of these agencies in other departments insofar as antitrust enforcement is concerned. All we want to do is bring them back in so that there will be uniform antitrust enforcement. However, at least they are utility-type industries which are regulated to some extent, but not to the exclusion of the Department of Justice. That is very different from little manufacturing corporations. That is very different from cooperatives dealing in articles of commerce and selling and purchasing—regular commerce activities that we think of in connection with corporations which do not need a permit to go into business.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. CASE of New Jersey. There is one point which I believe has been blurred over. It has been suggested that we are deciding whether the Secretary of Agriculture or the Attorney General would have the power to make final decisions in these matters. Does not the Senator agree with me that that is not an exact way of putting the case? The Attorney General cannot on his own whim make a decision as to whether a cooperative or a business is in violation of the antitrust laws. All he can do is bring the case before the courts of the United States, for the courts to determine whether the laws of the United States passed by Congress in regard to monopolies or conspiracies restrain trade, and all the rest of it, are being violated. We ought to put this question in better focus. What is proposed is taking away from the courts of the United States the right to pass upon whether the transactions proposed here are in violation of principles established by Congress in its wisdom a long time ago and revised and strengthened until 1913, but, I am afraid very much weakened since that time.

Mr. KEFAUVER. The Senator is correct. I do not know the final language of the amendment as it has been modified several times by the Senator from Louisiana [Mr. LONG]. Under the antitrust laws cases are submitted for judicial determination by people who have education and experience as lawyers.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. I yield 5 more minutes to the Senator from Tennessee.

Mr. KEFAUVER. The amendment would take out of the jurisdiction of the courts the determination of whether there is a violation of the act by reason of a substantial lessening of competition or the creation of a monopoly. It would place it in the hands of the Secretary of Agriculture, who would sit as judge and jury and determine whether a merger of giants—which it would have to be

in order to substantially lessen competition or create a monopoly—was justifiable.

Can Senators imagine a more ridiculous situation than the Secretary of Agriculture sitting in judgment as a supreme court, apparently with the last word, according to the pending amendment, with all the thousands of documents that would be brought in and the witnesses that would be heard as to the sharing of the market, and determining whether there was a substantial lessening of competition or the creation of a monopoly? It would be a ridiculous situation.

What we would have, if we followed the amendment, would be the FHA, for example, determining whether a merger in connection with homes created a monopoly. The Secretary of Commerce would decide whether a merger in connection with a business engaged in commerce had the same effect. The Secretary of the Interior would decide whether mergers in connection with coal and minerals substantially lessened competition or tended to create a monopoly. We might have the SEC passing on mergers of corporations in any field. We might have the Department of Health, Education, and Welfare in the position of passing on mergers of great pharmaceutical manufacturers, to determine whether such mergers substantially lessened competition or tended to create a monopoly.

There would be a complete breakdown of our jurisprudence in connection with antitrust laws. It would be substituting an executive agency without judicial ability for an agency with such ability in the making of decisions on complicated judicial problems, such as what is meant by substantially lessening competition and what is meant by a monopoly.

It would place in every executive agency a great mass of investigators who would collect all the facts—and this is a very difficult task—subpena records, conduct pretrial hearings, and deal with lawyers. Every executive agency would have to be sitting as a court, to pass upon whether something caused a substantial lessening of competition or tended to create a monopoly. We might as well completely abolish the Antitrust Division of the Department of Justice, if that were to be the case. There would be a complete breakdown of antitrust enforcement. The surest way to do that, and the surest way to further foster the monopolistic trend, which has gone too far and which ought to be stopped—and I hope the present administration will do something about it—would be to assign to a person in an agency the sole responsibility for making a decision, be he a civilian unversed in law or be he unequipped to pass upon antitrust matters, and letting him spend all his time on such matters, to the detriment of the other duties which he is supposed to perform.

Mr. HOLLAND. Mr. President, will the Senator yield me some time?

Mr. ELLENDER. I yield 4 minutes to the Senator from Florida.

Mr. HOLLAND. I have listened with a great deal of interest to the last phase of this debate. Yesterday and up through the debate today, I have listened to my distinguished friend from Tennessee talk about matters of substance, whether there would be a proper effort to prevent a monopoly and a proper effort to assure competition.

Now that an amendment has been offered which includes both those factors in the clearest possible words, the distinguished Senator from Tennessee has been reduced to the point of fighting on the procedural question—and that is what we are talking about now—Who shall administer it, whether the Secretary of Agriculture or the Attorney General?

I think every one of us knows that the Department of Justice is the most overworked agency in the Government. To the Department of Justice, the farmer is only a secondary activity over in the corner, as compared with all the organizations of business and the problems it must deal with. To the Secretary of Agriculture, the farmer is a person of the greatest concern in the Nation. The farmers' problems are what he is trying to solve.

We have given the right to many others to appear before agencies that will not be harsh on them, but which understand their problems. I do not believe the Secretary of Agriculture would be willing to approve a monopoly or some activity which would strike down competition merely because he understands the problems of the farmers. I would rather have a farmer go to the Secretary of Agriculture and his legal staff, who know something about farm problems and are working with them every day, than to have him go to the Department of Justice, to whom the farmer is someone far away on the outside, someone living in the country, somewhere out of sight.

My second point is that I was interested and a little amused to hear the distinguished Senator from Rhode Island [Mr. PASTORE] conjure up the possibility that all farmers might get into one cooperative organization, march down the field, and destroy the consumers of the Nation. Anyone who has served on the Committee on Agriculture and Forestry 1 month, much less almost 15 years, as I have, knows that when we talk about farmers, we are talking about the most combative, most contentious, most independent, most "unworking together" group there is. We have tried time and time again to get any two of the "big four" farm organizations together on a program. I shall not even name them; we all know who they are. We can never get them together on a program, much less persuade them to arrive at a common denominator of thinking.

Farmers are that way. They are independent. They are the most independent people left in our country. The very idea of farmers ever combining into one big group to destroy the consumers of the Nation is, I think, a very humorous note on which to end this debate. We are talking about natural competitors, naturally independent people, who fight for continuance of their independence.

Mr. HICKENLOOPER. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield to the distinguished Senator from Iowa.

Mr. HICKENLOOPER. I wished to throw a little light upon the Senator's expression of regret at the lack of unanimity of farm organizations. I sat in a subcommittee hearing this morning on a proposal for the eradication of cholera in the United States. At least in my term of service on the Committee on Agriculture and Forestry, for the first time all the major farm organizations are at one on a subject.

Mr. HOLLAND. I am so glad to hear that that I am willing to have the Senator from Iowa puncture my balloon. The fact is that on any economic problem, it is virtually impossible to get all the farmers of the country to agree. They will not be controlled from one source. They will combat, compete, and fight, one group against another, one industry against another. Everyone who has served on the Committee of Agriculture and Foresty knows that.

I hope the amendment of the Senator from Louisiana will be adopted.

Mr. HICKENLOOPER. Mr. President, will the Senator from Illinois yield me 2 minutes?

Mr. DIRKSEN. I yield 2 minutes to the Senator from Iowa.

Mr. HICKENLOOPER. I assure the Senator from Florida that I was not endeavoring to puncture any balloon. This all came to pass today. The report has not been published. I thought there was no speedier way in which the Senate could otherwise be apprised of this unique situation. It was in a spirit of friendliness and information, and not in a spirit of hostility, that I made the statement.

Mr. HOLLAND. I thank the Senator from Iowa. One of my neighbors said that probably the reason for that is that they are suffering every day from hog cholera, and the United States is proposing to pay for its eradication.

Mr. HICKENLOOPER. I have not tested that by an examination for deep-seated reasons, necessarily; I am only stating the fact.

Mr. MILLER. Mr. President, I offer an amendment to the amendment offered by the Senator from Louisiana and ask that it be read.

The PRESIDING OFFICER. All time will have to be yielded back on the pending amendment before an amendment to that amendment can be considered.

Mr. LONG of Louisiana. Mr. President, I am willing to yield back my time, provided that I may control the time in opposition to the amendment to my amendment.

Mr. DIRKSEN. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time has been yielded back on the amendment of the Senator from Louisiana. The amendment of the Senator from Iowa will be stated.

The LEGISLATIVE CLERK. On page 139, after line 8, it is proposed to amend the

amendment of the Senator from Louisiana by striking "Secretary" in line 9 and inserting in lieu thereof "Attorney General."

Mr. MILLER. Mr. President, all I am seeking to do is to bring this question to a head. Some of the cooperative organizations of my State, who are very much concerned about the proposed legislation, do not particularly care who handles this problem, whether it be someone in the office of the Solicitor of the Department of Agriculture or someone in the Antitrust Division of the Department of Justice. They are very much concerned about the previous language in this section. They want to have the capability to enter into mergers and consolidations without the risk of prosecution.

It seems to me it does not make much difference; that the interpretation of what will be in restraint of trade or what will create a monopoly will be pretty uniform, whether it be by the Department of Justice or the Department of Agriculture. If there is a violation, it will be handled in the Department of Justice, anyhow. So it seems to me we ought to treat the cooperative organizations just as we treat any other organizations with respect to monopoly. That is the reason for the amendment.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. CASE of South Dakota. In which place is "Secretary" to be stricken and "Attorney General" substituted?

Mr. MILLER. In line 9, the first place in the amendment of the Senator from Louisiana where "Secretary" appears.

Mr. CASE of South Dakota. As I count it, line 9 would strike out "Secretary" in a case in which he could require divestiture of assets, stocks, or other share capital.

Mr. MILLER. If this amendment were adopted, there would be no difficulty in changing the word "Secretary" in the rest of the amendment. It is rather confusing, because I have not seen the way the amendment of the Senator from Louisiana was modified near the end. This part is still pretty clear. If we can have this question cleared up, I feel certain the Senator from Louisiana, if his amendment is agreed to, will acquiesce in amending the remainder of his amendment.

Mr. CASE of South Dakota. I think what the Senator wishes to do is change the word, where "Secretary" first occurs, to give the Attorney General the authority to determine whether acquisitions, mergers, or consolidations would lessen competition.

Mr. MILLER. Yes, indeed.

Mr. CASE of South Dakota. Then that would be in the seventh line of the actual amendment.

Mr. MILLER. I was starting with (c), following the colon. For example, on page 139, insert certain language at the end of the subsection. Then I count from there, and I have it in line 9.

Mr. CASE of South Dakota. If the Senator counts in that way, I think it is correct; I merely wish to be clear as to where "Secretary" would appear.

Mr. KEFAUVER. Mr. President, will the Senator from Iowa yield?

Mr. MILLER. I yield.

Mr. KEFAUVER. I think we may be upsetting, by either of these amendments, the great judicial system which has been built up in this country over a long period of time; that is, the determination of whether laws have been violated is made by the courts, not by the Secretary of Agriculture, or by the Attorney General.

If the Senator from Iowa means by his amendment that the Attorney General shall determine whether an action shall be brought, then I suggest that following "monopoly" there should appear "brings an action in a Federal court." That would be in conformity with the present method of judicial determination.

It would be almost as serious a mistake to give to the Attorney General the right to sit as a final court, as it would to give the Secretary of Agriculture the right to sit as a supreme and ultimate court on such questions as whether there has been a substantial lessening of competition or the creation of a monopoly.

It will be seen that no provision is made for a right of appeal from the decision of either the Secretary of Agriculture or the Attorney General.

Mr. MILLER. That was not the intention; and I shall be happy to modify accordingly my amendment to the amendment of the Senator from Louisiana.

Mr. KEFAUVER. I am sure the intention was to permit the Attorney General to make the decision as to whether the action would be brought in the Federal courts.

Mr. MILLER. Yes.

Mr. KEFAUVER. The Senator from Iowa will modify accordingly his amendment to the Long amendment, will he?

Mr. MILLER. Yes; and I make the modification accordingly.

Mr. LONG of Louisiana. Mr. President, will the chairman of the committee yield 5 minutes to me?

Mr. ELLENDER. I yield.

Mr. LONG of Louisiana. Mr. President, I hope the Senator from Iowa will not insist on the amendment he has offered to my amendment, because in my judgment if the words "Attorney General" are substituted for the word "Secretary," the amendment I have offered, if thus amended, would accomplish exactly nothing.

My amendment is to make it clear that when the Secretary of Agriculture makes a study regarding the desirability of making a loan to a farmer, to enable the farmer to purchase a dairy or a packing plant or a fruit processing plant or a plant to dehydrate orange juice, and when the Secretary, after making the study, determines that in his judgment the purchase of that plant would not create monopoly and would not substantially lessen competition, and after the Secretary makes the loan of the funds and after the farmer uses the funds to make that purchase, the Attorney General would not be permitted to exercise complete control in that situation if he arrives at an opinion precisely opposite to that of the Secretary.

On the other hand, if my amendment were amended by striking out the word "Secretary" and inserting the words "Attorney General", my amendment would then mean exactly nothing.

For instance, in the District of Columbia case, the farmer went to the Secretary of Agriculture and requested the loan. The Secretary of Agriculture made the study, and arrived at the opinion that the proposed purchase was a desirable one, because it would result in creating competition, rather than in lessening competition, because as a result of the purchase the cooperative would be able to compete better.

What happened? Some 2 years after all that procedure, and after the money had been repaid, the Department of Justice sued to make the farmer divest himself of the dairy he had acquired with the help and abetment and aid of the Secretary of Agriculture and with the use of Government funds.

If the words "Attorney General" are substituted for the word "Secretary", there will be a return to the mess which the Secretary is seeking to correct and which I am seeking to correct.

There are those who say that a farmer cooperative might become a monopoly, and they do not like that. So my amendment provides that the Secretary may determine whether the merger or consolidation would tend to create a monopoly. Under my amendment it would be necessary for the Secretary of Agriculture to arrive at the opinion that, in his judgment, the transaction should be made.

There is nothing new about all that; it is now the existing law. If farmer cooperatives are able to get some enhancement of price, the Secretary of Agriculture—not the Attorney General—is the one who may determine that the price is too high. If the Secretary of Agriculture finds that the price is too high, and if the farmers then refuse to reduce the price, then the Secretary of Agriculture will turn over the matter to the Attorney General, and the Attorney General will prosecute the farmers. That is the way the Capper-Volstead Act has always read.

Under this amendment, the decision should be made by the Secretary, not by the Attorney General.

So, Mr. President, I hope the Miller amendment to my amendment will not be agreed to.

On the question of agreeing to the Miller amendment to my amendment, I ask for the yeas and nays.

Mr. KEFAUVER. Mr. President, on this question, I ask for a division.

The PRESIDING OFFICER. The yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. MILLER. Mr. President, I ask that my modified amendment to the Long amendment be read.

The PRESIDING OFFICER. The modified amendment to the Long amendment, as modified, will be read.

The LEGISLATIVE CLERK. In the modified amendment submitted by Mr. LONG of Louisiana, it is proposed to strike out the word "Secretary", in line 9, and to

insert in lieu thereof the word "Attorney General".

It is proposed to strike out the period in line 10, and to insert in lieu thereof: "and brings an action in the appropriate district court of the United States."

In line 11 it is proposed to strike out the word "Secretary", and insert in lieu thereof the word "Court."

Mr. KEFAUVER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Both Senators in control of the time have yielded back all the time remaining under their control.

Mr. CASE of New Jersey. Mr. President, is it in order to suggest the absence of a quorum, when the time is limited?

The PRESIDING OFFICER. Some Senator who is in control of the time must yield time for the purpose of the suggestion of the absence of a quorum and for the quorum call.

Mr. CASE of New Jersey. Mr. President, will the Senator from Iowa yield time for that purpose?

Mr. MILLER. I am happy to yield back the time remaining under my control.

Mr. CASE of New Jersey. Mr. President, will the Senator from Iowa yield time for the purpose of the suggestion of the absence of a quorum?

Mr. MILLER. I am happy to do so.

Mr. MANSFIELD. Mr. President, let me ask what is now the situation in regard to the availability of time. It is now 8:06 p.m., and the Senate has been in session ever since 10 o'clock this morning. I think all Senators know how they wish to vote.

The PRESIDING OFFICER. Fifty-five minutes remain under the control of each side.

Mr. CASE of New Jersey. Mr. President, will the Senator from Iowa yield to me?

Mr. MILLER. I am happy to yield.

Mr. CASE of New Jersey. Mr. President, I think there should be a yea-and-nay vote on the question of agreeing to this amendment to the Long amendment. I think it has the peculiar virtue of raising the issue very sharply; and I think the resistance of some Members to the taking of a yea-and-nay vote is the best recognition we could possibly have of that situation.

As the Senator from Tennessee and the Senator from Iowa have said, the question is whether we shall depart from our traditional procedure of having this matter determined by the courts of the land, not by administrators. The provision of court procedure, rather than administrative decision, was established many, many decades ago, and is responsible, I believe, for much of the health of our agricultural economy, which has become the envy of the entire world.

So the issue now is whether the Senate should depart from that procedure, and should let the determination be made by administrative action.

Mr. MANSFIELD. Mr. President, will the Senator from Iowa yield to me?

Mr. MILLER. I yield.

Mr. MANSFIELD. I think the question can be decided if both sides will yield back the time remaining under their control, and if the Senate then proceeds to take a yea-and-nay vote on the question of agreeing to the modified Miller amendment to the modified amendment of the Senator from Louisiana [Mr. LONG]. I think that will bring the matter to a head.

Mr. MILLER. Mr. President, I am very happy to yield back the remainder of the time under my control. I am sure that all Senators know how they wish to vote on this question.

The PRESIDING OFFICER. All time remaining on the pending question has been yielded back.

Mr. MANSFIELD. Mr. President, on this question, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the modified Miller amendment to the modified amendment of the Senator from Louisiana [Mr. LONG].

The yeas and nays have been ordered; and the clerk will call the roll.

Mr. MANSFIELD. Mr. President, I rise for a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. For the information of the Senate, I ask this question: Is the Senate now about to vote on the question of agreeing to the Miller amendment to the Long amendment?

The PRESIDING OFFICER. Yes; the vote is about to be taken on the question of agreeing to the modified Miller amendment to the modified Long amendment.

Mr. MANSFIELD. Yes; and if the Miller amendment to the Long amendment is rejected, the next vote will be on the question of agreeing to the Long amendment, will it?

The PRESIDING OFFICER. That is correct.

The question now is on agreeing to the modified Miller amendment to the modified Long amendment. The yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DODD (when his name was called). On this vote I have a pair with the Senator from Georgia [Mr. RUSSELL]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

Mr. MOSS (when his name was called). On this vote I have a pair with the junior Senator from Alaska [Mr. GRUENING]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

Mr. PROUTY (when his name was called). On this vote I have a pair with the Senator from Texas [Mr. TOWER]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I therefore withhold my vote.

Mr. WILLIAMS of New Jersey (when his name was called). On this vote I have a pair with the Senator from Mississippi [Mr. EASTLAND]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. SMITH of Massachusetts (after having voted in the affirmative). On this vote I have a pair with the junior Senator from Minnesota [Mr. MCCARTHY]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

Mr. PELL (after having voted in the affirmative). On this vote I have a pair with the Senator from Oregon [Mr. MORSE]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Hawaii [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. METCALF], the Senator from Oregon [Mr. MORSE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Montana [Mr. METCALF]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Montana would vote "nay."

I further announce that, if present and voting, the Senator from Arizona [Mr. HAYDEN], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from West Virginia [Mr. RANDOLPH] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] is absent because of illness, and, if present and voting, would vote "yea."

The Senator from Hawaii [Mr. FONG] and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

The pair of the Senator from Texas [Mr. TOWER] has been previously announced.

The result was announced—yeas 32, nays 42, as follows:

[No. 106]

YEAS—32

Allott	Clark	Keating
Beall	Cotton	Kefauver
Bible	Curtis	Kuchel
Boggs	Dirksen	Miller
Bush	Dworshak	Morton
Butler	Engle	Mundt
Capehart	Goldwater	Pastore
Carroll	Gore	Schoeppel
Case, N.J.	Hickenlooper	Scott
Case, S. Dak.	Hruska	Williams, Del.
Church	Javits	

NAYS—42

Aiken	Hill	Monroney
Bartlett	Holland	Muskie
Bennett	Humphrey	Proxmire
Burdick	Jackson	Robertson
Byrd, Va.	Johnston	Smathers
Byrd, W. Va.	Jordan	Smith, Maine
Cannon	Kerr	Sparkman
Carlson	Lausche	Stennis
Douglas	Long, Mo.	Symington
Ellender	Long, La.	Talmadge
Ervin	Magnuson	Thurmond
Hart	Mansfield	Yarborough
Hartke	McGee	Young, N. Dak.
Hickey	McNamara	Young, Ohio

NOT VOTING—26

Anderson	Hayden	Prouty
Bridges	Long, Hawaii	Randolph
Chavez	McCarthy	Russell
Cooper	McClellan	Saltonstall
Dodd	Metcalf	Smith, Mass.
Eastland	Morse	Tower
Fong	Moss	Wiley
Fulbright	Neuberger	Williams, N.J.
Gruening	Pell	

So Mr. MILLER's amendment, as modified, to the modified amendment of Mr. LONG of Louisiana to the committee amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment, as amended, offered by the Senator from Louisiana [Mr. LONG].

Mr. KEFAUVER. Mr. President——

The PRESIDING OFFICER. On this question the yeas and nays have been ordered——

Mr. KEFAUVER. Mr. President, I offer an amendment to the modified amendment of the Senator from Louisiana which I send to the desk and ask to have stated.

Mr. MANSFIELD. Mr. President, all time has expired.

The PRESIDING OFFICER. The Senator may offer an amendment to the amendment.

Mr. HUMPHREY. Mr. President, the yeas and nays have been ordered.

The PRESIDING OFFICER. The amendment to the amendment is in order. The amendment to the amendment will be stated for the information of the Senate.

The CHIEF CLERK. On line 9 of the modified amendment of Mr. LONG of Louisiana to the committee amendment, as amended, it is proposed to strike out the word "Secretary" and to insert in lieu thereof the words "a district court of the United States."

Mr. KEFAUVER. Mr. President, I do not think the Senate wishes to upset the great system of jurisprudence which has come to us through common law and through judicial statutes which have been passed, under which the rights of people and the disputes between corporations, as well as the construction of antitrust laws, have been passed upon by a judicial procedure. First there is an investigation and determination by the appropriate enforcement agency, be it a U.S. district attorney or someone in the Department of Justice or some other agency. After consideration is had, a complaint is filed in regular order under rules of procedure. The complaint sets forth the subject matter. The defendant has an opportunity to answer. Testimony is taken and passed upon by a district court, with a right of appeal to the Circuit Court of Appeals, and finally to the Supreme Court of the United States.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. HOLLAND. Who would be the defendant in the proposed suit?

Mr. KEFAUVER. Of course, the defendant would be the person who allegedly created a monopoly; the cooperative or the corporation which allegedly created a monopoly.

Mr. HOLLAND. Who would be the plaintiff?

Mr. KEFAUVER. One example is the case of the Virginia and Maryland Milk Producers' Association, which was the defendant in the suit brought in this area.

The plaintiff would be the United States of America.

Mr. President, there are rules of evidence, rules of procedure, rules of decorum, and rules of jurisprudence which have been built up over a long period of time. Whenever we strike at our judicial system, as the proposed amendment would, we strike at one of the most priceless guardians of our liberty and of our freedom.

It is ridiculous to me that with respect to an important matter requiring judicial determination, such as a certain set of circumstances creating a monopoly, we would wish to place the determination in the hands of a man—who I am sure does not wish to have it—who has no court, who is not appointed to his position by virtue of judicial attainment.

No procedural regulations are set forth as to how the case should be tried. No procedure is provided as to who shall be admitted to the bar of the Secretary of Agriculture. The amendment would give no right of appeal whatsoever in the event of a capricious or unreasonable decision.

Mr. President, we are asked to undermine, in a very important area, one of the most precious rights and prerogatives of American citizens in cases heard under due process of law. This cannot be called due process of law. We ought to think a long time before we give to a Secretary of an executive agency who is not appointed for that purpose, the unrestrained, unrestricted power set forth, under which he might take over the entire judicial procedure in such a vital segment of our economy.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. KEFAUVER. I am happy to yield.

Mr. CARROLL. If this precedent is now established, why should not the Secretary of Commerce be given similar power?

Mr. KEFAUVER. He should, in the case of corporations.

Mr. CARROLL. Why should not the Secretary of Labor be given similar power?

Mr. KEFAUVER. He should. The Secretary of the Department of Health, Education, and Welfare should be given power to determine which big pharmaceutical houses should merge. The official in charge of the Housing Administration should be given authority to determine mergers which involve housing. Each Secretary of an executive department should be given authority to set up his own judicial procedure and regulations. By this process we would destroy our judicial system and make a mockery of it.

Mr. CARROLL. I was under the impression that under our Constitution a separation of powers was provided. The Executive has power to appoint Cabinet officers. It is true that the Secretary of Agriculture has the duty of serving the farmers. The Secretary of Commerce must deal with business. The judicial function was to remain in the judiciary. Is this not a judicial function that we are considering?

Mr. KEFAUVER. That is the concept of our Founding Fathers. That is the concept of the Constitution. It is specifically provided in the Constitution that the executive power shall be in the Executive and that the judicial power shall be in the judiciary.

We are asked to put not only the power of the District Court but also the power of the Circuit Court of Appeals and of the Supreme Court into the hands of an executive officer who is appointed to a position. We are asked to put judicial power in the hands of an executive officer.

Mr. CARROLL. Would not the Senator from Tennessee say that the enforcement of a statute is a judicial function?

Mr. KEFAUVER. It is, indeed.

Mr. CARROLL. The determination of a statute is a judicial function.

Mr. KEFAUVER. It must necessarily be a judicial function.

Mr. PASTORE. Mr. President, will the Senator yield to me for a question?

Mr. KEFAUVER. First I wish to say that the whole body of antitrust law which deals with mergers and consolidations is so vast and complicated and complex, with judicial determinations having been made all over the United States by the Department of Justice, by the district courts, by the courts of appeal and by the Supreme Court, that it requires a very well trained man with long experience in antitrust law and judicial procedure to do justice as between people. To throw such an obligation on an executive officer, in violation of the principle of the separation of powers in the Constitution, is one of the most unreasonable proposals I have ever heard the Senate consider.

Mr. President, I now yield to my colleague from Rhode Island.

Mr. PASTORE. Does the Senator from Tennessee understand that the amendment of the Senator from Louisiana [Mr. LONG] would provide that, in the event the Secretary of Agriculture makes a determination that any combine is not a monopoly, the determination is final and there is no further appeal and there can be no interference with the ruling by the Department of Justice?

Mr. KEFAUVER. The language is not as provided in the amendment which was offered. The amendment provides that the Secretary of Agriculture will determine whether there has been a

substantial lessening of competition or a creation of a monopoly. Then if the Secretary so determines, he may order the divestiture of the assets or whatever may have been acquired.

The language I have read is what we are going by.

Also, before anything like the proposed action is taken or considered seriously, there ought to be a lengthy judicial study with hearings of judicial experts, those versed in the judiciary, constitutional lawyers, and others who understand the separation of powers.

Would we consider placing in the hands of a district court the right of determining questions that are within the jurisdiction of the Secretary of Agriculture? Such questions would include the question of who shall get a marketing order? Who should come under the soil bank? To present to the district court such questions would be as logical as doing what the amendment would require. Those are judicial functions that should be determined by the court, and not by the Secretary of Agriculture. Such questions should be determined by a court, and not by the Secretary of Agriculture.

Mr. DODD. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. DODD. If the amendment were agreed to, what would be the position of a private citizen who would bring a suit in a U.S. district court? Would he be foreclosed from bringing to the Department of Justice a grievance which he feels he has suffered?

Mr. KEFAUVER. I am glad that the Senator has mentioned that subject. It is completely blank so far as the bill is concerned.

Mr. DODD. The point I mention is a very important element in our law. A citizen who feels he is aggrieved and damaged has a right to bring a civil suit in our courts. Would he be foreclosed from such a right?

Mr. KEFAUVER. I do not know whether it would be expected that his right would have to be tried by the Secretary of Agriculture, or where it would be tried. I say that if the suit were brought in court and the court should determine that the plaintiff was entitled to redress because he was damaged by virtue of the formation of a monopoly, it would be strange to have the court make one determination as a judicial arm of our Government and to have the Secretary of Agriculture, an executive agency, make another determination. It would not stand up. The question which the Senator from Connecticut has brought up is a very important one.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. CARROLL. Is it not true that historically—at least within the last quarter of a century—Congress has delegated some of its legislative power to administrative agencies in order to perform functions which it cannot itself perform?

Mr. KEFAUVER. The Senator is correct.

Mr. CARROLL. Such action has been taken because of the technical nature of the proposed legislation which has come before Congress. However, so far as I can tell, never in American history have we tried to delegate a judicial function or a judicial prerogative. I believe the entire issue is unsound. As the able Senator from Tennessee has said, the amendment is not in conformity with the checks and balances, contained in the separation-of-powers provision of the Constitution.

Mr. KEFAUVER. What would happen if, in the middle of trial before the Secretary of Agriculture which would affect the very life of a cooperative and the interest of people who may have been put out of business by virtue of a merger, a change of administration occurred? Would the new administration appoint a Secretary of Agriculture who would be primarily interested in agriculture? Or would the President be interested in appointing someone who would be a judicial officer? Furthermore, would it be very good public policy for the President to be able to remove at will the man who would decide the case? The President of the United States has the right to remove the Secretary of Agriculture next week, if he wishes to do so.

Suppose the Secretary of Agriculture is in the middle of a big case and the President fears that he may determine it wrong. He could ask for the resignation of the Secretary of Agriculture and appoint another who would decide the case according to how the President thinks the lawsuit should be decided.

Mr. President, the amendment would give judicial power to the executive department. Such action would strike directly at our division of powers. It would upset the judicial processes that have determined the rights of individuals since the beginning of the country, and I do not believe that it is tenable.

Mr. CARROLL. Mr. President, will the Senator yield for one further point?

Mr. KEFAUVER. I yield.

Mr. CARROLL. Would not the rules of evidence be changed?

Mr. KEFAUVER. Of course, they would.

Mr. CARROLL. Under administrative law, evidence and the proof of evidence is entirely different from procedures in a court of law. I hope that the Senate will consider very seriously what it is asked to do after a very cursory examination.

Mr. KEFAUVER. Where would the right of appeal be? Under the Federal rules there are rights of appeal applicable to the Federal courts by which an aggrieved person can appeal the decision in his case to a higher court. I see no right of appeal in the amendment. I see no right of appeal of a judicial determination.

As the Senator from Connecticut [Mr. DODD] has stated, where the rights of those who may be oppressed by mergers and consolidations are involved, and since we must have some uniformity in our law, how can we completely disregard all of our tradition with respect to what the executive branch and the judicial branch of the Government should do? We would place the power in an executive agency, a Cabinet member who may be changed at the whim and will of the President of the United States.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time?

Mr. KEFAUVER. I yield back the remainder of my time.

Mr. LONG of Louisiana. Mr. President, I should like to speak for 5 minutes on the amendment. Unfortunately there are not nearly as many Senators present as when the Senator started to argue his amendment.

I regret that such is the case, because sometimes a case can be prejudiced when there are not enough persons present to listen.

I should like to make clear that under the law as it stands certain provisions exist. In 1914 we passed a law that provided that labor unions and farm cooperatives would not be covered by the Sherman Act. They can organize and grow big, if they can find enough people who are willing to join and organize. Under that act it was envisioned that farm unions could conceivably grow as big as the great American Federation of Labor and the CIO.

Mr. CARROLL. Mr. President, will the Senator yield at that point?

Mr. LONG of Louisiana. I have been listening to the Senator for some time. I will yield shortly. Let me speak for a minute or two.

With regard to farm cooperatives Congress provided that they could go beyond merely being cooperatives. They could form themselves into a corporation. That was the Capper-Volstead law.

The law went on to provide that they could acquire marketing facilities, and nothing whatever could prevent them from buying marketing facilities. It went on to provide that in the event they created a monopolistic situation so that they would control the price, the Attorney General would not decide what action should be taken. It would be for the Secretary of Agriculture to make such a decision.

Gentlemen, that is the law. It has always been the law. I ask Senators to look at page 138 of the hearings, where the Capper-Volstead Act is spelled out. This is a price control on farm cooperatives that has never been necessary, because they have not succeeded in obtaining a price that has been regarded as unduly high.

Mr. CARROLL. Is it not true that under the law a labor union or a cooperative cannot form a conspiracy in restraint of trade? I ask for a yes or no answer.

Mr. LONG of Louisiana. The answer to that unfortunately is no; they can form a conspiracy in restraint of trade.

Mr. CARROLL. The Supreme Court decisions have rejected that theory. The Senator is trying to reestablish it in the amendment he is now offering.

Mr. LONG of Louisiana. The answer is that in the Danbury Hatters case, decided about the turn of the century, the Attorney General prosecuted the Danbury Hatters in the State of Connecticut, when a group of laborers in a hat factory up there had gone on strike. It was held that they acted in restraint of trade, and a heavy fine was slapped on every member of that union. It was the largest judgment of its kind that had ever been rendered.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I ask the Senator from Colorado to let me speak for awhile. They were held to be a conspiracy in restraint of trade because they prevented the manufacturer of the hats from manufacturing hats and selling them in competition with other people. They were held in violation of the Sherman Antitrust Act.

That action outraged the conscience of the people of the United States, with the result that in 1914 the Clayton Act was passed. What did it provide? It provided that no farmers and no laborers when they got together in associations were in violation of the Sherman Act.

Ever since then organized labor has been a combination in restraint of trade, and it has used every conceivable device that combinations have been known to use. They boycott and they blacklist. They do almost anything that can be done in violation of the antitrust laws. They do it repeatedly. They would be in violation except that in 1914 we amended the Sherman Act with the Clayton Act. The Clayton Act provides that labor unions are exempt. So are agricultural and horticultural organizations. In the act itself, immediately after it speaks of labor, the very next word is "agricultural."

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. CARROLL. Let us get this point clear. Over a hundred years ago, it is true, when men organized to assert their economic rights, it was held by the court that this was in a sense a criminal conspiracy. But that is not what we are talking about tonight.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. CARROLL. Is it not true that what we are talking about tonight—and Republicans and Democrats all agree in collective bargaining tonight—is labor unions and groups of farmers who merge to establish better standards of living, and about labor unions and collectives and cooperatives? We are talking about an entirely different principle.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CARROLL. It is an entirely different principle. I suggest to the junior Senator from Louisiana that his amendment disturbs the constitutional structure of this Nation. He is trying to impose upon the executive branch of the Government a judicial function which it ought not to assume, and which it was never intended it should assume under the Constitution as framed by our forefathers.

Mr. ELLENDER. I yield 5 more minutes to my colleague from Louisiana.

Mr. LONG of Louisiana. I could not disagree more with the Senator from Colorado. I have before me section 6 of the Clayton Act. It provides:

> Nothing contained in the antitrust laws shall be construed to forbid the existence and operation of labor, agricultural, or horticultural organizations.

It specifically exempted organizations of farmers and organizations of labor. The two words appear side by side. There is no control over the ability of two labor unions to merge. The American Federation of Labor merged with CIO. That was one of the biggest mergers in its field that ever took place in the history of the world.

Mr. CARROLL. Mr. President, will the Senator yield? That is a very important point. That merger has nothing to do with the violation of the antitrust statute.

Mr. LONG of Louisiana. Because——

Mr. CARROLL. It is only when labor agrees with a group of people, employers——

Mr. MANSFIELD. Mr. President, who has the floor?

The PRESIDING OFFICER. The junior Senator from Louisiana has the floor.

Mr. CARROLL. I asked the Senator if he would yield.

Mr. LONG of Louisiana. I will not yield at this time. I must insist on the regular order. I cannot make a speech if another Senator is making a speech at the same time.

Mr. CARROLL. I asked the Senator whether he would yield for a question.

Mr. LONG of Louisiana. Not at this time. The point I am trying to make is that labor unions were a conspiracy in restraint of trade and were held to be such by the Supreme Court in the Danbury Hatters case. However, they have been specifically exempted in toto, up one side and down the other side, by the Clayton Act. There is no restriction under the sun on the ability of labor unions to act together or to merge. No one has ever asserted any right to go into court against the merger of AFL and CIO. That is because they have been specifically exempted.

Then Congress went one step further. Farmers wanted to have the same advantages that corporations had. Congress went on to provide that not only could they organize and form cooperatives and acquire marketing facilities and use the corporate form, but also when they did that they were made subject to the price control law. If any price is unduly enhanced, and it is unreasonable, the Secretary of Agriculture can cite them. He can give them a hearing and order them to reduce the price. I am offering an amendment to provide that not only can he do that, but he can also require them to divest themselves of their assets. These are the remedies. The act has been in effect ever since 1922. Why is my amendment necessary?

Mr. ROBERTSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield 5 more minutes to the Senator from Louisiana.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. ROBERTSON. Is it not true that in 1950 John L. Lewis prohibited the bituminous coal mines from operating more than 2 days a week in order to create a shortage of coal and to raise the price of coal?

The junior Senator from Virginia offered an amendment to the Volstead Act as amended and interpreted by the Supreme Court and the La Guardia Act, to make labor unions subject to the antitrust laws when they organized to affect prices. What did the Committee on Labor and Public Welfare do? It gave me 1 day of hearing. It gave the labor leaders 1 day of hearing. They threw it in the wastebasket. The labor unions are not subject to any control under any circumstances. Is that not true?

Mr. LONG of Louisiana. The Senator is exactly correct. What do we have here? We have a proposal to strengthen the antitrust power that is needed by the Secretary of Agriculture. The Senator from Tennessee said that the cooperatives are getting too big. If they are, we are giving the Secretary power to make them smaller. That is a power the Secretary does not now have. If a thousand farmers want to merge with a cooperative of a thousand other farmers, we would like to have their right to merge passed on by the Secretary of Agriculture, who understands these problems and who is expected to be in sympathy with them, rather than by the Attorney General of the United States.

Mr. HOLLAND. I call attention to the fact that the order is not a final, inescapable order. To the contrary, if the aggrieved cooperative does not want to obey that section, but continues with a showing that the record has to be filed in the district court and applies the rule which the Senator from Tennessee has insisted upon, that the Department of Justice shall have charge of the enforcement of the order, and it is handled as a Department of Justice matter all the way through, in the event any cooperative is aggrieved by an order of the Secretary of Agriculture, it is all stuff and nonsense to say that there is any change in the constitutional provisions or any change from the regular judicial structure.

To the contrary, the administrative agency, the Department of Agriculture, makes the finding and enters the order. If the cooperative is aggrieved, it has a perfect right to have the question determined by the district court in which not the Secretary of Agriculture, but the Department of Justice is the controlling party.

I desired to have the Senator make that point clear, because all the argument that has gone into the RECORD, to the effect that we will be violating the Constitution, that we will be departing from judicial standards, that we will be breaking down the judicial process, has no basis, because since 1922 the provi-

sion has been just as the Senator from Louisiana would leave it. We would merely add to the authority heretofore given to the Secretary the authority to look into the question as to whether a monopoly is created or whether competition is unduly lessened.

Mr. METCALF. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. METCALF. I wish to inquire whether a cooperative that is aggrieved could be allowed the privilege of going to the district court in his own State, in the capital of his own State, rather than be compelled to come all the way back to Washington to present the case to the Secretary. Is it not better to have the case argued and determined by district judges who are familiar with the situation, who are lawyers appointed from the bar of the State, and who are familiar with the conditions in the State? Is it not better to have that judiciary determine these cases, than to have the party come all the way to Washington from Montana, California, or Arizona to have his case determined by the Secretary?

Mr. LONG of Louisiana. I think the Senator from Montana is correct. Any sensible, practical businessman will understand the point I am about to make. Businessmen, and farmers, as well, want to know where they stand legally. I shall cite a case that actually happened. The case stands out in my mind as the kind of situation which confronts us. A group of farmers wanted to buy a dairy. They applied to the Department of Agriculture for a loan. The loan money comes from funds appropriated by Congress. They applied for the loan and wrote a letter to the Attorney General, stating that they desired to buy a dairy and were asking the Secretary of Agriculture to lend them $2 million with which to buy it.

The letter rested in the Department of Justice. The applicants did not get an opinion from the Department of Justice as to whether they could or could not buy the dairy. So the Secretary of Agriculture proceeded to make a study to see whether he thought the application would be acceptable. He decided it was, and he made the loan of $2 million, which was taxpayers' money. The applicants bought the dairy. They paid the money back to the U.S. Government. They operated the dairy. They improved its efficiency and improved the method of doing business.

But then the Attorney General filed a lawsuit against them, after he had had their letter for 2 years, claiming that they were in violation of the antitrust laws.

I submit it is patently ridiculous for Congress to appropriate money and tell the Secretary of Agriculture that he must make loans to farm cooperatives, and then to tell the Attorney General to prosecute the cooperatives for being in violation of the antitrust laws.

Mr. METCALF. I am in complete accord with the statement of the Senator. However, let us suppose that cooperatives in the Senator's State or in my State wished to merge.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. KEFAUVER. Mr. President, I yield 5 minutes to the Senator from my time.

Mr. METCALF. Suppose the cooperatives desired to merge. Is it not much better to have the decision on the merger made in the capital of Louisiana or by the District Court of Montana, than to require the parties to come to Washington for a hearing before the Secretary of Agriculture? Does not the Senator from Louisiana agree with that? Is it not better to let the parties go to the district court?

Mr. LONG of Louisiana. Does the Senator mean the local district court?

Mr. METCALF. Any district court anywhere in the United States.

Mr. KEFAUVER. Mr. President, will the Senator from Montana yield?

Mr. METCALF. I yield.

Mr. KEFAUVER. Our study of court procedures, as to whether a monopoly has or has not been created, shows that the average monopoly case requires 2 or 3 years for determination. It is necessary to subpena witnesses on both sides. As I recall, the Aluminum Co. case required 4 to 5 years to try. Another case, the Glass case, was in the courts for 12 years.

Would it be expected that the litigants and witnesses in a case involving the question of whether or not there was a monopoly should have to come to Washington and remain here for 8 or 10 years to try a case before the Secretary of Agriculture? If the Secretary of Agriculture took it upon himself to go all over the Nation and hear monopoly cases, he would have very little time to perform his duties as Secretary of Agriculture.

Mr. LONG of Louisiana. Mr. President, the Comptroller of the Currency passes on the mergers of national banks. He determines whether they shall merge. There is no right of appeal from that decision.

The Federal Communications Commission passes upon the mergers of television stations. It has that responsibility, and if it permits stations to merge, there is no appeal from that decision.

The Federal Power Commission passes on the mergers of pipelines. If it determines that a merger should be permitted, it is permitted, and there is no appeal from that decision.

The Civil Aeronautics Board has the power to determine whether there shall be a merger of airlines. If the Board says there shall be a merger, there is no appeal from that deecision.

Mr. DODD. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. DODD. I wish to be fair. I am seeking information. I asked the Senator from Tennessee what would be the posture of a private citizen suing under the law, feeling he was aggrieved by a monopoly to restrain trade or fix prices, or for any of the reasons under the law. I ask that question of the Senator from Louisiana, also. He just said there is not even a right of appeal.

If the amendment of the Senator from Louisiana is agreed to, a person cannot even bring a suit under the law.

Mr. LONG of Louisiana. He cannot bring a suit to prevent the merger of two farm cooperatives if he is not a member of either of them.

Mr. DODD. If the executive department says, as the Senator has pointed out, that the courts have held there is not even a right of appeal, then surely they will say he has no right to sue, if we as a Congress have denied by statute that there can be any violation of the law.

Mr. LONG of Louisiana. In the State of New York, a number of big bank mergers are taking place. There is no right of appeal from the decisions in those cases. There is no right to file a taxpayers' suit to prevent such mergers.

Mr. DODD. The Senator from Louisiana is a good lawyer. He knows there is the right to sue if one is aggrieved, and can prove that he is, by a merger of the banks in New York State.

Mr. KEFAUVER. Suits are now pending against the banks.

Mr. ELLENDER. Mr. President, I ask for the regular order. The junior Senator from Louisiana has the floor.

Mr. LONG of Louisiana. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The additional time granted the Senator from Louisiana has expired.

Mr. LONG of Louisiana. Mr. President, will my colleague yield me 3 additional minutes?

Mr. ELLENDER. I yield 3 more minutes to the Senator from Louisiana.

Mr. LONG of Louisiana. A person has a right to go into court and sue farm cooperatives if such cooperatives make agreements which in any respect are in violation of the antitrust laws. If they make an agreement for the labor union, that is not in violation of the law.

Mr. DODD. One cannot sue unless the Clayton Act is applicable.

Mr. LONG of Louisiana. I think there is a misunderstanding which causes some Senators to vote against farm cooperatives. The courts have repeatedly held that whenever a farm cooperative or a labor union makes an agreement with a corporation, a business, or someone who is not in either line of endeavor; for example, if a farm cooperative makes an agreement with a labor union in violation of the antitrust laws—they are subject to prosecution. If they make an agreement with a corporation to divide markets or to discriminate against others in their sales, or if they do anything in violation of the antitrust laws in a predatory way, they are subject to prosecution.

But so long as farmers are working together as farmers, whether they are incorporated or not, it is not intended that they be prosecuted, except that under existing laws the Secretary of Agriculture has the power, if they get too strong or too big and unduly enhance the price, to require them to reduce that price; and the Attorney General is the one he would designate to prosecute that suit for him, under the law.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The time yielded to the junior Senator from Louisiana has expired.

Mr. ELLENDER. Mr. President, I yield 1 more minute to my colleague.

The PRESIDING OFFICER. The junior Senator from Louisiana is recognized for 1 more minute.

Mr. LONG of Louisiana. Mr. President, the Senator from Tennessee put his finger on what is wrong with his amendment. If two groups of 1,000 farmers each wish to merge and if the Secretary approves the proposed merger, that is preferable to requiring them to go into a district court and have a lawsuit—for instance, to require a lawsuit before two farmers would be allowed to purchase a churn in which to process their butter, and to oppose that on the theory that it would lessen competition.

On the very theory of the Senator from Tennessee, it would take 3 years to decide whether they could buy a packing plant or some similar plant; and I submit that would be ridiculous. If the Secretary of Agriculture is going to make a loan for the purpose of enabling them to make the purchase, he should decide whether the purchase would result in violation of the antitrust laws; and he should not make the loan if he thinks the result would be a violation of those laws.

The PRESIDING OFFICER. The additional time yielded to the junior Senator from Louisiana has expired.

Mr. YARBOROUGH. Mr. President——

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 2 minutes.

Mr. YARBOROUGH. Mr. President, with all due respect to the Senator from Tennessee and the Senator from Colorado and their fine knowledge of constitutional law, I feel that some inaccurate statements concerning the state of constitutional law and the historic division of powers, have been made in the course of the debate, and certainly that situation should be cleared up.

It has been stated that the Long amendment would violate the constitutional separation of powers by enroaching on the judicial power, and by placing this judicial power in the executive branch of the Government. But, Mr. President, that statement is made on a misconception of what the judicial power consists of. Until a few years ago it would have been impossible for such power as is set out in the Kefauver amendment to the Long amendment, to have been placed in the judicial branch, because the courts were established to decide existing disputes between citizens, or between the State and a citizen. But in 1934 a new concept came into the law when the Declaratory Judgments Act was placed on the statute books; and under that law certain suits can be filed for the determination of anticipatory rights. But until the enactment of the Declaratory Judgments Act, such a suit as is envisioned in this amendment could not even have been filed, because it calls for an anticipatory administrative determination; it does not call for the determination of an existing controversy.

The Constitution was adopted in 1789, and for 145 years such a lawsuit as the Kefauver amendment contemplates could not have been filed. It certainly could not be litigated prior to the Declaratory Judgments Act of 1934; perhaps not even now.

Here it is contended that the separation of powers would be violated by the Long amendment; not so, but the amendment of the Senator from Tennessee would violate the separation of powers, by trying to have a district court adjudicate as a justiciable issue, a matter of administrative procedure, operative in futuro on a controversy not yet arisen.

The PRESIDING OFFICER. The time yielded to the Senator from Texas has expired.

Mr. ELLENDER. Mr. President, I yield 2 more minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 2 more minutes.

Mr. YARBOROUGH. Mr. President, I now read from the Declaratory Judgments Act:

> In a case of actual controversy within its jurisdiction, except with respect to Federal taxes, any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought.

"In the case of an actual controversy," the law reads; but what would be the controversy if two cooperatives wished to merge? There would not be any controversy unless someone—either the Attorney General or the Secretary of Agriculture—stated that the proposed merger would result in violation of the antitrust laws. But it would not be a proper judicial function, under the Kefauver amendment to the Long amendment to make such an anticipatory finding. Unless the Secretary makes an executive finding that such merger would substantially lessen competition or would tend to create monopoly—an anticipatory finding, not a finding that such has already been the case, there would be no controversy to be appealed to the courts.

But the second section of the Capper-Volstead Act states that if, after the merger has been made, it is found that the merger does have that result (to substantially lessen competition) and if the Secretary of Agriculture has reason to believe it, he may institute an action to stop it.

The senior Senator from Florida hit the nail on the head a few minutes ago. The actual fact is that the second section of the old Capper-Volstead Act gave this power to institute actions to the Secretary of Agriculture, and that section is not now proposed to be amended.

However, if there is a desire to amend it, that should be done by the introduction of a separate bill in an orderly manner; this measure is not the proper place to do that, for this measure relates to purely an administrative determination. There is no pending proposal to amend section 2 of the Capper-Volstead Act.

So the amendment of the Senator from Tennessee is the amendment which would mix up the executive powers and the judicial powers; the amendment offered by the Senator from Louisiana does no violence to separation-of-powers doctrine. It is constitutional.

The PRESIDING OFFICER. The additional time yielded to the Senator from Texas has expired.

Mr. CARROLL. Mr. President, I wish to make a comment to the Senator from Louisiana: No effort should be made to draw the labor unions across this trail.

Mr. KEFAUVER. Mr. President, let me inquire how much time remains available.

The PRESIDING OFFICER. Forty-eight minutes.

Mr. KEFAUVER. Mr. President, in order to clarify the situation, would it be in order, in the time available to me, and also in order to avoid two yea-and-nay votes and to expedite our consideration of the basic issue of whether the Department of Justice and the courts would have jurisdiction or whether the Secretary of Agriculture would have jurisdiction—and that is the real issue here—to move, in the time under my control, that the amendment of the Senator from Louisiana [Mr. LONG] be laid on the table? Then there would be one yea-and-nay vote, instead of perhaps two.

The PRESIDING OFFICER. A motion to table would not be in order at this time.

Mr. KEFAUVER. But if I withdraw my amendment, and then move to lay on the table the Long amendment, would such a motion be in order?

The PRESIDING OFFICER. A motion to lay on the table is not in order until all available time on the amendment has been used or has been yielded back. In that event, such a motion would be in order.

Mr. KEFAUVER. Mr. President, I reserve 1 minute of my time, so as to have time in which to make that motion. I yield the remainder of the time under my control to the Senator from Colorado [Mr. CARROLL]; or perhaps I should ask how much time he desires to have.

Mr. CARROLL. I shall not use much time.

Mr. President, thus far I have not participated in the debate, although it has been going on in very heated fashion for a long period of time. I have heard all the debate and all the discussion about labor and about how the conspiracy arose. The truth of the matter is that it did not arise because of any antitrust statute. It arose because it was said that the groups of workmen who were associated were engaged in a conspiracy. That was the rule of law for many, many years, and was sustained by the Supreme Court, but later was overruled.

No one in this group, including the majority leader and the minority lead-

er, is more strongly in favor of the organization of labor unions that I am.

Then came the cooperatives. I have supported them for 25 years. I know their purpose; I know their history; I know the law; and I know about their taxation. I was a member of the Ways and Means Committee when I served in the House of Representatives.

But the problem here is a different one. I have listened to the able junior Senator from Louisiana [Mr. LONG] speak about the Comptroller of the Currency, the Federal Reserve Board, and the mergers of banks. The truth is that they are subject to the Administrative Procedure Act, and even the Secretary of Agriculture is subject to the Administrative Procedure Act.

Now let us get down to the cases which show what all this is about. We do not object at all to the merger of cooperatives. I ask the junior Senator from Tennessee if that is correct. Is it not true that we are not objecting at all to the merger of cooperatives? But we are objecting to the merger of any group that acts in restraint of trade, in violation of existing laws.

Mr. KEFAUVER. The Senator from Colorado is entirely correct.

Mr. CARROLL. And if this concession is to be made to a particular group, for a particular purpose, it must be made across the board.

The PRESIDING OFFICER. The time yielded to the Senator from Colorado has expired.

Mr. KEFAUVER. Mr. President, let me ask how much time remains under my control.

The PRESIDING OFFICER. Forty-five minutes.

Mr. CARROLL. Mr. President, I was under the impression that the Senator from Tennessee had yielded to me the remainder of his time, except for 1 minute.

Mr. KEFAUVER. That is correct.

Mr. CARROLL. I do not intend to use all that time.

The PRESIDING OFFICER. How much time is yielded to the Senator from Colorado?

Mr. KEFAUVER. Mr. President, I yield to the Senator from Colorado such time as remains under my control, except for 1 minute.

Mr. CARROLL. Mr. President, I have many interests in my home State that would like to see me vote for this amendment and the other amendments which sought to sustain the strength of the antimonopoly statutes of this Nation. I have done it for this basic reason: How can the Senator from Tennessee, the junior Senator from Colorado, or some of our other colleagues on the Antitrust and Monopoly Subcommittee begin to probe price rigging and price fixing by giant corporations of this Nation, and then seek an exemption for some particular group because we happen to favor it politically and philosophically? I reject that approach. That is why I have consistently sustained the position of the Senator from Tennessee, who has fought more valiantly, consistently, and steadily than has any other Member of this body against price rigging and price fixing.

I conclude with this statement: If mergers of banks or efforts of labor unions to attempt to "fix themselves up" with employers violate a law, so do co-ops which act in restraint of trade by their mergers, and I do not want to exempt them from the law. The issue is that simple.

If I may have the attention of the able Senator from Tennessee for a moment, is not our position, simply stated, as follows? We, as members of the Judiciary Committee, and the Senator from Tennessee, as chairman of the Subcommittee on Antitrust and Monopoly, are not against co-ops. We are not against any particular group. Railroads may merge. Banks may merge. Economic circumstances may force mergers. But a merger must not be in violation of the statutes and the decisions which have been rendered by the courts in support of those statutes. Is that not our position?

Mr. KEFAUVER. The Senator is correct. A merger must not substantially lessen competition or tend to create a monopoly. Mergers have been going on every year among cooperatives, even big ones. The Department of Justice has not found that they substantially lessen competition or tend to create a monopoly; but in case they do, this measure gives the Department of Justice the power to enforce the laws.

Mr. CARROLL. It gives the Department the right to do what? The Department of Justice is the enforcing arm of Government. It is not a political arm. The proposal gives it the right to interrogate, to try, to bring before a grand jury, if necessary.

That is all there is to the issue. Those concerned will have their day in court, under rules of evidence that have been established for 100 years or more.

That is all we seek. It is what I have been trying to vote for as I have sustained the position of the Senator from Tennessee.

I say to the able Senator from Louisiana that I appreciate his sincerity. I know what he is seeking to do. But I point out that it must be done within the precedents and the confines of the Constitution. It is not that I am against the farmers. In my own area I have a very strong farm group, but I want them to conform to the law, just as every other group must. We ask the giant corporations to do it. We ask the labor unions to do it. Let us treat every group with equity and justice.

Mr. KEFAUVER. Mr. President——

Mr. LONG of Louisiana. Mr. President, has all time expired on the amendment? If all time has not expired on the amendment, I wish to speak with reference to the statement made by the Senator from Colorado.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Is there a motion to table before the Senate?

The PRESIDING OFFICER. There is not.

Mr. KEFAUVER. I was about to ask unanimous consent to withdraw my amendment to the amendment of the Senator from Louisiana, and move to table the amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. All time on the amendment has expired.

Mr. KEFAUVER. Mr. President, I move to table the amendment of the Senator from Louisiana, and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee [Mr. KEFAUVER] to lay on the table the modified amendment of the Senator from Louisiana [Mr. LONG] to the committee amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PROUTY (when his name was called). On this vote I have a pair with the distinguished Senator from Texas [Mr. TOWER]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. SMITH of Massachusetts (when his name was called). On this vote I have a pair with the junior Senator from Minnesota [Mr. MCCARTHY]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. WILLIAMS of New Jersey (when his name was called). On this vote I have a pair with the senior Senator from Georgia [Mr. RUSSELL]. If he were present and voting, he would vote "nay." If I were at liberty to vote I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Hawaii [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Oregon [Mr. MORSE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Oregon [Mr. MORSE], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from West Virginia [Mr. RANDOLPH] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] is absent because of illness and, if present and voting, would vote "yea."

The Senator from Hawaii [Mr. FONG] and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Wisconsin [Mr. WILEY], and the Senator from Iowa [Mr. HICKENLOOPER] are detained on official business.

The pair of the Senator from Texas [Mr. TOWER] has been previously announced.

If present and voting, the Senator from Iowa [Mr. HICKENLOOPER] would vote "yea."

The result was announced—yeas 41, nays 37, as follows:

[No. 107]

YEAS—41

Allott	Clark	Kuchel
Anderson	Cotton	Miller
Beall	Curtis	Monroney
Bennett	Dirksen	Morton
Boggs	Dodd	Moss
Bush	Dworshak	Mundt
Butler	Engle	Pastore
Cannon	Goldwater	Pell
Capehart	Gore	Saltonstall
Carlson	Hickey	Schoeppel
Carroll	Hruska	Scott
Case, N.J.	Javits	Smith, Maine
Case, S. Dak.	Keating	Williams, Del.
Church	Kefauver	

NAYS—37

Aiken	Jackson	Proxmire
Bartlett	Johnston	Robertson
Bible	Jordan	Smathers
Burdick	Kerr	Sparkman
Byrd, W. Va.	Lausche	Stennis
Douglas	Long, Mo.	Symington
Ellender	Long, La.	Talmadge
Ervin	Magnuson	Thurmond
Hart	Mansfield	Yarborough
Hartke	McGee	Young, N. Dak.
Hill	McNamara	Young, Ohio
Holland	Metcalf	
Humphrey	Muskie	

NOT VOTING—22

Bridges	Hayden	Randolph
Byrd, Va.	Hickenlooper	Russell
Chavez	Long, Hawaii	Smith, Mass.
Cooper	McCarthy	Tower
Eastland	McClellan	Wiley
Fong	Morse	Williams, N.J.
Fulbright	Neuberger	
Gruening	Prouty	

So the motion to lay on the table the amendment offered by the Senator from Louisiana [Mr. LONG] to the committee amendment, as amended, was agreed to.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. KEFAUVER. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1643) was ordered to be engrossed for a third reading, and was read the third time.

Mr. ELLENDER. Mr. President, I yield to the Senator from Arizona such time as he requires.

Mr. GOLDWATER. Mr. President, inasmuch as it is quite apparent there will be no yea-and-nay vote on passage of the bill—I wish there were to be one—I shall explain my vote on the measure, which would be "nay."

I think it is long past time for us to recognize that we are damaging 30 percent of American agriculture by continuing this very stupid approach of trying to support that percentage of income. This has never worked in the history of man. It will not work now.

I had hoped that during this period of crisis, which the President outlined last night, this body might begin to think of saving money which is being wasted in the domestic part of our expenditures.

Mr. President, if there were a yea and nay vote on the bill, I would vote "nay" and I would urge my colleagues to do likewise.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CARROLL. Mr. President, I support this farm bill because it is in the interest of the consumer, the taxpayer and the farmer.

It is a good bill as far as it goes.

I had hoped we would be able to go further. But the committee, in its wisdom, gave us this program and I support it in the hope that it will be a base upon which we can build.

For example, I have been urging Colorado farmers for years to support a program that would control production of wheat on a bushel basis.

This, to me, would be a most sensible control system.

I think that most Colorado wheat farmers agree with me that unit control would be superior to acreage control.

However, the committee was not able, this year, to bring to us a long-range plan for wheat including unit controls.

I think the action of the committee in not bringing to us a long-range wheat program at this time is justifiable; and I think we can afford to wait until next year.

The northern Great Plains is presently in the grip of a devastating drought. It has received less rainfall this year than any year since 1936.

Wheat farmers in the drought region will not be merely reducing acreage, they will be losing entire production.

The area affected by the drought normally produces one-fifth of the Nation's wheat. This is not the time to hit those distressed farmers with a program permanently reducing their production.

The July estimate on Spring wheat production in the northern plains is down 42 percent or 104 million bushels from last year. Next month's estimate will be even grimmer.

The Wall Street Journal on July 12 said, in commenting on the northern Great Plains drought:

> The shrunken wheat crop will help balance supply with demand in this country, preventing any further buildup in stocks.

With all of this in mind the Senate Agriculture Committee wisely decided to postpone adopting a program that would impose a severe permanent cut in wheat acreage.

So, we have before us, Mr. President, title I, subtitle B, which is in the nature of a "stopgap" wheat plan.

It applies only to the wheat crop for 1962.

In view of these limitations it is an excellent and imaginative proposal; one which I think will be enthusiastically accepted by both farmer and consumer-taxpayer as beneficial to all parties.

Here is what I think the wheat section of the farm bill will do:

First. Ten million acres of wheatland will be taken out of production and put into soil conserving uses in the 1962 wheat year.

Second. The total wheat produced in 1962 will be 250 million bushels less than this year—exclusive of drought loss.

Third. With the total wheat carryover reduced, the storage costs to the Government will be cut by $250 million.

Fourth. The farmer will receive 20 to 25 cents per bushel more for his wheat. The farmer's net farm income will increase 15 percent.

Fifth. The year-after-year increase in wheat carryover stocks, owned by CCC will be halted.

Sixth. Even though the price-support level would be raised to $2 per bushel—from $1.79—and the farmer's income would go up, this cost would be more than offset by the reduction in CCC acquisition, disposition, storage, handling, and interest costs. The net gain to the taxpayer for the 1962 wheat crop will be over $50 million.

Seventh. The important accomplishment of the 1962 wheat bill will be to establish a decline in CCC stored wheat, which now amounts to 1,374 million bushels and represents a U.S. cost of $3.353 million. As the committee has said:

> Only by reducing the excessive supplies can the cost to the taxpayer be lowered in coming years.

The high plains area of the West has a particular interest in the proposed wheat plan.

It is our region that produces 90 percent of the wheat surplus.

Of the 1,414 million bushels of wheat in the June 30, 1961 carryover 1,118 million bushels are Hard Red Winter wheat, produced in the high plains States.

This wheat is just about the finest wheat in the world.

It is in surplus for many reasons beyond the plains farmer's control, largely, first, extreme distance from both shipping ports and grain terminal storage points; second, discriminatory freight rates.

However, in spite of the geographical handicaps our Great Plains wheat farmers are doing an immensely successful job of marketing their high quality wheat.

In my own State the Colorado Wheat Administrative Committee, organized by the wheat farmers, is promoting with spectacular success the use of Hard Red Winter wheat all over the world.

The Colorado committee has joined with Nebraska, Kansas and North Dakota in the Great Plains Wheat Market Development Association, under the astute direction of former Representative Cliff Hope, in making people in this country and in Europe, Asia, Africa, and South America, aware of the extraor-

dinary quality of Hard Red Winter wheat for use as a staple food in native diets.

Our wheat, grown at high altitudes with minimum moisture content, stands second to none in the world.

It is a tragedy of geography that makes our wheat 90 percent of the surplus stocks.

However, here's what our farmers are doing about the surplus problem, while waiting for action by the Congress and the administration:

First. They have doubled wheat exports since 1958.

Second. They have promoted quality control of exported wheat in order to sell new markets on U.S. wheat.

Third. They have persuaded seven railroads to the west coast and three railroads to the gulf to reduce freight rates on what from the high plains region moving into export.

If I may be permitted to amplify a bit on the three foregoing points I shall tell the Senate what our high plains wheat farmers are doing about reducing the wheat surplus, to which our own homegrown wheat contributes so excessively.

EXPORTS

First. Our Great Plains farmers have led a major effort by wheat farmers to sell U.S. wheat abroad. Colorado-Nebraska-Kansas wheat salesmen have been stationed all over the world in the past 3 years to promote Hard Red Winter wheat. As a result U.S. wheat exports have jumped from 219 million bushels in 1958 to 436 million bushels in 1961.

CLEAN WHEAT

Second. The wheat farmers have promoted surveys of high plains wheat quality all the way from the combine hopper on the farm to the foreign importers bins.

This is significant because our American Hard Red Winter wheat is competing directly with clean, high quality Russian Hard Red Winter wheat and clean, high quality Canadian Hard Red Winter wheat in oversea markets.

As evidence of the Russian threat to the worldwide Hard Red Winter wheat markets, I ask unanimous consent to place in the RECORD at this point an article on current Russian all-out attempts to boost the quality of their wheat and capture new foreign markets.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RUSSIANS VIEWED AS TOUGH COMPETITOR IN WORLD WHEAT MARKET

Intensified competition in the world wheat market is forecast by two U.S. grain experts who have just completed a tour of the Soviet Union.

Raymond Vickery, a U.S. Department of Agriculture official, and John Cowan, Dannen Mills executive, reported that Russia is making a determined effort to expand production on new lands opened up for farming. And it is taking a series of steps to upgrade its exports in an effort to establish a reputation as a supplier of quality wheat.

Vickery pointed out that there is already fierce competition for world wheat markets. "But if Russian agriculture meets its goals for expanded wheat production, the market will be cut into smaller slices," he said.

Cowan added that the Russian Government is making an all-out attempt to boost the quality of its wheat exports. Among the latest moves are these:

1. Tight Government control on selection of varieties. Plant breeders are doing a creditable job in developing new, high-yielding varieties that are resistant to winter-killing, lodging, and diseases.

2. When wheat is moved to the elevators for storage, it is analyzed carefully for proper binning according to quality factors.

3. Cleanliness is stressed in all of the handling processes. Low limits are placed on foreign material and dockage. Some wheat is actually cleaned on the farm, but most is cleaned at local elevators or collection points. Wheat shipments are often recleaned at subterminal or port elevators to meet export standards.

4. New elevators and handling facilities are rising in wheat-producing areas and at leading Russian ports indicating they intend to regain their prewar status as a major wheat-exporting nation.

According to Cowan, U.S. grain marketing procedures do not emphasize quality factors sufficiently. In fact, they have provided incentives for grain handlers to boost the amounts of foreign material and dockage to tolerance levels as wheat moves to export.

"We must reverse the incentive by removing the economic advantage in such practices," he said.

Cowan suggested that consideration be given to establishing a system by which farmers would absorb necessary discounts—or receive premiums—according to certain quality factors. "In the light of recent history and U.S. policy, it may be presumed that export subsidies will be established as necessary in order to keep our wheat competitive in foreign markets," he said.

Mr. CARROLL. The Senate will notice in the article, Mr. President, the emphasis the Russians put on "cleanliness" of their wheat.

Our Colorado wheat farmers have been campaigning vigorously for tougher export controls on our own wheat cleanliness.

It is imperative that we sell abroad wheat of high protein content, with low moisture content and a minimum amount of foreign material or dockage.

This means there must be quality control. Colorado farmers have, at their own expense, run surveys to follow our wheat across the oceans to make sure that the five international grain exporters—through whom all export wheat must be handled—do not downgrade high plains wheat by mixing it with inferior quality wheat from other parts of the country, or for that matter, mixing it with foreign matter that is not wheat at all.

On this subject, I call to the attention of any Senator interested in the disposal of our surplus wheat, a report made by Congressman CARL ALBERT on January 20, 1960. This report entitled, "U.S. Agricultural Exports to Western Europe," is available from the House Agriculture Committee. The section on wheat begins on page 4.

Congressman ALBERT calls for either tighter grade requirements or more stringent export inspection of wheat.

If neither of these meet the problem he calls for new legislation.

I once again join Congressman ALBERT in recommending that the Senate and House Agriculture Committees take steps to relieve the wheat surplus problem by providing legislation, possibly through amendment of the Grain Standards Act, that will promote high quality control of Hard Red Winter wheat leaving U.S. docks.

With sufficient quality control, foreign markets will develop all over the world for U.S. Hard Red Winter wheat.

This would be a major step in cutting down our annual wheat carryover and reducing bulging CCC stocks.

At this point in the RECORD, I ask that there be printed an article from the Colorado Wheat Farmer of March 1960. This story describes action taken by the Colorado Wheat Administrative Committee to improve quality control of export wheat.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ACTION FOR RECLEANED GRADES

Colorado wheat producers, through resolutions passed by the wheat advisory committee in Denver on February 26, are seeking to institute cleaner grades for wheat.

Recent reports, both from wheat and congressional groups, have indicated that high quality wheat arrives at foreign ports containing dockage and shrunken kernels. The Colorado Wheat Administrative Committee, in cooperation with the Great Plains Wheat Market Development Association, is investigating these reports.

The wheat advisory committee, meeting following the wheat seminar, unanimously passed four resolutions seeking to correct the situation. The resolution:

1. Asked the Agricultural Marketing Service to instruct its licensed grain inspectors to include on certificate of grade, upon request of the applicant for inspection, the percentage of dockage and foreign material and the percentage of shrunken and broken kernels.

2. Asked that the Commodity Credit Corporation recognize that wheat with specified minimums of dockage, foreign material and broken and shrunken kernels is vitally necessary to retain and expand markets and that such shipments therefore be encouraged by a slightly higher export subsidy.

3. Stated that the Colorado Wheat Administrative Committee believes that when out-of-condition wheat received by the Commodity Credit Corporation from warehouses is sold for unrestricted use in export markets, it seriously destroys the confidence of foreign buyers in U.S. wheat and that sales of out-of-condition U.S. wheat should be restricted as to its use and purchasers should be encouraged to certify as to its eventual utilization.

4. Stated that the committee believes since the inspection of grain by the Grain Inspection Division of the Agriculture Marketing Service has declined from 15 percent in 1939 to 5.7 percent in 1959 due to insufficient funds to maintain adequate inspection services, Congress be urged to increase the appropriation of the Agricultural Marketing Service for the fiscal year of 1960–61.

WESTERN FREIGHT RATES

Mr. CARROLL. In regard to transportation of wheat, the farmers of the Great Plains were successful last year in obtaining a rate reduction on wheat moving west, for export only, from 98½ cents per hundredweight to 81 cents.

Having achieved a first-step reduction of freight rates west, the farmers then turned toward the Gulf of Mexico shipping ports. On May 10 of this year, the

Santa Fe, Rock Island, and Union Pacific lines began reducing rates up to 19 cents per hundredweight.

I ask unanimous consent that an article, describing how the Wheat Producers Transportation Committee, led by a wheat farmer, Art Wilks, of Burlington, Colo., achieved this rate reduction, be included in the RECORD at this point. I also offer at this point two other articles describing the Great Plains wheat farmers' actions on freight rate reductions and ask unanimous consent that they be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Great Plainsman, April 1961]

FREIGHT RATE REDUCTIONS GRANTED TO GULF COAST PORTS

Freight rate reductions on wheat for export between Great Plains States and gulf coast ports have been granted by three railroads.

The new rates range from a half-cent to 19 cents per hundredweight lower than the former rate levels. They will become effective May 10, according to Art Wilks, of Burlington, Colo., chairman of the Wheat Producers Transportation Committee, an organization supported by wheatgrowers in the Great Plains region.

The reductions were granted by the Santa Fe, Rock Island, and Union Pacific lines after consultations with committee members. They reduce shipping costs from a wide area of Kansas and Colorado and help level out peaks and valleys in rate structures that have accrued from spot reductions in recent years.

Wilks said the rate reductions will make wheat grown in the Great Plains States more competitive in the world market.

We are at a severe disadvantage in foreign markets because competing producers in other exporting nations can move their wheat to ports at much lower costs; largely because their governments own the railroads or provide grants to make up operating losses.

[From the Pueblo (Colo.) Star Journal, May 4, 1960]

FREIGHT COSTS KEEP COLORADO WHEAT OUT OF COMPETITION WITH CANADA

Colorado wheatgrowers are losing sales in the Far East to Russia, Roy Hodges, Boone, member of the Colorado Wheat Advisory Committee said.

In the last year, U.S. exports of Hard Red Winter wheat to Japan dropped nearly 1¼ million bushels. At the same time, Japan bought 1⅓ million bushels more from Russia.

This is a serious loss to Colorado farmers when you consider the Japanese market for wheat has been expanding each year since World War II until that country now consumes more than 50 million bushels of hard wheat a year, Hodges said.

Just since 1958, the Japanese annual consumption of hard wheat rose 10½ million bushels. Bulk of the increased market went to Canada which sold Japan 8½ million bushels more than normal last year.

Some of this increased consumption is fostered by the school lunch program which is developing a taste among the younger generation for bread instead of boiled rice. Some can be credited to Japan's expanding population.

EDUCATION PROGRAM

The Colorado Wheat Administrative Committee, working through the Great Plains Wheat Market Development Association which is supported by 21,000 Colorado farmers and groups in Kansas and Nebraska, has sponsored teams to show Japanese millers the high quality of Hard Red wheat grown in the Great Plains.

The agriculture secretary to the Japanese Embassy in Washington, Hideo Tokoro, told the last annual meeting of the National Association of Wheat Growers in Wichita Hard Red Winter wheat offers several advantages over the Manitoba No. 3 wheat Japan is importing.

He said the Colorado wheat has a lower moisture content, higher bushel weight, and higher protein content.

However, Colorado wheat isn't as clean when it's delivered in Japan as the Russian grain is, and it isn't competitive pricewise with wheat shipped from Canada, he said.

Early reports from the Great Plains wheat sampling program indicate U.S. wheat cargoes are normally running up to 4 percent dockage and foreign materials in comparison to Russia's 1½ percent.

Representative CARL ALBERT, Democrat, of Oklahoma, whose committee recently made a study of the problem, said U.S. exporters are deliberately cheapening U.S. wheat by adding the maximum allowable foreign matter to shipments overseas.

Colorado growers can't meet Canada's price on the west coast because they pay 98½ cents per hundredweight in freight costs.

The Japanese prefer to buy their wheat on the West Coast rather than the east or gulf coasts because the ocean transportation costs them 10 cents a bushel less and the shipping time is shorter which means less deterioration of the grain en route.

RATE CUT PROPOSED

A proposed freight rate reduction of 28½ cents a hundredweight, which would make wheat from the Great Plains area competitive with Canada's on the West coast, has been made by the wheat producers' transportation committee of which the Colorado Wheat Administrative Committee is a member.

The proposal will be discussed May 10 in Chicago by committee representatives and officials of the Transcontinental Freight Bureau which is composed of nine railroad companies.

The Japanese tendency to buy wheat from Russia appears to be gaining, according to a report of the U.S. Embassy staff in Tokyo. Since last July, Japan has bought nearly 2 million bushels of hard wheat from Russia. This is 25 times the total Russian export to Japan in 1958.

High plains wheatgrowers should be filling this increased Japanese demand, Hodges said. The United States has a better trade balance with Japan than either Russia or Canada and we will continue to offer the Japanese a larger market for their manufacturing output.

At the same time, Japan is becoming more financially stable and is making far more purchases with dollars than with yen.

[From the Great Plainsman, Vol. 1, No. 7, August 1960]

WESTERN RAILROADS GRANT RATE REDUCTION TO GREAT PLAINS GROWERS FOR EXPORT WHEAT

Wheat farmers of the Great Plains area have been granted a rate reduction by nine western railroads, a move described as "a breakthrough in efforts to move Great Plains wheat to growing Asian markets."

The rate reduction from 98½ to 81 cents per hundredweight, in export wheat only, was announced in Chicago by the Transcontinental Freight Bureau. The organization represents Union Pacific, Santa Fe, Great Northern, Northern Pacific, Chicago & Milwaukee, Western Pacific, Southern Pacific, Canadian Pacific, and Canadian National Railroads.

The growers, operating through the Wheat Producers Transportation Committee (supported by Colorado Wheat Administrative Committee, Kansas Wheat Growers Association, Nebraska Wheat Commission, and Nebraska Wheat Growers Association), had asked for a reduction to 70 cents.

The Transportation Committee which obtained the rate was headed by Art Wilks, Burlington, Colo., chairman; Don Andersen, Genoa, Colo.; Lawrence House, Goodland, Kans.; Ora Martin, Garden City, Kans.; Carson Smith, Ogallala, Nebr.; and John Lienemann, Scottsbluff, Nebr.

In 1959, Japan imported about 50 million bushels of hard wheat; the U.S. share was about 8 percent. The bulk of Japan's hard wheat purchases came from Canada and a few shipments from Russia.

The growers' case for reduced rates was based upon four points: (1) The existing rate of 98½ cents prevented the movement of Hard Red Winter wheat to the west coast for export to the Orient; (2) Asiatic markets are expanding rapidly and offer a good potential dollar market for U.S. wheat; (3) Far Eastern countries have indicated a desire to purchase U.S. wheat at west coast markets; and (4) with U.S. farmers producing a carryover of wheat each year, it is imperative that new markets be developed.

Mr. CARROLL. Next month the Colorado wheat farmers go back once more before the Transcontinental Freight Bureau in Chicago in an effort to bring freight rates down to 70 cents per hundredweight, from 82 cents. If this can be achieved the Colorado farmers believe they will be able to market in Japan about 20 million bushels a year. I ask unanimous consent that an article describing this August hearing be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REDUCED RATES ASKED

Another hearing on the request of Colorado wheat producers to reduce freight rates to 70 cents per hundredweight on wheat going to the west coast is scheduled for August in Chicago by the Transcontinental Freight Bureau, composed of western railroads.

The reduced rates are necessary from the Colorado producers' standpoint in order to take advantage of Far Eastern markets developed in the last 6 years.

The Great Plains Wheat Transportation Committee, supported by the Colorado Wheat Administrative Committee and similar producers' organizations in Great Plains States, will carry the burden of the arguments, but is expected to receive substantial support not only from Great Plains areas but from west coast interests also.

Among the western organizations expected to support the wheat growers' petition are the port of Los Angeles, Northern California Port Association, Kerr Grain Co., San Francisco port and others.

A year ago the wheat producers sought reduction from 98½ cents to 70 cents per hundredweight and were granted a reduction to 81 cents. The reduction was not enough to permit movement of wheat westward on a competitive basis.

Mr. CARROLL. Mr. President, our Great Plains wheat farmers are as anxious to reduce the enormous wheat carryover and the millions of tax dollars spent on wheat handling and storage as is any Member in this Chamber.

And these farmers are willing to give evidence of their concern with action.

They are not happy to put the finest wheat produced in the United States into storage in the hold of an old Liberty ship in the James River.

Our farmers want our high-protein wheat used on the tables of families round the world.

I have given you some examples of their efforts on their own behalf.

Now today we have an opportunity to do something on their behalf.

Title I, subtitle B—the wheat program—is a good, workable temporary measure that will cut back wheat production and CCC stocks, improve the farmer's income and at the same time save the taxpayers at least $50 million.

I urge its support by the Senate.

THE EXTENSION OF THE NATIONAL WOOL ACT

Mr. President, title I, subtitle E, extends the National Wool Act for 3 years.

I am the cosponsor of a separate bill in the Senate to extend the Wool Act for the same length of time.

The wool program has proven eminently successful for 8 years. It has protected both grower and consumer. Colorado woolgrowers function successfully under this act.

To Colorado and the whole vast area of the Rocky Mountain West the extension of this act is imperative. The sheep and wool industry is an important factor in the economic well-being of Colorado and the Rocky Mountain West. This industry, long crippled, has been revitalized by the Wool Act. There are now 5,513 farms in Colorado on which sheep are raised.

We cannot assume, however, that the wool industry is at this moment entirely restored to full vitality and economic stability. Failure to extend this act will bring about a return to the longtime downward trend that brought the wool industry almost to the edge of extinction.

In 1884 there were nearly twice as many sheep in the United States as there are today.

The production of shorn wool in Colorado, for example declined steadily from 13,446,000 pounds in 1930 to 10,633,000 pounds in 1957.

The downtrend in recent years has been checked, and by last year it had risen to 14,808,000 pounds, but this could not have happened without the stabilizing features of the Wool Act.

It is estimated that a healthy wool industry should account for at least two-thirds of the domestic consumption of wool. Today, less than half of American woolen needs are being met by domestic producers.

Unless the Wool Act is extended that proportion will decline still further and this Nation will be almost wholly dependent on foreign producers.

I do not need to tell my colleagues that such a situation is dangerous from a defense standpoint as well as unhealthy from an economic one.

In my own State of Colorado, the following livestock organizations support the extension of the Wool Act:

First. The National Lamb Feeders Association, Lamar, Colo.

Second. Colorado-New Mexico Wool Marketing Association, Denver, Colo.

Third. Colorado Wool Growers Association, Denver, Colo.

Fourth. Colorado Wool Marketing Association, Denver, Colo.

Fifth. Columbia Sheep Breeders Association, Fort Collins, Colo.

The sheep business, like many other industries, was hard hit by very low markets last year. The markets for wool and lamb in 1960 were, in fact, the lowest in many years with the highest production costs. While the world wool market was in distress, the situation in the domestic market was greatly aggravated by a sharp increase in imports of worsted and woven wool goods. For the first 10 months of 1960, this volume was 19 percent greater than the alltime high imports for the full year of 1959. These imports cut into the business and profits of American wool manufacturers, the only customers of U.S. woolgrowers, and the raw wool market suffered accordingly. The live lamb market situation was also accentuated by lamb and mutton imports.

Severe drought in some parts of the country also added to the sheepmen's difficulties. These adverse factors greatly heighten the need for extending the National Wool Act. Without the act many sheepmen would be out of business. With the help of the Wool Act, sheepmen are determined to build a better and more profitable industry.

I support extension of the Wool Act for 3 years to provide a continued stabilizing factor in the production and marketing of wool and lambs.

THE GREAT PLAINS PROGRAM

I concur with the committee proposal to amend the Soil Conservation and Domestic Allotment Act to improve the operation of the Great Plains conservation program.

The Great Plains conservation program was signed into law by President Eisenhower on August 7, 1956, and is a partial answer to the problems of the plains. It has proven an effective instrument in changing cropping systems and land uses in an area plagued by recurrent drought.

As of last year, 13 million acres in 351 counties in 10 Great Plains States had been converted, reseeded or otherwise treated by conservation practices to prepare them for the drastic weather cycle change for which the region is so famous.

Now the cycle, which we in the Great Plains area fear so much, has come around once more. After several years of good moisture the Northern Great Plains has been hit with a drought described as "the worst since 1936."

I ask at this point, Mr. President, that an article in the Wall Street Journal of July 12, entitled, "The Rainless Plains," be printed in the RECORD at this point. It describes the fearful damage wrought by the cyclical droughts that hit the high plains States.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SPRING WHEAT CROP CUT 42 PERCENT, CATTLE PRICES OFF AS DROUGHT GETS WORSE—RAILROADS, MERCHANTS, STATE BUDGETS FEEL THE IMPACT IN NORTH CENTRAL REGION—A FARMER RECALLS THE 1930'S

(By John F. Lawrence)

BISMARCK, N. DAK.—Husky, bronze-faced David Mills steps easily over a barbed wire fence on his 3,100-acre farm just east of here. His heavy cowboy boots kick up little clouds of dust and scatter hundreds of grasshoppers as he trudges slowly across a wheatfield, the stunted, pencil-long stalks crackling under foot.

"In a good year this crop would be waist high. I won't be able to harvest one bushel. It's our first complete failure since the thirties."

Farmer Mills' misfortune is typical of what the drought is doing to farmers here in the northern Great Plains. Most of the area from northern Wisconsin to the Continental Divide in western Montana and from parts of Nebraska far north into Canada's Prairie Provinces has received less precipitation in the last year than in any period since 1936. In North Dakota, typically, rainfall has been short for more than 3 years. Dry weather is bringing out hordes of grasshoppers in some places to eat what's left of the dying crops.

The drought area normally produces a fifth of the Nation's wheat and accounts for roughly 15 percent of the country's beef cattle population. It's also a big producer of corn, barley, and oats. North Dakota alone usually raises 80 percent of the Nation's Durum, a type of wheat used for macaroni and spaghetti, and over half of the flaxseed, from which linseed oil is produced.

GOVERNMENT CROP REPORT

The Government's crop report, released yesterday afternoon, is dramatic evidence of the impact the drought is having on farm production. The estimate on spring wheat was slashed to 142.8 million bushels, down 42 percent or 103.6 million from 1960. A month ago, the Federal forecasters figured the crop would hit 222 million. Durum was put at 16.5 million, 52 percent below 1960; flaxseed, 19 million, 36 percent below a year ago. These estimates are based on conditions July 1; grain men say the continuing dry weather probably means prospects now are for even smaller harvests. In Canada, where wheat is the No. 1 crop, output is expected to drop below 300 million bushels, at least 190 million less than in 1960.

Within the past 3 weeks the U.S. Government has labeled more than 100 counties, including all of North Dakota, a disaster area. The effects stretch far beyond the farm. Flaxseed prices in Minneapolis have jumped to $4 a bushel from $3.15 in mid-June. Durum wheat now brings $2.90 a bushel, up 57 cents in a month. Parched hay fields and pastures are forcing cattlemen to market part of their herds to conserve feed, depressing meat prices.

The shrunken wheat crop will help balance supply with demand in this country, preventing any further buildup in stocks. More than a billion bushels of wheat currently are being stored at taxpayers' expense. In Canada, the effect on the surplus could be more dramatic. The drop in production, combined with big shipments scheduled to go to Red China, might wipe out a fourth or more of the Dominion's 550-million-bushel surplus.

However, the drought is proving a drag on the country's economic recovery generally. Farm equipment business of some dealers in the area has fallen as much as 70 percent below last year and railroads figure to lose a heavy share of their grain hauling traffic. Dollar loss to farmers, based on the reduction from their 1960 crop production, is conservatively estimated at $400 million. The loss in Canada is much greater.

BROWN LANDSCAPES

Fly into Bismarck, in the heart of the drought area. From the plane most of the land looks brown. White patches mark spots where ponds have dried up. Green fields still dot the landscape but this greenery is deceptive. Most of it is worthless

crops, like Mr. Mills' stunted wheat. Flax fields that should be a solid bed of purple buds are filled instead with worthless thistles and an occasional shoot of the intended crop.

Naturally, some localities are better off than others—the recipients of local showers. But even a light rain at Bismarck earlier this week had little effect. It was too late to help the wheat and would have to be duplicated many times to be of major aid to other grains. Above-average temperatures have heightened drought damage.

In many of the generally lush years North Dakota farmers have had since the droughts of 1934 and 1936, snow and rain have poured 10 inches or more of moisture into the ground by mid-year. The area has received only 5 inches so far in 1961. With normal dampness in the ground from prior years, this might have been enough. But as in much of the drought area, rainfall has been light for several years. As recently as 1957, farmers around Bismarck could find subsoil moisture extending down 3 feet or more, but it has declined steadily since.

"We were turning up dry dirt at 6 inches when we worked the ground this spring," says Mr. Mills.

"Good rains might still bring back a little pasture and give us a corn crop to cut up for silage, but we're headed into what's usually the hottest, driest season now," another farmer comments grimly. "Normally by this time of year we'd have about 50 haystacks scattered around the farm and by the end of the summer we'd have 80. We've probably already scratched up all we're going to get this year and we have only 15 stacks."

The anticipated shortage of feed is forcing some cattle raisers to sell their calves earlier than usual—normally they're fattened and sold in the fall. While efforts to conserve feed may forestall the trend, some already have started to liquidate their entire herds, including cows that are the foundation stock for future production.

"The run started 3 weeks ago," reports an official of Kist Mandan-Bismarck Auction, one of the biggest cattle auctions in this area. Kist has handled 6,200 head over the past 3 weeks, triple the year ago rate. The added volume is pushing down prices. "A couple of weeks ago calves were bringing $34.25 (per hundred pounds); now they're down to $31.25," says the Kist official. "Plainer quality cows have dropped about $2 and now bring $13."

Farmers take a beating when they sell calves at this time of year, even if prices hold up. A calf weighing 200 pounds now may bring a total price of $62. The same calf fattened on pasture and sold this fall at 500 pounds would normally bring twice as much or more.

In Canada, cattle marketings have been heavy, too, and many of the animals are being shipped across the border into sections of the United States not affected by the drought for further fattening before slaughter.

The loss of much of the spring wheat crop would have extensive repercussions. This wheat, harder than the winter wheat grown on the central and southern Great Plains, is used in higher grade flours, such as are used in hard rolls and other bakery products. "Bakeries won't be getting the flour they're used to and this may affect quality," says a key executive of one big Minneapolis flour milling company. The Government has 178 million bushels of spring wheat in storage but this grain has lost some of its quality, he explains. Blending in more winter wheat flour would reduce quality, too, he adds.

NOODLES AND MACARONI

Noodles are certain to be affected. Durum held over from last year will total only 3 million bushels by September, when the new crop is harvested, and that will leave the supply at least 7 million bushels below recent yearly consumption levels. In Canada, the Government's wheat board, controlling exports, won't even quote Durum for foreign shipment now because of expected crop losses.

When millers blend in other types of wheat to make the flour used for spaghetti, macaroni, and noodles, the resulting product becomes softer. When cooked, macaroni, for example, is gummy and sticks together.

Flour millers also face higher costs as a result of the spring wheat losses. The big Minneapolis concerns, like General Mills, Inc. and Pillsbury Co., may have to reach out to Nebraska for wheat instead of buying it closer to their mills. One company estimates added freight charges would push up the cost by 15 cents a bushel or 7 percent.

Grain elevators stand to lose business. Bismarck is an example of what will take place at other rail centers. "We handled 65 carloads of grain here last year and we'll be lucky to ship out 5 this year," says P. J. Frank, manager of the Peavey Elevators here. The company ships the grain on the Soo Line Railroad.

IMPACT ON LOCAL BUSINESS

All across the northern plains, local merchants and State treasuries will suffer because of the farmers' loss of income. North Dakota figures 80 percent of the personal income of its citizens comes directly or indirectly from farming. "We'll feel the impact of the grain losses on (income) tax payments due in January 1963," says Math Dahl, North Dakota's commissioner of agriculture and labor. The tax due then is on income earned in the current fiscal year ending June 30, 1962.

Federal crop insurance will help some farmers, but in this region only wheat is covered, and less than half the farmers have the insurance. On the average, a farmer pays $1.60 an acre for the insurance and gets back around $11 an acre if the wheat crop fails. "We expect to pay out more than $200,000 in this county, the most since 1938, when the program began, and more than double the next highest year," reports Emil Hilken, the Government's insurance agent at Bismarck. Federal payments may come to $20 million throughout North Dakota alone.

The Government has taken other steps to provide help to drought-stricken farmers. The disaster-area classification opens the door to Government loans for use in buying feed and covering other operating expenses. The interest rate is only 3 percent, less than half of private lending rates. Farmers also now can purchase grain held in Government storage and graze cattle or cut hay on soil-bank acreage. The soil-bank land hasn't been harvested for several years, so moisture was still sufficient to allow grasses to grow this summer.

Most of these have been in effect for only about 2 weeks, so it's too early to measure their effect. But Bismarck farmers without soil-bank acreage of their own report they are having trouble lining up any of this acreage to cut. Some are traveling 100 miles or more across the State to find whole farms in the soil bank, figuring the owners won't need the hay themselves.

Mr. CARROLL. Mr. President, for several years I have been the sponsor of a legislative program designed to help relieve the unique crises which year after year confront the special type of American life lived by the people of the Plains.

A statement which I made on the floor of the Senate on August 30, 1957, when I first introduced my Great Plains bill, S. 2908, describes the long-range approach I have always favored in meeting the climatic, economic, sociological and cultural problems of the Great Plains. I ask unanimous consent that my 1957 statement on a long-range solution to the Great Plains problem be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CARROLL—SUMMARY OF GREAT PLAINS ADMINISTRATION BILL

PURPOSE

The purpose of this bill is to provide regional plans and policies and a regional agency of the Federal Government to deal with the distinctive problems of the Great Plains.

The people of the Great Plains have been caught in the grip of devastating floods and drought from time to time. Floods and drought are the result of the forces of nature, but much of the damage is the result of the shortsightedness of man. We may not be able to prevent floods and drought, but we can do a much better job of preparing for them. Indeed we can and we must do a much better job of utilizing the resources of the Plains in normal times as well as times of extreme weather conditions.

The fact is that the Plains area is different from other parts of the country and requires different treatment. There is rarely enough water, although the shortage is worse at some times than at others. Then at other times the region is swept by terrible floods. Life in the Plains and the use of their resources have to be adapted to control floods and to make the most of the rainfall in the years when it comes and to hold down the damage in years of drought. It is possible to do this, but it will require foresight and intelligent planning for the future. That is what this bill is designed to provide.

In the past the Great Plains region has never had the kind of planning that is necessary to meet the special problems arising from its varying and normally semiarid climate. Instead, the region has been dominated by policies and customs framed to meet the needs of more humid areas, which are quite different. The result has been a tragic waste of both human and natural resources. Disaster has struck the Plains time and again, and the people have been prepared neither to prevent it nor to weather it. The havoc of the recent drought and floods is only the latest example.

It is only commonsense to develop plans which will prevent such excessive waste in the future. These plans must be properly adapted to the region's semiarid and unpredictable climate, because it is this distinctive climate which largely determines the living conditions and the economic status of the people who live in the Great Plains region.

The reasons for failure to develop programs adapted to the special needs of the Plains are many. Basically, the difficulty stems from the fact that no one has felt the primary responsibility for developing such programs. In a sense, the Plains areas have been in the position of stepchildren. The reasons for this are in large part geographical.

The Great Plains region consists of a part of 10 different States (North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Texas, New Mexico, Colorado, Wyoming, and Montana). In each case, it is a sparsely inhabited part of the State, containing a minority of the population. The area does not contain a single State capital, a single State university, and only one State agricultural college. It contains no large cities and few medium sized ones. It simply has not been the prime interest and the first concern of the instruments of either State or Federal Government. When this fact is coupled with the additional fact that the needs of the region are quite distinctive and different

from those of other areas, it can be seen why the special programs required for the best use of the Plains' resources have not been developed.

It is true that the Department of Agriculture and the Department of the Interior have taken some steps to adapt their programs to the conditions of the Great Plains. And the Great Plains Council has provided a measure of coordination among the agencies concerned with the problems of the Plains. However, this machinery has not proved adequate to provide the really concentrated and comprehensive attack on the special problems of the Plains which the circumstances require.

While the special needs and problems of the Plains portion of each State are quite different from those of the other portion of the same State, they are very familiar to those of the Plains portions of the other States. This very strongly indicates that the sensible approach to these special needs and problems is a regional one covering as a whole those portions of the 10 States which comprise the Great Plains. This would in no way interfere with the jurisdiction of the States over the areas in question, but rather it would aid them in finding common solutions to common problems.

It should be noted that this bill will not interfere with the comprehensive development of the Missouri River Basin or the other river basins which contain parts of the Plains. What it will do, within the framework of the comprehensive river basin development, is to provide for the more effective treatment of the distinctive problems of the semiarid areas comprising the Plains.

The basic approach of the bill is to provide for the preparation and execution of long range plans and programs to develop the region and its resources. The primary responsibility for the Federal aspects of this task would be vested in a five-man Great Plains Administration ("Administration") created by the bill. This Administration would work closely with the Senate and local governments and with private groups within the region. It would also cooperate with other Federal agencies administering programs within the region, and help to coordinate their programs so that they will be adapted to the region's special requirements. Insofar as practicable, the objective would be to have the necessary Federal programs carried out through other agencies; but the Administration would be authorized to administer programs itself when necessary to accomplish the bill's objectives.

The bill also recognizes that the most pressing problems of the Great Plains arise from the terrible drought and floods which afflict it. Accordingly, the bill provides that first priority shall be given to programs of flood and drought relief and the prevention of damage from floods and drought.

DIGEST BY SECTIONS

Section 1 contains a short title and table of contents.

Section 2 defines the geographical boundaries of the Great Plains region.

Section 3 contains congressional findings that the Great Plains have distinctive characteristics in respect of climate, topography, and resource use which require special plans and programs. This section also declares the policy of Congress to provide these special plans and programs on a comprehensive regional basis.

Section 4 creates the Great Plains Administration and provides that it shall be located within the region.

Section 5 provides that the Administration shall have a bipartisan Board of five Directors, with staggered 6-year terms, all of whom must be residents of the Great Plains.

Section 6 provides for full cooperation with State and local governments and private groups in the administration of the bill. It also provides for furnishing them with information and technical assistance to help accomplish the purposes and policies of the bill.

Section 7 provides that the Administration shall develop plans and programs for meeting the special problems of the Plains. These plans and programs will be made available to State and local governments and private persons where appropriate, and will be submitted to the President and the Congress as a basis for guiding Federal activities within the region.

Section 8 provides that the Administration shall give first priority to plans and programs for flood and drought relief and protection against future damage from floods and drought.

Section 9 contains the general powers of the Administration. These include the normal powers of Government corporations and, within the limits of future congressional appropriations, include authority to engage in projects and activities for resource development, to acquire and dispose of property, to make conservation payments, to make loans for agricultural, industrial, and commercial purposes, to hold hearings and conduct research, to make research grants, and to disseminate information. This section also authorizes the Administration to conduct its activities through or in cooperation with other Federal agencies, State and local agencies, and private groups.

Section 10 provides for full protection of existing water rights.

Section 11 provides for payments to State and local governments in lieu of taxes with respect to property held by the Administration.

Section 12 provides that the Administration shall be subject to the provisions of the Government Corporation Control Act.

Section 13 contains personnel provisions which authorize the Administration to set up a personnel system for its employees on a merit basis comparable to the regular Federal civil service.

Section 14 authorizes the appropriation of $7,500,000 to carry out the purposes of the bill during the fiscal year ending June 30, 1958, and the appropriation of such sums as may be necessary to carry out such purposes thereafter.

Section 15 contains the regular separability provision.

Mr. CARROLL. Mr. President, the amendment to the Great Plains conservation program we have before us today in section 402 of the bill is a relatively minor, but important, one. I support it and hope it will be adopted.

The amendment merely changes a few words.

It is not controversial. It would not increase the cost above the authorization at present appropriation levels. And it would correct a serious inequity.

The Great Plains conservatiton program—Public Law 1021—was enacted in 1956, with a terminal date of December 31, 1971. The law authorizes the Secretary of Agriculture to enter into 3- to 10-year contracts with producers in designated counties of the 10 Great Plains States to carry out a plan of conservation operations.

The intent of the Congress, I am sure, was that this authority should be in effect until the terminal date; that is, that contracts could be entered into until December 31, 1971.

However, as the law stands, all contracts must terminate on December 31, 1971. This means that an eligible producer cannot obtain a 10-year contract under this program after January 1, 1962. And each year after that date the maximum period of a contract will be reduced by 1 year until the minimum period of 3 years is reached on January 1, 1969. No contract can be entered into at all after that date.

This means, in effect, that the program intended to terminate on December 31, 1971, would actually terminate 3 years ahead of that date.

This just does not make sense. And it is unfair to several thousand farmers and ranchers in the Great Plains States who are looking to this program as the best opportunity they've ever had to get their land in shape to withstand the climatic hazards of the region. This is an excellent program. It has won widespread acceptance.

About 6,500 producers now have contracts under this program. In my own State of Colorado almost 1 million acres of land is under contract. Some of the contracts are for 3 years, some for 5, and some for 10 years. It takes time to make needed land use adjustments, switching from wheat back to grass, and to establish conservation practices in this area because moisture conditions are often unfavorable. About 2,800 applicants are awaiting help.

It is extremely unfair to penalize producers who cannot get help under this program before next January, through no fault of their own, and therefore would have to take less than a 10-year contract. And each year more producers would be squeezed out by the relentless march of the calendar.

This amendment would remove the inequity and assure equal treatment to all eligible producers. I endorse the amendment wholeheartedly. I earnestly solicit your support.

WATER FACILITIES LOANS

Mr. President, title III of the bill before us today concerns the broad subject of farm credit. It provides a multitude of improvements over the existing credit laws.

Section 306 is one improvement in the present law that especially affects my State of Colorado.

This is the provision that increases the existing limit of $250,000 to $1 million on water facility loans to associations. Over a year ago in my State, five contiguous rural groups applied to the Farmers Home Administration for soil and water conservation loans of $250,000 each to construct domestic water systems which would have a common source of water and a common treatment plant.

If these groups could combine as a single organization and obtain a single loan of $1,250,000 they could simplify organization and management, reduce operating costs and make it possible to serve even more people at a lower per capita cost.

The bill before us raises the limit to $1 million. Thus, it does not quite meet our immediate needs in Colorado. Nonetheless, it is a good amendment and I support it. It would be more helpful if the limit were $2,250,000 and I earnestly recommend that the Senate committee study such a need next year.

The efforts of the five groups in Colorado make an interesting story that vividly illustrates the need for this program. This may sound unbelievable to some of my eastern colleagues, but this particular area, within 50 miles of Denver, has never had a domestic water supply. The contemplated system would serve Beech Aircraft Corp., located about 6 miles north of Boulder; Bureau of Standards located on Table Mesa north of Boulder; seven school buildings, located in a newly reorganized district, comprising all of northern Boulder County and a portion of Weld County; the small town of Niwot which has about 60 families; plus approximately 650 farm families in the northern part of Boulder County and a part of Weld County. This is a rich agricultural area devoted to livestock feeding and dairying.

As I said before, this area has never had a domestic water supply. The well water is not of good quality even for livestock use and the domestic water has to be hauled many miles from the city of Longmont and stored in cisterns on the farms. In the mid-20th century this situation to me is incredible. My colleagues can readily understand why these people ask the Government to help them get clean, filtered, and piped water.

They are not asking the Government to bear all the burden. They want to help themselves. Nearly 600 families have indicated their desire and initiative by depositing $260 each—nearly $156,000—with the officers elected to the nonprofit organization which was formed some 18 months ago. All organizational work was donated and technical advice came from the Farmers Home Administration. The group has purchased 1,000 units of Colorado-Big Thompson project water, acquired land for reservoir and filter sites. Nearly $40,000 has been spent for engineering services.

These large community systems can only be built if suitable long-term credit is available, and that credit is not now available in rural areas.

The credit can be made available through FHA if we will pass section 306 of the bill before us today, and if at the proper time, in a supplemental appropriation bill, we will make sufficient funds available to these rural families so that they can improve their way of life.

SUMMARY

Mr. President, in summary, I support the entire bill before us today, and I urge its passage as sound, workable legislation. But I especially support certain sections of the bill—the 1962 wheat program, extension of the Wool Act, amendment of the Great Plains conservation program, and the increase in the water-facilities loan program.

I urge their acceptance by the Senate.

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent to have printed at this point in the RECORD telegrams which I have received from the following persons with respect to the bill:

Dwight S. Toole, Salina, Kans.; Milton L. Morrison, Salina, Kans.; N. Herman Olson, executive secretary of the Northwest Independent Dairies Association, Inc.; L. A. Laybourn, of Salina, Kans.; Mr. Floyd M. Lee, of Hays, Kans., and Mr. W. H. Scott, executive vice president, Kansas City Board of Trade.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

SALINA, KANS., *July 25, 1961.*

Senator ANDREW F. SCHOEPPEL,
Senate Office Building,
Washington, D.C.:

Although it may be proper and urgent that we promote socialism and cooperative enterprise, etc., to intercept communism in the areas of ideological battle, it is equally urgent that we maintain a capitalistic structure at home. Cooperatives have a fabulous income tax advantage permitting them to absorb large and small corporate and private enterprise than we paying badly needed income taxes. We urge that you oppose section 401(c) of the omnibus farm bill, S. 1643, and lend effort wherever possible to keep cooperatives on a fair and comparable basis with competing firms.

DWIGHT S. TOOLE.

SALINA, KANS., *July 24, 1961.*

Senator ANDREW F. SCHOEPPEL,
Senate Office Building,
Washington, D.C.:

Regarding omnibus farm bill S. 1643. Will appreciate your efforts to remove amendment to section 401(c) which would give cooperatives some exemption from antitrust regulations. If co-ops do not intend to take advantage of this exemption there would be no reason to ask for this legislation. I am sure you are aware of rapid expansion co-ops making with accumulated tax-free earnings, buying out competitors in many instances. Certainly public is entitled to same protection from violations of antitrust laws by co-ops as by other forms of business.

MILTON L. MORRISON.

MINNEAPOLIS, MINN., *July 25, 1961.*

Senator ANDREW F. SCHOEPPEL,
Senate Office Building,
Washington, D.C.:

Farm bill before Senate to be voted upon, we urge that 401(b) and 401(c) will be taken from the bill, or sent to the Judiciary Committee. Our members consisting of owners of dairy processing plants of butter, cheese, dry milk, ice cream or distributors of fluid milk oppose this part of the bill, being unfair legislation that will do them great harm and an injustice.

HERMAN OLSON.

SALINA, KANS., *July 25, 1961.*

Senator ANDREW SCHOEPPEL,
Senate Office Building,
Washington, D.C.:

Please oppose all of section 401 (a), (b), and (c) of title 4, S. 1643. I see no reason to reaffirm or restate as national policy Federal Government support for the sound growth of farmer cooperatives, nor any reason to approve joint action on the part of a federation of farmer cooperatives, nor any enactment in which the Federal Government in this legislation gives its blessing to cooperative federations, acquisitions, and consolidations subject only to bureaucratic requirements of divestiture and apparently completely removed from prosecution under the Sherman and Clayton Acts. This is the same privilege which labor now enjoys and all of 401 is so patently socialistic in its purpose that I can only believe that if the Senate favors this part of the legislation it has failed to grasp the subversive significance of the language and purposes which in my opinion represent a giant step in the direction of approving an end to independent free enterprise on which the Nation has been so soundly built. If capitalism in the United States is dying by such affirmative action as the passage of this legislation, then every small businessman in the United States is vulnerable, whether he serves producers or consumers.

L. A. LAYBOURN.

HAYS, KANS., *July 24, 1961.*

Hon. Senator ANDREW F. SCHOEPPEL,
Senate Office Building,
Washington, D.C.:

Understand Senate begins debate this week on omnibus farm bill. Exemptions already granted farmers cooperatives give them many advantages over private business and we strongly object to further exemptions from antitrust laws conferred by section 401 as a whole and particularly subsection (c) thereof. In addition section 401 could result in grave injury to general public if Secretary of Agriculture does not find that in fact certain activities of cooperatives that monopolize or restrain trade do not unduly enhance price of agricultural products. We do not believe decisions of this magnitude should be made by one person but rather through established legislative processes involving the Congress and the President. Under present conditions such legislative process is only method by which private business could obtain any such exemption. For these reasons we believe section 401 is unsound, dangerous and unnecessary legislation and should be deleted.

As proposed, bill could seriously interfere with food supply of the Nation and we therefore strongly urge same authority for waiving incentives for acreage reductions for all classes of wheat as now proposed for Durum wheat allotments. This to be at the discretion of some governmental body or possibly the Secretary of Agriculture. At the present time, prospects are that drought in Northwest will result in short Spring wheat crop. At the same time the Winter wheat crop currently being harvested is deficient in certain qualities so that considerable Spring wheat will be needed by flour millers to blend with Winter wheat so as to produce bread flour having the characteristics desired and required by bread bakers. It is highly probable there will be no carryover of Spring wheat next summer. Therefore, Spring wheat farmers should be encouraged by Government and others to increase production rather than to reduce as will probably result under the bill as proposed. Different conditions and circumstances might arise in case of other types of wheat such as Winter wheat, Soft White, and Red.

Request you use your best efforts to amend bill before the Senate so as to eliminate section 401 and include new section providing flexibility with respect to reduction of acreage for various crops or kinds thereof that might be in short supply. Thanks for your consideration.

FLOYD M. LEE.

KANSAS CITY, MO., *July 25, 1961.*

Hon. ANDREW F. SCHOEPPEL,
Senate Office Building,
Washington, D.C.:

Regarding farm bill now before the Senate, S. 1643, I am calling your attention to section IV. As reported out by committee new rights and powers would be conferred upon cooperative associations particularly in granting relief from antitrust laws. On behalf of this organization respectfully protest this proposed legislation as being a distinctly unfair preference to such organizations. Such associations are in competition with merchants organized under general laws who are held strictly to the requirements of antitrust statutes. Solicit your interest in the matter.

W. R. SCOTT.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. SALTONSTALL. Mr. President, acting for the minority leader, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The bill having been read the third time, the question is, Shall it pass?

The bill was passed.

Mr. ELLENDER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HOLLAND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the bill as amended be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESOLUTION ON BERLIN

Mr. JAVITS. Mr. President, I wish to announce, for the benefit of the Senate, that there is going to be offered in the other body today or tomorrow a concurrent resolution backing the President on his stand on Berlin.

The text of the concurrent resolution is as follows:

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the continued exercise of United States, British, and French rights in Berlin, in order to maintain the freedom of over two million people in West Berlin, constitutes a fundamental political and moral obligation; that a Soviet invasion of these basic rights would be intolerable, and that the President's forthright reply to the Soviet aide memoire on Germany and Berlin expresses accurately the determination of the United States to take all necessary steps to defend its legal rights against unilateral Soviet abrogation.

Since June 22 I have had a resolution pending in the Senate (S. Res. 164) on the same subject which, in my opinion, satisfies in exact detail the feelings of the people and of the Nation on Berlin. The text of the Senate resolution is as follows:

Whereas the Soviet Union has renewed its threats to Berlin and has issued a demand for a solution by the end of the year, thereby continuing its pressure on the three powers there; and

Whereas this ultimatum is in violation of the joint undertakings of Great Britain, France, the Soviet Union, and the United States at the end of World War II to establish democratic government in all of Germany; and

Whereas the exercise of democratic rights and free political life exists in Germany only in the western sectors of Berlin and the Federal Republic of Germany; and

Whereas the United States, in concert with Great Britain and France, and in agreement with West Germany, has repeatedly reiterated its firm intention to protect the freedom of the city of Berlin; and

Whereas these three powers have, in fact, at great sacrifice participated in the airlift when Berlin was previously subjected to similar pressure; and

Whereas these actions by the United States, France, and Great Britain have been taken at the repeated request of the free citizens of West Berlin and of their freely elected government; and

Whereas these citizens by overwhelming vote have reaffirmed their intention to remain part of the free world and to resist, at whatever cost to them, any effort to incorporate them into the East German Communist regime; and

Whereas the people of the United States regard the freedom of West Berlin to be vital to the peace, safety, and freedom of the free world; and

Whereas the abandonment of Berlin, in whatever guise, would force not only free Berlin but all of Germany to seek a compromising accommodation with the Soviet Union; and

Whereas the isolation and neutralization of Germany demanded by the Soviet Union as a price of such accommodation would inescapably make that country a marshaling ground for further Soviet advances, undermining the North Atlantic Treaty Organization, destroying the painstaking constructive work toward European unification, atomizing the European Continent once again into isolated and indefensible states, and threatening the ultimate destruction of the liberties of the millions of Europeans who now enjoy the blessings of freedom; and

Whereas the consequences of each of these developments would be the significant weakening of the defenses of the United States and the freedom of its people: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) The United States should continue to seek four-power negotiations with the Governments of France, the United Kingdom, and the Union of Soviet Socialist Republics, with the Governments of the German Federal Republic and the East German regime present, respectively, in such negotiations, on the means whereby a free and united Germany may be created and within it a free and united Berlin;

(2) The United States should, in such negotiations, seek means by which the security of Europe, both East and West, may be guaranteed;

(3) The United States should not accept a unilateral abrogation by the U.S.S.R. of the post-World War II agreements regarding access to Berlin, the rights of the people of Berlin, or the reunification of Germany as affecting in any way the rights and responsibilities of the Western Powers;

(4) The United States should take whatever measures may be required—together, if possible, with France and the United Kingdom—to maintain access to West Berlin from West Germany on all the routes that have been by agreement with the Soviet Union assigned to the United Kingdom, France, and the United States for themselves and for the benefit of the people of West Berlin.

I feel strongly that the President should have the backing of Congress. I wish to advise my colleagues that if the resolution passes in the other body—and it gives every promise of doing so—and comes to the Senate, I propose to substitute my own resolution, Senate Resolution 164, as representing, in almost exact text, precisely what the President says the country believes, and what I am convinced the country believes. We ought to have the help of the Foreign Relations Committee, which, notwithstanding my knowledge of the urgency of its business, should give immediate attention to reporting out of committee a resolution in which we can go on record as backing what now is the considered judgment and policy of the country on so serious a matter as is before us.

There are precedents for such action. It was asked for in 1955, and again in the case of Lebanon. It is truly required in the case of Berlin. I urge our Foreign Relations Committee to act on the matter.

SOUTH SEAS SLUM

Mrs. NEUBERGER. Mr. President, there has come to my attention a situation which can only bring shame on our Nation. I refer to the role of our Government, or rather lack of it, on the islands of American Samoa. Mr. Clarence W. Hall has written an article describing "government buildings peeling and rotting on their foundations, beautiful Pago Pago Bay marred and befouled by hideous overwater outhouses, rutty and teeth-jarring roads unrepaired for years, crumbling reservoirs and ancient leaky water mains that cause frequent water shortages, despite an average annual rainfall of 200 inches." The article goes on to describe the recessed economy, the inadequate medical facilities and staff, the appalling educational facilities and poorly trained staff, and the ill-conceived economy measures by the administering Interior Department which have contributed to much of this state of affairs. After reading the article, I contacted the Department of Interior to ascertain the accuracy of the description of American Samoa. The reply from the Director of the Office of Territories, Mr. Richard F. Taitano, reads, in part:

I do not know how much time Mr. Hall spent in American Samoa, but his main points—the need to strengthen the education program, agricultural needs, and the need to repair or rebuild certain public facilities, including roads—are well taken.

It is tragic that these islands should have become the depressed area of the South Pacific. The only bright spot on the horizon for the Samoans, and for our honor, is that the Department of Interior informs me that—

There is underway a vigorous and accelerated program to upgrade substantially and as rapidly as possible essential progress in American Samoa. Neither this Department nor Governor Lee intends to neglect American Samoa and we shall exert every effort to improve upon our performance in the past. We propose to take every step to achieve the local self-government and economic status which the people of American Samoa now desire and rightfully deserve.

Lest some think that the people of Samoa are lazy freeloaders, looking for a Government handout, I quote from Mr. Hall's article of a conversation he had with Talking Chief A. P. Lauvao. Chief Lauvao, one of the island's most articulate spokesmen, said:

All we ask is to be treated as brothers, not sons or stepsons. We ask nothing but enough technical aid to help us start doing for ourselves, to prove to the world that Samoans can stand on their own feet—like real Americans.

In this connection, I wish to commend the Senator from Hawaii [Mr. LONG] and the Senator from Alaska [Mr. GRUENING] for their very excellent report on American Samoa to the Interior Committee of the Senate. I know they too have an interest and concern in seeing that these islands and their peoples have

an opportunity to enjoy the standards of living and education associated with the American life. Mr. President, I ask unanimous consent that the article by Mr. Hall, from the Reader's Digest, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SAMOA AMERICA'S SHAME IN THE SOUTH SEAS

Last March in Pago Pago, in the lushly beautiful South Pacific islands of American Samoa, I ran into an angry man from Minneapolis. We met in an island trader's store, formerly the inn where Somerset Maugham is said to have made notes for his famous drawn-from-life story "Rain."

The Minnesotan had arrived that morning aboard a cruise ship stopping briefly at Pago Pago. While other tourists plodded about shopping for curios, he had made a tour of the island, and he was hopping mad.

"What the Sam Hill have we been doing in these islands for 60 years?" he boomed. "Whole squadrons or our foreign-aiders charge about the world loaded with largess for every underprivileged people who'll take it, but look what we've let happen to these—our own nationals."

In American Samoa, such righteous indignation rises readily in anyone concerned with U.S. prestige in the Pacific. For here, amid enchanting scenery and smiling Polynesians * * * the visitor is shocked to encounter Government buildings peeling and rotting on their foundations, beautiful Pago Pago Bay marred and befouled by hideous over-water outhouses, rutty and teeth-jarring roads unrepaired for years, crumbling reservoirs and ancient leaky water mains that cause frequent water shortages—despite an average annual rainfall of 200 inches.

Agriculture is fast going to seed; coconut trees and banana plants, the territory's most abundant crops, are destroyed by insects and disease; the islands, once self-sufficient, now have to make heavy importations of canned goods. The medical service, manned by able but too small staffs, wrestles with high caseloads, inadequate laboratory equipment, an overcrowded hospital partly housed in a former Navy barracks.

Public schools are unequipped shacks or tiny one-room Samoan fales, thatch-roofed structures with no sides. A largely untrained and poorly paid teaching force struggles to teach some 5,500 eager pupils on the lowest budget (less than $50 per pupil) of any U.S. State or territory in the world.

A few months ago a British Government official, a firm friend of the United States, took a long look at American Samoa and shook his head. "I can't believe," he said, "that this is the way the American Government treats its dependencies. The America I know is responsible and humanitarian to the core. But how does one explain Samoa?"

One can't, except with two words: neglect and apathy. Both have persisted ever since the United States made itself custodian of these islands 5,000 miles from its shore.

* * * * *

In World War II the islands became a staging area for Guadalcanal. Soon everybody was working for the military. Schools closed down, copra cutting ceased, hundreds of young Samoans deserted their fishing canoes. Free-spending sailors brought a gush of prosperity, and kept the matai busy dividing up the wages paid Samoan civilians.

The war left Samoans with tastes beyond their ability to support, aspirations beyond the Navy's ability to satisfy. Demands for civil government arose, and in the States a lively Donnybrook ensued between the Navy and the Department of the Interior. Interior won and, in 1951, took over.

The departure of the Navy, which had been spending many millions of dollars a year on its installation, payroll and services, left the islands' economy stripped. Interior's governors, handicapped by peanut-size budgets, came and went with alarming rapidity. (In one 2-year period the islands had four Governors and four acting Governors.) Despite heroic efforts by a few of the more durable, notably the present incumbent, Peter Tali Coleman, conditions today are scarcely better than in 1951.

Who is to blame? Rooting about in Pago Pago and Washington for an answer, you find the finger pointing inevitably to the Department of the Interior. Its pennypinching policies have kept the islands on a bare subsistence level for 10 years.

For example, from 1956 to 1960, Federal grants and appropriations for the regular operations of American Samoa averaged less than $1,325,000 a year, or about $67 per capita. (For the more self-supporting Virgin Islands, the most nearly comparable U.S. territory, they were $7,250,000, or $225 per capita.)

Such penury begets official Pago Pago policies as indefensible, as they are trouble breeding. One is high customs duties, ranging from 15 to 100 percent, placed on everything brought into American Samoa—lifting the local cost of living to ridiculous heights. Another is the wage differential between Samoans working for the local government and those employed by the Van Camp fish cannery, the island's only private enterprise hiring more than a handful of workers. Shortly after the cannery was established in 1954, wages-and-hours experts from Washington moved in to demand for its 400 workers a minimum wage of 75 cents an hour. The local government itself has a minimum of 15 cents an hour for its 1,500 employees, half of whom make no more than $6 a week.

With Nikolao Tuitele, assistant director of education, I toured the public schools. Typical was one in a small bush clearing near Tafuna. In a 9- by 15-foot fale, a young Samoan teacher was trying to cope with 21 primary pupils in three grades—without desks, blackboards, books, pencils or paper. The youngsters sat on the crushed-coral floor, taking turns reciting by rote. Lunch preparation was over an open fire; toilet facilities were the bush.

Further evidence of the tightfisted disregard in which American Samoa has been held is that it is the only U.S. territory which has been persistently excluded from aid bills. Samoa was not even mentioned in the $394 million depressed areas bill or in the early proposals for the $5½ billion Federal aid to education bill, until Senator OREN E. LONG, of Hawaii, spotted the omission and corrected it. A comment you hear often in the islands these days: "We lack two things: votes to keep anybody in office, and a Communist or two to create a threat."

But American Samoa's troubles are not all due to miserly budgets. Fuzzy goals, too, have held the people back. Interior's own statement of objectives, made in 1956, announced contradictory aims. While promising "progressive development toward self-government," and the attainment of "maximum possible self-support," it pledges continuance of the archaic and now fading matai system. One aim obviously nullifies the other.

Nobody at Interior seems to have noticed that Samoans are fast outgrowing the more repressive aspects of their ancient tradition. One full-blooded Samoan, educated at Stanford University and now back in Samoa as a teacher, asked me, "How can any people live and work with Americans for 60 years, study the ideals of George Washington, Jefferson and Lincoln, see underdeveloped peoples rising all around them in the world, then be content with the Indian-reservation life enforced here?"

Of the dangers in denying such aspirations, the late Dr. Felix M. Keesing, eminent expert on Pacific matters, said, "Small as these possessions may be, they are watched carefully by other nations, some of them searching for weaknesses and mistakes in the U.S. record here as elsewhere." Keesing sees American Samoa as the "test of U.S. intentions" for economically underdeveloped countries and non-self-governing territories.

How miserably we've flunked the test may soon be revealed for all to see. American Samoa, long hidden from outside notice, will shortly be brought into the world spotlight by two significant events, both scheduled for mid-1962.

One is the opening of a jet airport at Tafuna, near Pago Pago. Now under construction, the 9,000-foot runway will make American Samoa the aerial gateway to all Polynesia, with several airlines bringing in thousands of passengers.

The other event is the scheduled assembly in Pago Pago of the South Pacific Conference. Meeting on U.S. soil for the first time, the Conference will draw some 300 critical delegates from island territories all over the Pacific with full press, radio, and TV coverage.

"At this meeting," says Dr. Knowles A. Fyerson, of the University of California, U.S. representative on the South Pacific Commission, "the United States should present a picture of which we can be proud, not ashamed."

The President, realizing the prestige factor at stake, last March rushed to Congress a special appropriation request for $565,000 to provide accommodations for the Conference and give American Samoa something better than a threadbare dress in which to appear before her neighbors. Even so, there is serious doubt that the territory can be refurbished and made ready in time.

Samoans, both those in the islands and those who have migrated to the States—some 2,000 in Hawaii, another 1,500 on the U.S. mainland—have many ideas for the economic rescue of their homeland. Brightest hope is tourism, whose possibilities will burgeon with the completion of the Tafuna jet airport. And Samoans point to other possible developments that range from copra-refining and cocoa-processing plants to cottage industries producing handicrafts and other island specialties. Until now, however, the Government has thrown cold water on schemes for any "operation bootstrap" with the old excuse, "Interior won't approve."

Despite all this, Samoan admiration for the United States is strong and deep. Still proud of being Americans, Samoans turn their backs coldly on any suggestion of union with Western Samoa, a U.N. trust territory administered by New Zealand and soon to get its independence.

"All we ask," I was told by Talking Chief A. P. Lauvao, one of the islands' most articulate spokesmen, "is to be treated as brothers, not sons or stepsons. We ask nothing but enough technical aid to help us start doing for ourselves, to prove to the world that Samoans can stand on their own feet—like real Americans."

That seems not too much to ask. With so few "showcases" for the free world's intentions left to us, can we afford to slight strategic Samoa?

WORTH OF PEOPLE-TO-PEOPLE PROGRAM

Mr. SMATHERS. Mr. President, for some time I have felt that the people-to-people approach is one of the most effective means to better inter-American relations. For example in several cities

in my own State of Florida, groups of interested citizens have carried out highly effective programs of this kind with sister cities in Latin America.

I am happy to learn that a new facet of this concept is being put to good use by the book committee of the people-to-people program under the auspices of Roger W. Straus, Jr. The goal of this committee is to distribute up to half a million copies of American books overseas—with a great portion of this number going to Latin American countries.

This project, I believe, can be of great value not only from an educational standpoint but also in counteracting the tremendous wave of Communist propaganda in Latin America and throughout the world.

I was pleased to see that the New Yorker magazine of June 17, 1961, took note of the work of this program including the capable efforts of Dr. Joseph Privitera, chief program executive of USIA's Office of Private Cooperation, who is spearheading this far-reaching and worthwhile project.

Mr. President, I ask unanimous consent that this article from the New Yorker be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BOOKS ACROSS THE SEA

"Roger W. Straus, Jr., president of Farrar, Straus & Cudahy, Inc., and Noonday Press, has been appointed chairman of the book committee by the executive committee of the people-to-people program," a recent bulletin in our incoming basket announced, and went on: "The chairman of the executive committee, Mr. Mark Bortman, complimented Mr. Straus on the book committee's goal to distribute up to half a million copies of American books overseas." In accepting the post, Mr. Straus said, "The people of Africa and Asia hunger for the printed word, and this hunger is satisfied by the propaganda machines of Soviet Russia and Red China. I believe the opportunities and challenges are unlimited. Though not always as dramatic as radio, television, and the press, books can effectively carry a message of lasting influence."

We went down to Union Square the other noonday to see this sanguine man (for who but an optimist would take up the puzzling challenge of an already satisfied hunger?), and found him not outside on a propaganda soapbox but indoors, in the well-appointed office of his publishing firm, which serves also to house his committee. The people-to-people program, he told us, was set up by President Eisenhower in 1956 in order to reach the citizens of foreign nations on a nongovernmental basis, through books, magazines, radio, television, education, industrial channels, and so on. "Its book committee has been rather inactive, but I'm trying to revivify it," Mr. Straus said. "I've arranged, through Ambassador John K. Galbraith to send 2,000 books, selected by him, to his Embassy's library in New Delhi, and we may furnish 500 more—scholarly works, classics, books on history and politics—to the India International Center, now under construction. This is a residential, study, and meeting place in New Delhi, largely financed by the Rockefeller Foundation, that will be used by Indian and foreign intellectuals. I hope that the Indian Embassy book project will be followed by similar ones in other key Embassies. Most of our Embassy libraries are small and cater to staff needs only. We operate under the people-to-people program's foreign relations committee, which is broken down into four regional councils—those on Inter-American Affairs, Islamic Affairs, African Affairs, and Far Eastern Affairs. Our liaison with the U.S. Information Agency, with which we work closely, is Dr. Joseph Privitera, chief program executive of its Office of Private Cooperation, whom I'd like you to meet."

He picked up the telephone, and scarcely had we had time to reflect on Dr. Privitera's marvelously appropriate surname when in he came.

"My job is to interest people like Roger in our program," he said. "In just 4 months in office, he has come up with a type of thinking that has pleased us no end. Private people can operate more easily than the government in this field, since they have a broader franchise. For example, the USIA sends books around, but it isn't empowered to buy titles of foreign origin unless by special dispensation. The people-to-people book committee can cover the full range of the spectrum."

"If we want to send out 5,000 copies of Pasternak, we can," Mr. Straus said. "We supply reading groups all over—there are hundreds of them in the Far East—and we help stock the 185 USIA libraries in foreign countries. As a rule, we buy from publishers at a price, but they sometimes give us overruns, and we also buy sheets at cost and have them bound. The H. Wolff printing people have bound many of these free, as a contribution. Senator Benton has given us hundreds of sets of the Encyclopaedia Britannica. The Chinese and the Russians are grinding out books for foreign consumption like crazy, and selling them for as little as 5 cents apiece. We have to meet this competition. Each of our 33 people-to-people committees is a tax-free nonprofit organization."

Mr. Straus added that his committee planned to send treatises on nursing and agriculture to Africa, and that he was in correspondence with the Soviet Writers Group in Moscow, through which he hoped to get books requested by it into the Moscow Public Library. "The Navy has been most cooperative," said Mr. Straus, who is an alumnus of this armed service. "On one occasion, it delivered our books by destroyer."

ORDER FOR ADJOURNMENT TO 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its business tonight, it adjourn to meet at 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, I should like to call attention to the schedule for tomorrow and the remainder of the week.

Tomorrow at the conclusion of morning business, there will be consideration of the Executive Calendar.

Following that there will be consideration of several noncontroversial measures, Calendar Nos. 563 to 583, inclusive.

Following that it is proposed that the Senate will consider Calendar No. 550, S. 2034, the Federal Communications Act, which will be handled by the senior Senator from Rhode Island [Mr. PASTORE].

Following that, it is proposed that the Senate will then consider Calendar No. 399, S. 901, the oceanography bill.

Following that, it is proposed that the Senate will consider Calendar No. 517, H.R. 3279, the travel and allowances bill.

Following that, it is proposed that the Senate will consider Calendar Nos. 558 to 562, inclusive, relating to interstate crime.

Following that, it is anticipated that the foreign aid bill will be laid before the Senate for consideration in the latter part of this week.

Furthermore, at the first available opportunity, I hope before the usual 3 days layover of appropriations bills, we will move to consider the appropriation bills affecting independent offices and HEW.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. SALTONSTALL. Does the Senator mean that the appropriation bills will come ahead of some of the others that he mentioned when their time is up so that they can be considered?

Mr. MANSFIELD. It is possible.

Mr. SALTONSTALL. The bills will then probably be considered this week?

Mr. MANSFIELD. It is possible; but in view of the fact that certain Senators would like to look over the bills for the usual 3 days, both bills would require until Saturday. If the Senator wishes a Saturday session to handle the appropriation bills, I shall be more than glad to comply with this request.

Mr. SALTONSTALL. Will the Senator yield for one additional question?

Mr. MANSFIELD. I yield.

Mr. SALTONSTALL. Does the acting minority leader correctly understand that the nominations tomorrow will be the nominations on which there will be discussion concerning the Civil Rights Commission?

Mr. MANSFIELD. There will be some discussion; yes.

Mr. SALTONSTALL. Therefore those nominations will be considered?

Mr. MANSFIELD. Does the Senator desire a Saturday session?

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ELLENDER. Can the majority leader tell us the day on which the foreign aid bill will be laid before the Senate?

Mr. MANSFIELD. We hope to lay the bill before the Senate on Friday.

Mr. ELLENDER. There will be no discussion at that time?

Mr. MANSFIELD. Very little.

Mr. SALTONSTALL. Voting will take place next week?

Mr. MANSFIELD. I presume the Senate will devote a day or so to discussion of the foreign aid bill before reaching consideration of the proposed amendments. But if the Senate convenes early enough Friday, there may be some discussion. The answer to the question would depend on what time the bill is laid before the Senate.

Mr. ELLENDER. Does the Senator expect any votes on Friday?

Mr. MANSFIELD. Not on Friday.

MILITARY ANTICOMMUNIST SEMINARS AND STATEMENTS

Mr. THURMOND. Mr. President, despite the fact that communism is at war with us in the United States in a protracted conflict—more total than any conflict before experienced on this planet in that it is psychological, political, economic, diplomatic, subversive, and military in nature—there is irrefutable evidence that many in our midst do not understand that we are indeed at war and that our liberties and our very survival as a nation hang in the balance. Too many, including persons in positions of high trust, neither fully realize the nature of the conflict nor the nature of the enemy which opposes us. Repeatedly, I encounter people who dismiss our lack of knowledge about the enemy with the ready assumption that everyone knows the enemy. This fact was brought home to me emphatically last Friday, when the Assistant Secretary of Defense for Public Affairs, Mr. Sylvester, stated on the telephone these exact words: "Oh, Senator, everyone knows the enemy."

Mr. President, anyone who does know the enemy must necessarily know also that everyone does not know the enemy. Mr. J. Edgar Hoover, Director of the Federal Bureau of Investigation and author of "Masters of Deceit," a most knowledgeable work on communism, stated:

> We cannot hope to successfully meet the Communist menace unless there is a wide knowledge and understanding of its aims and designs.

Implicit in this statement of Mr. Hoover's is the realization that there is no wide knowledge and understanding of Communist aims and designs.

The events of recent years provide unimpeachable proof that we do not understand the nature or methods of Communists and communism. Had we understood and appreciated the menace of communism, we would not today be suffering from the losses of our blind negotiations at Yalta and Potsdam. Had we understood and recognized communism when we saw it, we would never have made the mistake of officially characterizing the Red Communist Chinese as "agrarian reformers." Had we the ability to detect a Communist and a Communist movement, Castro would never have had our support in establishing a Communist dictatorship over the Cuban people 90 miles from our shores. No, Mr. President, if we as a people understood communism and Communist tactics, we would never have fallen prey to subversion at the hands of Alger Hiss, the Rosenbergs, Greenglass, Fuchs, or Harry Dexter White, and the many other Communist spies and agents who were caught—not to mention the many who remain undetected and unapprehended. Quite clearly, Mr. President, the postwar years in America prove beyond doubt that Americans, by and large, do not understand communism and its tactics.

Not only do our people need a better knowledge and understanding of communism, Mr. President, but many need more information and reverence for the principles on which our own Government is founded. If some lack an understanding of our own system, how can they appreciate the vast gulf which separates these principles from the insidious, false, and atheistic ideology which underlies the Communist menace? Concrete facts of history attest graphically to this deficiency also, Mr. President, as evidenced by the fact that 38 percent of those Americans captured by the Communists in Korea are reported to have given comfort to the enemy.

Lenin, the real architect of communism, said:

> It is inconceivable that communism and democracy can exist side by side in this world. Inevitably one must perish.

Mr. President, we have no alternative but to take Lenin at his word, for every act of communism since its beginning bears out the accuracy of this statement. Experience also proves that Mr. Hoover's words are just as true when he stated:

> We cannot hope to successfully meet the Communist threat unless there is a wide knowledge of its aims and designs.

Mr. President, there are those among the organizations and individuals in our society who have devoted the time and effort necessary in order to compile the facts and derive the understanding essential to a thorough knowledge of the ideology and practices of communism. I regret to say that in most instances these groups and individuals are most easily identifiable by the continuous vituperative, false, and slanderous attacks upon their existence. Among them are the House Un-American Activities Committee and the Senate's own Internal Security Subcommittee. Mr. J. Edgar Hoover's effectiveness is also well demonstrated by the continuous attacks on both Mr. Hoover and the Federal Bureau of Investigation. The Communists and Communist sympathizers leave no stone unturned and no lie untold in their efforts to discredit these organizations and individuals.

The American people, and especially those Americans serving in uniform, possess another knowledgeable source on the nature of our Communist enemy. This source is the military leader who serves his country in uniform. This is a particularly effective source of information against communism, for it is not a source to which political motives can be easily attributed. It is a source which has a long history of patriotic and devoted service to the people of the United States and their liberty. It is a source which has proved its willingness to make the supreme sacrifice if necessary to preserve the principles of liberty on which our Government was founded.

The military of our country is now, and always has been, distinguishable from that of other nations for it is and always has been subservient to civilian control.

The military officers of the U.S. Armed Forces are charged with defending our country from all enemies, foreign and domestic, and to this oath each man in uniform is sworn. To accomplish fealty to this oath, the military leader must know the enemy in order to defend our country against him.

Our enemy at this time is not exclusively military. He is far more—he is a political enemy, he is a psychological enemy, he is an economic enemy, he is a diplomatic enemy, he is a subversive enemy. No facet of our enemy's many-sided potential for aggression against our country can be ignored by a military leader sworn to defend the Constitution.

Since the threat is not exclusively military, a military defense alone is insufficient to meet the threat. Every American citizen must wage the war against communism in order for us to win, and one cannot wage war against communism unless he understands the nature and tactics of communism. The military leader, therefore, in order to perform the duties to which he is sworn, has the responsibility of informing, not only his troops, but the American public concerning the total nature of the Communist menace.

Indications are that our military leaders are doing an increasingly effective job in this regard. There is no question but that the Communists are feeling the pinch from the efforts of military leaders to inform their troops and the American public about communism. The best evidence takes the form of an organized campaign, originating initially with the Communists, themselves, to discredit and intimidate the military leaders of our country.

Possibly the beginnings of the attack, other than in Pravda itself, was with a slander sheet called the Overseas Weekly, which apparently has as its primary purpose the general discrediting of U.S. servicemen and their leadership in Europe, particularly those of the 24th Infantry Division. As a particular target, the Overseas Weekly undertook a campaign against the anti-Communist indoctrination course of the 24th Division and its commander at that time, Maj. Gen. Edwin Walker.

It is significant that although the Overseas Weekly has been charged with being subversive by many persons that the only investigation has been directed at General Walker and not the vicious slander sheet which dances to the tune of leftwing causes and gives its most prominent display to "girlie cheesecake" pictures and sensational GI crimes in its publication area, so near the Iron Curtain.

Despite the softly worded conclusions contained in the Department of Defense release on the General Walker incident, it is apparent that the campaign of the Overseas Weekly against the indoctrination program and General Walker was a great success for the Communists. Just how successful can be gleaned from a letter written by a company grade officer of the 24th Division to National Review and published in the May 6 issue of National Review. I ask unanimous consent that the text of this letter as it appeared in National Review be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TEN-SHUN

GENTLEMEN: By now you will have read of the distorted smear on General Walker and the 24th Division's "problue program." The battle is now joined between anti-Communists and anti-anti-Communists and affects more than Walker, or the John Birch Society. I was told personally by the correspondent who launched the smear that his paper had timed it to coincide with the Eichmann trial—for obvious reasons.

For your information, here is the background. The Overseas Weekly is a tabloid English-language newspaper carrying news of rapes, robbery, and other scandals affecting the military community in Europe. General Walker has, since his assignment to the 24th Division, consistently labeled the paper (called the Oversexed Weekly by the troops) subversive to the command, since it carries news calculated to destroy unit loyalty, smear noncommissioned leaders, and assist anti-American forces in their campaign to disunite NATO by portraying the American soldier as rowdy, disorderly, dishonest, and immoral. When the reporter mentioned above began telling members of the 24th Division patent lies about General Walker, the reporter was banned from all military installations under division control. This made his campaign to destroy Walker personal, as well as professional.

ABOUT THE PROBLUE PROGRAM

Firstly, it is not affiliated—in any way—with the John Birch Society. It is an all-encompassing program teaching positive belief in God, American heritage, and anti-communism. It attempts to build morale within the division (with great success) by stressing the individual American soldier as the ultimate weapon in this war we are presently engaged in. The program is diversified. It contains a troop reading program which has circulated to all troops "Masters of Deceit," by J. Edgar Hoover; "A Guide to Anti-Communist Action," by Anthony Bouscaren; "The Story of Mary Liu," by Edward Hunter; "In Every War But One," by Eugene Kinkead; "For the Skeptic," by Lyle Munson; "From Major Jordan's Diary," by George Racey Jordan; "Primer on Communism," by George W. Cronyn; and "The Life of John Birch," by Robert Welch. (On the last book, remember that it was written before Welch ever began the society of the same name, and that it tells the story of the first American casualty of the cold war—whose death was kept a secret from the American people, presumably so as not to offend the "agrarian reformers.")

The program also stresses, through all means of mass communications, the need today for personal integrity, to include a high moral code and strong religious affiliations. It supports all community projects, ranging from assistance to German orphans, to the PTA, to quasi-military groups such as the Association of Regular Army Sergeants, the Association of the United States Army, and the Reserve Officers Association. The program is designed to strengthen every thread in the fabric of the complete man through education, patriotism, and belief in God and self.

To isolate the one book of many used in the program to insinuate that this program is influenced by Robert Welch is a savage bit of journalism. To claim that General Walker made statements over a year ago about the present administration is impossible; and to destroy this program, along with the John Birch Society, helps whom?

The issue involved is: How far can the military go in teaching its soldiers why they fight, who they fight, and when the war began? Surely, if the problue program is not allowed to continue, and if other military units don't pick it up, then—when hot shooting wars come again—our soldiers will repeat their predecessors' mistakes if captured by the Communists.

Probably the most tragic of the sidelines to this is that the outcry against General Walker will, in most cases, be loudest from loyal Americans believing that they stand for American freedom. Yes, if a newspaper like the Overseas Weekly can remain on the newsstands to smear and destroy leaders (because of freedom of the press) then why is it wrong for a publication like American Opinion to be equally available to the troops? And, by the way, American Opinion is merely a magazine edited by Welch—it is not the organ of the John Birch Society. Also, it is not being distributed to the troops of this division and never has been.

If I sound angry it is because, in Korea, I didn't know what I was fighting for and I believe—some 10 years later—that the men wearing the bare sleeves that I wore then need to know. They need to know about Marx-Lenin-Stalin-Khrushchev, and they need to know about Patrick Henry, Alexander Hamilton, George Washington, etc. They need to know how Czechoslovakia fell—internally—and they need to know that world war three is going on at this very minute.

Don't think that the 24th Division is off witch hunting, or that we neglect our military duties here. We have the highest reenlistment rate in Europe; the lowest number of incidents; the champion marksmanship teams; and the finest military tactician for a commander that I have ever had the privilege of serving.

I think you have the background. The question is, What will you do to help keep General Walker from being thrown to the wolves? If they get him, they will get the program, and if the get that, I'll have to quit the Army. Because if we can't preach the Spirit of '76 in uniform, we'll have to get out to do it. But do it we will.

If you want to join us in the fight, help start a letterwriting campaign to your Congressmen, your leaders of opinion in the community, the President, and patriotic groups like the American Legion, backing the problue program—and you might drop General Walker a letter of encouragement, care of the 24th Infantry Division, APO 112, New York, N.Y.

I believe that this may become one of the crucial debates of our time.

Mr. THURMOND. Mr. President, it would be hard to judge whether the campaign of the Overseas Weekly was a test for effectiveness of the general campaign to discredit military leaders which was to follow or whether the success of the effort in this particular instance gave birth to the idea for the general campaign. Whichever was the case, the general campaign thereafter commenced in earnest. As is often the case with such moves, the origin in this country is found in a publication entitled "The Worker," which, incidentally, is the successor to the Daily Worker, official organ of the Communist Party, U.S.A.

In the June 4, 1961, issue of the Worker, on page 2, there appears an article entitled "Military Discusses New Move." This article is a flagrant attack on the top military leadership of our country. Among those named are Lt. Gen. Arthur G. Trudeau, Chief of Research and Development of the Army, now under consideration for a position of higher responsibility and presently on an important mission for this administration in the Far East; Adm. Arleigh Burke, Chief of Naval Operations; and Gen. Maxwell D. Taylor, Military Adviser to the President.

Included in the attack were also Mr. William C. Sullivan, Chief Inspector in the Federal Bureau of Investigation, and Mr. Lyman B. Kirkpatrick, Jr., Inspector General of the Central Intelligence Agency. I ask unanimous consent that the text of this article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Worker, June 4, 1961]

AT THE MILITARY-INDUSTRIAL CONFERENCES BIG BUSINESS PLANS STRATEGY—MILITARY DISCUSSES NEW MOVES

(By Sam Kushner)

CHICAGO.—There's quite a story behind the report carried on the front page of the Wall Street Journal May 24. The report is headlined: "Some Officials Urge Sabotage, Subversion Inside the Red Bloc."

Three military leaders are mentioned by name. But noticeably absent is the organization in which they all figure prominently and where many of them are associated with big business industrialists—the Military-Industrial Conference, which is the creature of the Institute for American Strategy.

There is a not so secret memo being circulated in the Pentagon calling for open intervention aimed at overthrowing some of the socialist governments. It is being circulated among senior military officers by the Army Research and Development Chief Lt. Gen. Arthur G. Trudeau.

We are told that this memorandum, which is not a military document, contends there are good chances of success, little risk of triggering a general war, and hardly any real choice except this one for getting the upper hand in the cold war.

SINCE 1955

The Military-Industrial Conference, an amalgam of military leaders in the field of commerce and big business tycoons, was founded in 1955 with the aim of achieving total mobilization for the cold war.

On the Washington liaison committee of the conference sits General Trudeau, together with representatives of the Federal Bureau of Investigation, the American Legion, heads of major corporations, other representatives of the Armed Forces.

Are America's military leaders playing fast and loose with the peace of the world? Here is what General Trudeau, who is circulating the document in the Pentagon about overthrowing socialist nations, said at a conference of the Military-Industrial Institute:

"The outcome (of the contest between capitalism and socialism) will determine not only whether we live in a free or a slave state but whether by the turn of the century world trade will be based on 4 rubles to the dollar or 84 to the ruble. We can remain the champion in this vicious race by exerting our full strength, and rise to great heights for the benefit of all mankind, or we can sulk like fearful and frustrated people and face the possibility of going down in the ignominy of defeat. The choice is ours; the hour is late; the time for decision is now."

This speech was made April 25, 1960, at the Sherman Hotel before 1,000 top military and industrial leaders, including representatives of America's most powerful monopolies.

Keeping up the drumbeat for war was Rear Adm. Chester Ward (retired), former

Judge Advocate of the U.S. Navy, who condemned the Eisenhower administration for having ceased the U–2 flights over the Soviet Union. Speaking before a Chicago regional meeting of the same organization, with more than 1,000 present, at the Prudential Building, the bristling admiral said:

"We should not have suspended the U–2 flights after the Powers affair. We should have told the Russians we would continue and let them shoot the planes down if they could * * *. You must understand one simple principle, we cannot afford to lose; we can afford to win."

The crowded auditorium, made up in the most part of business executives, gave him a standing ovation.

Two other military men are mentioned, besides General Trudeau, in the Wall Street Journal article. They are Chief of Naval Operations, Adm. Arleigh Burke, and former Army Chief of Staff Gen. Maxwell D. Taylor. The former spoke before the cold war military industrial conference this year, and the latter appeared at last year's session.

INVASION PLANNER

Burke is one of the men held responsible for the plans for the invasion of Cuba, and Taylor is being discussed as the future head of the Central Intelligence Agency. Both were very much at home in the company of America's big business leaders, who have invested interest in the cold war.

How does General Taylor look at the decade of the sixties? Here is what he said in a summary statement at the conclusion of his speech before the big military and business brass session last year.

"In closing let me restate my estimate of the Soviet military threat in 1960. We are entering 1960 with the military trends running against us. There is little to prevent the Soviets from having a substantial advantage over us both in general and in limited war forces during the first half of this decade. Only by heroic measures taken now can we partially offset this threat. The second 5 years, if we survive, allow us time to use our resources to reconstitute our strength."

Admiral Burke, one of President Kennedy's top advisers, in a bristling speech this year laid it on the line. The American way had to win, he emphasized. This is how he put it to the conference:

"To put it bluntly: The future of the free world, the conditions of human life for years to come are now being determined. And we, the people of the United States, must win this conflict or witness the death of freedom and the end of free society. The fate of our country depends on what we as a nation and as individual citizens are willing to do today. In our hands rests the responsibility for the future of the American concepts."

DESPERATE WORDS

These were the desperate words of the man who is reputed to be one of the architects of the invasion of Cuba. Admiral Burke is an impatient man. He pleaded, "Why do so many stubbornly refuse to understand the grim realities of the conflict in which we are engaged?"

How would the admiral meet with the "grim realities"? He would begin in the school because "we cannot wait until our youngsters have become adults before preparing them" to take their place in the kind of society the admiral wants.

With words that brought plaudits of approval from the industrialists in the audience he said:

"Our youth must learn less about how to make money and much more about their responsibilities. We must educate them in the basic values that have made our country great. We must demonstrate by our example the importance of hard work, of competition, the importance of patriotism and integrity. Most of all, we must teach our young people to respect and stand up for principles."

The kind of principles the admiral believes in are not too hard to figure out.

Generals, admirals, industrialists, and cold war ideologists are not the only ones who do their speechmaking and planning at the military-industrial sessions. During recent years the Federal Bureau of Investigation has sent a member of J. Edgar Hoover's staff, Chief Inspector William C. Sullivan, to orientate this powerful group on the FBI's "analysis" of communism.

Gory stories of how schoolteachers have been "misled" by Communists and other similar tales that sound like a rehash of stool-pigeon testimony at a Smith Act trial are dished up in all seriousness to the millionaires and their lackeys at the conferences. They are warned about "peace campaigns" and other such activities.

This year, the FBI was joined on the platform of the conferences by one of the officials of the Central Intelligence Agency. He was Lyman B. Kirkpatrick, Jr. Inspector General of the CIA.

In the course of his remarks, the CIA's hand in "defections" from Socialist countries was easy to perceive. He concentrated mainly on Communist education as he saw it. But more significant than his speech, was his presence at the conference.

Here in concert with executives from many of America's biggest corporations, some with extensive oversea investments, the military leaders and the "security" arms of the U.S. Government joined in common cause.

NEW BRINKSMANSHIP

They hammered away to create a new "brinkmanship" situation in the world. Heat up the cold war, that was the theme of the meetings.

Many of the men sitting in these sessions were the same who planned the invasion of Cuba. And others who sat in this room are now being called upon to investigate the failure, from their point of view, of the Cuban invasion.

Mr. CURTIS. Mr. President, will the Senator from South Carolina yield?

Mr. THURMOND. I am pleased to yield to the able and distinguished Senator from Nebraska.

Mr. CURTIS. I commend the Senator for his forthright statement. He has given me the privilege of reading his script ahead of time. He is saying things which need to be said. We cannot temporize with communism. We cannot permit communism, little by little, to indoctrinate our people; little by little to smear the men who are charged with the defense of the country, because it all has a tainting and destroying effect.

I commend the Senator from South Carolina for speaking out forthrightly against the Communist ideology, for exposing it for what it is, and for taking a position which is in accord with that of J. Edgar Hoover; namely, that we as a people need to understand communism and be on the alert as to what it is doing now and what it has done in the past.

Mr. THURMOND. I thank the distinguished Senator from Nebraska for his remarks. Coming from a man who understands the dangers and the menace of communism, his remarks are especially appreciated.

Mr. President, the previous article was written by one Sam Kushner. I ask unanimous consent that some pertinent information with regard to this individual which my research has turned up be printed at this point in the RECORD.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

SAMUEL KUSHNER

Midwest editor of the Worker. He has been a high-ranking member of the Chicago Communist Party for some 20 years. He went underground after the convictions of the Communist leaders in 1949. The Chicago press in late 1958 carried stories that Kushner had evaded authorities for more than 4 years after his car killed a man in Chicago. Kushner was identified as vice chairman of the Illinois Communist Party and a member of the party's national committee. Kushner changed his address frequently and obtained a driver's license and auto registration under phony names. License revoked.

Mr. THURMOND. Mr. President, the crime with which our high military leaders are charged in the article by Sam Kushner was either addressing or associating with an organization entitled "The Military Industrial Conference" which was founded in 1955. The National Military Industrial Conference, as such, is no longer in existence. Its work, however, resulted in the incorporation in 1958 of the Institute for American Strategy. The director of research for the National Military Industrial Conference is Mr. Frank R. Barnett, who, in 1960, prepared and distributed an article entitled "Strategy, Survival, and the Private Citizen." This article not only gives the background of this organization's work but also contains the essence of the information and material found so objectionable by the Communists. In order that the Congress and the public may better understand the nature and activities of the organization which our military leaders are rebuked for addressing and associating with, I ask unanimous consent that the article by Mr. Frank R. Barnett entitled "Strategy, Survival, and the Private Citizen" be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STRATEGY, SURVIVAL, AND THE PRIVATE CITIZEN

WHAT IS TO BE DONE?

(By Frank Rockwell Barnett)

Mr. Barnett's intense concern with the preservation of freedom and his abilities as a speaker have earned him the applause of military and civilian organizations both here and abroad. A native of Illinois, he studied at Wabash College and the Universities of Syracuse, California, Zurich, and—as a Rhodes Scholar—Oxford. His proposal to recruit a Legion of Liberation, printed in the CONGRESSIONAL RECORD in 1951, induced Congress to appropriate $100 million to form Iron Curtain refugees into military units for the defense of the free world. Mr. Barnett is Director of Research, The Richardson Foundation, Inc., and an officer of the Institute for American Strategy. He lectured at the first National Strategy Seminar for Reserve Officers. It was due largely to his efforts that the seminar was organized and convened.

A half century ago, an unemployed lawyer wrote an obscure little book. It had a limited—almost private—circulation. Its title had no sex appeal. It was called, very simply, "What Is To Be Done?"

When the book was published in 1902, its author was in exile, living in a dingy

boarding house. Living frugally on small subsidies from the political underworld and scorning all the values of his middle-class heritage, this bald, squat lawyer was the self-appointed leader of a handful of other outcasts from society.

To the property owners, statesmen, and generals of the Victorian world, this man and his circle of impractical agitators were rabble. The power elite of that day ignored his pamphlets and did not read his book. Nor, for the most part, have the property owners, statesmen, and generals of midcentury America.

Yet the man who wrote it and his disciples—exploiting the practical concrete ideas set forth in "What Is To Be Done?"—have seized two continents, and set fire to the others. Today, whole libraries, as well as the graves of 20 nations and 40 million people, bear witness to the deadly political science of a movement whose cumulative conquests now exceed the combined empires of Alexander, Hitler, and Tamerlane—and whose accelerating capability to lay waste the great globe itself must be the touchstone for determining our national and even our private objectives. The lawyer's name, of course, was Lenin.

Nearly six decades removed from the publication of "What Is To Be Done?" Americans who never heard of Vladimir Ulyanov confront the consequences of his mind, will, and fearful talent. Until Lenin, various forms of socialism were quack experiments or futile terrorism in the night. But to Lenin, communism was not simply an idea, it was a power technique. Communism, after Lenin, was more than a philosophy. It was a triumph of organization. Under his tutelage, Communists became managers—conflict managers. They learned how to integrate and coordinate almost every form of human activity to achieve the goals of a heartless policy committee.

The position of America in 1960 is, of course, not nearly so hopeless as the plight of Lenin in 1902 or of General Washington in the winter of Valley Forge. But the odds against this Republic are far heavier than some may suppose. Because no exploding bombs illuminate the "precinct politics" of Communists in Afro-Asia, too many imagine there is still time to refer the conduct of the battle to another research committee. Because our defeats have been chiefly in the twilight, undeclared war of nerves, propaganda, and trading, no dramatic scoreboard signals the loss of a free world bishop or the enemy's ambiguous gambit to advance the Red queen, 15 moves hence, to check and mate. Indeed, for amateurs at chess or geopolitics, each move of an opponent seems to present an isolated challenge; the pattern is concealed; the savage end game not even imagined.

THE LEADTIME OF SURVIVAL

A struggle for markets, a clash between armies, competition in research and development—these are not static affairs. To the untrained eye, the contest is evenly matched at a particular time and place; yet triumph and disaster have been foreordained by leadtime in logistics and the laboratory. Although Nazi Germany and Japan seemed to sweep the board in 1942, their fate had been unobtrusively influenced in a laboratory in Chicago and on the production lines of Detroit.

The Chinese Communist fighter pilots who died not long ago, in sky battles over Quemoy, were doubtless brave and skilled airmen. But they were dead airmen when Sidewinder missiles uncoiled from American jets. Technically, those pilots were still alive until the missile actually struck; but were they not dead when the release button was pushed, since no courage or wishful thinking on their part could thereafter avert the predetermined end? Were they not, in a sense, already doomed when the blueprints for the Sidewinder were approved for production?

Whole civilizations, as well as a single aircraft, have a point of no return if they permit an opposing society to gain too much leadtime in the science of conflict—whether the war is hot, cold, economic, political, limited or all-out. The conflict managers and chess players of Russia have planned on a century of conflict if need be—though they are now arrogantly confident we will not last that long. They do not need to debate their one clearcut objective; their tactics, rather than their policies, are flexible; and their economy is geared to the cost accounting of the battlefield. And they have gained a leadtime of more than 40 years in the arts of nonmilitary warfare, deception, and the training of professional cadres for ideological combat and subversion.

Our democracy, sensitive to the variable breezes of public opinion and the random tides of pressure groups, improvises strategy from one election to another. As freemen, we would not dispense with elections or limit debate. But surely, for all our individualism, we can achieve a working consensus on the need to survive—on the obligation to preserve intact and with its charter of incorporation unchanged in principle, this unique laboratory called America—a cooperative research institute where, on a voluntary basis, men from all lands join together to conduct experiments in liberty and opportunity. When more Americans become serious students of strategy, there is little doubt that our response will be adequate to the enemy's challenge. But first we must place the problem on the agenda of business groups, universities, and professional societies as well as government.

STUDENTS OF STRATEGY

Strategy connotes perspective, the selection of the right priorities, relating the parts to the whole. The student of strategy is never so hypnotized by science and sputniks that he ignores the other battlefronts of foreign language training, propaganda analysis, international trade, and our domestic economic growth. While he evaluates the challenge of Soviet trade, aid, patronage, and manipulation of the markets, he will not, however, ignore the clenching of the Soviet mailed fist—or the jostling of Moscow's political elbow.

If it is true that the U.S. Strategic Air Command cannot—with massive retaliation—prevent Moscow's subtle penetration of Latin American markets, it is equally true that economic aid to India cannot avert a coup d'etat and assassination in Iraq. Expanding technical assistance and U.S. business investment in Africa may be vital to our security; it will not, however, avert butchery in Hungary or Tibet. It will not carry the cold war, by nonmilitary means, into the restless, vulnerable empire of the enemy, where the people of Eastern Europe and Asia groan under Russian conquistadores and Peiping's cruel dogma of the yellow man's burden.

Economic aid to emerging new nations is important to our own future as a free people; but, by itself, this assistance will not blunt the danger of communism. One does not win a nonmilitary war—whose victories thus far have gone to the enemy—by simply denying that enemy a further series of advances on free world soil.

American aid, whether private or governmental, will not offset the Soviet economic thrust unless the managers of U.S. economic activities are themselves sensitive to ideological, political, and strategic nuances. Random largess, with no regard to specific goals or national priorities, may be humanitarian. It has nothing to do with strategy and the science of conflict management. The bestselling book, "The Ugly American," amply illustrates how the Communists have applied Gresham's law to international politics—i.e., bad propaganda drives out good deeds. To be specific, $1 million worth of Communist agitation, covert activity, and blackmail can sometimes offset $100 million worth of American economic aid, distributed with no strings attached—indeed not even the strings of requiring prudent management and accounting. Of course we need to do more in the economic sphere, both through government and the private sector; but we need strategists and conflict managers of our own to disburse and coordinate those sums to insure better returns for free world survival.

Finally, in any discussion of strategy, it is imperative to keep science and military readiness on the agenda. A nuclear war over Berlin may be improbable. But we dare not delude ourselves with the wishful cliche that hydrogen bombs have made general war unthinkable. The categories of thought employed by the heirs of Ivan the Terrible and Lenin are not necessarily the same as those which prevail in the peace-loving democracies of the West. Stalin cheerfully scorched the Russian earth and sacrificed 25 million countrymen to stop the Nazis. Hitler was prepared to let all Germany burn in some mad Wagnerian sacrifice to Thor and Woden. Mao and Chou En-lai will not blink at the loss of 100 million Chinese, upon whose broken bodies, in the next decade, they intend to rear the heavy industry and nuclear armaments of the anthill state.

Khrushchev, who stood at Stalin's side while 3 million Ukrainians were deliberately starved to death, is not likely to be more squeamish about liquidating Americans en masse, if he ever has the chance. Let the Russians spend more for basic research; let them shorten the leadtime between invention and production. Let Moscow develop some as yet unknown electronic defense against our aircraft and missiles. Let Soviet engineers erect that defense system only 6 weeks before we have a similar capacity to ward off their rocket-launching submarines and ICBM's. In short, let the Kremlin but once enjoy over us the weapons advantage we once held over them—but did not use—and the world is likely to have another demonstration of how Khrushchev defines "peaceful coexistence." In this country, not even our military leaders talk of preventive war; but Soviet military journals are full of the doctrine of strategic surprise, the use of deceptions in the nuclear age, and the case for the preemptive blow.

WHERE OUR OPPORTUNITIES LIE

What is to be done? Lenin's question challenges us not only to think but to implement. Some responses to the question can only be made by government. For example, $20 million could be allocated for a special political warfare fund to organize intensive, persistent propaganda throughout all Afro-Asia against Chinese machineguns in the monasteries of Tibet; or $500 million, if necessary, to form a NATO Board of Economic Warfare to make flooding the market bad business for the Kremlin; or $5 billion, if needed, to keep SAC in the air, to give the Army an airlift for limited war, to put missiles on merchant ships or obsolete destroyers as a temporary makeshift while the Navy perfects Polaris and builds an invisible armada of nuclear submarines.

But it is in the field of nonmilitary warfare that our greatest opportunities may lie today. Russia is now the last of the great colonial powers. Russian colonialists exploit the people of Soviet Central Asia. Russian colonialists govern the Ukraine, Georgia, the Baltic Republics and Armenia; their conferees manipulate power in the captive nations of Eastern Europe and are active in Korea and China. In all the forums of

world opinion—relentlessly and without cessation—Russian colonialism must be exposed, condemned and used as a psychological warfare weapon against communism.

Nor should we forget that, conceivably, the Russian power elite itself is divided. We know now that the supposedly monolithic Nazi state was in reality a cauldron of intrigue. The SS, Gestapo, Nazi bureaucracy and German General Staff were at each other's throats. From time to time, we glimpse signs that the same laws of internal contradiction may plague the Sino-Soviet Empire. In World War II, Lt. Gen. Andrei Vlassov led a Free Russian Army against Moscow. More than 300,000 Ukrainians fought with the Germans. More recently, Beria has been executed, Zhukov demoted, Molotov, Malenkov, and Kaganovich dispatched to the provinces, Bulganin "retired," and General Serov purged. Others may be next. Will Gomulka remain? How does the Red army really feel about the secret police and the Communist Party?

We know now, in the light of history, that Germany had an underground—that members of the German general staff were in touch with the British Foreign Office prior to World War II. Some of these proud Junker generals would have liked to move against the Nazi upstarts before Munich. But when Mr. Chamberlain went hat in hand to Munich, he served unwittingly to defeat the one compelling argument of the anti-Hitler conspirators—that Hitler's designs on Czechoslovakia would lead the nation into a disastrous war. From the moment Chamberlain bowed to Hitler, the dissident elements in the general staff were helpless: the fuhrer was demonstrating to the German people that his policy of bluff was paying dividends. The majority of the Germans was convinced that German hegemony in Europe could be bought without payment of blood or treasure.

THE FOURTH WEAPON: PSYCHOPOLITICAL FORCES

The lessons of the past suggest that America must learn the arts of fourth dimensional warfare—of conflict by communications and of psychological combat. Subversion might be a hundred times more dangerous to Moscow and Peiping than to Washington and London. But subversion and political warfare require as much professional competence as commanding an aircraft carrier or an infantry division—and, as yet, while we have splendid academies to train young people how to use firepower, there are no training schools in this country which equip Americans to compete with the graduates of Soviet institutes of irregular warfare.

One operational objective might be, therefore, the creation of an American fourth weapon, coequal with the Army, Navy, and Air Force. Its purpose would be to offset the current Soviet advantage in nonmilitary weapons systems which may enable them—under the umbrella of nuclear terror—to seize Asia, the Middle East, and Africa piecemeal by coup d'etats, precinct politics, fifth column, and popular fronts. Obviously, in order to wage psychopolitical warfare, we must have an impenetrable shield of science and military power. We must match the Soviets in missiles and airpower, in submarines, in capacity to wage limited wars—including guerrilla wars through our own proxies—and finally in psychosocial combat.

An American fourth weapon might consist of the following components and activities:

1. A separate Cabinet office with at least the status and budget of the Department of Health, Education, and Welfare. (If we are driven into a thermonuclear corner, where we can only choose either to surrender or cremate the earth, there will be no health, education, or welfare.)

2. A Joint Congressional Committee on Cold War Strategy—to take advantage of the fact that our own practicing, professional politicians have skills which may profitably be employed in the arena of political warfare.

3. An Assistant Secretary for Nonmilitary Defense in the Pentagon.

4. A career service for officers who elect to become specialists in the propaganda and psychological warfare fields. Too often, the intelligence function in this country has been regarded as "the shelf" by able officers who feel that, in order to win promotion, they must get back to troops and military hardware.

5. The creation of foreign legions composed of Russians, Poles, Hungarians, Koreans, Chinese, Ukrainians, and others who have fled from behind the Iron Curtain. If the Soviets threaten to send "volunteers" to the Middle East or Indonesia, the free world should have another string to its bow: namely, the possibility of sending free Russians against Soviet volunteers. This international "captive nations' brigade" would be trained in all the arts and sciences of propaganda and conflict through communications. Part of its mission would be what the mission might have been in Korea—if we had used defecting Chinese and North Koreans to promote defections from the enemy on the field of battle.

6. The establishment of what Brig. Gen. David Sarnoff, in his memorandum of April 1955 to President Eisenhower, called a West Point of political warfare.

CITIZEN EXPERTS IN POLITICAL WARFARE

Another operational objective to be achieved, if we are to survive the contest of the next two decades, is the voluntary commitment of private resources to certain aspects of national defense. The Communist Party manifestly can mobilize the total resources of the Soviet Empire for the cause of conflict—because the Communist Party has the machinery of total government. By definition, our limited government cannot, and should not, compete with Moscow in kind. This means, however, that unless trade associations, educational institutions, private foundations, labor unions, and opinion leaders commit a portion of their energies to ideological, economic, and political defense, the Kremlin's total thrust will continue to be unopposed in many vital sectors of nonmilitary and ideological combat. What we need to achieve, therefore, is a new kind of informal partnership in defense between civilian and governmental sectors.

In World War II, the American military developed new forms of teamwork and learned to work successfully in combined operations. Air power, naval gunfire, frogmen, and infantry assault troops all worked together on the beachheads in splendid coordination. The combined operations of the cold war require even broader teamwork. They require that diplomats, military attachés, college professors, American businessmen overseas, foreign correspondents, and technicians—to name just a few—all work together informally to undergird national strategy.

In this new kind of war, radio commentators, teachers, and investment bankers are on the frontline just as surely as the men who man the missiles and guard our positions overseas. Unfortunately, too few leaders in the private sectors of American life as yet realize that we are at war—and that the survival of Western civilization is at stake. Americans do not like to do their homework in world politics, economics, geography, or history. We refused to read "Mein Kampf"; today we refuse, with equal indifference, to read and study the strategy of Lenin, Stalin, and Khrushchev.

If strategy is now the business of private citizens, as well as government, what is to be done by voluntary action? What is to be done by such groups as the Institute for American Strategy? The ideas which follow are samples of the literally dozens of projects that could be translated into action once private funds and staff were allocated to the prosecution of nonmilitary strategy.

PROPOSAL: A DYNAMIC HISTORY OF THE AMERICAN EXPERIMENT

There are missionaries for Communist dogma. There are high priests of socialism. Fascism had its philosophers and publicists. There are exponents of classical economics, disciples of Adam Smith, and followers of Lord Keynes. But there are almost no articulate spokesmen for the constantly evolving, dynamic system that is 20th century America. Modern capitalism is as different from the monopoly capitalism assailed by Karl Marx as it is from Chinese communism. But American business has no party theoreticians; hence the enemies of the system monopolize the international networks of communication.

Some American union leaders talk the language of the Fabian Society's discredited efforts to achieve utopia through nationalization of industry. Some American business leaders—who are learning how to integrate automation, atomic energy, and the behavioral sciences—nevertheless prefer to think in the cherished symbols of 19th century capitalism.

What few have realized is that communism—which is really a new and brutal form of state capitalism—is obsolete. Socialism has been tried and found wanting in Western Europe, Britain, and Australia. Cartel capitalism, which fed the maw of empire, is rightly on its way out. American-style capitalism—which might be called the "private, voluntary welfare state"—could be the wave of future. It is incredibly productive. It is consumer-oriented rather than government-directed. It concentrates on products that bring an easier life to the masses, rather than on luxury items for the few. And, increasingly, American-style capitalism is not only efficient; it is attentive to social, ethical and cultural values.

Socialists argue that America is a political not an economic democracy owing to private ownership and the profit system. Quite to the contrary. America is more of an economic democracy than Socialist Sweden or Britain under the Labor Party. In a Socialist system, voters cannot appeal the day-to-day decisions of administrators and politicians who make economic decisions. Short of turning the government out at the polls, they must live with arbitrary policies for years on end. In America, every citizen casts economic votes every day—by the choice he makes when he buys one product and declines another, purchases one stock and sells another, changes his occupation, agitates for an increased pension plan, lobbies for or against a tariff, quits his job to start a new business for himself, goes on strike or votes not to go on strike.

Some Socialists have represented their model to the world's uncommitted nations as the moderate third force which stands midway between reactionary capitalism and the police terror of the Communist empire. This argument will not bear scrutiny. American-style capitalism is itself an effective third force in the world, but we have not been able to project that image forcefully either to foreign nationals or to some of our own intellectuals and new generations of students.

No one has adequately described the American phenomenon—an ever-flexible and self-renewing pattern of self-government characterized by diffusion of power, partnership between Washington and the private sector, voluntary welfare, creative altruism, citizen action, checks and balances, and idealism mixed with practical business and material benefits for almost everyone. Where but in America are there more than 4,000 private organizations which labor to solve social, economic, health, and education problems by nongovernmental action? Where

do men more earnestly seek to accomplish objectives by persuasion, cooperation, and good will?

What is to be done? Books, unpublished manuscripts, speeches, and journals should be examined to see if a "capitalist manifesto" is already in being—although scattered about in bits and pieces. If so, random articles should be edited into a coherent whole. If not, a scholar—with a flair for popular writing—should be commissioned to do the job. Liaison should be established with college and public school authorities to insure that the finished product will be used in our own educational system. USIA might be contacted with a view toward giving an inexpensive edition of the book widespread distribution all over the world. Conceivably, new material for this book could be elicited from a number of scholars by offering a sizable prize, similar to the Atlantic prize novel contest.

PROPOSAL: A PROPAGANDA ANALYSIS NEWSLETTER

There is nowhere any persistent, sophisticated daily effort to analyze Communist propaganda for American audiences and reveal it for what it really is. Owing to the structure of our mass media, statements by Communist political leaders are reported as "news" on the front page. Thus—in a sense—the press, radio, and TV of America give millions of dollars worth of publicity to Communist propaganda themes.

American leadership must expend half of its energies in debating spurious and irrelevant themes which the Communists put before the courts of world opinion. This is one of the reasons why we seem always to react to Communist initiative.

What is to be done? We must see if a group of editors, publishers, columnists, and editorial writers would volunteer to form a committee to refute Communist propaganda. Scholars associated with research groups could prepare a series of papers, analyzing persistent Soviet themes and setting forth—in historical perspective—the true facts. These scholarly materials could be reduced to a newsletter and mailed out to, say, 1,000 editors and editorial writers. Perhaps some newspapers would even agree to print a brief front-page box entitled "The Current Party Line." This could serve as a touchstone for the reader who is bewildered by the gyrations and seeming "concessions" of Khrushchev and his associates.

PROPOSAL: BUSINESS TRAINING FOR OVERSEA COMMUNITY RELATIONS

The Communists have trained, literally, tens of thousands of professional propagandists and agitators. These cadres are saturating the Afro-Asian world, the Middle East, and Latin America. Their job is to create a climate of opinion hostile to American diplomacy, to American military bases, to American investments and business opportunities.

American business trains executives for labor relations, industrial relations, and public relations here at home. There is very little training as yet, however, for the delicate job of "community relations" in an oversea area that is threatened by Communist penetration, insurrection, economic pressure, and coup d'etat.

What is to be done? In cooperation with a business school, research institute, or management association, a special seminar should be set up to concentrate on overall problems of management in a specific target area, including political, strategic, and community relations factors that bear both on national and investment security.

To that seminar would be invited representatives of all corporations and banks with present investments and business in—or future plans for—area X (let us say one of the new nations in Africa, or southeast Asia).

The seminar would include such normal components of a management course as economic feasibility reports on area X; market research data; currency exchange problems; and training and personnel matters. However, in addition to this, there would be discussion of (a) Communist objectives, strategy, and tactics in that part of the world; (b) analysis of leading Soviet propaganda themes and how to refute them; (c) the social responsibilities of modern capitalism—in other words, practical case studies in how American corporations can be good citizens of a foreign community; and (d) an inventory of free world institutions that might be helpful in promoting stability in area X—including universities which sponsor private technical assistance programs; private foundations, welfare agencies, church groups, youth clubs, and labor unions with contacts in that area; and trade associations and international professional societies.

Conceivably, this seminar for businessmen might be attended also by a few officials from the Department of State and USIA, plus two or three officers about to be assigned as military attachés in the given area. The objection of including some Government personnel would be informally to build a team—through personal contacts and joint training—that would be better able to cope with the integrated, disciplined cadres dispatched by the Communists to various parts of the world. Joint training at the National War College and the Industrial College of the Armed Forces is building understanding and respect among officials of all the services. That principle can be extended to improve cooperation between American businessmen overseas and U.S. Government personnel.

Freedom, in short, rests on economic know-how and political skill as well as military power. The American businessman overseas, the Foreign Service officer, and the military attaché each has a vital role to play—and, if possible, they should play it more in harmony with each other. The expansion of the private sector overseas and the growth of foreign middle classes can greatly strengthen our diplomatic and military alliances.

An excellent report, "Expanding Private Investment for Free World Economic Growth," prepared in April 1959, under the direction of Ralph I. Straus, has pointed to perhaps the central reason for the success of our private system of enterprise—namely, its adaptability. Throughout the West's economic development from the dawn of the industrial revolution, private enterprise has had to adjust to almost every conceivable economic and political situation. In the tremendous diversity which is the so-called underdeveloped world, no single blueprint of central planning can accommodate the gamut of problems which beset societies ranging from the nearly destitute to the nearly developed. Private enterprise can do the job, and do it effectively and dynamically.

But selling this, what Robert L. Garner calls "America's best export," is the responsibility not only of American business. Our Government should key its economic assistance policies to the objective of creating the kind of climate abroad in which free enterprise can take root. Specifically, our policymakers might heed the Straus report's recommendation that U.S. aid programs increasingly emphasize:

1. Training of foreign teachers and students at American business schools;

2. University contracts whereby American business schools establish programs and assist local institutions abroad to train businessmen;

3. Analogous arrangements for training in public administration, law, and economics bearing on the institutional framework for effective business activity;

4. Programs for establishing local trade, manufacturing, and business management associations;

5. Practical on-the-job training in industrial plants.

THE ULTIMATE WEAPON

The rather passive business of conducting seminars, studying strategy and steeping the mind in the operational techniques of communism may strike some practical men of affairs as a waste of time. Yet effective action does flow from doctrine, doctrine so thoroughly absorbed that it guides the intuition and governs the reflex of statecraft.

The ultimate weapon, of course, is neither science nor politics nor psychological warfare. The ultimate weapon is human courage based on faith in certain unalterable moral laws. Unfortunately, some in our midst have forgotten the true meaning of America. We are already half afraid of the honorable word "revolution," although we are the true revolutionaries. It was an American revolution that gave the world its finest revolutionary ideal—the notion that government is the servant, not the master, of the people. The Communists—who call us reactionary—have turned society back to the days of the Pharaohs. The monuments to "Socialist progress" erected in the U.S.S.R.—like the pyramids of ancient Egypt—have been built with slave labor.

On the other hand, we Americans have developed the most flexible, continually progressing society known to man. Our so-called masses already enjoy luxuries undreamed of in most parts of the world. But beyond that is the fact that we are truly free men. We must not let this remarkable experiment in human liberty and opportunity perish from want of courage, or lack of sophistication, or failure to meet the problem with the ablest human resources at our disposal.

The task may seem enormous; but the stakes are even higher. And let us remember that great events are usually determined by resolute minorities. Forty-three years ago communism was confined to a rented room in Zurich, the brains of Lenin and the ambition of a few other outcasts. Fewer than 100 men made the American Revolution. (For a time the whole future of this Nation was carried in the will and heart of a lonely man who walked the winter lines at Valley Forge persuading his ragged countrymen not to quit and go home.) There is more than enough talent in modern America to again change the course of history. But time is impartial. In politics and war, as in business, time is only on that side which knows best how to use it.

The Institute for American Strategy is a nonprofit educational corporation, whose objective is adult education in survival. The institute holds that only an informed public can muster the energy needed to master Communist forces designed to defeat not only freedom but civilization itself.

The institute's history goes back to 1955. In March of that year, a 3-day symposium on strategy was organized in Chicago by the Society of American Military Engineers, the Illinois Institute of Technology, the Chicago Association of Commerce and Industry, and the various branches of the Armed Forces.

This forum on national defense was called the National Military-Industrial Conference. Its purpose was to assess the scientific and technical needs of the United States in the context of Soviet-Communist competition. It brought together men from business, education, government, science, engineering, and other areas, including distinguished leaders from many foreign countries.

The conference recommendations proved so helpful to business and government, it was decided to organize similar seminars to appraise other dimensions of America's world strategic position. Thus, each year since 1955, the National Military-Industrial Conference has met to analyze matters that affect the security and prosperity of the United States.

Participants in the conference became more and more convinced that a permanent year-around program was needed to alert Americans to these matters, particularly the determined and all-encompassing nature of the Soviet-Communist challenge. Therefore, in 1958 the Institute for American Strategy was incorporated to undertake this task.

The institute initiated and sponsored the first National Strategy Seminar for Reserve Officers, held at the National War College, Washington, D.C., in July 1959. The curriculum for the seminar—authorized by the Joint Chiefs of Staff—covered all phases of Communist conflict management: from missile strategy to subversion, from geopolitics and weapons research to propaganda analysis, economic and psychological warfare. The course was developed by the Foreign Policy Research Institute of the University of Pennsylvania. A second National Strategy Seminar for Reserve Officers is being held at the National War College in July 1960.

The institute is sponsoring a master curriculum on national strategy to be published by Doubleday & Co., Inc., in the autumn of 1960 under the title "American Strategy for the Nuclear Age," and issued as an original Doubleday Anchor book. This volume is an outgrowth of the first National Strategy Seminar and contains new versions of many of the addresses presented there as well as the writings of other authorities which have appeared in various magazines, journals, and books during the past few years.

The institute is also organizing local and regional seminars, using materials and lecturers tested at the National Strategy Seminar. Business, professional, and educational groups are invited to apply to the institute for help in arranging their own regional forums on national security affairs.

The Institute for American Strategy is nonpartisan and fully tax exempt. Contributions are deductible on Federal income tax returns. A copy of the Internal Revenue ruling will be furnished on request. Corporations and private foundations are especially invited to consider the institute's program of placing the complex problems of strategy and national defense on the priority agenda of private citizens, professional societies, educators, and business and labor associations.

Mr. MILLER. Mr. President, will the Senator from South Carolina yield?

Mr. THURMOND. I am pleased to yield to the able and distinguished Senator from Iowa.

Mr. MILLER. I thank the Senator from South Carolina. Do I correctly understand that attacks have been made against people of the stature of General Trudeau, Admiral Burke, Mr. Sullivan, and the Richardson Foundation, a foundation which has, along with Mr. Barnett, promulgated some of the national strategy seminar, and that they have been criticized for addressing those groups? Do I understand that this is now being done?

Mr. THURMOND. The Senator is correct.

Mr. MILLER. I say to the able Senator from South Carolina that those gentlemen addressed the first National Strategy Seminar at the National War College in 1959. Together with the able and distinguished Senator from Delaware and the able and distinguished Senator from Rhode Island, the Senator from Iowa was privileged to attend that seminar. In my judgment, it was one of the finest 2-week periods of active duty I have ever attended. I derived no end of benefit in realizing the dangers of the cold war. As a result, it has been my privilege to try to spread the information about the dangers of the cold war which I received at that very helpful seminar.

The Senator from South Carolina is rendering a great public service by bringing to the attention of the American people the attacks which have been leveled at certain persons for saying what they did and making addresses aside from planning programs of this nature. I believe these programs should be promulgated throughout the country; that they should be extended into our universities and even, in fact, into our high schools.

I believe the subject of the cold war should be discussed and should be a part of every curriculum in every school in the country, so that our young people, who will grow up to fight in the cold war, or perhaps even in a hot war against the Communist world, will have an informational background that will enable them to cope with this menace.

The Senator from South Carolina is to be commended for bringing this subject to our attention.

Mr. THURMOND. I thank the able Senator from Iowa for his remarks. He is pursuing a course of the kind he has referred to. He has the vision to know what communism means. He realizes the menace communism is to the United States and the free world. His remarks constitute a great contribution to my address this evening. I express my deep appreciation to him for bringing to the attention of the American people the information he has given.

Mr. President, in the New York Times of June 18, 1961, there appeared an article entitled "Rightwing Officers Worrying Pentagon," over the byline of Cabell Phillips. This article, obviously an exclusive, attributes to high officials in the Pentagon the hope that the other example of General Walker will have a restraining effect on the military men whose zeal in the same cause has been creating mounting embarrassment for them. Immediately following the attribution of this hope to high officials at the Pentagon is a very significant quotation from Arthur Sylvester, Assistant Secretary of Defense for Public Affairs, to the effect that—and I quote from the article:

> No other disciplinary actions are being considered now.

The design and propensities of this article for the intimidation of military leaders is beyond estimate. I ask unanimous consent that the text of this article from the New York Times of June 18 be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RIGHTWING OFFICERS WORRYING PENTAGON

(By Cabell Phillips)

WASHINGTON, June 17.—The Pentagon is having its troubles with rightwingers in uniform.

A number of officers of high and middle rank are indoctrinating their commands and the civilian populations near their bases with political theories resembling those of the John Birch Society. They are also holding up to criticism and ridicule some official policies of the U.S. Government.

The most conspicuous example of some of these officers was Maj. Gen. Edwin A. Walker, who was officially "admonished" for his activities by the Secretary of the Army earlier this week.

General Walker's offense was in saying that a number of prominent Americans, as well as elements of the newspaper and television industries, were tainted with Communist ideology.

He did this in the course of a continuing effort that the general said was "designed to develop an understanding of the American military and civil heritage, responsibility toward that heritage, and the facts and objectives of those enemies who would destroy it."

General Walker was the commander of the 24th Infantry Division in Germany at the time.

POLICY SET 3 YEARS AGO

In his anti-Communist effort General Walker was operating under a 3-year-old policy of the National Security Council. This called for a mobilization of all arms of Government—military, diplomatic, civilian—in the "cold war" struggle.

Where the general went wrong, apparently, was in confusing his own political inclinations with the administration's strategy for fighting the "cold war."

High officials at the Pentagon have said that they hope this example will have a restraining effect on other military men whose zeal in the same cause has been creating mounting embarrassment for them.

"No other disciplinary actions are being considered now," said Arthur Sylvester, Assistant Secretary of Defense for Public Affairs.

"It is no secret, however, that this sort of activity by representatives of the Defense Department has been a disturbing problem for us. We are trying to reach a more rational handling of this aspect of the 'cold war' effort than has been the case in the past."

The problem for the Pentagon arises out of the fact that a number of its higher ranking officers have participated in or publicly lent their support to a variety of so-called forums, schools, and seminars, ostensibly focused on the issues of national security. However, many of those groups—at least incidentally—are preoccupied with radically rightwing political philosophies.

STRESS ON ANTICOMMUNISM

The chief ingredient of these philosophies is often a militant anticommunism. The argument is that Communist subversion today is rife among the schools, the churches, labor unions, Government offices and elsewhere, and that this is a far greater threat to national survival than the international aspects of the Communist conspiracy.

In this argument, liberalism is equated with socialism and socialism with communism. Thus it opposes most welfare legislation, many programs for international cooperation such as foreign aid and disarmament conferences, and any effort by this Government to seek accommodations with the Soviet Union. Such activities are depicted as a playing into the hands of the Communists, and sometimes as stemming from Communist subversion.

As part of such indoctrination, citizens often are urged to form their own groups to "educate" others about the Communist menace and to be alert in discerning Communist influences in their neighborhoods, schools, newspapers, and local governing bodies.

The genesis of this problem goes back to the so-called cold war policy evolved by the National Security Council in the summer of 1958.

That was a year of mounting international tensions when Communist power seemed to be on the rise around the world, Vice President Richard M. Nixon was then the victim of assembled Communist mobs during a good will tour of South America; President Eisenhower dispatched Marines to Lebanon to fend off Communist political aggressions in the Middle East; Communist China stepped up its artillery attacks on Quemoy and Matsu.

COLD WAR WIDENED

President Eisenhower and his top policy leaders decreed that the cold war could not be fought as a series of separate and often unrelated actions, as with foreign aid and propaganda. Rather, it must be fought with a concentration of all the resources of the Government and with the full understanding and support of the civilian population. It was decided, in particular, that the military should be used to reinforce the cold war effort.

This was the substance of the still classified cold war policy paper of the National Security Council.

Its implementation in the Department of Defense was ordered through a series of directives and guidance papers, also classified, directed to the top civilian and uniformed authorities. These officials were told to take positive measures to alert the troops under their command and the public at large to the issues of national security and the cold war.

How specific these directives were as to the particular tools and approaches to be employed in this effort cannot be learned. But commanding officers were supplied with literature and speech material and were required to report regularly on their cold war activities.

However, it is known that commanding officers were allowed wide latitude in applying the directives within their commands.

Of the hundreds of military bases here and abroad, only a score have become involved in these programs to the point that they have caused alarm among the new civilian team in the Pentagon. Officials suspect, however, that the trend is somewhat more widespread than their reports currently indicate. They are quietly trying to find out how widespread it is.

A typical example about which they do know is a seminar labeled "Project Action."

This was held at the Naval Air Station, Wold-Chamberlain Field, Minneapolis, on April 28 and 29 of this year. Capt. Robert T. Kieling is the commanding officer of the station. He was a cosponsor of the program in collaboration with a committee of the Minneapolis-St. Paul Chamber of Commerce.

The official announcement described the program as follows:

"The purpose of Project Action is to inspire the citizens of this area to take an active part in the war against the danger that threatens our freedom and American way of life.

"The program of talks and presentations by nationally known leaders for the cause of democracy will bring to light facts and figures concerning the rising crime rate, juvenile delinquency, drug addiction, the general degradation of morals, the complacent attitude toward patriotism, and the tremendous gains the Communist conspiracy is making in this country.

"The U.S. naval air station is making facilities available for the seminar at the request of the Twin Cities Council for American Ideals. Out-of-local-area participants are invited to take advantage of overnight accommodations on the air station. A nominal fee of 50 cents per person will be charged. The (seminar) fee of $7.50 includes two noon meals."

Approximately 500 persons from the upper Middle West attended the 2-day program. Among the lecturers who addressed them were Dr. Gerhard Niemeyer, University of Notre Dame; Dr. Nicholas Nyaradi, Bradley University; Dr. B. N. Bengston, Maywood, Ill., and two defectors from the Soviet Union. Several films were shown and literature was distributed purporting to explain the nature of Communist subversion, with particular emphasis on its attack upon American morals.

Among the scores of letters concerning Project Action that reached the Pentagon in the following days was one from a newspaper editor. It said in part:

"Perhaps some one can clear up for us our lack of understanding as to just how cosponsorship of such activities fits in with the Navy mission, or the overall military mission, for that matter. It must be admitted that the local Project Action is politically partisan in a very real sense, although the partisanship is not of the party label type.

Another example of these political activities concerns Capt. Kenneth J. Sanger, commanding officer of the Sands Point Naval Air Station, Seattle, Wash. His activities over the last year have aroused a storm of controversy. Hundreds of letters, supporting and condemning him, have poured into the Pentagon and congressional offices in recent weeks.

In pursuing what he describes as a program of "moral leadership" on and off the base, Captain Sanger has made wide use of two controversial films, "Operation Abolition" and "Communism on the Map."

The first film was produced by the House Committee on Un-American Activities as a counterweapon against those who sought last year to terminate its career—depicts as Communist inspired and managed last year's student riots in San Francisco, where the committee held an inquiry. The message of the film is that Communist influence has infiltrated school life across the Nation. Critics contend the film is distorted and misleading.

FILM MADE AT COLLEGE

The second film was produced at Harding College, Searcy, Ark. It shows the United States virtually engulfed in a world gone either Communist or Socialist, including all of its NATO allies except Portugal. Among those whom the film narrator cites as responsible for this condition are President Franklin D. Roosevelt, for having recognized the Soviet Union and General of the Army George C. Marshall, for having made possible the Communist takeover of China.

These films and accompanying lectures by Captain Sanger and members of his team have been exhibited before hundreds of audiences, many of them composed of high school and college students, all over the Northwest. Among the many letters condemning the program was one published in the Seattle Times of last March 22 from James I. Kimbrough, who wrote in part:

"My concern is not with Captain Sanger; my concern is with the concept which suggests that any branch of the Armed Forces is the appropriate vehicle for the dissemination to the civilian population, and particularly to our youth, of proper attitudes of patriotism and concern for our democratic ideals. This is the nut of the issue, not communism or anticommunism."

Among numerous other incidents that have been brought to the attention of the Defense Department is the Fourth Dimensional Warfare Seminar held in Pittsburgh on April 15. Among those listed as giving assistance and support to the program were Lt. Gen. Ridgely Gaither, Commanding General, 2d Army, and Maj. Gen. Ralph C. Cooper, Commanding General, 21st Army Corps, and their respective staffs.

Several of the main speakers were highly critical of the Government's cold war policies.

One, for example, Adm. Chester Ward, retired, was reported in the local newspapers as having said that "some of the advisers now surrounding the President" have philosophies regarding foreign affairs "that would chill the average American." He mentioned by name, in this connection, Adlai E. Stevenson, U.S. representative to the United Nations, and George F. Kennan, U.S. Ambassador to Yugoslavia.

Members of the seminar were given a list of 18 points on "What You Can Do in the Fight Against Communism." Some of these that the Defense Department officials found disturbing included:

"This sort of thing, if carried far enough among susceptible people, can breed a wave of vigilantism and witch-hunting," one Pentagon official said. "Even Mr. Hoover of the FBI, whom nobody would call 'soft on communism,' deplores these self-appointed counterspies."

LEFT IN DELICATE POSITION

Civilian chiefs in the Pentagon find themselves in a delicate position with respect to this sort of activity in the higher uniformed echelons. They are disturbed by the right-wing views displayed by many of these officers. Yet, realistically, they cannot either ignore the threat of Communist subversion or be tagged, as one of them put it, "as being against anticommunism."

"The real problem," he went on, "is one of proportion. Nearly every responsible official I know of thinks that the real war against communism has to be fought in the international arena as it's political, diplomatic, economic, and in a limited sense, military. That, certainly, is the way the official policies of this Government are geared."

"When, as these fellows do, you change the target to looking for spies under the bed or in the PTA you divert that much energy and support away from the main objective of the cold war. And at the same time, you instill fear and distrust of our Government and its leaders."

Reinforcing his point, he took from his desk a memorandum from Secretary of Defense Robert S. McNamara, which has been circulated as "guidance" throughout the service. In part, it said:

"After the President has taken a position, has established a policy, or after appropriate officials in the Defense Department have established a policy, I expect that no member of the Department, either civilian or military, will discuss that policy other than in a way to support it before the public."

The dilemma of these officials is deepened by two other considerations.

One is that the experience of the servicemen captured by the Communists during the Korean war revealed a serious gap in the moral stamina and the patriotic dedication of a good part of American youth.

This has greatly alarmed many military men who believe that the Nation must breed a tougher type of soldier if it is to survive in another war. To many schooled in the military discipline, there is a link between this moral and intellectual softness and certain social and political trends in American life over the last two decades.

The other consideration is that under the so-called cold war policy evolved by the National Security Council in 1958, commanding officers were encouraged to help stimulate a widespread public awareness of the challenge and problems of national security. Inevitably, many interpreted the national peril in their own political terms, and, like General Walker, shaped their attacks accordingly.

The new civilian team in the Pentagon ha begun a careful screening of the vast amount of printed and filmed material used by the services in their programs of troop indoctrination and community relations. The only positive step they have taken so far is to ban official use of the film "Communism on the Map," and to relegate

"Operation Abolition" to a when-asked-for basis of availability.

"But this sort of screening doesn't directly affect General X if he wants to make a speech about communism in the schools or play footsie with the Birch Society people," an official explained. "Unless he gets 'way off base, like General Walker did, we can't discipline him.

"There is a big gray area here where the difference between right and wrong—between saying too much and not saying too much—is terribly hard to distinguish. Who is to tell a three-star admiral how right wing—or how left wing—his political outlook can be?

"Our best hope is that the extremists will begin to get the message themselves, as from General Walker and as from speeches of the secretaries, and use good judgment in what they say and do."

Mr. THURMOND. Mr. President, many articles along this line have appeared in the Communist organ, the Worker. One of particular significance, however, appeared in the July 16, 1961, issue of the Worker and was written by Gus Hall, general secretary, Communist Party, U.S.A. It points out how much the Defense Department's indoctrination programs are hurting the cause of communism. This article is entitled "The Ultraright Kennedy, and Role of the Progressives." A bold caption at the top of the article leaves no doubt as to the significance which the Communist Party gives to its efforts to discredit our military leaders. The caption reads:

Our Readers Are Invited To Send in Their Views and Comments on This Important Policy Statement by Gus Hall.

It is significant that one of the principal targets of this article is the directive of the National Security Council of 1958, authorizing and directing the institution of an informational program by the armed services concerning communism. Mr. President, I ask unanimous consent that this article from the Worker of July 16 be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE ULTRARIGHT, KENNEDY, AND ROLE OF THE PROGRESSIVE

(By Gus Hall, general secretary, Communist Party, U.S.A.)

The threat from the ultraright continues to mount in the United States. At the same time, the Kennedy administration pursues a cold war, interventionist, and generally antidemocratic course. We are, therefore, confronted with a unique problem of how, under these circumstances, to carry on the struggle for peace and democracy most effectively. The problem can best be posed by a series of questions.

Is the threat from the extreme right serious, in the sense that it is approaching the position where it can exert the decisive influence in government or itself make a bid for power?

What is the relationship between the ultraright and the Kennedy administration; and how are they different? Is it necessary to draw a line of differentiation?

These are complex and serious problems. Much can be learned from our own history, especially the New Deal period, and also from parallel situations in other countries, as in France. But there are also new and special aspects which need serious assessment. Here I propose only to begin such an assessment.

THE THREAT FROM THE ULTRARIGHT

In the opinion of the Communist Party, there can be no question but that the threat from the extreme right is serious. It arises from a situation which is new for the United States. This, the most powerful capitalist country, cannot have its way in a world in which the forces of socialism, national liberation, and peace are playing a decisive role. Continuing rebuffs and defeats for the cold war and interventionist policy (most recently in Cuba and Laos) confront the dominant monopoly power with a choice, essentially between two alternatives. One is to end the cold war and to seek some form of accommodation to the socialist and national revolutionary world, which would mean a turn to a policy of peaceful coexistence and peaceful competition. Such a shift of policy would meet the most urgent national needs of the country in the present period of world history.

The other course is to seek to contain and reverse world trends by all means, including so-called limited war and the ultimate nuclear war. It is necessary to recognize that the present cold-war policies of the administration lead in this direction. However, we must also recognize that the most aggressive and extreme expression of this suicidal policy comes from the ultraright.

War is their prescription for the crisis facing the country. Senator GOLDWATER and Richard Nixon, contending for leadership of the Rightwing Republicans advocate a war course, as do their Dixiecrat-Democratic allies, like Senators EASTLAND and SMATHERS. They are ready to take any pressing world issue, whether it be Cuba or Berlin, as an occasion for starting military action. They actively and aggressively seek the brink. In fact, Nixon is now calling for resuming the Dulles brinkmanship policy.

The Fascist Network

In back of this political warminded coalition, there is emerging in the country an organized movement of the fascist type, financed by the most chauvinist and aggressive sectors of big business. This is more serious than previous developments of this kind, and holds even a greater threat than the movement led by the late Senator Joe McCarthy.

For one thing, unlike previous fascist currents, the present movement is taking the form of a membership organization, in conspiratorial action groups, including secret military formation. The spearhead, the John Birch Society, is such an organization, around which is gathering a network of older hate groups, fascist sheets, and the white citizens councils and other diehard racist groups of the South.

The fascist network is openly in a sort of division of labor, in conjunction with legislative committees, like HUAC and the Senate Internal Security Committee, and similar bodies in the States.

It is developing the demagogy characteristic of Fascist movements, such as repeal of the income tax, and is also beginning to put forth antimonopoly slogans to ensnare middle-class dissent.

The Fascist network openly contemptuous of democracy and the Bill of Rights, and advocates the right of revolution—that is, in fact, counterrevolution. It proclaims the aim of seizing political power. With considerable influence in government today, it is working to dominate it entirely.

Military-big business complex

Another pronounced characteristic of this growing Fascist movement is its spreading influence among the higher military personnel. The case of General Walker was only a symptom of a much deeper affliction. Even the Pentagon had to admit recently that it was worried over the extent of Birchite and similar influences among the ranking officers of the military services.

It is now known that a secret directive, issued by the National Security Council in 1958, instructed commanding officers here and abroad to enlighten both the Armed Forces and civilians in their areas on the cold war policy. It was followed by additional guides and materials, still classified as secret, issued by the Joint Chiefs of Staff, on the basis of which seminars and meetings were organized by the military commands, often in cooperation with local business groups. Complaints have been pouring into the Pentagon against the political activities of the military staffs, especially their wide dissemination of Birchite propaganda and of the obnoxious films "Operation Abolition" and "Communism on the Map."

The entire line of policy, coupled with CIA and similar training in subversive and putschist activities, cannot help but create our own "French generals," who feel at home in Fascist circles, and are ready to lend themselves to their objectives. It is an outgrowth of 20 years of militarization, of the close cooperation between the Armed Forces and monopoly in handling a $40 billion budget annually, and of a desperation born of a bankrupt foreign policy.

This complex of monopoly and the military, nurtured on war economy, has diverted science to military uses almost entirely, buying out the main branches of higher education and bringing within this web large sections of the student youth and intellectuals.

When you get this combination of high-ranking military officers, the Fascist organizations in North and South, the Right Republican-Dixiecrat coalition, and deep inroads into governmental bodies and in the educational system, we can surely say that the threat from the ultraright is serious indeed.

The aim of this movement, shared by the varied elements of the ultraright and reaction, is the complete destruction of democracy, the wiping out of the main social gains won by labor and the people in the past decades, the suppression or subversion of independent people's organizations like the trade unions, peace groups, and Negro societies, and the incarnation of Jim Crowism and racism as a national creed—in a word, a garrison state that will seek to drive the country to war and self-destruction.

Mr. THURMOND. Mr. President, the elevation of the author of this article, Gus Hall, to general secretary of the Communist Party, U.S.A., has very special significance. This special significance and Hall's background are set forth in an article by J. Edgar Hoover, Director of the Federal Bureau of Investigation, entitled "Communist Party, U.S.A.," which was printed in Ave Maria on April 30, 1960. I ask unanimous consent that the text of the article "Communist Party, U.S.A.," by Mr. Hoover be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COMMUNIST PARTY, U.S.A.

(By John Edgar Hoover, Director, Federal Bureau of Investigation)

It is the current vogue in certain circles to make light of the Communist Party, U.S.A., to minimize it as a potential threat to American security and to picture it as shattered, disorganized, and confused. Emanating from these same circles, over and over, is the theme that because it has declined in numbers the party is weak, demoralized, and wholly ineffective. The picture projected would appear to characterize the Communist Party, U.S.A., as somewhat

akin to the defanged rattlesnake—noisy but harmless.

This picture is false.

In any sound assessment, the Communist Party, U.S.A., must be considered in the context of international communism. The Communist Party, U.S.A., does not exist alone and isolated—a political entity dependent solely on numbers for its strength. It is, instead, the disciplined adjunct of an increasingly powerful, wholly totalitarian, foreign-directed international conspiracy. The danger inherent in this auxiliary of evil—the Communist Party, U.S.A.—must be analyzed in such a relationship.

It is only when we realize the domestic Communist Party is an instrument wielded from without our national boundaries that we begin to grasp the threat it poses. The word "instrument" is, in fact, a fitting one in comparing the party of the recent past with the party of the present. Then membership was at an alltime high. Now the disenchanted and spiritually uncommitted have been sloughed off. What is left is a hard-core instrument dedicated to the destruction of our individual freedoms.

In figurative terms, the sickle of the past was soft and dull. The hand which brandished it—international communism—was relatively weak. Today, the cold steel of the sickle is razor sharp and the arm which swings it is heavily muscled. So, in assessing the hazards before us, consider for yourself which is the more dangerous—a large but fluctuating group whose external support is lacking in strength and assurance or a smaller, tightly disciplined body dedicated to executing the will, at all costs, of a powerful and aggressive force whose creature it is.

The Communist Party, U.S.A., is the instrument of international communism. It is utterly subservient to international communism and it exists only to advance the objectives of world communism.

In order to analyze the threat which is implicit in the domestic Communist movement, therefore, one must have some knowledge of the international Communist movement and some understanding of its goals.

What does Lenin say in his chilling prophecy?

"As long as capitalism and socialism exist, we cannot live in peace: in the end, one or the other will triumph—a funeral dirge will be sung either over the Soviet Republic or over world capitalism. * * *"

That statement cannot be misunderstood. Lenin's meaning is equally plain in the following statement:

"The dictatorship of the proletariat is the rule of one class, which takes into its hands the whole apparatus of the new state which vanquishes the bourgeoisie and neutralizes the whole of the petty bourgeoisie, the peasantry, the lower middle class and the intelligentsia."

One need go no further than Lenin's classic essay in Marxian strategy and tactics—"Left-wing communism, an Infantile Disorder"—to gain understanding of what we may expect in the future. Lenin's philosophy, encompassing the use of deceit and duplicity to achieve the ends of communism, has not been rejected. On the contrary, current leaders reiterate their undeviating adherence to the course of action outlined by Lenin. It is well to remember Lenin's hearty approval of party members who upheld the viewpoint that it is obligatory to combine legal with illegal forms of struggle and that he referred again and again in his writings to the need for combining illegal action with legal action in order to advance the cause of communism.

Lenin was expounding his theories on the ways and means of achieving world domination at a time when only one nation lay crushed under the iron fist. Those theories—the strategy and the tactics—have since been applied with such success that today one-fourth of the land surface of the world and one-third of the peoples of the earth are now controlled by the world-wide Communist bloc. We ignore these facts at our peril. At our peril, also, will be any minimization of the danger inherent in the currently constituted Communist Party, U.S.A.

I repeat, the Communist Party, U.S.A., cannot be separated from its parent. It must be analyzed in relation to the strategy and tactics of the international Communist movement. Its numerical strength must be considered in relation to its future expansion potential, and its current influence in relation to its program for the future.

A view of what we may anticipate in the future can be secured from a quick glance at what members hail as a milestone in the party's future—the 17th national convention of the Communist Party, U.S.A. I might say at the outset that the illusive Red tie that binds the international Communist conspiracy was evidenced at the convention in the greetings received from approximately 50 foreign Communist parties. These included the Communist Party of the Soviet Union and that of China.

We may set forth four major points considered by the party faithful as their chief accomplishments at the 17th national convention. These are:

1. Promotion of Gus Hall to the No. 1 position in the party.

2. Uniting of the membership solidly behind the new leadership.

3. Exploitation of the current international political climate in an effort to make Russian policies more acceptable to American public opinion.

4. The implementation of concrete programs calculated to increase party membership and influence in America.

What does the promotion of Gus Hall mean?

It means that an energetic, coldly calculating, aggressively pro-Russian ex-convict now is directing the visible forces which are dedicated to the destruction of individual freedom in America. Gus Hall is an utterly ruthless Communist. He believes that the ends of communism justify the use of any means to achieve those ends. Gus Hall is an opportunist. There are many indications that he used his influence in the "dump Dennis" campaign in order to replace what he considered the ineffectual leadership of the ailing Eugene Dennis with his own relentless brand of direction.

Gus Hall was born Arvo Halberg in 1910 at Virginia, Minn. His parents were Matt and Susanna Halberg who later were to become charter members of the Communist Party in the United States. Hall joined the party in 1927. Four years later he was attending the Lenin School in Russia. Among other courses at the Lenin School, students were trained in sabotage and guerrilla warfare techniques.

Hall returned to the United States in 1933 and became active in the Young Communist League as an organizer. Shortly thereafter he entered into full-time party work as a section organizer. A Russian-taught disciple of Leninistic communism, Hall worked hard and rose swiftly into positions of power. He became a member of the party's national committee in 1945 and a member of the national board in 1947. In 1950 he was appointed national secretary, a move necessitated by the imprisonment of Eugene Dennis, the general secretary, who was found guilty of conspiring to violate the Smith Act of 1940.

Convicted of violating the same act himself, and facing confinement, Hall jumped $20,000 bond and became a fugitive. Dyeing his blond hair, eyebrows, and lashes dark brown, he furthered his disguise by shaving off his mustache and shedding 40 pounds. Hall's effort at concealment was unsuccessful. He was arrested by the FBI in 1951. Gus Hall was sentenced to serve 3 years in prison for contempt of court, in addition to the 5-year sentence imposed on him for conspiracy to violate the Smith Act.

Hall was conditionally released from prison in March 1957. His probationary period ended on April 5, 1959, and he immediately resumed his efforts directed toward the sovietization of America by becoming a member of the party's national executive committee.

Under the leadership of this Moscow-trained, utterly ruthless Communist, the 17th national convention formulated an organizational apparatus which is designed to make the Communist Party, U.S.A., a formidable weapon against our free American society in the future. A 60-member national committee—actually a politburo—was established. Included in this group are such veteran Communist leaders as Elizabeth Gurley Flynn, James Jackson, Hyman Lumer, Arnold Samuel Johnson, and Irving Potash.

Theoretically this 60-member national committee governs the party between conventions. In actual fact, policy is made by a small ruling clique. This small clique consists of the party's national officers, who were elected after the convention by the national committee.

The national officers are: William Z. Foster, chairman emeritus; Eugene Dennis, national chairman; Gus Hall, general secretary; Benjamin J. Davis, national secretary; Claude Lightfoot, vice chairman; Elizabeth Gurley Flynn, vice chairman; Hyman Lumer, national education secretary, and James Jackson, editor of the Worker.

Dennis, Hall, Davis, Lumer, and Jackson comprise a five-man secretariat which is the day-to-day operating authority for the party.

Hall is indisputably the new party chief. Under him the party will remain in the future—as it has been in the past—completely subservient to Moscow.

Proof of the absolutely monolithic unity of the party was reemphasized at the convention just past. In the course of the convention certain changes were made in the party's constitution. These changes eliminated features stemming from the previous convention which allowed greater freedom to local party units. The 1959 changes wiped out this leeway and centralized control in national headquarters. Thus we see clearly the historic Communist principle of democratic centralism in perfect pattern. This principle asserts that once a decision has been made in the party it must be carried out without dissent.

Since Stalin's death, the party has been torn by factional disputes. Those responsible have been driven out or driven to cover. Hall exultantly declared that "we" now have one policy, one line and one direction. Strict discipline is the order of the day.

Jubilant party leaders are convinced that the visit of the Russian Premier to the United States has done much to create an atmosphere favorable to communism among Americans. The leaders believe the time is ripe for an increase in their activities with the resultant gain of influence in American life. Gus Hall's keynote address set forth the party's great issue.

Hall said: "The central question of this convention is: What is the role of the party in this entirely new situation? How can it now move out into the broad stream of the people's movement? How can it break the bonds of its isolation and become more and more effectively a factor in the life of our Nation?"

And he continued, "We want to participate in, organize and lead the broadest of united front movements—on every level—in 1,000 ways, in 10,000 places, on 100,000 issues—if possible, with 180 million people."

The Communist Party is buoyantly optimistic. It believes that the international

climate currently favors its work. And it is gearing plans to renew agitation in all fields on all fronts.

Americans must expect to see the enlargement of the party apparatus itself. They must be prepared for an increase in party influence throughout the Nation as a whole. They must expect the creation of scores of new Communist front groups and the launching of infiltration programs on every single level of American life. They must expect to see members of the Communist Party—champions of the Communist manifesto, which advocates force and violence, and of Lenin, who subscribes to the use of illegal tactics—seek to assume the mantle of socialism despite the fact that honest advocates of that philosophy reject the use of force and violence.

Party leaders recognize the fact that a strong party organization is essential to a successful agitation program. At the convention, therefore, concrete plans were laid for a nationwide recruitment program and for intensified training of party members. In the Communist Party, education (indoctrination) is vital. Every member must be imbued with the principles of Marx, Engels, and Lenin.

It was pointed out at the convention that the party's weekly publication, the Worker, is the party's lifeblood, and that strengthening it must be a chief aim. Circulation of the Worker is currently approximately 14,000. The party wants that number increased to 25,000 in 1960.

Where does a rejuvenated Communist Party expect to plant the seeds of communism in the near future? What groups are prime targets?

The Communist Party, U.S.A., believes that if it is to survive, it must attract the youth of this Nation. American youth is, therefore, to be a major target of Communist agitation and propaganda. So are our Negro citizens. At the 17th national convention it was made clear that the recruitment theme is—as it has been in the past—to hold forth the Communist Party as the savior of the Negro.

It is no secret that one of the bitter disappointments of the Communist Party has been its failure to subvert the Negro citizens of America. The attempt to lure the Negro into the Communist fold is to be renewed with vigor. The pseudo concern of the party will be turned toward minority groups. Agitation and propaganda activities are to be directed toward such groups in the United States as the Mexicans, Japanese-Americans, Puerto Ricans, and the American Indian.

But our youth and our minority racial and nationality groups are by no means to be the sole targets of Communist agitation and propaganda.

Under the leadership of Irving Potash, there is to be a renewed attempt to infiltrate and dominate American labor unions. Potash, it is worth noting, has an arrest record dating back to 1919 for criminal anarchy, conspiracy to influence and intimidate witnesses, conspiracy to teach and advocate the overthrow of the U.S. Government by force and violence, and illegal reentry into this country.

Efforts will be made to gain the confidence of the farmer, to influence both major political parties and to make increasing inroads among college students.

In the field of international relations, the convention adopted a motion to instruct the new national committee to create a subcommittee on Latin American affairs. Certainly, we may anticipate that every effort will be made to deceive the American people and trick them into supporting the revolutionary movement in Latin America.

I have set forth briefly the "line" which the party expects to pursue with increased vigor in the future. Certainly, we may anticipate that every form of activity in the field of agitation and propaganda will be increased. The drive for a "united front" in every field of endeavor may be anticipated. Such Communist publications as the Worker, Political Affairs and Mainstream will be supplemented by new propaganda sheets and front publicity.

There is no question but that, as the worldwide menace of communism increases, the sinister tentacles coiling throughout the basic social life of the nations yet free become more dangerous. Experience of the past and evidence in the present indicate that the Communist Party always seeks to entrench itself and gain power by devious means in preparation for the historic moment when the time is ripe for a takeover by forceful means. Nothing, I think reveals the basic duplicity and future intent of the Communist Party, U.S.A., more plainly than do words out of the mouth of its current leader.

At the close of the 17th national convention in December 1959, veteran reporters sought to question the new leader, Gus Hall. (Newspapermen, of course, had been excluded from the convention.) One of the questioners asked Hall if the Communist Party, U.S.A., advocates the violent overthrow of the U.S. Government. Hall, convicted in Federal court for conspiring to do just that, said blandly, "No, we have never advocated this."

Yet this is the same Gus Hall who, during his 1934 trial in Minneapolis, Minn., in connection with a riot there when he was a member of the Young Communist League, testified as follows:

Question. But you would prefer the Russian—you would prefer to be in Russia?

Answer. I prefer America with a Soviet government.

Question. And you are willing to fight and overthrow this Government?

Answer. Absolutely.

Question. And you are willing to take up arms and overthrow the constituted authorities?

Answer. When the time comes, yes. "When the time comes, yes." Concealed in those five simple words is to be found the deadly promise of communism in the future.

Mr. THURMOND. Mr. President, evidence that the campaign to discredit our military leaders had spread far beyond the confines of the Communist Party is not limited to the June 18 article in the New York Times. On June 28, 1961, there appeared in the Washington Post and Times Herald an article, by Marquis Childs, entitled "Birchites Find Allies in Military." The essence of this article is criticism of the military for overstepping the traditional bounds of military propriety by speaking bluntly about the total nature of communism under authority of the directive of 1958. The opening paragraph of this article reads:

One of Secretary of Defense McNamara's goals is to make sure that the military is not playing politics under the guise of educating the public to the menace of the cold war.

Mr. President, I ask unanimous consent that the text of this article by Mr. Childs be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIRCHITES FINDING ALLIES IN MILITARY

(By Marquis Childs)

One of Secretary of Defense Robert McNamara's goals is to make sure that the military is not playing politics under the guise of educating the public to the menace of the cold war.

It was an Eisenhower administration directive of 1958, still in force, that put the military in the business of helping to alert Americans to the need for an overall cold war strategy. This was a radical departure from American tradition which has held that the place of the military in American life is strictly limited to the professional task of training and equipping the armed services for the Nation's defense.

A memorandum recently sent from Capitol Hill to the White House and thence to the Department of Defense suggests that, with the directive as a justification, some of the military are aiding and abetting the radical right which at the extreme end of the political spectrum is represented by the John Birch Society. This goes so far as to include opposition—implied if not open—to programs such as foreign aid championed by both Presidents Eisenhower and Kennedy.

There is particular sensitivity about the foreign-aid issue, since the President is currently and somewhat belatedly trying to rally the widest possible support for his proposal to expand the scope of the foreign-aid program. For the radical right and certain of its military allies, spending for foreign aid is not merely a waste but perhaps downright subversive. Men in uniform have taken a leading part in, and in some instances have initiated, the memorandum points out, "Alerts," "Seminars," "Freedom Forums," "Strategy for Survival Conferences," and "Fourth Dimensional Warfare Seminars."

"The content no doubt has varied from program to program," the study notes, "but running through all of them is a central theme that the primary, if not exclusive, danger to this country is internal Communist infiltration. Past and current international difficulties are often attributed to this or ascribed to 'softness,' 'sellouts,' 'appeasements,' et cetera. Radical rightwing speakers dominate the programs.

"The thesis of the nature of the Communist threat often is developed by equating social legislation with socialism and the latter with communism. Much of the administration's domestic legislative program, including continuation of the graduated income tax, expansion of social security (particularly medical care under social security), Federal aid to education, et cetera, under this philosophy, would be characterized as steps toward communism."

The memorandum cites several examples. One was a "Fourth Dimensional Warfare Seminar," sponsored by the Chamber of Commerce of Greater Pittsburgh "in cooperation with various military organizations in the Pittsburgh area." The principal speaker was an Adm. Chester Ward (retired) who was quoted as saying that "some of the advisers now surrounding the President" have philosophies regarding foreign affairs "that would chill the typical American." He referred to Ambassador to the United Nations Adlai Stevenson and Ambassador to Yugoslavia George F. Kennan by name.

A year ago the U.S. Naval Air Station at Glenview, Ill., initiated an "Education for American Security" school. The speakers were for the most part professional anti-Communists who earn their living by specializing on the "danger from within" theme.

The fear of congressional and other critics of this approach is that far from uniting Americans in the face of a grave threat from the Communist challenge everywhere it has the opposite effect. By creating fear, suspicion, and hatred it sets Americans against each other. Hammering on the theme of infiltration and internal subversion, it suggests that professional agencies such as the FBI have failed to protect the Nation. Or, conversely, it implies that security agencies, preferably military, should be put in charge of indoctrination of the civil population.

A proper step has just been taken in putting the activities carried out within the scope of the directive of 1958 under the Assistant Secretary for Public Affairs, if the military is to take part in this kind of activity it should be at the very least be coordinated with the programs the Government is actively sponsoring.

There is little sense in one arm of the Government undercutting the policy that another arm of Government is trying to implement. The net effect is to make this country look so confused and so frightened as to be unable to contemplate the realities of the present-day world.

Mr. THURMOND. This article by Marquis Childs suggests that the administration's concern with this matter originated from a memorandum sent to the White House from Capitol Hill, but the article gives no indication concerning the source of the memorandum.

On July 10, 1961, concrete evidence that the campaign to censor and suppress the remarks of our military leaders was having effect appeared in the Department of Defense Directive No. 5122.5. This directive outlines the duties and responsibilities of the Assistant Secretary of Defense for Public Affairs. It is a subtle document, and can best be understood when carefully compared to the directive which it replaced. I ask unanimous consent, therefore, that Department of Defense Directive No. 5122.5 of July 10, 1961, and the directive which it superseded, Department of Defense Directive No. 5122.5 of February 27, 1959, both be printed in the RECORD at this point in my remarks.

There being no objection, the directives were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE DIRECTIVE NO. 5122.5, JULY 10, 1961

Subject: Assistant Secretary of Defense (Public Affairs).

I. GENERAL

Pursuant to the authority vested in the Secretary of Defense and the provisions of the National Security Act of 1947, as amended, including the Department of Defense Reorganization Act of 1958, one of the positions of Assistant Secretary of Defense authorized by the act is hereby designated the Assistant Secretary of Defense (Public Affairs) with responsibilities, functions, and authorities as prescribed herein.

II. RESPONSIBILITIES

The Assistant Secretary of Defense (Public Affairs) is the principal staff assistant to the Secretary of Defense for public information and community relations. He is responsible within the Department of Defense for an integrated Department of Defense public affairs program which will:

1. Provide the American people with maximum information about the Department of Defense consistent with national security.

2. Initiate and support activities contributing to good relations between the Department of Defense and all segments of the public at home and abroad. These activities will be carried out in oversea areas in collaboration with the Department of State and the U.S. Information Agency.

3. Plan for Department of Defense censorship activities during a declared national emergency.

III. FUNCTIONS

Under the direction, authority and control of the Secretary of Defense, the Assistant Secretary of Defense (Public Affairs) shall perform the following functions in his assigned fields of responsibility:

1. Provide policy guidance to the Department of Defense on public affairs matters and approve public affairs aspects of actions which have national or international significance in the fields of public information and community relations.

2. Develop public affairs plans, policies and programs in support of Department of Defense activities, and approve public affairs actions which have significance to Department of Defense plans, policies and programs.

3. Provide for security review under the provisions of Executive Order 10501 of all material for public release and publication originated by the Department of Defense, including testimony before Congressional Committees, or by its contractors, departmental personnel as individuals, and material submitted by sources outside the Department for such review.

4. Provide for review of official speeches, press releases, photographs, films, and other information originated within the Department of Defense for public release, or similar material submitted for review by other executive agencies of the Government. This review will be in conflict with established policies or programs of the Department of Defense or of the National Government.

5. Provide news analysis and clipping service to the Secretary of Defense, Office of the Secretary of Defense, Joint Chiefs of Staff, and Military Departments, as required.

6. Supervise the Department of Defense information declassification program.

7. Evaluate and approve requests for Department of Defense cooperation in programs involving relations with the public.

8. Administer a Department of Defense program for the accreditation of news media representatives to the Department, and prescribe attendant policies and procedures.

9. Provide for approval of travel in military carriers of news media representatives, and of other nondefense personnel, for public affairs purposes.

10. Provide the sole representation of the Department of Defense with regard to formulation or implementation of Government-wide plans, policies, and programs concerning public affairs.

11. Coordinate public affairs in the Department of Defense with those of other departments and agencies of the Government.

12. Provide for the receipt and evaluation of requests for speakers received by the Department of Defense, and, when required, assist in scheduling, programing, and drafting speeches for the participation of qualified personnel.

13. Such other functions as the Secretary of Defense assigns.

IV. RELATIONSHIPS

A. The Secretaries of the military departments and their military and civilian staffs shall exchange information and cooperate fully with the Assistant Secretary of Defense (Public Affairs) and his staff in a continuous effort to achieve efficient and economical administration of the public affairs activities of the Department of Defense.

B. Commanders of the unified and specified commands established by the Secretary of Defense shall similarly cooperate with the Assistant Secretary of Defense (Public Affairs) to insure that public affairs activities throughout all echelons of their commands properly reflect efficient and economical administration of public affairs activities as directed by the Secretary of Defense. The channel of communication for direction and guidance in public affairs matters shall be directly between those commands and the Secretary of Defense. As to such matters, the ASD(PA) is authorized to communicate directly with commanders of unified and specified commands, coordinating on operational matters with the Joint Chiefs of Staff and, as appropriate, with the military departments.

C. All major components of the Department of Defense shall secure the advice of the Assistant Secretary of Defense (Public Affairs) through established command channels before taking actions which have significant public affairs implications.

D. All major components of the Department of Defense shall provide pertinent information to the Office of the Assistant Secretary of Defense (Public Affairs) to enable concurrent planning to the end that maximum information within the limits of national security can be made available to the public.

E. The Assistant Secretary of Defense (Public Affairs) shall coordinate actions, as appropriate, with the Secretaries of the military departments, the Joint Chiefs of Staff, the Office of the Secretary of Defense, and other agencies of the Department to insure responsive fulfillment of his responsibilities.

F. The Assistant Secretary of Defense (Public Affairs) shall, in the performance of his functions:

1. Maintain liaison with and provide appropriate assistance to all information media with respect to matters relating to the activities of the Department of Defense.

2. Maintain liaison with and assist private organizations with respect to matters relating to the activities of the Department of Defense.

V. AUTHORITIES

A. The Assistant Secretary of Defense (Public Affairs), in the course of exercising full staff functions, is hereby specifically delegated authority to:

1. Issue instructions and onetime directive-type memorandums, in writing, appropriate to carrying out policies approved by the Secretary of Defense for his assigned fields of responsibilities, in accordance with Department of Defense Directive 5025.1. Instructions to the military departments will be issued through the Secretaries of those departments or their designees.

2. Through channels established by statute, provide policy guidance to the commands and other organizational entities established by the Secretary of Defense for all public affairs activities, including the release of official information for publication through any form of information media, and the conduct of any informational programs directed in whole or in part to the general public.

3. Obtain such reports and information (in accordance with the provisions of Department of Defense Directives 7700.1 and 5158.1) and assistance from the military departments and other Department of Defense agencies as may be necessary to the performance of his assigned functions.

4. Act as the sole Department of Defense agency at the seat of government for the release of official information for dissemination through any form of public information media.

5. Assure the implementation of all public affairs policies and procedures of the Department of Defense, and the integration of all Department of Defense Public Affairs plans, programs, and related activities.

6. Establish the criteria and be the approving and issuing authority for all credentials required by the United States or foreign news gathering media representatives traveling in or outside the United States in connection with coverage of official Department of Defense activities.

7. Approve military participation in public exhibitions, demonstrations, and ceremonies of national or international significance.

8. Make use, as he deems necessary for carrying out his assigned responsibilities and functions, of established facilities in the Office of the Secretary of Defense, military departments, and other Department of Defense agencies.

9. Act as the sole agency of the Department of Defense for coordination of all matters covered by this directive with other departments and agencies of the Government, as appropriate.

B. Other authorities specifically delegated by the Secretary of Defense to the Assistant Secretary of Defense (Public Affairs) will be referenced in an enclosure to this directive.

VI. DEFENSE PUBLIC AFFAIRS WORKING GROUP

There shall be a Defense Public Affairs Working Group to advise and assist the Assistant Secretary of Defense (Public Affairs) in implementing the provisions of this directive. The Group shall consist of the Assistant Secretary of Defense (Public Affairs), as Chairman, the Deputy Assistant Secretary of Defense (Public Affairs), and the Chiefs of Information of the Army, Navy, Air Force, and Marine Corps.

VII. CANCELLATION

Department of Defense Directive No. 5122.5, dated February 27, 1959, is hereby canceled. Service regulations will be amended accordingly.

VIII. EFFECTIVE DATE

This directive is effective immediately.

ROSWELL GILPATRIC,
Deputy Secretary of Defense.

DEPARTMENT OF DEFENSE DIRECTIVE NO. 5122.5, FEBRUARY 27, 1959

Subject: Assistant Secretary of Defense (Public Affairs).

I. GENERAL

Pursuant to the authority vested in the Secretary of Defense and the provisions of the National Security Act of 1947, as amended, including the Department of Defense Reorganization Act of 1958, one of the positions of Assistant Secretary of Defense authorized by that act is hereby designated the Assistant Secretary of Defense (Public Affairs) with responsibilities, functions, and authorities as prescribed herein.

II. RESPONSIBILITIES

The Assistant Secretary of Defense (Public Affairs) is the principal staff assistant to the Secretary of Defense for all public information activities. He is also the principal staff assistant for community relations. In addition, he is responsible for activities in other functional fields as follows:

1. Security review.
2. Declassification of information.

III. FUNCTIONS

Under the direction, authority, and control of the Secretary of Defense, the Assistant Secretary of Defense (Public Affairs) shall perform the following functions in his assigned fields of responsibility:

1. Advise and assist officials of the Department of Defense on public information and public relations aspects of Department of Defense policies, plans, and programs.

2. Recommend policies and provide appropriate guidance and assistance to assure fulfillment of the Department's affirmative obligation to keep the public adequately informed as to its activities.

3. Provide for the review from a security standpoint under the provisions of Executive Order 10501 of all material originated within the Department of Defense, including testimony before congressional committees, or by its contractors for public release or for publication by departmental personnel as individuals, and of material submitted by sources outside the Department for such review.

4. Provide for the review of official speeches, press releases and other information originated within the Department of Defense for public release, or similar material submitted for review by other executive agencies of the Government, for conflict with established policies or programs of the Department of Defense or the National Government.

5. Supervise the Department of Defense information declassification program.

6. Provide for the receipt and evaluation of requests for speakers received by agencies of the Department of Defense, and when appropriate, assist in arranging for the participation of qualified personnel.

7. Represent the Department of Defense with respect to formulation or implementation of Government-wide plans, policies, and programs concerning public information and public relations activities.

8. Such other functions as the Secretary of Defense assigns.

IV. RELATIONSHIPS

A. In the performance of his functions, the Assistant Secretary of Defense (Public Affairs) shall:

1. Coordinate actions, as appropriate, with the Secretaries of the military departments, the Joint Chiefs of Staff and other Department of Defense agencies having collateral or related functions in the field of his assigned responsibility.

2. Maintain active liaison for the exchange of information and advice with the military departments and other Department of Defense agencies.

3. Make full use of established facilities in the Office of the Secretary of Defense, military departments and other Department of Defense agencies rather than unnecessarily duplicating such facilities.

4. Maintain liaison with and assist all information media with respect to matters relating to the activities of the Department of Defense.

5. Maintain liaison with and assist national and civic organizations with respect to matters relating to the activities of the Department of Defense.

B. The channel of communication for direction and guidance in public affairs matters of concern to unified and specified commands shall be directly between those commands and the Secretary of Defense whenever such matters are determined by the commander of such a command to require direct control for the accomplishment of the mission assigned to his command, or whenever so directed by the Secretary of Defense. The Assistant Secretary of Defense (Public Affairs) is assigned staff responsibility as to such matters and he is authorized to communicate directly as to them with commanders of unified and specified commands, coordinating on operational matters with the Joint Chiefs of Staff and, as appropriate, with the military departments.

C. Public affairs matters affecting service components within unified and specified commands, except as provided above, will continue to be handled in military department channels.

D. The Secretaries of the military departments, their civilian assistants and the military personnel in such departments shall fully cooperate with the Assistant Secretary of Defense (Public Affairs) and his staff in a continuous effort to achieve efficient administration of the Department of Defense and to carry out effectively the direction, authority and control of the Secretary of Defense.

V. AUTHORITIES

A. The Assistant Secretary of Defense (Public Affairs), in the course of exercising full staff functions, is hereby specifically delegated authority to:

1. Issue instructions and one-time directive-type memorandums, in writing, appropriate to carrying out policies approved by the Secretary of Defense for his assigned fields of responsibilities in accordance with Department of Defense Directive 5025.1. Instructions to the military departments will be issued through the Secretaries of those departments or their designees.

2. Obtain such reports and information (in accordance with the provisions of Department of Defense Directives 7700.1 and 5158.1) and assistance from the military departments and other Department of Defense agencies as may be necessary to the performance of his assigned functions.

3. Act as the sole agency at the seat of government for all elements of the Department of Defense, for the release of official information for publication through any form of information media.

4. Assure the implementation of all public affairs policies and procedures of the Department of Defense, and the integration of all Department of Defense public affairs plans, programs and related activities.

5. Establish the criteria and be the approving authority for all credentials required by the U.S. news-gathering media representatives traveling in or outside the United States in connection with coverage of official Department of Defense activities.

6. Monitor military participation in public exhibitions, demonstrations and ceremonies of national or international significance.

7. The Office of the Assistant Secretary of Defense (Public Affairs) shall be the sole agency of the Department of Defense for coordination of all matters covered by this directive with other departments and agencies of the Government, as appropriate.

B. Other authorities specifically delegated by the Secretary of Defense to the Assistant Secretary of Defense (Public Affairs) in other directives will be referenced in an enclosure to this directive.

VI. DEFENSE PUBLIC AFFAIRS COUNCIL

There will be a Defense Public Affairs Council to advise the Assistant Secretary of Defense (Public Affairs). The Council shall consist of the Assistant Secretary of Defense (Public Affairs), as chairman, the Deputy Assistant Secretary of Defense (Public Affairs) and the Chiefs of Information of the Army, Navy, Air Force, and Marine Corps.

VII. CANCELLATION

Department of Defense Directive 5122.5 dated August 17, 1957, and Secretary of Defense Memorandum of November 20, 1958, Subject: "Public Affairs Responsibility for Unified and Specified Commands" are hereby canceled.

VIII. EFFECTIVE DATE

This directive is effective upon publication.

NEIL MCELROY,
Secretary of Defense.

Mr. THURMOND. Some light was thrown on the broadened duties of the Assistant Secretary of Defense for Public Affairs at the press conference of Deputy Secretary of Defense Roswell Gilpatric on July 11, 1961; and I read from pertinent parts of Mr. Gilpatric's press conference:

Secondly, I would like to refer to another directive which at long last has been issued, setting forth the responsibilities of the Office of the Assistant Secretary of Defense for Public Affairs, Mr. Sylvester. The Department of Defense has been concerned since the beginning of this administration by inquiries from the public and the Congress concerning efforts by Department of Defense personnel to indoctrinate the public on nonmilitary matters.

Our policy is that military personnel should in their public appearances stick to matters within their responsibility. And, as a further step toward carrying out that policy we have assigned to Mr. Sylvester and Mr. Lennartson the responsibility for providing policy guidance not only for all public affairs activities of the Department and its entities, but also for the conduct of

any informational programs directed in whole or in part to the general public.

Subsequently, during the press conference, Secretary Gilpatric was confronted with this question—and I quote from the press conference:

May I ask you another question on that other announcement that you had.

This is really not fair to ask a double-barreled question. On this business that Mr. Sylvester is going to expand upon, will you enlarge on the need for this?

Mr. Gilpatric's answer was—and I quote from the press conference:

Ever since we have been here, we have been trying to stick to our business here, and we have been trying to have military spokesmen confine themselves to defense matters. We are not suggesting by this move that we are going to [sic] soft on communism or that we don't want the military to have their own views on the subject of what our national policy should be. But there are other organs and agencies of government that speak for those other areas. We just think that within this Department we ought to have policies which will enable spokesmen for the Department to stick to military matters.

Last Friday, July 21, 1961, two stories of particular significance appeared in the press. I ask unanimous consent that they be printed in the RECORD at this point in my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 21, 1961]

STUDY ASSERTS MILITARY RIGHTISTS RAISE OBSTACLES TO KENNEDY PROGRAM

(By David Burnham)

A Senate Foreign Relations Committee memorandum has warned that rightwing propaganda activities by military officers may create "important obstacles" to President Kennedy's programs.

The study, prepared for Committee Chairman J. WILLIAM FULBRIGHT, Democrat, of Arkansas, was made available to United Press International yesterday.

The report said there was "considerable danger" in allowing the military to continue its present involvement in certain types of political campaigns in the United States.

STUDY CITES 11 CASES

The staff study included a list and capsule description of 11 cases of "education and propaganda activities of military personnel" which have been uncovered during the last year.

"These propaganda activities" it said "may well become important obstacles to public acceptance of the President's program and leadership, if they are not already."

A second congressional committtee has launched a behind-the-scenes investigation of the activities mentioned in the Senate report, it was learned.

The memorandum said the nature of the various propaganda activities has varied. "But running through all of them is a central theme that the primary, if not exclusive, danger to this country is internal Communist infiltration," it said.

The report said the "thesis of the nature of the Communist threat often is developed by equating social legislation with socialism and the latter with communism."

"Much of the administration's domestic legislative program under this philosophy would be characterized as steps toward communism," the memorandum continued.

"This view of the Communist menace renders foreign aid, cultural exchanges, disarmament negotiations and other international programs as extremely wasteful if not actually subversive," it said.

The memorandum said that during the long haul of the cold war that "radicalism on the right can be expected to have great mass appeal. It offers the simple solution, easily understood: Scourging of the devils within the body politic, or, in the extreme, lashing out at the enemy."

Staff investigators with the second congressional committee said the recent rash of political propaganda activities apparently stems from a top secret directive issued by the National Security Council in 1958.

Immediately after the directive was sent to the Pentagon, they said, the Joint Chiefs of Staff issued an order directing the services to establish individual cold war programs.

The Senate study called on President Kennedy to reconsider the 1958 National Security Council directive.

It also called for an examination of the relationships between the Foreign Policy Research Institute, the Institute for American Strategy, the Richardson Foundation, the National War College, and the Joint Chiefs of Staff.

It said this examination should try to determine whether "these relationships do not amount to official support for a viewpoint in variance with that of the administration."

While admitting that the parallel might seem "far fetched," the report mentioned the revolt of the French generals as "an example of the ultimate danger."

[From the New York Times, July 21, 1961]

U.S. CURBS OFFICERS IN RIGHTWING TALKS

(By Cabell Phillips)

WASHINGTON, July 20.—The Defense Department has issued a directive placing restraints on the freedom of military officers to advocate rightwing political theories in official public appearances.

This action resulted from a critical memorandum from Senator J. W. FULBRIGHT, Democrat, of Arkansas, to the White House and to Secretary of Defense Robert S. McNamara. Mr. FULBRIGHT is chairman of the Senate Foreign Relations Committee. The memorandum, written a month ago, came to light today.

It cited a growing pattern of high military officers engaging in or sponsoring a variety of educational programs ostensibly designed to familiarize both their troops and the civilian community with the problems and issues of the cold war. Such programs, it was contended, often veer into rightwing radicalism, which expounds positions that are at variance with established goals and policies of the Government.

Shortly after the receipt of the Fulbright memorandum, and a subsequent conference between the Senator and Mr. McNamara, a directive was issued reinforcing the authority of the Assistant Secretary for Public Affairs to provide "policy guidance [for] * * * the conduct of any information programs directed in whole or in part to the general public."

HOUSE PANEL INQUIRY

Another outgrowth of the memorandum, it was learned today, was the decision by the Government Information Subcommittee, headed by Representative JOHN E. MOSS, Democrat, of California, to open its own inquiry into the field. A spokesman for the committee said today that the group had completed a staff study of what he described as "rightwing propaganda by the military." He also said that a field investigator would start on-the-scene studies next week covering a number of Army and Navy installations in this country.

Senator FULBRIGHT refused comment today beyond saying that such a memorandum had been prepared for his use by the staff of the Foreign Relations Committee and that he had transmitted it to the Secretary of Defense.

However, it is known that his concern, as well as that of Representative Moss, is directed exclusively at so-called extremists among military officers who utilize the public anxiety over the cold war to stir up extravagant fears about the dangers of Communist subversion within the Government and among domestic institutions.

SOME SEMINARS EXCLUDED

They exclude from their concern those cold war seminars and institutes that stay clear of partisan political implications.

The 22-page Fulbright memorandum cited a dozen instances in which military officers either participated in, or actively sponsored, a variety of "forums," "seminars," "schools," and "alerts" designed to increase public awareness "of the nature of the Communist menace." It went on:

"The content no doubt has varied from program to program but running through all of them is a central theme that the primary, if not exclusive, danger to this country is internal Communist infiltration. Past and current international difficulties are often attributed to this, or ascribed to 'softness,' 'sellouts,' 'appeasements,' etc. Radical rightwing speakers dominate the programs."

COLD WAR DIRECTIVE

The memorandum noted that much of the activity complained of had been justified on the ground that it was in implementation of a "cold war" directive of the National Security Council prepared in 1956.

"The view of the menace of the cold war described above already has a great appeal to the public. If the military is infected with this virus of rightwing radicalism, the danger is worthy of attention. If it believes the public is, the danger is enhanced. If, by the process of the military 'educating' the public, the fevers of both groups are raised, the danger is great indeed."

Among the recommendations offered by Senator FULBRIGHT were the following:

That the cold war directive be reconsidered

That the White House and Pentagon cease treating such propaganda activities as isolated disciplinary problems by bringing them under stricter civilian control.

That the role of the National War College in providing instruction on cold war problems be reviewed, and particularly the relation to the college of such private groups as the Foreign Policy Research Institute, the Institute for American Strategy, and the Richardson Foundation.

The Defense Department directive, which was issued on July 10, falls short of encompassing all these recommendations. In effect, it does no more than reiterate the broad responsibility in the field of education and information of the Assistant Secretary for Public Affairs.

But among the special functions it spells out is his authority to provide guidance for all informational programs directed in whole or in part to the general public.

Mr. THURMOND. One of these appeared in the New York Times, again over the byline of Cabell Phillips. The article is entitled "United States Curbs Officers in Right-Wing Talks." The Phillips article is of the same nature as the previous article by this writer in the June 18 issue of the New York Times. The other story appeared in the Washington Post and Times-Herald, over the byline of David Burnham of the UPI, and is entitled "Study Asserts Military Rightists Raise Obstacles to Kennedy Program." The Burnham article attributes a critical study of military leaders' anticommunist indoctrination activities to a memorandum of the Senate

Foreign Relations Committee. The New York Times article is a commentary on the same memorandum, and is attributed by the Times article to the chairman of the Foreign Relations Committee of the Senate.

It is interesting to compare the description of the memorandum referred to in the two later articles with the article published over Cabell Phillip's byline in the New York Times of June 18. One cannot escape the conclusion, after such a comparison, that the June 18 article, written by Cabell Phillips, was based on the content of the memorandum referred to in the subsequent articles.

Upon reading these articles on the morning of Friday, July 12, 1961, I immediately attempted by every means known to me to obtain a copy of the memorandum on which the articles were based, and which had obviously been released to the press. To date, I have still been unable either to obtain a copy of this memorandum or to see its text. According to the article in the July 21 issue of the Times, the memorandum was the basis of affirmative action by the Department of Defense. The news report states:

The Defense Department has issued a directive placing restraints on the freedom of military officers to advocate right-wing political theories in official public appearances.

This action resulted from a critical memorandum from Senator J. W. FULBRIGHT, Democrat, of Arkansas, to the White House and to Secretary of Defense Robert S. McNamara. Mr. FULBRIGHT is chairman of the Senate Foreign Relations Committee. The memorandum, written a month ago, came to light today.

On the morning of July 21, I issued a news release with regard to these articles and the memorandum which they discussed. I ask unanimous consent that the text of my news release of July 21 be printed in the RECORD at this point in my remarks.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR STROM THURMOND, DEMOCRAT, OF SOUTH CAROLINA, ON SENATE FOREIGN RELATIONS COMMITTEE MEMORANDUM ABOUT CURBING MILITARY SPEAKERS ON THE SUBJECT OF COMMUNISM, JULY 21, 1961

The reports of the morning press reveal a dastardly attempt to intimidate the commanders of U.S. Armed Forces and prevent those commanders from teaching their troops the nature of the menace of world communism. This constitutes a serious blow to the security of the United States, and is all the more alarming because the move originated, according to press reports, in a committee of the U.S. Senate.

The principal source of strength of the United States lies in an understanding by our citizens of the principles of government on which our country was founded and the vast gulf between these principles and the insidious nature of world communism. There is particular need for such an understanding by members of our Armed Forces, as is demonstrated by the fact that about 38 percent of the American troops captured by the Communists in Korea are reported to have given comfort to the enemy. Only thorough training of our troops can bring such an understanding. They must know and understand their enemy, and so must the American public—and too many do not fully understand the insidious nature and operations of world communism.

The memorandum which originated within the Foreign Relations Committee of the Senate, according to press reports, charged that the military is teaching the troops that our defeats in the war against communism are the results of appeasement and a "soft attitude" by our own Government. I hope the charge is correct, for it refortifies my belief that our military officers do understand the threat from communism, and are giving their personnel the truth, and knowledge of the truth is the only means by which our troops can be equipped to combat effectively the Communist evil.

In the Defense Department among military personnel lies the real bastion of knowledge and understanding of the Communist threat, an understanding and knowledge long since lacking in the White House, the State Department, and other agencies of the National Government, if we are to judge by their actions. Suppression of the military's dissemination of this knowledge would be disastrous.

If the military teaches the true nature of communism, it must necessarily teach that communism is fundamentally socialism. When socialism, in turn, is understood, one cannot help but realize that many of the domestic programs advocated in the United States, and many of those adopted, fall clearly within the category of socialism. Military leaders in this case are rightly teaching the truth, and as is often the case, the truth can and does hurt.

I have requested a copy of the memorandum prepared by the staff of the Foreign Relations Committee from the committee and from its chairman, but have been refused a copy, although it was released to the press yesterday. I am advised by another member of the committee that he had no knowledge of the memorandum, and that the action with regard to this matter was taken exclusively by the chairman of the committee. I am glad and relieved to learn that the full committee did not join in this damaging action, and I hope the press will give full coverage to the fact that this attempt to intimidate military commanders has no broad support in the Congress.

Mr. THURMOND. Although the memorandum itself is not available, the news stories in the New York Times and the Washington Post and Times Herald gave the meat of the memorandum and the basis of the criticism of the anti-Communist indoctrinations by our military leaders. Mr. President, it is interesting to note what type of information is being disseminated by our military leaders which the American public cannot be trusted to evaluate for itself. The basis of the criticism of our military leaders' anti-Communist indoctrination material is in fact just as revealing as the secrecy of the methods and means by which it is sought to intimidate and gag these military leaders.

No specific instances or quotations from military officers are included in these press reports of the memorandum, which supposedly prompted the curb on anti-Communist indoctrination by military leaders. The press reports do quote the memorandum, however, as saying—

The content no doubt has varied from program to program but running through all of them is a central theme that the primary, if not exclusive, danger to this country is internal Communist infiltration. Past and current international difficulties are often attributed to this, or ascribed to "softness," "sellouts," "appeasement," etc.

Mr. President, I personally find it hard—in fact, almost impossible—to believe that our military leaders underrate the threat to our country from the armed forces and armed might of the Communists, or that our military leaders relegate the threat constituted by the Communist armed forces to a secondary position among the overall threats of the many-sided Communist aggression. I have had occasion to come in contact with many of our top military leaders, both recently and over a period of years; and I have found them highly concerned with the continuous buildup of armed might by Communist nations and the threat to the free world which such a buildup constitutes.

On the other hand, Mr. President, our military leaders would be blind if they did not recognize, and would be derelict in their duty if they did not state, that communism constitutes a much broader threat in its total nature than that exclusively comprised by their armed forces. Indeed, the gains by communism over peoples and territories had stemmed, not primarily from military actions of the Communists, but from other methods of aggression to which they have resorted, and, indeed, to our own softness, naivete, and appeasement of them. For instance, Communist Russia did not occupy and conquer by military might alone the territory and peoples of Eastern Europe. They are not in Berlin, in Germany, and in Poland solely by virtue of their military successes. These gains were secured by the Russians through the means of negotiation at Yalta and at Potsdam. China did not fall to the Communists just because of their superior military potential, for there is serious doubt that they would have ever succeeded in the absence of the official attitude by our own Government, based on the stated belief by our leaders that the Communist Chinese, under Mao Tse-tung and Choi En-lai, were no more than agrarian reformers. Coming to a more recent period, our gullibility again resulted in Communist gains when our Government lent its support to the Red dictator of Cuba when he made his bid for power.

Mr. President, the terms "appeasement" and "soft on communism" are difficult to define, and are susceptible of being interpreted with rather broad latitude, when applied to any specific action or actions of Government; but if, however, they are broad enough to embrace an almost fantastic gullibility, the terms are applicable to our previous actions and are in no small measure responsible for many of the Communist gains. There can be no truthful denial that our country and its leaders have, on many occasions in the past, accepted the most thinly veiled Communist fronts for whatever they purported themselves to be. In short, we have been naive to the point of stupidity, and thereby have contributed immeasurably to Communist successes. If, therefore, our military leaders are stating the full and complete facts about our dealings with communism, as they have been revealed in official documents of our Government, one could easily and logically assume from

such facts that many of our past defeats by communism are attributable, at least in part, to softness by us toward communism and, in some instances, to outright appeasement of communism by our Government.

The articles of July 21 also quote the memorandum purportedly responsible for the official actions taken to hush military leaders as saying that "the thesis of the nature of the Communist threat often is developed by equating social legislation with socialism and the latter with communism." Mr. President, my research has revealed no instances of a military leader using this specific approach; but our military leaders might well justifiably use such an approach, for it is correct. About 3½ months before Nikita Khrushchev visited the United States, he stated:

> We cannot expect the Americans to jump from capitalism to communism, but we can assist their elected leaders in giving Americans small doses of socialism, until they suddenly awake to find they have communism.

The enemy at least is blunt and candid about the nature of the threat it constitutes to our liberty. It appears, however, that candor about the qualities and nature of the enemy on the part of our military, who are sworn to defend our Constitution against enemies, foreign and domestic, is an impropriety on their part which must be curtailed. How absurd can we be?

Mr. President, for anyone who really wants to know, there is a wealth of material available equating the fundamental bases of socialism and communism. Some of the best authorities on their equivalence are the Communists and Socialists themselves. For instance, in July 1956, there appeared in another organ of the Communist Party, U.S.A., Masses and Mainstream, an article entitled "Is There a Common Ground?" This article was written by G. D. H. Cole, a British Socialist writer. In this article on Communist policy the writer sets forth four fundamental areas of total agreement between socialism and communism. Two of these areas are particularly pertinent to the question of whether welfare statism, socialism, and communism may be equated with accuracy. In listing and discussing the areas of common ground between socialism and communism, this article states:

> First and most obviously, the belief that the essential instruments of production ought to be collectively owned and used in the service of the whole society and its people and furthering the common interest of all the peoples of the world. They are all against capitalism—that is against private exploitation of the world's resources, and all those who work upon them for the pursuit of private profit.

It is obvious, therefore, Mr. President, that communism and socialism must be equated in their antagonism to and antipathy for the concept of private property and the profit motive, which is the essence of our economic system.

The article continues:

> Secondly, Communists and Socialists agree in seeking to establish for all peoples some sort of welfare state or society.

These assertions are made by a Communist and printed in an organ of Communist policy for the guidance of Communists. These are facts—facts about communism, and, incidentally, about socialism. There is no attempt by the Communists to conceal the close relationship and overwhelming similarity between communism and socialism. Yet, according to the press reports, the memorandum prepared and forwarded to the President and the Department of Defense insists that our military leaders must be prevented from stating these same facts to their troops and to the American public.

Mr. President, I ask unanimous consent that the article entitled "Is There a Common Ground?" by G. D. H. Cole, appearing in volume 9, No. 6 of Masses and Mainstream, dated July 1959, be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IS THERE A COMMON GROUND?

(By G. D. H. Cole)

"Socialism and communism have nothing in common." These are the opening words of a statement issued last month by the Bureau of the Socialist International. What nonsense they are. Indeed, what nonsense even those who approved the statement must know them to be. I do not dispute that there are immense and deep differences between the doctrines upheld by the Social Democratic and Labor Parties which form the Socialist International and those upheld by the Communist Parties which until the other day were united in the Cominform. But even between these two groups—neither of which can be completely identified with socialism or communism—it is sheer nonsense to say that there is nothing in common. The differences between them may be wide and deep enough to stand formidably in the way of cooperation; but, even so, there are beyond question many ideas that are common to both. Fully as much as Roman Catholics and Protestants and Orthodox have in common that they are all Christian churches, Social Democrats, and Communists of the late Cominform brand, and also Yugoslav Communists, Nenni Socialists in Italy, and the Socialists of the Asian International are all Socialists, albeit of different kinds, and with different traditions.

What have they in common? First and most obviously, the belief that the essential instruments of production ought to be collectively owned and used in the service of the whole society and its people and for furthering the common interests of all the peoples of the world. They are all against capitalism—that is against private exploitation of the world's resources, and of those who work upon them, for the pursuit of private profit. They may hold varying views about the most appropriate forms of collective or social ownership; but this is not an issue on which a sharp line can be drawn between Communist and Socialist views. It is not a matter on which Social Democrats are in full agreement, or on which there is a single, uniform Communist dogma applicable to all countries or to all branches of production or service.

Second. Communists and Socialists agree in seeking to establish for all peoples some sort of welfare state or society, in which great attention is paid to providing the widest possible social and educational opportunities, a high degree of economic security, adequate conditions of living for children and old people as well as for the working producers, good and generally available health services, and a host of other social services resting on a recognition of basic human claims. Here again, there is no sharp line between Communists and Social Democrats: there are differences in what is done and advocated under different conditions from one country to another; but there is no difference of fundamental principle in this wide field of social action.

Third, it is a matter of agreement between Communists and Social Democrats that no one sound in body and mind has any good claim to live on the product of other men's labor, without contributing a fair quota of his own, and that accordingly the forms of unearned income which allow this ought to be swept away. There are differences concerning the means of bringing this about, and the speed at which it should be done; but there is, I think, no difference concerning the end in view; though there are differences both between Communists and Social Democrats and also within both groups about the extent of economic equality that is consistent with Socialist principles.

Fourth, Social Democrats and Communists are as one in believing that the main responsibility for the building of the new society rests on the working class, and that the organized working class movement must supply the main driving force for its achievement. There are, indeed, deep differences about the ways in which the workers should organize themselves for this purpose, and about the methods they should use in order to carry off the victory. But there is a common belief in the creative function of the working class and about its historic mission to create the conditions requisite for a classless society.

These are four very large and important points of agreement between Socialists and Communists of every sort and kind, and they are so plain that it is evidently ridiculous to ignore them. Indeed, the leaders of the Socialists International cannot possibly be taken as meaning what they say: what they do mean is that, despite all that various forms of socialism and communism have in common, their points of difference with the Cominform parties are so deep and so important as to render any cooperation impossible.

Is this really the case? And if it is, where is the line to be drawn? Are the Yugoslav Communists to be put beyond the pale because they are Communists, through their deviations have been most vehemently denounced by the Cominform leaders—at any rate until the quite recent, post-Stalin change of front? Are the Chinese Communists, or only those of the Soviet Union and its satellites, held to be untouchable? What is to be said about the major Italian Socialist party, headed by Nenni, which has cooperated with the Italian Communists, but has never accepted communism? What of the Asian Socialists who mistrust the Socialist International as failing to show a sufficient hostility to colonialism and imperialism? Are they, too, to be ostracized? And finally, what of the miscellaneous Socialist or Communist groups that are usually dubbed "Trotskyites," and are certainly no friends to the communism practiced in the Soviet Union? Are they, too, beyond the pale, and, if so, is it because they are Communists, or rather because they are a nuisance to the main organizations of both communism and social democracy?

These questions are not easy to answer, as they no doubt would be if there were really two utterly different doctrines—socialism and communism—each offering a coherent body of opinion plainly and completely different from the other's. This however, is not the situation with which we are actually faced. Social Democrats and Communists do differ deeply, in ways that involve strong emotions as well as conflicting arguments; but they do not differ entirely—only in certain very important respects.

In the Socialist International's recent statement, as in the once-famous declaration of the Second International in 1919, great emphasis is put on the inseparable connection between socialism and democracy. "We believe in democracy," says the statement, "they do not." What is this "democracy," which is thus proclaimed to be the impassable dividing line? The statement does not say: it only adds that "without freedom there can be no socialism," and that "socialism can be achieved only through democracy." It is, however, I think clear that "democracy" in this context means a parliamentary system based on something near universal suffrage and rendering possible the advance to socialism by legislative and executive action through a parliament so chosen and through an executive government responsible to parliament. These, I agree, are institutions of high importance, and can be used, where they exist and are deeply rooted in the popular consciousness, as instruments for the advance toward socialism and, potentially, as means of arriving at a Socialist society.

But what are Socialists expected to do where such instruments either do not exist at all, or fall a long way short of being usable to bring about fundamental social change? Is it their task, in such circumstances, to devote all their energies to agitating for a democratic system of responsible parliamentary government and to postpone all attempts to establish socialism until they have succeeded in establishing such a system and in winning over a majority of electors and representatives to the Socialist cause? What are they to do if, when they attempt such agitation, they are put in prison, or even executed, and their organizations broken up and proscribed? What are they to do if the road to democracy is effectively barred by the ruling classes? Are they not justified, in such circumstances, in making a revolution and using it to establish not only democracy, as far as it is possible, but socialism as well? And, if they do make a revolution in a society that has never experienced parliamentary government or any sort of democracy, is it to be expected that they will be able, on the morrow of the revolution, suddenly to establish a fully democratic parliamentary system, whereas it has taken the most advanced countries centuries of effort to achieve much less than this? It is nonsense to lay down, for all the world, either that parliamentary democracy is the only road to socialism or that, where the means of advance toward socialism have been made open only by revolution, the victors in the revolution must at once set up a complete system of parliamentary democracy whether or not the people are ready for such a system.

Yet this is what the Socialist International appears to be calling on Socialists all over the world to do. I agree with it in disliking intensely the forms of one-party dictatorship that have been adopted in the Soviet Union and in countries that have followed the Soviet road and in condemning, not merely the excesses of Stalinism, but also the whole apparatus of Communist dictatorship, with its silencing of free expression of conflicting opinions and its treatment of every divergence from the party line as treason calling for condign punishment. I agree that such methods poison socialism and are deeply demoralizing to those who use them or are drawn into participation in their use. I agree that terrible, horrible things have been done in the name of socialism by those who have exalted such practices into virtues, and that it is necessary to call upon those who have been responsible for such doings to renounce them, and to amend their ways.

But, I am conscious of the enormous difficulties which have confronted the would-be builders of socialism in such countries as Russia and China: I am not prepared to put such persons, or their parties, beyond the pale, or to refuse to admit that they had valid reasons for not following the parliamentary-democratic way, though I none the less take strong objection, on moral grounds as well as on grounds of Socialist expediency, to a great deal that they have done.

Thus, I do not see how the Russians could have made their revolution at all, or upheld it against counterrevolution and foreign intervention, without resorting to largely dictatorial methods. What is called war communism was, for the most part, an unavoidable consequence of civil war and foreign attempts to destroy the revolution. But, when the fighting was over, an attempt could have been made, and was not made, to restore free speech, to allow a resumption, even if gradual, of party activities, especially by rival Socialist groups, and to enlist the free cooperation of those who were prepared to serve the new Russia and to refrain from counterrevolutionary attempts. The rot set in when, instead of advancing, even cautiously, in this direction, the Bolsheviks both substituted the rule of their party for that of the Soviets and, within the party, allowed democracy to be replaced by monolithic control by a narrow group of leaders, thus opening the road to Stalin's personal dictatorship through his control of the party machine.

This fundamentally wrong course arose out of the doctrine of Lenin himself. For Lenin, who directed his entire thoughts to the means of making the revolution rather than to what would need doing after it, was the begetter of the whole concept of party dictatorship, through not of its subsequent perversion under Stalin's influence. Lenin did at least believe in free discussion within the party, until a decision had been reached—not in the imposition of policy from above upon the party, which would then impose it on everyone else. I am opposed to Lenin's conception of dictatorship, as well as to Stalin's. But there is a real difference. A good deal of what Lenin insisted on was unavoidable under the conditions of war and civil war: what Stalin and his chief collaborators—many of whom he subsequently liquidated—set out to do was wrong in any circumstances.

That is why I regard the recent repudiation of Stalinism as involving much more than a mere rejection of the cult of personality, and see it as leading on, whether its sponsors wish or not, toward a return to democracy both within the Communist Party and, presently, over a much wider field. I do not, however, see it as necessarily leading to the institution of parliamentary government on the western model. I do not think that parliaments are necessarily superior to Soviets, or vice versa. There is more than one possible model of democratic government, and the type that is to be preferred depends on the historic experience and tradition of the people who are to accept it as their way of political life. There are, however, certain conditions that any humanly satisfactory system must be designed to meet.

It must allow wide freedom for the expression of divergent opinions, within limits that are bound to exist in any society and will vary according to the situation: it must allow freedom to organize for the furtherance of such opinions, within similar limits; and these freedoms must include personal security for those who advocate the various opinions against arbitrary arrest or liquidation. To this extent, it is true that "without freedom there can be no socialism," or rather no socialism it is legitimate to pursue, though in conditions of war, civil or international, or of immediate danger of war, the limits will unavoidably be narrower than in conditions of peace and relative security.

Thus, in the present situation, I not only welcome the signs of some appreciation of past misdeeds on the part of the leaders in the Soviet Union and other Communist countries, but also believe that Social Democrats must get ready to hold out the hand of friendship to men with whom, despite all their differences, they do have a great deal in common. I do not suggest that the time has come for "Cominform" Communists and Social Democrats to sink their differences; but I do hold (1) that it is time for friendly discussion between the parties of the Socialist International and such bodies as the Yugoslav Communists, the Nenni Socialists, and the Asian and African anti-imperialists, and (2) it is time, too, for the Social Democratic parties to ask themselves seriously whether they are doing their utmost to establish socialism in their own countries, and if not, why not.

I also believe the time has come for individual Socialists and Communists to begin talking with one another, very seriously and with the least possible mutual recrimination, about the issues that divide them, in the hope that they may, even if only in the long run, succeed in building on what is agreed between them a basis for reuniting the world working-class movement for a common struggle against capitalism, imperialism, and reaction. For, finally, what nonsense it is to suppose that a Socialist world can be built by Socialists (including Communists) who spend more time and energy in denouncing one another than in combating their common enemies.

Mr. THURMOND. Mr. President, the Congress and the American public need to know about communism and this article is very revealing concerning the interrelation of communism and socialism.

Mr. President, there can be no question but that some, even in high places in our Government, are not aware of the interrelation between communism and socialism, and, incidentally, socialism is nothing more or less than the welfare state. On January 31, 1961, Mr. Arthur Schlesinger, Jr., one of the official staff members of the President, is report to have stated that the welfare state is the best defense against communism. Nothing could be more absurd and no statement is more indicative of naivete and misunderstanding of the nature of communism than this statement. I ask unanimous consent that a statement I made in reply to this comment of Mr. Schlesinger's be printed in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR STROM THURMOND, DEMOCRAT, OF SOUTH CAROLINA ON SENATE FLOOR, FEBRUARY 2, 1961

Mr. President, on January 31, the United Press International quotes Mr. Arthur Schlesinger, Jr., presidential assistant and speechwriter, as asserting that the welfare state is the best defense against communism. While the news report states that Mr. Schlesinger emphasizes that he was speaking as an individual and not for the Kennedy administration, this marks the first time, to my knowledge, that a person in such an influential position in Government has made such an admission. I ask unanimous consent that the article be printed in the RECORD at this point in my remarks.

Not only is the welfare state no defense against communism, Mr. President, but there is a serious question as to whether, in prac-

tical effect, the welfare state is even an alternative to communism. Both, in essence, are founded on the identical theories of state socialism and are equally antagonistic to the concept of private property. Under communism all property is vested in the state; under the welfare state, the outward vestiges or title to property remain in the individual, but all meaningful attributes of property are exercised by the state through regulation, control, and taxation. Whatever differences might exist are differences in form, rather than substance. The basic premise of both communism and welfare statism is that individual responsibility and initiative are unreliable for accomplishment of the goal for society which both profess, and their goal is conceived solely in terms of materialistic values. Welfare statism must, therefore, be equated with communism in its mistrust of individual liberty and reliance on state control.

If Mr. Schlesinger really meant to imply that we could avert communism by embracing welfare statism, then he is probably correct; for it is improbable that efforts to replace a political system with an identical one under another name, or with one differing only in form, would even be attempted. A defense against communism, however, the welfare state could not be; for between the two, there may be a distinction, but it is a distinction without a difference.

Mr. THURMOND. Also, Mr. President, I ask unanimous consent that a radio address which I made on April 6, 1961, concerning the interrelation of the welfare state and socialism be printed in the RECORD at this point in my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

RADIO ADDRESS BY SENATOR STROM THURMOND, DEMOCRAT, OF SOUTH CAROLINA, FOR MANION FORUM OF THE AIR

I welcome this opportunity to discuss with you what I consider to be a need for the American people to substitute a little more realistic self-appraisal in place of some of the voluminous self-criticism which apparently has become a fad with Americans.

Criticism, when constructive, has a distinct value to those criticized, and with this type of criticism, I have no quarrel. There is a limit to the amount of criticism which can be made constructively, however, beyond which criticism becomes no more than faultfinding. As a nation, the United States receives adequate doses of faultfinding from our adversaries, the Communists; and from them, we should expect the criticism to be exaggerated and irresponsible. I cannot conceive that Americans could acquire a national inferiority complex as a result of criticism from these sources; but when we are subjected to an even greater volume of faultfinding originating from domestic sources, we face the danger of developing an inferiority complex as a national characteristic.

For months, even years, we have increasingly been inundated by domestically originated faultfinding, much of which can be classified as "gaposis"; for we are reminded constantly of the "missile gap," the "dollar gap," the "education gap," and the "production gap," to mention a few. It is one thing to be realistically aware of our deficiencies in order to avoid the stultification of self-satisfaction; it is another thing altogether to undermine confidence in the great fundamentals of our political and economic systems.

We are engaged in a life and death struggle with communism, and our survival depends on our ability to convince the world of the advantages of our system over communism. If we are to succeed, it is not sufficient for us to know and be able to show the world the defects of our opponents' system, for success rarely attends a negative approach. We must also understand and fully appreciate the advantages of our own system in order to convince others that our system has more to offer.

So obsessed have we, as a nation, and our political leaders, become, that too often when referring to our own system, a tone of apology is taken. Particularly is this true when the subject of discussion is economic systems. The Communists have planted deeply in the minds of the entire world that the present struggle is between communism and capitalism. Their propaganda is directed to the differences in economic systems, rather than to the differences between the republican form of government and dictatorships. While we should stress the latter, there is no reason for failing to meet the Communists in a battle of ideas on the merits of capitalism versus communism. Our economic system is, or should be, capitalism, for it is the only economic system compatible with political freedom. Not only does capitalism need no apology, but if understood and articulately presented, it is irresistible.

Capitalism is no more and no less than economic liberty, and it goes hand in hand with political liberty. Webster defines capitalism as "The economic system in which the ownership of land and natural wealth, the production, distribution and exchange of goods, the employment and reward of human labor, and the extension, organization, and operation of the system itself, are entrusted to, and affected by, private enterprise and control under competitive conditions." Apologies for such a system can only arise out of ignorance or fuzzy thinking about it.

The essence of capitalism is competition. Competition, in turn, decrees that production is designed to accomplish, not what governmental authority decides is best, but what the individuals that comprise the society want. The incentive in the system is geared to satisfying the individuals—not just a few individuals, but the wants of the maximum number of individuals. The customer is necessarily the center of attraction under our economic system.

Communism cannot compare with capitalism, even in the materialistic field on which it is based. The United States has 6 percent of the world's population, but our capitalistic system has rewarded us with 75 percent of all the automobiles and 57 percent of all the telephones in the world. In one of our towns with a population of less than 75,000—Kalamazoo, Mich.—the people have three or four times as many refrigerators, washing machines, and dishwashers as Moscow with its population of 5 million.

Admittedly, our economic system has its ups and downs, as do each of us in our own lives. But we need to remember, that even in recession, our economic system is superior.

The benefits of our capitalistic system are not restricted to material goods, however. Wealth is a tool by which an individual in a free society can express his political liberty. The fruits of our economic system are weapons for the protection of our political system. More important, capitalism provides the most essential ingredient of a free society—the opportunity for each individual to achieve his own destiny, limited only by the talents nature gave him and the industry with which he develops and applies them.

In our struggle with communism, our failure to understand and appreciate our own economic systems threatens the immediate loss of many free world nations to communism. Internally, the same fuzzy thinking opens the door to the replacement of capitalism with socialism.

Because there is no Socialist Party, as such, of any consequence on the American political scene, many Americans discount the socialistic assault on our economic system. The Socialist political party proved too direct for Americans, even in a depression, and the Socialists have adopted a new approach which is proving more successful. It is still socialism, pure and simple, but is most accurately called welfare statism. The reason for the success of the new approach after the failure of earlier efforts is apparent.

The principal aim of the Socialist Party effort is "nationalization." This lacks in appeal to Americans, for it is too open and aboveboard, seeking to change the form, as well as the substance, of our economic system.

The welfare-state approach is much more subtle. Indeed, nationalization is condemned by the welfare-staters. There is no need for a separate political effort, for its concepts can be rationalized into harmony with the platforms of existing political parties. This is possible because the welfare-stater's approach includes no change in the form of the capitalistic system. Instead, it utilizes a subterfuge, which, transparent though it is, obviously deceives a great many people. Rather than attaining socialism through ownership by the State, the welfare-state concept achieves socialism through regulation and control by the State, while leaving the outward vestiges of ownership in private hands. Unfortunately, this system is equally as destructive of capitalism as is outright government ownership of property accomplished by nationalization.

Our economic system, capitalism, has proved superior because it has fostered unsurpassed creativity, which, in the framework of economic production, takes the form of technological know-how. In any area of society, creativity is the offspring of individual liberty. Its mortal enemy is conformity. Since the welfare state, with its centralized power, produces conformity as its principal byproduct, our scientific and economic gaps will grow proportionately with the growth of the welfare state. Whatever gaps now exist can be closed by renewed confidence in, and a resultant return to, our traditional political and economic emphasis on individual liberty—the seed of creativity. The fundamentals of our capitalistic system are sound, and provide no basis for an inferiority complex, foreign and domestic faultfinders to the contrary notwithstanding. It is only when we deviate from these fundamentals toward some form of socialism, such as the welfare state, that the gaps begin to appear.

If we are to achieve victory in our international struggle with communism and our internal struggle against socialism, all Americans must come to appreciate two basic facts: First, capitalism is the only economic system which will work in a free society, having proved itself throughout our history. Second, welfare states are socialism in action; and a government in the United States big enough to fulfill the welfare-state promises of giving everyone everything he wants, must necessarily be a government big enough to take everything we've got—including our liberty.

Mr. THURMOND. Mr. President, I believe that every American has an obligation to inform himself of the nature and of the total threat of communism. Each American also has an obligation to help inform his neighbor concerning the total threat of communism, and particularly is this responsibility incumbent on those in positions of responsibility, who have taken an oath to defend the Constitution of the United States against all enemies, foreign, and domestic. I, personally, take this responsibility seriously. I have continuously used every means at my disposal to help inform the

American people on all facets of the Communist menace. One of the principal means by which I have sought to disseminate such information is through the medium of my weekly report to the people. I ask unanimous consent that the text of my weekly report to the people of February 6, April 17, May 1, June 12, July 3, and July 17, 1961, be printed in the RECORD at this point in my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STROM THURMOND REPORTS TO THE PEOPLE, FEBRUARY 6, 1961

EYES WIDE OPEN?

There are strong indications in the wind that the new administration is preparing to go to the conference table with the Communists, perhaps at the summit level. Here are some of the signs: (1) President Kennedy's statement that Mr. Khrushchev's release of the two RB-47 flyers "removes a serious obstacle to improvement of Soviet-American relations"; (2) the White House censorship of Admiral Burke's January 27 speech in which he attempted to say once again that the Kremlin is not to be trusted; (3) CBS-TV's cancellation of its Soviet espionage TV story; (4) a Newsweek report that the 27-month-old U.S. moratorium on atomic tests will be continued, to Mr. K.'s liking; (5) summit trial balloons released by U.N. Ambassador Adlai Stevenson; and (6) recent conciliatory statements by Messrs. Khrushchev and Castro, particularly Mr. K.'s expressions of hope that the new administration would exhibit the same friendly attitude toward the Soviet Union as that of F.D.R.

I have never felt that we should slam shut the door on possible negotiations with any power, even one as nefarious as the Soviet Union. We must seek methods to accomplish solution of world problems, but they must be realistic methods. We should open our eyes to cold hard facts before entering into any more Soviet beartraps.

Thus far our negotiations with the Communists have resulted in a series of black eyes for our side. The conferences at Teheran, Yalta, Potsdam, etc. have made their indelible marks on the configuration of the world—unfortunately, to the great advantage of the Communists. During the past 25 years, the United States had 3,400 meetings with the Communists, executing 52 major agreements, 50 of the 52 having been abrogated by the Reds. Then there was Mr. K.'s summit fiasco of last year, which I warned against in a newsletter of May 16, 1960.

This is but a small part of the case against naively trying to negotiate agreements with the Reds, with the expectation that these agreements will be honored by them. We must realize that the Kremlin leaders are dedicated to materialism as against God, and also to a goal of world domination at any price. They must sincerely and completely repudiate their stated aims and goals to have peaceful coexistence or meaningful negotiations. In the past they have tried to give the appearance of a change in their goal of world communization, but later events have proved that they were only changes in tactics to insure attainment of their overall goal.

Of all the indications of better relations between the United States and the U.S.S.R., the most disturbing is the report that we may continue our self-imposed ban on nuclear testing. The Atomic Energy Commission last week pointed up the grave disadvantages of the test ban.

Former AEC Commissioner Thomas E. Murray has warned repeatedly that the Reds are taking advantage of our moratorium. He says they are speeding perfection of a third-generation nuclear weapon of truly fantastic capabilities and of important small nuclear weapons for use in limited warfare. President Eisenhower put this ban into effect on the scientific advice that any type nuclear detonation, even underground tests, could be detected. Naturally enough, the Reds concurred in this advice, which proved to be incorrect. Still, however, the October 1958 ban was not lifted, even though Mr. K. has repeatedly demonstrated his adamant position against the principle of international inspection and control of nuclear tests and all armaments.

Another disturbing point I have recently run across is a Gallop poll which says that 50 percent of the American public believes that we can negotiate away our differences with communism. If we are to win the future, the American people must learn from the lessons of the past. I have no argument with a hopeful attitude, so long as we hope with our eyes wide open.

STROM THURMOND REPORTS TO THE PEOPLE, APRIL 17, 1961

THE BEST DEFENSE IS A GOOD OFFENSE

The statement has been made that the Communists may succeed in their goal to dominate and communize the world and thereby stamp out capitalism and liberty because of one of many basic differences between the free and Communist worlds: the Communists know they are at war with us, but we aren't sure there is such a war. As true as this statement is, we in the free world still have it in our power to reverse the Communist movement, which since 1946 has seen China, Eastern Europe, Indonesia, Cuba, and half of Korea, Vietnam, and Laos gobbled up by the Communist conspiracy.

The first thing we must do is to realize not only that communism is the direct opposite of liberty, good, and God, but also that communism is at war with us psychologically, ideologically, economically, politically, diplomatically—on every imaginable front. Too many believe that we are only at war when bullets are flying. They ignore the carefully aimed and executed political, propaganda, and diplomatic bullets that have been sending the free world reeling and reacting to Communist bluff and bluster, deception and distraction, and propaganda and pressure tactics and techniques, particularly in the past 15 years.

In their bluff and bluster tactics, the Reds have pushed us as far as possible without provoking the devastating power of the United States, even in times when we had not only the monopoly on nuclear power but also the means of delivery. The only time they overshot their bounds was when they misjudged our withdrawal of troops from Korea in 1950 and Secretary of State Acheson's ill-timed statement that Korea was not within our defense periphery. Even then, the Soviets fought us to a standstill by proxy—that is, by using North Korean and Chinese troops. They bluffed us into going only so far in Korea for fear of an all-out war at a time when we had both the conventional and nuclear means to win that war.

In their tactics of deception and distraction, the Reds have succeeded in worming in and around agreements, legalisms, and our naivete. They have also kept world attention away from areas and matters which would expose the weakest positions and points of communism. For instance, they have distracted attention from their weakest area of control, Eastern Europe. The East Berlin, Poznan, and Hungarian uprisings proved that they can control there only by force and fear and that we can be bluffed away from aiding these captive peoples in regaining their freedom.

The score on agreements is "old hat." Of 52 major agreements since World War II, the Reds have honored only 2. Yet, we continue to negotiate at summit conferences and naively ban our nuclear tests for 30 months while the Reds continue to make nuclear progress through sneak tests, refuse to agree to adequate inspection systems, and demand to reserve the right to a veto over the test-ban agreements—if we ever get any.

Propagandawise, the Communists have been beating our pants off in selling to the world their oppressive, godless, and materialistic system as against our free system which insures liberty, individualism, worship of God, and more material prosperity than the Communist world has ever known. They have kept the pressure on us by keeping the initiative. They have been able to do this because they have a master plan, whereas we merely try to put out the fires they set—yet, we, the people who set the stage for world independence, are charged effectively with being the imperialists and colonialists, while the Reds seize more of the world and continue to suppress their satellites.

We have the power and the salable system, but to reverse the current trend toward communism, we must wake up and take the initiative. When we seize the initiative toward extending liberty and justice throughout the world, then the Reds will have to dance to our tunes and their progress will be stopped.

STROM THURMOND REPORTS TO THE PEOPLE, MAY 1, 1961

THE LESSON OF CUBA

"Our security may be lost piece by piece, country by country, without the firing of a single missile or the crossing of a single border. * * * The message of Cuba, of Laos * * * are all the same. The complacent, the self-indulgent, the soft societies are to be swept away with the debris of history. * * * We intend to profit from this lesson."

Those well-chosen words were uttered by President Kennedy recently before a meeting of newspaper editors following the first bad news on the Cuban invasion. They tell a story that America must learn—in fact that America and her leaders should have learned long ago: the Communists intend to dominate the world and subvert freedom and capitalism everywhere to the tyranny of totalitarian rule by Communist bosses who would level everyone to the lowest common denominator. They intend to succeed—in fact, they are convinced that the Communist world revolution is inevitable—by use of any means available: deceit, lying, bluff, murder, stealing, subversion, et cetera.

In a recent newsletter, I pointed out that Americans must realize that communism is at war with us on many fronts and that our failure to recognize this fact could cause our defeat. I urged that we take the initiative instead of reeling and reacting to Communist aggressions and subversions. In taking the offensive, however, we must be prepared to win. We were not prepared in the Cuban invasion because we did not determine to make victorious the effort to oust Castro and communism, even if we had to bring about overtly his overthrow ourselves. We have certainly fooled no one that we did just about everything in the invasion except supply the needed strength to win.

With their self-assured attitude, the Reds will push us as far as possible to speed their inevitable triumph, but they want no part of our thermonuclear destructive power. Communist strategy calls for all-out war only if or when the Reds attain sufficient power to knock us out without being themselves kayoed in a thermonuclear exchange. They do not today possess that capability.

We have suffered a humiliating defeat in Cuba, and "what is past is prologue." If, however, the Cuban failure should serve to awaken America to the dire consequences of misjudging communism and if it serves to give us a determination to win in every

tussle with communism, then perhaps the loss will not be so great after all.

The Cuban debacle should also help us to realize that we cannot continue to seek a self-indulgent and soft existence through the route of welfare-statism in our country and expect to survive with our freedom intact. One of the greatest utterances President Kennedy has made since taking office was his inaugural plea to Americans to "Ask not what your country can do for you—ask what you can do for your country."

Rather than following this sage advice, however, the Congress has passed one piece of welfare-state legislation after another, and most of it has been approved at the request of the administration. Little else has been done on Capitol Hill.

The President has made commendable moves to strengthen our defense forces, and he intends to reevaluate our space program and our policies in wrestling with communism. In this he will have the strong support of the Congress, just as the Congress will back him stanchly in any move he may make to let the Communists know that we will not tolerate communism or outside domination anywhere in the Western Hemisphere—that is, that we will enforce the Monroe Doctrine.

On the domestic front, I again urge that we get down to fundamentals and put first things first. If this means sacrifices or harder living in order to wage a successful war against communism in space, in deterrent power, in diplomacy, in propaganda, and in preserving freedom at home and abroad, there is little doubt what choice the American people would be willing to make.

STROM THURMOND REPORTS TO THE PEOPLE, JUNE 12, 1961

MORE AID—LESS LOYALTY?

The Senate will soon be embroiled in another fight over Federal aid to education, with many controversial issues to be settled. This fight will be over the bill to extend and expand the National Defense Education Act of 1958 and to remove from the act its requirements for participants to execute an oath in support of the Constitution and also a non-Communist affidavit.

The National Education Association and other Federal-aid advocates seized on public concern over Soviet Sputnik I to win passage of the National Defense Education Act. The act provides loans and grants to individuals and educational institutions and schools to promote study in subjects which aid advocates rationalized to be in any way connected with the national defense.

As with most other Government programs, this was alleged to be a temporary expedient. Now, however, aid advocates are striving to make many of the features of the act permanent. They are also trying to broaden the scope of the assistance by making it applicable to more areas and subjects which are completely unrelated to defense. In fact, some are advocating removal of all restrictions so any subject can be eligible for inclusion under the program.

In addition, generous aid to private and parochial schools is to be provided as a payoff for those who refrained from opposing the general Federal aid to education bill because it did not provide aid for private and parochial schools.

All of this concerns me very much, but I am even more concerned about the effort being made to remove from the law the existing loyalty oath and non-Communist affidavit requirements. These requirements were written into the law in 1958 without any particular stir because of the justifiably increased concern since World War II over the Communist threat to our national security. Shortly after the war similar provisions were written into the National Science Foundation Act and the Taft-Hartley Act. The Taft-Hartley provision was strengthened in 1959 by adding a criminal statute. In fact, all Government employees, civilian and military (including my staff), have executed such an oath and disclaimer.

Some educators and students have objected to the loyalty and affidavit provisions and a number of colleges have refused to participate in the program because the requirements are offensive to academic freedom.

In 1959 then-Senator Kennedy tried to repeal the requirements in the Senate, and he lost by a one-vote margin. He tried it again last year, and although the Senate took some modified action—which many believed to strengthen rather than weaken the requirements—the House refused to take action. This year the administration's bill extending the act contains a repealing provision.

The loyalty and affidavit requirements should not be offensive to anyone who has a whit of patriotism about him, although I realize that the Communists have effectively sold the idea that patriotism is old-fashioned and have given that word an odious connotation.

Furthermore, the freedom of no one is destroyed by these requirements, for participation in the program is voluntary. Although the act sails under the flag of defense, there is no "draft provision" and no compulsion to participate.

If one is patriotic enough to conscientiously and voluntarily participate in a defense program, he should have no qualms about pledging his support to the Constitution and signing a disclaimer as to Communist beliefs and membership in Communist organizations. The investment of tax funds in the education of those who are reluctant to execute such an oath and affidavit would be a highly "speculative" investment from a defense standpoint.

STROM THURMOND REPORTS TO THE PEOPLE, JULY 3, 1961

THE LEAST WE CAN DO

During the week in which we celebrate Independence Day, we Americans should give more than a little thought to our national and individual liberties which were proclaimed for us 185 years ago in the immortal Declaration of Independence and later won on the battlefields of the American Revolution.

Today we have become so accustomed to liberty that we take liberty for granted, much as we do the convenience of electricity. We have the feeling that because liberty is guaranteed in this country by the Constitution that it will always be with us. Other peoples in other nations have had this same foolish idea, but their liberties have long since vanished because they did not appreciate Voltaire's old truism that "Eternal Vigilance is the Price of Liberty." We seem to have forgotten that liberty must be earned, and once it is earned—as it was for us by our forefathers—then it must be preserved, not just for our enjoyment, but as a legacy for unborn generations of Americans.

In fact, liberty is supposed to be the highest end of government. However, in viewing our Government bureaucracy today, with all its controls, redtape, and its ever-growing centralized power apparatus, it is easy to get the idea that perhaps government has some other end to serve—such as accumulation of power.

Man cannot have liberty unless he accepts the moral task it imposes. It is a combination of self-assertion and self-denial, of independence and responsibility. For instance, in granting us the blessing of self-government, our forefathers contemplated that the people would take sufficient interest in educating themselves on affairs of government to govern themselves intelligently and that they would be so concerned with the preservation of liberty that they would reject selfish proposals which would restrict their liberties.

Some misguided intellectuals, whose principal aim for government is creation of a socialistic welfare state, would lead the people to believe that they can have liberty and socialism and that the welfare state will rid them of the onerous burden of trying to govern themselves. As a matter of fact, capitalism, which is no more and no less than economic liberty, is the only economic system which will work in a free society, and liberty can only be preserved when power is decentralized in the hands of the people and local government.

Our liberties are in danger today as never before, both from the threat of communist aggression and also from the threat of welfare statism, with its attendant big government and big spending policies.

Since coming to the Senate in 1955, my principal preoccupation has been the preservation of our liberties, not in just one particular area but all across the board. In doing so, I have been voting against much legislation in order to vote for preservation of liberty. I believe that preservation of liberty is the principal interest of the people, but, unfortunately, too many—as I mentioned above—are taking liberty for granted and are not looking its threats in the eye. Some, too, have been deluded by the Socialist fallacy that we can have welfare statism and liberty too—and, most unfortunately, there are some who do not fear Communist aggressive aims because they are not basically opposed to the principles of socialism and communism.

Because we still live in a relatively free society, although our liberties are being constricted with every increase in Government growth and every new welfare program, we, the people, still have the power of choice. We can insure our liberty "for ourselves and our posterity" or we can make the choice to release it all at once or a little at a time.

Our forefathers at Lexington, Concord, and King's Mountain fought and died to obtain liberty for us. The Founding Fathers exercised the utmost in human wisdom to secure it for us in the Constitution and its Bill of Rights. The least we can do is preserve what is left of that precious legacy which had its beginnings on July 4, 1776.

STROM THURMOND REPORTS TO THE PEOPLE, JULY 17, 1961

DO WE DESERVE TO WIN?

The United States is preparing to make another important concession to the Communists—diplomatic recognition of and United Nations membership for the so-called Republic of Outer Mongolia. This proposed action is merely a prelude for admission of Communist China to the U.N. and when consummated will mark another in a series of Communist victories over a vacillating United States of America.

Outer Mongolia is a landlocked country about the size of Alaska and is located between Communist China and Soviet Russia. Because of its location and its Socialist police-state government, Outer Mongolia has very close ties with Red China and Russia. In fact, it is Russia's oldest satellite and furnished 5,000 troops against us in Korea.

The argument being used by Under Secretary of State Chester Bowles and other administration advisers, who apparently see no beartraps in Kremlin aims and strategies, is that our Government will win a valuable listening post by placing a diplomatic mission in Outer Mongolia. Bowles' contention evidently doesn't worry the Soviets, who continue avidly to sponsor Outer Mongolia in the U.N. Visits to areas near Russia and China have convinced me that we already have many good listening posts and that we listen well.

Our weakness lies not in the collection of intelligence data but the application of this data. The best intelligence is no good if many of our policymakers in the State Department and the White House don't have a basic understanding of the enemy—his aims, methods, and devious nature. Too many of them seem to have no strong quarrel with the basic tenets of socialism and communism—that is, sharing the wealth through State ownership or control of property and the economy. They also seem to continue to ignore the lessons of history on policies of appeasing or trusting the enemy, particularly our record in dealing with world communism.

Anyone familiar with communism—and on this score my mail and contacts reflect that the American people are ahead of this administration and the past one, except for John Foster Dulles—realizes that only a firm and resolute policy will save the world from either thermonuclear holocaust or bit-by-bit surrender to the Communist conspiracy.

Our Government has put forth a few strong words on Berlin, but we haven't shown Mr. Khrushchev we really mean to fight, if necessary, to preserve our rights in Berlin. We are still reeling and reacting to Mr. Khrushchev's moves, such as his recent pronouncements about restoring proposed defense cuts—which were never seriously intended—and his demonstrations of new airpower. Why didn't we take the initiative on such a move? Because they have a plan and we don't. We are still procrastinating over whether to negotiate or to demonstrate we still have the will to win.

Berlin is truly a "bone in Mr. Khrushchev's throat," but it is rightfully there—just as we are rightfully there in Berlin. This city is a capitalist oasis in a Communist desert. If we show any inclination to abandon any of our rights there, then NATO will be shattered to bits, Western Europe will be in grave danger, and our allies around the world will rightfully lose what respect they still may have for a once mighty protector and bulwark of liberty.

We proved our mettle and called Communist bluffs with our courageous brinkmanship actions in Greece, Turkey, Iran, Berlin (1948), Formosa, and Lebanon. What we vitally need today is a firm, resolute determination by our leaders to fight, if necessary, to preserve liberty and insure our survival as a nation, and this attitude must be communicated without equivocation to the Communists.

If we don't dare to win, then we don't deserve to win in the protracted conflict with communism.

Mr. THURMOND. Mr. President, it is impossible to determine by what standards the Department of Defense now judges the anti-Communist indoctrination material, the use of which is to be permitted military leaders. It is obvious that the campaign to discredit the military personnel has had and is having an impact on the informational programs participated in by our military personnel. At least one concrete example is available which proves that the anti-Communist informational program for the armed services is seriously weakened. Some time ago the Defense Department made a decision that the film entitled "Operation Abolition" should no longer be used for showing to military personnel. This film is a documentary of the Communist-inspired demonstrations against the House Un-American Activities Committee in San Francisco in 1960, which, incidentally, I witnessed in person. This film is an excellent object lesson in one of the many facets of Communist tactics, and is signally effective in demonstrating the menace of communism and the ruses by which the Communists seek to accomplish their goals.

The film "Operation Abolition," according to the Defense Department, is controversial. It is controversial only because the Communists and those naive enough to swallow the Communist propaganda have raised a hue and cry about this film. The Communist-led attack on the film is convincing testimony to its effectiveness in exposing Communist tactics. Fortunately, millions of Americans in the Armed Forces and in civilian life have seen this film. I sincerely hope that all other Americans will make it their business to view it at their first opportunity. By this means the American people can decide for themselves whether "Operation Abolition" is too controversial for showing to our men in uniform, as is claimed by the Department of Defense. It is significant that the Department of Defense has not once elaborated on the reason for not using the film and has not itemized or specified a single inaccuracy or misstatement of fact in the film.

Mr. President, the Department of Defense has also declined to use another very effective film on communism entitled "Communist Encirclements—1961." Unfortunately, not nearly so many have had the opportunity to view this film, as is the case with "Operation Abolition." "Communist Encirclements—1961" is a factual, nonpartisan presentation of the Communist threat and the many facets of the aggressive and insidious nature of communism. Again the people of the country should have the opportunity to judge for themselves whether this film, "Communist Encirclements—1961," is of a quality that should be shown to members of our Armed Forces. I have obtained a script of this film, and I ask unanimous consent that the text of this script be printed in the RECORD at this point in my remarks.

There being no objection, the script was ordered to be printed in the RECORD, as follows:

COMMUNIST ENCIRCLEMENT—1961

Do you recognize this scene? It is the climax to the Communist takeover of Cuba, 90 miles from the Florida coast. This is a news photo of the Communist-led riots in Japan, in Morocco, in Venezuela, in Algiers. Communist-led riots trample and burn the U.S. flag in Uruguay. In Africa, Communists agitate and infiltrate and expand their power in nation after nation as they control the rising tide of nationalism. Yes; communism is on the march, advancing across the map of the world. The great prize, their chief target, the ultimate goal of international communism, is the United States of America.

Are you genuinely concerned because of this Red shadow? Should we be worried? Is our Nation really in danger by an evil alien force? The answer is "Yes." Here is the feature article of a recent issue of the Reader's Digest, one of the most widely and highly respected publications in America. The title is "Is It Too Late To Win Against Communism?" This great magazine acknowledges that we are locked in a war for survival and wonders whether we can win. Here is another more recent Reader's Digest feature article by Gen. Carlos Romulos, Pulitzer prize-winning journalist, soldier, and statesman, Ambassador from the Philippines, past President of the United Nations General Assembly. He sounds a dramatic warning—"America, wake up." The editors of the Reader's Digest note: "A wise and loyal friend of the United States warns us the cold war is real war. It is far later than we know. The Communists can win without changing their tactics. We cannot win without changing ours. We must assume the offensive. We dare not stand still."

Yes, the time has come in the life of our country demanding the fullest citizenship service of every man and woman. The very first citizenship requirement is an understanding of the true nature of world communism and of its swiftly expanding reach into every corner of the earth. To see the true situation, we must recall many bits of 20th century history and assemble them on the map of the world. We have all read in our daily newspapers from time to time about a tidbitted advance of communism—a Communist-controlled government taking over in some little country we've scarcely heard of. A free world ambassador forced to leave such and such a nation as the Reds came to power. Riots and revolts here and there around the world. How far has the Soviet network reached? Can you visualize its arms reaching out from Moscow? To understand fully the peril in which our Nation finds itself today, we must go back in history.

The 20th century father of communism was Vladimir Ilich Ulyanov. History knows him better by one of his many aliases—Nikolai Lenin. In 1900 he began to travel, write, and conduct the work of the Russian Social-Democratic Labor Party, a forerunner of the Communist Party of the Soviet Union. He had a small group of dedicated followers determined to destroy mankind's spiritual motivation and to build an utterly new, materialistic world ruled by a godless dictatorship. By 1917 they had gained sufficient strength to make a bold move for power. They infiltrated the Socialist government, which had a few months earlier gained power from Czar Nicholas II. They had recruited about 40,000 disgruntled Russians and trained them in Communist revolutionary tactics. At a signal from Lenin, they seized control of the Socialist government. Members of the old regime and their families were brutally murdered. At first Lenin and his henchmen held only the capital. Then gradually they advanced their control across a portion of Russia. By 1922 they extended their power through the use of terror and infiltration sufficiently to establish the Union of Soviet Socialist Republics, the U.S.S.R. Lenin died in 1924. Before he died, he laid down for his followers the plan for world conquest. Paraphrased and summarized, it declared: "First we will take eastern Europe, next the masses of Asia. Then we shall encircle that last bastion of capitalism, the United States of America. We shall not have to attack. It will fall like an overripe fruit into our hands."

No matter who has been the boss in the Kremlin at any time since 1924, the Communists have always kept their eyes unwaveringly on this plan and on the strategy to carry it out. This is their blueprint today. After a strategy meeting at Moscow of Communist leaders from throughout the world, the Reds issued a 1961 Communist manifesto. Let's read the warning by William L. Ryan, the AP foreign editor:

"The manifesto repeats a line which can be regarded by the West in the same light that Hitler's Mein Kampf should have been viewed before World War II."

The Communists have a blueprint for conquest. They have gone a long way toward its accomplishment. They have let nothing stand in their way and nothing divert them. They have used bribery, lies,

bluff, brutality, the most extensive and most successful espionage network in world history, mass murder on a scale never before dreamed of, and every other possible means to advance them along the road to world conquest, following the blueprint laid down by Lenin. The Communist strategists have used great patience. Their technique of bit-by-bit advance has been an important key to their success. Among their greatest assets has been the lack of understanding of the true nature of international communism by the people and the leaders of the United States.

The first big break for the Communist conspiracy came in 1933, when the United States formally recognized the Stalin regime. The prestige of this recognition was priceless. It enabled the Soviet dictatorship to establish monetary credit and to establish embassies in America and elsewhere as bases of vital espionage operations. This recognition came at a time when Khrushchev was directing the deliberate starvation, the mass murdering of millions of Ukrainians who were resisting Communist control over their lives. This is a photograph of the victims of the mass Communist execution by starvation. Congressional committees have the documented facts on this inhuman brutality. Nickolas Prychodko, Ukrainian newspaper editor who escaped and now lives in America, was asked by a congressional committee what caused the death of these people. He replied, "starvation." "Who caused the starvation?" Mr. Prychodko said, "The starvation was due to the Communist police and the brigades under orders from Moscow. They were under the direction of Khrushchev."

Another stroke of good fortune for the ambitious Communist empire was World War II. Stalin made his notorious deal with Adolf Hitler in August of 1939, and the German Panzer divisions rolled into Poland a few days later in September 1939. In just 4 weeks Russia and Germany were cutting up Poland, dividing up the spoils. The Reds made their next move against tiny Finland. The Finns fought courageously, but Moscow got a toehold in the little Baltic nation.

Soon thereafter the Reds were infiltrating Estonia, Latvia and Lithuania. In a short time they had sufficient power to take over the three little nations from within. The Baltic people resisted, not in an organized way, but individually. Hundreds of thousands of freedom-loving people were seized, thrown into cattle cars and sent off to Siberian labor camps. The Soviet timetable for conquest was interrupted when Germany turned on the Kremlin and invaded Russia. The vast numbers of Russian fighting men, with American lend-lease aid, proved a formidable obstacle as Germany drove deep into Russia, and with our own great bombing raids and ground strength broke the back of the Germans. But with the fateful decision of our Government leaders to halt General Patton and other onrushing U.S. forces from going through Eastern Germany and on into Czechoslovakia, the Balkans, the stage was set for Stalin's execution of the first phase of Lenin's master plan, the takeover of Eastern Europe. At the conclusion of the European war, the Soviets returned to their strategy of world conquest through infiltration. In Czechoslovakia the pattern was revealed for the whole world to see, but the world's eyes were blinded. The lesson of Czechoslovakia didn't penetrate the Western mind. All the Communists asked of President Benes in Czechoslovakia was the establishment of a Socialist economic system, and the placement of a few Communists as Cabinet officials in a coalition government. One of the Cabinet posts, occupied by a Communist was the Department of Interior, which controlled the police force. At a signal from Moscow the Communists in the government merely asserted full power. Benes and Jan Masaryk, like countless other Czechs who resisted, were quietly put to death or they committed suicide. An Associated Press foreign affairs editor wrote this memorable dispatch:

"Jan Masaryk thought he could do business with Communists. His suicide is a monument to his recognition and a warning to the world that no such course is possible."

The year was 1948. The warning carries an even greater import today. Czechoslovakia did business with Communists. Czechoslovakia's freedom was destroyed. It was that way with them all—first, infiltration, then coalition government, then the takeover. One by one the nations of Europe fell, from the Baltic to the Mediterranean—Estonia, Latvia, Lithuania, East Prussia, and half of Poland had already been seized. Now came the rest of Poland, Czechoslovakia, Hungary, Romania, Bulgaria, Albania. The United States and Great Britain stood by, virtually silent and inactive, as the Communists reached out across Eastern Europe smothering freedom and bolstering their international strength.

Our distinguished Ambassador to Poland, Arthur Bliss Lane resigned his post and put on record in his book, "I Saw Poland Betrayed," what he had witnessed of Communist ruthlessness and the unaccountable behavior of American and British diplomatic leadership. In his book Ambassador Lane wrote "our policy of appeasement toward Soviet Russia undoubtedly emboldened Stalin to go ahead with his plans for the complete domination of Poland, as of all other countries in Eastern Europe. This completed the first phase of Lenin's master plan, so the Soviet masters could now turn their main attention to the masses of Asia, next target on the Lenin blueprint. But they did not neglect Western Europe. They sent thousands of agents into Western European nations to penetrate political parties, governments, the press, the universities, the labor unions, all phases of life. These Moscow agents working in Europe recruited millions of comrades and their most vital work has been in politics and particularly within the Socialist Parties of Europe and Scandinavia. Nearly every Scandinavian and European nation, with the exception of Switzerland and West Germany, has a high degree of socialism in its government and economic system. Labor Socialist parties either dominate the governments or wield powerful influence over all governmental decisions.

In these socialistic nations almost without exception the political trend is toward more socialism, and the Socialist Parties in most cases expect before long to have full control. In all the socialistic nations powerful Communist forces are being organized to strike when the time seems expedient to Moscow. This is true even in West Germany. It is important, therefore, that we understand the relationship of socialism to communism.

Karl Marx, the founder of communism, was a lifelong Socialist. The letters, U.S.S.R., mean Union of Soviet Socialist Republics. Khrushchev speaks of communism and socialism as very closely related. John Strachey, top official of the Labor Socialist Party of Great Britain in 1950, was for many years an openly avowed Communist. Then he became a Cabinet official in Britain's Socialist government. He wrote a book entitled "The Theory and Practice of Socialism." In the book he says, "It is impossible to establish communism as the immediate successor to capitalism." It is accordingly proposed to establish socialism as something which we can put in the place of our present decaying capitalism. Hence, Communists work for the establishment of socialism as a necessary transition stage on the road to communism.

Further dramatizing the affinity of socialism and communism is this 100th anniversary copy of the Communist manifesto, published not by Moscow Communists, but by the Labor Socialist Party of Great Britain. The flyleaf says, Communist Manifesto, Socialist Landmark, a new appreciation written for the Labor Party. Yes, although few Americans have taken the time to examine the fact, socialism and communism are political and ideological bedfellows. Wherever communism cannot take over by fomenting internal revolt, the Reds seek to establish so-called Democratic Socialist governments, which they can infiltrate until the Communist Party can take over. They are working at this in every Socialist nation in the world.

John McGovern, member of the British Parliament, recently withdrew from the Labor Socialist Party. He hadn't really been a Labor Socialist, he announced, even a secret Communist and an atheist. He turned against communism and joined the worldwide movement called Moral Re-Armament. Here is what he reported to the people of the United Kingdom in an Associated Press dispatch:

"Approximately 100 members of the Labor Socialist Party are secretly Communists or fellow travelers doing the work for international communism."

So we see how socialist parties are being used. The undercover Communists wield great power in the politics of Great Britain.

Here is an indication of that power. This is a news dispatch published in the U.S. News & World Report. Let's read some of it. Dateline, London. "A year of maneuver by the Communists has now settled Britain's opposition Labor Party with a policy that could wreck Europe's defenses and drive American military forces back to the United States. What is clear now is the Communists role in the whole affair. By throwing their weight and organizational talents into an essentially emotional ban-the-bomb movement, the Communists played a key part in committing the Labor Party to a neutralist life. The Communists have already achieved a major victory."

England and the Western European nations are on the record our allies, and we should respect them and try to generate faith in the good intentions of their people and their governments. However, the documented facts suggest that we should look with penetrating eyes and minds at the Socialist activities—in Europe, in Scandinavia, and around the world. We should carefully examine the truer complexion of the Socialist political parties. We should look closely at the so-called neutralist nations, who seem so often to be neutral and against the best interest of our United States, neutral and on the side of the Communists. After the consolidation of their gains in Eastern Europe and their deceptive penetration of Western Europe, the Soviets moved for the takeover of China—the masses of Asia set forth as the second step in Lenin's blueprint for world conquest. They had already established a powerful Communist apparatus in China, headed by Moscow-trained agents, and the concessions gained by Stalin at the Yalta and Potsdam Conferences, in the absence of China's leader, Chiang Kai-shek, opened the door to their strategic plan. Communist Chinese armies in north China engaged the Nationalist armies under Chiang. The actual takeover of China was preceded by a worldwide Communist propaganda campaign creating hate for Chiang Kai-shek, who was resisting the Communist takeover and picturing Mao Tse-tung as a great agrarian reformer.

Some of America's leading journalists in respected publications, as well as radio reporters and commentators, aided in the

dissemination of this propaganda. In this article the well-known writer, later to be identified as a Communist, described Chiang Kai-shek as a Fascist leader, and hailed the Communists led by Mao Tse-tung as agrarian reformers. Agitation became widespread for a truce in China and for a coalition government, also for a stoppage of U.S. military aid to Nationalist China.

In January 1946, President Truman sent Chief of Staff, Gen. George Marshall to China with instructions to urge Chiang Kai-shek to take the Communists into a coalition government, as President Benes had so fatally done in Czechoslovakia. Chiang steadfastly refused. General Marshall effected a temporary truce, which in the end aided the Communists. Just a few months later in July, in 1946, General Marshall halted the sale of arms and ammunition to Nationalist China. This was backed up with Executive order by President Truman on August 18, 1946, a fateful action in American history.

The Chinese Communists were being liberally supplied by Russia, and after the arms embargo went into effect on the forces of free China, the Chinese Reds moved into military action again. Some important voices in Congress questioned this tragic turn of events in China. And in the summer of 1947, Secretary of State Marshall and President Truman sent Gen. Albert C. Weydemeyer to China for the announced purpose of making a study and submitting a report on whether the United States should rescind this embargo and give aid to Chiang's military forces, fighting a now desperate struggle with the heavily armed Communists. Weydemeyer's report was withheld from the public and from Congress. It was suppressed by Presidential order. And yet the American people were later to learn that Generel Weydemeyer recommended aiding China. He said that with aid the Nationalist forces could save China from falling into the grasp of international communism. This book was finally published in 1958, long after China fell to the Communists.

The masses of Asia had begun to be conquered by world communism, as Lenin's master plan decreed. Here are the findings of a subsequent investigation by the U.S. Senate. The Judiciary Committee in the report it has just issued finds a conspiracy, Communist-inspired, that led to American defeat. High American officials were duped. Policies were influenced that gave the Communists their greatest victory. This paragraph says that the loss of China after the defeat of Japan represents the greatest defeat in U.S. history. Few Americans read this shocking report, but some political personages were aroused, and they spoke out. John F. Kennedy, at the time a Congressman from Massachusetts, stated:

"Over these past few days we have learned the extent of the disasters befalling China and the United States. Our policy in China has reaped the whirlwind. The continued insistence that aid would not be forthcoming unless a coalition government with the Communists was formed was a crippling blow to the Nationalist Government. This is the tragic story of China, whose freedom we once fought to preserve. What our young men had saved, our diplomats and our President had frittered away."

This statement was reported in the February 21, 1949, CONGRESSIONAL RECORD. President Kennedy must not forget this speech. In the decade just past, the Chinese Communists have strengthened their holds by executing their opposition—people owning 2 or 3 acres of land who resisted Communist collectivization and the breakup of their families. The dead, more than 20 million. The Russians call it liquidation. The Chinese call it shiao mieh, which means deprived of existence.

To grasp the meaning of this, we must transpose it closer to home. These executions would wipe out the entire population of these 13 States.

One by one the smaller nations of southeast Asia have either fallen into the Communists' hands, or have been very deeply penetrated by the fifth column. Tibet, where the Reds have murdered thousands and established a bloody reign of terror, gives horrible evidence of the fate awaiting the remaining masses of Asia. The China takeover paved the way for the Red moves in Korea. From Manchuria into North Korea was just a short hop. The Communists infiltrated and quickly took over the Government of North Korea. Then equipped with more materiel from Russia and Communist China, the Reds moved down upon Syngman Rhee's little half nation of South Korea.

By almost any military or diplomatic measuring stick, the United States lost the Korean war. The American commanders who served in Korea during the actual fighting returned home crushed and bitter, and deeply disturbed. After American soldiers, under the command of MacArthur, had defeated the Russian-trained and Russian-armed North Koreans, and after the Communist Chinese at Moscow's bidding had thrown their might in against us, the U.S. armies were prevented from bombing the Reds' bases of supplies and troop concentrations across the Yalu River in North Korea. Our own Government forbade our military leaders the freedom of action necessary for protection against the onslaught of the Chinese Reds. The reason given was that it might provoke Russia to attack. Thousands of American casualties were sustained because the U.S. Government created this fantastic sanctuary for the enemy. Here is the testimony given under oath to congressional committees by our commanding generals in Korea:

Mark Clark: I was not allowed to bomb the numerous bridges that were across the Yalu River and over which the enemy constantly poured his trucks and his munitions and his killers.

Van Fleet: My own conviction is that there must have been information to the enemy from high diplomatic authorities that we would not attack his home bases across the Yalu.

Stratemeyer: You get in war to win it. We do not get in war to stand still and lose it, and we were required to lose it. We were not permitted to win.

MacArthur: Such a limitation upon the utilization of available military force to repel an enemy attack has no precedent either in our own history, or so far as I know in the history of the world. Instead of victory the United States accepted a stalemate in Korea.

It was one of the most costly wars in our history in terms of lives of American soldiers. Fifty-four thousand two hundred and forty-six Americans sacrificed their lives. There were 103,284 additional casualties. Becoming even bolder in their seizure of power, the Communists have moved across Asia into the Middle East, where they have established important beachheads and on to Africa. Here they are fomenting nationalistic revolts, gaining control of rebel forces, placing their agents in coalition governments. Where they cannot take over in one uprising, they guide natives into establishing socialistic governments, which they can penetrate and alternately control. A technique of their strategy has been the agitation and control of students and faculties of the colleges and universities of nation after nation—South Korea, Turkey, Japan, in Latin American countries, all over the world.

With their control over Eastern Europe, with much of Asia held in Communist enslavement or tottering for a fall, and with strategic strongholds in Africa, the Soviet masters have now turned their attention to the final phase of Lenin's three-phase blueprint for conquest—the encirclement of the United States. Obviously, to achieve this third step would require only the establishment of bases in Latin America. They have moved into action here in our Western Hemisphere, as many Americans are beginning to realize. The Reds are today instigating student riots and governmental penetration in every Latin American nation. Much of their strength and most of the revolutionary activity in Latin America now originates in Cuba. So let's take a good long look at how Cuba became a powerful bastion for world communism.

In the winter of 1957, this man was in hiding in the mountains of Oriente Province in northeastern Cuba. Fidel Castro, a revolutionary, had been identified throughout most of his adult life with Communist activities. He had taken part in the bloody Communist-inspired Bogotá riots in 1948, and was identified by the Colombian police as one of the most vicious leaders of the riot that took more than 300 lives. His Communist activities were a matter of public record. In the Cuban mountains in 1957, he was surrounded by a bedraggled group of revolutionary comrades, with Communists in key positions of leadership. He had recruited his rank and file and taken them into Mexico—there to be trained by Alberto Bayo, internationally known Communist tactician. Until he began to gain recognition and prestige in America, through a press buildup, Fidel Castro commanded no real military force. He did not pose a genuine threat to the anti-Communist Cuban Government. Then the buildup began. It was similar to the one given Mao Tse-tung in China.

The major U.S. television networks sent camera crews into the Cuban mountains to bring back so-called documentary reports, which, whatever their intended purpose, stirred up American sympathy for the bearded revolutionary. The nationwide telecast pictured Castro as a romantic rebel, the Robin Hood leading a fight for social justice. They went out of their way to dispel the idea that Castro's movement had a Communist complexion. Some of America's biggest newspapers joined in the buildup. Castro began to emerge as a sort of George Washington of Cuba.

This New York Times writer, Herbert Matthews, described him as the most remarkable and romantic figure to arise in Cuba since José Marti, hero of Cuba's wars of independence. Ed Sullivan, in a brief but spectacular journalistic trip to Cuba, lent his powerful prestige to Castro. On film before his 30 million American television viewers, Sullivan said to Castro, "the people of the United States have great admiration for you and your men because you are in the real American tradition of George Washington." A year and a half later, too late to be of any benefit as sound journalism, Sullivan retracted this statement.

Qualified students of international communism were warning that Castro was himself a Communist, or at the very least, a lifelong willing tool of world communism, and that many of his lieutenants surrounding him were known to be agents of international communism. Yet here the most widely circulated Catholic paper says, "Despite what you may have read the Cuban rebels are not Communists. There is absolutely no doubt about Fidel Castro. There is no Communist indoctrination in the rebel forces, not even the slightest degree of Communist propaganda."

The Christian Century is probably the most widely distributed Protestant publication in America. In this article, "Wild Ducks From Cuba," this influential church paper comes to the aid of Castro. It pictures him as a political liberal, an agrarian reformer rather than a Socialist or Communist agent.

The atmosphere in America became a pro-Castro atmosphere. The bearded Fidel began

to get arms and to recruit a larger following. Soon he moved out with his considerable force across Cuba, presenting now a genuine threat to the Batista forces. Leftwingers and even voices in the U.S. Congress demanded that the United States withdraw all the aid to the anti-Communist Batista government, as it happened to the anti-Communist Chiang Kai-shek preceding the fall of China to the Reds. At a crucial time in the Cuban conflict, our Government ordered an embargo. Castro's agents working openly in Florida were able to obtain great volumes of fighting equipment.

On January 1, 1959, the Cuban anti-Communist government fell. Castro took over. Two U.S. Ambassadors to Cuba declared in sworn testimony that they warned the U.S. Department of State aiding Castro would bring about a great victory for international communism and a strategic defeat for the United States. Both men say their warnings were smothered in the State Department and in Government circles under President Eisenhower. Since the fall of Cuba to the Reds, we have seen the Communists demonstrate their power in Mexico, El Salvador, Equador, Guatemala, Venezuela, and other Latin American countries. This stronghold overflowing with armaments for the entire revolutionary conspiracy for Latin America is Cuba.

With the takeover of Cuba, Lenin's heirs to the dictatorship of world communism thus had carried out at least partially the third phase of the Reds' blueprint for world conquest: the encirclement of the United States.

Will the United States fall? What is the situation within our Nation? This is San Francisco, U.S.A., and these are American university students rioting against the House Committee on Un-American Activities. This is an official committee of our elected Representatives in Congress. It has operated for 20 years as one of the Nation's bulwarks, safeguarding our internal security against penetration by Communist agents. J. Edgar Hoover, Director of the FBI, is one of the most highly respected Americans in the history of our Republic. Mr. Hoover was so concerned with what happened in San Francisco that he issued this special report over his signature. In this report, Mr. Hoover carefully documented the fact that the Communist Party, U.S.A., has as one of its chief objectives the destruction of the House Committee on Un-American Activities. Communists cannot themselves succeed in this target goal, thus they must deceive and agitate and use dupes. Mr. Hoover shows how known Communist agents infiltrated campuses in the San Francisco area, promoting and inciting more than a thousand students to riot against the House committee just as the Reds have been controlling and using university students to accomplish their objectives in nations throughout the world.

FBI Director Hoover revealed that Gus Hall, national leader of the Communists in the United States, sent congratulations to the west coast comrades for the initiative and leadership they displayed at all stages of the riotous demonstrations.

In his report Mr. Hoover issues a sober warning to the people of America. He says, "Looking at the riots and chaos Communists have created in other countries, many Americans point to the strength of our Nation and say, it can't happen here. But Communist success in San Francisco, in May 1960, proves that it can happen here. Yes, it has happened here. The Communists we now know hold great power in proportion to their numbers here. They constitute a clear and present danger to our security, our lives."

Many Americans have forgotten the penetration of our Government by the Communists which were exposed by the FBI and the House Committee on Un-American Activities a decade ago. Alger Hiss, who had the confidence of an American President, had access to vital secrets. Harry Dexter White, keyman in the U.S. Treasury, Judith Coplan, working amazingly enough in the U.S. Justice Department itself.

But what about the decade of the 1960's? What about now? Not long after the San Francisco student riots, two employees of the National Security Administration disappeared, Vernon Mitchell and William Martin. They turned up in Mexico, then Cuba, then Moscow. At first the public was told these two men didn't have any important secrets: But soon the truth was exposed. They carried with them information of vital worth to the international Communist conspiracy. The FBI has exposed the enemy at work in all areas of our national life, and congressional committees have documented the fact that Communists have penetrated a number of strategic labor unions and communications networks.

Here is the transcript as Mr. Richard Arens of the House Un-American Activities Committee asked Secretary of the Army Brucker this question: "Are you conversant with the fact that the North Atlantic cable which carries very important messages vital to the security of our Nation is now serviced by the American Communications Association, a Communist-controlled labor organization. Secretary Brucker replied, "I am aware of that."

Congress hasn't acted. Communists are active in some areas of our educational establishment and in some church organizations, in our industries, our Government, our legislative halls, our armed services. They are dedicated, skilled, secretly working for the overthrow of our Nation and the triumph of world communism.

Early in 1961 Khrushchev told the Communist leaders from throughout the world as they gathered in Moscow for instructions in vital strategy that all military war would not be necessary. "The victory of world communism is no longer far off," he said.

Will this fantastic prediction come true? We are a nation of 180 million people, the vast majority of whom are almost totally uninformed or apathetic toward the true nature of our gravest problems. We have become a nation in which the responsibilities of citizenship are being ignored. We are encircled, the enemy is in our midst. As a nation we have been backing away from the advances of international communism, accepting coexistence, summit conferences, coalition governments, negotiations and disarmament conferences, but the Communists continue advancing. Yes, the free world is losing. The Communists are winning. But we can change this course of events. We can sidetrack and ultimately wreck the Communist master plan for conquest if our people and our leaders have the courage and the will, if we are worthy of freedom.

"Our greatest obstacle has been that so many Americans haven't known we were at war because the war has been an insidious one, a protracted war with the enemy advancing just a little here and a little there. To halt the massive march of communism, millions of Americans must be awakened to the facts presented in this film. We must awaken a new pride and patriotism. Pride in our Nation's past and in its great destiny ahead. Love of country is one of mankind's highest virtues. We must recreate an effective legal safeguard enabling our Government to stamp out the Communist fifth column which has penetrated the vitals of our Nation. We must stiffen our citizens' and our Nation's diplomatic attitude toward the whole Communist international conspiracy and the brutal despots who are leading it. We must arouse our friends and neighbors to a better understanding of the dangers inherent in the further centralization of our Government. We must look with clear eyes at the true fact of our moral weakening, and in our homes, our schools, our churches build the caliber of moral leadership that a free people must achieve to remain free. It is too late for continued apathy. The time has come for sacrifices in the cause of freedom by informed and determined citizens. In this great moment in human history will you enlist and pledge a part of mental, physical, material, and spiritual resources in this fight? This is the decisive question. On the manner in which Americans respond to this challenge rests the future hope of all freemen.

Mr. THURMOND. Mr. President, when queried about their reasons for not using "Operation Abolition" and "Communist Encirclements—1961" in their educational programs on communism for members of the Armed Forces, the Department of Defense, after stating that the aforementioned were controversial, hastens to add that they have prepared a film to be used in their informational courses to the troops. The name of this film is "Challenge of Ideas." I viewed this film yesterday. Mr. President, I can assure Senators that there is nothing controversial about the film "Challenge of Ideas." The most descriptive words which I can think of to describe this film are "namby-pamby." The narration by Mr. Edward R. Murrow, now Director of the U.S. Information Agency, will certainly offend no one—except those of us who know and recognize the "gutless" nature of the presentation in this noncontroversial film. It is a superficial treatment of a serious issue and will contribute little to remedying the deficiency of knowledge concerning the total nature and threat of communism.

Mr. President, the time has come for all Americans, in uniform and out, to understand that we are in a life-and-death struggle with communism. Our system and communism are completely incompatible, and ultimately one or the other must go, for they cannot coexist on this planet indefinitely.

Last night the President of the United States addressed all Americans on television and described our need for increased military power and strength. Such funds as are necessary to provide not only a minimum of military power, but also military power with an adequate margin of safety, should be authorized and appropriated by Congress; for we cannot survive the protracted conflict with communism without adequate military power.

Great military strength is essential to our defense against communism, but military power alone cannot insure our success. That military power must be accompanied by the will to win on the part of every American—and the determination to use this power, if necessary.

Such a will to win can never exist, except it be based on the firm foundation of a knowledge and understanding of the principles on which our own country is founded and on the knowledge and understanding of the total nature of communism and the myriad of tactics by which it seeks to enslave the world.

Our military leaders have obviously been attempting to lay the foundation in knowledge and understanding of communism which can support and foster a will to win. In so doing, they are carrying out their oath to defend the Constitution of the United States against all

enemies, foreign and domestic. In the process of doing this, they are rendering an invaluable service to the American people.

The infamous attacks on our military leaders and the attempts to discredit them and to intimidate them to the extent that they will neglect their responsibility to inform the American public and personnel under their command constitute a threat to our very existence. These attacks, insofar as they are made by the Communists themselves, are but one more facet of Communist tactics which Americans must learn to recognize and combat for what they are. These attacks, insofar as they are made and assisted by non-Communists, however naive, are a disgrace and disservice to our Republic and its people.

Fortunately, in our country sovereign power rests in the hands of the public—the individual citizens. Theirs are and should be the final decisions. Their decisions can be right only when they have the facts on which to base their decisions. Their right to the facts is just as implicit and essential as their right to make the final decisions. The American people must not be limited to half-truths, and evasions, for they breed apathy and defeat. It is my sincere hope that the American public will, therefore, demand the facts from whatever source they can obtain them, including our military leaders, and reject this insidious attempt to discredit and intimidate the military in order that the American system and our Constitution—and, indeed, our liberty itself—shall survive the Communist onslaught.

THE PRESIDENT'S ADDRESS

Mr. KEATING. Mr. President, the address which President Kennedy delivered last night to the Nation was an eloquent statement of the overall meaning of the Berlin crisis and the response which the United States must make to it. Rightly, he stressed that West Berlin is not the real problem but only a pretext. The Soviets are probing, testing us out to see where we are weak or eager to make concessions. I think the President's address, both in its tone and in its specifics, should make clear beyond the shadow of a doubt that we are committed, that we intend to stand firm on Berlin. In coordination with our Atlantic allies we are prepared to offset every Soviet move, even to the extent of meeting force with force. The military measures requested by the President will certainly strengthen our capacity to meet the threat and for that reason should and probably will move quickly through the Congress.

It must be admitted, of course, that the President's speech left a lot of questions unanswered, questions that must be carefully studied and discussed not only in the secret councils of the White House and Pentagon but throughout the country.

The first of these questions to my mind is what do we intend to do about East Germany. After all, the cause of the present crisis is specifically the Russian threat to sign a separate peace treaty with East Germany and presumably in the process to turn their obligation to allow free transit to West Berlin over to the East German Government. What will we do if that takes place? It is going to be the first and most immediate step of the actual crisis, and the President did not in his address touch on this really pivotal problem. It has been said that we do not care who stamps our access permits as long as the traffic is not held up. But this is a dangerous view, for if the East Germans do stamp our permits, then we shall be pressed to recognize them ultimately. The issues it raises deserve a full and frank discussion.

Second, the President did not refer to the situation of the captive nations of Eastern Europe except briefly and in terms that raise some doubts. What he said was:

> We recognize the Soviet Union's historical concerns about their security in Central and Eastern Europe, after a series of ravaging invasions—and we believe arrangements can be worked out which will help to meet those concerns, and make it possible for both security and freedom to exist in this troubled area.

I question first the extent to which the Soviet Union in both 19th and 20th century did not bring upon itself those ravaging invasions of which the President spoke by deliberate attempts to intervene in East European affairs.

The President seemed to be stressing the rights of the Soviet Union to security rather than the rights of the people there to self-determination not only for East Berlin, but also for East Germany, and all of east and central Europe. If any issue is to be brought before the United Nations for adjudication, the fate of the captive nations richly deserves to be.

Third, an increase in our conventional forces, even though I for one support it fully and consider it necessary, raises a big strategic question. In the past, our policy has been to make it very clear that we would not fight a ground war in Europe, where Soviet manpower is so much greater than ours. Berlin's garrison was to be no more than a tripwire which should the Soviets attack, would lead us to whatever type of reaction would suit the situation, whether a nuclear assault or something less. There are certainly dangers in this policy, but as our whole troop deployments and strategic planning in NATO has been based on this concept, we would do well to consider the full implications of a shift or modification on it at this point. Here again the President has left us somewhat in the dark on questions that are of vital concern throughout the free world.

Another question raised but not answered by the message last night was the financing of the necessary increases in national defense.

The President proposes a $3.5 billion increase in defense expenditures which I am sure the Congress will approve. This is on top of a projected budgetary deficit for fiscal 1962 of some $5 to $7 billion. The total deficit for fiscal 1962 will therefore be somewhere around $10 billion. This is an extraordinarily high figure for a period of relative prosperity.

This deficit will cost the average American family somewhere between $200 and $300 a year either now if the President increases taxes or in the future if we continue to add to our national debt.

I think it is a mistake to put off until January 1962 consideration of all problems relating to a tax increase. We must start now in the Congress and in the Nation as a whole to determine what our priorities shall be and how we shall raise the necessary additional Federal revenues. Do we want a tax increase to cover the full deficit in 1962? If so, what taxes are we going to raise?

Mr. President, I referred above to the matter of priorities. It may well be that we would be better off tightening our belts at home and putting off domestic spending in order to decrease this deficit and thereby have a limited tax increase required, so as not to place so great a burden on the taxpayer and our economy. This is a very fundamental decision. How much will the Government do?

It is dangerous for our country to ignore the need for a sound Federal budget.

If we are going to tighten our belts at home, we must start now. Preparedness is a two-way proposition. We must prepare at home and we must prepare in Berlin. We cannot simply arm overseas and defer until tomorrow the responsibilities of a free society to meet the cost of freedom at home.

But I return to the thesis with which I began. My aim is to be constructive. We all want to support the President in these perilous times. He is entitled to our frankness in appraising his proposals. He has made a fine address to the American people and we are ready, I believe, to support the firm stand he has taken.

WALTER HAGEN RECEIVES FIRST WALTER HAGEN AWARD

Mr. KEATING. Mr. President, one of Rochester, N.Y.'s most famous sons, the immortal Walter Hagen will receive this afternoon in Chicago the first Walter Hagen Award. This honor, which was named for Mr. Hagen before it was decided he would be its first recipient, will be presented annually to a person whom the Golf Writers Association of America feels has made important contributions to furthering international golf competition.

The Haig as he was affectionately known, was probably the greatest all-time international golfer. In the course of his brilliant and exciting career he won the British Open four times and seven times captained the U.S. Ryder Cup team. His skill on the links was matched by his vivid personality and unmatched showmanship.

I am particularly pleased that his contributions to golfing have been recognized in this way because he is perhaps the greatest athlete ever produced by my home city of Rochester. Lawrence Robinson, of the New York World-Telegram & Sun, who is president of the Golf Writers Association of America graciously invited me to participate in today's ceremonies honoring this great athlete. Although I cannot attend in person, I

did want to take this opportunity to salute the Haig and wish him well.

Mr. President, I ask unanimous consent to have several columns concerning Walter Hagen and a news story describing the Walter Hagen Award printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Chicago American, June 5, 1961]

WALTER HAGEN AWARD BELATED HONOR FOR GREAT GOLF STAR

(By Warren Brown)

Somewhat belatedly, if you ask who trailed him, on course and off—in the twenties and thirties, recognition of sorts is about to be given to Walter Hagen, and what he stood for in competitive golf.

There has been created a Walter Hagen Award.

The 379 members of the Golf Writers Association, not quite as active as the baseball or football writers associations, but more so than the Turf Writers Association, are about to be asked to ballot on a list of candidates to determine the first winner.

Present plans call for the presentation of the award at Olympia Fields, in conjunction with the PGA championship.

The Golf Writers Association, Larry Robinson, president, and Charley Bartlett, executive secretary, has a meeting scheduled at Detroit the day before the U.S. Open championship begins. By that time, it is expected, most of the voters will have made up their minds, or have someone make them up for them.

To simplify matters—oh, yeah?—a screening committee of 11 GWA members is presenting a slate from which the 379 voters may pick and choose.

The screening committee is headed by Merrell Whittlesey, Jr., of Washington, and includes, besides Robinson and Bartlett, authors from Miami, Fort Worth, Boston, Denver, Knoxville, Oklahoma City, and London.

More interesting to me is the fact that while a Hagen Award has finally been created, it took a British golfing enthusiast, Dr. S. L. Simpson, chairman of S. Simpson, Ltd., clothes manufacturers, to think it up, for American presentation.

Hagen's exploits in U.S. Open, PGA, Western Open, and whatever else there was in his time need no recounting here, certainly. Or do they?

It is not surprising they still remember him vividly in Merrie England. No competitive golfer before him and none since him has contributed as much to the gayety of golf, and appreciation of the pro golfer in England, America or anywhere else "The Haig" happened to light in his nomadic existence.

He won the British Open four times. He was seven times captain of the U.S. Ryder Cup team in competition with Great Britain. He was as buddy-buddy with the Prince of Wales as were Jack Kearns, Mickey Walker, and Dave Shade.

Obviously the British, with Dr. Simpson making the play (the Golf Writers Association caddying for him) is one up on the representatives of Madison Avenue. Until now, these promotional advertising experts haven't been exactly aloof from the field of trophies for all sorts of occasions.

I simply cannot understand why none of them didn't get around to such a thing as a Hagen Award.

However, it may be just as well. For among all trophy donors who have ever come to my attention, Dr. Simpson (trade name DAKS) may well be the most gracious of all.

When he decreed the award should be decided upon by the Golf Writers Association of America, he must have pleased Robertson, Bartlett, and others who have been arguing for years (and properly so) that "The Haig" wasn't getting the lasting recognition his impact on competitive golf deserved.

In creating the award, Dr. Simpson said: "In many senses we in Britain share Walter Hagen with you. After all, he was our Open champion. Always a colorful figure, he was a superb craftsman. While not passing over our own greats, such as Harry Vardon and Henry Cotton, it may well be that Walter Hagen was the dominant force in creating modern golf."

Are you listening, Madison Avenue?

[From the Chicago American, June 16, 1961]

WHO RATES FIRST HAGEN GOLF AWARD MORE THAN HAGEN?

(By Leo Fischer)

Weekend roundup—or clearing out the desk before taking off on a vacation.

Like my esteemed fellow worker Warren Brown, I also get asked to vote on awards, etc., the latest of which is the Walter Hagen trophy for the person "who has done the most to further Anglo-American relations in golf."

The official ballot includes Dwight Eisenhower, Bobby Jones, Francis Ouimet, Walter Hagen, Henry Cotton, Joe Dey, and several others, but to this voter there is only one choice—Hagen himself.

If he doesn't become the first winner of the Walter Hagen trophy (preferably filled with scotch) there's no justice. All these other nominees have done much, of course, to further what the sponsor calls "Anglo-American relations," but who can match The Haig for laughs, thrills, excitement, color, victories (he won four British Open titles) and great golf?

One of my favorite Hagen stories concerns the final day of the 1926 British open when he came to the 18th needing a 3 to tie Bobby Jones. It was a tough 500-yarder but that didn't bother Walter.

His drive was good for about 200. He played his second short, which left him 150 yards from the green. Hagen decided this was a good spot to give the staid Britishers a real show.

He walked to the green and examined it closely as the crowd gaped in amazement. He sighted back to where the ball lay and carefully marked the direction. Then he called his caddy over and stationed him on the green as he told the astonished young man to be ready to pull the pin out as the ball approached.

Then Walter walked back to the ball, motioned the crowd to be quiet, shaded his eyes to take another look at the green 150 yards away and then carefully made his shot as the crowd watched in silent amazement.

Probably even Hagen was surprised as the ball headed like an arrow for the cup, landed 10 yards in front of it, rolled straight for the hole—and then bounced over to come to rest an inch or two away. It was a spectacular bit of showmanship, even for Hagen, despite the fact that he missed his million-to-one shot—and the crowd showed its appreciation with a tremendous un-British ovation.

There's never been anyone like him and probably never will be again—and I hope he's the man to receive the award at the PGA tournament at Olympia Fields next month.

PUERTO RICO COMMONWEALTH DAY

Mr. KEATING. Mr. President, I should like to call the attention to the fact that yesterday, July 25, is celebrated by Americans of Puerto Rican descent, both on the mainland and on the island itself, as Puerto Rican Commonwealth Day.

This day commemorates the development of self-government on the island of Puerto Rico within the framework of adherence to the more general Government of the United States.

The Puerto Rican people have come to occupy a most important role on the mainland as well as on their native island. In New York State alone there are now more than 700,000 persons of Puerto Rican descent.

These have by now largely surmounted the early difficulties of adjustment that have met each of the succeeding waves of immigrants, beginning with the first settlers in New England and Virginia, that have arrived on these shores. The Puerto Ricans in New York and in other States are now playing important and respected professional, economic, and political roles. Puerto Ricans spend an estimated $1 billion each year in New York City alone.

The United States is proud of its citizens of Puerto Rican descent. We are pleased with the great progress that has been made on the island under commonwealth government, and we are appreciative of the contribution that has been made by Puerto Ricans to our national life on the mainland.

SACRIFICE IS A TWO-WAY STREET

Mr. MILLER. Mr. President, last night millions of Americans heard the President of the United States enunciate a clear, unequivocal, and sound policy of this country and, in fact, the other countries of the free world, with respect to the Berlin situation. Moreover, the persuasive reasons underlying this policy were also cogently presented. I do not think there should be any doubt in the minds of the leaders in the Kremlin over the firmness of our resolve and the integrity of our word concerning our commitments on Berlin. I do not think there are any doubts in the minds of most Americans over the correctness of these commitments.

President Kennedy, in the course of his address, asked for advice and suggestions. It is in response to this request that I now wish to direct my remarks. If they seem pointed at times, may I say they are intended to be. I believe in speaking frankly and openly, and I am sure the President does too. Indeed, it is only by doing so that the objectives we share with respect to America's future can be most rapidly secured.

Sacrifice, Mr. President, is a two-way street. Sacrifices by the people should be matched by sacrifices by their leadership. President Kennedy gave the assurance that he was well aware of the fact that many American families will bear the burden of his requests for what amounts to partial mobilization.

Studies or careers will be interrupted—

He said—

husbands and sons will be called away; incomes will be reduced.

He added that these are burdens which must be borne if freedom is to be defended. However, he failed to couple his call for the people to bear these burdens with a declaration of any willingness on his part to sacrifice some of the

nondefense spending programs of the New Frontier.

Times have changed since this administration drew up its domestic spending programs earlier this year, Mr. President. Or, perhaps I should say, that times have not changed really, but the President—since the Vienna meeting with Premier Khrushchev and the Berlin crisis—has finally faced up to the stark facts of what the cold war with the Communist world means. It does not mean, Mr. President, politics as usual and domestic spending as usual. It means action—not words—in line with the policy expressed by President Kennedy in his special message on urgent national needs of May 25, wherein he said:

> If the budget deficit is to be held within manageable proportions, it will be necessary to hold tightly to prudent fiscal standards; and I request the cooperation of the Congress in this regard—to refrain from adding funds or programs, desirable as they may be, to the budget.

Since January 20 we have been fed a constant stream of messages from the White House on New Frontier programs—all expressing a sense of urgency. For example, President Kennedy has said:

> Federal grants for both higher and public school education can no longer be delayed (state of the Union message).
>
> I urge that area redevelopment legislation be enacted without delay (message on economic recovery and growth).
>
> Prompt and favorable consideration of the [Federal judgeship bill] will be of direct benefit to millions of people throughout the country. Designed to relieve serious congestion and delays in many Federal Courts (Judgeships letter). Became law on May 19 but only one appointment made by the President to date.
>
> I urge its prompt and impartial consideration (Federal highway program message).
>
> To meet this urgent need for skilled manpower we are proposing the establishment of a Peace Corps (special message on the Peace Corps).
>
> I commend this program to the Congress and urge its prompt consideration and enactment (special message on housing and community development).
>
> I now request that Congress appropriate the full amount of $600 million. We may not have another chance (message on Latin America).
>
> Knowledge of the oceans is more than a matter of curiosity. Our very survival may hinge upon it (oceanographic research message).
>
> These measures are essential steps the Government should take to enable the housing industry to return to full production as soon as possible (President's letter on the housing bill).
>
> The need for prompt enactment of this legislation is clear (letter on training and retraining of workers).
>
> The total amount requested is both minimal and crucial, the single most important program available for building the frontiers of freedom (foreign aid message).
>
> Let it be clear that I am asking the Congress and the country to carry very heavy costs of $531 million in fiscal 1962—an estimated $7 to $9 billion additional over the next 5 years. It is a most important decision that we make as a Nation (message on space program).

There can be no question, Mr. President, but what all of these programs—and the many others proposed by this administration—are meritorious. The trouble is that the President has failed to give them second place to the most important program of all—national defense. On May 17, on this floor, I warned that the deficit spending policies of this administration will inevitably lead to more inflation; that the sacrifices our people will be compelled to make will be attributable not to increased spending for national defense but to increased spending for nondefense programs. On March 29, I said:

> When we have another round of inflation and tax increases, or both, I want the people to know that it won't be a sacrifice they are making for the sake of national defense. I want them to know precisely that their sacrifice will be for nondefense spending.

President Kennedy said last night that we have mortgaged our very future on defense, but he should have told the people that we have mortgaged our future on nondefense spending programs of his administration. Why did he say he intends to submit to the Congress a balanced budget for fiscal year 1963? Why wait until then? Why not cut back on nondefense spending and achieve a balanced budget for 1962? Why wait until next year to ask Congress for tax increases, if necessary, to preserve a balanced budget? Why give inflation—the cruelest tax of all—another round?

In last night's issue of the Evening Star the lead editorial stated views which support this position:

> In this situation, it seems to us that at least two things are imperative. Our allies must assume their full share of the effort, despite the obvious reluctance of some to do so. And the Kennedy administration as well as the American people must be willing to give up or postpone expenditures on things which are not essential. True, Mr. Kennedy said last night that we must keep down all spending "not thoroughly justified in budget requests." He seems to think, however, that everything for which he has asked since taking office is justified, and he offers the easy assurance that "we can afford all these efforts. We disagree. As this Nation begins to prepare for the danger of war, it should be willing to cut back on those things which are not essential to this preparation. The more abundant life has great political appeal, but its maintenance is not compatible with the grim demands which Mr. Kennedy says are imposed upon us by the requirements of national survival.

To show what I am getting at, Mr. President, I have prepared two tables. The first one, entitled "Budget Expenditures by Major Agency," shows the impact of our deficit spending for this fiscal year of various increases asked for by the President. His requests for increases in nondefense spending programs amount to some $3 billion. If we take into account the failure of the Democratic Congress to pass increases in postal rates, or to raise taxes in a similar amount, the deficit comes to over $3.8 billion. The second chart shows the nondefense spending programs that go to make up this total. It consists of the increases asked for by the President on March 28 and the increases asked for by the President on May 25. I ask unanimous consent that these tables be inserted in the RECORD at this point in my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Budget expenditures by major agency, fiscal year 1962

[In millions]

Department or agency	Jan. 16, 1961 estimate	Mar. 28, 1961, revision			May 25, 1961, increases	Total
		Revisions in estimates for January program	Administrative actions and program changes	Total		
Legislative branch and the judiciary	$203		$4	$207		$207
Executive Office of the President	92			92		92
Funds appropriated to the President:						
Mutual security—Economic and contingencies	1,875			1,875	$75	1,950
Other	75	+$50	50	175		175
Independent offices:						
Atomic Energy Commission	2,680		−10	2,670		2,670
Federal Aviation Agency	730	+3	10	743		743
National Aeronautics and Space Administration	965		85	1,050	330	1,380
Small Business Administration	98			98	88	186
U.S. Information Agency	138		8	146	2	148
Veterans' Administration	5,369	−60	95	5,404		5,404
Other	436	−11	31	456		456
General Services Administration	496		2	498		498
Housing and Home Finance Agency	728		214	942		942
Department of Agriculture	5,782	180	478	6,440		6,440
Department of Commerce	566		48	614	19	633
Department of Defense—Military:						
Military functions	42,910	235	*655	43,800	*100	43,900
Military assistance	1,750	−100		1,650	*50	1,700
Department of Defense—Civil	984	20	*17	1,021		1,021
Department of Health, Education, and Welfare	4,005		793	4,798		4,798

Budget expenditures by major agency, fiscal year 1962—Continued

[In millions]

Department or agency	Jan. 16, 1961 estimate	Mar. 28, 1961, revision			May 25, 1961, increases	Total
		Revisions in estimates for January program	Administrative actions and program changes	Total		
Department of the Interior	$873		$33	$906		$906
Department of Justice	294		2	296		296
Department of Labor	223		431	654	$60	714
Post Office Department	63			63		63
Department of State	345		6	351		351
Treasury Department:						
Interest	8,593	$100		8,693		8,693
Other	1,095		25	1,120		1,120
District of Columbia	66			66		66
Allowance for contingencies	100			100		100
Subtotal	81,532	417	2,977	84,926	724	85,650
Deduct interfund transactions	667			667		667
Total	80,865	417	2,977	84,259	724	84,983

Total increases over Eisenhower budget	3,701
Add:	
Deviation from general fund (highway program)	150
Inaction on postal rate increases by Democratic Congress	800
Total of deficit attributable to Kennedy administration	4,651
Less: (*)Amounts related to national defense	−822
Total of deficit attributable to nondefense spending	3,829

NOTE.—The above does not include back-door financing of several billions for fiscal 1962 and subsequent years (e.g., $8,800,000,000 for housing, $300,000,000 for depressed areas, $375,000,000 for Federal airport aid, and billions for foreign aid.

Increases made in fiscal 1962 by Kennedy administration on Mar. 28 and May 25, 1961

Explanation	Additional fiscal 1962 expenditures caused by administrative action and program increases
MARCH 28 INCREASES	*Million*
Legislative branch and the judiciary: Cost of the judgeships bill, judiciary	$4
Funds appropriated to the President (other): For Chilean reconstruction	50
Independent offices:	
Atomic Energy Commission: The construction costs under the AEC were increased, but operating expenses were cut, making a minus of $10,000,000	−10
Federal Aviation Agency: Development of a supersonic passenger air transport	10
National Aeronautics and Space Administration	85
U.S. Information Agency: Expansion of this Agency's activities in Africa and Latin America	95
Veterans' Administration	
Million	
VA direct housing loans $30	
Selective increase in compensation rates 65	
Other	31
National Science Foundation: Grants for basic research and science education *Million* $29	
Tennessee Valley Authority 2	2
General Services Administration: Supplemental for distribution of supplies caused by the increased workload at the depots	214
Housing and Home Finance Agency	
Million	
College housing loans $45	
Low-cost housing 65	
Urban renewal 54	
Public facility loans 30	478
Housing for the elderly 10	
Other 10	
Department of Agriculture	
Commodity Credit Corporation (price supports: cotton, peanuts, rice, and milk; surplus food distribution abroad and other) *Million* $164	
Surplus food distribution (domestic) 100	
Food stamp pilot program 50	
Farm ownership and operating loans 77	
Rural Electrification Administration loans 15	
School lunch program 10	
Special milk program 9	
Farm housing loans 45	
Forest Service 21	
Subtotal 491	48
Less other incidentals −13	
Department of Commerce	
Million	793
Scientific research and other programs in Department $8	
Area redevelopment 40	
Department of Health, Education, and Welfare	
Million	
Elementary and secondary education $500	
Aid to higher education 21	
National defense education 32	
Aid to dependent children of the unemployed 215	

Explanation	Additional fiscal 1962 expenditures caused by administrative action and program increases
Department of Health, Education, and Welfare—Con.	
Public Health Service: *Million*	*Million*
Medical education and research $9	
Community health activities 9	
Water and air pollution control 12	
Other Public Health Service (mainly National Institutes of Health) 38	
Maternal and child welfare grants 10	
Subtotal 846	
Vocational rehabilitation and other [1] 9	
Subtotal 855	
Less OASDI liberalization and medical care −52	
Less aid to federally affected schools −5	
Total [1] 798	
Department of the Interior	
Million	
Bureau of Indian Affairs (Indian welfare and education) $14	
National Park Service (Mission 66 and seashore areas) 11	
Other Interior Department 8	
Department of Justice: Cost of judgeships bill in Justice Department	2
Department of Labor: Temporary extended unemployment compensation (not self-financing during 1st year)	431
Department of State: For use mainly for Africa	6
Treasury Department: Other	
Million	
Coast Guard $8	25
General changes in Department 17	
Amount of additional expenditures in fiscal 1962 caused by administrative action and program changes as announced in budget revision of Mar. 28, 1961	2,305
MAY 25 INCREASES	
Funds appropriated to the President: Mutual security, economic and contingencies:	
Presidential contingency fund, aid for emerging nations (AID program) (total estimated cost of program, $250,000,000)	75
Independent offices:	
National Aeronautics and Space Administration	330
Small Business Administration:	
Increased lending authority for SBA	38
U.S. Information Agency:	
For increasing programs in Latin America and Southeast Asia (total estimated cost of program, $121,000,000)	2
Department of Commerce: To the Weather Bureau for worldwide satellite system for weather observation (total cost of program, $53,000,000)	19
Department of Labor: Manpower development and training program (total cost not given)	60
Increases made in budget by President's message of May 25, 1961, regarding fiscal 1962	574
Total increases as of July 24, 1961	[2] 2,879

[1] There is a discrepancy of $5,000,000 because it is impossible to determine what amount is for vocational rehabilitation and what amount for other expenses not included in the Department of Health, Education, and Welfare budget for fiscal 1962.

[2] Adding $150,000,000 transfer from general fund and postal deficit of $800,000,000 raises deficit to $3,829,000,000, as shown in preceding chart.

Mr. MILLER. Mr. President, here is the place for President Kennedy to make his sacrifices. Here is the place for the sacrifices of our people in the form of billions of dollars of more defense spending and the hardship to families and businesses of reservists, National Guardsmen, and draftees who will be called up to be matched by sacirfices by their leadership in cutting back on nondefense spending. Only today, Mr. President, we received President Kennedy's message requesting $3,454,600,000 more defense spending for fiscal 1962. Why did not he couple with this message a call to Congress to cut back nondefense-spending programs by a like amount? My suggestion, Mr. President, is that President Kennedy forthwith send to the Congress a supplemental message making such a request. Moreover, this request should be accompanied by a request to cut back nondefense employees of the Federal Government to not greater than the total at the time he took office. During the first 4 months of his administration, net additional Federal civilian employees added to the Federal payroll amounted to over 33,000. This is not the kind of self-restraint that leadership practices when the people are being asked to tighten their belts.

My suggestion, Mr. President, is designed to make sure that President Kennedy will have the wholehearted response of our people which is vital to our national defense effort. People who bear the brunt of semimobilization will not have cause to wonder why there is business as usual in Washington if this suggestion is followed. There will be no question in anyone's mind over the seriousness of the President's call to the colors. My suggestion will insure that the President will carry out his commitments in the state of the Union message, when he said:

> This administration will not distort the value of the dollar in any fashion. And this is a commitment. In short, whatever is required to be done will be done to back up all our efforts abroad, and to make certain that, in the future as in the past, the dollar is as sound as a dollar.

Another suggestion, Mr. President, is that before we go into a semimobilization stage in this country, certain political-economic action be taken against our enemy in the cold war—the one with whom our mobilized forces would engage in event of a breach of the peace over Berlin. Is there to be business as usual with the Kremlin and other bloc nations while billions of new dollars are being spent to fight a conventional war with them?

And while thousands of reservists, National Guardsmen, and draftees are being called up to fight such a war? I do not think there should be business as usual at all. But nowhere in the President's speech did we hear a warning that signing of a separate peace treaty with East Germany will be followed by action on our part to close down Soviet and bloc embassies and consulates in this country, to stop foreign trade with them, and to stop foreign aid with nations that carry on foreign trade with them. Why not this before we get into semimobilization?

Finally, Mr. President, I must confess some misgivings over the validity of the President's justification for increasing our conventional forces. His reason for doing so is that we intend to have a wider choice than humiliation or all-out nuclear action. It is not as simple as that, Mr. President. There is such a thing as limited nuclear action too. And one wonders just how wide a choice the President desires. Is it to rest on the employment of 50,000 conventional troops; or 100,000; or 500,000; or 1 million? Where does he draw the line? Surely he is not suggesting that we match the Communist world division for division, tank for tank, gun for gun, or plane for plane. Still he said last night that we need the capability to meet all levels of aggressor pressure with whatever levels of force are required.

Mr. President, I have one final suggestion to President Kennedy at this time. Experts on communism have warned us that we can expect a war of nerves from the Soviets whenever it suits their purpose; and that the cold war will last for years. We should not get trigger-happy every time a crisis arises with Premier Khrushchev. Berlin is not the only place which will serve as—to use the President's words—a testing place of Western courage and will. The Senior Senator from Minnesota has reported that the Soviets are not, in his judgment, ready to go to war over Berlin. We have the capability to destroy them if they decide to break the peace, and Premier Khrushchev knows it. In my judgment, appropriate political and economic action, coupled with assurance to the leaders in the Kremlin that we do not intend to get bogged down in an indecisive conventional war with them—over Berlin or anywhere else—will maintain our rights and the rights of the German people in West Berlin and West Germany without having to fire a shot.

Then what happens? Do we let the reservists and National Guardsmen and draftees go home, only to call them up again the next time Premier Khrushchev begins another war of nerves over some other area in the world? This is, I am sure, what the Communist strategists would like to see, because they believe they can cause us to reach economic chaos by our own inept planning and strategy. And so, Mr. President, my suggestion is to put first things first in this war of nerves with the Soviets, realizing that there will be more to come and that we cannot react every time one arises by getting this country into a state of semimobilization. We are capable of reacting effectively on the political and economic front; and if, perchance, this does not work, then we can always go further.

These, Mr. President, are my suggestions. They are not motivated by partisan considerations—only by the dedication, which all of us share with President Kennedy, to what is best for our country and the cause of freedom throughout the world.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. MILLER. I am delighted to yield to my friend from South Carolina.

Mr. THURMOND. I congratulate the distinguished Senator from Iowa upon the point he made about reducing nonessential and nondefense expenditures. As the Senator probably knows, in the past 10 years defense expenditures have gone down $1.3 billion, while nondefense expenditures have gone up over $19 billion.

Some people wish to blame the cost of Government on defense. The Defense Establishment does take a larger share than any other department or agency of Government. However, upon a strong defense depends the survival of our Nation and that of the free world. We must provide a strong Military Establishment in order to protect our survival.

While doing that, however, it is my judgment that we can do it and stay within a balanced budget if we will reduce nonessential and nondefense expenditures. Is that the opinion of the Senator from Iowa?

Mr. MILLER. I thank the Senator from South Carolina. Of course he knows that my answer is "Yes." The very able Senator from South Carolina not only speaks the way he is speaking tonight, but he also votes in the same way. In other words, when it comes to matters which are obviously not necessary compared to our national defense effort, the very able Senator from South Carolina votes against them, because he cannot in his conscience, any more than I can in my conscience, support these measures at a time of great crisis to the future of our country.

If one of the major efforts of the administration is to achieve recovery and to attain full employment—and I am sure that this is a most laudable objective—it is not necessary to have a depressed areas bill, for example. If we expand our mobilization base and our military procurement base, there will be jobs that will have to be filled to meet these requirements. I believe we are going to double up if we carry through with the depressed area legislation. There will be plenty of requirements for able bodied, skilled workers in defense plants to meet the requirements of the military without doubling up and going into other types of nondefense spending.

Mr. THURMOND. The Senator from South Carolina expects to cooperate with the President of the United States in building up the military forces of this country. He expects to cooperate with the President in properly preparing this country to meet the emergencies which may lie ahead.

But he feels, in doing so, that it would be the part of wisdom, on the part of the President, the administration leaders, and the leaders of both parties in Congress, to eliminate and discontinue nondefense and nonessential expenditures. Otherwise, the people will have to bear much heavier burdens of taxation, and we shall continue to go further and further into debt. If we go further and further into debt—and our debt is already $290 billion; in fact, the I O U's, the obligations, and responsibilities of our Government, together with the debt of $292 billion, aggregate about $750 billion—that debt will some day have to be paid. It cannot be paid by one generation. So it means that this generation is living on the sustenance and the substance which belong to the next generation and to generations to come.

I do not think it is fair, I do not think it is right, I do not think it is equitable, I do not think it is just, I do not think it is wise, for us to be spending beyond our income and placing this burden on the children of tomorrow and the children of future generations.

Mr. MILLER. Mr. President, the distinguished Senator from South Carolina is an acknowledged military leader in his own right, having many years of experience. He is an expert, if we have such a person, in things relating to the military. I say to him that there is something additional to weapons and bodies. It is necessary to have spirit, to have morale. Does not the Senator agree that the impact of unnecessary nondefense spending, which will result inevitably in either more taxes or inflation or both, and the impact on the economy and the people's money will tend to diminish the effectivenss of the military power of our Nation?

Mr. THURMOND. I would answer in the affirmative and say it certainly does. In my judgment, if we continue to spend for nondefense and nonessential matters, we shall experience terrific inflation in this country. We shall plunge the Government further into debt to the extent of billions of dollars. We shall impose higher taxes on the people. We shall place on future generations obligations unheard of and unreasonable.

It is my sincere hope that our leaders will begin to think seriously upon this question and bring about a sound fiscal policy. This can be done within a balanced budget and still maintain a strong National Defense Establishment, which this country requires and demands.

Mr. MILLER. I thank the distinguished Senator from South Carolina.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

ADDITIONAL REPORT OF A COMMITTEE

The following additional report of a committee was submitted:

By Mr. MANSFIELD, from the Committee on Rules and Administation, without amendment:

S. Res. 183. Resolution to print as a Senate document a study entitled "Proposed Federal Aid for Education."

ADDITIONAL BILLS INTRODUCED

The following additional bills were introduced, read the first time, and by unanimous consent, the second time, and referred as indicated:

By Mr. MAGNUSON:

S. 2319. A bill for the relief of Harry E. Ellison, captain, U.S. Army, retired; to the Committee on the Judiciary.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 2320. A bill to amend the act admitting the State of Washington into the Union in order to authorize the use of funds from the disposition of certain lands for the construction of State charitable, educational, penal, or reformatory institutions; to the Committee on Interior and Insular Affairs.

HARRY E. ELLISON

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill for the relief of Harry E. Ellison, captain, U.S. Army, retired. I ask unanimous consent to have a statement relating to this case printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2319) for the relief of Harry E. Ellison, captain, U.S. Army, retired, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. MAGNUSON is as follows:

Capt. Harry E. Ellison, U.S. Army (ret.), O1797269, 143 SW 140th Street, Seattle, Wash., retired from active duty on January 31, 1954, by reason of disability resulting from gunshot wounds received in line of duty. Was granted a 40-percent disability pension amounting to $199.68. He secured employment soon after retirement but this was terminated in January 1958 when he suffered a mild stroke. This stroke was followed in February 1958 by a rather severe heart attack, which has restricted his activities to the point where employment is extremely difficult to obtain. Wife is semi-invalid and unable to do any work—also requires expensive treatment.

On March 18, 1957, Ellison was advised by the Army Finance Center that he owed the Government $3,219.05 for alleged overpayments of pay and allowances. Considerable correspondence followed, and amount has now been increased to $3,998.54.

In April 1960 a deduction of $50 per month was made from his disability pension and this monthly deduction is now continuing. Deductions for his insurance premiums have increased from $17.70 to $26 per month, reducing his monthly pension to $135.66.

While on active duty, Captain Ellison had always computed his pay in accordance with the data provided him by the finance officer, Fort Custer, Mich., and had no way of knowing there were errors in the computation.

This seems to be a very worthy case, meritorious of private legislation. In a somewhat similar case, President Kennedy on April 29 signed a private bill sponsored by Senator BEALL canceling a $4,447.98 debt of Mr. Earl H. Pendell, of Baltimore, who had been overpaid that amount in an "administrative error," as a Federal court reporter. The error was discovered and part of the overpayment was deducted from his salary before illness forced Mr. Pendell's retirement.

INDEPENDENT OFFICES APPROPRIATION BILL, 1962—AMENDMENTS

Mr. JAVITS submitted amendments, intended to be proposed by him, to the bill (H.R. 7445) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1962, and for other purposes, which were ordered to lie on the table and to be printed.

ADJOURNMENT TO 11 A.M. TOMORROW

Mr. THURMOND. Mr. President, if there is no further business to be transacted, I move that the Senate adjourn, in accordance with the previous order, until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 10 o'clock and 54 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Thursday, July 27, 1961, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate, July 26, 1961.

U.S. MARSHALS

William Marshall Broadrick, of Oklahoma, to be U.S. marshal for the eastern district of Oklahoma for the term of 4 years, vice Paul Johnson, resigned.

Casimir J. Pajakowski, of Indiana, to be U.S. marshal for the northern district of Indiana for the term of 4 years, vice Roy M. Amos.

BUREAU OF CUSTOMS

Joseph P. Rostenkowski, of Illinois, to be collector of customs for Customs Collection District No. 39, with headquarters at Chicago, Ill.

EXTENSIONS OF REMARKS

Where Do We Go From Here?

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 26, 1961

Mr. DAGUE. Mr. Speaker, regardless of the labels "reactionary," "out of date," "old fashioned," and "a horse and buggy conservative" that may attach to me, I continue in the firm conviction that the financial solvency of this Nation should be of far greater concern to all of us than the loud-mouthed threats of Nikita Khrushchev, who quite evidently is finding trouble right in his own Communist backyard.

Our President has very wisely emphasized the dangers of false assumptions in dealing with a madman like Khrushchev and I am sure that every patriotic American will applaud such steps as may be necessary to put us in shape to meet any act of aggression that may be in the making against us. As a practical matter, however, there is ample evidence that the bully boy of the Kremlin is simply giving forth with his annual propaganda tirade in hopes of throwing the Western Powers off balance and it has undoubtedly surprised him to observe the alacrity with which the allies have closed ranks. All of which underscores the question of just how far America should go in setting up defense programs that will drive us further down the road of deficit spending while at the same time conveying to the Soviets an alarm not justified by actual circumstances.

Undoubtedly, the Nation is facing a crisis of sorts but instead of an emergency involving our military security it may well be one that centers largely on the American taxpayer as such. In a timely editorial in the July 22 issue of the Philadelphia Inquirer entitled "Crisis for the Taxpayer, Too," there appears this cogent observation:

If relations with the Soviets have become worse in the past 6 months to the degree that a reappraisal of defense needs is required, then there also should be a reappraisal of nondefense programs.

National defense and security must have priority. Taxes, in the opinion of many, are already near the upper limit possible in a free society. The alternative to higher taxes for defense is less spending for projects nonessential to defense.

Along the same lines there appeared earlier in the Philadelphia Evening Bulletin these pertinent editorial opinions:

This huge spending is not being accompanied by the sort of responsibility which an individual would be compelled to exhibit—a tightening up of domestic programs to compensate in part for the greater space, aid and defense outlays.

It might even be prudent to reconsider, in the light of the huge deficit now announced, some of the big spending measures which have already been enacted, or put the actual outlay of money into deepfreeze until the international situation calms down.

The huge deficits, mounting debt and threatened higher taxes, if not accompanied by curtailed domestic programs, are all sufficient to cause grave concern among thinking taxpayers. If they lead to greatly unbalanced budgets, the Nation will be pushed headlong down the road to inflation.

I am not prepared, Mr. Speaker, to subscribe to the opinion advanced by some that an emergency might be welcomed by the administration as a means of taking the minds of the taxpayers away from the questionable benefits that have already been voted this year to implement the welfare state, even though the record of the majority party might lead one to that conclusion.

No one likes to quote Adolf Hitler on anything but he certainly emphasized a truism when he told his people that "they couldn't have both guns and butter," that they couldn't prepare for war and expect to enjoy an improved living standard.

To apply that obvious truth to our present situation the President should serve notice that the gadgets of bureaucracy; namely, public housing, urban renewal, subsidized sewage disposal, an expanded farm program, Federal aid to education, vast public power projects, and that hodge-podge which goes under the name of "social welfare," must all be set aside until we have prepared ourselves to meet communism's aggressive threat. In my opinion all of these giveaway plans serve primarily to weaken the fiber of our people and, if curtailed, would leave us better equipped to face up to Khrushchev's challenge.

Impacted School Areas Discharge Petition

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 26, 1961

Mr. HOSMER. Mr. Speaker, for information of our colleagues, the full text of H.R. 5349, calling for a 2-year extension of the impacted school area legislation and for which a discharge petition, already signed by a number of the Members of this body, is now at the Clerk's desk, is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3 of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress) is amended by striking out "1961" and inserting in lieu thereof "1963".

(b) Subsection (b) of section 14 of such Act is amended (1) by striking out "1961" each time it appears therein and inserting in lieu thereof "1963", and (2) by striking out "$40,000,000" and inserting in lieu thereof "$60,000,000".

(c) Paragraph (15) of section 15 of such Act is amended by striking out "1958–1959" and inserting in lieu thereof "1960–1961".

SEC. 2. The Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by striking out "1961" each time it appears in sections 2(a), 3(b), and 4(a) and inserting "1963" in lieu thereof.

Widespread Support Shown by Organizations Endorsing Legislation Permitting Sale of General Aniline & Film Shares Now Vested in the Attorney General

EXTENSION OF REMARKS
OF
HON. HOWARD W. ROBISON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 26, 1961

Mr. ROBISON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following list of organizations who have endorsed legislation introduced by myself and others to permit the Attorney General to sell the shares of the General Aniline & Film Corp., which have been vested in the U.S. Government since the early days of World War II. These bills are my measure, H.R. 1078, the companion bill by Representative O'BRIEN, of New York, H.R. 3460, and a comparable Senate measure, S. 769, sponsored by Senators KEATING, JAVITS, CASE of New Jersey, and WILLIAMS of New Jersey.

In the 2d session of the 86th Congress, this legislation was approved by the Subcommittee on Commerce and Finance and ordered reported by the full Committee on Interstate and Foreign Commerce of the House. The Senate bill was approved by the Subcommittee on Alien Property of the Committee on the Judiciary. The House subcommittee, under the leadership of its distinguished chairman, Representative MACK, of Illinois, will hold hearings soon on war-claims legislation and the bills by Representative O'BRIEN and myself. We deeply hope that the subcommittee will follow its action of last year with approval of one of this year's measures.

To show the widespread support among business, labor, veteran and civic groups for such legislation, I submit the following list:

NATIONAL, STATE AND LOCAL ORGANIZATIONS AND GROUPS SUPPORTING SALE AND/OR OPPOSED TO RETURN TO FORMER OWNERS OF ALIEN PROPERTIES VESTED BY THE UNITED STATES DURING WORLD WAR II

National Legislative Committee of the A.F. of L. and CIO; U.S. Chamber of Commerce; section on international and comparative law of American Bar Association; the American Legion; American Veterans of World War II and Korea (AMVETS); American Association of European Jurists; International Chemical Workers Union; New York State Federation of Labor; New York State Department of Commerce; Pennsylvania State Chamber of Commerce; Union County, N.J., Central Labor Union; Kentucky State Post of the American Legion; Kentucky

State Post of American Veterans of World War II and Korea (AMVETS); Association of Commerce of Paducah, Ky.; Chamber of Commerce of Binghamton, N.Y.; Chamber of Commerce of Easton, Pa.; Non-Sectarian Anti-Nazi League; Axis Victims League.

GENERAL ANILINE & FILM CORP.—LOCAL UNIONS

International Chemical Workers Union, Local 306, AFL–CIO, Ansco division, Binghamton, N.Y.; General Industrial Workers Union, Local 146, AFL–CIO, Linden, N.J.; Printing Pressmen & Assistants Union, Local 57, AFL–CIO, Ansco division, Binghamton, N.Y.; Sheet Metal Workers International Association, Local 112, AFL–CIO, Ansco division, Binghamton, N.Y.; International Brotherhood of Electrical Workers, Local 325, AFL–CIO, Ansco division, Binghamton, N.Y.; International Association of Machinists, Lodge 1807, AFL–CIO, Ozalid division, Johnson City, N.Y.

EMPLOYEE GROUPS

General Aniline Supervisors' Association, the chemical group, Rensselaer, N.Y.; General Aniline Supervisors' Association, the chemical group, Linden, N.J.; Technical staff of Ozalid division, Johnson City, N.Y.; Employees group, central research laboratories, the chemical group, Easton, Pa.; Research and development staff, Ansco division, Binghamton, N.Y.; Employee groups of the chemical group, New York, N.Y.; sales offices of the chemical group at Providence, R.I., Charlotte, N.C., Philadelphia, Pa., Chattanooga, Tenn., Chicago, Ill., and San Francisco, Calif.

MINORITY STOCKHOLDERS

General Aniline & Film Corp. American Shareholders' Committee.

Federal Aid to Private and Parochial Schools

EXTENSION OF REMARKS
OF
HON. DELBERT L. LATTA
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 26, 1961

Mr. LATTA. Mr. Speaker, Pastor Edwards, of the Swanton Methodist Church, of Swanton, Ohio, has distributed to his parishioners a few pronouncements of the Methodist Church in Ohio on the subject of Federal aid to private and parochial schools which, I believe, deserve the attention of all the Members notwithstanding their position on this important subject. These pronouncements are as follows:

First. Such action is a definite violation of the historic American premise of separation of church and state. The first amendment holds that religious freedom can most surely be combined with religious peace by making it unlawful to grant public money to the church.

Second. It has been declared unconstitutional by the Supreme Court of the United States, which stated:

No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion.

Third. A move such as this would undermine the principles of our public school system and destroy one of the pillars of our Nation's unity and strength.

Fourth. The use of public funds, either in the form of grants or loans, for the advancement of any arm of the church is to further sectarian ends. Parents who wish to send their children to private schools must be willing to pay the cost. If such private schools are supported by the taxpayer, then the parent whose child goes to the public school will be paying twice over—once to support the public school and once to support the private school which his child does not attend.

Fifth. There is a possibility that those seeking to avoid desegregating public schools would use such Federal funds to build segregated private schools.

The President's Address on the Berlin Crisis

EXTENSION OF REMARKS
OF
HON. BRUCE ALGER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 26, 1961

Mr. ALGER. Mr. Speaker, under permission to extend my remarks, I would like to include a release I made to the press analyzing the President's address to the Nation on Tuesday evening:

MILITARY STRENGTH IS BUILT ON SOLVENT ECONOMY

There is no disagreement with the President's analysis of the seriousness of the Berlin crisis, nor with his conclusion that Berlin is only one part of the worldwide problem created by the Communist conspiracy for world domination. I am in complete agreement that there should be no weakening of our military strength and that it should, in fact, be increased. The President may be sure the Congress and the American people will support, to whatever measure necessary, the strength needed to protect our freedom.

I emphatically disagree with the President, however, in his insistence that we can spend unlimited amounts to strengthen our military posture and at the same time make no effort to curtail domestic spending. The President has again demonstrated, as I have pointed out on previous occasions, that he does not understand that our military strength must be built on a strong and solvent economy. There is a limit to which the American people can be taxed. There is a point of diminishing returns when taxes become so high as to hamper, then bankrupt business, industry, and individuals, and a bankrupt nation cannot support the defense strength necessary to meet the Communist challenge.

To maintain and increase the defense posture demanded by the President, and I agree we must, then our sacrifices for which the President repeatedly calls, must begin in our domestic spending. No new welfare programs, no increased demands for Federal proposals should be instituted. More than this, we must cut back domestic spending so that no new taxes will be required. Only in this way can we guarantee the solvent economy upon which to build our defense strength. It is unrealistic to call for sacrifices and at the same time tell the people we can build military strength while enjoying the luxury of increased welfare programs and higher domestic spending.

Two additional points in the President's address need comment. He said, "If war begins, it will have begun in Moscow." He should have added, and made perfectly clear, "and fought in Moscow, not just in Berlin, Laos, or Cuba."

The other point I would like to make is that while the speech was firm and the premise right, it still fell short in not calling for action. We cannot really convince the enemy that we will fight for the freedom of Berlin while we allow Communist bandits to seize and hold American citizens and American property in Cuba. The most graphic demonstration of our intentions right now, would be to move immediately to end the Communist regime in Cuba for the protection of American lives and property. Here, too, the President will find, if he makes the decision he should make to free Cuba, that the American people are solidly behind him. Firm action like this, not firm talk, will alone prevent world war III resulting from others misjudging our strength and our intentions. What we really need now is a strong, clearly understood, self-interested U.S. foreign policy. What we have is a hodge-podge of U.S. reactions to Communist threats, blusterings and subversions, that aggrandizes them and belittles the United States. We are dancing to the Communists' tunes. What we now need is plain old-fashioned intestinal fortitude, courage defined by action, not talk.

Nineteen Hundred and Sixty-one Osmers Questionnaire

EXTENSION OF REMARKS
OF
HON. FRANK C. OSMERS, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 26, 1961

Mr. OSMERS. Mr. Speaker, fear of increased Communist expansion and a deep concern over the possible results of ineffective U.S. foreign policies are sharply reflected in the more than 11,000 replies I have received to my 1961 questionnaire.

Approximately 55,000 of these questionnaires were mailed during the first week in June to voters in New Jersey's Ninth Congressional District which I represent. About 45,000 went to voters selected at random from voting lists without respect to party affiliation. The remaining 10,000 were sent to representative business and professional men, labor leaders, and others active in civic and governmental activities.

Impressive numbers of voters in my district appear to lack confidence in the foreign policies that have been followed so far by the Kennedy administration. This is evidenced by replies to questions on subjects ranging from the resumption of nuclear testing to the use of U.S. Armed Forces to oust Castro's regime in Cuba.

Asked if they favor the overall record of the Kennedy administration, 47 percent of those replying voted no, 26 percent yes, and 27 percent were undecided.

Asked to indicate, in the order of importance, the greatest threats facing the Nation today, 90 percent marked "continued Communist expansion," and

84 percent marked "ineffective foreign policy." It is important to note that all but a few of these replies were received even before tension began building up over the Berlin crisis. The answers received to these, and other questions about foreign affairs, indicate to me that the voters of my district are keenly aware of the dangers that confront us abroad. There is a clear demand for more decisive U.S. policies. Most significant, I believe, is the fact that 56 percent of those replying favor the use of armed forces, if necessary, to oust Castro. The resumption of nuclear testing, in view of the Geneva deadlock, is backed by a 6-to-1 margin. Most of the hundreds of thoughtful letters that came with the returned questionnaires express grave doubt that our foreign policy leadership and direction is geared to meet the very real dangers that face us abroad.

Other areas of concern as expressed in the replies are: runaway inflation, 74 percent; stifling taxation, 70 percent; unreliable allies, 60 percent; economic depression, 60 percent; and atomic attack, 54 percent.

In another question relating to the situation in Cuba, an impressive majority of my constituents made plain they have no regret over the failure of the short-lived proposed "Tractors for Prisoners" exchange with Castro. The exchange, pending at the time the questionnaire was mailed, was opposed by exchanging either money or machinery for political prisoners, only 12 percent approved, while 8 percent were undecided.

Forty one percent favor at least some form of Federal aid to schools in this year's answers. Thirty eight percent oppose such aid and 21 percent are undecided. Two years ago, however, only 38 percent expressed approval of any Federal funds for schools while 49 percent were then opposed and 13 percent undecided. Those replying in the affirmative this year were asked to specify if they favored such aid for construction purposes only, for teachers salaries, for all school purposes or whether they would restrict such aid to construction loans. The same questions were asked with regard to church schools. Here are the results: 36 percent of those favoring Federal aid to education approve of providing funds for all purposes for public schools; 10 percent favor this broad approach to church schools; 65 percent favor Federal aid for public school construction; 16 percent for church school construction; 40 percent favor Federal help for teachers salaries in public schools; 10 percent in church schools; 49 percent favor construction loans for public schools while 20 percent favor such loans for church schools.

By better than 8 to 1, my constituents favor a change in the present method of electing the Nation's President. Eighty percent said the Presidency should go to the candidate who wins the straight popular vote; 12 percent favor a proportionate division of State electors. Only 8 percent favor a plan giving a presidential candidate two electors for each State and one for each congressional district he carries.

A Federal program to retrain the long-term unemployed had a majority of 2½ to 1. Repeal of the $50 tax credit and 4 percent tax exemption on dividend income was favored by only 18 percent, 66 percent opposed the change, and 16 percent were undecided.

The response to this year's annual poll is the best ever received by me in any of the 7 years that I have used questionnaires to determine sentiment in my district.

Mr. Speaker, for the benefit of other Members and readers of the CONGRESSIONAL RECORD, under unanimous consent, I include in the CONGRESSIONAL RECORD the tabulated percentage results of the replies received up to July 25, 1961:

[Percent]

	Yes	No	Undecided
Do you favor—			
1. The overall record of the Kennedy administration?	26	47	27
2. Using U.S. Armed Forces, if necessary, to oust Castro?	56	36	8
3. New multi-billion-dollar, long-term foreign development loan proposal?	30	54	16
4. Resumption of U.S. nuclear testing in view of Geneva deadlock?	74	14	12
5. Exchanging money or machinery for political prisoners?	12	80	8
6. Federal aid to education? (If yes, check purposes below)	41	38	21
Public schools:			
Construction	65		
Teachers' pay	40		
All school purposes	36		
Construction loans	49		
Church schools:			
Construction	16		
Teachers' pay	10		
All school purposes	10		
Construction loans	20		
For desegregated schools only: Yes, 35; No, 25.			
Do you favor—			
7. Spending billions of dollars to send a man to the moon?	33	54	13
8. Repeal of $50 tax credit and 4 percent tax exemption on dividend income?	18	66	16
9. Broad national program to retrain the long-term unemployed?	63	28	9
10. Presidential election reform? (If yes, check method below)	86	10	4
Straight popular vote? 80; proportionate division of State electors? 12; 2 electors for each State, 1 for each congressional district candidate carries? 8.			
In your opinion—			
1. Do summit conferences, such as Vienna, help cause of peace?	42	42	16
2. Do serious threats face our country	97	2	1
If yes, number, in order, those you consider greatest (1), (2), (3), etc.: Continued Communist expansion, 90; runaway inflation, 74; economic depression, 60; atomic attack, 54; stifling taxation, 70; ineffective foreign policy, 84; unreliable allies, 60; other various, 20.			

Impacted School Area Discharge Petition

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 26, 1961

Mr. HOSMER. Mr. Speaker, a discharge petition is at the Clerk's desk to discharge a bill providing for a 2-year extension of the impacted school area legislation.

Some 3,800 of the Nation's school districts depend on the extension of these statutes in order to finance the education of the Nation's schoolchildren. With such extension, these 3,800 school districts will be thrown into varying degrees of financial chaos.

I respectfully suggest that any Member desiring to do something beneficial for American education may avail himself of the opportunity to sign this discharge petition. It would be tragic, indeed, if inaction by the membership of this body resulted in the tragic consequences that inevitably would flow from failure by Congress to provide the impaction funds.

Turkish National Lottery

EXTENSION OF REMARKS
OF
HON. PAUL A. FINO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 26, 1961

Mr. FINO. Mr. Speaker, I would like to acquaint the Members of this House with the success of a national lottery in Turkey. In the last 5 years, the Turkish Government has doubled its take from this lottery. The concept of a national lottery, once promulgated, soon gained happy and profitable acceptance. Would that we here in America could retreat from hypocrisy and act with the same wisdom.

In 1960, total revenues from the lottery were $8.4 million. After prizes were awarded, $3.6 million remained for the treasury. Both the total receipts and net profit of the lottery have been continually increasing in recent years.

For some time, the Turkish national lottery provided the funds for the budget of the Turkish Air Force. These lottery revenues are now simply included in general budget revenues without being specifically earmarked.

It is not likely that a national lottery in America could quite support our Air Force, but it could, as in many countries, be used to keep taxes down while at the

same time providing funds to support education, health, and welfare programs. It is about time that we caught on to this fiscal fact of life.

Discussion of Amendment to Feed Grain Bill To Encourage Production of Guar

EXTENSION OF REMARKS
OF
HON. GEORGE H. MAHON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 26, 1961

Mr. MAHON. Mr. Speaker, as indicated in my discussion in the House today with the gentleman from Texas [Mr. POAGE], I plan to offer an amendment to the farm bill which would permit the planting of guar on acres diverted from feed grain. I think it would be well to amplify the remarks which I made on this subject in the House.

The pending bill on page 18, beginning on line 9, contains the following language:

Provided, however, That any producer may elect in lieu of such payment to devote such diverted acreage to castor beans, safflower, sunflower, or sesame, if designated by the Secretary.

My amendment would add guar to the list of crops enumerated in the pending bill.

I think the following explanatory statement might be helpful:

According to the latest report available from the Department of Agriculture, less than 10 million pounds of guar beans are raised domestically. The Secretary of Agriculture stated in a letter to me recently that today we are importing approximately 90 percent of our total requirements of guar beans, and that the Department feels increased plantings of this crop should be encouraged.

Secretary Freeman recommended to the Senate Agriculture Committee that guar be included in the list of crops eligible to be planted on diverted acres. His recommendations were accepted by that committee and included in its bill.

Guar products are used in such items as paper, textiles, explosives, cheese, ice cream, pharmaceuticals, emulsion stabilizers, in the mining and drilling industry, and so forth.

The guar bean not only produces a highly valuable gum, but it also produces a high protein meal. The need for protein in India—our chief source of supply for guar gum—is so great that export of whole beans is not permitted. Processors and users in the United States have said that they prefer domestic beans over imported beans and guar products. It is estimated by some authorities that we have a market potential of 100 million pounds of guar gum per year.

Besides being a bean-producing cash crop, guar is a legume and regarded by agricultural experts as a highly valuable soil conservation crop. I believe that now is the time to promote this crop and include it in the program for 1962.

The Overfed Federal Government

EXTENSION OF REMARKS
OF
HON. DALE ALFORD
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 26, 1961

Mr. ALFORD. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to include an address which I was privileged to deliver before two outstanding groups of business and professional men in my State, the Pulaski Heights Lions Club, of Little Rock, on Monday, July 24, 1961, and the Pine Bluff Rotary Club on Tuesday, July 25, 1961.

The title of the address is "The Overfed Federal Government":

THE OVERFED FEDERAL GOVERNMENT
(By Hon. DALE ALFORD, Member of Congress, Arkansas)

I am sure that many of you, at some time in your lives, have seen what happens when an honest businessman goes bankrupt. At first the shock to his ego and to his position to the community render him almost helpless. Though he might have been very kind and considerate to those around him, his false friends quickly leave and his true friends are put under a big strain. Other businessmen are reluctant to deal with him because his credit is bad and his money tainted. He finds it hard to provide for his family and other responsibilities. One of the harsh facts of life is that money does not come easily and you cannot spend more than you make and not go broke. If it is an unhappy sight when a man goes bankrupt, think how much worse it is when a whole country goes broke.

If we were to paint the Devil with goodness and say that everything the Federal Government spends our money for is good, it would still be true that the Government cannot afford to spend more than it earns. And if the Federal Government goes bankrupt, then it cannot spend for anything—good or bad—and worst of all, we still would have to pay for the Federal bankruptcy. We might even have to pay to some country which is currently taking foreign aid from us. What are the chances for America going broke? You can tell the health of any business or government by the size of its expenditures and debts. The debt of the Federal Government is about $300 billion. I'd like to do a little arithmetic. The Federal Government each year takes in a gross revenue of not quite a hundred billion dollars. And from this gross revenue, the Government deducts, for various trust funds and other funds established by law, enough to bring down the Federal income to about $75 billion. This means that if the Federal Government did not spend anything for the next 4 years, it would just barely pay its debt with its present income. This is quite a mortgage.

How did we get so far in hock? We got into debt because of the size of Federal spending. How did the spending get big? Because the Federal Government is big—you might even say the Government is overfed. How do we get rid of big debts, big spending, and big government? The obvious answer is to accord more responsibility and power to the State governments, which originally got together and established the Federal Government. I mean that we should return to government by Constitution.

On June 7, 1776, the Continental Congress of our American Colonies was in session in the State House in Philadelphia. This was the climax of a long political conflict between our forefathers and King George III of England. I do not propose to review here the long list of grievances affecting trade, taxes, invasion of legislative rights, usurpation of power by controlled judges, military abuses and other displays of unbridled power in oppression of the people. Actual war had broken out, but the colonists still clung to the vain hope that the King would listen to reason and commonsense. A peaceful representative from the Colonies had been refused an audience, so the representatives of the Colonies heard Richard Henry Lee of Virginia read a resolution on June 7, 1776:

"That these united Colonies are, and of right ought to be, free and independent States; that they are absolved from all allegiance to the British crown; and that all political connection between them and the State of Great Britain is, and ought to be, totally dissolved."

Then, on July 4, 1776, 185 years ago, a resolution drawn by a committee headed by Thomas Jefferson was adopted:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed."

Oftentimes it does not occur to some observers that such mental giants as Ben Franklin and Thomas Jefferson had not failed to note that all men are not equal. That, of course, is obvious—the weak and the strong, tall and short, genius and the weakminded, rich and poor. Their meaning is perfectly clear—all men are created equal as far as being recognized by the Throne of Heaven—and all men are created equal before the law. Their meaning was to insure the freedom of the people and their safety by giving to government limited power and not the power to control. Their meaning was to preserve the freedom of the people from the government itself. The Federal Government was to have only such powers as were needed for national defense, coining money and regulating matters of concern between the States. However, to be sure that this Government could not build itself into a despot, as had been throughout history, they established three separate functionaries, i.e. legislative, executive, and judicial.

They knew that this system of government would be clumsy at times, but they preferred this to the danger of one with too much power, the power to oppress the people. Therefore, unlike any government in existence, the Founders withheld from these agencies certain powers which were "reserved to the States respectively, or to the people." It is imperative that we must never lose sight of the fact that this thing called government is an apparatus of power. The statement of John T. Flynn has never been more true than it is at this present moment: "The historic struggle of man to be free has consisted in the effort to subdue the State." He warned against "the highly organized Central Administration, armed with public funds and with the compulsive machinery of the government."

It is obvious to all students of history that the early American patriots distrusted the Federal Government which they, themselves, brought into existence. Why was this so? The Founders of our Republic were both statesmen and historians and they knew that prior to that time every government in history had eventually turned its power against its own people, confiscating their property, imprisoning them without trial by jury, and making a mockery of the dignity of man. That fact was true without exception and without regard to how the leaders came to

power. Therefore, the reason our Founders were afraid is that the power of government is always a dangerous weapon in any hands. When their task of forming a Republic under the Constitution was completed, Gladstone stated that the delegates had produced "the most wonderful work ever struck at a given time by the brain and purpose of man." As Franklin left the Convention Hall someone asked what kind of government they had formed. He answered: "A republic—if we can keep it so."

If we can keep it so. That is the duty of every American patriot today, because today we are seeing our freedoms vanish bit by bit and to the close observer of the body politic our liberties seem to be falling away at a gallop. The Bill of Rights still exists on paper, but we must awaken other Americans for the spirit that caused it to be written seems to be disappearing. When that American spirit is gone, the words will be nothing and the internationalist planners will have won their victory through our own complacency and our own greeds of special interests and our seeming desire for Government-guaranteed "compulsory security."

No single individual is to blame and no single American political party is to blame. Too few of us seem to have the desire to keep Government out of our business and out of our personal affairs. We want freedom, but we ask for price controls and we demand more and more Government housing and Government employment and Government planning in urban affairs and Government planning in agricultural affairs. We complain about taxes, but we have returned to office men who sent $100 billion (I said $100 billion) of our tax money into foreign lands in recent years, in many instances undergirding governments completely alien to our Founding Fathers' philosophy of government, by undergirding and aiding Socialist powers that will devour us and our system of free enterprise just as definitely as they claim they will—unless we stand as firm in our convictions as our Founding Fathers did 185 years ago.

How has this creeping socialism become so much a part of this great Republic? During the great depression of the thirties we gave up many of our freedoms temporarily in emergency procedures—but after being on the road to recovery, we never regained many of the freedoms. Then, we fought a great war in World War II and participated in the great deceptive debacle known as the Korean police action—and these two holocausts cost us further centralization of power that was relinquished to Washington temporarily. However, these emergency regulations and emergency bureaus and emergency taxes have been propelled by one administration after another and by both major political parties into perpetual planning and regulation—and now the Government which is supposed to be our servant is now running our lives. And what is worse, this centralized, paternalistic planning is changing the character of some of our people just as the Socialists had planned for us. I maintain that this country was not built by men and women who leaned on the Government to take care of them. It was built by people of courage and daring, people of drive and ambition who threw off the shackles of Government to breathe the free air of the New World and blaze new trails fully cognizant that there was no security in being a pioneer and no security when people are determined to be independent. This dogged determination or backbone or self-reliance of the early American, call it what you will, was the quality that caused America to reach the heights of greatness as a world power. My fellow Americans, the time has come for us to reassert our rights, our inalienable rights to become again the kind of people that produced the greatest industrial and agricultural Nation on earth in less than 200 years by following the policy that "he who does not work does not eat."

I have often been referred to as a crusader, and if that be true, I must say to you in all candor that it is not just a crusade against socialism and communism. It is a crusade for enforcement of the Constitution. It is a militant crusade for the free enterprise and local self-government distinctive way of life that was the true spirit of '76 as opposed to the "socialism of the sixties."

Socialism has been defined as governmental ownership or control of the means of production. And communism, as any student of political science knows, is the same as this definition. Karl Marx labeled himself a socialist. After the Communist revolution, Russia was named the Union of Soviet Socialist Republics. The invasion of communism and/or socialism in the United States is evidenced by the marked increase in Government controls and Government ownership of wealth especially since the early thirties. We do not name these controls and new powers over us, but they do fall into the category of the definition of socialism, the "ownership or control of the means of production."

Frankly, I do not fear a thermonuclear war as much as I fear the concept of the declaration of an emegency by our Federal Government again and again so that through the emergency powers concept the people are relieved of the responsibility for their own welfare and deprived of their freedom of choice and deprived of their freedom of speech and deprived of their right of regress of powers to the Federal Government. Whether the concept of assumption of emergency powers by the Executive is in good faith or whether it is a conspiratorial quest for the increase of national power, the end result is the same—a dictatorship from Washington. All of us are aware of the military threat to our Nation, and if we are attacked, we will fight back regardless of the cost. But too few of us understand the insidious process whereby our own laws and our own Government can be used to destroy our own liberties from within just as surely as if we were overpowered by a foreign military force. The father of the Constitution and the fourth President, James Madison, described the most dreaded enemy of liberty as follows:

"Of all the enemies to public liberty war is, perhaps, the most to be dreaded, because it comprises and develops the germ of every other. War is the parent of armies; from these proceed debts and taxes; and armies, and debts, and taxes are the known instruments for bringing the many under the domination of the few. In war, too, the discretionary power of the Executive is extended; its influence in dealing out offices, honors, and emoluments is multiplied; and all the means of seducing the minds, are added to those of subduing the force of the people. No nation could preserve its freedom in the midst of continual warfare."

As early as 1848 we were warned of a successful Communist or Socialist revolution by the father of communism, Karl Marx, when he made the following statement:

"We have seen that the first step in the revolution by the working class is to raise the proletariat to the position of the ruling class; to win the battle of democracy. The proletariat will use its political supremacy to wrest, by degrees, all capital from the bourgeoisie; to centralize all instruments of production in the hands of the state. These measures will, of course, be different in different countries. Nevertheless, in the most advanced countries, the following will be pretty generally applicable:

1. Abolition of property in land and application of all rents of land to public purposes.

2. A heavy progressive or graduated income tax.

3. Abolition of all right of inheritance.

4. Confiscation of the property of all emigrants and rebels.

5. Centralization of credit in the hands of the state, by means of a national bank with state capital and an exclusive monopoly.

6. Centralization of the means of communication and transport in the hands of the state.

7. Extension of factories and instruments of production owned by the state; the bringing into cultivation of wastelands, and the improvement of the soil generally in accordance with a common plan.

8. Equal liability of all to labor. Establishment of industrial armies, especially for agriculture, et cetera, et cetera.

Then, in the United States in the early part of the 1950's a former leader of the Communist Party in America, Earl Browder, discussed the American trend toward communism:

"State capitalism leaped forward to a new high point in America in the decade 1939–49. State capitalism, in substance if not in formal aspects, has progressed farther in America than in Great Britain under the labor government, despite its nationalization of certain industries, which is a formal stage not yet reached in America; the actual, substantial concentration of the guiding reins of national economy in governmental hands is probably on a higher level in the United States."

But, alas, Americans are shocked today to realize that there are individuals in high places who are working, striving, scheming and crusading not for socialism per se, but feigning an attack against communism. These individuals and groups of individuals are leading this Republic right into the enemy's net under the guise of fighting the enemy. Now, you say, how can such a paradox be possible? The answer may be partially found in a unique little volume prepared by 13 foreign policy research centers entitled "Strategy for the Sixties." These studies, including one by the staff of the Senate Foreign Relations Committee, were prepared for the U.S. Senate Foreign Relations Committee. Included among the groups making these studies, other than the staff of the Senate Foreign Relations Committee are the Council on Foreign Relations, Inc.; Program of African Studies, Northwestern University; Center for International Affairs, Harvard University; a Harvard-Columbia Research Group under the administration of Columbia University; MIT; and others. This amazing little book is packed with recommendations promoting the world-government internationalist line. To sample a few of these perfidious pearls, for example, on page 5 under the title "Economic Assistance Policy," we find the following recommendations: "It is, therefore, vital that the United States operate its economic assistance program (foreign aid) first to establish the principle that aid to underdeveloped countries will be given continuously for the foreseeable future." On the same page we find overtones from the Marxist theory in the following quote: "The MIT Maxwell (Syracuse University), and Northwestern studies urge that the United States strongly support land reform programs." What do they mean by land reform?

On page 147 of the study made by MIT under the heading, "Assistance to Land Reform," it states:

"American influence can be only marginal in this critical area but United States should not neglect any opportunity to promote reform. (a) United States should strongly back land reform efforts with technical and capital assistance where a government takes the lead in land reform.

(b) United States should use its influence to interest large landowners in modernization process and consider giving financial assistance to governments wishing to buy out large landowning interests for purpose of land reform."

Anyone knowledgeable in the field of international socialism knows that the program of land reform was one of the first things instituted after the Bolshevik Communist revolution in Russia. Russia's land reform constituted taking the land away from the big landowners and putting control of it in the Communist Party's hands. Is it not fair to observe that the recommendation to the Senate Foreign Relations Committee may be different in the means, but the end result is the same—Government control of the ownership of land. On page 18 this report recommends that America should investigate the possibilities of "normalizing the relations with Communist China," although it does say we must do it slowly. On page 28 it is recommended that the United Nations (to which the United States contributes far more than any nation in the world) should "develop a permanent mobile military force for dealing with local trouble spots." A disciple of States rights can immediately see that Montgomery, Birmingham, New Orleans, Jackson, or Little Rock might well be intended along with the Congo when one studies their recommendations on Africa.

Under the title "Multilateral Instruments" it is recommended that this Nation be subservient to the International Court of Justice. This obviously means repeal of the Connally amendment from the United Nations Charter which was ratified by the Senate. Such action on our part (United States) would mean the end of sovereignty for our country as well as for the States and our people under our Constitution. There is a surprising recommendation on control of armaments, as follows: "Negotiate on these problems perhaps directly with the U.S.S.R. in secret but not neglecting consultations with our major allies." This study prepared for the U.S. Senate Foreign Relations Committee is filled with such startling proposals and the one from the study by the Council on Foreign Relations is no exception: "The United States must strive to build a new international order" including the recommendation of international cooperation with "states labeling themselves as Socialist," and suggests further that the U.S. policy is deficient because of the "U.S. Constitution's division of foreign policy responsibility between the executive and legislative branches of Government," and the "Constitution's inflexibility." Yes, George Washington surely would have gone into a rage if any of his contemporaries had even hinted at such proposals. The immortal words of the father of our country, President Washington, in his farewell address ring even louder today midst the silly symphony of globalism. His words are these:

"The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little political connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith. Here let us stop."

Our Nation until the thirties was different from any nation on earth. This Nation was different in that it was operated by the people themselves. Jefferson said that this was to be a great experiment which would determine for all time whether or not "men may be trusted to govern themselves without a master." He predicted future happiness for Americans "if we can prevent the Government from wasting the labors of the people under the pretense of taking care of them." Our Founding Fathers were well aware that individual freedom and personal responsibility for one's own welfare are equal and inseparable parts of the same truth. When personal responsibility and personal incentive are lost, whether by force or by voluntary act, individual freedom does not long endure.

There is a definite trend on all sides to be international in flavor—to forget the basic principles upon which this country has risen to greatness. We achieved our high position in world affairs; we acquired our position of prominence by rigorous attention to our domestic affairs and by the preservation of the principles of free enterprise and local self-government. We did not do it by letting international planners and daydreamers siphon off our money as though the supply was endless.

According to my colleague, the Honorable OTTO PASSMAN, of Louisiana, an acknowledged expert in the field of foreign aid, the most significant lobby pressure is for, not against, foreign aid. It comes, said Congressman PASSMAN, from "the 43,000 employees and 10,000 trainees of the mutual security program scattered in 76 nations of the world; the White House; the State Department; the Defense Department; scores of large manufacturers who profit from the program; church organizations; much of the press and radio; and literally hundreds of other organizations which have been misinformed."

I say we should halt this senseless, apparently endless, giveaway around the globe and return some of these dollars to the pockets of the taxpayers in the form of real tax relief. Or, barring that, we should so deploy our Regular Army, Navy, Air Force, and Marine defense forces in the most strategic positions protecting this Nation from Alaska to Florida and from Puerto Rico to Hawaii utilizing the money we are now giving away in equipping our own forces with the most modern and scientific weapons possible. If we do this, then we will not give the centralized Government in Washington the opportunity to further stifle our liberties under the guise of a partial draft of our manpower. We have the manpower and the money and the know-how to resist the enemy without partial mobilization, but if part of our men are to be mobilized, then I think it only fair that the whole Nation be mobilized in an all-out effort. The Cuban fiasco following the ignominious striking of our flag in the Canal Zone, has caused the United States to lose face more than any other episode in modern times. And it could have been handled so simply if the powers that be in Washington had not forgotten that more than a century ago we adopted a policy that has been proven by the test of time. I refer, of course, to the Monroe Doctrine. We should have stood firm at Panama and at Cuba and we would not now be faced with the threat of the Soviets at every turn. Americans are not soft on communism, only some of the politicians in Washington.

We have the showdown looming in Berlin. And it is largely the result of the daylight-to-darkness trend of events in Berlin itself. On the Western side, for example, there is joy and exuberance and prosperity almost unknown in the German nation. People are at work, earning good salaries; going about their daily tasks with an almost carefree gayness. This was done through the private enterprise or capitalistic system of doing business. And did you know that the leaders of the West German Government repudiated a recommendation by the top economic adviser of the present U.S. administration? By contrast, on the East Berlin side, there is grim starkness. The streets are empty and deserted. Bomb-wrecked buildings still stand in ruins. There are no autos, only poverty and the miserable imprint of the socialist dictator's heel. Yes, there can be no wonder why the crisis exists as it does today in Berlin. The free enterprise system of the Western World is showing up the socialist system of the Eastern World and the Communists just can't take it any longer. But I seriously doubt that they will force this issue to the point of war, for they realize that all-out war means the destruction of their nation.

Rather do I think the Communists are going to persist in their campaign to infiltrate this Nation and attempt to undermine our Government by pushing for the gradual socialization of our processes. However, at the present time the socialization seems more than gradual to me. I think it is in this field that our greatest danger lies, the high-placed positions of Fabian and Keynesian socialists in our governmental hierarchy. Oh, yes; I know it is easy to point the finger at those who disagree with us and cry "pink." But it is also just as easy for us to sit idly by and see the fall of the American Republic. I have great confidence in the ability of the American people to make proper decisions when they have the proper information. So I charge you to inform yourselves of the things that are going on about you. Then make your wishes known in the proper places. It is not too late for an alert and aroused America to halt the dangerous trend in which we are drifting. It is not too late for aroused Americans to take necessary action to safeguard the preservation of our way of life and our free enterprise system. I am persuaded that everywhere there are loyal, courageous Americans who are ready to take up the battle to save this country and keep it preserved for posterity. I urge each and every one of you to join other Americans in the fight. We can win. It is not too late.

So much has been said recently about our military leaders being a part of the political rightwing, that I think it well for all Americans to reflect that the leftwing element in this country stands for more Government control and more Government ownership or socialism and that the rightwing, whether military or otherwise, is speaking out to revitalize American character and patriotism and conservative principles to repudiate socialism-communism and its world government.

My friends, I leave you with this thought: The American eagle cannot fly on two left wings.

Special Committee on Captive Nations

EXTENSION OF REMARKS

OF

HON. SEYMOUR HALPERN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 1961

Mr. HALPERN. Mr. Speaker, I wish to commend the distinguished gentleman from Pennsylvania [Mr. FLOOD] for his superb presentation on Monday, July 24, 1961, on the floor of this House, of the evidence expressed by Americans all over the country of support both for Captive Nations Week and the Special Committee on Captive Nations.

The impact of Captive Nations Week has been felt throughout the world. This has been most meaningful in highlighting the plight of 100 million captive peoples trapped in Eastern Europe by the Soviet imperialists. The press reports that this significant week has produced sharp reaction from Communist countries attest to its effectiveness. I feel that this method of exposure of Soviet

domination must not be confined to a specific limited period. The imperialistic policy of the Russians should be spotlighted continuously, and we should take the offensive in the propaganda war by revealing the hopes and aspirations of these captive peoples for freedom and national independence.

Mr. Speaker, it is for this reason that I fervently hope that this Congress will adopt the resolution to create a Committee on Captive Nations. I am privileged to have joined my distinguished colleague from Pennsylvania in the introduction of this legislation.

SENATE

THURSDAY, JULY 27, 1961

The Senate met at 11 o'clock a.m., and was called to order by the Vice President.

Maj. Ernest Holz, divisional commander, the Salvation Army, Washington, D.C., offered the following prayer:

O God, our Father, in whom we live, move, and have our being, we pause at this hour to affirm our trust in Thee, for by Thy grace and guidance this Nation was born, and surely Thy goodness and mercy have followed us all our days.

Bless, we pray, the Senators of these United States, and give them strength suited to their tasks. During these days, when the condition of our Nation and the world confronts them with a responsibility they cannot evade, we pray they will rely upon divine providence and will seek for divine wisdom and guidance.

Grant, O God, that this assembly of freemen, chosen to lead a Nation that loves and lives its freedom, may give hope and help to all those who, loving liberty, long to live in it.

Thou hast promised, O Lord, to be our sufficiency; and we pray during these times of trial and peril the people of this land will not forsake Thee and the privilege of prayer and communion.

Help us to realize that Thou art still on Thy throne. We pray Thy will be done in the affairs of men and nations. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent the reading of the Journal of the proceedings of Wednesday, July 26, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 26, 1961, the President had approved and signed the following acts:

S. 1462. An act to amend the act of September 2, 1960 (74 Stat. 734), in order to authorize the Secretary of Agriculture to establish minimum standards of quality for any variety of grapes and plums covered by such act, and for other purposes; and

S. 1710. An act to amend the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until December 31, 1961, and for other purposes.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour, for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the following committees and subcommittees were authorized to meet during the session of the Senate today:

The Juvenile Delinquency Subcommittee of the Judiciary Committee.

The Surface Transportation Subcommittee of the Committee on Commerce.

The Freight Forwarding Subcommittee of the Committee on Commerce.

The Internal Security Subcommittee of the Committee on the Judiciary.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON PROJECTS UNDER RESEARCH AND DEVELOPMENT APPROPRIATIONS

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., reporting, pursuant to law on certain projects under Research and Development appropriations; to the Committee on Aeronautical and Space Sciences.

REPORT ON OVEROBLIGATION OF AN APPROPRIATION

A letter from the Acting Secretary of Commerce, reporting, pursuant to law, on the overobligation of an appropriation in the Coast and Geodetic Survey; to the Committee on Appropriations.

REPORT ON ARMY, NAVY, AND AIR FORCE PRIME CONTRACT AWARDS TO SMALL AND OTHER BUSINESS FIRMS

A letter from the Assistant Secretary of Defense, Installations and Logistics, transmitting, pursuant to law, a report on Army, Navy, and Air Force prime contract awards to small and other business firms, for May 1961 (with an accompanying report); to the Committee on Banking and Currency.

AMENDMENT OF LIFE INSURANCE AND FIRE AND CASUALTY ACTS OF THE DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to amend the act known as the "Life Insurance Act" of the District of Columbia, approved June 19, 1934, and the act known as the "Fire and Casualty Act" of the District of Columbia, approved October 3, 1940 (with an accompanying paper); to the Committee on the District of Columbia.

REGULATION OF CERTAIN INSURANCE IN THE DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to provide for the regulation of credit life insurance and credit accident and health insurance in the District of Columbia (with an accompanying paper); to the Committee on the District of Columbia.

REPORT ON REVIEW OF PROCEDURES FOR RECOVERING OVERPAYMENTS OF INSURANCE BENEFITS, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of procedures for recovering overpayments of insurance benefits, Bureau of Old-Age and Survivors Insurance, Social Security Administration, Department of Health, Education, and Welfare, dated July 1961 (with an accompanying report); to the Committee on Government Operations.

SALE OF U.S. RIGHTS TO CERTAIN MINERALS

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to sell to landowners in urban areas the rights of the United States to certain minerals, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT ON TORT CLAIMS PAID BY DEPARTMENT OF AGRICULTURE

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report on tort claims paid by that Department, for the period July 1, 1960, to June 30, 1961 (with an accompanying report); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Chan Yee Sing from a report relating to aliens whose deportation has been suspended, transmitted to the Senate on January 16, 1961; to the Committee on the Judiciary.

AMENDMENT OF SECTION 303(a), TITLE 23, UNITED STATES CODE, RELATING TO ORGANIZATION OF BUREAU OF PUBLIC ROADS

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to amend section 303(a) of title 23, United States Code, relating to the organization of the Bureau of Public Roads, and for other purposes (with an accompanying paper); to the Committee on Public Works.

PETITIONS AND MEMORIALS

Petitions, and so forth, were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by Council 53, Polish National Alliance, of Schenectady, N.Y., relative to the naming of a polaris submarine in honor of Gen. Casimer Pulaski; to the Committee on Armed Services.

A resolution adopted by the board of directors of the Brooksville-Hernando County, Fla., Chamber of Commerce, favoring an investigation of the Department of State; to the Committee on Foreign Relations.

A resolution adopted by the Unitarian Universalist Association, Boston, Mass., protesting against the development and testing of nuclear weapons; to the Committee on Foreign Relations.

A resolution adopted by the Unitarian Universalist Association, Boston, Mass., protesting against Federal aid to parochial or church-related schools; to the Committee on Labor and Public Welfare.

A resolution adopted by the Unitarian Universalist Association, Boston, Mass., favoring the abolition of the House Un-American Activities Committee and the Senate Internal Security Subcommittee; to the Committee on Rules and Administration.

PETITION FROM 1,433 ALASKANS ASKING FOR AN INVESTIGATION OF MILITARY CONTRACTING PRACTICES

Mr. GRUENING. Mr. President, I have received from Fairbanks, Alaska, a petition signed by 1,433 constituents requesting that an investigation of contracting practices at Fort Wainwright, Alaska, be undertaken by the Congress. I am transmitting copies of the petition to the committees of the House and Senate which have an interest in this matter.

I would also like to comply with a request of the petitioners that their petition be printed in the CONGRESSIONAL RECORD. Accordingly, I ask unanimous consent that the petition, including the names of the petitioners, be printed in the body of the RECORD at this point.

There being no objection, the petition, with the signatures attached, was ordered to be printed in the RECORD, as follows:

PETITION FOR THE INVESTIGATION OF CONTRACTING PRACTICES OF THE MILITARY AT FORT WAINWRIGHT, ALASKA

To: The Congress of the United States, the Military Affairs Committee of the Senate and the House, Committee on Civil Service of both Houses and Committee on Manpower Utilization.

From: Civilian employees of the United States, members of American Federation of Government Employees, Local 1834, together with members of other Alaska locals.

The undersigned, representing a large segment of the civilian employees of the United States assigned to duty in Alaska, together with other interested residents of Alaska, hereby petition the Military Affairs Committee of the Senate and the House of Representatives, the respective committees on Manpower Utilization and Civil Service, or any other appropriate committee of either House having jurisdiction of military expenditures, to commence at the earliest date possible a formal investigation of contracting practices at Fort Wainwright, Alaska.

The undersigned persons each believes that the present policy of the military in reducing civilian personnel now performing the maintenance and other types of civilian work under the military at Fort Wainwright and letting the same out to private contractors is costing the United States many hundreds of thousands of dollars in excess of that cost entailed in having the work performed by civilian personnel.

An investigation into the aforesaid practices promptly commenced, vigorously and fairly pushed will result in substantial savings to the United States; will yield healthier employment to the civilian workers pool and will do substantial justice in a field where much waste, extravagance, fraud and unjust enrichment now prevails.

I, the undersigned, have read the foregoing petition, heartily subscribe to its purposes, and urge the granting of the relief sought by such petition. Each of the undersigned has signed the petition freely and voluntarily for the purposes stated therein.

Joseph Bretch, George Hansen, Carl B. Fugate, Clifford M. Allyn, Ernest T. Westman, Ernest W. Marlin, Peter Stenover, James Marshall, Augus Beaton, Jack L. Huffsmith.

Joseph H. Parker, Merrill Gilmore, S. Aiello, Fritz Bloch, Richard J. Watts, Robert A. Anderson, Kathleen McCann, Walter Maslyk, James W. Dyer, Jeanne Jennings, C. Fields, Johnny R. Haynes, Jack D. Carty, George H. Huber, W. A. Lembocker, Ed Morisan, Joseph C. Renfroe, Ambrose J. Karella, Charles D. Karella, Donald W. Frost, John S. Panghon, John D. Bent, Shields A. Layne, John W. Schleppegud, Russell Robinson, William A. Allred, George D. Carter, T. Chorlzin, Carol P. Huber, George Huppuch, Fred Huppuch.

Robert Lauderback, Henry A. Jacobs, John T. Fox, Dudley A. Duvall, John W. Male, Claude E. Dean, Charles S. Harris, Leroy Mattson, H. J. Enstrom, I. Rosenbluth, S. J. Muller, D. S. Johnson, L. J. Vebha, D. C. Johnson, J. L. Chevillot, Salvatore Pronesti, Warren L. McManus, Thomas F. Lake, J. A. Baart, Keith W. Wike, Albert E. Tekko, Leonard G. Davis, A. J. Taylor, Odell Shepard, Andrew A. Anderson, James W. Schroeder, Louis C. Wegener, Alvin J. Hoff, Clattis T. Gray, R. E. Cline, M. C. Anderson, Raymond A. Hall, Ray L. Smith, John B. Allen, R. B. Beaird, Donald E. McCabe.

Charles Russell, Thelma R. Russell, Ann Morton, E. W. Morton, C. F. Heflinger, Dorothy B. Heflinger, Albert Clifton, Olive Anderson, J. F. Koelzer, Mary I. Koelzer, Maurice Steffe, E. LeRoy Deer, Dale Matthews, Ray R. Niemi, Sophia M. Green, Gerd H. Kuhn, C. A. Bentley, W. J. Vaughn, Calvin H. Kincheloe, Billy L. Mason, Phillip Jackson, Walter C. Smith, Adrian Weber, Francis E. Wholechiese, Pete W. Blair, Richard Sitton, Bob P. Gray, Umberto Gobbi, Gladys Gobbi, V. J. Dodier, Jean H. Dodier, Penny E. Marley, S. M. Collins, James E. Boles, Norma Boles, Irving Abbott.

Willie B. Hill, Robert S. Stouts, Nadine I. Houts, Helen Moore, Thelma Fipps, William R. Smith, Marguerite Smith, James T. Ling, Olan W. Cunningham, Guy S. Beabs, James E. Norman, Jack O. Davis, Robert F. Dilworth, Thomas A. Jones, Grace L. Slayter, Brene S. Canaday, Blanche Canaday, R. G. Markgrof, Paul E. Nievar, Joseph G. Hembruker, W. A. Kuykendall, M. J. Richardson, Pete Borco, Blaine R. McCutchan, J. C. Seets, Milo W. Kaponon, R. E. Dickerson, Keith V. Price, Ruth Cunningham, Mary A. Cunningham, Delton J. Carnly, Luther F. Cook, Ruth Cook, Bertham H. Bethel, Ruby L. Bethel, R. O. Montako.

F. P. DeMers, H. J. Higgins, Bernard Van Bruggen, John L. Wilson, Mrs. Valerie Wilson, Miss Sharon Wilson, E. H. Houger, John L. Hanchett, Daniel P. Studer, John S. Willer, Edward C. Clark, Earl Strozinsky, Frank B. Wright, Henry L. Millican, Rachel F. Misherson, Jewell R. Thompson, Ruby Bethune, Edith L. Higgins, Thomas J. Robertson, Nurge D. DeBuse, Alvin J. Sams, Morgan R. Nordquist, Keith Slayter, Fred H. Massey, H. W. Everett, William R. Moore, Frederick J. Zinkovich, John A. Fipps, William T. Anderson, Charles E. Higgins, James A. McGiboney, Jim Williford, C. S. Beers, John R. Hubbell, Henry A. Hartz, Frederick W. Barrett.

Mrs. Doris Noel, E. B. Eastman, Leona Eastman, Charles A. Jay, Howard Thayer, R. W. Lobdell, Mrs. Howard Thayer, Jewell Buettner, A. J. Schene, Edgar L. Jones, John B. Valdez, Lulo T. Laario, Cleo M. Schoen, R. C. Schoen, Florence Hintz, Darrel K. Allen, Gene R. Garwood, Marvin E. Maeoh, Emil Struck, Catherine McClune, Mary Ann Black, Orville C. Looper, Charlotte J. Looper, W. C. Blackburn, Ann Blackburn, Dolores Tarnowski, Robert J. Tarnowski, Marvin R. Watts, J. R. Kennedy, Frances Struck, Albert W. Tearney, Irma C. Tearney, LeRoy Rauch, F. D. O'Connor, Boneta O'Connor, Philip Rahr.

Edward J. Devine, Gven Y. Norder, Edward Daniels, Joseph L. LeBrien, George Orf, Dan Sandal, John G. Burke, Fred L. Uran, Dallas Wright, C. L. Johnson, Carrie Eleazer, H. Swisind, Wayne Halearson, James H. Powers, Phyllis Bringhurst, E. H. Burlisan, E. C. Mathey, H. M. Davidson, J. P. Hilty, Donna J. Wood, Van E. Harmison, Joseph Clife, Harris W. Jackson, W. E. Binkingume, Richard N. Heidrick, Kenneth Hopkins, Ancel Johnson, O. W. Ray, Dwaine C. Johnston, John J. Brideau, B. F. Manske, Frank Alfuersi, Rea L. Whittle, Holles Bongs, Greene W. Phillips, Lawrence H. Larsen.

R. R. Johnson, Mrs. R. R. Johnson, H. W. Pillsbury, Mrs. H. W. Pillsbury, Clifford V. Carlson, Thomas G. Merryman, Kenneth R. Everhart, James A. Seller, Jr., J. B. Starnes, C. D. Woods, Jr., Roderid A. Leap, D. F. Gilkison, G. A. Brewster, W. O. Tell, Edwin E. Jones, James M. Bozbs, Bob F. Taylor, Josef Czechowski, Cradar L. Bazahow, R. W. Hamilton, Jr., R. W. Hamilton, Sr., Roger D. Roberts, Wm. Depperschmidt, Theodore A. Wicken, Charles H. Johnson, Mary Wicken, Edward Suchy, Richard H. Faulamb, Conrad V. Lewis, Rudolph Klick, Eddie Grasz, Roy Helms, Derrall McBirney, Ralph Kraus, Max Jacobson, Cloyd D. Cash.

George O. Darby, John A. Sunila, Glen E. Shafer, Manfred Mané, Harry L. Mashino, E. H. Geovguetti, Eldred E. Hoover, Norris W. Johnson, Daeares W. McCrimmon, Clarance H. Carlson, Sebe L. Guffey, Robert S. Anderson, Floyd L. Cox, Leslie Hagestead, Douglas L. Miller, Allan H. King, Francis E. McTaggart, Howard V. Rodgers, Donald R. Demers, Harry G. Francis, Clarence K. Powless, Thomas J. Winn Jr., William Bedell, Bob Stafford, C. Dehmer, Betsy Kondzon, Kenneth E. Smith, Michael O. Foecke, J. Hollingsworth, Stanley D. Shultz, Carolyn T. Shultz, Jack V. Tedrow, C. J. Millu, A. W. Haje, J. G. Davenbergs, Margaret Lemiew.

L. E. Dorman, G. H. Stone, Dennis Vanhorn, Albert Bablinska, June Binkley, Marie Bablinska, Peter W. Lirosi, Jr., Helen I. Lirosi, David P. Haynes, Stanley W. Groff, James Reihling, Leslie D. Roland, Raymond F. Pollard, Jenny Wist, Alice Rogers, Marie Jackson, Howard E. Shaw, Stanley J. Oldziesky, Ada B. Fugate, Albert Signal, Jr., Elsie E. Gredig, Lillie B. Scott, James D. Richardson, Lillie G. Udy, Callie M. Shaw, Lillian C. Hautchens, Olga A. Warren, Ona Irene McGraw, Joe W. Hendrickson, Maurine E. Moon, Gladys B. Chambers, Mrs. B. Green, Mamie Midget, Jacqueline Edwards, Viola M. Jones, Margaret Freund.

E. B. Hardland, Loren L. Mortenson, Ray Moran, Hyman W. Croy, Harry R. Rasmussen, Darrell R. Kuiffen, James J. Cleasby, Ariel O. Matener, James Reed, George Lesko, Thomas B. Jensen, Duane Hall, Mrs. Faye Ticir, Ernest Holm, Don E. Johnson, James H. Muse, Patricia Nelson, Robert L. Phillips, Paul Hilstrom, Wally Krump, Clemson C. Wheeler, Jerry Fekete, Katherine M. Dworkin, Kathleen Day, Wm. Marshall, Linda Droz, Carroll B. Rymel, Laura B. Wright; Anne Meyers, Oliver Amonak, Mary Louise Story, Olga Amonak, Syle Wilmsay, Lillian Helstrom, Jeff Studdert, W. H. Swift.

C. Willsey, R. S. Raechehuis, G. D. Hatcher, Carl Johnson, M. R. Peck, E. M. Ortgies, G. H. Lester, T. S. Smith, John E. Cook, Elaine P. Norlen, Marilyn J. Hatzenbuhler, Paul L. Newcomer, Tommy Benefield, Vicky Romas, Ray R. Hamilton, William Mikkola, Curtiss Reed, Arthur R. Butman, Henley Hill, M. M. McClure, L. C. Andrews, M. C. Carter, B. J. Hughes, Ellene H. Riddle, Ray E. Coluran, Lois K. Coleman, Esther M. Deremer, Jesse R. Reny, Harry E. Bronson, Marie D. Bronson, Minnie B. Efenal, Myrl D. Scalf, Mr. and Mrs. T. Guy, C. W. Stowell, Harold Samuelson, Mrs. Phillips.

Ralph Disch, Lewis E. Long, Henry K. Allan, Gelbert R. Lay, Mrs. Joe H. Disch, Alma Baird, John W. Baird, James A. Babcock, Dorothy Babcock, Cosby E. Stein, Letha Cupp, Norvil R. Cupp, R. D. Crutchfield, W. R. Skelton, Annette Holmes, Clara Covey, Ruby Crutchfield, Mary Crutchfield, David Drahosh, John Schlotfeldt, Lawrence Bennett, Mildred C. Nielsen, Fenollosia C. Martin, Nancy L. Bummens, Amos P. Rymel, Irving T. Mobley, Edwin R. Hudson, Wayne W. Witbrock, Roy L. Thies, Henry F. Heller, Glen W. Pruett, Martin H. Ott, David V. McKray, Ernest R. Selby, E. W. Slinkard, Dorothy Slinkard.

Limuel G. Fell, John V. Vogt, E. V. Hardenbrook, Latham R. Perkins, Louis Hutchinson, Sam Godden, Ray Beukefeldt, Carl H. Niemeyer, Gerald J. Bohms, Clifford Lloyd Haydon, Gerald W. McBee, William D. Shaeffer, Leonard Hirtford, Francis H. Burnham, Leon Lake, Jr., Lloyd Gilcrist, Darryl Hansen, Murray Suggs, Charles P. May, R. R. McClune, John R. Francis, Frederick L. Coleman, Vernard Christie, Vera G. McCabe, Red Oaks, Paul G. Huebner, L. E. Bowlin, William J. Grant, Crawford Jones, G. W. Jarvis, Lawrence C. Milton, E. J. Wiuta, William J. Warren, Helen I. MacDonald, Helen O'Halloran, Stanley S. Betancourt.

Melvin W. Peters, Tom E. Washburn, Otto F. Kummerfeldt, Nels Sundquist, Howard Serborn, Mrs. Stella Carpenter, Duane L. Ernest, Allen L. Gibb, Orvis Schadegutt, Fred W. Sears, Royce Bell, Floyal Faye Sears, J. D. Nichols, Louis C. Bonner, C. R. Hewitt, Dave Garrison, Benjamin D. Carpenter, Joan F. Francis, Kenneth E. Girdley,, Carrie A. Padgett, C. Lee Padgett, Ruth Girdley, Grace C. Chase, Clark W. Ingram, Marjorie Douglas, Sue Carole Jones, Howard P. Barnhill, James Krafka, Mrs. James L. Thomas, Floyd E. Brownlee, James L. Thomas, Donald T. Ramsay, Vivian A. Ramsay, Marian T. Bates, Kermit Claypool, Andrew R. Kelly.

John Selden, Benyl Kelly, Halford Kelly, A. B. Boatner, Morris Helstrom, Phyllis Helstrom, Morris O. Daniels, Lewis H. Phipps, J. DiMatha, J. G. Buzby, Jas. M. Ford, Grace C. Ford, H. E. Buzby, Betty Buzby, James S. Couch, Leo E. Curtis, Paul A. Lash, Elmer Rujsted, Ann Manion, George H. Becker, Mary Eiffert, Herschel C. Elliott, Omen O. Curtis, Leslie I. Belt, J. J. West, Goldie O. Lewis, Ezza Fergerson, Elizabeth J. Bedell, Harry L. Jenkins, Leonard F. Hall, Donald G. Bell, Chester A. Allain, O. W. Simoni, R. C. Friese, R. A. Tyler, Allen F. Phillips, Laura Johnson, Valle Benson, Igle Ferkin.

Beverly J. Rahor, Donald E. Harding, Mrs. Donald E. Harding, Ray C. Shields, Freeman P. Long, Mrs. Mildred Mathey, Cecilia S. Long, Urban E. Rahoi, Jack Winters, Roy Heidel, Vienna T. Rahoi, Elizabeth Winters, J. H. Puffe, Robert K. Mackey, Jeanette A. Lewis, Juanita D. Johnson, June Berry, B. H. Gold, John F. Mobley, John C. Mielke, Wade W. Emenick, Richard E. Betz, Edward A. Downey, Jack W. Romer, John T. Dougherty, Keise Masuda, Noah S. Hubert, Nick S. Petkovich, P. W. Boise, Paul D. Janis, Peter S. Wahtro, N. F. Kavanaugh, Patrick A. Gillen, Connor Canoose, Samuel Hill.

Donald A. Young, Hubert L. Meacher, Robert M. Johnson, Armando Acciavatti, James E. Gale, Robert N. McCormick, Herbert E. Davey, Norman V. Boling, Erastus L. Barnett, Donald S. Schroeder, James P. Foltz, Earl M. Carter, W. Aussant, L. R. Marshall, E. W. Johannes, K. C. Meister, F. D. Hancork, J. F. Risko, Bruno Seppi, Robert E. Tranth, Donald G. Parker, Robert E. Capin, G. L. Alford, Wilmer H. Jackson, Gertrude Bellinger, Peter S. Kimch, Glen Jones, Glenn A. Quisenberry, Louis S. Pitton, Lincoln L. Snow, Austrid O. Garrett, Harry S. O'Malley, O. W. Lowe, J. Theodore Patrick, Russell James Blain, Harry A. Weehunt.

Carroll A. Willey, Lora N. Willey, V. E. Kelly, W. T. Dillow, Fern M. Dillow, Veda K. Maher, Vetee Van Leerdam, Hilda A. Van Leerdam, Ancel A. Avre, DeLores Avre, Chester L. Belk, Damingo Regal, Andrew M. Totemoff, Lorenzo T. Reyes, Andayo S. Basilio, Helen I. Vasanoja, Milian Gregorio, Luke S. Moore, William Imiach Jr., Fred O. Davidson, Edward W. Ahrens, Sterling E. Whaley, Kenneth Doan, Lawrence Carl Schaff, Emory A. Caudill, Donald C. Snell, Frank J. Heller, Charles G. Williams, D. K. Cdiso, Jack A. Gibson, Don L. Brewer, Hugh S. Davis, William M. Wallner, John D. Courmacl.

Otis F. Ramfelt, Robert B. Halfacre, Louie B. Edwards, Jim Rudolph, Roy Brown, Max M. Rusaw, John B. Griffin, Harold D. Spicer, Maynard C. Dahlstrom, Alfred M. Noble, Ray Reed, Richard Mandigo, John P. Scribner, Emma P. Luttrell, Martin T. Allwardt, Jr., Walter W. Wray, James A. Dodds, Britton W. Crosley, C. L. Pinalfora, John Wolk, R. S. Miller, R. R. Golem, R. C. Raymer, E. Deidean Johnson, S. P. Hardice, Mrs. Gwinn B. Cates, H. J. Carlson, Ray Lynch, Robert D. Olson, Edmund W. Leich, Richard M. Bowley, William J. Mongeau, Raymond M. Stefan, Maxwell G. Sides, Raymond Lustman, Robert W. Schroeder, Harvey E. Baumgardner, Barry W. Brovan.

Mike Fitzpatrick, Raymond A. Buege, Oliver Hallaine, Sam Shyne, Jack N. Jordan, J. R. Maule, Robert N. White, Harry A. Anderson, Olaf K. Olson, Robert Self, Jerry H. Newman, Russell M. Heistand, Donald W. Drake, Maurice J. Kipke, Layce G. Steele, I. Beall, Joseph Sortacinae, Robert L. Deakin, Rolf R. Wittmer, Albert L. Swank, N. L. Bennett, Claes E. Solberg, Norbert W. Wenck, B. Kallman, Sidney A. Ness, E. A. Le Neve, C. L. Sided, Earl Hunnicutt, T. M. Taylor, Clyde E. Gilley, Raymond M. Radle, Edward E. Hornes, Leonard R. Young, Kenneth L. Sorrels, Vern R. Gunn, Donald E. Bush.

Harold Gray, Conrad W. Hanson, Heakom C. Christianson, Manford O. Olson, Thomas G. Wright, Chas. L. Wagner, David L. Post, C. L. Campbell, Carol Graham, Franklin M. Elsbury, Fred A Schellenberg, William H. Redmer, Charles E. Morris, Cletus Burger, Roy R. Hammond, Galen H. Watson, Wm. F. Avery, Everett W. Adams, LeRoy W. Anderson, Jack A. Cramer, Eugene H. Schaefer, E. A. Roberts, J. R. Caress, John C. Macon, Edward P. Williams, Henry D. Knight, John C. Buchta, Clarence A. Storebo, Henry G. Swenson, Jack A. Angele, Albert Mathews, J T. Burton, L. W. Bottorff, Edmond G. Frazer, Ray W. Sudder, H. Bonin.

William C. Young, Emil Harlacher, James W. Garrett, Jr., Louis E. Bardwell, Richard C. Metzgar, Mr. Walter E. Kline, Loy B. Littlefield, Don G. Merrill, Claude L. Taylor, Archie D. Martin, Fred Larson, Sam Tindall, John E. Glick, Rome V. Kendrich, Willie J. Hurt, Woodard Vining, Howard Weaver, A. L. Riplinski, Phillip Mercer, Vernis Miller, Eddie L. Berkley, Henry D. Barton, Taylor Batey, Robert D. Ross, Olaus Tveden, Donald MacCready, Louis Ellis, Ivory Garrett, Mitchell Bertino, Howard F. Shales, Lloyd C. Waters, John C. Kelly, Albert Johnson, Andrew J. MacCready, Donald Smith, Jim T. Plunkett.

Ernest H. Follett, Ted C. Glatfelehn, Nick Santiago, Mariam S. Noveloso, Geo. L. Mitchell, Torilelo G. Audres, Lawrence R. Widdifield, Arthur M. Gould, Paul F. Gabor, Arnie B. Newberry, Jasper Moore, Clarence A. Bliss, John W. Boyles, Charles R. Wynn, Howard M. Shaw, Jr., George E. Tetzloff, Ben Hom, Robert B. Denick, W. O. Michall, Herman L. Grona, Mitchell Moss, Herbert Ott, J. M. Tompkins, Earl R. Wobery, Merle H. Longnecker, C. A. Stillman, Guy B. Pratar, Sterling Bell, Russell S. Randall, Stanley E. Herman, W. M. Ferguson, Harold F. Braun, Robert J. Harmonn, Robert L. Johnson, William Baird.

Joseph Wegrzyniak, Mildred Bolz, Edward R. Cholewensk, Hazel M. Cholewenski, Edith D. Durst, Dee Durst, Ruth C. Higgins, Howard E. Dixon, T. C. Mahon, Paul W. Ellut, Joseph Balch, Frank W. Caletta, Rachel Balch, Anna Coletta, James S. Smith, Robert I. Miller, Mrs. B. S. Thomas, Mr. B. S. Thomas, Mike Naccarato, June Naccarato, Balgene K. Westphalen, Doatha Ann Westphalen, Harlen Mays, Walter Benson.

Lorrie B. Mezill, Herbert Williams, Alexander Szmijel, Alvin Stephens, Geo. Sanford, H. I. May, Mrs. Rita Johnson, Allen F. Phillips, Charles L. McKnight, Frank L. Young, Dalton Bostos, Richard C. Wood, James R. Sulars, Everett O. Albertson, Fred Bloom, Michael Giesz Sr., Ames D. Logan, Charles E. Walt Sr., Rowland B. Wetzel, John McElroy, R. L. Louesen, Dan Which, J. W. Lindsey, E. L. Richmond.

Glen L. Elam, John L. Parker, Jesse M. Lee, Gaylord W. Williams, Louis P. Balch, L. C. Travillion, Charles W. Fulton, J. A. Kacvinsky, Jr., Herbert W. Clafton, Kurt F. Von Eua, Thomas A. Bear, Nancy M. Dilworth, Donald F. Bessette, Patricia J. Zinkovich, William Seger, Alvin E. Rank, John E. Maki, Bob A. Linquist, James H. Burgess, Kenneth H. Wadsworth, Leo C. Bloont, Frank C. King, Lester C. Bell, W. E. Marvin, Joseph C. Bartas, George LeGrand, William G. Heady, Bill Ceynowa, Charles E. Simpson, Floyd Bonton, Robert McKirgan, Willard J. Bessette, Frances M. Heim, Roland M. Gowin, Claire H. Green.

Renie L. Runly, John D. Joensen, James E. Parrish, Ronald Deane, Richard Edmisson, Edwin N. Foster, Joyce G. Montaho, Brian W. Baker, Patrica L. Baker, George Q. Nievar, Jennie M. Nievar, Mary E. Nievar, Robert A. Isaacson, John Rodenahoc, Lamar H. Wood, Don H. Porter, Ben F. Goe, Robert T. Waller, Moses Samuelson, Louise Darby, Helen Whitaker, Jack E. Wright, Edith J. O'Neill, Booker E. Baggett.

Paul K. Foster, Hazel Nance, Uicle Jmmel, M. V. Fairbanks, Charles F. Stack, Donald H. Smith, Jr., Agnes M. Smith, Arleen Darling, John C. Foundano, Robert H. Dunn, Donald L. Mollett, Robert R. Coleman, Lazer D. Nevkin, Frank J. Dinan, Odie B. James, John E. Revells, William Price, Norma L. Pritt, Fleda Jo Searcy, James H. Searcy, Wade Morris, Fred Goalen, Patricia S. Calen, John L. Ruck, R. D. Neal, Mary M. Neal, Waldo G. Spencer.

Dan McVeigh, Faith R. Choate, Maurine Jenkin, Charles McCuen, James R. Bradley, H. C. Bias, Ted W. Tisdale, David B. Burnett, August F. Dehls, Cleveland S. Bethune, Mark S. Nielsen, Harold L. Goldizen, Peggy Goldizen, Chester Schlue, Richard Simpkin, Rev. C. C. Brooks, Max Bauminster, Donald Leslie, James E. Boles, Robert B. Layton, Ray A. Abrego, Robert J. Talbot, John G. Yurkovich, Leon H. Happy.

Barbara Pettis, Sarah Pettis, Margaret G. Hoevl, George L. Couture, Mary J. Miller, Flora M. Gibbert, Marian Hendrickso, Robert Guthrie, Robert W. Hager, Dorothy P. Hager, Betty Karella, Minot P. Howard, Loren D. Short, Ireland J. Hensley, Leonard I. Craft, Harry U. Brust, Gladys Brust, Willie Green, Donald J. Clift, Chuck Barger, Elmer Losh, Don D. Wilson, John J. Burke.

Herschel Crutchfield, De Lane Story, Warren Story, Eva Meloy, Dorothy L. Taylor, Thomas W. Iles, Esther T. Ochsner, R. C. Wilson, John M. Horner, Robert E. Olson, Ralph N. Obser, Kent W. Filburry, Don Daniels, John J. Chase, Robert C. Fuser, Deward E. Jones, John R. Dowcky, Glen V. Walsh, William F. Fish, James G. Hoover, James Schultz, Edna L. Bruntzel, Philip R. Butch, Grant T. Perkins.

Glenn W. King, Robert L. Betting, Philip E. Copson, Jon I. Clifford, Everett C. Mayo, David E. Road, Alen E. Black, Jeanette Dougherty, Charles F. Turner, Ralph Fowler, Joseph Kinsley, Alfred T. Maurer, G. Segura, Carl E. Peterson, Kenneth D. Johnson, James C. Hill, Herman Watson, Phil T. Lamoreawl, Earl L. Radeko, Ross R. Johnson, Keith L.

Neuman, Fred J. Arthur, Bertram R. Hern, William F. Sloshopt, Madison Williams, Ellis A. Moog, Ben W. Slocum, Anson L. Rinshaw, Nelson O. Sawey.

Albert Bowen, Philip McKinnon, David L. Preston, William C. Chamberlin, Joe Ward, Luther H. Weedin, Henry L. McClure, Adam E. Kuscavage, George T. Whiting, Donald L. Rofaley, Arthur C. Braentigan, Dan Hawkins, Winifred Rethallhimer, Ada Ness, William T. Ellis, Lester Johnson, Patricia O'Brien, John Stewart, Catherine Hrabah, Thitis V. Dodger, R. L. Zippino, Lorillard F. Louy, Gyda L. Burkhart, Charles R. Linsacum, R. J. Ribelin, Agnes Haynes, Robert F. Beatty, Frances D. Beatty, E. Howes, Manta J. Howes, R. A. Andersen, Grayce J. Dyer, George A. Wilkes, Craig C. Thomas, Osmond W. Miller, Robert Rioskowski.

Victor Schug, Fred Wildt, E. A. Mortenson, Noel O. Wright, Herbert Stephenson, Ulin D. Pierce, George J. Farkas, Harold W. Jorgenson, Louis D. Mancil, Jean H. Mancil, Dave Wilkinson, Vilas Brandt, Evan L. Miller, Don H. Miller, Mary M. Pippin, Jack Moran, Harry Primeaux, W. Willoughby, Floyd Terekner, Willie Walker, Jr., Virgil R. Tillotson, Clifford L. Hoff, Galen Tamaworth, Irma Tillotson, Harold Ward, M. H. Kahler, J. S. Roach, Bonnie J. Hill, Ray W. Hughes, Irene Christie, Edward W. Carl, Richard J. Ipsahl, Wm. M. Gewell, Regina M. Doyle.

Dale Bondmont, Wm. C. Driscoll, John F. Wilkinson, Claude E. Want, Joseph H. Wilford, Clyde L. Connell, Paul V. Larkin, George H. Callahan, Reuben J. Skadsem, Granville L. Jones, Arnold H. Nelson, Henry W. Morton, Earl L. Bearder, Grant H. Hutchison, Frank J. Tcymick, Eugene Kukawski, Wiley W. Boroughs, D. J. Syrja, Martin H. Tuttle, Earl R. Shimplin, Paul E. Fillmore, Sr., Alfred H. Church, Harry Robinson, Edward C. Patch, William Stoklosa, O. B. Olgurson, G. E. Case, Joe R. Giersdorf, Reuben F. Miller, Richard H. Gunther, Harry H. Hirshik, Harold B. Newland, John Breukelman.

L. E. Stone, Austin Rummage, C. W. Johnson, Floyd T. Boeh, Edwardian Gains, John G. Worthen, Kenneth Tschetter, Wilbur D. Webb, Don Ceria, J. B. Windal, Irene I. Schroeder, Daniel B. Hartzell, Howard Hardin, Edward R. Holta, Carroll Marci, Wilbur E. Enfield, Leon W. Shoale, Raymond Krause, Clifford E. Surila, Arnold Graham, Jack W. Donnelly, Edwin M. Manthey, Leo T. Whitler, Frank J. Boehly, Lowell J. Thorsness, George P. McLaughlin, Albert Fyfe, W. A. Hellmon, A. M. Flint, R. C. Monroe, G. D. Smith, J. G. Carnahan, Fred Zimmerman, Raymond J. Zimmerman, Robert W. Lehman.

Donald C. Hardman, Andrew N. Ramos, Henry T. Bell, Chester E. Todd, A. R. Agron, W. L. Morris, Robert W. Crain, Felix T. Berna, Joseph Sponte, Edwin G. Larson, Riley L. Arnold, E. A. Wickersheim, Sr., Ole Lundhum, Harold M. Haeg, J. Earl Troutman, Leonard M. Condis, Chas. Ricci, Paul E. Roseland, Marvin L. Graham, Jack Royer, Floyd L. Teeples, Herman Weber, Roy L. Johnston, Kern W. Perry, Albert Goguen, Kenneth D. Huling, E. L. Dustin.

Sylvia L. McClain, R. H. Gaines, Harold Moore, Wesley E. Jones, Melvin L. Taylor, Reuben M. Wyatt, Royal G. Erickson, Marvin R. Wilkerson, Arnold Waters, Theodore R. Birch, John Solberg, E. S. Habbard, Vincent Giuliani, Arthur W. Hackney, Willis E. Kahn, Dale Hendrickson, Charles S. Carter, Andrew Kirsch, Robert Pinkerton, Ray N. Hedrick, J. D. Franklin, George R. Batchelor, Merrill O. Keesler, John E. Robinson, John Patrick, Eugene Batt, Gordon H. Calbes, Louis Nagy, John J. Kellett, Francis M. Thistle, Clarence A. Willhete, Author W. Bergeron, Rafael D. Apostal, Laurence L. Christian, John C. Cary, Ralph C. Ault.

Francis X. Dwyer, Harold W. Petty, David C. Pratar, J. S. Carlock, O. R. Miehlberry, Earl Remington, G. H. Hale, John F. Lentz, Vernon Moonier, G. P. Watson, W. F. Parkinson, F. M. Howard, J. Patterson, J. W. McConn, J. H. Rogers, B. C. Randolph, Lewis R. Shell, Newriel B. Adams, Womack Welborn G., Joe Upchurch, Theodore A. Westdohl, Charles E. Dickson, Edward Karg, James Tommas, N. A. Lwirtlz, Frank J. Adams, Robert T. Howell, Leslie J. Newell, Clarence Fisher, L. D. King, J. O'Connell, James H. Koll, Harry F. Witman, Thomas W. Allnutt, James L. Holke, Martin Gordon.

Reed A. Steele, Marvin F. Moore, Frank A. Port, Paul Gross, Orion C. Woolsey, Vance Sonnum, Lloyd E. Krogstad, John M. Jordan, Leonard M. Micheli, Lee F. Overton, Clarence B. Boals, Charles P. Hennick, Louis P. Barrett, Frank D. Montgomery, O. L. Azlin, E. A. Sallier, Harry Lockwald, E. W. Jackson, Raymond C. Powers, Clifton C. Compton, Wm. C. Renner, Edgar Leveller, E. L. Kuntz, W. A. Rodgers, Ray Waker, Donald C. Beck.

Harold Dunham, Richard Sardon, Vroman R. Lay, John P. Pittman, Mary F. Miller, John P. Hopkins, W. E. Kidd, Peter Maslyk, F. E. Graham, Betty B. Shook, Margot Baker, George J. Jenkins, George E. Bell, Martin Foote, Forest A. Green, Frank D. Evans, Chet Pennington, Edmond P. Patnode, Marion H. Carson, William Reddich, Archie L. Boyles, George E. Smith, John S. Smith, Emil F. Gardner, Richard L. Smith, Orrin J. Ive, Wm. A. Mallory, T. W. Arthur, William H. Leslie, Lev. C. Kukowski, Lyman J. Baird, Vernon Burkholder, Raymond S. Sulinsson, Hubert Braton, Casey Humphrey, and Dale Clayton.

Larmie C. Washington, Frank A Ruih, Jeff D. Parrish, Robert E. Gron, Riley L. Adams, Dale F. Brodel, Fred Swingle, Harry Billusm, Walter Williams, Richard C. Bennie, Bernard O. Lestack, John H. Schrantz, Gilbert Rosenberg, Carl D. Schmitz, E. V. Griffin, David Briggs, L. J. Rawlett, Samuel E. Theitte, Elmer C. Rice, William H. Fish, R. R. Mitchell, Wm. L. Whitehurst, A. C. Frantz, E. F. Evans, J. B. Dees, Joan Every, Lester A. Klatt, Paul A. Grakren, Jack Willis, Frankie Martin, Jr.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

S. 98. A bill to authorize the Secretary of the Interior to provide water and sewage disposal facilities to the Medora area adjoining the Theodore Roosevelt National Memorial Park, N. Dak., and for other purposes (Rept. No. 637);

S. 261. A bill directing the Secretary of the Interior to convey certain property in the State of Mississippi to J. P. Carter (Rept. No. 638); and

S. 1012. A bill to authorize and direct the conveyance of certain tracts of land in Marengo County, Ala., to the Greif Bros. Cooperage Corp. (Rept. No. 636).

By Mr. GRUENING, from the Committee on Interior and Insular Affairs, without amendment:

S. 799. A bill to amend the act of March 8, 1922, as amended, to extend its provisions to public sales (Rept. No. 639).

By Mr. MOSS, from the Committee on Interior and Insular Affairs, with amendments:

S. 888. A bill to authorize the Secretary of the Interior to lease certain lands in the State of Utah to Joseph A. Workman (Rept. No. 640).

By Mr. MANSFIELD, from the Committee on Rules and Administration, without amendment:

S. Con. Res. 33. Concurrent resolution to print additional copies of an analysis entitled "The Pugwash Conference" (Rept. No. 641).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 174. A bill to establish a National Wilderness Preservation System for the permanent good of the whole people, and for other purposes (Rept. No. 635).

By Mr. RUSSELL, from the Committee on Armed Services, without amendment:

S. 2311. A bill to authorize additional appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes (Rept. No. 643); and

S. J. Res. 120. Joint resolution to authorize the President to order units and members in the Ready Reserve to active duty for not more than 12 months, and for other purposes (Rept. No. 642).

THE WILDERNESS ACT—MINORITY AND INDIVIDUAL VIEWS

Mr. HUMPHREY subsequently said: Mr. President, on behalf of the chairman of the Committee on Interior and Insular Affairs, the Senator from New Mexico [Mr. ANDERSON], I ask that the report on Senate bill 174, the national wilderness preservation system, be printed with minority and individual views.

The VICE PRESIDENT. Without objection, it is so ordered.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States, dated July 18, 1961, that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BIBLE (by request):

S. 2321. A bill to encourage and aid the development of reconstructive medicine and surgery and the development of medico-surgical research by authorizing the licensing of tissue banks in the District of Columbia, by facilitating ante mortem and post mortem donations of human tissue for tissue bank purposes, and for other purposes; and

S. 2322. A bill to promote safe driving and eliminate the reckless and irresponsible driver from the streets and highways of the District of Columbia by providing that any person operating a motor vehicle within the District while apparently under the influence of intoxicating liquor shall be deemed to have given his consent to a chemical test of certain of his body substances to determine the alcoholic content of his blood, and for other purposes; to the Committee on the District of Columbia.

By Mr. KEATING:

S. 2323. A bill to establish in the Executive Office of the President the Office of the Consumer Counsel, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. KEATING when he introduced the above bill, which appear under a separate heading.)

By Mr. CAPEHART:

S. 2324. A bill for the relief of Merrill Ernest Pyle, Jr.; to the Committee on Finance.

By Mr. ROBERTSON (for himself, Mr. CAPEHART, Mr. SPARKMAN, Mr. BUSH, Mr. CLARK, and Mr. JAVITS):

S. 2325. A bill to amend the Export-Import Bank Act of 1945; to the Committee on Banking and Currency.

By Mr. LONG of Hawaii:

S. 2326. A bill for the relief of Mrs. Matauaina Tanele; to the Committee on the Judiciary.

By Mr. MORSE:

S. 2327. A bill to amend the International Claims Settlement Act of 1949, as amended, relative to the return of certain alien property interests; to the Committee on Foreign Relations.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. SPARKMAN (for himself and Mr. HILL):

S. 2328. A bill to establish a program of survival depots in order to provide subsistence for the large numbers of the civilian population of the United States who would be evacuated from the devastated areas in the event of attack on the United States; to the Committee on Armed Services.

By Mr. METCALF:

S. 2329. A bill for the relief of Chung Hwan Chen; to the Committee on the Judiciary.

PROPOSED WHITE HOUSE CONSUMER COUNSEL

Mr. KEATING. Mr. President, I introduce, for appropriate reference, a bill to establish in the Executive Office of the President an Office of Consumer Counsel.

The problems of the consumer are manifold and complex. Millions of hard-earned dollars are wasted every day when consumers are deceived by the unscrupulous. More millions of dollars are wasted when consumers buy unwisely because they lack the facts that would enable them to compare and choose to their advantage. These dollars are lost to all of us, Mr. President, because misspent dollars represent economic waste of the labor and other resources devoted to their earning.

Fortunately for the consumer and our economy, in recent years consumer problems have received increased attention both at the Federal and State levels. In my own State of New York, Attorney General Louis Lefkowitz has vigorously protected the interests of the consuming public through his activities in connection with the bureau of consumer frauds, which has had a remarkable record of accomplishment.

During the 1960 presidential campaign, the platform of each of our great political parties pledged affirmative action in behalf of the consumer, though they differed in detail to some extent, as might be expected. Mr. President, I ask unanimous consent that the consumer protection planks of the Republican and Democratic platforms be included at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KEATING. Mr. President, many consumer protection bills have also been introduced in the Senate. Four Members, including myself, are cosponsoring Senate Resolution 119 to establish a special congressional committee to investigate consumer legislation. And, with 15 of my colleagues, I have joined in sponsoring S. 1557, to establish a Consumer Department in the executive branch of the Federal Government.

Under the bill which I introduce today, the President would be authorized to establish in the Executive Office an Office of the Consumer Counsel to serve as a focal point within the executive branch for all activities affecting the consumer. The Office would be headed by a Consumer Counsel, appointed by the President, without regard to civil service requirements and without Senate confirmation. He would be provided with such professional and supporting staff assistance as the President might determine and would be authorized to appoint consultants and advisory groups of citizens, as necessary.

As regards the Congress, the Consumer Counsel would be authorized to recommend legislative measures, for consideration by Congress, through the normal channels of the executive branch. Similarly, he would review proposed legislation from the standpoint of the general consumer interest. When legislation dealing with consumer problems was the subject of congressional hearings, he would be expected to appear and testify in the same manner as do other members of the President's official family.

The Consumer Counsel would be authorized to enter in and appear at any proceeding, hearing, or investigation of any agency of the executive branch, for the purpose of representing the consuming public. As a continuing responsibility, he would seek to maintain liaison with the principal agencies affecting the general consumer interest, and would thereby help to achieve more effective coordination of efforts in behalf of the consumer. He would also maintain liaison with the State consumer counsels, and would cooperate with the Department of State in studying and developing relationships with the official consumer organizations of other nations.

Finally, the Consumer Counsel would be authorized to conduct a public information program to supplement the correspondence, publications, conferences, and press relations of other units of the executive branch.

Mr. President, during the 1960 campaign the President pledged that, if elected, he would establish in the executive branch a Consumer Counsel, backed by a suitable staff, to speak for consumers in formulation of government policies and represent consumers in administrative proceedings.

This promise was the subject of a speech by the Democratic nominee in the Bronx on November 5, 1960.

The bill I have introduced today, Mr. President, would carry out the President's campaign promise. In fairness, I must add that I do not believe that legislation is essential.

In light of the fact that I have not provided in the bill for Senate confirmation, perhaps the Senate in its wisdom will feel that there should be Senate confirmation.

I believe the President has the authority to appoint a Consumer Counsel, and it may be that he is planning to do so within the near future. However, for three compelling reasons I have introduced the bill to establish an Office of Consumer Counsel in the Executive Office of the President.

First, this bill is the first public document which attempts to spell out the powers and duties of a Consumer Counsel. I commend the content of the bill, therefore, to the attention of those in the White House and elsewhere who may be considering redemption of campaign and platform pledges.

Second, I hope this bill will be the subject of public hearings when the Committee on Government Operations considers Senate Resolution 119, Senate Resolution 115, introduced by the Senator from Oregon [Mrs. NEUBERGER], S. 1557, and other measures to strengthen and improve consumer protection.

Third, Mr. President, if there is no hint or indication soon of the appointment of a Consumer Counsel in the White House, it may be necessary for friends of the consumer to rally around this bill to establish an Office of Consumer Counsel. It should be noted also that what an Executive order gives, another Executive order may take away. An act of Congress creating a statutory Office of Consumer Counsel could not, however, be deleted by one swift stroke of the Presidential pen.

Mr. President, as I have viewed the work of various congressional committees right down the line, it is apparent that there is a need, particularly where special interests also are being considered, for the objectivity which would derive from an office such as that of Consumer Counsel. Someone should be there to represent those who are paying the bills for the merchandise in this country.

In conclusion, Mr. President, I commend this bill to the attention of Senators who have joined in sponsoring other proposed legislation in behalf of the consumers. I ask unanimous consent that the text of this bill be included at the conclusion of my remarks, and that the bill lie on the table for 1 week in order to permit other Senators who may be interested to join in sponsoring it.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD and will lie on the desk, as requested by the Senator from New York.

The bill (S. 2323) to establish in the Executive Office of the President the Office of the Consumer Counsel, and for other purposes, introduced by Mr. KEATING, was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That this Act may be cited as the "Consumer Counsel Act of 1961".

DEFINITIONS

SEC. 2. As used in this Act—

(a) The term "executive agency" means any executive department or any independent establishment in the executive branch of the Government, including any wholly owned Government corporation.

(b) The term "State" means any State of the United States or any political subdivision thereof, any possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

ESTABLISHMENT OF OFFICE OF CONSUMER COUNSEL

SEC. 3. (a) There is hereby established in the Executive Office of the President the Office of the Consumer Counsel (referred to hereinafter as the "Office"). The Office shall be headed by a Consumer Counsel (referred to hereinafter as the "Counsel"), who shall be appointed by, and serve at the pleasure of, the President, and who shall receive compensation at the rate of $------ per annum.

(b) Subject to the approval of the President, the Counsel may—

(1) promulgate such rules and regulations as may be required to carry out the functions of the Office; and

(2) delegate to any other officer or employee of the Office authority for the performance of any duty imposed, or the exercise of any power conferred, upon the Counsel by this Act.

PERSONNEL AND POWERS OF THE OFFICE

SEC. 4. (a) The President, without regard to the civil service laws but in conformity with the provisions of the Classification Act of 1949, as amended, may appoint and fix the compensation of such additional personnel as the President may determine to be required for the performance of the functions of the Office.

(b) In the performance of the functions of the Office, the Counsel is authorized—

(1) to procure by contract services as provided by section 15 of the Act of August 2, 1946 (60 Stat. 810, as amended; 5 U.S.C. 55a), at rates of compensation not exceeding $50 per diem for the personal services of individuals;

(2) to appoint such advisory committees as the Counsel may determine to be necessary for the effective performance of the functions of the Office;

(3) to designate representatives to serve on such committees as the Counsel may determine to be necessary or desirable to maintain effective liaison with executive agencies and with departments, agencies, and instrumentalities of the States which are engaged in activities related to the functions of the Office; and

(4) to use the services, personnel, and facilities of executive agencies and those of State departments, agencies, and instrumentalities, with the consent of such agencies and instrumentalities, with or without reimbursement therefor.

(c) Upon request made by the Counsel, each executive agency is authorized and directed—

(1) to make its services, personnel, and facilities available to the greatest practicable extent to the Office in the performance of its functions; and

(2) subject to provisions of law and regulations relating to the classification of information in the interest of national security, to furnish to the Office such information, suggestions, estimates, and statistics as the Counsel may determine to be necessary or desirable for the performance of the functions of the Office.

REPRESENTATION OF CONSUMER INTERESTS

SEC. 5. (a) Whenever there is pending in or before any executive agency any publicly conducted investigation, hearing, or other proceeding which may, in the opinion of the Counsel, affect the economic interests of consumers within the United States, the Counsel, or any other officer or employee of the Office designated by him, may enter an appearance in that proceeding for the purpose of representing the public interest of such consumers.

(b) Upon any such intervention, the Counsel, or any other officer or employee of the Office designated by the Counsel for that purpose, shall present to the agency, subject to the rules of practice and procedure thereof, such evidence, briefs, and argument as he shall determine to be necessary for the effective representation of the economic interests of such consumers. The Counsel, or any other officer or employee of the Office specially designated by the Counsel for that purpose, shall be entitled to enter an appearance before any executive agency, without other compliance with any requirement for admission to practice before such agency, for the purpose of representing the Office in any such proceeding.

LEGISLATIVE INTERESTS OF CONSUMERS

SEC. 6. (a) Subject to the direction of the President, the Counsel shall transmit to the President from time to time such recommendations for proposed legislation as the Counsel may consider to be necessary or desirable for the adequate protection of the economic interests of consumers.

(b) In accordance with such procedures as the President shall establish, the Counsel shall review proposed legislation which may affect the economic interests of consumers and shall transmit to the President such recommendations with respect thereto as the Counsel may consider to be necessary or desirable for the adequate protection of those interests.

(c) Upon request made by the chairman of any committee of the Congress, the Counsel shall—

(1) prepare and transmit to that committee a report containing an analysis of the probable effect upon the economic interests of consumers of the enactment of any proposed legislative measure pending before that committee, and the recommendation of the Counsel for such legislative action with regard to that measure as he may consider necessary or desirable for the adequate protection of those interests; and

(2) such other information concerning industrial or commercial practices affecting the economic interests of consumers as such committee may require from time to time.

COORDINATION OF ACTIVITIES

SEC. 7. (a) The Counsel shall establish and maintain liaison with all executive agencies and with State officers and agencies charged with the performance of governmental functions for the protection of the economic interests of consumers.

(b) Subject to the direction of the President, the Counsel shall—

(1) take such action as may be appropriate to coordinate to the greatest practicable extent the activities of Federal agencies for the protection of the economic interests of consumers; and

(2) in cooperation with the Secretary of State, establish and maintain liaison with officers of foreign governments charged with the duty of protecting the economic interests of consumers, and conduct studies with respect to the methods employed by such governments for the protection of such interests.

PUBLIC INFORMATION AND REPORTS

SEC. 8. (a) The Counsel from time to time shall compile and disseminate to the public, through such publications and other means as he determines to be appropriate, such information as he considers to be necessary or desirable for the protection of the economic interests of consumers.

(b) In January of each year, the Counsel shall transmit to the Congress a report containing (1) a full and complete description of the activities of the Office during the preceding calendar year, and (2) a discussion of matters currently affecting the economic interests of consumers together with his recommendations for the solution of any conditions adversely affecting those interests.

SAVING PROVISION

SEC. 9. Nothing contained in this Act shall be construed to alter, modify, or impair any other provision of law, or to prevent or impair the administration or enforcement of any other provision of law.

EXHIBIT I

"THE RIGHTS OF MAN"—THE DEMOCRATIC PLATFORM, DEMOCRATIC NATIONAL CONVENTION, LOS ANGELES, JULY 12, 1960

Consumers

In an age of mass production, distribution, and advertising, consumers require effective Government representation and protection.

The Republican administration has allowed the Food and Drug Administration to be weakened. Recent Senate hearings on the drug industry have revealed how flagrant profiteering can be when essential facts on costs, prices, and profits are hidden from scrutiny. The new Democratic administration will provide the money and the authority to strengthen this agency for its task.

We propose a consumer counsel, backed by a suitable staff, to speak for consumers in the formulation of Government policies and represent consumers in administrative proceedings.

The consumer also has a right to know the cost of credit when he borrows money. We shall enact Federal legislation requiring the vendors of credit to provide a statement of specific credit charges and what these charges cost in terms of true annual interest.

"BUILDING A BETTER AMERICA"—REPUBLICAN PLATFORM, 1960 REPUBLICAN NATIONAL CONVENTION, JULY 27, 1960, CHICAGO

Protection of consumers

In safeguarding the health of the Nation the Eisenhower-Nixon administration's initiative has resulted in doubling the resources of the Food and Drug Administration and in giving it new legal weapons. More progress has been made during this period in protecting consumers against harmful food, drugs, and cosmetics than in any other time in our history. We will continue to give strong support to this consumer-protection program.

AMENDMENT OF INTERNATIONAL CLAIMS SETTLEMENT ACT, RELATIVE TO RETURN OF CERTAIN ALIEN PROPERTY INTERESTS

Mr. MORSE. Mr. President, in the 86th Congress, I introduced Senate bill 2634, amending the International Claims Settlement Act. It was passed by the Senate on May 27, 1960, but was not acted on by the House of Representatives in the brief period of the Congress which remained.

I now introduce the measure again, in the same form in which it was passed

by the Senate last year, and ask that it be appropriately referred.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2327) to amend the International Claims Settlement Act of 1949, as amended, relative to the return of certain alien property interests, introduced by Mr. MORSE, was received, read twice by its title, and referred to the Committee on Foreign Relations.

MARINE SCIENCES AND RESEARCH ACT OF 1961—AMENDMENT

Mrs. SMITH of Maine submitted an amendment, intended to be proposed by her, to the bill (S. 901) to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes, which was ordered to lie on the table and to be printed.

FOREIGN ASSISTANCE ACT OF 1961—AMENDMENTS

Mr. CAPEHART submitted amendments, intended to be proposed by him, to the bill (S. 1983) to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world in their efforts toward economic and social development and internal and external security, and for other purposes, which were ordered to lie on the table and be printed.

AUTHORIZATION FOR PRESIDENT TO ORDER READY RESERVE TO ACTIVE DUTY—AMENDMENT

Mr. CASE of South Dakota submitted an amendment, intended to be proposed by him, to the joint resolution (S.J. Res. 120) to authorize the President to order units and members in the Ready Reserve to active duty for not more than 12 months, and for other purposes, which was ordered to lie on the table and to be printed.

INDEPENDENT OFFICES APPROPRIATION BILL—AMENDMENT

Mr. JAVITS submitted an amendment, intended to be proposed by him, to the bill (H.R. 7445) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1962, and for other purposes, which was ordered to lie on the table and to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO INDEPENDENT OFFICES APPROPRIATION BILL

Mr. JAVITS submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 7445) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1962, and for other purposes, the following amendment, namely, at the appropriate place in the bill insert the following:

"OFFICIAL REGISTER OF THE UNITED STATES

"For necessary expenses incurred in the compilation, editing, indexing, and publishing of the Official Register of the United States, $30,000: *Provided*, That the United States Civil Service Commission shall cause to be compiled, edited, indexed, and published each year an Official Register of the United States, which shall contain a full and complete list of all persons occupying administrative and supervisory positions in the legislative, executive, and judicial branches of the Government, including the District of Columbia, in connection with which salaries are paid from the Treasury of the United States. The register shall show the name; official title; salary, compensation, and emolument; legal residence and place of employment for each person listed therein: *Provided, however*, That the Official Register shall not contain the name of any postmaster or assistant postmaster, or any officer of the Army, Navy, and Marine Corps, unless such officer is assigned as an administrative officer. To enable the United States Civil Service Commission to compile and publish the Official Register of the United States on or before December 31 of each year, the Executive Office, the legislative and judicial branches of the Government, the Commissioners of the District of Columbia, and the head of each executive department, independent office, establishment, and commission of the Government shall, as of the 1st day of May of each year, supply to the United States Civil Service Commission the data required by this section, upon forms approved and furnished by the Commission, in due time to permit the publication of the Official Register as provided in this section; and no extra compensation shall be allowed to any officer, clerk, or employee of the United States Civil Service Commission for compiling the Official Register."

Mr. JAVITS also submitted an amendment, intended to be proposed by him, to House bill 7445, making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1962, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

AUTHORIZATION FOR COMMITTEE ON ARMED SERVICES TO FILE REPORTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Armed Services have until midnight tonight to file reports on:

Senate bill 2311, authorizing additional appropriations for aircraft, missiles, and naval vessels, and for other purposes; and

Senate Joint Resolution 120, to authorize the President to order units and members in the Ready Reserves to active duty, for not more than 12 months, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, for the information of the Senate, I intend to consult with the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], as well as the chairman of the Committee on Armed Services, the senior Senator from Georgia [Mr. RUSSELL], and his counterpart on the Republican side, the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from New Hampshire [Mr. BRIDGES], to see if it will be possible to bring these measures up for consideration promptly.

Mr. RUSSELL. Mr. President, it is of extreme importance that these measures be handled expeditiously, because the entire Department of Defense appropriation bill is being held up pending the authorizations of these additional items which the President of the United States desires.

The committee pursued these matters diligently, and recessed a few moments ago, after having ordered reported these measures, one unanimously, and the other by a vote of 14 to 1. I hope we can take them up tomorrow, in order to get the arms program underway and get them on the books.

AUTHORIZATION FOR COMMITTEE ON THE JUDICIARY TO MAKE REPORTS

Mr. MANSFIELD. Mr. President, on behalf of the Committee on the Judiciary, I ask unanimous consent that the committee may report Senate bills 1653 and 1658 during the recess of the Senate following today's session.

The VICE PRESIDENT. Without objection, it is so ordered.

THE PRESIDENT'S ADDRESS TO THE NATION (S. DOC. NO. 40)

Mr. MANSFIELD. Mr. President, with the concurrence of the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], I ask unanimous consent that the speech of the President of the United States delivered to the Nation on last Tuesday evening be printed as a Senate document.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO DEPLETION ALLOWANCE FOR CLAY PRODUCTS INDUSTRY—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of July 20, 1961, the names of Senators MCCLELLAN, CASE of South Da-

kota, and LONG of Missouri were added as additional cosponsors of the bill (S. 2288) to amend the provisions of the Internal Revenue Code of 1954 relating to the percentage depletion rate for clay and shale used in the manufacture of brick, tile, and kindred products and the treatment processes considered as mining in the case of such clay and shale, introduced by Mr. ERVIN (for himself and other Senators) on July 20, 1961.

APPLICATION OF CERTAIN TERMS TO CERTAIN CLAYS AND SHALE, FOR TAX PURPOSES—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of July 20, 1961, the names of Senators CASE of South Dakota, and LONG of Missouri were added as additional cosponsors of the bill (S. 2289) relating to the application of the terms "gross income from mining" and "ordinary treatment processes normally applied by mine owners or operators in order to obtain the commercially marketable mineral product or products" to certain clays and shale for taxable years beginning before December 14, 1959, introduced by Mr. ERVIN (for himself and other Senators) on July 20, 1961.

ANNOUNCEMENT OF POSTPONEMENT OF MEETING OF DEPARTMENT OF DEFENSE SUBCOMMITTEE OF APPROPRIATIONS COMMITTEE

Mr. ROBERTSON. Madam President, as acting chairman of the Subcommittee on Department of Defense Appropriations of the Senate Committee on Appropriations, I called a meeting of that subcommittee for 10 o'clock tomorrow, to mark up in the subcommittee the Defense Department appropriation bill. I did not know that tomorrow morning at 10 o'clock members of that subcommittee, who are also members of the subcommittee of the Committee on Armed Services, will be engaged on the floor of the Senate with respect to an authorization bill which carries over $900 million for equipment, which is to be considered in the Defense Department bill.

Under those circumstances, the meeting called for 10 o'clock in the morning will be postponed until 2 o'clock tomorrow afternoon. If the subcommittee cannot finish the markup of the bill tomorrow afternoon we shall go over into Saturday, with the hope that the report and the sideslips can then be printed in time for the full committee to consider and mark up the bill the following Tuesday. After 3 days the Senate could take up the appropriation bill, on Friday, if it so desires, or earlier by unanimous consent.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6345) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1962, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 30 to the bill, and concurred therein with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes, and it was signed by the Vice President.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. HUMPHREY:

Letter of greeting to National Rivers and Harbors Congress written by the Senator from Montana [Mr. MANSFIELD], May 24, 1961.

TED HUNTLEY RETIRES

Mr. MANSFIELD. Mr. President, as some of my colleagues here in the Senate may know, one of our close friends and associates in the Press Gallery is retiring at the end of this month. Theodore Alan Huntley is leaving the U.S. Information Agency, after more than 10 years of distinguished service. Prior to his position with USIA, he was actively engaged for many years in the news business, and then in the legislative branch of the Federal Government, on both the House and Senate staffs.

Ted Huntley has been a good friend. I must admit that some of my partiality comes from the fact that he got his start in the field of journalism in the West, and particularly in Montana. He went to Billings, Mont., in 1913, as a reporter for the Billings Gazette, and soon became city editor. He left Montana in 1915, and moved to the east coast, where he held a number of positions with leading daily newspapers, as Washington correspondent. While we did not get to keep Ted Huntley in the Treasure State for long, my State did make an impression, for he has made a number of return visits to Montana.

Ted Huntley is an integral part of the Washington scene; he has been here in various capacities for nearly a half century. While we all shall miss him in his capacity as news representative on Capitol Hill for our Government, I am confident we shall continue to see Ted around the Press Galleries, still available for his wise advice and counsel. Retirement will give him time to do the things he has not been able to do in recent years. I wish him many more years of enjoyment and accomplishment.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks in the CONGRESSIONAL RECORD a résumé of Theodore Alan Huntley's record of service to the news media, the legislative branch, and the Nation. It is indeed an impressive record.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

THEODORE ALLEN HUNTLEY

Born, Greenville, Mich., July 30, 1888.

Until 1910, working in insurance and real estate offices in Pittsburgh.

Reporter on the Sheridan (Wyo.) Post, string correspondent for Denver Post, Rocky Mountain News, Omaha Bee, Billings (Mont.) Gazette, and other papers (1910–13).

City editor, Billings Gazette and news editor, the Billings Tribune (1913–15).

Cub reporter, the Chicago Tribune (1915–16).

Reporter (1916) on Pittsburgh (Pa.) Gazette-Times mostly for politics, acting financial editor Pittsburgh Leader and from November 1916 night city editor, the Pittsburgh Post. Also edited small weekly newspaper, the South Hill News while on Leader and publicity agent for the New William Penn Hotel in Pittsburgh. Remained on the Post until he came to Washington in 1917.

As secretary during the beginning of the 65th Congress to Congressman Guy E. Campbell of Pittsburgh and also served during 1918 as correspondent in Washington for the Pittsburgh Post.

Washington correspondent (1919–28) of the Pittsburgh Post and, following consolidation in 1927 with the Gazette, for the Pittsburgh Post-Gazette and other Paul Block newspapers in Toledo (Blade), Duluth (Herald), Brooklyn (Standard-Union), Newark (Star-Eagle) and Lancaster (New Era). Wrote byline news and features, State and local as well as national news and Sunday features, political news, covered political conventions. In early twenties, also served as correspondent in Washington for the Philadelphia Evening Ledger, New York Globe and Scranton Times. Author, "Life of John W. Davis."

Secretary, 1929–35, to Senator David A. Reed, of Pennsylvania, carried on rolls as clerk of the Committee on Military Affairs, of which Senator Reed was chairman. Minority expert on Senate Committee on Finance.

Employed in January 1935 as rewrite man for the Washington Times and within a month was made city editor.

Resigned in February 1936 to become publicity director of the Republican National Committee, to organize and put on firm basis the output of the publicity department before the national convention. Introduced color pictures and news and picture tabloid for the national committee. After convention free lanced for the remainder of the year. Did series on the CIO steel-organizing campaign for North American Newspaper Alliance and near year's end returned to the Washington Times.

Political and special writer 1937–38 for the Washington Times until consolidation with the Washington Herald by Mrs. Patterson.

Employed on experimental program on WRC and NBC Red network during March and April 1939 "Washington Roundup," a news program on foreign affairs, national defense, politics, and public affairs.

In May 1939 went to work as special assistant to Senator Barbour, of New Jersey.

Washington correspondent (1939–42) for the Pittsburgh Sun-Telegraph and the Detroit Times.

Information specialist (1942–43) and assistant to the Regional Administrator of the Federal Works Administration in Seattle, Wash.

Army officer on active duty (1943–48). Publicity director (1948) of the veterans division of the Republican National Committee.

Editorial consultant (1949) and expert for the Office of the Army Comptroller, Department of the Army.

November 1949 to November 1950, journalist and free lance writer.

Information and editorial specialist (1950), International Press Service of the Office of International Information (predecessor of the U.S. Information Agency).

Chief congressional correspondent (1951–61) Press and Publications Service, U.S. Information Agency. Author, "Outline of American Government."

Military service: 1932, commissioned as major, specialist reserve, Officer Reserve Corps, assigned to Selective Service unit, War Plans Division, Army General Staff. Worked on draft law for several active duty assignments; 1942, called to active duty and remained on active duty until September 3, 1948, as staff officer.

Principal Army Air Force assignments: 1942–44, special staff, western air bases; 1944–45, director of public relations (U.S.) Supreme Allied Headquarters, Southeast Asia Command (Lord Louis Mountbatten, Commander-in-Chief); 1946, plans and policy officer, legislative liaison division, while on duty with the Army General Staff; 1947–48, executive assistant to Gen. Ray S. McLain, chief of section, National Organizations and Veterans PID D/A as lieutenant colonel; 1948, Reserve commission as colonel USAFR and retired from active duty.

Military travel in India, Burma, Pakistan, Ceylon, China, Singapore, Egypt, Italy, Switzerland, and France.

Awarded Air Force Commendation Medal for service at Headquarters SEAC.

Mr. DIRKSEN. Mr. President, Ted Huntley has certainly had a distinguished career, not studded particularly by titles or decorations and honors, but because of the diversity of his life and the wide fields in which his activities have ranged. He was a reporter on the Sheridan (Wyo.) Post at about the time I was graduating from high school; and that comes sharply to my mind, because I remember the cowboy welcome I got when I made my first trip into the western country, in behalf of my party, a good many years ago. What a warm and rousing welcome it was, and what interesting memories are stirred by realization of the fact that he was a reporter on the Sheridan (Wyo.) Post.

Later, he was a reporter on the Chicago Tribune, at about the time when I was fending around, following high school, wondering in what direction my destiny would go. Then he became a secretary to Representative Guy E. Campbell, of Pittsburgh, Pa., in the 65th Congress. Ted also was secretary to Senator David A. Reed, of Pennsylvania; and he was carried on the rolls of the Military Affairs Committee, as a clerk. That goes back a considerable distance, too.

It began in 1929, and was a tour of duty which ran until after Senator Reed was defeated for reelection in 1934.

He has been operating in very many fields, both national and international in character; and in that time he has developed a legion of friends everywhere.

His rather variegated life also has embraced military duty, because he was commissioned a major, specialist reserve, in the Officers Reserve Corps, assigned to the Selective Service unit in the War Plans Division, Army General Staff, and saw oversea service with the Air Force as director of public relations for the United States at headquarters of Southeast Asia Command in Ceylon.

I join the distinguished majority leader in saluting Ted Huntley, who now is moving into the very richness of life itself. He is only 73 years of age; and in this day of longevity, what retirement delights are still before him.

So we salute him for his great contributions to the country, for his enrichment of our political life, and for all the other constructive pursuits he has followed over a long and objective career.

Ted Huntley, we wish you well wherever your footsteps may go.

LANDS HELD IN TRUST FOR CERTAIN INDIANS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 563, Senate bill 203.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 203) to declare that the United States hold in trust for the Pueblos of Santa Ana, Zia, Jemez, San Felipe, Santo Domingo, Cochiti, Isleta, and San Ildefonso, certain public domain lands, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 5, line 9, after "Section 14,", to strike out "west portion of section not included in Zia Pueblo trust land described in Act of August 13, 1949 (63 Stat. 604)" and insert "all", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title to the following public domain lands and improvements thereon, situated within Sandoval County in the State of New Mexico, is hereby declared to be held by the United States in trust for the Pueblo of Santa Ana:

NEW MEXICO PRINCIPAL MERIDIAN

Township 13 north, range 3 east:

Section 5, that portion of the section situated west of New Mexico Highway 44;

Section 6, lots 4, 5, 6, 7, 11, 12, and 13, southeast quarter northwest quarter, south half northeast quarter, east half southwest quarter, southeast quarter.

Township 14 north, range 3 east:

Section 1, lots 1, 2, 3, 4, 5, 6, and 7, south half north half, north half south half, southeast quarter southeast quarter;

Section 3, lots 1, 2, 3, 4, 5, 6, 7, and 8, south half north half, north half south half;

Section 4, lots 1, 2, 3, 4, 5, 6, 7, and 8, south half north half, north half south half;

Section 5, lots 1, 2, 3, 4, 5, 6, 7, and 8, south half north half, north half south half;

Section 6, lots 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10, south half northeast quarter, northeast quarter southeast quarter;

Section 7, lots 3, 4, 5, 6, 11, 12, 13, and 14;

Section 12, lots 1, 4, 5, and 8, east half east half;

Section 13, lots 1, 4, 5, and 8, east half east half;

Section 18, lots 2, 3, 4, 5, 8, 9, 10, and 11;

Section 19, lots 2, 3, 4, 5, 8, 9, 10, and 11;

Section 24, lots 1, 4, 5, and 8, east half east half;

Section 25, lots 1, 4, 5, and 9, east half east half;

Section 30, lots 2, 3, 4, 5, 8, 9, 10, and 11;

Section 31, lots 2, 3, 4, 5, 8, 9, 10, and 11.

Township 14 north, range 4 east:

Section 6, lots 3 and 4, south half northwest quarter, southwest quarter;

Section 7, west half;

Section 18, west half, west half east half;

Section 19, west half, west half east half;

Section 30, northwest quarter, west half northeast quarter, southwest quarter, west half southeast quarter;

Section 31, northwest quarter northeast quarter, northeast quarter northwest quarter.

Township 15 north, range 3 east:

Section 5, lots 7 and 8;

Section 10, lots 1, 3, and 4, southeast quarter southwest quarter;

Section 11, lots 1, 2, 3, and 4;

Section 12, lots 1, 2, 3, and 4;

Section 13, all;

Section 14, all;

Section 15, all;

Section 17, all;

Section 18, east half;

Section 19, east half;

Section 20, all;

Section 21, all;

Section 22, all;

Section 23, all;

Section 24, all;

Section 25, all;

Section 26, all;

Section 27, all;

Section 28, all;

Section 29, all;

Section 30, lot 4, east half, southeast quarter southwest quarter;

Section 31, all;

Section 33, all;

Section 34, all;

Section 35, all.

Township 15 north, range 4 east:

Section 7, lots 2 and 3;

Section 18, west half;

Section 19, west half;

Section 30, west half;

Section 31, west half; containing 22,975.87 acres, more or less.

SEC. 2. Title to the following described public domain lands and improvements thereon, situated within Sandoval County in the State of New Mexico, is hereby declared to be held by the United States in trust for the Pueblo of Zia;

NEW MEXICO PRINCIPAL MERIDIAN

Township 14 north, range 1 east:

Section 11, west portion of section not included in Zia Pueblo trust land described in Act of August 13, 1949 (63 Stat. 604);

Section 12, all;

Section 14, all;

Section 15, all;

Section 22, all;

Section 23, west portion of section not included in Zia Pueblo trust land described in Act of August 13, 1949 (63 Stat. 604);

Section 24, all;

Section 26, all;

Section 27, all.

Township 14 north, range 2 east:

Section 1, lots 11, 12, 13, 14, 15, 16, and 17, south half southwest quarter, southwest quarter southeast quarter;

Section 4, lots 9, 10, 11, and 12, south half south half;

Section 6, lots 10, 11, 12, 13, 14, 15, 16, 17, and 18, south half southeast quarter, south-

east quarter southwest quarter, northeast quarter southwest quarter, southeast quarter northwest quarter;
Section 8, all;
Section 10, all;
Section 11, east half east half;
Section 12, all;
Section 13, all;
Section 14, all;
Section 18, all;
Section 20, all;
Section 22, all;
Section 23, east half east half;
Section 24, all;
Section 25, all;
Section 26, all;
Section 28, lots 1, 2, and 5, north half, north half southeast quarter, southeast quarter southeast quarter;
Section 30, all;
Section 34, all;
Section 35, lot 1, east half northeast quarter, northeast quarter southeast quarter.
Township 15 north, range 2 east:
Section 1, lots 1, 2, 3, and 4;
Section 4, lots 1, 2, 3, and 4;
Section 6, lot 1;
Section 8, lots 1, 2, 3, and 4, north half north half;
Section 10, lots 1, 2, 3, and 4, north half north half;
Section 11, lot 1, northeast quarter northeast quarter;
Section 12, lots 1, 2, 3, 4, 5, and 6, north half north half;
Section 13, lots 1, 2, 3, and 4;
Section 18, west half west half;
Section 24, lots 1, 2, 3, and 4;
Section 25, lots 1, 2, 3, and 4;
Section 30, lots 1, 2, 3, and 4, west half.
Township 15 north, range 3 east:
Section 6, lots 3, 4, 5, and 6;
Section 7, all;
Section 8, all;
Section 9, lots 1, 2, 3, and 4, west half, south half southeast quarter;
Section 10, lot 2, southwest quarter southwest quarter;
Section 18, west half;
Section 19, west half;
Section 30, lots 1, 2, and 3, east half northwest quarter, northeast quarter southwest quarter, containing 20,163.41 acres, more or less.

SEC. 3. Title to the following described public domain lands and improvements thereon, situated within Sandoval County in the State of New Mexico, is hereby declared to be held by the United States in trust for the pueblo of Jemez;

NEW MEXICO PRINCIPAL MERIDIAN

Township 15 north, range 3 east:
Section 4, lots 1, 2, 3, 4, 5, and 6, southwest quarter, south half northwest quarter;
Section 5, lots 1, 2, 3, 4, 5, 6, and 9, south half northeast quarter, north half southeast quarter, southeast quarter southeast quarter, southeast quarter northwest quarter;
Section 6, lots 1 and 2.
Township 16 north, range 2 east:
Section 12, lots 1, 2, 3, and 4, east half east half;
Section 13, lots 1, 2, 3, and 4, east half east half;
Section 24, lots 1, 2, 3, and 4, east half east half;
Section 25, lots 1, 2, 3, and 4, east half east half.
Township 16 north, range 3 east:
Section 17, north half, southeast quarter, north half southwest quarter, southeast quarter southwest quarter;
Section 18, north half, southwest quarter, north half southeast quarter, southwest quarter southeast quarter;
Section 19, south half, south half northeast quarter, northwest quarter northeast quarter, northwest quarter;
Section 20, south half, northeast quarter, south half northwest quarter, northeast quarter northwest quarter;
Section 21, lots 1, 2, 3, and 4, west half;
Section 28, lots 1, 2, 3, and 4, west half;
Section 29, all;
Section 30, all;
Section 31, lots 1, 2, and 3, north half, north half southeast quarter, southeast quarter southeast quarter, northeast quarter southwest quarter;
Section 33, lots 1, 2, 3, and 4, west half, containing 7,819.28 acres, more or less.

SEC. 4. Title to the following described public domain lands and improvements thereon, situated within Sandoval County in the State of New Mexico, is hereby declared to be held by the United States in trust for the pueblo of San Felipe:

NEW MEXICO PRINCIPAL MERIDIAN

Township 14 north, range 4 east:
Section 2, lots 11, 12, 13, 14, and 15, southwest quarter southwest quarter;
Section 11, lots 5, 6, 7, and 8;
Section 14, lots 5, 6, 7, and 8, west half west half;
Section 15, all;
Section 21, east half;
Section 22, all;
Section 23, lots 5, 6, 7, and 8, west half west half;
Section 26, lots 5, 6, 7, and 8, west half west half;
Section 27, north half, southeast quarter, north half southwest quarter, southeast quarter southwest quarter;
Section 28, northeast quarter;
Section 34, north half northeast quarter;
Section 35, lots 6, 7, and 8, west half northwest quarter.
Township 15 north, range 4 east:
Section 14, lots 1, 2, 3, and 4, southwest quarter northwest quarter, west half southwest quarter;
Section 15, east half east half;
Section 22, east half;
Section 23, lots 1, 2, 3, and 4, west half west half;
Section 26, lots 1, 2, 3, and 4, west half west half;
Section 27, east half east half;
Section 35, lots 1, 2, 3, and 4, west half west half, containing 5,347.73 acres, more or less.

SEC. 5. Title to the following described public domain lands and improvements thereon, situated within Sandoval County in the State of New Mexico, is hereby declared to be held by the United States in trust for the pueblo of Santo Domingo:

NEW MEXICO PRINCIPAL MERIDIAN

Township 15 north, range 4 east:
Section 4, lots 1, 2, 3, and 4, west half;
Section 5, lots 1, 2, 3, 4, and 5, southeast quarter northeast quarter, east half southeast quarter;
Section 8, lot 1.
Township 16 north, range 4 east:
Section 16, lots 5, 6, 7, and 8, west half;
Section 17, lots 1, 4, 5, and 6, northeast quarter northeast quarter;
Section 20, lots 1, 2, 3, and 4;
Section 21, lots 5, 6, 7, and 8, west half;
Section 28, lots 5, 6, 7, and 8, west half;
Section 29, lots 1, 2, 3, and 4;
Section 32, lots 1, 2, 3, and 4;
Section 33, lots 5, 6, 7, 8, 9, and 10, northwest quarter, north half southwest quarter, containing 3,022.87 acres, more or less.

SEC. 6. Title to the following described public domain lands and improvements thereon, situated within Sandoval County in the State of New Mexico, is hereby declared to be held by the United States in trust for the pueblo of Cochiti:

NEW MEXICO PRINCIPAL MERIDIAN

Township 16 north, range 5 east:
Section 8, all;
Section 9, all;
Section 10, lots 1, 2, 3, and 4, west half;
Section 15, lots 1, 2, 3, and 4 west half;
Section 17, all;
Section 20, lots 1, 2, 3, and 4, north half, north half southeast quarter;
Section 21, all;
Section 22, lots 1, 2, 3, and 4, west half;
Section 27, lots 1, 2, 3, 4, 5, and 6, northwest quarter, northeast quarter southwest quarter;
Section 28, lots 1, 2, 3, and 4, north half northeast quarter, southeast quarter northeast quarter, northeast quarter northwest quarter;
Section 29, lot 1;
Section 34, lot 1, containing 5,384.49 acres, more or less.

SEC. 7. Title to the following described public domain lands and improvements thereon, situated within Bernalillo and Valencia Counties in the State of New Mexico, is hereby declared to be held by the United States in trust for the pueblo of Isleta:

NEW MEXICO PRINCIPAL MERIDIAN

Township 7 north, range 1 west:
Section 4, lots 1, 2, 3, and 4, southwest quarter southwest quarter, north half southwest quarter, northwest quarter;
Section 6, all;
Section 8, all;
Section 16, lots 1, 2, 3, and 4;
Section 18, lots 1, 2, 3, and 4.
Township 7 north, range 2 west:
Section 12, northeast quarter, east half southeast quarter.
Township 8 north, range 1 west:
Section 4, lots 1, 2, 3, 4, 13, 14, 15, and 16, south half northeast quarter;
Section 6 lots 1, 8, and 9.
Township 8 north, range 1 east:
Section 4, lots 1, 2, 3, 4, 13, 14, 15, and 16, south half north half;
Section 6, lots 1, 2, 12, 13, 14, and 15, northeast quarter east half northwest quarter.
Township 8 north, range 2 east:
Section 3, northwest quarter;
Section 4, north half;
Section 6, lots 1, 2, 12, 13, 14, and 15, northeast quarter, east half northwest quarter, containing 4,559.74 acres, more or less.

SEC. 8. Title to the following described lands and improvements thereon, situated within Santa Fe County in the State of New Mexico, is hereby declared to be held by the United States in trust for the pueblo of San Ildefonso:

NEW MEXICO PRINCIPAL MERIDIAN

Township 20 north, range 8 east:
Section 26, lots 1, and 2;
Section 27, lot 5;
Section 34, lots 1, 4, 5, and 8;
Section 35, lots 3, 4, 5, and 6, west half west half containing 433.27 acres, more or less.

SEC. 9. Nothing in this Act shall affect valid rights existing at the date of approval of this Act.

SEC. 10. (a) For the purpose of improving the land tenure pattern and consolidating Pueblo Indian lands, the Secretary of the Interior is authorized, under such regulations as he may prescribe, to acquire by exchange any lands or interests therein, including improvements and water rights, within the Pueblo land consolidation areas, and to convey in exchange therefor not to exceed an equal value of unappropriated public lands within the State of New Mexico, or, with the consent of the Pueblo authorities any Pueblo

tribal lands or interest therein, including improvements and water rights.

(b) Either party to an exchange under this section may reserve minerals, easements, or rights of use.

(c) The Secretary may execute any title documents necessary to effect the exchanges authorized by this section.

(d) Title to all lands acquired under the provisions of this section shall be taken in the name of the United States in trust for the respective Pueblo Indian tribes.

SEC. 11. The lands held or acquired for the pueblos pursuant to this Act shall be administered the same as other trust or restricted Indian lands subject to regulations prescribed by the Secretary of the Interior for the protection and conservation of the soil, proper utilization of the land, and other purposes, and shall be a part of the respective Pueblo reservations.

SEC. 12. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission.

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD a statement and explanations of this measure.

The VICE PRESIDENT. Without objection, it is so ordered.

The excerpt from the report (No. 591) is as follows:

PURPOSE

The bill declares that the United States holds in trust for the Pueblos of Santa Ana, Zia, Jemez, San Felipe, Santos Domingo, Cochiti, Isleta, and San Ildefonso approximately 69,706 acres of public domain lands, subject to valid existing rights. The bill authorizes the Secretary of the Interior to acquire by exchange any lands or interests therein within the pueblo land consolidation areas, and to convey in exchange therefor any unappropriated public lands within the State of New Mexico, or, with the consent of the Pueblo authorities, any Pueblo tribal lands or interests therein. The bill further provides that title to all lands acquired under the provisions of this act shall be taken in the name of the United States in trust for the respective Pueblo Indian Tribes, and that such lands shall be administered the same as other trust or restricted Indian lands, and shall be a part of the respective pueblo reservations. The bill also directs the Indian Claims Commission to determine the extent to which the value of the title conveyed thereunder should or should not be set off against any claim against the United States determined by the Commission.

NEED

The lands involved in S. 203 are grazing lands that have been used by the Indians exclusively and continuously over the past 20 years under free use permit. Use during recent years has been under agreement between the Bureau of Indian Affairs and the Bureau of Land Management. By transferring title BLM would be relieved of the burden of administering these lands. Present maintenance is difficult and complicated by the existence of intermingled and surrounding tribal trust lands. Also, the tribes are unwilling to expend their own funds for water development and fencing unless continuity of use by the Indians is assured. The economy of the Pueblos is largely dependent on livestock operations on these and other trust lands. Donations of these lands to the Pueblos will foster the initiation and continuation of better soil conservation practices in the entire area through the use of tribal funds and appropriations for the Bureau of Indian Affairs. These lands are almost in their entirety used by small subsistence operators. There are no known minerals in the lands covered by the bill.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill (S. 203) was ordered to be engrossed for a third reading, read the third time, and passed.

CONSIDERATION OF MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the clerk be instructed to call the remainder of the measures on the calendar, in sequence, until objection is made.

The VICE PRESIDENT. Without objection, it is so ordered; and the measures on the calendar will be called by the clerk, as requested.

DONATION OF CERTAIN FEDERALLY OWNED LAND OF THE JICARILLA RESERVATION, N. MEX.

The bill (S. 2241) to donate to the Jicarilla Apache Tribe of the Jicarilla Reservation, N. Mex., approximately 391.43 acres of federally owned land was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the right, title, and interest of the United States in the following described land containing 391.43 acres, more or less, situated in the State of New Mexico and now in use by the Jicarilla Apache Tribe of the Jicarilla Reservation—

Township 32 north, range 1 west, New Mexico principal meridian:

Section 31, lots 1, 2, 3, east half northwest quarter, northeast quarter southwest quarter, containing 234.38 acres, more or less;

Section 30, lot 4, northeast quarter southwest quarter, lot 3, southeast quarter southwest quarter, containing 156.20 acres, more or less;

Beginning at corner numbered 1, from which the northwest corner of section 30, township 32 north, range 1 west, New Mexico principle meridian bears north 57 degrees 40 minutes west a distance of 2,676 feet;

Thence from corner numbered 1 south 53 degrees 33 minutes west a distance of 396 feet to corner numbered 2; thence south 36 degrees 27 minutes east a distance of 100 feet to corner numbered 3;

Thence north 53 degrees 33 minutes east, a distance of 352 feet to corner numbered 4; thence north 12 degrees 32 minutes west, a distance of 112 feet to point of beginning, containing 0.85 acres, more or less;

is hereby declared to be held by the United States in trust for the Jicarilla Apache Tribe of the Jicarilla Reservation, New Mexico, subject to a reservation of the right of the United States to use so much of said land, together with all facilities now thereon or hereafter installed by the United States, as shall in the opinion of the Secretary of the Interior be needed for the administration of the affairs of the tribe, and subject to a reservation in the United States of a right-of-way across any part of said land which the Secretary of the Interior deems desirable in connection with the administration of the affairs of the tribe.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 592) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of S. 2241 is to donate to the Jicarilla Apache Tribe approximately 391.43 acres of federally owned land.

NEED

The land proposed to be donated by this legislation is needed by the Jicarilla Tribe in order that it may be in a better position to control a watershed on which the tribe is dependent for its domestic water supply. The land consists of four tracts that make up a continuous strip of land that borders the original eastern boundary of the reservation. Bordering the lands included in S. 2241 on the north and the south are other tribal lands purchased for the Jicarillas by the United States in the 1940's. The four tracts covered by the bill are important key tracts for the present water system that serves the Jicarilla Agency, the Indian boarding school dormitory, the Dulce Public School, the Public Health Service facilities, and the tribal housing and development program. The powerhouse and pumping plant for the present domestic water system are located on one of the tracts. The existing domestic water storage tanks are located on the other tracts to be conveyed. In addition, the main waterline from the pumping plant and the only access road for the pumping plant cross these lands. According to the Department of the Interior, a proposed improvement of the Dulce domestic water system, which is a community within the reservation, and a business and industrial development plan for the tribal lands to the south of those described in the bill will require waterlines across the four tracts covered by this legislation. In order to protect the interests of the tribe, the land in question should be placed in tribal ownership.

TRANSFER OF THREE UNITS OF THE FORT BELKNAP INDIAN IRRIGATION PROJECT

The bill (S. 2216) to authorize the transfer of three units of the Fort Belknap Indian irrigation project to the landowners within the project was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to transfer to an association or organization of the landowners whose lands are served by the following units of the Fort Belknap Indian irrigation project all of the right, title, and interest of the United States in the irrigation project works of each unit:

(1) Upper Peoples Creek (Hays) unit, located in township 26 north, ranges 23 and 24 east, P.M.M., about 24 miles south of the Fort Belknap agency headquarters.

(2) Big Warm unit, located along the east boundary of the Fort Belknap Reservation in township 27 north, range 26 east, P.M.M., about 36 airline miles from the Fort Belknap agency headquarters.

(3) Lower Peoples Creek (Ereaux) unit, located in the northeast corner of the Fort

Belknap Reservation in townships 30 and 31, range 26 east, P.M.M., about 21 airline miles from the Fort Belknap agency headquarters.

The transferees shall thereafter have sole responsibility for the care, operation, and maintenance of the irrigation works of the units, and the United States shall have no responsibility therefor. The transfer of each unit shall be made in such form and under such conditions as the Secretary deems adequate to protect the interests of each landowner served by the unit, and shall include the rights-of-way for canals, laterals, and other project works that are transferred.

SEC. 2. The Secretary of the Interior is authorized to cancel all accrued operation and maintenance charges at the time a transfer authorized by section 1 of this Act is made.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 594) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of S. 2216 is to authorize the transfer of project works in three units of the Fort Belknap Indian irrigation project to an organization of landowners whose lands are served by the units. Following the conveyance of the project works, the landowners will have complete responsibility for the operation and maintenance of the works. The bill also provides for the cancellation of $24,859.44 of delinquent operation and maintenance charges.

The Fort Belknap irrigation project is comprised of seven units totaling 23,810 irrigable acres. Actual irrigated land in the whole project varies from 12,000 to 18,000 acres annually, depending on the availability of water. In 1957, approximately 13,500 acres were irrigated.

The three units affected by S. 2216 are Big Warm Springs unit, the upper Peoples Creek unit (Hays), and the lower Peoples Creek unit (Ereaux). In these three units there is a total of 7,637.1 acres of irrigable land. These units are separate from all other units and are independent of each other.

NEED

It is the Indians' request that title to the works on the three units be transferred in the belief that they can operate and maintain the works more economically than the Bureau of Indian Affairs. Representatives of the Department of the Interior who appeared before the committee testified that this is probably the case. Title to the works cannot be transferred to the landowners in the absence of congressional approval.

COST

At the present time the Federal Government is spending about $5,000 a year to maintain the three units to be transferred, over and above collections that are made from the irrigators. Enactment of the legislation will, therefore, result in the recoupment of the $24,859.44 debt cancellation in a period of 4 or 5 years, and the Federal Government will be relieved of its present burden.

GRANTING OF MINERALS ON CERTAIN LANDS TO CERTAIN INDIANS

The bill (S. 2224) to grant minerals, including oil, gas, and other natural deposits on certain lands in the northern Cheyenne Indian Reservation to certain Indians was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Act of June 3, 1926 (44 Stat. 690), as amended by the Act of July 24, 1947 (61 Stat. 418), is hereby amended to read as follows:

"SEC. 3. (a) The coal or other minerals, including oil, gas, and other natural deposits, on said reservation are hereby reserved for the benefit of the tribe and may be leased with the consent of the Indian council for mining purposes in accordance with the provisions of the Act of May 11, 1938 (52 Stat. 347; 25 U.S.C. 396 a–f), under such rules, regulations and conditions as the Secretary of the Interior may prescribe: *Provided,* That at the expiration of fifty years from the date of the approval of this Act, the coal or other minerals, including oil, gas, and other natural deposits, of said allotments shall become the property of the respective allottees or their heirs or devisees, subject to any outstanding leases, regardless of any prior conveyance by such allottee, heirs, or devisees of the land overlying such minerals, oil, gas, or other natural deposits and regardless of the form of reference in such conveyance, or lack of reference, to the minerals, oil, gas, or other natural deposits reserved by this Act.

"(b) Title to the minerals so granted shall be held by the United States in trust for the Indian owners, except that if upon the expiration of said fifty years the entire Indian interest in the minerals within any allotment or parcel thereof is granted by this Act to a person or persons who at that time hold an unrestricted title to the lands overlying such minerals, oil, gas, or other natural deposits, then the Secretary of the Interior shall by fee patent transfer to such person or persons the unrestricted fee simple title to such minerals, oil, gas, or other natural deposits, which title shall vest in such person or persons as of the date of the patent.

"(c) The unallotted lands of said tribe of Indians shall be held in common, subject to the control and management thereof as Congress may deem expedient for the benefit of said Indians."

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 595) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of S. 2224, introduced by Senators METCALF and MANSFIELD, is to modify and clarify a section of the act of June 3, 1926 (44 Stat. 690), as amended by the act of July 24, 1947 (61 Stat. 418), which relates to mineral deposits on the Northern Cheyenne Indian Reservation, (a) by changing the term for which leases may be entered into to "10 years and as long thereafter as minerals are produced in paying quantities," as provided in the act of May 11, 1938 (52 Stat. 347, 25 U.S.C. 396a–f); (b) by providing that mineral rights may go to an allottee's devisees, as well as the allottee himself and his heirs, when the tribal interest ends in 1976 and that the ownership of the allottee, his heirs, or devisees in 1976 shall be subject to then outstanding leases; (c) by providing that no conveyance of the surface of the land, whether heretofore or hereafter made and regardless of reference or lack of reference to minerals, shall carry with it mineral rights; and (d) by providing that the Indian allottee or his successors in interest shall take a trust title in the minerals unless the surface of the land is held in fee.

NEED

The 1926 act cited in the bill provided for the allotment of land on the Northern Cheyenne Reservation to individual Indians. Section 3 of that act as amended in 1947 reserves to the Northern Cheyenne Tribe for a period of 50 years after June 3, 1926, "all coal or other minerals, including oil, gas, and other natural deposits" under land allotted pursuant to the act, and provided that at the end of the 50-year period (1976) the reserved minerals shall become the property of the allottee or his heirs. The law further provided that the reserved minerals may be leased with the consent of the tribe under regulations prescribed by the Secretary. The result, as of the present time, is that a lessee cannot obtain a lease from the tribe that runs beyond 1976, and to this extent mineral development is discouraged. S. 2224 overcomes this problem by putting the Northern Cheyenne lands under the law generally applicable to mineral leases on Indian lands and by providing that allottees, when they come into possession of their subsurface rights in 1976, shall take subject to then outstanding leases.

S. 2224 also clarifies the earlier act in other respects, the most important of which is its provision that even if a Northern Cheyenne Indian has purported to sell his interest in subsurface minerals, the title thereto will belong to him or his heirs or devisees beginning in 1976. This legislation will do for the Northern Cheyenne Tribe the same thing that was done for the Crow Tribe by the act of September 16, 1959 (73 Stat. 565).

COST

The enactment of this legislation will require no expenditure of Federal funds.

CONVEYANCE OF CERTAIN LANDS TO THE STATE OF WASHINGTON

The bill (S. 2087) to direct the Secretary of the Interior to convey certain lands and personal property to the State of Washington was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed to convey by quitclaim deed, without consideration, to the State of Washington all right, title, and interest of the United States in and to 14.56 acres, more or less, located on the Quinault Reservation, together with all buildings and improvements thereon, and appurtenances and utilities belonging and appertaining thereto, such lands being more particularly described as follows:

Tract numbered 1: Commencing at the meander corner of the shore of Lake Quinault, which is the northeasterly corner of lot 7, section 30, township 23 north, range 9 west, Willamette meridian, and running thence along the shoreline of said lake north 76 degrees west 200 feet; thence south 80 degrees west 200 feet; thence north 31 degrees 15 minutes west, 77 feet to the point of beginning; thence from said point of beginning north 13 degrees west 100 feet; thence north 24 degrees 30 minutes west 200 feet; thence north 28 degrees west 36.8 feet; thence south 36 degrees west 200 feet to the right-of-way of the Olympic Highway; thence along said right-of-way south 35 degrees 30 minutes east 100 feet; thence south 22 degrees 45 minutes east 169.6 feet; thence north 54

degrees east 147 feet to the point of beginning, being a portion of lot 7, section 30, township 23 north, range 9 west, Willamette meridian, containing 1.15 acres, more or less.

Tract numbered 2: Commencing at the meander corner of the shore of Lake Quinault which is the northeasterly corner of lot 7, section, township 23 north, range 9 west, Willamette meridian, and thence along the shoreline of said lake north 76 degrees west 200 feet; thence south 80 degrees west 200 feet; thence north 31 degrees 15 minutes west 77 feet; thence north 13 degrees west 100 feet; thence north 24 degrees 30 minutes west 200 feet; thence north 28 degrees west 36.8 feet to the point of beginning; thence from said point of beginning north 64 degrees 30 minutes west 146 feet; thence south 72 degrees 30 minutes west 149 feet; thence south 142 feet to the right-of-way of the Olympic Highway; thence along said right-of-way north 89 degrees 30 minutes east 75 feet; thence south 66 degrees east 89 feet; thence north 36 degrees east 200 feet to the point of beginning, containing 0.85 acre, more or less, being a portion of lot 7, section 30, township 23 north, range 9 west, Willamete meridian.

Tract numbered 3: Commencing at the meander corner of the shore of Lake Quinault which is the northeasterly corner of lot 7, section 30, township 23 north, range 9 west, Willamette meridian and thence along the shoreline of said lake north 76 degrees west 200 feet; thence south 80 degrees west 200 feet; thence north 31 degrees 15 minutes west 77 feet; thence north 13 degrees west 100 feet; thence north 24 degrees 30 minutes west 200 feet; thence north 28 degrees west 36.8 feet; thence north 64 degrees 30 minutes west 146 feet; thence south 72 degrees 30 minutes west 149 feet to the point of beginning thereof; thence from said point of beginning south 142 feet to the right-of-way of the Olympic Highway; thence along said right-of-way south 88 degrees west 278 feet; thence south 64 degrees 30 minutes west 284 feet; thence north 281 feet; thence north 87 degrees 45 minutes east 250 feet; thence south 88 degrees 15 minutes east 148 feet; thence south 84 degrees 30 minutes east 130 feet to the point of beginning, containing 2.31 acres, more or less, and being a portion of the individual allotment of the grantor herein and located on the Quinault Indian Reservation patented to said grantor by trust patent October 1, 1907.

Tract numbered 4: Commencing at the meander corner at the most southerly point on the shore of Lake Quinault from which the 23½ milepost on the southeasterly boundary of the Quinault Indian Reservation bears south 38 degrees 30 minutes 40 seconds west 1,717.15 feet distant; thence north 84 degrees 52 minutes 40 seconds west 526.05 feet to a true point of beginning; thence south 20 degrees 37 minutes 40 seconds west 331.3 feet, more or less, to the edge of the right-of-way of the Lake Quinault south shore county road; thence northerly along such right-of-way to the most southwesterly corner of Lake Quinault forestry station; thence north 54 degrees east 147 feet to true point of beginning, containing 0.25 acre, more or less, in lot 7, section 30, township 23 north, range 9 west, Willamette meridian, being a portion of the original allotment of Jonas Hyasman.

Tract numbered 5: Commencing at the meander corner of the most southeasterly point of the shore of Lake Quinault from which the 23½ mile corner of the southeasterly boundary of the Quinault Indian Reservation bears south 38 degrees 30 minutes 40 seconds west 1,717.15 feet distant; thence north 84 degrees 52 minutes 40 seconds west 526.05 feet; thence south 20 degrees 37 minutes 40 seconds west 411.4 feet to point of beginning on west edge of the right-of-way of Lake Quinault south shore county road; thence west 940 feet; thence north 460 feet, more or less, to the edge of the right-of-way of aforesaid county road; thence easterly and southeasterly along said right-of-way to point of beginning, containing 10 acres, more or less, located in section 30, township 23 north, range 9 west, Willamette meridian, Washington, being a part of the allotment of Jonas Hyasman, deceased Quinault allottee.

SEC. 2. The Secretary of the Interior is further authorized to transfer to the State of Washington, without consideration, such federally owned equipment and personal property located on the Quinault Reservation as is now in the custody of the State of Washington for fire protection purposes under fire protection agreement numbered 14–20–500–1068.

SEC. 3. The conveyance directed by section 1 of this Act shall be made only after the execution of an amendment to agreement numbered 14–20–500–1068 that is satisfactory to the Secretary of the Interior, that obligates the State of Washington for ten years, and that provides for payments to the State of Washington by the Secretary of the Interior of an amount that does not exceed the per acre forest patrol assessment against private landowners in western Washington plus 4 cents per acre for all Indian lands protected under the agreement.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 596) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of S. 2087, introduced by Senator JACKSON, is to direct the Secretary of the Interior to convey to the State of Washington, without consideration, all of the right, title, and interest of the United States in approximately 14.56 acres of federally owned land located on the Quinault Reservation, together with the improvements and utilities located on the land. The bill also authorizes the Secretary to donate to the State of Washington federally owned equipment that is now in the possession of the State under a fire protection agreement. The land, buildings, and equipment have a total value of approximately $92,267.

The property is now in the possession of the State under fire protection agreement No. 14–20–500–1068, dated July 1, 1959, as amended April 1, 1960. Under that agreement the State provides fire protection for all restricted Indian forest land in western Washington.

The Bureau of Indian Affairs compensates the State as follows, but the agreement may be terminated by either party on 30 days' notice:

1. The State is paid actual suppression costs.

2. The State is paid for presuppression costs an amount per acre equal to the forest patrol assessments paid by private landowners in Washington. The rate for 1959 and 1960 was 9 cents.

3. The State is paid an additional presuppression charge equal to the amount received by the State from the Department of Agriculture under the Clarke-McNary Act for fire protection on private lands. The amount is limited to $7,500 in 1960 and to no more than $7,500 in each succeeding year depending upon the acreage protected. The payment relates only to the Quinault Reservation.

4. The State allows a credit against these charges of $7,500 in return for the use of the land and facilities that are involved in this bill.

If the proposed legislation is enacted and title to the land and property is transferred to the State, the State has agreed to modify the present agreement as follows:

1. The agreement will be made binding on the State for 10 years but it will still be subject to termination by the Bureau of Indian Affairs on 30 days' notice.

2. Instead of paying the State $7,500 in lieu of Clarke-McNary payments, and receiving a credit of $7,500 for the use of the Federal property, the Federal property will be transferred to the State and the State will be paid 4 cents per acre in lieu of the Clarke-McNary payment, and this payment will be made for all Indian land protected by the State rather than just the land on the Quinault Reservation. For the 219,243 acres protected in 1960, this charge would equal $8,770. The State is unwilling to continue the present arrangement because its cost for providing fire protection greatly exceeds the amount paid by the United States. That cost is said to be $60,073 per year computed as follows:

219,243 acres at 9 cents per acre assessed to landowners	$19,732
219,243 acres at 4½ cents received under Clarke-McNary	9,866
219,243 acres at 13.9 cents paid out of the State's general fund	30,475
Total cost, 27.4 cents per acre	60,073

Under the proposed agreement the United States would transfer to the State property worth $92,000 and would pay annually to the State approximately $28,502 (this amount will decrease as Indian lands pass out of Indian ownership). The Federal property valued at $92,000 would, therefore, reimburse the State for the difference between its actual cost of fire protection ($60,073) and the amount paid by the United States ($28,502), which amounts to $31,571 annually, only for a 3-year period. The State would nevertheless commit itself to continue the agreement for 10 years.

Legislation similar to S. 2087 was introduced in the 86th Congress. The Quinault Indians opposed that legislation. The committee understands the Quinault Council is now satisfied with the justification of this proposal and no longer opposes its enactment.

DISPOSITION OF LAND FOR THE CHILOCCO INDIAN INDUSTRIAL SCHOOL AT CHILOCCO, OKLA.

The bill (S. 1807) to authorize the disposition of land no longer needed for the Chilocco Indian Industrial School at Chilocco, Okla., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any part of the lands that were reserved by section 10 of the Act of March 3, 1893 (27 Stat. 640), for the Chilocco Indian Industrial School until further action by Congress, and the improvements thereon, that become excess to the needs of the Bureau of Indian Affairs may be transferred or disposed of in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended or supplemented.

SEC. 2. The Secretary of the Interior is authorized to convey, without consideration, to Charlie Gray, his successors or assigns, and to Esau Greenwood, his successors or assigns, respectively, title to the

homestead sites within the Chilocco Indian Industrial School Reserve that are described below when all payments required by their homestead agreements have been paid:

(a) Charlie Gray homestead: Beginning at a point 39 rods south of the northeast corner of the northeast quarter section 17, township 29 north, range 2 east, Indian meridian; thence 24 rods south, thence 33⅓ rods west, thence 24 rods north, thence 33⅓ rods east to point of beginning, containing 5 acres.

(b) Esau Greenwood homestead: Beginning at a point 67 rods north of southeast corner of the northeast quarter section 20, township 29 north, range 2 east, Indian meridian, thence north 20 rods, thence west 50 rods, then south 10 rods, thence east 20 rods, thence south 10 rods, thence east 30 rods to point of beginning, containing 5 acres.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 597) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of S. 1807, introduced by Senator CHURCH at the request of the Department of the Interior, is to authorize the disposal of lands no longer needed for the Chilocco Indian Industrial School at Chilocco, Okla.

NEED

By section 10 of the act of March 3, 1893, 8,600 acres of land of the "Cherokee Outlet" were set aside for the Chilocco school. The language of section 10 provided that the land would continue to be used for the stated purpose "until the further action of Congress." Therefore, no part of this land can be disposed of without further legislation. According to the Bureau of Indian Affairs, approximately 2,700 acres of the school reserve are excess to its needs at the present time. S. 1807 would authorize the disposal of these surplus lands in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended or supplemented.

The Chilocco school is an off-reservation boarding school and has approximately 950 Indian high school and special program students. It offers a number of vocational courses to Indian students as well as a regular academic program.

There are two homestead sites within the area that is excess to the Bureau's need, consisting of 5 acres each. These sites are presently occupied by Indians under contracts which require the homesteaders to pay $2,706.78 in one case and $2,424.90 in the other case for improvements and operating equipment furnished by the Government under the Chilocco subsistence homesteads program authorized in 1934. Originally 15 homesteads were established, but only two are still occupied. The bill will permit the two homestead sites to be conveyed to the homesteaders when their contracts are completely paid in 1963 and 1965, respectively.

DISPOSITION OF JUDGMENT FUNDS OF THE OMAHA TRIBE OF INDIANS

The Senate proceeded to consider the bill (S. 1518) providing for the disposition of judgment funds of the Omaha Tribe of Indians, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 2, line 9, after the word "within", to strike out "three months" and insert "four months", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed, pursuant to such regulations as may be issued by him, to prepare a roll of Omaha Indians whose names appear on the Omaha allotment rolls finally approved pursuant to the Acts of Congress of August 7, 1882 (22 Stat. 341) and March 3, 1893 (27 Stat. 612), and who are living on the date of this Act, and the descendants of such allottees who are born and living on the date of this Act and who possess Omaha blood of the degree of one-fourth or more regardless of whether such allottees are living or deceased: *Provided,* That no person who is enrolled with any other tribe of Indians or who has received an allotment of land on any other reservation shall be enrolled under the provisions of this Act unless the application for enrollment by such person is approved by a two-thirds vote of the governing body of the Omaha Tribe of Nebraska. Applications for enrollment must be filed with the area director of the Bureau of Indian Affairs, Aberdeen, South Dakota, within four months after the date of this Act. For a period of three months thereafter, the Secretary shall permit the examination of the applications by the governing body of the Omaha Tribe of Nebraska for the purpose of lodging protests against any application. The determination of the Secretary regarding the eligibility of an applicant shall be final.

SEC. 2. The roll prepared pursuant to section 1 of this Act shall constitute the membership roll of the Omaha Tribe of Nebraska as of the date of this Act, notwithstanding the provisions of article II, section 1 of the tribal constitution, and children who are born after the date of this Act may be enrolled if they meet the requirements of section 1(b) of article II of the tribal constitution, applicable to children born after the date that amendment I to said constitution was approved, or any amendment thereof.

SEC. 3. Of the funds on deposit in the Treasury of the United States to the credit of the Omaha Tribe of Nebraska that were appropriated to pay a judgment by the Indian Claims Commission dated February 11, 1960, and the interest thereon, after payment of attorneys' fees and expenses, the Secretary of the Interior shall make a per capita distribution of a sum up to a maximum of $750, to the extent available, to each person whose name appears on the roll prepared pursuant to section 1 of this Act; and the balance of such funds after making payment of or provision for such per capita distribution and accrued and accruing interest, if any, may be advanced or expended for any purpose that is authorized by the tribal governing body and approved in writing by the Secretary. The funds so distributed shall not be subject to Federal or State income taxes.

SEC. 4. (a) Except as provided in subsection (b) of this section, the Secretary shall distribute a per capita share payable to a living enrollee directly to such enrollee, and the Secretary shall distribute a per capita share payable to a deceased enrollee directly to his next of kin or legatees as determined by the laws of the place of domicile of the decedent upon proof of death and interitance satisfactory to the Secretary, whose findings upon such proof shall be final and conclusive.

(b) A share payable to a person under twenty-one years of age or to a person under a legal disability shall be paid in accordance with such procedures as the Secretary determines will adequately protect the best interests of such persons.

SEC. 5. No part of any of the funds which may be so distributed shall be subject to any lien, debt, or claim of any nature whatsoever against the tribe or individual Indians except delinquent debts owed by the tribe to the United States or owed by individual Indians to the tribe or to the United States.

SEC. 6. All costs incurred by the Secretary in the preparation of the roll and in the payment of the per capita shares in accordance with provisions of this Act shall be paid by appropriate withdrawals from the judgment fund.

SEC. 7. The Secretary is authorized to prescribe rules and regulations to carry out the provisions of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 598) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of S. 1518 is to provide for the disposition of a judgment awarded the Omaha Tribe of Indians by the Indian Claims Commission. The amount of the award was $2,900,000, which was appropriated by the Second Supplemental Appropriations Act of 1960 and deposited in the Federal Treasury. Attorneys' fees and expenses reduced the net amount of the judgment to $2,648,581, which has drawn interest at 4 percent. The current balance amounts to $2,722,288.

The Indian Claims Commission found that the tribe was acting on its own behalf and in a representative capacity on behalf of the aboriginal tribe and nation. It also found that some of the descendants of the aboriginal nation were not presently enrolled as members of the tribe, but that they are entitled to share in the judgment. S. 1518 directs the Secretary of the Interior to prepare a roll that includes all persons eligible to share in the judgment, and also makes that roll the official membership roll of the tribe.

The bill provides that the judgment will be used to make a $750 per capita payment to each enrolled member and the balance of the judgment may be used for other purposes authorized by the tribal council and approved by the Secretary. While the total enrollment of the tribe cannot be anticipated, it is estimated that approximately $1.5 million will be used for per capita payments, leaving about $1.2 million for other uses.

On March 8, 1961, the members of the tribe met in a general meeting and adopted a resolution, which is on file with the committee, endorsing the provisions of this legislation.

AMENDMENT OF SENECA LEASING ACT OF 1950

The Senate proceeded to consider the bill (S. 344) to amend the Seneca Leasing Act of August 14, 1950 (64 Stat. 442), which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 1, line 7, after the word "nation", to strike out the colon and *"Provided,* That any excess of

income over expenses, whether actual or accrued, in any one year shall be distributed among the enrolled members of the Seneca Nation on a per capita basis", and on page 2, after line 8, to insert a new section, as follows:

SEC. 2. Section 5 of the Act of August 14, 1950 (64 Stat. 442), is amended by inserting after "to lease" the last time the verb appears the words "or grant easements or rights-of-way on".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Act of August 14, 1950 (64 Stat. 442), be, and hereby is, amended to read as follows: "The money so received shall be available for disposal and expenditure by the council of the Seneca Nation in accordance with the constitution and laws of the nation. The council of the Seneca Nation shall keep complete and detailed records of all payments and disbursements from the funds under its control, and shall make such records available for inspection by members of the Seneca Nation at all reasonable times."

SEC. 2. Section 5 of the Act of August 14, 1950 (64 Stat. 442), is amended by inserting after "to lease" the last time the verb appears the words "or grant easements or rights-of-way on".

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 599) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of S. 344 is to amend the act of August 14, 1950 (64 Stat. 442), relating to the leasing of Seneca Indian land.

NEED

The Seneca Leasing Act provides that all the funds from leases on the three Seneca reservations shall be paid to the treasury of the Seneca Nation. Of the total sum realized from leases, $5,000 must be set aside for the use of the Council of the Seneca Nation, and the remaining funds must be distributed per capita. S. 344 would change the 1950 act by removing the $5,000 limitation and providing that the council may use all or any part of the lease money. This is in keeping with the tribe's need for additional funds with which to conduct its business.

The bill as introduced would have provided that any lease income over and above that spent by the council would be distributed per capita. The Department of the Interior has recommended against this latter provision, and the tribe, by formal resolution, has concurred in the Department's suggestion. Therefore, the bill is amended to strike this language, and the tribe may accumulate this income or make per capita payments as it wishes.

The 1950 act permitted the Seneca Council to lease lands in accordance with the laws of New York, but it did not cover the granting of easements or rights-of-way. The Department of the Interior has suggested an amendment to include this additional authority, and the committee has adoped this recommendation as section 2 of the bill as reported.

SALE OF GOVERNMENT-OWNED ELECTRIC AND TELEPHONE LINES FOR THE BUREAU OF INDIAN AFFAIRS

The Senate proceeded to consider the bill (S. 1501) to authorize the Secretary of the Interior to contract for the sale, operation, relocation of Government-owned electric and telephone lines used for the administration of the Bureau of Indian Affairs, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 4, after the word "systems", to insert "and appurtenances", and in line 5, after the word "Affairs", to insert "The Secretary shall not execute a contract pursuant to this Act until he has submitted to the Committees on Interior and Insular Affairs of the Senate and the House of Representatives a copy of the contract and a statement of his reasons for proposing the contract, and until such materials have lain before the committees for sixty days (excluding the time during which either House is in recess for more than three days) unless prior thereto the Secretary is notified that neither committee has any objection to the proposed contract."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, except for electric utility systems constructed and operated as a part of an irrigation system, the Secretary of the Interior is authorized to contract under such terms and conditions as he considers to be in the best interest of the Federal Government for the sale, operation, maintenance, repairs, or relocation of Government-owned utilities and utility systems and appurtenances used in the administration of the Bureau of Indian Affairs. The Secretary shall not execute a contract pursuant to this Act until he has submitted to the Committee on Interior and Insular Affairs of the Senate and the House of Representatives a copy of the contract and a statement of his reasons for proposing the contract, and until such materials have lain before the committees for sixty days (excluding the time during which either House is in recess for more than three days) unless prior thereto the Secretary is notified that neither committee has any objection to the proposed contract.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report, No. 600, explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows.

The purpose of S. 1501 is to authorize the Secretary of the Interior to contract for the sale, operation, maintenance, repair, or relocation of any Government-owned utility system—except utility systems operated as part of an irrigation system—used in the administration of the Bureau of Indian Affairs.

NEED

The Bureau of Indian Affairs operates over 8,500 utility systems at over 400 locations throughout the United States. These systems range from individual water wells to complete telephone systems to serve reservation and administrative areas. It frequently happens that a system which was initially installed to serve a limited purpose can and would be extended by a private utility in order to improve service in a given area. The Bureau cannot undertake such expansion unless it is provided necessary appropriations. According to departmental witnesses, each year the opportunity arises to sell a small number of existing Bureau facilities, but the Department is without authority to do so even though such sales would be in the best interest of the Government. The purpose of the bill is not to dispose of surplus systems, but to aid in the transfer of such systems and to facilitate the improvement of services to meet not only the needs of the Bureau but of the entire local community. The report of the Secretary of the Interior cites two examples—one at Lame Deer, Mont., and the other at Fort Hall, Idaho—where sale of telephone and electrical distribution systems, respectively, would result in better service to the Bureau and the general public.

WALKER RIVER PAIUTE TRIBE

The bill (S. 2016) to give to the Walker River Paiute Tribe the reserved minerals underlying its reservation was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all lands set aside and added to the Walker River Indian Reservation, Nevada, by the Secretary of the Interior under the authority of section 2 of the Act of June 22, 1936 (49 Stat. 1806), are hereby withdrawn from all forms of exploration, location, and entry under the public land mining laws and the minerals underlying such lands are hereby made a part of the reservation to be held in trust by the United States of America subject to valid existing rights, and such minerals shall be subject to lease for mining purposes pursuant to the provisions of the Act of May 11, 1938 (52 Stat. 347; 25 U.S.C. 396a–g) as amended or supplemented.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 601) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of S. 2016 is to declare that the title to the minerals underlying 168,254 acres of land added to the Walker River Reservation by secretarial order dated September 25, 1936, shall be held in trust by the United States for the tribe. Mineral patents and claims validly initiated before passage of the bill would not be affected. The bill also provides for the leasing of the minerals under the general tribal mineral leasing act of May 11, 1938 (52 Stat. 347; 25 U.S.C. 396 a–g). The tribe already owns the minerals in 142,503 acres of other tribal lands.

NEED

By authority of the act of June 22, 1936 (49 Stat. 1806) the Secretary of the Interior added to the Walker River Reservation 168,254 acres of public domain. The 1936 act reserved title to all minerals to the United States, making them subject to all forms of entry or claim under the public mining laws. The 1936 act further required that the tribe be compensated for any loss

of surface improvements by reason of mineral development, and not less than 5 cents an acre for loss of use of surface because of mineral development. According to testimony received from officials of the Department of the Interior, there are no mineral leases in effect, although there has been some interest expressed in mineral development. The Walker River Reservation is made up of grazing land of generally poor quality. Tribal assets are few, and the income of the Indians is meager. If the minerals are conveyed to the tribe, mineral development would be entirely under the tribal leasing laws, and the tribe would share in the economic benefits.

By the act of May 27, 1955 (69 Stat. 67) the minerals reserved to the United States in the Papago Reservation were given to the tribe. It was believed at that time that no like situation existed on other reservations. The committee believes the Walker River Indians should receive title to any minerals in lands set aside for them.

BIG SANDY RANCHERIA, CALIF.

The bill (H.R. 1593) to authorize the Secretary of the Interior to convey certain land in the Big Sandy Rancheria, Calif., and to accept other land in exchange therefor was considered, ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 602) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 1593 is to authorize the Secretary of the Interior to convey by quitclaim deed to the American Baptist Home Mission Society all right, title, and interest of the United States in 7½ acres of land on the Big Sandy Rancheria in California, and to accept in exchange therefor a conveyance in fee simple to the United States by the mission society of 12½ acres. The land conveyed to the United States will become part of the Big Sandy Rancheria.

NEED

The Big Sandy Rancheria, consisting of 280 acres, was purchased by the United States in 1909 for $2,800 for the use of the Indians. Subsequently the mission society purchased 40 acres adjoining the rancheria on which a mission station was constructed. Through erroneous surveys the construction was on the rancheria land instead of the land adjoining it. The error was discovered 3 years ago when plans were made to enlarge and renovate the mission station. Representatives of the church and the rancheria agreed to the exchange requested. The Bureau of Indian Affairs has ascertained that the lands to be exchanged are of approximately equal value.

The Big Sandy Rancheria is one of the 41 California rancherias, bands, or tribes for which a program for termination of Federal supervision was authoized in 1958. This exchange is part of the program being implemented by the Big Sandy Rancheria.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished senior Senator from Oregon [Mr. MORSE] be granted authority to have printed in the RECORD a statement in connection with this bill.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement submitted by Mr. MORSE is as follows:

H.R. 1593 would authorize the Secretary of the Interior to quitclaim to the American Baptist Home Mission Society the Government's interest in 7½ acres of land on the Big Sandy Rancheria in California and to accept in exchange a conveyance of a tract comprising approximately 12½ acres.

Senate Report 602 indicates that the lands to be exchanged are of approximately equal value. In view of this fact no violation of the Morse formula is involved.

ROCKY MOUNTAIN NATIONAL PARK, COLO.

The Senate proceeded to consider the bill (H.R. 2203) to authorize the Secretary of the Interior to exchange certain property in Rocky Mountain National Park, Colo., and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 5, line 2, after the word "section", where it appears the first time, to strike out "of line" and insert "line of."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 603) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE

The principal purpose of H.R. 2203, by Chairman ASPINALL, is to provide for an exchange of certain interests in property within the Rocky Mountain National Park, Colo. The Government will acquire by this exchange 108 acres of land owned by the Colorado Transportation Co., a concessionaire within the park, and will give up its title to Grand Lake Lodge and to 35 acres of land occupied by, or in the vicinity of, the lodge, as well as its 20-percent possessory interest in the Fall River Pass building. If the value of the property transferred by the Government exceeds the value of that which it receives, the difference will be made up by a cash payment to the Government. A second purpose of the bill is to revise the boundaries of the park to exclude therefrom approximately 47 acres.

NEED

The 108 acres to be acquired by the National Park Service under this bill will be a valuable addition to Rocky Mountain National Park. These lands overlook Grand Lake and are, in the words of the Department of the Interior, "rugged, forested land of park caliber."

The 35 acres to be disposed of, on the other hand, lie on the edge of the park and, in view of their present state of development, add little to the park's value. On these lands are situated Grand Lake Lodge, in which the Colorado Transportation Co. already holds a 100-percent possessory interest and certain other improvements, such as a parking area and retaining walls. Title to all of these will go with the transfer of the land. The other item to be transferred is the Government's 20-percent possessory interest in the Fall River Pass building in which the remainder of the possessory interest is already held by the transferee. The bill provides that the Government shall continue for 2 years to have the use of the Alpine exhibit room in this building.

One of the current problems in Rocky Mountain National Park is the continued existence of private inholdings there. These now total about 3,500 acres. Enactment of H.R. 2203 will help, in a small way, to reduce this problem. It will also serve to divest the Government of responsibility for certain road-maintenance work and will enable the Colorado Transportation Co. to expand and improve its concession services to the public.

FORT NECESSITY NATIONAL BATTLEFIELD SITE, PA.

The bill (H.R. 498) to provide additional lands at, and change the name of, the Fort Necessity National Battlefield Site, Pa., and for other purposes, was considered, ordered to a third reading was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 604) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 498, by Congressman MORGAN, is to authorize the acquisition of approximately 478 acres of land at the site of the battle of Fort Necessity in southwestern Pennsylvania. Two-thirds of the land to be acquired is owned by the Commonwealth of Pennsylvania and will be transferred to the United States for a payment of $1. The remaining 160 acres are in private ownership and are valued at about $115,000. The bill also provides for simplifying the present name of the area (Fort Necessity National Battlefield Site) by dropping the word "Site" from its title.

NEED

Fort Necessity is the place at which occurred on July 3, 1754, the opening engagement in the French and Indian War—an engagement often referred to as the Battle of Great Meadows. The French and Indian War, and its European counterpart, the Seven Years' War, ended in the French being driven from the North American Continent as a political power. Fort Necessity is thus a historic site of the first magnitude. Its importance in U.S. history is enhanced by the fact that it was here that George Washington, then a lieutenant colonel, fought his first important military engagement. A substantial part of the lands to be acquired, moreover, later came into his ownership. The lands covered by H.R. 498 include the site of the grave of Gen. Edward Braddock, commander of the British and Colonial troops in the American Colonies. General Braddock died here in 1755 after being wounded at the Battle of Monongahela.

The significance of Fort Necessity was recognized by the Congress in 1931 when it authorized the erection of a monument there on land donated for the purpose. The monument and the surrounding State park attract thousands of visitors every year. Enactment of H.R. 498 will enable this area of more than national significance to be preserved under Federal auspices for future generations.

Donation of the State-owned lands to the United States is assured by a measure which

passed both houses of the Pennsylvania Legislature almost unanimously. Local taxing officials have agreed that there is no objection to removal of the privately owned lands from the local tax rolls.

COST

The estimated cost of acquiring the 160 acres of private land involved in H.R. 498 is $115,000. The bill limits the amount authorized to be appropriated for this purpose to this amount.

PROVISION FOR APPROPRIATION FOR SURVEY OF PROPOSED NATIONAL PARKWAY

The bill (H.R. 6067) to provide for an appropriation of a sum not to exceed $35,000 with which to make a survey of a proposed national parkway from the Blue Ridge Parkway at Tennessee Ball or Beech Gap southwest and running into the State of Georgia was considered, ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 605) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 6067, by Congressman Taylor, is to authorize an appropriation with which to make a survey of a proposed national parkway beginning at a point on the Blue Ridge Parkway in southwestern North Carolina and running about 170 miles in a southwesterly direction toward Atlanta, Ga. The survey would recommend a route to be followed by the new parkway and its most desirable terminus.

NEED

The proposed national parkway may be considered an extension of the Blue Ridge Parkway. It would provide a safe, cool, and scenic route along the crest of the Blue Ridge Mountains into and through the mountains of Georgia. Large portions of the route are still in a state of nature and it is almost entirely undeveloped. The parkway would pass by Whiteside Mountain, the highest granite cliff in the East, and by many spectacular waterfalls such as Bridal Veil, Cullasaja, Toxaway, Dry Falls, and Whitewater, the highest cascade in eastern America.

With millions of visitors traveling the Blue Ridge Parkway every year and with over 3 million persons entering the Great Smoky Mountains National Park last year, it is clear to the committee that the modest appropriation for a survey which H.R. 6067 calls for is well justified.

In approving this measure, the committee would make it clear that, in authorizing the proposed survey, this action is in no way a precommitment of support for legislation that may subsequently be introduced to provide for the construction of the parkway to be surveyed.

COST

The bill authorizes appropriations totaling not more than $35,000.

ACKIA BATTLEGROUND NATIONAL MONUMENT, MISS.

The bill (H.R. 6346) to include Ackia Battleground National Monument, Miss., and Meriwether Lewis National Monument, Tenn., in the Nachez Trace Parkway, and to provide appropriate designations for them, and for other purposes, was considered, ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 606) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE

The principal purpose of H.R. 6346 is to add to the Natchez Trace Parkway two small national monuments which adjoin it and thus permit more orderly administration of the three Federal holdings. A second purpose of the bill is to provide for appropriate redesignations of the national monuments after they have been incorporated into the parkway.

H.R. 6346 was introduced by Congressman ABERNETHY following receipt of an executive communication request that this be done.

NEED

Neither the 49-acre Ackia Battleground National Monument in Mississippi nor the 300-acre Meriwether Lewis National Monument in Tennessee is large enough to justify, nor so located as to require, a separate administrative staff. As a result, the National Park Service has relied on its Natchez Trace Parkway personnel to administer these two tracts. H.R. 6346 will confirm this arrangement.

It will also permit a redesignation of the misnamed Ackia Battleground National Monument. At the time provision was made in the act of August 27, 1935 (49 Stat. 897) for creation of the monument, it was apparently thought that it was the site of an important French and Indian battle, but it is now known that it was not. It is known, however, that the Chickasaw Indians had an important village on this site. Enactment of H.R. 6346 is needed to permit the Secretary of the Interior to make an appropriate adjustment in the designation.

COST

Enactment of the bill will entail no cost to the United States.

TUPELO NATIONAL BATTLEFIELD SITE, MISSISSIPPI

The bill (H.R. 6519) to provide additional lands for the Tupelo National Battlefield site, Mississippi, and for other purposes, was considered, ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 607) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE

The principal purpose of this bill is to permit one-half an acre of land to be added to the Tupelo National Battlefield site. The land will be donated by the United Daughters of the Confederacy which now owns it. The bill also proposes a simplification of the present name of the site.

H.R. 6519 was introduced by Congressman ABERNETHY following receipt of an executive communication requesting that this be done.

NEED

The Tupelo National Battlefield site in Mississippi was established by the act of February 21, 1929 (45 Stat. 1254), to commemorate the battle which occurred on July 13 and 14, 1864. It is limited by present law to 1 acre. The half acre covered by H.R. 6519 is a strip of land about 25 feet in width immediately adjacent to the site which will be useful for parking facilities.

COST

H.R. 6519 involves no cost to the Government.

LASSEN VOLCANIC NATIONAL PARK, CALIF.

The bill (H.R. 7042) to add certain federally owned land to the Lassen Volcanic National Park in the State of California, and for other purposes, was considered, ordered to a third reading, was read the third time, and passed.

On request of Mr. MANSFIELD, an excerpt from the report (No. 608) was ordered to be printed in the RECORD, as follows:

PURPOSE

H.R. 7042, introduced by Congressman JOHNSON of California, following receipt of an executive communication requesting that such a bill be enacted, will transfer 1,040 acres of Government-owned land from the Lassen National Forest to Lassen Volcanic National Park.

NEED

The three tracts of land to be transferred—one comprising about 240 acres, another about 170 acres, and the third about 640 acres—will bring within the park a campground that is already administered by the National Park Service under agreement with the Forest Service; a portion of a road the entire length of which, except for this portion, is within the park; and a small tract of forest land which is needed for a protective strip along Lost Creek. Most of the land involved in the bill has been logged over and, the committee was informed, grazing has been diminishing in recent years.

Enactment of the bill will simplify administrative problems as between the park and the forest. Provision is made in H.R. 7042 for construction of a road by the Forest Service across one of the three tracts if this is needed for administration of the forest.

COST

H.R. 7042 entails no cost to the Federal Government.

EXCHANGE OF LANDS AT WUPATKI NATIONAL MONUMENT, ARIZ.

The bill (H.R. 7240) to authorize an exchange of lands at Wupatki National Monument, Ariz., to provide access to certain ruins in the monument, to add certain federally owned lands to the monument, and for other purposes, was considered, ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 609) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purposes of this bill are (1) to provide for the exchange of 800 acres of Government-owned land within the Wupatki National Monument, Ariz., for 800 acres of

private land of approximately equal value which are also within those boundaries, (2) to revise the monument boundaries by excluding therefrom the lands given in exchange plus another 160 acres of privately owned land and by adding 240 acres of public domain land, and (3) to authorize the Secretary of the Interior to accept, as a donation, an easement for a 200-foot-wide right-of-way for a road within the monument area.

H.R. 7240 was introduced by Congressman MORRIS K. UDALL following receipt of an executive communication dated April 18, 1961, recommending that this be done. An identical bill, H.R. 6678, was introduced by Chairman ASPINALL.

NEED

Wupatki National Monument was established in 1924 by Presidential proclamation issued pursuant to the Antiquities Act of June 8, 1906 (34 Stat. 225, 16 U.S.C. 431). It is the site of a number of prehistoric Indian pueblos built, it is believed, by ancestors of the present Hopi Indians.

The present boundaries of the monument embrace about 35,700 acres, nearly all of which are in Federal ownership. Enactment of the bill will not only eliminate such private inholdings as there are but will also add to the Federal holdings an archeologically important ruin, commonly known as Crack-in-Rock. It will also provide, free of charge, a right-of-way for access to this ruin which will be available if and when construction of a road is authorized and will permanently protect the approach to the monument from undesirable developments by adding to it a tract of public land opposite its entrance on U.S. Highway 89.

COST

Enactment of H.R. 7240 will entail no cost to the Government.

FORT RALEIGH NATIONAL HISTORIC SITE, N.C.

The Senate proceeded to consider the bill (H.R. 5518) to revise the boundaries of the Fort Raleigh National Historic Site in North Carolina, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 6, after line 14, to strike out:

SEC. 3. There are hereby authorized to be appropriated such sums, but not more than $259,000, as are necessary to carry out the provisions of this Act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of H.R. 5518 is to add to the Fort Raleigh National Historic Site approximately 120 acres of land closely associated with the first atttempt (1585–87) to establish an English colony within what are now the boundaries of the United States.

H.R. 5518 was introduced by Congressman BONNER. The enactment of such a bill as this was recommended in an executive communication from the Department of the Interior dated January 17. This recommendation was reaffirmed by a subsequent letter from Secretary Udall on March 3, 1961.

NEEDS

Fort Raleigh National Historic Site was established in 1941 with an area of 18½ acres. Since that time the number of visitors to the site has grown tremendously. In 1960, over 90,000 persons were attracted to it. In part this is attributable to the popularity of the annual summer productions of "The Lost Colony," a historical play dealing, on the very site of its occurrence, with the attempted first settlement. In part it is attributable to great improvements in the road system serving the area, to the opening up of this part of the country to countless numbers of tourists, and to the establishment of nearby public recreation areas under Federal and State auspices. But in large part it is also attributable to the intrinsic merits of the site and the desire of visitors to see the place which they have learned from their study of American history to respect as the site of the first English settlement.

The 18½ acres which are within the present historic site are insufficient either to accommodate the influx of visitors or to preserve the whole area which Sir Walter Raleigh's colonists are believed to have occupied. Enactment of H.R. 5518 is necessary to accomplish these purposes.

COST

The estimated acquisition cost of the lands added to the historic site by H.R. 5518 is about $259,000. This figure, which is lower than that given in the report of the Department of the Interior, is based on an appraisal made since the date of that report. Testimony before the committee strongly indicated that it is likely that the whole or a large part of this amount will be donated to the Government for purchase of the site.

COMMITTEE AMENDMENT

The committee was advised by the Director of the National Park Service subsequent to the passage of the reported bill by the House of Representatives that arrangements have been concluded to provide for the acquisition of land with funds donated to the Government for this purpose. The limitation imposed by section 3 on the appropriation of funds for land acquisition purposes is, therefore, unnecessary and has been deleted by the committee's amendment.

AMENDMENT TO COAST AND GEODETIC SURVEY COMMISSIONED OFFICER'S ACT OF 1948

The Senate proceeded to consider the bill (S. 685) to amend the Coast and Geodetic Survey Commissioned Officer's Act of 1948, as amended, and for other purposes, which had been reported from the Committee on Commerce with amendments on page 3, after line 15, to insert:

(h) Adding a new section 23 as follows:

"SEC. 23. (a) Original appointments may be made in grades up to and including lieutenant after passage of a mental and physical examination given in accordance with regulations prescribed by the Secretary of Commerce: *Provided,* That the President, under such regulations as he may prescribe, may revoke the commission of any officer appointed under this section during his first three years of service if he is found not qualified for the service.

"(b) Any person appointed under authority of this section shall be placed on the lineal list of active duty officers in a position commensurate with his age, education, and experience in accordance with regulations prescribed by the Secretary of Commerce.

"(c)(1) For the purposes of basic pay any person appointed under this section to the grade of lieutenant or lieutenant (junior grade) shall be considered as having, on date of appointment, three years or one and one-half years service respectively.

"(2) If a person appointed under this section is entitled to credit for the purpose of basic pay under other provision of law which would exceed that authorized by subsection (c)(1) he shall be credited with that service in lieu of the credit provided by subsection (c)(1)."

And, on page 5, line 1, after "SEC. 4.", to strike out "Sections 2731 and 2732 of chapter 163 of title 10, United States Code, are hereby adopted for applicability to the Coast and Geodetic Survey." and insert "Section 3(A) of the Act of August 10, 1956, as amended (33 U.S.C. 857(a)) (70A Stat. 618) is further amended by redesignating subsection 8 as subsection 9 and adding a new subsection 8 reading as follows:

"(8) Sections 2731, 2732, and 2735, property loss incident to service."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Coast and Geodetic Survey Commissioned Officers Act of 1948 (33 U.S.C. 853a–853r), as amended, is further amended by:

(a) Adding at the end of section 2 a new subsection reading as follows:

"(e) The total number of officers on active duty as authorized by law may be temporarily exceeded provided that the average number on active duty for the fiscal year shall not exceed the authorized number."

(b) Amending section 6(a) to delete the proviso added by the Act of June 21, 1955 (ch. 172, 69 Stat. 169, sec. 4).

(c) Redesignating section 12 as section 13.

(d) Adding a new section 12 reading as follows:

"SEC. 12. (a) Temporary appointment in the grade of ensign may be made by the President alone, provided such temporary appointment will be terminated at the close of the next regular session of the Congress unless confirmed by the Senate.

"(b) Officers in the permanent grade of ensign may be temporarily promoted to and appointed in the grade of lieutenant junior grade by the President alone whenever vacancies exist in higher grades.

"(c) When deemed necessary or desirable by the Secretary of Commerce to be in the best interest of the service, officers in any permanent grade may be temporarily promoted one grade by the President alone provided such temporary promotion will terminate upon the transfer of the officer to a new assignment, and further provided the number of officers holding temporary promotions under authority of this subsection shall not exceed the whole number nearest 1½ per centum of the total number of officers authorized to be on active duty."

(e) Redesignating section 13 as section 14, striking the word "thirty" and substituting the word "twenty" in lieu thereof.

(f) Redesignating sections 20 and 21 as sections 21 and 22 respectively.

(g) Adding a new section 20 reading as follows:

"SEC. 20. Notwithstanding the provisions of section 209 of the Act of June 30, 1932 (ch. 314, 47 Stat. 405, 5 U.S.C. 73c) when any commissioned officer of the Coast and Geodetic Survey is ordered to make a permanent change of station, one motor vehicle owned by him for his personal use may be transported to his new station on a

Government-owned vessel or as otherwise authorized by law. Expenses incurred by virtue of this subsection shall be payable from the appropriation available for transportation of household effects."

(h) Adding a new section 23 as follows:

"SEC. 23. (a) Original appointments may be made in grades up to and including lieutenant after passage of a mental and physical examination given in accordance with regulations prescribed by the Secretary of Commerce: *Provided*, That the President, under such regulations as he may prescribe, may revoke the commission of any officer appointed under this section during his first three years of service if he is found not qualified for the service.

"(b) Any person appointed under authority of this section shall be placed on the lineal list of active duty officers in a position commensurate with his age, education, and experience in accordance with regulations prescribed by the Secretary of Commerce.

"(c) (1) For the purposes of basic pay any person appointed under this section to the grade of lieutenant or lieutenant (junior grade) shall be considered as having, on date of appointment, three years or one and one-half years service respectively.

"(2) If a person appointed under this section is entitled to credit for the purpose of basic pay under other provision of law which would exceed that authorized by subsection (c) (1) he shall be credited with that service in lieu of the credit provided by subsection (c) (1)."

SEC. 2. Section 1(r) of the Civil Service Retirement Act, as amended (5 U.S.C. 2251(r)), is further amended by inserting after "the Regular Corps or Reserve Corps of the Public Health Service", the phrase "or, after June 30, 1961, as a commissioned officer of the Coast and Geodetic Survey,".

SEC. 3. Section 304(c) of the Career Compensation Act of 1949, as amended (37 U.S.C. 254(c)), is further amended by inserting the words "or as Director of the Coast and Geodetic Survey" after the words "Surgeon General of the Public Health Service."

SEC. 4. Section 3(A) of the Act of August 10, 1956, as amended (33 U.S.C. 857(a)) (70A Stat. 618) is further amended by redesignating subsection 8 as subsection 9 and adding a new subsection 8 reading as follows:

"(8) Sections 2731, 2732, and 2735, property loss incident to service."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 611), explanatory of the purpose of the bill, be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

S. 685, introduced at the request of the Secretary of Commerce, is designed to improve the morale and efficiency of the Coast and Geodetic Survey officer corps by placing them on a basis more comparable with that of commissioned officers of the Armed Forces and of the other uniformed services in regard to certain benefits and privileges, and by effecting some changes in appointment, promotion, and retirement procedures and regulations to render service in the corps more attractive to scientifically qualified persons.

Technical revisions proposed include a provision to authorize that the number of officers on active duty as authorized in the annual appropriation acts shall be an average number rather than a maximum number; repeal of authority for permanent promotions to lieutenant (junior grade) after 2 years' service when there are vacancies in that grade; authorization for temporary Presidential appointments are ensign, as well as for a one-grade temporary promotion of any officer when, because of his assignment, the Secretary of Commerce determines it is necessary or desirable; provision for discretionary retirement after 20 years' service instead of 30 years as now required, and for original appointments in grades up to and including lieutenant, subject to a mental and physical examination given in accordance with regulations prescribed by the Secretary of Commerce. Such officers would be placed on the lineal list of active duty officers in a position commensurate with their age, education, and experience, and would be considered for purposes of basic pay as having, on date of appointment, 3 years for lieutenant or 1½ years in the case of a lieutenant (junior grade), and to be credited with any higher basic pay to which they might be entitled under other provisions of law.

Benefits parity that would be accorded under the bill includes authority for shipment of privately owned automobile by Government vessel or otherwise when ordered to make a permanent change of station, credit for service as a commissioned officer of the Coast and Geodetic Survey for the purposes of civil service retirement, a special allowance of $1,200 per year to the Director for entertainment of visiting foreign officials, and a provision to make applicable to officers of the Coast and Geodetic Survey certain sections of title 10, United States Code.

The Survey's officer corps has been suffering a high rate of resignations among officers of less than 5 years' service, and many of these losses, we are informed, are believed to be due to the lesser benefits now available to Survey officers as compared to the other uniformed services. Likewise, it is difficult to recruit, at the low ensign's pay, the type of graduate engineers needed, or college graduates with comparable knowledge of mathematics and natural sciences. The provision for an average number of officers on the active list, rather than the maximum of 185, makes for needed flexibility. As of now, the majority of new officers come into the corps in June, and many resignations occur later in the year when Congress is not in session; unless the 185 maximum can be exceeded in anticipation of resignations, a shortage of officers would quite often result. The same reasoning applies to the provision for temporary appointments by the President of ensigns when Congress is not in session. Other technical provisions merely would put the corps' regulations in line with those of the military services.

There was no objection to the bill.

ACT FOR INTERNATIONAL DEVELOPMENT OF 1961

The bill (S. 1983) to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world in their efforts toward economic and social development and internal and external security, and for other purposes, was announced as next in order.

Mr. MANSFIELD. Over, Mr. President.

The VICE PRESIDENT. The bill will be passed over.

RELATIONSHIP OF UNITED STATES WITH REPUBLIC OF CHINA AND COMMUNISTIC CHINA

The concurrent resolution (S. Con. Res. 34) relative to the relationship of the United States with the Republic of China and communistic China, was announced as next in order.

Mr. MANSFIELD. Over, Mr. President.

The VICE PRESIDENT. The resolution will be passed over.

INDIAN REVOLVING LOAN FUND

The Senate proceeded to consider the bill (S. 1540) to amend the law establishing the Indian revolving loan fund, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That (a) the appropriation authorization in section 10 of the Act of June 18, 1934 (48 Stat. 986), is hereby amended by increasing it from $10,000,000 to $35,000,000.

(b) All funds that are now or hereafter a part of the revolving fund authorized by the Act of June 18, 1934 (48 Stat. 986), the Act of June 26, 1936 (49 Stat. 1968), and the Act of April 19, 1950 (64 Stat. 44), as amended and supplemented, including sums received in settlement of debts of livestock pursuant to the Act of May 24, 1950 (64 Stat. 190), sums collected in repayment of loans heretofore or hereafter made, and sums collected as interest or other charges on loans made, shall hereafter be available for loans to organizations of Indians, Eskimos, and Aleuts (hereinafter referred to as Indians), having a form of organization that is satisfactory to the Secretary, and to individual Indians of one-quarter degree or more of Indian blood who are not members of or eligible for membership in an organization that is making loans to its members, for any purpose that will promote the economic development of such organizations and their members, or the individual Indian borrowers.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Oregon [Mr. MORSE] may be permitted to incorporate a statement in the RECORD at this point.

The VICE PRESIDENT. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

STATEMENT BY SENATOR MORSE

This bill would authorize the Secretary of the Interior to convey to the State of Washington without consideration approximately 14.56 acres of federally owned land on Quinault Reservation. The property, together with improvements, has a value of approximately $92,267.

Senate Report No. 596 on this bill indicates that the State of Washington, in return for the conveyance, will provide the United States with benefits which would exceed the value of the land and improvements to be transferred.

In view of the fact that value is being given to the United States equal to or in excess of the value of the property being conveyed, a transfer is not objectionable under the Morse formula.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 613) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of S. 1540, as amended, is to provide for an increase in the Indian revolving credit loan fund established by the act of June 18, 1934, from $10 million to $35 million. In addition, the bill provides for the merging of the three separate loan funds now established by law into one revolving credit fund.

NEED

The 1934 act established a Federal credit fund for Indians who could not secure loans from other sources to meet their needs. Over the years Indians have borrowed millions of dollars from the fund for various purposes and their repayment history has been excellent.

According to the report submitted by the Department of the Interior, many Indians are able to obtain financing from customary financial institutions. Some tribes have set aside funds belonging to them which they use to meet the credit requirements of their members. However, there are a substantial number of tribes that do not have tribal funds to finance enterprises or to loan to their members, and these groups must borrow from the Federal revolving fund. For the past several years the revolving credit fund has been oversubscribed and many loan applications of tribes and individual Indians have had to be denied because there were not sufficient funds to fulfill all requests. Testimony received from officials of the Department of the Interior indicated that there are now pending before the Bureau of Indian Affairs applications amounting to more than $40 million.

The committee recognizes that there are a number of worthy projects that could be undertaken by Indian groups if they could obtain financing. Loans for sound enterprises would improve employment opportunities in reservation areas and make a major contribution toward improvement in the economic welfare of tribal members. To aid in the development of Indian resources, the committee recommends increasing the authorization for loan funds from $10 million to $35 million.

In the 86th Congress, the Appropriations Committee of the Senate recommended that the separate loan funds established for the Navajo and Hopi Tribes and the Indians of Oklahoma be consolidated with the general loan fund. The committee believes this is desirable and has adopted language in the bill which would bring about this result. It is felt that with the increase in authorization in the general fund, together with the unappropriated authorizations provided in the Navajo and Oklahoma funds, there will be adequate funds to meet the credit needs of Indian tribes.

AMENDMENT

As introduced, S. 1540 provided that the present $10 million authorization in the revolving credit loan fund would be removed and replaced by an open-end authorization. The committee believes that the recommendation contained in the bill as reported is a more desirable course to follow. The Department of the Interior concurs in the language which merges the three funds.

DISPOSAL OF CERTAIN FEDERAL PROPERTY

The Senate proceeded to consider the bill (S. 1085) to provide for the disposal of certain Federal property on the Minidoka project, Idaho, Shoshone project, Wyoming, and Yakima project, Washington, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 2, line 12, after the word "less", to insert "beginning at the northwest corner of the southeast quarter of said section 12, township 8 north, range 22 east, Willamette meridian, thence north 89 degrees 44 minutes east 337.9 feet; thence south 9 degrees 58 minutes west 35 feet; thence south 14 degrees 18 minutes west 25 feet; thence south 19 degrees 23 minutes west 25 feet; thence south 24 degrees 46 minutes west 25 feet; thence south 34 degrees 46 minutes west 25 feet; thence south 53 degrees 13 minutes west 25 feet; those south 64 degrees 13 minutes west 20.8 feet; thence south 87 degrees 22 minutes west 253.3 feet, more or less, to the north-south line of the centerline of said section 12; thence north 00 degrees 22 minutes west along said north-south centerline 136.3 feet, more or less, to the point of beginning,", and on page 4, line 16, after the word "effect", to insert a colon and *"Provided, however,* That nothing in this Act shall be construed as authorizing additional appropriations in carrying out the purposes of this Act."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to sell the following described lands, together with any improvements located thereon:

(a) Block 67 of the reclamation townsite of Rupert, Minidoka project, Idaho, containing 1.64 acres, more or less;

(b) Lots 21 and 22, block 48 of the reclamation townsite of Powell, Shoshone project, Wyoming, containing 0.48 acre, more or less; and

(c) Block 23, town of Zillah, Washington, containing 1.65 acres, more or less; a parcel located in the south half northeast quarter southwest quarter southwest quarter of section 25, township 9 north, range 24 east, Willamette meridian, Washington, lying below the Sunnyside main canal, containing 4.36 acres, more or less, and that part of the northwest quarter southeast quarter of section 12, township 8 north, range 22 east, Willamette meridian, Washington, containing 1.16 acres, more or less beginning at the northwest corner of the southeast quarter of said section 12, township 8 north, range 22 east, Willamette meridian, thence north 89 degrees 44 minutes east 337.9 feet; thence south 9 degrees 58 minutes west 35 feet; thence south 14 degrees 18 minutes west 25 feet; thence south 19 degrees 23 minutes west 25 feet; thence south 24 degrees 46 minutes west 25 feet; thence south 34 degrees 46 minutes west 25 feet; thence south 53 degrees 13 minutes west 25 feet; thence south 64 degrees 13 minutes west 20.8 feet; thence south 87 degrees 22 minutes west 253.3 feet, more or less, to the north-south line of the centerline of said section 12; thence north 00 degrees 22 minutes west along said north-south centerline 136.3 feet, more or less, to the point of beginning, all located on the Yakima project, Washington. Sales shall be by public auction to the highest qualified bidder, but in no event shall any sale be for less than the appraised valuation, as approved by the Secretary. Any of the lands described above, together with improvements located thereon, which are not sold after being offered for sale at public auction, shall remain available for sale at not less than the appraised valuation, until withdrawn from sale by the Secretary.

SEC. 2. The proceeds from the sale of the property described in section 1(a) of this bill shall be available for expenditure by the Secretary for the construction of an operation and maintenance headquarters and related facilities, as determined by the Secretary to be necessary for the operation and maintenance of the Gravity division of the Minidoka project, Idaho. The proceeds from the sale of the property described in section 1(b) of this bill shall be available for expenditure by the Secretary for the construction of an operation and maintenance headquarters and related facilities, as determined by the Secretary to be necessary for the operation and maintenance of the Shoshone project, Wyoming. The proceeds from the sale of the property described in section 1(c) of this bill shall be available for expenditure by the Secretary for the construction of an operation and maintenance headquarters and related facilities, as determined by the Secretary to be necessary for the operation and maintenance of the Sunnyside division, Yakima project, Washington.

SEC. 3. Any of the proceeds from the sales which are authorized by section 1 of this bill and which are not required for the construction of operation and maintenance headquarters and related facilities, as authorized by section 2 of this bill, shall be applied as provided by subsection I, section 4, Act of December 5, 1924 (43 Stat. 703).

SEC. 4. The Secretary is hereby authorized, subject only to the provisions of this bill, to perform such acts, to delegate such authority, and to prescribe such rules and regulations and establish such terms and conditions as he may deem necessary and proper for the purpose of carrying the provisions of this bill into full force and effect: *Provided, however,* That nothing in this Act shall be construed as authorizing additional appropriations in carrying out the purposes of this Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 614) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

S. 1085 authorizes the Secretary of the Interior to dispose at public auction, to the highest bidder and at not less than the appraised value, certain properties of the Federal Government located on the irrigation projects named in the title of the bill. It further provides that the funds derived therefrom may be used for replacement facilities at more appropriate places on the projects.

The areas involved are 1.64 acres in Rupert, Idaho, having an estimated value of $50,000; 0.48 acre in Powell, Wyo., estimated to be worth $25,000; and 1.65 acres in the town of Zillah, Wash., valued at about $15,000. All of these properties have been used by the respective irrigation districts for operation and maintenance of the activities incident to the operation of the particular district. All are old and are in need of replacement or extensive repair. Replacement at more convenient locations is considered the preferable solution to the problem. Each of the affected districts have requested that the bill be enacted so that more efficient operations can be brought about.

AMENDMENTS

Two amendments have been proposed and have been adopted by the committee.

The first clarifies the description of the property to be sold on the Yakima, Wash.,

project, by inserting a metes and bounds description. This was proposed by the Department.

The second amendment follows the language of a similar bill in the House. The purpose as stated at the hearings would be to require the Department to come to the Appropriations Committee for any additional funds that might be needed to accomplish the new construction suggested in the bill, rather than through a transfer of funds within the Bureau of Reclamation. Testimony during the hearing was that any additional funds that might be needed would come from the irrigation districts themselves.

DELIVERY OF WATER TO LANDS IN CERTAIN IRRIGATION DISTRICTS, STATE OF WASHINGTON

The joint resolution (S.J. Res. 76) authorizing the Secretary of the Interior during the calendar year 1962 to continue to deliver water to lands in certain irrigation districts in the State of Washington, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That pending completion of the amendatory repayment contracts with the Quincy-Columbia Basin Irrigation District, the East Columbia Basin Irrigation District, and the South Columbia Basin Irrigation District, State of Washington, to the extent the Secretary of the Interior during the calendar year 1962 constructs necessary drainage facilities on the Columbia Basin project which are charged as a part of the cost of operation and maintenance as provided in the third sentence of article 7 of the existing repayment contracts with said districts, the Secretary is authorized to the extent of costs thereof to waive the provisions of articles 30(a) and 30(b) of said contracts and to deliver water during the calendar year 1962.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 615) explanatory of the purpose of the resolution be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The resolution is sponsored by Senator JACKSON and Senator MAGNUSON of the State of Washington. A hearing was held on the resolution on June 29, 1961, by the Subcommittee on Irrigation and Reclamation which recommended the measure.

TEXT OF THE RESOLUTION

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That pending completion of the amendatory repayment contracts with the Quincy-Columbia Basin Irrigation District, the East Columbia Basin Irrigation District, and the South Columbia Basin Irrigation District, State of Washington, to the extent the Secretary of the Interior during the calendar year 1962 constructs necessary drainage facilities on the Columbia Basin project which are charged as a part of the cost of operation and maintenance as provided in the third sentence of article 7 of the existing repayment contracts with said districts, the Secretary is authorized to the extent of costs thereof to waive the provisions of articles 30(a) and 30(b) of said contracts and to deliver water during the calendar year 1962.

PURPOSE OF THE RESOLUTION

The purpose of the resolution is to give sufficient time to the Secretary of the Interior to resolve a continuing controversy between the Department and the farmers in the three irrigation districts in the Columbia Basin project. This controversy arises from the assessment of drainage charges over and beyond the amount originally authorized for this purpose as an operation and maintenance expense.

Under the present contract drainage costs up to $8,176,000 are to be charged as a capital cost and repaid over 40 years. These were originally anticipated to be the total costs for drainage facilities. When it was found that drainage costs would exceed $40 million, the Bureau of Reclamation initiated negotiations for amendatory contracts to spread the additional charges over a 40-year period. Misunderstandings have arisen that have resulted in the Secretary appointing an independent Board of Consultants to recommend a satisfactory solution to the problem. Following the report of the Board in September it is the intention to resume contract negotiations and propose to the districts an equitable repayment program.

Nothing is forgiven. If satisfactory contract terms are not concluded the 1962 deferred charges will be placed as a charge and must be paid prior to the delivery of water during 1963.

In reporting Senate Joint Resolution 76, the committee points out that this action is taken without prejudice to the obligation of the Federal Government or the water users with respect to drainage works construction or other charges.

A similar measure passed the Senate in 1960 but failed of enactment in the other body.

LEASING OF MINERAL DEPOSITS

The bill (S. 1674) to amend the Mineral Leasing Act for Acquired Lands (61 Stat. 913) with respect to the leasing of mineral deposits in which the United States owns a partial or future interest, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Mineral Leasing Act for Acquired Lands (61 Stat. 913, 914; 30 U.S.C. 354) is amended to read as follows:

"Notwithstanding any of the other provisions of this Act, where the United States owns less than complete title to, or interest in, any mineral deposit subject to this Act, the Secretary of the Interior may dispose of the present or future interest of the United States by permit, lease, compensatory royalty agreement, or such other means not including sale, and upon such terms and conditions as, in his judgment, shall best serve the public interest, subject to the same requirement for the consent of the administering agency as that imposed in connection with the disposal of wholly owned mineral interests under section 3 of this Act."

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement from the report (No. 616) explanatory of the purpose of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of S. 1674 is to provide additional authority for the Secretary of the Interior to lease in a more practical and equitable manner mineral deposits in acquired lands in which the United States has a future or a partial interest. This purpose would be accomplished by amendment to section 5 of the Mineral Leasing Act for Acquired Lands (61 Stat. 913; found 30 U.S.C. 354) to change the requirement that federally owned interests in mineral deposits in acquired lands can be disposed of only in accordance with the mineral leasing laws governing deposits on the public lands.

Such a limitation has made leasing of future or partial mineral interests in acquired lands difficult or inequitable, particularly in instances where such a deposit is on a known geologic structure and hence can be leased only by competitive bidding in accordance with regulations designed primarily for leasing of present whole interests.

In such a case, for example, the present holder of mineral rights in a tract of acquired lands well may feel he must acquire the Government's future or partial interests if he is to be justified in making the substantial expenditures necessary to develop the mineral deposits in accordance with sound conservation practices. In order to do so, however, he must bid competitively for the Federal interests. In the event he is not the successful bidder, he then is inevitably under pressure to extract all minerals possible within the period covered by his interest regardless of whether such forced extraction may be economic and sound.

Conversely, in such instances prospective bidders may hesitate to bid since it is impossible to know what minerals may be left when the present lessee's interest may terminate. Thus in some instances there is little if any competition and the Federal Government must let its interest go for less than the true value. In other instances the formation of the unit plans so necessary for conservation has been hampered because the present interest holder is reluctant to agree on how costs and benefits are to be shared without assurance he will continue to have a share in production for the life of the unit agreement.

Adoption of S. 1674 would give greater flexibility to the Department of the Interior in permitting it to negotiate for leasing of Federal future or partial interests when such negotiated leases could be made on terms more advantageous to the public interest than under the present inflexible provisions of the law. The measure would in no way prevent competitive leasing when such procedure is in the public interest.

BACKGROUND LEGISLATION

The provisions of S. 1674 originally were drafted and submitted by the previous administration. The terms and recommendations subsequently were adopted by the present administration.

Many of the lands to which the measure would apply were acquired by the Federal Government in connection with the submarginal lands programs of the 1930's. With respect to mineral rights in such land acquisitions, the pattern purchase by the Government varied greatly. In many cases, the owner selling his land to the Government retained all mineral rights, parting only with the surface. In other cases, the seller retained mineral rights for a period of years, usually a 25-year term. In still others, the entire fee was sold. Still another variation was for the owner selling to the Government to retain a partial interest or percentage of the mineral rights.

S. 1674 would facilitate the leasing of the Federal Government's interests in the second and fourth categories; namely, where as a part of the sales agreement the former owner retained mineral rights for a term of years, or where he held back a percentage of the mineral rights.

At its hearing on the bill, the committee was informed by Interior Department spokesmen that probably only a relatively few

thousands of acres of the acquired lands were involved in such future or partial mineral interest holdings. However, with the reservation period approaching termination in many instances, the problem of equitable disposal of such Federal interests is a growing one.

The committee is convinced that the greater administrative flexibility permitted by S. 1674 is in the public interest, and recommends enactment.

Mr. MANSFIELD. Mr. President, those are all the measures on the calendar I wish to have the Senate consider at this time, after consultation with the distinguished minority leader.

TRUSTEES FOR THE NEW HAVEN RAILROAD

Mr. BUSH. Mr. President, everyone interested in the welfare of the New Haven Railroad, its employees, and the thousands of people dependent upon its services will applaud the judgment of Federal Judge Robert P. Anderson in selecting trustees to manage the railroad in its reorganization proceedings.

I regretted that the Kennedy administration attempted to use the misfortune of the New Haven railroad to pay off a political debt. In a bold attempt to interfere with a judicial function, the White House exerted heavy pressure upon Judge Anderson to name as sole trustee a man who, while well qualified politically and in other fields, has had no railroad experience.

Judge Anderson administered a well-deserved rebuke to this attempt to use the railroad for a political payoff and as a source of future political patronage for the administration by his selection of three well-qualified men for the trusteeships.

Mr. President, I ask unanimous consent to have printed in the RECORD following these remarks an editorial and a news article from today's New York Times concerning these events.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 27, 1961]

TRUSTEES FOR THE NEW HAVEN

Federal Judge Robert P. Anderson has acted courageously in naming Richard J. Smith, William J. Kirk and Harry W. Dorigan as trustees in reorganization of the bankrupt New Haven Railroad.

The courage consists not so much in the specific choices—which generally were being applauded yesterday by close observers of the railroad scene—as in the rebuke to the Kennedy administration's attempt to make the receivership the vehicle for paying a political debt.

Tuesday night President Kennedy asked the Nation for self-denial in a time of national peril. He can set an example by leaning over backward to avoid even the appearance of politics as usual.

[From the New York Times, July 27, 1961]

JUDGE REJECTS U.S. PLEA, PICKS THREE TO RUN NEW HAVEN

NEW HAVEN, July 26.—A lawyer, an investment specialist, and a retired railroad executive were appointed today to reorganize the bankrupt New Haven Railroad. District Judge Robert P. Anderson, in naming the trustees, warned that if they could not find a solution to the chronic financial plight of the New Haven, it simply will have to go out of business.

He rejected the Justice Department's request that he name former Gov. Dennis J. Roberts of Rhode Island as trustee. Instead he chose:

Richard J. Smith, of Westport, Conn., senior partner in the New York City law firm of Whitman, Ransom & Coulson, a former director of the New Haven and a commuter.

Harry W. Dorigan, of Westfield, N.J., retired vice president in charge of operations of the Central Railroad of New Jersey and a chief aid to the trustees in the 1935–47 reorganization of the New Haven.

William J. Kirk, of Newton, Mass., president of the John P. Chase Co., of Boston, international investment counselors.

ICC MUST APPROVE

The appointments are subject to approval by the Interstate Commerce Commission. Late yesterday the ICC had not formally been advised by Judge Anderson of his selections. Normally the Commission would receive such a communication by mail.

Of former Governor Roberts, who led the movement in the 1956 Democratic National Convention to nominate the then Senator John F. Kennedy for Vice President, Judge Anderson said:

"I decided not to appoint Mr. Roberts in spite of the weight and consideration I feel is due to a recommendation by the Federal Government."

Mr. Roberts, the judge continued, undoubtedly has very great ability and skill, but his whole life and career is identified with political activity. "While the aspect of political activity is very valuable," the judge added, "nonetheless the partisan nature of politics sometimes makes it difficult to give the cooperative effort needed to obtain success in this reorganization."

Judge Anderson said that although there was no public objection to Mr. Roberts' nomination, there had been previous representations against him.

SALARY NOT YET SET

The question of compensation for the trustees was left open. The judge said that he had not discussed salary with the appointees except that the payment would be left entirely within the discretion of the court and within the maximum limits to be fixed by the Interstate Commerce Commission.

Judge Anderson met later in chambers with the trustees.

He said their first assignment would be to apply to the ICC for a Government-guaranteed loan of $5 million. The loan, if approved, would be obtained on trustee certificates from commercial banks.

Judge Anderson observed that the New Haven was but one of several eastern railroads in financial distress. He said, "Some pattern of survival should be worked out."

The judge made it plain he believed the New Haven faced a fight for survival as a common carrier. Relative to the appeal to the ICC for a loan, he wrote:

"The pending application, and any which may hereafter have to be made, are for funds in the matter of a transfusion to keep the transportation plant alive and running, while measures are devised to permit the railroad to stand on its own feet. If adequate time is not afforded to solve these difficult problems or if, in the light of economic circumstances, no way can be found to make income and cost operations meet, the New Haven Railroad will simply have to go out of business.

"The court is aware that the trustees cannot assure anyone of the success of their endeavors. It will need the cooperation of many others. But the court is of the opinion that if these individuals, with that cooperation, cannot find the solution, it is probable that there is no solution to be found."

NEEDS IN THREE AREAS CITED

The judge said experts were needed in three areas: financial-economic, operations, and relations with Federal and State Governments.

"What is called for," he said, "is a well-balanced team composed of individuals with appropriate skills; the technical know-how to operate the New Haven Railroad; the capacity to formulate new and constructive ideas in seeking out a solution of these unprecedented problems."

The respect and confidence of officers and employees of the New Haven Railroad, customers of the road, governmental officials and the public are also needed, Judge Anderson added.

"It must be emphasized," he said, "that three trustees, rather than a lesser number, are required. The variety and complexity of the problems, the necessity for reaching speedy solutions and the differences in problems of the same general nature as they arise in different localities—all substantiate the conclusion that it would be beyond the capacity of any less than three.

"To appoint one or two, who in turn would be required to depend upon experts in various fields, would destroy the mutuality of contribution on the same level and the effective teamwork which circumstances demand."

The court's recommendations are subject to review by the full 11-man membership of the ICC after study by staff members. This study will be undertaken by Vernon Baker, Director of the Commission's Finance Bureau. He attended the hearings held by Judge Anderson in New Haven on Tuesday.

A spokesman for the ICC would not estimate yesterday how long it might take before the Commission acted on the appointments.

NATIONAL NEEDS AND BUDGET DEFICITS

Mr. BUSH. Mr. President, there is great support for the President in the Congress and in the country for the firmness he has exhibited on the Berlin crisis. His forthright discussion of our choices in Berlin and his determination that this city shall remain free, in his address to the Nation on Tuesday night, have been generally applauded.

Congress will respond quickly to his request for increased spending for additions to our military strength. The Committee on Armed Services, on which I am privileged to serve, met this morning to consider the President's requests for an increase of approximately $3.5 billion in military procurement and for authority to order Ready Reserve units to active duty. I am confident his requests will be approved and brought to the Senate in the near future.

Mr. President, it is time that we began thinking about how to pay for the increases in our defense strength that we are buying.

President Kennedy's address on Tuesday night was regrettably vague on this point.

Since January, the President has asked for increases of $6 billion in defense spending. At the same time, he has proposed a vast domestic spending program which will increase expenditures heavily this fiscal year, but whose full effect will be felt in future years.

President Kennedy himself now estimates a deficit in this fiscal year of more than $5 billion. Many Members of Congress, including myself, believe the prospective deficit will be much higher, ranging between $7 billion and $10 billion.

Mr. President, it is a time for Congress to exercise fiscal prudence. A prudent man does not prepare for uncertain and dangerous times ahead by loading himself down with new burdens and commitments, but rather readies himself for action by tightening his belt and getting rid of excess fat and excess baggage.

Our Government must do the same. If we are to hold tightly to prudent fiscal standards, we cannot continue to proceed with reckless haste to make enormous increases in both defense and nondefense spending.

President Kennedy has indicated an awareness of this fact, although, regretably, he has not yet backed up his words with action.

In his message to Congress on May 25 when he discussed urgent national needs, the President said:

> If the budget deficit now increased by the needs of our security is to be held to manageable proportions—if we are to preserve our fiscal integrity and world confidence in the dollar—it will be necessary to hold tightly to prudent fiscal standards.

Again, in the May 25 message, the President told us:

> Our security and progress cannot be cheaply purchased; and their price must be found in what we all forego as well as what we all must pay.

I say it is time that the President live up to his words and provide leadership, in cooperation with the Congress, and establish a system of rigid priorities in spending, eliminate waste in the executive establishment wherever it may be found, and defer nonessential programs, however desirable they may be, until we can afford them without deficit financing.

Mr. President, the Wall Street Journal commented editorially on this matter today, and I quote two sentences in particular:

> The Government will spend $6 billion more on arms, but apparently not one penny less on anything else. That does not suggest the President himself has yet thought out clearly an order of national priorities.

I respectfully suggest that it is time that the President began thinking about priorities, and gave us his recommendations.

Mr. President, the New York Times also commented editorially this morning on this aspect of President Kennedy's address, pointing out that there are severe economic problems which may arise, even in the near future, especially with respect to the position of the dollar on world markets.

Mr. President, I ask unanimous consent that the editorials from the Wall Street Journal and the New York Times, to which I have referred, may be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, July 27, 1961]

PRESIDENT KENNEDY'S TASKS

When President Kennedy spoke to the Nation the other evening, the task before him was not that of convincing the American people of the reality of the Soviet menace or of the need for this country to face resolutely the crisis that menace directly poses at Berlin.

If anything, the country has been in advance of the President on these matters. Every measure of public opinion, before Vienna as well as since, suggests a people far more fearful that their leaders might accept humiliation in the name of peace than a people panicked by the prospects of a clash at Berlin.

So we think we can take it as settled that the American people—however others may feel—are prepared to make those sacrifices President Kennedy asked of them to meet this crisis. The Congress will vote the new arms, and those who are called upon to bear them will do so, as they have always done before.

Mr. Kennedy's true tasks, the other evening, lay elsewhere. The first, of course, was to convince Mr. Khrushchev of what he did not convince him at Vienna; that is, that our talk of firmness is not empty words. But beyond that, to give the American people the feeling that their leadership is not merely strong in intent but capable in action and wise in measures—or, put bluntly, to restore the confidence so badly shaken in the President's first 6 months in office.

As best we can judge, Mr. Kennedy performed the first task superbly. At least it is extremely difficult for us to imagine that Premier Khrushchev could have heard the President's words and regarded the specific measures he proposed without saying to himself, this is a man and a nation that means business.

There was no bombast in the President's tone or words. But he is adding, altogether, some $6 billion to the defense budget of last January; he is increasing the manpower of each of our armed services, stepping up their state of readiness, and redeploying them into a more determined posture. Moreover, he should have made it clear even to Mr. Khrushchev that this is just a beginning, if more is needed. "We are clear about what must be done—and we intend to do it. Everything essential to the security of freedom will be done."

Now we are not so foolish as to assume that the men in the Kremlin will necessarily reason like other men; other would-be conquerors before them have simply closed their minds in order to believe what they wanted to believe. So there is in the President's speech no guarantee whatever that the peace will be preserved.

But if it be not, the fault will not be any failure of Mr. Kennedy's to speak warning, or to give those warnings substance. We hardly see what more he could have done on that score.

And that in itself, we think, should help Mr. Kennedy on his second task. At least he has put aside the fears haunting a good many people before Vienna that he was not sufficiently aware of the nature of the Soviet menace—and that he might be tempted either to succumb to the wiles of the Soviet leader or to put so high a price upon peace that he would yield to threats.

The President also, we think, must have impressed his countrymen in another way. In showing firmness he did not rush to belligerence. There is not a single line in his speech that rattles the atom bomb or makes any threat to the Soviet Union; there was no indication that the President had his hand upon the panic button. Moreover, he showed plainly that while he was serious about the military responses he was not foreclosing other responses to the Soviet challenge.

All this makes a good beginning on what remains the President's most crucial task, the restoration of confidence in the leadership of his administration. And it is now up to the President to complete it.

It is never enough that a President of the United States show his intent and will. He must also convince the country—and today, even the world—that he and those about him bring wisdom to the task of carrying out that intent. In short, that they have thought intelligently and truly know what they are doing.

If Mr. Kennedy has thus far fallen short in this task, for his political friends as well as for his opponents, it is largely because he has had the air of a general scattering his troops in all directions. In his first 6 months he has sent half a hundred messages to Congress on almost every conceivable subject, and he has called for more spending on almost every conceivable human activity.

Quite apart from political philosophy, none of this has suggested disciplined thinking or any awareness that the Nation's resources of money or energy needed to be husbanded for crucial tasks clearly seen. What has made the memory of the Cuban fiasco linger so long was not its immediate effects on Cuba but the whole air of improvisation that lay over it.

All this cannot be blown away in a single speech. Some uneasiness lingers over the President's plans for military spending, because only 2 months ago he was asking new billions of Congress, explaining that they would put us in a posture to meet the threats around the world. Now it is more billions still; and if the plans of July be necessary, it must mark as improvisation the plans of May.

Nor has the President yet banished all uneasiness about the scattering of our resources. The Government will spend $6 billion more on arms, but apparently not 1 penny less on anything else. That does not suggest the President himself has yet thought out clearly an order of national priorities.

For our part, we have no doubt that President Kennedy will get the support of the country for what he specifically proposes to do now about Berlin. But if that support is to include full confidence in the President's whole conduct of office, it must also be earned by something more than a mere calling up of arms.

[From the New York Times, July 27, 1961]

PRESIDENT'S MESSAGE: ECONOMIC

Judged from the economic point of view alone, President Kennedy was able to ask Congress for approximately $3,500 million in additional defense appropriations without at the same time demanding compensatory tax increases only because the country has not yet fully recovered from the recession and still has an appreciable amount of unused human and material resources.

If Congress approves the President's request, as seems likely, there will be an increased measure of Government pump priming, which should speed up the march toward full employment.

But clearly there are severe economic problems that may arise, even in the near future. The possible problem area that needs to be watched most closely for the present is the position of the dollar on world markets. The new rise in British interest rates may attract sizable amounts of short-term capital from this country to London. This, combined with

the prospective increase in American defense spending abroad, might encourage another speculative raid against the dollar such as occurred last October.

A more serious area of concern, however, consists of the prospects further ahead. The possibility exists that Soviet moves may yet require far more drastic mobilization measures than those just announced. Alternatively, the economic stimulus supplied by the prospective large budgetary deficit for this fiscal year may bring us to a full employment situation comparatively quickly, with upward pressures on prices and wages, threatening a new inflationary spiral.

On either of these alternatives, or a combination of them, the appropriate economic policy would be quite the reverse of that which the President is now taking. But he clearly indicated that he is prepared to resort to either sharply increased taxation or direct controls or both should they be necessary under changed economic conditions. We trust that serious advance planning for any such eventuality is now vigorously in progress in Washington.

Mr. MANSFIELD. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BURDICK in the chair). Does the Senator yield?

Mr. BUSH. I yield.

Mr. MANSFIELD. I was interested in what the Senator had to say. It seems to me that a well-developed pattern is emerging in the ranks of the Republican Party in the past several days.

I wish to point out that in the speech which the President made to the people of this Nation he again requested the Congress to put into operation his request to raise postal rates, by means of which approximately $800 million or $900 million in revenue would be raised. The President again asked the Congress to close certain specific loopholes in the tax structure, and he spelled them out. The President also stated in his speech that he was prepared to cooperate with the Congress in tightening up procurement procedures in the Department of Defense.

I am quite certain that if we will do our part we shall be able to raise the funds which the President thinks are necessary; and, if not, he will have no compunction whatever in asking the Congress for an additional tax increase, both on personal incomes and on corporations.

Mr. BUSH. Mr. President, I am glad the Senator has made these observations. I recall very well what President Kennedy said about the postal rates. I was very glad to hear him say it. I was very much disappointed, however, that when the House buried that proposal in the subcommittee there was no call from the White House that it be reconsidered. Every time Congress has considered a big expenditure program which has gotten into trouble there has been pressure from the White House to reconsider it. We have seen that happen in the Senate within the last few weeks.

I should like to see the same degree of concern exercised by the President in connection with raising some of the funds, including the postal rate increase, which he exercises in connection with some of the spending programs. That is the burden of my feeling about this.

I quite agree that the President has done, in recommending these increased expenditures, a very bold thing, a thing which needed doing. He did it in a very effective way. I am concerned about the fact, however, in view of our balance-of-payments problem and in view of the heavy deficit which we face—which seems to be getting bigger at the end of every month—that we do not seem to have the same concern about these matters as we do about increased spending.

I feel that the time has come when a schedule of priorities would be an appropriate thing for the President to suggest to the Congress. The President does not hesitate to make suggestions to Congress about legislation we should pass. In fact, it is his constitutional duty to do so. I think it is also the President's duty to recognize that if he is going to make recommendations for increased spending, if he is going to tell us we can face a great national emergency with a budget deficit of $5 billion—and it is much more likely to be $6 billion or $7 billion or $8 billion—then he also has the responsibility to tell us what he thinks we should do about closing up the deficit and preparing for a surplus.

This will not be simply a 1-year shot, as my very able and respected friend from Montana knows. We are preparing for what will probably be a long siege. We should not get deeply into the red before we get started on it.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. MANSFIELD. In my opinion, the President is a very prudent man with the fiscal dollar. I think he is doing the best he can in respect to bringing about a degree of equalization between income and outgo. But we live in a very difficult time, as the Senator has so ably put it, and he knows, as do all of us, that what he is proposing now is not merely for the time being but is something that must be carried over the long pull.

I was very much interested with the calmness, deliberations, and lack of timidity and trepidation on the part of the President in his speech to the Nation. What I believe he was saying, in effect, is what he has had in mind for a long time, that something should be done to beef up our conventional forces especially, without at the same time lessening or reducing the strength or the effectiveness of our Air Force.

I think he is proceeding wisely and well. If my memory serves me correctly, he has indicated that it is his intention and strong hope that in the next fiscal year he will be able to provide the country with a balanced budget.

Whether or not he can remains to be seen, but the fact is that we live in dangerous times—times that will stretch far beyond Berlin, which is the most immediate and pressing problem—and involving difficulties which cover southeast Asia, south Asia, the Middle East, the Far East, Latin America, and Africa. He has his responsibilities and he will live up to them. Any recommendations that are necessary with respect to new taxes that are needed, he will make. There is no easy, quick, or cheap way out of the difficulties in which this country and the free world find themselves today.

Mr. BUSH. Mr. President, I quite agree with the Senator.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BUSH. May I have an extra 2 minutes in order to comment?

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BUSH. Mr. President, I quite agree with the Senator in most of what he has said. However, I insist that with the heavy increased expenditures that we are being asked to assume, it is right that we should scrutinize very carefully some of the big spending programs on the domestic front. I am thinking particularly of the housing bill, in which Congress gave the President $1½ billion more than he thought was necessary. He received the sum with open arms and said, "This is a great housing bill."

I submit that that action of the President was not quite in the atmosphere that my good friend the Senator from Montana is talking about.

In the education bill, which was passed by the Senate, are items which I believe are quite unnecessary, and which in times of stringency could well be eliminated or postponed. For that reason, among others, I voted against the bill.

These are illustrations of what I believe the President of the United States should be thinking about when he calls upon us to be ready for sacrifices and to prepare ourselves in every way for the great emergency which we face. I am all for him, Mr. President. I want to support him and I do support him. I am going back to the Committee on Armed Services now to vote for the President's requested increases in authorization. I believe he is right in making his bold approach to the Berlin situation. I am sure that all Senators, on both sides of the aisle, and all Representatives support the President. But it is a time for caution and a time of more discernment, care and fiscal prudence in connection with our housekeeping affairs in the Government of the United States. For that reason I am concerned, and that is why I feel disposed to make the remarks which I have made this morning.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Let's Get On With the Job," published today in the Washington Daily News, dealing with the subject of sacrifices in the crusade against the Communist menace.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LET'S GET ON WITH THE JOB

President Kennedy again has mentioned sacrifices in the crusade against the Communist menace. But as far as we are able to note there is no sacrifice contemplated which touches the average citizen—or politican—or lobbyist.

The sacrifice is limited to the Reserves to be called away from their homes and jobs, and to the extra quotas of draftees.

Emphasis on Government grants and handouts as usual took some of the punch out of an otherwise convincing appeal in the President's televised speech.

Even before the latest increase in defense costs, the budget was well out of balance. The President now fixes this year's deficit at over $5 billion. Unless recovery from recession develops into a virtual boom, it could be a great deal more than $5 billion. And there is no assurance that even greater military expenditures won't be required by events. This is one place we can't afford to stint.

Defense has a prior claim on every dollar the Government owns or can get. To husband the national resources for this purpose, all other spending should be cut back to the greatest possible degree. New projects should be postponed until the money is in the bank or the crisis is past.

Yet the President says, "We must not be diverted from other tasks," meaning the costly list of new projects his administration has been promoting. This attitude hardly impresses the American people with the seriousness of the hour.

It is true he said, "We must keep down all expenditures not thoroughly justified in budget requirements." But what that means, if anything, is hard to say. He pledged close scrutiny of military procurement costs, which certainly is necessary and has been, several billion dollars back. And he asked again for a postal rate increase to end the Post Office deficit, now estimated at $1 billion.

President Kennedy has mentioned this several times before, but with no real evidence he means positively. Some real heat from the White House could permit the post office to pay its own way and provide reassurance that the administration seriously intends to get its financial house in order.

A solvent economy is comparable to guns in its importance to defense, if we cannot operate within income in time of peace, what will we be able to do in the tragic event we have to fight a war?

As the President has so clearly demonstrated, national security—even national survival—is our overwhelming concern. It is a job requiring that we strip off the nonessentials, and we should get on with it.

Mr. BUSH. I yield the floor.

CIVIL DEFENSE SPENDERS AFTER MATCHING FUNDS

Mr. YOUNG of Ohio. Mr. President, the National Association of County Officials maintain an effective and expensive lobby in Washington.

With civil defense transferred to the military effective August 1, lobbyists of this county officials association issued a special report saying:

Counties are urged to increase expenditures for civil defense, hire more people, train more reserves, provide more shelters, and in general greatly increase their own efforts.

It is noteworthy that representatives, or lobbyists, of the National Association of County Officials express as their top interest securing more taxpayers' money—more matching funds. No mention was made in the special report regarding what useful work these civilians wearing civil defense insignia could accomplish toward saving lives.

At this time, as details of the role of county officials seem uncertain, these lobbyists seeking to spend more taxpayers' money stated:

We should continue our present efforts and expand them as much as possible.

The Secretary of Defense now controls defense of civilians, as it should have been all along.

For 2 years I have been urging that the Office of Civil Defense Mobilization be transferred to those best able, best trained and best experienced to save the lives of our civilians—the Armed Forces of our country.

Surely, defense of American citizens is an important element in national defense.

Lobbyists for county officials complain over the fact they must deal with the military in seeking Federal matching funds for personnel and administrative expenses; supplies and equipment; and Federal surplus property.

They contend that these decisions were made in part first, because of a conviction that the military should have these responsibilities; second, knowledge that vastly increased shelter expenditures can politically only be obtained in the defense budget; and third, a move to convince Americans and Russians both that we mean business in Berlin.

To me this appears not only an untruthful statement but a silly statement. To squander billions of dollars erecting vastly increased shelters is a defeatist attitude. In the Soviet Union there is no such civil defense scheme. The citizens are instructed on street fighting and defending their motherland from basement to basement instead of erecting shelters to sit in, in case of attack.

Furthermore, I assert it is an outrageous suggestion that county officials should now try to clamber on the gravy train and try for vastly increased shelter expenditures on the theory that these can be buried in the defense budget and that it is more politically expedient to obtain billions of dollars for civil defense without fully informing the public.

May I add in connection with the message received from the President of the United States, wherein he has urged an increase of $207 million for erecting civil defense shelters, that I am studying the problem and expect to have some observations on it at the proper time.

For example, in my home city of Cleveland a Federal building that will cost $40 million is being erected. Civil defense shelters in that building would cost an additional $2,400,000, which would be $2,400,000 taken from the pockets of the taxpayers. Yet we know that within a couple of years, with the advance of science, those shelters might be altogether useless against atomic attack. Furthermore, we know that at best, in Cleveland, Ohio, there might be a 15-minute warning of an attack by missiles containing nuclear-powered warheads, and less than a 15-minute warning of such an attack from a submarine off our shores. I am sure that the employees in the Federal building would not be thinking of hiding in a shelter in a basement if an attack should occur. They would be thinking of joining their loved ones, their wives, children, and husbands. They would be praying to the Almighty, which, after all, is probably better than sitting in an ineffective shelter.

The PRESIDING OFFICER (Mr. BURDICK in the chair). The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Ohio be permitted to proceed for an additional 3 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

CUBAN PIRACY

Mr. YOUNG of Ohio. Mr. President, I was startled this morning to read a headline in the Washington Post which stated, "Castro To Return Stolen Plane if United States Will Do the Same in the Future." Reading the article, I noted that Castro charged that 10 Cuban planes had been stolen in midflight from Cuba and had been confiscated by U.S. authorities. Castro presumably referred to writs of attachment filed on Cuban airliners by American creditors. Those Cuban planes were taken by judicial process. They were taken pursuant to a legal act. This is far different than an act of confiscation by the Cuban Government as a part of its foreign policy.

A passenger plane owned by a U.S. corporation, Eastern Air Lines, was seized and brought to Cuba at gunpoint. The president of Eastern Air Lines, Eddy Rickenbacker, usually berates governmental interference, but now I am sure he will be very happy to have the U.S. Government interfere to protect his firm's property and our national dignity.

I am in receipt of letters and telegrams from constituents in Ohio on this subject. I fully agree with what a leading lawyer of my State has said. I ask unanimous consent that his letter and also a telegram I received, and my answer to that telegram, be printed in the RECORD at this point, as a part of my remarks.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

BELLE CENTER, OHIO, *July 24, 1961.*

Hon. STEPHEN YOUNG,
Washington, D.C.

DEAR SIR: In connection with the hijacking of the Eastern Airlines plane to the island of Cuba, this is certainly an act of piracy. I for one feel that this matter should be dealt with promptly and that we should send the necessary forces in to Cuba to release the plane and the passengers. How much longer do you think we should tolerate this kind of action?

Yours truly,

WILLIAM B. RAMSEY.

CANTON, OHIO,
July 25, 1961.

Hon. STEPHEN YOUNG,
Senate Office Building,
Washington, D.C.:

It is about time this Nation showed some courage. The Cuban piracy of one of our aircraft signals the time for positive action. What are you going to do about it?

J. P. GILGALLON,
G. L. FARRIS,
D. J. GEIS.

JULY 26, 1961.

Mr. G. L. FARRIS,
Canton, Ohio.

DEAR MR. FARRIS: I hope you listened to our President's address to the Nation. He, as our leader, demonstrated plenty of courage and leadership. In fact, you must admit

that his speech was a grim statement that there will be no appeasement nor even any withdrawal whatever from his frequently reiterated statements that Communist Russia will not be permitted to take over Berlin.

Now regarding Cuba, the Eastern Airlines plane taken at gunpoint presumably by some Cuban national, and diverted from its course, must be returned to this Nation. It may be that some insane Cuban or some homesick Cuban or some anti-Castro revolutionary did this desperate thing hoping to cause us to send in our airpower and land our Marines immediately, just as you are advising.

Officials of the Swiss Embassy represent this Nation in Cuba. They and officials of our State Department have already secured the release of the passengers. The facts will be ascertained undoubtedly before you receive this reply from me.

You would not have blamed President Eisenhower, nor should you blame President Kennedy, were some insane American or some misguided person to act on his own, committing some similar violence against an aircraft and pilot of the Soviet Union.

You should be thankful that we have an administration which has been proceeding with the greatest urgency to close the missile gap between this country and the Soviet Union which was permitted during the Eisenhower administration, and which is strengthening our ground forces with modern conventional weapons. This for the defense of America from the threat of Communist Russia.

Also, may I call to your attention that Castro came to power and formed his alliance with Communist Russia during the Eisenhower administration.

This Nation, under leadership of President Kennedy, has been showing great courage.

Sincerely yours,

STEPHEN M. YOUNG.

Mr. YOUNG of Ohio. This act of taking the plane was an act of piracy. I do not go along with persons who wrote me and telephoned me immediately after this act was perpetrated urging that we take unilateral action, even before we knew all the facts. Now the facts have been disclosed. This act of piracy was committed over Florida. The plane was diverted from its course and was landed in Havana. The passengers and the crew have been released. The culprit is allegedly in jail in Havana. I hope that he will be punished for his act.

However, it seems to me that here is a time for firmness on the part of the Commander in Chief of our armed services, the President of the United States. I hope and I believe that he will give Castro's Cuba until, say, dawn of August 1 or midnight of July 31. If by that time the plane has not been placed in charge of a crew sent down to Cuba by officials of Eastern Air Lines, I fervently hope that the President, as Commander in Chief of our armed services, will place this matter in the hands of our military and naval leaders at Guantanamo Naval Base, and that all efforts will be taken to wrest the plane from the Cuban authorities. In doing so I hope we will not find it necessary to kill any misguided Cubans who follow this rabble rouser, Castro.

However, I do urge that such action be taken. This is a serious matter. On my responsibility as a Senator I urge that not later than dawn of August 1, 1961, we, by force if necessary, and without consultation with anyone else—because this was an act of aggression against the United States alone—take the firm action I have suggested. This was not an act of war, but it is unforgivable. Of course, it would be silly to blame the Cuban Government or the Cuban people for the act of one misguided man, perhaps an uncertified psychopath, or perhaps only a homesick Cuban. We can let the authorities there take care of him later. However, we cannot allow the Cuban Government to add insult to the injury by seizing the plane and offending our national dignity with another of his blackmail attempts.

Now is the time for our Government to set a deadline and then, if necessary, by the use of as little force as is required—and it would not take much force—go into the airfield and return the plane to our country.

As I say, I hope that no lives would be lost in this action. However, here is a matter of international blackmail. Castro likens this act of piracy to actions of American judges and to judicial processes in our country in seizing planes and confiscating them according to civil actions which are pending in our courts. These are altogether dissimilar circumstances.

Here is a time for courage and here is a time to show Castro that he has gone too far. We should say to him, "You have gone too far. You, throughout recent years, have committed outrageous acts against the United States. Previously, in 1959 and 1960, you have been permitted to get away with them, but now the time is here for you to either return the plane willingly, or it will be taken away from you by force."

AREA REDEVELOPMENT PLAN FOR AUBURN, N.Y.

Mr. JAVITS. Mr. President, I wish to make a brief announcement which may be of interest to the Senate. I understand the Area Revelopment Corporation, of the Department of Commerce, will announce tomorrow the approval of the first group of economic development plans submitted under the depressed areas bill which was passed earlier this year. I am very glad to announce that one of those plans is a plan for Auburn, N.Y.; that is, representing the labor market which centers on that city, and which includes all of Cayuga County. It will be a most instructive and important experiment in the State of New York to have one of the areas which has been plagued with endemic unemployment—to wit, Auburn—seek to rehabilitate itself under this program.

I hope very much that the plan will be administered with close cooperation with the authorities of the State of New York, which have been very active in this field. Governor Rockefeller has been one of the leaders, among Governors acting respectively in their own States, in seeking to create an industrial climate in the State of New York conducive to maximum employment and congenial to the location of business there. Private enterprise organizations, as well, in our State, which are well organized and are seeking to operate in the public interest, are working together with the local citizenry of this particular area to make this plan a success.

I think the plan can be portentous for our State and portentous for the area redevelopment needed throughout the Nation.

As one of those who supported the bill in this concept, I have a deep interest in its success.

WORLD BANK FOR ECONOMIC ACCELERATION

Mr. SMATHERS. Mr. President, we are shortly to be confronted with the problem of consideration of the foreign aid bill. It is a problem that has been with us now since the end of World War II, and the U.S. taxpayer has reached in his pocket, and put on the line for this foreign aid program some $60 billion. It is the greatest act of generosity that has ever been seen in all recorded history.

A lot of it has done some good. We all agreed that the Marshall plan expenditures in Europe and other areas right after World War II revived those areas, stopped the encroachments of communism and made them active as strong partners of the free world.

However, in the last 5 or 6 years of aid to the less developed countries of the world, and in some instances, to those that are classified as undeveloped nations, we find much of it has been wasted, has not achieved the purposes for which it was appropriated, and has generally gone down the drain.

Not only has the money been wasted, but the efforts and the sacrifices which have been made by the American people and their Government in this field, have not been appreciated. And strangely enough, we find ourselves today having lost prestige, position, friends, in addition to having lost a great deal of territory to the Communist bloc.

There has been an increasing demand on the part of the people and their representatives that we find new and better approaches to this problem of assisting nations around the globe to help themselves, by eliminating poverty and ignorance, and developing themselves so that they can be free to make their own determinations as to what kind of government they want and where they want to go.

Despite this need for new approaches in this field, and a great deal of talk about it, regrettably there have been very few new and original ideas developed, none of which give any promise of doing the job which needs to be done with the minimum amount of expense to the American people.

Because of these conditions, I was impressed and thrilled the other day when I read a document by Mr. Morris Forgash, president, United States Freight Co., on a program recommended by him entitled "A World Bank for Economic Acceleration."

I brought myself to read this document in the first place because Morris Forgash, whom I have known for a good

many years, has a reputation for cutting through nonessentials and getting to the nub of any problem that intrigues him. Mr. Forgash has appeared before our Senate Commerce Committee on a number of occasions and is considered to be one of the outstanding transportation leaders today. He is, I am sure, well known to many Members of Congress.

Though transportation is Mr. Forgash's occupation, the scope of his activity is unlimited. Among the patriotic endeavors which currently engage Mr. Forgash's attention, he is a member of the U.S. Citizens Commission on NATO, which was created pursuant to an act of Congress. This group of prominent citizens, appointed by the President of the Senate and the Speaker of the House of Representatives, has the fateful responsibility of exploring, with comparable citizens commissions of other NATO countries, the means by which greater cooperation and unity of purpose may be developed to the end that democratic freedom may be promoted by economic and political means. I am encouraged to believe that we may anticipate highly important and constructive contributions to the cause of world peace as a result of the work of this NATO citizens group.

I think Mr. Forgash's program for a world bank for economic acceleration is pregnant with possibilities. It deserves close attention and scrutiny, not only by Members of Congress but by the executive branch of the Government as well.

In essence, the program proposes an alternative method of raising necessary funds for economic aid to the underdeveloped and newly emerging nations of the world without draining the treasuries of the free nations. This would be accomplished through the creation of a new supranational banking institution called, World Bank for Economic Acceleration.

The bank would have initial authorized capital of $10 billion, one-half of which would be raised through the issuance of 4-percent exempt securities for subscription by the private citizens and financial institutions of the world and having a 50-year maturity date. Both principal and interest would be guaranteed jointly and severally by the bank's organizers, the free nations of the world.

The other half of the authorized capital, or $5 billion, would consist of noninterest-bearing 50-year notes subscribed by the governments of the NATO nations. With the approval of the Board of Governors, the bank would be authorized to offer for sale to private investors, any or all of this non-interest-bearing capital and, upon such sale, the notes would commence to bear interest at 4 percent per annum. Proceeds of the sales would be used to retire the initial investments made by the free nations.

The Board of Governors of this proposed new bank would consist of one representative each of the subscribing nations, one each from designated prospective borrowing areas of the free world whose governments became signatory to the treaty authorizing establishment and functioning of the bank, and, in addition, other supranational bodies whose functions relate to those of the bank, such as the International Monetary Fund, the World Bank, and the Common Market, would be represented on the Board.

Mr. Forgash has obviously done a great deal of research on the outline of this fresh new approach to a problem that has plagued the United States and the free world for many, many years. I have mentioned only a few of the essential ingredients of the plan. I hope I have said enough to arouse the interest of my colleagues, and that this farsighted proposal will be read and studied by responsible people everywhere.

Mr. President, I ask unanimous consent that the proposal for a World Bank for Economic Acceleration, as prepared by Mr. Morris Forgash, be printed as a part of my remarks, at this point in the RECORD.

There being no objection, the proposal was ordered to be printed in the RECORD, as follows:

A PLAN FOR A WORLD BANK FOR ECONOMIC ACCELERATION

(By Morris Forgash, president, United States Freight Co.)

INTRODUCTION

This memorandum by Morris Forgash, president of United States Freight Co., has been prepared for presentation, as the foundation for discussion of a proposed policy recommendation, to his fellow members of the Citizens Commission for NATO.

Three main considerations have dictated preparation of this document:

(a) The conditions of today are not those which obtained when NATO was founded. At that time, it appeared that almost exclusive emphasis of joint Western policy must for years be upon common defense of Europe, with some need for the evolution of a common political policy within the Continent. This is no longer the whole direction of needed strategy; it is, indeed, perhaps no longer the most important requirement of Western strategy, although its absolute urgency has been in no way reduced. World events, in particular the emergence of newly free, but economically backward, independent nations, have altered the whole focus of world affairs;

(b) Emergence of these new nations has been accompanied by a dislocation, or a new location of political points of discord (e.g., Laos, Cuba) at the same time that the newly free peoples have begun to voice determination to change their social status from barbarism to advanced civilization and, immediately, to raise their standards of living to something approaching common decency;

(c) Since the formation of NATO, evidences have been presented that the principal capital needs of Europe have, at least for the present, been substantially taken care of and some surplus of capital, as shown by the underemployment of significant industrial resources, has developed in the United States. Together, these two developments suggest that Europe and America now possess the capability of common action based upon independent resources possessed by both, rather than common action based upon resources possessed by one alone. Europe can now begin to contribute to the economic acceleration of the rest of the free world; the United States can do so, and in fact must do so if its industrial resources are to be employed to the full.

There are, of course, other significant changes since NATO was formed. The Common Market has been created, and Europe is closer to political federation than it has been for over 1,000 years. The Monroe Doctrine, it seems, has been reduced to mere words or, at least, has assumed a new meaning we do not yet grasp. Stalin has died.

Since NATO was formed, the list of important change is endless. Man has orbited the earth, put satellites around the sun, and prepared himself for manned flight to the planets within the decade to come.

To recapitulate all the crucial changes since NATO was conceived would be exciting. It would not, however, add to what is already obvious: that NATO, at least the NATO nations, must, in face of this change, assume a new posture viz-a-viz the world. Europe is no longer the single main line of defense, and defense no longer a matter mainly of arms and men in uniform.

We have entered a new era in which we shall be measured, and the place in the world of the West as a political system determined, mainly by what we do and how we do it, to bring the backward nations rocketing ahead into that economic progress which has so far been denied them.

This outline of a proposal for the establishment of a World Bank for Economic Acceleration is a specific plan to accomplish exactly this, to win the political alliance of the uncommitted and the backward nations by a direction contribution at no long-term cost to us, toward their economic and social advancement.

It is a proposal that we do something feasible, something practical, something that will weld the common interests of the underdeveloped areas of the world with the developed areas of the West, precisely as the United States and Europe have welded their common interests through positive economic action in all the years since 1949 when NATO was brought into being.

PART I

Chapter I—The basic problem is the Communist economic challenge to the free world

Exaggerated claims have, without doubt, been made by the Communist countries as to their rates of economic growth. It would be an error, however, for us to minimize the actualities of the growth which has occurred in these economies, or to disregard the appeal this growth possesses to backward countries presented with this as the image of what they might accomplish if they were to adopt the Communist form of government.

Political pressures resulting from the economic takeoff of the Communist nations, and the propaganda advantages which this accelerated expansion has bestowed upon the Communist political leaders, are at least as grave a threat to the Western Alliance as is the arms buildup of the Soviet Union and mainland China.

It is essential that we inform ourselves as to the facts. According to the U.N. Division of General Economic Research and Policies, the national incomes of Communist countries during 1949–58 have increased as follows, compared with that of the United States.

Increase in national income (8 Communist countries, 1958 over 1949)

	Percent
Bulgaria	141.7
Mainland China	181.8
Czechoslovakia	99.9
Eastern Germany	99.9
Hungary	91.7
Poland	124.5
Rumania	122.6
Soviet Union	166.4
United States	71.2

The above comparisons must be approached with caution; significant conceptual differences exist in the presentation of the national accounts, and the resulting figures cannot be considered as comparisons between wholly comparable factors. The fact nonetheless remains that the Communist countries have shown a greater rate of economic growth than have the Western nations in recent years. We may dislike the fact. We cannot gainsay it.

Perhaps the most ominous sign of the growing power of the Communist bloc nations, in particular their economic ability to affect the course of world events, is the combination of their rate of increase in output per man and the rise in their employment indexes as reported by the United Nations. Combining these two factors yields a fair working estimate of the growth in aggregate output of the Communist economies. This calculation is presented below for five Communist countries:

Indicated output, 5 Communist countries

[1957=100]

	Bulgaria	Czechoslovakia	Eastern Germany	Hungary	Poland
Output per man:					
1958	105.6	107.4	108.9	108.0	108.7
1959	111.8	115.9	119.8	112.5	116.7
Employment:					
1958	105.7	101.3	98.8	102.9	99.4
1959	116.7	103.6	99.8	109.1	101.0
Indicated national output:					
1958	111.6	108.8	107.6	111.1	108.0
1959	130.5	120.1	119.6	122.7	117.9

It is not to be overlooked, meanwhile, that the leading countries in the Soviet orbit announced the following growth objectives for 1960 as compared with 1959:

Planned growth in national product (1960 over 1959)

	Percent
Bulgaria	+21.5
Mainland China	23.0
Czechoslovakia	6.0
Hungary	9.0
Poland	5.7
Rumania	12.5
U.S.S.R.	9.0

This acceleration of economic growth carries with it, as a natural consequence, a large increase in foreign trade both among the Communist nations and between these countries, the industrialized free world, and the underdeveloped nations. The total foreign trade turnover of the leading Communist countries, expressed as a percent of 1957, has changed as follows:

Foreign trade turnover, 8 Communist countries

[1957=100]

[In percent]

	1958	1959
Bulgaria	105.5	149.5
Czechoslovakia	104.6	123.4
Eastern Germany	104.2	120.9
Hungary	112.3	133.0
Poland	102.7	115.2
Rumania	105.0	112.4
U.S.S.R.	104.0	126.3
Subtotal	104.5	124.3
Mainland China	114.0	----------
Total	105.7	----------

The trade between the Communist nations and the rest of the world is growing significantly and shows signs of still more substantial increase. As yet, it is concentrated largely upon trade with non-Communist Europe which, during 1957–59, performed the following transactions with the Communist countries, based on data from the European countries, for the first 10 months of each year:

Communist trade with metropolitan countries in the Organization for European Economic Cooperation

[Million U.S. dollar equivalents]

	Communist exports	Communist imports
1957	$1,428.5	$1,347.2
1958	1,483.0	1,529.3
1959	1,666.6	1,602.9

Transactions with Europe in percent total Communist trade with non-Communist world

	Communist exports	Communist imports
1957	55.7	56.1
1958	54.1	57.2
1959	57.2	56.6

The total volume of the foreign trade of the Soviet bloc nations with the rest of the world is still trifling compared with the trading transactions of the industrialized Western nations, a fact which gives the West unquestioned advantage in any outright economic competition between the two systems, should the West bestir itself with a sense of urgency.

Foreign trade, 1958–59, 12 industrialized non-Communist nations

[Millions U.S. dollar equivalents]

	Exports	Imports (c.i.f.)
9 O.E.E.C. countries: [1]		
1958	$40,380	$44,184
1959	43,740	46,716
Canada:		
1958	5,045	5,726
1959	5,365	6,310
United States:		
1958	16,350	14,117
1959	16,339	16,733
Japan:		
1958	2,876	3,033
1959	3,456	3,598
Total, 12 countries:		
1958	64,651	67,060
1959	68,900	73,357

[1] Benelux, Denmark, France, West Germany, Italy Netherlands, Norway, Sweden, and United Kingdom.

Our primary concern is with the nations of the free world, with an emphasis upon the more backward among them but with an equal concern with elevation of the living standards and the levels of industrial culture of all.

In these terms, there is as yet little to fear from economic interference by the Soviet bloc. Soviet-bloc exports to non-Communist industrialized countries in 1959 constituted only 2.3 percent of the total imports of these countries; Soviet-bloc imports in 1959 represented only 2.3 percent of the aggregate exports of the non-Communist industrialized countries. The Soviet-bloc commerce with Asia (other than mainland China), Africa, Central and South America, and the Near East is an equally insignificant proportion of the foreign trade of these areas.

The division of Soviet exports of machinery and equipment is evidence of this, as taken from official Soviet reports:

Volume of exports of Soviet machinery and equipment (excluding sets of equipment for complete enterprises) to capitalist countries

[In millions of rubles

	1956–57	1958–59
Total	327.3	438.1
Including:		
Southeast Asian countries	48.4	102.6
Countries of the Near and Middle East and Africa	155.4	217.6
Latin America	4.7	24.5
Other capitalist countries	118.8	93.4

The conclusion is therefore warranted that whatever steps may be taken by the Western World to promote industry, trade, and commerce in the backward non-Communist regions of the globe need not be motivated by major fears of imminent Communist economic penetration of major dimension. There has been such penetration, and more is surely to be expected. In general, however, and despite the growth in economic might of the Soviet system, the West still has an almost clear field as concerns the fostering of industry in backward areas.

Therefore, the motivation of the countries associated in NATO towards practical encouragement of economic acceleration in backward countries need not, in general, be of a paramilitary character. The motive may be political, but this in the sense that economic acceleration under conditions of freedom is itself a refutation of the Soviet ideology. With the exception of specific products at specific times (e.g., aluminum, petroleum) we need not approach the question of accelerating the economies of less favored countries on the ground of fear of an imminent large increase of Soviet imports to these regions.

The real threat in the underdeveloped regions is far more subtle and certainly more dangerous. It lies in the fact that, with few exceptions, the Communist countries were themselves until recently backward countries. These backward areas in the Soviet bloc are rapidly being brought to a high degree of industrial sophistication.

Meanwhile, the backward areas outside the Soviet bloc, associated historically and in terms of trade with the Western alliance, are showing a far slower rate of economic development than, for example, Siberia and even than mainland China despite its famine.

Should these disparate rates of growth continue, the non-Communist nations of Asia, Africa, the Near East, and Latin America would soon perceive that the promise of economic acceleration lies not with the West but in fact with the Soviet.

No amount of talking can alter this. What is required is positive action by the highly industrialized West to help the backward countries advance economically and in their social standards.

The contributions made by the West so far have been inadequate, ill timed, discontinuous, and—for the most part—insufficient even to overcome the sharp relative decline of the world prices received by the primary products producing countries, which are mainly backward countries, in their exchanges for manufactured items produced in the West.

The political battle of the West with the Soviet is thus being lost not because of what the Soviet is doing but because of what the West is not doing.

It has not as yet established a sound international machinery for the supplying of needed long-term credits to encourage both

industrial production and personal consumption in established backward nations, let alone the nations newly coming into being.

Continuity of credit provision and technical guidance, uninfluenced by the momentary policies or difficulties of individual governments among the industrialized countries, are prerequisite to assistance to backward regions toward their own self-development of their own material and human resources.

This has not yet been created by the West. Until it is created, Soviet gains in the cold war will surely continue.

PART II—EUROPEAN STEPS TOWARD SOLUTION OF THIS PROBLEM AND WHAT REMAINS TO BE DONE

Chapter II—One step toward solution of economic imbalance has been the formation of the European Economic Community

On March 25, 1957, signing of the Treaty of Rome formally established the European Economic Community, popularly termed the Common Market. By July of 1957, the treaty had been ratified by Belgium, Luxembourg, the Federal Republic of Germany, France, Italy, and the Netherlands. Economic cohesion of the Inner Six had made its start.

Prime among the purposes of the Common Market were:

(a) To establish the foundations of an ever closer union among the European peoples;

(b) To insure the economic and social progress of their countries by common action in eliminating the barriers which divide Europe;

(c) To direct efforts to the essential purpose of improving the living and working conditions of their people;

(d) To engage in concerted action toward the removal of existing obstacles to guaranteed steady expansion of the economies of the six nations and to balanced trade and fair competition among them;

(e) To strengthen the unity of these national economies and to insure their harmonious development by reducing the differences existing between the various regions and by mitigating the backwardness of the less favored;

(f) To contribute by means of a common commercial policy to the progressive abolition of restrictions on international trade;

(g) To confirm the solidarity which binds Europe and oversea countries and, in accordance with the principles of the Charter of the United Nations, to insure the development of their prosperity;

(h) To strengthen the safeguards of peace and liberty by establishing this combination of resources and by calling upon the other peoples of Europe who share their ideal to join in their efforts.

Toward these ends, the signatories to the Treaty of Rome determined that the principled activities of the Community should include, under a stated timing formula:

(a) The elimination, as between member states, of customs duties and quantitative restrictions in regard to the importation and exportation of goods, as well as of all other measures with equivalent effect;

(b) The establishment of a common customs tariff and a common commercial policy towards third countries;

(c) The abolition, as between member states, of the obstacles to the free movement of persons, services, and capital;

(d) The inauguration of a common agricultural policy;

(e) The inauguration of a common transport policy;

(f) The establishment of a system insuring that competition shall not be distorted in the Common Market;

(g) The application of procedures which shall make it possible to coordinate the economic policies of member states and to remedy disequilibriums in their balances of payments;

(h) The approximation of their respective municipal law to the extent necessary for the functioning of the Common Market;

(i) The creation of a European social fund in order to improve the possibilities of employment for workers and to contribute to the raising of their standard of living;

(j) The establishment of a European Investment Bank intended to facilitate the economic expansion of the Community through the creation of new resources;

(k) The association of oversea countries and territories with the Community with a view to increasing trade and to pursuing jointly their effort toward economic and social development.

Thus, for the first time since the death of Charlemagne in 814 A.D., a concerted effort has begun, free from the dominance of military authority, and from the territorial ambitions of princelings and empires, based solely upon the will of nations to attain a common end of peaceful progress, to unite Europe economically with a view to the ultimate political federation of its nations.

As concrete steps to the realization of these objectives the Community developed plans for the removal of trade barriers among its members in three stages of 4 years each; any of the three stages to be prolonged if necessary but, even with prolongation, all internal customs barriers and quota restrictions to be removed within the Community within 15 years. At the end of the transition period, the Community will have eliminated all tariffs among Community members, and will have replaced its members' existing tariffs on imports from the rest of the world with a single external tariff.

On January 1, 1959, the first 10 percent reduction in tariffs among the six was made, followed by a second reduction of 10 percent of the tariff on each product on July 1. A third reduction of 10 percent was effected by December 31, 1960. It is proposed that the fourth reduction of 10 percent scheduled for December 31, 1961, be doubled, producing a total 50 percent reduction in tariffs among the six by the close of 1961, putting the program of tariff elimination 3 years ahead of the treaty timetable.

Chapter III—Accomplishments of the Common Market

The August 1960 bulletin from the European Community reports that "The results of the opening of the frontiers to competition have been more spectacular than hoped for. In 1959, the value of trade between the six countries, as compared with the corresponding periods of 1958, rose by 16 percent in the second quarter, 22 percent in the third, and 29 percent in the fourth quarter. For the whole year the average was 19 percent over 1958 and 15 percent over 1957. In dollar value, the total of intra-Community trade in 1959 was $8.08 billion, compared with $6.79 billion in 1958, and $7.03 billion in 1957."

There were, it is true, disequalities in the degree to which member nations of the Community benefited from the quickening of intra-Community trade. In no instance, however, was there an increase smaller than 10 percent in exports to other members in 1959 compared with 1958.

Export of Member Nations to the Common Market (1959 percentage change from 1958)

	Percent
Germany	+13.1
France	+35.6
Italy	+27.2
Netherlands	+18.6
Belgium-Luxembourg	+10.8
Total Community	+19.0

The Common Market's Plans for Raising Living Standards

It is the proclaimed purpose of the Common Market to bring about a doubling of its aggregate gross national product within 20 years, measured in constant prices. Briefly, this represents a 3.6-percent compound annual rate of growth in GNP, a figure appreciably below the 4.3 percent per year growth of West Germany's GNP during 1957–59 but substantially higher than the annual average rate of increase of 3.0 percent per year for Western Europe (Denmark, West Germany, Finland, France, the Netherlands, Norway, Sweden, Italy, and the United Kingdom) during 1957–59.

An increase of 100 percent in the Common Market's GNP in 20 years does not represent a doubling in GNP per capita, which would be required to attain in 20 years a standard of life equal to that of an American today. It appears that the population of Western Europe is increasing at about 0.8 percent per year, for a possible 17.3 percent net increase over a 20-year period. Doubling the Common Market's GNP would thus represent a 70.5-percent increase in per capita GNP, a very remarkable accomplishment but one which, if realized, would still represent protracted deferral of Europe's attaining per capita standard of life equivalent to the present living standard of an American citizen.

While meaningful statistics are hard to come by, it appears necessary, if Europe is to attain in 20 years a per capita GNP equal to that of an American citizen at the present time, that Europe's annual growth in GNP must not fall below 4.35 percent per year, compared with the 3.6 percent per year growth which is spoken of so optimistically.

Furthermore, even though industrial recession characterized the United States economy in late 1957 to mid–1958, there was nevertheless a 4.7-percent increase in GNP during 1957–59, offset in part by an estimated 3.4-percent increase in population; in short, per capita growth in GNP in the United States rose 0.65 percent per year during 1957–59. This is a concededly unsatisfactory rate of growth which will certainly be exceeded in the future. But should it persist for 20 years, it would bring about a 13.8-percent increase in per capita GNP in this country.

Consequently, if Western Europe is at some future date to develope a standard of life equal to that of the average American at that same time assuming a minimal rate of rise in the standard of living of this country, this would require that the sights of Europe be raised to a 5 percent per annum increase in its aggregate gross national product. Even then, it would take more than 20 years of this goal to be reached and longer still if American economic growth should accelerate, as seems probable.

The question arises as to whether the required acceleration in the growth of per capita gross national product of Europe can be achieved without depriving European consumers of an appropriate share in the increase of wealth foreseen. The answer would appear to be in the negative if Europe's capital resources alone are to provide the required stimulus.

Western Europe, as is shown in the table below, is already investing a larger share of its GNP in investment goods than is the United States, a somewhat smaller share in personal consumption, and a decidedly smaller share in government consumption.

The per capita standard of life in Europe, while rising, is still little more than half that of an American today, and already constitutes a smaller proportion of a smaller total output of goods and services than in the United States. The rate of capital formation in Europe is very high and could not soon be increased out of domestic re-

sources without reducing still further the proportionate element of personal consumption and/or the government share in the gross national product.

It, therefore, seems incontrovertible that creation of the capital supplies needed to accelerate Europe's rate of growth in gross national product must come in part from outside Europe, in part from reallocation of Europe's capital created annually so as to bring about a large acceleration of growth in the more backward regions of the Continent and a more modest but nevertheless positive acceleration in the developed areas.

Distribution of gross national product, 1957–59, Western Europe and the United States

[In percent]

	Gross national product	Personal consumption	Government consumption	Fixed investment	Change in inventories	Balance exports over imports
Western Europe:						
1957	100.0	64.6	14.0	19.4	1.5	0.5
1958	100.0	64.7	14.0	19.4	1.1	.8
1959	100.0	64.3	14.2	19.7	.8	.8
United States:						
1957	100.0	65.1	17.0	16.5	.3	1.1
1958	100.0	67.0	17.6	15.6	−.4	.2
1959	100.0	66.0	17.1	16.0	1.2	−.4

Chapter IV—A less-encouraging step has been formation of the European Free Trade Association

On January 3, 1960, the Stockholm Convention establishing the European Free Trade Association was signed by Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom. Since then Finland has become a member of the group, increasing the Outer Seven to the Outer Eight.

Thus, of the 20 significant nations of Europe not within the Soviet orbit, 6 are now within the Common Market and 8 in the European Free Trade Association, leaving in all free Europe only Iceland, Ireland, Turkey, Spain, and Yugoslavia unembraced by one or other of the supranational bodies with Greece associated with but not a member of the Common Market. Of free Europe's estimated 1960 population of close to 338 million, only 81 million are outside the Common Market or the EFTA. The Common Market alone embraces about 166.6 million persons and EFTA about 90.3 million; some 76 percent of the total population of free Europe is already involved in one or other of the two great groups.

Purposes of the EFTA: The EFTA came into being largely as a result of the reluctance of England to abandon or even substantially to modify its traditional economic patterns or its unique historical position as the center of a worldwide system of political relationships based on more continuous and more intimate association with Africa and Asia than with continental Europe.

In 1958, Britain sponsored a free trade area, without supranational authority over common economic policies and without equalization of external tariffs. Britain hoped that this might lead to multilateral actions eventually resulting in the elimination of trade barriers among European nations, as a gradual consequence of separate national decisions rather than a result of a unanimous policy secured by treaty with a positive timetable implemented through an international instrument transcending national sovereignty.

Failing in this, Britain took the lead in organizing EFTA, designed to become, outside the Common Market, a free trade area in manufactured products but not in agricultural products and without a formal political superstructure. The planned program of EFTA is:

1. To eliminate among EFTA nations all tariffs, import quotas, and discriminatory subsidies or governmental actions with equivalent effect by 1970;

2. To eliminate among EFTA nations all export duties and quotas by 1962;

3. To establish, without erection of a political superstructure, a means for settlement of complaints and for mutual consultation.

The avowed purposes of EFTA are thus nonpolitical in the supranational sense of the term; they were, indeed, expressly designed to be of that character, which is emphasized by the fact that the EFTA budget for 1960–61 is only $500,000 or about 2 percent of the budget for the Common Market.

Certain tariff cuts and quota expansions, amounting each to 20 percent nevertheless came into force only 2 months after EFTA was founded.

British reluctance to associate with the Common Market persists even though English internal pressures to merge EFTA into the Common Market are growing obviously greater with the passage of time. This reluctance reflects, to a certain degree, the problems of integrating the British system of commonwealth preference with the corresponding and rival system of French colonial and community preference. Of equal weight, England has not yet reconciled herself to abandoning massive supports to her domestic agriculture, a precondition to her entry into the Common Market with its stress upon the evolution of a common agricultural policy among all its members. She has, as yet, found no generally acceptable way to resolve the contradiction between her policy of independent domestic support and protection of her farming and the Common Market's intention to create a single, stable market with a basically common level of prices for agriculture in the Common Market area.

Political reports nevertheless suggests that merging the Common Market and EFTA into a single Common Market is approaching feasibility, the special circumstances of England contributing mainly to delay rather than to permanent separation of the two great economic entities.

Chapter V—Investment and consumptive rates, Common Market and EFTA

Detailed, really comparable statistics as per capita trends in gross national product, private investment, and personal consumption for each member nation of the Common Market and EFTA are not readily available; even if they were, definitional differences might make them of questionable reliability. We do possess, however, United Nations estimates of changes in the composition of gross national product for four nations in each of the Common Market and EFTA, plus estimates of population changes in those countries. Combining these broad indicators provides some concept as to the relative rates of progress in recent years in private investment and personal consumption, at constant prices, per head of the population.

Changes in per capita gross national product, personal consumption, and private investment (1959 over 1957)

[In percent]

	GNP	Personal consumption	Private investment
FOUR COMMON MARKET COUNTRIES			
France	+2.8	−0.5	+1.9
West Germany	+6.1	+7.2	+11.8
Italy	+10.0	+7.0	N.A.
Netherlands	+4.0	+1.4	−5.3
FOUR EFTA COUNTRIES			
Denmark	+5.5	+11.0	+21.1
Norway	+3.4	+1.4	−.4
Sweden	+6.1	+4.4	+14.9
United Kingdom	+3.2	+5.3	+5.2

Significant disparities are displayed in the rates of change of these important indicators of the trends of personal prosperity. On balance, however, the trends have been highly encouraging with the exception of a decline in the rate of private investment per capita in the cases of the Netherlands and Norway, each of whom were affected by continued recession in the prices of raw materials which figure importantly in their economies and in which some excess capacity existed.

What is apparent is that European nations heavily involved in the base metals and raw materials industries suffer to some degree the same relative enonomic disadvantages as the colonial and primary products-supplying countries of the backward areas of the world. An excessive proportion of their domestic capital is invested in raw materials industries, the trends of whose terms of trade are disadvantageous viz-a-viz manufacturing industries which embody these raw materials in their finished products.

To a certain extent, therefore, some nations of Europe, whether within the Common Market or the EFTA, need to enlarge their capital investments in manuafacturing industries other than the production of primary products. To the degree, however, that their domestic creation of investible funds depends upon the state of prosperity of their base metals treatment and other raw materials industries, the unsatisfactory price structure of the products of these industries directly limits ability to create the capital funds required for adequate diversification of these economies.

The fundamental problem of the economically retarded or economically unbalanced areas of Europe thus corresponds roughly to the fundamental problem of the underdeveloped countries outside Europe.

It consists, in essence, of the shortage of industrial capital with which to create new industrial complexes designed to relieve these countries of dependence upon industries whose products contain too small a value added by manufacture. This very problem of inadequacy of present investment in capital—creating industries aggravates and perpetuates their inability to effect a successful transition to a higher level of industrial development and a faster pace of economic growth.

In the more advanced and less unbalanced national economies of Europe, the problem is of somewhat different character. As we shall see, it lies in the relative shortage of consumer credits, which deters the translation of human demand into economic demand for the products of industry—an essential precondition of accelerated economic growth based upon the capacity of the

people to produce those products which, in their own judgment as free citizens, contribute most to their economic welfare.

Chapter VI—Consumption trends in Europe and shortage of consumer credit

Of major meaning are the disparities which occurred in 1959 in the relationship of consumption factors to the European economy. Although special circumstances were influential in certain instances, and cause generalizations to be of questionable worth, it is a fact that personal consumption in Europe rose at a slower rate than the national product of the countries, and at a decidedly slower rate than private investment which has been very much the history of Europe over the centuries.

On the other hand, personal consumption for consumer durables in Europe in 1959 increased over 1957 in greater degree than national product and even than private investment, indicating, what should long have been obvious, that the latent desire of Europeans for the consumer hard goods products of modern technology is potentially as vigorous a factor in the European economy as it has been in the American economy for the past 40 years.

Changes in gross national product, total personal consumption and personal consumption of durables (8 European countries; 1959 over 1957)

[In percent]

	GNP	Personal consumption	Consumer durables
France	+4.0	+1.0	+1.0
West Germany	+8.7	+10.3	+13.4
Italy	+11.1	+8.2	+12.1
Netherlands	+6.7	+4.0	+9.0
Denmark	+6.9	+11.2	+18.3
Norway	+5.5	+4.0	−2.0
Sweden	+4.9	+5.0	+9.1
United Kingdom	+3.5	+6.1	+35.7

With the exception of the United Kingdom, there was a general relationship in Europe between the rate of increase in consumption of consumer durables and total growth in national product. In the case of Denmark, this is less obviously the case since much of the increase in durables consumption was financed by deterioration of its foreign exchange balance to purchase durables which were mainly imported.

The situation of the United Kingdom was quite different. In October 1958, the British Government abolished, after progressive relaxation, a number of hire-purchase restrictions which had minimized the proportion of personal consumption going to durables. The result was an explosive buying of consumer durables by the British public, leading to a partial reintroduction of restriction on hire-purchase in April 1959.

It grows apparent, therefore, that consumers in Europe are in no way different as regards their conscious demand for products than consumers in the United States. Their insistence upon automobiles and other hard goods is no less than in the United States. Where artificial restrictions, imposed by the public authority as in England, cause abnormally low ratios of the national product to go to the purchase of consumer hard goods, this indicates no lack of human desire for such items. It indicates merely that this desire is suppressed and thwarted, perhaps for good reason, more probably because of incorrect appraisal of what it is that makes an economy grow.

In the instances of West Germany, Italy, the Netherlands, and Sweden, the strong rise in consumption of durables during 1957–59 was financed in part by the increase in the national product; in the United Kingdom by the liberalization of personal credit; in Norway by some drain on foreign exchange reserves.

In all instances, the major limitation on durables consumption was, or had recently been, restriction on credit imposed either by inadequacy of consumer credit as in Germany during the years of reconstruction and the strong postwar drive toward exports and the hardening of credit and currency, or by a dangerous foreign exchange situation as in England, Denmark, and in France before the revaluation of the currency.

But whether the credit weakness has lain in absence of a sound and functioning instrumentality for issuing and discounting consumer paper, governmental actions to induce capital inflow by maintaining artificially high interest rates which automatically limit the extension of domestic credits, or simple lack of foreign exchange and fear of deterioration of the exchange position, the one consumer factor limiting personal consumption of durables in Europe has been and remains the shortage of ample consumer credit managed in such a way as not to injure the nations' balances of trade and exchange reserves.

One may generalize that there has not as yet been universal abandonment in Europe of social policies (personal credit restrictions, import and export quotas, prohibitory purchase taxes) designed to inhibit consumption. For whatever reasons, good or bad, limitation of consumer expenditure on durables continues to characterize the European economy in general. It is this fact, above any other, which continues to limit the expansion of Europe's economy.

Provision of adequate credit, without draining foreign exchange reserves, to both consumers and producers, through the intermediary of a supranational banking instrument designed to that end, would contribute more to acceleration of Europe's development than all the sacrifices the people of Europe are now called upon to make.

It would give people something to work for, a reward for effort, a hope to be realized in their own time, in place of an indefinitely deferred promise that some vague and undefined good may eventually come from sacrifices demanded of the people now.

PART III

Chapter VII—The basic problem of the backward countries

According to "The State of Food and Agriculture, 1960," compiled and published by the Food and Agricultural Organization of the United Nations:

"Food and population are two of the crucial determinants of the future of mankind. Freedom from hunger in the less developed countries of the world, however, is not simply a matter of regaining or maintaining prewar levels of per capita production and consumption. For most of the people of these countries these levels were far too low, both in quantity and dietary value. Much greater increases in food production in these regions are needed before any real progress can be made in stamping out hunger and malnutrition. But increased food production must go hand in hand with general economic developments so that consumers can afford the additional food and the better quality food they need. Without higher levels of income, indeed, this increased food production is unlikely ever to materialize. All too frequently extreme rural poverty and lack of credit, except at usurious rates of interest, prevent the great majority of farmers from adopting improved practices, even if they are aware of them."

This hunger in many parts of the world, relieved only temporarily by donations, and even then but infrequently, makes it impossible for flourishing industries and thriving economies to be developed without radical change in the agricultural status. So much is this the case that the report cited continues: "In general the impact of the striking advances in agricultural science in this century has so far been largely confined to North America, Europe, and Australia and New Zealand. In these regions agricultural yields and productivity have arisen rapidly since the war, in some countries so fast as to have led to the accumulation of surplus stocks. In the less-developed regions, on the other hand, the increased production so far achieved has come primarily from an enlargement of the cultivated area, and for most products the potential contribution from higher yields and productivity has as yet scarcely been tapped. To release this immense potential is the central task, not only of FAO, but also of the agricultural departments and ministries of every one of the less developed countries."

It is not possible for statistics to convey the human meaning of the literal hunger of whole nations, nor of the depths of deprivation outside the urban centers of even some countries now embarked on the road to progress. For what they can convey, however, the following United Nations statistics of per capita availability of food supply in various countries should be studied.

Calorie and protein content of average per capita daily food supplies

	Population		Calories	Animal protein (grams)	Total protein (grams)
	1959 estimate	Growth per year			
	Thousands	*Percent*			
New Zealand	2,332.2	+2.2	3,430	72	106
Argentina	20,632.7	+1.9	3,020	64	101
France	44,985.3	+0.9	2,950	49	96
United States	177,103.0	+1.7	3,100	65	93
Australia	10,062.6	+2.2	3,200	60	91
United Kingdom	52,077.5	+0.4	3,260	50	85
West Germany	52,775.8	+1.2	2,990	45	80
Netherlands	11,365.0	+1.3	2,940	43	78
United Arab Republic	30,110.3	+2.6	2,640	13	78
Italy	48,616.9	+.5	2,650	26	76
South Africa	14,677.5	+1.8	2,660	31	74
Morocco	10,515.9	+1.8	2,230	18	72
Japan	92,769.4	+1.1	2,210	17	67
Brazil	64,230.4	+2.4	2,500	20	64
Mexico	33,286.1	+2.9	2,380	13	64
Venezuela	6,509.6	+3.0	2,120	26	61
Formosa	10,205.6	+3.6	2,330	15	57
Libya	1,169.1	+1.4	2,091	18	55
Ecuador	4,165.4	+2.9	2,130	13	51
Pakistan	86,833.9	+1.4	2,010	8	49
Ceylon	9,622.7	+2.5	2,010	12	48
India	402,556.1	+1.3	1,800	6	47
Philippines	24,610.3	+2.5	1,980	11	36

Several facts are made apparent by this tabulation:

(a) On the whole, the countries of low protein diet, especially of animal protein, are also countries deficient in calorie intake in the daily diet of the people. The population of these countries does not suffer from lack of discrimination in its diet; it is literally hungry, for calories and proteins alike.

(b) The daily diet of such swarming populations as India, for example, is so low that although her population is 2.3 times that of the United States, her total daily calorie intake is only 1.3 times that of the United States; her animal protein only 48 percent of that of the United States; and her total daily protein intake only 1.1 times the daily protein consumption of the United States.

(c) The population of the backward countries tends, the tabulation shows, to increase more rapidly than that of the advanced nations, aggravating the problem and creating a genuine condition of population pressure upon the means of subsistence.

Chapter VIII—Population pressures will grow worse, not better

It is the common experience of all countries that introduction of sanitation, care of pregnant women, and modern treatment of childhood diseases bring about a drastic fall in infant mortality and a sharp increase in the younger aged elements of the population.

Youngsters are consumers, not producers. Consequently, introduction of elementary improvements leading to reduction in infant mortality increases the number of mouths to be fed at a more rapid rate than primitive agriculture can expand, creating the need for advances in agricultural technology and methods.

Evidences of the drastic reduction in child mortality which follow modernization are abundant. In Puerto Rico, for example, social improvements have so raised the chances of survival after birth that mortality of children under 1 year of age has been reduced from 113.6 per 1,000 live births in 1940 to 53.2 per 1,000 in 1958. The total death rate in Puerto Rico has been reduced from 18.4 per 1,000 of the population in 1940 to 6.9 in 1958. The number of births per year has risen by 5.4 percent. In the Virgin Islands, infant mortality before the age of 1 year has fallen from 136.2 per 1,000 live births in 1940 to 44.3 in 1958. This is a pattern which can be expected to be repeated in all countries in the first stages of modernization.

As between the broad regions of the earth, mortality rates per 1,000 of the population present a pattern of comparison not essentially different from their relative calorie and protein intake per person per day.

Death rates per 1,000 population

North Africa	26
Tropical and southern Africa	25
North America	9
Central America	15
South America	17
Southwest Asia	17
South-central Asia	23
Southeast Asia	26
East Asia	19
Northern and Western Europe	11
Central Europe	11
Southern Europe	10
Oceania	9

It is clear not only that quantity and quality of diet have a direct bearing upon the expectation of life but that the state of industrial development of the regions directly affects both the quantity and quality of food available to the people, and, in addition, their ability to purchase the foods they require for maintenance of health and achievement of longevity.

This is the task, the central task, of our time. Beside it, all other problems pale. The peoples of the earth are no longer ignorant about the needlessness of their high mortality rates. Nor do they concede as something fated that the span of life of the man of Africa, or of Asia or South America, shall be shorter by far than the years of Western man.

What common humanity claims as our central moral problem, that the peoples of the backward regions shall quickly advance in economic and social status, politics poses as an imperative. For if these people are not helped to progress peacefully and quickly, they will endeavor to progrses violently and overnight.

Chapter IX—What must be done?

We have quoted the statement of a United Nations agency that "all too frequently extreme rural poverty and lack of credit, except at usurious rates of interest, prevent the great majority of farmers from adopting improved practices, even if they are aware of them." This report states further:

"Insecurity of tenure often leaves them no real inducement to improve their holdings, while in many cases the conditions of tenure are such that the farmer himself can count on only a fraction of any additional return from an increase in output. Moreover, inadequate and sometimes inequitable marketing systems, together with uncertain and sharply fluctuating farm prices, often make it hazardous for a farmer to increase his production for sale. * * * The establishment of targets, the allocation of investment resources, or even the working out of detailed schemes for land reclamation, for irrigation, or for the provision of increased supplies of improved planting material, fertilizers, and other aids to increased production, are essential, but by themselves are not enough. They will have only a fraction of their potential effect unless means are found of enlisting the cooperation of thousands, often millions, of farmers. This in turn implies building up an effective administrative apparatus, official and nonofficial, reaching down to the farmers themselves, for the proper implementation of projects of extension, farm credit, marketing, etc. It implies also that in many less-developed countries economic and social measures are necessary to give farmers greater incentives to increase food production for the market."

In summary, the first essential steps toward alleviation of the poverty of backward countries consists in the transformation of crude subsistence farming into a developed system of produce for market.

In turn, such a transformation requires, among other things, provision of ample credit to achieve the following:

(a) Low-interest financing of farm improvements so as to raise the productivity of the soil by guaranteeing the farmer a substantial personal benefit from his improvement of farming methods;

(b) Supply of capital for land acquisition, for resale on time payments to individual farmers or to cooperative groups of farmers, of lands now farmed on insecure and/or inequitable tenure, or now farmed on terms which deprive the grower of real incentive to improve the fertility of the soil, to extend his cultivated acreage, to plant crops requiring more than one season for their maturation, or to introduce market crops in addition to or instead of subsistence crops;

(c) To establish, where deemed desirable by the local ministries and public authorities, central buying agencies for farm produce so as to guarantee the farmer an assured market and a fair price for his produce, and to secure such concentration and/or diversification of local growth of farm commodities as conform to the dietary needs of the whole people of a country and to the special circumstances of local climate, soil chemistry, water supply, adjacence to transportation, and other factors affecting the optimum choice of crops by regions;

(d) To finance, once land acquisition is underway, the purchase for cooperative and private use of modern farm equipment, seed, fertilizers, and crop storage and transportation facilities, on terms permitting repayment of the capital sums and payment of interest out of some part of the increased production from the soil;

(e) To establish a system of incentive prices, where judged necessary by the national and regional authorities, to yield rising cash bonuses to farmers in return for their achieving or surpassing socially established objectives as to gross output of specific farm products and/or a specified yield per acre for stated food items;

(f) To finance, over long-term repayment agreements and at economic but nonusurious rates of interest, the construction of roads, highways, docking and rail facilities, and other means of linking the farming districts and the market centers, so as to create the prerequisite physical conditions for the transition from nonincentive subsistence farming to incentive market farming;

(g) To finance the development of personal skills and the entry into private business by individuals for the supply, maintenance, and repair of vehicles, farm equipment, seed and fertilizer, in order to stimulate extension of such essential services by providing strong personal incentives to private persons to cooperate in raising the productivity and general prosperity of now backward regions.

INDUSTRIAL DEVELOPMENT

It shall be the long-range objective, of a developed credit system for the acceleration of economic development of backward countries, to provide credits up to 50 years for the development of manufacturing industry, and the extension of raw materials production.

Such credits shall be advanced with the following concepts in mind:

(a) Industrial credits shall be granted in conjunction with agricultural credits, in such a way as to insure that sudden enlargement of the urban activities shall not impose inflationary burdens by increasing the money demand for farm produce without a corresponding or greater increase in supply of foodstuffs from local agriculture;

(b) Emphasis in approved development programs for which long-term loans are authorized shall be on increasing the value added through manufacture based on the utilization of local materials. In brief, a maximum consideration shall be the development of local industries capable of maximum creation of capital through transformation of local materials and labor into finished products. This will serve the triple purposes of local development of industrial skills; reduction of the need to import foreign manufactures; and the creation of an export potential capable of turning materials, labor, capital, and value added into foreign exchange instead of primary dependence upon the export of raw materials with their small content of value added;

(c) Especial attention shall be paid to supranational economic development including creation of energy resources for transmission across national frontiers to adjoining countries. Equally, the development plans of geographical neighbors among countries, or compatible economies, shall be harmonized to some extent through joint loans for common developments or through separate loans to each country for separate phases of related projects. For example, one country may be rich in timber but short of water and lacking a coastline; its neighbor may possess ample streams and good harbors. It may prove feasible to assist in development of the timber resources of the first country

and to foster a paper manufacturing industry in the second, as separate phases of a common project or as simple supplier-customer relations;

(d) It shall be a prime purpose of credits advanced that the products of the oceans, streams, and lakes be industrialized so as to increase the supply of animal protein available to the peoples. This would involve establishment of treatment plants, refrigeration capacity in both manufacture and transportation, and the development at an accelerated pace of means of communication and transportation between the interior, the coast, and urban centers now existing or which may come into being;

(e) The credit policies shall emphasize creation of an artisan class of independent businessmen, profiting from their own energies and skills devoted to solution of a social problem of economic acceleration from the exploitation of national resources and social opportunity and not from the exploitation of man;

(f) Industrial credits shall be as varied as the needs, but in no instance shall consist of gifts nor of relief projects which shall be reserved to national governments and international relief agencies as their proper sphere of concern;

(g) All loans extended shall be of a nature calculated to be self-liquidating over agreed and realistic periods of time;

(h) Principal and interest of industrial, social, or agricultural development loans shall be guaranteed obligations of the national governments of the recipient countries; whether such loans shall have been made directly to the governments, to private parties national to these countries, or to quasi-public bodies of a national or supranational character;

(i) To qualify for a development loan, the borrower shall secure the required governmental guarantee of payment of principal and interest through whatever instrumentality is agreed upon by the lender and the country of the borrower;

(j) To insure security of principal and payment of interest, contracting parties, including in all cases the national government of the borrower, shall agree that all disputes shall be arbitrated by the International Court of Arbitration whose decision shall be binding on all concerned.

Summary

Effectively handled, provision of adequate long-term credits on sound banking principles would be the most expeditious and most fruitful way of accelerating the pace of development of the economies of backward countries.

One principal feature of the world today is the growing disequality in capital resources as between advanced and backward peoples. To ameliorate this disequality by providing the initial capital impetus to economic development of less favored countries is economically sound, morally imperative, and politically wise.

As yet, the capacity to assist in the required economic acceleration by provision of capital on a sound business basis is uniquely a capability of the West. It is a factor in our strength which has not yet been employed adequately, and this because the issue of economic acceleration of backward areas has not so far been posed in terms of the mutual self-interest of lenders and borrowers.

It has been confused with, and has been an ingredient of, relief programs, military assistance, political support and intervention; and has not yet been isolated as something of immense business value and soundness to the West and of equal moral, social, and economic value to the underdeveloped regions.

Ability to advance such credits, on sound bases and at terms to satisfy both lender and borrower, is the one indisputably superior quality of the West over the Soviet. It is also the one strength we possess of which we are making little use today.

PART IV—A PLAN FOR A WORLD BANK FOR ECONOMIC ACCELERATION

What follows is presented as the foundations of a plan for the establishment of an international credit mechanism for supplying long-term capital to economically advanced areas of the free world whose pace of growth, while positive, is nevertheless limited by inadequacy of capital at attractive rates of interest and, of even greater urgency, for supplying medium-term and long-term capital for the large-scale development of agriculture, raw materials resources, and manufacturing industry in the backward countries outside the Soviet orbit.

The suggestions advanced are not to be regarded in detail as plans incapable of even fundamental refinement. As regards detail, the thoughts advanced are presented as a basis for discussion, to provoke the widest possible expression of views in order that, by a free exchange of ideas, a sound and acceptable working mechanism can be agreed upon.

As regards principle, however, it is believed that this is not subject to dispute. The most powerful weapon in the armamentorium of the West is its large and increasing supply of privately owned investment capital. To a considerable degree, that part of this private capital which functions in the international area today concentrates itself in short-term funds, and migrates swiftly to and from nations in accordance with the ebb and flow of interest rates and actual or expected foreign exchange quotations. By no means all of these funds would operate so nervously if longer range international investment opportunities, secure as to principal and guaranteed as to an attractive rate of return, were available to them.

Moreover, the very absence of an attractive international investment medium of these qualities has tended to limit the supply of capital willing, at least in part, to expatriate itself and to seek employment in those areas of the free world economy where the need for capital investment is greatest but where political, social, or other conditions have made private investment hazardous in the absence of a well-secured banking body capable realistically of acting as guarantor.

The World Bank for Economic Acceleration is proposed to meet these needs. It would function as a supranational investment bank, conducted according to business precepts, providing self-liquidating development loans to countries in need of them and capable of their repayment over spans of time determined by individual circumstances.

It would provide private funds to the maximum extent possible, and would gradually replace Government advances and loans made by advanced countries to backward countries by private loans and advances generated in the personal capital sums of the private citizens and business enterprises of the free world.

It is believed that a soundly functioning World Bank for Economic Acceleration would importantly affect the social and economic standards of backward countries within 10 years, and would decisively transform their economic capacities and their political outlook and influence upon world events within 20 years.

With full knowledge that basic concepts as novel as those implicit in the World Bank for Economic Acceleration will without fail lead to disputes and disagreements, the foundations of a plan for the establishment of such a bank are presented below:

Capitalization

The initial authorized capital of the World Bank for Economic Acceleration shall be 10 billion U.S. dollars.

Of the authorized capital, one-half, or $5 billion, shall consist of non-interest-bearing 50-year notes subscribed by the governments of the NATO nations, said subscriptions to be in the lawful currencies of the high contracting parties at the rates of exchange prevailing on the subscription date.

Of the authorized capital, one-half or $5 billion shall consist of 4-percent notes of varying maturities issued via public subscription to private citizens, institutions, and business concerns domiciled throughout the free world.

Whatever the nationality of the private subscriber, his subscription shall be in the lawful currencies of any or all NATO countries, in whatever proportions the Board of Governors of the World Bank for Economic Acceleration shall from time to time deem appropriate upon consultation with the Treasuries of the High Contracting Parties.

Transition to Full Private Subscription

Under such conditions and at such times as are deemed appropriate by the Board of Governors, the World Bank for Economic Acceleration shall offer for sale to private investors throughout the free world any or all of the $5 billion of authorized non-interest-bearing capital subscribed by the Governments of the High Contracting Parties. Upon such sale, said non-interest-bearing notes shall commence to bear interest at the rate of 4 percent per annum. Proceeds of such sale shall be employed to retire the initial investment in the Bank, made by the High Contracting Parties, in proportion to their relative initial investments in the non-interest-bearing capital. Repayment of such capital shall be in the lawful national currencies and at the rates of exchange prevailing at the time initial subscriptions were made.

Tax Exemption

All interest payments on any and all investment instruments issued by the World Bank for Economic Acceleration shall be exempt from taxation upon income in all countries signatory to the treaty whereby the Bank shall be established, in all countries which subsequently shall associate themselves with the Bank, and in all countries to whose nationals or to whose Governments loans are extended by the Bank for whatever purpose, and this exemption from taxation upon income shall be specifically secured by treaty.

Notwithstanding national laws empowering or requiring the governments of nations to levy taxes upon capital gains upon the sale or transfer of property by their nationals, the investment issues of the Bank shall be specifically exempted from such taxation upon capital gains in all countries signatory to the treaty whereby the Bank shall be established, in all countries which subsequently shall associate themselves with the Bank, and in all countries to whose nationals or to whose governments loans are extended by the Bank for whatever purpose, and this exemption from taxation upon capital gains shall be specifically secured by treaty.

Guarantees as to Principal and Interest

The high contracting parties shall severally and collectively contract to guarantee both principal and interest of all investment instruments lawfully issued by the Bank in accordance with its charter and with the express authorization of its Board of Governors.

The governments of all countries to whom, or to whose nationals, loans are extended by the Bank shall additionally guarantee repayment of principal and payment of interest upon all such loans as they fall due, whatever the purposes of such loans, and whatever changes in government may have occurred subsequent to the signing of the loan agreements and the implementation of the contracts.

Said guarantees of repayment of face amount of principal and of payment of agreed interest shall extend to all lawful owners of the investment instruments issued by the Bank, whether such owner shall be the original purchaser of these instruments of the Bank or shall be a successor in interest through purchase, gift, or inheritance.

Arbitration of Disputes

All disputes between contracting parties incapable of settlement by negotiation shall be submitted to the International Court of Arbitration whose decision shall be binding on all parties. Such required recourse to arbitration shall be secured by treaty.

Central Bank Reserves

It shall be agreed by compact among the high contracting parties that evidences of ownership of noninterest-bearing notes constituting authorized capital stock of the Bank shall be counted among the Central Bank reserves of the high contracting parties, in no way distinguishable from lawful currency or from Central Bank holdings of lawful commercial or governmental paper.

Board of Governors

The Board of Governors of the Bank for Economic Acceleration shall consist of one representative each of the high contracting parties, one each from designated prospective borrowing areas of the free world (e.g., Southeast Asia; India-Pakistan; North Africa) whose Governments are signatories to the Treaty authorizing establishment and functioning of the Bank.

In addition, the International Monetary Fund, the World Bank, the Common Market, and such other supranational bodies whose functions relate to those of the World Bank for Economic Acceleration shall be represented upon the Board of Governors.

Lending Policies

The World Bank for Economic Acceleration shall supply capital funds to authorized borrowers for the following purposes and upon the following express conditions:

(a) No loans shall be extended, for any purpose whatever, unless, in the judgment of the Board of Governors of the Bank, the purposes of the loan, if realized, will contribute directly to enlarging the national income of the borrower country in measurable degree and in a measurable period of time;

(b) Notwithstanding local availability of loan capital, the Bank shall extend low-interest loans for worthwhile agricultural and industrial purposes in cases where local rates of interest are so usurious as to deter private or public borrowing for extension, expansion, and for improvement of agriculture and industry;

(c) No loans shall be extended except of a self-liquidating nature, but sinking fund agreements in all loan contracts shall be of such a nature as not to require commencement of repayment of the capital sum prior to such time as, it is estimated, employment of the loan capital will have begun to bear fruit;

(d) It shall be a prime purpose of the lending policy to bring about such changes in systems of land tenure as will contribute to local initiative in the development of resources; the raising of the productivity of labor, capital, and the soil; and the creation of permanent improvements in agricultural, industrial, and commercial practices;

(e) Prime among the purposes of loans shall be investments designed to raise the living standards of the people, to increase the revenues of governments by increasing the taxpaying ability of their peoples in addition to raising directly both economic and social standards;

(f) Purchases of products and capital equipment resulting directly from the extension of loans shall not be permitted to any borrower except from supply sources within the free world. But the Bank may not specify within the free world where such purchases may be made by the borrower on credit extended or guaranteed by the Bank;

(g) Loans shall be of varying maturities, with a maximum of 50 years in the case of such large installations as irrigation dams; 15–25 years for such investments as electric power and other energy sources; 10–20 years in the case of new mines; 5–10 years for direct agricultural improvements; and such shorter term paper as the purchase at discount of consumer and personal loan paper and approved industrial/commercial paper in more advanced countries;

(h) No loans shall be extended if, in the judgment of the Board of Governors, the proposed purpose of the loan would result in inflation of living costs or other economic imbalance on the part of borrower countries. For example, loans shall not be extended for the creation of new urban centers and urban industries until it is first demonstrated that the local food supply is sufficient, and is capable of sufficient increase, to prevent a spiraling of food prices as industrial wages are injected into the local economy;

(i) Loans shall be extended for purposes of erection of roads, bridges, and highways whereby the interior can be linked with the markets, urban centers, and the seacoast or inland navigation;

(j) Sympathizing fully with the laudable and humane desire of the governments of backward countries to raise their standards of education, medical care, and other aspects of social policy, the Bank shall nevertheless give preference, in extending loans, to projects calculated to increase the national incomes of borrower countries in such ways and in such time as will enable the extension and maintenance of social services to be financed out of the domestic resources of borrower countries;

(k) The World Bank for Economic Acceleration will make no grants-in-aid nor any other advance of funds not calculated and designed to be self-liquidating out of the increased national product resulting from wise selection of projects and their capable administration;

(l) The Bank shall initiate proposals for the extension of loans, as well as rule upon the merits of loan applications originating with proposed borrowers and for this purpose, as well as to assist in the supervision of projects for which loans have been granted, shall maintain and staff such regional offices as are deemed necessary;

(m) The Bank, in the discretion of its Board of Governors, may create and employ a Portfolio Committee to recommend and supervise such short-term investments in acceptable paper of all descriptions, including discount operations, as will enhance the total yield upon its investments, thereby creating a fund with which to underwrite low-interest rates upon longer-term and desirable projects in underdeveloped or presently unbalanced economic areas of the free world.

APPENDIX I—A REVIEW OF EUROPEAN INTEGRATION

1. Integration in Europe

European integration since 1948 has passed through three identifiable stages:

1. At first, a desire for strong European union, balked at the outset by British and Scandinavian insistence on functional rather than political approaches; i.e., attempts to deal with specific problems, leaving political union for later.

2. The development of specialized instruments, leading ultimately to two major trade groupings, the Inner Six and Outer Seven.

3. Increasing difficulties between and among the groupings, leading to pressures for their amalgamation, even though any further major political unifications had appeared to have lost most of their impetus after about 1953.

2. Developments from 1900 to 1940

Before 1914, a modern example of a partially unified Europe was to be found in the Austro-Hungarian Empire which endeavored to be a supranational unit, joined mainly by a common allegiance to the House of Hapsburg. It was not, however, a free trade grouping. Hungary and its dependencies had a protective import tariff on manufactured output and also levied export taxes on some of her agricultural output sold to the rest of the monarchy. Ultimately, the special privileges accorded Hungary in these respects proved to be major causes of the breakup of the monarchy after the 1914–18 War. (Ref. A. J. P. Taylor, "The Hapsburg Monarchy.")

Shortly thereafter, Liechtenstein joined Switzerland in a currency and customs union. While this may be considered a small transaction, it is worthy of note that it took 3 years (1919–22) to negotiate.

Between the two World Wars, one major concept of European integration attracted wide attention: The Austrian Count Coudenhove-Kalergi developed the Pan-Europa idea, a political federation of all non-Communist Europe; i.e., all Europe except the U.S.S.R. Allowing for transition stages in the political and economic fields, a United States of Europe was to be formed. National societies endorsing his views existed in many European countries.

In May 1930 Aristide Briand put before the League of Nations a similar plan for the unification of Europe. However, he was opposed by Germany which was even then reeking a reversal of the Versailles restrictions on arms and which insisted on the evacuation of the Rhineland by the French as a condition of negotiations. British pressure was instrumental in getting the French to withdraw shortly thereafter but political developments within Germany were the most effective factor stifling agreement.

The last major effort in at least partial unification was Winston Churchill's offer of common citizenship to France in June 1940. This was, however, an effort to forestall French political collapse and to prevent the French colonial territories from falling into German hands. Neither of these objectives were accomplished. With minor exceptions, only the central African territories of France immediately joined De Gaule in continuing resistance to Hitler. No renewal of the offer of common citizenship has been made.

3. European unification since 1948

The postwar efforts at achieving unification of Europe were triggered by two major events:

(a) The refusal of the U.S.S.R. and its satellites to take part in the Marshall plan. This formalized the economic division of Europe. On January 25, 1949, the Council for Mutual Economic Assistance was formed in Moscow, as a counterpoise to the European recovery program (ERP), the Marshall plan agency.

(b) The Communist takeover in Czechoslovakia in February 1948 caused widespread political fears among the non-Communist leaders of Europe to prompt renewed interest in political unification.

By 1949, two agreements having potential interest to unification were in force:

The Benelux pact (q.v. sec. 4 below) and the Brussels pact of March 17, 1948, between Britain, France, and the Benelux countries for cooperation in the military, economic, and cultural fields.

Italy, Belgium, and France first suggested broadening the concpet of the Brussels pact and suggested that the Council of Europe meet in Strasbourg.

The first meeting took place May 5, 1949, with Britain, France, Benelux, Denmark, Norway, Sweden, Ireland and Italy; Greece,

Turkey, and Iceland were added in August 1949.

Duncan Sandys of Britain was first chairman of the executive committee; Jouhaux of France conference chairman; and Churchill, de Gasperi, Spaak and Blum honorary presidents. It was a consultative assembly, with no executive powers. It recommended:

1. A 28-member standing committee under Spaak to insure continuity;

2. Called on a committee of ministers of members to prepare a program for a European economic union, with a free money market and a single preferential trading system, including colonies of members;

3. Creation of permanent machinery for consultation on credit policies, European productivity improvement so as to enable a reduction of non-European imports (the precursor of the present European Productivity Agency), investigation and control of cartels, and the establishment of a conference of employers, workers, and consumers.

In addition, there was a notable suggestion by Paul Reynaud for the merger of European economies into a single market and for the election of a European legislature by direct suffrage to carry out this merger.

The Committee of Ministers, meeting in Paris at the end of 1949, took no action and referred the above recommendations back to the committees. They suggested that Germany and the Saar should be in the assembly, but should not be represented on the Council. No action was taken on an application by Austria to be an associate member. Proposals for a European court, to act as arbitrator of disputes, for a common European passport, and for a convention on human rights were also referred to commtitees.

The General Affairs Committee of the Council also turned down on December 19, 1949, a proposal by France and Italy to proceed without delay to an outright federation.

Instead, the British and Scandinavian view was adopted, favoring strengthening of the Council along functional lines and approaching unification in the same manner; i.e., by special economic sectors.

Britain insisted that no recommendation be made that might interfere with her relations with her Commonwealth. Sweden suggested including the Commonwealth. No agreement was reached.

At the same time, the first talks on trade blocks took place between France, Italy, and Benelux on one hand and Britain and Scandinavia on the other but nothing was accomplished beyond preliminary exploration. In December 1949, the United States through Paul Hoffman, Administrator of the Economic Cooperation Administration, pressed for more economic integration among countries receiving Marshall aid. The North Atlantic Treaty was signed April 4, 1949, and NATO included an economic integration committee.

In 1950, conflict developed between the Assembly and the Council of Ministers which wanted to restrict the Assembly's powers. Bidault suggested an executive committee composed equally of assembly and council members to study and implement union. The Council only approved the study part of this plan.

In April, 1950, West Germany and the Saar joined the Assembly. The Bundestag ratified the agreement over Socialist opposition (Schumacher) but the Socialists later joined the German assembly delegation.

The Assembly also voted to ask each country to appoint a Minister for European Affairs as liaison with the council, and demanded that all its resolutions be submitted to national parliaments for ratifications. Reynaud proposed a European War Minister. Churchill favored action less precipitate but nevertheless faster than was acceptable to the British Labor Government. The Labor members of the Assembly opposed a resolution which approved a joint war council.

At the 1950 session of the Assembly, Robert Schuman first proposed and got adopted (73–22, with British Labor and the Scandinavians forming the bulk of the opposition) a general plan for a coal-steel pool to regulate prices, output, and quality of products in these industries. This evolved into the European Coal and Steel Community (q.v. sec. 5). It appeared that the British-Scandinavian functional approach had prevailed.

Suggestions by Britain for an Atlantic (including the United States and Canada) rather than a European Union, and by Bidault of France for a High Council for Peace among the Atlantic powers, were made to the Council but were not adopted.

On July 7, 1950, the European Payments Union among 18 countries of OEEC was established, with Switzerland and the ECA (the American aid organization) joining a little later. An EPU credit pool was established, based on respective shares of each country in inter-OEEC trade in 1949. Germany, however, used up her whole year's credit in 3½ months and was rescued by an additional $120 million put up by the ECA. Plans were also made for a substantial increase in dollar export trade in order to reduce a balance of payment gap of $1,000 million.

Following the proposals for a European Coal and Steel Community, France also suggested pools for agricultural commodities but the Council and Assembly failed to endorse these because of British opposition, based on Commonwealth interests and protectionist sentiment relative to British agriculture.

In 1951, the EPU was once again short of funds, this time because of British, French and Portuguese deficits. The United States no longer made up the difference except for smaller deficits of Austria, Greece, Iceland, and Turkey, but the Mutual Security Agency, successor to ERP and ECA, helped the other countries by prepaying arms orders in connection with NATO offshore procurement.

The European Assembly became the Consultative Assembly of the Council of Europe. At the first session, a U.S. congressional delegation participated. Atlantic union was advocated, especially by Scandinavians who said they would be prepared to yield much more national sovereignty to an Atlantic rather than a European Union.

The British discussed the three concentric circles: the Commonwealth; the Anglo-Saxons, i.e., the United States, the United Kingdom, and Canada; and the United Kingdom and Europe. Being in all three groupings they proposed only to cooperate with European Union without joining it. Senator Hendrickson of the United States proposed a congressional resolution favoring talks on Atlantic Union. This was not adopted, however.

In 1952, further ideas were proposed and adopted by the consultative Assembly. The first was a pool of resources to aid dependent areas, particularly to assure German participation. The idea was to develop foreign raw material resources, to make Europe independent of dollar imports.

This plan foresaw setting up of a European Bank for the Development of Overseas Territories, long-term international contracts on basic products; and a system of preferential tariffs between the United Kingdom and the Commonwealth and between the United Kingdom and Europe.

A European Transport Council was established to deal with the mechanics of freight interchange and, later, with high speed rail passenger services. Preliminary talks took place regarding a French plan for a wine, grain, milk, and vegetables pool. The talks failed to achieve agreement.

In September 1952, L. Einaudi of Italy took the lead among the ECSC members to press for more positive steps toward unification. At a conference of 300 experts at Genoa, discussions were initiated on a unified monetary and tax system, and on free movement of labor across national frontiers.

In 1953, 1954, and 1955 there were few achievements in unification, most problems having been concerned with military preparations. The Council of Europe adopted conventions for the equivalence of diplomas for admission to universities, social and medical insurance, social security, and patent applications. The governments, however, failed to act on these.

French interest in unification which had declined after 1952, was further reduced when the Saar voted 2 to 1 against its Europeanization. The Benelux countries pushed for renewed unification efforts at a council session held at Messina in June 1955 but, again, nothing concrete resulted.

In 1956, the old OEEC became the Organization for European Economic Cooperation, its present form, with Austria joining in that year. The European Common Market or European Economic Community (EEC) began to take shape in that year, arising from the ECSC, as did Euratom, the organization proposed for nuclear power development by the six ECSC countries (France, Germany, Italy, and the Benelux group).

From then on, the history of European unification is essentially split among the inner six (EEC) (q.v., sec. 6) and the outer seven (European Free Trade Area (EFTA) sec. 8). Recent tendencies toward their unification are discussed in section 9.

4. The Benelux Agreement

The Benelux grouping (Belgium, the Netherlands, and Luxembourg) has its origins in contacts among the government in exile of the three countries during World War II.

Accordingly, the Benelux agreement was signed in 1947, providing in the first instance for a customs union between the three countries. In order to reconcile the Dutch ad valorem duties with the Belgian quotas and protectionist policies on specific products, and with a relatively wider free trade policy followed by Luxembourg, a secretariat was set up in Brussels. It completed its work on a unified tariff in 1949 and then tried to unify the currencies as well.

However, this was not successful because of the differing financial strengths of the three countries. The Netherlands were then still in the Indonesian Civil War and its aftermath; Luxembourg had no colonies; the Belgian Congo, with its virtual monopoly in the Western World on pitchblende and certain ferroalloys, was a major source of financial strength to Belgium.

The next major development was in 1954 when a readaptation fund was set up to help whatever industries in the three countries may have been hurt by adoption of this Common Market.

Belgium still had (and has) quotas and controls on Dutch agricultural produce. Dutch producers of textiles, shoes, and paper voluntarily restricted their exports to Belgium. The Netherlands and Belgium still had different currencies, the Luxembourg franc being at par with the Belgian franc.

On February 3, 1958, the three countries agreed on an economic union for 50 years, with free movement of persons, goods, services, and capital; this coordination of financial, economic, social, and trade policies was designed ultimately to result in Benelux dealing as a unit with outsiders. The agreement was to begin with 5 years with a tariff-free customs union among the three countries. An approach based upon functional integration was to be employed instead of the creation of such supranational executive

agencies as the European Coal and Steel Community.

The balance between the three countries was further changed in 1960, when the Belgian withdrawal from the Congo had repercussions upon her domestic economy, followed by a severe austerity program which led to civil unrest and to the fall of the government. At the same time, the Dutch economy had been strengthened greatly during the later 1950's, whereupon the Netherlands followed Germany in 1961 in revaluing its currency upward by approximately 5 percent. To some extent, therefore, the Dutch trade advantage relative to Belgium was modified.

In general, the Benelux powers form a subgroup within such larger European groupings as the OEEC, the Common Market, and the Coal and Steel Community.

5. The European Coal and Steel Community (ECSC)

The European Coal and Steel Community had its origin in a plan submitted by Robert Schuman, of France (hence its occasional name of "Schuman Plan"), to regulate output, prices, quality, and investment in the coal and steel industries.

The proposal, placed before the European Assembly in April 1950, was endorsed by 73 votes in favor and 32 against, the noes being mainly the British Labour and the Scandinavian delegations.

In view of British and Scandinavian opposition, the talks which began in June 1950 included only France, Germany, Italy, and the Benelux countries. At the start, the French Government suggested a wider international conference of the countries willing in principle to pool their coal and steel resources and to set up a high authority whose decisions would be binding on the governments concerned.

The British suggested a slower and more cautious approach of preliminary discussion and exploration. The Labour Party (then the Government) hesitated to enter into any commitments with other European countries which might impair commonwealth relations and jeopardize its own planning and controls for the maintenance of full employment.

C. Monnet of France suggested a compromise: A high authority subject to parliamentary as well as judiciary review; and an interparliamentary assembly, chosen by parliaments, to report to the European Assembly which should draft recommendations for hearing delegates from nonpool countries.

By early 1951, the plan was confined to the six countries (France, Italy, Germany, and Benelux). The European Coal and Steel Community treaty was initialed March 19, 1951. It was to be for 50 years, with a 5-year phase-in period, a 6-member High Authority, the members elected for 6-year terms, assisted by a 30-man consultative committee, composed equally of employers, workers, and consumers, and with an assembly chosen by the parliaments of the six countries.

High authority decisions could be appealed to a seven-man court. A council consisting of one cabinet member each of the six governments was to reconcile decisions of the High Authority and the plans of individual governments. Changes in the basic rules of ECSC could be made only by a two-thirds majority of the Assembly and the approval of the Court. France, Italy, and Germany were to send 18 members each to the Assembly, Belgium 9, the Netherlands 9, and Luxembourg 6. The first country to ratify was the Netherlands, followed by France by a 377–233 vote in the Assembly with the Gaullists (then the Rassemblement du Peuple Francais) and the Communists in opposition.

The ratification was completed in early 1952. Paul Henri Spaak was first Chairman of the High Authority; Adenauer of the Council of Ministers.

The United States and Britain agreed to cooperate with the organization to the extent of letting coal and steel shipments to any ECSC member be allocated among the others, if desired by the High Authority. The Council of Europe received a British suggestion (not adopted) that non-ECSC members should sit in on ECSC deliberations and should have the right to speak but not to vote.

On October 6, 1952, the ECSC asked the members of the General Agreement of Tariffs and Trade to be let out of the obligation to extend to members of GATT all tariff concessions granted to each other. A common tariff was established for steel and coal by the ECSC countries against nonmembers, at a level much lower, however, than then prevailing in France, Germany, and Italy.

In 1953, the problem of an unequal cost structure received attention. Quotas and tariffs in coal were first reconciled by a subsidy program financed by a "peraquation fund" financed by the better mines, notably in Holland and Germany. Belgium received a grant for productivity improvements in her coal mines, with some money also going to Italy for her small industry. The Dutch were prevented from making further domestic price cuts in coal and the Germans had to abandon some price concessions to favored customers.

On April 30, 1953, ECSC steel duties were abolished among members but were continued or reimposed against outsiders. Benelux retained low import duties: those of Italy were high but she was to reduce them gradually. Meanwhile, there had been no significant increase in steel output; coal inventories therefore began to mount.

Alloy steels were added to the products covered by the ECSC agreements on June 4, 1954.

In 1956, the first steps toward the European Economic Community (sec. 6) and Euratom (sec. 7) were taken by ECSC, using the Community headquarters organizations as the first point of contact for the negotiations.

The ECSC was linked to nonmembers mainly by a treaty for the exchange of information between it and Britain, signed December 1954; there are no other functional relationships.

By 1956, steel production was up 43 percent from 1953 but coal demand only 4 percent. The coal situation had reached crisis proportions by 1959. The Council of Ministers refused to reimpose quotas and import limits after the Assembly had voted for them, 44–12. The Benelux countries formed the opposition. The ECSC was thus unable to remedy the crisis which was especially bad in Belgium. The organization thus found itself unable to deal with the endemic economic and social problems of the Western European coal mining areas; they still had much the same kind of difficulty due to business fluctuation, marginal operations, exhaustion of best seams, etc., which plagued them in the 1920's and 1930's.

6. The European Economic Community (EEC)

The first proposals made within the framework of the ECSC in 1956 envisaged a reduction of tariffs in successive stages, by 30 percent in 4 years, a setting up of retaining funds, abolition of subsidies, and the setting up of an investment fund. The settlement of the Saar problem in 1957, whereby the Saar joined Germany as a state in return for German help to the French for the Moselle-Rhine Canal, made possible the completion of negotiations. The Treaty of Rome, which set up the EEC, was signed March 25, 1957. It had been ratified by July.

However, implementation at first proved difficult, especially due to French troubles in the aftermath of Suez and the Algerian war. Future difficulties are perhaps foreseeable in view of the increasing opposition by De Gaulle to supranational executive agencies. There are some fears of French attempts to dominate the agency, especially on the part of the Netherlands (see also sec. 9, on recent developments). In addition, Germany and Italy are still somewhat dubious about including French and Belgian oversea dependencies. They think economic collaboration desirable but they also want an agreed-upon program of colonial independence.

For these reasons, little progress was made in implementation in 1958 and 1959. The question of where to locate a European capital was troublesome and the Common Market Commission and its subagencies remained dispersed in Strasbourg, Luxembourg, Brussels, the Hague, and elsewhere. In 1959 EEC decided on a 10-percent tariff cut among members, together with a 20-percent boost in import quotas. This was extended to all other members of GATT, but it was stated that other reductions would not be; that is, they would begin thereafter to put nonmembers at a disadvantage.

On each of July 1 and December 31, 1960, further 10-percent tariff reductions were put into effect. There have been proposals since then on further cuts of 20 percent in 1961 accelerating the 30-percent objective of the Treaty of Rome by the end of 1961 to 50 percent.

7. Euratom

Euratom was set up with France, Germany, Italy, and the Benelux countries as sponsors, growing out of their association in the ECSC. A coordination of all efforts in the energy field seemed a logical extension of its responsibilities. The agreement setting up Euratom was negotiated in 1956, and was signed and ratified in 1957. It provided initially for the construction of 1,000 megawatts in nuclear capacity by 1961. Its setting up was marked by disputes between public and private power advocates; for example, by the public authorities in France and private power interests elsewhere.

Previously only the Centre European des Recherches Nucleaires in Geneva had functioned as a European research center. This was supported by 12 countries (Scandinavia, Britain, Switzerland, Austria, and the Euratom group). The United States supported Euratom as a single unified market for enriched fuel, but Britain refused to join, preferring a loose association under OEEC auspices.

In 1956 the OEEC set up a steering committee on European nuclear security and this resulted in 1958 in the formation of the European Agency for Nuclear Energy of all OEEC members. It was to:

(a) Encourage development, production and use of atomic energy;

(b) Provide for technical cooperation;

(c) Create joint enterprises (for example the fuel treatment plant in Mol, Belgium, by the 12 CERN supporters);

(d) Develop common methods of training experts;

(e) Harmonize the various national atomic energy laws.

Meanwhile, Euratom still had its long-range target of 1,000-megawatt capacity but by the end of 1958 the timing had been stretched out to 1963 instead of 1961.

An agreement was signed with the United States, providing for an American contribution of $135 million toward the $350 million cost of the plants, financed by the Export-Import Bank by 4½-percent notes, and a 20-year supply of uranium from the USAEC at established domestic prices ($480 million as of 1958). The principal sum was to be repaid by the end of 1974. A joint research

program was to be undertaken with the United States and Euratom each contributing $50 million. The United States had a voice in setting up an inspection system to prevent diversion of radioactive materials to unauthorized military purposes but inspection as such was to be done by the Euratom powers. In August 1958 these arrangements were ratified by the United States and appropriate changes in U.S. laws were completed.

By 1960, however, a combination of a European glut of coal, general softness in world oil prices, and the beginning of oil shipments from the Sahara had effectively removed incentives for building atomic powerplants under the prevailing economic conditions. For practical purposes, Euratom is thus inoperative; only CERN, with its wider sponsorship, continues in active operation.

8. The European Free Trade Area

The European Free Trade Area is also referred to as the Outer Seven after its seven original members (Britain, Denmark, Norway, Sweden, Switzerland, Austria, and Portugal) which are grouped outside the Common Market. Finland joined EFTA in 1960.

EFTA was originally set up in 1957, under the initiative of P. Thorneycroft of Britain. It was in part to serve as a negotiating weapon for favorable terms of accession of its members to the EEC. The formal treaty was signed in Stockholm in 1959.

Meanwhile, in 1956, there had been efforts to have a Scandinavian common market (Norway, Denmark, Sweden, Finland); 80 percent of internal trade of the bloc was to be free. There was to be a Scandinavian Investment bank for international capital to develop Scandinavian resources and industry. A common tariff schedule on imports from non-Scandinavian countries was to be established. On British insistence, agricultural products were omitted from these free trade arrangements.

In this, the Scandinavian countries differed from general EFTA policies which did not aim at unifying external trade relations among the members, though reducing internal barriers, establishing antidumping restrictions, and developing common rules of competition.

The Scandinavian countries ultimately agreed (January 1960) to synchronize their own unity negotiations with EFTA, to negotiate separate agreements on agricultural products later, and to put into effect a 20 percent tariff reduction to match that of EEC on July 1, 1960.

Later developments in the EFTA are related to proposals to unify with EEC.

9. Current problems of European integration

European integration currently depends on the prospects of a union between the EFTA and EEC groupings. In addition, there are strains within each of these groups, but these very strains could lead to total European integration in an attempt to relieve them.

In the EEC, France is now pressing for a much looser organization, with less authority vested in supranational control bodies. This has led to sharp opposition among other members, notably the Netherlands. The Dutch have now stated that without British participation they will withdraw from political integration rather than do it on terms proposed by De Gaulle. A foreign ministers meeting called for May 18, 1961, to resolve this impasse has been postponed till July, in the hope that meanwhile a way might have been found for Britain and some, at least, of its EFTA associates to join EEC.

The Dutch position is that the original political aim of the Common Market was a supranational federation in which a parliament and court would serve as a brake against one power's effort to dominate the rest. The French insistence on a loose confederation has caused misgivings on French policies which are designed, according to this view, to further De Gaulle's effort to win equal status with the United States and Britain. Ultimately, some fear, the Benelux countries and Italy would be dominated by France and Germany, politically and militarily.

The Dutch have therefore set the following conditions for their attendance at the periodic heads of states meetings now envisaged:

1. No discussions of NATO strategies;
2. No permanent secretariat; meetings to be prepared by high level civil servants and rotated among member capitals;
3. No decisions binding on EEC, ECSC, or Euratom;
4. No downgrading of the Council of (foreign) Ministers;
5. New initiatives to be taken for political union.

Meanwhile, an EFTA–EEC union appears at least partially possible. Latest plans call for Britain, Norway, and Denmark to join EEC with the other five EFTA members (Sweden, Austria, Switzerland, Finland, and Portugal) as associates of the enlarged grouping. This enlarged union would depend upon settlement of four major issues:

1. Trading privileges for Commonwealth nations in EEC as favorable as those granted to Belgium, French, and Dutch oversea territories in the Treaty of Rome. This might mean giving up preference which Britain enjoys but Britain still wants to maintain free entry of products such as New Zealand dairy products.
2. British and German negotiators have worked out apparently satisfactory arrangements for the five associate members but full ratification still would have to be carried through.
3. A changeover period for Britain to shift from its present price support system in agriculture to levies paid by the consumer, as is done within the EEC. This would be similar to the adjustment permitted the Belgian coal industry to bring it in line with French and German competition.

APPENDIX II—THE CENTRAL AMERICAN COMMON MARKET

This project has been active since 1952. In December 1960 an agreement was signed between Guatemala, El Salvador, Honduras, and Nicaragua to proceed without delay with economic integration.

From 1952 to 1958, many studies were made by United Nations agencies, and by the governments concerned, on various economic, political, and technical aspects of the problem, notably where to locate certain projected industrial plants, and the effects of the Common Market on trade in the major commodities produced in the area.

In June 1958 during the fifth session of the Central American Economic Cooperation Committee in Tegucigalpa, the Multilateral Treaty on Free Trade and Central American Integration was signed by the four countries mentioned and by Costa Rica.

Free trade was to be established within the area in 10 years. This period was considered too long by Guatemala, El Salvador, Honduras, and Nicaragua. At the seventh session of the committee, therefore, the four countries signed a more radical pact of their own, the Treaty of Managua on the Central American Common Market, which provided the following:

1. Immediate free trade among them except for a few hardship cases, e.g., textiles, oils, and fats, beer, paint, and soaps, in which local industries were granted transition periods;
2. Import and export controls and import quotas are unified, except for some commodities such as coffee, alcohol, and sugar which are subject to other international agreements or to state monopolies;
3. Later agreements are to be concluded on new industries and their treatment with respect to customs, tariffs, etc.;
4. No outside trade agreements are to be made in the future without consent of other signatories, other than with Costa Rica;
5. Enforcement shall be vested in the Central American Economic Council composed of the Ministers of Economic Affairs of the four countries;
6. Costa Rica can accede to the treaty at any time.

In the period since that time, progress has been made in developing a uniform customs code among the five countries. By July 1961, when the Economic Council meets, this task should be substantially completed.

Meanwhile, there are also some proposals for joint economic developments between Costa Rica and Panama in the border regions of the two countries, but these are not linked to economic integration. (Reference: Economic Commission for Latin America, note by the Secretariat on the Central American Common Market (Doc. E/CN 12/587, March 1961) (United Nations); Central American Economic Integration and Development (Doc. E/CN 12/586, March 1961) (United Nations).)

APPENDIX III—THE LATIN AMERICA FREE TRADE AREA

This seven-country grouping (Argentina, Brazil, Chile, Mexico, Paraguay, Peru, and Uruguay) was established in February 1960 by the Treaty of Montevideo. It provides for the elimination within 12 years of internal trade tariffs but permits each member to retain its own external tariffs. No significant reductions have so far taken place.

Trade between these South American countries has in the past been inhibited, as well by duties as by geography, established trade pattern with Europe and the United States, and a lack of products to trade, especially industrial items. Duties are very high, however, in several cases where a fledgling domestic industry is to be protected. (Example: Argentina 300 percent ad valorem on some simple machine tools.)

This grouping had its origins in the ABC plan (Argentina, Brazil, Chile). The idea was espoused at various times by Vargas, Peron, and, most recently, Allende, the defeated candidate in the Chilean presidential elections of 1958. However, nothing concrete was done until 1960. By that time, the experience of the European Free Trade Area was available and was used as a model for the treaty. (Reference: Statesman's yearbook, 1960–61.)

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SUPPORT FOR THE ITEM VETO

Mr. KEATING. Mr. President, I have introduced a joint resolution calling for an amendment to the Constitution to provide the President with the power to veto items in appropriations measures. There has been considerable favorable comment on such a measure, both recently and in the past. I think this is an important and needed governmental reform which could help a great deal to promote greater economy and efficiency here in Washington.

While I am concerned about the recent requests of the new administration to turn over congressional responsibilities to the executive branch, I believe the item veto is a justifiable step consistent with the spirit of the Constitution, which gives the Congress the right by two-thirds vote to overrule a Presidential veto. The Governors of over 40 States have this power, and recent public-opinion polls have shown that there is wide popular sentiment in favor of the item veto.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an excellent and perceptive statement by the editors of the Olean (N.Y.) Times-Herald supporting the item veto.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A MUCH NEEDED MEASURE: ITEM VETO POWER FOR THE PRESIDENT

U.S. Senator KENNETH B. KEATING, of New York, has enlisted the active support of President Kennedy of a plan to amend the Constitution of the United States to permit the Nation's Chief Executive to veto individual items in appropriation bills while approving other provisions in the measure. To us this seems to be a very much needed constitutional reform, the necessity of which has long been recognized by some legislators in the Capitol, but action on which has been delayed because of the opportunities of "getting around" Presidential opposition to some money-spending schemes, many of them the result of heavy lobby pressures upon Members of the House and Senate.

The veto power of the President is defined in section 7 of article I of the Constitution which also provides for the overruling of the veto by a two-thirds vote in each House of the National Legislature. Every bill or joint resolution, except proposed constitutional amendments, concurrent resolutions and questions of adjournment must be presented to the President. If he signs the bill it becomes law; if he disapproves, he must return it to the House in which it originated, with a statement of his objections. The House in question must then reconsider the measure and a two-thirds vote of both Chambers is sufficient to carry a measure over an Executive veto.

The power to veto items in budgets is possessed by the mayors of many American cities and the power to veto items in appropriation bills is possessed by the Governors of 41 States. The President, however, cannot veto single items in appropriation bills. Taking advantage of this situation, Congress has frequently attached other measures, disapproved by the President, to appropriation acts with a view to forcing his signature. As Charles A. Beard has pointed out: "The President, unwilling to block the wheels of Government by cutting off supplies, accepts the evil with the good and signs the finance measure with the rider attached."

The argument is sound, it seems to us, that the President should be given the power to exercise the item veto. Alexander Hamilton held, at the time the Constitution was in process of adoption by the States, that the right of negation was conferred on the President so that he could defend his prerogatives against the propensity of the Legislature to absorb the powers of the other departments. To this contention Hamilton added: "The power in question has further use. It furnishes an additional security against the enactment of improper laws. It establishes a salutary check on the legislative body to guard the community against the effects of faction, or any impulse unfriendly to the public good which may happen to influence a majority of that body."

We believe that what Hamilton wrote about the Presidential veto can be applied with special force to appropriation bills and the vetoing of individual items in such measures. We do not believe that when a bill goes to the White House the President must "take it or leave it." Often he is forced into vetoing a bill because of a minor item in it and more important provisions are lost. There are pressures aplenty on Congress to appropriate money for various purposes, including those from home and abroad and, as Senator KEATING says, "Congressmen experience pressures too from outer space." Many of these pressures, the Senator says, "are worth while; some are not." And he is right.

In backing the proposed constitutional amendment to give the President the right to veto individual items rather than an entire appropriation measure, Senator KEATING points to the fact that almost all the Governors of the States possess this power of discretion and that a Gallup poll several years ago showed 63 percent of the public in favor of the constitutional change. It seems to us that President Kennedy should get solidly behind the amendment supported by Senator KEATING as a measure that is urgently needed in the interest of the people of the United States and as an instrument for better government.

PRESIDENT KENNEDY'S ADDRESS WITH RESPECT TO BERLIN AND U.S. PREPAREDNESS

Mr. GOLDWATER. Mr. President, President Kennedy, in his speech to the American people Tuesday night, restated in a strong and convincing manner the historic position of our country concerning our obligations to Berlin. That the Congress will go along with his requests is, I believe, a foregone conclusion. And, judging from their reaction, the people also will stand firm and unafraid in this hour—just as they have always done when the occasion demanded.

The President, however, left the impression that his answer to Khrushchev would not cost the American people anything right away. He held out the possibility that it might next year, and that at that time he would ask for increased taxes.

Now, Mr. President, I do not believe in fooling the people. These new billions for defense and military purposes can come from only one source, namely, from the earnings of our people. It is only fair to spell out this sacrifice and spell it out right now. President Kennedy has talked of sacrifice, but only in very general terms. The people want to know what they will have to give up in the interest of strength. And I believe the people want to know if the administration is going to set the example for sacrifice. In this connection, I would suggest that the President take the lead—set the pace for the entire country—by forgetting many of the unneeded spending programs which he has initiated this year.

Mr. President, if he did this we would have at least some of the extra billions he has called for in light of the Berlin crisis. The President could forget Federal aid to education. The people are and have been taking care of this matter in their own way. He could scale down supports for agriculture since, in all probability, our farms will be called upon to produce at full capacity to provide the food and fiber for the new effort. He could forget about the vast expenditures envisioned for depressed areas, because the strain on those areas will be eased by the new defense program.

Mr. President, there is no end to the proposed plans President Kennedy could jettison which are not vital to the task of offense and defense or to the protection of freedom. I suggest that if he began taking a hard look at the places where the Government could save the people money, particularly in face of these new and vital demands, the American people would never stop cheering. After conducting such an economy program, Mr. Kennedy could tell the people this: "Even with the savings I have effected through asking Congress to abandon unnecessary programs, the new military effort will cost you more in taxes and I am asking for them right now—not next year or the year after that, but right now. This is our problem. It

is the sacrifice we ourselves must make—not one to be passed on to our children and their children."

Mr. President, our situation is grave, and we must stop trying to lull the people into the false idea that when Government spends more money for anything it will not come from their pockets. I say let the people know what the effort will cost, and at the same time let us trim out every ounce of fat in the budget and the operation of the Government. Our people can take it, but they want to know the truth.

Mr. President, peace is not bought with nothing down and an easy payment plan. Peace is bought with blood as well as with treasure.

Mr. MANSFIELD. Mr. President, has morning business been closed?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

TEMPORARY REDUCTION OF EXEMPTION FROM DUTY ENJOYED BY RETURNING RESIDENTS—CONFERENCE REPORT

Mr. KERR. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6611) to amend paragraph 1798(c)(2) of the Tariff Act of 1930 to reduce temporarily the exemption from duty enjoyed by returning residents, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 31, pages 14050–14051.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KERR. Mr. President, I am happy to report that the House receded on the two amendments adopted by the Senate.

H.R. 6611 would reduce temporarily the amount of goods that a returning resident may bring back to this country duty free. The amount formerly was $500—the bill reduces it to $100 for a period of about 2 years, until July 1, 1963.

The Senate amendment in question would provide that up to $200 of goods originating in the Virgin Islands may be brought in duty free. On this amendment we persuaded the House conferees to recede and accept. The other amendment was purely technical and it, too, was accepted by the House conferees.

I ask that the conference report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. KERR. Mr. President, I move that the action whereby the conference report was agreed to be reconsidered.

Mr. HOLLAND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nominations of F. Moran McConihe, of Maryland, William H. Moss, of Virginia, Edward Burling, Jr., of the District of Columbia, and Harland Bartholomew, of Missouri, to be members of the Advisory Board of the National Capital Transportation Agency, transmitted to the Senate on January 10, 1961, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable report of a nomination was submitted:

By Mr. HILL, from the Committee on Labor and Public Welfare:

John C. Eason, Jr., for personnel action in the regular corps of the Public Health Service.

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mr. BYRD of West Virginia. Mr. President, from the Committee on Armed Services, I report favorably the following nominations in the Navy: 1 admiral to be retired; 1 vice admiral to be retired; 2 vice admirals for special assignments; and 36 temporary promotions to the grade of rear admiral. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations were placed on the Executive Calendar as follows:

Adm. Charles R. Brown, U.S. Navy, to be placed on the retired list with the rank of admiral;

Vice Adm. Frederick N. Kivette, U.S. Navy, to be placed on the retired list with the rank of vice admiral;

Rear Adm. Alfred G. Ward, U.S. Navy, and Rear Adm. David L. McDonald, for commands and other duties determined by the President, to have the grade of vice admiral while so serving; and

Harry Hull, and sundry other officers of the line of the Navy, for temporary promotion to the grade of rear admiral.

Mr. BYRD of West Virginia. Mr. President, I also report favorably 998 nominations in the Regular Army in the grade of colonel and below, and 471 nominations in the Regular Air Force in the grade of captain and below. All of these nominations have already appeared in the CONGRESSIONAL RECORD. In order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations were ordered to lie on the desk, as follows:

George T. Adair, and sundry other officers, for promotion in the Regular Army of the United States; and

Kenneth H. Cooper, and sundry other persons, for appointment in the Regular Air Force.

The PRESIDING OFFICER. Are there any further reports of committees?

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of nominations under "New Reports."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will state the nominations under new reports.

U.S. ATTORNEY

The Chief Clerk read the nomination of Donald E. O'Brien to be U.S. attorney for the northern district of Ohio, for the term of 4 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. MARSHAL

The Chief Clerk read the nomination of James V. Ryan, to be U.S. marshal for the eastern district of Pennsylvania, for the term of 4 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified at once of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I urge the attachés on both sides of the aisle to notify Senators that the Senate is considering nominations on the Executive Calendar; and that if they desire to come to the Chamber, their presence will be appreciated.

COMMISSION ON CIVIL RIGHTS

Mr. EASTLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Mississippi will state it.

Mr. EASTLAND. What is pending before the Senate?

The PRESIDING OFFICER. The clerk will state the first nomination on the calendar.

The legislative clerk proceeded to read the nominations to the Commission on Civil Rights.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the three nominations to the Commission on Civil Rights be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The legislative clerk read the nominations of Berl I. Bernhard, of Maryland, to be Staff Director for the Commission on Civil Rights; Erwin N. Griswold, of Massachusetts, to be a member of the Commission on Civil Rights; and Spottswood W. Robinson III, of the District of Columbia, to be a member of the Commission on Civil Rights.

Mr. EASTLAND. Mr. President, I am opposed to these nominations. To begin with, President Eisenhower appointed the original Civil Rights Commission. It was set up on an objective basis. The South had representation. There were three members from the South and three members from other areas of the country. Now the South is getting out of balance; it does not have the representation to which it is entitled. Furthermore, the record shows there is no use in having this Commission; it has accomplished nothing. It has done nothing but spend thousands of dollars of Government funds, and it has sent out agitators to stir up racial strife and discord throughout the country.

The South would now have a representative by the name of Spottswood Robinson III. I think the Senator from North Carolina [Mr. ERVIN] was absolutely correct when he said—and I shall give Robinson's record in a minute—that it is like calling upon the attorney on one side of a lawsuit to be the judge of the proceedings. What the Commission has done is to promote racial amalgamation and racial miscegenation.

There is a member named Rankin. I think the Commission should be abolished when it has on it men like him. Commissioner Rankin is controlled body and soul by Dr. Hannah. Dr. Hannah is a good man, but he knows nothing about conditions in the South. I do not believe that a man who claims to be a southerner, as Rankin does, should be on the Commission when he is controlled and dominated by a person from some other area of the country.

Mr. President, I am opposed to the confirmation of the nominations of all these nominees, and in particular to the confirmation of the nomination of Spottswood W. Robinson III, as he calls himself, to be a member of the Commission.

As the Commission was originally conceived, it was recommended to Congress to be bipartisan, to be composed of no more than three members at any one time of the same political party. Rather than considering a purely party line balance, President Eisenhower's original Commission was balanced with three Commissioners: John S. Battle, of Virginia; Doyle E. Carlton, of Florida; and Robert G. Storey, of Texas. Those men were understood to be representative of what might be characterized as the southern position on civil rights.

Adequate and fair representation on the part fo the Southern States has now been destroyed. No recommendation by this Commission is worth the paper on which it is written, because its actions will be dictated by prejudice toward the southern people.

Opposed to those three Commissioners were three Commissioners from outside the South. While it is true that that Commission was also a balance of three Democrats against two Republicans and one independent, three representatives represented the geographic area of the South. President Eisenhower's purpose was to name a man of wide experience and having high attainments in the field of government, education, law, or public affairs, who would maintain as objective a view as possible toward the issues which the Commission was supposed to consider.

In spite of his attempt to achieve a broadly based bipartisan commission with the outstanding personalities that he named thereto, the recommendations that have been made to Congress by the so-called Civil Rights Commission reveal the utter impossibility of achieving any degree of unanimity in views and attitudes on the subject matter which the Commission was required to consider.

We now have before us a nominee who could not possibly fit into any scheme of bipartisanship or objectivity. While he is a native of Virginia, he can in no sense represent the prevailing conditions and attitudes of the overwhelming majority of the people of that State on any issue involving so-called civil rights. Neither can he represent, topside or bottom, the prevailing and overwhelming attitude of the people of the South on this issue.

How could any man claim objectivity on this issue when his record shows that from 1948 to 1950 he was the legal representative for the State of Virginia of the NAACP Legal Defense and Educational Fund, Inc., and from January 1, 1951, to September 1960 he was the Southeast Regional Counsel of the NAACP Legal Defense and Educational Fund? While in the process of representing the NAACP, Robinson appeared as the attorney of record before the Supreme Court of the United States in the following cases involving civil rights problems advocating the position of the NAACP. What this means is that NAACP has taken control of the Civil Rights Commission. Here, Mr. President, are the cases in which Robinson appeared:

Briggs v. *Elliott* and *Davis* v. *County School Board of Prince Edward County*—decided with *Brown* v. *Board of Education* (347 U.S. 483 (1954), 349 U.S. 294 (1955)), holding unconstitutional State statutes requiring racial segregation in public elementary and secondary schools;

McGhee v. *Sipes*—decided with *Shelley* v. *Kraemer* (334 U.S. 1 (1948)), holding unconstitutional State judicial enforcement of racial property restrictions;

Hurd v. *Hodge* (334 U.S. 24 (1948)), holding invalid Federal judicial enforcement of racial property restrictions;

Morgan v. *Virginia* (328 U.S. 373 (1946)), holding unconstitutional a State statute requiring racial segregation in interstate transportation;

Chance v. *Lambeth* (186 F. 2d 879, 4th Cir. 1951, cert. denied 341 U.S. 941 (1951)), holding invalid carrier-enforced racial segregation in interstate transportation; and

Department of Conservation and Development v. *Tate* (231 F. 2d 615, 4th Cir. 1956, cert. denied 352 U.S. 838 (1956)), holding invalid a threatened denial on racial grounds of the use of the facilities of a State park.

Mr. President, I digress at this point to say that when the Commission was created and the nominations were submitted to the Senate, the nominees testified before the Committee on the Judiciary that they had no power or authority to consider school matters; that the law gave them no such power or authority. They testified—and as I remember, it was under oath; I am not certain on that point, but as I remember they testified under oath—that they were more or less dutybound, under the law, to accumulate facts and figures. It was to be a statistical agency, and that was all.

But see how far afield they have gone. They stated they had no power to act in the controversy over integrated schools. Yet they did go into it.

This nominee is one of the leading advocates of racial integration in the schools in the United States. Furthermore, he is one of the leading advocates in the United States of racial integration in every form of society. What viewpoint can he represent? Why, Mr. President, he represents the viewpoint of the extreme agitator.

What the Senate is now asked to do is to place a known advocate of one particular position in an office where he can act as prosecutor, judge, and executioner on the subject matter he is charged to consider. Is there a Senator within the sound of my voice who would think for 1 minute that the head of the Mississippi Citizens' Council would be considered qualified to sit as a member of the Civil Rights Commission? Spottswood W. Robinson III as he calls himself, is equally as reprehensible a choice for such a position as would be Roy Wilkins or Thurgood Marshall. Furthermore, he is presently dean of the law school of an institution, Howard University, that by its very nature was designed to train and educate agitators in the field of civil rights, since it has always been predominately a segregated Negro institution of higher education. No amount of education, experience, or activity in the areas in which he has been interested could possibly qualify him for a presumed impartial and objective study group.

What a comedown it is to move from the great former Governor of the State of Florida, a man of high intelligence and high integrity, who went into this matter on an objective basis, to accomplish something constructive. What a comedown it is to go from such a man to an agitator like this man Spottswood Robinson.

Reports in the newspapers indicate that the only objective study that has been made during the entire course of the life of the Civil Rights Commission

was blocked from publication on the objection of one of Robinson's predecessors on the Civil Rights Commission, who was also a former professor of law at Howard University—George M. Johnson. This alleged report is supposed to have contained a comprehensive review of the historic southern position in regard to civil rights issues. I see no reason why such a study or report should be denied to the public. If the Commission is going to have its staff devote time and effort to prepare such a study, it is not only a waste of public money, but almost a dereliction of duty, to utilize staff personnel for secret projects which never see the light of day. Robinson's nomination will perpetuate on the Commission a member who can make the same character of objection as did Johnson.

In other words, they wanted to hide from the American people the true conditions and facts in regard to the southern viewpoint on this great question.

The testimony of Chairman Hannah on Monday, April 17, 1961, before the House Appropriations Subcommittee considering funds for the Civil Rights Commission indicates that George M. Johnson was by far the most active member of the six on the Commission. During the fiscal year of 1960, Commissioner Battle worked a total of 8 days, and drew $400. Father Hesburgh spent 19 days on Commission affairs, and drew $950. Governor Carlton's total days were 21, and his remuneration was $1,050. Vice Chairman Storey worked for 37 days, and drew $1,850. Chairman Hannah devoted 25 days of his time to the Commission, and drew $1,250. In the very nature of the organization of this Commission, the Chairman and Vice Chairman should be the ones who spent the greatest length of time with the staff and in attendance on the other duties requiring the attention of all or part of the Commission itself. However, we find that George M. Johnson filed vouchers for a total of 99 days working time as a Commissioner, and drew a total of $4,950. This means that one Commissioner drew just $550 less than the other five Commissioners combined. He was also running ahead in the per diem sweepstakes for the portion of the fiscal year 1961 reported by the chairman.

If the Senate confirms the present nomination, there is no reason to presume that the nominee will be less zealous about the performance of his duties than was his predecessor from Howard University. One Commissioner works 99 days; his five fellow Commissioners work a combined total of 110 days. When one considers this proposition, Mr. President, its implications are more and more serious. With six men of equal standing appointed by the President to perform duties delineated by an act of this Congress, why should one Commissioner work so much harder and do so much more than his colleagues? If he does have a special point of view that he wants to advance, and certainly Johnson did, what chance do Commissioners with a contrary point of view have in withstanding and offsetting such industry and dedication to duty? When the issue to extend the life of this Commission is before this Senate, I intend to devote more time to a discussion of this aspect of the operation of the Civil Rights Commission.

In the appointment of Robinson we are again getting the same type of man with a bill of goods to sell—a man who will object to an objective report, who will wish to hide conditions in the South from the American people.

The nominee says that a former law partner of his, Oliver W. Hill, was chairman of the legal staff of the Virginia State Conference for the NAACP. Mr. President, counsel for the legal defense funds for the NAACP do not act as lawyers in the usual sense of the relationship of attorney and client. The purpose of these attorneys is not to represent litigants, as such, but to represent the point of view of the organization that hires them. Under these circumstances, a lawyer who accepts such a position cannot claim the privilege of the ordinary member of the bar who is not charged with the responsibility of personally favoring or opposing the particular position that his client must take before the bar of justice. Such a lawyer is a partisan in the deepest sense of the word, wedded and dedicated to the point of view of his organization, rather than to that of the litigants who become the pawns of the organization. As counsel for NAACP in the case of Davis against County School Board of Prince Edward County, Va., the nominee's conscience should be heavy with the realization that he is one of those primarily responsible for denying a public education, or any education at all, to the Negro children of Prince Edward County, Va. Rather than seek a position on the Civil Rights Commission, this nominee would show better grace by volunteering his services as a teacher in Prince Edward County, or at least aiding and assisting these children in obtaining some form of private education similar to that which the white parents of Prince Edward County were forced to supply for their children.

I think the matter of this nominee's confirmation should receive deep and careful study before action is taken thereon. There is involved a matter of principle that is fundamental. Whether I approve or disapprove of the Civil Rights Commission as such is immaterial in view of this fundamental consideration. Quasijudicial organizations—and certainly the Civil Rights Commission should be considered as such—should not be staffed with individuals who have lived their lives as advocates of one extreme viewpoint on issues so highly controversial in nature as are those concerning so-called civil rights. Such types of nominees should be rejected out of hand.

The appropriation for the Civil Rights Commission for the fiscal year 1961 was $880,000. It had 73 permanent employees during this fiscal year. I say with confidence that the report it will submit will be of no more value to this Congress or the people than was its report of 1959. It is impossible to justify in good conscience the continued waste of public funds and the expenditure of the time of so many individuals on a project so thoroughly lacking in merit. It is also impossible to justify an additional nominee to this Commission, about whom it can be said with confidence that he can and will contribute absolutely nothing that will be of any value to the President or to this Congress in recommending legislation in the field of civil rights. The Commission is even now preparing its final report to Congress. It should be permitted to file this report and adjourn sine die. There is no reason or justification for either the confirmation of the current nominee or the continuation of the Commission itself.

Mr. THURMOND. Mr. President, I rise in opposition to the confirmation of the nominations of members of the Civil Rights Commission.

Mr. HOLLAND. Mr. President, will the Senator yield to me for a moment?

Mr. THURMOND. For what purpose?

Mr. HOLLAND. It is in connection with this subject. I should like to ask for a division in the vote on the various nominations. I understand that they are being considered en bloc. I understand that there is no objection to a division for the purpose of voting. I ask unanimous consent that a division be ordered, if the Senator will yield to me for that purpose.

Mr. THURMOND. I am pleased to yield to the distinguished Senator from Florida.

Mr. HOLLAND. There are three nominations under the head of "Commission on Civil Rights." Two of the nominations are for positions on the Civil Rights Commission. The third is the nomination of a key employee of that Commission.

I believe the nominations normally should be considered separately. Aside from that, completely different cases are made with reference to the various nominees, which I think requires separate consideration, so I ask unanimous consent that a division be ordered, so that the Senate may vote separately on the question of confirmation of the three nominations. I understand there is no objection thereto.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? The Chair hears none, and it is so ordered.

Mr. THURMOND. Mr. President, I rise in opposition to confirmation of the nominations of members of the Civil Rights Commission.

I know of no constitutional authority for the Civil Rights Commission. When it was originally created I opposed it. I oppose now of the confirmation of these nominations. I would oppose the confirmation of any other nominations to the Commission, because I do not believe the Commission has a constitutional basis on which to rest. Therefore I think it would be improper for the Senate to confirm the nominations of members of this Commission.

Moreover, I believe that the Commission is unnecessary. It seems to me that the work the Commission has done has

resulted in nothing but increased tension, race hatred, and stirring up trouble.

I think it would be unwise to extend this Commission. I think the Senate would do the country a great service if it did not confirm the nominations of members of this Commission.

Furthermore, Mr. President, the terms of the Civil Rights Commissioners expire in September. I think it is premature for us at this time to be confirming the nominations of members whose terms will expire in September.

I am against confirming any nominations to the Commission; but even if the Commission is to be continued, it seems to me that that ought to be provided for first, before we are asked to confirm the nominations of members of the Commission.

For these reasons, and others I might mention, I oppose the confirmation of the nominations of those who have been appointed to the Civil Rights Commission.

AMENDMENT OF AGRICULTURAL ACT OF 1961 RELATING TO CHICKEN HATCHING EGGS

Mr. WILLIAMS of Delaware. Mr. President, yesterday, during the discussion of the Agricultural Act of 1961, as shown on page 13538 of the RECORD, the Senator from Minnesota [Mr. MCCARTHY] offered an amendment, as follows: "(but not excepting turkey hatching eggs and chicken hatching eggs.)".

The amendment had the effect of putting chicken hatching eggs under the list eligible for marketing orders. There is a very brief explanation of the amendment, about 20 lines, in which the Senator from Minnesota stated the amendment was wanted by the industries and that it was acceptable on this side of the aisle.

I know the Senator from Minnesota would not have intentionally misled the Senate in that contention. However, it is in error. The proposal with respect to chicken hatching eggs was not acceptable and was not cleared on this side of the aisle. It was rejected in the Committee on Agriculture and Forestry during the consideration of the bill. It was opposed by the industry. It had not been cleared on this side of the aisle. Had the question been raised it would have been opposed. I accept this as being the result of a misunderstanding, but I wish the record to show clearly that there is objection to the amendment.

I have talked with many members of the Committee on Agriculture and Forestry on both sides of the aisle, and I have as yet to find that the amendment was cleared with the understanding that it would embrace chicken hatching eggs.

Mr. President, I ask that the conferees take notice of this objection and misunderstanding and that the provision be deleted in the conference committee. Should it not be deleted in the conference committee I now request that I be notified prior to Senate consideration of the conference report on the bill.

THE ALASKA FERRIES AND THE ALASKA HIGHWAY: A COMING CIRCULAR TOUR TO A SCENIC WONDERLAND

Mr. GRUENING. Mr. President, the State of Alaska is embarking this year on a venture which, in many respects, is unique in State undertakings. Pursuant to a vote by the people authorizing a bond issue and action by the State legislature implementing it, Alaska is inaugurating a fast ferry service which will tie together—really for the first time to such a degree—the many communities of the rugged coast of southeastern Alaska, and will link them with the main part of the State.

We have all heard about the fiords of Norway and know how they indent the coast of that nation. On a trip to Norway, which I made recently as a member of the Senate Public Works Committee to study the very remarkable degree to which hydroelectric power resources of that nation have been harnessed, I was struck with the great similarity the Norwegian coast has to that of my own State of Alaska. Both have rugged, precipitous fiords. Although highway development is much further advanced in Norway than in Alaska, we found that the only logical means of linking certain places by surface transportation in that country is by ferry.

Similarly, in Alaska the State is constructing what amounts to a marine highway which will permit automobiles to be driven to all the cities of southeastern Alaska and on into the interior from the road systems of the United States and Canada by filling in the missing links by fast automobile car ferries.

Last week I received a copy of the official statement by which the State of Alaska offers $13,975,000 in general obligation bonds to finance the start of this undertaking. The bond issue is part of a total of $23 million in general obligation bonds which the people of Alaska and the State legislature have authorized to pay for acquiring, constructing, equipping, and making necessary capital improvements to State ferries and ferry facilities, and certain State roads and highways. Proceeds of the original bond issue will provide part of the funds required to pay the cost of constructing and equipping four ferries and ferry terminal facilities at various cities and other places in southeastern and south-central Alaska.

The ships on the southeastern Alaska run will have a capacity of 100 automobiles and 500 passengers each, operating at an average speed of 16 knots. The vessels will make the entire trip from Prince Rupert to Skagway in 30 hours. The winter schedule will provide eight one-way trips per week. During summer the schedule will be increased to 14 one-way trips per week. Comfortable accommodations will be provided for passengers.

A slightly smaller ferry to be used in south-central Alaska will carry 60 cars and 262 passengers between Homer and Kodiak on a basis of 6 one-way trips per week in winter and 14 one-way trips weekly in summer.

After these ferries are in operation, which plans call for them to be late next summer, travelers will be able to take their automobiles on a swift schedule from Prince Rupert, British Columbia, to Ketchikan, Wrangell, Petersburg, Juneau, Haines, and Skagway, with connection also to Sitka. From Haines it is possible to drive inland to the Alaska Highway and thence to the main road system of the State which now ties together Fairbanks, Nenana, Livengood, Tok, Big Delta, Glennallen, Valdez, Palmer, Anchorage, Seward, Homer, Kenai, and many other places.

I am proud of the way in which the people of Alaska have taken matters into their own hands to provide these essential transportation links which were absent all through our history as a territory. I am sure the result will be lower travel and freight costs, greater convenience to our citizens, and many more visitors from the smaller States.

Indeed, it may be said that a historic event has just taken place in Alaska. The 49th State's first bond issues have been taken up by Wall Street bankers. To recapitulate:

At the last general election last fall the people of Alaska voted to approve a total of $30,500,000 for five purposes: First, to establish two ferries and roads, $23 million; second, for a gymnasium, swimming pool, and powerplant for the University of Alaska, $2 million; third, aid to airports, $1,500,000; fourth, a vocational school north of the Yukon, $1,500,000; and fifth, hospital construction and squipment, $2,500,000.

The last legislature implemented this action by the people of Alaska, and yesterday, in Juneau, the bond bids were opened. They were sold at what Alaskans believe to be modest rates for these projects; 3.539 percent for the university, 3.817 for ferries and roads, 2.99 percent for airports.

The ferry systems, as I have stated, embody a constructive move to increase the flow of tourists to Alaska, the land of some of the greatest scenic wonders on the North American Continent, will tend to lower the excessive maritime freight rates which Alaska now pays, and will help to overcome what is now one of Alaska's greatest handicaps, the inadequacy of surface transportation both between the States and Alaska and within Alaska.

It is known that many American tourists wish to drive to Alaska in their own cars. Hitherto, the only way they have been able to do this is to drive over the Alaska Highway, coming and going. Most people balked at this idea. But once the ferries are in operation they and the highway will provide a circular tour. People from the 48 lower States will be able to drive to Prince Rupert, British Columbia, which is connected with the continental highway system, put their cars aboard the ferry, travel northward on it through the last 300 miles of the famed Inside Passage—that 1,000 miles of protected ocean waterway stretching from Puget Sound to Skagway; make stops as they will along the

ferry's northbound route: Ketchikan, Wrangell, Petersburg, Sitka and Juneau; end the ferry trip at Haines; and put their cars on the Haines cutoff which connects with the Alaska Highway and gives them the opportunity to go past the magnificent mountain scenery of the St. Elias range into Alaska, with a choice of heading either into Fairbanks or into Mount McKinley National Park, over the Denali Highway, or to Valdez, over the Richardson Highway, or to Anchorage over the Glenn Highway. From there they can travel southward to Seward through the Chugach National Forest, or down the Kenai Peninsula, through Kenai, oil capital of Alaska, Soldotna, Kasilof, Ninilchik, and Anchor Point to Homer, or take the other ferry to Seldovia and Kodiak.

The floating of these bonds has attracted considerable attention, and I ask unanimous consent that an article from the New York Times of July 23, 1961, entitled "Alaska Knocking on Wall Street Door," and another article from the New York Times of July 26, 1961, entitled "Alaska Prepares First Bond Issue," be printed at this point in my remarks:

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 23, 1961]

ALASKA KNOCKING ON WALL STREET DOOR—BOND OFFERING HERE MARKS ITS DEVELOPMENT DRIVE

(By Paul Heffernan)

Now that Alaska is a State the question of the world's underdeveloped areas is beginning to press more closely upon the people of the United States.

Alaska has been an economic and social challenge to this country ever since 1867, when William Henry Seward, Secretary of State in Andrew Johnson's administration, signed a treaty with Russia transferring the vast northland to the United States for $7,200,000. For the most part, however, this challenge has been shrugged off over the intervening years.

That Alaska's long status as a geographical idea is about to come to an end is brought home by the bid the new State plans to make this week to the investment community. This will take the form of an offering of $13,975,000 of general obligation bonds, a borrowing intended chiefly to improve marine transportation.

In a way, Alaska's knock on Wall Street's door is reviving the differences of opinion that attended the 1867 purchase. At that time, the proposal was denounced by critics as "Walrussia," and "Seward's Icebox." But others saw in Alaska a great national investment—a western defense bastion and a vast warehouse for valuable raw materials.

DEBATES FAR APART

The debate today is not between political partisans but between Alaskan enthusiasts and the coldblooded statisticians of the financial district. On the side of caution are the bond rating agencies and bond distributing houses. Chastened by the responsibility for channeling the savings of investors into prudent investments, the professionals of the financial district are inclined to appraise Alaska with skeptical scrutiny.

They see a big land. With its 586,400 square miles of area, Alaska is about one-sixth the size of the United States. Its 33,900 miles of coastline is more than that bordering on all the Atlantic, Pacific, and Gulf of Mexico States.

Alaska is more than twice the size of Texas. Ten of the major States—New York, New Jersey, Pennsylvania, Illinois, California, Ohio, Michigan, Georgia, Alabama, and Florida—could be fitted into Alaska and room would be left over.

It is a big land. But it is one inhabited by only 226,000 people. The financial men count only 4,100 miles of highway in Alaska, much of it in need of replacement. The major railroad—the one linking Seward and Fairbanks—is only 470 miles long. Admittedly there are great natural resources. But where is the access? Who is to process the resources? How are they to be shipped out, and to what markets?

It is questions like these that give the bond raters pause. The Moody Investment Service has rated the new Alaska bonds BAA—a fourth spot from the top. The rating of Standard & Poor's is A. To the bondmen, Alaska is still mostly promise; the story is yet to unfold.

In the enthusiasm corner are the Alaskans who know their country at first hand. Some enthusiasts are influenced by Alaska's postwar oil rush—a long-term program of wildcatting to which major U.S. oil companies have committed themselves. Others are taken by the hydroelectric power potentialities of "the big land"; others by the enormous stands of timber.

ON MOVE AT LAST

Anyway, Alaska is at last on the move. With Anchorage setting the pace, the population of the new State has jumped 75.8 percent in 10 years. In 1930 there were 2,277 people in Anchorage and, in 1950, 11,254. Today there are more than 44,000. The State's population in 1930 was 59,278; in 1960 the count was 226,167.

One of Alaska's most valuable boosters is the new State's native-born Governor, William A. Egan. Interviewed here last week, Governor Egan scouted the Alaska legend commonly known to outsiders—a land of yearlong snow, abounding in dogsleds and giant bears.

"It's been years since I saw a dogsled in Alaska outside of an exhibition," the Governor said.

More people should know, he said, that Alaska's winters in most populated areas are less severe than those of Northern States 1,000 miles to the south. And that the long play of summer sunlight produces marvels of agriculture, such as 40-pound cabbages and 30-pound turnips.

KEYS TO WEALTH SOUGHT

Alaska's officials are looking for master keys to open up their storehouse of raw material wealth. One key is transportation; the other is electric power. Money is needed to forge both keys, and postwar developments are bringing the needed money into sight.

For the moment, the big money is coming from oil leases. Leading U.S. oil companies have committed themselves to spend $300 million in oil wildcatting over the next decade. They have signed leases assuring Alaska revenues of more than $50 million a year—an income that promises to enrich the new State by $2,900 million over the next 50 years.

The outcome of the wildcatting is a toss-up. Inspired by a 1957 strike of oil on Kenai Peninsula, oil companies now have five drilling rigs at work. Standard Oil Co. of California has decided to build a refinery with an initial capacity of 20,000 barrels a day in the Kenai area. The oil companies are willing to make the gamble in the hope that major strikes will furnish them with development fields under the protection of the American flag and beyond the reach of expropriation.

In the hydroelectric field, Alaska is banking on the development of Rampart Canyon, with a generation potential estimated at 2½ times the installed capacity of Grand Coulee Dam on the Columbia River. Governor Egan insisted, moreover, that the proposal made 10 years ago by Aluminum Co. of America for a hydroelectric development at Skagway is not dead.

As for transportation, Alaska is looking forward not only to the marine highway to be financed by this week's bond issue, but to a 600-mile extension of Canada's Pacific Northern Railroad to be built from Summit Lake, British Columbia, to the Yukon area.

Alaska's Governor is confident that electric power and improved transport will open the new State's treasures of raw materials. Among them are these:

Timber: Alaska has 137 million acres of forest land. About 44 million acres are classed as commercial forest and are estimated to contain about 270 billion board-feet of merchantable timber.

Minerals: The new State possesses most of the 33 minerals classified as strategic and critical by the Federal Government. Gold was the leading mineral produced in 1960. Because of the pegged price and the rising cost of production, the gold output is far below what it used to be. In 1940 Alaska produced $26,500,000 of gold; in 1960, the output was only $6,300,000.

Fisheries: Under local supervision instead of that from Washington, Alaska's fisheries are expected to enlarge their output, with the big emphasis on the king crab, the red salmon, and halibut. Alaskan waters produce about one-fifth of the world's halibut.

Agriculture: At present, about 10 percent of Alaska's food requirements are produced there. It is believed possible to increase the local yield to about 50 percent. There are two principal farming areas—the Matanuska and Tanana Valleys, the former near Anchorage and the latter near Fairbanks.

Governor Egan is optimistic about Alaska being able to finance much of the future's development projects from current income instead of borrowing.

The State has outstanding only $2,932,000 of general obligation debt, an obligation carried over from the territorial government. There is otherwise $60,404,000 of local debt secured by the taxing power, most of it representing the obligations of school districts.

Apart from the $13,975,000 of State bonds to be sold this week, authorization has been granted to borrow $16,525,000 more. Alaska's assessable valuations total $584,430,100. On the average, property is appraised at 78.8 percent of true value for tax purposes.

Per capita annual income in Alaska in 1960 was $2,724, or sixth highest in the United States. Per capita taxes for $1,000 of income was $60.79, the lowest in the United States.

[From the New York Times, July 26, 1961]

ALASKA PREPARES FIRST BOND ISSUE—MOST OF THE PROCEEDS SET FOR WATER TRANSPORT

JUNEAU, ALASKA, July 25.—Alaska is about to offer its first State government bond issue.

Bids on $13,975,000 of Alaska general obligation bonds are to be opened in the office of Gov. William A. Egan here tomorrow night. The State bond committee, composed of the commissioners of commerce, administration, and revenue, has announced sealed bids will be received at the Governor's office until 9:30 p.m. (Pacific standard time).

This financing will be something new for Alaska as a State, although Alaska assumed a territorial debt of $2,932,000 in general obligation bonds on the transition from a territory to a State.

The forthcoming issue is part of an authorization made by the legislature and approved by the voters last November.

TOURIST BID SPURRED

The bulk of the issue—$12,500,000—will be spent in a bid for a greatly expanded tourist

industry. Proceeds from the sale of $1,200,000 of the bonds have been earmarked for the University of Alaska. The remaining $275,000 will be devoted to building or improving isolated airfields out in the bush, where many communities are served only by owner-operated aircraft carrying passengers, mail, and freight.

The $12,500,000 portion of the proceeds will be spent largely on a ferry system to serve as a marine highway in southeastern and south-central Alaska. Drum beaters for the system, including Governor Egan and Richard A. Downing, public works commissioner, have viewed it as a means of attracting many thousands of tourists each year by enabling them to bring their automobiles by water to Alaska and using them in areas which are not linked with other areas by highway. Moreover, the marine highway, as its champions assert, will lead tourists to come to Alaska by water and go home by way of the Alaska-Canada Highway.

A total of $23 million has beeen authorized by the voters for expenditure on the ferry and road system, with $18 million of it going to the ferry system alone. The $12½ million of new cash will help pay for terminal facilities and for four ships.

Three of these vessels, each with a capacity of 100 automobiles and 500 passengers, will operate between Prince Rupert, British Columbia, and Skagway, Alaska, with stops at Ketchikan, Wrangell, Petersburg, Sitka, Juneau, and Haines. A road extending north from Haines provides a connection with the Alaska Highway and with a central Alaskan network of roads.

The ferry system also will include a ship operating between Homer, at the southern end of the oil and gas bearing Kenai Peninsula, and Kodiak. The vessel's capacity will be 262 passengers and 60 cars.

Altogether, the voters have authorized a total of $30½ million of general obligation bonds, with $16,525,000 of the amount not included in the present offering. In addition, the legislature provided for the issuance and sale of $6,750,000 of revenue bonds for the University of Alaska housing system and $7 million of revenue bonds for improvements at the Anchorage and Fairbanks international airports. These revenue bonds have not yet been issued.

Mr. GRUENING. Mr. President, the coming of the ferry, which it is hoped will be in operation during the summer of 1962, calls further attention to the Alaska Highway, which, as most people know, was built in great haste during the first months of World War II by the U.S. Corps of Engineers over a route previously unsurveyed. It was opened to civilian traffic in 1947. It was rough, unpaved, dusty, the accommodations few and far between. While an increasing number of cars went over the highway each year, early reports of this travel pictured it as fatiguing, dusty, arduous; but in the 14 years since the highway was opened to civilian traffic, a gradual and steady improvement has taken place. It is now a far different highway from what it has been, and presents today a really attractive method of reaching Alaska, or, if one plans to use the ferry, of leaving Alaska. An excellent account of the highway is found in "The Alaska Roundup," a business newsletter published by Jack Ryan & Associates, of 104 Front Street, Juneau. Jack is an oldtime Alaskan and experienced newspaperman, editor of various papers in Alaska, and an author of books and articles on Alaskan subjects.

I ask unanimous consent that his "Alaska Highway Report" be printed at this point in my remarks.

There being no objective, the report was ordered to be printed in the RECORD, as follows:

THE ALASKA ROUNDUP, JULY 17, 1961

(The author of this newsletter, Jack Ryan, has just completed a trip over the highway from Seattle to Fairbanks aboard a Lynden Transfer truck-trailer rig.)

ALASKA HIGHWAY REPORT

The highway to Alaska is no longer a dust-ridden, bumpy wilderness road boasting little in the way of decent accommodations. There is still dust, but the Canadians have all but conquered this problem. The growth and improvement of roadside accommodations is nothing short of amazing.

A DECADE OF PROGRESS

Ten years ago, between mile 1 at Dawson Creek and Fairbanks there wasn't a foot of paving or scarcely one hotel or restaurant that could be called first class. The primitive gas stations and lodges were spaced as far as 100 miles apart. The Hart cutoff was just opening and it was rough and completely unpaved. Many sections of the Fraser River Canyon road were under construction and the going was difficult for motorists.

Today, it is possible to drive from Seattle to a point 75 miles north of Fort St. John and travel on paving virtually all the way. Only a few sections of the Hart Highway, linking Prince George with Dawson Creek, are still unpaved and this work will be completed soon, possibly this summer. The heavy Canadian traffic ends at Fort St. John and beyond this point are only the relatively few vehicles bound to or from the Whitehorse area and Alaska. A driver encounters an oncoming vehicle once every 10 or 15 minutes, even at midday, hence the dust is no longer a serious problem. In past years, it was in regions, now paved, where Canadian traffic was heavy that the dust problem was worst.

CANADIANS PUSH ROAD IMPROVEMENTS

The Canadians have been quietly pushing an effective road improvement program on the entire highway system between the States and Alaska. When the Alaska, or Alcan, Highway, was first built, it ranged from four lanes to six lanes wide. The Canadians have wisely narrowed the road to two lanes and are concentrating maintenance work on these two lanes. The broad shoulders are growing in with grass and bush. Points that were cursed with sharp corners or steep hills are being rebuilt, and washouts are being eliminated by the construction of large new culverts.

The Alaska Highway this summer is as fine a dirt and gravel road as can be found on this continent. Facilities along the way have expanded until the longest distance a motorist must travel between gas stations is less than 50 miles. There are modern motels on the road and many modern restaurants. A number of the large new gas stations along the road also boast a restaurant open 24 hours. Motorists can obtain any type of auto repairs although parts may be difficult to obtain for some makes of cars. There is no need for a motorist to start over the highway with any more spare tires or equipment than he carries when traveling in the States. The one exception to this rule is a bottle of mosquito repellant lotion, but this is useful in the States, too.

The effect of the Canadian road improvement work is best illustrated in the time required for Lynden Transfer trucks to travel from Seattle to Fairbanks. Some 7 years ago when Lynden began operating on the highway, trucks required up to five days to make the run. Today, the company schedules trips from Lynden, Wash., to Fairbanks in 72 hours. But, this year some of the trucks have rolled into Fairbanks in 70 or 71 hours without making special efforts to hurry. Part of this improvement in travel speed is due to increased horsepower in the trucks. But part of it is also due to the fact that road conditions have been improving constantly. "The run gets a little easier every year," the driver of our truck said en route.

TRAFFIC AND BUSINESS VOLUME

Records at the Tok Junction customs office show that traffic entering Alaska on the highway is down about 10 percent this summer. Canadian merchants along the route reported that their business had slumped 10 to 30 percent. They blamed two things: first, a business "recession" in Canada that has reduced highway travel; secondly, a decline in Alaska construction activity which has reduced road travel by American trucking concerns and also reduced the number of construction workers traveling to and from Alaska jobs.

TOURIST TRAVEL SHOWING INCREASE

Canadian lodge, motel, restaurant, and gas station operators all expressed the opinion that tourist travel to and from Alaska via the highway had increased this year even though overall traffic had declined. Their observations were confirmed by Tok Junction customs records. This year a record-breaking total of 35 percent of all vehicles entering Alaska are either campers (a pickup truck which has an aluminum living compartment on its bed) or a car towing a trailer. The vast majority of these vehicles carry tourists who are taking a round-trip vacation on the highway. They live and cook in their own accommodations and patronize only gas stations and garages on the trip. It is evident that more and more Americans are finding that the highway to Alaska is not the hazardous road popularly pictured.

A NEW TREND IN ALASKA'S TOURIST TRADE

The fact that one out of every three vehicles traveling to Alaska this summer is a camper or auto-trailer outfit carrying tourists indicates a new trend. Americans have discovered a way to visit Alaska economically. Motel and cafe owners both in Canada and Alaska are bemoaning this development since it is cutting heavily into their business. But the fact remains that a person who drives to Alaska and spends every night in a motel, and eats every meal in a restaurant, encounters costs that make the trip prohibitive to the average American family.

We talked to a number of these highway tourists and found that even the ones who were bound south after making the long trip north were generally a happy group. They are going home to recommend this adventure to their friends. Many of them engaged purely in sightseeing on the trip north, noting things they would like to do on the southbound journey. There is excellent fishing in the many large lakes, and rivers, encountered on the route. There are facilities for boat rental in places, and guides for hunting.

This new trend will no doubt see a great upsurge when the Alaska ferry system commences operation giving tourists a loop route which will permit them to travel to Alaska by highway and return mainly by boat. There is every reason to believe that the Alaska Highway will enjoy constantly increasing tourist travel in the immediate years to come and someday will be America's favorite vacation route.

SOMETHING NEW IN VACATIONS?

A thought struck us on the trip that a business opportunity exists and the opportunity will be more enhancing when the ferries go into operation. A concern could rent campers in Seattle for a one-way trip over the highway. Some of the patrons could

drive north and fly back, others could fly north and drive back. The going charge for a camper in Alaska is $75 per week plus 10 cents per mile with gas paid. Hence a couple could travel the highway, fly back at a total cost of about $400 plus meals which they could cook in the camper, and miscellaneous spending money. Each camper would earn an income each way, the tourists would have enjoyable one-way trips and the cost of this vacation wouldn't be much more than $200 per head which is the cheapest way we know to see the Yukon and Alaska. We would recommend this vacation to anyone who wants to see beautiful scenery and growing frontier cities.

The amazing changes that are taking place on the Alaska Highway are best illustrated by the area around Fort St. John. A few years back this region boasted a few aged buildings, and a large farm on which hung a "For Sale" sign. Today there is a huge oil refinery there, and streets and homes flank the highway for several miles.

HIGHWAY IS LEADING TRADE ARTERY

The Alaska Highway is serving as a principal transportation link between Seattle and Alaska. The only concerns trucking from States to Alaska via Edmonton are freighting concerns which haul new cars directly from Detroit on double-decked trailer vans. So far as we could find out, no food or merchandise is being trucked to Alaska from any supply point other than Seattle. In past years, the Herda Truck Co. operated between the Midwest and Alaska. But this concern is now hauling merchandise for the Odom Co. from Seattle to Anchorage and Fairbanks.

There are probably about 35 trucks operating regularly to Alaska over the highway this summer. Lynden and Herda are the main carriers, but there are a number of auto carriers and some "gyppo" operators on the run. The volume of truck traffic is reduced about one-third under last summer due to the slackening of construction activity in Alaska and a lesser demand for freight service.

The highway presents no special problems for the truckers. For awhile the spring thaw interrupted service since the Canadians put restrictions on the paved areas of the route which forced trucks off the road for up to 2 months or longer. But Henry Jansen, Lynden president, came up with a means of overcoming this problem. He made use of the Pacific Great Eastern Railway facilities between Vancouver and Fort St. John, sending his loaded vans north to a point where the paving ends and there were no serious restrictions. In this manner, he has kept yearround service intact. The trucks have their problems. For instance, immediately after the snow melts on the highway, and graders spread all the nails and pieces of iron which have gathered all winter on the road, a truck will have as many as 31 flat tires on a run north. But, they average only four or five flat tires to a trip, and often make the run without a single flat tire. They are much more prone to have tire troubles than automobiles because of the heavy loads they carry.

COMPETITIVE PRIVATE ENTERPRISE

The truck-trailer rigs operating between Puget Sound and Alaska do so without any form of government subsidy or any income from hauling mail. Expenses are such that a truck's gross income for a round trip must be in the vicinity of $2,700 to break even, and virtually all of this money must come from the trip north since there is little back haul. Lynden has been hauling some war surplus material southward, but the concern bid on this work at very low freight rates just to get the loads.

Two drivers man each truck, one sleeping in a bunk while the other drives. As the truck rolls over the highway, it is earning 16½ cents per mile for the drivers, and they split this. This money, together with subsistence which they earn, brings them $420 for the average round trip. The drivers usually make two round trips per month. The wage scale in Canada for Canadian drivers is only 10 cents per mile. But if Lynden uses Canadian drivers, the union forces the concern to pay American wage scales. At present, Lynden keeps two resident Canadian drivers stationed at Dawson Creek to handle weekly vans sent via the PGE rail route.

MAIL CONTRACT EXPECTED

The Alaska highway trucking business is ruggedly competitive and there is underbidding that is hurting everyone. Nothing would do this service more good than a mail contract which would sustain a high level of efficient, profitable operations on the part of at least one concern. At this writing, the Post Office Department is still considering bids for the trucking of mail between Seattle and Alaska even though the bids were opened several weeks ago. Truckers fear that behind-the-scenes opposition to this move may kill all action. Seattle and Seward longshoremen, as well as shipping interests, have opposed the plan for various reasons. Greatest enthusiasm for truck mail service to Alaska is found in the interior, which would receive real benefits from this plan. It is reported that if the contract is awarded, it will go either to Lynden or Consolidated.

CANADIANS ARE EAGER

There is no doubt that Canadian merchants along the highway are eager to see trucks carrying the Alaska mail. While these operators of roadside establishments appear to be somewhat cold toward "penny-pinching" American tourists, they welcome the trucks with open arms. Each time a truck stops at one of their establishments, it buys from 100 to 140 gallons of fuel or more, unloads two or three tires to be repaired at $5 each, and the drivers go into the cafe to eat. This is a good source of income for the Canadians, and their only regret is that there aren't twice as many American trucks making the run. They inquired eagerly about the mail contract at every place we stopped.

To sum up the Alaska highway, it is in excellent condition this summer. Canadian improvement work has eliminated many of the problems and discomforts encountered by motorists in past years. There are plenty of roadside establishments to take care of travelers' needs. Gasoline reaches a peak price of 55 cents for a Canadian imperial gallon in Canada, and about the same price for an American gallon in Alaska. Meals are not expensive in Canada; in fact they cost less than in Seattle. A couple with their own sleeping and cooking accommodations should be able to make a trip from Seattle to Fairbanks at a cost of about $150 easily. This trip will provide an excellent vacation, but we advise against a round trip yet. When the ferries are operating, then the Alaska highway will offer a real vacation opportunity.

FINANCING OUR SCHOOLS

Mr. GOLDWATER. Mr. President, Mr. Raymond Moley addressed the Governors' conference, Honolulu, June 27, 1961, on the subject of financing our schools. Mr. Moley discussed the issue of teachers' salaries and the availability of teachers. He also discussed the financial needs of our schools. Most importantly, he discussed the controversial issue of control, and whether Federal aid to education means Federal control.

Mr. President, this is one of the best addresses I have read on the subject. Because I know of the interest of my colleagues in this subject, I ask unanimous consent that the address be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FINANCING OUR SCHOOLS

(Statement by Raymond Moley, contributing editor of Newsweek, before Governors' conference, Honolulu, June 27, 1961)

Because of limitations of time I shall limit my remarks to the question of Federal aid for elementary and secondary schools. My text is the bill recommended by the President and passed by the Senate 1 month ago. The plan is now before the House of Representatives. I cannot, in the time allowed, discuss either the National Defense Education Act nor, except for a brief reference, to Federal aid for federally affected areas.

This is the eighth time that the Senate has approved a President's recommendation for general aid to the public schools. But in all previous occasions, despite all the pressures which you know all too well, those proposals have not become law.

I submit that the drive for Federal aid of the kind proposed is rooted not in financial considerations nor educational policy. It is rooted and nourished in politics. Let me explain:

1. The plans proposed for Federal aid reject or omit the difficult and harder-to-sell methods of encouraging the States and local communities to solve their educational problems by ingenious devices to regain some of the tax sources preempted by the Federal Government or by revising State and local systems of taxation. It takes refuge in the well-tenanted confines of the Federal Treasury and relies upon the quick but illusory proposition that the Federal income tax is inexhaustible.

2. The proposal includes States which may need aid along with those which certainly do not need aid. Thus it is a measure to snare votes from the rich States—which are also more populous—to pass it in the House. There could be a harder word to describe this sort of reward for votes.

3. The pressure for Federal aid comes not from the people who are responsible for our schools in the States and the thousands of local communities, nor from the parents directly affected, but from organized pressure groups and lobbies close to the administration and Congress. These groups are in close collaboration with that part of the Federal bureaucracy which stands to gain greater power and prestige.

4. Because the sponsors of the plan reject aid to private schools not on the basis of any claim that they do not need help more than the public schools, not because they are not educating American children, but because so many voters are against any recognition of the religious bodies which are supporting such schools.

5. Because this issue is so attractive a vote bait, or rather a bait for organized groups in presidential elections.

6. Because as the alleged need becomes less, the pressure grows. It is a characteristic of political behavior that as a crisis fades, the efforts to give it importance increase.

7. The press and congressional leaders have gotten into the habit of measuring a President's achievement by a sort of box score. So many recommendations, against so many bills passed. So many times at bat, divided into the hits. There have been Presidents-great—Presidents who have been evaluated by something more than such a sporting chance.

FINANCIAL NEEDS AND WANTS

I wish to congratulate the representatives of the American States for the magnificent, the truly spectacular manner in which provision for public education has been met

in the past decades. And also those thousands of local communities who have regarded the education of their children an end worthy of any sacrifice. They have been raising their taxes year by year to hire more teachers, to pay those teachers more, and to build for their children the best schools in the world. It is a reprehensible smear upon those devoted people to say—as so many are saying—that we have an educational slum with miserable teachers, untrained, undernourished, and incompetent. Also that States and localities lack the capacity to meet legitimate needs.

Between 1929–30 and 1960–61 public school enrollment has risen 40 percent, public school expenditures have risen 611 percent. Even allowing for a shrinkage in the value of the dollar by half, the record is still amazing.

In the 7 years from 1945–46 to 1953–54 revenues available for schools rose $527 million annually. From 1953–54 through 1960–61 they have risen at $945 million annually. In the past 2 years, the amount has exceeded a billion. At that rate our schools can be supported in the decade ahead at a rate which will reach the estimated $25 to $30 billion a year.

The confusion in the many official estimates of classroom shortages needs little elaboration here. It shows that the reports to the Office of Education are a mixture of wants and needs.

In his message on education on February 20, 1961, President Kennedy said: "In order to meet current needs and accommodate increasing enrollments, a total of 600,000 classrooms must be constructed during the next 10 years." That is an average of 60,000 a year. But the States and local communities have been building an average of 70,000 classrooms a year for some years.

The year 1960 saw an alltime record in the volume of school bond approvals, and a record in the percentage of school bond approvals. In the first 4 months of 1961 public educational construction was 16 percent higher than in the same period in 1960. But private construction was 4 percent down. There is nothing to suggest that school construction is declining. But it could decline and still meet the President's estimate of needs.

In fact this lively sale of bonds will care for new construction for some time in the future, for it takes a while before the bond materialized as a completed classroom.

But what about enrollment? The tidal wave of war babies has passed the public school age. In the 1950's the number of children of public school age increased 46 percent. The estimate for the 1960's is 20 percent. The pressure is now on the colleges.

At this point I would like to note that while public school enrollment has increased 42 percent since 1940, private school enrollment has increased 147 percent. This indicates a greater validity for new construction for private than for public schools. Those private schools are educating American children just as are the public schools. I happen to be against Federal aid for all elementary and secondary schools. But I would be blind if I failed to recognize the justice of the charge that the Catholic prelates are making against the Kennedy program on the ground of discrimination.

There are, of course, Federal payments to federally impacted or affected areas—or should I say federally infected areas. This is something less than aid. Technically it is money in lieu of taxes where the Federal Government has taken a lot of property off the tax rolls and at the same time added to the burden of enrollment of the local schools. As a commentary on Federal aid I commend to you that you read a report of the Comptroller General which I have here with me which sharply criticizes some of that expenditure. We get more for our dollar when it is spent in the close vicinity of the people who pay the taxes. I might remind the Federal Government as the steward of this aid that inasmuch as you have been incompetent in the administration of small things, you have some nerve to ask for the stewardship of large things.

I am sure Secretary Flemming will recall that something over a year ago his Department addressed a communication to the States. The report showed that only 237 districts had exhausted their bonding power, were in need of classrooms, and were without access to funds. This is a rather small percentage of the 40,000 districts in the Nation.

Nevertheless, despite the fine record of the States and local communities in meeting their responsibilities, they are—like all of us—human enough to spare their taxpayers as much as they can. Hence the prospect of Federal aid has already tended to lessen their concern about meeting those responsibilities. It may well appear that, if this present plan goes into effect, the schools will be losing as much in State and local support as they will get from Federal largesse.

In fact the bill before the House seeks in a very clumsy way to prevent the States from lessening their contributions to education. It is required in section 106 in the bill that States cannot reduce their State and local expenditures for education; and, in fact they must keep up their full allotment. This they must do whether they need the money or not.

Since the end of the Second World War, State and local revenues have more than tripled while Federal revenues have less than doubled. State and local governments could increase their income at an even faster rate if the Federal Government would stop raiding their tax sources. The best way to help the States would be to reduce Federal expenditures and give the States more of a chance to breathe.

TEACHERS' SALARIES AND TEACHER SUPPLY

I might comment here that I am not unfamiliar with the problems and life of teachers. Before I briefly served in the Federal Government in 1933 and entered the profession of journalism, I had taught in various schools, from an eighth grade district to Columbia, a total of 21 years.

I always felt that the way to increase the compensation of teachers would be to lengthen the school year. The present summer vacation is an anachronism. But school administrators are more concerned with getting more money to spend than to rationalize their school year in line with modern conditions and facilities.

The shadow of the farm boy who had to work in the fields in the summer still lingers over our school routine.

With reference to teachers' salaries and teacher supply, the statistics are irregular, conflicting and confusing. The U.S. Office of Education in 1953 stated that there was a shortage of 72,000 teachers. In 1959 it said the shortage was 195,000. This brought down severe criticism and so the Office of Education omitted any guess at all in 1960. If the alleged shortage is determined by the ratio of pupils and teachers, it would seem to be its ideal to reduce schools to the Hopkins idea of a teacher for every pupil. But over the past 30 years the number of employees in public education (higher and lower) has increased 140 percent. Enrollment increased 45 percent. Between 1953–54 and 1960–61 the number of the instructional staff in the public schools has increased 39 percent. Pupil enrollment has increased 29 percent.

President Kennedy in his message deplored the dreadful number of uncertified teachers. But these have declined sharply in 10 years despite the fact that the standards of certification have been sharply raised.

The earnings of teachers have risen in 30 years from an average of $1,400 to $5,013. In constant dollars their earnings have increased 26 percent, or faster than all other persons working for wages and salaries. They have risen faster than those of Federal employees. In constant dollars their pay has increased in 10 years 40 percent.

Let us face a hard fact, however. The real trouble with teachers' salaries is the increasingly rigid salary schedules which are geared to college credit units and length of service rather than individual merit and performance. This deters many gifted students from entering teaching and it attracts many of lower capacities. We shall never be able to pay all teachers what good teachers are worth. Indeed, a really gifted teacher is not working for pay. She is teaching because she loves to teach. And never by any financial outlay can we get enough of the very best. They don't exist.

A word here about the property tax which Mr. Kennedy, in his campaign for the Presidency, said had reached its maximum possible yield. So long as great fortunes are being made from land speculation, that will never be true. These gains could measurably be kept in the communities which have made them possible by a revision of assessment and taxing policies. It must not be forgotten also that the increase in national wealth upon which this administration is leaning so heavily to pay for its spending program will affect the States and local communities, too.

The most unimaginative of all methods of taxation is to load more on the Federal income tax. And, perhaps, since further Federal spending can be met only by borrowing, it is the easiest for politicians to use without meeting the indignation of taxpayers.

It is the Federal income tax, not the property tax, which has really reached its limit of return. It is already the highest in the world.

I largely limit my consideration of school finances to the foregoing comments. I commend to you on that subject the exhaustive study of Roger Freeman in his really remarkable book, "Taxes for Our Schools." In my judgment, Freeman has made a greater contribution to sanity on this subject of school finances than any other American.

There are alternative ways of providing money for the States and local communities other than Federal grants.

When a bill for Federal aid for schools was before Congress 12 years ago, the amount proposed annually was $300 million. At that time, the amusement tax netted the Federal Government $450 million. I felt strongly that it would be very simple to turn that tax source back to the States and let them use it, if they would, for school support. In the debate in the Senate this year various suggestions were made of that sort, including, as I remember, a proposal to turn back 2 cents on every cigarette package. All such proposals were vigorously voted down. This was further proof to me that the majority was less interested in helping States support their own schools than in getting the Federal foot in the school doors of the Nation.

There is also Governor DiSalle's plan to have the Federal Treasury turn back to each State 5 percent of the federally collected taxes in that State. One advantage of this is that it would bypass the U.S. Office of Education. But, like the plan passed by the Senate, it also relies on the Federal taxing power and thus presents a wonderful opportunity in later years to move from aid to control.

In concluding my comments upon financing the schools, I wish to point out that the States and local governments are collecting this year about $16 billion for their schools. This, according to many reliable estimates, must rise to somewhere between $24 and $30 billion by 1970. The Kennedy plan, as amended in the Senate, would provide $850

million a year. This would leave the States and local communities with from 95 to 97 percent of the burden. It is strange indeed to assume that if the States are assumed to be able to raise that amount, that they cannot raise the additional 3 to 5 percent. They too will benefit revenuewise from the growth and expansion in the economy so ardently and eloquently promised by the present administration. In short the present plan is what I would call tokenism. Not a real assumption of the burden of the schools but a means of setting a precedent and establishing the principle that the Federal Government has a responsibility for the Nation's public schools.

THE ISSUE OF CONTROL

Finally, I come to the issue of Federal control and the good faith of the sponsors and of Congress who have solemnly promised that there will be no Federal control.

While there has been a tremendous effort to establish historical precedents for Federal interests in public education, the issue of the control of the schools, and what should be taught therein, seems to be settled by the language of the various Federal aid bills before Congress in the past 12 years. That at least is an acknowledgment of the principle of State and local control as an established national policy.

I might cite, however, a fairly recent acknowledgment by Congress of the principle. In the enabling acts of Congress from the time of the admission of North Dakota in the 1880's to the admission of Hawaii, certain language in those acts has remained almost identical. I cite a typical expression of that principle:

"The schools, colleges, and universities provided for in this act shall forever remain under the exclusive control of said States, respectively."

This applied to North and South Dakota, Montana, and Washington. Later almost identical language appeared in the acts relating to the admission of Idaho, Wyoming, Utah, Oklahoma, New Mexico, Arizona, Alaska, and Hawaii.

Note the word "forever." I am reminded of the line in the musical comedy, "Gigi," "Forever is shorter than you think."

The sincerity of the pledge in the present bill I have already commented upon. Because in section 106 there is the compulsion on the States to maintain and increase in proportion to the Federal contribution the money spent in the States.

There is also the discrimination against private schools. There is also the confidence expressed by Chairman ADAM CLAYTON POWELL that regardless of the language of the bill, he seems assured that the President would, in the administration of the fund, withhold grants from States which failed to integrate their schools.

I might—if time permitted—offer you quotes in great abundance from educators who have labored diligently for Federal aid, that the control of education should pass from the local boards to the experts. For example Dean McSwain of the School of Education of Northwestern University stated not too long ago that "we have followed all too long the idea that the schools belong to the people. They do not." He also added, "The boards of education have no right to tell us what to do as to the content of curriculums or method of instruction."

We also have the testimony of former Commissioner of Education Brownell, who said: "If Federal aid is to bring about better schools, it seems apparent that there must be some Federal control."

There is also the succinct statement of Max Lerner writing in the NEA Journal: "The choice before us is not a choice between the control of education by local officials and National Government officials; that is not the choice, and don't let anyone tell you that it is. The choice is between control by people who have not given their lives to education and control by people who have given their lives to education."

If time permitted, I might also present in some detail the so-called mission report which was prepared by the Office of Education under the direction of Dr. Homer D. Babbidge, Jr. I have described that report in an article in Newsweek which appeared in the CONGRESSIONAL RECORD on June 14.

I cannot be reconciled to the strange contradiction that the Federal establishments should be responsible for the money exacted from taxpayers and at the same time that it should distribute money over which it has no control.

There can be no doubt in anyone's mind that the National Education Association is seeking control rather than aid. And since there seems to be a continuous game of musical chairs between the NEA and the Office of Education—in the movement to and from official positions—I cannot accept in good faith any assurance from the administration or from Congress.

In conclusion, I wish to address a word directly to the members of this conference—to the elected representatives of sovereign States. And I say this out of a profound conviction which I have held in a long life dedicated to education—to the study and observation of the ways men are governed—and to a consideration of how freemen can be kept free.

This is not an issue that is capable of resolution by a calculation of dollars and cents and the alternative means of getting those dollars and cents for promotion of a public service. It is not on a par at all with sharing the cost of interstate highways, or of rebuilding our cities, or of the relative ownership of mineral resources which mark our boundaries, or of the use and management of the waters that flow from State to State.

It is a matter that cannot be determined by the researches of task forces, or White House conferences, or of intergovernmental commissions. Nor can it be resolved by the capricious moving of votes in Congress from one side to another. It is not a matter which should be at the caprice of parliamentary maneuver.

It is something which goes to the essential differences of two philosophies of life and of the public service. There can be no compromise there although, by the artful ways of legislative drafting, there may be pious declarations of devotion to the concepts embodied in the American Constitution.

The issue is the means by which the minds and consciences of the generations can be enlightened and strengthened through what we call education. Almost everything I have said today has implied there are two concepts as to how that should be done. The one is by the imposition upon our educational system of a great uniformity by a self-constituted elite, far removed from those who receive that education, those who pay for it, and those who under the laws of nature and nature's God, bear the heavy responsibility for the welfare of the Nation's children. An elite which talks about efficiency and which is dedicated to social rather than individual perfection. An elite which would use the powerful instrument of a national ministry to enforce and apply its concepts.

The other is the authority and responsibility of those directly interested. An authority which, because of the vast size of the Nation, exists in many forms and degrees of method and purpose. But a decentralized authority which permits the widest variety of experimentation and ingenuity. It is out of this diversity that genuinely new and enlightened ideas are born and find their way by imitation and borrowing. In this I am delineating the way of free institutions in which those who bear the responsibility learn by trial and error. It is better that a local school board, or a supervisory official, or a teacher may make honest mistakes and rue them, and correct them—than to be the creature, the mere agent, of a vast bureaucracy.

The issue before us is no more nor less than that. Whatever may be the mathematical count of a congressional majority, this issue will remain alive. For as Edmund Burke said: "The government of human beings is something more than a problem in arithmetic." Those who believe, as I do, may lose this battle; and the outcome of the war for freedom of local authority may well rest with generations to come. But we in this time and in this room will be judged by that result.

COMMISSION ON CIVIL RIGHTS

Mr. ELLENDER. Mr. President, I share the views of the distinguished Senator from South Carolina [Mr. THURMOND] in opposition to the appointment of Members to serve on the Commission on Civil Rights.

Last year I sat as a member of the subcommittee of the Committee on Appropriations which provided the funds to permit the Commission to conduct its investigations throughout the country. I was opposed then, as I am today, to the activities and operations of this Commission. To say the least, the members of the Commission then—and I presume now—had their own preconceived ideas of what they would find in the South. This had the effect of making every recommendation of this Commission suspect.

I can see no good for our country in any work the Commission can now do. I hope that when the proposal to extend the Commission comes before the Congress later this year the Congress will disagree to it.

I am satisfied that it is impossible for the Commission to show any good which has come about as a result of the hearings conducted throughout the country by it.

The fact that all members, with few exceptions, had, I repeat, preconceived views, it became impossible to present an unbiased report. The first report made was not based on facts gathered, but on views entertained by the majority of the members before hearings were held.

There is now in the Department of Justice a complete section dealing with all phases pertaining to civil rights. This section is headed by an Assistant Attorney General with 73 employees, including 37 lawyers. Why should we duplicate this work by activities of the Civil Rights Commission? This is something I cannot understand.

The President asked only a few nights ago for advice as to ways and means to trim expenses so that we might strengthen our Armed Forces, while keeping our deficit spending to a minimum.

Mr. President, I suggest that a good way to save some money is to do away with the duplicating, slanted, and volatile activities of this Commission. As I understand it, the Commission spends in excess of $700,000 a year in its efforts to try to dig into affairs and matters which involve purely States rights. As a matter of fact, the expenditures were: fiscal year 1959, $777,000; fiscal year 1960, $780,000; and fiscal year 1961, $888,000.

As I recall, when the Commission was first created in 1957 it was scheduled for 2 years' duration. This was extended another 2 years in 1959. It is required to prepare and submit a final report prior to its expiration on September 9, 1961. For this short period of fiscal year 1962 an appropriation of $302,000 has been requested. But, I fear, like all commissions and agencies, once created there is no end, and this is what proponents of this commission seek.

I am very hopeful, I repeat, that when the time comes for an extension of the life of the Commission, the Congress will deny it.

At its present rate of spending, which has increased each year, this Commission, if allowed to continue, would expend in excess of a million dollars.

This one item of saving could well be applied to our expanded defense program. And the demise of this Commission would go a long way to alleviate the explosive situation created in part by its preconceived reports.

As I have said many times this Commission causes more harm than good and we must look toward a termination of its activities.

THE AGRICULTURAL ACT OF 1961

Mr. HUMPHREY. Mr. President, yesterday I commended the distinguished Senator from Louisiana [Mr. ELLENDER] for his outstanding work in handling the farm bill. I was pleased by its passage. I think it represents a significant advance in agricultural legislaton.

One of the points I attempted to make in my brief discussion of the farm bill was the importance of proper utilization of our surplus foods, or our abundance of food, in terms of our civil defense and in respect to our national security.

I noticed an article in the morning press regarding the committee now operating under the chairmanship of the Under Secretary of Agriculture, Mr. Murphy. I note that plans are now underway to move substantial quantities of wheat to a number of urban centers in the United States and Puerto Rico so as to have some dispersal of these food supplies in case of attack, particularly atomic attack.

Mr. President, I commend Mr. Murphy and his committee for that action.

I also invite attention of the Senate to an article in the Wall Street Journal, July 25, 1961, entitled "Food for War—Distribution of Surplus Wheat to Cities Mulled as Civil Defense Move."

This relates to the action I commented upon, being taken under the direction of Under Secretary Charles Murphy.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOOD FOR WAR: DISTRIBUTION OF SURPLUS WHEAT TO CITIES MULLED AS CIVIL DEFENSE MOVE; UNPUBLICIZED PLAN WOULD EASE FARM BOSS FREEMAN'S GLUT; 6-MONTH STORE PROPOSED; TAKING CARE OF BINGHAMTON

(By Joe Western)

WASHINGTON.—The Kennedy team, about to disclose major new moves to meet the Russian threat over Berlin, is considering one innovation that presents a far from grim prospect for surplus-swamped Federal farm managers.

Drafted by the Agriculture Department, the still-secret scheme proposes a massive relocation of huge quantities of Government-owned wheat to sites in and around 68 population centers to serve as emergency food stockpiles for families surviving a nuclear attack. If the plan appeals to the White House, at least part of it may be included in the broad military-civilian defense step-up that Mr. Kennedy is scheduled to talk about on television tonight and send Congress tomorrow.

Not to be overlooked amid the crisis talk however is the helping hand the food stockpile plan could lend Agriculture Secretary Freeman in coping with the farm surplus. By moving wheat from one storage bin to another, the program would transform an Agriculture Department surplus into a civil defense necessity. According to basic blueprints, some 213 million bushels of wheat, budgeted as a $500 million item, would undergo this transformation. Mr. Freeman personally is known to favor this expanding civil emergency wheat program.

FEEDING BINGHAMTON

To get some idea of the detailed planning now afoot, examine this excerpt on Binghamton, N.Y., from the confidential master document:

"The target area contains a population of about 158,140. This would require about 356,000 bushels of wheat, of which 89,000 bushels would be stored in and 267,000 bushels outside the target area. Binghamton is served by several railroads coming into it from different directions. There are a number of small towns located 5 to 15 miles away from Binghamton and on railroads or surfaced roads which could serve as storage points for the wheat to be stored outside of the target area.

"Some of these are Vestal Point and Maine on Highway 26; Oswego on the Erie Railroad; Chenango Forks on the Delaware, Lackawanna & Western Railroad; Sanitaria Springs on the Delaware & Hudson Railroad; and Conklin on the D.L. & W. Railroad. Our records indicate that none of these have adequate warehouse facilities at the present time; therefore, either bin sites or commercial storage would have to be provided. About 44,000 bushels would be stored at each point. Within the target area there are warehouses with a total capacity of 317,000 bushels. None of these houses are operating under UGS (uniform grain storage) agreements at the present time. Whether one or more would be willing to store the 89,000 bushels needed within the target area is not known."

While cynics are sure to say such plans are just a way of sweeping farm program failures under the rug, proponents earnestly contend the genuine purpose behind the scheme is civil defense. They think that U.S. agricultural riches give this Nation a decided potential advantage over the Soviets and that the United States should make the most of it. Agriculture officials are beginning to explore ways of stockpiling other supplies to insure the availability of food products in the event of nuclear holocaust. The proposals include warehouses of ready-to-eat canned and dried foods for bombed-out city dwellers, silos of corn and other feed grains located strategically for quick shipment to livestock-producing areas and caches of fuel, equipment, and spare machinery parts for farmers cut off from normal supply channels.

BURSTING BINS

At the moment, however, only the wheat plan has been presented to the White House. And one reason for the grain's prominence as a stockpile candidate is the fact that Federal bins are bursting with a mammoth 1.3-billion-bushel wheat surplus. With so much wheat on hand, agricultural officials could hardly be expected to refuse the opportunity to diminish the glut.

"We're focusing on the wheat plan because that can be done now," declares one planner. "We just haven't done much thinking about relocating feed grains, stockpiling fuel and farm implements, making emergency arrangements for electric power, extra manpower, or the packaging and processing of food."

But there are those who insist that more reflection is required. One school of civil defense planners contends that food is not the most urgent stockpile need. This group reasons a Russian strike most probably would be aimed at knocking out industrial targets, leaving food-producing areas largely unscathed but isolated from the cities. Thus, these experts favor stockpiling fuel, equipment, machinery, parts, and possibly transport vehicles in rural regions to enable farmers to maintain the Nation's food supply during a disaster.

Moreover, as an emergency food, inedible raw wheat is far from ideal. Though a barely palatable porridge can be concocted by boiling the wheat, Agriculture Department officials suggest that whole wheat bread, made by grinding and baking the grain, might be more appetizing. But this would present a housewife with the not so simple task of finding a grinder and, if bombed out, an oven.

Nevertheless, the Agriculture Department insists its wheat scheme not only is the quickest and easiest method of storing emergency food but also the least costly. And this is no insignificant consideration to an administration planning billions of dollars of new defense spending.

The way the farm analysts figure it, the conversion of surplus wheat to defense wheat would add only $30 million to the already budgeted cost of storing the wheat. Originally, Department officials had hoped to transfer the entire $500 million value of the stockpiled wheat to the civil defense budget, but this idea was dropped. Now it's contemplated that only the extra $30 million expense will be budgeted as a civil defense item.

If President Kennedy accepts the plan, he'll have to ask Congress for special authority to use the surplus wheat for defense purposes and for an additional appropriation to cover the relocation costs. Quick congressional compliance, Federal officials say, would permit the strategic placement of much of the defense wheat by next January 1. Though the scheme still is regarded as hush-hush, here are its major details:

In all, there are 68 cities with populations of 100,000 or more. "Needs have now been determined for all of the 68 target areas," declares one study. It's figured that 213 million bushels of stockpiled wheat would provide the 94.8 million residents of these cities with a daily average of three-quarters of a pound for 6 months. "It is assumed that wheat would not be the only food item available," says the report, "but it would supply about 1,500 calories (daily) in the first month and 750 calories in the sixth month." Secretary Freeman argued originally that a year's supply should be stockpiled for each person; this larger goal has been shelved but could be revived later.

SHIPPING PRIORITIES

Already 33.8 million bushels are rated as positioned properly to serve a civil defense need, so the Government's chore would be to relocate about 179.2 million bushels. Priority would be given to heavily populated California and in east coast States from Maine to Virginia, where very little wheat is now stored. It is estimated 86 million bushels are needed to bring those regions up to defense requirements.

To reduce the initial budget impact, the Agriculture Department has split its plan

in two—offering President Kennedy the alternative of asking Congress for an immediate appropriation of only $13.5 million to finance the wheat stockpile plan for California and the Maine-to-Virginia areas. Additional money would be requested later to include interior cities in the program. Moreover, the Department suggests the President might shave the expense further by asking the States to chip in.

Under present planning, one-quarter of a city's defense wheat would be stored inside the city, with the balance on the periphery not more than 20 miles from city limits. "The one-fourth inside the target area would recognize the possibility that the city might not be struck with a weapon and some stocks within the city would be necessary," a report explains. "Location of the peripheral supply would take into consideration accessibility to people within the target area, availability of railroads, all-weather roads, flour mills and feed mills."

SUPPLYING NEW YORK

While the Binghamton study examines a tidy, small-scale logistical problem, giant New York City would require 31.8 million bushels for a 6-month supply. Large wheat stocks presently stored near the Nation's largest metropolis bring it within 17.4 million bushels of civil defense standards. But, much of the wheat already in the New York area would have to be moved to more convenient sites.

In California, the Los Angeles-Long Beach area presents a different problem. Only 255,000 bushels of wheat now are stored in the area; planners estimate 14.6 million bushels are needed to meet civil defense requirements.

Similarly, in populous Ohio no wheat is stored near any of the State's 13 largest cities, and experts figure 13.3 million bushels would be needed as an emergency supply. In Illinois, Chicago now lacks wheat and would need 12.3 million bushels.

On the other hand, tremendous wheat supplies now rest in such grain centers as Topeka, Wichita, Denver, Fort Worth, Amarillo, Oklahoma City, Minneapolis, Kansas City, Omaha, and Buffalo. But in most cases the storage bins aren't where the civil defense planners would like them to be, so a massive relocation job would be required.

RESISTANCE TO CONTAMINATION

As another argument for stockpiling wheat, Agriculture Department officials claim it not only can be stored for long periods but is highly resistant to contamination from radioactive fallout. "We think a lot of the wheat still would be safe food even if many persons living nearby died as a result of fallout," says one expert.

Recognizing that ready-to-eat foods probably would be the best way to feed a disaster-stricken nation, Agriculture Department officials are beginning to explore the possibility of stockpiling canned and dried foods. But major problems loom. For one thing, canned and dried foods tend to deteriorate in extended storage. For another, the cost to Uncle Sam of stockpiling sufficient quantities, and rotating them for freshness, could be staggering.

One official suggests this possibility: "Maybe we could talk wholesalers into keeping specific amounts of foods in their warehouses, and in their normal operations they would keep rotating the stocks in and out of inventory to keep them fresh."

Also being contemplated is the stockpiling of feed grains near livestock-producing areas. The need is regarded as most acute on the east and west coasts, which get their grain from the interior. But any feed grain program would have seasonal factors to take into account. "It depends on when an attack might be made," says an official. In summer, livestock herds might be able to subsist on existing pastures; in winter, northern herds might starve without emergency feed grain supplies.

Mr. HUMPHREY. It appears to me that we should make better use of the food supplies rather than gathering them up into congested areas of concentrated storage. The supplies ought to be dispersed. The storage ought to be over a wide area of the Nation. I commend the Department on its initiative, and I urge that this action be taken with dispatch.

I wish also to call to the attention of the Senate, along with the agricultural matter, a United Press International dispatch entitled "Food Takes 20 Percent of U.S. Income, 56 Percent in Soviet."

In other words, we find ourselves not only with the abundance of food and fiber that we speak of, but we also find that the American consumer pays a relatively small percentage of his income for food in comparison with what consumers in other countries pay. Again this fact represents some of the strength of our country. The food supply represents some of the strength of our country, and surely the fact that our families can have a good diet at a lower percentage of their income than any other families in the world I think is a great tribute to the productivity of American agriculture and our economic system.

I ask that the article to which I have referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOOD TAKES 20 PERCENT OF U.S. INCOME, 56 PERCENT IN SOVIET

Agriculture Secretary Freeman said yesterday the average American consumer pays a relatively small percentage of his income for food when compared with consumers in other countries.

Freeman said the typical U.S. citizen spends less than 20 percent of his income for food while the comparable figure in the Soviet Union is 56 percent.

He said that in West Germany about 45 percent of each person's income went for food while in Japan the figure was around 42 percent and in France about 40 percent.

"In other words," Freeman said in a copyrighted interview in U.S. News & World Report, "the average U.S. consumer spends only about half as much of his income on food as do workers in other countries."

IMPROPER MAINTENANCE OF AIRCRAFT

Mr. HUMPHREY. Mr. President, I invite the attention of Senators to an article published in the Evening Star, in which every Senator ought to be interested, since many of us travel extensively by air. Air transportation is, of course, a vital segment of the entire transportation network of the Nation and, indeed, the world.

The article states:

FAA FINES SEVEN AIRLINES $16,500

The Federal Aviation Agency has fined seven airlines a total of $16,500 in recent weeks, largely for improper maintenance of aircraft.

I was pleased, in a sense, to see the article. I ask unanimous consent that the article be printed in its full context at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FAA FINES SEVEN AIRLINES $16,500

The Federal Aviation Agency has fined seven airlines a total of $16,500 in recent weeks, largely for improper maintenance of aircraft.

The heaviest penalty, $8,900, was paid by National, of Miami, in connection with a number of flights on its system by planes not considered in airworthy condition or not given proper postmaintenance clearance.

Pan American World Airways paid $3,000. The violations involved improper maintenance of some of its jets, including one that was forced to return to San Francisco an hour after takeoff June 1960 because of loss of oil in one engine.

Wien Alaska Airlines, Fairbanks, paid $2,000 for failing to provide technical data or specifications for FAA approval and other matters.

Frontier Airlines, Denver, was penalized $1,000 in connection with two reports of improper maintenance last year and for employment of a repairman when he was not an authorized aircraft mechanic.

United Air Lines, Chicago, paid a $300 fine for operating from San Francisco to Denver last September 7 with a DC–7 in which a toolbox had been left in the tail-heater compartment. United also paid an $800 fine levied on Capital Airlines, which has merged with United, for faulty maintenance on a DC–6B on May 2, 1960.

Trans-Texas Airways was fined $500 for operating a DC–3 from Dallas to Houston July 21, 1960, without repair of a hydraulic-fluid leak detected at Dallas.

Mr. HUMPHREY. I was, in a sense, pleased to see the article. I was also aggrieved. I was pleased to see that the FAA had taken some disciplinary action. But, as a citizen and as a Senator and as one who utilizes this mode of transportation often for myself and my family, I am very sorry to note, that there has been such a low quality of maintenance on aircraft. The article states only a token expression of some of the problems. The airlines have a responsibility for safety second to none. When we read that airplanes have violated the rules contained in the rule book of the Federal Aviation Agency, that they have taken off with hydraulic systems out of order, with faulty engines, and with tools back in the tail of the plane, in the mechanism that controls the flight of the plane, I say that something needs to be done about it.

I commend the Commissioner, Mr. Halaby, for the action which he has taken. But I wish to tell him that a tap on the wrist is not enough when the violation is something that can take human lives and cause severe and very heavy property damage.

The instances to which I have called the attention of the Senate are only a few of many such instances. I had no intention to mention them except to say that it is commonly known that there are too many infractions of the rules of the Federal Aviation Agency in terms of maintenance and safety. The aviation industry of this country will not like what I am saying this morning, but I say to them that their maintenance is a public responsibility and not a private privilege. It is a public responsibility to the safety of the American people.

I urge upon the FAA the most strict enforcement of the rules and regulations. If we have such enforcement, we shall not have some of the trouble that we have gone through in recent days.

A goodly number of the accidents that have taken place have been due to faulty maintenance and improper regard for the rules and regulations that have been established for safe transportation. I call upon the appropriate committees of Congress to examine a little more into the problem.

At long last we have radar on our planes. Radar should have been placed on all planes years ago. The only reason it was not done was that to have done so would have been expensive. What is more valuable than the life of a person? What is more valuable, when millions of people travel by air every year, than to know that, insofar as it is humanly possible to know, the planes that are in the air are operated in accordance with the rules and regulations. However, when we find an instance in which a toolbox was left in the tail heater compartment, which could cause a fire, and when, for example, we find that a faulty hydraulic system only recently caused an accident in a DC-8 jet plane—and the fact was known that the hydraulic system was broken before the plane took off—and finally that the FAA catches up with the airlines, I say that that kind of negligence cannot be tolerated. I commend the Federal Aviation Agency for doing something about it.

I thank the Senator from New York. I know he is keenly interested in these problems, as we all are, and I am hopeful that word will get out that we want better performance.

DEPARTMENT OF INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1962—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6345) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1962, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. METCALF in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HAYDEN. Mr. President, as this bill passed the Senate it provided for appropriations totaling $813,399,850 for the agencies and bureaus of the Department of the Interior, exclusive of the Bureau of Reclamation and power marketing agencies, and the various related agencies, including the U.S. Forest Service.

The conference committee bill provides for the appropriations totaling $779,158,650 for the programs and activities of these agencies. This total is under the budget estimates of $782,387,000 by $3,228,350; over the House bill of $753,319,000 by $25,839,650; and under the Senate bill of $813,399,850 by $34,241,200.

I ask unanimous consent to have included in the RECORD a tabulation setting out the appropriation for the current year, the budget estimate, the House allowance, the Senate allowance, and the conference allowance for each appropriation in the bill.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Department of the Interior and related agencies appropriation bill, fiscal year 1962

Appropriation title	Appropriation, fiscal year 1961 (1)	Budget estimate, 1962 (2)	House allowance (3)	Senate allowance (4)	Conference allowance (5)
TITLE I—DEPARTMENT OF THE INTERIOR					
PUBLIC LAND MANAGEMENT					
BUREAU OF LAND MANAGEMENT					
Management of lands and resources	[1] $32,071,000	[2] $33,000,000	$32,400,000	$34,644,000	$32,500,000
Construction	350,000	[3] 1,050,000	850,000	850,000	850,000
Oregon and California grant lands (indefinite appropriation of receipts)	(8,000,000)	(9,200,000)	(9,200,000)	(9,200,000)	(9,200,000)
Range improvements (indefinite appropriation of receipts)	(863,000)	(917,000)	(917,000)	(917,000)	(917,000)
Total, Bureau of Land Management	32,421,000	34,050,000	33,250,000	35,494,000	33,350,000
BUREAU OF INDIAN AFFAIRS					
Education and welfare services	[4] 66,441,000	71,521,000	71,000,000	71,500,000	71,000,000
Resources management	[5] 24,861,000	[6] 29,227,000	29,000,000	29,275,000	29,075,000
Colorado River Indian Reservation benefits, Southern and Northern Reserves (indefinite appropriation of receipts)	(180,000)				
Construction	[7] 16,265,000	[8] 39,561,000	35,000,000	42,083,000	39,561,000
Road construction (liquidation of contract authorization)	14,500,000	17,000,000	16,000,000	17,000,000	16,000,000
General administrative expenses	3,967,000	3,972,000	3,967,000	3,967,000	3,967,000
Liquidation of Klamath and Menominee Agencies	152,000	31,000	31,000	31,000	31,000
Total, Bureau of Indian Affairs, exclusive of tribal funds	126,186,000	161,312,000	154,998,000	163,856,000	159,634,000
Tribal funds (not included in totals of this tabulation)	[9] (3,500,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)
NATIONAL PARK SERVICE					
Management and protection	[10] 20,509,000	[11] 22,790,000	21,690,000	22,786,500	21,786,500
Maintenance and rehabilitation of physical facilities	[12] 15,800,000	18,238,000	17,500,000	18,238,000	17,869,000
Construction	[13] 21,528,000	[14] 38,997,000	34,000,000	39,882,500	34,476,000
Construction (liquidation of contract authorization)	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
General administrative expenses	1,581,000	1,583,000	1,581,000	1,581,000	1,581,000
Total, National Park Service	89,418,000	111,608,000	104,771,000	112,488,000	105,712,500
OFFICE OF TERRITORIES					
Administration of territories	[15] 3,321,000	[16] 5,834,000	5,834,000	5,834,000	5,834,000
Trust Territory of the Pacific Islands	[17] 5,925,000	6,104,000	6,104,000	6,104,000	6,104,000
Alaska public works	([18])	([18])	([18])	([18])	([18])
Total, Office of Territories	9,246,000	11,938,000	11,938,000	11,938,000	11,938,000
Total, public land management	257,271,000	318,908,000	304,957,000	323,776,000	310,634,500
MINERAL RESOURCES					
GEOLOGICAL SURVEY					
Surveys, investigations, and research	[19] 45,956,000	50,165,000	49,500,000	50,200,000	49,720,000

See footnotes at end of table.

Department of the Interior and related agencies appropriation bill, fiscal year 1962—Continued

Appropriation title	Appropriation, fiscal year 1961 (1)	Budget estimate, 1962 (2)	House allowance (3)	Senate allowance (4)	Conference allowance (5)
TITLE I—DEPARTMENT OF THE INTERIOR—Continued					
BUREAU OF MINES					
Conservation and development of mineral resources	$23,019,000	[20] $24,963,000	$24,800,000	$25,100,000	$24,800,000
Health and safety	7,107,000	7,220,000	7,200,000	7,200,000	7,200,000
Construction	2,185,000	920,000	750,000	920,000	835,000
General administrative expenses	1,290,000	1,292,000	1,290,000	1,290,000	1,290,000
Development and operation of helium properties (borrowing authorization)		(15,000,000)	(10,000,000)	(10,000,000)	(10,000,000)
Total, Bureau of Mines	33,601,000	34,395,000	34,040,000	34,510,000	34,125,000
OFFICE OF COAL RESEARCH					
Salaries and expenses	[20a] 1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
OFFICE OF MINERALS EXPLORATION					
Salaries and expenses	550,000	1,100,000	750,000	750,000	750,000
OFFICE OF OIL AND GAS					
Salaries and expenses	512,000	531,000	531,000	531,000	531,000
Total, mineral resources	81,619,000	87,191,000	85,821,000	86,991,000	86,126,000
FISH AND WILDLIFE SERVICE					
OFFICE OF THE COMMISSIONER OF FISH AND WILDLIFE					
Salaries and expenses	364,000	364,000	364,000	364,000	364,000
BUREAU OF COMMERCIAL FISHERIES					
Management and investigation of resources	[21] 7,926,000	[22] 11,796,000	11,700,000	12,225,000	12,150,000
Management and investigations of resources (special foreign currency program)		1,000,000	300,000	300,000	300,000
Construction	2,400,000	[23] 7,561,000	7,561,000	7,561,000	7,561,000
Construction of fishing vessels	[24] 750,000	1,000,000	750,000	750,000	750,000
General administrative expenses	385,000	482,000	482,000	482,000	482,000
Administration of Pribilof Islands	[25] 29,000				
Administration of Pribilof Islands (indefinite appropriation of receipts)	(2,070,000)	(1,981,000)	(1,981,000)	(1,981,000)	(1,981,000)
Limitation on administrative expenses, fisheries loan fund	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Total, Bureau of Commercial Fisheries	11,490,000	21,839,000	20,793,000	21,318,000	21,243,000
BUREAU OF SPORT FISHERIES AND WILDLIFE					
Management and investigations of resources	[26] 19,308,000	23,200,000	23,000,000	23,972,000	23,315,650
Construction	[27] 5,135,000	4,067,000	3,770,000	5,350,650	5,257,500
General administrative expenses	1,016,000	1,071,000	1,016,000	1,071,000	1,071,000
Total, Bureau of Sport Fisheries and Wildlife	25,459,000	28,338,000	27,786,000	30,393,650	29,644,150
Total, Fish and Wildlife Service	37,313,000	50,541,000	48,943,000	52,075,650	51,251,150
OFFICE OF SALINE WATER					
Salaries and expenses	[28] 1,755,000	1,755,000	1,755,000	1,755,000	1,755,000
Construction, operation, and maintenance	2,040,000	4,800,000	4,550,000	4,685,000	4,550,000
Total, Office of Saline Water	3,795,000	6,555,000	6,305,000	6,440,000	6,305,000
OFFICE OF THE SOLICITOR					
Salaries and expenses	3,475,000	3,547,000	3,492,000	3,492,000	3,492,000
OFFICE OF THE SECRETARY					
Salaries and expenses	2,898,000	[29] 3,226,000	3,125,000	3,185,000	3,185,000
Total, definite appropriations	386,371,000	469,968,000	452,643,000	475,959,650	460,993,650
Total, indefinite appropriations of receipts	11,113,000	12,098,000	12,098,000	12,098,000	12,098,000
Total, borrowing authorizations		15,000,000	10,000,000	10,000,000	10,000,000
Total, title I, Department of the Interior	397,484,000	497,066,000	474,741,000	498,057,650	483,091,650
TITLE II—RELATED AGENCIES					
DEPARTMENT OF AGRICULTURE					
FOREST SERVICE					
Forest protection and utilization:					
Forest land management	[30] 128,489,700	[31] 118,517,000	118,000,000	139,200,200	128,000,000
Forest research	[32] 18,778,000	[33] 23,278,000	22,978,000	27,613,000	26,368,000
State and private forestry cooperation	12,408,800	[34] 16,009,000	15,800,000	15,800,000	15,800,000
Total, forest protection and utilization	159,676,500	157,804,000	156,478,000	182,613,200	170,168,000
Forest roads and trails (liquidation of contract authorization)	30,000,000	[35] 38,000,000	35,000,000	35,000,000	35,000,000
Access roads	1,000,000	1,000,000	1,000,000	4,000,000	2,000,000
Acquisition of lands for national forests:					
Superior National Forest	750,000	250,000	250,000	250,000	250,000
Special acts (indefinite appropriation of receipts)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Acquisition of lands, Klamath Indians	[36] 68,717,000				
Cooperative range improvements (indefinite appropriation of receipts)	(700,000)	(700,000)	(700,000)	(700,000)	(700,000)
Assistance to States for tree planting		[37] 1,000,000	1,000,000	1,000,000	1,000,000
Total, definite appropriations	260,143,500	198,054,000	193,728,000	222,863,200	208,418,000
Total, indefinite appropriations	710,000	710,000	710,000	710,000	710,000
Total, Forest Service, Department of Agriculture	260,853,500	198,764,000	194,438,000	233,573,200	209,128,000
FEDERAL COAL MINE SAFETY BOARD OF REVIEW					
Salaries and expenses	70,000	70,000	70,000	70,000	70,000
COMMISSION OF FINE ARTS					
Salaries and expenses	[38] 69,000	70,000	70,000	70,000	70,000

See footnotes at end of table.

Department of the Interior and related agencies appropriation bill, fiscal year 1962—Continued

Appropriation title	Appropriation, fiscal year 1961 (1)	Budget estimate, 1962 (2)	House allowance (3)	Senate allowance (4)	Conference allowance (5)
TITLE II—RELATED AGENCIES—Continued					
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE					
PUBLIC HEALTH SERVICE					
Indian health activities	$50,271,000	$52,430,000	$52,430,000	$54,590,000	$53,010,000
Construction of Indian health facilities	9,714,000	6,616,000	6,616,000	9,285,000	8,285,000
Total, Public Health Service	[1] 59,985,000	59,046,000	59,046,000	63,875,000	61,295,000
INDIAN CLAIMS COMMISSION					
Salaries and expenses	205,800	280,000	280,000	280,000	280,000
NATIONAL CAPITAL PLANNING COMMISSION					
Salaries and expenses	435,000	573,000	525,000	525,000	525,000
Land acquisition, National Capital park, parkway, and playground system	250,000	1,400,000	200,000	2,700,000	500,000
Total, National Capital Planning Commission	685,000	1,973,000	725,000	3,225,000	1,025,000
NATIONAL CAPITAL TRANSPORTATION AGENCY					
Salaries and expenses	[40] 250,000	975,000	650,000	925,000	875,000
OUTDOOR RECREATION RESOURCES REVIEW COMMISSION					
Salaries and expenses	950,000	550,000	550,000	550,000	550,000
SMITHSONIAN INSTITUTION					
Salaries and expenses	8,114,000	9,275,000	9,125,000	9,125,000	9,125,000
Additions to the Natural History Building	13,500,000	[41] 4,336,000	4,336,000	4,336,000	4,336,000
Remodeling of Civil Service Commission Building		400,000	400,000	400,000	400,000
Salaries and expenses, National Gallery of Art	1,920,000	1,932,000	1,932,000	1,932,000	1,932,000
Total, Smithsonian Institution	23,534,000	15,943,000	15,793,000	15,793,000	15,793,000
TRANSITIONAL GRANTS TO ALASKA					
Grants	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
CIVIL WAR CENTENNIAL COMMISSION					
Expenses	[42] 103,750	100,000	75,000	100,000	100,000
ALASKA INTERNATIONAL RAIL AND HIGHWAY COMMISSION					
Salaries and expenses	[43] 7,650				
JAMES MADISON MEMORIAL COMMISSION					
Expenses	[44] 10,000				
Total, definite appropriations	352,013,700	283,061,000	276,987,000	313,751,200	294,476,000
Total, indefinite appropriations	710,000	710,000	710,000	710,000	710,000
Total, title II, related agencies	352,723,700	283,771,000	277,697,000	314,461,200	295,186,000
TITLE III—VIRGIN ISLANDS CORPORATION					
Contributions	691,000	669,000	[45]	[45]	[45]
Revolving fund	2,538,000	881,000	881,000	881,000	881,000
Loans to operating fund (borrowing authority)	(1,100,000)				
Limitation of administrative expenses, Virgin Islands Corporation	(172,000)	(180,000)	(180,000)	(180,000)	(180,000)
Total, definite appropriations	3,229,000	1,550,000	881,000	881,000	881,000
Total, borrowing authorization	1,100,000				
Total, title III, Virgin Islands Corporation	4,329,000	1,550,000	881,000	881,000	881,000
Grand total:					
Definite appropriations	741,613,700	754,579,000	730,511,000	700,591,850	756,350,650
Indefinite appropriation of receipts	11,823,000	12,808,000	12,808,000	12,808,000	12,808,000
Borrowing authorizations	1,100,000	15,000,000	10,000,000	10,000,000	10,000,000
Total	754,536,700	782,387,000	753,319,000	813,399,850	779,158,650

[1] Includes $1,425,000 in Second Supplemental Appropriation Act, 1961, and $3,700,000 forest fire deficiency in Third Supplemental Appropriation Act, 1961.
[2] Includes budget amendment increase of $2,658,000 in H. Doc. No. 113.
[3] Includes budget amendment increase of $300,000 in H. Doc. No. 113.
[4] Includes $1,000,000 in Third Supplemental Appropriation Act, 1961, for welfare services.
[5] Includes $940,000 forest fire deficiency and $131,000 for Gila River Indians in Third Supplemental Appropriation Act.
[6] Includes budget amendment increase of $1,136,000 in H. Doc. No. 113.
[7] Includes $2,050,000 in Second Supplemental Appropriation Act, 1961.
[8] Includes budget amendment increase of $20,000,000 in H. Doc. No. 113.
[9] Includes $500,000 in Supplemental Appropriation Act, 1961.
[10] Includes $1,125,000 forest fire deficiency in Third Supplemental Appropriation Act, 1961.
[11] Includes budget amendment increase of $1,000,000 in H. Doc. No. 113.
[12] Includes $129,000 for emergency repairs in Third Supplemental Appropriation Act, 1961.
[13] Includes $2,953,000 in Supplemental Appropriation Act, 1961; $275,000 in Second Supplemental Appropriation Act, 1961; and $300,000 for emergency repairs in Third Supplemental Appropriation Act, 1961.
[14] Includes budget amendment increase of $10,000,000 in H. Doc. No. 113.
[15] Includes $465,000 for American Samoa in Third Supplemental Appropriation Act, 1961.
[16] Reflects budget amendment decrease of $565,000 in H. Doc. No. 113.
[17] Includes $400,000 in Supplemental Appropriation Act, 1961, and $224,000 for aircraft overhaul in Third Supplemental Appropriation Act, 1961.
[18] 1961 act continues available $300,000 of prior appropriations for administrative expenses; budget estimate and committee bill provide $108,000 for fiscal year 1962.
[19] Includes $300,000 in Second Supplemental Appropriation Act, 1961.
[20] Includes budget amendment increase of $1,000,000 in H. Doc. No. 113.
[20a] Included in Second Supplemental Appropriation Act, 1961.
[21] Includes $100,000 in Second Supplemental Appropriation Act, 1961, and $1,000,000 for salmon research in Third Supplemental Appropriation Act, 1961.
[22] Reflects transfer in the estimates of $1,915,000 from "Operation and maintenance, general," Corps of Engineers, for the Columbia River fishery facilities and includes budget amendment increase of $2,500,000 in H. Doc. 113.
[23] Reflects transfer in the estimates of $1,431,000 from "Construction, general," Corps of Engineers for Columbia River fishery facilities.
[24] Included in Second Supplemental Appropriation Act, 1961.
[25] Included in Third Supplemental Appropriation Act, 1961.
[26] Includes $55,000 for fire suppression and storm damage in Third Supplemental Appropriation Act, 1961.
[27] Includes $250,000 in Second Supplemental Appropriation Act, 1961, and $350,000 in Third Supplemental Appropriation Act, 1961, including $200,000 for emergency repairs.
[28] Includes $400,000 in Second Supplemental Appropriation Act, 1961.
[29] Includes budget amendment increase of $325,000 in H. Doc. No. 113.
[30] Includes $750,000 in Second Supplemental Appropriation Act, 1961, and $31,500,000 forest fire deficiency in Third Supplemental Appropriation Act, 1961.
[31] Includes budget amendment increase of $13,000,000 in H. Doc. No. 112.
[32] Includes $500,000 in Second Supplemental Appropriation Act, 1961.
[33] Includes budget amendment increase of $3,000,000 in H. Doc. No. 112.
[34] Includes budget amendment increase of $2,000,000 in H. Doc. No. 112.
[35] Includes budget amendment increase of $3,000,000 in H. Doc. No. 112.
[36] Included in Third Supplemental Appropriation Act, 1961.
[37] Includes budget amendment increase of $1,000,000 in H. Doc. No. 112.
[38] Includes $26,700 in Supplemental Appropriation Act, 1961.
[39] Appropriated in the Department of Labor and Health, Education, and Welfare Appropriation Act, 1961.
[40] Appropriated in Second Supplemental Appropriation Act, 1961.
[41] Reflects budget amendment decrease of $974,000 in H. Doc. No. 120.
[42] Includes $3,750 in Second Supplemental Appropriation Act, 1961.
[43] Appropriated in Third Supplemental Appropriation Act, 1961.
[44] Appropriated in Second Supplemental Appropriation Act, 1961.
[45] To be derived by transfer from internal revenue collections appropriated to the Virgin Islands government.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. HAYDEN. I yield.

Mr. HOLLAND. Can the Senator from Arizona advise me what happened to the $450,000 appropriation for the acquisition of land in the Everglades National Park, which would be the first funds the Federal Government has ever spent in the acquisition of such land, and which was a budgeted item?

Mr. HAYDEN. The House conferees were adamant. They would not agree to the Senate action. They insisted that the Government has too much land in the Everglades National Park now. They do not want to acquire any more.

Mr. HOLLAND. I cannot understand that attitude. It is not fair to the State of Florida, which has contributed some 850,000 acres and has spent $2 million for the acquisition of land. The Federal Government committed itself to the purchase of this other land, after cutting down the original authorization. The owners of the land were not able to dispose of their land, and they would indeed be aggrieved if the Federal Government did not go through with the completion of the project. I deeply regret to hear of that attitude.

Mr. HAYDEN. It was pointed out by the Senate conferees that the State of Florida has done more than its share, and that it was equitable to do what the Senate had done. However, the House conferees would not go along.

Mr. HOLLAND. I regret to hear that. I am sure the conferees on the part of the Senate did everything within their power in this regard. I thank the Senator for his help.

Mr. KUCHEL. Mr. President, I understand that the Senator from Maryland [Mr. BEALL] desired to be heard on this issue. I therefore suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, I should like to ask the distinguished Senator from Arizona with respect to the George Washington Memorial Parkway. It is my understanding that the conferees agreed to cut out the $2,700,000 which was asked for by the Senate, but that they compromised and agreed to appropriate $500,000 for the purchase of land for the George Washington Memorial Parkway. Is that correct?

Mr. HAYDEN. Yes. The statement in the conference report reads:

The funds provided are to be matched by an equal amount by the Prince Georges Board of County Commissioners, and are solely for the purpose of extending existing Federal holdings in the area to preserve certain portions of the Potomac River shoreline and to provide additional parkland. The conferees are in agreement that the subject land purchases shall not be considered to constitute rights-of-way for present or future construction of an extension of the George Washington Memorial Parkway (highway) in Prince Georges County, Md., and have included language in the bill prohibiting the use of funds for this purpose. Language has also been included in the bill providing that none of the funds shall be available for acquiring without the consent of the owner any improved property which shall be defined to mean a detached, one-family dwelling together with at least 3 acres of the land on which the dwelling is situated, or all of such lesser amount as may be held in same ownership as the dwelling.

The National Capital Planning Commission can purchase certain tracts of land as set forth in the amendment.

Mr. BEALL. This will keep the project alive. It will be possible to proceed with the project, but the appropriation has been reduced.

Mr. HAYDEN. It does provide for the acquisition of certain shoreline property.

Mr. BEALL. With the view that the Memorial Parkway can be built in the future.

Mr. HAYDEN. If Congress approves.

Mr. BEALL. Yes, if Congress approves in the future.

Mr. HAYDEN. This particular money cannot be used for that purpose.

Mr. BEALL. But it can be used for the purchase of land for the parkway. Is that correct?

Mr. HAYDEN. That is correct.

Mr. BEALL. I certainly hope that Congress will, in the future, recognize the desirability and need for this parkway and appropriate the necessary funds.

The PRESIDING OFFICER. The question is on agreeing to the conference report. Without objection, the conference report is agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 6345, which was read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 30 to the bill (H.R. 6345) entitled "An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1962, and for other purposes," and concur therein with an amendment, as follows:

In lieu of the matter stricken out and inserted by said amendment, insert the following: "$500,000 which shall be available for the purpose of section 1(a) of said Act of May 29, 1930, for the purchase of approximately 416 acres of parkland in Prince Georges County, Maryland, consisting of the Fort Foote extension to the Smoot Bay area; the Harmony Hall historic area between the Indian Queen Estates and Broadwater Estates subdivisions; and the extension of Fort Washington to Swan Creek: *Provided*, That none of the funds shall be available for acquiring without the consent of the owner any improved property which shall be defined to mean a detached, one-family dwelling together with at least three acres of the land on which the dwelling is situated, or all of such lesser amount as may be held in same ownership as the dwelling: *Provided further*, That none of the funds provided under the National Park Service item 'Construction (liquidation of contract authorization)' shall be expended for planning or construction of the extension of the George Washington Memorial Parkway in Prince Georges County, Maryland."

Mr. HAYDEN. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 30.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

Mr. BYRD of West Virginia. Mr. President, the conference report on the bill making appropriations for the Department of the Interior and related agencies contains items which will be particularly beneficial to West Virginia. One such item is an appropriation for $450,000 for the location of a forest products marketing center and the creation of an experimental forest in southern West Virginia. This kind of a center can contribute substantially to the solution of problems of low incomes and unemployment in my State and adjoining areas of the Appalachians. The forests of West Virginia have the potential to provide more jobs and raw materials for local wood-using industries. But effective action to improve forest management and use of timber will be required to realize these potentials. A major research program is needed. Timber marketing and utilization research can help materially in expending employment opportunities and in improving the local economy in these mountain areas where problems of unemployment are particularly critical.

In February of this year, I suggested to the U.S. Forest Service that such a facility be located in southern West Virginia. With officials of the Forest Service I visted several southern counties to further explore the advantages of such a project in the area. The Forest Service recognized the necessity for utilization of the low grade hardwood stands which are common to the State and surrounding areas in the eastern region of the United States, and a decision was made to push the project. After the Service had determined the location for such a facility, the Senate adopted my amendment to provide the moneys needed to initiate the development of the facility. I am pleased that the House has concurred in the action of the Senate.

Another item of importance to West Virginia is the appropriation of $70,000 for Bowden Springs National Fish Hatchery. My esteemed colleague, Senator JENNINGS RANDOLPH, was greatly interested in this item. It was vitally needed to protect the hatchery facilities presently endangered by backflooding from the Shavers Fork area. I offered an amendment in committee to provide $200,000 for completion of the facilities, but the Committee on Appropriations accepted the lower figure of $70,000.

Last year, I offered an amendment in committee to appropriate $225,000 for Harpers Ferry National Monument. This money was to be used for the purchase of Storer College buildings and grounds, and some adjacent parcels of property. The Senate accepted this amendment, but it was killed in conference. This year, the item was in the regular budget, and I am happy to say

that it has now been approved by both houses.

An amendment which I submitted in committee this year, and which was rejected by the committee, was for an appropriation of $200,000 for expansion of the Forest Research Laboratory at Parsons. The work of this laboratory is vital to the health and good growth of West Virginia timber stands. I shall continue my efforts to have money for this facility included in next year's appropriations.

COMMISSION ON CIVIL RIGHTS

The Senate resumed the consideration of sundry nominations in the Commission on Civil Rights.

Mr. KEATING obtained the floor.

Mr. MORSE. Mr. President, will the Senator yield for a brief comment on the nominations? I know that the Senator from New York is to speak on them.

Mr. KEATING. I yield for a brief comment by the Senator from Oregon, with the understanding that I do not lose my right to the floor.

Mr. MORSE. I wish to cooperate with the Senator. I want to reinforce his position.

Mr. KEATING. Yes; I am aware of the position of the Senator from Oregon.

Mr. MORSE. I rise to extend congratulations this morning in connection with the nominations before the Senate.

First, I congratulate the President for the nominations. Second, I congratulate the Civil Rights Commission for the great work I think it has been doing in behalf of furthering the cause of first-class citizenship for all Americans irrespective of their race, color, or creed. We have before us the nomination of one of the great lawyers of our day, the dean of Harvard Law School, Mr. Griswold. I think the President is deserving of congratulations and high commendation for the nomination of Dean Griswold.

Mr. Griswold is a man of proven balanced legal judgment. He is a man, in his capacity of the dean of the Harvard Law School, who has demonstrated in his writings and in his professional work an objectivity that I believe particularly qualifies him for the signal honor the President has bestowed upon him.

I am pleased also that the President has nominated one of the recognized great Negro lawyers of our time, a law school educator of the Howard University Law School.

Likewise, I am much pleased that the President has nominated as the staff director of the Commission Mr. Berl I. Bernhard, who has already proved, by his record, in my judgment, a capacity also for objectivity and courage in carrying out the clear statutory purpose of the Civil Rights Commission.

Some comment has been made in the course of the debate in regard to the intended life of the Civil Rights Commission. I did not vote for the creation of the Civil Rights Commission, not because I was not in favor of the Commission, but because it was a part of a bill that I could not support for reasons I gave at the time. But I made very clear that I believed in the creation of the Civil Rights Commission. I not only so believe, but I think it should be taken for granted that the Civil Rights Commission should be a permanent body within our Government. In fact, I think that we have reached the time when a Civil Rights Department should be part of the Cabinet of this Government.

I believe it has become an inescapable duty of this Government to bring to an end discrimination in this country based upon race, color, or creed. The time has come to guarantee first-class citizenship to all of our citizens by implementing it through necessary enforcement powers by way of the passage of much needed civil rights. Such legislative action is really needed by the 14th and 15th amendments to the Constitution of the United States are to be effective guarantees of first-class citizenship.

I have just returned from another trip to Latin America. It was my honor to represent the President at the ninth anniversary of the Puerto Rican Commonwealth, held in San Juan day before yesterday, to which celebration and ceremony came governmental leaders from all over Latin America.

One cannot go to such a conference, as it has been my experience to attend similar conferences all over Latin America in recent years, as chairman of the Subcommittee on Latin America, without recognizing that this matter of civil rights is one of the two or three key foreign policy issues confronting the American people.

This will have to be resolved by the American people. We cannot continue discrimination in this country under the guise of States rights. In my judgment no States rights are concerned. There is no question of States rights ever being concerned when we are dealing with a constitutional right in this country under the 14th and 15th amendments. The States are not above the Constitution. In this country the people of all the States, North, South, East, and West, are bound by the constitutional guarantees of the organic law of this Republic. Under that organic law there is no justification for the discrimination based upon race which prevails in many parts of this country, including parts of the North as well as parts of the South.

From the standpoint of foreign policy we cannot hope to continue the discrimination which exist with respect to the colored people of this country, if we want to retain our position of world leadership.

We can have all sorts of alliances for progress programs—and I am an ardent supporter of the program for economic and social aid to Latin America—but we will not win Latin America to the cause of freedom by an alliance for progress program unless we are willing in our own country to see to it that all citizens, colored as well as white, are given the guarantees of first class citizenship under the 14th and 15th amendments.

There is no question about the fact that we are losing ground rapidly in Latin America because of the so-called failure of our people to put into practice the guarantees of the 14th and 15th amendments. We are not gaining in Brazil. The news today indicates no longer a flirtation, but a form of diplomatic marriage between Brazil and Khrushchev.

One of the main reasons why we are not gaining ground in Brazil is because of the color line that is practiced in the United States.

In the conference from which I came I sat at dinner after dinner and I associated time and time again with people with dark skins. The skies did not fall. No earthquake occurred. There is a need on the part of the American people for a recognition that all men are children of God. We cannot hope to win the great battle for freedom if we continue the policies of racial discrimination. Millions of colored people around this world are questioning the quality of freeedom in the United States. They say quite bluntly, "What do you mean by freedom? Until you put it to practice by the elimination of discrimination based upon the color line, we are going to continue our criticism and lack of faith in the United States. Your professings are one thing; your practices are another."

So, as a member of the Foreign Relations Committee, I wish to say that we are dealing here with a subject matter that I believe is fundamental to American foreign policy.

I hope that when the Civil Rights Commission comes up for renewal, it will receive, as I am sure it will, an overwhelming majority vote of the Senate. I would have the Senate ponder also the desirability not only of making it a permanent commission, but of creating it as a separate department in the Cabinet of the Government of the United States.

Mr. KEATING. Mr. President, before commenting on the nominations now pending, I wish to add a word to what the distinguished Senator from Oregon has said. Like him, I have been a delegate to international conferences. I was at one the week after the happenings in Little Rock. I was at one a week or two after a little girl was prevented from going to school in New Orleans. The Communists hammer us over the head about happenings like that all the time in their effort to win the uncommitted nations. They know as well as we do that these things that occur in our country do not represent the mores of the people of America, but they contend that they do, and they constantly hammer us with them.

I share the view of my friend from Oregon that one of the contributing factors in this rather disturbing situation, which has arisen regarding Brazil within the last 24 hours is the fact that it must be remembered that there are many citizens of Brazil who do not have a white skin. This is the sort of thing that agitators use in a country like Brazil to stir up trouble.

Mr. JAVITS. Mr. President, will my colleague yield to me for 1 minute? I know that he has not yet started on his speech, but I must shortly attend a policy luncheon.

Mr. KEATING. I yield to my colleague.

Mr. JAVITS. In the same climate in which my colleague has just spoken, as has the Senator from Oregon [Mr. MORSE], we also have the problem of national strength and national weakness at a time of great crisis like the present. I deeply feel that it is an element of national weakness in our country as we do not make the progress we should be making in treating all our citizens equally before the law as to jobs and housing and education.

Not only are we subject to the points which my colleague properly makes, and of which I am so thoroughly aware, that the Communists are using them against us, but indeed we underuse our manpower and our brainpower in our country, and thus we give ourselves a source of additional strain in our communities and in sections of our country like the great South. We give our country an element of weakness at a moment when we should muster maximum strength.

Therefore, both in the interest of the foreign policy of our country and of the basic conservation of our strength and ability to meet this difficult crisis in which we find ourselves, I feel that those who have reservations on race relations should forgo them now and go very much further than they themselves think they ought to go, at a time of danger, in the treatment of so many of our citizens who are Negroes or are members of other minorities.

Mr. KEATING. Mr. President, I thank my colleague. I turn now to speak on the nominees for the Civil Rights Commission, Dean Griswold and Dean Robinson. They are both outstanding men.

It has been my great pleasure to know Dean Griswold for many years. He is a person of outstanding intellect and character and he easily qualifies as a leading citizen of America.

He has had a distinguished career in private practice, in government, and in the academic community. He is known to all lawyers as one of the foremost attorneys in the land.

He has received many honorary degrees, has published numerous works, some of them classics in their field, and is renowned as a teacher of the law.

He will bring to the Commission on Civil Rights a keen mind, a judicious temperament and an objectivity nurtured by wide experience.

I can say without reservation that he will be a splendid addition to this vitally important Commission.

I commend the President for selecting Dean Griswold for this appointment.

Spottswood Robinson III also comes to us from the academic community. He is now the dean of the School of Law of Howard University, from which he was graduated magna cum laude in 1939. Apparently Howard does not recognize the degree of summa cum laude, because Robinson was graduated with the highest scholastic average in the history of the college. He has been engaged in the private practice and the teaching of law for many years and has received many citations and awards in recognition of his outstanding work.

Dean Robinson has relinquished his law practice since becoming dean of Howard University School of Law in September 1960.

In response to questions raised before the Subcommittee on Constitutional Rights during the hearing on Dean Robinson's nomination, he assured the subcommittee that as a member of the Commission he "would not expect to play the role of advocate." I have no reason to doubt that Dean Robinson will approach his duties in a completely responsible and objective manner, and I am confident that he, too, will make an excellent member of the Commission.

The staff director, Mr. Bernhard, has been with the Commission for some years. He is a fine lawyer and has done good work. He is deserving of this appointment and will continue the important work of the Commission.

Mr. President, reference has been made to the extension of the Commission, which is opposed, as has been stated in his address, by the chairman of the Committee on the Judiciary.

Mr. President, the long delay in acting on the nominees for the Civil Rights Commission is characteristic of most congressional activities affecting civil rights.

No agency of Government in recent years has been subjected to so much uncertainty and harassment and has been so handicapped in trying to accomplish its assignment. Despite these obstacles, the Commission has rendered outstanding service to the Nation. Its investigations and reports have reflected a judicious and intelligent insight into some of the most important and controversial problems we face. It has consistently illuminated these areas. It has exposed the problems to light, not heat, by dealing with them factually rather than emotionally. The reports of the Civil Rights Commission have been models of excellence in content, clarity, and objectivity.

Very early in this session I introduced a bill (S. 483) to continue the Civil Rights Commission on an indefinite basis. It was drawn to avoid the necessity and hazards of an annual battle for its preservation. Under the bill, Congress could still terminate the Commission any time it desired, but in the interim the Commission could carry on its vital work without periodic harassment and peril.

The bill was cosponsored by Senators JAVITS, ALLOTT, BUSH, CASE of New Jersey, COOPER, DOUGLAS, FONG, HART, HUMPHREY, KUCHEL, MOSS, SCOTT, and SMITH of Maine. Thereafter I cosponsored an identical bill (S. 1257) which was introduced by Senator HUMPHREY. This bill also was cosponsored by Senators ALLOTT, BURDICK, DOUGLAS, GRUENING, JAVITS, LONG of Hawaii, LONG of Missouri, MCCARTHY, MORSE, NEUBERGER, PASTORE, YOUNG of Ohio, and KUCHEL.

It is evident that the Commission enjoys the confidence of many Members of the Senate on both sides of the aisle. Indeed, every previous extension of the Commission has been supported by an overwhelming majority of both the House and Senate. I am confident that either of the pending bills would be approved by a similar majority if it were brought up for action.

The difficulty is in getting the bills up for action in a normal way. The tactics of delay and a disinclination on the part of the leadership to give this subject the priority and push its merits, almost always results in putting civil rights off until the last possible moment. This is very unsettling, unfair, and unwise, and in my opinion works a great injustice on both the cause and people involved in this challenging work.

After some delay, the Attorney General on May 31, 1961, endorsed both S. 483 and S. 1257 without amendment. But despite this endorsement and the wide sponsorship these bills enjoy, they have not made any progress whatever in the Senate Committee on the Judiciary. In the other body, the indefinite-extension principle already has been watered down in subcommittee to a simple 2-year extension, and even this limited extension has not yet been reported by the House Committee on the Judiciary.

The nominees for the Commission are both very well qualified to carry on the excellent work of the Commission. They can be expected to make an outstanding contribution to the work of this agency. They should both be speedily confirmed so that they can begin to participate fully in the deliberations on the Commission's next report, which is due September 9, 1961.

The nominees whose nominations are now before the Senate are well qualified to continue the excellent work of the Commission. That problem is only one facet of our responsibility. We must also take action on the legislation to extend indefinitely the life of the Commission. I hope, despite the unreasonable delay which has already occurred, that it will still be possible to consider this legislation without having to resort to unusual parliamentary devices. But the unusual parliamentary device, by necessity, has become almost the standard for civil rights legislation.

Therefore, I shall not hesitate, if the proposed legislation is not reported by the Committee on the Judiciary, to offer an amendment to some other bill to extend the life of the Commission; we simply cannot let it go by default.

There is much work to be done by Congress to strengthen the civil rights of our citizens. We must act on these problems to keep faith with our own heritage and principles. But these times of crisis add a new element to the struggle for equal rights—and that is the importance, as has been pointed out by the distinguished Senator from Oregon and by my colleague from New York, of being able to present an unblemished portrait of freedom in America in the battle against the tarnished, black picture of Communist tyranny. This is one domestic program which has a direct bearing on our ability to mount a political counteroffensive in many areas

of the world against the false promises of the Reds.

We should not delay coming to grips with this subject. It deserves a high priority. It is worth our time and energy. I hope that we shall be able to point to significant progress in this area before the curtain falls on this session of Congress.

As I have said, if it becomes necessary, at least in regard to the limited field of extension of the Civil Rights Commission, it is my intention to take action to have the life of the Commission extended, even though the Judiciary Committee has not reported a bill for that purpose.

Mr. JOHNSTON. Mr. President, in connection with the three nominations for membership on the Commission on Civil Rights, which now are before the Senate, let me say that I believe every Senator knows my position in regard to the Commission on Civil Rights. I have always thought that this is a Commission that should not be in existence. That being so, I have always opposed those who have been appointed as members of the Commission and also as Director of the Commission when their names have come before the Senate for confirmation.

I feel that this Commission is a body that stirs up strife and discontent throughout the Nation. Feeling that way, I think I would be derelict in my duty if I did not express myself not only as against the confirmation of the members of the Commission before the Senate today, but also against the Commission itself.

I believe in days to come we will find that this is one Commission we do not need. I do not have to tell you, Mr. President, that we have a great many commissions in the United States that are eating up the taxpayers' money and, instead of bringing good returns, are hurting the Nation.

At this particular time when, most of all, we should be bringing the rank and file of our Nation together in order to try to bring peace at home, I feel that this Commission is stirring up strife and discontent and that it is doing a great deal of injury to the cause.

I have always felt that each State should be left very largely to look after its own affairs, and that one State should not force upon another State its beliefs. I feel this Commission works in a different direction from that, and in the opposite direction.

I want to call the Senate's attention to another fact. The great trouble with the world today is that one nation or another is trying to tell other nations how to run their affairs. It is true that today there are allies in two groups, or two ideologies—the Communist way of life, and the American or democratic way of life, which is also followed by our allies.

When we go from one State to another and tell the people there how to run their affairs, they resent it; and I know exactly how my people feel when someone from outside comes into my State and tells a man how to vote or act in South Carolina.

We should bear in mind that in the United States we have different ways of thinking, talking, acting, and different ways of running our affairs; and I believe each State should be left to run the affairs within that particular State, and not be interfered with by other States in the running of her affairs.

That is my position. If that is my position, it would certainly be my position to be against a commission that comes into my State and tells South Carolina how to run her affairs. I defy anybody to point out that in South Carolina we have kept people who wanted to vote from doing so, whether those persons be colored, white, Indian, or whatever other race. It makes no difference. They are all allowed to vote in South Carolina. Everyone has the same qualifications to meet.

And that is one reason why the Commission was set up, to a large extent. But the Commission meddles in the affairs of the various States on a wide variety of other matters.

People in other States will learn, sooner or later, that it will not be only the Southern States that will be picked on. Other States will have their affairs interfered with and will have the same trouble, and someday they will take the same position I am taking today.

I hear some people in States outside of the South today talking about this matter and saying, "We want States rights." We have been talking about States rights in the South for many, many years, but we are going to hear more of it in the future.

The great trouble is that the Federal Government is gradually taking over the running of all the affairs of the various States of the Union. Let us consider for a few moments what I am speaking about. I want to bring it closely to the attention of the Senate. When I was a boy in South Carolina, the school district ran all the affairs of that district. It raised taxes in the district. Oh, yes, we had a $1 poll tax back in those days. When the poll tax was paid in that particular district, the school district kept it to run that school. No county had anything to do with it when I was a boy. Then gradually a big school district was formed, which took in several schools. Later on, the county took over and ran the schools. Later, the State took over the running of the schools. Now we see the Federal Government starting to give money for the running of the schools. What I fear in that regard is that when the Federal Government gets into it, it will be breaking down States rights and taking over the school system.

The same is true with respect to highways. When I was a boy, men who were strong enough to work on the roads did so so many days each week, in order to keep the roads maintained. They were locally run at that time. Then a little township was formed, and the roads were controlled by the township. Then the county took over. Then the State took over the State roads and gave the county back some money from gasoline taxes in order to build and maintain the roads. Everything came from the top. The same thing is true today, with regard to roads from the Federal standpoint.

That is the reason why I am against the Commission. I am against the confirmation of the nominations of these members because States rights in this Nation of ours are being broken down. Some day we are going to have to call a halt, if we have any State governments left at all. There is little enough left of them now.

In addition, the nominees are all prointegration or lean that way and justice will not prevail on the Commission.

For the reasons stated, I shall oppose the confirmation of the nomination of the Director and also of the other members appointed to the Commission. I want all the people in the United States, and particularly the people in my State of South Carolina, to know what position I take at this particular time.

Mr. SALTONSTALL. Mr. President, I wish to speak very briefly in favor of the nomination of Dean Erwin N. Griswold, of the Harvard Law School. I speak wholeheartedly in his favor. I have known him as a lawyer, as dean of the law school when I was a member of the Board of Overseers of Harvard University, and as a personal friend.

The question was raised as to whether he is a registered Republican. That question has no bearing on his qualifications. I believe him to be fair. I believe him to be objective. I am confident that he will make an excellent member of the Commission, whose duties will be very difficult to carry out in an objective way.

I understand that another candidate whose nomination before us is Mr. Robinson, who is also a good lawyer. I do not know him, but I have great confidence in the ability of Mr. Griswold to help us all on this very difficult problem. I hope his nomination will be confirmed today.

I thank the Presiding Officer for recognizing me, and I thank my colleagues on the Democratic side for permitting me to make these remarks at this time.

Mr. TALMADGE. Mr. President, I wish the RECORD to show that the junior Senator from Georgia will vote against the confirmation of these nominations. It has been my consistent position that the Commission on Civil Rights not only is unnecessary but also actually creates more division than it does good. Its record to date is totally devoid of any definite contribution whatsoever to the advancement of the welfare of the American people.

Mr. President, I wish to particularly register opposition to the nomination of Spottswood W. Robinson III to be a member of the Civil Rights Commission. As an attorney for the National Association for the Advancement of Colored People, he has been active in all phases of that organization's agitation to force a new social order upon the Nation. Sitting as a member of what was created by the Congress to be an impartial agency responsible for the determination of facts, his position will be roughly equivalent to that of a litigant being

permitted to sit as judge in his own case.

Mr. HILL. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield to the Senator from Alabama.

Mr. HILL. The Senator says it would be like a litigant sitting as judge of his own case. Surely that is true, for Mr. Robinson is a lawyer, who has been on one side of the case, who will be sitting in judgment on the case; is that not true?

Mr. TALMADGE. That is exactly the situation.

Mr. HILL. The statement he made before the Senate Committee on the Judiciary shows that he has been a lawyer for one side of the case not once, not twice, not three times, but time and time and time again.

Mr. TALMADGE. On innumerable occasions.

Mr. HILL. On innumerable occasions. He has been in the employ of one side of the case over a period of years.

Mr. TALMADGE. The Senator is correct.

Mr. HILL. Having represented one side of the case for a number of years, in case after case, now he is nominated for a position to sit on the case.

Mr. TALMADGE. He will be in a position to pass judgment on cases similar to those with which he has been associated as legal counsel over that period of years.

Mr. HILL. Over all that time.

Mr. TALMADGE. I thank the able Senator for dramatizing that point. I could not agree with him more.

Mr. HILL. I thank the Senator for yielding.

Mr. HART. Mr. President, as a member of the Committee on the Judiciary I regret very much the long time which elapsed before the committee reported to the Senate the three pending nominations. I hope, now that the Senate is being given its opportunity, we shall confirm the nominations promptly. Each of these nominees, as I view it, is an able, devoted, and courageous American. For reasons which all of us understand, two of them, I think, need less said about them than the third.

Dean Griswold is one of the giants of the American bar. Berl Bernhard has served effectively on the staff of the Commission and, so far as I know, no voice is raised in specific opposition to his nomination.

The third nominee is Spottswood W. Robinson III, the dean of the Howard Law School. It is to this nomination that most specific protest has been voiced. If I may, I should like very briefly to respond.

One of Dean Robinson's many qualifications for this position is the fact that he is a Negro. He is replacing a former Negro member of the Commission, Dr. George M. Johnson, who had replaced another Negro member, the late Hon. J. Ernest Wilkins. The Commission traditionally has had at least one Negro member. I should be rather disappointed if Dean Robinson failed to bring to the Commission's attention the sentiments of the Negro population of the United States in respect to matters coming before the Commission. I can think of nothing more appropriate in Dean Robinson's background than that he is, and has been, an active member of the National Association for the Advancement of Colored People. This organization has come to be known as the primary organization in the United States concerned with actively promoting the constitutional rights of Negroes. I think I hardly need to add that many prominent and distinguished members of the white race are members of the organization, on its board of directors, and in key positions on its various committees.

My membership in the NAACP was purchased for me by my father when I was a junior in high school. There are many of us who are proud of this association.

To speak of Dean Robinson's position with the NAACP as a disqualification overlooks some patent inconsistencies. For example, former Gov. John S. Battle, of Virginia, when nominated by President Eisenhower for membership to the Commission, testified at his hearing:

> The assistant to the President who approached me and asked me to serve stated that the President was anxious to have a Commission reflecting various views from various sections of the country—the North, the South, the East, and the West—and he felt that it might be helpful if there was some member of the Commission who had—and I think I quote him verbatim—the strong southern views which I entertain.

I have always held Governor Battle in the highest esteem and I thought his nomination to be appropriate. I think it equally appropriate that President Kennedy, as well as President Eisenhower, saw fit to select members of the Negro race who during their career had worked with an organization dedicated to the advancement of their race through legal means. It is of importance to note that at the time of Governor Battle's nomination, he acted as a special counsel to the Charlottesville School Board in the desegregation case while Dean Robinson was acting as counsel for the plaintiffs. It is no less appropriate for one than for the other to have used his legal talents in this regard. It did not disqualify one and should not disqualify the other.

Beyond questions which might have arisen as to either Governor Battle or now Dean Robinson, prior to their confirmation, Governor Battle did not alter his views on the racial issue by virtue of his position as a member of this Commission. During the voting hearings in Montgomery, Ala., conducted by the Commission on Civil Rights in 1958, Governor Battle stated:

> None of you white citizens and officials of Alabama believes more strongly than I do in the segregation of the races as the right and proper way of life in the South.

Beyond this, Governor Battle reiterated:

> The President of the United States was not in error when in asking me to serve as a member of this Commission he said he wanted someone with strong southern sentiments, which I have, and I accepted this assignment in the hope that I might be of some service to my country and to the Southland.

Similarly, I know that Dean Robinson accepts the assignment in the hope that he can be of service to his country, to his race, and perhaps to the Southland as well.

Lastly, let it be recognized that if Dean Robinson is considered unqualified in any respect to assume the responsibility, this means that anyone who, over the years as a practicing attorney or in any other capacity, has built up a wide experience and knowledge in this field, is equally disqualified. I am certain that the President of this Nation would not seek to choose a person who was without knowledge and experience in the particular field involved. I am even more certain that no Member of this Senate would vote for a man on the ground that he had no experience, no concern, and held no views on the subject area over which he would have jurisdiction.

Time and again individuals are nominated to positions in the Federal Government as a result of knowledge gained from their responsibilities in private life. In each of these instances when the Senate has voted to confirm their nominations, the assumption has been, and must be, that they will act as statesmen within the legal framework of their new responsibility. In this regard, it is worth noting that Dean Robinson resigned from the legal staff of the Virginia State Conference of the NAACP long before he was nominated. He resigned from the legal defense and education fund at the end of 1960, and has resigned as a member of the National Legal Committee of the NAACP as a result of this nomination. Furthermore, he has asked to be removed from any and all cases in the civil rights area in which he had been involved prior to nomination. He is eminently qualified to serve as a member of the Civil Rights Commission.

I was glad to do all that I possibly could in the Committee on the Judiciary to urge its favorable action on the nomination of Dean Robinson, as well as the nominations of Dean Griswold and Mr. Bernhard. I am glad now to recommend strongly that the Senate confirm the nomination of this distinguished American, together with the now pending nominations of his two colleagues, Dean Griswold and Mr. Bernhard.

Mr. President, I ask unanimous consent to have printed at this point in my remarks a brief summary of the activities of the Civil Rights Commission.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

A BRIEF SUMMARY OF THE ACTIVITIES OF THE COMMISSION ON CIVIL RIGHTS

The Civil Rights Act of 1957 established this independent bipartisan agency to study civil rights problems and report its findings to the President and the Congress. The Commission was originally created for a 2-year term, but on September 14, 1959, the Congress extended the Commission's life for an additional 2 years. The Commission under the present law will be terminated in November of this year.

The Commission is not an enforcement agency. Public Law 85-315 requires the

Commission to (1) investigate allegations that citizens are being deprived of their right to vote and have that vote counted by reason of their color, race, religion or national origin; (2) study and collect information concerning legal developments constituting a denial of equal protection of the laws under the Constitution; (3) appraise the laws and policies of the Federal Government with respect to equal protection of the laws under the Constitution; and (4) prepare and submit interim reports to the President and Congress and a final and comprehensive report of its activities, findings, and recommendations by September 9, 1961.

Soon after coming into existence, the Commission limited its immediate scope of study to the areas of voting, housing, and education. In order to objectively pursue its functions of finding facts on which to base recommendations to the President and Congress in these three areas, the Commission proceeded to hold hearings and conferences and to conduct research, investigations, and surveys.

In addition, under the authority of section 105(c) of the act, the Commission vigorously pursued the establishment of State advisory committees in each State of the Union. These committees are composed of a cross section of the citizenry of each and every State. The committee members, authorized to receive only the standard per diem and travel reimbursement, have been of tremendous assistance by keeping the Commission informed of grassroots opinion as well as providing valuable advice and factual information about the status of civil rights in their respective States.

Following intensive field investigations based upon complaints received by the Commission, the first voting hearing was held in Montgomery, Ala., December 8 and 9, 1958. A public hearing was scheduled to be held in Shreveport, La., in July of 1959, but was postponed due to a restraining order obtained by the State's attorney general, challenging the rules of procedure of the Commission. Other hearings and conferences were held in the fields of housing and education. In March of 1959, the Commission invited officials of several school systems that had undergone some desegregation to a conference in Nashville, Tenn., to elaborate on and exchange their experience with the desegregation process. Hearings were held in the field of housing in New York City, Atlanta, and Chicago in 1959. On June 10 of the same year, the Commission met with the heads of the Federal housing agencies. In addition, the Commission called a Washington conference of the chairmen and other State advisory committee members to exchange views and experiences with these representatives from all over the Nation.

It was from these geographically and substantively diversified conferences and hearings that the Commission gained much of the material and information upon which its initial report was based. On September 9, 1959, the Commission presented to the President and Congress its first report, which included 14 specific recommendations for executive or legislative action in the field of civil rights. The Commission also published a volume containing the reports of its State advisory committees.

Following the extension of the Commission's life for 2 years, which occurred a few days subsequent to the submission of its first report, the Commission broadened its field of inquiry to include two new areas of study—employment and the administration of justice. The Commission again embarked on a nationwide series of hearings, conferences, and surveys to expand its factual knowledge of civil rights problems. Because of the broadened scope of inquiry, the Commission held the first of a new type of hearing in Los Angeles and San Francisco in January of 1960. These hearings were not limited to any one particular area of study. Testimony and documentary evidence were received concerning all areas of Commission inquiry. A similar hearing was held in Detroit in December of 1960.

Two additional conferences on desegregation in public education have been held. The second such conference was held in Gatlinburg, Tenn., in March of 1960; the third conference in Williamsburg, Va., in March of 1961.

Questions arising from the Federal district court's restraint of the Commission's Louisiana voting hearing in 1959 ultimately reached the Supreme Court of the United States. Its decision in the spring of 1960 upheld the Commission's rules of procedure, and public hearings were held in New Orleans, La., on September 27–28, 1960, and May 5–6, 1961. These hearings were based on complaints received alleging discrimination in voting rights from citizens of a number of Louisiana parishes.

On January 13 of this year, an interim report entitled "Equal Protection of the Laws in Public Higher Education" was presented for the consideration of the new President and Congress. This broad study of the problems of segregation in higher education included three further recommendations for executive or legislative action concerning discrimination in public higher education.

In addition to its hearings and conferences, the Commission has conducted a number of surveys and engaged in extensive research to gather the materials which will be the basis for the forthcoming report to the President and Congress this September. As in 1959, the Commission will also publish the reports that it has received from its State advisory committees.

Mr. HART. I made the request for the reason that one of the highest values that we derive from the Civil Rights Commission is the information it collects and furnishes to Congress. In the past, we have encountered protests when we have sought to achieve substantive civil rights legislation that "not all the tools available have been used. Why ask for new tools?" Today we have a vigorous Attorney General active in the area of civil rights, and a Department of Justice which is determined to use all of the tools available. One of the great values that can come from the Commission is a recounting in its report to us of the results that have been achieved through vigorous court action using the available tools.

Mr. KUCHEL. Mr. President, I remember the civil rights debate of 1957.

I remember the long days and nights during which Senators remained in this Chamber. I remember the seemingly interminable and ugly filibuster which was carried on in a strenuous attempt to defeat the civil rights legislation recommended by President Eisenhower. I remember the gallant leader of the Republicans in the U.S. Senate—Bill Knowland, of California—who stayed at his desk and, with unflinching purpose, courage and indefatigable devotion to the cause of equal treatment under law for all our citizens, finally made the Senate stand up and vote in favor of the first piece of civil rights legislation since the bloody conflict between the States almost rent this Nation in two. Republicans rallied overwhelmingly behind that legislation.

Part of the civil rights legislation of 1957 provided for the creation of a Commission on Civil Rights. That provision also came to the Senate as a result of a strong recommendation by President Eisenhower. When the legislation was finally signed into law, the President appointed able men from every part of the country to serve on that Commission.

President John A. Hannah of Michigan State University, the able Chairman of the Commission, was assisted by the distinguished dean of the Law School of Southern Methodist University, Robert G. Storey, and that gallant Roman Catholic priest, the president of the University of Notre Dame, the Reverend Father Theodore M. Hesburgh, and other equally dedicated honorable Americans, among whom, later, was my fellow Californian, Dean George Johnson of Howard Law School, who took seriously the responsibilities which the President gave them to inquire into a whole series of allegations and charges that some American citizens, in various parts of the country, were being denied their right to vote, in violation of the Constitution, because of the type of blood which ran through their veins. The Commission conducted fair and thorough hearings; it uncovered shocking instances of the deprivations of civil rights; it made recommendations to the administration for legislation, and once again President Eisenhower sent recommendations to the Senate and to the House of Representatives, and for the second time Congress passed legislation in the field of civil rights.

Let the record be clear.

The legislation would not have been enacted into law had not members of the Democratic Party and members of the Republican Party joined to make a majority. But I trust my colleagues on the other side of the aisle will permit the factual observation that it was Senators on the Republican side of the aisle who gave overwhelmingly of their leadership, their vote, and their support in order to enact legislation in this critically important field. But, as I say, the victory was a bipartisan one.

When an American citizen is denied equal treatment under law in this country, something uglier takes place—the scrapping of our constitutional process. This free Nation is grievously damaged before the world in an era in which, through the most vile and vicious kind of propaganda, the spokesmen for international communism pick and choose every item they can in order to blaspheme the people of the United States and to sneer and jeer at the high-sounding phrases of the dignity of American citizenship which we first learned as students in our schools.

Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL. Mr. President, as I said, in the 1959 Congress, at the request of President Eisenhower, continued the Civil Rights Commission for an additional 2 years. That Commission will expire 60 days after it makes its final report on September 9. Thus, the nominees to the Commission, now before the Senate for confirmation, will hardly warm their seats before the expiration of the law creating the Commission.

I have read the record of the hearings on the nominees for the Commission on Civil Rights, Erwin N. Griswold and Spottswood W. Robinson, both to be members of the Commission; and Berl I. Bernhard, to be the staff director. I have listened to some of this debate.

I believe all three men are exceptionally able men. I am glad to endorse them. I will vote for their confirmation.

This is almost the beginning of the month of August. Sixty days after next September 9 there will not be any Commission on Civil Rights unless Congress acts and passes a law to continue it. I believe the Commission ought to continue. Indeed, I am a coauthor of two pieces of proposed legislation to continue the Commission.

I am a Republican. I sit on the minority side. My brothers across the aisle, representing the Democratic Party, have a heavy majority of the votes in the Senate and of every committee in the Senate, as indeed they do in the House of Representatives. And with that power, my Democratic brothers, goes a heavy responsibility. There will be no continuation of the Commission on Civil Rights unless you, Mr. President, and your party help us over here on the Republican side to accomplish just that.

Let me refer to the platform which the distinguished representatives of your party, Mr. President, meeting in my own beautiful State of California last year, wrote as the pledge which they made to the American people in this field. I quote from that platform:

> In 1949 the President's Committee on Civil Rights recommended a permanent Commission on Civil Rights. The new Democratic administration will broaden the scope and strengthen the powers of the present Commission and make it permanent.

There is a firm, unequivocal commitment by the Democratic Party. I congratulate my Democratic friends for this unequivocal stand. Perhaps I may be pardoned for recalling that it was under the leadership of the Eisenhower administration and under the leadership of Bill Knowland that the first civil rights legislation was passed by Congress and the Commission first came into existence in 1957; and that under the leadership of a Republican administration the Commission was recreated for an additional 2 years in 1959.

But today, with this honest commitment which your party made to the American people, Mr. President, it must be with Democratic assistance that Congress will write any legislation to continue the Commission in the future. Yet I have not heard any recommendation at all from the President of the United States; and as I stand at my desk today, I urge the administration to help us to secure the continuation of the Commission, the two nominations for which are now on the calendar. That is your party's pledge to the people, Mr. President. Now let your leadership supply the force and the drive to carry it out. Republicans who supported its original creation under a Republican President will help you.

Mr. MANSFIELD. Mr. President, will the distinguished Senator from California yield briefly to me?

Mr. KUCHEL. I yield.

Mr. MANSFIELD. After consulting with several Senators, I wish to propound a unanimous consent request, that the debate continue on the nominations now before the Senate and that the vote be taken at 2:30 o'clock.

Mr. RUSSELL. Mr. President, reserving the right to object—and I shall not object—I seldom occupy the floor, but I wish to have about 15 minutes to speak on this question. If the agreement were entered into, and if the distinguished Senator from California continued his speech for some time, no time would be left for any of the rest of us to speak. He still has the floor. I wish to have at least 15 minutes. Under the circumstances, I am afraid I shall have to object unless it be incorporated in the proposed unanimous consent agreement that I shall have 15 minutes.

Mr. MANSFIELD. Mr. President, I include in the request that the distinguished Senator from Georgia, who has not yet spoken, be allowed 15 minutes; and if circumstances require the use of additional time beyond 2:30 o'clock, I ask unanimous consent that the time be extended.

Mr. HOLLAND. Mr. President, without objecting, but reserving the right to do so, I, too, wish to speak briefly concerning the nominations, and I desire to have assurance that I may be heard briefly on the subject.

I do not know what is the situation with respect to other Senators, but I believe the distinguished Senator from North Carolina [Mr. ERVIN] wishes to be heard. The distinguished Senator from South Carolina [Mr. JOHNSTON] told me he wished to be heard. I understand that he has since been on the floor, and he may have completed his statement.

I observe the distinguished Senator from Louisiana in the Chamber, as also the distinguished Senator from Virginia.

Mr. MANSFIELD. Mr. President, I change my request and ask that the time for the vote be 3 o'clock. It is understood that out of that time 15 minutes will be allotted to the distinguished Senator from Georgia.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the agreement is entered.

Mr. ELLENDER. Mr. President, will the distinguished Senator from California yield?

Mr. KUCHEL. I yield.

Mr. ELLENDER. I was very much interested to hear the Senator's statement about the extension of this great Commission. Is not the Senator aware of the fact that when the Commission was created, it was supposed to last for 2 years, and that it would complete its work in that space of time? That is in the record.

Mr. KUCHEL. The Senator from Louisiana is precisely correct. The recommendation was for the creation of a commission for 2 years. At the end of that time, I recall to the Senator, the Chairman and the other members of the Commission urged that the Commission be continued, because the members did not feel that their labors had been completed. Congress acceded to their request and continued the Commission for 2 years.

Mr. ELLENDER. Yes; but within the Commission itself and interested in the Commission were many persons who wanted to make the Commission permanent. In my humble judgment, that is what will happen unless Congress acts to do away with the Commission in September.

Mr. KUCHEL. What does the Senator from Louisiana think of the platform pledge adopted by his party in Los Angeles, which reads:

> The new Democratic administration will broaden the scope and strengthen the powers of the present Commission and make it permanent.

Mr. ELLENDER. I am against it.

Mr. KUCHEL. I thank the Senator from Louisiana.

Mr. President, I do not and cannot speak for every member of the Republican Party nor for every one of my Republican colleagues in the Senate, but I think I may say that most of us who sit on this side of the aisle are prepared to support and vote for legislation to continue the Commission on Civil Rights, if we have the opportunity to do so. So far, no hearings have been held in the Judiciary Committee on the bills which some of us have introduced to do just that.

Mr. President, standing here at my desk in the Senate Chamber, I urge the President of the United States, in recognition of the promises made in the platform of your party and his, Mr. President, in the convention held last year in Los Angeles, to send the Congress a request that the life of the Commission be continued, so it can honorably and forthrightly go forward in a field of supreme importance in this country.

Mr. President, sometimes it is said that the Commission has to do entirely with the problems of American Negroes in the South. But that is not so; the Commission has to do with the denial or alleged denial of the civil rights of many groups in this country, no matter what their color or creed may be. All of us are Americans; and this great, heterogeneous Nation of our gains strength because represented in it are members of almost every race and nation in the entire world. In my own State of California there are many excellent citizens who trace their ancestry to Mexico for

example. Some of them have been denied their constitutional rights; and I suggest that the Commission will not only help us clean up evils such as these at home, but, in a larger sense, it will also indicate to the peoples of the world, no matter what may be the color of their skin, that we intend to add strength in our constitutional system, and that, under law, all Americans are and will be treated equally before the law.

Mr. President, I shall support the nominations which President Kennedy has sent to the Senate. But far more urgent than that is the need for us to receive the leadership of the White House in this area, so that we in Congress can continue for an additional period of time the labors so honorably performed, in an American manner, with no politics involved, by the Civil Rights Commission, since it was created in 1957.

Mr. JAVITS. Mr. President, will the Senator from California yield?

Mr. KUCHEL. I yield.

Mr. JAVITS. Mr. President, I was detained by a meeting downstairs. I understand that in connection with the debate on the pending nominations, an attack has been made upon the Civil Rights Commission, as regards its continuance.

I wish to say to my friend, the Senator from California, that I support the nominations; and I also wish to reaffirm my support of the Civil Rights Commission, and to state that if no one else does so, I shall, at the earliest opportunity consistent with the business of the Senate, seek to have the life of the Commission extended to make it permanent, if possible, but at least to extend it for 2 years.

I say to my colleague that aside from all the arguments on this subject which I have heard, it seems to me the very least we can do is provide an opportunity for Americans who feel aggrieved to have a forum in which their grievances may be legitimately and with order, rather than disorder, expressed, considered, and handled by means of expeditious processes. I believe it would be a great mistake not to do so.

So I rise to concur in the statements the able Senator from California has made, to pledge my support for continuance of the Commission, and to express to the Members of the Congress and to the people of the country my earnest plea that although we deprecate extralegal procedures, passive resistance, and other types of activity which persons who feel aggrieved have a right to engage in, we should not shut the door to continuance of the Commission, so that such grievances may be brought out, in a proper way, before the American people.

I thank the Senator from California for yielding to me.

Mr. KUCHEL. Mr. President, I appreciate the statements made by the Senator from New York, whose leadership in this field has extended over a long period of time.

I point out that he and I are coauthors of proposed legislation to continue the life of the Civil Rights Commission; and if we are unable to have the Senate Judiciary Committee report that proposed legislation or similar proposed legislation to the floor of the Senate, I shall join him in submitting it as an amendment to an appropriate piece of legislation when we have that opportunity here in the Senate.

Mr. President, I yield the floor.

Mr. RUSSELL. Mr. President, what has been stated here today is living evidence of the validity of the very words of premonition which were uttered by some of us when the original Civil Rights Commission bill was before the Senate. The procedure here today bears out the predictions which some of us made at that time; namely, that however pure might be the motives that inspired the original suggestion, nevertheless, as a result of the pressure groups that are active in this country, the Commission would soon resolve itself into a racial body and a political organization. And, Mr. President, the statements made on this floor in an effort to make political capital out of this or that about the Commission, demonstrate beyond peradventure of doubt that what was predicted at that time has come to pass. The so-called Civil Rights Commission has become a pawn in the political power contest between the two major political parties.

Mr. President, the Civil Rights Commission was supposed to be an objective Commission; and we were told that it would be comprised of men of divergent views and from various sections of the country, and that these men would make impartial surveys into all civil rights violations in the country, and would make reports that could be the basis of legislation enacted by the Congress.

Mr. President, I point out—to the eternal credit of President Dwight Eisenhower—that he did appoint on an impartial basis the original members of the Commission; and those in his administration were so generous as even to ask the Senator from Georgia to suggest the names of persons to be appointed members of the Commission, in order that every school of thought might be represented on the Commission. After talking to my colleague and to other Members of the Senate, we suggested to President Eisenhower the name of former Governor Battle, of Virginia; and he was appointed to the Commission.

But now, Mr. President—and I say this with great sadness—during the administration of my political party, this Commission is being turned into a body whose decisions on any issue affecting the white people of the South are cut, dried, and determined before the matter is even fully presented to the Commission.

Mr. President, when I was a youngster, I used to hear a story about a justice of the peace who was hearing a case; and finally counsel on both sides had presented the evidence, and began to argue the case. At that point the old man rose, and said to the lawyers, "Well, boys, go ahead and make your arguments and your speeches. And after you get through, look under this brick, where I have left my decision; I have already written it out."

Mr. President, that is the kind of decisions we are to get now from the Civil Rights Commission—decisions made in advance, before the evidence is presented or heard.

Furthermore, we observe that the decisions of the Civil Rights Commission usually are confined to assaults on the social system in the Southern States and on the laws that have prevailed in the Southern States, with the sanction of the Supreme Court, for over 100 years, until we finally inherited the very remarkable body which now is called the Supreme Court of the United States—which is rather a profanation of the very high esteem in which that title has been held over so many years, in most sections of the country.

Mr. President, we shall see just how much of a Civil Rights Commission this group will be and how many civil rights violations not brought forward by the NAACP organization the Commission will investigate.

I hold in my hand a brief clipping which I happened to cut out, the other day, from a newspaper published in my own State; it is from the Atlanta Journal of Tuesday, July 11, 1961. The article reads as follows:

ATTACKER FREED IN PICKET LINE ASSAULT CASE

DETROIT, July 11.—A judge freed a union business agent of assault and battery charges Monday, declaring "if people want to break strikes, they have to take their chances."

Recorder's (criminal) Court Judge John A. Ricca freed Dusan Vorkapich, 32, of charges that he beat a supervisor of a struck janitorial service Thursday.

"I'm not even going to question the defendant," Judge Ricca said in breaking off the hearing. "If people want to force their way through a picket line, they have to take the consequences."

Vorkapich is a business agent for Local 79, Building Service Employees International Union (AFL–CIO). The union is striking the Superior Maintenance Janitor Service Co.

A supervisor for the struck firm, Ralph W. Allen, 36, said Vorkapich hit him in the face four or five times after he had delivered two nonunion men to work in a downtown building.

The union struck the firm in a fight over recognition, a union spokesman said.

Mr. President, I do not have anything against organized labor, but I believe that the right of a man to earn a livelihood by the sweat of his brow is probably the most important civil right of any citizen of these United States, and when a judge says an American citizen is taking the law in his own hands if he undertakes to earn a living despite a strike, it is a violation of that civil right.

I call that to the attention of this very notable Commission that has been exploiting the racial issue throughout the United States for the last 4 or 5 years. Let us see how fully they will go into the violation of civil rights of that nature. I predict that there will be no hearings on civil right denied by action of labor unions unless the claim is made that the right was denied because a Negro was involved.

No, Mr. President; we may as well be frank about it. This Commission, as it is now operating is being used as an adjunct of the campaign to further defame the white people who live in Southern States, to arouse antagonism and hatred against them throughout the United States. I say that it is adding insult to injury when the administration appoints a man who has been one of the principal attorneys of the National Association for the Advancement of Colored People to serve on this Commission, which is supposed to make fair and impartial surveys. There is not a man within the sound of my voice who does not know it is impossible for such a man to sit in that position and hear cases where denials of rights of colored people are claimed and come to an impartial decision.

I am under no illusions as to what will happen to the nominations. Neither do I have the slightest doubt as to what will happen when the issue is presented to the Senate to extend the life of the so-called Civil Rights Commission. Both political parties will try to milk every drop, no matter how small, of politics out of the question and the Commission will be extended. I do protest, however, the farce of claiming that this is an objective Commission when men are appointed on it who have already arrived at their verdict before any inquiry commences.

Mr. ERVIN. Mr. President, it is an ancient principle of the common law that no man shall be a judge of his own cause. A corollary of this principle is that the counsel of a party shall not be a judge of the cause in which he has been counsel. The appointment of Dean Spottswood Robinson III to the Civil Rights Commission violates the spirit of this principle and its corollary. As the able and distinguished senior Senator from Georgia [Mr. RUSSELL] has said, when the Civil Rights Commission was set up, we were assured that its membership would be composed of fair and impartial men. President Eisenhower saw to it that the original members were men of that character. The present nominee, Dean Spottswood W. Robinson III, revealed in the hearings before the subcommittee which considered his nomination that he was still counsel of record in some of the cases then pending in the so-called civil rights field. He has been extremely active in that particular field as a lawyer for the NAACP. I wonder how a member of the Senate would feel if he were involved in a controversy in which the judge of the controversy was the counsel of his adversary.

If the Civil Rights Commission is to do any good, it must be composed of members who enjoy the confidence of the American people and the conviction of the American people that its investigations and its findings of fact and its recommendations are fair and impartial.

With all due respect to this nominee, I wish to say that his nomination is wholly inappropriate. I think I can illustrate how inappropriate it is by saying that I can imagine how those who support the nominee would have risen up in their wrath if the President of the United States had selected for membership on this Commission some individual who had been active in one of the White Citizens Councils in one of the deep southern States. Yet the nomination of such a person would have been exactly on a par with this nomination.

I know of no way in which the confidence of the people of this Nation in the Civil Rights Commission can be more effectively shattered and destroyed than by placing on the Commission a man who was actually serving as counsel on one side of the controversies which are going to come before the Commission. Dean Robinson was attorney for the NAACP, not only at the time he was nominated, but at the time he appeared before the committee. Indeed, so far as I know and can determine, he is still a counsel of record in much pending NAACP litigation.

Such a nomination makes a travesty of the principle of law that no man or his counsel shall be judge of the cause.

I opposed the creation of the Civil Rights Commission because I deemed it unnecessary and because I apprehended it would become a political agency rather than a quasi-judicial body. The pending nomination shows that this apprehension is now on its way to realization.

Mr. HOLLAND. Mr. President, I shall speak for a few minutes only on these nominations. I would regard myself as completely derelict to my own duty if I did not speak in opposition to the confirmation of one of the nominations.

Mr. President, for the record, although I voted against the setting up of the Civil Rights Commission I have not been one of those who have been unwilling to vote for the confirmation of nominations of persons whom I thought to be qualified to serve as members of that Commission, and to vote for confirmation of nominations of persons I thought to be qualified to serve as executive director, as the records of the Senate will show. I shall not refuse to vote on two of these nominations today.

I know of no reason to object to the confirmation of the nomination of the dean of Harvard Law School to serve on the Civil Rights Commission. The Commission exists, whether I wished to have it exist or not. The committee has recommended the confirmation of that nomination. I have read the record, and I have found no word which indicates any reason why that nomination should not be confirmed.

I do not intend to vote against the confirmation of the nomination of the citizen to serve as the executive director. I have read the record. I note the committee has reported favorably upon the nomination. I do not propose to vote against confirmation of the nomination and thus to blast the reputation of this citizen simply because I think the Civil Rights Commission should never have been set up.

Mr. President, in the case of the second nominee to the Civil Rights Commission, I shall vote against the nomination. I am speaking against the confirmation of the nomination, because I think the nomination should never have been made. I think it is an unwise nomination, departing from the principle which has prevailed heretofore in the naming of members of the Civil Rights Commission, which will bring greater disfavor toward the Commission in the very part of the country where every bit of confidence on the part of the public toward the Commission and its findings which can be conserved should be conserved.

Mr. President, I have no doubt that the dean of the Howard Law School is well qualified as a lawyer. I have no doubt that his record up to now is a good one. I have no word of information to the effect that he is a disreputable person in any way. I did not hesitate to vote for his predecessor as dean, when he was named to be a member of the Civil Rights Commission.

However, Mr. President, when I see stated in the record of the hearings the disclosure of the fact that this nominee has served not once but in several instances as counsel for the NAACP in matters of litigation which ran to the very roots of the problems which have to be submitted to the Civil Rights Commission, and when I learn from my able friend from North Carolina that that relationship of counsel still prevails, though the record shows that the nominee is now submitting a request that he be allowed to retire as counsel, I think I would be approving the setting up of a judicial board which cannot be judicial if I approved the confirmation of such a nomination.

Mr. President, how would Senators feel and how would those of other areas of the Nation feel if we from the South made such recommendations, when we were asked to make recommendations? I was one of those to whom the request was made, at the same time it was made to the Senator from Georgia, who has already mentioned it. What if we had recommended—and our recommendation had been acted upon—the appointment of a known member of the Ku Klux Klan, or the appointment of a known leader of a citizens council, or a counsel in the various civil rights cases on the other side? What would Senators from other parts of the country think about such a recommendation and such a nomination?

Mr. President, when I was approached by the preceding administration, as was the Senator from Georgia—and I am sure other Senators as well—I recommended the appointment of four or five people whom I thought would be outstanding, dignified, highly qualified members of the Commission. Two of them were named; the former Governor of Virginia, Mr. Battle, and the former Governor of my own State, Doyle E. Carlton.

The records of the Commission will show that those two men have functioned with dignity and with capacity. I remember that when certain records were withheld from the Commission in one of our Southern States—and it was a mistake to have them withheld—the former Governor of Virginia, Mr. Battle, was the first to say to the local officers who were withholding those records that

they should not do so and that they were injuring the very cause they were hoping to serve by taking that action. That statement of the former Governor of Virginia was lauded all over this Nation as being a showing of fairness and of desire to proceed in a judicial and fair way.

Mr. President, when the recommendations of the Civil Rights Commission were printed and published it was found that the former Governor of my own State, a very great man and a very great American, Doyle Carlton, had agreed as to some of the recommendations made by the majority of the Commission from other parts of the Nation.

Mr. President, that was not an easy thing for him to do, because he knew that many of the citizens of our State would not agree with that position. He took that position because he was serving in a public capacity, as a judge or as a referee with respect to great questions which were dividing our people.

Mr. President, I am sure anything that the Senator from Georgia, the Senator from North Carolina, the Senator from Mississippi and others of us might say today will have no effect at all, but I wish to have the RECORD show that this matter was called to the attention of the Senate because, Mr. President, we cannot expect to have judicial operations which will be beyond any criticism and which will command the confidence of the people from one ocean to the other and from Canada to Mexico if we stand idly by and see a person appointed to a high position of responsibility of this kind, when he is not impartial and when he is already committed to one side of the litigation in many cases now pending and previously pending.

Mr. President, do we wish to have some degree of public confidence attached to the findings and recommendations of this Commission? If we do, we had better keep it a judicial body. Do we wish to have the people believe the Commission is trying to reach fair conclusions and to make sound and soundly American recommendations? If we do, we had better insist that the men appointed to serve on the Commission be as qualified as if they were being named to be district judges of the United States or being appointed to some even higher judicial post.

Mr. President, I feel so keenly in this regard that I have requested the Senate to adopt the rule in this case—which it has—that the nominations be passed upon separately. I desired to have that done because unless something comes out about which I do not know anything now I expect to vote for the confirmation of two of the nominations and I am very sure I shall vote against the confirmation of the nomination I have mentioned, not because I have anything against the nominee personally, for I do not have the privilege of knowing him, and not because I have anything against his race. I helped to confirm the nomination of his predecessor, a member of his race, to be a member of this Commission.

I shall do so because fundamental law requires the appointment of one to sit as a judge fairly and impartially upon important matters.

Those fundamental requirements have not been observed, but have been ignored entirely in the naming of the nominee. I regret that such is the case. I regret that Senators who have spoken for confirmation have seen fit, for some reason or other, to ignore the carefully detailed case so ably made by the Senator from Mississippi [Mr. EASTLAND] in the first address on this subject today. Why have they ignored that case? Do they think a question of this kind can be swept under the rug and should not be known to the public? Do they think that an agency such as the Civil Rights Commission can hope to command the confidence of the public, whether in one part of the Nation or another, in an agency which is supposed to be impartial, but which cannot possibly view with complete impartiality the important matters upon which it is called upon to pass?

When the Senator from California [Mr. KUCHEL] arose, when the junior Senator from New York [Mr. KEATING] arose, and when the Senator from Oregon [Mr. MORSE] arose, since they followed the able address of the Senator from Mississippi, I certainly thought that I would hear some reference to the detailed facts which were discovered by his committee. I certainly expected them to make some reference to this subject.

The senior Senator from New York [Mr. JAVITS] must not have been present at that time, because in his brief remarks of a few minutes ago he stated that he wanted the nominees to be able to perform judicially—that is his word—and with the highest type of dedication. We want that type of nominee. That is the only reason I would vote to confirm the nomination of members to an agency whose very existence I deplore, but I do not think we can escape responsibility in that regard.

I wish all Senators were present and would realize what the issue is. I wish that the entire Senate would realize that the nomination would greatly diminish the capacity and usefulness of the Commission, in which many Senators believe. We would diminish the capacity of the Commission by agreeing to the appointment of one who is not only biased, but who also, as an able attorney for litigants on one side of civil rights cases in many courts, has represented one side in such a way as undoubtedly to have shown his views in that direction.

I wish I felt that the debate would be followed by a refusal of confirmation, as I think it should be followed, if we expect to obtain any good results from the functioning of the Commission.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. SMATHERS. I should like to associate myself with the very fine and, I think, constructive remarks made by my able and distinguished senior colleague.

As a matter of fact, the Civil Rights Commission has had sufficient opportunity to demonstrate the need for its existence and has failed in this respect. Rather than being a healing influence, it is an instrument of disturbance and harassment. It serves no useful purpose and should be discontinued.

I thoroughly agree with what he has said. I think the nomination of Dean Robinson is a most unfortunate one, because it is very evident from his background that he cannot be fair, objective, and impartial as a member of this Commission. If the Civil Rights Commission is to accomplish anything, obviously it must be made up of members who can be objective about this highly volatile and inflammatory problem. The nominee, by virtue of his legal association with the NAACP activities in this area, is sufficiently disqualified because he cannot be objective, fair, and judicious as a member of the Commission. It is difficult, if not impossible, under such circumstances, to be anything other than biased in his point of view. The Senate, in my opinion, should reject this nomination. Certainly, if given an opportunity to vote, I shall vote against each of the nominations to the Commission for the reasons I have set forth. I thank the Senator.

Mr. HOLLAND. I thank my distinguished colleague.

I yield to the Senator from New York.

Mr. JAVITS. Mr. President, whenever the Senator is ready to yield the floor, I should like to address the Senate.

Mr. HOLLAND. I yield the floor.

Mr. JAVITS. Mr. President, I hope the Senator from Florida will remain in the Chamber, because I wish to make a comment on something he said a little while ago.

I understand perfectly well the views of the Senators from Florida. I respect them greatly. I understand how they feel. As with so many problems which we have in the Senate, the issue is neither black nor white, but some shade of gray.

The statement which I am about to make is made very sincerely, and whatever the senior Senator from Florida [Mr. HOLLAND] may think of my views, he knows that I have great pride in my training as a lawyer. I do not anticipate that the perils which he feels would be incurred by confirmation of the nomination of Dean Robinson will actually occur.

I should like to state an interesting analogy. I am a member of the Committee on Labor and Public Welfare. The committee had before it the confirmation of the nomination for Secretary of Labor of a man who had spent a great deal of time representing labor unions and testifying before Senate committees on labor union questions in the most eloquent way. He was considered to be a great advocate for a particular point of view, and had many times strongly supported that point of view in negotiations with employers and in other areas where controversy was very severe.

The nominee was naturally questioned very closely upon that subject because we said—and I think quite properly—that the Secretary of Labor is not merely the representative of the laboring people of

the country. Management is a very important element. For example, the Secretary of Labor has jurisdiction over the Bureau of Labor Statistics, which very often determines what management will pay in the way of wages.

The Secretary has jurisdiction over safety and many other responsibilities of the Department of Labor, in which management has a deep interest.

Great concern was expressed with respect to the nomination. The point is interesting because in reading the record I noticed that the statements were pretty much the same as those which came from Dean Robinson. I heard him; and the senior Senator from Michigan [Mr. McNamara] heard him also. He said:

> I am an honorable man, and I do not feel in my heart that I will in any way be under any compulsion. If anything, I will be freer to act as life has always felt to me in terms of justice and equity than I was before when as a lawyer I represented a specialized interest.

I can understand that Senators' feelings are deep on this issue. We would be less than human if we did not appreciate those feelings. But I do not anticipate that Dean Robinson, as a member of the Commission, will go into his work with any bias, prejudice, or feeling that he is there as a practicing lawyer representing a specialized interest. But he has a great body of knowledge on the subject. We may find, as we found with respect to Secretary of Labor Goldberg and also a most distinguished Justice of the Supreme Court, Mr. Justice Black, about whose appointment there was great controversy in the Senate, and, indeed, an international cause celebre, that when a man occupies a position which calls forth from him all the dictates of his mind, spirit and soul, he will be giving us more rather than less of what we have a right to expect.

I know something about Dean Robinson's reputation. I say to Senators again, not in any controversial sense, but as a voice of assurance, that I express confidence that the perils which the senior Senator from Florida [Mr. Holland] sees—and I repeat that I can understand his feelings and I respect them—will not be realized. On the contrary, I believe we will find in Dean Robinson a very valuable public servant, precisely in the field of civil rights, and precisely for the reason that he has had this kind of expertise.

Many times a judge will feel more able to decide against an issue which he at one time was very much for, because he knows its insides.

For example, there is the oft-cited analogy of the difference between President Truman trying to settle the Korean war situation and President Eisenhower trying to settle the Korean war situation.

It was an impossible situation for the man who was in the position of President Truman, in a situation with which he could grapple, when a man came in new, as did President Eisenhower.

These analogies are not exact. I am not in any way controverting what the Senator from Florida has said. I am speaking unilaterally for myself and stating what I believe to be sound reassurance to all my colleagues with respect to the conduct in office of Dean Robinson, as contrasted with his previous record which the Senator from Florida has analyzed.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. JOHNSTON. I wish to ask the Senator a question. He speaks about the Korean situation. Could not any one have compromised the way President Eisenhower compromised it? We gave the Communists half of Korea.

Mr. JAVITS The Senator is entitled to his view.

Mr. JOHNSTON. The same thing happened in Vietnam. We gave away half the country. If we are going to compromise in that way, we can always compromise.

Mr. JAVITS. I do not want to get into a foreign policy discussion with my friend from South Carolina. However, we do have a virile Republic of Korea at the present time. It is virile enough for it to have internal troubles. It is one of the outposts of the free world on that part of the globe. I do not believe we gave anything away. What we did was essential to our security and to the security of the free world. This is not a foreign policy debate. I shall be glad to debate the matter with the Senator from South Carolina at anytime. I was using the analogy of a man coming into a new job, with new responsibilities and with a new outlook, and that therefore he might profit from his past rather than be bedeviled by it.

Mr. JOHNSTON. I did not bring this issue up. The Senator brought it up. Let us keep the record straight. That is all I am asking.

Mr. JAVITS. That is fine.

Mr. JOHNSTON. The Senator from New York will have to say that the Communists got the northern part of Korea.

Mr. JAVITS. I will have to say that the Communists had the northern part of Korea. They could have had the southern part as well if it had not been for the heroic defense by the ROK and the American troops.

Mr. JOHNSTON. We helped them fight over there. Then we gave the Communists the northern part of Korea.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. HOLLAND. I give full credit to the sincerity of my friend from New York. I remember that he said in the beginning he felt the Commission would be a judicial Commission and would act as such. I want him to remember also that under the terms of the act creating the Civil Rights Commission, that Commission has the power to subpena the records of counties and cities and States where investigations are being made and where perchance also NAACP suits have been brought and are pending. I am merely suggesting to my distinguished friend from New York that he could not, if he wanted to, get away from the thought in the minds of thousands of honorable people that to make records available to one who had just recently been counsel of record for one of the litigants, the NAACP, is not something that will command public confidence. I am saying to my distinguished friend something that he may not know. I have been to Howard University. I went there by invitation and spoke to the law school. I went there and was presented by the former dean of the law school, who later served as a member of the Civil Rights Commission. I was courteously received, and I enjoyed my visit there. I have joined in confirming citizens of color for judgeships, to positions in the United Nations, and for various other positions.

I joined in confirming the nomination of the Secretary of Labor, to whom the Senator from New York has referred. After some doubts as to whether he could serve well, I decided he could.

However, here is a simply impossible situation. This man cannot serve without breaking down the confidence of our people toward the Civil Rights Commission. This man ought himself to have realized that he is in that position and ought never to have agreed to accept the responsibilities which he could not discharge with justice to himself and to the task which he would be trying to perform.

I am sure that my distinguished friend, who has such high professional standards of ethics and such a strong belief in the impeccable performance of judicial duties, will, upon reflection, realize that this man is himself in an impossible situation, which is bad enough, but that the Commission is being doomed to a loss of confidence and lack of confidence because of this appointment.

It is such a contrast with the earlier appointments, when Senators from the South were consulted and made recommendations, which were not of officials in the Ku Klux Klan or in citizens' councils, but, instead, were recommendations of former Governors of the highest dignity and standing, not only throughout our part of the Nation, but throughout all of the Nation.

Now we have this kind of recommendation and this sort of nomination, which is so destructive of and incompatible with any reasonable functioning of the Commission, and of any possible command of confidence of the general public. I believe it is a most disappointing situation. I hope the Senator can realize that I have that point of view notwithstanding the fact that I thought the creation of the Civil Rights Commission was a mistake, and so stated and so voted. However, I have voted for the confirmation of the members of the Commission who I thought were well qualified. I did so because we cannot have a headless horse running around the country with nothing but a staff. It is necessary to have a qualified membership on the Commission in a peculiarly difficult situation, or it would be doomed to lose all confidence even before it had started to function.

I have not been willing to be a party, as I saw it, to making it impossible for the Commission to function. I have, within my lights, done what I thought I should. However this is one more thing that I have been asked to do, which I cannot do, and which I think Senators are going to regret having done when they have done it. We cannot take

a man off the firing line in a dispute and put him in as a referee in that same dispute. That is what is being suggested here.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. HUMPHREY. Mr. President, I should like to make a brief comment about these nominations. First of all, I feel that the nomination of Dean Griswold to be a member of the Civil Rights Commission is one of the best nominations that could possibly be made. He is a man of judicial temperament, a profound scholar, a great lawyer, and an outstanding public servant. It is very fortunate that our country has a man of that quality and stature who should accept this difficult assignment.

The second nominee to be a member of the Civil Rights Commission is Dean Spottswood Robinson III, who only recently was Dean of Howard University Law School, a gentleman who is under some discussion at this moment in the Senate.

Dean Robinson in his statement before the committee said:

> I just want to say that I do not expect to be a member of the Civil Rights Commission and an advocate at the same time. And I say that in view of the fact that I do not want there to be any question about what my intentions are with respect to litigation in the civil rights field if I am confirmed to membership on the Commission.

It is to this point of the argument that I direct my remarks. Here is a distinguished lawyer who has been recommended by the President and well recommended and commended by many of his fellow citizens. He is respected for his splendid work in the law. He is a scholar. He is a student of the law. This man says that under his duties and responsibilities as a lawyer he was an advocate and participated in litigation.

He was a member of organizations which instituted litigation; but as a member of the Commission he no longer remains an advocate. I do not understand why Senators should be so concerned about this sort of arrangement. There are Members of this body who vote on proposed legislation, but who when they were in the private practice of law were advocates on one side or the other of such proposals. When they are Members of the Senate, they work on the assumption that such proposals should be considered objectively.

Mr. HOLLAND. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Is it not true that before they could become Senators and vote on proposed legislation, they had to be elected by a majority of the citizens whom they represent, and who evidently showed thereby that they had complete confidence in their representation?

Mr. HUMPHREY. Yes; but they did not get elected by unanimity.

Mr. HOLLAND. They did not get appointed, they were elected.

Mr. HUMPHREY. In order that a nomination may be confirmed, a person must first be nominated by the President, and his nomination confirmed by the Senate. Also, the nomination must be recommended by an appropriate committee.

Men who have been lawyers for railroads have been appointed to courts of the United States; yet it is presumed that when they went on the courts they would not give the country over to the railroads. It was presumed they would no longer be advocates.

Senators have become members of the Supreme Court—Senators who held strong views in this body. It is presumed that when they went on the Court they would possess a judicious temperament and would evaluate the facts and reach honorable, objective decisions.

I do not believe it can be said that because a man has taken a particular position in private life, it necessarily follows that if he accepts a position on a public commission he will conduct himself in exactly the same way as he did in his private life, when he was an advocate or a litigant. When he is in public life, he may be a judge or a commissioner.

If one wishes to draw such deductions, it would be fair to say that certainly one could not hold that a private doctor could not enter the U.S. Public Health Service, because there might be some differences between public medicine and private medicine.

Mr. HOLLAND. Mr. President——

Mr. JAVITS. Mr. President, I have the floor. I do not wish to cut off the Senator. However, only about 7 minutes remain. I intend to yield the floor so that the majority leader may control it, which I think is fair.

I desire to make one point, and I shall be finished. When the Senate confirmed the nominations of the original members of the Commission, we confirmed, among them, former Governor Battle, for example, whom many persons thought would be biased and prejudiced. He turned out to be an excellent member of the Commission. I think that is a pretty good analogy with respect to the appointment of the distinguished dean of Howard Law School, Dean Robinson.

I yield the floor.

Mr. MANSFIELD obtained the floor.

Mr. HUMPHREY. Mr. President, will the distinguished Senator from Montana yield?

Mr. MANSFIELD. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I merely wish to state my position on the nominations, which I feel certain Senators know is one of support. The nominees are high quality men, high caliber men, fully aware of their responsibilities.

The Civil Rights Commission is a fundamental part of the Government organization. It has performed outstanding work. It has done possibly as much to strengthen our country as any one development of recent years. I hope the nominations will be confirmed.

Mr. HOLLAND. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield to the distinguished Senator from Florida.

Mr. HOLLAND. I wish to state one additional thought which I believe will be in response to what the Senator from Minnesota has just said.

When a man is elevated from the practice of law to become a judge or a referee—and that is what we are doing now—it is an unfailing rule that he disqualifies himself in all matters relating to that particular controversy. I remember having argued not long ago before the Supreme Court of the United States in the so-called tidelands case.

Mr. ERVIN. Mr. President, will the the Senator from Florida yield for a question?

Mr. HOLLAND. Let me finish this point.

Mr. Justice Clark, who had been the Attorney General when the same subject matter was before the courts some years before, and Chief Justice Warren, who had been Governor of California and had urged the passage of the law, both immediately disqualified themselves. Everyone who has practiced law knows that that is the rule. Yet the Senator from Minnesota advocates the taking of a man out of counsel's box and putting him in the judgment seat to decide the controversy. It is that to which I object.

Mr. ERVIN. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield to the Senator from North Carolina.

Mr. ERVIN. Is there not a Federal statute which gives a litigant the right to disqualify a judge, if the litigant has reason to believe the judge is biased?

Mr. HOLLAND. I believe there is such a statute. I know there is one in my own State. I have proceeded under it, and also, sitting as a judge, I have had it used against me.

On various occasions I have disqualified myself because of my attitude, known to others, but known particularly to myself. Now it is proposed to elevate to this position of judicial responsibility a man taken out of counsel's box, and expect him to rule with objectivity and impartiality on the very subject matter which he has handled as an advocate.

Mr. HUMPHREY. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. HUMPHREY. This is not an appointment of a person to a Federal court. The lawyers in the Senate are not going to try to mystify the nonlawyers. Some of us know that the rules of evidence, the rules of procedure, and the rules of jurisprudence in the courts are entirely different from what they are in the Commission. If that were not the case, how could men experienced in the oil and gas business be appointed to sit on the Federal Power Commission? How could a farmer be asked to serve as Secretary of Agriculture, and rule upon such questions as were argued in the Senate yesterday? This is ridiculous. When we talk about the courts, we talk about one thing; when we talk about the Commission, we talk about another.

Mr. HOLLAND. The Senator from Minnesota has shown himself to be very much a layman by his comment. This nomination is to a quasi-judicial post. The distinguished Senator from New York [Mr. JAVITS] has recognized it as such. All the lawyers in this body have

recognized it as such. We all know that the Commission has power to summon records and individuals, and to take records away, under the decision of the Supreme Court, from the States and from other units of government.

This nomination is to a quasi-judicial post, in which, regardless of how one may attempt to paint it, a man is being taken out of the counsel box, on the one side, and is being placed in the judge's seat and asked to adjudge a controversy.

If we expect to maintain any confidence on the part of the people of the Nation in such a proceeding, we are doomed to disappointment, because we will fly in the face of the whole system of Anglo-Saxon judicial procedure.

Mr. TOWER. Madam President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. TOWER. Madam President, as a native southerner, I have on many occasions been ashamed of the way Negroes have been treated in the South. I have taught in integrated schoolrooms for several years, and I know as a native southerner that our racial differences can be resolved only in an atmosphere of good will and moderation.

I believe the Civil Rights Commission can perform a valuable function, but not if it is to be made suspect in the eyes of everyone in the South. If this nomination is confirmed, that is what will happen. It will be flammatory, and it will not be possible to create the atmosphere of good will which is necessary to resolve these vexing problems.

Mr. CASE of New Jersey. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield to the Senator from New Jersey.

Mr. CASE of New Jersey. Mr. President, I believe the Senator from Texas has raised an important question. I think the Senator from Florida, who raised the same question earlier, touched upon a consideration which should concern us all, and properly does concern us all. It is my own judgment that there is nothing in the record, and I have discovered nothing which anyone has said, that justifies the fear that this man, if his nomination to membership on the Commission is confirmed, would act in any way improperly, in a way which would harass one section of the country as against another, or inflame any of the passions which are latent in the situations with which the Commission must deal.

The Civil Rights Commission is not a court, of course. In that, the Senator from Minnesota is correct. On the other hand, as the Senator from Minnesota himself would agree, it is important that public confidence in this body should continue to exist in all parts of the country.

I feel very strongly that to object to the nomination of the dean of the Howard Law School purely on the ground that he has been an attorney in civil rights cases tends in itself to prejudice his future usefulness, and I think that is most unfortunate.

If there were any evidence whatsoever that the nominee was not of the proper temperment, or that his conduct in past actions indicated that he would not act fairly and objectively—I feel certain he will act enthusiastically to carry out the purposes of the Commission—then I should say there would be substance to the objections raised by the Senator from Florida, the Senator from Texas, and perhaps other Senators.

I am sure that when this nomination is confirmed—as I feel certain it will be—it will be but a very short time before this member of the Commission will have demonstrated his great usefulness in this most difficult area and that the fears expressed by these Senators will be proved to be groundless.

I commend the President not only for his nomination of dean of Howard Law School, but also of the dean of Harvard Law School, who is a close friend of mine and a man of great ability and outstanding achievements. I know he will render the same distinguished service on the Civil Rights Commission he has already given in other important capacities without number.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The hour of 3 o'clock has arrived; and, under the unanimous consent agreement which has been entered into, the Senate will proceed to vote on the nominations to the Commission on Civil Rights.

Mr. MANSFIELD. Madam President, I ask unanimous consent that debate on the nominations may be continued for 5 minutes longer.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CARROLL. Madam President—

Mr. MANSFIELD. Madam President, I yield to the Senator from Colorado.

Mr. CARROLL. Madam President, I had the honor and the privilege to report these nominations from the Judiciary Committee.

I have studied this record very carefully, and I have listened to the able arguments made by my friend, the able Senator from New York.

Of course, controversy is involved.

Attention has been called to some of the statements the nominee, Spottswood Robinson, made; but I believe the record should be considered in its proper perspective. I say this in particular to the Senator from Minnesota, also.

In this case we are dealing with nominations for membership on the Civil Rights Commission, a body which has definite, limited powers.

Let us consider some of the arguments which have been submitted. Do Senators mean to say that partisans cannot be appointed to the CAB, the FCC, and other Commissions and regulatory bodies of the Government which have vast quasi-judicial powers?

The Civil Rights Commission is a small group with very limited powers and functions.

Mr. HOLLAND. Madam President, will the Senator from Colorado yield?

Mr. CARROLL. Not at this time, because I have only a few minutes in which to speak.

Madam President, the question of advocacy has been raised. Certainly every lawyer is an advocate in a sense. Likewise, Madam President, the Judiciary Committee considers the nominations of judges; and most of those who are nominated to be judges have at one time or another been trial lawyers. Generally speaking, we do not wish to have persons appointed to serve on the bench unless they have had some trial experience.

Madam President, let us consider some of the statements made by Mr. Spottswood Robinson:

> I would certainly say, Mr. Chairman, that as a member of the Commission I would not expect to play the role of advocate.
>
> I realize that if I am confirmed my membership on the committee will involve a very deep and serious responsibility to function as a Commissioner rather than in the role that I formerly played at the time that I was engaged in the practice of law.

In short, the nominee said that he knew his responsibility and knew what he would do; and he said he would be fair.

I wish we could get on the other great, regulatory bodies of the Nation men who would be as fair as this man will be. I am sure he will be fair, even though I do not know him personally.

Mr. KEFAUVER. Madam President, will the Senator from Montana yield to me?

Mr. MANSFIELD. Madam President, I promised to yield soon to the Senator from Connecticut [Mr. BUSH].

Mr. KEFAUVER. I shall be very brief.

Mr. MANSFIELD. Very well; I yield.

Mr. KEFAUVER. Let me say that I have great confidence in the Senator from Colorado, who has heard the testimony of the witnesses in this case. Does he believe that this nominee can be fair in making such decisions?

Mr. CARROLL. Yes. It is true that he has been an advocate. But I say that this nominee will be fair, in my judgment, because he knows what advocacy means; and I would trust him, rather than some professor from a university who never had his spirit of advocacy. This is my honest judgment.

Mr. KEFAUVER. I thank the Senator from Colorado.

Mr. BUSH. Madam President——

Mr. MANSFIELD. Madam President, I yield now to the Senator from Connecticut.

Mr. BUSH. Madam President, I wish to take a moment particularly to commend the President of the United States for nominating for membership on the Civil Rights Commission, Erwin N. Griswold, of Harvard Law School. I have had the pleasure and the honor of knowing Dean Griswold during the past 9 years that I have been a Member of the Senate. I have received much good advice from him.

I observe with satisfaction that Dean Griswold is and has been a good Republican all his life. He served under Solicitor General Charles E. Hughes, Jr., and also under Solicitor General Charles D. Thatcher, a very good friend of mine, since deceased.

So I am very happy to commend the committee for reporting favorably the nomination of Dean Griswold to be a member of the Civil Rights Commission, and I wish to congratulate the President on making the nomination.

Mr. HOLLAND. Madam President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield 2 minutes to the Senator from Florida; and then we shall proceed to vote.

Mr. HOLLAND. Madam President, I merely wish to call the attention of the Senator from Colorado to the fact that the law itself protects the membership of one of the commissions of which he has spoken—the CAB—from the kind of thing proposed to be done in this instance, because the law prevents the appointment to the CAB of anyone in the employ of the commercial airlines or anyone who has been in their employ within a certain number of years past. I thought the Senator would wish to realize that he had gone a bit too far in the statement he made.

Mr. CARROLL. Madam President, will the Senator from Montana yield, so that I may answer?

Mr. MANSFIELD. I yield.

Mr. CARROLL. I wish to state—and I shall be very brief—that the record is clear that in the past some of the men who served on the regulatory agencies served there for perhaps a few years, and then resigned, and wound up as executives of companies in the industry they had been regulating. So the argument which has been made by some of my friends does not impress me.

The PRESIDING OFFICER. Under the order which has been entered, the first nomination for membership on the Commission on Civil Rights will be stated.

The legislative clerk read the nomination of Berl I. Bernhard, of Maryland, to be Staff Director for the Commission on Civil Rights.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

The PRESIDING OFFICER. The next nomination to the Commission on Civil Rights will be stated.

The legislative clerk read the nomination of Erwin N. Griswold, of Massachusetts, to be a member of the Commission on Civil Rights.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

The PRESIDING OFFICER. The next nomination to the Commission on Civil Rights will be stated.

The legislative clerk read the nomination of Spottswood W. Robinson III, of the District of Columbia, to be a member of the Commission on Civil Rights.

Mr. HOLLAND. Madam President, on this question I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Indiana [Mr. HARTKE], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Maine [Mr. MUSKIE], and the Senator from West Virginia [Mr. RANDOLPH] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

On this vote, the Senator from Arkansas [Mr. FULBRIGHT] is paired with the Senator from Minnesota [Mr. MCCARTHY]. If present and voting, the Senator from Arkansas would vote "nay," and the Senator from Minnesota would vote "yea."

On this vote, the Senator from Arkansas [Mr. MCCLELLAN] is paired with the Senator from West Virginia [Mr. RANDOLPH]. If present and voting, the Senator from Arkansas would vote "nay," and the Senator from West Virginia would vote "yea."

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Indiana [Mr. HARTKE], and the Senator from Maine [Mr. MUSKIE] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] is absent because of illness.

The Senator from North Dakota [Mr. YOUNG] is absent on official business.

The Senator from Indiana [Mr. CAPEHART] is detained on official business, and, if present and voting, would vote "yea."

The result was announced—yeas 73, nays 17, as follows:

[Ex. No. 1]

YEAS—73

Aiken	Dworshak	Metcalf
Allott	Engle	Miller
Anderson	Fong	Monroney
Bartlett	Goldwater	Morse
Beall	Gore	Morton
Bennett	Gruening	Moss
Bible	Hart	Mundt
Boggs	Hayden	Neuberger
Bridges	Hickenlooper	Pastore
Burdick	Hickey	Pell
Bush	Hruska	Prouty
Butler	Humphrey	Proxmire
Byrd, W. Va.	Jackson	Saltonstall
Cannon	Javits	Schoeppel
Carlson	Keating	Scott
Carroll	Kefauver	Smith, Mass.
Case, N.J.	Kerr	Smith, Maine
Case, S. Dak.	Kuchel	Symington
Church	Lausche	Wiley
Clark	Long, Mo.	Williams, N.J.
Cotton	Long, Hawaii	Williams, Del.
Curtis	Magnuson	Yarborough
Dirksen	Mansfield	Young, Ohio
Dodd	McGee	
Douglas	McNamara	

NAYS—17

Byrd, Va.	Johnston	Sparkman
Eastland	Jordan	Stennis
Ellender	Long, La.	Talmadge
Ervin	Robertson	Thurmond
Hill	Russell	Tower
Holland	Smathers	

NOT VOTING—10

Capehart	Hartke	Randolph
Chavez	McCarthy	Young, N. Dak.
Cooper	McClellan	
Fulbright	Muskie	

So the nomination was confirmed.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the President be notified of the action taken on the three nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

Mr. STENNIS subsequently said: Madam President, the Senator from Mississippi just returned to the Chamber for the purpose of voting against all three of these nominations. The Senator from Mississippi left the Chamber approximately an hour ago to conduct hearings in connection with our urgent defense program with the definite understanding there would be a yea-and-nay vote on all three of these nominations, to which he was opposed on the ground that he opposes the Commission and its mission. Since there has been a confirmation of the nominations of Mr. Bernhard and Mr. Griswold by voice vote, without any notice being given that there would not be a yea-and-nay vote, through this statement I wish to record my opposition to those two nominations, for the reason given. I am very much opposed to the Commission, its creation, and its activities. The Commission should be abolished. These nominations should not be confirmed.

DECLARATION OF UNDERSTANDING REGARDING INTERNATIONAL CONVENTION FOR NORTHWEST ATLANTIC FISHERIES—REMOVAL OF INJUNCTION OF SECRECY

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the injunction of secrecy be removed from Executive M, 87th Congress, 1st session, a Declaration of Understanding Regarding the International Convention for the Northwest Atlantic Fisheries, signed at Washington, April 24, 1961, and transmitted to the Senate today by the President of the United States, and that the Declaration of Understanding, together with the President's message, be referred to the Committee on Foreign Relations, and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to acceptance of the Declaration of Understanding Regarding the International Convention for the Northwest Atlantic Fisheries, done at Washington on April 24, 1961, I transmit herewith a certified copy of that Declaration.

I transmit also, for the information of the Senate, the report by the Secretary of State with respect to the Declaration.

JOHN F. KENNEDY

THE WHITE HOUSE, *July 27, 1961.*

LEGISLATIVE SESSION

Mr. MANSFIELD. Madam President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

FACILITATION OF CONDUCT OF BUSINESS OF THE FEDERAL COMMUNICATIONS COMMISSION

Mr. MANSFIELD. Madam President, I move that the Senate proceed to the

consideration of Calendar No. 550, S. 2034.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2034) to amend the Communications Act of 1934, as amended, in order to expedite and improve the administrative process by authorizing the Federal Communications Commission to delegate functions in adjudicatory cases, repealing the review staff provisions, and revising related provisions.

Mr. MANSFIELD. Madam President, I move that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 444, S. 1488.

The PRESIDING OFFICER. The previous motion made by the Senator from Montana has not been agreed to. Does the Senator desire to withdraw his previous motion?

Mr. MANSFIELD. No, Madam President. I move that the Senate proceed to the consideration of Calendar No. 550, S. 2034.

The PRESIDING OFFICER. The bill has been stated by title. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

SALARIES OF ATTORNEYS

Mr. MANSFIELD. Madam President, I ask unanimous consent that the Senate temporarily lay aside the unfinished business and proceed to the consideration of Calendar No. 444, S. 1488.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1488) to amend section 508 of title 28, United States Code, relating to attorneys' salaries.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1488) to amend section 508 of title 28, United States Code, relating to attorneys' salaries, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, after line 9, to strike out:

United States attorneys, not more than $20,000; and

And, in lieu thereof, to insert:

United States attorneys—not less than $12,000 or more than $20,000; and

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 508 of title 28, United States Code, is amended to read as follows: "The Attorney General shall fix, without regard to the Classification Act of 1949, as amended, the compensation of United States attorneys, assistant United States attorneys, special assistants and other attorneys employed in the Department of Justice within the following limitations:

"United States attorneys—not less than $12,000 or more than $20,000; and

"Assistant United States attorneys, special assistants, and other attorneys employed in the Department of Justice, not more than $19,000."

Mr. MANSFIELD. Madam President, has the committee amendment been agreed to?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. EASTLAND. Madam President, I ask unanimous consent to have printed in the RECORD a statement explaining the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON S. 1488

The purpose of this legislation is to extend the Attorney General's present discretion to fix the compensation of attorneys in the field to the departmental attorneys.

Section 508 of title 28 of the United States Code permits the Attorney General to pay U.S. Attorneys up to $20,000 and Assistant U.S. Attorneys and special assistants up to $15,000 without regard to the Classification Act of 1949, as amended. Some 800 lawyers in the field are paid in accordance therewith and the proposed amendment would extend the same pay system to some 900 lawyers now at the seat of Government.

The amendment would give the Attorney General the flexibility required to retain in the Department more of the well-qualified lawyers, to promote and pay lawyers on the basis of their abilities and performance, and to pay more money to extremely able trial lawyers who, day in and day out, are handling or supervising most important litigation for the Government.

Under this proposed legislation, the Attorney General would be able to reward meritorious and outstanding services without regard to the limitations of the Classification Act and, in a very few instances, pay outstanding lawyers from $16,000 to $19,000 when justified.

The Department represents the United States in all cases in the Federal courts in which the United States or any department or agency thereof is a party. Very often, it is the big case, the hard case, or the case involving important policy that comes to the Department of Justice and frequently the amounts of money involved are rather staggering. Many of the cases have a major effect upon the economic structure of our country and are tremendously important to the proper functioning of our free enterprise system.

Department lawyers have as their adversaries the best and most highly paid lawyers which private citizens and companies can employ. The Department cannot expect to compete compensationwise with the pay a good lawyer can earn in private practice. Unless the Department can hold out some incentive there will be no way in meeting the present difficulty in retaining its better lawyers, especially trial lawyers. Under the Classification Act trial lawyers, no matter what their responsibilities, cannot be paid more than $15,030. In many of these cases, the compression in grade 15 has been the stumbling block to their retention. The inflexibility and rigidity of the Classification Act makes it extremely difficult to run an efficient law office.

The Department is not striking for a general pay increase for lawyers. We do not suggest that it be staffed only with the unusually gifted lawyer, nor do we expect that the flexibility provided by this amendment would affect significantly all lawyers in the Department.

The amendment does not of itself increase the budget for this or any other year and any increases made must, of course, be within the present budget limitations. It may be, as a result of the ability to pay some lawyers more than $15,000, we shall be requesting a slightly increased budget in years to come. We are hopeful, that by making promotions in lesser amounts than are now required under the Classification Act, that any increases in compensation would be more than offset by other savings.

It is anticipated that if the bill passes, departmental committees would determine strictly on the basis of exceptional performance which lawyers would be entitled to pay increases beyond the limitation of the Classification Act.

Senators are assured that the Attorney General intends to be conservative and careful as to the compensation paid attorneys at the seat of Government just as he has been with those in the field concerning whom he already has a wide discretion in fixing compensation.

The first step would be gradually to end the present compression at the top of the Classification Act (attorneys in grade 15 now receiving anywhere from $14,800 to $15,000) of those who would be receiving additional compensation except for the limitations of the Classification Act.

This jam could be broken by inaugurating, on a selective basis, raises of $500 to $1,000 a year, depending on the experience, ability, and character of the individual. The same would apply to the 38 supervisory attorneys now receiving from $14,800 to $17,500.

It should be emphasized that only a small percentage of the Department lawyers would be affected by the proposed amendment. We would expect that no more than 100, including present supergrades, of the Department's 1,000 attorneys, exclusive of those in the U.S. attorneys' offices, would be receiving compensation in excess of $15,000 at the end of the next 5 years and not more than 50 or 60 of those getting under $15,000 would be affected. These changes would be made gradually. Even a slight increase in cost will be more than justified in protecting the Government's investment in especially talented attorneys. Also, the task of recruiting extremely competent attorneys in special cases and matters will be greatly alleviated.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1488) was ordered to be engrossed for a third reading, was read the third time, and passed.

PRESIDENT KENNEDY'S SPEECH ON BERLIN AND U.S. PREPAREDNESS

Mr. ERVIN. Madam President, Tuesday night President Kennedy outlined to the American people the measures which he feels are demanded for the preservation of freedom and the security and honor of the United States.

The President's program requires sacrifices of us all but it is necessary for our national survival. President Kennedy presented a compelling argument for his program of action. I believe that it deserves and will receive the enthusiastic support of the American people, and indeed, of freedom-loving men everywhere who realize the dangers confronting the free world. I, for one, pledge the President my full support as he leads the Nation in meeting this grave

crisis. I might add that it has been inspirational to me to encounter the confidence which many Members of this body, without regard to party affiliation, have expressed concerning the President's proposals. The Senate Armed Services Committee, of which I am a member, has already taken action on the President's program and I am hopeful that it will be considered by the Senate in the immediate future.

Our President spoke for all Americans when he said that we do not want to fight but that we have fought before, and I agree with him that the American people, ever alert to the encroachment of tyranny, would be willing to fight again to preserve the individual liberties and the democratic institutions which we hold so dear.

The people of this great land realize that we are no longer an island unto ourselves. We have seen the anguish which beset our Nation when, at the end of World War I, rife isolationism caused us to refuse the mantle of world leadership and to reject Woodrow Wilson's wisdom and guidance. Under the direction of Franklin Roosevelt the American people assumed, for the first time, the role of world leader, and resolved never again to be guilty of such folly as engulfed us following World War I. At the end of the Second World War, President Truman inaugurated a series of programs designed, among other things, to assist the nations of the free world in maintaining their independence from Soviet imperialism. The programs were in large measure successful and were continued by President Eisenhower. These measures alone, however, are no longer sufficient to combat the position which the Soviets threaten to take in regard to Berlin. Such action as the Russians contemplate would be violative of their commitments to us and our allies. To accept such flouting of international agreements could lead only to a deterioration of our world position and, as a concomitant, increased Communist agitation and effectiveness.

In discussing the crisis before us, President Kennedy emphasized the willingness of our Government to settle all international disputes by peaceful means. He indicated that he is willing to submit the Berlin issue to adjudication by the United Nations, but regardless of our willingness to negotiate, the President is correct in feeling that successful negotiation comes only from a position of strength. As he has said earlier, we must never fear to negotiate, but by the same token we must never negotiate from fear.

It would be tragic indeed if the Soviets were led to believe that they could usurp our prerogatives because of our inability to protect ourselves. We should be prepared to negotiate, and we must be prepared, if necessary, to defend the principles for which Americans have always stood.

The President's was a dispassionate speech. There was no saber rattling. There was no coercion. There were no threats. There was no intimation that our Government will depart from its consistent policy that nuclear weapons will be used only as a last resort. Even so, we are constantly aware that the possibility of massive nuclear retaliation is our best deterrent to the Communist threat. Although nuclear power is our best defense, our reluctance to employ it requires the increase in conventional forces and the other defense meaures outlined by the President.

The financial burden placed upon our people by the increased defense expenditures may be accompanied by other requests for additional sacrifices. I am reminded that the President, in his inaugural address, said that we should ask not what our country can do for us but rather what we can do for our country. By showing the free world that we are willing to bear our share of the burden, we should indicate also that they must bear theirs. The concerted action by the United States and her allies in replying to the Soviet threat over Berlin is, I belive, a portent of our allies' intention to assume their fair shares of this burden.

Premier Khrushchev has told the world that a Communist has no right to be a mere onlooker. In a free society we know that this is not the case; we have the right of choice; we can be either onlookers or doers. However, in these precarious times, it seems to me that there is a moral obligation which impels each of us to contribute his utmost in the contest for the survival of freemen. The American people have the responsibility and opportunity, heretofore unequalled, for service to their country, and, indeed, to all mankind. I know that they will accept this challenge.

I know that the people of my State of North Carolina stand fast by their heritage and pledge to President Kennedy their undaunted support. We must not falter; we cannot afford indecision; mustering all of our resources, let us proceed with dispatch to perform those duties which may well determine the fate of freedom. The President has chartered the Nation's course and the American people will not be deterred from it.

PARASITE'S PARADISE

Mr. BRIDGES. Madam President, for those of us who wish to preserve individual liberty and protect our free enterprise system during an era of Robin Hood economics, it is most refreshing to read a column such as one which appeared in the Wall Street Journal of July 25, entitled "Parasite's Paradise."

This commentary, written by William Henry Chamberlin, is a most revealing exposé of the dangers of mother-hen-type Government coddling. I ask unanimous consent that this outstanding column be printed at this point in the RECORD, and I commend it to the attention of my colleagues.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

PARASITE'S PARADISE—WITH EVER MORE FEDERAL HANDOUTS, AMERICA IS BECOMING LAND OF FREELOADERS AND HOME OF BRAVE TAXPAYERS

(By William Henry Chamberlin)

There was a time, not far distant as historical periods go, when the United States operated on the principle that the individual, the business, the occupation should stand on its own two feet.

The idea of piling the consequences of individual or business failure onto the Federal Government was hardly considered. President Grover Cleveland, vetoing a proposal to compensate farmers who had suffered from hailstorms, commented that, while the people should support the Government, the Government should not support the people.

The theory then was that the general good was best served by letting the individual go as fast and as far as his ability and industry would carry him. No one expected the Government to pay a large share of the individual's rent, or to supply him with medical aid, or to coddle him if he did not want to work, or to hand out a subsidy if his industry or occupation did not return enough profit to support him in the style which he might desire. Now there has been an almost revolutionary change, as mounting national debt and tax bills show. Increasingly, Americans are becoming divided into burden bearers and free loaders.

PRIMARY OBLIGATIONS

Formerly a man's primary obligations were to his family, to provide for his old age, and to support his church, college and other causes as he felt able to assume voluntarily. Today the American burden bearer, the man who is not cutting in on Government handouts himself, is carrying a load that would have seemed intolerable to his father and fantastically impossible to his grandfather.

He is paying his share of a subsidy-ridden agricultural system that costs many billions of dollars a year and that has succeeded in providing high prices for consumers, discontent for farmers and a considerably higher tax bill for the general public. He has taken on the task of sustaining scores of clamorous foreign peoples, not as a humanitarian obligation to relieve special cases of natural disaster and distress, but as a long-term obligation to support the State-planned economies of underdeveloped nations.

Two incidents recently illustrated what is being exacted from the independent American whose first desire, as regards the Federal Government, is that it should leave him alone. One of these was the shipping strike; it was called for purposes which would make necessary an increase in Government subsidies for a maritime industry whose wages and costs are already so far out of line with those of competing foreign nations that it would go out of business altogether if it were not supported out of the taxpayers' money.

One of the demands of the strikers was that seamen, if transported from one place of work to another, should receive first-class accommodations. If the transfer were made by air this would mean that seamen would be entitled to luxury transportation of a type usually patronized only by individuals with large expense accounts.

The other significant incident was the attempt of the New York community of Newburgh, with one-third of its budget already preempted for relief, to impose some reasonable restrictions on the use of relief funds, such as requiring work of able-bodied applicants for relief and cutting off subsidies for proved and persistent immorality.

The popular reaction to Newburgh's reforms was one of hearty approval, as the letter columns of newspapers have shown. But a great protest has been raised by politicians who see in loose dispensing of public funds a vote-getting issue, and by members of the large built-in bureaucracy with a vested occupational interest in making Federal and State social welfare payments as large as possible. The argument is even advanced that the cost of relief payments should be disguised by separating

these from any connection with local taxation, thereby removing the surest check on abuse and extravagance.

This trend toward substituting Government help for self-help all along the line is defended by its advocates as necessary acceptance of the twentieth century. And critics are habitually met with the dire accusation that they "want to go back to the days of William McKinley"—as if this were some episode in the Dark Ages and not a rather happy and carefree era in American life when the country had emerged from the depression of the early nineties.

PERNICIOUS FALLACY

The piling of ever more freeloaders on the backs of the burden bearers would not have gone so far if it were not for the pernicious fallacy that welfare measures come free. In an article supporting the welfare measures proposed by the Kennedy administration, Secretary of Health, Education, and Welfare Ribicoff implied, if he did not state explicitly, that these measures are in the nature of manna dropping from the skies.

Of course they are nothing of the kind. The State has no means of creating wealth. It can only take from some to give to others. Every new subsidy, every increase in an old subsidy, must be paid for by higher taxes, by higher social security payments or by inflation.

Some signs, such as the spontaneous burst of applause for the action of Newburgh's city manager, suggest that people are gradually becoming aware of the deceptions of "free" welfare measures that aren't really free at all.

There is nothing inevitable about the present trend toward the omnicompetent State; it could be reversed. All that is inevitable is the steady deterioration in moral fiber of a society that looks to a central authority to solve all problems, and places an increasing burden of freeloaders on those who are self-reliant.

OPEN LETTER TO THE PRESIDENT ON HOUSING

Mr. JAVITS. Madam President, one of the greatest domestic challenges facing our Nation today is in our ability to solve the myriad problems of our urban-suburban centers. An adequate response to the necessities of life in our cities is contingent upon the institution of an effective housing program. Such a program must meet the demands of slum clearance, urban renewal, suburban sprawl and, most important, it must solve the middle-income housing enigma. One of the greatest paradoxes of our Nation is the existence of our unprecedented prosperity with an unprecedented shortage of homes for moderate-income families.

The crisis precipitated by the reluctant flight of many families from cities to the suburbs because of the lack of decent urban housing is related to some of the basic problems of the modern metropolis. The steady retreat of moderate-income jobholders from our cities has had a serious effect on the labor supply available for our commercial and industrial enterprises. It has compounded the difficulties plaguing our transportation and commuter complex. The lack of adequate middle-income housing has intensified our crime problem, particularly among juveniles. This increases the burden on overworked social, welfare, police and education departments. A rise in the crime rate also heightens the middle-income exodus from our cities which, in turn, forces our municipal governments to face a decrease in income derived from real estate, the source of 45 percent to 50 percent of their total revenue. These are only a few of the problems which are corollaries to the ominous shortage of middle-income housing.

The recently passed housing bill represents a major step toward the solution of these grave national problems. It contains a number of sorely needed innovations and improvements. However, it fails to deal with many of the fundamental causes of the housing situation. The major questions of slum clearance, of code revision, of land costs, of tax abatement, and of financing are still before us. Most important, the provisions adopted in regard to moderate-income housing fail to meet the needs of our people.

I have contended that Government funds and existing Federal administrative machinery cannot alone cope with these problems. So great are the demands that all available resources must be utilized. An adequate program must incorporate and marshal the strength of our private enterprise system. My amendment to the housing bill, which would have created a Federal Limited Profit Corporation, could have insured the support of private enterprise for the middle income housing program. This proposal would have provided low-interest loans for nonprofit or limited profit rental and cooperative housing, closely paralleling the existing Mitchell-Lama program in New York State.

Though the housing bill was a major step, I would like to take this opportunity to state that I consider it only the first step toward the solution of the housing problem. I shall continue to explore new proposals and to fight for new measures which I believe are necessary.

Consequently, I ask unanimous consent to have printed in the RECORD at this point an open letter to the President which appeared in the April issue of House & Home magazine and which contains some salient criticisms of the administration's program. I also ask unanimous consent to have printed a copy of a letter which I have received from Mr. Robert C. Weaver, Administrator of the Housing and Home Finance Agency, in reply to the contentions of the editors of House & Home.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AN OPEN LETTER TO THE PRESIDENT IN RESPONSE TO HIS HOUSING MESSAGE

DEAR MR. PRESIDENT: House and Home could not agree more wholeheartedly with all the objectives urged in your eloquent and moving housing message—the strongest, longest, and broadest message in many a year.

Like you, we find it shocking and shameful that in the richest nation on earth so many families are still ill housed. Like you, we want a good home for every American, poor or rich, city or farm, young or old. Like you, we deplore urban slums and suburban sprawl.

We agree that the Federal housing program should put more emphasis on urban needs. We share your wish for better planning on an area scale. We share your desire and impatience to remodel our cities, to improve our patterns of community development, to provide for the housing needs of all segments of the population. Who could question your statement that "meeting these goals will contribute to the Nation's economic recovery and its long-term economic growth. A nation ill housed is not as strong as a nation with adequate homes for every family. A nation with ugly, crime-infested cities and haphazard suburbs does not present the same image to the world as a nation characterized by bright and orderly urban development."

And of course we welcome your concern for the depressed state of homebuilding (which is America's biggest industry) and the effect of the depression on all the industries dependent on homebuilding. We welcome your concern for its high rate of unemployment—"the highest rate of unemployment in any major American industry." We welcome your call for "a steady and progressive increase in the rate of homebuilding, beginning now." And we are more than pleased that you believe a construction rate of at least 2 million new homes a year will soon be required.

You first made manifest your deep concern for better homes and better communities by the high caliber of the public servants you chose to work and advise with you on these needs. You made your concern manifest a second time by your prompt attack on mortgage interests costs, for last year's tight money hit housing first and worst of any industry. Now you have emphasized your concern by making housing needs the theme of your most far reaching special message to Congress on any strictly domestic problem.

Because we share your housing hopes and purposes so deeply, because we welcome your concern for housing and homebuilding so gladly, and because we regard your housing advisers so highly—for these very reasons we are all the more disappointed to find that, although many suggestions in your message are indeed very important (like speeding up urban renewal processing, developing new tools to finance home improvement, providing better statistics on the market).

THE MULTIBILLION DOLLAR PROGRAM YOU PROPOSE IS FAR TOO SMALL TO CURE THE VAST NEEDS YOU STATE

If you, as you say, 14 million families (26 percent of the Nation) are still ill housed, your plan to subsidize another 100,000 public housing units would meet just two-thirds of 1 percent of their needs; and giving Fannie Mae another $500 million for special assistance loans to consumer co-ops, nonprofit associations, and limited divided corporations could barely rehouse even one-third of 1 percent.

If, as you say, we must provide good homes for millions of elderly couples living on less than $3,000 a year and for still more millions of widows living on less than $2,000, your plan to earmark another $50 million for direct loans to the aged and to reserve 50,000 of the added public housing units for their use would meet less than one-half of 1 percent of the old folks' need you dramatize.

If, as you say, "almost one-fifth of the occupied houses in rural areas (they totaled 14,300,000 in 1950) are so dilapidated they must be replaced" and if "hundreds of thousands of others are far below adequate standards," extending the $200-million-plus unexpended balance of the 1956 farm housing credit as you suggest would meet hardly 2 percent of the need you state. It would provide less than a $75 loan toward the cost

of each needed replacement, even if nothing at all is spent on the other substandard homes.

And if, as you say, "we need a broader and more effective program to remove blight," your plan to spend another $2.5 billion to buy up slums at prices three and four times their reuse value would not go very far. New York City alone might need every cent of that money to reclaim its 7,000 acres of blight and decay, for New York slum prices are so inflated by overcrowding and undertaxation that redevelopment purchases have averaged $481,000 an acre.

As for your other two major proposals—selective credit controls to induce builders to build low-priced houses and Federal funds to buy land reserves now for future suburban development—we are sorry to have to say we believe these two programs could do as much harm as good, because:

First effect of no-down 40-year financing for new homes priced under, say, $13,500 might be to break the price or weaken the market for 22 million reasonably good existing nonfarm homes now priced below this ceiling (not counting 6.7 million that are dilapidated or lack a private inside bath). This in turn would make it difficult or impossible for owner-occupants to sell their under-$13,500 homes and so get their equity out to buy the better homes many of them can now afford. So the more cheap new homes are sold to first-time buyers by the no-down financing you propose, the fewer better homes can be sold to second-time buyers trading up.

As the shelter shortage disappears, used-house prices are falling, so lower-income buyers in more and more markets are finding they can get more for their money in existing houses than in new homes built at today's costs and today's wages. In these markets the No. 1 reason why lower-income families still buy new homes when they could get more house for the same money second-hand is that the new homes (which are financed wholesale) can be bought for $300 or $400 cash, whereas existing homes at the same price (which must be refinanced one at a time) are likely to require $2,000 or $3,000 cash.

Concluded Dr. Louis Winnick's excellent research report to ACTION on rental housing: "The problem is not likely to be solved with making the trade-up process work better." Your proposal would almost inevitably make it work worse.

First effect of Government spending to buy land reserves at today's sky-high prices might be to bid suburban land prices still higher, thereby driving builders further out into the orchards and cornfields to find land they could afford to build on. This would spread suburban sprawl and premature subdivision over added miles of open country.

Stockholm's land-reserve plan worked so well mainly because the land was bought with pre-World War I kroner before the automobile started suburban land prices soaring. That is something quite different from starting to buy reserves at the peak of today's land inflation.

Combined cost of the programs you propose has been estimated at more than $5 billion for open or concealed subsidies. If $5 billion can meet only 2 percent or at most 3 percent of the need you dramatize so eloquently, what clearer demonstration could there be that America's need for better homes can never be satisfied by subsidies?

This is a very tough problem, for which there is no quick or easy solution. It cannot be solved by a liberal program (meaning, by today's definition, liberal with the taxpayers' money). It can be solved only by a radical program (meaning, literally, a program that attacks the problem at its roots).

SO WE WISH YOUR MESSAGE PROPOSED TO ATTACK BASIC CAUSES INSTEAD OF RELIEVING SYMPTOMS

We wish you had said even one word questioning why slums in so many places are still spreading faster than new homes can be built to replace them (why private enterprise cannot meet the need of better housing for low- and middle-income families in big cities, why cities are disintegrating in suburban sprawl instead of expanding in a plannable way, why good new housing costs too much and why home improvement costs still more, why slums are the most profitable property anyone can buy, why urban expansion consumes 4 times as much land as it uses, why homes that cost $12,000 around some cities cost $18,000 to duplicate in others, why city planners and regional planners are so often helpless and frustrated, why the profit motive is harnessed backward to better land use in cities and suburbs alike, why cities subsidize slums by undertaxation and penalize improvements by overtaxation. Or perhaps it would be better to combine all these questions into two:

1. What are the roadblocks and impediments that still make it impossible for the dynamics of private enterprise to meet all our needs for better housing (just as the dynamics of private enterprise meet our needs for almost everything else); and

2. What can and should be done to remove those roadblocks, so private enterprise can do the job.

We believe there are five major roadblocks. All of them are caused or perpetuated by some government failure at the Federal, State, and/or local level. Your help is urgently needed to attack them. They cannot be removed by bigger subsidies or more liberal spending, but they can all be eliminated or minimized at no cost to the taxpayers by new fresh thinking and new vigorous leadership—the kind of new thinking and new leadership you promised us when you proclaimed the New Frontier.

1. The high cost of code chaos:

Conflicting and archaic building codes add a thousand dollars to the cost of a small house, partly because so many of their requirements are as useless as they are costly, partly because their differences frustrate the vast economies offered by standardization and industrialization. Around Washington, for example, some builders have to build under 12 different local codes and find their costs varying from jurisdiction to jurisdiction by as much as $1,000 per unit, with even the lowest cost inflated by the impossibility of standardizing their production.

Under our form of government, code responsibility is delegated to the local authorities, but it is wishful thinking and close-to-nonsense to expect local authorities to meet this responsibility without Federal help. They cannot afford the testing needed to keep their codes abreast of new products and new technology. They are not strong enough or informed enough to stand up against the powerful interests—local and national—that profit by code confusion (including the sponsors of the proprietary model codes that have to be kept different to be salable). And how can any local government bring its code in line with national standards when there are no national standards to get in line with?

Canada has shown the way to solve this problem by buttressing local authority with Federal assistance. Through the Canadian counterpart of FHA (the Central Mortgage & Housing Corp.) Canada is preparing a dominion code for housing—a code all local governments will be urged to adopt by reference, a performance code that will meet every local requirement (just as the New York State code provides for tropical hurricanes on Long Island and arctic snows in the Adirondacks).

By instructing FHA to prepare, service, and promote a similar national code recommended for coast-to-coast adoption by reference in every U.S. community, you could lay the foundation for cutting the cost of building better homes by more than a billion dollars a year—at a yearly cost to FHA of less than a million dollars.

2. The high cost of real estate transfers:

Archaic closing costs (not including prepayments) cost the buyers of new and existing houses more than a billion dollars a year. They discourage new-house sales by often taking more cash than the downpayment. They choke used-house sales by almost doubling their selling cost (trade-ins usually mean accepting 15 percent less than the appraisal value of the house). They thereby create the illusion that lower priced homes are in short supply, whereas the Census Bureau's housing inventory indicated that there are far more reasonably good nonfarm housing units priced under $12,400 than there are nonfarm families who could not qualify FHA to buy a more expensive home. The No. 1 reason more low-priced units seem to be needed is that so many millions of low-priced homes are still occupied by families who could afford to pay an average of 71 percent more.

Our whole system of real estate transfers and title searches is a hangover from the days when all land was royal (i.e., "real") property. The king has been gone for 185 years next July 4, but we still perpetuate the legal fictions of feudal tenure. This archaic system of real estate transfer may have been good enough in the days of the old homestead passed down from generation to generation. It is too costly an anachronism now that homes are resold once every 7 or 8 years.

What we need is a new legal fiction to make house transfers as quick and inexpensive as car transfers or security transfers. And the precedent of cooperative housing with proprietary leases backed by stock ownership or trust certificates of beneficial interest suggests how this need might be met if you provide the leadership and enlist the constructive cooperation of the American Bar Association.

Cooperative housing units can be sold and resold without a penny wasted in legal fees, title searches, and closing costs because, like stocks and bonds, they are transferred as personal property instead of real property. Nominal ownership in the actual land and buildings remains unchanged in the proprietary corporation or trustee, so the real estate title and the all-important title insurance are not affected by the sale.

Project homes are already being sold as cooperatives under FHA section 213. Next two steps to make a new legal fiction workable might be (1) a new FHA title to insure chattel mortgage loans backed, not by real estate, but by the security of stock ownership and proprietary leases, and (2) similar authorization from the Home Loan Bank Board to let Federal S. & L.'s lend on this type of security.

As you know NAREB has long advocated FHA insurance for individual mortgages inside cooperatives.

3. The high cost of undependable financing:

Ever since 1951 homebuilding and homebuilders have been tossed from boom to bust and bust to boom by the alternation of too-easy and too-tight money (which inevitably hits homebuilding first and worst). This uncertainty about money makes it dangerous if not impossible for builders (and others) to make the long-range investment in equipment and personnel needed to rationalize homebuilding costs at a lower level.

The need for a bigger and better central mortgage facility to help stabilize the flow of mortgage money has been clear as far back as the Presidency of Herbert Hoover,

who sponsored the establishment of the Federal Home Loan Bank. So here we will only say we were disappointed that your long message included no mention of this need and no proposal to meet it.

4. The high cost of land in cities:

This is the No. 1 reason (and perhaps the only reason) why private enterprise cannot meet the need for good low-income housing and good middle-income housing in big cities. A builder who pays too much for city land is then forced to compound his problem by building high-rise to spread his land costs—and building high-rise costs twice as much as building walkups or townhouses.

The No. 1 reason city land costs too much is that city land is so underassessed and undertaxed. So the owners (including, most notoriously, the slumlords) can capitalize the too-big spread between the rents they can collect and the taxes they must pay, translating the spread into too-high prices.

Said the 1960 report of the mayor's special adviser on housing in New York:

"The $2 billion public housing program here has made no appreciable dent in the number of slum dwellings. No amount of code enforcement will be able to keep pace with slum formation until and unless the profit is taken out of slums by taxation."

5. The high cost of land in the suburbs:

Since 1950 building material prices have risen 24 percent, building trades wages have risen 60 percent, but suburban land costs have risen an average of at least 300 percent. High land costs are now the No. 1 problem of the homebuilding industry, the No. 1 factor threatening to price new houses out of the market. Homebuyers balk at paying $2,000 more and $3,000 more when all they get for the higher price is a higher pricetag on a farther out lot.

Once again the No. 1 cause is undertaxation, which makes it easy for land speculators to hold millions of acres off the market, including much of the close-in land that should be developed first. This creates an artificial shortage which sends prices skyrocketing and sprawls the suburbs farther and farther afield as builders move out to find land that is still cheap enough to build on.

Local governments subsidize land speculation by underassessing and undertaxing underused land; States encourage land speculation by setting low limits on land taxes; the Federal Government subsidizes land speculation by letting speculators deduct their costs from ordinary income taxes and then cash in their profits as capital gains.

Land-price inflation inside the cities and outside the cities is no longer a local problem. It is a nationwide and a national problem, for land prices are now swollen to the monstrous total of nearly half a trillion dollars ($500,000,000,000), much more than the national debt, much more than the resources of all our financial institutions. They threaten not only the building industry, but the whole national economy as well.

If local governments are powerless to meet the problem, it is high time the Federal Government took a hand. A stiff Federal tax levied ad valorem on today's market price of land (like the land tax levied five times in the first 100 years of the Republic), would almost certainly be constitutional if the receipts are prorated back to the States. This levy would offer the twofold advantage of (1) deflating land prices before they are too deeply involved in the Nation's credit structure, and (2) providing more than enough money to minimize the need and pressure for further financial assistance to State and local governments.

A land tax is almost the only practical tax that can be counted on to lower prices and stimulate consumption instead of raising prices and inhibiting production.

Whatever you may decide to do or not to do about the five basic impediments that make it hard for private enterprise to assure every American a much better home at a price he can afford. We wish your program for tomorrow's housing were aimed at tomorrow's needs—not yesterday's.

We are disturbed that your message talks and plans so poor about housing when you talk and plan so rich for the economy.

You have criticized the Eisenhower administration again and again for not expanding the economy faster; you have undertaken to double this rate of growth. But if incomes rise throughout your administration no faster than they rose under your predecessor, the entire net increase in nonfarm population from now to 1965 or 1969 will be families who could qualify FHA to pay at least $17,500 for a good house, and more than half the increase will be families who could pay at least $23,000. Conversely, by 1969, there would be 4 million less nonfarm families than there were in 1957 who could not afford to pay more than $13,500.

Why then do you say that the great need is for still more cheap houses? Why do you say "Selective credit devices must now be used to encourage private industry to build more housing in the lower price range"—a price range whose upper limit you set far lower than the new ceiling your administration has just set for subsidized public housing for the very poor?

You cannot raise the American standard of living by forcing more new housing into a low-price market that would already be oversupplied if so many millions of families were not underliving their incomes by staying on in homes much cheaper than they can now afford.

The New Frontier for housing is not the minimum house; we have already built too many minimum houses since the war.

The New Frontier for housing is the quality house—a house so much better than yesterday's best that yesterday's best is as obsolete as yesterday's car. The New Frontier for housing is a home that takes all the drudgery out of housework, a home that is cool in summer and warm in winter, a home that is well lighted day and night, a home with big enough rooms and ample storage, a home that costs much less to heat and much less to maintain, a home planned for more enjoyment of the land, a home in a better planned community.

And if you will help the housing industry save the money now wasted on the chaos of codes, the money now wasted on closing costs, the money now wasted on the discounts necessitated by uncertain financing, and the money now wasted on land-price inflation, the housing industry can build and sell those quality homes at prices so attractive that millions of families will want to buy them and housing can once again be a great growth factor in our expanding economy.

HOUSING AND HOME FINANCE AGENCY,
Washington, D.C., June 15, 1961.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: This is in response to your letter of May 18, 1961, asking for my comments on the presentation and particular points raised in the open letter to the President by the editors of House & Home, that appeared in their April issue.

The general introductory presentation in the House & Home letter compares the statements of total housing and urban renewal needs that are mentioned in the President's message on housing with the request for fund authorizations in the President's legislative program on housing, and points out that the dollar amounts in the legislative program are too small to meet the needs. The requested authorizations in the President's legislative program were made on the basis of the amounts that can be used in the next year or two or four under the various programs, with due cognizance of the capacity of communities and of the construction industry to proceed with the programs. There was also a recognition of the need for a sense of equilibrium in an allocation of available Federal funds to meet different needs and Federal responsibilities. As opposed to the House & Home criticism of the adequacy of the President's program, a sister publication Architectural Forum concluded its May 1961 editorial with the following statement: "The attitude that 'nothing should be done until everything could be done' always assures that nothing is. With the general trend of the President's urban renewal, multiple family housing, and rebuilding proposals, Forum agrees."

The House & Home open letter attacks two specific proposals in the President's program. First, it attacks the proposed 40-year financing for new moderate-priced homes priced at under $13,500 on the ground that it will break the price or weaken the market for 22 million reasonably good, existing, moderate-priced, nonfarm houses. In this connection, please permit me to note that there already has been some appreciable experience with FHA insurance of 40-year home mortgages.

Such mortgage insurance was authorized by the Congress for homes in cooperatively built projects in 1950, under section 213 of the National Housing Act. Upon completion of construction, the individual homes were financed with separate mortgages. More than 28,000 home mortgages have been insured under this authority. In 1954, the Congress authorized, under section 221 of the National Housing Act, the insurance of 40-year mortgages on homes to be occupied by families displaced through urban renewal or other public improvement programs, and more than 23,000 mortgages have been insured under this authority. The financing of these dwellings with 40-year mortgages apparently has not had an adverse effect upon existing home values.

The proposed broadening of the section 221 mortgage insurance authority was carefully considered before it was incorporated into the pending administration housing bill. Experience with problems of relocation of moderate-income families displaced by urban renewal and other public improvement actions indicated that there was a shortage of adequate housing for moderate-income families in many areas. It was felt that 40-year mortgage terms would help families of moderate income acquire housing of acceptable standards to meet their needs. The new 40-year housing program would serve a part of the population which generally has not been able to afford standard housing, and the fact that such people would be able to finance new houses with 40-year mortgages should not significantly affect the value of existing standard homes, a circumstance which House & Home fears might come to pass.

If existing homes are beginning to be a better value than new homes, we have to organize our efforts to find ways to reduce new construction costs. The answer is not to prop up existing home prices by keeping new homes out of the reach of moderate-income people by maintaining credit terms that are too restrictive for them.

A second specific attack is made on the proposal for Government grants to help communities acquire land for open space purposes. This proposal is attacked on the ground that suburban land prices would be driven higher, and attention is called to the fact that the Stockholm Land Reserve Plan worked so well because the land was acquired prior to World War II before land prices

soared. Of course, suburban land prices today are higher than they were 40 years ago, but there is certainly a possibility that they will be still higher a few decades from now. Meanwhile there is a clear need for suburban land to be acquired for open space use, if any reasonable amount of land is to be preserved for that purpose. May I again quote from the May 1961 Architectural Forum editorial with reference to this specific question.

"Much concern has been expressed by the National Association of Real Estate Boards about provisions of the bill looking to correlated planning of cities and highways, and provisions for grants for the purchase of open spaces. Of course, it would be preferable if free-enterprise procedures could secure these needs. Unfortunately the actual record is that, except in very rare instances, these operations do not suffice. Indeed the engineers of the highway systems have been notorious in nibbling away at public spaces and parks, giving a bigger population less open land, not more."

As an introduction to their specific proposals, the House & Home editors state that they wish that the President's message had proposed to attack basic considerations instead of symptoms. In answer to that generalization, may I refer once more to the May 1961 editorial of the sister publication, Architectural Forum, which said:

"Forum agrees with the sentiments of those who have asked the administration for an 'attack on basic considerations.' But those systems of taxation, code enforcement, et cetera, are locally executed and deeply ingrained in the American mind and could really not be set aside by any stroke of any Federal administration whatsoever."

The first specific House & Home recommendation deals with building codes and suggests that the FHA be instructed to prepare surveys and promote a national code recommendation for coast-to-coast adoption by reference in every U.S. community. As you may know, there are regional organizations of local building code officials who are constantly at work on this problem. It would be presumptious of the Federal Government, unilaterally, to prepare and promote a recommended national code. I can assure you, however, that the FHA and other parts of this agency which also have a vital concern with building codes will be working in cooperation with the various organizations concerned with building codes to arrive at a greater rationalization and standardization of building code provisions.

The second basic recommendation in the House & Home letter deals with the high cost of real estate transfers and recommends FHA authorization to insure chattel mortgages not backed by real estate but by the security of stock ownership and proprietary leases, and similar authorization for the Federal Home Loan Bank Board to let Federal savings and loan associations lend on this type of security. I am also in favor of reducing closing costs and facilitating the transfer of real estate. There are knotty legal problems, however, in trying to substitute other forms of security for the property mortgage in financing home purchases. It takes time to evolve new forms and it must be done with careful study so that we do not raise legal obstacles to home financing.

As the new ideas are thought through, we will be ready to propose appropriate measures, as, for example, the request for authority to insure condominium mortgages that is in the pending administration housing bill.

A third specific recommendation deals with the problem of fluctuations in the availability of mortgage money and suggests the need for a bigger and better central mortgage facility to stabilize the flow of mortgage money. With regard to this proposal may I quote the following passage from the report on recommendation No. 7, prepared by this Agency, which appears on pages 55–56 in the committee print of the "Study of Mortgage Credit" of the Senate Subcommittee on Housing of March 28, 1961:

"Any institutional changes to increase the share of available loanable funds flowing into mortgages would help support a high level of residential construction. The Government and private efforts to induce pension fund investment in mortgages, which are beginning to bear fruit should be continued. The well-designed efforts of FNMA and the Federal home loan banks to tap the general money market for needed mortgage funds are expected to continue.

"The experience of the latter two organizations during the tight money period of 1959 is illustrative, however, of the problems that any new type of secondary market organization would face. In the fall of 1959, both FNMA and the Federal home loan banks had to pay over 5¼ percent on borrowed funds. These rates were reflected in high mortgage interest rates on mortgage loans made by lenders who obtained advances from Federal home loan banks, and in high discounts that had to be collected from those who sold mortgages to the FNMA secondary market.

"Any new secondary market organization could not escape the effects of supply and demand conditions in the money market or of prevailing monetary policies. They would have to compete with existing institutions for the available supply of savings funds. Such competition would not result in any appreciable addition to the supply of mortgage funds or in lower mortgage interest rates."

The fourth specific point that is made is that the high cost of land in cities obstructs private enterprise in meeting the need for good low- and moderate-income housing in the big cities. Although no specific recommendation is made, there is a definite implication that taxation should take the profits out of slums. This is a good idea, but House & Home does not suggest a legally feasible method of accomplishing this purpose. We cannot make property taxes confiscatory and discriminatory. Probably, use would have to be made of the police powers to prohibit the illegal overcrowding and other uses that give rise to high slum property values. There is also a problem of getting the courts to recognize that such values should not be recognized in condemnation awards. This is a matter which will take a good deal of legal spadework to develop.

Finally, as a means of stopping the rise in suburban land values, it is recommended by House & Home that the Federal Government levy an ad valorem tax on today's market price of land. It is claimed in the House & Home letter that such a procedure was followed five times in the first 100 years of the Republic. The fact that the Federal Government has not levied a tax on land in the last 85 years has served to establish such taxation as a preserve from which local revenues can be obtained. There is certainly a need for sources of local revenues to remain undisturbed, and land taxes are an important source of needed local revenues.

I think that there are some alternative methods of dampening the speculation which leads to a rise in building values and that attaches to the values of land on which buildings can be erected. Certainly this is an area which deserves research; however, I believe that careful analysis must be given to any proposals in order to ascertain, as far as possible, their total impact upon the housing market.

I hope that these comments will be helpful to you.

Sincerely yours,

ROBERT C. WEAVER,
Administrator.

AMENDMENT OF AGRICULTURAL ACT OF 1961 RELATING TO CHICKEN HATCHING EGGS

Mr. DIRKSEN. Madam President, in connection with consideration of the omnibus farm bill an amendment was offered yesterday which most Senators, at least, thought dealt only with turkey hatching eggs. I read from page 13538 of the RECORD of yesterday, where appears this statement by the distinguished Senator from Minnesota [Mr. MCCARTHY]:

Mr. President, the amendment is presented at the request of people concerned with providing turkey hatching eggs and chicken hatching eggs. So far as I know, the industries would like to have these made eligible for marketing orders. The amendment would not establish any program, but would simply provide that these producers can attempt to develop a marketing program subject to the approval of the Department of Agriculture.

So far as I know, the amendment is acceptable on both sides of the aisle.

I was in the Senate Chamber at least until 9:20 p.m. last night when the final yea-and-nay vote was had on the tabling motion made by the Senator from Tennessee [Mr. KEFAUVER] with respect to the amendment offered by the distinguished Senator from Louisiana [Mr. LONG]. I was in and out of the Chamber most of the day. I have no recollection that such an amendment was cleared on this side of the aisle. I have a distinct recollection and an absolute knowledge that it was not cleared with me.

I understand that now a question has been raised as to whether language was offered in the amendment, which was beyond the belief and comprehension of Senators on this side of the aisle, because they were of the opinion that the amendment involved only turkey hatching eggs and nothing more. It may have been that in the confusion and noise which sometimes prevails in the U.S. Senate, all the language in the amendment did not come to the attention of Senators who had a primary interest in the bill. My understanding is that the question was fully considered by the Committee on Agriculture and Forestry, and that the amendment was rejected. At that point I feel it duty-bound now to call upon the distinguished Senator from Vermont [Mr. AIKEN], who is the ranking minority member of the committee, and also the distinguished Senator from Delaware [Mr. WILLIAMS], who has always had a deep and abiding interest in affairs relating to agriculture, to state their understanding of the amendment.

Mr. AIKEN. Madam President, in answer to the question of the minority leader, I was consulted by the junior Senator from Minnesota [Mr. MCCARTHY] yesterday morning. He stated that the turkey growers of his State desired to have turkey eggs eligible for marketing agreements. I told him that so long as we had made turkeys eligible for marketing agreements, I would have no objection to making turkey eggs eligible for marketing agreements.

To the best of my recollection chicken eggs were not mentioned at all in the conversation. Had they been mentioned,

I would certainly have objected to including them, for the reason that in the committee itself all forms of poultry products and all kinds of poultry, including eggs, had been discussed and it had been decided to leave them out of the list of commodities eligible for marketing agreements.

I was very much surprised this morning in reading the RECORD to find that chicken eggs had been included in the amendment, because it certainly was not my intention to give approval for the inclusion of chicken eggs, but only for turkey eggs. I hope that the confusion can be straightened out. If it is not, and the amendment should be encompassed in the law, the only recourse would be prompt introduction of a measure to repeal that provision.

Mr. WILLIAMS of Delaware. Madam President, will the Senator yield?

Mr. DIRKSEN. With permission of the distinguished Senator from Rhode Island [Mr. PASTORE], I am happy to yield.

Mr. PASTORE. I yield.

Mr. DIRKSEN. Knowing what an expert the distinguished Senator from Delaware is in the entire poultry field, I should like to get the benefit of his understanding with respect to this subject.

Mr. WILLIAMS of Delaware. I appreciate the Senator yielding.

I had the same understanding as the Senator from Vermont [Mr. AIKEN] that an amendment would be offered dealing only with turkey hatching eggs. The understanding was that no effort would be made to include poultry or chicken hatching eggs. Had I understood otherwise I most strongly would have opposed such an amendment. The industry in testifying before the committee opposed being included. It was not cleared on this side of the aisle. I am sure that the statement to the contrary was a misunderstanding on the part of the sponsor of the amendment.

In light of this misunderstanding by several of us, I certainly hope the conferees will see that the provision is deleted. If it is not deleted, as the Senator from Vermont [Mr. AIKEN] has pointed out, we would have to take steps to defeat the conference report or else see that the provision is repealed. The poultry industry is one segment of American agriculture which has consistently not requested Government price supports. Certainly Congress does not wish to force the industry under the Government umbrella without its consent. Many members of the Committee on Agriculture and Forestry and other Senators on both sides of the aisle have said that there was a misunderstanding. It needs to be corrected.

Mr. DIRKSEN. Madam President, I see the distinguished committee chairman, the Senator from Louisiana [Mr. ELLENDER] in the Chamber. I thought perhaps I should ask him what his understanding was.

Mr. ELLENDER. Madam President, I think the record speaks for itself. The question was never brought before the committee. The Senator from Minnesota [Mr. MCCARTHY] proposed an amendment to place turkey eggs as well as poultry eggs under marketing orders. I understood that the question had been presented to those concerned, and the Senate proceeded to agree to the amendment.

The bill will go to conference. Under the rules, the conferees will maintain the action taken by the Senate.

If the Senate should give different instructions, perhaps the question could be handled in conference. I point out that the bill is now in the House. A motion to reconsider the vote by which the bill was passed and a motion to lay the motion to reconsider on the table have been acted upon. There would be no way to get the bill back except by unanimous consent, and if unanimous consent were requested, I would object.

Mr. DIRKSEN. Madam President, I am quite aware that the door has been closed except for the unanimous-consent route. Unanimous consent would be required to vacate the motion to table the motion to reconsider. Then a motion or a request that the bill be returned to the Senate for further consideration would be required. In view of the fact that there would be objection, obviously there would be no point in proffering a unanimous-consent request.

We have before us a classic example of what can happen when the content of an amendment is not made clear. The ranking minority member of the Committee on Agriculture and Forestry has the distinct impression that turkey-hatching eggs and nothing more, were involved. The Senator from Delaware has an equivalent impression. Now we are confronted with a proposal that concerns not only turkey-hatching eggs, but also chicken eggs as well. That goes rather wide of the mark.

Mr. AIKEN. It should be perfectly obvious that there is a distinction between turkey hatching eggs and chicken hatching eggs, because only a comparatively small number of producers raise turkeys. The number of turkey varieties or species is comparatively small. On the other hand, chicken eggs are produced in every State in the Union under widely varying conditions. Not only are there many crossbred types of chickens, but there are a dozen other factors which would come into the picture.

I feel that if the turkeygrowers want to have a marketing agreement it should be possible for them to operate one. I do not believe it would be possible to operate a marketing agreement for chicken eggs in view of the wide variety of conditions and species and hybrids, as well as absence from disease, and all the other factors that must be taken into consideration. It would be an impossible task.

I certainly would not have voted to include chicken eggs had I known that chicken eggs had been included in the amendment.

Mr. MUNDT. Madam President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. MUNDT. As one member of the Committee on Agriculture and Forestry, it was my distinct impression that the amendment which was being called up for consideration dealt only with turkey eggs. The reason for that was that many times during the discussion in the committee we discussed chickens and we discussed turkeys. The chickengrowers appeared and they were very adamant about not being included in any marketing orders. The distinguished Senator from Minnesota [Mr. MCCARTHY], who comes from a great turkey raising area, brought up several times the fact that the turkeygrowers disassociated themselves from the chickengrowers so far as this matter was concerned, and several times discussed the possibility that he intended to offer an amendment affecting the turkey people. Because there was this distinction between the turkey people and the chicken people, the committee was of a mind, which we followed throughout the discussions in committee, that any segment of an industry which wanted to be included should be.

We included the honey producers two or three times and took them out the same number of times. The same situation obtained with respect to other people. I am sure that had the Senate known that the amendment included chicken eggs, along with turkey eggs, there would have been no unanimous-consent agreement entered into to pass such an amendment.

It seems to me that a great legislative body like the Senate must be able to find some way to make its actual desires known and to have its attitudes resolved into legislation, even after a motion to lay on the table a motion to reconsider a vote has been adopted.

I suggest to the Senator from Delaware that we have no rule of germaneness in the Senate, and that he might consider offering his recommendation as an amendment to any bill that comes along before the farm bill goes to conference. I am sure the conferees will take into consideration that this misunderstanding exists, provided that the House does not in the meantime include both turkey and chicken eggs, in which case the matter would not be in conference. We should make clear what we are trying to do. We are trying to accommodate the turkey people and their attitude and their position, as represented to us by the distinguished Senator from Minnesota [Mr. MCCARTHY], who comes from a large turkey growing area, and who is in close contact with the turkey people, and who certainly did not have any authorization whatever from the members of the committee to include chicken eggs in the same category with turkey eggs, because specifically the committee in committee session had rejected chicken eggs, and obviously would not have granted unanimous consent to put them in on the floor of the Senate.

Mr. DIRKSEN. Madam President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. DIRKSEN. I should like to ask the distinguished chairman of the Committee on Agriculture and Forestry this question. When the House has completed action on its version of the bill, it will come to the Senate. Then of course the conferees will be named.

When the conferees are named, would the distinguished chairman have any objection that in the resolution naming the conferees there be included instructions with respect to this item?

Mr. ELLENDER. As far as I am personally concerned, I would have no objection. I would rather have the matter submitted to the Senate. I feel confident that we will take action on it, and that any instructions that the conferees would be given, of course would be carried out.

Mr. DIRKSEN. It is actually the only way of reaching this matter.

Mr. ELLENDER. I understand. The record speaks for itself. The Senator from Minnesota [Mr. MCCARTHY] made the statement, and I recall him making it, in which he included turkey eggs with chicken eggs. He did state, as I remember, when he came to me to inquire about it, that he had consulted both sides of the aisle and that there was no objection to it. When that was done, I simply accepted the amendment.

Mr. DIRKSEN. The statement consists of 14 lines in the RECORD, and nothing more.

Mr. ELLENDER. I understand.

Mr. WILLIAMS of Delaware. I would be willing to go along with this procedure, if we do not get locked into a situation where we could not handle it. Suppose the House includes this same language in the House bill. Would such a resolution with instructions to delete be binding upon the conferees?

Mr. ELLENDER. I believe that normally, under the rule, the conferees would have to carry out the will of the Senate. If, through resolution, the conferees received instructions as to what to do, I think that that would probably be binding on the conferees. I do not see why not.

Mr. WILLIAMS of Delaware. Would it be binding on the conferees even though the same language was included in the House bill?

Mr. ELLENDER. That is my belief. We might consult the Parliamentarian about it. Certainly when the conferees are appointed they can receive instructions as to a particular item, particularly if there was some misunderstanding, as the Senator from Delaware has just indicated. As far as I know, the matter was submitted by the Senator from Minnesota. I believe the Journal shows it included both turkey eggs and chicken eggs, and he mentioned it in his presentation of the matter. I thought everybody knew what was going on in the Senate.

Mr. WILLIAMS of Delaware. With the understanding that such a resolution will be offered when the conferees are appointed I will withdraw further objection.

Mr. MOSS. Madam President, will the Senator yield?

Mr. PASTORE. I yield.

BERYLLIUM

Mr. MOSS. Madam President, a process developed in my State of Utah has resulted in freeing the United States from dependence on foreign sources for beryllium, which is an essential metal for missile nose cones. I would like to say a few words about this accomplishment.

The production of beryllium depends upon a continuous supply of ore from which beryllium oxide is derived. Unfortunately, this country has been dependent on foreign sources for the supply of the beryl ore from Brazil, Mozambique, and South Africa.

Recently, the search for domestic supply of ore led to the discovery of large deposits of beryllium bearing and disseminated clay on the properties of the United Technical Industries in the Spors Topaz Mountain area of southwest Utah. This resulted in exploration and development programs and drilling and blocking out many hundreds of thousands of tons with beryllium content.

This, however, was only the first step. A process was required for the extraction of beryllium oxide to supply the requirements of the metal fabricators. After more than 16 months of laboratory work and pilot-plant operation, United Technical Industries developed and perfected a proprietary process for producing beryllium oxide in commercial quantities from the domestic ore. This event will be celebrated in Utah today, July 27, when Vincent A. Duff, the president of United Technical Industries, will make a special presentation to Utah's Gov. George D. Clyde, and will be further commemorated in Washington, D.C., on August 1 with additional presentations.

It is with satisfaction, therefore, that I mention this progress in the development of a domestic supply of beryllium, the space-age metal. Beryllium is not only an essential metal in our missile industry, but it has been estimated by our Government authorities that the aircraft industry could achieve many important economies and produce better planes if parts can be fabricated of beryllium because of the metal's unique advantages of lightness, strength, and durability.

RESEARCH IN THE DEVELOPMENT OF MARKETABLE COKING COAL

Mr. McGEE. Madam President, I desire to comment on a new development in Wyoming by calling attention to an announcement by the manager of the Food Machinery & Chemical Corp., a subsidiary of United States Steel Corp., concerning successful experiments in producing coke from the low-grade coal which abounds in the West. There is scarcely a community in our part of the Rocky Mountain west which does not rest atop these vast deposits of low-grade coal. The problem has been to convert the coal into some useful energy-producing substance. Progress toward that end is under consideration now by the Food Machinery & Chemical Corp. plant at Kemmerer, Wyo. This augurs well for our part of the world. It represents a long step forward in the development of a technology which will restore to the United States a useful additional source of new energy

The Senate Subcommittee on Interior Appropriations of the Committee on Appropriations, at my request, included $150,000 for the development of supplies of coking coal and for a survey of coking coal resources in the Rocky Mountain area. This sum was included in the bill reported by the committee and in the bill as it passed the Senate. Unfortunately for our area, in spite of the valiant efforts by the Senate conferees, especially by the chairman of our committee, the Senator from Arizona [Mr. HAYDEN], the appropriation was lost in the conference with the House.

These steps, such as the attempt to extend the experiment with coking coal, must be continued and, if anything, speeded up. I intend to contribute all the energy I can toward the stepping up of this process. Someday it will be possible to compete with other forms of fuel in a widening spectrum of marketing uses that are almost daily becoming available.

I desire to compliment Food Machinery & Chemical Corp. and U.S. Steel for their tremendous contribution to the economic development in my State.

I compliment the Senate Committee on Appropriations for sharing my concern that these vital studies be undertaken. While it is a little discouraging to have them delayed one more session, I assure Senators that the efforts will be renewed when Congress reconvenes next year, and we shall press even more vigorously for new funds to intensify research in the use of coking coal.

Mr. MOSS. Madam President, will the Senator from Wyoming yield?

Mr. McGEE. I yield.

Mr. MOSS. I am pleased, indeed, to hear the Senator from Wyoming speak about the efforts to find additional uses for the vast reserves of coal which abound in the West, and in my own State in great quantity. The coal industry has been in a state of decline for a number of years. Yet here is the greatest source of proven reserves of energy value which we have in the whole United States. This industry certainly deserves to have attention focused on it and to have the research continue, because the whole country needs to have available to it the vast sources of energy which reside in the coalbeds of Wyoming, Utah, and other States of the West.

I, too, add my congratulations to Food Machinery & Chemical Corp., which is conducting such valuable research in this field.

I congratulate the Senator from Wyoming for bringing this subject to the attention of the Senate.

Mr. McGEE. I thank the distinguished Senator from the neighboring State of Utah for his comments concerning this subject. He has been one of the leaders in the attempt to expand the uses of this energy-producing source in our part of the world. As we well know, underneath the States in the Rocky Mountain region are more sources of energy of this type than our country will be able to use in the foreseeable future—that is, generations ahead. I think it is important that we attempt to utilize those resources in whatever effective ways are possible.

The coal industry in our part of the country was for a long time a captive

of the railroads. When the railroads modernized and began the use of diesel locomotives, the coal industry was placed in a very unprosperous position, where it still remains. However, if the efforts of the Government and of private enterprize, in the form of the plant which is operating in Kemmerer, Wyo., and similar plants elsewhere, can induce exploration for new uses of coal vast new opportunities will be opened, not only for the people who are already there and have waited a long time for this development, but also for the many millions of Americans who have seen the light and likewise are moving West, looking for outlets for their energies, and a way of living to their taste.

Madam President, I ask unanimous consent that an article entitled "Low-Grade Western Coal Will Produce Coke, Official Says," published in the Laramie Sunday Boomerang of recent date, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOW-GRADE WESTERN COAL WILL PRODUCE COKE, OFFICIAL SAYS

KEMMERER, WYO.—The manager of the Food Machinery & Chemical-United States Steel experimental coke plant here said Saturday there was no question but that the plant could produce coke from low-grade western coal at competitive prices.

"There's no question in my mind but that we can," Lewis Bowlzer, resident manager for F.M.C., said. "We feel that we have a good competitive position with conventional coke."

The $3 million plant is still in its shakedown phase, but Bowlzer said enough had been learned about the process to consider it successful.

F.M.C. is the operating agency for the plant, which is running tests on the new process as a joint venture by the two companies.

A success at the plant could herald a new type of industry for the West, and further development of the West's vast deposits of low-grade coal, which before have been unsuitable for making coke.

Conventional coke is made of either by-products or "beehive" ovens requiring high ranking coking coal, most of which is in the East.

The development plant here has a capacity of about 250 tons of coke daily and will use 500 tons of coal in the producing process.

Food Machinery developed the new coke process primarily to furnish satisfactory coke to its Pocatello, Idaho, furnaces.

United States Steel has a steel plant in Utah.

SUBCOMMITTEE MEETING DURING SENATE SESSION ON MONDAY, JULY 31, 1961

Mr. PASTORE. Madam President, I ask unanimous consent that the Subcommittee on Labor of the Committee on Labor and Public Welfare be permitted to meet during the session of the Senate on Monday, July 31, for the purpose of taking testimony from Secretary of Labor Arthur Goldberg, Senator GORDON ALLOTT, and other persons, on proposed legislation intended to strengthen the Welfare and Pension Plans Disclosure Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

FACILITIES OF CONDUCT OF BUSINESS OF THE FEDERAL COMMUNICATIONS COMMISSION

The Senate resumed the consideration of the bill (S. 2034) to amend the Communications Act of 1934, as amended, in order to expedite and improve the administrative process by authorizing the Federal Communications Commission to delegate functions in adjudicatory cases, repealing the review staff provisions, and revising related provisions.

Mr. PASTORE. Madam President, what is the pending business?

The PRESIDING OFFICER. The pending business is Calendar No. 550, S. 2034.

Mr. PASTORE. Madam President, the purpose of the bill is to modify the Communications Act of 1934 so that the Federal Communications Commission will be able to make better use of its own time, and more effective use of its experienced and technically qualified personnel to handle its workload of adjudicatory cases with greater speed and efficiency than is presently possible. These changes in the law should enable the Commission to devote more of its time to major matters of policy and planning and to the more significant cases—primarily those involving issues of general communications importance.

This bill is an outgrowth of Reorganization Plan No. 2 which affected the Federal Communications Commission and which was transmitted by the President to the Congress and disapproved by the House of Representatives on June 15, 1961. Hearings were held on the reorganization plan by my Subcommittee on Communications and it is fair to say that during the hearings everyone agreed that the objectives of the plan were desirable and meritorious but objections were raised on the ground that it amended substantive provisions of the Communications Act and the proper way to do this would be through specific legislation. At that time I urged the Commissioners of the FCC to resolve their differences and to submit immediately a legislative proposal that would bring about the desired objectives of the reorganization plan. S. 2034 was the result of this cooperative effort. Hearings were held on June 28, 1961, at which time the members of the FCC and other witnesses appeared.

Specifically, S. 2034, as reported by the Commerce Committee, would authorize the Commission to delegate any of its functions, including those of adjudicatory cases, to a panel of Commissioners, an individual Commissioner, or employee or employee board. The decision of the authority to whom the matter was delegated could then be reviewed in whole or in part by the Commission at any time either upon its own initiative, or upon an application for review filed by a person aggrieved by the decision. The filing of an application for review is made a condition precedent to judicial review of a delegated decision.

This bill would also repeal the provisions of section 5(c) of the Communications Act relating to the review staff. Under the present provisions of the act the review staff, even though it has no other function than assisting the Commission in adjudicatory cases, is precluded from making any recommendations to the Commission. This restriction is wasteful and inefficient since it deprives the Commission of the full assistance of which this review staff is capable and requires a two-step procedure of instructions and draft order even as to the most routine interlocutory matter. The repeal of this restrictive provision should contribute to speedy action on the part of the Commission by giving them the full services of their expert staff.

The bill also makes extensive revisions in section 409 of the Communications Act which section contains general provisions relating to adjudicatory proceedings.

First, it modifies the act so as to permit the Commission to assign adjudicatory cases to one or more Commissioners who are presently prohibited from conducting such hearings.

Second, it gives the right to a party to file exceptions which must be passed upon by the Commission or a designated authority within the Commission such as a panel of Commissioners or an employee board.

Third, section 409 would be so amended as to make oral argument discretionary rather than mandatory. This does not mean that oral argument will no longer be available. On the contrary, the Commission has assured the committee that this valuable procedure would still be greatly employed by the Commission or the panel of Commissioners or employee boards but instead the Commission would now have the discretion to allow such arguments in instances in which in its judgment that would serve no useful purpose—for example, in the case of a frivolous appeal, or one having no merit, or one designed largely to gain delay. Every other Federal regulatory agency presently has such discretion. The Federal Communications Commission should be given similar flexibility.

Fourth, section 409 is modified so as to eliminate the provision which prohibits the FCC from fully utilizing the services of the members of the Office of General Counsel, the Office of Chief Engineer, or the Office of Chief Accountant, in their consideration of adjudicatory cases.

This restrictive provision has deprived the Commission of the full and effective services of its expert and qualified personnel. As amended, section 5(c) of the Administrative Procedure Act will apply, and staff persons who had engaged in the performance of investigative or prosecutory functions in a case or in a factually related case would be precluded from participating in the intra-Commission discussions leading to the issuance of a decision. Virtually all the administrative agencies function in this fashion. The provisions of section 409 that prevented the personnel of the Offices of General Counsel, the Chief Engineer, or the Chief Accountant from doing that, is peculiar to the FCC. It is clearly wasteful to cut off the Commission in

adjudicatory cases from the valuable assistance of its chief legal, engineering, and technical officers if those officers had no investigative or prosecutory connection with the case. This bill will remedy that situation.

I wish to conclude by saying that the public interest will be served by the enactment of this proposed legislation. The strengthening of the Communications Act provided by the granting to the Commission of additional authority to delegate its adjudicatory functions should be of material assistance to the Commission in increasing its efficiency, cutting down on its backlog of pending cases, and permitting the Commissioners to concentrate on the more important and far-reaching policy problems with which they are faced such as the one involving a space satellite communications system.

Madam President, I ask unanimous consent to have printed at this point in the RECORD a more detailed, section-by-section explanation of the bill as reported by the committee.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS OF S. 2034

1. Section 1 would repeal the provisions of section 5(c) of the Communications Act, relating to the review staff. Under these provisions, the review staff, even though it has no other functions than assist the Commission in adjudicatory cases, is nevertheless precluded from making any recommendations to the Commission. This restriction is wasteful and inefficient, since it deprives the Commission of the full assistance of which this review staff is capable, and requires the two-step procedure of instructions and draft order even as to the most routine interlocutory matters. The repeal of these unduly restrictive provisions should contribute to speedier action, without depriving parties of any rights in view of the continuing safeguards of section 409(c) of the Communications Act and section 5(c) of the Administrative Procedure Act.

2. Section 2 would permit the Commission to delegate any of its functions, including those in adjudicatory cases, to a panel of Commissioners, or individual Commissioners or employees, or an employee board (with the exception that adjudicatory hearings could only be conducted by one of the three authorities specified in sec. 7(a) of the Administrative Procedure Act). The decision of the authority to whom the matter was delegated could then be reviewed, in whole or in part, by the Commission, either upon its own initiative or upon an application for review filed by a person aggrieved by the decision, but the Commission could deny such application without assigning any reasons therefor.

The filing of an application for review is made a condition precedent to judicial review of a delegated decision; and the application cannot rely on questions of fact or law upon which the delegated authority has been afforded no opportunity to pass. In this way, the case will be presented to the Commission (and if the application is denied, to the courts) with a ruling on every issue, and the Commission will have an opportunity to review the decision before the matter goes before the courts. The statutory language also makes clear that the application for review procedure is inapplicable to the initial decision in adjudicatory cases; such decisions are to be reviewed solely by the filing of exceptions (as provided in sec. 409(b)).

These provisions will give the Commission much needed authority, now withheld under present section 5(d)(1), to employ panels of Commissioners or employee boards to pass on adjudicatory cases. Under the present law, it is necessary for the full Commission to hear every adjudicatory case, including such matters as fishing boat suspensions or the most routine aural broadcast cases. With the new authority the Commission will be able to concentrate on the important cases involving major policy or legal issues, and the hearings of all cases by some authority within the agency should be substantially expedited.

3. Section 3 would revise section 405, relating to petitions for rehearing, so as to reflect the above-described statutory scheme. As revised, the section would permit an aggrieved party to file a petition for rehearing only to the authority making the decision, that is, to the Commission, if it made the decision, or to the designated authority under the new 5(c)(1), if it issued the decision.

4. Section 4 would make extensive revisions in section 409, which contains general provisions relating to adjudicatory proceedings. First, the restriction in the present subsection (a) that the hearing shall be conducted only by the Commission or one or more examiners is dropped. This means that the Commission, like other agencies, will be governed by the provisions of section 7(a) of the Administrative Procedure Act and therefore, that one or more Commissioners may also conduct the hearing.

Second, subsection (b) would retain the right of a party to file exceptions, which must be passed upon by the Commission or a designated authority within the Commission (e.g., a panel of Commissioners or employee board). It would eliminate the last sentence of the present section 409(b) as unnecessary in view of the provisions of section 8 of the Administrative Procedure Act; the first sentence of the present provision is retained as the new section 409(a).

Further, subsection (b) would change the existing law by making oral argument discretionary rather than mandatory. This does not mean that oral argument will no longer be available. On the contrary, it is expected that this valuable procedure would still be greatly employed by the Commission or the panels or employee boards. But the Commission would now have the discretion not to allow such argument in those instances where in its judgment it would serve no useful purpose, as for example, in the case of a frivolous appeal or one having no merit or designed largely to gain delay. Every other major Federal regulatory agency presently has such discretion; clearly, the Commission should be given similar flexibility.

Third, the provisions of subsection (c) relating to ex parte presentations by persons who have participated in the presentation or preparation for presentation of the case at the hearing or review stage would be retained. But the separation of functions provisions of the present section 409(c) would be deleted, and the provisions of section 5(c) of the Administrative Procedure Act would be made applicable to the Commission, including Commission proceedings to determine initial licenses. Specifically, the law would be changed as follows:

(i) There would be eliminated the provisions in present section 409(c) (2) and (3) prescribing in adjudicatory cases any staff contact with the Commission by the Offices of General Counsel, the Chief Engineer, or Chief Accountant. Instead, under the standard of section 5(c) of the Administrative Procedure Act, only staff persons who had engaged in the performance of investigative or prosecuting functions in the case or a factually related one would be precluded from participating in the intra-Commission discussions leading to the issuance of the decision. This standard being directed squarely to the fairness problem involved, is obviously the correct one. Virtually all the major administrative agencies have functioned well under it. There is thus every reason to permit the Commission to return to it. For it is clearly wasteful to cut off the Commission in an adjudicatory case from the valuable assistance of its chief legal and engineering officers, where these officers have had no investigative or prosecutory connection with the case (or a factually related one).

(ii) Under section 5(c) of the Administrative Procedure Act, the hearing officer would be precluded from consulting any person or party on any fact in issue but would be free to consult with other examiners or appropriate staff members (see (1) above) on legal or technical questions. Permitting such consultation should result in improving the quality of initial decisions and in expediting their preparation. (See Attorney General's Manual on the Administrative Procedure Act, pp. 54–55.) Significantly, examiners in other agencies are governed by the standard in section 5(c) of the Administrative Procedure Act. There is clearly no reason for proscribing appropriate consultation in the case of the examiners of this one agency.

Finally, subsection (d) provides that to the extent the foregoing provisions or those of the new section 5(c) conflict with the provisions of the Administrative Procedure Act, the latter are superseded. This is made necessary by the statement in section 12 of the Administrative Procedure Act that no subsequent legislation shall be deemed to supersede the provisions of the act "except to the extent that such legislation shall do so expressly."

This legislation clearly goes beyond the Administrative Procedure Act by making (1) the proscription against ex parte presentations by parties applicable to any case of adjudication (including, therefore, Commission staff members who are parties in adjudicatory cases involving the validity or application of past rates, facilities, or practices of public utilities or carriers) and (ii) the separation of functions provisions of section 5(c) applicable to Commission initial license proceedings. Section 409(b) would also appear to go beyond the provisions of section 8 of the Administrative Procedure Act by bestowing on the parties the right to file exceptions to the initial decision. Finally, it has been argued that a ruling on the merits of every pleading filed in the case is required under sections 6(d) and 8(b) of the Administrative Procedure Act. Whatever the validity of this argument, section 409(d) of the bill, by its explicit reference to the new section 5(c) which authorizes denial without assigning reasons of the application for review of a delegated decision, obviates any question on this score.

5. Section 5 provides that all cases set for hearing by the Commission prior to the date of enactment shall continue to be governed by the second sentence of the present section 409(b). This means that in such cases the Commission must hear oral argument upon the request of the parties.

6. Section 5(e) of the Communications Act of 1934, as amended, would be redesignated as section 5(d).

Mr. PASTORE. Madam President, for the information of the Senators who are in the Chamber at this time, let me say that in this bill we are by legislative action substantially accomplishing the objective of Reorganization Plan No. 2, which was rejected by the House, but with one major exception: this bill eliminates the feature contained in the reorganization plan, which gave to the

Chairman of the Commission authority to assign members of the Commission or employees or individual Commissioners or an employee board or a hearing officer to a particular case. We have eliminated that particular feature, which was characterized as czarism by some who were opposed to it. That was never my understanding of it, but that objection was made to it.

The Chairman of the Commission, who appeared before our committee, said he did not care too much to have that authority, and was not asking for it. So that feature was deleted. Such a provision is contained in this measure; and that acceptable to all the Commissioners.

The objectives of this measure were generally endorsed by all the witnesses, including the Commissioners, who appeared before our subcommittee.

I think this measure provides for a vast improvement over the present procedures. It recognizes and preserves the basic rights of all the litigants; and I say to the Members of the Senate that this measure is a vast improvement over other similar proposals and should be passed by the Senate, in my opinion, as it would serve the public interest.

Mr. LAUSCHE. Madam President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. LAUSCHE. Does the bill as now before the Senate place on the Commission any limitation in regard to the delegation of obligations and duties to subordinates and other members of the Commission?

Mr. PASTORE. If the distinguished Senator from Ohio means to ask whether we have classified the caliber of employees or employee boards to whom this responsibility can be assigned or delegated, the answer is that we did in the report, but we did not do so in the body of the bill itself. But that issue has since been raised; and I do not think there is any objection by anyone to including such a provision. In fact, I understand that the Senator from Illinois [Mr. DIRKSEN], the minority leader, will propose an amendment which will make that language a part of the bill, rather than a part of the report; and it will require that whenever a case is assigned to an employee or to any board of employees, that employee or board of employees in substance must have the same or higher qualifications as those of a hearing officer or individual whose action is being reviewed.

Mr. LAUSCHE. I see. Then the purpose of the language written into the report was in a measure to make certain that the delegation of certain quasi-judicial functions would not be made to any subordinate officer, at the whim of the Commission?

Mr. PASTORE. That is true. I do not think the Commission would ever have dared do something of that sort in the public interest; but this arrangement guarantees that the Commission cannot do it.

Mr. LAUSCHE. I thank the Senator from Rhode Island.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the committee amendments.

The amendments were agreed to, as follows:

On page 2, line 3, after the word "by", insert "published", and in the same line, after the word "or", insert "by"; in line 10, after the word "order", strike out "Nothing in this subsection shall modify the provisions of section 7(a) of the Administrative Procedure Act." and insert "Nothing in this paragraph shall authorize the Commission to provide for the conduct, by any person or persons other than persons referred to in clauses (2) and (3) of section 7(a) of the Administrative Procedure Act, of any hearing to which such section 7(a) applies."; after line 16, to insert:

"(2) As used in this subsection (c) the term 'order, decision, report, or action' does not include an initial, tentative, or recommended decision to which exceptions may be filed as provided in section 409(b).

At the beginning of line 21, strike out "(2)" and insert "(3)"; in the same line, after the word "decision", strike out "or", and in the same line, after the word "report", insert "or action"; in line 22, after the word "or", strike out "other action"; in line 23, after the word "in", strike out "subsection" and insert "paragraph", and in the same line, after the amendment just above stated, strike out "(3)" and insert "(4)"; on page 3, at the beginning of line 3, strike out "(3)" and insert "(4)"; in line 4, after the word "decision", strike out "or", and in the same line, after the word "report", insert "or action"; in line 5, after the word "the", strike out "Commission" and insert "Commission,"; in line 8, after the word "under", strike out "subsection" and insert "paragraph"; at the beginning of line 12, strike out "(4)" and insert "(5)"; in line 16, after the word "the", insert "panel of Commissioners"; in line 17, after the word "Commissioner", strike out "panel of Commissioners,"; at the beginning of line 20, strike out "(5)" and insert "(6)"; in line 22, after the word "decision", strike out "or report made, or other action taken" and insert "report, or action, or it may order a rehearing upon such order, decision, report, or action"; on page 4, at the beginning of line 1, strike out "(6)" and insert "(7)", and in the same line, after the word "review", insert "under this subsection"; in line 3, after the word "decision", strike out "or report made or other action taken" and insert "report, or action made or taken pursuant to a delegation under paragraph (1)"; at the beginning of line 11, strike out "(7)" and insert "(8)", and in the same line, after the word "The", strike out "secretary" and insert "Secretary"; in line 15, after the word "to", strike out "subsection" and insert "paragraph"; in line 16, strike out "section" and insert "subsection"; after line 18, insert:

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At the beginning of line 20, insert "SEC. 405.", and in the same line, after the word "After", strike out "a decision, order, or requirement" and insert "an order, decision, report, or action"; in line 21, after the word "made", insert "or taken"; in line 22, after the word "or", insert "by any"; in line 23, after the word "Commission", insert "pursuant to a delegation"; on page 5, line 2, after the word "making", strike out "the decision, order, or requirement" and insert "or taking the order, decision, report, or action"; in line 7, after the word "appear", strike out "Petitions" and insert "A petition"; in line 9, after the word "of", strike out "any decision, order, or requirement" and insert "the order, decision, report, or action"; in line 12, after the word "any", strike out "decision, order, or requirement" and insert "order, decision, report or action"; in line 17, after the word "such", strike out "decision, order, or requirement" and insert "order, decision, report, or action,"; in line 20, after the word "such", strike out "decision, order, or requirement" and insert "order, decision, report, or action,"; on page 6, line 6, after the word "Commission", insert "or designated authority within the Commission"; in line 10, after the word "establish", insert "except that no evidence other than newly discovered evidence, evidence which has become available only since the original taking of evidence, or evidence which the Commission or designated authority within the Commission believes should have been taken in the original proceeding shall be taken on any rehearing."; in line 18, after "402(b)", insert "in any case"; in line 21, after the word "in", strike out "any" and insert "such proceeding or"; at the beginning of line 22, strike out "decision, order, or requirement" and insert "order, decision, report, or action"; in line 23, after the word "made", insert "or taken"; on page 7, line 8, after the word "for", insert "a", and in the same line, after the word "Commission", strike out "the hearing shall be conducted in accordance with the provisions of the Administrative Procedure Act and such other rules as the Commission may prescribe not inconsistent therewith." and insert "the person or persons conducting the hearing shall prepare and file an initial, tentative, or recommended decision, except where such person or persons become unavailable to the Commission or where the Commission finds upon the record that due and timely execution of its functions imperatively and unavoidably require that the record be certified to the Commission for initial or final decision."; in line 19, after "(b)", strike out "In such cases any party to the proceeding shall be permitted to file exceptions and memoranda in support thereof to such initial, tentative, or recommended decision, which shall be passed upon by the Commission or the authority to whom the matter may have been delegated under section 5(c)(1)." and insert "In every case of adjudication (as defined in the Administrative Procedure Act) which has been designated by the Commission for hearing, any party to the proceeding shall be permitted to file exceptions and memoranda in support thereof to the initial, tentative, or recommended decision, which shall be passed upon by the Commission or by the authority within the Commission, if any, to whom the function of passing upon the exceptions is delegated under section 5(c)(1)."; on page 8, line 9, after "(c)", insert "(1)"; in line 11, after the word "for", insert "a", and in the same line, after the word "person", strike out "except to the extent required for the disposition of ex parte matters as authorized by law, shall directly or indirectly, make any presentation respecting such case to the hearing officer, unless upon notice and opportunity for all parties to participate: *Provided*, That a Commissioner conducting the hearing shall be permitted to consult with his assistants and to participate, without restriction because of his conduct of the hearing, with the Commission upon review of the case or any other matter: *Provided further*, That examiners shall be permitted to consult with other examiners on questions of law. No person except to the extent required for the disposition of ex parte matters as authorized by law, and except for officers, employees or agents of the Commission not

engaged in the performance of investigative or prosecuting functions for the Commission in such case or a factually related case, shall directly or indirectly make any presentation respecting such case to the Commission or designated authority within the Commission, unless upon notice and opportunity for all parties to participate." and insert "who has participated in the presentation or preparation for presentation of such case at the hearing or upon review shall (except to the extent required for the disposition of ex parte matters as authorized by law) directly or indirectly make any additional presentation respecting such case to the hearing officer or officers or, upon review, to the Commission or to any authority within the Commission to whom, in such case, review functions have been delegated by the Commission under section 5(c)(1), unless upon notice and opportunity for all parties to participate."; on page 9, after line 15, insert:

"(2) The provision in subsection (c) of section 5 of the Administrative Procedure Act which states that such subsection shall not apply in determining applications for initial licenses, shall not be applicable hereafter in the case of applications for initial licenses before the Federal Communications Commission.

In line 23, after "section 5(c)," strike out "(4)"; on page 10, line 1, after "Section 5 (c)", strike out "(4)"; in line 2, after the word "of", strike out "the" and insert "that"; in line 10, after the word "Act," strike out "set for hearing" and insert "designated"; in line 11, after the word "Commission", insert "for hearing," and after line 12, insert a new section, as follows:

SEC 6. Section 5(e) of the Communications Act of 1934, as amended, is hereby designated section 5(d).

So as to make the bill read:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 5 of the Communications Act of 1934, as amended, is hereby repealed.

"SEC. 2. Subsection (d) of section 5 of the Communications Act of 1934, as amended, is amended to read as follows:

"'(c)(1) When necessary to the proper functioning of the Commission and the prompt and orderly conduct of its business, the Commission may, by published rule or by order, delegate any of its functions to a panel of commissioners, an individual commissioner, an employee board, or an individual employee, including functions with respect to hearing, determining, ordering, certifying, reporting, or otherwise acting as to any work, business, or matter, and may at any time amend, modify, or rescind any such rule or order. Nothing in this paragraph shall authorize the Commission to provide for the conduct, by any person or persons other than persons referred to in clauses (2) and (3) of section 7(a) of the Administrative Procedure Act, of any hearing to which such section 7(a) applies.

"'(2) As used in this subsection (c) the term 'order, decision, report, or action' does not include an initial, tentative, or recommended decision to which exceptions may be filed as provided in section 409(b).

"'(3) Any order, decision, report, or action made or taken, pursuant to any such delegation, unless reviewed as provided in paragraph (4), shall have the same force and effect, and shall be made, evidenced, and enforced in the same manner, as orders, decisions, reports, or other actions of the Commission.

"'(4) Any person aggrieved by any such order, decision, report, or action, may file an application for review by the Commission, within such time and in such manner as the Commission shall prescribe. The Commission shall have authority on its own initiative to order any matters delegated under paragraph (1) before it for review on such conditions as it shall prescribe and shall make such orders therein, consistent with law, as shall be appropriate.

"'(5) In passing upon applications for review, the Commission may grant, in whole or in part, or deny such applications without specifying any reasons therefor. No such application for review shall rely on questions of fact or law upon which the panel of Commissioners, individual Commissioner, employee board, or individual employee, has been afforded no opportunity to pass.

"'(6) If the Commission grants the application for review, it may affirm, modify, or set aside the order, decision, report, or action, or it may order a rehearing upon such order, decision, report, or action in accordance with section 405.

"'(7) The filing of an application for review under this subsection shall be a condition precedent to judicial review of any order, decision, report, or action made or taken pursuant to a delegation under paragraph (1). The time within which a petition for review must be filed in a proceeding to which section 402(a) applies or within which an appeal must be taken under section 402(b), shall be computed from the date upon which public notice is given of orders disposing of all applications for review filed in any case.

"'(8) The Secretary and seal of the Commission shall be the secretary and seal of each panel of the Commission, each individual Commissioner, and each employee board or individual employee exercising functions delegated pursuant to paragraph (1) of this subsection.'

"SEC. 3. Section 405 of the Communications Act of 1934, as amended, is hereby amended to read as follows:

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"'SEC. 405. After an order, decision, report, or action has been made or taken in any proceeding by the Commission or by any designated authority within the Commission pursuant to a delegation under section 5(c)(1), any party thereto, or any other person aggrieved or whose interests are adversely affected thereby, may petition for rehearing only to the authority making or taking the order, decision, report, or action; and it shall be lawful for such authority, whether it be the Commission or other authority designated under section 5(c)(1), in its discretion, to grant such a rehearing if sufficient reason therefor be made to appear. A petition for rehearing must be filed within thirty days from the date upon which public notice is given of the order, decision, report, or action complained of. No such application shall excuse any person from complying with or obeying any order, decision, report, or action of the Commission, or operate in any manner to stay or postpone the enforcement thereof, without the special order of the Commission. The filing of a petition for rehearing shall not be a condition precedent to judicial review of any such order, decision, report, or action, except where the party seeking such review (1) was not a party to the proceedings resulting in such order, decision, report, or action, or (2) relies on questions of fact or law upon which the Commission, or designated authority within the Commission, has been afforded no opportunity to pass. The Commission, or designated authority within the Commission, shall enter an order, with a concise statement of the reasons therefor, denying a petition for rehearing or granting such petition, in whole or in part, and ordering such further proceedings as may be appropriate: *Provided*, That in any case where such petition relates to an instrument of authorization granted without a hearing, the Commission, or designated authority within the Commission, shall take such action within ninety days of the filing of such petition. Rehearings shall be governed by such general rules as the Commission may establish, except that no evidence other than newly discovered evidence, evidence which has become available only since the original taking of evidence, or evidence which the Commission or designated authority within the Commission believes should have been taken in the original proceeding shall be taken on any rehearing. The time within which a petition for review must be filed in a proceeding to which section 402(a) applies, or within which an appeal must be taken under section 402(b) in any case, shall be computed from the date upon which public notice is given of orders disposing of all petitions for rehearing filed with the Commission in such proceeding or case, but any order, decision, report, or action made or taken after such rehearing reversing, changing, or modifying the original order shall be subject to the same provisions with respect to rehearing as an original order.'

"SEC. 4. Section 409 (a), (b), (c), and (d) of the Communications Act of 1934, as amended, are amended to read as follows:

"'(a) In every case of adjudication (as defined in the Administrative Procedure Act) which has been designated for a hearing by the Commission, the person or persons conducting the hearing shall prepare and file an initial, tentative, or recommended decision, except where such person or persons become unavailable to the Commission or where the Commission finds upon the record that due and timely execution of its functions imperatively and unavoidably require that the record be certified to the Commission for initial or final decision.

"'(b) In every case of adjudication (as defined in the Administrative Procedure Act) which has been designated by the Commission for hearing, any party to the proceeding shall be permitted to file exceptions and memoranda in support thereof to the initial, tentative, or recommended decision, which shall be passed upon by the Commission or by the authority within the Commission, if any, to whom the function of passing upon the exceptions is delegated under section 5(c)(1).

"'(c)(1) In any case of adjudication (as defined in the Administrative Procedure Act) which has been designated for a hearing by the Commission, no person who has participated in the presentation or preparation for presentation of such case at the hearing or upon review shall (except to the extent required for the disposition of ex parte matters as authorized by law) directly or indirectly make any additional presentation respecting such case to the hearing officer or officers or, upon review, to the Commission or to any authority within the Commission to whom, in such case, review functions have been delegated by the Commission under section 5(c)(1), unless upon notice and opportunity for all parties to participate.

"'(2) The provision in subsection (c) of section 5 of the Administrative Procedure Act which states that such subsection shall not apply in determining applications for initial licenses, shall not be applicable hereafter in the case of applications for initial licenses before the Federal Communications Commission.

"'(d) To the extent that the foregoing provisions of this section and section 5(c) are in conflict with the provisions of the Administrative Procedure Act, such provisions of this section and section 5(c) shall be held to supersede and modify the provisions of that Act.'

"SEC. 5. Notwithstanding the foregoing provisions of this Act, the second sentence of subsection (b) of section 409 of the Communications Act of 1934 (which relates to

the filing of exceptions and the presentation of oral argument), as in force at the time of the enactment of this Act, shall continue to be applicable with respect to any case of adjudication (as defined in the Administrative Procedure Act) designated by the Federal Communications Commission for hearing by a notice of hearing issued prior to the date of the enactment of this Act.

"SEC. 6. Section 5(e) of the Communications Act of 1934, as amended, is hereby designated section 5(d)."

Mr. PASTORE. Madam President, I understand that the Senator from Illinois [Mr. DIRKSEN] wishes to propose some amendments.

Mr. LAUSCHE. Madam President, will the Senator from Rhode Island yield again?

Mr. PASTORE. I yield.

Mr. LAUSCHE. I do think it advisable to write into the bill a specific provision of the type referred to a moment ago. I recognize that this Commission, in exercising sound discretion, would never make a delegation to an irresponsible subordinate. But we have learned through experience that it is better to write such provisions into the law.

Mr. PASTORE. Madam President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, in line 16, it is proposed to strike out the closed quotation marks and, after line 16, to insert the following:

(9) In any case in which the functions delegated by the Commission under paragraph (1) to an employee board or individual employee consist of reviewing the actions of any other employee or employees of the Commission (including examiners appointed as provided in section 11 of the Administrative Procedure Act), the Commission shall delegate such functions only to employees who by reason of their training, experience, competence, and character are especially qualified to perform such review functions, and, insofar as practicable, only to employees who are in a grade classification or salary level equal to or higher than the employee or employees whose actions are to be reviewed.

Mr. PASTORE. Madam President, this amendment will accomplish the objectives stated by the distinguished Senator from Ohio, and thus will make such a provision part of the law; and, as a result, any delegation of authority in adjudicatory proceedings or hearings must be delegated to an employee or board of employees whose status is equal to or higher than that of a hearing officer or individual whose action is being reviewed.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Rhode Island.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DIRKSEN. Madam President, I should like to ask the distinguished chairman of the subcommittee a question with respect to applications for review. Would the denial of such an application for review be considered in two lights: First, merely that the Commission did not want to review the decision, on the ground that it was inconsequential and unimportant; second, whether the denial would be regarded as an affirmance of the decision of the case on its merits.

Mr. PASTORE. The only reason or purpose for denial of review is to afford the petitioner who requested the review an opportunity to make a record which he can use in going to court. In the opinion of the Senator from Rhode Island, it would make little difference as to what reason was in the minds of the Commission when it denied the review. The moment the review is denied, the record stands as it is, the litigant is given an opportunity to go to court. The Commissioners would be held strictly responsible for whatever was done on the record. I do not think we need have any fear or apprehension in that regard, for the reason that we have done nothing which would infringe upon due process with respect to a litigant.

Mr. DIRKSEN. There has been some discussion with the distinguished Senator from Rhode Island, and following that discussion, I offer an amendment, which I understand is acceptable to the subcommittee.

Mr. PASTORE. Yes.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. It is proposed, immediately preceding the period in line 8, page 8, to add the following: "*Provided, however*, That such authority shall not be the same authority which made the decision to which the exception is taken."

Mr. DIRKSEN. Madam President, the amendment is very simple and has for its purpose only that, when there has been a decision, and then a request for a review, the same people, the same employees, the same group, or the same Commissioners who had passed on it in the original instance would not for the second time pass upon the review application, because a litigant would actually be in the same court, and an aggrieved party would have to anticipate that there would be no modification of the decision.

Mr. PASTORE. Madam President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. PASTORE. In a judicial proceeding, on a motion for a new trial, the matter would go back to the trial judge. This proposal changes that proceeding. I think it is a reasonable suggestion. I am willing to take the amendment to conference. The provision merely means that, when an appeal is taken, the matter of appeal or exception will not be heard by the same person who heard the case originally. In other words, this amendment places the litigant at the advantage of not having the same person who passed on the matter originally pass on the matter of review. I am willing to take the amendment to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DIRKSEN. Madam President, I submit another amendment, which we have discussed with the Senator from Rhode Island. I understand this amendment also is agreeable.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. It is proposed on page 8, after line 8, to insert:

(c)(1) In any case of adjudication (as defined in the Administrative Procedure Act) which has been designated for a hearing by the Commission, no person who has participated in the presentation or preparation for presentation of such case at the hearing or upon review shall (except to the extent required for the disposition of ex parte matters as authorized by law) directly or indirectly make any additional presentation respecting such case to the hearing officer or officers or to any authority within the Commission to whom, in such case, review functions have been delegated by the Commission under section 5(c)(1) or to the Commission, unless upon notice and opportunity for all parties to participate.

Mr. PASTORE. Madam President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. PASTORE. I understand that, as the bill is now drawn, there is serious doubt about the prohibition of ex parte contacts in adjudicatory proceedings beyond the stage of review as it applies to the Commission. This proposal takes the term "upon review" out of line 11, page 9, of the new section 409(c)(1) and makes the provision all-inclusive. It prohibits ex parte contacts at all stages.

Mr. DIRKSEN. The Senator is exactly correct.

Mr. PASTORE. I am willing to take the amendment to conference. I ask for a vote on it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DIRKSEN].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2034) was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 5 of the Communications Act of 1934, as amended, is hereby repealed.

SEC. 2. Subsection (d) of section 5 of the Communications Act of 1934, as amended, is amended to read as follows:

"(c)(1) When necessary to the proper functioning of the Commission and the prompt and orderly conduct of its business, the Commission may, by published rule or by order, delegate any of its functions to a panel of commissioners, an individual commissioner, an employee board, or an individual employee, including functions with respect to hearing, determining, ordering, certifying, reporting, or otherwise acting as to any work, business, or matter, and may at any time amend, modify, or rescind any such rule or order. Nothing in this paragraph shall authorize the Commission to provide for the conduct, by any person or persons other than persons referred to in clauses (2) and (3) of section 7(a) of the Administrative Procedure Act, of any hearing to which such section 7(a) applies.

"(2) As used in this subsection (c) the term 'order, decision, report, or action' does not include an initial, tentative, or recom-

mended decision to which exceptions may be filed as provided in section 409(b).

(3) Any order, decision, report, or action made or taken, pursuant to any such delegation, unless reviewed as provided in paragraph (4), shall have the same force and effect, and shall be made, evidenced, and enforced in the same manner, as orders, decisions, reports, or other actions of the Commission.

"(4) Any person aggrieved by any such order, decision, report, or action, may file an application for review by the Commission, within such time and in such manner as the Commission shall prescribe. The Commission shall have authority on its own initiative to order any matters delegated under paragraph (1) before it for review on such conditions as it shall prescribe and shall make such orders therein, consistent with law, as shall be appropriate.

"(5) In passing upon applications for review, the Commission may grant, in whole or in part, or deny such applications without specifying any reasons therefor. No such application for review shall rely on questions of fact or law upon which the panel of Commissioners, individual Commissioner, employee board, or individual employee, has been afforded no opportunity to pass.

"(6) If the Commission grants the application for review, it may affirm, modify, or set aside the order, decision, report, or action, or it may order a rehearing upon such order, decision, report, or action in accordance with section 405.

"(7) The filing of an application for review under this subsection shall be a condition precedent to judicial review of any order, decision, report, or action made or taken pursuant to a delegation under paragraph (1). The time within which a petition for review must be filed in a proceeding to which section 402(a) applies or within which an appeal must be taken under section 402(b), shall be computed from the date upon which public notice is given of orders disposing of all applications for review filed in any case.

"(8) The Secretary and seal of the Commission shall be the secretary and seal of each panel of the Commission, each individual Commissioner, and each employee board or individual employee exercising functions delegated pursuant to paragraph (1) of this subsection.

"(9) In any case in which the functions delegated by the Commission under paragraph (1) to an employee board or individual employee consist of reviewing the actions of any other employee or employees of the Commission (including examiners appointed as provided in section 11 of the Administrative Procedure Act), the Commission shall delegate such functions only to employees who by reason of their training, experience, competence, and character are especially qualified to perform such review functions, and, insofar as practicable, only to employees who are in a grade classification or salary level equal to or higher than the employee or employees whose actions are to be reviewed."

SEC. 3. Section 405 of the Communications Act of 1934, as amended, is hereby amended to read as follows:

"REHEARINGS

"SEC. 405. After an order, decision, report, or action has been made or taken in any proceeding by the Commission or by any designated authority within the Commission pursuant to a delegation under section 5(c)(1), any party thereto, or any other person aggrieved or whose interests are adversely affected thereby, may petition for rehearing only to the authority making or taking the order, decision, report, or action; and it shall be lawful for such authority, whether it be the Commission or other authority designated under section 5(c)(1), in its discretion, to grant such a rehearing if sufficient reason therefor be made to appear. A petition for rehearing must be filed within thirty days from the date upon which public notice is given of the order, decision, report, or action complained of. No such application shall excuse any person from complying with or obeying any order, decision, report, or action of the Commission, or operate in any manner to stay or postpone the enforcement thereof, without the special order of the Commission. The filing of a petition for rehearing shall not be a condition precedent to judicial review of any such order, decision, report, or action, except where the party seeking such review (1) was not a party to the proceedings resulting in such order, decision, report, or action, or (2) relies on questions of fact or law upon which the Commission, or designated authority within the Commission, has been afforded no opportunity to pass. The Commission, or designated authority within the Commission, shall enter an order, with a concise statement of the reasons therefor, denying a petition for rehearing or granting such petition, in whole or in part, and ordering such further proceedings as may be appropriate: *Provided*, That in any case where such petition relates to an instrument of authorization granted without a hearing, the Commission, or designated authority within the Commission, shall take such action within ninety days of the filing of such petition. Rehearings shall be governed by such general rules as the Commission may establish, except that no evidence other than newly discovered evidence, evidence which has become available only since the original taking of evidence, or evidence which the Commission or designated authority within the Commission believes should have been taken in the original proceeding shall be taken on any rehearing. The time within which a petition for review must be filed in a proceeding to which section 402(a) applies, or within which an appeal must be taken under section 402(b) in any case, shall be computed from the date upon which public notice is given of orders disposing of all petitions for rehearing filed with the Commission in such proceeding or case, but any order, decision, report, or action made or taken after such rehearing reversing, changing, or modifying the original order shall be subject to the same provisions with respect to rehearing as an original order."

SEC. 4. Section 409 (a), (b), (c), and (d) of the Communications Act of 1934, as amended, are amended to read as follows:

"(a) In every case of adjudication (as defined in the Administrative Procedure Act) which has been designated for a hearing by the Commission, the person or persons conducting the hearing shall prepare and file an initial, tentative, or recommended decision, except where such person or persons become unavailable to the Commission or where the Commission finds upon the record that due and timely execution of its functions imperatively and unavoidably require that the record be certified to the Commission for initial or final decision.

"(b) In every case of adjudication (as defined in the Administrative Procedure Act) which has been designated by the Commission for hearing, any party to the proceeding shall be permitted to file exceptions and memoranda in support thereof to the initial, tentative, or recommended decision, which shall be passed upon by the Commission or by the authority within the Commission, if any, to whom the function of passing upon the exceptions is delegated under section 5(c)(1): *Provided, however*, That such authority shall not be the same authority which made the decision to which the exception is taken.

"(c)(1) In any case of adjudication (as defined in the Administrative Procedure Act) which has been designated for a hearing by the Commission, no person who has participated in the presentation or preparation for presentation of such case at the hearing or upon review shall (except to the extent required for the disposition of ex parte matters as authorized by law) directly or indirectly make any additional presentation respecting such case to the hearing officer or officers or to any authority within the Commission to whom, in such case, review functions have been delegated by the Commission under section 5(c)(1) or to the Commission, unless upon notice and opportunity for all parties to participate.

"(2) The provision in subsection (c) of section 5 of the Administrative Procedure Act which states that such subsection shall not apply in determining applications for initial licenses, shall not be applicable hereafter in the case of applications for initial licenses before the Federal Communications Commission.

"(d) To the extent that the foregoing provisions of this section and section 5(c) are in conflict with the provisions of the Administrative Procedure Act, such provisions of this section and section 5(c) shall be held to supersede and modify the provisions of that Act."

SEC. 5. Notwithstanding the foregoing provisions of this Act, the second sentence of subsection (b) of section 409 of the Communications Act of 1934 (which relates to the filing of exceptions and the presentation of oral argument), as in force at the time of the enactment of this Act, shall continue to be applicable with respect to any case of adjudication (as defined in the Administrative Procedure Act) designated by the Federal Communications Commission for hearing by a notice of hearing issued prior to the date of the enactment of this Act.

SEC. 6. Section 5(e) of the Communications Act of 1934, as amended, is hereby designated section 5(d).

MARINE SCIENCES AND RESEARCH ACT OF 1961

Mr. MANSFIELD. Madam President, I move that the Senate proceed to the consideration of Calendar No. 399, Senate bill 901.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 901) to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce with amendments.

ORDER OF BUSINESS—EQUIPMENT MAINTENANCE ALLOWANCE FOR RURAL CARRIERS

Mr. MANSFIELD. Madam President, I ask unanimous consent that the pending business be laid aside temporarily,

and that the Senate proceed to the consideration of Calendar No. 594, and that the clerk call bills on the calendar, in sequence, starting with that bill.

The PRESIDING OFFICER. Is there objection? The chair hears none, and it is so ordered.

The clerk will state by title Calendar No. 594 (S. 189).

The LEGISLATIVE CLERK. A bill (S. 189) to increase the equipment maintenance allowance for rural carriers.

MARDIROS BUDAK AND ARMENUHI MARYAM BUDAK

Mr. MANSFIELD. Madam President, I ask unanimous consent that Calendar No. 594, S. 189, be laid aside temporarily, and that the Senate proceed to consider Calendar No. 595, S. 427.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The bill (S. 427) for the relief of Mardiros Budak and Armenuhi Maryam Budak was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mardiros Budak and Armenuhi Maryam Budak shall be held and construed to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

MRS. CHOW CHUI HA

The bill (S. 1934) for the relief of Mrs. Chow Chui Ha was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Act of September 22, 1959 (Public Law 86-363), Mrs. Chow Chui Ha shall be deemed to be within the purview of section 4 of that Act.

HABIB MATTAR NOCOL

The bill (H.R. 2616) for the relief of Habib Mattar Nocol was considered, ordered to a third reading, read the third time, and passed.

DR. LOUIS KAREL DUPRE

The bill (H.R. 6514) for the relief of Dr. Louis Karel Dupre was considered, ordered to a third reading, read the third time, and passed.

ALICJA ZAKREZEWSKA GAWKOWSKI

The Senate proceeded to consider the bill (S. 1179), which had been reported from the Committee on the Judiciary with an amendment, in line 8, after the word "natural", to strike out "parents" and insert "father and the stepmother", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Alicja Zakrezewska Gawkowski, shall be held and considered to be the natural-born alien child of Mr. and Mrs. John Gawkowski, citizens of the United States: *Provided,* That the natural father and the stepmother of the said Alicja Zakrezewska Gawkowski shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

W. B. J. MARTIN

The Senate proceeded to consider the bill (S. 1335) for the relief of W. B. J. Martin, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert: "That subsection (b) of section 201 of the Act of January 27, 1948, as amended (62 Stat. 6; 66 Stat. 276; 70 Stat. 241), shall not be applicable in the case of W. B. J. Martin."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

ADDITIONAL ASSISTANT SECRETARIES IN THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The bill (S. 2073) to authorize two additional Assistant Secretaries in the Department of Health, Education, and Welfare, and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be in the Department of Health, Education, and Welfare, in addition to the Assistant Secretaries now provided for by law, two additional Assistant Secretaries of Health, Education, and Welfare, who shall be appointed by the President, by and with the advice and consent of the Senate. The provisions of section 2 of the Reorganization Plan Numbered 1 of 1953 (67 Stat. 631) shall be applicable to such additional Assistant Secretaries to the same extent as they are applicable to the Assistant Secretaries authorized by that section.

SEC. 2. The office of Special Assistant to the Secretary (Health and Medical Affairs), created by section 3 of the Reorganization Plan Numbered 1 of 1953 (67 Stat. 631), is hereby abolished.

SEC. 3. The President may authorize the person who immediately prior to the time this Act takes effect occupies the office of Special Assistant to the Secretary (Health, and Medical Affairs) to act as one of the additional Assistant Secretaries authorized by section 1 of this Act, until that office is filled by appointment in the manner provided by such section, but not for a period of more than sixty days. While so acting, such person shall receive compensation at the rate now or hereafter provided by law for Assistant Secretaries of executive departments.

ADDITIONAL ASSISTANT SECRETARY IN THE DEPARTMENT OF LABOR

The bill (S. 1815) to provide for one additional Assistant Secretary of Labor in the Department of Labor was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of April 17, 1946 (60 Stat. 91), is amended by striking out "three" and inserting in lieu thereof "four".

SEC. 2. Section 106(a)(16) of the Federal Executive Pay Act of 1956 (70 Stat. 738) is amended by striking out "(3)" and inserting in lieu thereof "(4)".

PRINTING OF ADDITIONAL COPIES OF REPORT ON FEDERAL CIVILIAN EMPLOYMENT

The resolution (S. Res. 175) authorizing the printing of additional copies of a report on Federal civilian employment by county was considered and agreed to, as follows:

Resolved, That there be printed for the use of the Joint Committee on Reduction of Nonessential Federal Expenditures three thousand additional copies of a report on Federal civilian employment by county, prepared by that committee during the current session of Congress.

PRINTING AS SENATE DOCUMENT OF AN ARTICLE ENTITLED "KHRUSHCHEV AND THE BALANCE OF WORLD POWER"

The resolution (S. Res. 179) to print as a Senate document an article entitled "Khrushchev and the Balance of World Power," was considered and agreed to, as follows:

Resolved, That there shall be printed as a Senate document the article entitled "Khrushchev and the Balance of World Power," by Doctor Joseph G. Whelan, of the Legislative Reference Service of the Library of Congress, as taken from "The Review of Politics," April 1961.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON APPROPRIATIONS

The resolution (S. Res. 180) authorizing additional expenditures by the Committee on Appropriations was considered and agreed to, as follows:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-seventh Congress, $15,000, in addition to the amounts, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act, approved August 2, 1946.

ADDITIONAL FUNDS FOR THE COMMITTEE ON LABOR AND PUBLIC WELFARE

The resolution (S. Res. 181) providing additional funds for the Committee on

Labor and Public Welfare was considered and agreed to, as follows:

Resolved, That the Committee on Labor and Public Welfare hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-seventh Congress, $15,000 in addition to the amount, and for the same purpose, specified in section 134(a) of the Legislative Reorganization Act approved August 2, 1946.

ELIA F. GARCIA

The resolution (S. Res. 184) to pay a gratuity to Elia F. Garcia was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Elia F. Garcia, widow of Jose F. Garcia, an employee of the Senate at the time of his death, a sum equal to 5 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

NATIONAL PORTRAIT GALLERY

The Senate proceeded to consider the bill (S. 1057) to provide for a National Portrait Gallery as a bureau of the Smithsonian Institution, which had been reported from the Committee on Rules and Administration with amendments, on page 2, line 4, after the word "portraiture", to strike out "includes portraits and reproductions thereof made by any means or process, whether invented or developed heretofore or hereafter" and insert "for purposes of this Act shall mean painted or sculptured likenesses"; in line 16, after the word "exhibition", to insert "and study"; in line 19, after the word "United", to strike out "States," and insert "States and of the artists who created such portraiture and statuary."; after line 20, to strike out:

(c) The Gallery may also function as a center for scholarly biographical study and research, and for such purpose may acquire and maintain a collection of historical documents, pictures, and other reference materials.

And, on page 4, line 2, after the word "statuary", to strike out "documents,"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Portrait Gallery Act".

SEC. 2. For the purposes of this Act—

(a) The term "Board" means the Board of Regents of the Smithsonian Institution.

(b) The term "Commission" means the National Portrait Gallery Commission as provided for in this Act.

(c) The term "Gallery" means the National Portrait Gallery established by this Act.

(d) The term "gift" includes a gift, bequest, or devise, whether outright or in trust, and any legal instrument by which the gift is effected.

(e) The term "portraiture" for purposes of this Act shall mean painted or sculptured likenesses.

SEC. 3. (a) There is hereby established in the Smithsonian Institution a bureau which shall be known as the National Portrait Gallery. The functions of such bureau shall be those authorized by this Act. The use for the purposes of the Gallery of the whole or any part of the building transferred to the Smithsonian Institution pursuant to the Act of March 28, 1958 (72 Stat. 68), is hereby authorized.

(b) The Gallery shall function as a free public museum for the exhibition and study of portraiture and statuary depicting men and women who have made significant contributions to the history, development, and culture of the people of the United States and of the artists who created such portraiture and statuary.

SEC. 4. There is hereby created the National Portrait Gallery Commission. The number, manner of appointment and tenure of the members of the Commission shall be such as the Board may from time to time prescribe. The Board may delegate to the Commission any function of the Gallery or any function of the Board with respect to the Gallery. The Board may make rules and regulations for the conduct of the affairs of the Commission and the operation of the Gallery, and to the extent and under such limitations as the Board deems advisable, the Board may delegate to the Commission the power to make such rules and regulations.

SEC. 5. (a) The Board is authorized to accept for the Smithsonian Institution gifts of any property for the benefit of the Gallery.

(b) Legal title to all property (except property of the United States) held for the use or benefit of the Gallery shall be vested in the Smithsonian Institution. Subject to any limitations otherwise expressly provided by law, and, in the case of any gift, subject to any applicable restrictions under the terms of such gift, the Board is authorized to sell, exchange, or otherwise dispose of any property of whatsoever nature held by it, and to invest in, reinvest in, or purchase any property of whatsoever nature for the benefit of the National Portrait Gallery.

SEC. 6. For the purpose of carrying out any function authorized by section 3 of this Act, the Board may—

(1) purchase, accept, borrow, or otherwise acquire portraiture, statuary, and other items for preservation, exhibition, or study. The Board may acquire any such item on the basis of its general historical interest, its artistic merit, or the historical significance of the individual to which it relates, or any combination of any such factors. The Board may acquire period furniture and other items to enhance its displays of portraiture and statuary.

(2) preserve or restore any item acquired pursuant to paragraph (1).

(3) display, loan, store, or otherwise hold any such item.

(4) sell, exchange, donate, return, or otherwise dispose of any such item.

SEC. 7. (a) The Board may appoint and fix the compensation and duties of a director of the Gallery, and his appointment and salary shall not be subject to the civil-service laws or the Classification Act of 1949, as amended. The Board may employ such other officers and employees as may be necessary for the efficient administration, operation, and maintenance of the Gallery.

(b) The Board may delegate to the Secretary of the Smithsonian Institution, as well as to the Commission, any of its functions pursuant to subsection (a) of this section.

SEC. 8. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EQUIPMENT MAINTENANCE ALLOWANCE FOR RURAL CARRIERS

Mr. MANSFIELD. Madam President, I move at this point that the Senate return to the consideration of Calendar No. 594, Senate bill 189.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 189) to increase the equipment maintenance allowance for rural carriers.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate resumed the consideration of the bill, which had been reported from the Committee on Post Office and Civil Service, with an amendment, on page 1, after the enacting clause, to strike out:

That section 609(a) of the Postal Field Service Compensation Act of 1955 (39 U.S.C. 1009) is amended to read as follows:

"SEC. 609. (a) In addition to the compensation provided in the Rural Carrier Schedule, each rural carrier shall be paid for equipment maintenance a sum equal to (1) 12 cents per mile for each mile or major fraction of a mile scheduled or (2) $5 per day, whichever is greater. In addition to the allowance provided by the preceding sentence, the Postmaster General shall pay such amount as he determines to be fair and reasonable, not in excess of $2.50 per day, to rural carriers entitled to additional compensation under section 302(c) of this Act for servicing heavily patronized routes. Payment for such equipment maintenance shall be made at the same periods and in the same manner as payments of regular compensation."

And, in lieu thereof, to insert:

That the first sentence of section 3543(f) of title 39 of the United States Code is amended to read as follows: "In addition to the compensation provided in the Rural Carrier Schedule, each rural carrier shall be paid for equipment maintenance a sum equal to—

"(1) 12 cents per mile for each mile or major fraction of a mile scheduled, or

"(2) $4.20 per day, whichever is greater."

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 3543(f) of title 39 of the United States Code is amended to read as follows: "In addition to the compensation provided in the Rural Carrier Schedule, each rural carrier shall be paid for equipment maintenance a sum equal to—

"(1) 12 cents per mile for each mile or major fraction of a mile scheduled, or

"(2) $4.20 per day, whichever is greater."

SEC. 2. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this Act.

SEC. 3. The amendment made by the first section of this Act shall take effect on the first day of the first pay period which begins more than thirty days after enactment of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

PRINT AS A SENATE DOCUMENT STUDY ENTITLED "PROPOSED FEDERAL AID FOR EDUCATION"

Mr. MANSFIELD. Madam President, I move that the Senate proceed to the consideration of Calendar No. 609, Senate Resolution 183.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 183) to print as a Senate document a study entitled "Proposed Federal Aid for Education."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. MORSE. Madam President, as I discuss the resolution, I should like to have the attention of the minority leader [Mr. DIRKSEN], for I have a report to make in regard to the Senator from Arizona [Mr. GOLDWATER] joining me in the request I am about to make.

Madam President, I wish to express to the distinguished and able Senator from Pennsylvania [Mr. CLARK] my thanks and appreciation for his courtesy in introducing on my behalf Senate Resolution 183, on July 25, 1961.

His helpfulness in performing this service permitted the Senate Committee on Rules and Administration to consider the matter without loss of time, and to the chairman of that committee, the distinguished majority leader [Mr. MANSFIELD], therefore, I also express my gratitude for the great help he gave in bringing this resolution to the Senate with dispatch.

I should like to point out further, Madam President, that without the courteous and gracious cooperation extended by the ranking minority member of the Senate Labor and Public Welfare Committee, the distinguished Senator from Arizona [Mr. GOLDWATER], who is also a member of the Education Subcommittee, we would not be able at this time to consider the resolution before us. I wish therefore to extend to the Senator from Arizona [Mr. GOLDWATER] my appreciation for his typically generous accommodation in this matter. I feel that it is only proper, therefore, that his name be included on the front cover of the document when it is printed.

I ask unanimous consent that this be done.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon? The Chair hears none, and it is so ordered.

Mr. MORSE. Madam President, I am informed that within the $1,200 limitation governing the printing of Senate documents it would be possible to obtain a printing run of 10,000 copies, and I therefore ask unanimous consent that the resolution be amended by striking "nine thousand" and inserting in lieu thereof "ten thousand."

I talked to the Senator from Arizona [Mr. GOLDWATER] about this earlier this afternoon, and he said, "Of course, 10,000 copies will not be enough." That is all we can get under the rule, but later we intend to submit a resolution to provide, by way of a concurrent resolution, for the printing of an additional number of copies. We are sure there will be great demand from Members of Congress for this document, prepared by the Library of Congress, for it will be very useful to them. We can get 10,000 copies, instead of 9,000, if the amendment is agreed to.

The PRESIDING OFICER. Is there objection to the request of the Senator from Oregon? The Chair hears none; and, without objection, the amendment is agreed to.

Mr. DIRKSEN. Madam President, I do not object. I wish to say to the distinguished chairman of the subcommittee that he has been always extraordinarily courteous in giving the minority an opportunity to provide witnesses, who are courteously heard. The distinguished Senator from Oregon has been very diligent in his conduct of hearings. His desire always has been to round out the hearings so that every point of view is properly expressed. Certainly, the minority is deeply grateful to the Senator from Oregon for his courtesy and for his constant consideration of minority views and of minority rights.

I think I can speak for the distinguished Senator from Arizona in expressing both thanks and appreciation to the distinguished Senator from Oregon.

Mr. MORSE. I want the Senator from Illinois to know it means a great deal to me to have him be so generous in his comments. What we did in the committee was not done by the Senator from Oregon as chairman of the committee, but by the Republicans and Democrats working together for a common cause. I thank the Senator from Illinois very much.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

Mr. MANSFIELD. Madam President, before a vote is taken, I wish to say I assume this will be known as the Morse-Goldwater report on Federal aid to education.

Mr. MORSE. That is what it will be.

Mr. ELLENDER. That is quite a combination.

Mr. MORSE. It is an unbeatable combination.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution (S. Res. 183), as amended, was agreed to, as follows:

Resolved, That there be printed as a Senate document, together with illustrations, the committee print entitled "Proposed Federal Aid for Education", prepared by the Legislative Reference Service of the Library of Congress, and that there shall be printed ten thousand additional copies of such Senate document, which shall be for the use of the Committee on Labor and Public Welfare of the Senate.

Mr. DIRKSEN. Madam President, if I may add a note of levity to what my distinguished friend from Montana has said, yesterday the Senate was slightly convulsed when one of our distinguished colleagues rose to announce that if he were present on the Senate floor and voting he would vote "yea." May I say, in that genteel manner, if I were present on the Senate floor and voting—which I am—I would support the resolution.

Mr. MANSFIELD. Madam President, I recall a certain distinguished Senator from Illinois yesterday asked the chairman of the Committee on Agriculture and Forestry if he would please hold a date at some later time, so that the question of dates could be considered.

LEGISLATIVE PROGRAM AND ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. DIRKSEN. Madam President, this is probably a most appropriate time to ask the distinguished majority leader what will be the business for the remainder of the day and also tomorrow—and also, with some trepidation, whether there is likely to be a session on Saturday of this week. If there is, that will be a very distinct departure from a beautiful precedent we have followed all through this 1st session of the 87th Congress. While I approach the possibility with rare misgivings, I know the distinguished majority leader has always been uncommonly kind in giving Members of the Senate an opportunity to catch up with their homework on weekends. We shall not rebel too incandescently if that eventuality is before us.

Mr. MANSFIELD. Madam President, I am glad my good friend and colleague of many years has raised the question of the business of the Senate for the remainder of the week.

The bill on marine sciences, so-called, is the unfinished business. I hope we can finish consideration of that bill tonight, without a yea and nay vote, although I am dubious of achieving that objective. If not, we shall continue consideration of it tomorrow.

We shall consider the two defense measures which were reported from the Committee on Armed Services today, and very likely we shall consider the resolution on China which was reported from the Committee on Foreign Relations unanimously.

Then it is anticipated, time permitting, that we shall lay before the Senate the foreign aid bill.

On Saturday it is anticipated that we shall meet to consider two appropriation bills, the independent offices appropriation bill and the Labor-Health, Education, and Welfare appropriation bill. The reason for this is that under the rule appropriation bills have to lie over for 3 days. We are unable to bring them up ahead of time if a Senator or Senators object. If that is done the bills must wait 3 days. Senators have every right to object, because it does take a little time to read the bills, and some Senators like to go into them minutely, and for that they should be given a great deal of credit.

Madam President, at this time I ask unanimous consent that when the Senate concludes its deliberations tonight it stand in adjournment to meet at 11 o'clock a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

MARINE SCIENCES AND RESEARCH ACT OF 1961

The Senate resumed the consideration of the bill (S. 901) to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to

promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes, which had been reported from the Committee on Commerce, with amendments, on page 3, line 17, after the word "facilities", to insert "for marine and Great Lakes research and oceanographic surveys and"; on page 5, line 1, after the word "fisheries", to insert "chemical,"; in line 12, after the word "which", to insert "shall be composed of scientists and"; in line 15, after the word "and", to strike out "oceanographic" and insert "marine"; in line 16, after the word "with", to insert "colleges,"; on page 6, at the beginning of line 20, to strike out "universities and" and insert "universities,", and in the same line, after the word "institutions", to insert "and organizations"; on page 8, line 10, after the word "institutions", to insert "agencies, or industry"; on page 9, line 6, after the word "of", to strike out "$8,250,000" and insert "$16,750,000"; on page 10, line 14, after the word "fellowships", to insert "training grants,"; in line 15, after the word "research", to strike out "apprenticeships" and insert "assistantships"; on page 11, line 6, after "(a)", to strike out "Make grants of funds" and insert "Provide funds, by grants, including but not limited to long-range grants, contracts, or otherwise,"; in line 10, after the word "basic", to strike out "and" and insert "or"; in line 11, after the word "applied", to strike out "research programs" and insert "research"; in line 12, after the word "facilities", to insert "the design, development, and production of specialized, new, and improved research, biological survey, and communications instruments and devices, employment of scientists and personnel,"; in line 24, after the word "laboratories", to insert "and provide related instruments and equipment"; in line 25, after the word "the", to insert "basic and applied research programs authorized in subsection (a) of this section;"; on page 12, line 7, after the word "States", to insert "and with qualified laboratories and institutions,"; in line 12, after the word "States", to insert "and with institutions and laboratories,"; at the beginning of line 22, to insert "Such studies may be carried out through contracts with institutions, agencies, or organizations competent to make such studies, or by grants to such institutions, agencies, or organizations."; on page 13, line 24, after the word "mapping", to insert "Such examinations, investigations, research, surveys, and mapping may be carried out through contracts with institutions, agencies, or organizations competent to conduct such investigations, research, surveys, or mapping, or by grants to such institutions, agencies, or organizations."; on page 15, after line 23, to insert:

(a) Such sums as are necessary for the contracts and grants authorized and directed in section 5(a) of this Act.

On page 16, at the beginning of line 1, to strike out "(a)" and insert "(b)", and in the same line, after the word "for", to strike out "construction of" and insert "constructing and equipping"; at the beginning of line 9, to strike out "(b)" and insert "(c)"; at the beginning of line 19, to strike out "(c)" and insert "(d)"; on page 17, line 1, after the word "buoys", to insert "or other surface or subsurface facilities"; in line 2, after the word "recording", to insert "and transmitting"; at the beginning of line 7, to strike out "(d)" and insert "(e)"; in line 9, after the word "subsection", to strike out "(c)" and insert "(d)"; at the beginning of line 20, to strike out "(e)" and insert "(f)"; on page 18, at the beginning of line 1, to strike out "(f)" and insert "(g)"; at the beginning of line 12, to strike out "(g)" and insert "(h)"; on page 19, at the beginning of line 6, to strike out "(h)" and insert "(i)"; at the beginning of line 9, to strike out "(i)" and insert "(j)"; on page 21, line 9, after the word "of", to strike out "June" and insert "January"; on page 24, line 22, after the word "displacement", to strike out "two" and insert "four"; on page 29, after line 5, to insert:

(e) Research contracted for, sponsored, cosponsored, or authorized under authority of this section of this Act, shall be provided for in such a manner that all information, uses, products, processes, patents, and other developments resulting from such research developed by Government expenditure shall be, subject to the national and public health interest as determined by the Secretary and the Surgeon General of the United States, available to the general public: *Provided, however,* That nothing herein shall be construed as to deprive the owner of any background patent relating thereto to such rights as he may have thereunder.

On page 30, after line 19, to strike out:

(d) Research contracted for, sponsored, cosponsored, or authorized under authority of section 9 of this Act, shall be provided for in such a manner that all information, uses, products, processes, patents, and other developments resulting from such research developed by Government expenditure shall be, subject to the national and public health interest as determined by the Secretary and the Surgeon General of the United States, available to the general public: *Provided, however,* That nothing herein shall be construed as to deprive the owner of any background patent relating thereto to such rights as he may have thereunder.

On page 32, line 4, after the word "agencies", to strike out "institutions or" and insert "institutions,"; in line 5, after the word "laboratories", to insert "or public or private organizations"; on page 33, at the beginning of line 24, to strike out "$1,400,000" and insert "$2,800,000"; on page 34, line 2, after the word "sediments", to strike out the colon and "*Provided, however,* That expenditures by the Atomic Energy Commission for this purpose not exceed $484,000 in the first year of the program or $299,000 in subsequent years of this ten year period;"; in line 9, after the word "Lakes", to strike out the colon and "*Provided, however,* That expenditures by the Atomic Energy Commission for this purpose not exceed $968,000 per annum;"; in line 13, after the word "organisms", to strike out the colon and "*Provided, however,* That expenditures by the Atomic Energy Commission for this purpose not exceed $100,000 per annum"; on page 35, line 2, after the word "research", to insert "including but not limited to its relationships to the atmosphere and physical boundaries, marine biology, education, and training in the marine sciences,"; at the beginning of line 6, to strike out "general"; in line 11, after the word "by", to strike out "contract" and insert "contract, grant,"; in line 13, after the word "laboratories", to strike out "or", and in the same line, after the word "institutions", to insert "or public or private organizations"; on page 37, line 21, after the word "for", to strike out "recording" and insert "recording, processing,"; on page 39, line 14, after the word "amended", to strike out "to read as follows: "The" and insert "by adding to the section the following: "Provided, That the"; on page 40, line 11, after the word "to", to strike out "nine" and insert "ten ships for basic research of"; in line 13, after the word "displacement", to strike out "research ships"; at the beginning of line 14, to strike out "four" and insert "two ships for basic research of"; in line 15, after the word "displacement", to strike out "research ships", and in the same line after the word "one", to strike out "research"; in line 16, after the word "ship", to insert "for basic research"; in line 17, after the word "displacement", to insert "six ships for acoustics or applied research of one thousand two hundred to one thousand five hundred tons displacement;"; in line 19, after the amendment just above stated, to strike out "three" and insert "four", and in the same line, after the word "of", to strike out "two thousand to three thousand tons displacement; five survey ships of one thousand two hundred to one thousand five hundred tons displacement; two survey ships of approximately five hundred tons displacement" and insert "one thousand two hundred to one thousand five hundred tons displacement, and four survey ships of two thousand or more tons displacement"; on page 41, line 1, after the word "new", to strike out "(basic)"; in line 6, after the word "displacement", to insert "basic"; in line 9, after the word "or", to insert "for", and in the same line, after "$700,000", to strike out "per annum, and that of new five hundred ton ships not exceed $250,000"; at the beginning of line 21, to insert "underwater facilities"; in line 22, after the word "research", to strike out "and exploration"; on page 46, line 24, after the word "operate", to insert "or otherwise utilize"; on page 47, line 14, after the word "organizations", to strike out "or", and in the same line, after the word "institutions", to insert "or industrial organizations"; on page 48, line 8, after the word "words", to insert "and to conduct"; on page 49, line 21, after the word "this", to strike out "Act" and insert "Act, to carry out"; on page 55, after line 20, to strike out:

(c) All agreements for grants executed pursuant to the authority contained in this Act in excess of $50,000 shall contain a provision that the Comptroller General of the United States or his duly authorized representatives shall have the right to examine

any directly pertinent books, documents, papers, and records of the grantee relating to the purpose of the grant for a period of three years after the last payment to the grantee under the grant.

And, in lieu thereof, to insert:

(c) The Comptroller General of the United States or his duly authorized representatives shall, until the expiration of three years after the last payment to such grantee or contractor, have access to and the right to examine any books, documents, papers, and records of any grantee, contractor, or subcontractor engaged in the performance of any grant, contract, or subcontract executed for the purpose of carrying out the provisions of this Act, and a provision to that effect shall be included in each such grant agreement, contract, and related subcontracts.

On page 56, at the beginning of line 22, to insert "or modernized", and in line 23, after the word "constructed", to insert "or modernized"; so as to make the bill read:

Be it enacted, etc.,

SHORT TITLE

SECTION 1. This Act may be cited as the "Marine Sciences and Research Act of 1961".

DECLARATION OF POLICY

SEC. 2. The Congress hereby declares that systematic, scientific studies and surveys of the oceans and ocean floor, the collection, preparation, and dissemination of comprehensive data regarding the physics, biology, chemistry, and geology of the sea, and the education and training of oceanographic scientists through a sustained and effective program is vital to defense against attack from the oceans and to operation of our own surface and subsurface naval forces with maximum efficiency, to the rehabilitation of our commercial fisheries and the increased utilization of these and other ocean resources, to the expansion of commerce and navigation, and to the development of scientific knowledge and understanding of the waters which cover 71 per centum of the earth's surface, life and forces within these waters, and the interchange of energy and matter between the sea and atmosphere.

The Congress further declares that sound national policy requires that the United States not be excelled in the fields of oceanographic research, basic, military, or applied, by any nation which may presently or in the future threaten our general welfare, maritime commerce, security, access to and utilization of ocean fisheries, or contamination of adjacent seas by dumping therein radioactive wastes or other harmful agents.

The Congress further declares that to meet the objectives outlined in the preceding paragraphs of this Act there must be a coordinated, long-range program of oceanographic research and marine surveys similar or identical to that recommended as a minimal program by the Committee on Oceanography of the National Academy of Sciences and National Research Council. The program should include but not be limited to the—

(1) construction of modern, oceangoing ships for scientific research, surveys, fisheries exploration, and marine resources conservation and development;

(2) modernization of existing and construction of new Government and civilian laboratory and shore facilities for marine and Great Lakes research and oceanographic surveys and adequate to service and supplement the research and survey fleets;

(3) development and acquisition of new and improved research tools, devices, instruments, and techniques which may include but not be limited to bathyscaphs and other manned submersibles, instrumented marine towers and deep ocean buoys, wave gauges, modified icebreakers, acoustical equipment and telemetering devices, current meters, direct density, turbulence and radioactivity measuring devices, biological sampling instruments and equipment, precision salinometers, and echo sounders, magnetometers, and deep sea underwater cameras;

(4) recruitment of prospective oceanographers from among undergraduate and graduate students of physics, chemistry, mathematics, biology, engineering, limnology, meteorology, and geology, and the facilitating of their advanced education in the marine sciences by a long-range program, where necessary, of scholarships, fellowships, and research assistantships, supported by or through the National Science Foundation or other appropriate agency of the Federal Government;

(5) improvement of the economic and general welfare by obtaining more adequate information in the fields of marine science concerning the occurrence, behavior, classification, and potential uses of fish, shellfish, and other marine life, and thereby to enhance the development and utilization of living marine resources;

(6) maintenance of a National Oceanographic Data Center to assemble, prepare, and disseminate scientific and technical oceanographic and closely related data, including but not limited to physical, biological, fisheries, chemical, hydrographic, bathymetric, meteorological, and climatological data as may be submitted to it by the participating agencies or institutions. All nonclassified data shall be made available for public use; and

(7) development of formal international cooperation in the marine sciences and oceanographic surveys on a reciprocal basis subject to approval by the President. The Congress further declares that a coordinated, long-range program of marine research and surveys requires establishment of a Division of Marine Sciences in the National Science Foundation, the divisional committee of which shall be composed of scientists and shall include representation from Government agencies having duties or responsibilities connected with or related to the seas and oceans, and marine scientists associated with colleges, universities, laboratories, industries, or foundations, and which Division shall be authorized and directed—

(a) to develop and encourage a continuing national policy and program for the promotion of oceanographic research, surveys, and education in the marine sciences;

(b) to recommend contracts, grants, loans, or other forms of assistance for the development and operation of a comprehensive national program of marine research, oceanographic surveys, and education in the marine sciences;

(c) to cooperate with and encourage the cooperation of the Office of Naval Research, the Bureau of Ships, the Hydrographic Office, the Coast and Geodetic Survey, the Bureau of Commercial Fisheries, the Atomic Energy Commission, the Maritime Administration, the United States Weather Bureau, the United States Coast Guard, the United States Geological Survey, the Public Health Service, the Smithsonian Institution, the National Bureau of Standards, the United States Army Corps of Engineers (including the Beach Erosin Board), the Department of State, and other Government agencies dealing with scientific or collateral problems related to the seas or to the Great Lakes, and the National Academy of Sciences and National Research Council, and administrators and scientists of all universities, institutions and organizations receiving assistance from Federal agencies for oceanographic or fisheries research or education in the marine sciences in the form of contracts, loans, grants, leases, donations, scholarships, fellowships, research assistantships, or transfer of funds or property of the Federal Government;

(d) to foster the interchange of information among marine scientists in the United States and foreign nations within the security provisions and limitations of the National Science Foundation Act of 1950 (64 Stat. 171); and

(e) to evaluate the scientific aspects of marine research, surveys, and taxonomy undertaken by agencies of the Federal Government, universities, and institutions receiving assistance from the Federal Government in these scientific and related fields.

NATIONAL SCIENCE FOUNDATION, DIVISION OF MARINE SCIENCES

SEC. 3. (a) Section 7(a) of the National Science Foundation Act of 1950 is hereby amended by striking "and" after the semicolon in (3), redesignating (4) as (5) and inserting immediately after (3) the following new section:

"(4) Division of Marine Sciences; and"

(b) Section 8(b) of the National Science Foundation Act of 1950 is hereby amended by substituting a colon for the period after "Board" and inserting immediately thereafter the following new proviso: *"Provided,* That the divisional committee of the Division of Marine Sciences shall include among its membership a representative from the Office of Naval Research, the Hydrographic Office, the Coast and Geodetic Survey, the Bureau of Commercial Fisheries, the Atomic Energy Commission, the United States Coast Guard, the Public Health Service, the United States Weather Bureau, the Beach Erosion Board of the United States Corps of Engineers, and at least six scientists selected on a basis of competence from universities and other non-Federal institutions, agencies, or industry and designated by the National Academy of Sciences and National Research Council to serve on this committee."

SEC. 4. It is necessary in order to further the policies of S. Res. 136, Eighty-sixth Congress, and of this Act, to have the National Science Foundation carry out, under laws, as amended, relating to such Foundation, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Foundation to carry out its duties under law. There is hereby authorized to be appropriated to the National Science Foundation, during the ten-year period beginning with July 1 of the first fiscal year following approval of this Act by the President, the following sums:

(a) The sum of $9,950,000 for the construction of oceanographic research ships;

(b) The sum of $12,440,000 for the operation of oceanographic research ships constructed under the authorization of this Act;

(c) The sum of $16,750,000 for construction of shore facilities for marine research;

(d) The sum of $37,200,000 for basic marine research operations: *Provided, however,* That the expenditure under this subsection (d) shall not exceed $8,000,000 in any one year of the ten-year program;

(e) Such sums as may be adequate for specialized oceanographic instruments or equipment for marine research and exploration which may include bathyscaphs and other manned submersibles, self-propelled deep sea data collecting vehicles, moored oceanographic buoy systems, icebreakers and submarines modified for scientific use, acoustic telemetering devices, biochemical sea surface analyzers, direct density measuring devices, hydrophotometers, subsurface cameras and marine geophysical sea floor television systems, seismic equipment, turbulence measuring devices, marine biological devices including oceanographic plankton samplers, precision salinometers, precision

echo sounders, oceanographic sound velocity meters, sea floor geothermal probe and geophysical sea floor samplers, audiovisual surveillance systems to monitor sources of marine biological noises, gravimeters, magnetometers, marine geophysical remote sensing and recording systems, marine radioactive water samplers and shipboard gamma ray detectors, and other new, improved, or specialized instruments and laboratory equipment: *Provided, however,* That expenditures under this subsecton shall not exceed $10,000,000 in any one year of the ten-year program;

(f) The sum of $4,800,000 for education and training in the marine sciences for selected students beginning not lower than the senior level of undergraduate school and continuing through not more than four years of graduate training in such sciences, and for fellowships, training grants, and research assistantships to graduate students and postdoctoral fellows training to become professional physical, biological, chemical, and geological oceanographers: *Provided, however,* That expenditures under this subsection shall not exceed $480,000 per annum.

DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY, BUREAU OF COMMERCIAL FISHERIES, AND BUREAU OF MINES

SEC. 5. The Secretary of the Interior is authorized and directed, with such funds as may be appropriated or otherwise made available to him, to undertake a ten-year program of study and research as part of the general program for the development of the marine sciences in the United States. In furtherance of the purposes of this Act, the Secretary is authorized and directed to carry out, in addition to programs now underway, the following activities:

(a) Provide funds, by grants, including but not limited to long-range grants, contracts, or otherwise, to qualified scientists, research laboratories, institutions, or other non-Federal agencies in furtherance of the purposes of this Act, such grants to be used for basic or applied research, the purchase of equipment, acquisition or improvement of facilities, the design, development, and production of specialized, new, and improved research, biological survey, and communications instruments and devices, employment of scientists and personnel, and for other uses necessary to carry out the activities and duties hereunder.

(b) Initiate and carry out a program for the replacements, modernization, and enlargement in the number, of oceangoing and Great Lakes ships used for research, exploration, surveying, and the development of marine resources.

(c) Construct and operate a sufficient number of shore facilities and laboratories, including biological, technological, and instrumentation laboratories, and provide related instruments and equipment to support effectively the basic and applied research programs authorized in subsection (a) of this section; vessels provided for under the preceding subsection (b), and programs authorized under subsequent provisions of this section wherein laboratory research or development may be useful.

(d) Cooperate with other departments and agencies, including agencies of the several States, and with qualified laboratories and institutions, in the conduct of ocean surveys from which data relative to the study of ocean resources may be obtained.

(e) Cooperate with other departments and agencies, including agencies of the several States, and with institutions and laboratories, in the conduct of studies of marine life with relation to radioactive elements, such studies to be directed toward determining the effect of distribution of radioactive elements in the sea on living marine organisms, and other such studies as the Secretary deems necessary to understand and evaluate the relation of radioactivity to the inhabitants of the marine environment.

(f) Conduct studies of the economic and legal aspects of commercial fisheries and the utilization of marine products. Such studies may be carried out through contracts with institutions, agencies, or organizations competent to make such studies, or by grants to such institutions, agencies, or organizations.

(g) Request and obtain cooperation from and cooperate with other governmental agencies having an interest in the marine sciences, and cooperate with the several States, or their agencies, and with educational institutions, laboratories devoted to fishery research and the marine sciences, industries, and with other public and private organizations and persons who may be of assistance in furthering the conservation, development, and utilization of ocean, estuarine, and Great Lakes resources.

(h) Conduct, wherever necessary to carry out the purposes of this Act, and without regard to previous statutory limitations, examinations, investigations, research, surveys, and mapping of the geological structure, mineral resources, and products in and beneath any accessible portion of the oceans, seas, gulfs, and in or beneath the Great Lakes, and determine, as realistically as possible, the reserves of minerals and metals of industrial, commercial, or monetary value in or beneath these waters, and the effective techniques and probable costs of their recovery and extraction: *Provided, however,* That the authority herein conveyed shall not be construed to supplant, restrict, or change in any way the authority and responsibility of any other department or agency of the United States, including the performance of surveys and mapping. Such examinations, investigations, research, surveys, and mapping may be carried out through contracts with institutions, agencies, or organizations competent to conduct such investigations, research, surveys, or mapping, or by grants to such institutions, agencies, or organizations.

(i) Encourage and assist in taxonomic studies of marine organisms and in providing facilities for the preservation of specimens useful in scientific classificaton of marine organisms.

(j) Expand communications facilities and services of the Bureau of Commercial Fisheries to enable transmission, at the discretion of the Secretary, of oceanographic and fisheries data between ships at sea, including United States fishing vessels, research ships operated by Federal or State agencies, institutions, or commercial fisheries organizations, and shore stations operated by or for the Bureau of Commercial Fisheries under contract or otherwise: *Provided, however,* That in transmission of such data there be used radio frequencies presently or subsequently allocated to the Bureau of Commercial Fisheries by the Federal Communications Commission: *Provided, further,* That all oceanographic scientific and fisheries data transmitted under the provisions of this subsection shall be made available to other departments or agencies of the Federal Government, or to the appropriate agencies of such other governments as the Secretary may designate.

(k) Establish with the National Science Foundation a program of education and training in the marine sciences for selected students or employees beginning not lower than the senior level of undergraduate school and continuing through not more than four years of graduate training and research in such sciences.

(l) Take such action and further such other activities as the Secretary finds will accomplish the purposes of this Act.

SEC. 6. It is necessary, in order to further the policies of S. Res. 136, Eighty-sixth Congress, and of this Act, to have the Department of the Interior and its Bureaus and Offices carry out, under laws relating to such Department, specified duties as part of the general program for development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Department to carry out its duties under law. There are hereby authorized to be appropriated to the Department of Interior, Bureau of Commercial Fisheries, Bureau of Mines and Geological Survey, during the ten-year period beginning with July 1 of the first fiscal year following approval of this Act by the President, the following sums:

(a) Such sums as are necessary for the contracts and grants authorized and directed in section 5(a) of this Act.

(b) Such sums as are necessary for constructing and equipping new fisheries exploration and research ships authorized in subsection (b) of section 5. In the construction of these ships, modern fisheries exploration and research vessels of other nations shall be studied with respect to design and performance with a view to increasing the seaworthiness, range, and efficiency of the United States fisheries research and exploration fleets.

(c) Such sums as are necessary for operation of new fisheries research and exploration ships: *Provided, however,* That operation costs of such new ships placed in operation by the Bureau of Commercial Fisheries shall not aggregate in excess of $3,400,000 per annum, and that, in programming operations of such ships, the Secretary of the interior shall give full consideration to the needs for such operations in the Atlantic and Pacific Oceans, the Gulf of Mexico, Gulf of Alaska, Bering Sea, other marine areas of present or potential commercial importance, and the Great Lakes.

(d) Such sums as are necessary for capital expenditures in inaugurating, developing, or expanding new ocean resource studies and surveys, including sums for construction or expansion of facilities for such studies, which facilities may include but shall not be limited to, oceanaria, laboratories for research in marine mortality and survival, an institute or institutes for research on diseases of fish, shellfish, and other marine life, unmanned buoys, or other surface or subsurface facilities for recording and transmitting continuous ocean data of value to the fisheries industry, related industries, and other departments and agencies of the Government, mesoscaphs for marine biological observations, and automatic continuous plankton samplers.

(e) Such sums as are necessary for operations, excluding ship operations, of fisheries resource studies including, but not limited to, those stated above in subsection (d) of this section, marine population sampling, biological surveys, ecological mapping, taxonomy, genetics of marine organisms, microbiology, pond fish culture and brackish water fish farming, estuarine studies, marine radiation biology, artificial cultivation of marine organisms and selective breeding of food fishes, closed ecology systems utilizing marine life, migrations, transplantations, and nutrient research: *Provided, however,* That expenditures for operations of new resource studies by the Secretary of the Interior pursuant to this Act not exceed $10,000,000 per annum.

(f) Such sums as are necessary for education and training programs authorized in subsection (k) of section 5 of this Act: *Provided, however,* That costs to the Department of the Interior of education and training under this subsection shall not exceed $100,000 per annum.

(g) The sum of $11,000,000 for continuing studies over a ten-year period of utilization of marine products for human consumption, animal feeds, industrial purposes, fertilizers,

and organic chemicals or compounds, for the development of new uses of marine products, for legal and economic studies relating to commercial fisheries, and for investigations of mineral resources in the seas: *Provided, however,* That in directing these studies the Secretary of the Interior shall give full consideration to their being carried on in existing institutions, agencies, or laboratories through the issuance of grants to said institutions, agencies, and laboratories.

(h) The sum of $1,000,000 for operation and maintenance during the ten-year program of expanded oceanographic research and surveys, of the Fisheries Instrumentation Laboratory of the Bureau of Commercial Fisheries, such Laboratory having been established by the Bureau, January 2, 1957, and terminated by the Bureau, December 31, 1960, said Laboratory to resume planning, design and development, for marine biological and fisheries research and exploration, of new and specialized instruments: *Provided, however,* That expenditures for operations of the Fisheries Instrumentation Laboratory by the Bureau of Commercial Fisheries shall not exceed $100,000 per annum: *Provided further,* That the authority herein conveyed shall not be construed to supplant or restrict the authority of the Secretary of the Interior to contract with qualified instrumentation companies for the planning, design, development, or manufacture of instruments for marine biological research and exploration using such other funds of the Bureau of Commercial Fisheries for this purpose as may be available.

(i) Such sums as are necessary for expanded communiciations facilities and services authorized in subsection (j) of section 5 of this Act.

(j) All authority of this section of this Act shall be provided for in such manner that all information, uses, products, processes, patents, and other developments resulting from such research or technological advances achieved by Government expenditure will (with such exceptions and limitations, if any, as the Secretary may find to be necessary in the interest of national defense) be available to the general public: *Provided, however,* That nothing contained herein shall be construed as to deprive the owner of any background patent relating thereto to said rights as he may have thereunder.

DEPARTMENT OF COMMERCE

SEC. 7. The Secretary of Commerce is authorized and directed, with such funds as may be appropriated or otherwise made available to him, to undertake a ten-year program of study, surveys, and research as part of the general program for the development of the marine sciences in the United States. In furtherance of the purposes of this Act, the Secretary is authorized and directed to carry out the following activities:

(a) Request and obtain cooperation from other Government agencies having an interest in the marine sciences and ocean surveys, and cooperate with educational institutions, laboratories, and industries devoted to the marine sciences and oceanography, and with other public and private organizations and persons who may be of assistance.

(b) Initiate and carry out a program for the replacement, modernization, and enlargement in the number of oceangoing ships for use in ocean and coastal surveys and research by the Coast and Geodetic Survey.

(c) Construct and operate a sufficient number of Coast and Geodetic Survey shore facilities to support effectively the vessels provided for under the preceding item (b): *Provided further,* That such facilities shall include, but not be limited to, a west coast and east coast operations base for hydrographic and oceanographic ships and for processing data.

(d) Develop, construct, or acquire new or improved techniques, instruments, or equipment for ocean research or exploration which may include but not be limited to automatic data recording and data processing equipment gravimeters, magnetometers, seismic equipment, turbulence measuring devices, precision echo sounders, acoustic telemetering devices and instruments for the study of the current structure of the oceans, oceanic temperatures, bottom topography, sediments, heat flow through the ocean bottom, sound transmission and velocity, ambient noise, biological activity, and specimens and water samples for salinity, phosphate, oxygen, nitrogen, and other chemical or elemental components of the ocean.

(e) The Act of January 12, 1895, as amended (44 U.S.C. 246), is further amended by adding to the Act the following: *"Provided,* That the Secretary of Commerce is authorized to furnish maps, charts, and other publications and products of scientific value of the Coast and Geodetic Survey without charge to educational institutions, laboratories, and other public and private organizations, and persons when it is determined that to furnish such information is in the national interest."

(f) Inaugurate in the Weather Bureau a comprehensive ten-year study of the interchange of energy and matter between the oceans and the atmosphere and its implications in connection with long-range weather forecasting, the use of infrared radiation thermometers for measurement of seasurface temperatures in connection with detection of incipient hurricanes, measurements of wave acceleration and pressure, and measurements of solar radiation in the marine environment. The provisions of this subsection may be carried out by means of contracts with public or private organizations, or by grants to scientific institutions carrying on such studies.

(g) Expand studies and investigations by the Weather Bureau of the mechanism by which weather conditions lead to anomalies in ocean surface temperature and the manner in which these anomalies modify the subsequent weather, the basic mechanism of the transfer of momentum from the air to the sea, the relationship of wind velocity over water to that over land, and the extent to which wave pressure, as distinct from wind stress, contributes to the piling up of water against the coasts during hurricanes and other severe storms. The provisions of this subsection may be carried out by means of contracts with public or private organizations or by grants to scientific institutions carrying on such studies.

(h) Develop, construct, or acquire new and improved instruments, techniques, or equipment for use by the Weather Bureau in studies and investigations authorized under subsections (f) and (g) of this section (7), including but not limited to infrared radiation thermometers, air wind measuring equipment for use on moving vessels, marine automatic meteorological observing stations, and application to such stations of atomic power sources.

(i) Require that the Maritime Administration, when requested by other agencies of the Federal Government, construct, on a reimbursable basis, such oceanographic research ships as may be required by such agencies, including but not limited to ships of approximately five hundred tons and one thousand two hundred to one thousand five hundred tons displacement; design, or arrange for the design of such ships, with due attention given to suitable arrangements of laboratory space and living quarters for scientists, space and power for winches and other auxiliaries, sea keeping and handling qualities at low speeds, quiet operation, efficient and economical scientist-crew ratios, and operation in all kinds of weather; supervise the construction of such ships, undertake research and development for oceanographic research ships of unusual or novel design. Oceanographic research ships constructed pursuant to this subsection shall, when completed, be made available, at the discretion of the Secretary, to nonprofit oceanographic research centers, to other agencies of the Federal Government, or, pursuant to negotiated contracts or grants, to State institutions engaged in oceanographic research requiring oceangoing scientific ships, with preference given to such agencies and institutions which have engaged in such research prior to this Act. The ships authorized by this subsection are in addition to ships authorized to be constructed by other sections of this Act.

(j) Establish with the National Science Foundation a program of education and training in the marine sciences for selected students or employees beginning not lower than the senior level of undergraduate school and continuing through not more than four years of graduate training and research in such sciences.

SEC. 8. It is necessary, in order to further the policies of S. Res. 136, Eighty-sixth Congress, and of this Act, to have the Department of Commerce and its bureaus and offices carry out, under laws, as amended, relating to such Department or such bureaus and offices, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Department to carry out its duties under law. There are hereby authorized to be appropriated to the Department of Commerce and its bureaus and offices, during the ten-year period beginning with July 1, of the first fiscal year following approval of this Act by the President, the following sums:

(a) Such sums as are necessary for construction by or for the Coast and Geodetic Survey of two survey ships of five hundred tons displacement, four survey ships of one thousand two hundred to one thousand five hundred tons displacement, and four survey ships of two thousand tons displacement or more.

(b) Such sums as are necessary for operations of new Coast and Geodetic Survey ships authorized under this Act during the ten-year life of this program.

(c) Such sums as are necessary for construction of new shore facilities for processing and evaluating Coast and Geodetic Survey oceanographic data, and for construction of an operations base on the west coast of the United States and on the east coast of the United States for hydrographic and oceanographic ships and for processing data.

(d) Such sums as are necessary for engineering and scientific needs for ocean exploration and research conducted by the Coast and Geodetic Survey, including, but not limited to, wave-measuring equipment, systems for reduction of data, manned and unmanned buoys for automatic continuous oceanographic recording, fixed observation stations in coastal waters to determine the short-term, seasonal, and yearly changes in waves, currents, tides, temperatures, hydrography, and salinities in the area surrounding the station, vessel-positioning equipment, acoustic equipment and measuring devices for direct density and radioactivity, telemetering devices, current meters, tide gauges, underwater cameras and television, seismic equipment, automatic continuous biological sampling devices, precision salinometers, precision echo sounders, towed and fixed temperature recorders, magnetometers, gravimeters, and other instruments and laboratory equipment for oceanographic research.

(e) Such sums as are necessary for operation of shore facilities and operations bases constructed under the authorization provided in subsection (c) of section 7 of this Act.

(f) Such sums as are necessary for the establishment and operation by the Weather Bureau of a ten-year study of the inter-

change of energy and matter between the oceans and the atmosphere, and for other studies, investigations and research authorized in subsections (f) and (g) of section 7 of this Act.

(g) Such sums as are necessary for development, construction, or acquisition by the Weather Bureau of new and improved instruments, techniques or equipment authorized in subsection (h) of section 7 of this Act.

(h) Such sums as are necessary to enable the Maritime Administration to design and construct the ships authorized in section 7(i) of this Act.

(i) Such sums as may be needed for establishing a program of education and training for selected students and employees, as authorized by subsection (j) of section 7 of this Act: *Provided, however,* That costs to the Department of Commerce of this education and training shall not exceed $100,000 per annum: *Provided further,* That any person who receives training or education under the provisions of this subsection shall agree in writing to continue employment with the Department of Commerce for a period of not less than three years for each year of training received unless separated from the Department sooner for the convenience of the Federal Government.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, OFFICE OF EDUCATION, PUBLIC HEALTH SERVICE

SEC. 9. The Secretary of Health, Education, and Welfare is authorized and directed, with such funds as may be appropriated or otherwise available to him, and as part of the general program for the development of the marine sciences in the United States, to undertake a ten-year program of fellowships and training in or related to the marine sciences; obtaining new faculty in oceanography and the marine sciences; oceanographic, estuarine, inshore and Great Lakes studies and research related to the public health; and research in medical and pharmacological possibilities and potentials of marine organisms, elements, and substances. In furtherance of the purposes of this Act, the Secretary is authorized and directed to further the following activities:

(a) Award fellowships and develop, through the Office of Education, training programs in oceanography and the marine sciences.

(b) Conduct studies and research relating to the discovery, determination, production, or extraction of medically or pharmacologically important substances from marine organisms or sea water, of parasitism in marine animals, of physiological processes in the marine environment, knowledge of which may contribute to human health, and of substances produced by marine organisms which are toxic to man.

(c) Expand studies of estuarine, inshore, and Great Lakes waters as future major sources for municipal, industrial, and recreational water supplies, of the use of such waters for disposal of municipal and industrial wastes, use of open ocean areas for the disposal of radioactive wastes and of estuarine and inshore ocean waters for the berthing of nuclear-powered ships, and of ocean fishery resources as they relate to the health of the people in the United States, and the health of populations in the underdeveloped countries of the world which are receiving assistance from the United States. The provisions of this subsection, and of the preceding subsection (b), may be carried out by means of contracts with public or private organizations or by grants to scientific institutions carrying on such studies or to qualified scientists engaged in or engaging in marine research or related studies.

(d) Request and obtain cooperation from and cooperate with other governmental agencies having an interest in the marine sciences, and cooperate with the several States, or their agencies, or municipalities, and with educational institutions, medical institutions, laboratories conducting marine, medical, or pharmacological research, and with other public and private associations, organizations, and persons who may be of assistance.

(e) Research contracted for, sponsored, cosponsored, or authorized under authority of this section of this Act, shall be provided for in such a manner that all information, uses, products, processes, patents, and other developments resulting from such research developed by Government expenditure shall be, subject to the national and public health interest as determined by the Secretary and the Surgeon General of the United States, available to the general public: *Provided, however,* That nothing herein shall be construed as to deprive the owner of any background patent relating thereto to such rights as he may have thereunder.

SEC. 10. It is necessary in order to further the policies of S. Res. 136, Eighty-sixth Congress, and of this Act, to have the Office of Education, Public Health Service, Department of Health, Education, and Welfare, carry out, under laws relating to such Department or Office, duties specified in section 9 as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Department to carry out its duties under law. There is hereby authorized to be appropriated to the Department of Health, Education, and Welfare, during the ten-year period beginning with July 1 of the first fiscal year following approval of this Act by the President, the following sums:

(a) The sum of $5,000,000 to carry out the fellowship and training programs authorized in subsection (a) of section 9 of this Act: *Provided, however,* That expenditures for duties specified in this subsection shall not exceed $500,000 per annum.

(b) Such sums as are necessary to carry out the research and studies authorized in subsection (b) of section 9 of this Act.

(c) Such sums as are necessary to double, within the ten-year period of the national oceanographic program authorized by this Act, research and studies in connection with the programs set forth in subsection (c) of section 9 of this Act.

ATOMIC ENERGY COMMISSION

SEC. 11. In furtherance of the policies in S. Res. 136, Eighty-sixth Congress, and of this Act, and for the purpose of determining the effects of radioactive contamination upon the oceans and life within the oceans and their estuaries, inshore ocean waters, and the Great Lakes, and for regulating in the interests of public safety, health, and welfare the introduction of radioactive materials in these waters, the Atomic Energy Commission is hereby authorized to conduct in the marine environment, an intensive ten-year program of control and monitoring of radioactive waste disposal and studies including, but not limited to, circulation and mixing processes which affect the dispersion of introduced contaminants in coastal and estuarine environments, the Great Lakes, and in the open ocean, inorganic transfer of radioactive elements from sea water to sediments, the effect of radioactive elements on living organisms in the oceans, coastal waters, estuaries, and Great Lakes, and the genetic effects of radiation on such organisms. The Atomic Energy Commission is further authorized to carry out any of its duties or functions under this or other Acts, including the use of scientific ships and personnel, in cooperation with other agencies of the Federal Government, or through contracts with or grants to States or State agencies, institutions, independent scientific laboratories, or public or private organizations undertaking or equipped to undertake such programs: *Provided, however,* That those aspects of the program relating to regulating and monitoring the introduction of radioactive material in the ocean shall be carried out by the Coast and Geodetic Survey or the Public Health Service, or both, with funds made available by the Atomic Energy Commission.

SEC. 12. It is necessary in order to further the policies of S. Res. 136, Eighty-sixth Congress, and of this Act to have the Atomic Energy Commission carry out, under laws relating to such Commission, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Commission to carry out its duties under law. There is hereby authorized to be appropriated by the Atomic Energy Commission, during the ten-year period beginning with July 1 of the first fiscal year following approval of this Act by the President, the following sums as are necessary—

for engineering studies in connection with control and monitoring as authorized in section 11 of this Act: *Provided, however,* That expenditures for this purpose not exceed $370,000 in any one year of the ten-year program authorized by this Act;

for participating in international meetings of scientists and technical experts relating to international control and monitoring of radioactive waste disposal in the marine environment: *Provided, however,* That expenditures for this purpose not exceed $30,000 in any one year of the ten-year program;

for control and monitoring of radioactive waste disposal in coastal and estuarine environments, and in the Great Lakes, as authorized in section 11 of this Act: *Provided, however,* That expenditures for this purpose not exceed $2,800,000 in any one year of the ten-year program of studies by the Atomic Energy Commission in these waters;

for research to determine circulation and mixing processes which control the dispersion of radioactive wastes introduced in deep waters of the open ocean: *Provided, however,* That the expenditures for this purpose by the Atomic Energy Commission not exceed $2,800,000 per annum;

for studies of the inorganic transfer of radioactive elements from sea water to the sediments;

for studies of the effects of the biosphere on the distribution and circulation of radioisotopes in the ocean, its seas, and the Great Lakes;

for studies of the genetic effects of atomic radiations on marine organisms;

for field experiments in confined bodies of water using or utilizing radioisotopes: *Provided, however,* That expenditures by the Atomic Energy Commission for this purpose not exceed $100,000 per annum; and

for two major open-sea tests of radiological contamination at sea, its effects on marine life, and its potential effects on humanity.

DEPARTMENT OF THE NAVY

SEC. 13. In order to further the policies of S. Res. 136, Eighty-sixth Congress, and of this Act, the Secretary of the Navy is authorized and directed to undertake a ten-year program of expanded oceanographic research, including but not limited to its relationships to the atmosphere and physical boundaries, marine biology, education, and training in the marine sciences, and hydrographic surveys as part of the United States program for the development of the marine sciences. The Secretary is authorized and directed, with such funds as may be appropriated or otherwise made available to him for purposes of this Act, to carry out the following activities:

(a) Provide funds, by contract, grant, or otherwise, to scientists, Government and non-Government laboratories, institutions,

or public or private organizations in furtherance of the purposes of this Act, such funds to be used for basic and applied research, the purchase of equipment, acquisition or improvement of facilities, the design, development, and production of specialized, new, and improved oceanographic research, survey, and communications instruments and devices, employment of scientists and personnel, and for other uses necessary to carry out the activities hereunder.

(b) Initiate and carry out a ten-year program for the replacement, modernization and enlargement in the number of ships for use in basic and applied research and hydrographic surveys, and to supply, when available, ships designed for basic research to nonprofit scientific institutions and laboratories: *Provided, however,* That when ships are supplied under this provision, title to the ships shall remain with the United States Government and that the ships shall be reassigned or returned to Federal operation upon termination of the grant or contract with the institution or laboratory.

(c) Construct and operate a sufficient number of shore facilities and laboratories and provide related instruments and equipment to support effectively the expanded program of basic and applied oceanographic research and hydrographic surveys authorized for the Department of the Navy to undertake under this Act.

(d) Develop, construct, or acquire new or improved vehicles and instruments for ocean research and exploration, which may include but not be limited to bathyscaphs, mesoscaphs, self-propelled deep sea data collecting vehicles, and other manned and unmanned submersibles, icebreakers, and submarines converted for scientific use, seismic equipment, turbulence measuring devices, oceanographic sound velocity meters, precision echo sounders, acoustic telemetering devices, navigation location transponders, audiovisual surveillance systems to monitor sources of biological noises in the ocean, submarine oceanographic plankton samplers, hydrophotometers, fixed coastal acoustical-oceanographic monitoring systems, marine geophysical gravity meters, marine geophysical electron resonance magnetometers, shipboard wave meters and dye detector probes, marine geophysical remote sensing and recording systems, moored oceanic ambient noise monitoring buoys, expendable oceanographic sensor systems, oceanographic sonic and radio frequency marine tags for monitoring marine fishes and mammals, improved midwater trawls, oceanographic shipboard synoptic systems for use on weather ships, radar picket ships and similar vessels assigned to ocean stations and when not underway, marine radioactive water samplers, shipboard gamma ray detectors, marine geophysical underwater cameras, geophysical sea floor television systems, sea floor sediment samplers and analyzers, sea floor dredge winches, and other such instruments, devices and systems as may be useful in studies of the current structure of the ocean, oceanic temperatures, bottom topography, sediments, heat flow through the ocean bottom, sound transmission and velocities, ambient noise, biological activity and specimens, water samples for salinities, phosphates, oxygen, nitrogen, and other chemical or elemental components of the oceans, and for recording, processing, and communication of oceanographic data.

(e) Continue and expand the Navy's support of marine studies substantially as proposed in project TENOC approved by the Chief of Naval Operations, or the Navy's revised long-range oceanography program, and substantially similar to recommendations made in the reports of the Committee on Oceanography of the National Academy of Sciences and National Research Council.

(f) Conduct, or facilitate, under such security provisions and conditions as may be prescribed by the Secretary, the conduct of time series oceanographic observations and research from radar picket ships or other suitable vessels.

(g) Establish with the National Science Foundation or the National Academy of Sciences and National Research Council a program of scholarships for selected students beginning at the senior level in undergraduate school, and carrying through with four years of graduate training and research in the marine sciences: *Provided,* That the Department of the Navy may recommend to the National Science Foundation institutions qualified to participate in this program.

(h) Conduct a systematic and expanded program of three-dimensional ocean surveys including measurements or studies of depths, salinity, temperature, current velocity, wave motion, magnetism, and biological activity.

(i) Continue a policy of expanding assistance and support to existing civilian laboratories and universities engaged in basic oceanographic research, foster the establishment and growth of new civilian laboratories for applied oceanographic research needed by the Navy. In the designation of new laboratories to receive Navy assistance, consideration shall be given to geographic location with reference to the oceans, with the object of maintaining a balanced program of research in and adjacent to the seas and oceans bordering the United States.

(j) Request and obtain cooperation from and cooperate with other governmental departments and agencies having an interest in or direct concern with the marine sciences, and to cooperate with the several States, with educational institutions, laboratories, industry, and other private and public organizations and persons who may be of assistance to the Navy in scientific and technological fields.

(k) Section 7394, title 10, United States Code, is hereby amended by adding to the section the following: "*Provided,* That the Secretary of the Navy is authorized to furnish maps, charts, and other publications and products of scientific value of the Hydrographic Office without charge to educational institutions, laboratories, and other public and private organizations and persons when it is determined that to furnish such information is in the national interest."

SEC. 14. It is necessary in order to further the policies of S. Res. 136, Eighty-sixth Congress, of this Act, and scientific objectives of the Navy's long-range program for oceanographic research to have the Department of the Navy carry out, under laws relating to such Department, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Department to carry out its duties under law. There is hereby authorized to be appropriated to the Department of the Navy, during the ten-year period beginning with July 1 of the first fiscal year following approval of this Act by the President, such sums as are necessary—

for the construction of research and survey ships which shall include but not be limited to ten ships for basic research of one thousand two hundred to one thousand five hundred tons displacement; two ships for basic research of two thousand to three thousand tons displacement; one ship for basic research of three hundred tons displacement; six ships for acoustics or applied research of one thousand two hundred to one thousand five hundred tons displacement; four survey ships of one thousand two hundred to one thousand five hundred tons displacement, and four survey ships of two thousand or more tons displacement;

for operations of new research ships constructed under the authorization of this section (in excess of present operating costs for such ship operations): *Provided, however,* That the operating costs of new one thousand two hundred to one thousand five hundred ton displacement basic research ships not exceed $420,000 each per annum; that of new two thousand to three thousand ton displacement ships for basic research or for surveys not exceeded $700,000 each per annum;

for modernization, improvement, and expansion of existing shore facilities for basic research and for construction of new shore facilities for basic research;

for basic research operations other than ships;

for modernization, improvement, and expansion of existing shore facilities for survey work and for construction of new shore facilities for survey work;

for engineering needs and for the development, construction, or acquisition of new or improved vehicles, underwater facilities and instruments for ocean or Great Lakes research which may include, but shall not be limited to, bathyscaphs, mesoscaphs, self-propelled deep sea data collecting vehicles, and other manned and unmanned submersibles, wave measuring equipment, systems engineering for reduction of data, manned and unmanned buoys for automatic continuous oceanographic recording, icebreakers and submarines modified or converted for scientific use, vessel positioning systems, seismic equipment, turbulence measuring devices, oceanographic sound-velocity meters, precision echo sounders, acoustic telemetering devices, navigation location transponders, audio-visual surveillance systems to monitor sources of biological noises in the oceans or in the Great Lakes, submarine oceanographic plankton samplers, hydrophotometers, fixed coastal acoustical-oceanographic monitoring systems, marine geophysical gravity meters, marine geophysical electron resonance magnetometers, shipboard wave meters and dye detector probes, marine remote sensing and recording systems, moored oceanic ambient noise monitoring buoys, expendable oceanographic sensor systems, oceanographic sonic and radio frequency marine tags for monitoring marine fishes and mammals, improved midwater trawls, ocean-shipboard synoptic systems for use on weather ships, radar picket ships, and similar vessels assigned to ocean stations and when not underway, marine radioactive water samplers, shipboard gamma ray detectors, marine geophysical underwater cameras, geophysical sea floor television systems, sea floor sediment samplers and analyzers, sea floor dredge winches, constant tension cable reels, moored oceanographic buoy systems for recording and transmission of important oceanographic and meteorological data in deep ocean areas, marine sea floor geothermal probes for determining heat flow characteristics and values, and other such instruments, devices, and systems as may be useful in studies of the current structure of the oceans, oceanic temperatures, bottom topography, sediments, heat flow through the ocean bottom, sound transmission and velocities, ambient noise, biological activity in the marine environment and specimens, water samples for salinities, phosphates, oxygen, nitrogen, and other chemical or elemental components of the oceans, and for recording and communication of oceanographic data of scientific value.

for time series oceanographic observations and research conducted on and from radar picket ships or other suitable vessels operated by the Navy: *Provided, however,* That equipment costs for such time series oceanographic observations and research conducted on or from such ships not exceed $82,500 per ship during the ten-year program authorized in subsection (f) of section 13 of this Act, and that operations costs of this program not exceed $58,000 per ship per annum in any year of the ten-year program;

for establishing a program of scholarships for selected students and postdoctoral fellowships as authorized in section 13(g) of this Act: *Provided, however,* That costs to the Department of the Navy for these scholarships and fellowships not exceed $300,000 per annum.

DEPARTMENT OF THE ARMY

SEC. 15. The Secretary of the Army is authorized and directed, with such funds as may be appropriated or otherwise made available to him, to undertake a ten-year program of study and research by the United States Army Corps of Engineers, through the Beach Erosion Board, as part of the general program for the development of the marine sciences in the United States. In furtherance of the purposes of this Act, the Secretary is authorized and directed to carry out, in addition to programs now underway, the following activities relating to physical oceanography in the near-shore areas of the Atlantic and Pacific Oceans, the Gulf of Mexico, and the Great Lakes, which areas include the zone from the shore to the fifty-fathom depth contour in the oceans and lakes, and bays and tidewaters connected therewith:

(a) Request and obtain cooperation from other Government agencies having an interest in the marine sciences and ocean surveys, and cooperate with educational institutions and laboratories devoted to the marine sciences and oceanography, and with other public and private organizations and persons who may be of assistance.

(b) Contract with qualified scientists, research laboratories, research organizations, or educational institutions to undertake basic and applied research studies and experiments in the laboratories and in coastal waters, in furtherance of the purposes of this section.

(c) Undertake in coastal waters studies of the action of waves, wave currents, tides, tidal currents, and large-scale ocean and littoral currents.

(d) Study and evaluate the interaction of the atmosphere, the sea, and the land as they affect the waves, currents, tides, surges, hydrographic contours, and hydrographic changes in the coastal zone.

(e) Establish observation stations in coastal waters to determine the short-term, seasonal, and yearly changes in waves, currents, and hydrography in the area surrounding the station.

(f) Develop, construct, or acquire instruments and equipment for the furtherance of the program of studies authorized in this section.

(g) Determine the sources of the bottom materials in the coastal area, the rates and methods of movement of these materials, and the effects on the coastal hydrography of changes in the rate at which these materials reach the coastal zone.

(h) Study the mechanics and effects of density currents encountered in the coastal area on the current velocities, current patterns, hydrography, interchange of waters, and rates of sedimentation.

SEC. 16. In order to carry out the policies of this Act and of S. Res 136, Eighty-sixth Congress, and to provide for the participation of the Department of the Army, including either or both military or civil functions activities, in the general program for the development of marine sciences in the United States, there is hereby authorized to be appropriated to the Department of the Army, during the ten-year period beginning July 1 of the first fiscal year following approval of this Act, the following sums, not to exceed $2,000,000 per annum:

(a) Such sums as are necessary for the investigations and activities described in section 15 relating to investigations in physical oceanography in the near-shore zone.

(b) Such sums as are necessary to purchase, develop, or acquire and operate, or otherwise utilize the scientific equipment required for investigations in physical oceanography in the near-shore zone, including but not limited to amphibious craft, floating craft, fixed platforms, buoys, current meters, wave meters, tide gages, sound equipment, direct density measuring equipment, turbulence meters, underwater cameras, and underwater television equipment, and other instruments and laboratory equipment for oceanographic research in the near-shore zone.

(c) Such sums as are required for expansion and equipping of shore facilities as are necessary to support the program of investigations in physical oceanography in the near-shore zone.

(d) Such sums as are necessary to provide funds for contracts with qualified scientists, research laboratories, research organizations, educational institutions, or industrial organizations to make investigations into physical oceanography in the near-shore zone.

DEPARTMENT OF THE TREASURY, UNITED STATES COAST GUARD

SEC. 17. (a) Title 14 of the United States Code, chapter 1, section 2, is hereby amended by inserting after the clause "and rescue facilities for the promotion of safety on and over the high seas and waters subject to the jurisdiction of the United States;" and before the clause "and shall maintain a state of readiness to function as a specialized service in the Navy in time of war." the following new language: "oceanographic research in and beneath any accessible portions of the oceans, seas, gulf and bays including international waters;"

(b) Title 14 of the United States Code, chapter 5, section 81, is hereby amended by inserting in the first sentence after the word "aircraft" and the comma, the new words: "and to conduct oceanographic research;" and by inserting after (3) the following new subsection:

"(4) aids to oceanographic research required to serve the needs of maritime commerce and navigation, including undersea navigation, the national defense, and of increasing the safety of life and property on the high seas."; and by inserting in the subsequent paragraph after the words "loran stations" and before the words "shall be established" the following new language: "and scientific instruments, equipment, systems, and facilities".

(c) Title 14 of the United States Code, chapter 5, section 90(a), is hereby amended by inserting after the word "communication," and before the words "and air navigation facilities," the following new words: "oceanographic research and surveys".

(d) Title 14 of the United States Code is further amended by inserting at the end of chapter 5 the following new section:

"§ 94. Oceanographic research

"The Coast Guard may conduct such oceanographic research and collect and analyze such oceanographic data, in cooperation with other agencies of the Government or not, as the Secretary determines to be in the national interest: *Provided, however,* That the authority herein conveyed shall not be construed to supplant, restrict, or change in any way the authority and responsibility of any other department or agency of the United States, including the performance of surveys and mapping."

(e) The analysis of chapter 5 of title 14 of the United States Code is amended by inserting at the end thereof the following:

"Sec. 94. Oceanographic research."

(f) As part of the general United States program for the development of the marine sciences, the Secretary of the Treasury is authorized and directed to undertake, through the United States Coast Guard, and without regard to previous statutory limitations, a ten-year program of oceanographic research. The Secretary is authorized and directed, with such funds as may be appropriated or otherwise made available to him for purposes of this Act, to carry out the following activities:

(1) Request and obtain cooperation from and cooperate with other governmental agencies having an interest in the marine sciences, and, under such provisions and conditions as may be prescribed by the Secretary, cooperate with the several States, with educational institutions, laboratories, and with scientific organizations in programs of oceanographic research.

(2) Conduct, in cooperation with Government agencies including agencies of friendly governments requesting and reciprocating such cooperation, bathythermograph observations, sonic soundings, strontium 90, carbon 14, air pollution, sea water and plankton samplings, studies of marine borers and fouling organisms, and such other oceanographic research as, in the opinion of the Secretary and the Division of Marine Sciences of the National Science Foundation, will advance the marine sciences in and of the United States.

(3) Expand, in pursuance of functions of the Department under this Act, or in cooperation with other Government agencies and with institutions and scientific organizations, under such provisions and conditions as the Secretary may prescribe, oceanographic research conducted on or from weather ships and other ocean station vessels operated by the United States Coast Guard, offshore towers operated by the Coast Guard, and from such large, oceangoing Coast Guard vessels, including cutters, icebreakers, tugs, patrol craft, lightships, and buoy tenders as the Secretary in consultation with other Government agencies and the Division of Marine Sciences of the National Science Foundation may find adaptable to oceanographic research: *Provided, however,* That in this determination, the research to be undertaken shall not diminish the capabilities of the respective classes of Coast Guard vessels, or of their officers or crews, to accomplish their primary missions as assigned to them by the Secretary or the Commandant of the Coast Guard.

(4) Obtain and install on such Coast Guard vessels as the Secretary may designate under subsection (f)(3) of section 17 of this Act, such equipment or instruments as may be required for oceanographic research authorized under this section (17).

(5) Provide such facilities or personnel as may be required for analysis of oceanographic data collected and transmitted under the provisions of this section (17).

(6) Encourage and assist selected officers and employees of the Coast Guard to enroll in and pursue formal courses in oceanography, beginning not lower than the senior level of undergraduate school and continuing through not more than four years of graduate training and research in the marine sciences.

SEC. 18. It is necessary in order to further the policies and provisions of this Act to have the Secretary of the Treasury, Department of the Treasury, and the Coast Guard carry out, under laws, as amended, relating to such Department or the Coast Guard, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Department to carry out its duties under law. There is hereby authorized to be appropriated to the Department of the Treasury and the Coast Guard, during the ten-year period beginning with July 1, of the first fiscal year following approval of this Act by the President, the following sums:

(a) Such funds as are necessary to carry out the duties, functions, and operations on

Coast Guard vessels and offshore towers authorized in subsection (f)(3) of section 17 of this Act.

(b) Such sums as are necessary for equipment and instruments authorized in subsection (f)(4) of section 17 of this Act: *Provided, however,* That instruments and equipment costs for Coast Guard vessels and offshore towers selected to participate in Coast Guard oceanographic research programs not exceed $82,500 per ship or tower during the ten-year program authorized in subsection (f) of section 17 of this Act.

(c) Such sums as are necessary for analysis of oceanographic data of value collected and transmitted under the authorization of subsection (f)(5) of section 17 of this Act.

(d) Such sums as are necessary for education and training authorized in subsection (f)(6) of section 17 of this Act.

SMITHSONIAN INSTITUTION, MUSEUM OF NATURAL HISTORY

SEC. 19. In furtherance of the policies in S. Res. 136, Eighty-sixth Congress, and of this Act, and in order to preserve, study and classify marine, coastal, and Great Lakes organisms collected during a ten-year program of expanded hydrobiological research, the Secretary of the Smithsonian Institution is authorized and directed, with such funds as may be appropriated or otherwise made available to him, to—

(a) construct additional facilities for the purposes authorized in this section;

(b) establish a program for the recruitment, training, and placement of taxonomists in such number as may be required to classify fishes, marine invertebrates, and other marine organisms collected during the ten-year program of expanded hydrobiological research;

(c) make grants of funds to qualified scientists, institutions, laboratories, or museums, such grants to be used for taxonomy relating to marine organisms;

(d) request and obtain cooperation from and cooperate with other governmental departments and agencies having a direct interest in the preservation, study, and classification of marine organisms, and to cooperate with the several States, educational institutions, laboratories, museums, and other public and private organizations and persons who may be of assistance in this field of marine science.

SEC. 20. It is necessary in order to further the policies of S. Res. 136, Eighty-sixth Congress, and of this Act to have the Smithsonian Institution carry out, under laws relating to such Institution, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations provided in this section shall be in addition to other appropriations provided for such Institution to carry out its duties under law. There is hereby authorized to be appropriated to the Smithsonian Institution, during the ten-year period beginning with July 1 of the first fiscal year following approval of this Act by the President, the following sums:

(a) Such sums as may be necessary for the construction by the Smithsonian Institution of facilities necessary to preserve, study, and classify for taxonomic purposes marine, coastal, and Great Lakes organisms collected by or for the Institution during the ten-year program of expanded hydrobiological research.

(b) Such sums as are necessary for establishment by the Institution of a program for the recruitment, training, and placement of taxonomists required for the purposes of this section.

(c) Such sums as are necessary for use by the Institution under the authority of section 19(c).

(d) Such sums as are necessary for the preservation, study, and classification by the Institution of fishes and marine invertebrates collected or acquired by the Institution for taxonomic purposes.

GENERAL

SEC. 21. (a) Nothing in this Act shall operate to limit, restrict, or otherwise interfere with carrying out any work programed prior to enactment of this Act.

(b) All appropriations authorized in this Act shall be in addition to other appropriations provided for the various departments, agencies, bureaus, and offices to carry out their duties under law.

(c) The Comptroller General of the United States or his duly authorized representatives shall, until the expiration of three years after the last payment to such grantee or contractor, have access to and the right to examine any books, documents, papers, and records of any grantee, contractor, or subcontractor engaged in the performance of any grant, contract, or subcontract executed for the purpose of carrying out the provisions of this Act, and a provision to that effect shall be included in each such grant agreement, contract, and related subcontracts.

(d) Secretaries of departments, and administrators of bureaus or offices authorized and directed to carry out provisions of this Act, shall, after approval of this Act by the President, include in their annual reports a report on major activities or programs undertaken under the provisions of this Act.

(e) All ships and surface or subsurface craft constructed or modernized pursuant to the authorizations for appropriations contained in this Act shall be constructed or modernized in domestic commercial facilities.

Mr. DIRKSEN. Madam President, I say to my distinguished friend the majority leader that the oceanography bill covers a 10-year program. It covers all the seven seas. I am impelled to say it is a billion dollar bill.

I am so desirous of diligently pursuing the objective set out by the distinguished President of the United States in his report to the people this week with respect to a balanced budget and with respect to restraint on unbudgeted items that I am impelled to request a record vote on the bill. Members of the Senate can be aware that, whether the vote comes today or whether it comes tomorrow, if I can get sufficient hands to bring about a record vote under the Constitution of the United States there will be a record vote.

Mr. MANSFIELD. Madam President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. If the Senator does not get sufficient hands, will he forego a record vote?

Mr. DIRKSEN. Madam President, the minority leader is a realist. I might hope that some Senators would put up both hands, to have two counted. At least I shall use what feeble persuasive powers I have to get enough hands in the air to require a record vote.

Mr. LAUSCHE. Madam President, will the Senator yield?

Mr. DIRKSEN. I yield to the distinguished Senator from Ohio.

Mr. LAUSCHE. Prior to the delivery of the President's message calling for the expenditure of substantial sums to be used in the strengthening of our military defenses I probably would have gone along with the pending proposal without any difficulty. However, my views have changed, and I now more closely want to adhere to the President's recommendation that we proceed not with what are desirable projects but only with those which are indispensably necessary, so that deficits will be reduced and new tax requirements probably eliminated or at least ameliorated. Therefore, I shall ask that there be a yea-and-nay vote on the measure.

Mr. DIRKSEN. Madam President, I am heartened by the intense warm glow of understanding and light that is beginning now to manifest itself with respect to bills of the kind before the Senater. My distinguished friend, the Senator from Ohio [Mr. LAUSCHE] has heartened me no end, and his statement has added to my reservoir of diligence and energy with which I hope to assail the bill.

Mr. LAUSCHE. The Senator from Illinois would give me added encouragement if he would insist upon a yea-and-nay vote.

Mr. DIRKSEN. The question has been determined. I shall hold both hands in the air when the second is requested.

Mr. MAGNUSON. Madam President, have Senators completed their statements?

Mr. DIRKSEN. I yield now to the author of the bill, the distinguished Senator from Washington.

Mr. MAGNUSON. Madam President, we shall now get down to some facts.

First, I have no objection to a yea-and-nay vote on the bill. I do not know how many Senators are present. I was absent from the Chamber when the majority leader discussed the bill and the order of business. Whether there is a yea-and-nay vote tonight or tomorrow is immaterial to me. I do not know which time would be more convenient for Senators.

Mr. DIRKSEN. Madam President, will the distinguished Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. DIRKSEN. I should like to ask the distinguished majority leader whether he will give assurances now, in view of the fact that I shall ask for a yea-and-nay vote, that the vote will not come today?

Mr. MAGNUSON. Madam President, many Senators on both sides of the aisle will be absent tomorrow. Three or four Senators who favor the proposed legislation have already told me that they expected to be absent, and wanted to know when the vote would take place. I do not know what the situation is on the other side of the aisle, but at least four or five Senators that I know of, and perhaps more, will be absent tomorrow.

Mr. DIRKSEN. Some Senators will be absent later today.

Mr. MANSFIELD. Madam President, any Senator who is absent from now on is absent at his own risk and takes his own chances. We have had it pretty easy for the past month or so. Generally speaking, we have had long weekends and we have been going home at a reasonable hour. The work is piling up. We must look toward adjournment. We must get the business finished. The

Senate will meet at 11 o'clock a.m. tomorrow. As of now, it is anticipated that it will meet at 11 o'clock on Saturday. There will be votes, and every Senator should be on notice that if he goes out of town now, he does so at his own risk, because we want to finish the job. We still must consider the proposed defense legislation, appropriation bills, foreign aid, the China resolution, and other matters.

I know the distinguished minority leader joins me in urging Senators to be present from now on. I do not think there will be a vote tonight. However, I think we at least ought to get started on the bill.

Mr. MAGNUSON. If we were to try to have a vote tonight, I would greatly shorten what I had intended to say. The subject is a broad one. One could spend a great deal of time discussing it. If there were more Senators present, I know there would be many questions. Several Senators wish to make a speech in favor of the program. For that reason only I have posed the question.

Mr. MANSFIELD. The proposed legislation is also a defense legislation, is it not?

Mr. MAGNUSON. The Senator is correct. I shall proceed now. If the Senator from Illinois [Mr. DIRKSEN] and the Senator from Ohio [Mr. LAUSCHE] will bear with me for 2 or 3 minutes, I shall try to disabuse a misconception that they have regarding the bill.

Mr. DIRKSEN. Madam President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DIRKSEN. I am only too delighted to fill the Chamber with Senators, even at the expense of calling them out of committee meetings. I wish my friend from Washington to have Senators present whom he can persuade.

Mr. MAGNUSON. I do not need them here. I have discussed the measure over a period of 2 or 3 years with probably every other Senator. The Senate passed the same bill last year. The President of the United States, in a message to Congress, highly recommended the program. I hope to clear up a misunderstanding about one thing.

Mr. DIRKSEN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Madam President, because there are several technical amendments and committee amendments to be considered, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the committee amendments are considered and agreed to en bloc.

Mr. MAGNUSON. Madam President, I send to the desk amendments to the bill which would strike certain sections of the bill enumerated in the amendment.

The PRESIDING OFFICER. The clerk will state the amendments.

The LEGISLATIVE CLERK proceeded to state the amendments.

Mr. MAGNUSON. Madam President, I ask unanimous consent that the amendments be not stated but printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments, ordered to be printed in the RECORD, are as follows:

On page 40, section 14, lines 3, 4, and 5; and on page 52, section 18, lines 4, 5, and 6; in each instance strike the sentence reading as follows: "Appropriations authorized in this section shall be in addition to other appropriations provided for such Department to carry out its duties under law."

On page 32, section 12, lines 18, 19, and 20, strike the sentence reading as follows: "Appropriations authorized in this section shall be in addition to other appropriations provided for such Commission to carry out its duties under law."

On page 54, section 20, lines 14, 15, and 16, strike the sentence reading as follows: "Appropriations provided in this section shall be in addition to other appropriations provided for such Institution to carry out its duties under law."

On page 55, strike section 21(b) which reads as follows:

"(b) All appropriations authorized in this Act shall be in addition to other appropriations provided for the various departments, agencies, bureaus, and offices to carry out their duties under law."

On page 56, section 21, change the subsection designations as follows: (c) to (b), (d) to (c), and (e) to (d).

The PRESIDING OFFICER. The question is on agreeing en bloc to the amendments offered by the Senator from Washington.

The amendments were agreed to.

Mr. MAGNUSON. Madam President, the Senator from Alaska has an amendment which he would like to offer.

Mr. GRUENING. I have a technical amendment to the bill. No doubt through an inadvertence the language I propose in my amendment was omitted from the bill. It should appear on page 44, line 22. Following the comma after the word "Oceans", there should be inserted the words "Arctic Ocean, Bering Sea". That would make the sentence read:

In furtherance of the purposes of this Act, the Secretary is authorized and directed to carry out, in addition to programs now underway, the following activities relating to physical oceanography in the near-shore areas of the Atlantic and Pacific Oceans, the Arctic Ocean, the Bering Sea, the Gulf of Mexico, and the Great Lakes, which areas include the zone from the shore to the fifty-fathom depth contour in the oceans and lakes, and bays and tidewaters connected therewith:

Obviously the omission of the Arctic Ocean and the Bering Sea in the drafting of the bill was inadvertent. Clearly these seas are important both from the standpoint of research and defense, and they should be included. I understand the chairman of the committee is willing to accept the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 44, line 22, following the comma after the word "Oceans", insert the following: "the Arctic Ocean, the Bering Sea,".

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alaska.

The amendment was agreed to.

Mr. MAGNUSON. Madam President, I have several things to say on this very important proposed legislation. However, I wish to continue, first, with what I started to say before the quorum call, in the hope that I may be able to clear up what I am sure is misunderstanding regarding this proposed legislation.

First, as the majority leader has said, it is a defense bill in its almost literal sense, with other benefits coming from the marine sciences, research, and for peaceful purposes. However, a great portion of it has to do with defense, and very importantly so, as I shall point out later.

Second, it does not add to the budget at all. It is intended to be a substitute for the amount of money that is now being spent by 16 different departments in this very important field.

I have just submitted amendments which have been adopted, which make it unquestionably clear that the intention of the bill is not to add to what we are doing now in the field of oceanography and marine sciences, but to substitute in the 1963 budget, which will have to be approved by the Appropriations Committees, practically the same amount of money per year that we are now spending in a disconnected way in 16 different departments.

The Senator from Illinois has constantly referred to the bill as adding some more authorizations. It is true that it adds authorizations in the sense that there is basic authority for any department to proceed with the duties of its department and ask the Bureau of the Budget and the Senate and the House Appropriations Committees for money for certain things.

However, in effect, this bill is a limitation rather than an addition to the budget, because it points out a program for 10 years which will cost less, in my opinion, than is now being scattered in 16 departments.

When we speak of authorizations, we are speaking, of course, of authorizations as such, which must be approved by the Bureau of the Budget and the Appropriations Committees in Congress. There would be no way in the field of marine sciences, for me to prevent the Navy coming before Congress and asking for $20 million, because they have the basic authorization in the field of naval oceanography to do that now. There would be no way for me to prevent the Department of the Interior asking for $100 million for fishery research and fisheries projects, because they have the basic authorization to do that now, if the Bureau of the Budget and the Appropriations Committees approve.

I can go down the line with all 16 departments. The Federal Government now is spending yearly, and rightly so, in the neighborhood of $90 million plus. The last figure I had was approximately

$97 million. It is spending that money in the field of marine sciences, scattered in 16 different departments.

The bill is intended to be a substitute for the next budget in this important field. It points out a plan for doing some of the things that we should have done, and that the very departments themselves in the interdepartmental agencies asked the National Academy of Science to study about two and a half years ago. This is the minimum program that was suggested. Therefore, this is in no sense, as such, a further authorization in this field. It is not a nondefense item, as suggested by some since the President's speech the other evening. It deals with some of the most vital things in our defense.

Every scientist in the space agency has testified, and will say privately, that, should something happen to us, what we know or do not know about the oceans of the world, which cover three-fourths of the world's surface, may be more important than what we ought to know or do not know about space. Yet yesterday I participated, as chairman of a distinguished committee on appropriations for the Independent Offices, in marking up a bill of $1,729 million for space exploration. This is for 1 year. We are talking about a vital, essential program for defense and other things, and we are talking about a 10-year period, which would be reached under this authorization and directive, and appropriations of approximately $70 million a year.

Someone once said that we know more about the far side of the moon than we do about three-quarters of the earth's surface. That is about the position we are in.

Any indication by anyone that this bill would add authorizations is a misinterpretation of the purpose of the bill and the literal interpretation of the bill.

I agree with the Senator from Illinois that perhaps we might not need this bill, but the way things are now the authorizations for marine science have no end at all. Any department or agency can come before Congress and ask for funds, and the Bureau of the Budget and the Committees on Appropriations may approve them.

This is a directive to place the departments in a program which makes sense. Everyone testified that it made sense. Most of the departments said so last year. We queried them as to how they felt about the bill. Most of the departments said they favored the broad, important objectives of the bill, but said they were now doing some things in their little empires, and they did not want to have any directive or authority. They said the bill may be unnecessary. They did not say they were against it. As a matter of fact, two of the departments said that this proposal would be a directive for a limitation upon them.

I hope there will not be that misunderstanding, because it was never intended to add to the basic authorizations which now exist; it was intended to authorize a directive which would have been a substitute for what would happen if the bill did not pass next year. Sixteen different departments make up the total, and I think there is duplication of expenditures in this field, as there is duplication of expenditures in many other fields of science.

Mr. LONG of Louisiana. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. LONG of Louisiana. I have heard it said—and I ask the Senator from Washington if it is his understanding too—that in this particular field the possibilities are that the Government will likely get its money back more than 100-fold because of the fantastic possibilities of producing food and materials from the ocean and the ocean beds.

Mr. MAGNUSON. The Senator is absolutely correct. I shall discuss that phase of the proposal at greater length.

The Senator from Illinois is familiar with the fact that we suggest the authorization of some 60 ships over a period of 10 years. I presume we may build 60 ships anyway. Two new ones were authorized by the Committee on Appropriations yesterday for the Coast and Geodetic Survey—one agency.

If anyone thinks this is not a defense bill, I have here pictures of the Russian ships which number 150 in this field. The Russians believe marine science is important for the defense of Russia and the other purposes mentioned by the Senator from Louisiana. The Russians have 150 modern ships operating in this field. Some of them look like the *Queen Mary*. The newest ship which the United States is operating in the field of marine science is 22 years old.

Mr. GRUENING. I was about to raise that very question. Contrasted with the magnificent Russian fleet, the United States has no ships which are up to date and adequately equipped for this type of research.

Mr. MAGNUSON. That is right. We have made some progress in this field. A year ago, Congress authorized and appropriated funds for a new ship for oceanography to be used by the National Science Foundation. That ship is now in process of building. I think bids will be let in the next 2 or 3 months.

Only the day before yesterday the Senate Committee on Appropriations, at my recommendation, placed in the bill an item for two new ships for the Coast and Geodetic Survey, one large one and one small one. Of the 63 ships, some are small, and are used for various purposes. They are custom built. Others are large research ships, of the type of which the Russians have more than 50.

The Senator from Alaska is quite familiar with the defense features of the ships which the Russians are using for fishing purposes.

Mr. GRUENING. The Russians have a tremendous fleet of trawlers and freezer ships operating almost within naked-eye view of Alaska, just outside the 3-mile limit.

Mr. MAGNUSON. The Russians are operating such ships all over the world. We have a recent translation of a report from the Soviet Marine Science Department in Moscow which, in effect, states that the United States is a little stupid in the fisheries field. The Russians say they have actually found millions of tons of bottom fish in the Gulf of Alaska and off the coast in the Bering Sea and at the bottom of the Arctic Ocean, fish about which they had known nothing and had never touched. Now they plan to dredge the bottom until they get what they want. The Russians said they wondered where the United States had been all this time.

Mr. CARLSON. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. CARLSON. The Senator from Washington is an authority in this field. I have high regard for his views. I am concerned, however, as I read one sentence from the report, on page 95. I refer to the Department of Defense. I believe the Senator from Washington says the bill is in the interest of defense. I read from the report:

> The Department, however, is opposed to the enactment of S. 901 for reasons stated in the subsequent paragraphs.

Mr. MAGNUSON. If the Senator will read the whole letter, he will see that the position of the Department is exactly what I said it was. They favor the broad objectives of the bill and all the purposes relating to it, but they say it is unnecessary, because they have their own budget and their own authorization. Two departments have said the bill would be a limitation upon what they are doing in the field of marine science.

Mr. CARLSON. In view of the fact that this work is already being done in some other agencies, how can I justify my supporting the bill?

Mr. MAGNUSON. I consider that the basic reason for justification of voting for the bill is that this is a substitute program, a designed program, a correlated program in this field, such as we now have in the space field for a 10-year period. The program could be changed, but this is the main reason for the bill.

The departments have an interagency committee and have asked the National Academy of Sciences to make a study of marine science. The study resulted in this bill as the basis for the program. The interagency committee asked for a report on what it should do and how the program should be correlated.

The Senator from Kansas has been a Member of the Senate for a long time. He has dealt with the executive departments, as has the Senator from Washington. Anytime one tries to touch an empire within a department, the department simply does not like it.

My conception of the bill—and I hope its wording is such that this is what it means—is that it substitutes a reasonable plan which the departments themselves asked the National Academy of Sciences to submit to them. This program is the minimum. I do not see that it would add to any expenditures. I think it is correct to say, however, that if we do not correlate these activities, next year's budget will be submitted with perhaps more and more money than is proposed in the bill, and in 16 different places.

In my opinion, after listening to all the witnesses, outside and inside, sometimes the right hand does not know what the left hand is doing.

We encountered the same problem when we started the space program. Neither program is an exact science. This program involves physics, medicine, meteorology, biology, chemistry, and many other subjects.

Similar activities were taking place in the field of space exploration. Suddenly we found that many departments were doing what they could, perhaps honestly, but were not getting anywhere in particular. So Congress proceeded to take those activities away from the Department and create a separate space agency to deal with the same activities which were being dealt with separately by the departments.

In this instance we are dealing with marine science.

Mr. GRUENING. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. GRUENING. Is not this the same situation that has bedeviled the Department of Defense throughout the years, in which three conflicting agencies have been grasping for power to the disadvantage of the national defense? We who have watched the functioning of bureaucracy know that it is inherent in Government agencies to which to retain all the control they have and not to yield it to any other agency. The Senator's bill would unite all these activities.

It is almost inevitable that Alaska, with a coastline longer than the combined Pacific, Gulf, and Atlantic coastlines of the 48 older States, and the only State fronting on the strategic Arctic Ocean, would be deeply concerned with and enthusiastic for S. 901, a bill to promote oceanographic research, to advance the marine sciences, and much else.

This is a tremendously important bill. It is important to defense, to education, to resource development. It covers all three of these vital fields and much else.

I congratulate the able senior Senator from Washington for his vision in sponsoring this measure. I shall support it enthusiastically and unqualifiedly, with an amendment to be proposed by my distinguished colleague, Senator LONG of Louisiana, protecting a vital public interest and a minor amendment on page 44 which I have proposed, where the Secretary of the Army in the present draft of the bill, is authorized and directed to carry out certain activities related to physical oceanography in the nearshore areas of the Atlantic and Pacific Oceans, the Gulf of Mexico, and the Great Lakes. I believe that an inadvertent omission was that the Arctic Ocean and Bering Sea were not included at this point. Obviously, these are important bodies of water, both from the standpoint of defense and research, and, I have introduced an amendment for their inclusion, which has been adopted.

Alaska offers an opportunity for oceanographic research that is unique under the flag. It is essential that the work now going forward in oceanographic research in the far North be greatly expanded and strengthened.

Already under the leadership of the Office of Naval Research and the University of Alaska much work is being done in this vital field. Much more needs to be undertaken.

As the president of the University of Alaska, Dr. William R. Wood, wrote the chairman of the Senate Commerce Committee:

> It seems to me that the University of Alaska, with its main campus located at 65° north latitude, and representing as it does, a State with many thousands of miles of shoreline in the Arctic and North Pacific regions, is ideally located to serve as a center, not only for research in oceanography and marine sciences, but also for the training of oceanographers and marine scientists for work in the Arctic and in the Antarctic.

Last year the Legislature of the State of Alaska authorized the establishment at the University of Alaska of an institute of marine sciences. That has now been done and the institute is headed by an eminent oceanographer, Dr. Kenneth M. Rae, formerly head of oceanography and marine sciences at Texas A. & M.

In a recent report to the University Committee on Polar Research, C. A. Barnes of the Department of Oceanography of the University of Washington, listed the needs for research in this field.

It is obvious that the needs of our Nation make it imperative that no time be lost in pressing forward with a broad based program of research in oceanography and marine sciences in the Arctic and north Pacific regions. I was recently in Barrow, Alaska, where the Arctic Research Laboratory is maintained by the University of Alaska for the Office of Naval Research. I was very much impressed by the work going forward there under the dynamic leadership of the head of the laboratory, Mr. Max C. Brewer. I was as much impressed, Mr. President, by the enthusiasm with which the scientists there pursued their studies as I was with what they had done with so little. The need for expansion was obvious. When you stand on the shore of the Arctic Ocean at Barrow or on the shore of the Bering Sea at Kotzebue, you realize vividly how close the United States is to the Soviet Union and how important it is to our own country that we press forward with Arctic research in all scientific fields including oceanography and marine sciences.

In its excellent report accompanying S. 901, the Senate Commerce Committee characterized this bill as "a resources bill, a defense bill, a health measure, an education and training bill, and a science bill." That comprehensive characterization is entirely accurate, for this bill is aimed at meeting urgent national needs in each of these fields—needs which we should have begun to meet years and years ago.

It is time that the United States considered the development of the natural resources lying in and beneath the ocean without diminishing in the least its efforts to develop in and on the land within its borders. We must look at the natural resources of the seas and oceans around us—resources which are being exploited in a constantly increasing manner by other nations more farsighted than the United States. With the development of the requisite know-how and know-where, we could look to the world's oceans for much-needed minerals—for magnesium, bromine, potassium, manganese, cobalt, nickel, phosphate, and crude oil—all of which we need—and much, much else. It is a great undiscovered world, a treasure trove beyond imagination awaiting exploration and utilization.

The reserves of minerals, chemicals, and liquid fuels beneath the oceans are there for the taking—they are in international waters available to the nation that gets there first. We can get there first only through the knowledge gained from intensive research of the oceans that surround us.

It will become increasingly vital to our very survival as the present population explosion continues that we be able to harvest and make use of the vast food resources in the oceans. These food resources we have neglected. As the Senate Commerce Committee stated in its report:

> The U.S. fisheries research fleet is small, overage, obsolete, and has been shrinking instead of gaining during the past 3 years.

We can no longer continue to surrender to the other nations of the world leadership in harvesting the fisheries resources of the world.

According to the committee's figures, we are today importing half as much fish as we ourselves catch, but, while our own catch has remained steady, the amount of our imports has steadily risen.

We must reverse this trend.

The Senate Commerce Committee has called this bill a health measure and this description is amply justified by the facts. Marine microbiology, bacteriology, and toxicology are relatively new branches of science but already they have found, through farsighted research, that many important antibiotics are produced by marine micro-organisms and that marine plants and animals produce vitamins, health foods, and blood extenders. Further intensified research may well produce the answers to many of man's ailments.

And just as the seas can be a source of aid to the good health of mankind, so too can the seas—unless protective action is taken—be a source of harm to man's health.

As Dr. Hargis, of the Virginia State Fisheries Laboratory, testified before the Commerce Committee:

> Despite great present and future needs, man is despoiling the oceans and estuaries at an ever-increasing rate. For example, pollution, e.g., radioactive wastes, industrial wastes, domestic wastes, soil, farm, and house pesticides are wreaking their havoc.

He was joined in his plea for intensified research by Dr. Donaldson, of the University of Washington's Laboratory of Radiation Biology, who stated:

> The development of space programs using nuclear devices, of underwater nuclear powerplants and nuclear submarines, of nuclear-powered merchant ships, of harbor-excavation projects and of nuclear devices for creating new Panama Canals, all will require a much more precise knowledge of the means for disposing of radioactive wastes.

The Senate Commerce Committee has also called this bill a defense measure. Both in time of peace and war, the ocean

trade routes are truly our lifelines. We need them to receive and ship products vital for our very survival. We must constantly search for greater knowledge of the highways of the seas—and the vital routes beneath the ocean's surface—not only as a means of increasing the efficiency of trade along those routes but also as a means of developing new routes on and below the seas.

To do that we must know what lies beneath the ocean's surface and the causes of good and bad weather and the likelihood of either. From the contemplated research "would come greater protection to commerce and navigation, added safety to those who go to sea or live on its shores, earlier storm warnings and long-range weather forecasts."

The Commerce Committee's excellent 103-page report on this bill is striking in several important aspects. One of these details the facts as to how far behind other nations—particularly the Soviet Union—the United States is in oceanographic research. I appreciate the fact that we cannot judge all proposals in terms of what the Russians are doing. Yet we cannot disregard their efforts. Those who would be penurious in providing for our Nation's needs constantly try to deride such comparisons. But the comparison in this instance can be derided—and the contemplated expenditures cut drastically—only at our own peril and to our great loss.

I urge the speedy passage of S. 901 with the amendments proposed by the junior Senator from Louisiana [Mr. LONG] and myself.

Mr. MAGNUSON. Madam President, I wish to say to my friend, the Senator from Kansas [Mr. CARLSON], that in addition to the large amount of information contained in the report, we also have been informed by the Navy that—

> Those aspects of S. 901 which relate to the specific delineation of development items, shipbuilding tonnages, and money authorizations emphasize areas which will see many modifications over the years. Such specific delineation may, in fact, be restrictive to a program which fundamentally should be sufficiently flexible to accommodate program reorientation resulting from changes in agency requirements and technological advances as they occur and appear unwarranted.

In other words, they are afraid that not enough funds would be provided. However, I point out that the program under this measure would not cause the work the agencies are doing now to be stopped. After all, they already have the basic authorization required, and they can proceed with that work. This measure is merely a directive.

Mr. CARLSON. Madam President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. CARLSON. I appreciate the problem which confronts the Senator as he presents the bill to the Senate. I am merely seeking information.

As I examine the report from the Department of the Interior which appears on page 96 of the committee report, I find two sentences which I wish to read into the RECORD at this time, as follows:

> We concur—

And the Senator from Washington has been stating that they do concur—

> in the general object of this bill; however, notwithstanding our considerable interest in oceanographic research, we recommend that no action be taken on this bill for two principal reasons hereafter stated.

Then they set forth the reasons.

And on page 97 of the report we find the following:

> For the foregoing reasons, we believe that action on S. 901 would be unnecessary at present.

This situation concerns me, because I have a very high regard for the Senator from Washington, and I like to support the measures he brings before the Senate.

Mr. MAGNUSON. I understand; and that is what they said last year, too, despite the fact that the President sent us as strong a message in regard to the importance of oceanographic research and surveys as I have ever read, and despite the further fact that President Kennedy, when he was a Senator, voted on two occasions for the bill and highly commended the committee for doing this work.

Mr. CLARK. Madam President, will the Senator from Washington yield to me?

Mr. MAGNUSON. I yield.

Mr. CLARK. Madam President, I strongly support the Senator from Washington in his efforts to have the Senate pass this very important bill to advance our work in the field of marine sciences and to further our progress in the science of oceanography.

The Senator from Washington has been the pathfinder in this field for the past several years and has worked indefatigably to bring the bill before the Senate.

In my judgment the committee's report on the bill is one of the great documents in this area, and deserves careful reading both by all Members of the Senate and by the American people generally.

I well remember a stirring address which the able Senator from Washington made in my home city of Philadelphia, before the Franklin Institute, a few years ago. On that occasion, his address opened the eyes of scientists and the eyes of the public generally to the need for legislation of this kind.

From the information which is available, I understand that the Russians are considerably ahead of us in their developments in the science of oceanography.

Mr. MAGNUSON. I have much information and data on that point; and what the Senator from Pennsylvania has said is entirely true. There have been discussions as to whether our efforts in this field are lagging seriously; and I point out that not one of the literally scores of witnesses we heard from in the field of oceanography failed to state categorically that in this field we lag the worst, not only as compared with the progress the Russians have made and are making, but also as compared with the progress made by other great maritime nations.

Mr. CLARK. Is it not true that in terms of preparing for a war—which we hope and pray will never come—it is of the utmost importance that we be well in advance of any possible developments by other nations in the entire area of undersea warfare?

Mr. MAGNUSON. Yes; and there is ample testimony to that effect in the hearings and in the report and in the statements by scientists. For instance, in that connection let me quote from the testimony by the head of the Space Agency. When he appeared before our committee, he said he could conceive that if something very serious—a catastrophe or a war—happened, some phases of this program would be more vital to the defense of the United States than many of the things our scientists are doing in the field of outer space.

The importance of the bill and this program was summed up by the Committee on Oceanography, composed of some of the most eminent scientists in this field and also of outstanding scientists from the National Academy of Sciences. In pointing out the great importance of research work in this field, they stated that a submarine armed with long-range missiles is probably the most potent weapons system threatening our security today.

Mr. CLARK. Is it not also true that there are literally uncharted frontiers across which the field of human knowledge can be vastly extended by the use of relatively small sums of money to explore the depths of the oceans and to engage in various types of scientific research in the field of underwater life, so as to obtain scientific information of very real bearing on our knowledge of man and where he lives and his potential for the future?

Mr. MAGNUSON. Of course that is true. Today, we have great amounts of data in regard to such matters—so much material, in fact, that it is difficult to know just where to start in making use of it. It runs the entire gamut of our knowledge in regard to man and his activities. Even in connection with the field of medicine, it is surprising to find what relatively small amounts of research are able to accomplish in bringing to light most important information and knowledge. For example, some of those working in the National Cancer Institute believe that marine science will provide the answers to many of the problems in regard to cancer.

Many statements on the security aspects of the bill have also been made. One of the outstanding members of the scientific world has said that unquestionably the work done in this area will be more important than that done in outer space.

I do not need to remind Senators—who are very familiar with the fact that, as we know, the Russians now have approximately 500 submarines—that our country is working actively in the field of underwater warfare, by means of developments in connection with the Polaris and other missiles and nuclear submarines. We are ahead of the Russians with our nuclear submarines, and that is all the more reason why this bill is

so important. But we have not even mapped the oceans. However, the Russians have mapped all of our coastline, including that of Alaska. We know that from our knowledge of the Russian operations.

In terms of defense preparations and work, I point out that attention is being given to submarines which could descend 2,000 or 3,000 feet; and often when such descents are made, vast mountain ranges beneath the sea are found. Yet we do not have accurate maps and charts in that connection.

I wish to point out to the Senator from Pennsylvania how far behind we are in our work in this field, entirely aside from our work in other fields, and how important it is that we remedy that situation at once.

I am not criticizing that. In World War II, when the Senator from Washington was back from the Pacific, he was asked to go to the Territory of Alaska. I asked, "What is the mission?" The Japanese were in Attu and Kiska, and I was told my mission was to go to Alaska and find three or four of the best fishermen I could find, who knew the waters of the Aleutian Islands, and authority was given to grant them commissions. The commandant there was told he could put them on prows of warships so they could tell us where we were. We had no charts for that area.

The Senator from Alaska knows that one of those fishermen ended up being an admiral.

Mr. BARTLETT. The Senator is correct.

Mr. MAGNUSON. This may not be in the report, but the No. 1 priority of the War College and the Navy is research, so there can be communication between two underwater ships, which is now very imperfect.

Mr. BARTLETT. Madam President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BARTLETT. I applaud the Senator from Washington for the selection of those fishermen in Alaska, because one of them, the one to whom the Senator from Washington has alluded and who became admiral, "Squeaky" Anderson, was one of the most famous beachmasters.

I ask the Senator from Washington if the bill before the Senate now differs in any important particulars from the one the Senate passed last year.

Mr. MAGNUSON. It differs only in the fact that the Coast Guard is added and other branches are named, such as Public Health in the medical field. We also spelled out the types of ships. Last year we mentioned only the need for ships. This time we spell out the types, based on the information we got from the Committee on Oceanography of the National Academy of Science and other agencies.

Mr. BARTLETT. This bill, then, is an improved and a more comprehensive version of a bill which the Senate passed last year after adequate consideration. Is that correct?

Mr. MAGNUSON. We have improved and tightened up the bill. In other words, there is a better directive. We think it is better and that there will be no duplication. There is always some waste, in science as in anything else, but we are trying to pin the objectives down. I think it is a better bill and that we will get more for the dollars spent.

Mr. BARTLETT. I know the Senator will agree with me that our education in matters pertaining to space has not yet approached the kindergarten stage, but is it not possible that we know more about space than we know about the ocean depths?

Mr. MAGNUSON. That is what informed people say. We heard probably over a hundred witnesses in this field, presidents of universities, and other learned men, last year. Some of that testimony would have been repetitious this year, but we had 76 persons of that type from all over the United States, some from big business and some from private institutions. All their comments, as will be found from the report and the record, are to the effect that we are far behind in people, in ships, in laboratory equipment, in projects, and in planning in this field.

Mr. BARTLETT. In view of the fact that oceans cover 71 percent of the earth's surface, it is not surprising at all, and it cannot be surprising, that there are large reserves of coal, minerals, and liquid fuels, below the surface of the seas. Does the Senator agree?

Mr. MAGNUSON. I was interrupted briefly, and I did not hear all the Senator asked, but I know the gist of the question of the Senator from Alaska, and I am in complete agreement with it.

Mr. BARTLETT. The fact is that the U.S. fisheries—research fleet—and fisheries are an important element in this undertaking—is not only small and so old as to be outmoded, but also has been diminishing in size, during the last 3 years. As the committee knows, however, American demand for fisheries products has increased, rather than decreased, and that demand has been met by increased imports. These have grown from 302 million pounds in 1940 to 405 million pounds in 1950, and to 1,113 million pounds in 1959. That increase in the amounts of imported fish is truly significant. The United States, bordering so many oceans and seas, should be the world's greatest fishing nation. One reason why we are not is that we have not done the fundamental research that is required.

In connection with the question of the Senator from Pennsylvania and the answer of the Senator from Washington, my information too is that already, in the early beginnings of research of the oceans and the ocean's depths, it has been discovered that sea waters may make some significant contributions to medicine. Though some advances have been made in this area, of course, much more remains to be done.

Madam President, I have a prepared speech of some length on this important bill. I do not propose to consume the time of the Senate in delivering it, and I ask unanimous consent that it be inserted in the RECORD following the colloquy between the chairman of the committee and myself.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BARTLETT. Before I conclude, however, I should like to say that I think the Senator from Washington is deserving of the plaudits of the American people for initiating this legislation so long ago and proceeding with it, despite discouragement at times, and despite our inability last year to achieve final success.

It is well that the Senator has brought this to the Congress again, first through the medium of the Committee on Commerce, and now the Senate, because there is no more important research endeavor upon which we can embark than this. I know from personal knowledge that were it not for the vision, the discernment, and the patriotism of the Senator from Washington the effort would lag and perhaps—even probably—would not proceed at all. The Senator from Washington is entitled to our thanks.

Mr. MAGNUSON. I thank the Senator.

EXHIBIT 1

STATEMENT BY SENATOR BARTLETT

I wish to comment on S. 901, the Marine Sciences and Research Act of 1961, which authorizes funds for the expansion of our research activities in the seas and the Great Lakes. As the seas today remain virtually unknown, and as no one can tell what treasures may be harbored there, the reasons which I will submit in support of this legislation seem all the more telling. S. 901 is of vital importance to the Nation.

The purpose of S. 901 is to increase our knowledge of the oceans and the Great Lakes. Oceans cover 71 percent of the earth's surface. Their average depth is more than 12,000 feet. The earth's longest mountain ranges, highest peaks, and deepest canyons are found within the oceans. Yet only 1 or 2 percent of this vast underwater terrain has been charted.

The general coastline of the United States is 12,255 miles in length, of which, incidentally, 6,640 miles belongs to Alaska. Alaska's coastline is, then, 925 miles longer than that of its 49 sister States combined. Two oceans, the Pacific and the Arctic, and three seas, the Bering, the Chukchi, and the Beaufort, are adjacent to Alaska.

The oceans contain all identified natural elements in solution. Her supplies of minerals are incalculable, and it is clear that as our land resources are gradually depleted, we shall have to turn to the oceans for relief. With the exception of salt, magnesium, bromine, and potassium, most of the elements and combinations of elements, an inexhaustible reserve, remain untouched.

The oceans, then, are the world's great reserves of minerals, chemicals, and liquid fuels. Since the seas are international and neutral, those nations that come first and have the necessary scientific knowledge and technical ability will be the principal beneficiaries. Yet one of the two agencies that are capable of assisting in this endeavor, the Geological Survey, is, under present statutes, limited to the national domain, and, therefore, unable to contribute to our mineral exploration efforts in international waters. S. 901 would remove this anchronism.

Perhaps even more important than the sea's mineral wealth is its potential for supplying the world's population with food. There exists today a world deficit in animal proteins equivalent to 3,968 million pounds, half of which occurs in the non-Communist Far East. Critical deficiencies exist also in Africa. By the year 2000, when the world's

population of 3 billion will have doubled to 6 billion, our food supply will be inadequate unless we turn to the seas. Scientists say that the seas will be able to provide for our needs if—and only if—there is adequate research conducted from adequate and scientifically equipped ships. Alaska fisheries, of course, could contribute immensely to these projected needs.

In this connection, I should like to remind the Senate of some very important developments concerning the shrimp industry in Alaska waters. Reportedly the Japanese have recently discovered a phenomenal concentration of shrimp in the Bristol Bay and the Bering Sea areas. A large Japanese fishing company recently sent the *Eifin Maru*, a 7,400 ton shrimp packing factoryship, to northern Pacific waters. Within 3 days, this vessel caught over 326,000 pounds of shrimp. A second Japanese shrimp fishing operation is being executed in Aleutian waters. The Japanese plan, furthermore, a research program for shrimp and other fish off Kodiak Island, south of the Alaska Peninsula. These developments seem to point to the beginning of large-scale shrimp operations by the Japanese in waters off the coasts of Alaska. These developments, of course, are in addition to the tremendous fishing activities of the Russians in these waters.

The U.S. fisheries research fleet is small, over-age, obsolete, and has been shrinking instead of gaining during the past 3 years. American demand for fishery products, however, has increased. The demand has been met by increased imports, from 302 million pounds in 1940 to 405 million pounds in 1950 to 1,113,624,000 pounds in 1959.

The Bureau of Commercial Fisheries operates 14 vessels with an average displacement of 164 tons. Of the six oceangoing ships, the oldest is 25 years old, the largest 24 years old. Russia, Japan, Canada, South Africa, West Germany, England, Scotland, Norway, and France all have new and larger fisheries research ships than ours. Russia and Japan are far ahead. The United States will soon surrender its control of the fisheries off its coast to Soviet Russia unless a long-range program such as is authorized by S. 901 is adopted.

The seas may also provide many remedies for man's ills. It is known that a number of potentially important antibiotics are produced by marine micro-organisms. Recently, an effective antiviral agent has been found in the muscles of the abalone. While cancer afflicts many species of vertebrates, not a single case has ever been discovered in any marine invertebrate. If science can discover why the invertebrates are immune, ways to combat cancers in mankind may be suggested. Of the many scientists who testified before the committee, Mr. Carl Oppenheimer, marine microbiologist with the Institute of Marine Sciences perhaps stated the problem most succinctly.

"The rather few scientists in our field cannot begin to cope with the important aspects of our field which need immediate attention. Our expanding population daily introduces new aspects of marine microbiology which cry for understanding and possible control. Deep sea microbiology is almost nonexistent in the United States, and the only major effort in this field is being made by Russia."

S. 901 will provide the means for training technical personnel and for carrying on effective studies in marine biology that will be of vital importance to our well-being and our fight against disease.

The Coast and Geodetic Survey is responsible for charting coastal waters and providing tables of tides and data on currents. With the advance of science, it has undertaken geomagnetic surveys, gravity observations, the recording of earthquakes, and the transmission of tidal wave warnings throughout the world as well. Prior to World War II, the Bureau had eight major vessels engaged in offshore surveys. As several ships were transferred to the Navy, and as one ship has become unfit because of age, the Bureau will have only four major ships in 1961, including one that is now under construction. While perils to our shipping have increased with the expansion of the Soviet submarine fleet, the floating facilities of the agency charged with charting these waters are less capable than before the Second World War. Attempts by the Bureau to acquire surplus vessels from the Navy which could be converted to survey uses have until now failed. Conversion, furthermore, has generally been found uneconomical and impractical for oceanographic studies. In order to remedy this situation, S. 901 authorizes 10 new survey ships for the agency, thereby bringing its capabilities up to prewar strength.

It is in the area of defense, however, that the need for a vastly superior program in oceanographic research is most immediately evident. I need not belabor the point that the Soviet Union has the world's largest submarine fleet, estimated between 450 and 500. The United States has 109.

The Soviet Union has the world's largest oceanographic research fleet. The Soviet Union has more ships and scientists in the polar regions than all other countries combined. In short, Russia's concentration on submarines is a clear indication that in any contest for control of the oceans she intends to challenge us, not from the surface but from below the surface.

The submarine navigator has an excruciatingly difficult task. As only 1 or 2 percent of the ocean floor has been adequately charted, he must rely almost exclusively on sound pulses which are sent from the vessel and analyzed in terms of the time which elapses before the echo returns. Sound transmission through the waters is complicated by the fact that sound beams are distorted by changes in water temperatures at varying ocean layers, by variations in salinity, by the chemical content of the waters, by schools of plankton or other minute organisms, and by other phenomena, some of which are unexplained. It is only through expanded research that we will improve our navigation techniques and regain our supremacy under the surface of the seas.

Research related to sound propagation is presently carried out under Navy contracts by 15 universities. Only 11 of these institutions, however, have research vessels, and only 6 of these 11 are equipped for work in the open sea. Our research fleet is unquestionably outdated. The 154-ton *Acona*, built under Navy contract for Oregon State College, is the first U.S. ship designed and built for oceanographic research since 1931—30 years ago. All other ships in this fleet, according to testimony given, are converted tugs, fishing vessels, coastal freighters, schooners, cutters, or discarded naval craft. We have only two vessels that diplace more than 600 tons. The Soviet Union is operating at least nine oceanographic research ships of from 3,000 to 12,000 tons and has reportedly added two new vessels of approximately 4,500 tons this year. Our own efforts are simply not sufficient.

Mr. Athelstan Spilhaus, director of the Institute of Technology at the University of Minnesota and a member of the Committee on Oceanography stated the problem this way—

"If we are unfortunate to have to wage a war in the next few years, the inner space of the ocean will be, without question, a more important battlefield than outer space. The better acquainted we are with this field, the better chance we have for survival.

"If we are fortunate enough to live in peace, the same knowledge will lead to a greater abundance of things for living. What we need to do to investigate the sea can be done for a yearly cost which is a small fraction of what we now spend on space."

In fact, S. 901 authorizes funds equivalent to only 5 percent of our national program for space.

In connection with oceanographic research activities carried out by different universities, I wish to refer the Senate to a letter by Dr. William R. Wood, president of the University of Alaska. He stated in part: "This university, with its main campus located at 65° north latitude, and representing as it does, a State with many thousands of miles of shoreline in the Arctic and North Pacific regions, is ideally located to serve as a center, not only for research in oceanography and marine sciences, but also for the training of oceanographers and marine scientists for work in the Arctic and Antarctic."

I believe that the history of this legislation is an indication of the need for its passage. In 1956, marine scientists employed in Government agencies and disturbed by the absence of coordination in their many activities as well as by the scant interest in and funds for oceanographic research, formed an informal committee which soon become known as the Coordinating Committee on Oceanography. Though without any official status, this group of scientists succeeded in convincing administrative officials that a coordinated program of research in the marine sciences was of primary importance. In order to achieve such a program, it was recognized that a comprehensive study would have to be undertaken by an independent and objective non-Government scientific group. A Committee on Oceanography was subsequently created by the National Science Foundation and National Research Council to furnish information on which action could be taken.

While a study of overall marine scientific needs was made by the Committee on Oceanography, the Navy Department's Office of Naval Research prepared a survey and projection of their own marine research needs and programs. The Navy report, entitled "TENOC (Ten Years of Oceanography)" and the committee report came to the immediate attention of the Senate Commerce Committee which subsequently submitted Senate Resolution 136 recommending that basic oceanographic research in many areas be immediately expanded. Senate Resolution 136 passed the Senate by unanimous consent on July 15, 1959.

To carry out the provisions of Senate Resolution 136 and to authorize the program recommended by the Committee on Oceanography, S. 2692 of the 86th Congress was introduced by Senator MAGNUSON and cosponsored by 13 other Senators including myself. This bill passed the Senate by unanimous consent on June 23, 1960. The House, however, failed to act, and as a result of this failure, Senator MAGNUSON reintroduced the proposed legislation for consideration by the 87th Congress. Though supplementary provisions recommended by the Committee on Oceanography are included, S. 901, is substantially similar to S. 2692 of the 86th Congress.

The Marine Sciences and Research Act authorizes sums expected to total about $700 million over a 10-year period which will be used to expand research operations of 6 departments, 3 independent agencies, and 15 bureaus, offices and services of the Federal Government. I repeat: This sum is approximately 5 percent of present requirements for the national program to explore outer space.

Needless to say, coordination of efforts by so many interests is of primary importance. In order to provide for effective coordination, S. 901 creates a Division of Marine Sciences within the National Science Foundation. This was felt to be necessary as marine

sciences are now dispersed among the three divisions within the Foundation, the Division of Biological and Medical Sciences, the Division of Mathematical, Physical, and Engineering Sciences, and the Division of Scientific Personnel and Education. I think that we are all sufficiently aware of the wastes which may accrue when Government operations are insufficiently coordinated.

In a report from the President's Science Advisory Committee released on December 27, 1958, President Eisenhower approved the creation of a new Federal Council for Science and Technology established by Executive order on March 13, 1959. Continued pressures for interagency coordination led to the formation of the Interagency Committee on Oceanography (ICO) which operates within the framework of this Council.

It is difficult to evaluate the effectiveness of the ICO as it has been in operation for only 2 years. I must point out, however, that the ICO exists merely as an adjunct to the Federal Council, an advisory body to the President, and without statutory basis. Its continuity may be jeopardized by political winds which often influence appointed government servants.

The many Government bureaus engaged in oceanographic research are the subject of responsibility of a wide number of congressional committees. It would seem essential, then, that the legislative branch, in its function of monitoring the executive branch, can hold one particular agency responsible. There are serious questions in my mind as to the ability of Congress to hold a panel or sector of the Federal Council to account in matters of this kind in view of the reluctance of any executive to forgo Executive privilege by providing Congress free access to his staff activities.

If the National Science Foundation is charged with the responsibility for planning and coordinating a unified program in oceanographic research, a number of difficulties could be avoided. For example, the House subcommittee which handled Commerce Department appropriations deleted $200,000 and $300,000 for fiscal years 1961 and 1962 from the overall program assigned to the Weather Bureau. Since the Weather Bureau is only a small part of the Commerce Department, it is not surprising that when it seemed desirable to cut appropriations, the necessity for supplying funds to this Bureau for oceanographic research was questioned. The damage to the Bureau's research efforts in this vital field was, needless to say, considerable.

I support S. 901 not only because I am personally convinced that it is necessary, but also because the people of Alaska have demonstrated overwhelming support for the bill. The expression of this support took definitive form in a resolution which passed the Alaska House of Representatives on March 27, 1961, which stated in part:

"Whereas there has been introduced in the present session of the Congress a bill calling for a comprehensive program of oceanographic research and surveys; and

Whereas the program would include the rehabilitation of the national commercial fishery, access and utilization of the ocean fishery, fisheries exploration and marine resources conservation and development; and

"Whereas the purpose and scope of the proposal made by Senator WARREN G. MAGNUSON in S. 901 are of vital concern to Alaska and the Nation in the conservation and development of their vast marine resources, known and potential; Therefore be it

"Resolved by the house of representatives in second legislature, first session assembled, That the President and the Congress of the United States are respectfully urged to give favorable considerattion to S. 901, the Marine Sciences and Research Act of 1961, and effect its passage and approval as soon as possible."

Three separate appraisals, by the National Academy of Sciences Committee on Oceanography, by the Navy, and by the Interagency Committee on Oceanography have been made, and each forcefully supports an immediate acceleration of the oceanographic research program. Merely doubling our efforts, furthermore, will not be enough. The gross national product has been expanding at an annual rate of about 3½ percent, while the national research and development budgets, Federal as well as non-Federal, have shown a pattern of growing faster. In terms of 1958 dollars, then, normal expansion by 1970 might well double, in which case a mere doubling of our oceanographic research program would, in relative terms, represent no gains whatsoever. Our efforts must be increased by a factor of three or four, and this increase must be planned with a view toward the future. We cannot proceed indefinitely on an ad hoc basis, nor can we afford the losses which inevitably attend a crash program which is instituted within the space of 1 or 2 years. I believe S. 901 should be passed precisely because its perspectives are broad and because it anticipates our changing needs in the future.

Mr. MAGNUSON. Madam President, a question has been raised as to why we should pass S. 901, when some of the agencies in their comments say they already have adequate authority for marine research. If they have adequate authority, the proof of the pudding is that we do not have an adequate oceanography program. We are being surpassed by Russia in numbers, in tonnage, in quality of research ships, in scientific manpower, and in operational research activity. Canada, Britain, Japan, Australia—I could even add Denmark, because Denmark has been in the field for a long time—have proceeded way ahead of this great Nation. Of course, Russia has the most massive program of all. I can understand that, since Russia has 500 submarines.

I cannot understand why the U.S. agencies would say they have adequate authority when they are not moving ahead and have not been doing anything, particularly since our country has 18,000 miles of coastline.

Mr. LAUSCHE. Madam President, will the Senator yield?

Mr. MAGNUSON. I yield to the Senator from Ohio.

Mr. LAUSCHE. Is it not a fact that the various departments of Government which are dealing with oceanography, though they agree with the objectives of the bill, practically all say passage of the bill is not necessary?

Mr. MAGNUSON. That is correct.

Mr. LAUSCHE. The U.S. Atomic Energy Commission is one agency which would be embraced by the 10-year program. On page 99 of the report is the letter of the U.S. Atomic Energy Commission. It states in the second paragraph of the letter that while the Commission is in accord with the purposes and intent of the proposed legislation it believes enactment of the bill is unnecessary.

Mr. MAGNUSON. The Senator is correct.

Mr. LAUSCHE. The Department of Commerce supposedly would be the beneficiary of increased funds. The Department of Commerce, as shown on page 97 of the report, in the letter of May 5, 1961, addressed to the Senator from Washington as chairman of the Committee on Commerce, likewise stated that while the purposes of the 10-year program are laudable, it is not necessary at this time.

Mr. MAGNUSON. That is correct. We put all that in the RECORD. I am familiar with all that.

Mr. LAUSCHE. So we agree on that?

Mr. MAGNUSON. I have not agreed with what the departments said in the letters. I agree that the statement was made.

Mr. LAUSCHE. Each department has stated that while it agrees with the purposes of the bill, the proposed legislation is not necessary because what the bill contemplates doing is already being done.

Mr. MAGNUSON. That is correct.

Mr. LAUSCHE. I do not know whether the Senator from Washington can answer my next question, but is it not a fact that for the 10-year period prior to 1960, there was invested in oceanography approximately $15 million to $16 million a year?

Mr. MAGNUSON. I do not have the exact figure, but it was a small amount. It has increased slightly. In 1960, probably due to the fact that we passed the bill which spurred it on, the figure jumped a little higher. President Kennedy's request for oceanography was increased, because the President is very familiar with this subject. This year I think the figure is about $87 million.

Mr. LAUSCHE. Ninety-seven million dollars?

Mr. MAGNUSON. Eighty-seven million dollars.

Mr. LAUSCHE. For the purpose of the RECORD, I should like to make a statement, to see whether the Senator from Washington will agree with it.

For approximately 10 years we were expending $15 million to $16 million a year. In 1960 the sum was raised to $45,943,000. In this fiscal year 1961 it was increased to $55,009,000. For fiscal year 1962 it is proposed, under President Kennedy's program, to be increased to $87 million.

Mr. MAGNUSON. That is correct.

Mr. LAUSCHE. Thus it is demonstrated, on the basis of $15 million to $16 million expenditures, compared with 1962 the expenditures have been raised 550 percent; from $16 million to $87 million.

Mr. MAGNUSON. Compared to 10 years ago, yes.

Mr. LAUSCHE. Yes.

Mr. MAGNUSON. We were doing practically nothing. I say to the Senator from Ohio that the Space Agency is in the same situation. The Senator is correct as to the figures.

Mr. LAUSCHE. For the purposes of the RECORD could we ascertain how many ships are authorized for construction under the $87 million recommendation made by the President for expenditure in the fiscal year 1962?

Mr. MAGNUSON. We can obtain that figure.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Madam President, will the Senator yield?

Mr. MAGNUSON. I yield to the majority leader.

Mr. MANSFIELD. Madam President, I ask unanimous consent that at the conclusion of morning business tomorrow 2 hours be allocated for the consideration of the pending bill (S. 901), 1 hour to be under the control of the distinguished chairman of the committee, Senator MAGNUSON, and 1 hour to be under the control of the distinguished minority leader, Senator DIRKSEN, under the standard form of unanimous-consent agreement.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. LONG of Louisiana. Madam President, reserving the right to object, I am very eager to cooperate. As the Senator knows, I have an amendment which is printed and is at the desk. Can the Senator offer me some assurance that I shall have an opportunity to offer my amendment and have it voted on?

Mr. MANSFIELD. The Senator may offer it either tonight or tomorrow.

Mr. LONG of Louisiana. Can the amendment be offered tomorrow, under the unanimous-consent request?

Mr. MANSFIELD. Yes, indeed.

Mr. LONG of Louisiana. Would there be sufficient time for discussion and a vote? Would the Senator be willing to include in the unanimous-consent request, time for the amendment; 1 hour, perhaps, the time to be equally divided on my amendment?

Mr. MANSFIELD. Yes. I would include within the request for 2 hours that a half hour be allocated for consideration of the amendment of the Senator from Louisiana [Mr. LONG], 15 minutes to a side.

Mr. LONG of Louisiana. Could the Senator make that 20 minutes to a side? We might need that much time.

Mr. MANSFIELD. Very well; 20 minutes to a side, within the 2-hour period.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. MAGNUSON. Madam President, I do not think the time for the amendment ought to be within the time for the bill. I think that time should be added. I understand there will be only a couple of amendments offered. They could be given a half hour each.

Mr. MANSFIELD. Madam President, I ask that there be 2½ hours total time allocated, and that there be included within the time 40 minutes for the amendment to be offered by the Senator from Louisiana [Mr. LONG].

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none; and, without objection, the unanimous-consent agreement is entered.

The unanimous-consent agreement, as reduced to writing, is as follows:

Ordered, That, effective on Friday, July 28, 1961, at the conclusion of routine morning business, during the further consideration of the bill (S. 901) to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes, debate on the bill and all amendments thereto shall be limited to 2½ hours to be evenly divided and controlled by the Senator from Washington, Mr. MAGNUSON, and the minority leader, except that 40 minutes of that time shall be allotted to the amendment by the Senator from Louisiana, Mr. LONG, designated as "No. 7-12-61—A," to be equally divided and controlled by Mr. LONG and the minority leader; *Provided*, That no amendment that is not germane to the provisions of the said bill shall be received.

SHIP CONSTRUCTION

Mr. MAGNUSON. Madam President, in answer to the question of the Senator from Ohio, the current ship construction in this field is that the Navy is constructing three research ships of 1,300 tons—those are very small ships—one at Jacksonville, Fla., and two at Sturgeon Bay, Wis. One small 153-ton boat was completed. The very small boat would be used for in-shore work, and would be the first new ship in 30 years for the Navy.

This year an appropriation is requested for three additional 1,300-ton ships, two for military flag research and one for survey. All the ships would be small.

The subcommittee of which I am chairman recommended a research ship for the National Science Foundation. The ship is now under construction. The present discussion of the ship relates to its design. The contract is about to be let. The ship would be 1,110 tons.

Last week the Bureau of Commercial Fisheries let contracts to a Louisiana firm for the replacement of the *Albatross*, an old ship which was deactivated 2 years ago. An appropriation is pending for one 1,200-ton research ship for the central Pacific and one for the Atlantic to replace the old *Delaware*. The *Delaware* is about 27 years old.

Then a small vessel, which would cost about $200,000, is supposed to be built for gulf research.

The Coast and Geodetic Survey has asked for three research ships in class 1, class 2, and class 3. Class 3 is a small vessel, class 2 the middle size, and class 1 is a vessel of about 1,000 tons. One is a 3,000-ton ship, the second is 1,300, and the last 750 tons. The Committee on Appropriations allowed one class 1 and one class 2. That is the extent of all of our shipbuilding for the past 22 years.

Mr. LAUSCHE. As shown on page 43, the bill which was introduced by the Senator from Washington envisions the building in a period of 10 years ships that are now estimated to cost $276 million.

Mr. MAGNUSON. The Senator is correct.

Mr. LAUSCHE. How many ships will be built?

Mr. MAGNUSON. Approximately 63 of various sizes.

Mr. LAUSCHE. Is it not a fact that in the opinion of various departments of the Government that are supposed to be benefited by the bill the program as submitted by the President would provide adequate moneys as well as adequate facilities?

Mr. MAGNUSON. I believe the Senator has stated the feeling of some, but the Senator from Ohio should know that last year, when we asked for reports, they were similar. Many people in the departments, when we asked for reports on the bill early in February, wrote the reports with the same feeling they had last year.

What the Senator has said is correct. Many people in the departments feel that way. I think I know the reason why. Everyone on the outside who is vitally concerned about this question states that although each agency is doing perhaps a satisfactory job, there is no correlation, and legislation of the kind proposed is absolutely necessary.

In 1957 the departments themselves said, "We are not correlating our work. Will you, Mr. National Academy of Science, make a report for us and see what we can do?" The report is the basis of the bill. The departments themselves took that action.

Mr. LAUSCHE. My recollection is that in one or more of the letters received from the departments there is a statement that there has been coordination and correlation of the work, and it is not necessary to pass the bill to achieve what has been suggested as necessary.

Mr. MAGNUSON. Yes. One department has made that statement, and everyone else disagrees with it.

Mr. LAUSCHE. For purposes of the record, the fact is that all the letters opposing the bill from the departments have been written since President Kennedy took office.

Mr. MAGNUSON. That statement is true.

Mr. LAUSCHE. I believe that is all. I am grateful to the Senator from Washington.

Mr. MAGNUSON. But I know that many of the letters were dictated before the President sent his message to Congress.

Mr. LAUSCHE. I should like to ask one further question. The Senator from Washington and the other proponents of the bill are of the opinion that we should tie ourselves down in the program for 10 years, instead of approaching the subject on a year-to-year basis, as has been done in the past.

Mr. MAGNUSON. I think so. We would not be exactly tied down. The department still must obtain basic authorizations to do different things that might fit in and around to "beef up" a part of a program that might require such action. But I believe that we ought to have some basic objective. I suppose the agency has the same plan. It is what is called a 10-year program. But we found this year that the recommendation was that we should "beef up" the so-called moon shot program. Such action can be taken in this case.

Let us assume that it would be the deep desire of the Navy and the Defense Department for more perfect communication between submarines under water.

Suppose they say that such a program should be the No. 1 priority, which it is pretty close to in the Defense Department. It may be said, "We think we should spend much more money on this program." They might recommend even more than we suggest in the 10-year program. But they could take such action under the basic authorization anyway.

Mr. LAUSCHE. The converse of the problem is that if we should tie ourselves to a 10-year expenditure, the difficulty must be faced to obtain a repeal of what has been done.

Mr. MAGNUSON. No, the money would not be requested.

Mr. LAUSCHE. But the authorization would be there, and the Department could ask for the money.

Mr. MAGNUSON. Authorizations running into billions of dollars are on the books, but money is not requested. The Budget does not approve it.

Mr. LAUSCHE. What becomes of authorizations that have been granted to different departments under existing law if we would give a 10-year authorization newly under the bill which is now pending?

Mr. MAGNUSON. They would still exist in the basic law, because the basic law does not spell out what would be available, for example, in the Department of the Interior.

Suppose one were authorized to ask the budget for x number of dollars to conduct the business of the Department of the Interior. Such a request would be a directive to a Department—I hope it would be—in one field of the Department of the Interior, for example, fisheries research. It would be a directive to the Department that they would ask for an appropriation to fit into the program. The authorization could not be repealed. The Department could come in and ask for $20 billion if they wished to.

Mr. LAUSCHE. I assume from what the Senator from Washington has said that a new authorization would be granted for each of the 10 years, and while we would grant all new requests for authorizations, if previous authorizations were in existence, if the Department so desired, it could ask for appropriations under one or both, although we would not expect them to do so, and we would not expect the chief of the Department to permit them.

Mr. MAGNUSON. That is what I would think. The authorization is not a new one. It is the same type of authorization but with a directive, we hope, that might be adhered to in this field. There would be a directive which those in the field, such as the National Academy of Sciences and the marine science group, would recognize. They would say, "This is what it looks like to us now in this field."

Mr. LAUSCHE. I thank the Senator.

Mr. MAGNUSON. Madam President, I have a great deal of material which I will use tomorrow. However, for the RECORD I wish tonight to discuss briefly the basis of the bill and the facts involved, so that there will be no misinterpretation about it.

This is a bill to authorize a national 10-year program of oceanographic and Great Lakes research.

S. 901 would authorize ship and laboratory facilities for such research, scientific training, and coordination and evaluation of the numerous, separate, agency programs.

S. 901 would stimulate and encourage the cooperation of universities, industry, State agencies, scientific bodies in a national effort that is vital to our security and welfare.

Today—and the testimony is replete with this—we are taking a back seat in oceanography to Soviet Russia. This bill would enable the United States to regain its rightful place on the front seat in this scientific field involving waters which cover nearly three-fourths of the earth's surface.

I recall that we took a back seat to Soviet Russia several years ago when Russia launched her first sputnik. The same is true here.

Now it is costing our Nation $1,700 million a year to match Soviet Russia in outer space. I support that program. It is necessary. The amount of $1,700 million for 1 year of space research is a billion dollars more than the national oceanographic program proposed in S. 901 would cost for a full 10 years.

I believe, and I know many military and scientific leaders hold the same view, that in this day of missile-firing nuclear submarines inner space—the oceans—is as important to our security as outer space.

We have neglected oceanography. We are lagging behind Soviet Russia in ships, scientific manpower, laboratories, and ocean research operations.

This week a report prepared in the Pentagon for its interagency committee on oceanography came to my attention.

The report is titled "Soviet Oceanographic Fleet." The opening sentence reads:

> The Soviet oceanographic fleet has an estimated strength of approximately 150 ships, as compared with less than 75 ships for the United States.

The Interagency Committee was created by the Federal Council for Science and Technology, the council was created by Executive order issued on March 17, 1959, by President Eisenhower.

The Interagency Committee is composed of high officials of seven agencies. It has precisely the same chairman and the same six members in this administration that it had during the previous administration. I would hardly suspect it of political or partisan bias.

The report of this committee—and I repeat—states in the opening sentence that the Soviet oceanographic fleet has an estimated strength of approximately 150 ships, as compared with less than 75 ships for the U.S. fleet.

The report also refers to a table headed "Estimated size and composition of Soviet oceanographic fleet." It reads:

Basic research	30
Applied research	20
Survey	55
Fisheries	40

Recently the Interagency Committee released schedules of all U.S. oceanographic ship operations, both those now underway and those scheduled for or during fiscal 1962.

The total number of U.S. ships scheduled is 60, of which 2 are rented. The average age of U.S. research ships is 22 years.

The U.S. oceanographic fleet has 16 ships used in basic research; 16 fishery research vessels, 2 of them halibut boats temporarily chartered, 16 survey, 10 applied research ships, and 2 icebreakers used for part-time research for 2 months in the Arctic.

I now resume reading from the opening paragraph of the report on the Soviet oceanographic fleet.

> About 30 Soviet ships are assigned to the Academy of Sciences alone, about another 40 are assigned to the All-Union Scientific Research Institute for Marine Fisheries and Oceanography and its regional affiliates for support of the Soviet fishing industry, and more than 20 ships are assigned to conduct hydrographic surveys along the northern sea route.
>
> These and other ships in the fleet range in size from small coastal types used for supporting the work of coastal laboratories to deep-sea research ships of several thousand tons displacement. They include among their number the only nonmagnetic research ship in the world, the *Zarya*, and a research submarine, the *Severyanka*.

The report continues:

> The present size of the fleet is the result of a tremendous expansion of a program begun in the mid-1950's for participation in the International Geophysical Year. Many of the fisheries research ships, five of the basic research ships of more than 3,500 tons displacement, and the research submarine were added to the fleet in this expansion period.

Mr. President, none of the U.S. agencies engaged in oceanographic or fisheries research have been so fortunate as to experience—ever—an expansion period. I will comment on our own ship construction activities later, but at present I resume reading from the report on Soviet oceanographic ships.

> The largest, most modern ships are being assigned to basic research. The Academy of Sciences has received three of the last five commissioned since 1957. The oceanographic institutions subordinate to the ministries are now also beginning to receive new, modern ships (table 2).

Table 2 is titled "Significant additions to the Soviet oceanographic fleet." It lists ships and year commissioned beginning with 1957, tonnage, and organization to which assigned.

The first ship listed is the *Mikhail Lomonosov*, 5,960 tons, and assigned to the Soviet Academy of Sciences. We have nothing comparable to this, even in the talking stage. During the International Oceanographic Conference in New York in September 1959 this new ship with 16 laboratories and carrying 75 scientists visited that city, dwarfing the five small U.S. research ships assembled there. At last reports the *Mikhail Lomonosov* has been very busy off the west coast of Africa.

The Soviet research submarine commissioned in 1958 is assigned to the

marine fisheries and oceanographic institute and has been operating in the Atlantic.

Several weeks ago, incidentally, a constitutent of the distinguished Senator from Michigan, Senator HART, sent me a clipping from the Detroit News, which had carried a UPI dispatch from St. John's, Newfoundland. The clipping read in part:

Between 70 and 80 Soviet trawlers are reported in the Grand Banks fishing grounds off the Newfoundland coast.

In 1959, according to the Pentagon report on the Soviet oceanographic fleet, the 3,600-ton *Voyeykov* was commissioned, and in 1960 a sister ship, the *Shokal'sky*, also 3,600 tons. Both went to the hydrometeorological service. Equipped each with 16 laboratories—no U.S. research ship has more than 4—they are designed for both oceanographic and meteorological research.

Two other ships also were commissioned in 1960, the *Petr Lebedev* and the *Servey Vavilov*. Both are 5,000-ton research vessels and both were assigned to the Soviet Academy of Sciences. Each carries 50 oceanographers. A 3,950-ton fisheries research vessel is nearing completion. The largest U.S. fisheries vessel is the *Delaware*, displacing 518 tons and built in 1937.

I might point out that prior to the Russian ships mentioned above the Soviets had other large oceanographic ships, among them the *Ob* and *Lena* each of 12,000 tons displacement, the *Vitiaz* of 5,546 tons, which has 12 laboratories and carries a complement of 65 oceanographic scientists, and the 3,000-ton *Pole* and *Okean*.

The United States this year completed the first new research ship constructed in this country since 1931, an 80-foot craft displacing 152 tons or about one-thirtieth the size of the new Soviet research ships.

Three research ships of 1,370 tons each are under construction in the United States, one at Jacksonville, Fla., and two at Sturgeon Bay, Wis. None of these will be completed this year.

The United States last year completed the first survey ship constructed since World War II, the 3,150-ton *Surveyor*.

I now return to the report on the Soviet oceanographic fleet. This report contains photographs and specifications of many of the Russian oceanographic ships previously mentioned but I shall not weary the Senate with these details. I shall quote, instead, the last two paragraphs of this report. They read:

The capabilities of the existing Soviet oceanographic fleet are adequate for collecting data from any ocean area in the world as was aptly demonstrated during the international geophysical year and present operations.

There are now sufficient numbers and types of ships to enable the U.S.S.R. to be a leading participant in any international cooperative oceanographic study.

With seven large basic research ships of more than 3,500 tons displacement, the U.S.S.R. can conduct large simultaneous expeditions in various parts of the world. In 1960 the U.S.S.R. participated in two international studies—the Atlantic Ocean Polar front program, and the International Indian Ocean Expedition. The Soviets also conducted independent studies in the Atlantic and Pacific oceans and in its bordering seas.

A seven-ship survey of the Gulf Stream off the east coast of North America in 1960 demonstrated the Soviet ability to coordinate an operation of research ships from fisheries, military and academic organizations, and to conduct such an operation from the U.S.S.R.

Madam President, several statements above are to me very significant. The first is the reference to seven basic research ships of more than 3,500 tons displacement.

The United States has no basic research ship of 3,150 tons displacement. The United States has two recently converted Navy auxiliary vessels of 2,079 tons, both built in 1944, and one 1,900-ton Navy conversion. The remaining basic research ships have an average displacement of 469 tons, and are used largely in coastal work.

Fisheries research vessels, all of them ancient, displace an average of only 162 tons, and the Coast and Geodetic Survey ships displace an average of only 819 tons.

The second statement in the report that seems to me to be significant is that the Soviets in 1960 conducted a seven-ship survey of the Gulf Stream. Testimony concerning this survey was presented at hearings before the Senate Committee on Commerce more than a year ago.

No survey approaching such magnitude has ever been conducted by the United States, although knowledge of the Gulf Stream is important to enemy submarine detection, fisheries, and navigation.

A third reference in the report was to Soviet participation in an international Indian Ocean expedition. Soviet ships have been conducting research in this area for the past 2 years. U.S. participation is only in the planning stage.

I refer now briefly to another area in which we have lagged behind the Russians in research—the Arctic, which I think we will all agree is one of the strategic areas of the world. The United States has a 1,060 mile coastline fronting on the Arctic Ocean and not far distant from Soviet Russia. I quote from a letter received this week from a scientist who has had experience in the Arctic. He states:

I suspect that you realize how much emphasis the Soviets are placing on basic scientific work in the Arctic. Since 1957 the Soviets have kept two drifting pack-ice stations in operation with a full complement of scientists at work.

By contrast the United States started work in 1957, during the International Geophysical Year, maintained one pack-ice station (Alpha) for 18 months, then after a gap of 6 months a second station (Charlie) which operated for 8 months in 1959, then a third station (Arlis-I) which lasted about 6 months during the past winter.

This last station was greatly restricted in effectiveness owing to lack of funds; only seven men total, six being scientists. The only support this station had was from two light engine planes. What a contrast to the way the Soviets are operating.

The same contrast exists in our oceanographic operations. It will continue to exist, I fear, until the pending bill, S. 901, or very similar legislation authorizes and inaugurates a national program of oceanographic and Great Lakes research, and no similar bill is before this Congress.

Until this Nation has a national oceanographic program, such as Russia has, England has, Canada has, Australia has, and many other maritime nations have, we will continue to lag in this vital scientific field; we will continue to take a back seat to Soviet Russia in oceanography.

Today I received a 36-page progress report from the Committee on Oceanography of the National Academy of Sciences, which has recently reviewed its studies of 2 years ago. I shall touch on only a few comments in this lengthy review in order to save the time of the Senate:

Participation in marine studies by the Public Health Service remains minor. The unresolved question of jurisdiction over monitoring and evaluating the effects of sea disposal of radioactive wastes apparently inhibits initiaton of the basic research in marine ecology necessary for intelligent handling of this important problem.

There is so far no indication of overall planning for the study of the many medical and health-related problems in the marine sciences.

In the Department of the Interior, Bureau of Commercial Fisheries, there is considerable evidence of interest and desire to undertake the oceanographic research necessary to provide information that is essential to informed management of fishery resources. To date little progress appears to have been made toward translating wishes into action.

Strengthening the quality and increasing the amount of basic research in Government fishery laboratories remains a high priority item. There is much important research to be done on marine resources, and since many problems require long-term studies, it is time that they were begun.

Although we have reemphasized our concern about the plight of our country's museums and the small amount of support available for studies on the taxonomy of marine organisms there is little evidence of improvement in this situation.

The Federal agency most involved, the Smithsonian Institution, is not represented on the ICO, yet the success of many Government programs and surveys will depend upon accurate and prompt identification of the specimens collected. In this work, the U.S. National Museum must play a responsible role.

Madam President, S. 901 provides for achievement of all of these goals. S. 901 will do what the National Academy of Sciences Committee on Oceanography points to as a major need and objective and translate wishes into action.

Madam President, tomorrow, in the time allotted to me, I shall discuss other phases of the program, and shall try to answer questions which Senators may have in regard to the bill.

I yield the floor.

Mr. MORSE obtained the floor.

Mr. MORSE. Mr. President, I ask unanimous consent that at this time I may yield to the Senator from West Virginia [Mr. RANDOLPH], without losing my right to the floor.

The PRESIDING OFFICER (Mr. METCALF in the chair). Without objection, it is so ordered.

THE PRESIDENT SETS FORTH THE OBLIGATIONS AND THE DUTIES OF THE AMERICAN PEOPLE—HIS LEADERSHIP IS PRAISED

Mr. RANDOLPH. Mr. President, I am grateful to the distinguished Senator from Oregon for yielding to me prior to the delivery of his own remarks.

Mr. President, until this week it was not uncommon for one to note in press dispatches and syndicated columns shadowy references to the grave concern being expressed in Washington regarding the quality of leadership of the administration in foreign affairs.

This is not a new technique of casting doubt, but on the contrary, a very old one, by which an individual starts a fire and then with an air of detached innocence points to the smoke.

Former Vice President Nixon recently carried this procedure one step further in his nationally syndicated column by implying doubt concerning President Kennedy's conduct of foreign policy and then suggesting that the President drop the "pilots" who have been helping him chart the course of the "ship of state." This is an ancient and established device, highly developed in Shakespeare's historical plays: when one dares not attack the king, he attacks the king's ministers.

It is to be hoped that the President's address on Tuesday night will have laid to rest such facetious and fictitious expressions of concern. Though I am not privy to the inner anxieties and uncertainties of others, for myself, it would seem that a more realistic view of our moment of peril would be to have apprehension for the concrete threats posed by international communism, while acknowledging that the President is directing a reasoned and reasonable policy toward maintaining the freedom and integrity of Western civilization.

This administration has indeed not been without its mistakes. But let us not distort our perceptions of the world. The dangers with which we live were not created by President Kennedy. Nor did they spring full blown, like Minerva from the brow of Jove, on January 20, 1961. They began with the breakdown in the old imperialisms during the early decades of this century, and they are now culminating in the revolutionary aspirations of impoverished peoples throughout the world.

It is not my purpose, however, at the present time to survey the role of the United States in this historical process. That task has been most ably addressed on two recent occasions before this body in the scholarly and disciplined presentations of the chairman of the Foreign Relations Committee [Mr. FULBRIGHT].

If, however, there have previously existed any doubts regarding the President's full reach of history in viewing America's commitments and responsibilities, and the direction we must take to fulfill them, such doubts should now have been placed at rest.

Without bombast he has asserted America's obligations to freedom in the world, and he has summoned the American people to duty. And, as the Washington Post editorialized yesterday:

If sober words and prudent preparation can deflate the threat of war over Berlin, President Kennedy's measured address to Congress and the people should serve the cause of peace.

Mr. President, in this connection I now read an editorial published yesterday in the Charleston Daily Mail:

WITHOUT BELLIGERENCE, PRESIDENT KENNEDY STRIKES THE FIRM, CLEAR NOTE ON BERLIN

No ringing slogans.

No battle cries.

No anxious or disturbing appeals to hope or fear.

Just a sober review of the reasons why the United States happens to be in Berlin, what is at stake there, why the United States intends to stand firm and how it proposes to do it.

This is President Kennedy's measured, carefully weighed statement on the Berlin crisis, and it strikes a firm, reassuring note.

To those who have been saying that Berlin is untenable, the faint note of appeasement audible in their voices, the President gives the answer. So was Bastogne. So was Stalingrad.

To those, the Soviet Ambassador among them, who have said the United States will not fight, the President replies: It does not want to; it would prefer some more reasonable settlement. But it will fight if it must.

To those who have feared that the United States might be yielding to the blandishments of its allies and retiring to some "soft" line, the President sets the record straight. The United States means exactly what it says.

And to give his declaration substance, the President adds the weight of his recommendations. The Army will be expanded to nearly 1 million men, the Navy and Air Force beefed up. The arms budget will expand by more than $3 billion. This is not a general mobilization, hastened by a national emergency. It is simply a planned buildup looking toward a test of strength and determination.

How well it will succeed no one knows. It is reasonable to suppose—and unreasonable to count on it—that Khrushchev wants a "hot" war no more than we do. What is certain is, that this quiet, firm determination accords with the temper of the American people and the national spirit.

Mr. President, I now read an editorial published today in the Charleston Gazette:

KENNEDY AIDED PEACE PROSPECTS WITH HONOR

"We seek peace, but we shall not surrender."

This quote from the President's talk to the Nation Tuesday night was the essence of his message.

Although Premier Khrushchev can hardly be expected to applaud its contents, especially those references to military spending and buildup, the speech, considered in whole rather than in part, was not bellicose.

On only one point did President Kennedy refuse to negotiate with the Soviet Union: the freedom of Berlin. On all other questions he left the door open to negotiation. Indeed, in proposing to adjudicate Western rights in Berlin, the President widened the area in which a reasonable alternative of war can be sought.

"We intend to have a wider choice than humiliation or all-out nuclear action."

Opinion among militarists here and abroad is growing that should war come to Berlin nuclear armaments by a sort of tacit prearrangement would not be used and any combat would be of a conventional nature restricted to Berlin and environs. The military preparations Kennedy has in mind for the immediate future are designed to satisfy this opinion, because, if limited war started now, it is clear the United States and its Allies without resort to nuclear weapons would be no match for the many Communist divisions mobilized around Berlin.

"We have another sober responsibility. To recognize the possibilities of nuclear war in the missile age, without our citizens knowing what they should do and where they should go if bombs begin to fall, would be a failure of responsibility."

As in any war crisis there is always the chance of total war. In the event nuclear war occurs, Americans must be prepared to face for the first time in more than a century havoc and destruction on their own soil—conditions of war, the President did not neglect to remind all concerned, Europeans and Russians comprehend too well.

"In short, while we are ready to defend our interests, we should also be ready to search for peace—in quiet exploratory talks—in formal or informal meetings."

It would not be far from the truth to say there was something for everybody in the President's message. There was for the American people and her allies an unclouded exposition of American responsibilities and of the challenges these disturbing times present. For Premier Khrushchev and the Russian people there were reminders of the horror of nuclear war and of the willingness of this Nation to settle issues at variance without recourse to war, but there was also the solemn warning that the Soviet Union can miscalculate and nudge this Nation into a war no one wants and everyone correctly fears.

Surely, Premier Khrushchev must realize now where accommodation is feasible, what issues are negotiable, what are not, and what the United States is destined to do if pushed too hard and too far by unconscionable demands coupled with aggressive acts.

"Freedom can prevail—and the peace can long endure."

It is perhaps overly optimistic to say today—a short 36 hours later—that the President enhanced prospects for peace, but in our opinion he did so with honor, with eloquence and with full knowledge of the doleful consequences confronting mankind should his efforts fail.

"We seek peace, but we shall not surrender."

Mr. President, we may be justly grateful also that the President, in stating that "we do not intend to leave it to others to choose and monopolize the forum and the framework of discussion," did not rest America's case with the barren cliche of merely standing firm in Berlin. There is in his statement full indication that the United States no longer intends merely to react to the Soviet initiative.

To those who have asked, in the light of the President's inaugural address, what sacrifices he will request of the American people, the answer has been rendered. For some, it will mean extension of military service; for others, it may mean higher taxes and more controls; and for all of us, it will mean more dedication to our individual tasks as citizens.

But first, and for some the most difficult sacrifice, will be to put aside the illusion that the world must always be responsive to American desires. For we no longer live in an age when the Cuban problem can be solved by Roughriders storming San Juan Hill.

The struggle in which we are involved is worldwide. Our opponents in Moscow and Peiping are thinking in terms of the outcome of all history, and they have set the stakes as the future of mankind. Such a contest is new to American thought habits, which are not accustomed to taking the long view of international conflict.

Thus, the first sacrifice must be to dispense with the luxury of impatience, and to gear ourselves to a difficult, protracted, and expensive contest, the outcome of which may not be assured within the lifetime of any Member in this Chamber.

For this reason, the President's statement Tuesday night did not present the simple alternative of "guns or butter," if by that phrase it is meant that we must allow the urgent problems of our domestic economy to be neglected while we attend to the challenge from abroad.

It may become evident that we must dispense with some of the surfeit of consumer goods—which in many instances would be no great loss. But let us not confuse these with such fundamental needs as increasing employment, strengthening our educational system, providing adequate care for the aged, and safeguarding the health of the American people—areas which some mistakenly consider in the category of nonessential spending.

Nothing could be more mistaken, Mr. President, than the view expressed in Mr. Nixon's request yesterday, and quoted in the New York Times today, that we "shelve all new spending programs not directly necessary for national defense." For the well-being of the national economy and the welfare of the American people must also be maintained if we are to meet the long-term challenge of international communism.

As of this date, we are not engaged in a crash program, nor is that what the needs of the situation require—but, rather, the mobilization of all our resources in all areas of American life, guided by the determination and resolve to strengthen American society in all its aspects.

We have the resources to meet the national requirements I have just mentioned, as well as to strengthen the defenses of the free world. And the President has, in both his domestic and foreign policy programs, indicated the way toward an intelligent utilization of these resources.

His prescriptions may require for some a major surgical operation in casting off cherished illusions about the nature of the world in which we live. But for myself, they present a welcome return to realism and a high consciousness of the role this generation of Americans is to play in man's quest for freedom and justice.

MARINE SCIENCES AND RESEARCH ACT OF 1961

The Senate resumed the consideration of the bill (S. 901) to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes.

Mr. MORSE. Mr. President, before the Senate concludes work on this measure, I wish to express my great enthusiasm for the bill, and my high regard for the work of the Senator from Washington [Mr. MAGNUSON] in connection with it.

While so many of us have our eyes on space at this time, we should remember that the earth itself is still largely unknown to us, insofar as its oceanic reaches are concerned. The committee's report rightly calls marine science the neglected frontier. Regrettably, it is the Soviet Union that has done the most to explore the oceans, and Russia and Communist China have more submarines operating in the Pacific Ocean alone than we have in the whole world.

Nor do I think it is far wrong to point out that, whereas much research has been devoted to the oceanography of the Atlantic and the Gulf of Mexico, much less is known about the Pacific, especially the northern Pacific Ocean.

We in Oregon and Washington have already given attention to this matter. I do not know of any educational institution in the country which has done more work in the field of oceanography than Oregon State University at Corvallis. Its Department of Oceanography, under Prof. Wayne Burt, is perhaps the most advanced in the country. In recent months, Oregon State has put into operation its own oceangoing laboratory, a research vessel fully equipped for marine research and stationed at Newport, Oreg.

The U.S. Office of Naval Research and the National Science Foundation have long been working with Oregon State University in its oceanography program.

Under the bill before the Senate, the U.S. Coast and Geodetic Survey and the Fish and Wildlife Service will also become more active in this area, along with the National Science Foundation, the Coast Guard, the Weather Bureau, and the Office of Naval Research. The bill calls for a new west coast laboratory for the Coast and Geodetic Survey, and also calls for new shore facilities for the Fish and Wildlife Service, and the Army Corps of Engineers.

The Senator from Washington [Mr. MAGNUSON] and all who worked with him on this bill, are to be commended for the foresight they have displayed, and for the regard they have shown for America's need to move rapidly in this neglected area, which is so vital to our national security.

I am proud to support his bill, and I hope it will soon become law, so the country can have the benefits of these research programs.

RESOLUTION OF GROUP HEALTH ASSOCIATION OF AMERICA, INC.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD Resolution 3 passed by the Group Health Association of America, Inc., at its recent convention in Portland, Oreg.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas to make the benefits of modern medicine available to all Americans requires, in addition to better arrangements in the financing of health care, a substantial increase in the number of professional health personnel, and a significant expansion of community health facilities and services; and

Whereas Federal action is urgently required to bring about these critically needed improvements, since:

1. Existing sources of financial support cannot meet the costs of a construction, expansion, and scholarship program adequate to the Nation's need for more physicians and other health personnel;

2. Local communities need Federal financial aid to develop better services for the aged and chronically ill, such as organized home care, and other services not now widely available;

3. The improvement of the abysmal state of currently available nursing home care requires an increase in the funds available through the Hill-Burton program for the construction of high quality nonprofit nursing homes.

4. The combination of comprehensive prepayment with the group practice of medicine holds great promise for making high quality care more readily available, but the difficulty of financing needed facilities has been a major obstacle in the further development and expansion of such plans; and

Whereas legislation has been introduced in the Congress of the United States to provide for effective Federal action toward these ends: Therefore be it

Resolved, That the Group Health Association of America convey to the members of the Senate Committee on Labor and Public Welfare, and the House Committee on Interstate and Foreign Commerce, and other Members of Congress the unanimous belief of its members and affiliates that favorable action is urgently required this year on the following three legislative proposals:

1. S. 1072 and H.R. 4999, Health Professions Educational Assistance Act, to provide grants to medical and dental schools for construction, expansion, cost of education and for scholarships to gifted students in health professions who are in need of Federal assistance;

2. S. 1071 and H.R. 4998, the Community Health Services and Facilities Act, to provide funds for the construction of nursing homes; grants to State and local governments, and voluntary agencies and institutions to stimulate the development, improvement and expansion of health services, particularly for the aged and chronically ill; and to provide funds for research and demonstration in the utilization and provision of hospital services; and

3. S. 1158 and H.R. 5887, the Health Services Facilities Act, to provide long-term, low-interest loans to comprehensive medical care plans for financing of necessary facilities.

Unanimously adopted at the annual meeting of Group Health Association of America, in Portland, Oreg., on May 10, 1961.

FOREIGN POLICY SPEECH BY NORMAN THOMAS

Mr. MORSE. Mr. President, I shall ask unanimous consent to have printed in the RECORD a very interesting discussion of foreign policy by Norman

Thomas presented at Colgate University on July 14, 1961.

We are all familiar with the views of Norman Thomas. We can disagree with his socialistic aspirations, as I do, but still recognize his scholarship and his keen mind and the many contributions he has made to the thought of America, particularly in the field of foreign policy.

Some of the observations he made on foreign policy at Colgate University on July 14 deserve the attention of the Senate and of the people of the country, and I ask unanimous consent to have the speech printed at this point in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SUMMARY OF SPEECH BY NORMAN THOMAS BEFORE FOREIGN POLICY CONFERENCE, COLGATE UNIVERSITY, JULY 14, 1961

A projection of our present foreign policy into the next decade would pave the way for world war III. This not because our positions in the present cold war are all wrong and our opponent's right. Far from it. The trouble is that our Government and people have been thinking and acting on a dangerously false assumption. That assumption is that the central fact in our tumultuous world is the Communist menace which can successfully be fought as a military power conflict not essentially different than the conflict between Rome and Carthage. This can't be done with annihilation weapons in an anarchic world, torn by the aspirations of more than 90 legally sovereign nations, most of them still caught in desperate poverty which they no longer accept as ordrained by fate or human incapacity.

Our policy must be based on acceptance of certain basic facts and their logical consequences. The first is that world war III ought to be what both Khrushchev and Eisenhower have called it: unthinkable. Herman Kahn, who argues to the contrary, talks in terms of our ability to survive a war in which in a single day 20 to 100 million would perish. Among the corpses and the agonies of the dying, in the ruins of our cities, sanity, security, liberty would not walk serene.

Our second fact is that no reputable thinker argues that there is any tolerable assurance that any conceivable military power will prove a deterrent. Not in a world prone to accident, already possessed of an equivalent in destructive power variously estimated at from 10 to 20 tons of TNT for every inhabitant. Triggers of destruction will be in the hands not merely of national governments but their individual agents, fallible human beings subject to passion and madness. Under these circumstances it is ridiculous to argue that limited wars will stay limited. Men mad enough to risk limited wars involving the interests of the nuclear powers—whose number will steadily increase if the arms race continues—in a world where the deadliest weapons, chemical and bacteriological as well as nuclear exist in profusion, will not be sane enough to refrain from resort to their terrible weapons.

Our third fact is that the rhetorical alternatives, liberty or death, war or surrender to slavery, are false. The sobering truth is that we aren't saving liberty (narrowly interpreted as freedom from communism) by the cold war. Russian Communist power and influence is not being extended today in Asia, Africa, or Latin America by Russia's force of arms, but by exploitation of social misery and injustice, and by the devoted work of Communists too often persuaded that the end justifies the means. (Does our CIA think otherwise?)

Neither Castroism in Cuba nor its extension in Latin America can be replaced by freedom through American military intervention. At the worst such intervention could trigger world war III; at its best it would create our own little Algerias. Cold war tactics in Laos, a rather primitive nation of 2 million people on whom we spent more than $325 million, did not safely bring Laos into the SEATO pact. The Dulles' effort was wrong from the beginning. Read Robert Trumbull's "Story of Nguyen Tharit and Vietnam," in the New York Times, July 2. He says that the simple villager, not the soldier, will decide the fate of this Asian land. Ask yourself how many of your sons you will offer up to contradict Mr. Trumbull's assertion. Our only hope there or in southeast Asia or similar areas is a demonstration that our democracy offers to oppressed millions better fulfillment of human aspirations than communism. Alas, we have scarcely proved that in Korea by a costly war—which I sorrowfully supported—and its aftermath.

The argument that by one conquest after another a monolithic communism will finally reach out to conquer our beloved land assumes that world communism is monolithic—it is divided by doctrinal differences and national ambitions; that it can easily manage to digest or bring to heel all the passionate nationalisms of the world—it will not, it cannot; and that it desires or would be able to hold a conqueror's power over a resolute non-Communist nation. History, even in our violent times, shows how effective organized resistance and civil disobedience can be to a foreign military governor, far less costly in catastrophic destruction than nuclear war.

Accepting these facts, our foreign policy should seek a lifeline to peace braided of four strong strands:

First, universal disarmament down to a police level for preserving order in states and between states. The goal must be clearly, even passionately stated, by the United States. Arms controls of the right sort may be steps toward disarmament. They cannot possibly be a substitute for it. This I think the present administration believes, and I support its desire to create a disarmament authority. This authority, among other things, should be more definitely charged than in the present bill with the task of working out plans for a transition period from an economy controlled by the military-industrial complex (against which Eisenhower warned us) to the economy of peace. unless we can rapidly get disarmament even if miraculously we should avoid war, we must resign ourselves to the rule of that military-industrial complex. We will sacrifice both a sound economy and our liberty on the altars of national security. We should struggle against that complex but we cannot continue to wage the cold war along present lines and escape its grip.

There are many possible approaches to disarmament, which have been too little considered. For example, the De Gaulle suggestion of the abolition of the facilities for delivering the worst weapons and—what De Gaulle and Adenauer do not suggest—an extension of demilitarization in central Europe along lines suggested by the Polish Foreign Minister, Rapacki, which incidentally would make possible a rational solution of the Berlin crisis.

The logic of events gives special importance in the field of disarmament to a definite end of atomic tests of weapons before nation after nation pollutes the air with radioactive fallout and multiplies many times over the danger of nuclear war by accident or design.

We must lead in ending tests as we led in inaugurating them. We and our ally, Great Britain, now have 72 percent of the world's store of nuclear weapons which fact puts us in a particularly unfavorable light if we should be responsible for continuing the mad race to death against which Sir Charles P. Snow so emphatically warned us. In this connection I liked Senator HUMPHREY'S proposal for the establishment of a U.N. patrol system to monitor an inspection of American research programs with underground explosions devoted solely to peaceful ends, especially to the development of machinery of detection. On no other terms should we renew nuclear tests.

Second, disengagement. For a fraction of a second on history's clock our monopoly on atomic power gave us a supremacy that now has been lost in a world where not only the Soviet Union but many other nations can equip themselves with nuclear, chemical and bacteriological weapons of annihilation. Overconscious of our power and too sure of our righteousness, we made commitments which we cannot fulfill without threat of suicide not merely for ourselves but for our human race.

We cannot forever insist on the absurdity that Chiang who dares not submit his rule to a plebiscite in Taiwan is entitled to represent China in the U.N. We have got to begin to negotiate with China or be resigned to ultimate war.

In Europe our commitments of honor are to the freedom of West Berliners rather than to any specific prolongation of a political situation in West Berlin which always will invite crisis. Here let me call attention to James P. Warburg's widely circulated letter to the President and Congress reviewing the facts behind the Berlin crisis and the best way out which is demilitarization with Central Europe, a demilitarization which I think only possible as a step toward universal disarmament.

Third, a strengthened U.N. No steps will lead certainly to universal disarmament and no devotion to it will sustain it, unless we increasingly substitute law for war. This requires acceptance of supranational agencies especially in the field of disarmament agreements. Ideally what we will need is a strengthening of the U.N. Such a strengthening is the indispensable third strand in our lifeline to peace. The worst of Khrushchev's offenses is what seems to be his present intention to recognize no supranational authority in any field with authority superior to his government. Some such authority, a great deal less than a centralized world government is as necessary to a disarmed world as a sheriff was to achieving a disarmed community in our own wild West.

Many Americans, now critical of Khrushchev's attacks on the U.N. and its Secretary General, are very little better than the Russians in their attitude toward the United Nations. They support the Connally reservations under which we are judges of what cases we will let go to the World Court and they openly threaten to desert or ignore the U.N. should any of its important decisions, for instance on the recognition of the effective government of China go against the American stand. No service to peace is more important than the education of the absolute necessity not only of maintaining but improving the U.N. Here once more let me commend the Clark-Sohn proposals in their book, "World Peace Through World Law."

A stronger U.N. would help us solve the difficult ask of efficiently raising living standards in a world which gives plenty of evidence that it will not long accept the bitterness of poverty in which it now lives.

The fourth strand of our lifeline to peace must be an effective attack on this kind of bitter poverty. It can be better carried on under international auspices than national. But at present we must also be concerned for the right sort of unilateral economic aid. The new Peace Corps is a step in the right direction.

The alternative to waging wars, cold and hot, must be a waging of peace in which we all should share. We need a great vision

of the glory our present powers, employed for life not death, could bring to mankind. There can be competition in methods and ideals for human relations fit for peace. By no means is such competition inconsistent with the end of our present cold war. It will require us to spend money. But that is not enough. We must show the world that at long last our democracy is true to itself here at home—especially in the realm of race relations, not only in Alabama and Mississippi but in New York and Illinois. We must show that democratic approach to human problems can command a nobler and wiser devotion than the Communist.

This sort of projection of a foreign policy for the sixties requires the devotion and intelligence of us the people as truly as of leaders in high office. Nothing less is the price of peace with freedom.

PRESIDENT KENNEDY'S SPEECH ON BERLIN

Mr. MORSE. Mr. President, I turn now to a very brief comment on the President's great speech on the Berlin crisis. I am glad the Senator from West Virginia [Mr. RANDOLPH] made the comments he just made on the floor of the Senate. I wish to associate myself with his observations in reference to the great speech which President Kennedy delivered Tuesday night.

It happened to be my honor and privilege to be representing the President at San Juan, Puerto Rico, at the ninth anniversary of the Commonwealth of Puerto Rico. As we all know, in 1952 Puerto Rico attained Commonwealth status. At the celebration of the ninth anniversary of the Commonwealth, there were Latin American leaders from all parts of Latin America.

I had the privilege of talking to a great many of them after the President's speech. In my judgment, by and large, all these leaders of Latin America received with enthusiasm, and also with great relief, the President's speech.

In commenting upon the President's speech tonight, I associate myself completely with the objectives of the speech. I shall do all I can, as a member of the Foreign Relations Committee of the Senate, to implement the speech. I shall support the recommendations of the President in connection with the necessary legislation and the necessary appropriations for carrying out the program outlined by the President in the speech.

But I wish to direct some attention to what I think is a grossly neglected part of that great speech.

So far as I have been able to take note of in the press since the speech was made, there has been only passing notice and very little emphasis on its most significant features.

In my judgment, the speech is characterized by two great objectives: First, a clear notice to the world that we do not intend to surrender the cause of freedom in Berlin, or the cause of freedom anywhere.

But, second, we also make clear to the world that we stand ready and willing at all times to adjudicate differences, to negotiate disputes, to seek to attain the objectives of peace through peaceful measures. This clear goal of the President is not receiving the emphasis which I think it needs to receive. Because my position with regard to that goal, as well as the defense goal, is so well known, I make these few remarks tonight.

I wish to quote these passages from the President's speech when he said:

We do not want to fight—but we have fought before. And others in earlier times have made the same dangerous mistake of assuming that the West was too selfish and too soft and too divided to resist invasions of freedom in other lands. Those who threaten to unleash the forces of war on a dispute over West Berlin should recall the words of the ancient philosopher: "A man who causes fear cannot be free from fear."

We cannot and will not permit the Communists to drive us out of Berlin, either gradually or by force. For the fulfillment of our pledge to that city is essential to the morale and the security of Western Germany, to the unity of Western Europe, and to the faith of the whole free world. Soviet strategy has long been aimed, not merely at Berlin, but at dividing and neutralizing all of Europe, forcing us back to our own shores. We must meet our oft-stated pledge to the free peoples of West Berlin—and maintain our rights and their safety, even in the face of force—in order to maintain the confidence of other free peoples in our word and our resolve. The strength of the alliance on which our security depends is dependent in turn on our willingness to meet these commitments.

So long as the Communists insist that they are preparing to end unilaterally our rights in West Berlin and our commitments to its people, we must be prepared to defend those rights and commitments. We will at all times be ready to talk, if talk will help. But we must also be ready to resist with force, if force is used. Either alone would fail. Together, they can serve the cause of peace and freedom.

That part of his speech is a digest of the clear notice of the President of the United States to the Communist world that fight we will if fight we must, as has been stated before in the history of this country; but if we do, it will be because that fight was forced upon us by an attempt to make us surrender the cause of freedom in Berlin.

But there is another major point of the speech that I think needs emphasis and consideration. The President said elsewhere in the speech:

As signers of the U.N. Charter, we shall always be prepared to discuss international problems with any and all nations that are willing to talk—and listen—with reason. If they have requests—not demands—we shall hear them. If they seek genuine understanding—not concessions of our rights—we shall meet with them. We have previously indicated our readiness to remove any actual irritants in West Berlin—but the freedom of that city is not negotiable. We cannot negotiate with those who say "what's mine is mine, what's yours is negotiable." But we are willing to consider any arrangement or treaty in Germany consistent with the maintenance of peace and freedom, and with the legitimate security interests of all nations.

SOVIET CONCERNS

We recognize the Soviet Union's historical concerns about their security in Central and Eastern Europe, after a series of ravaging invasions—and we believe arrangements can be worked out which will help to meet those concerns, and make it possible for both security and freedom to exist in this troubled area.

And again:

For it is not the freedom of West Berlin which is abnormal in Germany today, but the situation in that entire divided country. If anyone doubts the legality of our right in Berlin, we are ready to have it submitted to international adjudication.

Mr. President, I have not read a single newspaper account—there may have been many I missed—nor have I read an editorial which points out that the President once again reiterated this principle of American foreign policy; namely, that we are perfectly willing to resort to the peaceful procedures of adjudication in the determination of differences over treaty claims. This is one of the strongest features of the President's speech, because it makes perfectly clear that while we have no intention of being driven out of Berlin by Russian force, we seek a peaceful determination of the Berlin crisis.

I repeat this very important sentence in the President's speech because it is the basis of the point of view I have taken since April 11, 1959, when I made my first major speech in regard to the Berlin crisis. I pleaded then for a consideration of the adjudicating process for a determination of the Berlin crisis.

The President said, I repeat:

For it is not the freedom of West Berlin which is abnormal in Germany today, but the entire situation in that divided country. If anyone doubts the legality of our rights in Berlin, we are ready to have it submitted to adjudication. If anyone doubts the extent to which our presence is desired by the people of West Berlin, compared to East German feelings about their regime, we are ready to have that question submitted to a free vote in Berlin, and, if possible, among all the German people. And let us hear at that time from the 2½ million refugees who have fled the Communist regime in East Germany—voting for Western-type freedom with their feet.

The world is not deceived by the Communist attempt to label Berlin a hotbed of war. There is peace in Berlin today. The source of world trouble and tension today is Moscow, not Berlin. And if war begins, it will have begun in Moscow, not Berlin.

For the choice of peace or war is largely theirs, not ours. It is the Soviets who have stirred up this crisis. It is they who are trying to force a change. It is they who have opposed free elections. It is they who have rejected an all-German treaty, and the rulings of international law. And as Americans know from our history on the old frontier, gun battles are caused by outlaws, and not by officers of the peace.

In short, while we are ready to defend our interests, we shall also be ready to search for peace—in quiet exploratory talks—in formal or informal meetings. We do not want military considerations to dominate the thinking of either East or West. And Mr. Khrushchev may find that his invitation to other nations to join in a meaningless treaty may lead to their inviting him to join in the community of peaceful men, in abandoning the use of force, and in respecting the sanctity of agreements.

While all of these efforts go on, we must not be diverted from our total responsibilities, from other dangers, other tasks. If new threats in Berlin or elsewhere should cause us to weaken our new program of assistance to the developing nations who are also under

heavy pressure—or to halt our efforts for realistic disarmament—or to disrupt or slow down our economy—or to neglect the education of our children—then those threats will surely be the most successful and least costly maneuver in Communist history. For we can afford all these efforts, and more—but we cannot afford not to meet this challenge.

And the challenge is not to us alone. It is a challenge, to every nation which has asserted its sovereignty in the name of liberty. It is a challenge to all who want a world of free choice. It is a special challenge to the Atlantic Community—the heartland of human freedom.

I close by reiterating the eloquent conclusion of the President's speech:

The steps I have indicated tonight are aimed at avoiding that war. To sum it all up: we seek peace—but we shall not surrender. That is the central meaning of this crisis—and the meaning of your Government's policy.

With your help, and the help of all freemen, this crisis can be surmounted. Freedom can prevail—and the peace can long endure.

I emphasize, Mr. President, the aspect which must remain our objective in connection with the Berlin crisis; namely, keeping ourselves so strong that Russia will understand she has everything to lose and nothing to gain by an aggressive course of action over Berlin. That is why I shall support the defense measures proposed by the President.

But we must go beyond an armaments stalemate. We must remember that keeping the two most powerful forces in the world in an armaments stalemate gives no hope for permanent peace, but creates the great danger of a certain nuclear war.

I think it is only fair to my own record to take the very few moments necessary to read a statement which I issued to my constituents in regard to my position on the Berlin crisis.

In a letter to my constituents yesterday, I said:

Dear friend, at this moment, the Berlin crisis is the overriding concern in Washington, D.C., as it is in much of the world. The Soviet Union is so disturbed by the existence of West Berlin in the midst of its East German territory that it is trying to force us out of West Berlin by any means it thinks may work.

For many months, the rising tide of East German refugees into West Berlin has revealed that living conditions in Communist East Germany are deteriorating. Many refugees report that life is expected to get worse there, not better. Russia clearly regards West Berlin as a threat to its East German puppet state merely by existing as a showplace of economic prosperity and political freedom.

Unfortunately, the agreements which divided up Germany into occupation zones at the close of World War II, and divided up Berlin, too, did not spell out our right of access into West Berlin through the Russian occupation zone. Land access has only been provided in working arrangements with the Russians.

Now, Russia is insisting that our occupation of Berlin and access into the city can be changed by Russia and East Germany alone. Her plan is to sign a peace treaty with East Germany that would in theory end the occupation of Berlin, and leave East Germany to cope with the Western Powers still there. We, of course, deny that Russia alone can terminate the occupation for all the powers, and we have no illusions that Russian forces would really be withdrawn from East Germany. Moreover, our own proposals for a German peace treaty have always been blocked by Russia's objection to free, supervised elections in East Germany.

The threat by Russia has been answered with a threat from the Western Powers, until talk of mobilization is common in Washington. There can be no question of the need to resist Russia's threatening moves. But we must do more than that.

If the policy of answering threat with threat, and mobilization with mobilization continues without change, a nuclear war is going to result. I do not believe that once force is used in Berlin, it can be limited to conventional weapons. "Brushfire" wars are still possible in remote parts of the world where Russia and the United States do not face each other directly; but Berlin is where we are in the closest contact. Both sides have atomic field equipment on the scene as part of their regular forces.

WHAT HAPPENS AFTER A NUCLEAR WAR?

A question seldom asked or answered is: What happens after a nuclear war? A full scale nuclear war would probably leave between 30 and 50 million casualties in the United States. Many scientists put the figure even higher. Remember that a nuclear warhead does not have to hit its target to kill millions. It just needs to hit any spot in the United States.

The radiation from the explosion of a nuclear warhead would cause great loss of life many miles from the spot at which it explodes. Some scientists believe that as few as 50 Russian intercontinental missiles with nuclear warheads landing in the United States and Canada would make our two countries almost uninhabitable for many years. Let's face it: A nuclear war would be immorality turned rampant.

Most of Europe, including Germany and Berlin, would also be devastated, and the Berlin issue would be solved by being obliterated.

But far bigger problems would remain. The destruction of so much of Russia and the West in a nuclear war would, in my opinion, leave Communist China as the major power in the world. Neither has there been any discussion of what we would do with Russia, assuming we had more military forces left than she did. Would we try to invade and occupy Russia? Does anyone think we could, and remain economically solvent? Nor would we have enough resources left to restore other nations, as we did after World War II. Who, or what, would stop communism then?

These are some of the factors that have to be considered. We cannot just assume that if we are tough enough, the Russians will back down and there will be no war. We also have to think of the consequences if neither side backs down.

What has disturbed me about past American policy on Berlin has been our position of just standing pat there, and appearing to oppose any change in the situation. We have never gotten across to the world that it is the right of self-determination that is at stake in the whole German question. We have allowed the Russians to take the ball away from us, and make it appear that the Western Powers are ready to plunge the world into nuclear war just to hang on to a few acres in the middle of East Germany.

The real reason we have not given up our occupation powers in Berlin is because the Communists will not agree to a German settlement that includes free elections in all of Germany. Here is an issue that could be used against Russia with great effect, especially in the United Nations. The right of self-determination is the hottest issue in the underdeveloped continents. Yet we have done little to dramatize it, and have only emphasized our readiness to wage war at the slightest change in the status quo.

Another way we could take the offensive against Russia would be to propose putting the entire city of Berlin under the United Nations. Berlin is going to be discussed, anyway, at the United Nations as soon as its General Assembly meets in September. Whereas Russia wants to make West Berlin a so-called free city, we should insist that any solution of that kind must include East Berlin, too. I suggested this in 1959. But the United States has never made use of this, or any other idea, for calling on Russia to put her zone under the United Nations, along with our own.

I am encouraged by the fact that both the Russian and Western notes on Berlin leave open the possibility of further negotiations on the future of Germany. We should insist that any such negotiations be under United Nations auspices, because every nation in the world has an interest in a permanent settlement of the German issue.

In addition, many Americans do not realize that it was the United Nations, not the United States, that gave Russia its greatest setback in recent years. That was in the Congo. Russia had moved hundreds of technicians into the Congo as soon as it became independent. When the U.N. took jurisdiction, Secretary-General Hammarskjold ordered them out. He made it stick, and Russia's big foothold in Africa was lost.

Russia has since been anxious to gain a veto over every U.N. action through its troika proposals. These would require the agreement of the East, the West, and the neutrals for every action or decision, and would give Russia the same veto it has in the Security Council. But it does not have that power now.

Putting forward proposals to handle the Berlin question under U.N. jurisdiction offers some chance that an acceptable solution can be found. It would also prove to the world that it is Russia and not the United States that is risking nuclear war instead of using the U.N. to keep the peace. As it is, neither Russia nor the United States has really begun to use the avenues open for the peaceful settlement of this dispute.

Mr. President, there will be many who will disagree with the senior Senator from Oregon with regard to some of my suggestions on the Berlin issue.

But I wish to go on record tonight as one who wishes to make clear to his constituents and the people of this country that I shall stand firmly behind the President, and the position he has taken in Berlin.

I shall also continue to raise my voice in the Senate so long as it is my trust to serve the American people here, in urging that we exhaust every possible peaceful procedure within our posture of military ability to protect ourselves against Russian attack and in an endeavor, to use the words of the President, "to find a basis for adjudication of the issues that have caused Berlin to be a great threat to the peace of the world."

We must keep calm. We must keep strong. We must demonstrate that we are determined to put into practice, so long as we remain at peace, the great moral religious principles that in my judgment characterize distinctive difference between the United States and the Communist government of Russia. We are a moral people with a moral government, and it is in the hour of crisis that our morality must face its acid test.

Therefore, it is important that we do everything we can in the remaining time that we have available to us to enjoy the peace, although it is an armed peace that we are now living in, to get the Berlin crisis into a position where it can be subjected to adjudication, and where the rules of reason rather than the jungle law of nuclear force can be the final determiner of that great issue.

Mr. HART. Mr. President, it has been my good fortune, though unplanned, to be present and hear the remarks that were made by the Senator from Oregon. It is not easy for any Senator—indeed, I fear it is not easy for any American, and increasingly it becomes more difficult for any American to do other than to get up and say, "I am strong; I am right; I am not going to do anything that can be twisted into a situation of compromise or appeasement."

But the talk we have always heard from the always eloquent senior Senator from Orgeon is the kind of talk which in these critical days we most need, and I hope will be an example to encourage others to make the same counsels, whatever transient political reason may attach to them. I congratulate the Senator.

Mr. MORSE. I appreciate the remarks of the Senator from Michigan very much, and I offer him my apology for not being able to remain until he completes his address. I am due at an embassy dinner, and that is the reason I shall have to leave the Chamber shortly.

NINTH ANNIVERSARY OF PUERTO RICO'S COMMONWEALTH STATUS

Mr. MORSE. Mr. President, on July 25 while I was in Puerto Rico serving as personal and official representative of President Kennedy at the ceremony observing the ninth anniversary of Puerto Rico's Commonwealth status, two bills authorizing gratuitous transfers of Federal lands were passed by the Senate. Prior to departing for Puerto Rico, I had prepared statements setting forth the reasons why these transfers do not violate the Morse formula. I ask unanimous consent that my explanatory statements be set forth at this point in my remarks and that they be included in the permanent RECORD of July 25 at the point at which this transfer was discussed.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

H.R. 2249—CONVEYANCE OF CERTAIN LANDS TO TRINITY COUNTY, CALIF.

Mr. MORSE. Mr. President, H.R. 2249 would authorize the gratuitous reconveyance of a small portion of a tract of land originally donated by Trinity County to the United States in 1934 for a ranger headquarters.

The land to be returned is not needed by the United States, and there is no indication that improvements have been placed thereon by the United States.

In view of the fact that the use for which the land was originally donated has terminated, fairplay and equity call for the return of the tract in question.

Inasmuch as the facts of this case bring it within the principle announced in the Roseburg, Oreg., Veterans' Hospital land transfer case [CONGRESSIONAL RECORD, vol. 102, pt. 7, p. 9323], no Morse formula problem is involved.

TRANSFER OF BUREAU OF RECLAMATION BAILEY-TYPE BRIDGE TO SAN BERNARDINO COUNTY, CALIF., AND MOHAVE COUNTY, ARIZ.

Mr. MORSE. Mr. President, I ask unanimous consent that a memorandum that I have prepared relating to the bill (S. 809) which was passed yesterday be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MEMORANDUM OF SENATOR MORSE

This bill would authorize the transfer of a Bureau of Reclamation Bailey-type bridge to San Bernardino County, Calif., and Mohave County, Ariz., without consideration.

My office has discussed this matter with the professional staff of the Senate Interior Committee and has been advised that this bridge has no salvage value. In fact, it would cost more to prepare and deliver it than the scrap would be worth. If it were to be sold for use as a bridge elsewhere, it would cost more to remove it and deliver it to destination that it would to build a new bridge of the same type.

It is my understanding that the bridge transfer proposed herein will result in benefits to the United States and the general public. It will relieve the United States of the cost of maintenance, liability in connection with its operation. It will benefit the public through being available without toll charges. Consequently, no violation of the Morse formula is involved.

CONVEYANCE OF CERTAIN LANDS TO SUSANVILLE, CALIF.

Mr. MORSE. Mr. President, I ask unanimous consent that a memorandum that I prepared relating to the bill (H.R. 2250) to convey certain lands to Susanville, Calif., which was passed yesterday, be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

H.R. 2250 would authorize the gratuitous conveyance of 1.2 acres of federally owned land to the city of Susanville, Calif.

The land was donated to the United States in 1939 for a Forest Service headquarters site. The deed to the United States named C. D. and Ethel M. Mathews, husband and wife, as grantors. The Mathews acted as grantors on behalf of the county of Lassen, the city of Susanville, and a number of individual citizens, all of whom contributed to make possible the 1939 donation.

The land was used by the Forest Service for a temporary dwelling, but this was removed 4 years ago. No improvements have been placed on the land by the Government. The Department of Agriculture advises it has no present or future need for the tract.

In view of the fact that the use for which the land was originally donated has terminated, a reversion is implied under the principle announced in the Roseburg Veterans' Hospital land transfer case (CONGRESSIONAL RECORD, vol. 102, pt. 7, p. 9323).

No Morse formula violation is involved in H.R. 2250, and I am pleased to concur in requesting favorable action thereon.

CONVEYANCE OF LAND TO CITY OF FAYETTEVILLE, ARK.

Mr. MORSE. Mr. President, on Thursday, July 20, while I was participating in the deliberations of the Senate Foreign Relations Committee on the foreign aid bill, the Senate upon the motion of the junior Senator from Maine [Mr. MUSKIE] proceeded to the consideration of Calendar No. 519, S. 1412.

I had hoped to participate in the discussion of this bill because on the surface it appeared to involve a possible application of the Morse formula. However, I hasten to add that when I discussed this Senate action with my administrative assistant, he informed me that a member of the staff of the junior Senator from Arkansas [Mr. FULBRIGHT] conferred with him on the Morse formula aspects of S. 1412 a day or two before it was brought up on motion in the Senate. This courtesy of the junior Senator from Arkansas is very much appreciated. For the record, I want to make it clear that the S. 1412 in no way violates the Morse formula. Senate Report 546 indicates that the 19-plus acres conveyed by the bill are part of a larger tract donated by the city of Fayetteville to the Federal Government in 1932 for use by the Veterans' Administration. The 19-plus acres were found to be excess to the needs of the Veterans' Administration and the Army. They were transferred to the General Services Administration in 1960 for disposal as surplus property.

Inasmuch as the city was the original donor, the case falls clearly within the principle enunciated in the Roseburg, Oreg., Veterans' Administration land transfer case—H.R. 1823 of the 84th Congress, CONGRESSIONAL RECORD, volume 102, part 7, page 9323. In cases of this type a reversion, although not expressly included in the original conveyance, is implied in the interest of fair trade and equity. Consequently, no violation of the Morse formula is involved.

ASSISTANCE TO REFUGEES AND ESCAPEES

Mr. HART. Mr. President, on Monday of this week, President Kennedy transmitted a special message to the Congress accompanied by a draft bill designed to centralize the authority to conduct and to appropriate funds to support our programs of assistance to refugees, escapees, and migrants. This message was of particular interest to me as chairman of the Subcommittee on Refugees and Escapees, which recently completed several days of hearings to ascertain the dimensions of the world refugee problem and how we as a nation could more effectively deal with it. We received extensive testimony from both governmental and private agencies dealing with this problem. Their testimony included a number of recommendations and I am happy to state that a number of them have been included in the President's message and in the draft bill submitted with it.

I believe that a summary of the testimony given at our recent hearings will be useful to the Member of the Senate as a supplement to the President's message. It is the intent of the subcommittee to file formal reports with the Senate as our studies progress. However, in view of the message from the White House, I felt it appropriate to bring this summary of the testimony to the attention of the Senate without further delay.

Refugee problems are not strictly contemporary phenomena. In one form or another such problems have plagued the world for centuries. However, during the last four or five decades, and particularly since the end of World War II, refugee problems have expanded to such an extent as to become a matter or urgent international concern. The continuing efforts of various governments, the United Nations, the International Red Cross, and numerous international voluntary agencies to aid, resettle, and rehabilitate refugees clearly reflects this concern.

The Senate Subcommittee on Refugees and Escapees has just concluded hearings which inaugurated an investigation and comprehensive review of current world refugee problems. The hearings dealt with the general scope and shape of refugee problems—some basic causes for the creation of refugee groups; the number of persons involved; in what areas of the world they are concentrated; their basic common needs; what has been done in the past to alleviate refugee problems; an appraisal of current aid programs and the apparatus of assistance, both private and governmental, national and international; an appraisal of U.S. participation; and recommendations for the future.

As I stated at the opening of our hearings:

> In the course of these hearings and others planned for the future, the subcommittee will attempt to gather accurate, comprehensive information on the extent and nature of refugee problems. We will study present and past programs to determine their effectiveness in the hope that such evaluation may suggest better programs in the future.

A number of Members of the Senate—Senators PELL, CASE, FONG, KEATING, JAVITS, SMITH of Massachusetts, and WILEY, the latter a member of the subcommittee, appeared and gave us their wholehearted support and encouragement in the work we are undertaking. The subcommittee also heard testimony by Roger W. Jones, Deputy Under Secretary of State; Richard Brown, Director, Office for Refugee and Migration Affairs, Department of State; William L. Mitchell, Commissioner, Social Security Administration, Department of Health, Education, and Welfare; and James L. Hennessy, Executive Assistant to the Commissioner, Immigration and Naturalization Service, Department of Justice. Also heard were Mrs. Oswald Lord, former U.S. delegate to the United Nations; Dr. Luther H. Evans of the National Education Association; Dean Francis B. Sayre, Jr., Chairman, U.S. Committee for Refugees, and representatives from several private agencies including affiliates of the American Council of Voluntary Agencies for Foreign Service.

Refugee problems are spawned in the diverse, contradictory, and multitudinous political difficulties and tensions which rend the international arena. Intolerant nationalism, war, revolution, partition, racial and religious conflict, and the violence of totalitarian and authoritarian regimes have created refugees—displaced uprooted persons, victims of the upheavals of their times. Since World War II United Nations publications estimate that some 40 million men, women, and children have become refugees, and, as our hearings indicated, approximately 15 million persons remain in that category. Although in the mind of many the term "refugee" is synonymous with European, as Vernon E. Bergstrom of the Lutheran Immigration Service, Dean Sayre, and others clearly pointed out, "the main thrust of the problem" now lies elsewhere.

This was not to deprecate the continuing need in Europe, but rather to call attention to the fact that even larger concentrations of refugees are found in other regions of the world. Desperately in need of various kinds of assistance are 300,000 Algerian refugees in Morocco and Tunisia; nearly 2 million Chinese refugees in Hong Kong and Macao; thousands of Baluba tribesmen and Angolans in the Congo; approximately 1 million Palestinian refugees in the Middle East; some 54,000 Tibetans in India and Nepal; an increasing number of Cubans in the United States and several areas of Central and South America; and various other groups scattered throughout the world.

The subcommittee's hearings brought into sharp focus the truly worldwide scope of refugee problems, and demonstrated the need for what Richard Salzman, representing the International Rescue Committee, termed a "national education" to foment a greater public awareness of world refugee needs. When properly informed of these needs, stated Mr. Bergstrom, speaking for the Lutherans:

> The response on the part of the American public will be sufficient to meet this challenge.

In addition to the need for a greater public awareness and sustained enthusiasm in the United States, Mrs. Lord suggested the need for other countries, particularly new countries, to become better acquainted with refugee problems. She stressed the importance of pointing out the causes of refugee problems.

I think—

She stated—

> there is more educating we can do in these countries as to what happens when a country like China and Russia aggresses and displaces so many of these people.

Aside from the expressed need for greater public awareness and understanding of world refugee needs, those who testified made a number of recommendations to cope with refugee problems. All of the witnesses recommended more vigorous and expanded governmental programs for the aid of world refugees. In this, the active concern of President Kennedy and his administration was clearly outlined by Messrs. Jones, Brown, Mitchell, and Hennessy.

An almost universal recommendation of those who testified concerned the need for liberalized immigration legislation to allow a greater number of refugees to enter this country. In this regard, it was also recommended that the continuing nature of refugee problems should be reflected in our basic immigration law rather than in piecemeal legislation. Even though, as Mr. Bergstrom stated, the major thrust will be centered on assisting people to reestablish themselves where they are rather than any large-scale resettlement of peoples to the United States, we should provide in our basic immigration law a permanent provision for the admittance of prudent numbers of refugees to our shore. Mr. James MacCracken, of Church World Service, put it this way:

> The success and the endless series of special enactment speak eloquently of the need for permanent provision for refugee admission to our shores. We believe that such permanent provision for refugees to immigrate, albeit in token numbers, would have a major psychological impact throughout the free world providing that no barriers were erected because of accident of race or geographic location.

It was suggested by the Right Reverend Monsignor John F. McCarthy of the Catholic Relief Services and others, that special provisions in any refugee legislation be given to orphans, tubercular cases and, especially, the reunion of families.

A second set of recommendations involved improvements in the current apparatus of assistance to refugees and the mandates under which this apparatus operates. In the international sphere Dean Sayre suggested that a review of refugee problems might well involve a consideration as to whether there ought to be three separate international organizations in the world—United Nations High Commissioner for Refugees, the United Nations Relief and Works Agency, the Inter-Governmental Committee for European Migration—or whether there is not the possibility of coordinating them in an integrated way which might serve the purpose of clarifying the American understanding of some of these complex organizations and possibly of promoting efficiency in the service of refugees throughout the world.

Mrs. Lord, for one, indicated a reservation in this regard, but agreed with Dean Sayre, as did other witnesses, that the mandates under which international refugee organizations operated should be continually reviewed and altered in the light of changing conditions. Dr. Evans, however, seemingly questioned the necessity of altering the mandate of the United Nations High Commissioner, because in many areas refugees have the same legal protection as the local people and the good offices of the High Commissioner are available under the present resolutions of the United Nations.

With respect to the American apparatus of assistance, Dean Sayre recommended that the subcommittee review the entire situation. He stated that there is insufficient coordination between agencies of our Government concerned in the refugee problem, and, therefore, a constant confusion in the mind of the public as to what they can back, what is being done, what is happening. He recommended that we should devote a good deal of attention to streamlining our governmental procedures and administration of refugee affairs, giving to them the status of a higher level of responsibility, with the consequence, as we believe, improvement and strengthening of the relation between the Federal Government and the voluntary agencies. In conjunction with the latter part of the statement, Dean Sayre suggested that the subcommittee reappraise the relationship of the voluntary agencies to the Federal Government, not in a critical fashion, but rather with a view of seeing if there cannot be any extension and improvement of these relationships. Mindful of the need for such a reappraisal, the subcommittee requested that the voluntary agencies submit a statement of any means whereby a more effective program could be worked out in connection with this cooperative effort between governmental and private agencies.

A third set of recommendations to the subcommittee concerned the integration of refugees in the country of resettlement. Mr. MacCracken expressed the belief that greater attention and concern must be directed toward the integration of the homeless in their new country, whether Canada, Australia, Lain America, or ours. He also spoke of the need for more sophisticated counseling. Dean Sayre in turn, urged that a survey be made of refugees who have been admitted to the United States and found permanent homes here and are now integrated and settled. The subcommittee plans to undertake a survey in cooperation with the organizations which have played an active role in the sponsorship and resettlement of refugees in the United States. I believe a sound study and analysis of the roles now played in American communities by those who found shelter and freedom here, could be of very great value. There is no such study available today.

The place of refugee problems in the overall pattern of the U.S. foreign policy was touched upon, directly or indirectly, by several witnesses. Dean Sayre, for example, pointedly questioned the propriety of tending to think of the refugee problem as simply one of people in need. He recommended more solid thinking about the relationship of the refugee problem to the various areas of American foreign policy—political, military, ideological, economic—and an approach to the refugee problem which is not in isolation from the planning of our policies in these other areas. Mr. Salzmann, believing that refugees constitute the most telling indictment of totalitarian rule, suggested vigorous and unified American leadership in the refugee field to insure maximum pressure on this weakest link in the Communist chain of power. And Miss Alexandra Tolstoy, president of the Tolstoy Foundation, recommended continued support of the work of the nationality agencies as a brake upon Soviet efforts at redefection. Judge Henry M. Zoleski, representing the Polish American Immigration and Relief Committee, and the Reverend Longinius Jankus, for the Lithuanian Relief Fund of America, advocated continuation of a vigorous U.S. escapee program in Europe and continued aid for escapees who have not yet been able to emigrate for permanent resettlement.

Because of the proximity and special nature of the most recent refugee group, namely the Cubans, the subcommittee received a large segment of testimony on current programs to aid Cuban refugees and on recommendations for the future. This is America's first experience in being the country of original asylum for large numbers of political refugees. It should serve to help us appreciate the problems of countries such as Austria during the Hungarian crisis and West Germany with the greatly increased number of refugees from Communist East Germany. Testifying for the administration and HEW, which administers the Cuban refugee program, Mr. Mitchell declared:

> Emergency action such as that which confronted us last winter is now behind us. In future months the challenge will be to adjust the refugee to life in this country, to fit him to achieve economic independence, and to promote this development as an individual to the point where he can make his own effective contribution to society while in the United States or upon his return to Cuba.

Mr. Mitchell pointed out that the future influx of Cuban refugees into the United States would depend largely upon the Cuban internal political situation.

> But at least for the present—

He continued—

> we are anticipating a continuing influx of substantially increased numbers, and we hope in our new program to be able to provide for them effectively, not only as we have in the past but with some expanded services.

He expressed his personal hope, without approval of higher authority, that some aspects of the program in the new fiscal year would, if approved, be extended beyond Florida to other areas of the country.

A special report on Caribbean refugees was submitted to the subcommittee by Mr. Salzmann of the International Rescue Committee. The report deals not only with Cuban refugees, but also those from the Dominican Republic and elsewhere. The purport of the expressed recommendations centered around the creation of an ad hoc intergovernmental hemisphere committee to give humanitarian assistance to democratic refugees from totalitarian regimes of the area. The intergovernmental committee would work in partnership with a citizens' committee, experienced voluntary agencies, and local authorities. The recommendations of the International Rescue Committee also included the establishment of a free Hemisphere University-in-Exile.

Without question the initial set of hearings pictured, graphically, the plight of the refugee—the figure of dignity, as Mr. MacCracken put it, who in his determination and stubbornness is perhaps the characteristic man of our time. It is the hope of the subcommittee that the recently completed general hearings, and the subsequent hearings on specific aspects of the refugee problem, will act as a generator of greater public awareness and sustained concern on the part of Congress toward the obligation which we as a people have toward world refugees.

The President's message makes clear that our obligation, while a humanitarian one, is also directly related to the formulation and execution of an effective foreign policy for the United States. We have a grave and urgent responsibility in meeting the challenge of the needs of this vast multitude of homeless people. If we provide them the opportunity for building a new life in freedom we will have effectively demonstrated to the world that democracy cares for its own—all the people who yearn to be free. If we fail, we will have lost a crucial round in the titanic struggle now being waged between the free world and the totalitarian powers. I am confident that we will rise and meet this challenge with vigor and with enthusiasm.

Mr. President, I could not conclude this summary without expressing a theme which recurred throughout the 3 days of testimony. Many of us wonder just how good we are as people. I think anyone who listened to the explanations and recitals of the roles that the volunteer agencies of this country have played over the years in seeking to make freedom possible and survival here attainable by men and women who themselves elect to leave Communist tyranny, would have been struck. Often people are better than others think they are. This is the clear conclusion that is to be drawn from the money, the time, and devotion which American men and women in all ranks have given in the service of mankind elsewhere who suffer under tyranny's lash.

Mr. PELL. Mr. President, I rise to commend the distinguished Senator from Michigan for his cogent and comprehensive remarks concerning the hearings recently held by the Subcommittee on Refugees and Escapees. A number of people have told me how impressed they were with the manner in which my colleague conducted these hearings.

I believe it is clear from the most forceful statement which the Senator from Michigan has just made that we would make a step forward toward fulfilling our obligation to the refugees of the world by warmly supporting the proposals contained in President Kennedy's special message to Congress regarding legislation to assist refugees, escapees, and migrants.

Mr. President, this morning's newspapers carry reports citing the frantic efforts of the East German puppet regime to stem the flow of refugees. I have long been one of those who has maintained that we not only have a moral obligation to assist refugees from tyranny but that politically, refugees represent a most im-

portant factor. The fact that Mr. Ulbricht is desperately trying to stop the refugees only serves to underline the political importance of refugees. Moreover, I dare say that one of the reasons Khrushchev has created the present Berlin crisis is because the Communists want to seal up this city, which has been an escape hatch to freedom for so many millions of refugees.

Mr. President, especially because of the grave situation, I believe that it is imperative that Congress take prompt and favorable action on President Kennedy's proposals for refugees, escapees, and migrants.

NOTICE TO SUSPEND RULE—AMENDMENT TO INDEPENDENT OFFICES APPROPRIATION BILL

Mr. JAVITS. I send to the desk an amendment to the independent offices appropriation bill for printing under the rule.

I also give notice, in accordance with rule XL of the Standing Rules of the Senate, that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of moving an amendment to the independent offices appropriation bill with respect to the Official Register of the United States. I send a notice in writing to the desk.

I thank my colleague for yielding.

ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. TOWER. Mr. President, under the previous order, I move that the Senate adjourn until tomorrow at 11 a.m.

The motion was agreed to; and (at 6 o'clock and 41 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Friday, July 28, 1961, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate July 27, 1961:

U.S. ATTORNEY

Vernol R. Jansen, Jr., of Alabama, to be U.S. attorney for the southern district of Alabama for the term of 4 years, vice Ralph Kennamer.

NATIONAL CAPITAL TRANSPORTATION AGENCY

The following-named persons to be Members of the Advisory Board of the National Capital Transportation Agency:

Thomas L. Farmer, of the District of Columbia.

Charles R. Fenwick, of Virginia.

G. Franklin Edwards, of the District of Columbia.

Frederick Gutheim, of Maryland.

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

I. FOR APPOINTMENT

To be surgeons

J. Carter Wright — George R. Adam

To be senior assistant surgeons

Ramon D. Acosta — George B. Backer
Victor J. Albertazzi — Albert D. Bloomstrom
Harry C. Briggs — Robert L. Kaiser
Arthur F. Budge — Charles R. Keith
Daniel H. Buller — Carl H. Keller
Garfield P. Burkhardt — James R. Knapp
Darrell R. Burns, Jr. — Harold G. Kretzing
James Chin — Norman G. Lewis
Roy G. Clay, Jr. — Harvey Liebhaber
Harold T. Conrad — Joseph P. Macary
Peter G. Contacos — James O. Mason
Theodore C. Eickhoff — Thomas R. Mazzocco
James L. Ferrell — Ronald K. McGregor
Harvey E. Finkel — Thomas H. Milby
J. Kenneth Fleshman — Robert N. Milling
Emmett W. Flynn, Jr. — George D. Monda
Robert M. Friedman — Stuart H. Mudd
Sallie B. Friedman — John B. Muth
Donald D. Funk — Alan H. Nicol
Peter P. Gebel — Joseph P. O'Malley
John A. Gergen — William A. Powell
Robert J. Griep — Harold E. Ramsey
Guy Joseph Guarino — Franklin D. Roller
Stephen R. Gushin — Jerry M. Ross
David Leonard Hall — Herbert G. Rush
Robert D. Hall — Clinton B. Sayler
Lynn R. Hamilton — John C. Scott
Roger W. Haskell — Richard P. Sharp
Charles Heilbrunn — William S. Sly
Axel W. Hoke — George L. Smith
Andrew F. Horn — Raymond F. Smith
Jack M. Jacobson — Drennon D. Stringer
William H. James — Edmund H. Sullivan
Martin H. Jansen — James C. Wright, Jr.
Myles C. Jones — Cecil C. Vaughn, Jr.

To be senior dental surgeon

John J. Satarino

To be dental surgeon

Robert E. Skarman

To be senior assistant dental surgeons

Matthew Brown — Stephen J. Garza
Roger J. Burke — Weston V. Hales
Rulon D. Corry — Raymond E. Hooper
Charles O. Cranford — Leo Trusewitsch
Oral T. Dalton — Donald C. Reel
Louis D'Angelo — John W. Stone
Louis R. Feese — Theodore G. Strenski
Richard L. Fraze — William G. Thomas

To be sanitary engineer

Vernon R. Hanson

To be assistant sanitary engineers

Edmund J. Struzeski, Jr.
Leroy G. Martin
Thaddeus A. Wastler

To be assistant sanitary engineers

John A. Cofrancesco — Alfred W. Hoadley
H. Lanier Hickman, Jr. — Jay S. Silhanek
Lyle D. Thomas
Milton W. Lammering, Jr. — Darryl J. von Lehmden

To be junior assistant sanitary engineers

Ralph H. Brueneman — Thurman B. Sauls
Lawrence J. Perez, Jr. — Phillip L. Taylor

To be senior assistant pharmacists

David Abraham
Thomas D. DeCillis

To be assistant pharmacists

John T. Barnett — Edward E. Madden, Jr.
Charles A. Branagan, Jr. — Ronald Rubin
Sheldon Gaslow — James E. Slough
Jimmie G. Lewis — Duane A. Tye
Donald H. Williams

To be junior assistant pharmacists

Edward C. Brennan — Gerald R. Stowe
Edward B. Fortenberry — Lawrence D. Sykes

To be scientists

Max D. Moody
Ernestine B. Thurman

To be senior assistant scientists

Lewis F. Affronti — Adolph R. Brazis
Gerald Berg — Burton R. Evans
Robert E. Harmon — Gerald C. Taylor
Peter B. Smith — Fortune V. Mannino
William D. Sudia

To be sanitarians

John W. Kilpatrick — Irving H. Schlafman
Loyal C. Peckham — Reuel H. Waldrop
Peter Skaliy

To be senior assistant sanitarians

Bayard F. Bjornson — Arthur E. Kaye
Richard L. Blanchard — Howard L. Kusnetz
Gerald D. Brooks — William A. Mills
Frank L. Bryan — Joe L. Perrin
James A. Clark, Jr. — David S. Reid
James E. Cowan — Eldon P. Savage
Leo J. Dymerski — J. W. Stacy
Charles D. Geilker — William F. Sundin
John W. Greenley

To be assistant sanitarians

William B. Horning II
Charles R. Porter
Gail D. Schmidt

To be veterinary officers

Andrew C. Wheeler
William I. Gay

To be senior assistant veterinary officer

Gerald S. Borman

To be nurse officer

Mary L. Brown

To be senior assistant nurse officer

Therese M. LaLancette

To be senior assistant dietitians

Jane A. Davidsaver — Molette M. Jacobson
Dolores G. Freialdenhofen — Ann R. Namian
Audrey J. H. Paulbitski
Elaine M. Gaddis
Katherine E. Clemmer

To be assistant dietitians

Suzanne Taylor
Ann E. Requarth

To be junior assistant dietitians

Carol Ann Diffenderfer
Linda W. Smitherman
Ruth V. Zebal

To be senior assistant therapists

Melvin Bader — Peter D. Cline
Vincent J. Barbato — Robert N. Zimmerman

To be assistant therapists

Kenneth L. Bowmaker — George A. Kadoguchi
Joel H. Broida — Lamont B. Smith
Ronald D. Brown — Ronnie E. Townsend
Robert D. Skinner — William D. Wallis

To be junior assistant therapist

Jonathan T. Spry

To be health services officers

Leah Bigelow — Margaret A. Howell
Roy L. Davis — James C. McCullough
Alice B. Frazer — Ernest G. McDaniel
Robert K. Gerloff — Heber J. R. Stevenson
George J. Hermann — Edward S. Weiss

To be senior assistant health services officers

Lawrence D. Burke — Robert S. Nicholas
Ernest D. Picco — Pauline N. Rabaglino
Donald C. Mackel — Clarence F. Szwed
Kenneth R. Nelson, Jr. — Patrick W. Samson

To be assistant health services officers

Edward A. Diephaus
Donald J. Pagel

II. FOR PERMANENT PROMOTION

To be medical director

Marvin S. Cashion

To be senior sanitarian

Wilbert R. McLean

To be senior nurse officer

Mary A. Ivanko

CONFIRMATIONS

Executive nominations confirmed by the Senate July 27, 1961:

COMMISSION ON CIVIL RIGHTS

Berl I. Bernhard, of Maryland, to be Staff Director for the Commission on Civil Rights.

Erwin N. Griswold, of Massachusetts, to be a member of the Commission on Civil Rights.

Spottswood W. Robinson III, of the District of Columbia, to be a member of the Commission on Civil Rights.

U.S. ATTORNEY

Donald E. O'Brien, of Iowa, to be U.S. attorney for the northern district of Iowa for the term of 4 years.

U.S. MARSHAL

James V. Ryan, of Pennsylvania, to be U.S. marshal for the eastern district of Pennsylvania for the term of 4 years.

WITHDRAWALS

Executive nominations withdrawn from the Senate July 27, 1961.

NATIONAL CAPITAL TRANSPORTATION AGENCY

The following-named persons to be members of the Advisory Board of the National Capital Transportation Agency, which were sent to the Senate on January 10, 1961:

F. Moran McConihe, of Maryland.

William H. Moss, of Virginia.

Edward Burling, Jr., of the District of Columbia.

Harland Bartholomew, of Missouri.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 27, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Our Lord's beatitude, Matthew 5: 9: *Blessed are the peacemakers: for they shall be called the Children of God.*

Eternal God, inspire us to meet the duties and responsibilities of the day calmly and courageously and with a complete and joyful trust in Thy loving care and concern.

Grant that all who hold positions of leadership in the business of statecraft may manifest by their fairness and forcefulness that they are being guided by Thy divine counsel.

Deliver us from the anxieties and fears which drain and deplete our strength and from those dispositions of mind and heart which destroy the beauty and nobility of character and conduct.

We are daily beseeching Thee that the strife and divisions, which prevail among the nations, may soon terminate and all may seek the things that make for peace.

Hear us in Christ's name. Amen.

THE JOURNAL

The journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 498. An act to provide additional lands at, and change the name of, the Fort Necessity National Battlefield Site, Pa., and for other purposes;

H.R. 1593. An act to authorize the Secretary of the Interior to convey certain land in the Big Sandy Rancheria, Calif., and to accept other land in exchange therefor;

H.R. 6067. An act to provide for an appropriation of a sum not to exceed $35,000 with which to make a survey of a proposed national parkway from the Blue Ridge Parkway at Tennessee Bald or Beech Gap southwest and running into the State of Georgia;

H.R. 6346. An act to include Ackia Battleground National Monument, Miss., and Meriwether Lewis National Monument, Tenn., in the Natchez Trace Parkway, and to provide appropriate designations for them, and for other purposes;

H.R. 6519. An act to provide additional lands for the Tupelo National Battlefield Site, Miss., and for other purposes;

H.R. 7042. An act to add certain federally owned land to the Lassen Volcanic National Park, in the State of California, and for other purposes; and

H.R. 7240. An act to authorize an exchange of lands at Wupatki National Monument, Ariz., to provide access to certain ruins in the monument, to add certain federally owned lands to the monument, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which concurrence of the House is requested:

S. 1643. An act to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6611) entitled "An act to amend paragraph 1798(c)(2) of the Tariff Act of 1930 to reduce temporarily the exemption from duty enjoyed by returning residents, and for other purposes."

COMMITTEE ON ARMED SERVICES

Mr. VINSON. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have permission until midnight Saturday next to file reports on House Joint Resolution 505, and the bill, H.R. 8353.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

APPROPRIATIONS FOR DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES, 1962

Mr. KIRWAN. Mr. Speaker, I call up the conference report on the bill (H.R. 6345) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1962, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 797)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6345) "making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1962, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 5, 11, 16, 21, and 25.

That the House recede from its disagreement to the amendments of the Senate numbered 15, 17, 20, 22, 24, 26, and 32, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$32,500,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$29,075,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$39,561,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$21,786,500"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$17,869,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,350,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$34,476,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$49,720,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as

follows: In lieu of the sum proposed by said amendment insert "$835,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$47,500,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,150,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$23,315,650"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,257,500"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$128,000,000"; and the Senate agree to the same.

Amendment numbered 24a: That the House recede from its disagreement to the amendment of the Senate numbered 24a, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$26,368,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$53,010,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$8,285,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$875,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 30.

MICHAEL J. KIRWAN,
DON MAGNUSON,
CLARENCE CANNON,
BEN F. JENSEN,
JOHN TABER,
Managers on the Part of the House.

CARL HAYDEN,
RICHARD B. RUSSELL,
JOHN L. MCCLELLAN,
ESTES KEFAUVER,
ALAN BIBLE,
KARL E. MUNDT,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6345) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1962, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—DEPARTMENT OF THE INTERIOR

Public land management

Bureau of Land Management

Amendment No. 1: Appropriates $32,500,000 for management of lands and resources instead of $32,400,000 as proposed by the House and $34,644,000 as proposed by the Senate. The increase provided over the House bill is for the purchase of accounting equipment.

Bureau of Indian Affairs

Amendment No. 2: Appropriates $71,000,000 for education and welfare services as proposed by the House instead of $71,500,000 as proposed by the Senate.

Amendment No. 3: Appropriates $29,075,000 for resources management instead of $29,000,000 as proposed by the House and $29,275,000 as proposed by the Senate. The increase provided over the House bill is for development of Indian arts and crafts.

Amendment No. 4: Appropriates $39,561,000 for construction instead of $35,000,000 as proposed by the House and $42,083,000 as proposed by the Senate. The increase provided over the House bill includes provision of the following: $82,000 for jail facilities on the Hualapai Reservation, Arizona; $225,000 for additional facilities at Loneman Day School, Pine Ridge Indian Reservation; $550,000 for a dormitory at Aztec, New Mexico; $805,000 for additional classrooms and facilities at White Shield High School, North Dakota; and $90,000 for a storm drainage system at the Wahpeton School, North Dakota. The balance is to be allocated to the budgeted projects except the Lukachukai School, Arizona.

Amendment No. 5: Appropriates $16,000,000 for road construction (liquidation of contract authorization) as proposed by the House instead of $17,000,000 as proposed by the Senate. Of the funds provided, $220,000 shall be available for construction of a bituminous-surfaced road from St. Francis, South Dakota, south to the Nebraska State line.

The conferees agree that not to exceed $2,628,500 shall be available for transfer from program funds for administrative expenses as proposed by the House instead of $2,974,800 as proposed by the Senate.

National Park Service

Amendment No. 6: Appropriates $21,786,500 for management and protection instead of $21,690,000 as proposed by the House and $22,786,500 as proposed by the Senate. The increase provided over the House bill is for additional archeological investigations.

Amendment No. 7: Appropriates $17,869,000 for maintenance and rehabilitation of physical facilities instead of $17,500,000 as proposed by the House and $18,238,000 as proposed by the Senate.

Amendment No. 8: Provides limitation of $5,350,000 on the amount of funds available for acquisition of lands instead of $5,250,000 as proposed by the House and $6,200,000 as proposed by the Senate. The amount provided includes $600,000 for purchase of Civil War battlefields, including $100,000 for the Antietam National Battlefield. The conferees agree that funds available for the acquisition of lands in Civil War areas are not to be obligated until the Secretary of the Interior has reported to the Committees on Appropriations that the local governments have adopted adequate zoning regulations to assure against future commercial development in these areas, except in those instances where the lands to be acquired are completely surrounded by lands owned by the Federal Government or by lands on which the Federal Government has a scenic easement.

Amendment No. 9: Appropriates $34,476,000 for construction instead of $34,000,000 as proposed by the House and $39,882,500 as proposed by the Senate. Of the increase provided over the House bill, $100,000 is for acquisition of Civil War battlefields; $301,000 is for a training center building at Grand Canyon National Park; and $75,000 is for the total replacement costs of a golf concessions building in Rock Creek Park, District of Columbia.

The conferees agree that no part of the funds provided under the item "Construction (liquidation of contract authorization)" shall be used for construction of the Zoo Bypass in Rock Creek Park in the District of Columbia.

Mineral resources

Geological Survey

Amendment No. 10: Appropriates $49,720,000 for surveys, investigations, and research instead of $49,500,000 as proposed by the House and $50,200,000 as proposed by the Senate. The increase provided over the House bill is for pay act costs related to the cooperative water resources investigations.

Bureau of Mines

Amendment No. 11: Appropriates $24,800,000 for conservation and development of mineral resources as proposed by the House instead of $25,100,000 as proposed by the Senate.

Amendment No. 12: Appropriates $835,000 for construction instead of $750,000 as proposed by the House and $920,000 as proposed by the Senate.

Amendment No. 13: Provides a limitation of $47,500,000 under development and operation of helium properties on the amount of annual payments that the Government shall be obligated to make under contracts for the purchase of helium and other purposes instead of $35,000,000 as proposed by the House and $60,000,000 as proposed by the Senate. The Committees on Appropriations will give consideration to any supplemental request that might become necessary if the program develops more rapidly than is now anticipated.

Fish and Wildlife Service

Bureau of Commercial Fisheries

Amendment No. 14: Appropriates $12,150,000 for management and investigations of resources instead of $11,700,000 as proposed by the House and $12,225,000 as proposed by the Senate. The increase provided over the House bill is for the following: research to improve the efficiency of blue crab plant operations, $100,000; research on shrimp resources in the Gulf of Mexico, $175,000; time-temperature tolerance study on frozen fish and shellfish, $30,000; investigations into the effect control techniques have on shellfish, $30,000; research on the manufacture and use of fish protein concentrate, $50,000; and the fishery research program for the rice areas, $65,000.

Amendments Nos. 15 and 17: Delete under the items management and investigations of resources and construction the word "Lower", as proposed by the Senate, pertaining to the availability of unexpended balances on the "Lower Columbia River Fish Sanctuary Program."

Amendment No. 16: Deletes contract authority of $700,000 for management and investigations of resources (special foreign

currency program) inserted by the Senate for research contracts in foreign areas. The conferees agree that it is not intended to limit this program to a single year assuming that effective results are obtained with the direct appropriation of $300,000 carried in the bill for fiscal year 1962.

Amendment No. 18: Appropriates $23,315,650 for management and investigations of resources instead of $23,000,000 as proposed by the House and $23,972,000 as proposed by the Senate. Changes from the House bill include deletion of $31,350 for operation of the Arctic Game Range and increases as follows: $17,000 for establishment of a cooperative wildlife research unit at Louisiana State University; $85,000 for research on reservoir fish productivity on the White River interstate reservoir complex in northern Arkansas-southern Missouri; $110,000 for research on reservoir fish productivity in an interstate reservoir on the main stem of the Missouri River; $105,000 for study of methods of eliminating undesirable fish from streams and lakes in the southeastern part of the United States; and $30,000 for establishment of a cooperative sport fisheries research unit at Utah State University.

Amendment No. 19: Appropriates $5,257,500 for construction instead of $3,770,000 as proposed by the House and $5,350,650 as proposed by the Senate. The net increase over the House bill includes deletion of $356,000 from the Arctic Game Range and the Izembek National Wildlife Range in Alaska, and increases as follows: road improvement on the Wichita Mountains Wildlife Refuge, Oklahoma, $135,000; construction at the following National Fish Hatcheries; Cohutta, Georgia, $124,000; Millen, Georgia, $70,000; Minden, Nevada, $150,000; Bowden, West Virginia, $70,000; Yankton, South Dakota, $143,000; Erwin, Tennessee, $100,000; Meridian, Mississippi, $150,000; Carbon Hill, Alabama, $162,500; Leadville, Colorado, $158,000; Ennis, Montana, $151,000; Coleman, California, $160,000; and Greers Ferry, Arkansas, $170,000; site investigations and preliminary planning of a Northern Great Plains Research Station, $50,000; and site location and preliminary engineering on a fish hatchery in the Middle Snake area, Idaho, $50,000.

Amendment No. 20: Appropriates $1,071,000 as proposed by the Senate instead of $1,016,000 as proposed by the House. The increase over the House bill is for modernization of the accounting system. The conferees have disallowed the transfer of $89,000 from program funds as proposed by the Senate.

Office of saline water

Amendment No. 21: Appropriates $4,550,000 for construction, operation, and maintenance as proposed by the House instead of $4,685,000 as proposed by the Senate.

Office of the secretary

Amendment No. 22: Appropriates $3,165,000 for salaries and expenses as proposed by the Senate instead of $3,125,000 as proposed by the House.

TITLE II—RELATED AGENCIES

Department of Agriculture

Forest Service

Amendment No. 23: Appropriates $128,000,000 for forest land management instead of $118,000,0000 as proposed by the House and $139,200,200 as proposed by the Senate. The increase over the House bill includes $200,000 for land acquisition; $45,000 for repairs to Sheridan Dam, South Dakota; and $300,000 for additional forest fire protection in Southern California.

Amendment No. 24: Provides limitation of $300,000 on land acquisition as proposed by the Senate instead of $100,000 as proposed by the House.

Amendments Nos. 24a and 25: Appropriate $26,368,000 for forest research instead of $22,978,000 as proposed by the House and $27,613,000 as proposed by the Senate. The increase over the House bill is for research facilities as follows: Fairbanks, Alaska, $350,000; St. Paul, Minnesota, $1,250,000; Flagstaff, Arizona, $150,000; Bend, Oregon, $150,000; Laramie, Wyoming, $150,000; Bluefield-Princeton, West Virginia, $450,000; Athens, Georgia, $665,000; Bozeman, Montana, $175,000; and Crossett, Arkansas, $50,000.

Amendment No. 26: Appropriates $15,800,000 for State and private forestry cooperation as proposed by the Senate instead of $15,500,000 as proposed by the House. The increase over the House bill is for cooperation in forest fire control making a total available of $12,465,500.

Amendment No. 27: Appropriates $2,000,000 for access roads instead of $1,000,000 as proposed by the House and $4,000,000 as proposed by the Senate.

Department of Health, Education, and Welfare

Public Health Service

Amendment No. 28: Appropriates $53,010,000 for Indian health activities instead of $52,430,000 as proposed by the House and $54,590,000 as proposed by the Senate. The increase over the House bill includes $500,000 for nonemergent surgical cases under the contract patient care program and $80,000 for administration of the Indian sanitation facilities program.

Amendment No. 29: Appropriates $8,285,000 for construction of Indian health facilities instead of $6,616,000 as proposed by the House and $9,285,000 as proposed by the Senate. The increase over the House bill includes $319,000 for construction of a health center and personnel quarters at McLaughlin, South Dakota; $350,000 for planning a medical center and training facility at Phoenix, Arizona; and $1,000,000 for construction of Indian sanitation facilities. The conferees agree that the general hospital replacement for the Standing Rock service unit shall be located at Fort Yates, North Dakota.

National Planning Commission

Amendment No. 30: Reported in disagreement. The managers on the part of the House will offer a motion to appropriate $500,000 for land acquisition, National Capital Park, Parkway, and Playground System, instead of $200,000 as proposed by the House and $2,700,000 as proposed by the Senate. This will carry out the agreement reached with the Senate conferees for the purchase of approximately 416 acres of parkland in Prince Georges County, Maryland, consisting of the Fort Foote extension to the Smoot Bay area; the Harmony Hall Historic area between the Indian Queen Estates and Broadwater Estates and subdivisions; and the extension of Fort Washington to Swan Creek. The funds provided, to be matched by an equal amount by the Prince Georges Board of County Commissioners, are solely for the purpose of extending existing Federal holdings in the area to preserve certain portions of the Potomac River shoreline and to provide additional parkland. The conferees are in agreement that the subject land purchases shall not be considered to constitute rights-of-way for present or future construction of an extension of the George Washington Memorial Parkway (highway) in Prince Georges County, Maryland, and have included language in the bill prohibiting the use of funds for this purpose. Language has also been included in the bill providing that none of the funds shall be available for acquiring without the consent of the owner any improved property which shall be defined to mean a detached, one-family dwelling together with at least three acres of the land on which the dwelling is situated, or all of such lesser amount as may be held in same ownership as the dwelling.

The action of the conferees deletes the $200,000 included in the House bill for purchase of a portion of the Madeira School property in Fairfax County, Virginia, and the $1,200,000 included in Senate bill for acquisition of local stream valley parks in Maryland and Virginia.

National Capital Transportation Agency

Amendment No. 31: Appropriates $875,000 for salaries and expenses instead of $650,000 as proposed by the House and $925,000 as proposed by the Senate. The increase over the House bill includes $120,000 for fifteen additional positions and related expenses, making a total staff of not to exceed sixty-five; $45,000 for reimbursable details from other Federal agencies; and $60,000 to be available only for rental costs.

Civil War Centennial Commission

Amendment No. 32: Appropriates $100,000 for expenses of the Commission as proposed by the Senate instead of $75,000 as proposed by the House.

The managers on the part of the House endorse the action of the Senate directing that unless an agency is otherwise limited by law to payment of a lesser per diem, the per diem rate for consultants shall be no greater than $75.

MICHAEL J. KIRWAN,
DON MAGNUSON,
CLARENCE CANNON,
BEN F. JENSEN,
JOHN TABER,
Managers on the Part of the House.

Mr. KIRWAN. Mr. Speaker, the conference action provides a total of $779,158,650 for 1962 for the Department of the Interior—excluding the Bureau of Reclamation and the power agencies—and certain related agencies including the U.S. Forest Service and the Indian health activities. The conference total, which is a decrease of $3,228,350 in the budget estimate, represents an increase of $25,839,650 over the House bill and a decrease of $34,241,200 from the Senate bill.

The appropriations for 1962 represent an increase of $24,621,950 over the total 1961 appropriations to date. However, the effective increase is $128,068,850 when the 1961 figures are adjusted on a comparable basis to deduct nonrecurring items in Third Supplemental Appropriation Act, 1961—including forest fire deficiencies and acquisition of Klamath Indian forest lands—and to add the transfer in 1962 budget estimates of the Columbia River fishery development program from the Corps of Engineers to the Bureau of Commercial Fisheries.

I believe this is the best Interior bill that we have ever brought to the House. It should provide very adequately for the care of the public lands including the national forests and parks; conservation of our mineral resources including the activities of the Geological Survey and the Bureau of Mines; the education, welfare, and health of the Indians; the Fish and Wildlife Service; and the administration of our territories.

The bill includes $209.1 million for the U.S. Forest Service, an increase of $48.5 million over comparable appropriations for 1961. This exceeds the level planned for forest land management under the program for the national forests and will permit a major step up in the activities to preserve and develop our forests. A total of $220.9 million is ap-

propriated for the American Indian for education, welfare, health, and resource management. This amount includes $39.5 million, an increase of $23.3 million, primarily for the construction of school facilities urgently needed to provide educational opportunities for the Indian children.

For the management, protection, and construction of facilities in our national parks, a total of $105.7 million is provided, an increase of $17.8 over 1961.

Other major programs financed in the bill include: the Bureau of Land Management, $33.3 million, an increase of $6 million; Geological Survey, $49.7 million, an increase of $3.8 million; Bureau of Mines, $44.1 million, an increase of $10.5 million, including $10 million for the new helium program; and $51.2 million for the Fish and Wildlife Service, an effective increase of $10.6 million.

Although these amounts may appear large, it must be realized that the activities covered by the bill include conservation and administration of 477 million acres of public domain lands, 193 national parks comprising over 24½ million acres, 185 million acres of national forests, and provision of education, welfare, health, and other services to over 350,000 Indians.

It must also be realized that the activities covered by the bill are forecasted to generate over $533 million in Federal revenues in fiscal year 1962 compared with $419.5 million in 1961, or an increase of $113.5 million.

In reference to the proposal to extend the George Washington Memorial Parkway in Prince Georges County, Md., from the District line to Fort Washington the conferees agreed to provide $500,000, to be matched by an equal amount by the board of county commissioners, solely for the purpose of extending existing Federal holdings in the area to preserve certain portions of the Potomac River shoreline and to provide additional parkland. The conferees agreed that the subject land purchases shall not be considered to constitute rights-of-way for present or future construction of an extension of the George Washington Memorial Parkway—highway—in Prince Georges County, Md., and included language in the bill prohibiting the use of funds for this purpose. Language has also been included in the bill providing that none of the funds shall be available for acquiring, without the consent of the owner, any improved property which shall be defined to mean a detached, one-family dwelling together with at least 3 acres of the land on which the dwelling is situated, or all of such lesser amount as may be held in same ownership as the dwelling.

The funds, together with the local matching, are to be used to purchase approximately 416 acres of parkland consisting of the Fort Foote extension to the Smoot Bay area; the Harmony Hall historic area between the Indian Queen Estates and Broadwater Estates subdivisions; and the extension of Fort Washington to Swan Creek. These purchases, together with the 735 acres and 18,900 feet of shoreline already owned by the Federal Government in this area, will provide a total of 1,151 acres and about 5½ miles, or about 44 percent of the shoreline. This compares favorably with the Virginia side of the river from the 14th Street Bridge to Mount Vernon where the Government owns about 1,435 acres and 50 percent of the shoreline.

When the full facts are examined I believe the action taken by the conferees is most reasonable. First, it is not generally known that although the original Capper-Cramton Act passed in 1930 required that Maryland pay one-half the cost of the highway, this provision was deleted in the closing moments of the session in 1946. The issue, therefore, was whether Congress should now approve acquiring all the rights-of-way for a highway which would have to be financed 100 percent by the taxpayers of the Nation at a cost of about $10 million. Mr. Cramton, one of the authors of the original bill, favored local participation and so testified back on December 18, 1929:

> It is urged sometimes that this George Washington Parkway ought to be 100 percent by the Federal Treasury. That has been urged very strongly to me. It does, however, create local values. The creation of this is of local benefit and there is no reason why they should not share in it.

To agree to build the highway in Prince Georges County would also mean that we would be committing the Federal Government to extend the highway beyond the Cabin John Bridge to Great Falls on both the Virginia and Maryland sides of the Potomac at a cost of many more millions.

The committee 2 years ago adopted the policy in reference to the George Washington Memorial Parkway that it would finance construction of the highway only where it was justified as a transportation artery. It has appropriated many millions to extend the parkway to the Cabin John Bridge and the circumferential highway on both the Maryland and the Virginia sides of the Potomac. It has not approved the extension on up to Great Falls. It is based on this same policy that the committee has declined to support construction of the parkway in Prince Georges County from the District line to Fort Washington. This area is already served by the Indian Head Highway which is scheduled for widening to four lanes in the immediate future.

Desirable as this scenic highway may be, we have a responsibility to the rest of the Nation to assure that only a fair share of the limited park funds are expended in this area. All that has been and is being done here is not often fully publicized. The Federal Government now owns and maintains over 36,000 acres of parkland in the District and nearby Maryland and Virginia. We have acquired 31,000 of these since 1933. It now takes over 1,300 Federal employees and millions of dollars each year just to develop, manage, and maintain these parks and parkways. There is about $10 million just in this bill for expenses of the National Capital Parks in this area. National Park Service cost estimates for projects underway or planned in Maryland, Virginia, and the District of Columbia total over $150 million. It is obvious, if we are to have a reasonable balance in funding the nationwide requirements of the Park Service that this full local program cannot be financed entirely with Federal funds and that the local jurisdictions must share more adequately in the cost.

I will insert at this point a summary tabulation of the amounts in the bill.

Summary of Interior Department and related agencies appropriation bill, 1962

Item	Budget estimates (revised)	Passed House	Passed Senate	Conference action	Conference action compared with—		
					Budget estimates	House	Senate
Title I—Department of Interior:							
Definite appropriations	$469,968,000	$482,643,000	$475,959,650	$460,993,650	−$8,974,350	+$8,350,650	−$14,966,000
Indefinite appropriation of receipts	(12,098,000)	(12,098,000)	(12,098,000)	(12,098,000)			
Borrowing authorization	(15,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(−5,000,000)		
Title II—Related agencies:							
U.S. Forest Service:							
Definite appropriations	198,054,000	193,728,000	222,863,200	208,418,000	+10,364,000	+14,690,000	−14,445,200
Indefinite appropriations	(710,000)	(710,000)	(710,000)	(710,000)			
Other agencies	85,007,000	83,259,000	90,888,000	86,058,000	+1,051,000	+2,799,000	−4,830,000
Total, title II	283,061,000	276,987,000	313,751,200	294,476,000	+11,415,000	+17,489,000	−19,275,200
Title III—Virgin Islands Corporation	1,550,000	881,000	881,000	881,000	−669,000		
Totals:							
Definite appropriations	754,579,000	730,511,000	790,591,850	756,350,650	+1,771,650	+25,839,650	−34,241,200
Indefinite appropriations	12,808,000	12,808,000	12,808,000	12,808,000			
Borrowing authorization	15,000,000	10,000,000	10,000,000	10,000,000	−5,000,000		
Grand total	782,387,000	753,319,000	813,399,850	779,158,650	−3,228,350	+25,839,650	−34,241,200

I now yield to the gentleman from Iowa [Mr. JENSEN], such time as he may desire.

Mr. JENSEN. Mr. Speaker, as is generally the case with the Interior Department bill we compromise on items that were in disagreement between the House and the Senate bill. We have done that relative to this conference report.

The bill came out of the other body $60 million-plus above the House bill. In conference that was reduced to the tune of almost $35 million. The bill now comes back from conference $3 million-plus below the budget.

There are many items in the bill, Mr. Speaker, which deal to a great degree with our natural resources; and, as a whole, there are a few places in the bill—if I had my way the bill would be somewhat smaller, however, none of us can always have his own way.

I support the bill as reported.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, yesterday, attention of the House was called to the President's talk, and it was suggested that preparation for and the winning of the war should be our first objective; that many other things, including the trip to the moon, might well wait.

An editorial in the Washington Star of last night carried this:

> In this situation, it seems to us that at least two things are imperative. Our allies must assume their full share of the effort, despite the obvious reluctance of some to do so. And the Kennedy administration as well as the American people must be willing to give up or postpone expenditures on things which are not essential. True, Mr. Kennedy said last night that we must keep down all spending "not thoroughly justified in budget requests." He seems to think, however, that everything for which he has asked since taking office is justified, and he offers the easy assurance that "we can afford all these efforts." We disagree. As this Nation begins to prepare for the danger of war, it should be willing to cut back on those things which are not essential to this preparation. The more abundant life has great political appeal, but its maintenance is not compatible with the grim demands which Mr. Kennedy says are imposed upon us by the requirements of national survival.

We are now to vote on the conference report on H.R. 6345 which called for $753,319,000 for the Department of the Interior and related agencies for the year ending June 30, 1962.

We are asked to agree to the conference report showing the Senate added $25,839,650 to the amount the House appropriated, making a total of $779,158,650. The Senate added $25,000 to the $75,000 the House gave for expenses to aid the Civil War Centennial Commission celebrate the Civil War. With another world war in sight, is it not now time to begin tightening our appropriations?

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 30: Page 38, strike out lines 7, 8, and through "1930" on line 9, and insert in lieu thereof the following: "$2,700,000, of which (1) $1,500,000 shall be available for the purposes of section 1(a) of said Act of May 29, 1930, (2) $600,000 shall be available for the purposes of section 1(b) thereof, and (3) $600,000 shall be available for the purposes of section 1(c) thereof:".

Mr. KIRWAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. KIRWAN moves that the House recede from its disagreement to the amendment of the Senate No. 30 and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "$500,000 which shall be available for the purpose of section 1(a) of said Act of May 29, 1930, for the purchase of approximately 416 acres of parkland in Prince Georges County, Maryland, consisting of the Fort Foote extension to the Smoot Bay area; the Harmony Hall historic area between the Indian Queen Estates and Broadwater Estates subdivisions; and the extension of Fort Washington to Swan Creek: *Provided*, That none of the funds shall be available for acquiring without the consent of the owner any improved property which shall be defined to mean a detached, one-family dwelling together with at least three acres of the land on which the dwelling is situated, or all of such lesser amount as may be held in same ownership as the dwelling: *Provided further*, That none of the funds provided under the National Park Service item 'Construction (liquidation of contract authorization)' shall be expended for planning or construction of the extension of the George Washington Memorial Parkway in Prince Georges County, Maryland:".

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from Iowa.

Mr. GROSS. Will the gentleman tell us how this bill compares with the appropriation bill of last year?

Mr. KIRWAN. It provides $24.6 million more than the total 1961 appropriations.

The total 1961 appropriations were $754.5 million. The Senate bill called for $813.4 million, and the House bill called for $753.3 million. The conference total is $779.1 million.

Mr. GROSS. Will the gentleman state that figure again? What is the difference between the appropriation last year and this year?

Mr. KIRWAN. A difference of $24.6 million.

Mr. GROSS. More this year than last year; is that correct?

Mr. KIRWAN. Yes, but it is $3.2 million below the budget request.

Mr. Speaker, I now yield to the gentleman from Maryland.

Mr. LANKFORD. Mr. Speaker, the action just taken by the House in approving the House conferees' recommendations with regard to the George Washington Memorial Parkway is viewed by me with mixed feelings. I am keenly disappointed that the conferees, with their recommendation, have chosen to disregard the often-expressed intent of Congress to complete the magnificent, scenic drive here in the Nation's Capital in memory of George Washington. The splendidly envisioned Capper-Cramton Act of 31 years' standing is now only a partially fulfilled dream.

Although some may feel that only the residents of the Fifth Congressional District of Maryland will suffer from today's action, it is my belief that the entire Nation is the loser. President Kennedy in his letter of June 19 gave his personal endorsement to final completion of the project as originally authorized when he said:

> Consequently, I am hopeful that this year—before it is too late—Congress will provide sufficient matching funds so that this administration can commence acquisition of the lands needed for the remaining 7.5 mile section of the George Washington Memorial Parkway on the Maryland side of the Potomac.

Another point of critical importance still to be resolved concerns the effect of the unusual prohibitive language contained in the recommendation by the conferees on the authority of the Board of County Commissioners of Prince Georges County to participate. When one recalls that the Federal Government used its full weight and influence to persuade the General Assembly of Maryland to enact authorizing legislation to enable Prince Georges County to participate in this project, it is astounding that the expressed terms of such State legislation are completely ignored by the Federal Government. Under the provisions of chapter 735 of the Laws of Maryland of 1959, specific reference is made to the Capper-Cramton Act, with the clear indication that the authority provided is for participation in the construction of a parkway.

On the brighter side of the ledger is the fact that, provided the County legally can participate under existing authority or new legislation, this extremely valuable shoreline will forever belong to all the people of our Nation. Not only is the shoreline in question steeped in history, but it will provide desperately needed recreational areas for many thousands of annual visitors to our Nation's Capital.

For almost 7 years the fate of the George Washington Memorial Parkway has been undecided. During this 7-year period, I have availed myself of every opportunity to insist that Congress honor its responsibilities. I remain hopeful that, because of the interest expressed by the State of Maryland and the enthusiastic support for the original project evidenced by the County Commissioners of Prince Georges County, ways can be found to complete the original project, even though the Federal Government has partially reneged on its promise.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio [Mr. KIRWAN].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

TEMPORARY REDUCTION IN DUTY-FREE ALLOWANCE FOR RETURNING RESIDENTS

Mr. ULLMAN submitted a conference report and statement on the bill (H.R.

6611) to amend paragraph 1798(c)(2) of the Tariff Act of 1930 to reduce temporarily the exemption from duty enjoyed by returning residents, and for other purposes.

AQUEDUCT

Mr. FINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, it is interesting to note that the large turnout over the past several days for the races at Aqueduct, in spite of a Teamsters' strike, proves one thing—that neither rain nor snow nor picket lines can stop the human urge to gamble.

New Yorkers, sympathetic with the legitimate aspirations of organized labor, normally refuse to cross picket lines. Aqueduct, however, proved an exception—a big exception.

Since last Friday, the first day of the strike, crowds of close to normal size have crossed the picket lines to plunk out millions of dollars. Picket lines may be able to stop trade and transportation but they cannot stop gambling.

It should be obvious to all of us that gambling is simply a basic facet of human nature—an ineradicable aspect of human individuality. Gambling is not something that can be wiped out.

Mr. Speaker, it is high time that we recognized the fiscal facts of life. Gambling, which we know cannot be eradicated, must be controlled. The gambling urge, a universal human trait, should be channeled beneficially and made to work for the good of all the people rather than the good of the vice empires.

The answer is a national lottery—which would make gambling moneys work for the public welfare. It is about time that we wake up to the fact that a national lottery is more than an opportunity to fatten up our Treasury—it is a necessity.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PRIVATE CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order during the month of August for the Private Calendar to be called on the 8th and the 22d of August, and that the call of the Private Calendar be dispensed with on August 1 and 15.

The reason for this is that next Monday is the fifth Monday of the month, and there is no Consent Calendar, but on Tuesday there is a Private Calendar, and this will dispense with that.

If the unanimous consent request is not agreed to, then during the month of August you would have the Consent Calendar on the 7th of August and the Private Calendar a week from the following Tuesday. This brings them chronologically in order during the month of August.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Iowa.

Mr. GROSS. Does that mean there will be no Consent Calendar next Monday?

Mr. McCORMACK. There is none anyway. That is the fifth Monday. This is for the purpose of coordinating the calling of the Consent Calendar and the Private Calendar on Monday and Tuesday during August; otherwise it would be every other week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REPORT OF THE SPECIAL SUBCOMMITTEE ON GOVERNMENT INFORMATION

Mr. McCORMACK. Mr. Speaker, at the request of the gentleman from California [Mr. Moss], I ask unanimous consent that a report by the Committee on Government Operations entitled "Availability of Information From Federal Departments and Agencies (Progress of Study, July–December 1960)" may be filed on Saturday, July 29, 1961, before midnight.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALL OF THE HOUSE

Mr. ANDERSEN of Minnesota. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 122]

Alford	Green, Oreg.	Rabaut
Alger	Harsha	Roberts
Anfuso	Hébert	St. Germain
Blitch	Henderson	Santangelo
Boykin	Libonati	Shelley
Cannon	McSween	Smith, Miss.
Clark	Machrowicz	Taber
Derwinski	Miller, George P.	Thompson, La.
Ellsworth	Morrison	Widnall
Gathings	Powell	Young
Gray		

The SPEAKER. On this rollcall 406 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AGRICULTURAL ACT OF 1961

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 8230) to improve and protect farm prices and farm income, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interests of consumers, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 8230, with Mr. KILDAY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read through section 2, ending line 7, page 3, of the bill.

Are there any amendments to section 1?

Mr. ALBERT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in the general debate yesterday, a colloquy developed between myself, the gentleman from Montana [Mr. BATTIN], the gentleman from Iowa [Mr. SCHWENGEL], and the gentleman from Mississippi [Mr. ABERNETHY], regarding the possibility of cross-compliance under this bill. In that colloquy, I am afraid I left the impression that if a producer took the 10-percent mandatory cut, but did not choose to take the 50-percent payment, he could still get his price supports without participating in the diversion program. This is erroneous. Section 123 of this bill specifically requires participation in the 1962 wheat program formulated under section 124 to the extent prescribed by the Secretary as a condition for price supports.

Section 124 deals with the payment and diversion programs. The effect, therefore, would be to prevent the planting of barley or other crops not specifically exempt under the bill as a condition of price supports. To this extent and in this regard, the statement I made yesterday was wrong.

Mr. LATTA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LATTA of Ohio:

Page 2, line 16, strike the word "and" and insert after the word "nations" the following: ", as defined in section 107 of Public Law 480, Eighty-third Congress, as amended (7 U.S.C. 1707), and in no manner either subsidize the export, sell, or make available any subsidized agricultural commodity to any nations other than such friendly nations and thus".

Mr. LATTA. Mr. Chairman, this amendment would define the words "friendly nations" appearing on page 2, line 16 of the bill.

The committee very wisely accepted an amendment adding the words "with friendly nations" in declaring it to be the policy of Congress in line 15, to (c) expand foreign trade in agricultural commodities "with friendly nations" and make full use of our agricultural abundance.

As you know, H.R. 8230 covers a variety of subjects, including the extension of Public Law 480. Public Law 480 now has a definition of the words "friendly nations", and in view of a recent policy decision by the Department of Commerce, I feel we should write this definition into this declaration of policy.

The definition of "friendly nation" in Public Law 480 provides:

As used in this chapter and sections 1427 and 1431 of this title, "friendly nation" means any country other than (1) the U.S.S.R., or (2) any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement.

I think it is most essential that we write into this bill this definition so that the Department of Commerce will know what the sense of this Congress is with respect to dealing with these Communist countries because, as I mentioned yesterday in general debate, on June 22 the Department of Commerce issued a new order which now permits the sale of agricultural commodities to Russia and the eastern Communist bloc nations of subsidized commodities. This new order means that the American taxpayer will now be picking up the difference between the world price and the domestic price. For example, in the case of Hard Red Winter wheat shipped from the New York port, this difference is 62 cents per bushel. The exporter would "charge" this difference to the taxpayer.

Certainly, in view of the world situation, we are not being consistent when we vote for a $3.5 billion increase for national defense while subsidizng the farm economy of Soviet Russia. Therefore, I feel that it is important that we adopt this amendment; that we spell out the meaning of "friendly nations" in this bill and further provide that "in no manner will we either subsidize the export, sell, or make available any subsidized agricultural commodity to any nation other than such friendly nations."

I have discussed this matter with the chairman of our committee and the ranking minority member of our committee, and I am sure that they will not have too much objection to it. The chairman of our committee has said that it probably has some far-reaching aspects and probably should go to conference.

Mr HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Iowa.

Mr. HOEVEN. I am happy to be in accord with the gentleman's amendment, and as far as I am concerned, I am willing to accept it.

Mr. COOLEY. Mr. Chairman, I rise not in opposition to the amendment but to say to the House that I am not certain as to the scope of this amendment. Personally I have no objection to accepting the amendment for the purpose of taking it to conference with the Senate for further study and consideration. I am in accord with the purposes of the author of the amendment, but I think that the amendment is probably not at all necessary because, as he suggested, in the law now the definition of friendly nations is particularly clear. Whether we are aware of it or not, there has been extensive trade between our Nation and the countries of Eastern Europe.

I have here a report from the Department of Commerce giving detailed information concerning these transactions, and I will include at this point in my remarks a letter which I received from the Department of Commerce explaining why the recent announcement was made by the Secretary of Commerce with reference to the proposed transactions with the Soviet bloc. This letter follows:

THE ASSISTANT
SECRETARY OF COMMERCE,
Washington, D.C., July 26, 1961.

Hon. HAROLD D. COOLEY,
Chairman, House Agriculture Committee,
House of Representatives,
Washington, D.C.

DEAR MR. COOLEY: This is in reply to your inquiry regarding this Department's recent announcement concerning the export licensing of surplus agricultural commodities to the Soviet bloc.

The decision to permit the export of these commodities to the Soviet bloc was made only after careful consideration of all factors involved, and certain conditions were imposed on the private sales transactions that might be approved:

First, the sale of such commodities would be at prevailing world market prices.

Second, the sale of such commodities to the Eastern European countries would be authorized only on condition the purchasers would pay in convertible currency or in dollars.

Third, exporters would be required to obtain commitments from the importers in the bloc countries to the effect that the commodities would not be reexported to another country.

Given these conditions, purchasers in Eastern European countries would not obtain any advantage pricewise because the commodities would be authorized for export only at prevailing world market prices. And, it is clearly evident that the sale of subsidized agricultural commodities to Eastern European countries grants to those countries no greater advantage in military terms than they have received and would receive from the sale of unsubsidized agricultural products (and concerning the latter category there are not and have not been, as you know, any export restrictions).

Further, these same commodities are readily available from other producing countries. From the standpoint of the United States, we could anticipate advantage to this country in terms of a potentially larger market for disposal of surplus agricultural products, and as everyone knows the United States still has very grave and serious problems in handling—marketwise and otherwise—agricultural products which we produce and which cannot be sold in the domestic market.

We recognize there are differences of opinion as to whether there should be any trade whatever between the United States and Soviet bloc countries. Some people undoubtedly hold the view that there should be absolutely no trade whatever with the Soviet bloc. For those with this basic opinion any decision to export commodities or items to the Soviet Union is always suspect regardless of the specific factors involved.

I am sure you will understand that these export license questions involve a balancing of competing interests—and I mean different and competing interests of the U.S. Government itself. In the case of surplus agricultural commodities this one point would certainly seem to be quite clear: It is difficult indeed to see where either the military or the economic interests of America will thereby be adversely affected.

To give almost ironic emphasis to the conclusion I have just stated, you will be interested to know that the Department of Commerce has not yet received a single application for an export license on these subsidized surplus agricultural commodities. This is undoubtedly a true reflection of the unfortunate fact that the market for these surplus agricultural commodities is not nearly as great as the "self-interest" of America would make desirable.

We appreciate this opportunity you have given us to explain this matter, and we shall be glad to furnish any additional information you may require.

Sincerely yours,

JACK N. BEHRMAN,
Deputy Assistant Secretary International Affairs.

Mr. KITCHIN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from North Carolina.

Mr. KITCHIN. I would like to know, with reference to the existing regulations that are now in effect under the law, particularly with respect to Public Law 480, wherein this definition is now in existence, what has been the result of the definition under Public Law 480? I will say this, in passing, that I understand—and correct me if I am wrong—that we are dealing under Public Law 480 with those countries which do not now meet the definition that you saw now is in the law in regard to friendly nations.

Mr. COOLEY. You probably have in mind transactions with Poland.

Mr. KITCHIN. Yes.

Mr. COOLEY. But actually our Government has determined that Poland is not a nation that is dominated by Communist Russia and, therefore, we have had trade with Poland under Public Law 480. The transactions referred to in this proposed amendment are not Public Law 480 transactions.

Mr. KITCHIN. Did I understand the gentleman to say that our Government has determined that Poland is not a country dominated by communism?

Mr. COOLEY. That is right—not dominated by Communist Russia; that is my understanding.

Mr. KITCHIN. What department of Government has so determined that—the State Department?

Mr. COOLEY. The State Department is the Department that made the determination.

Mr. KITCHIN. Can the gentleman tell me at this particular time on what basis they arrived at such a conclusion?

Mr. COOLEY. I shall not attempt to make such a statement. The determination was made during the previous administration—about three or four years ago. I do not know what reason prompted the decision; but I understand we have had some transactions with Poland. We have had many transactions with Eastern European countries, as indicated by this report; but they did not involve Public Law 480 transactions.

Mr. KITCHIN. Am I also right in assuming that under the so-called determination by some branch of our Government that Poland is not a country that could get financial or economic aid,

but they could get assistance under the Public Law 480 program; is that correct?

Mr. COOLEY. We had some testimony before the committee some time ago that because, as I understand, of the provisions of the Battle Act, we could not trade with Poland, we could not aid Poland. Yet they said we were giving assistance to Poland. I was never able to have the witness tell us the difference between aid and assistance. So, as a result of the assistance, we have accumulated about $365 million in zlotys, the local currency of Poland, that is now baled up in Poland. It is not being used by the Polish people or the Polish Government; it is not being used by our Government, and is not drawing interest.

Mr. KITCHIN. As I understand it, they have made at least a delineation between that type of assistance and other aid?

Mr. COOLEY. Yes.

Mr. KITCHIN. If the gentleman will yield further, I might inject at this point that I have been advised by the Department of State that within recent months Poland has loaned to the Cuban Government the equivalent of $12 million at 2½ percent interest for a period of 5 to 8 years for purposes designated in the memorandum which I shall at the proper time insert in the RECORD.

If Poland is able to loan that much money at 2½ percent interest, then we are still dodging around the bush to say that they need assistance in the form of commodities under the Public Law 480 program for which we take this soft currency, and we are still giving them the type of assistance that in my opinion is prohibited under the Battle Act.

Mr. COOLEY. Mr. Chairman, before the Committee votes on this amendment I hope that it has a full and complete understanding of what the amendment purports to accomplish and some of the things it will not do.

In the first place the amendment will not apply to the sale or other export of commodities under Public Law 480, for the operations of that law, insofar as sales for foreign currency and barter transactions are concerned, is limited to "friendly" nations. The very policy statement of Public Law 480 starts off with the words "it is hereby declared to be the policy of Congress to expand international trade among the United States and friendly nations."

The basic authority of the President to make agreements is limited by these words in section 101 "in furtherance of this policy, the President is authorized to negotiate and carry out agreements with friendly nations or organizations of friendly nations."

Section 107 of Public Law 480 reads as follows:

As used in this Act, "friendly nation" means any country other than (1) U.S.S.R., or (2) any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement.

But Public Law 480 goes even further. Section 304 reads:

(a) the President shall exercise the authority contained in Title I of this Act (1) to assist friendly nations to be independent of trade with the Union of Soviet Socialist Republics and with nations dominated or controlled by the Union of Soviet Socialist Republics and (2) to assure that agricultural commodities sold or transferred thereunder do not result in increased availability of those or like commodities to unfriendly nations.

(b) nothing in this Act shall be construed as authorizing transactions under Title I or Title III with the Union of Soviet Socialist Republics or any of the areas dominated or controlled by the Communist regime in China.

Likewise, title IV, authorizing sales for long-term credit, authorizes transactions only with friendly nations, as defined above.

Second, no restriction on our sales of wheat, cotton, feed grains, and other commodities which move from the United States into world markets at a subsidized price is going to affect the ability of Russia and other Iron Curtain countries to obtain these commodities. All of these commodities are surplus on the world market, or they would not be surplus in the United States. A prohibition against our export of these commodities for cash dollars to Russia and other Communist countries will only mean that they will buy the same commodities elsewhere and that ours will continue to pile up storage charges in our own warehouses. A good example is the recent sale of more than $300 million worth of wheat by Canada to Red China.

The third thing I think the committee should clearly understand is that the subsidies which are paid on agricultural commodities moving into world markets are not subsidies to the foreign consumer or buyer, they are subsidies to American agriculture. They are identical in almost every respect with the tariffs which are imposed on commodities coming into the United States. Their purpose is to protect the standard of living and the economy of the United States. Their effect is to cause American consumers to pay higher prices for some commodities than consumers pay in some other countries.

The purpose of our subsidy on exports of wheat, for example, is to make up the difference between the price of wheat in the United States as it is maintained by our agricultural program and the price of wheat on the world market. That difference is approximately 60 to 62 cents at this time, and every bushel of wheat exported from the United States is exported with this subsidy so that it can compete on world markets. The price at which Russia would buy our wheat, if they decided to buy any, would be the same price at which it is sold to purchasers in France, West Germany, Italy, the United Kingdom, and any other foreign country.

Another thing to consider is that any effort to prevent the eventual movement of wheat or other American commodities into the Communist countries would probably be at least partially ineffective. As long as American agricultural commodities move through world markets to private buyers in other foreign countries, and I am sure that every Member of the House is in favor of such commerce, it is virtually impossible to place restrictions on the use that the private buyers in those other countries make of our commodities. Thus there is no practical way of being sure that a shipment of wheat, for example, which might move to a buyer in Belgium will not eventually wind up behind the Iron Curtain.

There is one other aspect of this situation which I believe the Members should consider. American superiority over every Communist country in the world in the production of agricultural commodities is unchallenged. Our ability to produce food and other agricultural commodities in abundance is being more sharply contrasted every day with the inability of Communist countries throughout the world even to produce enough food to adequately feed themselves. It seems to me that one of the strongest arguments we could make to a developing country which is as yet undecided where it will place its allegiance, it is this argument of our great superiority over the Communist world in the field of agricultural production. The fact that at this time a Communist country might feel required to turn to the United States in order to obtain part of its food supplies would seem to me to be one of the strongest arguments we could make to these developing countries. I feel sure that the citizens of most of these countries, if given the proper choice, would far rather cast their lots with a country which has demonstrated its ability to produce food in abundance than they would with a country which might be able to shoot them around the world in a rocket.

Mr. HOEVEN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I was very hopeful that this amendment would be accepted. I think it is a very good amendment. It is timely and appropriate at this very critical time in world history. I think we should make our voices heard and be very specific in dealing with Communist countries. The amendment pertains only to the policy section of this bill. The amendment only seeks to define friendly nations as we previously defined them in Public Law 480. So that we may all be again fully advised, let me read section 107 of Public Law 480:

As used in this Act, "friendly nation" means any country other than (1) the U.S.S.R., or (2) any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement.

We saw fit to put this definition in Public Law 480. All that is sought to be done here is to put the same definition in the policy statement of this bill. One of the difficulties we have in the Committee on Agriculture is that we are constantly confronted with the attempts of the State Department to dominate the administration of Public Law 480. Now we find the Department of Commerce is following suit in that it has authorized the export of subsidized agricultural commodities to Communist dominated countries.

This is a good amendment and should be adopted.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Oklahoma.

Mr. ALBERT. It was not the statement of the gentleman from North Carolina that there would be opposition to the amendment's going in now, he only raised the proposition, which I think is true of all amendments, that it could be considered in conference.

Mr. HOEVEN. It was my opinion that the chairman was opposing the amendment. He rose to oppose the amendment.

Mr. COOLEY. No, I stated that as far as I was concerned I was willing to take the amendment to conference. I said that I am in accord with the purposes of the author of the amendment, but doubted that the amendment is necessary.

Mr. HOEVEN. I am sorry if I did not correctly understand the gentleman. I did not hear him say he was willing to take the amendment to conference. Therefore we seem to be in full accord.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Illinois.

Mr. COLLIER. Under this definition I am left in somewhat of a dilemma as to just how we would categorize Yugoslavia. Are they Communist, are they friendly, or half and half?

Mr. HOEVEN. As far as I am concerned, they are Communist-dominated.

Mr. HARVEY of Indiana. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield.

Mr. HARVEY of Indiana. I think it ought to be stated with regard to Poland, which has been the subject of colloquy here on the floor of the House, that not only are we in the position of giving aid to Poland but we are also buying products from Poland that are in surplus supply here in the United States. So I believe our policy with respect to Poland is certainly a very fuzzy one.

Mr. HOEVEN. I thank the gentleman for his timely contribution. I certainly do not approve what has been going on.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. LATTA].

The amendment was agreed to.

Mr. WHITTEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN:

On page 8, after line 7, insert: "(1) Use surplus farm commodities on hand as fully as possible as an incentive to reduce production as may be necessary to bring supplies on hand and firm demand in balance."

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COOLEY. Mr. Chairman, if the gentleman will yield, I see no objection to the amendment.

Mr. WHITTEN. I appreciate the gentleman's statement, but I want to be candid as to what this amendment leads to before asking the gentleman to accept it.

Mr. COOLEY. I am willing to accept now. I may change my mind as the gentleman proceeds.

Mr. WHITTEN. Mr. Chairman, if this amendment is accepted, I have 8 or 10 other amendments which will follow. That is the reason I am asking the gentleman to wait and hear my statement on it.

Mr. Chairman, I wish to commend our colleagues on the Committee on Agriculture. I realize what a difficult problem they have had, as well as other Members of Congress, in trying to deal with what is termed the agricultural problem. I know all have given their very best trying to solve this problem. In raising the points I shall raise I do so because we all have a real interest and are faced with something of a dilemma in this farm situation.

If the amendment which I just offered is adopted by the committee, I intend to offer a series of amendments which will require the use of payment in kind in making incentive payments to cut back acreage.

In our last appropriation bill, which Congress passed only a few weeks ago, there is something like $3 billion appropriated to the Commodity Credit Corporation because of commodities that have been or will be sold under Public Law 480.

In the bill that is before you, there is no limit on the quantity of these commodities the Department of Agriculture can sell in 1 year under Public Law 480. And may I tell you when you sell under Public Law 480, that is not the end of the road. The very next year, the Congress must appropriate dollar for dollar every dollar's worth that are sold under Public Law 480. There is no limit in this bill as to how much the Secretary may, in effect, give away under Public Law 480.

If we were to use these commodities on hand as payment in kind to the farmer so that he would pull his production in line, that would end it. We would have to restore the capital impairment and nothing more. But, if we pay the farmer in cash, for reduced production and then give away the commodities overseas under Public Law 480, then we will have to provide funds for both the cash payment and the cost of the commodities given away. Under that arrangement, there is payment twice.

I think it is thoroughly sound to provide in this bill for the use of these surpluses on which we are paying storage to bring our own production in line with firm demand before we send them overseas under Public Law 480.

May I repeat to you, this year, this Congress, you folks, appropriated about $3 billion to cover the cost of commodities moved out under Public Law 480.

Now is it sound in this bill to let these commodities go under Public Law 480—and that is what the bill permits—and pay our farmers cash for future reduction in production? My friends, to me, it is just like paying hard earned dollars for something that you can buy with old clothes, so to speak. We have the surplus. We ought to use our surplus to bring down our production. If there is any surplus left over, then we can let it go under Public Law 480. While the chairman of the Agriculture Committee has agreed to accept my amendment, I did want in fairness to him to say that, if this amendment is adopted, I plan to offer other amendments.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. I thought the amendment that you offered was good until you started getting into the specifics of it, as you say, and I think you are creating a problem which is going to be an impossible one to handle because if we followed your conclusion out, you would say to the farmers of America today not to plant or raise any wheat at all this next year because we have a year's supply of wheat on hand. So that the farmer would go out of business for a year. Is that not the conclusion one would have to draw from your explanation of this?

Mr. WHITTEN. May I say to the gentleman, he has his bill before him, and he knows that what he is talking about is not this bill. The bill would retain all safeguards which are in it now.

Mr. JONES of Missouri. I am talking about what you propose to put it it.

Mr. WHITTEN. No, you cannot cut out a whole year's production. Your bill provides for a 10 percent cut. I think the committee is thoroughly sound in limiting the amount of reduction; however the cut should have been larger and payment to cut acreage may not cut production to any substantial degree. Remember our experience with the soil bank. May I ask the gentleman from Missouri a question? Does not your bill limit how much can be done in 1 year?

Mr. JONES of Missouri. Yes, but you are talking about what you are going to put in. I do not know what these other amendments are going to do. If they are just going to open the door to something else—I do not know just what they are going to do.

Mr. WHITTEN. I said the other amendments merely limit what can be done under this bill to payment in kind and remove the right to pay in cash.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The gentleman is a very able Member of the House of Representatives and a very fine friend of agriculture, and has worked in this field throughout his legislative career. But, if he does what he says he is going to do here, I think the results are going to be different from what the gentleman intends. In the first place, the reason behind this whole provision was the payment-in-kind theory. But the reason we did not require the Secretary to pay it all in kind in all cases is, first, to provide for orderly marketing. If it is possible

for the Secretary to pay 40 percent in kind of all of the wheat that comes under this program, the effect will be that farmers will have to go to terminal elevators maybe 500 miles away and pick up his wheat payment.

Mr. WHITTEN. Mr. Chairman, I cannot yield further.

Mr. ALBERT. That is the effect of it.

Mr. WHITTEN. No, it is not. Among the provisions of this bill the normal practice of farmers holding certificates or warehouse receipts will continue. It does not mean the moving of bulk wheat all over the country. The gentleman knows that.

Mr. ALBERT. There is no certificate of warehouse receipt.

Mr. WHITTEN. But you provide that you may transfer title, so it does not mean that you move bulk wheat all over the place.

Mr. Chairman, I do not know how serious other Members of Congress may feel this is. But I have had before me this year's appropriation bill for agriculture, $5.9 billion. We have on hand all this surplus wheat and surplus grain. If we give it away under Public Law 480, next year you are going to have to appropriate the dollars to pay for it. I say we should use the surplus to help our own farmers cut back production; then what is left can be sold under Public Law 480.

The bill before you lets the Secretary pay our farmers hard-to-get cash and send the surplus commodities overseas where we have to appropriate again to cover the cost of the commodities sent. May I assure my good friend from Missouri [Mr. JONES] that the amendments I propose merely eliminate payment in cash, that is all. They leave every other provision in the bill just as proposed by your committee.

There is one other amendment that I have which would require the Secretary to determine before he sells under Public Law 480 that he is not jeopardizing his power to bring down production at home by the use of surpluses. If this is not done, do not be too surprised when you are faced with a $3,500 million bill next year, much of which could have been saved if we had used our surpluses to meet our problem at home instead of sending them abroad and paying cash to our farmers instead of such surplus.

Mr. COOLEY. The gentleman just about convinces me that I could not vote for his amendment, because he has indicated that he intends to follow this amendment with others which would make it impossible for the Secretary to use any cash in these transactions. If the gentleman changes the word "possible" to "as far as practical", I could easily see how we could accept it.

Mr. WHITTEN. If this amendment is accepted I plan to go ahead with others. I have no objection to accepting the change.

Mr. COOLEY. I would have no objection to this with the words "as far as practical" used in place of "possible".

Mr. WHITTEN. This amendment is offered for the purpose of leading up to the other amendments.

Mr. COOLEY. But the gentleman's amendment would prohibit the use of dollars.

Mr. WHITTEN. Other amendments.

Mr. COOLEY. Then I am against the amendment.

Mr. WHITTEN. That is the reason I did not want the gentleman to accept it under any misunderstanding. I did not want him to commit himself until he understood just what was involved.

Mr. COOLEY. The practical effect of the gentleman's plan to not let the Secretary use cash in the feed grain program would have an adverse effect on the market, demoralize prices, and wreck the whole program.

Mr. WHITTEN. No, not at all.

Mr. COOLEY. Will the gentleman change the word "possible" to "as far as practical"?

Mr. WHITTEN. I have no objection to that.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. ARENDS. Mr. Chairman, I ask unanimous consent that the gentleman from Mississippi [Mr. WHITTEN] may proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. ARENDS. As I understand the effect of the gentleman's amendment it would be that a farmer in the program could take a thousand bushels of feed grain rather than cash.

Mr. WHITTEN. That is right. If we do not use surplus grain for that purpose, but instead pay the farmer cash and sell the surplus grain under Public Law 480, we in effect are paying for it twice. In next year's appropriation bill we will be faced with another $3 billion in addition to what we have in this year's bill.

That just does not make sense to me, when in effect our farmers could be taken care of with our unneeded surplus, so to speak. I do not see why it is necessary at this time to pay them dollars and send our surplus overseas and then have to appropriate dollars for both. It just does not make sense. If you do not adopt this amendment, do not be surprised next year when you have to pick up the tab under 480, and also have to replace the cash you paid the farmers for reduced production.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. JENSEN. Mr. Chairman, I ask unanimous consent that the gentleman from Mississippi [Mr. WHITTEN] may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. Mr. Chairman, I agree completely with the gentleman from Mississippi [Mr. WHITTEN]. Certainly there is no justice in paying cash out of an already bankrupt Treasury for these commodities and for all of this program when we have the commodities with which to pay the bill, such as corn and wheat. The farmer gets his certificate. He can cash that certificate in if he does not want to take the feed. So there is really no difference between the bill before us and the amendment offered by the gentleman from Mississippi [Mr. WHITTEN], other than the fact that the farmer cannot get the cash direct from Uncle Sam's already bankrupt Treasury.

When this bill was before the House last year, the gentleman from Minnesota [Mr. ANDERSEN], and I introduced what was then known as the green acres amendment, which prevailed on a teller vote as a substitute for the section which provided for complete cash payments. When the final vote came on the bill, that amendment was defeated by a small margin.

Certainly, Mr. Chairman, we cannot continue to pay billions of dollars out of the Treasury of the United States for something that is not necessary, when we have the commodity already paid for with which to pay the bill.

Not only that, Mr. Chairman, but we can be much more liberal with the farmers when we pay in kind; that is, corn or wheat.

The gentleman's amendment should prevail.

Mr. WHITTEN. May I answer the gentleman from North Carolina.

We all have a common problem here. I can recognize the problem the gentleman raises about the effect of payment in kind on the market. I also recognize that, under the terms of the bill and the amount that can go into this, the reduction will be such that, since CCC will control the remainder of the crop plus the supplies on hand, it is very, very easy for the Commodity Credit Corporation to hold to the point that the surplus grain prices come up to the support level.

May I repeat. This grain, this payment in kind, would be on the market, but it would be a small percentage of total production. The production that is now in existence would be in the hands of the CCC, except for a small percentage on the market, and CCC can create a demand for and raise it up to the support level.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Kansas.

Mr. AVERY. If the gentleman is so serious about this, why does he always resist any attempt to impose a limitation on individual loans? That would be of greater service than this backdoor approach.

Mr. WHITTEN. The gentleman was the author of that amendment, and he feels it is sound. But I think it is very, very unsound. It is merely a difference of opinion.

Mr. AVERY. Of course, I think the same about the gentleman's amendment.

Mr. WHITTEN. I can understand how the gentleman feels. There are lots of people who want the present program. But when the annual appropriation for agriculture is around $6 billion,

we are facing a serious problem, especially if we do not quit paying twice.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Oklahoma.

Mr. ALBERT. In addition to what others have said, may I add that if this wheat goes into the market, more wheat is going under loan from the current crop and Commodity Credit Corporation expenditures are going to be increased accordingly.

In the second place, we have had many arguments during the consideration of this bill in committee from the time it was introduced in its original form about the power of the Secretary of Agriculture to control the markets of the country.

Give him this authority or give him this mandate and he can absolutely become a czar over the wheat markets of America.

Mr. WHITTEN. Of course, I am not for that. I know that could not happen.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it seems to me that there is a terrible lack of understanding in regard to the method of financing these operations, whether that be of wheat or whether they be of feed grain. This bill provides that the Secretary shall make certain payments to those cooperators who agree that they will remove a portion of their land from production. Now, where it provides that he can make payments in cash or in kind, the Secretary has considerable leeway and can use that procedure which he thinks is to the best advantage of the country at a given time. If he must make payments solely in kind, it gives him no latitude. When we say that payments shall be made in kind it does not mean that the farmer is going to go to the warehouse and haul a thousand bushels of wheat home. It means that he is going to get a certificate, a negotiable certificate, that simply entitles him to the ownership of a number of bushels in that warehouse, and he can sell or trade that certificate anywhere he wants to. Further, it means that the Secretary can redeem that certificate for him and, in effect, the farmer gets money either way. Practically every farmer gets the money rather than taking the commodity. Let me ask how many of my colleagues know of a single farmer who has actually hauled home any grain under the in-kind payments under the feed grain bill?

Now, to the extent that the Secretary can make payments in kind and redeem the certificates—it makes no difference to the farmer whether you call it in-kind or cash, because he puts the cash in his pocket, but it makes a considerable difference to the whole country.

Now, if the Secretary is making payments in cash, he takes the cash out of the assets of the Commodity Credit Corporation and pays the farmer in cash, and that is the end of the transaction as far as the Secretary and the farmer are concerned. But, next year Mr. WHITTEN's committee is faced with making up the losses of the Commodity Credit Corporation, and that is what he is protesting about now. He certainly is well advised to give consideration to that, but the important point, which is so often overlooked, is the fact that it don't make a dollar's difference to the taxpayer.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from California.

Mr. ROOSEVELT. The gentleman made the statement that if he did not get cash, the farmer received something in kind; that this was the same as cash in his pocket. And, being a nonfarmer, I do not understand that. Will you explain that?

Mr. POAGE. I believe the gentleman was not here a moment ago. The farmer who is going to be paid in kind—we will say he has 1,000 bushels of wheat coming to him in kind, he is paid from the county office a certificate which says that Mr. ROOSEVELT is entitled to 1,000 bushels of No. 2 wheat. It is in storage at Chicago or anywhere else. You can then negotiate that certificate and sell it to Mr. BREEDING or to anyone else, or you take it back to your county office and get the value of the wheat as an advance in cash. The law provides that the Secretary shall assist farmers in getting cash for their certificates. So, he assists them in cashing their certificates by advancing the money value of the wheat. The Secretary advances the money, and the farmer puts the money in his pocket. He does not carry the certificate out of the county office; he carries the money out of the county office. The Secretary then has this certificate which entitles him to the ownership of 1,000 bushels of grain which was "paid in kind" to the farmer. So the Secretary still has the grain and the farmer has the money, just as would have been the case if there had been a payment in cash, except for this fact:

If the Secretary has paid in cash there is no pressure to sell an equivalent amount of grain until the market conditions make it advisable. On the other hand, if he has "paid in kind" he must sell the certificates to someone who wants grain, and as he has to raise money with which to redeem more certificates he will have to sell certificates (or grain) into the market regardless of the effect of such sales. Except for this fact, that if he pays "in kind" he loses all freedom of action; there is practically no difference in the cost of the operations. And remember that whether he pays in cash or in kind and then redeems the certificates, the money comes out of the Commodity Credit funds. If he pays cash his resources will be depleted to the extent that he does not sell grain. Mr. WHITTEN's committee will doubtless be required to make up the loss. That is, the direct cost of the program—but any grain not sold will still be an asset of CCC. If he pays in kind and advances money in return for a certificate, he parts with just the same number of dollars, but he must move that amount of grain into the market even though it may well mean that he has to buy back exactly the same number of bushels. That is, as I see it, only a needless expense of moving grain in and out.

The CHAIRMAN. The time of the gentleman from Texas [Mr. POAGE], has expired.

Mr. POAGE. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes additional.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POAGE. Of course, we all want to pay "in kind" just as far as it is practical, but there is no sense in paying in kind when it simply results in moving one bushel out of storage and replacing it with another bushel which must be obtained at a higher price, and paying costs for both movements.

When the farmer is paid in kind, the Secretary is required to redeem that certificate, even though he, himself, owns it. He has to sell that much of the stocks of the Commodity Credit Corporation in order to get money with which to redeem additional certificates. He has to sell enough wheat—if it is 1,000 bushels, he has to sell 1,000 bushels of wheat; he has to sell enough wheat to produce the money that is paid out, so that the stocks of the Commodity Credit Corporation are depleted by the same amount and he has paid out the same amount of money as if he had paid the farmer in cash, but he has no leeway as to when he must sell this grain—or the certificate representing grain, because he has to raise money that way. The consequence is that at the time that you are going to be paying out these certificates—and that will be largely at the time of the spring signup and at the fall harvest, because we make provision for half of the payment to be made at the time of the signup and half of it at the time of the harvest—when these certificates come in in large quantities the Secretary is going to have to put enough of these grains on the market to produce the money, which is going to break the market just as sure as the sun shines.

He cannot put that vast volume of certificates on the market without driving the price way down. He must send that grain to the market at the most inopportune time in order to put the same amount of cash back in the Commodity Credit Corporation. And he is still likely to wind up with a deficit which the Appropriations Committee will have to pay at the end of the year.

It is a question of time. It is purely a question of when he puts this grain on the market. If he has the option, as he has when he makes the cash payment, of selling the grain when he thinks it is to the greatest advantage, we believe he can maintain a rather substantial control over the market and keep it relatively high. But we know if he has to sell these certificates two times a year he is bound to break the market, with tremendous losses to the Federal Government. As we see it, that is the difference.

Mr. HARVEY of Indiana. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. HARVEY of Indiana. I would like to ask the gentleman from Texas, is it not true that if the gentleman from Mississippi's amendment were adopted, regardless of how you might feel about the whole legislative proposal, this would certainly demoralize the entire grain market?

Mr. POAGE. It would demoralize the grain market this afternoon before the pits close. Tomorrow morning the grain market probably would have dropped 15 cents, if this amendment is adopted.

Mr. Chairman, the U.S. Government as the holder of most of this grain would be taking the loss. Of course, the gentleman's amendment would break the grain market and it would cost the U.S. Government in terms of money hundreds of millions of dollars and, of course, it means goodby to this bill. I do not want anyone to come to the conclusion that you can adopt this amendment and still have a bill.

This amendment, with the following amendments, as described by the gentleman from Mississippi, is intended to, and must inevitably destroy the crux of this bill. I am not saying it is going to destroy all the words in the bill, but it is going to destroy the whole philosophy and the whole purpose of this legislation.

We think we have brought you a bill that will do a great deal of good. The same people who are now offering criticism, every one of them criticized the feed grain bill. It has worked out, and many of those who criticized that feed grain bill are now supporting this measure. The feed grain bill has proven that the philosophy we have in this bill will work. We have every reason to believe that it will work in the next year just as well as it has worked this year. Consequently, we urge you that we defeat this amendment and save this bill.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, may I ask the gentleman from Mississippi if he would agree to changing the word "possible" to "practicable"?

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the word "possible" in my amendment be changed to the word "practicable".

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COOLEY. Mr. Chairman, if the gentleman's suggestion is accepted, as it has been suggested, I can see no objection to this amendment's being in the policy section of the bill, but in view of what the gentleman from Texas [Mr. POAGE], and the gentleman from Indiana [Mr. HARVEY] have said with reference to the other amendments which the gentleman will hereafter offer, I think I am certain the committee will be forced to oppose them for the very good reasons Mr. POAGE has pointed out in his argument.

It makes no difference to the Federal Government or to the Commodity Credit Corporation whether it is corn or feed grain we turn into the hands of the farmer and that is fed to the pigs, or whether it is paid for in cash, because even if it is given to a farmer and fed to livestock the assets of the Commodity Credit Corporation are depleted to that extent and we must then finance the Commodity Credit Corporation operations to reimburse them for the impairment of the capital of the Corporation.

This feed grain program has operated so well and so successfully that even those who opposed it just 2 months ago are now advocating its adoption for the coming year.

As the gentleman from Texas [Mr. POAGE] pointed out, if the Secretary does not have the authority and discretion on payments-in-kind as provided in this legislation, the markets would be demoralized and the losses probably would be gigantic. With this discretion the Secretary can control the flow of grain into the market at any given time.

Another problem comes up. If you tried to force the Department to pay the farmer only in kind, for instance, in my own community in North Carolina, you could not pay them in kind because the grain is not there. It might be in a warehouse, in an elevator out in Kansas, or Chicago, or someplace else. All of these things we discussed very thoroughly in committee.

On this bill before us I think the House Committee on Agriculture, Republicans and Democrats alike, are in substantial agreement, so why should we now reverse the policy and provide that we must empty all of our warehouses, move all of our commodities, before we will allow any cash transactions to take place? I think it would result in wrecking the entire program. I am willing to accept this amendment but I ask that all other amendments relating to this particular proposition be defeated.

Mr. FINDLEY. Mr. Chairman, I rise in support of the amendment.

In the colloquy the gentleman from Texas [Mr. POAGE] had with the gentleman from California [Mr. ROOSEVELT], he described the mechanism through which the certificates under the feed-grains program would be funded. One thing was left unanswered in that series of comments, and that was: What would be a reasonable time in which we should expect the Secretary to complete the transaction, that is, to sell the surplus grain from the bins in order to fund these certificates? Now I raise that question because, as of yesterday morning, despite the fact that the Secretary of Agriculture now has in his hands about $300 million worth of certificates already acquired under the 1961 program, not one of these certificates has been funded. I wrote to the Secretary of Agriculture early in July asking him when he plans to carry out this funding. I have not received a reply. I contacted his chief counsel, asking him the same question. His only response was to quote from the bill. So I would like to direct the question to the gentleman from Texas [Mr. POAGE] and inquire just what he considers to be a reasonable time within which we should expect the Secretary to fund these certificates.

Mr. POAGE. I think the gentleman asked two questions.

In the first place, he asked why the Secretary has not sold any grain against these certificates so far. To that the answer seems to be clear. I have understood, although the Secretary has never discussed the matter with me that he made a promise to the Senator from Iowa at the time of the passage of the feed-grains bill that there would not be any of these certificates sold until after July. I repeat, this is but my understanding, but I think it is clearly the reason that none of this grain has been sold. Some of it should have been sold. We passed up some splendid opportunities to sell some of it. It should have been sold, on the favorable market which has existed, but the Secretary apparently gave his word and I have found that when Orville Freeman gives his word he keeps it.

The answer to the second question is that the Secretary will have to sell grain in order to continue the program because he has no way of getting the cash with which to redeem the certificates except to sell grain. It is not a matter of reasonable time. It is a matter of financing the redemption of these certificates. If the Secretary is out of money, there is no way in the world he can get it except to sell grain. He has to sell it and when he is presented with great quantities of certificates, he is going to have to sell grain in large quantitives even though it absolutely breaks the market.

Mr. FINDLEY. In response to that, Mr. Chairman, I would like to thank the gentleman for informing us of this inside information on how the feed-grains program was carried into effect. I do not think it was common knowledge. In fact, on March 8 in the debate on the feed-grains program, the gentleman from Texas [Mr. POAGE] stated in arguing for the feed-grains program, and I quote from his remarks:

> Basically, it—that is, the program—proposes to use the surpluses we now have to pay for reduced production to make reduced production desirable.

In response to the other answer, I think it should be noted that every time the Commodity Credit Corporation runs out of money, it simply comes back for another appropriation and restores its funds.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Texas.

Mr. POAGE. The gentleman quoted me. He knows that my statement was made some days before the discussion between the Senator from Iowa and the Secretary of Agriculture. The gentleman from Texas was stating exactly what was the intention of the bill. But the discussion that took place on the other side of this Capitol took place some days later.

Mr. FINDLEY. I thank the gentleman for that information. I did not know exactly when that conversation

occurred in relationship to our action here.

Mr. ALBERT. Mr. Chairman, I move to strike out the last word, and rise in opposition to the amendment.

Mr. Chairman, it has been the purpose of the committee and, I think, the chairman and the ranking member will agree, that it is a part of the legislative history of this bill, that payments in kind will be made wherever practicable. On page 10, the wheat section, line 9, specific authority is given to the Commodity Credit Corporation in the case of wheat to pay in cash or in wheat.

On page 19 with reference to feed grains, specific authority is given to pay in cash or in an equivalent amount in kind. I think this means, and I think it is the intention of the committee to state that what the gentleman by his motion undertakes to put into the declaration of policy is in fact what we are hoping will be done, that it is intended that full advantage wherever possible will be taken of the authority of the Secretary to pay in kind. But I think the committee in its wisdom has felt that it would be a mistake in terms of what might happen to the market, in terms of what might happen to farmers if we tied the hands of the Secretary and required that in all cases he should make payment in kind.

The committee believes it has brought out a workable bill, a practical bill, and the committee hopes that the Committee of the Whole will support it in its position.

Mr. WHITTEN. I would like to point out to the gentleman that in the wording the gentleman just referred to the word "cash" comes before the words "in kind."

Mr. ALBERT. That is right.

Mr. WHITTEN. I have indicated to the chairman of the committee that I would accept the change from "possible" to "practical." It seems to me it is a very good thing to have this language added in the policy statement so it will be clear what we intend.

Mr. ALBERT. I will state to the gentleman that while I do not see any objection to that language in the declaration of policy, if the gentleman will leave it at that we will support his amendment, but if you use the word "practical" there and then in the wheat and grains sections—and these two sections must be treated separately—undertake to cut out all authority to pay in cash, we will have to oppose the gentleman's amendment. I think the committee would accept the language of the gentleman's amendment under the conditions I have referred to.

Mr. WHITTEN. May I say to my good friend that that is like the rabbit-and-horse trade. This is a statement of policy. The effect of the gentleman's proposal is that I should change the wording in the statement of policy but forgo offering other amendments. Of course, I could not agree to that. I do believe that the change in the policy statement will be of great help.

Mr. ALBERT. Then I say vote down the change in the statement of policy if it is a prelude to changing the approach which the committee has made in this bill.

Mr. MATTHEWS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to support the committee's position on this very important matter. As has been stated, the committee with help from both sides of the aisle has worked for weeks to try to get a bill that would give the Secretary of Agriculture a certain latitude of policy, that would be the type of bill that would give adequate protection to the consumer, and to the farmer. I sincerely believe that to change the wording of this bill as suggested by my dear friend, the gentleman from Mississippi, would be an improvident thing.

I believe one problem that should be brought to the attention of the Committee at this time is the fact that we are all concerned about costs that are charged to the farmer when they should be charged to other segments of the American economy. I know the gentleman from Mississippi has been very concerned in his work with the Appropriations Subcommittee on Agriculture about the idea that so many American people have that when you look at the total appropriations charged to agriculture, that these costs are actually costs of the subsidy to the American farmer. I think I might make a contribution here, Mr. Chairman, if I would suggest that last year of the total budgeted expenditures for agriculture in the amount of $5,700 million, less than half of that amount should have been charged to the American farmer. Over half of it, Mr. Chairman, went to such items as milk for schoolchildren and the school lunch program; many millions went for strategic materials produced abroad and brought to this country and put into the stockpile; $1.6 billion of money has gone over the past few years to food for famine and relief to peoples abroad; food sold to foreign countries for local currencies over the past few years has amounted to over $6.6 billion.

The appropriations for the Department of Agriculture for forestry in the amount of a quarter of a billion dollars last year does not take into consideration that we took in $150 million from forestry for logging operations alone. You read in the Department's budget where three-quarters of a billion dollars goes to the Farmers Home Administration and to the REA, yet every dime of that money is repaid.

Now, to be fair, the low interest rate might cost a few million dollars but it is just a small item in the total of $750 million.

I could go on and talk about the subsidy to ocean transportation that is charged to the American farmer. When we read the other day about the fine contracts the merchant seamen received, and I am not trying to debate that issue, we should realize when we ship commodities abroad under titles I and II of Public Law 480 that ocean transportation is charged to the Commodity Credit Corporation.

The gentleman from Mississippi is concerned about the stocks of the Commodity Credit Corporation and he is sincerely motivated by that desire. I believe one purpose of his amendment is again to emphasize to the American people that all of the costs that are charged to American agriculture should not be charged to American agriculture.

I would remind you, Mr. Chairman, there are only 6 million people working on the farms of America; however, there are 17,400,000 people who have jobs because of the farms of America.

I would remind you food costs in America today are smaller in proportion to the laboring returns of the American people than you will find in any other nation in the world.

This bill should be called the American Act of 1961. Again, it is well to emphasize the fact that when you see an item of about $6 billion charged to American agriculture, American agriculture should not be charged with more than half that amount, and I would say less than one-half of that amount.

Coming back to the issue at stake, I certainly believe we have presented a bill to the committee that should be adopted as it is, or as nearly in its present form as humanly possible.

If we go along with the gentleman from Mississippi, we are taking the wrong road. If we are going to take away from the Secretary of Agriculture the flexibility he needs, it is going to be more costly to the American consumer and to the American farmer.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Mississippi [Mr. WHITTEN], and I do so as one of four Republicans who saw fit to support the feed-grain bill last spring and who provided the margin of victory for that particular bill.

This is a good bill that is before us in its present form, and I intend to support it, provided the gentlemen interested in wheat particularly will at least give us in the Feed Grain Belt the same right by leaving out their provision in the bill. I think any bill can be improved. I think the gentleman from Mississippi [Mr. WHITTEN] is absolutely correct in offering this very moderate amendment.

Remember, Mr. Chairman, in line with his suggestion, the words "as far as practicable" are used instead of the words "as far as possible," which simply means that the Secretary of Agriculture will give consideration to taking out of existing Commodity Credit Corporation stocks grain that is in danger of deteriorating in Government bins.

This surplus corn, for example, is costing the taxpayers $2.50 a bushel before it gets out of the Commodity Credit Corporation's hands.

And I join with the gentleman from Mississippi [Mr. WHITTEN] in this because he and I eventually, with the other members of our subcommittee, have to sit in judgment upon the appropriation dealing with this matter. We have to find the money for this legislation. Therefore we are interested. We know that there is getting to be more and more antipathy toward our appropriation bill each year because we have to

recommend such huge sums of money for these programs. But why not tell the Secretary of Agriculture—and this is what Mr. WHITTEN's amendment does—why not tell the Secretary to do everything he can toward getting the present existing stocks in the Commodity Credit Corporation to roll out into the hands of the producers as incentives for them not to produce further.

Now, you recall last March when we considered the feed grain bill that at that time I introduced an amendment which would have gone a step further than Mr. WHITTEN says he has in mind. My amendment at that time would have provided that no cash be paid out for the retirement of land, but that all payments be made out of Commodity Credit Corporation stocks. I believe that is just good commonsense today as it was when I proposed that amendment last spring. But, I realize that the House turned me down then, so here we are asking you to go just a little of the way toward that end and tell the Secretary, "You have got to do everything you can to get this old grain, this old corn, or whatever you might have in Commodity Credit Corporation stocks, out into consumption. I saw over a million bushels of 1952 corn still in storage in McLean County, Ill.

Now, Mr. Chairman, I sincerely hope that this House will see fit to adopt the amendment offered by the gentleman from Mississippi and go part way along this road toward fiscal responsibility, especially in view of what the President of the United States said the other night. I agree with him. We are close to war, whether we like it or not. It is time for all of us to pull in the financial horns of this Nation. We have got to find money for national defense. Why pay out half a billion dollars in cash here when we have already paid for it in the form of grains in the hands of Commodity Credit? I just cannot see it. No more could I see it last spring when I offered my amendment. But, we are up against the guns here, Mr. Chairman. If we are going to have to find this extra $3.5 billion for national defense, why not do what we can to save Government expenditures here and there and assume our responsibility in fiscal affairs?

Mr. ANDERSEN of Minnesota. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. ANDERSEN of Minnesota. I yield to the gentleman from Iowa.

Mr. JENSEN. Like you, I am going to support this bill. I think it is a good bill. I supported the feed grain bill last spring.

Mr. Chairman, our very distinguished friend, the gentleman from Texas [Mr. POAGE], has just said that the Whitten amendment will disrupt the grain market.

Will the gentleman agree with me that if the Whitten amendment becomes the law of the land that our surpluses of grain, especially of corn and wheat and other feed grains which the amendment affects, will be materially reduced and faster—much faster—than if these payments are made?

Mr. ANDERSEN of Minnesota. In answer to the gentleman, first let me say this: Personally, I do not think I would support Mr. WHITTEN's cash amendment to the wheat section of the bill, but certainly it has a place in the feed grain section. The wheat portion of it might be difficult to operate.

The gentleman from Texas [Mr. POAGE] in his statement acknowledged that we are correct. If all of these certificates are in the hands of the Secretary and none of them have been cashed in, what difference does it make whether the Secretary puts them on the market or whether he sells that Commodity Credit wheat on the market? What is the difference between that affecting the market and this very gradual dribble of grain out of Commodity Credit stocks, to pay cash incentives to the farmers taking land out of production? I cannot see the gentleman's philosophy.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. ANDERSEN of Minnesota. I yield.

Mr. POAGE. I wish to compliment the gentleman, and if he was right I will withdraw that and correct any misapprehension the House got, but I think he was wrong.

Mr. ANDERSEN of Minnesota. I think the gentleman from Texas is one of the best friends the farmers have ever had. I want the House to know that. But I think in this instance he has convicted himself. He has acknowledged that we are right.

Mr. POAGE. Will the gentleman yield?

Mr. ANDERSEN of Minnesota. I yield.

Mr. POAGE. Now, the gentleman wanted me to tell him what the difference was between putting the certificates on the market and dribbling this money out. The difference is when you dribble it out you do not have very much effect on the market. When you put a tremendous volume of certificates on the market at one time, you break the market in the grain market just as you do in any other market.

Mr. ANDERSEN. Why, surely.

Mr. POAGE. And that is the whole crux and the whole thing here. The Whitten amendment requires these certificates all go on the market at one time; whereas, the cash payments allow the Secretary leeway and freedom as to how to put these grains on the market when they bring the best price.

Mr. ANDERSEN of Minnesota. The program which the gentleman from Texas advocates is the one which will break the market. In our program, which is designed to give these farmers the right to pull against Commodity Credit stocks, they do not pull them all the same day. Take, for instance, on our farms in Minnesota. They start feeding the cattle corn and barley. Certainly, that does not break the market. But here the Secretary today has all these certificates and he can break the market if he sees fit.

Mr. JENSEN. Will the gentleman yield?

Mr. ANDERSEN of Minnesota. I yield to the gentleman from Iowa.

Mr. JENSEN. If you will remember, Mr. Chairman and Members of the House, when the Agricultural Bill was before the House during the last session, and when Mr. ANDERSEN and I presented our substitute—that was 1960, that was last year—we received great support from both sides of the aisle. In fact, my esteemed friend, the gentleman from Texas [Mr. POAGE], came over to see us, and he said "Boys, my folks on this side like your amendment. I guess it is going to carry." He said "I do not think I am going to say anything about it."

Does the gentleman from Texas [Mr. POAGE], remember that?

Mr. POAGE. I voted for the gentleman's amendment.

Mr. JENSEN. Surely, and how could you be against the Whitten amendment today?

It is exactly the same bill.

Mr. HOEVEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if I correctly understood the gentleman from North Carolina [Mr. COOLEY], he expressed a willingness to accept the Whitten amendment, with certain reservations.

Mr. COOLEY. I told the gentleman from Mississippi I would accept the amendment as far as I was concerned if he would change the word "possible" to "practicable." That has been done. So there is no use in continuing to argue. I told the gentleman from Mississippi I would oppose all his other amendments.

Mr. HOEVEN. The acceptance of this amendment in no way indicates the chairman is approving any other amendments relating to the same subject matter?

Mr. COOLEY. Definitely not.

Mr. HOEVEN. With similar reservations and in order that we may proceed with the reading of the bill, I also agree to accept the amendment.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Chairman, over the years I have noticed that when a Member was speaking from the well of the House if he did not have order it was sometimes because he was not saying anything which was at the moment of interest to the Members, but listening carefully to the gentleman from Texas [Mr. POAGE] attempt to explain to the gentleman from California [Mr. ROOSEVELT] what the gentleman from Mississippi [Mr. WHITTEN] was saying raised some questions in my mind.

If I may have the attention of the gentleman from Mississippi [Mr. WHITTEN]. My question is: Under this legislation, whatever cost may come, will it be paid under the direction of the Secretary where as provided in Public Law 87–5, 87th Congress, which was approved

March 22, 1961, the Secretary of Agriculture was given authority to spend up to $500 million to carry out the program, and to issue an unlimited amount of negotiable certificates for the same purpose?

Mr. WHITTEN. I think so. Perhaps the legislative committee could answer that.

Mr. HOFFMAN of Michigan. The gentleman's opinion is desired.

Mr. WHITTEN. Under the terms of this bill, the Secretary can sell every bushel of everything he has in this area under Public Law 480, where we do not get a dime back and where we have to come in here and restore it dollar for dollar.

Mr. HOFFMAN of Michigan. That is the point I wanted to make. Under this bill there is no limit on what the Secretary of Agriculture can spend. I wonder if the Members of the House have thought about that. The act referred to authorized unlimited spending.

In the House corridor there came into my hands a statement issued this morning by the minority leader, the gentleman from Indiana [Mr. HALLECK], which is relevant to this question of writing legislation, the cost of which is unlimited and will be determined by the Secretary of Agriculture.

These are the words of that statement:

The need for a conclusive stand on Berlin is unquestionable. I doubt if there is a Member of Congress on either side of the aisle who will not support the necessary steps to bring this about.

However, I think most Americans will agree with me that as defense costs rise it is imperative that the Government retrench on other programs.

On May 26 at one of these press conferences I made an analysis of the unprecedented New Frontier spending and concluded with these words:

"Never in the history of our country has any administration so blindly plunged into the future with so little thought or so little preparation."

This statement was made 8 days before the famous Vienna conference at which Khrushchev handed President Kennedy his ultimatum on Berlin. Fifty-four days have passed since President Kennedy was put on notice concerning Berlin and in those 54 days the administration has not lifted one finger to halt the vastly increased domestic spending program of the New Frontier.

Two days ago the President disclosed that the Berlin crisis itself is going to cost us $3.4 billion additional. He talked about deficits. He talked about more possible defense spending. He talked about possible increased taxes.

It is easy enough to call upon the American people to make additional sacrifices—to look not at what their Government can do for them but what they can do for their Government. But we have arrived at the day of reckoning. I say it is time for the New Frontier to find out what it can do for government—sound government.

It would make a lot more sense to everyone, and certainly to the masters of the Kremlin, if this administration decided to invest our resources in preserving American security and to spend less on the innovations of some domestic political planners. A Presidential message to the Congress proposing cutbacks on domestic spending would be most appropriate.

We, of course, are determined to support any means necessary to strengthen our Berlin stand and in that President Kennedy has our firm commitment. But we insist that the President owes the American people some substantive reciprocity and while the ordinary citizen is tightening his belt, let the Government do the same.

Note again the first paragraph:

The need for a conclusive stand on Berlin is unquestionable. I doubt if there is a Member of Congress on either side of the aisle who will not support the necessary steps to bring this about.

In my judgment those words correctly express the conviction of House Members.

Likewise expressing our convictions and equally important is the second paragraph which states:

However, I think most Americans will agree with me that as defense costs rise it is imperative that the Government retrench on other programs.

This is a rich nation, a prosperous nation, but our resources, our ability to produce, however great, and they are great, are not unlimited. Yet here we are today, not yesterday or tomorrow, with proposed legislation which will require unlimited spending and which, in my judgment, is inherently bad.

Earlier today there was put in the RECORD by me an editorial from the Washington Star of July 26, which stated that:

True, Mr. Kennedy said last night that we must keep down all spending "not thoroughly justified in budget requests." He seems to think, however, that everything for which he has asked since taking office is justified, and he offers the easy assurance that "we can afford all these efforts." We disagree. As this Nation begins to prepare for the danger of war, it should be willing to cut back on those things which are not essential to this preparation. The more abundant life has great political appeal, but its maintenance is not compatible with the grim demands which Mr. Kennedy says are imposed upon us by the requirements of national survival.

In my judgment, it is axiomatic that, however great, rich, prosperous and powerful we may be, there is a limit to what we can do.

But the question now before us is whether we should adopt this program which has caused the wasting of millions—yes, billions—of dollars and will call for further waste, as I will attempt to show by my questions.

Now one question to the gentleman from Mississippi [Mr. WHITTEN]. Is it correct that the cost of storing these commodities is approximately $2 million a day?

Mr. WHITTEN. The last figure I saw was something in excess of a million dollars a day. I have not seen the $2 million figure.

Mr. HOFFMAN of Michigan. I have in mind a clipping from the Sturgis Daily Journal published in my district, dated March 24, 1960, which states that the total cost of storage for all commodities purchased by Uncle Sam comes to $1,547,000 a day.[1] A more recent clipping stated the cost to be $2 million a day. What would the gentleman estimate the cost of storage to be?

Mr. WHITTEN. I told the gentleman the last figure I heard. I have not heard of it later. But this might get rid of storage as we would have to pay dollar for dollar for what we sent overseas.

Mr. HOFFMAN of Michigan. And that wheat sent overseas costs us $2.86 a bushel. What would the gentleman's amendment mean?

Mr. WHITTEN. It would mean we would save every dollar in what the Secretary would pay out, because we give away overseas without limit.

Mr. HOFFMAN of Michigan. How much would he save?

Mr. WHITTEN. It depends on what he would spend. It is likely he would spend $750 million a year in cash, or could do so under this bill.

Mr. HOFFMAN of Michigan. What they spent under this bill would not be available for defense?

Mr. WHITTEN. It certainly would not be expended under this bill on this corn we do not need.

Mr. HOFFMAN of Michigan. I want to ask the gentleman from Minnesota [Mr. ANDERSEN], who never fails to vote for what he thinks the farmer should be paid, this question. The gentleman just said some of the surplus grain, the grain purchased by the taxpayers, was in bins and was rotting, that he saw that. How much did the gentleman see rotting—how many bushels?

Mr. ANDERSEN of Minnesota. I would estimate between 2 and 3 percent of the holdings.

Mr. HOFFMAN of Michigan. How much in bushels?

Mr. ANDERSEN of Minnesota. Two or three percent of $9 billion worth of commodities.

Mr. HOFFMAN of Michigan. I will get somebody from the Appropriations Committee to figure it out for me—how much would it be in dollars?

Mr. ANDERSEN of Minnesota. Well, 2 percent would be $180 million and 3

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[1] Sturgis Daily Journal, March 24, 1960:

STORAGE INSANITY

(Wall Street Journal)

Would you care to know how much it costs the taxpayers every day for storage of commodities Uncle Sam has on hand because of the farm program's high price supports?

Let's ease into this with two low ones: honey and tobacco. Uncle Sam pays out only $131 a day for honey and $238 a day for tobacco, which, if it indicates anything at all, suggests that people smoke nearly all the tobacco that's grown here and that the bees aren't nearly as busy as peanut farmers.

The peanut storage costs come to $6,000 a day; flaxseed and rye costs come to $7,000 each a day. Oats cost the taxpayer $15,000 a day for storage; rice $17,000 a day; soybeans, $23,000; milk and butterfat, $29,000; barley, $64,000 a day and cotton $76,000 a day.

But even these are peanuts compared to the big boys. Have a good look:

Grain sorghums cost $262,000 a day for storage.

Corn costs $444,000 a day for storage.

And wheat costs $579,000 a day for storage.

That's every day. None of these costs include what was paid by the taxpayers, through their agents, Uncle Sam, for the stuff. It's just storage costs.

Total cost of storage for all these commodities comes to $1,547,000 a day or better than $550,000,000 a year—and that, in anybody's book, is a lot to pay for storing up our harvests of insanity.

percent would be $270 million—around $250 million at least.

Mr. HOFFMAN of Michigan. There you have it. When war is anticipated in the very near future, when the President is asking for additional billions to draft additional young men, we are asked to spend unlimited millions of dollars—get that—they have admitted that—unlimited millions of dollars to buy grain that they let rot or ship abroad at an additional loss of $2.86 a bushel.

How do like it?

I just cannot, in justice to those who will do the fighting, to the young men who are being drafted, to their parents, their wives and their children, vote for legislation which admittedly is economically unsound and which its sponsors admit we had spent billions to implement but had gained nothing.

Mr. MARSHALL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there is so much harmony and unity around here at the moment that I hate to disturb it and, perhaps, I will not disturb it and at least I hope not.

Mr. Chairman, I think this debate up to this point has been pointing up some very definite things which I think concern all of us regardless of which political faith we may be; the problems we have to face as far as agriculture is concerned. When the Government accumulates stocks in the hands of the Commodity Credit Corporation, there are expenses and when those stocks accumulate to the extent that they are now, there are enormous expenses. My good friend, the gentleman from Mississippi, proposes that what we do is, we reduce production and make payment in kind. In other words, if I were a strong enough man so that I could hold all of this year's production of wheat and all the wheat we have on hand in my hand in that glass, what he would be proposing would be to cut down on the production on the farm and lower the supply in that glass. I think one of the things this has been pointing up are problems in this proposed program, and this proposed wheat program. I followed the remarks very closely yesterday. I recognize the good hard work that members of the Committee on Agriculture have put in on this bill. I do not recall anyone saying that it would put into effect a wheat bill that will be successful in pulling down the level of wheat production in this country to the necessary level by the acreage control amendment that they are proposing for this next year. In fact, somebody made the statement, if we lower the wheat production on farms to the extent we would need to, then we would have no production of wheat in the Hard Winter Wheat area. Think of the supply we have of that kind of commodity. The point has been made in explaining this program that what would happen that the payment in kind tied in with acreage reduction, you would just be taking it out of the Commodity Credit Corporation and giving it back to the farmers and the Commodity Credit Corporation would put it right back in the glass again. That would be just rotating that quantity of wheat. In this next year's program where we are talking of the 10 percent reduction of wheat and we bring our production in it is going to overflow this glass so far as wheat is concerned and it is not going to reduce it. The reason, they are saying, which I concur with, is that you can only reduce wheat to a certain extent and keep the wheat farmers in business. Heaven knows, so far as the agricultural program is concerned, it does not help American agriculture to put farmers out of business. That is one thing we ought to learn from some of our programs that we have had in the past. In order to keep these farmers in business, then we have to recognize there is a point beyond which they cannot go in making a reduction in some of these areas. What point that might be, I do not know. It does seem to me there ought to be somewhere in this agricultural picture that if a farmer actually cuts down his production on his farm, perhaps, even beyond what we are talking about here so far as acreage is concerned, and he pulls that production down on his farm, that that stock ought to come out of the Commodity Credit Corporation.

Nevertheless, you get rid of just that much production, you get rid of just that much wheat in the glass; that is what we want to do.

Mr. Chairman, I wish the House Committee on Agriculture and I wish the Secretary of Agriculture would give more credence than has been given to the proposal that the gentleman from Mississippi [Mr. WHITTEN] has made. This is not something new. I remember we introduced a bill on this very subject, but consideration has not been given to that proposal. I think, however, there is merit in this kind of proposal, and I think there is merit as long as you keep it based on production not acreage reduction.

While I am on my feet and while I may sound a bit critical of the bill, I do not intend to be because I recognize that the Committee on Agriculture, in view of some of the situations they have had to contend with, have done a remarkable job on bringing out a bill.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(By unanimous consent Mr. MARSHALL was allowed to proceed for 2 additional minutes.)

Mr. MARSHALL. I recognize that the committee has had terrific problems all along the line, but I want to say to the Members of the House with all the sincerity my words can command, that the time has long since passed when you can adjust agricultural production in this country through acreage control. You cannot do it. The figures of this year's feed grain program—and I am proud of the way that program is handled—but anyone studying statistics can find that there is some slippage in that part of the program; and when you talk about this feed grain extension that is coming up we are going to have to recognize that there is going to be that much more slippage in that kind of program.

I have the highest regard for farmers; I am one of them, but if I were back on my farm—and I will be this fall like all the rest of my farm neighbors, I am going to try to figure out some way that I can get the production up on my farm and make a reduction in acreage to take advantage of the feed grain program. So you have got to recognize that under an acreage control program on corn, wheat, or feed grains, whatever you want to talk about, you do not get a corresponding reduction in production in the acreage reduced, but you get an increase of production on the balance of the farm.

Mr. Chairman, I repeat, I hope the Secretary of Agriculture, I hope the Committee on Agriculture, will give more credence than has been given to this proposal that my good friend from Mississippi has made. I think there is a place that you can make a payment in kind where you will make a corresponding adjustment in the production on the farm, and to me it is just that simple.

The CHAIRMAN. The time of the gentleman has again expired.

The question is on the amendment offered by the gentleman from Mississippi.

The amendment was agreed to.

The Clerk read as follows:

TITLE I—SUPPLY AND PRICE STABILIZATION

Subtitle A—Formulation of commodity programs

SEC. 111. In furtherance of the declared policy of this Act, the Secretary of Agriculture shall recommend to the Congress legislation authorizing long-range stabilization programs for wheat and for feed grains not later than January 15, 1962. The Secretary shall study on a commodity-by-commodity basis the price, production, marketing, income, and other factors affecting other agricultural commodities which have a substantial effect on the farm economy, and shall recommend to the Congress legislation authorizing a specific stabilization program for any commodity whenever such program cannot be carried out under existing law and, in his judgment, is necessary in furtherance of the declared policy of this Act, is feasible, and would meet with the approval of a majority of the producers of the commodity. The programs which would be authorized by the legislation recommended to the Congress hereunder shall be formulated after consulting and advising with farmers, representatives of farm organizations, consumers, and others interested in the commodity.

Mr. QUIE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, may I ask the chairman of the Committee on Agriculture if he is going to ask unanimous consent to read all through subtitle B before amendments will be offered, so that the whole subtitle might be open for amendment? That is, the subtitle on wheat.

Mr. COOLEY. The Clerk has read to line 3, page 4.

Mr. QUIE. He is now about to read Subtitle B—1962 Wheat Program.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that subtitle B on page 4 be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Subtitle B is as follows:

SUBTITLE B—1962 WHEAT PROGRAM

SEC. 121. Section 334 of the Agricultural Adjustment Act of 1938, as amended, is

amended by inserting (1) after (c) and adding a new subparagraph (2) following subparagraph (c)(1) to read as follows:

"(2) Notwithstanding any other provision of law, each old or new farm acreage allotment for the 1962 crop of wheat as determined on the basis of a minimum national acreage allotment of 55 million acres shall be reduced by 10 per centum. In the event notices of farm acreage allotments for the 1962 crop of wheat have been mailed to farm operators prior to the effective date of this subparagraph (2), new notices showing the required reduction shall be mailed to farm operators as soon as practicable."

SEC. 122. (a) In lieu of the provisions of item (1) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(1)), the following provisions shall apply to the 1962 crop of wheat:

"(1) If a national marketing quota for wheat is in effect for the marketing year beginning July 1, 1962, farm marketing quotas shall be in effect for the crop of wheat which is normally harvested in 1962. The farm marketing quota for such crop of wheat shall be the actual production of the acreage planted to such crop of wheat on the farm less the farm marketing excess. The farm marketing excess shall be an amount equal to twice the normal yield of wheat per acre established for the farm multiplied by the number of acres of such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations prescribed by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established, the farm marketing excess shall be such actual production less the actual production of the farm wheat acreage allotment based upon the average yield per acre for the entire 1962 wheat acreage on the farm: *Provided, however,* That the farm marketing excess shall not be larger than the amount by which the actual production, so established, exceeds the normal production of the farm wheat acreage allotment."

(b) Notwithstanding the provisions of item (2) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(2)), the rate of penalty on wheat of the 1962 crop shall be 65 per centum of the parity price per bushel of wheat as of May 1, 1962.

(c) In lieu of the provisions of item (3) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(3)), the following provisions shall apply to the 1962 crop of wheat:

"(3) The farm marketing excess for wheat shall be regarded as available for marketing, and the penalty and the storage amount or amounts of wheat to be delivered to the Secretary shall be computed upon twice the normal production of the excess acreage. If the farm marketing excess so computed is adjusted downward on the basis of actual production as heretofore provided the difference between the amount of the penalty or storage computed on the basis of twice the normal production and as computed on actual production shall be returned to or allowed the producer or a corresponding adjustment made in the amount to be delivered to the Secretary if the producer elects to make such delivery. The Secretary shall issue regulations under which the farm marketing excess of wheat for the farm shall be stored or delivered to him. Upon failure to store, or deliver to the Secretary, the farm marketing excess within such time as may be determined under regulations prescribed by the Secretary the penalty computed as aforesaid shall be paid by the producer. Any wheat delivered to the Secretary hereunder shall become the property of the United States and shall be disposed of by the Secretary for relief purposes in the United States or friendly foreign countries or in such other manner as he shall determine will divert it from the normal channels of trade and commerce."

(d) Item (7) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(7)), is amended to read as follows:

"(7) A farm marketing quota on any crop of wheat shall not be applicable to any farm on which, under regulations prescribed by the Secretary, the actual acreage planted to wheat for harvest of such crop does not exceed 15 acres: *Provided, however,* That a farm marketing quota on the 1962 crop of wheat shall be applicable to any farm on which the acreage of wheat exceeds the smaller of (1) 13.5 acres, or (2) the highest number of acres actually planted to wheat on the farm for harvest in any of the calendar years 1959, 1960, or 1961."

(e) Subsection (d) of section 335 of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1335(d)), is hereby repealed effective with the 1962 crop of wheat.

SEC. 123. Price support for the 1962 crop of wheat shall be made available, as provided in section 101 of the Agricultural Act of 1949, as amended, except that price support shall be made available only to cooperators, only in the commercial wheat-producing area, and if marketing quotas are in effect for the 1962 crop of wheat, wheat of such crop shall be eligible for price support only if the producers on the farm on which the wheat is produced participate in the special 1962 wheat program formulated under section 124 to the extent prescribed by the Secretary.

SEC. 124. (a) If marketing quotas are in effect for the 1962 crop of wheat, producers on any farm in the commercial wheat-producing area shall be entitled to payments determined as provided in subsection (b) upon compliance with the conditions hereinafter prescribed:

(1) Such producers shall divert from the production of wheat an acreage on the farm equal to either (i) 10 per centum of the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961: *Provided,* That such acreage in each of such years did not exceed 15 acres, or (ii) 10 per centum of the farm acreage allotment for the 1962 crop of wheat which would be in effect except for the reduction thereof as provided in section 334 (c)(2) of the Agricultural Adjustment Act of 1938, as amended.

(2) In 1962, such diverted acreage shall be devoted to conservation uses including summer fallow, approved by the Secretary, and such measures shall be taken as the Secretary may deem appropriate to keep such diverted acreage free from insects, weeds, and rodents: *Provided,* That such diverted acreage may be devoted to castor beans, safflower, sunflower, or sesame, if designated by the Secretary, subject to the condition that no payment shall be made with respect to diverted acreage devoted to any such commodity.

(3) The total acreage of cropland on the farm in 1962 devoted to soil-conserving uses including summer fallow and idle land, but excluding the acreage diverted as provided above and acreage diverted under the special 1962 program for feed grains, shall not be less than the total average acreage of cropland devoted to soil-conserving uses including summer fallow and idle land on the farm in 1959 and 1960. Certification by the producer with respect to such acreage may be accepted as evidence of compliance with the foregoing provision. The total average acreage devoted to soil-conserving uses, including summer fallow and idle land, in 1959 and 1960 shall be subject to adjustment to the extent the Secretary determines appropriate for abnormal weather conditions or other factors affecting production, established crop-rotation practices on the farm, changes in the constitution of the farm, participation in other Federal farm programs, or to give effect to the provisions of law relating to release and reapportionment or preservation of history.

(4) If the diversion of acreage is made pursuant to the provisions of (1)(i) of this subsection (a), the actual acreage of wheat planted on the farm for harvest in 1962 shall not exceed 90 per centum of the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961; and if the diversion of acreage is made pursuant to the provisions of (1)(ii) of this subsection (a), the farm shall be in compliance with the 1962 farm wheat acreage allotment.

(b)(1) Upon compliance with the conditions prescribed in subsection (a) producers on the farm shall be entitled to payments which shall be made by Commodity Credit Corporation in cash or wheat not in excess of 50 per centum of the value, at the basic county support rate per bushel for No. 1 wheat of the 1962 crop for the county in which the farm is considered as being located for the administration of farm marketing quotas for wheat, of the number of bushels equal to the adjusted yield per acre of wheat for the farm, multiplied by the number of diverted acres other than acres devoted to castor beans, safflower, sunflower, or sesame.

(2) The adjusted yield per acre of wheat for the farm shall be determined by the Secretary on the basis of the adjusted county average yield per acre for the 1959 and 1960 crops in the county in which the farm is considered as being located, and the productivity of the farm compared with other farms in the county taking into account special cultural practices, such as summer fallow or irrigation, normally followed on the acreage diverted from wheat. To the extent that a producer proves the actual acreages and yields for the farm for the 1959 and 1960 crop years, such acreages and yields, subject to such adjustments as may be made pursuant to the foregoing authority, shall be used in making determinations. The adjusted county average yield per acre shall be the county average for 1959 and 1960, as determined by the Secretary from the latest available statistics of the Federal Government, with such adjustments as he deems appropriate to take into account abnormal factors adversely affecting production.

(3) The Secretary shall provide by regulations for the sharing of payments among producers on the farm on a fair and equitable basis. The medium of payment shall be determined by the Secretary. If payments are made in wheat, the value of the payments in cash shall be converted to wheat at the market price of wheat as determined by Commodity Credit Corporation. Wheat received as payment-in-kind may be marked without penalty but shall not be eligible for price support.

(c)(1) Producers who divert acreage on the farm under subsection (a) may divert additional acreage on the farm not in excess of the larger of three times the amount diverted under subsection (a) or such acreage as will bring the total acreage diverted to 15 acres: *Provided,* That the total acreage diverted under subsection (a) and this subsection (c) shall not exceed the larger of (i) the highest actual acreage of wheat planted on the farm for harvest for any of the years 1959, 1960, or 1961, but not to exceed 15 acres or (ii) the 1962 wheat acreage allotment.

(2) Payments shall be made with respect to the acreage diverted under this subsection (c) in accordance with the terms and conditions prescribed in subsection (a): *Provided,* That (i) 60 per centum shall be substituted for 50 per centum in computing the amount of the payment, (ii) the acreage diverted under this subsection (c) shall

be added to and deemed to be acreage diverted under subsection (a) for the purposes of paragraphs (2) and (3) of subsection (a), and (iii) if the diversion under subsection (a) is made pursuant to (1)(i) of said subsection, the actual acreage planted to wheat for harvest on the farm in 1962, shall be reduced below the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961, by the total amount of acres diverted under subsection (a) and this subsection (c), or if the diversion under subsection (a) is made pursuant to (1)(ii) of said subsection, the 1962 wheat acreage on the farm shall be reduced by the total amount of acres diverted under subsection (a) and this subsection (c) below whichever of the following acreages is the larger—

(A) the farm acreage allotment for the 1962 crop of wheat which would be in effect except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended;

(B) the highest actual acreage of wheat planted on the farm for harvest for any of the years 1959, 1960, or 1961, but not to exceed fifteen acres.

(d) Any acreage diverted from the production of wheat to conservation uses for which payment is made under the program formulated pursuant to this section shall be in addition to any acreage diverted to conservation uses for which payment is made under any other Federal program except that the foregoing shall not preclude the making of cost-sharing payments under the agricultural conservation program or the Great Plains program for conservation practices carried out on any acreage devoted to soil-conserving uses under the program formulated pursuant to this section.

(e) The Secretary may provide for adjusting any payment on account of failure to comply with the terms and conditions of the program formulated under this section.

(f) Not to exceed 50 per centum of any payment to producers under this section may be made in advance of determination of performance.

(g) The program formulated pursuant to this section may include such terms and conditions, in addition to those specifically provided for herein, as the Secretary determines are desirable to effectuate the purposes of this section.

(h) Wheat stored to avoid or postpone a marketing quota penalty under the Agricultural Adjustment Act of 1938, as amended and supplemented, shall not be released from storage for underplanting based upon acreage diverted under subsection (a) or (c) above, and in determining production of the 1962 crop of wheat for the purpose of releasing wheat from storage on account of underproduction the normal yield of the diverted acres shall be deemed to be actual production of 1962 wheat.

(i) The Secretary is authorized to promulgate such regulations as may be necessary to carry out the provisions of this section.

(j) The Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making the payments authorized herein and to pay administrative expenses necessary in carrying out this section during the period ending June 30, 1962. There is authorized to be appropriated such amounts as may be necessary thereafter to pay such administrative expenses.

SEC. 125. Section 334(e) of the Agricultural Adjustment Act of 1938, as amended, relating to increased allotments for durum wheat, is amended to read as follows:

"(e) If, with respect to the 1962 crop of wheat, the Secretary finds that the acreage allotments of farms producing durum wheat are inadequate to provide for the production of a sufficient quantity of durum wheat to satisfy the demand therefor, the wheat acreage allotment for such crop for each farm located in a county in the States of North Dakota, Minnesota, Montana, South Dakota, and California designated by the Secretary as a county which (1) is capable of producing durum wheat, and (2) has produced such wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested, shall be increased by such uniform percentage as he deems necessary to provide for such quantity. No increase shall be made under this subsection in the wheat acreage allotment of any farm for such crop if any wheat other than durum wheat is planted on such farm for such crop. Any increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and such increases shall not be considered in establishing future State, county, and farm allotments. The provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340(6)), and section 326(b) of this Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection. As used in this subsection the term 'durum wheat' means durum wheat (class II) other than the varieties known as 'Golden Ball' and 'Peliss'. Any farm receiving an increased allotment under this subsection shall not be required as a condition of eligibility for price support, or permitted, to participate in the special 1962 wheat program formulated under section 124 of the Agricultural Act of 1961."

Mr. ALBERT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ALBERT: Page 8, line 5 after "farm", insert ", except a farm on which a new farm wheat allotment is established for the 1962 crop,".

Mr. ALBERT. Mr. Chairman, the purpose of this amendment is to prevent the payment provisions of this bill from being applicable to new farm allotments. The committee never did intend this to happen anyway.

The amendment is approved and recommended by the Department of Agriculture. It was not discovered that it was necessary because we did not have in mind at the time of the consideration of this bill new farm allotments at all. I ask for the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. ALBERT].

The amendment was agreed to.

Mr. LATTA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LATTA of Ohio:

On page 4, line 13, strike the period after the word "per centum" and insert the following: ": *Provided*, That said mandatory reduction shall not apply to farms on which Soft Red Winter wheat was planted during any one of the years, 1959, 1960, or 1961."

On page 7, line 11, after the word "farm" insert the words "other than a farm on which Soft Red wheat was planted during any one of the years, 1959, 1960, or 1961."

On page 7, line 24, before the words "of such crop" insert the words "(except Soft Red Winter wheat)".

Mr. LATTA. Mr. Chairman, as was brought out during general debate yesterday, there is a real fear that should this bill pass as it is now before the House without this amendment that I am just proposing, we will have a serious shortage of Soft Red Winter wheat.

By virtue of an amendment offered by the gentleman from Virginia [Mr. JENNINGS], and adopted by the committee, the 15-acre wheat farmers now operating under the exemption could put all of their production into this program. In the case of the producers of Soft Red Winter wheat, that would mean that 696,000 of the 801,000 producers now producing Soft Red Winter wheat would be eligible to put all of their production into this program. Our carryover of Soft Red Winter wheat was only 13 million bushels as of June 30, 1961; a 1-month supply. Our total production was only 199 million bushels, and if they only take the 10 percent cut provided in the bill, we will come up with a 6.9 million bushel shortage. With 696,000 of the 801,000 Soft Red wheat producers eligible to go into this program, we might end up with a tremendous shortage of this type of wheat. And, as was pointed out in general debate yesterday, this wheat is used for the making of pastries, crackers, cookies, and so forth, and is not in competition with the hard variety.

In order to permit these producers to come into this program under the Jennings amendment, I have attempted to offer a compromise which I am sure will be agreeable to the gentleman from Virginia, which would provide that the producers of Soft Red Winter wheat not coming into the program not be required to take the first 10-percent mandatory reduction.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Virginia.

Mr. JENNINGS. First I want to hasten to say that I do not agree with the gentleman to the effect that we will possibly have a shortage of Soft Red Winter wheat, but I will present that at a later time. As I understand your amendment, you do not prohibit these 15-acre producers or those who produce less than 10 acres from coming under the program if they so desire.

Mr. LATTA. That is right.

Mr. JENNINGS. They may continue to produce the 15 acres of wheat without taking the 10-percent reduction, but if they do not take the 10-percent reduction, then, naturally, they certainly do not get paid for that 10 percent?

Mr. LATTA. That is correct.

Mr. JENNINGS. But there is nothing that would prohibit them from putting in their entire acreage if they so desire?

Mr. LATTA. That is correct.

Mr. JENNINGS. So, in effect, you are giving them freedom of choice of remaining in the program entirely, if they desire, and include their entire acreage?

Mr. LATTA. The gentleman has analyzed the situation correctly.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Now, the gentleman is not limiting his amendment to those

who have heretofore been exempt; namely, those with less than 15 acres?

Mr. LATTA. That is correct. I am not limiting the amendment to the 15-acre farmers, because I am fearful that complete participation in this program by the 15-acre farmers will cause a terrific shortage. I might say that the Department of Agriculture testified before our committee and expressed the fear that we might have a shortage, and in order to attempt to offset this possibility of a shortage of this type of wheat, we must adopt this amendment.

Mr. ALBERT. The gentleman intends by his amendment that any producer of Soft Red Winter wheat who takes advantage of this proviso and this exemption from the law is not offered price supports?

Mr. LATTA. That is correct.

Mr. ALBERT. Or any other benefits under the program?

Mr. LATTA. He is either in the program or he is out.

Mr. ALBERT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there is, perhaps, merit to this amendment with respect to the small producer, but I seriously doubt the wisdom of extending this provision to those who produce more than 15 acres.

We have had a great many telegrams from millers and bakers and others saying that there is a possibility of a shortage, or there might be a shortage, of Soft Red Winter wheat. The fact remains, however, that we have been shipping this wheat overseas under highly subsidized payments. Under this bill, if there is any surplus above domestic consumption, we will ship this kind of wheat abroad at a subsidy on dollar sales of up to 80 cents a bushel for every bushel sold.

In this case of Soft Red Winter wheat, we produce some 195 to 200 million bushels per year and only consume in the continental United States about 135 million bushels.

I would like, in that connection since Members have been receiving telegrams from millers and others, to quote from the former Assistant Secretary of Agriculture, Mr. Marvin McLain, who was a student of this subject, who testified before our subcommittee 2 years ago on a similar proposition. He said this:

> I get it from the Durum people and then the Soft Red people and then the Soft White people—to hear people talk of all kinds of wheat at certain times during the year. And the reason is obvious. Most people that use wheat want to get ample supplies right where they want them, when they want them, and at a price they want to pay for them. And you cannot criticize the miller for wanting to do that. I would say this about the Soft Red millers' statement that they made. I have a copy of the wire that came to you.

Meaning me; I was the chairman of the subcommittee.

> The July 1, 1959, carryover stocks of Soft Red wheat will be relatively low. But let me point out to you that when the Secretary (meaning Secretary Benson) and I sat before this very committee within the last 30 days, another member of this committee was trying to chastise the Department because we had cut off exports of Soft Red Winter wheat under Public Law 480. He thought we ought to be moving it out under Public Law 480.

Continuing the quotation:

> Well, this is the problem that you have in trying to manage an inventory where everybody that wants to use the wheat feels that there isn't a surplus of their kind. But the fact remains that we have got about 1,300 million bushels of it.

That was 2 years ago. Today we have over 1,400 million bushels of surplus in Commodity Credit Corporation stocks.

Mr. Chairman, the Soft wheat millers were telling us then that we were going to have a shortage. Since that time we have been shipping such wheat overseas at the rate of 25 to 50 million bushels a year at highly subsidized rates.

Mr. Chairman, while I would not oppose this amendment if it were limited to the 15-acre exemption, this in my opinion is a bonanza for the Soft wheat producer that is not justified in view of the cuts we are asking other wheat producers to take, and in view of the supply situation in the hands of the Commodity Credit Corporation.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Virginia.

Mr. JENNINGS. Mr. Chairman, these figures pertaining to the Soft Red Winter wheat are the latest. It is estimated that we will produce 199 million bushels of Soft Red Winter wheat this year. We had a 13-million-bushel carryover. Let us look at the disappearance. Let us look at some of the uses. That means we will have 212 million bushels of Soft Red Winter wheat to use in this coming year.

Mr. ALBERT. The gentleman is correct.

Mr. JENNINGS. Looking at the past years, the maximum that we have used domestically has been 137 million bushels.

Mr. ALBERT. That is right.

Mr. JENNINGS. Last year we used only 131 million bushels. Now, what about the exports? Last year of Soft Red Winter wheat we exported 56 million bushels. Approximately 50 percent of that Soft Red Winter wheat was exported under Public Law 480. It means it was sold for soft currencies, so there is no shortage.

Mr. ALBERT. I cannot yield further. What the gentleman is saying is true. Our estimated production is about 200 million bushels. We need 135 million bushels for the next year for domestic consumption. We have that coming out of the present crop, plus 65 million bushels. Do we want that 65 million bushels to get special treatment? Do we want it sold overseas? If the gentleman wants to offer an amendment to prohibit the shipment of excess Soft Red Winter wheat under Public Law 480 or under highly subsidized dollar sales, I will accept his amendment.

Mr. HARVEY of Indiana. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think it is fair to follow up the very good discussion that we have had here concerning the merits of this amendment. Permit me to say I expect to support it because I think it is a good amendment.

One of the great problems that has confronted the wheat producers of this country, and I am talking about the real wheatgrowers west of the Mississippi, has been the conflict of interest that has been brought into the pattern by the producers of my State, Illinois, Ohio, Pennsylvania, and a few others. Those States use wheat primarily as a rotation crop. To that extent, as they have been compelled to change their rotation, they get very aggravated because they know quite well that all of this folderol, as they label it, has been to try to limit a crop that has not been in surplus production.

The point was made that we are putting a subsidy on a certain amount of the export of this particular type of wheat. This particular market for wheat has had a longtime outlet. It goes to certain countries in Western Europe; a good deal of it actually goes to Yugoslavia. I am not going to get into a debate about whether we ought to be sending wheat to Yugoslavia, but that is the truth of the matter. I do not think this is any place to start complicating an amendment that has a great deal of merit by adopting a proviso of this kind that affects such a small percentage of production. I very much favor this amendment. I think it will be a great help in the long run to the wheatgrowers in the West, who in most cases would like to have this area out of their hair, so to speak.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. HARVEY of Indiana. I yield to the gentleman from Illinois.

Mr. ARENDS. Mr. Chairman, when legislation concerning wheat is before the Congress, most of us are prone to oversimplify and thereby to mislead ourselves, for we tend to consider all wheat as if it were all the same kind of product, and as if all types of wheat were in the same supply situation.

Because we do so oversimplify, and because we are so shortly to legislate in this area, I want briefly to discuss several broad questions in order to present some key facts which we seem to ignore each year when we legislate in this area.

First, I point to the fact that year after year various wheat proposals have had essentially the same design—to raise the price of wheat and to reduce the surplus either by curtailing acreages or by reducing market quotas by 10 to 30 percent. These would be farm-by-farm reductions, all across the Nation. At first thought this approach has seemed fair and sensible, but when the wheat situation is examined more closely, we discover that the handling of wheat problems in this across-the-board fashion can adversely affect both the producers and the consumers of certain specific types of wheat.

The point is, there are not one, but five types of wheat grown in the United States, each with a supply-demand-surplus situation different from the others. We can find clear illustrations of this in the 3 crop years of 1958, 1959, and 1960. The comparative carryover stocks

are for July 1, 1958, and estimated July 1, 1961.

So let us take, first, a crop known as Soft Red wheat. During these 3 years—1958 through 1960—our country produced some 550 million bushels of Soft Red wheat. Domestically, we used 73 percent of this production, and we exported 26 percent. July 1 carryover stocks increased from 6 to 13 million bushels, which is, relatively speaking, an insignificant quantity. As of April 1 of this year, CCC owned only 1 million bushels of Soft Red wheat.

Next, take Durum wheat. In the 3-year period mentioned, our country produced about 77 million bushels of this crop, but domestic use approximated 82 million bushels—in other words, we used more than we produced in this period. July carryover stocks of this wheat went down from 25 to 13 million bushels, and as of April 1, 1961, CCC owned no Durum at all.

Now for Hard Red Winter wheat. This production during the 3-year period was about 2,250 million bushels. Domestically, we used about 34 percent of this production, and we exported 44 percent. As a result, yearend carryover stocks skyrocketed, rising from 613 to 1,118 million bushels. On April 1, 1961, CCC owned 817 million bushels of this type of wheat.

Next, let us check Hard Red Spring wheat. This production was about 570 million bushels. Of this, 75 percent was consumed domestically and about 24 percent was exported. Carryover stocks increased from 203 to 235 million bushels. CCC stock as of April 1, 1961, was 178 million bushels.

Finally, we come to Soft White wheat. This production during the 3-year period was 500 million bushels. About 29 percent was consumed domestically and 70 percent was exported. Carryover stocks increased only 1 million bushels—from 34 to 35 million. As of April 1, 1961, CCC stock was 42 million bushels.

It is important to understand that these five wheat types are grown in different geographic areas. The individual farmer does not grow this or that type of wheat by choice; rather, he grows the crop dictated by the climate and soil conditions in his farming area. Nevertheless, we talk of cutting wheat acreage allotments farm by farm by 10 percent, reducing the production of each type of wheat by the same amount.

The trouble with this is the supply-demand-surplus difference I have just described. I have shown that our huge wheat surplus is concentrated in the hard wheats. These are the ones used for breadmaking. But we have no surplus of Soft Red wheat or of Durum wheat, and if we sharply cut their production we will undercut historical domestic consumption. Both of these wheats have well-defined and long-established uses. Soft Red wheat, for example, is needed for many quality cake flours. Durum is needed for macaroni and spaghetti. In certain of these uses the other wheats cannot be substituted satisfactorily or economically. So proposals to reduce acreage proportionally the same, farm by farm, regardless of the type of wheat grown, can critically injure those who convert Soft Red and Durum wheats into consumer products. If we should do this, we can make it difficult, and perhaps impossible, to maintain finished product quality, and we can compel a serious shortfall in the quantity of the products being made. As a result, the effects of wheat legislation we hear about these days may go far beyond the aim of increasing wheat prices. The result may be severely to harm the consumer as well as the producers of various widely used products. I question most seriously whether these effects on Soft Red and Durum users have been weighed adequately, especially when I hear that the new wheat bill will allow the 15-acre producers to retire all of their production if they wish. I understand that this provision is opposed by the Department precisely on the grounds I have been setting forth—that such action could produce a critical shortage of Soft Red wheat. The same approach applies, I suggest, to the proposed compulsory 10-percent acreage reduction.

We should also consider the individual grower's position. The Soft Red wheat producer in the eastern part of the country and the Durum producer of North Dakota have grown wheat for many years and have evidently believed it profitable and desirable to do so. These growers have produced marketable crops. Now they are to be told to reduce their acreage. And why? In order to reduce a surplus not of the kind of wheat that they grow, but rather they would cut their nonsurplus wheat in order to reduce the heavy surplus of other types of wheat. This simply makes no sense. The acreage cuts should be borne by those who produce the wheat in surplus rather than by those whose crops are not in surplus.

Some proposals would even cut Soft Red wheat acreage more sharply than hard wheat acreage. This would be done by eliminating or drastically reducing the 15-acre minimum allotment per farm. What is overlooked here is that a large proportion of Soft Red wheat production has been grown under the 15-acre provision as compared with the production of other wheats. And, as I indicated earlier, the new legislation would allow the obliteration of the 15-acre production, as if the surplus were coming from this source rather than from the hard wheats.

To sum up, we need to realize that legislation designed to reduce the huge wheat surplus can work real hardships upon the producer and consumer of two wheat types that are not in surplus. I think we would rightly be severely criticized if we should approve any such legislation. At the least, we need to make sure that the proposals will not deal harshly or unrealistically with the Soft Red and Durum wheat. Lacking this assurance, the legislation should be amended to make it make sense in respect to these crops.

Soft Red Winter wheat data

1959 farms planting wheat:

Over 15 acres	584,000
Under 15 acres	700,000
Total	1,284,000

There are an additional 500,000 farms classed as wheat farms and under 15 acres that did not raise wheat in 1959.

The 700,000 small farms above produced about 230 million bushels of wheat in 1959 or about 7.6 million acres. About half of the production was Soft Red Winter wheat. The 1959 small farm production, according to USDA, is about as it has been for 20 years.

Winter wheat acreage of Soft Red Winter wheat States

State	Planted acreage (thousands)		1961 production (million bushels)	
	1960	1961	Winter wheat	Soft Red Winter
Ohio	1,465	1,480	50.0	----------
Missouri [1]	1,517	1,517	37.6	----------
Indiana	1,253	1,201	40.6	----------
Illinois [1]	1,635	1,766	46.2	----------
Pennsylvania [2]	546	530	15.8	----------
North Carolina	368	438	8.0	----------
Virginia	277	277	6.7	----------
Kentucky	247	252	4.8	----------
Tennessee	158	171	3.3	----------
Maryland	158	149	4.3	----------
South Carolina	132	145	2.9	----------
Georgia	92	92	2.0	----------
West Virginia	32	30	.7	----------
New York [2]	266	263	7.4	----------
Michigan [3]	1,088	1,110	33.6	----------
Total	9,234	9,511	263.9	[4] 193.0

[1] Include significant percentage of acreage sown to Hard Red Winter wheat.
[2] Include significant percentage of acreage sown to White wheat.
[3] Approximately 15 percent of acreage shown is Soft Red Winter.
[4] Estimated total U.S. production.

Mr. AVERY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, those Members who heard me address the House yesterday heard me state that those of us representing the historical wheat producing area feel generally that the 15-acre farmer has pirated part of the wheat production that traditionally belongs to the Middle West. We feel he has trespassed, if you please, on an industry that historically belongs to the Middle West. Even if that were not the case, I think this amendment should be defeated. Despite the intention of the gentleman from Ohio, the language of his amendment, and I would refer this language to the chairman of the wheat subcommittee, as I read it, would permit all farmers that planted even 1 acre to Soft Red Winter wheat would be taken out of the program and released from the mandatory 10-percent reduction. That may not have been the intention, but I am sure that is the only construction that can be put on this.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Chairman, I would like the author of the amendment to correct me if I am wrong. But, as I see it, this does not limit the farmer to the highest acreage planted during any one

of these years. If the farmer planted 1 acre in any one of these years, the 15-acre exemption is complete and that is all there is to it. He can plant 15 acres; is that right? Does the gentleman intend to convey that meaning in this language?

Mr. LATTA. Insofar as the 15-acre farmer is concerned, he could continue under this amendment to plant his 15 acres.

Mr. ALBERT. If he planted 15 acres or if he planted 5 acres or 1 acre; what would happen?

Mr. LATTA. The 15-acre exemption, as it exists today, would continue.

Mr. ALBERT. Provided he planted 1 acre during any one of the base years? Mr. Chairman, the gentleman's amendment goes much further than I thought it did.

Mr. AVERY. Mr. Chairman, the explanation of the gentleman from Ohio should further convince the House this afternoon, that this amendment must be defeated because, as I say, I am not sure what the gentleman had in mind, but certainly it goes far beyond the explanation that he gave to the House, as I understood it.

Mr. BREEDING. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Kansas.

Mr. BREEDING. The way the gentleman has explained this amendment, as I see it, means only one thing, that America will produce millions more bushels of wheat under this amendment, and we already have more wheat than we can use.

Mr. AVERY. It would appear so to me, and it would appear further it would mean that even though the producers of Soft Red Winter wheat would like to participate under Public Law 480 program, they would also like to be removed from the obligation to reduce their acres, as would be required of everybody else.

Mr. BREEDING. I would like to say, I oppose this amendment.

Mr. Chairman, I come from the greatest wheat producing State of the Nation, Kansas, where our farm factories are only allowed to run from about 30 to 40 percent of their efficiency, and any of you from that farm area can verify that statement. Our units necessarily must be quite large. In my immediate area, the most profitable farm is around 500 to 1,300 acres according to the farm management report, with only about a third or less of the productivity available to pay costs. You can readily see what we are up against.

The trend of farm income has been downward for several years. We note that the farm population is decreasing. We also know that there is an excess of labor of perhaps 6 million persons or more. If 2 million farmers had not left the farm in the last 10 years, I would ask you if that labor excess, would be as large as it is today. Operating costs continue to rise and are largely fixed. The general price spread between farm income and outgo continues to increase in width.

Low farm income and high operating costs stimulate increased production. The farmer has increased his efficiency by about 83 percent since 1940, in order to have enough production and enough dollars to pay the cost of operation. Off-farm efficiency has increased only about 35 percent in the same period. The per capita income of the farmers of America today is approximately $1,000 per year. Off the farm per capita income is a little more than $2,000 per year.

Hourly wages of farmers today is in the neighborhood of 80 cents per hour. The cheapest off-the-farm labor is approximately $2 per hour.

The selling price of farm commodities has little or no effect on the price the consumer pays. To illustrate, the farm value of the cotton that goes into a suit of overalls is 65 cents; the retail price is $3.30. If the farmer donated the cotton the retail price would be $2.65. I have a list of other articles here on the same basis, so we could increase the cost of farm products materially without greatly increasing the cost of food and other costs to the consuming public. A work shirt would sell at $1.35 if the farmer gave away his cotton crop.

In 1951, farmers received $20.2 billion for producing food that cost the consumer $43 billion. In 1957, farmers received $19.5 billion for producing about 11 percent more food that cost consumers $50.4 billion. Thus the consumer paid $7.4 billion more and farmers received $700 million less for about 11 percent more food.

Between 1947 and 1957 the cost of the family food basket increased $243, and $130 of that was labor cost after it left the farm.

Between 1948 and 1957, our wheat prices dropped 29 percent; bread prices increased 39 percent.

We hear a great deal about farm subsidy. Actually the farmers receive only $5 out of each $1,000 of subsidy appropriated by the Federal Government.

The farmer has been subsidizing the consumer at the rate of about $5 billion annually, mostly because his selling price is below parity.

How long could any legitimate business last if they took what the consumer thought the commodity was worth and had no control of the cost of the commodity. More people should try it to appreciate the farm squeeze.

The consumer should appreciate and respond to favorable legislation due to the fact that his food cost is less today for an hour's work, much less than it was in 1929. For instance, in 1929, 6.4 loaves of bread could be bought for an hour's work; in 1957, 11 loaves could be bought; so it seems to me that the consumer, the laboring man in particular, should not complain of that.

We hear a great deal about retiring everybody at 45 years of age. Farmers do not hardly get started until they are 45 years of age.

The farmer is on call 24 hours a day, 7 days a week. Their home is their office. And his whole family is involved. The farmer's wife is the bookkeeper, cook, gardner, babysitter, scrub woman, raises the family, does the laundry, goes to the field in rush season, is public relations representative for the business, answers the telephone, cosigns the mortgage, is guardian of the family budget, works for nothing and boards herself, all to help her husband earn less per hour than the minimum wage. The average age of the farmer today is 55 years. It takes $15,000 to $30,000 for a young man to start in farming today on a unit large enough to be efficient in my area.

I am frequently asked by young people "How can I go into farming?" I tell them, "You cannot go to farming unless you inherit it, you marry it, or you find some elderly man who wants to give you a good job, or do you a good turn."

Another thing that is hurting the farmer, when he borrows a dollar—or a hundred dollars, it is worth a hundred cents on the dollar. If he only walks across the street and attempts to pay his bills, he has got to do it with approximatey 40 cents on the dollar, the inflated value today. Is it any wonder that it make a cost-price squeeze, merely from that one standpoint. I see no reason and I have found no evidence anywhere that the Americans can violate economic laws and I think there is no manmade or God-given law that says this Nation is any different than any other that ever existed, and every nation that has allowed its agriculture to decay has long since gone from the picture.

Mr. Chairman, although I do not think that this bill is the final answer to all farm problems I am in favor of H.R. 8230 and I hope it receives favorable consideration in this body.

Mr. DOLE. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Kansas.

Mr. DOLE. Mr. Chairman, it is rather difficult to say we have a shortage of Soft Red Winter wheat when we export about one-third of the crop every year.

Mr. AVERY. Of course, I would reply to the gentleman and I would say, if we take this amendment, it should be amended further so that no more Soft Red Winter wheat can be exported under Public Law 480 or other export subsidy program. That prohibition would prevent the shortage about which the gentleman from Ohio is concerned.

Mr. DOLE. It would appear to me to be one of the many efforts which have been made here today to discriminate against the Hard Red Winter wheat producers in the traditional wheat-producing areas.

Mr. AVERY. I can put no other construction on the amendment.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Oklahoma.

Mr. BELCHER. If there is an emergency, it has been caused by subsidizing foreign exports and by giving away about 50 million bushels a year under Public Law 480. If there is a shortage of wheat in this country, there is certainly no sense in giving away 56 million bushels or subsidizing to the extent of about 80 cents a bushel the wheat that is exported.

These people who use these 15 acres for winter wheat do not use it for crop rotation purposes in my district; they use it to buy groceries with. That is an important part of their income. We do not use it, as people know, to take some other crop out of production but because that is the only means of livelihood we had.

If there is an emergency, and if they are in earnest in telling the House that there is an emergency, they will certainly have no objection whatsoever to giving up their rights under Public Law 480 or the 80 cents a bushel subsidy that they are going to get on this wheat by increasing this overproduction if they are taken completely out from under the 15-acre exemption.

Mr. AVERY. I certainly agree with the gentleman from Oklahoma, and I might add that I think this is probably just a trial balloon on the part of the Soft Red Winter wheatgrowers. If they succeed in getting preferential treatment under this amendment then every other variety of wheat will be here asking for special treatment. We cannot write special legislation for each variety of wheat that is produced in the United States.

Mr. LATTA. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I notice that the opposition to this amendment comes from the Hard wheat areas. This was expected; but they fail to point out to you that their Hard wheat is not in competition, as far as use is concerned, with the Soft wheat; they are not used for the same purposes; they are not grown in the same area. They fail to point out to the Members of the House as far as exports are concerned that last year they exported 436 million bushels of Hard Red Winter wheat. They exported 40 million bushels of Hard Red Spring wheat.

They failed to point out that they had a carryover on June 30, 1961, of Hard Red Winter wheat of 1,118 million bushels. They failed to point out that they had a carryover of Hard Red Spring wheat of 235 million bushels. They failed to point these things out to you, and I think it is well for the people who are representing consumer districts to take cognizance of this amendment, because there are going to be a lot of red-faced Members of Congress if we turn up short of this type of wheat and the kids throughout the country do not have their cookies, and we do not have our pastries. That might sound funny to the people from the Hard wheat areas who have been attempting for a long time to do away with this 15-acre exemption, but the way this bill stands right now it cuts too deep. Something should be done. I believe this is a fair amendment. Under this amendment a producer can go into the program just as it is now if he wants to or he can stay out if he wants to. There is no price support to this producer. I think we have made a good compromise, and I hope the House will adopt this amendment and assure a supply of this type of wheat.

Mr. POAGE. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I wonder if I might have the attention of the gentleman from Ohio [Mr. LATTA]. Would the gentleman from Ohio be willing to provide in his amendment that none of this Soft Red Winter wheat shall be eligible for export under Public Law 480 or under any other subsidy program?

Mr. LATTA. I absolutely would not until the producers of Hard Red Winter wheat and Hard Red Spring wheat are willing to do likewise.

Mr. POAGE. I think that the gentleman's answer shows the nub of the whole discussion. The whole theory on which he asks for this exemption is that there is danger that some child is going to be denied his cookies, or some man around town may be denied his pretzels, because that is what they use this wheat for. It is certainly obvious there is absolutely no control and cannot be any surplus of Soft Red Winter wheat unless we are going to use it in export, and every bushel we use in export costs us from 60 to 70 cents a bushel. Every one of the 56 million bushels that went to export cost the taxpayers around a dollar before we paid all the costs.

There were 22 million bushels of this soft wheat sent out of the country under Public Law 480. That was a total loss to the U.S. Government. With all of that there were still 13 million bushels of surplus soft wheat produced last year after sending all of that abroad at a fantastic cost to the U.S. Government.

Bear in mind I have asked the gentleman if he would be willing to stop exporting this wheat, and he said "No." When he stated "No," he proves conclusively what he is trying to do is to raise this Soft wheat for export at a cost of 70 cents and more per bushel to the United States. If you want to subsidize somebody in growing something simply to export an unneeded surplus and to give away 22 million bushels for which we do not have any posible use in the United States and still wind up with 13 million bushels of surplus, then you will be concerned with the gentleman's amendment. If you are only seriously concerned with preventing a shortage in the United States, you will observe the figures and see that within the last 10 years there has never been a year when we have not produced something like 70 million bushels more of this wheat than we have used in the United States. When we are producing that kind of surplus every year, it does not seem to me one can come in here and cry with sincerity that we are about to face a shortage.

As a matter of fact, the gentleman complains that there is a great need for or possibly a shortage of this Soft wheat. When there is a shortge, the market reacts and the shortage shows up in higher prices in the market. Do you know that Hard Red Winter wheat has been selling for 10 to 20 cents a bushel more than Soft Red Winter wheat? Do you know the market has been paying a premium on Hard Red Winter wheat over and above the Soft Red Winter wheat? If you do not know it, go read the newspaper and you will find that out.

The gentleman is trying to sell us a bill of goods. If we buy it we are going to buy for every other commodity that we have and we are going to wreck all of our efforts to try to control the production of unneeded surpluses of wheat.

Before you vote for this amendment bear in mind what the gentleman has told you, that we have 1,400 million bushels of wheat in storage and it is costing the U.S. Government close to a billion dollars a year to carry that wheat. If you want to continue that sort of program and increase the surplus, you as a consumer and you as a taxpayer are concerned with it. But if you want to make a start, and stop the buildup of these stupendous surpluses, you have to do it by passing this kind of bill.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Oklahoma.

Mr. BELCHER. What the gentleman wants to do is this: He still wants to export wheat under a 70- or 80-cent commercial subsidy; he wants us to give away wheat under Public Law 480; he wants this farmer to be permitted to raise more wheat than he has been raising in the present program; he wants all of the benefits of this program without suffering any of the reductions that the wheatgrowers have today.

Mr. POAGE. It is a case of eat your cake and have a little icing on it too, and have some ice cream along with it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. LATTA].

The question was taken; and on a division (demanded by Mr. LATTA) there were—ayes 69, noes 107.

So the amendment was rejected.

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE:

Page 14, lines 24 and 25, strike "relating to increased allotments for durum wheat,".

Page 15, line 2, after the words "acreage allotments" insert the words "or farm marketing quota exemptions."

Page 15, line 3, strike the words "durum wheat" and insert the words "any class, subclass or type of wheat having distinct marketing characteristics."

Page 15, line 4, strike "durum" and insert "such."

Page 15, line 5, after the words "acreage allotment" insert the words "or farm marketing quota exemption."

Page 15, lines 6 and 7, strike the words "in the States of North Dakota, Minnesota, Montana, South Dakota, and California" and insert the words "within the commercial wheat producing area."

Page 15, line 9, strike "durum" and insert "such."

Page 15, line 16, strike "durum" and insert after the word "wheat" the words "exempted under this subsection."

Page 16, line 2, strike all of line 2, all of line 3 and line 4 through the word "Pelis."

Mr. QUIE. Mr. Chairman, I will read the language the way it will appear if this amendment is adopted.

If, with respect to the 1962 crop of wheat, the Secretary finds that the acreage allotments or farm marketing quota exemptions of farms producing any class, subclass or type of wheat having distinct marketing characteristics are inadequate to provide for

the production of a sufficient quantity of such wheat to satisfy the demand therefor, the wheat acreage allotment or farm marketing quota exemption for such crop for each farm located in a county within the commercial wheat producing area designed by the Secretary as a county which (1) is capable of producing such wheat, and (2) has produced such wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested, shall be increased by such uniform percentage as he deems necessary to provide for such quantity. No increase shall be made under this subsection in the wheat acreage allotment of any farm for such crop if any wheat other than wheat exempted under this subsection is planted on such farm for such crop. Any increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and such increases shall not be considered in establishing future State, county, and farm allotments. The provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340(6)), and section 326(b) of this Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection.

This amendment in one way goes further than the Latta amendment but in another way not as far. It goes further because it includes all the types or classes of wheat which might be in short supply. It does not go as far because it allows the Secretary of Agriculture to make a designation of whether any of these commodities are in short supply or not and permits an exemption in case they are. The people of Michigan and western New York should be interested in this because White wheat is produced in those two areas of the country. This wheat is used by biscuit and cracker makers. And, there is a possibility that this type of wheat might be in short supply if my amendment is not adopted.

Also in the area of North Dakota, western Minnesota, South Dakota, and Montana, where the big drought has occurred this year, the production of Hard Red Spring wheat has gone way down. In order to give you an idea, the crop estimate in July 1961, shows that the indicated production of that commodity this year will be 126 million bushels. The average for 1950 to 1959 was 230 million bushels. That means there was more than a 100 million bushel decrease.

Mr. Chairman, there is a supply of this commodity in storage, but this is a Hard high-protein wheat which has a good baking quality. This year the Hard Red Winter wheat that is produced in Kansas and the areas of the Southwest has such a low protein content that the millers have to mix the Hard Red Spring wheat with it in order to get the protein content which is necessary. This will have the effect of reducing even further the Hard Red Spring wheat supplies.

Mr. Chairman, there is a possibility that it might be dangerous for the reduction in production to occur in the Dakotas and in the Northwest areas. Also in the White wheat area in Washington there was very little overproduction. In order to give you an idea what the overproduction is like, the carryover of different stocks of wheat are tremendously different, and if we have gone on the assumption that wheat is wheat, this can be dispelled by quotation of these figures. Taking the percentage of carryover as it applies to the use each year with reference to Hard Red Winter wheat, we have now in surplus enough to supply 246 percent of the amount that is used domestically and in export each year. Of the Hard Red Spring wheat, this amounts to 129 percent. Of the Durum wheat for which this bill provides an exemption, there is 58 percent of the normal usage in storage. But of the White wheat there is only 19 percent, and of the Soft Red Winter wheat there is only 7 percent.

Mr. Chairman, let us look further at this prospective carryover of 1.425 bushels of wheat of all classes. Eighty percent of this is the Hard Red Winter wheat; 16 percent is the Hard Red Spring wheat, 2 percent is in the White wheat, and the Soft Red Winter wheat that the gentleman from Ohio [Mr. LATTA] was talking about, and Durum wheat for which this bill provides an exemption, only about 1 percent each.

This shows why the Secretary of Agriculture should be given discretion to exempt farmers from the 10-percent mandatory reduction, if he sees fit, and to exempt them from reducing their acres from the 15-acre exemption that now exists.

Mr. Chairman, we need this amendment, because it will prevent the danger in this country of finding ourselves in a short supply of any class or type of wheat.

Mr. ALBERT. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ALBERT of Oklahoma to the amendment offered by Mr. QUIE of Minnesota: After "area", insert: "Provided that no allotment shall be exempt from reduction of such farm marketing quota exemption if wheat of any class, other than the exempt class, planted on the farm for harvest in 1962, and provided further that no farm which is exempt from acreage reductions hereunder shall be permitted to participate in such special wheat program, and provided further that if any such farm marketing quota exemptions are extended to any class of wheat, no export subsidy shall be paid on export sales of such class of wheat made after the date of the Secretary's determination to exempt such class and before the end of the marketing year for the 1962 crop of wheat."

Mr. ALBERT. Mr. Chairman, it seems to me in all honesty that if an amendment of the kind offered by my good friend, who was kind enough to give me a copy of his amendment earlier today, is to be seriously considered by this House, we should also take out all of the Government subsidies which are attached to that class of wheat which is thus exempt from the provisions of this bill.

I have here a statement of the supply and disposition situation with reference to all classes of wheat, prepared within the last few days by the Department of Agriculture. Wheat utilization. The gentleman mentioned Hard Spring wheat. We shipped 48 million bushels overseas in 1961. White wheat, 130 million bushels shipped overseas, every bushel of which was subsidized.

I recognize there has been a drought in some areas, but the same situation holds with regard to estimates on the present crop. We have an estimate that with the crop we are going to harvest in a few weeks there will be Hard Red Winter wheat shipments overseas. White wheat, 100 million bushels will be shipped overseas.

It seems to me if we are going to require the wheat growers of my friend and colleague (Mr. BELCHER) or the wheat growers of Colorado, or Nebraska, or Texas to take these mandatory cuts, and if we are going to exempt others from taking those cuts, then those who are exempted because of shortages should be willing to make it impossible to add to such shortages by sending more wheat overseas.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Oklahoma.

Mr. BELCHER. The only encouraging thing I hear in this discussion this afternoon is that there is a possibility of a shortage in some kind of agricultural commodity. In the 11 years I have served on the Committee on Agriculture there has never been 1 single day that anybody has ever admitted we have had a shortage of anything. I think it is really encouraging that somebody is concerned about having shortages in this country, at the very time we are having to give away millions and millions of bushels of these commodities, subsidize the export of them, and then beg countries to take them free of charge, with us paying the freight.

If we are concerned about Durum wheat and Red Winter wheat, and so forth, I know they are going to be glad to give up this subsidy that we have had, so that they can continue to raise it. I hope the gentleman from Oklahoma will yield to the author of this amendment. I am sure that, fairmined as he is, he will accept the amendment.

Mr. ALBERT. If the gentleman will accept the amendment, I will yield.

Mr. QUIE. I will not accept the amendment, but——

Mr. ALBERT. Otherwise I want to make another statement.

This I understand is left to the discretion of the Secretary. Is there anybody in this House who wants to leave to the discretion of the Secretary an authority broad enough to cover the entire wheat economy of this country? We have done this in relation to minor types of wheat, but here you cover two of the great varieties of wheat, the supply of which has an impact on the price of every bushel of wheat produced anywhere in the United States. Do we want the Secretary to have that authority? If we do, do you not think we ought to say to the Secretary, "You are going to have to use this sparingly. If you are going to send this White wheat across the ocean you are going to have to let the market price pay for it and not subsidize it to the tune of 80 cents a bushel."

Why should we have to pay to have extra wheat produced that we do not need?

Mr. BREEDING. Mr. Chairman, I rise to oppose the pending amendment. I am opposed to giving the secretary authority to treating different classes of wheat differentiy under this bill. This amendment was offered in the committee. It was defeated. I urge this House to stand by the committee.

The committee did recommend that the Secretary be given discretionary authority to come to the aid of Durum wheatgrowers, because a drought threatens to create a shortage in supply. But if we extend this same treatment to all the various classes of wheat, we could create an absolutely impossible situation. Also, Mr. Chairman, an amendment such as this will be against the best interests of the growers of Hard Red Spring and Winter wheat, all of which is grown in the Great Plains and adjoining areas. This wheat is in surplus supply despite the fact that it is richer in protein than any other varieties. Our primary difficulty is that we are located so far from the ports from which our wheat is exported. This high protein wheat is urgently needed all over the world. Transportation is one of the great difficulties we face in trying to expand exports of our wheat.

The proposed amendment is not needed. It will complicate greatly the administration of the wheat program. The amendment was carefully considered by the Agriculture Committee and turned down. I urge the House to sustain the committee and defeat this amendment.

Mr. SHORT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, just to keep the record straight, I think I should point out that the Secretary has very considerable discretion in the area of regulating exports of all kinds of feed grains, inasmuch as he has the authority to regulate the subsidy that is applicable to any kind or class of grain that is being exported. And inasmuch as Durum wheat is under consideration in the amendment before the House, I think it is only fair to point out, particularly, on behalf of the Durum producers in this country and most of them happen to be in my State of North Dakota that the Secretary of Agriculture exercised his authority a year ago to remove the export subsidy from Durum wheat and there was no export subsidy on Durum wheat applicable for about a year.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The amendment, as I read it, will not affect the situation with respect to Durum wheat already in the bill. It just adds to the exemptions we are giving to Durum wheat in this bill, and which we have given several times in the past in the case of Durum wheat, to large quantities of other types of wheat that have a broad impact on the whole wheat supply and price situation.

Mr. SHORT. What the gentleman says is very true. The only thing I am trying to point out here is that I do not want anyone to misconstrue the interest of the Durum wheat people in this legislation. The Durum wheat people have not been subsidized under the export program for the major portion of the time. The export subsidy was reactivated last fall. Just recently, it was repealed again for the simple reason that at the present time for all practical purposes, we do not have any export Durum wheat available. I have some figures, which I obtained from the Department of Agriculture only yesterday which show that the total estimated supply of Durum wheat for this year will only be 29 million bushels, and that as of the present time there are 5,300,000 bushels of Durum wheat in the Commodity Credit Corporation stocks and all of that has been committed except 2 million bushels. So for all practical purposes, there is no surplus and there is no supply of Durum wheat in the hands of the Government at the present time.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Oklahoma.

Mr. BELCHER. I will say to the gentleman that the committee in considering this bill took into consideration the very facts he cited, and for that reason they did exempt Durum wheat. The judge has already ruled in your favor, and as a good lawyer I never argue with the judge after he has ruled in my favor. The committee has included your Durum wheat and I would not enter into this argument if I were you.

Mr. SHORT. Mr. Chairman, I yield back the balance of my time.

Mr. O'HARA of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to inquire of the gentleman from Minnesota, the sponsor of this amendment, if I am correct in understanding that the only effect of his amendment would be to permit the Secretary to increase the acreage allotment for particular types or classes of wheat which the Secretary finds to be in short supply and that the increase would take effect only in the historic production areas of the particular type of wheat?

Mr. QUIE. That is absolutely correct. The bill includes Durum wheat and my amendment extends it to any type or class of wheat which would be in short supply, as determined by the Secretary of Agriculture.

Mr. O'HARA of Michigan. Mr. Chairman, it seems to me, with respect to the gentleman's amendment, that if the provision of the bill with regard to Durum wheat permitting a judgment by the Secretary of a shortage of Durum to lead to an increase in acreage allotments is good for Durum wheat, it is just as good for other types of wheat. I support the gentleman's amendment and I urge the House to adopt the amendment.

Mr. QUIE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Oklahoma.

Mr. ALBERT. Mr. Chairman, will the gentleman yield to me to make an inquiry of my friend who just addressed us.

Mr. QUIE. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Durum wheat has no subsidy. Will the gentleman then agree to the Albert amendment so that the rest of this wheat will also have an export subsidy?

Mr. QUIE. Before he answers I would like to explain why the Albert amendment should not be adopted. Under the Commodity Credit Corporation charter the Secretary of Agriculture has the power right now to do for other types of wheat the same thing he has done for Durum. He can put an export subsidy on Durum any time he wants to or any time he wants to he can take it off, and he can do that to any other kind of wheat. He does not put the same export subsidy on every type of wheat. He sets the subsidy necessary to meet the world market.

Mr. O'HARA of Michigan. I share the gentleman's confidence in the Secretary of Agriculture, the former Governor of Minnesota.

Mr. QUIE. I am glad he shares it because he has been given authority under present law to designate any kind of wheat for export subsidy and fix the level of the subsidy. That is a technical matter. Let him have that authority.

Mr. BELCHER. Commenting on the gentleman's answer to the statement of the gentleman from Michigan that he shared the gentleman's confidence in the Secretary of Agriculture, as I recall, when we considered H.R. 6400 the gentleman now addressing the House contended that it gave the Secretary of Agriculture too much power and we should not give it to him. Under this program we are limiting the Secretary's power to allocate or fix prices. Has the gentleman changed his mind since then or does he still feel that way?

Mr. QUIE. I have not changed my mind since then. We must leave certain discretion with the Secretary, because it is impossible for this committee or the Congress to stay in continuous session so that every time we might find a kind of wheat needing a different export subsidy we should pass a law to help it out. This is different from the power given the Secretary of Agriculture under H.R. 6400 were it would have given him almost complete control over agriculture and the power to write legislation which has always been the responsibility of Congress. This was given to the Congress by the Constitution. Should subsequent need arise I am sure the Congress will still be able to take care of agricultural law changes.

Mr. BELCHER. In the dim dark years ahead if any of us are still here and if trouble develops with any kind of wheat we would be thoroughly capable at that time of considering what to do rather than to leave it to the Secretary of Agriculture.

Mr. DOLE. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Kansas.

Mr. DOLE. With reference to the 348 million bushel figure on Hard Red Winter wheat as of June 30, 1961. It might afford the gentleman some comfort to know that should the children be faced with a shortage of cookies they could always eat nutritious "Redi-Wheat" that is made from the Hard Winter wheat variety.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma to the amendment offered by the gentleman from Minnesota [Mr. QUIE].

The question was taken, and on a division (demanded by Mr. QUIE) there were—ayes 79, noes 40.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Minnesota [Mr. QUIE], as amended by the amendment offered by the gentleman from Oklahoma [Mr. ALBERT].

The amendment as amended was rejected.

Mr. WHITTEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN of Mississippi: On page 10, line 9, strike out the words "cash or".

Mr. WHITTEN. Mr. Chairman, I hope I can have your attention for just a few moments to explain once again what is involved here and perhaps to correct some impressions that have been left by those opposing my position.

First, may I say that I recognize the problems that the members of the Committee on Agriculture had. I know that each and every one of them is just as interested and as informed about agricultural matters as anyone can be. I certainly agree that there is plenty in the way of a problem here for all of us to work on.

I incorporated my views in a bill last year, and again this year, which is now pending before the Committee on Agriculture, the views that are embodied in this amendment. So I have offered these views to the committee. I asked the Department for its views and it approved much of what is in my bill.

Under this bill as written, the Secretary of Agriculture can sell the whole 1,400 million bushels of wheat under Public Law 480 and we will not get a usable dollar out of it, but will have to restore its cost in full to CCC. There is no limit on it, and, notwithstanding that he could use those commodities to get our farmers to cut back production under the bill, unless you adopt this amendment, the Secretary can pay out cash, though the amendment adopted makes it clear he should use payment in kind.

There are many, many people who say that the grain program has worked well. Judging by the reports made about cutting down acreage, perhaps that is true; but you will have to wait to pass judgment until you find out how much money we paid out and how much they produced on the remaining acres.

Insofar as this bill is concerned, I do not know that it will do a bit of good so far as reducing production. Why? Involved is a 10-percent cut in acreage. For 5 years we had the soil bank, we spent $3 billion to get the folks not to farm, and it did not work so far as bringing production in line. One of our problems is that we cannot get the farmers to agree among themselves. It is not our fault here in Congress. Our folks back home just will not agree. I say the 10-percent cut in acreage that you are going to try to do here may help some. Actually, they may use more fertilizer and produce more. At any rate, it is much more sound to use the surplus wheat you have on hand to get them to cut back acreage than it is to give them dollars. So much more sound.

The point has been raised that this will wreck the market. But what is involved here? You pay the farmer in kind 60 percent of his cut. His cut is 10 percent. There is 5 percent that might be thus on the market. Those receipts need not be picked up by the Secretary of Agriculture. Those warehouse receipts will be available on the open market. Actually, production on 90 percent of the farmer's normal acreage would be eligible for the loan, and the farmers would not have to sell. The 1,400 million bushels of wheat we have on hand is in the hands of the Commodity Credit Corporation under a law which says they cannot sell on the domestic market unless they get their investment plus reasonable carrying charges. The farmer would have 90 percent or 95 percent of his production eligible for price support. So that would go through the Commodity Credit Corporation. He would be under no pressure to sell his warehouse receipts.

I am saying here that the fear that has been raised is not logical. I do not want to do what they say it will do. The Commodity Credit Corporation would absolutely control up to 90 or 95 percent of the supply, and the 5 percent remaining available for certificates could not depress the market.

May I repeat again, we have here a whole lot of wheat that is surplus—1,400 million bushels of it. My amendment would use that to get the farmer to cut down his production so that we would save the cash we would otherwise pay him.

Now, if that is not sound business, I do not know what is. May I say again, if you do not adopt these words and adopt this amendment, or unless the Secretary follows fully the amendment on policy adopted next year we could be in here from the Committee on Appropriations asking you, in addition to everything else, to appropriate as much as $750 million that you paid out in cash when you could have paid it out in wheat that you do not need and that you have no use for.

Mr. Chairman, I hope that the amendment will be adopted.

Mr. ALBERT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think all of us hope that the Department will use payments in kind as much as possible. I do not think, though, that we want to encumber this program with a requirement that would make payment in wheat mandatory in any case even though more expensive than payment in cash. It is the purpose of this bill to encourage the payment, wherever possible, in kind, but we must have an escape clause that will enable the Secretary to do what is in the best interests of the over-all program and of the Government in each and every separate case. That is the purpose of the bill.

Now, if we pay in kind in every instance, using the illustration of the distinguished gentleman from Minnesota with a glass of water, we will be taking out of the glass, which is Commodity Credit Corporation stocks, a certain amount of wheat and giving it to farmers. Now, when you do that, the farmer is going to take that wheat to market and sell it. Every bushel of such wheat that he sells in the market is going to displace a bushel of wheat that he would sell from his current crop. And, when you displace a bushel of wheat sold from his current crop, what is he going to do with it? Where can he go with it? He is going right back to the Commodity Credit Corporation from which he took that bushel of wheat. It seems to me it is just that simple; that we should not make it impossible for the Secretary of Agriculture under all circumstances to make cash payments if cash payments can be made better than commodity payments.

Now, the gentleman speaks with more authority than I on the cost of the program, and we are all concerned about the cost of the program. But, if the Government has to take over from the market the wheat that the farmer cannot sell, how is the Government saving anything? I cannot see it. The question before us is, What will the total volume of wheat be in the country in the Commodity Credit Corporation and in the trade? It is the total volume of wheat in the Commodity Credit Corporation and in the trade that is ultimately going to determine the amount of money the Government is going to have to spend to operate the wheat program. There is no place else to put it but to send it overseas unless we can consume it here at home.

So, Mr. Chairman, I ask defeat of the amendment. I do not think it is well considered, and nobody respects the gentleman from Mississippi more than I. But, I think we are meeting ourselves coming back. I think we are going to find ourselves going in a circle if we say that in all cases, regardless of the circumstances, the Secretary must pay wheat in kind.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTEN].

The amendment was rejected.

PROGRAM FOR THE WEEK OF JULY 31

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time for the purpose of inquiring of the majority leader as to the program for the balance of the week and, if he can tell us, the program for next week.

Mr. McCORMACK. Mr. Chairman, if we dispose of the pending bill today there will be no further program for the rest

of the week. I assume the chairman and the members of the committee have the intention of disposing of this bill today; is that correct?

Mr. COOLEY. I hope so.

Mr. McCORMACK. If we do not, we will have to meet tomorrow.

Mr. COOLEY. I am perfectly willing to stay here as long as necessary, I will say to the gentleman from Massachusetts. We hope to move along with it as rapidly as possible; and I think we will finish it.

Mr. McCORMACK. I am sure enlightened debate will be engaged in; by "enlightened" I include accelerated debate.

Mr. Chairman, for next week the program is as follows:

On Monday we will take up House Joint Resolution 505, which is an authorization bill for Ready Reserve Active Duty. We expect to have that reported out of the Committee on Armed Services tomorrow. That will be considered under a unanimous consent request. That is, the Chairman of the committee will ask unanimous consent for consideration of it on Monday.

Mr. HALLECK. That will hinge on the matter of unanimous consent?

Mr. McCORMACK. Exactly.

Mr. HALLECK. That has not been granted yet?

Mr. McCORMACK. No. If granted, my understanding is—and I want to alert the Members—there will be a rollcall on it, because that is a very important part of the recommendations to the Congress and the report to the people the other evening of President Kennedy.

On Tuesday H.R. 8102, to extend Federal Airport Act grants.

On Wednesday and the balance of the week, H.R. 30, which is a bill relating to compacts, Northeastern water, and related resources, commonly referred to as the New England Compact; and another bill out of the Committee on Armed Services, H.R. 8353, authorization for additional aircraft, missiles, and naval vessels. That is, that will be taken up if the bill is reported and then a rule is granted.

It may be that if a rule is reported out of the Committee on Rules having to do with sending the atomic energy bill to conference, and as stated by the distinguished minority leader, action will be taken to instruct the conferees. At least, that is my understanding. In any event, when that is brought up there will probably be a rollcall on it. I do not know if a rule will be reported to take the bill from the Speaker's desk to send it to conference, but if it is I want to program it as soon as possible.

There are a couple of other bills before the Committee on Rules. There are two bills having to do with the FCC; a reorganization within the FCC, as a result of Reorganization Plan No. 2 being rejected. If a rule is obtained on those bills I am alerting the House that I shall program them if time is available.

There is the usual reservation, that conference reports may be brought up at any time, and any further program will be announced later.

Mr. HALLECK. I thank the gentleman.

Mr. BATTIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BATTIN, of Montana:

Page 7, line 22, strike the comma after the word "cooperators" and insert the word "and", and on page 7, line 23, strike the comma after the word "area" and insert in lieu a period. Strike out everything after the period on line 23 including the words, "and if marketing quotas are in effect for the 1962 crop of wheat, wheat of such crop shall be eligible for price support only if the producers on the farm on which the wheat is produced participate in the special 1962 wheat program formulated under section 124 to the extent prescribed by the Secretary". (Up to page 8, line 30.)

Mr. BATTIN. Mr. Chairman, after the colloquy on the floor yesterday concerning cross compliance on wheat, I have offered this amendment to bring about a similarity between wheat and other commodities. From a reading of the language, this bill would basically cover a situation that pertains only to wheat, and no other commodities. I refer here to a mandatory reduction in acreage.

Actually, what will happen, assuming that this bill passes, is that anybody who has a wheat acreage allotment is automatically required to reduce his production by 10 percent. This is not true of any other commodity. What I propose to do here is provide that where the farmer who produces wheat reduces his production, he will then have the choice of taking the 50-percent payment or diverting that 10-percent reduction to another commodity.

In Montana, which probably is going to be a deficit feed area because of the lack of rain and grasshoppers, the farmer could divert the 10-percent reduction to barley. It would keep him out of the feed-grain program, but that would be a choice the farmer would make instead of the Congress making the decision for him.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. BATTIN. I will yield to the gentleman from Oklahoma, the chairman of the Subcommittee on Wheat.

Mr. ALBERT. What the gentleman is attempting to do here is put wheat in exactly the same situation that all other basic crops enjoy at the present time. There certainly is a lot of merit in that. One who takes advantage of the amendment will be eligible for price supports but not for the 50-percent payment. I do not think there is anything wrong with the gentleman's amendment. In 98 cases out of a hundred farmers will, in my opinion, take the payment, but in a deficit area some other crop might be worth more to the farmer. I see no objection to the amendment.

Mr. COOLEY. If the gentleman will yield, I see no objection to the amendment. It is acceptable to me.

Mr. BATTIN. I thank the gentlemen.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The Clerk read as follows:

SUBTITLE C—1962 FEED GRAIN PROGRAM

SEC. 131. Section 105(c) of the Agricultural Act of 1949 is amended by adding the following new paragraphs (3) and (4):

"(3) The level of price support for the 1962 crop of corn shall be established by the Secretary at such level not less than 65 per centum of the parity price therefor as the Secretary may determine. Price support for corn, grain sorghums, and barley shall be made available on not to exceed the normal production of the 1962 acreage of corn, grain sorghums, and barley of each eligible farm based on its average yield per acre for the 1959 and 1960 crop acreage.

"(4) The Secretary shall require as a condition of eligibility for price support on the 1962 crop of corn and grain sorghums that the producer shall participate in the special agricultural conservation program for 1962 for corn and grain sorghums to the extent prescribed by the Secretary and shall not knowingly devote an acreage on the farm to barley in excess of the average acreage devoted on the farm to barley in 1959 and 1960, except that the Secretary may permit acreage in excess of such average acreage to be devoted to malting barley subject to such terms and conditions as he may prescribe. The Secretary shall require as a condition of eligibility for price support on the 1962 crop of barley that the producer shall participate in the special agricultural conservation program for 1962 for barley to the extent prescribed by the Secretary and shall not knowingly devote an acreage on the farm to corn and grain sorghums in excess of the average acreage devoted on the farm to corn and grain sorghums in 1959 and 1960."

SEC. 132. Section 16 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by adding the following new subsection:

"(d) Notwithstanding any other provision of law—

"(1) The Secretary shall formulate and carry out a special agricultural conservation program for 1962, without regard to provisions which would be applicable to the regular agricultural conservation program, under which, subject to such terms and conditions as the Secretary determines, conservation payments in amounts determined by the Secretary to be fair and reasonable shall be made to producers who divert acreage from the production of corn and grain sorghums, and barley, respectively, to an approved conservation use and increase their average acreage of cropland devoted in 1959 and 1960 to designated soil conserving crops or practices including summer fallow and idle land by an equal amount: *Provided, however*, That any producer may elect in lieu of such payment to devote such diverted acreage to castor beans, safflower, sunflower, or sesame, if designated by the Secretary. In order to be eligible for a payment, a producer who participates in the special agricultural conservation program of 1962 for corn and grain sorghums must not knowingly devote an acreage on the farm in excess of the average acreage devoted on the farm to barley in 1959 and 1960, except that the Secretary may permit acreage in excess of such average acreage to be devoted to malting barley subject to such terms and conditions as he may prescribe; and a producer who participates in the special agricultural conservation program for 1962 for barley must not knowingly devote an acreage on the farm to corn and grain sorghums in excess of the average acreage devoted on the farm to corn and grain sorghums in 1959 and 1960. Such special agricultural conservation program shall require the producer to take such measures as the Secretary may deem appropriate to keep such diverted acreage free from insects, weeds, and rodents. The acreage eligible for payments in cash or

in an equivalent amount in kind under such conservation program shall be an acreage equivalent to 20 per centum of the average acreage on the farm planted to corn and grain sorghums, or barley, in the crop years 1959 and 1960. Such payments in cash or in kind at the basic county support rate may be made on an amount of the commodity not in excess of 50 per centum of the normal production of the acreage diverted from the commodity on the farm based on its average yield per acre for the 1959 and 1960 crop acreage. Payments in kind only may be made by the Secretary for the diversion of up to (i) an additional 20 per centum of the average acreage on the farm planted to corn and grain sorghums, or barley, in the crop years 1959 and 1960, or (ii) such additional acreage as will bring the total diverted acreage to 20 acres, whichever is greater. Payments in kind on such additional acreage may be made at the basic county support rate on an amount of corn and grain sorghums, or barley, not in excess of 60 per centum of the normal production of the acreage diverted from the commodity on the farm based on its average yield per acre for the 1959 and 1960 crop acreage. The Secretary may make such adjustments in acreage and yields for the 1959 and 1960 crop years as he determines necessary to correct for abnormal factors adversely affecting production, and to give the consideration to tillable acreage, crop rotation practices, type of soil, soil and water conservation measures, and topography. To the extent that a producer proves the actual acreages and yields for the farm for the 1959 and 1960 crop years, such acreages and yields, subject to such adjustments as may be made pursuant to the foregoing authority, shall be used in making determinations. The Secretary may make not to exceed 50 per centum of any payments to producers in advance of determination of performance.

"(2) There are hereby authorized to be appropriated such amounts as may be necessary to enable the Secretary to carry out this section 16(d). Obligations may be incurred in advance of appropriations therefor and the Commodity Credit Corporation is authorized to advance from its capital funds such sums as may be necessary to pay administrative expenses in connection with such program during the fiscal year ending June 30, 1962, and to pay such costs as may be incurred in carrying out section 133 of the Agricultural Act of 1961.

"(3) The Secretary shall provide by regulations for the sharing of payments under this subsection among producers on the farm on a fair and equitable basis and in keeping with existing contracts."

SEC. 133. Payments in cash shall be made by Commodity Credit Corporation and payments in kind shall be made through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem for feed grains and, notwithstanding any other provision of law, the Commodity Credit Corporation shall, in accordance with regulations prescribed by the Secretary, assist the producer in the marketing of such certificates at such time and in such manner as the Secretary determines will best effectuate the purposes of the special feed grain program for 1962 authorized by this Act. In the case of any certificate not presented for redemption within thirty days of the date of its issuance, reasonable costs of storage and other carrying charges, as determined by the Secretary, for the period beginning thirty days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate.

Mr. COOLEY (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that subtitle C be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. McINTIRE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McINTIRE: On page 16, line 9, strike out lines 9 through 25 and strike out pages 17, 18, 19, 20, and lines 1 through 23 on page 21.

Mr. JENSEN. Mr. Chairman, will the gentleman yield so that I may ask a question of the chairman, the gentleman from North Carolina [Mr. COOLEY].

Mr. McINTIRE. I am happy to yield to my colleague.

Mr. JENSEN. May I ask the chairman of the committee, the gentleman from North Carolina [Mr. COOLEY] if there is any provision in this bill which brings seed for planting purposes under the act?

Mr. COOLEY. Nothing at all.

Mr. JENSEN. I thank the gentleman.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment, and all amendments thereto, close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The gentleman from Maine [Mr. McINTIRE] is recognized for 5 minutes.

Mr. McINTIRE. Mr. Chairman, the amendment I have offered strikes from the bill an extension of the so-called emergency feed grain program of 1961, that part of the legislation which provides to extend this authority to the 1962 crop period and expand it to include barley.

It will enthusiastically be contended by those opposing my amendment that there is a desperate need for the extension of this authority toward the end of firming up plans for the 1962 farm operations. Opponents will also argue that the program is proving a sweeping success and, therefore, should be extended.

In answer to this let me point out that this program has not operated over a broad enough period of time to make an accurate appraisal of its merits. The program was enacted into law just a few months ago, in fact, on March 23 of this year for the 1961 crop, and consequently comprehensive statistics upon which to base sound judgment of the plan are not available at this time. Until a critical examination of the program's value can be effected, it would fly in the face of wisdom to endorse an extension. It is incumbent upon us, as Representatives of the people, to exercise good judgment, and we must not act in contradiction to this responsibility.

Gentlemen, the fact of the matter is this: If the feed grain program of 1961 is the sparkling success it is heralded as being, then there need be no apprehension on the part of the plan's advocates to let the program be judged in the court of facts and details associated with the operation of the plan.

Some limited details on the 1961 program are already available to us. We should remember, however, that the program proposed in this legislation before us is even larger, for it includes barley. Here, then, is what we already know about the plan:

First. Payments to farmers for acreage reduction amount to $700 million.

Second. The administrative expenses for the program are estimated to be $20 million.

Third. Support prices on corn have been increased from $1.06 to $1.20 per bushel.

In 1961 the Secretary agreed to set support at 74 percent—$1.20.

In 1962, no agreement.

These are some of the facts we know about the 1961 program, but here are some points over which hang considerable uncertainty, and these are vital aspects:

First. The program gives the Secretary of Agriculture virtual control over grain markets through the certificates he holds and which are turned over to him by farmers for redemption. But, Mr. Chairman, what is to be the Secretary's resale policy? This is important, for livestock and poultry producers are vitally interested and involved in a policy decision. Rumor has it that the target price for corn is $1.25 per bushel in the late summer or fall of 1962.

Second. Average corn acreage for 1959 and 1960 was 82,088,000, while base acreage used by the Department of Agriculture for the program was 87,047,000 acres. Under this act the Department has approved contracts on corn totaling 20,090,511 acres. Using Crop Reporting Board figures of 82,088,000 acres for 1959–60, this should mean reduction to about 62 million acres. But the July 1961, estimate is 66,619,000 acres. Mr. Chairman, there must be a reason for this all-important difference. All commodities rely heavily on the estimates of the Crop Reporting Board. Markets depend on these figures, for they are relied upon as being the best available. This difference is important, and we should know the facts before extending this feed grain program for another year.

Third. This program—it is contended by proponents of the feed grain program—is saving over $500 million. But, Mr. Chairman, is this a real truth, or is it merely an assumption? There is one way to remove any doubt that hovers over this figure and that is to let the harvest figures under the program prove or disprove it.

Mr. Chairman, it is strange how we Members of Congress sometimes change our opinion. I have reference now to the acreage reserve program that was started in 1956 and ran through 1958. This program was designed to reduce the acreage of wheat, corn, cotton, rice, peanuts, and tobacco. There is little question about the fact that this program proved effective in reducing production of these crops. In 1956, for example, 12,200,000 acres of the above crops were retired at a cost of $260,300,000. In 1957, 21,300,000 acres were taken out of these crops at a cost of about $613 million. In

1958, 17 million acres were taken out of production of these crops at a cost of roughly $690 million. The point I am making, Mr. Chairman, is that the cost in 1961 of the program dealing with only corn and grain sorghum will cost more than it cost to achieve the entire reduction of all of these basic crops in the highest year; namely, 1958.

Mr. Chairman, I hope that my colleagues will join me in voting to strike from this bill subtitle C. I offered this amendment in committee and filed views on this matter. I think we will do an unwise thing if, based on the meager facts we have now, we extend a program that could cost from three-fourths of a billion to a billion dollars in 1962, and at the same time not really deal effectively with the problem of surplus feed grain supply.

Mr. SEELY-BROWN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SEELY-BROWN. Mr. Chairman, I am in favor of the amendment to the revised omnibus farm bill, H.R. 8320, as introduced by my New England colleague, the gentleman from Maine [Mr. MCINTIRE] because most importantly it strikes out from subtitle (c) of title I, the proposed extension of the present feed grain law.

I opposed the present feed grain law, when it was adopted under the guise of an emergency, and passed the House on March 7, 1961.

I oppose it even more strongly today, because it compounds the crime by extending for another year, a program that had no merit in the first place, even as an emergency program.

The minority reports which were filed when the legislation was put forth as an emergency program and now when it is proposed as a title in the proposed legislation, to perpetuate it, are eloquent warnings to the Members of this House to stop, look, and listen lest they participate in foisting upon the country a so-called price support program that not only is completely alien to the best interests of the farmers I am honored to represent, but also contrary to the principles upon which a sound agricultural program good for all America must be based.

This legislation, as I said when I opposed it before, is a reversal of one of the basic concepts of price support and adjustment legislation. For example, although corn allotments never have worked, and the farmers themselves voted by referendum in 1958 to terminate them, this bill proposes to continue a corn acreage allotment program that already has been discredited.

Under the emergency bill, already there may be brewing the greatest potential scandal that ever affected agriculture in this country.

The Secretary of Agriculture, acting under the 1961 Feed Grains Act which it now is proposed to perpetuate, already has paid farmers $680 million to reduce corn acreage by 20,090,511 acres in 1961.

A right tidy sum, is it not, for not growing corn on a right tidy lot of land—an expanse of land, incidentally, that is more than six times as large as the entire area of my State of Connecticut.

Everybody is not growing corn, the Department of Agriculture says.

It is maybe the most popular not-growing program on record.

But the Department of Agriculture says now that only 15,379,000 acres have been retired from production of corn under the 1961 program.

Somebody got paid for not growing corn on 4½ million acres that perhaps do not even exist. It is the duty of this Congress to go in and find out.

In the meantime, there is one good thing we can do. Let us not make a bad matter worse by extending the 1961 feed grain law.

This law, if extended, would increase the level of price supports for feed grains, and it provides no limit on the level of price support.

The higher cost of this program would come out of the hides of the poultry, dairy, and livestock producers, not only in my section of the country, but in all regions of the Nation.

The proper farm program that both the producers and the consumers of this country need cannot come from extending this emergency law which is unsound.

The amendment to strike out the extension is one that, in the interest of good government, in the interest of good economics, and in the interest of good judgment, should prevail.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. ANDERSEN] for 1½ minutes.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I have the utmost respect for the gentleman from Maine. I think he is about as fine a gentleman as there is in the House of Representatives and as able as any Member in this body, but I think the gentleman is mistaken in this particular instance.

I voted for the feed grain bill last spring and I think it has been even more successful than any of us expected at that time.

If you go back to Minnesota or Iowa and ask the average farmer if this feed grain program has done any good, I believe 80 out of 100 of them, whether all of the 80 were in the program or not, would say: "Yes, it has done a lot of good." I think it would be pennywise and pound-foolish to knock this feed grain section out of this bill. Surely all of you want to see continued, the upward trend in the agricultural economy which is just starting. According to press reports I received recently the agricultural economy has improved by several percent since the low point of last spring. I say to the people from the urban areas that if you want to see the agricultural economy go up so we can afford to buy tractors, plows, and the things we need, then vote down the amendment offered by the gentleman from Maine.

In my opinion, the important objectives of the feed grain program were—to increase farm incomes, to stop the buildup of unnecessary feed grain surpluses and to reduce them if possible. I do not say that the feed grain program has achieved those objectives 100 percent, in just 1 year, but I do think that it has been a step in the right direction. Yet, here we are today, with an amendment before us which would eliminate this program from this bill before we have even had the opportunity to see the good that I believe it has accomplished in just 1 year.

I think we should vote down this amendment offered by the gentleman from Maine, and leave the feed grain program in this bill.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Chairman, in effect what we are voting on now is an amendment that proposes to spend one-half billion dollars more. It proposes to spring into being a program that we know was a failure. It was a miserable failure. It was a low price support program with no limit on how much one could raise under support prices. Raise all you want. Put your whole farm in corn, get $1 a bushel for every bushel that is not needed on the market. In terms of cost to the Government, it is better to multiply $1.20 per bushel times no bushels of surplus as under the bill than to give only $1 support but have to multiply that dollar by 600 million bushels of surplus. If we do not adopt the provisions of this bill, the old more expensive provisions will come back into effect. We may not know exactly how many hundred million dollars the provision of the bill on feed grains will save taxpayers but we know that the program we have in effect this year is superior to what will come into effect if we adopt the pending amendment.

The CHAIRMAN. The Chair recognizes the gentlewoman from Washington [Mrs. MAY].

Mrs. MAY. Mr. Chairman, if the Members of this body will turn to page 162 of the report on H.R. 8230, they will note that I am very much in favor of the extension and improvement of a number of very worthwhile and tested programs that fall under the umbrella of the Agricultural Act of 1961.

They will note that I have expressed my pleasure that the committee has removed many very objectionable features from the original proposal.

However, there are still several features of this omnibus bill to which I object.

Mainly, this is the inclusion in this bill of a feed grains program for 1962 at this time. The gentleman from Maine has stated the case in opposition to enactment of the 1962 feed grains program with a great deal of insight and clarity, and I wish only to add several brief observations and comments.

First. Mr. Chairman, I want to point out that the Secretary of Agriculture, in testifying on behalf of the 1961 feed

grains program before the House Agriculture Committee earlier this year, made it clear that he considered the then-proposed 1961 feed grains program an emergency and strictly temporary, 1-year stopgap measure. Just as soon as the 1961 feed grains program was enacted, however, the Department of Agriculture began proposing an extension of virtually the same program for an additional year, before they had any glimmer of an idea how the program for 1961 would work.

Even today, Mr. Chairman, we are lacking of the most essential information on the effect of the 1961 program, facts which the Secretary himself admits will not be known until sometime after harvest. We will be in a position to make the best decisions regarding feed grains only after the full effects of the going program are analyzed.

So far only a trifling amount of corn has been financed by means of sales of Government grain stocks as directed in the bill. Rather, the implied threat of market breaking in the feed grains program stampeded many farmers into late-season loans on 1960 corn, thus putting 673 million bushels, a record quantity, under loan. The total cost, and we do not as yet have the actual figures, may rise as high as $1 billion.

And with all of this added cost, we still have no assurance the 1961 program will reduce surplus stocks as intended. As can be expected with acreage retirement programs, the least productive acres are retired, and all possible means of increasing production on land in use is put into effect to keep production up.

I would like to draw attention to the fact that it has been stated time and again that the 1961 feed grains program was to be a voluntary program. But as soon as it was put into effect, reports came back from the State of Washington that farmers were being forced into compliance by implied threats that if they did not, the Secretary could break the feed grain market price and he had the grain to do it. And this kind of treatment was being afforded to farmers in a feed deficit area where they had already begun preparations for the 1961 crop.

Certainly I am not blaming these farmers who felt they had to protect themselves against the market-breaking power of the Secretary. What farmer can be expected to resist the certainty of high payment for idling land, against threats of ruin if he did not comply?

Mr. Chairman, I submit that the preliminary figures available to date on the 1961 feed grains program are far from indicative of an effective and working program, much less reliable as is shown in the case of the 4½ million phantom acres that will cost the taxpayers $150 million. While paying farmers $680 million to reduce corn acreage by 20,090,511 acres in 1961, only 15,379,000 acres were retired. The Department, therefore, paid for 4½ million acres which either never existed or never were planted in corn anyway.

It is simply too early to consider the 1962 feed grains program, which is an extension of the 1961 program with minor changes. Early next year is soon enough.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, the farmers of the breadbasket of America need this legislation. Their dollar has been worth only about 80 cents in purchasing power for many years, and we are hoping that the value of that dollar will be brought up to some degree by this method. Farming is always a big gamble.

Mr. Chairman, I want to read in part an article which appeared in the Des Moines Register recently, as follows:

LIKE A GAME OF POKER

(By Don Muhn)

LAURENS, IOWA.—Big, relaxed steers provided the background as farmer Delbert Wenell spoke.

"Cattle prices are sure rough now," the Laurens tenant farmer said. "But you sort of expect things to get tough now and then.

"That's just part of the farming game. It's like a poker game in a way."

A BIG GAMBLE

"First you gamble that you're going to get a crop, never knowing whether you will or not. Then, maybe you gamble by feeding that crop to livestock.

"Again you never know for sure what you're going to get.

"But farmers just come to expect those things. It's part of the business."

Wenell may sound older than his 25 years. This may be explained by the fact that he has farmed on his own for 5 years. Also that he has been reared in an atmosphere where frequently fickle cattle markets were sweated out.

The market Wenell was discussing had sunk to 4-year lows.

HOPE FOR FUTURE

Yet, the young feeder wasn't pessimistic. Either about the cattle business or farming.

"Things should get better in the future, if a guy can stick with it."

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. TEAGUE].

Mr. TEAGUE of California. Mr. Chairman, I think the people of Iowa are fortunate if their dollars are worth 80 cents. Mine are only worth 47 cents.

Mr. McINTIRE. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman from Maine.

Mr. McINTIRE. In view of the observation made by the gentleman from Iowa [Mr. SMITH], I do not think there should be any misunderstanding on this amendment. It is not suspending the present program. This program of extension was proposed to us originally on the proposition of giving the cooperators a 10-percent bonus. This was a little more than the committee could take. If this program is as good as those who support it say that it is going to prove to be, what is wrong with having the facts before the committee and the House of Representatives when we have an extension of the program? I think this program needs to be proven up so that we know how effective it has been; so that we know how much it has cost; so that we know how much it has saved. All of this will hinge on the return of these crops from the field. Only at harvesttime will we know these facts. And, when you are dealing with hundreds of millions of dollars and payments to the farmers of $700 million, when you are dealing with the vehicle in which the Secretary of Agriculture virtually controls the market price of all corn and grain sorghums, I think this is the kind of program that justifies our earnest and careful consideration.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Maine [Mr. McINTIRE]. Perhaps the biggest reason why I do is that I am from Minnesota where we produce a great deal of feed grains and want to sell it with a higher price for that feed grain. If I came from Maine or California, undoubtedly I would support the amendment, because they are in a feed deficit area and have to buy a great deal of feed. Most of my farmers like the program. They like the increased price of corn. They like the fact that the surpluses are going to be reduced and newspapers will not be talking about as much corn in storage. If this program works as well as the Secretary says it has been working, undoubtedly the surplus will be greatly cut back. Whether it will really work that well or not we will not know until next year, but I would like to see the feed grain program extended now, because I want the farmers in Minnesota to know what program they will be planting under next year. They did not know until planting time this year what they were going to get in the way of legislation. I think this is important.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Minnesota.

Mr. NELSEN. That is the point I wanted to make. We need to know early so that we can plan on our crop.

Mr. QUIE. The gentleman from Minnesota [Mr. NELSEN], and I have talked this matter over many times. This feed grain program has three important parts: payment in kind, voluntary retirement of acres, and price supports contingent on compliance with the program.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY of Indiana. Mr. Chairman, there is no doubt in my mind that the gentleman from Maine offered his amendment in good faith; in fact, I would say it is in keeping with the policy toward this type of legislation that he has followed all along. I myself feel that this feed grain program is a step in the right direction; in fact, it embodies some things that I myself advocated some few years ago. My great regret is, though, that it is only a step and a rather small step in perfecting legislation for a long-range solution of the great problem of the grain and the livestock area. I realize that the committee itself was divided on this question. We

could not agree exactly on what the form of a long-range program should be, so we are presently bearing with a short-term kind of a program which this feed grain program represents.

I am definitely sorry that we could not have an agreement on a long-range program and are confined to this present provision.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. FINDLEY].

Mr. FINDLEY. Mr. Chairman, I rise in support of the amendment and wish to associate myself with the remarks of the gentleman from Maine [Mr. McINTIRE].

The debate on this bill has already demonstrated the utter futility of trying to run the farms of America from the House of Representatives. The American farmer wants less government. This feed grains program gives him more government. The American farmer wants more freedom of choice in operating his farm. This feed grain program gives him less freedom. I urge the support of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from North Dakota [Mr. SHORT].

Mr. SHORT. Mr. Chairman, I rise in support of the amendment of the gentleman from Maine [Mr. MCINTIRE].

In all the sincerity that I possess and with no implication that I support this amendment as a means of eliminating from the possibility of passage at a later date the feed grain bill, I do think it has been pointed out here that we do not know what the real effect of this bill is going to be. I think it is poor legislation, poor policy on the part of this House to pass an extension of this bill until we have a better knowledge of what it is actually going to accomplish.

Mr. Chairman, I am a livestock producer. I represent a livestock area. I am not opposing this bill on the grounds that it is going to raise the price of feed grains. I am also a farmer. I enjoy high prices. The policy of the Secretary of Agriculture in regard to the administration of this bill and what the price is going to be at which he is going to release the Commodity Credit stocks has not as yet been demonstrated. I think until we do have the experience and the Secretary of Agriculture has the experience of knowing how, when, and at what price he will release these Commodity Credit stocks of grain to maintain an orderly market action should be deferred.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, there are two questions involved here, one of which relates to farmers. That is one which is mighty easily answered.

The gentlelady from Washington [Mrs. MAY] said why not wait until spring? That is easy for anyone who lives along the Canadian border to say, but if you live along the Mexican border and have to begin to plant in January or February, you want to know what your program is, and you want to know it before Christmas. It is awfully easy to say that we can work out a program next spring after a third of the States have planted their crops. The only gentleman who does not live on the Canadian border who has supported this thing lives in California, and I would suggest it would be well for the barley farmers of California to know now something about what the program is going to be in advance of their fall planting time. So, I think we had better decide what this program is going to be now rather than wait until next spring to decide it.

The other question involved is whether the taxpayers of America want to continue to pile up more and more useless feed grain in surplus and pay more and more storage. You are going to have to keep this section in the bill if you are going to reduce this surplus because this is the only section of this bill that has anything to do with cutting down the surplus of feed grains, and if you do not pass this section you have the present unlimited production. If you do not know that your people are today paying a tremendous burden of taxes simply to carry these feed grains, you have not been reading the paper. These feed grains are a tremendous burden on the American taxpayer. Here is a chance to reduce that burden, and you had better stop it right now.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa, Mr. HOEVEN.

Mr. HOEVEN. Mr. Chairman, a press release carried in the Des Moines Register of July 25, 1961, states that the supply of corn both in Iowa and the Nation stands at alltime high levels. The same thing is true of wheat with the supply now stored bigger than the forecast for the 1961 crop itself.

The Department of Agriculture reports a record supply of corn at 2,808,719,000 bushels in the Nation—a 1-year gain of 11 percent. In Iowa, stocks in all storage positions are 800,649,000 bushels—8 percent larger than the previous record high of 744,209,000 bushels a year ago. Wheat stocks were given at 1.4 billion bushels—7 percent larger than a year ago and larger than the estimate of the entire 1961 crop which was set at 1.2 billion bushels.

In view of the above information which I have every reason to believe is authentic, how can any member of the committee conscientiously contend that something should not be done to cut down on the production of wheat and feed grains? We all know about the surplus situation, and it seems to me that it is our duty to do something about it.

I fully realize that this is a controversial amendment in that the original feed grains bill passed the House earlier this year by a very close vote. I can well understand the position of my very good friend and colleague, the gentleman from Maine [Mr. MCINTIRE], and all other Members from deficit-feed areas of the country. Laying aside all the window dressing and suggestions that action on the feed grains extension be deferred until next year for many and varied reasons, the crux of the matter is that many of the proponents of this amendment want cheap feed for their dairy cows and chickens. By the same token, those of us from the livestock producing areas of the country know all too well that cheap feed means cheap livestock and depressed market prices.

There is some merit in the suggestion that we defer action on extension of the Feed Grain Act until next year. We may not know at this time whether or not the present program is working out; how much land has actually been taken out of production; what the cost of the program really is going to be; and whether or not we are going to save anything in storage costs. The fault I find with this approach, however, is that corn and grain farmers, having completed their fall plowing, formulate their spring planting plans during the winter months. They are entitled to know what, if any, kind of a feed grain program they are going to have the following year so they may make their plans accordingly. It is unfair to make them wait until planting time next year. Just recall the confusion and uncertainty which existed shortly before planting time this year when the original feed grains bill was under consideration. Furthermore, this delaying procedure is unfair to the seed dealers who have no way of knowing how much and what varieties of seeds they should have on hand to meet the uncertain demands of the farmers on a short notice. It is my understanding that many seed dealers found themselves with large surplus inventories on hand this year when the feed grains program was suddenly thrust upon them.

There may be some imperfections in the present feed grains program. The extension is only for 1 year, and if the program is found to be wanting when all the facts and figures are in, there should be no further extension. The Department of Agriculture contends the program will greatly reduce production and will save the taxpayers a lot of money. I hope this is true. If this really happens, we would have been remiss in our duties if we had not extended the present law. If on the other hand, the program proves to be a failure, I am sure we will meet our responsibilities by removing the law from the statute books.

This has been a very popular program throughout the corn and feed grain area. Much land has been taken out of production, and the advance cash payments have permitted farmers to pay up their store bills and other obligations. Participation in the program is greater than expected throughout my section of Iowa and the Midwest. There certainly cannot be too much harm done in extending the program for another year in spite of any misgivings we may have about such an extension. I intend to give the farmers of Iowa the benefit of the doubt.

The amendment should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. COOLEY] to close debate.

Mr. COOLEY. Mr. Chairman, I agree with my colleague the gentleman from Texas [Mr. POAGE]. I do not agree with my friend the gentleman from Maine. I

am not going to say it in harsh tones, but I do not agree with the lovely lady from Washington. I do agree with the gentleman from Iowa [Mr. HOEVEN], who has just spoken.

Our committee was very careful in the consideration of this provision. We had before us all of the information that was available concerning the operations of the grain program, which to date seems to be operating very well and very successfully. I hope the amendment will be rejected.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Maine [Mr. MCINTIRE].

The question was taken; and on a division (demanded by Mr. MCINTIRE) there were—ayes 76, noes 123.

So the amendment was rejected.

Mr. REUSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REUSS: On page 17, line 18, after line 17, strike out lines 18 and 19 and insert the following new subsections:

"(d) No contract for assistance under the Soil Conservation and Domestic Allotment Act, as amended, shall be entered into by the Secretary with a farm operator for draining wet lands, either through grants or technical assistance, where the Secretary of the Interior has made a finding that wildlife preservation will be materially harmed by the proposed drainage, and has reported such finding to the Secretary of Agriculture.

"(e) Notwithstanding any other provision of law—".

Mr. ANDERSEN of Minnesota. Mr. Chairman, I make a point of order against the amendment on the ground that it is not germane to the bill itself.

Title II deals with the extension and amendment of Public Law 480 of the 83d Congress. Title II deals with the consolidation and simplification of the agricultural credit laws administered by the Farmers Home Administration. In title IV, we have the extension of the Great Plains conservation program, the extension of the special milk programs for children, the Armed Forces and veterans' dairy program, and the expansion of the food donations to certain State penal institutions.

Nowhere, Mr. Chairman, do we have anything in this bill to do with the ACP payments or the manner in which they shall be paid. The gentleman's amendment is clearly out of order and is not germane to the subject under discussion.

The CHAIRMAN. Does the gentleman from Wisconsin desire to be heard on the point of order?

Mr. REUSS. Yes, Mr. Chairman.

Mr. Chairman, I submit the amendment is germane to H.R. 8230, and to the page and line on which it is offered.

H.R. 8230 is an omnibus farm bill, known as the Agricultural Act of 1961. Among the purposes listed in its declaration of policy is "to reduce the cost of farm programs by preventing the accumulation of surpluses."

H.R. 8230 purports to amend section 16 of the Soil Conservation and Domestic Allotment Act of 1938, as amended, in two particulars: by setting up a special feed grains agricultural conservation program for 1962—section 132—and by amending the Great Plains conservation program—section 401. The Soil Conservation and Domestic Allotment Act of 1938 is the basic legislation setting up Federal cost-sharing for farm practices. Section 16, as amended, is a catchall provision: subsection (a) limits the obligations that may be incurred in any one calendar year, subsection (b) sets up the Great Plains conservation program, and subsection (c) sets up a special agricultural conservation program for the year 1961.

The Reuss amendment would prevent misuse of the Soil Conservation and Domestic Allotment Act by denying its benefits where a proposed drainage of farm wet lands would materially harm wildlife preservation.

The Reuss amendment would amend not only the Soil Conservation and Domestic Allotment Act of 1938 in general, but in the very part—section 16—in which it is sought to be amended by two provisions of H.R. 8230, pages 17 and 59.

The precedents are clear that the proposed amendment is germane. In 8 Cannon's Precedents, section 2942, it is stated:

To a bill amending a law in several particulars, an amendment proposing modification in another particular was held to be germane.

On September 10, 1919, the Committee of the Whole House on the State of the Union was considering a bill proposing to modify several sections of the Federal Farm Loan Act. Mr. McLaughlin of Nebraska offered an amendment proposing changes in a section in the Federal Farm Loan Act unprovided for in the pending bill. Mr. Blanton, of Texas, made the point of order that the amendment was not germane to the bill. The Chair overruled the point of order. September 10, 1919, CONGRESSIONAL RECORD, page 5204.

On September 12, 1919, Mr. Reed, of New York, proposed a further amendment to the original act not provided for in the pending bill. Mr. Sweet, of Iowa, raised the point of order that the proposed amendment was not germane to the bill. The Chairman overruled the point of order, saying:

It is well established by precedents that where it is proposed in a bill to amend an act in a number of its sections, an amendment to amend another section of the act is in order. A number of cases have occurred in the consideration of this bill where amendments have been offered which were not germane to any section included in the present bill but were clearly germane to sections in the original law. It seems clear to the Chair that this amendment is germane to a section of the original law, which under the precedents may be repealed or amended in this bill (Sept. 12, 1919, CONGRESSIONAL RECORD, p. 5311).

The germaneness of the Reuss amendment is even clearer than that of the amendment cited in the precedent, since the Reuss amendment would amend the very section 16 of the 1938 act which is sought to be amended in H.R. 8230.

On June 10, 1921, the Committee of the Whole House on the State of the Union was considering a bill to establish a Veterans Bureau. The bill proposed to amend a number of sections of the war risk insurance law. Mr. Rogers, of Massachusetts, proposed to amend a section of the war risk insurance law not included in the pending bill. Mr. Sanders, of Indiana, made the point of order that the amendment was not germane to the bill. In support of the point of order, Mr. Stafford, of Wisconsin, said:

Mr. Chairman, if we are going to indulge in this practice that when the committee brings in a bill amending, say, 2 sections of a law that comprises 20 or 30 sections, that because there is an amendment of 2 sections it opens up for consideration every section in the original law, amendments to other sections which have no relation to the section attempted to be amended by the bill presented by the committee, then we put behind us that safeguard and protection which is necessary in legislation—that before legislation is considered in the Committee of the Whole House on the State of the Union it must first be considered by a committee of the House.

The Chairman overruled the point of order, saying:

The Chair thinks that the amendment proposed is clearly germane.

It should be noted that the Reuss amendment was before the House Committee on Agriculture during its deliberations on H.R. 8230. It was formally submitted to the committee in a letter from Representative HENRY S. REUSS to the Honorable HAROLD D. COOLEY, chairman of the House Committee on Agriculture, on May 16, 1961, in which I said:

I should appreciate an opportunity to appear before the committee in support of the amendment.

On June 12, 1961, Chairman COOLEY replied to my letter, stating:

I assure you that your views will be brought to the attention of the members of the committee before final action is taken on the administration's omnibus farm bill, which is now under consideration.

The point of order, I submit, does not lie.

The CHAIRMAN (Mr. KILDAY). The Chair is prepared to rule. The gentleman from Wisconsin [Mr. REUSS] offers an amendment which has been reported by the Clerk. The gentleman from Minnesota has raised a point of order against the amendment on the ground that it is not germane.

The Chair would point out that the bill pending at this time amends the Soil Conservation Act in several instances. The amendment offered by the gentleman from Wisconsin [Mr. REUSS] places a further restriction on the Soil Conservation Act. It is therefore germane.

The Chair overrules the point of order.

The gentleman from Wisconsin is recognized.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the distinguished chairman of the committee, the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Speaking for myself, I have no objection to the gentleman's amendment.

Mr. REUSS. I thank the gentleman and I will take only a short time to state what the amendment is about.

Mr. Chairman, this amendment will stop the further use of taxpayers' money to subsidize the drainage of farm wetlands where the Department of the Interior finds that the drainage will materially harm wildlife. It will help, not hurt, the farm program and specifically will carry out one of the policy declarations of H.R. 8230, to "reduce the cost of farm programs by preventing accumulation of surpluses."

I have always vigorously supported the constructive programs of the Department of Agriculture's soil conservation program, as I have all programs designed to help the family sized farm. But the soil conservation program, so valuable in its provisions for genuine soil conservation practices such as stripcropping, terracing, contour plowing, and tree planting, has been abused by its indiscriminate program of draining farm wetlands valuable for wildlife.

As a result of the Government-subsidized drainage of wetlands, more than one-third of the places where wild ducks and geese nest and rest have been drained in recent years. The Department of the Interior forecasts that if the drainage movement continues, our continental supply of ducks and geese will be gone forever. Even today we hear alarming reports of the decline in the waterfowl population of the United States, and particularly in the central and western portions.

Starting in 1957, I have attempted in the last three Congresses to end the Federal subsidy for draining wetlands where wildlife is harmed. Bills to this effect were introduced in the 85th and 86th Congresses, but were not accorded a hearing by the House Committee on Agriculture. My attempt to limit farm drainage in connection with the agriculture appropriation bill on June 6, 1961, was successful in the Committee of the Whole, 107 to 65, but was defeated in a record vote, 184 to 196.

The Department of the Interior has recently taken to making formal protests to the Department of Agriculture where proposed subsidized drainage of farm wetlands by the Department of Agriculture would materially hurt wildlife. The Department of the Interior has protested against the proposed drainages in 553 cases, for which we have a record. In 425 of these cases—77 percent of the total—the Department of Agriculture went right ahead and carried out the subsidized drainage. A full summary is set forth in the CONGRESSIONAL RECORD for June 6, 1961, on page 9621.

President Kennedy, in his conservation message of February 23, 1961, decried the absurdity of "one Department paying to have wetlands drained for agricultural purposes while another Department is purchasing such lands for wildlife or waterfowl refuges." Secretary of the Interior Udall has repeatedly called for an end to this anomalous situation.

The National Wildlife Federation, at its convention in Washington on March 5, 1961, went on record as requesting:

> Congress to enact such legislation as is necessary to eliminate the drainage of wetlands with the aid of Federal subsidy.

Hundreds of local conservation organizations have also asked us to end harmful drainage. Some of the leading conservationists in this body—the gentleman from Michigan [Mr. DINGELL], the gentleman from Pennsylvania [Mr. SAYLOR], the gentleman from Wisconsin [Mr. JOHNSON] among them—have given my amendment their vigorous support.

An accelerated program to acquire wetlands for the Department of the Interior's waterfowl conservation program has passed the House and is now before the Senate. With this legislation close to being enacted into law, it is more important than ever that wasteful subsidization of farm drainage, which goes directly counter to the wetlands acquisition program, be ended. If a farmer wishes to drain wetlands valuable for waterfowl, he is at liberty to do so, but he should not receive a subsidy from the taxpayers for his drainage. Particularly with the new legislation for accelerated acquisition of wetlands, it should be possible in most cases for the farmer to lease or sell his wetlands at a satisfactory price to the Department of the Interior.

It is my understanding that the amendment, if adopted, will be administered according to the agreement entered by the Departments of Agriculture and Interior on May 2, 1960.

I hope that all who believe as I do that our wetlands should be preserved, not destroyed, will vote in favor of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

Mr. FINDLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. FINDLEY:
> Page 18, line 12, after the word "Secretary" strike the period and insert the following: "*Provided further*, That in establishing such base acreage for 1959 and 1960 for corn, grain sorghum, and barley, the Secretary shall not exceed the average acreages planted to such crops as indicated by official Department of Agriculture statistics, but in no event shall such 1959 and 1960 base exceed 82,088,000 acres for corn, 19,849,000 acres for grain sorghum, and 16,104,000 acres for barley."

Mr. FINDLEY. Mr. Chairman, this amendment simply would require that the Secretary of Agriculture use the statistics of his own reporting service in carrying out the feed grains program. We have heard a lot of talk about the phantom acres which seem already to have developed under the feed grains program. This amendment would make it more difficult for such phantom acres to be created, and it would bring more in line with the intent and the will of Congress the carrying out of the feed grains program. If the administration has confidence in its own reporting service there should be no objection to this amendment.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if you will look at page 20 of the bill as it is now written, in line 8 you will find the wording which was discussed earlier in this debate. It was put there to protect honest farmers. It reads:

> To the extent that a producer proves the actual acreages and yields for the farm for the 1959 and 1960 crop years, such acreage and yields, subject to such adjustments as may be made pursuant to the foregoing authority, shall be used in making determinations.

That provision was placed in the bill so that when the Secretary has inadequate records, as is the case in almost every county in the United States, it will not be a case of simply taking an average of the county. If some farmer is able to come in and absolutely prove by his sales receipts, by his combine receipts or otherwise, that he actually grew 80 bushels to the acre where they gave him credit for only 40, then under the law as we have written it he is assured of what he actually produced.

This amendment completely strikes that out. In effect it is nothing more than striking out this provision of the bill that we wrote in here so carefully to protect the farmers of America from the inadequate records which are admitted to exist all over the United States.

What the gentleman's amendment would do would be to require that in a county the county committee must take what is alleged to be the county average. That is, they would look in the almanac and find out that somebody had estimated what the total acreage of the county was and what the total yield was in the county.

They would then divide it up and find that the average yield in the county is 45 bushels of corn. Then the gentleman from Illinois comes in and proves that he actually grew 100 bushels of corn. It would avail him absolutely nothing if we adopt his amendment because the Secretary could not give any county any more than his original estimates. When he talks about these figures they are nothing but estimates. He could not get any more credit than these original estimates gave. Obviously, those individuals who actually grew less than the average are not going to come in and complain about it. Consequently, the only way in the world that the Secretary can under this kind of an amendment give a man credit for all he actually grew is to arbitrarily reduce the acreage of some other individual, because he cannot get a total acreage in excess of this previously estimated acreage. I want you to bear in mind that this base the gentleman is talking about is nothing but an educated guess, and in some places they do not go beyond the fourth grade in getting the education for that guess.

I would suggest if we want to deal fairly with the farmers, if we want a program that will work without too much complaint, we had better be careful to use this provision which was placed in the bill to prevent the very sort of thing

that the gentleman from Illinois is insisting on.

Mr. AVERY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am inclined to agree with the observations the gentleman has just made, but I am sure he would agree with me he does not want his remarks construed to be an endorsement of this $5 million error that we have in the program this year?

Mr. POAGE. I certainly do not mean that. I do mean any individual who proves what he actually grew should receive what he actually proved, regardless of anybody's error, regardless of anybody's estimate. Under the amendment offered by the gentleman from Illinois, that is not the way to give each individual the benefit of what he actually proved. Certainly the Secretary should not give anything more than his records show the man proves. Until that man comes in and proves that those records are in error, and the burden is on the producer to prove what he actually grew, he should not receive credit for it.

Mr. AVERY. I can agree with the gentleman, but I do not think we can take this 5-million-acre discrepancy lightly, because I think it is poor administration somewhere up or down the line. I am not pointing the finger because I do not know. But when the Secretary announces he was committed to pay $680 million to get 20 million acres out of production, and we have a crop record which shows he contracted $680 million and only cut back 15 million acres out of feed grain production, there is bad administration at some point along the line.

Mr. POAGE. That is without any records. We have not had any records. There has not been any way of knowing what has been produced on the acres. There will be a way of knowing what was produced this year.

Mr. AVERY. In 1961 there will be a record.

Mr. POAGE. We will be in a much stronger position than we have in the past.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Illinois.

Mr. FINDLEY. It seems to me we have lots of considerations involved here. I think we can also take note of the fact that under the wheat program we have an acreage limit on production. The Department found an effective way to stay within that limit, at least closer than the 5-million-acre feed grain discrepancy. I would point out that the taxpayers of the United States have a considerable stake in this discrepancy. If there is a phantom acreage situation to the extent of 5 million acres, they have paid out $160 million for nothing.

Mr. AVERY. I agree with the gentleman. We have had 30 years' experience as far as determining what wheat has been raised on what farms, whereas in feed grain this is not the first year, but it is the first year recently where there has been any computation of the acres in production.

Mr. FINDLEY. The crop reporting service surely has adequate records on corn in order to arrive at the figure of 82 million acres as the base. All I am asking is that they recognize as substantial and factual and correct their own figures.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. FINDLEY].

The amendment was rejected.

Mr. THOMSON of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THOMSON of Wisconsin: Page 21, line 22, insert a new section 134 as follows: "SEC. 134. For the purpose of this subtitle the term "corn" shall mean field corn, not including corn for silage".

Mr. THOMSON of Wisconsin. Mr. Chairman, this amendment to exclude "corn grown for silage" from the definition of corn is offered to give this House an opportunity to really do something for the family-sized farm. It is a little amendment that I hope the chairman of the distinguished Committee on Agriculture will be big enough to accept.

Mr. Chairman, this is an amendment designed to make participation in this program more meaningful. It is designed to give greater opportunity to the small family-size farm in the State of Wisconsin and other areas to participate in this program. The amendment will make possible the reduction of acres of corn and feed grain. It will make possible the drawing down of the additional stocks held by the Commodity Credit Corporation.

The majority and the minority, when the feed grain bill was before this House before, both accepted this amendment. It was taken to conference and stricken from the bill. I would like to have this House support this amendment so that it can again go to conference with conferees who are interested in doing something for the family-size farm and who will impress upon the Members of the other body the necessity for this amendment.

Now, in Wisconsin we have 120,565 farms qualified to raise corn and feed grain, but we only have a few over 34,000 farms that are participating, less than 28 percent. Less than 10 percent of the land is going under the feed grain program. We are called a deficit feed area. But, I think that most every farmer in Wisconsin, those small dairy farmers who must raise practically all of the feed they use, would much prefer to leave out of production some of those corn acres, draw the needed grain and corn from the surplus stocks in the Commodity Credit Corporation, and participate in this program to make it more meaningful and more useful. So, I submit this amendment in the hope that it will be accepted and that it will be adopted by this House, because these small farmers in Wisconsin want to become a part of this program.

Mr. Chairman, I am sure the members of the committee handling this bill will have no problem defining what silage is, although some of the Members of the other body could not define what silage was. I think if we define silage as the entire stalk, beneath the cob of the corn, so that all the grain and most of the fodder goes into silage, it would be an acceptable definition of the word "silage." This amendment will do something for the family-size farm. I certainly hope that you will give it your support.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is the same amendment that was offered last spring by the gentleman from Minnesota [Mr. NELSEN]. At that time it is my recollection that a spokesman for the committee accepted the amendment. I am sure I supported it at that time. We took that amendment to conference and we found bitter opposition on the part of the other body to this amendment. We could not maintain it in the bill.

The basic reason that was offered for rejecting it seems to me to be a logical one; that is, that we had then, as we have now, a 1-year bill.

Mr. Chairman, the present definition of corn in the basic law includes corn for silage. There is no distinction in the basic law between corn for silage and corn for other purposes. I think there is much to be said in favor of the possible exemption of silage corn, but it seems to me that the proponents of this sort of a proposition should have come before the committee and made some showing as to the actual relationship between corn for silage and corn for feed. They did not do it last spring. It was brought up on the floor of this House without having been to the committee. They did not do it this summer. It was brought up here on the floor of this House just now, without any reference to the committee. It seems to me that there must be some fatal weakness in their case or they would have brought it before this committee which has been sitting almost every day for 5 long months, and would have presented some logical argument for making a basic change in the basic law. Maybe there should be such a change.

I have to confess that I do not know too much about corn for silage and its relationship to corn on the ear. But I know they are both stock feeds. I know they will both go to the same end use. I know if you produce corn for silage you can carry your herd over with a good deal less corn on the ear than you could carry it over if you did not produce corn for silage. Consequently, somebody is going to get the advantage here. I am not prepared to say who it is, and I do not think many of the Members of this House are.

Mr. Chairman, I think it is perfectly fair to say that the proponents of such a piece of legislation ought in all frankness and fairness to have come before the House Committee on Agriculture. They can be excused for not coming the first time, and we did excuse them. But there have been 5 more months elapse, and they still have not come before our committee, and they still have not presented any reason for making any basic change in the law. Again they come up here at the last minute and for a second time they seek to ask this House to act

upon a program of this kind without any hearing and without any evidence.

Mr. Chairman, it seems to me, even though there may be some sound reason for making a change in the basic law, and I assure you that our committee doors are always open and we will be willing to hear anybody who wants to come in and sponsor such a change, that it is unwise to adopt this as an amendment right now. I hope we will vote down the amendment.

Mr. NELSEN. Mr. Chairman, I rise in support of the amendment.

The purpose of this legislation is to bring about a retirement of acres in production, total tillable acres in production. The gentleman from Wisconsin [Mr. THOMSON] has pointed out that under the provisions of the law as written and interpreted, the small farmer finds it difficult to participate in the program. If you examine the history of the operation of this program, you will find that in the States in which the small farmer predominates there has been a small amount of participation in land retirement. Under this legislation, the small farmer has a small acreage of corn for his silo if his silage corn acreage has to be included in his corn base. He feels that if he is to retire 20 percent or 30 percent, it does not leave him with enough corn to feed his livestock. What you are now doing is closing the door on the small producers and saying they cannot participate in this program.

Mr. Chairman, every politician I have ever heard make a speech at election time talks about the small farmer.

In this bill you are closing the door on the small farmer.

Another thing I want to point out is this: As the program is now being administered the farmer is permitted to fill his silo with sweet corn or anything he wishes to produce to take the place of corn, which in my judgment is getting around the intent of the law. If this amendment should be adopted, I think it is in the best interest of making this program work. I hope the House adopts the amendment that has been offered by the gentleman from Wisconsin.

Mr. Chairman, while I have the opportunity, I would like to call attention to another section of the bill which merits support. There is one section of title 3 of the bill now under consideration which I would like to commend for favorable consideration. This is section 325 which would authorize the Secretary of Agriculture to make loans to individual farmers who have suffered severe production losses when such damage is not sufficiently widespread to warrant the designation of an emergency area under the existing provisions of farm credit laws.

Just recently I received an inquiry from Mrs. John G. Brand, a farmer's wife in Cottonwood County, Minn., urging that something be done for the farmers in Cottonwood County who were the victims of extensive hail damage.

In response to this request, I contacted the Farmers Home Administration asking for a report on the extent of the hail damage in Cottonwood County. I was informed that the damage was concentrated generally on a 4-mile-wide strip in the southeastern part of the county. The finding of the FHA was that the damage was not sufficiently extensive countrywide so as to warrant a disaster declaration under which farmers would be eligible for emergency loans.

This situation has occurred numerous times in the past, and I am sure that each of us here in Congress who represents an agricultural district has felt the need for extending some type of aid to individual farmers in cases such as this.

I merely rise to point out my approval for this particular section in title 3 and to point out that this rewrite of the farm credit laws goes a long way toward meeting a londstanding need.

Mr. SHORT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I think I should first point out that I did suggest to the committee when we were considering the feed grain bill that we should make some provision for exempting corn raised for silage in areas where commercial corn was not grown. I was told that such an amendment should not be added to the feed grain bill for the simple reason that the feed grain program is a voluntary one, and if the farmer needed the corn he raised for silage all he had to do was stay out of the program. That is true.

I must point out, however, to the Members of this House that there is an inconsistency in this feed grain bill to the people that raise corn for silage and have no possible chance of raising corn for sale as commercial corn. They are limited in the opportunity that is available to them to benefit from this program because they can only by retiring their land take advantage of the opportunity for payment for land retirement. There is no opportunity for them to raise corn and take advantage of the higher price support for corn.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from North Carolina.

Mr. COOLEY. This is a voluntary program. How can the gentleman complain that any farmer anywhere does not have a right to grow all the silage he wants to grow? You certainly would not advocate paying a farmer for reducing certain crops and then putting his divested land into competitive crops.

Mr. SHORT. I certainly did not.

Mr. COOLEY. If you have a farmer who wants to grow silage let him grow silage. He does not have to come into the program.

Mr. SHORT. This bill has been depicted as a great benefit to the farmers of America. I submit to the Members of this House that under the feed grain bill the people that grow corn in areas where the corn cannot ripen into commercial corn have no opportunity to participate.

Mr. COOLEY. What do you want it for?

Mr. SHORT. I think there is no more point in including corn grown for silage in this bill than to have alfalfa hay included. In North Dakota the only crop we had this year in that drought-stricken area was the corn people are raising up there. There is no more sense in eliminating and cutting down the corn raised for silage in North Dakota than in cutting down on the alfalfa crop.

Mr. COOLEY. The gentleman just told me there was no provision in the bill that would cause the farmer to reduce his silage corn. Why should he be available for price support or any other program under those circumstances?

Mr. SHORT. If I reduce my acreage of corn raised for silage, what am I contributing to the reduction of feed grain raised in the United States?

Mr. COOLEY. Just the amount of silage, that is all. It is all used for feed.

Mr. SHORT. So is alfalfa hay. Why do we not include that?

Mr. COOLEY. We do not have an alfalfa program.

Mr. SHORT. I do not think this is a corn silage program.

Mr. COOLEY. I just cannot understand the gentleman's position.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just want to point out, I can plant 40 kernels to the acre for silage where I would probably plant 15 or 20 if I was going to husk the corn. Corn that is harvested by husking should have larger ears while corn silage can be harvested with a chopper and the size of the ears is not important. As a result, the total pounds of corn produced on an acre of corn silage will be greater than the pounds of corn produced on an acre of corn which is harvested by husking. I can actually get more feed out of an acre of silage than out of an acre of corn. Not only that, I can feed it for the same purpose. I can take a 400-pound calf and feed it nothing else but silage, some hay and pasture, and make an 800-pound calf out of it, nice and fat. It does not need to be fed much longer on any other kind of grain. This is just a big loophole. Do not be fooled by this small farmer stuff either. It takes big machinery to get into the silage business. All over the Midwest they are digging pits now instead of putting up the upright type of silo. They are digging big pits and filling them with sorgo and corn silage. This amendment would just create a big loophole and I urge you to vote against the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. THOMSON].

The amendment was rejected.

Mr. FINDLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FINDLEY:

Page 21, line 17, after the word "Act" insert the following: "*Provided*, That any such certificates issued for the 1961 crops shall be marketed by the Secretary prior to the end of the 1961 marketing year for corn and any such certificates issued for the 1962 crops shall be marketed by the Secretary prior to the end of the 1962 marketing year for corn".

Mr. FINDLEY. Mr. Chairman, regardless of what private arrangements may have been made between the Secretary of Agriculture and a Member of the

other body at the time of the conference on the 1961 feed-grains program or at any other time, the feed-grains program of 1961 was sold to this body, partly if not mainly, because of its payment-in-kind feature. The gigantic grain surpluses which hang over the markets in America today were very eloquently presented then as being price depressing in character, and they were very eloquently presented yesterday and today as such because of the same price depressing character of these surplus stocks. The farmers of America as well as many Congressmen here in this Hall would like surplus stocks reduced. They would like to see some of this Government grain fed back into the market channels so that it will no longer present a threat to grain prices.

Mr. Chairman, the purpose of this amendment is to carry out the intention of the House of Representatives when it passed the 1961 feed-grains program and follow through with the same thought for the 1962 program. It does not require that the Secretary dump grain and break the price. It does require that he carry through with the payments-in-kind feature and by the end of the 1961 crop year, which would be actually 14 months from now or September 30, 1962—by that date he would have to fund the certificates which he now holds. For the certificates acquired under the 1962 feed-grains program, he would be required to fund those certificates by September 30, 1963. The farmers of America would actually like to see the Government get out of the grain business so that the marketplace can provide the balance between supply and demand. So long as these giant surplus stocks remain in Government bins such is impossible.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment does not have a thing in the world to do with the amount or kind of surpluses on hand because there is going to be exactly the same number of bushels of grains sold on the market one way or the other. The only question is when you are going to sell this grain in the market. I want to make that clear because I want this House to understand that all of this talk about how they are going to reduce what is sold into the market does not mean a thing in the world. They are going to sell the same amount of grain in the market.

The question is, if you agree to this amendment it is just half as bad as the amendment which was offered earlier; it just requires the Secretary to sell once a year in the market, just dump the certificates he holds at one time and make sure there is a vast amount of this grain going on the market at one time which is absolutely certain to break the market. If you want to break the market just vote for this amendment. This is a good way to break the market and there will not be any way in the world the Secretary or anybody else can prevent it. But if you leave this matter where the Secretary can sell these certificates in an orderly manner when the market is in the best condition to receive them then we can expect the minimum cost to the U.S. Government.

This amendment goes contrary to everything that we have been doing thus far. It is offered, of course, by a gentleman who does not believe in the bill, who wants to defeat the bill, and who will succeed in defeating the bill if you will just stand here and take away any discretion whatsoever.

I hope the amendment is voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. FINDLEY].

The question was taken; and on a division (demanded by Mr. FINDLEY) there were—ayes 43, noes 82.

So the amendment was rejected.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had contemplated offering an amendment which would add another crop that could be planted on diverted feed grain acreage. I am informed that the farm bill which passed the other body yesterday contains the amendment which I had planned to offer. The issue will therefore be in conference, and I have no doubt but that the conferees on the part of the House will be willing to accept the Senate provision to which I have referred. I shall not, therefore, offer the amendment. My amendment would add guar beans to the list of crops, including castor beans, safflower, sunflower, and sesame, referred to in a proviso on page 18 of the bill.

The Clerk read as follows:

SUBTITLE D—MARKETING ORDERS

SEC. 141. Section 8c(2) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended by (a) striking out "and Idaho, and not including fruits, other than olives and grapefruit, for canning or freezing), tobacco," and inserting in lieu thereof "Idaho, New York, Michigan, Maryland, New Jersey, Indiana, California, Maine, Vermont, New Hampshire, Rhode Island, Massachusetts, and Connecticut, and not including fruits for canning or freezing other than olives, grapefruit, cranberries, and apples produced in the States named above except Washington, Oregon, and Idaho), tobacco, lambs, peanuts, turkeys," and (b) changing the period at the end thereof to a colon and adding: "*Provided further*, That no order issued pursuant to this section shall be effective as to cranberries or apples for canning or freezing unless the Secretary of Agriculture determines, in addition to other required findings and determinations, that the issuance of such order is approved or favored by processors who, during a representative period determined by the Secretary, have engaged in canning or freezing such commodity for market and have frozen or canned more than 50 per centum of the total volume of the commodity to be regulated which was canned or frozen within the production area, or marketed within the marketing area, defined in such order, during such representative period."; and section 8e of such Act is amended by striking out of the first sentence thereof "tomatoes, avocados, mangoes, limes, grapefruit, green peppers, Irish potatoes, cucumbers, or egg plants" and inserting in lieu thereof "any agricultural commodity".

Mr. COOLEY (interrupting the reading). Mr. Chairman, I ask unanimous consent that subtitle D, on "Marketing Orders" be considered as having been read and open for amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 22, line 2, following "(a)" insert the following: "inserting after the words 'or frozen grapefruit,' the words 'cranberries, apples, or turkeys,' and after the phrase 'the products of naval stores,' the phrase 'the products of peanuts,' and (b)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 22, line 13, strike out "lambs,".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 22, line 14, strike out "(b)" and insert "(c)".

The committee amendment was agreed to.

Mr. SISK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SISK: Page 22, line 13, after "tobacco" insert "honey".

Mr. SISK. Mr. Chairman, all I am trying to do is to sweeten this bill up a little bit, and I shall not take the entire time. Someone asked me if the bees voted. I may say that the beekeepers vote. The people who are concerned with the honey industry in my State of California are interested in this bill. I am not an expert on this subject, and I do not know a great deal about it, but it is my understanding they want to be included under this provision of the bill. If two-thirds of them desire to do so, they may develop a program, provided the Secretary feels the program would be in the best interest of the consumer as well as the producer.

It is my hope that the committee will accept the amendment and add to the provisions of this bill "honey," along with certain other commodites that are included under the General Marketing Order Agreements Act.

Mr. HARDING. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California.

Mr. Chairman, I hesitate to take the floor on this issue in opposition to my good friend from California; however, we have talked the honey issue over very thoroughly in the committee. We have heard the pros and the cons, and we voted to delete it in committee.

Yesterday there was quite a debate on this provision over in the Senate, with Senators from Ohio, Nebraska, Kansas, and New York, among other States, speaking against including honey in the marketing order section of this bill. We agreed in committee to vote against amendments to this section. I feel that

this section should be left as is, and that honey should continue to be deleted from this section and hereby urge my colleagues to vote against this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. SISK].

The amendment was rejected.

Mr. FORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FORD: Amend section 141 on page 22, line 14, after "C," insert the following: "inserting after word 'vegetables' where it first appears the following: 'other than dry edible beans' and (d)."

Mr. FORD. Mr. Chairman, the amendment I have proposed merely eliminates dry edible beans from the provisions of the Agricultural Marketing Agreement Act of 1937.

I am prompted to introduce this amendment, first, because the producers and handlers of my State inform me that there is no need for such legislation; that although dry edible beans have been eligible for marketing orders since 1937 there has never been any request made for such an order either from within or from outside the Department of Agriculture; and, further, such marketing orders for dry edible beans would only cause confusion and chaos in the industry and could serve no useful purpose. Second, I have been reliably informed that it would be next to impossible to draft a marketing order for beans because of the many and various kinds of beans grown in various areas and the further fact that dry edible beans are grown in only scattered areas all over the country.

Mr. Chairman, the National Dry Bean Council, a nationwide association made up of producers, handlers, and processors of 90 percent of the dry edible beans produced in this country, filed a statement with the Agriculture Committee in opposition to any marketing order proposal for beans. They listed numerous reasons, a few of which I should like to call to the attention of the Members of the House.

The council stated a marketing order or agreement cannot be effective if applied to a crop which is so susceptible to a multitude of changing circumstances as are beans. The foundation of marketing orders or agreements is that there is a reasonable predictability as to how much milk a certain number of cows will produce or how much tobacco a given acre of land will produce. There is no such predictability insofar as beans are concerned. The council submitted the following statistics from my home State of Michigan, the bean capital of the United States, to show the lack of predictability in bean farming.

Year	Acreage planted	Acreage harvested	Abandonment	Yield per acre
			Percent	*Hundredweight*
1954	402,000	413,000	17	7.98
1955	522,000	504,000	3	9.00
1956	517,000	499,000	4	10.80
1957	517,000	474,000	9	7.40
1958	548,000	536,000	1	9.75
1959	553,000	515,000	7	11.60

There is no doubt that the amount of land authorized for bean production could be controlled right down to the individual farm, but from there on, no one could predict with any degree of accuracy the amount of beans which will be produced. Note from the chart the extreme fluctuations in abandonment between the time of planting and the time of harvest. Abandonment largely results from the extreme susceptibility of beans to weather damage, insects and disease. It is suggested that no one, in view of such abandonment, can estimate how many acres of beans should be planted to provide a specific amount of beans. Abandonment in 1954 amounted to 17 percent whereas in 1958 it was only 1 percent.

Even if the factor of abandonment were not involved, there is the extreme fluctuation in yield per acre. As can be noted from the chart, the yield per acre runs all the way from 7.40 hundredweight in 1957 to 11.60 hundredweight in 1959. The bean producer's income is more closely allied with the weatherman than it is with the Commodity Credit Corporation. Extensive drought periods during the growing season and especially during pod-setting time, can lower the yields considerably. Similarly, cool, wet seasons are highly unfavorable, because beans are easily injured by excessive moisture and are subject to attack by diseases that thrive under such conditions. In addition to the weather, of course, beans are one of the most susceptible of crops to diseases which will further complicate any predictability as to yield.

One other factor of unpredictability is the amount of dockage or picking out done on the beans. This is when the farmer sells his beans to an elevator on a cleaned basis and involves separation of the good beans from the splits, discolored beans, stones, straw, and other foreign material. Dockage varies from year to year and from field to field and it may reduce the farmers salable production by as little as 1 to 2 percent or it may run as high as 15 to 20 percent of the crop and is in no sense predictable until the crop is actually harvested.

There is no question that marketing orders are of value to the producers of some commodities, but it is not felt that such orders will provide the benefits for beans that they do for other commodities. First, there is the unpredictability which has been noted and secondly because of the administrative burden of trying to establish marketing orders for the great variety of beans where many different types of beans are grown within one State. For instance, the Department of Agriculture's Crop Reporting Board lists 16 different types of beans grown in the United States. California, for example, produces 11 different types of beans. Therefore there would have to be 11 different types of marketing orders in California alone. One marketing order could not be used for all the different types of beans. In Michigan and Washington there would have to be six different types of marketing orders while Idaho and New York would each require at least five different types of marketing orders. Farmers across the road from each other would be farming under different types of marketing orders and it is conceivable if a farmer grew three or four different kinds of beans he would have to comply with three or four different marketing orders. This could only lead to complete confusion and in the opinion of the bean industry generally would be unworkable.

For the above-stated reasons Mr. Chairman, I hope the amendment is approved.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from North Carolina.

Mr. COOLEY. I will say that personally I have no objection to the amendment.

Mr. HOEVEN. Mr. Chairman, if the gentleman will yield, I have no objection to the amendment.

Mr. O'HARA of Michigan. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I believe that my congressional district produces more dry edible beans than any other in the United States. The information available to me is that there is some difference of opinion in the industry with regard to this amendment.

The Michigan Bean Producers Association, for instance, according to the communication I have received from them, opposes the amendment suggested by my colleague from Michigan. Beans have been under the Marketing Agreement Act since 1937. I can not believe that the standby authority to issue marketing orders for beans is going to hurt anyone at this date. I think that under these circumstances, Mr. Chairman, the better part of wisdom would be for the House to reject the amendment. Certainly the committee should have an opportunity to make a full and complete study of this matter before any such action is taken.

Mr. HAGEN of California. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from California.

Mr. HAGEN of California. I agree with the gentleman completely. There was no testimony and no communication at all from any beangrowers. I think it is poor judgment to act hurriedly on a matter of this character.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from Virginia.

Mr. JENNINGS. As I understand, dry edible beans are now in the provision which would permit them to have marketing orders if the producers agreed to have marketing orders.

Mr. O'HARA of Michigan. That is my understanding.

Mr. JENNINGS. This amendment would remove them so that they could not use this vehicle if they so desired?

Mr. O'HARA of Michigan. That is also my understanding.

Mr. JENNINGS. I am opposed to the amendment. In the case of tobacco, we have been under marketing orders for the past 15 or 20 years and the provision

has never been used. But I would be opposed to removing tobacco from the Marketing Agreement Act because we might at one time want to use marketing orders. For the same reason I support the gentleman's position.

Mr. O'HARA of Michigan. I thank the gentleman from Virginia.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from California.

Mr. TEAGUE of California. I am concerned about this, too. I have not heard a word from anybody in California, where we have large quantities of dry edible beans, and I am very much inclined to think that the committee should have given the matter some consideration. I have considerable doubt whether it should be done without hearings and thorough consideration by the committee.

Mr. O'HARA of Michigan. I thank the gentleman. I share his view.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. FORD].

The question was taken; and on a division (demanded by Mr. FORD) there were—ayes 39, noes 85.

So the amendment was rejected.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on subtitle D close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. ELLIOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows: Amendment offered by Mr. ELLIOTT of Alabama: On page 22, line 14 after "turkeys," insert the following: "broilers, fryers, and hatching eggs used for their production."

Mr. ELLIOTT. Mr. Chairman when I spoke yeserday, I indicated something of the serious plight of the broiler industry. Broilers are selling for 10 cents a pound, lowest price in history. Many of the small people—small contractors, small hatcheries, small feed dealers—are going broke.

From the 100 or more telegrams received at my office this morning from broiler people, I choose one from my hometown, as illustrative, which reads as follows:

DEAR CARL: We are being forced to close our business as a result of low market price of broilers. * * * A large part of the economy of this county depends on the broiler business. Any steps you may take to help relieve the depressed broiler business will be deeply appreciated.

When representatives of the broiler industry testified before the House Committee on Agriculture a month ago, they testified against proposals for marketing orders. However, at that time, broilers were selling for about 14 cents a pound. At that price they were selling for a break-even or nearly break-even price. Today, producers are losing 4 cents a pound or about 14 cents on a 3½ pound broiler. The 100 or so telegrams which I hold in my hand are indications that if these people were given an opportunity to testify today, their testimony would be different from what it was testified to be 3 or 4 weeks ago.

However, I recognize the confusion that exists in the thinking of the Members about this matter, and especially those from the broiler producing States. They have been bombarded for years now with propaganda against "controls." They have characterized as "controls" this marketing order provision which my amendment would allow the broiler industry to have the benefit of. They were in Washington a month ago appearing before the House and Senate Committees on Agriculture urging that broilers and broiler hatching eggs not be included in the farm program for this year. All of this has created some doubt and confusion in the minds of the membership. Since yesterday, when I indicated that I would offer this amendment, a great campaign has gone on among these same people who testified here a month ago urging Members not to vote for my amendment. The result has been, as I have indicated, some confusion and misunderstanding in the minds of the Members. As I indicated in my speech on yesterday, I feel certain that if this bill could be postponed for a week or 2 weeks that the disastrous prices in this industry would result in the true feelings of those who actually produce the broilers coming to the fore, so that the true sentiment of the industry could be heard. It has not been heard yet, but it will be heard. The telegrams I am receiving indicate it. They do not come from the big folks in the industry. They come from the people who have built the industry. They come from the people who have worked and sacrificed and invested their money and their time and their strength to build the industry. They know what they are talking about. They know that large numbers of them are facing bankruptcy. They are going broke.

My amendment provides for a permissive program—one that permits the broiler industry to propose a marketing order program. That program could not go into effect until public hearings had been held throughout the broiler areas. It could not go into effect until the Secretary of Agriculture has made findings from those hearings, and should the findings not be based upon the evidence a court could set them aside; and the marketing order still could not go into effect until two-thirds of the producers by referendum vote have approved it.

I have studied this matter carefully and I am convinced that a large number of the small people who have built the broiler industry are going busted under the disastrously low prices that now prevail. All my amendment would do would be to give them an opportunity to work out a program for themselves.

The marketing order procedure is, of course, not new. It has been used by the citrus industry for 24 years. There are about 43 marketing orders covering agricultural commodities at the present time.

This is not a matter of imposing a regulation upon this industry; instead it is a matter of affording the industry an opportunity to regulate itself. With a marketing order if it decides that is in its best interest. The cost of such a program is not a burden upon the taxpayer because it is paid for by the commodity which is regulated, in this case, broilers.

I urge the adoption of my amendment. It is closely akin to the amendment which the other body adopted to their bill on yesterday. My language is actually more restrictive.

It is not my philosophy that the Government should regulate everything. It is not my philosophy that all agricultural products or commodities should be regulated by the Government. I do think, however, that Government should provide an opportunity to broiler people to provide a marketing order for themselves if they decide they want it. I am advised that these low prices will continue. I am told they will go lower before they get higher. There is going to be much suffering in the broiler industry. The people who will eventually get hurt will be the small people. They will be the people who can afford less to get hurt.

I have had 100 telegrams about this situation today. When people are in trouble they look to their leaders for help. They look to their Government for help. I have had an opportunity to show these telegrams to several Members. All have been profoundly impressed. When I get time, maybe I will put them in the CONGRESSIONAL RECORD.

Let us look at the future. When the small people have been driven out of the broiler business, or bankrupted, what lies ahead? I will tell you what is happening in my District. When the small fellows give up, when the losses are too heavy to bear, when they are forced out, they are being followed by the large feed mills who take over the grower contracts. If present conditions continue, many people believe the large feed mills will take over the industry. Before that happens, I think that folks who have been in the broiler business should have every opportunity to save themselves. That is what my amendment tries to do. It tries to give them another avenue which they may find usable in preventing economic disaster to themselves.

Mr. JOHNSON of Maryland. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Alabama [Mr. ELLIOTT]. While I can appreciate the distressed conditions now confronting the poultry industry, I do not feel Federal control is the answer to our problem.

I am happy to state I represent an area that pioneered in the growing of commerical broilers and fryers. The Delmarva Peninsula is recognized as the birthplace of today's multimillion-dollar broiler-fryer industry. And, gentlemen, we are proud of the fact that our area for years has placed its prime emphasis on volume, but not without proper correlation with demand.

During recent years, our poultry industry has shifted its major emphasis from volume to the efficiency of growing and marketing a quality product.

On May 24, 1961, the president of the Delmarva Poultry Industry, James E. Davis, representing over 3,000 voluntary

members, comprised of growers, hatchery men, feed manufacturers, poultry processors, and equipment dealers, delivered a strong statement before the Senate Agriculture Committee, opposing governmental controls of the poultry industry.

Today, in behalf of our poultry industry, I wish to state that I am convinced that the progress we have made has come about primarily as the result of the system of free enterprise based on keen competition among individual growers and between major poultry producing areas.

We would be the first to admit that we have suffered periods of adversity, but gentlemen, we are the first to state our belief in private initiative and free enterprise.

My district has witnessed the burdensome Federal controls on milk. We have fought, and will continue to fight against, those controls. I ask you, gentlemen, for your support in my opposition to Mr. ELLIOTT's amendment. Permit our poultry industry to continue the free enterprise system of production and marketing.

Thank you.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. JENNINGS].

Mr. JENNINGS. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Alabama.

I served on the committee. A great number of people interested in this bill appeared before our committee. However, to appreciate this, I think you must understand that this is a highly integrated operation. Most of those people who appeared before our committee were those who represent the feed industry, and they represent control of the little producer. Many of the chicken farmers, the broiler industry, are going broke today. This is not anything mandatory. This is something we will give them if they desire to use it. It is a free enterprise system. There is nothing freer than a marketing order.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. I yield to the gentleman from Georgia.

Mr. LANDRUM. If the amendment offered by the gentleman from Alabama should be adopted, would there then be anything in the law that requires that controls be invoked immediately?

Mr. JENNINGS. There is nothing in the marketing provision that requires that controls be put into effect. There is nothing in the gentleman's amendment that requires that they be put into effect.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. ELLIOTT].

The question was taken; and on a division (demanded by Mr. HARRIS) there were—ayes 66, noes 63.

Mr. HOEVEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ELLIOTT and Mr. COOLEY.

The Committee again divided, and the tellers reported that there were—ayes 93, noes 97.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. CLEM MILLER].

Mr. CLEM MILLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CLEM MILLER: On page 22, line 13, after "tobacco" insert "lamb."

Mr. CLEM MILLER. Mr. Chairman, I was very surprised to see that lamb was taken out of the marketing order section. There is no doubt about the condition of the industry. It is depressed. There is no doubt about the wishes of the growers. The growers want it in increasing numbers. Unfortunately, the National Wool Growers at the present time seem to be opposed to it. I am sure when another few months go by, they are going to be heartily in favor of it, and are going to wish that they left it in the bill. I think we should give them an opportunity to have a lamb marketing order, if they want one. I recommend this amendment to the committee and hope the amendment is adopted. Even those gentlemen who have unfortunately consented to have the lambs taken out of the marketing order section are themselves in favor of it. It is difficult for me to see why, with all this support, that the amendment is not still in the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. CLEM MILLER].

The question was taken; and on a division (demanded by Mr. HOEVEN) there were—ayes 64, nays 68.

Mr. HOEVEN. Mr. Chairman, I demand tellers.

Tellers were ordered; and the Chair appointed as tellers Mr. CLEM MILLER and Mr. POAGE.

The Committee again divided; and the tellers reported that there were—ayes 59, nays 103.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, I rise to speak about the inclusion of turkeys in marketing orders. I am not going to offer an amendment to strike them, but I do want to point out that the turkey growers desire enabling legislation, not just inclusion in the Agricultural Marketing Agreements Act of 1937. So I would like to give to the House the enabling legislation which follows and express the hope that the committee will hold a hearing on marketing orders and make any changes that would be helpful. In this way we can go about this thing in a more judicious manner than just adding to or taking off.

The Agricultural Marketing Agreement Act of 1937, as amended, is amended by adding a new section 9, as follows:

SEC. 9. Notwithstanding any other provision of this Act, whenever the Secretary, upon the request of producers of turkey breeder hens, turkey hatching eggs, poults, or market turkeys, has reason to believe that the issuance of an order applicable to the producers of any or all of such commodities will tend to effectuate the declared policy of this Act, he shall give due notice and opportunity for hearing upon a proposed order applicable to the commodity or commodities in question. The provisions of this Act with respect to the issuance, amendment, suspension, termination, review, and enforcement of orders shall be applicable to orders issued under this section: *Provided*, That reference to marketing agreements in such provisions shall not be applicable with respect to orders hereunder: *And, provided further*, That wherever the word "handler" is used in the applicable provisions of this Act it shall be deemed to mean "producer" for the purposes of orders under this section. Orders issued pursuant to this Act with respect to such commodities shall be applicable only to producers and shall contain the terms provided in section 8c(7)(C) of this Act, and in addition thereto, one or more of the following terms and conditions, and no others:

(1) Providing or providing a method for registering or otherwise identifying the number of quantity of breeder hens, hatching eggs, poults, or market turkeys to be marketed or held or maintained for the production of any such commodity for market.

(2) Providing for the assessment and collection of market development and stabilization fees from the producers of any such commodity subject to the order to carry out the purposes of the order, including the maintenance and functioning of the authority or agency established by the Secretary to administer the order.

(3) Providing for the establishment of research, promotion, and market development programs (including advertising), to promote consumption and expand markets for such commodities and their products.

(4) Providing for payments to encourage the orderly marketing, sale, export, diversion, or other disposition or utilization of any such commodity or product thereof.

(5) Providing for the purchase and the sale or other disposition of any such commodity or product thereof to stabilize markets and to improve the balance between the supply and demand of any such commodity or commodities.

(6) Any term or condition incidental to, not inconsistent with, and necessary to effectuate any other terms and conditions of such order.

No order may be issued with respect to turkey breeder hens, turkey hatching eggs, or poults unless such order is also favored or approved by a majority of the producers of market turkeys voting in a referendum, as well as by the producers thereof as otherwise provided in this act.

ADDITIONAL PARAGRAPH AUTHORIZING QUANTITATIVE LIMITATIONS

Limiting or providing methods for limiting, through stabilization pools or otherwise, the quantity of any such commodity, or of any grade, size, or quality thereof, which may be marketed by producers during any specified period.

This is the type of legislation the National Turkey Federation wants.

The Clerk read as follows:

SUBTITLE E—WOOL

SEC. 151. Section 703 of the National Wool Act of 1954, as amended (68 Stat. 910, 72 Stat. 994; 7 U.S.C. 1782), is amended by striking out of the second sentence thereof "1962" and inserting "1967".

Mr. GUBSER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time for the purpose of directing a couple of very

short questions to the gentleman from North Carolina [Mr. COOLEY].

As we all know, the cherry industry includes the production of both red sour cherries and what are commonly referred to as sweet cherries. They are actually two distinct industries in distinct localities, requiring different treatment, and distinct types of marketing.

I know that representations have been made to both the House and the Senate committees for the inclusion of red sour cherries in the marketing order provisions of this bill.

I would like to inquire of the chairman if the representations were not exclusively for red sour cherries and not for the inclusion of sweet cherries. Is that correct?

Mr. POAGE. That is correct. As far as I know, the committee had under consideration nothing except red sour cherries.

Mr. GUBSER. Is it not true that the committee included in the marketing order provisions only those industries which have asked for inclusion?

Mr. POAGE. That is correct.

Mr. GUBSER. We have completed the section which deals with marketing orders, and no cherries of any kind are included in the House bill. However, the gentleman is aware of the fact that the other body on yesterday passed a bill which included cherries. I understand the intent there was to include only red sour cherries and not to include sweet cherries.

Naturally the chairman will support the House version of the bill in conference. May I ask him this question: If the Senate should insist on including cherries, would he be willing to establish the true intent of the industry by limiting the Senate version to red sour cherries rather than all cherries?

Mr. COOLEY. I would not want to express an opinion as to the intent of Members of the other body, but as far as I am concerned, I think we understand the gentleman's problem and we shall try to present the matter as fully as we possibly can.

Mr. BERRY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BERRY. Mr. Chairman, certainly I am not sufficiently naive to believe that anything I may have to say today will have any effect upon the outcome of this bill or the long-range position of Congress toward the agricultural problem.

I do, however, wish to point out again, as I have in the past, that the so-called farm problem is not a farm problem at all, but a situation resulting directly from cheap foreign imports of agricultural products.

What Congress has chosen to do down through the years is to permit almost unlimited importation of competitive food and fiber placing acreage production quotas on the domestic producer—forcing him to take his land out of production—in order to make room for foreign production—rather than placing import quotas against these competitive imports.

Congress permits the American public to think these compensation payments are a subsidy to the farmer. They are not a subsidy to the farmer—they are a subsidy to the consumer. They are a subsidy to the foreign producer.

The consumer wants to buy his food and fiber as cheaply as possible, and if imports tend to keep his prices down then of course he is going to resent any effort to limit imports. But when imports are unlimited in order to keep prices down for the consumer—who is being subsidized, the farmer? No. The consumer. And, by the same token the importer.

Let us take a few examples of these imports:

First. Sugar for instance—represents 13 percent of our total agricultural imports. Almost one half of the sugar that goes onto the American tables is imported. The Department of Agriculture estimates that if the American farmer were permitted to produce the sugar that is used in this country it would require the production of 1,380,000 acres. In other words, sugar imports idle 1,380,000 acres in this country. The American taxpayer is asked to rent and keep out of production 1,380,000 acres in order that we can continue sugar imports.

Prior to Castro almost all of this sugar was produced in Cuba. Check and see where the sugar quotas have gone, not to the American farmer, but divided among all the countries of the world while the American farmer begs for some crop to raise on his land. Why has not this Cuban quota been divided among the American producers? Because this Congress and the Department are controlled by the international sugar cartels.

Second. Take beef as another example. Last year we imported 1½ million head of beef. The Department of Agriculture cannot tell me just how many acres are required to produce a beef, but nationwide it is probably about 20 acres. This means that 30 million acres had to be taken out of production in order to make room for the imported beef.

In the entire soil bank program we have been able to take out of production only 23 million acres. Up until now it has cost the taxpayers $2½ million and the contracts in existence will cost another $1.7 million. Yet in spite of this effort and all this cost we have not been able to rent the acreage and take out of production the acres that have been supplanted just by the imports of beef alone.

Third. Another example, hogs: 1,341,000 head imported last year. Anyone who has ridden the streetcars in Washington has seen the big signs advertising Polish hams. Does anyone think we are making friends abroad by trading with the enemy and importing pork from Poland? Yet the American farmer is asked to move over and take a few thousand acres of his farmland out of production in order that we can import pork.

Not only that, but the American taxpayer is asked to rent that land thus supplanted and take it out of production so this sort of thing can continue. And, they claim it is a farm subsidy.

Fourth. Sheep and lambs are another example. More than 1,100,000 head of lambs were imported last year, supplanting the production of thousands more acres and pushing many more American farmers and ranchers off their farms to make room for imports.

Fifth. Wool: It would require between 50 and 75 million acres to produce the wool that is used, both in raw and processed form, in this country which is now being imported. Yet, my friends, this wool extension program included in this so-called farm bill is referred to as a farm subsidy.

As I have indicated 23 million acres have been removed from production through the soil bank. More than 28½ million acres were removed through commodity production this year. The wheat section provides a mandatory 10-percent reduction in the 55 million wheat allotment acres which means at least 5½ million acres more. Multiply that times the national production average and you will find what the American taxpayer is paying the wheat farmer to move over and make room for imports.

No, of course we do not import wheat; but there is not a wheat farmer who would not go into the cattle business if he did not have to compete with the foreign beef importer.

I shall support this bill today, not because it solves any problems but because it is the only thing we can do until Congress gets sufficient intestinal fortitude to attack this problem at its roots and that is foreign imports.

In the meantime, the farmer gets the black eye, and the consumer and the importer get the benefits.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, may I have the attention of the chairman of the committee? What is this all about, sour cherries? Are you going to keep them out? Now, over on the west side of Michigan we have a surplus crop. We did not ask for anything for impacted areas. We did not ask anything for distressed areas. We are not asking for Federal aid for anything. I understand you are going to put the sour cherries out of the school lunch; is that right?

Mr. COOLEY. There is nothing in this bill providing that sour cherries be taken out of the school lunch program.

Mr. HOFFMAN of Michigan. Oh, I know of the gentleman's great influence, and I heard something about the Senate having something in here about sour cherries. Where are we coming out?

Mr. COOLEY. I assure you my intentions are good.

Mr. HOFFMAN of Michigan. I know that, and I know a place where good intentions are used.

Mr. COOLEY. What is the question the gentleman raises about red cherries and sour cherries?

Mr. HOFFMAN of Michigan. Well, these people over there who grow cherries—the processers who have a little money—are trying to buy all the cherries from these poor farmers whose living depends upon selling their crop, and

there does not seem to be any market, and they want to get cherries in the school lunch program. Will you help us to get them in there?

Mr. COOLEY. As far as I am concerned, they can.

Mr. HOFFMAN of Michigan. Will you be of affirmative help?

Mr. COOLEY. I do not think I can be of affirmative help, because there is is not anything in this bill that has anything to do with the school lunch program.

Mr. HOFFMAN of Michigan. We are not discussing the bill. We have gone along with you helping the cotton growers in Texas to get money to buy chewing tobacco from your growers. Why can you not come along and do a little something that is good for us as well as for the schoolchildren?

Mr. COOLEY. We will take your suggestion under consideration.

Mr. HOFFMAN of Michigan. Too many things are "taken under consideration" without result. I would like to have a little help on those sour cherries. I do not care about the canners, they have plenty of money, but they buy these cherries from the poor farmers that do not have any market. You are helping everyone else, why not cherry growers? Do I hear a word of encouragement?

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as having been read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

TITLE II—AGRICULTURAL TRADE DEVELOPMENT

SEC. 201. Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended as follows:

(1) Effective January 1, 1962, section 103 (b) is amended to read as follows:

"(b) No agreement under this title which will call for appropriations to reimburse the Commodity Credit Corporation in an amount in excess of $5,000,000 may be entered into until after the expiration of 15 days from the date upon which a report of the provisions of the proposed agreement is submitted to the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives."

(2) Section 104 is amended:

(a) by inserting after the words "foreign currencies" in the introductory clause, the following: "'including principal and interest from loan repayment' ";

(b) by striking out in the final proviso in such section the language beginning with the words "for the purpose" and ending with the words "specified in" and inserting in lieu thereof the words "pursuant to";

(c) by adding after subsection (r) the following new subsection (s):

"(s) For the sale for dollars to American tourists under such terms and conditions as the President may prescribe;";

(d) by inserting in the second sentence of subsection (a) after the word "made" where it first appears the words "each year" and after the word "be" where it first appears the words "set aside in the amounts and kinds of foreign currencies specified by the Secretary of Agriculture and"; and by striking out from the third sentence of subsection (a) the words "Particular regard shall be given to provide" and inserting in lieu thereof the words "Provision shall be made"; and by striking out from the third sentence of subsection (a) the word "may" and inserting in lieu thereof the words "the Secretary of Agriculture determines to"; and by inserting in the third sentence after the word "thereof" the following: "(not less than 2 per centum)"; and by inserting after the third sentence a new sentence as follows: "Such sums shall be converted into the types and kinds of foreign currencies as the Secretary deems necessary to carry out the provisions of this subsection and such sums shall be deposited to a special Treasury account and shall not be made available or expended except for carrying out the provisions of this subsection"; and by striking out from the last sentence of subsection (a) the words "agreements may be entered into" and by inserting in lieu thereof "the Secretary of Agriculture is authorized and directed to enter into agreements".

(3) Section 109 is amended by striking out "1961" and substituting "1964".

SEC. 202. Title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended as follows:

(1) Section 203 is amended (a) by deleting the first sentence and substituting the following: "Programs of assistance shall not be undertaken under this title during any calendar year beginning January 1, 1961, and ending December 31, 1964, which call for appropriations of more than $300,000,000 to reimburse the Commodity Credit Corporation for all costs incurred in connection with such programs (including the Corporation's investment in commodities made available), plus any amount by which programs of assistance undertaken in the preceding calendar year have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than were authorized for such purpose during such preceding year by this title as in effect such preceding year."; and (b) by deleting "such" the first time it appears in the second sentence.

(2) Section 204 is amended by striking out "1961" and substituting "1964".

SEC. 203. Title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended, is hereby amended as follows:

(1) Section 401 is amended by adding at the end thereof the following new sentence: "It is also the purpose of this title to stimulate and increase through private trade the sale of surplus agricultural commodities for dollars through long-term supply agreements and through the extension of credit for the purchase of such commodities, thereby assisting the development of the economies of friendly nations and maximizing dollar trade."

(2) Section 402 is amended by adding at the end thereof the following new sentence: "In furtherance of the purpose of maximizing dollar sales through the private trade, the Secretary of Agriculture is authorized to enter into sales agreements under which he shall undertake to provide for the delivery of surplus agricultural commodities over such periods of time and under the terms and conditions set forth in this title."

(3) The first sentence of section 403 of such Act is amended by striking out all of such sentence after the word "determine" and inserting "but not in excess of 3 per centum per annum" and by deleting the words "in approximately equal annual amounts" in the last sentence thereof.

(4) Section 405 is amended to read as follows:

"In entering into agreements with friendly nations for the sale of surplus agricultural commodities, the President may, to the extent deemed practicable and in the best interests of the United States, permit other friendly and historic supplying nations to participate in supplying such commodities under the sales agreement on the same terms and conditions as those applicable to the United States.

(5) Section 406 of such Act is amended by inserting after the word "sections" the following: "101 (b) and (c),".

SEC. 204. In the conduct of foreign market development programs, the Secretary of Agriculture is authorized to credit contributions from individuals, firms, associations, agencies, and other groups, and the proceeds received from space rentals, and sales of products and materials at exhibitions, to the appropriations charged with the cost of acquiring such space, products, and materials.

TITLE III—AGRICULTURAL CREDIT

SEC. 301. (a) This title may be cited as the "Consolidated Farmers Home Administration Act of 1961".

(b) The Congress hereby finds that the statutory authority of the Secretary of Agriculture, hereinafter referred to in this title as the "Secretary", for making and insuring loans to farmers and ranchers should be revised and consolidated to provide for more effective credit services to farmers.

Subtitle A—Real estate loans

SEC. 302. The Secretary is authorized to make and insure loans under this subtitle to farmers and ranchers in the United States and in Puerto Rico and the Virgin Islands who (1) are citizens of the United States, (2) have a farm background and either training or farming experience which the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operations, (3) are or will become owner-operators of not larger than family farms, and (4) are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes and periods of time.

SEC. 303. Loans may be made or insured under this subtitle for acquiring, enlarging, or improving farms, including farm buildings, land and water development, use and conservation, refinancing existing indebtedness, and for loan closing costs. In making or insuring loans for farm purchase, the Secretary shall give preference to persons who are married or have dependent families and, wherever practicable, to persons who are able to make initial downpayments, or who are owners of livestock and farm implements necessary successfully to carry on farming operations.

SEC. 304. Loans may also be made or insured under this subtitle to any farmowners or tenants without regard to the requirements of section 302 (1), (2), and (3) for the purposes only of land and water development, use, and conservation.

SEC. 305. The Secretary shall make or insure no loan under sections 302, 303, and 304 which would cause (a) the unpaid indebtedness against the farm or other security at the time the loan is made to exceed $60,000 or the normal value of the farm or other security, or (b) the loan to exceed the amount certified by the county committee. In determining the normal value of the farm, the Secretary shall consider appraisals made by competent appraisers under rules established by the Secretary. Such appraisals shall take into consideration both the normal agricultural value and the normal market value of the farm.

SEC. 306. (a) The Secretary also is authorized to make or insure loans to associations, including corporations not operated for profit and public and quasi-public agencies, to provide for the application or establishment of soil conservation practices, the conservation, development, use, and control of water and the installation or improvement of drainage facilities, all primarily for serving farmers, ranchers, farm tenants, farm laborers, and rural residents, and to furnish

financial assistance or other aid in planning projects for such purposes. No such direct loans shall be made which would cause an association's unpaid principal indebtedness to the Secretary under this section and the Act of August 28, 1937, as amended, to exceed $500,000 and on insured loans to exceed $2,500,000 at any one time.

(b) The service provided or made available through any such association shall not be curtailed or limited by inclusion of the area served by such association within the boundaries of any municipal corporation or other public body, or by the granting of any private franchise for similar service within such area during the term of such loan; nor shall the happening of any such event be the basis of requiring such association to secure any franchise, license, or permit as a condition to continuing to serve the area served by the association at the time of the occurrence of such event.

SEC. 307. (a) The period for repayment of loans under this subtitle shall not exceed forty years. The Secretary shall from time to time establish the interest rate or rates at which loans for various purposes will be made or insured under this subtitle but not in excess of 5 per centum per annum. The borrower shall pay such fees and other charges as the Secretary may require.

(b) The Secretary shall take as security for the obligations entered into in connection with loans, mortgages on farms with respect to which such loans are made or such other security as the Secretary may require, and for obligations in connection with loans to associations under section 306, shall take liens on the facility or such other security as he may determine to be necessary. Such security instruments shall constitute liens running to the United States notwithstanding the fact that the notes may be held by lenders other than the United States.

SEC. 308. Loans under this subtitle may be insured by the Secretary, aggregating not more than $150,000,000 in any one year, whenever funds are advanced or a loan is purchased by a lender other than the United States. In connection with insurance of loans, the Secretary—

(a) is authorized to make agreements with respect to the servicing of loans insured hereunder and to purchase such loans on such terms and conditions as he may prescribe, except that no agreement shall provide for purchase by the Secretary at a date sooner than three years from the date of the note; and

(b) shall retain out of payments by the borrower a charge at a rate determined by the Secretary from time to time equivalent to not less than one-half of 1 per centum per annum on the principal unpaid balance of the loan.

Any contract of insurance executed by the Secretary under this subtitle shall be an obligation supported by the full faith and credit of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge.

SEC. 309. (a) The fund established pursuant to section 11(a) of the Bankhead-Jones Farm Tenant Act, as amended, shall hereafter be called the Agricultural Credit Insurance Fund and is hereinafter in this subtitle referred to as the "fund". The fund shall remain available as a revolving fund for the discharge of the obligations of the Secretary under agreements insuring loans under this subtitle and loans and mortgages insured under prior authority.

(b) Moneys in the fund not needed for current operations shall be deposited in the Treasury of the United States to the credit of the fund or invested in direct obligations of the United States or obligations guaranteed by the United States. The Secretary may purchase with money in the fund any notes issued by the Secretary to the Secretary of the Treasury for the purpose of obtaining money for the fund.

(c) The Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for discharging obligations under this section and for authorized expenditures out of the fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yields of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Secretary under this subtitle. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

(d) Notes and security acquired by the Secretary in connection with loans insured under this subtitle and under prior authority shall become a part of the fund. Notes may be held in the fund and collected in accordance with their terms or may be sold by the Secretary with or without agreements for insurance thereof at the balance due thereon, or on such other basis as the Secretary may determine from time to time. All net proceeds from such collections, including sales of notes or property, shall be deposited in and become a part of the fund.

(e) The Secretary shall deposit in the fund such portion of the charge collected in connection with the insurance of loans at least equal to a rate of one-half of 1 per centum per annum on the outstanding principal obligations and the remainder of such charge shall be available for administrative expenses of the Farmers Home Administration, to be transferred annually and become merged with any appropriation for administrative expenses.

(f) The Secretary may utilize the fund—

(1) to make loans which could be insured under this subtitle whenever the Secretary has reasonable assurance that they can be sold without undue delay, and may sell and insure such loans. The aggregate of the principal of such loans made and not disposed of shall not exceed $10,000,000 at any one time;

(2) to pay the interest to which the holder of the note is entitled on loans heretofore or hereafter insured accruing between the date of any prepayments made by the borrower and the date of transmittal of any such prepayments to the lender. In the discretion of the Secretary, prepayments other than final payments need not be remitted to the holder until the due date of the annual installment;

(3) to pay to the holder of the notes any defaulted installment or, upon assignment of the note to the Secretary at the Secretary's request, the entire balance due on the loan;

(4) to purchase notes in accordance with agreements previously entered into; and

(5) to pay taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application and transmittal of collections and other expenses and advances authorized in section 335(a) in connection with insured loans.

SEC. 310. The terms "farmowner" and "owner-operator" in this subtitle shall include the owner of such interest in real estate as will give the applicant the rights of possession, management and control of the property sufficient to accomplish the objectives of the loan applied for and the right to encumber his interest as security if such interest is less than full ownership, the owners of other interests in said property join in the encumbrance.

Subtitle B—Operating loans

SEC. 311. The Secretary is authorized to make loans under this subtitle to farmers and ranchers in the United States and in Puerto Rico and the Virgin Islands who (1) are citizens of the United States, (2) have a farm background and training or farming experience which the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operation, (3) are or will become operators of not larger than family farms, and (4) are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes and periods of time.

SEC. 312. Loans may be made under this subtitle for (1) paying costs incident to reorganizing the farming system for more profitable operation, (2) purchasing livestock, poultry, and farm equipment, (3) purchasing feed, seed, fertilizer, insecticides, and farm supplies and to meet other essential farm operating expenses including cash rent, (4) financing land and water development, use and conservation, (5) refinancing existing indebtedness, (6) other farm and home needs including but not limited to family subsistence, and (7) for loan closing costs.

SEC. 313. The Secretary shall make no loan under this subtitle (1) which would cause the total principal indebtedness outstanding at any one time for loans made under this subtitle and under section 21 of the Bankhead-Jones Farm Tenant Act, as amended, to exceed $30,000: *Provided, however,* That not more than 25 per centum of the sums made available for loans under this subtitle may be used for loans which would cause such indebtedness of any borrower under said Acts to exceed $15,000, (2) for the purchasing or leasing of land other than for cash rent, or for carrying on any land leasing or land purchasing program, or (3) in excess of an amount certified by the county committee.

SEC. 314. Loans aggregating not more than $500,000 in any one year may also be made to soil conservation districts which cannot obtain necessary credit elsewhere upon reasonable terms and conditions and are not engaged in any other business for the purchase of farming equipment to be rented to farmers on terms and conditions approved by the Secretary.

SEC. 315. The Secretary is authorized to participate in loans which could otherwise be made by the Secretary under this subtitle which are made by commercial banks, cooperative lending agencies, or other legally organized agricultural lending agencies up to 80 per centum of the amount of the loan.

SEC. 316. The Secretary shall make all loans under this subtitle at an interest rate not to exceed 5 per centum per annum, upon the full personal liability of the borrower and upon such security as the Secretary may prescribe. Such loans shall be payable in not more than ten years.

Subtitle C—Emergency loans

SEC. 321. (a) The Secretary may designate any area in the United States and in Puerto Rico and the Virgin Islands as an emergency area if he finds (1) that there exists in such area a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the

Secretary is authorized to make under subtitle B or to make or insure under subtitle A of this title or any other Act of Congress), at reasonable rates and terms for loans for similar purposes and periods of time, and (2) that the need for such credit in such area is the result of a natural disaster, severe production losses, or critical economic conditions encountered in the area by the producers of specified agricultural commodities and products.

(b) The Secretary is authorized to make loans in any such area (1) to establish farmers or ranchers who are citizens of the United States and (2) to private domestic corporations or partnerships engaged primarily in farming or ranching provided they have experience and resources necessary to assure a reasonable prospect for successful operation with the assistance of such loan, and are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes and periods of time.

SEC. 322. Loans may be made under this subtitle for any of the purposes authorized for loans under subtitle A or B of this title.

SEC. 323. The Secretary shall make no loan under this subtitle in excess of an amount certified by the county committee.

SEC. 324. The Secretary shall make all loans under this subtitle at a rate of interest not in excess of 3 per centum per annum repayable at such times as the Secretary may determine, taking into account the purpose of the loan and the nature and effect of the emergency, but not later than provided for loans for similar purposes under subtitles A and B of this title, and upon the full personal liability of the borrower and upon such security, as the Secretary may prescribe.

SEC. 325. The Secretary may make loans without regard to the designation of emergency areas under section 321(a) to persons or corporations (1) who have suffered severe production losses not general to the area or (2) who are indebted to the Secretary for loans under the Act of April 6, 1949, as amended, or the Act of August 31, 1954, as amended, to the extent necessary to permit the orderly repayment or liquidation of said prior indebtedness.

SEC. 326. The Secretary is authorized to utilize the revolving fund created by section 94 of the Farm Credit Act of 1933, as amended (hereinafter in this subtitle referred to as the "Emergency Credit Revolving Fund"), for carrying out the purposes of this subtitle.

SEC. 327. (a) All sums received by the Secretary from the liquidation of loans made under the provisions of this subtitle or under the Act of April 6, 1949, as amended, or the Act of August 31, 1954, and from the liquidation of any other assets acquired with money from the Emergency Credit Revolving Fund shall be added to and become a part of such fund.

(b) There are authorized to be appropriated to the Emergency Credit Revolving Fund such additional sums as the Congress shall from time to time determine to be necessary.

Subtitle D—Administrative provisions

SEC. 331. For the purposes of this title and for the administration of assets under the jurisdiction of the Secretary of Agriculture pursuant to the Farmers Home Administration Act of 1946, as amended, the Bankhead-Jones Farm Tenant Act, as amended, the Act of August 28, 1937, as amended, the Act of April 6, 1949, as amended, the Act of August 31, 1954, as amended, and the powers and duties of the Secretary under any other Act authorizing agricultural credit, the Secretary may assign and transfer such powers, duties, and assets to the Farmers Home Administration, to be headed by an Administrator, appointed by the President, by and with the advice and consent of the Senate, without regard to the civil service laws or the Classification Act of 1949, as amended, who shall receive basic compensation as provided by law for that office.

The Secretary may—

(a) administer his powers and duties through such National, area, State, or local offices and employees in the United States and in Puerto Rico and the Virgin Islands as he determines to be necessary and may authorize an office to serve the area composed of two or more States if he determines that the volume of business in the area is not sufficient to justify separate State offices;

(b) accept and utilize voluntary and uncompensated services, and with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, territory, or political subdivision;

(c) within the limits of appropriations made therefor, make necessary expenditures for purchase or hire of passenger vehicles, printing and binding without regard to the Act of January 12, 1895, as amended, and such other facilities and services as he may from time to time find necessary for the proper administration of this Act;

(d) compromise, adjust, or reduce claims, and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into or administered by the Farmers Home Administration under any of its programs, as circumstances may require, but compromises, adjustments, or reductions of claims of $15,000 or more shall not be made without the approval of the Administrator: *Provided, however,* That—

(1) compromise, adjustment, or reduction of claims shall be based on the value of the security and a determination by the Secretary of the debtor's reasonable ability to pay considering his other assets and income at the time of the action and with or without the payment of any consideration at the time of such adjustment or reduction;

(2) releases from personal liability may also be made with or without payment of any consideration at the time of adjustment of claims against—

(A) borrowers who have transferred the security property to approved applicants under agreements assuming the outstanding secured indebtedness;

(B) borrowers who have transferred the security property to approved applicants under agreements assuming that portion of the secured indebtedness equal to the current market value of the security property or transferred the security property to the Secretary;

(C) borrowers who have transferred the security property to other than approved applicants under agreements assuming the full amount of, or that portion of the secured indebtedness equal to, the current market value of the security property on terms not to exceed five annual installments with interest on the unpaid balance at a rate determined by the Secretary; and

(D) borrowers who transfer security property under subparagraphs (B) and (C) above for amounts less than the indebtedness secured thereby may be released from personal liability only on a determination by the Secretary that each such borrower has no reasonable debt-paying ability considering his assets and income at the time of the transfer and the county committee certifies that the borrower has cooperated in good faith, used diligence to maintain the security property against loss, and has otherwise fulfilled the covenants incident to his loan to the best of his ability;

(3) no compromise, adjustment, or reduction of claims shall be made upon terms more favorable than recommended by the appropriate county committee utilized pursuant to section 332 of this title; and

(4) any claim which has been due and payable for five years or more, and where the debtor has no assets or no apparent future debt-paying ability from which the claim could be collected, or is deceased and has left no estate, or has been absent from his last known address for a period of at least five years, has no known assets, and his whereabouts cannot be ascertained without undue expense, may be charged off or released by the Secretary upon a report and favorable recommendation of the county committee and of the employee having charge of the claim, and any claim involving a principal balance of $150 or less may be charged off or released whenever it appears to the Secretary that further collection efforts would be ineffectual or likely to prove uneconomical; and

(5) partial releases and subordination of mortgages may be granted either where the secured indebtedness remaining after the transaction will be adequately secured or the security interest of the Secretary will not be adversely affected, and the transaction and use of proceeds will further the purposes for which the loan was made, improve the borrower's debt-paying ability, permit payments or indebtedness owed to or insured by the Secretary, or permit payment of reasonable costs and expenses incident to the transaction, including taxes incident to or resulting from the transaction which the borrower is unable to pay from other sources;

(e) collect all claims and obligations arising or administered under this title, or under any mortgage, lease, contract, or agreement entered into or administered pursuant to this title and, if in his judgment necessary and advisable, pursue the same to final collection in any court having jurisdiction.

SEC. 332. (a) The Secretary is authorized and directed to appoint in each county or area in which activities are carried on under this title, a county committee composed of three individuals residing in the county or area, at least two of whom at the time of appointment shall be farmers deriving the principal part of their income from farming. Committee appointments shall be for a term of three years except that the first appointments for any new committee shall be for one-, two-, and three-year periods, respectively, so as to provide continuity of committee membership. The Secretary may appoint alternate committeemen. The members of the committee and their alternates shall be removable for cause by the Secretary.

(b) The rates of compensation, the number of days per month each member may be paid, and the amount to be allowed for necessary travel and subsistence expenses, shall be determined and paid by the Secretary.

(c) The committee shall meet on the call of the chairman elected by the committee or on the call of such other person as the Secretary may designate. Two members of the committee shall constitute a quorum. The Secretary shall prescribe rules governing the procedure of the committees and their duties, furnish forms and equipment necessary, and authorize and provide for the compensation of such clerical assistance as he finds may be required by any committee.

SEC. 333. In connection with loans made or insured under this title, the Secretary shall require—

(a) the applicant to certify in writing that he is unable to obtain sufficient credit elsewhere to finance his actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes and periods of time;

(b) except for loans under sections 306, 314, and 321(b)(2), the county committee to certify in writing that the applicant meets

the eligibility requirements for the loan, and has the character, industry, and ability to carry out the proposed farming operations, and will, in the opinion of the committee, honestly endeavor to carry out his undertakings and obligations; and for loans under sections 306, 314, and 321(b)(2), the Secretary shall require the recommendation of the county committee as to the making or insuring of the loan;

(c) an agreement by the borrower that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source, at reasonable rates and terms for loans for similar purposes and periods of time, the borrower will, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary or the insured lender, or both, and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan;

(d) such provision for supervision of the borrower's operations as the Secretary shall deem necessary to achieve the objectives of the loan and protect the interests of the United States; and

(e) the applications of veterans for loans under subtitle A or B of this title to be given preference over similar applications of nonveterans on file in any county or area office at the same time. Veterans as used herein shall mean persons who served in the Armed Forces of the United States during any war between the United States and any other nation or during the Korean conflict and who were discharged or released therefrom under conditions other than dishonorable.

SEC. 334. All property subject to a lien held by the United States or the title to which is acquired or held by the Secretary under this title other than property used for administrative purposes shall be subject to taxation by State, territory, district, and local political subdivisions in the same manner and to the same extent as other property is taxed: *Provided, however,* That no tax shall be imposed or collected on or with respect to any instrument if the tax is based on—

(1) the value of any notes or mortgages or other lien instruments held by or transferred to the Secretary;

(2) any notes or lien instruments administered under this title which are made, assigned, or held by a person otherwise liable for such tax; or

(3) the value of any property conveyed or transferred to the Secretary,

whether as a tax on the instrument, the privilege of conveying or transferring or the recordation thereof; nor shall the failure to pay or collect any such tax be a ground for refusal to record or file such instruments, or for failure to impart notice, or prevent the enforcement of its provisions in any State or Federal court.

SEC. 335. (a) The Secretary is authorized and empowered to make advances, without regard to any loan or total indebtedness limitation, to preserve and protect the security for or the lien or priority of the lien securing any loan or other indebtedness owing to, insured by, or acquired by the Secretary under this title or under any other programs administered by the Farmers Home Administration; to bid for and purchase at any execution, foreclosure, or other sale or otherwise to acquire property upon which the United States has a lien by reason of a judgment or execution arising from, or which is pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of, any such indebtedness whether or not such property is subject to other liens, to accept title to any property so purchased or acquired; and to sell, manage, or otherwise dispose of such property as hereinafter provided.

(b) Real property administered under the provisions of this title may be operated or leased by the Secretary for such period or periods as the Secretary may deem necessary to protect the Government's investment therein.

(c) The Secretary may determine whether real property administered under this title is suitable for disposition to persons eligible for assistance under subtitle A. Any property which the Secretary determines to be suitable for such purposes shall, whenever practicable, be sold by the Secretary as expeditiously as possible to such eligible persons in a manner consistent with the provisions of subtitle A hereof. Real property which is not determined suitable for sale to such eligible persons or which has not been purchased by such persons within a period of three years from the date of acquisition, shall be sold by the Secretary after public notice at public sale and, if no acceptable bid is received then by negotiated sale, at the best price obtainable for cash or on secured credit without regard to the laws governing the disposition of excess or surplus property of the United States. The terms of such sale shall require an initial downpayment of at least 20 per centum and the remainder of the sales price payable in not more than five annual installments with interest on unpaid balance at the rate determined by the Secretary. Any conveyances under this section shall include all of the interest of the United States, including mineral rights.

(d) With respect to any real property administered under this title, the Secretary is authorized to grant or sell easements or rights-of-way for roads, utilities, and other appurtenances not inconsistent with the public interest. With respect to any rights-of-way over land on which the United States has a lien administered under this title, the Secretary may release said lien upon payment to the United States of adequate consideration, and the interest of the United States arising under any such lien may be acquired for highway purposes by any State or political subdivision thereof in condemnation proceedings under State law by service by certified mail upon the United States attorney for the district, the State director of the Farmers Home Administration for the State in which the farm is located, and the Attorney General of the United States: *Provided, however,* That the United States shall not be required to appear, answer, or respond to any notice or writ sooner than ninety days from the time such notice or writ is returnable or purports to be effective, and the taking or vesting of title to the interest of the United States shall not become final under any proceeding, order, or decree until adequate compensation and damages have been finally determined and paid to the United States or into the registry of the court.

SEC. 336. No officer, attorney, or other employee of the Secretary shall, directly or indirectly, be the beneficiary of or receive any fee, commission, gift, or other consideration for or in connection with any transaction or business under this title other than such salary, fee, or other compensation as he may receive as such officer, attorney, or employee. No member of a county committee shall knowingly make or join in making any certification with respect to a loan to purchase any land in which he or any person related to him within the second degree of consanguinity or affinity has or may acquire any interest or, with respect to any applicant related to him within the second degree of consanguinity or affinity. Any persons violating any provision of this section shall, upon conviction thereof, be punished by a fine of not more than $2,000 or imprisonment for not more than two years, or both.

SEC. 337. The Secretary may provide voluntary debt adjustment assistance between farmers and their creditors and may cooperate with State, territorial, and local agencies and committees engaged in such debt adjustment, and may give credit counseling.

SEC. 338. (a) There is authorized to be appropriated to the Secretary such sums as the Congress may from time to time determine to be necessary to enable the Secretary to carry out the purposes of this title and for the administration of assets transferred to the Farmers Home Administration.

(b) When authorized by Congress, the Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds in such amounts as the Congress may approve annually for making direct loans under this title. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yields of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Secretary under this title. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and for that purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended; and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

(c) The appropriations for loans made under the authority of subsection (a) and funds obtained in accordance with subsection (b) of this section, and the unexpended balances of any funds made available for loans under the item "Farmers Home Administration" in the Department of Agriculture Appropriation Acts current on the date of enactment of this title, shall be merged into a single account known as the "Farmers Home Administration direct loan account", hereafter in this section called the "direct loan account". All claims, notes, mortgages, property, including those now held by the Secretary on behalf of the Secretary of the Treasury, and all collections therefrom, made or held under the direct loan provisions of (1) titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, as amended; (2) the Farmers Home Administration Act of 1946, as amended, except the assets of the rural rehabilitation corporations; (3) the Act of August 28, 1937 (50 Stat. 869), as amended; (4) the item "Loans to Farmers—1948 Flood Damage" in the Act of June 25, 1948 (62 Stat. 1038); (5) the item "Loans to Farmers (Property Damage)" in the Act of May 24, 1949 (63 Stat. 82); (6) the Act of September 6, 1950 (64 Stat. 769); (7) the Act of July 11, 1956 (70 Stat. 525); and (8) under this title shall be held for and deposited in said account.

The notes of the Secretary issued to the Secretary of the Treasury under said Acts or under this title and all other liabilities against the appropriations or assets in the direct loan account shall be liabilities of said account, and all other obligations against such appropriations or assets shall be obligations of said account. Moneys in the direct loan account shall also be available for interest and principal repayments on notes issued by the Secretary to the Secretary of

the Treasury. Otherwise, the balances in said account shall remain available to the Secretary for direct loans under subtitles A and B of this title, and for advances in connection therewith, not to exceed any existing appropriation of authorization limitations and in such further amounts as the Congress from time to time determines in appropriation Acts. The amounts so authorized for loans and advances shall remain available until expended. Subject to the foregoing limitations, the use of collections deposited in the account may be authorized by the Congress in lieu or partially in lieu of authorizing the issuing of additional notes by the Secretary to the Secretary of the Treasury, and the account shall be budgeted on a net expenditure basis.

(d) The Secretary may sell and assign any notes and mortgages in the direct loan account with the consent of the borrower or without such consent when the borrower has failed to comply with his agreement to refinance the indebtedness at the request of the Secretary. Such loans may be sold at the balance due thereon or on such other basis as the Secretary may determine from time to time.

(e) At least 25 per centum of the sums authorized in any fiscal year for direct loans to individuals to be made by the Secretary under subtitle A of this title shall be allocated equitably among the several States and territories on the basis of farm population and the prevalence of tenancy, as determined by the Secretary.

SEC. 339. The Secretary is authorized to make such rules and regulations, prescribe the terms and conditions for making or insuring loans, security instruments and agreements, except as otherwise specified herein, and make such delegations of authority as he deems necessary to carry out this title.

SEC. 340. The President may at any time in his discretion transfer to the Secretary any right, interest, or title held by the United States in any lands acquired in the program of national defense and no longer needed therefor, which the President shall find suitable for the purposes of this title, and the Secretary shall dispose of such lands in the manner and subject to the terms and conditions of the title.

SEC. 341. (a) Reference to any provisions of the Bankhead-Jones Farm Tenant Act or the Act of August 28, 1937 (50 Stat. 869), as amended, superseded by any provision of this title shall be construed as referring to the appropriate provision of this title. Titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, as amended, and the Act of August 28, 1937 (50 Stat. 869), as amended, the Act of April 6, 1949 (63 Stat. 43), as amended, and the Act of August 31, 1954 (68 Stat. 999), as amended, are hereby repealed effective one hundred and twenty days after enactment hereof, or such earlier date as the provisions of this title are made effective by the Secretary's regulations. The foregoing provisions shall not have the effect of repealing the amendments to section 24, chapter 6 of the Federal Reserve Act, as amended, section 5200 of the Revised Statutes, section 35 of chapter III of the Act approved June 19, 1934 (D.C. Code, title 35, sec. 535), enacted by section 15 of the Bankhead-Jones Farm Tenant Act, as amended, and by section 10(f) of the Act of August 28, 1937 (50 Stat. 869), as amended.

(b) The repeal of any provision of law by this title shall not—

(1) affect the validity of any action taken or obligation entered into pursuant to the authority of any of said Acts, or

(2) prejudice the application of any person with respect to receiving assistance under the provisions of this title, solely because such person is obligated to the Secretary under authorization contained in any such repealed provision.

(c) If any provision of this title or the application thereof to any person or circumstance is held invalid, the remainder of the title and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 342. Title III of the Bankhead-Jones Farm Tenant Act, as amended, is further amended by the following new section 35:

"SEC. 35. The provisions of this title shall extend to Puerto Rico and the Virgin Islands. In the case of Alaska, Puerto Rico, and the Virgin Islands, the term 'county' as used in this title may be the entire area, or any subdivision thereof as may be determined by the Secretary, and payments under section 33 of this title shall be made to the Governor or to the fiscal agent of such subdivision."

TITLE IV—GENERAL

SEC. 401. Section 16 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by changing the third sentence of paragraph (1) of subsection (b) to read as follows: "Such contracts may be entered into during the period ending not later than December 31, 1971, with respect to farms and ranches in counties in the Great Plains area of the States of Colorado, Kansas, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming, designated by the Secretary as susceptible to serious wind erosion by reason of their soil types, terrain, and climatic and other factors."

SEC. 402. The Act of July 1, 1958, as amended (72 Stat. 276), is further amended by adding a new section as follows:

"SEC. 2. There is hereby authorized to be appropriated for the fiscal year beginning July 1, 1962, and for each of the four fiscal years thereafter, such sums as may be necessary to enable the Secretary of Agriculture, under such rules and regulations as he may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. For the purposes of this Act, 'United States' means the 50 States and the District of Columbia."

SEC. 403. Section 202 of the Agricultural Act of 1949, as amended, is amended by striking the phrase "December 31, 1961" each place it appears therein and inserting in lieu thereof the phrase "December 31, 1964".

SEC. 404. Section 210 of the Agricultural Act of 1956, as amended, is amended by striking out everything after the word "Federal" and inserting in lieu thereof the following: "and State penal and correctional institutions, other than those in which food service is provided for inmates on a fee, contract, or concession basis."

Mr. COOLEY. Mr. Chairman, I would like to take this occasion to explain briefly to the House how the committee intends to operate the limitation on Public Law 480 agreements which is contained in section 201 of the bill, on page 23, and why the committee believes that this form of control over title I sales for foreign currency will be far more effective than the type of limitation which the Congress has imposed in the past.

On May 31 of this year the Commodity Credit Corporation had in its inventories more than $7 billion worth of agricultural commodities and had price support loans outstanding of more than $1,450 million worth of additional commodities. I am sure that virtually every Member of Congress will agree that if all of these commodities could be exported under programs beneficial to the United States it would be a good thing for our own economy and for our relationships throughout the world.

The committee, therefore, can see no good purpose to be served in putting any arbitrary limit on the quantity of these commodities which may be programed under title I agreements in any particular period of time.

As a matter of fact, the arbitrary limitations which Congress has heretofore established on the quantity of commodities which could be programed under title I has never really acted as a limitation. Each time the administration has reported to the Congress that it was approaching the previously established limit and has requested an increase, the Congress has quickly voted such an increase.

Public Law 480 was first enacted on July 10, 1954, for a period of 3 years with an original authorization of $700 million in title I transactions. This limitation was reached within the first year of operations and on August 12, 1955, the limitation was increased to $1.5 billion. This amount of commodities was disposed of within the succeeding year and on August 3, 1956, the limitation was again increased, this time to $3 billion.

Thereafter until May of last year, sales for foreign currency under title I proceeded at the rate of approximately $1.5 billion per year, and the committee anticipates that this is the approximate rate at which sales will be made under this new and extended authorization.

In May of 1960, however, President Eisenhower signed a 4-year agreement with India which obligated $2.2 billion of the $3 billion authorized for the 2 calendar years 1960 and 1961. By early 1961, therefore, the Department of Agriculture found itself without any additional authority to make title I agreements for the rest of the calendar year 1961 and requested that the limitation be increased by $2 billion for the remainder of this calendar year.

Congress quickly agreed to this new request and on May 4, 1961, the President signed Public Law 87–28 increasing the limitation on disposal of these commodities by the full $2 billion for the remainder of this calendar year.

Therefore, as I have pointed out, the monetary limits which have been placed on the use of these CCC commodities for the purpose of sales for foreign currency have never been an effective limitation, in fact, and the committee believes that the procedure which has been set up in this bill will be far more effective in giving Congress an actual and effective continuing review and limitation authority, if it cares to exercise such authority, on the use of these commodities.

Under this procedure, the Department of Agriculture will submit to the Committee on Agriculture of the House and the Committee on Agriculture and Forestry of the Senate a specific report on the terms of each proposed agreement reached under title I of Public Law 480 involving a transfer of more than $5 million worth of CCC commodities. These

reports will stipulate the commodities proposed to be sold under the agreement, the terms of payment, the use to be made of the local currencies which are derived from the sale, the valuation to be placed on such currencies, the cumulative total of such agreements during the calendar year, the cumulative total of all such agreements with the country involved, and other pertinent information.

This information will be supplied on forms developed by the committees and will be submitted in sufficient quantity in each case, so that copies may be made available to individual members of the committees and to other Members of Congress who might be interested.

No such proposed agreement may be signed until the expiration of 15 days after the detailed report I have just described has been submitted to the two committees. This will give committee members and other interested Members of Congress a chance to know in advance what is proposed to be put into these agreements, to exercise a continuing scrutiny over this aspect of our Public Law 480 programs, and to bring the pressure of public opinion—and if necessary of legislative directive—to bear upon the actual operations of this very important program.

I want to emphasize that this is not a procedure requiring the approval of either of the committees involved, for this would be an unconstitutional exercise of legislative power over the Executive. In case of emergency, I assume that the President could actually enter into one of these agreements in less than the 15 days stipulated in the bill. However, it will clearly be in the best interests of the orderly administration of the program for the officials of the executive branch in charge of this program to cooperate fully with the committees of Congress and I have no doubt whatever that we will have such cooperation from them.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments:

Page 24, line 3, strike out "including" and inserting "including".

Page 24, line 4, strike out "repayments" and insert "repayments,".

Page 27, line 17, strike out "may" and insert "may,".

Page 37, line 25, strike out after the word "conditions" down to and including the word "business" on page 38.

Page 40, line 4, strike out "security," and insert "security".

The committee amendments were agreed to.

Mr. COOLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: On page 36, line 8, after the word "security" insert a comma, strike out the word "if" and insert in lieu thereof "and where".

Mr. COOLEY. Mr. Chairman, this is just a technical amendment. I do not desire to discuss it any further.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

Mr. HAGEN of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to commend the gentleman from North Carolina, chairman of the committee, on the very excellent job he has done on this bill. He endeavored to remove the more controversial parts of it. In a real sense this is a bipartisan effort, and I think a very valuable piece of legislation.

I would like to ask the chairman about an item which was inadvertently left out of the report which accompanies this bill. It relates to page 60 of the bill in connection with the extension of the armed services and veterans milk program. In the committee I offered some language which was approved by the committee for inclusion in the report, but it was inadvertently omitted:

In extending these programs for increased utilization of milk and milk products by our armed services and the other specified Federal agencies, we wish to reaffirm the historic position of this committee and the Congress that all Government procurement of milk and milk products shall conform to Federal marketing order and local law requirements relating to minimum prices to be paid to milk producers, which are in effect in the area or areas where such milk or milk products are procured. It has been reported to us that such conformity has not always been the practice in the recent past.

Mr. Chairman, our committee approved this language for inclusion in the report.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HAGEN of California. I yield to the chairman of the committee.

Mr. COOLEY. Mr. Chairman, I agree with the gentleman; the language was inadvertently left out of the committee report, and I would like to make it part of the congressional debate. I agree with the gentleman that this language should be in our report.

Mr. HAGEN of California. Mr. Chairman, I thank the gentleman. Again I want to say I think this is a fine piece of legislation and I think our chairman and the members of the committee on both sides are to be commended on it. It will do a great deal to reduce the cost of this farm program, at least on a temporary basis.

Mr. ABBITT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ABBITT of Virginia: On page 53, line 18, after the word "annually," insert the following: "in appropriation Acts."

Mr. COOLEY. Mr. Chairman, I shall be very glad to accept the gentleman's amendment.

Mr. HOEVEN. Mr. Chairman, I shall be glad to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. ABBITT].

The amendment was agreed to.

Mr. MACGREGOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MACGREGOR of Minnesota: On page 60, line 16, after the word "institutions," insert the phrase "and to local institutions of a correctional nature."

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. MACGREGOR. I am happy to yield to the distinguished chairman of the Committee on Agriculture.

Mr. COOLEY. Mr. Chairman, I am perfectly willing to accept the gentleman's amendment.

Mr. HOEVEN. Mr. Chairman, I accept the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. MACGREGOR].

The amendment was agreed to.

Mr. GROSS. Mr. Chairman, again and with reluctance will I vote for what is known as a farm bill. It is with reluctance because I am convinced that this bill, as with all others that have been considered in recent years, will not do the job of providing American farmers with the opportunity of obtaining their fair share of the national income.

With my friend the gentleman from Minnesota, the Honorable FRED MARSHALL, I am convinced that acreage controls such as have been attempted will never bring production in line with consumption for purposes of raising farm prices.

It has always been my considered judgment that the only effective program is one based on allocated marketings, based upon units of production, and this in conjunction with cost of production plus reasonable profit prices for the products of the farms necessary to sustain the domestic demand for food and fiber.

I support this legislation today because it would be unthinkable to cast American agriculture, now beset with huge surpluses, into the so-called free market. Without some support legislation, any such action would immediately produce a full-blown depression for farmers and this depression would eventually sweep the Nation.

Mr. Chairman, I hope to live to see the day when farm legislation will be devised and enacted that will be effective in providing farmers with the opportunity to obtain their proper place in the economic sun of this Nation.

Mr. ROOSEVELT. Mr. Chairman, as a Representative from an urban constituency, I feel an obligation to verbally justify my support for the omnibus farm bill. This program is one which is under constant attack and harassment as catering to a special interest group, the farmers, to the detriment of the population as a whole, particularly the city people. Emotional and delusive propaganda is directed toward the consumer, producing the opinion that passage of the farm bill will result in greatly increased costs to the consumer for food products. Gross distortions are exhibited as evidence of the cost to the taxpayer of the farm price support program. These arguments, I submit, are fallacious and misleading, and frequently the opposite arguments are nearer to the truth.

The problem presently facing the farmers is, in essence, that of greatly increasing productivity without a com-

parable rise in consumer demand. The 1960 farm output was 28 percent above that of 1950. These trends are expected to continue, which could result in a rise in farm output of 25 to 30 percent by 1970. In other segments of the economy, where individual competitors are far less numerous than among farmers, production is controlled and limited through a rational basis of decisionmaking. Presently we are not producing anywhere near our capacities in most basic industries in this country: steel, automobiles, rubber, chemicals, and oil are examples. Automobile producers can make an intelligent judgment as to the anticipated level of demand for their products and so, within fairly broad limits, can restrict overproduction. But the farmer, producing in relatively small and insignificant units when compared to the total farm output, is both incapable of accurately predicting anticipated demand and of taking efficacious steps to help himself. Farmers alone adhere to this extremely competitive system based on a freely fluctuating market where prices are determined largely by supply and demand. In such a market, prices are severely depressed by even a moderate oversupply. Consequently, the very efficiency and productivity of the American farmer leads to a lowering of his income. This is the central problem which has caught the farmer in a predicament which he is totally incapable of remedying without assistance.

The farm bill is not directed to a narrow special interest group, but is rather of vast importance to all Americans, rural and urban. The bill is a highly significant and integral part of our total legislative program. It is a bill of national significance, framed with a broad perspective of the general welfare. It is drafted upon the basic premise that we are a unified nation—upon the conclusion that, when one portion of our national economy contends with great difficulties and hardships, the repercussions are felt throughout the length and breadth of our land. And similarly, that when one portion of our Nation prospers, the remainder enjoys the beneficient effects of this prosperity. Our national economy is a totally interdependent system. When the farmer, who is relatively one of the largest purchasers of consumer goods, prospers, the effect upon the economy is immediately and beneficially realized. So, aside from the obvious humanitarian aspects of raising farm income, it is demonstrated that a tremendous and vital effect of such pursuits reflects upon the national economy in a manner rewarding to all of our people, rural and urban.

Moreover, to increase farm income does not entail a substantive rise in food prices. Any rise in food prices directly due to better farm prices will be so slight as to be almost unnoticeable. Since 1952 the cost of living has increased about 11 percent. The cost of food has increased only about 2 percent. At the same time, the return to the farmer has dropped about 15 percent. The average consumer in the United States spends about 20 percent of his income to eat as well as he does. The comparable figure in the Soviet Union is about 56 percent, and in West Germany, France, and Japan the comparable figure is above 40 percent. In other words, the average U.S. consumer spends only about half as much of his income on food as do workers in other countries. The American farmer receives only about 39 cents of every food dollar, a drop of 8 cents since 1952. Thus, even if the farmer received a 10-percent increase in his income, the cost to the consumer would be less than 4 cents per food dollar. The proposed increase in the wheat price support to $2 a bushel would increase the cost of flour in a loaf of bread by three-tenths of 1 cent. Any fear of a substantial effect upon the cost of food to the consumer as a consequence of an increase in farm income is unwarranted. Any noticeable increase in the costs of food to the consumer would, as always, be a result of increased costs and profits in processing and distribution.

Another area of misunderstanding is that of the costs of the farm program to the taxpayer. It is frequently indicated to the taxpayer that the budget for the Department of Agriculture is over $6 billion. Without further elucidation, the taxpayer is led to believe that most of this figure is related to the support of farm prices. This, of course, is false. Only about one-third of the Department's budget is directly related to farm price supports. The balance is divided among many programs and functions including the food-for-peace program, forestry projects, rural electrification, Farmers Home Administration, school milk program, and the new food stamp plans. Approximately 3 percent of the total food bill in the United States is spent to support farm prices, far less than is frequently, and erroneously, thought to be the cost. Under the proposed program it is expected that $750 million will be saved by the feed grains program, and that another $50 million in savings will result from the first year's operation of the wheat program. If one adds storage and carrying charges on wheat inventories over the next few years, that $50 million figure jumps to $250 million—on just 1 year's crop.

Finally, after considering the great and pervasive economic benefits to the country as a whole, I cannot denigrate the vital importance of the human element in this situation. This program seeks to aid several million farmers, with emphasis upon the small family farmer, whose entire lives center around their farms; to assist several million people whose income level is substantially lower than that of urban people; to provide for several million Americans whose average hourly earnings are less than the Federal minimum wage for workers engaged in commerce. The purpose of the bill is to assist a great and valuable segment of our society to whom farming is not only a way to earn a living—it is also a way of life.

In summary then, as an urban Representative, I support the omnibus farm bill because I believe that it is just that the farmer receive his equitable and fair share of the national wealth, a fair return on his investment comparable to that received by business and labor in their activities; that the expenditure of tax money is justified by the resulting economic benefits realized by the Nation as a whole; that the cost to the consumer is so minimal as to be virtually unnoticeable; that the program is aimed at production levels that will provide abundance for the health of the Nation, meet export demands, play an important role in our foreign policy, and maintain safe reserves of farm products for use in the case of a national emergency. This is a national problem. It is our responsibility.

Mr. RANDALL. Mr. Chairman, I rise in support of H.R. 8230, which is known as the Agricultural Act of 1961.

We represent a district which is about equally divided between a large suburban area consisting of many professional people, building trades craftsmen, industrial workers, grouped together in one area and on the other hand about half of my constituents live in farming areas and smaller cities and towns located in several agricultural counties.

We know that our district is not unique in having part industrial and part agriculture and yet in the years we have been in the Congress we have never been able to see that there was any real conflict or division of interest within our district between farms and the city. The real thinking people of the metropolitan area—and we do represent some wards in the Kansas City, Mo., area—do now and have always realized that it is the purchasing power of the surrounding farm areas that is responsible for the continued industrial prosperity of the urban and suburban areas.

This bill has been thoroughly debated and it shall not be our purpose to speak out and give our impressions of any particular section, but before final vote on the bill is taken, paramount consideration by each Member should be, "Will this measure improve the income of the family farmer in the great majority of the farm areas of this country?" We believe that it will. This is the key to the solution of the farm problem. This is the very heart of the problem. Oh, we all know we have had to wrestle with the problem of farm surplus and have been plagued with the problem of storage costs and with the disposition of these surpluses.

Certain controls exist in this bill to help toward the eventual reduction of these surpluses and this burden. They have been fairly well provided for, we think. It has been determined that if we pass this bill today, as is, it will save from $750 million to $1 billion on storage costs for the coming year, and this saving can be passed on to the benefit of the farmer in other provisions of this bill.

But coming back again to the much hoped for accomplishment of the bill, will it improve the income of the family

farm and be a step in the preservation of this long cherished institution in America? If this bill is some help in accomplishing that, then it should deserve the support of every Member in this House.

Now over the past months, we have received a substantial amount of mail from many individual farmers in our district and from those who appear to be spokesmen and representatives of the various farm organizations.

We have received mail from the Missouri Farmers Association, the Farmers Union, the National Farm Organization, and the American Farm Bureau Federation. We have acknowledged many times in the past that we do not hold ourselves out as being an expert on the problems of agriculture, but even if we are not, we think this particular bill must be quite an improvement over H.R. 6400 because of the change in attitudes of some of the individual farmers and also by one of the largest of the farm organizations. In a letter to our office dated July 21, 1961, the American Farm Bureau Federation congratulated the House Agriculture Committee for "striking from the original version of this bill some of the most dangerous and unsound provisions." This same letter stated that "the provision to extend Public Law 480 meets with our general approval," and goes on to say "we support the changes which were made by the committee in the agriculture credit title of this bill." At another place in the Farm Bureau letter, its president says "several items in this bill should be enacted—other parts do not merit approval," but finally goes on to thank again the committee for eliminating the most objectional features of the bill as originally proposed. After having received the earlier protestations from this same farm organization, and now to receive a letter such as we have quoted from above, almost forces us to the conclusion that this must be a bill which is acceptable to almost everyone now belonging to the different farm organizations.

Maybe the bill is not the greatest piece of farm legislation since 1938—as has been suggested, but it is an extension, clarification, and improvement of old legislation and price support on a 1-year basis.

We like very much the declaration of policy which the bill announces as its purpose to "more fully and effectively improve, maintain, and protect the income of farmers." And another purpose which would give some of our big city Congressmen material for thought is the announced policy "to increase purchasing power" of all farmers.

We will not consume much time or ask for much space but we think it is appropriate to make a brief observation of each of the four titles contained in the bill. Title I is concerned with supply and price stabilization. We like very much the directive given here in which the Secretary is required by January 15, 1962, to submit his seed and feed grain program for 1963 and subsequent years. Certainly this is an effort to have a planned farm bill, rather than the 1-year extension we have set in the past.

For our part the 1962 wheat program is a sincere and honest effort to control one of the biggest problems in all agriculture—that of continued wheat surpluses. The 1962 feed-grain program has been wisely written, because there is a provision that in order to become eligible for price supports, the producer must participate in the acreage retirement of reduction program for these crops in 1962, as prescribed by the Department of Agriculture and in order to enjoy participation, must be in compliance with the entire program. In other words, he cannot enjoy part of the program and evade other parts under these provisions.

Looking again at title I, we are pleased to support the extension of marketing orders. There is a large farm organization in our State that has long favored the extension of marketing orders which have worked so very well as to certain commodities into the areas of many other domestic commodities.

In title II we find this year's effort at the extension and amendment of Public Law 480. As nearly as we can determine in listening to the debate and to the many amendments offered on the floor, this provision will expand our foreign trade in agricultural commodities with friendly nations and provide for better use of our American abundance. It is our belief that the State Department would work in very close collaboration with the U.S. Department of Agriculture to guard against the danger that in this trade we do give aid and comfort to those nations that are cooperating with the Russians. Certainly we do not want to use our own abundance, which is in itself a formidable weapon, against ourselves.

Coming to title III we find it is a consolidation and at the same time a simplification of the several agricultural credit laws formerly administered by the Farmers Home Administration.

It is appealing and very encouraging to note that here there is recognition that the demand for agricultural credit is changing. Here we find the statutory limits of loans have been expanded and that the FHA is now permitted to participate up to 80 percent of operating loans. It should be recalled the House passed some of these amendments last year but they failed in the Senate.

In our area, the Midwest, it is very refreshing to note there is a new look in the revision and clarification of agricultural credit laws. At last it seems like we are beginning to think as much of our own farmers as we have in some other years so very carefully provided for the credit needs of some of the farmers of the underdeveloped areas of the world. Now it is hoped that our own American farmer may find it easier and simpler to satisfy his credit needs.

Title IV, to our way of tninking, while it is described as a "general" title, certainly contains some very special and also some very important provisions. One of the most special items in this so-called general section, is the extension of the school milk program for 5 years, or to June 30, 1967. The bill now very definitely enables the Secretary of Agriculture to encourage the consumption of fluid milk by children in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. Presently, the milk program is operating only under a 1-year extension and would expire on June 30, 1962. It is pleasing to note that the bill is now extended to veterans and the Armed Forces. Heretofore, the school milk program as shown on the books was carried as a debit of the price support program. Which amounts to support prices for agricultural commodities. Henceforth, it will be debited as a consumer item—which is certainly appropriate and as it should be.

We repeat, we believe the Members should all congratulate the House Agriculture Committee for their many weeks of hard work in the preparation of the final version of this bill. No bill that ever comes to the floor of the House is perfect, but it is our humble opinion that this is a sound measure and one which we hope will prove to be workable.

We support this measure because the farmers of the Fourth Missouri District need help and need it this year. In my opinion, it will have to be this bill or nothing for this session. Essentially this is nothing more than a measure designed to assist the American farmer for the short-term period of 1 year. It is not a measure designed to furnish the farmer with a program that he can plan his operations over a several-year period; thus it can give him some temporary help, but may not much advance his long-range economic betterment. We must pass this particular measure—but I hope that early in the next session of our Congress a long-range program will be adopted that will go much farther than the act of 1961.

Mr. STUBBLEFIELD. Mr. Chairman, I want to record my strong support of H.R. 8230. As a member of the House Agriculture Committee, I know how diligently and carefully the committee has worked under the able leadership of our distinguished chairman, the gentleman from North Carolina, HAROLD COOLEY, to bring forth this bill.

As has been frequently pointed out in the course of this debate, H.R. 8230 is not a solution to the problem of achieving for the American farmer a position of economic equity. However, the bill does constitute a constructive step in the right direction. It supports, expands, and continues the process which began with the enactment of the feed grain bill earlier this year of reducing surpluses.

The steps which have been taken together with the changes provided in this bill have reversed the process under which surplus production begets lower prices and lower prices beget increased production as the farmer tries to make a livelihood by increasing his volume to offset lower prices.

H.R. 8230 reflects a recognition that this treadmill is a wasteful utilization of the blessings of our productive re-

sources—wasteful in terms of the "dead loss" cost of storage of unneeded commodities—wasteful of the human and natural resources involved in producing food over and beyond our own needs and beyond our ability and ingenuity to supply the needs of the rest of the free world.

Mr. Chairman, I believe the bill before us starts us down the right road. However, I am sure that I speak the sentiments of all the members of the Agriculture Committee when I add that there is a long road ahead of us as we seek to meet the challenge of utilizing our phenomenal agricultural productivity in the way which will best serve our Nation's needs and at the same time achieving equity for those who make their livelihood producing the food and fiber upon which we all depend.

Mr. NYGAARD. Mr. Chairman, at this moment I would like to extend to the House Committee on Agriculture, its chairman and its members, my appreciation for the untiring efforts they have put forth in preparation and presentation to us of H.R. 8230. At the outset of their deliberations, it seemed they had before them a bill that could not possibly be revised and put in such condition that the membership of this deliberative body would be willing to accept as being in the best interests of the agriculture industry of the United States. They are to be high complimented for providing the bill that we are today considering.

In my case, and no doubt that of many Members of Congress, there are some points in this bill with which I am not in full agreement. However, it is my opinion that on the whole it is basically a good piece of legislation.

I am especially grateful to the Department of Agriculture for agreeing to the exemption from acreage reductions for two crops in this bill which are presently in short supply, namely, Malting barley and Durum wheat. A heavy percentage of the Nation's malting barley and Durum are produced in my State of North Dakota. The shortages in these two crops have come about primarily as the result of a serious drought which has effected our area and several other portions of the Northern Plain States. It is gratifying to me that in spite of the amount of time the committee has spent in deliberation of the general bill, they would spend additional time to give special consideration to these crops.

It has also been encouraging to me that the committee took still more of their valuable time to consider measures that were presented by my colleague, DON SHORT, and me to provide for additional forage through loans, grazing and harvesting of hay on soil bank acres, as well as for the purchase of Commodity Credit Corporation feeds for livestock and poultry producers in our area in order that they may be able to retain their herds over winter.

Another point comes to my attention as a result of the flexibility provision for the malting barley and Durum wheat programs. The shortages that have developed in these two crops are primarily a result of the drought condition. However, if Congress is willing to let the controls be flexible in these cases in order that the producers may be able to provide the agriculture products that are essential for the people of the United States as well as of foreign nations, then supply and demand may one day cause this same thing to take place in the case of other agricultural products. Therefore, I think it is essential that all farm legislation have a degree of flexibility in order that when these conditions do arise—and I may say sometimes arise very suddenly—there will be enough elasticity in the regulations in order to meet those conditions and thereby avoid hardship upon either the producer or the consumer of that commodity.

These are some of the points that come to me while listening to the deliberations on the floor on this piece of legislation, and I trust that the committee and the Congress of the United States will always be mindful of the needs of agriculture as well as the needs of the consuming public in the United States and be available to help within practical limitations to provide for the hungry and starving peoples of the world.

I should like to take this opportunity to express again to this committee and also to the membership of the House my thanks for their consideration of these matters, and I also thank you in behalf of the people in the drought-stricken areas for your help.

Mr. TAYLOR. Mr. Chairman, the story of American farm production is a story of success and progress. Research and study, application of scientific methods, machinery, fertilizer, and hard work on the farm have produced two blades of grass where one grew before, and several bushels of grain where one grew before. The result is that the American people are the best fed of any in the world today.

In Russia 25 percent of the people, and in China 90 percent of the people are engaged in agriculture, yet in both of these countries there is famine today, but the American farmer produces enough food and fiber to support 24 of his fellow citizens.

Yet this American farmer is being criticized and ridiculed because he has performed so efficiently and produced food in such abundant quantities causing today's problem of overproduction.

As we consider the omnibus farm bill we must realize serious problems face American agriculture and that the farmers of our country who performed so magnificently need our help. Each year farmers have been receiving a smaller percentage of the national income and for many years farm prices have been declining while the cost of production has been continually increasing.

In 1959 the average farm per capita income was $960 compared with the per capita income of $2,202 for the nonfarming population. The farmer's portion of the retail food dollar fell from 53 cents in 1945 to 40 cents in 1958. A factory worker can now buy 40 percent more food with 1 hour's pay than he could in 1947.

Today 6 million people are working full time on the farms of America but over 17 million other American citizens have jobs because of agriculture. In my home State of North Carolina, most of the 430,000 citizens who earn their livelihood in manufacturing use North Carolina cotton, tobacco, and timber. This being true, it is obvious that North Carolina's industrial prosperity is closely tied to agriculture. Agriculture in North Carolina is very important since our farm population is greater than any State in the Union except Texas.

The farm problem is one of overproduction. In order to solve it we must find a balance between supply and demand. Overproduction in the poultry industry this summer is causing eggs and broilers to be sold below production cost and causing small producers, small hatcheries, and small feed dealers to go broke. Abandoned poultry houses in my district of western North Carolina are a sad reminder that some farmer made an investment, likely mortgaged his farm and lost. Farmers favor free enterprise and I favor free enterprise but a way must be found to balance poultry production with the demand for poultry and bring selling prices in line with production cost.

The tobacco control program has been successful and has not cost the Government one penny above adminstrative costs. The cotton program is also very successful.

However, the same cannot be said of wheat, corn, and other feed grains which account for 88 percent of the $9 billion which our Government has invested in agricultural commodities.

Last spring the feed grain bill was enacted, giving a new approach to the problem. The result has been reduced production, decreased surpluses, increased farm income, and a savings to the American taxpayer of a half billion dollars.

The Agriculture Act of 1961 continues the principles contained in the feed grain bill and for the first time brings wheat under this new control program.

The need for changes in the wheat law is apparent. The supply of wheat in storage in the United States is 5½ times larger than it was 9 years ago and is costing the Government over $1 million per day for storage alone. This law will make a start on reducing these wheat surpluses and at the same time make it possible for the wheat producer to maintain or slightly increase his income.

This farm bill is very comprehensive and contains many provisions affecting many commodities. It extends the Veterans and Armed Forces dairy program under which butter and milk are provided for our servicemen and hospitalized veterans. It appropriates such sums as are necessary to enable the Secretary of Agriculture to enlarge consumption of milk by children in nurseries, public schools, child care centers, and in summer camps.

I am supporting this so-called omnibus farm bill because I believe that it will be effective in dealing with faltering farm income, existing farm surpluses and excessive tax burdens caused thereby.

It is a sincere effort to lift farm income and to enable farmers to balance their production with the demand for their products. It is a step toward a long range and better solution to the farm problems which have plagued this Nation for so many years. I have stated frequently that I regard the farm problem as second only to that of national defense. It is important to every American that agriculture remain strong and dynamic and that it advance along with the development of industry and natural resources.

Mr. SANTANGELO. Mr. Chairman, I support H.R. 8230, known as the Agricultural Act of 1961. This bill seeks to reduce our tremendous farm surplus and at the same time protects farm prices and income. These programs seek further to improve the distribution of agricultural commodities, to expand exports, and to protect the interests of consumers throughout the country.

As a member of the Appropriations Committee of the House, Subcommittee on Agriculture, I have become familiar with some of the recent developments in agriculture, the tremendous technological improvements in the production of wheat and corn and other food products, the declining income in the face of increased efficiency and the intolerable surpluses in corn and wheat. Every one apparently agrees that the farmer who has nearly tripled his output per man-hour in the past 20 years deserves more for his efficiency than the 60 or 70 cents per hour he is now averaging.

Agriculture is still the most important industry of our country and the mainstay of our economy. It provides the basic necessities of life, food, and fiber. The farms of our country feed not only the 180 million people of these United States, but serve the needs of additional millions in underdeveloped and poverty stricken countries throughout the world. They accomplish this result with fewer farmers, but with superior technological skill and with improved and expensive machinery. Agriculture provides the basic raw materials which support all segments of business and industry. Reliable estimates indicate that each dollar of wealth taken from the soil generates $7 of income throughout the country. Certain programs which ostensibly benefit farmers and farms also carry with them tremendous benefits to urban dwellers and residents of suburbia. As consumers we realize that without the produce, the food and the fruits of farms, we in the cities could not feed ourselves very long.

Much criticism has been raised against the price-support program, the payment to farmers for taking out land from production of grains and wheat conditioned on dedicating the retired acreage to soil conservation. The storage costs of wheat and corn during the past several years has carried with it a storm of criticism and a resentment on the part of the taxpayers. There has been so much criticism at this phase that the taxpayer blames the farmers for these costs and desires to terminate the agricultural programs. Those who criticize the price support of corn and wheat and advocate a free economy for the farmer overlook the fact that we subsidize labor in the form of minimum wages, social security, compensation, and disability benefits. They overlook that we subsidize the railroads and the airplane industries with tax concessions and subsidies. They overlook that the maritime industry is aided by the Government with mortgage assistance for construction of the merchant fleet. They overlook the fact that the building industry is subsidized by Government guaranteed loans at low rates of interest.

Furthermore, under a price support system and under the practices of the Commodity Credit Corporation, it would cost more to lend or purchase the surplus crops than it would to pay the farmer for retiring acreage from production. Savings are found in two forms: one, in reduced storage costs, and two, in lower monetary advances for purchases or loans on surplus corn or wheat by the Commodity Credit Corporation to the participating farmers.

It is noteworthy that the high storage charges are paid not actually to the farmers but to warehousemen who are not connected in the main with the agricultural industry.

It is my opinion that we in the cities for our own interests should support this bill. This measure will help our farmers and the agricultural industry upon which we rely so heavily for our food, our fruits, and for our fiber. Food to the consumer is a bargain, despite the various packing processes which the housewife and the consumer demand and the series of distribution costs which add to the ultimate consumer price, the real cost of food today is cheaper than ever before. Food takes a smaller part of our income than heretofore. Today a factory worker can purchase more food with pay for 1 hour of labor than he could in years gone by.

An hour's average pay of a factory worker today will buy just about twice as much food as it did in 1929. The cost of food which could be purchased for 1 hour of factory labor is as follows:

Item	Unit	1947–49 average	1960
White bread	Pound	9.9	11.3
Round steak	do	1.6	2.2
Pork chops	do	1.8	2.7
Sliced bacon	do	1.9	3.5
Butter	do	1.7	3.1
Cheese	do	2.3	3.4
Milk, delivered	Quart	6.4	8.8
Eggs	Dozen	1.9	4.0
Oranges	do	2.9	3.1
Potatoes	Pound	24.8	31.8

Food that takes an hour's pay of the average industrial worker in this country would require 2 hours in England and Germany, 4 hours in Austria, 4½ hours in France, and more than 5 hours in Italy.

A Russian must work three and a half times as long as an American to get a pound of potatoes, four times as long to get a pound of beef rib roast, eight times as long to get a dozen eggs and nine times as long to get a pound of butter.

America's great plentifulness of food, at low cost, can be traced primarily to the fact that our farmers for 11 consecutive years, 1942–52 inclusive, enjoyed prices at 100 percent of parity or above. Farmers invested their increased earnings in new productive resources and in new methods. This brought about the greatest advance in efficiency ever known to agriculture anywhere in the world.

In America today one farmworker produces enough food and fiber for 26 persons. One hour of farm labor today produces four times as much food and fiber as in 1919–21.

In contrast, the employment of about half of the work force of Russia is required in agriculture to feed that Communist nation, and in most areas of the world the great majority of the population is engaged in agriculture and food still is scarce.

Another reason for supporting this bill is that the general economy would experience a substantial buoyancy by the restoration of rural purchasing power which the legislation seeks to achieve. The greatest underdeveloped markets for the goods produced by factories and labor in the cities now are in rural America. A study by the National Rural Electrification Cooperative Administration showed that the rural communities purchased over $1 billion worth of electrical appliances during last year. Maintaining the purchasing power of the farmers helps the urban worker, the businessman, and the manufacturer.

I trust that this measure will be approved.

Mr. SISK. Mr. Chairman, I have long advocated the extension and improvement of the Federal marketing order program to other farm crops as a substantial step toward an adequate and sound, long-range farm program. I deeply regret that President Kennedy's recommendation for such a program was not included in the farm bill recently passed by this House, although that bill did add new crops to the existing program as established in the Federal Marketing Agreements Act of 1937, as amended.

Because of limitation of commodities eligible for marketing orders under that program, most of the crops grown in districts represented by the Members are not presently covered by orders, and it is my experience that most of the Members are understandably not familiar with the program and its possibilities. I am convinced that if our farmers throughout the country knew how these marketing programs work, they would strongly support the plan, which benefits both farmers and consumers.

There has come to my attention a letter, actually in the nature of a report, written to Mr. Ken Birkhead, assistant to the Secretary of Agriculture, by my valued constituent, Mr. A. Setrakian, Chairman of the Federal Raisin Advisory Board and the Raisin Administrative Committee. Mr. Setrakian, whose great energy, persistence and unselfish dedication have been a major factor in the success of the raisin marketing program, has presented a clear picture of the operation and benefits of the program through the years since it was established in 1949. He graphically shows how achievement of stability has brought this industry through difficult times with

comparative prosperity. His conclusion is significant:

It is no wonder that raisin producers are enthusiastic about their operations under the raisin marketing agreement. Instead of having to plead for subsidies, they enjoy a decent income under a sound economy and can take just pride in contributing to the American way of life.

I am happy to advise the Members that within the past week the Secretary of Agriculture has approved a proposed marketing agreement for central California grapes for crushing. I have every hope that through a pending referendum, grapegrowers will approve the proposed order overwhelmingly, and will thus bring the advantages of this program to our entire grape industry and insure growers of crushing grapes a return equal to that now enjoyed by farmers who convert their grapes to raisins.

Mr. Setrakian's letter so well describes the actual results of a Federal marketing program that I am asking that it be reprinted here in full and I most earnestly commend it to the attention of all my colleagues who share my concern over our farm problems:

JULY 22, 1961.

MR. KEN BIRKHEAD,
Assistant to the Secretary,
U.S. Department of Agriculture,
Washington, D.C.

DEAR SIR: It is with a deep sense of appreciation that I avail myself of this opportunity to report to you how producers of at least one segment of the Nation's agricultural economy has benefited through operation of a Federal marketing agreement and order.

Producers who are disposing of their commodities in orderly markets through the establishment of Federal marketing orders include a wide range from apricots to potatoes.

There are Federal marketing orders covering the orderly and stabilized marketing of citrus fruits, apricots, avocados, cherries, dates, dried figs, Tokay grapes, nectarines, peaches, pears, plums, fresh prunes, dried prunes, potatoes, carrots, cucumbers, lettuce, onions, peas, cauliflower, tomatoes, almonds, walnuts, filberts, and raisins.

It is interesting to note that some of these marketing orders and agreements have stood the test of years from as far back as 1939 and 1941. Almost every year in the 1950's saw the adoption of at least one Federal marketing order, covering some agricultural commodity.

While my knowledge regarding the operation of the Federal marketing orders affecting all the multitude of commodities now in effect does not permit me to speak authoritatively on all of them, I am impressed with the fact that not a single marketing order covering these agricultural products listed has been discontinued. Obviously, producers are achieving, through these orders, objectives sought—else they would have long since been abandoned.

However, there is one Federal marketing order on which I feel qualified to discuss with knowledge and experience. That is the Federal marketing order for raisins.

The facts are these: Going back to 1946, the postwar adjustment year, the price for raisins soared sky high; $360 per dry ton. Then came 1947 and we raisin growers paid dearly for the joyride of the previous year. The production of raisins increased by many thousands of tons—but prices dropped from $360 a ton to $100 a ton. The raisin producing area suffered economic chaos. The only reason raisin producers were saved from complete bankruptcy and ruin was because the Federal Government stepped in to purchase 127,000 tons of raisins for use in various school feeding and welfare programs.

Then came 1948 and the raisin growers again found themselves in a fearful economic mess. Again the Federal Government stepped in to purchase a large tonnage of raisins—but the Government made it clear that unless the industry itself would develop a self-help program for the solution of the over-supply of raisins, further Federal help could not be expected.

Raisin producers formed the Raisin Overall Working Committee to study the problem in the hope of bringing order out of chaos. Officials of the U.S. Department of Agriculture worked closely with the committee and finally a raisin order was formulated, adopted, and established to apply to the 1949 production of raisins.

Prior to the adoption of the raisin program in 1949 producers were becoming panic stricken and were uncertain whether or not they would lose their vineyards, their homes, their very livelihoods.

A new dawn of hope and confidence came with the birth of the raisin order and brought with it the determination to place the economy of the raisin industry on a sound and lasting foundation. And that is exactly what happened.

How does the program operate to achieve this benefit to the industry?

It is a very simple operation. Each year the administrative committee decides the tonnage of raisins which will be placed in the free tonnage pool and sold through domestic outlets at reasonable and fair prices. This decision is reached after careful study that the tonnage of raisins in the free pool will not cause an artificial shortage and inflationary prices or overabundance and depressed prices.

All raisins surplus to the free pool which, without a program has plagued the raisin growers year after year, are placed in a surplus pool to be used for export consumption or disposed of in channels not competitive with the free-pool raisins.

The expanding export market for California-produced raisins has been stimulated through the knowledge of buyers in foreign markets that prices for California raisins are uniform and that the raisins they buy today will not be available at a cheaper price to a competitor tomorrow.

The raisin order has helped the raisin industry to export large quantities of surplus raisins year after year. The order has been the one instrument which has enabled raisin producers to realize reasonable prices for 100 percent of their production.

As a result the general public has benefitted by being able to buy quality raisins at a reasonable price and the industry has realized a stabilization of production and marketing that had never before been possible.

How Federal marketing agreements work for the benefit of the Nation's agricultural economy is graphically seen in the operation of the California raisin program in contrast to the overall grape growing industry in our State.

The grape season of 1951 and 1952 can be taken as a real testing period to bring out the advantages to agriculture of operating under a Federal marketing order.

In 1951 California produced the largest grape crop on record—3,200,000 tons and grape production for 1952 was 3 million—making a total tonnage of 6,200,000 tons for the 2 years. In these 2 years, raisin producers converted some 2 million fresh tons into raisins—or some 500,000 tons of raisins. On this raisin tonnage approximately 350,000 tons were consumed in domestic markets and the balance of 150,000 tons were disposed of in export markets.

Operating under the raisin marketing order, growers received approximately $40 a ton (fresh basis) for their grapes. In contrast, growers who delivered their grapes to wineries for crushing realized an average of only $28 per ton.

In other words growers who enjoyed the benefits of the marketing agreement realized some $24 million more for their fresh grapes in raisin form during the years 1951 and 1952 than did growers who sold for crushing without a marketing program.

Commenting on the success of the raisin program, Jesse W. Tapp, chairman of the Board, Bank of America said: "Congratulations for the fine accomplishment to date and all good wishes for the future."

Dr. Harry R. Wellman, executive vice president, University of California, said: "The activity of the raisin group is the one bright spot in an otherwise dark picture in the grape industry."

It would appear from the above record that without a marketing order many of the raisin growers and handlers would have suffered heavy financial losses.

We believe that the raisin program has accomplished what President J. F. Kennedy advocated in his farm message to the Congress of the United States when he said: "I am convinced that the objectives of these programs will, when accomplished, provide for a reasonable balance between surplus and demand. They will eliminate the hardship and suffering which inadequate returns force upon so many of our families; they will reduce our surpluses to manageable proportions. They will relieve the taxpayer of the unnecessary drain upon the Federal budget. They will spur our national economy, and they will assure the consumer of stable price levels."

The raisin program has shown that so far from taking subsidies from the Federal Government, as it did in the early years of the program, the raisin industry through its own efforts in expanding export sales and enjoyed fairly reasonable returns so that in the language of President Kennedy, it has "relieved the taxpayer of the unnecessary drain upon the Federal budget."

We believe that our experience shows that when growers organize themselves under marketing orders and make use of the tools which the Government provides for them they very soon get their house in order and place their own economy on a sound basis. On the other hand, growers who do not avail themselves of such helps to establish marketing orders and agreements to bring reasonable balance between supply and demand suffer recurrent staggering losses. This is evidenced in the overall grape industry.

From 1934 to 1948 (omitting the war years and the postwar adjustment year of 1946) growers delivered 9,460,000 tons of fresh grapes to wineries for crushing and realized an average return of $19 per ton. During the same period growers converted 10,104,000 fresh tons into raisins and realized $20 per ton. Almost an identical price.

But from 1949 (the year the raisin order became operative) and including 1960, growers delivered 15,353,000 tons of grapes to wineries at an average return of $39 per ton. Growers in the same period, converted 10,154,000 tons of fresh grapes into raisins and realized a return of $50 per ton, or a difference of $11 per ton in favor of the raisin grower.

It is so obvious that had growers been organized under a grape stabilization program they would have realized approximately $150 million more than they did for the grapes delivered for crushing.

The raisin order enabled the raisin growers to achieve the following objectives:

1. To give equal benefits to each and every grower;

2. To establish the orderly marketing of raisins;

3. To reestablish trade confidence;

4. To bring about reasonable allocation and utilization of raisin grapes;

5. To equalize the burden of carrying surplus raisins over to another marketing year; and

6. To make it possible for raisin growers, large or small, to share benefits of each year's production equally.

In doing so, the raisin growers were able to make the raisin industry—the largest dried fruit industry in California—a good and profitable industry. The story of that order presents one of the most brilliant chapters of success in the history of American agriculture.

It is no wonder that raisin producers are enthusiastic about their operations under the raisin marketing agreement. Instead of having to plead for subsidies, they enjoy a decent income under a sound economy and can take just pride in contributing to the American way of life.

Sincerely and respectfully,

A. SETRAKIAN,
Chairman, Federal Raisin Advisory Board, Raisin Administrative Committee.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. KILDAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8230) to improve and protect farm prices and farm income, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes, pursuant to House Resolution 388, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will them en gros.

The amendments were agreed to.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. FINDLEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. FINDLEY. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. FINDLEY moves to recommit the bill, H.R. 8230, to the Committee on Agriculture.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Act of 1961".

TITLE I—SUPPLY ADJUSTMENT AND PRICE STABILIZATION

SEC. 101. This title may be cited as the "Agricultural Enabling Amendments Act of 1961".

Subtitle A—Consultation on agricultural programs

SEC. 102. (a) Notwithstanding any other provision of law, whenever the Secretary of Agriculture determines that additional legislative authority is necessary to develop new agricultural programs involving supply adjustments or marketing regulations through marketing orders, marketing quotas, or price support programs with respect to any agricultural commodity, or to make substantial revisions in any existing agricultural legislation or programs, he may consult and advise with farmers, farm organizations, and appropriate commodity organizations, if any, for the commodity involved, to review the problems involved, the need for new legislation, and the provisions which should be included in any such proposed legislation.

(b) In addition, whenever and to the extent he deems such action necessary or desirable, the Secretary of Agriculture may consult and advise with any person or group of persons, or organizations, including farmers, handlers, processors, or others connected with the production, processing, handling, or use of the commodity involved, with respect to the problems involved and need for legislation and the provisions which should be included in any such proposed legislation.

(c) In order that the Secretary of Agriculture may be assured of being able to obtain the advice of any such person or organization, he is authorized, whenever he determines such action necessary, to pay for each day's attendance at meetings and while traveling to and from such meetings, transportation expenses and in lieu of subsistence, a per diem in the amount authorized under the Travel Expense Act of 1949 for Federal employees. No salary or other compensation shall be paid.

SEC. 103. If the Secretary of Agriculture, after such consultation and receipt of such advice as provided in section 102 of this Act, determines that additional legislative authority is necessary to develop agricultural programs involving supply adjustments or marketing regulations through the use of marketing orders, marketing quotas or price-support programs, he shall formulate specific recommendations in the form of proposed legislation which shall be submitted to the Congress together with a statement setting forth the purpose and need for such proposed legislation.

SEC. 104. Nothing in this Act shall be deemed to limit the authority of the Secretary of Agriculture under other provision of law or to establish or consult with advisory committees.

Subtitle B—1962 wheat program

SEC. 111. Section 334 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting (1) after (c) and adding a new subparagraph (2) following subparagraph (c)(1) to read as follows:

"(2) Notwithstanding any other provision of law, each old or new farm acreage allotment for the 1962 crop of wheat as determined on the basis of a minimum national acreage allotment of fifty-five million acres shall be reduced by 10 per centum. In the event notices of farm acreage allotments for the 1962 crop of wheat have been mailed to farm operators prior to the effective date of this subparagraph (2), new notices showing the required reduction shall be mailed to farm operators as soon as practicable."

SEC. 112. (a) In lieu of the provisions of item (1) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(1)), the following provisions shall apply to the 1962 crop of wheat:

"(1) If a national marketing quota for wheat is in effect for the marketing year beginning July 1, 1962, farm marketing quotas shall be in effect for the crop of wheat which is normally harvested in 1962. The farm marketing quota for such crop of wheat shall be the actual production of the acreage planted to such crop of wheat on the farm less the farm marketing excess. The farm marketing excess shall be an amount equal to twice the normal yield of wheat per acre established for the farm multiplied by the number of acres of such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations prescribed by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established, the farm marketing excess shall be such actual production less the actual production of the farm wheat acreage allotment based upon the average yield per acre for the entire 1952 wheat acreage on the farm: *Provided, however,* That the farm marketing excess shall not be larger than the amount by which the actual production, so established, exceeds the normal production of the farm wheat acreage allotment."

(b) Notwithstanding the provisions of item (2) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(2)), the rate of penalty on wheat of the 1962 crop shall be 65 per centum of the parity price per bushel of wheat as of May 1, 1962.

(c) In lieu of the provisions of item (3) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(3)), the following provisions shall apply to the 1962 crop of wheat:

"(3) The farm marketing excess for wheat shall be regarded as available for marketing, and the penalty and the storage amount or amounts of wheat to be delivered to the Secretary shall be computed upon twice the normal production of the excess acreage. If the farm marketing excess so computed is adjusted downward on the basis of actual production as heretofore provided the difference between the amount of the penalty or storage computed on the basis of twice the normal production and as computed on actual production shall be returned to or allowed the producer or a corresponding adjustment made in the amount to be delivered to the Secretary if the producer elects to make such delivery. The Secretary shall issue regulations under which the farm marketing excess of wheat for the farm shall be stored or delivered to him. Upon failure to store, or deliver to the Secretary, the farm marketing excess within such time as may be determined under regulations prescribed by the Secretary the penalty computed as aforesaid shall be paid by the pro-

ducer. Any wheat delivered to the Secretary hereunder shall become the property of the United States and shall be disposed of by the Secretary for relief purposes in the United States or foreign countries or in such other manner as he shall detemine will divert it from the normal channels of trade and commerce."

(d) Item (7) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340 (7)), is amended to read as follows:

"(7) A farm marketing quota on any crop of wheat shall not be applicable to any farm on which, under regulations described by the Secretary, the actual acreage planted to wheat for harvest of such crop does not exceed 15 acres: *Provided, however,* That a farm marketing quota on the 1962 crop of wheat shall be applicable to any farm on which the acreage of wheat exceeds the smaller of (1) 13.5 acres, or (2) the highest number of acres actually planted to wheat on the farm for harvest in any of the calendar years 1959, 1960, or 1961."

(e) Subsection (d) of section 335 of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1335(d)), is hereby repealed effective with the 1962 crop of wheat.

(f) Section 336 of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1336), is amended by adding at the end thereof the following: "Notwithstanding any other provision hereof, farmers who have not produced in excess of 13.5 acres of wheat in at least one of the years 1959, 1960, or 1961 shall not be entitled to vote in the referendum conducted with respect to the national marketing quota for the marketing year beginning July 1, 1962."

SEC. 113. Price support for the 1962 crop of wheat shall be made available, as provided in section 101 of the Agricultural Act of 1949, as amended, except that price support shall be made available only to cooperators, only in the commercial wheat-producing area, and if marketing quotas are in effect for the 1962 crop of wheat, wheat of such crop shall be eligible for price support only if the producers on the farm on which the wheat is produced participate in the special 1962 wheat program formulated under section 114 to the extent prescribed by the Secretary.

SEC. 114. (a) If marketing quotas are in effect for the 1962 crop of wheat, producers on any farm in the commercial wheat-producing area shall be entitled to payments determined as provided in subsection (b) upon compliance with the conditions hereinafter prescribed:

(1) Such producers shall divert from the production of wheat an acreage on the farm equal to either (i) 10 per centum of the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961: *Provided,* That such acreage in each of such years did not exceed 15 acres, or (ii) 10 per centum of the farm acreage allotment for the 1962 crop of wheat which would be in effect except for the reduction thereof as provided in section 334 (c)(2) of the Agricultural Adjustment Act of 1938, as amended.

(2) In 1962, such diverted acreage shall be devoted to conservation uses including summer fallow approved by the Secretary; and the Secretary shall require producers to take such measures as he may deem appropriate to keep such diverted acreage free from grasshopper infestation, weeds, and rodents.

(3) The total acreage on the farm in 1962 devoted to soil-conserving uses, excluding the acreage diverted as provided above and acreage diverted under the special 1962 program for feed grains, shall not be less than the total average acreage devoted to soil-conserving uses including summer fallow on the farm in 1959 and 1960. Certification by the producer with respect to such acreage may be accepted as evidence of compliance with the foregoing provision. The total average acreage devoted to soil-conserving uses in 1959 and 1960 shall be subject to adjustment to the extent the Secretary determines appropriate for abnormal weather conditions or other factors affecting production, established crop-rotation practices on the farm, changes in the constiution of the farm, participation in other Federal farm programs, or to give effect to the provisions of law relating to release reapportionment or preservation of history.

(4) If the diversion of acreage is made pursuant to the provisions of (1)(i) of this subsection (a), the actual acreage of wheat planted on the farm for harvest in 1962 shall not exceed 90 per centum of the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961; and if the diversion of acreage is made pursuant to the provisions of (1)(ii) of this subsection (a), the farm shall be in compliance with the 1962 farm wheat acreage allotment.

(b)(1) Upon compliance with the conditions prescribed in subsection (a) producers on the farm shall be entitled to payments which shall be made by Commodity Credit Corporation in cash or wheat equal to 40 per centum of the value, at the basic county support rate per bushel for No. 1 wheat of the 1961 crop for the county in which the farm is considered as being located for the administration of farm marketing quotas for wheat in effect at the time the payment rates for the 1962 special wheat program are established, adjusted to reflect changes between the national support rates for the 1961 and 1962 crops, of the number of bushels equal to the adjusted yield per acre of wheat for the farm, multiplied by the number of diverted acres.

(2) The adjusted yield per acre of wheat for the farm shall be determined by the Secretary on the basis of the adjusted county average yield per acre for the 1959 and 1960 crops in the county in which the farm is considered as being located, and the productivity of the farm compared with other farms in the county taking into account special cultural practices, such as summer fallow or irrigation, normally followed. The adjusted county average yield per acre shall be the county average for 1959 and 1960, as determined by the Secretary from the latest available statistics of the Federal Government, with such adjustments as he deems appropriate to take into account abnormal factors affecting production.

(3) The Secretary shall provide by regulations for the sharing of payments among producers on the farm on a fair and equitable basis. The medium of payment shall be determined by the Secretary. If payments are made in wheat, the value of the payments in cash shall be converted to wheat at the market price of wheat as determined by Commodity Credit Corporation. Wheat received as payment-in-kind may be marketed without penalty but shall not be eligible for price support.

(c)(1) Producers who divert acreage on the farm under subsection (a) may divert additional acreage on the farm not in excess of three times the amount diverted under subsection (a).

(2) Payments shall be made with respect to the acreage diverted under this subsection (c) in accordance with the terms and conditions prescribed in subsection (a): *Provided,* That (i) 50 per centum shall be substituted for 40 per centum in computing the amount of the payment, (ii) the acreage diverted under this subsection (c) shall be added to and deemed to be acreage diverted under subsection (a) for the purposes of paragraphs (2) and (3) of subsection (a), and (iii) if the diversion under subsection (a) is made pursuant to (1)(i) of said subsection, the actual acreage planted to wheat for harvest on the farm in 1962, shall be reduced below the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961, by the total amount of acres diverted under subsection (a) and this subsection (c), or, if the diversion under subsection (a) is made pursuant to (1)(ii) of said subsection, the 1962 wheat acreage on the farm shall be reduced below the 1962 farm wheat acreage allotment by the amount diverted under this subsection (c).

(d) Any acreage diverted from the production of wheat to conservation uses for which payment is made under the program formulated pursuant to this section shall be in addition to any acreage diverted to conservation uses for which payment is made under any other Federal program except that the foregoing shall not preclude the making of cost-sharing payments under the agricultural conservation program or the Great Plains program for conservation practices carried out on any acreage devoted to soil-conserving uses under the program formulated pursuant to this section.

(e) The Secretary may provide for adjusting any payment on account of failure to comply with the terms and conditions of the program formulated under this section.

(f) Not to exceed 50 per centum of any payment to producers under this section may be made in advance of determination of performance.

(g) The program formulated pursuant to this section may include such terms and conditions, in addition to those specifically provided for herein, as the Secretary determines are desirable to effectuate the purposes of this section.

(h) Wheat stored to avoid or postpone a marketing quota penalty under the Agricultural Adjustment Act of 1938, as amended and supplemented, shall not be released from storage for underplanting based upon acreage diverted under subsection (a) or (c) above, and in determining production of the 1962 crop of wheat for the purpose of releasing wheat from storage on account of underproduction the normal yield of the diverted acres shall be deemed to be actual production of 1962 wheat.

(i) The Secretary is authorized to promulgate such regulations as may be necessary to carry out the provisions of this section.

(j) The Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making the payments authorized herein and to pay administrative expenses necessary in carrying out this section during the period ending June 30, 1962. There is authorized to be appropriated such amounts as may be necessary thereafter to pay such administrative expenses.

SEC. 115. Section 334(e) of the Agricultural Adjustment Act of 1938, as amended, relating to increased allotments for durum wheat, is amended to read as follows:

"(e) If, with respect to any crop of wheat, the Secretary determines that the acreage allotments for farms producing durum wheat are inadequate to provide for the production of a sufficient quantity of durum wheat to satisfy the demands therefor, he shall increase the farm marketing quotas and acreage allotments for such crop of wheat for farms located in counties in the States of North Dakota, Minnesota, Montana, South Dakota, and California, designated by the Secretary as counties which (1) are capable of producing durum wheat (class II), and (2) have produced such wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested. The Secretary shall determine the percentage factor by which the average acreage of durum wheat (class II) produced during the last two-year period for which statistics are available (excluding any increases in durum wheat acreage as a result of increases in wheat acreage

allotments authorized by this subsection) must be increased to satisfy such demand. The wheat acreage allotment for any farm established for such crop without regard to this subsection, after reduction in the case of the 1962 crop as required by section 334 (c)(2), (hereinafter referred to as the 'original allotment') shall be increased by an acreage computed by multiplying the average acreage of durum wheat (class II) on the farm during such two-year period (excluding any increase in the acreage of durum wheat as a result of an increase in the wheat acreage allotment for the farm authorized by this subsection) by such percentage factor: *Provided*, That such increased allotment shall not exceed the cropland on the farm well suited to wheat. The increase in the wheat acreage allotment for any farm shall be conditioned upon the production of an acreage of durum wheat (class II) at least equal to the average acreage of such wheat produced during such two-year period plus the number of acres by which the allotment is increased. Any increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and such increases shall not be considered in establishing future State, county, and farm allotments. The provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340 (6)), and section 326 (b) of the Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection. As used in this subsection the term 'durum wheat' means durum wheat (class II) other than the varieties known as 'Golden Ball' and 'Peliss'. Any farm receiving an increased allotment under this subsection shall not be required as a condition of eligibility for price support, or permitted, to participate in the special 1962 wheat program formulated under section 114 of the Agricultural Act of 1961. The Secretary shall give growers and millers of durum wheat and manufacturers of semolina products an opportunity to present their views and recommendations, prior to making any determination hereunder."

Subtitle C—1962 feed grain program

SEC. 121. Section 105(c) of the Agricultural Act of 1949 is amended by adding the following new paragraphs (3) and (4):

"(3) The level of price support for the 1962 crop of corn shall be established by the Secretary at such level not less than 65 per centum of the parity price therefor as the Secretary may determine. Price support for corn, grain sorghums, and barley shall be made available on not to exceed the normal production of the 1962 acreage of corn, grain sorghums, and barley of each eligible farm based on its average yield per acre for the 1959 and 1960 crop acreage.

"(4) The Secretary shall require as a condition of eligibility for price support on the 1962 crop of corn and grain sorghums that the producer shall participate in the special agricultural conservation program for 1962 for corn and grain sorghums to the extent prescribed by the Secretary and (except in the case of a producer of malting barley as hereinafter described) shall not knowingly devote an acreage on the farm to barley in excess of the average acreage devoted on the farm to barley in 1959 and 1960. The Secretary shall require as a condition of eligibility for price support on the 1962 crop of barley that the producer shall participate in the special agricultural conservation program for 1962 for barley to the extent prescribed by the Secretary and shall not knowingly devote an acreage on the farm to corn and grain sorghums in excess of the average acreage devoted on the farm to corn and grain sorghums in 1959 and 1960: *Provided*, That no producer of malting barley shall be required to participate in the special agricultural conservation program for 1962 for barley if such producer has previously produced a malting variety of barley, plants barley only of an acceptable malting variety for harvest in 1962, and does not knowingly devote an acreage on the farm to corn and grain sorghums in excess of the average acreage devoted on the farm to corn and grain sorghums in 1959 and 1960."

SEC. 122. Section 16 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by adding the following new subsection:

"(d) Notwithstanding any other provision of law—

"(1) The Secretary shall formulate and carry out a special agricultural conservation program for 1962, without regard to provisions which would be applicable to the regular agricultural conservation program, under which, subject to such terms and conditions as the Secretary determines, conservation payments in amounts determined by the Secretary to be fair and reasonable shall be made to producers who divert acreage from the production of corn and grain sorghums, and barley, respectively, to an approved conservation use and increase their average acreage devoted in 1959 and 1960 to designated soil conserving crops or practices including summer fallow by an equal amount: *Provided, however*, That any producer may elect in lieu of such payment to devote such diverted acreage to castor beans, guar beans, safflower, sunflower, or sesame, if designated by the Secretary. In order to be eligible for a payment, a producer (other than a producer of malting barley as described in section 105(c)(4) of the Agricultural Act of 1949) who participates in the special agricultural conservation program of 1962 for corn and grain sorghums must not knowingly devote an acreage on the farm in excess of the average acreage devoted on the farm to barley in 1959 and 1960, and a producer who participates in the special agricultural conservation program for 1962 for barley must not knowingly devote an acreage on the farm to corn and grain sorghums in excess of the average acreage devoted on the farm to corn and grain sorghums in 1959 and 1960. Such special agricultural conservation program shall require the producer to take such measures as the Secretary may deem appropriate to keep such diverted acreage free from insects, weeds, and rodents. The acreage eligible for payments in cash or in an equivalent amount in kind under such conservation program shall be an acreage equivalent to 20 per centum of the average acreage on the farm planted to corn and grain sorghums, or barley, in the crop years 1959 and 1960 or up to twenty acres, whichever is greater. Such payments in cash or in kind at the basic county support rate for the 1961 crop in effect at the time payment rates for the special feed grain program for 1962 are established, adjusted to reflect any changes between the national support rates for the 1961 and 1962 crops, may be made on an amount of the commodity not in excess of 50 per centum of the normal production of the acreage diverted from the commodity on the farm based on its adjusted average yield per acre for the 1959 and 1960 crop acreage. Payments in kind only may be made by the Secretary for the diversion of up to an additional 20 per centum of the average acreage on the farm planted to corn and grain sorghums, or barley, in the crop years 1959 and 1960. Payments in kind on such additional acreage may be made at the basic county support rate for the 1961 crop in effect at the time payment rates for the special feed grain program for 1962 are established, adjusted to reflect any changes between the national support rates for the 1961 and 1962 crops on an amount of corn and grain sorghums, or barley, not in excess of 60 per centum of the normal production of the acreage diverted from the commodity on the farm based on its adjusted average yield per acre for the 1959 and 1960 crop acreage. The adjusted yield per acre for the farm shall be determined by the Secretary on the basis of the adjusted county average yield per acre for the 1959 and 1960 crops in the county in which the farm is considered as being located, and the productivity of the farm compared with other farms in the county, taking into account special cultural practices, such as summer fallow or irrigation, normally followed. The adjusted county average yield per acre shall be the county average for 1959 and 1960, as determined by the Secretary from the latest available statistics of the Federal Government, with such adjustments as he deems appropriate to take into account abnormal factors affecting production. The Secretary may make such adjustments in acreage for the 1959 and 1960 crop years as he determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop rotation practices, type of soil, and topography. The Secretary may make not to exceed 50 per centum of any payments to producers in advance of determination of performance.

"(2) There are hereby authorized to be appropriated such amounts as may be necessary to enable the Secretary to carry out this section 16(d). Obligations may be incurred in advance of appropriations therefore and the Commodity Credit Corporation is authorized to advance from its capital funds such sums as may be necessary to pay administrative expenses in connection with such program during the fiscal year ending June 30, 1962, and to pay such costs as may be incurred in carrying out section 123 of the Agricultural Act of 1961.

"(3) The Secretary shall provide by regulations for the sharing of payments under this subsection among producers on the farm on a fair and equitable basis and in keeping with existing contracts."

SEC. 123. Payments in cash shall be made by Commodity Credit Corporation and payments in kind shall be made through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem for feed grains and, notwithstanding any other provision of law, the Commodity Credit Corporation shall, in accordance with regulations prescribed by the Secretary, assist the producer in the marketing of such certificates at such time and in such manner as the Secretary determines will best effectuate the purposes of the special feed grain program for 1962 authorized by this Act. In the case of any certificate not presented for redemption within thirty days of the date of its issuance, reasonable costs of storage and other carrying charges, as determined by the Secretary, for the period beginning thirty days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate.

SEC. 124. Notwithstanding any other provision of law, the Secretary may place such limits on the extent that producers may participate in the special feed grain conservation program for 1962 authorized by this Act as he determines necessary because of an emergency created by drought or other disaster, or in order to prevent or alleviate a shortage in the supply of corn, grain sorghums, or barley.

Subtitle D—Marketing orders

SEC. 131. The Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended as follows:

(1) Section 2 is amended by adding at the end thereof a new paragraph (5) reading as follows:

"(5) Through the exercise of the power conferred upon the Secretary of Agriculture

under this title, to continue for the remainder of any marketing season or marketing year, such regulation pursuant to any order as will tend to avoid a disruption of the orderly marketing of any commodity and be in the public interest, if the regulation of such commodity under such order has been initiated during such marketing season or marketing year on the basis of its need to effectuate the policy of this title."

(2) Section 8a(5) is amended to read as follows:

"(5) Any person exceeding any quota or allotment fixed for him under this title by the Secretary of Agriculture and any other person knowingly participating or aiding in the exceeding of such quota or allotment shall forfeit to the United States a sum equal to the value of such excess at the current market price for such commodity at the time of violation, which forfeiture shall be recoverable in a civil suit brought in the name of the United States."

(3) Section 8c(2) is amended—

(a) by inserting "(A)" after "applicable only to";

(b) by inserting after "grapefruit," where it first appears "cherries, or cranberries,";

(c) by striking out "and grapefruit" and inserting "grapefruit, cherries, and cranberries";

(d) by striking out "tobacco,"; and "soybeans,"; and

(e) by striking the period at the end and inserting in lieu thereof the following: "; and (B) any agricultural commodity (except honey, cotton, peanuts, rice, tobacco, wheat, corn, grain sorghums, oats, barley, rye, sugarcane, sugarbeets, wool, mohair, livestock, soybeans, cottonseed, flaxseed, poultry (but not excepting turkeys), eggs (but not excepting turkey hatching eggs and chicken hatching eggs), fruits and vegetables for canning or freezing, and apples (but not excepting apples produced in New York, Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, and Michigan)), or any regional or market classification thereof, not subject to orders under (A) of this paragraph, but not the products (including canned or frozen commodities or products) thereof. No order issued pursuant to this section shall be effective as to cherries or cranberries for canning or freezing unless the Secretary of Agriculture determines, in addition to other required findings and determinations, that the issuance of such order is approved or favored by processors who, during a representative period determined by the Secretary, have engaged in canning or freezing such commodity for market and have frozen or canned more than 50 per centum of the total volume of the commodity to be regulated which was canned or frozen within the production area, or marketed within the marketing area, defined in such order, during such representative period. If the Secretary determines that the declared policy of the title will be better achieved thereby (i) the commodities of the same general class and used wholly or in part for the same purposes may be combined and treated as a single commodity and (ii) the portion of an agricultural commodity devoted to or marketed for a particular use or combination of uses, may be treated as a separate agricultural commodity. All agricultural commodities and products covered hereby shall be deemed specified herein for the purposes of section 8c (6) and (7) of this title."

(4) Section 8c(6) is amended by striking subparagraph (I) thereof and section 8c(7) is amended by adding at the end thereof the following:

"(E) Establishing or providing for the establishment of marketing research and development projects, including advertising, designed to assist, improve, or promote the marketing, distribution, and consumption of any such commodity or product, the expense of such projects to be paid from funds collected under section 10 pursuant to the marketing order, except that in the case of orders applicable to milk or its products the order may provide that each producer whose milk is regulated thereby shall pay to any authority or agency established under such order his pro rata share (as approved by the Secretary) of the expenses of such projects and for the purposes of collecting such funds producers shall be deemed handlers subject to the order: *Provided*, That no provision proposed for inclusion in an order pursuant to this subparagraph shall become effective unless the order is otherwise approved by producers and producer approval of the provision under this subparagraph is separately determined as provided in paragraphs (8), (9), (12), and (19) of this section, but failure to approve such provisions shall not affect the remainder of any order otherwise approved."

(5) Section 8c(11) is amended by amending subparagraph (B) thereof to read as follows:

"(B) Nothing contained in this title shall be construed as prohibiting the issuance of separate orders regulating the marketing of a commodity which complement or supplement each other, regardless of the scope of their area application, from being made applicable to the same commodity with respect to the whole or part of any production or marketing area."

(6) Section 8c(19) is amended to read as follows:

"(19) For the purpose of ascertaining whether the issuance of an order is approved or favored by producers or processors, as required under the applicable provisions of this title, the Secretary may conduct a referendum among producers or processors and in the case of an order other than an amendatory order shall do so. The requirements of approval or favor under any such provision shall be held to be complied with if, of the total number of producers or processors, or the total volume of production, as the case may be, represented in such referendum, the percentage approving or favoring is equal to or in excess of the percentage required under such provision. The terms and conditions of the proposed order shall be described by the Secretary in the ballot used in the conduct of the referendum. The nature, content, or extent of such description shall not be a basis for attacking the legality of the order or any action relating thereto. Nothing in this subsection shall be construed as limiting representation by cooperative associations as provided in subsection (12) of this section."

Subtitle E—Wool

SEC. 141. Section 703 of the National Wool Act of 1954, as amended (68 Stat. 910, 72 Stat. 944), is amended by striking from the second sentence thereof "1962" and inserting in lieu thereof "1965".

TITLE II—AGRICULTURAL TRADE DEVELOPMENT

SEC. 201. Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended as follows:

(1) Section 101 is amended by adding at the end thereof a new subsection to read as follows:

"(f) obtain rates of exchange applicable to the sales of commodities under such agreements which are not less favorable than the rates at which United States Government agencies can buy currencies from the United States disbursing officers in the respective countries."

(2) Effective January 1, 1962, section 103(b) is amended to read as follows:

"(b) Agreements shall not be entered into under this title during the period beginning January 1, 1962, and ending December 31, 1964, which will call for appropriations to reimburse the Commodity Credit Corporation in a total amount in excess of $4,500,000,000: *Provided*, That agreements shall not be entered into during any calendar year of such period which will call for appropriations to reimburse Commodity Credit Corporation in amounts in excess of $2,500,000,000."

(3) Section 104 is amended—

(a) by inserting after the words "foreign currencies" in the introductory clause, the following: ", including principal and interest from loan repayments," and

(b) by striking out in the final proviso in such section the language beginning with the words "for the purpose" and ending with the words "specified in" and inserting in lieu thereof the words "pursuant to".

(4) The first sentence of section 106 is amended by striking out "or may reasonably be expected to be" and inserting "at the time of exportation or donation".

(5) Section 109 is amended by striking out "1961" and substituting "1964".

SEC. 202. Title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended as follows:

(1) Section 203 is amended (a) by deleting the first sentence and substituting the following: "Programs of assistance shall not be undertaken under this title during any calendar year beginning January 1, 1961, and ending December 31, 1964, which call for appropriations of more than $300,000,000 to reimburse the Commodity Credit Corporation for all costs incurred in connection with such programs (including the Corporation's investment in commodities made available), plus any amount by which programs of assistance undertaken in the preceding calendar year have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than were authorized for such purpose during such preceding year by this title as in effect during such preceding year."; and (b) by deleting "such" the first time it appears in the second sentence.

(2) Section 204 is amended by striking out "1961" and substituting "1964".

SEC. 203. Title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended, is hereby amended as follows:

(1) Section 401 is amended by adding at the end thereof the following new sentence: "It is also the purpose of this title to stimulate and increase the sale of surplus agricultural commodities for dollars through long-term supply agreements and through the extension of credit for the purchase of such commodities where cash dollars are not available or where insistence on cash dollars would not be in the interest of the United States, thereby assisting the development of the economies of friendly nations and maximizing dollar trade."

(2) Section 405 is amended by striking out "Secretary" and substituting "President".

(3) Section 406 is amended by inserting after the word "sections" the following: "101 (a), (b), (c), and (d),".

SEC. 204. In the conduct of foreign market development programs, the Secretary of Agriculture is authorized to credit contributions from individuals, firms, associations, agencies, and other groups, and the proceeds received from space rentals, and sales of products and materials at exhibitions, to the appropriations charged with the cost of acquiring such space, products, and materials.

TITLE III—AGRICULTURAL CREDIT

SEC. 301. (a) This title may be cited as the "Consolidated Farmers Home Administration Act of 1961".

(b) The Congress hereby finds that the statutory authority of the Secretary of Agriculture, hereinafter referred to in this title as the "Secretary", for making and insuring loans to farmers and ranchers should be revised and consolidated to provide for more effective credit services to farmers.

Subtitle A—Real estate loans

SEC. 302. The Secretary is authorized to make and insure loans under this subtitle to farmers and ranchers in the United States and in Puerto Rico and the Virgin Islands who (1) are citizens of the United States, (2) have a farm background and either training or farming experience which the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operations, (3) are or will become owner-operators of not larger than family farms, and (4) are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time.

SEC. 303. Loans may be made or insured under this subtitle for acquiring, enlarging, or improving farms, including farm buildings, land and water development, use and conservation, refinancing existing indebtedness, and for loan closing costs. In making or insuring loans for farm purchase, the Secretary shall give preference to persons who are married or have dependent families and, wherever practicable, to persons who are able to make initial downpayments, or who are owners of livestock and farm implements necessary successfully to carry on farming operations.

SEC. 304. Loans may also be made or insured under this subtitle to any farmowners or tenants without regard to the requirements of section 302 (1), (2), and (3) for the purposes only of land and water development, use and conservation.

SEC. 305. The Secretary shall make or insure no loan under sections 302, 303, and 304 which would cause (a) the unpaid indebtedness against the farm or other security at the time the loan is made to exceed the normal value of the farm or other security, or (b) the loan to exceed the amount certified by the county committee. In determining the normal value of the farm, the Secretary shall consider appraisals made by competent appraisers under rules established by the Secretary. Such appraisals shall take into consideration both the normal agricultural value and the normal market value of the farm.

SEC. 306. (a) The Secretary also is authorized to make or insure loans to associations, including corporations not operated for profit and public and quasi-public agencies, to provide for the application or establishment of soil conservation practices, the conservation, development, use and control of water and the installation or improvement of drainage facilities, all primarily for serving farmers, ranchers, farm tenants, farm laborers and rural residents, and to furnish financial assistance or other aid in planning projects for such purposes. No such loans shall be made or insured which would cause an association's unpaid principal indebtedness under this section and the Act of August 28 1937, as amended, to exceed $1,000,000 at any one time.

(b) The service provided or made available through any such association shall not be curtailed or limited by inclusion of the area served by such association within the boundaries of any municipal corporation or other public body, or by the granting of any private franchise for similar service within such area during the terms of such loan; nor shall the happening of any such event be the basis of requiring such association to secure any franchise, license, or permit as a condition to continuing to serve the area served by the association at the time of the occurrence of such event.

SEC. 307. (a) The period for repayment of loans under this subtitle shall not exceed forty years. The Secretary shall from time to time establish the interest rate or rates at which loans for various purposes will be made or insured under this subtitle but not in excess of 5 per centum per annum. The borrower shall pay such fees and other charges as the Secretary may require.

(b) The Secretary shall take as security for the obligations entered into in connection with loans, mortgages on farms with respect to which such loans are made or such other security as the Secretary may require, and for obligations in connection with loans to associations under section 306, shall take liens on the facility or such other security as he may determine to be necessary. Such security instruments shall constitute liens running to the United States notwithstanding the fact that the notes may be held by lenders other than the United States.

SEC. 308. Loans under this subtitle may be insured by the Secretary, aggregating not more than $150,000,000 in any one year, whenever funds are advanced or a loan is purchased by a lender other than the United States. In connection with insurance of loans, the Secretary—

(a) is authorized to make agreements with respect to the servicing of loans insured hereunder and to purchase such loans on such terms and conditions as he may prescribe, except that no agreement shall provide for purchase by the Secretary at a date sooner than three years from the date of the note; and

(b) shall retain out of payments by the borrower a charge at a rate determined by the Secretary from time to time equivalent to not less than one-half of 1 per centum per annum on the principal unpaid balance of the loan.

Any contract of insurance executed by the Secretary under this subtitle shall be an obligation supported by the full faith and credit of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge.

SEC. 309. (a) The fund established pursuant to section 11(a) of the Bankhead-Jones Farm Tenant Act, as amended, shall hereafter be called the Agricultural Credit Insurance Fund and is hereinafter in this subtitle referred to as the "fund". The fund shall remain available as a revolving fund for the discharge of the obligations of the Secretary under agreements insuring loans under this subtitle and loans and mortgages insured under prior authority.

(b) Moneys in the fund not needed for current operations shall be deposited in the Treasury of the United States to the credit of the fund or invested in direct obligations of the United States or obligations guaranteed by the United States. The Secretary may purchase with money in the fund any notes issued by the Secretary to the Secretary of the Treasury for the purpose of obtaining money for the fund.

(c) The Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for discharging obligations under this section and for authorized expenditures out of the fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yield of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Secretary under this subtitle. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and, for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

(d) Notes and security acquired by the Secretary in connection with loans insured under this subtitle and under prior authority shall become a part of the fund. Notes may be held in the fund and collected in accordance with their terms or may be sold by the Secretary with or without agreements for insurance thereof at the balance due thereon, or on such other basis as the Secretary may determine from time to time. All net proceeds from such collections, including sales of notes or property, shall be deposited in and become a part of the fund.

(e) The Secretary shall deposit in the fund such portion of the charge collected in connection with the insurance of loans at least equal to a rate of one-half of 1 per centum per annum on the outstanding principal obligations and the remainder of such charge shall be available for administrative expenses of the Farmers Home Administration, to be transferred annually and become merged with any appropriation for administrative expenses.

(f) The Secretary may utilize the fund—

(1) to make loans which could be insured under this subtitle whenever the Secretary has reasonable assurance that they can be sold without undue delay, and may sell and insure such loans. The aggregate of the principal of such loans made and not disposed of shall not exceed $10,000,000 at any one time;

(2) to pay the interest to which the holder of the note is entitled on loans heretofore or hereafter insured accruing between the date of any prepayments made by the borrower and the date of transmittal of any such prepayments to the lender. In the discretion of the Secretary, prepayments other than final payments need not be remitted to the holder until the due date of the annual installment;

(3) to pay to the holder of the notes any defaulted installment or, upon assignment of the note to the Secretary at the Secretary's request, the entire balance due on the loan;

(4) to purchase notes in accordance with agreements previously entered into; and

(5) to pay taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application and transmittal of collections and other expenses and advances authorized in section 335(a) in connection with insured loans.

SEC. 310. The terms "farmowner" and "owner-operator" in this subtitle shall include the owner of such interest in real estate as will give the applicant the rights of possession, management, and control of the property sufficient to accomplish the objectives of the loan applied for and the right to encumber his interest as security.

Subtitle B—Operating loans

SEC. 311. The Secretary is authorized to make loans under this subtitle to farmers and ranchers in the United States and in Puerto Rico and the Virgin Islands who (1) are citizens of the United States, (2) have a farm background and training or farming experience which the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operation, (3) are or will become operators of not larger than family farms, and (4) are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time.

SEC. 312. Loans may be made under this subtitle for (1) paying costs incident to reorganizing the farming system for more profitable operation, (2) purchasing livestock, poultry, and farm equipment, (3) purchasing feed, seed, fertilizer, insecticides, and farm supplies and to meet other essential farm operating expenses including cash rent, (4) financing land and water development, use, and conservation, (5) refinancing existing indebtedess, (6) other farm and home needs including but not limited to family subsistence, and (7) for loan closing costs.

SEC. 313. The Secretary shall make no loan under this subtitle (1) which would cause the total principal indebtedness outstanding at any one time for loans made under this subtitle and under section 21 of the Bankhead-Jones Farm Tenant Act, as amended, to exceed $40,000: *Provided, however,* That not more than 25 per centum of the sums made available for loans under this subtitle may be used for loans which would cause such indebtedness of any borrower under said Acts to exceed $15,000, (2) for the purchasing or leasing of land other than for cash rent, or for carrying on any land leasing or land purchasing program, or (3) in excess of an amount certified by the county committee.

SEC. 314. The Secretary is authorized to participate in loans which could otherwise be made by the Secretary under this subtitle which are made by commercial banks, cooperative lending agencies, or other legally organized agricultural lending agencies up to 80 per centum of the amount of the loan.

SEC. 315. The Secretary shall make all loans under this subtitle at an interest rate not to exceed 5 per centum per annum, upon the full personal liability of the borrower and upon such security as the Secretary may prescribe. Such loans shall be payable in not more than seven years, but may be renewed for not more than five additional years.

Subtitle C—Emergency loans

SEC. 321. (a) The Secretary may designate any area in the United States and in Puerto Rico and the Virgin Islands as an emergency area if he finds (1) that there exists in such area a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the Secretary is authorized to make under subtitle B or to make or insure under subtitle A of this title or any other Act of Congress), at reasonable rates and terms for loans for similar purposes and periods of time, and (2) that the need for such credit in such area is the result of a natural disaster.

(b) The Secretary is authorized to make loans in any such area (1) to established farmers or ranchers who are citizens of the United States and (2) to private domestic corporations or partnerships engaged primarily in farming or ranching provided they have experience and resources necessary to assure a reasonable prospect for successful operation with the assistance of such loan, and are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans of similar purposes and periods of time.

SEC. 322. Loans may be made under this subtitle for any of the purposes authorized for loans under substitle A or B of this title.

SEC. 323. The Secretary shall make no loan under this subtitle in excess of an amount certified by the county committee.

SEC. 324. The Secretary shall make all loans under this subtitle at a rate of interest not in excess of 3 per centum per annum repayable at such times as the Secretary may determine, taking into account the purpose of the loan and the nature and effect of the emergency, but not later than provided for loans for similar purposes under subtitles A and B of this title, and upon the full personal liability of the borrower and upon such security as the Secretary may prescribe.

SEC. 325. The Secretary may make loans without regard to the designation of emergency areas under section 321(a) to persons or corporations (1) who have suffered severe production losses not general to the area or (2) who are indebted to the Secretary for loans under the Act of April 6, 1949, as amended, or the Act of August 31, 1954, as amended, to the extent necessary to permit the orderly repayment or liquidation of said prior indebtedness.

SEC. 326. The Secretary is authorized to utilize the revolving fund created by section 84 of the Farm Credit Act of 1933, as amended (hereinafter in this subtitle referred to as the "Emergency Credit Revolving Fund"), for carrying out the purposes of this subtitle.

SEC. 327. (a) All sums received by the Secretary from the liquidation of loans made under the provisions of this subtitle or under the Act of April 6, 1949, as amended, or the Act of August 31, 1954, and from the liquidation of any other assets acquired with money from the Emergency Credit Revolving Fund shall be added to and become a part of such fund.

(b) There are authorized to be appropriated to the Emergency Credit Revolving Fund such additional sums as the Congress shall from time to time determine to be necessary.

Subtitle D—Administrative provisions

SEC. 331. For the purposes of this title and for the administration of assets under the jurisdiction of the Secretary of Agriculture pursuant to the Farmers Home Administration Act of 1946, as amended, the Bankhead-Jones Farm Tenant Act, as amended, the Act of August 28, 1937, as amended, the Act of April 6, 1949, as amended, the Act of August 31, 1954, as amended, and the powers and duties of the Secretary under any other Act authorizing agricultural credit, the Secretary may assign and transfer such powers, duties, and assets to the Farmers Home Administration, to be headed by an Administrator, appointed by the President, by and with the advice and consent of the Senate, without regard to the civil service laws or the Classification Act of 1949, as amended, who shall receive basic compensation as provided by law for that office.

The Secretary may—

(a) administer his powers and duties through such national, area, State, or local offices and employees in the United States and in Puerto Rico and the Virgin Islands as he determines to be necessary and may authorize an office to serve the area composed of two or more States if he determines that the volume of business in the area is not sufficient to justify separate State offices;

(b) accept and utilize voluntary and uncompensated services, and, with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, territory, or political subdivision;

(c) within the limits of appropriations made therefor, make necessary expenditures for purchase or hire of passenger vehicles, printing and binding without regard to the Act of January 12, 1895, as amended, and such other facilities and services as he may from time to time find necessary for the proper administration of this Act;

(d) compromise, adjust, or reduce claims and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into or administered by the Farmers Home Administration under any of its programs, as circumstances may require, but compromises, adjustments, or reductions of claims of $15,000 or more shall not be made without the approval of the Administrator: *Provided, however,* That—

(1) compromise, adjustment, or reduction of claims shall be based on the value of the security and a determination by the Secretary of the debtor's reasonable ability to pay considering his other assets and income at the time of the action and with or without the payment of any consideration at the time of such adjustment or reduction;

(2) releases from personal liability may also be made with or without payment of any consideration at the time of adjustment of claims against—

(A) borrowers who have transferred the security property to approved applicants under agreements assuming the outstanding secured indebtedness;

(B) borrowers who have transferred the security property to approved applicants under agreements assuming that portion of the secured indebtedness equal to the current market value of the security property or transferred the security property to the Secretary;

(C) borrowers who have transferred the security property to other than approved applicants under agreements assuming the full amount of or that portion of the secured indebtedness equal to the current market value of the security property on terms not to exceed five annual installments with interest on the unpaid balance at a rate determined by the Secretary; and

(D) borrowers who transfer security property under subparagraphs (B) and (C) above for amounts less than the indebtedness secured thereby may be released from personal liability only on a determination by the Secretary that each such borrower has no reasonable debt-paying ability considering his assets and income at the time of the transfer and the county committee certifies that the borrower has cooperated in good faith, used due diligence to maintain the security property against loss, and has otherwise fulfilled the covenants incident to his loan to the best of his ability.

(3) no compromise, adjustment, or reduction of claims shall be made upon terms more favorable than recommended by the appropriate county committee utilized pursuant to section 332 of this title; and

(4) any claim which has been due and payable for five years or more, and where the debtor has no assets or no apparent future debt-paying ability from which the claim could be collected, or is deceased and has left no estate, or has been absent from his last known address for a period of at least five years, has no known assets, and his whereabouts cannot be ascertained without undue expense, may be charged off or released by the Secretary upon a report and favorable recommendation of the county committee and of the employee having charge of the claim, and any claim involving a principal balance of $150 or less may be charged off or released whenever it appears to the Secretary that further collection efforts would be ineffectual or likely to prove uneconomical; and

(5) partial releases and subordination of mortgages may be granted either where the secured indebtedness remaining after the transaction will be adequately secured or the security interest of the Secretary will not be adversely affected, and the transaction and use of proceeds will further the purposes for which the loan was made, improve the borrower's debt-paying ability, permit payments on indebtedness owed to or insured by the Secretary, or permit payment of reasonable costs and expenses incident to the transaction, including taxes incident to or resulting from the transaction which the borrower is unable to pay from

other sources: *Provided further*, That no such compromise, adjustment, or reduction shall be made hereunder after the claim has been referred to the Attorney General.

(e) collect all claims and obligations arising or administered under this title, or under any mortgage, lease, contract, or agreement entered into or administered pursuant to this title and, if in his judgment necessary and advisable, pursue the same to final collection in any court having jurisdiction.

SEC. 332. (a) The Secretary is authorized and directed to appoint in each county or area in which activities are carried on under this title, a county committee composed of three individuals residing in the county or area, at least two of whom at the time of appointment shall be farmers deriving the principal part of their income from farming. Committee appointments shall be for a term of three years except that the first appointments for any new committee shall be for one-, two-, and three-year periods, respectively, so as to provide continuity of committee membership. The Secretary may appoint alternate committeemen. The members of the committee and their alternates shall be removable for cause by the Secretary.

(b) The rates of compensation, the number of days per month each member may be paid, and the amount to be allowed for necessary travel and subsistence expenses, shall be determined and paid by the Secretary.

(c) The committee shall meet on the call of the chairman elected by the committee or on the call of such other person as the Secretary may designate. Two members of the committee shall constitute a quorum. The Secretary shall prescribe rules governing the procedure of the committees and their duties, furnish forms and equipment necessary, and authorize and provide for the compensation of such clerical assistance as he finds may be required by any committee.

SEC. 333. In connection with loans made or insured under this title, the Secretary shall require—

(a) the applicant to certify in writing that he is unable to obtain sufficient credit elsewhere to finance his actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time;

(b) except for loans under sections 306 and 321(b)(2), the county committee to certify in writing that the applicant meets the eligibility requirements for the loan, and has the character, industry, and ability to carry out the proposed farming operations, and will, in the opinion of the committee, honestly endeavor to carry out his undertakings and obligations; and for loans under sections 306 and 321(b)(2), the Secretary shall require the recommendation of the county committee as to the making or insuring of the loan;

(c) an agreement by the borrower that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source, at reasonable rates and terms for loans for similar purposes and periods of time, the borrower will, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary or the insured lender, or both, and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan;

(d) such provision for supervision of the borrower's operations as the Secretary shall deem necessary to achieve the objectives of the loan and protect the interests of the United States; and

(e) the applications of veterans for loans under subtitle A or B of this title to be given preference over similar applications of nonveterans on file in any county or area office at the same time. Veterans as used herein shall mean persons who served in the Armed Forces of the United States during any war between the United States and any other nation or during the Korean conflict and who were discharged or released therefrom under conditions other than dishonorable.

SEC. 334. All property subject to a lien held by the United States or the title to which is acquired or held by the Secretary under this title other than property used for administrative purposes, shall be subject to taxation by State, territory, district, and local political subdivisions in the same manner and to the same extent as other property is taxed: *Provided, however*, That no tax shall be imposed or collected on or with respect to any instrument if the tax is based on—

(1) the value of any notes or mortgages or other lien instruments held by or transferred to the Secretary;

(2) any notes or lien instruments administered under this title which are made, assigned, or held by a person otherwise liable for such tax; or

(3) the value of any property conveyed or transferred to the Secretary,

whether as a tax on the instrument, the privilege of conveying or transferring or the recordation thereof; nor shall the failure to pay or collect any such tax be a ground for refusal to record or file such instruments, or for failure to impart notice, or prevent the enforcement of its provisions in any State or Federal court.

SEC. 335. (a) The Secretary is authorized and empowered to make advances, without regard to any loan or total indebtedness limitation, to preserve and protect the security for or the lien or priority of the lien securing any loan or other indebtedness owing to, insured by, or acquired by the Secretary under this title or under any other programs administered by the Farmers Home Administration; to bid for and purchase at any execution, foreclosure, or other sale or otherwise to acquire property upon which the United States has a lien by reason of a judgment or execution arising from, or which is pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of, any such indebtedness whether or not such property is subject to other liens, to accept title to any property so purchased or acquired; and to sell, manage, or otherwise dispose of such property as hereinafter provided.

(b) Real property administered under the provisions of this title may be operated or leased by the Secretary for such period or periods as the Secretary may deem necessary to protect the Government's investment therein.

(c) The Secretary may determine whether real property administered under this title is suitable for disposition to persons eligible for assistance under subtitle A. Any property which the Secretary determines to be suitable for such purposes shall, whenever practicable, be sold by the Secretary as expeditiously as possible to such eligible persons in a manner consistent with the provisions of subtitle A hereof. Real property which is not determined suitable for sale to such eligible persons or which has not been purchased by such persons within a period of three years from the date of acquisition, shall be sold by the Secretary after public notice at public sale and, if no acceptable bid is received then by negotiated sale, at the best price obtainable for cash or on secured credit without regard to the laws governing the disposition of excess or surplus property of the United States. The terms of such sale shall require an initial downpayment of at least 20 per centum and the remainder of the sales price payable in not more than five annual installments with interest on unpaid balance at the rate determined by the Secretary. Any conveyances under this section shall include all of the interest of the United States, including mineral rights.

(d) With respect to any real property administered under this title, the Secretary is authorized to grant or sell easements or rights-of-way for roads, utilities, and other appurtenances not inconsistent with the public interest. With respect to any rights-of-way over land on which the United States has a lien administered under this title, the Secretary may release said lien upon payment to the United States of adequate consideration, and the interest of the United States arising under any such lien may be acquired for highway purposes by any State or political subdivision thereof in condemnation proceedings under State law by service by certified mail upon the United States attorney for the district, the State Director of the Farmers Home Administration for the State in which the farm is located, and the Attorney General of the United States: *Provided, however*, That the United States shall not be required to appear, answer, or respond to any notice or writ sooner than ninety days from the time such notice or writ is returnable or purports to be effective, and the taking or vesting of title to the interest of the United States shall not become final under any proceeding, order, or decree until adequate compensation and damages have been finally determined and paid to the United States or into the registry of the court.

SEC. 336. No officer, attorney, or other employee of the Secretary shall, directly or indirectly, be the beneficiary of or receive any fee, commission, gift, or other consideration for or in connection with any transaction or business under this title other than such salary, fee, or other compensation as he may receive as such officer, attorney, or employee. No member of a county committee shall knowingly make or join in making any certification with respect to a loan to purchase any land in which he or any person related to him within the second degree of consanguinity or affinity has or may acquire any interest or with respect to any applicant related to him within the second degree of consanguinity or affinity. Any persons violating any provision of this section shall, upon conviction thereof, be punished by a fine of not more than $2,000 or imprisonment for not more than two years, or both.

SEC. 337. The Secretary may provide voluntary debt adjustment assistance between farmers and their creditors and may cooperate with State, territorial, and local agencies and committees engaged in such debt adjustment, and may give credit counseling.

SEC. 338. (a) There is authorized to be appropriated to the Secretary such sums as the Congress may from time to time determine to be necessary to enable the Secretary to carry out the purposes of this title and for the administration of assets transferred to the Farmers Home Administration.

(b) When authorized by Congress, the Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds in such amounts as the Congress may approve annually for making direct loans under this title. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yields of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Secretary under this title. The Secretary of the Treasury is authorized and di-

rected to purchase any notes of the Secretary issued hereunder, and for that purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

(c) The appropriations for loans made under the authority of subsection (a) and funds obtained in accordance with subsection (b) of this section, and the unexpended balances of any funds made available for loans under the item "Farmers Home Administration" in the Department of Agriculture Appropriation Acts current on the date of enactment of this title, shall be merged into a single account known as the "Farmers Home Administration direct loan account", hereafter in this section called the "direct loan account". All claims, notes, mortgages, property, including those now held by the Secretary on behalf of the Secretary of the Treasury, and all collections therefrom, made or held under the direct loan provisions of (1) titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, as amended; (2) the Farmers Home Administration Act of 1946, as amended, except the assets of the rural rehabilitation corporations; (3) the Act of August 28, 1937 (50 Stat. 869), as amended; (4) the item "Loans to Farmers—1948 Flood Damage" in the Act of June 25, 1948 (62 Stat. 1038); (5) the item "Loans to Farmers (Property Damage)" in the Act of May 24, 1949 (63 Stat. 82); (6) the Act of September 6, 1950 (64 Stat. 769); (7) the Act of July 11, 1956 (70 Stat. 525); and (8) under this title shall be held for and deposited in said account.

The notes of the Secretary issued to the Secretary of the Treasury under said Acts or under this title and all other liabilities against the appropriations or assets in the direct loan account shall be liabilities of said account, and all other obligations against such appropriations or assets shall be obligations of said account. Moneys in the direct loan account shall also be available for interest and principal repayments on notes issued by the Secretary to the Secretary of the Treasury. Otherwise, the balances in said account shall remain available to the Secretary for direct loans under subtitles A and B of this title, and for advances in connection therewith, not to exceed any existing appropriation or authorization limitations and in such further amounts as the Congress from time to time determines in appropriation Acts. The amounts so authorized for loans and advances shall remain available until expended. Subject to the foregoing limitations, the use of collections deposited in the account may be authorized by the Congress in lieu or partially in lieu of authorizing the issuing of additional notes by the Secretary to the Secretary of the Treasury, and the account shall be budgeted on a net expenditure basis.

(d) The Secretary may sell and assign any notes and mortgages in the direct loan account with the consent of the borrower or without such consent when the borrower has failed to comply with his agreement to refinance the indebtedness at the request of the Secretary. Such loans may be sold at the balance due thereon or on such other basis as the Secretary may determine from time to time.

(e) At least 25 per centum of the sums authorized in any fiscal year for direct loans to individuals to be made by the Secretary under subtitle A of this title shall be allocated equitably among the several States and territories on the basis of farm population and the prevalence of tenancy, as determined by the Secretary.

SEC. 339. The Secretary is authorized to make such rules and regulations, prescribe the terms and conditions for making or insuring loans, security instruments and agreements, except as otherwise specified herein, and make such delegations of authority as he deems necessary to carry out this title.

SEC. 340. The President may at any time in his discretion transfer to the Secretary any right, interest, or title held by the United States in any lands acquired in the program of national defense and no longer needed therefor, which the President shall find suitable for the purposes of this title, and the Secretary shall dispose of such lands in the manner and subject to the terms and conditions of the title.

SEC. 341. (a) Reference to any provisions of the Bankhead-Jones Farm Tenant Act or the Act of August 28, 1937 (50 Stat. 869), as amended, superseded by any provision of this title shall be construed as referring to the appropriate provision of this title. Titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, as amended, and the Act of August 28, 1937 (50 Stat. 869), as amended, the Act of April 6, 1949 (63 Stat. 43), as amended, and the Act of August 31, 1954 (68 Stat. 999), as amended, are hereby repealed effective one hundred and twenty days after enactment hereof, or such earlier date as the provisions of this title are made effective by the Secretary's regulations except that the repeal of section 2(c) of the Act of April 6, 1949, shall not be effective prior to January 1, 1962. The foregoing provisions shall not have the effect of repealing the amendments to section 24, chapter 6 of the Federal Reserve Act, as amended, section 5200 of the Revised Statutes, section 35 of chapter III of the Act approved June 19, 1934 (D.C. Code, title 35, section 535), enacted by section 15 of the Bankhead-Jones Farm Tenant Act, as amended, and by section 10 (f) of the Act of August 28, 1937 (50 Stat. 869), as amended.

(b) The repeal of any provision of law by this title shall not—

(1) affect the validity of any action taken or obligation entered into pursuant to the authority of any of said Acts, or

(2) prejudice the application of any person with respect to receiving assistance under the provisions of this title, solely because such person is obligated to the Secretary under authorization contained in any such repealed provision.

(c) If any provision of this title or the application thereof to any person or circumstance is held invalid, the remainder of the title and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 342. Title III of the Bankhead-Jones Farm Tenant Act, as amended, is further amended by the following new section 35:

"SEC. 35. The provisions of this title shall extend to Puerto Rico and the Virgin Islands. In the case of Alaska, Puerto Rico, and the Virgin Islands, the term 'county' as used in this title may be the entire area, or any subdivision thereof as may be determined by the Secretary, and payments under section 33 of this title shall be made to the Governor or to the fiscal agent of such subdivision."

TITLE IV—GENERAL

SEC. 401. (a) Congress hereby reaffirms, consistent with the policy embodied in the Capper-Volstead Act, the Cooperative Marketing Act of 1926, the Agricultural Marketing Act of 1929, as amended, the Farm Credit Act of 1933, as amended, and related legislation, the national policy of aiding and encouraging the organization, operation, and sound growth of farmer cooperatives to the end that the farmers of the Nation may through group action conduct their business operations effectively to obtain a fair share of the Nation's income.

(b) Two or more cooperative associations, as defined in the Agricultural Marketing Act of 1929, as amended, may act jointly in a federation of such cooperative associations, or through agencies in common, in performing those acts which farmers acting together in one such association may lawfully perform.

SEC. 402. Section 16 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by changing the third sentence of paragraph (1) of subsection (b) to read as follows: "Such contracts may be entered into during the period ending not later than December 31, 1971, with respect to farms and ranches in counties in the Great Plains area of the States of Colorado, Kansas, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming, designated by the Secretary as susceptible to serious wind erosion by reason of their soil types, terrain, and climatic and other factors."

Mr. COOLEY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: Strike out all after the enacting clause of the bill S. 1643 and insert the provisions of the bill H.R. 8230 as passed, as follows:

That this Act may be cited as the "Agricultural Act of 1961".

DECLARATION OF POLICY

SEC. 2. In order more fully and effectively to improve, maintain, and protect the prices and incomes of farmers, to enlarge rural purchasing power, to achieve a better balance between supplies of agricultural commodities and the requirements of consumers therefor, to preserve and strengthen the structure of agriculture, and to revitalize and stabilize the overall economy at reasonable costs to the Government, it is hereby declared to be the policy of Congress to—

(a) afford farmers the opportunity to achieve parity of income with other economic groups by providing them with the means to develop and strengthen their bargaining power in the Nation's economy;

(b) encourage a commodity-by-commodity approach in the solution of farm problems and provide the means for meeting varied and changing conditions peculiar to each commodity;

(c) expand foreign trade in agricultural commodities with friendly nations, as defined in section 107 of Public Law 480, 83d Congress, as amended (7 U.S.C. 1707), and in no manner either subsidize the export, sell, or make available any subsidized agricultural commodity to any nations other than such friendly nations and thus make full use of our agricultural abundance;

(d) utilize more effectively our agricultural productive capacity to improve the diets of the Nation's needy persons;

(e) recognize the importance of the family farm as an efficient unit of production and as an economic base for towns and cities in rural areas and encourage, promote, and strengthen this form of farm enterprise;

(f) facilitate and improve credit services to farmers by revising, expanding, and clarifying the laws relating to agricultural credit;

(g) assure consumers of a continuous, adequate, and stable supply of food and fiber at fair and reasonable prices; and

(h) reduce the cost of farm programs by preventing the accumulation of surpluses.

(i) use surplus farm commodities on hand as fully as practicable as an incentive to reduce production as may be necessary to bring supplies on hand and firm demand in balance.

TITLE I—SUPPLY AND PRICE STABILIZATION

Subtitle A—Formulation of commodity programs

SEC. 111. In furtherance of the declared policy of this Act, the Secretary of Agriculture shall recommend to the Congress legislation authorizing long-range stabilization programs for wheat and for feed grains not later than January 15, 1962. The Secretary shall study on a commodity-by-commodity basis the price, production, marketing, income, and other factors affecting other agricultural commodities which have a substantial effect on the farm economy, and shall recommend to the Congress legislation authorizing a specific stabilization program for any commodity whenever such program cannot be carried out under existing law and, in his judgment, is necessary in furtherance of the declared policy of this Act, is feasible, and would meet with the approval of a majority of the producers of the commodity. The programs which would be authorized by the legislation recommended to the Congress hereunder shall be formulated after consulting and advising with farmers, representatives of farm organizations, consumers, and others interested in the commodity.

Subtitle B—1962 wheat program

SEC. 121. Section 334 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting (1) after (c) and adding a new subparagraph (2) following subparagraph (c)(1) to read as follows:

"(2) Notwithstanding any other provision of law, each old or new farm acreage allotment for the 1962 crop of wheat as determined on the basis of a minimum national acreage allotment of 55 million acres shall be reduced by 10 per centum. In the event notices of farm acreage allotments for the 1962 crop of wheat have been mailed to farm operators prior to the effective date of this subparagraph (2), new notices showing the required reduction shall be mailed to farm operators as soon as practicable."

SEC. 122. (a) In lieu of the provisions of item (1) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(1)), the following provisions shall apply to the 1962 crop of wheat:

"(1) If a national marketing quota for wheat is in effect for the marketing year beginning July 1, 1962, farm marketing quotas shall be in effect for the crop of wheat which is normally harvested in 1962. The farm marketing quota for such crop of wheat shall be the actual production of the acreage planted to such crop of wheat on the farm less the farm marketing excess. The farm marketing excess shall be an amount equal to twice the normal yield of wheat per acre established for the farm multiplied by the number of acres of such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations prescribed by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established, the farm marketing excess shall be such actual production less the actual production of the farm wheat acreage allotment based upon the average yield per acre for the entire 1962 wheat acreage on the farm: *Provided, however,* That the farm marketing excess shall not be larger than the amount by which the actual production, so established, exceeds the normal production of the farm wheat acreage allotment."

(b) Notwithstanding the provisions of item (2) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(2)), the rate of penalty on wheat of the 1962 crop shall be 65 per centum of the parity price per bushel of wheat as of May 1, 1962.

(c) In lieu of the provisions of item (3) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(3)), the following provisions shall apply to the 1962 crop of wheat:

"(3) The farm marketing excess for wheat shall be regarded as available for marketing, and the penalty and the storage amount or amounts of wheat to be delivered to the Secretary shall be computed upon twice the normal production of the excess acreage. If the farm marketing excess so computed is adjusted downward on the basis of actual production as heretofore provided the difference between the amount of the penalty or storage computed on the basis of twice the normal production and as computed on actual production shall be returned to or allowed the producer or a corresponding adjustment made in the amount to be delivered to the Secretary if the producer elects to make such delivery. The Secretary shall issue regulations under which the farm marketing excess of wheat for the farm shall be stored or delivered to him. Upon failure to store, or deliver to the Secretary, the farm marketing excess within such time as may be determined under regulations prescribed by the Secretary the penalty computed as aforesaid shall be paid by the producer. Any wheat delivered to the Secretary hereunder shall become the property of the United States and shall be disposed of by the Secretary for relief purposes in the United States or friendly foreign countries or in such other manner as he shall determine will divert it from the normal channels of trade and commerce."

(d) Item (7) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(7)), is amended to read as follows:

"(7) A farm marketing quota on any crop of wheat shall not be applicable to any farm on which, under regulations prescribed by the Secretary, the actual acreage planted to wheat for harvest of such crop does not exceed 15 acres: *Provided, however,* That a farm marketing quota on the 1962 crop of wheat shall be applicable to any farm on which the acreage of wheat exceeds the smaller of (1) 13.5 acres, or (2) the highest number of acres actually planted to wheat on the farm for harvest in any of the calendar years 1959, 1960, or 1961."

(e) Subsection (d) of section 335 of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1335(d)), is hereby repealed effective with the 1962 crop of wheat.

SEC. 123. Price support for the 1962 crop of wheat shall be made available, as provided in section 101 of the Agricultural Act of 1949, as amended, except that price support shall be made available only to cooperators and only in the commercial wheat-producing area.

SEC. 124. (a) If marketing quotas are in effect for the 1962 crop of wheat, producers on any farm, except a farm on which a new farm wheat allotment is established for the 1962 crop, in the commercial wheat-producing area shall be entitled to payments determined as provided in subsection (b) upon compliance with the conditions hereinafter prescribed:

(1) Such producers shall divert from the production of wheat an acreage on the farm equal to either (i) 10 per centum of the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961: *Provided,* That such acreage in each of such years did not exceed 15 acres, or (ii) 10 per centum of the farm acreage allotment for the 1962 crop of wheat which would be in effect except for the reduction thereof as provided in section (334) (c)(2) of the Agricultural Adjustment Act of 1938, as amended.

(2) In 1962, such diverted acreage shall be devoted to conservation uses including summer fallow, approved by the Secretary, and such measures shall be taken as the Secretary may deem appropriate to keep such diverted acreage free from insects, weeds, and rodents: *Provided,* That such diverted acreage may be devoted to castor beans, safflower, sunflower, or sesame, if designated by the Secretary, subject to the condition that no payment shall be made with respect to diverted acreage devoted to any such commodity.

(3) The total acreage of cropland on the farm in 1962 devoted to soil-conserving uses including summer fallow and idle land, but excluding the acreage diverted as provided above an acreage diverted under the special 1962 program for feed grains, shall not be less than the total average acreage of cropland devoted to soil-conserving uses including summer fallow and idle land on the farm in 1959 and 1960. Certification by the producer with respect to such acreage may be accepted as evidence of compliance with the foregoing provision. The total average acreage devoted to soil-conserving uses, including summer fallow and idle land, in 1959 and 1960 shall be subject to adjustment to the extent the Secretary determines appropriate for abnormal weather conditions or other factors affecting production, established crop-rotation practices on the farm, changes in the constitution of the farm, participation in other Federal farm programs, or to give effect to the provisions of law relating to release and reapportionment or preservation of history.

(4) If the diversion of acreage is made pursuant to the provisions of (1)(i) of this subsection (a), the actual acreage of wheat planted on the farm for harvest in 1962 shall not exceed 90 per centum of the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961; and if the diversion of acreage is made pursuant to the provisions of (1)(ii) of this subsection (a), the farm shall be in compliance with the 1962 farm wheat acreage allotment.

(b)(1) Upon compliance with the conditions prescribed in subsection (a) producers on the farm shall be entitled to payments which shall be made by Commodity Credit Corporation in cash or wheat not in excess of 50 per centum of the value, at the basic county support rate per bushel for No. 1 wheat of the 1962 crop for the county in which the farm is considered as being located for the administration of farm marketing quotas for wheat, of the number of bushels equal to the adjusted yield per acre of wheat for the farm, multiplied by the number of diverted acres other than acres devoted to castor beans, safflower, sunflower, or sesame.

(2) The adjusted yield per acre of wheat for the farm shall be determined by the Secretary on the basis of the adjusted county average yield per acre for the 1959 and 1960 crops in the county in which the farm is considered as being located, and the productivity of the farm compared with other farms in the county taking into account special cultural practices, such as summer fallow or irrigation, normally followed on the acreage diverted from wheat. To the extent that a producer proves the actual acreages and yields for the farm for the 1959 and 1960 crop years, such acreages and yields, subject to such adjustments as may be made pursuant to the foregoing authority, shall be used in making determinations. The adjusted county average yield per acre shall be the county average for 1959 and 1960, as determined by the Secretary from the latest available statistics of the Federal Government, with such adjustments as he deems appropriate to take into account abnormal factors adversely affecting production.

(3) The Secretary shall provide by regulations for the sharing of payments among producers on the farm on a fair and equitable basis. The medium of payment shall be determined by the Secretary. If pay-

ments are made in wheat, the value of the payments in cash shall be converted to wheat at the market price of wheat as determined by Commodity Credit Corporation. Wheat received as payment-in-kind may be marketed without penalty but shall not be eligible for price support.

(c)(1) Producers who divert acreage on the farm under subsection (a) may divert additional acreage on the farm not in excess of the larger of three times the amount diverted under subsection (a) or such acreage as will bring the total acreage diverted to 15 acres: *Provided*, That the total acreage diverted under subsection (a) and this subsection (c) shall not exceed the larger of (i) the highest actual acreage of wheat planted on the farm for harvest for any of the years 1959, 1960, or 1961, but not to exceed 15 acres or (ii) the 1962 wheat acreage allotment.

(2) Payments shall be made with respect to the acreage diverted under this subsection (c) in accordance with the terms and conditions prescribed in subsection (a): *Provided*, That (i) 60 per centum shall be substituted for 50 per centum in computing the amount of the payment, (ii) the acreage diverted under this subsection (c) shall be added to and deemed to be acreage diverted under subsection (a) for the purposes of paragraphs (2) and (3) of subsection (a), and (iii) if the diversion under subsection (a) is made pursuant to (1)(i) of said subsection, the actual acreage planted to wheat for harvest on the farm in 1962, shall be reduced below the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961, by the total amount of acres diverted under subsection (a) and this subsection (c), or if the diversion under subsection (a) is made pursuant to (1) (ii) of said subsection, the 1962 wheat acreage on the farm shall be reduced by the total amount of acres diverted under subsection (a) and this subsection (c) below whichever of the following acreages is the larger—

(A) the farm acreage allotment for the 1962 crop of wheat which would be in effect except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended.

(B) the highest actual acreage of wheat planted on the farm for harvest for any of the years 1959, 1960, or 1961, but not to exceed fifteen acres.

(d) Any acreage diverted from the production of wheat to conservation uses for which payment is made under the program formulated pursuant to this section shall be in addition to any acreage diverted to conservation uses for which payment is made under any other Federal program except that the foregoing shall not preclude the making of cost-sharing payments under the agricultural conservation program or the Great Plains program for conservation practices carried out on any acreage devoted to soil-conserving uses under the program formulated pursuant to this section.

(e) The Secretary may provide for adjusting any payment on account of failure to comply with the terms and conditions of the program formulated under this section.

(f) Not to exceed 50 per centum of any payment to producers under this section may be made in advance of determination of performance.

(g) The program formulated pursuant to this section may include such terms and conditions, in addition to those specifically provided for herein, as the Secretary determines are desirable to effectuate the purposes of this section.

(h) Wheat stored to avoid or postpone a marketing quota penalty under the Agricultural Adjustment Act of 1938, as amended and supplemented, shall not be released from storage for underplanting based upon acreage diverted under subsection (a) or (c) above, and in determining production of the 1962 crop of wheat for the purpose of releasing wheat from storage on account of underproduction the normal yield of the diverted acres shall be deemed to be actual production of 1962 wheat.

(i) The Secretary is authorized to promulgate such regulations as may be necessary to carry out the provisions of this section.

(j) The Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making the payments authorized herein and to pay administrative expenses necessary in carrying out this section during the period ending June 30, 1962. There is authorized to be appropriated such amounts as may be necessary thereafter to pay such administrative expenses.

SEC. 125. Section 334(e) of the Agricultural Adjustment Act of 1938, as amended, relating to increased allotments for durum wheat, is amended to read as follows:

"(e) If, with respect to the 1962 crop of wheat, the Secretary finds that the acreage allotments of farms producing durum wheat are inadequate to provide for the production of a sufficient quantity of durum wheat to satisfy the demand therefor, the wheat acreage allotment for such crop for each farm located in a county in the States of North Dakota, Minnesota, Montana, South Dakota, and California designated by the Secretary as a county which (1) is capable of producing durum wheat, and (2) has produced such wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested, shall be increased by such uniform percentage as he deems necessary to provide for such quantity. No increase shall be made under this subsection in the wheat acreage allotment of any farm for such crop if any wheat other than durum wheat is planted on such farm for such crops. Any increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and such increases shall not be considered in establishing future State, county, and farm allotments. The provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340 (6)), and section 326(b) of this Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection. As used in this subsection the term 'durum wheat' means durum wheat (class II) other than the varieties known as 'Golden Ball' and 'Pelissi'. Any farm receiving an increased allotment under this subsection shall not be required as a condition of eligibility for price support, or permitted, to participate in the special 1962 wheat program formulated under section 124 of the Agricultural Act of 1961."

Subtitle C—1962 feed grain program

SEC. 131. Section 105(c) of the Agricultural Act of 1949 is amended by adding the following new paragraphs (3) and (4):

"(3) The level of price support for the 1962 crop of corn shall be established by the Secretary at such level not less than 65 per centum of the parity price therefor as the Secretary may determine. Price support for corn, grain sorghums, and barley shall be made available on not to exceed the normal production of the 1962 acreage of corn, grain sorghums, and barley of each eligible farm based on its average yield per acre for the 1959 and 1960 crop acreage.

"(4) The Secretary shall require as a condition of eligibility for price support on the 1962 crop of corn and grain sorghums that the producer shall participate in the special agricultural conservation program for 1962 for corn and grain sorghums to the extent prescribed by the Secretary and shall not knowingly devote an acreage on the farm to barley in excess of the average acreage devoted on the farm to barley in 1959 and 1960, except that the Secretary may permit acreage in excess of such average acreage to be devoted to malting barley subject to such terms and conditions as he may prescribe. The Secretary shall require as a condition of eligibility for price support on the 1962 crop of barley that the producer shall participate in the special agricultural conservation program for 1962 for barley to the extent prescribed by the Secretary and shall not knowingly devote an acreage on the farm to corn and grain sorghums in excess of the average acreage devoted on the farm to corn and grain sorghums in 1959 and 1960."

SEC. 132. Section 16 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by adding the following new subsections:

"(d) No contract for assistance under the Soil Conservation and Domestic Allotment Act, as amended, shall be entered into by the Secretary with a farm operator for draining wet lands, either through grants or technical assistance, where the Secretary of the Interior has made a finding that wildlife preservation will be materially harmed by the proposed drainage, and has reported such finding to the Secretary of Agriculture.

"(e) Notwithstanding any other provision of law—

"(1) The Secretary shall formulate and carry out a special agricultural conservation program for 1962, without regard to provisions which would be applicable to the regular agricultural conservation program, under which, subject to such terms and conditions as the Secretary determines, conservation payments in amounts determined by the Secretary to be fair and reasonable shall be made to producers who divert acreage from the production of corn, grain sorghums, and barley, respectively, to an approved conservation use and increase their average acreage of cropland devoted in 1959 and 1960 to designated soil conserving crops or practices including summer fallow and idle land by an equal amount: *Provided, however*, That any producer may elect in lieu of such payment to devote such diverted acreage to castor beans, safflower, sunflower, or sesame, if designated by the Secretary. In order to be eligible for a payment, a producer who participates in the special agricultural conservation program of 1962 for corn and grain sorghums must not knowingly devote an acreage on the farm in excess of the average acreage devoted on the farm to barley in 1959 and 1960, except that the Secretary may permit acreage in excess of such average acreage to be devoted to malting barley subject to such terms and conditions as he may prescribe; and a producer who participates in the special agricultural conservation program for 1962 for barley must not knowingly devote an acreage on the farm to corn and grain sorghums in excess of the average acreage devoted on the farm to corn and grain sorghums in 1959 and 1960.

Such special agricultural conservation program shall require the producer to take such measures as the Secretary may deem appropriate to keep such diverted acreage free from insects, weeds, and rodents. The acreage eligible for payments in cash or in an equivalent amount in kind under such conservation program shall be an acreage equivalent to 20 per centum of the average acreage on the farm planted to corn and grain sorghums, or barley, in the crop years 1959 and 1960. Such payments in cash or in kind at the basic county support rate may be made on an amount of the commodity not in excess of 50 per centum of the normal production of the acreage diverted from the

commodity on the farm based on its average yield per acre for the 1959 and 1960 crop acreage. Payments in kind only may be made by the Secretary for the diversion of up to (i) an additional 20 per centum of the average acreage on the farm planted to corn and grain sorghums, or barley, in the crop years 1959 and 1960 or (ii) such additional acreage as will bring the total diverted acreage to 20 acres, whichever is greater. Payments in kind on such additional acreage may be made at the basic county support rate on an amount of corn and grain sorghums, or barley, not in excess of 60 per centum of the normal production of the acreage diverted from the commodity on the farm based on its average yield per acre for the 1959 and 1960 crop acreage. The Secretary may make such adjustments in acreage and yields for the 1959 and 1960 crop years as he determines necessary to correct for abnormal factors adversely affecting production, and to give due consideration to tillable acreage, crop rotation practices, type of soil, soil and water conservation measures, and topography. To the extent that a producer proves the actual acreages and yields for the farm for the 1959 and 1960 crop years, such acreages and yields, subject to such adjustments as may be made pursuant to the foregoing authority, shall be used in making determinations. The Secretary may make not to exceed 50 per centum of any payments to producers in advance of determination of performance.

"(2) There are hereby authorized to be appropriated such amounts as may be necessary to enable the Secretary to carry out this section 16(d). Obligations may be incurred in advance of appropriations therefor and the Commodity Credit Corporation is authorized to advance from its capital funds such sums as may be necessary to pay administrative expenses in connection with such program during the fiscal year ending June 30, 1962, and to pay such costs as may be incurred in carrying out section 133 of the Agricultural Act of 1961.

"(3) The Secretary shall provide by regulations for the sharing of payments under this subsection among producers on the farm on a fair and equitable basis and in keeping with existing contracts."

SEC. 133. Payments in cash shall be made by Commodity Credit Corporation and payments in kind shall be made through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem for feed grains and, notwithstanding any other provision of law, the Commodity Credit Corporation shall, in accordance with regulations prescribed by the Secretary, assist the producer in the marketing of such certificates at such time and in such manner as the Secretary determines will best effectuate the purposes of the special feed grain program for 1962 authorized by this Act. In the case of any certificate not presented for redemption within thirty days of the date of its issuance, reasonable costs of storage and other carrying charges, as determined by the Secretary, for the period beginning thirty days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate.

Subtitle D—Marketing orders

SEC. 141. Section 8c(2) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended by (a) inserting after the words "or frozen grapefruit," the words "cranberries, apples, or turkeys," and after the phrase "the products of naval stores," the phrase "the products of peanuts," and (b) striking out "and Idaho, and not including fruits, other than olives and grapefruit, for canning or freezing), tobacco," and inserting in lieu thereof "Idaho, New York, Michigan, Maryland, New Jersey, Indiana, California, Maine, Vermont, New Hampshire, Rhode Island, Massachusetts, and Connecticut, and not including fruits for canning or freezing other than olives, grapefruit, cranberries, and apples produced in the States named above except Washington, Oregon, and Idaho), tobacco, peanuts, turkeys," and (c) changing the period at the end thereof to a colon and adding: *"Provided further*, That no order issued pursuant to this section shall be effective as to cranberries or apples for canning or freezing unless the Secretary of Agriculture determines, in addition to other required findings and determinations, that the issuance of such order is approved or favored by processors who, during a representative period determined by the Secretary, have engaged in canning or freezing such commodity for market and have frozen or canned more than 50 per centum of the total volume of the commodity to be regulated which was canned or frozen within the production area, or marketed within the marketing area, defined in such order, during such representative period."; and section 8e of such Act is amended by striking out of the first sentence thereof "tomatoes, avocados, mangoes, limes, grapefruit, green peppers, Irish potatoes, cucumbers, or egg plants" and inserting in lieu thereof "any agricultural commodity".

Subtitle E—Wool

SEC. 151. Section 703 of the National Wool Act of 1954, as amended (68 Stat. 910, 72 Stat. 994; 7 U.S.C. 1782), is amended by striking out of the second sentence thereof "1962" and inserting "1967."

TITLE II—AGRICULTURAL TRADE DEVELOPMENT

SEC. 201. Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended as follows:

(1) Effective January 1, 1962, section 103(b) is amended to read as follows:

"(b) No agreement under this title which will call for appropriations to reimburse the Commodity Credit Corporation in an amount in excess of $5,000,000 may be entered into until after the expiration of 15 days from the date upon which a report of the provisions of the proposed agreement is submitted to the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives."

(2) Section 104 is amended:

(a) by inserting after the words "foreign currencies" in the introductory clause, the following: ", including principal and interest from loan repayments,";

(b) by striking out in the final proviso in such section the language beginning with the words "for the purpose" and ending with the words "specified in" and inserting in lieu thereof the words "pursuant to";

(c) by adding after subsection (r) the following new subsection (s):

"(s) For the sale of dollars to American tourists under such terms and conditions as the President may prescribe;";

(d) by inserting in the second sentence of subsection (a) after the word "made" where it first appears the words "each year" and after the word "be" where it first appears the words "set aside in the amounts and kinds of foreign currencies specified by the Secretary of Agriculture and"; and by striking out from the third sentence of subsection (a) the words "Particular regard shall be given to provide" and inserting in lieu thereof the words "Provision shall be made"; and by striking out from the third sentence of subsection (a) the word "may" and inserting in lieu thereof the words "the Secretary of Agriculture determines to"; and by inserting in the third sentence after the word "thereof" the following: "(not less than 2 per centum)"; and by inserting after the third sentence a new sentence as follows: "Such sums shall be converted into the types and kinds of foreign currencies as the Secretary deems necessary to carry out the provisions of this subsection and such sums shall be deposited to a special Treasury account and shall not be made available or expended except for carrying out the provisions of this subsection"; and by striking out from the last sentence of subsection (a) the words "agreements may be entered into" and by inserting in lieu thereof "the Secretary of Agriculture is authorized and directed to enter into agreements".

(3) Section 109 is amended by striking out "1961" and substituting "1964."

SEC. 202. Title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended as follows:

(1) Section 203 is amended (a) by deleting the first sentence and substituting the following: "Programs of assistance shall not be undertaken under this title during any calendar year beginning January 1, 1961, and ending December 31, 1964, which call for appropriations of more than $300,000,000 to reimburse the Commodity Credit Corporation for all costs incurred in connection with such programs (including the Corporation's investment in commodities made available), plus any amount by which programs of assistance undertaken in the preceding calendar year have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than were authorized for such purpose during such preceding year by this title as in effect during such preceding year."; and (b) by deleting "such" the first time it appears in the second sentence.

(1) Section 204 is amended by striking out "1961" and substituting "1964".

SEC. 203. Title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended, is hereby amended as follows:

(1) Section 401 is amended by adding at the end thereof the following new sentence: "It is also the purpose of this title to stimulate and increase through private trade the sale of surplus agricultural commodities for dollars through long-term supply agreements and through the extension of credit for the purchase of such commodities, thereby assisting the development of the economies of friendly nations and maximizing dollar trade."

(2) Section 402 is amended by adding at the end thereof the following new sentence: "In furtherance of the purpose of maximizing dollar sales through the private trade, the Secretary of Agriculture is authorized to enter into sales agreements under which he shall undertake to provide for the delivery of surplus agricultural commodities over such periods of time and under the terms and conditions set forth in this title."

(3) The first sentence of section 403 of such Act is amended by striking out all of such sentence after the word "determine" and inserting "but not in excess of 3 per centum per annum" and by deleting the words "in approximately equal annual amounts" in the last sentence thereof.

(4) Section 405 is amended to read as follows:

"In entering into agreements with friendly nations for the sale of surplus agricultural commodities, the President may, to the extent deemed practicable and in the best interests of the United States, permit other friendly and historic supplying nations to participate in supplying such commodities under the sales agreement on the same terms and conditions as those applicable to the United States.

(5) Section 406 of such Act is amended by inserting after the word "sections" the following: "101 (b) and (c),"

SEC. 204. In the conduct of foreign market development programs, the Secretary of Agriculture is authorized to credit contributions from individuals, firms, associations, agencies, and other groups, and the proceeds received from space rentals, and sales of prod-

ucts and materials at exhibitions, to the appropriations charged with the cost of acquiring such space, products, and materials.

TITLE III—AGRICULTURAL CREDIT

SEC. 301. (a) This title may be cited as the "Consolidated Farmers Home Administration Act of 1961".

(b) The Congress hereby finds that the statutory authority of the Secretary of Agriculture, hereinafter referred to in this title as the "Secretary," for making and insuring loans to farmers and ranchers should be revised and consolidated to provide for more effective credit services to farmers.

Subtitle A—Real estate loans

SEC. 302. The Secretary is authorized to make and insure loans under this subtitle to farmers and ranchers in the United States and in Puerto Rico and the Virgin Islands who (1) are citizens of the United States, (2) have a farm background and either training or farming experience which the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operations, (3) are or will become owner-operators of not larger than family farms, and (4) are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes and periods of time.

SEC. 303. Loans may be made or insured under this subtitle for acquiring, enlarging, or improving farms, including farm buildings, land and water development, use and conservation, refinancing existing indebtedness, and for loan closing costs. In making or insuring loans for farm purchase, the Secretary shall give preference to persons who are married or have dependent families and, wherever practicable, to persons who are able to make initial downpayments, or who are owners of livestock and farm implements necessary successfully to carry on farming operations.

SEC. 304. Loans may also be made or insured under this subtitle to any farmowners or tenants without regard to the requirements of section 302 (1), (2), and (3) for the purposes only of land and water development, use and conservation.

SEC. 305. The Secretary shall make or insure no loan under sections 302, 303, and 304 which would cause (a) the unpaid indebtedness against the farm or other security at the time the loan is made to exceed $60,000 or the normal value of the farm or other security, or (b) the loan to exceed the amount certified by the county committee. In determining the normal value of the farm, the Secretary shall consider appraisals made by competent appraisers under rules established by the Secretary. Such appraisals shall take into consideration both the normal agricultural value and the normal market value of the farm.

SEC. 306. (a) The Secretary also is authorized to make or insure loans to associations, including corporations not operated for profit and public and quasi-public agencies, to provide for the application or establishment of soil conservation practices, the conservation, development, use, and control of water and the installation or improvement of drainage facilities, all primarily for serving farmers, ranchers, farm tenants, farm laborers, and rural residents, and to furnish financial assistance or other aid in planning projects for such purposes. No such direct loans shall be made which would cause an association's unpaid principal indebtedness to the Secretary under this section and the Act of August 28, 1937, as amended, to exceed $500,000 and on insured loans to exceed $2,500,000 at any one time.

(b) The service provided or made available through any such association shall not be curtailed or limited by inclusion of the area served by such association within the boundaries of any municipal corporation or other public body, or by the granting of any private franchise for similar service within such area during the term of such loan; nor shall the happening of any such event be the basis of requiring such association to secure any franchise, license, or permit as a condition to continuing to serve the area served by the association at the time of the occurrence of such event.

SEC. 307. (a) The period for repayment of loans under this subtitle shall not exceed forty years. The Secretary shall from time to time establish the interest rate or rates at which loans for various purposes will be made or insured under this subtitle but not in excess of 5 per centum per annum. The borrower shall pay such fees and other charges as the Secretary may require.

(b) The Secretary shall take as security for the obligations entered into in connection with loans, mortgages on farms with respect to which such loans are made or such other security as the Secretary may require, and for obligations in connection with loans to associations under section 306, shall take liens on the facility or such other security as he may determine to be necessary. Such security instruments shall constitute liens running to the United States notwithstanding the fact that the notes may be held by lenders other than the United States.

SEC. 308. Loans under this subtitle may be insured by the Secretary, aggregating not more than $150,000,000 in any one year, whenever funds are advanced or a loan is purchased by a lender other than the United States. In connection with insurance of loans, the Secretary—

(a) is authorized to make agreements with respect to the servicing of loans insured hereunder and to purchase such loans on such terms and conditions as he may prescribe, except that no agreement shall provide for purchase by the Secretary at a date sooner than three years from the date of the note; and

(b) shall retain out of payments by the borrower a charge at a rate determined by the Secretary from time to time equivalent to not less than one-half of 1 per centum per annum on the principal unpaid balance of the loan.

Any contract of insurance executed by the Secretary under this subtitle shall be an obligation supported by the full faith and credit of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge.

SEC. 309. (a) The fund established pursuant to section 11(a) of the Bankhead-Jones Farm Tenant Act, as amended, shall hereafter be called the Agricultural Credit Insurance Fund and is hereinafter in this subtitle referred to as the "fund". The fund shall remain available as a revolving fund for the discharge of the obligations of the Secretary under agreements insuring loans under this subtitle and loans and mortgages insured under prior authority.

(b) Moneys in the fund not needed for current operations shall be deposited in the Treasury of the United States to the credit of the fund or invested in direct obligations of the United States or obligations guaranteed by the United States. The Secretary may purchase with money in the fund any notes issued by the Secretary to the Secretary of the Treasury for the purpose of obtaining money for the fund.

(c) The Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for discharging obligations under this section and for authorized expenditures out of the fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yields of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Secretary under this subtitle. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

(d) Notes and security acquired by the Secretary in connection with loans insured under this subtitle and under prior authority shall become a part of the fund. Notes may be held in the fund and collected in accordance with their terms or may be sold by the Secretary with or without agreements for insurance thereof at the balance due thereon, or on such other basis as the Secretary may determine from time to time. All net proceeds from such collections, including sales of notes or property, shall be deposited in and become a part of the fund.

(e) The Secretary shall deposit in the fund such portion of the charge collected in connection with the insurance of loans at least equal to a rate of one-half of 1 per centum per annum on the outstanding principal obligations and the remainder of such charge shall be available for administrative expenses of the Farmers Home Administration, to be transferred annually and become merged with any appropriation for administrative expenses.

(f) The Secretary may utilize the fund—

(1) to make loans which could be insured under this subtitle whenever the Secretary has reasonable assurance that they can be sold without undue delay, and may sell and insure such loans. The aggregate of the principal of such loans made and not disposed of shall not exceed $10,000,000 at any one time;

(2) to pay the interest to which the holder of the note is entitled on loans heretofore or hereafter insured accruing between the date of any prepayments made by the borrower and the date of transmittal of any such prepayments to the lender. In the discretion of the Secretary, prepayments other than final payments need not be remitted to the holder until the due date of the annual installment;

(3) to pay to the holder of the notes any defaulted installment or, upon assignment of the note to the Secretary at the Secretary's request, the entire balance due on the loan;

(4) to purchase notes in accordance with agreements previously entered into; and

(5) to pay taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application and transmittal of collections and other expenses and advances authorized in section 335(a) in connection with insured loans.

SEC. 310. The terms "farmowner" and "owner-operator" in this subtitle shall include the owner of such interest in real estate as will give the applicant the rights of possession, management and control of the property sufficient to accomplish the objectives of the loan applied for and the right to encumber his interest as security, and where such interest is less than full ownership, the owners of other interests in said property join in the encumbrance.

Subtitle B—Operating loans

SEC. 311. The Secretary is authorized to make loans under this subtitle to farmers and ranchers in the United States and in Puerto Rico and the Virgin Islands who (1) are citizens of the United States, (2) have a farm background and training or farming experience which the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operation, (3) are or will become operators of not larger than family farms, and (4) are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes and periods of time.

SEC. 312. Loans may be made under this subtitle for (1) paying costs incident to reorganizing the farming system for more profitable operation, (2) purchasing livestock, poultry, and farm equipment, (3) purchasing feed, seed, fertilizer, insecticides, and farm supplies and to meet other essential farm operating expenses including cash rent, (4) financing land and water development, use and conservation, (5) refinancing existing indebtedness, (6) other farm and home needs including but not limited to family subsistence, and (7) for loan closing costs.

SEC. 313. The Secretary shall make no loan under this subtitle (1) which would cause the total principal indebtedness outstanding at any one time for loans made under this subtitle and under section 21 of the Bankhead-Jones Farm Tenant Act, as amended, to exceed $30,000: *Provided, however,* That not more than 25 per centum of the sums made available for loans under this subtitle may be used for loans which would cause such indebtedness of any borrower under said Acts to exceed $15,000, (2) for the purchasing or leasing of land other than for cash rent, or for carrying on any land leasing or land purchasing program, or (3) in excess of an amount certified by the county committee.

SEC. 314. Loans aggregating not more than $500,000 in any one year may also be made to soil conservation districts which cannot obtain necessary credit elsewhere upon reasonable terms and conditions for the purchase of farming equipment to be rented to farmers on terms and conditions approved by the Secretary.

SEC. 315. The Secretary is authorized to participate in loans which could otherwise be made by the Secretary under this subtitle which are made by commercial banks, cooperative lending agencies, or other legally organized agricultural lending agencies up to 80 per centum of the amount of the loan.

SEC. 316. The Secretary shall make all loans under this subtitle at an interest rate not to exceed 5 per centum per annum, upon the full personal liability of the borrower and upon such security as the Secretary may prescribe. Such loans shall be payable in not more than ten years.

Subtitle C—Emergency loans

SEC. 321. (a) The Secretary may designate any area in the United States and in Puerto Rico and the Virgin Islands as an emergency area if he finds (1) that there exists in such area a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the Secretary is authorized to make under subtitle B or to make or insure under subtitle A of this title or any other Act of Congress), at reasonable rates and terms for loans for similar purposes and periods of time, and (2) that the need for such credit in such area is the result of a natural disaster, severe production losses, or critical economic conditions encountered in the area by the producers of specified agricultural commodities and products.

(b) The Secretary is authorized to make loans in any such area (1) to established farmers or ranchers who are citizens of the United States and (2) to private domestic corporations or partnerships engaged primarily in farming or ranching provided they have experience and resources necessary to assure a reasonable prospect for successful operation with the assistance of such loan, and are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes and periods of time.

SEC. 322. Loans may be made under this subtitle for any of the purposes authorized for loans under subtitle A or B of this title.

SEC. 323. The Secretary shall make no loan under this subtitle in excess of an amount certified by the county committee.

SEC. 324. The Secretary shall make all loans under this subtitle at a rate of interest not in excess of 3 per centum per annum repayable at such times as the Secretary may determine, taking into account the purpose of the loan and the nature and effect of the emergency, but not later than provided for loans for similar purposes under subtitles A and B of this title, and upon the full personal liability of the borrower and upon such security as the Secretary may prescribe.

SEC. 325. The Secretary may make loans without regard to the designation of emergency areas under section 321(a) to persons or corporations (1) who have suffered severe production losses not general to the area or (2) who are indebted to the Secretary for loans under the Act of April 6, 1949, as amended, or the Act of August 31, 1954, as amended, to the extent necessary to permit the orderly repayment or liquidation of said prior indebtedness.

SEC. 326. The Secretary is authorized to utilize the revolving fund created by section 84 of the Farm Credit Act of 1933, as amended (hereinafter in this subtitle referred to as the "Emergency Credit Revolving Fund"), for carrying out the purposes of this subtitle.

SEC. 327. (a) All sums received by the Secretary from the liquidation of loans made under the provisions of this subtitle or under the Act of April 6, 1949, as amended, or the Act of August 31, 1954, and from the liquidation of any other assets acquired with money from the Emergency Credit Revolving Fund shall be added to and become a part of such fund.

(b) There are authorized to be appropriated to the Emergency Credit Revolving Fund such additional sums as the Congress shall from time to time determine to be necessary.

Subtitle D—Administrative provisions

SEC. 331. For the purposes of this title and for the administration of assets under the jurisdiction of the Secretary of Agriculture pursuant to the Farmers Home Administration Act of 1946, as amended, the Bankhead-Jones Farm Tenant Act, as amended, the Act of August 28, 1937, as amended, the Act of April 6, 1949, as amended, the Act of August 31, 1954, as amended, and the powers and duties of the Secretary under any other Act authorizing agricultural credit, the Secretary may assign and transfer such powers, duties, and assets to the Farmers Home Administration, to be headed by an Administrator, appointed by the President, by and with the advice and consent of the Senate, without regard to the civil service laws or the Classification Act of 1949, as amended, who shall receive basic compensation as provided by law for that office.

The Secretary may—

(a) administer his powers and duties through such national, area, State, or local offices and employees in the United States and in Puerto Rico and the Virgin Islands as he determines to be necessary and may authorize an office to serve the area composed of two or more States if he determines that the volume of business in the area is not sufficient to justify separate State offices;

(b) accept and utilize voluntary and uncompensated services, and with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, territory, or political subdivision;

(c) within the limits of appropriations made therefor, make necessary expenditures for purchase or hire of passenger vehicles, printing and binding without regard to the Act of January 12, 1895, as amended, and such other facilities and services as he may from time to time find necessary for the proper administration of this Act;

(d) compromise, adjust, or reduce claims, and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into or administered by the Farmers Home Administration under any of its programs, as circumstances may require, but compromises, adjustments, or reductions of claims of $15,000 or more shall not be made without the approval of the Administrator: *Provided, however,* That—

(1) compromise, adjustment, or reduction of claims shall be based on the value of the security and a determination by the Secretary of the debtor's reasonable ability to pay considering his other assets and income at the time of the action and with or without the payment of any consideration at the time of such adjustment or reduction;

(2) releases from personal liability may also be made with or without payment of any consideration at the time of adjustment of claims against—

(A) borrowers who have transferred the security property to approved applicants under agreements assuming the outstanding secured indebtedness;

(B) borrowers who have transferred the security property to approved applicants under agreements assuming that portion of the secured indebtedness equal to the current market value of the security property or transferred the security property to the Secretary;

(C) borrowers who have transferred the security property to other than approved applicants under agreements assuming the full amount of, or that portion of the secured indebtedness equal to, the current market value of the security property on terms not to exceed five annual installments with interest on the unpaid balance at a rate determined by the Secretary; and

(D) borrowers who transfer security property under subparagraphs (B) and (C) above for amounts less than the indebtedness secured thereby may be released from personal liability only on a determination by the Secretary that each such borrower has no reasonable debt paying ability considering his assets and income at the time of the transfer and the county committee certifies that the borrower has cooperated in good faith, used diligence to maintain the security property against loss, and has otherwise fulfilled the covenants incident to his loan to the best of his ability;

(3) no compromise, adjustment, or reduction of claims shall be made upon terms more favorable than recommended by the appropriate county committee utilized pursuant to section 332 of this title; and

(4) any claim which has been due and payable for five years or more, and where the debtor has no assets or no apparent future debt-paying ability from which the claim could be collected, or is deceased and has left no estate, or has been absent from his last known address for a period of at least, five years, has no known assets, and his whereabouts cannot be ascertained with-

out undue expense, may be charged off or released by the Secretary upon a report and favorable recommendation of the county committee and of the employee having charge of the claim, and any claim involving a principal balance of $150 or less may be charged off or released whenever it appears to the Secretary that further collection efforts would be ineffectual or likely to prove uneconomical; and

(5) partial releases and subordination of mortgages may be granted either where the secured indebtedness remaining after the transaction will be adequately secured or the security interest of the Secretary will not be adversely affected, and the transaction and use of proceeds will further the purposes for which the loan was made, improve the borrower's debt-paying ability, permit payments or indebtedness owed to or insured by the Secretary, or permit payment of reasonable costs and expenses incident to the transaction, including taxes incident to or resulting from the transaction which the borrower is unable to pay from other sources;

(e) collect all claims and obligations arising or administered under this title, or under any mortgage, lease, contract, or agreement entered into or administered pursuant to this title and, if in his judgment necessary and advisable, pursue the same to final collection in any court having jurisdiction.

SEC. 332. (a) The Secretary is authorized and directed to appoint in each county or area in which activities are carried on under this title, a county committee composed of three individuals residing in the county or area, at least two of whom at the time of appointment shall be farmers deriving the principal part of their income from farming. Committee appointments shall be for a term of three years except that the first appointments for any new committee shall be for one-, two-, and three-year periods, respectively, so as to provide continuity of committee membership. The Secretary may appoint alternate committeemen. The members of the committee and their alternates shall be removable for cause by the Secretary.

(b) The rates of compensation, the number of days per month each member may be paid, and the amount to be allowed for necessary travel and subsistence expenses, shall be determined and paid by the Secretary.

(c) The committee shall meet on the call of the chairman elected by the committee or on the call of such other person as the Secretary may designate. Two members of the committee shall constitute a quorum. The Secretary shall prescribe rules governing the procedure of the committees and their duties, furnish forms and equipment necessary, and authorize and provide for the compensation of such clerical assistance as he finds may be required by any committee.

SEC. 333. In connection with loans made or insured under this title, the Secretary shall require—

(a) the applicant to certify in writing that he is unable to obtain sufficient credit elsewhere to finance his actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes and periods of time;

(b) except for loans under sections 306, 314, and 321(b)(2), the county committee to certify in writing that the applicant meets the eligibility requirements for the loan, and has the character, industry, and ability to carry out the proposed farming operations, and will, in the opinion of the committee, honestly endeavor to carry out his undertakings and obligations; and for loans under sections 306, 314, and 321(b)(2), the Secretary shall require the recommendation of the county committee as to the making or insuring of the loan;

(c) an agreement by the borrower that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source, at reasonable rates and terms for loans for similar purposes and periods of time, the borrower will, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary or the insured lender, or both, and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan;

(d) such provision for supervision of the borrower's operations as the Secretary shall deem necessary to achieve the objectives of the loan and protect the interests of the United States; and

(e) the applications of veterans for loans under subtitle A or B of this title to be given preference over similar applications of nonveterans on file in any county or area office at the same time. Veterans as used herein shall mean persons who served in the Armed Forces of the United States during any war between the United States and any other nation or during the Korean conflict and who were discharged or released therefrom under conditions other than dishonorable.

SEC. 334. All property subject to a lien held by the United States or the title to which is acquired or held by the Secretary under this title other than property used for administrative purposes shall be subject to taxation by State, territory, district, and local political subdivisions in the same manner and to the same extent as other property is taxed: *Provided, however,* That no tax shall be imposed or collected on or with respect to any instrument if the tax is based on—

(1) the value of any notes or mortgages or other lien instruments held by or transferred to the Secretary;

(2) any notes or lien instruments administered under this title which are made, assigned, or held by a person otherwise liable for such tax; or

(3) the value of any property conveyed or transferred to the Secretary,

whether as a tax on the instrument, the privilege of conveying or transferring or the recordation thereof; nor shall the failure to pay or collect any such tax be a ground for refusal to record or file such instruments, or for failure to impart notice, or prevent the enforcement of its provisions in any State or Federal court.

SEC. 335. (a) The Secretary is authorized and empowered to make advances, without regard to any loan or total indebtedness limitation, to preserve and protect the security for or the lien or priority of the lien securing any loan or other indebtedness owing to, insured by, or acquired by the Secretary under this title or under any other programs administered by the Farmers Home Administration; to bid for and purchase at any execution, foreclosure, or other sale or otherwise to acquire property upon which the United States has a lien by reason of a judgment or execution arising from, or which is pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of, and such indebtedness whether or not such property is subject to other liens, to accept title to any property so purchased or acquired; and to sell, manage, or otherwise dispose of such property as hereinafter provided.

(b) Real property administered under the provisions of this title may be operated or leased by the Secretary for such period or periods as the Secretary may deem necessary to protect the Government's investment therein.

(c) The Secretary may determine whether real property administered under this title is suitable for disposition to persons eligible for assistance under subtitle A. Any property which the Secretary determines to be suitable for such purposes shall, whenever practicable, be sold by the Secretary as expeditiously as possible to such eligible persons in a manner consistent with the provisions of subtitle A hereof. Real property which is not determined suitable for sale to such eligible persons or which has not been purchased by such persons within a period of three years from the date of acquisition, shall be sold by the Secretary after public notice at public sale and, if no acceptable bid is received then by negotiated sale, at the best price obtainable for cash or on secured credit without regard to the laws governing the disposition of excess or surplus property of the United States. The terms of such sale shall require an initial downpayment of at least 20 per centum and the remainder of the sales price payable in not more than five annual installments with interest on unpaid balance at the rate determined by the Secretary. Any conveyances under this section shall include all of the interest of the United States, including mineral rights.

(d) With respect to any real property administered under this title, the Secretary is authorized to grant or sell easements or rights-of-way for roads, utilities, and other appurtenances not inconsistent with the public interest. With respect to any rights-of-way over land on which the United States has a lien administered under this title, the Secretary may release said lien upon payment to the United States of adequate consideration, and the interest of the United States arising under any such lien may be acquired for highway purposes by any State or political subdivision thereof in condemnation proceedings under State law by service by certified mail upon the United States attorney for the district, the State director of the Farmers Home Administration for the State in which the farm is located, and the Attorney General of the United States: *Provided, however,* That the United States shall not be required to appear, answer, or respond to any notice or writ sooner than ninety days from the time such notice or writ is returnable or purports to be effective, and the taking or vesting of title to the interest of the United States shall not become final under any proceeding, order, or decree until adequate compensation and damages have been finally determined and paid to the United States or into the registry of the court.

SEC. 336. No officer, attorney, or other employee of the Secretary shall, directly, or indirectly, be the beneficiary or receive any fee, commission, gift, or other consideration for or in connection with any transaction or business under this title other than such salary, fee, or other compensation as he may receive as such officer, attorney, or employee. No member of a county committee shall knowingly make or join in making any certification with respect to a loan to purchase any land in which he or any person related to him within the second degree of consanguinity or affinity has or may acquire any interest or with respect to any applicant related to him within the second degree of consanguinity or affinity. Any persons violating any provision of this section shall, upon conviction thereof, be punished by a fine of not more than $2,000 or imprisonment for not more than two years, or both.

SEC. 337. The Secretary may provide voluntary debt adjustment assistance between farmers and their creditors and may cooperate with State, territorial, and local agencies and committees engaged in such debt adjustment, and may give credit counseling.

SEC. 338. (a) There is authorized to be appropriated to the Secretary such sums as the Congress may from time to time determine to be necessary to enable the Secretary to carry out the purposes of this title and for the administration of assets transferred to the Farmers Home Administration.

(b) When authorized by Congress, the Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds in such amounts as the Congress may approve annually in appropriation Acts for making direct loans under this title. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yields of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Secretary under this title. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and for that purpose the Secretary of the Treasury is authorized to use a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended; and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

(c) The appropriations for loans made under the authority of subsection (a) and funds obtained in accordance with subsection (b) of this section, and the unexpended balances of any funds made available for loans under the item "Farmers Home Administration" in the Department of Agriculture Appropriation Acts current on the date of enactment of this title, shall be merged into a single account known as the "Farmers Home Administration direct loan account", hereafter in this section called the "direct loan account". All claims, notes, mortgages, property, including those now held by the Secretary on behalf of the Secretary of the Treasury, and all collections therefrom, made or held under the direct loan provisions of (1) titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, as amended; (2) the Farmers Home Administration Act of 1946, as amended, except the assets of the rural rehabilitation corporations; (3) the Act of August 28, 1937 (50 Stat. 869), as amended; (4) the item "Loans to Farmers—1948 Flood Damage" in the Act of June 25, 1948 (62 Stat. 1038); (5) the item "Loans to Farmers (Property Damage)" in the Act of May 24, 1949 (63 Stat. 82); (6) the Act of September 6, 1950 (64 Stat. 769); (7) the Act of July 11, 1956 (70 Stat. 525); and (8) under this title shall be held for and deposited in said account.

The notes of the Secretary issued to the Secretary of the Treasury under said Acts or under this title and all other liabilities against the appropriations or assets in the direct loan account shall be liabilities of said account, and all other obligations against such appropriations or assets shall be obligations of said account. Moneys in the direct loan account shall also be available for interest and principal repayments on notes issued by the Secretary to the Secretary of the Treasury. Otherwise, the balances in said account shall remain available to the Secretary for direct loans under subtitles A and B of this title, and for advances in connection therewith, not to exceed any existing appropriation of authorization limitations and in such further amounts as the Congress from time to time determines in appropriation Acts. The amounts so authorized for loans and advances shall remain available until expended. Subject to the foregoing limitations, the use of collections deposited in the account may be authorized by the Congress in lieu or partially in lieu of authorizing the issuing of additional notes by the Secretary to the Secretary of the Treasury, and the account shall be budgeted on a net expenditure basis.

(d) The Secretary may sell and assign any notes and mortgages in the direct loan account with the consent of the borrower or without such consent when the borrower has failed to comply with his agreement to refinance the indebtedness at the request of the Secretary. Such loans may be sold at the balance due thereon or on such other basis as the Secretary may determine from time to time.

(e) At least 25 per centum of the sums authorized in any fiscal year for direct loans to individuals to be made by the Secretary under subtitle A of this title shall be allocated equitably among the several States and territories on the basis of farm population and the prevalence of tenancy, as determined by the Secretary.

SEC. 339. The Secretary is authorized to make such rules and regulations, prescribe the terms and conditions for making or insuring loans, security instruments and agreements, except as otherwise specified herein, and make such delegations of authority as he deems necessary to carry out this title.

SEC. 340. The President may at any time in his discretion transfer to the Secretary any right, interest, or title held by the United States in any lands acquired in the program of national defense and no longer needed therefor, which the President shall find suitable for the purposes of this title, and the Secretary shall dispose of such lands in the manner and subject to the terms and conditions of the title.

SEC. 341. (a) Reference to any provisions of the Bankhead-Jones Farm Tenant Act or the Act of August 28, 1937 (50 Stat. 869), as amended, superseded by any provision of this title shall be construed as referring to the appropriate provision of this title. Titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, as amended, and the Act of August 28, 1937 (50 Stat. 869), as amended, the Act of April 6, 1949 (63 Stat. 43), as amended, and the Act of August 31, 1954 (68 Stat. 909), as amended, are hereby repealed effective one hundred and twenty days after enactment hereof, or such earlier date as the provisions of this title are made effective by the Secretary's regulations. The foregoing provisions shall not have the effect of repealing the amendments to section 24, chapter 6 of the Federal Reserve Act, as amended, section 5200 of the Revised Statutes, section 35 of chapter III of the Act approved June 19, 1934 (D.C. Code, title 35, sec. 535), enacted by section 15 of the Bankhead-Jones Farm Tenant Act, as amended, and by section 10(f) of the Act of August 28, 1937 (50 Stat. 869), as amended.

(b) The repeal of any provision of law by this title shall not—

(1) affect the validity of any action taken or obligation entered into pursuant to the authority of any of said Acts, or

(2) prejudice the application of any person with respect to receiving assistance under the provisions of this title, solely because such person is obligated to the Secretary under authorization contained in any such repealed provision.

(c) If any provision of this title or the application thereof to any person or circumstance is held invalid, the remainder of the title and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 342. Title III of the Bankhead-Jones Farm Tenant Act, as amended, is further amended by the following new section 35:

"SEC. 35. The provisions of this title shall extend to Puerto Rico and the Virgin Islands. In the case of Alaska, Puerto Rico, and the Virgin Islands, the term 'county' as used in this title may be the entire area, or any subdivision thereof as may be determined by the Secretary, and payments under section 33 of this title shall be made to the Governor or to the fiscal agent of such subdivision."

TITLE IV—GENERAL

SEC. 401. Section 16 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by changing the third sentence of paragraph (1) of subsection (b) to read as follows: "Such contracts may be entered into during the period ending not later than December 31, 1971, with respect to farms and ranches in counties in the Great Plains area of the States of Colorado, Kansas, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming, designated by the Secretary as susceptible to serious wind erosion by reason of their soil types, terrain, and climatic and other factors."

SEC. 402. The Act of July 1, 1958, as amended (72 Stat. 276), is further amended by adding a new section as follows:

"SEC. 2. There is hereby authorized to be appropriated for the fiscal year beginning July 1, 1962, and for each of the four fiscal years thereafter, such sums as may be necessary to enable the Secretary of Agriculture, under such rules and regulations as he may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, childcare centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. For the purposes of this Act, 'United States' means the 50 States and the District of Columbia."

SEC. 403. Section 202 of the Agricultural Act of 1949, as amended, is amended by striking the phrase "December 31, 1961" each place it appears therein and inserting in lieu thereof the phrase "December 31, 1964".

SEC. 404. Section 210 of the Agricultural Act of 1956, as amended, is amended by striking out everything after the word "Federal" and inserting in lieu thereof the following: "and State penal and correctional institutions, and to local institutions of a correctional nature other than those in which food service is provided for inmates on a fee, contract, or concession basis."

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

The bill H.R. 8230 was laid on the table.

Mr. COOLEY. Mr. Speaker, I move that the House insist on its amendment to the bill S. 1643 and ask for a conference with the Senate.

The motion was agreed to.

The SPEAKER appointed the following conferees: Messrs. COOLEY, POAGE, ALBERT, JONES of Missouri, HOEVEN, BELCHER, and QUIE.

GENERAL LEAVE TO EXTEND REMARKS

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to

extend their remarks on the bill H.R. 8230, just passed.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Carrell, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6345) entitled "An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1962, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to Senate amendment No. 30 to the above-entitled bill.

NO BACKDOWN ON WEST BERLIN

Mr. BECKER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include a resolution I have introduced.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Speaker, yesterday, unanimous consent was requested to bring up House Concurent Resolution 351, dealing with our position with respect to West Berlin. Objection was offered on the grounds that this resolution would merely put the United States in the position of maintaining the status quo in respect to West Berlin. I concur in this position. This resolution is not adequate nor does it in any way offer possibilities and solutions to the so-called Berlin crisis. Under date of June 26, 1961, I introduced House Resolution 359, copy of which I am inserting following my remarks. This resolution not only upholds our rights in respect to West Berlin, but also recognizes our allies in the seeking of means whereby a free and united Germany may be created with within it a free and united Berlin. It also suggests negotiations to seek means by which the security of Europe, both East and West, may be guaranteed. It also states that the United States would not accept a unilateral abrogation by the Union of Soviet Socialist Republics of the post-World War II agreements regarding access to Berlin, the rights of the people of Berlin, or the reunification of Germany as affecting in any way the rights and responsibilities of the Western Powers. It also clearly states, in accordance with the President's statement that, the United States should take whatever measures may be required—together, if possible, with France and the United Kingdom—to maintain access to West Berlin from West Germany on all the routes that have been by agreement with the Soviet Union assigned to the United Kingdom, France, and the United States for themselves and for the benefit of the people of West Berlin. I hold that this House Resolution 359, more adequately expresses the will of the American people and I sincerely hope that this type of resolution will be offered to the House to be voted upon.

Whereas the Soviet Union has renewed its threats to Berlin and has issued a demand for a solution by the end of the year; thereby continuing its pressure on the three powers there; and

Whereas this ultimatum is in violation of the joint undertakings of Great Britain, France, the Soviet Union, and the United States at the end of World War II to establish democratic government in all of Germany; and

Whereas the exercise of democratic rights and free political life exists in Germany only in the western sectors of Berlin and the Federal Republic of Germany; and

Whereas the United States, in concert with Great Britain and France, and in agreement with West Germany, has repeatedly reiterated its firm intention to protect the freedom of the city of Berlin; and

Whereas these three powers have, in fact, at great sacrifice participated in the airlift when Berlin was previously subjected to similar pressure; and

Whereas these actions by the United States, France, and Great Britain have been taken at the repeated request of the free citizens of West Berlin and of their freely elected government; and

Whereas these citizens by overwhelming vote have reaffirmed their intention to remain part of the free world and to resist, at whatever cost to them, any effort to incorporate them into the East German Communist regime; and

Whereas the people of the United States regard the freedom of West Berlin to be vital to the peace, safety, and freedom of the free world; and

Whereas the abandonment of Berlin, in whatever guise, would force not only free Berlin but all of Germany to seek a compromising accommodation with the Soviet Union; and

Whereas the isolation and neutralization of Germany demanded by the Soviet Union as a price of such accommodation would inescapably make that country a marshaling ground for further Soviet advances, undermining the North Atlantic Treaty Organization, destroying the painstaking constructive work toward European unification, atomizing the European continent once again into isolated and indefensible states, and threatening the ultimate destruction of the liberties of the millions of Europeans who now enjoy the blessings of freedom; and

Whereas the consequences of each of these developments would be the significant weakening of the defenses of the United States and the freedom of its people: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

1. The United States should continue to seek four-power negotiations with the Governments of France, the United Kingdom, and the Union of Soviet Socialist Republics, with the Governments of the German Federal Republic and the East German regime present, respectively, in such negotiations, on the means whereby a free and united Germany may be created and within it a free and united Berlin;

2. The United States should, in such negotiations, seek means by which the security of Europe, both East and West, may be guaranteed;

3. The United States should not accept a unilateral abrogation by the Union of Soviet Socialist Republics of the post World War II agreements regarding access to Berlin, the rights of the people of Berlin, or the reunification of Germany as affecting in any way the rights and responsibilities of the Western Powers.

4. The United States should take whatever measures may be required—together, if possible, with France and the United Kingdom—to maintain access to West Berlin from West Germany on all the routes that have been by agreement with the Soviet Union assigned to the United Kingdom, France, and the United States for themselves and for the benefit of the people of West Berlin.

BANK MERGERS AND THE ANTITRUST LAWS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, this past week a Member of the other body and member of its Banking and Currency Committee expressed the opinion on the floor of the Senate that Congress did not intend the antitrust laws to be applicable to bank mergers accomplished under the Federal Bank Merger Act of 1960. More specifically, he referred to a pending antitrust case in Philadelphia brought by the Attorney General challenging the legality of a bank merger under both the Sherman Act and section 7 of the Clayton Act, and indicated that Congress neither intended nor expected that these acts should be applicable to such transactions—CONGRESSIONAL RECORD, July 20, 1961, page 13030.

I have been deeply interested in this entire question both as chairman of the Judiciary Committee's Antitrust Subcommittee, which has conducted extensive studies of bank mergers, and as one who testified at length before the Senate and House Banking and Currency Committees on the antitrust aspects of the Federal bank merger bill—a measure which was subsequently enacted into law with several amendments I had recommended.

In light of these considerations, I cannot allow the Senator's statements to go unanswered. Examination of the legislative history of the Federal Bank Merger Act of 1960 makes it clear beyond shadow of doubt that Congress specifically intended that the Sherman Act was to be fully applicable to bank mergers and that section 7 of the Clayton Act was to be applicable to bank mergers accomplished through stock acquisition. The Senator himself, the sponsor of the bill, so pointed out when the bank-merger bill was being debated on the Senate floor on May 14, 1959. Explaining the proposed legislation, the Senator said—CONGRESSIONAL RECORD, volume 105, part 6, page 8131.

The bill contains only 2 pages; the report has 26 pages. We have tried to cover all the questions which we thought would arise.

On page 3 the report of the Senate Committee on Banking and Currency states:

"S. 1062 would not affect in any way the applicability of the Sherman Act to bank mergers or consolidations."

It will not affect that act in the least. If banks have actually violated the antitrust laws, they can still be prosecuted under the Sherman Act.

As I have previously said, the bill does not affect in any way the present antitrust laws. Section 7 of the Clayton Act does not apply now to the acquisition of bank assets.

A few moments later, when asked by another Senator whether section 7 would "still apply to bank-stock acquisitions," the Senator replied, "It will." To quote this colloquy in full, on page 7294 a Senator inquired:

If the bill shall be enacted, will section 7 of the Clayton Act still apply to bank-stock acquisitions?

The SENATOR. It will.

Still later in the debate the Senator again emphasized that the bill does not take the Attorney General out of the picture and added that any rights which the Attorney General has with respect to the antitrust laws he would continue to have under the bill.

A third Senator, a member of the Banking and Currency Committee, summarized the situation by declaring:

The legislative history is now very clear that the bill which is before the Senate does not deprive the Attorney General of jurisdiction either under the Clayton Act or under the Sherman Act.

To similar effect the unanimous House report on the bank merger bill—House Report No. 1416, 86th Congress, 2d session—stated:

S. 1062 would not in any way affect the applicability of the Sherman Act or the Clayton Act to bank mergers.

The short of the matter is that the conclusion expressed by the Senator last week as to congressional intent concerning applicability of the antitrust laws to bank mergers is at direct variance with his own contemporaneous statements made when the bank merger bill was being considered by the Senate in 1959. And it is at direct variance with the legislative reports on the bill by both the Senate and House Banking and Currency Committees.

There are additional aspects to this matter which should be pointed out. For one thing it is perfectly clear that unless specifically exempted by Congress, every form of interstate and foreign trade is subject to the provisions of the antitrust laws. See for example *United States* v. *South-Eastern Underwriters' Association et al.* (322 U.S. 533, 561). No congressional statute specifically exempts bank mergers from the Sherman or Clayton Acts.

Furthermore, there is no merit to the argument that from an antitrust standpoint banking should be treated as a regulated utility, for example, railroads. The difficulty with this argument is that regulated utilities are given quasi-monopolistic status on the basis that the rates which they charge the public are not based on competitive factors but are regulated and limited by law. On the other hand, the interest rates which banks charge are not directly regulated. Thus unlike utilities, the prime safeguard for a sound banking system is competition, not regulation.

FOREIGN POLICY

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, Americans at every level can support the foreign policy position adopted on Tuesday night as stated by President John F. Kennedy. Even if it was overdue, we were all happy to see the President take a firm stand against communism.

The overwhelming majority of Americans support the President's call to arms and national preparedness, for that is the American way—to support our Government in times of crisis.

Again, I must make the point that in the latest crisis, as in former crises of this 6-month-old administration, my party has presented a unified front of support. Again, I must contrast this to the attitude of the other party during crises we weathered under President Eisenhower, an attitude which saw some of the members of that party put politics ahead of patriotism. Thankfully, the members of my party have not done this and, I hope, will never undertake such action.

My point, however, is not to castigate. My point, Mr. Speaker, is to counsel. We all heard the President speak of "negotiation" in his stirring speech of Tuesday. To those of us who have sat in this Chamber through two major conflicts, the word "negotiation," when applied to the Executive level, bodes little good.

We have seen the results of negotiations and secret commitments that were entered into during World War II. The fruits of those commitments with "good old Joe" are Berlin, Korea, Communist China, and many other trouble spots of the world.

Now, I am not against negotiation in the Berlin crisis. Far from it. I think, as does the President, we should always be willing to talk. But, Mr. Speaker, I am against any more secret deals and commitments that invariably act against our national interest. As recently as the latest summit meeting, we were told little had really been said, and then began to learn what actually had happened a few weeks later. We learned of strong words and of direct disagreements—but not from any White House flack. We had to get our information, first from Moscow and other sources, and then, grudgingly, from our own executive information sources.

We must be firm and resolute in the face of this growing crisis, Mr. Speaker. We must not vacillate from our stated positions. If we do negotiate, it should be from a firm position, and we should all insist that all meetings and sessions at any negotiations be fully reported by transcript to the people. We want no more Yaltas. We want no more Potsdams. We want no more Viennas.

In my 20 years in this House, I have watched communism grow from a struggling, anemic economy to a menacing world power. Throughout that time, I have always been impressed with one unassailable facet of Communist policy and Communist thought—the one thing the Communists respect and will continue to respect is strength. They nibble away at a vacillating policy like rats at a piece of cheese, and whether the cheese disappears a crumb at a time or a loaf at a time, in the end it is gone, and there is nothing left.

So, I say to the Members of this House that now is the time to be strong. Now is the time to take and hold a resolute stand. Now is the time for the President to issue the word to his State Department to cease its custard pie approach to communism. Now is the time, Mr. Speaker, if there ever was a time, for every American, for every Congressman, for every Senator, for every Government employee to say, irrevocably, "We have been pushed as far as we intend to be pushed. We are through retreating. We are through being soft on communism. We are finished with the folderol of coexistence. We intend to stand up for what we know to be right."

In line with that thought, we had, even before the President's speech, an incident which provided an opportunity to display that policy of resoluteness, that attitude of "we will not be pushed another inch."

I refer, Mr. Speaker, to the seizure of the Eastern airliner by Cuba. The airliner is still sitting there. The people have been released. What a chance to tell Cuba in particular and communism in general, "We will have no more of this banditry."

We had a chance to tell the Cubans, "We want the airplane and the passengers back and we want them back now."

This sort of action would show the world that the United States intends to be fair, but intends to protect its own interests. It would also, perhaps, prove to Khrushchev, that even though we do not want to fight, we have reached the point where we recognize it might be necessary.

Mr. Speaker, two newspapers in my State have in the past few days printed outstanding editorials about the Eastern Airlines plane incident. They are the Columbus Evening Republican and the Indianapolis Star, and I would like to read them to you.

[From the Columbus, Ind., Evening Republican, July 25, 1961]

WHAT WOULD YOU DO?

Although we have endeavored to make our position clear, this newspaper is asked from time to time, "What would you do?" in connection with international incidents and in dealing with the Communists.

Yesterday this question was asked in connection with the hijacking of an Eastern Airlines Commercial plane carrying 33 passengers over Florida, bound from Miami to Fort Worth. The plane was flown to Cuba at gunpoint where passengers were held incommunicado by the Castro government.

What would we have done? The answer is simple. The Castro government would have been advised that if this American plane and its American citizen passengers were not safely returned within a specified time not to exceed 24 hours, the American military forces would come after them * * * and we'd come in swinging.

What action did our State Department take? All we know is what we read in the papers, but the gist of the action seemed to be a demand that the plane and passengers be promptly released.

This is banditry. We don't approve of banditry, at home or abroad. That stand seems simple, clear, and should be understandable to all the world.

What isn't so understandable is that we keep asking the Communist leaders to quit shoving as around—and they keep right on shoving.

[From the Indianapolis Star]

UNCLE SAM NEEDS NERVE

The incident of the hijacked airplane presented a golden opportunity for the United States to start straightening out the Cuban mess and reassert its dignity as a nation.

As soon as it became evident that the Castro regime intended to seize the airplane, by this device and official indifference making prisoners of Americans, the official action of Washington should have been prompt and direct.

"Release those Americans and their aircraft instantly, or we're coming down to get them." That is the message Washington should have sent to Havana.

And if the Americans were not then promptly freed to fly their plane back to the United States, properly protected military aircraft should have been sent at once to remove them.

Seldom would circumstances present a chance to do this with less risk and more effect than at the moment of this affair. One of the explanations of inability to make contact with the American hostages was that Cuban officials are busy with the celebration of the July 26 anniversary and the visit of Soviet Maj. Yuri Gagarin. That is probably just an excuse.

But at this moment of all times Fidel Castro would not want to risk the embarrassment of having American military craft come in to rescue the Americans. Still less would he want to risk a full-blown international incident in the end of which his regime might lose face. Holding Americans and mocking the United States was wonderful for him right now. But any show of U.S. determination to stop the foolishness would be a most unwelcome contribution to the festivities. So in all likelihood the mere indication of actual intent to do something about the kidnaped Americans would quickly have brought their release along with the plane to carry them home.

Any kind of test of wills by force, if the United States acted as if it meant business, would probably be an unacceptable risk for Castro at any time. Certainly it would be so at this time.

Such a strong and positive U.S. action, in perfectly reasonable protection of kidnaped citizens, would bring cheers from lovers of freedom all over the world, and especially in Latin America. They would say that at last Uncle Sam is acting like his old self, like the tower of integrity and strength which used to be respected everywhere.

It is this sort of attitude and action which is needed for the United States, not boosting draft calls or calling up reserves or spending more billions for defense. The Communists will not be impressed by a feverish flurry of military buildup, which suggests nervousness, even fear. What will impress them is a will for quick and positive action.

PROPOSED RELEASE OF MINERAL INTERESTS PREVIOUSLY RESERVED BY THE UNITED STATES

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a letter from the Assistant Secretary of the Interior.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I have introduced today, at the request of the administration, a bill designed to give to the Secretary of the Interior authority to sell to the owner of the surface lands certain mineral rights previously reserved by the United States in public lands that passed into private ownership.

Although I have some reservations about the specific procedure to be followed, I join with the Secretary of the Interior in urging that this matter be studied carefully in order to produce a long-range workable policy that will remove, or at least alleviate, problems that have arisen in the administration of this area.

I know that some members of the Interior and Insular Affairs Committee of the House have been anxious to relieve the committee of scrutinizing individual private bills to permit the relinquishment of mineral rights where the reservation by the Government represents a cloud on title barring urban and suburban development. However, the administration proposal which I am introducing today would not provide any method of relinquishing, for example, reserved phosphate rights in connection with which our committee has this year approved three separate bills. Some members of our committee are also fearful that the wholesale relinquishment of even the hard rock minerals, to the surface owners, may prove detrimental to the national interest. The important thing now is that we have the administration proposal. The matter now can be studied and I hope resolved in the relatively near future.

The magnitude of the problem is pointed up by the fact that the Interior Department estimates that over 30 million acres of land have been patented with reservation of all mineral rights to the United States.

Because of the scope of the proposal and the wide interest in it, I am taking this opportunity to inform the Members and assure you, Mr. Speaker, that this matter will be thoroughly examined by your Committee on Interior and Insular Affairs. To complete the background of this matter, I also include as part of my remarks a copy of a letter dated July 20, 1961, to the Speaker signed by Assistant Secretary of the Interior John A. Carver, Jr., recommending enactment of the administration bill:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 20, 1961.

Hon. SAM RAYBURN,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: There is enclosed a draft of a proposed bill "To authorize the Secretary of the Interior to sell to landowners in urban areas the rights of the United States to certain minerals, and for other purposes."

We recommend that the proposed bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

We recently forwarded to your committee a proposed bill "To authorize the classification, segregation, lease, and sale of public land for urban, business, and occupancy sites, to repeal obsolete statutes, and for other purposes." In our letter transmitting that proposed bill we outlined six major areas in which we planned to submit draft bills that would revise certain of the public land laws. The bill enclosed in that earlier letter represented the legislative area designated No. 1 in the outline.

The proposed bill enclosed herein represents the first part of the legislative area designated No. 6 in the outline.

Under the Stock-Raising Homestead Act of December 29, 1916 (39 Stat. 862; 43 U.S.C. 291 et seq.), as amended, over 30 million acres of land have been patented to homestead entrymen, subject to a reservation of all minerals to the United States. In addition, other lands have been patented with a reservation of all or part of the minerals under various laws including section 8 of the Taylor Grazing Act of June 28, 1934 (48 Stat. 1272; 43 U.S.C. 315g), as amended. Where the locatable minerals have been reserved in such cases, and in all conveyances under the Stock-Raising Homestead Act, the mineral estate is subject to prospecting and appropriation under the U.S. mining laws.

In the past, such reservations of minerals presented no particular problem. However, in recent years some of the surface lands so patented have acquired substantial values and are being utilized for residential, industrial, commercial, or other intensive development purposes. With the growth of the population and the economy, more lands affected by such reservations are needed for intensive development purposes.

The developers and potential developers of such lands have found that the reservation of the locatable minerals poses a continuing problem to any intensive surface development. This problem stems from the potential interference with surface uses which might arise from the exercise of the rights granted to prospectors and locators of mining claims under the Mining Act of May 10, 1872 (R.S. 2319; 30 U.S.C. 22), as amended.

Congress has implicitly recognized this type of problem in other statutes which have reserved the mineral estate to the United States. Thus, the Small Tract Act of June 1, 1938 (52 Stat. 609; 43 U.S.C. 682b), as amended, reserves the entire mineral estate but provides that the minerals would be subject to development under "such regulations as the Secretary may prescribe." Similarly, the Recreation and Public Purposes Act of June 14, 1926 (44 Stat. 741; 43 U.S.C. 869), as amended, contemplates that all mineral deposits shall be reserved to the United States, to be developed under "regulations to be established by the Secretary."

At an early date the Department perceived that mining locations would be incompatible with small tract uses and, accordingly, prescribed no regulations permitting mining activities in such lands. We have found, however, that the mere reservation of these locatable minerals to the United States tends to impede intensive development of the small tract lands. Cognizance of this was noted in an executive communication dated March 3, 1961, in which we recommended that legislation be enacted to reserve only the leasable minerals in small tract patents.

Sections 1 and 2 of the proposed bill are addressed to conveyances of nonleasable minerals, reserved to the United States, to the owners of the surface lands. The bill would in no way affect the leasable minerals. The leasable minerals can only be leased under present law as permitted by the Secretary and therefore adequate authority exists to impose reasonable conditions so as to properly protect the surface values.

Sections 1 and 2 would limit the scope of the bill to lands within the corporate limits of a town or city and to lands which the Secretary may designate as residential, industrial, commercial, or other intensive development lands.

Section 3 would provide a 3-year segregation of the "urban areas" from prospecting for, locating, mining, or removing any nonleasable minerals situated in such lands. We believe this three-year period would give the surface owners an adequate opportunity to make application to purchase the nonleasable minerals and, at the same time, would not unduly "lock up" any mineral values that may exist in the lands.

It is not contemplated that all the nonleasable minerals in "urban areas" will be conveyed to the surface owner. That is to say, the Secretary may, in a given fact situation, find that development of the locatable minerals in the lands under the U.S. mining laws may outweigh the desirability of conveying the minerals to the surface owner. In such a case the application of the surface owner to buy the nonleasable minerals would be rejected and these minerals would remain subject to the mining laws. In other cases the owner of the surface may not make application to purchase the nonleasable minerals during the period of segregation. In such a case the lands would be subject to the mining laws at the end of the segregation period. In this connection it is pointed out that the surface owner can still apply for purchase of the nonleasable minerals after the 3-year segregation period has ended. His application, however, would be subject to any valid mining claims timely located on the lands.

It is believed that additional protection against surface damages than is afforded by existing law should be provided for the "urban area" lands in these situations where the nonleaseable minerals are not transferred to the surface owner. The liability of a mineral locator on lands patented under the Stock-Raising Homestead Act, supra, is limited to "damages to crops or tangible improvements of the entryman or owner. * * *" This provision is supplemented by the Act of June 17, 1949 (62 Stat. 201; 30 U.S.C. 54) to provide certain additional surface damage protection for grazing lands. These laws, however, were obviously designed to provide relief where the lands are being used for agricultural or grazing purposes and are not suitably tailored for "urban area" lands.

For these reasons we have set out in section 4 of the proposed bill provisions that would give an added measure of protection to these surface owners. The provisions require that the prospector or miner either obtain the surface owners' consent for such mining activity or post a bond to cover any actual damages caused to the surface. This provision would not appear to work a hardship on a bona fide prospecting or mining venture and it generally follows the recommendation of the American Mining Congress embodied in its declaration of policy, adopted at Las Vegas, Nev., October 10–13, 1960.

Section 5 of the proposed bill provides that all sales of the nonleasable minerals will be at their fair market value, but in no event less than $5 per acre or $50 per sale, whichever is higher.

We believe this proposed bill would be effective in solving a serious and growing problem and we urge its enactment.

The Bureau of the Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the administration's program.

Sincerely yours,

JOHN A. CARVER, Jr.,
Assistant Secretary of the Interior.

ADJOURNMENT UNTIL MONDAY, JULY 31, 1961

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

OMNIBUS FARM BILL

Mr. DOLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. DOLE. Mr. Speaker, much has been said about the merits and the shortcomings of the omnibus farm bill before us and to avoid any unnecessary repetition in the record, let me indicate that the House Committee on Agriculture has devoted considerable time and effort in determining the course of farm legislation for the coming year. To those who might be interested these facts may be helpful.

First. There were 31 open and 22 executive meetings of the full committee and subcommittees dealing with various aspects of portions of the legislation now before us.

Second. The omnibus bill, H.R. 6400, was introduced on April 18, a clean bill was reported on July 19 and on July 22 the present bill, H.R. 8230, was introduced in the House, or over 3 months' effort has gone into the bill.

Third. The full committee and subcommittees have studied and worked on a total of seven committee prints, two on the feed grain section, one on farm credit, two on the wheat program, and two on the overall measure.

Fourth. The omnibus bill, H.R. 6400, contained 79 pages and over 15,000 words. The present bill, H.R. 8230, contains 60 pages and well over 10,000 words.

Fifth. Hearings on the various programs introduced in the omnibus bill exceed 1,100 pages and meetings of committee averaged more than 2 hours each.

Though these figures have little to do with the present legislation they are evidence of the vast amount of preliminary effort going into any legislation and are of considerable interest to me as a freshman member of the Agriculture Committee.

It is my good fortune to represent a district where the great majority of people still like to think and act for themselves, where they still believe in separation of powers and where there is still strong resistance to any program which calls for rigid controls. Certainly farmers recognize that from time to time adjustments are necessary but they expect and are entitled to long-range programs which will enable them to plan ahead and make necessary adjustments freely.

H.R. 8230 is an omnibus bill, covering a collection of farm programs. Records indicate the first omnibus bill was passed in the U.S. Senate in 1850 under the leadership of Henry Clay. To a freshman Congressman the strategy is clear and perhaps necessary though it forces me, and others, to make a determination of whether the total good outweighs the total bad, rather than permitting an objective determination of each program on its individual merits. The omnibus feature or legislative blackjack is apparently an accepted part of legislative give and take though it robs the Member of certain basic freedom. Perhaps it might be well to divide our votes into fractional parts on the basis of the number of programs. One could cast whatever fractional vote he desired and final passage would rest on whether or not the fractional affirmative votes outweighed fractional negative votes.

Many of the programs contained in the omnibus bill are not controversial, namely the extension of the Wool Act, extension and amendment of Public Law 480, the Agricultural Trade Development and Assistance Act of 1954, extension of the Great Plains conservation program, school milk program, Armed Forces and veterans programs, or the great majority of revisions contained in the farm home administration credit section of the bill, and as one who voted for the original feed grain bill, my objection to the present extension basically is that the bill provides no guidelines for the Secretary of Agriculture concerning disposal of Commodity Credit stocks of surplus grain, commonly known as certificate grain, already under his control as a result of the 1961 program. This large accumulation virtually permits the Secretary to control the market.

My primary objection, however, is to the 1962 wheat program and its mandatory provisions. As previously indicated, farmers recognize that adjustments are necessary from time to time and despite claims that the 1962 wheat program will raise income from 9 to 12 percent, I again state farmers expect and are entitled to a longer range wheat program so that adjustments can be normally and freely made.

Discussions on the floor have clearly pointed out that the whipping boy of wheat producers is the Hard Red Winter wheat producer in the Great Plains area. This bill again provides the producer will take the brunt of the cut and in Kansas alone the 10-percent mandatory cut will mean that over 1 million acres will be taken out of production. Even though payments will be made to farmers, there will be a chain reaction which will affect not only the farmers, but the communities and small towns throughout western Kansas.

The 1962 wheat bill is a far cry from the "parity of income" we heard so much about during the recent campaign. The 1960 wheat program is a far cry from statements made by the now President in Sioux Falls, S. Dak., September 22, 1960, where he stated:

> We intend to assure parity of income for the farmer, primarily through supply management.

And the remarks in Spokane, Wash., September 6, by the President, when he

called for a new wheat program by stating:

> It is time for a fresh and imaginative program to meet the problems of our Nation's wheat farms. One, * * * it must bring production down below consumption, through bushel as well as acreage controls so that the excess volume in storage will be gradually reduced.

It is my honest opinion farmers throughout this country are more interested in "parity of opportunity" and I mean by this the opportunity to produce, to work, and to expand for the benefit of their family, rather than be idle with idle acres.

Farmers can take heart controversial sections of title I were eliminated from the bill and that Congress will still legislate in this and every other important field and that their voice can still be heard through their elected representatives to Congress.

OPPOSITION TO THE AMENDMENT EXEMPTING CLASSES OF WHEAT WHICH SHALL SUPPLY FROM THE REDUCTION REQUIRED

Mr. Speaker, we have heard on the floor yesterday and today much discussion to the effect that virtually all of our carryover supply of wheat is of the Hard Red Winter variety. We do not disagree with the figures as submitted which shows this to be the case. We need, however, to look behind these statistics to see why this situation is as it exists.

Let us consider first the Soft Red Winter wheat which we are told is chronically in short supply. Between a fourth and a third of this crop each year has been exported to foreign countries. Some of this export has been for dollars, but most of it has gone out under many of our foreign-aid programs. All of it has gone out under a substantial export subsidy. The reason that a higher percentage of the production of soft wheat is being exported than hard wheat, is simple to explain, and the explanation consists of one word—price. Soft wheat is produced closer to the eastern seaboard than is the hard wheat, therefore, it is a few cents a bushel cheaper than is hard winter wheat. Many of our foreign customers would prefer the higher quality hard wheat to mix with their own production to make a better quality bread product, but much of the wheat is bought at the cheapest price available, regardless of quality.

It would be very simple for the Department of Agriculture, by the adjustment in export subsidy, to move more hard wheat into export and to keep an ample supply of soft wheat in our own country.

Another factor which should be considered in thinking of supplies, is that Soft Winter wheat is produced in a relatively stable producing area. There is very little variation in yield from year to year. Therefore, a large carryover of soft wheat is not necessary. On the other hand, Hard Winter wheat is produced in an area periodically subject to drought. One year, we may have a tremendous crop and in the next year or two, we may have no production to speak of. This wide variation in yield in the Hard Winter wheat area demands that we carry a substantial inventory of Hard Winter wheat to use in those years which we know will occur, when practically no Hard Winter wheat will be produced.

OPERATION EMPLOYMENT

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. ALGER] is recognized for 60 minutes.

Mr. ALGER. Mr. Speaker, all of us, Members of Congress, and every American citizen, are concerned when any appreciable number of our fellow citizens are unemployed. None will deny that we do have an employment problem, but there are those of us who believe that this problem is not the result of a weakness in our economy, but rather is created because of our dynamic technological development. Because there are more unemployed than any of us want, we must meet the problem, not in fear, but with confidence that it can be solved through proper retraining programs to fit workers for the new skills required in the space age.

During this transition period, unemployment compensation plays an important part. It is my privilege to present, in cooperation with my esteemed colleague, the gentleman from Maryland [Mr. MATHIAS], an analysis on the adequacy of the amounts of benefit payments supported by the scholarly study of Father Becker.

First, I would like to say again that the unemployment problems confronting us today are the problems of a dynamic economy. Problems of success and growth that require retraining so that workers will not be forced to depend upon jobs that are obsolete.

Second, I should like to remind you that unemployment compensation is not relief. It is a contribution by industry to tide workers over a period of temporary unemployment. Any change in that concept which results in making of this system, which has worked, a Federal relief program, will end in disaster and we will hurt, not help the unemployed.

Third, we must remember that this is a system for which the employers pay. There is no contribution by the workers. This means that it increases the cost of production and this must be taken into consideration when meeting demands for higher payments. Remember, that already this year we have increased the cost of unemployment compensation to the employers by $12 per worker which, together with the existing unemployment compensation is a heavy burden which must be reflected in higher prices and may well contribute to possible future business failures, thus endangering more jobs.

Finally, the unemployment compensation program has worked well under the supervision of the States and we should not jeopardize a program which has been successful by infringing Federal control or Federal standards not in keeping with experience rating, wherein employers giving stable employment are taxed less under the program.

With this introduction it is now my pleasure to yield to my colleague from Maryland [Mr. MATHIAS] for a more detailed discussion of the unemployment benefit program.

Mr. MATHIAS. Mr. Speaker, this is the fourth address before the House of Representatives in a series of reports entitled "Employment in Our Dynamic American Economy." My remarks today are addressed to the adequacy of the benefit amount in unemployment insurance.

Mr. Speaker, in a time of cyclical economic decline, the question of unemployment benefit insurance occupies an important place in the minds of Congress, employers, and indeed all Americans. When cycles of unemployment worsen into periods of recession, this topic of insurance benefits commands an even greater level of importance and concern.

At this time I would like to make comment on the adequacy of the amounts of these benefit payments. In any such discussion, however, it is essential that I preface my statement with one fact of prime importance that must be remembered. Unemployment compensation was never intended to be a substitute for wages. Rather, it was intended to provide only some funds—sustenance payments—until a time when additional work could be found.

Perhaps it would be wise also to recall that whatever the amount, whatever percentage of previous salaries the payment system adopts, the private employers bear the full responsibility of meeting the fiscal appropriations. If today, in my own State of Maryland, for instance, we should say that henceforth the benefit payments will be increased 100 percent, tomorrow many industries would be closing their doors and moving across the Mason-Dixon line or the Potomac River. This insurance system is a self-supporting, pay-as-you-go operation, and only administered by State and Federal authorities. Consequently, the benefit amounts cannot be raised or lowered at will. An amalgam of factors must be considered. It is an easy step to make industrial conditions in a State so burdensome taxwise, that industrial growth will diminish rather than prosper. This, of course, would result in a substantial worsening of the entire unemployment problem.

Prof. Joseph M. Becker, of St. Louis University, in a recent and impressive study, made a number of conclusions regarding the overall adequacy of benefit amounts. With your permission, Mr. Speaker, I ask that the full text of this report be appended to my remarks.

First, Father Becker came to the conclusion that benefits were adequate to keep recipients off the relief rolls. Second, he observed that benefits were adequate to protect the average beneficiary from undue hardship during unemployment. In periods of normal employment, even those beneficiaries who were unemployed longer than the average—approximately a 16-week average—managed to maintain a level of expenditures very close to their usual standard of living. The average reduction in total

expenditures for all beneficiary types was only about 5 percent.

It is Father Becker's opinion that in unemployment within the limits of average fluctuation, the current benefit insurance payments are sufficient to enable beneficiaries to "weather the storm," so to speak, and maintain a decent standard of living.

It is interesting to note that in my own State of Maryland, unemployment benefits may be drawn under State administration for a maximum of 26 weeks. Under the Federal extension, voted this year by Congress, there is an additional 13 weeks coverage. Thus, it is possible for an unemployed person in the State of Maryland to draw benefit payments for nearly 9 months. It is also highly significant to note that these payments have averaged a little over 50 percent of the recipient's previous weekly salary.

In my opinion the study discloses one area of inadequacy in the national treatment of unemployment compensation.

Only 11 States, including Maryland, provide a dependent's allowance to compensation, thus enabling those with a greater support burden to more adequately meet their responsibilities. Father Becker devotes much of his study to an analysis of dependent's allowances and the beneficial results derived therefrom. States presently under such a plan have shown that it is entirely feasible to adjust benefits in accordance with the number of those dependent upon the beneficiary. I strongly favor an extension of such a system to all 50 States.

These facts, coupled with the principal objective of the plan which is to provide sustenance payments and not wage substitutes, supports a conclusion of initial adequacy of unemployment insurance payments.

To make any analysis of the payments complete, however, it is necessary to also observe the conditions that result when normal unemployment is extended into protracted unemployment and from that stage into definite recession. As I have noted, the majority of unemployment benefit plans provide payments for only 6 to 9 months. After that period, what becomes of the person who remains unemployed; of the person who lives in a depressed area suffering from chronic unemployment; or indeed of any American during a long recession or depression.

I speak with a deep personal knowledge of such conditions. In a number of areas in my own district all too many have known the want of a job; all too many have known the want of a decent standard of living; all too many have lived in recession conditions for months that have long since passed into years. I note with heartfelt concern that these people have long ago ceased drawing benefit payments. For them, the appalling problem exists not only to maintain some reasonable standard of living but to maintain any standard of living. The problem of the adequacy of unemployment benefit payments takes on new and somewhat staggering proportions in such a situation. I feel that industrial growth and its resultant availability of new jobs must be strongly encouraged in these areas. In the meantime we must be aware of the problems faced by the long-term unemployed and seek wise avenues of approach to alleviate their misfortunes.

I am very happy to note that in my own State of Maryland, the department of employment security, under its able executive director, Mr. Stephen C. Cromwell, has launched an inquiry into the problems of protracted unemployment as affecting the individual. Incisive questionnaires have been prepared and are being distributed to a sampling of people who still remain unemployed 3 months after exhausting their State and Federal benefits. I look forward to studying the results of this survey and to make it available to the participants of Operation Employment. I hope it will give us a better indication of the hardships encountered in chronic unemployment areas and that it may point the way to corrective legislative action if needed.

I trust these comments on the adequacy of unemployment insurance benefits will help to illuminate the problems and difficulties faced by Americans under conditions of both normal and protracted unemployment. Our economy is and must remain strong, dynamic, and progressive. It is certainly no oversimplification of the concept of economic growth to say that individual Americans are the very foundation of a prosperous and mighty nation. We, therefore, must not only use constant efforts to eliminate the very existence of unemployment, but we must also seek to alleviate the problems and misfortunes befalling those of us who are among the unemployed.

The Adequacy of the Benefit Amount in Unemployment Insurance

(By Joseph M. Becker, S.J.)

Introduction

This monograph is a partial appraisal of benefit adequacy in unemployment insurance. It is partial because it is an appraisal of only one, the chief, element in benefit adequacy (the benefit amount) and proceeds by applying only one, the chief, norm of adequacy (the need of the unemployed person) to a limited though the best available body of data.

The body of data was provided by a number of studies recently conducted by some of the States in cooperation with the Federal Bureau of Employment Security. The studies supply the only detailed picture of actual beneficiary experience in what might be called normal unemployment situations (these include short recessions of the postwar variety and exclude only the unemployment of depressed areas). The aim of the monograph is to present the findings of these studies in relation to meaningful norms of benefit adequacy. To do this involves first the development of norms and then their application.

The adequacy of unemployment benefits is a function not only of the benefit amount, which alone is under consideration here, but of all the other parts of the system as well. Adequacy taken in its full sense involves the coverage, eligibility, and disqualification provisions (the "who" of the system) as well as the provisions governing benefit duration and benefit amount. Furthermore these various parts of the system are interdependent. What is a desirable benefit formula depends for example on whether the benefit is to be paid only to the core of the labor force or also to fringe workers and whether it is to be paid for 10 weeks to some beneficiaries or for three quarters of a year to all. It also depends on whether the disqualification provisions are liberal or strict. Since the benefit amount alone is considered here, this analysis does not reach to a final decision on a concrete benefit formula. The analysis of the benefit amount is a necessary but not a sufficient condition for choosing a benefit formula.

One's judgment of the adequacy of the benefit amount will obviously depend very much on how one defines "adequacy." As a preliminary to any use of the data it is necessary to state as clearly as possible the meaning of adequacy and the norms by which it is to be measured. Not all norms that are relevant to adequacy in general are relevant to the adequacy of the benefit amount, and of those that are relevent to the benefit amount, not all are applicable to the data at hand. The following discussion of norms enumerates those that are relevant to benefit adequacy and indicates which of them is used and which are omitted in the present analysis. Although only one norm is actually used in the present analysis, to be used correctly it needs to be seen in relationship to the others. The other relevant norms are, therefore, discussed briefly.

The preliminary discussion of norms gives the monograph the general proportions of a medieval castle—it is almost half foundation—but there is no other safe way to build in the morass of "adequacy." To change the metaphor—it is precisely at this point, in the selection of norms, that the rabbit gets into the hat. Therefore, the process of selection of norms should be as explicit and as open as possible. The review of norms serves the additional purpose of revealing my personal value judgments (they have probably influenced my selection and arrangement of the data) so that anyone who disagrees with my judgments can the more easily pinpoint the disagreement and substitute his own set of values.

I. Norms of Adequacy

Norms are intermediate or ultimate. Logically an intermediate norm must be established by a more fundamental norm until a norm is reached which is ultimate in its own line.[1] In practice, because it is difficult to achieve sufficient agreement on ultimates, especially in social matters, we make use of intermediate norms that command wide enough acceptance to be socially significant. The norms developed here are of this nature.

A satisfactory norm of adequacy must have two elements—one positive, by which it can explain why benefits are as large as they are, and one negative, by which it can explain why they are no larger. In philosophical terminology it must have the two elements that constitute all contingent being, an actuating and a limiting principle. The two elements are inextricably intertwined and exert mutual causality on each other. Although they may be discussed separately, neither suffices for a concrete conclusion except in relationship to the other. The fol-

[1] For example an ordinary watch is an intermediate norm of the correct time. It must be established as an acceptable norm by reference to a more reliable norm, for example the signals of the U.S. Naval Observatory. This in turn must be referred to successively more reliable norms until we arrive at that measure of time which for us earth dwellers is accepted as ultimate—the movement of the earth and stars (this norm is currently in the process of being corrected by the still more uniform change of atomic clocks).

lowing diagram, which illustrates the more useful subdivisions of the two elements, may serve as a reminder of their interrelationship as well as a convenient form of reference.

A. Positive norm (actuating principle):
1. Primary: Need of the individual: (a) Physical need, (b) psychical need.
2. Secondary: Need of society: (a) Political, (b) economic.

B. Negative norm (limiting principle):
1. Primary: Political.
2. Secondary: Economic.

Negative norms

The negative norms, which may be conveniently divided into political and economic, determine the framework within which the other norms operate. The political norm has the widest relevance and determines the outer limits of the entire system. The political norm is supplied by the principle of subsidiarity, which in its negative form states that a higher unit of society should not undertake to perform functions which can be performed as well by a lower unit but should limit itself to provide the help (subsidium) that is needed to enable the lower unit to function at full capacity. Government should help the individual to help himself, and beyond that, as Lincoln expressed it, "Government should do for the people only what the people cannot do or cannot do so well for themselves."

The principle can be expressed in positive form and used to justify governmental action—as in norm A.2.a. But historically in the West the emphasis has been, as in Lincoln's formulation, on the negative form and on the limiting function of the principle. The principle of subsidiarity gives preference to individual responsibility and requires that the need for governmental intervention be very clear.

In the light of this fundamental principle it is clearly incorrect to say without qualification, as is sometimes done, that unemployment insurance "is not based on need" or even more loosely, that it "has nothing to do with need."[2] If in 1935 we had not judged that there existed a need which individuals were incapable of meeting by themselves, unemployment insurance would not have been established; and the extent of unmet need is still the fundamental norm which, in a society like the United States, determines the extent to which unemployment insurance shall be further developed.

It is a judgment as to need that explains the existence of a maximum benefit: The essential needs of most unemployed persons are judged (correctly or incorrectly) not to exceed this amount; if the maximum benefit results, as it usually does, in the higher paid worker receiving a smaller proportion of his wages in benefits, this also is justified by the reasoning that he is not in so great need as the lower paid worker and is more able to help himself. A judgment as to need also underlies the common practice of weighting the benefit formula in favor of the lower paid worker. A judgment as to need underlies the provision of a minimum benefit and also, in 12 States, the provision of dependency allowances. (These various recognitions of the norm of need are to be found also in our other social insurance program, old-age and survivors and disability insurance.) A question as to the possible existence of unmet need explains the launching of these studies of benefit adequacy; the studies themselves therefore constitute a recognition of the validity of the principle of subsidy.

[2] The accurate expression is that unemployment insurance is not based on proved individual need; that is, unemployment insurance does not use the means test to determine the eligibility of individuals for benefits. But it does use the norm of need—presumed need, as explained below.

The second negative norm is economic in character. Within the outside limits set by the principle of subsidiarity, further limitations may be imposed by the undesirable effects of unemployment benefits on production and distribution. Production may be lowered by a diminution in either the supply of labor (the differential between unemployment benefits and wages may be too small to serve as an incentive to prefer work over leisure) or in the demand for labor (the unemployment tax may increase the cost of labor beyond the productivity of the marginal worker). Distribution will be distorted to the extent that benefits are paid to claimants for whom the program was not intended, that is, to working or nonworking violators.[3]

Whereas the first negative norm is based on a perfection of the individual person (a person has intelligence and free will and therefore the ability to govern himself), the second is based largely on an imperfection of the person, namely that his free will does not always follow the direction of his intellect. As the first norm allows so the second constrains the individual to take care of himself. Since the second negative norm is not used in this analysis, it need not be further developed here.[4]

Positive norms

The positive norms consist of the desirable goals which the program is expected to achieve. The general goal of the program is to meet the need that called it into existence—primarily the need of unemployed individuals and secondarily the need of the rest of society.

Individual Need

The need of the individual has two aspects which for want of better terms may be called physical and psychical. The physical need of the unemployed individual is measured by what we usually refer to as his standard of living. Unemployment tends to lower the standard, and unemployment benefits are expected to support the standard—to some extent.

To what extent? The answer to this question is crucial, and it involves in the first instance a choice between uniform and variable benefits. If benefits are expected to maintain only some minimum standard that is identical for all in the same age, sex, and dependency classifications, then benefits will be uniform within classes regardless of any differences in living standards that may have distinguished individuals before they became unemployed. This system with its clear and simple logic has been adopted by a number of countries, including Great Britain.[5]

In our country we have chosen to pay benefits that vary directly with wages—a higher benefit to the man who is used to a higher standard of living. For one reason this is the easiest solution to the problem of differing regional standards of living, a serious problem in a vast country like the United States. Any uniform minimum high enough for the high-wage regions of the country would be too high for the low-wage regions. A wage-proportioned benefit provides an automatic adjustment for regional variations.

We might have differentiated benefits according to regions only and within each region set up a uniform minimum benefit. We went much further however and differentiated the benefit according to the individual beneficiary. This choice is explainable by a series of judgments about the normalcy and yet seriousness of unemployment in an industrial and democratic society: At any given time it is normal for many workers to be involuntarily unemployed (some workers are more liable to unemployment than others, but no one is entirely safe), and it is even normal to have periods of recession, during which the number of the unemployed increases greatly; since most workers depend almost entirely on their wages, they ordinarily experience serious hardship when their wages are interrupted by unemployment; in a democratic society it is undesirable that the workers who happen to become unemployed should have to change their standard of living drastically each time they become unemployed. The payment of benefits in proportion to wages helps the unemployed person to maintain something approximating his usual standard of living until he regains employment—his normal status.[6]

The general decision to pay benefits in some proportion to wages must be complemented by the (difficult) choice of a definite proportion. The proportion chosen will depend on (1) the relation to be maintained between the individual's standard of living during unemployment and his standard during employment and (2) the individual's resources apart from unemployment benefits. Our society has never stated what its expectations are with respect to either (1) or (2) and therefore has never made an explicit commitment in either area. To judge from the way that we have kept both the maximum benefit and the taxable wage base relatively low, we have implicitly settled on a standard of relative essentials (the essentials vary directly with wages, but are still only the essentials). And since we have kept benefits at half or less than half of wages, we seem to have assumed the existence of other resources.

Among their other uses the studies of benefit adequacy serve one useful purpose precisely at this point. They help to bring about a more explicit social commitment as to what we expect in both these areas. By revealing how beneficiaries actually manage when unemployed, the studies enable us to specify with greater particularity where the system does or does not meet our expectations. Previously we may have been uncertain about the adequacy of the system because we were unable to state even to ourselves what adequacy meant. When we have seen how the present system actually operates, and our implicit norms have become explicit, we are in a better position to decide to keep or change our norms.

By psychical need is meant the need of the unemployed person to receive benefits in a manner befitting human dignity so that his self-respect is left intact. The norm of psychical need refers to the benefit amount

[3] Working violators are those who manage to draw benefits and wages simultaneously; nonworking violators are those who manage to draw benefits even though they are not in the labor force.

[4] The second negative norm is discussed at greater length in my "The Problem of Abuse in Unemployment Benefits" (New York: Columbia University Press, 1953), pp. 53–63, 163–168, 268–392, 307. For a fuller discussion of the first negative norm, the principle of subsidiarity, see my "Shared Government in Employment Security" (New York: Columbia University Press, 1959), ch. 1, especially pp. 4–9.

[5] Sir William Beveridge, in his now classic report Social Insurance and Allied Services (New York: The Macmillan Co., 1942), laid down the principle, "Social insurance should aim at guaranteeing the minimum income needed for subsistence" (p. 14) and recommended uniform benefits based on uniform contributions.

[6] The justification, as distinguished from the desirability, of paying a higher benefit to the higher-paid worker rests on the method of financing, as is explained below in the treatment of the norm of psychical need.

only indirectly. Directly it refers to the method by which the benefit is paid, whatever its amount. Two methods are available, either social insurance or social assistance. Social insurance is the more satisfying psychically because it pays benefits (1) as a matter of right and (2) without the use of a means test. These are distinct and separable characteristics.

The payment of benefits as a "right" is sometimes presented as incompatible with the use of need as a norm to determine the amount of benefits. The dichotomy is misleading. The method of payment and the amount of payment are distinct in concept and susceptible of independent determination. Whatever the method of payment, the amount of the payment will depend on a judgment of unmet need—unless the principle of subsidiarity is entirely rejected.

The right to benefits is based in the first instance on the existence of a law; but in this, social insurance does not differ from social assistance. The distinctive basis of the right in social insurance is the existence of earmarked taxes that have been paid into a special fund by or for the beneficiaries. This method of financing provides the basis for considering that the fund consists of deferred wages and therefore belongs to the potential beneficiaries somewhat as an insurance fund belongs to those who pay their premiums. That this right has only limited legal force is clear from recent court decisions, but that it has considerable social force is also clear from the same decisions.[7]

The method of financing provides in addition the justification for the payment of a higher benefit to the higher-paid worker. Since the tax is levied as a percentage of wages, a larger tax is paid into the fund in the name of (as it were) the higher-paid worker. The correspondence between taxes and benefits, each as a percentage of wages, is—though real—rough, as one would expect in a social insurance program, and admits of many irregularities. For example in some States the high-wage worker is advantaged by the fact that more of a worker's wage is used for determining benefits than for tax purposes (nearly all States tax only the first $3 thousand of wages). On the other hand the low-wage worker is frequently advantaged by a weighting of the benefit formula in his favor. As for benefit formulas, the one most commonly used determines benefits on the basis of earnings in the high quarter and works unpredictable vagaries in both directions. Finally, because of the maximum limit on the tax, some unemployed workers regularly draw out far more money in benefits than their employers pay in for them in taxes.

The second distinguishing characteristic of social insurance—that it does not use the means test—is the essential one. If all other characteristics of social insurance were to be changed and this one were to remain, the most satisfying element in social insurance, psychically speaking, would be preserved. The use of a means test, even a liberal one, automatically divides the citizens into two groups, the successful and the unsuccessful.

The opportunity to receive benefits without wearing the public badge of failure constitutes the most appealing characteristic of social insurance. In unemployment insurance, benefits are paid automatically to all insured workers on the occurrence of unemployment in accordance with objective criteria that require a limited degree of discretionary judgment on the part of administrative officials and that never demand an investigation into the means of the individual claimant.

[7] *Fleming* v. *Nestor*, 363 U.S. 603, 606 (1959), 4 L. ed. 1435, 1444; and *Nestor* v. *Folsom*, 169 F. Supp. 922, 934.

The absence of a means test is sometimes regarded as proof that need is not used as a norm. One reader of the preliminary draft of this monograph remarked: "Unemployment insurance, being an insurance program related to wages, is intended to provide some prescribed amount of wage-loss compensation to a worker at a particular wage level, regardless of his need." This statement holds true after but not before the determination of the benefit formula. In selecting the benefit formula, whether for a social insurance or a social assistance system, the only norm that is consistent with the principle of subsidiarity is the norm of need. But in a social insurance system it is not the proved need of each individual established by the investigation of each individual that is the norm, but the presumed need of a general class—established preferably by an antecedent general investigation but in any case presumed in the case of each individual who falls within the class.

The decision to use the norm of presumed rather than of proved need is crucial and affects every part of the problem of benefit adequacy. Implied in the choice of presumed need is the acceptance of the fact that the program must deal in terms of averages. There will not be the close fitting of individual benefits to individual needs that is possible in a program that uses the norm of proved need. It must be accepted that in an insurance program some beneficiaries will be overpaid and some underpaid in terms of the need that brought the program into existence.[8]

It is the inevitable preoccupation of a social insurance system with normal workers—those in the mode of the distribution—that explains the emphasis on averages in this analysis. The distribution around the average has of course its own significance, but in a social insurance program it is the average itself which dictates policy. Individuals who have a much higher income than the average are expected to provide for their higher wants by their own initiative, and individuals whose wages are so far below the average that they cannot be helped sufficiently by even a weighted proportion of their wages must expect to rely on social assistance. Although some adjustment for need above the average can be made within the essential characteristics of insurance by weighting the benefit formula in favor of a general class of workers—for example workers with low wages or those with dependents—the extent of the adjustment is limited. It is limited by the dangers of both interfering with economic incentives (norm B.2) and undermining the program's earned-rights character (norm A.1b).

The logic of the system is not clear and neat. It seeks to have the best of both worlds—to avoid measuring need and yet to satisfy it. The system attempts to unite in what is often an uneasy marriage two contrary emphases: the capitalistic, competitive emphasis and the socialistic, welfare emphasis. Benefits are paid according to the capitalistic principle "to everyone in proportion to his contribution"; but they are also paid according to the socialistic principle "to everyone in proportion to his need." And there is no general rule to determine which emphasis shall prevail in any given situation.

Because the strict application of the capitalistic principle would too often give the least benefits to those who needed them most, the competitive emphasis is moderated somewhat, and the program becomes a "social" insurance program. "Social" insurance is not commercial insurance. It is governmental, compulsory insurance set up to take care of individuals who are unable to take care of themselves. "Social" insurance makes much more use of the common pocketbook technique than would be tolerated in a commercial insurance system, and subordinates equity to adequacy. The primary objective of a governmental program of unemployment insurance is to take care of unemployed individuals who cannot take care of themselves, and the presumption that the program is meeting actual needs must not be too far removed from the facts. The essential objective of the program is to meet an existing need, and the manner in which the objective is attained—whether by the insurance or by the assistance technique—must always be subordinate to the objective itself. The norm of psychical need is subordinate to the norm of physical need.

[8] The extent to which beneficiaries are overpaid or underpaid will be lessened insofar as beneficiaries can be classified—by objective, nondiscretionary criteria—into groups whose presumed needs are different.

Social need

The second positive norm of adequacy may be treated more briefly, since it is not directly applicable to the data analyzed here (the studies were not designed with this norm in view). The second positive norm is constituted by social need, which is both political and economic.

One function of unemployment insurance is to help maintain a free political society. Unless the unemployed are helped by society, they readily become the base on which totalitarianism rises. Sage observers like Calvin B. Hoover and John Maurice Clark see uncompensated unemployment as a major threat to our kind of free society.[9]

The principal economic objective to be furthered by the payment of unemployment benefits is the maintenance of employment by the restoration of lost "purchasing power."[10]

It is generally agreed today that in most circumstances the economic health of society is advanced by restoring at least part of such lost purchasing power. If it is not restored, there is danger that the decreased spending of the unemployed will lead to further unemployment and thus to a cumulative decline of all economic activities in the affected area.

This social function of unemployment insurance grows in importance with the growth of unemployment (this is true even though unemployment insurance is not expected to carry the burden of prolonged unemployment) but always remains secondary to the function of meeting individual need. If unemployment insurance had no effect on the level of employment, and probably even if it had a minor negative effect, we should still want the program for the help it brings to the individual. If on the other hand the program were not needed for the individual, it would not likely be established merely to restore lost purchasing power. Certainly it would not be established for this purpose in periods of normal unemployment, and the greater proportion of unemployment benefits are paid out in connection with normal unemployment. Periods of recession constitute less than half of the total time during which the program

[9] Calvin B. Hoover, "The Economy, Liberty and the State" (New York: Twentieth Century Fund, 1959), pp. 28, 171, 179, 197, 365. J. M. Clark in "Financing American Prosperity," eds. Paul T. Horman and Fritz Machlup (New York: Twentieth Century Fund, 1945), pp. 72–73.

[10] Unemployment benefits make another substantive, but secondary, contribution toward full employment by helping to maintain an orderly labor market; benefits make it possible for unemployed workers to wait until they can secure jobs in their usual occupations.

pays out benefits, and during recession periods the additional unemployment that can properly be termed "cyclical" is less than half of the total unemployment of the period.[11]

Furthermore unemployment benefits are much more important to the individual beneficiary than they are to the total economy. During the time the individual beneficiary is drawing benefits, they replace from one third to over one half of his spendable wages each week (table 1–A), but they replace a much smaller fraction of all wages lost in the entire economy[12] and a still smaller fraction of lost spending of all kinds. Finally one can be much more certan of what one is trying to do and whether one has done it when the goal is to maintain an individual's standard of living than when it is to stabilize the economy; for the former is a relatively simple and measurable task while the latter is an extremely complex matter.

The preceding observations are not intended to undervalue the contribution that unemployment benefits can make to the general economy but only to guard against a tendency on the part of advisers outside the program, whose special competence is in macro-economics rather than in unemployment insurance, to urge that decisions be made in this program primarily on the basis of what they consider to be the needs of the general economy. Unemployment insurance is not just a machine for pumping money into the economy, and the benefit formula has implications for more than fiscal policy. Among its principal implications are those for industrial relations, but even more important are its implications for social insurance as an institution.

A concrete recommendation for the benefit formula needs to be based not solely, or even primarily, on fiscal policy but on the complex of considerations included under all the norms proper to this particular program. Unemployment insurance, like other programs—for example national defense or highway construction—can be adapted to some extent (unemployment insurance to a greater extent than most) to the needs of the business cycle, but each program must be governed primarily by its own specific objectives.

After all necessary cautions have been voiced against overemphasis on this (secondary) objective of unemployment insurance, it must still be said that the restoration of lost purchasing power is an authentic function of the program. The importance of the function is clearest in times of recession, but even in generally prosperous times there can be, and usually are, local areas of high unemployment to whose economy unemployment insurance makes a vital contribution. The secondary objective constitutes a distinct norm of adequacy which enters significantly into the final determination of the benefit formula. The omission of this norm constitutes another reason why the present analysis cannot reach to a decision on a concrete benefit formula.

Criteria of adequacy

This analysis applies one of these norms, the norm of individual physical need, to available data. To be applicable to concrete data, a norm must be expressed in measurable form. For example, the amount of unmet physical need that is incompatible with benefit adequacy must be specified. When a critical value is thus assigned to the norm, it can be used as criterion of actual performance. Four criteria are applied in the present analysis. They have been selected out of the indefinite number of possible criteria as having sufficient social acceptance to be significant.

The first criterion of adequacy can be stated simply: Benefits are adequate if they equal half or more of wages. Expressed in this general form and prescinding from the dispute as to whether wages should be taken net or gross, it has been a widely accepted criterion since the beginning of the program. It has always looked reasonable and in the absence of any better-established criterion has served most of the States as a general guide in constructing their benefit formulas.

For one who accepts this criterion as final there is little need for elaborate studies of benefit adequacy. A very simple investigation will suffice—just enough to determine the average benefits and the average wages of beneficiaries, or still more simply, of covered workers. But for one who wants to know whether or not this convenient criterion is correct, further investigation is necessary.

The second criterion is less precise than the first in its measurement of adequacy but probes more deeply into underlying causes. It states, in effect, that benefits are adequate when beneficiaries do not experience too much hardship, and it defines hardship to include a lowering of their living standards and a worsening of their net-asset position. Although too much is not actually specified in this criterion, the criterion is not useless. It helps to make an implicit norm explicit. One may not be able to specify in advance what his measure of too much is, but he may be able to say after he has seen the evidence that what he has seen is or is not too much.

The third criterion sharpens the second. It proposes that the existence of too much hardship be assumed if unemployment benefits are inadequate to meet nondeferrable expenditures, a criterion which is obviously rooted in the principle of subsidiarity. Its definition is elastic in concept but is given a precise meaning in the benefit-adequacy studies.

The fourth criterion likewise is essentially a sharpened form of the second. According to it, too much hardship exists when benefits are inadequate to keep beneficiaries off the relief rolls. This criterion also goes back to the beginning of the program. It was used in the 1935 legislative discussions and still appears in "Adequacy of Benefits Under Unemployment Insurance," a monograph published by the Bureau of Employment Security in 1958.

These four criteria are applied in the present monograph to some recent investigations made to test the validity of the presumption upon which the program is built, namely that its benefits are adequate to meet the need of unemployed individuals.

II. THE EXPERIENCE OF BENEFICIARIES

Between 1954 and 1958 six States in cooperation with the Bureau of Employment Security completed seven sampling studies of the adequacy of unemployed benefits.[13] The main concern of these studies was to discover how the insured unemployed managed when they lost their jobs and to what extent they were helped by their unemployment benefits. The first six studies followed an identical procedure; the seventh introduced some variations. The samples were drawn from the following labor markets: Pittsburgh, Pa. (August 1954); Tampa-St. Petersburg, Fla. (October 1956); Anderson-Greenville-Spartanburg, S.C. (March 1957); Albany-Schenectady-Troy, N.Y. (April 1957); Portland, Oreg. (March 1958); St. Louis, Mo. (April 1958); Utica, N.Y. (fall of 1958).

Except where specifically indicated, the present analysis is concerned with the first six studies only. The seventh study, that of Utica, N.Y., is analyzed separately, in an appendix.

Description of the samples

Procedure

In each of the first 6 studies a small sample of claimants—about 300[14]—was interviewed intensively and a detailed accounting secured of each claimant's income and expenditures during a year, in order to measure the difference in living standards between periods of employment and unemployment. Even for a small sample this was obviously a difficult task. It seems to have been accomplished with sufficient accuracy however to make the results usable. The interviewers were well trained and were given the time necessary for careful work.[15] The device of the "balancing difference" was used to control the accuracy of responses: Receipts and expenditures were arrived at independently, and when the difference between them was large and could not be reconciled the case was discarded.

Nevertheless, a degree of uncertainty necessarily attaches to any attempt to list in detail all sources of income and all expenditures during an entire year. The results must be judged in the rough and taken as only approximate.[16] Conclusions are more safely founded on relationships than on absolute amounts. Small differences are meaningless, and even large differences are entirely trustworthy only if they appear in all the studies with some uniformity.

The beneficiaries to be interviewed were selected in three steps, to produce a quasi-stratified sample. During the week chosen for the survey all beneficiaries in the sample area (they comprised the "large sample") filled out questionnaires by which claimants with the desired characteristics (chiefly

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[11] An estimate for the postwar period puts cyclical unemployment as low as one-sixth of total unemployment; see Clarence D. Long "A Theory of Creeping Unemployment and Labor Force Replacement," an address delivered before the Catholic Economic Association, annual meeting, St. Louis, Mo., Dec. 27, 1960.

[12] A recent ingenious calculation—but one which depends on a number of assumptions—puts the fraction as low as 15 to 20 percent. See Richard A. Lester, "The Economic Significance of Unemployment Compensation, 1948–1959," The Review of Economics and Statistics, November 1960, vol. 42 (349–373), p. 359. This estimate is so low because it includes among lost wages some to which unemployment insurance is not applicable—for example the imputed wages of persons who have no work history—but the inapplicability of unemployment insurance does not destroy but rather enforces the point made above, that unemployment insurance has a limited role to play in the total economy.

[13] Copies of the studies are obtainable from the employment security agencies of the respective States. Separate procedural reports accompany the studies and are obtainable from the same source. A summary analysis of the first six studies which is in preparation by the Bureau of Employment Security was made available to me in its preliminary form (it is subject, therefore, to presumably minor revisions) and supplied some of the materials used here in the description of State and beneficiary characteristics. Comments of Mr. Saul Blaustein and Mr. Daniel Price, both of the Bureau, on an early version of the manuscript were very helpful.

[14] A small sample was dictated by the high unit cost of the intensive interviewing that was required.

[15] The time spent per interview averaged about 3 hours, with a range from 1 to 14 hours, exclusive of time spent in reinterviews of the more difficult cases. Beneficiaries in families required much more time than single beneficiaries.

[16] In the New York study, for example, more than one-fourth of the cases had a balancing difference of over 15 percent.

family size, length of unemployment, and number of earners) could be identified (they comprised the "eligible sample"). It was from this latter group that the sample to be interviewed (the "small sample") was drawn by random selection.

Representative Quality

The question of the representative quality of the samples is of course crucial. The claimants studied are not representative of all claimants everywhere. First of all each study reflected a particular time—of prosperity or recession. And each reflected a particular place with its own pattern of labor-market participation that varied according to industry, occupation, age, and sex. The patterns differed markedly between such places as Tampa, Fla., and Albany, N.Y.

Furthermore only certain classes of claimants were selected. The sample was restricted to claimants who had been unemployed for 6 weeks or more (their average duration of unemployment was about 17 weeks) and who were still drawing unemployment benefits. Not represented therefore were the short-term unemployed and those who had exhausted their benefits. Claimants unemployed for 6 weeks or more represent, on the average, something more than half of all claimants.

Finally only two basic family situations were exemplified—the worker living alone (S) and the four-person family.[17] The families in the sample were limited to those in which only the head or his spouse was an earner. There were therefore three possible family situations: The beneficiary was the primary[18] and only earner (P, 1E); the beneficiary was the primary earner, but he had a working wife (P, 2E); the beneficiary was the wife, a secondary earner (SEC).[19] Obviously there are many other possible family situations: families smaller or larger than four members and families in which members other than husband and wife are employed or drawing unemployment benefits.

These four family situations are well chosen, however, and can be used as points of reference for other beneficiary situations. They are like locations on a globe to which other areas can be referred as being more or less close. For example the primary beneficiary who is the only earner in the family will have about the same experience as the P,1E beneficiaries of the sample—only, if he has fewer or more dependents than three, his experience will be a little less or little more favorable respectively. The primary beneficiary with more than two earners in the family will probably have an experience even more favorable than that of the P, 2E beneficiaries of the sample. Secondary workers other than spouses will most likely resemble the SEC beneficiaries of the sample, only their wages are likely to be even lower, their share of the family expenses even less, and their benefit-wage ratio even higher.[20] In the same way other possible beneficiary situations can be compared to the four basic situations exemplified here. The experience of the very short- and the very long-term unemployed can also be estimated to some extent by comparison with the experience of the medium-term unemployed of the sample.

The two basic family groups to which the samples were restricted—single workers and four-person families—make up about 12 percent and 17 percent respectively of all households in the United States. This provides a rough measure of their relative importance but is not entirely satisfactory because households are not beneficiaries. A better measure is the "large sample" of beneficiaries in the area from which the small sample was drawn and which included families of all sizes. In the cases of Missouri and of Florida about 11 percent of the beneficiaries in the area were single persons and 17 percent were four-person families—almost exactly the same proportions that obtained among households. In the cases of New York and Oregon however the proportions were reversed: 17 percent were single persons and 13 percent were four-person families.[21]

It can be said in general therefore that the two basic family types of the sample represent about 30 percent of the beneficiary universe.

The relative importance of the subgroups (P,1E, P,2E, and SEC) is more difficult to ascertain. The sampling States had the information in their hands when they assembled the "large sample," but only Oregon took advantage of the opportunity and analyzed this benefit universe. The Oregon analysis found that all primary earners (P)—they are roughly equivalent to workers with dependents—made up 58 percent, working wives (SEC) 18 percent, and other secondary workers 7 percent of all beneficiaries. (As already mentioned, workers living alone (S) accounted for 17 percent of all beneficiaries.)

Primary earners who were the only earners in the family (P,1E) accounted for 37 percent of all beneficiaries; primary earners in families where there were other earners accounted for 21 percent.[22] Altogether about 45 percent of the beneficiaries belonged to families with multiple earners; P,2E (about 20 percent), SEC (18 percent), and other working family members (7 percent).

To judge the extent to which the Oregon findings are representative of the national situation, there are available a few bits of scattered data. The States which pay dependents' allowances find that about half of their beneficiaries are primary earners with dependents (the proportion is higher in recession, lower in prosperity). In a survey covering the year 1959, New York found that 63 percent of its male beneficiaries and 23 percent of its female beneficiaries had dependents; of both sexes combined 46 percent had dependents.[23] Michigan, which has a system of dependency allowances, reported that 61.6 percent of all the different beneficiaries in fiscal 1959 were persons with dependents.[24] In a survey of exhaustees, covering the year 1960, Ohio found that 43 percent (40 percent were male, 3 percent female) had dependents.[25]

With respect to families with multiple earners the second New York benefit adequacy study (Utica, 1958), which used a larger and more random sample, found that 61 percent of all beneficiaries had one or more additional earners in the family. The New York study mentioned in footnote 23 found that 58 percent of all families had multiple earners and that about half of all the beneficiaries lived in such families.[26] In the national labor force, of male heads of families, about 30 percent have working wives and another 12 percent have some other working member in the family.[27]

Characteristics of sample beneficiaries other than family status were the result of random selection and reflected closely the benefit universe in the area from which the sample was drawn. Although these areas differed in many ways, the beneficiaries exhibited sufficiently similar characteristics to constitute in some respects a common pattern.

Sex: The single beneficiaries (S) were predominantly male in the Pennsylvania, Oregon, and Missouri samples; in New York females equaled and in the two southern samples they exceeded males. The primary beneficiaries (P) were predominantly male in all the samples except Florida. The secondary beneficiaries (SEC) were almost entirely female in all the samples.

Age: In all the samples the descending order of age was S–P–SEC. The single beneficiaries were older on the average than the family groups. The difference was greatest in the New York sample, where the median age of the single beneficiaries was 58, while that of the family groups combined was only 38. Among the single beneficiaries one effect of their older age was to increase the number among them who, when they were unemployed, were helped by the receipt of private or public pension payments. Of the beneficiaries who lived in families, the primary workers were somewhat older than the secondary workers.

Wages: Over half the beneficiaries in all the samples came from the semiskilled and unskilled classifications, and as a result their average (median) wage in all the samples except in Oregon was lower than that of all covered employees in the State. If the sample beneficiaries are representative of the beneficiary universe in this respect, since lower-wage workers are favored by the benefit formula (they are not stopped by the maximum, and the benefit formula is frequently weighted in their favor) actual beneficiaries probably make out somewhat better than would be deduced from a simple comparison of the average benefit rate in the State with the average wage paid in all covered employment.

Among the beneficiary types, wages followed the descending order of P–S–SEC. Single beneficiaries averaged about one-fifth less and secondary beneficiaries about one-third less than the wages of primary beneficiaries. The single beneficiaries included a high proportion of the very old, the very young, and women—all low-wage earners. The secondary beneficiaries were nearly all women.

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[17] S is shorthand for "single" but does not mean unmarried: It excludes unmarried persons living with their families and includes the few married persons living separated from their families. Because not enough four-person families with the required characteristics were available, New York included a small number of three-person families.

[18] These benefit-adequacy studies used "primary" and "head" as interchangeable terms. Some states adopted a mathematical measure and defined the primary worker as the one who earned half or more of the total family wage. Because all states did not follow exactly the same procedure, there is some unavoidable ambiguity, but it is small and does not affect the very general conclusions to which this monograph is limited.

[19] There were a few cases where the wife was the primary earner and the husband was out of the labor market, but the simplified description above is substantially correct.

[20] The benefit-wage ratio is the proportion of benefits to wages—usually expressed in terms of averages and as a percentage.

[21] The second New York study (Utica, 1958) found the beneficiaries to be distributed in the same proportions as households: 11 percent lived alone and 16 percent lived in four-person families.

[22] This group is not exactly the same as P, 2E because it includes secondary workers other than the spouse of the beneficiary. The real P, 2E figure is slightly lower.

[23] Family Status of Unemployment Insurance beneficiaries, New York State, 1959, (Division of Employment, New York State Department of Labor, Dec. 1960), p. 8.

[24] Michigan Employment Security Commission, Annual Report, 1959, p. 66.

[25] U.S. House of Representatives (87th Cong., 1st sess.), Committee on Ways and Means, Hearings on "Temporary Unemployment Compensation," Feb. 15–17, 1961, pp. 153 ff.

[26] Family Status of Beneficiaries, p. 49.

[27] Bureau of the Census, Current Population Reports, Series P–50, average for recent years.

The "weekly wage" shown in the tables that follow represents an average of the wages received during the beneficiary's most recent period of employment. This recent wage tended to be higher than the average wage of the base period, on which benefits were calculated; it therefore tended to lower the benefit-wage ratio, as is explained later.

Income: Because of the presence of multiple earners in some families the order of incomes differed from the wages for the beneficiary types. Total family incomes followed the descending order of SEC–P, 2E–P, 1E–S. The range of incomes was wide—from the $1,699 of single beneficiaries in South Carolina to the $6,141 of secondary workers in Oregon. These are annual net (after tax) incomes and reflect a year in which there was substantial unemployment.

Benefit formula: The representative character of the samples depends also on the particular benefit formulas used by the sample States. The chief, though not all, the significant elements in the benefit formulas at the time of the surveys are indicated in the following table.

Method of computing benefit	Amount of benefit	
	Minimum	Maximum
Florida, 1/13 to 1/26 of high quarter wages	$8	$26
South Carolina, 1/21 to 1/26 of high quarter wages	8	26
Pennsylvania, 1/26 of high quarter wages	10	30
Missouri, 1/26 of high quarter wages	8	33
Oregon, 1/26 of high quarter wages	15	40
New York, 67 percent to 51 percent of average weekly wage	10	36

The higher the minimum and the maximum benefits, the more liberal the formula. Also the larger the fraction of high-quarter wages used in calculating the benefit amount, the more liberal the formula.[28] Thus, Oregon had the most liberal formula of the sample States in terms of its maximum and minimum benefit amounts but the least liberal in terms of its high-quarter fraction. Three of the States weighted the formula in favor of low-wage earners; the other three did not. (At the time of the surveys the high-quarter formula was used by 39 States and the average weekly wage formula by 4 States. An annual wage formula was used by the remaining eight States. Twenty-four States weighted their formulas in favor of the low-wage earner.)

Sampling variability: The respresentative character of the samples is partly a function of their size. The samples were small, about 300 cases each, with a proportionately large sampling variability. For example when a few beneficiaries made large capital purchases—a house or a car—while unemployed, the average expenditure of their group was notably raised. In South Carolina the beneficiaries spent more on housing during unemployment than during employment simply because the period of unemployment occurred during a colder part of the year. Again for some groups the average income during unemployment was notably raised by the receipt of income-tax refunds—an atypical windfall which occurred only in the spring when several of the studies were conducted.

Scope

The formidable list of limitations on the representative character of the samples (sampling variability was added to differences in beneficiary characteristics, in business conditions, and in benefit formulas) raises the question as to whether any general conclusions may safely be drawn from the studies. The answer is that the various limitations impair but do not destroy the usefulness of the studies. The data suffice for only rough comparisons and for only general conclusions, but they do suffice for that. A few fundamental forces were sufficiently pervasive to show through the heterogeneity of even these small samples and to reveal some striking uniformities of experience. The uniformities are all the more impressive because of their heterogeneous source.

The following analysis concentrates on these uniformities and omits side excursions into the data that are more distracting than instructive. For example, the studies tested correlations between beneficiary experience and the factors of age, sex, level of income, and duration of unemployment. Generally speaking these correlations did not yield clearly significant results and are not discussed here. Omission is an essential technique in the presentation of these studies; otherwise the few clear conclusions that may safely be drawn from the data will be obscured in a plethora of details that make no clear contribution to the central question with which the studies started: Are benefits adequate?

Two other correlations were very significant and are at the core of this analysis. These were the correlations of beneficiary experience with size of family and number of earners in the family. The two factors which, in addition to the size of the unemployment benefit, chiefly determined the economic condition of the family during unemployment were (1) the number of members to be supported and (2) the number who were contributing to that support.

Given the method of sample selection, there were three possible combinations of these factors: a single earner and a single consumer; a single earner and four consumers; two earners and four consumers. The data of some of the samples allow the last combination to be further divided if the beneficiary is the primary or secondary earner in the family. Thus there are four possible beneficiary types, as may be seen in the following diagram in which the code designations explained above are used.[29]

	Single earner	*Dual earners*
Without dependents	S	SEC
With dependents	P, 1E	P, 2E

Tabular presentation of the experiences of these various beneficiary types is simplified in two ways. First, to avoid becoming a discussion of statistical procedure, the analysis omits some of the explanations and qualifications that are given in the original reports.[30] Second, the tables include only the four studies whose format is sufficiently similar to facilitate summarization.[31] These are the studies of Florida, New York, Missouri, and Oregon. The Florida and New York studies reflect periods of prosperity, the Missouri and Oregon studies periods of recession.[32]

[28] One twenty-sixth of high-quarter wages will yield a benefit equal to 50 percent of "fulltime" weekly wages if there has been no unemployment and no overtime in the high quarter. It will yield less than 50 percent if there has been unemployment, more than 50 percent if there has been overtime.

[29] Not all the studies made these distinctions consistently. The earlier studies grouped all primary workers together at the expense of the important distinction between families with single and families with dual earners. Where this distinction cannot be made, as in the case of Florida and New York, the data in the tables are ambiguous: They reflect two kinds of families with significantly different experiences.

[30] A separate procedural report accompanies each study.

[31] The Pennsylvania study was a pilot study, and its findings are reported somewhat differently and less fully. The South Carolina study has industrial and seasonal peculiarities that would require special explanation and yet is not so different from the Florida study as to make its inclusion mandatory. The second New York study (Utica) requires altogether special handling and is discussed in the appendix. The three omitted studies corroborate in every important respect the conclusions which are drawn from the other four studies.

[32] The estimated rates of total unemployment in the sample areas at the time of the interviews were: New York, 3.4 percent; Florida, 4.2 percent; Missouri, 9.2 percent; Oregon, 10.0 percent.

TABLE 1.—*Benefit rate established [1] and benefits received [2] as percent of net wages,[3] by type of beneficiary [4]*

Beneficiary type [4]	A. Benefit rate established [1] (percent)				B. Benefits actually received [2] (percent)			
	Florida	New York	Oregon	Missouri	Florida	New York	Oregon	Missouri
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S	46	54	58	48	30	38	42	41
P, 1E			45	38			35	29
P, 2E	34	45			23	34		
SEC			48	42			35	35
	27	62	58	50	15	44	38	40

[1] Average weekly benefit rate established on basis of wages earned during base-year employment.
[2] Average weekly benefits actually received during period of unemployment. See text (p. 31) for explanation of difference between benefits established and received.
[3] Average weekly gross wages minus income and social security taxes; average relates to most recent period of employment.
[4] See text (p. 30) for explanation of code.

TABLE 2.—*Percent of beneficiaries whose benefit rate [1] was half or more of their gross and net [2] wage, by type of beneficiary [3]*

Type of beneficiary [3]	Florida		New York		Oregon		Missouri	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
S	28	65	51	70	52	79	34	57
P, 1E	(4)	(4)	26	39	20	35	15	26
P, 2E	(4)	(4)			30	49	18	27
SEC	(4)	(4)	64	90	42	79	40	68

[1] Average weekly benefit rate established on basis of wages earned during base-year employment.
[2] Average weekly gross wage minus income and social security taxes; average relates to most recent period of employment.
[3] See text (p. 30) for explanation of code.
[4] There is available only a combined figure for all families. The combined figure for gross wages is 27 percent and for net wages 53 percent.

Analysis of the samples

The tables that follow were constructed to throw light on two main questions: What was the experience of beneficiaries in maintaining their usual standard of living? And how were unemployment benefits related to this experience?

Tables 1 and 2

These tables are preliminary in the sense that they identify the subject which is under discussion. We are asking whether benefits are adequate. In a wage-related program like unemployment insurance this is equivalent to asking whether the proportion of wage loss which is compensated is adequate. Tables 1 and 2 describe in three different ways what that proportion was for the sample beneficiaries.

In table 1, part A describes the benefit-wage ratio (the proportion that benefits are of wages) in terms of benefits established, that is, in terms of the benefit rate to which the beneficiary was legally entitled if he fulfilled all conditions; part B describes the same ratio in terms of benefits actually received. The difference between benefits established and benefits received is the result of the waiting period requirement, delayed filing by beneficiaries, disqualifications incurred, and administrative delays.

Of these various causes only the waiting period is directly relevant to a judgment on the adequacy of the weekly benefit amount provided in the law. The other causes explain why the unemployed person did not receive the benefits established in the law but do not bear directly on whether the weekly benefit amount provided by law is the proper proportion of weekly wages.

As for the waiting period, if the States in the samples had completely abolished it, their action would not have affected the ratios of part B in any significant way. The waiting period was already down to 1 week, while the average duration of unemployment in these samples was about 17 weeks; 1 additional week of benefits would not have raised greatly the average benefit received throughout the period of unemployment.[33]

For our purposes therefore part A is the more significant part of table 1. When we ask whether the benefit-wage relationship is adequate, the benefit we are talking about is the benefit established in law. Nevertheless part B of the table should not be overlooked. Whatever the explanation of the fact, it is a fact that beneficiaries had less to spend than is suggested by part A of table 1 and by tables 2 and 5, all of which use the established benefit rate rather than the benefits actually received. The fact should be kept in mind even if it cannot be related directly to the choice of a benefit formula. Kept in mind, the fact will incline the scale to the side of liberality when the choice is close as between one benefit formula and another. That is, although the choice of a benefit-wage ratio involves only part A directly, the revelation of part B can be an indirect influence on the actual choice made.

Table 1 is in terms of net wages, which do not include taxes or fringe benefits. Taxes and fringe benefits are both properly included in wages when the adequacy of unemployment benefits is being measured by the norm of replaced purchasing power (norm A.2.b.); fringe benefits, though not taxes, are also properly included when the norm being applied is that of economic incentive (norm B.2.). But most taxes certainly and fringe benefits possibly must be excluded when the norm is that of individual need (norm A.1).

Most taxes must be excluded because the only wages that an individual can use to meet his personal needs are his spendable wages. Income taxes clearly must be excluded. Social security taxes are similar to an insurance premium and are properly treated like the cost of fringe benefits. Whether fringe benefits are relevant for the norm of individual need is disputed; the answer depends in part on how one understands the function of unemployment benefits. If one conceives a limited objective for unemployment benefits—for example to meet the beneficiary's main expenditures for a short period—most fringe benefits would not be relevant.[34]

The tables use net wages, but this does not imply a commitment to one side or the other in the dispute. The method of data collection—through budgetary studies—naturally produced net figures. Also the comparisons that were involved—between income and expenditures before and during unemployment—could be carried out practically only in terms of actual, that is, net money flows. Moreover the use of net figures is not incompatible with taking account of lost fringe benefits: It is necessary only to increase the benefit-wage ratio selected as a norm by the amount considered necessary to replace the fringe benefits that the unemployed workers are judged to have lost.[35]

Table 2 presents the data of table 1 in another form. Table 2 shows the proportion of beneficiaries who received benefits that equaled one-half or more of their weekly wage, both gross and net. In this form the data can be compared directly with one of the more widely used criteria of adequacy, namely, that benefits should be equal to half or more of wages for a majority of claimants.[36] Two variations of this criterion were proposed by the Eisenhower administration: up to 1955 the criterion proposed was half of net wages for the majority of beneficiaries; thereafter the criterion was liberalized in three respects and became half of gross wages for the great majority of covered workers.

As judged by the later, more liberal form of the criterion, benefits were seriously inadequate for all classes of beneficiaries. The secondary beneficiaries in New York were a possible exception, depending on what interpretation is given to "great majority."

As judged by the earlier less liberal form of the criterion, benefits were adequate for single and secondary, but not for the primary beneficiaries. Less than half of the primary workers received 50 percent of their net wages. This very significant finding held for all six studies. (It probably held also for the second New York study, in Utica, but directly comparable data are not available.)

The limiting effect of the maximum benefit was the principal reason that more beneficiaries did not receive at least half of their wages. This was especially the case among the higher-wage primary beneficiaries.[37] In all the sample States the maximum benefit was less than 50 percent of the State average gross weekly wage.[38] This meant that any worker who earned a gross wage equal to the average weekly wage in covered employment would receive a benefit that was less than half his wage.

High-wage beneficiaries were not the only ones to receive a benefit that was less than half their wage. Although the benefit formula of all the sample States was calculated to pay at least 50 percent of average full-time wages to all beneficiaries below the maximum, significant proportions of beneficiaries who were below the maximum received less than half of their full-time average wage. One cause of this phenomenon was the method of computing the benefit. In States which used one twenty-sixth of high-quarter earnings as the base on which to calculate the benefit—as in Oregon for example—any unemployment which the beneficiary experienced in his high quarter would lower the average of his high-quarter earnings and thereby lower his benefit.

Another contributing cause was the fact that the average weekly wage used in the denominator of the ratios in table 2 is not the wage of the base period but of the most recent period of employment.[39] Two factors tended to make this recent wage higher than the average wages earned in the base period: The averaging period did not contain any unemployment, and wages were generally rising. Benefits earned in an earlier period of lower wages are therefore being measured against the higher wages of a later period. This makes for a more exacting criterion of adequacy. The criterion is justified to the extent that the objective of unemployment insurance is to prevent too great a fall from the normal standard of living that the beneficiary was enjoying at the time he became unemployed.

If it is assumed that one-half or some other proportion of wages is the correct criterion,[40] there is no need to proceed beyond

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[33] The results of the benefit adequacy studies do not counsel the abolition of the waiting period. There is no evidence that the resources of the beneficiaries were inadequate to tide them over the first few weeks of unemployment.

[34] If for example a worker has health insurance while employed it is probably not practicable to modify the benefit amount sufficiently to restore this lost protection while he is unemployed. (But note what is said above regarding norm B.2.)

[35] For a recent discussion of gross versus net pay, see Lester, "The Economic Significance of Unemployment Compensation," pp. 350–351. In the context of this article, which is concerned almost entirely with the application of norm A.2, and very little with norm A.1, there would seem to be no dispute that the loss of fringe benefits is part of the economic loss caused by unemployment.

[36] Table 2 is less affected than table 1 by a relatively few high-wage earners. Thus, in Oregon, although the average benefit was only 58 percent of the average net wage for single and secondary beneficiaries (table 1), 79 percent of these beneficiaries received at least half of their net wage (table 2). In a discussion which turns on the application of the norm of individual need, table 2 would seem to be the more relevant. For the application of the other positive norm, the maintenance of purchasing power, table 1 is equally or even more significant.

[37] Of the primary beneficiaries who received the maximum benefit the following proportion received less than 50 percent of their net wages: Florida, 60 percent; New York, 81 percent; Oregon, 62 percent; Missouri, 77 percent.

[38] It was 48 percent in Oregon, 40 percent in Missouri and New York, and 39 percent in Florida. It was 48 percent in the second (Utica) New York study.

[39] This period could vary from 6 to 46 weeks. All the beneficiaries of the samples had been employed for at least 6 consecutive weeks before their current unemployment; their current unemployment had lasted at least 6 continuous weeks; and the sample survey extended over a complete year.

[40] In recent years support has been growing for a more liberal proportion, especially if related to net wages. Some social security specialists advocate 50 percent of gross wages because this represents a larger proportion of net wages. The SUB programs pay benefits up to 65 percent of net wages. Labor has proposed a still more liberal criterion. At its 1959 convention the AFL–CIO adopted the criterion that "the weekly benefit amount should replace not less than 65 percent of the individual claimant's full-time weekly wage." According to the AFL–CIO "this wage replacement principle should be observed for all but those few with highest earnings."

table 2. However if one wishes to investigate the correctness of the assumption that this or some other proposed proportion is the correct proportion, it is necessary to proceed further and ascertain how the claimants who received these proportions of their wages actually fared.

Table 3

This table permits the application of a second criterion of benefit adequacy, namely that beneficiaries should not experience "too much hardship" when unemployed. Table 3 measures the effect of unemployment on the beneficiaries' customary standard of living and on their assets. It shows the extent to which their expenditures declined during unemployment (cols. 2.5) and the proportion of their diminished expenditures that was in excess of income and therefore represented a worsening of their net-asset position (col. 6).

These were the expenditures of four-member families, it should be recalled, for all except the single beneficiary. The items of greatest expenditure during both employment and unemployment were food, housing, and transportation—in that order. Single and primary beneficiaries, who had a lower family income than SEC beneficiaries, spent a slightly larger proportion of their income on food than did the SEC group.[41]

In the Florida and New York studies, which reflect periods of prosperity, the beneficiaries maintained their expenditures, both total and nondeferrable, at almost normal levels. In these two States total expenditures declined by only about 5 percent on the average. Indeed the S and SEC beneficiaries in New York actually increased their average expenditures during unemployment. About half the beneficiaries in these two classes decreased their expenditures, but by so little that the purchase of a car by one of the single beneficiaries and of a house by one of the secondary beneficiaries was sufficient to raise the average of the entire group above what it was during employment.

TABLE 3.—*Average monthly expenditures during unemployment: Amount, percent change, and percent in excess of income for total and nondeferrable [1] expenditures, by type of beneficiary [2]*

State sample by beneficiary type [2]	Amount of expenditures		Change in expenditures [3] (percent)		Expenditures in excess of income [4] (percent)
	Total	Nondeferrable [1]	Total	Nondeferrable [1]	
(1)	(2)	(3)	(4)	(5)	(6)
Florida:					
S	$143	$94	−7	−6	40
P	277	188	−5	−3	57
SEC	395	231	−4	−5	19
New York:					
S	230	126	+6	−6	42
P	350	224	−10	−7	45
SEC	555	333	+10	+12	23
Oregon:					
S	$194	$121	−15	−14	28
P, 1E	302	184	−25	−26	39
P, 2E	437	256	−18	−19	33
SEC	526	305	−9	−7	16
Missouri:					
S	201	113	−17	−17	42
P, 1E	312	196	−20	−17	43
P, 2E	371	213	−19	−17	18
SEC	472	273	−9	−6	12

[1] Includes expenditures for food, housing, clothing, and medical care.
[2] See text (p. 30) for explanation of code.
[3] Difference between expenditures during employment and unemployment as percent of expenditures during employment.
[4] Difference between (total) expenditures and income during unemployment as percent of (total) expenditures during unemployment.

What these data indicate is that unemployment during the prosperous period 1956–57 had little effect on the consumption levels of the average beneficiary in States as different in their economies and benefit provisions as Florida and New York.

In the Oregon and Missouri studies, which reflect periods of recession, the cut in expenditures was much greater; on the average it was more than twice as great. It was especially large for the primary worker with no other earner in the family (P, 1E). Even in recession, however, the decline in expenditures was slight for the SEC group.

The category of nondeferrable expenditures might be expected to exhibit a smaller decline than that of total expenditures, but in fact both followed the same pattern. The detailed tables of the full reports show that no one category of expenditures was selected for heavy cutting; mild cuts were made across the board.

What explains the relatively small decrease in total expenditures during unemployment? The principal explanations—in addition to the obvious but fundamental one that people do not easily abandon an accustomed standard of living—seem to be four: unemployment benefits, other sources of income, obligations of the beneficiaries, expectations of the beneficiaries.

Benefits for single beneficiaries amounted to about two-thirds of available income in Florida and New York and accounted for an even larger proportion in Oregon and Missouri. In all surveys, benefits averaged more than 50 percent of family income for P, 1E beneficiaries, about 40 percent for P, 2E beneficiaries, and about 20 percent for SEC beneficiaries.

Other sources of income included pensions (this was a relatively more important source in the case of the single beneficiaries, whose average age was much higher than that of the other groups), the wages of a working spouse (this was confined to the P, 2E and SEC groups), tax refunds (these occurred in the States where the interviews took place in the spring), and the last-ditch sources of dissaving and borrowing. The availability of charge accounts facilitated borrowing.

Many of the beneficiaries were under the necessity of making installment payments on previous purchases. To meet the payments, they drew on savings and borrowed cash. (The average beneficiary was not a spendthrift—while employed all beneficiary classes saved, that is, spent less than their income.)

Many of the beneficiaries had expected their unemployment, the secondary beneficiaries most frequently and the primary beneficiaries least frequently. There is some evidence that the beneficiaries who expected their unemployment made an anticipatory downward adjustment in their standard of living; hence when unemployment actually arrived, they did not have to cut their expenditures so much as they would otherwise have had to do. Expectations of reemployment may also have affected beneficiary expenditure. The beneficiaries of Florida and New York, who reduced their expenditures less than did beneficiaries in Oregon and Missouri, were probably influenced by the expectation that in the normal course of events they would soon be reemployed.

The figures in table 3 are averages and cover wide individual differences. The Oregon study provides some detailed information on just how wide the range of differences was. The key item of food may be taken as an example. The range of monthly expenditures on food in the Oregon sample was as follows:

	Before unemployment	During unemployment
S	$19–$411	$14–$141
P, 1E	35– 205	15– 274
P, 2E	27– 308	13– 319
SEC	63– 341	35– 210

The Oregon survey contains no explanation of these extremely low figures of expenditures for food during times of both employment and unemployment. Some of the beneficiaries may have lived on farms or had gardens; others may have secured some surplus food from relief agencies. But, obviously, individuals who spent less than $20 per month and families of four who spent less than $40 per month on food during employment will not spend much on food during unemployment, no matter what the unemployment benefits may be. That these expenditures in the lower ranges are not confined to isolated cases may be seen by looking at quartiles. For the beneficiaries in the lowest quartile the ranges of monthly expenditure on food in the period before unemployment were as follows: S: $19–$40; P, 1E: $35–$80; P, 2E: $27–$100; SEC: $63–$100.

As measured by the criterion of a percentage reduction in expenditures, who experienced the greater hardship—the lower or the higher income beneficiaries, the younger or the older beneficiaries, the shorter or the longer unemployed beneficiaries? The answer seems to be that there was no difference. The data reveal no significant correlation between relative reduction of expenditures during unemployment and the factors of income, age, or even duration of unemployment. If the absence of correlation is not

[41] Expenditures on food as a percentage of all expenditures during unemployment for the beneficiary classes of S, P, and SEC were as follows: Florida: 35, 39, 31; New York: 25, 31, 24; Oregon: 29, 29, 25; Missouri: 26, 29, 25.

simply the result of sampling variability, it indicates that the unemployed of all income levels, of all ages, and of all durations of unemployment make an equal endeavor to maintain their customary standards of living and experience about the same relative success.

Not all the expenditures made during the period of unemployment were supported by current income, and to that extent the decline in expenditures fails to measure the full burden borne by the unemployed. Column 6 of table 3 fills out the picture by indicating the extent to which beneficiaries had to draw on savings, sell assets, borrow, or accept assistance in order to maintain the level of expenditures shown in columns 2 and 4. Column 6 is probably the most revealing single measure of hardship.

The proportion of expenditures thus financed amounted to about 40 percent for workers with dependents, and almost as much for single workers. The proportion was considerably less for the families of unemployed secondary workers—on the average about 17 percent. The SEC families thus not only maintained a higher standard of living but did so with a lesser drain on their resources.

Table 4

Table 4 is in a sense an expansion of column 6 of table 3. It specifies some of the many adjustments that beneficiaries had to make while unemployed.[42] The most common type of adjustment was to draw down savings (cols. 2, 3, and 4), but a significant proportion of the beneficiaries also made the more drastic adjustment of going into debt (cols. 5, 6, and perhaps 7). The general picture is not one of catastrophe but is definitely one of considerable strain. The beneficiary with dependents who was a lone earner in the family (P, 1E) was under the greatest strain. The exceptional case of the single beneficiaries in Florida reflects an abnormal proportion of low wage, older, seasonal workers. The difference that a recession can make is clear in the experience of Oregon and Missouri as compared with the other States.

TABLE 4.—*Percentage of beneficiaries making indicated adjustments to unemployment, by type of beneficiary* [1]

State sample by beneficiary type [1]	Decreased savings	Exhausted savings	Cashed securities	Borrowed money	Increased debt to stores	Received help from friends	Received cash relief	Received relief in kind
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Florida:								
S	34	16	12	17	(2)	(2)	(2)	18
P	16	6	2	25	(2)	(2)	(2)	2
SEC	2	0	3	28	(2)	(2)	(2)	2
New York:								
S	24	2	5	8	31	8	0	3
P	30	5	11	11	59	29	7	7
SEC	29	2	7	10	42	7	0	3
Oregon:								
S	33	5	4	15	26	12	2	2
P, 1E	42	11	8	32	53	32	7	5
P, 2E	33	8	6	39	46	13	0	1
SEC	34	3	8	46	47	16	5	3
Missouri:								
S	44	10	35	5	(2)	20	0	1
P, 1E	60	17	47	13	(2)	43	5	9
P, 2E	71	4	20	19	(2)	28	2	5
SEC	47	4	46	11	(2)	10	5	1

[1] See text (p. 30) for explanation of code.

[2] Not available.

The unemployed made other adjustments besides those listed in table 4. For example they let payments on insurance lapse, sold some of their possessions, and postponed health care. Some persons do not appear among those who decreased or exhausted their savings only because they had no savings to start with. One gets the strong impression that many among the primary and single earners felt the effects of their unemployment for a long time after they went back to work—as they paid off debts, bought back possessions, and restored savings.

Columns 8 and 9 are of particular interest. One of the earliest proposed criteria of adequacy was that benefits should be sufficient to keep the unemployed "off relief." By this norm benefits were fairly adequate for all classes except in the abnormal case of the single beneficiary in Florida. On the average less than 5 percent of all beneficiaries received relief in kind and an even smaller percentage received cash relief. The two percentages cannot be simply added because some of the same persons probably appear in each column. It is possible further that some of the families who received relief while the beneficiary was unemployed had received relief also while he was employed. A reasonable estimate might therefore be that 5 percent or less of the beneficiaries had to seek public relief because of unemployment.[43]

[42] The percentages in table 4 are not additive. Many of the beneficiaries made more than one type of adjustment.

[43] This general conclusion is supported by two recent studies, each of which found that only about 2 percent of the long-term unemployment insurance beneficiaries appeared on the relief rolls. (See "Exhaustions of UC Benefits and Public Assistance Cases Opened Because of the Loss of UC Benefits," by the Pennsylvania Governor's Advisory Committee on Unemployment Compensation, 1959; see also "Debts and Dependency" in A Case Study of a Permanent Plant Shutdown, Special Committee on Unemployment Problems, U.S. Senate, 86th Cong., Dec. 21, 1959.)

Table 5

A criterion of adequacy that is given a prominent place in the sample studies is the criterion of nondeferrable expenditures. Benefits are adequate according to this criterion if they suffice to meet expenditures that cannot be postponed even during unemployment.

This criterion attempts to combine the advantages and avoid the limitations of the "portion of wages" and "undue hardship" criteria. The "portion of wages" criterion is definite, but since it accepts a given fraction of wages without inquiring whether the resultant benefit is enough or too much or too little to accomplish the objectives of the program, it lacks significance. On the other hand, although the "undue hardship" criterion has significance—it is expressed directly in terms of the program's objectives—it is indefinite.

The criterion of nondeferrable expenditures has significance. It enunciates a clear concept of unemployment insurance, one which sees benefits as a short bridge between suitable jobs for regular members of the work force. It is also definite; it includes only specified items of expenditure. Thus the criterion of nondeferrable expenditures is somewhat less mechanical and arbitrary than "portion of wages" and somewhat more definite than "undue hardship."

But only somewhat so. The notion of "nondeferrable" is elastic and can be given many meanings. In order to reduce the indefiniteness, one must make a choice among items of expenditure and say, "These are not postponable, even in unemployment." The choice is necessarily somewhat arbitrary. In the studies under analysis here, four items were selected as being nondeferrable: food, housing (utilities are included), clothing, and medical care.[44]

[44] Food and shelter clearly belong in any definition of nondeferrable expenditures. The Bureau of Employment Security proposed this as a minimum definition in its 1947 document, "Unemployment Insurance Legislative Policy." New York's Joint Legislative Committee on Unemployment Insurance adopted this definition in 1951, perhaps following Michigan's lead of several years earlier. What items of expenditure, if any, beyond food and shelter should be included in the definition is open to debate. An alternative and perhaps more logical criterion, "recurrent expenditures," was used in the second New York (Utica) survey. (See appendix, p. 62.)

Table 5 supplies a number of ratios useful for measuring the adequacy of benefits by the criterion of nondeferrable expenditures. Column 2 indicates what should be the ideal relationship between the benefit rate and the beneficiary's wage. If benefits are to be sufficient to meet nondeferrable expenditures, then benefits should have the same relation to wages that nondeferrable expenditures have. This "ideal" ratio may be compared with the actual ratios of table 1–A. Thus if 52 percent of the net wages of the single worker in New York is needed for his nondeferrable expenditures (table 5, col. 2), then his benefit should be 52 percent of his wage; according to table 1–A his benefit was actually 54 percent of his net wage and therefore adequate.

Essentially the same comparison is made in column 3 of table 5 and may be studied more conveniently there. Ideally the benefit rate should equal 100 percent of nondeferrable expenditures. According to this criterion the benefit rate of the single worker was adequate but that of the other beneficiary types was not. And apparently the benefit rate of the secondary worker was the least adequate.

This last conclusion calls for investigation. If we take it at its face value, it leads to an obviously incorrect conclusion. In New York for example the benefit rate of the secondary worker was only 36 percent of her family's nondeferrable expenditures; must we conclude that her benefit should have been three times as large as it was? That instead of 62 percent of her net wage (table 1, col. 3), she should have received 171 percent (table 5, col. 2)? Obviously not, and the explanation is to be found in column 4 of table 5.

TABLE 5.—*Selected ratios[1] bearing on the criterion of nondeferrable expenditures,[2] by type of beneficiary*

State sample by beneficiary type	NDX [2]/Wage [3]	Benefit rate [4]/NDX [2]	Wage [3]/Income [3]	Benefit rate [4]/NDX Adjusted [5]	Beneficiaries entitled to maximum benefit [6]
(1)	(2)	(3)	(4)	(5)	(6)
Florida:					
S	50	91	96	95	21
P	62	55	91	60	67
SEC	72	37	71	52	24
New York:					
S	82	103	90	114	46
P	70	[7] 63	80	79	51
SEC	171	36	36	100	12
Oregon:					
S	51	107	91	118	42
P, 1E	51	83	88	94	74
P, 2E	73	64	67	96	80
SEC	149	38	34	112	11
Missouri:					
S	45	100	94	106	49
P, 1E	57	66	83	80	73
P, 2E	68	62	65	95	76
SEC	125	40	38	105	33

[1] All ratios are expressed in percentages.
[2] Expenditures for food, housing, clothing, and medical care during period of unemployment; coded NDX in table. Monthly average in col. 2, weekly average in cols. 3 and 5.
[3] All wage and income data are net (less income and social security taxes) and are a monthly average of the period immediately preceding unemployment.
[4] Weekly average benefit rate established by beneficiary.
[5] The adjusted NDX bears the same ratio to NDX as the beneficiary's wage bears to the total family income.
[6] Beneficiaries entitled to the maximum benefit rate ($26 in Florida, $36 in New York, $40 in Oregon, $33 in Missouri) as percent of all beneficiaries.
[7] For this 1 item data are available separately for P, 1E (67 percent) and P, 2E (59 percent).

The level of expenditures in the secondary worker's family was determined not only by her wage but by the total family income, which included the wages of her husband. Except in Florida,[45] the wage of the secondary worker accounted for only about one-third of the family's total income. Her unemployment benefit therefore cannot properly be expected to equal the whole of the nondeferrable expenditures of the family but only that portion which may plausibly be attributed to her contribution to the total family income.

This distinction has its chief application in the case of the secondary worker but is valid for the other beneficiary types as well. In strict logic, since unemployment benefits are calculated on the basis of previous wages earned, they should be expected to sustain only that proportion of nondeferrable expenditures which the beneficiary's wages sustained while he or she was employed. Presumably that proportion is given by the ratio of the beneficiary's wage to the family income. The proportion is shown in column 4 and is used to produce column 5.

A much more favorable picture of benefit adequacy appears in column 5 than in column 3. The improvement is especially marked for those family groups which had more than one earner (P, 2E and SEC), but it extends to all the beneficiary types. As measured by this adjusted norm, the average single worker and the average secondary worker in all cases except in Florida were entitled to a benefit that sufficed to meet their nondeferrable expenditures. Workers with dependents however (P, 1E and P, 2E) fell short of even this adjusted norm. On the average their benefit rate was about 80 percent of the amount needed to meet their nondeferrable expenditures. To be adequate, their benefit rate would have had to be increased by about one-fourth.

One reason for the adverse experience of the primary beneficiaries was clearly the limiting effect of the maximum benefit. Column 6 of table 5 shows that a much larger proportion of primary than of other classes of beneficiaries was eligible for, and to some extent was stopped by, the maximum benefit. The most striking example is to be found in Oregon, where only 11 percent of SEC beneficiaries but 74 percent of P, 1E beneficiaries and 80 percent of P, 2E beneficiaries were affected by the maximum. Since the average wage of the primary beneficiaries was higher than that of the other groups, a higher maximum benefit would have been especially helpful to this group, which by every criterion experienced the greatest hardship while unemployed.

All the data in table 5 are averages and subject to the limitation of averages. It would have been helpful if the studies had reported more fully on the distribution around these averages. It would have been useful to know for how many and by how much and why benefits exceeded or fell short of nondeferrable expenditures. It is possible of course that even if we had such detailed knowledge, we should be able to make only limited use of it. Since a social insurance program is necessarily geared to averages, it is limited in the extent to which it can take cognizance of exceptional cases. In the main, the provisions of the program must have in view the average experience of the average beneficiary. (The chief exception to this rule occurs when significantly large groups of beneficiaries can be identified, each of which has its own typical experience and therefore its own average.)

The City Worker's Family Budget

An alternative method of calculating the "proper" amount to be allotted for nondeferrable expenditures is to take, not what beneficiaries actually spend, but what some "representative family" spends. The most likely candidate for this title is the family described the City Worker's Family Budget.

The family whose expenditures are detailed in this budget is a family of four in which the husband in 38 years old, the wife is not employed, and there is a boy aged 13 and a girl aged 8. They live in a rented dwelling in the city or the suburbs. The budget suffices for a "modest but adequate" level of living. The level may be judged from the fact that the families living at this level have an income 15 to 20 percent below the average 1959 income of all families of this type (that is, four-person, one-earner families in large cities).[46]

Among the 20 cities for which this budget was costed were Portland, Oreg., and St. Louis, Mo. It is possible therefore in the case of two of the beneficiary studies to institute a comparison between the expenditures of this representative family and the corresponding class of beneficiaries.

The only beneficiary class which corresponds to the family of the CWFB is the P, 1E class. The actual weekly expenditures of P, 1E beneficiaries on the so-called nondeferrable items (food, housing, clothing, and medical care) amounted to $43 in Portland and $45 in St. Louis. The same items in the CWFB cost $69 in Portland and $72 in St. Louis.[47] The average weekly benefit rate of P, 1E beneficiaries was $38 in Portland and $31 in St. Louis. (The maximum benefit rates available were $40 and $33 respectively.) Thus, although the beneficiaries spent much less than the CWFB allows for a "modest but adequate" level of living, their unemployment benefits were not sufficient to support even the lower standard of living. Even those who received the maximum benefit did not receive enough to purchase these items at the level of the CWFB.

An important qualification should be pointed out here. The sample beneficiaries came from a lower than average wage group, as noted earlier. As a result they lived on a lower level than that of the CWFB family even while they were employed. The average monthly expenditures in the CWFB for all items, that is, total outlay, was $429 in Portland and $437 in St. Louis. But the total outlay of the P, 1E beneficiaries in those two cities was only $405 and $388 respectively. This was while they were employed; while they were unemployed, they spent only $302 and $312 respectively. If the beneficiaries did not live at the level of the CWFB when they were employed, they could scarcely be expected to do so when they were unemployed. The comparison does suffice however to bring out that the average P, 1E family was far from living comfortably while the breadwinner was unemployed.

The State of Michigan has used—if not officially, at least in fact—the City Worker's Family Budget to set maximum benefits. The plural must be used because Michigan has a system of "variable maximums," whereby higher maximums are available to some beneficiaries, according to the number of their dependents. Each claimant is eligible for 50 percent of his wages up to that maximum which suffices to cover the cost of food and housing in the City Worker's Family Budget for his size of family. In 1958 the maximums in Michigan varied from $30 for

[45] As indicated before, the Florida situation was exceptional. Work for women abounded in the seasonal industries, especially in citrus processing plants, and there was a disproportionate number of women among the beneficiaries. Only 36 percent of the beneficiaries from four-person families were heads of families, and the average wage of the nonheads was higher than that of the heads in the same families.

[46] For a full description of this budget, see Bureau of Labor Statistics, Bulletin 927, City Worker's Budget in the United States (Washington, D.C., 1948). An interim revision of this budget was published in the Monthly Labor Review for August 1960, pp. 785–806. The figures used in this monograph are from the revised budget.

[47] The CWFB figures have been adjusted downward to reflect the approximately 3 percent rise in the consumer price index between 1957 and 1959, the respective periods to which the beneficiary samples and the CWFB refer.

the claimant with no dependents to $55 for the claimant with four or more dependents. If Missouri and Oregon had set their maximum benefits by this criterion at the time the samples were taken, the maximum benefits available to the primary beneficiaries would have been much higher than they were. Instead of $33 in Missouri and $40 in Oregon, the maximum benefit for this group would have been $55 in Missouri and $53 in Oregon (these were the food and housing costs of the CWFB in St. Louis and Portland respectively).

III. SUMMARY AND CONCLUSIONS

The scope of this analysis was doubly limited. It considered only one of the several aspects of benefit adequacy (the adequacy of the benefit amount) and used only one of the several norms (the norm of individual need) that relate to the benefit amounts.

The analysis applied this norm to the findings of six sample studies of beneficiary experience. The samples were small, the universes from which the samples were drawn varied widely, and the data sought—detailed financial accounts covering an entire year—were difficult to gather accurately. The findings of such studies support general conclusions only to the extent that the uniformities of experience were very marked. Even then they can be used only for rough, not precise, deductions. However the uniformities that do occur are the more significant precisely because the opportunity for random variation was so great.

To measure the adequacy of the benefits received by the sample beneficiaries, the analysis applied four criteria of adequacy—two only incidentally.

Were benefits adequate to keep the beneficiaries off relief rolls? They were. This is the general picture given in table 4 for all classes of beneficiaries in all the samples.

Were benefits adequate to replace half of wages for the beneficaries? Oddly enough, except for these studies there has been a paucity of evidence on this point. It is odd because this ratio has been the most commonly used criterion of adequacy, and the necessary information is fairly easily obtained. Tables 1 and 2 present the evidence secured by these studies.

With respect to the average beneficiary (table 1–A), benefits were adequate for the single worker in New York and Oregon and for the secondary worker in all the surveys except in Florida. None of the primary workers received benefits that were adequate by this criterion.

With respect to the majority of beneficiaries (table 2), benefits as a proportion of gross wages were adequate only in the case of single workers in New York and Oregon and in the case of secondary workers in New York; for all other beneficiary classes, in all the samples, benefits were inadequate. In terms of net wages, benefits were adequate for workers without dependents (S and SEC) in all the samples but were not adequate for workers with dependents, (P, 1E and P, 2E) in any of the samples.

As explained earlier, the data of tables 1 and 2 are not so much answers to the question "Are benefits adequate?" as they are descriptions of the benefits about which the question is being asked. This analysis has sought to determine whether such benefit-wage ratios as are exemplified in tables 1 and 2 produce adequate benefits.

Were benefits adequate to protect the average beneficiary from undue hardship during unemployment? An answer was given in general terms (table 3) by indicating the extent to which beneficiaries cut their expenditures and made painful adjustments to avoid cutting expenditures further. In periods of normal unemployment even these beneficiaries, who were unemployed longer than the average (the average duration of their unemployment was about 16 weeks), managed to maintain a level of expenditures very close to their usual standard of living. The average reduction in total expenditures for all beneficiary types was only about 5 percent. Periods of recession however brought larger reductions in the case of all except secondary workers, and families with only one earner (P, 1E) had to lower their living standards by about 23 percent.

Expenditures during unemployment were maintained to some extent only by drawing down net assets. The average excess of expenditures over income during unemployment ranged from 18 percent for secondary workers to 46 percent for P, 1E families (table 3, column 6). Most beneficiaries had to make multiple adjustments in their living conditions (table 4), and again it was the primary beneficiaries who had to make the most numerous and the most drastic adjustments. Unemployment would continue to have significant effects for some of these families even after the beneficiary returned to work.

The description of beneficiary experience given in tables 3 and 4 does not of itself determine whether the hardship encountered was "undue." But one who was unable to say antecedently what he meant by "undue" hardship might be able to say after viewing the actual experience recorded in the tables that the hardship was or was not undue. The tables at least make explicit what norm is being used when one says that benefits are or are not adequate to prevent undue hardship. Further—a very important fact—they make clear that the degree of hardship experienced during unemployment varies in a systematic way among beneficiary classes.

Were benefits adequate to meet the "nondeferrable expenditures" of the average beneficiary? This is a more specific form of the previous general question. The answer is contained in table 5, column 5. Except in Florida, the benefit rates of the average S and SEC beneficiaries (workers without dependents) were adequate to meet their share of the family's nondeferrable expenditures. The benefit rates of the primary beneficiaries, however, were not adequate in any of the surveys. To meet this criterion, the benefit rate of the primary earners would have had to be increased as follows: in Florida by 66 percent (an atypical figure traceable to special local conditions); in New York by 27 percent; in Oregon by 6 percent for P, 1E and by 4 percent for P, 2E; in Missouri by 25 percent for P, 1E and by 5 percent for P, 2E.

In the light of the beneficiary experience just summarized, what conclusion can be drawn regarding the validity of the criterion that benefits should equal half of wages for the average beneficiary? Expressed in very general terms, the conclusion seems to be justified that the average beneficiary needs to receive a benefit that is equal to at least half his net wage, but he probably does not need to receive a benefit equal to half his gross wage. The justification for this conclusion is most conveniently presented by contrasting the experience of beneficiaries with and without dependents.

The average S and SEC beneficiary in all the surveys except that of Florida received benefits that were at least 50 percent of net wages. As measured by the criterion of nondeferrable expenditures these benefits were adequate. As measured by the criterion of a decline in expenditures, these benefits were clearly adequate in times of normal unemployment for both S and SEC beneficiaries, but in times of abnormal unemployment were clearly adequate only for SEC beneficiaries. As measured by the criterion of a decline in assets, these benefits would perhaps be judged adequate for the SEC beneficiaries (their decline averaged 18 percent) but would probably be judged inadequate for the S beneficiaries (their declines averaged 38 percent).

To the extent that these benefits are judged adequate, it follows that 50 percent of net wages is sufficient, and therefore that 50 percent of gross wages is not necessary. However, to the extent that these benefits are judged inadequate, it follows that more than 50 percent of net wages, perhaps 50 percent of gross wages, is necessary.

The average primary beneficiary in all the surveys received a benefit that did not equal 50 percent of net wages. As measured by the criterion of nondeferrable expenditures these benefits were inadequate. As measured by the criterion of a decline in expenditures, these benefits were clearly adequate in times of normal unemployment (the average decline was 8 percent), but might be judged inadequate in times of abnormal unemployment (the average decline was 21 percent). As measured by the criterion of a decline in net assets, these benefits would probably be judged inadequate in all the surveys (the decline averaged 42 percent).

Since the benefits received by the primary beneficiaries nearly equalled 50 percent of net wages and yet were inadequate, the conclusion follows that benefits for the average primary beneficiary should certainly equal at least 50 percent of net wages and perhaps should equal a higher percentage.

The simple question "Are benefits adequate?" proved to have a complex answer: Benefits were adequate by some criteria but not by others, and were adequate for some classes of beneficiaries but not for others.

The simple question "What should be done to make benefits more adequate?" involves an equally complex answer, only part of which could be supplied by the benefit adequacy surveys even if they were perfectly representative of the beneficiary universe and even if they had been reported fully. Factors peculiar to each State enter into the final choice of a concrete benefit formula—not only each State's industrial character and the consequent composition of its labor force but also the provisions of its unemployment insurance law, especially those governing eligibility and disqualification.

A less incomplete answer would be possible if the studies had reported more fully on some of the fundamental data available in the questionnaires. Especially useful would have been detailed information on those beneficiaries for whom benefits were inadequate by the criterion of nondeferrable expenditures. Were benefits inadequate for these particular beneficiaries (how many of them were there?) because their wages were high relative to the maximum benefit? or because they had more unemployment in their base period than was allowed for by the high-quarter fraction? or because their wages were too low for any practical fraction, any fraction must operate within the limits imposed by norm B.2) to produce an adequate benefit? Or because their wages, and therefore their standard of living, had risen between the time when they "earned" their benefits (their base period) and the time when they became unemployed? This kind of information would have been useful for choosing between such remedies as raising the maximum, increasing the high-quarter fraction, weighting the benefit formula, and bringing the base period closer to the time of unemployment.

Although the studies do not constitute a complete blueprint for the improvement of benefit adequacy, they do provide guidance. Some findings were so uniform that they clearly supply the basis for general conclusions. It seems fairly clear, for example, that the maximum benefit should have been higher in all the sample States. The limit-

ing effect of the maximum was one of the chief reasons that benefits did not meet the norm of nondeferrable expenditures.

Although the studies do not suffice to determine the exact amount of the "right" maximum benefit, they lend strong support to the standard recommended by the 1961 Unemployment Compensation Programs and Operations Committee of the Interstate Conference of Employment Security Agencies. The committee recommended that the maximum benefit in every State should equal at least 50 percent of the State's average gross covered wage.

This standard was not met fully by any of the sample States and was approached closely by only two of them (see footnote 38). In the case of the Utica survey, however, a maximum that equalled 48 percent of the State's average gross covered wage resulted in a generally adequate system of benefits.

These adequacy studies also establish clearly that the two principal determinants of the relative hardship experienced by beneficiaries during their unemployment are the number of earners and the number of dependents in the family. Any benefit formula will produce the more adequate benefits the more accurately it is adjusted to reflect these two factors.

Even if it were practicable to adjust benefits to take account of the number of earners in a beneficiary's family, it would hardly be desirable. The unemployment insurance program is geared to relative need. Its objective is to help prevent the beneficiary from falling "too far" below the standard of living he enjoyed just prior to his unemployment. Since the earnings of the other members of the family helped to establish the (higher) living standard when the beneficiary was employed, then earnings should be allowed to contribute to the accustomed level when he is unemployed.

It is entirely feasible however and would seem to be desirable to adjust benefits to aid beneficiaries with dependents.

The position of primary beneficiaries could be improved significantly simply by increasing the maximum benefit. Because the primary earners are concentrated at the maximum benefit to a greater extent than are the others, an increase in the maximum would help the primary group more than the others and would diminish the discrepancy between the groups. Moreover since there is some positive correlation between size of family and wage of family head, the beneficiaries with the largest families would be helped most.[48]

However, a simple increase in the maximum will not reflect adequately the clearest lesson taught by the sample studies, namely, that the needs of the two groups—those with dependents (P) and those without dependents (S and SEC)—differ significantly. Any benefit that is proportioned to the needs of the one group will not be proportioned to the needs of the other. Since the beneficiary universe is about equally divided between these two groups, any benefit structure that does not distinguish between them will be inappropriate for half the beneficiaries.

In addition to possibly raising the maximum for all beneficiaries, some more selective device is needed to help the primary beneficiaries especially. Such a selective device is some form of dependents' allowances. This device has the greatest effect on adequacy at the least cost—a consideration of importance from the viewpoint of the principle of subsidiarity, which requires that Government intervene to the extent that there is need but not beyond.[49]

A system of dependents' allowances may take one of three forms. It may be a flat sum added to the basic benefit for each dependent[50] or it may be a larger proportion of wages paid to beneficiaries with dependents. The latter method, which would seem to be more in keeping with a wage-related system, may in turn take two forms. Beneficiaries with dependents may be paid a larger proportion of their wage at all benefit levels,[51] or they may be paid the same proportion as other beneficiaries but up to a higher maximum. This last is the so-called system of variable maximums.[52] The first method (flat allowances) stresses the social element most and the insurance element least; the third method (variable maximums) reverses these emphases; and the second method (variable percentages at all benefit levels) falls somewhere between the two.

Labor is inclined to look with coolness on the method of variable maximums. Labor claims that, as the system works in practice, the high maximums of the primary workers are used as a political argument to keep the maximum of the other workers "too low." To the extent that this is true, it would have the effect of reversing the findings of the adequacy studies: Benefits would be adequate for the primary earner but not for the other beneficiary groups. This situation might represent an improvement over that depicted in the adequacy studies but still would not be satisfactory.

A test could be made of the extent to which labor's fears are justified by conducting a sample study of benefit adequacy in Michigan or Illinois.[53] One serious lack of the seven studies that have been completed thus far is that they do not include a sample drawn from a State with dependents' allowances. In order to see how such allowances affect adequacy, it would be desirable to draw at least two more samples: one from a State like Massachusetts, which uses flat dependency benefits, and one from Illinois or Michigan, both of which use variable maximums.

A single-sentence summary of the benefit adequacy studies might well be that despite all their limitations they provide a better view of the actual beneficiaries for whom the program exists and, therefore, a better measure of the worth of the program than was ever available before.

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[48] There is also some positive correlation between size of family and number of earners in the family; hence the experience of the beneficiaries with the largest families would resemble that of the P, 2E rather than that of the P, 1E type.

[49] Arthur Altmeyer, the first Commissioner of Social Security, in effect used this principle when he told the Federal Advisory Council on Jan. 8, 1953: "What we try to do in social insurance is to provide the maximum amount of protection against the loss sustained at a minimum cost. So dependents' allowances is a way of providing a maximum amount of protection at a minimum cost."

[50] This is the system used by nine States: Alaska, Connecticut, District of Columbia, Maryland, Massachusetts, Nevada, Ohio, Rhode Island, and Wyoming.

[51] This was formerly the proposal of the CIO; see Unemployment Insurance, CIO Guidebook No. 2 (September 1952), p. 9. Since the merger of the CIO and the AFL this objective seems to have been abandoned.

[52] This method rests on the same logic as does the maximum itself: The maximum is set at that amount which is judged sufficient to meet essential needs; but different size families have different needs; therefore beneficiaries with varying size families are allowed to draw the generally prescribed proportion of their wages, say, 50 percent, up to correspondingly higher maximums. It is used by three States: Michigan, Illinois, and Iowa.

[53] In Illinois and Michigan in the period covered by the adequacy studies, the maximum benefit for workers without dependents was only $30. Since this is a lower maximum than that provided by Missouri, New York, and Oregon, the beneficiaries without dependents probably received less protection than those in the sample States, and their benefits may have been inadequate by the criterion of nondeferrable expenditures. However, the logic of Michigan's system should be kept in mind: At that time $30 was sufficient to purchase food and housing for a single person at the level of the CWFB.

Appendix

The Second New York Benefit Adequacy Study: Utica, Fall of 1958

A year and a half after the Albany-Schenectady-Troy survey, in the spring of 1957, New York conducted another benefit adequacy study—this one in Utica, in the fall of 1958.[1] As in the earlier study, the aim was to measure the effects of unemployment on the income and expenditures of the families in which the beneficiaries lived. Because the Utica study used a sample more than twice as large as the first study (772 as compared with 271), it had to be content with less detailed financial reports, and it limited the comparison of income and expenditures to 2 months—the most recent month of unemployment and the most recent month of employment.

The larger sample made it possible to escape the limitation of only two family classes. The beneficiaries for the Utica sample were selected from the area at random, subject only to the condition that they were currently unemployed for 5 weeks or more and had been employed for a full month immediately prior to their current unemployment. As a result families both smaller and larger than four were represented, as were also families in which others than merely the husband and wife were wage earners.

As finally selected, the Utica sample exhibited the following proportions: 11 percent of the beneficiaries were individuals living alone, 53 percent were members of two- or three-person families, 16 percent were members of four-person families, and the remaining 20 percent were members of families of five or more persons. The distribution by family size paralleled closely that of all families in New York State.

Thirty-nine percent of the beneficiaries in the sample lived either alone or in families in which there was no other earner during the beneficiary's unemployed month. About three-fifths of the beneficiaries therefore belonged to families which had more than one wage earner.

Unlike the earlier study the Utica survey was conducted in a period of recession, when unemployment in the area was averaging 7.5 percent of the labor force. Whereas the average duration of unemployment among the 1957 beneficiaries had been 16 weeks, the average period of nonemployment[2] among the 1958 beneficiaries was 26 weeks. As in the other studies, the short-term (less than 6 weeks) unemployed were not represented. Neither were exhaustees represented; but in 1958 the TUC program was in operation, and one-third of the Utica

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[1] Entitled "Unemployment Benefits and Family Finances" and conducted by the Bureau of Applied Social Research, Columbia University, the survey was published by the Division of Employment, New York State Department of Labor, February 1960. A separate procedural report is available from the same source.

[2] Nonemployment is not necessarily equivalent to unemployment. The Utica study determined merely the length of time since the beneficiary had last worked and did not inquire into the possibility that some of the beneficiaries were out of the labor force for part of the period.

beneficiaries were drawing extended benefits under this program.

The educational level of the Utica beneficiaries was lower than that of New York State as a whole. Of the Utica beneficiaries 27 percent had finished high school and 1 percent had finished college. The corresponding figures for the adult population of the State as a whole were 42 percent and 10 percent respectively. Nearly a quarter of the survey group had not gone beyond the sixth or seventh grade.

The sample beneficiaries were regularly employed members of the labor force. Over two-thirds of them had not collected unemployment insurance during the preceding 3 years for any period of unemployment other than the current one. Only one-tenth of them had collected benefits for more than one other period of unemployment in that time.

The average gross earnings of the sample beneficiaries were lower than the average of all covered workers in the State and even lower than for all covered workers in the Utica area. The weekly earnings of all employees covered by the New York State insurance law averaged $94.56 in 1958. In the Utica-Rome-Herkimer-Little Falls industrial area, which is one of the lower-wage areas in the State, average weekly earnings in 1958 were $83.97. The average weekly wage of the beneficiary group as a whole was estimated at $77; the average of each beneficiary type was estimated as follows—S: $72; P, 1E: $84; P, mE: $90; SEC: $59.

ANALYSIS OF BENEFICIARY EXPERIENCE

For the purposes of analysis the Utica study classified beneficiaries according to four family types, labeled simply A, B, C, and D.

A. Individuals living alone (they comprised 11 percent of the total sample).

B. Families with no one else employed during the beneficiary's unemployment (28 percent).

C. Families with one or more other members employed during the beneficiary's unemployment, and the beneficiary was the head of the family (28 percent).

D. Same as C, except that the beneficiary was not the head of the family (33 percent).

The S, P, 1E, P, 2E, and SEC classifications used in analysis of the other studies correspond almost exactly to these A, B, C, and D family types and are retained in the present analysis to facilitate comparison, except that P, 2E necessarily become P, mE where "m" stands for "multiple."[2]

Of the four criteria which were used to evaluate the experience of beneficiaries in the other studies, one is not available here. The Utica survey did not report on the extent to which beneficiaries were forced to rely on relief programs while unemployed. The data needed for the application of the other three criteria are summarized in appendix tables 1 and 2.

Benefit-wage[4] ratio

A majority (63 percent) of the SEC beneficiaries but only a minority of the other beneficiary types received benefits that equaled half or more of their gross wages (appendix table 1, col. 5). Of the primary workers only 45 percent received benefits that met this criterion,[5] although many more were clustered close to the half-way mark, as may be inferred from column 3. The Utica report does not provide the data necessary to apply the criterion to net wages; the difference would be significant, as may be gathered from the contrast between columns 3 and 4.

APPENDIX TABLE 1.—*Selected data relating benefits[1] to wages[2] and expenditures,[3] by type of beneficiary[4]*

Beneficiary type[4]	Benefit amount (median)	Benefits as percent of wages (median ratio)		Percent of beneficiaries who received benefits equal to—		Benefits as percent of expenditures (median ratio)		
		Gross wages	Net wages	Half or more of gross wages	Maximum benefit	Total expenditures	Recurrent expenditures[5]	Adjusted recurrent expenditures[6]
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S	$151	49	63	46	12	76	129	145
P, 1E	171	47	57	40	28	49	89	109
P, 2E	186	48	57	40	39	35	73	124
SEC	134	53	65	63	3	24	46	135

[1] Benefits received in unemployed month.
[2] Wages received in employed month.
[3] Expenditures made in unemployed month.
[4] See text (p. 30) for explanation of code.
[5] See text (p. 62) for definition.
[6] Expenditures in col. (9) bear the same ratio to expenditures in col. (8) as the beneficiary's wage bears to the total family income.

The average (median) beneficiary—except SEC—received a benefit that was a little less than half his gross wage (col. 3) but significantly more than half his net wage (col. 4). As usual the single and especially the secondary beneficiaries fared better than the primary workers, the discrepancy being the greater when measured in terms of the more relevant criterion of net wages.

The favored position of the S and SEC types is mainly attributable to three factors. First, the New York benefit formula is weighted in favor of lower-wage beneficiaries (see p. 28), and the S and SEC beneficiaries typically have lower wages than the primary workers. The Utica beneficiaries had the following net monthly wages (medians). SEC: $205; S: $240; P, 1E: $301; P, mE: $328.[5] Second, the maximum benefit acts as a limit to a much greater extent in the case of the higher paid primary workers, as may be seen in column 6.[6] Third, the balance in favor of the S and SEC beneficiaries is greater when net wages are used because S and SEC workers pay a higher income tax than do P workers on the same gross wage. Since their net wage is relatively smaller, the proportion of benefits to their net wages is therefore relatively greater.

A given benefit-wage ratio is an acceptable criterion of adequacy only if it is assumed that the ratio produces a benefit which meets the needs of beneficiaries. The remaining two criteria constitute some measure of the validity of the assumption.

Decline in expenditures and assets

The decline in expenditures between the periods of employment and unemployment (appendix table 2, col. 4), while larger than in the 1957 survey, was still small. Except for the single beneficiaries the average decline was less than 10 percent.[7] The smallness of the decline in expenditures is the more noteworthy because at the time of the survey recession conditions prevailed and on the average these beneficiaries had not been working for half a year. Of the P, mE and SEC beneficiaries, less than half experienced any decline at all in their expenditures (col. 8).

To some extent the level of expenditures was maintained only by drawing down resouces. Expenditures were in excess of income during unemployment by from 2 to 16 percent (appendix table 2, col. 6). The least hardship in this respect was felt by the SEC beneficiary and the greatest hardship by the P, 1E beneficiary, but for all beneficiary types the burden was much lighter than in the first New York survey (table 3, col. 6, p. 37). Expenditures were slightly less and income was considerably higher among Utica beneficiaries than among their Albany prototypes.

Income during unemployment held up better than might have been expected. The average amounts and percentages of decline in income for the four beneficiary types were as follows (these income figures correspond to the expenditure figures in cols. 3 and 4 of appendix table 2)—S: $100, 37 percent; P, 1E: $89, 24 percent; P, mE: $118, 21 percent; SEC: $171, 12 percent.

[2] It should be noted also that two-person families made up a majority (59 percent) of the "B" group. Consequently P, 1E here represents a family with fewer dependents on the average than was the case in the previous studies. Also P, 1E contains a few SEC beneficiaries because the definition of the "B" family type does not distinguish between primary and secondary earners and there were a few cases where a family's sole secondary earner was unemployed in the same month as the family's primary earner.

[4] The wages to which benefits are related in these surveys are, not the wages by which the benefits were "earned," but the wages of a later period. For the significance of this fact see pp. 28, 36, and note an application of the fact in table 1, cols. 5 and 6. The New York benefit formula is designed to pay a benefit that is half or more of gross wages earned in the base period, up to the maximum benefit. Yet except in the case of the P, mE group, the number of beneficiaries who received less than half of wages was much greater than the number of those who received the maximum benefit.

[5] The corresponding figure in the first New York study was only 26 percent; the improvement was the result primarily of an increase in the maximum benefit (see following footnote).

[6] In the first New York study, the proportions of beneficiaries entitled to the maximum benefit were higher—S: 36 percent; P: 51 percent; SEC: 13 percent. Between the 1957 and the 1958 surveys the maximum benefit had been increased by 25 percent: from $36 to $45. In 1960 the maximum was raised again, to $50. If a benefit-adequacy survey had been made in New York in 1960, it probably would have shown that the median S and SEC beneficiaries were receiving about two-thirds and the median P beneficiary about three-fifths of their net wages.

[7] The absolute decline in expenditures (col. 3) amounted to about $1 per day for the S and P, 1E groups, and about $0.71 and $1.22 for the P, mE and SEC groups, respectively. The differences between the groups are smaller than might have been expected in view of the differences in the total spending of the groups (col. 2).

APPENDIX TABLE 2.—*Changes in expenditures and income from the employed to the unemployed month, by type of beneficiary*

[Median amounts and ratios]

Beneficiary type [1]	Expenditures during unemployed month					Percent of beneficiaries who experienced a decline	
	Amount	Decline from employed month		In excess of income			
		Amount	Percent [2]	Amount	Percent [3]	In income	In expenditures
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S	$188	$32	15	$18	10	88	63
P, 1E	332	31	9	54	16	73	57
P, 2E	486	22	4	48	10	62	42
SEC	544	38	7	9	2	54	42

[1] See test (p. 30) for explanation of code.
[2] Difference between expenditures during employed and unemployed months as percent of expenditures during employed month.
[3] Difference between expenditures and income during unemployed month as percent of expenditures during unemployed month.

Although most of the beneficiaries experienced some decline in income (col. 7), even among the beneficiaries with no other earner in the family (S and P, 1E) 12 percent and 27 percent respectively experienced no income decline at all. Pensions, both government and private, played an important part in maintaining the income of these (S and P, 1E) beneficiaries, of whom one-fourth and one-third respectively were age 65 years of older.

Wages of other earners in the family were the chief source of income for the P, mE and SEC groups. In the case of the P, mE group more than a quarter of these other earners entered the labor force only after the primary earner became unemployed, and thus directly compensated for his (partially) lost earnings.

The correlations of changes in expenditures and income with the two factors of age and duration of unemployment were somewhat closer in the Utica study than in the first New York study. The older the beneficiaries, the smaller was the decline they experienced in their expenditures. Also, the older the beneficiaries, the fewer there were who experienced any decline at all in either income or expenditures.

The longer the duration of unemployment, the greater the decline in expenditures, at least up to durations of 40 weeks (beyond 40 weeks expenditures rose again). Changes in income were not clearly correlated with the duration of unemployment except in the case of the primary beneficiaries, and there the correlation was inverse—the decline in income was least for those unemployed longest. For all except SEC beneficiaries the gap between expenditures and income tended to narrow as the duration of unemployment lengthened because the changes in expenditures and income tended to move in opposite directions as unemployment continued.

Ratio of benefits to recurrent expenditures

In place of nondeferrable expenditures the Utica study substituted the concept of recurrent expenditures, which it defined as follows. Amounts spent during each of the 2 months for housing, utilities, food, and medical care and for support of persons not living in the household; payments on things bought on installment plan or in charge account before the beginning of the month and on money borrowed before the beginning of the month—that is, expenses which occur more or less regularly every month. On the average, recurrent expenditures amounted to 53 percent of total expenditures in the Utica study. Since nondeferrable expenditures in the first New York study amounted to about 59 percent of total expenditures, the monetary value of the two criteria would not seem to differ greatly.

In appendix table 1, columns 8 and 9 differ from each other in the same way as do columns 3 and 5 of text table 5 (p. 44). That is, column 9 is adjusted to reflect the fact that when there are multiple earners in the family only part of the recurrent expenditures of the family are properly attributable to any one of the earners. Judged by the adjusted form of the criterion, benefits were more than adequate for the average (median) beneficiary in each family type, including even P, 1E.[8]

The distribution of beneficiaries around this average is available only for the unadjusted figures. The following proportions of each group received benefits that did not equal their family's recurrent expenditures. S: 25 percent;[9] P, 1E: 60[10] percent; P, mE: 84 percent; SEC: 98 percent.

That 60 percent of the P, 1E group received inadequate benefits (by this criterion) is the most noteworthy fact about the distribution. The proportion for the S beneficiaries is small, and while the proportions for the P, mE and SEC groups are very large they are almost meaningless because they are not adjusted for the presence of other earners in the beneficiary's family. If the adjustment could be made, P, mE and SEC would be closer to S than to P, 1E—to judge by the median ratios of column 9.

SUMMARY AND CONCLUSIONS

Judged by the criterion that benefits should equal half of wages, benefits were, roughly speaking, adequate for all beneficiary classes. Benefits were slightly less than half of gross wages and significantly more than half of net wages for the average beneficiary in all four groups.

Judged by the criterion that benefits should suffice to meet the beneficiary's share of recurrent expenditures, benefits were again adequate for the average beneficiary in all classes. Nevertheless for a significant number of beneficiaries in each class benefits did not meet this criterion.

On the whole these Utica results present the picture of a fairly adequate system. The degree of adequacy varied however for the different beneficiary types, as may be seen in the following table. Each line in the table shows the beneficiary classes in the order of decreasing adequacy (increasing hardship). The first two lines are derived from appendix table 1, the others from appendix table 2.

1. Benefits as a proportion of net wages	SEC	-S	-P, mE-P, 1E	
2. Benefits as a proportion of adjusted recurrent expenditures	S	-SEC	-P, mE-P, 1E	
3. Proportion of beneficiaries who experienced a decline in income	SEC	-P, mE-P, 1E	-S	
4. Proportion of beneficiaries who experienced a decline in expenditures	SEC	-P, mE-P, 1E	-S	
5. Percent decline in income [11]	SEC	-P, mE-P, 1E	-S	
6. Percent decline in expenditures	P, mE	-SEC	-P, 1E	-S
7. Percent decline in assets [12]	SEC	-P, mE-S		-P, 1E

[11] See P. 61.
[12] Table 2, col. 6.

The secondary beneficiary (SEC) is in either first or second place in every line, and the primary earner who has no helping earner in the family (P,1E) is in either last or next to last place in every line.

Judged by the criteria expressed in lines 3 to 7, the beneficiaries who had additional earners in the family (SEC and P,mE) experienced the least hardship during unemployment. For reasons given earlier, it is probably not desirable to adjust the program in order to change this result.

Judged by the criteria expressed in lines 1 and 2, beneficiaries with dependents P,mE and especially P,1E) were the least favored by the program. This situation could be changed somewhat by an increase in the maximum benefit (more of the primary beneficiaries are clustered at the maximum); it could be changed still more by some system of dependency allowances.

Mr. ALGER. Mr. Speaker, I commend our colleague, the gentleman from Maryland, on his presentation and for including the scholarly and studious work of Father Becker on the adequacy of the benefit amount in unemployment insurance.

Mr. MATHIAS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

MINOW MAKES A MOCKERY OF JUSTICE

The SPEAKER pro tempore (Mr. BOLLING). Under previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 30 minutes.

Mr. MICHEL. Mr. Speaker, I have asked for this time today to discuss a matter which I feel is of paramount interest to Members of Congress and the American people generally, because it involves the medium of communicaton, and more specifically, the deliberations of contestants for and actual allocation of a television channel by the Federal Communications Commission.

I am prompted to bring this case to the special attention of the House

[8] The Utica findings are even more favorable than those of the first New York study (table 5, col. 5, p. 44). The more optimistic findings of the Utica study are probably the result of an increased maximum benefit and a sample taken from a lower-wage area.

[9] Fourteen percent of these single beneficiaries received benefits that equaled 80–100 percent of recurrent expenditures; the other 11 percent received benefits that equaled 50–80 percent of recurrent expenditures.

[10] Twenty-one percent of these P, 1E beneficiaries received benefits that equaled 80–100 percent of recurrent expenditures, 29 percent received benefits that equaled 50–80 percent of their recurrent expenditures, and the remaining 10 percent received benefits that equaled less than half their recurrent expenditures.

because of the many pious statements and public pronouncements of the new Chairman of the Federal Communications Commission, Mr. Newton N. Minow.

Mr. Speaker, in the initial decision of Charles J. Frederick, a hearing examiner of the Federal Communications Commission for 8 years, released April 28, 1960, on the case I am about to discuss, it was stated on page 158, section (31):

> On the basis of the foregoing findings of fact and conclusions, it is ultimately concluded that the public convenience and necessity would best be served by a grant of the application of Community Telecasting Corp. and the consequent denial of the other applications.
>
> Accordingly, it is ordered, this 22d day of April 1960, that unless an appeal from this initial decision is taken by the parties or the Commission reviews the initial decision on its own motion in accordance with the provision of section 1.153 of the rules, the application of Community Telecasting Corp. for a construction permit for a new television broadcast station to operate on channel 8 in Moline, Ill., is granted, and the applications of Tele-Views News Co., Inc., Midland Broadcasting Co., Illiway Television, Inc., and Moline Television Corp. for the same facility are denied.

Mr. Speaker, VHF channel 8 was at one time scheduled for Peoria, Ill., the largest city in my district and the second largest metropolitan area in the State, along with three UHF channels. There was, as could be expected, spirited competition in the Peoria area for assignment of VHF channel 8, since it would have a much stronger signal than the UHF frequencies. After a considerable period of haranguing, the Commission singled out the Peoria area as one of the first in the country to exercise its policy of deintermixture—in other words, discontinuing the policy of allocating both VHF and UHF stations in the same community. I will be frank to say that we fought this move because we personally did not feel that the Peoria area should be denied anything but the best of service. Our efforts were to no avail, and the Commission lifted channel 8 from Peoria and allocated it to the Quint City area—Rock Island, Moline and East Moline, Ill., and Davenport and Bettendorf, Iowa.

Nevertheless, I have always maintained an interest in the final disposition of the channel and as a result have watched closely the FCC action on this permit and now feel that the most recent evidence points up the fact that Chairman Minow has failed to establish standards upon which the Nation and the communications industry can rely.

During the hearings prior to the initial decision which I previously mentioned, the FCC used several criteria in judging the applicants, including: The overlap issue; the financial issue; local residence; civic participation; diversification of business interests; diversification of media of mass communications; broadcast experience of principals; planning; integration of ownership and management; programing; studios, staffing, and equipment; policies; and other considerations. It would seem abundantly clear from recent decisions of the Commission, particularly the decision in *Suburban Broadcasters* (20 RR 951), that the planning criteria is the most clear-cut and emphatic requirement of the Commission's current policies in that an applicant must make a survey of the needs of its community, by contacting civic and community leaders. Indeed, the new Chairman of the Commission has repeatedly emphasized this policy and aim in his public pronouncements which have been given wide publicity since he assumed this chairmanship.

On June 28, 1961, the Commission rendered a decision in Suburban Broadcasters, in which it denied an application on the sole ground that the applicant had failed affirmatively to ascertain the needs of the community for its program service, relying solely upon the applicant's own subjective views as to what those needs were. Said the Commission:

> An applicant has the responsibility of ascertaining his community's needs and of programing to meet those needs.
>
> We feel that the public deserves something more in the way of preparation for the responsibilities sought by applicant than was demonstrated on this record. In view of the foregoing, it cannot be concluded that a grant of the Suburban application would serve the public interest, convenience, and necessity (20 RR 952a–952b).

In the conclusions offered by Examiner Frederick in April 1960, under the planning criteria, it was stated:

> Insofar as planning is related to proposed programing, all applicants are about equal except that it may be noted that Moline relies primarily upon subjective factors; that is, the professed intimate knowledge of its officers, stockholders, and directors of the Moline area rather than objective data gleaned from contacts and observations specifically for the purpose. Moline's position is that by the time of a grant, conditions may be different anyway, hence the continuing knowledge of, and experience with, the changing community by its principals are of as much or more value than present collections of data.

Mr. Speaker, it, therefore, seems incredible to me that the Commission, after outlining definite standards and policies on June 28, 1961, in the Suburban case, would, on that very same day, propose to grant channel 8 to the Moline Television Corp., the only one of five applicants which made no effort to determine local program needs. The record is clear that Moline TV Corp. deliberately adopted such a policy and that its president, Frank P. Schreiber, described such local surveys as "worthless" and "eyewash." Since Moline TV Corp. did not make a survey of local needs, its programing plans are skeletal in nature and the type proposal that any communications lawyer could draft, singlehanded, without ever having seen the community involved. In the words of Mr. Frederick, Moline TV Corp.'s proposals "leave much to conjecture."

I think it is clear that the Commission's vote was not based upon the record of evidence but upon a distortion of the evidence and the Commission's established criteria in a fashion that justice could not condone. A review, not only of the program planning but also of Moline TV Corp.'s comparative record on all the established criteria, will illustrate the point.

Moline TV Corp. is composed of 23 stockholders and is 25 percent nonresident owned, including its president and proposed general manager. Two of the other applicants in this case are wholly locally owned by applicants of the Quint Cities. Turning to Moline TV Corp's record on civic activities, I find that Mr. Coyle, Moline TV Corp's largest stockholder and board chairman, claims only three civic activities, i.e., Commissioner of the Airport Authority, a political appointment, and member of the chamber of commerce, and of the Catholic Church.

Mr. Schreiber, its president and general manager, has no record of civic activity anywhere.

Mr. Richard Stengel, one of the controlling principals, has, of course, a wealth of political experience to cite, which, under FCC criteria, would hardly qualify as bona fide civic activity.

In the published hearings before Examiner Charles Frederick in April 1960, on page 128, section 437—Richard Stengel—it states:

> In 1948 he was elected to the Illinois General Assembly and served four consecutive terms. In 1956 he was the Democratic nominee for the U.S. Senate for the State of Illinois.

On page 136, section (f), of the same hearings it states:

> As previously pointed out, Mr. Stengel conducted a financial survey of the existing television stations in the area. Mr. Stengel has appeared on a series of television programs. He was one of the individuals through whom the ideas of the stockholders were transmitted and coordinated. He has frequently appeared on television.

Finally, on page 150, section (e) of the same hearings, we read about Mr. Stengel once again:

> Richard Stengel proposes to devote no less than 20 percent of his time to the operation of the station. In addition to handling the various legal problems that may exist, he intends to serve as Mr. Schreiber's right-hand man in establishing the station as a completely local institution. As a result of his previous experience on panel programs as a member of the State legislature and as U.S. Senate nominee, it is his intention to appear and participate in the panel discussion programs produced by the station and to take primary responsibility for the program entitled, "Let's Talk It Over."

Mr. Speaker, here we find Mr. Stengel admitting that the Moline TV Corp. is not a local enterprise. Moreover, we once again see Mr. Stengel emphasizing his activities in the Democratic Party as a basis for serving the public interest and needs of his community. Mr. Speaker, to further show the political tie I would ask unanimous consent to have reprinted at this point an article appearing in the Chicago Daily Tribune under date of Tuesday, August 14, 1956, on page 14 entitled "Put Bite on 90 at Lunch for Stengel Fund" and discloses that the then Senator John F. Kennedy spoke at that occasion:

> PUT BITE ON 90 AT LUNCH FOR STENGEL FUND—SENATOR KENNEDY CALLS FOR ILLINOISAN'S ELECTION
>
> Senator Kennedy, of Massachusetts, took time out from convention sparring yesterday to urge the election of Richard Stengel, Illinois Democratic candidate for Senator, as

"vital" in the Democrats' battle to maintain control of the Senate this fall.

Kennedy, a possible choice for the Democratic Vice Presidential nomination, addressed an audience of about 90 well-heeled guests at a fundraising luncheon staged in the Tavern Club by leaders of the Stengel for Senator committee.

The lunchers ate hamburger steak, grilled tomatoes, mashed potatoes, mushroom sauce, and melon, washing things down with coffee. Then, Arnold Maremont, president of Maremont Automotive Products and chief fund raiser, told what the tab would be.

FIFTY-THREE THOUSAND DOLLARS MORE NEEDED

Maremont suggested that each guest contribute "at least $100." He said more than $46,000 for Stengel's campaign had been collected but more than $44,000 had been spent. At least $53,000 more would be needed, he said. He told newsmen he hoped the luncheon guests would contribute about $10,000.

Kennedy asserted that "it would be a great error for the people of the United States if they returned the House and Senate to control of the Republicans this fall."

He said that in his first years in the Senate—he was elected in 1952—he had witnessed how "ill equipped" GOP Members of both bodies were when it came to providing leadership.

QUESTIONS IKE'S LEADERSHIP

Later, in a radio interview, he said one of the issues of the campaign is the question of whether President Eisenhower could give vital, imaginative leadership in the next 4 years—years which Kennedy said will be the most critical in our history.

Stengel also spoke, describing how the rigors of running for office have kept him away from his family and legal profession.

"If I had devoted the same time and labor in the last 6 months to my law practice that I have devoted to campaigning in the State of Illinois, I'd probably be much further ahead," he said.

Mr. Schreiber is the only Moline TV principal with past broadcast experience and he is a man 60 years of age who has been out of the broadcasting business, running a restaurant in the Chicago area for the past 5 years. He left his last job at WGN in 1956 under a dispute with the owners, and the record shows that the stations, under his managership, had a performance record leaving much to be desired. Mr. Schreiber had represented in his employment contract with Moline TV that his stations had never had difficulty in securing renewals from the FCC which is at variance with evidence appearing in the transcript. Thus, his experience and Mr. Stengel's experience cannot possibly be found equal in quality to that of the principals with experience among the other applicants. Moreover, Moline TV has no past broadcast record—as distinguished from broadcast experience—which it can claim for a preference and, indeed, asserted none.

Mr. Speaker, in Chairman Minow's biography supplied by his own office, it states:

In 1951 he was appointed law clerk to Chief Justice Fred M. Vinson of the U.S. Supreme Court. The next year he was invited to become administrative assistant to Mr. Stevenson, then Governor of Illinois, and so served Mr. Stevenson during the latter's term, after which he returned to the Chicago law firm with which he had first practiced. Mr. Minow actively participated in the 1952 and 1956 presidential campaigns in behalf of Mr. Stevenson. During the 1956 campaign he traveled with Robert F. Kennedy, brother of the present Chief Executive and now Attorney General. In the 1960 campaign Mr. Minow was secretary and general counsel of the National Business and Professional Men and Women for Kennedy-Johnson, and chairman of the Citizens for Kennedy in his suburban area of Chicago.

As I mentioned previously, the FCC hearings and the Tribune article which I inserted point up the fact that Mr. Stengel made much to-do about his previous activities in the Democratic Party in the State of Illinois which obviously brought him in close contact with Chairman Minow and President Kennedy, not only during the 1956 campaign but also during his years in the State legislature when Mr. Minow was administrative assistant to Governor Stevenson.

Therefore, I had to gag when I read the fourth paragraph of Chairman Minow's speech on May 9, 1961, before the National Association of Broadcasters, which states:

Second, let me start a rumor. Like you, I have carefully read President Kennedy's messages about the regulatory agencies, conflict of interest, and the dangers of ex parte contacts. And, of course, we at Federal Communications Commission will do our part. Indeed, I may even suggest that we change the name of the FCC to the Seven Untouchables.

Mr. Speaker, Chairman Minow went on to discuss the use of forms by which broadcast stations will report their programing to the Commission. He stated:

The Commission should consider such clearance reports carefully when making up its mind about the licensee's overall programing.

He went on to add:

We need imagination in programing, not sterility; creativity, not imitation; experimentation, not conformity; excellence, not mediocrity. Television is filled with creative, imaginative people.

Therefore, in view of these statements, how is it possible for Chairman Minow and the Commission to award a permit to a corporation whose president considers such reports to be "eyewash." It is obvious to me this is just another case where the deeds of the New Frontiersmen do not measure up to their sanctimonious public pronouncements, and Chairman Minow has permitted his conflict of interest and ex parte contacts to influence him to ignore and ingeniously explain away announced standards in such fashion as to make a mockery of justice. If the Commission has considered the record of evidence in this case, it is not only incredible, but also indeed shocking that it could announce its instructions favoring an applicant which refuses, in the words of the Commission in the Kord case, "to discover the principal ingredient of the licensee's obligation to operate his station in the public interest." It is significant to observe that the Commission considered its pronouncements of policy in the Kord case to be so vital that it sent a copy of the decision to all broadcast licensees, an extremely unusual action. Mr. Speaker, I ask unanimous consent that an article on this subject appearing in the New York Times under date of July 14, 1961, be reprinted at this point:

COMMISSION ASSERTS FAILURE TO COMPLY MEANS DENIAL OF LICENSE RENEWAL

WASHINGTON, July 13.—The Federal Communications Commission warned broadcasters today that if they want their Federal licenses renewed they must live up to public commitments on programing.

The Commission's notice, embodied in a ruling granting an unusual 1-year license extension to station Kord in Pasco, Wash., was ordered circulated to all the Nation's 5,000 licensed broadcasting stations.

It constituted the first active evidence of the Commission's new tough attitude toward programing, which has had the industry alarmed since Commissioner Newton N. Minow made his now celebrated "vast wasteland" speech criticizing television.

The decision to grant Kord's license renewal for only a 1-year term instead of 3, with notice that its programing will be under Federal scrutiny until renewal time comes around again, is also extraordinary.

MAIN ISSUE IN RULING

The central issue in the decision was the disparity between the station's programing performance and the programing representations it had made to the FCC when applying for its construction permit.

In its application, Kord, an AM radio station, stated that it proposed to divide its broadcast time according to the following ratio: local live programing, 6 percent; entertainment, 84 percent; religious, five-tenths of 1 percent; agriculture, 2 percent; educational, five-tenths of 1 percent; news, 6 percent; talks, 5 percent; miscellaneous, 2 percent.

Its 1960 renewal application, however, showed broad deviations from this pattern. No time had been devoted to local live, educational or miscellaneous programing. Its entertainment ratio had been 87.5 percent; news, 11.3 percent; religious, six-tenths of 1 percent; agriculture, six-tenths of 1 percent.

Instead of the 700 commercial spot announcements it had proposed for an eight 4-hour broadcast week, it used 1,631 "spots" in a week that was only slightly longer.

RAISED SERIOUS QUESTIONS

This, said the Commissioners, "raised serious questions as to excessive programing interruption and excessive amount of advertising material as distinguished from programing material."

Replying to Commission objections, the station replied that it had increased the volume of its advertising because of an "upturn in the local economy."

This explanation, the Commission found, was "unsatisfactory."

"A mere upturn in the economy," it declared, "is not license for completely throwing aside a station's representations as to number of commercial spots, and putting on an excessive number."

Making clear what its future policy would be, the Commission accepted the station's contention that "it would be fairer to apply the new policy on a prospective basis" and give all broadcasters a chance "to understand and comply with it."

For this reason, the Commission announced, it was sending copies of the opinion to all licensees.

By this action, it declared, all "are put on notice that 'proposals vs. actual operation' is of vital concern to the Commission, that a licensee is not entitled to one or any license period where he does not make a good faith effort to deliver on his public service proposals."

If broadcasters have not been trying "in good faith to discharge their representations," it added, "they should take immediate steps to do so. If they do not, they

cannot validly contend that the Commission has lain 'in ambush' for them."

This translated into clear warning that henceforth broadcasters coming before the Commission for license renewals must make a convincing showing of good faith in meeting their public service commitments or run the risk of license losses.

In meeting programing representations, the Commission stated, "considerable flexibility and discretion is not only permitted but called for in the public interest." But it is just as well established that the licensee does have a duty to carry out substantially the programing policies embodied in its proposal.

"Flexibility" in fulfilling public service commitments, the opinion stated, does not mean that the commitments can be disregarded without adequate justification.

"It is one thing for a licensee to decide that its community has greater need for religious or educational programs than particular agriculture talk or entertainment programs, or, indeed, for an essentially new format," the Commission stated.

DRASTIC CHANGES DECRIED

"But it is quite another thing for the applicant to drastically curtail his proposed public service programing in education, religion, agriculture, discussion, local live, etc., and increase his advertising content and 'music-news.'"

The opinion added: "Nor can such an applicant mechanically recite, 'changing needs of the community'; he has a burden of demonstrating just why his community has less need for such public service programing than when he originally proposed it.

"In short, what we require in this area is essentially * * * a good faith effort; the applicant must conscientiously seek to carry out those proposals which he found, and finds, serve the public interest needs of his community."

To drive home its point, the Commission did not grant Kord the normal 3-year renewal. During the 1-year renewal period granted the station, "its performance will be scrutinized with great care," the opinion stated.

Mr. Speaker, after Examiner Frederick's initial decision in this case and after the usual appeal to the Commission, the final decision in this case may bear little resemblance to the examiner's conclusion. Indecision, lack of affirmative policy, and inconsistency in the bases for decisions are still manifest in the Commission. The Commission should and must uniformly and fairly apply its announced criteria. To fail to do so would be clearly prejudicial to the rights of the parties. In addition, failure to do so would again subject the Commission to the criticism previously leveled at its decisions. I submit that the Federal Communications Commission is bound by law to consider the basic record of evidence in all cases without conflict of interest and, therefore, should set aside its instruction of July 28, 1961, on this case, schedule a reargument at the earliest possible date, and reconsider this case strictly on its merits, rather than on what clearly appears to be political considerations.

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include several newspaper articles.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

JOINT COMMITTEE ON ASSISTANCE FOR INTERNATIONAL DEVELOPMENT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 10 minutes.

Mr. HALPERN. Mr. Speaker, we are all aware of the urgent need of newly emerging nations and of those established countries whose economic development calls for continued assistance for their survival. Only this week the President, in his talk to the Nation on the Berlin crisis, emphasized the role America must play in this effort for the sake of our own and of free world survival. The President rightfully pleaded for the enactment of a meaningful foreign aid program. In this he continues the bipartisan tradition carried on through the Presidency of Dwight D. Eisenhower and, even before that from the days when a Republican Congress and a Democratic administration worked together to develop the first foreign aid programs.

Now, more than a decade after the success of these early programs resulted in the reconstruction of Europe from the disasters of war, there is a continuing need for a foreign-aid effort by the United States. We are particularly interested that the new countries of Africa and Asia and the nations of Latin America should receive our assistance in developing their economies so that the peoples of these nations, even if they do not live in affluence, at least achieve living standards that enhance human dignity, encourage stable government, and promote the growth of democratic institutions. Our interest in these developments stems in part from our human sympathy with the peoples of the nations involved, in part from the hope that improved conditions will help prevent proliferation of Soviet influence.

In the 14 years since the foreign aid programs began, we have learned a great deal about how they should be effectuated. Nevertheless, recent developments in Laos and other parts of the world point up the need for a continuous process of learning about the best and most efficient ways to use our taxpayers' money to achieve the ends we are seeking in our foreign-assistance programs. It may be that we should develop additional institutions and means of aid. It may be that our current administrative techniques are outmoded or bogged down in redtape and should be revised. And it may be—in fact, I am convinced that this is so—that the programs have not been properly coordinated to produce the best results with our dollars for development.

Mr. Speaker, it is in this constructive spirit that I have today introduced a resolution to create a joint committee to coordinate congressional aspects of our foreign aid programs. The committee—to be known as the Joint Committee on Assistance for International Development—AID—would consist of nine members from each Chamber of Congress. They would be drawn from the most important standing committees with jurisdiction over major aspects of foreign aid.

The function of the joint committee would be to conduct a continuing survey of the foreign-aid programs with the aim, first, of providing Congress with a coordinated and overall picture, a broad view of the foreign aid situation; second, of suggesting ways to strengthen the institutions of the free world; and third, of proposing additional measures, including those to end overlapping, duplication, and waste, to strengthen our foreign-assistance programs.

Mr. Speaker, the new joint committee would not supersede, or interfere with the legislative functions of, any of the standing committees that now exercise jurisdiction. On the contrary, it would provide Congress with additional and centralized capacity to view the foreign-aid picture as a whole while the legislative committees continued their work on individual aspects of the programs. The new joint committee, in short, would devote itself primarily to study and broad evaluation.

I should like to point out, Mr. Speaker, that the creation of the committee would be consistent with the President's new concept, enunciated in his foreign policy message, of coordinating the foreign assistance programs. Thus the program would be given new meaningful significance through its new title—Assistance for International Development.

It would give Congress the means of taking a good, clear look, from a central vantage point, at the whole foreign-asistance effort. The joint committee could also serve as a clearinghouse for information which could prove of inestimable value to the standing committees. The joint committee would be given the power, at the request of a legislative committee, to assist the latter in its work.

Mr. Speaker, through the work of the joint committee it might well be possible for our dollars for development to yield more development for the dollar. That would considerably help our friends and allies and other nations overseas who need our assistance, while at the same time enabling us to avoid additional heavy tax burdens on behalf of the foreign-aid programs.

NO HALFWAY SUPPORT FOR THE PRESIDENT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 15 minutes.

Mr. FEIGHAN. Mr. Speaker, I take this opportunity to clarify further my objection to consideration of House Concurrent Resolution 351 under the unanimous consent rule when the question was before the House on Wednesday. I do so because a number of interested Members have requested additional information from me on the basic differences between House Concurrent Resolution 354, which I introduced, and House Concurrent Resolution 351, to which I objected.

The purpose of House Concurrent Resolution 354 is to register the full support of Congress behind the position taken on Berlin by President Kennedy, as set forth in his reply to the Russian aide memoire and in his forthright address to the Nation on Tuesday evening. I have no doubt House Concurrent Resolution 351 sought the identical objective. But the question is, Does the language of House Concurrent Resolution 351 reflect the political objectives outlined by President Kennedy and does that language express full support for those political objectives? In my opinion it does neither.

To support my conclusion I have prepared a chart comparing the language of both resolutions with the unmistakable language used by President Kennedy. The quotes attributed to the President are taken from the two basic documents related to the issue, his reply to the aide memoire of Soviet Russia, and the published text of his address to the Nation on Tuesday evening. The comparison which follows speaks for itself.

Comparison of political language of H. Con. Res. 351, H. Con. Res. 354, and President Kennedy's position

Comment	H. Con. Res. 351	Comment	H. Con. Res. 354	Comment	President Kennedy's position
Status quo	In order to maintain the freedom of over 2,000,000 people in West Berlin,	Change called for.	Demand a final settlement on Germany, including Berlin and the East German Zone,	Clear and positive	"The U.S. Government is persuaded that a change for the better is to be desired." "Our response to the Berlin crisis will not be merely military or negative, it will be more than merely standing firm."
Vague	Constitutes a fundamental political and moral obligation,	Positive change	That will accord with the freely expressed will of all German people,	do	"For the fulfillment of our pledge to that city is essential to the morale and security of Western Germany, to the unity of Western Europe, and to the faith of the whole free world."
Meaningless	Soviet invasion of basic rights would be intolerable,	How to change	To that end the right of self-determination be granted the people residing in East German Zone including Berlin,	do	"The Soviet Union by denying freedom of choice to 17,000,000 East Germans has not permitted freedom of choice to the German people as a whole."
Vague and defensive	The determination of the United States to take all necessary steps to defend its legal rights against unilateral Soviet abrogation,	Avoids all doubts.	The people of the United States support their Government's position and are determined that all necessary steps be taken to defend the rights and freedom of the people of Berlin,	do	"So long as the Communists insist that they are preparing to end unilaterally our rights in West Berlin and our commitments to its people, we must be prepared to defend those rights and commitments. We cannot and will not permit the Communists to drive us out of Berlin, either gradually or by force. We must also be ready to resist with force, if force is used."

The Congress of the United States has been widely regarded for well beyond a century as the greatest political forum in the world. We did not come by that recognition through the use of mass media propaganda programs which specialize in slapping one's self on the back. This recognition came by the dedicated efforts of a long succession of individuals who were elected to Congress by the free choice of the people of their congressional districts and whose political acumen, together with their ability to advocate their political views in the test of open debate—the only sure safeguard for our free and open society—brought our country to the forefront in the family of nations. Many members paid a high price, over this span of years, for exercising their right to dissent, but the harsh though honest judgment of history has recorded them to have been right. It is those judgments, tempered and tested upon the anvil of world opinion, which have won respect for our cause among the peoples of the earth. This is the measure of the responsibility every Member of the House bears at this historic moment of judgment, confronted as we are with an enemy who has been taking advantage of our failure to clearly enunciate our political objectives and express a sharp determination to stand up for those objectives, come what may.

SUGAR QUOTA FOR IRELAND

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Massachusetts [Mr. McCORMACK] is recognized for 15 minutes.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I should like to call the attention of the House to Ireland's application for a sugar quota.

Ireland's application is for a quota of 10,000 tons. That is surely a modest request. Ten thousand tons represents only one-thousandth part of our requirements of 10 million tons.

An opportunity to consider this modest request will present itself when the Congress takes up again the question of amending the Sugar Act. In the meantime, in accordance with the terms of the temporary legislation enacted last year and early this year, the administration has been meeting our needs for foreign sugar by making short-term nonquota allocations to various countries. Ireland has applied also for a short-term allocation of this kind.

In connection with new sugar legislation Ireland's application for a quota should be favorably considered. At this time I wish to suggest that Ireland's request for a nonquota allocation be given the most favorable consideration.

Since the large quota formerly enjoyed by Cuba became available for redistribution last year, we have arranged to purchase sugar—by way of nonquota allocations—from no less than 17 countries. We have arranged to buy sugar from countries in Europe, in Asia, and in Australasia, as well as from Latin America, our traditional source of supply. We have arranged to buy sugar—for the first time or in greater quantities than ever before—from Britain, from Belgium, from Holland, from India, from Australia, and from several other countries, right around the world, but not from Ireland. Why? Why not Ireland?

I understand that many of the 17 countries concerned have never before supplied us with sugar. These are, therefore, new suppliers. Ireland would like to be a new supplier too, making a request for a small quota, which should be granted.

Toward the end of last year Ireland's request for consideration as a supplier of sugar was brought to the attention of the then Secretary of State and a sympathetic reply was received. Since then, however, Ireland has received no indication that she will be included among the many countries from which we propose to buy sugar.

Our friends in Ireland, and we have none better, are naturally concerned that they should be ignored. They are puzzled. They wonder why we have omitted them.

They realize, of course, that certain factors must be taken into consideration when we decide to purchase sugar from another country. They realize that trade is a two-way street. They realize that we would prefer to make our purchases from countries which purchase our products, especially our agricultural products.

They point out, however, that Ireland purchases from the United States, on the average each year, goods to the value of about $40 million whereas the United States purchases from Ireland amount to about $20 million or only half as much. Ireland's purchases of our agricultural products, including grains, tobacco, fruit of various kinds, and cotton, amount to about $20 million annually. Thus Ireland's purchases of our farm products equal our entire purchases from them. The balance of Ireland's purchases from us, another $20 million worth, represents the surplus in our favor. If we purchase the 10,000 tons of sugar offered to us by Ireland, we shall reduce that balance in our favor by only a fraction.

It will be seen then that the Irish are good customers of ours in the sense that

our trade with them is heavily in our favor. The Irish are good customers in another sense also. They are cash customers. They pay the full market price. They seek no credit. They receive no aid. They ask none.

The Irish do not discriminate against dollar imports. In fact, after World War II they were among the first countries in Western Europe to withdraw currency restrictions and they withdrew such restrictions on dollar purchases as far back as 1954.

The Irish, as I have said, are good customers of ours. I am sure they would like to buy more of our products. For them also, however, trade must be a two-way street. Ireland also must export more in order to import more.

In particular, Ireland must export more farm produce because Ireland is still predominantly an agricultural country. It is a land essentially of small farms, of small family farms. Just as in our own country so in Ireland also the family farm is threatened with extinction by the progress of technology. In Ireland the small family farm is the basis of the economy. More than that, it is the basis of society itself. It is the basic foundation of the Ireland we know so well, of that Ireland which has given so generously of so many of her sons and daughters to our own great country and to many other countries, as missionaries, teachers, doctors and nurses, as statesmen and as soldiers, and in many other capacities.

For Ireland's small family farms, sugar beet is a vital crop, just as this crop and the sugar industry based on it are vital factors in Ireland's drive for increased exports. The beet crop is one of the most valuable in Ireland, partly because of the high productivity achieved with this crop, thanks in no small measure to technical assistance given by us under the Marshall plan and gratefully acknowledged on many occasions by Ireland's leaders. The position has now been reached where output of beet sugar exceeds home consumption substantially so that Ireland must find new export markets for her sugar if she is not to be forced to restrict production and thus curtail employment on her farms and in her sugar plants. Restriction of production and curtailment of employment in any country is a tragedy but in Ireland it could be a disaster. Ireland is one of the only two countries in the world losing population because of emigration. For her, therefore, the maintenance of employment is a matter of life and death. For Ireland exports are an absolute must.

For all these reasons, our friends in Ireland are greatly concerned to increase their exports and in particular their exports of sugar. They look to us. They ask us to offset to a small degree the heavy balance of trade in our favor by buying from them the modest amount of 10,000 tons yearly of their sugar. Ten thousand tons yearly means little to us, being only one-thousandth part of our annual requirements. It will reduce by only a fraction our favorable balance of trade with Ireland. As I have explained, however, it means a great deal to our friends in Ireland.

I am frank in stating that Ireland deserves well of us. The Irish have contributed greatly to the establishment and development of our great Nation from the earliest days of our Republic. In the world of today, the Irish continue to make their contribution to the advance of civilization, under God, both as individuals and as a nation. As a nation, Ireland has played its part loyally in the European recovery program, in the OEEC, in the Council of Europe, and, not least, in the United Nations. In fact at this time a distinguished Irishman is president of the United Nations Assembly, an Irish general bears the onerous responibility of commanding United Nations forces in the Congo and detachments of Ireland's Army have played a crucial part in bringing peace to that troubled land. Some of those valiant Irish troops have made the supreme sacrifice in the cause of peace and humanity.

The young Irish state holds very dearly its close associations with our own great country. It freely acknowledges its indebtedness to us for the inspiration and for the moral and material support given in its time of trial, when it eventually achieved victory in its age-long struggle for independence. Its Constitution reflects our own Constitution, enshrining as it does the immortal principles of the Bill of Rights. The Ireland of today is a modern democratic country with a freely elected representative government, an orderly and efficient and stable administration, an independent judiciary, a stable economy, and a just and equitable social system with freedom and equal opportunities for all its citizens. It represents, in fact, in reality, those ideals of the democratic way of life which we are striving so earnestly to establish throughout the world in the face of the hostile onrush of communism.

I believe that Ireland deserves well of us. I feel strongly that we should not withhold from Ireland any gesture of friendship and appreciation which it is within our power, within reason, to extend. I feel very strongly that we should now make such a gesture in this matter of sugar purchases. I feel very strongly that most favorable consideration should be given to Ireland's request for a modest sugar quota, when the time comes for new legislation. I feel most strongly that Ireland's request for a nonquota allocation should be given favorable consideration. I feel so strongly about this that I have written letters to that effect to both the Secretary of State and the Secretary of Agriculture and I now include the text of those two letters at this point:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES, OFFICE OF THE MAJORITY LEADER,
Washington, D.C., July 12, 1961.

Hon. DEAN RUSK,
Secretary of State,
Department of State, Washington, D.C.

DEAR SECRETARY RUSK: I am writing to you about Ireland's application for a sugar allocation.

When I wrote to your predecessor on the same subject last year, I told him about the fine action taken by the authorities in Ireland in rejecting out of hand an attempt by the present regime in Cuba to barter Cuban sugar for Irish meat. The reply I received then indicated that the Department of State was gratified by this evidence of the friendly and cooperative spirit of Ireland toward the United States. I am happy to tell you that throughout the intervening period Ireland has maintained its refusal to take any sugar from Cuba.

Ireland has become a net exporter of sugar as a result of the commendable exertions of the small farmers in Ireland, for whom sugar beet is a relatively new but most important crop. In this connection it is pleasant to recall that technical assistance furnished by us under the Marshall plan was an important factor in the development of the sugar industry in Ireland.

Ireland is seeking a very modest share of the U.S. market—in fact, only 0.1 percent of the 10 million tons total, that is a mere 10,000 tons a year. For the balance of 1961, I believe the case could be met by permitting Ireland to sell to us 7,500 tons of sugar for direct consumption. I understand that this can be arranged for under the present regulations.

Our trade with Ireland has been, I believe, always in our favor. They buy much farm produce from us and they always pay for it at market prices without subsidization. When they ask to be allowed to compete for a small share of our sugar market, surely we shouldn't refuse them.

Many other countries have recently been granted sugar allocations much larger than that now requested by the Irish. Some of these countries have been given allocations for the first time this year. Our friends in Ireland feel keenly their omission from the list. I believe it would be a very good step toward maintaining our traditionally close relations with Ireland if a token allocation of 7,500 tons of sugar could be granted this year. We should, I feel, also support Ireland's application for a permanent quota of 10,000 tons annually in the pending long-term sugar legislation.

With kind regards, I am,

Sincerely yours,

JOHN W. MCCORMACK,
Majority Leader.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES, OFFICE OF THE MAJORITY LEADER,
Washington, D.C., July 12, 1961.

Hon. ORVILLE L. FREEMAN,
Secretary of Agriculture,
Department of Agriculture,
Washington, D.C.

DEAR GOVERNOR FREEMAN: I am writing to you about Ireland's application for a sugar allocation.

Ireland is a good trading partner of the United States. She eliminated her post-war restrictions on dollar imports as long ago as 1954 and now buys twice as much from us as we buy from her. Agricultural commodities make up half of our exports to Ireland and they are purchased by the Irish at the ordinary commercial prices.

Ireland's ability to increase her imports from the United States and other countries depends on an expansion of her exports, especially her agricultural exports. Sugar has recently become an important export as an ingredient in food products and the Irish are now seeking a small share in our sugar market.

Their application is only for 10,000 tons annually; that is only 0.1 percent of our total requirements. Indeed, I believe an allocation for the rest of the year of 7,500 tons of sugar for direct consumption would meet the case very well and I understand that this can be provided for under the relevant regulations.

With so many other countries being granted allocations for the import of sugar this year—some of them for the first time—our good friends in Ireland are finding it very

hard to understand why their modest request should be refused. This is particularly so because they rejected a barter deal offered to them by the present regime in Cuba last year, and have since that time refused to take any sugar whatsoever from Cuba.

I hope you will agree that permission to supply the modest token quantity of 7,500 tons of sugar should be granted now to Ireland, while her application for a permanent quota of 10,000 tons annually, in the context of long-term sugar legislation, is pending.

With kind regards, I am,

Sincerely yours,

JOHN MCCORMACK,
Majority Leader.

A FEDERAL EDUCATION AGENCY FOR THE FUTURE

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. LINDSAY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LINDSAY. Mr. Speaker, recently quite a stir was caused by a pamphlet prepared by the Office of Education of the Department of Health, Education, and Welfare entitled "A Federal Education Agency for the Future." The pamphlet was denounced from several quarters as "a blueprint for socialized education," and "a master plan for Federal control."

I wonder how many have taken the trouble to read the pamphlet with care. I have discovered that by no stretch of the imagination can this document be called a master plan for Federal control. On the contrary, it is a straightforward, factual, analytical appraisal of the Office of Education and its expanding responsibilities to administer existing and proposed educational programs. This is not a role that will diminish. A departmental committee was designated, therefore, to examine the problem and to determine whether the Office of Education was in fact prepared to meet its responsibilities. The committee was named the Committee on Mission and Organization of the U.S. Office of Education, and the pamphlet in question was the final report of this committee.

It turns out that the chairman of the committee is a good Republican, appointed under the Eisenhower administration—Dr. Homer D. Babbidge, Assistant U.S. Commissioner of Education. The committee was constituted, given its assignment and Dr. Babbidge named its chairman in October 1960. I have the good fortune of knowing Dr. Babbidge and can assure by colleagues that he is a dedicated public servant, deeply committed to the cause of free and independent educational institutions in the United States. His goal is the betterment of American education, and at all times that he has been professionally engaged in the business of education—for many years at Yale University and later in the Office of Education, he has been pursuing this goal. Incidentally, Dr. Babbidge was the recipient of an award last year by the U.S. Junior Chamber of Commerce which named him one of the Nation's 10 outstanding young men. Dr. Babbidge recently received a Distinguished Service Award from the Department of Health, Education, and Welfare.

On June 27, Dr. Babbidge took occasion to respond to the criticism that had been made of the pamphlet in remarks addressed to the Education Writers Association awards luncheon. In the interest of completeness and by way of commending Dr. Babbidge, I should like to bring Dr. Babbidge's intelligent rebuttal to the attention of all of my colleagues.

I have been asked to speak to you today about the future of the U.S. Office of Education. I might better ask you than try to tell you. Because it seems perfectly evident to me that the future role of the Federal Government in education—a role upon which, in turn, the future of the Office rests—is far less likely to be fashioned by those who work in Government, than it is by those outside Government. And among those not in Government, I can think of no group likely to be more influential in the resolution of key educational issues than this one. It is what the American public wants in the way of a Federal educational agency, that we are most likely to have. I have, myself, sufficient confidence in the responsiveness of our form of government to believe that the American people are likely to get what they want—nothing more, nothing less. And I suspect that this audience—far better than Government officials and probably better than educators—has a sense of what the American people want in education.

But it is necessary to the orderly conduct of the affairs of Government, and especially so in a period of pronounced change, to try and anticipate some of the desires of the public. It was this kind of need that prompted former Commissioner Lawrence G. Derthick to appoint from among the staff of the Office of Education a committee to study the probable future responsibilities of the Office and to suggest changes in its organization that would make the assumption of these responsibilities both effective and graceful. It is because I served as chairman of that committee that I have been invited to talk to you today about the future of the U.S. Office of Education as it is seen by the committee.

We were designated, in good Government parlance, as the "Committee on Mission and Organization." (Subsequent critics have attached considerable significance to the term "mission," imparting to it a degree of evangelical zeal, which, I can assure you, does not characterize the committee or its chairman.)

Our assignment was as simple as it was difficult—to look ahead some 5 or 10 years, anticipate developments in American education, develop assumptions regarding the probable role of the Federal Government in that unfolding drama, estimate the scope and type of responsibility likely to be assigned to the Office of Education, and then describe the organizational structure best suited to this vision of the future.

From a selfish point of view, it was an exceedingly valuable experience. We spent a good many hours each week for several months doing what every administrator knows he ought to be doing, but claims he never has time for. I found it so edifying that I have no hesitation in recommending the exercise to everyone who has an interest in the future of education, even—I won't say "especially"—those who have been most critical of our report.

The area of projections and anticipated future developments is one certain to produce disagreements. Most of these are honest disagreements of judgment, but some result from the imposition of hopes and aspirations upon judgment. The wish is often father to the thought. I can offer you no more than my personal assurance—but I should like to do that, nonetheless—that the Office of Education committee demonstrated a real desire and marked ability to divorce personal and professional hopes from its assessment of the future. What we have reported as a desirable status and organization for the Office of Education, reflects only our judgment as to what is needed if the Office is to do well the tasks which we anticipate will be assigned to it.

Now you all have copies of our report before you, and you are—I am hazarding a judgment—perfectly capable of reading it. But I have learned in recent weeks that it can be read, so to speak, in an ominous tone of voice. And it may contribute to a clearer understanding of what our committee meant by the words it used, if I venture to review parts of it for you, in the tone of voice we had in mind.

It is a document intended for internal use and consideration, but it is obvious that a failure to make it available for public discussion would lend to the effort an air of confidentiality that to some would appear ominous. But because the report is for internal consideration, and because its preparation was a responsibility assigned to members in their official capacities as employees of the Office, I do not desire to become involved in public debate as to the merits of the report. Officially, it is the responsibility of the Commissioner to decide its merits; practically speaking, there will be many outside the Office who will weigh them—some of whom will find its merits few. In either case, the report is better evaluated by persons other than its authors.

Let me, therefore, in a spirit of exposition rather than argument, call attention to features of the report that I think might be of particular interest to this audience.

I can't imagine that many of you are interested in the details of internal organization recommended in this report. But a few examples of changes suggested may serve to illustrate some of the concepts we had in mind in viewing the Office of Education in the future.

For example, we recommended that the Office organize itself into four major bureaus. By Government standards, the Office now operates, itself, as a single bureau. Thus, it is evident we had in mind a larger office, and one that enjoys more elevated status within the structure of government. Indeed, in order to dramatize this elevation, we even suggested that the name of the Office of Education be changed to the "U.S. Education Agency." (The term "Agency" designates a level of organization second only of professional advisory services to educators in the field. Only the fourth bureau would depart from this functional concept of organization. The Bureau of International Education would embrace all manner of functions that relate to the growing role of education in international affairs.

Now I would assume that from your point of view, certain things about these changes would interest you:

1. International educational activities are given extraordinary visibility within this structure.

2. The administration of grant programs is deemed of sufficient importance to warrant—in anticipation of the future—two bureau units.

3. Research and service activities are consolidated in a single bureau, the better to be deployed in the solution of educational problems regardless of where they spring up within the administrative structure of organized education. Clearly, the committee hopes thereby to minimize arbitrary separation of interest in problems that run the gamut of education. The difference between

a high school senior and a college freshman is frequently no more than an instant in time.

The separation of program administration—what the committee has called the execution of policies that have been adopted through legislative action—from the research and advisory role, is significant. There is a school of thought that advice is most effectively rendered in conjunction with the expenditure of funds. The committee report consciously avoids this view—a fact not noted by some who have described this report as a plan or scheme for Federal control of education. The committee, on the contrary, would make a frank distinction between the two; doing in the name of program administration only what the Congress has directed be done; and letting advisory and consultative services win their support and have their effect upon education only insofar as they merit it intrinsically.

But I don't want to give you the impression that grant administration is separated from research and development activities simply to insure against the danger of "paying the piper and suggesting the tune." That was part of our thinking, but by no means all.

The committee was much influenced in its decision to recommend a bureau dedicated to advisory services and based upon research and study finding, by the evidence that within an organization like the present Office of Education, a kind of "Gresham's law" operates.

When work of a contemplative, analytical, research-oriented nature is required to compete for the time and energies and resources of an organization that also has executive and operational responsibilities, the "bad money" of administration drives out the "good money" of research.

This is a real problem in the Office of Education. Almost overnight, we have become a major program administration agency. Only a little more than a decade ago, we had a total grant budget of about $50 million a year. Today it is more than half a billion dollars. We are a tiny office, but we are a larger item in the Federal budget than are two full-fledged Cabinet departments. And there is now pending before the Congress legislation that would—virtually overnight—better than triple our present budget.

From what is often quaintly described as a "fact gathering agency," the U.S. Office of Education has become an organization, 60 percent of whose employees are engaged in the administration of some 20 separate federally legislated programs. So rapidly has this change taken place, that many of us in the office have not fully realized it. Some of you, I venture to say, have not been fully aware of it, either.

But as this dimension of office activity has mushroomed, the earlier functions of the office have suffered. The educational world of today is one in which to stand still means to fall behind. Growth in the Office of Education has been largely at the expense of the fact-gathering foundations of the organization. In the committee's view this is most unfortunate. Fact gathering is not glamorous. It is not newsworthy. But it is absolutely essential to progress in education.

Now I'm not talking about fact gathering in the sense of Henry Barnard, who brought the office into being 94 years ago. I'm talking about fact gathering in its most modern garb. Research—basic and applied, internal and external, free and directed; data gathering through the medium of modern electric innovation; the collection, storage and retrieval of information of kinds and in forms that is indispensable to a nation that has an urgent need to know about its educational condition. Research findings, statistical data, analyses and interpretations that are presented, disseminated, demonstrated and applied in such a way as to have a chance of making a real impact upon educational practice. All of this must be embraced in a modern concept of the data gathering function of a Federal education agency.

And this is what the Office of Education Committee sought to suggest in the creation of a bureau devoted to research, statistics and service. The committee recommendaiton reflects a concern that a failure to break out these activities from the competing demands of office responsibility would lead to their further withering away. If progress in American education—if the development of Federal educational policies for example—is to be based upon anything other than habit and inertia, or upon whim and fancy, we must launch a major assault upon our present ignorance of the process of education itself. Our committee's recommendation is designed to permit the Federal education agency to provide stimulatory leadership in such an assault. We have seen it done—and done by the Federal Government—in agriculture. We are seeing it done—and done by the Federal Government—in medical affairs. One questions whether anything analogous can be accomplished in education without Federal involvement.

There is much more I could say about other new responsibilities our committee saw in store for a Federal education agency. The need for more supporting service to the executive branch and the Congress, now that education occupies more and more of their time and thought. The need for greater attention to the impact of topsylike Federal actions upon the fabric of education in the United States. The need for greater mobility and flexibility in an organization that should be concerned with emerging problems. And the whole spectrum of international educational responsibilities that cannot be assumed by local and State governments.

But let me, in the interest of both time and of perspective, mention just two aspects of the possible future of the Office of Education that constitute important themes of the so-called mission and organization report. They are related. One is that the Federal Government can be expected to play a more active role in American education. The other is, that as the American people seek to work out a policy of Federal involvement that suits them, they have a right to call upon the views of a public education agency that is strong enough to have both independence and integrity.

With regard to the first, I am anxious to make the committee's position clear. We have not, as some would imply, advocated greater Federal involvement in education. There is a vast difference between anticipating it and advocating it. Let me read from the report:

"New responsibilities have fallen to the Office of Education during the past decade, supplementing but not replacing those that emerge from its more historic role. These new responsibilities reflect nothing more or less than a change in public conviction as to the role of the Federal Government in the area of education. We have said that responsibility for the conduct of American education—at all levels—remains and will remain outside the Federal Government. But the American people have come to use the one Government they have in common to augment and strengthen the activities of the several governments they have separately. The reasons for this are perhaps better analyzed by economists and political scientists; this committee acknowledges it as a fact. The committee foresees an extension of the active Federal role in education."

Now, assuming that this prognosis is accurate—that the Federal Government will be increasingly employed to cope with educational concerns—let me read a few further excerpts from the committee report, to suggest the qualities that we believe should characterize a Federal education agency, under these circumstances. These lines, I think, suggest the distinctive role of the office amid a variety of other educational organizations that have a legitimate interest and voice in the molding of national policy:

"Historically, with the Federal Government in a passive attitude toward educational affairs, the Office of Education had little responsibility for staff services in the formulation of national policy. Its own staff, indeed, was virtually dedicated to serving local, State, and institutional policies rather than a national policy. In more recent years, as the Federal Government has begun to search out the dimensions of a national policy, it is not surprising that it has relied only partially on its own educational agency for staff assistance. Small, staffed by persons primarily concerned in the rendering of service to their counterparts in the field, and inexperienced in the administration of Federal programs, the Office of Education may have appeared a weak reed on which to lean. Its orientation to the needs of education as it is organized led not infrequently to the charge that the Office of Education was too professionally minded to render staff assistance in the formulation of public policy.

"In the United States, more so than in any other nation in the world, educational policy is shaped by the people. This is true whether one thinks of the Nation's 42,000 local school boards or the Congress of the United States. It is the American conviction that the destiny of the Nation is secure only in the hands of the people.

"This critical fact of American life has great significance for the future of the U.S. Office of Education. Most importantly, it seems that the Federal educational agency must never isolate itself from the public. Indeed it must do all in its power both to hear the voice of the people and to speak to the people on matters of education. It must, in a current phrase, be an office of education, not an office of educators."

These are not, I submit, the words of a willful band of educator-bureaucrats bent upon a takeover of the American educational system. They are the words of a group—and I'll except myself—of earnest public servants and educators who, anticipating that they and their colleagues and their successors will be asked to assist in the resolution of educational problems and in the formulation of educational policies, seek to do so in an effective and responsible way.

Of necessity, it seems to me, a weak educational agency at the national level can serve as little more than a purveyor of the prefabricated views of parties at interest. Strength in a Federal education agency is to be desired, if only to insure its ability to assess objectively the competing—and sometimes conflicting—views of the several elements of our educational enterprise. The public has a right to, and I think, a need for, access to educational judgments taken exclusively in the public interest. Let me repeat, that I think the Office of Education will, in the future, take a shape that reflects the desires of the American people. My only plea is that the public not expect of such an agency what it cannot produce; that it not expect independence and objectivity of judgment from an organization that is without the resources essential to such integrity.

CONNECTICUT MEMORIALIZES CONGRESS FOR EQUAL RIGHTS AMENDMENT

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. SEELY-BROWN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SEELY-BROWN. Mr. Speaker, one of my constituents is Gustaf A. Carlson, who for four terms was elected by the people of Killingworth—1960 population, 1,082—in Middlesex County, to be their representative in the General Assembly of Connecticut.

In the session of the general assembly which expired last month, Mr. Carlson served as a member of the Committee on Federal and Intergovernmental Relations, and this committee was the one which considered, held public hearings on, and favorably reported a resolution introduced by Mr. Carlson.

The resolution, which subsequently was passed by both houses of the general assembly, memorializes Congress concerning equal rights for women.

The resolution sets forth that "the 14th amendment to the Constitution of the United States did not give women equal civic or economic rights and the 19th amendment provided solely for political equality of the sexes." The general assembly therefore urges Congress in the resolution to give favorable consideration to a possible amendment to the Constitution with respect to equal rights for women.

Copies of the resolution have been or will be sent to the Speaker of the House of Representatives and to the President pro tempore of the Senate, but it is my desire to have the record show that Mr. Carlson, as an elected representative, and the general assembly, as the legislature of a sovereign State, have participated in the process invoking one of the most sacred rights of a free society.

It may be of some interest to the sponsors and the participants in this memorial to Congress, that in the current session of the 87th Congress, resolutions proposing a constitutional amendment on the subject of their memorial have been introduced by 94 Members of this House.

I include the text of the resolution of the Connecticut General Assembly at this point:

Whereas the citizens of the United States look with justifiable pride upon our system of government based on the principle of individual worth and freedom; and

Whereas in many parts of our country women are still hampered by archaic laws which limit them unreasonably in various fields of endeavor and restrict their free exercise of property rights; and

Whereas the 14th amendment to the Constitution of the United States did not give women equal civic or economic rights and the 19th amendment provided solely for political equality of sexes: Now, therefore, be it

Resolved, That this general assembly urge the Congress of the United States to give favorable consideration to a possible amendment to the Constitution with respect to equal rights for women; and be it further

Resolved, That copies of this resolution be sent to the President pro tempore of the U.S. Senate, the Speaker of the U.S. House of Representatives, to each Member of Congress from Connecticut and to Miss Elsie Hill of South Norwalk.

KEVIN B. KENNY,
Clerk of the Senate.
JOHN L. GERARDO,
Clerk of the House.

CAPTIVE NATIONS WEEK—AN UNFORTUNATE SYMPTOM

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, most Americans, I am sure, were pleased at the President's statement on the Berlin crisis. He sounded a clear call to the Nation on what must be done and stressed the serious urgency of the situation. It has been clear, however, for the past 6 months that the American people have been far ahead of this administration in their desire to reverse the drift which has set in during 1961 and that they are tired of this policy of treating the Communists with civility. This policy is bankrupt before it starts.

We all hope that the Berlin speech will mark a change in the soft position we have been taking toward the Communists. A steady series of events since January have forcefully demonstrated that the State Department has once more started its policy of retreat, appeasement, and concession. In no instance has this unfortunate policy been more obvious than in the weak-kneed, apologetic declaration which was made during Captive Nations Week. One gets the impression that it was done reluctantly and only because the Congress had gone on record in favor of a yearly declaration of policy by our Chief Executive.

Public Law 86–90 of the 86th Congress provided for the designation of the third week of July as "Captive Nations Week," and urged the President to make a yearly declaration until these nations are freed from the Communist yoke.

Contrasted to the strong, anti-Communist declarations of President Eisenhower in 1959 and 1960 in proclaiming Captive Nations Week, President Kennedy, under State Department persuasion, no doubt, issued a halfhearted proclamation which never once mentioned the Communists. It merely gave a nod to the just aspirations of all peoples for national independence and freedom. President Eisenhower's statement referred specifically to nations throughout the world which have been made captive by the imperialistic and aggressive policies of Soviet communism and declared that the "peoples of Soviet-dominated nations have been deprived of their national independence and their individual liberties."

The Members of Congress and, I feel, the public, well know this soft policy comes from our State Department. On July 24, two of my esteemed Democratic colleagues who are known throughout the Nation for their opposition to communism had the following colloquy which stresses this important fact of life:

Mr. FLOOD. Our secret weapon is the millions and millions of people in these captive states. If, God forbid, the lid blows off, they will knock his brains out, and Khrushchev knows it.

Mr. PUCINSKI. The gentleman from Pennsylvania has very properly described these captive nations as the Achilles heel of the Soviet orbit. The fact remains that we have to stand up here in Congress year after year and call attention to the value of the meaning of these captive nations, and we continue to come up against opposition from those in our own State Department who to this day apparently cannot understand the full meaning of these nations behind the Iron Curtain.

That is why I hope that the Committee on Rules tomorrow will adopt the gentleman's resolution and will let this legislative body establish a committee that will put this whole problem of the captive nations in its proper perspective.

Mr. FLOOD. It is the people in the State Department who are responsible for making these policies. Not the high-level officials in most cases, but the ones who prepare the "working papers." It is these characters who are in the woodwork down there like termites. The only way we can get rid of them at all is to burn the building down.

President Kennedy's proclamation should be read carefully and compared to his predecessor's positive declaration. No more concrete example could be found of our softness toward the Communist international conspiracy than in this contrast. It should also be read in contrast to the congressional resolution.

We applaud the President for his stand on Berlin. The Congress will support him in his just requests. I am extremely sorry that we have seen anything but a firm position against the Communists to date and particularly in the Captive Nations Week declaration which certainly must have been a blow to the 910 million people behind the Iron Curtain and the millions of fine citizens in this country whose families and friends live in these countries and have such a vital concern in their subjugation.

The resolutions referred to follow:

CAPTIVE NATIONS WEEK—PUBLIC LAW NO. 86–90

RESOLUTIONS

S.J. Res. 111

H.J. Res. 454, 459

Whereas the greatness of the United States is in large part attributable to its having been able, through the democratic process, to achieve a harmonious national unity of its people, even though they stem from the most diverse of racial, religious, and ethnic backgrounds; and

Whereas this harmonious unification of the diverse elements of our free society has led the people of the United States to possess a warm understanding and sympathy for the aspirations of peoples everywhere and to recognize the natural interdependency of the peoples and nations of the world; and

Whereas the enslavement of a substantial part of the world's population by Communist imperialism makes a mockery of the idea of peaceful coexistence between nations and constitutes a detriment to the natural bonds of understanding between the people of the United States and other peoples; and

Whereas since 1918 the imperialistic and aggressive policies of Russian communism have resulted in the creation of a vast empire which poses a dire threat to the security of the United States and of all the free peoples of the world; and

Whereas the imperialistic policies of Communist Russia have led through direct and indirect aggression to the subjugation of the national independence of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, White Ruthenia, Rumania, East Germany, Bulgaria, mainland China, Armenia, Azerbaijan, Georgia, North Korea,

Albania, Idel-Ural, Tibet, Cossackia, Turkestan, North Vietnam, and others; and

Whereas these submerged nations look to the United States, as the citadel of human freedom, for leadership in bringing about their liberation and independence and in restoring to them the enjoyment of their Christian, Jewish, Moslem, Buddhist, or other religious freedoms, and of their individual liberties; and

Whereas it is vital to the national security of the United States that the desire for liberty and independence on the part of the peoples of these conquered nations should be steadfastly kept alive; and

Whereas the desire for liberty and independence by the overwhelming majority of the people of these submerged nations constitutes a powerful deterrent to war and one of the best hopes for a just and lasting peace; and

Whereas it is fitting that we clearly manifest to such people through an appropriate and official means the historic fact that the people of the United States share with them their aspirations for the recovery of their freedom and independence: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation designating the third week in July 1959 as "Captive Nations Week" and inviting the people of the United States to observe such week with appropriate ceremonies and activities. The President is further authorized and requested to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world.

TEXT OF THE PRESIDENT'S PROCLAMATION ON CAPTIVE NATIONS WEEK 1961

Whereas by a joint resolution approved July 17, 1959 (73 Stat. 212), the Congress has authorized and requested the President of the United States of America to issue a proclamation designating the third week in July 1959 as "Captive Nations Week," and to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world; and

Whereas many of the roots of our society and our population lie in these countries; and

Whereas it is in keeping with our national tradition that the American people manifest its interest in the freedom of other nations:

Now, therefore, I, John F. Kennedy, President of the United States of America, do hereby designate the week beginning July 16, 1961, as "Captive Nations Week."

I invite the people of the United States of America to observe this week with appropriate ceremonies and activities, and I urge them to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom.

CAPTIVE NATIONS WEEK, 1959

(A proclamation by the President of the United States of America)

Whereas many nations throughout the world have been made captive by the imperialistic and aggressive policies of Soviet communism; and

Whereas the peoples of the Soviet-dominated nations have been deprived of their national independence and their individual liberties; and

Whereas the citizens of the United States are linked by bonds of family and principle to those who love freedom and justice on every continent; and

Whereas it is appropriate and proper to manifest to the peoples of the captive nations the support of the Government and the people of the United States of America for their just aspirations for freedom and national independence; and

Whereas by a joint resolution approved and requested the President of the United States of America to issue a proclamation designating the third week in July 1959 as Captive Nations Week and to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world:

Now, therefore, I, Dwight D. Eisenhower, President of the United States of America, do hereby designate the week beginning July 19, 1959, as "Captive Nations Week."

I invite the people of the United States of America to observe such week with appropriate ceremonies and activities and I urge them to study the plight of the Soviet-dominated nations and to recommit themselves to the support of the just aspirations of the peoples of those captive nations.

GOOD OUTLOOK FOR RURAL AREAS DEVELOPMENT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PATMAN. Mr. Speaker, I am delighted to see the new life and vigor the administration is bringing into the rural areas development program.

Secretary Freeman has mobilized the resources of the Department of Agriculture to support the ingenuity and drive of local rural community leaders in a drive to eliminate low income and underemployment in agriculture.

This is a program that extends to all rural counties. And it holds great promise. It is a program that is sorely needed.

There are rural areas all over the Nation whose economies have been severely damaged by difficult, and often desperate, conditions on the farm. Farm numbers are dropping, while the remaining commercial farms grow larger. Small businessmen are having a difficult time making ends meet. Young people growing up on the farms and in the small rural communities have little choice but to pull up stakes and go to the cities looking for work.

UNTAPPED RICHES

This Nation desperately needs a rural renaissance, a revitalization of the rural economy and way of life. Our small towns and farming areas offer a wealth of resources waiting to be developed. Plenty of land for development, pure and ample water supplies, energetic and independent workers, raw materials, including timber and minerals, are just a few of the untapped riches to be found in the countryside.

What many of these areas lack, however, is capital to finance productive enterprises and the technical know-how permitting them to compete for industry.

In light of this I am gratified to note that 468 rural counties, several of which are in my district, have been declared eligible for loans and grants for industrial and public facilities development under the depressed areas legislation recently passed by Congress. These funds will be an extremely useful tool in rural areas development.

The first loan of $31,000 and the first grant of $129,000 have been approved to help finance a water system in Gassville, Ark., which will make possible the operation of an area-financed shirt factory that will in time employ 1,500 persons.

The factory and water system are both part of an economic development program drawn up with the assistance of USDA technicians and the Arkansas Industrial Development Commission to revitalize four rural counties in the Ozark Mountains of north central Arkansas. The Area Development Agency in the Commerce Department will make the loan and the grant.

Consider some of the services the Department of Agriculture is making available to rural communities that seek ways and means of rebuilding their economies.

PROVIDE TECHNICAL HELP

To help these communities the Department of Agriculture will provide leadership in organizing rural areas development committees, furnish the committees technical assistance in inventories of the human and physical resources in their areas, and assist them in drawing up their plans for economic growth.

In addition the Department will provide credit accompanied by farm management assistance for farm improvement and enlargement, adjustments in farming systems, development of water resources, farm housing, irrigation and farmstead water supply systems, and for drainage.

The Department will assist in planning markets and related facilities, will provide technical advice and counsel on farm production and the utilization of farm products, including forest enterprises.

The Department will advise families in rural communities in making adjustments in their farming and marketing operations, and conduct marketing research needed in developing sound local development projects.

The Department will provide information and assistance on the role of cooperative effort in the rural development program, and explore the potentialities of regional cooperatives.

The Department also will give technical assistance in planning public facilities projects such as water impoundment for municipal, industrial, and recreational uses.

MANY AGENCIES HELPING

These and other services have been organized by the Agriculture Department under a Rural Areas Development Board representing 12 USDA agencies. Together with the services of the Cooperative Extension Service and the services of the many Federal, State, and private agencies and organizations who have special contributions to make, this constitutes a potent force for attacking rural poverty, for helping rural people make full use of the resources at hand.

There is a great deal of interest in this program among rural people, and I, for one, am going to watch very closely the progress of the Federal Government's entire rural redevelopment effort.

A significant proportion of this Nation remains rural in residence and rural in outlook. In addition to full-time farmers, there are many people who live in the country while drawing most of their income from off-farm sources. All have a big stake in rural areas development. Indeed, in the absence of a successful local program to stimulate new employment, many of them will be driven out of their home places in search of the opportunity to make a decent living elsewhere. I think we must do everything we can to make sure that such a forced migration to our already overcrowded cities does not take place, and I commend the efforts of Secretary Freeman and others in rebuilding our rural areas.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. NORRELL (at the request of Mr. ALBERT), for 1 week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. FEIGHAN, for 15 minutes, today.

Mr. CONTE (at the request of Mr. HALPERN), for 30 minutes, on July 28, 1961.

Mr. PATMAN, for 40 minutes, on Monday and Tuesday, July 31 and August 1, and to revise and extend his remarks and include extraneous matter.

Mr. BAILEY, for 30 minutes, on Wednesday, August 2.

Mr. MCCORMACK, for 15 minutes today, and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ARENDS, the remarks he will make in the Committee of the Whole today, and to include a table.

Mr. LANE and to include extraneous matter.

Mr. FINO.

Mr. ELLIOTT, to revise and extend his remarks made in Committee of the Whole and include extraneous matter.

Mr. BRADEMAS.

(The following Members (at the request of Mr. HALPERN) and to include extraneous matter:)

Mr. HORAN.

Mr. DEROUNIAN.

Mr. VAN ZANDT.

Mr. DOOLEY.

Mr. PILLION.

(The following Members (at the request of Mr. MCCORMACK) and to include extraneous matter):

Mr. DULSKI.

Mr. MOELLER.

Mr. HULL.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 7577. An act making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On July 26, 1961:

H.R. 2086. An act for the relief of Earl H. Spero;

H.R. 2249. An act to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity;

H.R. 2250. An act to authorize and direct the Secretary of Agriculture to convey certain lands in Lassen County, Calif., to the city of Susanville, Calif.;

H.R. 4328. An act to reassign officers designated for supply duty as officers not restricted in the performance of duty in the Marine Corps;

H.J. Res. 124. Joint resolution to provide for amending section 3 of the Puerto Rican Federal Relations Act (64 Stat. 319), as amended (64 Stat. 458);

H.J. Res. 463. Joint resolution to extend through June 30, 1962, the life of the U.S. Citizens Commission on North Atlantic Treaty Organization; and

On July 27, 1961:

H.R. 7577. An act making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fisacl year ending June 30, 1962, and for other purposes.

ADJOURNMENT

Mr. MCCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 37 minutes p.m.), under its previous order, the House adjourned until Monday, July 31, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1175. A letter from the Director, Office of Civil and Defense Mobilization, Executive Office of the President, transmitting a draft of a proposed bill entitled "A bill to further amend Reorganization Plan No. 1 of 1958, as amended, in order to change the name of the office established under such plan, and for other purposes"; to the Committee on Armed Services.

1176. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill entitled "A bill to provide for the regulation of credit life insurance and credit accident and health insurance in the District of Columbia"; to the Committee on the District of Columbia.

1177. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill entitled "A bill to amend the act known as the Life Insurance Act of the District of Columbia, approved June 19, 1934, and the act known as the Fire and Casualty Act of the District of Columbia, approved October 3, 1940"; to the Committee on the District of Columbia.

1178. A letter from the Chairman, Federal Power Commission, transmitting a copy of each of the following: Map showing principal natural gas pipelines in the United States, 1960; "Uniform System of Accounts Prescribed for Public Utilities and Licensees, Class C;" and "Uniform System of Accounts Prescribed for Public Utilities and Licensees, Class D;" to the Committee on Interstate and Foreign Commerce.

1179. A letter from the Acting Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill to amend section 303 (a) of title 23, United States Code, relating to the organization of the Bureau of Public Roads, and for other purposes"; to the Committee on Public Works.

1180. A letter from the Attorney General, transmitting the report of the Attorney General on the administration of the Foreign Agents Registration Act of 1938, as amended, for the calendar year 1960; to the Committee on the Judiciary.

1181. A letter from the Acting Administrator, General Services Administration, transmitting a draft of a proposed bill entitled "A bill to improve the administration of transfers of certain real property for wildlife or other purposes by repealing the act of May 19, 1948, and incorporating the essential provisions thereof in the Federal Property and Administrative Services Act of 1949, as amended"; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLS: Committee of conference. H.R. 6611. A bill to amend paragraph 1798 (c)(2) of the Tariff Act of 1930 to reduce temporarily the exemption from duty enjoyed by returning residents, and for other purposes (Rept. No. 801). Ordered to be printed.

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. H.R. 7601. A bill to provide for the disposal of certain Federal property on the Minidoka project, Idaho, Shoshone project, Wyoming, and Yakima project, Washington, and for other purposes; without amendment (Rept. No. 802). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. H.R. 1102. A bill t. authorize the transfer of a Bureau of Reclamation bridge across the Colorado River near Needles, Calif., and Mohave County, Ariz.; without amendment (Rept. No. 814). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. H.R. 4917. A bill for the relief of Albany County, N.Y.; without amendment (Rept. No. 815). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. S. 207. An act for the relief of Jean Goedicke; without amendment (Rept. No. 803).

Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 489. An act for the relief of Dellarose J. Dowler; without amendment (Rept. No. 804). Referred to the Committee of the Whole House.

Mr. PETERSON: Committee on the Judiciary. H.R. 1333. A bill for the relief of A. N. Deringer, Inc.; with amendment (Rept. No. 805). Referred to the Committee of the Whole House.

Mr. LINDSAY: Committee on the Judiciary. H.R. 1344. A bill for the relief of Sfc. (E-7) Frederick W. Heedt, RA 16247914; without amendment (Rept. No. 806). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 1616. A bill for the relief of Rickert and Laan, Inc.; with amendment (Rept. No. 807). Referred to the Committee of the Whole House.

Mr. MacGREGOR: Committee on the Judiciary. H.R. 6025. A bill to confer jurisdiction on the U.S. Court of Claims to hear, determine, and render judgment on the claim of George Edward Barnhart against the United States; with amendment (Rept. No. 808). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 6120. A bill for the relief of Francis Ainsworth; without amendment (Rept. No. 809). Referred to the Committee of the Whole House.

Mr. SHRIVER: Committee on the Judiciary. H.R. 6644. A bill for the relief of Julius Benikosky; with amendment (Rept. No. 810). Referred to the Committee of the Whole House.

Mr. SHRIVER: Committee on the Judiciary. H.R. 6998. A bill for the relief of Anthony Pirotta; without amendment (Rept. No. 811). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 6999. A bill for the relief of Henry Massari; without amendment (Rept. No. 812). Referred to the Committee of the Whole House.

Mr. LOSER: Committee on the Judiciary. H.R. 8125. A bill for the relief of Edward J. Maurus; without amendment (Rept. No. 813). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARING:

H.R. 8369. A bill to disclaim interest in certain rights in certain lands in the State of Nevada; to the Committee on Interior and Insular Affairs.

By Mr. CHELF:

H.R. 8370. A bill to prevent hijacking of aircraft; to the Committee on Interstate and Foreign Commerce.

By Mr. EVINS:

H.R. 8371. A bill to authorize the Secretary of the Interior to establish, construct, equip, operate, and maintain a fish hatchery in De Kalb County, Tenn.; to the Committee on Merchant Marine and Fisheries.

By Mr. FALLON:

H.R. 8372. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. GOODELL:

H.R. 8373. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.

By Mrs. HANSEN:

H.R. 8374. A bill to amend the Internal Revenue Code of 1954 to exempt from the excise tax on automobiles certain vehicles which may be used both as an automobile and as an airplane; to the Committee on Ways and Means.

By Mr. HOLLAND:

H.R. 8375. A bill to provide a 1-year moratorium on principal payments under Federal Housing Administration insured and Veterans' Administration guaranteed mortgages for mortgagors who are unemployed and unable to make such payments through no fault of their own, and for other purposes; to the Committee on Banking and Currency.

H.R. 8376. A bill to amend the Railroad Unemployment Insurance Act to provide unemployment and sickness benefits for employee representatives; to the Committee on Interstate and Foreign Commerce.

By Mr. KASTENMEIER:

H.R. 8377. A bill to assist in the promotion of economic stabilization by requiring the disclosure of finance charges in connection with extensions of credit; to the Committee on Banking and Currency.

By Mr. MOOREHEAD of Ohio:

H.R. 8378. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.

H.R. 8379. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of surplus agricultural commodities to such nations at prices less than those prices available to American consumers; to the Committee on Agriculture.

By Mr. ROGERS of Colorado:

H.R. 8380. A bill to amend the Federal Aviation Act of 1958 to provide for the application of Federal criminal law to certain events occurring on board aircraft in air commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. SPENCE:

H.R. 8381. A bill to amend the Export-Import Bank Act of 1945; to the Committee on Banking and Currency.

By Mr. TRIMBLE:

H.R. 8382. A bill to prohibit the exclusion of dog guides for the blind from public buildings, lands or other places of business; to the Committee on Public Works.

By Mr. VINSON:

H.R. 8383. A bill to further amend section 201(i) of the Federal Civil Defense Act of 1950, as amended, and for other purposes; to the Committee on Armed Services.

By Mr. WILLIAMS:

H.R. 8384. A bill to amend the Federal Aviation Act of 1958 to provide for the application of Federal criminal law to certain events occurring on board aircraft in air commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. ASPINALL (by request):

H.R. 8385. A bill to authorize the Secretary of the Interior to sell to landowners in urban areas the rights of the United States to certain minerals, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FLOOD (by request):

H.R. 8386. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. MOELLER:

H.R. 8387. A bill to amend title 38, United States Code, to provide for the payment of pensions to veterans of World War I; to the Committee on Veterans' Affairs.

By Mr. RANDALL:

H.R. 8388. A bill to amend the act approved July 14, 1960 (74 Stat. 526), relating to the establishment of a register in the Department of Commerce of certain motor vehicle operators' licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. MORRIS K. UDALL:

H.R. 8389. A bill to authorize the Secretary of the Interior to sell to landowners in urban areas the rights of the United States to certain minerals, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VAN ZANDT:

H.R. 8390. A bill to amend the Railroad Retirement Act of 1937 to permit men having less than 30 years of service to retire thereunder at age 62, with a reduced annuity, on the same basis as is presently provided for women; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMPSON of New Jersey:

H.J. Res. 510. Joint resolution authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson; to the Committee on House Administration.

By Mr. MORRIS K. UDALL (by request):

H.J. Res. 511. Joint resolution designating the 4th day of August 1961, as John C. Fremont-Sallie Holley Day; to the Committee on the Judiciary.

By Mr. HALPERN:

H. Con. Res. 359. Concurrent resolution to establish a Joint Congressional Committee on Assistance for International Development; to the Committee on Rules.

By Mr. RYAN:

H. Con. Res. 360. Concurrent resolution to provide that the Federal Government retain and exercise ownership and responsibility for the operation of communications satellite systems for a period of not less than 2 years; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE of Texas:

H. Res. 392. Resolution to provide for the further expenses of the investigation and study authorized by House Resolution 49; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the Territory of Guam, memoralizing the President and the Congress of the United States relative to expressing the opposition of the people of Guam to a proposed change in the election law of this territory to provide for district representation and candidates at-large for the Guam Legislature; which was referred to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GILBERT:

H.R. 8391. A bill for the relief of Francesco Cosentino; to the Committee on the Judiciary.

By Mr. LANE:

H.R. 8392. A bill for the relief of Mrs. Battistina Gallo Iannuccilli; to the Committee on the Judiciary.

By Mr. MILLER of New York:

H.R. 8393. A bill for the relief of Andrea Aiello; to the Committee on the Judiciary.

By Mr. SANTANGELO:

H.R. 8394. A bill for the relief of Flavio Bolloli; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

How To Get Congressional Support for Agriculture

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 27, 1961

Mr. HORAN. Mr. Speaker, on July 24 Congressman H. CARL ANDERSEN, of Minnesota, gave an address before the 45th annual conference of the American Association of Agricultural College Editors.

It has been my privilege to serve on the House Appropriation Agriculture Subcommittee with my good friend H. CARL ANDERSON. Because I believe that the views expressed in his address are worthy of the reading of my colleagues, I ask unanimous consent that the address entitled "How To Get Congressional Support for Agriculture," be printed in the RECORD.

HOW TO GET CONGRESSIONAL SUPPORT FOR AGRICULTURE

(By Hon. H. CARL ANDERSEN, of Minnesota)

Ladies and gentlemen and distinguished guests, it is a great honor and a privilege to meet with you today. Last March when your program chairman, Mr. Ward, invited me to speak, he asked that I speak to you on the important job of getting congressional support for agriculture.

From my association with farm editors, county agents, and extension workers over a span of 40 years or more, and especially from 20 years of service on the Appropriations Subcommittee for Agriculture, I would say that you are about as expert in that field as any group to my knowledge. You have rendered great service to agriculture and to farm people; and in so doing you have drawn highly favorable attention to our programs.

Contrary to some popular misconceptions, the Congress is genuinely interested in the programs for which it legislates. Perhaps some of you have attended sessions of the House or Senate, and you may have remarked upon the limited attendance in the Chambers. It is quite possible that you found the debate of little interest or of minor importance. If you judge the Congress by these impressions you miss completely the responsible manner in which the House and Senate meet their constitutional obligations.

Perhaps you have heard of the midwest farm family who came to Washington, D.C., as tourists to visit the Nation's Capital. They attended a session of the Congress and as the Chaplain opened the day's session of the Congress with the customary prayer, the the farmer's small son said, "Daddy, why does the Chaplain pray for the Congress?" The father said, "Son, he doesn't pray for the Congress; he takes one look at the few Congressmen present and then he prays for the people."

The important work of the Congress is done in the committees where literally thousands of individual bills introduced each year are studied, debated, and a limited few chosen for consideration by the Congress as a whole. Over 8,300 bills have been introduced in the House of Representatives since January 1 of this year. Because the work of the committees is so important, let me take a few minutes to describe for you the process by which the annual appropriation bill for agriculture, for example, is developed.

Early in each session of Congress the President sends us his budget estimates together with a voluminous document of explanation and justification. The estimates for agriculture are referred to our Subcommittee on Agricultural Appropriations, and we begin a series of daily hearings which continue for many weeks. The seven men who serve so faithfully on that subcommittee are in effect the board of directors for the multibillion dollar agricultural programs. This seven-man committee is composed of the following: JAMIE L. WHITTEN, of Mississippi, chairman; myself, H. CARL ANDERSEN, of Minnesota; WALT HORAN, of Washington; WILLIAM H. NATCHER, of Kentucky; ROBERT H. MICHEL, of Illinois; ALFRED E. SANTANGELO, of New York; JOHN M. SLACK, Jr., of West Virginia.

In the course of our hearings, we have all of the top administrative staff of the U.S. Department of Agriculture before us, and we make a searching examination of their conduct in the past and their plans for the future. Because we have the responsibility for decisions on the spending of billions of dollars of public funds, we make certain that every dollar we recommend is required for the public good, so far as we can judge.

After we have heard witnesses from the Department on every phase of the budget, we hear other Members of Congress and outside witnesses. While the Government witnesses testify in support of the precise amounts requested in the budget estimates, many Members of Congress and most of the outside witnesses come before us to ask for increases in items of particular interest to them. It is rare indeed that we receive a constructive proposal for economy from any source.

When our hearings have been concluded, the subcommittee meets in executive session to decide as to the exact amounts for the hundreds of individual items, together with language changes from previous appropriations bill. This is known as the markup.

Decisions are made by majority vote and in all of the years I have been on the subcommittee, we have had few differences which could not be reconciled, and they were usually of relatively minor importance.

The next step in the process is to take our recommended bill to the full Committee on Appropriations where 50 of the most responsible Members of Congress sit in judgment upon our findings. It is a compliment to our subcommittee that few changes have been made in our recommendations during the last 20 years, and they too, have generally been of minor significance.

With the approval of the full committee, our bill is then reported out and programed for consideration by the House of Representatives. Congressman WHITTEN is in charge of the debate on his side of the political aisle, and I am in charge on my side. We members of the subcommittee discuss, in turn, the details of the measure, and then it is thrown open for amendments. As a measure of the confidence the House has in our work, very few amendments of any consequence have been adopted on the floor.

On some occasions our bill has been approved without serious debate or suggested amendment.

After the House has completed action, the bill goes to the Senate and the whole process is repeated. The Senate usually makes a number of changes—we on the House side call it the upper body because it generally "ups" the appropriations—and then the bill goes to a conference committee, composed of conferees from both the House and the Senate, to reconcile the differences in the bill.

From this description of the legislative process, you can see that the important work of Congress is done in committee. One good Congressman strategically placed on the right committee or subcommittee is actually worth more than a score of high-paid lobbyists when it comes to influencing the course of national legislation.

The seven Congressmen who sit in judgment on our farm programs, as members of the Agricultural Appropriations Subcommittee, have contributed far more than their personal or political interests dictate. Only two of us have farm backgrounds. Three are attorneys who grew up in cities. The other two have business and Government experience. They are all stanch and stalwart friends of agriculture.

From the administration of Lincoln, which created the Department of Agriculture, to the administration of Roosevelt which established the principles of price supports and production controls, the cause of agriculture has prospered.

But the Congress as a whole has changed greatly since I first took the oath of office, a little more than 23 years ago. When I came to Washington the farm bloc was still a power to be reckoned with. All we needed was agreement among farm members on legislation to assure its enactment. Today all that is changed.

There is no farm bloc in the Congress today. Redistricting following the population census of 1940 and again in 1950, saw many of the seats formerly held by farm Congressmen move into urban control. Redistricting in accordance with the 1960 census will further diminish rural influence in the Congress. After the next election, the once powerful voice of agriculture will be little more than a whisper.

This, alone, is a great handicap. But in addition to reduced numbers, we are today sharply divided and the minority of agricultural representation is further diminished by an almost complete lack of unanimity on the part of farm Congressmen.

First, we are almost always divided along partisan lines—something that seldom occurred a generation ago. We find further divisions along sectional and commodity lines to the point that overall farm leadership as such no longer exists to any effective degree in the Congress of the United States.

With farm population reduced to about 9 percent of our total population, and with rural voting strength in the Congress ebbing fast, those of us concerned with the future of agriculture and farm programs must face up to the realities of our predicament. We must look increasingly to our urban friends and neighbors for support.

My friends, there is a compelling need for—and we must have—public understanding of our problems.

The statistics of agriculture—by its demonstrated efficiency—proves the success of the efforts of leaders like you in the farm communications field, to educate farm people. But just what can we—you the agricultural editors, you the research and extension workers—and our small, ever dwindling group of farm Congressmen—do to secure public and congressional understanding of our problems? How can you, the agricultural editors, influence urban Members of Congress?

Far be it from me to compare in any way any Congressmen to the stubborn mule. But there is a popular misconception in some segments of our press that the average Congressman is a selfish, hard-boiled, unapproachable individual. In reality, Congressmen on an average, are kind, modest, and sympathetic people. In your efforts to win their cooperation for agriculture, you may want to be guided by the old story of the gentle mule the preacher sold to the farmer. He explained to the new owner that

the mule was unaccustomed to rude or violent treatment and that he would work his heart out if kindly and properly treated.

A few days later the preacher came by and found the farmer out in the field pleading with the balky mule who refused to work. The frustrated farmer explained that he had been kind and gentle with the animal and had employed no harsh language as was customary with mules in those days, but the beast would not budge.

The preacher walked over to the edge of the field, picked up a two-by-four and struck the mule right between the eyes, knocking him to the ground. When the mule got up, he leaned into the harness and went to work.

"You must be kind and gentle with him," the preacher said, "but first you must establish an understanding."

Yes, I repeat—there is a compelling need for—and we must have—congressional and public understanding of our problems.

In 30 years, cotton yields have increased almost threefold. Research and education made that possible.

In 30 years, wheat yields have almost doubled and so have tobacco.

Call the roll of commodities and you will find that farmers have doubled and trebled their production within the lifetimes of most of us, and research and education have accomplished all of this.

Control programs have also contributed greatly to increased efficiency in agriculture. You may recall the story of the county agent who went out to see a farmer to teach him better farming methods. The farmer said: "Young fellow, I'm already not farming half as good as I know how." When we cut that farmer's acreage, he showed us how well he could farm the remaining acreage. As planted acres went down, yields per acre went up, and the treadmill moved another turn.

It is tragic but true that farm people and certainly farm programs are in national disrepute today.

It is a paradox of our times that the people and the segment of our economy that have contributed more than any other to the strength of our Nation have shared the least in its abundance.

Look with me for a moment at some of the ailments of agriculture. Vertical integration with all of its implications. Twenty-five-cent eggs and 10-cent chickens. Dollar corn, 60-cent oats, and 80-cent barley. Fifteen-dollar hogs and $20 cattle. Fifteen-dollar lambs and 15-cent broilers. Twenty-cent turkeys and 80-cent rye. Annual per capita income from farming of $675 compared with nonfarm per capita income of $2,282. Eroding soil and falling water tables. Mountainous surpluses of corn, wheat, sorghums, and other commodities.

These are the symptoms of a sick agricultural economy. They strike bitterly at the heart of rural America and their impact is felt in the steel mills of Pittsburgh, the automobile plants of Detroit, and throughout our entire economy.

Can a nation which splits the atom not find a solution to this problem? Can a nation considering a flight to the moon not meet the challenges of inequity here at home? Can a nation dedicated to Christian principles fail to overcome economic injustice?

I say that we have the capabilities to solve all of these problems if we have but the will to do so. I say also that new legislation and dynamic new programs will be required because farmers cannot by themselves solve problems over which they exercise no control.

It is shortsighted in the extreme for advocates of free enterprise to condemn, as they do, our efforts to foster and preserve the very foundation of free enterprise—the family-farm system in America.

And the cruelest blow of all which farm people have had to sustain is the manner in which they and their rights and interests have been made a political football in recent times.

America needs to know that economic injustices prevail in our rural areas.

America needs to be reminded that the farms of this great land furnish the raw materials and the manpower to make our Nation the greatest industrial giant in the annals of history and that the farmers who have made all of this possible are entitled to a fair return for their investment and labor.

America must be told the truth about farm problems and educated to the peril to the national interest if solutions are not provided.

I was invited here today to give you my viewpoint on "How To Get Congressional Support for Agriculture." I hope you recognize from my brief discussion of the subject that it is a task of monumental proportions. I trust you also agree that the job must be done if we are to preserve in this great land a free agriculture and a system of family farms which is unequaled in the history of mankind.

You have always had the responsibility to help farm people appraise their problems and evaluate the proposed solutions. This you have done, and done well. Through your access to news media reaching the eyes and ears of our people, and through your personal contacts, you have performed a commendable job in directing your efforts to the 9 percent who comprise our farm population.

But today the challenge of our times is the urgent need for broadened understanding on the part of the other 91 percent of our people—the nonfarm people.

The future well-being of all agriculture, and of farm people, will rest in the hands of the Congressmen who will be the elected representatives of these nonfarm people. These Congressmen will be asked to support or reject farm legislation and agricultural appropriations of every kind. If the job of educating and informing the urban Congressmen and the nonfarm people is not done promptly and effectively, the cause of agriculture will surely suffer at the hands of an unsympathetic Congress.

I submit to you—that it is the job of you—and all of us—to establish an understanding, among nonfarm people—of the problems of agriculture. This, more than anything else, will light the way to support for agriculture in the Congress of the United States.

This job is staggering in its proportions and in my opinion is impossible if we are to look to a mere handful of farm Congressmen to do the missionary work. But it is not nearly so formidable if placed in the capable hands of such people as you, throughout the Nation.

God bless you. Keep up the good work.

Fiscal Responsibility

EXTENSION OF REMARKS

OF

HON. STEVEN B. DEROUNIAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 1961

Mr. DEROUNIAN. Mr. Speaker, the people of the United States are happy that the President has, finally, realized that something besides talk is needed to impress Mr. Khrushchev.

In view of the urgent demand for additional funds to be spent, a letter on fiscal responsibility was sent by the Republican members of the House Committee on Ways and Means to the President of the United States.

The release of the Honorable NOAH M. MASON and the letter are, as follows:

JULY 26, 1961.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The undersigned members of the House Committee on Ways and Means support those actions necessary to safeguard America against Communist threat or aggression.

We recognize your preeminent responsibility under the Constitution to direct our Nation's foreign affairs and to serve as Commander in Chief of our Armed Forces. Also, we are mindful of our coordinate obligations to participate in the formulation of policies and programs designed to further national considerations of diplomacy and defense. In the interest of assuring that such security related considerations are predicated on a strong economic base, we write to urge a review of present Government programs involving nondefense spending so that only those programs justified by a criterion of absolute essentiality will be allowed to go forward.

As Members of Congress charged through committee responsibility with providing the ways and means for financing Government operations, we are gravely concerned over what appears to be the totally inadequate consideration given to the fiscal aspects of your most recent defense spending recommendation in the context of the other spending recommendations you have previously submitted to the Congress and the overall budgetary posture. In making this observation we are mindful of the fact that at no time can necessary defense requirements be made secondary or subordinate to dollar considerations other than for seeing that we attain maximum defense at minimum cost consistent with our security needs.

A specific fact demonstrating the basis of our concern over inadequate fiscal study preliminary to your decision to finance this added cost by added deficit is found in your reference to so-called official estimates of a budget deficit for fiscal year 1962 of $5 billion which purportedly included the recommended $3.4 billion you have just recommended. Surely your advisers were aware of the July 24 findings of the staff of the Joint Committee on Internal Revenue Taxation to the effect that the budget deficit for fiscal year 1962 is likely to be $4.9 billion without taking into account the spending you now propose. This added spending, in the absence of compensatory reduction in cost of less essential programs or provision of added revenues, will make the projected debt for the current fiscal year in the magnitude of $8.3 billion. Such a deficit cannot be lightly passed off. As we face any crisis, we must be concerned with the strength and stability of the national economic base on which any Government program must rest. We cannot responsibly turn our backs on an $8 billion deficit with the vague hope and faint pretense that we will deal with it next year.

Another specific fact demonstrating the basis for concern over the administration's fiscal attitude toward this particular expenditure financing is the failure to comment or outline any recommendation in regard to the statutory debt ceiling. You will recall that the Congress in June of this year took favorable action on your record peacetime request for a $298 billion temporary ceiling. At the time this measure was under consideration, administration spokesmen informed the Congress that spending then recommended, as well as debt-management requirements, "clearly indicates the need for a temporary ceiling of $298 billion." We respectfully inquire what will the new ceiling be, when

will it be necessary to enact it, and for what duration must it be effective?

We believe that economic strength is a coequal of military strength in any long-range national undertaking. We are convinced that Government domestic policy that would promote the hidden tax of inflation or would impose fiscal burdens beyond an endurable capacity should be avoided. We must shun unwise policies and nonessential programs or we will be subserving Communist objectives just as surely as would a policy of unilateral disarmament on our part.

Therefore, we urge you to provide the leadership necessary to budget review by the executive and legislative branches of the Federal Government so that an attainable order of priority can be established in Government programs including programs now on the books and those proposed. We are sure you realize that since assuming office last January you have prior to today's message recommended spending proposals for fiscal years 1961 and 1962 involving new obligational authority amounting to approximately $12 billion more than that proposed by your predecessor. For the most part these recommendations were for nondefense related items and no recommendation was made for added revenues to avoid the staggering budgetary deficits inevitably entailed in the bigger spending requests. Upon your recommendation the Congress has taken steps to approve expenditures involving billions of dollars for such programs as housing, water pollution control, area redevelopment, and other similar programs without provision for financing such expenditures.

Now in connection with higher defense spending in excess of $3 billion you again recommend the time-dishonored policy of Government on the deferred payment plan. The essence of your leadership in this regard is that you have first recommended deficit financing for nondefense purposes and then subsequently recommended the same deficit course for defense costs.

We reject the notion, which seems implicit in present policies, that the American people desire their Government to pursue the bankrupt route of "all this and defense too." The time is imminently at hand when we must determine our national needs and objectives in the light of stark realism that takes account of our willingness to pay, our ability to survive, and our resolve to win.

The shocking fact of the fiscal implication of your new defense proposals is not so much found in your failure to point the way to tax revenues to finance the new defense costs but instead is largely found in your apparent unwillingness to make any downward revision in pending proposals for optional nondefense spending so as to minimize the tax burden bequeathed to tomorrow. We cannot assume that tomorrow's problems will not demand full and unrestrained utilization of tomorrow's resources. Before a tax increase becomes inescapable or inflation inevitable, a hard look at present spending recommendations must be undertaken. Dollars for defense must take precedence over spending for the unnecessary and we must adjust our Government affairs accordingly.

We recommend this course not in the sense of underestimating America's capability to provide for its national needs but in recognition of America's great capacity for sustainable progress within the sound framework of our free enterprise system served by a responsible government.

Faithfully yours,

NOAH M. MASON, JOHN W. BYRNES, HOWARD H. BAKER, THOMAS B. CURTIS, VICTOR A. KNOX, JAMES B. UTT, JACKSON E. BETTS, BRUCE ALGER, STEVEN B. DEROUNIAN, HERMAN T. SCHNEEBELI.

National Rivers and Harbors Congress

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Thursday, July 27, 1961

Mr. HUMPHREY. Mr. President, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD the excellent letter of greeting sent by our distinguished majority leader, the Senator from Montana [Mr. MANSFIELD], to the National Rivers and Harbors Congress on the occasion of its recent 48th national convention.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON RULES
AND ADMINISTRATION,
May 24, 1961.

HON. HARRY H. BUCKMAN,
National Rivers and Harbors Congress,
Washington, D.C.

DEAR MR. BUCKMAN: Let me take this means of extending my greetings and best wishes to all those in attendance at the annual National Rivers and Harbors Congress. Please give my personal regards to Speaker RAYBURN, who brings with him a message of welcome filled with many years of guidance and understanding of the problems and challenges that face our Nation. I have enjoyed my visits with the Congress in past years and I am indeed sorry that my schedule and prior commitments will not allow me to be with my many friends this year.

The National Rivers and Harbors Congress is concerned with an area of great concern to the future security of the United States—the orderly development of our rivers and harbors. Our Nation is blessed with an abundance of rivers and reservoirs of water which when properly harnessed can make great contributions to navigation, flood control, and power generation in the country. The deliberations of this Congress have and will continue to be very important in assisting the Federal and State agencies who are held responsible for these matters.

I wish the Congress every success in their annual meeting and the Senate welcomes you to the Nation's Capital.

With best personal wishes, I am,
Sincerely yours,

MIKE MANSFIELD,
Majority Leader, U.S. Senate.

Tiros III

EXTENSION OF REMARKS
OF
HON. WALTER H. MOELLER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 27, 1961

Mr. MOELLER. Mr. Speaker, as a member of the House Committee on Science and Astronautics I have been vitally interested in the success of our national space program. The very survival of our Nation may depend on the progress we make in such fields as the development of more powerful space engines, of more accurate navigation equipment, of new materials to combat the problems involved in reentry of space vehicles into the earth's atmosphere, and of weight reduction and miniaturization of equipment. The direct and indirect military applications of our work in the space field are obvious. But, I believe, the many and varied peaceful applications of this national effort have too often been forgotten or lost in the headlines to other, often more spectacular events.

A striking example of the peaceful uses of our space program was brought to my attention quite forcefully a few days ago in a statement by Dr. Francis W. Reichelderfer, Chief of the U.S. Weather Bureau, which was read on a televised weather program by Frank Forrester, the meteorologist for station WRC–TV here in Washington. Dr. Reichelderfer commented on our most recent weather satellite, Tiros III, as follows:

> Tiros III, even in a short period of 2 weeks, has already shown its great potential in detecting severe storms that might escape conventional observing methods. Photographs from Tiros III have identified and made accurate position fixes of two Pacific tropical storms and also of Hurricane Anna. In the light of this kind of performance, there is no doubt in my mind that an eventual complete weather satellite system will not only have direct application in the saving of life and property, but will play a most vital and significant role in the international task of exploring space for the benefit of mankind.

Mr. Speaker, I do not feel that the military significance of our space endeavors should be played down in the slightest, but I do feel strongly that the peaceful uses of space, as exemplified by the Tiros quote from Dr. Reichelderfer, should be given much more emphasis and much more publicity than heretofore. This will serve to create in the public mind, both here and abroad, that space is the new region of the future—and as it can be used for military purposes, it also can serve the peaceful and long-term interests of humanity.

Tax Equity for the Self-Employed

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 27, 1961

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a very interesting and most understandable explanation of the provisions of H.R. 10, a bill which seeks to permit self-employed individuals consider tax-deferred retirement plans, by the author, the Honorable EUGENE J. KEOGH, of New York.

Congressman KEOGH has fought persistently and courageously for this legislation for several years and the bill recently passed the House and is now awaiting action in the Senate. As spokesman for this legislation, his statement will be of particular interest to the members of the bar who have supported this legislation over the years.

Tax Equity for the Self-Employed

(Mr. KEOGH outlines the provisions of H.R. 10, legislation to permit self-employed individuals to participate in tax-deferred retirement plans. As principal sponsor of H.R. 10 since 1951, Mr. KEOGH predicts the enactment of this legislation during the 87th Congress. The House passed the bill on June 5.)

(By EUGENE J. KEOGH, Member of Congress, Ninth District, New York)

For many years the self-employed groups, approximately 70 in number, have been the most vocal in bringing their plight to the attention of Congress, and the most persevering in seeking the enactment of remedial legislation that would provide them tax treatment for their retirement savings comparable to that now accorded to employees covered by employer-financed pension plans.

While a number of the small business, farm, and professional organizations have been diligently working in this area, the legal profession, as might be expected, has taken the initiative in formulating proposals for equality of treatment.

To the best of my knowledge, the first organized effort looking to the formulation of remedial legislation occurred in 1945, when a group of New York lawyers met and inaugurated discussion on ways and means of providing a restricted retirement program, not only for themselves and other self-employed individuals, but for all the 30 million to 40 million employees who were not covered by any voluntary employer-employee pension-benefit plan. It was hoped that this could be accomplished by amending section 165 of the 1939 Internal Revenue Code so as to permit self-employed persons to be treated as their own employees for the purposes of any employee pension plan set up by them. Unfortunately, it was found that such a program could not qualify under the Treasury Department's ruling.

On March 25, 1950, the board of governors of the American Bar Association appointed a special committee on retirement benefits to give further consideration to the general problem. The chairman of this committee was George Roberts, a distinguished New York lawyer, long active in American and New York Bar circles. Shortly thereafter, a similar committee was named by the Association of the Bar of the City of New York, with Roswell Magill as its chairman. Among the most active, then and now, is Leslie Rapp, of New York, the present chairman of the American Bar Association's advisory committee to the committee on retirement benefits.

Several months after the formation of these committees, it was decided that a bill should be drafted for introduction and, in the summer of 1951, a form of bill was finally agreed upon by the several bar association committees. The late Congressman Dan Reed, Republican of New York, and I agreed to sponsor the measure in Congress on a bipartisan basis. It was introduced on June 7, 1951, during the first session of the 82d Congress.

The final step, and a most significant one in the development of this legislation, occurred in 1956 when the newly elected President of the American Bar Association, David F. Maxwell, of Philadelphia, included the enactment of the Keogh-Jenkins bill as one of the principal goals to be achieved during his administration. Early in the following year, the American Bar Association arranged the formation of the American Thrift Assembly of 10 million self-employed, composed of the leading self-employed associations supporting the bill.

The chairman of the American Thrift Assembly, F. Joseph (Jiggs) Donohue, of Washington, D.C., serves in a dual capacity, since he is also the chairman of the special committee on retirement benefits of the American Bar Association. The counsel for the assembly is Ralph E. Becker, of Washington. Under the leadership of these men, immeasurable progress had been made and in such a way as to gain the respect of proponents and opponents alike.

H.R. 10, I believe, is an example of how a good idea can be translated into legislation and, I hope, enacted into law in the near future.

Your president and my good friend, Whitney North Seymour, has done a remarkable job in bringing this legislation to the attention of members of the bar wherever he has had occasion to address them. In this respect, I should also like to commend the director of the Washington office of the American Bar Association on the very able service which he is rendering. Because of the good work done by these gentlemen and the American Thrift Assembly, it will not be necessary for me to dwell at any great length on the legislative background of H.R. 10.

The Importance of the Bill to the Self-Employed

The importance of the bill to the self-employed can best be explained by the following illustration which shows clearly the recognized inequity in the present tax law.

Let's take, for example, an individual—a lawyer—who works for a corporation which pays him $10,000 a year as salary and puts an additional $1,000 in a retirement fund for him each year. Our attorney is not taxed on the $11,000 yearly compensation because the law allows him to postpone the payment of taxes on the $1,000 contributed to his retirement fund by his employer until he actually receives the income in later years. Also, the interest earned on this money would not be taxed currently. After 30 years, assuming a 4-percent compound interest rate, the retirement fund for this employee would total $58,300.

Suppose the same attorney chose to operate as a self-employed individual. He earned $11,000 and wished to set aside $1,000 less taxes, each year for retirement. He would have accumulated $36,900 after 30 years, assuming the same 4-percent compound interest rate. This is because after paying taxes on the $1,000 he would have $740 left to set aside for retirement—and the interest on the fund would also be taxed.

The difference, which amounts to $21,400, is a heavy price for him to pay in order to maintain the individualism which is so characteristic of the self-employed and this great democracy of ours. The difference, or the loss of $21,400, is more significant when millions of self-employed persons reach age 65, or retire.

The practical effect of this inequity is to make it extremely difficult for the self-employed person, at any level of income, to set aside adequate amounts for later-year benefits.

According to a fairly recent survey made by the Bank of New York, among 20,000 lawyers, physicians and dentists, 70 percent of the respondents had no planned retirement program of any kind. I am confident that a similar survey of many of the other self-employed groups in this country, for instance the farmers, would disclose that an even higher percentage of them do not have a planned retirement program.

The newest version of H.R. 10 embraces a somewhat different approach from that introduced in prior Congresses. Instead of allowing the self-employed a limited tax deduction for amounts voluntarily set aside for their retirement, either in restricted trusts or insurance or annuity policies, the present H.R. 10 adopts the general form of the Senate Finance Committee bill of the 86th Congress which would have brought self-employed persons under existing legislation relating to nondiscriminatory, tax-favored private retirement plans by allowing them to be treated as their own employers and employees.

The new H.R. 10 makes a number of important changes in the Senate draft: (a) It eliminates all proposed restrictions on corporate pension plans covering so-called owner-employees; (b) it does not require a self-employed person to include his employees under the plan unless they are more than three in number (excluding part-time or seasonal employees; (c) it modifies the severe limitations of the Senate bill on the amount of contributions which can be made on behalf of owner-employees (i.e., sole proprietors and partners having more than a 10-percent interest in the business); and (d) it bases the self-employed individual's contribution on the amount of his self-employment earnings rather than on his earned income from the business.

Other features of the pending H.R. 10 include the following:

1. When there are more than three employees and the plan covers any owner-employee, the employee's rights must be nonforfeitable for the plan to qualify.

2. There is no stepped-up contribution for persons over age 50 and no lifetime limit on contributions.

3. Generally, contributions on behalf of the owner-employees may not exceed $2,500 or 10 percent of self-employment earnings, whichever is less. However, if there are more than three employees and the plan covers owner-employees as well as others, the basic contribution may be exceeded, so long as the same ratio of contributions to compensation applies to all persons under the plan on a nondiscriminatory basis.

4. Partners having no more than a 10-percent interest in the business are in general affected by the same rules as true employes.

5. The plan cannot have a waiting period for employee coverage of more than 3 years (instead of 5 years as under qualified pension plans generally).

6. No benefits can be paid to an owner-employee under the plan before he reaches the age of 59½ years, except in case of disability, and must commence not later than age 70½.

7. Retirement benefits payable to a self-employed person will be taxed as ordinary income as and when received, except that (a) in lieu of capital gain treatment, lump sum payments after age 59½ (and after at least 5 years coverage) or on death or disability shall not be subject to tax greater than five times the increase in tax resulting from the inclusion in gross income of one-fifth of the distribution and (b) distributions of $2,500 or more prior to age 59½ shall be taxed at not less than 110 percent of the liability which would have resulted had the distribution been spread over the taxable year and the 4 prior years.

8. Retirement funds can be invested with a bank as trustee or used to purchase retirement annuities from an insurance company. Alternatively, the bill permits the plan to provide for custodial accounts to be set up with a bank if the investment of the contributions and earnings is made solely in regulated investment company stock and also allows the employer to purchase and distribute to his employees a special form of nontransferable U.S. bonds redeemable after age 59½ or disability and providing for the payment of interest only upon redemption. Investment can also be made in face-amount certificates.

Professional Men May Forsake Private Practice

I believe that unless something is done to make self-employment as attractive as employee status, there is a real danger that

many professional men will bypass the private practice of their profession. My views on this subject were confirmed time and time again during the congressional hearings by representatives of some of the largest self-employed associations in the country. Personnel directors, whose primary function is to interview college and university seniors, have told me that in a great many cases the first question asked by the students related to the retirement program, future security, etc.

The president of one of America's giant corporations, reporting at an annual meeting, observed: "The imposing list of benefits I cited does not adequately express the high level of benefits your company's employees enjoy. The value of our benefits is illustrated by the fact that a self-employed man, aged 40, and earning $115 a week would have to increase his total weekly earnings by about 35 percent in order to provide himself with take-home pay and benefits equivalent to those your company makes available to an employee of the same age and income. In fact, just two items on the list, insurance and pensions, would cost the self-employed man $1,061 annually, compared with $90 a year that you pay direct as an addition to the payroll expense the company devotes to these two benefits."

Today, the self-employed lawyer can give up his private practice and go to work for a big corporation and get every benefit that we want to give him under the law. I want him and the millions of others to get this benefit and yet remain a self-employed practitioner.

The prognosis for the enactment of H.R. 10 in the 87th Congress is favorable. Thirty-eight Members of the House of Representatives, 19 Democrats and 19 Republicans, have introduced bills on this subject: LIBONATI, Illinois; MCDONOUGH, California; BROOMFIELD, Michigan; SCHWENGEL, Iowa; ANFUSO, New York; GEORGE MILLER, California; CRAMER, Florida; ZELENKO, New York; MAY, Washington; DOOLEY, New York; UTT, California; MCFALL, California; KARTH, Minnesota; BOGGS, Louisiana; MONAGAN, Connecticut; DEROUNIAN, New York; MORSE, Massachusetts; STEED, Oklahoma; BEERMANN, Nebraska; INOUYE, Hawaii; BURKE, Massachusetts; HAGEN, California; BASS, Tennessee; TEAGUE, California; FLOOD, Pennsylvania; STAFFORD, Vermont; BETTS, Ohio; FULTON, Pennsylvania; GREEN, Pennsylvania; JUDD, Minnesota; HERLONG, Florida; FASCELL, Florida; FOGARTY, Rhode Island; GOODELL, New York; MATHIAS, Maryland; LIPSCOMB, California; SHRIVER, Kansas; and KEOGH, New York.

On April 26, the House Ways and Means Committee ordered H.R. 10 reported by a 18-to-5 vote. The House of Representatives overwhelmingly approved H.R. 10 on June 5, 1961.

The bill should receive a warm reception in the Senate, especially in the Senate Finance Committee, of which three members have introduced legislation identical or similar to H.R. 10—Senator SMATHERS, Democrat, Florida; Senator HARTKE, Democrat, Indiana; and Senator BENNETT, Republican, Utah.

I believe that we shall achieve our objective in this 87th Congress. Following the passage of this bill by the House and Senate, I am confident that our great President, who long ago identified himself as a champion of right and justice, will sign H.R. 10 into law.

(On June 12, 1961, the standing committee on law lists issued a certificate of compliance for the 1961 edition of "Attorney's Forwarding Directory," published by Charles H. Bradbury, doing business as Attorney's Forwarding Directory, 1606 Lower Silver Lake Road, Topeka, Kans.)

Costa Rican National Lottery

EXTENSION OF REMARKS
OF
HON. PAUL A. FINO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 27, 1961

Mr. FINO. Mr. Speaker, I would like to bring to the attention of this House some interesting figures regarding the national lottery in Costa Rica where gambling is treated as recreation and relaxation.

Costa Rica is a small and poor country. Revenue sources are few in this land of approximately 1 million persons. Costa Rica, however, has realized the worth of a national lottery. The gross receipts from the national lotteries in 1960 were over $10 million. Total expenditures for prizes amounted to $6 million. The considerable profit made by the Government was earmarked for the support of the Costa Rica insane asylum and other charity hospitals.

Mr. Speaker, here is another country that recognizes and capitalizes on the human urge to gamble. How long will it take us to realize that the natural gambling spirit of our American people should be controlled and regulated for the benefit of our Treasury. We cannot continue to be reckless with the tax and revenue advantages offered by a national lottery. The Costa Rican Government is one of many governments that have perceived these advantages. Do we lack the intelligence and sound judgment to do likewise?

Counterfeiting of State Obligations

EXTENSION OF REMARKS
OF
HON. W. R. HULL, JR.
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 27, 1961

Mr. HULL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by me before Subcommittee No. 2 of the Committee on the Judiciary of the U.S. House of Representatives, July 26, 1961;

Mr. Chairman, I appreciate the opportunity to appear on behalf of my bill H.R. 1777, to amend title 18 of the United States Code to prohibit the counterfeiting of State obligations in certain cases and for other purposes.

The principal purpose of the bill is to make it a Federal offense to counterfeit a bond, note, certificate of indebtedness, tax stamp, tax token or other similar evidence of an obligation running to or from a State or evidence of the discharge thereof for a fraudulent purpose and with reasonable grounds for belief that such counterfeited item will be transported in interstate commerce.

This legislation was devised after I conferred with officials of the State of Missouri. They revealed that the problem of counterfeit tax stamps on cigarettes and liquor is steadily growing and already has had a serious financial impact on Missouri and many other States.

At the present time, a person can go from one State to another, have counterfeit dies or plates made of obligations from the first State and then return to the original State, using the counterfeit die or plate to indicate that State taxes have been paid.

State officials have told me that they may learn of an individual or group producing counterfeit dies or plates in another State but that they are helpless to prevent such production under present statutes.

The effect of this legislation would be to deter persons engaged in counterfeiting activities injurious to the financial administration of the States.

It would serve as a protection for issuers of public securities and other financial documents and for investors in municipal securities as well as provide adequate safeguards to the general public against counterfeit obligations.

At this time I would like to introduce into the record a letter from the Governor of Missouri, the Honorable John M. Dalton, concerning this legislation.

I have with me today officials of several States who are in an excellent position to discuss in detail the serious problem facing the States through the counterfeiting of these obligations and first I would like to introduce to the subcommittee Mr. R. B. Browning of Excelsior Springs, Mo., in my congressional district, supervisor of the cigarette tax division of the State of Missouri.

Communist-Soviet War, Outer Mongolia, Outlawing Communism

EXTENSION OF REMARKS
OF
HON. JOHN R. PILLION
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 27, 1961

Mr. PILLION. Mr. Speaker, Lt. Gen. John W. O'Daniel, U.S. Army, retired, is president of the San Diego Chapter of the Retired Officers Association. This chapter has a membership of 680 active members.

General O'Daniel advises me that this association duly adopted each of the following three resolutions at its meeting held on July 13, 1961.

The first resolution endorses House Joint Resolution 450, introduced by Mr. DULSKI, of New York; House Joint Resolution 461, introduced by Mr. PASSMAN, of Louisiana; and House Joint Resolution 447, introduced by myself. These resolutions call upon Congress to recognize and to counter the international Communist conspiracy's war upon the United States and the free world.

The second resolution expresses opposition to the U.S. recognition of Outer Mongolia. The State Department is now engaged in the process of "softening up" the American public to accept this monstrous proposal. It is another in a long series of pro-Communist, anti-American policies emanating from the State Department.

The excuse given for this proposal is that a legation in Outer Mongolia would

furnish the United States a "listening post." This borders upon "silliness."

The recognition of Outer Mongolia would only be a prelude to the admission of both Outer Mongolia and Red China to the United Nations.

These admissions would give to Communist-Soviet bloc nations two additional votes against the United States and the free world.

The voting strength of the free world is steadily declining in the United Nations. The recognition of Outer Mongolia is another retreat by the United States.

The Soviet and Red China are competing against each other to place Outer Mongolia within their sphere of influence. The Soviet is the stronger of these two. Both are dedicated to our destruction.

The recognition of Outer Mongolia would strengthen the stronger of these two of our enemies, the Soviet. This is unrealistic and another grave foreign policy error by the State Department.

There are deep, irreconcilable conflicts of interest between the Soviet and Red China. The mineral resources, the agricultural lands, the living space of Siberia and Outer Mongolia is sorely needed to satisfy the growing needs and demands of Red China's exploding population. We should allow these conflicts and differences to proceed naturally and inevitably without our attempting to aid the Soviet in keeping Red China as a subordinate vassal state of Soviet Russia.

The consistency of State Department blunders in favor of the Communist-Soviet forces makes it suspect of more than utter incompetence. It needs a thorough fumigation.

The third resolution, H.R. 2303, introduced by Mr. SMITH, Republican, of California, would outlaw the Communist Party in the United States.

The Communist Party and Communist Party members are outlaws in every sense of the word. They know no restraint, moral or legal. They owe allegiance solely to the Communist Party and the Soviet Union. They are criminals in heart and in fact. They are legal outlaws, social outcasts, political autocrats, economic monopolists, and human slave overseers.

Mr. Speaker, the following three resolutions are commended and submitted for the consideration of Congress:

RESOLUTION 1

Whereas House Resolution 2302, 87th Congress, 1st session, has been introduced in Congress to provide penalties for membership in the Communist Party and to permit the compelling of testimony relating to such membership and the granting of immunity from prosecution in connection therewith: Now, therefore, be it

Resolved, That the San Diego chapter, Retired Officers Association, expresses its full support of this bill and urge its enactment into law.

RESOLUTION 2

Whereas considerable negotiation and publicity is now underway concerning the possible recognition of Outer Mongolia, the Mongolian Peoples Republic, by the U.S. Government; and

Whereas Soviet-controlled Outer Mongolia sent 5,000 troops to fight in the Korean conflict against U.N. troops a decade ago; and

Whereas the Mongolian Peoples Republic has been a Soviet satellite since 1924 and is receiving economic aid from Red China as well as from the U.S.S.R.: Now, therefore, be it

Resolved, That the San Diego chapter, Retired Officers Association, expresses its will that it is unalterably opposed to the recognition of Outer Mongolia, the Mongolian Peoples Republic by the U.S. Government.

RESOLUTION 3

Whereas the international Communist conspiracy, since its inception, has repeatedly declared and redeclared war against freedom and freemen everywhere; and

Whereas joint resolutions have been introduced in Congress that the United States formally recognize the de facto total war being waged by the Communist Parties of the world, jointly and severally, against each and every government of the free world, its citizens, and its institutions: Now, therefore, be it

Resolved, That the San Diego Chapter, Retired Officers Association declares its full and complete support of House Joint Resolution 447, House Joint Resolution 450, and House Joint Resolution 461, 87th Congress, 1st session, that the United States formally and solemnly declare that a state of war exists between the United States and the Communist Parties of the world, jointly and severally.

The Honorable deLesseps S. Morrison, Ambassador to the Organization of American States, Discusses the "Alliance for Progress" With the Reverend Theodore M. Hesburgh, President of the University of Notre Dame, and Congressman John Brademas on WNDU–TV's "Washington Tie-Line" Series, July 15, 1961

EXTENSION OF REMARKS

OF

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 1961

Mr. BRADEMAS. Mr. Speaker, one of those who will bear a major share of responsibility for carrying out President Kennedy's Alliance for Progress program in Latin America is our distinguished new Ambassador to the Organization of American States, the Honorable deLesseps S. Morrison.

I am glad to insert in the CONGRESSIONAL RECORD a transcript containing excerpts from a television program on which Ambassador Morrison was recently interviewed by the Reverend Theodore M. Hesburgh, president of the University of Notre Dame and a man who has traveled widely in Latin America, by the news director of WNDU–TV, Mr. Robert Young, and myself.

The interview was one of the "Washington Tie-Line" series in which prominent public officials are interviewed on WNDU–TV. The transcript follows:

EXCERPTS FROM A FILM INTERVIEW OF DELESSEPS S. MORRISON, U.S. AMBASSADOR TO THE ORGANIZATION OF AMERICAN STATES, BY CONGRESSMAN JOHN BRADEMAS; THE REVEREND THEODORE M. HESBURGH, PRESIDENT OF THE UNIVERSITY OF NOTRE DAME; ROBERT YOUNG, WNDU–TV NEWS EDITOR

Mr. BRADEMAS. Our guest this evening on "Washington Tie-Line" is a man with a long record of distinguished public service. In World War II he served in the U.S. Army overseas in a number of capacities, the final one of which was as Chief of Staff of the Bremen Port Command in Bremen, Germany. In 1946 he was elected for the first time mayor of the city of New Orleans, La., and was three times reelected to that office. He's been a mayor who's had a splendid record of civic and industrial development for his city. He has especially championed increased trade for New Orleans—particularly with the countries of Latin America. He speaks Spanish, he's traveled widely in Latin America, and he's President Kennedy's new Ambassador to the Organization of American States, Ambassador deLesseps Morrison.

Mr. YOUNG. Ambassador Morrison, I wonder if you could tell us just a little bit about the OAS? Is it a cultural or defense mechanism?

Mr. MORRISON. The fact that the OAS is a regional organization within the framework of the United Nations makes it somewhat the U.N.'s Latin American branch or regional organization, I'd say. It has for its general purpose * * * the strengthening of the political, economic, cultural, and social ties among the 21 American Republics. Canada, of course is not a member, we hope it will be a member some day, but it is not today. So the United States and the 20 Republics of South and Central America are members, even including the Republic of Cuba. Under the Rio Treaty of reciprocal assistance—which was signed incidentally by all of the 21 members of the OAS—it is a mutual defense agreement under which the members are committed to come to the assistance of any member which may be subject to extracontinental aggression. As a regional mutual security arrangement, the Rio Treaty was a prototype of NATO and it predates NATO by 1 year.

The OAS is also committed to cooperate in the economic field in a general way. Under the Act of Bogotá, which was adopted in 1960 by all the American Republics except Cuba and the Dominican Republic, we are engaged in a program of economic and social development which calls for self-help on the part of the South and Central American Republics.

This is quite an important feature, the self-help, the ability to help themselves, which is essential to the carrying out of the program and particularly the Alliance for Progress, which is really the obligation of the U.S. Government in connection with the Act of Bogotá.

MONTEVIDEO MEETING

Mr. YOUNG. On March 13 the President called for an allocation of $600 million for the alliance for progress program, and you will be going along with other representatives from other American states to the OAS Inter-American Social and Economic Council meeting at Montevideo. Can you tell us something about what will be on the docket?

Mr. MORRISON. It's August 5, and the meeting is to take about 10 days. It may extend a little more. The principal item on the agenda will be the discussion of the alliance for progress program which, in turn, carries out the Act of Bogotá of 1960. There will be other items, of course, quite important,

such as agreements in relation to raw materials produced in South and Central America, such as coffee, which affects 14 different countries; petroleum, of course, principally affects Venezuela and others; copper and other items. They badly depend upon these raw materials to get the dollars with which to trade, and certainly agreements in connection with those products, particularly coffee, will be on the agenda and will be an item of very great help in * * * creating an economic stability among these countries which of course is so important.

Mr. BRADEMAS. Mr. Ambassador, just at this point I might add that I heard Ambassador Adlai Stevenson say at the National Press Club a few days ago following his 17,000-mile tour of Latin America that a very tiny drop in the price of coffee could simply wipe out a good deal of the American economic assistance to Latin America, which shows the importance of the commodity price problem.

Mr. MORRISON. That is so correct, John. As a matter of fact, we think that the coffee agreement, which could possibly be put through and certainly will be a very important item on the agenda, could of itself do as much good, if not more as the other items, because it affects 14 different countries, and it affects them vitally. This is a big money crop for them. So certainly a program in which we would be willing to participate will be most important.

Mr. YOUNG. I wanted to ask the Ambassador first of all if President Kennedy still intends to fly to Montevideo for that meeting?

Mr. MORRISON. That I do not know, but I can say that I have been very positive in the fact that it would be a great assistance to have President Kennedy and Mrs. Kennedy make a trip to Montevideo. Actually it's Punta del Este where the conference is going to be. I say this because I remember in the good-neighbor policy which started 30 years ago, it was the personality of Franklin D. Roosevelt that was the principal item in this program. There wasn't a whole lot that we did financially at that time to assist our neighbors. Of course, we did get into nonaggression pacts, which were very important, but it was mainly the personality of Franklin D. Roosevelt; and I have a feeling that President Kennedy and Mrs. Kennedy coming to this conference, together with the program, is going to be of double benefit. And I couldn't be stronger in urging—however, there are other people who have a different viewpoint on this question. When I spoke to President Kennedy at the time he announced my appointment, I talked to him about it and he said, "I want to go." And I hope he does.

Mr. YOUNG. Mr. Ambassador, the alliance program itself breaks down into two rough categories, economic development and also one involving social progress. Could you give us just a brief sketch of what's involved in each of those?

THE INCOMPLETE REVOLUTION

Mr. MORRISON. Well, I'd like to make a comparison because I think the American public can better understand something in relation to ourselves. We had our own Revolution, I think it was 186 years ago, but at that same time all of the so-called areas of the Western Hemisphere were in the process of having a fight for independence. We achieved our independence in this country and it was a complete revolution, from the President right on down to the most humble farmer who participated in the victory and obtained his independence.

Now this did not happen in South America and Central America. Unfortunately there was an incomplete revolution in which the ruling class of Spain or Portugal was kicked out. But in effect, they picked up another ruling class, which was a local group of let's say the better-educated people, who had put on the revolution. But the rank and file did not participate in the independence or the revolution. And so it was an incomplete revolution.

Now we have in effect the completion of these incomplete revolutions in that people want social and economic progress where it gets down to the most humble citizens of these countries. I think that is what you are having throughout the entire length and breadth of Latin America.

Mr. BRADEMAS. What about the question, Mr. Ambassador, of the relationship between social reform and economic development? The President when he made his alliance for progress speech in March as Bob has just pointed out, suggested that we wanted to see social reforms go hand in hand with the economic growth of these countries. How are we going to encourage both?

Mr. MORRISON. Well, both are essential. One without the other is not going to accomplish very much. You have to have social reform, you have to bring the free way of life and real democracy as best you can to these countries or encourage it in every way possible, and that together with the economic uplifting. I think the two go hand in hand, and it's pretty hard to say one is more important than the other.

PEACE CORPS PROGRAM IN CHILE

Mr. BRADEMAS. I think, Father Hesburgh, one of the ideas that you and I have discussed for combatting illiteracy in Chile is a good example of what we in the United States can do to help move these peoples into the 20th century.

Father HESBURGH. I think so, John. Just recently we have selected 55 university students, graduates from all over this country, to go to Chile next October. We'll be training them here at the University of Notre Dame for the next 2 months. Then we'll go down for 3 months' further training in Chile. We are going to go in and work with a Chilean organization which has its own ideas about social reform and which is doing the only job that's being done in basic education in the south of Chile, in the earthquake region, in the rural area.

I think this is a fine pilot project to show, in line with the alliance for progress, that a group of American youngsters operating under the Peace Corps can go down and work with a Chilean group and hopefully with Chilean university students to bring some literacy, some more public health, some more agriculture knowledge, some better knowledge of forestry and help on other problems they're facing, and to promote this alliance for progress on a mutual partnership basis.

And I'd just like to make one point that came through in a letter yesterday from one of the most knowledgeable of our people in Chile. He said, "Don't come down here and say you're going to do this because you're afraid of the Communists, but come down here and do it because it's a good thing and it ought to be done and we ought to do it together."

But he said, "If you come down here just in a negative, anti-Communist or anti-Castro spirit, you'll miss the whole point of this and you'll just pour more fuel on the fire. But if you come down and do a good thing effectively in partnership because it's the right thing to do and it must be done, then you will be greeted with open arms and you'll promote the mutual ambitions of both the North and the South of the Americas."

Mr. BRADEMAS. I think Father, in that connection, you'll recall that we almost ran into each other in Argentina when I was down there a few weeks ago looking into the prospects of university education, and you'll be interested to know that one of the first three projects approved under the alliance for progress program, just a few days ago, was to improve the teaching of economics in Argentina at the University of Cuyo. Two of the other projects are also in line with what you've just said. Mr. Ambassador, what's that one in Panama? I think that would be of interest to Father Hesburgh.

ALLIANCE FOR PROGRESS PROJECTS

Mr. MORRISON. Well, that's a very important one, again because we're talking about improvement in the educational standard and educational level. This is a program that will be launched to help build and equip approximately 200 schoolrooms in the rural areas of Panama.

There is another project for Guatemala, directed toward continuing and strengthening this nation's already demonstrated success in meeting the objectives of the act of Bogotá. It will emphasize assistance in agricultural diversification and in industrial development.

Incidentally, since Father Hesburgh spoke up, I'd just like to mention one further fact which I think is working our way. I'm an optimist, I might say, while everybody else thinks the situation's pretty bad and of course it is not good.

I do think there is some cause for optimism although some people are even likening the situation to China, let's say 12 or 13 years ago. People were saying, your help is going to be too little and too late, and of course it was too little and it was too late, and 600 million people went under communism.

I've heard some expressions, there is a parallel here, saying it was too little and too late and maybe this important part of the world could go that way.

I think there are two factors operating on our side. One is the inbred feeling or impulse of Latin people, particularly, for freedom. This is a strong item which is now working against Castro, and finally starting to play some part.

The other is the influence of the Catholic Church, and I say that not because Father Hesburgh is on the program. But, when you stop to think that in practically every community of South and Central America, you have these priests and nuns who are there to see the poor people, to listen to their tale, and to listen to the fact that they're hungry and haven't got a place to live. I think this is a very strong element working against communism, because the priests and nuns are more directly connected in many cases with the poor people and those who need help than any politicians on either side.

Mr. BRADEMAS. I think I am right in saying, am I not, Father, that more practical economics is taught at the Catholic University of America, through a university to university project with the University of Chicago, than just about any place else in Latin America?

Father HESBURGH. That's right, that's the Catholic University in Santiago, Chile. They have been in this cooperative program now for about 6 or 7 years and the University of Chicago has done a very fine job in training young Latin American professors for the Ph. D. They now return and go on to full-time service at the Catholic University in Santiago de Chile. I talked with their man down there just last Easter and they have done more research on the economics of the rural areas of Chile than has probably ever been done in the history of the country.

Mr. BRADEMAS. Father, you speak pretty good Spanish. You'll be interested to know that Ambassador Morrison has traveled on 31 trade missions in Latin America, and he defends himself pretty well in Spanish also, as they say.

Mr. YOUNG. I want to pull a negative into the picture, if I may. The formula for the

alliance program is the exchange of economic aid for willingness to undertake fundamental social reforms. The question then becomes, do we have much assurance that the undertaking will be started? Can we judge whether a country is actually undertaking a fundamental change?

Mr. MORRISON. Well, the obligation of Bogotá, which is a solemn obligation undertaken by 18 of the Latin American countries, does commit themselves to the self-help and self-reform in many fields. I would assume that they have undertaken a solemn obligation and they're going to carry it out. And it is of course important that they do, it's a two-way street. The assistance is flowing in their direction, but they likewise have to act upon their own and they have to demonstrate by self-help that they're going to correct some of the conditions which are even more serious perhaps than lack of money.

DANGER OF CASTRO-LIKE MOVEMENTS

Mr. BRADEMAS. I might just add at this point Bob, that based on my own talks to Latin American leaders, including President Frondizi, of Argentina, it seems to me that some of these Latin American political leaders now know that if they're going to be able to prevent the rise of Castro-like movements in their own countries, they're going to have to induce some of the social reforms that he has carried out—although he's had a dictatorship in his country—or these political leaders in Latin America are going to be out of business themselves.

Mr. MORRISON. You take, for example, in land reform—I've seen some figures that indicate in some of the Central American countries that 1 percent of the people own half of the land. Now some type of land reform is absolutely essential. It can be like this great country of ours with its land reform, you might say. People went out to the West and they staked out their claims and obtained their land from the Government pretty much free, and they built a great country. Perhaps some of that experience can be put to work in the land reform that is so necessary and important in this part of the world.

Mr. YOUNG. But, Mr. Ambassador, we're talking now about governmental influence, as it were, on governmental structures to implement some of these social reforms, and yet the problem may very well lie in private hands. What can we do to change the exploitative nature of private enterprise in Latin America to get things like land reforms? Is that not partly a private problem as well as public?

Mr. MORRISON. Well, yes of course, but laws can be passed supported by the governments, supported by, let's say, our overall agreement at Bogotá, that can direct a certain course of action, which may of course be opposed by certain interests. But I do believe that these reforms would have strong backing and would be beneficial to all concerned. Anything you do is going to be opposed. There's nothing worth while in this world that you ever get accomplished that you don't have opposition.

But I think that certainly the assets far outweigh the liabilities and of course the private interests have to comply with the law just as anyone else.

Mr. BRADEMAS. Mr. Ambassador you were showing me in your office the other day a document produced by a man who's a member of the Board of Trustees at Notre Dame, Peter Grace of the Grace Lines. This document is an excellent example of the imaginative leadership that private business can give in Latin America.

ROLE OF U.S. BUSINESS

Mr. MORRISON. That's correct, the book is called, "It's Not Too Late in Latin America," Peter Grace points out about five different major projects that we can undertake, not only the governments of the United States, but American institutions of various kinds; particularly large businesses which have organizations in South and Central America such as the Grace Line and Pan American World Airways or Panagra, as well as Moore-McCormack and Kaiser and many others that are in Central and South America.

In other words, Mr. Grace outlines a program for the educational institutions, a program for business, a program for the Government and also for the news and information media—there is a great field there than can be beneficial—and not only the Government's Voice of America but other agencies. We have one organized in New Orleans called INCA, that's Information Council of America, and they propose to raise money to conduct radio and television programs and press relations in these countries on a private basis.

So it can take a combined volume of effort of all these assets that our country has to accomplish the job.

Mr. BRADEMAS. There will shortly be in Chicago at the end of this month, I think, Bob, an Inter-American Industries Fair and I hope very much that it will be possible for this discussion with Ambassador Morrison and Father Hesburgh to be shown in Chicago to encourage the business leaders of our country to show their sense of social responsibility to Latin America as well.

Mr. MORRISON. John, this is why I think it's so important that you and I and Father Hesburgh and people who have a very direct interest, in seeing this important field of foreign policy—our relations with South and Central America—improved, and to fight communism, that we have a job to do also at home.

We have a lot of people who are not fully advised as to what we are doing, what the Alliance For Progress happens to be, and so we need a lot of spokesmen and we need a lot of advocates in our country so that the American public knows what it can do.

I believe we have patriotic people, and if they're told that they can play a part in something that's vital to our security, I think the American public will play a part, but somebody's got to tell them what they can do.

THE PROBLEM IN LATIN AMERICA

Father HESBURGH. Maybe it would help a great deal if we could bring the American people to some really vital realization of what they're up against in Latin America. Some people say, "Well, they ought to have a better tax structure." Maybe they should, but their total gross national product is only about $60 billion a year as against over $500 billion for us.

For example, people don't know that more than half of the people in Latin America can't even read or write and lack the basic facilities for learning how to read and write. Most people don't know that half of the people south of the Rio Grande have never slept in a bed in their whole life. They have to lie on the ground like animals. And I think if people would realize the lack of hope and what we can do to stimulate that hope through basic education, through university education, through research, through the development of new business, through management and through just a very vital interest, everyone doing what he can, we can in the next two generations make this alliance for progress a real source of hope, a new vitality and a strengthening of our total hemisphere.

Mr. MORRISON. I'll give an illustration of how American people can help if they're even given the slightest amount of orientation. The Kaiser Co. has the larger aluminum plant in America in my city, so I know Mr. Kaiser very well. He was discussing one day the question of whether they should quit the auto industry in America. He hated to be a quitter, but on the other hand they were losing money in competition with the other big companies.

So I suggested that the one dream of every country in South and Central America is to have an auto industry, to have a national car like the British have, the Italians, the French, the Germans, and so on, and not one single country has had one. I said, "If you could take your know-how and your tools which you say are going to be second-hand junk the day you quit, and if you can bring this to some area that has a good market, you may do something for yourself and really do something for these people."

So we took him on an industrial tour through eight different countries. As a result of that tour he now has two plants, one in São Paulo, Brazil, making jeeps and trucks, and one in Cordoba, Argentina, which is making Kaisers. Last year they did $185 million of business. He hasn't failed to make a million dollars a month since the company in Argentina was established. They let the stock out locally. I think 70 percent of it was bought in 2 hours on the Buenos Aires exchange. The capital was provided locally. Mr. Kaiser doesn't control the company.

Here you have a real asset to American business, making a profit, and you have a tremendous asset to Argentina and Brazil in boosting their economy and saving this money for foreign exchange. They were losing, of course, by buying cars from out of the country before.

Mr. YOUNG. Mr. Ambassador, I'd like to ask you a final question. Going back to the meeting coming up in Montevideo, is it likely that the U.S. Government will demand any support, not demand it—that's a strong word—but ask or request any support from the other countries in this hemisphere against Mr. Castro in any way?

Mr. MORRISON. This is really a question I cannot answer and I wish I could because I don't want to be evasive. But Mr. Douglas Dillon, the Secretary of the Treasury, will be the head of our delegation.

It's principally an economic and social conference of the inter-American group, and I cannot say just what will be the play in that regard. I know that the overall objective is to strengthen our alliance of friendship, to improve social and economic conditions, and in so doing I think we can fight communism and this question of Cuba will come up in due course.

Huge Deposits of Coal in the State of Washington Are Available as a Back-up for Pacific Northwest Electric Power

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 1961

Mr. VAN ZANDT. Mr. Speaker, during the debate on the Atomic Energy Commission authorization bill in this House and in the other body, the proponents of adding electric generating facilities to the Hanford reactor seriously and dangerously misinterpreted the position concerning the effect of this project on the coal industry. Accordingly, it is imperative to set the record straight on this important matter.

In this Chamber on July 13, the chairman of the Joint Committee on Atomic Energy, the distinguished gentleman from California [Mr. HOLIFIELD], said that opponents of the Hanford project "have claimed that it will replace coal." He went on to explain his interpretation by saying:

> The issue is not replacing coal, because this is an area that does not use coal for the generation of electricity. This area uses hydroelectric falling water power, and it uses oil, and in some instances, gas. There are no appreciable coal fields in the area.

At another point in the House debate, the gentleman from Washington [Mr. MAGNUSON] said:

> The other fallacious aspect of the argument is that Hanford power somehow will hurt the market for eastern coal. The Pacific Northwest buys almost no coal to produce power and, when the time comes that it does, I doubt if much coal will be purchased in Pennsylvania, West Virginia, or Kentucky. To argue that disapproval of the Hanford powerplant will help the hard-pressed miners of the Appalachian region is to foster a cruel illusion.

The gentleman from Alabama [Mr. JONES] continued the proponents' attack by saying:

> Some of the Members from Eastern coal-mining regions perhaps are worried about the effect of this project on coal. However, the Pacific Northwest is a hydropower region. The utilities there buy relatively little coal and full development of the regional water-power resources will not be attained for at least 10 more years.

The gentleman from California, the chairman of the Joint Committee, sought to deliver the final blow with these words:

> The type of thermal power that you use up there is estimated by most people to be either that of gas from the Canadian gas fields or oil. This is the type that is being used now. There may be some used from coal, but very little from coal because of the lack of the type of coal deposits that are needed up there. There is a very sharp limitation in the amount of coal deposits and the grade of coal in the State of Washington. So you are going to utilize everything you have there if you are going to meet the future requirements of power in the Pacific Northwest.

Mr. Speaker, let us look at the record of what actually was said here in the House on July 13, and I believe the misinterpretation of the proponents of this project will be readily apparent to all.

First of all, the gentleman from West Virginia [Mr. BAILEY] described the relationship between the Hanford proposal and coal in the Pacific Northwest, as follows:

> While it may be true that there is not much coal-fired power generated now in the Bonneville region, unquestionably the time is coming soon when thermal power is going to be needed there. Surely, if the argument can be advanced that subsidized thermal nuclear power is justified now in the Bonneville area, then there should be a better argument for nonsubsidized coal-fired power. Adding these electric generating facilities to the Hanford nuclear plant can only serve to postpone the day when the Pacific Northwest will be calling on coal-fired stations to firm up much of its non-firm hydropower.

The gentleman from West Virginia continued significantly:

> The 800,000 kilowatts of power proposed for the Hanford plant—and I understand that the potential of this plant runs to over 1 million kilowatts—represents an equivalent consumption of well over 2 million tons of coal a year. In terms of coal-mining employment, in railroad activity to transport this coal, and in impact on the industries serving the coal mines, this would be a significant stimulation to the Nation's economy.

The gentleman from West Virginia said that the use of an equivalent amount of coal in the Pacific Northwest, as a substitute for the Hanford generating facilities "would be a significant stimulation to the Nation's economy." At no point in his remarks did he say that Hanford would put coal miners out of work, but rather would postpone the day when the miners would have the work.

With the record of our debate here in the House fully and completely available, a Member of the other body, the distinguished Senator from West Virginia [Mr. RANDOLPH] himself a former Member of the House, supported the Hanford project and said at one point in defending his position:

> The chief proponent in the House of the deletion of the $95 million for the Hanford generating facility said flatly that such a plant would displace coal, and implied that it would wipe out 191,360 man-days of mining employment or 37,911 coal cars. If this were true, I would be duty bound to vote against the $95 million item. But the gentleman's statement is off target, because coal has not been displaced, and eastern coal and coal-hauling railroads probably never will serve the region which would be serviced by electric power generated at Hanford.

I assume the Senator was referring to me as the "chief proponent" of the amendment to delete the Hanford project, but I hasten to point out that the word "displacement" which he attributes to me was taken completely out of context. Furthermore, I did not imply that Hanford would "wipe out" so many man-days of employment in the coal mines.

We who oppose the Hanford project merely have sought to illustrate, in terms of the figures, what a coal-fired plant of this size would mean in terms of employment in the coal industry in the United States. We are not so naive as to think for a moment that any intelligent Members of this Congress, here in the House or in the other body, would accept an argument which claimed that miners would be put out of work if this project were accepted. The tenses of our verbs have been applied properly and carefully yet the Hanford proponents, in translating our remarks for their own purposes, have chosen to ignore plain language.

I should point out here that we agree with certain points raised by the Hanford proponents with respect to coal. We agree, for example, that development of the region's hydroelectric sites will be completed in the next 10 to 15 years. We who represent the eastern coal-mining areas agree also that when the Pacific Northwest does move further into the thermal power generation there will be little or no market in that region for eastern coal.

But where we agree on these few points, we disagree on another very important point which, in my opinion, places the Hanford project in an entirely different light. Let us go back and review a few of the words of the Hanford proponents in the House and in the other body.

The gentleman from California [Mr. HOLIFIELD] said:

> There are no appreciable coalfields in the area.

Then he said at another point in the debate:

> There may be some used from coal—

That is for generation of electricity in the Pacific Northwest—

> but very little from coal because of the lack of the type of coal deposits that are needed up there. There is a very sharp limitation in the amount of coal deposits and the grade of coal in the State of Washington.

The gentleman from Washington [Mr. MAGNUSON] seems to agree with this contention, so that we can conclude quite logically, I think, that their position is that there is not enough coal in the Pacific Northwest to serve the area's future thermal generating station needs.

The Hanford proponents mention the fact that none of the utilities in the area responded to the Atomic Energy Commission's invitation to use the Hanford reactor steam. It seems to me that they ask us to believe that the utilities in that area are not interested now in any large thermal generating station.

The truth of the matter is that many utilities, both public and private in the Pacific Northwest are indeed looking seriously ahead to the time when thermal generation will be needed to meet the area's load growth. For the information of the proponents of the Hanford project, I wish to say that the utilities in that area are looking to coal as the source of heat for these thermal stations, and the coal is there to be mined right in the State of Washington.

According to published U.S. Geodetic Survey reports, coal reserves in the State of Washington are known to amount to several billion tons.

The following is an account taken from other published reports of what the utilities in that area are doing about coal. It is reported that:

First. Since 1957, at a cost of several hundred thousand dollars, Pacific Power & Light Co. and Washington Water Power Co. have optioned and explored major coal reserves near Centralia, Wash. Their reports indicated reserves totaling 150 million tons of strip coal and 250 million tons of flat-lying, thick seam coal that can be mined economically by underground methods. There are also possibilities of other reserves being proven in this area.

Pacific Power & Light also has developed major coal reserves in Oregon, near its proposed Eden Ridge development. Indications are that there may be deposits of some 35 million tons of recoverable coal, sufficient to supply the proposed 100,000-kilowatt Eden Ridge plant for 40 years.

Second. In 1959 the Montana Power Co. purchased the large open-pit coal

mining equipment at Colstrip, Mont., and acquired leases on at least 60 million tons of subbituminous coal reserves.

Third. At Cle Ellum, Wash., the Northern Pacific Railroad had some 70 million tons of coal reserves. Use of these reserves has been under active study by public and private utility groups in the Northwest, and undoubtedly will be put into production as soon as thermal electric power generation fits into the picture in the Pacific Northwest.

Fourth. With respect to these particular coal reserves, they might be used by the Kittitas County Public Utility District in a major power generating operation, with power purchases by consumers under long-term contracts similar to present arrangements made in connection with the Priest Rapids, Rocky Reach, and Wanapum hydro developments. I might mention here that, as I understand it, Kittitas County PUD is considering construction of a 300,000-kilowatt thermal station on its system; certainly this is not a small station by any manner of means.

Fifth. Puget Sound Power & Light Co. considers that at its present rate of load growth it will require thermal generating stations by 1970. With the realization of this eventuality, the company is actively and seriously investigating all phases of thermal electric generation. Whether this involves any acquisition of coal reserves at this time, I do not know.

Mr. Speaker, I have cited these figures to show conclusively that, contrary to what the Hanford proponents assert, there are more than ample coal reserves in the Pacific Northwest and the electric utility organizations, private and public, are relying heavily on coal as a major source of fuel for the thermal stations that will be needed in the Bonneville region when the last of the hydroelectric sites is put to use.

From these facts, we can draw a lesson, I think. We have heard from the Hanford proponents that none of the utility organizations in the Bonneville region responded to the AEC invitation to make use of the Hanford reactor steam. The reason why this is so seems clear to me now, as it will to the Members The utilities simply could not fit the Hanford steam—low temperature, low pressure, saturated steam—into their plans for steamplants in this region. I feel certain that their plans call for employment of the more modern and more efficient turbines adapted for high pressure, high temperature steam, and that they regarded the Hanford project steam as unsuitable for their purposes.

Think back now, with all these facts in mind, to the remarks of the gentleman from West Virginia [Mr. BAILEY], who was more accurate in his words than many of the Members realized at the time. Remember that he said:

> While it may be true that there is not much coal-fired power generated now in the Bonneville region, unquestionably the time is coming soon when thermal power is going to be needed there. Surely, if the argument can be advanced that subsidized thermal nuclear power is justified now in the Bonneville area, then there should be a better argument for nonsubsidzed coal-fired power. Adding these electric generating facilities to the Hanford nuclear plant can only serve to postpone the day when the Pacific Northwest will be calling on coal-fired stations to firm up much of its nonfirm hydropower.

These, indeed, Mr. Speaker, are words of wisdom, for the coal is there, the plans are there, and the utilities, public and private, are ready to meet the call. If the future power shortage is as great as the Hanford proponents indicate, and personally I do not think it is, the utilities in this region will respond to the needs of the area as they do all over the country.

Under the circumstances, therefore, conversion of the Hanford reactor is less justified than ever, in my opinion, and I urge the Members to stand fast against this move on the part of the other body to impose its will on us. We have expressed the will of the House once against this needless project. Let us express the will of the House even more forcefully again.

Remarks of Senator Thomas J. Dodd, of Connecticut, at Captive Nations Week Observance, Statler Hotel, Buffalo, N.Y., Wednesday, July 19, 1961

EXTENSION OF REMARKS
OF
HON. THADDEUS J. DULSKI
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 27, 1961

Mr. DULSKI. Mr. Speaker, under leave to extend my remarks, I wish to include an address of Senator THOMAS J. DODD, of Connecticut, in observance of Captive Nations Week in Buffalo, N.Y., on July 19, 1961.

Senator DODD, since the end of the war, has been one of the most ardent champions of the captive nations. In speech after speech, and article after article, he has urged our commitment to an active liberation policy. Such a policy, says Senator DODD, would constitute a major deterrent to Soviet aggression.

In recognition of his services to the cause of the captive nations, Senator DODD was given the first annual award of the Assembly of the Captive European Nations last year. His address, which was delivered at a civic luncheon in the Statler-Hilton Hotel, sponsored by the Kiwanis Club of Buffalo, follows:

ADDRESS BY SENATOR DODD

This is Captive Nations Week.

This is the third year that we in America have observed Captive Nations Week. The resolution calling upon the President to designate the third week in July, every year, as Captive Nations Week was passed unanimously by both Houses of Congress in the summer of 1959.

The purpose of this observance, in the words of the resolution, was to demonstrate to the peoples of the captive nations "that the people of the United States share with them their aspiration for the recovery of their freedom and independence."

At no time in our history was a statement of rededication to the goal of freedom more necessary than it is today. For today almost one-half of mankind is governed by the blackest, the most ruthless, the most amoral dictatorship the world has ever known, while the other half must live in daily fear of further Communist encroachments and aggression.

The issue of the captive nations assumes particular significance against the background of the Berlin crisis. For at the heart of the Berlin crisis is the question: Shall freedom or slavery prevail?

The captive nations are the Achilles heel of Soviet communism. The 4,000 refugees who pour into West Berlin every week, the 200,000 refugees who fled from Hungary, the hundreds of thousands who have fled since the end of the war from every part of the Iron Curtain, constitute a living testimony to the bankruptcy of communism.

This unceasing flood of refugees, and the successive uprisings in East Germany, Poland, and Hungary, are palpable arguments against Soviet communism that cannot be answered by any propaganda.

In the battle for the minds of the uncommitted nations and the newly emerging nations, the story of the captive nations, told without embellishment, but told repeatedly and forcefully, could be our most effective weapon.

In the approaching showdown over Berlin, we could take no measure more meaningful, no measure that would hurt Khrushchev more or restrain him more, than to commit ourselves in unmistakable terms to the liberation of the captive nations.

Khrushchev fears the captive nations. Having experienced East Germany, Poznan, and Budapest, he is only too well aware that war with the West might trigger an uprising that would sweep like wildfire through the length and breadth of his captive empire.

But how the captive nations react, depends in part on what we say and what we do.

Khrushchev demands that we surrender the one surviving island of freedom behind the Oder-Neisse line.

In reply to this there are some people who say that we should be prepared to negotiate a new status for Berlin because negotiation is the path of reasonable men. And there are others who say that we must compromise on Berlin because the West does not have the military strength to confront the Red army in Europe.

If we agree to negotiate on the issue of Berlin alone, we are already half way along the road to defeat. Negotiations are pointless if one is thinking of maintaining the status quo. They make sense only if some change in the status quo is contemplated. And any change in the status quo of Berlin at this juncture can only be a change that favors the Kremlin and weakens the side of freedom.

The Kremlin cannot be permitted to rewrite existing political agreements and to redraw the map of Europe whenever it is so disposed.

If there are to be any meaningful negotiations between ourselves and the Soviets, we must begin by placing on the table all the unfinished business of World War II.

Item No. 1 in this unfinished business is the issue of the captive nations of Europe.

In a whole series of agreements, made during the war and in the immediate postwar period, the Kremlin committed itself to respect the independence and the right to self-determination of the nine European nations it has since subjugated and enslaved. These nations are Lithuania, Latvia, and Estonia, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, and East Germany. If the Kremlin is now willing to respect its agreement to permit these peoples to live in

freedom and to choose their own governments in elections under U.N. supervision, such a demonstration of good faith on the part of the Soviets would make it possible for both sides to enter into serious negotiations on disarmament, disengagement, East-West trade and other issues.

If there are to be any negotiations with the Kremlin, we must raise the issue of the captive nations and we must press the issue. We must press it as relentlessly as the Kremlin has pressed the issue of Berlin. In doing so, morality, justice and the aspirations of the peoples of Europe would be on our side.

If, knowing these things, we still compromise or back down before Khrushchev's bluster, then evil will again have triumphed because good men have not displayed the will to resist it.

If we follow the course of conscience and justice, if we keep faith with the captive peoples of Europe, we shall at the same time be defending ourselves and defending the peace.

We have been too prone to write off the captive peoples, too willing to accept the Kremlin's position that Communist rule, once established, must never be challenged by the West. We stood by supinely and shamelessly while the captive peoples fought and bled in the East German uprising, the Polish uprising, and in the immortal Hungarian revolution.

Had we acted boldly at the time of the Hungarian revolution, I am certain that there would be no Berlin crisis today. And the Berlin crisis is only the first of many installments we shall have to pay for our failure to stand by the captive peoples.

But despite the sorry record of the free world, the captive nations of the Soviet Empire are still our allies. In fact, the hatred of the captive peoples for their oppressors constitutes one of the chief deterrents to Soviet aggression.

If we understand this, then we are not weak in Europe: we are strong in Europe. Khrushchev may rattle his missiles, and display his aircraft and point to his 100 Red army divisions west of the Urals. But military strength is meaningless unless it is backed up by popular support.

The Communist slave empire has no popular support.

It is passionately hated by the Hungarians and Poles and all the other East European peoples it has enslaved since the end of the war.

It is hated just as passionately by the Ukrainians and Georgians and other so-called minority nations in the Soviet Union proper.

I say so-called minorities, because in fact these minorities, taken together, constitute the majority of the people of the Soviet Union. They are doubly oppressed. They are oppressed nationally as well as politically. And because of this they harbor a double hatred.

Finally, communism is detested by the Russian people themselves. There are many evidences of this. There are the crowds that come to the churches, in open defiance of the regime's antireligious campaign. There is the continuing evidence of peasant resistance, which is reflected in the Kremlin's perennial agricultural failures. There are the complaints in Pravda and Izvestia about the lack of ideology among the youth.

Our own spokesmen at the United Nations have properly upheld the application of the principle of self-determination to the colonial peoples. But while many in the U.N. continue to flog the dying horse of Western imperialism, they have ignored or, at the best, protested in an almost inaudible whisper against Soviet and Chinese Communist colonialism. Even on the issues of Tibet and Hungary, the U.N. has now become silent.

According to the double standard which now exists, the freedom of the Congo receives infinitely more attention than the freedom of 100 million Europeans, or the freedom of North Korea, or North Vietnam, or Laos.

I say this is shameful. And it is doubly shameful because our own representatives in the United Nations have condoned and participated in this double standard.

If the people of the captive nations believe that the people of the United States support them in their aspirations for freedom and independence, if we can persuade them by word and by action that we will not again abandon them, they will find a thousand different ways of offering resistance to the Soviet tyrants, and of undermining the regime that oppresses them.

But if, by our continued failure to speak out and by our continued inaction, we persuade the peoples of captive countries that we have learned nothing from the lessons of Hungary, the will to resist will give way, at best, to resignation. At worst, it will give way to a feeling of betrayal which the Communist propagandists could very easily turn to hatred.

The observance of Captive Nations Week is not merely an expression of sympathy with the captive peoples in their present agony. If it were simply this, it would be an act of cheap and pious hypocrisy.

If Captive Nations Week has any significance, it means that we, as a nation, are dedicated to the liberation of the captive nations from the cruel tyranny that oppresses them.

It means that we must make this issue a cardinal objective of our foreign policy, that we must raise it at the U.N. and at Geneva, that we must use our considerable facilities to mobilize world support for the abolition of Communist imperialism, that we must insist on the inclusion of this item in any negotiations between East and West.

In thus dedicating ourselves to the restoration of man's God-given rights to all the peoples of the captive nations, we are rededicating ourselves to the principles which gave birth to our own Nation.

The captive peoples of Europe have fought and sacrificed for freedom. Their martyrs must be numbered by the hundreds of thousands, indeed by the millions.

We know the names of a few of these martyrs, like Nicola Petkov in Bulgaria, General Mihailovich and Cardinal Stepinac in Yugoslavia, Masaryk in Czechoslovakia, Imre Nagy and Cardinal Mindzenty in Hungary. But by and large the names of these martyrs to freedom are unknown and their graves are unmarked.

But the cause for which they died lives on and it is our task to see that it becomes better and better known and never forgotten.

And so, we here in Buffalo join our countrymen across the Nation in these ceremonies observing Captive Nations Week.

If we can, through our actions, keep hope alive for yet a little longer, we will in God's good time see the day when the flags of the captive nations of Eastern Europe will wave again in freedom.

Adm. Arleigh A. Burke To Retire July 31

EXTENSION OF REMARKS

OF

HON. EDWIN B. DOOLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 1961

Mr. DOOLEY. Mr. Speaker, on July 31, 1961, Adm. Arleigh A. Burke, one of the outstanding leaders and heroes of our generation, will retire from the U.S. Navy. A stalwart son of Colorado who has rendered distinguished service as Chief of Naval Operations since August 1955, he was conditioned for his important post in the crucible of naval conflict in the South Pacific.

The vacancy left by his retirement will of course be filled with typical Navy capability and thoroughness, but the man who takes his place will have a large image to live up to.

A graduate of the U.S. Naval Academy, class of 1923, the admiral throughout his professional career had prepared himself for combat with the enemy, having served in battleships, and destroyers, and having received the degree of master of science in engineering at the University of Michigan. Then, when World War II came, he found himself, to his great disappointment, in a shore billet at the Naval Gun Factory in Washington, D.C. After persistent effort on his part, he received orders to the South Pacific where, under Admiral Halsey, he successively commanded Destroyer Division 43, Destroyer Division 44, Destroyer Squadron 12, and Destroyer Squadron 23. This latter squadron, known as the "Little Beavers," covered the initial landings in Bougainville in November 1943, and fought in 22 separate engagements during the next 4 months. During this time, the "Little Beavers" were credited with destroying 1 Japanese cruiser, 9 destroyers, 1 submarine, several smaller ships, and approximately 30 aircraft. Because he pushed his destroyers just under boiler-bursting speed, he became known as 31-Knot Burke.

From destroyer command in the South Pacific, he reported in March of 1944 as Chief of Staff to Commander, Fast Carrier Task Force 58, Adm. Marc Mitscher. While serving with this famed carrier force, Arleigh Burke was promoted to commodore, and participated in all its naval engagements until June 1945 shortly before the surrender of Japan. He flew many combat missions. He was aboard both *Bunker Hill* and *Enterprise* when they were hit by Japanese suicide planes during the Okinawa campaign.

At the outbreak of the Korean war, Adm. Forrest Sherman, then CNO, ordered Admiral Burke to duty as Deputy Chief of Staff to Commander Naval Forces, Far East. From there, he assumed command of Cruiser Division 5, and in July 1951 he was made a member of United Nations truce delegation to negotiate with the Communists for a military armistice in Korea. After 6 months in the truce tents, he returned to the Office of Chief of Naval Operations where he served as Director of Strategic Plans Division until 1954.

In April 1954, he took command of Cruiser Division 6, and in January 1955 assumed command of Destroyer Force Atlantic Fleet in which capacity he served until he succeeded Adm. Robert B. Carney as Chief of Naval Operations in August 1955.

Admiral Burke has received numerous combat awards during his 43 years in the Navy including the Distinguished Service Medal, the Navy Cross, the Legion of Merit, and the Purple Heart. But none are more cherished than two awards

which came early in his career. In 1928 while serving aboard the U.S.S. *Procyon*, he was commended for the "rescue of shipwrecked and seafaring men," and in 1939 while serving in his first command, U.S.S. *Mugford*, he was commended when his destroyer won the fleet gunnery trophy with the highest score that had been achieved in many years. His ship also stood third in engineering competition and high in communication competition.

For his service in Destroyer Squadron 23, Admiral Burke was awarded the Distinguished Service Medal, the Navy Cross, the Legion of Merit, and is entitled to the ribbon for, and a facsimile of, the Presidential Unit Citation awarded Destroyer Squadron 23.

The citation reads:

PRESIDENTIAL UNIT CITATION TO DESTROYER SQUADRON 23

For extraordinary heroism in action against enemy Japanese forces during the Solomon Islands campaign, from November 1, 1943, to February 23, 1944 * * * Destroyer Squadron 23 operated in daring defiance of repeated attacks by hostile air groups, closing the enemy's strongly fortified shores to carry out sustained bombardments against Japanese coastal defenses and render effective cover and fire support for the major invasion operations in this area * * *. The brilliant and heroic record achieved by Destroyer Squadron 23 is a distinctive tribute to the valiant fighting spirit of the individual units in this indomitable combat group of each skilled and courageous ship's company.

As Chief of Staff, Commander Fast Carrier Task Force, Pacific—Task Force 38—Admiral Burke was awarded a Gold Star in lieu of the second Distinguished Service Medal, the Silver Star Medal, a Gold Star in lieu of the second Legion of Merit, and a letter of commendation with authorization to wear the Commendation Ribbon.

Admiral Burke is also entitled to the Presidential Unit Citation to the U.S.S. *Bunker Hill*, the Presidential Unit Citation to the U.S.S. *Lexington*, and the Navy Unit Commendation to the U.S.S. *Enterprise*. Those vessels were, at various times during his period of service, flagships of the Fast Carrier Task Forces in the Pacific.

From September 1950 until May 1951, he served as Deputy Chief of Staff to Commander U.S. Naval Forces, Far East, and for exceptionally meritorious conduct—in that capacity—from September 3, 1950, to January 1, 1951, he was awarded a Gold Star in lieu of the third Legion of Merit.

While serving as commander, Cruiser Division 5 from May to September 1951, and also as a member of the Military Armistice Commission in Korea, Admiral Burke was awarded an oak leaf cluster in lieu of the fourth Legion of Merit, by the Army—Headquarters, U.S. Army Forces, Far East—by General Order No. 5, as follows:

For exceptionally meritorious conduct in the performance of outstanding services as a delegate with the United Nations Command delegation, United Nations Command (Advance) in Korea, from 9 July to 5 December 1951. Admiral Burke's keen discernment and decisive judgment were of inestimable value in countering enemy intransigence, misrepresentation, and evasion with reasoned negotiation, demonstrable truth and conciliatory measures. As adviser to the Chief Delegate on all phases of the Armistice Conferences, he proffered timely recommendations for solutions of the varied intricate problems encountered. Through skillful assessment of enemy capabilities, dispositions, and vulnerable abilities and brilliant guidance of supporting staff officers [he] significantly furthered progression toward success of the United Nation's first armed bid for world peace.

In addition to the Navy Cross, the Distinguished Service Medal with gold star, the Legion of Merit with two gold stars and oak leaf cluster—Army—the Silver Star Medal, the Commendation Ribbon, the Purple Heart Medal—for wounds received while serving on board the U.S.S. *Conway* during July 1943—the Presidential Unit Citation Ribbon with three stars, and the Navy Unit Commendation Ribbon, Admiral Burke has the American Defense Service Medal, Fleet Clasp; the Asiatic-Pacific Campaign Medal with two silver stars and two bronze stars—12 engagements—the American Campaign Medal; World War II Victory Medal; Navy Occupation Service Medal, Europe Clasp; the National Defense Service Medal; and the Philippine Liberation Ribbon, Korean Service Medal, and United Nations Service Medal. He also has been awarded the Ul Chi Medal and the Presidential Unit Citation from the Republic of Korea.

SENATE

FRIDAY, JULY 28, 1961

The Senate met at 11 o'clock a.m., and was called to order by the Vice President.

Rabbi Stanley Rabinowitz, Adas Israel Congregation, Washington, D.C., offered the following prayer:

Master of the measureless universe, Creator of man's conscience, source of our divine image, to Thee do we address our thoughts. May we face this day with stubborn commitment to the principles that have nourished our country's greatness. May we be blessed with wisdom and courage sufficient unto the challenge of the day.

Where there is cynical derision, let us respond with dedication to righteousness.

Where there is narrow self-interest, let us bring forth our integrity.

May our deliberations reflect Thy inspiration. May our decisions reflect our sanctity. May our aspirations encompass the welfare of all mankind. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, July 27, 1961, was dispensed with.

REPORTS OF A COMMITTEE SUBMITTED DURING RECESS

Under the order of the Senate of July 27, 1961, the following reports of a committee were submitted during the recess:

On July 27, 1961:

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 1653. A bill to amend title 18, United States Code, to prohibit travel in aid of racketeering enterprises (Rept. No. 644); and

S. 1658. A bill to amend the act of January 2, 1951, prohibiting the transportation of gambling devices in interstate and foreign commerce (Rept. No. 645).

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour, for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Theodore L. Richling, of Nebraska, to be U.S. attorney for the district of Nebraska;

Beverly W. Perkins, of Nevada, to be U.S. marshal for the district of Nevada;

John G. Chernenko, of West Virginia, to be U.S. marshal for the northern district of West Virginia; and

Thomas W. Sorrell, of Vermont, to be U.S. marshal for the district of Vermont.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

PUBLIC HEALTH SERVICE

The Chief Clerk read the nomination of John C. Eason, Jr., to be senior sanitarian for permanent promotion in the regular corps of the Public Health Service.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

THE NAVY

The Chief Clerk proceeded to read sundry nominations in the Navy.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

THE ARMY AND THE AIR FORCE

The Chief Clerk proceeded to read sundry nominations in the Army and the Air Force, which had been placed on the Secretary's desk.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the following committees and subcommittees were authorized to meet during the session of the Senate today:

The Juvenile Delinquency Subcommittee of the Committee on the Judiciary.

The Finance Committee.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF REORGANIZATION PLAN NO. 1 OF 1958, TO CHANGE THE NAME OF THE OFFICE ESTABLISHED UNDER SUCH PLAN

A letter from the Director, Office of Civil and Defense Mobilization, Executive Office of the President, transmitting a draft of proposed legislation to further amend Reorganization Plan No. 1 of 1958, as amended, in order to change the name of the office established under such plan, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

ADMINISTRATION OF TRANSFER OF CERTAIN REAL PROPERTY FOR WILDLIFE

A letter from the Acting Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to improve the administration of transfers of certain real property for wildlife or other purposes by repealing the act of May 19, 1948, and incorporating the essential provisions thereof in the Federal Property and Administrative Services Act of 1949, as amended (with an accompanying paper); to the Committee on Commerce.

TARIFF CLASSIFICATION ACT OF 1961

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Tariff Act of 1930 and certain related laws to provide for the restatement of the tariff classification provisions, and for other purposes (with accompanying papers); to the Committee on Finance.

REPORT OF FEDERAL BUREAU OF NARCOTICS

A letter from the Assistant Secretary of the Treasury, transmitting, pursuant to law, a report of the Federal Bureau of Narcotics entitled "Traffic in Opium and Other Dangerous Drugs," for the calendar year ended December 31, 1960 (with an accompanying report); to the Committee on Finance.

REPORT OF ATTORNEY GENERAL ON THE ADMINISTRATION OF THE FOREIGN AGENTS REGISTRATION ACT OF 1938, AS AMENDED

A letter from the Attorney General, transmitting, pursuant to law, his report on the administration of the Foreign Agents Registration Act of 1938, as amended, for the calendar year 1960 (with an accompanying report); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Acting Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, a report of the Archivist of the United States on a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the executive committee of the Territorial Party of Guam, Agana, Guam, favoring an amendment to the Organic Act of Guam, to provide for a Territorial Deputy Representative from Guam in the U.S. House of Representatives; to the Committee on Interior and Insular Affairs.

A resolution adopted by the American Women United, of San Antonio, Tex., protesting against the enactment of legislation providing for Federal aid to education; to the Committee on Labor and Public Welfare.

A resolution adopted by the County Planning Board of Bergen County, N.J., relating to billboards on the Federal highway system; to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1899. A bill to increase the fees of jury commissioners in the U.S. district courts (Rept. No. 647).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 2237. A bill to permit the entry of certain eligible alien orphans (Rept. No. 646).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

S. 77. A bill to establish the Chesapeake and Ohio Canal National Historical Park in the State of Maryland, and for other purposes (Rept. No. 648).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 543. A bill to promote the preservation, for the public use and benefit, of certain portions of the shoreline areas of the United States (Rept. No. 649).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

S. 981. A bill to extend certain authority of the Secretary of the Interior, exercised through the Geological Survey of the Department of the Interior, to areas outside the national domain (Rept. No. 650).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DODD:

S. 2330. A bill for the relief of Andrew Telesfor Kostanecki; to the Committee on the Judiciary.

By Mr. YOUNG of Ohio:

S. 2331. A bill for the relief of Yuk Seem Seto (Mrs. Loeung Chin); to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2332. A bill to amend Public Law 86-376; to the Committee on Finance.

(See the remarks of Mr. ANDERSON when he introduced the above bill, which appear under a separate heading.)

By Mr. HART:

S. 2333. A bill for the relief of Yee Lee, his wife, Chiemin Soun Lee, and their minor children, Shiuh Hwa Lee, Shiuh Kai Lee, and Shiuh Wuu Lee; and

S. 2334. A bill for the relief of George Meintanas; to the Committee on the Judiciary.

By Mr. LAUSCHE (for himself and Mr. YOUNG of Ohio):

S. 2335. A bill to amend section 2(e) of the act of May 19, 1961, with respect to certain temporary judgeships established by such act for the northern and southern districts of Ohio; to the Committee on the Judiciary.

RESOLUTIONS

AUTHORIZATION TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS DURING ADJOURNMENTS OR RECESSES OF THE SENATE

Mr. MANSFIELD (for himself and Mr. DIRKSEN) submitted a resolution (S. Res. 185) authorizing the Vice President and the President pro tempore to sign enrolled bills and joint resolutions during daily adjournments or recesses for the remainder of the 87th Congress, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. MANSFIELD, which appears under a separate heading.)

DISAPPROVAL OF REORGANIZATION PLAN NO. 7 OF 1961

Mr. BUTLER submitted the following resolution (S. Res. 186); which was referred to the Committee on Government Operations:

Resolved, That the Senate does not favor the Reorganization Plan Numbered 7, transmitted to Congress by the President on June 12, 1961.

DISAPPROVAL OF REORGANIZATION PLAN NO. 6, RELATING TO FEDERAL HOME LOAN BANK BOARD

Mr. DIRKSEN submitted a resolution (S. Res. 187) disapproving Reorganization Plan No. 6 of 1961, which was referred to the Committee on Government Operations.

(See the above resolution printed in full when submitted by Mr. DIRKSEN, which appears under a separate heading.)

AMENDMENT OF PUBLIC LAW 86-376

Mr. ANDERSON. Mr. President, I introduce, for appropriate reference, a bill to amend Public Law 86-376 by striking out the year "1959" and inserting in lieu thereof, the year "1957." I do this as a result of a situation which has arisen because of what I regarded as a bad interpretation of a law dealing with small business corporations. The interpretation which was applied would virtually confiscate a small business corporation. I am sure that was not the intention of the Congress or of the Treasury Department.

I ask unanimous consent to include as a portion of my remarks a copy of the bill and a statement explaining the reasons for its introduction.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2332) to amend Public Law 86-376, introduced by Mr. ANDERSON, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(d) of Public Law 86-376 is amended by striking out "1959" and inserting in lieu thereof "1957".

The statement presented by Mr. ANDERSON is as follows:

EXPLANATION OF BILL

Public Law 86-376 amended the Internal Revenue Code by adding subsection (c) to section 1371. That subsection provides that under certain conditions husbands and wives are to be treated as a single shareholder for section 1371 purposes. Prior to this amendment, the Internal Revenue Service took the position that stock owned jointly by a husband and wife was owned by two shareholders. Thus, if an electing small business corporation having nine shareholders issued more stock and sold it to a husband and wife as joint tenants, this sale would terminate the election. Accordingly, in many cases the subchapter S election was unintentionally terminated. The public law referred to eliminated these unintentional terminations retroactively, but only for taxable years beginning after December 31, 1959. For this reason, it does not benefit taxpayers whose election was unintentionally terminated in a taxable year beginning after December 31, 1957, but before December 31, 1959. The present bill makes the amendment made by Public Law 86-376 applicable to all taxable years beginning after December 31, 1957. However, the amendment made by the bill does not apply to any case in which the statute of limitations has already run on the date of the bill's enactment.

The application of the amendment may be illustrated by a simple example: A and his wife, B and his wife, and C and his wife, together with D, E, and F (who are single), who owned all the stock of the X corporation made the election provided for in section 1372(a) of the Internal Revenue Code in December 1958. The X corporation was on a fiscal year ending January 31. On January 2, 1959 (before the termination of the year in which the election was made), the corporation issued additional stock to G, H, and J, all of whom were single.

Under the interpretation of the law adopted by the Internal Revenue Service the X corporation had 12 shareholders after the issuance of stock, because the stock owned by A and his wife was treated as owned by 2 shareholders as was the stock owned by B and his wife and that owned by C and his wife. Accordingly, the issuance of stock on January 2 terminated the election and it never became effective. It is assumed that the taxable year of the X corporation ending December 31, 1959, and all later taxable years of the X corporation will still be open on the day the bill is enacted.

Section 2(a) of Public Law 86-376 provided that stock owned as community property by a husband and wife as joint tenants was to be treated as stock owned by a single shareholder. However, this public law was made applicable only to taxable years beginning after December 31, 1959. It therefore does not apply to the case above described.

The bill makes the amendment embodied in Public Law 86-376 applicable to all taxable years beginning after December 31, 1957. Thus, if it is enacted, the election made in the case above described becomes effective for the year ending January 31, 1959, and all later taxable years of the X corporation.

AUTHORIZATION TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS DURING RECESSES OR ADJOURNMENTS OF THE SENATE

Mr. MANSFIELD. Mr. President, on behalf of myself, and the Senator from Illinois [Mr. DIRKSEN] I submit a resolution and ask for its immediate consideration.

The VICE PRESIDENT. The resolution will be stated for the information of the Senate.

The legislative clerk read the resolution (S. Res. 185) as follows:

Resolved, That during the remainder of the present session of the 87th Congress, the Vice President and the President pro tempore, notwithstanding the adjournments or recesses of the daily sessions of the Senate, be, and they are hereby, authorized to sign bills and joint resolutions which have been duly passed by the two Houses and found truly enrolled.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

DISAPPROVAL OF REORGANIZATION PLAN NO. 6, RELATING TO FEDERAL HOME LOAN BANK BOARD

Mr. DIRKSEN. Mr. President, I submit, for appropriate reference, a resolution of disapproval of the proposed Reorganization Plan No. 6. In connection therewith, I ask unanimous consent that a statement relating to the resolution be printed in the body of the RECORD.

The VICE PRESIDENT. The resolution will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The resolution (S. Res. 187) was referred to the Committee on Government Operations, as follows:

Resolved, That the Senate does not favor the Reorganization Plan Numbered 6 transmitted to Congress by the President on June 12, 1961.

The statement presented by Mr. DIRKSEN is as follows:

STATEMENT BY SENATOR DIRKSEN REGARDING REORGANIZATION PLAN NO. 6—THE FEDERAL HOME LOAN BANK BOARD

The long trail or reorganization plans continues to wind before us and we come now to Reorganization Plan No. 6 which pertains to the Federal Home Loan Bank Board. I believe that we should pause briefly here along the trail to look at some of the issues which are raised by this plan.

What does Reorganization Plan No. 6 do? The plan itself says that it will transfer to the Chairman "the overall management, functioning, and organization of the agency."

According to the President's message accompanying the plan, the plan will: place responsibility and authority for the administration of the activities of the Federal Home Loan Bank Board in the Chairman of the Board and relieve the Board of day-to-day operating responsibility.

Now what are its activities? The statute says:

The Board shall supervise the Federal home loan banks created by this chapter, shall perform the other duties specifically prescribed by this chapter and shall have power to suspend or remove any director, officer, employee, or agent of any Federal home loan bank.

In other words this means that the Chairman of the Board will have the responsibility and authority for carrying out the activities of the Board which include the power to suspend or remove any officer, director, employee, or agency of any Federal home loan bank.

This is a great power to give the Chairman—the power to suspend or remove a director, officer, or employee of any of the Federal home loan banks throughout the country. The Congress said this should be done by a three-man board. This reorganization plan provides that it may be done by the Chairman. Is this the kind of a function which the Congress intended should be delegated? I think not. I believe the power to look so deeply into and take such drastic action in the operation of the 11 Federal home loan banks as the removal of directors and officers should remain with the bipartisan board which the Congress created.

Indeed, I wonder what functions are left to the Board when I read the broad language of paragraph (5) of section 1 of the plan which transfers from the Board to the Chairman "the overall management, functioning and organization of the Board, including (a) the formulation and implementation of plans and policies designed to increase the effectiveness of the Board in the administration of the laws it is charged with administering." By and large, this transfer seems to cover most of the Board's activities.

Because the plan transfers so much power to one man, I thought it would be well to inquire as to the importance of these activities to the country. From the President's message I noted that there has been

a phenomenal growth of the Board's activities in recent years. The number of institutions that are members of the Federal home loan bank system has increased from 3,898 in 1950, to 4,552 at the present time and their assets have increased from $15.4 to $71 billion. Thus, Congress will have given a single man, designated by the President, the day-to-day responsibility for supervision and control of this vast financial empire if we do not disapprove Reorganization Plan No. 6.

This is particularly important because the Federal home loan bank system deals in home mortgage loans. These are mortgages upon the homes of the people in this country. The entire home loan bank system was set up to finance such mortgages and the system was to be supervised by the Federal Home Loan Bank Board. Now, Reorganization Plan No. 6 "relieves the Board of the day-to-day responsibility" and places this responsibility on one man, the Chairman. It does not seem to me that this is what the Congress intended.

I note, too, that section 2(b) of the plan provides:

"The Chairman may from time to time make such provisions as he shall deem appropriate authorizing the performance by any officer, employee, or administrative unit under his jurisdiction of any function transferred to the Chairman by the provisions of section 1 of this reorganization plan."

Thus, not only does the plan give the Chairman the complete control over the day-to-day operation of the Board but it permits him to delegate any of this power to any other officer or employee of the Board. In such fashion the power once given by Congress can be exercised by a man not even known to the Congress.

Note, too, that the Chairman can do this at any time, without notice, and without making his action public. The other reorganization plans at least have required that where there is a delegation of authority it be by published rule or order. What a lively time the Congress would have trying to find out who actually performs the day-to-day functions of this agency and who is responsible for its day-to-day operations. On the other hand, what a difficult time the people of this country would have in determining who would be the responsible official to make a particular decision.

I also want to point out that this reorganization plan goes far beyond giving to the Chairman the direction of personnel which the Housing Amendments of 1955 returned to the full Board and I want to emphasize that sentence in the President's message that states:

"The reorganization plan herewith transmitted would restore that authority of the Chairman and further increase his management functions."

Now, it could be said that a vigorous Board would be able to exercise a certain degree of control because the plan provides in section 2 that the Chairman shall be governed by general policies of the Board and by such regulatory decisions and determinations as the Board may make. However, I doubt the significance of this when the plan provides that the overall management, functioning and organization of the Board is transferred to the Chairman. It would seem to me that the Chairman would in short order become the tail which wags the dog.

I have pointed up these provisions of the Reorganization Plan No. 6 because I believe that they should be carefully considered by the Senate when it determines whether this plan is to be permitted to become effective. They constitute a basic change in the congressional intent that these functions shall be performed by a Board which will bring varied viewpoints and experiences to the consideration of the issues and problems before the Board.

I do not believe that Congress would have given such overall powers to one man. I believe, therefore, that this reorganization plan should be rejected and that the Congress should, as it is doing in the case of other reorganization plans, prepare a legislative substitute which more closely conforms to the congressional intent while, at the same time, permitting the Board to make the most effective use of all of its personnel.

ACT FOR INTERNATIONAL DEVELOPMENT OF 1961—AMENDMENTS

Mr. BYRD of Virginia submitted amendments, intended to be proposed by him, to the bill (S. 1983) to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world in their efforts toward economic and social development and internal and external security, and for other purposes, which were ordered to lie on the table and to be printed.

ENTRY OF CERTAIN ELIGIBLE ALIEN ORPHANS — ADDITIONAL COSPONSORS OF BILL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the name of the junior Senator from New York [Mr. KEATING] be added as a cosponsor of the bill (S. 2237) to permit the entry of certain eligible alien orphans, upon which a report has just been filed.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I ask unanimous consent that I be made a cosponsor of the alien orphans bill, the report on which was filed today.

The VICE PRESIDENT. Without objection, it is so ordered.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

William Marshall Broadrick, of Oklahoma, to be U.S. marshal, eastern district of Oklahoma, term of 4 years, vice Paul Johnson, resigned.

Casimir J. Pajakowski, of Indiana, to be U.S. marshal, northern district of Indiana, term of 4 years, vice Roy M. Amos.

Vernol R. Jansen, Jr., of Alabama, to be U.S. attorney, southern district of Alabama, term of 4 years, vice Ralph Kennamer.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Friday, August 4, 1961, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes, with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its amendment to the bill, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOLEY, Mr. POAGE, Mr. ALBERT, Mr. JONES of Missouri, Mr. HOEVEN, Mr. BELCHER, and Mr. QUIE were appointed managers on the part of the House at the conference.

THE MIGRATORY AGRICULTURAL WORKERS IN NEW YORK STATE

Mr. JAVITS. Mr. President, more and more attention has been directed properly to the problems of the domestic migratory agricultural worker. Already during this session much has been said concerning conditions and what could be done to help this group of Americans. The Committee on Labor and Public Welfare has reported out a number of the bills on this subject reported out of the subcommittee of which I am a member. I wish to draw attention to what has been done and is continuing to be done by the State of New York, traditionally in the forefront among the States in comprehensive legislation for the protection of the domestic agricultural worker. Migratory agricultural workers perform a vital service and New York recognizes it. Indicative of the current status of legislation and its enforcement and the protections and positive programs available to migratory agricultural workers in New York State is an article from the July issue of the Industrial Bulletin of the New York State Department of Labor: "State Labor Department Safeguards Migrants: Protects Welfare, Rights of 20,000 Crop Harvesters." I ask unanimous consent that this article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STATE LABOR DEPARTMENT SAFEGUARDS MIGRANTS—PROTECTS WELFARE, RIGHTS OF 20,000 CROP HARVESTERS

Some 20,000 interstate migrants are streaming into 1,000 labor camps in New York State this summer for work on fruit and vegetable farms, according to a report prepared by two agencies of the State labor department.

The agencies, the division of research and statistics, and the division of industrial relations, women in industry, and minimum wage, took a close look at farming operations in New York State last year and how farm labor legislation affects these operations. Their findings are recorded in the report entitled "Labor Laws in Action on New York State Fruit and Vegetable Farms, 1960."

The labor department enforces six labor laws affecting child labor, migrant registration, contractor registration, payroll records,

wage payments, and licensing of commissaries. To enforce these laws—and also explain them—the department in 1960 conducted 2,065 inspections in agricultural areas in the State. The inspections included visits to farms, labor camps, and commissaries. These inspections form the basis of the agencies' report.

Of the 35,605 persons who were found working during the farm inspections, 897 were under 16 years, including some who were illegally employed. The illegal child labor consisted of 70 children, 14 and 15 years old, who had no permit; 97 children 12 and 13 years old illegally employed because they had no permit, worked illegal hours or did not have a parent's consent. The children of 14 and 15 found illegally employed in 1960 constituted two-tenths of 1 percent of all workers employed at the time of inspection.

The interstate migrant workers who were expected to be employed in the State during 1960 totaled 22,400 according to 537 migrant registrations filed by persons who brought 10 or more workers into the State. (New legislation requires persons bringing five or more workers into the State to register. This becomes effective in 1962.) This is 11 percent fewer registrations and 14 percent fewer workers than in 1959. The decline reflects the mechanization of the harvesting of snap beans and other crops. Of the estimated 22,400 migrants employed, all did fieldwork except 1,600 who were employed in processing operations and 700 who did both.

The department issued 358 permits to operators of farm labor camp commissaries last year, compared with 365 in 1959. Forty violations by contractors were reported for failure to obtain a commissary permit in 1960, compared with 39 in the preceding year.

The New York State labor law requires contractors and those growers who bring 10 or more migrant workers into the State (5 workers, beginning in 1962) to keep payroll records and to give each worker a statement with his pay. The most frequent offense under this provision of the law was failure to give wage statements.

Last year, New York State was the Nation's fourth largest producer of vegetables both for the fresh market and for processing. Production of 16 principal vegetables and melons for the fresh market was valued at nearly $36 million and production of 9 principal vegetables for processing was valued at $17 million. Snap beans provide more employment to harvest workers than any other single crop in the State; New York ranked second in the production of snap beans for the fresh market and for processing. New York also was the second largest producer of apples, grapes, and sour cherries. Its farms produced large quantities of sweet cherries, peaches, pears, strawberries, and other fruits. And the State ranked fourth in the production of Irish potatoes.

Preharvest operations—plowing, cultivating, fertilizing, and spraying—are mechanized and demand relatively few workers. Chemical weedkillers have lessened the demand for hand labor to weed and cultivate.

Mechanization also has made serious inroads in the harvesting of snap beans for processing, and of potatoes, beets, carrots, sweet corn, spinach, green peas, lima beans, and onions. For example, 75 percent of the 1959 potato crop on Long Island was harvested by machine so potato grading and packing now provides much more employment than harvest work does.

The most profound changes resulting from the mechanization in recent years have been connected with the harvesting of snap beans which was, and to some extent, still is, a product which requires a certain amount of manual labor. But in 1958 about two-thirds of all snap beans for processing in New York State were harvested by machines, and so were some fresh market beans. Today most snap beans for processing are harvested mechanically.

Harvest labor has been, for many years, a major cost in snap bean production. The fact that it is cheaper to harvest snap beans for processing by machine than fresh market beans by hand is one reason why the former have become an important product. For example, when the bean harvester had not yet been widely accepted by growers, snap bean production for processing accounted for only 63 percent of the total snap bean production in the State, but this figure had jumped to 75 percent by 1960, when about 150 machines were in use. During these 5 years the production of beans for processing rose by 65 percent while the production of fresh market beans dropped by 7 percent.

One disadvantage of machine harvesting is that the field is picked only once, unless there is an earlier picking by hand. For this reason, machine harvesting means a lower yield per acre than handwork, which allows more than one picking. But, machine picking has enabled some growers to discontinue use of manual labor and therefore, the services of a contractor and the cost of maintaining a labor camp.

While mechanization has reduced the need for harvest labor it has by no means eliminated it. For example, the harvesting of some fruits and vegetables grown in New York State is still done in whole or in part by hand. Because of this, a grower's success or failure depends in large measure upon his ability to recruit enough labor when and where he needs it. Delay may mean that the crop is past its prime, the time when it will bring the best price. It even may mean that part of the crop spoils and cannot be sold at any price.

Peak labor requirements in the State occur during July, August, and September. Some workers are needed during May and June to harvest early spinach, green peas, strawberries, and other early crops, and in the fall to harvest apples, grapes, cabbage, broccoli, cauliflower, and carrots.

For recruiting workers, employers depend upon labor contractors (crew leaders), the State employment service (acting in cooperation with the U.S. Employment Service), direct recruiting, and advertising. Some workers apply directly at the farms for jobs.

But exactly where do these migrant workers come from?

New York growers obtain their harvest labor from a wide geographical area. Interstate migrants come largely from Southern States, principally Florida. In April of each year, for example, New York State Employment Service representatives join with Employment Service personnel from other eastern seaboard States for preseason interviews with crew leaders in Florida. In 1960, they represented 198 New York State growers in confirming previous arrangements and securing commitments from 212 crews totaling more than 12,000 for harvest work in the Empire State. They include many family groups. Local workers are recruited by growers, contractors, or crew leaders from nearby cities where the New York State Employment Service last year operated 12 "day haul" centers from which an average of 817 workers were dispatched daily. Many offshore adult males are Puerto Rican and come under a written contract whose terms are approved by the Puerto Rican Labor Department. Intrastate migrants come from neighboring cities in New York State and live in labor camps during the season as do the interstate and foreign workers. Foreign workers from Jamaica and the Bahamas come in under contract. A few Canadians are employed at farmwork in northern New York State. More than 600 high school youths were referred by the New York State Employment Service from New York City to work as farm cadets.

To enforce and explain New York's farm labor laws the department's inspections were scheduled on the basis of lists of growers and contractors who filed under the migrant registration law, other growers known to the department, contractors who obtained licenses (certificates of registration), persons who requested commissary permits and camp operators who applied to the State department of health for permits.

Before and during the harvest season, the labor department conducted an educational program to inform employers, employees, and the public regarding the labor laws applicable to farm and food processing workers. This program was one of the most important parts of the department's work in connection with the recruitment of farm labor. Meetings were held in various parts of the State at which representatives of various State agencies met with growers, contractors, and civic groups.

To inform children and parents about the law, especially to remind them that farm labor permits are needed, booklets and posters were prepared and distributed, with the assistance of the State education department. This information was distributed widely.

Following the educational program which helped convey the new requirements of the labor law, the department followed up with a series of inspections to determine to what extent the new legislation was being adhered to.

A total of 662 violations were found; 306 were by growers and processors, and 356 by contractors.

All violators were reported by enforcement investigators to their district supervisors. The assistant industrial commissioner of the district summoned the more serious offenders to calendar hearings. During 1960, the labor department held 141 hearings involving 55 growers and processors and 86 contractors. At these hearings the pertinent section of the labor law was explained to offenders, who were warned that a repetition of the violation would result in the department taking more drastic action. Following the hearings, inspectors visit the violators to assure that compliance has been obtained.

In 1960 the labor law and the education law were amended to permit the employment of children 12 and 13 years old in connection with the hand harvesting of berries, fruits, and vegetables subject to the following limitations: Work is limited to hand harvesting to minimize the danger of accidental injury; the child must have a farmwork permit, which is issued only after he obtains a certificate of physical fitness and shows proof of age; he may not work more than 4 hours a day between 9 a.m. and 4 p.m. and only on nonschool days; he must be accompanied by a parent while at work or else have the written consent of a parent or guardian. These provisions of the labor law were explained as part of the department's educational program.

In administering the new law permitting work by children of 12 and 13, certain difficulties were encountered. One local school official who was unaware of the change in the law, did not issue permits to children under 14. The educational department corrected this matter when it learned of it. Some parents and growers objected to the requirement that a parent give written consent, on the ground that no form was provided for this purpose along with the farmwork permit and the odd slips of paper were a nuisance and often got lost. Some growers reported that the 9 a.m. limitation was not practical and it would be better for the starting hour to be 8 a.m. Few objected to the limitation to 4 hours a day, but the inspection staff reported that it was difficult to enforce it. Many growers who employed children told investigators that they

did not know that these youngsters needed farmwork permits.

The 1,000 farm labor camps which had five or more occupants were operated in New York State under permits required by the sanitary code administered by the New York State Health Department. Many migrant families with small children lived in these camps during the summer. The sanitary code, which prescribes the minimum conditions under which a camp permit may be issued, also required operators to provide adequate and competent adult supervision in the camp for occupants under 16 years at times when they were not accompanied by an adult. Some parents take their children to the fields where they can watch them, or to enable the children to earn extra money.

Under the New York State migrant child care program, child care centers were established to provide children of migrant parents with supervised recreation and care. Attendance at one of these centers also helped prevent the illegal employment of children. The program is operated by the New York State Federation of Growers' and Processors' Association, Inc., under the administration and supervision of the State department of agriculture and markets. Growers, processors or camp operators pay 20 percent of the operating cost, parents 5 percent and the State the remaining 75 percent. The program carried out last year was highly successful and expanded operations of these centers will be accomplished this year. The State has budgeted $60,000 for this purpose in 1961.

During the 1960 season 12 child care centers were operated. More than 530 children were cared for at these places. The first combined child care center and school for migrant children was operated in 1959 at Clinton, by the State department of agriculture and markets in conjunction with the State department of education. Four other summer schools for migrants were operated in 1959.

Eight summer schools for migrant children also were operated last year with a registration of 277 pupils. These schools were located in Camden, Clinton, Hannibal, Lyons, North Rome, Warwick, Waterville, and Westmoreland. Average daily attendance during the season was about 60 percent of pupils registered, in part because of late arrivals and early departures.

To avoid misunderstanding between migrants and their employers concerning wages, housing, and other conditions of employment, and to protect against unscrupulous crew leaders, a migrant registration law was passed in 1946. It applies to anyone who employed, recruited, transported and brought 10 or more farm or food-processing workers into the State from another State or who was reponsible for bringing them in. (As noted previously, this provision was revised to require that these people must register if they bring in five or more workers.) Prior to their arrival he must register their number with the labor department and give facts on wages, working conditions, housing, and related points which may be required by the industrial commissioner.

The commissioner prescribed a form on which the statement is filed by the grower, contractor (crew leader) or processor. A copy of this information, or summary of it, is given to each migrant worker at time of recruitment, but not later than upon arrival in New York State, and a copy must be posted at the camp where migrants live.

Under the amendment the industrial commissioner may revoke, suspend, or refuse to renew the migrant registration of anyone who has violated the labor law, the penal law, or has been convicted of a crime or has misrepresented or made false statements regarding working conditions.

There were 69 fewer migrant contract applications in 1960 than in 1959 and a drop of nearly 15 percent in the number of registered migrants who worked in New York State. This decline is related primarily to the impact of mechanization.

A law passed in 1954 and amended in 1956 requires that a certificate of registration be obtained from the industrial commissioner by any farm labor contractor (crew leader) who, for a fee, recruits, transports, supplies, or hires for work in New York, farm or food processing workers from inside or outside the State, or controls any part of their employment in the State. To operate in New York State, the contractor must have a certificate. The contractor must carry this certificate with him and show it to any investigator of the labor department upon request. It must be renewed each year by March 31.

A 1957 amendment prohibits the owner or lessee of a farm or food processing plants from utilizing the services of an unlicensed farm labor contractor or crew leader.

The law was enacted to protect workers from unscrupulous contractors who might, for example, give false or misleading information to a prospective worker. The contractor's certificate may be revoked if he misrepresents terms and conditions of work or existence of employment. In 1960, the labor department issued 549 certificates to contractors. Certificates were denied 23 contractors because they had been found guilty of violating the labor law or the penal law. Overall, the legislation helped weed out those contractors who were unfit to recruit laborers. The requirements of the laws served the workers who were recruited, the growers, and the general public.

A 1958 amendment to the labor law requires each contractor to give workers, with every payment of wages, a written statement showing the worker's wage rate, wages earned, hours worked, and all legal withholdings from his wages. The contractor must make these records available to representatives of the labor department at any reasonable time.

This 1958 law did not apply to growers who paid workers directly, but in March 1960 it was amended to cover growers who bring 10 or more interstate migrant workers into the State and will, in 1962, affect those who recruit 5 or more workers. A 1961 amendment further clarifies payroll recordkeeping by providing that records show the number of hours worked if a worker is paid hourly, the number of units produced if a worker is paid on a piecework basis, and all withholdings from wages. Another amendment in 1961 provides that wage statements need not be issued to the migrant registrant where there is a farm labor contractor or crew leader who is required to keep the payroll records and to give such wage statements.

Like other employers, farm labor employers are required to pay wages in full, weekly, except that they may pay every 2 weeks if the payment covers all work done through payday. The labor law empowers the industrial commissioner to investigate claims for unpaid wages, to help in the collection of wages due, and to institute court action if necessary. It also authorizes the commissioner to cooperate with any employee in enforcement of a just claim against his employer and for his protection against frauds and other improper practices on the part of any person.

Of the migrant registrants reporting frequency of wage payment, 512 paid weekly, 13 paid daily, 9 paid every 2 weeks, and 3 paid some of their workers daily and others weekly. Very few violations of the wage payment law were found in 1960.

Since 1958 the labor law requires the operator of a commissary or store in a farm labor camp to obtain a permit from the labor department and to post prices charged for merchandise or food (including meals) where migrants may have access to them. This, of course, helps prevent vendors from charging prices above those listed. The object of this law is to screen operators and allow only those of reputable character to operate commissaries. Also, the law protects migrant workers from being charged excessive prices for merchandise or food.

A labor camp commissary permit must be renewed each year. A 1960 amendment changed the termination date from December 31 to March 31. Eight requests for permits were denied because the applicants had been found guilty of violating the labor law or the penal law. But, conviction of a violation of the penal law or labor law does not necessarily mean that a person cannot bring migrant workers into New York State. However, revocation of a certificate of registration or refusal by the State labor department to issue a certificate prohibits individuals from bringing these workers into the State.

The workmen's compensation law of New York does not cover agricultural labor but under common law farmworkers can sue the employer if any injury results from the employer's negligence. (There is, however, voluntary coverage under the workmen's compensation law for those farmers who desire it.)

Injuries resulting from the employer's negligence and also some other injuries are covered if the employer of agricultural labor voluntarily purchases insurance that applies to agricultural labor. The insurance company then assumes the burden of defending suits at law against the employer.

In 1960, 77 percent of the migrant registration forms filed with the labor department indicated that the employer carried one or both of these types of insurance. Of the 414 who reported carrying some form of insurance, 200 had workmen's compensation alone, 155 had farmer's liability insurance alone and 59 had both. The insured employer accounted for 71 percent of the migrants whom registrants planned to bring into the State (15,600 out of the estimated 22,400).

Included in these figures are 55 employers (with 2,016 workers) who employed no agricultural labor, since they were engaged solely in food processing or potato grading and packing. Workmen's compensation is compulsory for such employers in New York State, and thus their employees are protected. For processors who also employ agricultural labor, it is compulsory only in respect to their processing labor; but some carry insurance to cover their fieldworkers too.

The New York State legislation protecting farmworkers is being improved yearly to meet new problems in this area. And, in time, as history notes, most operations on fruit and vegetable farms in the State will be mechanized and the need for migrant labor will diminish greatly. But in the interim these workers must be helped and protected. And, New York's role as a pioneer in improving conditions for these workers is recognized more and more.

THE COMMUNIST MENACE

Mr. BRIDGES. Mr. President, I wish to address myself briefly to a vital subject which was discussed in this body earlier this week. I refer to the outstanding speech delivered by the distinguished junior Senator from South Carolina [Mr. THURMOND] concerning anti-Communist activities among members of the military.

I know of no one better qualified to discuss this subject than my able friend from South Carolina. He is highly respected as a military man and he is

recognized as an articulate and outspoken foe of communism.

I am appalled by the reported efforts to muzzle our military leaders and prevent them from speaking out against the evils of the international Communist conspiracy. Our military personnel are trained to fight the enemy and I believe it is a rank inconsistency to force these fighting men to ignore the No. 1 threat to the survival of our country.

The very existence of our Armed Forces should be proof enough of the Communist threat. The plea of the President to beef up these forces gives added evidence of the extent of this threat.

Communism is our deadly enemy. It is an evil which must be fought and I submit that we owe it to our men in uniform to permit them to know the nature of the enemy they are fighting.

I, for one, am neither disturbed nor alarmed by the fact that efforts are underway to educate members of the Armed Forces with respect to the methods and tactics of Communists and communism. I applaud such a program; I support it and am hopeful that it will be allowed to continue.

The godless Red monster has spread its tentacles across every country in the world. We have seen it choke off freedom in Eastern Europe and Asia, and even in a small island located just 90 miles from our shores.

If we are to be successful in stopping the march of communism throughout the world, we will not do it by turning our backs or by burying our heads.

We must win the struggle—and I am confident that we shall win the struggle—and we shall do so by facing up to the challenge, by learning everything we can about the enemy and by fighting communism with every means at our disposal.

The distinguished junior Senator from South Carolina, in calling attention to attempts to thwart anti-Communist activities in the military, has performed a distinct public service. I command him for his forthright stand in this regard and I join him in his strong opposition to those who would silence our military leaders.

Mr. MANSFIELD. Mr. President, is there further morning business?

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

MARINE SCIENCES AND RESEARCH ACT OF 1961

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business, Senate bill 901, be laid before the Senate.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (S. 901) to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes.

The VICE PRESIDENT. The Chair is informed that, under the unanimous-consent agreement, the time is now under control.

LEGISLATIVE PROGRAM—ORDER FOR SATURDAY SESSION AT 11 A.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time required for the announcement I am about to make not be included under the controlled time, and I also ask unanimous consent that the time required for the quorum call which will be requested following the remarks I am about to make not be charged to the time allotted under the unanimous-consent agreement.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, for the information of the Senate, and after discussion with the distinguished minority leader, I announce that it is the intention to follow the bill on marine sciences, the so-called oceanography bill, with the two defense measures reported by the Armed Services Committee and with six anticrime bills which have been reported from the Judiciary Committee; and it is anticipated that some time this afternoon the so-called China resolution will be placed before the Senate.

Unfortunately and regretfully, I must announce to the Senate that, because of the fact that our work is piling up, it will be necessary for the Senate to meet tomorrow, to consider the appropriation bills having to do with independent offices and the Department of Health, Education, and Welfare.

Mr. President, at this time I ask unanimous consent that when the Senate ends its session today, it adjourn until tomorrow at 11 o'clock a.m.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I now suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

MARINE SCIENCES AND RESEARCH ACT OF 1961

The Senate resumed the consideration of the bill (S. 901) to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes.

Mr. MAGNUSON. Mr. President, on yesterday, during the discussion of the pending measure, S. 901, there was a suggestion made that, in view of the President's speech of this week, the bill before us may not fall into the category of a "defense measure." If that were true, even though the Senate has passed it before, and the Commerce Department was unanimously for it, and all the witnesses representing the departments were in favor of it, I would probably be reluctant to push the bill and suggest its enactment. But all through S. 901, every phase of the activity in the 10-year program, which, as the Vice President, the occupant of the chair, knows, is similar for oceanography as it is for space, about 60 or 70 percent of it directly affects the defense of the United States and the very survival of the Nation.

A statement was made the other day in the Appropriations Committee by an eminent scientist that not only on what we know or do not know about space, but on what we know or do not know about the bottoms of the oceans, which cover three-quarters of the earth's surface, may depend, in this modern, nuclear, scientific day, our survival.

Pursuant to that thought, last night I culled the lengthy hearings on the bill and talked with representatives in the Defense Department and some noted admirals and Navy people regarding phases of S. 901 as they directly relate to the problems of underwater warfare potential as between ourselves and the Soviet-Chinese. I thought it would be well for the Senate at least to have in the RECORD what they presently say about this question.

Two noted admirals, one a commander of our antisubmarine defense forces in the Atlantic—where most of the trouble occurred during World War II, as the present speaker well knows, who experienced some of it—and one a commander of our antisubmarine defense forces in the Pacific, recently prepared articles for the magazine Navy on Soviet submarine power.

I checked with them again. They have not changed their opinions.

I quote from these articles at some length because they present compelling reasons why it is imperative that we expand our oceanographic research.

Vice Adm. Edmund B. Taylor, U.S. Navy, prepared one article, titled "New Sense of Urgency." He commands the anti-Submarine Defense Force of our Antisubmarine Defense Force of our Atlantic Fleet. I emphasize the word "anti" so there will be no misunderstanding. We do have other commands of the striking kind.

Vice Adm. John S. Thach, U.S. Navy, commands the Antisubmarine Defense Force, Pacific Fleet. His article is titled "The Silent Paths of Destruction." Admiral Taylor states in his article:

The free world faces a submarine threat of unprecedented magnitude. The Soviet

colonial empire possesses more than 450 submarines, a great percentage of modern construction and capable of sailing whatever ocean waters they desire to penetrate.

In numbers alone this is a force eight times greater than the submarine fleet the Allies faced at the start of the last war.

Individually, the Soviet submarine today is a far stronger opponent than her World War II counterpart—she can go deeper, run faster and stay submerged longer.

Of vital concern is the fact of the growing number of Soviet missile-firing submarines.

In the years to come the Soviet submarine fleet is certain to take on significant new capabilities. We can expect them to add numbers of nuclear-powered and missile-launching submarines to their present great strength.

Again I add some of my own words. Although we do now, so far as we know, exceed Russia in nuclear-powered submarines, I cannot help thinking that the kind of bill and thinking as contained in S. 901 finally prodded the Defense Department, the Government, and the Nation, when others scoffed at the provision of atomic-powered submarines. We do now have, to our best information, better capability than the Russians have in nuclear-powered submarines. To repeat, Admiral Taylor said it will be only a short time before they take on this new phase of capability. He said we can expect them to add numbers of nuclear-powered and missile-launching submarines to their present great strength.

Admiral Taylor said further:

The nuclear-powered submarine is far more difficult to counter than is the conventionally powered diesel electric submarine and the terrible destructive power of a missile submarine places a huge demand on the free world to guard millions of square miles of ocean from which Soviet submarines could launch attacks against our military installations, industrial complexes, and centers of population.

We must insure free use of the seas in peace. We must be able to control the seas in war—whether it is a general conflict or limited action. And we must be able to defend the United States from attack by missile-launching submarines.

Admiral Taylor goes on further, regarding the importance, therefore, of oceanography.

(Mrs. NEUBERGER took the chair as Presiding Officer.)

Mr. MAGNUSON. Madam President, the United States has a coastline of 12,383 miles, and a tidal shoreline of 88,633 miles. Ocean waters wash 24 of our States and completely surround our 50th State, Hawaii.

The Great Lakes, which border eight of our greatest industrial States, have a shoreline of 4,649 miles. It may be argued that enemy submarines will never penetrate the Great Lakes, and I agree.

But the range of submarine-launched missiles now is such that were they fired from enemy submarines off our Atlantic coast or from Hudson Bay they could reach our Midwest manufacturing and merchantile centers.

Admiral Taylor in his informative article then discusses antisubmarine warfare capabilities. He states:

As to the threat of the diesel-electric snorkeling submarine—there is now in the fleet, or in development and soon to reach the fleet, we hope the technical means to handle this threat at sea. But let it be understood that there are not sufficient forces to handle simultaneously all the ASW (antisubmarine warfare) jobs that would surely have to be done.

The dark side of the ASW picture relates to future requirements.

There is not an adequate answer yet to the nuclear submarine.

I repeat:

There is not an adequate answer yet to the nuclear submarine.

This true submersible—

Admiral Taylor continues—

presents problems of a whole new order of magnitude. The threat of nuclear submarines armed with long-range ballistic missiles requires what was once referred to as "new dimensions of strategy."

Briefly to describe some basic ASW problems.

There is the problem of protection of merchant ships.

Madam President, I point out that the Germans in World War II had operational only some 83 or 85 submarines. The Germans had more submarines, some of them in pens, but the operational peak was about 85. I need not remind the Senate, the American public, the Department of Defense or the administration of what happened to us when the Germans had 85 operational submarines. They pretty nearly had us beaten at one time.

Admiral Taylor says:

There is the problem of protection of merchant ships. Here, if there are sufficient forces, they can do a pretty good job. Merchant ships, in war, would travel in convoys, and would be escorted by ASW ships and aircraft. The enemy submarine's mission is to attack. He must come to us. And to accomplish his mission he must reveal himself. When he does, there is an ASW team that can cope with him.

Second, there is the problem of protection of our naval fleets from submarine attack. This problem is similar to the first, in that naval ships travel in formation. They are screened by destroyers and supported by hunter-killer groups. Naval striking forces move fast, and the problem of relating position puts the submarine at a distinct disadvantage.

The majority of their submarines must happen to be in the right position ahead of the force or they never get a chance to shoot their torpedos. If he is out of position, its hard for him to catch up, and of course, the narrow area ahead of the force is thoroughly screened.

Up to now, I am happy to say, Admiral Taylor's remarks have been somewhat assuring. Now they become less assuring. The Admiral continues:

Finally, for defense of the continental United States, there is the problem of surveillance, detection, and prompt attack. This means patrolling broad ocean areas, and the oceans can seem as vast as all outer space when you're trying to pinpoint a submarine.

Even a snorkeling submarine offers a radar target only about as big as a basketball. It is a particularly difficult job when the submarine's mission is to remain undetected.

This is one of the real No. 1 priorities, and one of the serious problems in oceanography which we have not solved and must solve by research, so that we may be able to talk among ourselves and be able to detect the enemy submarines.

Admiral Taylor continues:

Now in all these three ASW situations, the submarine should be detected before he can launch his missile or his torpedo. But in the case of a submarine attempting to sneak toward our coast in order to launch a missile, early detection beyond missile range is obviously a must.

Effective surveillance of a large ocean area against the conventional submarine is difficult enough, and it requires considerable forces.

Against the nuclear submarine, which can remain submerged indefinitely, it is beyond our current capabilities, both from the standpoint of forces and of detection equipment, for other than limited protection.

Madam President, the question of mapping the oceans and ocean bottoms is what the admiral is talking about. The Russians have already done that to practically every bit of the coast line of these United States and of North America.

The admiral further says:

With detection equipment now available, there is not now and I don't expect that there ever will be, enough forces to screen thoroughly the millions of cubic miles of ocean off our coasts out of a missile range of even a few hundred miles.

Madam President, this is a very positive statement. It is a very disturbing statement. On the face of what Admiral Taylor has stated above there is a very real danger of enemy submarines, in time of war, slipping undetected close enough to our shores to blast our port cities and our great industrial centers with ballistic missiles.

Of course, the Hudson Bay offers the greatest place for this kind of warfare for the great Middle West industrial centers.

The question we may ask is: "Is there no possible answer to this threat?"

Admiral Taylor supplies the possible answer, an answer that goes right to the heart of S. 901, the pending bill. He states:

The only reasonable solution to this problem is a continuing program of basic oceanographic research toward the resolution of anomalies of transmission of energy in the ocean. Concurrently back this research up by an enthusiastic hardware development program which will take advantage of all the advances made in this research.

That is the heart of S. 901.

Madam President, let us break this statement down.

What is the solution—the only reasonable solution, as Admiral Taylor puts it.

It is "a continuing program of basic oceanographic research."

That is what S. 901 precisely provides—not a temporary program, not an intermittent or transient program, but a continuing program.

What else does Admiral Taylor consider as a part of this solution, which he calls the "only reasonable solution."

It is hardware. Hardware that will take advantage of advances made in research.

S. 901, for the first time in any Congress, authorizes a program of instrument development, new instruments—

not instruments in being, but instruments which scientists and engineers from all over the country agreed in a conference held here last October can and should be developed to strengthen us in the oceans.

Admiral Taylor explains some of the problems which confront the oceanographer in his research. They are also explained in some detail in the committee report on S. 901, and in the hearings, but Admiral Taylor explains these problems in a language anyone can readily understand.

Coupled with the problem of detection is that of classification.

The ocean is full of "red herrings"—schools of fish, sunken wrecks, whales, and other marine life which register on sonar detection equipment much as a submarine does.

There are cavitating whales and fish that sound like mechanical noises. Groups of plankton can give an echo on sonar as solid as the hull of a submarine.

A couple of months ago I had the pleasure of visiting for 2 or 3 days with Jacques Piccard, the man who went 7 miles deep in the ocean. A sounding was taken at that point. I have always thought of the great depths of the ocean as "the silent deep." The noises of marine life were amplified, and they sounded like a boiler factory. That phenomenon is one of the problems about which the admiral spoke which we have not yet solved, and it is one of the important points covered in the bill S. 901.

The admiral further stated:

The process of sorting out the submarine from these red herrings is called classification. We depend on the experienced sonarman, or in the confirmation of the indications of one piece of equipment by the indications of another type. In some cases it takes too long a time to make a positive determination.

In war, we could not afford to waste time on these red herrings. There is the need for something which will give us a prompt answer: Submarine or nonsubmarine—friend or foe.

Witnesses at hearings on S. 901 told the Committee on Commerce the same thing and in substantially the same language. They, too, advocated a program of oceanographic research such as that embodied in S. 901 as a safeguard against enemy submarines.

Admiral Taylor's immediate responsibilities are in the Atlantic. Those of Admiral Thach are in the Pacific. In the "silent paths of destruction" Admiral Thach reports on the big Communist submarine buildup in the Pacific.

I wish Senators would listen to the statement:

The Soviets have over 100 submarines in commission in the Pacific. In addition to these, the Chinese Communists have the fourth largest submarine force in the world.

I am sure that statement is news to some of us.

Admiral Thach continues:

As a matter of fact the great majority of these submarines are new construction and their number has multiplied severalfold within the past 6 years.

Units of this combined Communist submarine fleet can be supported from bases stretching from the Bering Strait, just a few miles from the new State of Alaska, to Hainan Island in the South China Sea. Some conventionally powered Communist submarines can operate unrefueled along the entire coastline of North America to the Panama Canal, the Hawaiian Islands, Indonesia, and Australia, and well into the Indian Ocean.

Elsewhere in his article Admiral Thach observes:

The size of the Soviet submarine force has been well publicized. This can and has been used to intimidate other nations of the world in international dealings. In the Far East this factor takes on added significance when one realizes that there are many friendly nations which have no appreciable antisubmarine warfare capability. In contrast, the powerful submarine forces of the Sino-Soviet bloc are sitting on the doorstep of Japan, Taiwan, the Philippines, and in fact, all southeast Asia.

These countries are well aware of this, and they are also conscious of their economic dependence upon the U.S. ability to maintain freedom of the seas—a freedom which the Soviet submarine force threatens.

We must visibly demonstrate our ability to cope with this submarine threat now, in order to assure free world nations of the security of their ocean commerce and of our continued ability to project our strength overseas in their interests.

Madam President, what, I ask, will be the reaction in these countries should this Congress fail to support a modest program of balance oceanographic research?

The program, as has been pointed out by nearly everyone, is needed to cope with the problems in the defense field to meet the Soviet threat.

I assure Senators that in these countries—in southeast Asia, in Africa, in the Near East and the Mideast and in the islands of the Pacific—the people know about oceanographic research and its goals. How do they know?

They have been told by Russian scientists, by Soviet scientists visiting their ports, however remote, arriving in their 3,000-, 5,000-, and 12,000-ton spick-and-span oceanographic research ships.

The 12,000-ton OB has visited the ports of the Antipodes, the South Pacific and the West Coast of Africa. The *Lomonosov*, of 5,960 tons, new, and with ultramodern equipment, has been working out of Dakar and other African ports.

Madam President, we speak about lags. We do not even have a nonmagnetic research ship: the *Zarya*, world's only nonmagnetic research ship is now completing a world cruise.

Mr. LAUSCHE. Madam President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. LAUSCHE. If the bill in its purpose is so vital to our national defense, will the Senator explain how it is that the Department of Defense in its letter of May 26, 1961, specifically stated:

The Department is opposed to the enactment of S. 901 for the reasons stated in the subsequent paragraphs.

Mr. MAGNUSON. If the Senator from Ohio will read the reasons, he will find the answer to his question. I believe I made this statement yesterday, time and time again. In the first place, the Navy Hydrographic Service is doing some of these things, and they wish to keep on doing them. It is within their own department, they suggest. They do not have any objection to a program; they merely say, in effect, without reading the entire statement, which is in the RECORD, that they do not think it is necessary because they plan to go ahead with the program within the Navy. But others on the outside, including the two admirals in charge of submarine defense, have said that we must go beyond what the Navy can do.

I do not know whether the Senator was present when I read quotations from the article about the problem of sonar detection in the vast oceans in which the Soviet fleet has appeared.

Such activity must be undertaken by scientists, outside people, and universities. This is what the witnesses testified a program such as is envisioned in S. 901 would accomplish.

The concern of the Department—and their statements have been very mild, I suggest—has been not with the objectives of the bill in this entire field, which affects the Navy and the antisubmarine underwater warfare program, but the fact that the Navy Department is undertaking hydrographic work. The Navy Department has a hydrographic division and does a great deal of the work. The proposed program would not affect them at all. They would continue what they are doing.

Mr. LAUSCHE. I have difficulty in accepting as valid the argument of the Senator from Washington that the service is indispensable for our national defense, when responsible officers of the military and the Department of Defense have said, "We oppose the bill." In the letter the statement appears, "If the bill is passed, it will create confusion, duplication, and disorder."

Mr. MAGNUSON. I entirely disagree with that. I am not making the argument. I am quoting from the two admirals in charge of the Pacific and Atlantic antisubmarine defense of our country. Those statements were made as recently as the date of the report. I will discuss the agency reports. I want the record to be clear on this matter. The Senator from Ohio realizes that every one of the 16 departments is doing some of this work, and they do not want anyone else to encroach upon their little empires. I have gone through that kind of thing for 25 years. They do not want Congress to have anything to do with it. When the Academy of Sciences made the report to the departments at their suggestion, they completely ignored the report. They had asked the Academy what it thought should be done. When they were told what the minimum program should be, they got together and said among themselves, "We might be swallowed up by another department. We do not want anything to do with it. We do not want Congress to pass upon it."

Mr. LAUSCHE. I could give credence to that argument if I were not confronted by the statement of the Atomic Energy Commission, which deals with scientists, and the National Science Foundation.

Mr. MAGNUSON. Part of them, and part of them were members of the advisory committee of the National Academy of Sciences, which made the report.

Mr. LAUSCHE. But they do not support the pending bill.

Mr. MAGNUSON. I do not know of a department that does not support the objective of the bill. They say, "We support the objective. All these things are needed. However, we would like to keep doing it ourselves without any program. We would like to do it separately. We do not want Congress to give us a directive. We do not want outside scientists coming in and giving us directives."

Mr. LAUSCHE. Is it not a fact that they will work the same way under the bill, except that it will be a 10-year program, envisioning an expenditure of $750 million?

Mr. MAGNUSON. That is correct.

Mr. LAUSCHE. But the operation will be identical except for the creation of the commission.

Mr. MAGNUSON. A commission of correlation.

Mr. LAUSCHE. But that commission now exists, according to the letters in the report.

Mr. MAGNUSON. The departments have an interdepartmental agency. They are running the show themselves. I do not know of any other maritime nation in the world that does not do it this way. In fact, the greatest maritime nation in the world, which has been in oceanographic work longer than anyone else, Great Britain, has exactly the same system as this. They have three men from the Government, and four men on the outside from the Royal Academy, and the oceanographic work in the universities, and they produce a program. That is what we do in space. That is what we finally came to in space. I know that well, being a member of the subcommittee ever since it was inaugurated. I handled the appropriations for that committee in the Senate.

Mr. LAUSCHE. May I ask the Senator another question?

Mr. MAGNUSON. I yield.

Mr. LAUSCHE. Except for the bill containing about 35 open end authorizations to spend money, and authorizing a 10-year program, the situation will not be changed except insofar as the Appropriations Committee might limit it.

Mr. MAGNUSON. Or the Bureau of the Budget.

Mr. LAUSCHE. Except for the creation of this commission in the Atomic Energy Commission, to deal with maritime work, how does the bill change the program?

Mr. MAGNUSON. It changes the program for the simple reason that now it goes on from year to year. Sometimes it is up and sometimes it is down. In many cases there is a great duplication. In some cases there is waste, which is understandable when we deal with scientific fields. In many cases the departments in this field do not have the men who are qualified to deal with these problems. In some instances they cannot get them. In other instances, they do not have them at all.

It would change the program also by allowing some great universities who are doing work in this field all over the United States, and private institutions like the one at Woods Hole and Scripps to go ahead. They would be helped by this program. It would also help Admiral Taylor. The big problem in antisubmarine warfare is the production of hardware. That hardware is not developed in the Department. It is developed perhaps at La Jolla, or over at Johns Hopkins, or wherever there is a little division. Otherwise, we can confine all this work and all of this program, which everybody says is needed to the departments, to have them do it individually. They have an interagency committee under Wakelin. It has shown some signs of life. However, Wakelin will not be there all the time.

They are lucky to have him.

Mr. LAUSCHE. May I read at this time——

Mr. MAGNUSON. I will cover every agency. I have them in my prepared remarks. I will take them up agency by agency.

Mr. LAUSCHE. I refer to page 95 of the report of the committee. I note the letter printed on that page. It comes from the Department of the Navy. It says:

> The bill proposes to establish a division of marine sciences in the National Science Foundation in which an interagency committee would be formed to develop and encourage a continuing national policy and program for the promotion of the marine sciences. There is already in existence an interagency committee on oceanography established in 1960 by the Federal Council for Science and Technology.

Mr. MAGNUSON. That is correct.

Mr. LAUSCHE. The Senator will deal with this matter, I suppose.

Mr. MAGNUSON. Yes; I will put it all in the RECORD. Does the Senator know why that committee was established in 1960?

Mr. LAUSCHE. Because of the hearing?

Mr. MAGNUSON. Because of the hearing on the bill. For all these years they did nothing. Now they say, "We will establish a committee, and we are all working on it; therefore we do not need any legislation. We do not want the Congress to bother us. We do not want the outside people. We want to do all this within our own little governmental agencies." What we need here is a correlated plan. The departments give us good advice. Sometimes the advice is rather stale. We change the heads of the departments, but when they come before our committees, the same old crew writes the answers to give to the top man. I have had the experience of a Secretary of a department not even knowing that he had signed a letter. He had so many to sign. It is the same old crowd that gives the same answers. If, in all the years I have been in the Senate, we have followed all their advice on bills, I would not consider my service worthy of a straw. The only fresh ideas that have developed have come about by reason of the fact that we went beyond the departments. If we were to follow their advice exclusively, we might as well go home. We might as well adjourn. That is what I would like to do this weekend, if we could, or next weekend. We could let the departments decide what bills should be passed, and they could submit them in January. We do take their advice. There are some good men down there. However, they do not have the collective foresight to do the things that are needed to be done in this new world. Let us face it.

Mr. LAUSCHE. I would be willing to give credit to what the Senator has said——

Mr. MAGNUSON. The Senator will note that I used the phrase "collective foresight."

Mr. LAUSCHE. However, when the Secretary of the Treasury says the bill is wrong, when the Executive Office of the President, through the Office of Civil and Defense Mobilization, says it is wrong——

Mr. MAGNUSON. Oh, brother!

Mr. LAUSCHE. When the National Science Foundation says it is wrong, when the Department of the Navy says it is wrong——

Mr. MAGNUSON. Madam President, I yielded for a question.

Mr. LAUSCHE. When the Department of the Interior says the bill is wrong——

Mr. MAGNUSON. I will cover all that.

Mr. LAUSCHE. When the Secretary of Commerce says the bill is all wrong, and when I know that Congress indulges in duplication and in wasteful spending, I cannot yield to the argument made by the Senator from Washington.

Mr. MAGNUSON. That is the Senator's privilege. I surely have no objection to his not yielding to my argument. He seldom does. So that is no news to me.

Mr. LAUSCHE. That is a fact. I very seldom do, because I believe in saving taxpayers' money and not wasting it.

Mr. MAGNUSON. Does the Senator from Ohio suggest that I do not believe in that too?

Mr. LAUSCHE. There is duplication in the bill. Every responsible agency connected with these activities says it should not be passed.

Mr. MAGNUSON. They say they agree with the purposes of the bill, but they want to retain the activities themselves.

Mr. LAUSCHE. There may be strength in that argument.

Mr. MAGNUSON. If the Senator from Ohio wishes to leave the situation as it is, I think there will be nothing but duplication in conducting the programs which the defense people say are vitally needed for the survival of our Nation.

I was the author of the bill which established the National Science Foundation. This is how it got started: An eminent scientist, Dr. Vannevar Bush, who is a friend of mine, came to me right after the war, and in our conversation he posed the Russian scientific threat. He said:

> The United States has now had 7 years of drought in scientific research, because during

the war we called all our young men into the armed services. It did not make any difference whether they were scientists or not.

The Russians did not do that. They continued their scientific research. We must now correlate our scientific activities in a Government program under Government direction.

So Vannevar Bush wrote the bill to establish the National Science Foundation, and I introduced it. I may have incorporated some legislative language with which he was not familiar.

Hearings were held on the bill. Every Government agency concerned was asked to submit its views. Every one of those agencies opposed it. They said, "We can do these things separately."

The result was that we fooled around with the proposal for 2 more years, so that made 9 years of drought. Now we are reaping the harvest.

But today, no one would vote against funds for the National Science Foundation. When the first appropriation was considered, it was proposed to spend $9 million. We were told that the country could not afford it. I think we compromised and got $7 million or $8 million, in order to start the program.

This year we have provided $900 million, because everyone thinks that amount is necessary.

Now it is proposed to spend $1,700 million for scientific research in space. I favor that. I have played a great part in these programs. Now I am asking for a piddling amount for a project which everyone except those in the departments, who do not think any further than this, believes is worth while. All we are told by the departments is, "We favor the broad objectives of the bill." It sounds like a Republican convention. [Laughter.]

Mr. LAUSCHE. Mr. President, will the Senator permit me to comment on his last thought?

Mr. MAGNUSON. The Senator from Ohio voted in committee for the foreign aid bill, but with reservations, I suspect.

Mr. LAUSCHE. Yes; I voted to reduce the amount, and I shall offer amendments to reduce the amount wherever I think the amounts in the bill are wrong.

Mr. MAGNUSON. I shall, too. Does the Senator know how a part of the foreign-aid money will be spent? It will be spent for oceanography research in the recipient countries. That is fine; I favor it.

Mr. LAUSCHE. Will the Senator from Washington allow me to comment on his last statement?

Mr. MAGNUSON. Yes.

Mr. LAUSCHE. At this session of Congress a number of bills are pending for the creation of new departments. Ten years ago a study was made by the Governors' conference, in which it was stated that there was a multiplication of departments in the Federal and State Governments. Now the time has come when Government operation should be streamlined and the creation of new departments stopped.

My experience in the 4 years I have been a Member of the Senate has been that whenever someone conceives of a thought to create a new department, it is the signal to begin building up personnel. Half a dozen bills are now pending for the creation of new departments. That means bureaucracy. It means new employees and a wasting of the taxpayers' money. All such waste could be avoided if there were not a duplication of the work.

Mr. MAGNUSON. That is exactly what I am complaining about. The bill will correlate these activities.

Mr. LONG of Louisiana. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. LONG of Louisiana. Since a discussion has taken place on the position taken by the departments, has the Senator, in his experience of almost 20 years in this body, found it to be true that whenever the people in the departments comment on a bill, whether it be a good bill or a bad bill, we can usually depend on their saying that they do not like it? Oftentimes we act without the recommendation of a single department, and many times, after we have acted, the departments agree with us and admit that it is a good act, even though it was passed over their objection.

Mr. MAGNUSON. Yes. If someone would research the question, I believe it would be found as to most pieces of legislation which are now considered as having contributed to broad advances in this country in the scientific field or other fields, such as social security and other humane legislation, that in the beginning most people favored the status quo. They opposed the new program, saying they did not think it was necessary.

In this instance, no one has actually opposed the bill; it is simply said that it is not believed to be necessary. In effect, that is what we have been told. I do not mean that those who oppose the bill are not good people; but they are department people, who do not want to change things.

Madam President, I shall continue with my statement, to show what the Russians have been doing in this field.

The *Zarya* has visited the ports of Africa both on that Dark Continent's west and east coasts, India, and other countries on the Indian Ocean. Recently it arrived at Easter Island off the coast of lower South America.

The newly constructed *Voyeykov* has been cruising in the Red Sea, the Gulf of Aden, and the northern part of the Indian Ocean.

The 5,546-ton *Vitiaz*, which 2 years ago charted the western coast of North America, stopping at Vancouver, British Columbia, and San Francisco, Calif., and then proceeding south to call at Latin American ports, more recently has been engaged in an extended expedition to the Indian Ocean, first calling at Indonesian ports and later those of India.

Wherever the sleek, white Soviet research ships go they visit the principal seaports, hold open house for not only scientists but the general public and officials, particularly the officials; and, from all accounts received impress their guests with their eminence in oceanography.

Mass receptions on board their research ships have been held in such places as the Fiji Islands, Madagascar, and Jakarta, Indonesia. Not only does the United States have no research ships in these areas; and, if they did have, units of our present oceanographic fleet, the small, aging, weather-beaten U.S. craft would hardly be impressive.

Madam President, the June issue of the magazine News Front contains an interesting article titled "If War Comes, How Will Khrushchev Strike?" The article speculates that while Red armies would attempt to overrun continental Europe. "Red submarines would seek to bar all British-United States help." The article credits Russia with 500 submarines, of which, it states, 14 are equipped to fire surface missiles. It adds that nuclear-powered submarines are believed to be in commission or under construction.

Perhaps the foremost nonmilitary authority on the fleets of all nations is Jane's Fighting Ships, a British publication now in its second century. Many of my colleagues are familiar with its annual issues.

The most recent issue, published early this year, gives considerable attention to the Soviet submarine buildup, and speculates at some length on whether or not Soviet Russia has yet constructed nuclear-powered submarines. I quote from the latest issue of Jane's Fighting Ships:

Although the Soviet Navy is believed to have reduced the total number of submarines from about 500 to 450 units for the time being this is only because she has scrapped or given away old submarines of the smaller and coastal types and is concentrating on the construction of larger and more effective types.

Soviet leaders have said that the Soviet Navy has some nuclear-powered submarines.

In some quarters it is doubted whether these are operational, but this ostrichlike attitude can hardly be reconciled with the success which attended the building and operation of the Soviet nuclear icebreaker *Lenin*, of cruiser size, from which Soviet naval architects, marine engineers and nuclear physicists must have gained the required technical and scientific data for application to submarines.

It is probably wishful thinking to deny the existence of Soviet submarines capable of firing guided missiles. It is obvious that the Soviet navy has the intention of launching guided missiles from submarines for according to the American chief of naval operations the United States has photographs of Soviet submarines which have ballistic missile tubes in them, and it is only commonsense to assume that the U.S.S.R. is working very hard on the missiles themselves.

What is perhaps more open to doubt is whether they can be fired submerged and whether they have a range as long as the Polaris projectile. But it would be unwise to assume, especially in view of Soviet success in astral rocketry, that the U.S.S.R. is any less capable than other nations in the field of hydrodynamic rocketry.

Elsewhere Jane's Fighting Ships states as follows:

There are about 450 effective submarines. Over half are of the large or intermediate oceangoing type. Another large type are reported to be armed with Soviet missiles. More of a medium type are being built.

It is reported that it is intended to build up a four-theater fleet for operation in the Pacific, in the Baltic, in the Arctic, and in the Black Sea.

Some 50 submarines are under construction in Soviet dockyards. These are reported to include seven different types as follows:

1. Nuclear-powered attack type with long range.
2. Nuclear-powered radar picket type with high speed.
3. Large nuclear-powered type with very long range.
4. Large guided-missile type with high speed.
5. Ocean-going patrol type with a long range.
6. Mine-laying type with high speed.
7. Antisubmarine patrol type with a long range.

Seven classes of submarines constructed by Soviet Russia since World War II are listed by Jane's Fighting Ships. They total 273 submarines of which 10 are guided missile type craft.

Red China is reported to have 26 submarines, of which 12 are postwar Russian types; to have 7 to 9 under construction, and to be building 6 to 8 each year in Shanghai and Wuchang shipyards.

What is the role of research in submarine operation and in detection of enemy submarines?

The Committee on Commerce heard much testimony on this. The Navy, in a presentation at hearings on S. 2692, last year's marine sciences and research bill, a bill which passed the Senate without a dissenting voice, made these points:

The world beneath the sea is the operating area of the true submarine. Information about this environment, previously of little consequence to surface ships and aircraft, assumes tremendous importance to the submariner. Although the seas cover three-fourths of the surface of the earth, less than 1 percent of the deep-sea floor has been mapped with any degree of reliability.

The tasks of navigating a submarine at high speed and deep submergence without accurate bottom information can be compared with driving a 10-ton truck on the freeway blindfolded.

The problem of locating and identifying enemy submarines at distances beyond the effective range of their weapons is a difficult one. To date the most effective means of locating and identifying submerged targets is by use of sound techniques, called sonar. These techniques involve echo ranging, that is, bouncing a sound beam off a submerged target, or listening to the noises made by the target.

But in water, sound transmission varies with changes in the temperature, density and salt content of the water. Temperature differences between water layers present the most critical problem, for the sound beam is reflected or refracted to a varying degree.

Once a submerged object has been detected by a sonar beam, the problem becomes one of identification—is it a whale, school of fish, friendly surface ship, or enemy submarine? All give sonar reflection.

In addition, when we listen for target noises we discover that the ocean which has been characterized as a "silent world" is anything but. Actually the ocean is a "liquid jungle." Survival depends upon how well we know this environment, and whether, like Tarzan, we can tell the friendly sounds from the unfriendly ones, the monkeys from the tigers.

Our scientific, economic, and military future may well be locked in the world's oceans. The key to this future lies in study and research in the vast ocean areas.

Although our small corps of oceanographers and supporting scientists have made a good start on an effective oceanographic research program—"making do" with existing equipment—there is an urgent requirement for new equipment and modern facilities.

We need new ships, laboratories, and engineering facilities plus trained manpower.

Madam President, S. 901 authorizes new ships, laboratories, and engineering facilities plus trained manpower. Its purpose is to meet a grave and acknowledged need.

Soviet Russia has supplied her scientists with new ships, new laboratories, and with engineering facilities and training until today it has an oceanographic research fleet larger than that of the entire free world, and more active than the research fleets of all other nations combined.

Soviet Russia also, may I add, has constructed modern research ships for operation on her major lakes, while our own Great Lakes research has been virtually ignored. The number of Soviet professional oceanographers exceeds those of the United States by approximately 60 percent.

Madam President, S. 901 is the only bill before this Congress which would anthorize a national oceanographic program. It is a program based on recommendations of the Committee on Oceanography of the National Academy of Sciences.

That committee, in its chapter on "Oceanographic Research for Defense Applications," states:

In the deadly game of hide-and-seek which competitive navies play in, on and over three-fourths of the surface of the world, the balance toward success and victory will be weighted in favor of the commander with an intimate and personal knowledge of his environment. He must take advantage of each hiding place, each acoustical window, every capricious whim and variation in mood of a neutral but potentially friendly environment.

We can expect great advances in acoustic detection and surveillance systems, in means of using the oceans to monitor nuclear tests, in the accuracy and detail of worldwide, daily, weekly, and monthly weather forecasts, in the use of deep submarines and permanent observation stations to protect our Nation against surprise attack, in arrays of automatic buoys and data analysis systems, and in a multitude of achievable applications now undreamed of.

Yes, we can anticipate these advances if Congress authorizes the program for research tools and training recommended by this group of eminent and distinguished scientists, the program embodied in the pending bill, S. 901.

Madam President, it has been stated that the bill is unnecessary. I have read all the comments in that respect and have placed in the RECORD what the departments have said about the bill.

The question has been asked, Why should S. 901 be enacted when several agencies comment that no legislation is necessary?

I have read the comments. I also have read the comments of the 76 scientists whose testimony or communications are published in the hearings on S. 901, and the comments of executives of major industries and organizations. They advocate and support this legislation as necessary if we are to have an effective, continuing program.

The three agency comments which state legislation is unnecessary are from Government officials not one of whom is a scientist, or has had marine experience or responsibilities. Which is right?

If we take the view that increasing our scientific knowledge of the oceans and the Great Lakes is unnecessary, then perhaps we can agree with the agency comments. If we believe that scientific advancement is necessary, as I do, we will accept the judgment of the Nation's top marine scientists, and of industry and association executives.

If adequate defense against the greatest submarine menace in history is necessary; if salvaging our declining Atlantic, Pacific, gulf, and Great Lakes fisheries is necessary; if increased knowledge about climate and weather is necessary; if protection against contamination of our lakes and the adjacent seas by radioactive and other wastes is necessary; then a long-range, coordinated program of oceanographic and Great Lakes research is necessary and legislation to authorize such a program is necessary.

Of course, if we are content to take a back seat to Soviet Russia in marine research as we are doing now, then S. 901 is probably unnecessary. But I am not ready to risk our Nation being caught napping in the oceanographic field as we were caught napping in the space sciences when Russia launched her sputnik.

We are now spending more than a billion dollars a year—$1,700 million—in an effort to catch up with Russia in outer space and I am happy that this effort is being made. To match the massive Soviet effort in exploring inner space—the oceans—will cost under this program less than that over a period of 10 years. And without a unified, national program such as proposed in S. 901 it will never be accomplished at any cost.

Without the program envisioned in S. 901 I am convinced we will continue to muddle along from year to year with a few, half-starved agency programs scattered here and there in the back corridors of huge departments and subject to the whims of busy Secretaries or unsympathetic Budget Bureau accountants. That is what we have been doing for the past 100 years in oceanography while other nations have been moving ahead with national programs.

Why? They have done so because their scientists have urged the necessity of oceanographic research by these countries and their governments have heeded their counsels.

Soviet scientists consider oceanographic research necessary for Soviet Russia. British scientists hold such research necessary for Britain. Canadian scientists say oceanographic research and Great Lakes research is necessary for Canada.

The governments have agreed and today are conducting national oceanographic programs. If these countries and if even smaller countries such as Denmark and New Zealand, on the advice of

their scientists, consider national oceanographic programs to be necessary then such a program should be even more necessary for the Nation which has accepted leadership of the free world—our own United States.

I wish to speak now about open-end appropriations. It is true that S. 901 places no limitation on some agency programs. The Bureau of Commercial Fisheries contracts for some of its ships, for some laboratories, and for weather research. The Department of Health, Education, and Welfare; the naval shipbuilding program; laboratory construction in the National Institutes of Health. We could not place any limitations on those program authorizations. They come to Congress, which considers the requests and appropriates for them. We have not discovered any particular limitation or authorization which exists with respect to education, atomic research, monitoring done by the Federal Communications Commission, naval research in the hydrographic field, and all those items. But those agencies come to Congress every year for an appropriation. S. 901 places a 10-year limitation on some of the programs. We place a 10-year limitation on the National Science ship research program, the laboratory construction program, and the basic research program.

As all of us know, this bill is not an appropriation bill; it is an authorization bill. It does not change the present broad authorizations of any department or agency of the Government.

As I said yesterday, conceivably the Navy could ask for a billion dollars for sonar research; the Navy has the authorization for it, if it wishes to use it. But I suggest that this method will have a strong tendency to eliminate waste and duplication, and it will provide us with a goal.

So, Madam President, I submit a statement on open-end appropriations and ask that it be printed in the RECORD.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

There has been criticism that S. 901 places no limitations on some agency programs (BCF contracts, grants, ships, laboratories; Weather Bureau, HEW except education; Navy ship, laboratory construction); only annual limitations on some others (NSF instrumentation; BCF operations; HEW education; AEC research, monitoring; Navy research ship operations); but does place 10-year limitations on some programs (NSF ship, laboratory construction, basic research).

The answer is that S. 901 is not an appropriation bill. It is an authorization bill. The purpose of the bill is to authorize a coordinated, long-range, balanced program of oceanographic and Great Lakes research.

Section 2, the declaration of policy states: "The Congress further declares that sound national policy requires that the United States not be excelled in the fields of oceanographic research, basic, military, or applied."

There was no objection to this policy when the Senate last year passed S. 2692 containing the identical declaration of policy.

There was no objection when the Senate in 1959 approved Senate Resolution 136, which in effect said the same thing. Surely there can be no objection to a declaration that this Nation not be excelled in oceanographic research by any nation which may now or in the future threaten us.

Now, if we meant what we said last year and the year before that we do not propose to be excelled by such a nation, our authorization of a program must be broad enough to be adapted to what the other nation may do.

We don't know how big a program Soviet Russia contemplates in this field in the next 10 years. We do know that they have far outdistanced us in ship construction, manpower training, and oceanographic research operations in the past 10 years.

The authorizations in this bill must be left open enough to enable future Congresses through the customary appropriations procedures, to measure national needs for oceanographic research.

We have kept our oceanographic research efforts in a straitjacket too long. The Coast Guard has 347 ships of which more than half are adapted to some types of oceanographic research. But it has had no statutory authority to conduct such research except in connection with the ice patrol and only two ships are scheduled to do any oceanographic research during fiscal 1962—two out of 347.

The Geological Survey has no statutory authority to conduct oceanographic research although the geologic structure of the ocean bottom assumes great importance in relation to antisubmarine warfare.

S. 901 would use the services of these two fine agencies in the national 10-year program.

What S. 901 does is authorize a program of oceanographic and Great Lakes research.

Section 2 states that the program shall be similar or identical to that recommended as a minimal program by the Committee on Oceanography of the National Academy of Sciences. May I emphasize the word "minimal."

This minimal program which S. 901 would authorize calls for:

1. A 10-year program.
2. A coordinated program.
3. A balanced program.

Thus it would be a national program, not an aggregation of little, inadequate agency programs such as we have now. Critics of this bill would be on firmer ground in my opinion if they were to criticize the minimal nature of this program. Actually, at the end of 10 years, if all the ships and laboratories authorized in this bill were constructed, and all the oceanographers provided in the bill were trained, we would only begin to approach the research facilities that Soviet Russia has right now.

Assuming that Soviet Russia built no new research ships at all and that all the ships authorized in S. 901 were constructed, we would be outnumbered at the end of the 10-year program—Soviet Russia 145 to 150 ships, United States 119 ships.

That assumes not only that Soviet Russia builds no new ships at all, but also that none of our own ships presently in operation, some of them more than 30 years old, are replaced by the 61 new ships authorized in S. 901.

In other words our only hope in matching Soviet Russia's oceanographic research strength is to leave a few "open ends" which, should the occasion require, future Congresses and future Appropriations Committees can adjust the program to meet our national requirements and needs.

Criticism of "open end appropriations" in this authorization bill indicates to me a lack of full confidence in the Appropriations Committees of this and future Congresses. The Appropriations Committee are going to have to approve any expenditures of funds for oceanographic and Great Lakes research. They are going to weigh the needs each year, and they are going to be demanding of complete justifications for expenditures. They can certainly do this more readily if there is a balanced, coordinated national program to consider instead of the plethora of disparite agency programs which make it very difficult to check possible duplications or waste.

A national oceanographic and Great Lakes research program, such as is authorized in S. 901, will assure, Mr. President, not only a more efficient program, but a program from which the Nation will reap maximum benefits for every dollar spent, a program not only sound but in the interests of economy.

Mr. MAGNUSON. Madam President, I have a long statement on the so-called agency opposition. I shall read only part of the statement to the Senate, but I shall submit the entire statement for printing in the RECORD.

Madam President, the Government agencies themselves have recognized the need for scientific evaluation. They recognized that several years ago, when four of them, later joined by a fifth, asked the National Academy of Sciences to review and appraise the oceanographic research activities of the various agencies.

The committee recommended a national program, a 10-year coordinated program, and it submitted this program to the Congress, as well as to the sponsoring Government agencies.

Senate bill 901 again seeks to carry out the recommendations of this unbiased, nonpartisan, nonpolitical, non-Government body of distinguished scientists, in their report made nearly 2½ years ago.

The Committee on Oceanography 2½ years ago recommended construction of 70 new research and survey ships over a period of 10 years, to replace small, obsolete, ancient craft in operation.

They recommended that two of these ships be placed in operation during 1960, by the Navy, one by the National Science Foundation, and one by the Maritime Administration. But no new ships were placed in operation by any Government agency in 1960.

The Committee recommended that six new Navy research ships be placed in operation in 1961, two new Coast and Geodetic Survey ships, two new fisheries research ships, and one new research ship to be built by the Maritime Administration.

That is a total of 15 new ships to have been put in operation during a 2-year period, of which 8 were to be small, displacing 500 tons, and 7 of medium size, displacing 1,200 to 1,500 tons.

How many actually have been placed in operation 30 months after the Committee on Oceanography made its recommendations? The answer is one—only one. This is a small, 80-foot boat, displacing 152 tons, or about one-thirtieth the size of Russian research ships; and it is the first new research ship constructed in the United States since the 298-ton *Atlantis* in 1931.

So, Madam President, during the 30-year period in which we have left these matters up to the departments and agencies, only one new ship has been built. Yet some persons ask about "agency opposition."

Madam President, I wish to submit this material for printing in the RECORD. It contains some very startling examples of the attitude of the agencies. It is true that in the last year they have started to do something in this field. But if Congress had not gotten busy with it, that would not have happened. So the agency operations are, really "as usual."

Madam President, I ask unanimous consent to have the statement printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AGENCY OPPOSITION

The question has been asked: How do you explain agency opposition to S. 901?

My answer is that there is no opposition to any of the purposes of S. 901. The only opposition I can find in the agency comments is to Congress spelling out in legislation what the various agencies should do and how they should coordinate their oceanographic and Great Lakes research in the interest of efficiency and economy.

That is a function of the Congress, a constitutional function by the way, that agencies in the executive branch sometimes seem reluctant to accept.

There is, in fact, general concurrence in the objectives of S. 901. The Department of the Navy states, and I quote its comments, that it "subscribes to the objectives of the bill."

The National Science Foundation states, "we are in complete accord with the objectives of S. 901 which is aimed at assuring that the United States has a strong national oceanographic program."

The Department of the Interior states, "we concur in the general objects of this bill."

The Atomic Energy Commission states that it is, "in accord with the purposes and intent of the proposed legislation."

True, the comments go on to say that they already are conducting research, or that they consider their authority adequate.

What this boils down to is that the agencies prefer to go their own way in this field of research, as they have been doing, without planning, evaluation, or guidance by the Congress.

The National Science Foundation, as an example, states in effect that it is doing an excellent job in oceanographic research without congressional guidance, and have even employed an oceanographer on its staff.

How good a job the Foundation is doing is a matter of opinion, but there is no doubt that it can do a better job, and under the authorizations of S. 901 I am confident it would do a better job, which is what this Nation—and I think the Congress—wants.

The Department of the Navy states, "The Department of Defense subscribes to the objectives of this bill and indeed recognizes the salutary effect which congressional inquiry into the state of the marine sciences has in this area by its emphasis on oceanography as a program required in the national interest."

Then it states, in effect, that legislation is not needed because an interagency Committee on Oceanography develops an annual program. The interagency Committee, which is headed by an Assistant Secretary of the Navy, is composed of administrative officials of seven Government agencies who advise the Federal Council of Science and Technology. The Council is an executive creation and the Committee is a Council creation. Neither are responsive to the Congress.

Within its limited and distinctive sphere, I think that the interagency Committee of high Government officials is a proper and useful group. I think it can be very helpful in advising the President, which is what it was set up to do. But it does not advise the Congress and in the past even much of its advice to the White House has gone unheeded. At present the interagency Committee has projected a program for fiscal 1962, but nothing beyond that of which I have any knowledge.

Whatever may be accomplished by this administrative group—and I wish it every success—something more than an evaluation by top agency officials is needed. Scientific evaluation is needed, in my opinion, if we are to keep pace with other countries in oceanographic research, and this evaluation should and must be available to the Congress which authorizes and appropriates the funds which sustain all research.

S. 901 is based on a scientific evaluation by scientists, not on an evaluation by executives of agencies or bureaus who are primarily concerned with their own direct responsibilities, many of which are unrelated to scientific research. S. 901, furthermore, is based on the Nation's scientific needs in this important field, not merely of today, or of fiscal 1962, but the needs and the program to meet these needs over the next 10 years, the period that will probably be required to construct the facilities and train the manpower to meet Soviet Russia's challenge in oceanographic research.

Government agencies themselves recognized the need for scientific evaluation several years ago when four of them, later joined by a fifth, asked the National Academy of Sciences to review and appraise the oceanographic research activities of the various agencies.

The agencies making this request were the Office of Naval Research, Bureau of Commercial Fisheries, National Science Foundation, and Atomic Energy Commission, followed by the Coast and Geodetic Survey.

Not only did these agencies request an evaluation by scientists but a report of findings and recommendations as to research and survey needs in this vital field.

Twelve distinguished scientists, physicists, biologists, chemists, meteorologists, were appointed by the National Academy to serve as a committee on oceanography. None of these scientists are connected with the Government. The committee, in turn, recruited some 40 other scientists of prominence from institutions throughout the country, specialists in such fields as ocean and Great Lakes fisheries and other resources, radioactive waste disposal, new devices, and acoustics, and named these scientists to special panels.

The committee was and is a dedicated group, nonpartisan and nonpolitical, independent, and objective.

The committee on oceanography made extensive studies and investigations and visited all agencies and most of the Nation's marine laboratories. It prepared a 12-chapter report detailing the woeful inadequacy of our marine research and facilities, and recommended in this report a 10-year program of expanded marine research, surveys, and training.

Now, what was supposed to be the result of all this effort and study?

Was the committee expected to wind up its survey, report its findings to the sponsoring agencies, and then return quietly to the respective institutions of its members, which was what two previous similar committees have done?

Was it expected to leave its recommendations with the various agencies to be acted on or not, subject to the whims or inclinations of agency officials?

Or was it expected that if an agency did act it would act independently and without relation to other agencies or to what was being done by other nations?

From some of these agency comments it would appear that that was the expectation. It was not the intention of the National Academy or of the committee on oceanography, however. The committee recommended not a one-agency program, or a group of agency programs. It recommended a national program, a 10-year coordinated program, and it submitted this program to the Congress as well as to the sponsoring Government agencies.

The Senate, on June 22, 1959, adopted S. Res. 136 commending the report and concurring in its recommendations.

The Senate, on June 23, 1960, passed S. 2692, the predecessor bill to S. 901, but the House of Representatives failed to act on S. 2692.

S. 901 again seeks to carry out the recommendations of this unbiased, nonpartisan, nonpolitical, nongovernment body of distinguished scientists in their report made nearly 2½ years ago.

Meanwhile Soviet Russia has moved ahead with its oceanographic program. Canada has inaugurated a comprehensive, long-range oceanographic program. Great Britain is proceeding with her national oceanographic program headed by a council which includes her most distinguished oceanographic scientists.

The committee on oceanography 2½ years ago recommended construction of 70 new research and survey ships over a period of 10 years to replace small, obsolete, ancient craft in operation.

They recommended that two of these ships be placed in operation during 1960, by the Navy, one by the National Science Foundation, and one by the Maritime Administration. No new ships were placed in operation by any Government agency in 1960.

The committee recommended that six new Navy research ships be placed in operation in 1961, two new Coast and Geodetic Survey ships, two new fisheries research ships, and one new research ship to be built by the Maritime Administration.

That is a total of 15 new ships to have been put in operation during a 2-year period, of which 8 were to be small, displacing 500 tons, and 7 of medium size, displacing 1,200 to 1,500 tons.

How many actually have been placed in operation 30 months after the Committee on Oceanography made its recommendations?

The answer is one.

I repeat—one.

This is a small 80-foot boat displacing 152 tons, or about one-thirtieth the size of Russian research ships, and it is the first new research ship constructed in the United States since the 298-ton *Atlantis* in 1931.

Soviet Russia during the same 2-year period has constructed four new research ships, two of 3,600 tons and two of 5,000 tons, and has them in operation on the high seas. A fifth ship, of 3,950 tons, is nearing completion. The Russians already had seven research ships ranging from 3,000 to 12,000 tons before the five mentioned above were even started.

The largest research ship we have displaces 2,079 tons and is a converted naval auxiliary craft built during World War II.

S. 901 will, for the first time in the Nation's history, establish statutory authority for a national oceanographic and Great Lakes research program.

In the absence of such authority this Nation has not had such a program: Does not have such a program now.

With the enactment of S. 901 there will be authority for such a program.

Agencies in our Government who recognize the urgency of expanding their oceanographic and Great Lakes research will have the support and backing of Congress in their endeavors.

Universities, laboratories and institutions throughout the Nation wishing to cooperate with our Government in advancing the marine sciences will have the support and backing of the Congress.

Industries and individual scientists wishing to contribute to the Nation's strength

on, in, and under the oceans and the Great Lakes will have the support and backing of the Congress.

Congressional enactment of S. 901 will give support to constructive proposals and recommendations of the interagency committee of high department officials and to the respective agencies they serve.

Enactment of S. 901 will express the wishes of the people of this Nation, enhance their security and welfare and increase their economic resources.

From every part of the Nation have come scores of letters supporting this legislation. To me this comment from the people who Congress represents is as important and significant as some of the agency comments which in no instance expressed the convictions of the scientists in those agencies.

As I stated before there is no agency opposition to the purposes or objectives of S. 901. The only opposition is to Congress carrying out the wishes of the people and the scientists in a field the agencies have heretofore neglected and which is vital to the Nation.

Mr. ELLENDER. Madam President, will the Senator from Washington yield for a question?

Mr. MAGNUSON. I yield.

Mr. ELLENDER. Does the bill authorize any new programs, or does it merely consolidate the various programs of the departments and agencies?

Mr. MAGNUSON. It consolidates them. The bill does not propose an added appropriation. It is to authorize a substitute for next year's appropriations, now scattered among 16 different departments or agencies.

Mr. ELLENDER. If the bill is enacted, to what extent will there be savings?

Mr. MAGNUSON. Savings will result from the fact that then there will be a program, and no duplication, and at least we shall have our sights set on a definite, continuing program—similar to the program for the space agency or the program in the field of health.

Mr. ELLENDER. The Senator from Washington has referred to opposition from various agencies. Does he mean the Department of Defense?

Mr. MAGNUSON. In effect, they say the bill is not necessary. In the statement I have submitted, for printing in the RECORD, their positions are set forth.

Mr. ELLENDER. Yes.

Mr. MAGNUSON. Madam President, I ask unanimous consent to have printed at this point in the RECORD a statement of answers to possible objections under the category "Adequate Authority," and some answers to possible inquiries as to cost and benefits, including the use of the funds and recommendations of minimum amounts, in comparison with some of the funds now being spent in this field by the 16 different agencies and departments.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

ADEQUATE AUTHORITY

The question has been raised: Why do we need S. 901 when some agencies in their comments say they already have adequate authority for marine research?

May I, in reply, ask: If these agencies have adequate authority why do we not now have an adequate oceanographic or Great Lakes research program? Why are we being surpassed by Soviet Russia in numbers, tonnage, and quality of research ships, scientific manpower, and operational activities?

The answer is that we have not had and do not have now a national oceanographic program, or a national Great Lakes program. Hearings on S. 901 contain voluminous testimony on our lag in marine research. President Kennedy has referred repeatedly to our neglect of oceanography.

Canada, Britain, Japan, Australia, and many other maritime nations have national programs, and Soviet Russia the most massive of all.

The United States in contrast has some 15 or 16 small agency programs carried on under numerous separate legislative authorizations. Each authority that any of these agencies have is limited authority, limited in scope and limited to the agency to which it applies.

Since the Committee on Commerce commenced its inquiry into the status of marine science in the United States it has discovered agencies with no authority at all or authority so restricted that it could conduct oceanographic research only in a certain area.

First it found that the Coast and Geodetic Survey could not operate outside the Continental Shelf. It corrected that restriction with special legislation.

Then the committee discovered that the Coast Guard, with scores of ships, had no authority to conduct oceanographic research except in connection with the ice patrol. S. 901 would correct that, as also does S. 1189 passed by the Senate.

Further it discovered that the geological survey cannot conduct oceanographic research because it is limited to the national domain. S. 901 would correct that lack of authority.

Yet a year ago, when the Senate considered—and passed—S. 2692, the predecessor bill to S. 901, the agency comments—or rather the department comments—were that there was ample authority to conduct oceanographic research.

The Committee on Commerce takes the position that something more is needed than merely a permissive authority to agencies to do something they have not been doing, or if they have been doing it at all, have been doing it inadequately.

What is needed is general legislative guidance—a basic, sound, comprehensive overall authority for a balanced national program of oceanographic and Great Lakes research, a program that Congress can encourage and assist and, if necessary, check on. That is what S. 901 would provide.

Certainly that should be preferable to the scattered, dispersed multiplicity of uncoordinated agency programs which we have now.

I also have been asked repeatedly: What will the program cost?

In answering that question I would like first to outline briefly what the funds authorized in S. 901 will buy over a period of 10 years, the life of the national program of oceanographic and Great Lakes research projected in this bill.

First it will buy 61 research and survey ships to compete with Soviet Russia's 150 research and survey ships. None of these new American ships will be as large as the recent Soviet research vessels, but we expect to compensate for that with better scientists and instruments. The new American ships are necessary to replace the small, aging, obsolete craft we now are operating.

Second, funds authorized in S. 901 will buy laboratory facilities, most of which are over a quarter-century old, and all of which are greatly overcrowded.

Third, the funds authorized will buy education and training in the marine sciences at the Nation's oceanographic institutions and universities with the aim of ultimately overcoming Soviet Russia's great preponderance of scientific manpower.

Fourth, they will buy knowledge of the ocean depths which the Committee on Commerce has been told is vitally needed for antisubmarine warfare and detection of enemy submarines and for our own efficient submarine navigation.

Fifth, they will buy scientific and economic studies designed to revitalize our dwindling fisheries industry, both in the oceans and in the Great Lakes. Value of the latter, for example, has shrunk by almost half since World War II.

Sixth, the funds authorized in S. 901 will buy investigations of sea-air interaction that affect our climate throughout the Nation, and facilitate early predictions of storms and hurricanes, and of long-range forecasts of major climatic changes.

Seventh, they will buy knowledge that we need of contamination of the oceans by atomic wastes and of pollution of inshore, estuarine, and Great Lakes waters by other wastes. This knowledge will result in benefits to the health and welfare of the Nation.

Eighth, funds authorized in S. 901 will buy scientific knowledge of the minerals and fossil fuels which lie beneath the bottoms of the oceans and of the Great Lakes.

Ninth, they will buy increased protection for beach and shore properties.

Tenth, they will buy new prestige for the Nation's marine scientists among scientists of other free nations of the world. The esteem of our American scientists presently is being obscured by the exploits of Soviet oceanographers cruising in all oceans in trim, large, well-equipped oceanographic research ships and obtaining data in areas of the ocean which our own ships have never reached.

The cost of the 10-year program which would be authorized in S. 901 approximates $700 million for the 10 years, or an average of $70 million annually. This includes the costs for all the activities I have mentioned above and some not mentioned.

The program authorized in the bill embraces marine research and survey activities in 6 departments, 3 independent agencies, and 15 bureaus, offices, and services.

The committee has received some criticism that these authorizations are too low and should be tripled or at least doubled. They are, however, the authorizations recommended by the Committee on Oceanography of the National Academy of Sciences for a minimal national oceanographic program, and I emphasize the word "minimal"—not restrictive.

The Committee on Oceanography estimated the following costs by agency:

Navy	$278,240,000
Coast and Geodetic Survey	78,040,000
Bureau of Commercial Fisheries	123,160,000
Maritime Administration	10,900,000
National Science Foundation	121,040,000
Office of Education	5,000,000
Atomic Energy Commission	32,430,000
Bureau of Mines	2,600,000
Total	651,410,000

The Committee on Commerce, on the recommendation of the Committee on Oceanography, has increased the National Science Foundation authorization for the 10-year period by $8,500,000.

It has included $2 million per annum or $20 million for the 10-year period for the Corps of Engineers beach erosion board at the request made last year by the Defense Department.

It has included instrumentation for the U.S. Coast Guard which would approximate $10 million for the 10-year program.

And it has increased authorization for education and training in the amount of $1,600,000 on the recommendation of the Committee on Oceanography.

This is a total additional authorization in S. 901 of $40,100,000 which, added to the Committee on Oceanography 10-year estimate of $651.41 million, brings a total of $691.51.

The Department of the Navy has issued a revised tenoc (10 years in oceanography) report covering this one agency.

I think the authorizations in S. 901 for oceanographic and Great Lakes research by 6 departments, 3 independent offices, and 15 bureaus, offices, and services is quite modest in comparison with the tenoc report estimate for the Navy alone. This estimate is $889 million.

S. 901 proposes a balanced program in which both civilian agencies of our Government and military agencies would share in unlocking the mysteries of the oceans and the Great Lakes. Thus peacetime benefits will not be lacking while security needs also are being met.

Mr. MAGNUSON. Madam President, I understand that the Senator from Maine [Mrs. SMITH] has an amendment to submit. I now yield the floor.

Mrs. SMITH of Maine. Madam President, I call up my amendment identified as "7-27-61—F", and ask that it be stated.

The PRESIDING OFFICER. The amendment submitted by the Senator from Maine will be stated.

The LEGISLATIVE CLERK. On page 56, it is proposed to add the following to subsection (d) of section 21:

Provided further, That the Bureau of the Budget shall provide the Congress, in connection with the budget presentation for fiscal year 1963 and each succeeding year of the ten-year period covered by this Act, a horizontal budget showing (a) the totality of the program for marine sciences, (b) the specific aspects of the program and funding assigned to each agency, and (3) the estimated goals and financial requirements to complete the program.

Mrs. SMITH of Maine. Madam President——

The PRESIDING OFFICER. Who yields time to the Senator from Maine?

Mr. DIRKSEN. Madam President, I yield 5 minutes to the Senator from Maine.

Mrs. SMITH of Maine. I thank the Senator from Illinois very much; I wish to express my appreciation to the minority leader for giving me time on the amendment.

Madam President, I have listened with interest to the presentation made by the distinguished chairman of the Commerce Committee in regard to Senate bill 901.

An analysis of the budget document submitted to the Congress this year by the executive branch indicates that there is enormous confusion, overlapping, and duplication on the part of Government departments and agencies which are engaged in various aspects of the same overall program. This problem is glaringly demonstrated by S. 901, authorizing appropriations for oceanographic research.

This bill represents a legislative effort to identify each of the agencies and departments engaged in this activity and to provide specific authority to each. This bill reveals that oceanographic research entails participation of 6 departments, 3 independent agencies, and 15 different bureaus, services, and offices within the Federal Government. In addition, each of these may contract work to educational or scientific institutions and laboratories, State agencies or voluntary associations or organizations of citizens. This analysis indicates that:

Five agencies request funds for ship construction and operation.

Five agencies plan to construct shore facilities.

Ten agencies will conduct research activities, many of which appear to be identical or at least similar.

Six agencies plan to construct or acquire equipment or instruments much of which appears to be for the same purposes.

Seven agencies are authorized to spend funds for student or employee training.

Five agencies are authorized to collect and disseminate data to others.

Although there have been several intragency coordinating groups concerned with oceanographic activities, these bodies have generally been ineffective insofar as control by the Congress is concerned. Very rarely has any informal interagency group provided congressional appropriation committees with vital information such as the overall Government funding required each year to support a given program and the specific aspects of the work to be undertaken by each agency involved in the program.

Numerous instances are available in committee hearings of attempts by individual subcommittee members to correlate the presentation of a particular agency with that of another agency which appeared before another subcommittee of which the Senator happened to be a member. The hearings indicate that answers to questions attempting to elicit this information fall into two categories:

First. A profession of ignorance as to the activities of the other agency, or

Second. A glib assurance that all agencies cooperate by means of an interagency committee. That such interagency committees are generally ineffective can be demonstrated by the fact that similar activity is undertaken by two or more agencies without any apparent justification.

S. 901 illustrates the magnitude of oceanographic activities throughout the Federal Government and demonstrates the need for a horizontal presentation of this program cutting across agency lines and available to each of the subcommittees having responsibility for the various aspects of these programs.

The objective of this request would be twofold:

First. To enable members of the Appropriations Committee to more effectively fulfill their responsibilities.

Second. To provide within the executive branch a method of examining programs in their totality so that identical, similar or overlapping functions can be detected and in all probability corrected by the Executive.

I believe that the situation I have outlined can be corrected by the adoption of my amendment, which I ask to have added to Senate bill 901.

I have talked about this matter with the distinguished chairman of the Commerce Committee, the Senator from Washington [Mr. MAGNUSON], and he has indicated that the amendment is acceptable to him.

Mr. MAGNUSON. Madam President, the distinguished Senator from Maine discussed the amendment with me yesterday. I think the amendment will strengthen the bill; I think it will do what some have wondered about. It provides, of course, that the Bureau of the Budget shall provide Congress, in connection with this program, every year a horizontal budget, as it is called, as to the totality of the program for marine scientists, the specific aspects of the program, the funding assigned to each agency, and the goals and the financial requirements. I think that should be reviewed every year, so that budget will come to us, and all of it should be in one document. After all, one trouble at the present time is that these activities are spread all over the lot.

So I think this amendment will strengthen the bill considerably, and I hope the amendment will be adopted.

Mrs. SMITH of Maine. I thank the Senator from Washington very much for his observations. I am sure this amendment will make it much easier for the members of the Appropriations Committee to understand just what we are doing along this line.

Mr. MAGNUSON. As a matter of fact, I think we ought to put a lot of others on this basis. Then we would have a better concept of what is going on.

Mrs. SMITH of Maine. I agree with the Senator.

Madam President, I ask that the amendment be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine.

The amendment was agreed to.

Mr. YARBOROUGH. Madam President——

Mr. MAGNUSON. Madam President, I yield the Senator from Texas 3 minutes.

NEED FOR ADVANCEMENT OF MARINE SCIENCE

Mr. YARBOROUGH. Madam President, I rise to support S. 901 which is entitled "The Advancement of Marine Sciences and Research Act of 1961."

The bill proposes a coordinated program of expanded marine survey and research. The program is designed to produce a number of benefits, and I shall name three advantages of substantial import for the gulf coast country:

First, to afford greater protection to lives and property from oceanbred hurricanes and other violent storms; second, to expand our fisheries and reduce costs to both fishermen and consumers; third, to reveal ocean deposits of scarce and strategic minerals and develop methods of recovering and processing them.

It is of high importance for the Weather Bureau, the Coast Guard, the Navy, and other agencies to predict with reasonable accuracy the direction that a storm is headed and to warn of the hazard in time for evacuation.

Forecast of the high water surge is also as important as the direction of the

storm from which most lives are lost in the high water surge of the storm.

The Texas A. & M. College on May 8 presented to Government agencies working under the office of U.S. Naval Research Division two proposals for long-range studies of oceanographic-meteorological conditions in the Gulf of Mexico. In this projected program the college would hope to obtain data on the climatology of the gulf, air-mass modification over the gulf, variations in conditions in the upper layers of water in the gulf, and general conditions contributing to the formation of hurricanes.

I also wish to note that a world data center for oceanography is located at Texas A. & M. College, and that it has been concerned with the matter of international data exchange in connection with programs sponsored for the international geophysical year. Each year the center is growing in international recognitions.

I wish to commend the college and the outstanding leaders that have developed this fine program at Texas A. & M. College. During the past 12 years, a vigorous oceanographic survey and research effort has been pursued with particular emphasis on the oceanography and hydrography of the Gulf of Mexico.

Coordination between the programs will be carried out in collaboration with the Southwest Research Institute.

In recent testimony before the U.S. Senate Commerce Committee, of which I am a member, world authorities in testifying before the committee advised us that the oceans of the world contained, in solution, all identified natural atomic elements, 40 of which were in readily measurable amounts.

Thirty-one of the fifty States of the United States have major lake or marine areas within their borders. Hence, the bill has wide national support, and also is of worldwide interest.

Of particular interest to the Southwest and the oil and gas industry, the committee notes that marine mineral exploration and production of all kinds is very likely to continue in the various locations not only in the Southwest but all around the globe. This exploration, in the form of drilling for oil and gas, was largely pioneered off the coast of Texas, and has become so strongly identified with my State that all offshore structures are called Texas towers thus introducing new phraseology into our language.

Hence, we see the great need for continuous research and exploration in both the private and public domain.

As an example, there is a new development on the Texas gulf coast. I wish to record a special event a few weeks ago which emphasizes the great untapped resources of the oceans and the lakes.

It was my pleasure and privilege to participate with Vice President JOHNSON, Secretary of Interior Udall and a group of Congressmen and other governmental officials in the dedication of a new salinity plant on the Texas gulf coast at Freeport, Tex., which is being operated by the Dow Chemical Co. At this plant salt water is being changed to fresh water for general industrial and consumer use. This is one of the first large such operations in the world.

In addition, at this great plant on the Texas coast, magnesium, an important component of strategic and critical light alloys, bromine, an ingredient of high-octane fuels and dyestuffs, and potassium for chemicals and fertilizers, as well as numerous other mineral elements are daily processed from the waters of the Gulf of Mexico.

All along the gulf coast and in Texas from the Sabine River on the east to the Rio Grande on the southwest, there is a continually expanding petrochemical industry that draws on the natural resources, the rivers, and the Gulf of Mexico for raw materials. In particular, the Orange, Beaumont, Port Arthur area and the Houston-Galveston area have experienced large investments of capital and a large expansion of population in the past few years and the proposed bill will fill new needs and requirements for the area.

Madam President, I ask unanimous consent to have printed at the conclusion of my remarks a letter from Dr. Carl H. Oppenheimer, marine microbiologist, Institute of Marine Science at Port Aransas, Tex. This letter expresses not only the needs and interests of the gulf coast area in this legislation but also reviews the prospective results from general work in the field of marine biology and how this bill will stimulate research and teaching in this important aspect of science. I also request unanimous consent that a letter by Dr. Dale F. Leipper, head, department of oceanography and meteorology, Agricultural and Mechanical College of Texas, College Station, Tex., which comments on the purposes and anticipated results of this legislation be placed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

STATEMENT OF DR. CARL H. OPPENHEIMER, MARINE MICROBIOLOGIST, INSTITUTE OF MARINE SCIENCE, PORT ARANSAS, TEX.

MARCH 8, 1961.

Hon. WARREN G. MAGNUSON,
U.S. Senate, Washington, D.C.

DEAR SENATOR MAGNUSON: I appreciate the opportunity to present to your committee my views, and I hope those of my esteemed colleagues, on the important but usually under-emphasized field of marine microbiology as part of the general topic of oceanology and the need for an intensification of effort to provide an understanding of the field.

May I commend you and your colleagues for the broadness of bill S. 901, the prospective Marine Science and Research Act of 1961. It is not may intent to delve into any specific aspect, but rather it is my desire to emphasize the position of the field of marine microbiology in the plan of oceanographic development and how your bill will stimulate research and teaching in this important aspect of science.

The rather few scientists in our field cannot begin to cope with the important aspects of our field which need immediate attention. Our expanding population daily introduces new aspects of marine microbiology which cry for understanding and possible control. Deep sea microbiology is almost nonexistent in the United States, and the only major effort in this field is being made by Russia, who has five large oceanographic research ships with microbiological laboratories and attendant scientists. Before one can fully understand the role of microorganisms in the sea, he must have a general background in oceanology. An increase in the training and research facilities of marine laboratories, the establishment of new laboratories, and above all, the establishment of research fellowships, would provide the necessary centers and impetus for the training of the marine microbiologists who are currently needed. We must turn more and more to the seas for water, food, and raw materials. It takes time for microbiological research, and therefore bill S. 901 is quite timely in that it provides the impetus to start now on research to alleviate existing problems and those which are imminent.

Microbes are important to almost all fields of oceanology: environmental health, including pollution, health hazards by toxic byproducts of metabolism or by direct disease production, radioactive uptake, production of surface active agents which enhance the wind distribution of toxic material from wave tops, causative agent of fish diseases both in the natural sea and in the marine aquaria; deterioration of manmade products such as cordage, wood, rubber, plastics, concrete, iron corrosion, fish and shellfish deterioration, destruction of instruments; geochemical activities of importance to the understanding of the past history of the earth and especially the petroleum; the use of microbes to trace currents or water masses; and in their role in all the cycles of nutrients which are necessary for life to continue in the seas.

Of course, these aspects of microbial activity are a direct or indirect result of the natural process of reproducing themselves. These properties, or results, of growth and reproduction imposed on the environment are the important aspects for which basic study and information is needed which can be applied to the control of the activities. Two of the most important aspects are photosyhthesis and the decomposition of the remains of other living organisms. Life could not continue without these two processes by which energy from the sun is used to convert inorganic materials into protoplasm and the decomposition of the protoplasm back to the elements for the process to cycle through the ages. We need to know more about the speed of these two processes and how they are changed by environment and other factors.

Generally speaking, micro-organisms found in marine environments are bacteria, fungi, viruses, unicellular algae, and protozoans. These small organisms have one property in common: they are unicellular, and within a size range as to be affected somewhat similarly by the physicochemical aspects of the enviroment.

There is considerable controversy over the existence of true marine micro-organisms. Very little is known about the effects of salts in sea water on the small organisms and especially metabolism and transport of food through membranes. It may well be that the only difference between a marine micro-organism and a terrestrial microorganism is that the former is more efficient energetically and can thus compensate for the osmotic effects of the salts on the cell. When bacteria and other unicellular forms are washed from land into the sea, they immediately encounter the osmotic forces due to an increase in salinity. Some microorganisms, notably the pathogenic types, are killed within a few days or months. The micro-organism which survives may be classified as a marine bacterium.

Micro-organisms have been found in almost all natural samples of sea water and sediment which have been analyzed. The distribution of micro-organisms appears to be sporadic following hydrographic features and the presence of available nutrients.

Generally more bacteria are found near land, and especially where the bottom sediments are stirred up. Sediments contain up in the millions of bacteria per gram and usually more than the overlying water. Thus, upwelling, waves, and storms may move the bacteria into the water. The open ocean usually contains fewer micro-organisms. Although only 7 percent of the total oceanic area is less than 200 meters deep, it is estimated that the attendant microbial activity exceeds the remaining 93 percent of area.

As a closing example of the need for expansion of basic and applied research in this field, I should like to refer to two serious problems which need more attention than they are now getting. It must be emphasized that these are only two of many such problems confronting us at the present time.

One is the problem of the gradual buildup of detergents within our natural water systems. The highly effective cleaning detergents of the housewife are usually not broken down by sewage treatment, and the sewage effluents contain residual detergents. Most of the water passing down the rivers to the oceans is reworked several times through local metropolitan water systems. The British have already felt the impact of detergent buildup in recycled waters as evidenced by the frothing and by the fish killed in the rivers of highly populated England. These detergents, at a concentration of a few parts per million, are toxic to fishes and aquatic life. At the present our marine waters probably do not have an effective detergent concentration, but who has suspected that perhaps the detergent content of the waters of the Chesapeake Bay and other similar areas might be significant in the decline of the oyster populations? What do we need to do to combat this? One possible way is to create effective detergents which are easily broken down by marine organisms after their cleaning job is done, or to make, by mutation, bacteria which decompose the existing detergents.

The second problem is that of finding a suitable criteria for pollution assay. The time honored method of coliform or E. coli determination certainly falls short of being an accurate sewage indicator in the marine environment. There are some scientists working in this area at the present time, but it is obvious that intensified research will be needed before the problem is overcome.

In every attempt to describe a science it is necessary to oversimplify for the sake of clarity of the entire picture. This has been attempted in the foregoing paragraphs. We must face the fact that the marine microbe is important to our very existence. It is hoped that this simplified picture of the importance of the marine microbe will be of value in your posing problems of establishing a program of marine research and teaching with respect to the future of the people of the United States and of the world.

Very truly yours,

CARL H. OPPENHEIMER,
Marine Microbiologist.

STATEMENT BY DR. DALE F. LEIPPER, HEAD, DEPARTMENT OF OCEANOGRAPHY AND METEOROLOGY, AGRICULTURAL AND MECHANICAL COLLEGE OF TEXAS, COLLEGE STATION, TEX.

MARCH 23, 1961.

Hon. WARREN G. MAGNUSON,
Committee on Interstate and Foreign Commerce, U.S. Senate, Washington, D.C.

MY DEAR MR. MAGNUSON: Thank you for the invitation to comment upon your Marine Sciences and Research Act of 1961. I have just reread it and I was again amazed at the thoroughness with which you have laid out a plan of action.

The bill as it now stands is a considerable improvement over that of last year, in my opinion. You have pulled together many straggling programs and fitted them into a clear pattern.

You may recall that I wrote you last year under date of January 6, 1960, concerning the matter of international data exchange through the world data centers established for the IGY. World Data Center A is here at Texas A. & M. College. This center has growing international recognition as indicated for example in a resolution from the January 24, 1961, meeting of the International Geophysics Committee. There appears to be a strong continuing need for a university-based, nongovernmental, nonmilitary data center in oceanography. The United States should not lose the advantage which it now has in having one of the two such centers established under successful international agreements. I assume the wording of your bill would permit the continued support of this center so that no modifications are needed.

I have no additional comments upon the bill. Regardless of its fate in Congress it has already done a remarkable amount of good for the marine sciences in the United States by bringing so much attention to them. In an intelligent way it has demonstrated the true role of these sciences in the future of our country. We express our most sincere appreciation to you for this.

RETIREMENT OF HIGH-RANKING OFFICERS

Mr. DIRKSEN. Madam President, I yield 3 minutes to the Senator from Missouri [Mr. SYMINGTON].

Mr. SYMINGTON. I thank the distinguished minority leader.

Madam President, this morning one of the great naval officers of our time, Adm. Arleigh A. Burke, made his last appearance before a Senate committee as Chief of Naval Operations.

A few days ago the same was true of Gen. Thomas D. White, recently retired as Chief of Staff of the Air Force.

The Nation is also losing Gen. Frank Everest, commander of the Tactical Air Command, and Lt. Gen. Frank Armstrong, commander in chief of the Alaskan Air Command.

In this connection, I ask unanimous consent that an editorial in the New York Times of this morning, "The Captains Depart," praising the successes of these four great Americans, be inserted at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE CAPTAINS DEPART

A deep sense of obligation to the Nation and an abiding loyalty to and faith in the country they serve has always characterized the best of our military professionals. The high-ranking officers retiring this summer and early fall after years of outstanding leadership have always epitomized these qualities of duty, honor, and devotion.

Adm. Arleigh A. Burke, who has served longer as Chief of Naval Operations (6 years) than any other man, earned in war a "can-do" sobriquet as "31-Knot Burke"—always proceeding at high speed to his objective. In Washington he has won the respect and admiration of all who have known him for his strength of character, tireless energy, and selfless dedication to the Navy and the Nation.

Gen. Thomas D. White, who recently retired as Chief of Air Staff, made his mark not only as a flier and advocate of air power but as a man of wide-ranging knowledge and brilliant mind, delightful personality, and complete mastery of his profession.

Gen. Frank F. Everest, commanding the Tactical Air Command, and Lt. Gen. Frank A. Armstrong Jr., commander in chief, Alaska, are pilots' pilots, beau ideals of fighting airmen.

All of these men, and others of high rank who have retired recently or will shortly do so, deserve well of the Nation. The best of the military qualities—selfless service, loyalty up and down, leadership and duty—were never more needed than they are today. These men set a high mark for those who follow in their train.

Mr. SYMINGTON. Madam President, the other evening it was my privilege to attend a farewell dinner for General White. I shall not forget part of a short extemporaneous talk he made, which fortunately was recorded.

At that time General White said, in part:

I would like to point out that war is a dynamic affair. It is fraught with uncertainty and I only urge that we not rest our defense on static weapon systems.

Another point should be made, that nations have risen and fallen by their success, or their failure, to exploit their environments. First on land—and we know through history of our many great land powers; and then on sea—and the same can be said about the sea empires; and then finally in the air.

But today we are faced with a new environment—that of space, and it is my conviction that this Nation someday, somehow, will depend for its very survival on our own conquest and superiority in space—in our own planetary system.

I am sure all Members of this body agree with these wise remarks.

MARINE SCIENCES AND RESEARCH ACT OF 1961

The Senate resumed the consideration of the bill (S. 901) to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes.

Mr. LONG of Louisiana. Madam President, I call up my amendment, 7–12–61—A, which is at the desk.

The PRESIDING OFFICER. The amendment offered by the Senator from Louisiana will be stated.

The LEGISLATIVE CLERK. It is proposed, at the end of section 21, to insert the following new subsection:

(f) Except as otherwise specifically provided by this Act, no appropriated funds may be expended, pursuant to authorization given by this Act or any amendment made thereby, for any technological research or development activity unless such expenditure is conditioned upon provisions effective to insure that all information, uses, products, processes, patents, and other developments resulting from that activity will (with such exceptions and limitations as the agency head concerned may determine to be necessary in the interest of the national defense) be made freely and fully available to the general public: *Provided, however,* That nothing herein shall be construed as to deprive the owner of any background patent relating thereto to such rights as he may have thereunder.

Mr. LONG of Louisiana. Madam President, from the very beginning of this Government under the Constitution, in 1790, up until 1942, it was both the law and the practice that all agencies of Government were required to obtain all patents and proprietary rights resulting from research at public expense. The reason why this was done is that the information and the patent rights were thereby made available, on an equal basis, to all American citizens who had contributed their funds, through their taxes, to make this research and proprietary information available.

Unfortunately, in my judgment, since 1942 the armed services have been permitting contractors of these services to obtain private patents on research performed at public expense, reserving only for the military a license to use the patents and proprietary information to fulfill its specific requirements.

This, in my judgment, is clearly contrary to every concept of a democracy, because it amounts to taxation of the public for the private gain of others.

Most other agencies of Government—practically all of them—are specifically precluded by law from giving away, on an exclusive basis, patents or proprietary rights of information achieved at public expense.

The bill before us would require the Department of the Interior and the Department of Health, Education, and Welfare to reserve patent rights in the Government, as they are required to do now in some instances, and as historically they have always done by practice. It would nevertheless leave it open for other departments, including the Department of Defense, to make it possible for a single contractor, working on Government contracts, to obtain patents from information derived exclusively at Government expense.

This amendment would seek to arrive at uniformity in requiring for the other agencies mentioned in the bill what is required for the Department of the Interior and the Department of Health, Education, and Welfare; that is, where information has been derived entirely at Government expense, that information is in the Government and therefore will be made available to all citizens on a nondiscriminatory basis.

There is language contained in the amendment which reads as follows: "with such exceptions and limitations as the agency head concerned may determine to be necessary in the interest of the national defense."

My understanding of that language in parentheses is that, where the information is secret in nature, such as systems of communications between two submarines operating under water, the information may not be filed for patent, that the matter will remain in the bosom of the Government, because the Government does not want that information made available to an enemy. This is not intended to permit an interpretation that a contractor could under any circumstances be conveyed patent or proprietary rights to information developed solely at Government expense.

Mr. MAGNUSON. Madam President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. MAGNUSON. But if the information is made available, it should be made available to everybody, and not merely to a private person or corporation.

Mr. LONG of Lousiana. It is not intended to permit a construction or interpretation that, if only a single contractor were qualified to do certain research, and obtained certain information, he could be permitted to have exclusive patent rights. In view of the same language also appearing on pages 19 and 29 of the existing bill, I believe this legislative history will confirm the fact that no such interpretation of that language is intended.

Mr. MAGNUSON. That is correct. I do not want to take too much of the time of the Senator, but I point out that the bill also provides for private participation in this field. There has been a great deal of it. Institutions at La Jolla, Calif., and Woods Hole, Mass., have participated in that research. They have done more work on oceanography than the Government has, for many years. However, the load is getting too great. There should be Government participation. Also, Operation Mohole is going on. The purpose of that operation is to bore into the crust of the earth, to the deepest part possible, in order to find out what is contained in the earth's crust. It involves oceanographic as well as geologic knowledge. In that case all the oil companies got together and financed the project. The National Science Foundation was the manager, and put some money into it. They all got together in that operation, and it has been successful. Their interest was to learn how to keep a drilling rig on even keel in the ocean. They learned how to do it. It is amazing.

Under the amendment proposed by the Senator from Louisiana, would they be entitled to the benefits which they put into such research?

Mr. LONG of Louisiana. It is very clear from the language. The language reads:

Provided, however, That nothing herein shall be construed as to deprive the owner of any background patent relating thereto to such rights as he may have thereunder.

It would still permit private patents in an operation, which is rather typical of the oil and gas industry, wherein the companies do their own research, but which the Government might want to supplement to the extent of perhaps 10 or 20 percent of what was being spent by the industry itself.

When the Government is contracting on a cost-plus-fixed-fee contract, paying the entire expense, it is clearly contemplated the Government, having paid for the entire thing, would be entitled to all the patent rights.

I am pleased to say, Madam President, I have discussed the amendment with the distinguished Senator from Washington, the chairman of the committee, and he is prepared to accept the amendment.

Mr. MAGNUSON. Madam President, I think the amendment clarifies what we tried to do. The real effect of the amendment is that it would require the Department of Defense to comply with the same laws as other Government agencies in the oceanographic research field.

Mr. LONG of Louisiana. The Senator is correct. The amendment relates only to the field of oceanographic research. It seeks to go no further than the bill would go.

Mr. MAGNUSON. I think it is a good amendment and would help the bill.

The PRESIDING OFFICER. The Senator from Illinois [Mr. DIRKSEN] is recognized.

Mr. DIRKSEN. Madam President, I have no comment to make on the amendment. I believe, however, under the unanimous-consent agreement, the time on the amendment must be yielded back before there can be a vote.

The PRESIDING OFFICER. The Senator is correct.

Mr. MAGNUSON. Madam President, I yield back my time.

Mr. LONG of Louisiana. Madam President, I yield back my remaining time.

The PRESIDING OFFICER. The Senator from Louisiana yields back his time.

Mr. DIRKSEN. Madam President, I yield back my time on the amendment.

The PRESIDING OFFICER. All time on the amendment of the Senator from Louisiana [Mr. LONG] has been yielded back. The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. LONG].

The amendment was agreed to.

Mr. DIRKSEN. Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. How much time remains on the bill?

The PRESIDING OFFICER. One hour and 22 minutes remain on the side of the opposition.

Mr. DIRKSEN. Madam President, I would assume the calculation is slightly in error. There were 2½ hours under the unanimous-consent agreement. Forty minutes of that time was to be allocated to the amendment of the Senator from Louisiana [Mr. LONG]. All time on the amendment has been yielded back. That would leave, I think, 1 hour and 50 minutes, equally divided between the sponsor of the bill and myself.

The PRESIDING OFFICER. The Chair is advised that the Senator has 29 minutes remaining.

Mr. DIRKSEN. I have 29 minutes remaining? That cannot be.

The PRESIDING OFFICER. The Senator from Washington [Mr. MAGNUSON] has used all his time. All time on the amendment of the Senator from Louisiana [Mr. LONG] has been yielded back. There are 29 minutes remaining.

Mr. DIRKSEN. Parliamentary inquiry, Madam President.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. Who used the hour of my time? I yielded 4 minutes to the

distinguished Senator from Maine [Mrs. SMITH] and 3 minutes to the distinguished Senator from Missouri [Mr. SYMINGTON]. That is 7 minutes. Perchance time was used last night.

The PRESIDING OFFICER. Forty minutes were allotted for consideration of the amendment of the Senator from Louisiana [Mr. LONG], as a part of the 2½-hour allotment. The 40 minutes, whether used or turned back, are deducted from the total time.

Mr. DIRKSEN. If all the time on the amendment of the Senator from Louisiana has been surrendered, that would leave 1 hour and 50 minutes on the bill itself.

Mr. LONG of Louisiana. Whatever time there is remaining, it is the time of the Senator from Illinois.

Mr. DIRKSEN. Madam President, I simply wish to be clear as to how much time remains.

Mr. LONG of Louisiana. Madam President, will the Senator yield me 30 seconds?

The PRESIDING OFFICER. Two and one-half hours were allotted for the entire discussion of the bill. Forty minutes were allotted for the amendment of the Senator from Louisiana [Mr. LONG]. Whether or not the 40 minutes were used, that time is deducted from the total 2½ hours. There were 2 hours and 30 minutes minus 40 minutes. The remaining time is 110 minutes, of which the Senator from Washington [Mr. MAGNUSON] used 55 minutes. The remaining 55 minutes were allocated to the minority leader. Seven minutes has been used by the opposition. There should be 48 minutes remaining.

Mr. DIRKSEN. Then there are 48 minutes remaining.

Mr. LONG of Louisiana. Madam President, will the Senator yield me 30 seconds?

Mr. DIRKSEN. I yield 30 seconds to my friend from Louisiana.

Mr. LONG of Louisiana. Madam President, on the subject of patent policy, on which the Senate just acted, I ask unanimous consent to have printed in the RECORD an article written by me discussing the subject, published in the American Bar Association Journal.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A GOVERNMENT PATENT POLICY TO SERVE THE PUBLIC INTEREST

(By Hon. RUSSELL B. LONG, U.S. Senator from Louisiana)

(Senator LONG takes a position contrary to that of Congressman DADDARIO on the question of ownership of patent rights in inventions financed by the Federal Government. He argues that the purpose of granting a monopoly by patent, which is to encourage invention by rewarding the inventor for taking the risk of inventing and marketing new products, is a misapplication of the patent philosophy when the Government has already paid for the invention on a cost-plus-fixed-fee riskless contract.)

In 1959, of all the research and development performed in the United States, almost 70 percent was paid for by the U.S. Government.[1] This percentage, however, tells only a small part of the story, for in certain industries the Government pays for the major part of the research performed.

Government expenditures for research and development have an important impact on the creation, development, and allocation of our national resources. Military research and development (this includes the Department of Defense, the Atomic Energy Commission, and the National Aeronautics and Space Administration), which in dollar terms is 90 percent of all Government-financed research, is concerned—like all other research—with obtaining new knowledge and producing new techniques and products. Although it is concerned with the development of new knowledge, products, and techniques to meet military needs, these activities have civilian counterparts and the results have civilian value.

Civilian use of products or techniques resulting from military R. & D. goes back to the very beginning of our national history. In 1789, Eli Whitney was under contract with the U.S. Government to develop a system of manufacturing interchangeable parts for the production of firearms in arsenals. The results of his work were soon transferred to civilian industry. It was a great contribution to methods of mass production and was fundamental to civilian industry.

It may be argued that this contribution would have come sooner or later, but it did come sooner because of a military need, and society benefited accordingly.

Throughout the years, many civilian products and techniques have been the direct result of military research and development expenditures.

Some are well known and include: (a) yellow-fever eradication, (b) chlorination of water, (c) nuclear power, (d) the modern aircraft, (e) blood-plasma substitutes, (f) new high temperature alloys, (g) antimalarial drugs.[2]

Some, less well known, and equally valuable, include: (a) nitrogen-mustard treatment of leukemia and other cancers, (b) many of the better insecticides and rodenticides, (c) mechanical smoke generators for crop protection, (d) flameproof fabrics, (e) heat-resistant and fire-retarding paints, (f) aircraft engines, (g) helicopters, (h) anticing equipment, (i) new plastics and adhesives, (j) new automobile power-steering and suspension system, (k) advanced weather-forecasting techniques, (l) tissue-bank techniques, (m) miniature electronic components, (n) automation equipment, (o) silicon transistors, (p) automatic electronic computers.[3]

Especially in those cases where large sums of money are needed and where private industry will not willingly gamble in the absence of the prospect of a shortrun payoff, the Government plays a very important role in bringing about innovations much earlier than might normally be the case.

Here are some specific examples selected at random:

1. Many field rations and foods deteriorate in a short time because of moisture, thus causing excessive rates of replacement and waste. To overcome this problem, the Quartermaster Corps developed a packaging material consisting of lightweight aluminum foil coated with polyethylene and backed with a plasticized paper, thereby providing a high degree of protection against moisture. This product was given severe field tests and found to be far superior to all other known packaging materials used for similar purposes. The dehydrated food industry and the photographic film industry have both taken over the use of this result of military R. & D., as evidenced by the packaging used for Lipton's soups, Kodak film, French's instant potatoes, and Dean's dry milk.[4]

2. The feeding of aircrews on long missions was of concern to the Air Force. The solution was obtained in the development of precooked frozen meals. These were first used in 1951 and were developed essentially to feed aircrews aboard large, long-range bombers (B–36). Since then, they have been used extensively in commercial aviation, especially on oversea flights. During the past few years, such precooked frozen meals have become widely available in grocery stores and supermarkets as TV dinners.[5] Many food companies are involved in their manufacture, and they have become very helpful to the harried housewife.

3. Civilian airlines use many products which were developed by the Air Force for military purposes; for example: (a) the P–4 automatic pilot; (b) almost all aircraft engines and flight equipment; (c) flight simulators used to train civilian pilots; and (d) many of the engine and secondary power systems.[6]

4. Other items like:[7] (a) plastic hearing aids, (b) anticorrosion coating, (c) fire-extinguishing agents, (d) turbojet engines, (e) electronic computers—and a large number of industrial processes and other important items.

During 1961 the Federal Government will obligate an estimated $9.1 billion for the support of scientific R. & D. This compares with obligations of $8.6 billion for fiscal year 1960 and $7.4 billion in fiscal 1959. Since the U.S. Government finances almost 65 percent of all R. & D. performed by industry, and since a large part of Government-financed research is devoted to pushing forward the frontiers of knowledge, it can be seen that Government activities in this field have an exceedingly important and direct impact on the growth of our economy, its market structure and our defense effort.

The channeling of research and development funds into an industry can insure its expansion and prosperity; the withholding of such funds can stifle or retard its growth. Similarly, the awarding of research contracts to particular corporations, especially in trail-blazing developments, confers incalculable advantages in know-how which generally presage the growth, domination, or competitive superiority in these or related fields. The disposition of rights resulting from Government research and development can increase monopoly and the concentration of economic power or alternatively can spread competitive benefits throughout our society with consequent benefit to the maintenance of competition, wich is an essential ingredient of a free enterprise system, and more rapid economic growth.

PATENT POLICY: A STIMULUS OR A DETERRENT TO GROWTH?

The technical and scientific knowledge resulting from research and the ability to use it is a resource as important as, and probably more important than, the tangible capital and raw materials used in the productive process. If this resource is paid for by the people of the United States, then the results of research should be available to all citizens.

Such is the philosophy of the laws providing for research by the Atomic Energy Commission, the National Aeronautics and Space Administration, the Department of Agriculture, and the Department of Health, Education, and Welfare.

On the other hand, the Department of Defense, the largest spending agency of the

[1] U.S. News & World Report, Apr. 3, 1961, p. 26.

[2] "Defense Spending and the U.S. Economy" (Bethesda, Md.: Operation Research Office, Johns Hopkins University, June 1959) p. 17.

[3] Id.

[4] Ibid., p. 25.

[5] Op. cit., p. 22.

[6] Op. cit., p. 26.

[7] Op. cit., pp. 17–26.

Federal Government, seizing upon its discretionary flexibility, takes for itself only a nonexclusive, royalty-free license under patented inventions developed through Government-financed research, leaving exclusive commercial rights in the hands of the contracts themselves. In certain instances, the Defense Department has supplied funds for contractor-initiated research to a select group of industrial giants without retaining a license or any rights at all.[8]

Many of the practices of the Department of Defense are largely the result of extreme pressures put on the Government in previous national emergencies. During World War II, the Office of Scientific Research and Development[9] used a short-form contract with private business which gave the Government title to discoveries resulting from public funds. Being a time of war, however, with our country locked in a life-and-death struggle with the totalitarian powers, the Government found itself over the proverbial barrel. Business firms, in some cases, were reluctant to perform research vital to our defense effort and to our very existence unless they got all rights to the work they did, even though the Government paid for it. The Government surrendered and started using the so-called long-form contract which gave all commercial rights to the contractor working in the war effort. This amounted to the Government's granting some firms a monopoly in certain fields and could well be described as a more extreme form of extortion. No previous patents or proprietary rights were involved at all.

Another example of extreme pressure being put on the Government is in the case of the cancer chemotherapy program of the Department of Health, Education, and Welfare. Cancer is the second most serious killer in the United States. Great pain often accompanies this dread disease. Our Government and other private organizations have embarked on a research program to alleviate the suffering which results from cancer and to try to conquer it. Yet certain drug companies refused to cooperate with the U.S. Government in a cancer program unless they received exclusive rights to everything they discovered with public funds[10]—even though the traditional policy of the Department of Health, Education, and Welfare is to dedicate to the public every invention and discovery resulting from expenditure of public funds.

This is not only a problem of equitable treatment, but also a problem of industrial, economic and scientific progress. The rapid dissemination of new scientific and technical knowledge is essential to progress. In addition, the Government should promote to the best of its ability the unlimited and universal availability of knowledge, ideas and inventions.

A telling example of productivity increase that can, in the long run, be brought about by the free access to a steady flow of advanced technical ideas is offered by American agriculture. Traditionally, the bulk of agricultural research in this country was financed by Federal funds, and its results were put at the disposal of the potential users free of charge. In consequence, agricultural productivity has been increasing by leaps and bounds, finally even creating a glut of cotton and wheat.[11]

In the field of atomic energy also the United States appears to be out in front. The bulk of research in atomic energy is performed in Government installations and the results are rapidly disseminated to all interested parties.

Here is what the senior editor of Business Week writes about transistors:

"When the semiconductor industry began its growing, Bell Labs held basic design and process patents covering the entire field. The growth gained tremendous impetus from Bell's policy of putting these virtually in the public domain".[12]

A private company, when it spends large sums for developing manufacturing know-how, cannot be expected to yield such information to the public without charge.

In addition, a contractor, hoping to obtain a private patent monopoly of great value, cannot be expected freely to divulge the knowledge and ideas which will lead to a patent on the application of the principles involved. His scientists and engineers are usually under an injunction of secrecy. If possible, he will withhold all information until attorneys have prepared and filed patent applications. Yet the Nation needs the information at the earliest moment, first to enable others to use it in reaching the next frontier of knowledge; and, second, to spare the Government the expense of other scientists trying to find the answer to a problem that has already been satisfactorily solved. Gen. Marcus Cooper, testifying before Senator McCLELLAN's Patent Subcommittee, admitted the "reluctance on the part of associate contractors in the ballistic missile program to exchange information with an organization that might someday use the information to its own gain."[13] It was also stated that other contractors were in no way reluctant to participate in the program if the Government took title[14] (presumably when NASA's funds were being used).

There is no reason, however, why publicly financed know-how and inventions should not be made available to the public either free or on the most liberal terms. This means that practical application of many of the path-breaking discoveries will not be restricted. In an era in which economic progress depends so much on scientific research, such chronic underemployment of technical knowledge might have, in the long run, an even more deleterious effect on the rate of economic growth than idle capital or unemployment labor.

A concrete example of what happens when the Government gives away patent rights was described in hearings before my Monopoly Subcommittee in December of 1959.

A small New York company[15] wanted to bid on aerial cameras, which the Government had hired the Hycon Co. to develop. This latter company did practically all its work for the Government, was founded for that purpose, and had no significant commercial background.[16] Whatever knowledge, experience, and background it had was acquired as Government expense. Let us see what happened.

In keeping with Department of Defense policies, the Hycon Co. was automatically given the patent monopoly on the developments paid for by the Government.

The company refused to give up drawings and technical know-how. Hycon Co. claimed that it owned the development because it was given the patent rights, hence it did not want to release the technical information. A strenuous effort and considerable time on the part of Signal Corps personnel at Fort Monmouth was finally required to secure the technical data and drawings. When the Hycon Co. finally released the information, it demanded a 7½ percent royalty from the small company.

Here is a concrete, uncomplicated, and by no means isolated example of what happens with the Defense Department type of policy. These are the consequences:

1. The dissemination of knowledge was hampered, thus impeding progress in the further development and manufacture of aerial cameras.

2. Competition by the small business was hampered in that it was unable to secure the drawings and know-how to discharge its contracts with the Government.

3. If the small company had not been persistent in creating a competitive situation, the Government would have had to pay higher prices to Hycon.

4. The practical ability to impede competitors, to frustrate and subject them to costly delays, proved to be a valuable asset to Hycon.

Here is an example where there was no justification for giving away patent rights, for a patent right should be given only as an inducement to bring into existence something which would not have been brought into existence without it. It is an inducement to invent. It can hardly be demonstrated that giving Hycon the patent rights tended to promote the "progress of science and the useful arts."

On the contrary, the failure of the Government to take title to the development and its failure promptly to secure and make public the technological and technical information related to the cameras actually retarded the "progress of science and the useful arts."

Here is another simple example. A small company from Pennsylvania appeared before our committee to state that it produces electromechanical mechanisms and instruments and also overhauls and repairs aircraft instruments, but that it was unable to compete with the General Electric Co.—not because this huge company was more efficient; not because it could do a better job than this 125-man company. It could not compete because GE would not supply them with replacement parts. GE claimed that it had proprietary rights to these items.

The inability to secure parts was bad enough, but even worse is the inability to secure technical information.

Let me quote part of the testimony:

"But what we are concerned with is the manuals wherein they issue the information to the Government in conjunction with and in connection with the instrument which they supply the Government. This is normally required by contract.

"Now, these manuals are designed to help the Government and private companies overhaul these aircraft instruments, strictly based on the information given in technical manuals.

"This also means that equipment in the field, if it is, for example, let us say, in Okinawa, or in Japan, or in some place, should be able to be overhauled by military personnel strictly on the information given in the manuals.

"We find, however, that these manuals are incomplete. Whether they are inadvertently so, or whether it was done purposely, I am not in position to say, but I will say

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[8] New York Herald Tribune, May 23, 1960.

[9] Atomic Energy Act of 1946. Washington, D.C.: Hearing before Special Committee on Atomic Energy, U.S. Senate, 79th Cong., on S. 1717, 1946, pt. 3, pp. 332–333.

[10] Testimony of Parke Banta, General Counsel of Department of Health, Education, and Welfare, "Patent Policies of Departments and Agencies of Federal Government," Washington, D.C.: Hearings before Monopoly Subcommittee of the Select Committee on Small Business, U.S. Senate, 86th Cong., 1st sess., Dec. 8, 9, 10, 1959, pp. 355–364.

[11] Leonard S. Silk, op. cit., p. 7.

[12] Op. cit., p. 75.

[13] Hearings before Committee on the Judiciary, Subcommittee on Patents, Trademarks, and Copyrights—Government Patent Policy, S. 1084, S. 1176, Apr. 18, 19, 20, and 21, 1961. Transcript, pp. 334–335.

[14] Op. cit., p. 328.

[15] Patent Policies of Departments and Agencies of Federal Government (p. 22–14).

[16] Form S–1, Registration Statement under the Securities and Exchange Act of 1933, Hycon Manufacturing Co. Registration No. 2–17954.

that these manuals which are supposed to be completed are furnished the Government in many cases incomplete, and recourse has to be made to the original manufacturer to fill in this information which is missing.

"This is where we run into our problem, because the original manufacturer in many cases, in most cases, will not release this missing information which is normally test equipment." [17]

More than just the manuals are involved. It is the whole question of know-how which contractors do not turn over to the Government, which in turn cannot pass it on to anyone else.

The initial Government contractor is the same large company which recently pleaded guilty to charges of systematically conspiring to cheat and overcharge the U.S. Government on procurement items for more than 10 years.

These are not isolated cases. They are typical. In some cases the impact on our economy is slight; in other cases, the impact is extremely serious. But when we have day in and day out thousands of cases where scientific and technical information is withheld; where opportunities have been denied; where restrictions are imposed—in their totality they have an incalculable impact on our country.

The inevitable result is slower economic growth in the long run and the inability to cope satisfactorily with problems resulting from declining industries, thus depriving many of our younger people of opportunities which we should keep open to them. In addition, unjustifiable increases in defense costs are inevitably imposed on the already heavily burdened taxpayer.

MONOPOLY AND ECONOMIC CONCENTRATION?

The policy of the Defense Department and other departments of the Government of automatically relinquishing to private contractors all rights to the results of research and development financed with public funds (except for a mere license to use) coupled with the fact that 95 percent of Government R. & D. funds go to the largest companies—is inevitably leading to greater concentration of economic power and the consequent decline of our free competitive system. This was the conclusion of the Attorney General of the United States in his report of November 8, 1956. This conclusion was restated and further emphasized by the new Assistant Attorney General on April 21, 1961.[18]

He stated that the contract itself gives to the contractor a significant headstart in a particular field. Giving title to the contractor insulates him from any competitor's efforts to catch up. If we cannot avoid giving the headstart, at least we can avoid prolonging its effects. The Defense Department's policy of helping huge companies to improve their already formidable patent structures at the public's expense by its very nature is destroying the free private enterprise system. Defense research expenditures have been made solely on an emergency basis without regard to growing concentration of technology.

"Antitrust action after the fact to break up monopolistic amassments of patents and know-how is a drastic remedy with many limitations. It would be highly desirable to avoid the need." [19]

"Whatever their merits, it is undeniable that patent rights confer monopoly powers on the patentee. Patents enable their owners to restrict the use of inventions, thereby restricting the contributions to the national product that the patented inventions could make, in the hope that the resulting higher market price will make possible (monopoly) profits in excess of what could be earned under competitive conditions. To deny this feature of the patent system would be tantamount to denial of any usefulness of the patent system." [20]

A concrete example was found by the Comptroller General of the United States.[21] As of June 1959 the contractor under investigation had filed applications for 95 patents, all resulting from Government-financed research and development. Out of this number, 11 applications were for inventions which the contractor himself characterized as primary inventions; that is, "developments believed to be sufficiently basic and important to provide a basis for a new industry or an entirely new product line; or one which may have a major effect on the expansion or conversion of an existing industry or product line."

In this case—as in many other cases—the U.S. Government has spent public funds to give one private company the power to control a whole industry—to exclude everyone it wants to exclude—to charge practically any price it wants to charge. It would be extremely difficult to assert that this kind of policy leads to the equality of opportunity which competition should encourage. It would be equally difficult to claim that such a policy used by the Department of Defense is consonant with our objective of economic freedom.

On the other hand, the policy of the Atomic Energy Commission, the Department of Agriculture, the Federal Aviation Agency, and the National Aeronautics and Space Administration of taking title to inventions produced with public funds and making them available to the public, tends to strengthen the free private enterprise system for the following reasons:

1. They help to remove at least one of the factors which make for economic concentration and that is the accumulation of a large number of patents by a small group of industrial giants.

2. Small- and moderate-sized businesses will be able to use the results of the research capabilities of the large corporations which have many facilities too expensive for such companies. In this way, technological and scientific knowledge will now be made available to a greater number of firms and individuals.

3. Scores of small- and moderate-sized businesses would benefit by the ability to enter new fields from which they would be excluded if a few companies retained the legal power to exclude them by way of patent monopolies.

4. One barrier to the entry of new firms into an industry is found in the cost advantages of established firms, many of which have acquired valuable know-how from Government-financed research and development contracts.

An established firm may use the patent to keep out new firms altogether by denying the use of patents, or it can impose royalty charges for their use which raise the entrant's cost.

THE PHILOSOPHY OF THE PATENT SYSTEM

The patent system endeavors to attain the constitutional objective of promoting the progress of science and the arts by granting to the inventor or initial investor a temporary monopoly in a new product or process. The social rationalization of granting such monopoly rights through patents in a free private enterprise system rests upon the assumption that such grants will accelerate technological progress through the stimulus they provide for the financing of industrial research and development and of new industrial ventures; and that the deliberate restraint of competition which the Government institutes by granting temporary patent monopolies in the use of inventions has the ultimate objective of serving the public interest; that is, that the gains for society resulting from this stimulation will offset the restrictions on freedom of enterprise which the patent grant imposes.

This stimulus is considered necessary to the undertaking of extraordinary risks. No one knows in advance whether he will be successful. The cost may be great. There are many businessmen who have not invested a single penny in the cost of the invention, but are ready to imitate the new invention and compete in selling the new products or using a new process. Why, then, risk large sums of money inventing, in developing new markets, perhaps in investing large sums in new plants and equipment? If a patent monopoly, however, can be expected to keep the imitators off for a while, the innovator perhaps can secure an attractive profit. The hope for such temporary monopoly profits serves, therefore, as an incentive to take risks.

But where are the risks in Government-financed research and development contracts? There really are none. Practically all R. & D. contracts let by Federal agencies are on a cost-plus basis. No matter how expensive a project turns out to be, the costs are covered by the Government. Moreover, there is no risk in finding a market for the new product. The market is there, waiting eagerly in the form of the Federal department or agency for whom the research and development have been performed. The whole thing is virtually a riskless venture for the contractor. Even the possibility of contract cancellation cannot be considered a risk, for the firms have invested none of their own funds and are generally granted, in addition, a return well in excess of costs.

When an inventor has not devoted his own independent efforts and resources to the development of an invention, but has used his employer's resources, it is a well-known common law doctrine that any resulting invention is the property of the employer.[22] Similarly, when the inventor or the contractor has used Government money or facilities or both, and has been compensated by the Government for his efforts, there is no justification for giving to him also the title to the invention. In that case, it is the Government which has made the invention possible, and the Government should in all propriety get what it has already paid for.

On careful analysis, the policy of the Defense Department, on the other hand, actually amounts to this: "The Federal Government taxes the citizens of this country to secure funds for scientific research, on the grounds that such research promotes the general welfare, and then turns the results of such research over to some private corporation on an exclusive, monopoly basis. This amounts to public taxation for private privilege, a policy that is clearly in violation of the basic tenets of any democracy. Such a violation might possibly be justified on the grounds that it leads to greater enhancement of the general welfare than adherence to a basic principle would; but in the present cases, no offsetting gains are in the offing.

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[17] "Patent Policies of Departments and Agencies of Federal Government," p. 29.

[18] Statement of Assistant Attorney General Lee Loevinger, Antitrust Division, Department of Justice, on "Government Patent Policy," Washington, D.C., before the Senate Subcommittee on Patents, Trademarks, and Copyrights, Judiciary Committee, U.S. Senate, 87th Cong., 1st sess., Apr. 21, 1961.

[19] Ibid.

[20] "Patent Policies of Departments and Agencies of Federal Government," p. 271.

[21] Report to the Congress of the United States by the Comptroller General of the United States, "Review of Administrative Management of the Ballistic Missile Program of the Department of Air Force," Washington, D.C.: U.S. General Accounting Office, May 1960, pp. 47–48.

[22] For example, *Standard Parts Co. v. Peck*, 246 U.S. 59 (1926).

Under the circumstances, it seems palpably evident that new discoveries derived from research supported by public funds belong to the people and constitute a part of the public domain to which all citizens should have access on terms of equality." [22]

In those cases, however, where private companies have invested their own resources and have established commercial positions in those very areas in which the Government is interested, such equities should be recognized.

On the other hand, many firms have acquired background information and know-how at public expense, which should also be recognized.

The general objective at all times should be to protect the interests of the private concern doing business with the Government and at the same time conscientiously to safeguard the interests of the Government as the trustee of the public interest.

PROFITABILITY OF GOVERNMENT R. & D. CONTRACTS

The statement that, on a cost-plus-fixed-fee contract, the fee is only 5 percent or 7 percent ignores the fact that a 5-percent return on volume may well be a 50-percent return on investment. Many retail food chains, for example, averaged 1 to 1½ percent profit on sales last year, which worked out to be about 20 percent return on net worth, which is the measure of profitability.

Furthermore, if the contractor produces anything worthy of his hire on the R. & D. contract, he has a great advantage and a virtual assurance of a lucrative procurement contract, usually on a negotiated cost-plus-fixed-fee basis. No one has been heard to argue that the latter contract, particularly if it can be had without bidding therefor, is not sufficiently profitable.

Any student of the question of private patents at public expense will inevitably reach a conclusion related to his starting point. If he is a believer in competition as an essential ingredient of a free enterprise system, he will conclude that private concerns should not have patents on research financed at public expense. If he is wedded for any reason to the operation of modern-day monopolies, he will reach the conclusion favoring the high profits and low-grade service which result from monopolies.

The benefits of competition to bring better quality at lower prices are all too little understood by many persons who would include monopolies in their concept of free enterprise. Yet the whole theory of free enterprise emerged on the premise that competition would be the element that would cause unregulated business to serve the common good.

CONCLUSIONS AND RECOMMENDATIONS

No convincing case has been made that the Federal patent policy by which the Government takes title to the results of publicly financed research would seriously affect either the patent system or defense contracting, though desperate efforts have been made by interested parties to invoke these two arguments.

Adm. Hyman G. Rickover has stated that many firms are constantly urging the Atomic Energy Commission to give them more research and development contracts even though the Government takes title to the results and despite the alleged low rate of profit.[24]

The National Aeronautics and Space Administration has reported a few cases where the contractor refused a NASA research and development contract. A careful examination revealed, however, that the Department of Defense was willing to give the contractor a similar contract with more liberal patent provisions.[25] Under such circumstances, it was to the contractor's benefit to refuse the NASA contract and take the Department of Defense contract. To have two agencies of Government bidding against each other for the same contract is not conducive to the best interests of the United States, and the remedy for this situation is a greater uniformity of policy by changing that policy which is not in the public interest.

From the standpoint of growth, efficiency and the maintenance of a free competitive society and the defense of our country, it is essential that the Congress enact a law with these three features:

1. The U.S. Government should acquire title and full right of use and disposition of scientific and technical information obtained and inventions made at its direction and at its expense, subject to waiver of Government title when the equities of the situation so require.

2. Needless to say, the acquisition of title is not enough. Constructive use of the patents so acquired by the Government is required to achieve public benefit in return for the public funds invested in their development. For that reason, there should be established a Federal Inventions Administration which would administer all Government-owned patents and make necessary determinations in the administration of the act. The administration would be affirmatively charged with the duty of protecting the public interest in scientific and technological developments achieved through the activities of departments and agencies of the U.S. Government and would be charged with the dissemination of knowledge so developed in order to stimulate invention and innovation which will cut costs, produce new products, and increase per capita industrial production through efficiency and new technology.

In order to secure the fastest and fullest use of inventions, discoveries, and innovations, an expanded program of utilization of information readily available to all, the administration can engage in those activities necessary to carry out this function, such as aiding libraries to:

(a) acquire collections of publications having descriptions of inventions helpful to inventors, business, and the general public;

(b) inform business and industry (plants, factories, construction, and engineering organizations) of new techniques and innovations in their fields of interest;

(c) provide inventors and innovators with knowledge of advances in their areas of interest;

(d) give instructions in the use of technical, scientific and economic literature in libraries and schools.

3. The policy should stimulate discovery and invention in the public interest by providing for the making of generous monetary awards as well as public recognition to all persons who contribute to the United States for public use scientific and technological discoveries of significant value in the fields of national defense or public health or to any national scientific program, without regard to the patent ability of the contributions so made. This will serve as an incentive, which will elicit from private commercial or Government scientists their best efforts on behalf of the whole country.

In summary, the question for all of us is, Who shall control and who shall reap the fruits of our growing capacity to shape our future and our fate? Shall it be the special, and necessarily narrow, interests of private firms as against other firms? Or shall it be the people through their Government, ever cognizant of national capabilities and national needs, acting on behalf of the goals of our whole society?

Mr. DIRKSEN. Madam President, I ask unanimous consent that I may suggest the absence of a quorum and that the time necessary for the call of the roll not be charged to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll and the following Senators answered to their names:

[No. 108]

Aiken	Fong	Neuberger
Bartlett	Hickey	Pastore
Bible	Holland	Prouty
Boggs	Jordan	Robertson
Bush	Keating	Saltonstall
Cannon	Kefauver	Smith, Maine
Carlson	Long, Mo.	Symington
Carroll	Long, Hawaii	Thurmond
Church	Long, La.	Tower
Curtis	Magnuson	Wiley
Dirksen	Mansfield	Williams, Del.
Ellender	Metcalf	Yarborough
Engle	Morton	Young, Ohio
Ervin	Moss	

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Pennsylvania [Mr. CLARK], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Oregon [Mr. MORSE], the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PELL], the Senator from Massachusetts [Mr. SMITH], and the Senator from Wyoming [Mr. MCGEE], are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

Mr. KUCHEL: I announce that the Senator from Indiana [Mr. CAPEHART] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Kentucky [Mr. COOPER] is absent because of illness.

The Senator from Nebraska [Mr. HRUSKA] and the Senator from North Dakota [Mr. YOUNG] are absent on official business.

The PRESIDING OFFICER. A quorum is not present.

Mr. MAGNUSON. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. ALLOTT, Mr. ANDERSON, Mr. BEALL, Mr. BENNETT, Mr. BRIDGES, Mr. BUTLER, Mr. BYRD of Virginia, Mr. BYRD of West Virginia, Mr. CASE of New Jersey, Mr. CASE of South Dakota, Mr. COTTON, Mr. DODD, Mr. DOUGLAS, Mr. DWORSHAK, Mr. EASTLAND, Mr. FULBRIGHT, Mr. GORE, Mr. HART, Mr. HAYDEN, Mr. HICKENLOOPER, Mr. HILL, Mr. HUMPHREY, Mr. JACKSON, Mr. JAVITS, Mr. JOHNSTON, Mr. KERR, Mr. KUCHEL, Mr. LAUSCHE, Mr. MCCLELLAN,

[22] "Patent Policies of Departments and Agencies of Federal Government," p. 19.

[24] Senator RUSSELL B. LONG and Vice Adm. H. G. Rickover, Conference on Patent Policies of Government Departments and Agencies—1960, Washington, D.C.: U.S. Senate, Apr. 8, 1960.

[25] "Patent Policies of Departments and Agencies of Federal Government," p. 271.

Mr. MCNAMARA, Mr. MILLER, Mr. MONRONEY, Mr. MUNDT, Mr. PROXMIRE, Mr. RANDOLPH, Mr. RUSSELL, Mr. SCHOEPPEL, Mr. SCOTT, Mr. SMATHERS, Mr. SPARKMAN, Mr. STENNIS, Mr. TALMADGE, and Mr. WILLIAMS of New Jersey entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

Mr. HOLLAND. Madam President——

The PRESIDING OFFICER. The Senator from Illinois has control of the time.

Mr. HOLLAND. Madam President, will the Senator from Illinois yield, to enable me to make an insertion in the RECORD?

Mr. DIRKSEN. Madam President, I yield 30 seconds to the distinguished Senator from Florida.

NOMINATION OF SPOTTSWOOD WILLIAM ROBINSON III TO CIVIL RIGHTS COMMISSION

Mr. HOLLAND. Madam President, yesterday the Senate confirmed the nomination of Dean Spottswood William Robinson III, of Howard Law School, to be a member of the Civil Rights Commission. I note in today's New York Times a laudatory article about Dean Robinson entitled "Fighter for Civil Rights." I particularly call attention to this paragraph:

He was involved in so many civil rights cases at one time or another that it was a bit of a task making sure that he had severed all connections when President Kennedy nominated him to the Commission in April.

Madam President, I ask unanimous consent that the entire article may be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIGHTER FOR CIVIL RIGHTS: SPOTTSWOOD WILLIAM ROBINSON III

WASHINGTON, July 27.—The highest scholastic average in the history of the Howard University Law School is held by Spottswood William Robinson III. "Intellectual" is the word people use to describe him. Howard is a Negro institution here, supported in part by the Federal Government. Mr. Robinson has been dean of its law school for the last 11 months. Today he was confirmed by the Senate as a member of the Civil Rights Commission. The southern Senators who opposed his nomination made an issue of his legal work for the National Association for the Advancement of Colored People.

Mr. Robinson has indeed been involved in work for the association, though his specialty in private practice was the law of real property. He argued three times before the Supreme Court on one of the historic school integration cases decided in 1954. He was legal representative in Virginia for the NAACP legal defense and educational fund for a number of years, and subsequently was its southeastern regional counsel until last fall.

He was involved in so many civil rights cases at one time or another that it was a bit of a task making sure that he had severed all connections when President Kennedy nominated him to the Commission in April.

WILL CONTINUE TO TEACH

Commission membership is a part-time job, at $50 a day once or twice each month. Mr. Robinson will continue to work full time at Howard, as a professor as well as dean. Last year he taught a course in torts and conducted two seminars.

Mr. Robinson is a native and lifetime resident of Richmond, Va.

Mr. Robinson's father was a lawyer, and there was never much doubt that he would follow suit. He went through public school in Richmond, then to Virginia Union University there, and then to the Howard Law School. He was graduated in 1939, magna cum laude.

He started his law career as a teacher at Howard, principally in property law. He took a leave of absence in 1947, from which he did not return until he was named dean last fall. In the meanwhile he practiced in Richmond, for general clients and the NAACP fund.

His argument in the school integration cases was on behalf of Negro students seeking admission to schools in Prince Edward County, Va. His other principal civil rights cases involved interstate bus travel, public parks, and restrictive covenants.

Mr. Robinson's manner is mild. "He is the precise opposite of a firebrand," said one man who knows him. "He is not the type you tell anecdotes about," said another.

The Robinsons live on the Howard campus, a few miles north and a little west of the Capitol, in a house they rent from the university. They also have a home in Richmond, where Mr. Robinson built himself a boat 8 years ago to use for fishing.

Mr. Robinson, who was 45 years old yesterday, is married to the former Marian Wilkerson of Richmond. They have two children in their twenties, Spottswood IV, who has just finished 5 years in the Air Force, and Nina, who is a graduate student at Howard.

MARINE SCIENCES AND RESEARCH ACT OF 1961

The Senate resumed the consideration of the bill (S. 901) to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes.

Mr. SALTONSTALL. Madam President, will the Senator from Illinois yield to me?

Mr. DIRKSEN. Madam President, I yield 3 minutes to the distinguished Senator from Massachusetts.

Mr. SALTONSTALL. Madam President, the bill authorizes a 10-year, $700 million program for the advancement of marine sciences. With regret, I feel I must oppose it.

Marine research has been of great value to the State of Massachusetts and the entire New England region. The commercial fishing industry constitutes an important segment of our economy, and like other industries has been injured by foreign competition. This economic dilemma has become progressively worse in recent years. Local fishing grounds no longer yield the profitable catches of the past and New England fleets now need larger and more expensive ships to venture further out into the Atlantic to compete with 14 nations, including Russia, which boast better equipped and more modern ships.

I have sponsored and supported legislation which has assisted the fisherman to meet this foreign threat. Such measures include the Saltonstall-Kennedy Act of 1954, the Fish and Wildlife Act of 1956, certain fish tariffs, last year's fishing vessel construction subsidy measure, and appropriations for the Commercial Fisheries Technological Laboratory in Gloucester and the famous Woods Hole Biological Laboratory.

I have no doubt that New England and the entire Nation would benefit from a more intensified Federal program of marine research as provided in S. 901, and I am in accord with the goals of improved long-range weather predictions and navigation facilities, discovery of new foods, medicines, and minerals, and the bolstering of our undersea warfare potential which this legislation attempts to achieve.

However, I strongly object to the estimated cost of $700 million, which would cost the Federal Government an average of $70 million per year. This is over and above the request made by President Kennedy in his letter to Congress of March 29 in which he recommended a $97 million national oceanographic program for fiscal year 1962. I believe S. 901 to be too costly and should not be instituted until we shore up our armed services' programs and fulfill other commitments which are designed to reinforce our national security. Of course, we must continue to support vital domestic policies to strengthen our economy and Nation, but we must evidence discretion in indiscriminately initiating new programs involving heavy expenses until the outlook for an enduring international peace is more promising.

It is time Congress began exercising more fiscal restraint and responsibility. Our appropriations this year for several depressed areas and housing, for instance, are excessive. If we continue to enlarge the scope of Government activities by constantly engaging in new undertakings, we threaten to seriously jeopardize the soundness of our economy. These and other increased expenditures of the administration's are chiefly responsible for an expected budget deficit in the neighborhood of $8 billion for the next fiscal year. This deficit may well help to trigger an inflationary spiral which will affect the pensions, savings, and weekly paychecks of all Americans. It comes at a time of world tension when, more than ever before, we must demonstrate economic strength. Such a display will require both legislative prudence and sacrifice. S. 901 provides us with the opportunity to now draw a line between legislation which is necessary and that which is desirous.

This bill also duplicates other oceanographic proposals; I have already mentioned the President's broad national oceanographic program which he submitted to Congress earlier this year. This bill also is similar to H.R. 6845, which the Senate passed this session, and

which also gives the Coast Guard authority to conduct oceanographic research. This measure is now in conference.

It should also be noted that several Government agencies are currently conducting expanded oceanographic research and development programs. These agencies object to S. 901 because it would inhibit the flexibility of their programs. In addition, the placement of a 10-year limitation on costs does not take into account the probable modifications which will result over the years from changes in agency requirements and technological advancements, and which would also inevitably result in frequent changes and additional appropriations by Congress to the already expensive program.

Finally, I do not think this measure places enough emphasis upon the training of young scientists. Such training constitutes an important segment to an effective long-range program.

For these reasons, I hope the Senate will reject the measure, even though I concur with the worthy principles embodied in its provisions.

Mr. KEATING. Madam President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. KEATING. I commend the Senator from Massachusetts upon his very timely statement. I am impressed by the fact that according to the report, as I understand it, seven of the nine Government agencies which were asked to comment on the bill, namely, the Treasury, the OCDM, the National Science Foundation, the Navy Department, the Department of the Interior, the Department of Commerce, and the Atomic Energy Commission, rendered adverse reports.

Mr. SALTONSTALL. That is my understanding.

Mr. KEATING. It is particularly significant that the National Science Foundation rendered an adverse report, since that is the agency for which a large part of the authorization is supposed to be provided.

The National Science Foundation, which certainly should know what is and what is not required in this field, opposes this program on the ground that it will hamper the flexibility of our existing programs of research in oceanography. It is simply not possible to design a detailed program for the next 10 years in a field that is changing as rapidly as oceanography. The opinion of the National Science Foundation deserves particular attention in this matter, because the Foundation is actually declining to add a new agency to its dominion. This is surely an unusual performance for a department of the Government, and deserves to be admired and to be observed with respect.

Besides the National Science Foundation, the Navy, the Department of Interior, and the Treasury, all of which would receive sizable additional authorizations under this bill, have forthrightly declared that this legislation is not necessary. That is not to say that the objectives of this bill are not praiseworthy or desirable, under normal circumstances. It is simply to say that the bill is not now necessary. The word "necessary" is one that we are going to hear more and more in the weeks and months ahead. In light of the critical world situation that the President described the other night, and which many of us have seen coming for some time, this Nation cannot afford to indulge, at the present time, in programs that in normal times might be desirable but which are not now necessary.

The President has said that we must make sacrifices. I think that this is just the sort of thing that he had in mind and that is one of the reasons so many Government departments oppose this bill. This program, if enacted, would cost a total of $700 million. Is this a time that we can afford to spend $700 million on a program of this kind, which makes little direct contribution to our Nation's defense? I am afraid not. I support the objectives of oceanographic research. I favor the continuation of existing research efforts, as called for by the President. But I do not favor this massive increase of Federal expenditures for a nondefense purpose at this time.

Mr. SALTONSTALL. I thank the Senator from New York.

TRIBUTE TO LT. GEN. ARTHUR G. TRUDEAU

Mr. PROUTY. Madam President, will the Senator from Illinois yield time to me?

Mr. DIRKSEN. Madam President, I yield 3 minutes to the distinguished Senator from Vermont.

Mr. PROUTY. Madam President, Lt. Gen. Arthur G. Trudeau, Chief of the Army's research and development, along with other distinguished, patriotic Americans, has had another "medal" pinned on him. I speak only of General Trudeau because he is a native of my State and a personal and highly esteemed friend. The "medal" is the attack on him by the official organ of the Communist Party, U.S.A., the Worker. The article containing the attack was placed in the CONGRESSIONAL RECORD of July 26 by the distinguished junior Senator from South Carolina [Mr. THURMOND].

To be attacked by the Communists is an honor for an American and a recognition of patriotic duty well done, for otherwise they would not bother to attack.

The Worker article quoted in the RECORD states:

> There is a not-so-secret memo being circulated in the Pentagon calling for open intervention aimed at overthrowing some of the Socialist governments. It is being circulated among senior military officers by the Army Research and Development Chief, Lt. Gen. Arthur G. Trudeau.

I know nothing about the memo referred to, or even if it exists, but I know General Trudeau, and I know that his patriotism, his honesty, and his integrity are beyond impeachment. Whatever he does, he does with the sincere intent of aiding and defending his country. He has devoted more than 40 years of his life to the service of his country, and he has served it well. This very day he is in the Far East on a mission of importance to his country and the free world.

Lt. Gen. Arthur G. Trudeau, Chief of Research and Development of the U.S. Army, is a native of Middlebury, Vt., and a West Point graduate, class of 1924.

From the day that he was commissioned a second lieutenant in the Corps of Engineers to this moment, when he bears the burdens of three-star responsibilities, he has served our Nation with distinction, worldwide, in positions of command and staff.

Eight times General Trudeau has been decorated by our country, twice for gallantry in action. Five foreign nations and the United Nations likewise have honored him.

Time permits me to cover but a few of the highlights of his career:

Early in World War II he was one of our leading experts in amphibious operations.

In 1944 he was promoted to the rank of brigadier general and appointed as Director of Military Training, Army Service Forces.

At the war's close in 1946, he was named Chief of Manpower Control Group, General Staff, Washington, D.C.

In 1948 he was commander of the First Constabulary Brigade in Germany; and in 1950, First Deputy Commandant of the reactivated Army War College.

In 1952, during the Korean war, he was called to command the 1st Cavalry Division in Japan and the 7th Infantry Division in Korea. Troops of that command fought the historic battle of Pork Chop Hill.

In November 1953, after the conclusion of the fighting in Korea, he was ordered back to Headquarters, Washington, and assigned as Assistant Chief of Staff for Intelligence.

In 1955, again in Japan, he was made Deputy Chief of Staff, Far East and United Nations Command, and 1 year later he was promoted to the rank of lieutenant general, commander of the I Corps group in Korea.

In 1958, General Trudeau, engineer, planner, administrator, teacher, trainer, and fighting man, was assigned the challenging position which today he holds as Chief of Army Research and Development.

There is nothing I can say that will add to this glorious record, and there is nothing the Communists can say that will besmirch it.

Should General Trudeau receive a promotion before June of next year, his invaluable services will still be available to the Nation. Otherwise he would routinely be retired because of age. In these dangerous times it would be tragic for the Nation to lose this irreplaceable storehouse of knowledge and experience.

Fortunately, according to the press, both the President and the Military Establishment are seeking ways in which General Trudeau's background can best be utilized in the interest of his country.

The press has reported that he was one of those under consideration by the President as his personal Chief of Staff, an assignment which went to another

great military man, Gen. Maxwell Taylor. Incidentally, when General Taylor was placed in charge of our fighting forces in Korea, the first man he sent for to place in charge of a division was General Trudeau. Later, when he was Chief of Staff, General Taylor called on General Trudeau to replace General Gavin as Chief of Army Research and Development.

Reports have also been published in the press that General Trudeau is now being considered as a replacement for Gen. Clyde D. Eddleman, who, it is understood, is scheduled for retirement as Vice Chief of Staff in January 1962.

The newspapers have also published articles stating that General Trudeau may be in line for the position of Director of the Central Intelligence Agency, if and when the present director, Allen Dulles, retires.

However he may be used, used he must be, for the United States cannot afford to lose the knowledge, the experience, and the rare qualities of General Trudeau.

MARINE SCIENCES AND RESEARCH ACT OF 1961

The Senate resumed the consideration of the bill (S. 901) to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Minnesota [Mr. HUMPHREY].

The PRESIDING OFFICER (Mr. METCALF in the chair). The Senator from Minnesota is recognized for 2 minutes.

Mr. HUMPHREY. I thank the Senator from Illinois for yielding to me.

Mr. President, I am pleased indeed at having the opportunity today to vote for the oceanography bill which is now before us. There has been a lot of talk and a lot of stories on outer space and our efforts to explore it. And this is good. But there has been all too little attention focused on what the Commerce Committee in its report so aptly calls the neglected frontier; namely, study of the world's oceans and the Great Lakes. This bill is an effort to set in motion a national program to increase our knowledge of marine science.

Representing a State which borders on the Great Lakes—the largest body of fresh water in the world—this bill is of very special interest to me. It is a subject in which I have long been interested, and I have stressed time and time again the necessity of our doing more, much more, study in this area.

I am proud to note that serving on the Committee on Oceanography, which has played such an important role in focusing our attention on this subject, has been Dr. Athelstan Spilhaus, dean of the University of Minnesota's Institute of Technology.

Passage of this measure will set in motion an exciting and monumental program of research into the mysteries of the sea and the Great Lakes.

With passage of this bill we stand on the threshold of a bold and exciting venture into the unknown. The benefits to be derived are numerous. They cover health, defense, transportation, food, fuel, medicine and many other fields as well.

I note with great interest in the committee's report that the country which is giving the greatest attention to oceanography research is the Soviet Union which has more research ships in operation than all of the free world put together.

Mr. President, this is a shocking situation. We should be ashamed that a country such as the U.S.S.R., which was nothing more than a feudal land 40 years ago, should have stolen the ball in this area. It is time that we woke up. It is time that we move forward in this area and put our scientific brainpower and industrial might to work to unleash the secrets of the seas.

In conclusion, I want to commend the Commerce Committee and its distinguished chairman, Mr. MAGNUSON, for the fine work that has been done on this proposal. Few proposals have come before the Congress which can do as much to advance scientific knowledge and contribute to the improvement of the welfare of mankind.

POPE JOHN XXIII'S SOCIAL ENCYCLICAL, "MATER ET MAGISTRA"

Mr. HUMPHREY. Mr. President, I can think of no more appropriate time than now, on the eve of Senate consideration of the foreign aid bill, to direct attention to the social encyclical entitled "Mater et Magistra," issued this month by Pope John XXIII.

This encyclical by a great spiritual leader, scholar, and humanitarian expresses in clear and eloquent language the Catholic Church's concern with the problems man faces in the mid-20th century and the need for reconstruction of social relationships in truth, justice, and love.

One of the major points of this encyclical deals with the relationship between wealthy nations and the underdeveloped areas which Pope John calls probably the most difficult problem of the modern world.

On this issue Pope John states:

> The solidarity which binds all men and makes them members of the same family requires political communities enjoying an abundance of material goods not to remain indifferent to those political communities whose citizens suffer from poverty, misery, and hunger, and who lack even the elementary rights of the human person.
>
> This is particularly true since, given the growing interdependence among the peoples of the earth, it is not possible to preserve lasting peace if glaring economic and social inequality among them persists.
>
> Mindful of our role of universal father, we feel obliged to stress solemnly what we have stated in another connection: "We are all equally responsible for the undernourished peoples. Therefore, it is necessary to educate one's conscience to the sense of responsibility which weighs upon each and everyone, especially upon those who are more blessed with this world's goods."

Mr. President, it is this responsibility to those in the world who have all too little of worldly goods; that is the basic reason behind our foreign aid program. This program is based upon humanitarian and morally sound principles in keeping with the teachings of the great religious bodies of the Western World.

This encyclical is so important, Mr. President, that I feel that its text should be placed in the RECORD, so as to permit all interested Members of Congress to read it in full. Therefore, I ask unanimous consent, Mr. President, that editorial comments and articles on this encyclical from several of our leading newspapers and magazines, all speaking in the most commendatory terms, be inserted in the RECORD, following the text of the encyclical itself.

There being no objection, the encyclical and the editorials and articles were ordered to be printed in the RECORD, as follows:

To Our Venerable Brethren, the Patriarchs, Primates, Archbishops, Bishops and Other Ordinaries, in Peace and Communion With the Apostolic See, and to All the Clergy and Faithful of the Catholic World:

Venerable brethren and dear sons, health and apostolic benediction.

Mother and teacher of all nations, the universal church has been instituted by Jesus Christ so that all who in the long course of centuries come to her loving embrace may find fullness of higher life and guarantee of salvation.

To this church, "the pillar and ground of truth," her Most Holy Founder has entrusted the double task of begetting children and of educating and governing them, guiding with maternal providence the life both of individuals and of peoples, the dignity of which she has always held in the highest respect and guarded with watchful care.

Christianity is truly a joining together of earth with heaven in that it takes man concretely, spirit and matter, intellect and will, and invites him to raise his mind above the changing conditions of earthly existence to the heights of eternal life which will be consummated in unending happiness and peace.

Hence although the holy church has the special task of sanctifying souls and making them participants in goods of the supernatural order, she is also solicitous for the exigencies of the daily life of men, not merely those concerning the nourishment of the body and the material conditions of life, but also those that concern prosperity and culture in all its many aspects and stages.

In this activity the church is carrying out the command of her founder, Christ, who refers primarily to man's eternal salvation when he says, "I am the way and the truth and the life" and "I am the light of the world." On other occasions, however, seeing the hungry crowd, He was moved to exclaim, "I have compassion on this multitude," thereby showing that He was also concerned about the earthly needs of men. The Divine Redeemer shows this care not only by His words but also by the actions of His life, as when to alleviate the hunger of the crowds He several times miraculously multiplied bread. By means of this bread, given for the nourishment of the body, He wished to preannounce that heavenly food of the soul which He was to give to men on the vigil of His Passion.

It is no wonder then that the church, in imitation of Christ and in fulfilment of His command, has for 2,000 years, from the institution of the early deacons to the present time, held aloft the torch of charity by her teaching and her generous example. It has held aloft the torch of that charity which, by harmoniously blending together the precepts and the practice of mutual love, puts into effect in a wonderful way the commandment of the twofold giving by word and by deed in which is summarized the social teaching and activity of the church.

An outstanding instance of this teaching and action, carried on by the church throughout the ages, is undoubtedly the immortal encyclical, "Rerum Novarum," issued 70 years ago by our predecessor Leo XIII, of happy memory to enunciate the principles according to which the question of the worker could be settled in a Christian manner.

Seldom have the words of a pontiff had such universal repercussions on account of the profundity of the arguments used, their scope and incisiveness. Indeed these directives and appeals have had such importance that they can never fall into oblivion.

A new path was opened for the action of the church, whose supreme pastor by making his own the suffering, cries and aspirations of the lowly and oppressed, once again constituted himself the guardian of their rights.

Even today, in spite of the long lapse of time, the power of that message is still operative in the documents of the Popes who succeeded Leo XIII, and who in their social teaching repeatedly return to the Leonine encyclical, at one time to draw inspiration from it, at another to clarify its application, but always to find in it a stimulus to Catholic activity.

That power is also operative in the very legislation of nations. This is a sign that the solidly grounded principles, the historical directives and the paternal appeals contained in the masterly encyclical of our predecessor preserve today their value and even suggest new and vital criteria so that men can judge the nature and extent of the social question as it presents itself today and can face up to their respective responsibilities.

PART I. TEACHING OF THE ENCYCLICAL RERUM NOVARUM AND DEVELOPMENT IN THE DOCTRINE OF PIUS XI AND PIUS XII

Period of Rerum Novarum

Leo XIII spoke in a time of radical transformations, of heightened contrasts and of bitter revolt. The shadows cast by that period enable us to appreciate more accurately the light that radiated from his teaching.

As is well known, the conception of the economic world that was most widely accepted at that time and very largely carried out in practice, was a naturalistic one that denied any relation between economic activity and morality.

It was alleged that the only motive of economic action was personal profit. The supreme rule regulating the relations between economic agents was free competition without limit. Interest on capital, prices of goods and services, profits and wages, were determined purely mechanically by the laws of the market.

The state, it was held, should refrain from all intervention in the economic field. Trade unions, according to the conditions of the different countries, were either forbidden, tolerated, or considered to have legal personality in private law.

In an economic world thus constituted, the law of the strongest was fully justified on theoretical grounds, and in practice governed the concrete relations between men. There thus resulted an economic order that was radically deranged.

While enormous riches accumulated in the hands of a few, the working classes found themselves in conditions of increasing hardship. Wages were insufficient or at starvation level, conditions of work were oppressive and without respect for physical health, moral behavior, and religious faith.

Especially inhuman were the working conditions to which children and women were subjected. The specter of unemployment was ever present and the family was exposed to a process of disintegration.

Hence, there was widespread dissatisfaction among the working classes, among whom a spirit of protest and revolt permeated and grew stronger. All these things explain why among these classes extremist theories that propounded remedies worse than the evil to be cured found widespread favor.

The Way of Reconstruction

In such difficult times, it was for Leo XIII to proclaim his social message based on the very nature of man and animated by the principles and spirit of the gospel. It was a message that on its very appearance, in spite of some understandable opposition, aroused widespread admiration and enthusiasm.

This was certainly not the first time that the apostolic see descended into the arena of earthly interest in defense of the needy. Other documents of Leo XIII had previously marked out the path.

But here was formulated an organic synthesis of principles joined to such a wide historical perspective that the encyclical "Rerum Novarum" became a summary of Catholicism in the economic-social field.

This action was not without hazard, because while some alleged that the church, face to face with the social question, should confine herself to preaching resignation to the poor and to exhorting the rich to generosity, Leo XIII did not hesitate to proclaim and defend the legitimate rights of the worker.

At the outset of his exposition of Catholic teaching on social matters, he solemnly declared: "We approach the subject with confidence and in the exercise of the rights which belong to us. For no practical solution of the question will ever be found without the assistance of religion and the church."

To you, venerable brethren, are well known those basic principles, expounded with as much authority as clarity by the immortal pontiff, according to which the economic-social sector of human society should be reconstituted.

They first and foremost concern work, which ought to be valued and treated not just as a commodity but as an expression of the human person.

For the great majority of mankind, work is the only source from which they draw their means of livelihood, and so its remuneration cannot be left to the mechanical play of market forces. Instead, it should be determined by justice and equity, which otherwise would be profoundly harmed even if the contract of work should have been freely entered into by both parties.

Private property, including that of productive goods, is a natural right which the state cannot suppress. Embedded within it is a social function, and it is, thus, a right that is exercised for one's personal benefit and for the good of others.

The state, the reason for whose existence is the realization of the common good in the temporal order, cannot keep aloof from the economic world. It should be present to promote in a suitable manner the production of a sufficient supply of material goods, "the use of which is necessary for the practice of virtue," and to watch over the rights of all citizens, especially of the weaker, such as workers, women and children. It is also its ineluctable task to contribute actively to the betterment of the condition of life of the workers.

Condition of Life of Workers

It is further the duty of the state to see to it that work relations are regulated according to justice and equity and that in the environment of work the dignity of the human being is not violated in body or spirit.

On this point attention is drawn to the guiding lines of the Leonine encyclical on which the social legislation of modern nations has been patterned and which, as Pius XI already noted in the encyclical "Quadragesimo Anno," have contributed efficaciously to the rise and development of a new and most desirable branch of jurisprudence, namely labor law.

In the encyclical the right of the workers alone, or of groups made up of workers and owners, to associate is declared to be natural, as are also the right to adopt that organizational structure which the workers consider most suitable to attain their legitimate economic-professional interests, and the right to act autonomously and by personal initiative within the associations for the achievement of these ends.

Workers and employers should regulate their mutual relations under the inspiration of the principle of human solidarity and Christian brotherhood, because both competition in the liberal sense and the class struggle in the Marxist sense are contrary to nature and the Christian conception of life. These, venerable brethren, are the fundamental principles on which a healthy economic-social order can be built.

It is not surprising, therefore, that the more ably endowed Catholics, responsive to the appeals of the encyclical, began many activities in order to translate these principles into reality.

Indeed, under the impulse of objective needs of a similiar nature, men of good will from all the nations of the earth were also moved to act in a similar manner.

For these reasons, the encyclical was rightly acknowledged as the Magna Carta of the economic-social reconstruction of the modern era.

The encyclical "Quadragesimo Anno"

Pius XI, our predecessor of holy memory, after a lapse of 40 years, commemorated the encyclical "Rerum Novarum" with another solemn document, the encyclical "Quadragesimo Anno."

In it the supreme pontiff confirmed the right and duty of the church to make its irreplaceable contribution to the correct solution of the pressing and grave problems that beset the human family. He confirms the fundamental principles and the historic directives of the Leonine encyclical.

In addition, he took the opportunity to make more precise some points of that teaching on which, even among Catholics, some doubts had arisen, and to reformulate Christian social thought in response to the changed conditions of the times.

The doubts that had thus arisen concerned particularly private property, the wage system and the attitude of Catholics toward a type of moderate socialism.

Concerning private property, our predecessor reaffirms its natural law character and emphasizes its social aspect with its corresponding function.

Turning to the wage system, he rejects the view that would declare it unjust by its very nature. But, at the same time, he condemns the inhuman and unjust forms under which it is often found. He repeats and enlarges upon the criteria to be used and the conditions to be satisfied if the wage system is not to violate justice or equity.

On this point, our predecessor clearly points out that, in the present circumstances, it is advisable that the contract of work be modified by elements taken from the contract of partnership, in such a way that "the wage earners are made sharers in some sort in the ownership, or the management, or the profits."

Of the greatest doctrinal and practical importance is his affirmation that "if the social and individual character of labor be overlooked, it can be neither equitably appraised nor properly recompensed according to strict justice."

Hence, the Pope declares that in determining wages, justice requires that, in addition to the needs of the individual workers and their family responsibilities, one should also consider both the conditions in the productive organizations in which the workers carry on their labor and the demands of "the public economic good."

He emphasizes that the opposition between communism and Christianity is fundamental, and makes it clear that Catholics are in no way permitted to be supporters of moderate socialism because its concept of life is bounded by time, inasmuch as it places its supreme objective in the welfare of society, and because it either proposes a form of social structure that aims solely at production, thus causing grave loss to human liberty, or lacks every principle of true social authority.

Pius XI was not unaware that, in the 40 years that had passed since the appearance of the Leonine encyclical, historical conditions had profoundly altered.

In fact, free competition, due to its own intrinsic tendencies, had ended by almost destroying itself. It had caused a great accumulation of wealth and a corresponding concentration of economic power in the hands of a few who "are frequently not the owners, but only the trustees and directors of invested funds, who administer them at their good pleasures."

Therefore, as the Pope discerningly notes: "Free competition is dead; economic dictatorship has taken its place. Unbridled ambition for domination was succeeded by the desire for gain; the whole economic life has become hard, cruel, and relentless in a ghastly measure," thus subjecting the public authority to the interests of groups and issuing forth in international imperialism in financial affairs.

To remedy such a state of affairs, the Pope points out as fundamental the reinstatement of the economic world in the moral order and the striving for individual or group interests within the framework of the common good.

This implied, according to his teaching, the reconstruction of human society by the reconstituting of intermediate bodies, autonomous in their economic-professional finality and not imposed by the state but created by the respective members.

Public authority should resume its duties of promoting the common good of all.

Finally, there should be cooperation on a world scale even in economic matters among the nations.

The fundamental points that characterize the masterly encyclical of Pius XI can be reduced to two.

The first is that one cannot take as the supreme criteria of economic activities and institutions the interest of individuals or of groups, nor free competition nor economic power, nor the prestige or power of the nation, nor other similar criteria.

Instead, the supreme criteria of such activities and institutions are justice and social charity.

The second is that men should strive to achieve a national and international juridical order with a complex of public and private permanent institutions inspired by social justice, to which the economic sector should be conformed, thus making it less difficult for economic agents to carry out their tasks in conformity with the demands of justice and within the framework of the common good.

(Radio message of Pentecost 1941)

In defining and developing the Christian social doctrine great contributions have been made by Pope Pius XII. Our predecessor of venerable memory, who on the feast of Pentecost, June 1, 1941, broadcast a message "in order to call to the attention of the Catholic world a memory worthy of being written in letters of gold on the calendar of the church: the 50th anniversary of the publication of the epoch-making social encyclical of Leo XIII, "Rerum Novarum," and "to render to Almighty God from the bottom of our heart our humble thanks for the gift which * * * He bestowed on the church in that encyclical of His vicar on earth and to praise Him for the lifegiving breath of the spirit which through it, in ever growing measure from that time on, has blown on all mankind."

In the radio message the great pontiff claims for the church "the indisputable competence to decide whether the bases of a given social system are in accord with the unchangeable order which God our Creator and Redeemer has shown us through the natural law and revelation."

He confirms the perennial vitality and inexhaustible rightness of the teaching of the encyclical "Rerum Novarum."

He takes the occasion "to give some further directive moral principles on three fundamental values of social and economic life. These three fundamental values, which are closely connected one with the other, mutually complementary and dependent, are: The use of material goods, labor, and the family."

Concerning the use of material goods, our predecessor declares that the right of every man to use them for his own sustenance is prior to every other right of economic import and so is prior to the right to property.

Undoubtedly, adds our predecessor, the right to property in material goods is also a natural right. Nevertheless, in the objective order established by God, the right to property should be so arranged that it is not an obstacle to the satisfaction of "the unquestionable need that the goods, which were created by God for all men, should flow equally to all, according to the principles of justice and charity."

Taking up a point that occurs in the Leonine encyclical, Pius XII declares that work is at one and the same time a duty and a right of every human being. Consequently, it is for men in the first place to regulate their mutual relations of work.

Only in the event that the interested parties do not or cannot fulfill their functions, does "it fall back on the state to intervene in the field of labor and in the division and distribution of work according to the form and measure that the common good properly understood demands."

In dealing with the family, the supreme pontiff affirms that private ownership of material goods is also considered as being linked with "the existence and development" of the family, that is to say with an apt means "to secure for the father of a family the healthy liberty he needs in order to fulfill the duties assigned him by the Creator regarding the physical, spiritual and religious welfare of the family."

In this also is included the right to emigrate. On this point our predecessor observes that when the states, both those that permit emigration and those that accept immigrants, try to eliminate "as far as possible all obstacles to the birth and growth of real confidence" among themselves, mutual advantages result, and together they contribute to the well-being of mankind and the progress of culture.

The situation, already changed during the period mentioned by Pius XII, has undergone in these two decades profound transformations both in the internal structure of each political community and in their mutual relations.

In the field of science, technology and economics: The discovery of nuclear energy, its application first to the purposes of war and later its increasing employment for peaceful ends; the unlimited possibilities opened up by chemistry in synthetic products; the growth of automation in the sectors of industry and services; the modernization of the agricultural sector; the virtual disappearance of distances through communication effected especially by radio and television; the increased speed in transportation; the initial conquests of interplanetary space.

In the social field: the development of systems for social insurance and, in some more economically advanced political communities the introduction of social security systems; in labor movements the formation of, and the increased importance attached to, a more responsible attitude toward the greater socioeconomic problems; a progressive improvement of basic education; an ever wider distribution of welfare; an increased social mobility and the resulting decline in the divisions among the classes; the interest in world events on the part of those with an average education.

Furthermore, the increased efficiency of economic systems in a growing number of political communities helps to underscore the lack of economic-social balance between the agricultural sector on the one hand and the sector of industry and services on the other; between economically developed and less developed areas within the individual political communities; and on a worldwide plane, the even more pronounced socioeconomic inequality existing between economically advanced countries and those in the process of development.

In the political field: the participation in public life in many political communities of an increasing number of citizens coming from diverse social strata; a more extensive and deeper activity of public authorities in the economic and social field.

To these must also be added, on the international level, the end of colonial regimes and the attainment of political independence of the peoples of Asia and Africa; the growth of close relationships between the peoples and a deepening of their interdependence; the appearance on the scene and development of an ever growing network of organizations with a worldwide scope and inspired by supranational criteria: organizations with economic, social, cultural and political ends.

Reasons for new encyclical

Therefore we feel it our duty to keep alive the torch lighted by our great predecessors and to exhort all to draw from it inspiration and orientation in the search for a solution to social problems more adapted to our times.

For this reason, on the occasion of the solemn commemoration of the Leonine encyclical, we are happy to have the opportunity to confirm and specify points of doctrine already treated by our predecessors and, at the same time, to elucidate further the mind of the church with respect to the new and more important problems of the day.

PART II. EXPLANATION AND DEVELOPMENT OF THE TEACHING IN "RERUM NOVARUM"

Private initiative and intervention of public authorities in economics

First of all, it should be affirmed that the economic order is the creation of the personal initiative of private citizens themselves, working either individually or in association with each other in various ways for the prosecution of common interests.

But here, for the reasons our predecessors have pointed out, the public authorities must not remain inactive if they are to promote productive development in a proper way on behalf of social progress for the benefit of all citizens.

Their action, whose nature is to direct, stimulate, coordinate, supply and integrate, should be inspired by the "principle of subsidiarity" formulated by Pius XI in the encyclical "Quadragesimo Anno":

"This is a fundamental principle of social philosophy, unshaken and unchangeable. Just as it is wrong to withdraw from the individual and commit to the community at large what private enterprise and industry can accomplish, so too it is an injustice, a grave evil and a disturbance of right order for a larger and higher organization to arrogate to itself functions which can be performed efficiently by smaller and lower bodies, of its very nature, the true aim of all social activity should be to help individual members of the social body, but never to destroy or absorb them."

It cannot be denied that today the development of scientific knowledge and productive technology offers the public authorities concrete possibilities of reducing the inequality between the various sectors of production, between the various areas of political communities and between the various countries themselves on a worldwide scale.

This development also puts it within their capability to control fluctuations in the economy and, with hope of success, to prevent the recurrence of massive unemployment.

Consequently, those in authority, who are responsible for the common good, feel the need not only to exercise in the field of economics a multiform action, at once more vast, more profound and more organic, but also it is required, for this same end, that they give themselves suitable structures, tasks, means and methods.

But the principle must always be reaffirmed that the presence of the state in the economic field, no matter how widespread and penetrating, must not be exercised so as to reduce evermore the sphere of freedom of the personal initiative of individual citizens, but rather so as to guarantee in that sphere the greatest possible scope, by the effective protection for each and all, of the essential personal rights, among which is to be numbered the right that individual persons possess of being always primarily responsible for their own upkeep and that of their own family, which implies that in economic systems the free development of productive activities should be permitted and facilitated.

For the rest, historic evolution itself puts into relief, even more clearly that there cannot be a well ordered and fruitful society without the support in the economic field both of the individual citizen and of the public authorities; a working together in harmony in the proportions corresponding to the needs of the common good in the changing situations and vicissitudes of human life.

Experience, in fact, shows that where the personal initiative of individuals is lacking, there is political tyranny. But there is also stagnation in the economic sectors engaged in the production especially of the wide range of consumer goods and services which pertain, in addition to material needs, to the requirements of the spirit—goods and services which call into play in a special way the creative talents of individuals.

While, where the due services of the state are lacking or defective, there is incurable disorder and exploitation of the weak on the part of the unscrupulous strong who flourish in every land and at all times, like the cockle among the wheat.

Socialization

Origin and Scope

One of the typical aspects which characterizes our epoch is socialization, understood as the progressive multiplication of relations in society, with different forms of life and activity, and juridical institutionalization.

This is due to many historical factors, among which must be numbered technical and scientific progress, a greater productive efficiency and a higher standard of living among citizens.

Socialization is, at one and the same time, an effect and a cause of the growing intervention of the public authorities in even the most crucial matters, such as those concerning the care of health, the instruction and education of the younger generation, the controlling of professional careers and the methods of care and rehabilitation of those variously handicapped.

But it is also the fruit and expression of a natural tendency almost irrepressible in human beings, the tendency to join together to attain objectives which are beyond the capacity and means at the disposal of single individuals.

A tendency of this sort has given life, especially in these last decades, to a wide range of groups, movements, associations and institutions with economic, cultural, social, sporting, recreational, professional and political ends, both within single national communities and on an international level.

Evaluation

It is clear that socialization, so understood, brings many advantages. It makes possible, in fact, the satisfaction of many personal rights, especially those called economic-social, such as, for example, the right to the indispensable means of human maintenance, to health services, to instruction at a higher level, to a more thorough professional formation, to housing, to work, to suitable leisure and to recreation.

In addition, through the evermore perfect organization of modern means for the diffusion of thought—press, cinema, radio, television—it is made possible for individuals to take part in human events on a worldwide scale.

At the same time, however, socialization multiplies the forms of organization and makes the juridical control of relations between men of every walk of life evermore detailed.

As a consequence, it restricts the range of the individual as regards his liberty of action. It uses means, follows methods, and creates an atmosphere which makes it difficult for each one to think independently of outside influences, to work of his own initiative, to exercise his responsibility, and to affirm and enrich his personality.

Ought it to be concluded, then, that socialization, growing in extent and depth, necessarily reduces men to automatons? This is a question which must be answered negatively.

For socialization is not to be considered as a product of natural forces working in a deterministic way.

It is, on the contrary, as we have observed, a creation of men, of beings conscious, free, and intended by nature to work in a responsible way even if in their so acting they are obliged to recognize and respect the laws of economic development and social progress and cannot escape from all the pressures of their environment.

Hence, we consider that socialization can and ought to be realized in such a way as to draw from it the advantages contained therein and to remove or restrain the negative aspects.

For this purpose, then, it is required that a sane view of the common good be present and operative in men invested with public authority, a view which is formed by all those social conditions which permit and favor for the human race the integral development of their personality.

Moreover, we consider necessary that the intermediary bodies and the numerous social enterprises, in which above all socialization tends to find its expression and its activity, enjoy an effective autonomy in regard to the public authorities and pursue their own specific interests in loyal collaboration between themselves, subordinate, however, to the demands of the common good.

For it is no less necessary that the above-mentioned groups present the form and substance of a true community; that is, that the individual members be considered and treated as persons and encouraged to take an active part in their life.

In the development of the organizations of modern society, order is realized evermore with a renewed balance between the need of the autonomous and active collaboration of all, individuals and groups, and the timely coordination of the direction of the public authority.

So long as socialization confines its activity within the limits of the moral order, along the lines indicated, it does not of its nature entail serious dangers of restriction to the detriment of individual human beings.

Instead, it helps to promote in them the expression and development of truly personal characteristics. It produces, too, an organic reconstruction of society, which our predecessor Pius XI in the encyclical "Quadragesimo Anno" put forward and defended as the indispensable prerequisite for satisfying the demands of social justice.

Remuneration of work

Standards of Justice and Equity

Our heart is filled with a deep sadness in contemplating the immeasurably sorrowful spectacle of vast numbers of workers in many lands and entire continents who are paid wages which condemn them and their families to subhuman conditions of life.

This is doubtless due, among other reasons, to the fact that in these countries and continents the process of industrialization is just beginning or is still insufficiently developed.

In some of these countries, however, there stands in harsh and offensive contrast to the wants of the great majority the abundance and unbridled luxury of the privileged few.

In still other countries, the present generation is compelled to undergo inhuman privations in order to increase the output of the national economy at a rate of acceleration which goes beyond the limits permitted by justice and humanity, while in other countries a notable percentage of income is absorbed in building up or furthering an ill-conceived national prestige, or vast sums are spent on armaments.

Moreover, in the economically developed countries it not rarely happens that while great and sometimes very great remuneration is made for the performance of some small task, or one of doubtful value, the diligent and profitable work of whole classes of decent, hard-working men receives a payment that is much too small, insufficient or in no way corresponding to their contribution to the good of the community, to the profit of the undertakings in which they are engaged or to the general national economy.

We judge it, therefore, to be our duty to reaffirm once again that the remuneration of work, just as it cannot be left entirely to the laws of the market, so neither can it be fixed arbitrarily.

It must rather be determined according to justice and equity. This requires that workers should be paid a wage which allows them to live a truly human life and to face up with dignity to their family responsibilities.

But it requires, too, that, in the assessment of their remuneration, regard be had to their effective contribution to the production and the economic state of the enterprise, to the requirement of the common good of the respective political communities, especially with regard to the repercussions on the overall employment of the labor force in the entire country, and also to the requirements of the universal common good, that is, of international communities of different nature and scope.

It is clear that the standards of judgment set forth above are binding always and everywhere, but the degree according to

which concrete cases are to be applied cannot be established without reference to the available wealth, wealth which can vary in both quantity and quality and which can, and in fact does, vary from country to country and within the same country from time to time.

Process of adjustment between economic development and social progress

Whereas the economics of various countries are evolving rapidly and at an even more intense pace during this postwar period, we consider it opportune to call attention to a fundamental principle, namely that social progress should accompany and be adjusted to economic development so that all classes of citizens can participate in the increased productivity.

Attentive vigilance and effective effort must be made so that socioeconomic inequalities do not increase but rather that they be lessened as much as possible.

"Likewise the national economy," observes our predecessor Pius XII with evident justification, "as it is the product of the men who work together in the community of the state, has no other end than to secure without interruption the material conditions in which the individual life of the citizen may fully develop.

"Where this is secured in a permanent way a people will be, in a true sense, economically rich because the general well-being, and consequently the personal right of all to the use of worldly goods, is thus actuated in conformity with the purpose willed by the Creator."

From this it follows that the economic wealth of a people arises not only from an aggregate abundance of goods but also and more so from their real and efficacious redistribution according to justice as a guarantee of the personal development of the members of society, which is the true scope of a national economy.

We must here call attention to the fact that in many economies today, the medium and large enterprises not rarely effect rapid and large productive developments by means of self-financing.

In such cases we hold that the workers should acquire shares in the firms in which they are engaged, especially when they earn no more than the minimum salary.

In this matter we must recall the principle explained by our predecessor Pius XI in the encyclical "Quadragesimo Anno." "It is totally false to ascribe to capital alone or to labor alone that which is obtained by the joint effort of the one and the other. And it is flagrantly unjust that either should deny the efficacy of the other and seize all the profits."

The demand of justice referred to can be satisfied in many ways suggested by experience. One of these, and among the most desirable, is to see to it that the workers, in the manner and to the degree most convenient, be able to participate in the ownership of the enterprise itself, since today more than in the times of our predecessor "every effort, therefore, must be made that at least in the future a just share only of the fruits of production be permitted to accumulate in the hands of the wealthy, and that an ample sufficiency be supplied to the workingmen."

But we should, moreover, remember that adjustments between recompense for work and returns be brought about in conformity with the demands of the common good, both of one's own community and of the entire human family.

The demands of the common good on the national level must be considered: To provide employment to the greatest number of workers; to take care lest privileged classes arise, even among the workers; to maintain an equal balance between wages and prices and make goods and services accessible to the greater number of citizens; to eliminate or keep within limits the inequalities between the sectors of agriculture, industry, and services; to bring about a balance between economic expansion and the development of essential public services; to adjust as far as possible the means of production to the progress of science and technology; to regulate the improvements in the tenor of life of the present generation with the objective of preparing a better future for the coming generations.

There also demands for the common good on the world level: to avoid all forms of unfair competition between the economies of different countries; to encourage with fruitful understanding collaboration among these national economies; to cooperate in the economic development of communities which are economically less advanced.

It is obvious that the demands of the common good, referred to both on the national and world level, are to be kept in mind when there is a question of determining the rate of return to be assigned as profit to those responsible for the direction of the enterprise and to the contribtuors' capital in the form of interest and dividends.

Demand of justice in regard to productive structure is harmony with man

Justice is to be observed not only in the distribution of wealth, but also with reference to the structures of the enterprises in which productive activity unfolds itself.

There is, in fact, an innate exigency in human nature which demands that when men are engaged in productive activity, they have the opportunity of employing their own responsibility and perfecting their own being.

Wherefore, if the structures, functioning and surroundings of an economic system are such as to compromise human dignity, insofar as men unfold their proper activity in it, or if it systematically blunts in them the sense of responsibility or constitutes in any way an impediment to the expression of their personal initiative, such an economic system is unjust, even if, by hypothesis, the wealth produced through it reaches a high standard and this wealth is distributed according to the criteria of justice and equity.

Confirmation of Directive

It is not possible to spell out in particular that structure of an economic system which is more in conformity with the dignity of man and more suitable to developing in him a sense of responsibility. Nevertheless, our predecessor, Pius XII, opportunely delineates this directive as follows:

"The small and averaged sized undertakings in agriculture, in the arts and crafts, in commerce and industry, should be safeguarded and fostered by granting them the benefits of larger firms by means of cooperative union; while in the large concerns there should be the possibility of moderating the contract of work by one of partnership."

Artisan, Cooperative Enterprises

The artisan enterprise and the farm enterprise of family size, as also the cooperative enterprise that serves likewise as an element of integration of the two, are to be preserved and encouraged in keeping with the common good and within the limits of technical possibilities.

We shall return shortly to the topic of the farm enterprise of family size. Here we think it appropriate to underscore the importance of the artisan and cooperative enterprises.

Above all, it is necessary to emphasize that the two undertakings in order to be effective must constantly adapt themselves in their structure, function, and output to ever new situations created by the advance of science and technology, as also by the changing demands and preferences of the consumer. This adaptation must be first of all effected by the craftsmen themselves and the members of cooperatives.

To accomplish this the two groups must have a good training, both technically and humanly, and they must be organized professionally. Further, it is imperative that appropriate economic measures be taken by the Government, especially regarding their formation, taxation, credit and social security.

Moreover, the measures taken by public agencies on behalf of craftsmen and members of cooperatives are also justified by the fact that these two categories of citizens uphold true human values and contribute to the advance of civilization.

For these reasons, we paternally invite our beloved sons, artisans and members of cooperatives throughout the world, to realize the dignity of their profession and their substantial contribution, so that they may keep alert their sense of responsibility and spirit of cooperation in the national communities, and that their desire to work with dedication and originality ever abide.

Participation of workers in average-size and large enterprise

Further, following up the line of thought drawn by our predecessors, we also hold as justifiable the desire of employees to participate in the activity of the enterprises to which they belong as workers.

It is not feasible to define a priori the manner and degrees of such participation, since the workers are the ones who are in touch with the specific conditions prevailing in every enterprise—conditions that can vary from one to another and are frequently subject to quick and substantial changes.

But we think it fitting to call attention to the fact that the problem of the participation of the workers is an ever present one, whether the enterprise is private or public.

At any rate, every effort should be made that the enterprise become a community of persons in the dealings, activities and standing of all its members.

This demands that the relations between the employers and directors on the one hand, and the employees on the other, be marked by appreciation, understanding, a loyal and active cooperation, and devotion to an undertaking common to both, and that the work be considered and carried out by all the members of the enterprise, not merely as a source of income, but also as the fulfillment of a duty and the rendering of a service.

This also means that the workers may have their say in, and may make their contribution to, the efficient running and development of the enterprise.

Our predecessor, Pius XII, remarked that "the economic and social function which every man aspires to fulfill demands that the carrying on of the activity of each is not completely subjected to the will of others."

A humane view of the enterprise ought undoubtedly to safeguard the authority and necessary efficiency of the unity of direction, but it must not reduce its daily coworkers to the level of simple and silent performers who are without any possibility of bringing to bear their experience and entirely passive in regard to decisions that regulate their activity.

Finally, attention is to be called to the fact that the exercise of responsibility on the part of the workers in productive units not only corresponds to the lawful demands inherent in human nature, but is also in conformity with the historic development in the economic, social, and political fields.

Unfortunately, as we have already noted and as will later be seen more fully, there are numerous economic and social inequalities which in our time are opposed to justice and humanity and deep rooted errors that pervade the activity, purposes, structure, and working of the economic world.

But it is an undeniable fact that the productive systems, thanks to the impulse deriving from scientific and technical advance, are today becoming more modern and efficient at a far more rapid rate than in the past. This demands of workers greater abilities and professional qualifications.

At the same time and as a consequence, they are given greater means and more free time for being instructed and brought up to date, for acquiring culture and for receiving moral as well as religious information.

Thus there can also be effected a longer period for the basic instruction, as well as for the professional training, of new generations.

Thus is created a humane environment that encourages the working classes to assume greater responsibility within enterprises, while at the same time political communities become ever more aware that all citizens feel responsible for bringing about the common good in all spheres of life.

Workers' participation at all levels

Modern times have seen a broad development of associations of workers for the specific purpose of cooperation, in particular by means of collective bargaining, and the general recognition of such associations in the juridical codes of various countries and on an international scale.

But we cannot fail to emphasize how timely and imperative is it that the workers exert their influence, and effectively so, beyond the limits of the individual productive units and at every level.

The reason is that individual productive units, regardless how extensive or how very efficient they may be, form a vital part of the economic and social complexity of the respective political communities and are determined by it.

But it is not the decisions made within the individual productive units which are those that have the greatest bearing. Instead it is those made by public authorities or by institutions that act on a worldwide, regional, or national scale in regard to some economic sector or category of production.

Hence the appropriateness or imperativeness that among such authorities or institutions, besides the holders of capital or the representatives of their interests, the workers also or those who represent their rights, demands and aspirations should have a say.

Our affectionate thought and our paternal encouragement go out to the professional groups and to the associations of workers of Christian inspiration consisting of workers on more than one continent, which in the midst of many and frequently grave difficulties have been able and are continuing to strive for the effective promotion of interests of the working classes and for their material and moral improvement, both within a single political unit as well as on a worldwide scale.

It is with satisfaction that we believe it our duty to underscore the fact that their work is to be gaged not only by its direct results and by those which are immediately observable, but also by its positive reaction on an economic and social order marked by justice and humanity, effected throughout the labor world, where it spreads the principles of correct orientation and supplies the impulse of Christian renovation.

We believe further that one must regard in the same way the work performed with true Christian spirit by our beloved sons in other professional groups and associations of workers which take their inspiration from natural principles of dealing with each other and are respectful of the freedom of conscience.

We are always happy to express heartfelt appreciation to the International Labor Organization which for decades has been making its effective and precious contribution to the establishment in the world of an economic and social order marked by justice and humanity, where also the lawful demands of the workers are given expression.

Private property

Changed Conditions

During these last decades, as is known, the difference has been growing more acute between the ownership of productive goods and the responsibility of those managing the larger economic entities.

We know that this brings about problems hard to control by the public authorities in order to make certain that the aims pursued by the directors of large companies, especially of those that have greater effect on the entire economic life of a political community, are not contrary to the demands of the common good.

It brings about problems which, as experience shows, arise regardless whether the capital that makes possible the vast undertakings belongs to private citizens or to public corporations.

It is also true that there are many citizens today—and their number is on the increase—who through belonging to insurance groups or social security, have reason to face the future with serenity, a serenity that formerly derived from the properties they inherited, however modest.

Finally, it is noted that today men strive to acquire professional training rather than to become owners of property, and that they have greater confidence in income derived from work or rights founded on work rather than in income derived from capital or rights founded on capital.

Moreover, this is in conformity with the preeminent position of work, as the immediate expression of the individual against capital, a good by nature instrumental. Hence such a view of work may be considered a step forward in the process of human civilization.

The aspects revealed by the economic world, which we have just alluded to, have certainly contributed to spreading the doubt that a principle of the economic and social order consistently taught by our predecessors has diminished or lost its importance, namely the principle of the natural right of private ownership, inclusive of productive goods.

Confirmation of Right of Ownership

There is no reason for such a doubt to persist. The right of private ownership of goods, inclusive of productive goods, has a permanent validity precisely because it is a natural right founded on the ontological and finalistic priority of individual human beings as compared with society.

Moreover, it would be useless to insist on free and personal initiative in the economic field, if the same initiative were not permitted to dispose freely of the means indispensable to its achievement.

Further, history and experience testify that in those political regimes which do not recognize the rights of private ownership of goods, productive goods included, the fundamental manifestations of freedom are suppressed or stifled. Hence one may justifiably conclude that they find in such a right both a guarantee and an incentive.

This is an explanation of the fact that sociopolitical movements which strive to reconcile justice and liberty in society were until recently clearly opposed to the private ownership of productive goods but are now—more fully enlightened concerning actual social conditions—reconsidering their own stand and are taking an essentially positive attitude in regard to that right.

Accordingly, we make our own the insistence of our predecessor Pius XII: "In defending the principle of private property the church is striving after an important ethico-social end. She does not intend merely to uphold the present condition of things as if it were an expression of the Divine Will or to protect on principle the rich and plutocrats against the poor and indigent. * * * The church rather aims at securing that the institution of private property be such as it should be according to the plan of Divine Wisdom and the dispositions of nature."

And thus may the natural right be the guarantee of the essential freedom of the individual and at the same time an indispensable element in the social order.

Further, we have observed today in many political communities that economic systems are rapidly increasing their productive efficiency. With this increase of income, justice, and fairness demand, as we have already seen, that remuneration for work be increased within the limits allowed by the common good.

This allows the workers more easily to save and thus acquire their own property. Hence it is incomprehensible how the innate character of a right can be called into question when it has as its main source the fruitfulness of work and is continually fomented by the same thing, when it is a right that constitutes an apt means to assert one's personality and to exercise responsibility in every field and an element of solidity and of security for family life and of the peaceful and orderly development of society.

Effective Distribution

It is not enough to assert the natural character of the right of private property, including productive property, but the effective distribution among all social classes is also to be insisted upon.

As our predecessor Pius XII states: "Ordinarily, as a natural basis for living, the right to the use of the goods of the earth, to which corresponds the fundamental obligation of granting private property to all if possible," while among the demands arising from the moral dignity of work, is also the one that includes "the conservation and perfection of a social order which makes possible a secure, even if modest, property to all classes of the people."

The distribution of property ought to be championed and effected in times such as ours in which, as has been noted, the economic systems of an increasing number of political communities are in the process of rapid development.

While making use of various technical devises which have proved effective, these communities find it easy to promote enterprises and carry out an economic and social policy that favors and facilitates an increased distribution of private ownership and of durable consumer goods, of homes, of farms, of one's own equipment in artisan enterprises and farms of family size, as often experienced in some political communities that have developed economically and progressed socially.

Public property

What has been set forth above does not exclude, as is obvious, that state and other public agencies should also lawfully possess productive goods as property, especially when they "carry with them an opportunity too great to be left to private individuals without injury to the community at large."

In modern times there is a tendency toward a progressive taking over of property, whose ownership is vested in the state or other agencies of public authority. This fact finds its explanation in the ever-widening activity which the common good requires the public authorities to carry on.

But in the present matter the principle of subsidiarity stated above is also to be followed. Accordingly, the state and other agencies of public law should not extend their ownership except where motives of the evident and real necessity of the common good require it. And they should not extend it for the purpose of reducing or, much less, of abolishing private property.

Nor is one to forget that the enterprises of an economic nature of the state and other

agencies of public law are to be entrusted to those who unite in themselves a specific solid ability, spotless honesty and a keen sense of responsibility toward their country.

Further, their behavior and activity are to be subject to a wise and constant inspection in order to prevent, among other things, the formation within the very organization of the state of centers of economic power that would redound to the detriment of its "raison d'etre," that is, the good of the community.

Social function

Another doctrinal point constantly set forth by our predecessors is that a social function is intrinsically linked with right of private property. As a matter of fact, according to the plan of creation, the goods of the earth are above all destined for the worthy support of all human beings, as our predecessor Leo XIII in his encyclical "Rerum Novarum" expresses so wisely:

"Whoever has received from the Divine Bounty a large share of blessings, whether they be external or corporal, or gifts of the mind, has received them for the purpose of using them for perfecting his own nature and, at the same time, that he may employ them as the minister of God's Providence for the benefit of others.

"He that hath a talent, says St. Gregory the Great, 'let him see that he hideth it not; he that hath abundance, let him arouse himself to mercy and generosity; he that hath art and skill, let him do his best to share the use and utility thereof with his neighbor."

Today the state as well as the agencies of public law have extended and are continuing to extend the sphere of their activity and initiative. But not for that reason has the "raison d'etre" of the social function of private property diminished, as some wrongly tend to believe, for the social function derives from the very nature of the right of property.

Further, there is always a wide range of tragic conditions and needs that demand tact, yet are nonetheless urgent, and which the official means of public agencies cannot reach or at any rate cannot assist. Hence there ever remains a vast sphere for the human sympathy and Christian charity of individuals.

Finally, it has also been noted that the numerous efforts—c individuals or of groups are often more effective in promoting spiritual values than the activity of public agencies.

We should like to note at this point that in the Gospel the right of private ownership of goods is regarded as lawful. But at the same time, the Divine Master frequently extends to the rich the insistent invitation to convert their material goods into spiritual ones by conferring them on the needy.

He invites them to convert their material goods into spiritual goods which the thief cannot steal nor the moth nor rust destroy and which will be found increased in the eternal storehouses of the Heavenly Father; "Lay not up to yourselves treasures on earth: where the rust and moth consume, and where thieves break through and steal. But lay up to yourselves treasures in heaven: where neither the rust nor moth doth consume, and where thieves do not break through nor steal."

And the Lord will consider as given or refused to Himself the charity given or refused to the needy. "As long as you did it to one of these my least brethren, you did it to me."

PART III. NEW ASPECTS OF SOCIAL QUESTION

The evolution of historical situations brings into ever greater relief how the exigencies of justice and equity not only have a bearing on the relations between dependent workingmen and contractors or employers, but also concern the relations between different economic sectors, between areas economically more developed and those economically less developed within individual political communities and, on the world plane, the relations between countries with a different degree of economic-social development.

Exigencies of justice in relations between productive sectors

Agriculture, Depressed Sector

On the world plane it does not seem that the agricultural-rural population, in absolute terms, has decreased; but it is undeniable that an exodus of farm-rural peoples to urban agglomerations or centers is taking place—an exodus that is taking place in almost all countries and that sometimes assumes massive proportions, creating complex human problems difficult of solution.

We know that as an economy develops, the labor force engaged in agriculture decreases, while the percentage of the labor force employed in industry and in the area of services rises.

Nevertheless, we think that the movement of the population from the farm area to other productive sectors, besides the objective reasons of economic development, is often due to multiple factors, among which have been enumerated the desire to escape from surroundings considered as shut in and devoid of prospects; the longing for novelty and adventure that has taken hold of the present generation; the attraction of easily gained riches; the mirage of living in greater freedom and enjoying means and facilities that urban agglomerations and centers offer.

But we also hold as beyond doubt that one of the forces behind this exodus is the fact that the farming sector, almost everywhere, is a depressed area, whether as regards the index of productivity of the labor force or as regards the standard of living of agricultural rural populations.

Thus, a fundamental problem that arises in practically all political communities is the following: How to proceed in order that the disproposition in productive efficiency between the agricultural sector on the one hand and, on the other, the industrial sector and that of services be reduced, in order that the standard of living of the farm-rural population be as close as possible to the standard of living of city people, who draw their resources from the industrial sector and from that of the service sector; in order that the tillers of the soil may not be possessed of an inferiority complex, but rather be persuaded that even in agriculture they can develop their personality through their toil and look forward to the future with confidence.

It seems to us opportune, therefore, to indicate certain directives that can contribute to a solution of the problem, directives which we believe have value whatever may be the historical environment in which one acts, on condition, obviously, that they be applied in the manner and to the degree the surroundings allow or suggest or demand.

Equalization of Essential Public Services

It is above all indispensable that great care be taken, especially by the public authorities, to insure that the essential services in country areas be suitably developed: good roads, transportation, means of communication, drinking water, housing, health services, elementary education and technical and professional training, conditions suitable for the practice of religion, means of recreation and means to insure that there should be a good supply of those products which enable the country home to be well equipped and to be run on modern lines.

Whenever such services, necessary today for a becoming standard of living, are lacking in country areas, economic development and social progress become almost impossible to develop too slowly. And the consequence of this is that the flow of population away from the country becomes almost impossible to check and difficult to control.

Gradual, Harmonious Development of Economic System

It is also necessary that the economic development of the political communities should take effect in a gradual way and maintain a harmonious balance between all the sectors of production.

That is to say, it is necessary that in cultivating the soil there should be put into practice innovations concerning methods of production. There should be a choice of the type of agriculture and enterprise that the economic system considered as a whole allows or requires. And these should be put into practice, as far as possible, in a degree proportionate to that carried out in the industrial and service sectors.

In this way, agriculture absorbs a larger amount of industrial goods and demands a higher quality of services.

In turn, it offers to the other two fields and to the whole community the products which best meet, in quality and quantity, the needs of the consumer, contributing to the stability of the purchasing power of money, a very positive factor in the orderly development of the entire economic system.

In such a way we believe that it would also prove less difficult, both in areas which the population is leaving as well as in those to which they are flocking, to control the movement of the labor force, set free by the progressive modernization of agriculture.

It would be less difficult to provide the labor force with the professional training that will enable its members to fit profitably into the other sectors of production and with the economic aid and preparation and spiritual assistance that will bring about their integration into society.

Appropriate Political Economy

To obtain an economic development that preserves a harmonious balance among all the sectors of production, a prudent political economy in the area of agriculture is also required, a political economy that takes into account taxation, credit, social insurance, price protection, the fostering of integrating industries and the adjustment of the structures of enterprises.

Taxation

The fundamental principle in a system of taxation based on justice and equity is that the burdens should be proportionate to the capacity of the people to contribute.

But the common good also requires that in the assessment of taxes, it must be borne in mind that in the sector of agriculture the returns develop more slowly and are exposed to greater risks in their production, and that there is greater difficulty in obtaining the capital necessary to increase them.

Capital at Suitable Interest

For the reasons mentioned above, the possessors of capital have little inclination to make investments in this sector. They are more inclined to invest in the other sector instead.

For the same reason agriculture investments cannot yield a high rate of interest. Nor can agriculture as a rule earn large enough profits to furnish the capital necessary for its own development and the normal exercises of its affairs.

It is therefore necessary, for reasons of the common good, to evolve a special credit policy and to create credit institutes which will guarantee to agriculture such capital at a rate of interest on suitable terms.

Social Insurance, Social Security

In agriculture the existence of two forms of insurance may be indispensable: one is concerned with agricultural products, the other with the labor force and their families.

Because the return per head is generally less in agriculture than in the sectors of

industry and of services, it would not be in accordance with the standards of social justice and equity to set up systems of social insurance or of social security in which the allowances accorded to the forces of agricultural labor and of the individual families were substantially lower than those guaranteed to the sectors of industry and of services.

We consider that social policy must aim at guaranteeing that the insurance allowances made to the people should not be materially different no matter in what economic sector they work or the income on which they live.

The systems of social insurance and social security can contribute efficaciously to a redistribution of the overall income of the political community according to the standards of justice and equity.

It can therefore be considered as one of the instruments for restoring the balance in the standards of living in the different categories of the people.

Price Protection

Given the nature of agricultural production it is necessary that an effective system of regulation should be enforced to protect prices, making use of this end of the numerous expedients which present-day economic technique can offer.

It is desirable that such regulation should be primarily the work of the interested parties; though supervision by the public authority cannot be dispensed with.

On this subject it must not be forgotten that the price of agricultural produce represents much more the reward of labor than remuneration of capital.

Pope Pius XI in the encyclical "Quadragesimo Anno" rightly observes that, "a reasonable relationship between different wages here enters into consideration," but he immediately adds: "Intimately connected with this is a reasonable relationship between the prices obtained for the products of the various economic groups: agrarian, industrial, etc."

While it is true that farm produce is destined above all to satisfy the primary needs of man, and hence their price should be within the means of all consumers, still this cannot be used as an argument to compel a part of the citizens to a permanent state of economic and social inferiority by depriving them of the indispensable purchasing power in keeping with man's dignity. For this would be diametrically opposed to the common good.

Integration of Farm Income

It is also opportune to promote in agricultural regions the industries and services pertaining to the preservation, processing, and transportation of farm products. It is further desirable that in these regions undertakings in respect to other economic sectors and other professional activities be developed, so that farmers can complete their income in the surroundings where they live and work.

Adjustment of Structure of Farming Enterprises

It is not possible to determine a priori what the structure of farm life should be because of the diversity of the rural conditions in each political community, not to mention the immense difference obtaining between the nations of the world.

But if we hold to a human and Christian concept of man and the family, we are forced to consider as an ideal that community of persons operating on internal relations and whose structure is formed according to the demands of justice and the principles stated above, and still more, enterprises of family size. With these in mind we should exert every effort to realize one or the other, as far as circumstances permit.

But it is necessary to call attention to the fact that the enterprise of family size requires economic conditions which can insure sufficient income to enable the family to live in decent comfort.

To attain this end, it seems necessary not only that farmers be given up-to-date instructions on the latest methods of cultivation, and technically assisted in their profession, but it is also indispensable that they form a flourishing system of cooperative undertakings, be organized professionally and participate in public life, not only in administrative institutions, but also in political movements.

Rural Workers Protagonists in Their Own Betterment

We are of the opinion that rural workers must take active part in their own economic advancement, social progress, and cultural betterment.

They can easily see how noble is their work either because they live out their lives in the majestic temple of creation; or because their work often concerns the life of plants and animals, a life that is inexhaustible in its expression, inflexible in its laws, rich in allusions to God, the Creator and Provider; or because they produce food necessary to nourish the human family and furnish an increasing number of raw materials for industry.

Furthermore, it is a work which carries with it the dignity of a profession which is marketed by its manifold relationship with machines, chemistry and biology, relationships in continued development because of the repercussions of scientific and technical progress on the farm.

It is also a work characterized by a moral dimension proper to itself, for it demands capacity for orientation and adaptation, patience in its many hours of waiting, sense of responsibility, spirit of perseverance and enterprise.

Solidarity and Cooperation

We should like to recall to your minds also that in agriculture, as in other sectors of production, association is a vital need today, the more so as this sector has as its base the family size enterprise.

Rural workers should feel a sense of solidarity one with another, and should unite to form cooperative and professional associations, which are both necessary if they are to benefit from scientific and technical progress in methods of production, if they are to contribute in an efficacious manner to defend the prices of their products, if they are to attain an equal footing with other economical professional classes who are likewise usually organized.

They need to organize to have a voice in political circles as well as in organs of public administration, for today almost nobody hears, much less pays attention to, isolated voices.

Awareness of Demands of Common Good

However, rural workers (as workers in every other productive sector) must be governed in using their various organizations by moral and juridical principles. They must try to reconcile their rights and interests with those of other classes of workers, and even subordinate one to the other if the common good demands it.

The rural workers engaged in improving the condition of the whole agricultural world can legitimately demand that their efforts be seconded and complemented by the public authorities when they show themselves aware of the common good and contribute to its realization.

At this point, it is with pleasure that we express our satisfaction with our sons in various parts of the world who are actively engaged in cooperatives, in professional groups and in worker movements with a view to raising the economic and social standards of rural workers.

Vocation and Mission

In the work on the farm the human personality finds numerous incentives for self-expression, for self-development, for enrichment and for growth even in regard to spiritual values. Therefore, it is a work which is conceived and lived both as a vocation and as a mission.

It can be considered as an answer to God's call to actuate His providential plan in history. It may also be considered as a noble undertaking to elevate oneself and others and as a contribution to human civilization.

Action to bring equality and to encourage advancement of underdeveloped regions

Among citizens of the same political community there often exists a marked economic and social inequality due for the most part to the fact that some live and work in areas that are economically more developed, while others live and work in areas that are economically underdeveloped.

When this situation obtains, justice and equity demand that the public authorities should try to eliminate or reduce such inequality. To accomplish this end the public authorities should see to it that in the underdeveloped areas there exist assured essential public services, which should be of the kind and extent suggested or required by the surroundings and which should usually correspond to the average standard of life that obtains in the national community.

Furthermore, it is necessary to develop a suitable economic and social policy regarding the supply of labor and the dislocation of population, wages, taxes, interest, and investments, with special attention to expanding industries.

In short, there should be a policy capable of promoting complete employment of the labor force, of stimulating enterprising initiative and of exploiting the natural resources of the place.

But governmental action along these lines must always be justified by the demands of the common good, which requires that all three areas of production—agriculture, industry, and public services—be developed gradually, simultaneously and harmoniously in order to obtain unity on the national level. Special effort must be made that the citizens of the less developed regions take an active part, insofar as circumstances allow, in their economic betterment.

Finally, it is necessary to remember that even private enterprise must contribute to effecting an economic and social balance among the different zones of the same country.

And indeed public authorities, in accordance with the principle of subsidiarity, must encourage and help private enterprise, entrusting to it, as far as efficiently possible, the continuation of the economic development.

Elimination or Reduction of Unbalance Between Land and Population

It is not out of place to remark here that there are not a few countries where a gross disproportion between land and population exists. In some countries there is a scarcity of population and tillable land abounds. In others, on the other hand, the population is large, while arable land is scarce.

Furthermore, there are some countries where, in spite of rich natural resources, not enough food is produced to feed the population because of primitive methods of agriculture. On the other hand, in some countries, on account of modern methods of agriculture, food surpluses have become an economic problem.

It is obvious that the solidarity of the human race and Christian brotherhood demand that an active and manifold cooperation be established among the peoples of the world.

They demand a cooperation which permits and encourages the movement of goods, capital and men with a view to eliminating or reducing the above mentioned unbalance. Later on, we shall treat this point in more detail.

Here, however, we should like to express our sincere appreciation for the highly beneficial work which the United Nations Food and Agricultural Organization (FAO) is undertaking to establish fruitful accord among nations, to promote the modernization of agriculture, especially in countries in the process of development, and to alleviate the suffering of hunger-stricken peoples.

Demands of justice between nations differing in economic development

Problem of Modern World

Probably the most difficult problem of the modern world concerns the relationship between political communities that are economically advanced and those in the process of development. The standard of living is high in the former, while in the latter countries poverty, and in some cases extreme poverty, exists.

The solidarity which binds all men and makes them members of the same family requires political communities enjoying an abundance of material goods not to remain indifferent to those political communities whose citizens suffer from poverty, misery and hunger and who lack even the elementary rights of the human person.

This is particularly true since, given the growing interdependence among the peoples of the earth, it is not possible to preserve lasting peace if glaring economic and social inequality among them persists.

Mindful of our role of Universal Father, we feel obliged to stress solemnly what we have stated in another connection: "We are all equally responsible for the undernourished peoples. * * * Therefore, it is necessary to educate one's conscience to the sense of responsibility which weighs upon each and everyone, especially upon those who are more blessed with this world's goods."

It is obvious that the obligation to help those who find themselves in want and misery, which the church has always taught, should be felt more strongly by Catholics, who find a most noble motive in the fact that we are all members of Christ's Mystical Body.

John, the Apostle, said: "In this we have known the charity of God, because He hath laid down His life for us: and we ought to lay down our lives for the brethren. He that hath the substance of this world, and shall see his brother in need, and shall shut up his bowels from him: How doth the charity of God abide in him?"

We therefore see with satisfaction that those political communities enjoying high economic standards are providing assistance to political communities in the process of economic development in order that they may succeed in raising their standards of living.

Emergency Assistance

There are countries which produce consumer goods and especially farm products in excess, while in other countries large segments of the population suffer from misery and hunger. Justice and humanity demand that the former come to the aid of the latter.

To destroy or to squander goods that other people need in order to live is to offend against justice and humanity.

While it is true that to produce goods, especially agricultural products, in excess of the needs of the political community can cause economic harm to a certain portion of the population, this is not a motive for exonerating oneself from the obligation of extending emergency aid to the indigent and hungry.

Rather, all ingenuity should be used to contain the negative effects deriving from surplus goods, or at least to make the entire population equally share the burden.

Scientific, Technical, and Financial Cooperation

Emergency aid, although a duty imposed by humanity and justice, is not enough to eliminate or even to reduce the cause which in not a few political communities bring about a permanent state of want, misery, and hunger.

These causes flow, for the most part, from the primitiveness or backwardness of their economic system. And this cannot be remedied except by means of varied forms of cooperation directed to making these citizens acquire new outlooks, professional qualifications, and scientific and technical competence.

This cooperation must also consist of putting at their disposal the necessary capital to start and to speed up their economic development with the help of modern methods.

We are well aware that in recent years the realization has grown and matured that efforts should be made to favor the economic development and social progress in the countries which face the greatest difficulties.

World and regional organizations, individual States, foundations, and private societies offer to the above-mentioned countries, in an increasing degree, their own technical cooperation in all productive spheres.

And they multiply facilities for thousands of young people to study in the universities of the more developed countries and to acquire an up-to-date scientific, technical, and professional formation.

Meanwhile world banking institutes, single states and private persons furnish capital and give life, or help to give life, to an ever richer network of economic enterprises in the countries on the way to development.

We are happy to profit by the present occasion to express our sincere appreciation of such richly fruitful works.

But we cannot excuse ourselves from pointing out that the scientific, technical and economic cooperation between the economically developed political communities and those just beginning or on the way to development needs to be increased beyond the present level.

And it is our hope that such a development will characterize their dealings during the next decades.

On this matter we consider some reflections and warnings opportune.

Avoiding Errors of the Past

Wisdom demands that the political communities which are themselves in the initial stage or a little advanced in their economic development keep before their eyes the actual experiences of the already developed political communities.

More and better production corresponds to a rational need and is also an absolute necessity. However, it is no less necessary and conformable to justice that the riches produced come to be equally distributed among all members of the political community.

Hence an effort should be made to see that social progress proceeds at the same pace as economic development. This means that it is actuated, as far as possible, gradually and harmoniously in all productive sectors, in those of agriculture, industry and services.

Respect for the Characteristics of Individual Communities

The political communities on the way toward economic development generally present their own unmistakable individuality, due either to their resources and the specific character of their own natural environment, or to their traditions, frequently abounding in human values, or to the typical quality of their own members.

The economically developed political communities, when lending their help, must recognize and respect this individuality and overcome the temptation to impose themselves by means of these works upon the community in the course of economic development.

Disinterested Work

But the bigger temptation with which the economically developed political communities have to struggle is the temptation to profit from their technical and financial cooperation so as to influence the political situation of the less developed countries with a view to bringing about plans of world domination.

If this takes place, it must be explicitly declared that it would be a new form of colonialism which, however cleverly disguised, would not for all that be less blameworthy than that from which many peoples have recently escaped and which would influence negatively their international relations, constituting a menace and danger to world peace.

And it is, therefore, indispensable and corresponds to the need of justice that the above mentioned technical and financial aid be given in sincere political disinterestedness, for the purpose of putting those communities on the way to economic development in a position to realize their own proper economic and social growth.

In such a way a precious contribution to the formation of a world community would be made, a community in which all members are subjects conscious of their own duties and rights, working on a basis of equality for the bringing about of the universal common good.

Respect for Hierarchy of Values

Scientific and technical progress, economic development and the betterment of living conditions are certainly positive elements in a civilization. But we must remember that they are not nor can they be considered the supreme values, in comparison with which they are seen to be essentially instrumental in character.

It is with sadness that we point out that in the economically developed countries there are not a few persons in whom the consciousness of the hierarchy of values is weakened, dead or confused.

That is, there are not a few persons in whom the spiritual values are neglected, forgotten and denied, while the progress of the sciences and technology, economic development and the material well-being are often fostered and proposed as the preeminent, and even elevated to the unique, reason of life.

This constitutes an insidious poison, and one of the most dangerous, in the work which the economically developed peoples can give to those on the way to development, those in whom ancient tradition has quite often preserved a living and operating consciousness of some of the most important human values.

To undermine this consciousness is essentially immoral. One must respect it and, where possible, clarify and develop it so that it will remain what it is: a foundation for true civilization.

Contribution of the Church

The church, as is known, is universal by divine right. And she is universal historically from the fact that she is present, or strives to be so, among all peoples.

The entrance of the church among a people has always brought positive reactions in the social and economic fields, as history and experience show.

The reason is that people on becoming Christian cannot but feel obliged to improve the institutions and the environment in the temporal order, whether to prevent these doing harm to the dignity of man or to eliminate or reduce the obstacles to the good

and multiply the incentives and invitations to it.

Moreover, the church, entering the life of the people, is not nor does she consider herself to be an institution which is imposed from outside. This is due to the fact that her presence is brought about by the rebirth or resurrection of each person in Christ.

And he who is reborn or rises again in Christ never feels himself constrained from without. Indeed, he feels himself liberated in the deepest part of his being and thus open toward God. And whatever in him is of worth, whatever be its nature, is reaffirmed and ennobled.

"The church of Jesus Christ," as our predecessor Pius XII wisely observes, "is the repository of His wisdom; she is certainly too wise to discourage or belittle those peculiarities and differences which mark out one nation from another. It is quite legitimate for nations to treat those differences as a sacred inheritance and guard them at all costs.

"The church aims at unity, a unity determined and kept alive by the supernatural love which should be actuating everybody. She does not aim at a uniformity which would only be external in its effects and would cramp the natural tendencies of the nations concerned.

Every nation has its own genius, its own qualities, springing from the hidden roots of its being. The wise development, the encouragement within limits, of that genius, those qualities, does no harm. And if a nation cares to take precautions, to lay down rules, for that end, it has the church's approval. She is mother enough to befriend such projects with her prayers.

"We notice with profound satisfaction how today also, the Catholic citizens of the countries moving toward economic development are not, as a rule, second to any in taking their part in the effort which their own countries are making to develop and raise themselves in the economic and social fields."

Furthermore, Catholic citizens of the economically developed countries are multiplying their efforts to help and make more fruitful the work being done for the communities still developing economically.

Worthy of special consideration is the varied assistance that they increasingly give to students from the countries of Africa and Asia who are scattered throughout the universities of Europe and America, and the preparation of persons trained to go to the less developed countries in order to engage in technical and professional activity.

To these, our beloved sons, who in every continent show forth the perennial vitality of the church in promoting genuine progress and in giving life to civilization, we wish to join our kind and paternal word of appreciation and encouragement.

Population increase and economic development

Lack of Balance Between Population and Means of Sustenance

In recent years the problem concerning the relationship between population increase, economic development, and the availability of the means of sustenance, whether on a world plane or as it confronts the economically developing political communities, is very much to the fore again.

On a worldwide scale, some observe that according to sufficiently reliable statistics, in a few decades the human family will reach a quite high figure, while economic development will proceed at a slower rate.

From this they deduce that, if nothing is done in time to check the population flow, the lack of balance between the population and the food supply in the not too distant future will make itself felt acutely.

Insofar as this affects the political communities which are developing economically, still relying on statistical data, it is clear that the rapid spread of hygienic measures and of appropriate medical remedies will greatly reduce the death rate, especially among infants, while the birth rate, which in such countries is usually high, tends to remain more or less constant, at least for a considerable period of time.

Therefore, the excess of births over deaths will notably increase, while the productive efficiency of the respective economic systems will not increase proportionately. Accordingly, an improvement in the standards of living in these developing political communities is impossible.

Indeed it is inevitable that things will get worse. Hence, to avoid a situation which will result in extreme hardship, there are those who would have recourse to drastic measures of birth control or prevention.

Terms of the Problem

To tell the truth, considered on a world scale, the relationship between the population increase on the one hand and the economic development and availability of food supplies on the other, does not seem—at least for the moment and in the near future—to create a difficulty. In every case the elements from which one can draw sure conclusions are too uncertain and changeable.

Besides, God in His goodness and wisdom has diffused in nature inexhaustible resources and has given to man the intelligence and genius to create fit instruments to master it and to turn it to satisfy the needs and demands of life.

Hence, the real solution of the problem is not to be found in expedients that offend the moral order established by God and which injure the very origin of human life, but in a renewed scientific and technical effort on the part of man to deepen and extend his dominion over nature.

The progress of science and technology, already realized, opens up in this direction limitless horizons.

We realize that in certain areas and in the political communities of developing economies really serious problems and difficulties can and do present themselves, due to a deficient economic and social organization which does not offer living conditions proportionate to the rate of population increase and also to the fact that solidarity among peoples is not operative to a sufficient degree.

But even in such a hypothesis, we must immediately and clearly state that these problems must not be confronted and these difficulties are not to be overcome by having recourse to methods and means which are unworthy of man and which find their explanation only in an utterly materialistic concept of man himself and of his life.

The true solution is found only in economic development and in social progress which respects and promotes true human values, individual and social.

It is to be found only in economic development and social progress that is brought about in a moral atmosphere, conformable to the dignity of man and to the immense value possessed by the life of a single human being, and in cooperation on a world scale that permits and favors an ordered and fruitful interchange of useful knowledge of capital and of manpower.

Respect for Laws of Life

We must solemnly proclaim that human life is transmitted by means of the family, the family founded on marriage, one and indissoluble, raised for Christians to the dignity of a sacrament.

The transmission of human life is entrusted by nature to a person and conscious act and, as such, is subject to the allwise laws of God, laws which are inviolable and immutable and which are to be recognized and observed.

Therefore, it is not permissible to use means and follow methods that can be licit for the transmission of plant or animal life.

Human life is sacred. From its very inception, the creative action of God is directly operative. By violating His laws, the Divine Majesty is offended, the individuals themselves and humanity degraded and likewise the community of which they are members is enfeebled.

Education Toward Sense of Responsibility

It is of the greatest importance that the new generations be brought up with an adequate cultural as well as religious formation. It is the duty and right of parents to obtain this formation which leads to a profound sense of responsibility in all the expressions of their life and therefore also in regard to the forming of a family and to the procreation and education of children.

These ought to be formed in a life of faith and great trust in divine providence in order to be ready to undergo fatigue and sacrifices in the fulfillment of a mission so noble and often so arduous as is the cooperation with God in the transmission of human life and the education of offspring.

For such education no institution provides so many efficacious resources as the church which, even for this reason, has the right to full liberty to fulfill her mission.

In the Service of Life

Genesis relates how God imposed on the first human beings two commands: that of transmitting life—increase and multiply—and that of dominating nature—fill the earth and subdue it. These commands complement each other.

Certainly the divine command to dominate nature is not aimed at destructive purposes. Instead it is for the service of life.

We point out with sadness one of the most disturbing contradictions by which our epoch is tormented and by which it is being consumed, namely that, while on the one hand are brought out in strong relief situations of want and the specter of misery and hunger haunts us; on the other hand scientific discoveries, technical inventions, and economic resources are being used, often extensively, to provide terrible instruments of ruin and death.

A provident God grants sufficient means to the human race to solve in dignified fashion even the many and delicate problems attendant upon the transmission of life.

But these problems can become difficult of solution or even insoluble because man, led astray in mind or perverted in will, turns to such means as are opposed to reason and hence he seeks ends that do not answer man's social nature or the plans of providence.

Cooperation on a world scale

World Dimensions of Every Important Human Problem

The progress of science and technology in all aspects of life multiply and increase the relationships between political communities and hence render their interdependence ever more profound and vital.

As a result, it can be said that problems of any importance, whatever their content may be—scientific, technical, economic, social, political, or cultural—present today supranational and often worldwide dimensions.

Hence, the different political communities can no longer adequately solve their major problems in their own surroundings and with their own forces, even though they be communities which are notable for the high level and diffusion of their culture, for the number and industriousness of their citizens, for the efficiency of their economic systems and the vastness and the richness of their territories.

Political communities react on each other. And it may be said that each succeeds in developing itself by contributing to the development of the other. Hence, understanding and cooperation are so necessary.

Mutual Distrust

One can thus understand how in the minds of individual human beings and among different peoples the conviction of the urgent necessity of mutual understanding and cooperation is becoming ever more widespread. But at the same time, it seems that men, especially those entrusted with greater responsibility, show themselves unable to understand one another.

The root of such inability is not to be sought in scientific, technical, or economic reasons but in the absence of mutual trust.

Men, and consequently states, fear each other. Each fears that the other harbors plans of conquest and is waiting for the favorable moment to put these plans into effect.

Hence, each organizes its own defenses and arms itself not for attacking, so it is said, but to deter the potential aggressor against any effective invasion.

As a consequence, vast human energies and gigantic resources are employed for nonconstructive purposes.

Meanwhile, in the minds of individual human beings and among peoples there arises and grows a sense of uneasiness and reluctance which lessens the spirit of initiative for works on a broad scale.

Failure To Acknowledge the Moral Order

The lack of reciprocal trust finds its explanation in the fact that men, especially the more responsible ones, are inspired in the unfolding of their activity by different or radically opposed concepts of life. Unfortunately, in some of these concepts the existence of the moral order—an order which is transcendent, universal, absolute, equal and binding on all—is not recognized.

Thus, they fail to meet and understand each other fully and openly in the light of one and the same law of justice, admitted and adhered to by all.

It is true that the term "justice" and the phrase "demands of justice" are uttered by the lips of all. However, these utterances take on different and opposite meaning.

Wherefore, the repeated and impassioned appeals to justice and the demands of justice, rather than offering a possibility of meeting or of understanding, increase the confusion, sharpen the contrasts, and keep disputes inflamed.

In consequence, the belief is spread that to enforce one's rights and pursue one's own interests, no other means are left than recourse to violence in front of the most serious evils.

The True God, Foundation of the Moral Order

Mutual trust among men and among states cannot begin or increase except by the recognition of and respect for the moral order.

The moral order does not hold except in God. Cut off from God, it disintegrates.

Man, in fact, is not only a material organism but is also a spirit endowed with thought and freedom. He demands, therefore, a moral and religious order which bears more than any material value on the directions and solutions it can give to the problems of individual and group life within the national communities and the relationships among them.

It has been claimed that in an era of scientific and technical triumphs, men can construct their civilization without God.

But the truth is that these same scientific and technical advances present human problems of a worldwide scope which can be solved only in the light of a sincere and active faith in God, the beginning and end of man in the world.

These truths are confirmed by the ascertainment that the same limitless horizons which are opened up by scientific research help to give birth to the conviction and to develop it that mathematical and scientific notions point out but do not gather and much less express entirely the more profound aspects of reality.

The tragic experience that the gigantic forces placed at the disposal of technology can be used for purposes both constructive and destructive makes evident the pressing importance of spiritual values so that scientific and technical progress may preserve its essentially instrumental character with reference to civilization.

Further, the sense of increasing dissatisfaction which spreads among human beings in national communities with a high standard of living destroys the illusion of a hoped for paradise on earth.

But at the same time, the consciousness of inviolable and universal rights becomes ever clearer; and ever more forceful is the aspiration for more just and more human relations.

These are all motives which contribute toward making human beings more conscious of their own limitations and toward creating in them a striving for spiritual values.

And this cannot but be a happy earnest of a sincere understanding and profitable cooperation.

PART IV. RECONSTRUCTION OF SOCIAL RELATIONSHIPS IN TRUTH, JUSTICE, LOVE

Incomplete and erroneous ideologies

After all this scientific and technical progress, and even because of it, there remains the problem that the social relationships should be reconstructed in a more human balance both in regard to individual political communities and on a world scale.

In the modern era different ideologies have been devised and spread abroad with this in mind. Some have been dissolved as clouds by the sun. Some have undergone substantial changes. Others have waned much and are losing still more their attraction on the minds of men.

The reason is that they are ideologies which consider only certain and less profound aspects of man. And this is so because they do not take into consideration certain inevitable human imperfections, such as sickness and suffering, imperfections which even the most advanced economic-social systems cannot eliminate.

Then there is the profound and imperishable religious exigence which constantly expresses itself everywhere, even though trampled down by violence or skillfully smothered.

In fact, the most fundamental modern error is that of considering the religious demands of the human soul as an expression of feeling or of fantasy, or a product of some contingent event, which should be eliminated as an anachronism and as an obtacle to human progress.

Yet by this exigency human beings reveal themselves for what they really are—beings created by God and for God, as St. Augustine cries out, "You made us for Thee, O Lord, and our heart is restless until it rests in Thee."

Moreover, whatever the technical and economic progress, there will be neither justice nor peace in this world until men return to a sense of their dignity as creatures and sons of God, the just and final reason of the being of all reality created by Him.

Man separated from God becomes inhuman to himself and to those of his kind, because the orderly relation of society presupposes the orderly relation of one's conscience with God, font of truth, justice, and love.

It is true that the persecution of so many of our dearly beloved brothers and sons, which has been raging for decades in many countries, even those of an ancient Christian civilization, makes ever clearer to us the dignified superiority of the persecuted and the refined barbarity of the persecutors, so that, if it does not give visible signs of repentance, it induces many to think.

But it is always true that the most perniciously typical aspect of the modern era consists in the absurd attempt to reconstruct a solid and fruitful temporal order prescinding from God, the only foundation on which it can endure, and to want to celebrate the greatness of man by drying up the font from which that greatness springs and from which it is nourished, hence, restraining and, if possible, extinguishing man's sighing for God.

Every day experience continues to witness to the fact, amidst the most bitter delusions and not rarely in terms of blood, that, as stated in the inspired Book, "unless the Lord build the house, they labor in vain that build it."

Perennial actuality of social doctrine of the church

The church is the standard bearer and herald of a way of life which is ever up to date.

The fundamental principle in such a conception is, as is seen from what has thus far been said, that individual human beings are and should be the foundation, the end and the subjects of all the institutions in which social life is carried on, that is individual human souls considered insofar as they are and should be by their nature instrinsically social, and insofar as they are in the plan of providence, and by their elevation to the supernatural order.

From this fundamental principle which guarantees the sacred dignity of the individual, the teaching office of the church has made clear, with the cooperation of enlightened priests and laymen, especially during the last century, a social doctrine which points out with clarity the sure way to reconstruct social relationships according to universal criteria based on human nature, the various dimensions of the temporal order and the characteristics of contemporary society and which are hence acceptable to all.

But it is indispensable, today more than ever, that this doctrine be known, assimilated and translated into social reality in the form and manner that the different situations allow and demand.

It is most difficult task, but a most noble one, to the carrying out of which we most warmly invite not only our brothers and sons scattered throughout the world but also all men of good will.

Instruction

We reaffirm strongly that the Christian social doctrine is an integral part of the Christian conception of life.

While we note with satisfaction that in several institutes this doctrine has been taught for some time, we feel urged to exhort that such teaching be extended by regular systematic courses in Catholic schools of every kind, especially in seminaries.

It is to be inserted into the religious instruction programs of parishes and of associations of the lay aspostolate. It should be spread by every association of the lay apostolate.

It should be spread by every modern means of expression—daily newspapers and periodicals, publications of both a scientific and a popular nature, radio, and television.

To this diffusion, our beloved sons, the laity, can greatly contribute by knowing this doctrine, making their actions conform to it and by zealously striving to make others understand it.

They should be convinced that the truth and efficacy of this teaching is most easily demonstrated when they can show that it offers a safe path for the solution of present day difficulties.

In this way they bring it to the attention of those who are opposed to it because they are ignorant of it and they may even cause a ray of its light to enter into their minds.

Education

A social doctrine has to be translated into reality and not just merely formulated.

This is particularly true of the Christian social doctrine whose light is truth, whose objective is justice and whose driving force is love.

Hence we stress the fact that it is of the greatest importance that our beloved sons not only know this social doctrine but that they be educated according to it.

Christian education should be complete in extending itself to every kind of obligation. Hence it should strive to implant and foster among the faithful an awareness of their obligations to carry on their economic and social activities in a Christian manner.

The transition from theory to practice is of its very nature difficult. And this is especially true when one tries to reduce to concrete terms on a social doctrine such as that of the church.

It is difficult on account of the deep-rooted selfishness of human beings, the materialism with which modern society is steeped and the difficulty of singling out precisely the demands of justice in particular cases.

Consequently, it is not enough for this education that men be taught their social obligations. They must also be given by practical action the methods that will enable them to fulfill these duties.

A Task for Associations of the Apostolate of the Laity

Education to act in a Christian manner in economic and social matters will hardly succeed unless those being educated play an active role in their own formation, and unless the education is also carried on through action.

Just as one cannot acquire the right use of liberty except by using liberty correctly, so one learns Christian behavior in social and economic matters by actual Christian action in those fields.

Hence, in social education the associations and organizations of the lay apostolate play an important role, especially those that have as their specific objective the Christianization of the economic and social sectors of the temporal order.

Indeed, many members of these associations can draw profit from their daily experiences to form themselves more completely and also to contribute to the social education of youth.

At this point it seems opportune to recall to all, the great and the lowly, the Christian concept of life, which requires a spirit of moderation and of sacrifice.

Unfortunately, there is everywhere prevalent a hedonistic conception and tendency which would reduce life to the search for pleasure and the full satisfaction of all the passions, with a consequent great loss to both body and soul.

On the natural level, simplicity of life and temperance in the lower appetites is a wisdom productive of good. On the supernatural level, the Gospels and the whole ascetic tradition of the church require a sense of mortification and of penance which assure the rule of the spirit over the flesh and offer an efficacious means of expiating the punishment due to sin from which no one, except Jesus Christ and His Immaculate Mother, is exempt.

In reducing social principles and directives to practice, one usually goes through three stages: reviewing the situation, judging it in the light of these principles and directives, and deciding what can and what should be done according to the mode and degree permitted by the situation itself.

These are the three stages that are usually expressed in the three terms: look, judge, act.

It is particularly important that youth be made to dwell often on these three stages and as far as possible reduce them to action. The knowledge acquired in this way is not merely abstract ideas but is something to be translated into deeds.

In the applications of doctrine there can arise even among upright and sincere Catholics differences of opinion. When this happens, they should be watchful to keep alive mutual esteem and respect and should strive to find points of agreement for efficacious and suitable action.

They should not exhaust themselves in interminable discussions and, under pretext of the better or the best, omit to do the good that is possible and is thus obligatory.

Catholics in their economic-social activities often find themselves in close contact with others who do not share their view of life.

In these circumstances, our sons should be very careful that they are consistent and never make compromises on religion and morals. At the same time let them show themselves animated by a spirit of understanding and disinterestedness, ready to cooperate loyally in achieving objectives that of their nature are good or at least reducible to good.

It is clear, however, that when the hierarchy has made a decision on the point at issue, Catholics are bound to obey their directives, because the church has the right and obligation not merely to guard ethical and religious principles, but also to intervene authoritatively in the temporal sphere when it is a matter of judging the application of these principles to concrete cases.

Manifold Action and Responsibility

From instruction and education one must pass to action. This is a task that belongs particularly to our sons, the laity, since in virtue of their condition of life they are constantly engaged in activities and in the formation of institutions that in their finality are temporal.

In performing such a noble task, it is essential that our sons be professionally qualified and carry on their occupation in conformity with its own proper laws in order to secure effectively the desired ends. It is equally necessary, however, that they act within the framework of the principles and directives of Christian social teaching and in an attitude of loyal trust and filial obedience to ecclesiastical authority.

Let them remember that when in the execution of temporal affairs they do not follow the principles and directives of Christian social teaching, not only do they fail in their obligations and often violate the rights of their brethren, but they can even cast into discredit that very doctrine which, in spite of its intrinsic value, seems to be lacking in a truly directive power.

A Grave Danger

As we have already noted, modern man has greatly deepened and extended his knowledge of the laws of nature and has made instruments that make him lord of their forces. He has even produced gigantic and spectacular works.

Nevertheless, in his striving to master and transform the external world, he is in danger of forgetting and of destroying himself. As Pope Pius XI, our predecessor, observes with deep sadness in the encyclical "Quadragesimo Anno:"

"And so bodily labor, which was decreed by providence for the good of man's body and soul even after original sin, has everywhere been changed into an instrument of strange perversion: for dead matter leaves the factory ennobled and transformed, where men are corrupted and degraded."

In a similar manner Pope Pius XII, our predecessor, rightly asserted that our age is marked by a clear contrast between the immense scientific and technical progress and the fearful human decline shown by "its monstrous masterpiece" of "transforming man into a giant of the physical world at the expense of his spirit, which is reduced to that of a pygmy in the supernatural and eternal world."

Once again there is verified today, in a most striking manner, what was asserted of the pagans by the Psalmist: "men forget their own being in their works and admire their productions to the point of idolatry: the idols of the gentiles are silver and gold, the works of the hands of men."

Recognition of and respect for the hierarchy of values

In our paternal care as universal pastor of souls. We urgently invite our sons to take care that they keep alive and active an awareness of a hierarchy of values as they carry on their temporal affairs and seek their immediate ends.

Certainly, the church has taught and always teaches that scientific-technical progress and the resultant material well-being are truly good and, as such, mark an important phase in human civilization.

Nevertheless, these things should be valued according to their true worth, namely, as instruments or means used to achieve more effectively a higher end, that a facilitating and promoting the spiritual perfection of mankind, both in the natural and the supernatural order.

We desire that the warning words of the Divine Master should ever sound in the ears of men: "For what doth it profit a man, if he gain the whole world and suffer the loss of his own soul? Or what exchange shall a man give for his soul?"

Sanctification of Holy Days

To safeguard the dignity of man as a creature endowed with a soul formed in the image and likeness of God, the church has always demanded an exact observance of the third precept of the decalogue: "Remember that thou keep holy the Sabbath day." God has a right to demand of man that he dedicate a day of the week to worship, in which the spirit, free from material preoccupations, can lift itself up and open itself by thought and by love to heavenly things, examining in the secret of its conscience its obligatory and necessary relations toward its Creator.

In addition, man has the right and even the need to rest in order to renew the bodily strength used up by hard daily work, to give suitable recreation to the senses and to promote domestic unity, which requires frequent contact and a peaceful living together of all the members of the family.

Consequently, religion, morality, and hygiene, all unite in the law of periodic repose which the church has for centuries translated into the sanctification of Sunday through participation in the holy sacrifice of the mass, a memorial and application of the redemptive work of Christ for souls.

It is with great grief that we must acknowledge and deplore the negligence of, if not the downright disrespect for, this sacred law and the consequent harmful results for the health of both body and soul of our beloved workers.

In the name of God and for the material and spiritual interests of men, we call upon all public authorities, employers and workers, to observe the precepts of God and His church, and we remind each one of his grave responsibilities before God and society.

Renewed Obligation

In what we have briefly exposed above, it would be an error if our sons, especially the laity, should consider it more prudent to lessen their personal Christian commitment in the world. Rather should they renew and increase it.

Our Lord, in the sublime prayer for the unity of the church did not ask the Father to take His own from the world but to preserve them from evil: "I pray not that thou shouldst take them out of the world, but that thou shouldst keep them from evil."

We should not create an artificial opposition between the perfection of one's own being and one's personal active presence in the world, as if a man could not perfect himself except by putting aside all temporal activity and as if, whenever such action is done, a man is inevitably led to compromise his personal dignity as a human being and as a believer.

Instead of this being so, it is perfectly in keeping with the plan of divine providence that each one develop and perfect himself through his daily work, which for almost all human beings is of a temporal value.

Today, the church is confronted with the immense task of giving a human and Christian note to modern civilization, a note that is required and is almost asked for by that civilization itself for its further development and even for its continued existence.

As we have already emphasized, the church fulfills this mission through her lay sons, who should thus feel pledged to carry on their professional activities as the fulfillment of a duty, as the performance of a service in internal union with God and with Christ and for His glory.

As St. Paul points out: "Whether you eat or drink, or whatsoever else you do, do all for the glory of God" and "all whatsoever you do in world or in work, do all in the name of the Lord Jesus Christ, giving thanks to God and the Father by Him."

Greater Efficiency in Temporal Affairs

In temporal affairs and institutions, whenever an awareness of values and supernatural ends is secured, there is at the same time a strengthening of their power to achieve their immediate specific ends. The words of our Divine Master are still true: "Seek ye, therefore, first the kingdom of God and His justice: and all these things shall be added unto you," children of the light.

The fundamental demands of justice are more securely grasped in the most difficult and complex regions of temporal affairs, namely those in which selfishness—individual, group or racial—often causes thick clouds of darkness.

When one is animated by the charity of Christ one feels united to others, and the needs, suffering and joys of others are felt as one's own.

Consequently, the action of each one, no matter what the objective or what the circumstances in which it may be realized, cannot help being more disinterested, more energetic and more human because charity "is patient, is kind * * * seeketh not her own * * * rejoiceth not in iniquity, but rejoiceth with the truth * * * hopeth all things, endureth all things."

Living members in Mystical Body of Christ

We cannot conclude our encyclical without recalling another sublime truth and reality, namely the we are living members of the mystical body of Christ, which is His church:

"For as the body is one and hath, many members; and all the members of the body, whereas they are many, yet are one body: so also is Christ."

We invite with paternal urgency all our sons belonging to either the clergy or the laity to be deeply conscious of this dignity and nobility due to the fact that they are grafted onto Christ as shoots on a vine: "I am the vine and you are the branches." And they are thus called to live by His very life.

Hence, when one carries on one's proper activity, even if it be of temporal nature, in union with Jesus the Divine Redeemer, every work becomes a continuation of His work and penetrated with redemptive power: "He that abideth in me, and I in him, the same beareth much fruit."

It thus becomes a work which contributes to one's personal supernatural perfection and helps to extend to others the fruits of the redemption and leavens with the ferment of the Gospel the civilization in which one lives and works.

Our era is penetrated and shot through by radical errors, it is torn and upset by deep disorders. Nevertheless, it is also an era in which immense possibilities for good are opened to the church.

Beloved brethren and sons, the review which in union with you we have been able to make of the various problems of modern social life from the dawn of the teaching of Pope Leo XIII has been, as it were, an unfolding of a series of statements and resolves on which we invite you to dwell and meditate deeply.

Take courage in the cooperation of all for the realization on earth of the Kingdom of Christ. It is "a kingdom of truth and of life; a kingdom of holiness and grace; a kingdom of justice, of love and of peace," which assures the enjoyment of the heavenly goods for which we were created and for which we long.

Here one is concerned with the doctrine of the Catholic and apostolic church, mother and teacher of all the nations, whose light illumines, enkindles and inflames, whose warming voice filled with heavenly wisdom pertains to all times, whose power ever offers efficacious and suitable remedies for the increasing needs of men and for the deprivations and anxieties of the present life.

That voice is in union with that of the Psalmist of old which unceasingly fortifies and lifts up our minds: "I will hear what the Lord will speak in me: for He will speak peace unto His people: and unto His saints: and unto them that are converted to the heart.

"Surely His salvation is near to them that fear Him: that glory may dwell in our land. Mercy and truth have met each other. Justice and peace have kissed. Truth is sprung out of the earth: and justice hath looked down from heaven. For the Lord will give goodness: and our earth shall yield her fruit. Justice shall walk before Him: and shall set His steps in the way."

Such is the desire that we make in ending this letter, to which we have for a considerable time given our solicitude for the universal church.

We desire that the Divine Redeemer of men, "who of God is made unto us wisdom and justice and sanctification and redemption," may reign and triumph gloriously throughout the ages, in all and over all. We desire that human society being restored to order, all nations may firmly enjoy prosperity, happiness, and peace.

As a portent of these wishes and as a pledge of our paternal good will, may the apostolic blessing, which we give from our heart in the Lord, descend on you, venerable brethren, and on all the faithful entrusted to your care and especially on those who will reply with generosity to our appeals.

(Given at Rome, at St. Peter's, May 15, in the year 1961, the third of our pontificate.)

POPE JOHN XXIII.

[From the San Francisco Examiner, July 17 1961]

A GREAT DOCUMENT

The wise counsel of Pope John XXIII in the encyclical just issued will powerfully influence the whole world.

When you consider that the message will be distributed in all languages, giving it more extensive circulation than any other in the history of the Roman Catholic Church, it is evident the effect will be immeasurable and will increase with time.

Excepting tyrants and oppressors, we think the world will acknowledge these truths:

The need for economically advanced nations to help the newly emerged or underdeveloped—but help should not be a prelude to domination, creating a new and menacing form of colonialism. Such was the attempt of communism in the Congo, and is the attempt of communism all over the globe.

The danger of perpetuating great social and economic divisions among sectors of peoples within nations, so that there stands the harsh contrast to the wants of the great majority, the abundance and luxury of the privileged few. It is this harsh contrast that the Communists are exploiting in Latin America and wherever else it exists.

The age-old experience that private property is an element that cannot be substituted for in an ordered and productive social life and that where the personal initiative of individuals is lacking, there is political tyranny. But this does not preclude the validity of socialization so long as it confines its activities within the limits of the moral order.

The right of workers to a wage which allows them to live a truly human life and to face up with dignity to their family responsibilities.

The existence of an imperishable religious impulse, which constantly expresses itself everywhere, even though trampled down by violence or skillfully smothered.

There are doubtless other points in this important and great document that we have overlooked, but those we have grasped make it clear it is a plan of action and policy for peace among nations and peoples under God.

[From the Boston Herald, July 17, 1961]

TO THE CONSCIENCE OF THE WORLD

The encyclical letter which Pope John XXIII issued last week was directed to the clergy and the faithful of the Catholic Church. But it was in fact an appeal to the conscience of the whole Western World.

The long (25,000-word) encyclical covered many themes. The most striking, however, was aid to underdeveloped nations, and the Pontiff's observations on this subject are bound to have a far-reaching beneficial effect.

The church pronouncement marked the 70th anniversary of the famous "Rerum Novarum" of Pope Leo XIII was both a commentary on and supplement to that document. Leo spoke at a time of great social unrest, when the working classes everywhere were beginning to protest against their lowly estate. Instead of preaching Christian resignation to the workers he proclaimed and defended their right to seek a more just social order.

Pope John sees as the most difficult problem of the modern world the great disparity in wealth between the poor and underdeveloped nations on the one hand and the rich, developed nations on the other. And the "revolution of rising expectations" which now agitates the poorer nations, he feels, is just as deserving of sympathy and help as were the revolutionary aspirations of depressed workers three-quarters of a century ago.

While he praises the "fruitful works" which world banking institutions, single states, and private citizens have undertaken to help the have-not states, he warns that much more must be done. And more to the point he speaks of ultimate objectives. Emergency aid, he says, is not enough, nor one-shot philanthropic gestures. Even less must aid be used as "a new form of colonialism" to bind the poor nations to one or another political system. Aid must be given disinterestedly and in such a way as to allow all peoples to realize their own potential.

The aim should be the creation of a world community "in which all members are subjects conscious of their own duties and rights, working on a basis of equality for

the bringing about of the universal common good"—in other words social justice among nations.

This is precisely the doctrine which our own Government has been preaching in recent years, but governments don't always convince those who need to be convinced. Pope John's eloquent words should help. They should persuade opponents of foreign aid that this kind of sharing is both an obligation of conscience and a contribution to a better, safer world for all of us.

[From the Dallas Times Herald, July 17, 1961]

POPES AID VIEW

As a wealthy nation and a religious one we should have no difficulty agreeing with the foreign aid portion of Pope John XXIII's new encyclical.

The Pope declared that developed nations should help less fortunate nations "in sincere political disinterestedness" to balance the differences between abundant production and misery and hunger.

The United States has, in fact, been doing this—whether to the best of its ability is open to question. Aside from our moral obligation to help the needy, we Americans and other free nations as well have recognized—as the Pope also noted—that lasting peace is impossible with a wide divergence in economic levels between nations.

Thus, the economic aspects of U.S. foreign aid programs are a mixture of charity and self-interest, duly carried out by the government elected by the people.

With this principle there should be no quarrel. It is a people's business to be humanitarian, and a government's duty to devise programs for the nation's safety.

[From the New York Times, July 16, 1961]

MATER ET MAGISTRA

Through the centuries, the Popes periodically have issued encyclicals setting forth their views on matters ranging from religious practices to the great social and political issues of their time. The encyclicals are not binding on the Catholic faithful under pain of sin as are pronouncements on faith and morals ex cathedra (from the chair of Peter). But they represent the official position of the church and set the guidelines for teaching and precepts in Catholic pulpits, schools, and homes.

Last week, Pope John XXIII issued a 25,000-word encyclical that broke new ground for the church in the area of social, economic, and political relations. Referred to as "Mater et Magistra" ("mother and teacher") from the first three words of the Latin text, the encyclical modernized and supplemented two other major encyclicals on social and economic issues by Leo XIII in 1891 and Pius XI in 1931.

PROBLEM OF AID

A major theme of the new encyclical by the 79-year-old pontiff, who comes from peasant stock, was the importance of aid to underdeveloped areas. Such aid, Pope John said, was the "biggest problem of modern times" and he asked that it be given without creating a "new form of colonialism" by attaching political strings. These were some of the other matters covered in the encyclical:

Communism: "Where the personal initiative of the citizens is missing" and men are not allowed to own the fruits of their labor, "there is political tyranny."

Labor: Action must be taken to raise wages which in many lands condemn workers and their families to "subhuman" conditions of life. "We * * * hold as justifiable the desire of the employees to participate in the activity of the enterprise to which they belong."

International relations: Radically opposed philosophies have created fear among world leaders with each believing "the other harbors plans of conquest."

Birth control: The solution to population problems lies in a "renewed scientific-technical effort" to extend "man's mastery over nature," but no interference with the creation of life is permissible.

Catholic officials said the encyclical had rounded out the trilogy begun in 1891, and they predicted it would have a profound influence on the world's 500 million Catholics.

[From the New York Times, July 16, 1961]

POPE JOHN'S ENCYCLICAL

Pope John's encyclical, like those of his predecessors, Leo XIII in 1891, Pius XI in 1931, and perhaps many more going back almost to the dawn of Christian history, is an attempt to apply the ethics of Catholicism to a changing world situation.

The Pope is considering "the daily life of men." He cites the Scriptures to show that the Founder of Christianity was "concerned about the earthly needs of men." Even during the past two decades there have been, as the Pope reminds his listeners, "profound transformations, both in the internal structure of each political community and in the mutual relationships." The task, as His Holiness sees it, is to reach a humane solution of the resulting problems, without loss of freedom or of human dignity or any diminution in responsibility. The encyclical reiterates the Catholic belief in private property but also emphasizes the workers' right to a just remuneration, not determined entirely "by the laws of the market," but "according to justice and equity."

As the Pope advocates economic justice "among citizens of the same political community," so also he argues for justice among the nations and for assistance from the developed countries so that the people of less-favored lands "may succeed in raising their standards of living." He generously pays tribute to those international organizations, individual states, and private agencies whose richly fruitful works have had their beneficial results in recent years.

As a religious document, this encyclical, like its predecessors, is historical. In those parts which we may consider secular—that is, of friendly concern to people of other religions—it presents a picture of the conflict in our time between the crude materialism of the Communists and the humane spirit of all great and enduring faiths.

[From the Washington Post, July 17, 1961]

TOWARD A BETTER SOCIETY

The eloquent appeal of Pope John XXIII for social justice, for a fairer distribution of wealth within each country and among the nations of the world, amplifies the philosophy of the great encyclical of Pope Leo XIII and reasserts the determination of the church to concern itself with man's material as well as his spiritual well-being.

"The relationship between church and state or between the religious and the secular can profitably be studied in terms of dialog, of voice of speech between man and man," the Reverend Walter J. Ong, S.J., stated in his American Catholic Crossroads. It is this dialogue, of which last week's encyclical is a part, that provides an alternative to the church-state which preceded the Middle Ages and the progressive secularization of society which followed it. As the Reverend Ong put it: "The church herself needs to be in the world just as desperately as she needs not to be of it."

Pope John's words on social justice will not evoke, nowadays, any comment such as that of the 19th century statesman who crushed a clerical reformer by saying, "Things have come to a pretty pass if religion is going to interfere with private life."

R. H. Tawney, in 1922, saw an end coming to the age in which religion could "leave the present world to the men of business and the devil." He said then: "Not only in one denomination but among Roman Catholics, Anglicans, and nonconformists, an attempt is being made to restate the practical implications of the social ethics of the Christian faith, in a form sufficiently comprehensive to provide a standard by which to judge the collective actions and institutions of mankind, in the sphere both of international politics and of social organization."

The encyclical of Pope John is a part of this attempt. It denies the morality of laissez faire economics to assert that "remuneration cannot be left to the mechanical play of market forces." It asks respect for "the dignity of the human being" that it "be not violated in body or spirit" by the conditions of labor. It bodly asserts "both competition in the liberal sense and the class struggle in the Marxist sense are contrary to nature and the Christian conception of life."

It enjoins equally a fair sharing of rewards between one sector and another of the economy, appealing for better treatment of agriculture and other producers of raw materials. It deplores the "offensive contrast" between poverty of the many and "the abundance and unbridled luxury of the privileged few." It asks that "socioeconomic inequalties do not increase but rather that they be lessened as much as possible."

The obligations of advanced nations to underdeveloped countries have not been better stated than in the sentence: "We are all equally responsible for the undernourished peoples." Elsewhere he asserts, "Justice and humanity demand that the former come to the aid of the latter."

Modern capitalism has been greatly modified since John Meynard Keynes described it as "absoluetely irreligious, without internal union, without much public spirit, often though not always, a mere congeries of possessors and pursuers." The modifications that make it now more acceptable to just and sensitive men, that present it as an ethical alternative to the crass materialism of Marxist society, have sprung in great part from religion's reassertion of the right to speak to the consicence of mankind on secular matters. The great encyclical of Pope John takes its place among the admonitions of religion to make capitalism acceptable to the human conscience.

[From Life magazine, July 21, 1961]

VOICES

(The voice that sounded most profoundly through the world last week was that of Pope John XXIII. In the longest and one of the most far-reaching encyclicals in the history of Catholicism, he expressed the mind of the church on the issues facing a turbulent world.)

International aid: "Justice and humanity demand that the [wealthy nations] come to the aid of the [poor nations]. To destroy or squander goods that other people need in order to live, is to offend against justice and humanity. But the temptation with which the economically developed political communities have to struggle is that of profiting from their technical and financial cooperation so as to influence the political situation of the less-developed countries with a view to bringing about plans of world domination."

Private enterprise: "The right of private ownership of goods, of productive goods inclusively, has a permanent validity precisely because it is a natural right founded on ontological and finalistic priority of individual human beings as compared with society."

Role of labor: "Modern times have seen a broad development of association of workers and the general recognition of such. But

we cannot fail to emphasize how timely and imperative is it that the workers exert their influence and effectively so, beyond the limits of the individual productive units, and at every level."

Overpopulation: "There are those who would have recourse to drastic measures of birth control. The true solution is found only in the economic development and in the social progress brought about in a moral atmosphere conformable to the dignity of man and to the immense value the life of a single human being has and in the cooperation that favors an ordered and fruitful interchange of useful knowledge of capital and of manpower."

Economics: "Experience shows that where the personal initiative of individuals is lacking, there is political tyranny but there is also stagnation in the economic sectors engaged in the production where the due services of the state are lacking or defective, there is incurable disorder and exploitation of the weak on the part of the unscrupulous strong who flourish in every land and, at all times, like the cockle among the wheat."

World understanding: "Men, especially those entrusted with greater responsibility, show themselves unable to understand one another. The root of such inability is not to be sought in scientific, technical, or economic reasons but in the absence of mutual trust. Mutual trust among men and among states cannot begin nor increase except by the recognition of and respect for the moral order."

[From the Minneapolis Morning Tribune, July 25, 1961]

THE POPE SPEAKS

Pope John XXIII's encyclical, "Mater et Magistra," celebrating the 70th anniversary of the historic "Rerum Novarum" of Pope Leo XIII, is without doubt one of the major social documents of our times.

"Mater et Magistra" (from the first three words: Mother and Teacher) is the longest encyclical in the history of the Roman Catholic Church. It runs to more than 20,000 words. It is the third in a series of social statements that have reshaped and redirected the church's attitude toward the changing and increasingly uncertain modern world.

Back in 1891, Pope Leo XIII in "Rerum Novarum" (of new things) issued a far-reaching appraisal of labor and working conditions that Pope John has now called "the Magna Carta of the economic-social reconstruction of the modern era."

Pope Leo's famed encyclical is considered by many to be the basic document on the Roman Catholic Church's approach to social problems. It also is looked on as the church's answer to Karl Marx's "Das Kapital," the philosophic foundation of communism.

In 1931, 40 years after "Rerum Novarum," Pope Pius XI issued "Quadragesimo Anno," which cited economic collectivism on the one hand and economic individualism on the other as the "twin rocks of shipwreck" and asked for added protection for the workers of the world. It is from this foundation of social thinking that Pope John has now proceeded to build.

This is a document that will be studied and analyzed by scholars for many years to come. It is impossible, obviously, to do more than sketch a few highlights.

On world aid, the Pope has said that rich lands must aid the poor, that to destroy or squander what others need is to offend justice and humanity.

On farming, Pope John, who comes of a farming family, said that the exodus from agriculture stems from the fact farming is a depressed area. Living standards of the rural population must be brought up as close as possible to urban standards.

On economics, the Pope said that public authorities must promote productive developments on behalf of social progress for the benefit of all.

On science, the Pope pointed out that while man has produced gigantic and spectacular works his striving for the mastery of the external world has brought the danger of self-destruction.

On taxation, the Pope said that the fundamental principles of justice and equity require that burdens of taxation be proportioned to the capacity of the people to contribute.

On birth control, the Pope said that church teachings must be adhered to, but the enterprise of family size requires economic conditions that insure sufficient income to enable the family to live in decent comfort.

In detail, the Pope's statements will not be acceptable to all Christians, much less to those of other faiths or no faith at all. This was to be expected. But in its wide range and broad scope, the encyclical offers much to all men even though all men will not be able to embrace it in its entirety.

Once more Pope John has demonstrated his warmth of heart and deep human qualities. "Mater et magistra" is the document of a concerned man. It is a distinguished addition to papal pronouncements in social areas and, as such, is worthy to stand beside its great predecessors of the pontificates of Leo XIII and Pius XI.

[From the Richmond (Va.) Catholic Virginian, July 21, 1961]

SOCIAL CONCERN BROADENED

The two papal encyclicals which have commemorated Leo XIII's trailblazing encyclical on labor, "Rerum Novarum," have broadened the scope and refined the principles laid down in that encyclical.

Both came to grips with new problems and situations that have emerged since Pope Leo's time.

Pope Leo's encyclical of May 15, 1891, was addressed to the world but largely concerned itself with conditions brought about by the industrial revolution. Its primary emphasis was on labor in the manufacturing and mining industries.

Pope Pius XI's encyclical of 40 years later, "Quadragesimo Anno," covered a wider range but touched mainly on manufacturing, mining, and commerce.

The present encyclical of His Holiness Pope John XXIII introduces the problems of farming and of underdeveloped nations striving to catch up with highly industrialized countries.

Pope Leo emphasized "the enormous fortunes of some few individuals and the utter poverty of the masses." But he rejected socialism as a remedy, and firmly upheld the right to private property. He also defended the right of labor to organize and entered a strong plea for new laws that would correct abuses in society.

Pope Pius XI, like Pope Leo, condemned the disparity of income and wealth between the rich few and the propertyless many. But he went beyond his predecessor in noting what might be called "structural abuses" in the economic system.

Pope Pius XI repeated but somewhat modified Pope Leo's condemnation of socialism. He warned against the threat posed by communism.

While upholding the right of property, as did Pope Leo, Pius XI pointed out that ownership has a social character as well as an individual character. To both capital and labor he pointed out their social obligations as well as their rights.

Pius XI made more precise the concept of a living wage by specifying that this be a family wage.

The primary aspects of the great encyclical of Pope John XXIII are these:

1. He has put into focus, in terms of the problems of the nuclear age, the social principles outlined by his predecessors. It is especially helpful to have a solemn reaffirmation of the teachings of Pope Pius XII, since these were often given in the form of addresses to various groups, in addition to the more solemn radio messages to the world.

2. This is a truly worldwide encyclical, dealing not only with the problem of labor and management in the industrialized sector, but also with the economic difficulties of agriculture and the legitimate aspirations of developing nations.

3. The approach to the problem of industrial economics reflects a high degree of economic sophistication and a philosophy that Americans will characterize as liberal. The complexity of modern society is recognized. The encyclical allows for diverse forms of social organization and a high degree of government intervention for the sake of social welfare.

4. Most timely is the urgent call for aid to developing nations, not only as a duty of justice and charity, but also as an essential safeguard of world peace. At the same time, the Pope warns these nations of their own duties to take positive action for the general welfare, not to stand idly by in the face of exploitation and gross disparity in wealth and income.

[From the Worcester (Mass.) Catholic Free Press, July 21, 1961]

ENCYCLICAL BROADENS SCOPE OF OTHERS

(By Rev. John F. Cronin, S.S.)

The two papal encyclicals which have commemorated Leo XXIII's trail blazing encyclical on labor, "Rerum Novarum," have broadened the scope and refined the principles laid down in that encyclical.

Both came to grips with new problems and situations that have emerged since Pope Leo's time.

Pope Leo's encyclical of May 15, 1891, was addressed to the world but largely concerned itself with conditions brought about by the industrial revolution. Its primary emphasis was on labor in the manufacturing and mining industries.

Pope Pius XI's encyclical of 40 years later, "Quadragesimo Anno," covered a wider range but touched mainly on manufacturing, mining, and commerce.

The present encyclical of Pope John XXIII introduces the problems of farming and of underdeveloped nations striving to catch up with highly industrialized countries.

REJECTS SOCIALISM

Pope Leo emphasized "the enormous fortunes of some few individuals and the utter poverty of the masses." But he rejected socialism as a remedy, and firmly upheld the right to private property. He also defended the right of labor to organize and entered a strong plea for new laws that would correct abuses in society.

Pope Pius XI, like Pope Leo, condemned the disparity of income and wealth between the rich few and the propertyless many. But he went beyond his predecessor in noting what might be called "structural abuses" in the economic system, such as stock speculation, financial manipulation, excessive competition and its opposite, monopoly, and the corruption of the state by finance capitalism. In addition, he noted a corruption of morals, the denial of justice and charity, and a prevalence of greed.

Pope Pius XI repeated but somewhat modified Pope Leo's condemnation of socialism. He warned against the threat posed by communism.

While upholding the right of property, as did Pope Leo, Pius XI pointed out that ownership has a social character as well as an individual character. To both capital and labor he pointed out their social obligations as well as their rights.

He made more precise the concept of a living wage by specifying that this be a family wage.

He echoed Pope Leo's call for proper social legislation, but also called attention to the dangers of loading excessive burdens onto the state.

INTERMEDIARIES

Pope Pius XI's unique contribution was to call for a structural reform in society through the creation of intermediary economic bodies to regulate the economy in the interests of justice and charity.

This regulation could be positive in intent, as, for example, the joint efforts of labor and management to increase productivity and decrease costs in an industry. Or it could be more negative in scope, centering on the regulation of abuses.

Here, for instance, bodies representing labor and management could control destructive types of competition, instead of leaving such regulation to the government.

The primary aspects of the great encyclical of Pope John XXIII are these:

1. He has put into focus, in terms of the problems of the nuclear age, the social principles outlined by his predecessors. It is especially helpful to have a solemn reaffirmation of the teachings of Pope Pius XII, since these were often given in the form of addresses to various groups, in addition to the more solemn radio messages to the world.

2. This is a truly worldwide encyclical, dealing not only with the problems of labor and management in the industrialized sector, but also with the economic difficulties of agriculture and the legitimate aspirations of developing nations.

LIBERAL PHILOSOPHY

3. The approach to the problem of industrial economics reflects a high degree of economic sophistication and a philosophy that Americans will characterize as liberal. The complexity of modern society is recognized. The encyclical allows for diverse forms of social organization and a high degree of government intervention for the sake of social welfare.

4. Most timely is the urgent call for aid to developing nations, not only as a duty of justice and charity, but also as an essential safeguard of world peace. At the same time, the Pope warns these nations of their own duties to take positive action for the general welfare, not to stand idly by in the face of exploitation and gross disparity in wealth and income.

[From American magazine, July 29, 1961]

PETER SPEAKS AGAIN

Pope John's frequent references in recent months to a forthcoming encyclical on the social question revealed his deep concern for a troubled world. The lengthy document, "Mater et Magistra," which finally appeared on July 14, manifests calm confidence, a burning thirst for justice and an abiding sense of human compassion. It puts beyond question John XXIII's right to be hailed as universal pastor and a friend to all mankind.

In months ahead, scholars will busy themselves in exploring the precise meaning of the letter. For the moment, it may help to focus attention on overall impressions derived from a first reading.

Throughout, "Mater et Magistra" sounds a note of quiet Christian optimism. There is little of the Pollyanna about Pope John's description of our era as one "penetrated and shot through with radical errors" and torn and upset by deep disorders. Yet he hastens to add that "it is also an era in which immense possibilities for good are opened to the church."

In the same spirit, the supreme pontiff flatly rejects the view that the laity "should consider it more prudent to lessen their personal commitment to the world." Quite the contrary. Rather, he holds it "perfectly in keeping with the plan of divine providence that each one develop and perfect himself through his daily work." As for the church, it is "confronted with the immense task of giving a human and Christian note to modern civilization. The summons is not to retreat, but to plunge directly into the revolutionary tides swirling over the face of the globe today.

Repeatedly, the Pope speaks of "historical factors," the "evolution of historical situation," "historic development in the economic, social and political fields." And though he rejects a "deterministic" view of social change, he willingly acknowledges "the laws of economic development and social progress."

The holy father likewise discloses a keen sociological awareness in urging the adaptation of social and economic theories to varying circumstances and cultures. Eminently practical, too, is his advice to the lowly to combine in promoting their joint interests, "for today almost nobody hears, much less pays attention to, isolated voices."

Again, while he insists on the need for participation by workers in the conduct of business enterprises, he admits that it is not feasible to define a priori the manner and degrees of such participation, since the workers are the ones who are in touch with the specific conditions prevailing in every enterprise.

More than one statement in "Mater et Magistra" will provoke lively response in American Catholic circles. In the Pope's teaching, for instance, the modern trend to socialization is not the necessarily evil thing some social critics make it out to be. Then, too, not all are accustomed to deeming it timely and imperative for workers to exercise an effective voice not only in the running of industries, but also in public economic planning on a worldwide, regional, or national scale.

Possibly it was the teaching on taxation and social security that Fr. John F. Cronin, S.S., a leading American exponent of Catholic social doctrine, had in mind when he commented that "by our standards in the United States, the document's tone is extremely liberal." Pope John states, for instance, that systems of social insurance and social security can contribute efficaciously to redistribution of the overall income of the political community.

Inevitably one searches a new encyclical for treatment of themes that strike close to home. Thus, American Catholics will wonder why the present text does not treat explicitly of the race question. To be sure, the Holy Father's recurrent appeal to the concept of human solidarity and the doctrine of the mystical body provides a basis for correct thinking about interracial justice. Many will hope, nonetheless, that a subsequent document will treat this burning issue fully.

There remains now the task of implementing the encyclical. In this task, to which this review now dedicates itself, there can arise even among upright and sincere Catholics differences of opinion. But with John XXIII we hope that such differences will not serve to hinder efficacious and suitable action.

Peter has spoken. It seems unthinkable that men of good will anywhere should exhaust themselves in interminable discussion and, under pretext of seeking the better or the best, omit to do the good that is possible and is thus obligatory.

POPE JOHN'S "MATER ET MAGISTRA"

(By Benjamin L. Masse, S.J.)

Dated May 15, 1961—the 70th anniversary of Leo XIII's "Rerum Novarum," the 30th of Pius XI's "Quadragesimo Anno"—Pope John's "Mater et Magistra" ("Mother and Teacher") completes for this generation the Catholic bible of socioeconomic affairs.

One of the bulkiest encyclicals in the history of the church—some 25,000 words in length—"Mater et Magistra" is an obvious and badly needed response to the cataclysmic changes that have rocked the world since the publication of "Quadragesimo Anno" in 1931. These transformations, the Pope notes, affect both the internal structure of states and their relations with one another.

They touch the field of science, technology, and economics: the discovery and application of nuclear energy; the application of chemistry to industry, with the rise of many synthetic products; the growth of automation; the annihilation of distance through the increased speed of communications and transport, and the first conquests of space.

They touch the social field: the development of systems of social insurance; improvement of basic education; increased social mobility and the blurring of class divisions; the growth of a more responsible attitude toward socioeconomic problems, and a spreading popular interest in world affairs; the increasing imbalance between agricultural and industrial sectors within nations and between developed and underdeveloped countries on a world scale.

They touch the political field: the increasing participation of all groups of citizens in public life; the wider activity of government in economic and social affairs; the decline of colonialism in Asia and Africa, and the spread of political independence; the multiplying relationships between countries and their growing interdependence; the development of a network of supranational organizations devoted to economic, social, cultural, and political ends.

To keep alive the torch lighted by Leo XIII, Pius XI and Pius XII, so that from it men may draw inspiration and guidance in coping with contemporary developments, the Pope aims in the new encyclical (1) "to confirm and specify points of doctrine already treated by our predecessors," and (2) "to elucidate further the mind of the church with respect to the new and important problems of the day."

The encyclical has four main divisions:

1. "The Teaching of the Encyclical Rerum Novarum and Opportune Developments in the Doctrine of Pius XI and Pius XII."

2. "Explanation and Development of the Teaching in Rerum Novarum of Private Initiative and the Intervention of the Public Authorities in the Field of Economics."

3. "Reconstruction of Social Question."

4. "Reconstruction of Social Relationships in Truth, Justice and Love."

To save space and come immediately to what is distinctive in the new encyclical, I shall pass over the Pope's résumé of the teaching of his predecessors. This is not an easy decision to make, since the summaries of "Rerum Novarum," "Quadragesimo Anno" and Pius XII's "Radio Message of Pentecost, 1941" are very carefully done and offer an authoritative review of the church's basic social doctrine.

I

Since the publication of "Quadragesimo Anno," society has become increasingly organized, or socialized, and a continuing controversy has raged over the role of the state, private groups, and individual enterprise in the economy. There has been persistent conflict, also, over wage policy, distribution of income, and the status of workers within the business enterprise. Questions have likewise been raised about private property and the importance assigned to it in the church's traditional social teaching. To all these topics the Pope addresses himself in the second part of the encyclical.

A. Private enterprise and the state: The Pope begins by restating three fundamental

principles: (a) the economy is primarily the creation of the personal initiative of private citizens; (b) the state must act positively to promote a productive economy for the benefit of all citizens; (c) its action should be governed by the principle of subsidiarity, i.e., restricted to those undertakings which private groups and individuals cannot accomplish themselves.

In the light of these principles, what is to be said about the expansion of government intervention in the economic sphere?

In the first place, says the Pope, it cannot be denied that technological development and the growth of scientific knowledge have given public authorities new possibilities of controlling economic fluctuations and reducing inequalities within and between countries. Under these circumstances governments feel the need of developing techniques and structure that will enable them to intervene in the economy on a wider scale than in the past.

On the other hand, no matter how widespread and penetrating government intervention may be, it should not destroy the rights of individual persons, including the right of being "primarily responsible for their own upkeep and that of their family." Rather government intervention should be such as to guarantee those rights.

The ideal balance between state intervention and private enterprise is indicated by history and experience. Experience teaches us that where individual initiative is lacking, production stagnates, especially production of "consumer goods and of services which pertain, in addition to material needs, to the requirements of the spirit." Experience also shows that "where the due services of the state are lacking or defective, there is incurable disorder and exploitation of the weak on the part of the unscrupulous strong." The lesson of history then is clear. It shows that there cannot be a well-ordered and fruitful society without the support in the economic field both of the individual citizen and of the public authorities, a working together in harmony in proportions corresponding to the needs of the common good in the changing situations and vicissitudes of human life.

Socialization: Since this is a new word in encyclical literature, the Pope defines it, in mouth-filling polysyllabics, as "the progressive multiplication of relations in society, with different forms of life and activity, and juridical institutionalization." So understood, socialization covers movements and organizations in both the private and public sphere of the economy. It is, he explains, both the cause and the effect of growing state intervention. It results from the active concern of governments with such matters as health, education, care and rehabilitation of the handicapped; but it is also the fruit of a natural tendency in human beings to band together to attain objectives that are beyond their individual reach.

The Pope draws up a kind of balance sheet on socialization.

On the credit side, socialization makes possible the satisfaction of many personal rights, especially those called economic-social. He mentions the guarantee of minimum subsistence levels, health services, opportunities for higher education, gainful employment, housing, suitable leisure and recreation—in a word, the rights guaranteed by what is loosely called the welfare state.

On the debit side, socialization, by multiplying organizations and juridical controls, restricts individual freedom. It creates an atmosphere which makes it hard for the individual to think for himself, to work on his own initiative, to exercise responsibility and enrich his personality.

Weighing the pros and cons, must we conclude, the Pope asks, that socialization necessarily reduces men to automatons?

This is a question, he replies, in a statement that rated headlines, which must be answered negatively.

In order that the advantages of socialization may be realized and the dangers averted, the Pope makes three stipulations: (1) that government officials have a sane view of the common good, one which includes the development of the human personality; (2) that private groups remain independent of the state, subject, of course, to the demands of the common good; and (3) that the members of private groups be treated as persons and encouraged to take an active part in the life of their organizations.

If these safeguards are observed, the Pope concludes, socialization poses no serious threat to the freedom of the individual. Rather it helps to foster in individuals "the expression and development of truly personal characteristics." It also contributes to that organic reconstruction of society which Pius XI considered essential if the demands of social justice were to be satisfied.

Remuneration of work: To a considerable extent, this section is a restatement of the detailed treatment of wage justice in "Quadragesimo Anno." A just wage is one which responds not merely to the family needs of the worker, but also to his output, to the condition of the business and to the requirements of the common good. The Pope makes only one change in this formula. Well aware of the part wage costs play in unfair competition between countries as well as within countries, he expands the concept of the common good beyond national borders to embrace the international community.

The reader should not run over this part of the encyclical too rapidly. It contains (1) a strong reaffirmation of Pius XI's plea that workers be permitted to share in the ownership of the firms which employ them; (2) a warning that today more than ever a just share only of the fruits of production be permitted to accumulate in the hands of the wealth"; (3) a denunciation of the unjust treatment of workers in some of the underdeveloped countries. To wealthy minorities in certain countries in Latin America, in Southeast Asia and elsewhere, the Pope's words will not make pleasant or popular reading.

Justice and productive structure: Possibly more sparks will fly over this part of the encyclical than over any other. The Pope insists here that the demands of justice go beyond an equitable distribution of income and extend to the process of production itself. An economic system may produce an abundance of goods and distribute them fairly, he remarks, but if in the process the sense of responsibility of the producers is blunted or their personal initiative impeded, the system is unjust. Although it is not possible to describe in detail the requirements of an economic structure that conforms with human dignity, some directives can be offered. The Pope, following Pius XII closely in some respects, offers several.

He insists, first of all, on the preservation of the small business enterprise. Small businessmen should themselves strive to adapt to technological change and shifting consumer preference, either alone or through cooperatives. But they will need help—in the matter of credit, for instance, or taxes—and this help the government should offer.

In the second place, in medium-size and large businesses, the workers should be enabled to participate in the activity of the enterprise. Among other things, this means that the workers may have their say in, and may make their contribution to, the efficient running and development of the enterprise. How this is to be accomplished in practice cannot be settled a priori but must be left to experience. The goal, however, is clear:

A humane view of the enterprise ought undoubtedly to safeguard the authority and necessary efficiency of the unity of direction, but it must not reduce its daily coworkers to the level of simple and silent performer without any possibility of bringing their experience to bear (on the running of the enterprise) and entirely passive in regard to decisions that regulate their activity.

In the third place, the Pope recommends that trade unions go beyond collective bargaining to achieve their objectives. Frequently today, he says, it is not the decisions of the individual enterprise that have most effect on workers, but those made by public authorities or by institutions that act on a worldwide, regional, or national scale. It is appropriate, and even imperative, that the interest of workers be represented on those levels.

The Pope concludes this section with a word of heartfelt appreciation to the International Labor Office, which, he says, has made an effective and precious contribution to the establishment in the world of an economic and social order marked by justice and humanity.

Private property: Over the past few decades, the spread of social security, the growth of "fringe benefits" and seniority systems in connection with jobs, and the separation of management and ownership have raised questions about the traditional emphasis on private property in the church's social teaching. The Pope settles this doubt by reaffirming—with an obvious reference to communism—the importance of private property as a "guarantee of the essential freedom of the individual and an essential element in the social order." For the rest, the Holy Father repeats the traditional teaching on the social character of private property and the place rightfully reserved for public ownership.

II

"Rerum Novarum" dealt with the great changes brought about by the industrial revolution; "Quadragesimo Anno," with the breakdown of laissez-faire capitalism after World War I. Both encyclicals concentrated on the nation-state as an economic unit, treating international issues only peripherally. Furthermore, they were mainly directed at industrial problems.

Today the world has suddenly become one in a way it never was before. Everywhere men are talking about the underdeveloped countries, many of which have become independent only with the past 15 years. Industry continues to present challenges, but meantime agriculture is more and more demanding the attention of sociologists and economists, of private organizations and governments. When men once worried about the industrial worker, they now worry about the agricultural proletariat. The times clearly demanded some authoritative word from Rome on farm problems and on a seething world divided between rich and poor nations in which the rich are growing richer and the poor, poorer. "Mater et Magistra" responds to this demand, as "Rerum Novarum" and "Quadragesimo Anno" answered the demands of other times. Pope John's treatment of agriculture and the underdeveloped nations opens new vistas to the Catholic social apostolate.

Agriculture—Depressed sector: An exodus from rural regions to urban centers, the Pope notes, is occurring on such a large scale that it is creating problems difficult to solve. As industry develops and farm technology advances, some shift of this kind is to be expected. What is taking place today, however, is mainly due to other factors, including the key one that almost everywhere agriculture is a depressed sector of the economy. As a result, nations are concerned

with narrowing the imbalance in productive efficiency between agriculture and industry, with reducing the disparity between rural and urban living standards, and with countering the inferiority complex which farmers have come to feel about their work. The Pope offers several directives.

1. Let governments see that essential public services are suitably developed: roads, means of communication, health services, schools, etc.

2. Let an effort be made to see that industry and agriculture develop harmoniously, both as regards technological progress and a mutually profitable interchange of goods.

3. Let the state adapt its tax system to the peculiar nature of farming, provide credit at moderate interest rates, protect farm prices, and offer to farmers the same social security benefits available to the rest of the population.

4. Let farmers unite in cooperatives and other types of organizations to promote their welfare, remembering always the nobility of their work.

As the Pope praised the ILO, so, too, he here expresses his appreciation of the highly beneficial work of the U.N. Food and Agricultural Organization.

Prosperous and poor nations: This is the long section of the encyclical which, very properly, attracted most attention in the press. The Pope himself emphasizes the significance of the topic: Probably the most difficult problem of the modern world concerns the relationship between political communities that are economically advanced and those in the process of development. But if the problem is difficult, the obligation which the disparity between rich and poor nations imposes on the rich is clear:

The solidarity which binds all men and makes them members of the same family requires political communities enjoying abundance of material goods not to remain indifferent to those political communities whose citizens suffer from poverty, misery and hunger, and who lack even the elementary rights of the human person.

This truth is all the more valid "since, given the growing interdependence among peoples of the earth, it is not possible to preserve lasting peace if glaring economic and social inequality among them persists.

This entire section should be read and reread, especially by citizens of the richest country in the world, but the following points are worth special mention:

1. Aid to developing countries must not be a one-shot affair. Emergency assistance is needed, but it cannot of itself remove the causes which create a permanent state of misery and want. For this a long-range program of technical and financial aid is required. Although the Pope is grateful for what has already been done—by governments and private organizations—he says very frankly that aid must be increased beyond the present level and continued "during the next decades."

2. In extending their assistance, he warns the prosperous nations to be disinterested and respectful of the spiritual values of the recipient countries.

3. He exhorts the less-developed countries to learn from the experience of developed nations. It is necessary that they emphasize an increase in production, but it is no less necessary that the increased production be equitably distributed among all their citizens. Social progress must go hand in hand with economic development.

4. The Pope identifies the church with "the revolution of rising expectations" and with the efforts of the developing nations to preserve their distinctive cultures.

5. In a detailed and sympathetic discussion of the population problem, he rejects artificial contraception as a solution and expresses his confidence in the ingenuity of man to increase the food supply, and in his intelligence and good will in bringing about a better balance between population and available resources and in distributing more equitably the abundance now being produced.

6. The Pope stresses again and again the growing interdependence of peoples and the need for cooperation on a world scale, since "the different political communities can no longer adequately solve their major problems in their own surroundings and with their own forces." As a consequence, he deplores the mistrust in the world today and attributes it to the denial of God and the moral order that proceeds from Him. He finds reason for hope, however, in the spreading skepticism about building a paradise on earth and in the growing consciousness of inviolable human rights, combined with an aspiration for more just and more human relations.

III

The reference to the spiritual aspect of today's crisis provides a natural transition to the pastoral exhortation—so much in character—with which Pope John brings the encyclical to a close. This is a moving plea to Catholics to keep spiritual values uppermost in their lives (without, however, questioning the goodness of scientific-technical progress and the material well-being it produces), to realize the implications of their membership in the mystical body of Christ, to know the social teachings of the church and to practice them.

Especially notable in this section is the vigor of the Pope's assertion ("We reaffirm strongly") that "Christian social doctrine is an integral part of the Christian conception of life." Instruction in this doctrine is not to be confined to special institutes but must "be extended by regular systematic courses in Catholic schools of every kind, especially in seminaries." It is to be injected "into the religious instruction programs of parishes and of associations of the lay apostolate." And it should be spread by every means of modern communication, by television, press, and radio.

The Pope does not minimize the difficulty either of the social apostolate or of the times in which we live. Especially with regard to the church's social teaching is the transition from theory to practice difficult, because "of the deep-rooted selfishness of human beings, the materialism in which modern society is steeped, and the difficulty of singling out precisely the demands of justice in particular cases." And as for the times: "Our era is penetrated and shot through by radical errors; it is torn and upset by deep disorders."

Nevertheless, the Pope is confident that with God's help order can be restored to human society, so that all nations may enjoy peace and prosperity. If the age is difficult, "it is also an era in which immense possibilities for good are opened to the church."

The writer cannot bring this summary to a close without adding another voice to the chorus of gratitude for this providential encyclical. "Matter et Magistra" will hearten all those engaged in the social apostolate. It will attract new recruits. It will clarify doubts and dissipate confusion. Attuned to the times, it is an answer to prayer in a revolutionary age.

[From Newsweek, July 24, 1961]

"MATER ET MAGISTRA"

A little more than 2 months ago, Pope John XXIII promised the world a new statement of the Roman Catholic Church's views on social and economic affairs. Last week, after delays in translations from the original Latin, Pope John issued the encyclical letter "Mater et Magistra" ("Mother and Teacher"), named, as is customary, from the opening words. The new encyclical appeared on the 70th anniversary of the church's first great social pronouncement of modern times, Pope Leo XIII's "Rerum Novarum" ("Of New Things") commonly called "On the Condition of the Working Classes." Firmly based on Leo's work, it examines modern problems ranging from underdeveloped nations to birth control and at more than 25,000 words, it is one of the longest since St. Peter began writing letters to his flock in the first century.

The main points:

Foreign aid: Rich nations must help the poor ones, but without attempting to influence them politically.

Communism: Where the personal initiative of individuals is lacking, there is political tyranny. There is also stagnation in the economic sectors.

Socialization: Such things as public education and health services and any cooperation toward ends beyond individual capabilities are good. But sharp watch must be kept on the tendency of socialization to deprive man of the chance to exercise his responsibility, to affirm and enrich his personality.

Population: The real solution to rising population is to be found in technological process and not in birth control—"expedients that offend against the moral order established by God * * *."

Wages and work: "Workers should be paid a wage which allows them to live a truly human life." Depending on the nature of the business, "workers may have their say in the efficient running and development of the enterprise."

Agriculture: Farm living standards should be as close as possible to those in the cities. Cooperatives and professional associations and such measures as price supports and tax relief should be given encouragement.

In his foreword, Pope John notes that with "Rerum Novarum" a "new path was opened for the action of the church." In essence, John went mildly and circumspectly down the path already carved out by Pope Leo XIII and his successors—and dipped his pen in Leo's ornate inkwell when he put his name to the long encyclical.

"Rerum Novarum," known as the Magna Charta of Catholic social and economic theory, was issued at a time when the excesses of laissez-faire capitalism had still not been curbed. Leo chose a Christian path leading between the freewheeling individualism of the rich men and the collectivism of the Socialist and Communist doctrine. From Rerum grew the Christian Democratic movement which took power in many European countries after World War II, opposing communism as well as unchecked capitalism.

The Pope's new encyclical, as one might expect, speaks relentlessly against the Communists. But others—even some on the political left—found that they could agree with much that the Pope said. In Italy, a spokesman of the Social Democratic Party gave the letter a somewhat backward compliment by pointing out that "one can discern in it the validity and the penetrative force of theories which for a century have inspired Socialist doctrine."

In the United States, Daniel K. Schulder, president of the Association of Catholic Trade Unionists, hailed the Pope's views on labor: "He has gone beyond the traditional American concepts of collective bargaining in calling for worker participation in vital decisions."

"By our standards in the United States, the document's tone is extremely liberal," said the Reverend John F. Cronin, assistant director of the social action department of the National Catholic Welfare Conference. "The Pope accepts a wide variety of economic methods, provided only that the individual and the family retain their basic rights."

[From Time magazine, July 21, 1961]

"MATER ET MAGISTRA"

The most important social statement of the Roman Catholic Church in recent centuries has been a document known as "Rerum Novarum" ("Of New Things"), issued on May 15, 1891, by 81-year-old Leo XIII as a papal encyclical—an open letter to the bishops of the church. Dealing directly and forcibly with the social ills facing the world at the turn of the century, it condemned socialism as immoral but supported trade unions and higher wages, state regulation of industry and broader distribution of property and wealth. Brought up to date 40 years later by Pope Pius XI, it is the starting point of modern Catholic social thought and the ideological bedrock on which today's huge Christian Democratic parties in Italy, Germany and Belgium are founded.

Last week, to celebrate the 70th anniversary of "Rerum Novarum," Pope John XXIII issued his own social encyclical, a message firmly oriented toward the new problems of the mid-20th century. Titled "Mater et Magistra" ("Mother and Teacher") and addressed broadly to "all Christians," it is 25,000 words long—probably the longest encyclical in history—and ranges farther and wider than either of its two predecessors. It is also more polished; John and his advisers have been tinkering with it for many months, and its publication was reportedly delayed several times for last-minute changes.

A CREATION OF FREE MEN

"Mother and Teacher of all nations," it begins, "the Universal Church has been instituted by Jesus Christ so that all who in the long course of centuries come to her for loving embrace may find fullness of higher life and a guarantee of salvation." What follows sets forth "new aspects of the social question," and recommends means for the "reconstruction of social relationships in truth, justice and love."

"Mater et Magistra" takes careful measure of the massive power that science and technology have given the state to raise living standards and increase social welfare. It also warns the state of the danger this power carries to restrict the freedom of the individual. The state must therefore be careful to protect "the right that individual persons possess of being always primarily responsible for their own upkeep and that of their own family, which implies that in the economic systems the free development of productive activities should be permitted and facilitated."

Pope John left no doubt that in the church's view progress and "the natural right of private ownership, inclusive of productive goods," are inseparable. But John was also aware that the set of the modern state is toward what he calls "socialization"—"the fruit and expression of a natural tendency, almost irrepressible in human beings, the tendency to join together to attain objectives which are beyond the capacity and means at the disposal of single individuals." But socialization does not necessarily turn men into automatons. "For socialization is not to be considered as a product of natural forces working in a deterministic way. It is, on the contrary, as we have observed, a creation of men, beings conscious, free and intended by nature to work in a responsible way."

Where private enterprise makes it possible, Pope John urged that workers acquire shares in the firms that employ them. A onetime farm boy himself, John dug deep into the problems of ailing agriculture, especially critical in Italy, offering various solutions, including state aid, tax reform, cheap capital, social security and price protection.

POPULATION EXPLOSION

Probably the most difficult problem of the modern world, he said, is the inequality between rich and poor nations. In a remark clearly applicable to the United States, he said that countries with more than enough food must share it with those that have too little—"to destroy or squander goods that other people need in order to live is to offend against justice and humanity." But, while lending such assistance, the economically advanced countries must "overcome the temptation to impose themselves by means of these works, a new form of colonialism." On the other hand, the population explosion, "at least for the moment and in the near future," did not seem to create a "difficulty" on a world scale, and even in critical local situations the use of contraceptives was never justified.

THE FUNDAMENTAL ERROR

Pope John did not designate communism by name, but he pointed out: "Experience has shown that where the personal initiative of citizens is missing, there is political tyranny." He then skillfully thrust through to communism's most vulnerable spots—its promise of a temporal paradise, its scoffing at man's deeply felt religious needs, its persecution of Christian believers: "In the modern era, different ideologies have been devised and spread abroad. Some have been dissolved as clouds by the sun; others have waned much and are losing still more their attraction on the minds of men. The reason is that they are ideologies which consider only certain and less profound aspects of man. And this because they do not take into consideration certain inevitable human imperfections, such as sickness and suffering, imperfections which even the most advanced economic-social system cannot eliminate. Then there is the profound and imperishable religious exigence which constantly expresses itself everywhere, even though trampled down by violence or skillfully smothered.

"In fact, the most fundamental modern error is that of considering the religious demands of the human soul as an expression of feeling or of fantasy, or a product of some contingent event, and should be thus eliminated as an anachronism and as an obstacle to human progress. Whereas by this exigency human beings reveal themselves for what they really are.

"It is true that the persecution of so many of our dearly beloved brothers and sons, which has been raging for decades in many countries, even those of an ancient Christian civilization, makes ever clearer to us the dignified superiority of the persecuted and the refined barbarity of the persecutors, so that, if it does not give visible signs of repentance, it induces many to think.

"But it is always true that the most perniciously typical aspect of the modern era consists in the absurd attempt to reconstruct a solid and fruitful temporal order prescinding from God and, if possible, extinguishing man's sighing for God."

THE MORAL ORDER

It has been the historic hope of the church down through the ages to act as peacemaker between man and man, nation and nation. Today, the Pope noted, individuals are growing increasingly convinced of the need for mutual understanding and cooperation, but their leaders seem unable to understand one another. The reason, wrote John, is that "men, especially those more responsible, are inspired in the unfolding of their activity by different or radically opposed concepts of life. Unfortunately, in some of these concepts the existence of the moral order is not recognized; an order which is transcendent, universal, absolute, equal, and binding on all. Thus, they fail to meet and understand each other fully and openly in the light of one and the same law of justice, admitted and adhered to by all. Mutual trust among men and among States cannot begin or increase except by the recognition of and respect for the moral order."

[From the Commonweal, July 28, 1961]

THE NEW ENCYCLICAL

When Cardinal Roncalli was elected Pope in the fall of 1958, it was immediately obvious that here was no "caretaker Pope" but a strong and vigorous man who knew what he wanted to do and promptly set about doing it in his own way—a way which was highly informal, "human" and extremely effective, no matter what the traditionalists thought of it. There was, for instance, his restoration of the old practice of visiting the prisoners ("since you could not come to see me, I came to you"). There was his instruction to L'Osservatore Romano to drop excessive formality in reporting on his doings, suggesting that "the Pope said" was preferable to the traditional but stilted expressions that were commonly used. There was his call for an Ecumenical Council, with the Pope himself specifying that it represented an invitation to Christianity's "separated communities in quest of unity."

As a result of the vigor and imagination with which he has gone about this pastoral duties, few Popes before John XXIII had as immediate and as striking an effect, not only on Catholics but on the entire world. This same pattern seems to be repeating itself in the case of "Mater et Magistra," the eagerly awaited encyclical celebrating the 70th anniversary of Pope Leo's "Rerum Novarum." Pope John's message was front-page news in most of Western Europe and the United States, and his words are already being seriously considered and praised in most of the capitals of the world.

The new encyclical is the longest in history, and it will be studied and discussed for years to come. Like all the social encyclicals, the principles contained in "Mother and Teacher" are not easily absorbed in one reading; like all the social encyclicals, there is frequently more in the new work than at first meets the eye. But with that much qualification, this can be said immediately: The new encyclical will be a historic landmark in Christian efforts to apply immutable principles to the changing conditions of the modern world.

Issued as it was in commemoration of "Rerum Novarum," "the Magna Charta of social reform," the new encyclical echoes in its main theme the spirit of Pope Leo XIII. Thus it stresses the primacy of the spiritual and rejects materialism, condemns communism and issues a clear call for increased efforts on behalf of social justice. On this latter score Pope John, himself the son of a peasant, gave particular attention to the plight of the farmer, as well as to the just desire of workers for a greater voice in their industries, and to the problem of underdeveloped areas of the world.

It was the last point, the relationship between wealthy nations and the underdeveloped areas, that attracted most newspaper attention, and understandably so, for Pope John referred to it as "probably the most difficult problem of the modern world." Communities which enjoy abundance of material goods cannot remain indifferent to those nations "whose citizens suffer from poverty, misery and hunger, and who lack even the elementary rights of the human person." The Pope therefore reiterated that "it is necessary to educate one's conscience" and that "we are all equally responsible for the undernourished peoples." Praising those nations which have aided the underdeveloped areas in the past, the new encyclical stresses the fact that "emergency aid, although a duty imposed by humanity and justice, is not enough." Rich nations must cooperate in developing the primitive economies of backward areas, while at the same time avoiding any "new form of colonialism." Without the elimination of "glaring economic and social inequality" in the modern world, no lasting peace will be possible.

In their treatment of the encyclical, all the newspaper stories we have seen so far have stressed the fact that the Pope was not speaking ex cathedra—that the encyclical does not define a doctrine of faith or morals that binds Catholics under pain of sin. In one sense this caution is a healthy sign, for there has been in some circles too much tendency to create a "Catholic party line" on social questions involving a great measure of prudential judgment; at the same time, however, it should be noted that this approach could be pushed too far. The new social encyclical represents a solemn application of traditional Catholic principles to the problems of our day, and this by the successor of St. Peter; it therefore has to be regarded with the utmost gravity. No one, certainly, should take the statement that "Mater et Magistra" is not ex cathedra to mean that the principles it enunciates can be lightly dismissed or easily evaded.

LABOR AND PAPAL ENCYCLICAL

For the third time in 70 years, a head of the Roman Catholic Church has issued a comprehensive statement of major concern to labor, management and society in general. The famous "Rerum Novarum"—even in title—was an acknowledgment of new developments in the world which were of major concern to the workers of the world. Forty years later—in 1931—came the "Quadrogesimo Anno" which built on the earlier statement. Now, Pope John XXIII has added a distinguished and deeply signficant social and economic statement for his church. Because of his position and the quality of the evaluation of the present problems, this latest encyclical is bound to have an effect which reaches far beyond the Roman Catholic Church.

What impresses a non-Catholic reader is how range and depth have been combined in this area. I am not competent to judge the theological sections, but there is no doubt that the Catholic thinkers have shown how intimately their church has followed the evolution of social development. Although there is always a natural effort to build on past encyclicals, they are used points of departure from which new social expeditions set out.

MEANING OF SOCIALIZATION

There is no shrinking in this encyclical from words or concepts which are often used by some to belittle necessary reforms in our society. Instead of too much paraphrase of the encyclical, I want to cite some of the relevant sections:

I. Government and the economy: This is discussed in several sections. It deals among other things with the role of government in our economy. There is no denial of its implications:

"Today the development of scientific knowledge and productive technology offers the public authorities concrete possibilities of reducing the inequality between the various sectors of production, between the various areas of political communities, and between the various countries themselves on a worldwide scale."

Note this: "This development also puts it within their capability to control fluctuations in the economy, and, with hope of success, to prevent the recurrence of massive unemployment." This means action: "Consequently, those in authority, who are responsible for the common good, feel the need not only to exercise in the field of economics a multiform action, at once more vast, more profound, more organic, but also it is required, for this same end, that they give themselves suitable structures, tasks, means, and methods."

At this point, the importance of individual freedom is once again emphasized, as a basic balancing force. Then: "Historic evolution itself puts into relief ever more clearly that there cannot be a well-ordered and fruitful society without the support in the economic field both of the individual citizen and of the public authorities, a working together in harmony."

"Experience shows that where the personal initiative of individuals is lacking, there is political tyranny but there is also stagnation in the economic sectors engaged in the production, especially of the wide range of consumer goods and of services which pertain, in addition to material needs, to the requirements of the spirit * * * which call into play in a special way the creative talents of the individuals. Where the due services of the state are lacking or defective, there is incurable disorder and exploitation of the weak on the part of the unscrupulous strong who flourish in every land."

II. On remuneration of work: Out of the 26,000-word encyclical, it is hard to select what seems to be the most relevant to your interest. Actually, the theme of satisfaction of social and individual needs is repeated and rewoven in many ways.

Certainly the principle of standards for payment of wages and economic rewards is of key interest.

"The remuneration of work cannot be left entirely to the laws of the market, neither can it be fixed arbitrarily. It must rather be determined according to justice and equity.

"This requires that the workers should be paid a wage which allows them to live a truly human life and to face up with dignity to their family responsibilities, but it requires too that in the assessment of their remuneration regard be had to the production and to the economic state of the enterprise and to the requirement of the common good of the respective political communities, especially with regard to the repercussions on the overall employment of the labor force in the entire country.

"The demands of the common good on the national level must be considered: to provide employment to the greatest number of workers, to take care lest privileged classes arise, even among the workers, to maintain an equal balance between wages and prices, and make goods and services accessible to the greater number of citizens, to eliminate or keep within limits the inequalities between sectors of agriculture, of industry, and of services."

On labor groups: The importance of trade unions and their recognition under law is emphasized. The encyclical points out the importance of trade union activity beyond collective bargaining—as basic as that is.

He urges wide participation by trade union groups in all enterprises, economic and political. Because of the pervasive importance of the public institutions and of government, the full participation of workers or their representatives is imperative. This emphasis on the importance of political activity, beyond the trade union and economic sector, carries special significance.

The importance of international labor confederations is warmly encouraged, those of nonchurch as well as those which come under inspiration.

The encyclical cites, by name, the International Labor Organization, "which for decades has been making its effective and precious contribution to the establishment in the world of an economic and social order marked by justice and humanity, where also the lawful demands of the workers are given expression."

The PRESIDING OFFICER. The time yielded to the Senator from Minnesota has expired.

HELP NEEDED FOR THE BROILER INDUSTRY

Mr. DIRKSEN. Mr. President, I yield 5 minutes to the distinguished Senator from Missouri [Mr. SYMINGTON].

The PRESIDING OFFICER. The Senator from Missouri is recognized for 5 minutes.

Mr. SYMINGTON. I thank the distinguished minority leader for yielding this time to me.

Mr. President, on the floor of the Senate Thursday afternoon, July 27, as reported in the CONGRESSIONAL RECORD starting on page 13701, the distinguished minority leader of the Senate [Mr. DIRKSEN], the senior Senator from Delaware [Mr. WILLIAMS], the senior Senator from Vermont [Mr. AIKEN], and the senior Senator from South Dakota [Mr. MUNDT], raised a question as to the method by which an amendment to the farm bill was adopted in the Senate on Wednesday afternoon, July 26.

The wording to which these distinguished Senators from the other side of the aisle take exception was that included in an amendment presented by the able junior Senator from Minnesota [Mr. MCCARTHY], a member of the Senate Agriculture Committee, at my request, to include authority for marketing agreements and orders on chicken-hatching eggs.

Mr. President, our colleague from Minnesota left Wednesday night, on official business of the Senate, to attend an international meeting in Chile, and will not return until a week from Monday.

So that there may be no further misunderstanding such as that brought to the floor of the Senate on Thursday, at this time I should like to present to the Senate the basis on which I requested this amendment, and on which it was offered by Senator MCCARTHY and accepted by the distinguished chairman of the Senate Agriculture Committee, Senator ELLENDER, and then was included in the bill without objection.

Many of the broiler growers of southwest Missouri, the important broiler-producing section of my State are facing bankruptcy. The situation has steadily worsened since the heavy demands just prior to July 4.

In southwest Missouri the cost of production is generally considered to be at least 14 cents a pound. This week, broilers in Missouri have been selling for 10 cents a pound.

According to reports from broiler producers in my State who have been in touch with broiler producers in Arkansas and many other heavy production areas, this condition is not confined to Missouri alone.

Illustrative of this situation, I ask unanimous consent to have inserted at this point in the RECORD a few of the telegrams received from producers in my State.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

JOPLIN, MO.

Senator STUART SYMINGTON,
Senate Office Building,
Washington, D.C.:

Broiler growers in desperate need. Guarantee per pound cut from 2 cents to 1 cent. Present market 10 cents. Cost of production 14 cents. Just about the end of rope. Please help.

JOHN M. HELM.

WASHBURN, MO.

Senator STUART SYMINGTON,
Senate Office Building,
Washington, D.C.:

Broiler situation critical. Our contract cut to 1 cent per pound. Our small feed dealer cannot pay 14 cents production cost with current 10-cent market. This community depends on broiler profits. We need help.

PASCHELL PATTERSON.

WASHBURN, MO.

Senator STUART SYMINGTON,
Senate Office Building,
Washington, D.C.:

We broiler producers cannot survive current market price. Local feed dealer and many growers going broke. Help us.

GEORGE OAKLEY.

WASHBURN, MO.

Senator STUART SYMINGTON,
Senate Office Building,
Washington, D.C.:

The broiler growers of southwest Missouri are in dire need of help. Many are going broke. This situation is not confined to us alone. Our guarantee has been cut in half. The market is now 10 cents per pound which is 4 cents below the cost to produce them. We would appreciate your help.

Sincerely,

ROBERT W. WINDES.

JOPLIN, MO.

Senator STUART SYMINGTON,
Senate Office Building,
Washington, D.C.:

Wish to draw your attention to the situation of the broiler growers. We have been cut from 2 cents to 1 cent per pound. The cost to produce a bird is 14 cents per pound. The market is now 10 cents.

CHRIS MORGAN.

WASHBURN, MO.

Senator STUART SYMINGTON,
Senate Office Building,
Washington, D.C.:

Broiler growers in desperate need. Guarantee per pound cut from 2 cents to 1 cent. Please help.

CLARENCE CLANTON.

JOPLIN, MO.

Senator STUART SYMINGTON,
Senate Office Building,
Washington, D.C.:

The broiler grower contract price cut from 2 cents to 1 cent. The cost of production 14 cents per pound and up. Selling now 10 cents and expected to go to 8 or 9 cents a pound. Critical situation. Many broke and without livelihood. No telling what's going to happen if this is allowed to go on. Please act at once. Don't wait 1 day. We believe price supports and production control such as we have on wheat the only answer. Situation critical not just serious. Please, please act at once.

Yours truly,

CLINE HANCOCK.

CASSVILLE, MO.

JOPLIN, MO.

Senator STUART SYMINGTON,
Senate Office Building,
Washington, D.C.:

Subject marketing of live poultry needs attention immediately due to 10-cent-pound market. My profit has been cut from 2 cents to 1 cent a pound on 10,500. My weekly wage at present amounts to $31.50. Situation critical. Please check. Thank you.

E. R. VAN ZANT.

WASHBURN, MO.

Mr. SYMINGTON. Mr. President, I should like to direct particular attention to one telegram received from one of the outstanding businessmen of Washburn, Mo., Mr. John Dunlap, Jr., of Dunlap Produce. Mr. Dunlap wires that he has lost $30,000 on broiler production since May 1.

Mr. Dunlap further urges control of broiler production in any form, and reports that contract growers are now being paid only 1 cent a pound, instead of 1½ or 2 cents a pound, as was formerly the case.

Broiler producers tell me that 1 cent a pound will not even give them a living wage, let alone anything for their depreciation, interest or return on their investment.

Mr. President, following these reports of very serious problems in my State in the broiler industry, the first of this week I checked with the poultry experts in the Department of Agriculture as to the situation in other broiler producer areas.

The Department of Agriculture statisticians report "average farm broiler prices for May, June, and July were the lowest for any month since records began in 1940."

Mr. President, I ask unanimous consent to have inserted at this point in the RECORD a statement on the present broiler situation, prepared by the Department of Agriculture.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE BROILER PRICE SITUATION

The present price situation in the broiler industry has been developing since May of 1960. Beginning at that time and extending through April of 1961 the number of pullet chicks placed on farms for the production of broiler hatching eggs exceeded a year earlier by an average of 24 percent. A pullet begins to lay at about 6 months of age and will generally be kept in production for almost a year. The expansion in broiler hatchery supply flocks, which began in May of 1960, thus foreshadowed a substantial increase in the placement of chicks on farms for broiler production. Broiler marketings began to reflect a substantial increase in November of 1960 and marketings have continued relatively very heavy ever since. The table below indicates the estimated percentage increase in broiler marketings during 1961 as compared to 1960:

Percent increase in broiler marketings, 1961 versus 1960

	Percent
January	+18
February	+7
March	+5
April	+13
May	+19
June	+28
July	+11

The pressure of heavy supplies of broiler hatching eggs will continue for the balance of 1961 and into the early months of 1962. To get these supplies after early 1962 below the previous year it needs to be assumed that pullet chick replacements in hatchery supply flocks will continue to decline relative to a year earlier as they have during the last 2 months. As long as the supply of hatching eggs is heavy, chick placements for broiler production will also tend to be heavy. Current placements are running 10 percent above a year ago despite the current low producer price.

The foreseeable marketable supply of broilers is above 1960 levels by 7 percent in August and 9 percent in September. Early October marketings will be about 10 percent above the same period in 1960. Because of these seasonally heavy supplies, producer prices can be expected to continue near present levels through perhaps September and could be lower in October and later if present trends in egg settings continue.

U.S. average farm prices for broilers by months in 1960 and to date in 1961 have been as follows:

U.S. average farm price for live commercial broilers

[Cents per pound]

	1960	1961
January	17.1	16.5
February	17.6	17.6
March	18.0	16.8
April	17.4	15.1
May	17.5	14.4
June	17.6	12.8
July	17.7	[1] 12.5
August	16.6	------
September	15.8	------
October	15.8	------
November	15.7	------
December	15.5	------

[1] Estimate.

Mr. SYMINGTON. The problem was also discussed with others who have studied the poultry situation over the years.

Without exception, the advice of these experts on this problem was that marketing orders and agreements were the best way to approach the problem and work out a stabilized market at a living price for the broiler industry.

This also was the recommendation included in the report of the Subcommittee on Food Industries of the Select Committee on Small Business of the House of Representatives, of which a former Member of the House from Missouri, the Honorable Charles H. Brown, was chairman.

Representative Brown and his committee spent many months studying the problems in the broiler industry. The No. 1 recommendation of his committee in the report filed on January 3, 1959, stated "that the broiler industry attempt to formulate a program for orderly production and marketing."

The former Congressman told me that, in his opinion, the only way in which this could be done was through marketing orders and agreements.

Later, this statement was substantiated by the poultry experts in the Department of Agriculture.

Based on this advice and this study, on Wednesday I discussed the problem with Senator MCCARTHY, who said that he was introducing to the farm bill an amendment which would make marketing orders and agreements possible for turkey hatching eggs. I asked that he include chicken hatching eggs with his amendment, which he did.

He offered his amendment to provide authority for marketing agreements on turkey hatching eggs and chicken hatching eggs. The amendment was thereupon adopted, without objection.

The wording which Senator MCCARTHY offered to the Agricultural Act at my request would extend to the Department of Agriculture the same authority for developing marketing agreements and orders on chicken hatching eggs that would be extended under the bill, as now amended, for turkey hatching eggs.

Let me emphasize that such marketing agreements for chicken hatching

eggs could be put into effect only if approved by two-thirds of the producers who would be regulated by such an agreement or order. In other words, this is enabling legislation, and would be subject to the approval of the producers, as well as subject to findings in an investigation, public hearings, and determination by the Department of Agriculture as to the necessity for such proposed marketing agreement and order.

The procedures and safeguards for adopting marketing agreements and orders were clearly summarized in the Senate Committee Report No. 566 on the farm bill, S. 1643. I ask unanimous consent to have inserted at this point in the RECORD this summary, from page 39 of the committee report.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

Interested producer groups in an area petition the Secretary for the initiation of a program under the act. If the Secretary, after investigation, determines that there is reason to believe that such a program will tend to effectuate the purposes of the act, he publishes a notice in the Federal Register informing interested persons that a hearing will be held and setting forth the regulatory provisions of the program under consideration. The public hearing is held, presided over by an examiner appointed under the Administrative Procedure Act, at which hearing all interested persons may introduce evidence pertinent to the proposed program with the right of cross-examination of all witnesses existing. After the close of the hearing, parties interested are afforded an opportunity to submit proposed findings and conclusions, together with briefs with respect thereto. Thereafter, a recommended decision is prepared and issued by an authorized official of the Department setting forth recommended findings and recommendations as to the regulatory provisions of the program. Interested persons are afforded an opportunity to file exceptions and briefs thereon with respect to the recommended decision. All provisions relating to the program must be supported by evidence of record in the hearing. The matter is then referred to the Secretary for final decision. The Secretary issues a final decision containing a proposed marketing agreement and order. The marketing agreement and order must contain the same regulatory provisions. After handlers have had an opportunity to sign the marketing agreement, the order is then submitted to a referendum of producers to determine whether or not they approve the issuance of the order. In general, for an order to issue, two-thirds of the producers voting in the referendum, or two-thirds of the volume of the commodity represented in the referendum, must indicate approval of the order. A marketing order may issue even though a majority of handlers fail or refuse to enter into the companion marketing agreement. Marketing agreements may be effective without orders and without producer approval. However, an agreement must be terminated if a majority of producers favor termination.

Mr. SYMINGTON. Mr. President, as members of this body know, an amendment similar to the McCarthy amendment was offered in the House yesterday by Representative ELLIOTT, of Alabama, to provide authority for marketing orders on broilers, fryers, and hatching eggs used in their production.

The Elliott amendment was first adopted by the House by a 66-to-63 division vote, but then was rejected by a teller vote of 97 to 93.

In view of the seriousness of the broiler situation in my State of Missouri, and, I am sure in many other States, I hope that our conferees who go to conference will in their wisdom work out the best possible solution to this problem.

If, however, some members feel that they were not properly notified in advance of the intention to amend the Senate farm bill to include "chicken hatching eggs" for marketing agreements, I would not object to instructions to the conferees to drop that authority.

I would hope, however, that early consideration could be given both in the Senate Agriculture Committee and on the Senate floor, to authority for marketing agreements that would appear essential to the recovery and health of the broiler industry. I also hope the Department of Agriculture would pursue vigorously proposals for increased purchases of broilers for school lunches and other consumptive uses of the present overproduction.

Again I thank the able minority leader for yielding this time to me.

MARINE SCIENCES AND RESEARCH ACT OF 1961

The Senate resumed the consideration of the bill (S. 901) to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes.

Mr. DIRKSEN. Mr. President, what time now remains?

The PRESIDING OFFICER. The Senator from Illinois has 35 minutes remaining under his control.

Mr. DIRKSEN. Mr. President, I may not use all that time.

When I have finished paying my compliments to what I call "the billion dollar fantasy" now before the Senate, I shall be content to have the issue decided by a yea-and-nay vote. I shall not make a motion to recommit; and I shall not submit any amendments of any kind, because I do not believe that amendments of any kind could cure the bill that is before us.

Mr. President, this is an amazing bill. I say it is a billion dollar fantasy because it has to be. A bill which can get to the Senate Calendar, even though it was not requested by the President of the United States, and even though it is opposed by most of the leading departments and agencies of the Government, and although there was no testimony on it by governmental witnesses, has to be a fantasy, ever to get on the Calendar of the United States Senate.

The bill is certainly all embracive. All one needs to do is read the title:

A bill to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes.

All one needs do is add the kitchen refrigerator, and then everything will be included in the bill.

In addition, Mr. President, the bill calls for a 10-year program.

First, with respect to the dimensions of the bill, I point out that it authorizes activities and funds for 5 different departments and 14 agencies of the Federal Government. If that is not all embracive, then I have never seen an all-embracive bill.

As I figure the cost involved in the bill, there is an authorized direct cost of $500 million; and there is an authorization for a total of 61 ships, to cost $300 million; and then there are 35 open-end authorizations in the bill; and it is also rather interesting to go through the bill and see the statements "such sums as are necessary," "such sums as are necessary," "such sums as are necessary"—that fairly interlard the bill, from the first page to the last one.

When it came to the Senate, it contained, among other things in it, at least seven or eight provisions that the appropriations in this measure shall be in addition to all other appropriations. The exact language, and I pick one of them from page 55 of the bill, reads as follows:

All appropriations authorized in this act shall be in addition to other appropriations provided for the various departments, agencies, bureaus, and offices to carry out their duties under law.

That language has been deleted by action of the distinguished chairman of the committee, but it was in the bill when it came to the floor, and so at least eight different items, all reading the same, have been taken out of the bill after it got to the calendar and after it was called up for action.

I have consulted a little around the edges, and I take it, from information we got from the Budget Bureau, that this would be in addition to all other appropriations for the purposes cited in the bill.

It is said that this is the President's program. Well, let me see whether it is the President's program, because I refer to the President's own message, which is in the report beginning on page 85. In the President's message on oceanography, there is this statement:

I am therefore requesting funds for 1962 which will nearly double our Government's investment over 1961, and which will provide

$23 million more for oceanography than what was recommended in the 1962 budget submitted earlier.

Down below, in the same message from the President, it is recited:

This is an increase of $9 million over the 1961 level (for basic and applied research).

Then the President specifically asks that the limitations for the Coast Guard be deleted, which has already been done in Senate bill 1189, passed by the Senate and the House, on which no conference, insofar as I am aware at the moment, has ever been called.

Those were the specific requests. The rest of the President's message was in character in this whole field; but I would like to see anything by way of a specific request that calls for all the things contained in the present bill.

I say this is an astonishing fantasy, first because 5 departments and 14 agencies of the Federal Government are not only either opposed or say it is unnecessary, but they had no chance to testify.

There were 3 days of hearings in 1960. There were 3 days of hearings in 1961. Why were not the Government witnesses who are going to spend the money and administer the provisions of the bill called before the committee? What we see in the committee report are letters from agencies, not testimony; and if this is not a billion-dollar fantasy, I have never seen it.

What does the Treasury say about the bill? Look at page 92 of the report. The Treasury says, "Enactment of S. 901 is unnecessary."

What does the Office of Civil and Defense Mobilization say? Look at page 93 of the report. They say this bill is unnecessary.

What does the National Science Foundation say? That is one of the godchildren of my distinguished friend from Washington. I pay high tribute to him for the patience with which he labored and finally brought into being the National Science Foundation. It is his godchild. But what does his godchild rise up to say today with respect to the bill? The National Science Foundation is not for this bill and is not for the creation of a marine sciences division as such in the National Foundation.

What does the Navy say? My distinguished friend served with high courage and gallantry in the U.S. Navy as a lieutenant commander. He is devoted to the great traditions of the Navy. I am sure they have for him the ultimate of respect. Yet his own branch of the service rises up, as indicated on page 95, to say that they are opposed to the bill. Maybe that is the tradition of the cruel, cruel sea, as Mr. Hemingway put it. [Laughter.]

I never saw service in the Navy. I was a wagon soldier and a balloon soldier in World War I. But the Senator from Washington had distinguished service in the Navy, and his own service says, "We are opposed to the bill." That statement will be found on page 95 of the report.

What does the Interior Department say, as appears on page 96 of the report? "We recommend no action because we regard it as unnecessary."

What does the Department of Commerce say? Look at page 98 of the report. The Department says it is unnecessary.

What does the Atomic Energy Commission say, as appears on page 99 of the report? In its letter, the Commission says it is unnecessary.

How we get a billion dollar fantasy to the Senate floor when the Treasury is against it, when the Navy is against it, when the National Science Foundation is against it, when the Office of Civil and Defense Mobilization is against it, when the Interior Department is against it, when the Commerce Department is against it, when the Atomic Energy Commission is against it, is more than I know. I wish I had the talent to get a bill to the Senate floor, or even get it to a committee, with that kind of opposition in the New Frontier itself.

I would not demean my own Cabinet members as they were demeaned on the floor by saying they want their own little satrapies, their own little kingdoms, their own agencies, kept in it, and therefore they were opposed. I would not say that against Luther Hodges, a great American, and Secretary of Commerce. I would not say the Secretary of the Navy was so selfish that he wanted to hold onto this. I would not say the National Science Foundation, which has done such a great job and on which we have showered hundreds of millions of dollars, should be demeaned by saying it wants to hold onto its own structure and its own little niche in government.

Far be it from me, a conservative, and sometimes alleged to be a reactionary, Republican, to say that about the Cabinet embraced in the New Frontier. But they are on record, and the letters are dated 1961. But the bill is here, and the President did not request this authority in his message. He asked only for a few simple things, and nothing more. But it is here. It is here. I do not know how the Senate is going to dispose of it this afternoon. I only know that I am going to try, in my modest way, to uphold the hand of the President of the United States when it comes to maintaining a solvent country.

What did the President say on Tuesday night to the people of the United States in his report? This is what he said:

This improved business outlook means improved revenues; and I intend to submit to the Congress in January a budget for the fiscal year which will be strictly in balance.

That is a dandy. [Laughter.]

He goes on to say:

Nevertheless, should an increase in taxes be needed to achieve that balance in view of this or subsequent defense rises, those increased taxes will be requested.

Here is the nub of what the President said, on which I put emphasis:

Meanwhile, to help make certain that the current deficit is held to a safe level, we must keep down all expenditures not thoroughly justified in budget requests.

There is no budget request for what is embraced in the pending bill. I made it my business to find out. The Bureau of the Budget is opposed to the bill. I know it is opposed. I have not been around Washington for 28 years without knowing how to go to the right source to find out how an agency feels about a bill of this kind.

The program in being, to be boosted, jumped from $55 million in 1961 to $97 million in 1962. I have no way of estimating where it would go over a 10-year period, for the committee inserted into the bill, before the bill came to the Senate, on pages 15, 24, 32, 40, 54, and 55 the language:

Appropriations authorized in this section shall be in addition to other appropriations provided for such Department.

Someone discovered that weakness, so it was corrected by the committee itself.

Think of the open-end appropriations. There are 35 open-end authorizations in the bill, under the language, "such sums as may be necessary."

"Such sums as may be necessary."

There are $500 million of specific authorizations. There are $300 million for ships. It would be a pretty feeble bureaucrat indeed, in this great, sprawling governmental system, who could not think up another $200 million project in a year, to make this the billion dollar fantasy I call it.

With all of the agencies opposed, I simply go back to the challenge to the country in the President's message. This has not been budgeted. It comes to us with the usual language, "There is no objection to sending this," or "that" or "the other to the Congress." That is a long way from endorsement and support.

I pay tribute to some skillful people who drafted the bill. It is exceedingly well done, but it is still a billion dollar fantasy. It parts character with what the President of the United States is doing, even though he sent us an oceanographic message in general terms.

I ask Senators to find for me anything in the message in which the President of the United States specifically requested anything like this bill.

I shall try to hold up the President's hand. I shall try to set myself to the business of keeping this Government on sound and solvent levels. There has been such a concourse of bills through the House and Senate that, as the distinguished Senator from Massachusetts pointed out a little while ago, it now looks as though we are headed for an $8 billion deficit. Think of that—an $8 billion deficit.

When we take into account all of the commitment which have been made, with the amounts to be appropriated growing as the years go by, that figure will rise. Conceivably, unless there is a windfall from an unseen cornucopia in the form of revenue, in the following fiscal year the budget deficit may be infinitely larger. This is a great load to put around the necks of the American people at the time when the very firmament of the world is alive with the hot fever of controversy which could, God forbid, break

out at any time. If it does, of course we shall then be looking for fiscal shelter, so to speak. We shall wish, perhaps, that many of these commitments had not been put on the books.

I remember the distinguished Representative from New York, Bruce Barton, who came to the House of Representatives a great many years ago. He was running for office in a New York City district. He had a platform which embraced only a single sentence, "to repeal one law a day." He did not even succeed in having a comma repealed, let alone a law. I allude to this only to indicate that when these things go on the statute books it is extremely difficult to get them off. Meanwhile, we are diffusing and expanding the functions without end, making commitments which will have to be honored in the years to come.

It was pointed out, for instance, with respect to aid to education, when the bill was before the Senate, "Oh, the first year there is a modest amount involved, only $463 million." What about the next year and the next year and the year after that? These commitments take on great form in the years to come.

The cash expenditure budget of the United States, including the trust accounts, in this year is $106 billion, according to the best figures I could summon.

We are talking about moon shots today. I do not know when we shall put a man on the moon, but we have put the budget on the moon. If we would translate the dollars into silver dollars and lay those silver dollars end to end they would make 50 strings from the earth to the moon. We may not put a man on the moon for awhile, but our budget is there. If revenues do not improve, as time goes on, of course there will be a bad effect, and the President will be compelled, as he stated to the people he would do if necessary, to request increased taxes.

Pile up the load. Continue to authorize these appropriations. Once they are authorized, what we regard as a citadel of resistance in the Appropriations Committee will be as nothing against the heat, the influence, the power, and the pressure to be put on by Government agencies and others in order to keep the old ship rolling.

I did not spend 18 years on the Committee on Appropriations for nothing. I know what it is to have a room full of witnesses and receive telegrams and letters which say, "You must not put your profane hands upon this or upon that," even though the very solvency of the country was involved.

Today, Mr. President, I summarize by saying that this is a fantasy if I ever saw one. This is 10 years of it. What peculiar rigidities we would fashion upon an entire decade. Do we wish to live with that? The natural answer is, "We can amend the law," but we will amend the law only when we succeed in getting language through the House, through the Senate, and over the signature of the President.

No, none of those dodges will do the job. We shall come to grips with this problem today. Whether it is regarded as a political issue or an economic issue, I am ready to meet the challenge with this bill and with any other bill of like kind which may come along. I shall let the Senate pass upon this fantastic measure, to see whether a majority of the U.S. Senate, in view of the fevers which are mounting to the skies in Asia, in Europe, in the Middle East and elsewhere, wish to commit themselves to 10 years of this kind of expenditure, when 5 departments and 14 agencies of the Government have stated that this is unnecessary and have voiced their opposition.

I saluted my distinguished chairman of the committee, the Senator from Washington, for having gotten the bill to the floor of the Senate, but he will not get it beyond the Senate so far as my vote is concerned.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Illinois has 12 minutes remaining.

Mr. DIRKSEN. I yield to the distinguished Senator from Ohio [Mr. LAUSCHE].

Mr. LAUSCHE. Mr. President, I contemplate voting against the bill because I believe that except for the provision of funds needed to defend our country, there is no more important task before the Congress than to preserve our fiscal integrity.

On May 25 the President of the United States appeared before a joint session of the Congress and, among other things, discussed the need for exercising caution in the Congress in the expenditure of money. At that time he said:

> It will be necessary to hold tightly to prudent fiscal standards. I must request the cooperation of the Congress in this regard to refrain from adding funds to programs, desirable as they may be, to the budget. * * *

I point out that we have had deficit operations in 25 out of the last 31 years. I am definitely of the opinion that in the next fiscal year the deficit is likely to be $8 billion to $9 billion. Since 1941 the purchasing power of the dollar has fallen from $1 to 46 cents. Two years ago there was a run on our gold reserves. All these results were the product of irresponsible fiscal management.

The President has submitted to us a call for more money for the military. I respond favorably to that call. But I also respond to the proposal now made and say that we must desist from taking on new functions, and especially those that are unjustified.

The Senator from Illinois has pointed out that every department of our Government having a relationship to the bill is opposed to it. When we say that every department of government is opposed to the bill, we refer to spokesmen of the President of the United States. I make that statement emphatically with respect to the Treasury. The Secretary of the Treasury has nothing to do with the preservation in his Department of some function that is now being performed in connection with oceanography. He deals only with fiscal matters.

I invite the attention of Senators to what some of the agencies have said. I do so especially with regard to the Secretary of the Treasury. The Secretary of the Treasury is most emphatic that the bill is not needed. The Secretary of the Navy, who states that he took up the subject with the Department of Defense, has stated that the bill is not needed. But he has made the following very important observations:

> Those aspects of S. 901 which relate to the specific delineation of development items, shipbuilding tonnages, and money authorizations emphasize areas which will see many modifications over the years.

Yet the bill would make authorizations for a period of 10 years, and would authorize the purchase of 63 ships and, in an open-end authorization, 35 in number. I say that to ask for such a program is audacious.

Mr. DIRKSEN. Mr. President, I yield 3 minutes to the Senator from Connecticut [Mr. BUSH].

Mr. BUSH. Mr. President, I wish to say in opposition to the bill that in view of the record of the hearings and the report of the committee, which show that no responsible agency of the U.S. Government on the executive side favors the enactment of the proposed legislation, that it is absolutely fantastic that the bill should be before the Senate today. I agree with the sentiments that have been expressed by the Senator from Ohio [Mr. LAUSCHE] and the Senator from Illinois [Mr. DIRKSEN]. If the bill should pass the Senate and the House, I very much fear that it would be signed by the President.

I recall that when the housing bill got through the conference of the House and the Senate, it returned to the Senate with an authorization for $1½ billion more than the amount the President had requested. Instead of vetoing the bill for that reason—which was a very good reason, among other things—the President said:

> It is the greatest bill we have ever had.

I do not want to run such a risk with this kind of bill which, as the Senator from Illinois has so ably pointed out, could result in another $1 billion proposal over a period of years.

I join with the two Senators who have spoken urging rejection of the measure.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Iowa.

Mr. MILLER. I thank the Senator from Illinois.

Mr. President, I wholeheartedly endorse the sentiments expressed by previous speakers. I intend to vote against the bill for those reasons.

I also point out that we are now being treated with a different approach to some of the nondefense spending measures. We are being told that those are inseparably connected with national defense matters.

There comes a time when we must draw a line. If we are building up our

conventional forces, I fail to see a direct connection between studying the floors of the ocean and the conventional deployment of troops in Western Europe.

Another point is that I believe the best way to stop nondefense spending is for the President himself to put a stop to it. It is very difficult for Members of Congress to be led when they are given broad generalities and guidelines, in the form of statements such as the Senator from Ohio quoted, "to practice fiscal responsibility," unless the President himself is willing to come to his leaders and say, "Stop the bill."

CENTENNIAL CONVENTION COMMEMORATING THE CREATION OF LAND-GRANT INSTITUTIONS

Mr. DIRKSEN. Mr. President, pending the arrival of the Senator from Kansas [Mr. SCHOEPPEL] from a committee meeting, since he desired to be heard, I yield myself 1 minute.

On July 2, 1862, Abraham Lincoln signed the act which created the land-grant colleges of the country. Today there are 68 such institutions in the 50 States and Puerto Rico.

Both the House of Representatives and the Senate of the Illinois General Assembly have by resolution noted the benefits of this act and have directed attention to the centennial convention which will be held in Kansas City, Mo., from November 12 to 15 to suitably commemorate the creation of these land-grant institutions.

I ask unanimous consent in connection with these remarks that Senate Resolution 47, adopted by the Senate of the State of Illinois, which is comparable with one adopted by the House of Representatives, be printed as a part of my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the 68 land-grant colleges and State universities in the 50 States and Puerto Rico will observe in the academic year 1961–62 the centennial of the signing of the Land-Grant Act by President Abraham Lincoln (July 2, 1862); and

Whereas Jonathan B. Turner, a prominent farmer of Jacksonville, Ill., and onetime professor at Illinois College, was a pioneer in the development of the concept and an influential leader in the movement which brought about passage by the Congress of the United States of the Land-Grant Act; and

Whereas the Land-Grant Act in the 100 years since its enactment has inspired and broadened the American tradition of educational opportunity and has enlarged the scope of higher education, in instruction, research, and in the extension of its services to the general public; and

Whereas the University of Illinois, which was established under the Land-Grant Act, has brought far-reaching benefits to the economy of the State of Illinois, to its civic and cultural growth, and to the well-being of its citizens: Therefore be it

Resolved by the senate of the 72d general assembly, That the State of Illinois hereby gives official notice to the land-grant centennial observance; that commendation is given to the University of Illinois, as the land-grant institution of the State of Illinois, for major contributions through teaching, research, and service since its opening on March 2, 1868; that the people of Illinois during the period of the centennial observance be urged to give special attention to the benefits to this State and Nation from all the institutions of higher learning and how those benefits may be conserved and enlarged in the period of unprecedented growth which lies ahead; and that copies of this preamble and resolution be forwarded by the secretary of state to the board of trustees of the University of Illinois with a request that a copy be forwarded to the American Association of Land-Grant Colleges and State universities for inclusion in the official proceedings of its centennial convention to be held in Kansas City, Mo., November 12 to 15, 1961.

MARINE SCIENCES AND RESEARCH ACT OF 1961

The Senate resumed the consideration of the bill (S. 901) to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes.

Mr. DIRKSEN. Mr. President, I yield my remaining time to the distinguished Senator from Kansas.

Mr. SCHOEPPEL. Mr. President, there can be no doubt about the importance of ocean research and the vital role which oceanography can play in the future with respect to our national security and our economic well-being.

Only 2 percent of the ocean floor has been mapped, despite the fact that oceans cover 70 percent of the earth's surface. Contrast that with the fact that we have photographed and mapped 60 percent of the surface of the moon. Truly, it can be said we know less about the depths of the ocean than we know about the moon. We have only begun to tap the tremendous resources of the oceans, resources which encompass all the identified natural elements, and even greater food supplies. Its importance to national defense grows more critical as our fleet of Polaris submarines becomes larger.

But the question before us now is not the importance of oceanography. The Senate has already recognized and accepted this crucial fact by adopting Senate Resolution 136 on July 15, 1959, under the able and pioneering leadership of the distinguished chairman of the Committee on Commerce, the Senator from Washington [Mr. MAGNUSON].

The question before us today relates only to the need for enactment of S. 901 and the merits of the bill itself.

The situation with respect to oceanography is considerably different today than it was even 1 year ago when the Senate considered the previous bill on this subject, S. 2692. The situation has been altered drastically and a whole new set of circumstances have come into play.

Let me outline these changed circumstances:

Until a year or two ago, oceanography was a relatively obscure scientific pursuit, followed by a few dedicated men in private institutions of this country and by a few persons in government. It didn't get the same glamorous publicity which marked the advance in modern physics, electronics, and space sciences.

But 2 years ago, the National Academy of Sciences and the National Research Council issued a comprehensive report on "Oceanography—1960–70." Leaders like Senator MAGNUSON and others began to arouse public interest in the subject and to demonstrate its vital importance to our Nation.

They achieved real results. As I noted, the Senate unanimously approved a resolution in 1959 commending the report on oceanography and concurring in its recommendations. Appropriations for ocean research were increased for several Federal agencies which have a key role in this field. The House Committee on Science and Astronautics issued a comprehensive report on "Ocean Sciences and National Security."

These efforts culminated on March 29, 1961 when President Kennedy transmitted a special message to Congress on this subject. His message laid down a comprehensive and carefully coordinated program for oceanography prepared by the White House under the direction of his special assistant for science and technology. His message pointed out that appropriations for this purpose increased from $46 million in fiscal year 1960 to $55 million in fiscal year 1961 and it recommended appropriations of more than $97 million in fiscal year 1962. The text of his message is on page 85 of the committee report on S. 901.

Bear in mind that these recommendations for increased appropriations have already been submitted to the Congress and some of them, in fact, have already been approved by the House and Senate in various appropriation bills.

Furthermore, and this is most important to the question before us today, the President did not suggest or recommend the enactment of any comprehensive new legislation is this field. His careful study of this subject, and that of his advisers, produced only the recommendation for a relatively minor change in the Coast Guard statutes which the Senate has already passed. He apparently found there was already adequate legislative authority for the kind of oceanography program the Nation needed. He did not recommend passage of the bill before us.

A year ago or 2 years ago new legislation probably could have been justified as a means of stimulating an adequate program of ocean research. For that reason I supported the resolution in 1959 and the bill which the Senate approved last year. But this is no longer necessary. The President's message, along with these other developments I have cited, has lifted oceanography from its obscurity and put it on the plane demanded by its importance.

The time for dramatic legislative action has passed. Oceanography research is already moving ahead at a rapid pace and this legislation will contribute little or nothing to that effort. Enactment of this bill would only confuse the situation by fouling up the lines of communication and coordination, and by imposing a damaging stiffness into a research program which must remain flexible if it is to be productive.

Bear in mind that this bill authorizes the appropriation of $500 million for 21 specific purposes. It authorizes, in addition, the construction of 61 new ships which will cost close to $300 million. Furthermore, the bill authorizes more than 30 other appropriations without any dollar limit whatsoever.

Let me point out, too, that none of the 5 Federal departments and none of the 14 Federal bureaus or agencies involved has recommended the enactment of this bill.

For these reasons I am opposed to the enactment of S. 901 and shall vote against it.

The PRESIDING OFFICER. All time for debate has expired. The bill is open to further amendment. If there be no further amendment to be proposed the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. DIRKSEN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the passage of S. 901. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. DIRKSEN (after having voted in the negative). I promised the distinguished Senator from Oregon [Mr. MORSE], who is unavoidably absent, that if he could not be present to be recorded, I would arrange a pair with him. As the Senate knows, if I were free to vote, I would vote a loud and emphatic "nay." As it is, I shall honor the pair with the Senator from Oregon. If he were here, I feel certain he would vote "yea." So I must necessarily withdraw my vote.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Pennsylvania [Mr. CLARK], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Oklahoma [Mr. KERR], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Oregon [Mr. MORSE], the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PELL], and the Senator from Massachusetts [Mr. SMITH], are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from Pennsylvania [Mr. CLARK], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Oklahoma [Mr. KERR], the Senator from Maine [Mr. MUSKIE], and the Senator from Rhode Island [Mr. PELL] would each vote "yea."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Indiana would vote "nay."

On this vote, the Senator from Minnesota [Mr. MCCARTHY] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from Nebraska would vote "nay."

On this vote, the Senator from Wyoming [Mr. MCGEE] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from Wyoming would vote "yea," and the Senator from Arizona would vote "nay."

Mr. KUCHEL. I announce that the Senator from Indiana [Mr. CAPEHART] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Kentucky [Mr. COOPER] is absent because of illness.

The Senator from Nebraska [Mr. HRUSKA] and the Senator from North Dakota [Mr. YOUNG] are absent on official business.

On this vote, the Senator from Indiana [Mr. CAPEHART] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Indiana would vote "nay," and the Senator from New Mexico would vote "yea."

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from Wyoming [Mr. MCGEE]. If present and voting, the Senator from Arizona would vote "nay," and the Senator from Wyoming would vote "yea."

On this vote, the Senator from Nebraska [Mr. HRUSKA] is paired with the Senator from Minnesota [Mr. MCCARTHY]. If present and voting, the Senator from Nebraska would vote "nay," and the Senator from Minnesota would vote "yea."

The result was announced—yeas 50, nays 32, as follows:

[No. 109]

YEAS—50

Aiken	Hart	Moss
Anderson	Hayden	Neuberger
Bartlett	Hill	Pastore
Bible	Holland	Randolph
Byrd, W. Va.	Humphrey	Russell
Cannon	Jackson	Scott
Carroll	Johnston	Smathers
Case, N.J.	Jordan	Smith, Maine
Church	Kefauver	Sparkman
Dodd	Long, Hawaii	Stennis
Eastland	Long, La.	Symington
Ellender	Magnuson	Talmadge
Engle	Mansfield	Thurmond
Ervin	McClellan	Williams, N.J.
Fong	McNamara	Yarborough
Fulbright	Metcalf	Young, Ohio
Gore	Monroney	

NAYS—32

Allott	Boggs	Butler
Beall	Bridges	Byrd, Va.
Bennett	Bush	Carlson
Case, S. Dak.	Keating	Proxmire
Cotton	Kuchel	Robertson
Curtis	Lausche	Saltonstall
Douglas	Long, Mo.	Schoeppel
Dworshak	Miller	Tower
Hickenlooper	Morton	Wiley
Hickey	Mundt	Williams, Del.
Javits	Prouty	

NOT VOTING—18

Burdick	Goldwater	McGee
Capehart	Gruening	Morse
Chavez	Hartke	Muskie
Clark	Hruska	Pell
Cooper	Kerr	Smith, Mass.
Dirksen	McCarthy	Young, N. Dak.

So the bill (S. 901) was passed.

Mr. MAGNUSON. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. DIRKSEN. Mr. President, I wish to address an inquiry to the distinguished majority leader. I am certain there will be some interest in the bills which are to be considered this afternoon. My understanding is that four bills reported by the Committee on the Judiciary will be called up, and that they are not too controversial.

I further understand that following the disposition of those bills, the Senate will proceed to consider two defense bills, and then the China resolution.

I simply wished to make certain that Senators would be advised as to how the program will proceed this afternoon.

Mr. MANSFIELD. The distinguished minority leader is correct in his understanding.

Mr. FULBRIGHT. Mr. President, may I ask the distinguished majority leader how long it is expected to have the Senate remain in session today?

Mr. MANSFIELD. Until we have completed action on these measures. Tomorrow, we shall take up two appropriation bills.

I understand there is a report to the effect that the distinguished Senator from Wisconsin [Mr. PROXMIRE] is responsible for the Saturday session. I wish to deny that report. It is not based upon fact. The session tomorrow is necessitated by circumstances which apply to the proposed legislation which the Senate will have before it. The distinguished Senator from Wisconsin [Mr. PROXMIRE] has been most cooperative and understanding at all times.

THE SILVER MARKET

Mr. CHURCH. Mr. President, among those who are not familiar with recent developments in the silver market, there may exist an impression that the activities of the Treasury in this market serve to subsidize the domestic producer of silver. This is not the case today. In fact, the activities of the Treasury in this market are today depressing the price which domestic producers can obtain.

Recently, I brought to the attention of the Senate the fact that continued sales by the Treasury of its "free" silver reserves would soon exhaust the supply

of silver to which it now turns to meet our needs for coinage. Yet the sales continue at bargain prices to a few large industrial users.

The Treasury maintains that its bargain sales do not depress the price which silver producers can obtain. But this is hard to believe, in view of the following acknowledged facts:

First. Silver is no longer being sold to the Treasury, because the Treasury price is pegged below the market price. The Treasury selling price, however, effectively establishes the level around which the market price hovers. The pressure of the free market on the silver price is upward—created by those silver users, foreign and domestic, who do not have access to the Treasury for their needs—but it is restrained from reaching the level to which it would naturally rise, by the Treasury policy of filling the gap by selling off accumulated "free" silver reserves. Were the Treasury to hold these reserves for coinage use, the market price would immediately go up, with consequent benefits to silver producers. But the Treasury policy of depressing the price of silver does not benefit the public purse, for hardly any silver has been tendered to the Treasury for the past 2 years. The bargain sales benefit only a few corporate silver users.

Second. Domestic silver is being exported in vastly increased amounts because the price in foreign markets—which is established by supply and demand—is above the pegged Treasury price. The Treasury fills the gap between the greater demand and the lesser supply in the industrial market by selling from accumulated reserves. It thus drags down the world price from the level which it would naturally assume to a level just above the price at which the Treasury sells to the few large corporate silver users who, in effect, are today being subsidized at public expense.

Therefore, the Treasury policy of selling our public "free" silver reserves to industrial users does have the effect of depressing the price which producers can obtain. During my recent visit to Idaho, I was again impressed with the gravity of the problem which is posed by the depressed condition of our domestic metals industry; and I must emphatically reiterate my request to the Secretary of the Treasury that he put an end to the bargain sales of our dwindling supply of "free" silver—sales which are adversely affecting both the public purse and the domestic silver producers.

I desire to emphasize that the state of affairs which I have described is quite generally recognized in both mining and financial circles, as evidenced by an editorial which appeared recently in the eminent financial weekly, Barron's. It is an impartial witness to the error of present Treasury policy, and I ask unanimous consent to have it printed at this point in the RECORD.

The PRESIDING OFFICER (Mr. HICKEY in the chair). Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IRONY IN SILVER: THE MARKET IS SUCCEEDING WHERE THE GOVERNMENT FAILED

Silver, as a vice president of the American Smelting & Refining Co. once observed, has suffered for years from an exceptionally bad press. During the heyday of William Jennings Bryan—"mankind shall not be crucified upon a cross of gold"—it became not only the standard of bimetallism but also the symbol of demagoguery and debasement of the currency. Several decades later, the spiritual heirs of the Populist movement tarnished its luster further by making it the object of an unabashed, and perennially criticized, subsidy to western mining interests. Even as recently as last week, silver was getting its lumps: until the story was denied by authoritative sources, the trade was abuzz with rumors that millions of ounces of Treasury metal held by the Atomic Energy Commission had been tainted by radiation.

Despite its horde of detractors, however, silver these days has begun to enjoy a growing measure of esteem in at least one realm, the financial community. On Wall Street, for perhaps the first time in a generation, the metal lately has acquired a devoted speculative following. Its newly minted allure lies in the fact that in recent years—and notably in the past 12 months or so—demand has far outstripped production. As a result, the once huge stocks of "free" (i.e., nonmonetized) silver in the hands of the U.S. Treasury are dwindling fast, a state of affairs which, in the view of many traders, sooner or later must lead to a higher price. Whether they will prove to be right, and when, remains to be seen. What is abundantly clear is that official policies based on expectations of perpetual surplus are ill-designed to deal with an emerging scarcity. It is also worth noting that what Government fiat failed to achieve, the subtle alchemy of the marketplace now ironically promises to perform. Silver at long last is being transmuted into a commodity that is both respectable and valuable.

A few facts and figures point up the trend. Under legislation dating back to 1934 (as amended in 1946), the Treasury stands ready to acquire newly mined domestic silver for 90¼ cents an ounce, and to sell to legitimate consumers (silversmiths, jewelers, and various industrial users) for approved purposes at a slightly higher price. In addition, it may strike silver coins and issue silver certificates (or greenbacks) at the rate of $1.29 per ounce held. At the end of World War II, the Treasury store of "free" silver stood at nearly 1 billion ounces. Since then, however, the figure steadily has dwindled, and, in the past 18 months or so, the rate of decline has picked up speed. Thus, in the 12 months ended December 31, 1960, total holdings dropped from 175 million ounces to less than 125 million. In the first 6 months of 1961, another 44 million ounces were lost. At this rate, by next winter, the Treasury's cupboard will be bare.

What has happened, simply, is that under the artificial conditions which have prevailed, the supply of newly mined metal for a long time has failed to keep pace with demand. During the decade of the fifties, for example, against an annual consumption of nearly 260 million ounces, the free world (primarily the United States, Canada, and Mexico) produced little more than 200 million per year. In the past year or two, the shortfall has widened greatly. The gap, of course, has been bridged by secondary sources, notably the U.S. Treasury. However, in today's heated market for silver, this once-ponderable reserve swiftly is melting away.

For in its two major applications, as an industrial raw material and in coinage, the ancient precious metal is enjoying a startling resurgence in popularity. On the latter count, the rapid spread of vending machines, which are great gulpers of nickels and dimes, has spurred the demand for newly minted coins in this country. In other parts of the world—Japan, Italy, and France—there has been a welcome trend of late toward substituting money that is literally as well as figuratively hard for the inflation-riddled paper of the past. In industry, furthermore, the uses of silver (which, in the words of an admirer, yields only to gold in being malleable and ductile, and boasts the highest electrical and thermal conductivity and the brightest color of any metal) have been growing apace. Besides brazing and soldering, electric wiring and photography, its traditional spheres, the versatile metal has carved out a growing niche in chemicals, electronics, and batteries (where silver-zinc and silver-cadmium cells, used extensively in missiles and rockets, are the hottest thing in years).

Technologically speaking, silver thus has been launched into the space age. Politically, however, it remains mired in a rut of outworn shibboleth and bureaucratic inertia. Specifically, although the impending shortage has been looming for many months (Barron's, Feb. 29, 1960), the Treasury has made no effort either to curtail its bargain sales to industry or to raise the price of its dwindling stocks. To be sure, such a move would penalize users, who, in years gone by, were compelled to pay a premium and now feel entitled to a discount. It also would reward the speculators. At the same time, however, the Treasury in this fashion would reap increased revenue and ease the shift from dwindling surplus to impending shortage. Most important of all, it thereby would proclaim that the legislation now on the books is as out of date as the old warcry of 16 to 1. Today silver needs no Government assistance, standby, or otherwise, but the chance to take its rightful place in the competitive market.

One way or another, a new era apparently is dawning for silver. While the change will have a direct effect, either for good or ill, upon relatively few, its significance is truly far reaching. For it underscores the vast changes, technological and economic, which can sweep over an industry or a commodity in the span of a generation. And it surely casts doubt on the wisdom and ability of Government, which has never been famous for its foresight or agility, to cope with such shifts. Silver has always been a valuable commodity. Today, however, for perhaps the first time in its checkered history, it promises to become a valuable symbol as well.

THE MISSILE SITES LABOR COMMISSION

Mr. McCLELLAN. Mr. President, during April and May of this year the Senate Permanent Subcommittee on Investigations made inquiry into, and conducted a series of public hearings on, strikes, work stoppages, featherbedding, and other inefficient and uneconomical practices and abuses at Cape Canaveral, Vandenberg, and other missile bases and defense establishments. The revelations made in those areas were astounding, and were so reprehensible that the President of the United States felt compelled to take immediate executive action in an effort to correct the unsavory conditions

which prevailed in some of those installations. Accordingly, on May 26, 1961, he issued an executive order establishing a Missile Sites Labor Commission, for the purpose of bringing an end to the harmful work stoppages in these vital areas of defense, and to assure thereafter uninterrupted and economical operation of these programs.

The Missile Sites Labor Commission is composed of representatives of business, labor, and management, as designated by the President, with the Honorable Arthur Goldberg, Secretary of Labor, serving as Chairman. To date, the Commission has established labor relations committees on 21 missile sites, the objectives of which are to anticipate labor problems and to take preventive action in advance.

The Commission is also engaged in studies of uneconomical practices at these missile sites.

Mr. President, the Secretary of Labor has forwarded to me a copy of his letter to the President, dated July 15, 1961, outlining the accomplishments of the Commission during its existence of less than 2 months. I ask unanimous consent that the letter be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF LABOR,
Washington, July 17, 1961.

The Honorable JOHN L. MCCLELLAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MCCLELLAN: I am enclosing a copy of my report to the President concerning the operations of the Missile Sites Labor Commission.

I shall be glad to discuss this report with you at your convenience.

Cordially,

ARTHUR J. GOLDBERG,
Secretary of Labor.

JULY 15, 1961.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: This is to report to you on the work so far of the Missile Sites Labor Commission which you established on May 26, 1961.

Perhaps the best measure of the effectiveness of the work of this Commission and of the cooperation given it by both labor and management, who pledged no strikes and no lockouts on missile and space sites, is the record of man days lost because of labor disputes since the Commission was established.

During 1960 a total of 86,000 man-days of work were lost because of strikes on missile and space sites. This averages out to over 7,000 man-days lost a month during 1960. In June of 1960 there were 26,217 man-days of work lost due to work stoppages. This was the greatest monthly total in 1960, due primarily to the fact that June is the contract renegotiation month.

In June of 1961 contracts were again renegotiated, but only 312 man-days of work were lost due to work stoppages. This is slightly more than 1 percent of the work time lost during June of last year.

I think that this record is concrete testimony of the desire of labor and management to cooperate in making sure that work on our missile and space programs goes forward uninterrupted. It is also evidence I believe of the effectiveness of the procedures established by the Missile Sites Labor Commission to handle labor disputes.

Missile site labor relations committees have been established on 21 missile sites over which the Commission has jurisdiction. The job of these committees is to anticipate labor problems and to take preventive action.

They are composed of representatives of contracting agencies, building trades unions, building trades contractors, industrial unions, missile manufacturers, and a mediator assigned by the Federal Mediation and Conciliation Service who acts as coordinator of the site committee.

Local site committees have dealt with a large number of labor problems including those of work jurisdiction and assignment, grievances, nonunion employees, and alleged uneconomic work practices. While these problems have not always been susceptible to solution at the local site level, the local parties have been outstandingly successful in preventing work stoppages while solutions to the problems are being considered, either locally or at the Missile Sites Labor Commission level. The international unions have been extremely cooperative.

The Commission itself is also engaged in continuing studies on uneconomic practices, and has scheduled hearings for July 24–25 on such alleged practices at Topeka Air Force Base and Vandenberg Air Force Base referred to it by the Department of Defense.

It has conducted hearings and will shortly render a decision on a difficult jurisdictional dispute matter between the International Brotherhood of Electrical Workers and the International Union of Operating Engineers, involving cable laying at missile bases.

The Commission has also established subcommittee to study and deal with matters concerning manpower shortages at missile sites and has received assurances of cooperation from labor and contractor interests.

It has successfully worked with the National Labor Relations Board in a dispute at Cape Canaveral in an injunction proceeding to avoid a walkout at the base.

At present the Commission is preparing criteria from which the agencies may make determinations of economical cost in the construction and operation of the bases.

On July 31 and August 1 the other Commission members and I will visit several of the missile bases to observe at first hand the operation of the local committees and the problems inherent in this program.

I will report to you again following this trip.

Respectfully yours,

ARTHUR J. GOLDBERG,
Secretary of Labor,
Chairman, Missile Sites Labor Commission.

Mr. MCCLELLAN. Mr. President, at this time, however, I should like to read two particularly enlightening paragraphs of the letter, as follows:

During 1960 a total of 86,000 man-days of work were lost because of strikes on missile and space sites. This averages out to over 7,000 man-days lost a month during 1960. In June of 1960 there were 26,217 man-days of work lost due to work stoppages. This was the greatest monthly total in 1960, due primarily to the fact that June is the contract renegotiation month.

In June of 1961 contracts were again renegotiated, but only 312 man-days of work were lost due to work stoppages. This is slightly more than 1 percent of the work time lost during June of last year.

Mr. President, I want to commend President Kennedy and Secretary of Labor Goldberg for the excellent accomplishments of the Commission thus far, and express the hope that the work of the Commission will continue to be effective. I should also like to express my appreciation not only to him and to the members of the Commission, but also to both labor and management, for the cooperation they are extending to the Commission, thus making it possible for our missile and space programs to proceed without any unnecessary obstruction.

I ask unanimous consent that there also be printed at this point in the RECORD, and as a part of my remarks, a newspaper article which appeared in the New York Herald Tribune on Thursday, July 20, 1961, bearing the byline of Stuart H. Loory, and entitled "No Strikes on Missiles Since MCCLELLAN's Probe."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NO STRIKES ON MISSILES SINCE MCCLELLAN'S PROBE

(By Stuart H. Loory)

CAPE CANAVERAL, FLA., July 18.—Work on this country's space and missile programs has proceeded without a strike, lockout, or other serious stoppage since the hearings of Senator JOHN L. MCCLELLAN's Permanent Investigation Subcommittee adjourned in May, a Federal Mediation and Conciliation Service official said here Tuesday.

At Cape Canaveral the 30 unions representing almost 8,000 organized workers are expected to bind themselves with a no strike, no work stoppage pledge within a few days, according to William J. Usery, Jr., representative of the International Machinists Union, AFL–CIO, and representative of the industrial unions here on the Atlantic missile site labor relations committee.

Mr. Usery told a press conference he had personally called more than half of the unions so far and that all had agreed to the pledge.

The pledge came in response to President Kennedy's Executive order of May establishing a National Missile Sites Labor Commission to do what it can to abolish work stoppages and labor-management unrest at the Nation's missile and rocket bases.

WEEKLY MEETINGS

The local committee, composed of seven men representing the Air Force, National Aeronautics and Space Administration, government contractors, and unions, is headed by George Bennett, of the Federal Mediation and Conciliation Service. Established July 5, it has been holding weekly meetings to head off disputes before they arise.

Tuesday the local committee met the press and reported that labor relations had taken a turn for the better since the President's executive order and the revelations of the McClellan committee.

Maj. Gen. Leighton I. Davis, Air Force missile test center commander, said the revelations of the Senate committee concerning work stoppages, uneconomical operations and featherbedding by both labor and management were facts with which he could not argue. He commands 22,000 workers, including military and civilian personnel.

However, Paul Styles, a labor expert for NASA, said the workers here and at other missile bases should not be blamed for their conduct.

"They just didn't realize how important our missile and space program was," he said. "They didn't realize we are in a race for the preservation of our American way of life.

These aren't a bunch of disloyal American citizens; they are just a bunch of people who didn't know what the score was."

As a result of the Presidential Executive order, he said, they had learned the score.

Mr. McCLELLAN. As revealed by this article, work on the space and missile programs has proceeded without a strike, lockout, or other serious stoppage since hearings before the Senate Permanent Subcommittee on Investigations, according to an official of the Federal Mediation and Conciliation Service.

The article quotes Maj. Gen. Leighton I. Davis, Air Force commander of the Missile Test Center at Cape Canaveral, as stating that the revelations of the Senate subcommittee concerning stoppages, uneconomical operations, and featherbedding by both labor and management were facts with which he could not argue.

As you know, Mr. President, the hearings before the Investigations Subcommittee revealed that during a period of some 4½ years more than 162,000 mandays of labor were lost due to some 327 or more work stoppages at intercontinental ballistic missile sites. In addition, there was evidence of slowdowns, featherbedding, and other abuses contributing to needless additional costs.

As I had indicated during the course of the subcommittee hearings, it was inconceivable that any responsible segment of labor, Government, or management would permit this situation to continue uncorrected.

I am sure that, were it not for the disclosures made by the subcommittee, this situation would not have been brought to the attention of the President of the United States or the American public. Therefore, I think we can safely conclude that, except for the work of the Permanent Subcommittee on Investigations, except for the fact that it brought about the disclosure of conditions that prevailed at missile sites, corrective action taken by the President, the Secretary of Labor, and the Commission appointed by the President, such as I have referred to, would not have been taken.

So, Mr. President, to those who objected to the subcommittee's conducting this investigation, and to those who have criticized the subcommittee for making the investigation of improper labor practices in connection with our space and missile programs, I make response by simply letting the record speak in refutation of both the objections made and the criticisms offered.

COMPELLING OF TESTIMONY AND GRANTING OF IMMUNITY FROM PROSECUTION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 559, S. 1655.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1655) to amend chapter 95 of title 18, United States Code, to permit the compelling of testimony under certain conditions and the granting of immunity from prosecution in connection therewith.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That subsection (c) of section 3486 of title 18, United States Code, is amended by inserting after the words "Immigration and Nationality Act (66 Stat. 182–186; 204–206; 240–241)" the following: "or violations of section 1951 of this title; or violations of section 302 of the Act of June 23, 1947 (61 Stat. 157; 29 U.S.C. 186)".

Mr. EASTLAND. Mr. President, Senate bill 1655 was reported unanimously by the Judiciary Committee.

The bill provides for permitting the compelling of testimony and the granting of immunity to investigations of violations of the Hobbs Act and the Taft-Hartley Act. Frequently it is impossible to obtain testimony in extortion cases and bribery cases that occur under those acts. When the U.S. Attorney General and the district attorneys think it is in the public interest to compel testimony, they now have the power to compel it. There is also the power to grant immunity in a number of other fields.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. KEATING. Mr. President, when Congress passed the immunity statute for national security cases, there was a good deal of discussion. There was some opposition to the granting of immunity in any cases. There were those who, on the other hand, felt that certain serious crimes, such as kidnaping, should be covered by the immunity statute which passed several years ago.

The bill as amended would add to the existing immunity statute violations of provisions of the Hobbs Act and the Taft-Hartley Act. I can well understand the importance of this weapon in labor racketeering cases, and I recognize that the distinguished Senator from Arkansas has been very much interested in this field. I understand that frequently there are cases where the only witnesses available in such labor racketeering cases are persons who themselves would be liable to prosecution. For instance, the employer in a labor extortion case might be reluctant to testify in a Hobbs Act case because of the fear of self-incrimination under the Taft-Hartley Act.

In a way, these two acts move in somewhat different directions. Unless the Attorney General could compel the testimony of the employer in such a case, there would be difficulty bringing anyone to justice in such situations.

The same would be true where the Attorney General deemed it wise to grant immunity to a labor union official or someone on that side in order to get at the employer who was considered to be the more guilty of the two.

But, in my opinion, there is no logical reason for limiting the use of the immunity principle to this particular type of offense, or indeed to specific categories of offenses. The same conditions of complicity between potential witnesses and defendants may exist in gambling cases and other bribery cases, for instance. The same could be true with regard to bribery of a public official as is true of cases involving money passing between an employer and an employee, or vice versa.

The labor racketeering statutes are certainly not the only ones where such immunity should be considered. The privilege of granting immunity, which should be sparingly used, is a law enforcement weapon which, under proper safeguards and proper use by the Attorney General, should be available for use in all serious prosecutions in which it is essential for the conviction of the real culprits.

The immunity statute which was passed some years ago was based on a bill which I had introduced, so I have considerable interest in this subject. That bill required that the Attorney General himself must pass on the granting of immunity, not a U.S. attorney in the field, but the Attorney General himself. This provision is carried over, very wisely in my judgment, in this amendment which we are seeking to enact into law.

The present immunity statute has been sustained by the Supreme Court. There is nothing new or unusual in the concept contained in this bill. It is reflected in a host of other Federal statutes and in many State statutes. A majority of the Supreme Court has repeatedly held that the fifth amendment is designed to protect against self-incrimination, and not to operate as a bar against obtaining information. We are not undermining in any way the purpose of the fifth amendment by exchanging immunity from prosecution for valuable evidence against the ringleaders of a particular criminal enterprise. The Department of Justice has for many years requested a general immunity statute in the belief that such a statute would be an excellent prosecutive weapon, and would not violate any constitutional rights.

Congress, however, has been very timid in giving the Department the legal tools it needs to wage a totally effective war against organized crime, and it has refused in the past to extend the immunity principle except on a case-by-case basis. That is the basis given—and perhaps it is wise, for the selective grant of immunity requested by the Department in the pending bill. I recognize at least that it has validity based on the past record of Congress. At the same time, I believe that there is more awareness than ever of the absolute necessity for improving our anticrime arsenal of weapons and that perhaps the Department should have tried harder to convince Congress this year that a general immunity statute was sound and should be enacted.

I am sure the Department could have had a broader statute, if it had urged one.

I support the pending bill, however, as the best we can hope to pass as a practical matter under the present circumstances. There is no record of abuse under any of the almost 40 Federal immunity statutes now on the books.

Sometimes it is forgotten that the bill granting immunity in national security cases was a separate bill to amend title 18 of the United States Code, whereas there are, in many other parts of various pieces of legislation, including the Sherman Antitrust Act, provisions for the granting of immunity under similar circumstances. The possibilities of abuse are present in all law-enforcement activities and legislation, but it is the criminals who are endangering the freedom and security of society, and not the policemen.

I am confident that this bill will be helpful in the limited area to which it applies and I hope it will serve as a strong precedent for a more general enactment on this subject in the future, or at least for extending it to some of the serious crimes, like kidnaping, murder, and some other very serious offenses, as to which this prosecutive weapon is now absent.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. EASTLAND. Mr. President, I ask unanimous consent, for legislative history, to have printed in the RECORD a statement as to the meaning of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON MEANING OF S. 1655, TO PERMIT THE COMPELLING OF TESTIMONY AND THE GRANTING OF IMMUNITY IN CERTAIN INSTANCES

The Attorney General has advised the Congress that in labor racketeering cases there is an urgent need for legislation to permit the compelling of testimony before grand juries and courts in Hobbs Act and certain Taft-Hartley Act cases.

The Hobbs Act, section 1951 of title 18, United States Code, makes it a felony punishable by a maximum fine of $10,000 and up to 20 years' imprisonment, or both, to interfere with commerce by robbery or extortion as defined in the act. Section 302 of the Taft-Hartley Act makes it unlawful for an employer in an industry affecting commerce to pay money or make gifts to representatives of any of his employees under circumstances that would constitute such action a bribe. A fine of up to $10,000 and imprisonment for 1 year may be imposed upon violators. The close connection between the two offenses proscribed in these acts often inhibits cooperation with law-enforcement officers. For example, an employer who is a victim of labor extortion may be reluctant to testify in a Hobbs Act case for fear of incriminating himself under section 302 of the Taft-Hartley Act.

This bill will amend the statute in the Criminal Code which establishes the procedure for effecting a grant of immunity from prosecution in exchange for testimony in certain security-type offenses so as to establish a similar procedure in the Hobbs Act and Taft-Hartley Act cases.

As amended, and as it would relate to the acts I am discussing, whenever in the judgment of a U.S. attorney the testimony of a witness, or the production of documents, in any case or proceeding before a grand jury or court of the United States involving the Hobbs Act or section 302 of Taft-Hartley is necessary to the public interest, he, upon the approval of the Attorney General, may apply for an order compelling the witness to testify or produce the required documents. If the witness is so ordered, he may not be prosecuted for or on account of any transaction, matter, or thing, concerning which he was compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence. He may, however, be prosecuted for contempt or perjury committed while so testifying.

This type of legislation is not uncommon. The many such statutes which are on the books have been found to be of tremendous assistance in bringing about the true administration of justice.

In support of this proposal, the Attorney General advised the committee that in Hobbs Act violations, the Department often runs into situations where the person active in the extortion is merely an agent for a labor racketeer. He is the pipline through which the money extorted goes from the employer to the hoodlum. Under present law, there is no means of compelling the agent's cooperation in the efforts of law enforcement officials to get at the men for whom he is working. As proposed, the bill will supply an effective tool toward that end.

Often, the man who falls into the hands of the law enforcement officer is a flunky for the higher echelons in the syndicate for which he is working. To imprison him would serve no useful purpose—certainly not so useful a purpose as would be served by the imprisonment of the persons for whom he is working. This measure should be a most potent weapon in our all-out fight against those who prey upon the business community.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1655) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 3486 of title 18, United States Code, is amended by inserting after the words "Immigration and Nationality Act (66 Stat. 182–186; 204–206; 240–241)" the following: "or violations of section 1951 of this title; or violations of section 302 of the Act of June 23, 1947 (61 Stat. 157; 29 U.S.C. 186)".

The title was amended, so as to read: "A bill to amend chapter 223 of title 18, United States Code, to permit the compelling of testimony under certain conditions and the granting of immunity in connection therewith."

TRANSMISSION OF BETS, WAGERS, AND RELATED INFORMATION

Mr. EASTLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 560, S. 1656.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1656) to amend chapter 50 of title 18, United States Code, with respect to the transmission of bets, wagers, and related information.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1656) to amend chapter 50 of title 18, United States Code, with respect to the transmission of bets, wagers, and related information, which had been reported from the Committee on the Judiciary, with amendments.

Mr. EASTLAND. Mr. President, the bill prohibits the use of wire communications facilities for the transmission of gambling information in interstate and foreign commerce. The committee heard testimony that there are 70,000 people in this country engaged in illegal gambling activities. Racketeers and gangsters have built their business about it. It involves an income of $7 billion a year.

The bill will give the U.S. Government a tool with which to help the States in enforcing their statutes against gambling.

The PRESIDING OFFICER. The first committee amendment will be stated.

The LEGISLATIVE CLERK. On page 1, line 7, after the word "forwarding" it is proposed to strike out "and" and insert "or".

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The LEGISLATIVE CLERK. On page 2, line 4, after "(a)" it is proposed to strike out "Whoever leases, furnishes, or maintains any wire communication facility with intent that it be used for the transmission in interstate or foreign commerce of bets or wagers, or information assisting in the placing of bets or wagers on any sporting event or contest, or knowingly uses such facility for any such transmission," and insert "Whoever being engaged in the business of betting or wagering knowingly uses a wire communication facility for the transmission in interstate or foreign commerce of bets or wagers or information assisting in the placing of bets or wagers on any sporting event or contest, or for the transmission of a wire communication which entitles the recipient to receive money or credit as a result of bets or wagers, or for information assisting in the placing of bets or wagers,".

The amendment was agreed to.

Mr. EASTLAND. Mr. President, I send to the desk two amendments on behalf of the Committee on the Judiciary and move that the first of the amendments be agreed to.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 2, line 22, it is proposed to strike the period and insert in lieu thereof a comma and add the following: "or for the trans-

mission of information assisting in the placing of bets or wagers on a sporting event or contest from a State where betting on that sporting event or contest is legal into a State in which such betting is illegal."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. KEATING. Mr. President, would the clerk please state the amendment again?

The PRESIDING OFFICER. The amendment will be stated again for the information of the Senate.

The LEGISLATIVE CLERK. On page 2, line 22, it is proposed to strike the period and insert in lieu thereof a comma and add the following: "or for the transmission of information assisting in the placing of bets or wagers on a sporting event or contest from a State where betting on that sporting event or contest is legal into a State in which such betting is illegal."

Mr. KEATING. Mr. President, I think that is a mistake.

Mr. EASTLAND. It should be "legal."

The LEGISLATIVE CLERK. The amendment says "legal."

Mr. EASTLAND. Mr. President, I modify the amendment.

Mr. KEATING. Mr. President, the last word should be changed from "illegal" to "legal."

Mr. EASTLAND. The last word of the amendment should be "legal," instead of "illegal."

The PRESIDING OFFICER. The amendment will be so modified.

Mr. EASTLAND. The word used before should also be "legal."

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. EASTLAND. Mr. President, I am informed that the clerk misread the words "or for the transmission of information assisting in the placing of bets or wagers on a sporting event or contest from a State where betting on that sporting event or contest is legal into a State in which such betting is legal."

The PRESIDING OFFICER. The word is "legal" in both instances.

Mr. KEATING. Anyway, Mr. President, that is what we mean. We are not condoning illegality.

The PRESIDING OFFICER. The next committee amendment will be stated.

The LEGISLATIVE CLERK. At the top of page 3, it is proposed to insert:

(d) When any common carrier, subject to the jurisdiction of the Federal Communications Commission, is notified in writing by a Federal, State, or local law enforcement agency, acting within its jurisdiction, that any facility furnished by it is being used or will be used for the purpose of transmitting or receiving gambling information in interstate or foreign commerce, it shall discontinue or refuse the leasing, furnishing, or maintaining of such facility, after reasonable notice to the subscriber, but no damages, penalty, or forfeiture, civil or criminal, shall be found against any common carrier for any act done in compliance with any notice received from a law enforcement agency. Nothing in this section shall be deemed to prejudice the right of any person affected thereby to secure an appropriate determination, as otherwise provided by law, in a Federal court or in a State or local tribunal or agency, that such facility should not be discontinued or removed, or should be restored.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. EASTLAND. I offer an amendment to the amendment.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. On page 3, line 7 of the committee amendment, after the word "commerce", strike the comma and insert the words "in violation of Federal, State or local law,".

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the RECORD a statement explaining the meaning of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATION OF S. 1656, PROHIBITING TRANSMISSION OF BETS BY WIRE COMMUNICATIONS

S. 1656 is designed to prohibit the use of wire communication facilities for the transmission of gambling information in interstate and foreign commerce, and thus assist the States in enforcement of their laws against gambling and bookmaking.

The Committee on the Judiciary received testimony that gambling in the U.S. involves about 70,000 persons and a gross volume of $7 billion annually. Information essential to gambling must be readily and quickly available. Illegal bookmaking depends upon races at about 20 major racetracks throughout the country, only a few of which are in operation at any one time. Since the bookmaker needs many bets in order to operate a successful book, he needs replays, including money on each race. Bettors will bet on successive races only if they know quickly the results of the prior race and the bookmaker cannot accept bets without the knowledge of the results of each race. Thus, information so quickly received as to be almost simultaneous, prior to, during, and immediately after each race with regard to starting horses, scratches of entries, probable winners, betting odds, results and the prices paid, is essential to both the illegal bookmaker and his customers.

So far, I have been discussing incoming information. The bookmaker must also have rapid outgoing information and the telephone is just such a means of rapid communication. He telephones other bookmakers in order to balance his book and protect against a heavy loss when the betting is concentrated on one entry. This is known as layoff betting.

S. 1656 has been amended by your committee, in two major respects. As originally recommended to the Congress, a common carrier would be subject to the sanctions of the bill if it leased, furnished, or maintained a wire communication facility with intent that it be used for the transmission of bets or wagers or information assisting in the placing of bets or wagers on any sporting event or contest. Your committee has limited the bill to those in the business of betting who use the wire communication facility—in other words—the professional gambler.

Your committee has added a new subsection which will require the common carrier to refuse or discontinue service if it is notified by a law enforcement official, in writing, that the facility is or will be used for transmitting or receiving gambling information. If the common carrier does refuse or discontinue service pursuant to this subsection, it will not be penalized for so acting. Furthermore, the rights of the individual affected to secure an appropriate legal determination as to his right to the facility is not affected.

The bill does not cover radio and television because the sanction of license revocation by the FCC is a sufficient deterrent to prevent the use of these facilities for dissemination of gambling information.

The bill exempts the transmission of information for use in news reporting of sporting events or contests. Thus, the reporter who uses a telephone to advise his newspaper or radio station of the results of a sporting event does not come within the provisions of this bill.

S. 1656 will assist the States in enforcement of their gambling laws. It will also help suppress organized gambling.

The Committee on the Judiciary recommends favorable action by the Senate.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

Mr. KEATING. Mr. President, did the clerk state the committee amendment on page 3?

The PRESIDING OFFICER. The amendment, as amended, was agreed to.

Mr. KEATING. Mr. President, I favor the bill as amended. Essentially the bill reported by the committee is a marriage of two pending bills, S. 1658 and S. 528. The original language of S. 1658 imposed a very onerous obligation on common carriers wholly inconsistent with the exemption given other common carriers in the provisions of S. 1657 relating to the transportation of gambling paraphernalia. In its original form, S. 1658 would have subjected the telephone companies to prosecution even though they had no actual knowledge of the criminal purpose to which their lines were being placed. The telephone under the amended language will be required to cooperate with government agencies, but criminals, not innocent phone company employees, will now be the objects of prosecution. This is certainly a more sensible proposal than that originally submitted and it has my support.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section

1081 of title 18 of the United States Code is amended by adding the following paragraph:

"The term 'wire communication facility' means any and all instrumentalities, personnel, and services (among other things, the receipt, forwarding, or delivery of communications) used or useful in the transmission of writing, signs, pictures, and sounds of all kinds by aid of wire, cable, or other like connection between the points of origin and reception of such transmission."

SEC. 2. Chapter 50 of such title is amended by adding thereto a new section 1084 as follows:

"§ 1084. Transmission of wagering information; penalties

"(a) Whoever being engaged in the business of betting or wagering knowingly uses a wire communication facility for the transmission in interstate or foreign commerce of bets or wagers or information assisting in the placing of bets or wagers on any sporting event or contest, or for the transmission of a wire communication which entities the recipient to receive money or credit as a result of bets or wagers, or for information assisting in the placing of bets or wagers, shall be fined not more than $10,000 or imprisoned not more than two years, or both.

"(b) Nothing in this section shall be construed to prevent the transmission in interstate or foreign commerce of information for use in news reporting of sporting events or contests, or for the transmission of information assisting in the placing of bets or wagers on a sporting event or contest from a State where betting on that sporting event or contest is legal into a State in which such betting is legal.

"(c) Nothing contained in this section shall create immunity from criminal prosecution under any laws of any State, territory, possession, or the District of Columbia."

"(d) When any common carrier, subject to the jurisdiction of the Federal Communications Commission, is notified in writing by a Federal, State, or local law enforcement agency, acting within its jurisdiction, that any facility furnished by it is being used or will be used for the purpose of transmitting or receiving gambling information in interstate or foreign commerce in violation of Federal, State or local law, it shall discontinue or refuse, the leasing, furnishing, or maintaining of such facility, after reasonable notice to the subscriber, but no damages, penalty or forfeiture, civil or criminal, shall be found against any common carrier for any act done in compliance with any notice received from a law enforcement agency. Nothing in this section shall be deemed to prejudice the right of any person affected thereby to secure an appropriate determination, as otherwise provided by law, in a Federal court or in a State or local tribunal or agency, that such facility should not be discontinued or removed, or should be restored."

SEC. 3. The analysis preceding section 1081 of such title is amended by adding the following item:

"Sec. 1084. Transmission of wagering information; penalties."

INTERSTATE TRANSPORTATION OF WAGERING PARAPHERNALIA

Mr. EASTLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 561, Senate bill 1657.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1657) to provide means for the Federal Government to combat interstate crime and to assist the States in the enforcement of their criminal laws by prohibiting the interstate transportation of wagering paraphernalia.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with amendments.

The PRESIDING OFFICER. The clerk will state the first amendment of the Committee on the Judiciary.

The LEGISLATIVE CLERK. On page 1, at the beginning of line 7, it is proposed to insert "(a)"; on page 2, line 6, after the word "or", to strike out "both." " and insert "both."; after line 6, to insert:

"(b) This section shall not apply to (1) parimutuel betting equipment, parimutuel tickets where legally acquired, or parimutuel materials used or designed for use at racetracks or other sporting events in connection with which betting is legal under applicable State law, or (2) the carriage or transportation in interstate or foreign commerce of any newspaper or similar publication."

and by adding the following item to the analysis of the chapter:

"Sec. 1952. Interstate transportation of wagering paraphernalia."

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary I offer an amendment to the Committee amendments.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 11, after "(2)", it is proposed to insert the following words: "The transportation of betting materials to be used in the placing of bets or wagers on a sporting event into a State in which such betting is legal under the statutes of that State, or (3)".

The PRESIDING OFFICER. The question is on agreeing to the amendment offered on behalf of the Committee on the Judiciary by the Senator from Mississippi.

The amendment to the amendment was agreed to.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The next amendment of the Committee on the Judiciary will be stated.

The LEGISLATIVE CLERK. After line 15, it is proposed to insert a new section, as follows:

SEC. 2. Section 1302 of title 18, United States Code, is amended by deleting the dash at the end of the fifth paragraph and inserting in lieu thereof a semicolon and adding a new sixth paragraph as follows:

"Any article described in section 1952 of this title—".

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KEATING. Mr. President, the press will be interested in knowing that under the amendment which has been offered by the committee, anyone who carries a New York Times or Washington Post or any other newspaper under his arm will not be liable to prosecution as he might have been under the bill as originally introduced.

As originally worded the bill could have been construed to prohibit the interstate transportation of any newspaper which contained information useful in the numbers game. The amendment which I proposed in committee expressly excludes "newspapers and similar publications." This makes it absolutely certain that the bill will not infringe in any manner on the freedom of the press guaranteed by the first amendment. I support the bill as amended and it should be approved.

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an explanation of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATION OF S. 1657, PROHIBITING THE INTERSTATE TRANSPORTATION OF WAGERING PARAPHERNALIA

As you know, we now have in our Federal Criminal Code a chapter 61 entitled "Lotteries." The chapter prohibits the transportation in interstate or foreign commerce, or the mailing, of lottery tickets. However, because of judicial construction, these statutes do not cover much of the paraphernalia which the gambling fraternity must ship or mail across State lines. For example, in the leading case of *France* v. *U.S.* (164 U.S. 676), the Supreme Court held in 1897 that the statute applied only to lottery paraphernalia representing chances on an existing lottery, not one already completed. In 1903, in *Francis* v. *U.S.* (188 U.S. 375), the Supreme Court further limited the application of the statute by holding that the duplicate slip retained by the agent of a numbers lottery was not covered. The Attorney General, in his testimony before the Judiciary Committee stated that the use of the mails in advertising and conducting a bookmaking business did not violate the present lottery statute because the selection of winners may require some skill or knowledge rather than mere chance. He cited the case of *United States* v. *Rich* (90 F. Supp. 624), in the eastern district of Illinois. Nor do the lottery statutes in their present form cover the many thousands of sports betting pool slips which are transported daily across State lines, for they do not meet the traditional definition of a lottery—the payment of a consideration must be for a prize to be awarded by chance. Even out-and-out lottery tickets may be shipped across State lines with impunity if they are printed in blank, shipped, and then locally overprinted with the playing numbers.

S. 1657 will fill the void now existing. It will make it a felony to send or carry knowingly in interstate or foreign commerce, or to mail, any wagering paraphernalia or device used, adapted, or designed for use in bookmaking, wagering pools with respect to a sporting event, or numbers, policy, bolita, or similar game. The shipment of parimutuel betting equipment into those States in which such betting is legal is excepted from the coverage of the bill. Also, to avoid any possibility of an interpretation which might bring within the criminal penalties of the bill a person who carries a newspaper or similar publication containing racing results or predictions, a specific exception is provided.

It is anticipated that this bill will be of material assistance in bringing about a sharp

curtailment of interstate wagering, and the shipment interstate of the wherewithal to conduct wagering activities in any one State. Bookmakers, as well as lottery and policy operators, need the channels of interstate commerce for big-time operations. State law enforcement officials have been virtually handcuffed in trying to cope with them and the Federal officials have lacked the statutory authority to render full assistance. With this bill, both may work hand in hand, as a team dedicated to the eradication of one of the great evils on the American scene today. Too many children go hungry because family funds needed for groceries are dumped into the coffers of the vice lords; too many government officials are tempted from their sworn duty by the bribes offered to them by the gamblers who mark up such outlays as part of the expense of doing business. With the Federal Government assisting the local authorities will not be frustrated in their efforts, and as a result they may be expected to be even more diligent in their work than they have been in the past.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 95 of title 18, United States Code, is amended by adding the following new section at the end thereof:

"§ 1952. Interstate transportation of wagering paraphernalia

"(a) Whoever, except a common carrier in the usual course of its business, knowingly carries or sends in interstate or foreign commerce any record, paraphernalia, ticket, certificate, bills, slip, token, paper, writing, or other device used, or to be used, or adapted, devised, or designed for use in (a) bookmaking; or (b) wagering pools with respect to a sporting event; or (c) in a numbers, policy, bolita, or similar game shall be fined not more than $10,000 or imprisoned for not more than five years or both.

"(b) This section shall not apply to (1) parimutuel betting equipment, parimutuel tickets where legally acquired, or parimutuel materials used or designed for use at racetracks or other sporting events in connection with which betting is legal under applicable State law, or (2) the transportation of betting materials to be used in the placing of bets or wagers on a sporting event into a State in which such betting is legal under the statutes of that State, or (3) the carriage or transportation in interstate or foreign commerce of any newspaper or similar publication."

and by adding the following item to the analysis of the chapter:

"Sec. 1952. Interstate transportation of wagering paraphernalia."

SEC. 2. Section 1302 of title 18, United States Code, is amended by deleting the dash at the end of the fifth paragraph and inserting in lieu thereof a semicolon and adding a new sixth paragraph as follows:

"Any article described in section 1952 of this title—".

OBSTRUCTION OF INVESTIGATIONS AND INQUIRIES

Mr. EASTLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 562, Senate bill 1665.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1665) to amend chapter 73 of title 18, United States Code, with respect to obstruction of investigations and inquiries.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments.

Mr. EASTLAND. Mr. President, the bill provides permanent sanctions and imprisonment up to 5 years, or a fine of $5,000, or both, for obstructing any lawful inquiry or investigation conducted by the Department of Justice or the Department of the Treasury. The same penalty would be applicable to those who injure, threaten, or attempt to injure any person or property on account of any person furnishing information in connection with any lawful inquiry of the Department of Justice or the Department of the Treasury.

The bill would hit at the very heart of organized crime and the racketeer, because it would make it a criminal offense to attempt to threaten and intimidate a person from giving testimony or information to the FBI or to the Narcotics Bureau.

The PRESIDING OFFICER. The first committee amendment will be stated.

The first amendment of the Committee on the Judiciary was on page 1, line 11, after the word "investigation", to strike out "by any department or agency" and insert "conducted by the Department of Justice or the Department of the Treasury";

The amendment was agreed to.

The next amendment was on page 2, line 7, after the word "investigation", to strike out "or" and insert "conducted by the Department of Justice or the Department of the Treasury".

The amendment was agreed to.

The next amendment was, after line 8, to strike out:

(c) Whoever willfully and knowingly furnishes false or misleading information to any department or agency for the purpose of obstructing or impeding any lawful inquiry or investigation by any department or agency.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 73 of title 18, United States Code, is amended (a) by adding at the end thereof a new section as follows:

§ 1510. Obstruction of agency or department investigations

"(a) Whoever corruptly, or by threats or force directed to any person or property, intimidates, obstructs or impedes, or endeavors to intimidate, obstruct or impede any person for the purpose of obstructing or impeding any lawful inquiry or investigation conducted by the Department of Justice or the Department of the Treasury; or

"(b) Whoever injures, or threatens or attempts to injure, any person or property on account of any person's furnishing or having furnished information to any department or agency in connection with any lawful inquiry or investigation conducted by the Department of Justice or the Department of the Treasury.

"Shall be fined not more than $5,000 or imprisoned not more than five years, or both."

(b) By amending the analysis of chapter 73 of such title by adding the following at the end thereof:

"1510. Obstruction of agency or department investigations."

The amendment was agreed to.

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an explanation of the bill.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

S. 1665. OBSTRUCTION OF AGENCY OR DEPARTMENT INVESTIGATIONS

The last bill to which I invite favorable consideration would amend the "Obstruction of Justice" chapter of the Criminal Code, to provide that it shall be a felony punishable by a maximum of 5 years' imprisonment and/or a $5,000 fine or both to obstruct any lawful inquiry or investigation conducted by the Department of Justice or the Department of the Treasury. The same penalty would be applicable to those who injure, threaten, or attempt to injure any person or property on account of any person furnishing or having furnished information in connection with any lawful inquiry of the Justice Department or the Treasury Department.

In submitting this legislation the Attorney General called attention to the fact that the present obstruction of justice statutes (18 U.S.C. 1503, 1505) prohibit the influencing or impeding of witnesses in judicial proceedings, in proceedings pending before departments or agencies, and in inquiries or investigations being conducted by either House of Congress or any congressional committee. The obstruction of any inquiry or investigation conducted by the Department of Justice or by the Department of the Treasury prior to the initiation of a proceeding is not within the coverage of the statutes.

Because the experience of the Justice Department indicates that potential witnesses are often intimidated, threatened, or coerced when a matter is in an investigative stage, prior to the initiation of a proceeding, it is essential that the coverage be expanded. It is equally important that there be no obstruction whether a matter is at a stage just prior to or just after the initiation of the formal proceeding. Illustrative of the need for such legislation is the case of *United States* v. *Scoratow* (137 F. Supp. 620). In that case the defendant had threatened to kill a Mr. and Mrs. Friedman if Mr. Friedman gave any information to the FBI. Mr. Friedman was being interrogated by the FBI in an investigation of a possible false statement to the FHA involving a nephew of Mr. Scoratow. The court held that such intimidation was not covered by the obstruction of justice statutes and dismissed the indictment.

Another case which the Attorney General called to the Committee's attention involved a man named Scuttles. He had been interviewed in connection with a stolen automobile. When the man who sold Scuttles the automobile got out of prison he threatened to kill him because he believed Scuttles had given the information leading to his conviction. Since Scuttles was never a witness at the trial of the man who threatened him, no prosecution was possible.

This measure is an indispensable weapon in the all-out fight which is about to take place against organized crime. It is essential that the Federal Government be in a position to move against any who seek to interfere with the Justice or Treasury Departments in their investigative activities. It may be expected that attempts will be made to silence witnesses through threats or violence; the Government must be in a position to act vigorously in such instances.

The President submitted a special message to the Congress on March 6, 1961, amending the budget request for fiscal 1962 to request an additional $540,000 for the Justice Department to use to provide additional staff to combat lawlessness and to coordinate governmentwide efforts against crime. That money and this legislation, as well as some additional legislation to come before the Senate at a later date, should take us a long way along the road to a country considerably freer of the evil influence of today's syndicated racketeer.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KEATING. Mr. President, I wish to comment briefly on the bill. I consider it an extremely important bill, which would close a serious defect in the present obstruction-of-justice statute.

Under the present law it is a crime to intimidate witnesses in pending judicial proceedings, but not prior to the formal initiation of proceedings. A shocking illustration of the inadequacy of the present section is the situation in the Scoratow case—137 F. Supp. 620. In that case, the defendant threatened to kill potential Government witnesses if they gave any information to the FBI. The court held that such intimidation did not come within the existing law because the case against the defendant had not been instituted at the time of his threat.

In another case a man who had been interviewed by FBI agents in connection with a white slave traffic investigation, was accosted by another man who displayed a knife and threatened to kill the person being interviewed if he gave any information to the FBI. Again, no action could be taken against the person making these threats because of the fact that no actual proceeding was in progress.

Of course coercion can assume a more subtle form. We know that one effective form of silencing potential witnesses is economic duress. A sharecropper whose lease may not be renewed or whose credit may not be extended, or an employee who may lose his means of livelihood will not make a very willing witness. There is no reason to expect every witness to be a martyr. This bill would cover all forms of intimidation, including these economic threats, and would be of assistance in virtually every type of criminal prosecution.

We all know the difficulties which the Government frequently encounters in obtaining witnesses in criminal prosecutions. It certainly should be able to protect Government witnesses against any intimidation including out-and-out threats of violence such as murder.

This gap in the law should have been closed a long time ago. The administration of justice is one of the prime responsibilities of government. It should not be subjected to such hazards and obstacles as arise from the Government's inability to give full legal protection to potential witnesses.

The leaders of organized crime are familiar with every one of these legal shortcomings under the present law. They exploit each advantage in promoting their nefarious activities.

I do not contend that the disturbing increase in crime which has recently been indicated by the report of the Director of the FBI is due entirely to the imperfections in our present criminal statutes, but I do believe that these loopholes are a contributing factor, and sometimes a decisive factor in our failure to bring the racketeers to book.

The public would wonder why more attention has not been given to those problems in the past, if it were fully informed. I have been astounded at the meager volume of my mail on these important bills. There simply is not the awareness of the serious shortcomings which now exist in our anticrime tools to curb the lawless elements in our midst.

In some cases a certain mawkish sentimentality prevails which puts the conveniences of defendants in criminal cases above society's interest and every individual's interest in freedom under law. We think of a thousand reasons why some measure might be unfair in some hypothetical case to some hypothetical criminal, but are unmoved by the overwhelming proof that crime is imperiling all of our freedoms.

This is one of the most important bills in the Attorney General's crime program: first, because it closes a significant gap in the present law and second, because it will enhance confidence in the judicial process. It will give new security to witnesses in criminal proceedings and will be a great aid to law-enforcement agents in ferreting out the facts about particular offenses. This bill has my strong support and I hope it will be overwhelmingly approved.

I wish to add generally, with regard to all of these crime bills, that they are a very important step in the right direction, and I commend the Attorney General for presenting them. I commend also the other members of the Committee on the Judiciary for the expedition which they used in reporting these bills. I should call attention to the fact, however, that the former Attorney General, Mr. Rogers, and President Eisenhower for years sought similar additional law enforcement tools. Year after year bills were introduced along these same general lines, some of them identical. No action was ever forthcoming over a 5- or 6-year period. I happen to know a little bit about the situation, because I offered some of the bills in the other body and some in the Senate. The Senator from Wisconsin [Mr. WILEY] offered some of them also. That is not to detract, however, from the vigor with which the present Attorney General has sought action in this field and I commend him for it.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is on the passage of the bill.

The bill (S. 1665) was passed as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 73 of title 18, United States Code, is amended (a) by adding at the end thereof a new section as follows:

"§ 1510. Obstruction of agency or department investigations

"(a) Whoever corruptly, or by threats or force directed to any person or property, intimidates, obstructs or impedes, or endeavors to intimidate, obstruct or impede any person for the purpose of obstructing or impeding any lawful inquiry or investigation conducted by the Department of Justice or the Department of the Treasury; or

"(b) Whoever injures, or threatens or attempts to injure, any person or property on account of any person's furnishing or having furnished information to any department or agency in connection with any lawful inquiry or investigation conducted by the Department of Justice or the Department of the Treasury.

"Shall be fined not more than $5,000 or imprisoned not more than five years, or both."

(b) By amending the analysis of chapter 73 of such title by adding the following at the end thereof:

"1510. Obstruction of agency or department investigations."

AUTHORIZATION OF ADDITIONAL APPROPRIATIONS FOR THE ARMED FORCES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 618, S. 2311.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2311) to authorize additional appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I request all attachés of the Senate to notify the Members of the Senate on both sides of the aisle that two very important bills and one very important resolution will be before the Senate and that their presence on the floor will be very much appreciated.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HICKEY in the chair). Without objection, it is so ordered.

FOREIGN AID—FINANCING OF DEVELOPMENT LOAN FUND

Mr. BYRD of Virginia. Mr. President, the foreign aid bill (S. 1983), as approved by the Committee on Foreign Relations, has been reported to the Senate. I wish to advise Senators and others who may be interested that I am today submitting an amendment to the bill which I propose to call up at the proper time.

The purpose of the amendment is to eliminate the provisions in the bill for financing the new Development Loan Fund through the so-called back door with expenditures from public debt receipts, and to substitute instead an authorization for orderly and unquestionable annual appropriations.

The amendment would authorize annual appropriations over the span of 5 fiscal years, 1962–66. The authorization for appropriated funds in each year would be in precisely the same amounts as the bill would allow to be drawn down annually in expenditures out of the debt. The actual appropriations, of course, may be held below the authorization limitation.

Since the United States started to finance foreign aid some 15 years ago, Congress has taken the sound position that these programs have broad foreign and domestic implications which require the effective annual review inherent in the appropriation process.

The amendment I am proposing preserves this wise position, which Congress has reaffirmed annually since the end of World War II. At the same time it provides continuity in authorization which, with reasonable assurance, may be used as a basis for advance planning.

If this amendment is not adopted, the bill would nullify the tested policy of Congress with respect to the expenditure of billions of dollars in foreign aid, and would set a questionable precedent for financing soft loans to undeveloped and lesser developed countries and areas of uncertain merit.

Section 201(a) of the bill as reported by the Foreign Relations Committee—beginning on page 4, line 20, of the bill—directs the President of the United States to establish a new Development Loan Fund to assist peoples of the world in their efforts toward economic and social development.

The language of section 202(a)—beginning on page 6, line 4 of the bill—directs the President to capitalize this loan fund with $8,787 million chargeable to the public debt of the United States over 5 fiscal years 1962–66; $1,187 million in the current year 1962, and $1,900 million in each of the succeeding 4 years.

This $8.8 billion in expenditures out of receipts from the sale of public debt would be drawn from the Treasury of the United States on notes by the President with "such maturity," and on such "other terms and conditions" as he may determine.

In short, section 202(a) of the committee bill authorizes the capitalization of the new Development Loan Fund at nearly $9 billion by the use of public debt receipts. This is the device frequently called back-door financing because it evades the appropriation process.

From money provided through U.S. debt, the new foreign-aid fund would make loans to "less-developed countries and areas." I quote from page 8 of the Senate Foreign Relations Committee Report No. 612:

> Interest rates as low as 1 percent are contemplated, and some loans will probably be interest free. Terms of repayment up to 50 years will be permitted, in some cases with no repayment of principal for initial periods up to 10 years.

Under section 205(a), beginning on page 9, line 10, of the bill, "standards and criteria" for these loans would be set by an "interagency Development Loan Committee," to be established by the President, consisting of "such officers of such agencies of the Government as he may determine."

Advocates of financing these loans by borrowing out of the public debt follow the contention found on page 11 of the committee Report No. 612. It holds that such borrowing authority would bring foreign "development lending operations more closely into line with established banking and business procedures."

I doubt that the procedures of any sound banking institution or business would allow for high-risk 50-year loans, with no payment on principal in the first 10 years, at 1 percent interest or no interest at all. If there is even a Federal Government lending agency making such loans, it does not readily come to mind.

The committee Report No. 612, on page 10, lists 24 past and present Federal agencies and programs financed with debt receipts, and cites their "excellent" record as an argument for capitalizing the new Development Loan Fund in the same manner.

These lending agencies are like snakes; they cannot be measured accurately until they are dead. But, even at this date, the combined statement of the Treasury indicates that to describe their record as "excellent" would be an exaggeration.

Since the establishment of the Reconstruction Finance Corporation—the first agency to spend out of debt receipts—the Treasury on June 30, 1960, had advanced $106.7 billion through these accounts; and net losses at that time in cancellation of notes and appropriations to restore impaired capital totaled $18.2 billion.

Also, most of the 24 agencies and programs cited in the report have been corporate entities or other so-called business-type agencies. Most of their loans have been in the United States and secured by relatively good collateral. All of this is in sharp contrast with the proposed new Development Loan Fund, its organization, and its operations.

The new fund would be headed by a part-time committee. It would have no charter, no president, and no board. I find little reason to expect substantial repayment of the loans. They might as well be regarded as grants from the outset and provided for as such.

The bill uses the appropriation process to fund nearly $5 billion in foreign aid grants for social and economic development and military assistance. This is in addition to the $8.8 billion in public debt receipts—over 5 years—for so-called development loans.

Appropriations for military assistance grants would be authorized for 2 years, 1962 and 1963, at $1.8 billion a year. The bill also would authorize 1-year appropriations for social and economic assistance grants totaling $1,289 million in fiscal year 1962.

There is no reason sufficient to justify funding these development loans in a manner to evade effective annual review in the appropriation process. Other important activities requiring both planning and continuity are financed in the orthodox manner without complaint.

Vital military procurement, including missile, aircraft, and ship construction, is financed through the appropriation process. Military departments are willing to justify their expenditures annually. Public works and social programs at home are financed with annual appropriations.

Neither is the statement on page 4 of the committee Report No. 612 that foreign aid, including long-range development loans, is a central instrument in our foreign policy an argument for bypassing the appropriation process. Foreign policy is not static. It changes, sometimes rapidly. It needs continual review.

Since the end of World War II, the United States had spent a gross total of $90.8 billion in foreign aid through June 30, 1961. As the committee foreign aid bill now stands before the Senate, it would authorize the use of another $11.6 billion in the current fiscal year 1962.

This is an astounding figure, but analysis of the bill will reveal authorizations for this year alone, as follows: $1,187 million in authority to spend from debt receipts for development loans; $1,289 million in appropriations for economic and social development grants; $51 million in appropriations for administrative expenses; $1,800 million in appropriations for military assistance grants; $200 million in authority to use military stocks of the Defense Department; $3,108 million of unexpended balances in economic assistance accounts continued available; $631 million in available foreign currencies; $2,370 million of unexpended balances in military assistance accounts continued available; and $1,000 million in authority to use foreign currency receipts from loans, Public Law 480 transactions, and so forth, for a total of $11,636 million.

The bill as it stands is called a 5-year plan. Annual authorizations to spend out of the Federal debt are fixed specifically, and for the 5 years they total $8.8 billion.

Assuming annual appropriation authorizations at the 1962 level throughout the period 1962–66, along with other available funds, the 5-year cost of foreign aid as contemplated in this bill may be estimated at more than $36.6 billion.

I ask unanimous consent to have printed at this point in the RECORD, a tabular presentation showing the figures I have just summarized for fiscal year 1962, and the projection for fiscal years 1962 to 1966, inclusive.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Spending authority for U.S. foreign aid programs provided in S. 1983, as reported to the Senate, July 24, 1961 (5-year projection, fiscal years 1962–66) [1]

[In millions]

Page	Line	Authorization and program	Amounts authorized specifically		Amounts authorized generally		Amounts provided from other sources		Total		
			Fiscal year 1962	Fiscal years 1963–66	Fiscal year 1962	Fiscal years 1963–66	Fiscal year 1962	Fiscal years 1963–66	Fiscal year 1962	Fiscal years 1963–66	Total
		Development assistance:									
6	9	Loans: Authority to spend from public debt receipts	$1,187	$7,600					$1,187	$7,600	$8,787
6	12										
		Grants, etc:									
11	11	Development grants	380			[1] $1,520			380	[1] 1,520	1,900
14	25	Authority to guarantee investments abroad	(1,100)						(1,100)		(1,100)
15	22										
22	9	Surveys of investment opportunities	5			[1] 20			5	[1] 20	25
24	23	Contributions to international organizations and programs	154			[1] 614			154	[1] 614	768
27	13	Supporting assistance	450			[1] 1,800			450	[1] 1,800	2,250
27	18	Contingency fund	300			[1] 1,200			300	[1] 1,200	1,500
		Subtotal, grants	1,289			5,154			1,289	5,154	6,443
92	25	Administrative expenses	51			[1] 204			51	[1] 204	255
		Unexpended balances continued available:									
90	1	Appropriations and other authorizations			$3,108				3,108		3,108
51	21	Foreign currencies			631				631		631
		Subtotal, balances			3,739				3,739		3,739
		Other:									
45	3	Authority for Federal agencies to furnish service and commodities									
51	21	Authority to use foreign currency receipts from loans, Public Law 480 activities, etc., estimated					$1,000	$4,000	1,000	4,000	5,000
		Total, development assistance	2,527	7,600	3,739	5,358	1,000	4,000	7,266	16,958	24,224
		Military assistance:									
31	20	Grants, etc	1,800	1,800		[1] 5,400			1,800	[1] 7,200	9,000
99	1	Unexpended balances of appropriations continued available			2,370				2,370		2,370
		Other:									
34	20	Authority to sell military stocks to foreign countries, etc									
35	10	Authority to contract for procurement of military stocks for sale to foreign countries, etc									
37	5	Authority to use Department of Defense military stocks	200	800					200	800	1,000
		Total, military assistance	2,000	2,600	2,370	5,400			4,370	8,000	12,370
		Grand total	4,527	10,200	6,109	10,758	1,000	4,000	11,636	24,958	36,594

[1] Assuming 1962 level of appropriations.

Mr. BYRD of Virginia. Mr. President, in view of the tremendous cost of foreign aid programs in the past, and the prospect for increasing cost in the future, the American people are entitled to a continual review of the worldwide activities and effective control over the use of their money.

I am unimpressed by the argument that review and control would be provided through routine reports to Congress and application of the Corporation Control Act. The reporting would be of little value, and the Corporation Control Act would not provide the kind of control needed in this case.

I developed the Corporation Control Act, and I know what is was intended to do. It was originated as a means of requiring Government corporations to keep books capable of audit. This is important, but it is not an effective substitute for the continual statutory and appropriation control needed in foreign aid programs.

Without the amendment I am offering, the new Development Loan Fund could be described as a Federal bureau authorized to increase the debt of the American people by $8.8 billion in 5 years with few if any strings attached.

Proper consideration of this bill must take into account that the vast spending authority which it provides is coupled with 51 grants of discretionary power and 18 authorizations to disregard other laws applicable to foreign aid activities for an indefinite period.

It is true that most of the discretionary powers given to the President and his foreign aid appointees in this bill, like most of the authority to disregard existing laws, have been granted in some form o. another in previous foreign aid bills. But this bill is different.

Previous foreign aid legislation has been limited to 1 year; the heart of this bill is a 5-year loan program. I submit that the Congress of the United States has an overriding responsibility to maintain a continuing and effective control over such a combination of money and power as this bill would establish.

I ask unanimous consent to have printed at this point in the RECORD, first, a list of instances in which discretionary power is granted; and second, a list of authorizations for disregarding existing law.

There being no objection, the lists were ordered to be printed in the RECORD, as follows:

DISCRETIONARY POWERS

Granting the President broad discretionary powers, the bill would authorize him to:

1. Page 5, line 1: Make development assistance loans on such terms and conditions as he may determine.

2. Page 6, line 20: Borrow money from the Treasury through public debt transactions with such maturities and other terms and conditions as he may determine.

3. Page 9, line 10: Establish a Development Loan Committee consisting of officers from such Federal agencies as he may determine.

4. Page 10, line 7: Make development assistance grants on such terms and conditions as he may determine.

5. Page 11, line 16: Use development assistance grant funds for atoms-for-peace program on such terms and conditions as he may determine.

6. Page 12, line 1: Use development assistance grant funds and foreign currencies for schools and libraries abroad founded or sponsored by U.S. citizens, on such terms and conditions as he may specify.

7. Page 12, line 10: Use foreign currencies for grants to hospitals abroad founded or sponsored by U.S. citizens on such terms and conditions as he may specify.

Issue "all risk" guarantees for U.S. investments abroad, and to determine:

8. Page 15, line 1: (a) Where such action is important.

9. Page 15, line 9: (b) The nature of the risks to be guaranteed.

10. Page 15, line 10: (c) Terms and conditions of the guarantees.

11. Page 16, line 13: Charge fees for guarantee of U.S. investments abroad in amounts to be determined by him.

12. Page 23, line 13: Conduct research into development assistance including such aspects as he may determine.

13. Page 23, line 25: Make grants to international organizations and their programs on such terms and conditions as he may determine.

14. Page 26, line 23: Waive provisions of law requiring use of U.S. vessels in making shipments to Indus Basin development program if he determines it to be necessary.

15. Page 27, line 7: Make grants to support or promote economic or political stability on such terms and conditions as he may determine.

16. Page 27, line 21: Use his contingency funds when he determines such use to be important to the national interest.

17. Page 30, line 19: Furnish military assistance on such terms and conditions as he may determine.

18. Page 30, line 21: Furnish military assistance to any country or international organization when he finds it to be in the national interest.

19. Page 32, line 18: Consent to exceptions to the conditions of eligibility established for recipients of military assistance.

20. Page 35, line 1: Sell Department of Defense military stocks directly to foreign governments and allow delayed payments as he determines up to 3 years.

21. Page 36, line 24: Use up to $200 million a year in Department of Defense military stocks in advance of military assistance appropriations if he determines it to be vital to the security of the United States.

22. Page 38, line 3: Determine when internal security requirements are not to be the basis for Latin American military aid.

23. Page 41, line 18: Procure materials outside the United States for purposes of the act unless he determines it would adversely affect the U.S. economy.

24. Page 42, line 25: If he judges it to be in the best interest of the United States, retain any foreign-aid article or make it available to any U.S. Government agency he may determine.

25. Page 45, line 4: Allow any U.S. agency to provide goods and services to foreign governments, etc., on an advance or reimbursement basis, when he determines it to be in furtherance of economic development purposes.

26. Page 49, line 4: Determine amount of foreign currency to be made available for U.S. uses from special accounts of counterpart funds.

27. Page 50, line 4: Allow transfer of grant funds among programs up to 10 percent whenever he determines it to be necessary.

28. Page 52, line 17: Determine the amounts of foreign currencies excess to regular U.S. Government requirements which are available for economic and social development purposes.

29. Page 54, line 8: Use up to $250 million a year in military assistance funds and Department of Defense stocks in advance of appropriations, all other laws and requirements to the contrary notwithstanding, if he determines it to be required by the national interest.

30. Page 54, line 11: Use so-called support assistance (economic or political) funds in order to meet responsibilities or objectives of United States in Germany and West Berlin, when important to national interest.

31. Page 54, line 15: Use support assistance funds in Germany and West Berlin without regard to any law he determines should be disregarded.

32. Page 54, line 20: Use amounts not exceeding $50 million upon his certification that it is inadvisable to specify the nature of the use of such funds.

Suspend assistance to any country which has nationalized or expropriated property of a U.S. citizen, and make determinations as to:

33. Page 55, line 17: (a) When such is the case.

34. Page 55, line 24: (b) What steps a country shall take to discharge its obligation.

35. Page 56, line 2: (c) Whether it is in the national interest to suspend the aid.

36. Page 56, line 23: Execute foreign aid programs through any agency or officer of U.S. Government he may designate.

37. Page 63, line 8: Employ such personnel as he deems necessary.

38. Page 65, line 23: Appoint and assign personnel under such provisions of the Foreign Service Act of 1946 as he deems appropriate.

39. Page 70, line 5: Allow detail or assignment of officer or employee to a foreign government if he determines it to be in furtherance of the purposes of the act, where no oath of foreign allegiance or compensation are involved.

40. Page 70, line 16: Allow detail or assignment of U.S. officer or employee to international organization if he determines it to be in furtherance of the purposes of the act.

41. Page 73, line 18: Appoint and remove at his discretion the chief and deputy chief of special missions or staffs established to carry out economic development programs.

42. Page 73, line 24: Fix salaries of mission chiefs and deputies in accordance with such provisions of Foreign Service Act of 1946 as he deems proper.

43. Page 78, line 9: Disregard, if he determines it to be in furtherance of the purposes of the act, any law he may specify regulating Government contracting (except Renegotiation Act).

44. Page 78, line 18: Disregard such provisions of the Neutrality Act as he may specify in connection with the military assistance programs.

45. Page 79, line 8: Determine information to be made available with respect to operations under the act which he does not deem to be incompatible with the public interest.

46. Page 80, line 8: Certify that he has forbidden the furnishing of information to the Congress and GAO.

47. Page 82, line 20: Compromise or collect obligations, etc., accruing to him, as he may determine.

48. Page 83, line 7: Determine character of, and necessity for, obligations and expenditures of funds used in making loans under the act, and the manner in which they shall be incurred, allowed, paid, etc.

49. Page 84, line 3: Direct terms and conditions of settlement or arbitration of claims and disputes arising from operations under the act in connection with investment guarantees.

50. Page 95, line 13: Pending enactment of Peace Corps legislation, apply such provisions of the act to the Peace Corps as he may determine.

51. Page 101, line 8: Designate an agency to service Public Law 480 loans in place of the Export-Import Bank.

DISREGARD OF OTHER LAWS

Disregarding provisions of existing law the bill would authorize the President to:

1. Page 12, line 5: Use foreign currencies to assist schools, libraries and hospitals founded by U.S. citizens abroad, notwithstanding provisions of existing law relating to embargo and control of shipments to Iron Curtain countries, etc.

2. Page 26, line 20: Disregard provisions of existing law requiring use of U.S.-flag vessels in making shipments for Indus Basin development.

3. Page 41, line 12: Disregard provisions of existing law requiring use of U.S.-flag vessels in shipment of commodities purchased with foreign currencies.

4. Page 43, line 5: Disregard provisions of existing law regarding disposal of surplus property when necessary to prevent spoilage and wastage of certain commodities and defense articles acquired for use under the act.

5. Page 45, line 21: Establish a revolving fund to deal in excess property financed by transfers from other accounts, notwithstanding existing provisions of law prohibiting such transfers without specific authority.

6. Page 52, line 18: Use foreign currency receipts, notwithstanding provisions of other laws governing the collection and use of such currencies, when he determines them to be available.

7. Page 54, line 4: Furnish up to $250 million in military assistance funds, and Department of Defense stocks in advance of appropriations, each year when he determines it to be in the national interest, without regard to any other requirements of the act, future appropriation acts, and the provisions of existing law relating to embargo and control of shipments to unfriendly countries, etc.

8. Page 54, line 15: Use economic and political support funds to meet U.S. objectives in Germany and West Berlin, without regard to such provisions of law as he determines should be disregarded.

9. Page 63, line 13: Hire, compensate and remove persons in 85 positions within the United States, without regard to civil service or any other laws; supergrades and others with salaries up to $19,000.

10. Page 66, line 19: Separate employees failing to meet his standards without regard to civil service or other laws.

11. Page 67, line 16: Make arrangements for reimbursement from foreign countries for performance of functions, but officers and employees under the act may not accept any benefits from foreign governments, notwithstanding any other provisions of law.

12. Page 69, line 15: Hire retired military officers, notwithstanding section 2, act of July 31, 1894.

13. Page 73, line 17: Remove chief and deputy chief of special missions abroad from office at his discretion, notwithstanding provisions of any other law.

14. Page 78, line 9: Disregard provisions of law governing Federal contracting in purchasing under the act.

15. Page 78, line 16: Disregard such provisions of the Neutrality Act as he may specify.

16. Page 78, line 20: Assign military personnel to civil offices notwithstanding provisions of existing law.

17. Page 84, line 15: Subsections 636 (b) and (c) contain four authorizations to waive existing law with respect to certain operating expenses abroad, including printing, binding, office space, housing, schools, hospitals, etc.

18. Page 92, line 18: Use and maintain, alter, etc., U.S.-owned facilities to train foreign military personnel without specific appropriation as required in other law.

Mr. BYRD of Virginia. Mr. President, this is not the first effort to bypass the control of the appropriation process in obtaining money for the Development Loan Fund. It has been tried twice before, and Congress has rejected it both times.

The provision for financing the Fund out of debt receipts was first killed by a floor amendment in the House of Representatives in 1957. The Senate killed the second attempt in 1959, when the validity of the authorization was challenged on a point of order.

The validity of authorizations to spend from public debt receipts outside the orthodox appropriation process has always been questionable and in the shadows of the provision of article I, section 9, of the Constitution which says:

> No money shall be drawn from the Treasury, but in consequence of appropriations made by law.

Representative CLARENCE CANNON, chairman of the Committee on Appropriations of the House of Representatives, has described the practice of evading appropriation control by use of authority to spend from the debt as "reprehensible." I agree with him.

I have opposed the practice in the past. I oppose it now. I am proposing at this time that the authorization for the Development Loan Fund to evade effective annual appropriation control be deleted from the bill.

I shall offer an amendment which would substitute tested and unquestionable appropriation authorization for the same period and in the same amounts.

Mr. President, I ask unanimous consent that the text of the amendment may be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

> On page 6, strike out lines 4 to 24, inclusive, and insert the following:
>
> "SEC. 202. Authorization.—(a) There is hereby authorized to be appropriated to the President for use in carrying out the provisions of this title such sums, not to exceed $1,187,000,000 for use beginning in the fiscal year 1962 and not to exceed $1,900,000,000 for use beginning in each of the fiscal years 1963 through 1966, as the Congress shall hereafter determine to be necessary, which amounts shall remain available until expended."
>
> On page 8, line 13, beginning with "(1)" strike out down to the comma in line 16, and insert the following: "(1) all funds appropriated pursuant to the authorization contained in section 202 (a)".
>
> On page 8, strike out lines 19 to 23, inclusive.
>
> On page 9, lines 6 and 7, strike out "and notes issued under section 202 (a),".

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION OF ADDITIONAL APPROPRIATIONS FOR THE ARMED FORCES

The Senate resumed the consideration of the bill, S. 2311, to authorize additional appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes.

Mr. RUSSELL. Mr. President, I understand that Senate bill 2311 is the pending business before the Senate.

The PRESIDING OFFICER. That is correct.

Mr. RUSSELL. Mr. President, S. 2311 is the first of the two proposals by the President in his address last Tuesday evening that require legislative action. This bill would authorize additional appropriations for the procurement of aircraft, missiles, and naval vessels in the amount of $958,570,000.

As Members of the Senate know, the President requested additional appropriations amounting to $3,454,600,000, of which $3,247 million is for the Armed Forces and the remainder for civil defense. Of the $3,247 million for the Armed Forces, $1,753 million is intended for the procurement of weapons, equipment, and ammunition to increase our nonnuclear capabilities, or what is more commonly called the ability to wage conventional war. Of the $1,753 million intended for procurement, items that require additional authorization total $958,570,000—the amount of authorization provided in S. 2311. The items that require additional authorization of appropriations are those for the procurement of aircraft, missiles, and naval vessels.

The committee report contains descriptive material on the items that would be procured with appropriations this bill would authorize. Quantities of each item are not shown, and the amount of the authorization that would be applied to each item is also omitted. This is in an effort to avoid publication of information that could be helpful to our adversaries. An examination of the types of aircraft and missiles to be procured quickly shows that the items included are those that can be ordered and delivered promptly. Earlier this year the committee recommended in the Senate and the Congress acted favorably on an authorization of appropriations for the procurement of aircraft, missiles, and naval vessels in a total of $12,571 million. The items that will be bought with this additional authorization are to a large degree additional quantities of similar items previously authorized. In one or two instances, the earlier authorization was for more advanced or sophisticated versions of aircraft and missiles than the types that will be purchased under the authorization provided in this bill. The reason is that the models on which this authorization is concentrated are those that have been in production and for which additional production can be quickly had.

In summary, I may say the Army would be granted an aircraft procurement authorization of $36,700,000 for added quantities of the Iroquois and light observation helicopters and the Caribou, Mohawk, and Seminole aircraft types; the Army missile authorization of $33,770,000 is for Hawk, Nike-Hercules, and Honest John missiles and components. The Navy aircraft authorization of $281,400,000 is for light jet attack bombers, two types of all-weather jet fighters, two types of antisubmarine warfare aircraft, three types of helicopters, and a combination transport-refueling aircraft; the Navy missile authorization of $262,200,000 is for further procurement of the Sidewinder, Sparrow, Bullpup, Tartar, Terrier, and Talos missiles. The Navy vessel authorization of $41,600,000 would be in support of an appropriation to repair the fire damage that was sustained by the aircraft carrier, the U.S.S. *Constellation*, while it was under construction in New York. The Air Force aircraft authorization of $294,100,000 is for more F–105's, a tactical fighter type, and additional C–130B's and E's, long-range transports, and additional procurement of air-to-air rockets of the Falcon and Sidewinder type; the Air Force missile procurement authorization of $8,800,000 is all for the Bullpup air-to-ground missile.

Mr. President, this is a brief and possibly oversimplified explanation of this authorization, but the committee was convinced that the need for these items is real and that the authorization should be promptly granted, in order to facilitate consideration and final action on the appropriations bill for the Department of Defense. I shall be glad to attempt to answer questions that may be propounded.

The committee report dealing with this measure contains more detailed information as to the types and purposes of the military equipment authorized; and I ask unanimous consent that an excerpt from the report be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the excerpt from Report No. 645, was ordered to be printed in the RECORD, as follows:

> This bill would authorize additional appropriations in fiscal year 1962 for the procurement of aircraft, missiles, and naval vessels in a total amount of $958,570,000.
>
> NEED FOR AUTHORIZATION
>
> Section 412(b) of Public Law 86–149 requires authorization for appropriations after December 31, 1960, for the procurement of aircraft, missiles, or naval vessels by the Armed Forces. Earlier this year the Congress approved Public Law 87–53, which provided an authorization of appropriations for aircraft, missiles, and naval vessels in a total of $12,571 million.
>
> In his address to the Nation on July 25, 1961, the President announced his intention to request additional appropriations for the Armed Forces in the amount of $3,247 million. Of this additional appropriations request, $1,753 million is for the procurement of weapons, equipment, and ammunition. Of the $1,753 million additional procurement appropriations request, the amount that requires additional authorization is $958,570,000, the amount of authorization that would be provided by this bill. The difference between the authorization of appropriations contained in this bill and the total amount intended for military procurement is made up of items other than aircraft, missiles, and naval vessels.

Summary of authorization request

Category and service	Appropriation title	Additional fiscal year 1962 NOA requiring authorization
Aircraft:		
Army	Procurement of equipment and missiles, Army	$36,700,000
Navy and Marine Corps	Procurement of aircraft and missiles, Navy	281,400,000
Air Force	Aircraft procurement, Air Force	(211,500,000)
	Airlift modernization, Air Force	(82,600,000)
Subtotal, aircraft		612,200,000
Missiles:		
Army	Procurement of equipment and missiles, Army	33,770,000
Navy	Procurement of aircraft and missiles, Navy	262,200,000
Marine Corps	Procurement, Marine Corps	
Air Force	Missile procurement, Air Force	8,800,000
Subtotal, missiles		304,770,000
Naval vessels: Navy	Shipbuilding and conversion, Navy	41,600,000
Grand total		958,570,000

DETAILS OF AUTHORIZATION REQUESTS

During the hearing on this bill the committee was furnished justification material indicating the purposes for which appropriations will be sought on the basis of the authorization that this bill would provide. The supporting material indicated the quantities of each item to be procured and the part of the authorization allocated to each weapon. The quantities of each item when compared with the dollar amounts allocated to that item are classified as "confidential" and are omitted from this report. Publication of information of this type, when related to similar information in other years, could provide potential enemies helpful information on inventories and it could handicap the military departments in their attempts to procure these items for less than the estimated costs submitted to the committee.

ARMY AUTHORIZATION

Aircraft

The bill would authorize additional appropriations for the procurement of Army aircraft in the amount of $36,700,000. Previously $211 million was authorized for this purpose. The additional authorization is intended for increased procurement of four types of aircraft: the Iroquois, Caribou, Mohawk, and Seminole. In addition, the Army plans to procure observation helicopters of the currently available Sioux or Raven types. These aircraft are intended to accelerate the Army's capability for air mobility within the combat zone.

A brief description of each of the aircraft types follows:

1. Iroquois: This helicopter, designated the HU–1B by the Army, provides tactical mobility for combat troops, supplies, and battlefield evacuation. It is a low-silhouette, all-metal, single-rotor helicopter powered by a single gas-turbine engine. With a crew of 1, it can fly a range of 175 nautical miles at a speed of 100 knots while carrying a payload of 2,000 pounds or from 7 to 11 passengers or 3 litters.

2. Caribou: This aircraft is intended to satisfy an Army requirement for a short takeoff and landing aircraft that can move troops, weapons, equipment, and supplies rapidly within the combat zone. In combination with the Chinook helicopter previously authorized, this aircraft will provide the Army with a versatile team that can operate in areas affording short takeoff and landing strips. It is an all-metal cargo aircraft with rear loading ramp powered by two 1,450-horsepower piston engines. With a crew of three, it can fly 850 nautical miles at a speed of 156 knots while carrying 3 tons of cargo or 32 passengers, or 14 litters and 8 ambulatory patients.

3. Mohawk: This aircraft can operate from small, unimproved areas. Its mission is to provide the Army with improved capability for performing close aerial observations, battlefield surveillance, and target location missions. It is an all-metal, midwing monoplane, powered by two turbine engines. With a crew of two, this aircraft carries 800 pounds of combat surveillance equipment for a range of 400 nautical miles, at a speed of 200 knots.

4. Seminole: The Army uses this aircraft primarily for personnel transport, aerial resupply, and medical evacuation. Additional usage includes flight training and limited battlefield surveillance. It is an all-metal, low-wing monoplane, powered by two piston-type engines. With a crew of one, it can fly 1,050 nautical miles, at a speed of 155 knots while carrying five passengers or 1,680 pounds of cargo.

5. Light observation helicopters: This helicopter provides frontline tactical commanders of an air vehicle for reconnaissance liaison and control, emergency medical evacuation, and limited resupply. With a crew of one, this helicopter flies 180 nautical miles at a speed of 70 knots, while carrying 400 pounds of cargo or one to two passengers.

Missiles

The bill would authorize additional appropriations for Army missile procurement in the amount of $33,770,000. Appropriations of $550,800,000 for procurement of Army missiles were previously authorized. The increased authorization would support appropriations for the Army to continue procurement of the following types of missiles:

1. Hawk missiles with warhead: Hawk is the only modern mobile weapon system available to provide forward elements of the field Army with protection against low-altitude aircraft. It can engage modern aircraft from treetop level to altitudes in excess of 35,000 feet. This increased authorization is for continued procurement of missiles and warheads.

2. Honest John: This is a bread-and-butter heavy, close-support weapon of the Army. It is found in infantry and armored divisions and is also assigned to corps artillery. It utilizes nuclear warheads and a highly effective, high-explosive warhead. The simplicity, range, rate of fire, mobility, and all-weather capability of the system permits effective and continuous heavy fire support of all combat units.

The Honest John is employed against personnel such as massed troops and hard targets such as command posts and supply points.

The increased authorization requested will permit appropriations for procurement of additional rockets and warheads which will materially improve the Army's conventional capability in this system.

3. Nike-Hercules warhead section, HE, M17: The Nike-Hercules surface-to-air missile system is capable of using either a nuclear or a nonnuclear conventional warhead. It can destroy high-flying, high-speed modern aircraft. The authorization requested will permit appropriations for additional HE warheads which will materially improve the conventional capability. While Nike-Hercules is used both in the continental United States and overseas, these warheads are planned for use in support of the field army and oversea installations.

NAVY AUTHORIZATION

Vessels

The bill provides $41,600,000 in authorization of appropriations for the construction and conversion of naval vessels. This authorization would be in addition to the $2,957 million in authorizations provided in Public Law 87–53. The addition is intended to support an appropriation to cover the fire damage incurred aboard the carrier *Constellation* while it was under construction.

Aircraft

The bill provides $281,400,000 in authorization of appropriations for the procurement of aircraft for the Navy and the Marine Corps. Previous 1962 authorization for this purpose was $1,585,600,000. A brief description of the aircraft types to be procured follows:

A4D–2N: This is a light jet attack plane used by the Navy and the Marine Corps for air strikes and for the close support of ground troops. It is a less advanced design than the A4D–5 that was authorized earlier for procurement in 1962, but this model is in production and can be procured quickly.

F4H–1: This is a twin engine, all-weather, supersonic jet fighter that the Navy considers superior in performance to any in the world. This aircraft, called the Phantom, can deliver atomic weapons and conventional bombs as a fighter bomber. It incorporates the latest developments for the use of air-to-air missiles.

F8U–2N: This high performance, supersonic, limited all-weather fighter is called the Crusader. It is an improved version of the F8U–2 aircraft. Its relatively low cost permits the Navy to obtain a greater number of fighters within the funds allocated for this purpose.

HU2K–1: This is a carrier-based helicopter powered by a single-turbine engine that is used for search and rescue purposes. Its greater range and increased lifting ability will provide the fleet with a search and rescue capability superior to that provided by earlier helicopters.

HSS–2: This carrier-based, all-weather helicopter is for antisubmarine warfare use. It is powered by twin turbine engines and has improved detection and attack capabilities.

HUS–1: This helicopter is intended to meet the vertical assault requirements of the Marine Corps. It is of the troop-carrying type.

P3V–1: This is a land-based aircraft that is used in antisubmarine warfare. This larger antisubmarine warfare aircraft provides more space for the complicated equipment required, and it provides better working conditions for the crew.

S2F–3: This type is a carrier-based tracker aircraft that works off carriers with antisubmarine helicopters to locate and destroy enemy submarines.

GV–1. In-flight refueler transport (assault): This is a combination troop transport and refueling type now being operated by the Marine Corps. It is in production and immediately procurable. Its intended

use is by fleet tactical support squadrons to provide transport services to destinations and for purposes not served by Military Air Transport Service. It is comparable to the C–130 that is procured by the Air Force.

Missiles

The bill provides authorization of appropriation for the procurement of Navy missiles in the amount of $262,200,000. This would be in addition to the $606,400,000 previously authorized for this purpose in 1962. Missiles procured under this authorization are used in the Marine Corps air program in addition to that of the Navy. A brief description of the missile types to be procured with appropriations based on this authorization follows:

Sparrow III: This is an air-to-air missile of the all-weather type. It will be a primary weapon for the F–4H fighter. The Navy considers the Sparrow III as its only true all-weather, air-to-air missile and is enthusiastic about its versatility.

Terrier: This is a surface-to-air missile that is suitable for installation on cruisers, carriers, and frigates. It can accommodate a choice of warheads.

Tartar: Tartar is a surface-to-air missile that is designed for installation on destroyers, escorts, and as a secondary battery on cruisers.

Talos: This is the largest of the Navy's surface-to-air missiles and it has the longest range. It can carry either a nuclear or a conventional warhead.

Bullpup: This is the Navy's only air-to-surface missile. It is used for the close support of troops. Its commendable features include accuracy, reliability, and its being relatively inexpensive.

Sidewinder 1–A: This is an effective air-to-air missile that is in production and is immediately procurable. It is less sophisticated than the improved version, Sidewinder 1–C, but it is also less expensive.

Sidewinder 1–C: This is an improved version of the Sidewinder 1–A that is somewhat more expensive and cannot be procured in large quantities as quickly as the 1–A.

AIR FORCE AUTHORIZATION

Aircraft

The bill provides authorization of appropriations for the procurement of Air Force aircraft in the amount of $294,100,000. This authorization would be in addition to the previously approved authorization of $3,841,200,000 for Air Force aircraft. The aircraft that would be procured with appropriations based on this additional authorization are described below:

C–130B: This is a long-range, high-speed, turboprop transport aircraft for the strategic airlift of personnel and material. Deliveries from it are by parachute drop or by assault landings. The C–130 is the key support aircraft in the composite air strike force of the Tactical Air Command. This type can operate from hastily prepared landing sites and from dirt, gravel, or sand areas in support of Army assault operations.

C–130E: This is an improved version of the C–130B. The principal difference in the two types is that the C–130E has a greater range.

F–105D: The F–105D is designed to provide both the performance and the versatility needed in a modern fighter. It has good low-speed handling characteristics for effective close support of ground troops. At the same time it has the necessary speed for an air superiority fighter.

Guided air-to-air rockets: These are air-to-air nonnuclear rockets of the Falcon and Sidewinder types. They would be required in large numbers for defensive purposes in a nonnuclear engagement.

Missiles

The bill provides authorization of appropriations for the procurement of Air Force missiles in the amount of $8,800,000. This authorization is in addition to the $2,792 million previously provided for appropriations for this purpose in 1962. The entire amount of the additional authorization is intended for the procurement of the Bullpup missile, a tactical air-to-surface missile developed by the Navy that is used by tactical fighters for the destruction of pinpoint targets in support of ground troops. It is relatively inexpensive.

DEPARTMENTAL RECOMMENDATION

Printed below and hereby made a part of this report is a letter from the Secretary of Defense dated July 26, 1961, indicating that this authorization is a part of the legislative program of the Department of Defense and that it is in accord with the program of the President.

THE SECRETARY OF DEFENSE,
Washington, July 26, 1961.

Hon. LYNDON JOHNSON,
President of the Senate.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of proposed legislation to authorize additional appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes. This proposal is a part of the Department of Defense legislative program for 1962, and the Bureau of the Budget has advised that the legislation is in accord with the program of the President.

In essence, the legislation would provide for additional authorization of appropriations in each of the categories of aircraft, missiles, and ships for each of the military services in the amount of new obligational authority being requested for such purposes as a result of revisions in the defense programs and corresponding amendments to the budget submitted to the Congress by the President.

The total amount of additional authorization being requested is $958,570,000. The amount of $41,600,000 "For naval vessels: For the Navy" is to cover the fire damage on the aircraft carrier U.S.S. *Constellation* which occurred at the New York Naval Shipyard on December 19, 1960. The request for a supplemental appropriation for this item was included in the President's message to the Congress of July 12, 1961, House Document 210.

Representatives of the Department of Defense will be prepared to furnish such information as the committee may desire with respect to this matter.

Sincerely yours,

ROBERT S. MCNAMARA.

Mr. DIRKSEN. Mr. President, may I ask a question?

Mr. RUSSELL. Yes, indeed.

Mr. DIRKSEN. From the report, I gather that there is sufficient authorization for all purposes except for the $958 million authorization contained in this bill.

Mr. RUSSELL. The Senator from Illinois is correct. There is no necessity for specific authorization of appropriations for ammunition, let us say, or for the purchase of artillery or for the purchase of machineguns. Military hardware of that type does not require specific legislative authorization in each instance. Under the law—section 412 (b); as it is commonly called—only missiles, aircraft, and naval vessels require specific authorization. For that reason, this bill authorizes the appropriation of $958,570,000 out of a total of $3.4 billion sought by the President.

Mr. DIRKSEN. And the rest of the authority already exists, does it?

Mr. RUSSELL. Yes, it already exists.

Mr. ELLENDER. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I am glad to yield to the Senator from Louisiana.

Mr. ELLENDER. After this authorization bill is enacted, how much money does the Senator from Georgia anticipate will have to be provided the Armed Forces for the current fiscal year?

Mr. RUSSELL. I do not have those totals here; but they are in the vicinity of $47 million. I can get that exact figure in a moment.

Mr. ELLENDER. Will it be about $47,500,000?

Mr. RUSSELL. Yes, somewhere in that range.

Mr. ELLENDER. Did the committee receive any testimony during hearings on this bill assuring us in any way that our allies of Western Europe will shoulder their fair share of the free world's defensive burden?

Mr. RUSSELL. We went into that with the witnesses who appeared before us. The witnesses who made appearances were the Secretary of Defense and the Chairman of the Joint Chiefs of Staff. Speaking for myself, I can say only that their suggestions as to the additional assistance we might expect were exceedingly disappointing to the Senator from Georgia.

I may say however, that is nothing new. We have been through three or four of these crises, two, at least, over Berlin, and one or two others in other parts of the world; and in each instance we have been the nation that has provided the military sinews to avoid a war. I cannot assure the Senator from Louisiana that we had any testimony that would cause any great enthusiasm over the contributions that might be expected from our allies in NATO.

Mr. ELLENDER. I am certain the Senator from Georgia is familiar with the efforts put forth by some of us in attempting to have our allies in Western Europe contribute their just share of men and military hardware. Up to now we have not succeeded, as the Senator knows.

Mr. RUSSELL. As the Senator from Louisiana knows, we have no authority to force them to contribute.

Mr. ELLENDER. I understand that.

Mr. RUSSELL. I have favored putting limitations that would encourage them to do so on some of the tremendous sums of money that we have made available for some of our allies in the effort to preserve freedom on this earth. The Senator will remember the very earnest, but unsuccessful, fight that I made to thwart the decision of the State Department that the Germans should not contribute anything for the maintenance of American troops on German soil. I have never been able to understand the philosophy of the State Department in matters of that kind. We were paying many millions for defense there, and the State Department did not want the Germans to make even the modest contribution of several million dollars by way of food and building materials for our troops.

I have the specific information for the Senator from Louisiana now. The pres-

ent budget, including this most recent authorization, is approximately $47½ billion for all of the military functions for the Department of Defense, including civil functions. In addition to that, there is the military assistance program of almost $2 billion that will be on the floor in a few days, which makes a grand total——

Mr. ELLENDER. How about military construction?

Mr. RUSSELL. That is included.

The total is almost $50 billion, including the military aid features of the foreign-aid bill.

Mr. ELLENDER. Mr. President, if the Senator will indulge me to make a few additional comments on this subject, I wish to say that for the past number of years every time the Congress begins consideration of appropriation bills, both for the armed services and foreign aid, some earth-shaking crisis has always developed.

I hope that the President knew what he was talking about and was fully informed as to the true situation in West Berlin when he addressed the Nation a few days ago.

I must confess, however, that the situation described by the President, with all of its implications, had the familiar ring of a story that has been told and retold to us each year for the past several years. Whether by accident, or coincidence, or design, these crises seem to develop and increase in intensity just at the time when Congress is considering appropriations for our military and foreign-aid programs. From such crises, the buildup develops for greater demands and more effort on our part to assist our friends across the seas.

The time is long past for us to force our allies to live up to their commitments. We have met ours far beyond our promises and pledges, and my fear is that if we continue to go forward and virtually take over the duties and responsibilities of defending Western Europe, particularly West Berlin, that our allies will continue to assume that Uncle Sam will take care of them in any emergency.

I fear that if we continue to increase our defense spending, triple our draft calls, and call out the National Guard, the Reserves, that may have a tendency to lull our allies and keep them from doing what they should do. In other words they will wait for Uncle Sam to again shoulder the burden. It strikes me that the President and his advisers should be able to devise some way by which we can get our allies to contribute their just share in this battle against communistic aggression, not only in men but in materiels of war.

As I have pointed out on many occasions, the sad story is that our allies are making very little effort to supply us with implements of war. It will be remembered that some time ago the British tried to finalize their Blue Streak missile, which they had been working on for some time. After they spent about $180 million on that project, they gave it up because it cost too much money. During one of my inspection trips abroad, I was told the position taken was, "Why should we do it when Uncle Sam is going to provide us with the necessary weapons?"

I hope some efforts will be made now to force our allies to do their share.

If they do not see a threat to their security, and we do, somebody is wrong. In my travels in Europe last year, I heard less war talk in Western Europe than I have here in the United States. Why that is, I do not know, but the people of Western Europe do not seem to be as concerned as we are about the dangers that face the world, as was stated by our President a few nights ago.

I repeat that we cannot keep on spending borrowed dollars and sending our troops abroad unless we get aid, both financial and in terms of manpower, from our allies.

What would happen if the Russians were to strike in Western Europe tonight? The United States has 5½ well equipped and trained divisions there but our allies have only a very few. Thus the vaunted shield against aggression which was what NATO was to be is revealed to be a hollow shell. This is so not because we have not lived up to our commitments, but because our allies, those who should be most alarmed, have not lived up to theirs. I hope that our President will bear this in mind in days to come.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HUMPHREY. The record is that the administration has been acting with reference to our friends of the NATO allies. The Secretary of Defense only recently was in Western Europe and met with his associates and counterparts in France, West Germany, and Great Britain. A meeting is scheduled to be held on August 5 by the Ministers in Paris. A meeting of NATO is scheduled for next week. There will be a series of meetings.

The New York Times of this morning carried a story that West Germany is contemplating calling up 20,000 additional reservists. They are bringing this to the attention of the NATO Council meeting which is scheduled for next week.

I feel, of course, that we must ask our allies to do their fair share in terms of the NATO structure. The NATO structure has been left to drift somewhat. Since we abandoned the Lisbon goals in 1953, after the meeting in Lisbon in April 1958, and decided to let down at that time, there has been some drifting away from the goal of strength of our NATO organization. But I do believe President Kennedy's speech on the threat in West Germany and Berlin has aroused interest sufficient to strengthen the entire NATO alliance.

I realize that we have done a great deal, but the leaders usually do more than those who follow. That is a part of being a world leader. As a matter of fact, we must expect to do it.

It is not easy, but a country cannot be a leader of the free world unless it is willing to pay the price. We are paying the price.

If there is ever a struggle, which pray God, there will not be, our friends and allies in Western Europe will feel the full impact of the battle, as well as we.

How many divisions are there in western Germany? Six?

Mr. RUSSELL. More than that.

Mr. HUMPHREY. I mean U.S. divisions.

Mr. RUSSELL. Five regular divisions and some nondivisional elements.

Mr. HUMPHREY. There should be more than that under the NATO alliance.

Our French allies have been in serious trouble for 20 years.

Our British ally is in deep financial trouble. The West Germans can and will do more. I do not wish to condemn our allies at the very time we need them.

I think what the President is doing, what Mr. McNamara is doing, what Mr. Rusk is doing—what these men who are entrusted with responsibility are doing—is the proper thing to do. They are appealing for more cooperation, rather than chastising. I think this is the way to proceed.

I should like to ask a question of the distinguished Senator from Georgia. With the amounts of money contemplated under the authorization, when will we feel the effect of the expenditure of the money in terms of strengthening our security forces?

Mr. RUSSELL. I should think that would be felt in some areas in the immediate future. For example, there is a determination of the administration to fill up the three training divisions which are now skeltonized. I should think the draft calls would be increased the next time a requisition is made by the Department of Defense on the Selective Service System.

Undoubtedly some specialists who are in the Reserve forces will be called up at the same time. These men have peculiar skills or training that cannot be developed in the ordinary period of "boot" training.

Mr. HUMPHREY. What will be the effect on the weaponry, on aircraft and vessels?

Mr. RUSSELL. We are keeping in active service a number of naval vessels we had planned to put into mothballs. The requirements for the increase of the Navy will be felt almost immediately in some areas.

Very frankly, the Defense Department has not reached a firm decision yet as to when to call up any of the National Guard units or when to call up any of the Reserve units as complete units. It will be necessary to call up some individuals, but no firm determination has been made as to when the National Guard and Reserve organizations as such will be ordered to active duty.

Mr. HUMPHREY. The point I was interested in is this: The new weapons to be purchased under the authorization are not weapons in the prototype stage now?

Mr. RUSSELL. They are not.

Mr. HUMPHREY. They are weapons ready to be produced?

Mr. RUSSELL. As I stated in my explanatory statement, brief as it was,

this money will be used largely to purchase weapons which are already in production. In a great many instances we will not acquire more modern weapons because we do not have time to wait for them.

Mr. HUMPHREY. As I understand the situation, the B–47 aircraft, some of which were to be taken out of service, will be kept in service?

Mr. RUSSELL. Many of them will be kept in service.

Mr. HUMPHREY. What about the new rifle, about which we have heard so much?

Mr. RUSSELL. We are procuring those rifles about as rapidly as it is practicable to do so at this time. There is ample money in the budget to buy new rifles.

There is under discussion in the Department of Defense now the question of the advisability of opening an entirely new plant to produce the new rifles and machineguns. The new rifles are being delivered now at a rather rapid rate. Some of the people connected with our Military Establishment are not convinced that the new rifle is going to be as accurate in all respects as the M–1. It may be that some units will prefer to use the M–1. However, we are getting the M–14's in impressive quantities.

Mr. HUMPHREY. The Senator has been quite generous in yielding time. I have one more question. The reason I ask these questions is that the American people know there is usually a long lead time involved in buying new items.

Mr. RUSSELL. That has been largely avoided in respect to the items for this special procurement order. We are buying what can now be produced in large quantities.

Mr. HUMPHREY. This authorization will have an immediate effect in strengthening our forces?

Mr. RUSSELL. It will. I believe that every item authorized under the bill is now being produced.

Mr. HUMPHREY. I add one word. On my short trip to Berlin I had the privilege of meeting with the American, British, and French commanders, and talking with some of our military officials in NATO. I think the American public ought to know that those forces are highly trained. Their morale is excellent. There is no better morale anyplace than that of the troops in the small garrison of West Berlin. The troops to be found in Western Europe, 200,000 plus, are tough troops. I refer not only to the infantry, but also to the specialists in air power and in the NATO forces. Those men are trained to a razor's edge. They are in good physical condition. From what I understand, they are in the best of condition, in terms of tactics and strategy, that our staff people have been able to design.

Mr. RUSSELL. Mr. President, there is no doubt that the five divisions and the nondivisional units of American troops in Europe are the finest on earth today. No other troops are better equipped. No others have been more highly trained.

Those are the almost six best prepared divisions in existence today. I do not think there is any that can surpass them. The only difficulty is that there are not enough of them. They are excellent troops.

Mr. ELLENDER. Mr. President, I hope that my good friend from Minnesota was referring to the American troops.

Mr. RUSSELL. He was.

Mr. ELLENDER. And not the other troops.

Mr. HUMPHREY. The others are pretty good troops, too.

Mr. ELLENDER. Where does the Senator get his information?

Mr. HUMPHREY. I have talked to our people, who have information about this.

Mr. ELLENDER. The Senator talked to our military missions, no doubt.

Mr. HUMPHREY. I say, most respectfully, I am not in the business of trying to downgrade, for example, the toughness of the French troops. They are good soldiers.

Mr. ELLENDER. That is correct, for those in Africa.

Mr. HUMPHREY. There are some good soldiers in Europe, too. I am not in the business of trying to downgrade our British allies, nor our West German allies. They need reassurance from the American people and from the American Congress that we expect them to do their part. They will, and we know they will, do their part.

This is what we mean by an alliance. The Soviet Union would like nothing better than to have doubt spread among us as to the reliability of our allies. This U.S. Senator thinks our allies are reliable. I am not going to say anything which would make anybody believe our allies are not reliable. I think the Germans, the French, the British, the Scandinavians, and others whose land is immediately adjacent to the Soviet Union have everything in the world to work for and to fight for. I do not believe they have ever demonstrated cowardice or incompetence. In fact, the armies of Western Europe have demonstrated great proficiency in the field of battle. There is no reason to believe they are less proficient today.

I think the Senator from Georgia is correct in saying that perhaps our alliance is not as strong as we would like to have it. It has not been as strong as we would like perhaps partly because of a lack of proper leadership on our part. Regardless of who is at fault, that is in the past, and we must think in terms of how to strengthen our alliance. I feel that the best thing to do is what the Senator from Georgia is now doing, with the dispatch which he and his committee have shown in presenting the bill, which is nothing short of remarkable. We should get on with the job, and at the same time we should express a word of confidence first in our defense officials who have been doing a good job, and second in our allies.

Let Mr. Khrushchev pick out the weak spots if he can. We are always telling him things we ought not be telling him, anyway. Most of them are not true.

Let us cite the record of what we have, which is something strong and something to rely upon.

I thank the Senator from Georgia. I appreciate the courtesy he has extended to me.

Mr. RUSSELL. Mr. President, I should like to make a few comments, but I yield at this time to the Senator from Connecticut [Mr. BUSH] who is an able member of the Committee on Armed Services. Then I will yield to the Senator from New York.

Mr. BUSH. Mr. President, I thank the distinguished chairman of the committee. I rise to support the Senator in his recommendations this afternoon.

I wish to point out, Mr. President, that the question about our allies comes up from year to year. It is asked, "Why do our allies not do more?" And so forth and so on. I think we have to get away from the psychology that we are in the position of supporting our allies. That is not the position I conceive the United States to be in today. We are in the position of supporting the United States. Our allies are in the position of supporting us as much as we are in the position of supporting them.

But what is Russian propaganda directed at day after day after day? It is not directed against France, Britain, or Germany, whose forces are rising, and whose power has been on the increase year after year. It is directed against the United States. Where are the Chinese Communists directing their venom? They are directing it at the United States of America. So it is our fight. What we want to do is not to take the position that we are merely strengthening our allies. We want to take a position that will induce our allies to strengthen us and to get behind our leadership—a leadership which we did not seek, a leadership which has been thrust upon us by the sequence of events. We have had no choice but to accept that leadership. We are like a fullback on a football team who can kick, run, and pass. We are the "big guy" on the team, and we need by our performance on the team to inspire the confidence of our allies so that they will support us as much as we expect to support them.

So I plead with the Senate to take a favorable view of both of the bills on the basis that it will be our example and our performance that will hold the confidence of our allies and inspire them to do more for the alliance than if we would take the view that we can hang back and then expect them to come up and do more and more, because we are doing less and less. It will not work that way. I strongly support the chairman in his recommendations this afternoon.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield briefly to the Senator from New York. I have a few comments I wish to make on my own time, but I yield to him.

Mr. JAVITS. I would not ask the Senator to yield if I did not feel that there is something affirmative that should be stated. I should also like to ask a question of the Senator.

I thoroughly support what the Senator is doing today, and I join with the Senator from Minnesota [Mr. HUM-

PHREY] and the Senator from Connecticut [Mr. BUSH] in their commendation of him and his committee for the alertness and initiative which has been so quickly manifested. I think we are leading from strength. We are now approaching the point where we must be sure that Mr. Khrushchev and everyone who knows and who has dealt with us understands. We are leading from strength.

I point out to the Senate that it is not proposed that we spend an undue amount for defense, even with the amount that the committee has asked us to authorize. We are spending slightly over 9 percent of our gross national product for national defense. In 1953 we spent 14 percent of our gross national product for defense. Our gross national product was then smaller, and we did not go broke at all. On the contrary, we went on to a tremendously prosperous period in the period after 1958.

From 1955 to 1957 expenditures for national security averaged 11 percent of our gross national product. It seems to me that the figure which we are being asked to vote now, because we are leading from strength, is therefore an entirely manageable one for us.

I should like to state the documents to which I have referred. They are not mine. First is a report of the Joint Economic Committee on the "Study of the Employment, Growth and Price Levels, Study paper No. 18, National Security and the American Economy in the 1960's," and the quotation is at page 68. There is also the report of the CED entitled "The Defense We Can Afford." The quotation is at page 8.

I should like to ask the Senator a question. Is it a fact that under the authorization bill we would implement an additional—I shall not say new or modern—an additional concept of the military posture of the United States in that we would give greater conventional combat effectiveness to our forces, especially our forces' position in Europe?

Point 2 of the same question is this: Is it not a fact that whatever may be the ultimate shape of the military resistance that we must take if we are to defend Berlin, the token of that resistance, the start of that resistance, the initial impact upon us will have to be in the conventional types of warfare and the forces that we have stationed there now, whose effectiveness is to be materially buttressed by this type of appropriation?

Mr. RUSSELL. Practically all—at least 99 percent of the additions that the President requested is for military hardware that can be used in waging what we call conventional warfare. A great deal of it is to replenish supplies and ammunition that have run low. Some of it is for conventional arms in the hope that we will not have a nuclear war. This is to make up for the weakness we have had in the ability to wage a conventional war. For my part I do not think that we should create the impression anywhere that we will limit ourselves to a conventional war if Russia were to strike. If we do, we shall have limited ourselves in the field in which they are strongest. We could not possibly match Russia man for man.

The bill would provide a better mix in military weapons and would enable us to have a more flexible military posture to defend our rights all over the world.

Mr. JAVITS. Would the chairman of the Committee on Armed Services, for whom I have the highest regard in this field and in many others, I might say, agree with me that the other side of the coin is that we dare not, at a time like this, let Khrushchev feel that the only thing in which we could engage would be atomic war?

Mr. RUSSELL. Of course not. We were pretty well boxed in until recently.

Some of our leaders made statements that America under no circumstances would be the first to use atomic weapons. We gave Mr. Khrushchev an enormous advantage over us, particularly in the maneuvering around Berlin, because he has 30 or 40 divisions in East Germany and 125 additional divisions in Russia which could be brought to the front. We have had only the equivalent of 6 divisions in Europe and there are 3,000 miles of ocean to cross in order to get additional troops there; we have few divisions here that are ready to go.

So we had almost committed ourselves to playing this deadly game of warfare according to the rules that Khrushchev would write exclusively, and in the formulation of which we would have no part, when it was indicated that we would not be the first to use the atomic weapons.

I am not advocating nuclear war here, but I am not advocating laying aside any weapon that may be necessary to use in order to preserve the security of the United States.

Mr. JAVITS. If I may paraphrase what I understand to be the Senator's expert views, the situation is that, having spoken up, we are putting up in the very terms in which we have spoken.

Mr. RUSSELL. Mr. President, I wish to make one or two comments on the question of our allies. We do not want to be too critical of our allies. They have problems that we do not have. We may have some that they do not have. But I do not think that there is anything improper in urgings by the Secretary of State, the President of the United States, and the Secretary of Defense that our allies strengthen their military posture all around the world. I hope they will do so. As the Senator from Minnesota [Mr. HUMPHREY] has said, the Secretary of Defense has recently returned from a visit to Europe with the Chairman of the Joint Chiefs of Staff, where he sought to expedite the efforts on the part of certain of our allies. If they will not do so, we would not have any alternative; we would have to do it ourselves. But the alliance is a mutual one; it is supposed to be and is a mutual endeavor. We hope that when Mr. Khrushchev frowns and rattles his missiles and puts on his air shows that our allies will also take steps to show that the entire free world is prepared to respond to his challenge wherever he may choose the battleground and whatever weapons he may use.

As I said, we have no alternative.

I hear the question raised in the committee of which I am chairman and in the Committee on Appropriations every time we meet: Is there not a great deal of waste?

Mr. President, there is. Hundreds of millions of dollars have been wasted. Where shall we draw the line between that which is wasted and that which serves a useful purpose? I remember when we built the B–36's. There was great complaint that this plane was expensive, and we were ordering many of them. The B–36's were bought, were placed in operational units, and effectively performed their function. They have since been replaced by bombers with greater performance characteristics.

One might say that all that money is gone and not a single B–36 is in operation. However, that was insurance on world peace and the security of the United States, and that certainly far exceeded whatever one of these planes cost. We cannot draw a line of demarcation, Mr. President. Of course it is true, as is said, that we should get as much as possible out of every military dollar. I am reminded, in that connection, of a story told about an old mountaineer, who came out of the mountains and down into town. A feud had been going on for some time between his family and another family. He walked into a hardware store and said, "I want to see one of those new Winchester rifles."

So the storekeeper brought one of the Winchester rifles out and showed it to this old mountaineer. He looked it over and he said, "She sure is a beauty, ain't she? She sure is a beauty. What does the gun cost?"

He was told that the rifle cost $65.

He said, "That's too much money." He handed the gun back and started to walk out of the store. At the door he turned around and said, "Give me that gun. I'll take her anyhow. I'd rather have her and not need her, than need her and not have her."

That is my position with respect to the military posture of the United States.

Whatever else we may do by way of legislative authorization or appropriation for any purpose, in the last analysis everything depends on having a military force that can keep the world's peace and which, if some madman insists on war, can destroy him.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CURTIS. I wish to commend the distinguished chairman of the Armed Services Committee on his statement, as well as on his constant patriotic dedication to his responsibilities as chairman of the committee. I especially concur in what he has said about the use of weapons, and that we should not tie our hands, but to use anything that is necessary for the defense of our country. I also wish to commend the Senator on his urging that our allies be urged to increase their appropriations.

For several weeks the distinguished Senator from Arkansas [Mr. McCLELLAN] has presided over his committee in exposing the lag in missile production. I do not wish to speak too long on the Senator's time or to endeavor to place the responsibility as to who caused the lag. However, somebody did, and it is there.

Would not the distinguished Senator say that at this time, when we are going to call on the taxpayers and on our reservists and draftees and National Guardsmen for greater effort, it is time for whoever is responsible for the lag, to put away, in reference to this lag, any complacency and failure to perform to the full extent of their ability and responsibility?

Mr. RUSSELL. In my view, any individual, whoever he may be, and whatever his relationship may be to the defense program, and who has any responsibility thereto, who for selfish purposes would delay the advancement of the weapons we need for our national defense, is not only participating in an act of national disgrace, but is also participating in a form of treason to the United States.

Mr. CURTIS. There is one thing Congress cannot do by an appropriation act, and that is assure honesty and character and patriotism and dedication on the part of our citizens.

Mr. RUSSELL. No; that is a matter that must be generated in the minds and hearts of men. I hope that there is authority somewhere to separate from any connection with the program those who are deliberately dragging their feet for selfish purposes.

Mr. CURTIS. The Senator from Nebraska will present legislation to do that. I should like to make this point, and I am sure the Senator will concur in it. While it is necessary to make authorizations and to provide appropriations, and to call up more men, nevertheless, even after having done that, it does not provide total security for our country unless all of our citizens assume their responsibility on their job, whatever the job happens to be.

Mr. RUSSELL. I agree completely with the Senator. I may say that in the early days of making appropriations for World War II, after we had passed the first Draft Act, I was appalled at a hearing of the Committee on Appropriations to hear testimony from a representative of the Navy Department to the effect that a firm in this country had refused to produce 6-inch naval rifles which were necessary to arm some vessels under construction, because there was not enough profit in that operation as compared with what the firm was doing, and the firm would not change its system for an order of reasonable size.

At that time I proposed legislation on an appropriation bill, over which we had quite a bit of controversy, to provide that the Government of the United States in a circumstance of that kind could take over the plant and operate it itself. For my part, I would be willing to vote for an act that would make every citizen of these United States responsible to step in and serve where he could best serve in time of national danger, whether he was the owner of a plant or operated a lathe. I believe in universality of service in defending the United States.

Mr. CURTIS. I would like to add this note—and I am sure the Senator concurs—that I have absolute confidence in the great majority of businessmen and the great majority of the rank and file workers.

Mr. RUSSELL. The heart of America is sound.

Mr. CURTIS. Some are the victims of a leadership that is not sound, and sometimes it is promoted by greed. I hope it is never for lack of patriotism. However, whatever it is, they have not always led their workers or the business groups in the direction that is for the good of the country, although I believe the vast majority are not in this class.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield to the Senator from Oklahoma.

Mr. MONRONEY. I wish to join Senators in commending the distinguished Senator from Georgia and his committee on the speed and expedition and scope in reporting the pending bill today, to what I hope will be unanimous passage.

As the chairman knows, I have been long concerned over the inadequacy of our airlift. I have frequently called the attention of the Senate to this deficiency. The distinguished chairman has helped materially in trying to correct it. We have done so. We have placed an order for a billion dollars' worth of a very fine, newly designed aircargo plane, the C–141. However, the delivery date on that plane is in the future. We face a crisis which is real and imminent, and which, from where I sit and from what I have learned of this subject, will be very important if we are forced to use military strength to maintain the rights of the free world in West Berlin. I am concerned because of the late delivery of the planes. It will be October or November 1965 before they can be delivered and used to carry our troops.

I have talked in recent weeks with Air Force officials, and I have called their attention to the fact that we have several C–124 planes, the old Globemasters. It is a great airframe. However, due to the inadequacy of the motors, they are no longer being manufactured. These planes can be put into readiness with turboprop motors, to replace the old low power motors, and these planes can be put into operation within a short period of time for an investment of only a million dollars on motors.

It would require a small wing fix. The major part of the work would be to replace wornout motors of the C–124's. Another useful aircraft which can be converted for military use and which is in plentiful supply is the DC–7. A test of air cargo carriers has proved that plane to be an excellent commercial cargo workhorse. It is now selling at below a million dollars, coming off the line. Through conversion by strengthening the floor of the plane, by widening the door, and beefing up the landing gear, it will become an immediately usable airlift plane. The cost of these planes within 30, 60, or 90 days would be $1 million or $1,100,000.

Also, several hundred KC–97's, the old Globemaster tankers, are now being phased out because of the advent of the new KC–135 jets, which the National Guard is getting. Beefing up and strengthening the C–97's will provide an airlift capacity of tremendous value.

Because of the immediate necessity to provide equipment and facilities for getting there "fustest with the mostest," in case a crisis should confront us in Berlin, does the language contained in the bill, providing for the procurement of aircraft, missiles, and naval vessels, in the amounts contained in the bill, provide also for the conversion or modernization of goods, usable aircraft for further duty?

Mr. RUSSELL. The Senator knows there are some Air Force Reserve flying units which are equipped with C–124 aircraft.

Mr. MONRONEY. Yes.

Mr. RUSSELL. I am frank to say I do not know whether those planes have been overhauled, as the Senator suggests they should be. But if the request of the Department of Defense for a transferability clause in the appropriation bill is granted, the Department would have ample authority to modernize those planes later.

Mr. MONRONEY. Or any other planes?

Mr. RUSSELL. Or any other planes. So the amounts contained in this authorization would not necessarily be limiting.

Mr. MONRONEY. No authorization is required for overhaul funds. This is more than overhaul, because it means a program of new motors and wing fix. The same planes would otherwise have been useless.

Mr. RUSSELL. The bill contains an authorization for $75 million for spare parts for the maintenance of planes.

Mr. MONRONEY. Is it the opinion of the chairman that funds will be provided either in this authorization or in the regular maintenance bill for the maximum utilization of Air Force air materiel, and that the Air Force may make use of planes which it has on hand through such modernization as will provide the maximum usability of the planes?

Mr. RUSSELL. It is always dangerous to predict what a committee will do, but a request has been made of the Committee on Appropriations that the bill contain a provision for transfer ability under certain limitations, so as to give enough flexibility to permit the work the Senator suggests. I, as a member of the committee, intend to support that provision. As to what the remaining members of the committee will do, I do not venture to say.

Mr. MONRONEY. I hope that provision will be supported. This is one of our points of great weakness. It is important that the Government get the maximum benefit out of existing equipment which can be rendered usable for the emergency.

Mr. RUSSELL. The Senator from Oklahoma makes a strong case for the C–124. They are now regular equipment. If those units are in need of modernization, as the Senator so effectively alleges, the Department of Defense certainly should proceed to make certain that they are placed in a condition to perform their maximum mission.

Mr. MONRONEY. I thank the distinguished Senator from Georgia for his comments.

Mr. CASE of South Dakota. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. I am glad the distinguished chairman of the committee has mentioned the B–36 as illustrating the value of equipment which, in some instances, may never have engaged in a war, but yet may have served a very useful purpose.

At the time the B–36 was phased out, I commented that it was a plane which had served its purpose without ever having gone to war. I feel that it was the guardian of the world's peace during a very critical period and perhaps justified its existence fully as much as either the B–17 or the B–24 or——

Mr. RUSSELL. The B–29.

Mr. CASE of South Dakota. Or the B–29. The B–17 and the B–24 in the war in Europe and the B–29 in the final stages of the war in the Pacific.

I think the B–52, in the years following the B–36, has been serving an equally useful purpose. We should look upon these planes as providing a useful service, even if they are not used in war.

With respect to the items which are included in the procurement bill, I wish to make this observation. The distinguished chairman and many other members of the committee have said we ought not to handicap ourselves by saying we will not use any particular weapon. Any weapon in our arsenal ought to be used for the particular task for which it was created, and for which it was placed in the arsenal. At the same time, it should be noted—and I believe the country should understand—that many of the items for which the bill now provides authorization for procurement are intended to give us a choice of weapons. Many weapons are intended to give us a capability, so that we would not be forced to use a shotgun if a small rifle would be better. Such weapons are intended to give a varied capability to meet the kind of challenge which may confront us in any particular theater.

Secretary of Defense McNamara several times during the hearings used a phrase which I think should be understood by the country as a whole. He said we ought not to be forced into a nuclear war by our inability to fight a nonnuclear war. That is an utterly sound philosophy. The items, as I have heard them discussed in committee, which are proposed to be procured by the authorization here, will implement that philosophy. They will give us a choice of weapons designed to meet the particular problem which may confront us at any point.

With the chairman's indulgence, I wish to make one or two other observations. I should like to say to the Department of Defense that in all the procurement under the authorizations of the bill, I hope they will use competitive bidding wherever that is possible; and that where it is found to be impractical to use competitive bidding because of the urgency of getting a particular item, or because of the inability to get competitive bidding because of a limited number of bidders, or perhaps because of the production of an item as to which there is no cost experience, the Department will make the fullest utilization possible of the renegotiation process under the Price Adjustment Board.

As the Senator from Georgia knows, I have been much interested in the whole process of renegotiation, from the time it was set up in the sixth supplemental defense bill in the spring of 1942. It has proved to be a useful device to control prices and to promote the saving of money for the Treasury.

Mr. RUSSELL. The distinguished Senator from South Dakota was the author of the first renegotiation provision. Through that act and subsequent renewals and modifications, hundreds of millions of dollars have been recaptured and turned back to the Federal Treasury.

Mr. CASE of South Dakota. I appreciate the observation made by the chairman of the committee. He knows the history of our attempts to control excessive profits in the defense field as well as or better than any other Member of Congress.

With respect to competitive bidding, the chairman might be interested, as may other Senators, to know that competitive bidding on the second Minuteman installation has resulted in a bid $10 million below estimates. Just yesterday, figures were made available to me on the bids which were opened on the second Minuteman installation. In round figures, the estimate of the engineers of the Air Force was $66 million for this particular installation, for the group of sites involved.

The low bidder bid $56 million. That was Peter Kiewit & Co., a recognized competent bidder. The next bid was $58 million by, I believe, Morrison-Knudsen. The next bid was $59 million by the Utah Construction Co. The fourth bidder, a Texas firm, bid $62 million or $63 million.

In any event, competitive bidding in that instance will be a saving to the Government of at least $10 million below the estimates on this Minuteman installation. All four bidders were outstanding bidders in this field and have a record of good production.

The possibility of saving $10 million in this instance is just as important to the country as a saving of $10 million in any other field. We should get our full value for defense dollars when we spend them, as we do in any other field.

I thank the Senator from Georgia for yielding.

Mr. RUSSELL. I wish to associate myself with the Senator's statement with respect to competitive bidding. That procedure should be utilized in every instance where it is possible. There are some cases in the developmental stage or in research and development where it is not practicable to use formal advertising.

But I do think the Department of Defense has utilized the loopholes to abandon the competitive bidding system in some cases where it should have been followed; and I agree with the Senator from South Dakota that in every instance in which it is practical to do so—on every contract of any size and any nature—when competitive bidding can be used, the contracts should be awarded in that fashion.

Mr. CASE of South Dakota. With respect to the area in which research or development is involved and when there is no cost history, so that competitive bidding cannot be used, I trust that the Department of Defense will not overlook the possibility of expediting production, inasmuch as in the bill there is some authorization of funds for that purpose. But where we expedite the production with Government tools or facilities, there, too, renegotiation offers the possibility of taking into consideration the difference between the cost of production in a plant owned by the contractor and the cost of production in a plant owned by the Government, or when the tools are furnished in part by the Government. Such cases avoid the necessity of dealing strictly on the basis of an incentive profit in connection with the ordinary negotiations. Renegotiation offers a possibility of making a saving by means of making a proper allowance for the use of Government-owned facilities and tools.

Mr. RUSSELL. I agree with the Senator from South Dakota.

Mr. PROXMIRE. Mr. President——

Mr. RUSSELL. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. I understand the bill will increase this authorization in the amount of $958,570,000, which, when added to the amount already authorized—approximately $794 million—will total the $1,753 million the President requested for procurement in his message.

Mr. RUSSELL. That is correct.

Mr. PROXMIRE. I understood the Senator from Georgia to indicate this authorization is largely for weapons of the type used for conventional warfare, that can be mass produced—such as normal ammunition and aircraft that already have been developed and proved.

Mr. RUSSELL. Most of them are under order and production now. This increases the amount.

Mr. PROXMIRE. Yes.

I was very much shocked by the appearance last June, before the Procurement Subcommittee of the Joint Economic Committee, of which I am a member, of Assistant Secretary of Defense Morris, a very fine and able man, because he told us that cost-plus contracts had increased from about 13 percent in 1952 to 42 percent of all procurement contracts today. I asked him to give us the details on that point; and he showed

us that whereas they amounted to about 13 percent in 1952, they amounted to 20 percent in 1953, 24 percent in 1955, and they exceed 42 percent today.

I asked for an explanation; and the explanation given is, in part, as follows:

COST REIMBURSEMENT CONTRACTS

A summary of cost-reimbursement contracts of $10,000 or more by program category in fiscal year 1960 is submitted herewith. Similar data for earlier years are not available.

It will be noted that of the total of $9 billion in cost-type contracts, 91 percent was in four categories of procurement: Aircraft, missiles, electronics and communications equipment, and services.

The aircraft, missile, electronics and other end-item categories include research, development and test work in those programs.

The services category includes research and development not chargeable to any one of the other listed programs, and technical services, such as the operation and maintenance of missile test ranges, warning and communications networks, and medical care for military dependents, which must be procured on a cost-reimbursement basis. Of the $1 billion in cost-type service contracts, 80 percent has been identified with these types of services.

In addition to research, development, and technical services, cost reimbursement contracts are necessary in the procurement of specialized types of military equipment if the design has not been fully developed, if firm specifications cannot be established, or if there has not been sufficient quantity production of the item to provide an adequate basis for determining a reasonable price at the time of the contract award.

The direct influence of expanding weapons development programs is reflected in the increase in cost-reimbursement contracts not only since Korea but also during the Korean war period. At that time, cost contracts increased from $3 billion in fiscal year 1951 to about $6 billion in fiscal years 1952 and 1953. The percentage of cost-type contracts, however, increased only from 13 percent to 20 percent, because at the same time that new weapons development was being accelerated, weapons of standardized design were being put into quantity production.

The value of actual deliveries of completed hard goods items and spare parts in fiscal year 1953, the last year of the war, was more than $22 billion, including $7 billion in the aircraft program, $2.8 billion in ammunition, $2.3 billion in tanks and other combat vehicles, $1.4 billion in trucks and other noncombat vehicles, $1.4 billion in production equipment, and $2.6 billion in miscellaneous types of hard goods. Production in these orders of magnitude clearly involved a large proportion of standardized products adaptable to fixed price contracts.

This situation has been completely reversed and the nature of the military weapons acquisition program has drastically changed in the period since Korea. Instead of volume production of standardized aircraft, tanks, trucks, rifles, and ammunition to support forces in combat, the major effort has been to develop and produce modern and completely new weapons that take full advantage of the unprecedented rate of advance in science and technology.

One concrete illustration of this is that the volume of military research and development contracts more than doubled in the 4 years from 1956 to 1960, from $2.4 billion to $5.6 billion.

Mr. President, I ask unanimous consent to have the remainder of the document printed at this point in the RECORD.

There being no objection, the excerpt from the statement was ordered to be printed in the RECORD, as follows:

Furthermore, in order to gain time, production work on many major weapons has been started before development work has been completed. To permit incorporation of current technological developments, designs have not been frozen, and extensive product improvement and model changes have been frequent. In these circumstances, it has not been possible to predict costs at the time of award, and it has been necessary to use cost reimbursement contracts for production as well as development and test models. These circumstances occur most frequently in missile, electronics, and aircraft procurement, which account for most of the cost reimbursement contracts

Statistics on contract awards in these categories were available for the first time for fiscal year 1955. As shown in the following table, the increase in procurement in the aircraft, missile, electronics, and services categories has paralleled the increase of $5.7 billion in cost reimbursement contracts since 1955. Missile and electronics procurement alone increased more than $6 billion in this period, while there were small decreases in the aircraft and services categories.

The net expansion in this group of programs, the shift to increasingly complex weapons, and the telescoping of development and production to step up operational readiness dates are the factors that have accounted for the increase in the dollar volume and the percentage of cost reimbursement contracts.

Net value of military prime contract awards of $10,000 or more (excluding intragovernmental)

[Dollar amounts in thousands]

	Fiscal year 1955		Fiscal year 1960		Increase or decrease	
	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total
All military procurement	$14,951,971	100.0	$21,181,486	100.0	+$6,229,515	0.0
Aircraft	5,320,894	35.6	4,815,706	22.7	−505,188	−12.9
Missile systems	802,040	5.4	5,067,205	23.9	+4,265,165	+18.5
Electronics and communications	1,182,514	7.9	3,092,080	14.6	+1,909,566	+6.7
Services	1,804,410	12.1	1,756,916	8.3	−47,494	−3.8
Subtotal	9,109,858	61.0	14,731,907	69.5	+5,622,049	+8.5
Ships	630,357	4.2	1,030,365	4.9	+400,008	+.7
Ordnance vehicles and related equipment	1,602,020	10.7	1,097,931	5.2	−504,089	−5.5
All other	3,609,736	24.1	4,321,283	20.4	+711,547	−3.7
Cost reimbursement contracts	[1] 3,295,468	[1] 24.1	9,021,723	42.6	+5,726,255	+18.5

[1] Petroleum procurement and Army oversea procurement not available in fiscal year 1955. The 24.1-percent ratio is taken against a net total of $13,661,308,000. Cost reimbursement type contracts are very small in both of these categories.

Source: Office of the Secretary of Defense, June 29, 1961.

Use of cost reimbursement type contracts, by procurement program, fiscal year 1960

[Dollar amounts in thousands]

Program	Total	Cost reimbursement		Cost reimbursement	
		Amount	Percent of total	Amount	Percent
Total, excluding intragovernmental orders and actions of less than $10,000 each	$21,181,486	$9,021,723	42.6	$9,021,723	100.0
Major hard goods (subtotal)	15,103,287	7,734,240	51.2	7,734,240	85.7
Aircraft	4,815,706	1,493,225	31.0	1,493,225	16.6
Missile systems	5,067,205	4,234,173	83.6	4,234,173	46.9
Ships	1,030,365	184,072	17.9	184,072	2.0
Tank-automotive	483,969	38,304	7.9	38,304	.4
Weapons	124,709	35,233	28.3	35,233	.4
Ammunition	489,243	307,137	62.8	307,137	3.4
Electronics and communications equipment	3,092,080	1,442,096	46.6	1,442,096	16.0
Services	1,756,916	1,030,677	58.7	1,030,677	11.4
All other (subtotal)	4,321,283	256,806	5.9	256,806	2.9
Subsistence	533,325	1,638	.3	1,638	(1)
Clothing, textiles, and equipage	182,271	2,988	1.6	2,988	(1)
Fuels and lubricants	1,162,860	5,545	.5	5,545	.1
Miscellaneous hard goods	996,510	230,756	23.2	230,756	2.6
Construction	1,446,317	15,879	1.1	15,879	.2

[1] Less than 0.05 percent.

Mr. PROXMIRE. Then Mr. Morris emphasized that they have been purchasing completely new weapons. Bids on such weapons, even estimates, are very hard to obtain. Also it has been necessary to permit additional research, test models, and so forth, which are extremely expensive.

In view of the fact that the use of cost-plus contracts has been justified because the weapons were not mass produced and not conventional, and that the pending authorization is for weapons that are mass produced and are conventional, does not the chairman of the committee agree that the performance of the De-

fense Department with respect to procurement of weapons herewith authorized might well result in a far smaller proportion of cost-plus contracts or nonreimbursement contracts?

Mr. RUSSELL. I would be very much surprised if any substantial number of cost-plus contracts were awarded for these items.

I may say to the Senator from Wisconsin that I have discussed this matter on several occasions with the Secretary of Defense, who is an extraordinary man in many respects.

Mr. PROXMIRE. He is, indeed.

Mr. RUSSELL. And I am convinced that he will be most prudent in handling these items that do not lend themselves to the bid method. There are very few in this bill that do not lend themselves to procurement by other than cost-plus contracts; and I think the Senator from Wisconsin will find that there will be a substantial decrease in this percentage, under the administration of Secretary McNamara.

Mr. PROXMIRE. I am very much encouraged by the Senator's statement.

I hope we can have some followup, so the Congress and the public can be reassured about this matter. We have been told over and over again that more competitive bidding is intended to be used. I understand, however, that the competitive bids constitute approximately 13 percent of the total—a relatively small part of all procurement contracts.

Mr. RUSSELL. That is due to two reasons: One was that for a time the bulk of procurement money was being used for missiles, on which the Department did not have specifications, and therefore they did not use formal advertising.

I agree with the Senator from Wisconsin that formal advertising and the low-bidder process should be utilized in every instance in which it can possibly be utilized without jeopardizing the availability and utility of the weapons procured.

Mr. PROXMIRE. I wonder whether the Senator from Georgia feels that there is any way in which the Congress can follow this up, by demanding reports on specific contracts, or something of the sort, so we can have a record in justification of the fact that there has been this steady, relentless drive toward the use of more and more cost-plus contracts. The increase in their use is most understandable, because of course the large contractors want to have cost-plus contracts, for under those circumstances they cannot fail to obtain profits, regardless of waste and inefficiency.

I believe the Senator from Georgia was one of those who commented on the disgraceful waste at Canaveral, where there were shocking overpayments, obviously under cost-plus contracts.

Mr. RUSSELL. Those were not the only instances.

Mr. PROXMIRE. Yes.

Mr. RUSSELL. Let me say to the Senator from Wisconsin that last year we appointed a subcommittee of the Armed Services Committee that held exhaustive hearings in this area, and formulated a large number of recommendations. Practically every one of those recommendations has now been implemented by the Department of Defense; and I shall be happy to see that the Senator from Wisconsin receives a copy of those recommendations and information on what the Department of Defense has done. We are very well aware of the wasteful nature of procurement when bidders are restricted—not only a waste in dollars, but also an opportunity to play favorites for any number or variety of reasons. We have sought by every means at our command to reduce it to a minimum. I believe we are making some progress.

Mr. PROXMIRE. Are cost-plus contracts subject to renegotiation?

Mr. RUSSELL. Yes; they are.

Mr. PROXMIRE. I thank the Senator from Georgia. I shall look forward most enthusiastically to receipt of the information to which he has referred.

Mr. KEATING. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I yield.

Mr. KEATING. Mr. President, I wish to extend my commendations to the chairman of the committee and to the other members of the committee for the tremendous speed with which they have acted on this complicated matter. It is a sobering experience to be on the floor of the Senate today to participate in the vote on such a measure.

In particular, I wish to commend the distinguished Senator from Georgia for the very balanced way in which he has dealt with our allies. I have served with soldiers of Britain and soldiers of France, and I know something about the soldiers of Germany, and I know that as soldiers, they are very fine. On the other hand, some of the politicians in those countries, in my judgment, could probably do more than they are doing to face up to this threat. Some of them seem to me imperfectly unaware of the international threat that we face—less aware, perhaps, than our own President and our own Congress.

I commend heartily and enthusiastically the fine address of the President. This Congress is going to back up, to a man, in my judgment, what he has requested. Both in manpower and in military hardware, our defense position must be strengthened to meet the new shape of the Communist menace on Berlin.

The President has the support of the Nation in his determination to stand firm over Berlin. And, much as we may all regret it, the only way to stand firm is to mean what we say and to be ready for the worst. There are alternatives to nuclear war, and I think the President is right in providing increased ground forces and conventional weapons for a flexible basis for policy. On the other hand, unless we evidence our readiness as the last resort to use our nuclear powerhouse, the Soviets may still feel that they can push us into a corner.

As a part of the President's program for stepped-up defense, I would have liked to see an announcement of the decision to resume nuclear testing. No other single gesture could so well demonstrate our convictions over Berlin. Certainly if the Soviet Union does not adopt a more conciliatory position in the near future, this decision, now long overdue, should be made without further delay. Otherwise our own troops may find themselves facing Communists armed with neutron bombs or other advanced weapons which we have not been able to develop adequately because of the test ban.

Mr. RUSSELL. In my opinion, when the appropriation bill reaches the President's desk, it will have more in it than the President has requested.

Mr. KEATING. I am quite sure that will be so. Earlier this year we authorized $525 million more than the President requested for long-range bombers.

Mr. RUSSELL. That was the largest item I had in mind.

Mr. KEATING. I think we moved wisely when we did that. I do urge that our allies can, and in my judgment should, do more than they are doing in this field.

Finally—and I apologize for intruding on the time of the Senator—I think this brings us to two other points.

First, in view of the tremendous size of the military budget and especially the procurement budget, it is more important than ever that the funds made available be spent wisely and economically. We are all indebted to the senior Senator from Delaware for the diligent oversight which he maintains in this field. Just recently he revealed, from a report of the Comptroller General, that the Air Force alone in just 1 fiscal year wasted about $6.7 million, merely because no adequate inventory of equipment was kept. In other words, the Air Force just did not know what it already had so it went out and bought some more.

Better management methods are necessary throughout the Department of Defense, but above all, in the actual procurement of materials the Defense Department must use more competitive methods. In formally advertised actions, this means a lot of attention to the drawing up of specifications so that all qualified firms will know what is wanted and unqualified firms will be discouraged. In negotiated actions, decisions must be made squarely on the merits of the products and not on personal ties or geographic proximity of companies. With the increased funds available, and the additional strain on our whole economy, it is all the more important that every penny appropriated buy its honest share of work and equipment.

Second, the authorization of $1 billion that we shall be voting in a few moments means that we must tighten our belts on some of the other programs, desirable as they may be, and much as we may want them, if they are not absolutely essential for the strength of our country and the happiness and security of our people. We must give such programs a

second thought. What the distinguished Senator is presenting to us here today is not going to be the end of additional expenditures caused by the men in the Kremlin and those who would like to defeat us. We must not undermine our Nation's economic strength by unnecessary spending which could lead to a dangerous inflationary spiral. There is still a long road ahead and we must not allow ourselves to get out of breath economically.

The Senator from Connecticut said Mr. Khrushchev was aiming at the United States. That is true. He is also aiming at the alliance between the United States and the other friendly countries. He is seeking to destroy that alliance. That is why at this time we can urge our allies to do more, but we must be very careful that we respect their viewpoint and work together as a team.

Mr. RUSSELL. I thank the Senator for his comment. I may say that a friendship is very fragile, an alliance is on quicksand, if the various members of the alliance cannot discuss frankly necessary contributions for the common defense.

I have no inclination whatever to offend any of those associated with us. As the Senator has well said, both England and France have a tradition of military service and valor that reaches back into the recesses of unrecorded history. Nobody knows better than the people of the United States of the valor and the fighting ability of the Germans. What we want to do is to get more of those traits, and get more training. It so happens that, so far as I recall, Turkey is the only nation that requires 2 years of training, as we do. The Germans require 12 months. The Belgians require 8 months. The English no longer have a draft. I am not being critical of them. I am saying, if we are in trouble it is time for all of us to tighten our belts and move forward toward the supreme objective of seeing that freedom is not lost in the human family.

Mr. STENNIS. Mr. President, I, too, commend the chairman of the Armed Services Committee for the splendid work he has done in putting the program together and for the fine dispatch—as is usual with him—in bringing it to the floor of the Senate.

I wish to make a few remarks with reference to the contribution we are making to this added program and the general program, and say something with reference to what our allies are doing.

I hope these measures will be passed unanimously. They certainly have, and have had, my unlimited and active support. We need not fool ourselves, however. They carry large burdens for our people. These measures involve billions of dollars, they are pitched together, and relatively scantily considered. The expenditure of that money will burden our economy. It will be reflected in the next budget, too. Somebody is going to have to pay the taxes. Possibly the service of every man now in the service will be extended, and he will be subject to call, under various conditions, for 1 year. A great many men will be brought under military service who would not otherwise be called. So, having willingly done this, are we in a position to ask, what about the others that are on the same side and the same predicament we are in coming along a little stronger and doing a little more on their part?

I think this is something that the legislative branch of the Government should express itself on more frequently, in a proper way, of course, with the greatest deference for our allies, and with the finest respect for the individual fighting soldier in our allied forces. They are fine. This is no criticism of them whatsoever.

What I am interested in is that we must impress Khrushchev with the fact that we mean business. I think the passage of these two measures will do just that. But I think it would impress him much more if our allies also stepped up their programs, so that they might assume some of the burden in money and men.

The President of the United States has spoken as to our position on Berlin as well as other crises. Our Nation, our people stand solid and united behind that position.

Our men now in the service will rise to the occasion in every way. Others that are called will gladly serve. The Congress will overwhelmingly pass these bills and provide the money and the manpower to implement this added program, and our other large military programs throughout the world will be supplied.

If the West is going to impress the Soviets as to our serious purposes, we must not only be united, but we must show a willingness to meet any situation. As we further prepare ourselves, let us look to the situation as to our Western allies.

We have done a mighty piece in behalf of the preparations of the free world for combat against the forces of tyranny. Others have done something, too, but last year the United States delivered $750 million in military equipment to our NATO allies, in addition to a $90 million payment to a common fund for operation and maintenance. And in the last 10 years the United States has delivered over $15 billion in military equipment to our NATO allies.

We have lived up to our NATO commitment of Army divisions very well. We have five divisions fully manned and well equipped, in addition to enormous defense expenditures and contributions to NATO. In addition, as already mentioned, we have the equivalent of another division there in special military teams. That means another division ready for action.

As a matter of fact, we spent $46,532 million on defense in calendar year 1960, which is 9.3 percent of the gross national product—a percentage substantially above that of any of our NATO partners.

In every way that we can, as I shall show, we have done more than our part. But I repeat, Mr. President, we cannot do it alone.

I repeat, we cannot go it alone, for although we have commitments to NATO, we also have commitments worldwide, improvidently, or not. We have many commitments and we have just started to implement our forces.

Wherever one goes one finds the United States committed—by the Rio Pact for the defense of the Americas; by the Anzus Treaty for the defense of the down-under countries—in Japan, in Korea, in free China. And I repeat, we are just starting our great buildup.

Let our allies know that as we send men and ammunition into Europe, as we shall continue to do, that it is not they alone we must help protect. And let them compare what they have done against what we have done to protect their rights as free individuals.

It was only a few days ago that Secretary of Defense McNamara headed a special mission to NATO to elicit an increase in the military and financial contributions of the other NATO nations.

Mr. President, this is a problem about which many of our military leaders are greatly concerned.

We spent 9.3 percent of the gross national product for defense in calendar year 1960. France, although it was at war in Algeria, spent only 6.8 percent, while West Germany with unprecedented national prosperity, spent 4.4 percent.

That is not the whole comparison. That is not the entire picture. That is true, Mr. President, but those fine people have had a wonderful recovery to their present prosperity. Certainly they are involved. As the Senator from New York pointed out, I believe the individuals are entirely willing to firm up in money and in manpower, and even in more training, if necessary, although those men are as fine soldiers as ever wore shoe leather. It is the Government and the leaders generally who are not pressing as much as they could at this time.

Mr. President, let us consider the question of conscription.

It should be noted that Germany, Belgium, and Denmark have conscription for a period of only 12 months.

It has been said on the floor this afternoon that the Russians are not after these people but are after us. Of course Khrushchev is after us. He is after these people, too. He would like to have them. He would like to have something to say about the output of their industries. He is holding onto every square foot of East Europe he can. Of course these people are involved. I am sure they know it. We are all involved. We are all in this situation together. We must work together and fight together. Especially in view of the burdens we have around the world, as to which we can expect scant help, I think it is absolutely imperative we let it be known clearly and fairly, but constructively, that we expect a harder contribution.

England ended conscription in 1960, and will release all remaining conscripts by the end of 1962.

I simply cannot understand, Mr. President. If the danger is as great as we think it is, why do those closer to it fail to recognize it? Why do they relax to that extent?

Our fine neighbors to the north, the Canadians, are wonderful people. Their

dollar has been called stronger than ours in recent years. The last time I went to Canada, I received only 95 cents for my dollar. The Canadians have no conscription law at all. I do not say that in criticism of them. They may have no need for one. I am sure their forces are of high quality.

Let us take the question of manning of the NATO divisions. Obviously, of extreme importance, exact information as to the manning of these divisions is classified, but it may be said that the United States is well above the average of about 75 percent.

We cannot have it both ways.

We cannot have all of the soft; we must have some of the hard.

We cannot live off the fat of the land at home and continue to pour funds into a huge military effort.

I do not think we are able at this time to assess the burden in additional taxes which have to be levied, but our defense budget has spurted up enormously and there can be no question that a tax increase or some forms of savings related to taxes such as plugging the tax loopholes may be in the future.

In fact, I know there is no question. Speaking for myself, I think we should make a diligent effort to save all or a part of the necessary funds elsewhere. If we do not, then we should face the line and vote for additional taxes to pay the bill. Simply appropriating the money and spending it without providing for payment is acting in another way which will fail to impress Mr. Khrushchev with our determination.

Furthermore, Mr. President—and this is a matter of deepest concern to me—I do not see how we can impress Mr. Khrushchev with our serious intentions of actually building up our military forces in Europe for the purpose of action, if necessary, if we send additional men there who take their wives and children with them or continue the present practice of taking more dependents to Western Europe.

This has nothing to do with the fine dependents as individuals. I have been among those who have had the privilege of helping to provide facilities there. We have provided fine schools, recreation halls, gymnasiums and all the other things which go to make the living fine. They deserve it. It is a great morale factor in anything like ordinary times.

The more of those dependents who can be in Europe, the better the morale of our soldiers and other servicemen is in anything like ordinary times. However, it seems to me if we send more men to Europe and claim to be "beefing up" and strengthening our military power in Europe, if we at the same time continue to permit dependents under those circumstances, it is like waving a flag and saying, "We do not intend to fight, or otherwise we would not be bringing dependents along."

That is simply commonsense. I do not see how we can expect to impress our adversaries in this most serious time unless we have a firm policy, at least on a temporary basis.

I understand there has been no decision to discontinue taking dependents to Western Europe even though more than 400,000 are already there. If we continue taking more dependents to Europe, this would be an unmistakable sign to Khrushchev that we do not intend to engage in battle.

Mr. President, these words are intended to be constructive. I totally disagree with the concept of the Senator from Minnesota, who suggested that anyone who might bring these things into question was tending to condemn our allies. We believe in our allies. We wish to strengthen our allies and the effectiveness of our allies. Particularly at this time we wish to impress our adversaries with our strength and our willingness to sacrifice. We are pumping plenty of it into these bills, for our own people to demonstrate. We want Mr. Khrushchev to take notice of it. We want him to take note of our concern for the strength of all of our friends, for a unity and solidarity extending to every ally, even the smallest. All of these are nations of responsibility and of the very highest quality.

Mr. President, I hope the bill will pass by a unanimous vote. I hope the appropriation bill which will follow, which is being written up as we deliberate over this bill, will carry provisions to implement the program to the utmost. I hope it will be a new start and a new signal worldwide which will add to our strength and effectively serve warning to the world. In those ways only I believe we can get results.

I think we already have great military striking power with a worldwide effectiveness on any target that might be selected. I do not discount the problem. I believe the big problem before us now will be to convince the world that we are willing to use that power rather than merely to continue building it up. As I have said, I am glad to support the bill, and I hope that both measures will pass by unanimous vote.

Mr. DIRKSEN. Mr. President, 3 weeks ago Mr. Menshikov, the Soviet Ambassador, is alleged to have said to a representative of a Washington newspaper that he did not believe this country was willing to fight. I believe that we should demonstrate to Mr. Menshikov, as well as to Mr. Khrushchev, that we are willing to fight and that we are willing to act when the circumstances call for it. I think in order to get the ball rolling, so to speak, and vitiate that idea if it has any currency in this country or in the world, we ought to show that the Senate is unanimous in its support of the program. I therefore ask for the yeas and nays on the pending bill.

The yeas and nays were ordered.

Mr. SALTONSTALL. Mr. President, I have been attending a meeting of the Committee on Appropriations, which is considering an appropriation for the Defense Department, so I have not been able to be present in the Chamber.

I join with the chairman of the committee, the distinguished Senator from Georgia [Mr. RUSSELL], in supporting the bill. I heartily approve of it. We have had long discussions with the Secretary of Defense concerning the measure, and I hope that it will pass unanimously.

PROPOSED BARRIER DAM AT RAINBOW BRIDGE NATIONAL MONUMENT—A WASTE OF OVER $25 MILLION

Mr. BENNETT. Mr. President, the Congress last year wisely decided that it should not build barrier dams outside of the Rainbow Bridge National Monument. In fact, the public works appropriation bill specifically prohibited the expenditure of funds for such purpose. This action was taken first of all because professional geologists and engineers conclusively demonstrated that any water backed up from Lake Powell would not structurally damage in any way the Rainbow Bridge. Secondly, the barrier dam or dams would cost a minimum of $25 million to protect a bridge which needs no protection. Thirdly, it was shown that the construction of these dams would desecrate and invade a magnificent wilderness area. And, lastly, Congress received an on-the-ground report from then Congressman, now Secretary of the Interior, Stewart Udall strongly recommending against construction of such dams.

In spite of the overwhelming arguments against construction of the barrier dams, certain nature groups are still zealously endeavoring to invade the monument area with a dam at so-called site C. Some weeks ago I received a pamphlet written by Arthur B. Johnson, entitled "Some Dam Facts About Protecting Rainbow Bridge." The pamphlet was sent to me by one of the nature groups. Mr. Johnson contends that the barrier dam at site C could be built for less than $8 million, evidently hoping to show that less money would be wasted than the Bureau of Reclamation has estimated after careful, detailed engineering studies.

However, I asked the Bureau of Reclamation to carefully analyze the Johnson pamphlet. In response to this request, I received a three-page letter from Commissioner of Reclamation Floyd Dominy. Mr. Dominy indicated that he referred the Johnson report to his Assistant Commissioner and Chief Engineer for review and comment. The conclusion of these experts is that the barrier dam at site C would cost $25 million, exclusive of access. Moreover, construction would take 3 years and could not be finished at an earlier date as Mr. Johnson believes.

Thus, the barrier dam at site C would cost $25 million, and access to the dam might cost several millions more. So it is apparent that the taxpayers are being asked by the nature groups to waste a minimum of $25 million on an unneeded dam which would violate a magnificent, untouched wilderness area. Moreover, the Bureau of Reclamation contemplates completion of the Glen Canyon Dam in 1962 and initial storage prior to the 1963 flood season. Power

would first be produced when the first power units become available in June 1964. Even if the Bureau started construction of a barrier dam at site C immediately, initiation of power generation would be delayed by at least 1 year because storage could not be started at the time now scheduled, in order to avoid flooding site C.

Although the Bureau of Reclamation officials feel that they must recommend some type of barrier dam in order to comply with the Upper Colorado River Storage Act, all of the reasons for refusing to construct the site C dam also apply to the dam at site B. In my opinion, Congress should affirmatively meet the question of backing water into the Rainbow Bridge National Monument by passing my bill, S. 1188, which would remove the limitation in the Colorado River Storage Act and would make Rainbow Bridge a national park. Alternatively, if the nature groups are worried about precedents, then it could be made a national recreation area or turned over to the State of Utah for a State park. If these measures fail, then Congress should again refuse to appropriate the funds for this wasteful project.

I ask unanimous consent that the letter which I have received from the Bureau of Reclamation appear in the RECORD following my remarks. I also ask unanimous consent that an editorial from the Salt Lake Tribune for July 25, 1961, entitled "Time To End Rainbow Bridge Dispute," be included in the RECORD following my remarks. The Tribune believes as I do that the proposed barrier dams should not be built and that Congress should deal affirmatively with the existing legal requirements.

There being no objection, the letter and editorial were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, D.C., July 19, 1961.

Hon. WALLACE F. BENNETT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BENNETT: This is in response to your letter of July 5, 1961, enclosing a copy of a letter dated June 26, 1961, which you received from Arthur B. Johnson, president of the Federation of Western Outdoor Clubs. Mr. Johnson urges that a barrier dam at site C be constructed for the protection of Rainbow Bridge National Monument from waters in Lake Powell. He asserts that this can be done for less than $8 million.

A joint report prepared by the regional directors of the Bureau of Reclamation and the National Park Service found that an earth barrier dam at site C would need to be 350 feet high above streambed compared to one of about 183 feet at site B. The higher dam would, of course, require a much larger volume of embankment materials, and in view of the difficulties involved in obtaining them from remote sources would make construction of this dam more costly. Also, the streambed foundation at site C is about 140 feet below the elevation of the dead storage capacity of the reservoir to be created by Glen Canyon Dam. This situation would delay the initial filling of the reservoir. In the case of site C, the entire sediment and debris load of Bridge Creek would be deposited at the head of the constant level pool created by the barrier dam. In addition, the presence of water impounded on both sides of a barrier dam at this site introduces difficult design problems.

We forwarded Mr. Johnson's report to our Assistant Commissioner and Chief Engineer for review and comment. He points out that our engineers are, of course, well aware of the rock-fill dams cited by Mr. Johnson. However, he advises that the combination of rugged topography, quality of rock and other materials available, and access difficulties at site C would make construction of a rock-fill type of dam at this site far more costly than any dam cited by Mr. Johnson.

The rock at the damsite in the upper part of the dam is Navajo sandstone, a rock that is massive in place but which breaks down to a fine sand when it is excavated or dislodged. It has a low strength when compared with most rock that has been used for the construction of rock-fill dams, and the slopes of the dam therefore need to be somewhat flatter. Beneath the Navajo sandstone, Kayenta shale is encountered; although less pervious, its other properties are considered inferior to those of the Navajo sandstone.

An acceptable damsite on the basis of a narrow crossection can be found almost anywhere in the canyon. But the rock is extensively jointed and in only very few places is there a reach sufficiently free of such jointing as not to impose a major problem in foundation treatment for the prevention of leakage and prevention of falling rock on workmen engaged in construction. When these factors are considered the difference between Mr. Johnson's estimate of 3½ million cubic yards and the Bureau's estimate of 5 million cubic yards disappears.

In addition to inspection of aerial photographs, Bureau engineers also made field inspections of all likely soil deposits including excavation of test pits in the more promising areas. Our investigations show that the volume of alluvial deposits in the valley floor were disappointingly small. Although some material can be obtained by breaking down rock from the canyon walls, there are limitations on locations of quarry sites without danger of clogging the stream. It was concluded that the most practical source of impervious material was on mesa located about 1,400 feet above and about 3½ miles from the site.

In selecting the magnitude of facilities needed to control streamflows during construction, we seldom assume flood risks of less than once in 25 years. However, this matter is left primarily to the discretion of the contractor as he must bear the risk. It is our opinion that an informed contractor would not consider Mr. Johnson's proposed 8-foot-diameter pipe as providing adequate protection. Our estimates of construction time are based upon demonstrated actions of contractors. With the confined working area at site C and difficult access, it is believed that only a limited amount of equipment and manpower can be used efficiently. If a requirement should be established to complete the job on an expedited schedule, normal costs will greatly increase by reason of overtime payments and inefficient use of equipment.

The Bureau has considered alternative means of access to the area such as barge, roads, and helicopter. We have considered also alternative possibilities of construction of a concrete dam.

The model referred to in the Bureau's 1959 report, mentioned by Mr. Johnson, has been completed. This model shows the geography in the vicinity of the park. It is not intended to be used as a basis of studying design details.

In view of all circumstances considered, we continue to support our estimate of $25 million exclusive of access for cost of a barrier dam at site C with normal construction time of 3 years. We believe that Mr. Johnson's estimate of $10 million for 1-year construction period is unrealistic. In addition to design and construction features already discussed, it appears that he has used a series of low-bid prices for each item of work and has not considered the overall cost of the dam. Contractors have their own systems of appraising costs of performing work and seldom do we find agreement among them on unit costs of each item although there may be close agreement on the total estimated cost of building a dam. It does not appear that Mr. Johnson has made adequate allowances in his unit prices for the differential between work in an area difficult of access by comparison with bids on work at more readily accessible sites.

Our present schedule for Glen Canyon contemplates initial storage prior to the 1963 flood season and initial power operation when the first power units become available in June 1964. If we should start immediately to build a barrier dam at site C, initiation of power generation would be delayed by at least 1 year by reason of not initiating storage at the time now scheduled to avoid flooding site C.

In view of all these findings, we still believe that the plan with a dam at site B is the most practical and plan to proceed with construction at this site as soon as the Congress appropriates the funds.

Sincerely yours,

FLOYD E. DOMINY,
Commissioner.

[From the Salt Lake Tribune, July 25, 1961]

TIME TO END RAINBOW BRIDGE DISPUTE

Congress should heed the plea of Reclamation Commissioner Dominy and end the dispute over building a barrier dam to prevent water backed up by Glen Canyon Dam from invading Rainbow Bridge National Monument.

Mr. Dominy told the House Public Works Appropriations Subcommittee that present law requires construction of works to protect the monument from intrusion by Lake Powell, which will be created by Glen Canyon Dam. He warned that preservationist interests may seek injunctions to halt completion of the dam or fully utilizing it if the law is not complied with or changed.

Following the law, the Reclamation Bureau has requested $10 million to start protective barricades this year. (The total cost will be many times that figure.) Dominy expressed the view that water entering the monument will improve the access to the hard-to-get-to scenic area and will cause no damage to famous Rainbow Bridge.

Congress should act this summer to amend the statute requiring the protective works since recent studies have indicated they will be a "cure worse than the disease."

One Congress is not bound by the decision of a previous one but laws remain on the statute books until they are repealed or amended. In removing the barrier dam requirements of the upper Colorado River program, Congress could adopt a strong statement that there is no intention to invalidate or weaken the "natural" concept of national parks. After all, national parks and monuments have been set up under a variety of conditions and rules, some in effect being exempted from the rigid provisions of the organic law, at least temporarily. An exemption in one case does not break down the sanctity of the whole national park system.

We are convinced, however, that a matter of honor is involved and that it is wrong to avoid the present legal requirements of the upper Colorado program simply by failing to appropriate funds for the protective works.

Interior Secretary Udall has proposed that the Rainbow Bridge National Monument be enlarged from the present 160 acres to 10 or 13 square miles and be administered as a remote or wilderness area. This plan apparently would attenuate the need for the Rube Goldberg type dams originally proposed under the law and permit natural sedimentation to take place in the canyon beneath the arch.

Some ardent preservationist spokesmen are holding out for a barrier dam known as site C, about a mile from the Colorado River and 4 miles from the bridge.

This site originally was considered so inferior to another site by planners and engineers that no accurate cost estimates now exist. The project would be expensive, however, and the protection it would offer would be temporary and questionable.

Secretary Udall was quoted while on a tour of the area last May as convinced that the controversy had been narrowed down to two alternatives: Site C barrier dam or nothing. He previously had indicated he favored doing nothing—thus avoiding scarring the area and the huge expense involved.

Secretary Udall should make a specific recommendation to guide Congress on this matter. He commented last May that "it appears we may already have run out of time to build at site C." But the legal requirement has not run out, nor the possibility of injunction suits, nor the matter of honor.

BERYLLIUM—VITAL METAL OF THE SPACE AGE

Mr. BENNETT. Mr. President, yesterday marked an important event in the Nation's space program. Today, as a result of a long period of research, the United States is at last free from dependence upon foreign sources for one of the most vital metals of the space age, beryllium.

Beryllium is one of the rarest and most valuable substances in the world, far more precious than such metals as gold and platinum. The reason for this is its extremely high melting point—2,345°—which makes it the only metal which can be used for missile nose cones.

If beryllium were available in larger quantities, its use would permit major breakthroughs of many areas of aviation and other fields of science, since in addition to its high melting point, it is also amazingly light, strong, and durable.

Yesterday a ceremony was held in Utah at which Vincent A. Duff, president of the United Technical Industries, made a special presentation to Gov. George D. Clyde, of Utah, commemorating the development of one of the world's most important deposits of beryllium in southwest Utah. Development of this find and the perfecting of the process to permit extraction of beryllium-oxide from the clays of southwest Utah means that today for the first time, the United States is no longer dependent upon Mozambique, South Africa, and Brazil for the supply of beryllium ore.

The scarcity and value of beryllium can be illustrated by the fact that if beryllium were used for airplane construction, the total world supply in known deposits outside the United States would produce only three aircraft. Total production of beryllium metal today would be barely sufficient to produce one airplane.

Utah, which has played such an important role in the Nation's atomic program because of the vast deposits of uranium ore in southeastern Utah, is honored to play the leading role in the development of this even rarer and more precious substance. The team of geologists, mineralogists and other scientists who have been working under the direction of United Technical Industries to develop Utah's beryllium industry is to be commended, and I am sure that the Members of the Senate will be interested to know of this encouraging breakthrough in an important science of the space age.

A PLEA FOR AN ADMINISTRATION POLICY ON SUGAR LEGISLATION

Mr. BENNETT. Mr. President, representing a State which produces a substantial sugarbeet crop, I was very disappointed in the recent announcement by the Secretary of Agriculture that the administration will not recommend any sugar legislation in the current session of Congress.

The need for a reallocation of the former Cuba sugar quota is very great, since this could be an important factor in the agricultural economy of a number of our States which produce either cane or beet sugar, and I think it is unfortunate that the administration is delaying a decision on this matter. As a result of the administration's indecision, producers of both cane and beet sugar are left up in the air as to how to plan for the coming year.

The indecision of the Democrats in the field of sugar legislation has long been a sore point with the producers of sugar in this country. It will be remembered that when former President Eisenhower urged that the law be changed so that he could cut back the extremely generous quota which was going to Communist Cuba under the Sugar Act, the Democratic leadership of Congress refused to give him this authority, delaying more than a year before granting part of what the President asked. Likewise, Congress long refused to give President Eisenhower the authority he requested to cut the Dominican Republic sugar quota.

There is still time for action on this important legislation, and I am hopeful that Agriculture Secretary Freeman will reconsider his decision to postpone action on this question which is so vital to sugar producers throughout the United States.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. BENNETT. I am happy to yield to the Senator from Florida.

Mr. HOLLAND. I join in the expression of the Senator from Utah that we should not leave the subject of sugar legislation until next year, with all the international confusions which exist now. I hope that there will be a recommendation of the type indicated by the Senator, and that we shall be able to consider proposed legislation on this subject at this session.

Mr. BENNETT. I appreciate the comments of my friend from Florida. He will remember the number of times in the recent past when proposed sugar legislation has been considered in election years. But the point which I have stated adds another factor in the difficulty of getting the legislation through promptly.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. CURTIS. I commend the distinguished Senator from Utah on his position. In order that Congress may legislate properly, it is important that the legislative process proceed as quickly as possible and that it be scheduled so that both Houses will have ample opportunity for hearings and for discussions, to the end that our people may be served and there will be ample time for producers, processors, and the consuming public to participate in formulating a good sugar program that will not be a temporary or an expedient measure, but one that can be acted upon soon and extended over a long period to permit for growth.

Mr. BENNETT. Mr. President, there may have been an argument that we could not take up sugar legislation until we had made sufficient progress on the farm agricultural program of the new administration. By this time most of that work has been done. There is still an opportunity between now and the adjournment for the House Committee on Agriculture to hold further hearings on the sugar program. A very brief hearing was conducted in the House earlier. I hope that the Secretary of Agriculture and the chairman of the House committee will realize the seriousness of the problem and make room for it on the Calendar.

AUTHORIZATION OF ADDITIONAL APPROPRIATION FOR THE ARMED FORCES

The Senate resumed the consideration of the bill (S. 2311) to authorize additional appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Oklahoma [Mr. KERR], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Oregon [Mr. MORSE], the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PELL], and the Senator from Massachusetts

[Mr. SMITH] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Oklahoma [Mr. KERR], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Oregon [Mr. MORSE], the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PELL], the Senator from Massachusetts [Mr. SMITH], and the Senator from New Mexico [Mr. CHAVEZ] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Colorado [Mr. ALLOTT] is absent because of death in his family.

The Senator from Indiana [Mr. CAPEHART] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Maryland [Mr. BUTLER] is absent because of illness.

The Senator from Nebraska [Mr. HRUSKA] and the Senator from North Dakota [Mr. YOUNG] are absent on official business.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Nebraska [Mr. HRUSKA], and the Senator from North Dakota [Mr. YOUNG] would each vote "yea."

The result was announced—yeas 81, nays 0, as follows:

[No. 110]

YEAS—81

Aiken	Fong	Monroney
Anderson	Fulbright	Morton
Bartlett	Gore	Moss
Beall	Hart	Mundt
Bennett	Hayden	Neuberger
Bible	Hickenlooper	Pastore
Boggs	Hickey	Prouty
Bridges	Hill	Proxmire
Bush	Holland	Randolph
Byrd, W. Va.	Humphrey	Robertson
Cannon	Jackson	Russell
Carlson	Javits	Saltonstall
Carroll	Johnston	Schoeppel
Case, N.J.	Jordan	Scott
Case, S. Dak.	Keating	Smathers
Church	Kefauver	Smith, Maine
Cooper	Kuchel	Sparkman
Cotton	Lausche	Stennis
Curtis	Long, Mo.	Symington
Dirksen	Long, Hawaii	Talmadge
Dodd	Long, La.	Thurmond
Douglas	Magnuson	Tower
Dworshak	Mansfield	Wiley
Eastland	McClellan	Williams, N.J.
Ellender	McNamara	Williams, Del.
Engle	Metcalf	Yarborough
Ervin	Miller	Young, Ohio

NAYS—0

NOT VOTING—19

Allott	Goldwater	Morse
Burdick	Gruening	Muskie
Butler	Hartke	Pell
Byrd, Va.	Hruska	Smith, Mass.
Capehart	Kerr	Young, N. Dak.
Chavez	McCarthy	
Clark	McGee	

So the bill (S. 2311) was passed.

AGRICULTURAL ACT OF 1961

The PRESIDING OFFICER (Mr. MILLER in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes, which was, to strike out all after the enacting clause and insert:

That this Act may be cited as the "Agricultural Act of 1961".

DECLARATION OF POLICY

SEC. 2. In order more fully and effectively to improve, maintain, and protect the prices and incomes of farmers, to enlarge rural purchasing power, to achieve a better balance between supplies of agricultural commodities and the requirements of consumers therefor, to preserve and strengthen the structure of agriculture, and to revitalize and stabilize the overall economy at reasonable costs to the Government, it is hereby declared to be the policy of Congress to—

(a) afford farmers the opportunity to achieve parity of income with other economic groups by providing them with the means to develop and strengthen their bargaining power in the Nation's economy;

(b) encourage a commodity-by-commodity approach in the solution of farm problems and provide the means for meeting varied and changing conditions peculiar to each commodity;

(c) expand foreign trade in agricultural commodities with friendly nations, as defined in section 107 of Public Law 480, 83d Congress, as amended (7 U.S.C. 1707), and in no manner either subsidize the export, sell, or make available any subsidized agricultural commodity to any nations other than such friendly nations and thus make full use of our agricultural abundance.

(d) utilize more effectively our agricultural productive capacity to improve the diets of the Nation's needy persons;

(e) recognize the importance of the family farm as an efficient unit of production and as an economic base for towns and cities in rural areas and encourage, promote, and strengthen this form of farm enterprise;

(f) facilitate and improve credit services to farmers by revising, expanding, and clarifying the laws relating to agricultural credit;

(g) assure consumers of a continuous, adequate, and stable supply of food and fiber at fair and reasonable prices;

(h) reduce the cost of farm programs by preventing the accumulation of surpluses; and

(i) use surplus farm commodities on hand as fully as practicable as an incentive to reduce production as may be necessary to bring supplies on hand and firm demand in balance.

TITLE I—SUPPLY AND PRICE STABILIZATION

Subtitle A—Formulation of commodity programs

SEC. 111. In furtherance of the declared policy of this Act, the Secretary of Agriculture shall recommend to the Congress legislation authorizing long-range stabilization programs for wheat and for feed grains not later than January 15, 1962. The Secretary shall study on a commodity-by-commodity basis the price, production, marketing, income, and other factors affecting other agricultural commodities which have a substantial effect on the farm economy, and shall recommend to the Congress legislation authorizing a specific stabilization program for any commodity whenever such program cannot be carried out under existing law and, in his judgment, is necessary in furtherance of the declared policy of this Act, is feasible, and would meet with the approval of a majority of the producers of the commodity. The programs which would be authorized by the legislation recommended to the Congress hereunder shall be formulated after consulting and advising with farmers, representatives of farm organizations, consumers, and others interested in the commodity.

Subtitle B—1962 wheat program

SEC. 121. Section 334 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting (1) after (c) and adding a new subparagraph (2) following subparagraph (c)(1) to read as follows:

"(2) Notwithstanding any other provision of law, each old or new farm acreage allotment for the 1962 crop of wheat as determined on the basis of a minimum national acreage allotment of 55 million acres shall be reduced by 10 per centum. In the event notices of farm acreage allotments for the 1962 crop of wheat have been mailed to farm operators prior to the effective date of this subparagraph (2), new notices showing the required reduction shall be mailed to farm operators as soon as practicable."

SEC. 122. (a) In lieu of the provisions of item (1) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(1)), the following provisions shall apply to the 1962 crop of wheat:

"(1) If a national marketing quota for wheat is in effect for the marketing year beginning July 1, 1962, farm marketing quotas shall be in effect for the crop of wheat which is normally harvested in 1962. The farm marketing quota for such crop of wheat shall be the actual production of the acreage planted to such crop of wheat on the farm less the farm marketing excess. The farm marketing excess shall be an amount equal to twice the normal yield of wheat per acre established for the farm multiplied by the number of acres of such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations prescribed by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established, the farm marketing excess shall be such actual production less the actual production of the farm wheat acreage allotment based upon the average yield per acre for the entire 1962 wheat acreage on the farm: *Provided, however*, That the farm marketing excess shall not be larger than the amount by which the actual production, so established, exceeds the normal production of the farm wheat acreage allotment."

(b) Notwithstanding the provisions of item (2) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(2)), the rate of penalty on wheat of the 1962 crop shall be 65 per centum of the parity price per bushel of wheat as of May 1, 1962.

(c) In lieu of the provisions of item (3) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(3)), the following provisions shall apply to the 1962 crop of wheat:

"(3) The farm marketing excess for wheat shall be regarded as available for marketing, and the penalty and the storage amount or amounts of wheat to be delivered to the Secretary shall be computed upon twice the

normal production of the excess acreage. If the farm marketing excess so computed is adjusted downward on the basis of actual production as heretofore provided the difference between the amount of the penalty or storage computed on the basis of twice the normal production and as computed on actual production shall be returned to or allowed the producer or a corresponding adjustment made in the amount to be delivered to the Secretary if the producer elects to make such delivery. The Secretary shall issue regulations under which the farm marketing excess of wheat for the farm shall be stored or delivered to him. Upon failure to store, or deliver to the Secretary, the farm marketing excess within such time as may be determined under regulations prescribed by the Secretary the penalty computed as aforesaid shall be paid by the producer. Any wheat delivered to the Secretary hereunder shall become the property of the United States and shall be disposed of by the Secretary for relief purposes in the United States or friendly foreign countries or in such other manner as he shall determine will divert it from the normal channels of trade and commerce."

(d) Item (7) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340 (7)), is amended to read as follows:

"(7) A farm marketing quota on any crop of wheat shall not be applicable to any farm on which, under regulations prescribed by the Secretary, the actual acreage planted to wheat for harvest of such crop does not exceed 15 acres: *Provided, however,* That a farm marketing quota on the 1962 crop of wheat shall be applicable to any farm on which the acreage of wheat exceeds the smaller of (1) 13.5 acres, or (2) the highest number of acres actually planted to wheat on the farm for harvest in any of the calendar years 1959, 1960, or 1961."

(e) Subsection (d) of section 335 of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1335(d)), is hereby repealed effective with the 1962 crop of wheat.

SEC. 123. Price support for the 1962 crop of wheat shall be made available, as provided in section 101 of the Agricultural Act of 1949, as amended, except that price support shall be made available only to the cooperators and only in the commercial wheat-producing area.

SEC. 124. (a) If marketing quotas are in effect for the 1962 crop of wheat, producers on any farm, except a farm on which a new farm wheat allotment is established for the 1962 crop, in the commercial wheat-producing area shall be entitled to payments determined as provided in subsection (b) upon compliance with the conditions hereinafter prescribed:

(1) Such producers shall divert from the production of wheat an acreage on the farm equal to either (i) 10 per centum of the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961: *Provided,* That such acreage in each of such years did not exceed 15 acres, or (ii) 10 per centum of the farm acreage allotment for the 1962 crop of wheat which would be in effect except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended.

(2) In 1962, such diverted acreage shall be devoted to conservation uses including summer fallow, approved by the Secretary, and such measures shall be taken as the Secretary may deem appropriate to keep such diverted acreage free from insects, weeds, and rodents: *Provided,* That such diverted acreage may be devoted to castor beans, safflower, sunflower, or sesame, if designated by the Secretary, subject to the condition that no payment shall be made with respect to diverted acreage devoted to any such commodity.

(3) The total acreage of cropland on the farm in 1962 devoted to soil-conserving uses including summer fallow and idle land, but excluding the acreage diverted as provided above and acreage diverted under the special 1962 program for feed grains, shall not be less than the total average acreage of cropland devoted to soil-conserving uses including summer fallow and idle land on the farm in 1959 and 1960. Certification by the producer with respect to such acreage may be accepted as evidence of compliance with the foregoing provision. The total average acreage devoted to soil-conserving uses, including summer fallow and idle land, in 1959 and 1960 shall be subject to adjustment to the extent the Secretary determines appropriate for abnormal weather conditions or other factors affecting production, established crop-rotation practices on the farm, changes in the constitution of the farm, participation in other Federal farm programs, or to give effect to the provisions of law relating to release and reapportionment or preservation of history.

(4) If the diversion of acreage is made pursuant to the provisions of (1)(i) of this subsection (a), the actual acreage of wheat planted on the farm for harvest in 1962 shall not exceed 90 per centum of the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961; and if the diversion of acreage is made pursuant to the provisions of (1)(ii) of this subsection (a), the farm shall be in compliance with the 1962 farm wheat acreage allotment.

(b)(1) Upon compliance with the conditions prescribed in subsection (a) producers on the farm shall be entitled to payments which shall be made by Commodity Credit Corporation in cash or wheat not in excess of 50 per centum of the value, at the basic county support rate per bushel for No. 1 wheat of the 1962 crop for the county in which the farm is considered as being located for the administration of farm marketing quotas for wheat, of the number of bushels equal to the adjusted yield per acre of wheat for the farm, multiplied by the number of diverted acres other than acres devoted to castor beans, safflower, sunflower, or sesame.

(2) The adjusted yield per acre of wheat for the farm shall be determined by the Secretary on the basis of the adjusted county average yield per acre for the 1959 and 1960 crops in the county in which the farm is considered as being located, and the productivity of the farm compared with other farms in the county taking into account special cultural practices, such as summer fallow or irrigation, normally followed on the acreage diverted from wheat. To the extent that a producer proves the actual acreages and yields for the farm for the 1959 and 1960 crop years, such acreages and yields, subject to such adjustments as may be made pursuant to the foregoing authority, shall be used in making determinations. The adjusted county average yield per acre shall be the county average for 1959 and 1960, as determined by the Secretary from the latest available statistics of the Federal Government, with such adjustments as he deems appropriate to take into account abnormal factors adversely affecting production.

(3) The Secretary shall provide by regulations for the sharing of payments among producers on the farm on a fair and equitable basis. The medium of payment shall be determined by the Secretary. If payments are made in wheat, the value of the payments in cash shall be converted to wheat at the market price of wheat as determined by Commodity Credit Corporation. Wheat received as payment-in-kind may be marketed without penalty but shall not be eligible for price support.

(c)(1) Producers who divert acreage on the farm under subsection (a) may divert additional acreage on the farm not in excess of the larger of three times the amount diverted under subsection (a) or such acreage as will bring the total acreage diverted to 15 acres: *Provided,* That the total acreage diverted under subsection (a) and this subsection (c) shall not exceed the larger of (i) the highest actual acreage of wheat planted on the farm for harvest for any of the years 1959, 1960, or 1961, but not to exceed fifteen acres or (ii) the 1962 wheat acreage allotment.

(2) Payments shall be made with respect to the acreage diverted under this subsection (c) in accordance with the terms and conditions prescribed in subsection (a): *Provided,* That (i) 60 per centum shall be substituted for 50 per centum in computing the amount of the payment, (ii) the acreage diverted under this subsection (c) shall be added to and deemed to be acreage diverted under subsection (a) for the purposes of paragraphs (2) and (3) of subsection (a), and (iii) if the diversion under subsection (a) is made pursuant to (1)(i) of said subsection, the actual acreage planted to wheat for harvest on the farm in 1962, shall be reduced below the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961, by the total amount of acres diverted under subsection (a) and this subsection (c), or if the diversion under subsection (a) is made pursuant to (1)(ii) of said subsection, the 1962 wheat acreage on the farm shall be reduced by the total amount of acres diverted under subsection (a) and this subsection (c) below whichever of the following acreages is the larger—

(A) the farm acreage allotment for the 1962 crop of wheat which would be in effect except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended;

(B) the highest actual acreage of wheat planted on the farm for harvest for any of the years 1959, 1960, or 1961, but not to exceed fifteen acres.

(d) Any acreage diverted from the production of wheat to conservation uses for which payment is made under the program formulated pursuant to this section shall be in addition to any acreage diverted to conservation uses for which payment is made under any other Federal program except that the foregoing shall not preclude the making of cost-sharing payments under the agricultural conservation program or the Great Plains program for conservation practices carried out on any acreage devoted to soil-conserving uses under the program formulated pursuant to this section.

(e) The Secretary may provide for adjusting any payment on account of failure to comply with the terms and conditions of the program formulated under this section.

(f) Not to exceed 50 per centum of any payment to producers under this section may be made in advance of determination of performance.

(g) The program formulated pursuant to this section may include such terms and conditions, in addition to those specifically provided for herein, as the Secretary determines are desirable to effectuate the purposes of this section.

(h) Wheat stored to avoid or postpone a marketing quota penalty under the Agricultural Adjustment Act of 1938, as amended and supplemented, shall not be released from storage for underplanting based upon acreage diverted under subsection (a) or (c) above, and in determing production of the 1962 crop of wheat for the purpose of

releasing wheat from storage on account of underproduction the normal yield of the diverted acres shall be deemed to be actual production of 1962 wheat.

(i) The Secretary is authorized to promulgate such regulations as may be necessary to carry out the provisions of this section.

(j) the Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making the payments authorized herein and to pay administrative expenses necessary in carrying out this section during the period ending June 30, 1962. There is authorized to be appropriated such amounts as may be necessary thereafter to pay such administrative expenses.

SEC. 125. Section 334(e) of the Agricultural Adjustment Act of 1938, as amended, relating to increased allotments for durum wheat, is amended to read as follows:

"(e) If, with respect to the 1962 crop of wheat, the Secretary finds that the acreage allotments of farms producing durum wheat are inadequate to provide for the production of a sufficient quantity of durum wheat to satisfy the demand therefor, the wheat acreage allotment for such crop for each farm located in a county in the States of North Dakota, Minnesota, Montana, South Dakota, and California designated by the Secretary as a county which (1) is capable of producing durum wheat, and (2) has produced such wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested, shall be increased by such uniform percentage as he deems necessary to provide for such quantity. No increase shall be made under this subsection in the wheat acreage allotment of any farm for such crop if any wheat other than durum wheat is planted on such farm for such crop. Any increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and such increases shall not be considered in establishing future State, county, and farm allotments. The provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340 (6)), and section 326(b) of this Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection. As used in this subsection the term 'durum wheat' means durum wheat (class II) other than the varieties known as 'Golden Ball' and 'Peliss'. Any farm receiving an increased allotment under this subsection shall not be required as a condition of eligibility for price support, or permitted, to participate in the special 1962 wheat program formulated under section 124 of the Agricultural Act of 1961."

Subtitle C—1962 feed grain program

SEC. 131. Section 105(c) of the Agricultural Act of 1949 is amended by adding the following new paragraphs (3) and (4):

"(3) The level of price support for the 1962 crop of corn shall be established by the Secretary at such level not less than 65 per centum of the parity price therefor as the Secretary may determine. Price support for corn, grain sorghums, and barley shall be made available on not to exceed the normal production of the 1962 acreage of corn, grain sorghums, and barley of each eligible farm based on its average yield per acre for the 1959 and 1960 crop acreage.

"(4) The Secretary shall require as a condition of eligibility for price support on the 1962 crop of corn and grain sorghums that the producer shall participate in the special agricultural conservation program for 1962 for corn and grain sorghums to the extent prescribed by the Secretary and shall not knowingly devote an acreage on the farm to barley in excess of the average acreage devoted on the farm to barley in 1959 and 1960, except that the Secretary may permit acreage in excess of such average acreage to be devoted to malting barley subject to such terms and conditions as he may prescribe. The Secretary shall require as a condition of eligibility for price support on the 1962 crop of barley that the producer shall participate in the special agricultural conservation program for 1962 for barley to the extent prescribed by the Secretary and shall not knowingly devote an acreage on the farm to corn and grain sorghums in excess of the average acreage devoted on the farm to corn and grain sorghums in 1959 and 1960."

SEC. 132. Section 16 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by adding the following new subsections.

"(d) No contract for assistance under the Soil Conservation and Domestic Allotment Act, as amended, shall be entered into by the Secretary with a farm operator for draining wetlands, either through grants or technical assistance, where the Secretary of the Interior has made a finding that wildlife preservation will be materially harmed by the proposed drainage, and has reported such finding to the Secretary of Agriculture.

"(e) Notwithstanding any other provision of law—

"(1) The Secretary shall formulate and carry out a special agricultural conservation program for 1962, without regard to provisions which would be applicable to the regular agricultural conservation program, under which, subject to such terms and conditions as the Secretary determines, conservation payments in amounts determined by the Secretary to be fair and reasonable shall be made to producers who divert acreage from the production of corn and grain sorghums, and barley, respectively, to an approved conservation use and increase their average acreage of cropland devoted in 1959 and 1960 to designated soil conserving crops or practices including summer fallow and idle land by an equal amount: *Provided, however,* That any producer may elect in lieu of such payment to devote such diverted acreage to castor beans, safflower, sunflower, or sesame, if designated by the Secretary. In order to be eligible for a payment, a producer who participates in the special agricultural conservation program of 1962 for corn and grain sorghums must not knowingly devote an acreage on the farm in excess of the average acreage devoted on the farm to barley in 1959 and 1960, except that the Secretary may permit acreage in excess of such average acreage to be devoted to malting barley subject to such terms and conditions as he may prescribe; and a producer who participates in the special agricultural conservation program for 1962 for barley must not knowingly devote an acreage on the farm to corn and grain sorghums in excess of the average acreage devoted on the farm to corn and grain sorghums in 1959 and 1960. Such special agricultural conservation program shall require the producer to take such measures as the Secretary may deem appropriate to keep such diverted acreage free from insects, weeds, and rodents. The acreage eligible for payments in cash or in an equivalent amount in kind under such conservation program shall be an acreage equivalent to 20 per centum of the average acreage on the farm planted to corn and grain sorghums, or barley, in the crop years 1959 and 1960. Such payments in cash or in kind at the basic county support rate may be made on an amount of the commodity not in excess of 50 per centum of the normal production of the acreage diverted from the commodity on the farm based on its average yield per acre for the 1959 and 1960 crop acreage. Payments in kind only may be made by the Secretary for the diversion of up to (i) an additional 20 per centum of the average acreage on the farm planted to corn and grain sorghums, or barley, in the crop years 1959 and 1960, or (ii) such additional acreage as will bring the total diverted acreage to 20 acres, whichever is greater. Payments in kind on such additional acreage may be made at the basic county support rate on an amount of corn and grain sorghums, or barley, not in excess of 60 per centum of the normal production of the acreage diverted from the commodity on the farm based on its average yield per acre for the 1959 and 1960 crop acreage. The Secretary may make such adjustments in acreage and yields for the 1959 and 1960 crop years as he determines necessary to correct for abnormal factors adversely affecting production, and to give due consideration to tillable acreage, crop rotation practices, type of soil, soil and water conservation measures, and topography. To the extent that a producer proves the actual acreages and yields for the farm for the 1959 and 1960 crop years, such acreages and yields, subject to such adjustments as may be made pursuant to the foregoing authority, shall be used in making determinations. The Secretary may make not to exceed 50 per centum of any payments to producers in advance of determination of performance.

"(2) There are hereby authorized to be appropriated such amounts as may be necessary to enable the Secretary to carry out this section 16(d). Obligations may be incurred in advance of appropriations therefor and the Commodity Credit Corporation is authorized to advance from its capital funds such sums as may be necessary to pay administrative expenses in connection with such program during the fiscal year ending June 30, 1962, and to pay such costs as may be incurred in carrying out section 133 of the Agricultural Act of 1961.

"(3) The Secretary shall provide by regulations for the sharing of payments under this subsection among producers on the farm on a fair and equitable basis and in keeping with existing contracts."

SEC. 133. Payments in cash shall be made by Commodity Credit Corporation and payments in kind shall be made through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem for feed grains and, notwithstanding any other provision of law, the Commodity Credit Corporation shall, in accordance with regulations prescribed by the Secretary, assist the producer in the marketing of such certificates at such time and in such manner as the Secretary determines will best effectuate the purposes of the special feed grain program for 1962 authorized by this Act. In the case of any certificate not presented for redemption within thirty days of the date of its issuance, reasonable costs of storage and other carrying charges, as determined by the Secretary, for the period beginning thirty days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate.

Subtitle D—Marketing orders

SEC. 141. Section 8c(2) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended by (a) inserting after the words "or frozen grapefruit," the words "cranberries, apples, or turkeys," and after the phrase "the products of naval stores," the phrase "the products of peanuts," and (b) striking out "and Idaho, and not including fruits, other than olives and grapefruit, for canning or freezing), tobacco," and inserting in lieu thereof "Idaho, New York, Michigan, Maryland, New Jersey, Indiana, California, Maine, Vermont, New Hampshire, Rhode Island, Massachusetts, and Connecticut, and not including

fruits for canning or freezing other than olives, grapefruit, cranberries, and apples produced in the States named above except Washington, Oregon, and Idaho), tobacco, peanuts, turkeys," and (c) changing the period at the end thereof to a colon and adding: "*Provided further*, That no order issued pursuant to this section shall be effective as to cranberries or apples for canning or freezing unless the Secretary of Agriculture determines, in addition to other required findings and determinations, that the issuance of such order is approved or favored by processors who, during a representative period determined by the Secretary, have engaged in canning or freezing such commodity for market and have frozen or canned more than 50 per centum of the total volume of the commodity to be regulated which was canned or frozen within the production area, or marketed within the marketing area, defined in such order, during such representative period."; and section 8e of such Act is amended by striking out of the first sentence thereof "tomatoes, avocados, mangoes, limes, grapefuit, green peppers, Irish potatoes, cucumbers, or egg plants" and inserting in lieu thereof "any agricultural commodity".

Subtitle E—Wool

SEC. 151. Section 703 of the National Wool Act of 1954, as amended (68 Stat. 910, 72 Stat. 994; 7 U.S.C. 1782), is amended by striking out of the second sentence thereof "1962" and inserting "1967".

TITLE II—AGRICULTURE TRADE DEVELOPMENT

SEC. 201. Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended as follows:

(1) Effective January 1, 1962, section 103(b) is amended to read as follows:

"(b) No agreement under this title which will call for appropriations to reimburse the Commodity Credit Corporation in an amount in excess of $5,000,000 may be entered into until after the expiration of 15 days from the date upon which a report of the provisions of the proposed agreement is submitted to the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives."

(2) Section 104 is amended:

(a) by inserting after the words "foreign currencies" in the introductory clause, the following: ", including principal and interest from loan repayments,";

(b) by striking out in the final proviso in such section the language beginning with the words "for the purpose" and ending with the words "specified in" and inserting in lieu thereof the words "pursuant to";

(c) by adding after subsection (r) the following new subsection (s):

"(s) For the sale for dollars to American tourists under such terms and conditions as the President may prescribe;";

(d) by inserting in the second sentence of subsection (a) after the word "made" where it first appears the words "each year" and after the word "be" where it first appears the words "set aside in the amounts and kinds of foreign currencies specified by the Secretary of Agriculture and"; and by striking out from the third sentence of subsection (a) the words "Particular regard shall be given to provide" and inserting in lieu thereof the words "Provision shall be made"; and by striking out from the third sentence of subsection (a) the word "may" and inserting in lieu thereof the words "the Secretary of Agriculture determines to"; and by inserting in the third sentence after the word "thereof" the following: "(not less than 2 per centum)"; and by inserting after the third sentence a new sentence as follows: "Such sums shall be converted into the types and kinds of foreign currencies as the Secretary deems necessary to carry out the provisions of this subsection and such sums shall be deposited to a special Treasury account and shall not be made available or expended except for carrying out the provisions of this subsection"; and by striking out from the last sentence of subsection (a) the words "agreements may be entered into" and by inserting in lieu thereof "the Secretary of Agriculture is authorized and directed to enter into agreements".

(3) Section 109 is amended by striking out "1961" and substituting "1964".

SEC. 202. Title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended as follows:

(1) Section 203 is amended (a) by deleting the first sentence and substituting the following: "Programs of assistance shall not be undertaken under this title during any calendar year beginning January 1, 1961, and ending December 31, 1964, which call for appropriations of more than $300,000,000 to reimburse the Commodity Credit Corporation for all costs incurred in connection with such programs (including the Corporation's investment in commodities made available), plus any amount by which programs of assistance undertaken in the preceding calendar year have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than were authorized for such purpose during such preceding year by this title as in effect during such preceding year."; and (b) by deleting "such" the first time it appears in the second sentence.

(2) Section 204 is amended by striking out "1961" and substituting "1964".

SEC. 203. Title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended, is hereby amended as follows:

(1) Section 401 is amended by adding at the end thereof the following new sentence: "It is also the purpose of this title to stimulate and increase through private trade the sale of surplus agricultural commodities for dollars through long-term supply agreements and through the extension of credit for the purchase of such commodities, thereby assisting the development of the economies of friendly nations and maximizing dollar trade."

(2) Section 402 is amended by adding at the end thereof the following new sentence: "In furtherance of the purpose of maximizing dollar sales through the private trade, the Secretary of Agriculture is authorized to enter into sales agreements under which he shall undertake to provide for the delivery of surplus agricultural commodities over such periods of time and under the terms and conditions set forth in this title."

(3) The first sentence of section 403 of such Act is amended by striking out all of such sentence after the word "determine" and inserting "but not in excess of 3 per centum per annum" and by deleting the words "in approximately equal annual amounts" in the last sentence thereof.

(4) Section 405 is amended to read as follows:

"In entering into agreements with friendly nations for the sale of surplus agricultural commodities, the President may, to the extent deemed practicable and in the best interests of the United States, permit other friendly and historic supplying nations to participate in supplying such commodities under the sales agreement on the same terms and conditions as those applicable to the United States.

(5) Section 406 of such Act is amended by inserting after the word "sections" the following: "101 (b) and (c),".

SEC. 204. In the conduct of foreign market development programs, the Secretary of Agriculture is authorized to credit contributions from individuals, firms, associations, agencies, and other groups, and the proceeds received from space rentals, and sales of products and materials at exhibitions, to the appropriations charged with the cost of acquiring such space, products and materials.

TITLE III—AGRICULTURAL CREDIT

SEC. 301. (a) This title may be cited as the "Consolidated Farmers Home Administration Act of 1961".

(b) The Congress hereby finds that the statutory authority of the Secretary of Agriculture, hereinafter referred to in this title as the "Secretary," for making and insuring loans to farmers and ranchers should be revised and consolidated to provide for more effective credit services to farmers.

Subtitle A—Real estate loans

SEC. 302. The Secretary is authorized to make and insure loans under this subtitle to farmers and ranchers in the United States and in Puerto Rico and the Virgin Islands who (1) are citizens of the United States, (2) have a farm background and either training or farming experience which the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operations, (3) are or will become owner-operators of not larger than family farms, and (4) are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes and periods of time.

SEC. 303. Loans may be made or insured under this subtitle for acquiring, enlarging, or improving farms, including farm buildings, land and water development, use and conservation, refinancing existing indebtedness, and for loan closing costs. In making or insuring loans for farm purchase, the Secretary shall give preference to persons who are married or have dependent families and, wherever practicable, to persons who are able to make initial downpayments, or who are owners of livestock and farm implements necessary successfully to carry on farming operations.

SEC. 304. Loans may also be made or insured under this subtitle to any farmowners or tenants without regard to the requirements of section 302 (1), (2), and (3) for the purposes only of land and water development, use and conservation.

SEC. 305. The Secretary shall make or insure no loan under sections 302, 303, and 304 which would cause (a) the unpaid indebtedness against the farm or other security at the time the loan is made to exceed $60,000 or the normal value of the farm or other security, or (b) the loan to exceed the amount certified by the county committee. In determining the normal value of the farm, the Secretary shall consider appraisals made by competent appraisers under rules established by the Secretary. Such appraisals shall take into consideration both the normal agricultural value and the normal market value of the farm.

SEC. 306. (a) The Secretary also is authorized to make or insure loans to associations, including corporations not operated for profit and public and quasi-public agencies, to provide for the application or establishment of soil conservation practices, the conservation, development, use, and control of water and the installation or improvement of drainage facilities, all primarily for serving farmers, ranchers, farm tenants, farm laborers, and rural residents, and to furnish financial assistance or other aid in planning projects for such purposes. No such direct loans shall be made which would cause an association's unpaid principal indebtedness to the Secretary under this section and the Act of August 28, 1937, as amended, to exceed $500,000 and on insured loans to exceed $2,500,000 at any one time.

(b) The service provided or made available through any such association shall not

be curtailed or limited by inclusion of the area served by such association within the boundaries of any municipal corporation or other public body, or by the granting of any private franchise for similar service within such area during the term of such loan; nor shall the happening of any such event be the basis of requiring such association to secure any franchise, license, or permit as a condition to continuing to serve the area served by the association at the time of the occurrence of such event.

SEC. 307. (a) The period for repayment of loans under this subtitle shall not exceed forty years. The Secretary shall from time to time establish the interest rate or rates at which loans for various purposes will be made or insured under this subtitle but not in excess of 5 per centum per annum. The borrower shall pay such fees and other charges as the Secretary may require.

(b) The Secretary shall take as security for the obligations entered into in connection with loans, mortgages on farms with respect to which such loans are made or such other security as the Secretary may require, and for obligations in connection with loans to associations under section 306, shall take liens on the facility or such other security as he may determine to be necessary. Such security instruments shall constitute liens running to the United States notwithstanding the fact that the notes may be held by lenders other than the United States.

SEC. 308. Loans under this subtitle may be insured by the Secretary, aggregating not more than $150,000,000 in any one year, whenever funds are advanced or a loan is purchased by a lender other than the United States. In connection with insurance of loans, the Secretary—

(a) is authorized to make agreements with respect to the servicing of loans insured hereunder and to purchase such loans on such terms and conditions as he may prescribe, except that no agreement shall provide for purchase by the Secretary of a date sooner than three years from the date of the note; and

(b) shall retain out of payments by the borrower a charge at a rate determined by the Secretary from time to time equivalent to not less than one-half of 1 per centum per annum on the principal unpaid balance of the loan.

Any contract of insurance executed by the Secretary under this subtitle shall be an obligation supported by the full faith and credit of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge.

SEC. 309. (a) The fund established pursuant to section 11(a) of the Bankhead-Jones Farm Tenant Act, as amended, shall hereafter be called the Agricultural Credit Insurance Fund and is hereinafter in this subtitle referred to as the "fund". The fund shall remain available as a revolving fund for the discharge of the obligations of the Secretary under agreements insuring loans under this subtitle and loans and mortgages insured under prior authority.

(b) Moneys in the fund not needed for current operations shall be deposited in the Treasury of the United States to the credit of the fund or invested in direct obligations of the United States or obligations guaranteed by the United States. The Secretary may purchase with money in the fund any notes issued by the Secretary to the Secretary of the Treasury for the purpose of obtaining money for the fund.

(c) The Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for discharging obligations under this section and for authorized expenditures out of the fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yields of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Secretary under this subtitle. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchase, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

(d) Notes and security acquired by the Secretary in connection with loans insured under this subtitle and under prior authority shall become a part of the fund. Notes may be held in the fund and collected in accordance with their terms or may be sold by the Secretary with or without agreements for insurance thereof at the balance due thereon, or on such other basis as the Secretary may determine from time to time. All net proceeds from such collections, including sales of notes or property, shall be deposited in and become a part of the fund.

(e) The Secretary shall deposit in the fund such portion of the charge collected in connection with the insurance of loans at least equal to a rate of one-half of 1 per centum per annum on the outstanding principal obligations and the remainder of such charge shall be available for administrative expenses of the Farmers Home Administration, to be transferred annually, and become merged with any appropriation for administrative expenses.

(f) The Secretary may utilize the fund—

(1) to make loans which could be insured under this subtitle whenever the Secretary has reasonable assurance that they can be sold without undue delay, and may sell and insure such loans. The aggregate of the principal of such loans made and not disposed of shall not exceed $10,000,000 at any one time;

(2) to pay the interest to which the holder of the note is entitled on loans heretofore or hereafter insured accruing between the date of any prepayments made by the borrower and the date of transmittal of any such prepayments to the lender. In the discretion of the Secretary, prepayments other than final payments need not be remitted to the holder until the due date of the annual installment;

(3) to pay to the holder of the notes any defaulted installment or, upon assignment of the note to the Secretary at the Secretary's request, the entire balance due on the loan;

(4) to purchase notes in accordance with agreements previously entered into; and

(5) to pay taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application and transmittal of collections and other expenses and advances authorized in section 335(a) in connection with insured loans.

SEC. 310. The terms "farmowner" and "owner-operator" in this subtitle shall include the owner of such interest in real estate as will give the applicant the rights of possession, management and control of the property sufficient to accomplish the objectives of the loan applied for and the right to encumber his interest as security, and where such interest is less than full ownership, the owners of other interests in said property join in the encumbrance.

Subtitle B—Operating loans

SEC. 311. The Secretary is authorized to make loans under this subtitle to farmers and ranchers in the United States and in Puerto Rico and the Virgin Islands who (1) are citizens of the United States, (2) have a farm background and training or farming experience which the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operation, (3) are or will become operators of not larger than family farms, and (4) are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes and periods of time.

SEC. 312. Loans may be made under this subtitle for (1) paying costs incident to reorganizing the farming system for more profitable operation, (2) purchasing livestock, poultry, and farm equipment, (3) purchasing feed, seed, fertilizer, insecticides, and farm supplies and to meet other essential farm operating expenses including cash rent, (4) financing land and water development, use and conservation, (5) refinancing existing indebtedness, (6) other farm and home needs including but not limited to family subsistence, and (7) for loan closing costs.

SEC. 313. The Secretary shall make no loan under this subtitle (1) which would cause the total principal indebtedness outstanding at any one time for loans made under this subtitle and under section 21 of the Bankhead-Jones Farm Tenant Act, as amended, to exceed $30,000: *Provided, however,* That not more than 25 per centum of the sums made available for loans under this subtitle may be used for loans which would cause such indebtedness of any borrower under said Acts to exceed $15,000, (2) for the purchasing or leasing of land other than for cash rent, or for carrying on any land leasing or land purchasing program, or (3) in excess of an amount certified by the county committee.

SEC. 314. Loans aggregating not more than $500,000 in any one year may also be made to soil conservation districts which cannot obtain necessary credit elsewhere upon reasonable terms and conditions for the purchase of farming equipment to be rented to farmers on terms and conditions approved by the Secretary.

SEC. 315. The Secretary is authorized to participate in loans which could otherwise be made by the Secretary under this subtitle which are made by commercial banks, cooperative lending agencies, or other legally organized agricultural lending agencies up to 80 per centum of the amount of the loan.

SEC. 316. The Secretary shall make all loans under this subtitle at an interest rate not to exceed 5 per centum per annum, upon the full personal liability of the borrower and upon such security as the Secretary may prescribe. Such loans shall be payable in not more than ten years.

Subtitle C—Emergency loans

SEC. 321. (a) The Secretary may designate any area in the United States and in Puerto Rico and the Virgin Islands as an emergency area if he finds (1) that there exists in such area a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the Secretary is authorized to make under subtitle B or to make or insure under subtitle A of this title or any other Act of Congress), at reasonable rates and terms for loans for similar purposes and periods of time, and (2) that the need for such credit in such area is the result of a natural disaster, severe pro-

duction losses, or critical economic conditions encountered in the area by the producers of specified agricultural commodities and products.

(b) The Secretary is authorized to make loans in any such area (1) to established farmers or ranchers who are citizens of the United States and (2) to private domestic corporations or partnerships engaged primarily in farming or ranching provided they have experience and resources necessary to assure a reasonable prospect for successful operation with the assistance of such loan, and are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes and periods of time.

SEC. 322. Loans may be made under this subtitle for any of the purposes authorized for loans under subtitle A or B of this title.

SEC. 323. The Secretary shall make no loan under this subtitle in excess of an amount certified by the county committee.

SEC. 324. The Secretary shall make all loans under this subtitle at a rate of interest not in excess of 3 per centum per annum repayable at such times as the Secretary may determine, taking into account the purpose of the loan and the nature and effect of the emergency, but not later than provided for loans for similar purposes under subtitles A and B of this title, and upon the full personal liability of the borrower and upon such security as the Secretary may prescribe.

SEC. 325. The Secretary may make loans without regard to the designation of emergency areas under section 321(a) to persons or corporations (1) who have suffered severe production losses not general to the area or (2) who are indebted to the Secretary for loans under the Act of April 6, 1949, as amended, or the Act of August 31, 1954, as amended, to the extent necessary to permit the orderly repayment or liquidation of said prior indebtedness.

SEC. 326. The Secretary is authorized to utilize the revolving fund created by section 84 of the Farm Credit Act of 1933, as amended (hereinafter in this subtitle referred to as the "Emergency Credit Revolving Fund"), for carrying out the purposes of this subtitle.

SEC. 327. (a) All sums received by the Secretary from the liquidation of loans made under the provisions of this subtitle or under the Act of April 6, 1949, as amended, or the Act of August 31, 1954, and from the liquidation of any other assets acquired with money from the Emergency Credit Revolving Fund shall be added to and become a part of such fund.

(b) There are authorized to be appropriated to the Emergency Credit Revolving Fund such additional sums as the Congress shall from time to time determine to be necessary.

Subtitle D—Administrative provisions

SEC. 331. For the purposes of this title and for the administration of assets under the jurisdiction of the Secretary of Agriculture pursuant to the Farmers' Home Administration Act of 1946, as amended, the Bankhead-Jones Farm Tenant Act, as amended, the Act of August 28, 1937, as amended, the Act of April 6, 1949, as amended, the Act of August 31, 1954, as amended, and the powers and duties of the Secretary under any other Act authorizing agricultural credit, the Secretary may assign and transfer such powers, duties, and assets to the Farmers Home Administration, to be headed by an Administrator, appointed by the President, by and with the advice and consent of the Senate, without regard to the civil service laws or the Classification Act of 1949, as amended, who shall receive basic compensation as provided by law for that office.

The Secretary may—

(a) administer his powers and duties through such National, area, State, or local offices and employees in the United States and in Puerto Rico and the Virgin Islands as he determines to be necessary and may authorize an office to serve the area composed of two or more States if he determines that the volume of business in the area is not sufficient to justify separate State offices;

(b) accept and utilize voluntary and uncompensated services, and with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, territory, or political subdivision;

(c) within the limits of appropriations made therefor, make necessary expenditures for purchase or hire of passenger vehicles, printing and binding without regard to the Act of January 12, 1895, as amended, and such other facilities and services as he may from time to time find necessary for the proper administration of this Act;

(d) compromise, adjust, or reduce claims, and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into or administered by the Farmers Home Administration under any of its programs, as circumstances may require, but compromises, adjustments, or reductions of claims of $15,000 or more shall not be made without the approval of the Administrator: *Provided, however,* That—

(1) compromise, adjustment, or reduction of claims shall be based on the value of the security and determination by the Secretary of the debtor's reasonable ability to pay considering his other assets and income at the time of the action and with or without the payment of any consideration at the time of such adjustment or reduction;

(2) releases from personal liability may also be made with or without payment of any consideration at the time of adjustment of claims against—

(A) borrowers who have transferred the security property to approved applicants under agreements assuming the outstanding secured indebtedness;

(B) borrowers who have transferred the security property to approved applicants under agreements assuming that portion of the secured indebtedness equal to the current market value of the security property or transferred the security property to the Secretary;

(C) borrowers who have transferred the security property to other than approved applicants under agreements assuming the full amount of, or that portion of the secured indebtedness equal to, the current market value of the security property on terms not to exceed five annual installments with interest on the unpaid balance at a rate determined by the Secretary; and

(D) borrowers who transfer security property under subparagraphs (B) and (C) above for amounts less than the indebtedness secured thereby may be released from personal liability only on a determination by the Secretary that each such borrower has no reasonable debt-paying ability considering his assets and income at the time of the transfer and the county committee certifies that the borrower has cooperated in good faith, used diligence to maintain the security property against loss, and has otherwise fulfilled the covenants incident to his loan to the best of his ability;

(3) no compromise, adjustment, or reduction of claims shall be made upon terms more favorable than recommended by the appropriate county committee utilized pursuant to section 332 of this title; and

(4) any claim which has been due and payable for five years or more, and where the debtor has no assets or no apparent future debt-paying ability from which the claim could be collected, or is deceased and has left no estate, or has been absent from his last known address for a period of at least five years, has no known assets, and his whereabouts cannot be ascertained without undue expense, may be charged off or released by the Secretary upon a report and favorable recommendation of the county committee and of the employee having charge of the claim, and any claim involving a principal balance of $150 or less may be charged off or released whenever it appears to the Secretary that further collection efforts would be ineffectual or likely to prove uneconomical; and

(5) partial releases and subordination of mortgages may be granted either where the secured indebtedness remaining after the transaction will be adequately secured or the security interest of the Secretary will not be adversely affected, and the transaction and use of proceeds will further the purposes for which the loan was made, improve the borrower's debt-paying ability, permit payments or indebtedness owed to or insured by the Secretary, or permit payment of reasonable costs and expenses incident to the transaction, including taxes incident to or resulting from the transaction which the borrower is unable to pay from other sources;

(e) collect all claims and obligations arising or administered under this title, or under any mortgage, lease, contract, or agreement entered into or administered pursuant to this title and, if in his judgment necessary and advisable, pursue the same to final collection in any court having jurisdiction.

SEC. 332. (a) The Secretary is authorized and directed to appoint in each county or area in which activities are carried on under this title, a county committee composed of three individuals residing in the county or area, at least two of whom at the time of appointment shall be farmers deriving the principal part of their income from farming. Committee appointments shall be for a term of three years except that the first appointments for any new committee shall be for one-, two-, and three-year periods, respectively, so as to provide continuity of committee membership. The Secretary may appoint alternate committeemen. The members of the committee and their alternates shall be removable for cause by the Secretary.

(b) The rates of compensation, the number of days per month each member may be paid, and the amount to be allowed for necessary travel and subsistence expenses, shall be determined and paid by the Secretary.

(c) The committee shall meet on the call of the chairman elected by the committee or on the call of such other person as the Secretary may designate. Two members of the committee shall constitute a quorum. The Secretary shall prescribe rules governing the procedure of the committees and their duties, furnish forms and equipment necessary, and authorize and provide for the compensation of such clerical assistance as he finds may be required by any committee.

SEC. 333. In connection with loans made or insured under this title, the Secretary shall require—

(a) the applicant to certify in writing that he is unable to obtain sufficient credit elsewhere to finance his actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes and periods of time;

(b) except for loans under sections 306, 314, and 321(b)(2), the county committee to certify in writing that the applicant meets the eligibility requirements for the loan, and has the character, industry, and ability

to carry out the proposed farming operations, and will, in the opinion of the committee, honestly endeavor to carry out his undertakings and obligations; and for loans under sections 306, 314, and 321(b)(2), the Secretary shall require the recommendation of the county committee as to the making or insuring of the loan;

(c) an agreement by the borrower that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source, at reasonable rates and terms for loans for similar purposes and periods of time, the borrower will, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary or the insured lender, or both, and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan;

(d) such provision for supervision of the borrower's operations as the Secretary shall deem necessary to achieve the objectives of the loan and protect the interests of the United States; and

(e) the applications of veterans for loans under subtitle A or B of this title to be given preference over similar applications of nonveterans on file in any county or area office at the same time. Veterans as used herein shall mean persons who served in the Armed Forces of the United States during any war between the United States and any other nation or during the Korean conflict and who were discharged or released therefrom under conditions other than dishonorable.

SEC. 334. All property subject to a lien held by the United States or the title to which is acquired or held by the Secretary under this title other than property used for administrative purposes shall be subject to taxation by State, territory, district, and local political subdivisions in the same manner and to the same extent as other property is taxed: *Provided, however,* That no tax shall be imposed or collected on or with respect to any instrument if the tax is based on—

(1) the value of any notes or mortgages or other lien instruments held by or transferred to the Secretary;

(2) any notes or lien instruments administered under this title which are made, assigned, or held by a person otherwise liable for such tax; or

(3) the value of any property conveyed or transferred to the Secretary,

whether as a tax on the instrument, the privilege of conveying or transferring or the recordation thereof; nor shall the failure to pay or collect any such tax be a ground for refusal to record or file such instruments, or for failure to impart notice, or prevent the enforcement of its provisions in any State or Federal court.

SEC. 335. (a) The Secretary is authorized and empowered to make advances, without regard to any loan or total indebtedness limitation, to preserve and protect the security for or the lien or priority of the lien securing any loan or other indebtedness owing to, insured by, or acquired by the Secretary under this title or under any other programs administered by the Farmers Home Administration; to bid for and purchase at any execution, foreclosure, or other sale or otherwise to acquire property upon which the United States has a lien by reason of a judgment or execution arising from, or which is pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of, any such indebtedness whether or not such property is subject to other liens, to accept title to any property so purchased or acquired; and to sell, manage, or otherwise dispose of such property as hereinafter provided.

(b) Real property administered under the provisions of this title may be operated or leased by the Secretary for such period or periods as the Secretary may deem necessary to protect the Government's investment therein.

(c) The Secretary may determine whether real property administered under this title is suitable for disposition to persons eligible for assistance under subtitle A. Any property which the Secretary determines to be suitable for such purposes shall, whenever practicable, be sold by the Secretary as expeditiously as possible to such eligible persons in a manner consistent with the provisions of subtitle A hereof. Real property which is not determined suitable for sale to such eligible persons or which has not been purchased by such persons within a period of three years from the date of acquisition, shall be sold by the Secretary after public notice at public sale and, if no acceptable bid is received then by negotiated sale, at the best price obtainable for cash or on secured credit without regard to the laws governing the disposition of excess or surplus property of the United States. The terms of such sale shall require an initial downpayment of at least 20 per centum and the remainder of the sales price payable in not more than five annual installments with interest on unpaid balance at the rate determined by the Secretary. Any conveyances under this section shall include all of the interest of the United States, including mineral rights.

(d) With respect to any real property administered under this title, the Secretary is authorized to grant or sell easements or rights-of-way for roads, utilities, and other appurtenances not inconsistent with the public interest. With respect to any rights-of-way over land on which the United States has a lien administered under this title, the Secretary may release said lien upon payment to the United States of adequate consideration, and the interest of the United States arising under any such lien may be acquired for highway purposes by any State or political subdivision thereof in condemnation proceedings under State law by service by certified mail upon the United States attorney for the district, the State director of the Farmers Home Administration for the State in which the farm is located, and the Attorney General of the United States: *Provided, however,* That the United States shall not be required to appear, answer, or respond to any notice or writ sooner than ninety days from the time such notice or writ is returnable or purports to be effective, and the taking or vesting of title to the interest of the United States shall not become final under any proceeding, order, or decree until adequate compensation and damages have been finally determined and paid to the United States or into the registry of the court.

SEC. 336. No officer, attorney, or other employee of the Secretary shall, directly or indirectly, be the beneficiary of or receive any fee, commission, gift, or other consideration for or in connection with any transaction or business under this title other than such salary, fee, or other compensation as he may receive as such officer, attorney, or employee. No member of a county committee shall knowingly make or join in making any certification with respect to a loan to purchase any land in which he or any person related to him within the second degree of consanguinity or affinity has or may acquire any interest or with respect to any applicant related to him within the second degree of consanguinity or affinity. Any person violating any provision of this section shall, upon conviction thereof, be punished by a fine of not more than $2,000 or imprisonment for not more than two years, or both.

SEC. 337. The Secretary may provide voluntary debt adjustment assistance between farmers and their creditors and may cooperate with State, territorial, and local agencies and committees engaged in such debt adjustment, and may give credit counseling.

SEC. 338. (a) There is authorized to be appropriated to the Secretary such sums as the Congress may from time to time determine to be necessary to enable the Secretary to carry out the purposes of this title and for the administration of assets transferred to the Farmers Home Administration.

(b) When authorized by Congress, the Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds in such amounts as the Congress may approve annually in appropriation Acts for making direct loans under this title. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yields of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Secretary under this title. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and for that purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended; and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

(c) The appropriations for loans made under the authority of subsection (a) and funds obtained in accordance with subsection (b) of this section, and the unexpended balances of any funds made available for loans under the item "Farmers Home Administration" in the Department of Agriculture Appropriation Acts current on the date of enactment of this title, shall be merged into a single account known as the "Farmers Home Administration direct loan account", hereafter in this section called the "direct loan account". All claims, notes, mortgages, property, including those now held by the Secretary on behalf of the Secretary of the Treasury, and all collections therefrom, made or held under the direct loan provisions of (1) titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, as amended; (2) the Farmers Home Administration Act of 1946, as amended, except the assets of the rural rehabilitation corporations; (3) the Act of August 28, 1937 (50 Stat. 869), as amended; (4) the item "Loans to Farmers—1948 Flood Damage" in the Act of June 25, 1948 (62 Stat. 1038); (5) the item "Loans to Farmers (Property Damage)" in the Act of May 24, 1949 (63 Stat. 82); (6) the Act of September 6, 1950 (64 Stat. 769); (7) the Act of July 11, 1956 (70 Stat. 525); and (8) under this title shall be held for and deposited in said account.

The notes of the Secretary issued to the Secretary of the Treasury under said Acts or under this title and all other liabilities against the appropriations or assets in the direct loan account shall be liabilities of said account, and all other obligations against such appropriations or assets shall be obligations of said account. Moneys in the direct loan account shall also be available for interest and principal repayments on notes issued by the Secretary to the Secretary of the Treasury. Otherwise, the balances in said account shall remain available to the Secretary for direct loans under subtitles A and B of this title, and for ad-

vances in connection therewith, not to exceed any existing appropriation of authorization limitations and in such further amounts as the Congress from time to time determines in appropriation Acts. The amounts so authorized for loans and advances shall remain available until expended. Subject to the foregoing limitations, the use of collections deposited in the account may be authorized by the Congress in lieu or partially in lieu of authorizing the issuing of additional notes by the Secretary to the Secretary of the Treasury, and the account shall be budgeted on a net expenditure basis.

(d) The Secretary may sell and assign any notes and mortgages in the direct loan account with the consent of the borrower or without such consent when the borrower has failed to comply with his agreement to refinance the indebtedness at the request of the Secretary. Such loans may be sold at the balance due thereon or on such other basis as the Secretary may determine from time to time.

(e) At least 25 per centum of the sums authorized in any fiscal year for direct loans to individuals to be made by the Secretary under subtitle A of this title shall be allocated equitably among the several States and territories on the basis of farm population and the prevalence of tenancy, as determined by the Secretary.

SEC. 339. The Secretary is authorized to make such rules and regulations, prescribe the terms and conditions for making or insuring loans, security instruments and agreements, except as otherwise specified herein, and make such delegations of authority as he deems necessary to carry out this title.

SEC. 340. The President may at any time in his discretion transfer to the Secretary any right, interest, or title held by the United States in any lands acquired in the program of national defense and no longer needed therefor, which the President shall find suitable for the purposes of this title, and the Secretary shall dispose of such lands in the manner and subject to the terms and conditions of the title.

SEC. 341. (a) Reference to any provisions of the Bankhead-Jones Farm Tenant Act or the Act of August 28, 1937 (50 Stat. 869), as amended, superseded by any provision of this title shall be construed as referring to the appropriate provision of this title. Titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, as amended, and the Act of August 28, 1937 (50 Stat. 869), as amended, the Act of April 6, 1949 (63 Stat. 43), as amended, and the Act of August 31, 1954 (68 Stat. 999), as amended, are hereby repeated effective one hundred and twenty days after enactment hereof, or such earlier date as the provisions of this title are made effective by the Secretary's regulations. The foregoing provisions shall not have the effect of repealing the amendments to section 24, chapter 6 of the Federal Reserve Act, as amended, section 5200 of the Revised Statutes, section 35 of chapter III of the Act approved June 19, 1934 (D.C. Code, title 35, sec. 535), enacted by section 15 of the Bankhead-Jones Farm Tenant Act, as amended, and by section 10(f) of the Act of August 28, 1937 (50 Stat. 869), as amended.

(b) The repeal of any provision of law by this title shall not—

(1) affect the validity of any action taken or obligation entered into pursuant to the authority of any of said Acts, or

(2) prejudice the application of any person with respect to receiving assistance under the provisions of this title, solely because such person is obligated to the Secretary under authorization contained in any such repealed provision.

(c) If any provision of this title or the application thereof to any person or circumstance is held invalid, the remainder of the title and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 342. Title III of the Bankhead-Jones Farm Tenant Act, as amended, by the following new section 35:

"SEC. 35. The provisions of this title shall extend to Puerto Rico and the Virgin Islands. In the case of Alaska, Puerto Rico, and the Virgin Islands, the term 'county' as used in this title may be the entire area, or any subdivision thereof as may be determined by the Secretary, and payments under section 33 of this title shall be made to the Governor or to the fiscal agent of such subdivision."

TITLE IV—GENERAL

SEC. 401. Section 16 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by changing the third sentence of paragraph (1) of subsection (b) to read as follows: "Such contracts may be entered into during the period ending not later than December 31, 1971, with respect to farms and ranches in counties in the Great Plains area of the States of Colorado, Kansas, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming, designated by the Secretary as susceptible to serious wind erosion by reason of their soil types, terrain, and climatic and other factors."

SEC. 402. The Act of July 1, 1958, as amended (72 Stat. 276), is further amended by adding a new section as follows:

"SEC. 2. There is hereby authorized to be appropriated for the fiscal year beginning July 1, 1962, and for each of the four fiscal years thereafter, such sums as may be necessary to enable the Secretary of Agriculture, under such rules and regulations as he may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. For the purposes of this Act, 'United States' means the 50 States and the District of Columbia."

SEC. 403. Section 202 of the Agricultural Act of 1949, as amended, is amended by striking the phrase "December 31, 1961" each place it appears therein and inserting in lieu thereof the phrase "December 31, 1964."

SEC. 404. Section 210 of the Agricultural Act of 1956, as amended, is amended by striking out everything after the word "Federal" and inserting in lieu thereof the following: "and State penal and correctional institutions, and to local institutions of a correctional nature other than those in which food service is provided for inmates on a fee, contract, or concession basis."

Mr. ELLENDER. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ELLENDER, Mr. JOHNSTON, Mr. HOLLAND, Mr. EASTLAND, Mr. AIKEN, Mr. YOUNG of North Dakota, and Mr. HICKENLOOPER conferees on the part of the Senate.

APPLICABILITY OF ANTITRUST LAWS TO BANK MERGERS

Mr. ROBERTSON. Mr. President, on July 20 I placed in the CONGRESSIONAL RECORD a speech made by Governor Robertson of the Federal Reserve Board at the Michigan Bankers Association meeting on June 23 of this year, after making a few comments in order to express my disagreement with some of Governor Robertson's views. Since that time I have received from Governor Robertson a letter on the subject of my comments on his speech, and I have written him in reply to his letter. I ask unanimous consent to have the letters printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, D.C., July 24, 1961.

Hon. A. WILLIS ROBERTSON,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR: In the Senate last Thursday you commented upon my recent remarks before the Annual Convention of the Michigan Bankers Association. Your comments were directed particularly to the relationship of the antitrust laws to bank mergers. In view of the importance of this problem and the likelihood that it will be with us for some time, clarification seems to be advisable, especially regarding my own views.

In your comments you quoted this sentence from my speech:

"In contrast to the situation in other regulated industries, Congress has decided that bank mergers should be subject not only to the jurisdiction of the bank supervisory agencies but also to the jurisdiction of the Department of Justice and the federal courts under the antitrust laws."

You said, "These are the statements which I cannot allow to pass without comment" and "I am by no means sure that this assumption [that the Sherman Act applies to bank mergers] is justified."

It is entirely true, as you pointed out, that the U.S. Supreme Court has never ruled on whether the Sherman Act applies to bank mergers. However, until now I had always understood that you and I (among many others) were in agreement that the Sherman Act is applicable in this field.

The report of the Senate Committee on Banking and Currency on the bank merger bill (S. Rept. No. 196, 86th Cong.), which you submitted April 17, 1959, stated that:

"It is now generally accepted that these sections [secs. 1 and 2 of the Sherman Antitrust Act] apply to bank mergers and consolidations by either stock or asset acquisitions."

The report of the House Committee on Banking and Currency (H. Rept. No. 1416, 86th Cong.) also stated that "the Sherman Act applies to asset acquisitions as well as to stock acquisitions," but added that—

"It has been of little use in controlling bank mergers. It has been used only once in court (in a proceeding initiated in March 1959) against a bank merger."

The question also arose when the bank merger bill was before the Senate, and during the debate it was brought out several times that bank mergers would continue to be subject to the Sherman Act if S. 1062 was enacted. For example, during the debate on May 14, 1959, you said:

"I ask Senators to look at page 3 of the report. * * * We have tried to cover all the questions which we thought would arise.

"On page 3 the report states:

"S. 1062 would not affect in any way the applicability of the Sherman Act to bank mergers or consolidations.

"It will not affect that act in the least. If banks have actually violated the antitrust laws, they can still be prosecuted under the Sherman Act."

In the course of your comments last Thursday you said: "I assume Governor Robertson includes section 7 [of the Clayton

Act] as one of the antitrust laws applying to bank mergers." I sincerely hope my remarks before the Michigan Bankers Association did not create that impression or warrant such an assumption, because it would be just the opposite of my actual opinion on this subject. As you pointed out in your comments, I testified, during the hearings on the Bank Merger Act itself, that section 7 of the Clayton Act is not applicable to bank mergers. My views in this matter have not changed.

I should like to mention one other point you made in the course of your comments regarding the effect of the pending Philadelphia and Lexington antitrust suits. On this subject the thought I intended to convey was that, if it is undesirable for bank mergers to be subject both to the Bank Merger Act and the Sherman Antitrust Act, the situation will not be corrected by the judicial decisions in those cases—it could be changed only by congressional action. There can be no dispute about this if, as you and I have both said, the Sherman Act is applicable to bank mergers.

Over the years, you and I have generally had a clear understanding of each other's views on the subject of bank mergers, and I believe that our principles and legal opinions rarely have failed to coincide. Consequently, I hope this letter will clarify my position to your satisfaction, and, in case you see fit to insert it in the CONGRESSIONAL RECORD, to the satisfaction of any others who may have been misled by the manner in which I stated my views.

Sincerely,

J. L. ROBERTSON.

U.S. SENATE,
COMMITTEE ON BANKING AND CURRENCY,
July 26, 1961.

Hon. JAMES LOUIS ROBERTSON,
Board of Governors of the Federal Reserve System, Washington, D.C.

DEAR GOVERNOR ROBERTSON: I have received your letter commenting on my remarks on your speech before the Michigan Bankers Association on the relationship of the antitrust laws to bank mergers.

I agree with you that it was generally assumed, at the time the Bank Merger Act was being considered, that the Sherman Act applied to bank mergers. I think it is clear that this was merely an assumption based primarily on the South-Eastern Underwriters case dealing with insurance and reversing almost 70 years of practice in the field of insurance. Mr. Berle's article in 49 Columbia Law Review, which was cited in the report of April 17, 1959, on this point and quoted at page 18 of the report, makes this clear. This assumption was also specifically questioned by Senator FULBRIGHT at the time of final passage of the bill in the Senate on May 6, 1960 (CONGRESSIONAL RECORD, vol 106, pt. 8, p. 9711).

I think you will agree that there was no real consideration of this assumption at the time the Bank Merger Act was being considered, partly because it was universally recognized that in the 70 years since its enactment the Sherman Act had proved entirely ineffective to control bank mergers and partly because the Bank Merger Act did not create any exemption for bank mergers from the Sherman Act. Aside from making these points clear, discussion of the Sherman Act was irrelevant to the consideration of the Bank Merger Act. It was expected that the Bank Merger Act would be the controlling law on the subject, though no effort was made to waive any application which the Sherman Act might possibly be found to have.

The suit by the Justice Department under the Sherman and Clayton Acts to enjoin a merger approved under the Bank Merger Act puts to the test the assumptions made during the consideration of the latter act.

I am glad to find that you and I are in full agreement that section 7 of the Clayton Act does not apply to bank mergers. I should find it hard to see any real significance in the Bank Merger Act if the stringent standards of section 7 should be applied to bank mergers.

The issue which I intended to raise in my remarks on your speech, is simply whether the general assumption at the time the Bank Merger Act was being considered—the assumption that the Sherman Act applies to bank mergers—will be borne out by the courts in the pending suit.

On examination of the question, it seems to me that there is substantial reason to question this assumption, and substantial reason to expect that the Supreme Court, consistent with the precedent established in the two baseball cases, would reach the conclusion that the Sherman Act of 1890 was not intended or expected to apply to the field of banking, and would therefore not apply that act to a bank merger.

If the Court should reach this decision, and hold that bank mergers are not subject to the Sherman Act, this would necessarily mean that bank mergers would not be subject both to the Sherman Act and the Bank Merger Act. This would obviate the conflict between statutes, the conflict between agencies, which you fear would make additional legislation necessary.

In my judgment this would be a most satisfactory result. I think the bank supervisory agencies, with the help of the comments of the Department of Justice on the competitive factors involved in bank mergers, are best qualified to determine the desirability of proposed bank mergers, from the point of view of both the banking factors and the competitive factors involved in bank mergers.

I am glad to have had this opportunity to go into this question more fully and more directly with you. I trust that our exchange of views has proved helpful to us and to others interested in the subject. We are, of course, both making forecasts about the outcome of litigation and, as lawyers, we know the hazards of such forecasts.

With kind regards, I am,

Sincerely yours,

A. WILLIS ROBERTSON,
Chairman.

Mr. ROBERTSON. Mr. President, in order to clear up some confusion which may have arisen on the application of section 7 of the Clayton Act, I should like to point out that the original section 7 of the Clayton Act applied only to transactions involving stock acquisitions, for example bank holding companies and the like. It did not apply to transactions accomplished by asset acquisitions. Since bank mergers are virtually always affected by asset acquisition, the original section 7 of the Clayton Act, therefore, had no significance as far as bank mergers were concerned. In 1950, section 7 of the Clayton Act was amended in a number of respects. It was broadened to cover asset acquisitions. However, the 1950 amendment did not broaden the act to cover bank mergers by asset acquisitions. So, since bank mergers are almost invariably affected by asset acquisitions, section 7 of the Clayton Act still has no significance in the case of bank mergers.

Furthermore, the statements made during the discussion of the Bank Merger Act in 1959 and 1960, expressing in one way or another the general assumption that bank mergers were subject to the Sherman Act—for the purpose of explaining that the Bank Merger Act was necessary and did not expressly repeal the Sherman Act with respect to bank mergers—have no significance so far as the interpretation of the Sherman Act of 1890 is concerned. Statements made in Congress in 1959 and 1960 are not a part of the legislative history of an 1890 statute.

I have set forth in my previous remarks and in my letter to Governor Robertson my reasons for thinking that when the Supreme Court considers the applicability of the Sherman Act to bank mergers—for the first time since the enactment of the Sherman Act—they will not follow the precedent of the South-Eastern Underwriters case, but instead follow what I consider to be the better and more recent precedent established in the baseball cases, where the Court said that it would not change a long-standing interpretation of a statute but would instead leave it to Congress to amend statutes.

AUTHORIZATION FOR PRESIDENT TO ORDER READY RESERVE TO ACTIVE DUTY

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar 617, Senate Joint Resolution 120.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The LEGISLATIVE CLERK. A joint resolution (S.J. Res. 120) to authorize the President to order units and members in the Ready Reserve to active duty for not more than 12 months, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. RUSSELL. Mr. President, the joint resolution which is now before the Senate is the second of two legislative items specifically requested by the Presi- in his address to the Nation on Tuesday evening. A letter from the President on this resolution is printed in the committee report.

The purpose of the joint resolution is to provide authority until June 1, 1962, for the President to order not more than 250,000 members of the Ready Reserve to active duty for not more than 12 months. It would also authorize until July 1, 1962, the extension, for not more than 12 months, of enlistments, appointments, and other periods of obligated service which would otherwise expire before July 1, 1962.

Under the statutory framework for the Reserve components, the members of the Ready Reserve are in a priority category of both vulnerability to recall to active duty and of readiness for such extended active duty because of their training.

The Senate may be interested to know that the strength of the Ready Reserve forces of the United States as of today is almost 2,700,000 members. In a national emergency proclaimed by the

President, as many as 1 million members of the Ready Reserve could be called to active duty for as long as 24 months. Thus it is apparent that the authority of section 1 of the joint resolution is in three respects more limited than the authority which the President would have should he proclaim an emergency.

First, not more than 250,000 members of the Ready Reserve may be ordered to active duty under the joint resolution, whereas the President could order 1 million under a declaration of national emergency.

Second, the period of active duty which may be required under the joint resolution is only 12 months. In the absence of the joint resolution, and proceeding under a declaration of emergency, the service could extend for 24 months, or twice as long as the service permitted under the joint resolution.

Third, the authority to order members of the Ready Reserve to active duty under the joint resolution extends only to July 1, 1962, whereas in a presidentially declared emergency, the authority for the ordering of the Ready Reserve to active duty would continue throughout the existence of such emergency.

The Reserve components of the Armed Forces are: First, the Army National Guard of the United States; second, the Army Reserves; third, the Naval Reserve; fourth, the Marine Corps Reserve; fifth, the Air National Guard of the United States; sixth, the Air Force Reserve; seventh, in case of a national emergency, the Coast Guard Reserve.

Each of these Reserve components is further divided into the Ready Reserve, the Standby Reserve, and the Retired Reserve. Only the Ready Reserve is affected by the joint resolution or subject to call in the case of a presidential declaration of emergency.

Each person who is required by law to serve in a Reserve component is first placed in the Ready Reserve. Some persons voluntarily remain in the Ready Reserve after they are eligible for transfer to a less vulnerable category, such as the Standby Reserve. Persons who are involuntarily in the Ready Reserve remain in that status until by length of service and Reserve participation they qualify for transfer to the Standy Reserve or until their Reserve obligation is completed. By law, the units and members of the Army National Guard of the United States and of the Air National Guard of the United States are in the Ready Reserve of the Army and the Ready Reserve of the Air Force.

The ordering of the Ready Reserve to active duty in the circumstances now obtaining is completely consistent with statutory provisions defining the purpose of the Reserve components as being to provide trained units and persons available for active duty in a war or national emergency, or at such other times as the national security requires, when more units and persons are needed than are in the regular components. There also is a statutory declaration of policy that whenever Congress deems that more units and organizations are needed for the national security than are in the regular components, the National Guard or such parts as are needed, together with units of other Reserve components necessary for a balanced force, shall be ordered to active duty.

There naturally is a great deal of interest in which units and individual members of the Ready Reserve are to be recalled in the present circumstances. Although there is a general indication of the types of forces that will be required, the specific units and members to be affected, and also the time of their call to active duty are as yet undetermined. I know that the Committee on Armed Services, the Senate, and the Congress in general desire an equitable and fair distribution of the responsibilities of military service. The overriding consideration in the decision on the members and units of the Ready Reserve who are to be ordered to active duty must be, of course, the requirements of the Armed Forces to maintain our security. To the extent consistent with these requirements, the law now provides that to achieve fair treatment as between members in the Ready Reserve who are being considered for recall to active duty without their consent, consideration shall be given to first, the length and nature of previous service, to assure such sharing of exposure to hardships as the national security and military requirements reasonably allow; second, family responsibilities; third, employment necessary to maintain the national health, safety, or interest. Moreover, since 1952 there has been a requirement for a continuous screening of units and members of the Ready Reserve, to insure that, first, no significant attrition will occur to those members or units during a mobilization; second, there will be a proper balance of military skills; third, members of the Reserve forces possessing critical skills will not be retained in numbers beyond the requirements for those skills; fourth, recognition is given to participation in combat; and fifth, members of the Reserve forces whose mobilization in an emergency would result in extreme personal or community hardship are not retained in the Ready Reserve.

Mr. CASE of South Dakota. Mr. President, will the Senator from Georgia yield for a question in regard to the paragraph of his statement he has just now read?

Mr. RUSSELL. I am glad to yield to the distinguished Senator from South Dakota.

Mr. CASE of South Dakota. The Senator from Georgia has referred to provisions of existing law with respect to the calling of persons in the Ready Reserve, and I note that those provisions of the law are cited in the committee report. I wonder, however, whether those provisions of law are applicable, in light of the declaration of the pending resolution "That notwithstanding any other provision of law."

The presentation made yesterday to the committee suggested to me that all existing provisions of law relating to the calling into the Reserve of these 250,000 would be abrogated, for the first sentence begins with the words "notwithstanding any other provision of law," and so forth.

I certainly share the hope of the chairman of the committee and the hope expressed in the report—namely, that the committee hoped these normal provisions with regard to the calling of Reserves would be observed. But I interpret the language—or, at least, that was the interpretation I got from the presentation yesterday—as meaning that the provisions of law the chairman of the committee has cited, and which are also cited in the committee report, are waived by the language "notwithstanding any other provision of law."

Mr. RUSSELL. Mr. President, I regret to find myself in disagreement with the distinguished Senator from South Dakota; I do not think these laws are at all affected. The provision "notwithstanding any other provision of law" waives the laws which require that none of the Ready Reserves can be called unless a national emergency has been proclaimed by the President or by a congressional resolution. That and the provisions on the total number that can be called and on the length of service are, in my opinion, the only provisions that are modified, that are waived by this language.

Certainly no provision of law would be repealed that lays down the standards by which they may be recalled, when we are recalling these men to active duty.

Mr. CASE of South Dakota. I think it very important, Mr. President, that we have a definite understanding on that point. Certainly if we are making any legislative history here, we are making it based upon what the chairman of the committee has said.

Mr. RUSSELL. Does not the Senator from South Dakota, who is one of the able members of the Armed Services Committee, agree that the committee had no intention whatsoever of having this legislation affect the rules guiding the standards to be applied in recalling them? I cannot possibly conceive that any contrary construction could properly be put upon it.

Mr. CASE of South Dakota. I hope the chairman of the committee is right; but I am not sure that is the interpretation the Department of Defense would have put on it.

Yesterday the chairman of the committee suggested—and, I thought, very properly—that the committee report stated what is hoped would be done and states the committee's hopes.

I read now from page 3 of the committee report:

> To achieve fair treatment as between members in the Ready Reserve who are being considered for recall to duty without their consent, consideration shall be given to—
>
> (1) the length and nature of previous service, to assure such sharing of exposure to hazards as the national security and military requirements will reasonably allow;
>
> (2) family responsibilities; and
>
> (3) employment necessary to maintain the national health, safety, or interest.
>
> Again, the committee recognizes that the primary consideration must be the selection of those members and units required for an adequate national security.

I interpret that to mean that although this is the normal provision of the statutes, in case men are recalled to duty

under a declaration of emergency by the President, the phrase "notwithstanding any other provision of law" waives that, and therefore we merely express the hope that the normal provisions in regard to calling to active duty those in the Ready Reserve would be observed. I hope the chairman is correct. I merely want the record to be clear.

Mr. RUSSELL. For my part, I cannot agree that that construction could possibly be placed upon it. In the first place, the provisions which the Senator has read from the committee report, and which are presented to the Senate, appear in the declaration of policy in an act; and the Senator was present when the members of the committee went further than those declarations and requested of the Secretary of Defense his cooperation, in further extending it, in seeing that those who had been on pay status would be called before those who had not been on pay status, and that those who had done only 6 months of active duty and were then put in the Reserves, would be called before those who had performed extended active duty. The Secretary of Defense, who is an honorable man, assured the committee that, so far as practicable, he would follow that policy.

Mr. CASE of South Dakota. I am glad to note what the chairman of the committee has said. I think the Secretary said "insofar as practicable," which, of course, creates something of a difference of opinion as to what is practicable. But, as chairman of the committee has said, I think the Secretary of Defense is certainly a most honorable person, and would administer the law in good faith.

Mr. RUSSELL. So far as my intent is concerned, in making the legislative history, I contend—and I am confident I am correct in my contention—that the laws which govern the selection of the Ready Reserve for active duty are not in any way repealed.

Mr. CASE of South Dakota. Are not in anywise repealed or modified by the use of the phrase in line 3?

Mr. RUSSELL. Except as to the number. We fixed a new number. We put a ceiling of 250,000 on the number that can be called, whereas the President, if he had proclaimed an emergency, could have called up to a million.

Mr. CASE of South Dakota. I think the chairman of the committee has made a most important statement, and I am perfectly satisfied on this point to have the interpretation exactly as the chairman has suggested.

Mr. RUSSELL. If there is any deviation, and it is brought to the attention of the Senate, I shall be happy to take it up with the Secretary of Defense immediately and obtain a clarification. I do not think there is any question about it. Of course, we are not going to be able to call up as many as 500 Reservists without working a hardship on some individuals. That is inevitable. If we have an emergency, some are going to make sacrifices. We have not been able to achieve equality of sacrifice in time of war. We are trying earnestly to do so in this instance. We are going to try to avoid what happened in Korea when we got into trouble there, hurriedly and unexpectedly, and we had to call up young men who had fought in World War II. Some had been out for 5 years, had just returned home, had just started businesses, had just started rearing families, and we called them and sent them to fight a second war, when there were millions of men in America who had not fought one war. We are trying to go as far as we can to avoid that situation, and see that the men who have rendered less service would be the first called, in the event Reserves are recalled.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SYMINGTON. The Senator from Georgia made this point with the Secretary. The Secretary assured the Chairman that he agreed with him in principle, and he would do the best he could to see that the calls were handled in the way described.

Mr. RUSSELL. He assured the committee.

Mr. SYMINGTON. He assured the committee.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. KEATING. It is heartening to hear that, and I am sure the Secretary of Defense will carry that out; but does not the Senator from Georgia feel that there are advantages in doing this by law, rather than by emergency Executive power? The Senator stated one of the advantages, namely, that it is for a shorter period of time. Another big advantage under present procedure seems to be that this responsibility is shared by the executive with the legislative branch. That is the way it should be. We want our potential enemies to know that the legislative branch stands 100 percent with the executive branch in these emergency requirements.

There is not one of us who will not have constituents who will be prejudiced by this action and who will feel they have been injured. But the American people, by and large, including those families, are ready and willing to stand up to what is necessary in a crisis like this. I feel it is a responsibility that should be shared between the legislative branch and the executive branch.

Mr. RUSSELL. I think the legislative branch in this instance is acting consistently with the constitutional requirement that we maintain the Armed Forces of the United States. It is the legislative responsibility, primarily, to see that we have an adequate defense.

Mr. KEATING. I agree with the Senator.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CASE of South Dakota. For the purpose of nailing down the point, I call attention to the fact that the first sentence of the joint resolution contains the words:

That, notwithstanding any other provision of law, until July 1, 1962, the President may, without the consent of the persons concerned, order any unit, and any member not assigned to a unit or organized to serve as a unit, in the Ready Reserve of an armed force to active duty for not more than twelve consecutive months.

I think that language was susceptible to the interpretation that the phrase "without the consent of the persons concerned" and "notwithstanding any other provision of law" seemed pretty wide open. I think the chairman of the committee nailed it down by the statement that the call is to be consistent with the provisions of law that would be applicable had the Ready Reserve been called on an emergency declaration.

Mr. RUSSELL. I think the Senator has served a useful purpose in bringing this question to the attention of the Senate, but I am certain that the provisions of this joint resolution changing existing law relate to the number who may be called and the length of their duty. The Congress of the United States is sharing the responsibility; and in so doing we not only limit the number to 250,000, instead of 1 million, but we limit the time of service that can be required from 24 to 12 months. They are significant changes.

Mr. CASE of South Dakota. Had the joint resolution provided, "notwithstanding the provisions of law pertaining to calling up the Ready Reserve under an emergency declaration," or cited the law, it would be clear that was the law being suspended; but the use of the phrase "notwithstanding any other provision of law" created an area of some uncertainty. I think it is clear, on the basis of what the chairman has said, that the law that has been abrogated is the one he stated.

Mr. RUSSELL. I assure Senators and the Secretary of Defense that by adopting this resolution we do not intend to waive a single provision we enacted following the Korean war in an attempt to divide the hazards and time and efforts involved in defending the United States as widely as possible among those who are eligible for military service.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. I point out that the President is taking this action without declaring an emergency.

Mr. RUSSELL. Of course; and this joint resolution provides a time limitation up to July 1, 1962; if the President declares an emergency he can keep it in operation so long as he serves as President of the United States.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. RANDOLPH. This question is for the purpose of information and clarification. What will be the status of young men who are within the draft age who are now students in our colleges or universities?

Mr. RUSSELL. All young men between the ages of 18½ and 26 are subject to the draft. The possibility of young men in colleges being called would be affected by a number of considerations. Some of the questions I cannot answer.

In the first place, I do not how how many men will be called. There will be a substantial step-up. The local boards will establish priorities, to determine whether to put these young men in I–A. Some local boards have their own rules. Some feel that so long as a man is making certain grades in college they will let him stay, and if he fails below this level in his grades they reclassify him to I–A and make him available.

I will be perfectly frank with the Senator. I should say that the possibility of a young man between the ages of 18½ and 26, now in college, being called to active duty will be greater. They would be greater whether we passed this measure or not. We are strengthening the defenses of the United States, and we shall have to utilize the draft law. This measure would not change the draft law itself. Any young man who is within the draft age, who is physically and mentally qualified, whatever may be his position, is in greater danger of being called, but we are not seeking to repeal any deferment given to students in colleges who are maintaining specific scholastic standards.

Mr. RANDOLPH. I appreciate the response of my colleague, who is informed and knowledgeable on this subject, yet who admits very frankly that this is a developing problem as we broaden the call and increase our Armed Forces. This action is necessary and our citizenry supports the President in mobilizing our resources, both military and economic to meet the Soviet threat.

Mr. RUSSELL. I do not know how many will be called.

Mr. RANDOLPH. That is understandable.

Mr. RUSSELL. I am sure the number will be several times the 7,000 to 8,000 a month who have been called for the past few months. However, there is a pool of about 1½ million young men within the age limitations who have not yet been examined for classification.

Mr. RANDOLPH. I have one further inquiry. Today I received a telephone call from a parent, in this case a father, who has limited financial means. He said that he had contacted the institution of higher learning at which his son is now a student in reference to the refund of tuition costs if his son was called in the autumn after having begun another school year. The payment would be several hundreds of dollars. He further indicated that he felt the institution would not reimburse the money, if paid for the son. This is an important consideration for him as it will be in many cases, where parents are making sacrifices for their children. They are patriotic and are fully in accord with the step-up of the draft.

Mr. RUSSELL. I suggest that the parent discuss the problem with the local board. The members of the board know the people in the community. They know the sacrifices being made. They know whether they would be justified in extending the time for the young man before he is called to service because his father, who is a man of limited means, has invested a great deal in his education. I think any ordinary local board, composed of reasonable American citizens, would take all those facts into consideration.

Mr. RANDOLPH. I feel the colloquy has been helpful.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Florida.

Mr. HOLLAND. I do not have the great familiarity with this subject the distinguished chairman of the committee has, and it may be that the law itself answers the question I am about to ask.

How will the draft law, when this measure is passed, apply to students at medical and dental schools who maintain adequate academic standards toward graduation?

Mr. RUSSELL. I should be very much surprised if it touched a single one of them, because we have had to pass special laws in regard to the draft of doctors up to the age of 35 in order to maintain medical men in the services. In no emergency in which this country has ever engaged have we failed to give deferment—not exemption, but deferment—to medical students who maintain certain grades because, unfortunately, one of the great needs of the country during time of war is for doctors. We have always had to put them in a deferred category.

Mr. HOLLAND. Does that deferred category result from the operation of the law or from the operation of the regulations under which the law is administered?

Mr. RUSSELL. It is my recollection that it comes about by virtue of regulations of the President. The President is authorized by the law to defer persons whose activities promote the national health, safety, or interest. On three occasions when we required considerable mobilization, including World War II when we had in excess of 12 million men and women in the service, there was never any question whatever of the deferment of medical students. Indeed, the Government went so far as to pay their expenses in school, because there were not enough who were going of their own accord.

Mr. HOLLAND. Mr. President, if I correctly understand the remarks of the distinguished Senator, the chairman of the committee feels there would be no prejudice at all against students in regard to remaining in medical and dental schools if they maintained adequate academic standards.

Mr. RUSSELL. It is incomprehensible to me how we could possibly get into a position in which those students would be in danger. Even if we got into an all-out nuclear war the need for doctors would be much greater than it would be in a war with conventional weapons.

Mr. HOLLAND. That would be true with respect to pupils selected by the selection committees of the medical and dental schools for admission during the time of operation of the law, would it not?

Mr. RUSSELL. I am quite sure it would.

Mr. HOLLAND. The same rule would apply.

Mr. RUSSELL. Usually the local draft boards are composed of men of good judgment and hard commonsense. They are appointed by the President on recommendations by Governors of the States.

I think the odds would be quite overwhelming that it would be ridiculous to think those men would be in the slightest danger if they had admission certificates to a medical school.

Mr. HOLLAND. The distinguished Senator feels, as I understand him, that the local boards would recognize the soundness of the selection process?

Mr. RUSSELL. If the local board did not, I am confident the State appeals board would. If the State board did not, the national board certainly would.

Mr. HOLLAND. They would recognize the selection process.

Mr. RUSSELL. In any event, it would require a change in regulations to reach the man.

Mr. HOLLAND. I thank the Senator.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Missouri.

Mr. SYMINGTON. As I understand the able Senator from Georgia, he is saying that decisions are to be made by the local board. The fact that a man wishes to go to college or is in college is not necessarily a cause for deferment; is that correct?

Mr. RUSSELL. It is not.

Mr. SYMINGTON. I thank the Senator.

Mr. RUSSELL. Of course, in certain categories of skills and sciences, such as the medical professions, it is a very sound reason for the man to be deferred. Under the law, this does not waive the service requirement.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Ohio.

Mr. LAUSCHE. Is the draft law so drawn that it contemplates mobilization to the best advantage, in the interests of the security of the country, of those persons who, by reason of age, fall within the terms of the law?

Mr. RUSSELL. That is what we have undertaken to write into the law, and likewise to state in the report.

Mr. LAUSCHE. The mere fact that a person goes to college does not mean he will be granted a deferment or an exemption.

Mr. RUSSELL. Of course, it would be a ludicrous situation to have supposed equality of service, and at the same time to say that because a man is in college he is immune from serving his country.

Mr. SYMINGTON. Or to apply that rule to a man who wishes to go to college.

Mr. RUSSELL. Or to apply it to a man who wishes to go to college.

There has been much talk about young men seeking refuge in college to escape service. Undoubtedly there have been some cases of that kind.

If Senators will examine the records of World War I and World War II I think they will find that the percentage of young men in college who immediately responded, without the need for a draft law, would compare favorably with the percentage of those in any other category in the United States. It is not fair to say that because men are in college they are there for the purpose of avoiding the draft. Thousands of such men immediately responded to the call in both world wars, before machinery existed to take them into service.

Mr. LAUSCHE. I am glad to have the Senator say that. I concur.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SYMINGTON. The reason the point was raised is that there was a radio broadcast which at least implied that people would be exempted or deferred if they planned to go to college. The question was raised several times in the committee.

I doubt very much whether that broadcaster is administering any part of the selective service law. I did not hear the broadcast. There is nothing in the law that would permit that. Of course, Congress would not stand for it. I will read the provision of the law:

Deferments may be authorized by the President for persons—

That is, it is on an individual basis—

in any category of industry, agriculture or other employment whose activity in study, research, medical, dental, scientific (and some additional endeavors) is found to be necessary to the maintenance of the national health, safety, or interest. The President cannot, however, defer all persons in any individual category. Deferment must be on the basis of individual status.

A deferred person remains liable for induction until he is 35 years old. Even the President cannot defer all persons in a particular status.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. Is it not also true that college boys generally would not be affected by the bill, in the first instance, to the degree that older men between the ages of 23 and 26 would be? It is my understanding that the draft now is taking men between the ages of 23 and 26 rather than younger men.

So a boy who ordinarily is in college between the ages of 18 and 22 would not be affected to the same degree as would men who are out of college.

I should like to say to the Senator from Ohio [Mr. LAUSCHE] that the chairman of our committee is a very modest man, and he did not call to the attention of the Senator from Ohio the fact that yesterday he emphasized as strongly as anyone could emphasize to the Secretary of Defense that he believed that the new law should be administered as fairly and as equitably as possible, regardless of where the boy might be, what type of boy he might be, or where he might be studying. I emphasize that the bill would apply mostly to boys between 23 and 26, from my understanding of the situation at the present time.

Mr. RUSSELL. I believe the average age of young men being drafted today is approximately 23.

Mr. SALTONSTALL. Yes.

Mr. RUSSELL. Of course, only a small number are being drafted. Last year, as I recall, we drafted about 100,000 men, whereas approximately 450,000 other men entered the service by enlistment. By enlistment they could enter the branch of the service of their choice. Of the approximately 550,000 recruited, only about 100,000 were actually inducted under the selective service law.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HOLLAND. Under the proposed legislation would there be any change in the manner of selection of doctors and dentists to be called back into service?

Mr. RUSSELL. The joint resolution would not amend the selective service law in any particular.

Mr. HOLLAND. Would the method of choosing doctors and dentists under which they have been called be changed?

Mr. RUSSELL. We will still have in existence the selective service law, under which we can draft doctors up to the age of 35 years at the present time.

Mr. HOLLAND. Under the machinery of the selective service laws, doctors from that group are selected in various areas and attempts are made to adjust the taking of such doctors in a way as to affect the civilian population least.

Mr. RUSSELL. We have been living under that procedure for a long time. A doctor practicing in a rural county can nearly always obtain a deferment until another doctor can be brought into the community. I think the rule of reason has been pretty well applied in its application to doctors and dentists who are drafted.

Mr. HOLLAND. The doctors' draft has not changed in any way.

Mr. RUSSELL. Not so far as concerns the age requirements. The term of duty of anyone who is now in the service may be extended for 12 months if the President wishes to do so. There is that much change provided for.

Mr. HOLLAND. So far as the procurement of new doctors and dentists is concerned, the same methods that have been found adequate for some years will be followed without change?

Mr. RUSSELL. The understanding of the Senator from Florida is the same as my own.

Mr. CASE of South Dakota. Under the provision of section 2 would it not be possible to extend the period of service of a doctor or a dentist by 1 year?

Mr. RUSSELL. Yes. I just stated to the Senator from Florida that such extension could be made. I said that is the only change that I knew of that the joint resolution would make. The President could extend by 12 months the service of any doctor or dentist now in the service.

Mr. CASE of South Dakota. While I am on my feet, with respect to section 2, the phrase appears, "notwithstanding any other provision of the law." Does the chairman state for the record as his interpretation that the only law which would be abrogated is that law or those laws which relate to the period of time or length of service?

Mr. RUSSELL. The Senator has certainly stated my understanding, and the fact that the provision limits the proposal to expire on July 1, 1962.

Mr. CASE of South Dakota. I think that provision is important also.

Mr. RUSSELL. We do not define, in the bill, any emergency. We do not declare a legislative emergency.

Mr. SALTONSTALL. That is what the interpretation means.

Mr. RUSSELL. Yes.

Mr. CASE of South Dakota. The extension of time factor in the enlistment contract or duty contract, whatever it may be, may be exercised by the Secretary of Defense only upon authorization of the President?

Mr. RUSSELL. The Senator is correct. Of course, undoubtedly, so far as the power is concerned, under section 2 the President would have the authority—the naked power—to extend the term of service of every person now in the armed services by 12 months.

Mr. CASE of South Dakota. Regardless of his age.

Mr. RUSSELL. The Senator is correct.

Mr. CASE of South Dakota. Or anything else.

Mr. RUSSELL. The Senator is correct. I mean if the person is physically qualified for duty.

Beyond these provisions, the committee hopes that to the extent this action is consistent with requirements in the present circumstances, priority in the selection of members for ordering to active duty under this resolution will be given to those reservists who have not performed active duty other than 6 months of active duty for training and to those reservists who have been in a drill pay status and thus have been compensated for their participation in the Reserve. The committee is aware that it will not be practical to follow this guidance without exception, especially in those cases in which entire units may be required on active duty. Nonetheless, one of our objectives has been to create a Reserve composed largely of persons who have not fought a war or served long periods on active duty. Many members of the Senate will recall the many hardships and inequities that were necessary during hostilities in Korea when there was no choice except to mobilize reservists who were veterans of World War II.

Section 2 of the resolution contains discretionary authority for the extension for not more than 12 months of enlistments, appointments, and other periods of obligated service that otherwise would expire before July 1, 1962.

Let me stress that this is not a wholesale extension of all such periods of obligated service by operation of law. The Secretary of Defense assured the Committee that this authority will be selectively and sparingly used to avoid the loss of trained personnel for whom no satisfactory replacements are immediately available. There is no intent to use this authority to avoid actions to

procure the necessary personnel by other means. Inductions will be increased, enlistments will be increased, and additional junior officers will be procured.

At the present time some of the young men who come out of college ROTC serve only 6 months. It is wholly likely more of them now will have to do 2 years of duty owing to the increase in size of our forces and the building up of three additional divisions. Despite these steps, there are some persons whose obligated service would otherwise expire before July 1, 1962, and whose services the Armed Forces can hardly afford to lose in the situation that immediately confronts us.

The extension is limited to about 12 months, because we regarded that as being adequate time for the Army to train a replacement for any man who might necessarily be held over because he was a specialist.

Another purpose of section 2 is to permit an extension of the periods of active duty for training that are performed by the Reserve members and units not on active duty. Ordinarily, the length of such active duty for training is not more than 15 days annually. The Secretary of Defense testified that the authority of section 2 may be used to extend the length of such periods of active duty for training by 2 to 4 weeks above the period now required.

As all Senators know, those members of the Ready Reserve who are attached to units and are in a pay status now are required to do 15 days of active duty each year. The provision of law to which I refer would give the Secretary of Defense authority to extend that period of training without calling them to active duty. There is no intention to extend it indefinitely.

Mr. CASE of South Dakota. Let us nail that down a bit.

Mr. RUSSELL. Yes.

Mr. CASE of South Dakota. Under the language of the joint resolution, he could extend that training period by 12 months.

Mr. RUSSELL. Yes; he could.

Mr. CASE of South Dakota. But what the Chairman is saying is that the Secretary of Defense in presenting the joint resolution indicated that he might expect to use it to extend the training period from 2 weeks to 4 weeks. Is that correct?

Mr. RUSSELL. He said he would not in any case extend it for more than 4 weeks, over what it is now. The Secretary of Defense, if he acted otherwise, would be guilty of a breach of faith with the Senate of the United States and with an arm of the Senate, its Committee on Armed Services.

Mr. CASE of South Dakota. I believe this is important legislative history.

Mr. RUSSELL. I agree with the Senator. I have great confidence in the Secretary of Defense.

Mr. CASE of South Dakota. So do I.

Mr. RUSSELL. I do not expect him to break his word.

Mr. CASE of South Dakota. I am sure he would not do other than act in accordance with the assurance he gave the committee.

Mr. RUSSELL. He could extend the period by 12 months.

Mr. CASE of South Dakota. But he does not expect to increase it for more than 4 weeks.

Mr. RUSSELL. Yes. If the big bell were to ring, of course everyone in the Active Reserve, whether Standby or Ready, would be called. If conditions do not worsen, in my opinion there will not be more than 100,000 persons called under the provision in the bill authorizing the ordering of the Reserves to active duty. The training time of the National Guard and Reserve divisions will probably be extended by 2 to 4 weeks.

In my individual opinion it should be extended by 2 weeks. These men have all had at least 6 months of active training with troops. However, the 2 weeks they spend now is not sufficient to get them into the physical condition which they should be if they are to respond immediately.

Mr. CASE of South Dakota. Mr. President, will the Senator yield further?

Mr. RUSSELL. I yield.

Mr. CASE of South Dakota. Will the protection which is ordinarily afforded to the National Guardsman who is on active duty for training for 2 weeks or for a 15-day period during the summer, with respect to his job, carry over to the tour of extended active duty?

Mr. RUSSELL. There is not the slightest doubt in my mind that he will retain every reemployment protection that he has under existing law. The Senator is one of the most active members of the Armed Services Committee, and he knows how diligently we have safeguarded those rights.

Mr. CASE of South Dakota. It is important that we give assurance to the National Guardsmen that they will have job protection.

Mr. RUSSELL. They will have every protection they have under existing law.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HOLLAND. I have had an opportunity to talk not only with the distinguished chairman of the committee, but also with other members of his committee about the importance, as I see it, of giving recognition for previous service by members of the Reserve, especially those who have established themselves in their profession or calling, by using, in the first instance, members of the Reserve who have not had wartime service or any service except training.

Mr. RUSSELL. The Senator is correct.

Mr. HOLLAND. I, therefore particularly commend the distinguished chairman and his committee for that paragraph in their report.

Mr. RUSSELL. So much time has elapsed since World War II that any man who is in the Ready Reserve and who has served in Korea or in World War II is there voluntarily because he wants to be there and because he asked to be there; otherwise he would have been transferred to the Inactive Reserve before this.

Mr. HOLLAND. I appreciate that fact. I appreciate even more the paragraph in the committee report which begins with the sentence:

> One of the longstanding objectives of the committee has been the creation of a Reserve composed largely of persons who had not previously fought a war or served long periods of active duty.

Mr. RUSSELL. That is correct.

Mr. HOLLAND. I ask the Senator from Georgia if he agrees that the paragraph should be printed in the RECORD at this time.

Mr. RUSSELL. Yes.

Mr. HOLLAND. I express for myself and for every Member of the Senate who is not a member of the committee appreciation for this fact, because we all saw many unnecessary hardships visited upon members of the Reserve because of the failure to recognize this important principle during the Korean catastrophe.

Mr. RUSSELL. Not in 40 years of public life have I suffered the agony that I suffered when I saw men who had fought in World War II called from wives and young children and businesses that they had started, to go to Korea. Some of them had had service in World War II for as long as 5 or 6 years. For that reason I dedicated myself to the enactment of laws for the Reserves which would more fairly distribute the duty of every citizen of this country to defend it in time of peril.

Mr. HOLLAND. For that attitude on the part of the distinguished chairman and his committee I congratulate them warmly. I ask unanimous consent that the paragraph I have mentioned be incorporated in the RECORD at this point, with the approval of the Senator from Georgia.

Mr. RUSSELL. I am happy to have that done.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

> One of the longstanding objectives of the committee has been the creation of a Reserve composed largely of persons who had not previously fought a war or served long periods of active duty. One of the principal purposes in establishing the 6-month training program was the creation of such a Reserve. In an attempt to distribute equitably the responsibilities of military service, the committee hopes that to the greatest extent consistent with military requirements the members of the Ready Reserve who are ordered to active duty under the authority of this resolution will be those whose previous active service has been limited to 6 months of active duty for training and to those who have been in a drill pay status in the Reserve.

Mr. RUSSELL. Mr. President, we all hope and pray that it will not be necessary even to use the rather modest powers which are granted by the joint resolution. However, no one knows what the future holds. That is particularly true when we are dealing with people who have a totalitarian form of government, under which the destiny of 200 million people is committed to one man.

I was shocked to read the other day that the Ambassador from the Soviet Union, Mr. Menshikov, was quoted as having stated that in his opinion the

American people would not fight to discharge their responsibilities in a measure to defend the liberties that differentiate our society from that of any other under the canopy of God's heaven.

I say with the utmost solemnity that I hope further investigation will be made before Khrushchev acts on any such statement, because he could not make a more tragic error than to mistake, perhaps, a too great tolerance of the American people for cowardice or unwillingness to fight and, if need be, die should occasion arise.

Kaiser Wilhelm made the mistake of underestimating the willingness of American people to fight. Hitler made it, too, and as a result he died in a bunker outside Berlin. I hope Khrushchev will profit by their example.

We in this country will go to any length to avoid war. But when it comes to a question of surrendering our honor or our freedom, in my opinion Americans still have the will to fight and the will to assemble the means to fight. If we are forced into a war, whatever it takes, even though all the casualties will not be on the battlefront, and though they may be counted in the millions, once we are committed to it we will see it through to victory.

I hope that that will not happen, because even with a victory gained by us, the civilization we have today would be a shambles.

While there is certainly no sense of glee or exhilaration in taking the precautionary actions contemplated under this resolution, neither should there be any feeling of despair. Much has been spoken and written in recent years about a tendency to overstate our national accomplishments and potentialities. I do not agree. My own view is that the almost limitless spirit and determination of our people are still being underestimated. Approval of this resolution will be another manifestation that the American people understand the significance of the crisis that is being forced upon us and that we will respond with all our resources.

Mr. HOLLAND. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. HOLLAND. I know there is concern among some young Reserve officers who are married and have assumed obligations in connection with the purchase of homes as to whether or not anything comparable to the Soldiers' and Sailors' Civil Relief Act, which was applicable during World War II and the Korean war, would be applicable at this time to men called up among the 250,000.

Mr. RUSSELL. I am confident that law is still in effect. If it has been repealed, I have no knowledge of it.

Mr. HOLLAND. The Senator thinks it is a permanent law, does he?

Mr. RUSSELL. Yes, I believe it is permanent legislation. If it is not, it certainly should be reenacted.

Mr. HOLLAND. I thank the Senator. The young men who are now to be called are entitled to know that advantage will not be taken of them in important matters such as the foreclosure of mortgages on their homes by reason of their service.

Mr. RUSSELL. Under a political system such as ours, I think we may safely assure any young man who may be called to service under this act that he will have all the protection of the laws that this country has always afforded its soldiers, sailors, and airmen in time of war.

Mr. HOLLAND. I am certain that that statement by the distinguished chairman of the committee will be reassuring. I feel, as he does, that Congress would speedily enact such legislation if it were found to be necessary. I thank the chairman.

Mr. CASE of South Dakota. Mr. President, I offer my amendment which is at the desk and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, add a new section to read as follows:

SEC. 3. The Secretary of Defense is authorized and directed to establish (1) a lump sum incentive payment which shall recognize prior service in an active duty status for those persons who volunteer and are accepted for twelve months extended duty in the categories desired for the purposes of this Act and (2) a schedule of extended duty pay which shall be applicable to all persons who serve additional active duty periods under the authority of this Act. Compensation provided under the authority of this section shall not be construed to impair any compensation, entitlement, or emolument to which the person may be otherwise entitled. In establishing such schedules, the Secretary shall give consideration to the character and length of prior military service on active duty and to the incentives which are offered for full-term reenlistments.

Mr. MANSFIELD. Mr. President, will the Senator from South Dakota yield?

Mr. CASE of South Dakota. I yield.

Mr. MANSFIELD. Mr. President, I desire to propound a unanimous-consent request. I do so after having discussed the proposal with the chairman and the ranking member of the Committee on Armed Services and the distinguished Senator from South Dakota, the author of the amendment now before the Senate.

I ask unanimous consent that there be allotted on this amendment and all amendments thereto, 30 minutes, 15 minutes to a side, half of the time to be under the control of the distinguished Senator from South Dakota, and half of the time to be under the control of the chairman of the committee, the distinguished Senator from Georgia [Mr. RUSSELL].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the agreement is entered.

Mr. CASE of South Dakota. Mr. President, I yield myself 5 minutes.

At the outset, I wish to say clearly for the record that I recognize as well as anyone else that when we provide for more ships, more planes, and more trucks, more men are required to operate them. It does not merely take men; it takes trained men. So regardless of the decision with respect to this particular amendment, I expect to vote for the passage of the joint resolution.

I do not believe the country can take the general position it is taking without preparing for eventualities. However, the amendment I have presented can be simply stated in this way. It seeks to provide a way in which reservists who would like to volunteer for the 12 months of special duty may volunteer and have consideration of their availability in the hope that they would provide most of the 250,000 who might be wanted.

The second purpose of the amendment is to make possible longevity pay applied to a 12-month extension of duty. Today, under the general laws applicable to service, if a person volunteers or extends his period of duty for a regular enlistment period, he is entitled to receive a reenlistment bonus. If his service is extended for a regular period of service, he is entitled to a certain amount of longevity pay.

My amendment merely makes it possible to pay a bonus for voluntarily extending Reserve duty and have it limited to the 12-month period, or to have a reenlistment bonus recognized for a 12-month extension of duty and to make possible longevity pay where the extension of service is only for 12 months, rather than for 2 years or 3 years or 4 years or 6 years, as the case might be, under the regular requirements for reenlistment periods.

It should be noted that the control of what that amount might be, either for the reenlistment or the extension-of-service bonus or for the longevity pay, would be in the control of the Secretary of Defense, who, in establishing such schedules, would give consideration to the nature and length of prior military service on active duty and to the incentives which are offered for full-term reenlistments.

I reserved the right, so to speak, yesterday in the full committee to offer the amendment, because there was no opportunity at that time to get some of the information I needed with respect to the numbers involved, or to get testimony with respect to the application of existing law before the committee should report the joint resolution. I voted against reporting the measure, stating, as I did so, that I desired time in which to prepare the amendment which I have now submitted.

I submitted the text of the amendment to the distinguished chairman of the committee and also to the Department of Defense during the afternoon, as soon as it was possible to draft the amendment and have copies made. This morning I received a letter from the Assistant Secretary of Defense for Manpower, signed by Mr. Carlisle P. Runge, commenting upon the text of the amendment.

Mr. President, I ask unanimous consent that the letter may be printed at this point in the RECORD, so that all Senators may have the opportunity to refer to it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., July 28, 1961.

HON. FRANCIS CASE,
U.S. Senate.

DEAR SENATOR CASE: The Secretary of Defense has asked that I submit the views of the Department of Defense concerning your amendment to Senate Joint Resolution 120

which, in effect, directs the Secretary of Defense to provide a lump-sum payment for those who volunteer for and serve 12 months' active duty in a needed category and a schedule of extended duty pay for those who serve additional active duty under the resolution, presumably whether voluntarily or not.

The Department of Defense must oppose this amendment for the following reasons:

1. This amendment would be extremely costly and in our judgment would not provide any beneficial result or add any incentive to the purposes of the joint resolution. In fact, we perceive a very detrimental and deleterious result should such an amendment be adopted. The Military Establishment exists, and the members who are part of it serve, for the very purpose for which this resolution is intended. They do not expect nor would it be right to grant them extra payment to meet a requirement and a duty for which all of them are trained and prepared to perform.

2. The payment of extended duty pay in consideration of involuntary extension of active duty in a situation of unknown duration would result in marked discrimination among servicemen, for it is based solely on the fact that their terms of service happen to expire during the effective period of this resolution.

3. If the provisions of paragraph 2 are meant to apply to members of the Ready Reserve who have an obligation to serve on active duty which has been imposed by statute or which has been assumed voluntarily, the payment of special scales for those who serve additional active duty is inconsistent with the basic concept of the Ready Reserve.

4. If on the other hand, the provisions of paragraph 2 apply only to those whose active service extended under section 2 of the joint resolution, then the amendment would discriminate against the ready reservist ordered to active duty. For example, many ready reservists have had 2 years of active duty some time past. Such reservists would not receive extended duty pay while another individual who has currently served only 6 months would receive the extended active duty pay.

5. The Congress traditionally has provided equitable benefits for individuals who have served in wars or emergencies, but has provided such benefits at a time when the nature of the service could be accurately evaluated and when the benefits could be placed on an impartial basis. This amendment unfortunately satisfies neither of these criteria.

In short, it is our opinion that such an amendment would have a serious and profound effect as a precedent which this Department cannot support. That is, during times of need, we cannot use financial compensation as a rallying cry to stimulate voluntary extensions of duty or to recognize extended active duty when we have a demanding national security requirement.

I trust that the reasons set forth above will in some measure portray our strong feelings against the amendment.

Sincerely yours,

CARLISLE P. RUNGE.

Mr. CASE of South Dakota. Mr. President, I wish to comment upon the Secretary's reply in this respect. I have had the feeling that the operation of the selective service law has not achieved the universality of service which the chairman this afternoon said was a desirable objective. I agree with him 100 percent that there should be universality of service when it comes to the defense of one's country. I do not like the various loopholes and exemptions which have been developed and the way in which they have been operating. Last year, about 1,200,000 men were enrolled under the Selective Service Act. Actually, about 100,000 were drafted; 400,000 found their way into the military service through some other form, such as enlistment. This means that a large number of men who are registered annually never see military service.

I myself believe that if the period of liability were reduced from age 35 to age 26 or 27, the period of responsibility could be sharpened. However, we are not here dealing with the provisions of the Selective Service Act itself, except as to the time period.

What is proposed in the joint resolution now before us is a unilateral revision of the enlistment or service contract, so far as time is concerned. The Government would say by the joint resolution that the President will have the authority to delegate to the Secretary of Defense the power to extend unilaterally any period of service by an additional 12 months. The man who is in the service will not be consulted. The extension will take place under the authority of the act.

It has seemed to me that if that is done, then we ought to give that man, for the 12 months' extension of service, longevity pay, so to speak, which would be consistent with the longevity pay he would get if he reenlisted for a 2-year period or a 3-year period, or extended his service voluntarily under the various categories of service.

All my amendment really proposes is that there be the opportunity to have a reenlistment bonus or an extension of service bonus or a lump-sum payment under clause 1, and longevity pay under clause 2.

I hope the amendment will be accepted and taken to conference, for an opportunity to arrive at whatever modifications or improvements might occur to the Department of Defense or to the conferees.

Mr. President, I reserve the remainder of the time available to me.

Mr. RUSSELL. Mr. President, I yield 4 minutes to the distinguished Senator from Massachusetts [Mr. SALTONSTALL].

The PRESIDING OFFICER (Mr. METCALF in the chair). The Senator from Massachusetts is recognized for 4 minutes.

Mr. SALTONSTALL. Mr. President, I thank the Senator from Georgia for yielding to me.

Let me state that I joined with the Senator from Georgia in reporting the joint resolution to the Senate, following the request of the President of the United States.

Mr. President, there is no more patriotic citizen than the Senator from South Dakota [Mr. CASE], and there is no more careful, conscientious Member of the Senate than he. Certainly I know that in offering this amendment and in voting against the joint resolution in the committee, he acted sincerely, because he felt it could be made fairer to those who have to serve. I realize that his motive was entirely a patriotic one.

Mr. President, I am opposed to the amendment for several reasons, which I shall state briefly.

First, we build up the Ready Reserve for exactly the purposes for which the President is requiring these men to serve at the present time. They are paid as reservists, to be ready to be called to active duty if the situation requires it.

The Senator from South Dakota has placed in the RECORD a letter from Carlisle P. Runge, of the Office of the Secretary of Defense. That letter very strongly opposes this amendment.

At this time I should like to place in the RECORD a memorandum I received this morning from Mr. Runge, at my request. It is entitled "Ready Reserve Not on Active Duty." It reads as follows:

Ready Reserve not on active duty

	Ready Reserve	Drill pay status	Paid training status	
			Active duty for training only (15 to 30 days)	Total paid status
Army National Guard	402,037	395,949	None	395,949
Army Reserve	1,032,841	301,723	51,300	353,023
Naval Reserve	477,880	129,716	3,885	133,601
Marine Corps Reserve	208,427	42,435	2,400	44,835
Air National Guard	70,932	70,932	None	70,932
Air Force Reserve	209,030	63,906	7,505	71,411
Grand total	2,401,147	1,004,661	65,090	1,069,751

The table shows that at the present time, 1,004,661 of these men are on a drill pay status. As I understand, they are paid for 48 different training periods in the year, plus a 15-day camp period once a year.

There are also on paid training status active duty, for from 15 to 30 days each year, 65,090 more men; and at the present time, of the total of 2,401,147, 1,069,751 are being paid either for 15 days of service or for 48 drill periods, plus 15 days.

It seems to me that these men, particularly those who are being paid for 48 drills, are being called to active service fairly, because they went into the Reserve with the idea that they might be called at some time.

It seems to me that answers in a very broad way, but a very clear way, the amendment proposed by the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield, if the Senator from Georgia will yield sufficient time to me.

Mr. RUSSELL. I am glad to do so; I yield 3 more minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The time first yielded to the Senator from

Massachusetts has expired. The Senator from Massachusetts is now recognized for 3 additional minutes.

Mr. CASE of South Dakota. The lump-sum incentive payment would not be applicable to all these men, under the amendment. It would be applicable only to those who have had prior service in an active duty status. The reservist who has gone into the Reserves after a 6-month period of training or the man in the National Guard who has never had any active-duty training would not be eligible to receive the lump-sum incentive payment under clause I of the amendment. The lump-sum incentive payment would be available to those who have had prior service in an active-duty status.

Mr. SALTONSTALL. However, Mr. Runge points out, in his letter, as I read it, that it is not clear whether paragraph 2 is meant to apply to members of the Ready Reserve who have an obligation to serve on active duty, under statute, or whether the amendment applies only to those whose active duty service is extended under section 2.

The Secretary of Defense, in answer to a question by me, said very frankly that a man might have his period of time run out on June 29, 1962, with only 2 days more to serve, and then have to serve another year, under this joint resolution; and he agreed that perhaps that was not as fair as the joint resolution would be to another man.

But I say most respectfully to the Senator from South Dakota that we know that no law can be entirely fair when it applies to people—and especially so, in this case, when their Government requires them to enter the service. We know that was true under the draft law in both World War I and World War II; and there will be a certain amount of unfairness in connection with this resolution when it becomes law.

But as I see the situation now, essentially—and I think this is the answer to the Senator from South Dakota—a million reservists are paid for 48 drills a year and 2 weeks of service; and they are now being required to go on active duty, at a time when the Commander in Chief, the President of the United States, believes they should be called to active duty. I think that is really the answer to the amendment of the Senator from South Dakota.

Mr. CASE of South Dakota. I have no objection to that. I merely suggest that those who have had prior active-duty service be offered a lump-sum incentive payment if they want to volunteer to meet this special requirement.

The PRESIDING OFFICER. The time yielded to the Senator from Massachusetts has again expired.

Mr. RUSSELL. Mr. President, I desire to say only a few words on the amendment. It is unnecessary for me to state the respect I have for the distinguished Senator from South Dakota. He is one of the most valuable members of the Armed Services Committee. His "nose" for legislative errors truly amazes me.

But, Mr. President, this is one time when I feel that the distinguished Senator from South Dakota has fallen into a very grave error and has not fully thought through the amendment he has proposed.

In the first place, the Department of Defense points out, very properly, that this amendment would be most difficult to administer and would be costly.

We have in the armed services persons who are serving under three or four different situations. Some are there to do 6 months' active duty and then go into the Reserves for 7½ years. Some are there for 2 years, and have 2 years of Ready Reserve duty hanging over them.

Members of the National Guard, in their unusual position, are now required to do 6 months of active duty for training.

Certain young men enlist for 4 years because they prefer the Air Force or the Navy or the Marine Corps.

I point out one of the inequities which could flow from this amendment: Two young men, living in the same town, across the street from each other, might decide to discharge their military obligation by serving in the Air Force. One of them would take the 6 months' route, with a 7½ year Reserve obligation in the Ready Reserve. The other might enlist for 4 years. One would have completed his 6 months' service and would be at home. The other would have done 6 months' service, and would be on active duty in the Air Force for 3½ years more. Under the amendment, if we called up the man who had done 6 months and had gone home and was going about his business, he would get the bounty. The other man, doing the 4 years regular duty in the Air Force, would not get even a extra thin dime.

So the effect of the amendment of the Senator from South Dakota would be to discriminate against young men who have enlisted for 3 or 4 years and are today meeting more than their fair share of military responsibility.

We are not going to fail in our obligation to those men. We have not always paid them what we should initially, but no nation in all history has been as generous to returning servicemen as has the United States.

This amendment would only clutter up the bill and impose a cumbersome, costly system, and in many cases reward with a bounty a man who had done less active duty for the country.

The amendment should be rejected.

Mr. CASE of South Dakota. Mr. President, I yield myself 5 minutes.

When one engages in a debate with the distinguished and experienced chairman of the committee, the Senator from Georgia, he should be aware of these disarming compliments. It throws a man off balance to be told he has a "nose" for legislative errors.

Mr. RUSSELL. If the Senator will indulge me, this is the exception that proves the rule.

Mr. CASE of South Dakota. With that generous attitude taken by the chairman, I trust he will not object if I feel the error in judgment rests elsewhere than with the Senator from South Dakota, for I do not feel that the discrimination, in the case of the two boys cited by the Senator from Georgia, could exist.

The amendment proposes that the Secretary be directed to establish a schedule of extended duty pay, and it directs that the Secretary, in establishing such schedules, shall give consideration to the character and length of prior military service on active duty. I cannot conceive that the Secretary of Defense, in giving consideration to the character and length of prior military service, would establish a schedule which would give the man with 6 months' prior service pay that would be out of harmony with what the man who served for a 4-year period would get.

I think the Assistant Secretary of Defense, Mr. Runge, in his analysis of the amendment, was in error. We give a bonus today to a man who will reenlist for the full term of the reenlistment period. If that were taken into consideration, and if this extension of service bonus were paid in proportion, it could not be very costly. If it were extended for 1 year, he would merely be given a bonus that would be consistent with that period.

In the next paragraph of the letter of the Assistant Secretary of Defense, he says:

> The payment of "extended duty pay" in consideration of involuntary extension of active duty in a situation of unknown duration would result in marked discrimination among servicemen, for it is based solely on the fact that their terms of service happen to expire during the effective period of this resolution.

That is hardly correct. The extended duty pay is the equivalent of longevity pay which is a part of the established Defense Department policy.

The defect in the present law that this amendment seeks to correct is that there is no longevity pay for extension of 1-year duty. The comment of the Secretary is that instead of paying for 1 year it extend involuntary periods of service to periods of unknown duration.

I hope it is not true that it will be a period of unknown duration for the joint resolution before us refers to a 12-month period.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. CASE of South Dakota. I yield.

Mr. SALTONSTALL. It seems to me that the result of the amendment of the Senator from South Dakota would be to pay a bonus to a man to serve, presumably—we hope—for not more than 1 year when he is already on a pay basis to do just that; whereas what we want to do by bonuses is to build up a long term of service for experienced men in our Armed Forces. As one who sat with the subcommittee on pay a few years ago, I can say that the whole idea was to get experienced men into the Armed Forces. That is why we paid bonuses for reenlistments. That is why we paid more. If we apply that payment to the Ready Reserve, we violate the whole principle.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CASE of South Dakota. I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from South Dakota has 3 minutes remaining.

Mr. CASE of South Dakota. I yield myself the 3 minutes.

Again, I think that criticism fails to understand the situation. It is not being proposed to pay a man for doing his duty if he wants to provide one of the skills or categories that are needed. If we want him to enlist, we give him a lump-sum incentive payment for coming in voluntarily, the same as if he came in for 2 years or 4 years.

Under the present law, he gets a bonus if he comes in for 2 or 4 years. The proposal is to prorate the payment, for coming in for 1 year, to men who are free to come in, and thereby give them a token payment. I do not suppose it would amount to $100. But if it would be worthwhile for him to volunteer that way, it would be worthwhile to make the payment.

I have the feeling, when we think of manpower pools, that we tend to think of them as stockpiles. Figures and answers that come from the Pentagon make me feel that they are professionalized in terms of statistics. I like to think there is a personal problem involved when a man is called back to active duty. After he has gotten into a business and has begun to raise a family, a personal issue is involved. I should like to recognize it as a personal problem. If the Government is to extend the period unilaterally for 1 year, and do it regardless of the character or kind of service rendered, section 2 is wide open. If the Government is unilaterally to add another year of service to the required period of enlistment or induction, I should like to see the man rendering that 1 year additional service receive some longevity pay that would bear some relationship to what he would get if he were serving 2, 4, or 6 years, under a regular enlistment period.

I hope the amendment will be adopted.

Mr. RUSSELL. Mr. President, how much time have I?

The PRESIDING OFFICER. The Senator from Georgia has 5 minutes remaining.

Mr. RUSSELL. Mr. President, because of the unusual interest that will attach to the draft, since it will be stepped up, I ask unanimous consent to have printed at this point in the RECORD, starting on page 2 and ending on page 5, an excerpt from the committee report on the last extension of the draft in 1959.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

THE DRAFT

Legislative history

Public Law 51 of the 82d Congress, which amended the Selective Service Act of 1948 and changed its name to the Universal Military Training and Service Act, was enacted on June 19, 1951. Approved during the Korean war, the purpose of this act was to raise immediately the manpower necessary to build and maintain an armed force of the size determined by the Joint Chiefs of Staff to be our minimum security requirement and to provide for the maintenance of an adequate force of trained Reserves for the future security of the United States. Under section 17(c) of the act, no person is to be inducted after July 1, 1959, except deferred persons whose liability continues after this date.

The Selective Service Act of 1948 was approved after the President reported that the Armed Forces had been unable by voluntary recruitment to maintain the active-duty strength required by a deterioration in the international situation. Despite extensive recruiting efforts, the Armed Forces at that time numbered 1,384,000—considerably below the desired strength of slightly more than 2 million, but still the largest voluntary force in the history of the Nation. In the first 6 months after enactment of the 1948 act the Armed Forces recruited 200,000 more men than were recruited in a similar period before the act was approved. Because of this stimulating effect on enlistments only 30,129 men had to be inducted between enactment and June 30, 1950.

Major features of the present system

Training and service: In brief, the Universal Military Training and Service Act provides that all male persons in the United States must register with their local boards at age 18; that those between the ages of 18½ and 26 are liable for training and service in the Armed Forces; that they may not be rejected for physical or mental reasons if they meet minimum standards (the President may modify these standards except in time of war or national emergency declared by the Congress); that each person inducted shall be given full and adequate military training for no less than 4 months; and that no inductee shall be assigned to duty outside the United States, its territories, and possessions until he has the equivalent of at least 4 months of basic training. The period of service for persons inducted is 24 months except that the Secretary of Defense has authority to provide for their earlier discharge or transfer to the Reserve. A registrant may enlist in the Regular Army for 2 years instead of being inducted and within quotas established for their local boards registrants between the ages of 18 and 26 may volunteer for induction. (A person over the age of 17 may volunteer for induction with the written consent of his parent or guardian.) Section 651(a) of title 10, United States Code, the provisions of which were formerly contained in the Universal Military Training and Service Act, requires that persons entering the Armed Forces after August 9, 1955, must serve on active duty and in a Reserve component for 6 years.

Deferments and exemptions: Deferments may be authorized by the President for persons in any category of industry, agriculture, or other employment, or whose activity in study, research, medical, dental, scientific, and some additional endeavors is found to be "necessary to the maintenance of the national health, safety, or interest." The President cannot, however, defer all persons in any particular category; deferments must be made on the basis of individual status. A deferred person remains liable for induction until he is 35 years old.

Deferments are also authorized for persons with children or with dependents (other than wives alone, except in cases of extreme hardship), for college students to permit them to complete an academic year when they have been ordered to report for induction during that year, and for high school students until their graduation, reaching age 20, or until they stop satisfactory study, whichever first occurs. Certain Federal and State officials may be deferred, as well as persons who join National Guard units before reaching the age of 18½ if they continue to participate satisfactorily. Persons enrolled in the senior division of the ROTC program are also eligible for deferment.

Exemptions (as contrasted to deferments) are authorized for members of the Armed Forces on active duty, cadets and midshipmen at service academies, students in officer procurement programs in military colleges approved by the Secretary of Defense, ministers and students of the ministry, sole surviving sons, veterans (as defined in the law), and persons who were in Organized Reserve units on February 1, 1951, and who have continued to serve satisfactorily.

Selection: As soon as practical after registration each registrant must be classified to determine his availability for induction. The classification process is the key to the induction process. Classification must be accomplished in the spirit of the act, which is that "in a free society the obligations and privileges of serving in the Armed Forces and the Reserve components thereof should be shared generally in accordance with a system of selection which is fair and just and which is consistent with the maintenance of an effective national economy."

After registering at 18, the registrant is not liable for induction until reaching the age 18½. The registrant may be eligible for deferment or exemption when classified and thus not be immediately available when he reaches the age of 18½.

The President is authorized to select and induct persons by age group or groups and to select and induct physicians and dentists. Under such authority persons who are classified as available for service are selected and inducted in the following sequence:

(1) Delinquents who have attained age 19 in the order of their dates of birth, with the oldest first;

(2) Volunteers under the age of 26, in the sequence of their volunteering for induction;

(3) Registrants between the ages of 19 and 26 who are not fathers, in the order of their dates of birth, with the oldest first;

(4) Registrants between the ages of 19 and 26 who are fathers in the order of their dates of birth, with the oldest first;

(5) Nonvolunteers aged 26 and older in the order of their dates of birth, with the youngest first;

(6) Registrants between the ages of 18½ and 19 in the order of their dates of birth, with the oldest first.

Under present conditions no local board has found it necessary to reach below the third category to fill calls. The result is that fathers are not deferred (with an attendant extension of liability for induction) but are not reached for induction.

The calls of the Armed Forces are met by quotas established for each State, territory, possession, and the District of Columbia on the basis of the number of men available for service in that particular State, territory, possession, or District, with provision for credits for registrants who are already members of the Armed Forces. Within States, territories, possessions, and the District of Columbia the quotas are subdivided among the political subdivisions in accordance with the number of men available for service in each such subdivision. In practice, quotas are determined by applying a rejection rate, based on experience, against the number of men available for service in the age groups currently being inducted. Registrants serving on active duty affect the quotas of the political subdivision from which they entered service by reducing the number of available men and, hence, the quota for such subdivision.

Results of present system

To evaluate the effects of the present system the Department of Defense conducted a statistical study of the military service status of men of draft age in this country. This study dealt not only with the current situation, but also was projected through fiscal year 1963. Findings from this study should serve to allay some popular misconceptions about the draft. These findings were reviewed and found accurate by other Federal agencies having manpower responsibilities, such as the Selective Service System,

the Department of Labor, and the Office of Civil and Defense Mobilization.

A question frequently asked is whether many young men are reaching age 26 without having performed military service. To answer this question the Defense study examined the status of men at age 26. The study showed that on June 30, 1958, there were about 1,100,000 in this age class. Of this total 770,000 had entered military service; 240,000 were not qualified for physical or mental reasons; and about 90,000 were deferred for various reasons or were eligible for deferment because they were fathers. By actual count, the number of nonfathers between ages 25½ and 26 who were classified I–A on June 30, 1958, was 647. This demonstrates that only a negligible number of qualified nonfathers had avoided military service.

The study did not stop at this point. It made extrapolations extending to June 30, 1963, the end of the period that the extension of the authority to induct would cover. This projection estimated that on June 30, 1963, there will be about 1,150,000 men at the age of 26. The estimate is that of this total 630,000 will have entered the service; 340,000 will have been found not qualified for physical or mental reasons (higher than the 1958 figure because mental standards recently have been raised); and 180,000 will have been deferred for various reasons or will have been eligible for deferment because of being fathers. On June 30, 1963, it is estimated that the number of qualified nonfathers between the ages of 25½ and 26 in class I–A will be less than 5,000. If this projection is accurate, and there is no reason to suspect that it is not, the conclusion is that virtually no I–A nonfather who is qualified physically and mentally and not eligible for deferment can avoid military service.

In summary, of all registrants reaching the age of 26 in 1958, 90 percent of the qualified registrants were serving on active duty or had completed their military obligation. Seventy percent of all registrants, including those not qualified, had completed, or were in the process of completing, their military obligation. For registrants reaching the age of 26 in 1963, it is estimated that 55 percent of them will have fulfilled, or will be fulfilling, their military obligation, and that almost 80 percent of the qualified registrants will have fulfilled, or will be fulfilling, their military obligation.

Such a result seems paradoxical when one considers that more than 1,200,000 young men will reach the age of 18½ each year from now until 1963 and that only about 100,000 persons will be inducted in 1959. A part of the explanation is that in an average year more than 500,000 persons enter the Armed Forces as inductees, enlistees, or in the 6-month training program. Another factor is that fathers are not being inducted; some of them are deferred for dependency reasons and others are in class I–A, but in such a low priority for induction that they are not reached under present circumstances. Still another factor is the high rate of rejection for failure to meet mental and physical qualifications. The current rejection rate for an age group as a whole is about 33 percent. Since many members of an age group voluntarily enter service, the rejection rate for the effective manpower pool is approximately 45 percent.

The committee has concluded that continuation of authority to induct persons into the Armed Forces is necessary to maintain the active-duty strength of the Armed Forces at levels required for the national defense. Although the number of persons being inducted is relatively small, and despite the fact that the Army is the only one of the Armed Forces requiring inductees, the authority to induct under the Universal Military Training and Service Act serves as a stimulus to voluntary enlistments in the other Armed Forces.

The committee recommends extension of this authority as further evidence to the world of the determination of this country to defend itself. Although the committee will continue to examine the possibilities of improving defense manpower utilization and of eliminating whatever inequities inhere in the existing system of manpower procurement, international conditions today are such that it would be foolhardy not to continue the authority to induct.

Mr. RUSSELL. I yield 3 minutes to the Senator from Missouri [Mr. SYMINGTON].

Mr. SYMINGTON. Mr. President, I thank the Senator. I shall not take 3 minutes.

As I understand the law, the concept of having reservists is that, in case of emergency, they would be available to serve. Therefore, I do not see why, if they are taken up, in effect, on their offer, they should receive supplementary pay for it.

I was obliged to leave the Chamber, but I understand the chairman of the Armed Services Committee made a point to the effect that a reservist called to active duty after having performed only 6 months of previous active duty for training would receive a supplement, but a person who earlier had enlisted for 4 years of active duty would not.

I have great respect for my friend from South Dakota, as he knows, but I think this amendment might lead to some very serious thoughts about what the Reserve force is and what it is supposed to do in case of emergency.

Therefore, I shall be constrained to vote against the amendment.

Mr. MANSFIELD. Mr. President, will the Senator yield me 1 minute?

Mr. RUSSELL. I yield 1 minute to the Senator from Montana.

Mr. MANSFIELD. I compliment both the distinguished Senator from South Dakota for raising the question he has raised today, and in committee, and the distinguished Senator from Georgia, chairman of the Committee on Armed Services, for making clear exactly what the situation is vis-a-vis the legislation before the Senate at this time.

I think both the Senator from South Dakota [Mr. CASE] and the Senator from Georgia [Mr. RUSSELL] have performed a distinct public service, because they have made the record clear and have certainly made it more understandable from the point of view of everyone concerned.

Mr. RUSSELL. I thank the Senator.

Mr. President, I yield back any time I have remaining.

The PRESIDING OFFICER. All time has been used or yielded back. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. CASE].

The amendment was rejected.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 120) was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass?

Mr. MILLER. Mr. President, in the President's speech on Tuesday night he asked for suggestions and advice. In response to this request, I delivered a speech on the floor of the Senate the following day. This appears at page 13619 of the RECORD under the caption; "Sacrifice is a Two-Way Street." One of my suggestions, Mr. President, was that President Kennedy forthwith send to the Congress a supplemental message requesting a cutback in nondefense spending programs by an amount equal to the $3.45 billion new defense spending requested by Congress and being considered by the Senate today. As I pointed out, this suggestion was designed to make sure that the President will have the wholehearted response of our people which is so vital to our national defense effort; that people who bear the brunt of semimobilization will not have cause to wonder why there is business as usual in Washington if such a cutback is asked for by the President.

I pointed out only a few minutes ago, during the consideration of the oceanography bill, that generalities about fiscal integrity asked of the Congress by the President are not enough; that what is needed is for the President himself to call upon his leaders in the Congress to discard or to reduce specific nondefense spending legislation. Unfortunately this was not done, Mr. President. And so, not having received any word from the White House to exercise restraint, the Senate passed a bill which is only indirectly related to national defense, and certainly not related at all to any conventional war which might have to be fought in Western Europe. As the distinguished minority leader pointed out, this was a "billion-dollar fantasy" of nondefense spending. Mr. President, I cannot reconcile the failure of President Kennedy to call upon his leadership in the Senate to put this bill aside, or to at least greatly reduce the spending it calls for, with his call for sacrifices on the part of the American people to support billions of dollars of additional national defense spending, on top of billions of dollars of additional spending for national defense just since January; nor can I reconcile this inaction on the part of the leader of our country with his call for sacrifices to homes and businesses by the thousands of reservists, National Guardsmen, and draftees whom he now asks the Congress to authorize him to call to duty.

Let it not be said, Mr. President, that all of these non-defense-spending programs, desirable though they may appear, are necessary to achieve the strong economy needed to support our national defense posture. If they are all essential, if every last dollar proposed for them is so vital, why would the President have called upon the Congress earlier this year to put aside those measures which are desirable in favor of those which are essential? Let it not be said, Mr. President, that putting aside or reducing some of these programs is incompatible with necessary improvements on

the homefront. The label of "necessary" does not fit all of these programs, particularly today when stepped-up defense spending has been requested. Indeed, if we try to do both, the higher taxes or inflation, or both, will inevitably weaken the strong economy needed to back up our national defense posture. I might add that what may have appeared "necessary" earlier this year could well change to the category of "merely desirable" with the change of times and international events.

In this morning's Wall Street Journal there appears a most timely and frank editorial on this whole subject under the heading: "The Missing Ingredient," calling attention to what was missing from the President's Tuesday evening speech; namely, that there was no matching firmness about the ordering of our country's economic affairs. As the editorial so well points out, these requests for new military billions come tumbling on top of a vast increase in spending for domestic programs; the President will not retreat on any of these things; on the contrary, he is constantly proposing new forms of nonessential spending; his program is austerity and sacrifice for the people, but no retrenching or discipline for the Government. And the question is rightly asked: "If the President is moving the people to acceptance of semiwar domestic conditions, why is he unwilling to sacrifice anything at all?" This editorial is followed by another one entitled "The Necessary Ingredient," which points out that a new austerity program is presently being put into effect by the British Government, trying to curb the spending and inflationary threat which that Government itself allowed to grow. I ask unanimous consent that these two editorials be printed in the RECORD at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

THE MISSING INGREDIENT

The more one thinks about the President's speech, the more striking it is that with all his firmness on Berlin, there is no matching firmness about the ordering of this country's economic affairs. That, it seems to us, is the great missing ingredient.

The military must have, the President says, nearly $3.5 billion more, making a rise of $6 billion for the Pentagon alone just since January and adding up to defense appropriations of $47.5 billion this fiscal year. In consequence, the President foresees a budget deficit of $5 billion this year, on top of nearly $4 billion for the fiscal period just ended.

Very well; if that is what the military needs, that is what it needs. Yet it is important to note that in all the reviews of the Nation's defense since January, little has turned up in the way of significant savings to offset the huge increases. This despite the fact that it is generally agreed a serious attack on military waste and duplication, quite apart from anything else, could save billions a year.

Nor is that the worst. The worst is that these new military billions come tumbling on top of a vast increase in spending for domestic political handouts and foreign aid. The President will not retreat on any of these things; on the contrary, he is constantly proposing new forms of nonessential spending. His program is austerity and sacrifice for the people but no retrenching or discipline for the Government.

The upshot is our continuing dangerous deficit in international payments, our sharply spiraling Federal budget deficits, our rapidly rising public debt. All these developments are calculated to weaken our economy at a time when it needs all its strength. In addition, as though to guarantee the attrition of inflation, our current guardians of Government are enamored of "cheap" money.

Not that the President is unaware of these consequences. He speaks of higher taxes if necessary. He says he will not hesitate to demand more control or other new powers—an ominous hint of the wage, price and other economic regimentation which is so often the politican's answer to inflation.

Of course, the people will pay the higher taxes and accept the controls if they believe national security requires it. But by that very token they are entitled to ask the President if his approach is the wise, the realistic way to build the Nation's strength for the long struggle with communism. In wartime even the Government imposes austerity on itself; if the President is moving the people to acceptance of semiwar domestic conditions, why is he unwilling to sacrifice anything at all?

Well, it is often asked, in presumed rebuttal to that question, where would the Government start retrenching? The answers are so plain they should scarcely need citing. Much could quickly be saved out of foreign aid, to the benefit of that leaky enterprise. Billions could be squeezed from the absurdly proliferating subsidies to farmers, healthy veterans, housing, and all the rest.

Taking the spending budget as a whole, more than enough could be saved to cover any new defense needs. At the same time, austerity should be applied to the illusion of artificially easy money; there should be no fear of making the proper monetary moves against inflation.

A disposition to take such courageous measures would soon solve almost all the Government's domestic and foreign financial problems, renew confidence in the dollar at home and abroad, build budget surpluses, and halt inflation; in sum, strengthen the economy. Then it would not be necessary to call for higher taxes and controls, except as a last resort.

The Government would demand austerity from the people, if necessary, only after it has applied austerity to its own ramshackle house; only after it had abandoned this frivolous attitude that anything goes, money doesn't mean anything, discipline and responsibility are for the birds.

With the rest of the Nation, we hope the President's tough talk is giving Khrushchev a good scare. But it would have been far more impressive to Khrushchev if the President had shown that this country is strengthening the economy that must support the arms. It would be infinitely better for the United States if he had not backed up foreign firmness with homefront flabbiness.

THE NECESSARY INGREDIENT

A number of items in Britain's new austerity program wouldn't appeal to Americans and, in fact, wouldn't be appropriate here. But at least when the British Government sees that it is spending too much, it does something about it.

The things it's doing include these: Some tax increases; a boost in the bank rate (comparable to our Federal Reserve discount rate, now 3 percent), from 5 percent to 7 percent; possible reductions in farm supports; and a 20 percent cut in foreign spending. By such means the British figure to boost exports, correct their international payments deficit, and avert inflation.

Though the tax increases will naturally bother Britons in the midst of their unprecedented prosperity, it should be noted that the new program as a whole is mainly a program of government austerity. It is the government which is trying to curb the spending and the inflationary threat which the government itself has allowed to grow.

Now we suppose many Americans, including those in Washington, have a certain regard for British coolness and commonsense. At any rate, the British have been through a few economic, as well as other, difficulties in their time, and this is by no means the first recent occasion when they have applied much the same remedy.

It has worked, too; timely government retrenchment is one of the ways they have preserved their highly agreeable economic well-being in the years since they junked socialism. Certainly their experience is a refutation of the theory that it is "politically impossible" to cut back a government's spending.

So our politicians could do worse than take a look across the ocean. Our cousins have sense enough to know there must be and end to government frivolity before there can be any real strengthening of a nation. To be sure, it does take political courage.

Mr. MILLER. Mr. President, the able and distinguished Senator from Mississippi [Mr. STENNIS] called attention a few moments ago to the fact that war with the Communist world is being fought on all fronts; that it is to be expected that our allies will do their share in furnishing the manpower and material needed to secure the defense of Western Europe and other spots subjected to Communist aggression; and to the inconsistency of maintaining the dependents of American oversea personnel in areas where a hot war may have to be fought. I would add only one thing to what the able Senator from Mississippi has said, and that is this: the action envisaged by this resolution is not going to have the desired effect on the Kremlin unless it is accompanied by cutbacks in nondefense spending programs. The Kremlin will readily detect the inconsistency of a call to the colors with business as usual in Washington. This is where miscalculation of our firmness could occur. The Soviets have challenged us to a period of economic competition, and in a long economic struggle with the Communist world the weakening of our economy by pyramiding defense spending increases on top of nondefense spending increases, with the accompanying increased taxes or inflation, or both, cannot have other than disastrous consequences.

In conclusion, Mr. President, it is time for the President to clearly demonstrate that this is no time for spending as usual in Washington. It is time for him to match the sacrifices he asks with sacrifices in his own domestic program so that there will be no possibility for our people to say that they are paying more taxes, feeling more inflation, leaving their homes and businesses while there is business as usual in Washington. Then, and only then, will the response of the American people be based on the inner conviction that now is the time to give the last full measure of their devotion.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the question of passage of the joint resolution.

The yeas and nays were ordered.

The PRESIDING OFFICER. The joint resolution having been read a third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Oklahoma [Mr. KERR], the Senator from Hawaii [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Oregon [Mr. MORSE], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Rhode Island [Mr. PELL], and the Senator from Massachusetts [Mr. SMITH] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Pennsylvania [Mr. CLARK], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Oklahoma [Mr. KERR], the Senator from Hawaii [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Oregon [Mr. MORSE], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Rhode Island [Mr. PELL], and the Senator from Massachusetts [Mr. SMITH], if present and voting, would all have voted "yea."

Mr. KUCHEL. I announce that the Senator from Colorado [Mr. ALLOTT] is absent because of death in his family.

The Senator from Indiana [Mr. CAPEHART], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Maryland [Mr. BUTLER] is absent because of illness.

The Senator from Nebraska [Mr. HRUSKA] and the Senator from North Dakota [Mr. YOUNG] are absent on official business.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Arizona [Mr. GOLDWATER], the Senator from Nebraska [Mr. HRUSKA], the Senator from Texas [Mr. TOWER], and the Senator from North Dakota [Mr. YOUNG] would each vote "yea."

The result was announced—yeas 75, nays 0, as follows:

[No. 111]

YEAS—75

Aiken	Engle	Miller
Anderson	Ervin	Monroney
Bartlett	Fong	Morton
Beall	Gore	Mundt
Bennett	Hart	Pastore
Bible	Hayden	Prouty
Boggs	Hickenlooper	Proxmire
Bridges	Hickey	Randolph
Bush	Hill	Robertson
Byrd, W. Va.	Holland	Russell
Cannon	Humphrey	Saltonstall
Carlson	Jackson	Schoeppel
Carroll	Javits	Scott
Case, N.J.	Jordan	Smathers
Case, S. Dak.	Keating	Smith, Maine
Church	Kefauver	Sparkman
Cooper	Kuchel	Stennis
Cotton	Lausche	Symington
Curtis	Long, Mo.	Talmadge
Dirksen	Long, La.	Thurmond
Dodd	Magnuson	Wiley
Douglas	Mansfield	Williams, N.J.
Dworshak	McClellan	Williams, Del.
Eastland	McNamara	Yarborough
Ellender	Metcalf	Young, Ohio

NAYS—0

NOT VOTING—25

Allott	Gruening	Moss
Burdick	Hartke	Muskie
Butler	Hruska	Neuberger
Byrd, Va.	Johnston	Pell
Capehart	Kerr	Smith, Mass.
Chavez	Long, Hawaii	Tower
Clark	McCarthy	Young, N. Dak.
Fulbright	McGee	
Goldwater	Morse	

So the joint resolution (S.J. Res. 120) was passed.

RELATIONSHIP OF THE UNITED STATES WITH THE REPUBLIC OF CHINA AND COMMUNISTIC CHINA

Mr. MANSFIELD. Mr. Preisdent, I move that the Senate proceed to the consideration of Calendar 585, Senate Concurrent Resolution 34.

The PRESIDING OFFICER. The resolution will be stated.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 34) relative to the relationship of the United States with the Republic of China and communistic China.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the concurrent resolution.

PROHIBITION OF TRAVEL IN AID OF RACKETEERING ENTERPRISES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 619, S. 1653.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1653) to amend title 18, United States Code, to prohibit travel in aid of racketeering enterprises.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 4, after the word "new", to strike out "section" and insert "sections"; in line 6, after the word "travel", to insert "or transportation"; on page 2, line 5, after the word "activity", to insert "and performs or attempts to perform any of the acts specified in subparagraphs (1), (2), and (3) after such travel"; in line 11, after the word "liquor", to insert "on which the Federal excise tax has not been paid"; in line 19, after the word "the", where it appears the second time, to strike out "Treasury." " and insert "Treasury."; after line 19, to insert:

Sec. 2. Transportation in commerce in aid of racketeering enterprises.

(a) Whoever uses any facility for transportation in interstate or foreign commerce, including the mail, with intent to—

(1) distribute the proceeds of any unlawful activity; or

(2) commit any crime of violence to further any unlawful activity; or

(3) otherwise promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of any unlawful activity

and thereafter performs or attempts to perform any of the acts specified in subparagraphs (1), (2), and (3), shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

(b) As used in this section "unlawful activity" means (1) any business enterprise involving gambling, liquor on which the Federal excise tax has not been paid, narcotics, or prostitution offenses in violation of the laws of the State in which they are committed or of the United States, or (2) extortion or bribery in violation of the laws of the State in which committed or of the United States.

(c) Investigations of violations under this section involving liquor or narcotics shall be conducted under the supervision of the Secretary of the Treasury.

And, on page 3, in the line after line 21, after the word "travel", to insert "or transportation"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 95 of title 18, United States Code, is amended (a) by adding the following new sections at the end thereof:

"§ 1952. Interstate and foreign travel or transportation in aid of racketeering enterprises

"(a) Whoever travels in interstate or foreign commerce with intent to—

"(1) distribute the proceeds of any unlawful activity; or

"(2) commit any crime of violence to further any unlawful activity; or

"(3) otherwise promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of any unlawful activity and performs or attempts to perform any of the acts specified in subparagraphs (1), (2), and (3) after such travel

shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

"(b) As used in this section 'unlawful activity' means (1) any business enterprise involving gambling, liquor on which the Federal excise tax has not been paid, narcotics, or prostitution offenses in violation of the laws of the State in which they are committed or of the United States, or (2)

extortion or bribery in violation of the laws of the State in which committed or of the United States.

"(c) Investigations of violations under this section involving liquor or narcotics shall be conducted under the supervision of the Secretary of the Treasury.

"Sec. 2. Transportation in commerce in aid of racketeering enterprises.

"(a) Whoever uses any facility for transportation in interstate or foreign commerce, including the mail, with intent to—

"(1) distribute the proceeds of any unlawful activity; or

"(2) commit any crime of violence to further any unlawful activity; or

"(3) otherwise promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of any unlawful activity

and thereafter performs or attempts to perform any of the acts specified in subparagraphs (1), (2), and (3), shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

"(b) As used in this section 'unlawful activity' means (1) any business enterprise involving gambling, liquor on which the Federal excise tax has not been paid, narcotics, or prostitution offenses in violation of the laws of the State in which they are committed or of the United States, or (2) extortion or bribery in violation of the laws of the State in which committed or of the United States.

"(c) Investigations of violations under this section involving liquor or narcotics shall be conducted under the supervision of the Secretary of the Treasury."

and (b) by adding the following item to the analysis of the chapter:

"Sec. 1952. Interstate and foreign travel or transportation in aid of racketeering enterprises."

Mr. EASTLAND. Mr. President, this bill is one of the bills which comprise the Attorney General's anticrime program.

The bill is designed to bolster local law enforcement by denying interstate facilities to persons engaged in illegal gambling, liquor, narcotics, or prostitution business enterprises or extortion or bribery in violation of the laws of the State in which committed or of the United States. The committee has received testimony that the complex operations of today's organized criminal syndicates recognize no State boundary. S. 1653 is intended to disrupt the interstate operation of these criminal organizations by making it impossible for organized gambling and other illegal activities to operate on an interstate scale beyond the reach of local enforcement agencies.

Testimony before the committee made it clear that only the Federal Government can shut off the funds which permit the top men of organized crime to live far from the scene and therefore be immune from prosecution by local officials.

This bill prohibits the travel with intent, first, to distribute the proceeds of an unlawful activity; second, commit a crime of violence to further the unlawful activity; or third, to otherwise promote, manage, establish, carry on, or facilitate the promotion, management, establishment or carrying on of the unlawful activity. The term "unlawful activity" is defined in the bill as "any business enterprise" involving illegal gambling, liquor, narcotics offenses, or extortion or bribery. The use of the term "business enterprise" requires that the activity be a continuous course of conduct. The committee has tightened the bill to require that the individual doing the traveling for the illegal purpose must, after his travel, perform or attempt to perform one of the acts forbidden in the bill.

It has also limited the liquor offense by requiring that it be "liquor on which the Federal excise tax has not been paid."

The committee is of the opinion that the bill should not be limited to the travel of individuals in interstate commerce. Other interstate transportation facilities may be used by organized crime to carry out unlawful activity. The bill has therefore been broadened to "any facility for transportation in interstate or foreign commerce, including the mail." The same requirements as in the travel portion of the bill are contained in the committee amendment.

S. 1653 will enable the Federal Government to assist the States effectively. The Committee on the Judiciary recommends that it pass.

Mr. KEATING. Mr. President, this bill has been very substantially improved by a number of important amendments adopted in committee. We have clarified many of the ambiguities of the original text, closed some of the loopholes revealed during our hearings, and expanded the coverage of the bill to give it much broader application. At the same time, we have avoided some of the dubious implications of the original language and generally tightened up its provisions. In its present form, I believe the bill will be very effective in combating the interstate activities of organized crime.

I have for many years advocated legislation which would make it a Federal offense to use the facilities of interstate commerce in furtherance of conspiracies to commit organized crime offenses. In this session my bill is designated S. 710. The bill is very similar in purpose to the pending legislation. However, there are some differences. For example, under S. 710 a conspiracy would be required in every case and the crime would be using the facilities of interstate commerce to effect the object of the conspiracy. S. 710 would also apply to any interstate commerce facilities. It would not be limited to travel, transportation and the mail. The original proposal of the Department of Justice, of course, was limited solely to travel, which would have been very inadequate and easily avoided. Even with its extension to transportation including the use of the mail. As embodied in the amendment which I offered in the committee, there is still some danger that the bill will not be as inclusive as is necessary to be completely effective. S. 710 also included a number of offenses not specified in the pending bill, such as murder and criminal fraud. I continue to believe that the use of any facility of interstate commerce to carry out a scheme of murder should be a Federal offense. Finally S. 710 contains much more flexible punishment provisions than are provided in the pending measure, ranging up to a penalty of death for cases in which the victim of the offense has been murdered. In this respect, too, I believe that the provisions of S. 710 are more desirable than those of the pending measure.

I have learned from long frustration in trying to obtain meaningful anticrime legislation that this is a field in which we make progress slowly. Despite the ever-mounting rate of crime and the tremendous cost of crime, Congress has never been willing to move vigorously enough against the barons of the underworld.

This bill is not everything it should be, but it does represent significant progress and it deserves strong support on that basis. It is ironic that the Federal Government has been more hesitant in dealing with the problem of interstate crime than almost any other segment of national policy. It has told farmers how much wheat they can grow for consumption on their own farms, and it has imposed criminal sanctions for any violations of acreage allotments. It has regulated every facet of national transportation and communication. It has required the most detailed reports and outlawed many practices in connection with labor-management relations. Only interstate crime has managed to avoid comparable Federal attention.

Unfounded fears have blocked better progress in fighting the underworld. One of these fears is that a national police force may be established. Now I am as concerned about the dangers of a national police force as anyone, but it is apparent that we can go way beyond any of these measures before giving any substances to this specter. At present, the number of FBI agents is less than one-fourth the number of policemen in New York City alone, despite the nationwide obligations of this Federal agency. This bill may lead to an expansion in the manpower of the FBI but it definitely promises an even greater expansion of the protection of our Nation from the plundering of national crime syndicates. A successful fight against the underworld requires the cooperation of Federal, State, and local law enforcement agencies. This bill will make such cooperation more feasible than it has heretofore been. It assures a combined effort against all those in our midst who cross State lines in attempting to carry out their defiance of the law.

Law enforcement has suffered many setbacks in recent efforts to put the underworld behind bars. Let us remember Apalachin and make certain that no such law-enforcement fiasco is ever reenacted. The professional hoodlums have been sneering at Americans for too long. It is time to strike back with all the energy and resourcefulness which we can muster in this vital mission.

Mr. President, I favor this bill and I hope it will be overwhelmingly approved.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to amend title 18, United States Code, to prohibit travel or transportation in commerce in aid of racketeering enterprises."

PROHIBITION OF TRANSPORTATION OF GAMBLING DEVICES IN COMMERCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar 620, S. 1658.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1658) to amend the act of January 2, 1951, prohibiting the transportation of gambling devices in interstate and foreign commerce.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments on page 2, line 6, after the word "parimutuel", to insert "or other"; in line 7, after the word "racetracks", to insert "or other licensed gambling establishments"; after line 20, to strike out:

SEC. 3. The first paragraph of section 2 of such Act is amended to read as follows:

"It shall be unlawful knowingly to transport any gambling device in interstate or foreign commerce: *Provided*, That this section shall not apply to transportation of any gambling device to a place in any State which has enacted a law providing for the exemption of such State from the provisions of this section, or to a place in any subdivision of a State, if the State in which such subdivision is located has enacted a law providing for the exemption of such subdivision from the provisions of this section."

On page 3, at the beginning of line 7, to change the section number from "4" to "3", and on page 7, at the beginning of line 14, to change the section number from "5" to "4"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1(a)(2) of the Act of January 2, 1951 (64 Stat. 1134; 15 U.S.C. 1171), is amended to read as follows:

"(2) any other machine or mechanical device (including, but not limited to, roulette wheels and similar devices) designed and manufactured primarily for use in connection with gambling, and (A) which when operated may deliver, as the result of the application of an element of chance, any money or property, or (B) by the operation of which a person may become entitled to receive, as the result of the application of an element of chance, any money or property, provided that the provisions of this subsection shall not apply to parimutuel or other betting equipment or materials used or designed for use at racetracks or other licensed gambling establishments where betting is legal under applicable State laws; or".

SEC. 2. Section 1 of such Act is further amended by adding thereto the following subsections:

"(d) The term 'interstate commerce' includes commerce between one State, possession, or the District of Columbia and another State, possession, or the District of Columbia.

"(e) The term 'foreign commerce' includes commerce with a foreign country.

"(f) The term 'intrastate commerce' includes commerce wholly within one State, the District of Columbia, or possession of the United States."

SEC. 3. Section 3 of such Act is amended to read as follows:

"SEC. 3. (a) It shall be unlawful for any person during any calendar year to engage in the business of manufacturing, repairing, reconditioning, dealing in, or operating any gambling device if in such business he buys or receives any such device knowing that it has been transported in interstate or foreign commerce, or sells, ships, or delivers such device in interstate or foreign commerce, or sells, ships, or delivers such device knowing that it will be introduced into interstate or foreign commerce, unless such person shall, during the month prior to engaging in such business in that year, register with the Attorney General of the United States his name and trade name and the address of each of his places of business, designating his principal place of business within the United States.

"(b) Every person required to register under the provisions of this Act shall maintain an inventory record of all gambling devices owned, possessed, or in his custody as of the close of each calendar month. The record shall show the individual identifying mark and serial number of each assembled gambling device and the quantity, catalog listing, and description of each separate subassembly or essential part, together with the location of each item listed thereon.

"(c) Every person required to register under the provisions of this Act shall maintain for each place of business a record for each calendar month of all gambling devices sold, delivered, or shipped in intrastate, interstate, or foreign commerce. The record of sales, deliveries and shipments for each place of business shall show the individual identifying mark and serial number of each assembled gambling device and the quantity, catalog listing, and the description of each separate subassembly or essential part sold, delivered, or shipped together with the name and address of the buyer and consignee thereof and the name and address of the carrier.

"(d) Every person required to register under the provisions of this Act shall maintain for each place of business a record for each calendar month of all gambling devices manufactured, purchased, or otherwise acquired. This record shall show the individual identifying mark and serial number of each assembled gambling device and the quantity catalog listing, and description of each separate subassembly or essential part, manufactured, purchased, or otherwise acquired together with the name and address of the person from whom the device was purchased or acquired and the name and address of the carrier.

"(e) Every manufacturer required to register shall number seriatim each assembled or partially assembled gambling device which is to be sold, shipped, or delivered, and shall stamp on the outside front of each such assembled or partially assembled gambling device so as to be clearly visible the number of the device, the name of the manufacturer, and the date of manufacture. And every person required to register under the provisions of this Act shall record the data herein designated in the records required to be kept.

"(f) Each record required to be maintained under the provisions of this Act shall be kept for a period of five years.

"(g)(1) It shall be unlawful for any person required to register under the provisions of this Act to sell, deliver, ship, or possess any gambling device which is not marked and numbered as required by this Act or for any person to remove, obliterate, or alter the manufacturer's name, the date of manufacture, or the serial number on any gambling device;

"(2) It shall be unlawful for any person knowingly to make or cause to be made, any false entry in any record required to be kept under this section; and

"(3) It shall be unlawful for any person who has failed to register as required by this Act or who has failed to maintain the records required by this Act to manufacture, recondition, repair, sell, deliver, ship, or possess any gambling device.

"(h) Agents of the Federal Bureau of Investigation shall, at the principal place of business within the United States of any person required to register by this Act, at all reasonable times have access to and the right to copy any of the records required to be kept by this Act, and in case of refusal by any person registered under this Act to allow inspection and copying of the records required to be kept, the United States district court where the principal place of business is located shall have jurisdiction to issue an appropriate order compelling production.

"(i) No person shall be excused from maintaining the records designated herein, producing the same or testifying before any grand jury or court of the United States with respect thereto for the reason that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a criminal penalty or forfeiture. But upon asserting the privilege against self-incrimination any natural person may be required to open the records designated herein to inspection or to testify before any grand jury or court of the United States with respect thereto: *Provided*, That no such person shall be criminally prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing disclosed as a result of the inspection of such records or testimony with respect thereto. No witness shall be exempt under this section from prosecution for perjury or contempt committed while giving testimony or producing evidence under compulsion as provided in this Act.

"(j) The Attorney General is authorized and directed to make and enforce such regulations as may in his judgment be necessary to carry out the purposes of this Act and the breach of any of such regulations shall be punishable as provided in section 6 of this Act."

SEC. 4. This Act shall take effect on the sixtieth day after the date of its enactment.

Mr. EASTLAND. Mr. President, the purpose of the bill is to broaden the Johnson Act since enforcement experience in the past 10 years has indicated the need to include other gambling devices in addition to slot machines. The "one-armed bandit" which was a principal target of the earlier legislation has to a large extent been replaced by machines ingeniously devised so as not to come within the provisions of the existing law. S. 1658 would cover not only slot machines, roulette wheels and similar devices used in gambling casinos, but also pin balls designed and manufactured primarily for use in connection with

gambling and the one-armed bandit like device called the point maker which is described more fully in our report. The latter two may be seen almost anywhere in the country and probably provide hoodlum operators with more revenue than they ever got from the slot machines. Your committee feels that only a broad definition of gambling device can cope with the ingenuity of the industry in coming up with "loophole" devices such as they have done under the Johnson Act.

The bill, as offered by the Department of Justice, has been amended by your committee in two principal respects. First, an exemption has been provided for betting equipment in States where gambling establishments are legal and licensed under State law. Second, we have deleted a provision which would have banned the shipment in foreign commerce of gambling devices as defined in the bill. In our view this prohibition of shipments of gambling devices to countries where they are legal is unwarranted.

Now I would like to briefly describe what your committee believes the bill, as amended, would accomplish. It broadens, as I have indicated, the definition of "gambling devices" so as to include the modern types of machines and mechanical devices which are not covered by the Johnson Act. It continues the requirement of registration with the Attorney General but particularizes the conduct that would require registration so that every person whose business transactions in gambling devices affect interstate commerce has to register. The bill requires those who are subject to the act to maintain a detailed inventory record of gambling devices owned, possessed or held as of the close of the preceding calendar month but, unlike the present law, does not require the records to be filed with the Attorney General. This is in keeping with the overall records keeping provisions which we believe will tend to obviate problems of possible self-incrimination which have been raised in the cases under the present act. The bill makes clear that persons engaged in interstate and foreign commerce must report intrastate transactions as well. This will enable the Justice Department to obtain more complete information as to the eventual disposition of machines manufactured and sold by those engaged in interstate commerce.

A further amendment to section 3 of the present statute requires that a record of sales and deliveries be maintained. There has been some confusion under the existing statute as to whether a record of sales was required in addition to an inventory of devices. The bill also seeks to correct an obvious loophole in the records filing requirements of the law as it now exists. Inventories and records of sales are required to be disclosed but no provision is made for divulging information as to purchases or acquisitions. It is obvious that one seeking to avoid the effect of the statute can maintain a constant inventory and thus afford no basis on which devices shipped in violation of the act could be detected from the records required to be filed. In summary, we simply require under the bill one who is engaged in a business of dealing in gambling devices to maintain as one would in the ordinary course of business records of acquisition and sales plus a record of inventory. There is as has been indicated no need on the part of the person subject to the bill to file these records with anyone. They simply maintain them in the ordinary course of business which in all probability is a necessary part of their existing business procedures.

Provision is made for inspection and copying of the records by the Federal Bureau of Investigation. The bill also provides for grants of immunity to persons who assert their constitutional privilege against self-incrimination with regard to maintaining the records or producing the records or giving oral testimony before any grand jury or court of the United States.

The Committee on the Judiciary believes this bill will be helpful in combatting organized crime and racketeering and therefore recommends favorable action by the Senate.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. JAVITS. Is this the bill which contains the right to grant immunity in return for testimony?

Mr. EASTLAND. No; it is not.

Mr. JAVITS. I thank the Senator.

Mr. KEATING. Mr. President, this bill is designed to close a loophole which has developed under the Johnson Act with respect to the transportation of gambling devices in interstate commerce.

In its original form, the pending bill was identical to a measure which I have long supported and which was strongly urged by Attorney General Rogers. That bill was introduced in this session as S. 524.

This legislation is a good example of the resourcefulness of criminals in finding loopholes in our laws. The definition of gambling devices in the Johnson Act was narrowly drawn. It did not take the gambling fraternity very long to devise ways of evading the law and rendering the act virtually nugatory. The proposed definition will close this gap for the time being, but we shall have to remain alert to the situation to make sure it is not also evaded.

A number of amendments have been recommended by the committee. These appear to me to be justified. I support the bill as amended, and I hope it will be approved.

Mr. JAVITS subsequently said: Mr. President, it will be remembered that I had a colloquy with the Senator from Mississippi [Mr. EASTLAND], in which I asked him whether there was any provision in the bill, S. 1658, which was passed rather quickly, with relation to waiving the right against self-incrimination as a privilege. He said "No". However, I believe the Senator was confused on that point. He thought we were talking about some other bill, but we were talking about the bill I had in mind. There is such a provision in the bill, S. 1658, by which it is possible to make a person testify upon granting him the privilege to waive the right against self incrimination or by asking him to show his record.

I have no desire to oppose the bill, but I wish to speak a word of caution to the Senate. The matter of extending the privilege about which we are talking, to waive the constitutional right to plead self-incrimination, as a reason for not disclosing evidence or testimony, is one of the most precious in our constitutional law. All six of the crime bills which enable the prosecuting authorities to grant immunity are specialized in nature; hence, I did not oppose them. However, I think we all ought to be wary and aware of the limitation of this privilege and make clear our position that it should not be used beyond the bonds of reason; that we are alert to the consequences that take away from Americans—and it may be you, Mr. President, or I, or any other Member of this body who is perfectly law-abiding—the privilege to refuse to give records or to refuse to testify on the ground of self-incrimination. There is nothing wrong about it; there is nothing embarrassing about it. It is a fundamental protection of the law, to protect against tyrants.

We must all be vigilant and diligent to make certain that this right has not been impaired. It has been done twice today. I did not want the opportunity to pass without making the record clear.

Mr. CARROLL subsequently said: Mr. President, I commend the able senior Senator from New York [Mr. JAVITS], for raising this issue. The immunity bill which our Judiciary Committee considered was S. 1655. Some of us who sat in the hearings on S. 1655 were greatly alarmed by the broad provisions originally presented to the committee and the subcommittee which conducted the hearings. I was amazed to learn of the great number of statutes which had given this immunity bath. There are more than 30 Federal statutes which contain immunity provisions. Some apply only to proceedings before administrative bodies, others to court proceedings.

What the committee sought to do, after this situation was brought to its attention—and I wish to pay tribute to the Attorney General and his office, because they provided me a thorough brief on the subject of present immunity provisions—was to seek to impose some restrictions in S. 1655. This question also came before the Attorney General. He said he would use sparingly the authority given him. If my memory serves me correctly, the Attorney General must give the order personally for the immunity bath.

The committee sought to hedge this proposal with all reasonable limitations in S. 1655. However, I agree with the able Senator from New York that we ought to be very careful as we march along this road.

Mr. President, I have here with me the brief which the Attorney General provided me on immunity statutes and I think it would be valuable to have this in the record for future study of this issue. I ask unanimous consent that the brief appear in the RECORD.

There being no objection, the brief was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

DEPARTMENT OF JUSTICE,
Washington, June 23, 1961.

HON. JOHN A. CARROLL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: This is in response to your request for information dealing with the present immunity provisions of Federal law.

At the present time there are more than 30 Federal statutes which contain immunity provisions of varying phraseology. Some of the statutes (a listing of which is hereto appended) permit immunity to be granted and testimony compelled in proceedings before administrative bodies only. An example of this is the Federal Trade Act (15 U.S.C. 49) which authorizes the Federal Trade Commission to compel testimony in spite of a claim of the constitutional privilege by conferring immunity from prosecution. Other statutes permit the compulsion of testimony before an administrative agency and in court proceedings instituted by the agency. An example of this type of statute is the Security and Exchange Act of 1934 (15 U.S.C. 78u(d)).

A third category of statutes permits the compulsion of testimony in administrative hearings or in any cause of proceeding, criminal or otherwise based upon a violation of the act. Thus it applies to grand jury proceedings and trial. An example of this type of statute is Interstate Commerce Act (49 U.S.C. 46).

A fourth category of statutes are those in which the immunity may be granted and testimony compelled in grand jury proceedings or in trials. An example of this type of statute is the Narcotics Control Act of 1956 (18 U.S.C. 1406).

A fifth category of statutes is that in which the immunity can be granted and testimony compelled before a grand jury or at a trial and in addition before a congressional committee. The only statute in this category is the Witness Immunity Act of 1954 (18 U.S.C. 3486), dealing with internal security cases.

A different breakdown of the listed statutes is possible, based upon the procedure involved in the obtaining of immunity. In some of the statutes the witness obtains immunity from prosecution with respect to any matter, transaction or thing about which he is compelled to testify even though he does not first refuse to answer the question based upon his constitutional privilege. See *U.S.* v. *Monia* 317 U.S. 424. These statutes are commonly known as "immunity bath" statutes.

In the other statutes the witness must first claim his privilege, thereby alerting the prosecutor or interrogator that the information may tend to incriminate him. He must then be compelled to testify before he obtains immunity from prosecution with respect to any matter, transaction or thing about which his testimony is compelled. The attached list is broken down into the two different procedural categories.

You further requested citations of court decisions upholding the immunity statutes. The ICC immunity statute was first upheld by the Supreme Court in *Brown* v. *Walker* 161 U.S. 591 (1896) and again in *Brown* v. *U.S.* 359 U.S. 41 (1959). The Witness Immunity Act of 1954 was upheld in *Ullman* v. *U.S.* 350 U.S. 422 (1955). The Narcotics Control Act of 1956 immunity provisions were upheld in *Reina* v. *U.S.* 364 U.S. 507 (1960).

I hope that the foregoing satisfactorily answers your inquiry.

Sincerely,

HERBERT J. MILLER, Jr.,
Assistant Attorney General.

FEDERAL IMMUNITY STATUTES

Generally speaking, immunity statutes fall into two main categories:

1. The following statutes have immunity provisions which require a witness to claim the privilege against self-incrimination in order to take advantage of it, when appearing before the administrative body which has the power to grant the immunity:

Atomic Energy Act (42 U.S.C. 2201(c)).
Connolly Hot Oil Act (15 U.S.C. 715(h)).
Defense Production Act of 1950, as amended (50 U.S.C. App. 2155(b)).
Federal Aviation Act of 1958 (sec. 1004(1)) (immunity provision).
Federal Communications Act (47 U.S.C. 409(1)).
Federal Deposit Insurance Corporation Act (12 U.S.C. 1820(d)).
Federal Power Act (16 U.S.C. 825f(g)).
Investment Advisers Act (15 U.S.C. 80b–9(d)).
Investment Company Act (15 U.S.C. 80a–41(d)).
Labor Management Relations Act (29 U.S.C. 161(3)).
Merchant Marine Act (46 U.S.C. 1124(c)).
Narcotic Control Act of 1956 (18 U.S.C. 1406).
National Defense Contracts Act (50 U.S.C. App. 1152).
Natural Gas Act (15 U.S.C. 717m(h)).
Public Utility Holding Company Act (15 U.S.C. 79r(e)).
Railroad Unemployment Insurance Act (45 U.S.C. 362(c)).
Second War Powers Act (50 U.S.C. App. 643a).
Securities and Exchange Act (15 U.S.C. 78u(d)).
Social Security Act (42 U.S.C. 405(f)).
Export Control Act (50 U.S.C. App. 2026(b)).

2. The following statutes do not require the claim of privilege and under the doctrine of *United States* v. *Monia*, 317 U.S. 424, a witness who gives testimony obtains immunity although he does not claim his privilege against self-incrimination.

China Trade Act (15 U.S.C. 155 (c)).
Commodity Exchange Act (7 U.S.C. 15).
Cotton Futures Act (26 U.S.C. 4874, 7493).
Elkins Act (49 U.S.C. 43).
Fair Labor Standards Act (29 U.S.C. 209).
Federal Trade Act (15 U.S.C. 49).
Freight Forwarders Act (49 U.S.C. 1017 (a)).
Industrial Alcohol Act (26 U.S.C. 5315).
Interstate Commerce Act (49 U.S.C. 43, 46–48).
Labor-Management Reporting and Disclosure Act of 1959 (29 U.S.C. 521).
Motor Carriers Act (49 U.S.C. 305(d)).
Packers and Stockyards Act (7 U.S.C. 222).
Perishable Agriculture Commodities Act (7 U.S.C. 499m(f)).
Sherman Antitrust Act (15 U.S.C. 32–33).
Shipping Act (46 U.S.C. 827).
Tariff Act (19 U.S.C. 1333(e)).
Water Carriers Act, see part III, Interstate Commerce Act (49 U.S.C. 43, 46–48).
White Slave Traffic Act (18 U.S.C. 2424 (b)):
Statement by harborer of an alien female for purpose of prostitution.
Immunity Act of 1954 (18 U.S.C. 3486).

Mr. CARROLL. Mr. President, I am pleased to add my support to the criminal code provisions requested by the Attorney General. They will give him the additional powers he needs with which to meet the growing threat of interstate crime.

Powerful interstate crime syndicates now do an estimated annual business of $22 billion a year. These syndicates deal in vice and corruption—in gambling, narcotics, prostitution, and liquor violations.

Over the last 10 years, J. Edgar Hoover tells us the crime rate has increased by 66 percent. Over the last 5 years, the crime rate has risen four times faster than has population growth.

It is obvious that a significant part of this increase in the crime rate across the Nation is due to the growing strength of interstate crime—to hoodlums and racketeers who, says Attorney General Kennedy, "have become so rich and so powerful that they have outgrown local authority."

Mr. President, as I have said before in this Chamber, I am pleased that at long last the full powers of the Department of Justice, the Department of Treasury, and other Government agencies are being exerted and coordinated in the battle against interstate crime.

Because of the able and determined efforts of our Attorney General, Robert F. Kennedy, the chief investigating agencies in our Government are pooling their information on the crime syndicates, and are now fully cordinating their activities both at national and regional levels.

It is important, Mr. President, that the Attorney General be given the weapons he needs for this battle against organized gangsterism. These bills, amending and strengthening the Federal criminal code statutes, deserve the prompt—and careful—attention of the Congress. I congratulate the majority leader for bringing them so promptly before the Senate.

The Senate Judiciary Committee, both in public and private session, has given searching scrutiny to these proposals.

In revising criminal statutes it is important—as the Senate knows—to see, first, that the amending laws are well drawn, precise in their wording and effect and, second, that they will be effective without doing harm to individual constitutional rights and common-law guarantees.

This is never an easy task.

These amendments our Judiciary Committee proposed, and which have now been accepted by the Senate, are directed at guaranteeing as strongly as possible the rights of the innocent without, at the same time, hamstringing the effectiveness of the measures in bringing criminals to justice.

I know that some might have disagreed with one word or another in these bills—for there is no more sensitive or important section of the law than the criminal code. Any proposals to amend the Federal criminal statutes should receive the critical study of the Congress.

I know also, however, that no Member of the Senate denies the pressing importance of seeing that the lawless elements of our society are not allowed to grow and prosper.

As Attorney General Kennedy has said, "If we do not on a national scale

attack organized criminals with weapons and techniques as effective as their own, they will destroy us."

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

RELATIONSHIP OF THE UNITED STATES WITH THE REPUBLIC OF CHINA AND COMMUNISTIC CHINA

The Senate resumed the consideration of the concurrent resolution, Senate Concurrent Resolution 34, relative to the relationship of the United States with the Republic of China and communistic China.

Mr. MANSFIELD. Mr. President, I announce that there will be a yea-and-nay vote on the concurrent resolution. I ask for the yeas and nays at this time.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, one of the best suggestions I have heard came from a distinguished Senator on the other side of the aisle, who said that it might be a good idea to vote on the concurrent resolution first and then talk about it afterwards. However, I believe that is a little too much to expect.

THE ATTORNEY GENERAL'S ORGANIZED CRIME PROGRAM AND THE NEED FOR A NATIONAL CRIME COMMISSION

Mr. KEFAUVER. Mr. President, the Senate today has taken a much needed step in the continuing war which must be waged to combat organized interstate crime. The passage of six of the seven bills in the Attorney General's legislative program gives him important new weapons to carry on this battle.

The Attorney General, Mr. Robert F. Kennedy, deserves the praise and appreciation of the Congress and the entire country for his vigor and determination in this field. He has brought to our highest law enforcement office talents and characteristics which should strike fear in the hearts of the racketeers. Mr. Kennedy's dedication, his courage, his ability, and his great personal energy are indeed assets to this office. He is to be commended for developing this legislation program against organized crime, and the entire country should support his efforts.

The annual report of Mr. J. Edgar Hoover, Director of the Federal Bureau of Investigation, which was recently published for 1960, shows the increase in crime of all sorts, including organized and commercialized crime and vice. With the new weapons given by the Attorney General's legislative program, the Department of Justice should be able to go far toward eliminating the evil of organized crime.

As the Attorney General pointed out to the Judiciary Committee when he presented his program, the syndicates and racketeers and hoodlums could not carry on their multi-million-dollar businesses without using the channels and facilities of interstate commerce. The power of the Congress to regulate interstate commerce and deny its use to organized crime has been largely unused while the racketeers turned its channels and facilities to their advantage. The legislation approved today is a great step forward.

S. 1653 prohibits travel in interstate commerce when it is for the purpose of furthering organized crime and is accompanied by action in aid of unlawful activities. Local law enforcement agencies are often powerless to reach the racketeers and their henchmen who move from one State to another in carrying out their multi-State crime activities.

S. 1655 adds Hobbs Act and Taft-Hartley Act violations to the cases in which the Attorney General may grant immunity and compel the giving of testimony in cases where the witness' testimony might incriminate him.

The profitable use by gamblers of interstate communications is met by S. 1656, which outlaws the use of interstate communications in connection with gambling. However, the common carriers of communications, such as telephone companies, have been given the protection which they sought by a committee amendment.

S. 1657 denies the channels of commerce to the transportation of gambling paraphernalia where it is sent into a State to be used in violation of the laws of that State.

Loopholes in the Slot Machine Act are closed by S. 1658, which expands the types of gambling devices which are forbidden from interstate shipment.

Finally, in S. 1665, much needed protection is extended to potential witnesses against gangsters and racketeers. The obstruction of justice statute is expanded to protect persons who are in a position to furnish evidence at the investigative stage in which the Justice Department and Treasury Department are working up cases.

I hope that S. 1654, the remainder of the Attorney General's program, will be enacted promptly. This would expand the Fugitive Felon Act to cover all felonies and give the FBI jurisdiction to arrest all criminals who cross State lines to avoid prosecution or confinement for a crime which is a felony under State law. The FBI could then be of much greater assistance in aiding the States to reach gangsters who violate their laws and then go to another State.

The Judiciary Committee gave long and careful consideration to these bills. The Attorney General and his representatives spent many hours with the committee in going over their details. In some instances, they were broadened and in some they were slightly narrowed. But there is no question that the Attorney General will be given a new arsenal of weapons to combat organized crime.

Almost 10 years ago, when I was chairman of the Special Committee of the Senate To Investigate Organized Crime in Interstate Commerce, I learned of the need for the Federal Government to go further in this area. Some of the proposals now being approved were recommended by the Special Crime Committee in 1951. At that time, the Crime Committee recommended the extension of Federal prohibitions of transportation of gambling devices in interstate commerce. It also recommended legislation outlawing the use of interstate communications facilities for gambling purposes. Expansion of the Attorney General's power to grant immunity to witnesses was also recommended.

The legislation approved today is a long step in the right direction. However, I believe the Congress and the Federal Government should go still further. The new laws are weapons to combat interstate crime. There is still a great need for a central agency to gather and distribute information so that Federal, State, and local law enforcement agencies might better assist each other. Since my experience with the Crime Committee in 1951, I have favored the formation of a National Crime Commission. At this Congress, Senator McCLELLAN and I have introduced S. 777, which would establish a National Advisory Commission on Interstate Crime. Such a Commission would engage in a continuing study of the operations of organized crime and the effectiveness of existing laws. It would keep the Congress and law enforcement agencies abreast of the ingenious new devices which racketeers devise to circumvent the law. It would go into such matters as criminal infiltration of lawful business and the adequacy of parole, probation, and rehabilitation programs. The Commission could hold hearings and compel the testimony of witnesses.

The American Bar Association for a number of years has recommended the establishment of such a commission.

I believe the work of such a commission at the top level, gathering information and advising as to new and expanding programs, which would be invaluable addition to the new weapons which the Attorney General has been given. I hope that at this Congress S. 777 will be approved so that the continuing war against organized crime can be carried on even better.

About 10 years ago the Senator from Wisconsin [Mr. WILEY] and I were members of a special committee to investigate organized crime. Many of these proposals, in different forms, were recommended at that time. There is one other proposal, the creation of a National Commission on Crime, which has been recommended in a bill sponsored by the Senator from Arkansas [Mr. McCLELLAN] and me, which I think would go even further to implement the program of the Attorney General. I hope that in due course it may be considered also.

Mr. MAGNUSON. Mr. President, will the Senator from Montana yield, that I may ask the Senator from Tennessee a question?

Mr. MANSFIELD. I yield.

Mr. MAGNUSON. At the time the Senator from Tennessee conducted the investigation into crime, and at the conclusion of the investigation, the Senator from Tennessee will remember that all

the files pertaining to the investigation, the subject of the proposed legislation, and all matters pertaining thereto were turned over to the Committee on Interstate and Foreign Commerce.

Mr. KEFAUVER. That is correct.

Mr. MAGNUSON. That was done on the ground that jurisdiction lay in that committee, because the subject matter dealt with interstate commerce.

I suggest that that committee has handled some of the bills and reported some of them. Now the Committee on the Judiciary is reporting other bills. We all favor them, but I suggest that the Senator from Tennessee get together with the chairman of the Committee on the Judiciary before the beginning of the next session, at least, to arrive at some meeting ground as to where the jurisdiction lies in these particular fields, because I know the Senator from Mississippi [Mr. EASTLAND] and the Senator from Tennessee [Mr. KEFAUVER] and I want to be certain that if one committee passes on a bill, it will not be said that the other committee was derelict in its duty because it did not act first. I think the question of jurisdiction should be cleared up, because there is a distinct overlapping of jurisdiction in this particular field.

Mr. KEFAUVER. At the time the Senate Committee To Investigate Organized Crime was created, in 1950, a resolution was before the Committee on the Judiciary and was reported. In the light of the fact that there was overlapping jurisdiction, a special committee was created, composed half of members of the Committee on the Judiciary and half members of the Committee on Interstate and Foreign Commerce. The Senator from Wisconsin [Mr. WILEY] and I, I believe, are the only remaining members of the special committee which reported some of the proposed legislation which was passed. Some bills passed the Senate, but bogged down in the House.

There was a bill in connection with wire service facilities, which required the Federal Communications Commission not to issue a license to anyone who was engaged substantially in gambling in connection with wire service facilities. That bill finally was amended to make the penal provisions in violations of the Criminal Code very much like those in the bill which was passed by the Senate. The first one went to the Committee on Interstate and Foreign Commerce.

As amended, if introduced, it would have gone to the Committee on the Judiciary.

There is overlapping of jurisdiction, and I am happy to know that the committee of which the distinguished Senator from Washington is chairman has lent strong support to the effort to reach the underworld through appropriate legislation. His committee reported the original bill, making illegal the transportation of gambling devices, such as one-arm bandits, as was recommended by the committee to investigate crime.

I believe there has been a good working arrangement with the Senator from Washington. He and the other members of his committee have been most vigilant and diligent in moving proposed legislation, whatever the jurisdiction might be. I think it would be well for the two committees to collaborate.

IMPORTANCE OF OIL TO THE FREE WORLD ECONOMY

Mr. DIRKSEN. Mr. President, the importance of oil to the economy of the free world is underscored by international concern over the independence of Kuwait. The British have assembled a strong force to protect the integrity of this tiny shiekdom because they are very anxious about the security of the Kuwait oil reserves, on which they depend very heavily for their energy requirements. A nation without oil reserves of its own, like the United Kingdom, depends on external sources of energy as its economic lifeblood.

I think this also points up the danger to any nation of becoming dependent on Soviet oil because Soviet oil is available to the West only as long as it is in the economic and political interests of the Soviet Union to continue to supply it. If it serves Russian interests, the oil that is flowing to many of our NATO allies from the Soviet Union today would be cut off tomorrow.

Mr. President, on June 20, I spoke about the serious implications of Soviet oil incursions on free world markets. I pointed out at that time how the Russians are using oil as a political weapon in the cold war. In a statement that was printed in the RECORD as part of my remarks on that occasion, I included a letter, which I had sent on May 25 to Secretary Udall of the Interior Department. The letter raised objections to so-called positive aspects of Soviet oil exports, which were cited in an information circular No. 8023 issued by the Department of the Interior.

Mr. President, on June 23, I received a reply to my letter over the signature of Mr. James K. Carr. I ask unanimous consent that this exchange of letters be printed in the RECORD at this point; then I shall comment briefly on the reply from the Department of the Interior.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

Hon. STEWART L. UDALL,
The Secretary of the Interior,
Department of the Interior,
Washington, D.C.

DEAR MR. SECRETARY: There has come to my attention the information circular No. 8023 from your Department under the byline of Mr. Donald J. Frendzel, dealing with the Soviet 7-year plan (1959–65) for oil.

On page 15 following table 7 of this circular there appears this language in Mr. Frendzel's report:

"The foregoing comments have dealt with the possible adverse implications of Soviet oil for the free world. There may be some positive aspects of increased U.S.S.R. oil output and exports: (1) The availability of Soviet oil will increase the economic competition in the sale of oil. (2) The availability of Soviet oil will allow some consumers to become less dependent on Middle Eastern oil."

These two comments by Mr. Frendzel have astonished me some because I was a member of a subcommittee under the chairmanship of Senator O'Mahoney in the 85th Congress, which made a most extensive investigation of the Middle East oil situation.

It must be obvious to all by now that Soviet oil presents a new danger for the West and for the countries allied with the free world.

First, I point out for your attention the study prepared by the Library of Congress at the request of the Subcommittee of the Senate Judiciary Committee to Investigate the Administration of the Internal Security Act and Other Internal Security Laws.

I serve as a member of that subcommittee and we have sought to point out on the basis of documented facts the danger that lies in the expansion of the Soviet oil industry in the cold war. No later than May 11, 1961, there appeared in the Philadelphia Inquirer an article with a New York UPI dateline, under the title of "Crisis Seen For Oil Companies," which is, in fact, a comment on an article by Prof. James P. McDevitt in the Challenge Magazine for May 1961, in which Mr. McDevitt points out that the Soviet state oil monopoly is growing like a Frankenstein monster.

Other documentation can be cited, including an article in the Saturday Evening Post by Mr. Ira H. Cram under the title "Russian Oil: New Danger For The West."

I might call attention also to an article in the New York Times, dated May 21, 1961, under the title "Russian Oil Fuels Industrial Drive."

In view of all this it seems surpassingly strange that an employee of the U.S. Department of the Interior should author an information circular on the Soviet 7-year plan for oil and conclude his study with the suggestion that Soviet oil will increase economic competition and will allow some consumers to become less dependent on Middle Eastern oil.

It would appear to me that these conclusions are indeed not in the national interest of this country nor in the interest of American enterprisers who are willing to go abroad, invest their capital, and assume all the risks and hazards in order to develop the oil resources of Middle East lands.

I would like to have some responsive and detailed comment not only on Mr. Frendzel's study and with respect to his background and orientation in this field, but upon the other studies made by various groups in Congress from time to time and their relationship to the Soviet danger and to the development of a prejudicial status for the United States.

Having served on the Oil Investigating Committee and also on the Internal Security Subcommittee of the Senate, I deem this matter of transcendant importance to the well-being and security of the United States at a time when so many feverish forces are at work, and I shall want to make suitable comment on the Senate floor after I have received your response to this letter.

Sincerely,

EVERETT MCKINLEY DIRKSEN.

JUNE 21, 1961.

Hon. EVERETT M. DIRKSEN,
U.S. Senate, Washington, D.C.

DEAR SENATOR DIRKSEN: This is in response to your letter of May 25, 1961, requesting comments on Bureau of Mines Information Circular No. 8023 and the problems presented by the expanding Soviet oil industry.

The circular in question is part of the Bureau of Mines program for gathering and analyzing data on mineral developments that have a bearing on the mineral economy of the United States. The paper, which was completed in October 1960, is primarily a summary of all available information on the Soviet 7-year plan for oil. It includes data obtained from Russian and other sources as well as original estimates by Bureau specialists. As you know, such studies are essential to the full understanding of our raw ma-

terial problems and the formulation and implementation of the mineral programs of the Federal Government.

The Bureau of Mines frequently is called upon to supply data and judgments on foreign mineral developments to various agencies of Government and the public. For example, in response to a direct request for information on Soviet oil, a copy of the circular No. 8023 manuscript was supplied to the Legislative Reference Service of the Library of Congress last January. Perusal of the recently released report entitled "Soviet Oil in the Cold War," which you mention in your letter, reveals that in its preparation the Library used Bureau data to a considerable extent. Similarly, the other authors of reports on Soviet oil to which you refer have had access to Bureau data files and judgments. The Bureau staff also has given assistance to Fortune magazine, the June 1961 issue of which contains on article on Soviet oil. The conclusions presented by these writers do not differ significantly from those reached by the staff of the Bureau of Mines last October.

You express concern over certain language in the Bureau's report relating to the positive aspects of increased oil exports from the U.S.S.R. These comments should be considered in the light of the adverse implications of Russian oil to the free world stated on page 12 of the circular. The latter reflect the various dangers you correctly state in your letter. The two points you question reveal the author's intent to analyze objectively Russian oil developments from the viewpoint of free world consumers as well as producers where competition is a vital and essential factor. Moreover, the readjustments required as a result of the cutting off of Middle East oil to European consumers during the Suez crisis in 1956 are still fresh in mind. Indeed they are still a factor in our domestic oil problem. In addition, oil imports are becoming increasingly important sources of energy in free Europe and the Governments of Iran, the Arab nations, and Venezuela recently have formed an Organization of Petroleum Exporting Countries (OPEC). A potential objective of OPEC may be production and price controls to be imposed on the operating companies.

Replying to your specific request about Mr. Donald J. Frendzel, the author of Information Circular No. 8023: He holds a B.S. degree in geology and an M.S. in mineral economics from Pennsylvania State University. He is a graduate of the Russian language school of the U.S. Army. He has been a student of Soviet oil and gas since 1952. During his 2 years with the Bureau of Mines he has been engaged in studying Soviet minerals with special emphasis on petroleum. He has written several articles on the subject and has lectured before military and business groups. He has exchanged ideas and data with officials of American oil companies and he has their confidence.

Let me assure you that this administration is fully aware of the potential threat of Russian oil expansion to the U.S. oil economy. The situation is being watched carefully and our programs and policies will be determined in the best interests of the United States. Your interest in this subject and that of Senator EASTLAND's subcommittee is appreciated. Please call on me if this Department can be of further assistance in the pursuit of your inquiry.

Sincerely yours,

JAMES K. CARR,
Acting Secretary of the Interior.

Mr. DIRKSEN. Mr. President, it is clear that the Department of the Interior has not grasped the significance of my original objections to Information Circular No. 8023. Mr. Carr points out in his reply that the circular was prepared to assist members of the Interior Department and others to fully understand the raw material problems of the United States. I certainly do not dispute the need of the administration to conduct studies and to assemble data on Soviet oil. In fact, I am totally in agreement that we need to know a great deal more about the manner in which Soviet oil is being used in the cold war.

What I do object to, and this point was totally ignored in the reply to my letter, is the release by a department of the U.S. Government of a circular that states a position that is directly opposed to the interests of the United States and its allies. The very fact that this circular was prepared by the Interior for external use, including use by our oversea allies, suggests the folly of indiscriminate releases of this kind by staff groups. Anyone reading Circular No. 8023, especially a foreign ally who might not understand our system of government, could infer that U.S. position on Soviet oil is neutral. Yet, in Mr. Carr's reply, he states that the administration is fully aware of the potential threat of Russian oil expansion. But what have they done about it? The United States should let the U.S.S.R. know how it feels on this subject.

I consider Soviet oil as the "hottest weapon in the cold war." It is being bartered by the Soviets for our most advanced technical machinery and equipment and it is also being used as an astonishingly effective wedge for Soviet political penetration.

Mr. President, the Department of the Interior has no business releasing a circular containing statements that are subject to misinterpretation regarding the U.S. position on a matter of this import.

It is certainly not in the interests of the United States for U.S. allies to become dependent on Soviet oil and it is not in the interests of the United States that private oil companies should be buffeted in world markets with politically motivated Soviet oil offerings.

There are no positive aspects for the West in the expansion of Soviet oil exports any more than there are positive aspects in losing Cuba or in giving in to Soviet aggression—economic or political—anywhere else in the world. The tactics being used by the Soviets in their oil offensive are as great a threat to the West as their saber rattling in Berlin or their subversion in Guinea. In fact, because of its insidious nature, Soviet oil could constitute an even greater threat than the conventional forms of Soviet aggression to which we are more fully alert.

More than 30 free world nations, many of them holding key positions in Western defense plans, are partially dependent on Soviet oil. This oil could be cut off tomorrow, if it served Soviet political objectives to do so.

In addition to being subject to the machinations of the Soviet master planners, some U.S. allies also are providing the Soviets with the means of developing their own technology at a faster pace than the West. At one time, Soviet agents would go to almost any lengths to obtain design and engineering data on new equipment developed by the West. Now, they simply buy a complete plant ready to operate. What do they use to purchase the West's valuable technical and scientific achievements? They trade oil.

The less-developed countries of the world constitute a special hunting ground for the Soviet political bosses. Oil is being offered to many of these countries at prices that would barely pay the taxes and royalties on free world oil. The Soviets are very shrewd traders. They are not making these price concessions just to be good fellows. In fact, the price they are asking is ridiculously high. It is freedom itself. They are using oil to establish economic contacts, which they can later readily convert into increased political influence.

The administration should be making a concerted effort to warn our allies that Soviet oil is as serious a threat to freedom as an ICBM or a division of troops.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I yield to the distinguished Senator from Illinois.

Mr. DIRKSEN. Mr. President, has the China resolution been laid before the Senate?

The PRESIDING OFFICER. It is the pending business.

Mr. DIRKSEN. May I inquire of the distinguished majority leader what the program will be after the action on the China resolution has been concluded?

Mr. MANSFIELD. That will conclude the voting for today. It is the intention—and this is done after consultation with the distinguished minority leader—to take up two or three minor bills, bills which are noncontroversial, and then adjourn until 11 o'clock tomorrow morning. It is my understanding, based upon conversations I have had with other Senators, that there is a strong possibility that there will be votes on the appropriation bill which will be considered tomorrow.

Mr. DIRKSEN. It is my understanding that the two bills which will come before the Senate tomorrow are the appropriation bill for the Independent Offices, and the appropriation bill for the Department of Health, Education, and Welfare.

Mr. MANSFIELD. That is correct.

BERLIN CRISIS SHOWS NEED FOR COLD WAR GI BILL NOW

Mr. YARBOROUGH. Mr. President, all of us regret that the repeated warlike threats of Khrushchev in the Berlin situation, and in stirring up similar trouble around the world, has forced us to substantially strengthen our military forces.

Americans and free men everywhere want peace, but they want their freedom even more—and we intend to keep it at any price.

President Kennedy's plan to order units and members of the Ready Reserve to active duty for up to 12 months under the present situation is reasonable and prudent. It has my wholehearted support as I am sure it has the support of the overwhelming majority

of this Senate and of the American people. I have just voted for Senate Joint Resolution 120 to grant that authority, and the Senate has approved it unanimously.

In addition, President Kennedy has found it necessary to order a doubling and tripling of the draft call so that many additional thousands of our young men will be called to the military service of our Nation. I believe that Americans and other free men have no greater privilege or responsibility than to serve the cause of freedom whenever and wherever they can help protect human liberty.

However, I do not believe that our young men should be called upon or expected to make the sacrifices alone. Those of us who remain at home owe these veterans of the so-called cold war a great deal of practical support.

It is for our defense and for our protection that they are laying aside normal civil pursuits and exchanging school books and work tools for rifles and fighter planes.

The best means of acknowledging the sacrifice of these young men is by passage of the cold war Veterans GI education bill, S. 349. Patterned after the thoroughly proven and nationally beneficial GI bills of World War II and the Korean conflict, the cold war Veterans GI bill is of vital importance.

This proposal, introduced by 37 Senators at the opening of the current session, will probably be before the Senate for consideration very soon. In view of the necessary buildup of military manpower, I strongly urge all sponsors and other Members of the Senate to stand together in the passage of this vitally important program.

RELATIONSHIP OF THE UNITED STATES WITH THE REPUBLIC OF CHINA AND COMMUNISTIC CHINA

The Senate resumed the consideration of the concurrent resolution, Senate Concurrent Resolution 34, relative to the relationship of the United States with the Republic of China and communistic China.

Mr. MANSFIELD. Mr. President, I yield now to the Senator from Connecticut.

Mr. DODD. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the second paragraph on page 1, it is proposed to add the following paragraph:

Whereas the Chinese Communist government has flagrantly violated basic human rights, has imposed on the Chinese people one of the most brutal regimes known to history, and is without authority to speak for the Chinese people other than the authority that derives from usurpation and tyranny; and

At the end of the third line of the third paragraph on page 1, it is proposed to add the following phrase: "by its export of narcotics to non-Communist countries, in collaboration with criminal elements in these countries, and on a scale that makes it the major source of the international illicit narcotics traffic."

Mr. DODD. Mr. President, I have submitted for the consideration of the Senate portions of a substitute resolution which received serious consideration by the Senate Committee on Foreign Relations, and lost out, within the committee, by the narrow margin of 9 votes to 7.

In terms of the actions they prescribe, the resolution reported by the Foreign Relations Committee and my own resolution were identical. They called for continued opposition to the recognition of Red China and its admission to the U.N., and for continuing support to the Republic of China.

Why, then, did I trouble to introduce a substitute resolution?

The U.S. Senate, in enacting this resolution, is not speaking to itself. We are addressing ourselves to the American people—yes, and to the peoples of the world. It is not enough, therefore, merely to indicate our continuing determination to keep Red China out of the United Nations. It is necessary to spell out the reasons which justify this attitude.

The amendments I now have submitted spell out some of these reasons in somewhat greater detail.

I consider a more detailed justification of our attitude all the more important because of the increasing pressure, both in this country and abroad, for the admission of Red China to the United Nations.

The great majority of those in the free world who favor the admission of Red China to the U.N. are not in any sense Communists or Communist sympathizers. Barely a week ago, even President Ayub Kahn of Pakistan, who enjoys a reputation as a stanch anti-Communist, added his voice to the chorus that is now clamoring for admission.

There is far too great a tendency in some quarters to look at this rising pressure, and to accept the ultimate admission of Red China to the U.N. as something inevitable. But there is nothing inevitable about Red China's admission and nothing irresistible about the campaign for her admission to the United Nations.

Pressure has been building up not because of any ineluctable process, but because we have been inactive. While the Communist parties and all their front organizations have been conducting an all-out campaign, we have done little or nothing to counter this Communist campaign and to present our own position.

If there is an increasing sentiment among the free nations for the admission of Red China to the U.N., I believe this is because the facts about Red China are not adequately known and the basic issues involved in admission are not adequately understood. For this lack of knowledge and understanding, we ourselves are largely to blame.

I am convinced that our position can prevail in the United Nations, that the present trend can be reversed, that an overwhelming majority of the U.N. member nations can be brought to oppose the admission of Red China. But to achieve this, two conditions have to be met.

First of all, we must make our own opposition to the admission of Red China unmistakably clear, instead of talking about the "inevitability" of admission and instead of putting out trial balloons about a "two China policy."

In his speech before the House of Lords on February 8 of this year, British Foreign Secretary Lord Home said that the United Kingdom—I quote—"has supported the moratorium on debates on whether or not Communist China should be seated in the U.N. because the choice, until now, has been between the admission of Communist China and the break-up of the United Nations, and so long as that was the choice, there was only one answer. It is for the United States to say, in their own time, what their attitude will be."

If we falter or fail in our determination, if it appears that we are prepared to bow before the inevitability of Red China's admission to the U.N., then it is only natural that those nations which have up until now been vacillating, will come out openly for admission.

If, on the other hand, we let it be known that we will oppose the admission of Red China with every resource at our command, including the ultimate resort to the veto, the nations that depend on our leadership would be given courage and those nations that are disposed to vacillate would probably continue to vacillate.

But in addition to making our determination unequivocally clear, we must, out of respect for the other free nations whose support we are soliciting, make our reasons for opposing Red China's admission unequivocally clear. We must present our bill of particulars in a manner that errs, if anything, on the side of detail and thoroughness. If we state our position weakly or state it incompletely, we are, whether we realize this or not, indirectly encouraging the mounting pressure which is used as an argument for revising our stand.

Let me examine a few of the details which I have incorporated into the preamble of my substitute resolution.

First of all, I consider it essential that we get across the point that the Chinese Communist regime does not really speak for the Chinese people, that it is a regime which is constantly at war with its own people.

This I consider to be a matter of first principle.

It is so regarded by our entire tradition.

It accords with our principles—

Said Thomas Jefferson in 1792—

to acknowledge any government to be rightful which is formed by the will of the Nation, substantially declared.

We do not accept and have never accepted physical control of a territory as the basic criterion in deciding on recognition. The Nazis controlled the whole of the European mainland for several years. But instead of recognizing the quisling regimes that exercised physical control over the European countries, we gave our recognition to governments in exile that did not exercise physical control over their territories.

In line with this, my substitute resolution contains a clause which reads:

Whereas the Chinese Communist government has flagrantly violated every human right, has imposed on the Chinese people the most brutal regime known to history, and is completely without authority to speak for the Chinese people other than the authority that derives from usurpation and tyranny;

I consider it important to make specific reference to the Chinese Communist occupation of large areas that have traditionally been recognized as part of the territories of India and Burma.

The Asian peoples may be prone to forget—prone, like all of us, to indulge in wishful thinking—but this is an issue they understand.

There was a cry of outrage from one end of India to the other when Prime Minister Nehru revealed some 2 years ago that the Chinese Red army had occupied substantial portions of Sikkim and Bhutan on the northern frontier of India. Conservatives, Socialists, people of all parties, demanded that the Government take stronger action to deal with this aggression. There were even important defections from the Indian Communist Party.

Prime Minister Nehru, for reasons of his own, has seen fit to mute the issue, although there has been no withdrawal of Communist forces. I feel that only good can come of reminding the people of India that the Chinese Communists still occupy large segments of Indian territory.

One of my proposed amendments reads as follows:

Whereas by its export of narcotics to non-Communist countries, in collaboration with the most depraved criminal elements in these countries, and on a scale that makes it the major source of the international illicit narcotics traffic;

I consider this addition to be of the greatest importance. For some strange reason, very little is known about Red China's role in the international narcotics traffic, despite the fact that it has been the subject of intensive investigation by congressional committees, despite the repeated statements of Mr. Harry Anslinger, Federal Narcotics Commissioner, despite the occasional article in the American and European press.

The description of Red China as "the major source of the illicit international narcotics traffic" is taken verbatim from a statement made by Mr. Harry Anslinger early this year. According to Mr. Anslinger, seizures of raw opium in the countries bordering Red China totaled 15,000 pounds during 1959. Virtually all of this had come from Chinese territory. Since law enforcement in these countries is primitive, it can be taken for granted that the seizures amounted to only a tiny fraction of what actually got through to the Free World.

According to the Journal de Gènève, one of Europe's most authoritative newspapers, the Chinese Communist regime has been zealously expanding the production of opium in carefully guarded state farms. Opium farms have been established in every corner of China where the climate is most favorable. Over the 10-year period ending 1959, the Communists, said the Journal de Gènève, had increased opium production from 8,000 to 13,000 tons, and the production curve was still upward.

Thirteen thousand tons equals 26 million pounds. Think of what 26 million pounds of opium could do to the stamina and morale of the people in the surrounding countries and, for that matter, throughout the free world.

In our own country, drug addiction has more than trebled since the end of World War II. And it is estimated that drug addiction is responsible for approximately 50 percent of all crimes committed in the larger metropolitan areas and 25 percent of the reported crimes in the Nation. This is what Red China is doing to our own Nation through the international dope traffic, and this is what she is doing to other nations.

The Chinese Communists utilize the export of opium to obtain foreign exchange and for direct subversion. A report of the Senate Judiciary Committee published in 1956 stated:

Subversion through drug addiction is an established aim of Communist China. Since World War II, Red China has pushed exportation of heroin to servicemen and civilians of the United States and other free nations of the world.

Sworn testimony before this subcommittee, and the Internal Security Subcommittee, setting forth names, dates, secret codes, methods of smuggling, and drug seizures chemically analyzed, prove beyond any doubt that Red China is producing and exporting opium and heroin as an established policy of its governing officials. This is further confirmed by reports of the United Nations Commission on Narcotic Drugs.

The United States is one of the principal targets of this vicious illicit traffic in drugs as the Peiping regime seeks (1) to obtain dollars to purchase strategic materials and to pay foreign operatives and (2) to demoralize susceptible individuals in our military services and in the general population.

In every civilized country the peddling of narcotics is regarded as a crime that ranks with murder and kidnapping. That any government should engage in this crime and make this crime a major source of foreign revenue is, to my mind, unspeakably vile. This one fact by itself should be encugh to bar Red China from the United Nations.

The integrity of the United Nations would suffer far less if "Lucky" Luciano were to appear as the head of a delegation than it would from the seating of Mao Tse-tung, the arch dope peddler of all time.

Mr. President, I ask unanimous consent to insert into the RECORD at the conclusion of my remarks the following documents: First, the article by Harry Anslinger entitled "The Red Chinese Dope Traffic," Military Police Journal, February–March 1961; and second, the article entitled "Peiping and the Policy of Poison," Journal de Geneve, June 20, 1960.

I also believe, Mr. President, that we have permitted the issue of Tibet to be too easily forgotten. After all, the Chinese Communist invasion of Tibet is only 2 years old, and the incredible reign of terror which began after the suppression of the Tibetan uprising, has, if anything, been increasing in intensity with the passing months.

The terror instituted by the Chinese Communists in Tibet was described in painful detail in a report published by the International Commission of Jurists, an esteemed body which enjoys consultative status with the United Nations, and on which there are outstanding jurists from Asia, Africa, Europe, and the Americas.

According to the summary of the International Commission of Jurists, Chinese Communist treatment of the Tibetan people violates virtually every single clause of the Universal Declaration of Human Rights adopted by the General Assembly of the United Nations on December 10, 1948.

It would seem difficult to recall a case—

Said the report—

in which the ruthless suppression of man's essential dignity has been more systematically and efficiently carried out.

The Commission said that it was their considered view that the evidence points to a prima facie case of a systematic intention to destroy in whole or in part the Tibetans as a separate nation and the Buddhist religion in Tibet.

Mr. President, Red China stands guilty of so many crimes against humanity that it is preposterous to me that this criminal regime should even be considered for membership in the United Nations.

Red China is guilty of aggression in Korea, in Vietnam, in India and in Burma.

Red China massacred United Nations soldiers in Korea, with their wrists tied behind their backs. It failed to return thousands of prisoners who were known to be in its custody.

The Chinese Communist regime is guilty of mass murder in its own country and of genocide in Tibet.

It is more guilty than all the Lucky Lucianos combined, for the international narcotics traffic and all the misery and suffering that this imposes on mankind.

Because there is so much ignorance and so much forgetfulness, however, it is up to us to make the case, to make it in irrefutable detail, and to make it repeatedly.

If we do so, I am convinced that we will have the overwhelming support of free world opinion and of the free delegations to the United Nations in opposing the admission of the Red Chinese regime to a body that is supposedly based on the Universal Declaration of Human Rights and on the rule of law in international affairs.

Two of the suggested amendments I have described are, in my judgment, of such fundamental importance that I have submitted them for the consideration of the Senate: the phrase concerning Red China's role in the narcotics traffic, and the clause pointing out that the Red Chinese government is a tyranny which cannot and does not speak for the Chinese people.

I ask unanimous consent to have printed at this point in the RECORD the

supporting material and documents in connection with my amendment.

There being no objection, the data were ordered to be printed in the RECORD, as follows:

[From the Journal de Gênève, June 20, 1960]

PEIPING AND THE POLICY OF POISON

(By Pierre Guillery)

In Japan, the police have recently discovered an important traffic in drugs with (Red) China. This discovery leads directly to those who have already been suspected of dealing in heroin and morphine and of exporting it from Peiping to finance worldwide Communist subversion.

Last year, with the arrest at Kobe of the Chinese Wang-sheng called "the king of drugs in Japan," the local police exposed many subversive organizations established in Japanese territory. The network has illegally brought into Japan hundreds of millions of U.S. dollars worth of drugs in the past 10 months.

But there is another more important aspect to the discovery. The interrogation of the suspects brought out some interesting facts regarding the exact details of the transportation of heroin and morphine beyond the Chinese frontiers. At Tokyo, due to the collaboration of numerous police in Asia, it was already known that the drug leaves China by four principal routes:

First of all, there is the north China route which, after leaving the ports of Tsintao, Weihaiwei, and Tientsin, leads through Japan and South Korea.

Next, there is the Shanghai route, which goes through the Mideast and Africa. There, Baghdad is the final distribution center.

There is also the Kwang-chow route, which leads to Hong Kong and Macao.

Last, but not least is the Yunnan route of which Kunming is the administrative center.

This Yunnan route was, until now, believed to end at Burma and Thailand. That is not so. It is now known, as revealed by those arrested, that the Yunnan route leads to Japan and from there, reaches out to Okinawa, Hawaii, and the American continent.

The Japanese have been aware of the problem for many years. They often spoke of the "policy of poison" being practiced at Peiping. They know, in particular, that although opium is not smoked to any great extent in Red China now, nevertheless, the plant is not less intensively cultivated. In fact, during the past 10 years, the area of poppy plantations has increased from 10,000 to 17,000 hectares, whereas the production of crude opium increased from 8,000 to 13,000 tons annually. This year, if the weather is good, a record crop exceeding 15,000 tons is expected.

OPIUM FARMS BEHIND BARBED WIRE

From available information in Japan (and confirmed elsewhere) Peiping has established opium farms in every corner of China wherever the climate is most favorable for it: the northwest, northeast, southeast, and the center of the country. The most important plantations are in the Szechwan, Ninghsia, and Yunnan areas. The best known installation is in the mountainous district of Lingyuan (Province of Jehol) in Inner Mongolia.

One of its employees escaped from this farm during a revolt last year. The escapee disclosed the hardships those years which he and other volunteers had endured while cultivating the 2,700 hectares of poppies completely enclosed by electrified barbed wire fences. Below, in the Jehol, a civilian unit of guards were on duty day and night. They were, as an added precaution, surrounded by professional soldiers whose devotion to the Communist Party had been proven.

During the Second World War, China was manifestly the hell (or the heaven?) of the opium addict. The sweetish scent of the fumes of the drug floated freely in the air, noticeable to anyone walking through the city. It was generally known that the pro-Japanese government of Mandchoukouo balanced its budget regularly by means of revenue derived from the sale of opium (20 to 30 percent of its total receipts, depending upon the years). The drug trade also served to finance the expenses of the Japanese intelligence service in China.

Sometimes, though involved in such important events as the seizure of a cargo of munitions destined for the nationalist troops, the capture of a Chinese general, tired of fighting, etc., the Japanese quartermaster general would immediately dispatch several fighter planes to Shanghai to locate the drug in Mongolia as quickly as possible.

At present the traffic has changed hands. In (Red) new China, it is the Communist Party itself which controls opium discreetly and strictly (no accounts nor statistics of production are ever published) from planting to exportation, on its way to be manufactured into morphine and heroin. This policy of opium does not date from yesterday. It was put into effect during the height of the heroin epoch of Yennan, when the Communist liberators awaited their opportunity to seize the Chinese continent.

The one responsible for the plan is Lin Po-chu, that is to say, the present vice chairman of the Peiping government. The original plan of Lin Po-chu has been modified only slightly in its present application.

According to the plan, it is Chen-Yun who decides on the foreign policy of opium. One might ask what other policy he could possibly be concerned with since the use of the drug is henceforth forbidden in China. Under the command of Chen-Yun, the one responsible for foreign operations is the exminister of foreign affairs of Peiping, Wan Chia-hsiang (present chairman of the "overseas department of the Chinese Communist Party"). Under the direct jurisdiction of Wan Chia-hsiang, are Messrs. Liao Cheng-chi, Lee Chu-li, and Lien Kuan (all three vice chairmen of the same overseas department of CCP).

For the administration of the opium industry, this overseas department of CCP has 21 special bureaus (bureau of transportation and trade of special products; bureau of foreign commerce; bureau for the management of special products; bureau of machinery used for special products, etc.)

The best Japanese (and America) sources agree that the principal opium manufacturing plants are located at Wushi (near Shanghai), at Kwang-chow, at Kunming, and at Chiao Hsien (in Shantung).

THE AMATEURS OUTSIDE THE BOUNDARIES

Prudently, however, the Communist Party does not interfere with smugglers who carry the drug outside the Chinese boundaries. The road is open to the amateur smuggler. These are the soldiers on leave, pilots (ship or plane), the tourists who are interested in making easy money fast by transporting the drug.

Often morphine or heroin is even transferred without the knowledge of the traveler. An American pilot assigned to regular liaison duty between Japan-Hong Kong, was astounded one day on his return from a mission. Called to the phone when about to take a shower, in the airport at Tachikawa (not far from Tokyo), he surprised a Japanese employee occupied in extracting drugs from the soles of his flight boots.

To avoid attracting attention, from the noninitiated, the drug is given various code names. For example, opium is called 0039; morphine, 0040; heroin, 0041. On a telegram, these numbers easily pass for the time of arrival or departure of planes.

According to the Japanese, the trade is important. Every year, Japan reports, many millions of yen go to Communist organizations. But, as to Peiping, it does not resort to tricks. Its profits are invested on the spot. The sale of the drug serves to finance Communist subversion. Here, it is said, that an overwhelming detailed report is in the process of being put together slowly. Some day, perhaps soon, it will be deposited with the United Nations for general edification.

In the meantime, one can believe that Peiping never forgets the interests of its smugglers, disputing on a diplomatic level, the outline of her frontiers with neighboring Burma, India, or Nepal.

THE RED CHINESE DOPE TRAFFIC

(By the Honorable Harry J. Anslinger, U.S. Commissioner of Narcotics, U.S. Treasury Department, Washington, D.C.; U.S. Representative to the United Nations Commission on Narcotic Drugs, and member of the advisory board, Military Police Association)

INTRODUCTION

The U.S. Bureau of Narcotics is responsible for the detection, investigation, and provention of violations of the Federal narcotic and marihuana law, the Opium Poppy Control Act, and the Narcotic Drugs Import and Export Act. The Bureau of Narcotics directs its major efforts toward the suppression of the illicit narcotic traffic at the interstate and international levels. While the increased penalties, provided by the Narcotic Control Act of 1956, are having a restraining effect on the illicit narcotic traffic in the United States, Federal narcotic agents are still at grips with the highly organized interstate and international traffickers who have become extremely cautious in the face of heavier sentences.

To meet the indisputable challenge to our country ever present in the international illicit narcotic traffic and to restrict the quantities of narcotic drugs entering this country illegally, the Bureau of Narcotics has several officers abroad. These agents, in cooperation with government officials in the Near East and in Europe, conduct undercover investigations of major violators and suspects in these areas.

Reliable statistical information concerning narcotic drug addiction is acquired and tabulated through the combined efforts of Federal, State, and local law enforcement agencies, which report to the Bureau of Narcotics all addicts coming to their attention. The Bureau of Narcotics has on file the names of approximately 46,000 addicts and supporting data as to the date and place of birth of the addict, sex, race, nature of addiction, drug used, period of addiction, and the cause of addiction.

Contrary to erroneous reports, addiction in the United States since the end of the war has declined every year and continues to decline. Many of our cities and States have been swept relatively clean of the narcotic vice. Even in the five large metropolitan areas in which are found 76 percent of the addicts of this country, the heroin is highly adulterated. It is also very expensive, which indicates scarcity.

Now, 93 percent of the addicts use heroin, and police reports show that not more than 10 percent of the addicts who come to their attention undergo severe withdrawal symptoms when unable to obtain the drug. This is in marked contrast to a few years ago when heroin was more readily available. However, as long as there is any addiction in our country, eternal vigilance by all law enforcement agencies must continue.

The excellent cooperation which exists between the Federal Bureau of Narcotics and local and State enforcement agencies is

largely responsible for the effective enforcement of narcotic laws at all levels. While the Bureau of Narcotics concentrates on the traffic of wholesalers and interstate and international violators, pressure is exerted against all narcotic law violators through the cooperation of State and local enforcement agencies.

Effective aid to State and local narcotic law enforcement agencies continues to be afforded by the Federal Bureau of Narcotics Training School, organized under the Narcotic Control Act of 1956. Since then 691 law enforcement officers have graduated from the school, representing 282 enforcement agencies, 43 States, the District of Columbia, Puerto Rico, and 18 foreign countries.

We are particularly gratified that military police officer alumni of our school now number 80 and we heartily encourage additional students to attend. In this connection we must gratefully acknowledge the fact that during the period shortly after World War II and before the establishment of the Federal Bureau of Narcotics Training School, our new agent recruits attended the Military Police Criminal Investigation Course at the Provost Marshal General's School, Fort Gordon, Ga.

With the assumption by State and local law-enforcement agencies of responsibility for policing the intrastate illicit retail narcotic traffic, Federal narcotic agents devote their efforts to a considerably greater degree toward eliminating the major sources of illicit supply in the interstate and international traffic of narcotic drugs.

A SIGNIFICANT CONSPIRACY CASE

Almost every country in the world cooperates toward containing the international traffic in illicit narcotics. Cooperation among our North American neighbors has been outstanding. Our undercover officers have assisted police in several South American countries in breaking up gangs engaged in smuggling illicit narcotics to the United States. Countries in Europe and the Near East make tremendous narcotic seizures. In some of these investigations, where smuggling to the United States and Canada was indicated, our officers stationed abroad were invited to assist. Thus, the illicit heroin traffic from abroad toward the eastern coast of the United States is successfully attacked.

Unfortunately, the same thing cannot be said for heroin entering our country through the Pacific coast. The source of this heroin is the Chinese mainland—Red China.

In January 1959 we concluded an investigation involving the smuggling into the United States from the Far East of 270 pounds of heroin, amounting to millions of dollars in the illicit narcotic traffic during the past 6 years. A total of 21 Chinese conspirators were engaged in this vast operation. Twelve of them reside in Hong Kong, Macao, and Shanghai; they were responsible for bringing this staggering amount of heroin into our country.

Those 12 gangsters were beyond the prosecutive jurisdiction of our country and escaped punishment. The British authorities at Hong Kong were furnished all available information regarding those living and operating in that city. But Communist China took no action, just as in the past.

The grand jury of the U.S. district court at San Francisco, Calif., returned a criminal indictment against this gang.

Documents seized during the course of the investigation proved that the heroin originated in the Province of Szechwan, Communist China, and was smuggled to various U.S. ports via Hong Kong. The c.o.d. price in the United States paid by the American-Chinese receivers averaged $360 per ounce. The principal conspirators traveled from Formosa to Hong Kong and to the Chinese mainland in furtherance of these transactions.

George W. Yee, of San Francisco, Calif., proprietor of a men's clothing store in the heart of Chinatown, the mastermind of this ring in America, was never previously arrested. During the past 2 years he was president of the Hip Sing Tong (an organization) in San Francisco. Among his associates residing in the United States was Jung Jim, of Portland, Oreg., who was serving a 12-year penitentiary sentence in an Oregon State prison on another narcotic charge at the time he was arrested in the present case. Jung Jim, convicted in another narcotic case developed by our San Francisco office, received a substantial penitentiary sentence in this case.

Another co-conspirator, Chung Wing Fong, was president of the same tong during the year 1956.

The Bing Kong Tong, Portland, Oreg., also figured in our investigation. Its president was a mediator who settled disputes regarding commissions on some of the illicit narcotic deals between two conspirators in this investigation. The complainant produced figures and facts entered in his personal diary and records to support his claim.

One of the many purposes of Chinese tongs in the United States is to provide various services to their paying members. Most of the activities of these organizations are legal; however, some are not. Narcotic trafficking is probably one of the most lucrative criminal operations of a few tongs.

One year of painstaking investigation preceded the successful development of this international narcotic conspiracy. In February 1958, an undercover agent of the Federal Bureau of Narcotics penetrated a San Francisco faction of this Chinese gang, making several evidential purchases of heroin from them. During the next 2 months this same officer, always working at great personal risk to himself, gained the confidence of another branch of this gang in the neighboring State of Orgeon. Negotiations involving secret meetings under most difficult circumstances culminated successfully with narcotic evidence purchased from them. A third section of this Chinese gang was outwitted by the same courageous officer of our Bureau of Narcotics. His accomplishment was even more dramatic because he was not of oriental ancestry.

Concomitant surveillance by other officers of the Bureau of Narcotics resulted in tightening the net of complicity around other members of the gang. Many documents, all written in Chinese, were seized by our agents. They were translated by two different interpreters to insure accuracy. Little pretense was made to disguise the language of the documents. The defendants thought they were taking safe refuge against police detection by using their native language. One of the prisoners made simple and concise entries in his diary, listing the amounts of heroin he purchased, the prices paid, prices he received for sales of wholesale and retail lots of the heroin.

Some of the prisoners made complete confessions corroborating evidence of this startling traffic in death, tracing the path from the China mainland to dingy Shanghai port dens frequented by Chinese sailors who were recruited to smuggle the heroin into the United States via Hong Kong.

OTHER SEIZURES IN THE UNITED STATES

The George Yee case was not an isolated investigation involving the smuggling of Communist Chinese heroin to the Pacific coast of the United States. Many others have followed the same pattern, which we strongly fear will continue.

Most of the 270 pounds of heroin trafficked by the George Yee gang was in brick form. In June 1957, our New York office developed another case leading to the seizure of one-fourth kilogram of this same type of heroin from Yau Lau, a Chinese. Investigation disclosed that this was only a small portion of a very large quantity previously smuggled into our Pacific coast from Communist China. Yau Lau was sentenced on July 29, 1957, to 7½ years in prison.

A few years ago the Bureau of Narcotics obtained conviction of some 30 conspirators who smuggled large quantities of Communist Chinese heroin into the United States. That was the George Douglas Poole case. For several years Poole was suspected of being the ringleader of a group of merchant seamen engaged in smuggling enormous quantities of heroin from Communist China into the United States. The scope of this smuggling activity was not fully appreciated until the story of their conspiracy unfolded in testimony given by two members of the ring.

The smuggling venture was started in 1948 by Anthony J. Longobardi and two other merchant seamen. New members joined the ring and the tempo of their smuggling increased under the leadership of Poole, who had joined the group shortly after its inception. The smuggling method of this group hinged on the fact that the majority of members were merchant seamen, shipping out from San Francisco to ports of the Orient.

Prior to the time one of the ring was due to sail, members of the group placed equal amounts of money in a pool for the purchase of narcotics. The member acting as courier met the heroin source in Hong Kong when his ship docked and received the shipment of heroin.

The ring had access to three separate sources of this Communist Chinese heroin. These mysterious suppliers were known to the smuggling group only as Abdul, Calli, and Goldteeth. The quantities of heroin smuggled on each trip usually involved several kilograms. After obtaining delivery in Hong Kong, the courier returned to the ship and hid the contraband until the vessel cleared the last port of call, Honolulu. The heroin was then removed from its place of concealment and sewed into the inner lining of a parka, a jacket commonly worn by seamen.

When the ship arrived in San Francisco harbor, a longshoreman member of the gang would board the vessel in the bay along with other longshoremen. While the ship was preparing to dock, he would exchange the parka he was wearing for the parka of the courier containing the heroin and would eventually leave the vessel unmolested and free from search, carrying the heroin. The shipment was then distributed by the ring in wholesale quantities to dealers along the Pacific coast. From time to time members of the ring would hold meetings to split the proceeds and arrange for additional heroin shipments.

Heroin smuggled into the United States by this ring was estimated at 70 kilograms. It is believed, however, that this was a conservative figure, and that the actual quantity greatly exceeded that amount, as some members of the group were able to establish themselves in business from the proceeds of their heroin smuggling.

These gangsters received long sentences in the penitentiary, putting an end to their operation for many years.

Two seizures made by agents of our New York office in 1958 again indicated the Chinese mainland as the origin. On May 1, 1958, narcotic agents assisted by customs officers and local police arrested Yu Hong Ting and his wife, Leung Tam Yong Ting, in their curio shop. A thorough search of the shop revealed 50 ounces of almost pure heroin. It had been concealed in novelty pillow cases inside a large tea container. As the officers were approaching Yu Hong Ting's apartment nearby, they seized an additional 1½ ounces of heroin which Ting dropped on

the street from his pockets. At the apartment 15 ounces more heroin was seized, along with a large quantity of paraphernalia for mixing, cutting, and packaging narcotics. The defendant, Yu Hong Ting, said the narcotics were obtained from a seaman named Lim Yew Ming from Shanghai.

The above seizure was connected with an investigation conducted by Japanese authorities when on February 18, 1958, they seized 28 ounces of pure heroin from Lin Po Huai, allegedly of Communist Chinese origin. This heroin and that seized from Yu Hong Ting in New York City had approximately the same chemical characteristics—86 percent purity, physical appearance, infrared spectrum, and melting point.

The other New York City seizure was made on August 27, 1958, involving 25 pounds of crude opium seized from three Chinese seamen. Previously an undercover agent had received a 55-grain sample of this opium from the ringleader, Roy Chen.

UNITED NATIONS

The major source of the international illicit narcotic traffic has been, and still is, Communist China. Literally tons of narcotics are being smuggled into Burma, Thailand, Hong Kong, and Macao for evil use in those areas and for transshipment to Japan, the Philippines, Canada, and the United States.

Ever since 1952, we have called to the attention of the U.N. Commission on Narcotic Drugs the enormous illicit traffic in narcotic drugs pouring out from the Chinese mainland to many countries of the world. We have repeatedly brought the traffic originating in Communist China into sharp focus. We have supplied the United Nations with information regarding seizures within the United States of illicit narcotics originating directly from Red China, or which were transmitted through other Far Eastern countries before arriving in the United States.

Some Far Eastern countries have specifically labeled Red China as the source of narcotics they have seized. Other countries in that region, however, have been somewhat reluctant to speak or report in this same candid fashion before the U.N. Commission on Narcotic Drugs.

It is necessary to stress that one of the principal functions of the U.N. Commission on Narcotic Drugs is to report all known facets of the international traffic in illicit drugs—to study general trends and features of this traffic—to devise national and international measures to combat this traffic, including mutual cooperation among nations. The United States has diligently shared this responsibility whether or not a regrettable situation is evidenced in a friendly country. Since the Commission on Narcotic Drugs is strictly a functional and technical organization, political considerations are never taken into account, per se, unless of course dope trafficking is used as a political tool.

The U.S. Government has always reported on the international traffic truthfully and accurately even when such information might affect our allies. The same candor is manifested in relation to our political opponents.

The specific cases involving Red China, some of which have been previously described in this article, were openly reported by our Government in prior annual meetings of the United Nations.

The 1959 George Yee conspiracy case was presented by the U.S. delegation to the Commission on Narcotic Drugs at the 1960 (15th) session at Geneva, Switzerland, in substantially the same detail as covered in this article. This was merely one of many cited by our delegation and part of a very detailed report in relation to the global analysis of the illicit narcotic traffic. For the purpose of this article, we shall furnish only those excerpts which relate to the traffic around which Red China is directly involved.

At the 1960 meeting, we cited that in 1959 approximately 15½ tons of raw opium was seized in the Far East. Thailand seized more than 8 tons of this quantity. The Government of Thailand sent reports to the United Nations Secretary-General in May 1959 of seven raw opium seizures made between November 7 and December 19, 1958, totaling 687 kilograms. Thailand also reported 11 seizures of raw opium made between November 7 and December 17, 1958, totaling 884 kilograms. Ten more seizures of raw opium between March and November 1959, totaled 1,142 kilograms.

The Thailand representative described all of the foregoing raw opium seizures as having come from beyond the northern frontier.

The Government of Burma officially reported seizures totaling about 2½ tons of opium presumably originating in the Yunnan region and the Shan States of Red China. More than 2 tons of opium was seized in Singapore and the Malayan States and reported to the United Nations as being of the same Yunnan-Shan States origin. The British authorities reported equally large opium seizures in their Hong Kong colony, also presumably of Yunnan-Shan States origin.

The United States Delegation to the 1960 Geneva meeting publicly took the position that the bulk of these opium seizures originated in Red China specifically and not within this vaguely defined region.

Our delegation to the United Nations cited its concern at this traffic because although much of this opium is consumed by addicts in the Far East, a large portion of it is used as raw material for the illicitly manufactured heroin which is smuggled to the United States. We also observed that on occasion raw opium is smuggled to the United States directly from the Far East. In March 1960, for example, 2 kilograms of raw opium and prepared opium were seized from Chinese traffickers in New York City following the purchase of one kilogram of opium by an undercover police officer. The opium was smuggled directly from Hong Kong but since there is no opium production there the true origin was probably Red China.

This concluded the remarks of the U.S. delegation with specific regard to the opium traffic. The next aspect covered by us was the traffic in morphine-base or crude morphine. This is the intermediate raw material between opium and the final product—heroin.

Our delegation expressed its great concern at the traffic in morphine-blocks or bricks bearing the "999" symbol. Nationalist China reported a seizure of 1⅛ kilograms of morphine-blocks on August 26, 1959. At Kowloon, Hong Kong, on July 14, 1959, the Hong Kong police seized 8 kilograms and 346 grams of morphine-blocks, each bearing the well-known trademark "999." On March 31, 1959, the Hong Kong authorities seized 1 kilogram and 970 grams of morphine-blocks with the trademark "999." On November 10, 1958, the Hong Kong police seized two suitcases aboard a British Overseas Airlines Corporation aircraft arriving from Bangkok, Thailand, containing 35 kilograms of block-morphine and powdered-morphine. The blocks bore the familiar "999." The powdered-morphine packages were stamped with a letter "A" and carried a metal seal with Chinese characters meaning "Shanghai" in Red China.

The representatives of China (Free China) explained the August 26, 1959, seizure by stating that this traffic existed between Taiwan (Free China) and Hong Kong, but every indication was that the morphine was of Communist Chinese origin and manufacture.

The representative of the United Kingdom stated that the morphine-blocks in this and other seizures appeared to be of Yunnan origin; that there was no proof of other origins though there might very well be other origins.

After citing these facts the U.S. delegation publicly declared that references to origin being of the Yunnan area are vague and inadequate and we supported the view of the representative of Nationalist China—that the origin of the morphine-blocks bearing the symbol "999" and the origin of the powdered-morphine previously cited was Communist China.

The Japanese observer to the 1960 Geneva meeting cited a case involving the seizure of 2 kilograms and 53 grams of morphine and 2 kilograms and 136 grams of heroin from a U.S. Air Force enlisted man named Marshall R. Wilmot on June 14, 1959. Personnel of the U.S. Air Force Office of Special Investigation (OSI), those of Japan, Hong Kong, and Free China, collaborated in this joint investigation. In this connection, the U.S. representative quoted from an American newspaper story with a Japanese dateline in which the Japanese authorities announced this seizure had been made from a narcotics ring which had smuggled an estimated $278 million in drugs from Communist China to Japan during the past 10 years.

Following these statements on raw-opium and morphine-base, the U.S. delegation directed its discussion before the 1960 Geneva meeting to the matter of the heroin traffic. The details previously mentioned with regard to the George Yee conspiracy case were presented to the assembled delegations. We also cited a recent and subsequent development to this investigation which occurred on April 19, 1960, with the arrest by agents of our U.S. Bureau of Narcotics at San Francisco of three Chinese for possession of 90 grams of heroin. Investigation disclosed that this group had taken over the heroin business formerly handled by the Yee gang. It was further established that Red China was the source for the heroin trafficked by this new group.

Two additional heroin seizures, independent of those mentioned above, were also narrated to the 1960 United Nations meeting by the U.S. delegation. One of them involved the seizure of 197 grams of heroin from three Chinese arrested on May 6, 1959, in an investigation conducted jointly by our agents and officials of the U.S. Customs Service at San Francisco. The defendants stated that the heroin came from Red China.

The other case was of more serious consequence. On June 4, 1959, Lee Edgar Sartain gave a special employee of our Bureau in Honolulu, Hawaii, a sample of 20 grams of heroin. On June 6, Sartain was arrested. Two days later a briefcase belonging to Sartain was seized and found to contain 1 kilogram and 54 grams of heroin, the largest quantity ever seized in Hawaii. Sartain owned bars in Honolulu and the Orient and worked as a theatrical agent in the Far East. He was constantly seeking outlets in the United States for heroin he obtained from Communist China in enormous quantities.

Before the U.S. representative concluded his remarks to the assembled United Nations delegates, he asserted the appropriateness of referring to another situation in the Far East, which involved Communist North Korea. It was stated that, starting from 1955, a total of 700 Communist agents, dispatched from North Korea, were arrested in South Korea. The astonishing fact was disclosed that 40 percent of these 700 agents had narcotics in their possession for the purpose of raising fifth-column operations funds. The total quantity they carried was about 70 kilograms, valued at around $700,000, of which 5 kilograms of heroin were seized from Kim Ding Kyuk, 6 kilograms of heroin from Tai Soon Lee, and 12 kilograms

of morphine from Myung San Yang—all nationals of North Korea.

The latter top-spy leader received the death penalty. Another violator was Yi Mong Yong from whom 3 kilograms of morphine were seized at Hong Kong in connection with the previously mentioned case of the U.S. Air Force enlisted man, Marshall Wilmot.

CONCLUSION

In the face of overwhelming evidence produced at the 1960 annual United Nations meeting, as well as in the past, against Communist China, nothing has been done by Communist China to check this mushrooming traffic in dope. This evil trade in narcotics, whether in the form of raw opium, morphine, or heroin, has a tremendous adverse effect on the welfare of the United States. It is regrettable that other countries who also suffer from this Red Chinese dope traffic refuse to place the blame where it correctly lies. We can only hope that eventually circumstances will permit all countries to join with our country in using the medium of the United Nations Commission on Narcotic Drugs and other international forums to marshal world opinion to force Communist China to stop this traffic in poison and death.

A fitting conclusion is the editorial entitled "Rioters, Paid From Profits of Chinese Dope Trade, Dim Communist Prestige, Not Ours," published in the September 17, 1960, edition of the Saturday Evening Post:

"It is well known that many of the supposedly fanatical students, whose rioting prevented President Eisenhower from visiting Japan last spring were putting on a great show for something like 80 cents a day, but there is less knowledge of the source of the money. It would appear that much of it came from the profits on Red China's sale of dope—heroin mostly—smuggled into Japan.

"The news that such funds were to be made available to Japanese agitators against Kishi and the American treaty was printed in the Orient last March, notably in Free China and Asia, a journal published in Taiwan (Free China).

"That Red China has been exporting huge quantities of opium and all its derivatives in all directions is common knowledge. The Japanese police have for many years complained that the profits from Red China's dope sales in Japan—estimated about 5 years ago to be $30 million a year—were going in part to the support of Japan's Communist Party. The payoff came when President Eisenhower's proposed visit to Japan triggered Communist-inspired protests.

"Hong Kong is swamped with opium, morphine, and heroin, as was revealed in a United Nations white paper published in November 1958, but the municipality hesitates to bring a direct charge against its powerful Communist neighbor. The Burmese and the Thais wring their hands over their inability to check the flow of opium, but can only say that it comes from somewhere beyond their frontier areas. But in Geneva last April, at the annual meeting of the United Nations Committee on Illicit Traffic in Narcotics, the American deputation had documents to show that substantial quantities of heroin coming into the United States through Hong Kong originated in Red China.

"More than 40 years ago Lenin declared that any kind of dirty work that forwarded the Communist cause was justified by what he called 'Bolshevik ethics.' But the sale of dope in a neighboring country and the use of the proceeds to foment riots against that nation's foreign relations is a new approach to diplomacy. Just why this dirty Communist business should be said to have destroyed American prestige in the world is outside our understanding."

Mr. MANSFIELD. Mr. President, this subject has been discussed with various members of the committee; and I understand that the committee is willing to accept the amendment.

Mr. DODD. I thank the Senator from Montana.

The PRESIDING OFFICER. The Chair notes that the first part of the amendment is to the preamble of the concurrent resolution. Therefore, the Senate will act now on the second part of the amendment.

The question is on agreeing to the second part of the amendment of the Senator from Connecticut.

Mr. DODD. Mr. President, I think both parts of my amendment have to do with the preamble, for the third paragraph on page 1 also has to do with the preamble.

The PRESIDING OFFICER. The Senator from Connecticut is correct; both parts of the amendment relate to the preamble. Therefore, they will be acted on after the Senate acts on the concurrent resolution.

The question now is on agreeing to Concurrent Resolution 34. On this question the yeas and nays have been ordered.

Mr. MUNDT. Mr. President, I should like to commend the distinguished Senator from Connecticut for the additions he has proposed to the concurrent resolution—additions which I believe the committee should accept and is prepared to accept.

The Senator from Connecticut [Mr. DODD] is one of our most vigorous crusaders against communism, and he especially deserves commendation for his amendment to add to the preamble of the concurrent resolution the paragraph dealing with the narcotics traffic.

It is strange that a great many persons in our country who are 1,000 percent opposed to narcotics are among those who feel there is something decent and attractive about admitting Red China to the United Nations. Even a few church groups curiously enough have been deceived and deluded into recommending this pagan polluter of public morals—this greedy exporter of narcotics should be given diplomatic recognition and accepted in the United Nations.

The best authority in the United States on narcotics is Harry Anslinger, who for many years has been head of the Bureau of Narcotics of the Treasury Department; his services there goes back almost beyond the memory of any living man. Just the other day I came across a statement by Harry Anslinger to the effect that 65 percent of the narcotics traffic in this country originates from Communist countries.

I believe the time has certainly arrived when we should call to the attention of good Americans everywhere the fact that if Red China were admitted to the United Nations and if we established normal trade and diplomatic relationships with Red China, we would be opening wide the floodgates to an enormous increase in the narcotics traffic, so as to make a bad situation even worse. We virtually would be inviting to our country these Communist supported dope peddlers to ply their wicked trade in an effort to expand juvenile delinquency, crime, prostitution, and a breakdown of our prized system of private and public morals.

Therefore, Mr. President, I congratulate the Senator from Connecticut for offering the amendment and for calling attention to a situation which is far too little publicized by elements of the press favorable to recognition of Red China and her godless and greedy Communist warlords.

Mr. DODD. Mr. President, has my amendment been acted on?

The PRESIDING OFFICER. No, for after examination it has been found that both parts of the amendment relate to the preamble of the concurrent resolution.

Mr. DODD. Mr. President, I ask unanimous consent that notwithstanding the Senate rule, the Senate now act on my amendment to the preamble.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the amendment of the Senator from Connecticut [Mr. DODD] to the preamble of the concurrent resolution.

The amendment was agreed to.

The PRESIDING OFFICER. The question now comes on agreeing to the concurrent resolution, as amended.

Mr. DIRKSEN. Mr. President, I have no desire to make extended remarks on this subject, which has been discussed in the Congress many times. On 16 different occasions the Congress has passed on the same question, and I think all here are familiar with it.

I point out that the original concurrent resolution was submitted by the distinguished majority leader and myself, and it has been in the process of revision, in connection with the so-called preamble recitals; but the resolving clause is substantially the same as that carried in the original resolution.

I ask unanimous consent to have printed at this point in the RECORD the text of an analysis of the entire subject relating to the admission of Red China to the United Nations, which was made by Mrs. Geraldine Fitch, who far a long time lived in Formosa, and was called upon to make an analysis of the subject, and has been a long-time member of the so-called Committee of One Million. The title of the brochure is "Should the Chinese Communists Be Admitted Into the U.N.?"

I ask that the entire brochure be printed in the RECORD, together with the names of the congressional endorsers and also the names of the noncongressional members of the Committee of One Million.

There being no objection, the pamphlet was ordered to be printed in the RECORD, as follows:

SHOULD THE CHINESE COMMUNISTS BE ADMITTED INTO THE U.N.?

The question is again raised, "Why should not the U.S.A. recognize the Chinese Communist regime and approve of its admission into the U.N.?"

The two things are not the same, of course, but are closely interrelated because one would inevitably follow the other.

If any person who asks the question could put himself in the place of any Chinese living in a people's commune today—separated from family, working long hours, regimented to and from the fields under guard, living on subsistence rations or less—no argument would be needed to answer the question, for no American would ask it. But Americans cannot imagine life in a people's commune. They cannot believe that some 25 million Chinese or more have been liquidated, that 18 to 20 million more are in reform-through-labor camps, and that the rest of the millions are in government, the army, or people's communes.

But even if Americans have no experience enabling them to imagine life under the Chinese Communist regime, still there are many logical reasons why recognition would be a serious, possibly fatal, mistake for the free world. If the U.S.A. does not continue its firm policy against recognition and admission, no other country can be expected to do so.

There is continuing pressure on the U.S.A. and its State Department to recognize a Communist China, just as there have been continuous attempts to seat the Chinese Communists in the United Nations.

Each year as soon as the U.N. General Assembly is convened, a neutral nation or one of the Soviet bloc, brings up this question of Chinese representation, hoping to disqualify the very able Dr. Tingfu Tsiang, chief delegate of the Republic of China and his colleagues, and seat representatives of the Peiping regime in their places. Each year the effort is defeated.

The Outer Mongolian affair is a case in point. In 1955 the attempt was made to get the red camel of Peiping into the U.N. tent by nosing Outer Mongolia in first. The Republic of China used the power of the veto for the first time to prevent this. Soviet Russia, to be sure, had cast more than 80 vetoes in the U.N. to that date, about 45 of them to bar new applicants, but never did she receive such dire threats as were directed against the Republic of China for barring this wholly unqualified applicant from admission. Free China was even threatened with ejection from the U.N. Some warned that to use the veto against Outer Mongolia would be suicide for Free China.

Some Americans felt at that time that, while the Republic of China was right in objecting to membership for Outer Mongolia, she would gain friends by abstaining from the vote (and the veto) at the last moment, because a dozen other applicants were included in a package deal. It was a difficult decision, reluctantly made, but public opinion in Taiwan was unanimous, and the government felt it was a moral as well as a political issue. Free China could not swallow the camel of Outer Mongolia.

But many persons who will admit that Outer Mongolia is merely a puppet of Moscow and not a qualified state, still maintain that the Peiping regime is different.

It may be well then to review the cogent reasons for barring the Chinese Communists from the U.N.

Like Outer Mongolia, the Communist regime in Peiping does not qualify for membership as "a peace-loving state" or "able and willing to fulfill the obligations of membership." When four Communist countries were slipped into the U.N. by a "package deal," Sir Percy Spender of Australia said, "We now officiate at the burial of Article 4 of the Charter." To follow this up, by admitting the only nation officially labeled an aggressor by the United Nations, would be to bury the rest of the Charter. The Chinese Communists took up arms against the U.N. by entering the Korean war. There is still only an armistice in Korea, and the Communists continue to violate it. Since there is no peace treaty and no unification of the country, the so-called "People's Republic of China" is still an aggressor. Considering the Peiping regime's further oppression in Tibet and aggression in India, could anyone call that regime "a peace-loving state"?

Moreover, the Communist-controlled mainland has violated every principle of the U.N. Declaration on Human Rights. The official report Secretary General Hammarskjold made to the 21st session of UNESCO showed Peiping's inhumanity to its own people. The millions liquidated were, with few exceptions, good people—industrious farmers, educated leaders, peace-loving ministers, and priests. Another documented report to the U.N. put the number of slave laborers at 18 million. (Peiping has even exported slave-labor to Czechoslovakia and other satellite nations.) Yet another report with convincing documentation shows the Peiping regime is the major source of the world-wide narcotics traffic. The ramifications of this trade have a direct bearing on the increase in crime and juvenile delinquency in many countries, including America.

The Chinese Communists have not repented of their aggression in Korea. On the contrary, they continue aggression by invading Tibet and ruthlessly quelling the uprising for freedom there, by encouraging Communist rebels in Laos, invading the borders of India and building a road across the Indian state of Ladakh.

Peiping, aggressive satellite of Soviet Russia, contributes to instability and subversion all over Asia. She has sent Communist agents to make trouble in Singapore and Malaya and incited oversea Chinese in other parts of Southeast Asia. If seated in the U.N. she would be in a position to create more disruptive influences. The hope of free nations in Asia to maintain freedom would be dashed, and the neutrals—now beginning to understand communism as an international danger—would feel they must come to terms with it.

The State Department maintains that its policy is based on objective considerations of U.S. national interest. The United States does not wish to extend recognition because of the conviction that no tangible benefits to the United States, or the free world as a whole, would result. On the contrary, such recognition would be of material assistance to the Chinese Communists.

This is not an inflexible policy. The State Department maintains continual reappraisal of all available facts. If the situation in the Far East were to change in its basic elements, the United States would of course readjust its present policies. Such a basic change would be, for instance, an attempt on the part of the Chinese Communists to purge themselves of the charge of aggression toward other countries.

Recognition of a Communist China by the U.S.A. would be disastrous beyond calculation to the free countries of Asia. America's allies would feel betrayed, and the neutral countries would conclude that it was high time to make the best deal they could with Peiping. Among the disastrous results would be the transfer of the loyalties of the oversea Chinese to Peiping, and the inevitable seating of the Chinese Communists in the U.N.

The U.S.A. proposes to honor its commitments. America has international obligations to the republics of Korea, China, Vietnam, the Philippines, and the countries in SEATO. The Communists tell their people that the United States is a vacillating, wavering, and unreliable ally. The U.S.A. still has some conscience about the confidence that free nations of Asia have placed in its pledged word. America's obligation is to its allies, but neutral nations also can resist Communist pressures or blackmail better because of America's firm stand against Communist expansion. SEATO would crumble if the U.S.A. changed its policy.

Perhaps we should examine some of the delusions held, or the myths built up, about Communist-held mainland. Here are a few of them:

1. We are told it is unrealistic to ignore 650 million people.

Answer. The numbers may be exaggerated, but in any case, we do not ignore them. We know they are there, but we cannot reach them. Great Britain tried recognizing the Peiping regime, but their charge d'affaires has long cooled his heels in Peiping without being received. He was ignored. And full diplomatic relations with Britain have never been established. America did not ignore its Al Capones or "Baby-face" Dillingers but did not negotiate with them, or make "deals" with them. Since the aims of Peiping are incompatible with the aims of the U.N., it would be foolish to consider it a suitable candidate for admission. As foolish as proposing a candidate for the Democratic Party (or the Republican), if he opposed all that the party stood for.

The Peiping regime can no more speak for the people of China than a cat for the canary it has swallowed. Nor can they speak for themselves. They repeat what they are told to say, like tape-recordings. A plebiscite is frequently suggested for Taiwan. Why not for the Chinese mainland where the liquidations and reform-through-labor have taken place in violation of human rights?

2. We are told that recognition would not mean approval.

Answer. Technically, this may be true. But practically, and in the eyes of all Asia, recognition would be interpreted as approval and greatly enhance the international prestige of the Chinese Communists. The United States recognized Israel and Indonesia to encourage them. It established the principle of nonrecognition of Manchukuo to show disapproval of the fruits of aggression. The Communists are not asking that the United States recognize that they exist—the futile negotiations in Geneva and Warsaw do that. They want the prestige that would come with U.S. recognition, and they want "derecognition" in the U.N. of the Republic of China, the charter member which has shown itself "able and willing to fulfill the obligations of the charter."

3. We are told the Peiping regime will be in the saddle for a long time and we should do business with it.

Answer. The great Spanish scholar, Salvador de Madariago, once said: "You cannot be for the people and also for their oppressors."

If the people dared speak, they would cry out, "In the name of humanity, don't recognize our oppressors and destroy our last hope."

4. We are told that even if Peiping cannot claim it as a right, the United States should recognize it in order to relax tensions and bring peace to the Far East.

Answer. In other words, the United States is asked to make this concession in the hope that Peiping will stop doing what she should not have done all along. We would put an Al Capone on the police force so he might agree to stop murdering people. This would be a shocking proposal—to bribe the enemy to cease his enmity and especially to pay in something that does not belong to the United States, the human rights of another nation and people, including all those who have voted against the Communist regime with their feet by fleeing to Hong Kong, Macao, and Taiwan.

5. We are told we should recognize the Chinese Communists for the sake of trade.

Answer. The trade possibilities are vastly exaggerated. Trade is a two-way street. The 600 million customers are of little conse-

quence if they cannot buy. Trade with the Chinese Communists would be negotiated entirely for the benefit of the regime, not the people. Burma has received shoddy goods for her fine rice. Hong Kong has been the victim of dumping. Malaya has the same problem of goods priced below cost of production. American labor is unwilling to compete with countries that produce for world trade by slave labor.

6. We are told that since the United States recognized Russia, it should recognize the Peiping regime.

Answer. The United States of America did not recognize Russia for 15 years, and many think it was a mistake to do so then. Russia was an ally during World War II and came into the U.N. as a founding member.

7. We are told that the Chinese Communist regime has the support of its people.

Answer. The U.S. Government holds the view that communism is not permanent, but a passing phase; that the Communists, who are less than 1 percent of the people, cannot represent them; they represent only the Chinese Communist Party and world communism. The Communists admit innumerable uprisings, and hundreds of thousands of cases of sabotage. The chief delegate of the Republic of China, Dr. T. F. Tsiang, said in 1956 in the U.N.:

"It is very important for us to know what the 500 (or 600) million people of China want. Do they want the Communists to represent them here, or do they want my government to represent them? I should like to state that if the U.N. could conduct among the entire people of China a free vote as to whom they wished to have represent them in the U.N., my government would abide by the results of such a free choice of the entire people.

"Would the Communists allow such a plebiscite? I think not. They are afraid of free elections. They are perfectly aware that if such a plebiscite were to take place, they would be rejected by an overwhelming majority of the Chinese people."

In 1950, Dr. Tsiang said of the so-called People's Republic:

"It is a regime imposed upon China. We do not have to speculate on their will or wishes. At the conclusion of the armistice in Korea it was decided that every POW should be given his right of choice. More than 75 percent chose to go to free China and not to the Communist-held Chinese mainland. These POW's had been soldiers in the Communist army, subject to discipline, to brain-washing, and their homes were on the mainland, (yet) they chose to throw in their lot and their future with the Republic of China."

8. Some say "the right of the people of Taiwan—Formosa—should be safeguarded, while steps are taken toward the inclusion of the People's Republic of China in the UN." (The World Study Group of the National Council of Churches put it this way in Cleveland in 1958.)

Answer. Taiwan is one province of China. How could one safeguard the one province, and not consider the freedom of all the rest of China? The rights of Taiwan include the pledges of the Sino-American Mutual Defense Treaty. Recognition of the regime that seeks the conquest of Taiwan (by force if need be), would violate the rights of the people.

9. Many say: How can the government on Taiwan claim to represent all of China?

Answer. Because it is the only Chinese government elected by representatives of all the 600 million people. The representatives elected to the National Assembly have a majority outside of the Communist-held mainland. They have made the "Temporary Provisions for the Period of Communist Rebellion," which President Chiang Kai-shek and Vice President Chem Cheng continue in leadership, representing all the people of China.

10. We are told the island-born Chinese (or Taiwanese) want an independent republic and have a government-in-exile in Japan.

Answer. The island people never elected the handful of exiles in Japan who call themselves a government. They have no contact with them, no interest in the self-chosen group.

11. Today it is being said that inspection of nuclear disarmament cannot be enforced if the Chinese Communists are not in the U.N.

Answer. Without Russia's help, Peiping cannot in the foreseeable future manufacture or possess nuclear missiles. Soviet Russia, therefore, should be held accountable for nuclear disarmament in its satellite.

12. We are told we should make a Tito out of Mao.

Answer. It is merely wishful to think that Moscow and Peiping could be separated. The Mao-Stalin Treaty binds the Chinese Communists hand and foot industrially. Moreover, Mao has never given any indication of wishing to deviate from the party line, as laid down in Moscow. He is a dedicated Communist. Those who see Mao as a potential Tito are the same (or like-minded) persons who told us the Chinese Communists were "agrarian reformers." Just as they were then tools of the Kremlin, so today and for a long time to come, they are absolutely dependent on Russia for heavy weapons, planes, fuel to fly them, and the makings of any nuclear missiles they may possess.

13. We hear a great deal about economic and industrial progress on the Communist-held mainland.

Answer. Much less is heard about the inhuman conditions under which the people are forced to work. On the other hand, on Taiwan (an island the size of Massachusetts and Connecticut) 11 million people (more than in all Australia) live and work as free men, making spectacular progress economically, industrially, and agriculturally. Although the Chinese mainland is about 80 percent agricultural, their type of "agrarian reform" is an admitted failure, and rations have been reduced to export more foodstuffs to Russia. In Taiwan, land-reform has raised the standard of living to the highest per capita caloric intake in all Asia.

14. Every now and again we are told that the U.S. Government is about to change its policy and recognize a Communist China.

Answer. It is difficult in distant Taiwan to know when dispatches out of Washington are rumor, trial balloons, or real changes in U.S. policy toward the Republic of China. Disturbing, for instance, was the report that the United States was working on a plan to "guarantee the freedom and independence of an internationalized Taiwan."

The freedom and independence of Taiwan, present seat of the national government, are pretty well guaranteed by the Sino-American Mutual Defense Treaty and the presence of the 7th Fleet. To "internationalize" Taiwan would actually take away its freedom and independence, giving it the status of a trust territory under the U.N.—without the sovereignity it holds today, and probably without the second largest armed forces of the free world, which it now maintains.

In other words, this harmless-appearing balloon contained the noxious gas of the "two-China" idea—an island under the aegis of the U.N., not the independent country which has upheld the principles of the U.N. and kept peace in the Taiwan Straits for more than a decade.

Fortunately, an "internationalized" Taiwan is as obnoxious to Peiping as to Taipei. Peiping has flatly said it would not accept a seat in the U.N. until Taiwan was handed over to it, and the 7th Fleet was withdrawn from the Taiwan Straits.

The Republic of China which has bravely defended Quemoy and kept the atmosphere of Taiwan free of tension, a charter member of the U.N., and a loyal one, would walk out of the United Nations rather than see the Chinese Communists seated. It is futile then for Western nations to discuss solutions which neither side to the dispute would accept. This is unrealistic in the extreme. As often as this trial balloon is launched, the government pricks it.

Finally, American public opinion on this question is bi-partisan, well-defined and overwhelming. The American people have spoken in the following ways:

(a) A million and more private citizens signed a petition to President Eisenhower against recognition of a Communist China or its admission into the U.N.

(b) Many State legislatures, chambers of commerce (including the U.S. Chamber), the powerful American Legion, many men's clubs (including the Commonwealth Club of San Francisco by a vote of 2,118 to 112), and the General Federation of Women's Clubs, have voted against it.

(c) Congress—both Senate and House—have passed at least 16 resolutions (unanimous or nearly so) on this or interrelated issues.

(d) The National Conventions of both Democratic and Republican parties have put planks into their platforms against recognition of the Chinese Communist regime.

(e) The AFL–CIO (labor) has gone on record as unalterably opposed to admitting any more regimes into the U.N. that produce for world trade by slave labor.

(f) Besides this clear voice of the people, President Kennedy and many other high-ranking Government officials have announced that the United States is firm on this matter while the Chinese Communists continue their aggression and depredations.

There are some people who say, "It doesn't get you anywhere refusing to accept facts." Lord Clement Attlee, former Prime Minister of Great Britain, takes this position in a book he has recently written, and declares that the American refusal to recognize the Chinese Communist regime is extraordinarily stupid.

This is very much like viewing someone in a distorted mirror. If you stand where you see your friend in such a Coney Island mirror, the friend looks fat or thin, or elongated or extraordinarily stupid. But if you yourself stand before the same mirror of distortion—the laugh is on you.

When Lord Attlee was Prime Minister he refused to recognize the Communist regime of East Germany, a position Britain maintains to this day. Nor does the British Government recognize the North Korean regime or the government of North Vietnam. Both are facts (though we hope a passing phase). Is the British Government extraordinarily stupid not to recognize them?

Attlee's mirror is clear on East Germany and North Vietnam because his government recognizes the free governments of West Germany and South Vietnam. But his mirror is distorted when it comes to the Chinese Communists because he has never had the true perspective on the Republic of China. Taiwan is no Coney Island, but a bastion of freedom, and the temporary seat of government for the Republic of China. As such, it represents the free Chinese on Taiwan, the oversea Chinese communities of the world, and all the oppressed Chinese of the mainland who long to be free. It is extraordinarily stupid not to see this.

Nor is this all. The New York Times said editorially during the last election year on November 13, 1956, that it was unthinkable that China's old and rich civilization could be represented in the U.N. by the uncivilized regime in Peiping, adding:

"We cannot accept the bland thesis that the Peiping regime 'represents' the Chinese

people. It does not, certainly, represent the best of Chinese thought and culture. It does not represent the Chinese people by virtue of any popular mandate. It dare not submit itself to free elections. It 'represents' Marxism, Leninism, and complete subservience to the Soviet Union. And it represents a conquest of the great and good Chinese people by forces alien to them."

Some other clear voices have spoken cogently against recognition:

Senator PAUL DOUGLAS (Democrat, of Illinois), said on this subject: "Appeasement of tyranny never pays off. When every one of the soldiers, civilians, missionaries, and businessmen still held captive in Communist China is returned to freedom, when the 25 million Chinese slave-laborers are freed, and when the Chinese people has the opportunity to choose the government it wants in free elections supervised by truly neutral nations, then and then only, should Communist China be considered for membership in the U.N."

Dr. Stanley K. Hornbeck, former head of the Far Eastern Division of the State Department, a recognized legal authority on the subject, raised the question "Which Chinese?" in the journal Foreign Affairs:

"Has not the time come when, in approaching this problem, all men and all governments in the free world should ask with common solicitude: Which of those governments more truly expresses the way of life, the aspirations and hopes, the undeclared but fundamental will of the Chinese people? Which government can and will most authentically represent China? With which Chinese spokesmen can the representatives of other countries most amicably and most dependably deal? Which Chinese represent a peace-loving state, accept the obligations contained in the charter, and are able and willing to carry out those obligations? Which Chinese, if given wholehearted support by the free world, could contribute in greater measure to the cause of peace, security, freedom, and justice? In regard to those governments, then, what action by our country and others will most truly serve the interests of the family of nations and, in so doing, best serve our own? Are not these the most important questions that can now be asked in order to choose wisely between the two governments now functioning in China?"

In my book, "Formosa Beachhead," one thought runs like an alert throughout, and should serve as a warning today:

"The Communists want Formosa considered a U.N. issue, to be handed to them on a platter without the necessity of assault and conquest. Perhaps Formosa could be taken, via the United Nations, without a fight. The pressure will never let up to throw in Formosa as the price of peace—in Korea, in Indonesia, somewhere, anywhere. The friends of a free China must watch those who would talk of trusteeship, or Republic of Formosa, or recognition of a Red China, and prevent the continuing attempt to seat a Communist China in the U.N."

The next move in this continuing attempt is the effort by Britain and some European nations to set aside the moratorium that has heretofore prevented the procedural discussions of which Chinese should be seated as the charter member of the United Nations. It would seem as if any elementary schoolboy would understand which Chinese were elected to the seat. But even if the moratorium is set aside and the question is fully discussed, this does not mean that a majority of nations would thereafter vote for the seating of the Chinese Communists. As Assistant Secretary of State for European Affairs Foy D. Kohler has put it:

"A number of these countries, once the question is discussed, will find themselves up against the real problem that in voting, if they should want to vote the Red Chinese into the United Nations, the question will arise as to the status then of the national government in Formosa and they will be up against the fact that neither Peiping nor Taipei accepts any two-China formula."

And beyond all else, this is something so vital to Asian peoples that Americans should not even contemplate it without ascertaining how the people of Asia—both the allies of America and the neutrals—would feel if the United States changed its policy. An informal inquiry on this question sent to Asian countries (from Korea in the north to India in the south) recently brought varied responses. "It would be catastrophic to our people" said an allied country; a growing minority opinion in India said that "recognition had aided the Communist plan of further aggression"; and another neutral country expressed the opinion that today the neutralists can resist the Chinese Communists' encroachments by threatening to go Western, but if the United States recognized Peiping, they would be helpless in the face of pressures from Peiping. Of course free Chinese, whether in Taiwan or overseas, feel that such a calamitous move would destroy the last hope of their oppressed compatriots on the mainland. That is too great a price for America, land of the free, to pay in order to satisfy those who cry "Peace, peace"—when there is no peace. It would almost certainly lead to—not away from—the very war that many think they could so prevent. We have no right to destroy the hope of 600 millions of Chinese for freedom.

Statement submitted by the Committee of 1 Million to the Congress of the United States and now being circulated nationwide in petition form:

"We continue to oppose the seating of Communist China in the United Nations, thus upholding international morality and keeping faith with the thousands of American youths who gave their lives fighting Communist aggression in Korea. To seat a Communist China which defies, by word and deed, the principles of the U.N. Charter would be to betray the letter, violate the spirit and subvert the purpose of that charter. We further continue to oppose United States diplomatic recognition or any other steps which would build the power and prestige of the Chinese Communist regime to the detriment of our friends and allies in Asia and of our national security. Any such action would break faith with our dead and the unfortunate Americans still wrongfully imprisoned by Communist China and would dishearten our friends and allies in Asia whose continued will to resist Communist China's pressures and blandishments is so vital to our own security interests in that part of the world."

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Mr. Robert S. Allen, Hon. Norwood F. Allman, Mr. Murray Baron, Hon. Robert Woods Bliss, Mr. L. Brent Bozell, Gen. Lewis H. Brereton, Mr. George Bucher, Mr. Wm. F. Buckley, Jr., Col. Laurence E. Bunker, Mr. James Burnham, Mr. Noel F. Busch, Miss Taylor Caldwell, Mr. John Chamberlain, Mr. W. H. Chamberlin, Gen. Lucius C. Clay, Fr. Dennis J. Comey, S.J., Adm. Charles M. Cooke, Bishop Fred P. Corson, Mr. C. Suydam Cutting, Mr. Ralph De Toledano, Mr. Cleveland E. Dodge, Mr. John Dos Passos, Mr. Max Eastman, Gen. R. L. Eichelberger, Mr. Christopher Emmet, Mr. James T. Farrell, Mrs. Geraldine Fitch.

Mr. Hollis P. Gale, Mr. J. Peter Grace, Jr., Adm. J. L. Hall, Jr., Gen. E. N. Harmon, Rev. Frederick Brown Harris, Adm. Thomas C. Hart, Gen. John R. Hodge, Mr. Sal B. Hoffman, Prof. Sidney Hook, Hon. Stanley K. Hornbeck, Gen. Robert W. Johnson, Prof. Horace M. Kallen, Mr. H. V. Kaltenborn, Gen. George C. Kenney, Hon. Wm. F. Knowland, Mrs. Ida Kohlberg, Mr. Marx Lewis, Mr. Eli Lilly, Mr. William Loeb, Adm. Leland P. Lovette, Gen. Frank E. Lowe, Mr. Henry R. Luce, Mr. Eugene Lyons.

Mr. Arthur G. McDowell, Fr. F. A. McGuire, C.M., Bishop Leslie R. Marston, Mr. Adolph Menjou, Mr. Frank S. Meyer, Hon. Robert Morris, Mr. Norbert Muhlen, Mrs. Robert B. Patterson, Col. W. Bruce Pirnie, Rev. Daniel A. Poling, Miss Katherine Anne Porter, Adm. Arthur W. Radford, Prof. O. Glenn Saxon, Mr. George S. Schuyler, Rev. Charles E. Scott, Dr. Aura E. Severinghaus, Mr. Leslie R. Severinghaus, Bishop Bernard J. Sheil, Mr. Igor I. Sikorsky, Bishop John M. Springer, Dr. Robert G. Sproul, Adm. William H. Standley, Adm. Emory D. Stanley, D-. Wendell M. Stanley, Hon. J. Leighton Stuart, Prof. George E. Taylor, Archbishop Theodotus, Gen. James A. Van Fleet, Gen. Albert C. Wedemeyer, Bishop Herbert Welch, Mr. William L. White, Dr. W. Carlos Williams, Dr. Karl A. Wittfogel, Mr. Max Yergen.

Mr. DIRKSEN. Mr. President, I wish to say to the Senator from New Hampshire [Mr. COTTON] that the entire issue was precipitated by his resolution, offered earlier in the session; and the action to be taken by the Senate today is the fruit and the culmination of his initial action in this field.

At this time I yield to the distinguished Senator from New Hampshire.

Mr. COTTON. Mr. President, I thank the distinguished minority leader for his kind words in regard to my interest in this resolution.

My purpose in asking him to yield was not in any way to refer to the original resolution the Senator from New Hampshire submitted.

I believe that the legislative history in connection with the adoption of the concurrent resolution should be crystal clear to the people of the United States and to the world, and, in particular, to the people of Nationalist China, so there can be no misunderstanding or mistake.

In the various conferences which took place during the drafting of the original resolution offered by the distinguished majority leader and the distinguished minority leader, various terms and phraseology were offered. At one point, some of us hoped that the word "sole" would be included—in other words, to have the concurrent resolution state that the United States shall continue to meet its commitments to the people and the Government of the Republic of China and shall continue to support that Government as the sole representative of China in the United Nations.

I was satisfied, and I think everyone should be satisfied, with the wording of the concurrent resolution offered by the distinguished majority and minority leaders, knowing as we do that both of

the authors are stanch in their stand on this matter. But if the distinguished minority leader has been dealing with this resolution and the Foreign Relations Committee, whose chairman I do not see in the Chamber at the present time, has been dealing with it, the Senator from New Hampshire wishes to ask a question of the minority leader, or any Senator who can speak for the Foreign Relations Committee.

Is it clear, and can it be considered today as a part of the legislative history of the resolution, that when Senators vote for the concurrent resolution on the call of the roll which is about to take place, they leave no loophole, no suggestion, no opening of any kind for the endorsement of the so-called two-China policy?

Mr. DIRKSEN. I say unequivocally that in my judgment, the text of the resolution is crystal clear on that point, and there is no endorsement of that kind of policy.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. HICKENLOOPER. As a member of the Committee on Foreign Relations—I cannot speak for the committee, of course—I will say that in the consideration of the resolution, certain language was suggested as a modification of the resolving clause, which in the opinion of some Senators, and in my opinion, in particular, contained some connotation of a possibility of support for the two-China policy. The committee discussed that subject at considerable length. That language was rejected in favor of the present language, which, in my opinion, as a result of the discussion in the committee, did not connote a two-China policy. So the two-China subject was discussed, and was discarded, in my opinion.

Mr. COTTON. So it can be understood by the Senate, according to the understanding of the minority leader and the Senator from Iowa, who was present in the deliberations of the Foreign Relations Committee, that every word and every line of the concurrent resolution is intended to be a complete, clean-cut avowal of our purpose to adhere to the representation of Nationalist China as the sole representative of the Chinese people in the United Nations.

Mr. DIRKSEN. I think the resolution is unequivocal on that point.

Mr. COTTON. I thank the Senator.

Mr. DIRKSEN. Along with that, I think it is a definite encouragement to Nationalist China, as a result of the assurance we give it.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. BRIDGES. I am very glad my distinguished colleague [Mr. COTTON] has sought from the minority leader and members of the Foreign Relations Committee complete clarification of this issue. I am very happy at the response he received. I wish the chairman of the Foreign Relations Committee were present, so we could have him concur in the colloquy which has developed on the floor as legislative history. But, inasmuch as he is not here, I wish to direct a question to the minority leader and the majority leader, the two distinguished Senators who sponsored the resolution.

Do they, by this resolution, mean to reaffirm exactly the position which both the Senate and the House have taken time after time?

Mr. DIRKSEN. I think the clear and unequivocal intent and purpose are exactly that. I am sure the majority leader shares that sentiment. It is my distinct belief that is precisely what the resolution says.

Mr. MANSFIELD. Mr. President, if the Senator will yield, I think the distinguished minority leader of this body has stated it accurately and well.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MAGNUSON. I understood the colloquy which took place, but would it be considered as representing the present sense of the Senate?

Mr. DIRKSEN. We can only express the present sense of the Senate.

Mr. MAGNUSON. In other words, it is the present sense of the Senate that it means what the Senate has said.

Mr. DIRKSEN. It is the present sense of the Senate. If some Senator falls by the wayside, of course, it is no longer the present sense of that Senator.

Mr. KEATING. Mr. President, the arguments for not recognizing Red China or admitting Red China to the United Nations have been heard before in this body as they have been heard throughout the Nation. Sentiment against the admission of the ruthless regime of Mao Tse-tung to the United Nations has been virtually unwavering in the United States for the last decade. But this year the question comes up again preceding the United Nations meeting in September and I am afraid that it comes up with renewed insistence this year because of increasing pressure from the so-called uncommitted nations and possibly from certain figures within the present administration.

Mr. President, the old arguments on this issue have not lost their validity. Red China is an outlaw among nations, not because we refuse to allow her entry to the U.N. but rather because her own conduct has branded her as such. The Chinese Communists won their way to power through brute force in a war-weary country. Since that time, they have waged war on the forces of the United Nations in Korea; they have literally massacred millions, perhaps as many as 18 million of their own countrymen; they are starving millions more to death through agriculture policies aimed at propaganda instead of production; they have committed naked aggression in Vietnam, Burma, Tibet, India, and Laos; and they still proudly boast that they alone would survive the nuclear war which they may in fact at this very moment be plotting.

Article 4 of the U.N. Charter provides that:

> Membership in the United Nations is open to all other peace-loving states which accept the obligations contained in the present charter and, in the judgment of the organization, are able and willing to carry out those obligations.

It would be a perversion of all that the United Nations stands for to describe Red China as peace loving. And how can it possibly accept the obligations in the charter when it is still technically at war with the United Nations? The only grounds on which the Chinese Reds could claim to represent the legitimate government of China are that they have liquidated more Chinese people in one brief decade than any other government in the whole long history of China. And, in fact, that is the basis of their claim. "Might makes right," they say, "so let us in or we will break down the door."

The position of the United States on this issue is clear, rational, and based on definite principles. Membership in the United Nations conveys certain duties and obligations as well as rights, and so far the Chinese Reds have not shown that they are prepared to undertake these duties. Secondly, we have been concerned, and rightly so about what effect recognition in the United Nations of Red China would have upon the free and independent states of Asia who live in constant fear of Communist aggression. Because they do not depend on massacre and terrorism to stifle dissent, and because they do not mount aggressive campaigns against their neighbors, they are in continual danger of Chinese Communist advances and subversion.

If we give the stamp of world recognition and U.N. membership to Red China, we will only strengthen the cause of communism in Asia and weaken the confidence of free nations in their own survival and in our determination to help them.

Mr. President, these arguments have been made many times in the past. They have never been successfully refuted. But today in the dangerous crisis facing us in Berlin and with the new spirit of Communist aggression elsewhere, there are additional, even more forceful reasons why the Peiping bandits must not be allowed to shoot their way into the U.N.

The Communists are probing, not only in Berlin but everywhere in the world. In Asia, Latin America, and Africa, and Europe, they are pushing on the walls of freedom to see where the wall may be weak, to see where it might collapse. Already in Laos it is crumbling dangerously. In Latin America, Cuba represents a hole through which the enemies of freedom are creeping steadily. In Europe, at Berlin, the wall is still firm. But should any attempt be made, at this crucial point to come to an accommodation with Red China at the expense of Nationalist China, the whole Asiatic line would quiver and possibly fall.

Let us be honest, the Red Chinese Communists probably do not care very much whether they are in the U.N. or not, but they do care very much about making the United States back down, retreat, give up an important position. They do want to use this move to undermine and threaten still further American influence and policy in the Far East and

elsewhere among underdeveloped nations.

Mr. President, the United Nations has played a magnificent role in the past. It has been a vital force in defense of law and order, even where it has not done all we might have wished. In the Middle East, in Kashmir, in Korea, in the Congo, and perhaps also now in Tunisia it has held the key to peace, and ultimate establishment of law and order.

Let us ask ourselves what kind of organization would the United Nations be: if Red China were a member—if Red China had a seat in the Security Council—if Red Chinese representatives were placed throughout the U.N. agencies in key posts.

Mr. President, it is because I believe in the role that the United Nations has played in the past and can play in the future that I oppose the admission of Red China. It is because I value the existence of an organization dedicated to international law and order—even though at times the practice does not live up to the preaching—it is because I wish to see the United Nations strong and effective in the cause of peace and freedom, it is because I think we should strengthen the United Nations not weaken it, that I consider it absolutely essential to keep Red China out.

Mr. President, while I concur wholeheartedly in the concurrent resolution, my only regret is that it did not go further. We should have enunciated that it is our sense, and the sense of the American people, that Outer Mongolia should not be recognized. That regime has not committed all the transgressions that Red China has committed, but it is a puppet government which is kept in power by force. Its admission to the United Nations would only increase the disruptive activities within that body.

I was disappointed that the concurrent resolution did not express the sense that Outer Mongolia shall not be admitted to the United Nations.

I shall support the resolution. I hope it may be a warning or admonition that Outer Mongolia likewise will not be recognized.

Mr. DIRKSEN. Mr. President, I say to the Senator from New York it would complicate the resolution somewhat if we attempted to deal with an independent sovereign state. That matter ought to be handled by a separate resolution.

Mr. President, I yield 4 minutes to the distinguished Senator from California [Mr. KUCHEL].

Mr. KUCHEL. Mr. President, firmness in American foreign policy toward our ally, free China, and toward Communist China is about to be enunciated in the Senate today. I have no doubt that we shall unanimously approve Senate Concurrent Resolution 34. That resolution declares:

> Whereas the Government of the United States enjoys close and friendly relations with the Government of Republic of China, including treaty obligations which this Government honors; and
>
> Whereas the Republic of China has faithfully discharged its obligations under the Charter of the United Nations; and
>
> Whereas the Chinese Communist regime by its aggression in Korea, its repression in Tibet, its threats against its neighbors, its failure to release American prisoners as promised, and its hostility toward the United States and the United Nations has demonstrated that it is not qualified for representation in the United Nations: Therefore be it
>
> *Resolved by the Senate (the House of Representatives concurring)*, That it is the sense of the Congress that the United States shall continue to meet its commitments to the people and Government of the Republic of China and shall continue to support that Government as the representative of China in the United Nations; and be it further
>
> *Resolved*, That the United States shall continue to oppose the seating of the Chinese Communist regime in the United Nations so long as that regime persists in defying the principles of the United Nations Charter; and be it further
>
> *Resolved*, That it is the sense of the Congress that the American people support the President in not according diplomatic recognition to the Chinese Communist regime.

Thus, the Senate, and, I have no doubt, the House of Representatives, representing the American people in the legislative branch, will convincingly approve, for the 17th time, the consistent, sound policy of the American Government to honor its treaty obligations to its friend, Nationalist China, and to reaffirm, without equivocation, the indispensable necessity of the United Nations and its members following the clear mandate of the United Nations Charter.

Article IV of the United Nations Charter provides:

> Membership * * * is open to all other peace-loving states which accept the obligations contained in the * * * Charter and, in the judgment of the Organization, are able and willing to carry out these obligations.

I need not labor the RECORD to demonstrate that Communist China is not peace loving, would never honorably accept the obligations of the charter under her present frightful regime, and is violently unwilling to carry out any such enunciated responsibilities as the charter itself provides.

The simple fact is that the United Nations itself, in formal action, charged and convicted the so-called People's Republic of China of aggression against Korea. She has compounded that wanton felony against mankind in all her subsequent sordid dealings with many of her Asian neighbors.

At the Bandung Conference in 1955, Chou En-lai faithfully promised the Asian countries attending the Conference that Communist China would respect their sovereignty, settle all disputes peacefully, and without resort to force. Thereafter, she threatened Burma's borders, she invaded India, and, in wanton violation of her treaty with Tibet, she proceeded to rape and destroy that ancient land, its culture, and religion, and has proceeded to move innocent Tibetan peoples from their homeland to slavery in the Communist mainland.

The concurrent resolution we are about to approve implicitly commits us to a policy of international collaboration with peaceful peoples and never-ending opposition to the destruction of the United Nations by new Red members eternally dedicated to that very goal.

Make no mistake about it, Mr. President. If Red China were to be admitted to the United Nations, the seeds of an inevitable United Nations extinction would then be sown.

Soviet Russia rails vituperatively against the U.N. Secretariat and the U.N. Organization in general. She continues to refuse to pay her U.N. assessment. How gleefully would she now accept the Soviet Chinese as a fellow member of the wrecking crew.

Let our friends and fellow members of the United Nations clearly understand: Red Chinese membership would mock the United Nations charter and would send the United Nations organization inevitably to its downfall. That must not be permitted to happen; and our Government, with our peace-loving neighbors and fellow members of the United Nations, must prevent it from happening.

Mr. President, the free world rejoices in the eloquent and sturdy words of our President earlier this week on our honorable commitments to the people of Berlin. We shall be firm. Let there be no mistake. But I suggest that the respect for our position in Berlin, by friend or foe alike, will immeasurably increase by America's equal firmness against the evil marauders of Red China. That is what the American people desire.

Mr. President, as I conclude, I read the promise of the Republican platform and of the Democratic platform last year.

The Republican platform reads:

> Recognition of Communist China and its admission to the United Nations have been firmly opposed by the Republican administration. We will continue in this opposition because of compelling evidence that to do otherwise would weaken the cause of freedom and endanger the future of the free peoples of Asia and the world. The brutal suppression of the human rights and the religious traditions of the Tibetan people is an unhappy evidence of the need to persist in our policy.

The Democratic platform reads:

> We reaffirm our pledge of determined opposition to the present admission of Communist China to the United Nation.

Mr. DIRKSEN. Mr. President, I yield 1 minute to the distinguished Senator from Massachusettes [Mr. SALTONSTALL].

Mr. SALTONSTALL. Mr. President, I wish to say one sentence. I have said over and over again that we should never permit the Chinese Communists to shoot their way into the United Nations. That statement I repeat more firmly than ever today.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia, [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from

South Carolina [Mr. JOHNSTON], the Senator from Oklahoma [Mr. KERR], the Senator from Hawaii [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Oregon [Mr. MORSE], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Rhode Island [Mr. PELL] and the Senator from Massachusetts [Mr. SMITH] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ], is absent because of illness.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Indiana [Mr. HARTKE], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Oklahoma [Mr. KERR], the Senator from Hawaii [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Utah [Mr. MOSS], the Senator From Maine [Mr. MUSKIE], the Senator from Oregon [Mrs. NEUBERGER] and the Senator from Massachusetts [Mr. SMITH], would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Colorado [Mr. ALLOTT] is absent because of death in his family.

The Senator from Indiana [Mr. CAPEHART], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Maryland [Mr. BUTLER] is absent because of illness.

The Senator from Nebraska [Mr. HRUSKA] and the Senator from North Dakota [Mr. YOUNG] are absent on official business.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Arizona [Mr. GOLDWATER], the Senator from Nebraska [Mr. HRUSKA], the Senator from Texas [Mr. TOWER], and the Senator from North Dakota [Mr. YOUNG] would each vote "yea."

The result was announced—yeas 76, nays 0, as follows:

[No. 112]

YEAS—76

Aiken	Ervin	Monroney
Anderson	Fong	Morton
Bartlett	Fulbright	Mundt
Beall	Gore	Pastore
Bennett	Hart	Prouty
Bible	Hayden	Proxmire
Boggs	Hickenlooper	Randolph
Bridges	Hickey	Robertson
Bush	Hill	Russell
Byrd, W. Va.	Holland	Saltonstall
Cannon	Humphrey	Schoeppel
Carlson	Jackson	Scott
Carroll	Javits	Smathers
Case, N.J.	Jordan	Smith, Maine
Case, S. Dak.	Keating	Sparkman
Church	Kefauver	Stennis
Cooper	Kuchel	Symington
Cotton	Lausche	Talmadge
Curtis	Long, Mo.	Thurmond
Dirksen	Long, La.	Wiley
Dodd	Magnuson	Williams, N.J.
Douglas	Mansfield	Williams, Del.
Dworshak	McClellan	Yarborough
Eastland	McNamara	Young, Ohio
Ellender	Metcalf	
Engle	Miller	

NAYS—0

NOT VOTING—24

Allott	Gruening	Morse
Burdick	Hartke	Moss
Butler	Hruska	Muskie
Byrd, Va.	Johnston	Neuberger
Capehart	Kerr	Pell
Chavez	Long, Hawaii	Smith, Mass.
Clark	McCarthy	Tower
Goldwater	McGee	Young, N. Dak.

So the resolution (S. Con. Res. 34) was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the United States shall continue to meet its commitments to the people and Government of the Republic of China and shall continue to support that Government as the representative of China in the United Nations; and be it further

Resolved, That the United States shall continue to oppose the seating of the Chinese Communist regime in the United Nations so long as that regime persists in defying the principles of the United Nations Charter; and be it further

Resolved, That it is the sense of the Congress that the American people support the President in not according diplomatic recognition to the Chinese Communist regime.

The preamble as amended, was agreed to.

TRANSFER OF BRIDGE ACROSS COLORADO RIVER

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 590, Senate bill 809.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 809) to authorize the transfer of a Bureau of Reclamation bridge across the Colorado River near Needles, Calif., to San Bernardino County, Calif., and Mohave County, Ariz.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 2, line 3, after the word "upon", to strike out "a permit for the bridge being issued to the said counties by the Corps of Engineers" and insert "approval of the location and plans of the bridge in accordance with the provisions of the General Bridge Act approved August 2, 1946, as amended (33 U.S.C. 525–533): *Provided, however*, That terms and conditions shall include commitments by the counties that the bridge shall not be operated as a toll bridge", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Interior is authorized to negotiate and effect the transfer of a Bureau of Reclamation bridge which crosses the Colorado River approximately one mile east of Needles, California, together with appropriate easements for the approach roads thereto, to the counties of San Bernardino, California, and Mohave, Arizona, subject to such terms and conditions as are specified by the Secretary, including those in connection with the maintenance of the bridge and the maintenance of the approach roads, the transfer to be contingent upon approval of the location and plans of the bridge in accordance with the provisions of the General Bridge Act approved August 2, 1946, as amended (33 U.S.C. 525–533): *Provided, however*, That terms and conditions shall include commitments by the counties that the bridge shall not be operated as a toll bridge. The Secretary is further authorized, if satisfactory terms and conditions are agreed to, to transfer the said bridge and easements without monetary consideration.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report, No. 617, explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

S. 809 authorizes the Secretary of the Interior to transfer to the counties of San Bernardino, Calif., and Mohave County, Ariz., a maintenance bridge no longer needed by the Bureau of Reclamation in its rechannelization program on the lower Colorado River. The transfer is to be made without monetary consideration, since the bridge has been surveyed for salvage value and it has been found that it would cost more to dismantle it and remove it than it would to acquire a similar type new bridge.

NEED

The development of the Mohave Valley where the bridge is located has created an increasing demand for the use of the bridge by the general public. Both counties have indicated and must agree to adequately maintain the bridge and approach roads, both for the use of Government vehicles and the general public.

COMMITTEE AMENDMENTS

Two amendments have been proposed and have been adopted by the committee. The first, a clarifying amendment, substitutes the provisions of the General Bridge Act instead of a permit from the Corps of Engineers as a condition precedent to the transfer. The second requires commitments from the counties that the bridge shall not be operated as a toll bridge.

DEPARTMENTAL RECOMMENDATIONS

The Department of the Army reports that it has no objection to the enactment of the bill if amendment in accordance with a proposed amendment.

Mr. MANSFIELD. Mr. President, I ask that the committee amendment be agreed to.

The committee amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONVEYANCE OF LAND IN MARENGO COUNTY, ALA.

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 611, Senate bill 1012.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1012) to authorize and direct the conveyance of certain tracts of land in Marengo County, Ala., to the Greif Bros. Cooperage Corp.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That the Secretary of the Interior is directed to adjudicate a claim of the Greif Brothers Cooperage Corporation, of Delaware, Ohio, under the Color of Title Act of December 22, 1928 (45 Stat. 1069), as amended by the Act of July 28, 1953 (67 Stat. 227; 43 U.S.C. 1068–1068b), to the lands described in section 2 of this Act. If the Secretary shall determine that the Greif Brothers Cooperage Corporation has otherwise satisfied the requirements of the Color of Title Act, he may issue a patent under this Act to those lands without regard to the acreage limitation imposed in that Act.

SEC. 2. The lands subject to this Act are the following-described tracts of land situated in Marengo County, Alabama:

(a) East half of southwest quarter; northwest quarter of northwest quarter, and north half of southwest quarter of northwest quarter, and north half of south half of southwest quarter of northwest quarter of section 11, township 12 north, range 2 east, Saint Stephens meridian; and

(b) Northwest quarter of northeast quarter of section 18, township 12 north, range 2 east, Saint Stephens meridian.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report, No. 636, explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The factual situation surrounding the title status of the land proposed to be conveyed to the beneficiaries of this bill is presented in the Department of the Interior report, dated May 2, 1961, which is set forth below.

AMENDMENT

For the reasons advanced in the agency report, the committee has adopted the substitute language suggested by the Secretary of the Interior.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 2, 1961.

Hon. CLINTON P. ANDERSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR ANDERSON: Your committee has requested a report on S. 1012, a bill to authorize and direct the conveyance of certain tracts of land in Marengo County, Ala., to the Greif Bros. Cooperage Corp.

We would not object to the enactment of this bill, if amended as suggested below.

S. 1012 would direct the Secretary of the Interior to convey all the right, title, and interest of the United States in and to some 189.59 acres of land in Marengo County, Ala., to the Greif Bros. Cooperage Corp., of Delaware, Ohio. Mineral rights would be included in the conveyance. The corporation would be required to pay the appraised value of the land, as determined by the Secretary, in no case would the corporation pay less than $1.25 per acre. The appraised value would not reflect any increased value resulting from the development or improvement of the land by the corporation or its predecessors in interest, and the Secretary would be directed to give full effect to the corporation's equities.

The land described in the bill is public land. Our U.S. Geological Survey reports that the land has prospective value for oil and gas development. There are, however, no oil and gas leases on it. We have no information on hand qualifying us to make any recommendation on the merits of the bill.

Unless the beneficiary named in the bill can show some claim or color of title to the described land, we do not believe that a conveyance by the United States would be justified. If, however, the beneficiary can show such a claim or color of title, we believe that it should attempt to obtain title under the Color of Title Act of December 22, 1928 (45 Stat. 1069), as amended by the act of July 28, 1953 (67 Stat. 227; 43 U.S.C., 1068–1068b), which was designed to deal with precisely that type of problem.

Under the Color of Title Act conveyances to any one claimant are limited to 160 acres. The Greif Bros. Corp. could not, for this reason, successfully apply for the land described in S. 1012 under the Color of Title Act since the land described in the bill totals, as we have stated above, 189.59 acres. Moreover, our records indicate that the corporation has already acquired 130 acres under the Color of Title Act. Presumably because it is barred in this manner from application under the statute the corporation has been forced to seek relief legislation. We know of no Federal need for this land, and, if the Congress believes the claim meritorious, we would not object to legislation waiving the acreage limitations of the Color of Title Act.

The bill as introduced would grant the mineral rights to the beneficiary. Under the Color of Title Act mineral rights may be granted to a claimant if he and his predecessors in interest have complied with the act's requirements since January 1, 1901, and if the minerals are not within a mineral withdrawal or subject to an outstanding mineral lease.

To carry out our recommendations we suggest that S. 1012 be amended along the lines of the enclosed redraft. You will note that the land description has been corrected.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

JOHN A. CARVER, Jr.,
Assistant Secretary of the Interior.

A bill to direct the Secretary of the Interior to adjudicate a claim of the Greif Brothers Cooperage Corporation to certain land in Marengo County, Alabama

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is directed to adjudicate a claim of the Greif Brothers Cooperage Corporation, of Delaware, Ohio, under the Color of Title Act of December 22, 1928 (45 Stat. 1069), as amended by the Act of July 28, 1953 (67 Stat. 227; 43 U.S.C., secs. 1068–1068b), to the lands described in section 2 of this Act. If the Secretary shall determine that the Greif Brothers Cooperage Corporation has otherwise satisfied the requirements of the Color of Title Act, he may issue a patent under that Act to those lands without regard to the acreage limitation imposed in that Act.

SEC. 2. The lands subject to this Act are the following-described tracts of land situated in Marengo County, Alabama:

(a) East half of southwest quarter; northwest quarter of northwest quarter, and north half of southwest quarter of northwest quarter, and north half of south half of southwest quarter of northwest quarter of section 11, township 12 north, range 2 east, St. Stephens Meridian; and

(b) Northwest quarter of northeast quarter of section 18, township 12 north, range 2 east, St. Stephens Meridian.

The amendment is as follows:

Strike all after the enacting clause and substitute therefor the following:

"That the Secretary of the Interior is directed to adjudicate a claim of the Greif Brothers Cooperage Corporation, of Delaware, Ohio, under the Color of Title Act of December 22, 1928 (45 Stat. 1069), as amended by the Act of July 28, 1953 (67 Stat. 227; 43 U.S.C., secs. 1068–1068b), to the lands described in section 2 of this Act. If the Secretary shall determine that the Greif Brothers Cooperage Corporation has otherwise satisfied the requirements of the Color of Title Act, he may issue a patent under that Act to those lands without regard to the acreage limitation imposed in that Act.

"SEC. 2. The lands subject to this Act are the following-described tracts of land situated in Marengo County, Alabama:

"(a) East half of southwest quarter; northwest quarter of northwest quarter, and north half of southwest quarter of northwest quarter, and north half of south half of southwest quarter of northwest quarter of section 11, township 12 north range 2 east, St. Stephens Meridian; and

"(b) Northwest quarter of northeast quarter of section 18, township 12 north, range 2 east, St. Stephens Meridian."

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., April 27, 1961.

Hon. CLINTON P. ANDERSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

MY DEAR MR. CHAIRMAN: This is in response to your request for the views of the Bureau of the Budget on S. 1012, a bill to authorize and direct the conveyance of certain tracts of land in Marengo County, Ala., to the Greif Bros. Cooperage Corp.

The report which the Secretary of the Interior is making on this bill sets forth the facts in this case, and raises no objection to S. 1012 if amended in certain respects.

This Bureau concurs in that report and, accordingly, would have no objection to the enactment of S. 1012 if amended as recommended by the Secretary of the Interior.

Sincerely yours,

PHILLIP S. HUGHES,
Assistant Director for Legislative Reference.

Mr. MANSFIELD. Mr. President, I ask that the committee amendment be agreed to.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read "A bill to direct the Secretary of the Interior to adjudicate a claim of the Greif Brothers Cooperage Corporation to certain land in Marengo County, Alabama."

WATER AND SEWAGE DISPOSAL FACILITIES FOR MEDORA AREA, NORTH DAKOTA

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 612, Senate bill 98.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 98) to authorize the Secretary of the Interior to provide water and sewage disposal facilities to the Medora area adjoining the Theodore Roosevelt National Memorial Park, N. Dak., and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs, with amendments on page 2, line 12, after the word "That", to insert "non-Federal", and in line 16, after the word "systems", to insert "plus interest on the Federal investment in the systems"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to afford adequate facilities to persons visiting Theodore Roosevelt National Memorial Park, and to enhance the setting of the park entrance and further the interpretive program of the park through encouraging the preservation and restoration of the pioneer cattle town of Medora, North Dakota, and its associations with Theodore Roosevelt, by non-Federal endeavors in accordance with House Concurrent Resolutions "T" and "U" of the 1959 Session Laws of the State of North Dakota, pages 878 and 879, the Secretary of the Interior is authorized to modernize the water and sewage facilities of the village of Medora adjoining the park in the manner hereinafter provided.

SEC. 2. The Secretary of the Interior is authorized to construct, operate, and maintain, on rights-of-way donated for the purpose and in such manner as he shall consider to be in the public interest, water supply and sewage disposal systems to serve Federal and non-Federal properties in the said Medora area, and he may make existing Federal systems available to serve such properties: *Provided,* That non-Federal users of the systems shall comply with standards of use prescribed by the Secretary and shall be charged rates sufficient to recover a pro rata share of depreciation and costs of operation and maintenance of the systems plus interest on the Federal investment in the systems. Funds obtained from such non-Federal users of the systems shall be deposited in the Treasury of the United States as miscellaneous receipts, with the exception that the Secretary may consider as appropriation reimbursements, to be credited in the appropriation current at the time received, such amount of the aforesaid collections as may be necessary to reimburse, on a pro rata basis, appropriated operating funds expended for maintenance and operation costs of the systems.

SEC. 3. Construction of the facilities authorized herein shall not be undertaken or use of existing Federal systems authorized until at least 80 per centum of the potential non-Federal users, as defined by the Secretary of the Interior, are committed to connecting to said water and sewage systems and until there shall have been reached an agreement with the duly authorized officials of the village of Medora, by which the village is obligated to adopt and enforce a zoning ordinance which complies with standards prescribed by the Secretary for the purpose of preserving the historic character of Medora and affording a park-like setting in the vicinity of the park and the entrance thereto.

SEC. 4. There are authorized to be appropriated for the construction of these facilities such sums as may be required therefor, not to exceed $100,000.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 612), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

S. 98 provides for the expansion of water and sewage disposal facilities in the town of Medora, N. Dak., and sets forth the arrangements which it is proposed will be made for Federal construction under the authority of the Secretary of the Interior with reimbursement by the non-Federal users.

NEED

The water and sewage systems authorized for expansion under the reported legislation will afford adequate facilities to persons visiting Theodore Roosevelt National Memorial Park, N. Dak., of whom there were some 223,000 in 1960. The town of Medora adjoins the park and has a population of approximately 152 persons. Medora lacks adequate water and sanitation facilities to care for park visitors who stop there.

Theodore Roosevelt National Memorial Park was established by the act of Congress approved April 25, 1947 (61 Stat. 52), and preserves a part of the Theodore Roosevelt Elkhorn Ranch and Badlands along the Missouri River as a memorial to the former President's contributions to the conservation of our Nation's resources and to his part in developing the northern open range cattle industry. Medora is a pioneer cattle town and the proposed development would do much to enhance the setting of the park entrance as well as encourage the preservation and restoration of the town in its pioneer setting.

Under the provisions of the bill, construction of the proposed facilities would not be undertaken until at least 80 percent of the prospective non-Federal users had committed themselves to connecting on to the systems and until the town of Medora has adopted and enforced zoning ordinances designed to preserve the historic character of the town and afford a park-like setting in the vicinity of the park and its entrance.

COSTS

The Federal investment in the proposed facilities would be approximately $91,000. The Government would be reimbursed by the users for depreciation, figured on the basis of full depreciation of mechanical equipment within 15 years and utility lines and improvements within 50 years, and costs of operation and maintenance of the systems. An annual payment of $3,742 by the users would be needed to cover such cost factors.

AMENDMENTS

In addition to the cost items explained in the above paragraph, the committee has amended the bill to provide for the recovery by the Government of interest charges. An annual payment by the users of a total of $6,000 rather than $3,742 is thereby provided for.

A simple perfecting amendment was also adopted by the committee.

Mr. MANSFIELD. Mr. President, I ask that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Without objection, the committee amendments are agreed to en bloc.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALE OF LANDS IN ALASKA

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 614, Senate bill 799.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 799) to amend the act of March 8, 1922, as amended, to extend its provisions to public sales.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 614), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

A full explanation of the need for the enactment of S. 799 is contained in the favorable report received from the Secretary of the Interior, dated May 2, 1961, which is set forth below:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 2, 1961.

Hon. CLINTON P. ANDERSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR ANDERSON: Your committee has requested a report on S. 799, a bill to amend the act of March 8, 1922, as amended, to extend its provisions to public sales.

We do not object to enactment of the bill.

Section 2455 of the Revised Statutes (43 U.S.C., sec. 1171) permits the sale at public auction of isolated and disconnected tracts of public land. The provisions of this section are applicable to Alaska. However, there is no provision by which lands mineral in character may be sold thereunder in Alaska. The act of July 17, 1914, as amended, (30 U.S.C., secs. 121–128), permits the disposition under the nonmineral public land laws of lands valuable for oil, gas, and certain other minerals subject to a reservation to the United States of the minerals for which the land is withdrawn or classified. Consequently, land may be sold under section 2455 subject to such a reservation. Unfortunately, the 1914 act is not applicable to the new State of Alaska, and there can, therefore, be no sale under section 2455 of land in Alaska subject to a mineral reservation.

The act of March 8, 1922, as amended (48 U.S.C., secs. 376, 377), authorizes homestead entry on land in Alaska valuable for coal, oil, or gas, and the granting of patents subject to coal, oil, and gas reservations. It does not, however, provide for general disposition under the nonmineral public land laws of lands valuable for coal, oil, or gas. Consequently, it cannot be applied to sales under section 2455.

S. 799 would amend the 1922 act by adding a new section providing for sales of land in Alaska under section 2455 subject to a reservation of coal, oil, or gas. The measure will

thus correct a handicap imposed on the disposition of land in Alaska.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

JOHN A. CARVER, JR.,
Assistant Secretary of the Interior.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of March 8, 1922 (42 Stat. 415; 48 U.S.C. 376, 377), as amended, is hereby further amended by adding a new section thereto reading as follows:

"SEC. 3. The Secretary of the Interior may sell under the provisions of section 2455 of the Revised Statutes (43 U.S.C. 1171), as amended, lands in Alaska known to contain workable coal, oil, or gas deposits, or that may be valuable for the coal, oil, or gas contained therein, and which are otherwise subject to sale under said section 2455, as amended, upon the condition that the patent issued to the purchaser thereof shall contain the reservation required by section 2 of this Act."

LEASING OF LANDS IN STATE OF UTAH BY SECRETARY OF THE INTERIOR

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 615, Senate bill 888.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 888) to authorize the Secretary of the Interior to lease certain lands in the State of Utah to Joseph A. Workman.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 3, line 10, after the word "shall", to strike out the comma and "subject to the provisions of the leases numbered 14–20–462–325 and 14–20–462–325(a), respectively, be leased for terms of ten years each beginning January 26, 1959" and insert "be leased for a term of ten years beginning January 26, 1959, and as long thereafter as gilsonite is produced in paying quantities"; after line 15, to strike out:

SEC. 3. Any amounts paid, prior to the date of enactment of this Act, by the said Joseph A. Workman as rents, any royalties pursuant to the leases numbered 14–20–462–325 and 14–20–462–325(a) shall be credited by the Secretary of the Interior against any amounts which may be due or owing by the said Joseph A. Workman under any agreements entered into pursuant to this Act.

And, after line 22, to strike out:

SEC. 4. The Ute Indian Tribe and the Affiliated Ute Citizens are hereby relieved of all liability to the United States for reimbursement of any amounts which may have been made available for their use and benefit, prior to the date of enactment of this Act, pursuant to the terms and conditions of the leases numbered 14–20–462–325 and 14–20–462–325(a).

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to enter into agreements with Joseph A. Workman, of Roosevelt, Utah, leasing the following described tracts of lands to the said Joseph A. Workman for the sole purpose of prospecting for, and the mining of, gilsonite:

(a) Beginning at a point (numbered 1), 1,300 feet north of section corner common to sections 15, 16, 21, and 22; thence north 645 feet to point numbered 2; thence south 50 degrees 30 minutes east 3,500 feet to point numbered 3; thence south 645 feet to point numbered 4; thence north 50 degrees 30 minutes west 3,500 feet to point of beginning, sections 15 and 22, township 10 south, range 20 east, Salt Lake meridian, Uintah and Ouray Reservation, Uintah County, State of Utah, and containing 40 acres, more or less.

(b) Beginning at point numbered 1, 2,230 feet south of section corner common to sections 16, 17, 20, and 21; thence north 55 degrees west 2,750 feet to point numbered 2; thence north 51 degrees west 1,540 feet to point numbered 3; thence north 71 degrees west 2,100 feet to point numbered 4; thence north 510 feet to point numbered 5; thence south 71 degrees east 850 feet to point numbered 6; thence north 51 degrees west 1,050 feet to point numbered 7; thence north 650 feet to point numbered 8; thence south 51 degrees east 4,440 feet to point numbered 9; thence south 55 degrees east 2,440 feet to point numbered 10; thence south 590 feet to point of beginning, sections 17 and 20, township 9 south, range 20 east, Salt Lake meridian, Uintah and Ouray Reservation, Uintah County, State of Utah, and containing 96 acres, more or less.

SEC. 2. Any agreement entered into pursuant to the first section of this Act shall provide (1) for the leasing of the lands described in paragraphs (a) and (b) of the first section in accordance with the same terms and conditions, except as otherwise provided in this Act, as those provided for in the leases numbered 14–20–462–325 and 14–20–462–325(a), respectively, dated January 26, 1959, entered into between (A) the Ute Indian Tribe of the Uintah and Ouray Reservation and the Affiliated Ute Citizens of the State of Utah, and (B) Joseph A. Workman; (2) that all rents and royalties payable under any such agreements shall be paid to the Secretary of the Interior and deposited by him in the general fund of the Treasury of the United States; and (3) that such lands described in paragraphs (a) and (b) of the first section shall be leased for a term of ten years beginning January 26, 1959, and as long thereafter as gilsonite is produced in paying quantities.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 615), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF S. 888

The reported bill authorizes the Secretary of the Interior to lease to Joseph A. Workman, of Roosevelt, Utah, approximately 136 acres for the sole purpose of prospecting for and mining gilsonite. The terms of the lease would be the same as those contained in two leases of the same land dated January 26, 1959, between the Ute Indians and Mr. Workman.

NEED

The lease issued to Mr. Workman by the Ute Indians had been issued under the mistaken belief that the mineral estate in the affected lands resided in the tribe. In fact, the lands in question had been added to the Uintah and Ouray Reservation by the act of March 11, 1948 (62 Stat. 72), under provisions reserving to the United States certain mineral interests, including gilsonite rights.

The Bureau of Land Management has authority to issue a lease for gilsonite but there is no authority to issue a preference lease to Mr. Workman.

It is the committee's judgment that, because the facts show no intentional error on the part of either Mr. Workman or the Ute Indians, Mr. Workman's equities should be preserved in the manner provided for in this bill.

AGENCY REPORTS

The favorable reports of the Department of the Interior and the Bureau of the Budget are set forth in the committee report.

Mr. MANSFIELD. Mr. President, I ask that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Without objection, the committee amendments are agreed to en bloc.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PRINTING OF ADDITIONAL COPIES OF ANALYSIS ENTITLED "THE PUGWASH CONFERENCES"

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 616, Senate Concurrent Resolution No. 33.

The PRESIDING OFFICER. The concurrent resolution will be stated by title.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 33), to print additional copies of an analysis entitled "The Pugwash Conferences."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the concurrent resolution.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 641), explaining the purposes of the resolution.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The printing-cost estimate, supplied by the Public Printer, is as follows:

Back to press, first 1,000 copies	$393.41
9,000 additional copies at $141.36 per 1,000	1,272.24
Total estimated cost, S. Con. Res. 33	1,665.65

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 33) was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for use of the Senate Committee on the Judiciary ten thousand copies of a staff analysis entitled "The Pugwash Conferences" prepared for the Internal Security Subcommittee of the Committee on the Judiciary.

TRAVEL EXPENSES OF GOVERNMENT EMPLOYEES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 517, H.R. 3279.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 3279) to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill which had been reported from the Committee on Post Office and Civil Service, with amendments, on page 2, after line 6, to insert a new section, as follows:

SEC. 5. Paragraph (3) of section 553 of title 28, United States Code, is amended by striking out "10 cents" and inserting in lieu thereof "12 cents" and by inserting immediately after the words "the actual cost of" the words "parking fees,".

After line 11, to insert a new section, as follows:

SEC. 6. The Director of the Administrative Office of the United States Courts shall promulgate, in accordance with section 604(a)(7) and section 456 of title 28 of the United States Code, such regulations as he may deem necessary to effectuate the increases provided by this Act.

After line 16, to insert a new section, as follows:

SEC. 7. The seventh paragraph under the heading "Administrative Provisions" in the Senate section of the Legislative Branch Appropriation Act, 1957 (2 U.S.C. 68b), is amended by striking out "$12" and inserting in lieu thereof "$16".

At the beginning of line 22, to change the section number from "5" to "8"; on page 5, at the beginning of line 1, to change the section number from "6" to "9"; at the beginning of line 6, to change the section number from "7" to "10", and at the beginning of line 19, to change the section number from "8" to "11".

Mr. MILLER. Mr. President, I wonder if consideration of the bill can be postponed until tomorrow at least? I have been trying to discuss a possible amendment with the manager of the bill. Right now we are not together, but I am not satisfied with it.

Mr. MANSFIELD. I am sorry to hear the statement of the distinguished Senator from Iowa, because the senior Senator from Texas [Mr. YARBOROUGH] has been very patient for the past 2 days and has spent a good deal of time in the Chamber awaiting consideration of the bill. I held it back to the last with the hope—perhaps "understanding" would be the word—that the Senator from Iowa and the Senator from Texas could get together. However, if there is no possibility of agreement, my hands are tied. I shall have to accede to the wishes of the Senators concerned.

Mr. MILLER. Mr. President, if the majority leader wishes to proceed, all I can do is to say that I shall have to be recorded as voting in the negative on the measure.

Mr. MANSFIELD. I did not mean that. I am hopeful that the senior Senator from Texas will at least be able to explain his measure, and perhaps the Senator from Iowa will explain his reaction to the statement of the Senator from Texas.

If we cannot come to an agreement tonight, we will try to reach an agreement at a later date. I am thinking of the inconvenience I have caused the Senator from Texas.

Mr. YARBOROUGH. Mr. President, I send to the desk 2 amendments to correct errors in the draftsmanship of the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The PRESIDING OFFICER. The amendments offered by the Senator from Texas will be stated, and, without objection, they will be considered en bloc.

The LEGISLATIVE CLERK. On page 2 line 21, before the period insert a comma and the following: "and by striking out '$25' and inserting in lieu thereof '$30'."

On page 5, line 2, strike out "2870" and insert "287o."

Mr. YARBOROUGH. In drafting the bill the "0" in "2870" was intended to be a small "o". These are purely corrective amendments, and will make the bill reflect what was intended to be reported by the committee.

The PRESIDING OFFICER. The question is on agreeing, en bloc, to the amendments offered by the Senator from Texas.

The amendments were agreed to.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. YARBOROUGH. I yield.

Mr. CURTIS. Will the Senator explain the bill?

Mr. YARBOROUGH. Yes. The bill would change the per diem and travel expenses for Government employees. It would increase the normal maximum per diem allowance from $12 to $16 for regular full-time employees of the Government and make the same adjustment in the rate applicable to intermittent and W.O.C. employees.

It increases the maximum allowance for official travel authorized to be performed on an actual expense basis from $25 to $30.

We do not set out the exact amount that will be paid. These are all allowable maximums. Each department, from long practice over many decades, has set its own standards. This permits a department to have a maximum which it can allow, based on its experience.

Mr. CURTIS. Regular employees on salaries are the employees I have in mind. Their per diem has been raised from what to what? I mean how much has the ceiling been raised?

Mr. YARBOROUGH. These are the maximums allowed. This is not the amount allowed absolutely. Each department has the power to fix a per diem allowance. The maximum allowed was $12 a day. This gives a department the power to fix the allowance at not more than $16 a day. A number of departments have allowances below the maximum, depending on the experience of that department.

Mr. CURTIS. What category of employees falls into the higher per diem allowed?

Mr. YARBOROUGH. This is for specialized types of travel. It is for employees who find it particularly expensive to travel. It would apply to the Foreign Service, for example. Sometimes it is necessary for an FBI agent, for example, to live in a high-priced hotel. It is to cover a situation in which a person, in performing his duty, is required to live in an especially high-priced place. It may be in connection with a conference, when a representative of our country travels to a foreign nation, or it may cover a group from the State Department, when the officers must stay at a certain hotel. It is not to be generally allowed. This is for the purpose of covering extraordinary expenses, and it is allowed only on a finding that it is necessary for a person to incur this extraordinary expense.

Mr. CURTIS. The present maximum is what?

Mr. YARBOROUGH. $25. The bill would raise the maximum to $30.

The bill increases the maximum allowance for use of privately owned automobiles or airplanes from 10 cents to 12 cents per mile.

It would increase the maximum allowance for the use of privately owned motorcycles from 6 cents to 8 cents per mile.

It would allow reimbursement on an equal expense basis up to $10 in excess of the normal per diem allowance established in a given country for employees traveling outside the continental United States or Alaska when authorized due to unusual circumstances surrounding the travel.

It raises the authorized maximum per diem of certain State Department advisory committees to the same rate applicable to other Federal employees.

At this time the State Department advisory committees are not allowed to draw at these rates.

The bill also adds parking fees when incurred while in official travel status as an item of expense for which reimbursement is permissible.

This does not allow a Federal employee to go to a parking lot downtown and park his car there and be paid for the expense of parking his car. It covers the situation of an Internal Revenue agent, for example, who drives downtown to audit some books. He may have to pay $1.75 for parking his car in a

parking lot. He may then have to move on to another place and pay the same amount. This becomes quite burdensome to these employees. The bill is very carefully drawn, I might add. No reimbursement can be made for the expense of normal parking which a person does in connection with his own automobile when he drives to work and parks his car in a lot near his place of work. As I say, this has proved to be quite a burdensome expense. The bill covers only special parking on a special job.

The bill also would transfer to the President authority now vested in the Bureau of the Budget to establish per diem rates outside the continental United States.

This has been recommended by the Bureau of the Budget and other agencies. It has long been vested in the Bureau of the Budget, but it would now be placed in the President's Office.

The bill preserves the status of Alaska and Hawaii which existed prior to their obtaining statehood, as areas in which travel allowance would be fixed on the basis of cost. In other words, it is more expensive to travel in Alaska and Hawaii than it is in the other 48 States.

Mr. CURTIS. I believe we have established the record. I have one more question to ask. What additional annual expense would the passage of the bill entail?

Mr. YARBOROUGH. There was no uniform finding as to that.

Mr. CURTIS. What testimony did the Senator have on this point?

Mr. YARBOROUGH. There was a great variance of opinion in the evidence as to what it would be. It would be controlled by the Appropriations Committees.

Mr. CURTIS. Was there disagreement among the Government witnesses as to what the cost would be?

Mr. YARBOROUGH. No; there was no disagreement on that point.

Mr. CURTIS. May I ask whether any of the departments reported on the bill? If so, were they opposed?

Mr. YARBOROUGH. Yes; there are departmental reports on the bill.

Mr. CURTIS. Does it have departmental approval?

Mr. YARBOROUGH. The State Department approved its part of it. The Comptroller General recommended amendments.

Mr. CURTIS. Were the recommendations of the Comptroller General adopted?

Mr. YARBOROUGH. The administration approved an adjustment in the per diem, but did not approve the increase in the mileage rates.

Mr. CURTIS. The Comptroller General recommended certain amendments. Were his recommendations adopted?

Mr. YARBOROUGH. They were adopted.

Mr. CURTIS. Does the bill have the unanimous support of the committee?

Mr. YARBOROUGH. Yes, it has the unanimous support of the committee, from both parties.

Mr. CURTIS. But the Senator has no estimate as to the additional cost?

Mr. YARBOROUGH. The judicial finding of the Department was that the cost could be absorbed. There was no official finding that the proposal would cost this much more. With proper handling by the Department, the cost can be absorbed.

We were mindful of the total cost of Government travel every year. The total cost of Government travel is more than $1 billion a year. More than half is for military travel.

Mr. CURTIS. The military travel is not included in the bill, is it?

Mr. YARBOROUGH. No; it is not included in the bill. The bill does not touch military travel. More than half the cost of Government travel is military travel. It is close to $600 million. Military travel is a big expense.

Mr. MORTON. Mr. President, will the Senator from Texas yield?

Mr. YARBOROUGH. I yield.

Mr. MORTON. Is it not true that the appropriation bill for each department and agency provides an amount for travel, over which Congress has control?

Mr. YARBOROUGH. That is correct. The amount for travel is controlled by Congress, based on the departmental requests which are submitted to Congress.

Mr. MILLER. Mr. President, will the distinguished Senator from Texas yield?

Mr. YARBOROUGH. I yield.

Mr. MILLER. With respect to section 3 of the bill, relating to the increase in travel expense and mileage allowance from 6 to 8 cents and from 10 to 12 cents, I ask the Senator whether there is uniformity among the departments and agencies and as to the amount of mileage payments?

Mr. YARBOROUGH. It is my understanding that the travel allowances of the departments, based upon their experience, are not uniform. All departments do not have the same maximum amounts.

Mr. MILLER. Do I understand that the bill does not provide for such uniformity among the departments?

Mr. YARBOROUGH. No; there is nothing in the bill to provide that the State Department and Justice Department travel allowances shall be uniform. A marshal transporting prisoners, an agricultural agent traveling on a rural road, and a mail carrier delivering mail have different travel expenses per mile. The experience of different types of employees traveling under different conditions has led the departments to set different maximum amounts.

Mr. MILLER. I have received some complaints over the years, particularly this year, about the lack of uniform treatment with respect to mileage allowances as among departments, and not with respect to unique types of driving.

For example, in driving from one city in Iowa to another, over the same route, in the same type of automobile, it is my understanding that different departments have paid different mileage allowances. To me, this is not fair. It generates bad feeling among employees to think that they are being treated differently, when they are all working for the Federal Government.

I recognize that in the case of rural mail routes a different mileage allowance might be indicated, just as someone from the Department of Agriculture who travels over the same roads might have similar differences as compared with some of his fellow employees who travel under other conditions.

It seems to me that some kind of uniformity ought to exist among the departments with respect to the same type of driving in the same localities.

I feel certain the Senator from Texas is familiar with the problem; he knows it exists. May I have assurance from the Senator that his subcommittee will examine into the problem at an early date, to determine whether some improvement might be made in an attempt to solve the problem?

Mr. YARBOROUGH. I assure the Senator from Iowa that the committee certainly will do that. The Senate is now considering the House bill, but it is virtually identical with the Senate bill which has been introduced, and on which hearings were held in May. It has been pending for some time. Some of the Government reports are dated in March. Work on the bill has been progressing over several months.

The Senator from Iowa has made a major suggestion. It involves more of a major change in policy than anything provided in the bill under consideration. I feel we should not undertake such a change without holding hearings, and our committee will hold prompt hearings.

Some of the difficulty may be solved administratively, because section 4 of the Travel Expense Act of 1949 provides:

> Civilian officers or employees of departments and establishments or others rendering service to the Government shall, under regulations prescribed by the Director of the Bureau of the Budget, and whenever such mode of transportation is authorized or approved as more advantageous to the Government * * * be paid—

And so forth. These regulations are under the jurisdiction of the Director of the Bureau of the Budget, but departments have been permitted to establish different maximums based upon their own experience; and different departments have had different experiences.

As the Senator knows, Government employees have employee organizations. There is a large number of them. The organizations present bills of this type to us. This proposal was not submitted to the committee, and hearings were not held. On a subject of this kind, the committee ought to hear from representatives of the department and the Bureau of the Budget, to determine what effect such a proposal would have on the Government.

Mr. MILLER. I am familiar with the fact that certain Government employees' organizations are concerned about these questions; but the Senator from Texas knows, as well as I do, that when their legislative agendas are drawn up, the organizations are more concerned about putting first things first. There are more important things which take precedence over something like uniformity as among departments with respect to mileage payments.

So the fact that the organizations did not necessarily come before the committee and ask for uniform treatment does not mean that they do not wish it.

The Senator has said that his subcommittee will consider this subject and hold hearings on it. If it can be handled administratively, through the Bureau of the Budget, that will be fine. If amendatory language is required, then I hope the Senator and his committee will give serious consideration to it. This is a problem which should be solved. It was my hope that it could be solved by an amendment to the bill we are now considering. However, I understand the problems involved and the desirability of having hearings on the question. With the understanding that hearings will be held at an early date on this subject, I withhold my objection.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 3279) was read the third time and passed.

Mr. YARBOROUGH. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INDEPENDENT OFFICES APPROPRIATIONS, 1962

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 593, H.R. 7445.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 7445) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1962, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

AMENDMENTS TO LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION AND INDEPENDENT OFFICES APPROPRIATION BILLS

Mr. PROXMIRE. Mr. President, I submit two amendments, one to the Labor and Health, Education, and Welfare appropriation bill, and one to the independent offices appropriation bill.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table.

Mr. PROXMIRE. Mr. President, the amendments would reduce domestic spending by almost $350 million.

The President has called for increased defense expenditures totaling $3.5 billion to meet our worldwide commitments. Congress has already begun to vote these funds to which there will be no objection. The Senate has voted unanimously to authorize an appropriation of $3 billion.

The President has called on Congress to refrain from pushing spending above his requests. He has told the Nation to expect at least a $5 billion deficit in the current fiscal year.

He has expressed his determination to fight for a balanced budget in fiscal 1963.

The appropriations I propose to reduce are those for the Labor Department, the Department of Health, Education, and Welfare, and for various independent offices of the Federal Government.

The $350 million by which I am proposing to cut these bills was added by the Senate Appropriations Committee above and beyond specific items which the Kennedy administration requested. The Eisenhower requests were even lower. Each of my amendments would reduce each appropriation item that exceeded the Kennedy request.

However, my amendments would shove spending below the total administration request by sustaining the Appropriations Committee in each reduction they made in an administration request.

Many of the increases proposed undoubtedly provide for projects which are desirable and worthy. In a period of national crisis, and vastly increased defense spending, however, we can afford only essential programs if we are to keep any semblance of order in the Federal budget. Even now, the budget will be unbalanced by at least $5 billion in the current fiscal year.

Mr. President, I have a third amendment. By representing the Government as a major consumer of oil, gas, electricity, and utility services, the General Services Administration also saves private consumers hundreds of millions of dollars. The transportation public utility service appears before many State and Federal regulatory bodies and is often the sole consumer representative. House bill 7445, the independent offices appropriation bill, would prohibit this.

On page 24 of the independent offices appropriation bill, the following committee amendment appears:

> No part of the funds appropriated by this Act shall be used for the preparation or presentation of evidence or arguments before Federal and State Regulatory Agencies concerning the regulatory policies of such agencies on overall earnings level or total property evaluation of transportation or utility companies.

My amendment would delete that language, and thus would permit such appearances to be made.

The Senate committee's report states, on page 17:

> What is disputed is participation in these proceedings for the presentation of evidence and argument covering broad matters of regulatory policy such as valuation, rate of return, and other subjects related to overall regulatory policy of the various commissions.

Mr. President, that is like saying, "You may go swimming, but don't go near the water."

The report states that the obligation of the General Services Administration to participate in regulatory and rate proceedings is not disputed. Then it goes on to completely tie their hands, by forbidding them to present evidence and arguments on the very guts of such proceedings. It is equivalent to asking a lawyer to argue against a rate increase, but forbidding him to bring evidence or to submit argument on broad principles.

My amendment strikes out the specific committee amendment to the independent offices appropriations bill forbidding such intervention, and restores the $300,000 cut by the Senate committee.

According to the Parliamentarian, a point of order against the language in the committee amendment should not be sustained, inasmuch as it is not substantive legislation, otherwise forbidden in an appropriation bill.

I should like to propound a parliamentary inquiry in connection with this matter so that tomorrow, when Senators are on the floor, there will be, I hope, no dispute about it. As I understand the language of the committee amendment, on page 24 of the bill, in lines 1 to 6, it seems to me that it applies not only to TPUS or GSA, as the committee report seems to intend, but that it would also prevent such diverse agencies and bodies as NASA, OCDM, FAA, HHFA, the National Science Foundation, the Veterans' Administration, the GAO, or the FPC, as well as the GSA, from appearing before a Federal or State regulatory body to discuss the basic points of rate setting, under any circumstances. So I request from the Chair an advisory opinion as to whether this opinion is correct, in view of the fact that all these agencies are covered by this bill.

The PRESIDING OFFICER (Mr. METCALF in the chair). The language speaks for itself. However, as the Senator from Wisconsin has pointed out, it is a limitation upon the expenditure of funds appropriated by this act.

Mr. PROXMIRE. I thank the Chair, and I think the opinion given by the Chair is clear. It is obvious that since all these agencies are covered by this bill, and since it is provided here that none of the funds appropriated in the bill can be spent for this purpose, it would then be impossible for any of these agencies to appear before Federal and State regulatory bodies and even prepare or present evidence or arguments before them.

Mr. HART. Mr. President, at this point, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I am delighted to yield.

Mr. HART. Did I correctly understand the Senator from Wisconsin to say that a tentative parliamentary ruling has been indicated to him—namely, that if a point of order were raised in regard to this committee amendment, the point of order would be held to be not well taken?

Mr. PROXMIRE. That is correct. I stated that, earlier, not on the point of order I have raised at this time, but before I came to the floor, the Parliamentarian had rendered an informal opinion to the effect that a point of order would not be sustained to this committee amendment, although last year or the year before a point of order was sustained to a similar provision. But this time the language has been more carefully drafted; and the opinion is that in this case a point of order, if raised, will not be sustained.

Mr. HART. I apologize for intruding; I came on the floor late.

Let me ask whether the Senator from Wisconsin has submitted an amendment.

Mr. PROXMIRE. I have an amendment which I am proposing at the present time—an amendment to eliminate this language. Thus, a direct vote can be taken on the question of deleting this language and permitting these agencies to appear on the basis of offering evidence.

Mr. HART. And it was with respect to that committee amendment, was it, that I understood the Senator to discuss the question of its propriety in an appropriation bill?

Mr. PROXMIRE. The situation is that at the present time a committee amendment to the appropriation bill contains a provision which, in effect, would prohibit these agencies from appearing before Federal and State regulatory bodies. Several Senators have considered that this committee amendment would seem to be legislation, rather than simply an appropriation provision.

Mr. HART. The Senator from Wisconsin may number me among those who had that impression.

Mr. PROXMIRE. Very well, and a number of other Senators felt the same way.

In order to determine whether that was correct, I checked with the Parliamentarian. He stated it was not correct—in other words, that, in his judgment, a point of order made against this committee amendment would be held not to be well taken, and that the committee amendment was not legislation on an appropriation bill, because of the way the language of the amendment had been drafted.

However, to accomplish the same result directly, I am submitting an amendment; and I understand that my amendment is in order, and that there is no reason why any parliamentary question or point of order should be raised regarding it.

Mr. HART. I very much appreciate this information. I am delighted that the Senator from Wisconsin has undertaken this effort. I hope that he and I will be joined by many other Senators, tomorrow, in taking this position.

Mr. PROXMIRE. I thank the Senator from Michigan.

Mr. President, in order to clarify the situation, and inasmuch as the Parliamentarian's rulings were informal, and not on the record, I now raise a point of order—namely, whether the provisions appearing in lines 1 to 6 of the committee amendment on page 24 of House bill 7445 would be held to be in order if a point of order were made on the ground that such language is legislation on an appropriation bill.

The PRESIDING OFFICER. It is the opinion of the present occupant of the chair, after consultation with the Parliamentarian and after examining the precedents, that this language is a limitation, not legislation, and that therefore a point of order would not be sustained.

Mr. PROXMIRE. I thank the Chair.

Mr. President, I now offer my amendment.

The PRESIDING OFFICER. The amendment will be received, and will be printed and will lie on the table.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

ADDITIONAL BILL INTRODUCED

Mr. FULBRIGHT (by request), by unanimous consent, introduced a bill (S. 2336) to amend the International Organizations Immunities Act extending certain privileges, exemptions, and immunities to international organizations and to officers and employees thereof, which was read twice by its title and referred to the Committee on Foreign Relations.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill which appear under a separate heading.)

INTERNATIONAL ORGANIZATIONS IMMUNITIES ACT

Mr. FULBRIGHT. Mr. President, by request, I introduce for appropriate reference a bill to amend the International Organizations Immunities Act extending certain privileges, exemptions, and immunities to international organizations and to officers and employees thereof.

The proposed legislation has been requested by the Secretary of State, and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill may be printed in the RECORD at this point, together with the letter from the Secretary of State, dated July 20, 1961, to the Vice President in regard to it.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 2336) to amend the International Organizations Immunities Act extending certain privileges, exemptions, and immunities to international organizations and to officers and employees thereof, introduced by Mr. FULBRIGHT, by request, was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The "International Organizations Immunities Act" (title I, Public Law 291, 79th Congress, 59 Stat. 669, hereinafter referred to as the Act) is hereby amended by adding to section 2 thereof the following subsection:

"(e) (1) For the purposes of this subsection (e) the term "person" means any individual, corporation, partnership firm, association, trust, estate, public or private institution, group, and any legal successor, representative agent or agency of the foregoing:

"(ii) It shall be unlawful, without the authorization or approval of the executive head of any international organization, for any person to use, within the jurisdiction of the United States of America, the name, the abbreviation thereof (through the use of its initial letters), the emblem, the flag, or the official seal of that international organization, or any simulation thereof, for any commercial or charitable purpose or for any other purpose: *Provided*, That any person, who, or whose predecessor, used the name, abbreviation thereof (through the use of its initial letters), the emblem, the flag, or the official seal of an international organization, or any simulation thereof, or who acquired any right thereto, prior to the enactment of this Act may continue to enjoy such right and such use for the same purpose and for the same goods: *Provided further*, That no such use shall be made with the fraudulent purpose of inducing the belief that it is sponsored by or in any way officially connected with an international organization: *Provided further*, That any person who willfully violates or attempts to violate any of the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be liable to a fine not exceeding $500 or to imprisonment to a term not exceeding one year, or both, for each and every offense.

The letter presented by Mr. FULBRIGHT is as follows:

The Honorable LYNDON B. JOHNSON,
President of the Senate.

DEAR MR. VICE PRESIDENT: There is transmitted herewith for the consideration of the Congress proposed legislation to amend the International Organizations Immunities Act (Public Law 291, 79th Cong.). A similar proposal was submitted to the 2d session of the 85th Congress in June 1958 and again to the 1st session of the 86th Congress in February 1959. However, in both instances, the Congress adjourned without action having been taken. The proposed amendment would make available to public international organizations, as now defined in section 1 of the act, certain benefits which it is believed would contribute to the effective operation of these international organizations. The proposed amendment would not involve additional expense to the United States nor would the proposed amendment in any way diminish, abridge, or weaken the right or power of the United States to safeguard its security.

The provision proposed to be added by the amendment would have the following effect:

Subsection 2(e) would protect the seal, the flag, the emblem, and the name, as well as the abbreviation thereof, of international organizations against unauthorized use. Such a provision, with regard to the United Nations, was passed by the House of Representatives in 1947 (H.R. 4186, 80th Cong.). An exception is made for persons who have used such name, seal, emblem, or flag prior to the enactment of the act, in which case

they may continue to do so providing the use is for the same purpose and for the same goods and further providing that such use is not made for a fraudulent purpose.

A similar communication is being sent to the Speaker of the House of Representatives.

The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this report for the consideration of the Congress.

Sincerely yours,

DEAN RUSK.

DEPARTMENTS OF LABOR, HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1962—AMENDMENTS

Mr. PROXMIRE submitted amendments, intended to be proposed by him, to the bill (H.R. 7035) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1962, and for other purposes, which were ordered to lie on the table and to be printed.

INDEPENDENT OFFICES APPROPRIATION BILL, 1962—AMENDMENTS

Mr. PROXMIRE submitted amendments, intended to be proposed by him, to the bill (H.R. 7445) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and officers, for the fiscal year ending June 30, 1962, and for other purposes, which were ordered to lie on the table and to be printed.

ADJOURNMENT TO 11 A.M. SATURDAY

Mr. PROXMIRE. Mr. President, if there is no further business to come before the Senate at this time, I now move, in accordance with the order previously entered, that the Senate stand in adjournment until tomorrow, at 11 o'clock a.m.

The motion was agreed to; and (at 8 o'clock and 9 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Saturday, July 29, 1961, at 11 o'clock a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 28, 1961:

PUBLIC HEALTH SERVICE

The following candidate for personnel action in the regular corps of the Public Health Service, subject to qualifications therefor as provided by law and regulations:

FOR PERMANENT PROMOTION

John C. Eason, Jr. to be senior sanitarian.

U.S. NAVY

Adm. Charles R. Brown, U.S. Navy, to be placed on the retired list with the rank of admiral under the provisions of title 10, United States Code, section 5233.

Vice Adm. Frederick N. Kivette, U.S. Navy, to be placed on the retired list with the rank of vice admiral under the provisions of title 10, United States Code, section 5232.

Having been designated, under the provisions of title 10, United States Code, section 5231, the following-named officers for commands and other duties determined by the President to be within the contemplation of said section, to have the grade indicated while so serving:

To be vice admirals

Rear Adm. Alfred G. Ward, U.S. Navy.
Rear Adm. David L. McDonald.

The following-named officers of the line of the Navy for temporary promotion to the grade indicated, subject to qualification therefor as provided by law:

To be rear admirals

Harry Hull	Clyde J. Vanarsdall, Jr.
Robert H. Weeks	William E. Sweeney
Thomas H. Morton	Ernest E. Christensen
John S. Coye, Jr.	Reuben T. Whitaker
Joseph W. Williams, Jr.	Walter H. Baumberger
Arnold F. Schade	Joseph B. Tibbets
Charles E. Loughlin	Nels C. Johnson
James O. Cobb	Samuel R. Brown, Jr.
Thomas A. Christopher	Thomas W. South II
Robert A. MacPherson	John J. Fee
Carlton B. Jones	Richard B. Lynch
Paul D. Buie	John N. Shaffer
James R. Reedy	John H. Maurer
Henry S. Monroe	Fred E. Bakutis
Edgar H. Batcheller	Eli T. Reich
William A. Brockett	Robert E. Riera
Edward J. Fahy	Turner F. Caldwell, Jr.
John V. Smith	

The following-named officer for temporary promotion to the grade indicated pursuant to title 10, United States Code, section 5787, while serving as Assistant Judge Advocate General of the Navy, pursuant to title 10, United States Code, section 5149:

To be rear admiral

Capt. Robert D. Powers, Jr., U.S. Navy.

IN THE ARMY

The nominations beginning George T. Adair to be colonel, and ending Thomas S. Myerchin to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 7, 1961.

IN THE AIR FORCE

The nominations beginning Kenneth H. Cooper to be captain, and ending Alfred B. Zustovich to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 7, 1961.

SENATE

SATURDAY, JULY 29, 1961

The Senate met at 11 o'clock a.m., and was called to order by the President pro tempore.

Dr. Frederick E. Reissig, minister, Emmanual Lutheran Church, Bethesda, Md., offered the following prayer:

O God, out of Thine eternity, speak to us in this hour of our history fraught for us with such dangers. Transform our darkness into light; our fears into faith; our timidity into courage. Stretch Thou our little human minds and little souls that they may match the needs of this hour lest we fail both man and Thee. Make humble our hearts lest we forget who we are.

And when we have done our best, with the guidance of Thy Holy Spirit, grant us that peace which passes all understanding and a sense of joy in the service to which Thou hast called us.

And Thine be the honor and the glory and the praise forever and ever. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 28, 1961, was dispensed with.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT, Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. KUCHEL, and by unanimous consent, the Internal Security Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

RELATIONSHIP OF THE UNITED STATES WITH THE REPUBLIC OF CHINA AND COMMUNISTIC CHINA—POSITION OF SENATOR McGEE

Mr. MANSFIELD. Mr. President, the Senator from Wyoming [Mr. McGEE] wishes to state for the RECORD that he strongly supports Senate Concurrent Resolution 34, expressing the sense of Congress against the seating of Communist China in the U.N. The Senator further states that the time is at hand for the free world to make it clear that the Communist dictators of China are not going to run roughshod over countries who put freedom and people above slavery and communes.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. If there be no reports of committees, the nominations on the Executive Calendar will be stated.

U.S. ATTORNEY

The Chief Clerk read the nomination of Theodore L. Richling, of Nebraska, to be U.S. attorney for the district of Nebraska for a term of 4 years.

The VICE PRESIDENT. Without objection the nomination is confirmed.

U.S. MARSHALS

The Chief Clerk proceed to read sundry nominations of U.S. marshals.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be consid-

ered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

INCREASE OF FARM INCOME—RESOLUTION OF THE NEMAHA COUNTY, KANS., FARMERS UNION

Mr. CARLSON. Mr. President, the Nemaha County Farmers Union, in one of its regular meetings, adopted a resolution urging that immediate steps be taken to increase farm income.

The resolution is most timely, in that Congress is now considering final action on the farm bill.

I ask unanimous consent that the resolution be printed in the RECORD, and referred to the Committee on Agriculture and Forestry.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Whereas farm income needs to rise; and

Whereas farmers are the largest customers of business and labor; and

Whereas the farmers need a shop, tools, and devices to build their own farm program commodity by commodity; and

Whereas our American family-type of agriculture has proven to be very efficient: Therefore be it

Resolved, That the Nemaha County Farmers Union in session this 25th day of July, 1961, at Corning, Kans., respectfully urge the Congress to enact laws which will make it possible for farmers to have a greater voice in developing long-range farm programs.

We also urge immediate steps be taken to increase farm income not only for farmers sake, but for the upward effect it will have on business profits and unemployment of labor. All farm laws should include a strong statement directed at fostering, promoting and protecting our very efficient family-type of agriculture; and be it further

Resolved, That copies of this resolution be sent to Congressman WILLIAM AVERY and Congressman HAROLD COOLEY, Senator ANDREW F. SCHOEPPEL, Senator FRANK CARLSON, and Senator ALLEN ELLENDER, and to the newspapers, radio and television stations.

CEDRIC N. PRIEST,
Vice President.
SYLVESTER J. NOLTE,
Secretary.

OPPOSITION TO KING-ANDERSON BILL BY IOWA CHAPTER, AMERICAN ACADEMY OF GENERAL PRACTICE—RESOLUTION

Mr. MILLER. Mr. President, I have received a resolution adopted by the board of directors of the Iowa chapter of the American Academy of General Practice on July 22, 1961, in opposition to the so-called King-Anderson bill. I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

We are opposed to the King-Anderson bill. Our reasons are simple. It is the opening wedge in socialized medicine.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. BRIDGES:

S. 2337. A bill for the relief of Athanisia G. Koumoutsou; to the Committee on the Judiciary.

By Mr. GORE:

S. 2338. A bill to provide for the establishment of a National Science Institute, a program of scientific scholarships, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. GORE when he introduced the above bill, which appear under a separate heading.)

CONCURRENT RESOLUTION

RELATIONSHIP OF THE UNITED STATES WITH REPUBLIC OF CHINA AND COMMUNIST CHINA

Mr. MORSE submitted a concurrent resolution (S. Con. Res. 36) relative to the relationship of the United States with the Republic of China and Communist China, which was referred to the Committee on Foreign Relations.

(See the above concurrent resolution printed in full when submitted by Mr. MORSE, which appears under a separate heading.)

PROPOSED ESTABLISHMENT OF A NATIONAL SCIENCE INSTITUTE

Mr. GORE. Mr. President, we are all aware of the importance which modern science has played in our lives. The physical sciences, together with engineering and mathematics, have vastly changed our pattern of living as individuals. Scientific developments have altered the course of nations.

Today, our very national survival may well hinge on the scientific developments which we are able to pursue and achieve during the next few years. Our leadership of the West and the amount of real good we are able to accomplish in the less developed areas of the world depend to a great extent on our scientific achievements.

Although we are inclined to think in terms of short-range goals and crash programs, we must begin to take the long view. There are important goals which must be met within a year, or within 5 years. There are equally important tasks, for which we must prepare today, which will be accomplished in 10 or 20 or more years from now.

Our established schools, universities, research centers, and related organizations are doing a good job, but there is a question in my mind as to whether the functions they are performing is enough.

One of the things we must do in this country is to effect an organization—an organization of effort and ability—through which we can effectively marshal our capabilities. We must do this without losing, at the same time, those characteristics of a free society which are vital to our way of life.

In my view, our scientific effort requires a better organization, and one of our most obvious needs is the establishment of a well-financed center for basic research. This the Federal Government can most appropriately do. This is the area of greatest weakness in privately owned and financed institutions.

On January 13, 1958, I introduced a bill which would have given a sizable boost to scientific progress. This bill provided for the establishment of an institution for basic research and study of science at the graduate level, for a program of scholarships and fellowships to encourage specialization in mathematics, engineering, and science, and for assistance to the States in improving mathematics and science training in the public schools.

Some of the provisions of this bill were subsequently enacted into law.

Early in the 86th Congress, I introduced a bill continuing the provisions of my 1958 bill which I thought still needed enactment. This was substantially the bill I have now introduced again.

The most important provision of this bill calls for the establishment of a center for basic research and for the training, at the graduate level, of scientists, engineers, and mathematicians.

A center of this type would not interfere with the very fine work now being done by our privately operated, or State or municipally operated, colleges and universities. Many of these, however, do not have the facilities for advanced work in basic research.

My bill would also provide for scholarships for undergraduate work in scientific fields in existing colleges and universities. I would hope that this would serve to stimulate many promising young men and women to pursue scientific studies.

The National Defense Education Act made a start in mobilizing the brainpower of the Nation, but there are still large gaps in our procedures and machinery.

I hope the Congress will take action at the earliest practicable date to authorize some type of national center for badly needed research.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2338) to provide for the establishment of a National Science Institute, a program of scientific scholarships, and for other purposes, introduced by Mr. GORE, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

APPROPRIATIONS FOR DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES—AMENDMENTS

Mr. BUSH. Mr. President, I send to the desk amendments to House bill 7035,

the appropriation bill for the Departments of Labor, and Health, Education, and Welfare, and related agencies.

My amendments offer the Senate an opportunity to help President Kennedy achieve the fiscal prudence in Government required to offset $6 billion in additional defense spending, by eliminating $277,670,000 which has been added to H.R. 7035 in excess of the President's requests.

The amendments would reduce appropriations for hospital construction and for the National Institutes of Health to the amounts which were requested by the President in his revised budget. President Kennedy requested a total of $770,972,000 for the items in question. That was $78 million above the amounts recommended by President Eisenhower in the January budget. The Committee on Appropriations recommended a total of $1,048,642,000, or $277,670,000 more than had been asked for by President Kennedy himself.

I respectfully express the hope that the President of the United States will give support to those of us in the Senate who are trying to help him achieve fiscal responsibility and fiscal prudence in our National Government in this time of emergency. Should the White House throw its powers of persuasion behind these amendments, with the assistance of the able and distinguished majority leader, I do not believe it could fail.

Mr. President, a table showing the effects of the amendments has been placed on the desks of all Senators, and I ask unanimous consent that it may be printed in the RECORD following these remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

H.R. 7035

Activity	President Kennedy's revised request	House allowance	Senate committe allowance	Amount Senate committee allowance exceeds the President's request
Hospital construction	$187,972,000	$187,972,000	$212,972,000	$25,000,000
National Institutes of Health:				
General research and activities	95,341,000	119,275,000	140,000,000	44,659,000
National Cancer Institute	117,167,000	125,672,000	160,000,000	42,853,000
Mental health activities	88,324,000	92,182,000	125,570,000	37,246,000
National Heart Institute	97,073,000	105,723,000	160,100,000	63,027,000
Arthritis and metabolic disease activities	68,740,000	73,661,000	90,000,000	21,260,000
National Institute of Dental Research	13,933,000	14,681,000	20,000,000	6,067,000
Allergy and infectious disease activities	48,322,000	52,182,000	60,000,000	11,672,000
Neurology and blindness activities	54,100,000	57,624,000	80,000,000	25,900,000
Total	770,972,000	828,972,000	1,048,642,000	277,670,000

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. MANSFIELD. Mr. President, I have listened with interest to what the distinguished Senator from Connecticut has just now said.

I express the hope that the White House would put no pressure on us to get behind the amendment of the Senator from Connecticut or the amendments of any other Senator, because I believe that this is Senate business, and that we can attend to that business ourselves, and can arrive at our own decisions; and I am sure that all of us—Democrats and Republicans alike—will always be on the lookout insofar as the interest and the welfare of our country are concerned.

Mr. BUSH. Mr. President, I renew my expression of hope that the President will "give us a hand" on this matter. He has "given the Senate a hand" a good many times during this session. I have seen votes here reversed because the President did intervene because of his anxiety to have certain proposed legislation on the spending side passed; I have in mind particularly the housing bill, regarding which we had rather dramatic evidence of that, one night, about midnight.

So I beg to differ very much with my respected friend, the majority leader. I think we need some help from the White House when we come to try to exercise some economy, as well as when the President is trying to get larger expenditures than some of us think may be necessary.

So I renew my expression of hope that we may get some assistance on these amendments, because it is a very important matter, and is a very easy and obvious way to help implement the President's repeatedly expressed desire for fiscal prudence at this time of emergency.

The VICE PRESIDENT. The amendments will be received, printed, and lie on the table.

INDEPENDENT OFFICES APPROPRIATION BILL—AMENDMENT

Mr. SCHOEPPEL submitted an amendment, intended to be proposed by him, to the bill (H.R. 7445) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1962, and for other purposes, which was ordered to lie on the table and to be printed.

DEATH OF FATHER OF J. WILLIAM THEIS

Mr. MANSFIELD. Mr. President, I have just now been informed of the passing of the father of a dear friend of mine, Mr. William Theis, of United Press International. At this time I wish to express my sympathy and condolences, on behalf of my family and, I am sure, on behalf of the Senate, to Bill Theis and his family on their loss. I know how much Bill Theis thought of his father; I know how devoted he was to him; and I know of the difficulties under which he labored in making trips from Washington to Pennsylvania to see his father whenever time permitted.

So at this time I wish to express my deep sympathy to Mr. Theis and his family, and to express to them, on behalf of all of us, our condolences.

Mr. KUCHEL. Mr. President, this is sad news. Bill Theis is a friend of every U.S. Senator. All of us join in the expression of heartfelt condolences, as the able majority leader has just now indicated, on behalf of the entire membership of the Senate. We who count Bill Theis our friend join with all his friends in sincere expressions of heartfelt sympathy in his great loss.

WISE INVESTMENTS

Mr. KUCHEL. Mr. President, vast expanses of public lands in my native California—close to half the total acreage of our State—are a tremendous national asset and treasure, as well as vital to the economy, happiness, and, in many instances, the very existence of the residents of California.

Because of peculiarities of climate and the character of terrain, a terrifying and almost constant threat hangs over much of the immense area embraced in national parks and forests. This is the hazard of fire, which the past few years has been exceedingly serious and virtually ever present because of a devastating dry cycle through which much of the West has been passing. The constant population growth and the expansion of my State warrant extraordinary measures to counter this danger.

The priceless nature of these public lands is suggested by the fact that the bulk of watersheds essential for supplying water for agricultural, industrial, municipal, and domestic uses and for power production lie in or adjacent to Federal holdings. The recreational values are enormous. The timber supply and the wildlife are of inestimable value.

In the two appropriation bills which cleared the Senate and went to the President this week, were items of particular significance with relation to these great natural resources. I wish to express the gratitudue of the people of California, particularly those residing in communities located in foothills below national parks and forests, those whose livelihood is greatly dependent upon preservation and utilization of timber, minerals, and recreational attractions, and those whose supplies of water and electric power are contingent upon the condition of these watersheds, for three sums of money about which I wish to comment briefly.

The Congress has seen fit to provide two funds which I had the honor of recommending in the Senate Appropriations Committee as a means of providing greater and better protection of our forests and parks. It is gratifying that the

conference report on the Commerce Department appropriation bill carried $200,000 with which the Weather Bureau can initiate a program to improve its fire-weather services in California and other Western States. It likewise is reassuring that the special fund for strengthening defenses against fires in the four forests of heavily populated southern California was raised by $300,000, to an annual level of $1,720,000.

The importance of these appropriations is obvious when we consider that last year upward of 200,000 acres in parks and forests were ravaged in California. Scores of these were caused by lightning, which is a prime reason for giving the Weather Bureau added tools with which to assist the Federal, State, county, and local agencies, which need all the help they can obtain, at times, to prepare for an outbreak of fires and to bring them under control as quickly as possible.

The aggregate of funds for fire prevention, fire suppression, and specialized weather service will be a wise investment. Any doubt of this can be removed by noting that in 1960 the cost of extinguishing of blazes on Federal lands in California alone exceeded $15 million.

The Interior Department-Forest Service money bill also carries another exceedingly meritorious item, $975,000 for a forest fire research facility to be built at Riverside, Calif. Such a laboratory is sorely needed for studies of methods of preventing and controlling fires, the behavior of blazes, and the effect of weather, terrain, vegetation, and other factors on their occurrence and intensity. It certainly will contribute to perfection of more effective firefighting techniques and equipment. I have urged such a research facility for several years, and I am pleased to know that its construction will now go forward. It cannot help but pay large dividends in the future.

Such expenditures of public funds are in the nature of insurance of incalculable worth. The Senate is to be commended for appreciating the necessity of approving these items. They will be of inestimable benefit, not only to Californians, but directly or indirectly to all other Americans.

RESOLUTION ON CHINA

Mr. COTTON. Mr. President, a news article on the so-called Red China resolution written by Warren Duffee of the UPI and appearing in this morning's Washington Post states:

> The resolution approved by the Senate was approved 16 to 0 by the Senate Foreign Relations Committee earlier this week. It was a slightly modified version of a proposal sponsored by Senate Republican Leader EVERETT M. DIRKSEN and Democratic Leader MIKE MANSFIELD.
>
> It had been drafted to head off an even stronger resolution offered early this year by Senator NORRIS COTTON, Republican, of New Hampshire. Critics said COTTON'S proposal was so stringent it could tie the hands of President Kennedy and possibly those of future Presidents.

The last sentence referring to my original proposed Senate resolution is ridiculous.

First, it could not possibly have tied the hands of "future Presidents." Similar resolutions have been adopted by the House or the Senate or both 16 times in recent years. If they could tie the hands of future Presidents, the hands of President Kennedy would already be bound.

Second, the resolution was merely an expression of the opinion of those Senators who might vote for it. Such an expression could not tie the hands of the present occupant for the Presidency, and, on the contrary, should be of assistance to him.

Finally, the original resolution offered by the Senator from New Hampshire was a simple, direct statement, without frills or furbelows:

> That it is the sense of the Senate that the Government of the United States should not recognize the Communist Chinese regime as the government of China and should oppose the seating of its representatives in the United Nations.

The criticism reported in this newspaper article, coupled with all the drafting and redrafting, the whereases and wherefors which followed its introduction, shows that there must have been some basis for the fears entertained by many of us that it was desired to leave the way open for a "two-China policy" in the near future.

I hope that is not the intention of anybody, either in the Congress or in the State Department or in the administration.

I was reassured by the assertions made last night that it was not intended to leave any door open for such action in the resolution unanimously adopted.

Mr. President, in closing let me say this: The purpose of resisting the admission of Red China into the United Nations, no matter what was stated in the "whereases," is not a matter of revenge, is not a matter of antagonism because of actions against the United States or its soldiers in uniform. The purpose is to save the United Nations as an instrument for peace and order in this world.

Those who should be supporting a steadfast, resolute, adamant policy of opposition to that admission should be the liberals in this country, because the day that Red China enters the United Nations, even though as only one of two Chinese members, it would begin knocking at the door of the Security Council; and the day it enters the Security Council, the United Nations as an instrument for peace and law and order in the world will be dead.

Mr. President, I did not desire to reopen this matter. I did not say anything about my resolution. I was delighted when it was taken over, revised, proposed by the distinguished majority leader and the distinguished minority leader, and then carefully revised by the Committee on Foreign Relations. But in view of this newspaper statement, I felt that we should again clarify the situation, and know where we stand and know that there were no "ifs" or "ands" yesterday in the adoption of the resolution by the Senate.

CONVEYANCE OF LAND IN MARENGO COUNTY, ALA.

Mr. MORSE. Mr. President, Senate bill 1012, to authorize and direct the conveyance of certain tracts of land in Marengo County, Ala., to the Greif Bros. Cooperage Corp., was considered yesterday while I was away from Washington on official business of the Senate. I had desired to make a statement indicating that the bill, as reported with amendments from the Senate Committee on Interior and Insular Affairs, does not violate the Morse formula.

A serious question would have been presented in this connection had the bill been reported as originally introduced, because it would have constituted Senate adjudication of a question of fact which, under the applicable statute—title 43, United States Code, section 1068–1068b—relating to Federal lands held in adverse possession under color of title which are within the province of the Secretary of the Interior.

The Senate Committee on Interior and Insular Affairs very properly amended the bill so as to place the function of adjudication in the Secretary of Interior, where it properly belongs under the law.

It is true that the Color of Title Act contains the limitation that the patent issued by the Government may not cover more than 160 acres of land. Report No. 636, on S. 1012, shows that the acreage covered by this bill is 189.59 acres. Any change in the acreage to be included in the patent would be handled in a more systematic manner if it were to be made by a law of general applicability instead of through the less desirable system of making changes case by case. However, this involves a matter of congressional policy, and if the Congress wishes to adopt the less systematic method it is employing in this case, there is still no reason why the Morse formula should be invoked.

TRIBUTE TO BRIG. GEN. JACK J. CATTON

Mr. BRIDGES. Mr. President, the people of New Hampshire were sorry a few days ago to lose the services and the presence in our State of Brig. Gen. Jack J. Catton, who for several years served as commander of the 817th Air Division at Pease Air Force Base.

When he came to New Hampshire, General Catton not only took immediate steps to make sure his new command was in proper shape, but also entered into the civic life of the community and the State. As a result, General Catton drew the immediate respect and admiration of the officers and enlisted men of his command as well as that of thousands of New Hampshire citizens with whom he came in contact.

General Catton has left all this behind to take over command of the 822d Air Division at Turner Air Force Base and with him went the best wishes of the people of New Hampshire. He has been

succeeded by Col. A. J. Beck, formerly Chief of Staff of the 8th Air Force, who has been confirmed by the U.S. Senate to become a brigadier general. Colonel Beck is an able officer in his own right and his promotion to command of the 817th Division is a tribute to his accomplishments.

Upon departure of General Catton, James P. Lynch, publisher of the Exeter News-Letter, wrote a column in which he described the excellent job performed by General Catton and the affection the people of New Hampshire held for him.

Mr. President, I ask unanimous consent that this column, published July 27, be made a part of my remarks in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DOWN IN OUR CORNER

(By James P. Lynch)

One of New Hampshire's greatest boosters is leaving the area this week to take over command of another SAC division in Georgia. Since his arrival at Pease Air Force Base more than 2 years ago, Brig. Gen. Jack J. Catton has been carrying out a mission of praise for the Granite State.

Even his native State of California had to take a back seat when it came to discussing the various parts of the State.

The general leaves the State by military order and not by personal choice. His admiration for the State and the people is a tribute to the men who guard our destiny in future years.

Like many more who have been stationed at Pease, General Catton had deep affection for New England customs. Moreover, there was a loyalty beyond reproach.

As a member of the Strategic Air Command, General Catton has been assigned in various parts of the world, yet no place has won his affection so greatly as this area.

To the civilian populace such warmth is commendable for it instills a closer relationship than most people expect.

CLOSE CONTACT

The general's mission as commander always had priority. But even with his busy schedule he managed to keep in close contact with the people and the progress of the State.

His friends in the area are many and although they are not too happy with the thought that he no longer will be assigned here, nevertheless, they realize that his new assignment offers him a greater challenge and a better opportunity for advancement.

The people of this Nation will be hearing and reading a lot about General Catton in months and years to come. He is considered one of the brilliant leaders in the Air Force and assuredly greater honors for him are forthcoming.

While some business leaders may consider that they have a full schedule in comparison with General Catton's, the reverse is closer to the truth.

WAS THE YOUNGEST

As for his military brilliance, his rapid rise attests to this. When he was first assigned to Pease he was the youngest Air Force general in this country.

His leadership has been one of courage and he always maintained that the commander should set the example. Those who have watched him at Pease and in the Strategic Air Command can vouch for that.

So much though for his military greatness. His fondness for the State is a matter of deep concern to all those who live here.

Any praise that can be heaped on the State is beneficial to all those who pay their taxes in New Hampshire. It's nice to know that people recognize the value of the area. Especially when the praise comes from someone who has lived in various parts of the world.

This should be a lesson to those who just take the State for granted and forget the many opportunities and many beauties it affords.

SHARES VIEWS

Praise for the Granite State not only comes from the general. His wife and family also have always been enthusiastic boosters.

Mrs. Catton, who is blessed with southern charm, has made countless friends here. She has assisted various organizations in their local projects and always felt honored that she was asked to serve.

When the chips were down the Cattons were always there to help. And they didn't wait to be asked.

Indeed they will be missed in the area. They will not be forgotten.

TYPICAL LESSON

There is a lesson, though, derived from any of these changes. It is a typical American lesson whereby the military and the civilian population work together for the common good.

Fanatics like Khrushchev wouldn't understand this although the master of the Kremlin would fear such loyalty ever existing in a Communist territory.

Fortunately military leaders in this Nation follow the concept that working together means a greater nation. This has been proven down through the years.

General Catton is one of many leaders throughout the Strategic Air Command who worked closely among the people. They follow the phrase "Peace Is Our Profession." This is not just four words but a basic policy that has world importance.

MANY HONORS

While commander at Pease many honors have been achieved by the two wings as well as the Combat Support Group. An affable leader, he is also a driver, and General Catton insisted that Pease forces not only be good but be the best.

He inherited the phrase "The World's Greatest," but he made sure that it surpassed all previous accomplishments.

In reality his success at Pease could be termed a success for everyone in the area. It meant greater publicity for the State.

In short, General Catton's assignment at Pease was one of the best moves made. You'll be hearing more about this outstanding leader, you can be sure.

ADDRESS PREPARED FOR DELIVERY BY SENATOR ALEXANDER WILEY, OF WISCONSIN, OVER RADIO STATION WIND, CHICAGO

Mr. WILEY. Mr. President, in the face of crises on many fronts around the globe, the United States and its allies face the task of developing new, more effective policies to protect our interests, the ramparts of freedom, and guard against further encroachment by communism.

Privileged to discuss some of the major aspects of the East-West struggle in a broadcast over radio station WIND, Chicago.

I ask unanimous consent to have excerpts of the address printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

Today we live in fast-changing, revolutionary times. The domain of man—once confined to earth—is now extending outward into space.

As yet, we can only speculate about its ultimate significance. However, there has been sufficient progress to know that space will have real, practical benefits for mankind.

Among others, these will include: (a) a stronger defense; (2) improved radio, telephone, teletype, and television communications; (3) more effective weather forecasting to minimize loss from tornadoes, hurricanes, and other storms, and benefit agriculture and conservation programs for preservation of our natural resources; (4) improve man's efforts to utilize heat and light from the sun and other natural forces of the universe; and (5) generally gather other data and information about the elements and forces of space for further harnessing them to serve mankind.

However, there is, also, a possibility that space may hold real dangers for us. Vehicles orbiting the globe, for example, could serve as launching pads for enemy attack upon the United States. To cope with this danger we need to take a new look at U.S. space policy.

As we know, today, the world is divided roughly into three camps: Communist, non-Communist, and the freedom alliances.

Unfortunately, conflicts of interest among these camps are now spreading toward into space.

The Soviet Union, for example, recently protested the orbiting of Tyros III (weather-reporting satellite) and Midas III (rocket-detecting satellite). Labeling them "sky spies," the Communists charge the United States with espionage.

However, the Reds conveniently forgot that Sputniks I and II have orbited in space over territories of many other nations.

With growing traffic of space vehicles, however. we must attempt to establish laws, or at least internationally recognized ground rules. Why? First, to protect the airspace rights of all nations; and second, guard against conflicts of views erupting into more crises, or war.

Because of these factors, then, there is a need for a renewed effort: (a) For a crystallization of space law proposals by the United States; and (b) action by the United Nations to obtain international agreements on space travel and law.

Unless this is done, there will be ever-increasing dangers of triggered, or accidental, war. We recognize, of course, that creation of space law is an extremely complex job. Too, we can expect that the Communists—as in the past—will agree only to self-serving, rather than peace-serving ground rules for space traffic. Because of the inherent dangers, however, we must go forward with efforts to reach agreements that would (a) guard against greater tensions rising out of conflicts of interest in space; (b) protect the rights of all nations; (c) attempt to assure freedom of flight for space vehicles designed for scientific, commercial, and other nonmilitary purposes; and (d) ultimately—as has been declared by the United States—dedicate the area and forces of space to peaceful endeavors to serve—not threaten to destroy—mankind.

STRENGTHENING U.S. DEFENSES

Now, let's take a look at our defenses. During the week, President Kennedy sounded a trumpet for a national alert and mustering of our strength for the cause of freedom in Berlin and elsewhere in the world.

The Nation, I am confident, will respond patriotically.

In my judgment, the President's talk served the following purpose:

First, warned Khrushchev that we, as a Nation—contrary to Red assumption—would act when the chips were down: ready, alert, strong, to defend the cause of freedom.

Second, alert our citizens to the great seriousness of the present crisis.

Third, establish a stronger foundation of military strength—a language which the Reds best understand—to cope with the threats not only in Berlin, but around the globe.

Currently the Congress is analyzing and evaluating the President's recommendations for an additional $3.5 billion for defense.

In view of the international crisis, the Congress should act expeditiously on these, or alternative, recommendations for putting more muscle into our defenses.

We are attempting, also, to analyze and correct the twisted, distorted logic of Communist policy which charges that any nation resisting Communist efforts to take it over is, itself, an aggressor. In addition, we—with our allies—have clarified that war over Berlin—now at peace—would be blood on the hands of the Communists, not the West.

The rights of self-determination by a people behind, as well as in front of, the Iron and Bamboo Curtains—fortunately also has become now a negotiable issue—one which we can, and should, diligently and relentlessly push.

Upon the security of a stronger military foundation, then, we must also undertake a stronger counteroffensive in the nonmilitary field—economically, politically, ideologically. In the struggle, however, we need a new national attitude. Defense, alone, or containment, are no longer effective enough policies. Rather, we must assume a nonmilitary counteroffensive, defending not only free lands that exist, but contesting with the Communists, for recognition of the rights of self-determination for peoples and lands now within the Red orbit.

This will require a new national spirit and policy, not just of defending freedom against aggression, but of mobilized, dedicated efforts to go forth to assure the triumph of freedom in the world.

NEEDED: STRONG MUTUAL SECURITY PROGRAM

Now, let's take another look at efforts to strengthen national security—that is our mutual security program. Currently Congress is considering programs for extending aid to nations: (a) Either allied with us in the battle against communism; or (b) in need of development for humanitarian reasons, as well as to strengthen them against infiltration, espionage and/or invasion by the Reds.

The administration has recommended about a $4½ billion program for 1962 for military and economic assistance. Congress is now acting on this proposal. However, the question arises: Is there a need for continuing responsibility for leadership by the United States against communism? Or, are world conditions such that this program could now be safely terminated?

In the judgment of the leaders of both political parties—President Kennedy and former President Eisenhower—as well as military experts and other responsible individuals in public life—this is still considered essential to our national security.

In my view also, the facts of life in 1961 do not permit an abrogation of our responsibility for free world leadership. Why? Here are some factors that I believe warrant consideration:

1. The Communist bloc—the greatest threat to freedom in history—strongly adheres to its oft-stated goals of world conquest; mobilized for this objective, its military, economic, cultural, social, ideological programs have one target: that of surpassing and "burying" the free world.

2. Red manpower in the military forces substantially exceeds that of the free world.

3. The Soviet Union and Red China are engaged in a broader propaganda campaign than the West.

4. Conducting a global espionage—sabotage—subversion ring the Communists have an estimated 36 million operating in about 86 countries. Their aim is to take over these nations. This Red army of conspirators represents a threat equal to—if not greater than—the military power of an ever-threatening nuclear war.

In view of these and other threatening factors it is essential that we maintain strong alliance for free world security.

Despite the scope of the danger—however, we must not blindly or foolishly pour money and material down so-called ratholes. Rather the American taxpayer—footing the bill—has a right to expect reasonable, conscientious stewardship by Uncle Sam. We need, for example, greater emphasis on the following factors:

First, safeguards against maladministration, investment in fruitless projects, or misuse of funds by recipient nations (for example, that widen the chasm between the "haves" and "have nots"—letting the rich get richer and the poor exist at the status quo). To those who would object to such watchdog practices, let me say this: "In committing hard-earned dollars, the American taxpayer has a right to an accounting of its use.

Second, we need to carefully assess the impact of competition created by economic development programs abroad on the domestic economy and protect our home interests;

Third, we must require a greater effort by our allies—now gaining real economic strength—to bear a fair share of the program.

CONCLUSION

This, then, is a panoramic look at some of the global problems confronting us.

Now, it is true that we face grave, serious challenges. However, the Nation cannot afford complacency, passivity, or defeatism among its citizens. An epidemic of any of these could be fatal. Rather, we need a dynamic America, deeply imbued with faith in the rightness of our cause and confident of our ability to win over an ideology that threatens to enslave, not serve, mankind.

If we can inspire a new sense of fiery patriotism in you—my friends, and all our fellow Americans—then we can face the future and the grave challenges with a new dawn of hope, and greater strength to win the battle.

"THE CHALLENGE OF IDEAS"

Mr. WILEY. Mr. President, the Defense Department recently produced a film entitled "The Challenge of Ideas."

Prepared especially for orientation of service personnel overseas, the picture is a splendid, thought-provoking, and, at times, inspiring documentary, first, on the significance of major features of American life; and second, on the contrast between freedom and communism.

In my judgment, the film—if broadly viewed—could well serve to create better understanding, not only for the Armed Forces, but for the U.S. civilian population, as well as foreign audiences.

Following the opportunity to view the film, I procured a copy of the script from the Defense Department. Believing that the transcript itself—despite being unaccompanied by the film, contributes constructively to better realization of the theme "The Challenge of Ideas," I ask unanimous consent to have it printed in the body of the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

TRANSCRIPT OF "THE CHALLENGE OF IDEAS"

INTRODUCTION

FRANK MCGEE. The entire globe, even as it trembles in passion with the birth of new nations, and shrinks in the hands of a dispassionate science, is today the site of a momentous conflict.

As each side attempts to prove to the world the superiority of its position, the conflict is fought with the words of diplomats, with gestures of friendship and help to uncommitted countries, even with cultural demonstrations. It is fought, indeed, on every level of man's experience, for the stakes are high.

As one of the adversaries in the conflict we see a challenge as great as any in our historic past, a challenge not, we hope, to be met and joined in battle, but to be faced and fought in the hearts and hopes of men. It is the challenge of ideas.

EDWARD R. MURROW. I am Edward R. Murrow. For a little while, I would like to review with you the great conflict of our times, one which demands and must get the attention and involvement of each one of us.

This conflict is the reason why most of you are in uniform, and some of you will be going overseas—servicemen, families of servicemen, and civilians working for the Department of Defense.

Because of this conflict, many of you are already abroad—more than a million Americans, in 91 foreign countires. First and foremost, of course, Americans are overseas to help preserve the peace.

By maintaining an alert readiness to meet the threat of aggression, America's Armed Forces in concert with those of its allies are serving as a deterrent to war.

Some of you may wonder how directly involved in the contest you are, or will be. Perhaps your active duty is behind you—or soon will be. And with it you may believe your involvement in the contest ends.

But the truth is that involvement in this conflict is far ranging indeed. It touches not only members of the Armed Forces and their families, but everyone who supports the mission of the Armed Forces. Every defense worker—every taxpayer, who foots the bill. Who, in fact, is not involved? And the conflict itself—how can it be defined? Well, let's look at it this way. The Communist bloc would like to see the entire world under Communist domination.

Over the years, as the strength and determination of the free world has gradually convinced Communist leaders that aggressive war would be a reckless and costly gamble, they have begun to talk more and more about their ability to win from us in the arena of ideas. This, of course, is fine with us. For we are a people with a traditionally great faith in our ideas—the ideas that have moved mountains, and created wealth, and shaped us as freemen. And we are confident that history can do no other than award us the victory in any contest in which ideas are the weapons.

But confidence, by itself, without effort, does not win contests. Victory in this conflict depends on much, much more than a confidence. It is a contest unlike any we have ever faced in our history as a Nation. It is total competition, with an antagonist who is putting everything he is capable of into it. It is not a conflict between peoples, but between basic values and systems of government, between the principles of life each believes in.

When we talk of these conflicting values, we are obliged to speak of that special quality which we call, for want of a better phrase, individual liberty. And when we talk of this liberty in America, we talk with many voices—for we are a diverse Nation and there are perhaps as many concepts of what America is as there are people among us. But although we look at America with different eyes, there are many different insights into the essence of our moving and growing Nation that we share.

JOHN WAYNE. I am John Wayne. Is there any better or equal hope in the world, Lincoln asked, than the ultimate justice of the

people? We Americans believe there is not. The stonework of our national life is made of this belief. We believe in many things, but this belief, that man is a responsible being, bears our own unique stamp as a nation.

As a people, we are active, and often noisy. We are industrious, oftentimes to the bafflement of ourselves and our friends. We relax as hard as we work. We are proud. We are sentimental.

Beauty is of national concern to us. For some of us, its pursuit is a deadly serious pastime. The rest of us simply enjoy the results.

Some of our national spirit shows up in the monuments we erect, the large ones and the small ones. It rings through the music which animates us.

We have, on occasion, some difference of feeling. At other times, we are united. We are all these things, and many more, but above everything else, we are free, and we believe in the ultimate justice which we as freemen can create. Our heritage of freedom is our most priceless possession. Men before us have died to keep it alive, and men in our own times have done the same. But although men have died to preserve it and may die again, the glory of this heritage is the vision of life that it has given us. A life of dignity and nobility of spirit such as men have never before been enriched by in the long march through the history they have recorded.

There is a phrase which recurs in our national documents—the literature of our story as a people, which points to the source of our belief in individual freedom, and defends perhaps better than any other the nub of the conflict between opposing systems of values which sweeps the world today. That phrase is "This Nation, under God." That phrase, and others like it, set the standard of our concept of man. As a creature of God, man is a being with dignity and conscience, the ability to determine right from wrong and the obligation to act on the right.

From this belief in man as a responsible being flow the beliefs in his other qualifications which we accept, usually without even bothering to think about them, as parts of that vague condition which we call the American way—his ability, indeed his right, to explore the truth in all things—his ability to govern himself—his ability to handle his own economic problems.

Mr. MURROW. The opposing point of view in the conflict rests on a fundamentally different vision of man—as a creature not of God but of the state. In this system, the value of individual man diminishes sharply, and the state is all-important. The state will run his life for him—his political life, his business life, his social life. What we oppose, fundamentally, is the aggressive nature of the Communist state. Its unceasing effort to expand wherever it can—to grow bigger, to take over, to supplant. This deadly impulse toward aggression we oppose as a continual threat to peace.

These are the contrasting points of view between the major antagonists in the conflict which has been known, over the last decade, as the cold war. From an appraisal of this continuing and protracted conflict, we can go to a reporter who has watched the growing conflict with the perception of a trained military observer.

HANSON BALDWIN. I am Hanson Baldwin. I have here the policy statements of each of our services on the contest we are engaged in with the Communists. What they boil down to is this: It is a contest for the minds and hearts of people around the world. All people.

This is the part of the world composed of ourselves and those who share our beliefs. The Communists seek constantly to win an advantage in the minds of the people here—to separate us.

This is the Communist-dominated part of the world controlled by the Soviet Union and the Chinese Communist regime. And of tremendous importance is that part of the world which is attached to neither camp—the uncommitted nations of the world.

For the most part, these nations are absorbed with their own problems. Either they are newly independent, after years of domination by a foreign power, or they are still seeking independence. A strong tide of nationalism sweeps over this part of the world and with it, a mistrust of anything they feel is associated with the old ways of colonialism. They are not committed to either side in the conflict.

Our own policy toward them has been one strictly of watchful, nonintrusive friendship, giving help, when help is asked for, but otherwise keeping hands off their internal affairs.

The Communists have been more direct. Their local party members have not hesitated to exploit to their own advantage the passions that smolder in these new states and to identify themselves, in the minds of the people there, whenever possible, with anti-colonialism—and us with its opposite. It is part of their worldwide technique.

How do our military services adapt themselves to this conflict in which perhaps no gun may be fired? By recognizing that the activities and performances of all their members, in every foreign country in which they are stationed, will either add to or detract from the good will our Nation needs in this contest for the respect of the peoples of the world. The President of the United States has called developments of good relationships between U.S. citizens abroad and members of their host countries "basic to the full attainment of our foreign policy objectives" and the services have responded by promoting such good relationships as part of their overall policy.

The Communists initiated the cold war for the same reason they would have started a hot war, had that been feasible—or would now, should they ever decide that the free world was weak enough for them to risk it. Whatever the degree of tension they create, it is a substitute for hot war, another means of achieving their end. And their end, of course, is world conquest—short of war, if possible.

Mr. MURROW. World conquest by actions short of war. Actions that are political, economic, and ideological.

How do the Communists apply these three methods? First, we will consider the political method and the techniques the Communists use in acquiring their objectives this way. We would do well to consider the success the Communists have had through their use of the political method alone.

As you will see in the black areas on this map, they expanded between 1940 and 1954—took over 15 countries, totaling 714 million people. Since 1945, there have been major internal disruptions in nine additional countries outside the Iron Curtain. Now, how do they go about applying this political method?

The Communist coup in Czechoslovakia in 1948 provides us with a blueprint of the ideal formula for political conquest, which includes taking over a country without outside intervention—destruction of its parliamentary form of government—murder of its democratic leaders, when necessary—rigged elections, with only the Communist candidates on the ballot. Once the penetration is complete, all this is backed by the naked force of military occupation. By such devices, the Soviet Union turned its neighboring states into satellites—political and economic puppets.

In China, political action was cruder, but no less effective. Here, it was political action by conquest. And so overwhelming has this political conquest been that the Communists have been able to propel Red China to a position of major influence in the Eastern world.

The political force method includes the suppression of freedom in a country already under Communist control, without outside interference. Inside the Iron Curtain, there were revolutions—without help from outside—in East Germany in 1953, Poland in 1956, Hungary in the same year, and Tibet in 1959—all of them brutally suppressed.

And finally, there is the international Communist Party, dedicated to the subversion and overthrow of every still-free government. Where the political method may not prevail, there is always the economic method.

FRANK MCGEE. Let's consider for a moment this matter of the Communists' use of economic methods to achieve conquest, and how it's done. The present masters of the Soviet Union have said to us: "Peaceful coexistence—until we bury you." They propose to officiate at our interment by catching up with us industrially—and then surpassing us. They're working hard at it. Today, the 200 million inhabitants of the Soviet state bend their backs and their talents to the Kremlin's will. And sputnik, and sputnik's successors, have proved conclusively enough the U.S.S.R.'s proficiency in the area of technical ability.

Throughout the vast stretches of this empire, you find new industrial cities, plants, assembly lines, the most modern equipment. Soviet products of every description, awaiting delivery, and reaching industrially backward areas of the non-Communist world. Teams of Russian technicians are available to operate this machinery. This is economic penetration, paving the way for political takeover.

The hand of Soviet friendship, which usually precedes an attempt at economic penetration, has been reaching into every part of the world which shows the slightest inclination to receive it. Recently, we have seen it extend into our own hemisphere, into turbulent Cuba, where it was embraced as a triumph of Soviet policy.

A few statistics will demonstrate how serious this threat is becoming to the free world: Of the entire annual Soviet economic capability—their gross national product—70 percent or it may run as high as 80 percent—is devoted to the area of heavy industry. The United States and free world share of gross national product devoted to the same area is certainly not much more than 20 percent. In terms of volume applied to this area of gross national product, the Soviet Union is beginning to surge ahead.

Mr. MURROW. Finally, the Communists attempt ideological penetration. Perhaps their strongest efforts go into this kind of penetration into the free world. Before we talk about ideological penetration itself, let's take a look at the reasons why this form of penetration is so important to the Communists. For one thing, Communist aggression has alarmed many free nations, and produced their united will to resist.

These nations have implemented their will to resist all other forms of Soviet penetration through a number of trade agreements. The United States and other industrially strong nations of the free world are actively promoting better living conditions all over the world.

This has the effect not only of helping these countries to improve their industrial and economic position, but also of providing a defense against Communist intrigue, which flourishes in depressed economic areas. The military potential of the free world has been revived by such mutual defense pacts as the North Atlantic Treaty Organization in Europe, the Southeast Asia Treaty Organization to counter aggression in this part of the world, the Anzus treaty and the Rio treaty to provide hemisphere defense.

All over the world, our allies are now setting up their own defense bases, with the technical know-how to operate them. This kind of military help by us is not, by any means, a one-sided operation. The nations involved contribute as heavily as they can.

No less valuable are the morals and friendly relations being generated between servicemen of all the participating countries. In joint training programs—demonstrating their respective skills to each other—they cross the language barrier to comradeship.

This banding together by nations with a common purpose has produced strength not only in the military and economic fields, but in the realm of moral and spiritual values as well. At a meeting of the NATO Atlantic Congress in 1959, a statement was adopted which called attention to the moral unity binding the member nations.

This document recognizes respect for human dignity as the alienable basis of civilization. Among the fundamental rights of man specifically named are: respect for the sanctity of human life, the right to freedom of speech, of conscience and religion, of opinion and belief, the right of every man to work and to receive his just reward, the right of the family to stability and the right of parents over their children and their education.

In all these ways—economically, militarily, morally—the world outside the Communist orbit slowly draws itself together. The practical Communists appraise this consolidation of free world defenses. It confronts them with a serious deterrence to their world ambitions. Hence, they must destroy allied unity—or at least weaken it. How?

Well, here we return to the subject of ideological penetration. For if all other forms of penetration don't work, if the united strength of the non-Communist world makes political penetration unfeasible and economic penetration unsuccesful, if cultural penetration does not do the job, the Communists can always hope to succeed by resorting to ideological warfare against their strongest opponent, meaning us.

"Americans Go Home," "Wall Street Warmongers," "Down With American Imperialism," "Peace." Yes, "peace," their propaganda screams—on Communist terms, naturally.

Inside the free world, Communists and their sympathizers seek to foment suspicion and distrust of our motives, even attempt to influence our allies to eliminate our oversea bases, which are protecting them as well as us.

Their mediums of mass communication are tireless in vilifying us as a nation and as individuals, such as depicting you as a brute and a ravager.

Is there a chance that the Communists will succeed? Is there a possibility that our allies will accept this malicious perversion of us and everything we stand for? In large part, that is going to depend on how thoroughly we understand this conflict and how dedicated we are to victory.

Understanding is a continuing process, and it embraces many different aspects of our day-to-day living. It is, at root, a function which involves the flow of information.

LOWELL THOMAS. I am Lowell Thomas. We live amid the greatest abundance of information any people have ever had. But survey after survey reveals an astonishingly low information level among us. To be sure, the right to remain uninformed is one of the privileges of a democracy. But in a contest such as the one we are engaged in, it is one of the surest ways of losing our freedom. Being informed does not mean only keeping up to date on current events, important though that is. It means also being aware of developments within our own Nation and the forces that move through it—its weaknesses as well as its strengths.

We all too often dishonor our freedom, to be sure, and demean it. But that is not the full story. If it were, our system would have collapsed long before this. The full story is in the progress we consistently make—through law and through education—the way freemen must.

The Communists would like to have you, as well as people in every country in the world, believe otherwise. And once they have succeeded in letting the idea take root that our deficiencies are our chief characteristics, once they have managed to erode our faith in ourselves at least a little, that much of the battle is lost.

Mr. MURROW. A snake of a whisper is abroad that Americans have lost touch with their past. Is it true? It cannot be, if we are to survive, and win.

If we understand the conflict, then we understand the need to keep America strong in her greatest challenge by keeping alive the standards and the traditions which have been her glory.

What are the bulwarks of the past upon which our society has been built? There are many, and we have discussed some of them—our spiritual heritage, our belief in individual liberty. But there is yet another as important as any of these.

HELEN HAYES. I am Helen Hayes. Many of us who are living now will never see the end of the conflict which dominates our lives. Leaders change, and leadership passes from one generation to the next. But for generations, certainly for many years, the challenge which confronts us will continue. So it becomes not just a hope, but an urgent condition for a peaceful future that those who are catapulted into the problems of maturity with every passing year will understand the challenge and devote themselves to it, even as you and I must.

Interest cannot lag. Efforts cannot cease. It will require the sternest kind of dedication, bred as it were, into the American character. The training grounds in which this discipline will be planted and perfected are the institutions which have shaped our society, particularly the home, which has always been, in our culture, the nucleus of society itself.

The home is the wellspring of the strongest qualities of citizenship, and it must remain so, if we are to preserve the toughness of moral fiber which is our strongest heritage.

Mr. MURROW. A toughness of moral fiber, a belief in the right "as God gives us to see the right," as Lincoln put it in words which are carved into our national soul—these are the sinewy threads of our past.

Keeping America strong—this is our challenge. Keeping the vision of liberty bright. Keeping the threads of our past—the strands of moral toughness with which our history is bound. Moral toughness—the quality which made men work instead of weep on the hostile shores of New England—which bled mortally yet never died on a hundred fields and oceans stretching out from Valley Forge—which moved strong men west, bringing with them first only their pride, then their railroads, which built cities and governments and created wealth, and above all made freedom the birthright of every man, that quality must still live within us, for without it we are surely lost. And it will live so long as we keep faith in our future and faith in our past. This is the challenge, as compelling, as severe, as crucial as Americans in any age have ever faced.

IMPARTIAL NAVY

Mr. MANSFIELD. Mr. President, today's New York Herald Tribune contains a front-page story by David Wise. It refers to a form letter from Admiral Burke to Lt. John F. Kennedy, USNR, retired. The letter consoles Lieutenant Kennedy for having been passed over for promotion in the Naval Reserve.

Admiral Burke's letter makes clear that there is no stigma attached to being passed over even though there may be an understandable disappointment. In any event, Lieutenant Kennedy is now so deeply immersed in the responsibilities of being President of the United States and Commander in Chief of our Armed Forces that it is probably best that these down-the-line ranks in the Naval Reserve be filled by others.

Mr. President, this little incident, in a way, reflects great credit on our society and on the naval forces and the Chief of Naval Operations, Adm. Arleigh A. Burke. It is good to know that the Navy is operated with the same sense of impartiality, the same sense of equal human treatment for all citizens that provides the philosophical base of our society.

Admiral Burke, who is retiring shortly, is to be commended for sending this letter as one of the final acts of his long and distinguished service to the Navy and to the Nation.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune, July 19, 1961]

TO KENNEDY, FROM NAVY

(By David Wise)

HYANNIS PORT, MASS., July 28.—It finally happened. Lt. John F. Kennedy, USNR (retired), received a form letter from the Navy Department at the White House today consoling him for having been passed over for promotion in the Naval Reserve.

The letter, signed by the retiring Chief of Naval Operations, Adm. Arleigh A. Burke, sympathetically noted, however, that many Reserve officers who failed of promotion have nevertheless done fairly well in other fields.

"Many," Lieutenant Kennedy was informed, "have achieved stature in civilian life which ranks them among the leaders of the social, political, professional, and financial circles in which they move. * * * You may be certain that my deepest sympathy goes to the deserving and qualified officers who have failed of selection.

IT'S NO DISGRACE

"But failure of selection under such heavy attrition is no disgrace. It is just that there were not enough vacancies to effect all of the promotions we would like to make."

The President, who served with distinction as a Navy PT boat commander in the Pacific during World War II, received the letter this morning. He is now, of course, Commander in Chief of all the Armed Forces, including the U.S. Navy.

Since Admiral Burke's retirement is not effective technically until Tuesday, August 1, he was actually consoling his boss.

ADDRESSED TO LIEUTENANT KENNEDY

The letter came in a big brown manila envelope. An address machine had printed the address, and the Navy had obviously methodically updated the plate used in the machine with "Lieutenant Kennedy's" latest address. "Lieutenant Kennedy" moved from Georgetown in Washington to the White House January 20. It is a bigger house and better suited to his growing family.

The letter was, therefore, addressed to "Lt. John F. Kennedy, USNR (retired), the White House, Washington, D.C."

Admiral Burke wrote the letter apparently to thousands of naval reservists, as something of a personal farewell in which he described the Navy and its future. At one point the letter said:

"Believe me that my task could not have been accomplished without the grassroots support to which you have contributed. Our Navy cannot operate without the fiscal and policy support of the Commander in Chief and the Congress of the United States. In our democratic processes there can be no doubt that these elected officials react to the opinions and attitudes of their constituents. Since you form an important segment of their constituency, you have been able to influence their judgment and assist in bringing about decisions which have resulted in an effective and powerful Navy."

In effect Admiral Burke was thanking the President for lobbying to the President.

Only last Wednesday, in a ceremony witnessed by several hundred persons in the White House rose garden, the President presented a Distinguished Service Medal to Admiral Burke. It was his third DSM. This one was awarded for his service as a member of the Joint Chiefs of Staff.

President Kennedy flew to Hyannis Port tonight to spend the weekend, and on the plane he chatted with newsmen and chuckled over the letter.

The President was obviously amused by it. It could not be learned immediately whether the Navy and Admiral Burke were also amused.

THE DUMPING OF CHEAP FOREIGN DRUGS IN THE UNITED STATES

Mr. SCOTT. Mr. President, it is with a degree of personal satisfaction that I learned of an action that the U.S. Treasury Department has undertaken to investigate the dumping of cheap foreign drugs in the United States in contravention of law. This is a matter that is not widely known or understood, for it has received little public notice. Nevertheless, it has important overtones for many Americans who work in industries that have competition from abroad.

I first called the Senate's attention to the serious problems of patent infringement and dumping in this country by certain foreign drug producers in a speech on the floor last January 26. At that time, I explained that the Military Medical Supply Agency, which purchases all drugs for the Armed Forces, was spending millions for prescription drugs in Europe in a laudable effort to save money for the Government. But there was strong evidence that some of the drugs sold to MMSA, though patented by U.S. companies, were being produced abroad without permission of the patent owners and without payment of royalties. Furthermore, there was evidence that some of these drugs were being sold to MMSA at prices considerably below the going bulk rate in the countries of origin. This is, of course, in the nature of dumping, which is forbidden in various statutes.

The MMSA defended its buying abroad on the grounds that it had a legal right to do so and that it was actually saving the Government large sums of money. It claimed that by buying cheap foreign drugs, it might drive down U.S. prices, which it regarded as being too high. As for patent infringements, the MMSA said the companies claiming injury were free to sue the U.S. Government.

This reasoning overlooked what I regard as important governmental policies, and which I discussed in some detail last January 26. When an agency of the Government opens the door to foreign bidders, much more than price must be considered. What effect would purchasing abroad have on the balance of trade and the flow of U.S. gold? What effect would transferring the production from American to foreign plants have on employment? How would it affect local, State, and Federal tax revenue? Is a violation of private right involved? In this instance, the evidence is that the MMSA failed to take these questions into account.

I am, therefore, gratified at an announcement by the Treasury Department that it is undertaking action on the issue of dumping, which may result in penalties to the foreign companies involved. This action may also help to equalize the competition for Government drug contracts between our domestic drug producers and those abroad. The basis of this action is as follows:

Tetracycline is an important broad-spectrum antibiotic discovered and invented by a large drug company with headquarters in New York. Four other American companies are licensed to produce the drug. One of the five—it was not announced which—filed a complaint with the Treasury Department February 16, charging Italian producers with selling to MMSA at prices far below the going domestic bulk rate in Italy.

MMSA has been purchasing tetracycline in Italy for the past year and a half on behalf of the Armed Forces. The Veterans' Administration has also made some small purchases of tetracycline from Italian producers, but is now arranging with MMSA to have the latter agency do such buying for the VA. This means that unless the MMSA's practices are restrained, the dollar volume could rise considerably.

Since December 1959 MMSA has spent about $3 million on this one product. Prices have been going down steadily, from an original $8.15 for bottles of 100 tablets of 250 milligrams to as low as $4.23. Bulk prices on the Italian domestic market have also been dropping. But they have remained at about double the prices quoted to MMSA, and this is the basis for the Treasury action.

American bids for this business have been far higher than those of the Italian companies, and for understandable reasons. In the first place, the discoverer of tetracycline must include in its price some part of the millions spent to develop the drug, and his American competitors must pay a royalty for the right to produce and market it. On the other hand, the Italian firms can legally pirate the drug because Italy has no drug patent law, and thus escapes any research or development costs.

In the second place, the Italian firms pay only one-fifth the labor costs of their U.S. competitors and thus have a big starting advantage.

In the third place, the Italian firms pay an income tax of about 20 percent, while the American companies pay about 25 percent, a substantially higher cost.

Finally, any protection the American companies might be afforded by drug tariffs has been nullified by the MMSA's designation of its Italian buying as an "emergency purchase of war materials," not subject to tariff duties. Industry sources believe that they would be in a far better position to bid on this business if the Italian firms were forced to observe the antidumping statutes and if transportation and tariff charges were added to reflect a true cost for the Italian drugs.

And this may be the case if the Treasury decides that the facts do prove that there has been dumping. In this case, it should turn its findings over to the Tariff Commission which has the responsibility of deciding whether an American firm or industry has been hurt by the dumping. If it makes such a finding, a penalty known as equalizing duty will be assessed, reflecting the difference between the price at which the product was imported and the price at which it sells in similar quantities on the Italian market. The industry estimates the penalty may run as high as a half-million dollars on the last few shipments of tetracycline.

I am fortunate to represent a State that has long been in the forefront of drug progress. Drug companies in the city of Philadelphia alone account for nearly 20 percent of the total drug production in the United States. For this reason, I have had occasion to become particularly aware of developments that affect the industry. But I have called the Senate's attention to this foreign purchasing problem in some detail because it exemplifies in one industry the kind of difficulties that are common to many industries.

Our Nation is recovering from a recession, but each increase in employment seems to be accompanied by an increase, too, in unemployment. This means we must exercise careful judgment in expending Government funds, to be certain we maintain a nice balance between our domestic requirement for more jobs and the savings we can realize by buying overseas.

Only recently have we become aware of the severity of the drain on U.S. gold reserves. In an effort to reduce this drain, Congress has recently cut by 80 percent the value of goods travelers may bring home from abroad duty free. If we continue to purchase massive amounts of goods abroad for the Armed Forces, are we not subject to criticism by our citizens for imposing on individuals stiff regulations from which we exempt purchasing officials controlling the expenditures of millions?

Beyond these economic considerations is the question of the propriety of an agency of the U.S. Government in totally ignoring our own patent law. There is no question that MMSA has deliberately continued to purchase tetracycline, and perhaps other drugs, with the full knowledge that the producers have pirated

American patents. Is this an approved policy of the Department of Defense? Is it being done in other fields, as well as in drugs?

So far as I can determine, this is the first time that the Treasury Department has had occasion to investigate a Government purchasing agency on a complaint of dumping. I hope it will serve the purpose of putting on notice all purchasing agencies and all individuals concerned with spending Government funds that far more is involved in buying a product or a service than the price. The national interest is clearly spelled out in various resolutions and statutes pertaining to foreign purchasing. These resolutions and statutes must be observed.

As I have said before, when the Government goes shopping the taxpayer has a right to expect that it will spend his money wisely, for a good purpose, and for the general welfare of the country. This has not been the case with the purchase of drugs in Europe from patent pirates who are deliberately flouting our antidumping laws. I think the Treasury Department is to be commended for moving to put an end to this practice.

A PENETRATING LOOK AT THE NARCOTICS PROBLEM

Mr. KEATING. Mr. President, recently there was brought to my attention a very comprehensive 12-part series of articles appearing in the Buffalo (N.Y.) Courier-Express on the narcotics problem. Douglas Turner, the author of this series, and his newspaper must be commended for devoting so much space to this challenging and controversial and vitally important subject. While I do not agree with all of the implications in Mr. Turner's articles, I am greatly impressed with the depth of his probing, the clarity of his style, and the forcefulness of his expression. This is a first-rate piece of journalism and it deserves to be seriously considered even by those who may not entirely agree with the author's point of view.

Mr. President, I ask unanimous consent that Douglas Turner's articles in the Buffalo Courier-Express be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

NARCOTICS ADDICTION TAKES HEAVY TOLL IN HEALTH AND PROPERTY—396 VICTIMS COUNTED HERE

(By Douglas Turner)

(Narcotics addiction continues to eat at the moral and economic fiber of the crowded sections of the State's two largest cities. Nearly half of all the Nation's addicts are in this State, and their ranks are growing. This is the first in a series of articles on the problem.)

SLAVES

Every year, about 3,000 recruits in New York State join the army of the walking dead—slaves to a bitter-tasting white powder called heroin.

The use of heroin, taken by injection into the bloodstream, into the skin, into muscle tissue or by "snorting" (inhaling), has found favor with some 400 residents of Buffalo.

COST HIGH

Compared with the State total of 20,648 addicts, Buffalo ranks of "junkies" may seem thin. But the cost to the addicts, their families and the community in terms of law enforcement and property loss, is high.

And using either local or Federal yardsticks, heroin addiction in Buffalo has increased from 25 to 33 percent in the last 9 years.

COUNT

The Federal Narcotics Bureau counted 300 addicts here in 1952. Records in the New York City office of the Bureau now list 396 here.

Heroin, an opium derivative, isn't the sole narcotic marketed through illicit drug channels in the State.

But local police say it accounts for nearly all the criminal addiction in Buffalo.

In New York City, the Nation's dope capital, heroin is used by about 88 percent of that city's 20,000 addicts.

LAWS BLAMED

Other opium derivatives—morphine, demerol, codeine, and paregoric—account for one-tenth of the criminal narcotic sales in the Empire State.

Federal agents blame New York's "weak, unrealistic" laws and the dire shortage of facilities for humane treatment for the chronic, worsening problem of addiction here.

Armed with stiff penalties passed by Congress in 1956, Federal agents have made deep inroads on dope traffic in every State but New York and California, whose old laws also have come under Federal fire.

OPTIMISTIC

In a recent article, U.S. Narcotics Commissioner Harry Anslinger declared: "We're winning the war against dope." In this national war, however, New York's Legislature and Departments of Health and Mental Hygiene have slipped into a state of truce.

Since Federal laws were toughened, New York's share of the national dope traffic has increased from 43 to 46 percent.

New York's 20,648 junkies represent about 2,000 more than were listed in 1957.

CONTACT

Most of these first tried heroin casually as teenagers or young adults. Here is how one young addict made his first contact:

"A bunch of guys my age were down on the corner. Someone said, 'Let's try some.' No one knew where to buy it then, but we made a contact. So we went up to the roof and snorted."

FOUR PILLS

Another told an interviewer:

"Some of us was in a car. One of the guys said: 'Let's take off (use drugs) before we start downtown.'

"I said, 'Not me, I don't want any.' But one of the guys owed me $2 so he said, 'Come on. I'll give you four pills and we'll call it even.'

"So I tried. That was just skin popping (injecting). The next day I was with the same guy and he was mainlining (taking a heroin solution into the bloodstream). I tried two pills at once that time."

TO FORGET

Men and women take these poisons because they need to forget, for the time, who they are. By numbing the senses of touch, taste, smell, and sight, dope helps the user blur his world into something of his own making.

For a few hours, anyway, the user becomes more poised, confident. In the words of another "junkie":

"It felt like heat was coming through my body. It made me forget all things. I felt I knew everything. I talked to people about interesting things."

TRANSITION

For those whose need to blur is great enough, for those sufficiently weak willed or weak minded, the transition from casual user to "junkie"—from master to slave—is smooth and easy in cities where supplies are readily available.

Unfortunately for the addict, heroin and other opiates also affect the body.

Heroin depresses the sensory and coordination areas of the central nervous system. The drug slows the pulse but stimulates vomiting, sweating, salivation, and congestion in bronchial tubes.

WEIGHT LOSS

Because he is continually constipated and subject to vomiting, the addict loses his appetite and loses weight. Heroin will also cause painful spasms in the bile duct.

With repeated use, the nervous system develops a tolerance to heroin. So, in order to get the same kick he received with the first shot, the addict must take larger doses more frequently.

This means that by the time a user has developed a full-blown habit he is daily taking 10 times the heroin needed to kill a normal person.

WITHDRAWAL

An addict must "take off" three to four times a day or he will begin to experience the painful symptoms of withdrawal.

To the diehard addict, an attempt to withdraw completely from the drug without medical assistance is to risk death through a sudden drop in circulation.

Without the drug, the addict gets severe cramps in the abdomen, excruciating pains in the limbs, fever, irregular respiration and diarrhea, and sometimes convulsions.

STEALING

This is the peddler's hold on the addict.

"When you need drugs," an addict told the interviewer, "it'll make you go out and steal—every time you get a dollar you'll use it or set it aside until you do need it for drugs."

Police Commissioner Frank N. Felicetta said a high percentage of those arrested here for thefts from cars and stores are addicts. About 200 addicts are arrested for theft every year.

ARRESTS MOUNT

The number of arrests on narcotics violations in New York City increases at a rate of 200 a year, or 5 percent. Records of the office of New York District Attorney Frank Hogan showed 5,000 narcotics arrests in 1960.

Nearly a third of all the felonies brought before the city's court of general sessions in 1960 could be attributed to narcotics.

PRICE

It is estimated that an addict without a conventional source of income will steal $75 from the public for every $15 he spends on drugs. Multiply that by the number of addicts, and you can get some idea of the price the community pays.

They will also steal from their friends, parents, and other relatives. A North Buffalo business executive recently paid out a total of $1,600 to downtown pawnbrokers to redeem the family's clothing and jewelry stolen by his addict son.

NEW START

The businessman paid out thousands more in legal fees and in transportation costs required to start his son on a new life in another part of the country.

A resident of Buffalo's West Side recently sold his house after paying legal fees to fight criminal actions brought against his son for several narcotics violations.

He also reportedly paid hundreds more to citizens allegedly swindled by his son.

SERVING TIME

After being placed on probation, the youth posed as a sales clerk at an appliance store without the proprietor's knowledge, took money for television sets, then fled without delivering the merchandise. He now is serving time on a narcotics charge.

A downtown clothier finally had to report a relative to police for stealing suits from his store. The youth was pawning them to obtain cash to buy heroin. His habit cost him $22 a day.

FOURTH TERM

At the age of 24, the South Buffalo man now is serving his fourth term in a public correctional institution.

In 1959, the Federal Bureau reported 2,875 new addicts in this State. Last year, using improved statistical methods, the bureau uncovered 3,372 new addicts.

What happens to them? A State researcher on narcotics has one opinion:

"They quit if they're lucky, wind up in prison or die at a relatively young age."

CLASHING VIEWS BAR DRUG POLICY—CONFLICT BETWEEN SOFT AND HARD SO DEEP NO SOLUTION IS REACHED

(By Douglas Turner)

(Experts debate the narcotics problem, obscuring any clear course of action. The cost of this dialog: 3,000 new addicts a year and millions of dollars for the rackets. The second in a series.)

Irresistible social pressures in the slums of New York and Buffalo and a deep, bitter conflict between backers of two solutions to narcotic addiction help keep the addict in his revolving door.

Once hooked on heroin, the addict runs afoul of the law.

Then he begins his futile journey through the jails, courts, hospitals, prisons and back to his old neighborhood and friends, who return him to the same circuit.

Police, who stalk him as a criminal, put him in jail, where he may need medical attention. The courts, not knowing what to do with him, may send him to prison where he often is regarded as a man with psychiatric problems.

In prison, he usually becomes the model prisoner and is released before the end of his sentence. He is placed on parole—dumped back into the same community which bred his addiction.

MANY RELAPSE

Finding himself faced with even greater social obstacles because he is an ex-convict, he may take up his old habit. About 9 out of 10 go back on heroin after they have served time.

Now he is regarded as a social problem.

Back in their districts, many State legislators rage against the menace, demand the death penalty for peddlers and funds for treatment centers, then sit meekly in the legislature as their bills die in committee.

In Washington, New York, Albany and throughout the State at periodic open and closed hearings on the menace, the debate between proponents of the soft approach and the hard approach continues.

Finding themselves in continual "fundamental disagreement," the two groups offer expert advice on each others' bills, and eventually kill all but the most modest State programs.

In this way, the continuing quarrel serves the rackets to direct the multimillion-dollar narcotic traffic in this State, those officials who are indifferent to the suffering of the addict, and citizens who recoil from paying the price of easing the problem of addiction.

BITTERNESS, SUSPICION

Perhaps it is because of the sheer size and complexity of the addiction problem, but few issues facing the State government have aroused such bitterness and, in some cases, suspicion among groups associated with the situation.

Social scientists, psychologists, and some physicians accuse local police and Federal officials of "repressive," unscientific practices.

Legislators and some prosecutors charge officials of the departments of mental hygiene and health with indifference and sluggishness in their approach to the problem.

Federal agents, whose experience with narcotics is the longest, closest, and most varied, insist they have the best approach—a basically punitive one.

They uniformly take a dim view of behaviorists who want to take a different course of action in combating narcotics, a less punitive course. One Federal agent snapped:

"I wish some of these shoemakers would stick to their lasts. If this keeps up we're going to wind up with more 'experts' in this field than we have addicts.

"We're trying to create a drug-free environment, while they want to create a free drug society."

Backers of this tough approach want to continue penalizing peddlers and users of drugs to reduce drug traffic and addiction.

Proponents of the soft approach would like to see something like the so-called British system tried in New York State.

HYSTERIA ATTACKED

One of the chief apologists of this approach, Dr. Isidor Chein, director of a long-term New York University study of juvenile addiction, blames harsh laws and, in part, the hysteria created by the press and officialdom for the extension of addiction here.

"The hysterical approach," he says, "obscures the fact that the most horrible aspects of addiction are all associated with the illegality of the possession and sale of narcotics.

"The addict is no worse off than the diabetic patient or, for that matter, than the rest of us who require regular ingestion of certain chemical substances known as food and drink.

"On the other hand, unlike the diabetic, the addict has no access to quality-controlled drugs of a standardized dosage and free of dangerous adulterants.

"SIDE OF SIN

"From the law-and-order side, the issue becomes one of how to keep him from the drug, not how to rehabilitate him. To suggest the possibility of rehabilitating him with the drug is to be on the side of sin."

His group favors a variety of the British system—a chain of special, 24-hour clinics to enable designated physicians to administer heroin under strict governmental controls.

This course, its supporters say, would take the high profits of black-market heroin sales from the rackets and provide a simple, medically controlled way for the addict to withdraw from the use of drugs.

Street sales of heroin, which is actually cheap to manufacture, total about $250 million a year in New York State, according to a Federal Narcotics Bureau estimate.

Backing this "soft" approach are officials of the New York (City) Academy of Medicine, the Society Medical Society, the American Medical Association, and American Bar Association.

NARCOTICS CHIEF OPPOSES

But there are opponents to this position found in nearly every group associated with narcotics control. The most bitter opponent is Dr. Harry J. Anslinger, a U.S. Narcotics Commissioner.

After a joint American Bar-Medical Association committee recommended that State and Federal laws be revised to permit doctors to administer drugs to addicts, Dr. Anslinger assembled and circulated a 186-page book containing the comments of 30 experts opposed to the ABA–AMA proposal.

"I do not see the difference," Dr. Anslinger said shortly afterwards, "between the peddler selling poison to an addict or the Government giving it free to the addict. It is still slow murder of the citizen."

Richard H. Kuh, administrative assistant to New York District Attorney Frank Hogan, interviewed by this newspaper, gives these reasons against instituting some form of ambulatory treatment of addicts:

1. The heroin addict is not satisfied by less potent opiates and would continue to buy his heroin on the illegal market. Even the "legalization people suggest heroin be legalized."

2. "Mounting dosages are required by the addict seeking 'kicks'. Clinical schemes do not contemplate mounting dosages." Such addicts would continue buying illegal heroin.

3. "Heroin addicts are, for the most part, distorted personalities in rebellion against such regimentation as social living imposes. It is unlikely, therefore, that they will submit willingly to a system of registration and reporting daily to clinics."

4. Neither the medical profession nor the State government ought to engage in practices which ultimately ruin the health of patients.

AVAILABILITY IMPORTANT

5. Experience has shown that "addiction increases proportionately to the availability of drugs. It is tragic that the medical profession has one of the highest rates of narcoticism of any white collar group in the community. This would seem to be linked to the doctor's ready access to drugs."

Despite continued opposition to it in some quarters, the "British system," to use a popular handle, is being viewed with increasing favor.

Between 1920 and 1924, about 40 cities had clinics to administer narcotics to addicts on an outpatient basis. They were closed by the Federal Government.

New York City's lasted only 9 months. Four decades have elapsed since this approach has been used, even on an experimental basis.

COST SOMETIMES FACTOR TO STATE LEGISLATURE, III—MORE REALISTIC NARCOTICS LAWS HAVE BOGGED DOWN FOR MANY YEARS

(By Douglas Turner)

("Those kids just passed it around like it was nothing. Everybody was taking it, just sniffing it. I didn't know it would blow up everything in my face." The words are those of a heroin addict—a beneficiary of 15 years of stalemate in State government. The third in a series of articles.)

NO PROGRESS

New York State, harboring 46 percent of the Nation's addicts, stands as the only State in the country which has turned back efforts to meet head on the problem of mass addiction.

The Legislatures of Ohio, New Jersey, Illinois, Michigan, and more recently, California—all States where addiction is a serious menace—have either authorized longer prison terms for peddlers or spent large sums on treatment facilities, or both.

When heroin addiction mushroomed to epidemic proportions shortly after World War II, many New York State legislators, at the urging of the U.S. Narcotics Bureau, began pushing for realistic penal laws and detention centers for the humane treatment of addicts.

BLOCKED

For about 10 years, sponsors of these bills say, officials of the State health department successfully blocked many of the proposals.

Then, about 4 years ago, the major responsibility for the rehabilitation of addicts

was passed to, or rather, assumed by, the department of mental hygiene.

RECENT PROD

The mental hygiene department displayed little urgency about the narcotics problem until recently, when it was prodded into action by Governor Rockefeller and Senator Walter J. Mahoney, of Buffalo.

Many bills languished in committee because some legislators were disinclined to spend money on a problem which didn't exist in their districts.

The most spectacular illustration of this stalemate came after the Joint Legislative Committee on Narcotics Study made its final report in 1959.

RECOMMENDATIONS

The sohhittee spent $120,000 over a 3-year period sifting evidence brought out at hearings at which nearly 100 expert witnesses testified.

The committee made these recommendations to halt the growth of addiction in New York State:

Build a hospital for the mass treatment of addicts; create a permanent narcotics commission; compel addicts to undergo treatment; relax the laws forbidding doctors to administer narcotics to addicts; and stiffen the penalties for peddlers of dope.

DEAD

"As far as I knew, these proposals just died a quiet death," recalled Dr. Niels C. Klendshoj, Buffalo industrialist and toxicologist, a committee member.

Committee Counsel Bernard Katzen said the proposals died due to a "continual passing of the buck" from the State to the Federal Government, and from State department to State department.

"Some of these proposals would have cost a great deal of money," said Katzen, "and you always find the legislators exercising great caution when you have a budget commitment involved."

PROPOSAL

As early as 1947, Senator Mahoney, at the request of the Federal Narcotics Bureau, introduced a bill which would make a narcotics user a disorderly person under the law. The State health department would have had the responsibility for treating the addict.

New Jersey had just enacted a similar law, so the New York Legislature approved it overwhelmingly. But then Gov. Thomas E. Dewey vetoed it, reportedly on the advice of the health department.

In 1949, Senator Mahoney's bill passed again, only to have Governor Dewey reject it.

The health department, according to several reports, claimed it did not have facilities or personnel required to handle the problem.

VETOED BY AVE

Former Assemblyman Thomas J. Runfola of Buffalo secured passage of a bill calling for life imprisonment upon conviction for the sale of addicting narcotics to minors. Former Gov. Averell Harriman vetoed it without comment.

Then Runfola, in 1958, obtained passage of a bill providing for compulsory treatment of narcotics addicts in State institutions. Governor Harriman vetoed that one, too.

"It is my feeling that the health department opposed my bill," Runfola said. Malcolm Wilson (now Lieutenant Governor who then was assembly codes committee chairman) wanted to kill the bill because the Joint Committee's study was underway.

LITTLE USED

The legislature has since enacted a compulsory commitment bill, but it has been little used.

Legislators, law enforcement officials, and prosecutors, who have made their try at lobbying, suspect that members of the medical profession, within the departments and without, opposed any legislation that smacked of inhumane treatment of the addict—bills which didn't recognize that the addict primarily is a sick man.

But their suspicions have never been proven correct.

VARIETY OF BILLS

Since 1958, more than 70 bills have been proposed, dealing with all phases of the narcotic problem.

They call for creation of study groups, higher penalties for peddlers, construction of facilities for mass treatment of addicts and authority for physicians to administer drugs to addicts.

The most significant of these bills stalled in committee. An apparently weak new law authorizes mandatory commitment of addicts to State mental institutions for treatment.

There is still no move afoot in the legislature to reopen the question of narcotics addiction on a broad basis.

Why the stalemate?

LEADERSHIP NEED

"There is no apparent leadership," a law enforcement official told an interviewer. "Some powerful figure in State government has got to take this thing by the horns."

One upstate legislator said the indifference of officials of the department of health and mental hygiene was to blame.

"You know," he said, "a doctor who successfully treats mental illness or tuberculosis can cover himself with glory. But a physician gains very little status in dealing with 'junkies.'"

ADDICTION BILLS GET SCANT UPSTATE AID

(By Douglas Turner)

("It is difficult to conceive of any social problem that has consistently received as much determined study and less action than the narcotics field"—1961 Report of the New York County Grand Jurors Association. The fourth in a series.)

EFFORT

Irked at the apparent reluctance of State agencies to use powers given them by the legislature, several groups this year launched drives to enact more concrete programs to combat the State's growing problem of drug addiction.

The public's dissatisfaction found at least token expression in the more than 40 narcotic control bills submitted to the 1961 legislature. It was the largest and most diverse body of antiaddiction legislation ever proposed at one session.

Many of these bills were supported by New York City Democrats, who knew the addiction menace, but who had little chance of forcing bills out of the Republican-controlled committees.

POLITICS

The political complexion of the legislature does have its effect on the narcotics problem. Both houses are controlled by comfortable, though narrowing Republican majorities.

And Republican power is concentrated in the State's rural and suburban districts. The addicts in all the Republican-controlled assembly districts probably do not number much more than a thousand.

Sentiment for welfare, antibias and narcotic control laws is strongest in the teeming, minority-conscious districts of New York City.

CONCENTRATION

New York City has 20,000 of the country's 45,000 addicts. But its Democratic lawmakers are in the minority in the legislature.

This is not to say that most Republican legislators are indifferent to the narcotic problem. But taken as a group, narcotics legislation has, so far, been far down on the list of needed reforms.

Schools, health services, and roads understandably come first in relatively prosperous, GOP-dominated districts. There are many demands on the State budget, and Republicans have the first call.

BACKGROUND

Taking this as the background, it is not difficult to see how hostility could be aroused toward a narcotic reform bill calling for a large expenditure of funds.

Part of this opposition stems from the fact that the use of narcotic drugs for nonmedical purposes is a crime in New York State.

It is illegal for anyone to manufacture heroin anywhere in the United States or anywhere in the Western Hemisphere, for that matter. Heroin is used by about 88 percent of the State's listed 20,648 addicts.

PROBLEM

With his constituents demanding reductions in the district welfare costs and school taxes and complaining about crowded classrooms, poor roads, and inadequate park facilities, a rural or suburban legislator might well ask himself:

"Why should we divert millions of dollars from the productive, responsible citizens of this State to coddle a pack of junkies?

"After all, they're just derelicts and criminals, aren't they?"

POPULAR CAUSES

There has never been much open opposition to spending millions to eradicate tuberculosis or discover the cause of cancer, or comfort the sick.

The addict is a desperately sick man.

But reluctance to spend money on the treatment of addicts may be linked with the original crime of taking narcotics in the first place.

It would be difficult to assess what influence the racial makeup of the national group of addicts has on the fate of narcotics legislation.

MINORITIES

Seventy-three percent of all addicts in the United States are members of minority groups, according to some statistics. Negroes account for 57 percent; Mexicans, 7 percent, and Puerto Ricans, 9 percent.

The legislator has at his disposal any number of reasons to doubt the value of virtually any piece of antiaddiction legislation.

BILLS

Here are some of the bills proposed this year and the arguments successfully used against them:

KILLED IN COMMITTEE

Censor films on sex, dope addiction: An infringement of freedom of speech.

Create study group to probe need for authorizing doctors to give drugs to addicts: Ambulatory treatment would increase addiction by making drugs more accessible.

Require convicted addicts to register with police: An infringement on civil rights, would create unnecessary work for police.

Require judges to commit addicts to State institutions: Facilities not available, personnel not available to handle addicts; makes the addict seem a criminal; treated addicts have shown a high rate of relapse into narcotics use.

Increase sentences for narcotics possession: Too punitive, doesn't recognize that the addict is a sick man.

Allow doctors to administer drugs for withdrawal or to maintain addict at a comfortable dosage: Doesn't recognize addict is a criminal.

Permit death penalty for sales; life imprisonment for sales: Juries won't convict if the sentences are too stiff.

Create permanent commission to administer narcotic control program (a Democratic bill): Similar Republican measure before the legislature.

Set up narcotic bureau in mental hygiene department (GOP bill): Mental hygiene department shows sluggishness in implementing its antiaddiction program.

Permit addict-criminals to choose hospitals rather than prison: Permits confirmed criminals to get off too easily.

FIGHT KILLED PROPOSALS—NARCOTIC REFORMS BLOCKED

(By Douglas Turner)

(What follows is an example of how the best-intentioned programs on narcotics can be stalled in behind-the-scenes legislative strife. The cast of characters in this story includes Attorney General Kennedy, U.S. Senators Javits and Keating, Governor Rockefeller, and State Senator Mahoney. The fifth in a series.)

ESTRANGED

The two most powerful forces in the movement to reform the State's 50-year-old narcotic control laws locked in a bitter struggle during the 1961 session of the legislature.

Born in a spirit of grudging compromise, the bills backed by the two groups died amid a hot, intraparty fight on the busy closing day of the session.

Because of the care taken in forming these programs and the suddenness with which the bills were killed, the two groups were left estranged.

OBSTACLE

The estrangement between the leadership of the State senate on one hand and the most powerful anticrime lobby in the State—the District Attorneys Association—could emerge as a key obstacle to any meaningful action in the narcotics field.

The fight became one between Richard H. Kuh, secretary of the District Attorneys Association, and Senator George Metcalf, Republican, of Auburn, and senate majority leader, Walter J. Mahoney, of Buffalo.

Here are the little-known facts of this conflict:

According to reports, Senator Mahoney late last year became fed up with the stalling by the Departments of Health and Mental Hygiene in coordinating their attack on addiction.

DISCOURAGING

He authorized his research counsel, Joseph Kaitz, and Senator Metcalf to lay the groundwork for the push by meeting with Robert Wagner, mayor of New York.

This meeting had discouraging results. Mayor Wagner showed up late and had to leave early.

Almost as an afterthought Mayor Wagner picked a liaison man to work on narcotics legislation with the senate. The senators never heard from the Wagner appointee.

BILL DRAFTED

Mahoney had Kaitz call a meeting of the commissioners of health, mental hygiene, correction, and labor, and the State parole chairman to examine a bill he had drafted.

The Mahoney bill would create the post of director of narcotics control in the office of Governor Rockefeller to direct all phases of the State's attack on narcotics.

The Governor liked the idea, in principle.

The director would coordinate the 70 laws dealing with the narcotic problem and would make sure that the money appropriated under these laws was being properly spent by the departments.

OBJECTIONS

The commissioners didn't like the idea. According to one description, the commissioners sat in stunned silence as Kaitz described the bill.

A second meeting was held with the same group. All they came up with were criticisms of the Mahoney bill. They proposed nothing.

Mahoney laid the law down at the third meeting. He told the commissioners:

"If the combined brains of this group can't come up with a suitable piece of legislation, I'll pass a bill without you next week and I'll get the Governor to sign it."

GETS ACTION

After Senator MAHONEY stormed out of the meeting, one commissioner said: "Well, I'd guess we'd better get down to work."

The bill produced, known as the Senate rules bill, called for a bureau of drug addiction in the mental hygiene department, creation of separate hospital facilities for addicts, with admission of addicts for treatment on court certification.

Meanwhile, the District Attorneys Association, with Kuh directing the campaign, lined up heavy support for its bills.

SUPPORT

It included the two U.S. Senators from New York, JACOB JAVITS and KENNETH B. KEATING and leaders of the American Bar and Medical Associations, the Grand Jury Association of New York County, New York City youth commissioner, the chief magistrate of New York City, and others.

Kuh's bills also had the sympathetic interest of U.S. Attorney General Robert F. Kennedy and Abraham Ribicoff, U.S. Secretary of Health, Education, and Welfare.

The Kuh program, which would have been effective September 1, 1962, called for construction of special hospital facilities, the cost of which would be shared equally by the State and Federal Governments.

PROVISIONS

It provided that criminals facing trial could elect to take an examination to determine whether they were drug users. If they were, the courts would be permitted to commit them to one of the addict hospitals for up to 3 years.

Governor Rockefeller didn't like Kuh's program. Rockefeller's legal counsel, Robert MacCrate, was reported to have said that the administration frowned on programs that were contingent on later congressional action.

The assembly passed Kuh's bill 143–144, but it stalled in Metcalf's senate health committee. It was dead.

STALLED

The senate rules bill sailed through the senate, but on the last day of the session Kuh and other angry backers of the DA's association had it killed in the assembly rules committee.

Even a message of necessity from the Governor couldn't budge the Mahoney bill out of the assembly rules committee, headed by Speaker Joseph F. Carlino.

(Incidentally, Carlino had never sent a representative to the meetings called by Mahoney, although he was asked to do so.)

UP TO CONGRESS

The next move was up to Congress.

The Javits-Keating bills, calling for hospital facilities, commitment powers for judges, and a White House Conference on Narcotics, are in committee to stay, according to the latest reports.

Attorney General Kennedy, who had assured KEATING in March that his department would have something definite on the bills by the end of the week, still has not issued a formal opinion on the program.

FEW ADDICTS TREATED—COMMITMENT LAW CALLED USELESS

(By Douglas Turner)

(After 15 years of disagreement, the 1960 legislature passed a historic law aimed at cutting into the growing dope epidemic. It proved of little value. The sixth in a series.)

USELESS

The much-touted 1960 law which allows judges to commit narcotic addicts to State mental institutions has proved useless as an effective tool in combating addiction.

When he signed the bill in April 1960, Governor Rockefeller commented:

"Our conscience dictates that we must do something immediately to care for and attempt to cure, with the admittedly inadequate means at our disposal, those addicts who would otherwise be wandering the streets, often committing crimes to obtain money to satisfy their craving."

SMALL DENT

With this bill—he called it the most important step ever taken by our State to deal with addiction—Governor Rockefeller said the State would begin "immediately" to clear the streets of the menace.

To this day—14 months after he signed his bill—all but a handful of the State's 21,000 addicts still are wandering the streets and often committing crimes.

Until May 1, 1961, the State had no place to put these addicts under the 1960 commitment law.

The research and treatment center at Manhattan State Hospital, opened in 1959 after a year and a half of delays, is not receiving addicts under the 1960 law.

FEW TREATED

The treatment center at Central Islip State Hospital—located on Long Island, 40 miles from Manhattan—has about two dozen inmates.

Announcements issued from the Mental Hygiene Department press office in Albany call the Central Islip facility a treatment center.

The medical staff and employes at Central Islip look upon the project as an experiment. According to their own words, they are accepting, in the main, "star pupils."

VOLUNTEERS

The hospital will accept only patients who volunteer for treatment and who have a high degree of "motivation" for complete rehabilitation.

The 1960 law permits judges to commit addicts for 1 year, but at last reports Central Islip is taking only addicts who sign their own petition to court, knowing that the judges will certify them for treatment for a year.

Utica State Hospital opened a 20-bed ward about a month ago to receive addicts for long-term treatment and rehabilitation.

SAME POLICY

The policy at Utica State is expected to be the same as at Central Islip.

"We're not yet in a position to accept patients without some prior consultation to determine their suitability," a mental hygiene department aid said.

Mental hygiene is taking every precaution against the project at Central Islip being a failure in the same way as the New York City and Federal addict hospitals have been.

FEW CURES

Surveys show that about 85 percent of the former patients at the city and Federal hospitals return to the illegal use of drugs shortly after they are released from treatment.

The courts' powers of commitment were so little used that a youth who presented himself for treatment at Central Islip just prior to its opening had to be signed in on an improvised form.

That was 13 months after the law was signed by Governor Rockefeller.

ANOTHER LAG

Although Dr. Paul H. Hoch, commissioner of mental hygiene, suggested in 1957 that

State mental hospitals be used for the treatment of addicts, his department has exercised little speed in implementing the powers given it by the legislature.

A $160,000 appropriation for a pilot research program for the fiscal year 1956–57 was never used.

A legislative committee asked Dr. Hoch and health commissioner, Herman Hilleboe, to "share its sense of urgency" about the need to establish a research center.

LONG WAIT

The committee asked Hoch and Hilleboe if additional laws were needed to establish the center. The committee was advised by letter that no enabling legislation would be needed.

It took mental hygiene department nearly 18 months to open its Manhattan State Hospital research center.

The special legislative committee in 1959, while waiting for Manhattan to open, called for "a more concerted and aggressive effort" to get the State's attack on addiction moving.

PRODDED

The next March, the legislature appropriated $300,000 for the Central Islip Center. Not a nickel was spent on the project until October when mental hygiene department was prodded into action by Governor Rockefeller.

The center was opened May 1, with a staff recruited chiefly from the rest of the hospital. Staff members were directed to volunteer for the project.

When a reporter visited the hospital in early June, there were 14 inmates. Most of them were referred to the hospital by parole and probation officials and social agencies. Central Islip eventually will have facilities for 80 patients.

WORK CONTINUES

Workmen are still erecting the fence around the special ward reserved for addicts.

The weakness in the commitment law is in the fine print.

This was brought out in congressional testimony on March 2, 1961, by Henry L. Giordano, U.S. Deputy Commissioner of Narcotics. He said:

"The bill did not call for the compulsion of bringing the addict in and compelling him to take treatment.

NO RESULTS

"The bill provided for an addict to voluntarily present himself for commitment, and once he did he was then put in the hospital and stayed until treatment was completed.

"Although the bill has been in effect for a year there have beeen no results because the addict will not voluntarily come in for this treatment."

COSTLY, DISCOURAGING—FEW DRUG ADDICTS ARE REALLY CURED

(By Douglas Turner)

(The discouraging results of past experiments with hospital treatment of addicts has created a dilemma for the courts and the legislature. Here is the experience of one hospital. The seventh in a series.)

TREATMENT

Amid the confusion about treatment of narcotic addicts in special hospital facilities, three facts have been determined:

1. Getting the addict to withdraw completely from his physical dependence on heroin—used by 88 percent of the State's 21,000 addicts—is accomplished without difficulty.

2. Helping the addict to withdraw from his emotional dependence on the drug is not as easy. Nearly all addicts who are seriously "hooked" return to use of drugs soon after they are released from treatment.

EXPENSIVE

3. Setting up centers for physical and emotional rebuilding of the addict is extremely expensive.

This is why the modest State pilot programs in addict treatment are being undertaken, according to one hospital director, "with great trepidation."

Experience with other treatment centers has shown most attempts to permanently cure the addict of his heroin habit have ended in failure.

SURVEY

No public official, no matter how noble his aims, wants to spend money on failure.

Perhaps the best documented survey of relapse into drug use after hospital treatment—physicians call it recidivism—was conducted on juveniles released from Riverside Hospital.

Riverside Hospital for adolescent addicts was opened in the Bronx in 1952 after incidence of addition in young people had taken an alarming upward turn.

COSTS SHARED

The courts were given the power to commit any addict under 21 to the hospital for up to 3 years. The average number of patients there is about 145 and they usually stay for 6 months.

The State and city of New York share equally in operating the hospital. The cost per patient per year is close to $9,000. The institution's annual budget is about $1.4 million.

Aside from the experience gained from the Riverside project, the hospital turned out to be a near total failure.

BACK ON JUNK

A survey conducted recently showed that nearly every youth who was truly addicted to heroin before he entered returned to junk after his release.

One Buffalo youth was committed three times by his parents. He now is serving time in Erie County Penitentiary for theft.

Another survey showed that as many noncommitted adolescents eventually discontinued use of drugs as did those who underwent treatment.

FAILURE

Riverside Hospital, U.S. Narcotics Commissioner Harry J. Anslinger said, is "a complete failure because the inmates were not compelled to stay. More or less, the addict could come and go as he pleased."

A State senate investigator placed the blame on the redtape which ensnarls the institution.

"It's pathetic to see," the investigator said. "The boys and girls in there spend too much time just looking at the ceiling.

LITTLE TRAINING

"There is only elementary academic training. * * * They get to do a little pottery work or occupy themselves with occupational therapy.

"They aren't trained to do anything else when they get out. They're just plain bored. All they think about is getting at the 'junk' when they get back on the street."

Because of the inability to obtain clearance from the public and community organizations which oversee the hospital's work, the investigator said, Riverside had to reject one industrialist's offer of free machinery with an instructor to retrain the inmates.

REDTAPE BLAMED

"It's paralyzed by redtape," he said. "Without other skills, the inmate returns to the same neighborhood, the same social conditions and the 'rats' who hooked him on dope in the first place."

To the Federal agents, Riverside has one value. It keeps potential pushers off the street; keeps them in quarantine where they can't contaminate others with the habit.

Many New York City officials want to close the hospital. But they say it won't be closed until other facilities are found.

MORALE LOW

But the impending end to the Riverside experiment is having a detrimental effect on the morale of the staff.

The closing of Riverside will leave New York State with only 100 beds for long-term treatment of addicts—a ratio of 1 bed for every 210 listed persons under the daily influence of narcotic drugs.

By the end of the year, there may be a total of 150 more beds provided by local governments in the New York City area.

SHORT STAYS

These will be used, in the main, to help the addict get through his withdrawal period comfortably. Long-term rehabilitation programs are not envisioned.

There are another 55 beds at Manhattan State Hospital's research facility. But addicts, for the present, are staying about a month.

DISCOURAGING

The in-hospital phase of treatment has been expensive and discouraging, so far.

From the standpoint of some Federal agents, many of these addicts would receive as much benefit from a jail term.

DRUG PROBLEM—CALIFORNIA TAKES BOLD STEPS

(By Douglas Turner)

(California's new program combining humane, yet firm treatment of addicts and stiff penalties for peddlers leaves New York State the last of the major addiction States without a firm stand against the dope epidemic. This is the eighth in a series)

DECISION

Freed of the indecision which has plagued New York for over a decade, California has just launched a major offensive against its own growing addiction problem.

The program, fostered by Gov. Edmund G. (Pat) Brown and the Democratic-controlled legislature calls for—

1. Drastically increased prison terms and fines for those who sell or possess narcotics.

2. A $7-million appropriation to set up a rehabilitation center for treatment of addicts.

3. Powers for the courts to commit addicts for care and rehabilitation for up to five years.

COURT CHANGES

4. Powers for the California corrections commissioner to set up a "halfway house" for addicts in one of that State's large metropolitan areas.

5. Removal of narcotics cases from the jurisdiction of that State's city courts and police courts.

6. Registration of all those convicted of a narcotic law violation.

Like New York, California's ranks of addicts have been growing. The Federal Bureau of Narcotics lists 7,500 addicts in California, compared with 4,900 3 years ago.

California, as does New York, has a larger share of the national narcotics problem than it did a few years ago.

TO SIGN

In 1957, 11 percent of the Nation's addicts were in California. Now, it has nearly 17 percent. New York State has 46 percent.

Most of these bills were passed at the close of the 6-month legislative session 10 days ago. Deputy Attorney General George H. Brereton told the Courier-Express that Governor Brown will sign the entire program into law.

New York State now has facilities for long-term care of about 100 addicts. With

its new treatment center, California will be able to care for 1,800 addicts at one time.

SEPARATION

"Now we can reach the addict," Governor Brown said, "whenever he comes to public attention. We can sweep him off the streets and away from our schools and children.

"We can separate him from the vicious temptations of the peddler and from his own weakness.

"Our new laws forewarn the narcotics peddler that California will put him in jail and keep him there."

Governor Brown, the California District Attorneys Association, and the Democratic leadership of the legislature beat back attempts by minority groups and the American Civil Liberties Union to soften his program.

MARIHUANA

The Friends of Legislation, the Community Service Organization, and the ACLU took the position that penalties were already sufficient. The Community Service Organization is made up of Americans of Mexican origin.

Marihuana use and sales is a problem among California's Latin-American population.

A major feature of the new legislation is that the old 1-year sentence for possession of narcotics is eliminated.

A peddler in New York State can be arrested with about 50 capsules of heroin and still receive a 1-year sentence.

The new California law provides that possession of narcotics, except marihuana, is punishable by a 2 to 10-year prison term on the first offense. The convict is not eligible for parole until he has served 2½ years.

SENTENCES

The second offense for mere possession is 5 to 20 years, with no parole until 5 years. In this State, a second offender for possession of less than one-eighth of an ounce of heroin—50 capsules—can receive a sentence of no less than 6 months; no more than a year.

Last October, Buffalo City Judge Casimir Partyka sentenced one person to 6 months in Erie County Penitentiary. It was the addict's sixth conviction on a narcotics offense. It was his ninth arrest.

Under the California code, a third offender on a possession offense gets 15 years to life. He must serve at least 15 years in prison.

PROVISIONS

Other features of the new California penal code:

First offense—sale to minors, 10 years to life; cultivating marihuana, 1 to 10 years; marihuana sales to minors, 10 years to life; sales or transportation of narcotics into the State, 5 years to life.

The courts are prohibited from granting probation to any adult convicted for the first time of selling or giving narcotics to a minor or inducing a minor to use dope.

Maximum $20,000 fines also may be imposed for many of the narcotics violations.

"This law," commented Governor Brown, "provides for court commitment of addicts to a facility under the jurisdiction of the State prison director.

FOLLOW TREND

"These people will be committed for periods up to 5 years if they commit themselves voluntarily, or have been convicted of misdemeanors.

"The law also provides for commitment for up to 10 years if the addict has been convicted of a felony."

Thus California has followed the trend set by the Federal Government, and the States of Ohio, Pennsylvania, Minnesota, Illinois, and Missouri.

MOTIVATED PATIENTS—NEW DOPE ADDICT CURE BEING TRIED

(By Douglas Turner)

(An experiment has begun on Long Island. Future actions of the State legislature in combating addiction may depend on its success. The ninth in a series.)

EXPERIMENT

A group of young heroin addicts, inmates of a new State institution, are trying to grow new roots in the sandy soil of Long Island.

These inmates are the objects of an experiment being conducted by the State mental hygiene department at Central Islip State Hospital on Long Island.

Despite failures in other attempts, the department is trying to effect a heretofore unknown physical and emotional cure in young men with hope.

MOTIVATION

This institution is for addicts with what the psychiatrists call motivation.

One such young man is Perry, a Negro machinist, whose motivation is his loving, naive wife and his 6-month-old baby daughter.

Perry, now 25, had been using heroin in increasing amounts since he was 15. He received his first "snort of horse," to use his words, from a family friend.

FRIEND

"He offered it to me," Perry told a visitor, "in much the same manner you might offer a friend a cocktail; there is that much of it around in New York."

Perry gazed wistfully through the heavily screened window, then said: "I bear no ill feelings. He is still one of the best friends I have. He's real sorry.

"But he's not the average type of friend a junkie would have."

NOT AVERAGE

Perry is not the average type of junkie. Popular in high school, he became president of his school's student government. He won a letter in track.

"I always wanted to be somebody," he said. "I kept on snorting (inhaling) from time to time. I went to college for a year. I kept it up.

"Then I started to kid myself. I stopped, told myself I wasn't hooked.

NEVER FORGET

"But to know the feeling is to be hooked. It's like a good meal you had once. In your mind, you never forget the taste.

"At 20, I had to go into the Army. I got a girl to supply me when I was sent to Japan. That was when I started using the needle regularly."

In Japan, Perry was taking 15 doses a day, a heavy habit that would have cost him $150 a day here "but what you would pay $10 in the States for you could buy in Japan for $1."

HAD FEELING

"Before I came home," he said, "I tried to cut down. Money was the main thing."

But he couldn't let it alone; he had had "the feeling."

Still a junkie, Perry married a year and a half ago, but his habit cost the family many of the comforts they would have had. He was spending half of his pay for heroin.

WIFE'S IDEA

Perry's wife read in a newspaper that Central Islip's addict wards were to open May 1. He would have to commit himself for a year, but she wanted him to go.

"I came here because I 'dug' myself. I want my wife and my child. My wife is good and I want to be as good as she deserves."

Perry was the first patient admitted to Central Islip. He is what the staff calls "a star pupil," meaning an addict with a sense of competition and a real desire to "kick the habit."

EXPENSIVE

Central Islip is an expensive operation. Dr. Francis J. O'Neill said the yearly cost per patient will be about $6,000.

With this money, the hospital provides three psychiatrists, two clinical psychologists, two social workers, teachers, nurses, and attendants.

There will be a ratio of 1 employee to 1 patient. Dr. O'Neill hopes to keep the inmates occupied with vocational training, sports, academic training, and psychiatric and psychological therapy.

All will remain at the hospital from 6 months to 1 year.

NEW LIFE

In that time, Dr. O'Neill hopes to instill a sufficient sense of values and build new skills so the inmates won't be dependent on their old friends, their old ways, and the drug.

Results of the only other experience in hospital treatment of young addicts on a long-term basis are discouraging.

Essentially all the inmates at Riverside Hospital in the Bronx returned to the drug after their release.

With this experience in mind, Dr. O'Neill wants addicts with the best chances of recovery.

DESIRE

"We want somebody who says he wants to get well," he said. "Somebody who has been addicted less than 5 years.

"We are reluctant to take hardened criminals. We also would like to pick those whom we can get back into a decent environment."

The director said he intends to experiment with tested psychiatric drugs. He plans to use part of $382,000 grant from the National Institutes of Health for drug experiments at Central Islip.

IDEAL

These drugs affect many character disorders which sometimes lead to crime, he said.

The physical surroundings at Central Islip are ideal for such a project. Looking much like a wooded college campus, the hospital is 40 miles from New York City.

But Dr. O'Neill, who favors the open hospital idea, has reluctantly taken steps to insure complete security.

There is a lock on every door in the two 40-bed wards, and numbered boards for the keys. The medicine cabinet is a safe behind two heavy, locked doors.

It contains methedone, the narcotic used to help addicts withdraw comfortably from their physical dependence on heroin.

HIGH FENCE

There is a high wire fence around the two wards and an attendant in every room in the special wards.

"I don't know whether we'll be successful or not," Dr. O'Neill said. "But if we can help two-thirds of these people I'll be more than happy."

FAVORED BY POLICE—STIFFER LAWS CALLED KEY TO DOPE CONTROL

(By Douglas Turner)

("From the law and order side, the issue becomes one of how to keep the addict from the drug, not how to rehabilitate him"—Dr. Isiddr Chein, director of a New York University study on juvenile addiction. The 10th in a series.)

OHIO'S EXAMPLE

To the Federal Narcotics Bureau and local police there is a simple, inexpensive way to

clear the streets of the peddlers and addict-thieves—put them in jail and leave them there.

Addicts and addict-peddlers elicit little sympathy from men like Police Commissioner Frank N. Felicetta, U.S. Narcotics Commissioner Harry J. Anslinger, and his New York supervisor, George Gaffney.

They like to point to what Ohio has done in the field with its 1955 penalties against illegal possession of narcotics.

STIFF TERMS

Ohio law formerly called for a maximum 5-year imprisonment for this offense. But the penalty now is 2 to 15 years on the first offense and 5 to 20 years for the second.

Mere possession of heroin in New York State—one-eighth of an ounce—is punishable by maximum penalty of 1 year in prison and a $500 fine.

A comparison of the incidence of new cases of addiction in New York State and Ohio since the new Ohio penalties became effective in late 1955 shows 4,394 new addicts reported that year in New York State as against 322 in Ohio. By 1960, Ohio's figure had dropped to 59, while New York recorded 3,372.

ADDICTS MIGRATE

The graphic results shown in Ohio are impossible in New York State because of its laws, the Federal Bureau claims.

In fact, according to Chief John E. Stanton of the local police narcotics bureau, the tough new laws in Ohio have aggravated Buffalo's dope problem.

He says many of the new peddlers and addicts here have come from Ohio. In Ohio, the user lives in fear of a longtime prison sentence. In New York, the worst he can get is a year and a $500 fine. As a matter of practice, most city court judges here allow first-offense addicts off with a suspended sentence and a reprimand.

GOTHAM SUFFERS

And police records here show that most of the hardened addict-peddlers arrested in massive raids within the last 2 years started their careers with a suspended sentence from a city court judge.

Dr. Anslinger in his many, well-publicized appearances before Congress claims that New Jersey's tough laws on addiction have sent many addicts into New York City.

"New York City is right where they (addicts) land," Dr. Anslinger told Congress last year. "New York City gets the garbage from northern New Jersey because the junkie can operate there (New York City) without too much risk."

CRITICISIMS

Nearly every responsible Federal agent, police official, and working prosecutor feels that either New York's laws or New York's judges are too light on the peddler and the chronic junkie.

Many local officials like the 1956 Federal law which calls for 5- to 20-year sentences for possession, and prohibits judges from granting suspended sentences or parole.

Pennsylvania, which enacted the same penalties in 1958, has not experienced a marked effect on the incidence of new cases, however.

Neither has Illinois in the wake of stiffened penalties set up by the Illinois Legislature.

JUDGES HIT

Richard H. Kuh, administrative assistant to New York District Attorney Frank Hogan, said the prohibitions against allowing judges to suspend sentences are "in legal theory bad, but in practice good."

"Sometimes the judges are not always what they should be," said Kuh, whose office handles thousands of narcotics cases a year.

Commissioner Felicetta implied he feels many judges let major peddlers get off too easily. "I would like to see the law changed," said the commissioner, "so that anyone who sells, whether he is a user or not, goes to jail.

STUPID RULE

"I would like to see probation and suspended sentences eliminated in all felony narcotics cases."

Few Federal Bureau officials have good words to say about New York State's penal laws regarding narcotics traffic.

One went so far as to call New York's misdemeanor category of narcotics offenses "stupid." New York is almost the last State which regards possession of small amounts of narcotics as a mere misdemeanor.

The law regards a man who has less than an eighth of an ounce of heroin as an addict and a violator with more than that amount as a potential peddler.

LAW CALLED JOKE

Possession of less than an eighth of an ounce is a misdemeanor, possession of more is a felony. Some narcotics felonies are punishable up to 15 years. Parole, suspension and probation are allowed.

"All narcotics violations," said Felicetta, "should be made felonies, except unauthorized possession of hypodermic needles and other addicts' implements."

"This eight-ounce rule is a joke," said one Federal agent. "These peddlers know the law better than some judges. They know how much they can carry at a time and not be charged with a felony.

PUSHER'S DODGE

"An eighth of an ounce is 55 caps of heroin. That will bring nearly $140 in street sales. They sell that, then they run back and get some more.

"The State reduced the limits of a felonious possession down from one-half an ounce to one-quarter and then down to one-eighth.

"Each time the limits were reduced, the peddlers carried less. They still do their business as usual. It just takes them a little longer to make their rounds."

RAPS LENIENCY

Henry Giordano, Deputy U.S. Narcotics Commissioner, feels many New York State judges abuse the authority to grant light sentences.

"Too often," he said, "the judges are overly lenient, and if you are going to control a vicious situation like this, you need a certain toughness and realistic approach on the part of the judges."

Representative JOHN R. PILLION, Hamburg Republican, said judicial leniency in narcotics cases is "a disgrace."

PILLION deplored the fact that Federal agents often risk their own lives to produce needed evidence only "to run into a blockhead on the bench who practically renders the agents' efforts worthless."

FOUR PROPOSALS

Nearly every Federal agent and police official interviewed by the Courier-Express urged these reforms:

1. Make narcotics crimes felonies, except possession of instruments.

2. Take narcotics cases out of the jurisdiction of the lower courts—the city courts and police courts.

3. Study the value of prohibiting judges to grant full sentence suspensions, or probation.

4. Enact laws requiring convicted addicts and peddlers to register with local police officials.

TOKEN TERMS FOR ADDICTS—MANY JUDGES FEEL JAIL TERMS HARSH

(By Douglas Turner)

(Faced with case histories, some of which are given at the close of this article, law enforcement officials are dismayed at what they feel is an erratic pattern of sentencing. The eleventh in a series.)

TIME

The shortage of facilities for treating addicts in this State has reduced some judges to the role of dispatcher and most policemen to that of shepherd.

So far, the State government has provided long-term facilities for 1 out of every 210 men and women under the daily influence of drugs.

Officials who operate these State facilities confided to the Courier-Express that the State treatment program won't be expanded until the results of current treatment projects are known.

They said it may be 2 to 5 years before it can be determined whether the treatment program is worthwhile.

PATTERN

While the State mental hygiene department waits to see if it can really effect an unprecedented cure of heroin addiction, police expect the ranks of addicts to continue to swell and the judges to continue what the police feel is an irresponsible pattern of sentencing.

New York State law permits judges to treat a narcotic addict as leniently as a traffic offender.

In Buffalo's city court many of them are. One judge meted out a $25 fine to an addict caught with heroin on his person. He had been arrested eight times previously for various crimes and convicted five times.

He had just finished 6 months of an 8-month jail term for possession of narcotics.

CONVICTED

Just a few months ago, another young man faced a Buffalo City court judge on charges of possession of a trace of heroin. He was convicted.

The judge saw police files indicating the youth had given heroin to at least four others between the ages of 18 and 21. Despite this, the judge gave the offender a 1-year suspended sentence and placed him on probation.

During his probation, police, who believed he was operating a confidence racket to maintain his habit, caught him at the home of another addict. The judge finally agreed to send him to jail.

JAIL

In New York City, only two-thirds of those annually convicted of narcotic crimes go to jail.

In 1960, 3,500 of the 5,000 arrested in New York City were convicted. About 1,000 of these violators were sent directly back to the streets with suspended sentences and probation.

About 750 got 3-month jail terms and 1,750 received reformatory or prison sentences.

SICK

Many of these police court and city court judges have been persuaded that the addict, and even the addict-peddler is a sick man and should be confined in something like a hospital.

Many of them believe that prison is too harsh a place to send a sick man. Since there are only limited hospital facilities, the judges in many cases hand out only token sentences.

Many more judges are confused as to where to draw the line between the peddler who does not use narcotics and the peddler who does.

PROTECTION

New York State law allows the man who sells to protect himself in two ways. First, he can carry an amount small enough to preclude his being sentenced as a felon.

If he carries less than an eighth of an ounce of heroin, the harshest sentence he can receive is a year in prison and a $500 fine.

He also may be smart enough to take limited amounts of heroin so he can, when arrested, appeal to the sympathies of the court.

State law does not recognize that many long-term addicts must sell small amounts of heroin to others to obtain money to "bus" his own narcotics.

OTHERS

Every addict will eventually involve four others in narcotics use, according to the U.S. Narcotics Bureau.

To some Buffalo judges, the addict is a "poor slob" deserving a break. He usually gets one, too.

For this reason, Commissioner Frank N. Felicetta and George Gaffney, agent in charge of the Federal Narcotics Bureau, New York City office, want nearly all narcotic violations taken out of the misdemeanor category.

This would take jurisdiction of narcotics cases out of the city courts and police courts. Both men also favor laws prohibiting judges from granting suspended sentences and probation in dope cases.

TWO CAUSES

Branding all those who possess narcotics for their own use as felons would make them liable for longer prison terms.

Felicetta and Gaffney believe this would serve two good causes. First, they reason, the addict would be out of circulation longer, lessening the number of others he could contaminate with the habit.

Second, the long jail term—those convicted of mere possession must serve 5 years before parole—would deter many from using narcotics.

But Chief City Judge Arthur J. Cosgrove admits harboring a "feeling of futility" when confronted with sentencing an addict to prison.

DRUG

"Those addicts are the poorest creatures on earth," he said. "They can't be portrayed as criminals. They have no money, no friends to amount to anything, no future * * * only the drug."

He indicated that many judges are frustrated by the shortage of facilities to provide humane treatment for addiction.

"It seems to me," he said, "that we're only justified in sentencing these addicts when we can send them somewhere for rehabilitation."

EASY

"It's easy for the other fellow who stands on the other side of the bar to say: 'The judges are too easy.' Ours is the responsibility for putting these men away.

"Any time you have a judge who feels that there is a class of people beyond redemption you have a repressive judge."

Judge Cosgrove, through whose court pass about 300 addicts a year, is reluctant to sentence an addict to jail on his first arrest.

"I look on this as only one problem," he said. "There are many more immoral people who never run afoul of the law."

HISTORIES

Here are a few more case histories on court disposition of narcotics cases:

B.H.

Received suspended 6-month sentence for possession in New York City, 1950; served 6 months after convicted of possession in Lackawanna, 1950; received a 1-year suspended sentence for possession, in Buffalo, 1950; served 2 years on a Federal narcotics charge, 1952; served 6 months for possession in Buffalo, 1960; sentenced to another 6 months for possession in Buffalo, 1960.

PEDDLER

Known peddler, received 6 of possible 20-year sentence here on Federal narcotics charge. Began career with suspended narcotics sentence, nine arrests since for rape, extortion, and grand larceny.

SENTENCE

Received in 1957 a suspended city court sentence on narcotics conviction; since received 13 months out of possible 3 years in city court sentences on three narcotics charges.

ARRESTS

Received 1-year suspended city court sentence on narcotics charge. Police records available to Judge Ann T. Mikoll showed previous record of 21 arrests in Buffalo, Ohio, Michigan, and Connecticut.

RECORD

Prostitute given 6-month city court sentence for possession of instruments used to administer narcotics. Seven previous arrests for larceny, prostitution, assault, and cutting.

HOODLUMS

Judge Mikoll sentenced hoodlum to 90 days in jail for possession of narcotics. Records available show 15 previous arrests, 6 convictions for offenses ranging from grand larceny to sales of narcotics to drunkeness.

NINETY DAYS

Judge Casimir T. Partyka sentenced man to 90 days in Erie County Penitentiary; defendant had record of 21 arrests since first suspended sentence on possession of marihuana. (Law provides minimum 6 months to a year sentence on second narcotics conviction.)

LEADERSHIP LACKING—COORDINATOR BIG NEED IN DOPE WAR

(By Douglas Turner)

("It has been 45 years and more since we first tried seriously to control narcotics. In that whole time, we have been unable to agree on causes, on methods, on objectives. Futility has been expressed both by officials doing nothing or by their yielding to emotional demands for so-called 'solutions' that really solve nothing"—California Corrections Director Richard A. McGee to the 1960 Governor's Council, prior to the enactment of a broad new California program to combat addiction. The 12th and last of a series.)

LACKING

The steady growth of the army of the walking dead is the most concrete result of the lack of an independent, powerful "take-charge man" to coordinate the State's fight against the menace of addiction.

NO OFFICIAL

Nowhere in State government is there an official whose sole statutory responsibility it is to:

1. Spur existing, modest State programs for treatment and research.

2. Coordinate law enforcement activity among State, city, county and Federal agencies.

3. Educate the public and the judiciary on the high cost and the nature of addiction.

4. Consolidate the nearly 70 laws dealing with addiction and see to it that the money appropriated under these laws is being properly spent.

5. Serve as an impartial clearing house for all opinions and studies on addiction, treatment and relapse of former addicts into use of narcotics.

6. Draft and press for passage of laws giving the police and the judiciary effective tools to either relieve the suffering of the addict or sweep them into institutions where they cannot contaminate others.

CHALLENGE

Nowhere in government is there an official charged with making order out of the State's dilatory, chaotic approach to mass addiction.

Vesting this kind of power in one man, or in one full-time group may be an awesome proposal.

But the State's mass addiction problem is a big challenge to government. There are 21,000 listed addicts in this State—2,000 more than 3 years ago. They represent nearly half the addicts in the Nation. Aside from ruining their own lives, they cost the citizens of the State $250 million in property damage or loss.

BURDEN ON POLICE

The sheer size of this group has frequently imposed insuperable burdens on the State's police, courts, and prisons.

No one official, no one group has assumed even a major share of the responsibilities outlined above.

This newspaper's series on addiction has tried to show how the responsibility for curbing the growth of addiction has been passed from official to official, from agency to agency until it falls through the web of governmental fabric.

FOR INSTANCE

Here are some examples:

State departments of health and mental hygiene—opposed bills calling for mass treatment because of the shortage of facilities; for more than 2 years declined to spend funds on a new research center; opposed appointment of powerful director of narcotic control by Governor Rockefeller; allowed opening of small treatment centers to be delayed for more than a year.

LEGISLATURE

Failed to approach addiction problem on a bipartisan basis; allowed groups lobbying for various solutions to addiction to divide opinion so as to reduce the lawmaking body to the point of inaction.

(Many upstate legislators, who form a large portion of the controlling Republican membership, while not necessarily unsympathetic to the addiction problem, put narcotic law changes far down on their list of needed reforms.)

JUDICIARY

Fails to impose harsh sentences on addicts and peddlers as a matter of policy, partly because of lack of knowledge of the nature of addiction, inadequate probation records on addicts, and the shortage of facilities for humane treatment and rehabilitation.

Many judges believe narcotics use is not more harmful to the community than vagrancy, disorderly conduct, or running a stop sign.

For many addicts and peddlers, the consistent light sentences handed down from the bench are merely licenses to sell or use drugs.

GAFFNEY'S PLAN

George Gaffney, Federal narcotics agent in charge of the New York City office, wants the New York Legislature to pass laws similar to those enacted in California last month, calling for longer prison terms and more treatment facilities.

"I don't necessarily believe that the addict is a sick man the way many doctors do," said Gaffney. "But if he is sick, and afflicted with a contagious disease, why aren't law enforcement officers here given powers to put these 'sick' men into quarantine where they won't contaminate others?"

He thinks all narcotic offenses should be made felonies and judges should be barred from granting probation to second offenders.

CALIFORNIA

New York is in much the same position that California was in a year ago. Faced with a growing addiction problem, the history of "efforts to control addiction and traffic had been one of confusion and futility," according to the State's correction director, Richard A. McGee.

Then Gov. Edmund G. Brown took the dilemma by the horns and forged a many-phased, bold new program to deal with the problem.

LACK OF LEADERSHIP

Why hasn't this happened in New York State? One Federal liaison man assigned to the New York Legislature gave this answer: "Leadership. There has been no powerful, decisive leadership on this issue."

RESOLUTION FROM EASTERN BUSINESS TEACHERS ASSOCIATION

Mr. KEATING. Mr. President, I have received a resolution from the Eastern Business Teachers Association urging Federal assistance in purchase of equipment and supplies for business as well as other subjects now covered under the National Defense Education Act. Which I ask to be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

NDEA RESOLUTION PASSED BY EASTERN BUSINESS TEACHERS ASSOCIATION

The Eastern Business Teachers Association at its annual convention in New York City, March 30, 31, April 1, 1961, endorsed National Defense Education Act support for business education by passing the following resolution:

"Whereas business trained workers are essential members of the science-engineering-business teams devoting their efforts in the interest of our national defense, and since in time of national emergency there has always been a critical shortage of competent employees in the office occupations field, and since the large majority of these job opportunities are being filled by business education graduates of the secondary schools; and

"Whereas many sweeping changes are presently taking place in business offices mandating not only a revamping of secondary business education curricula, but also requiring extensive purchases of modern business equipment and materials; and

"Whereas the rising costs of instructional materials and equipment have become almost prohibitive to the effective installation and implementation of modern programs in business education for most local school districts: Therefore be it

"*Resolved*, That the provisions of the National Defense Education Act be extended to include the purchase of essential equipment and materials for all business education instruction in the Nation's secondary schools and those independent business schools who qualify under the act and that adequate funds be appropriated and allocated to carry out the intent of this resolution."

Mr. MANSFIELD. Mr. President, is there further morning business?

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

INDEPENDENT OFFICES APPROPRIATIONS, 1962

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business, H.R. 7445, be laid before the Senate and made the pending business.

The VICE PRESIDENT. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H.R. 7445) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1962, and for other purposes.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (H.R. 7445).

RESOLUTION ON CHINA

Mr. MORSE. Mr. President, I shall not yield until I finish this speech, because this matter is so delicate, so emotionally charged in the thinking of so many Americans, that I propose to exercise the privilege of making my remarks in continuity, and I shall be very glad to answer question when I finish.

Yesterday, Mr. President, I was away from the Senate, at Charleston, W. Va., where I addressed the 43d convention of the American Legion, department of West Virginia. I spoke on foreign policy topics. In view of the subject matter of this speech this morning, it is particularly fitting to insert in the RECORD, with the unanimous consent of the Senate, the speech which I made at the West Virginia American Legion Convention, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR WAYNE MORSE, 43D CONVENTION OF THE AMERICAN LEGION, DEPARTMENT OF WEST VIRGINIA, CHARLESTON, W. VA., JULY 28, 1961

Commander Lester, Governor Barron, officers of the American Legion, department of West Virginia, and officers of the auxiliary, legionnaires of West Virginia, their families and friends, you have paid me several much appreciated compliments by extending to me the honor of addressing you today. It is a compliment to be welcomed to Charleston by your distinguished Governor, W. W. Barron. As one from outside the State, I wish to tell you that the abilities and achievements of your Governor are favorably known far beyond West Virginia. His progressive political philosophy, dedicated to the general welfare of the people of West Virginia, marks him as one of the outstanding Governors of our Nation.

It is also a compliment to have been invited to address you by your very able leader, Cmdr. Robert E. Lester. His invitation was also joined in by one of the most distinguished citizens of West Virginia, former Secretary of Defense, the Honorable Louis Johnson. I consider Louis Johnson to be a great American, and for years he has been one of my personal friends.

It is also a compliment to speak in West Virginia, the home State of two of my close friends in the Senate of the United States. I bring to you the cordial greetings of your two fine and able U.S. Senators, Senator RANDOLPH and Senator ROBERT BYRD. It is not political flattery but sincere and deserved commendation when I tell you that the veterans of West Virginia are represented in the Senate of the United States by two patriots who can always be counted upon to support sound veterans' legislation and support the Commander in Chief of this country in adopting whatever defense program may be necessary to combat any threat to our national security and freedom. I am proud to have Senators RANDOLPH and BYRD not only as my colleagues in the Senate but also as highly respected personal friends.

The American Legion is a name identified with freedom and with the defense of freedom, and it is an honor and a privilege to be invited to participate in this convention of the American Legion of West Virginia.

The very name of your organization indicates that you have taken up arms in defense of our country, and, in effect, have offered the most that any human being can offer his country—his life.

I do not belive that there has ever been a time in human history when liberty did not have to be paid for by each generation, only by labor and sacrifice if it was a fortunate generation, but often with human lives.

Today, the headlines and the common conversation on the street are again concerned with the defense of the Nation, and whether our freedom is again going to have to be purchased with human life.

The threat of the Communists to force the Western Powers out of Berlin is taking on a note of urgency which leads me to believe that their puppet government of East Germany is genuinely threatened by the continued existence of freedom in West Berlin.

There can be no question of whether or not we resist the Soviet effort. The Congress is already in the process of giving the President the authority he needs to increase the manpower of the Armed Forces, and to improve the capacity of our military transportation system. Just as I always have supported defense measures, I have supported this legislation.

There must not be a time when Soviet Russia, or Communist China, can be permitted to believe that a military aggression on the part of either one will go unchallenged or unresisted. It must be evident at all times that the Communist powers have nothing whatever to gain, but do have everything to lose, from an aggressive action.

As President Kennedy has put it: "The NATO shield was long ago extended to cover West Berlin, and we have given our word that an attack upon that city would be regarded as an attack upon us all." I have not the slightest doubt that the United States would live up to its pledges, nor have I the slightest doubt that the American people would support whatever effort is necessary to make those pledges good.

But in my opinion, there is much more to this matter than has yet been discussed as much as it deserves. It relates to the frequency with which we hear that our only two alternatives are either to surrender to the Russians which is unthinkable, or to destroy both ourselves and Russia with a nuclear war.

No one ever described a nuclear war between two nations more accurately than did General MacArthur in his recent visit to the Philippines, when he called it double suicide. General MacArthur moved the American occupation forces into Japan after years of assault upon it with bombing planes, and after the dropping of just two atomic bombs by the United States. Many of you here today saw that result. All of you know what modern war does to civilian populations. Casualties today are not suffered just by the soldiers on a distant battlefield.

In World War II, London was as much a battlefield as El Alamein, and the Netherlands was destroyed not on any battlefield at all, but at Rotterdam. The casualties are not soldiers in modern war, but women, children, and the elderly, too.

With the exception of the American Civil War, we have fought our enemies on territory outside the United States.

We are now confronted with the unpleasant fact that the next war will see Charleston, W. Va., and Portland, Oreg., objects of devastation and mass death.

The scientists who discuss this subject with the Senate Foreign Relations Committee, of which I am a member—and they are

the same scientists who devised the nuclear weapons with which the American forces are now armed—freely predict that a nuclear war with Russia would produce between 30 and 50 million casualties in the United States. They indicate that as few as 50 intercontinental missiles armed with nuclear warheads landing on the North American Continent would render the United States and Canada almost uninhabitable for many decades.

This is one aspect of a nuclear war that is seldom mentioned in the United States. But before we allow our emotions over Berlin to run away with us, we must remember that the United States has as much to lose as Russia has in a nuclear war.

A second part of the nuclear war talk that seldom comes up is what the political situation would be when it was over. Again, I express only a personal opinion, but I believe a nuclear war between ourselves and Russia would obliterate Berlin, along with our own two countries, and that Communist China would probably be left as the most powerful nation in the world.

It is one of the sad facts of war that the issue on which it began is not usually around at the end, but instead a whole new series of problems has been created by the war itself.

Suppose that some specific action of the Communists to interfere with our access into Berlin occurs, and we respond as so many of our military planners have recommended—with a nuclear strike against Russia? There is virtually no chance that we could avoid the retaliation of Soviet missiles.

I think that the result would be not the protection of Berlin, or of our rights there, but its destruction. Neither would the Soviet Union or the United States have protected itself, but only destroyed itself in exchange for destroying its enemy.

Moreover, we all know that modern war is not the breeding ground of prosperity and liberty, but of misery and revolution. In this century, it has been wars which have given communism its greatest opportunity to seize power, and it has only been where the United States has stepped in afterward, as we did in Europe with the Marshall plan, that we have saved these areas from Communists domination. The cost is one we are still paying in foreign aid, and this year it is going to cost us some $4 billion.

What I am saying is that destruction of the Soviet Union will not destroy communism, especially when there is no longer a rich and powerful United States left in the picture, either.

The loss of a significant portion of America's wealth and our capacity to help finance freedom in other countries would pull down the great dike against communism in the underdeveloped continents of Asia, Africa, and South America.

It is well to keep these things in mind as we talk about Berlin, because a nuclear war resulting from this contest will have far-reaching consequences. We ought to consider those consequences carefully before we make such an irrevocable decision.

I am not saying it will not come to such a decision, or that anything is better than a nuclear war.

But what I am saying is that the United States must make every effort, try every path, and use every means of finding a way to preserve our rights and the freedom of Berlin without nuclear war.

This is the real challenge, in my opinion. It is not an easy one, because emotions get in the way of reason and only reason can help us avoid war. One part of the avoidance of war over Berlin is the clear statement of our readiness to make the ultimate sacrifice, if need be.

But an equally important part is what we propose as alternatives.

It must not be forgotten that a great deal of President Kennedy's speech of July 25 was devoted to our willingness to discuss any alternatives which do not compromise the freedom of West Berlin nor our rights there. I think it has been most unfortunate that the American press has ignored the one really new statement of American policy toward Berlin uttered by President Kennedy—that was his statement: "If anyone doubts the legality of our right in Berlin, we are ready to have it submitted to international adjudication."

To my knowledge, that is the first time we have proposed to turn to the rule of law in any major dispute with the Communist world. Now, I know, as the President knew when he made that statement, that the popular answer is, "What good does it do to go to a court or to any other international body, when the Russians will never abide by its decision?"

My answer is that we do not know how much good it will do until we try. The Soviet Union is not deaf to international opinion, any more than the United States is. Flying in the face of an international body is quite different from flying in the face of the United States. We saw that in the Congo, when the United Nations ordered hundreds of Russian technicians out of the Congo, and made it stick. I doubt that the United States alone could ever have done that except by resort to force.

Secondly, our willingness to accept the judgment of adjudication before using force in Berlin is a tremendous moral advantage. Again, in the words of the President, "As Americans know from our history, on our old frontier, gun battles are caused by outlaws, and not by officers of the peace."

That is what the rule of law is all about. It does not guarantee that violence will never occur. But it is only law that establishes one party as being the outlaw. So, I believe very strongly that if we are compelled by the Russians to meet force with force in Berlin, we should first have done our best to make clear that we are acting in pursuit of established legal rights.

If we are unable to obtain an actual decision, the very statement of the President that we are willing to have the matter adjudicated is a very important element in the contest with communism which penetrates public opinion in every part of the world, not just in Berlin.

SIMILAR PROBLEM IN CUBA

Very much the same situation prevails in our relationship with Cuba. The great difference is that Cuba is infinitely weaker militarily than we are, and is unable to deliver appreciable destruction upon the United States.

But here again, emotion dominates too much of our thinking about Cuba. I know that this was true, in the opposite sense, in the very earliest days of the Cuban revolution.

Fidel Castro had a lot of sympathy and support in this country when he fought from the hills to depose Batista and finally succeeded. The American press was almost laudatory. The American newspaper editors insisted on inviting Castro to this country to address them.

I thought at the time that public opinion about Castro was mistaken. He began his regime with the mass execution of over 500 people, without semblance of a trial, and that was enough to convince me that he was no improvement over Batista.

But try to tell that to the American people in the first 6 months of 1959. I did try, and I have whole files of clippings of newspaper editorials and columns denouncing me as not understanding the Latin American people nor their problems. Well, I understand a police state when I see it, whether it is operated by Fascists or Communists.

Today, we have come full circle, and I have mail on my desk calling for the sending of Marines down to Cuba to retrieve the airplane stolen from an American airline.

In the first place, no airplane is worth the life of one American soldier, in my opinion. We are a nation which prizes human life above pieces of machinery, as I thought we proved when Castro offered to trade men for tractors.

What we are much more concerned about than property and machines is human freedom. I hope the day will never come when American soldiers are sent into battle, but if it does, it must be to save human rights and human lives, not machinery. We have diplomacy and negotiation to deal with property rights, and we have only begun to use them in the case of this particular incident.

But the issue in the case of Cuba, too, is the long-range issue. We could undoubtedly invade Cuba and destroy the Castro government with losses that the annals of war would put down as small. They would involve several thousands of American lives, and would probably include some destruction in cities in the southern part of the United States. They might also include Communist moves in Berlin while we were busy with Cuba.

But it could be done. The question is, what then in Latin America? The era of unilateral U.S. military action against another nation in the hemisphere is dead and gone. It cannot be resorted to now without great animosity being created in every other country to the south of us. In country after country, I have heard with my own ears the repeated statement that U.S. military intervention anywhere, even against Cuba, will not be condoned, and will result in varying degrees of anti-American actions and policies.

We have plenty of reason to know that the largest country of all in the hemisphere, Brazil, would at best be neutral in such a situation, and at worst, we could find Brazil the new home of Castroism. The same is true of several other countries in the hemisphere. Before we decide to put an end to Castro in Cuba by force of arms, we should calculate first what Castro means elsewhere in the hemisphere, and how many other countries beside Cuba we might have to occupy once we start on that course.

On Tuesday of this week, it was my privilege to have represented President Kennedy in San Juan, P.R., at the celebration of the ninth anniversary of the Puerto Rican Commonwealth.

While there, I had a chance to discuss our hemispheric relations with one of the most knowledgeable men on this subject I know—the Governor of Puerto Rico, Luis Muñoz-Marín. It is emphatic opinion that unlike the situation that might develop in Berlin, force is not an answer to our problems in the Western Hemisphere. He knows that poverty is the great enemy we have there. He knows that what people there need is bread for their stomachs, not bullets.

Theirs is not a great, monolithic industrial system, organized and directed from one place, like the Soviet Union. Their countries are emerging from a backwash of history in much the same way that Asia and Africa are emerging. Their populations are exploding at the same time their aspirations are also exploding.

In Latin America, as in Asia and Africa, too, our opportunities are at least as great as our dangers. We have in Puerto Rico a model of self-help and progress for all of Latin America. President Kennedy took note of this fact in the message I read for him, when he said:

"In achieving the transition from a stagnant, low-income society to a dynamic, prospering community, Puerto Rico has been

a source of hope and inspiration to those of us deeply concerned with charting new courses of social progress for our hemisphere.

"What we seek to accomplish in our Alianza Para el Progreso has already been accomplished to a remarkable measure in Puerto Rico. That the people of Puerto Rico have pioneered in translating objectives of social advancement, long-range economic planning, equitable tax structures, improved land use, and vigorous investment in education, into visible realities is undeniable proof to all citizens of the Americas of the strength and creativeness of democratic ideals."

This does not mean that Castro is not a threat to us. But he is far more of a menace to other governments in the hemisphere than he is to ours. And the movement he represents would not die with him, nor with the destruction of his government by American military forces. It is very likely that such an effort by us would promote Castroism in the hemisphere, not destroy it.

In sum, I think the sacrifice of an American soldier on a battlefield or a highway into Berlin, or the sacrifice of millions of American civilians in their homes is the final step to take in defense of American freedom. It is not the first. First we must examine all alternatives and consequences. We must be patient; we must know whether we are being offended and frustrated, or whether our very national security is at stake. We must remember that the United States of America, as great and powerful as we are, is not omnipotent, and that we cannot direct world events to suit ourselves.

The continents of Asia, Africa, and South America are suddenly taking their place in the world, and their traditions, culture, and institutions are little like our own. They are going to be heard, and their voices will not be mere echoes of the Western World.

Our problem is to know how to help and guide them. Our problem is also how to deal with a strong and aggressive Soviet Union without destroying ourselves.

It is my hope and prayer that this generation of Americans will find workable answers to those problems. It is my hope and prayer that we will be able to pay the price for our freedom out of our brains, our efforts, our talents, even our money, and that by so doing, we can avoid the terrible extremity of nuclear war.

Mr. MORSE. Mr. President, I was in long-distance communication with my office immediately following my speech in Charleston, and was advised that the Senate was about to take up the so-called China resolution. I knew that the Senate was going to debate and vote yesterday on the oceanography bill, which had been presented to the Senate under the leadership of the Senator from Washington [Mr. MAGNUSON]. Knowing that I was going to be away from the Senate yesterday, I made my remarks in support of the oceanography bill Thursday evening and arranged for a live pair on the vote on the bill. I thank the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN] for favoring me with a live pair on the oceanography bill yesterday. As I have explained to the Senator from Illinois, believing in reciprocity, whenever he needs a live pair from the Senator from Oregon, I shall be at his service.

Prior to my departure yesterday, I was not aware that there was going to be any vote yesterday on the China resolution. When I heard that the resolution was being considered, I rushed back to Washington on the first plane. However, I was too late to hear or participate in any of the brief debates on the resolution and I missed the vote.

Consistent with my position of some years on this very troublesome issue, Mr. President, I had prepared a substitute resolution which I would have offered and discussed at some length yesterday had I been here. As the RECORD shows, I did not vote on the China resolution, because I was of the opinion that a vote on that resolution could not possibly be understood without my participating first in the debate and having an opportunity at least to convince as many as I could in the Senate of what I considered to be the wisdom of adopting the substitute amendment which I would have offered.

The language of the body of the resolution which was adopted yesterday is language with which I do not find myself in serious disagreement. So that the people of my State may know of that language in connection with the speech I am now giving on the floor of the Senate, I read it:

Whereas the Government of the United States enjoys close and friendly relations with the Government of the Republic of China, including treaty obligations which this Government honors; and

Whereas the Republic of China has faithfully discharged its obligations under the Charter of the United Nations; and

Whereas the Chinese Communist government has flagrantly violated basic human rights, has imposed on the Chinese people one of the most brutal regimes known to history, and is without authority to speak for the Chinese people other than the authority that derives from usurpation and conquest; and

Whereas the Chinese Communist regime by its aggression in Korea, its repression in Tibet, its threats against its neighbors, its failure to release American prisoners as promised, by its export of narcotics to non-Communist countries in collaboration with criminal elements in these countries, and on a scale that makes it the main source of the international illicit narcotics traffic, and its hostility toward the United States and the United Nations has demonstrated that it is not qualified for representation in the United Nations: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the United States shall continue to meet its commitments to the people and Government of the Republic of China and shall continue to support that Government as the representative of China in the United Nations; and be it further

Resolved, That the United States shall continue to oppose the seating of the Chinese Communist regime in the United Nations so long as that regime persists in defying the principles of the United Nations Charter; and be it further

Resolved, That it is the sense of the Congress that the American people support the President in not according diplomatic recognition to the Chinese Communist regime.

I have no quarrel with the findings or the operative clauses of the resolution, because for a long time I have taken the position that Red China should not be seated in the United Nations until it lives up to its international obligations and commitments. I shall discuss that later in this speech.

It is also my position that the Nationalist Chinese should remain in the United Nations, although, as it is well known, I have very serious questions as to whether they should remain on the Security Council. That is a matter for the United Nations to determine, and I am perfectly willing to have that determined by the United Nations.

Let me make very clear early in this speech, I yield to no one in the Senate in my opposition to everything which Red China stands for. I yield to no one in the Senate on my hatred for the tyranny, the brutality, and the cruelty of Red China.

RESOLUTION AS PASSED FAILS TO MEET PROBLEM

Mr. President, I have read every word of the debate which took place in the Senate yesterday, and I say most respectfully that much of it could be described as "whistling by a graveyard." Much of it could be described as a failure to face the realities of the existence of Red China.

I, too, wish I could wishfully think 650 million people under the tyrannical control of Communist despots off the face of the earth, but wishful thinking is not going to solve the Red China issue.

Red China is on the face of the earth for at least our time, and probably will be on the face of the earth for generations to come. One of the fears we ought to be entertaining is that our course of action in the world may result in Red China dominating the world, because if we become involved in a nuclear war with Russia as I said to the American Legion in West Virginia yesterday, the probabilities are very great that the world will then be dominated by the then remaining most powerful nation in the world, Red China.

These are ugly realities we ought to face. It is one thing to protest the tyranny and the cruelty of the police state Communism of Red China. It is another thing to face objectively and unemotionally the reality of how that tyranny can best be dealt with.

It does not follow from the resolution the Senate adopted yesterday that this country opposes a discussion of the Red China issue in the United Nations. The resolution does not say that we favor raising it. But as I read the resolution in the light of the debate which occurred on the floor of the Senate, it is my belief that the resolution would be subject to the interpretation that it is the intention of the Senate to underwrite our past refusal to allow the subject to be discussed in the United Nations.

I say most respectfully, Mr. President, that if the resolution is subject to that interpretation, then the action yesterday was most unfortunate. In my judgment, the Red China issue is going to be taken up in the United Nations this year or next—probably this year—and it is going to be taken up in the United Nations irrespective of the position of the United States.

There is a great difference between debating the Red China issue in the United Nations, and actually voting to seat Red China. I read the debate which took place in the Senate yesterday, and I cannot find a paragraph in the debate which recognizes this very important difference.

The fact is—and it is not to the credit of the United States—that the United States has used its power and influence in the United Nations to prevent the Red China issue from going on the agenda of the United Nations for discussion.

WE SHOULD MAKE CASE AGAINST RED CHINA

I can testify as to our tactics, techniques and methods for accomplishing that end, because I served as a delegate of the United States at the United Nations for 3 months last fall, I know what tactics, techniques, and pressures the United States used to prevent the Red China issue from going on the agenda for discussion.

It was a mistake, and it has been a mistake for the past several years, because it gives the false impression to many delegations in the United Nations that we are afraid to face up to the Red China issue.

Why should we be with the case we have against Red China? In my judgment the policy of the United States in the United Nations for the past several years in regard to this procedural point has been a mistaken policy, and it has done the United States irreparable damage in world affairs. It has created a charge from delegate after delegate from uncommitted countries that the United States has used its prestige—yes, its economic power—to bring pressure to bear as a lobbyist in the United Nations to prevent the procedural issue of Red China from going on the agenda of the United Nations for debate.

What are we afraid of? My country, as a member of the United Nations, should always be willing to take the position that there is no issue affecting the welfare of the world, involving the peace of the world, and the United Nations, that we are not willing to have debated and discussed—yes, and voted upon in the United Nations.

Let me make clear early in my speech that, from my experience at the United Nations last fall, I believe that if we had urged that the Red China issue be put on the agenda of the United Nations and then debated it, a majority of the United Nations would not have voted to seat Red China after the debate.

I point out that the first major premise to which I address myself this morning is in criticism of the procedure the United States has followed on this matter at the United Nations. I have studied the resolution very carefully. One can read the resolution and say that in its language there is nothing inconsistent with the argument the Senator from Oregon is making, because the resolution does not contain anything about debating the subject matter at the United Nations. The resolution provides:

Resolved, That the United States shall continue to oppose the seating of the Chinese Communist regime in the United Nations so long as that regime persists in defying the principles of the United Nations Charter; and be it further

Resolved, That it is the sense of the Congress that the American people support the President in not according diplomatic recognition to the Chinese Communist regime.

The senior Senator from Oregon agrees completely with both of those "resolved" clauses. The senior Senator from Oregon agrees that Red China should not be seated in the United Nations, and the senior Senator from Oregon agrees that Red China should not receive the diplomatic recognition of the United States.

RESOLUTION SILENT ON PROCEDURE

But that question is not the real problem before the United Nations. The resolution does not touch upon the first issue that must be faced at the United Nations, which is whether or not the United States will withdraw its objections to placing the Red China issue on the agenda of the United Nations and discussing it on its merits. Our adamant refusal to have the subject matter even discussed at the United Nations, and our lobbying and pressure tactics to prevent it from ever getting on the agenda for discussion are hurting the United States in the United Nations on this very issue.

I never run away from the merits of an argument. I repeat that our case on the merits is so overwhelmingly against the seating of Red China in the United Nations on the basis of our record to date that we ought to be willing to put it on the agenda and present our evidence.

The fact that it is difficult and the fact that it does not augur much hope is no reason why we should not try. Trying is important in regard to world public opinion. Trying is important in regard to changing the attitude that so many nations now hold in respect to the negative record that the United States has made in the United Nations to date in regard to the Red China issue. These are not the only commitments I would seek to have the United Nations attempt to negotiate with Red China.

As I am about to close, my plea is based only upon my constant premise that we take the offensive on the Red China issue, and that we seek to prove to the world the merits of our opposition to the seating of Red China on the basis of our record to date in the United Nations. My plea is that we move away from the procedural position that we have taken and make clear to the world that we are ready to come to grips with the substantive issue involved.

I have made this speech today for many reasons, but the most important are these: I wanted the RECORD to show the reasons for my not being in the Senate Chamber yesterday when the debate on the so-called China resolution was taking place. I wanted the RECORD to show what my proposal is in regard to the Red China issue. I wanted to take advantage of this opportunity to call to the attention of the American people some of the problems which I think confront us in the United Nations in regard to the Red China issue.

I repeat once again for emphasis, that as one of the U.S. delegates to the United Nations, I found that the chief criticism against the United States on the part of many delegations was not our opposition to seating Red China, but our opposition to having our friends in the United Nations vote, and even put the issue on the agenda for debate.

If we continue that position, we can pass all the resolutions we desire in the Congress of the United States, but notwithstanding such action, the issue will be put on the agenda either this year on next, in the absence of some unforeseen development.

Therefore I regret that in the debate yesterday and in the resolution we did not come to grips with the operative issue, the real issue that is involved, so far as the U.S. position on Red China and the United Nations is concerned. So if I could have returned and obtained the floor a minute before the vote bell had rung last night, I would have participated in the debate by offering the following substitute for Senate Concurrent Resolution 34, which was voted upon yesterday.

Strike out all of the whereas and resolving clauses and insert in lieu thereof the following:

"Whereas the fundamental interests of the United States require full and unequivocal support of the principles and purposes of the United Nations Charter; and

"Whereas the question of the admission of the Chinese Communist regime to the United Nations involves not only the vital interests of the Republic of China, but the interests of every member of that organization: Therefore be it

"Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President should urge the United Nations General Assembly to establish a broadly representative Commission on Membership to explore with the Chinese Communist regime and the Republic of China means by which the people of China can be represented in the United Nations; and be it further

"Resolved, That the President should urge said United Nations Commission on Membership to assure itself that any regime considered for membership must seriously, conscientiously, and in good faith be prepared to fulfill the obligations imposed by the charter on all members of the United Nations; and be it further

"Resolved, That the President should urge said United Nations Commission to report the results of its activities to the 17th session of the General Assembly with such recommendations as it finds appropriate."

That is a year hence, I would have Senators note. It provides that the United Nations Commission would work for a year on this subject matter involved in the resolution. It would work for a year and then report to the United Nations on the substantive problems confronting us in connection with the Red China issue in the United Nations.

I would have my colleagues and the people of my country keep in mind that there are two issues involved in regard to the Red China subject matter before the United Nations. One I have already discussed in this speech, the procedural issue of putting the subject matter on the agenda for discussion. My resolution would do it. My resolution would change the position of the United States from a negative one to an affirmative

one on the Red China issue. My resolution would change the position of the United States that it now occupies, of being constantly subjected to the just and rightful criticism that we are using our power in the United Nations to prevent an official discussion of the subject matter on the merits, to one in which we say we are not afraid of the merits, because we are satisfied that Red China does not deserve on the merits to be seated in the United Nations. Therefore, my amendment provides that the United Nations ought to appoint a type of international commission to consider the subject matter, and during that year—seek through the United Nations to negotiate with Red China in regard to the position that Red China will take on certain necessary commitments that I believe civilized nations have a right to expect of Red China before there can be any seating of Red China in the United Nations.

SUBSTANTIVE QUESTION MUST BE FACED, TOO

I repeat again for emphasis: Remember, we can try to wishfully think Red China out of existence. We can pass resolutions in which we say in effect that we make her politically untouchable, that we find her afflicited with international political leprosy. But that international political leper colony is going to survive our time. That is the ugly reality.

RED CHINA COULD BE LEFT AS MAJOR POWER AFTER A NUCLEAR WAR

What we need to guard against is an American foreign policy that will put Red China in the position of surviving after the United States and Russia cease to exist as great world powers.

I think that is the greatest danger facing mankind. I repeat it. One of the greatest dangers facing mankind is the danger of Red China coming to dominate the world. Red China will dominate the world if the United States and Russia involve themselves in nuclear war. It is the only part of the world that will survive a nuclear war between Russia and the United States. If we get into a nuclear war, Russia and the United States will be so busy with each other that Red China, in my judgment, for the most part will come out of that war unmolested.

(At this point Mrs. NEUBERGER took the chair as Presiding Officer.)

Mr. MORSE. Madam President, on the substantive issue I would also point out that the evidence is pretty clear that we knew as early as last fall that Red China is on the way to joining the nuclear club. I used to say, until I went to the United Nations last fall, that Red China had no chance of becoming a nuclear power for from 5 to 10 years. I do not say that any more. The evidence no longer supports such a conjecture.

The evidence now supports the conjecture that Red China will be a nuclear power within 2 to 5 years. Maybe we can take some comfort or have a feeling of safety in such a resolution as the Senate passed yesterday, a resolution which in effect seeks to further brush aside this troublesome issue.

As I said earlier in my speech, it can probably best be described as whistling by a graveyard. I am afraid it will be a worldwide graveyard. So we must face the fact that somehow or in some way the world must at least try to bring Red China under the influence of the spirit and the intent of the provisions and purposes of the United Nations Charter. Some means must be found whereby some world jurisdiction can be exercised over the nuclear power that will be developed by Red China, because given that nuclear power and with no means of jurisdictional control whatever, mankind will be lost, at least, mankind in the Western World, and, may I say to Russia, undoubtedly in Russia, too.

It was 14 months or so ago that the tyrannical head of the Chinese Communist regime was quoted in our press as having said that China could lose 600 million people in a nuclear war and survive. We could not. The Chinese Communists know we could not. When we take into account the fact that the tyrannical leaders of Red China simply do not place the values on life and human rights and human dignity that we do, we must come to grips with the ugly reality that we have a responsibility in our time to our grandchildren and great-grandchildren. In my opinion, we did not fulfill it yesterday in the adoption of the resolution. The Red China issue calls for affirmative, not negative, action on the part of my country in this hour of crisis. This is the time for the Senate and the House and the White House to go forward on the offensive on the Red China issue, and to act affirmatively in connection with the Red China issue.

Therefore, an offensive, affirmative program is not one of continuing the status quo, so far as the U.S. policy on Red China is concerned. We should take this issue ourselves to the United Nations, and show our colleagues in the United Nations what a great mistake it would be to seat Red China under present circumstances.

I do not buy the policy of nondiscussibility of unpleasant subjects. It is not easy to discuss unpleasant subjects. But, Madam President, sometimes it is necessary to discuss unpleasant subjects if we are to meet our obligations in whatever walk of life we travel. In political life today, it is necessary to meet this unpleasant subject. I do not believe we ought to let the message go around the world that the United States, once again, will do what it can to prevent a discussion of this subject at the United Nations.

I say again that while there is nothing in the resolution which says so, that will be its interpretation. I predict that the interpretation will be that the Senate underwrote the status quo yeserday.

Thus I have discussed my substitute resolution. Oh, I know there is little hope of having it discussed, debated, and voted upon now. Yet I feel that I owe it to my record on this subject matter to offer this resolution formally for appropriate reference as a new resolution and I do so at this time, also asking unanimous consent that the text of the concurrent resolution be printed at this point in the RECORD.

The PRESIDING OFFICER. The concurrent resolution will be received and appropriately referred; and, without objection, will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 36), submitted by Mr. MORSE, was referred to the Committee on Foreign Relations, as follows:

Whereas the fundamental interests of the United States require full and unequivocal support of the principles and purposes of the United Nations Charter; and

Whereas the question of the admission of the Chinese Communist regime to the United Nations involves not only the vital interests of the Republic of China, but the interests of every member of that Organization: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President should urge the United Nations General Assembly to establish a broadly representative Commission on Membership to explore with the Chinese Communist regime and the Republic of China means by which the people of China can be represented in the United Nations; and be it further

Resolved, That the President should urge said United Nations Commission on Membership to assure itself that any regime considered for membership must seriously, conscientiously, and in good faith be prepared to fulfill the obligations imposed by the Charter on all members of the United Nations; and be it further

Resolved, That the President should urge said United Nations Commission to report the results of its activities to the 17th session of the General Assembly with such recommendations as it finds appropriate.

AIKEN-MORSE REPORT ON RED CHINA ISSUE

Mr. MORSE. Madam President, following our service at the United Nations for 3 months last fall, my wonderful colleague and fellow delegate, the distinguished senior Senator from Vermont [Mr. AIKEN], and I filed with the Senate a report, which is entitled "The United States in the United Nations, 1960—A Turning Point." That was a joint report by the senior Senator from Vermont and the senior Senator from Oregon.

Then we filed individual reports dealing with our separate special work in the United Nations in relation to the committees to which we were assigned. The Senator from Vermont was assigned to the Fifth Committee, which dealt for the most part with the fiscal policies of the United Nations. I was assigned to the Fourth Committee, which dealt primarily with trusteeships and non-self-governing areas of the world.

But in our joint report, we discussed the China issue. I now wish to read what we said, beginning on page 14 in regard to this issue, under the subtitle "Representation of China":

REPRESENTATION OF CHINA

The nations which were victorious in World War II referred to themselves as "the United Nations." Hitler's Germany and Japan were the defeated enemy. By definition, all who fought the enemy were "peace loving" as that term was used in the United Nations Charter. China became a member

of the United Nations in 1945 and was given permanent membership in the Security Council by virtue of having been one of the major victorious powers and on account of its vast territory and huge population.

The government which originally represented China in the United Nations now controls only Formosa and a few other islands all of which contain only about 12 million inhabitants. A Communist government controls mainland China and exercises virtual control over several peripheral states.

RED CHINA DEMAND FOR SEAT

As soon as the Central People's Government of the People's Republic of China secured its control of the mainland in 1949, it asked the President of the General Assembly and the Secretary General that its delegation be substituted for the delegation of the Chinese Nationalist Government in the United Nations. A request of the Soviet Union that representatives of Red China be seated in the Security Council, to the exclusion of the Nationalist Chinese representative, was rejected in 1950 for lack of the necessary affirmative votes. The question of the representation of China has been before the United Nations General Assembly at each session since the fifth session. In 1960, the General Assembly decided "not to consider, at its 15th regular session, any proposals to exclude the representatives of the Government of the Republic of China or to seat representatives of the Central People's Government of the People's Republic of China."

The arguments for and against the seating of representatives of Red China are familiar. There is, of course, the separate question as to whether or not the subject should be put on the Assembly agenda but the arguments on that procedural question tend to include the substantive arguments on the merits as well.

REASONS FOR SEATING COMMUNIST CHINESE

Those favoring seating representatives of Communist China argue that Communist China controls and really represents the Chinese people, whereas Nationalist China speaks only for Formosa; that China is already a member of the United Nations so the question whether the Government of Communist China is "peace loving" is irrelevant; that universality of membership in the United Nations is a worthwhile ideal; that the United Nations is not a judge of the conduct of nations (if it were, many countries should be expelled); that the Korean war is over and any aggression by Red China has ceased; that the United Nations cannot adequately deal with big problems, such as a Korea settlement and disarmament, in the absence of Red China because only Red China has the power to discharge the obligations of mainland China under the United Nations Charter; and that if Red China were represented in the United Nations its belligerent activities would tend to moderate.

REASONS FOR NOT SEATING COMMUNIST CHINESE

The main arguments advanced by those opposed to the representation of Communist China in the United Nations are: that the Red Chinese may control the mainland but they really do not represent the Chinese people because Communist rule is imposed by force; that Red China is not peace loving as the charter requires (in contrast to the Nationalist Chinese Government which has never violated the charter); that Communist China still stands condemned as an aggressor against the United Nations in Korea; that Communist China has acted aggressively in Tibet and on the border of India; that Communist China still holds in prison American and other nationals whose convictions were obtained by court procedures and police practices incompatible with principles of justice generally recognized by civilized nations; that it is possible to negotiate with Communist China on such issues as disarmament without that government being represented in the United Nations; that Communist China would seek to impair the useful work of the United Nations if it were represented; and that Communist China would be more dangerous after being seated in the United Nations because it would regard such representation as proof that belligerency pays off.

The position of the executive branch of the U.S. Government in opposition to the seating in the United Nations of the Communist Chinese regime has been fully supported by the Congress. For instance, the Mutual Security Act of 1954, as amended, carries a statement of this opposition and a request to the President to send policy recommendations to the Congress in the event of the seating of Red China's representatives. On the other hand, there has not been a substantive debate on this subject in the U.S. Senate for a number of years.

DECREASING SUPPORT FOR U.S. POSITION

Support for the U.S. position that the question of Chinese representation should not be debated in the General Assembly has steadily declined. The vote in favor of the U.S. moratorium proposal was 44–29–9 in 1959. The vote in 1960 was 42–34–22.

That means that in 1959, 9 nations abstained from voting; 29 voted against our position; 44 supported it.

In 1960, 22 nations abstained from voting; 34 voted against our position; 42 voted for it. I continue to read:

The vote on some of the amendments to the moratorium resolution was even closer. Fourteen out of the twenty-two abstentions recorded in 1960 represented African states. It should be kept in mind that among those states which have voted with the United States to postpone discussion of Chinese representation there are several which have indicated that on the merits they believe Red Chinese should occupy China's seat. There are indications that many of the African countries would not vote against the seating of Red Chinese representatives. Without trying to forecast how soon the present majority support of the U.S. position might be lost, it can be said that the United States has a serious problem on its hands.

It would seem unlikely that the subject of representation of China would arise during the remainder of the 15th session of the General Assembly. If the subject were again raised in a plenary session of the Assembly it would presumably be declared out of order in view of the previous decision of the same Assembly in October 1960.

QUESTION NOT ADMISSION BUT REPRESENTATION

Some background in the legal and procedural situation in the United Nations Organization is necessary in order to appreciate the problem which the United States may face at the 16th session of the General Assembly in September 1961. First of all, it should be stated that China is a member of the United Nations and a permanent member of the Security Council. No question of the admission of China can arise save for the unlikely possibility that Communist China should apply for membership as a new state. The question relates to the proper representation of China in the United Nations; namely, whether China's seat should be occupied by representatives of the Government of the Republic of China (on Formosa) or by representatives of the Central People's Government of the People's Republic of China (on the mainland).

REPRESENTATION IN ASSEMBLY

The question of Chinese representation will more than likely arise first in the General Assembly. There is no veto in the Assembly. One question which may have to be decided is whether the matter is one of those important questions listed in article 18 of the charter as requiring a two-thirds vote. The rules of procedure of the General Assembly provide that the question whether or not a matter is an important question shall be decided by a majority of the members present and voting. It is relevant in this connection to note that in 1960 when the question of the proper representation of the Congo was debated the Assembly decided by a plain majority vote to seat the representatives of the Kasavubu government rather than the representatives of the Lumumba government. Neither the United States nor any other government argued that a two-thirds vote was necessary because the question was important.

If Red China's representatives were seated in the Assembly, might Nationalist China's representatives continue to be seated? The argument could be made that China's membership should be considered as having split into two Chinas, both continuing as members. A helpful precedent lies in the fact that when Egypt and Syria, both members of the United Nations, decided to merge and form the United Arab Republic the new entity was not required to come into the United Nations as a new member.

There is a contrary precedent: Pakistan, formerly a part of India (a charter member of the United Nations), was admitted as a new state in 1947. It will be argued that the Republic of China which is entitled by article 23 of the Charter to a Security Council seat is mainland China because when article 23 was written the legal status of Formosa was unsettled (and indeed is considered by the U.S. Government to remain unsettled). With respect to a seat in the General Assembly, however, the argument can also be made that Formosa became part of China by conquest and is regarded as part of China by both the Communist and the Nationalist Governments. It may therefore be argued that the Nationalist Chinese Government should represent the Formosa portion of China in the General Assembly even if the government on the mainland takes the China seat in the Security Council.

ATTITUDE OF CHINESE

One of the complicating factors in considering this subject is the fact that the Red Chinese have indicated that they are not interested in representation in the United Nations if representatives of Nationalist Chinese remain there. The Nationalist Government spokesmen for their part have indicated that they will withdraw if representatives of the Red Chinese government are seated. Whether either party or both might eventually accept half a loaf as better than none is subject to conjecture.

REPRESENTATION IN SECURITY COUNCIL

If the General Assembly should decide to seat the representative of Communist China it does not automatically follow that Communist China must be represented in the Security Council. The Security Council is not subordinate to the Assembly.

The charter provides in article 27 that decisions of the Security Council on procedural matters shall be made by affirmative vote of seven members and that decisions on all other matters shall be made by an affirmative vote of seven members including the concurring votes of the permanent members. Two questions arise: What are procedural matters and what kind of vote decides whether a matter is procedural?

The Security Council has been struggling with these questions since its inception. The answers to them as applied to the question of representation of China in the Security Council are not free from doubt but can be predicted after an examination of the charter, the San Francisco statement on voting procedure in the Security Council,[1] the 1949 resolution of the General Assembly on voting in the Security Council,[2] and the practice of the Security Council itself.

The charter of the United Nations does not deal directly with the question of the nature of the vote required to decide in the Security Council whether or not a matter is procedural. The San Francisco statement had three things to say which are pertinent: it stated that the charter contains indications as to the voting procedures applicable to the various functions of the Security Council; it gave some examples of procedural matters and forecast that there would be few doubtful cases; and it stated that if such a question should arise the decision that a matter is procedural must be taken by a vote of seven members of the Security Council, including the concurring votes of the permanent members.

USE OF VETO

The Russians have used the veto frequently and the double veto three times, claiming the right thus to prevent any matter from being considered procedural. The United States has disputed this claim, arguing that a veto is not permissible in cases in which the charter or the San Francisco statement provides that a matter is procedural. This U.S. position has come to be accepted in the Security Council, perhaps even by the Soviet Union.

The U.S. delegation, with a view to curbing the use of the veto by the Soviet Union, and with John Foster Dulles taking a leading part, persuaded the General Assembly to adopt the resolution of 1949 condemning the excessive use of the veto and attaching a recommended list of decisions to be considered by the Security Council as procedural. Among such decisions the General Assembly listed: "Approval of credentials of representatives of members of the Security Council."

Since 1948 the double veto has been attempted only once and without success on that occasion. In 1950 the question was whether a representative of the Chinese Communists might attend Council meetings during a discussion involving them. There were seven votes in favor and three against (China, the United States, and Cuba).

Madam President, I digress to point out that that is an interesting alinement.

I return to reading from the report, Madam President:

The representative of China argued that his vote was a veto since the matter was not procedural. The Chair put that question to a vote, and there were nine in favor of calling the matter procedural and one (China) against. The President (United Kingdom) ruled that the Council had deemed the matter procedural. The representative of China protested, citing the San Francisco statement, so the President put his ruling to a vote. Nobody voted and the President declared his ruling stood. The United States supported this method of preventing the double veto on matters deemed procedural in the 1949 resolution of the General Assembly.

[1] Signed by the United States and the other permanent members in 1945.

[2] Sponsored by the United States and approved by the Assembly in 1949 as resolution 267(III).

In 1959 it was proposed in the Security Council that an observer group should be sent to Laos. The Soviet Union argued that its negative vote constituted a veto. The President (Italy) ruled that there was no veto because the matter was procedural, citing the 1949 General Assembly list of procedural matters. The Soviet Union did not ask for another vote.

Thus a double veto on Chinese representation is not necessarily possible for the United States but depends upon whether there is real doubt about a matter being procedural, whether a friendly President is in the chair and whether six members of the Council can be persuaded to agree with the United States.

IS REPRESENTATION PROCEDURAL QUESTION?

There is no clear precedent in the practice of the Security Council to settle definitively whether or not the question of representation on the Council is procedural. Chapter V of the charter, dealing with the Security Council fits all its articles under the headings "Composition," "Functions and Powers," "Voting," and "Procedure." Everything that is said about representation falls under "Procedure." The "Provisional Rules of Procedure of the Security Council" include a chapter on "Representation and Credentials." As previously mentioned, the General Assembly in 1949, at U.S. urging, recommended that the Council consider representation in the Council as a procedural matter. As previously mentioned, the Council decided in 1950 that the question of the temporary seating in the Council of a group of people (representatives of Communist China) theretofore unrepresented in the Council or in the United Nations was a procedural matter. There is nothing in the San Francisco statement inconsistent with the conclusion that the signers considered that anything affecting the way that the Council organized itself was a procedural matter. Finally, the matter of acceptance of credentials of members of legislative and other governing bodies is generally regarded as procedural.

There appears not to be any satisfactory argument on the other side of the question. If the United States were prepared to depart completely from its past approach to the subject it could conceivably argue that the question is not representation of an existing member of the United Nations (China) but rather the question of expulsion of Nationalist China and the admission of Communist China. That argument leads to the undeniable conclusion that such a question is not procedural but the approach would seem to be of very doubtful legal validity.

To sum up the foregoing discussion of procedural factors, the following conclusions would seem warranted. The question of Chinese representation in the United Nations will be dealt with first in the General Assembly where there is no veto and where the question of seating Red Chinese representatives will probably be decided by a majority vote.

VETO NOT AVAILABLE

In the Security Council the question of representation would likely be deemed a procedural matter and therefore not subject to a veto by the United States. An attempt by the United States to use a veto to prevent the Council from concluding that the question is procedural (that is, to attempt a double veto) would probably fail.

CHINA POLICY QUESTIONS

It seems reasonable to conclude that future U.S. policy must be based upon the assumption that Red China could be seated in the United Nations as early as the 16th General Assembly session, whether we agree or not. How high a price would the United States have to pay to defeat the next effort to seat representatives of Communist China? Does the United States have sufficient bargaining power left to insure representation for Formosa? If so, should we attempt to negotiate an arrangement whereby "two Chinas" might be represented or would it be better to continue present policy, come what may? These questions ought to be the subject of urgent policy studies.

Madam President, I have read that report by two of us who were delegates to the United Nations last fall because, in my judgment, it is so very pertinent to the issue that was involved yesterday in the resolution. It is also pertinent to the issue that is involved in the resolution which a few moments ago I sent to the desk and asked to have appropriately referred—a resolution which, could I have gotten back here 1 minute earlier yesterday, I would have offered on the floor of the Senate yesterday.

RED CHINA AN ISSUE OF INCREASING IMPORTANCE

There are two more points I want to briefly discuss on this subject matter, Madam President. My resolution, it will be noted, calls for United Nations negotiations with Red China.

Back in 1956 it was an issue in my campaign for reelection to the Senate. It was one of the issues my opponent said would beat me for reelection to the Senate. I raised it at the very beginning of the campaign. I told the people of my State, as I will tell them in my campaign for reelection next year, that I do not propose to stick my head in the sand. I do not propose to whistle by graveyards. I do not propose to ignore the merits of reality of Red China, and the problems it poses for the United States.

But, rather, I propose to plead with my countrymen to stand up and face up to this issue before it is too late, to use the great prestige and power of this Republic in the United Nations for an affirmative course of action, and not a negative course of action, with regard to Red China.

Thus, I propose once again that we take the leadership in the United Nations in proposing that the United Nations get on with the job of negotiating with Red China, in the prayerful hope that we can bring Red China under an enforcible jurisdiction of the United Nations.

I believe the danger is great. I happen to believe unless that is done soon, Red China may develop a nuclear power so great in the years immediately ahead that she may very well become the controlling power in the world, particularly if we go over the brink in a nuclear war with Russia in the not very distant future.

U.N. HAS BEST CHANCE OF INFLUENCING CHINESE POLICY

Madam President, it is all right to introduce resolutions, as I have just done, resolutions based upon idealistic hope. It is another thing to implement them. I am a realist about that, too. But the idealistic hope of my resolution is also a cry for putting into practice a practicality we have to come to if we are going to save mankind from destroying itself.

Therefore, I think the one body in the world that has the only possible chance of working out an affirmative solution to the Red China issue is the United Nations. As one of the great leaders of the United Nations, this great Government of ours should use its influence, prestige, and power to get the United Nations to proceed with the job of seeking, at least, to negotiate some settlements of these problems with Red China. It may fail, but we will never know until we try.

Of one thing I am sure in my own mind, and that is the Red China issue is no longer a unilateral problem existing between Red China and the United States. It has gone far beyond that point in international affairs.

But, it will be asked, "Mr. Senator, what kind of issues would you seek to have the United Nations negotiate with Red China, if you can possibly reach an agreement with Red China?"

I will mention a few.

I would have the United Nations—not the United States—take the Formosa issue to Red China, because the Formosa issue is a United Nations problem, not a U.S. problem.

Madam President, we do not fare very well in world opinion in regard to our record on Formosa. I was very interested in the debate yesterday, in the accolades which were paid to Chiang Kai-shek and the Nationalist Chinese on Formosa. Let us not forget the record of history. Let us not forget that Chiang Kai-shek was driven off the mainland of China before the Chinese Communists came into real control of China.

Let us not forget that his own people failed to support Chiang Kai-shek, and that he was driven out of China in spite of very large amounts of American aid. Let us remember that the Nationalist Chinese are no models of democracy in the world.

Let us remember that in a very real sense their remnant regime in Formosa is both an economic and military "colony" of the United States. Let us remember that in a very large sense the American taxpayers support Formosa. Let us remember, as is told us in international councils and as was told us in 1957 in New Delhi, India, when the United States came in for bitter criticism in that international council with regard to its policy on Formosa, that in many parts of the world Formosa is recognized as a U.S. puppet state.

We can disagree with that descriptive term, but I think it is a much more accurate descriptive term than to refer to Formosa as any outpost of democracy.

Let us look at the historic record again. Through the power of the United States, Chiang Kai-shek was imposed on some 12 million native Formosans without their having a single word to say about his control over them. It is doubtful that his is even a popularly based government of Formosa, much less of China.

Madam President, the senior Senator from Oregon has never held any brief for Chiang Kai-shek's rule because I do not think the facts support such a brief.

I would have Senators also remember that the sovereignty of Formosa is in suspension, unless we want to apply a doctrine which is inapplicable in international law; that perhaps if we wait long enough or perhaps if we support this regime in Formosa long enough Chiang Kai-shek will get Formosa by adverse possession. That is good real estate law in the field of domestic jurisprudence, but it has no legal standing in international law.

SOVEREIGNTY OF FORMOSA STILL UNDETERMINED

The question of sovereignty of Formosa has never been determined since the close of hostilities in World War II. We all know why it has not been determined. It is because various sovereign powers in the world, including Russia, made perfectly clear to the United States that it is not within our power and jurisdiction to settle the question of sovereignty of Formosa ourselves.

Sometime—25, 30, 35 years from now—that international law issue will have to be faced up to and determined. Of course, there is only one place where it can be determined on its merits, in the absence of either a political or military settlement. The place for that determination is in the world international judicial tribunal, the World Court.

Oh, those hearing the senior Senator from Oregon on the floor of the Senate today may say, "He talks the same way he did in January 1955." I surely do, because I have never had one single cause, in light of world developments since January of 1955, to change my position in regard to the Formosa issue.

Mr. CLARK. Madam President, will the Senator yield?

Mr. MORSE. No. I said at the beginning I would yield for questions only at the close of my remarks.

I shall always be proud to leave as a legacy to my descendants the record made on the carpet of this great forum in 1955 when I stood here, shoulder to shoulder with the great Senator from New York, Herbert Lehman—and alone we stood—in opposition to the Formosa resolution. At that time we warned the Senate of the United States that all the resolution would do was buy trouble for the United States. It has bought great trouble, and it still remains as one of the potential threats to the peace of the world, because it is all bound up in the Red China issue.

The Senator from New York and I proposed in January 1955, an amendment to the resolution which sought to provide for a United Nations trusteeship over Formosa, with a United States military guarantee on behalf of the United Nations that we would militarily protect Formosa for as many years as necessary to guarantee that the Nationalist Chinese would not be subjected to a Communist blood bath on Formosa, and until such time as the United Nations, through its judicial or political processes, could determine the question of the sovereignty of Formosa.

I am willing to always let that record speak for itself, because sooner or later, we shall have to come to an international settlement of the soverign rights of Formosa. It is too bad we did not do that at the beginning, because 1955 was the time it should have been done.

I am not without appreciation for contributions which the Nationalist Chinese have made. But I do not propose to let those contributions—always backed and financed by the United States, by the way—blind me to the fact that so far as world opinion is concerned the position of the United States on Formosa has not accrued to our advantage. It has done us much harm.

ISSUES FOR U.N. NEGOTIATION

As I made clear in New York last fall, in some of our own delegation discussions, I do not favor the elimination of the Nationalist Chinese from the United Nations. One commitment the United Nations should seek to get from Red China through the negotiations called for by my resolution is a settlement in regard to Formosa, with a clear pledge that the Red Chinese will withdraw their continuing threat to make war over Formosa.

Red China does not have sovereign rights over Formosa, either. Of course, they assume they do. But the last nation to have sovereign rights over Formosa was Japan. She got them in 1893, in the Sino-Japanese War. She got them by conquest, followed by treaty, and she held them until she was defeated in World War II. She certainly lost sovereign rights over Formosa. Because Japan lost them it does not follow as a matter of international law that they automatically vested in China.

I have always taken the position that Red China does not have sovereign rights over Formosa either. So I would have the United Nations at least try, under the terms of my resolution, to get some commitments from Red China in regard to Formosa.

Next, I believe it ought to be obvious to all that the United Nations should seek to obtain some commitments from Red China in regard to the Korean truce because, as I utter these words, Red China, up until this second, continues to stand in violation of resolutions of the United Nations in respect to Korea. If we could present a case and bring the evidence on that issue before the United Nations, I have confidence that delegation after delegation would see the merits of the position of the United States, namely, that Red China should not be seated as long at she stands in defiance of the resolutions of the United Nations.

But that statement is argument on the merits. That point is quite different from taking the position which is our position and has been up until now and, so far as I know, continues to be, that we do not even want the subject put on the agenda for discussion.

What other commitment would I ask for? There are many, but I mention only one or two more. There is a great question as to whether not only United States nationals, but nationals from other countries, who are languishing in Red Chinese jails, were convicted on the basis of the principles of civilized law.

That is a phrase of art, which involves the germaneness and the applicability of the point that I now raise.

No foreign power has any right to intervene in any other country in connection with the administration of justice in that country unless, and only unless it can be shown that in administering so-called justice in a given country the nationalists of another country were sent to prison under convictions not based upon the application of principles of civilized law. That is, in the field of international law there has been recognized from time immemorial the principle that no sovereign power has an international right to take a citizen of another sovereign power and put him in prison unless he has been found guilty of a crime under the law of the arresting nation and was given a trial that in no way violated what is recognized by civilized nations as principles of civilized law.

We feel—and there are some other nations that share the feeling—on the basis of such evidence as we have, that there is a serious question as to whether or not Americans now languishing in Red Chinese prisons were convicted upon the basis of principles of civilized law. That inquiry is a fair one to make. Of course, if they were, it would fall within the sovereign power of Red China to keep them within prison, although we think the whole procedure was grossly unjust.

Therefore I think the United Nations, under the terms of my resolution, should call for the international commission that I have proposed to set up in an attempt to get the Red Chinese to agree to permit the World Court to appoint a judicial commission or a group of observers or investigators to review the record of the conviction of Americans and other nationals who have been sent to prison in Red China.

We have every right to ask for commitments in advance, called for by my proposal, in respect to jurisdictional control by the United Nations over nuclear power. I think it is important that every possible effort be made to try to get Red China to agree to join in a United Nations control of nuclear war, because we might as well forget talking about such control unless the discussion covers Red China. We might as well forget talking about the ending of nuclear testing unless the talks cover Red China.

The fact is that we have never made our case out in the open. We have made our case as an international lobbyist at the United Nations. We have taken a negative position at the United Nations. We have said to the world, "Do not even talk about the issue. Do not even discuss it." That attitude has hurt us.

That negative attitude on the part of the United States has been one of the reasons why delegations from certain uncommitted nations take the position, "If you have a case against Red China, you should be willing to talk about it. If not, we will surely vote to seat Red China once the question is placed on the agenda."

There was nothing in the resolution that was passed yesterday, nothing in the debate that I read—and I read it all this morning—commenting upon the procedural question.

I would have my country go to the 16th General Assembly of the United Nations in September, and I would have my country say, "We are ready to show the case against Red China. Put it on the agenda. We are going to present the evidence." We should express to one delegation after another from the uncommitted countries of the world, as well as our friends in the Western World the confidence and the faith that we ought to have and, in my judgment, have the right to have. We should try our case and submit it to the jury. My judgment is that we would win our case.

I took very seriously, as did the Senator from Vermont [Mr. AIKEN], my trust and obligation to the Senate of the United States when I served this body for 3 months last fall as a member of our delegation in the United Nations. On the basis of that experience, I say most respectfully, that the Senate can pass all the resolutions it wants to reaffirming a negative approach to the Red China issue; but such action will not change attitudes and votes in the United Nations. However, I am convinced that what will change attitudes and votes in the United Nations is for us to make clear that we are willing to have the issue go on the agenda for discussion, make clear that we will vote against the admission of Red China on the merits, and make clear that we think the time has come for the United Nations itself to try to resolve what I consider to be one of the greatest threats to the peace of the world, namely Red China's position in relation to the United Nations. That is affirmative. It may not succeed. Who knows until we try?

I close by saying that of one thing I am certain, and that is that the policy my Government is following now in regard to Red China cannot possibly succeed.

Mr. JAVITS. Madam President, I wish to address the Senate today on a subject which is quite different from the subject so eloquently discussed by our distinguished colleague from Oregon. Before I do so, I would like to observe that I listened with great attention to what the Senator has said. I am one of those who voted for the resolution we adopted yesterday. I do not believe Red China should be admitted to the U.N. under present conditions. However, I do believe that the Senator's resolution should receive a full-dress hearing before the Foreign Relations Committee and should be debated there. Certainly, that is a very agreeable and congenial place to air, in the most considerate way, the position of the Senator and of many who think like him, as well as the views of an enormous proportion of the American people, through eloquent speakers who may entertain different views.

It seems to me that if we did pursue the opportunity afforded by the pendency of such a resolution, perhaps in the recess, the Senator would get a great part of what he seeks, which is a complete airing of the subject, without the implications of a change in the position of our Government. I believe the vote yesterday showed and will continue to show that the sentiment of the country is very much in favor of a rather strong position by the United States, of the kind which it has taken.

So I express the hope—and I know the Senator is a very influential member of the Foreign Relations Committee—that perhaps there can be an opportunity to make considerable progress in the direction at least of discussion and airing of the subject in all of its ramifications.

As the Senator has mentioned, in international affairs there is no question about the overhanging shadow of the Communist Chinese, over the whole world in everything we do, a shadow which cannot be exercised or talked away or forgotten.

As is usual, the Senator from Oregon has made a most provocative speech, and we love him for it, as we know he respects the views of those of us who, though we may not agree with him will nevertheless die for his right to say it.

WHAT THE PRESIDENT DID NOT SAY ABOUT THE BERLIN CRISIS

Mr. JAVITS. Madam President, I wish briefly to discuss a subject which also relates to our foreign policy and relates to the entire world and also heavily involves the peace of the world, and that is what the President of the United States did not say about the Berlin crisis.

Now that a few days have passed since the President's historic speech on Tuesday, July 25, on the Berlin crisis, and now that the Senate has already acted on two of the measures asked for to strengthen our military capability to meet this crisis, it is appropriate to evaluate the situation in terms of what the President did not say and in terms of the measures and sacrifices he did not call for, but which nonetheless need to be called for if we are truly to meet our responsibilities to the Nation's security and as the peace leader of the free world.

I was one of those who spoke most approvingly of the President's speech. I continue to do that. I did not express the thoughts I am about to express sooner because I felt it was advisable not to diminish in any way the stature of the President's speech or its clarity for all the people of the world, especially its clarity for the rulers of the Communist bloc. To them, the message, in my opinion, was and had to be crystal clear that there would be no backdown on Berlin and that we would marshal both our resources and our allies to that objective, and that we accept the risks in respect of the position of ourselves and our allies in Berlin.

Now that we are in the stage of implementation of this fundamental principle, which the country so overwhelmingly supports, it is essential that those

of us in position of responsibility make our contribution to the totality of the planning of our Government to enable us truly to meet the responsibility as spelled out by the President.

Considering the size of the crisis which the President put before us, a crisis having the risk of war—and no one knows what kind of war, whether limited, general, nuclear, or conventional—his requests hardly measure up to the risk which the country is taking. It seems to me that the requests of the President, which were very modest, and practically all of which we acted on yesterday, for increased military preparations and the right to call up a reasonable number of additional personnel for our Armed Forces, follow the path of least resistance and provide much less than is essential to meet the crisis which the President laid before us.

I believe, therefore, that the additions which I shall make today begin to equate the size and substance of the measures that ought to be taken with the size and substance of the crisis.

For this purpose, I rank as having equal priority with military preparations the determination of the country to take a number of additional steps.

First, to establish a Peace Production Board. A crisis as serious as the one which faces us requires a coordination of our industrial sources. It requires some preparation for bringing those resources into a far more active role in the national defense than they occupy now. That has been traditionally done by some entity set up for that purpose. We are not at war, and we hope and pray that we shall not be at war. However, an essential part of the preparation for the risk of a war beginning is to have a Peace Production Board. I believe that such a Peace Production Board should have authority to recommend wage and price ceilings, excess profits taxes, materials allocation, and similar aspects of industrial mobilization. In short, we are not giving anyone any authority to put this into effect, we are not legislating any such authority, but we ought to establish an agency which can begin to work on the proposals which may lead to recommendations of that kind should the risk of war become any graver or materialize into some form of warfare.

Second, we cannot do business as usual with respect to strikes and labor-management disputes. We must reinforce national machinery for dealing with labor-management disputes which result in national emergency strikes or strikes hampering the national security effort.

There is a whole list of responsibilities which we have so far failed to give the President in respect to strikes which affect the national health, safety, and welfare. We have given him only inadequate machinery, the Taft-Hartley law injunction. It has been pointed out, for example, that we have not given him authority for a factfinding board even under the Taft-Hartley law to make recommendations for a settlement, and we have not provided a cooling-off period required by law after such recommendations for settlement have been made; nor, even after the Taft-Hartley injunction, if it does not work, do we give the President any other authority. Instead, he must then come back to Congress.

Madam President, it seems to me we certainly can reinforce the machinery by giving the President the power to appoint factfinding boards, which can make recommendations by requiring a cooling-off period, as is done under the War Labor Act, after those recommendations are made, and that we very seriously consider all the other powers that we give the President. Speaking for myself, I believe he ought to have the power to order the seizure of any such struck facilities.

If we are really to prepare ourselves to face the risk and the crisis which we face in respect to Berlin by having national machinery in law for the purpose of dealing more collectively than we can now with national emergency strikes and strikes affecting the national security effort.

Third, we have not yet effectively tied the United States private economic system into the foreign aid activities of the United States. Therefore, an affirmative part of our national effort to win the struggle for freedom is, in my opinion, manned to as little as one-half, and perhaps by as much as 80 percent less effectively than it ought to be. Many things can be done in that regard. For example, we have not yet begun to enable private enterprise to play an effective role in the foreign-aid effort by enabling it to provide the pools of management and technical personnel for longterm overseas governmental developmental projects, or by engaging in mixed developmental projects with our Government itself, or with foreign governments, or by working out a plan under our tax laws, by which private enterprise can assign some of its personnel to working in the technical assistance programs, or by enlisting the enormous power of investment which exists in this country in the foreign aid effort through stimulating private corporations to invest in some of the projects which represent private aid.

In that respect, I have joined with three other Senators, the Senator from Maryland [Mr. BEALL], the Senator from Indiana [Mr. HARTKE], and the Senator from Florida [Mr. SMATHERS], in proposing a peacetime investment corporation which can raise $15 billion for the purpose of stimulating and buttressing the foreign-aid effort, which does not come anywhere near that amount, no matter what we do about the President's long-term request.

Also, in that connection, I think we are in a fair way to carrying through the President's long-term request for borrowing power in respect of foreign aid. I think the President should have emphasized that that, too, is as much a part of meeting the Berlin crisis as the military measures, because the attitude of the uncommitted parts of the world will be critically important to our posture in the world, even in terms of the Berlin crisis. If the United States is able to put on its offensive in terms of foreign aid effectively, with knowledge by the Russians that it will be effective, that will have a very material bearing on what the Russians themselves do about the Berlin crisis.

The fourth point is the very sticky and difficult decision about trade. The free world engages in a hundred billion dollars worth of trade a year. We ourselves are responsible for an enormous portion of that trade—something like 30 percent. Many nations live or die, not on what we do in foreign aid, but what we do in trade—Brazil with its coffee, Chile with its nitrates, and Ceylon with its tea; and so on down the long, long list. Yet our Government is not facing up to the fact that there is a rising tide of protectionism in our country, and that the Reciprocal Trade Agreements Act will be in danger next year. This could be a mortal blow to the United States and the free world, and to our capabilities for running the risks which we run with respect to Berlin.

I do not make these suggestions simply in the air; I myself actually have proposed legislation before Congress which will facilitate very materially our foreign-aid program, and especially relieving our domestic industry, some of which is suffering under the problems of concentrated imports in a number of fields, such as textiles.

Fifth, the President should have, in respect to the Berlin crisis, gone to Congress for civil rights legislation. Everything which happens upon the scene in our own country, and everything we hear from abroad, indicates that what we do about civil rights in our Nation is critically important to the morale of Berlin and to its standing in the world. Yet the administration seems to be avoiding Congress in respect to civil rights legislation and to be doing its best with executive power. That is shown by permitting sit-ins and riots in various parts of the country; school desegregation, and many other manifestations not only of man's injustice to man, but of a blatant violation of the Constitution of the United States. This tends materially to embarrass our position throughout the world and our capability of keeping and protecting our allies. Yet the administration has not sought any such action as it should have in respect to the risks we are running in connection with the Berlin crisis.

Sixth, we need materially to expand our education and information program in accordance with current recommendations made by such an authority as Edward R. Murrow, the new head of the USIA; Brigadier General Sarnoff, and William S. Paley. What we are now doing is inadequate and too little. We cut to ribbons the U.S. Information Agency some years ago in a fit of temper, in my opinion, in Congress. It has not been restored.

The Russians are spending at least 10 times what we are spending in our information and education program, which in their case we call propaganda.

Madam President, this whole program needs to be beefed up. We are far behind. It is just as urgent a need to help us face the risk of the Berlin crisis as is military preparation.

Next, what we do about Federal education, in which we are very far behind, is extremely important. Right now the three bills on the subject—the aid to primary and secondary school education, the national defense bill, and the aid to higher education bill are absolutely bogged down in Congress. The President of the United States, with the same eloquence and same determination and the same crisis tone with which he spoke about Berlin should use his leadership effectively to break the logjam which is holding up these bills, and should get them passed. I assure the Senate, as a member of the Committee on Labor and Public Welfare, that these bills are just as essential to developing the defense potential of the United States, and to give us the underlying basis upon which we can stand in promoting more effectively the security of our country in military terms, as well as in other terms in the military field.

Next, we need to enable our allies to strengthen themselves in the common defense. A little debate on that subject occurred on the floor of the Senate yesterday. We want our allies to be able to do their utmost in respect to the common defense, in respect of their full military potential. I speak particularly of the British, who are having serious financial trouble with the pound, which is down, and the necessity again, as the British have so often done, for tightening their belts. Whatever might be the situation with respect to the rate at which British workers have increased their wages—and certainly they do not enjoy any fancy standard of living, as anyone knows—it is very much in our interest to help the British with their financial problem right now, so that they will not have to restrict their defense effort because they are in financial trouble.

That is just one element of the many which will go toward helping us to face up to the risk which is thrust on us by the Berlin crisis, and is just as important as any military preparation we make.

Finally, we must have some affirmative way of approaching these problems. The President called for negotiations. Negotiations have proved fruitless. There still is on the statute books of our country the so-called Connally reservation, which absolutely inhibits the United States from utilizing the facilities of the International Court of Justice, even insofar as what we are doing legally with respect to the controversy about Berlin. Removing that reservation from our books, excising it from our statutes, is just as important an element of our preparation to risk the danger which confronts us in Berlin, as are military preparations. The removal of the Connally reservation will provide us with another tool or facility with which we can bring to the councils of the world the rule of justice, the rule of law, which is the ultimate reason, we all hope and pray, will dispel the fear of atomic war. Yet we still have imposed upon us the inhibition of the Connally reservation, which prevents us from utilizing one of the greatest American doctrines for the solution of many of the world's tensions and problems.

Many observers have noted, for example, that the Russians are very much interested in law, in courts, and in the processes of law. Many astute observers feel that we will get much further with the Russians if these techniques are available to us, rather than denied to us. Yet we have denied them to ourselves, by an archaic limitation on our statute books.

Madam President, I am sure my colleagues would be able to suggest many other ways in which we can better prepare ourselves to meet the risks we face; but I conclude upon the following points:

Military preparations are very important. Moral preparations are very important. The statement of a firm policy regarding Berlin is very important. But those are by no means the only important things.

If our country wishes to put itself—as I believe it does—in the posture of being able to continue to take the proper, firm stand on Berlin that it has already taken quite properly, and if our country wishes to put itself in the position of being able to make a complete and full followthrough in regard to the world peace leadership it has taken thus far, our country must organize itself for those purposes.

Today our country faces a grave risk. In the face of this risk, the President has requested far too little. He has asked for only the most elemental things; his requests follow the path of least resistance.

On the other hand, Madam President, some very tough issues face us, and our country must face up to them. In that respect, the people of our country are far ahead of both the administration and the Congress.

Our country must prepare to face up to the Berlin crisis and to other crises which I have no doubt are coming on the heels of the Berlin crisis.

Our country must do far more than appropriate $3½ billion more for the Armed Forces and give the President authority to call up some of our reservists and National Guard.

We must make preparations in the major fields of endeavor which are the bases for action by a great country about to be engaged in a great crisis of leadership—as we are today.

America must organize her industrial facilities and her great private enterprise system, in order to make them integral parts of all our Nation does.

America must take appropriate action to avoid the crippling effects of labor disputes at home, and to be sure that her efforts and activities in the fields of foreign aid and foreign trade are in good order, able to do their part in helping us meet the challenge we face today in the world.

America must take steps sufficient to make sure that at home she is not crippled or severely hampered by racial stresses and tensions.

America must be sure that her educational system, upon which all modern technology and modern military preparation are based, is effective and is in order and is progressing in the way it should.

America must be sure that her story is being told to all the world—as can well be done through our educational and information programs.

And America must be sure that she is fighting for the rule of justice.

Those, Madam President, are the pressing, urgent needs we face today; and action on that basis is the proper way to prepare for this emergency. Just as the Senator from Oregon [Mr. MORSE] felt in duty and conscience bound to express to the Senate, today, his views on so highly controversial a subject as China, so today I have expressed my views in regard to what our country must do if she really wishes to be thoroughly prepared.

As the representatives in Congress of the people of the United States, through our form of representative government, it is our duty to tell the people of the country what the score is, in terms of what is needed. All the things we point out may not be done; but certainly it is our duty to ask for them, in order to make the people of our country more fully aware of the steps which we believe must be taken in the interest of the security both of the United States and of all the rest of the free world. Madam President, that I have done today.

Mr. MANSFIELD. Madam President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. MANSFIELD. I wish to state that, as always, the Senator from New York is candid and frank, and certainly he makes his recommendations clear to all.

During the course of his speech, I thought I noted, however, that he indicated—although perhaps I misunderstood what he said—that he thought the President is not doing enough by way of making recommendations.

On the other hand, others say the President is doing too much in terms of making recommendations.

For instance, earlier today the distinguished senior Senator from Connecticutt [Mr. BUSH] stated that he hoped the President would do what he could to bring the budget items for the Department of Health, Education, and Welfare, as set forth in its appropriation bill, down to the amounts recommended by him, rather than the amounts recommended by the Senate Appropriations Committee. I understand that the difference between the two is in the order of $150 million or so—$150 million, more or less, in excess of the recommendation made by the Bureau of the Budget.

I believe there are instances—such as the appropriations for the Department of Health, Education, and Welfare, to be specific; that is what we were discussing earlier today—in which Congress has to exercise a certain amount of discretion and judgment, in terms of providing either more or less than the amounts requested by the Bureau of the Budget, with the approval of the President.

It is rather hard to find ways in which to reconcile these differences and to arrive at some workable compromise between the views of those who believe the

President is requesting too much and the views of those who believe the President is not requesting enough.

I believe it is the duty of Congress to try, in conjunction with the President, to arrive at appropriate amounts and policies which will bring into accord the views of the differing elements—both those who want more and those who want less.

What is the opinion of the Senator from New York on that score?

Mr. JAVITS. I think the Senator from Montana has stated what all of us can agree to. But I do not believe his statement is in derogation of my own thesis, for the reason that I am not carping at the President.

Mr. MANSFIELD. I realize that; and I did not mean that at all.

Mr. JAVITS. I understand. Let me say that I love the Senator from Montana, as he knows; and I realize that he did not suggest that I was carping with the President.

But I wish to make my point clear. As I have stated, I am not carping with the President. As regards Berlin, I am entirely with him.

I merely point out that the crisis which faces us is so profound that more than the President has requested must be done. I do not think the President has requested enough.

As regards the statement the Senator from Montana has made, I do not agree with it in the following respect: I do not think the negotiable points are between what the President has requested and what the Congress might wish to do. I think the negotiable points are between what I and other Senators believe in good conscience must be done in this crisis and what others believe should be done or should not be done. In my opinion, that is the area in which the Congress must make the decisions.

Unless those who feel as I feel do all we can to have the Congress add to the requests the President already has made of us, so as to have the Congress provide more than the President has thus far requested of it—and I am convinced that more than he has requested is really needed in a crisis such as the one which now confronts us—we shall not be doing our duty.

I believe that in this situation the President has not requested enough sacrifices by the American people. I believe that in this crisis more sacrifices by them are needed.

The President has always been forthright in discussing such situations; he has always spoken in the most eloquent and bold way in regard to the crises which face us. But when he has gotten down to cases, he has not asked for very much. We found that to be the case in regard to Cuba and also in regard to Berlin.

If the President is going to lead the American people in taking proper steps in terms of the situations confronting them—and the President must do so; and today we run the risk of actual war, and even nuclear war—it is his duty to call on the American people for what is needed in order to take adequate steps in terms of the dire alternatives which face them. That is what I am talking about, and that is my duty.

Mr. MANSFIELD. I understand that. But, of course, the Senator is aware of the fact that the President has called for increased revenues, in part through an increase in postal rates, in order to meet some of these commitments; and the President has also suggested to the Congress that, in addition to taking action in terms of an increase in postal rates, it do something about closing certain specific loopholes in our tax laws. The President has also indicated that he is prepared to work with congressional committees in order to bring about a tightening of procurement procedures in the Pentagon, so that savings can be made in that area.

So I say there is a duality of responsibility, so to speak.

But whereas the original requests come from the President, by the same token the Congress also has its responsibilities in that area. I believe it should honor the requests of the President, in terms of providing additional revenues by means, for instance, of increasing postal rates and closing tax loopholes; and the President has also indicated his desire to work in cooperation with congressional committees—I believe he was referring to the Hébert committee, of the House of Representatives—so that procurement policies can be tightened up.

Mr. JAVITS. If I may just say this to the Senator, I shall not then take any further time of the Senate. I honor the President for what he has requested. I think the Senator knows I will not be remiss in voting for a great many of his requests, even though it may be difficult in terms of how many people feel. But I do think, if I had to pick one thing out of the kit, I would pick the industrial base of the country. Here is a critical phase, in view of the risks we are running, about which nothing has been done. It is that to which I call the attention of the President and the country today.

MILITARY ANTI-COMMUNIST SEMINARS AND STATEMENTS

Mr. THURMOND. Madam President, on July 26, 1961, I pointed out on the Senate floor that there is a concerted attack under way against the anti-Communist indoctrination of the American people and our troops in uniform, and particularly against participation in this effort by our military officers. At that time I caused documents to be inserted in the RECORD which demonstrate that this attack was begun by the Communist Party, U.S.A., in its official news organ, the Worker, and is now taking the form of a widespread movement from innumerable sources. My statement in this regard appears in the RECORD for July 26, beginning at page 13594.

Since that time the issue of the Worker dated July 30, 1961, has been released. On page MW 1 there is an article that is a sequel to the June 4, 1961, article by the same writer, Sam Kushner, which was entitled "Military Discusses New Move" and which I had inserted in the CONGRESSIONAL RECORD on July 26 on page 13595. The original article was an attack on our military leaders for their participation in anti-Communist indoctrination courses, particularly those sponsored by the Military Industrial Conference which sponsors the Institute for American Strategy. This sequel is entitled "Is Congress Becoming Alarmed by Military-Rightwing Ties? Probe of Three Midwest Bases Begins."

In this article of the Worker dated July 30, it is reported that the House Subcommittee on Government Information, commonly referred to as the Moss subcommittee, has commenced an investigation of the rightwing-military alliance.

At my direction, a member of my staff contacted Congressman Moss and the subcommittee staff director by telephone and was advised that the subcommittee was conducting no such investigation.

The article, in addition to its report of the investigation by the House subcommittee, comments on the memorandum by the chairman of the Foreign Relations Committee of the Senate which was submitted to the White House and the Department of Defense and also refers to the Defense Department change in policy to effectuate some of the suggestions of the memorandum. Concerning this memorandum and the directive which followed it, the Worker article states:

> As to whether the Fulbright memorandum and the reported Defense Department directive will have the desired effect remains to be seen. Many of the military men have flaunted directives in the past.

The article continues with an attack on Admiral Radford and the Defense Department directive of 1958 issued while Admiral Radford was Chairman of the Joint Chiefs of Staff. This directive authorized anti-Communist information programs, such as defense strategy seminars, and the participation in them by military officers. The value of these seminars and their contribution toward alerting military personnel and vast numbers of the American public as to the total nature of the Communist menace has been effective beyond estimate. As these articles in the Worker demonstrate, the Communists themselves are feeling the heavy impact of these anti-Communist seminars, and they are hollering about it through the Worker. These seminars, in fact, have been attended by a number of Members of this very body. One of those, the Senator from Iowa [Mr. MILLER], had this to say concerning these seminars:

> I say to the able Senator from South Carolina that those gentlemen addressed the first National Strategy Seminar at the National War College in 1959. Together with the able and distinguished Senator from Delaware and the able and distinguished Senator from Rhode Island, the Senator from Iowa was privileged to attend that seminar. In my judgment, it was one of the finest 2-week periods of active duty I have ever attended. I derived no end of benefit in realizing the dangers of the cold war. As a result, it has been my privilege to try to spread the information about the dangers of the cold war which I received at that very helpful seminar.

The Senator from South Carolina is rendering a great public service by bringing to

the attention of the American people the attacks which have been leveled at certain persons for saying what they did and making addresses aside from planning programs of this nature. I believe these programs should be promulgated throughout the country; that they should be extended into our universities and even, in fact, into our high schools.

I believe the subject of the cold war should be discussed and should be a part of every curriculum in every school in the country, so that our young people, who will grow up to fight in the cold war, or perhaps even in a hot war against the Communist world, will have an informational background that will enable them to cope with this menace.

This article in the Worker singles out for a special smear one of our most distinguished senior military commanders, Adm. Arleigh A. Burke, retiring Chief of Naval Operations. On Wednesday of this week I had the pleasure of attending a ceremony at the White House at which the President of the United States presented Admiral Burke with another Distinguished Service Medal. No officer in our Military Establishment is more deserving of such recognition. Admiral Burke has served his country well. He is an American who knows the enemy and understands the many-sided threats which the world Communist conspiracy constitutes. Military officers of every service will do well to emulate his fearless fight against the Communist enemy. It is imperative that Americans understand the nature and menace of the slanderous attacks on our military leaders and their efforts to spread information about the menace of all facets of Communist aggression.

Appearing in the same issue of the Worker is an editorial entitled "The Generals' Program." This editorial singles out Gen. James A. Van Fleet and Gen. Curtis LeMay for particular invective. It is further proof of the Communists' preoccupation with the program to discredit our military leaders.

Madam President, I ask unanimous consent that the text of the article by Sam Kushner entitled "Probe of Three Midwest Bases Begins," and the editorial entitled "The Generals' Program," both of which appear in the Worker dated July 30, 1961, be printed in the RECORD at this point in my remarks.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

PROBE OF THREE MIDWEST BASES BEGINS

(By Sam Kushner)

CHICAGO.—The first steps in an investigation of the rightwing military alliance were announced last week in Washington by a Congress subcommittee. The Chicago Daily News last Saturday reported from Washington that Jack Howard, chief investigator for the House Subcommittee on Government Information will visit three Midwest military installations to check the reports of rightwing activities there.

The Glenview Naval Airbase, located just outside of Chicago, the Strategic Air Command headquarters at Omaha, Nebr., and the Naval Air Station at Chamberlain Field, Minneapolis, will be visited.

The subcommittee is headed by Representative JOHN E. MOSS, Democrat, of California. Howard was a vice president of the American Newspaper Guild prior to his entry into Government service.

It has now been revealed that the congressional memorandum calling for restriction on the rightwing activity by military men was submitted to the White House by Senator J. W. FULBRIGHT, chairman of the Senate Foreign Relations Committee.

Concerning military participation in the extreme rightwing gatherings that have been held throughout the country at a greatly accelerated pace in the past year, FULBRIGHT said:

"The military should not be sponsoring or lending their prestige to such meetings. It is not the agency that should instruct the American people."

He stated that the memorandum had been submitted to the White House and the top Defense Cabinet officials as a personal document which had been prepared at his request by members of the Senate committee staff.

Senator J. STROM THURMOND, Democrat, of South Carolina, denounced the memorandum as "a dastardly attempt to intimidate the commanders of the U.S. Armed Forces."

But on July 10, it is reported that the Defense Department put into effect a new policy which encompassed many of the points made in the memorandum.

WILL MILITARY OBEY?

As to whether the Fulbright memorandum and the reported Defense Department directive will have the desired effect remains to be seen. Many of the military men have flaunted directives in the past.

Probably the most blatant example of this, in the field of rightwing military connections, involves the connections between big business and the Institute for American Strategy. Since 1955 the military and the rightwing of the business world, including many former supporters of the pro-Nazi America First Committee, have worked hand in glove in the Institute for American Strategy, which has its headquarters at 7 South Dearborn in Chicago.

This came about 3 years before the reported Radford directive which gave the green light for military men to join full force in the anti-Communist propaganda field. Admiral Radford, who was an integral part of the Institute, was Chairman of the Joint Chiefs of Staff in 1958.

BURKE STILL TALKING

How binding the July 10 directive is, and how military leaders intend to circumvent it, may be seen from a published interview last week with Adm. Arleigh A. Burke, who is being retired from the Navy August 1. He is being succeeded on the Joint Chiefs of Staff by Adm. George W. Anderson.

Burke, who headed the Navy for 6 years tells his interviewer (William McGaffin of the Chicago Daily News) that some of the listeners at his Midwest lectures have said to him:

"Don't tell us we ought to do something. Tell us what we ought to do."

Burke, who was still under Navy orders when he gave the interview, was continuing his prowar propaganda.

THE GENERALS' PROGRAM

In Seoul, on July 20, retired Gen. James A. Van Fleet hailed the seizure of power in South Korea last May by a military dictatorship as the "finest thing that has happened to Korea in 1,000 years."

Van Fleet then argued that it may be "all right to talk about representative government, but such a system, except in great nations like the United States and Great Britain, lets elements get into the government and destroy it."

On July 20, a memorandum by Senator J. W. FULBRIGHT, Democrat, of Arkansas, written more than a month ago, came to light finally. It revealed that the Pentagon, under the guise of fighting communism, was engaged in an allout drive to brainwash the American people with a variety of "forums," "seminars," "schools," and "alerts."

On July 20, President Kennedy turned over to the Pentagon lock, stock, and barrel, responsibility for what he called "a greatly accelerated civil defense effort." This gives the military men unlimited control over the lives of the entire American people under the guise of preparing their protection in a possible war.

Van Fleet, using Aeospian language about South Korea, is advocating a military dictatorship for the United States itself. And the Pentagon is seeking to draw into its hands all the power needed to achieve this dictatorship.

The aim of the Pentagon was revealed in all its violence in a syndicated column by Marquis Childs, which reported a conversation between a Senator's wife and Gen. Curtis LeMay, the Air Force Chief of Staff.

"He told her a nuclear war was inevitable. It would begin in December and be all over by the first of the new year. In that interval, every major American city—Washington, New York, Philadelphia, Detroit, Chicago, Los Angeles—would be reduced to rubble. Similarly, the principal cities of the Soviet Union would be destroyed." (Later, LeMay claimed he had never said this.)

Gus Hall, general secretary of the Communist Party, warned of this fascization of the "higher military personnel" and its joining with other rightwing big business forces in the Worker, July 16. In an article entitled "The Ultraright, Kennedy and the Role of the Progressives," Hall emphasized that war is their prescription for the crisis facing the country."

Mr. THURMOND. Madam President, these military leaders I have just mentioned are not the only ones who have been recently hit by the Worker for their anti-Communist statements and their participation in the defense strategy seminars. I pointed out in my remarks in the RECORD of July 26 that Gen. Maxwell Taylor, former Army Chief of Staff and now military representative of the President, and Lt. Gen. Arthur G. Trudeau, Army Chief of Research and Development now under consideration for higher responsibilities, and other distinguished military leaders have likewise been attacked by the Worker in its June 4, 1961, issue.

Madam President, an investigation on this subject is needed. The investigation that is needed is not one on whether our military officers are informing the public and their troops about communism. The investigation that is needed—in fact, it is imperative—is an investigation of the conspiracy to discredit and intimidate the military leaders of our country in their efforts to provide to their personnel and the public the facts—all the facts—needed to assess the total Communist menace for what it is—a deadly threat to our liberties and our survival as a nation.

Mr. MUNDT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. METCALF in the chair). Does the Senator yield?

Mr. THURMOND. I am pleased to yield to the able and distinguished Senator from South Dakota.

Mr. MUNDT. I wish to congratulate the distinguished Senator from South Carolina for the remarkable and historic speech he made on July 26, which I would recommend to the careful and

thoughtful reading of every individual who receives the CONGRESSIONAL RECORD, and especially those in public life or those influencing public opinion, such as editors, ministers and educators—people who have a responsibility to get the facts to the American public.

I have read and studied the distinguished Senator's significant speech of July 26. The Senator has done a tremendous amount of research. I congratulate him for the fact that in his usual courageous and tenacious fashion he is unwilling simply to give the speech and to subside. I think there is considerable merit in the suggestion the Senator has made today that a congressional investigation be now undertaken to determine who is behind this determined and coordinated movement not only to discredit distinguished American military leaders but also to muzzle them and to censor them and to muffle them and to reduce them simply to mechanical individuals carrying out certain administrative functions, trying to deny to them the right to address themselves to the important problem of maintaining necessary morale among the junior officers and troops and trying to deny to them the right to tell their junior associates and the public what the war is all about, insofar as the cold war is concerned, and what the enemy is like in the event we have to fight a fighting war.

It seems to me unthinkable that the administration or the Secretary of Defense or whoever is responsible should have issued this "muzzling" order of a few days ago, at a time when we are in this great era of peril.

I think most Senators in this body must recognize the influences and opposition which anybody who dares to deal with a ticklish problem of this kind encounters. I am sure the Senator from South Carolina is going to bring down on himself the wrath not only of the saboteurs and Communists and crypto-Communists, but also of their witting and unwitting agents. Also, a whole claque of noisy, self-proclaimed liberals are going to visit their wrath upon him, because he seeks to reject, and I hope to get revoked, an order which would muzzle the top military people of this country at this time in their important job of making clear to those with whom they work the nature of the enemy, the nature of the challenge, and the associated movements which aid and abet communism in this country.

May I ask the distinguished Senator whether he is going to continue to press for this investigation, and whether he agrees with the Senator from South Dakota that there is no single step we can take in terms of national defense today any more important than to encourage the military leadership of this country to continue to train the minds of the people associated with them and the public about the nature of the danger we confront at the same time they train their bodies to perform the necessary military functions?

Mr. THURMOND. Mr. President, I express my sincere appreciation to the very able Senator from South Dakota for his remarks. The Senator from South Dakota is a man of vision. He is one Senator in this body who understands the aims and designs of communism. He understands the menace of communism. He understands the importance of our military personnel being indoctrinated as to the dangers of communism. He understands the importance of our civilian population being properly indoctrinated concerning the dangers of communism. Those words coming from him are very heartening to the Senator from South Carolina.

I wish to say further it is the intention of the Senator from South Carolina to pursue further the investigation of this matter. As the Senator knows, having read my address of a few days ago, to which he made reference, a directive has been issued prohibiting the showing as a part of official training of the film "Operation Abolition" which shows Communists, Communist sympathizers, and other people who are misguided or who have warped minds, in San Francisco, Calif., protesting the holding of hearings by the House Committee on Un-American Activities.

Mr. MUNDT. I add, that "Operation Abolition" is a film which the FBI has certified as to accuracy and as to validity. I can think of little which could be more reprehensible than for the Pentagon, charged with the defense of America against communism, to issue an order denying the right of the people charged with training our troops to show to the troops and to other loyal citizens the nature of the enemy they are expected to confront. And may I say I deeply appreciate the commendation of the Senator from South Carolina. It is true that the Senator from South Dakota has served on congressional investigating committees longer than any other sitting Member of the House or Senate. Much of this time we have been investigating the Communist conspiracy and its cooperative movements. There is much our troops and our citizens generally should learn about the true nature of communism.

I hope the Senator will press this point with his customary persistence and will seek a revocation of that disgraceful order, which tones down or stamps out or forbids the anticommunism programs of our uniformed services.

Mr. THURMOND. I thank the Senator again. The film is sponsored by, or at least has the endorsement of, a number of the Members of the House of Representatives who are shown in the film. The film shows what actually occurred. It shows how communism can infiltrate this country, into our colleges and into different facets of life of this Nation.

Mr. MUNDT. The Senator makes a good point. I think it is bad enough when somebody in the Pentagon, or somebody in the Pentagon acting on orders from someone higher up, seeks to censor the right of uniformed officers to speak, but in this instance it is a virtual censoring of Members of the House of Representatives, whose message is proclaimed on the film "Operation Abolition." It is a strange situation indeed when someone sitting in the Pentagon seeks to censor Members of Congress, or Members of the Senate, so that they cannot speak to the troops about a menace as clear cut as communism.

Mr. THURMOND. Mr. President, I am in accord with the statement of the Senator. Members of the House appeared in that film and endorsed the film. In my judgment, it is important for every American to see the film. Every American in the military and every American not in the military should see the film.

I was in San Francisco at the time of the incident. I happened to be there attending a military conference. I personally witnessed the demonstration by people who sounded like howling wolves and who had to be dragged out of the city hall. The pictures show how they were dragged out from that hearing because they were interrupting, disturbing, and stopping the hearing from going forward. It was the most un-American scene that I think has ever occurred in the United States.

Every American should see the film. All Americans should know what communism is. Communists were present at that demonstration. Communist leaders were present. They were leading a number of college professors, students, and others. Some possibly participated unwittingly, not knowing in what cause they were participating. The people of our country should know what is going on. The members of our Armed Forces should know about this incident. They should know how communism has infiltrated activities and how subversion takes effect.

The film is exceedingly valuable for members of the military as well as the public generally. I hope that the Defense Department will see fit to revoke its directive and allow the film to be shown as a part of their training.

Mr. MUNDT. Mr. President, will the Senator yield further?

Mr. THURMOND. I am happy to yield.

Mr. MUNDT. To show that the Senator from South Carolina is associated in his convictions with some pretty top level authorities on the Communist menace, I should like to read a few passages from letters written by J. Edgar Hoover, Director of the FBI, to law enforcement officers under his command. J. Edgar Hoover is also fighting communism. He is fighting it as a civilian, trying to circumvent it from its conspiratorial efforts to destroy the strength of America. He also works with associates who must know the nature of the enemy in order to defeat it, though not perhaps in quite as important an area as the Commander in Chief, the Secretary of Defense, or the military leaders in the Pentagon, but certainly in their important positions they cannot expect to be able to train people in the correct way to curtail communism if they censor and muzzle those who seek to train others.

For example, on April 1, 1961, J. Edgar Hoover wrote to all law enforcement officials:

> The way to fight it is to study it, understand it, and discover what can be done about it. This cannot be achieved by dawdling at the spring of knowledge; it can only

be accomplished by dipping deeply into thoughtful, reliable, and authoritative sources of information.

That was precisely what was taking place in the Pentagon until the muzzle order was issued a few days ago.

Continuing to read from the letter of J. Edgar Hoover dated April 1:

The job of curtailing and containing communism is one for legally constituted authorities with the steadfast cooperation of every loyal citizen. This is neither the time for inaction nor vigilante action. We must unite as a people, we must understand our basic American heritage under law, and we must face the Communist menace with deliberation, quiet courage, and knowledge. These are the qualities which communism shrinks from—these are the qualities against which communism can never succeed.

On March 1, 1960, in his letter to law-enforcement officers—a letter which is issued on a monthly basis—J. Edgar Hoover said:

It is indeed appalling that some members of our society continue to deplore and criticize those who stress the Communist danger.

Mr. President, J. Edgar Hoover wrote the letter on March 1, 1960, but if he were writing it today, no one could escape the application of those wise words to the unwise censorship order recently issued out of the Pentagon. We are living in more perilous times now than a year ago. The danger is greater. We are appropriating extra billions of dollars in order to meet communism at the gates of Berlin. We are confronted with a challenge in Cuba. We have noted the audacity of Communists who come into the international airport at Miami, steal our planes, and refuse to return them. Certainly it is time that we understand the menace. If anyone wishes to deny the validity of what J. Edgar Hoover said a year ago as it applies today, let him speak out and so proclaim his conviction.

A year ago J. Edgar Hoover said:

What these misguided "authorities" fail to realize is that the Communist Party, U.S.A., is an integral part of international communism. As the worldwide menace becomes more powerful, the various Communist Parties assume a more dangerous and sinister role in the countries in which they are entrenched. Public indifference to this threat is tantamount to national suicide.

If public indifference to the threat is tantamount to national suicide, how much more dangerous it must be if there is to be indifference to the threat at the Pentagon level. How much more dangerous it is that the public cannot be told that information if the fighting forces themselves cannot be informed as to the nature of the menace. Indeed, such a course must be tantamount to national suicide.

I continue to read from the statement of J. Edgar Hoover on March 1:

Lethargy leads only to disaster. The Communists have a savage plan of liquidation for a vanquished America. The blueprint can be found in the words of Mao Tse-tung, chairman of the Chinese Communist Party, who reportedly said that it was necessary to liquidate 800,000 "enemies" to solidify communism in China. Another pattern is the plight of countless families in satellite countries who were torn apart and transported to the oblivion of Soviet labor camps.

I shall read further from the March 1 letter of J. Edgar Hoover, a man who is highly revered and universally respected as America's No. 1 authority on the subject of subversion and communism. In strange contrast is the new order at the Pentagon, which would deny the leaders at the Pentagon from talking with their associates about the nature of the dangers of communism and associated movements which aid and abet communism. Mr. Hoover wrote to his associates:

Under Communist domination in America, the first campaign of liquidation would engulf the lawyers, champions of due process of law; newspapermen, whose ageless fight for freedom of expression would have no place under totalitarianism; law enforcement officers, guardians of individual rights; governmental leaders, local, State, and National; and everyone falling in the so-called capitalist category. Occupations and professions which the Communists term "useless and parasitic" would be abolished—clergymen, wholesalers, jobbers, real estate salesmen, stockbrokers, insurance men, advertising specialists, traveling salesmen—the list for purging is endless. No citizen would escape some form of suffering under a Communist regime. One need but to compare his own worth, his own ideals, his own religious beliefs with the atheistic doctrines of communism to determine his priority on the list of liquidation.

The defense of the cherished freedoms secured and handed down to us by our forefathers is the responsibility of each American. Knowledge of the enemy, alertness to the danger, and everyday patriotism are the brick and mortar with which we can build an impregnable fortress against communism. Only the intelligent efforts of all Americans can prevent the decay of public apathy from laying open our Nation to the Red menace.

Knowledge of the enemy, alertness to the danger, and everyday patriotism are the brick and mortar with which we can build an impregnable fortress against communism.

I wish that sentence from the clear thinking of J. Edgar Hoover could be tacked above the entrance to the White House and above the entrance to the Pentagon and above the entrance to the House of Representatives and of the U.S. Senate.

I wish it could be placed under the glass of the desk of the Secretary of Defense and of everyone who has brass on his collar in the Pentagon. I wish it could be done especially at a time when we respond to the President's brave call for sacrifice to meet the Communist challenge abroad, almost in the hour when they call off the teaching about the menace of communism to the people in the Pentagon, and when we will have to grapple with it in a shooting war if a conflict eventuates.

Let me read this again. I wonder sometimes in a democracy whether the right hand knows what the left hand is doing. I wonder whether the same people who come up here in big Cadillac cars asking for $3½ billion more for defense, for weapons and hardware, and ask for the right to draft young men out of school and take them into the Army, and which Congress willingly grants in this hour of emergency are the same people who apparently at the same time say, "You must not talk about communism in the Pentagon; you cannot show 'Operation Abolition,' because it is controversial and anti-Communist; you cannot tell schoolchildren and their parents near the base to which you are assigned about the dangers of communism because some bleary-eyed liberal might think it somehow or other involves the domestic political scene." They must not speak out against communism because the Communists criticize it, because weary old liberals, who have been appeasing communism down through the years, criticize it.

This is an hour to think clearly and to see straight. Let me read again this statement by J. Edgar Hoover, which is so clear and so true and so important:

Knowledge of the enemy, alertness to the danger, and everyday patriotism are the brick and mortar with which we can build an impregnable fortress against communism.

That is what J. Edgar Hoover said. These are the words of J. Edgar Hoover. These are not words uttered in anonymity. Yet we are expected to accept the word of the Pentagon anonymously that somebody has said that no longer can the Pentagon help train people against communism.

Whoever is the author of that abject appeasement statement, let him sign it. Let us have an investigation to find out who he is and why he did it and who urged him to say it, and who is behind those who urged him to say it.

When J. Edgar Hoover talks about communism, we know the author. I would like to know the author of the memorandum. I would like to see the words that were included in the memorandum, presumably prepared and sent by the Foreign Relations Committee, which has involved itself unnecessarily in the affairs of the military. I notice that the letter did not go from the Committee on Armed Services. I am not sure where the jurisdiction of the Committee on Foreign Relations ends, but it must end somewhere. I do not think it should inject itself into the Pentagon, and whether or not the officers in the Pentagon can train troops on the dangers of communism. But if it does, this presumably was written by the staff of the committee, paid for by the public, appointed by the Senate, approved by the Senate. Let us find out who wrote it. Let us find out what it said. Let us find out who reacted to it and what he said. Le us have names, so we can judge the facts.

We get names from J. Edgar Hoover when he writes to his law enforcement associates, as to what he believes to be the nature of communism. He says:

Only the intelligent efforts of all Americans can prevent the decay of public apathy from laying open our Nation to the Red menace.

That also is by J. Edgar Hoover. That also ought to be put along with the appeasement gesture of the Pentagon, with the gratuitous advice from the Committee on Foreign Relations, suggesting to the military about what it ought to be doing in its ranks. I believe that if we know who wrote each, we can evaluate each. If we know who is behind each, we can evaluate each.

This, I would hope, would come from the kind of investigation which the Senator from South Carolina proposes to press. I ask him whether he agrees with the Senator from South Dakota that it is better to have a statement signed by a man like J. Edgar Hoover than to have a memorandum handed down behind the mask of anonymity and accepted as public American policy?

Mr. THURMOND. I wish to respond to that question by saying that I am in accord thoroughly with the statements of the distinguished Senator from South Dakota.

I would like to ask the Senator from South Dakota if he knows of any segment of our population that is better qualified to inform and brief our people in this country on the aims and designs and dangers of communism than the members of our Armed Forces, who give a great deal of study to it, because communism is the main enemy of America and of the free world. Does he know of any segment that is better qualified than our military people?

Mr. MUNDT. Indeed I do not, and it was for that reason that I injected myself into this discussion. I was disappointed, after reading in the RECORD the Senator's remarkable speech of July 26, to find that it was almost entirely ignored by the American press. It is one of the great speeches of the Senate. I cannot understand how, unless he failed to hand out a news release on it, it was almost entirely ignored by our friends in the press, or unless it came too late in the afternoon and the members of the press gallery had left, and therefore the speech did not get the coverage it deserved. It certainly struck at one of the great survival issues of America.

If those issues are not to be discussed and reported in the public press, what is? Newspapers spend a great deal of time talking about crime and kidnaping and racial disputes. But here is an issue involving the survival of America. I certainly hope the press and radio and television will today proclaim the facts which the Senator from South Carolina has brought to the attention of the public. This is important. If his efforts today also fall on ears which cannot hear, and are not reported in detail by the wire services of the country, I hope he will be back on Monday, and on Tuesday. Some day sooner or later someone will realize that his words are in the RECORD, and perhaps someone will ask the question, "Why didn't it get into the press?"

We are dealing with survival. This is not child's play. This is not carping criticism. We are talking about building bomb shelters so people can live, because they might be jeopardized by Communist bombs. Yet the Pentagon is now denied the right to discuss communism with its officers and civilian associates because some staff members of the Committee on Foreign Relations and some liberal writers and the Communists have said it might be considered politics.

I believe the Senator is a member of the Armed Services Committee. I believe he can get that committee, which does have jurisdiction over the Pentagon, rather than the Foreign Relations Committee, to go into this matter and take it seriously. The Senator from South Dakota has been associated with other Senators for a long time in trying to establish a freedom academy in this country, to help train civilian employees of Government on the dangers of communism. I have frequently applauded the Pentagon because in its War College it has been doing something in the nature of a freedom academy, training its people on the dangers of communism. It was suggested that we do the same thing with our civil service employees.

It is heartbreaking and it is terrifying to find the good work in which the Pentagon has been engaged for the past several years now circumvented and now censured and now adulterated into a meaningless mumbo jumbo about communism without any meat and without any muscle, because, forsooth, somebody might say it could be interpreted as a political gesture. So the rats now come up out of their holes and, through the Communist press, attack personally some of the greatest American military leaders the country has ever been able to produce. Still we sit here and wring our hands. We appropriate more money, draft more youngsters, build more missiles, but never find out who the Communists are. We never ask what the Communists plan to do. We do not let the military know the nature of the enemy they are expected to fight. They have to fight against greed and conspiratorial interests. They have to understand communism if they are going to fight it.

Mr. President, in this connection, I ask unanimous consent to have printed in the RECORD an article entitled "Huge, Hidden Impact of the Pentagon," written by Waldemar A. Nielsen, and published in the New York Times magazine of June 25, 1961.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HUGE, HIDDEN IMPACT OF THE PENTAGON—OUR MILITARY ESTABLISHMENT HAS GROWN SO LARGE THAT WHAT IT DOES—AND SAYS—IS A MAJOR INFLUENCE, A WRITER DECLARES, IN SHAPING OPINION AT HOME AND OUR IMAGE ABROAD

(By Waldemar A. Nielsen)

In the years since World War II, a major new influence upon American prestige, foreign policy and domestic politics has rolled in upon us as quietly and as encompassingly as a San Francisco fog. Its source is the Military Establishment of the United States.

In our Government, this element is more than huge; it is of a wholly different order of magnitude from the others. The annual outlays for defense, for example, would run the U.S. Information Agency at its present level for 400 years.

The impact of a $48 billion annual defense budget on the economy is widely felt and widely understood. But the impact of our Defense Establishment on our own policy, on world opinion and on opinion at home, though equally great, is less recognized.

The military services operate a farflung international broadcasting network. Defense exchange-of-persons programs are much larger than those of the civilian agencies. Defense officials, civilian and in uniform, make several times as many speeches and write several times as many articles bearing on foreign policy as officials of the Department of State. And through its links with a battalion of national organizations, the Defense Department has a built-in system of communication with the American people unequaled in scale by anything available to other Federal agencies.

President Kennedy has now moved to apply a firmer discipline on the Military Establishment. In so doing, he appears to share President Eisenhower's view that "the potential for the disastrous use of misplaced power exists and will persist."

Increasingly throughout the Government, the impact of military programs on world opinion is recognized as a factor of major importance. The need is clearly seen to direct this impact, now largely unfocused, toward the objectives of our foreign policy. The Army's admonishment of Maj. Gen. Edwin Walker for publicly accusing various prominent national figures of links with communism was a mild—but significant—step in the right direction.

Historically, the influence of the military in American life during periods of peace has been extremely limited, at times perhaps too limited. But the nature of the Soviet challenge in the mid-20th century has made imperative a permanent Military Establishment of gigantic proportions. The maintenance of this great standing force is the price of security.

But its size is such that even its most innocent activities, such as the celebration of an anniversary, can have major side effects on matters well beyond the military sphere. On Armed Forces Day in 1959 the occasion was marked in Europe with 49 parades and 163 "open houses" at U.S. military installations in 17 countries. One and a half million visitors came to the open houses and an estimated 5 million witnessed the public displays. The attendance could be calculated, but who could estimate the effects on European opinion?

Our Military Establishment maintains its own system for providing our troops abroad with daily news and entertainment. This is done through the Armed Forces Radio and Television Service (AFRTS)—one of the largest worldwide broadcasting networks in existence. The AFRTS operates more than 200 standard-wave radio stations and more than 30 television stations overseas. These broadcast 15 to 18 hours a day carrying programs designed specifically for our servicemen and their families.

However, the foreign eavesdropper audience for these programs totals more than 5 million a day—five times the number of Americans for whom the broadcasts are tailored. They tune in because they like American jazz, because they want to learn English, and because these standard-wave transmissions can be received on an ordinary set. What they hear, however, affects more than their knowledge of hit tunes and of English vocabulary.

The AFRTS audience of eavesdroppers equals the daily audience for the English-language broadcasts of the Voice of America. They do not duplicate one another, for they do not cover the same geographic areas, nor reach the same population groups, nor carry the same kind of information. But there are two official Voices of America, not one, on the airwaves of the world every day.

Even the leftovers of the dinner plate of Defense would make a banquet for a civilian agency. U.S. forces in the Far East, as one of their incidental functions, broadcast daily programs in the local languages to north China and North Korea. This network is called the "Voice of the U.N. Commander" (VUNC)—an anachronistic designation remaining from the Korean war. Although the operation may be invisible to the naked eye against the expanse of the defense budget, it is nonetheless the largest U.S. propaganda effort directed to these areas.

Exchange-of-persons is another field in which the predominant importance of Defense is often overlooked. Its programs are more than four times as large as the Fulbright and Smith-Mundt programs combined. These latter, administered by the Department of State and by the USIA, bring some 7,000 foreign scholars and leaders to this country each year for travel and training. However, the military assistance program brings about 18,000 foreign military officers and men to this country a year. And an additional 10,000 are trained here by Defense under other programs.

Military celebrations, broadcasting and training programs have significant effect on foreign opinion. But basic military operations—the flight of an RB–47 over the Baltic, naval patrols in the China Sea, or the establishment of a submarine base at Holy Loch—have still greater psychological impact. Above all, the presence of American troops at American bases around the world is of fundamental importance as an influence upon the climate of international relations.

The United States currently maintains more than 1 million servicemen and their families overseas. On the whole, they are good natured and well behaved. Our base commanders have organized many useful community-relations activities to ease local frictions. And yet, in country after country, from Turkey and Korea to Okinawa and Morocco, the existence of American bases is endangered by a growing problem of local political and public opposition.

These developments underscore an obvious fact: military matters inevitably touch upon deep psychological and political factors and cannot be sealed off from them. The United States, through its necessarily large military programs, is generating powerful currents of public opinion around the world, many of them positive, but some negative and dangerous.

To conclude that because American military programs are unpopular with some people abroad they should therefore necessarily be cut back would be a gross error. Obviously American military bases are unpopular with Soviet leaders; they are the barriers to Soviet imperialism and colonialism. And the leaders of some neutralist nations are perhaps made uneasy by American military power. But it is the fact of this power which protects peace and freedom through the world.

The great struggle with communism is not a mere popularity contest. It is pointless therefore to ask whether military programs are making us universally popular. But it is highly pertinent, given the necessity for major military programs, to ask whether we are doing all we should to insure that they make their maximum contribution to our broad political and foreign policy objectives. To this question the answer is regrettably clear: We are not.

The deficiencies range from a simple lack of coordination to deeper confusions of concept. In the case of VUNC broadcasts in the Far East, they are only tenuously related to the policy direction of the Department of State, and to the themes of the U.S. Information Agency. There is probably not a person in Washington who knows what VUNC is broadcasting on any given day having a bearing on foreign policy.

With regard to AFRTS broadcasts, the Defense view is that they should be tailored exclusively to the interests of our servicemen overseas and that programing should not be affected by concern for the possible repercussions on the "eavesdropper" audience. This principle is said to protect our troops from propaganda; and also, incidentally, to insure the greatest propaganda value from the broadcasts. Defense officials argue that the impact on the "eavesdroppers" is especially strong and positive because they know they are overhearing conversation among Americans, not warped information designed to advance some foreign policy purpose.

Though plausible, this view is open to criticism. AFRTS programs are indistinguishable from those of any station in New Jersey—except that the commercials have mercifully been eliminated. In the American manner, AFRTS broadcasting is essentially a medium of entertainment.

But the absence of educational programs and of programs intended to give our forces some understanding of the countries in which they are stationed conveys to foreign eyes and ears an impression of superficiality and insularity.

The broadcasts massively advertise—perhaps magnify—the American military presence throughout the world. But reliance on the theory that the best way to deal with the side effects of broadcasts on foreign opinion is to ignore them is, in effect, substituting for policy a trust in luck.

The same viewpoint—or absence of policy—prevails with respect to the impact of military training and exchange programs. The Defense position is that its task is strictly technical—to improve the fighting capacity of the military forces of our allies—and that it is not in the business of giving political indoctrination to foreign trainees.

Moreover, it is pointed out that the countries from which military trainees come would not welcome our attempts to give their personnel ideological as well as technical instruction. Yet there is disquiet in both military and nonmilitary circles about the results of this approach.

Foreign trainees as a result of their visits obtain not only technical experience but deep impressions about the nature of American society. For example, the majority who come here are men of color. Many of the training establishments to which they come are in the South. To what extent do they obtain inadvertent ideological indoctrination from the segregation practices they see after hours and on weekends in the towns near the military camps?

More disturbing still is the question of the effect of military training on political developments in many of the emergent and unstable countries abroad. Most of the military leaders who have seized power or attempted to seize power in recent years in Turkey, Pakistan, Korea, and France, are ex-participants in U.S. military training programs. Moreover, in many areas of the world where political conditions are chaotic, military leaders are playing an increasingly decisive role.

Despite our unwillingness to mix politics with technical military training, have we nevertheless colored political changes abroad by our military training programs? In unstable countries with few trained and competent leaders, have we not almost predetermined military takeovers by giving training to large numbers of military leaders while giving equivalent training to relatively few of their civilian counterparts?

What we might effectively do about the political and psychological ramifications of our international military programs is not clear to anyone in Washington. Soviet practice obviously is to put heavy emphasis and high priority on ideological aspects of such activities. In ours, all of which bear upon foreign opinion, we follow a consistently nonideological, nonpolitical approach. This has caused a good many foreigners to see our military creature as something of a dinosaur, a beast of mass and muscle but little mind, a vast but vapid power.

Although it may present a politically faceless image abroad, our Military Establishment at home presents a clearer profile—and the features are distinctly political. This is the more important because it connects with a large system of communication with the American public through which the military viewpoint on national and international issues is constantly disseminated.

Quite apart from the industries dependent on military contracts, Defense enjoys the backing of a spectrum of national organizations closely allied with it and actively in support of programs in which the military is interested. The Department of State and the economic-aid agencies have little or no such organized support among the citizenry.

The military "constituency" ranges from the several veterans organizations to more specialized groups such as the Navy League, the Marine Corps League, the Association of the Army, the Air Force Association, and the Reserve Officers Association. The Reserve system itself is of importance since it involves more than 4 million men and women. These include in every State a cross section of influential persons—in the professions, business, fraternal groups, trade unions, and the mass media. Seven hundred thousand of these reservists are members of active units which meet regularly throughout the year.

Much of the publicity flowing from the Pentagon relates to the unceasing competition among the three services for budget and jurisdiction. So fierce and constant is this intramural struggle that a British observer has called it the American substitute for "the playing fields of Eton" in forging our victories on the battlefield.

However, there is another portion of the information from the military establishment which is of greater significance politically, namely speeches and articles dealing not only with military issues but with the international situation. Defense spokesmen, both military and civilian, make about six times as many speeches involving foreign policy matters as officials of the Department of State; similarly they issue about six times as many articles bearing on foreign policy.

These many speeches and statements are not in violation of established U.S. foreign policy. But neither are they identical with the views of the diplomatic branch. They reflect a preoccupation with the cold war and resistance to Soviet threats, but little concern with our own constructive policies and programs.

They commonly emphasize the danger of trusting in Soviet good faith and stress that our national security fundamentally—almost exclusively—depends on military strength, not upon the possibility of negotiation. Given the present state of tension between the United States and the U.S.S.R., such a shading of emphasis may seem of little practical importance at the moment. But if some progress should be made toward a disarmament agreement at Geneva, a difficult problem can be foreseen of obtaining public and congressional approval in the face of widespread skepticism of Soviet bona fides.

Expressions of the military point of view render a vital service in checking the spread of unrealistic expectations among the American people. However, because of the preponderance of military statements on international issues the question must be asked whether a systematic bias is not being introduced by this branch of Government into the stream of American public opinion.

In a somewhat different sphere, the domestic political implications of military activities are even clearer. Demonstrations of the growing scientific, industrial, and military power of the Soviet Union and the emergence of a situation of protracted conflict have given rise to grave concern in military circles about the state of our national preparedness. For the vast majority of officers and civilians in Defense, this has taken the form of concern about the adequacy of our strategy, forces and equipment.

But among some, their concern is focused on the internal as well as the external threat of communism—on what is regarded as a lack

of American understanding of the nature of communism, a lack of emphasis on this danger in the curricula of American schools, and the infiltration of communistic influence in various areas of American life.

These officials have exerted themselves both on a private and on an official basis to do something about the situation. They are not infrequently to be found speaking at gatherings of high school teachers and leaders of church and civic organizations. Their suggestions about classroom and adult-education programs on the nature of communism have been adopted by a number of school systems and other organizations throughout the country.

For those school systems which decide to undertake such teaching programs, the Department of Defense makes available sample teaching materials, such as film strips, records and discussion guides. It has also cooperated with private organizations in assembling background research material to be used in teaching about communism in secondary schools and colleges.

With respect to the active reserve organizations, they are used, on the whole, for purposes of technical military instruction. In some specific units, however, considerable emphasis is given to lectures and discussions of broad issues of communism and international relations. At various times the idea has gained some currency in defense of conducting a large-scale grassroots educational program about the nature of communism through the reserve organizations, but so far this idea has never been carried out.

However, the cooperation which has now developed between the Defense Department and the Institute for American Strategy is interesting to examine. This private organization, among other activities, has given two special seminars for Reserve officers at the National War College in Washington during the past two summers. These seminars have emphasized not only the dangers of the manifold Communist threat abroad; they have also called for militant action on every level of American society to meet the internal challenge of communism.

Members of the military services who are giving their time and effort to these programs are deeply, patriotically concerned about what they feel is a lack of preparedness in the United States for the world struggle in which we are now engaged. And they have the unquestioned right to express their views. But when the prestige and massive facilities of the Defense Establishment are thrown into the balance of discussion of important domestic political questions, serious issues of democratic principle arise.

To be noted more as a curiosity than as a symptom of rightwing tendencies throughout the Military Establishment has been the recent identification of prominent military personalities—both active and retired—with groups like the John Birch Society and the Christian Anti-Communist Crusade.

These organizations—which seem more interested in combating communism by impeaching the Chief Justice and eliminating the Federal income tax than by strengthening NATO—have had some access to Government facilities for their activities. The military services take care to explain that they do not give official and direct sponsorship to them and that any military participation is on an individual basis.

Both President Kennedy and former President Eisenhower have now expressed their concern about the growing role of the military in the life of the Nation.

General Eisenhower, in his farewell speech to the Nation on January 17, 1961, gave clear warning about the changing role of the military in our national life: "The total influence—economic, political, even spiritual—is felt in every city, every statehouse, every office of the Federal Government. We recognize the imperative need for this development. Yet we must not fail to comprehend its grave implications. Our toil, resources and livelihood are all involved; so is the very structure of our society."

President Kennedy, in his special message of March 28, 1961, on the defense budget, declared: "Neither our strategy, nor our psychology as a nation—and certainly not our economy—must become dependent upon the permanent maintenance of a large military establishment."

He added, "Our arms must be subject to civilian control at all times."

That our Military Establishment under the circumstances of the cold war will continue to radiate enormous influence upon our foreign policy, our prestige abroad and our life at home is inevitable. The task is to decontaminate such influence politically.

The vast majority of our military are loyal and dedicated to the tradition of a nonpolitical military establishment. It is up to Mr. McNamara, the Secretary of Defense, to work with them to keep that tradition, under the unprecedented conditions which now prevail, intact.

Mr. MUNDT. Mr. President, the article struck my curious nerve a long time before the Senator from South Carolina threw this subject bluntly into the face of America. Mr. Nielsen is the associate director for national affairs for the Ford Foundation. The article is informative and interesting. But what made me curious, as I read it through, and I recommend that everyone read it through, because it gets more interesting near the end—was the fact that a foundation which is tax exempt—and the distinguished majority leader spoke this morning about the plugging up of some tax loopholes—is attempting to formulate policy.

It seems to me that Congress ought to study more carefully tax-exempt foundations, with their hundreds of millions of dollars, which are trying to influence public opinion, in violation of the tax exempt consideration which they receive. My curiosity was aroused by the fact that the content of the article seemed to be a political move. I did not object particularly, because the author did not raise any great point. But the mission was there; the purpose was there; the political implications were there. So I thought: "I will put this away. We will be talking about raising taxes. We are hearing it said that schoolchildren should have to pay an extra cent for a postcard."

Perhaps the multimillionaires who sponsor tax-exempt foundations ought to pay taxes on their foundations. The Ford Foundation is not poor. I do not object to their getting into politics, influencing public opinion, or trying to get the people to follow their particular position. That is Americanism. But if they do, then let them pay taxes, just as the Democratic National Committee and the Republican National Committee must use money on which taxes have been paid. That also is Americanism. If an organization is to be a tax-exempt foundation for research, that is one thing; but when it hops into the arena and tries to determine public policy, I suggest to the majority leader, to the President of the United States, and to the Secretary of the Treasury that if they are looking for more money—and we all are—do not look so long and so hard at the schoolchildren, who are being asked to pay an extra cent for a postcard; look at the multi-million-dollar foundations, which are playing cats and dogs with the whole concept of tax exemption.

That is what struck my curiosity. But after listening to the Senator's speech, I read the article again. Lo and behold, Mr. Waldemar A. Nielsen has joined in the attack against America's distinguished military personnel. I shall not read the whole article, but I shall read some of the article, in which he says, near the conclusion, and he makes some very valid points about the fact that we do have to have two Voices of America, we do need more coordination in our oversea information program, and on all of these points I agree and have so commented many times. Then he says that the expressions of military point of view render a vital service in checking the spread of communism among the American people. Then he continues:

> In a somewhat different sphere, the domestic political implications of military activities are even clearer.

At what is he driving? Is this something to promote Ford automobiles? Is it General Motors propaganda? Is it something in which the Ford Foundation is interested as a matter of research? No. This is something which deals with the formation of American opinion. I continue:

> Demonstrations of the growing scientific, industrial, and military power of the Soviet Union and the emergence of a situation of "protracted conflict" have given rise to grave concern in military circles about the state of our national preparedness.

Holy jumping South Dakota catfish! It has not only given rise to concern in military circles; it has given rise to concern in circles wherever intelligent and intelligible Americans live these days. But this is a sly dig at military circles. So he continues:

> For the vast majority of officers and civilians in Defense, this has taken the form of concern about the adequacy of our strategy, forces, and equipment.

That is good.

> But among some—

Now he does not go the full route and call the roll; he does not even attack the first poor victim of this new policy of censorship from the top, General Walker. He indirectly takes a throw at the latter in the article, but he does not directly attack him. He says:

> But among some their concern is focused on the internal as well as the external threat of communism.

Mr. President, if only among some in the military there is any concern about the internal menace of communism, we are in worse condition, 10 times over, than the President indicated in his television address of this week. I would hope that such concern would be among all of the members of the military. The Pentagon has been trying to make that concern felt among all, but the new order denies them that right.

So I suppose that whatever is interpreted as the number under the term

"some" will become smaller and smaller and there will be fewer and fewer of the military who can be expected to focus on the internal as well as the external threat of communism.

I suggest that from that point on, Senators and students of the CONGRESSIONAL RECORD read for themselves.

But even a great metropolitan newspaper helps to spread this kind of information, inadvertently, I suppose, and without a careful reading of the text; and the Ford Foundation becomes involved in the fight—and it has a right to do so. But let it from now on pay taxes with the money it uses in fighting for its position on public policy. That is all I ask. Let it pay taxes, just as the rest of the public has to do.

But I point out how dangerous it becomes when reputable groups find themselves associated on the same side of the argument against the military as those who the Senator from South Carolina has placed in the RECORD very specifically, from Communist sources. I wonder if the Senator from South Carolina feels, as I do, that if we are to become engaged in this kind of battle, at least the tax-exempt foundations ought to pay their freight, and not do so with the public money. I ask that question.

Mr. THURMOND. Mr. President, I agree fully with the Senator's contention. Again I wish to thank the distinguished Senator from South Dakota for the useful contribution he has made to the discussion on this subject. I wish to remind the Senate of the words of J. Edgar Hoover, Director of the Federal Bureau of Investigation, and author of "Masters of Deceit," and a most intelligent worker in the field of communism, when he made this statement:

> We cannot hope to successfully meet the Communist menace unless there is wide knowledge and understanding of its aims and designs.

Mr. President, what Mr. Hoover says is that if we are to meet the threat of communism, we must understand its aims and designs. That is exactly what the military people in the Pentagon and throughout the Nation have been trying to do. They have been trying to educate the military personnel on the aims and designs of communism. That is what has been prohibited and curtailed in the directive recently issued in the Pentagon.

Mr. MUNDT. Mr. President, will the Senator from South Carolina yield?

Mr. THURMOND. I yield.

Mr. MUNDT. Mr. President, I ask unanimous consent that at the conclusion of the remarks of the Senator from South Carolina—I do not wish to interrupt his remarks—there be printed in the RECORD two items, one of which is an eloquent sermon delivered by Dr. Roger L. Fredrikson, of the First Baptist Church, Sioux Falls, S. Dak., to his congregation at the morning worship services on July 9, 1961. The sermon is entitled "The Christian and the Challenge of Communism."

The other item is the resolutions adopted by the Department of South Dakota, Veterans of Foreign Wars of the United States. The resolutions express the stand the South Dakota department takes on the major issues of our day. I urge Senators and others to give the resolutions their attention and study.

The PRESIDING OFFICER. Without objection, the sermon and resolutions will be printed as requested.

(See exhibits 1 and 2.)

Mr. THURMOND. Mr. President, today the United States and the free world have only one enemy, and that is communism. We should leave no stone unturned, as Mr. Hoover has said in informing our people of the aims and designs of communism. Our military personnel are trying to disseminate that information; but there has been issued a directive prohibiting the official showing to our military personnel of the film "Operation Abolition," which shows how communism infiltrates and shows how subversion can actually occur in our own country. All that is part of the workings of communism, and our people should know about it.

Mr. RUSSELL. Mr. President, will the Senator from South Carolina yield?

Mr. THURMOND. I am pleased to yield to the distinguished chairman of the Armed Services Committee.

Mr. RUSSELL. Mr. President, some complaints that the film had been barred were forwarded to me. I took up that matter with the Department of Defense, and was told that the showing of the film had not been barred.

When was the order barring the showing of this particular film issued? I took up the matter with the Department of Defense. Undoubtedly they are attempting to discourage the showing of the film; but they said they had not barred it. That was some 3 or 4 weeks ago. It may be that it has been barred since that time.

Mr. THURMOND. My information was that it was barred from official use; and I understand that the date was the 10th of March 1961. This was in the form of a memorandum from the Secretary of Defense to the Service Secretaries.

Mr. RUSSELL. I think undoubtedly they were trying to discourage its showing. If its showing had been barred, I was going to make inquiry into that. But I was assured by the Secretary of Defense that it had not been barred.

I think the Senator from South Carolina is entirely correct in the position he has taken, namely, that efforts have been made to keep the men in the Armed Forces of our country, who are among our finest citizens, and certainly have contributed as much to our common country as has anyone else, from freely expressing themselves. I do not approve of that in the slightest degree.

But I do wish to be informed if the film has been officially barred by the Department of Defense—so that the Armed Services Committee can look into that matter.

Mr. THURMOND. I shall be glad to obtain that information from our files, make it available to the Senator from Georgia, and place it in the RECORD on Monday, because it is important.

Mr. President, in closing I wish to say there is now out a new film, designated "Communist Encirclements—1961." This film was made at Hardin College, by the National Education Program, at Searcy, Ark. We shall see what the Defense Department does about allowing our military personnel to see this film. It is an updating of the film "Communism on the Map," which has been banned from use by the military.

Mr. MUNDT. Mr. President, will the Senator from South Carolina yield?

Mr. THURMOND. I am glad to yield.

Mr. MUNDT. Is that the same college which issued a previous film which has had great acclaim in this country—a film called "Communism on the Map"?

Mr. THURMOND. Yes, it is the same one. That film was banned on April 21, 1961, and this film, "Communist Encirclements—1961," is the product of bringing up to date "Communism on the Map."

Mr. MUNDT. The Senator has anticipated my next question, which is this: Has "Communism on the Map" been barred by this Department of Defense censorship directive, along with the film "Operation Abolition"?

Mr. THURMOND. It was banned even more completely by a memorandum dated 21 April, 1961.

Mr. MUNDT. That matter is of such great importance that I believe we might well devote the entire afternoon to discussing it, even though we shall not do so. But I think we could well do that. I think that much more important than any of the other matters we have before us at this time. However, I do not propose that we take all afternoon on this subject; I simply state this by way of emphasis.

Mr. MAGNUSON. Mr. President, if the Senator from South Carolina will yield to me, let me say I think we can take all afternoon on such matters, if Senators wish to do so, after we handle the necessary essentials first.

Mr. THURMOND. Mr. Presdent, for what purpose does the Senator from Washington wish me to yield?

Mr. MAGNUSON. I wish to suggest that we commence action on this important bill; and then Senators can talk the rest of the afternoon, if they wish. But someone must do the kitchenwork and keep the house going; we must get underway our action on these essential items. Thereafter, Senators can talk all day, if they wish; and I will cooperate.

Mr. MUNDT. Mr. President, there is no use in building a house unless we maintain the police force and the fire department to protect it; otherwise, the contents of the house may be stolen or the house may burn down. In fact, far too many houses which have been built have been destroyed in just such ways. So I think this matter is most important.

I make this statement because the speech the Senator from South Carolina made on this subject yesterday, which was made late in the afternoon, was not widely reported in the press. So I am glad he is speaking on the subject now, because now the press gallery is well attended, and there are many visitors in the Senate galleries. Let me say that if nothing in regard to the speech the Senator from South Carolina is making now is carried in the press today, we shall try again on Monday, and, if necessary, on

the following days, until we finally wear them down. [Laughter.] Surely it is most important that sufficient attention be paid to this issue.

It is one of the most important survival issues in our time.

I wish to ask the Senator from South Carolina whether he has been able to obtain from the Pentagon the precise wording of the new censorship order, and whether he intends to place it in the RECORD today, in connection with his remarks.

Mr. THURMOND. I do not have it with me, but I will get it from my files and place it in the RECORD.

Mr. MUNDT. I may say that I have written to Secretary McNamara, myself, in an attempt to obtain the memorandum. It may arrive later today; and it should be made part of this RECORD.

I do not think the distinguished chairman of the Senate Armed Services Committee should have to be uncertain as to whether a memorandum issued by the department of the Government which operates under the jurisdiction of his committee contained a bar to the showing of the film "Operation Abolition." The Senator from Georgia says he does not know with certainty. He says he thinks it has not been issued, and he hopes it has not been issued, but he does not know. Likewise, I hope it has not been issued. But certainly we should know whether use of the widely acclaimed, completely documented film "Operation Abolition" is prescribed, discouraged, or prohibited.

Why should anyone keep hidden from the Congress the text of any memorandum issue by the Senate Committee on Foreign Relations? Why should not all of us know what it contains? Why should not we know what the reaction to it was? Was it the White House, the Secretary of Defense, the Foreign Relations staff, or who was it that ordered this about-face on the teaching of the evils of communism?

It is said that we must lay aside these matters, in order to enable the necessary "kitchenwork" to be done. However, I point out that it does little good to build a house and do the kitchenwork in regard to the house and do other work in connection with the house, if one is not prepared to defend the house from attack and destruction. Therefore, it is essential that we be prepared in all necessary ways, including the obtaining of information regarding those who would attack us, and including the procurement of sufficient planes, missiles, other military equipment of all sorts, and also sufficient know-how regarding our enemy. We must know who he is, how he operates, and where some of his stalwarts are located in our country—for not all of them are in Moscow. Some of them have their headquarters on 13th Street in New York City.

Many operatives of our enemy are to be found in almost all parts of our country, and we should know about that situation so as to be better prepared if war comes.

So I hope the Senator from South Carolina will press for production of the resolution or the memorandum, or whatever was the unfortunate document issued by the Senate Committee on Foreign Relations. Let us get it in the RECORD. Let us have no more censorship, not only of unfortunate officers of our Army, but also of Senators and Representatives in Congress, by persons in the Pentagon or those who have appointed them.

Mr. THURMOND. Mr. President, I should like to state that I have requested this memorandum from the chairman of the Senate Foreign Relations Committee, but have been refused the memorandum. I was told it was gotten out by the chairman of the committee or by the committee staff——

Mr. MUNDT. Perhaps the Senator could have gotten it from the Pentagon, if the committee regards it as holy writ.

Mr. THURMOND. I was told that it was gotten out by the staff of the Senate Foreign Relations Committee or by the chairman of the Senate Foreign Relations Committee, and that a copy was sent to the President of the United States and a copy was sent to the Secretary of Defense.

There is no question that the military personnel have been hampered—I know that—in connection with the conducting of these seminars and the matter of indoctrinating their personnel as they should be. I understand the film, "Operation Abolition" is said to be controversial, and it is said it should not be shown to the military.

Mr. President, with whom is it controversial? So far as I know, it is controversial only with those who do not or will not understand communism and with the Communists themselves. Surely it is controversial with them, because they do not want it shown. They do not want our military to show it to our military personnel or to our civilian population. They have substituted for that film a film called "Challenge of Ideas." I sent for and got a copy of that film and saw it several days ago. I want to say to the Senate now that the film "Challenge of Ideas" is nothing but a namby-pamby film. It is a gutless film, gotten up by gutless people; and it is a shame that our military cannot be shown the true aims, intents, and dangers of communism.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. THURMOND. I yield.

Mr. MUNDT. Would the Senator from South Carolina agree that it is worse by far to show the kind of namby-pamby, gutless film he has described than to show nothing at all, because it tends to give viewers the wrong impression about the magnitude, structure, and size of the Communist menace? If we are not going to show them the true facts, we should show them nothing at all, because letting them see Communists acting like people on a Sunday school picnic does more harm than good. It serves only to disarm Americans.

Mr. THURMOND. It is a sorry pretense for the original film.

Mr. MUNDT. And worse than nothing at all.

Mr. THURMOND. And a sorry pretense for the new film called "Communist Encirclement, 1961."

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. THURMOND. I am glad to yield to the able and distinguished Senator from New Hampshire.

Mr. BRIDGES. I wish to compliment the Senator from South Carolina [Mr. THURMOND] first, for the speech he made this week in the Senate. I commented on it yesterday, when perhaps the Senator was not on the floor, and I wish to reiterate it at this time. I think he is performing a real service.

When a committee of the Senate like the Foreign Relations Committee, or its chairman, the distinguished Senator from Arkansas, gets out a report and sends it to the Armed Forces, the Secretary of Defense, when he sends it to the President, certainly the Senate of the United States, of which that committee is an integral part, is entitled to see that report and to have it. If it is made in good faith, certainly there is nothing to be ashamed of. In my opinion the Senator from South Carolina, and every other Senator, is entitled to it. I think the point the Senator raises is an exceptionally good one.

It is the first instance of a Senate report of this kind which has been made to a President of the United States, or to a member of the Cabinet, for a long time, being refused the Senate of the United States. I think it is a good issue to make.

That report was carried by the press of the country, and it was carried widely. Certainly, I think it is very peculiar when the demand is made in the Senate that it be published was not carried.

On yesterday I read the statement that the national security administration had had an investigation and had ousted 26 sex deviates from that very sensitive agency. It was started last September as a result of charges made. I am much pleased that the national security agency has taken these steps, but I am appalled to think that they found 26 sex deviates in that very sensitive, high Government agency, which shows that these people who want to cover everything up and sweep it under the rug probably have a purpose.

I think it is a disgraceful, appalling, and horrible thing that there were 26 sex deviates in a supersensitive agency, with the security of the country at stake.

I want to compliment the House Un-American Activities Committee for causing the investigation and to compliment the agency for the prompt action taken. I am shocked that those characters were in it. If they are in the most sensitive agency of Government, God knows what we have in the rest of the Government.

I compliment the Senator. I hope he will continue his fight.

Mr. THURMOND. I wish to compliment the very distinguished Senator from New Hampshire, who is one of the ablest Senators here, for these remarks, and also to say to him that it is clear that he understands communism and its aims and designs. I only wish every American in this country had the conception he does and knew the dangers of communism as he does. That is what our military people have been trying to point out to members of the Armed

Forces, and that is why they have conducted these seminars. The seminars have been conducted throughout the country for the benefit of military officers, editors, leaders in communities, to inform them on the aims and designs of communism. We want them to continue it. We want the American people to know the dangers of the one enemy that confronts America, the one enemy that is a threat to the free world. We do not want orders issued, regardless of who issues them, that stop this very important work from being done.

I ask unanimous consent to have printed in the body of the RECORD, following my remarks, a speech by Senator BARRY GOLDWATER to the State convention of the American Legion, Department of Texas, at the Rice Hotel, Houston, Tex., on July 28, 1961, which is pertinent to this question, and in which are quoted some of the remarks of the Senator from South Carolina.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 3.)

Mr. DWORSHAK. Mr. President, will the Senator yield for a question?

Mr. THURMOND. I am pleased to yield to the Senator from Idaho.

Mr. DWORSHAK. Does the Senator from South Carolina have a copy of the letter which was sent to the Pentagon by the chairman of the Foreign Relations Committee?

Mr. THURMOND. In response to the able and distinguished Senator's question, I will say the Senator from South Carolina does not. The Senator from South Carolina requested a copy of the memorandum prepared by the staff of the Foreign Relations Committee of the Senate, but the chairman of the Foreign Relations Committee has not provided that memorandum. I understand he takes the position it was gotten up for him by the staff. Yet he sent it to the President of the United States and sent it to the Secretary of Defense. Of course, there could be no other purpose that I could see in sending it to the Secretary of Defense if it was not to influence the Secretary of Defense along the lines indicated in the memorandum. The Senator from South Carolina would like to see that memorandum.

We feel that, since it has been sent to the President and a member of the Cabinet, and since it is having its effect in the Defense Department, the Members of the Senate are entitled to see that memorandum. It was prepared by the staff of the Foreign Relations Committee, which is a part of the Senate and paid for by the public. Why should not the Senate be entitled to see it?

Mr. DWORSHAK. Does the Senator from South Carolina believe, from what information he has concerning this memorandum or letter, that it is entitled to be treated as classified material in any way?

Mr. THURMOND. In response to the Senator's question, I would say that this memorandum was seen by the press. I know of no reason why it should be classified, because the New York Times referred to it, and the New York Times referred to the effect it was having in the Pentagon.

Mr. DWORSHAK. I thank the Senator.

Mr. THURMOND. I yield the floor.

EXHIBIT 1

THE CHRISTIAN AND THE CHALLENGE OF COMMUNISM

(By Dr. Roger L. Fredrikson, at the morning worship services, July 9, 1961, First Baptist Church, Sioux Falls, S. Dak.)

("If any man would come after me, let him deny himself and take his cross and follow me.")

This message is shared with you today because in the shadow of Independence Day most of us have asked ourselves what this country means to us. We are concerned about its future and whether we can measure up to the high calling and responsibility which God has given us as a Nation. Beyond this, however, I have a feeling that there is much confusion and carelessness concerning the Christian life among those of us who are church members. We do not seem to be able to contribute to the spiritual destiny of our Nation.

Once again we are caught up in the drama of the city of Berlin and before the year is out we may be asked to decide the fate of that divided city. Since Berlin has come back into the news again I have been forcibly reminded of my one visit there in 1952. I recall so vividly coming into the Templehof Airport where the planes of the West had landed every few minutes for 11 months with the vast supplies to keep the city alive during the airlift of 1948. During the days in that city our time was spent in rebuilding one of our bombed out Baptist churches. I had occasion during this time with some youth leaders to visit the Communist-dominated sector of that city.

I will never forget watching the work along Stalin Alle, the propaganda street of East Germany. Loud, martial music was being played over the speakers and every so often a voice would shout, "Do not forget, you are building a new Germany. The Americans are the warmongers. We are building for peace." Further on down the street was a Soviet culture center and across from it the great statue of Joseph Stalin. As we stood there some young people in blue uniforms marched by the statue shouting a salute with clenched fists cast against the sky. My German friend informed me that these young people represented the new Communist youth movement of East Germany. The five fingers of each clenched fist, he said, symbolized the five cardinal beliefs of Marxist communism and the clenched fist symbolized the one world which would come into being when man accepted these five convictions. That experience has haunted me ever since.

It is almost incredible that it was only in 1818 that Karl Heinrich Marx was born of a Jewish lawyer and a Dutch wife. The son had an understanding of the Old Testament but he was also nurtured in the dialetic of Hegel and the materialism of Feuerbach. With the help of Engels, Karl Marx produced two great revolutionary documents, "The Manifesto" and "Capital." It was in 1917 that Lenin began an uprising in Russia based on the teachings of Marx. That revolution begun less than 50 years ago with about 40,000 followers has brought under its domination at least 800 million people. There is not a one of us in this congregation today whose life has not been affected by this movement. The possibility of a world dominated by communism hangs over the whole of our lives. In the very simple fact of paying our taxes we spend in the neighborhood of 45 billions of dollars to try to construct a defense against world communism.

There are many complex causes for this amazing conquest. Certainly one of the reasons is the revolutionary technique of communism itself. The capacity for adaptation, for penetration, the genius for selling ideas and appealing to the masses, the willingness to become involved in the struggle itself—all of these are a part of a technique to dominate. Furthermore, we cannot escape the responsibility that the spread of communism is due in part to the failure of the West. We have made easy-going bargains at world conferences. We have too often failed to identify ourselves with the oppressed. We have been pictured as the supporters of colonialism. Now our sins have come home to judge us. Or consider the failures of the church. In the face of militant, aggressive communism the church has been all too content to tinker with machinery rather than to care for the souls of men. It has been said that in 1917 while the Communist leaders were preparing for revolution the proud leaders of the church were debating the colors of vestments for the priests. A self-centered spiritually dead church is judged by Marxist communism. In all of this there has been man's increasing willingness to accept materialism as the final explanation of all life. And one cannot forget that the powerful ideas of communism itself have had a tremendous appeal for many people.

One of the central convictions of Marxism is that matter is the key to all reality. The struggle of men for bread is more basic, says the Marxist, that his ideas or values. History has been economically determined and one enters into its meaning by grasping materialism as the key. Our problem has been that while we call ourselves Christians and claim to live by spiritual values many of us are materialists without admitting it. This becomes our great hypocrisy. The Communist is an avowed materialist with a logic to support that faith.

Secondly, the Communist is convinced that one must understand the role of the classes, and class struggle. In every culture there have been the oppressed and the oppressor. In feudalism, the first stage of culture, the serf is the oppressed and the lord is the oppressor. In capitalism, the next stage, the proletariat is the oppressed and the bourgeoisie is the oppressor. Then in socialism it is the state and the masses, and finally this becomes the classless society, the ideal of communism. Now in each of these stages the oppressed must overthrow the oppressor. This is his destiny and his calling. Therefore, the Communist looks upon himself as a midwife delivering those who have no political or economic rights. He is not afraid of bloodshed and violence. This is part of the birth pangs in the movement of history toward the classless society.

The only morality the Communist knows is the ethics of revolution. Those who stand in the way of the coming of the classless society must be eliminated if need be. Faithfulness to the revolution is the key to morality. He says that God is a myth invented to help keep the oppressed in their places. They will keep quiet if they are promised blessing in the next life. Therefore, the logic of the Communist is that if capitalism is destroyed God will automatically tumble. It is more real to ask "Father" Khrushchev for bread than it is to ask the Father to whom Jesus prayed for bread.

The final goal of all history, says the Communist, is the classless society. This will mean the abolition of all property being held by individuals. Every man will receive as he has needs. Neither will there be the division of classes—only one great brotherhood. This is the Communist heaven.

These basic ideas are being sold and implemented with a fanatical zeal. This is what makes Marxist communism a religion.

The dedicated, core Communist is convinced that he is working for a universal revolution. He lives by faith and hope which are frightening. Here is a former American, for example, who went to Mexico and became a Communist. He then wrote to his fiancee breaking off their engagement. In part this is what he says: "We Communists have a high casualty rate. We're the ones who get shot and hung and lynched and tarred and feathered and jailed and slandered and ridiculed and fired from our jobs and in every other way made as uncomfortable as possible. A certain percentage of us get killed or imprisoned. We live in virtual poverty. We turn back to the party every penny we make above what is absolutely necessary to keep us alive. There is one thing in which I am in dead earnest and that is the Communist cause. It is my life, my business, my religion, my hobby, my sweetheart, my wife and my mistress, my bread and my meat. I work at it in the daytime and dream of it at night. Its hold on me grows, not lessens, as time goes on. Therefore I cannot carry on a friendship, a love affair, or even a conversation without relating to this force which both drives and guides my life. I evaluate people, books, ideas, and actions according to how they affect the Communist cause and by their attitude toward it. I've already been in jail because of my ideas and if necessary, I'm ready to go before a firing squad." In the face of this what commitment do we bring or offer? That is communism's challenge.

It is little wonder that we can say with the Apostle Paul, "For we wrestle not against flesh and blood, but against principalities, against powers, against the rulers of the darkness of this world, against spiritual wickedness in high places." Dear people, the deepest challenge of Marxist communism is not a call to guns or atomic warfare. It is a call to a life and death struggle in the realm of faith and dedication. In the face of aggressive materialism do we simply offer a better materialism—more cars or bigger houses? In the face of a man-made revolution offered among the masses do we believe in the coming of the Kingdom of God? Do we really think that a little apologetic halfhearted faith is enough?

Deep within ourselves we know that the kind of belief and conviction most of us have is not enough. What is needed is a new age of Christian heroism. T. R. Glover, the great Baptist historian of another century, says that the early Christians "outthought, outlived and outdied the pagans." This is why they captured their world. God is calling us to this kind of Christian dedication and courage again. In the words of Jesus, "If any man would come after me let him deny himself and take up his cross and follow me."

First of all, Christians need to move out of the vague confusion of Christian thought into a deepened understanding of our Christian faith. The heart of the Christian message is that God is the Maker of this world, that man is not so much a physical animal as he is a spiritual creature made in the image of his Maker. Man's sin lies not in the ownership of property, as the Communist maintains, but in his disobedience, his rebellion against God. The hope for man's salvation lies in Christ's sacrifice in his behalf. This is God's great gift to man. In the end the purposes of God will finally triumph and Jesus Christ will be declared King of Kings and Lord of Lords. In other words, at its heart this is a spiritual universe, not a material universe.

Now the burning, central question is whether or not we really believe this. Have we lived with the truth of the Holy Bible enough and have we pondered the meaning of our own faith sufficiently to be dedicated to the truth of Christ which will set us free? Only a triumphant faith rooted in the truth to which we have given ourselves can overcome the doctrine and teachings of Marxist communism. This is a call to every member of the Christian church, to every Sunday school teacher, to our deacons and trustees to rededicate themselves to the truth of the Gospel and to its propagation.

Secondly, we are challenged to once again recover a holy compassion for a lost and needy world. Contrary to everything the Communist says about the Christian we have always had a deep concern for the physical welfare of men. Our Lord taught us to pray, "Give us this day our daily bread." In its finest hours the Christian movement has been a dynamic force in behalf of justice. This is why Christian people have led in prison reform, in the building of hospitals and schools. That is why Christians are engaged in the struggle against social injustices today—including racial segregation, poor housing and unequal job opportunities. The story of Christian missions is a glorious tale of compassion and concern for the unfortunate of the earth.

More than this, Christians who have understand the command of the Lord have had a yearning to reach the spiritually lost with the Gospel. We know that we are under orders to take the story of God's saving grace to every creature on this globe. Now, I say, we must recover that passion until once again the church becomes like a tide or a mighty fire that sweeps everything before it. This is our only hope to roll back the wave of all false teachings.

Finally, there is a need for sacrifice and dedication that will go all the way with Christ to the cross. We must ask ourselves if we are willing to tighten our belts and to simplify our lives so that we will be centered in Christ and not in ourselves. We will not win this world in a kind of easy, comfortable, superficial manner of life. We must be willing to take up our cross. I talked this week with an attractive young lady who declined the opportunity to have a date with a fine young Christian man. As she said, "I have dedicated my life to the missionary cause and nothing must come in the way of that dedication." Within the power of the Gospel and the lordship of Jesus Christ lies the hope of our world. Here is a revolution that makes Marxist communism pale by comparison. If we are not willing to accept this challenge then we may well become castaways as God lays His claim on others. This is the challenge and the issue of the hour.

Let us pray.

Lord, forgive us for our half-hearted faith. We have tried to take the easy way out. We have shunned taking up Thy cross and now we are shamed by those who have zeal and dedication for causes which deny Thee. Forgive us. Grant us Thy spirit and a new vision of Thy kingdom. In the name of Christ. Amen.

EXHIBIT 2

RESOLUTION 1—PENSION PROGRAM

Be it resolved, by the Department of South Dakota, Veterans of Foreign Wars of the United States, That we seek approval of the following recommendations by administrative changes or legislation, as applicable:

1. Establishment of a separate and more liberal pension program for World War I veterans based on reasonable disability, income and age criteria.

2. Pension rates and income limitations should be substantially increased.

3. Provisions of the Veterans Pension Act of 1959, which require consideration of the veteran's net worth and his spouse's income should be repealed.

4. In defining income for pension purposes, social security, railroad retirement, and all other private and public retirement or pension payments, should be excluded.

5. Employment, including management of one's own farm or business, at less than half the usual hours or less than half the usual remuneration, or permanent employment at less than minimum wage required by Federal law, should not be considered to be "substantially gainful employment" for pension purposes if the inability to secure or retain better employment is due to disability.

6. Laws administered by the VA should classify participation in campaigns and expeditions involving hostilities as wartime service for pension purposes.

7. Totally disabling active pulmonary tuberculosis and active psychosis should be considered to be permanent for pension purposes, commencing with date of hospital admission by reason thereof, and such permanent and total disability should be considered to exist until it is clearly established that the veteran has regained ability to follow a substantially gainful occupation.

8. The full amount of pension withheld from a veteran during incarceration in a penal institution should be subject to apportionment on behalf of his dependents (including parents) without application of statutory income limitations.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June, 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 2—GOVERNMENT INSURANCE PROGRAM

Be it resolved, by the Department of South Dakota, Veterans of Foreign Wars of the United States, That we seek approval of the following recommendations by administrative changes or legislation, as applicable:

1. Authorization for veterans of World War II and Korea with service on and after October 8, 1940, to September 2, 1945, and from June 27, 1950, to January 31, 1955, uninsurable because of service-connected disabilities, to purchase nonparticipating life insurance under section 722(a), title 38, United States Code, for a period of not less than 1 year from the effective date of amendatory legislation.

2. Proration of dividends when insurance becomes a claim, if necessary to maintain the insurance in force.

3. Reinstatement privileges under national service life insurance policies permitting waiver of good health requirements if the only bar to good health is service-connected disabilities and application for reinstatement is submitted within 2 years from date of lapse, as now permitted under U.S. Government life insurance policies.

4. Statutory authorization for waiver of service-connected disabilities for the purpose of reinstating H or RH policies.

5. Extension of the time limitation for applying for RH insurance to 1 year from date of restoration to competency or the appointment of a guardian, whichever is earlier, in any case in which a veteran entitled to RH insurance became incompetent from nonservice-connected disability within 1 year from the date of the Veterans' Administration award granting service-connection.

6. Waiver of service-connected disabilities to permit the granting of total disability income provision on national service life insurance policies.

7. Authorization for exchange of national service life insurance policies for insurance on a new modified life plan which shall be automatically reduced by one-half of the face value thereof at age 65.

8. Continuing strong opposition to any proposal to separate the present veterans' insurance program from the Veterans' Administration by the establishment of a separate insurance corporation or otherwise.

9. Grant dividends on all types of national service life insurance policies when the available funds would permit.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 3—COMPENSATION PROGRAM

Be it resolved by the Department of South Dakota, Veterans of Foreign Wars of the United States, That we seek approval of the following recommendations by legislation, as applicable:

1. Disability compensation rates should be increased.

2. Death compensation rates should be increased.

3. Any military service for which a campaign medal is issued should be classified as wartime service for benefit purposes.

4. Psychoses not the result of willful misconduct should be presumed to be service-connected when manifested within 3 years following a tour of duty which involved combat participation.

5. The first sentence of 38 United States Code 105(a) should be amended by substituting after the words "on authorized leave" the following, "unless such injury or disease is held by the Service Department having jurisdiction to have been not in line of duty. When 'not in line of duty' is certified by the Service Department, the Veterans' Administration may make its own determination on this subject."

6. Eligibility to dependency and indemnity compensation should not be precluded in any case because Government life insurance was in force at time of death by waiver of premiums under section 724, title 38, United States Code (formerly sec. 622 NSLI Act).

7. Death compensation (not DIC) should be payable for non-service-connected death when the veteran has service-connected disability 40 percent or more in degree.

8. The term "his estate" in 38 United States Code 3203(b)(2) should be modified to exclude the veteran's family dwelling, to authorize continuance of the award otherwise payable to facilitate payment of any encumbrance remaining on the veterans family dwelling, and to permit continuance of part or all of the award for the veteran's personal needs if other funds sufficient for his needs are not readily available.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 4—VETERANS' ADMINISTRATION HOSPITAL AND MEDICAL PROGRAM

Be it resolved, by the Department of South Dakota, Veterans of Foreign Wars of the United States, That we seek approval of the following recommendations by administrative changes or legislation, as applicable:

1. Veterans of combat and wartime overseas service should be accorded distinct priority, by statute if necessary, for admission to VA hospitals for required treatment of any disability.

2. Eligibility of veterans of campaign and expeditionary service for VA hospitalization and domiciliary care should be established by legislation.

3. Peacetime veterans should be authorized care in VA facilities or outpatient treatment for service-connected disabilities notwithstanding a current rating of less than 10 percent.

4. The number of authorized VA hospital beds should be increased from 125,000 to not less than 130,000.

5. Additional VA hospitals sufficient to care for all eligible veterans should be authorized and expeditiously constructed, with special consideration accorded known areas of concentrated veteran population.

6. An adequate number of proper facilities for long-term care of aged, chronically ill, and financially distressed war veterans should be constructed adjacent to selected VA hospitals where adequate building areas and other facilities are available.

7. The Administrator of Veterans' Affairs should be required to annually report direct to the Congress the estimated number of hospital, long-term care, and domiciliary beds needed to provide necessary care for eligible veterans during the succeeding 5-year period.

Done in convention by unanimous consent of the members present.

In witness whereof the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 5—VOCATIONAL REHABILITATION AND EDUCATION

Be it resolved by the Department of South Dakota, Veterans of Foreign Wars of the United States, That we seek approval of the following recommendations by administrative changes or legislation, as applicable:

1. Establishment of Vocational Rehabilitation to provide training to disabled veterans necessary to overcome handicap imposed by service-connected disability as a permanent program, subject to statutory time limitations for completion of training.

2. Increases in the rates of subsistence and training allowances in conformity with the increased cost of living, under all vocational education and education and training programs administered by the VA.

3. Increase the income ceiling applicable to on-the-job training program under chapter 33, title 38, U.S.C., to not less than $400 per month.

4. Extension of war orphans educational assistance to children of veterans who died from service-connected disability incurred or aggravated during a period for which wartime disability compensation rates are authorized.

5. Extension of war orphans educational assistance to children of veterans who are permanently and totally disabled because of service-connected disability.

6. Elimination of the age 23 limitation imposed on most beneficiaries of war orphans education assistance.

Done in convention by unanimous consent of the members present.

In witness thereof: the undersigned has executed this certificate, and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 6—OLD-AGE AND SURVIVORS INSURANCE PROGRAM

Be it resolved by the Department of South Dakota, Veterans of Foreign Wars of the United States, That we seek approval of the following recommendations by administrative changes or legislation, as applicable:

1. Section 223(c)(3), the "waiting period" of 6 consecutive months of total disability before beginning date of disability payments be eliminated.

2. The military wage credits for the World War II period September 16, 1940, through July 24, 1947, and post World War II period July 25, 1947, through December 31, 1956, should be utilized for all purposes under the Social Security Act.

3. A new starting date or a longer drop-out period should be authorized under the Social Security Act so that the veterans of World War II and Korea may be eligible to the maximum benefits under the Social Security Act. Under current statutory provisions, individuals who reach the age of 27 before 1959 will not be entitled to the average monthly earnings of $400 even though they are contributing on the basis of the $4,800 rate.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the Seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 7—VETERANS' FEDERAL CIVIL SERVICE PREFERENCE

Be it resolved, by the Department of South Dakota, Veterans of Foreign Wars of the United States, That we strongly support continuance of veterans Federal civil service preference and seek the following changes by administrative action or legislation, as applicable:

1. Discontinuance of the various Reserve technician plans established by the Armed Forces with concurrence of the Civil Service Commission which discriminates against disabled veterans and all veterans who do not meet the age requirements for the Reserve programs.

2. Rigid compliance with the Veterans' Preference Act by the Post Office Department which is currently ignoring veterans preference in many instances with respect to appointments and retention rights.

3. Modification of the current 3-year probationary period by reestablishing a 1-year probationary period as a prerequisite for career status.

4. Continuance of veterans preference rights with respect to retention of schedule "C" employees and compliance with veterans preference rights with respect to appointments to schedule "C" positions.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the Seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 8—VETERANS' HOUSING AND LOAN PROGRAM

Be it resolved, by the Department of South Dakota, Veterans of Foreign Wars of the United States, That we seek approval of the following recommendations, by administrative changes or legislation, as applicable:

1. Elimination of the requirement that a veteran suffering from service-connected bilateral blindness, plus loss or loss of use of one lower extremity, also be confined to a wheelchair by reason of this disability, in order to qualify for specially adapted housing under the provisions of 38 U.S.C. 801(2), in order that the use of any prosthetic appliance as contemplated in 38 U.S.C. 801(1) would qualify an otherwise eligible veteran.

2. Opposition to any increase in the present 5¼ percent interest rate permissible on VA guaranteed loans.

3. Expansion of the VA direct loan program to include areas not now designated as "direct loan areas", where loan money is not readily available from private lenders at the authorized maximum interest rate.

4. Extension of deadline dates for VA direct and guaranteed loan programs.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 9—WAIVERS AND FORFEITURES

Be it resolved, by the Department of South Dakota, Veterans of Foreign Wars of the United States, That we seek legislation providing for—

1. Waiver of overpayments of benefits under laws administered by the Veterans' Administration if the fault on the part of the claimant was unintentional or slight or is attributable to incapacity due to illness, infirmities or old age, or inability to understand income reporting requirements, or other factors causing the overpayment, or there was administrative fault on the part of the VA in granting or continuing benefits, if refund by the claimant would create undue hardship or recoveries would defeat the purposes of benefits otherwise authorized or would be against equity and good conscience.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 10—ARMED FORCES CLAIMS AND RETIREMENT

Be it resolved by the Department of South Dakota, Veterans of Foreign Wars of the United States, That we seek approval of the following recommendations, by administrative changes or legislation, as applicable:

1. Repeal of the applicable harsh restrictions of Public Law 769, 83d Congress (the Hiss Act), which bars payment of retirement pay to a serviceman convicted of an offense classified as a felony even though he was restored to duty and served several enlistments prior to retirement.

2. Members of the Armed Forces should be retired in the highest grade satisfactorily held on active duty in any military service department.

3. Equalization of retirement pay by authorizing computations of retirement pay on the current military pay rate in all cases and at all times, eliminating the inequity caused by the enactment of Public Law 85–422, effective June 1, 1958.

4. Authorize inclusion of all service which would be credited if he were a commissioned officer in determining retirement pay of an enlisted man.

5. Receipt of lump sum readjustment pay under the provisions of section 265, Armed Forces Reserve Act of 1952, should not bar entitlement to disability compensation based on the same period of service subject to recoupment on the same basis as disability severance pay.

6. That the Secretary of the Navy delegate the same authority to the Navy Discharge Review Board as is delegated by the Secretary of the Army and Secretary of the Air Force to their respective boards.

7. Elimination of the statutory requirement that a retired serviceman forfeit an amount of retirement pay equal to the amount of Federal employee's compensation awarded by the Bureau of Employees' Compensation for disability incurred as a civilian employee of the Federal Government.

8. In determining the question of continuous service as related to the effect of a subsequent discharge of a character not acceptable for VA benefit purposes, the Department of Defense should advise the VA whether the individual concerned did or not not complete his obligated period of service under provisions of law, regulations or enlistment commitment prior to issuance of the unsatisfactory discharge. The VA should consider the termination date of such obligatory period of service to be a break in service even though it may have occurred after reenlistment or other change of status under circumstances not permitting the individual concerned to voluntarily terminate his active duty service as of the date of such reenlistment or other change of status.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 11—FAVORING A STANDING VETERANS' COMMITTEE IN THE U.S. SENATE

Whereas the U.S. Senate does not have a standing Committee on Veterans' Affairs similar to the Veterans' Affairs Committee of the House of Representatives; and

Whereas it has long been a major objective of the Veterans' of Foreign Wars of the United States to have such a committee established with jurisdiction and duties concerning veterans' affairs similar to the House Committee on Veterans' Affairs; and

Whereas the establishment of this committee would help produce more harmonious and beneficial relations between the U.S. Senate and all veterans and their families; and

Whereas the establishment of this committee would eliminate the charge that the Senate is failing to fully discharge its obligation to veterans, their widows and dependents; and

Whereas a special subcommittee of the Senate Rules and Administration Committee has recommended that a standing Veterans' Affairs Committee be created in the Senate; and

Whereas a majority of the U.S. Senators have indicated that they will vote in favor of this recommendation when it is presented to the full Senate for consideration and vote: Now, therefore, be it

Resolved by the Department of South Dakota, Veterans of Foreign Wars of the United States, That we petition the Members of the Senate to take necessary action toward establishment of a standing Committee on Veterans' Affairs so that all veterans, their widows and dependents will be fully represented in the U.S. Senate.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 12—ENDORSING INDIAN OCEAN FLEET

Whereas Communist aggression is pushing relentlessly southward into Laos endangering all of southeast Asia, Indonesia, and is tightening the noose around India; and

Whereas such Red aggression is facilitated and encouraged by the absence of effective naval forces in the vast Indian Ocean area between Suez and Singapore; and

Whereas the United States, as the leader of the free world, must take adequate measures to constantly guard against communism in order to protect the peoples of the free world and the security of the United States; and

Whereas the United States possesses in its balanced fleet of surface, submarine, carrier aviation, and marine landing forces, a uniquely organized military power, for containment of such Communist aggression that may be launched against the perimeter of the free world in this area; and

Whereas the United States has maintained in "mothballs" the various types of vessels required to establish the type of fleet that is now required; and

Whereas such balanced fleets in the Mediterranean and the Far East are indispensable as demonstration of the might of the United States and would continue to protect those vital areas from future Communist aggression; and

Whereas the maintenance of such a means of protecting the free world and the United States' interest now threatened by communism requires a new U.S. fleet in this vital area so that we may keep open the high seas from which our fleets operate: Now, therefore, be it

Resolved by the Department of South Dakota, Veterans of Foreign Wars of the United States, That in view of the threat to the survival of free people and in the interest of proper defense of the United States, there be established a balanced fleet in the Indian Ocean, such fleet to be comparable in form to the general organizational structure of the 6th Fleet in the Mediterranean and the 7th Fleet in the Far East, and that Congress be urged to provide sufficient additional funds for that purpose.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 13—OPPOSING RED CHINA'S ADMISSION TO THE UNITED NATIONS AND RECOGNITION BY THE UNITED STATES

Whereas the Veterans of Foreign Wars has consistently opposed communism in all its forms; and

Whereas Red China continues to oppress captive peoples both at home and abroad, destroying the last vestiges of religious and political freedom and individual dignity; and

Whereas Red China is continuing a policy of ruthless and bloody aggression throughout all of Asia; and

Whereas Red China's policies and objectives are aimed directly at the destruction of the United States and other freedom-loving nations; and

Whereas Red China has been and is utterly disdainful of the accepted court of international conduct by which nations and peoples can live in peace and tranquility according to their own political and religious beliefs; and

Whereas admission of Red China to the United Nations or recognition of Red China by the United States would increase the prestige of Red China and strike a disastrous and irreparable blow to the determination of the non-Communist peoples of Asia who now oppose communism: Now, therefore, be it

Resolved, by the Department of South Dakota, Veterans of Foreign Wars of the

United States, That we continue to oppose vigorously U.S. diplomatic recognition of Red China and Red China's admission to the United Nations.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 14—SUPPORT LOYALTY OATH IN NATIONAL DEFENSE EDUCATION ACT

Whereas certain educational and political leaders in the United States have expressed their opposition to loyalty requirements in the National Defense Education Act—and would have such provisions deleted mainly because of their infringement of so-called academic freedom; and

Whereas the Defense Act provisions require students seeking Federal education loans to proclaim their allegiance to the United States and to disclaim sympathy or affiliation with any organization advocating violent or illegal overthrow of our Government; and

Whereas persons protesting those provisions are chiefly educators and others who seemingly place greater emphasis upon so-called academic liberalism than on loyalty to our country and national security; and

Whereas we believe (1) every citizen should be proud to proclaim his allegiance to the United States; (2) that every applicant for Federal funds should be required to affirm his loyalty to our country; and (3) our Nation should be reassured that all of its potential leaders are loyal before any public funds are made available to them, because certainly there is no logical reason why we should, in any degree, finance our own destruction; and

Whereas we believe that loyalty and security are paramount: Now, therefore, be it

Resolved, by the Department of South Dakota, Veterans of Foreign Wars of the United States, That we vigorously oppose the proposed deletion of the aforementioned National Defense Education Act loyalty provisions.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 15—TO PROTECT THE SECURITY AND SOVEREIGNTY OF THE UNITED STATES

Whereas according to its congressionally bestowed charter, one of the major reasons for the formation of the Veterans of Foreign Wars was "to preserve and defend the United States from all her enemies, whomsoever"; and

Whereas Nikita Khrushchev, like the leaders of the world Communist movement who have preceded him, has openly threatened the United States and proclaimed the desire and intent of world communism to conquer the free nations of the world by all possible means, including violent overthrow of our Government; and

Whereas certain subversive groups and movements and their adherents have not ceased their efforts to advance ideologies that would destroy the sovereignty of these United States: Now, therefore, be it

Resolved by the Department of South Dakota, Veterans of Foreign Wars, That—

1. We reaffirm our complete, unwavering opposition to communism in all its forms, both foreign and domestic, and will resist all Communist policies affecting the United States and all persons who support, defend, aid, and abet them.

2. We reaffirm our opposition to world government, such as Atlantic Union or any other scheme that has as its purpose the surrender of the sovereignty of the United States of America.

3. We strongly support a U.S. foreign policy designed to aid the liberation of the enslaved peoples of the world.

4. We oppose any U.S. aid, military or financial, to Communist nations.

5. We oppose any weakening of the basic security laws of this Nation, including the Internal Security Act, Communist Control Act, and the Smith Act.

6. We endorse and recommend the continuation of the work of the Federal Bureau of Investigation, the Senate Internal Security Subcommittee, the House Committee on Un-American Activities, and other Federal and State agencies charged with protecting the internal security of the United States.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 16—SUPPORTING RETENTION OF CONNALLY RESERVATION

Whereas the United States has made itself subject to the jurisdiction of the International Court of Justice; and

Whereas the Connally reservation or amendment grants the United States the right to determine whether or not a particular dispute is domestic or not; and

Whereas the Connally reservation or amendment guarantees that there will be no interference in the sovereignty of our country; and

Whereas there is pending before the U.S. Senate a resolution which would repeal the Connally reservation or amendment; and

Whereas if this Connally reservation or amendment were repealed the United States might thereby be relinquishing some of its sovereign rights and having the International Court of Justice decide issues which are purely domestic and American problems: Now, therefore, be it

Resolved by the Department of South Dakota, Veterans of Foreign Wars of the United States, That we oppose any Senate resolution that would delete or eliminate the Connally reservation or amendment with respect to the United States and the jurisdiction of the International Court of Justice to decide issues involving the United States.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 17—FOR A STRONG NATIONAL DEFENSE

Whereas the Veterans of Foreign Wars of the United States has for many years urged the Congress of the United States to enact legislation to provide for a strong national defense force; and

Whereas world conditions and the Communist threat are still a menace to the security of our Nation and the free world: Now, therefore, be it

Resolved by the Department of South Dakota, Veterans of Foreign Wars of the United States, That—

1. The Army be modernized and maintained at a minimum of not less than 925,000.

2. We continue a full combat-ready Marine Corps with the appropriation of sufficient funds to maintain a strength of at least 200,000.

3. The U.S. Navy be modernized and maintained as the most powerful and most versatile naval power, by supporting a naval building program to provide adequate ships of all types, including, but not limited to amphibious submarines, destroyers, cruisers, and aircraft carriers.

4. We urge Congress to continue to appropriate sufficient funds to maintain, and the executive branch to approve, the strength of the National Guard at 400,000 and 300,000 for Army Reserve.

5. We maintain a strong air striking force and air defense capable of meeting any threat to the security of this Nation, to include a strong and ready Air Reserve and Air National Guard.

6. We support a strong national civil defense program, including legislation which would provide for the continuity of our Federal Government in case of thermonuclear attack or other catastrophe.

7. We reaffirm our support of a strong, privately owned and operated American merchant marine as a vital element of defense.

8. We advocate continued development of atomic and hydrogen weapons and the necessary testing of such weapons to achieve and preserve world leadership. The successful development of an antimissile missile requires continued testing of missiles until such a defensive weapon is a reality.

9. We support the policy of control and coordination of research and development by the Secretary of Defense that eliminates unnecessary duplication, but assures the benefits of constructive competition and experimentation of weapons for the task peculiar to the mission of the military services; and we continue to support the congressionally established basic roles and missions of the Army, Navy, Air Force, and Marince Corps, as valuable stabilizing influences in defense organization and as obstacles to unnecessary duplication and unnecessary expense.

Done in convention by unanimous consent of the members present.

In witness whereof the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 18—ARMED FORCES JOINT CHIEFS OF STAFF

Whereas the Joint Chiefs of Staff system is a uniquely American device for strategic planning at the seat of government; and

Whereas the Joint Chiefs of Staff system is in harmony with our constitutional form of government, and is responsive to our Nation's geographical and strategic requirements; and

Whereas a single Chief of Staff-supreme general staff system of high command is a product of monarchial and dictatorial forms of government and has usurped and undermined democratic processes in any government in which it has been permitted to exist; and

Whereas a single Chief of Staff-national general staff high command has demonstrated its strategic inflexibility with attendant disasters to those nations in which it has existed; and

Whereas repeated efforts have been made in this country to destroy the Joint Chiefs of Staff system, and substitute in its place

the discredited, inferior, and un-American single Chief of Staff-supreme general staff high command methods; and

Whereas the Joint Chiefs of Staff system assures realism in defense planning through having Joint Chiefs of Staff members also serve as Chiefs of their respective services, thus avoiding the fatal theorizing of the ivory tower; and

Whereas the Veterans of Foreign Wars of the United States has gained national recognition and respect for its continuing efforts to prevent the imposition of a foreign-type supreme high command over our Armed Forces; and

Whereas it has been the historic position by the Veterans of Foreign Wars of the United States as manifested in repeated mandates of its national encampments, that the Joint Chiefs of Staff system should be protected and preserved in the interests of our Nation's security: Now, therefore, be it

Resolved by the Department of South Dakota, Veterans of Foreign Wars of the United States, That we continue vigorous opposition to any proposals including, but not limited to, separating Joint Chiefs of Staff from their status as Chiefs of services, that would tend to weaken and alter the Joint Chiefs of Staff system and tend to substitute in part or completely a single Chief of Staff or supreme general staff system of high command.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 27—MERIT SYSTEM

Whereas Congress passed the Veterans' Preference Act of 1944, as amended, to assist veterans in obtaining, and retaining, a Federal job for which they are qualified; and

Whereas a sound merit system of Federal personnel management is essential to efficient Government operations, to the strength of our Nation, and to the application of the intent, purposes, and provisions of the Veterans' Preference Act; and

Whereas the U.S. Civil Service Commission is responsible for furnishing guidance and leadership and for promulgating regulations to the various Federal agencies for managing their personnel programs; and

Whereas the U.S. Civil Service Commission is charged with enforcing compliance by Federal agencies with the laws and regulations governing merit system operations; and

Whereas the veterans' Federal employment program is growing in complexity due to the aging and physical impairments among veterans: Now, therefore, be it

Resolved (in the interest of the welfare of the veteran, and the country as a whole), That we go on record as supporting the strengthening of Federal merit system operations; and that we are firmly opposed to any weakening of the Commission's capacity to assist veterans through its veterans' program; and be it further

Resolved, That the Congress of the United States be encouraged to provide the U.S. Civil Service Commission the resources essential to meet the ever increasing scope and complexity of the Federal merit system.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 28—REPEAL OF PUBLIC LAW 893

Whereas the 77th Congress of the United States enacted Public Law 893; and

Whereas such law does not recognize length of service nor does it grant any preference to veterans of the Armed Forces of the United States: Now, therefore, be it

Resolved, That in the interest and welfare of veterans and in recognition of their length of service under civil service that we go on record as recommending to the Congress of the United States that the above referred to law be repealed.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

RESOLUTION 29—MAXIMUM EMPLOYMENT ASSISTANCE TO VETERANS

Whereas it is the responsibility of the Veterans of Foreign Wars of the United States to foster and support such programs as will bring full employment economic security to the veterans of all wars, including the disabled; and

Whereas the Veterans' Employment Service of the U.S. Employment Service and the affiliated State employment services have been mandated by Congress to render adequate job assistance to veterans in the field of gainful employment; and

Whereas it is recognized by the Veterans of Foreign Wars of the United States that it is the continuing responsibility of Congress to provide the necessary funds for the efficient administration of the Veterans' Employment Service and its affiliated services from time to time consistent with the need for job assistance to veterans: Now, therefore, be it

Resolved, That we commend Congress for its consideration of veterans in providing through the several acts the maximum of employment assistance to veterans, and urge that adequate funds be provided for its continuation, and be it further

Resolved, That a copy of this resolution be forwarded to all members of our congressional delegation.

Done in convention by unanimous consent of the members present.

In witness whereof, the undersigned has executed this certificate and affixed the seal of the Department of South Dakota of the Veterans of Foreign Wars of the United States, this 15th day of June 1961.

WILLIAM J. RADIGAN,
Adjutant, Department of South Dakota, VFW.

EXHIBIT 3

SPEECH BY SENATOR BARRY GOLDWATER, REPUBLICAN, OF ARIZONA, TO A STATE CONVENTION OF THE AMERICAN LEGION, DEPARTMENT OF TEXAS, AT THE RICE HOTEL, HOUSTON, TEX., JULY 28, 1961

Commander Turner, honored guests and fellow Legionnaires, I am both honored and proud to be with you today and to contribute what little I might to making this great convention in this great State an occasion memorable by its success. And my pride does not stem solely from the fact that I have been a member in good standing of the American Legion's Thunderbird Post No. 41, in Phoenix, Ariz., for the past 16 years. It goes beyond that to considerations such as our shared devotion to the freedom of mankind, our joint enthusiasm for the United States of America and our collective concern for the dangers and events which threaten the cause of freedom and our national interests. Let me say that I am proud to be a member of this great organization which maintains a high, unwavering brand of patriotism and makes no apology for its allegiance.

Now this is particularly important today. For there are influences at work which would like us to believe that patriotism is outdated; that devotion to country is of one piece with unrealistic isolationism; that to love one's national symbols and institutions is some species of treason to the United Nations.

And there are voices that urge appeasement and accommodation in our attitude toward international communism and whisper, "I'd rather be Red than dead." There are, unfortunately, people among us who would crawl to Moscow on their hands and knees rather than run the risk of a shooting war with the enemies of freedom. These are the people who would play into the enemy's hands by assuring him that no matter what he does to overthrow freedom anywhere in the world we will not act from strength because it might mean war. And I would remind you today that such assurance is all that communism needs to take over the world—a guarantee of immunity.

There is a need today for extreme vigilance on the part of great patriotic organizations such as the American Legion. And there is a great need for open declarations by organizations such as ours which speak for men who know what it means to fight and risk death for their country. The Legion must never hesitate to make its voice heard and its weight felt for the development of sound policies in the conduct of our struggle with the forces that would enslave the world.

I believe that the American Legion has a special responsibility for helping the people of the United States understand the nature and extent of the challenge we face and for helping them to understand the consequences of trying to meet that challenge with halfhearted attempts to maintain something called peaceful coexistence.

Now I have already mentioned disquieting developments which we are witnessing in face of this global challenge. And today I want to devote some time in my remarks to one particular trend of events over which I believe your organization should have grave concern. I refer to the repeated and growing attacks being made on our military leaders and to the strenuous efforts being made to muzzle them and prevent them from telling their troops and the American people some of the facts which they should know.

These attacks on the men in uniform—particularly those in positions of responsibility and command—began early in the life of the new administration. They began with the censuring of some remarks prepared for delivery by Adm. Arleigh A. Burke, then Chief of Naval Operations. And this has set the pattern for repeated interference by civilian officials of the new administration into the realm of public utterances by our military leaders.

Another move came in the Congress of the United States when a member of the Senate Armed Services Committee attempted by innuendo to saddle the Joint Chiefs of Staff with blame for the Cuban invasion fiasco. This was an especially devious attack since the member in question emerged from an executive session of the committee and demanded the resignation of the Chairman of the Joint Chiefs. He left the erroneous inference that something had been revealed at the closed session which would warrant such a demand. Of course, the demand was not honored. It wasn't even taken seriously. But, it had the effect of undermining public confidence in the Joint Chiefs of Staff and our military leadership at a particularly critical time in our history. It served no purpose but to further confuse the entire Cuban situation which has never

been clarified to the satisfaction of the American people. And, I would remind you that only the national administration can do this job—the job of assigning the responsibility for a chaotic, poorly planned and totally inadequate venture. I don't believe it is sufficient for the President merely to say he was assuming all the responsibility and let it go at that.

Along this same line, it is now becoming popular in the National Government to investigate and censure military men who have any words of warning to say about Communist influences in American life. You men who have fought in wars must wonder what kind of struggle we are waging when it becomes a censurable offense to discuss the tactics of the enemy. Regardless of what the official policy might be, there can be no denying that communism is our enemy. Communism is our sworn enemy. It strives to take over and enslave the United States of America as well as the entire world. And against this backdrop it becomes not merely an arguable question of military etiquette whether we are to know every possible facet of the enemy's operation. It becomes a question of our national survival.

Even though our peril is great, we find a situation developing where military commanders are in danger of being charged with "rightwing political theories" if they have the temerity to call attention to our danger and point out the methods used most successfully by our enemies. One of our able generals already has been censured as the result of an investigation which disclosed that his—and I quote—"strong anti-Communist feeling frequently led his talks to become heated and intense with the use of excessively strong language."

Believe me, in the situation we face today our anticommunism better be strong or freedom will vanish from the face of the earth. What our attitude toward communism needs today is a lot more heat than many people in official positions are inclined to bring to this vital task. This is no pink tea we are engaged in—it is a grim battle to the death.

But, curiously enough, we find the Defense Department today threatening to crack down on cold war seminars held by military commanders to increase public awareness "of the danger of the Communist menace." The ostensible reason for this action is a memorandum by Senator WILLIAM FULBRIGHT to the Secretary of Defense which complains about an emphasis in these seminars on the dangers of internal Communist infiltration. According to Senator FULBRIGHT—at least as his memorandum has been reported in the press—this emphasis is the result of what he calls "the virus of rightwing radicalism." I guess we are supposed to believe that emphasizing the danger of internal Communist infiltration is some kind of a crime. Or perhaps the idea is to foster the belief that there is no such danger; or that only persons of a particular shade of political opinion are concerned with such a danger. This, of course, does a grave injustice to the American people.

Because the vast majority of the American people—of all political hues—are deeply concerned over the menace of Communist infiltration. And they should be concerned, for any relaxation of our national vigilance on this score could spell disaster—quick and certain disaster.

This is a problem which involves us all. It is not something that can be wished away by ascribing the primary emphasis on it to one area of political thought. The concern belongs to all groups and the threat applies to all groups. It is the legitimate worry of every honest American.

Now let me say that not even the War College is safe from attack in this strange campaign where the virility of a military man's patriotism is equated with so-called rightwing politics. Among other things suggested by the Fulbright memorandum is a request that the role of the National War College in providing instruction on cold war problems be reviewed. The Senator would place special stress in this review on the relationship to the college of such private groups as the Foreign Policy Research Institute, the Institute for American Strategy, and the Richardson Foundation.

My understanding is that Senator FULBRIGHT prepared his memorandum as chairman of the Senate Foreign Relations Committee. And I am happy to inform you that a Democratic member of the Senate Armed Services Committee, which has a more direct responsibility with the security of the Nation, has taken strong issue with the contents of that memorandum. My reference is to Senator STROM THURMOND, of South Carolina, who has described the memorandum as—and let me quote—"a dastardly attempt to intimidate the commanders of U.S. Armed Forces and prevent those commanders from teaching their troops the nature of the menace of world communism."

But let me continue to quote from Senator THURMOND because I believe his views on this situation are of the utmost importance. Here is what he says:

"The principal source of strength of the United States lies in an understanding of our citizens of the principles of government on which our country was founded and the vast gulf between these principles and the insidious nature of world communism. There is particular need for such an understanding by members of our Armed Forces, as is demonstrated by the fact that about 38 percent of the American troops captured by the Communists in Korea are reported to have given comfort to the enemy.

"The memorandum which originated within the Foreign Relations Committee of the Senate, according to press reports, charged that the military is teaching the troops that our defeats in the war against communism are the result of appeasement and a 'soft' attitude by our Government. I hope the charge is correct, for it refortifies my belief that our military officers do understand the threat from communism, and are giving their personnel the truth, and knowledge of the truth is the only means by which our troops can be equipped to combat effectively the Communist evil."

And, of course, the leaders of our Air Force have come in for more than a fair share of the recent attacks. These are the men, I would point out, who direct that part of our military might most feared by the Russians and most important to the United States. This is the military force that the Russians would like to disarm if we are ever foolish enough to enter into a disarmament agreement. However, the importance of the U.S. Air Force in the present balance of power throughout the world has not discouraged some efforts to discredit its leaders and hold them up to ridicule as irresponsible warmongers.

Perhaps the most ridiculous, farfetched attack of this kind was made on Gen. Curtis LeMay, Air Force Chief of Staff. It was based on published report that the General had told a Senator's wife that a nuclear war was inevitable within a certain period of time. Now as ridiculous as the source of this report was, General LeMay actually had to defend himself against the charge and make it plain that he had never made any such statement.

If we aren't careful, our military men will become so busy defending themselves against trumped-up allegations they won't have time to devote to the vital and serious job of defending our ramparts.

I emphasize this situation today because it is assuming alarming proportions at a time when the President of the United States is placing heavier and heavier stress on the need for military preparations in connection with the Berlin crisis. This certainly is no time for any group, much less officials within the Government, to be acting in a way that results in downgrading the leaders of our military establishments.

But all you have to do is refer to your daily newspapers and your service publications to get a good idea of what is happening. Let me quote a few of them for you:

Here's one from the Aviation Daily for April 20, 1961, which says: "The trend toward one-man censorship and review of all information from the Pentagon continues to accelerate, with Assistant Secretary of Defense for Public Affairs, Arthur Sylvester, now ruling on virtually every item."

And from the Army-Navy Air Force Journal of May 13, 1961. This says: "Professional military thought and expression is under attack at the Pentagon. Curiously, the assault on independent thinking and professional writing by career military men comes at a time when the Department of Defense and the White House are weighed heavily with academicians who have been in the forefront of the fight for freedom of thought and expression."

The Milwaukee Journal, on April 17, 1961, contains this attack on military men, and I quote: "The admirals and generals form pretty much a 'closed and mean union.' They are in positions of great power. Some of them tend to reject limitation on that power. They undermine official policy."

That's not all. Writer Thomas B. Ross, in the Chicago Sun-Times, of July 20, 1961, reports that Gen. Curtis LeMay is in the middle of new Pentagon controversy. And he adds this significant comment: "High-ranking Air Force officers and their friends in Congress are convinced that a dangerous movement is afoot to 'get' LeMay as a means of undermining a 'hard' line on Berlin."

Now, I suggest that if there is validity in censuring the remarks of our military leaders there is even more validity in censuring the remarks of some of our other high officials.

For example, when Adlai Stevenson returned from his quick trip through the Latin American countries he reported that any effort on our part to take strong action to rid Cuba of Communist rule would lose us friends in those countries. This kind of inaccurate reporting by an American official certainly could do with some censuring. My Latin American friends, and I have many of them in many countries of the Western Hemisphere, are asking why the greatest power in the world is acting like a frightened rabbit regarding Castro and his Communists.

Then the remark attributed to one of your fellow Texans that the issue now is "freedom or starvation" certainly should have received some upstairs attention, for the issue today is "freedom or slavery."

These officials who make such misleading remarks either don't know what they are saying, which I would like to believe, or they have been engulfed with the idea that, in a war with an enemy who has announced his intention to destroy you, we can win by appeasement and mollycoddling. And this is patently ridiculous.

Today, as never before, we must emphasize every facility which we possess to aid our cause in the great global struggle. Every free world statesman who ever tried to talk to a Communist has been forced to recognize a language barrier. Both sides may use the same words, but they have different meanings to each. So, while talks may sound as if some general agreement has been reached, it is not necessarily true.

This is a serious problem we have to solve. The Communists may not want to understand some of our words today, but we have something they do fully understand and which they respect. That one thing is our national strength. I mean our moral strength, and the military might to back it up. The job ahead of us is to keep that national strength so overwhelmingly powerful that the Communists will have to come to

school with us to learn our meanings. They must come to learn that they cannot pervert the meaning of human dignity and turn it to their own vicious purposes.

And while we are teaching the Communists this lesson, we will keep order in the classroom with the mightiest and most versatile fighting force we have ever possessed. In an era of what would have once passed for peace, we have built a military capability greater than we have ever sent to war. True, we have fewer divisions under arms, and fewer ships and aircraft than we had at the peak of our power in World War II. But quality weapons and modern delivery systems add up to a firepower potential—yes, a destruction potential—far and away greater than we ever had to build for past wars. This is our strength in being.

This strength is fully capable of winning the decision in any war that might start in the near future, provided, of course, that such a war would be fought to win—and not underground rules of timidity giving an enemy sanctuary beyond the Yalu, or any other such line.

If any potential enemy becomes an actual one in a shooting sense, we are going to have to go in and get him, wherever he may be. And we can get him. We can get him, as I said, in the near future.

What we have to do now is to be sure we can do it whenever it may be necessary.

And to make sure of this we need more than machines. We need men of ability and vision, and now is the time to attract and to hold such men in both the civilian and military communities. I have in mind people who will bring to their tasks the same level of professional qualifications, the same unswerving loyalty, the same dedication to service as we see today in our Joint Chiefs of Staff and in our other military leaders.

Our national objectives are ill served, as I have said, when the stature of these men is degraded. I deplore the attacks that have been made upon these men. We have always had in this country a haunting fear of a specter we label "militarism." And we have built elaborate organizations to protect ourselves against this specter. It is high time now that we recognize that our military forces are vital organs of the body politic as well as essential organs of our defense. As such they should be nourished and encouraged rather than attacked and intimidated.

In conclusion, I would remind you that the President, in speaking of those nations who would make themselves our adversaries, has said:

"We must not tempt them with weakness. For only when our arms are sufficient beyond doubt can we be certain beyond doubt that they will never be employed."

I am certain that every true American stands with the President in this, just as he does on the Berlin situation where he firmly restated our intention to stand up to the Communists. In this, I believe our President took the only stand that an American leader can take. And, I believe the American people are willing to make the sacrifice necessary to back it up. But this strong stand must be maintained with more than just words. There can be no pulling back. For, in this situation, if we take one backward step Europe will be lost.

Thank you.

INDEPENDENT OFFICES APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 7445) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1962, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. MAGNUSON. Mr. President, I hope the Senator from South Carolina does not think I was impatient. I merely wanted to get started with the bill. I wish to join the other Senators in complimenting the Senator from South Carolina. I think he has made a great contribution to this matter, which is of great interest to all Americans.

Mr. THURMOND. Not at all. I highly respect the Senator from Washington, and I am pleased to cooperate with him in any way that I can.

Mr. MAGNUSON. I was thinking this discussion might continue indefinitely. We have an item in the bill for civil defense which I think indirectly involves the whole problem.

I thought perhaps we could discuss these matters on that subject.

Mr. President, I should like to read a brief statement for the Senate on the independent offices appropriation bill.

I thoroughly agree with my friend from South Dakota that we build too many houses. We must have a house to live in, to operate from against the things the Senator talks about.

The bill contains some provisions for some pretty solid bricks in the house.

The independent offices appropriation bill for 1962 covers some 23 agencies and the appropriations as reported to the Senate total $9,098,614,500, which is an increase of $694,516,500 over the House bill.

It should be remembered that the large bulk of this amount deals with the Veterans' Administration and with the National Aeronautics and Space Administration.

Seventy-nine percent of this increase is in $549 million added by the Senate for the National Aeronautics and Space Administration. This amount was requested in May, after the President's message setting national goals in the aeronautics and space science fields, and Public Law 87–98 authorizing these advanced programs was approved on July 21. The committee feels that the speeding up of these programs is essential for the whole technological future of our country.

Ten percent of the increase is in $70 million added for the public buildings and supply and stockpiling functions of GSA.

The balance of the increase is in $26 million added for National Science Foundation, $16 million for Office of Civil Defense Mobilization, $13 million for Federal Aviation Agency, $9 million for the Veterans' Administration, mostly in medical research, $7 million for Civil Aeronautics Board, involving the helicopters, and smaller amounts for several other agencies.

The 1962 appropriations in the bill are also $605 million over 1961, but are $76 million below the budget estimates.

The bill contains several amounts over the budget estimates but, as I pointed out, the total is $76 million below the budget estimates. We went over in some cases and under in others.

The amounts over the budget estimates are as follows: $2.5 million to Office of Civil and Defense Mobilization, to accelerate radiological defense equipment; $13 million to General Services Administration, to construct four buildings soon to be ready for bids; $20 million to General Services Administration, to provide sites and expenses funds for newly authorized buildings; $5 million to Veterans' Administration, to make medical research, $32 million; and $2.5 million to Veterans' Administration, to provide research facilities.

Mr. President, I ask unanimous consent that the committee amendments to the bill be agreed to en bloc and that the bill as thus amended be regarded, for the purpose of amendment, as original text; provided, that no point of order shall be considered to be waived by reason of agreement to this order.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

Mr. JAVITS. Mr. President, reserving the right to object, what was the last proviso?

Mr. MAGNUSON. Provided, that no point of order shall be considered to be waived by reason of agreement to this order.

Mr. JAVITS. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 2, line 20, after the word "services", to insert "purchase of one passenger motor vehicle at not to exceed $6,000;"; at the beginning of line 24, to strike out "$3,000" and insert "$6,000"; on page 3, line 2, after the word "travel", to insert "excluding rental of passenger motor vehicles from General Services Administration", and in line 4, after the word *"Provided"*, to strike out "That the foreging amount shall be available for not to exceed 303 positions in the District of Columbia area: *Provided further,"*.

On page 3, line 21, after the word "activities", to strike out "$6,567,000" and insert "$5,000,000".

On page 4, line 9, to strike out "$21,600,000" and insert "$38,500,000".

On page 4, at the beginning of line 18, to strike out "$1,500,000" and insert "$2,500,000".

On page 6, line 8, after the word "Board", to strike out "$74,800,000" and insert "$81,700,000", and in line 9, after the word "exceed", to strike out "$5,000,000" and insert "$6,900,000".

On page 7, line 2, after the word "amended", to strike out "$21,029,000" and insert "$21,669,000".

On page 9, line 16, after the word "fund", to strike out the colon and *"Provided*, That the Civil Service Commission shall include annually, in its estimates to the Bureau of the Budget, estimates of the appropriations necessary to reimburse the civil service retirement and disability fund for the amounts paid out of the fund by reason of the enactment of Public Law 85–465, and the Bureau of the Budget shall submit annually to the Congress estimates of the appropriations necessary to reimburse the fund for such amounts."

On page 10, line 3, after the word "exceed", to strike out "$1,000,000" and insert "$1,148,000".

On page 11, line 9, after the word "snowshoes", to strike out "$428,000,000" and insert "$440,600,000", and in line 10, after the word *"Provided"*, to strike out "That total costs of aviation medicine research for the Federal Aviation Agency, whether provided

in the foregoing appropriation or elsewhere in this Act, shall not exceed $1,500,000 or include in excess of 120 positions: *Provided further,*".

On page 12, line 6, after the word "aircraft", to strike out "$120,000,000" and insert "$124,577,000", and in line 11, after the word "facilities", to strike out the colon and *"Provided further,* That no part of the foregoing appropriation shall be available for the construction of a new wind tunnel".

On page 13, line 9, after the word "uniforms", to insert "purchase of two passenger motor vehicles for police-type use which may exceed by $300 the general purchase price limitation for the current fiscal year".

On page 13, line 18, after the word "uniforms", to insert "purchase of three passenger motor vehicles".

On page 14, line 4, after the word "airport", to strike out "$26,100,000" and insert "$20,100,000".

On page 14, at the beginning of line 11, to strike out "$10,000,000" and insert "$12,000,000".

On page 15, line 10, after the word "only", to strike out "$12,400,000" and insert "$12,525,000", and in the same line, after the amendment just above stated, to insert a colon and *"Provided,* That the limitation until June 30, 1962, on the availability of the appropriation for a special ultra-high frequency television study, contained in the Independent Offices Appropriation Act, 1961, under the head "Federal Communications Commission", is hereby extended until December 31, 1962."

On page 16, at the beginning of line 7, to strike out "$10,000,000" and insert "$10,690,000".

On page 17, line 6, after "(40 U.S.C. 521)", to strike out "$170,000,000" and insert "$176,000,000".

On page 18, line 3, after the word "facilities", to insert "and buildings under the control of another department or agency where alteration of such buildings is required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of General Services Administration".

On page 18, line 15, after the word "buildings", to strike out "$171,600,000" and insert "$194,456,500", and in line 18, after the word "construction", to strike out the comma and "sites and expenses for" and insert "of".

On page 19, line 5, after the word "warehouse", to strike out "Long Beach" and insert "Los Angeles-Long Beach Harbor".

On page 19, after line 8, to insert:

"General Services Administration stores depot, Denver, Colorado, $5,510,000;".

On page 19 after line 17, to insert:

"Post office building, Tupelo, Mississippi, $789,000;".

On page 20, after line 10, to insert:

"Federal office building, Pittsburgh, Pennsylvania, $20,000,000;".

On page 20, after line 12, to insert:

"Post office building, Dyersburg, Tennessee, $901,000;".

On page 20, after line 14, to insert:

"Post office and courthouse, Montpelier, Vermont, $1,258,000;".

On page 21, line 6, after the word "per centum", to insert a colon and *"Provided further,* That funds in the amount of $5,601,500 appropriated under this head in the Independent Offices Appropriation Act, 1961, for a construction and alteration project at Philadelphia, Pennsylvania, since abandoned as to its previously approved scope, are hereby made available for the purposes of this appropriation."

On page 21, after line 12, to insert:

"SITES AND EXPENSES, PUBLIC BUILDINGS PROJECTS

"For an additional amount for expenses necessary in connection with the construction of public buildings projects not otherwise provided for, as specified under this head in the Independent Offices Appropriation Acts of 1959 and 1960, including preliminary planning of public buildings projects by contract or otherwise $25,000,000, to remain available until expended."

On page 22, line 15, after the word "for", to strike out "$3,450,000" and insert "$3,737,000".

On page 23, line 5, after the word "items", to strike out "$27,375,000" and insert "$29,374,000".

On page 23, line 10, after "(5 U.S.C. 630g)", to strike out "$4,000,000" and insert "$8,000,000".

On page 23, line 24, after the word "individuals", to strike out "$2,475,000" and insert "$2,175,000".

At the top of page 24, to insert:

"No part of the funds appropriated by this Act shall be used for the preparation or presentation of evidence or arguments before Federal and State Regulatory Agencies concerning the regulatory policies of such agencies on overall earnings level or total property evaluation of transportation or utility companies."

On page 25, at the beginning of line 2, to strike out "$30,000,000" and insert "$40,000,000"; in line 9, after the word "Acts", to strike out "provided said leasehold interests are at nominal cost to the Government", and in line 19, after the word "Treasury", to strike out the colon and *"Provided further,* That during the current fiscal year materials in the inventory maintained under the Defense Production Act of 1950, as amended, shall be available, without reimbursement, for transfer at fair market value to contractors as payment for expenses of refining, processing or otherwise beneficiating materials, pursuant to section 3(c) of the Strategic and Critical Materials Stock Piling Act; into a form best suitable for stockpiling".

On page 27, line 1, after the word "exceed", to strike out "$14,268,900" and insert "$14,864,000".

On page 27, after line 5, to insert:

"WORKING CAPITAL FUND

"To increase the capital of the working capital fund established by the Act of May 3, 1945 (40 U.S.C. 293), $150,000."

On page 28, after line 22, to insert:

"Not to exceed 2 per centum of any appropriation made available to the General Services Administration for the current fiscal year by this Act may be transferred to any other such appropriation, but no such appropriation shall be increased thereby more than 2 per centum: *Provided,* That such transfers shall apply only to operating expenses, and shall not exceed in the aggregate the amount of $2,000,000."

On page 30, line 11, after the word "amended", to strike out "urban planning financed through grants to State and local government agencies pursuant to title VII of the Housing Act of 1954, as amended, and reserves of planned public works financed through advances to municipalities and other public agencies pursuant to title VII of the Housing Act of 1954, as amended,".

On page 31, line 10, after "(40 U.S.C. 462)", to strike out "$6,000,000" and insert "$8,000,000".

On page 31, after line 15, to strike out:

"URBAN STUDIES AND HOUSING RESEARCH

"For urban studies and housing research as authorized by the Housing Acts of 1948 and 1956, as amended, including administrative expenses in connection therewith, $450,000."

On page 32, line 21, after the word "only", to strike out "$21,950,000" and insert "$22,200,000".

On page 33, line 10, after the word "exceed", to strike out "$8,000,000" and insert "$10,395,000", and in line 13, after "(5 U.S.C. 2131)", to strike out "$191,750,000" and insert "$221,750,000".

On page 33, at the beginning of line 24, to strike out "$892,000,000" and insert "$1,278,000,000".

On page 34, line 6, after the word "law", to strike out "$116,250,000" and insert "$249,250,000", and in line 7, after the amendment just above stated, to strike out "of which $20,000,000 shall be available for emergency construction of facilities in accord with section 3 of the legislative authorization for appropriations for the fiscal year 1962,".

On page 34, line 17, after the word "exceed", to strike out "$15,000" and insert "$20,000".

On page 34, after line 21, to strike out:

"NATIONAL CAPITAL HOUSING AUTHORITY

"Operation and maintenance of properties

"For the operation and maintenance of properties under title I of the District of Columbia Alley Dwelling Act, $40,000: *Provided,* That all receipts derived from sales, leases, or other sources shall be covered into the Treasury of the United States monthly: *Provided further,* That so long as funds are available from appropriations for the foregoing purposes, the provisions of section 507 of the Housing Act of 1950 (Public Law 475, Eighty-first Congress), shall not be effective."

On page 35, line 16, after the word "services", to strike out "$250,000,000" and insert "$276,500,000"; in line 18, after the word "than", to strike out "$37,600,000" and insert "$32,200,000", and in line 22, after the word "exceed", to strike out "$1,600,000" and insert "$2,000,000".

On page 36, line 6, after the word "vehicles", to insert "not to exceed $45,000 for expenses of travel".

On page 36, line 15, after "(5 U.S.C. 55a)", to insert "at rates for individuals not to exceed $100 per diem".

On page 37, line 16, after the word "service", to strike out "$161,500,000" and insert "$162,046,000".

On page 38, line 7, after the word "law", to strike out "$40,700,000" and insert "$47,053,000", and at the beginning of line 8, to strike out "$27,000,000" and insert "$32,000,000".

On page 40, line 22, after the word "Code", to strike out "$75,000,000" and insert "$77,500,000".

On page 41, line 6, in the subheading, after the word "Loan", to strike out "Guarantee" and insert "Guaranty"; in line 7, after the word "Loan", to strike out "guarantee" and insert "guaranty"; in line 8, after the word "expenses", to strike out the comma and "but not to exceed $120,624,000,"; in line 10, after the word "loan", to strike out "guarantee" and insert "guaranty", and at the beginning of line 16, to strike out "guarantee" and insert "guaranty".

On page 43, line 9, after the word "System", to strike out "or", and in line 11, after the word "Board", to insert "or to payments to interagency motor pools where separately set forth in the budget schedules".

On page 45, line 14, after "section 407", to insert "or 408".

On page 47, line 1, after "section 407" to insert "or 408".

On page 48, line 18, after the word "exceed", to strike out "$1,900,000" and insert "$2,100,000".

On page 49, line 7, after the word "exceed", to strike out "$650,000" and insert "$750,000".

On page 51, line 23, after the word "exceed", to strike out "$58,000,000" and insert "$61,300,000", and in the same line, after the amendment just above stated, to insert a colon and the following additional proviso: *"Provided further,* That the foregoing limitation shall not apply to fees and other expenses paid by and between private parties

in connection with cases processed under the Certified Agency Program."

Mr. MAGNUSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to amendment.

Mr. MAGNUSON. Mr. President, I yield to the Senator from California [Mr. ENGLE] who wishes to speak on an item in the bill.

Mr. ENGLE. Mr. President, I appreciate the courtesy of the chairman of the committee yielding to me at this time.

COMMERCIAL SUPERSONIC TRANSPORT AIRCRAFT

Mr. President, the development of a commercial supersonic transport aircraft is a matter of far-reaching importance to this Nation's maintaining its position of world leadership in commercial aviation. I am convinced that the national interest requires aggressive exploration of the costs, technical problems, and economic factors involved. In my opinion an eventual breakthrough in commercial supersonic transport in the future is certain to come. It is essential that we conduct the necessary research to keep abreast of or ahead of other nations in the supersonic age.

Commercial aviation has made phenomenal progress in the past 20 years. This progress has been achieved within our lifetime. We are all familiar with it. We are prone to take it for granted and fail to recognize the developments that have occurred in this important segment of the national economy.

I have some charts on display here today. One of these is entitled "The Shrinking World." Chart 1 shows the scheduled flight time of U.S. air carriers from New York to London in 1939, 1950, 1960—and projects the scheduled flight time of a supersonic transport in 1970. This is only one measure of progress of commercial aviation. It brings into sharp focus the rapid tempo of development when you note that the flight time was reduced from 24½ hours in 1939 to 14½ hours in 1950. The present schedules are 6½ hours. In approximately 20 years, travel time between these major population centers of the world has been reduced from one day to one-quarter of a day. This trend projects definitely to the 2½-hour schedule of a supersonic transport in the next decade.

The supersonic transport aircraft will open a new era in world travel. It will require less than 2 hours to span the United States and will place London only 2½ hours from New York. Throughout the world, travel time between major cities will be reduced by two-thirds. The nation developing, producing, and selling a safe and economic supersonic transport will achieve another significant milestone in commercial aviation.

We take U.S. leadership in commercial aviation for granted. We are justly proud of our country's position. The U.S. position of world leadership is universally recognized. Our preeminence is manifested by the fact that 85 percent of the civil transport aircraft in use by free world airlines in January 1960 were manufactured in the United States. These statistics seem reassuring. But they must be carefully analyzed to see if we are maintaining our position. Chart 2 reveals that of the free world airline fleet on January 1, 1960, 93 percent of the piston-engine aircraft were manufactured in the United States—only 34 percent of the turbine-engine aircraft were manufactured in our country. This is a graphic illustration that should shatter our complacency. It shows how easily a position of leadership can be lost in a competitive world to aggressive competitors. There is a definite reason for this turbine aircraft picture. In the latter stages of World War II, some of our allies carefully surveyed the future with a view to penetrating the world markets for aircraft. They wisely decided to exploit the turbine engine, and proceeded vigorously to do so. They would have been more successful had it not been for the tragic accidents which befell the Comet aircraft. These misfortunes slowed the pace of sales of this aircraft and gave our industry an opportunity to develop our very fine jet transports. These fine transports are bringing the United States back in the world markets. The forecast for 1962, based on firm orders, shows approximately one-half of the turbine aircraft in the free world fleet will be of U.S. manufacture.

The question facing us today is what the future picture will be in terms of the U.S. share of the transport market. I am sure that with adequate planning and support, this picture will be favorable to the United States. I am equally sure that unless we take aggressive action in supporting U.S. development of the supersonic transport, the picture 10 years hence will show that some other country has taken the leadership from us. The loss of this leadership is something none of us desire. We need prompt and positive action.

What does our aircraft manufacturing industry mean to the national economy? For the 4 years, 1956 through 1959, more people were employed in the aircraft industry in the United States than in any other manufacturing industry. Reduction in employment have occurred in this industry. As a result, in 1960 it occupied third place in employment among the manufacturing industries. Senators will note from chart 3 that the employment trend has been down in the aircraft industry since 1957—with a marked downward trend occurring between 1959 and 1960. All indications are that this downward trend will continue. I do not suggest that the supersonic transport is a cure for unemployment in the United States. But unemployment is a serious consideration in our national economy. The successful development of a supersonic transport will do much to provide employment in this vital industry.

The aircraft manufacturing industry is a major labor employing industry. Chart 4 illustrates this point. Senators will see that for every $100,000 of capital investment, 22 people are employed in the aircraft industry—compared to 5½ in a large steel company, and 2 in 1 of the major oil companies.

The important questions of balance of international payments and export trade are influenced considerably by our aircraft manufacturing industry. Chart 5 shows the U.S. net balance of international payments each year from 1955 through 1960—and the relationship of the net balance of payments to the U.S. exports of aeronautical products. Senators will see that as exports of aeronautical products increased in the years 1956 and 1957, our net balance of payments showed a correspondingly more favorable position. As our exports of aeronautical products decreased in the years 1958 and 1959, net balance of payments moved in the same trend resulting in larger deficits. In 1960, our exports of aeronautical products amounted to $1.3 billion representing 12 percent of all exported manufactured goods. The balance of payments picture failed to improve in 1960. They at least held steady at the 1959 level. It is easy to visualize the larger deficit that would have prevailed without the help of the aeronautical product exports.

Why should the Government be concerned with a supersonic transport? Industry has traditionally developed commercial aircraft within their own resources and without direct Government support. Our industry has produced the world's finest air transports—aircraft that are safe, reliable, and economical. Airlines of other countries are forced to buy from us in order to compete successfully on the airlanes of the world. The answer to this question requires an analysis of the financial resources of our leading aircraft manufacturers, and comparison of these resources with the estimated development cost of a supersonic transport. Chart 6 clearly answers this question. Four of our leading aircraft manufacturers have capital resources varying between slightly less than $200 million to about $275 million. These are truly giants of the aircraft manufacturing industry. As the speed, size, and complexity of aircraft increase, the development costs increase accordingly. The development costs of the DC–8 have been reported as $112 million. This represents only nonrecurring, strictly development costs and does not include funds required for production facilities, tooling, and the like. The Douglas Co. has total capital resources in excess of $200 million. We all know the financial problem that this company has experienced in the development and production of the DC–8. The development costs of a supersonic transport are roughly estimated at something in excess of $500 million.

It is abundantly clear from this chart—and analysis—that private industry is not able to undertake development of supersonic transport on a timely basis within their own resources. There is another important factor in assessing industry's ability to finance this development. It is tying up capital over a long period of time before any return can be expected on the investment. Substantial

amounts of capital will have to be committed to the development of a supersonic transport. The development period will run 8 or 9 years—an excessive period of time for industry to involve capital without any return. Interest charges on this invested capital in the development period impose a substantial financial burden. For example, $250 million tied up in development over a period of 8 years at 6-percent interest would incur $120 million in interest charges alone. This is a strong deterrent to the investment of private funds. Some of our largest companies do not commit capital funds to a program unless return on this investment can be expected to begin within 3 years. These facts are proof that the U.S. Government must assist industry in the development of this aircraft or some other country will do so. The total free world market for supersonic transport aircraft is presently estimated at something between $2 and $4 billion. This is adequate incentive for other countries to compete vigorously for this business.

I would like to make it clear that I am neither suggesting nor supporting a crash program for the development of a supersonic transport. Chart 7 compares the time phasing of the development schedule for the Comet turbojet transport with that of the Boeing 707 turbojet transport. Our British friends were farsighted in their postwar decision to develop turbine-engine aircraft. I have earlier referred to their success in the world markets with these aircraft. Senators will note that the Comet was developed and produced for delivery and operation over a relatively short period of time. There was no benefit of prior development and flight experience with military aircraft of comparable size and configuration. The tragic accidents that befell the Comet give us a clear warning against a crash program to develop a supersonic transport. In contrast to this, Senators will note that the Boeing 707 transport development was preceded by extensive development and flight experience with B–47 and B–52 type military aircraft. Even with this previous experience, approximately 9 years were spent in developing, testing, and production prior to airline use for scheduled service. The result of this orderly program has been a successful heavy jet transport. Airlines of other countries must buy them in order to effectively compete on the airlanes of the free world. This experience clearly shows that the United States must plan an orderly program for the development of a supersonic transport.

The United States is in a unique and fortunate position with respect to undertaking such a development program. We have developed and have in operation a B–58 bomber which is the largest supersonic aircraft in operational use in the free world. We have under development the B–70, a large mach 3 strategic bomber, the first prototype of which is scheduled to fly in December 1962. The development of these aircraft, a number of supersonic fighter aircraft, and research aircraft, such as the X–15, provide a sound basis from which our country can logically proceed with the development of a supersonic transport. Chart 8 suggests a time schedule for an orderly development of a supersonic transport—in relation to the B–70 development time schedule. The suggested time schedule is phased to get the benefit from the B–70 program. Supersonic transport construction would not start until approximately 1 year after first flight of the B–70 prototype. Intensive study and research on problems peculiar to commercial air transports—flying at Mach 3—must be started in fiscal years 1962 and 1963. Failure to start in fiscal year 1962 will lose our head start and give otner countries the chance to gain the leadership in this field.

The engines for a supersonic transport add to the urgency foı starting now. In the past aircraft were developed and designed to use engines which had been developed and proven in military service. Relatively minor modifications and changes were required to adapt these military engines for satisfactory use in commercial aviation. This favorable situation no longer exists. Industry and Government officials are agreed that development of a new engine specifically designed for a commercial supersonic transport is a key factor in the future success of this aircraft. In fact, the engine development will pace the overall development program.

It is fair to ask why the B–70 engine cannot be used for a transport. The engines for the B–70 are being developed and designed specifically for the military mission. They contemplate the use of full afterburner for takeoff and transonic acceleration. The noise level, while acceptable for defense missions, will not be tolerated for commercial operation from civil airports adjacent to large centers of population. There is also the problem of transonic acceleration at sufficiently high altitudes to alleviate the sonic boom. The engine for commercial operation must be designed to provide economical fuel consumption for both subsonic and supersonic flight. All this has a major effect on engine design.

These are the major factors requiring the development of an engine specifically for a supersonic transport. This is a new situation for our aircraft industry.

The Administrator of the Federal Aviation Agency, Mr. Najeeb Halaby, has been alert to this problem. On his recommendation the President has approved a request for $12 million in the FAA 1962 budget to provide Government support to industry for analytical studies and research of problems peculiar to a commercial supersonic aircraft. This begins 2 years of intensive effort to more accurately define the technical and financial questions involved and provide the basis for further decisions in this country regarding supersonic transport development.

I am told by Mr. Halaby that the cost of the Government support for this effort should be a little less than $50 million for the first 2 years. I heartily endorse this approach to the problem and urge the support of Senators for it.

I have emphasized so far the relationship of a supersonic transport and a technically aggressive aviation industry to our economy. Associated with the economic importance of commercial aviation to the United States, but clearly standing apart from it in the present world, is the matter of prestige. When one stands in New York, or Brussels, or Paris, or London, or Tokyo, or Berlin, and sees the world's commercial aircraft arrive and depart, he cannot but feel pride, if he is an American or be respectful of the United States—if he is a citizen of another country—from the knowledge that so many of these aircraft are American built.

The supersonic transport, particularly in view of its relation to the continuation of a virile U.S. aircraft industry, is also of the utmost importance to national security. The emergency transportation capabilities it provides would be of critical importance in both limited and general wars. The cold war significance of the capabilities of moving hundreds, if not thousands, of troops to any point in the world within a matter of a few hours, or even minutes, needs no emphasis.

Supersonic transport technology and manufacturing capabilities, complementing the B–70 program, provide an important scientific industrial backup for the military in a speed regime and portion of the atmosphere which will remain important regardless of missile and space development. It must be remembered that the air is a sea that comes to every man's door. To forget the military importance of the lower atmosphere because we have moved into missiles, would be as erroneous as forgetting the importance of the sea when we first moved into military aircraft.

The FAA Administrator, in studying this question, not only has the assistance and close cooperation of the Department of Defense and the National Aeronautics and Space Administration, but he also is consulting extensively with appropriate representatives of industry. He has held meetings and discussions with officials of the principal airframe and engine companies and with officials of the leading U.S. airlines. This course of action is very commendable and necessary. Full cooperation between Government and industry working together is essential to the successful solution of supersonic transport development in the United States. Although direct Government support for transport aircraft development represents a departure from past practices in our free enterprise system, I am sure that it must be done and can be done on a basis of wholehearted cooperation and joint effort between Government and industry.

The success of the U.S. aircraft manufacturers in producing transport aircraft for world markets has resulted from their demonstrated ability to produce safe, reliable, efficient, and economically satisfactory transports for use by the airlines of the world. The experience indicates that the national interest will be best served by establishing the objective that U.S. industry will produce the world's first economically competitive supersonic transport possessing

safety, reliability, and economic characteristics at least equivalent to those of our current subsonic jets. I am firmly convinced that this is a sound national objective and urgently recommend that we proceed immediately toward the attainment of this objective.

I call attention to the House committee report, at page 7, on the pending bill, the independent offices appropriation bill, in which it is stated:

> The committee has approved $10 million instead of the $12 million requested in a revised budget estimate for a feasibility study of the development of a civil supersonic aircraft. The study is expected to require 18 months to 2 years to complete. The committee will expect the administrator to hold down the total cost and do a complete job for not more than $20 million.

I trust that the Senate will give approval to the program which will lay the basis for making it possible for us to analyze and understand the problems created by supersonic jet transport at the earliest possible time.

I thank my distinguished chairman for yielding to me so that I may make this address at this time.

Mr. MAGNUSON. I appreciate the statement of the Senator frora California on a somewhat new item in the appropriation bill.

I now yield 5 minutes to the Senator from Connecticut.

Mr. BUSH. Mr. President, I had not intended to speak at this time, but it appears that the second appropriation bill, H.R. 7035, dealing with appropriations for the Departments of Labor and Health, Education, and Welfare, which we were to discuss and vote upon later this afternoon, will not come up today. I have prepared some remarks which I wish to get into the RECORD today in the hope that Senators will read them before we start voting on H.R. 7035.

Mr. President, I have proposed an amendment to H.R. 7035 to give the Senate an opportunity to help President Kennedy achieve the fiscal prudence in our National Government which will be required to offset the $6 billion additional defense expenditures he has recommended, and which the Congress will approve. The amendment will eliminate from the bill $277,670,000 in expenditures which were approved by the Committee on Appropriations in excess of the President's requests in his revised budget.

Hearings on the bill were conducted by a subcommittee under the chairmanship of the distinguished Senator from Alabama [Mr. HILL], and the subcommittee's recommendations were ratified by the full committee of which the distinguished senior Senator from Arizona [Mr. HAYDEN] is the chairman.

What I am about to say is not in criticism of either of these distinguished Senators or of any of the able and distinguished Senators who are members of the subcommittee or the full committee, for their consideration of the bill was completed before the President of the United States made his sober and impressive address to the Nation on Tuesday night concerning the Berlin crisis and our global conflict with Communist imperialism.

In that address, the President requested approximately $3.5 billion in appropriations to bolster the Nation's military strength, and authority to call up 250,000 men in the Ready Reserves of the armed services.

Earlier this year, on May 25, the President made an unusual personal appearance before a joint session of the Congress to deliver a special message entitled "Urgent National Needs." At that time, he also called for large additional expenditures for national defense, and for space exploration.

Altogether, the President has now asked for an addition of approximately $6 billion to the defense budget.

In the May 25 message, he stressed the need for fiscal responsibility as follows:

> If the budget now increased by the needs of our security is to be held to manageable proportions—if we are to preserve our fiscal integrity and world confidence in the dollar—it will be necessary to hold tightly to prudent fiscal standards.

He appealed to Members of Congress to refrain from adding expenditures to the budget he had submitted, no matter how desirable the programs might be for which additional spending was desired.

The President, in that May 25 message, told us:

> Our security and progress cannot be cheaply purchased; and their price must be found in what we all forgo as well as what we all must pay.

I have reminded the Senate of the President's words in the past and I must again stress them as we consider H.R. 7035.

As I have said, the Committee on Appropriations completed its action on H.R. 7035 before the President made his address to the Nation on Tuesday night, warning the people of the grim situation in which we find ourselves and the heavy defense burdens we must bear.

In H.R. 7035, the committee has recommended appropriations far in excess of the President's recommendations in his revised budget.

In one section of the bill, that dealing with public health services, the committee exceeded the President's revised requests by almost $278 million.

That amount of money is almost enough to buy three Polaris submarines, armed with their ballistic missiles, to add to our retaliatory power, and thus help to prevent an attack upon us by our Communist adversaries. It is enough to buy large quantities of other military equipment and weapons systems which we need for our national security.

When the bill came to the Senate from the other body, the appropriations for public health services already had been increased above the President's revised requests.

The Secretary of Health, Education, and Welfare, the distinguished former Governor of my State, Abraham Ridicoff, sent a letter to the chairman of the Senate subcommittee, in which he pointed out that the bill as passed by the House contained substantially more than the President requested, and that the largest excess amount involved—$58 million—was in the budget of the National Institutes of Health.

This budget—

The Secretary wrote, referring to the NIH budget—hearings, pages 1418–1421—

> was given most careful consideration by the President in relation to other elements of the budget and a recommendation was made which would provide for substantial forward progress in the field of medical research. The recommendation took account of other competing demands upon the budget and the rapid progress which has occurred in medical research in recent years.

Speaking in more general terms about the budget of his Department, the Secretary stressed the need for fiscal prudence.

He told the committee:

> The budget estimates as amended by the President represented a sound plan to permit marked improvement in the health, education, and welfare programs administered by this Department. This plan reflected a careful consideration of the need for fiscal prudence and of the proportion of the total budget resources which should be applied to health, education, and welfare activities.

Despite this appeal from the Secretary, the Senate committee proceeded to add huge sums to the public health section of the bill.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a table which shows President Kennedy's revised requests for appropriations for certain activities, the allowance made in the bill as it passed the House, the amounts in the bill approved by the Senate committee, and the amounts the Senate committee allowance exceeds the President's requests.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

H.R. 7035

Activity	President Kennedy's revised request	House allowance	Senate committee allowance	Amount Senate Committee allowance exceeds the President's request
Hospital construction	$187,972,000	$187,972,000	$212,972,000	$25,000,000
National Institutes of Health:				
General research and activities	95,341,000	119,275,000	140,000,000	44,659,000
National Cancer Institute	117,167,000	125,672,000	160,000,000	42,833,000
Mental health activities	88,324,000	92,182,000	125,570,000	37,246,000
National Heart Institute	97,073,000	105,723,000	160,100,000	63,027,000
Arthritis and metabolic disease activities	68,740,000	73,661,000	90,000,000	21,260,000
National Institute of Dental Research	13,933,000	14,681,000	20,000,000	6,067,000
Allergy and infectious disease activities	48,322,000	52,182,000	60,000,000	11,678,000
Neurology and blindness activities	54,100,000	57,624,000	80,000,000	25,900,000
Total	770,972,000	828,972,000	1,048,642,000	277,670,000

Mr. BUSH. Mr. President, the total of the excess is $277,670,000.

My amendment, Mr. President, would simply cut back the funds provided for these activities to those requested by President Kennedy, and thus accomplish a savings in the bill of $277,670,000.

Mr. President, no appropriations have more appeal than those made to help the sick, the halt, and the blind, and for research to discover cures for the crippling and killing diseases that afflict mankind.

It is difficult to offer an amendment to reduce appropriations for these activities which have been recommended by the committee, and difficult to vote for such an amendment, simply because of the emotional factor and the fear of being thought hard-hearted.

But, Mr. President, there comes a time when our words about the need for fiscal prudence and for a curtailment in nonessential expenditures must be followed by deeds.

I believe that time has been too long delayed, and we must face the issue now.

Mr. President, the President of the United States is a compassionate man, and so is the Secretary of Health, Education, and Welfare. They are concerned, as are all Senators, with helping the sick, the lame, the halt, and the blind, and are anxious to provide enough funds for this purpose, and for the necessary research which can lead to better health for all our people.

In their judgment, the amounts that they have recommended are ample, and the additions proposed by the committee are not needed. An adequate program—indeed, a generous program—can be had without the committee's additions.

Mr. President, I respectfully repeat the hope I expressed earlier that the President of the United States will give support on this occasion to those of us in the Senate who are trying to help him achieve fiscal responsibility and fiscal prudence in our National Government in this time of emergency. Should the White House throw its powers of persuasion behind my amendment, with the assistance of the distinguished majority leader [Mr. MANSFIELD], it will not fail.

Mr. President, I ask unanimous consent that the letter of Secretary Ribicoff from which I have quoted may be printed in the RECORD following these remarks.

There being no objection, the letter was order to be printed in the RECORD, as follows:

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, May 22, 1961.

Hon. LISTER HILL,
Chairman, Subcommittee on Departments of Labor and Health, Education, and Welfare and Related Agencies, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The House of Representatives has completed action on H.R. 7035, the Departments of Labor and Health, Education, and Welfare, and Related Agencies appropriations bill for 1962. The House action effected a number of changes in the budget estimates, as amended, involving increases of $82.8 million and decreases of $34.6 million and resulting in a net increase of $48.2 million above the estimates approved by President Kennedy.

The budget estimates as amended by the President represented a sound plan to permit marked improvement in the health, education, and welfare programs administered by this Department. This plan reflected a careful consideration of the need for fiscal prudence and of the proportion of the total budget resources which should be applied to health, education, and welfare activities.

In reviewing these recommendations and exercising its judgment, the House approved additional resources for several meritorious activities and, at the same time, recommended some reductions in the President's estimates. The House action can be viewed basically as an endorsement of the President's recommendations since the net addition of funds is not in proportion to the total, a major departure from the President's proposals. Nevertheless, this would involve the expenditure of substantial sums in excess of the President's budget.

In order to assist the Senate in its consideration of the appropriations bill, the several operating agencies are preparing specific statements of the effects of the House action.

I have carefully reviewed the impact on program operations of the reductions imposed by the House. I am requesting the Senate to restore funds reduced by the House in only a few cases where the decreases would in my opinion impair effective operations. There are five items of reduction made by the House which I strongly urge the Senate to restore in whole or in part. The restoration requested amounts to $2,337,000. These items are discussed in the following paragraphs.

DEFENSE EDUCATIONAL ACTIVITIES

Reductions made by the House are $1 million for national defense fellowships and $350,000 for institutes for counseling and guidance personnel. Restoration of one-half of the former cut is requested as well as all of the latter reduction.

The graduate fellowship program authorized by title IV of the National Defense Education Act is making a significant contribution toward strengthening programs of advanced study in institutions of higher education and is encouraging graduate students to prepare for college teaching. These are worthy efforts to prepare our colleges and universities to meet the demands of rising enrollments and the need for increasing numbers of highly trained individuals in every field of learning. Current estimates indicate that the total amount of the budget request cannot be used for the fellowship program since the number of fellows who drop out of the program is running somewhat higher than originally estimated. Since under existing legislation substitute awards cannot be made to replace dropouts, the full needs of this program can be met with an appropriation of $22,262,000, an increase of $500,000 over the House allowance.

Institutes for counseling and guidance personnel as authorized by title V, part B, of the National Defense Education Act provide Federal assistance to institutions and individuals to promote the improvement in qualifications of individuals who are engaged in counseling and guidance in secondary schools or who are teaching in those schools and are preparing to engage in counseling and guidance. This program complements other provisions of the National Defense Education Act and plays an important part in the whole effort to insure that the youths of the country receive the maximum training of which they are capable. We cannot as a Nation afford to relax our efforts to provide the best possible counseling and guidance services for secondary school students at a time when so many able students are not fully utilizing their talents. There is every indication that the full amount of the budget estimate can be used effectively for these institutes.

SALARIES AND EXPENSES, OFFICE OF EDUCATION

The House reduced the amount for "Salaries and expenses, Office of Education" by $500,000; and according to the report of the Appropriations Committee, this reduction was to be applied primarily to the additional positions requested and to related expenses. This reduction would mean the elimination of 38 of the requested positions and would curtail other planned activities in the fields of international education and statistics and research. President Kennedy has highlighted the importance of the Federal Government's leadership and assistance in the field of education both in his special message to the Congress on American education and in his budget amendment requesting an additional $1.9 million above the budget estimate previously submitted for the office. At the present time there is a heavy responsibility on the Federal Government to increase the range and depth of its leadership and services in order to assist States, localities, and higher educational institutions to develop high quality educational programs and to help make them available to increasing numbers of students. We would fail to live up to this responsibility were we to lag further behind in such critical areas as the improvement of the timeliness, comprehensiveness, and quality of educational statistics or in efforts to improve the teaching of English and to identify and encourage maximum effort on the part of talented youths.

GENERAL HEALTH GRANTS

A reduction of $820,000 was made by the House in the estimate for the general health grants to States administered by the Public Health Service. This represented the total increase requested for 1962. These grants are available for expenditure under State plans approved by the Surgeon General for those areas of health services which the States themselves have identified as worthy of support; and, therefore, these grants provide an important supplement to the categorical grants in the health field. These funds which help support the basic operation of State and local health departments are frequently used to inaugurate, support, and improve programs of preventive health services. Denial of the proposed increase would seriously hamper plans to stimulate the extension and improvement of State and local health programs to newer fields, primarily in the area of radiological health.

SALARIES AND EXPENSES, BUREAU OF PUBLIC ASSISTANCE

The House provided $79,000 less than was requested for "Salaries and expenses, Bureau of Public Assistance." Although this reduction is small, its effects are important. In 1962, the Bureau will have the far-reaching responsibility of protecting the Federal interest in the expenditure of over $2 billion of Federal funds. At the same time the Bureau will attempt to provide consultative services and policy guidance to the States in the development of their programs. Viewed against the magnitude of these programs and responsibilities, the staff of the Bureau is relatively small.

Furthermore, since the 1962 estimate for this item was submitted to the Congress, legislation providing aid to dependent children of unemployed parents has been enacted. Also, provision was made for Federal participation in foster family care for children who are removed from their homes through court action. The same legislation increased Federal participation in the payment of vendor medical care payments and in grants to States for training of public welfare personnel.

In order to implement the new legislation, an amendment to the 1962 budget for additional funds is currently under consideration in the executive branch. To reduce the budget currently pending before Congress in

the face of the additional responsibilities resulting from the newly enacted legislation is inconsistent with the additional demands which are being made upon the Bureau. Consequently, the restoration of the $79,000 reduction proposed by the House as requested.

SALARIES AND EXPENSES, OFFICE OF FIELD ADMINISTRATION

Elimination of 20 of the additional requested positions would be necessary if the House action in reducing the request for "Salaries and expenses, Office of Field Administration" were to be sustained. Eighteen of these positions were requested to augment the resources of the regional director in working with the broad scope of the Department's programs in the field, particularly in subject matter areas which cut across agency lines such as rural development, migratory labor, and urban area assistance. An ever-increasing volume of interpretative and factual materials dealing with such subjects must be gathered and analyzed in the regional offices. Failure to provide these positions would impair the effectiveness of the regional directors in providing consultative services to Governors, other public officials, and community and voluntary groups. The remaining two positions are needed for the State merit systems program to cope with increased workloads associated with the 1960 Social Security Act Amendments, especially those involving merit systems requirements for the administration of programs of medical care for the aged.

With respect to the increases amounting to $82.8 million proposed by the House, I have already commented on the overall relationship of the House action to the President's budget and the importance of fiscal restraint and of maintaining a proper relationship among the many demands of the several departments and agencies. In addition to these general observations, I would like to comment on certain of the specific increases proposed by the House.

NATIONAL INSTITUTES OF HEALTH

The largest increase—$58 million—is in the budget of the National Institutes of Health. This budget was given most careful consideration by the President in relation to other elements of the budget and a recommendation was made which would provide for substantial forward progress in the field of medical research. The recommendation took account of other competing demands upon the budget and the rapid progress which has occurred in medical research in recent years. I urge that you take account of these considerations as you proceed with the budget of this Department. If, despite these factors, you should conclude that the additional sums included by the House should be retained, we shall, of course, see that they are administered as effectively as possible.

GRANTS FOR CANCER RESEARCH FACILITIES

The House provided $5 million for nonmatching grants for construction of cancer research facilities. The administration has given thorough consideration to health research facility needs. The budget requests $30 million for grants for health research facilities under existing authority that expires on June 30, 1962, and draft legislation has been submitted to the Congress by the administration that would extend this program for an additional 3 years and would increase the authorization for this program to $50 million. Under the administration's proposal Federal grants would be required to be matched dollar for dollar by applicant institutions. In addition, authority is sought to authorize construction of facilities directly or by grant without matching requirements when the facility is designed to serve a national or regional objective. The House action provides no such criteria but instead authorizes a portion of the applications for cancer research facilities to be fully funded by the Federal Government while the remainder could only be supported on a 50–50 matching basis. Great inequities are possible under these circumstances unless the legislation identifies a basis for determining eligibility for nonmatching grants. Without such an expression of public policy by Congress, a few institutions could receive the benefit of full financing of their facilities without a clear means of distinguishing them from those institutions not receiving this benefit. It is therefore recommended that this provision be deleted from the bill.

GRANTS FOR HOSPITAL RESEARCH FACILITIES

A $10 million increase was made for grants for the construction of hospital research facilities. This additional sum is intended to aid in the construction of experimental hospitals which may hold promise of reducing operating costs in respect to intensive treatment. While this idea may have merit, this Department has not had adequate opportunity to study the full implications of this approach. It is recommended, therefore, that the Department be given the opportunity to review it very carefully and, if it is found to be sufficiently meritorious, funds could be included in the 1963 budget.

AUTHORITY TO TRANSFER UP TO 5 PERCENT OF ADMINISTRATIVE EXPENSE FUNDS

One of the selected number of amendments made by President Kennedy to the 1962 budget was to request authority to permit the Secretary to transfer funds among administrative expense appropriations, provided that no appropriation could be increased or decreased by more than 5 percent. As I stressed in my testimony before the subcommittee, this would be an extremely valuable tool in assessing the programs of the Department, by determining the degree to which they are accomplishing the purposes intended by Congress and the extent to which they are being administered efficiently and economically. During the course of the hearings, numerous areas were identified as being the types of needs or activities which could be appropriately handled under the transfer authority requested. In an organization the size of this Department, which will involve the expenditure of over $4 billion in 1962 and a staffing of over 66,000 employees, some flexibility in administration is essential. The authority requested would be used sparingly, and I strongly urge its inclusion in the bill.

APPROPRIATION STRUCTURE

The House in acting on the 1962 appropriations bill made a number of changes in the appropriation structure. These changes were for the most part the establishment of separate appropriations for each of the major activities of the community health and environmental health programs of the Public Health Service. This practice of giving each program and major activity a separate appropriation in the Department of Health, Education, and Welfare is contrary to the trends with respect to all other departments. I am informed that there has been a concerted effort between the Congress and the executive branch to consolidate appropriations throughout the Government and to thus minimize central fiscal control operations, simplify reporting, and consolidation of national reporting, and to make the budget document shorter and more readily understood. The budget for the Department included an appropriation structure that was more nearly in conformity with the Government-wide practice and grouped the activities of certain major organizations into a single appropriation but with more complete and meaningful breakdowns by activity than heretofore. The House action provides more separate appropriations for this Department than exists in any other department. It is therefore recommended that the appropriation structure proposed in the budget for the Public Health Service be substituted for the House proposal.

Taken together, these requested amendments will in my judgment strengthen the ability of the Department to serve the American people in fiscal year 1962. Should you or the committee desire any further information concerning these amendments, we will be happy to furnish it at once.

Sincerely yours,

ABRAHAM RIBICOFF,
Secretary.

Mr. RUSSELL and Mr. KEFAUVER addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington has the floor.

Mr. RUSSELL. Mr. President, no Senator can hold the floor and still sit in his chair. That is in the teeth of all the rules of the Senate. I do not deny the right of the Senator from Tennessee to be recognized, if he wishes to be, but I cannot stand by and see established a precedent that a Senator can hold the floor while he is sitting in his chair. That is in the very teeth of everything the rules of the Senate provide for. I am perfectly willing to defer to the Senator from Tennessee, but no Senator can hold the floor and at the same time be in his chair, except by unanimous consent.

DEATH OF SILLIMAN EVANS, JR., PUBLISHER OF THE NASHVILLE TENNESSEAN

Mr. KEFAUVER. Mr. President, I am most shocked and distressed to learn of the death of Silliman Evans, Jr., publisher of the Nashville Tennessean. He passed away at his home near Nashville this morning.

The passing of this outstanding young man at the age of 36 is a terrible loss to the people of my State of Tennessee and to the Nation. It is a tremendous personal loss to me.

Silliman Evans, Jr., was one of our very best and most valuable citizens and my close personal friend. He was a man of much courage and a great liberal leader whose direction of one of the Nation's greatest liberal newspapers will be sorely missed. His wide circle of friends included many of our colleagues in the U.S. Senate.

Just as did his distinguished father, Silliman Evans, Sr., he championed many progressive causes and gave leadership throughout the State of Tennessee to what was just and right.

Silliman Evans, Jr., did not stop at this worthy task. He actively worked for the principles in which he believed in the Democratic Party. His contribution to the Democratic advisory council was invaluable. He was a close personal friend of Vice President JOHNSON. His service to his ideals and his Nation as a member of the Vice President's Committee on Racial Equality were just beginning when death intervened.

What Silliman Evans, Jr., has done and stood for will live long as a monument to his great qualities and abilities. It will serve as a foundation in the years to come for all those who shared his beliefs and worked for the betterment of our Nation and its every community.

To his wife, Frances, his mother and all his family and associates on the Tennessean, I extend my heartfelt sympathy.

Mr. GORE. Mr. President, will my colleague yield?

Mr. KEFAUVER. I yield.

Mr. GORE. Mr. President, I join in the expression of distress and regret made by my distinguished senior colleague upon the untimely passing in Tennessee earlier today of Silliman Evans, Jr. Mr. Evans' range of interest was national in scope; and the scope of his service ranged from service to individuals, to local programs of progress, to the interests of the State of Tennessee, the Nation, and, indeed, the free world.

Cut in the mold of his late father, whose name he bore, Silliman Evans, Jr., had a heart that was true. His record has been one of service to his fellowmen; one of service to causes for progress.

As a publisher, he wrote his mark as a progressive, courageous publisher of a liberal, progressive, democratic newspaper. His friends encompass the leaders of our Nation and, as my colleague has said, many Members of this body.

But his friendships were not confined to those occupying exalted status. Many men of lowlier walks of life claimed him as their personal friend; and indeed they had every right to do so, for his very impulse was for the betterment of the mass of mankind.

The passing of Mr. Evans is untimely at so young an age. I wish to join with my colleague in the extension and expression of regret and sympathy to Mr. Evans' widow, Mrs. Frances Evans; to his mother, Mrs. Silliman Evans, Sr.; and to his only brother, Amon Carter Evans.

This expression of sympathy goes also to his associates, his close personal friends, in the publication of a great newspaper.

In the passing of Mr. Evans, the Nation, the State of Tennessee, Nashville, Tenn., and the Nashville Tennessean, as well as his family and his friends, have suffered a great and irreparable loss.

Mr. SPARKMAN. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I join with the distinguished Senators from Tennessee in expressing regret at the untimely passing of Silliman Evans, Jr. It was my pleasure to know his father for many years as a very fine, vigorous, able newspaper publisher and editor. Following his death, I saw his son and namesake take over that newspaper, a newspaper, by the way, which circulates widely throughout my section of Alabama.

I have had the pleasure of knowing Silliman Evans personally. I have long watched his work, and I have seen how he has attained effective leadership not only in the newspaper world, but in movements of every kind that worked for the good of the particular area which he was serving.

I join with both the Senators from Tennessee in expressing regret and extending sympathy to the loved ones of Mr. Evans.

Mr. SYMINGTON. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield to the Senator from Missouri.

Mr. SYMINGTON. I join with the Senators from Tennessee and the Senator from Alabama in expressing deep regret at the passing of Silliman Evans, Jr. His father and he himself were friends of mine for many years. We shall all miss him. He was an able publisher, a good friend, and a great American.

I express deep sympathy to Mrs. Evans and the rest of the family.

Mr. ANDERSON. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield to the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I, too, had the great privilege of knowing Silliman Evans, Sr., and also Silliman Evans, Jr. I appreciate the kind things which have been said by the Senators from Tennessee, as will others who will mourn the loss of this fine young man, just as we mourned the passing of his father.

I hope the Senator from Tennessee will convey to the members of the family of Mr. Evans my personal regret at the great loss the Nation has suffered.

Mr. KEFAUVER. I shall certainly do so.

Mr. YARBOROUGH. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield to the Senator from Texas.

Mr. YARBOROUGH. I join with the distinguished Senators from Tennessee in their expressions of regret at the untimely passing of this able and distinguished young American at the early age of 36.

The people of my State are proud of the fact that Silliman Evans was a native of Texas, having been born at Fort Worth, although his most notable service was in Tennessee, where, as editor of the Nashville Tennessean his influence was widespread, not only in Tennessee, but throughout the Nation, as well.

Mr. Evans was a great influence, particularly in my State; and while in the shock of the passing of this young and brilliant leader partisan politics have not been mentioned, I believe I would be remiss if I did not mention his political influence in my State.

He was an ardent Democrat. I have been acquainted with him for about 9 years. He was a great protagonist of the distinguished senior Senator from Tennessee [Mr. KEFAUVER], when he was urged by his friends to seek the Presidency; and he was also a great supporter when the distinguished senior Senator from Tennessee was a candidate for the Vice Presidency.

Mr. Evans was one of the bulwarks of the Democratic Party during its days of defeat and its darkest days, when some of its friends were rather reticent and not very outspoken in its defense.

Mr. Evans' record of service for the welfare of the country went beyond party lines. Most of all, he worked for the welfare of the people and sought to use instrumentalities which would bring about the great advances which he wished to be made in their behalf.

Mr. President, the loss we have suffered transcends party lines. It is a national loss; and it will be felt keenly in my State, which is proud of the honor of having been the place of birth of this great American.

Mr. KEFAUVER. I thank the Senator from Texas.

Mr. MANSFIELD. Mr. President, I wish to join with my distinguished colleagues from Tennessee [Senators KEFAUVER and GORE] in expressing my deep sorrow in the passing of Silliman Evans, Jr., and my sympathy to his family. Mr. Evans' contributions were many and varied, and we were all better off because of him.

His courage and sagacity were extraordinary, his perception of events was penetrating, and his loyalty to his State and country was unquestioned.

We will all miss him because we valued his fine friendship, his sound advice, and his unfailing understanding.

To his family, Mrs. Mansfield and I extend our deep sympathy in their loss. May his soul rest in peace.

Mr. HILL. Mr. President, I wish to join with my able colleagues from Tennessee, and from other States, in expressing my deep regret over the passing of Silliman Evans, Jr., publisher of the Nashville Tennessean.

I knew Mr. Evans' father, Silliman Evans, Sr., and his fine son personally. Their leadership in many causes of justice were always an inspiration to me.

Silliman Evans, Jr., was never afraid to take a courageous and dedicated stand in behalf of a principle or a program in which he believed, even though such a position might have been unpopular at the moment.

He was not afraid to make a personal contribution to politics, either. His belief in and his action for the Democratic Party set an example in which any citizen might well be proud.

Men of stature and ability, of courage and action, such as Silliman Evans, Jr., are too rare in our life today.

His untimely death is a serious loss to the political and social scene of our Nation. His place will be most difficult to fill.

Mr. KEFAUVER. Mr. President, I appreciate the courtesy of the Senator from Washington in yielding this amount of time.

INDEPENDENT OFFICES APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 7445) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1962, and for other purposes.

Mr. RUSSELL. Mr. President, when the independent offices bill was in the committee and when we were engaged in marking up the bill, I proposed an amendment to the part of the bill which affects the appropriations for the Civil Aeronautics Administration; I refer to

the part which has to do with the subsidy which is granted for helicopters.

It so happens that in the United States there are three helicopter companies which have been receiving a direct subsidy since 1954; and prior to that time they received payments for flying the mails. Those three companies were located in New York City, Chicago, and Los Angeles; and since 1954 they have received an outright subsidy of more than $36 million, and the payment of even more than that for flying the mails.

Over the last several years there have been pending a large number of applications from helicopter companies in other cities, who have been seeking to share in this subsidy. But the Civil Aeronautics Board has confined it to these three companies, and would not even permit a hearing to be held on the applications which were filed in connection with other cities. For instance, certain plane service which originates in the Capital City of Washington goes from Friendship Airport, and others go from the National Airport; but no helicopter service is being installed to transport passengers from one airport to the other, although these three companies have continued to receive the subsidy over the years.

In the committee, I proposed an amendment to the effect that not more than 20 percent of the sum allowed for helicopters—which, I state parenthetically, is $6,900,000 for next year—should be paid to any one helicopter operator in any one year. I proposed that amendment in an effort to see to it that other cities have a chance, finally, to receive part of this subsidy.

In passing, I may say it is the rawest subsidy that is paid by our Government. To my mind, there is less justification for paying helicopter companies a subsidy for transporting passengers within cities than there is for any other subsidy on the books. But the amendment was defeated by a narrow margin in the committee.

I intended to bring up the amendment on the floor of the Senate, and I served notice that I intended to do so. But after considering all aspects of the matter, I decided not to offer the amendment on the floor. I took that position for the reason that I find in the statement by the House committee the following:

> This is the last year the committee plans to recommend funds for subsidy for helicopter operation, and the amount in 1962 for this purpose has been reduced from the $6,900,000 budget estimate to $5 million, and earmarked in the bill at not to exceed this amount. The total amount of the subsidy paid out since 1954 to the three helicopter companies will be more than $36 million, including the reduced amount included in the bill for 1962.

I may say the Senate committee voted to restore that reduction, and voted to make the appropriation, $6,900,000, the full amount of the budget estimate.

The Senate committee discussed the matter at some length. I shall not read all the record of that discussion, but it is said that the committee is strongly of the opinion that the helicopter subsidy should be ended at the earliest opportunity, although the Senate committee does defend the helicopter subsidy. But the committee does say that the subsidy should be ended at the earliest possible opportunity.

I have decided that it would be better to let the matter be, this year, rather than place a limitation on the amount to be paid to these companies. If my amendment were to be adopted, thus requiring that not more than 20 percent of the subsidy could be paid to any one company, the result would be to bring other helicopter companies into operation; and then, next year, instead of being confronted with powerful forces, which sometimes are called lobbies, representing New York, Chicago, and Los Angeles, defending the helicopter subsidy and requesting even larger amounts, representatives of several other cities would no doubt make similar requests. So I have decided that it would be better to let the matter stand as it is, this year, rather than attempt to reduce this amount now, even though in my opinion it is a complete, unadulterated fraud, as carried in this bill.

Mr. SYMINGTON. Mr. President, will the Senator from Georgia yield?

The PRESIDING OFFICER (Mr. HICKEY in the chair). Does the Senator from Georgia yield to the Senator from Missouri?

Mr. RUSSELL. I yield.

Mr. SYMINGTON. I am in complete agreement with the distinguished Senator from Georgia in regard to this subsidy. May I point out that on page 10 of the report we find set out an item of $12 million for a commercial supersonic mach 3 airplane. The House reduced the amount to $10 million; but the Senate committee has recommended the restoration of the $2 million reduction, so the amount remains at $12 million.

As the distinguished Senator from Georgia knows, those of us who serve on the Armed Services Committee to the best of my knowledge, are unanimous in agreement that we should develop a military airplane with a mach 3 capacity.

The Department of Defense says it does not plan to use additional appropriated funds for a military mach 3 airplane. But at the same time we are going to start a broad, new development, requiring the expenditure of millions and millions of dollars to develop a commercial airplane, and this at the same time we are making a decision not to develop as a weapons system a military airplane of comparable speed. When I asked what amount this airplane would ultimately cost, I was informed that cost would be between $500 million and $700 million.

If this goes through, commercial travelers will be able to fly from London to New York in 2½ hours; but our combat aircraft crews will not have planes of comparable performance.

Mr. RUSSELL. I may say that it is difficult for me to understand the mental operations of the Budget Bureau which would approve the expenditure of $12 million as a downpayment on $400 million or $500 million for the development of a supersonic passenger plane, but would resist, every step of the way, the efforts that we have been making, to obtain appropriations for a military plane which would be supersonic.

The defense of the United States today, in my mind, is the one paramount objective, or should be the one paramount objective, of every branch of Government; and here we have the same Budget Bureau that approved this appropriation, knowing in the end it would involve perhaps $600 million or $700 million before it was completed for commercial supersonic purposes, bitterly resisting, and impounding and refusing to spend, funds we have appropriated in an effort to insure that the young manhood of America will have a fighting chance to return after having delivered their payloads on the cities of our enemy.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SYMINGTON. I should like to again associate myself with the able remarks of the Senator from Georgia. The figure now for the B–70 is considerably less than the figure the previous administration recommended for this airplane. The Eisenhower adminstration recommended $358 million. This administration recommends $220 million. To the best of my knowledge, all the committees involved in the Senate believe this figure should not be reduced from $358 million, in fact, but should be increased to $448 million, so we can get the most modern manned combat aircraft as quickly as possible.

At the same time this is being opposed by the Department of Defense, as the able Senator from Georgia has already pointed out, we now have the first entrance of the camel's nose under the tent, only $12 million. At the same time they tell us that, if this program goes through, it will cost between $500 and $700 million to subsidize the complete development of a commercial airliner, at the expense of the taxpayers.

Mr. RUSSELL. I do not want to prolong this discussion, but I will say to the distinguished Senator from Missouri that we read and hear on every hand the importance of undertaking to impress Mr. Khrushchev that we mean business, and that we are serious in our determination to resist any further aggression from the Soviets against our country or against any allies we are committed to defend. I am sure Mr. Khrushchev will be seriously impressed with our determination to wage war to the hilt when he sees the Bureau of the Budget approving expenditures for a commercial airliner, but denying one dollar for future development of manned aircraft.

Mr. SYMINGTON. The Senator from Georgia states the case better than I.

If we in this body have the right to draft young men off the farms and from the cities when there is no shooting war going, we have the duty at the same time to give them the best equipment and best training in order to give them the best chance of returning. I am more interested in that aspect of it than in improving the commercial ability to travel rapidly.

Mr. MAGNUSON. Mr. President, I do not say that I would disagree with what the Senator from Georgia and the Senator from Missouri have had to say, but I do not want any implication that the Appropriations Committee went into this question blindly. This was a recommendation of the Space Committee of the Senate, of which all three of us are members. It was unanimously decided, so far as I know, that we start on this item in the space appropriation approved by the Budget. Our committee acted only on that basis.

I was busy with the independent offices bill when the Space Committee held hearings on this matter. The Senator from Georgia heads the Committee on Armed Services. I read the report. I assume the testimony was quite conclusive in the Space Committee; otherwise the action would not have been unanimous.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SYMINGTON. Although on the Space and Aeronautical Sciences Committee, when I found out about this in detail, I went to the head of the Federal Aviation Agency and protested this; and said, "In my opinion, you could not make the plane with $500 million or $700 million." The FAA said they were planning to utilize technical information from the B–70 program and that was why they could do it for from $500 million to $700 million.

I do not think NASA is too strong for this program, although they signed it.

I want to go on record with the chairman of the committee that I have now made my protest about this, although I, too, with him, voted for it in committee. At that time I did not have the details.

Mr. MAGNUSON. I think the Senator from Georgia put his finger on it when he said that this is a matter we had better look at pretty carefully.

Mr. RUSSELL. I was not criticizing this appropriation bill. I was merely pointing out the inconsistency in approving this expenditure and strongly resisting the development of a supersonic military aircraft.

Mr. SYMINGTON. That is my point.

Mr. MAGNUSON. I agree with that. The Bureau of the Budget sent this request to Congress, and the committee acted upon it. The FAA is the managing Agency, but it was the Space Agency that developed it.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. I heartily agree with what the Senators from Georgia and Missouri have said. When the matter came up in the committee about raising this amount by $2 million, I think I raised the question, or some Senator did, and it was my understanding that we would not go forward with the B–70, as I knew we were going—

Mr. SYMINGTON. Could I ask the able Senator, is this the Defense or Space Subcommittee?

Mr. SALTONSTALL. No; it was the Independent Offices Subcommittee.

Mr. SYMINGTON. I am not on that subcommittee.

Mr. SALTONSTALL. Yes. So there is a certain part of the development of a commercial plane that cannot be ascribed to the development of a military plane, and this smaller amount was to develop those facilities which would be practical for commercial purposes.

Mr. SYMINGTON. That is a smaller amount.

Mr. SALTONSTALL. $12 million.

Mr. SYMINGTON. According to those who are the primary advocates, the plane will cost between $500 million and $700 million. This request is just for a preliminary study toward the commercial plane. At the same time, we decide not to make the military plane as a complete weapons system.

Mr. SALTONSTALL. I went forward with this, as one member of the committee, because I knew, from the Armed Services Committee and the Appropriation Subcommittee on Defense, we would not go forward with the B–70. I voted for this item because this was on the commercial side of research and development, rather than on the military side.

Mr. SYMINGTON. If the Senator, as a member of the Subcommittee on Defense Department Appropriations, would like to offer an amendment to eliminate the money, I assure him I shall vote for the amendment.

Mr. SALTONSTALL. To eliminate the whole $12 million?

Mr. SYMINGTON. Yes. The Bureau of the Budget does not approve the additional money we appropriated for the military aircraft, the B–70, which everybody on the committee believes we should have, after years of study. But the Bureau of the Budget recommends, and we are asked to approve, money for a commercial plane.

Mr. SALTONSTALL. We approved the $448 million.

Mr. SYMINGTON. But we understand the administration has no intention of spending all of it.

Mr. SALTONSTALL. If that is true, I would agree with the Senator.

Mr. SYMINGTON. As I remember, they told us they did not expect to spend more than $220 million of the $448 million.

Mr. SALTONSTALL. The Secretary of Defense made a statement to our committee. I do not know whether the Senator was present. The Senator from Georgia has a very good memory. I believe the Secretary said he did not think he could spend all of this money, practically.

Mr. SYMINGTON. All of what money?

Mr. SALTONSTALL. All the $448 million. I think he stated that before.

Mr. SYMINGTON. I do not remember that. I understood that the Department was not going ahead with the B–70 as a weapons system. In fact, this administration cut from $358 million to $220 million money for this plane the previous administration recommended this year.

Mr. SALTONSTALL. That is correct.

Mr. SYMINGTON. If that is all true, and the Senator is worried about this, if he will offer an amendment to eliminate the $12 million from the bill, I shall be glad to vote for the amendment. The Senator is a member of this committee. I am not.

Mr. SALTONSTALL. If the $448 million does not go through, that is all we can do. We cannot compel the administration to spend money. All we can do is appropriate the money. If the money is not spent this year, or if the development of the B–70 does not go forward, then I certainly believe the money in question should not be provided.

Mr. SYMINGTON. The difference between the $220 million and the $448 million is the difference between planning to make three prototypes, which are not weapons systems, and planning to make military aircraft.

Mr. SALTONSTALL. I do not wish to prolong the discussion, but I read the following:

> The technical feasibility of a civil supersonic aircraft is established by U.S. research and experimental and military aircraft. The problem is to assure development of a civil supersonic aircraft that has the safety, reliability, and economic characteristics required for satisfactory commercial service. Analytical studies and research by Government agencies and industry are required to advance the "state of the art" to provide an adequate technical basis for a decision that the required safety, reliability, and economic characteristics can be achieved.

That is the basis on which I voted for the $12 million.

Mr. SYMINGTON. I understand my friend from Massachusetts. I understand what was stated. We have already spent some money on the B–70, with the idea that it would go on and become a complete weapons system. Now we understand it will not be a weapons system.

This $12 million represents the first camel's nose under the tent in a program of $700 million for Government subsidy of a commercial airliner. I do not think we should be subsidizing a commercial airliner in this fashion, when we are denying the military people a military plane of comparable performance characteristics.

Mr. MAGNUSON. We are not subsidizing anybody.

Mr. SALTONSTALL. I do not wish to cross up the chairman of the committee, but I say to the Senator from Missouri that so far as I am concerned, I should be perfectly willing to strike out the whole amount and take the problem to conference.

Mr. SYMINGTON. If any Senator wishes to offer an amendment to strike out the money, to put military matters ahead of commercial matters, I would vote for it.

Mr. MAGNUSON. I point out to the Senator from Missouri that NASA has $8.5 million for this development under the bill.

Mr. SYMINGTON. I understand that. That raises the figure to $20.5 million.

Mr. MAGNUSON. Yes.

Mr. SYMINGTON. But the NASA people are less interested than that $8.5 million would imply.

Mr. MAGNUSON. I do not think there was ever any illusion in the committee that, if we went ahead with the development of the B–70, it would not cost many millions of dollars more. No one is suggesting that.

This was a step involving what the Senator from Massachusetts read. The understanding was that the administration and the Bureau of the Budget had approved both items with regard to proceeding with the B–70 program. I think everybody understood that.

Mr. SYMINGTON. Does the Senator happen to know what the total market for this commercial airliner would be if the Government subsidized it through to say $700 million?

Mr. MAGNUSON. I think that is stated in the testimony. I think the testimony showed there were approximately 100 aircraft involved.

Mr. SYMINGTON. So all of those charts involve about 100 to 200 aircraft at the most?

Mr. MAGNUSON. I shall be glad to have the testimony placed in the RECORD. I think the figure is approximately that. The Senate hearings include justifications which state:

Due to the tremendous productivity of such an aircraft, the free world market is limited to probably 200 aircraft. The first country to develop a safe, reliable, and economically competitive supersonic transport aircraft will undoubtedly capture this free world market.

Mr. SYMINGTON. I think the Senator is correct. I believe the figure was 200, including the foreign possibilities.

Mr. MAGNUSON. Possible foreign sales.

Mr. SYMINGTON. Yes. The idea that such an amount would revolutionize favorably the economy in any part of our country, I think is not borne out by the possible future business.

Mr. MAGNUSON. I do not think so at all. I do not think that has much to do with what we are discussing now.

This is, surely, away ahead in the future. I understand that the aeronautical engineers say they have not even solved the noise problem yet on any of these supersonic, high-speed aircraft.

Mr. SYMINGTON. Mr. President, would the chairman of the committee offer an amendment to at least wait until next year before we put up money for a commercial airliner with a speed of mach 3?

Mr. MAGNUSON. I could not do that without consulting all the members of the committee. The committee voted for this item. This is the budget amount. The NASA item is included, also. Any Senator who wishes to do so can offer an amendment.

Mr. SYMINGTON. Mr. President, I offer that amendment.

Mr. MAGNUSON. The Senator from Missouri can do so.

Mr. SYMINGTON. Mr. President, I offer an amendment to eliminate this $12 million.

Mr. MAGNUSON. Mr. President, I suggest, in all fairness, that the Senator from California [Mr. ENGLE] is vitally interested in this subject, and he ought to be present. Other Members of the Senate also are interested, so I suggest the absence of a quorum.

Mr. PROXMIRE. Mr. President, will the Senator withhold his suggestion for a minute? I have an amendment which I should like to discuss. The Senator from California could be reached in the meantime.

Mr. MAGNUSON. I did not hear the Senator from Wisconsin.

Mr. PROXMIRE. In view of the fact that the hour is growing late, I should like to make some remarks about my amendment. Would the chairman of the committee be willing to defer the suggestion of the absence of a quorum so that I could present my amendment? The Senator from California could be found and brought to the Chamber.

Mr. MAGNUSON. I think all Senators ought to be present.

Mr. RUSSELL. Many Senators are interested in this.

Mr. MAGNUSON. Many Senators are interested. The Senator from Wisconsin can present his amendment later. If the Senator will bear with me, I think many Senators have a vital interest in this subject, so, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from Missouri will be stated.

The LEGISLATIVE CLERK. On page 14, it is proposed to strike out lines 6 through 12.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri.

Mr. WILLIAMS of Delaware. Mr. President, on the pending amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SYMINGTON. Mr. President, I desire to explain the amendment briefly again. We have reduced the amount requested for the military B–70 airplane—a mach 3 airplane—from the amount requested by the previous administration, from $358 million to $220 million. At the same time, we ask for an original subsidy to develop a comparable commercial airplane. Although the figure is only $12 million, I was told by the agency responsible for the recommendation that the plane would ultimately cost between $500 million and $700 million. Therefore, I do not think we should refuse to give the military a mach 3 airplane and at the same time subsidize the development of a commercial mach 3 airplane. That statement summarizes the purpose of the amendment.

Mr. ANDERSON. Mr. President, as a member of the Committee on Aeronautical and Space Sciences, I should say that our attention was not called to the fact that by voting for an appropriation of the nature stated we would be voting for a civilian airplane rather than a military airplane. I subscribe fully to what the Senator from Missouri has said and intend to support him.

Mr. SYMINGTON. Mr. President, I thank the able Senator from New Mexico. I did not understand the full significance of the item. Therefore, I went to the FAA to find out what it was about, and protested the item to them, and told them I felt the way I expressed myself on the floor this afternoon.

Mr. MAGNUSON. Mr. President, I wish to read the budget justification for the amount proposed for the project so the Senate will know exactly what it is asked to pass upon:

The President requested $12 million for the initial effort in developing a civil supersonic aircraft. The development and production of this airplane is essential to the continued U.S. leadership in commercial aviation.

This was the testimony:

Government financial assistance is required since industry cannot finance the development alone. It is anticipated that the aviation industry will finance a portion of the costs during development stages and, in addition, a substantial recovery of the Government-financed costs can be realized by means of royalties paid by private purchasers of these transports. The initial research and evaluation will take approximately 2 years, at which time we will carefully evaluate the advisability of continuing with this project. It is, therefore, important that a thorough examination of all phases of this program be made in these first 2 years.

That was the substance of the testimony.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I should like to finish this part of the statement first. The House then appropriated $10 million to start this item.

The Administrator went on to testify:

We requested $12 million for the first steps in a program to develop a civil supersonic transport aircraft. I firmly believe that this program must be started immediately. This is the minimum step necessary to compete with the rest of the world in development of heavy transport aircraft. The House supported the concept of this program but reduced our request from $12 to $10 million. I can assure you that the $12 million requested had already been substantially reduced below the amount technically competent members of my staff believed should be spent for this program in the first year. I am convinced that we can, through prudent management, begin several airframe and engine studies during 1962 with $12 million. However, any lesser amount will reduce the effectiveness of the studies we plan to conduct during 1962 and 1963 to determine the feasibility of continuing with this program.

An appropriation will be required during 1963 to complete the first phase of this program and the House instructed us to contain these costs within $20 million. I do not believe that the necessary data can be developed for this amount. In my judgment we should limit our costs to less than $50 million for the first 2 years.

Further, a study and analysis up to date has brought forth certain conclusions. The testimony goes on:

The development of a commercial supersonic transport aircraft appears certain. The

question is whether this aircraft will be developed by the United States, by one of our allies, or by Russia.

There are 10 reasons stated in the testimony, including:

Reduction in the $12 million request will force either a limitation on the number of companies participating in the competitive efforts of industry or in the amount of work performed. The United States could then be placed in the position of either making a decision with insufficient information or delaying the decision, thus giving undue advantage to our competitors.

The chairman is not familiar with the technical details or the problem as between the development of the B–70 and this program. This is purely a civilian program, testified to by the space agency and the FAA. At the President's request we put it in. Now I understand from those on the Defense Department Appropriation Subcommittee that they have tried to push the B–70 in the defense appropriation bill and that the administration has asked to cut that or not to spend X number of dollars for this program. At the same time they do suggest this program. That is the situation before the Senate.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SYMINGTON. If this is so important to the companies why do we have to pay for a study? If there is a new motor coming up in the automobile industry, or a new chemical in the chemical industry, industries do not come to Washington. It would cost 12 leading companies in the industry, including airlines as well as plane producers, a million dollars apiece to do that. In that way it would not be necessary for the taxpayers to pay for a study which would react so much to their advantage if it worked out, and would cost the taxpayers everything if it did not work out.

Mr. MAGNUSON. This is not in the testimony, but I understand—and I ask the Senator from Oklahoma [Mr. MONRONEY] to correct the RECORD if this is not the case—if the military aspects of the B–70 program were carried forward, the same companies would be doing it, or at least a combination of them. Is that correct?

Mr. RUSSELL. Yes, it would be.

Mr. MAGNUSON. They would have to be the same companies.

Mr. RUSSELL. Of necessity it would be some of the same companies.

Mr. MAGNUSON. So, whether it was a civilian program or a military program, both would be involved in this work on the B–70's.

Mr. SYMINGTON. Will the Senator repeat his question?

Mr. MAGNUSON. If the development of the B–70 in the military program were proceeded with, as the committee has already voted money for it, would not the same companies be involved in the program of research and development?

Mr. SYMINGTON. There was competition for the B–70. One company won that competition. Anything developed by that company thereupon could be given by the Government to other companies to be commercially available. One company is developing that airplane. Here we are asked to subsidize all companies in the commercial field, if we carry out the program as suggested.

Mr. MAGNUSON. Would not the builder of the military B–70 have to deal with a large number of airplane companies that can do the job?

Mr. SYMINGTON. They did that, and they picked one. Therefore they do not have to deal with any more companies, except subcontractors. They could use two companies to build the entire airplane; or they could give the construction of wings to one company as a subcontractor, and so forth. However, the prime contractor has been chosen.

Mr. MAGNUSON. That was in 1953?

Mr. SYMINGTON. The program was decided on in 1953. The contract was let several years later.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. MONRONEY. I have always supported the B–70 program. I have supported the program in the hope that out of the military mach 3 plane would come many lessons which would help guide us in the mach 3 civilian plane. I have followed it with great hope. I have been very greatly disappointed to find that the engines of the airplane and almost everything about the B–70 would be ruled out except for it serving as a flying platform; that we will learn from the B–70 the proper metals to use and other factors involving the high heating element of mach 3 passage; but there will be very little we can take, as we have in the past, from the military lesson, and convert this plane into a modern mach 3 civilian plane.

I have supported the B–70 on faith, because I think America must forge ahead in aviation, the same as we must forge ahead in space. However, I cannot bring myself to the position of saying, "Let us wait until we have the mach 3 B–70 flying before we start planning in the blueprint stage; before we start studying aerodynamics; before we learn about the kind of motor we must have and the configuration of the plane necessary to carry the passenger and cargo loads; the type of plane that can operate from civilian airports.

Perhaps mach 3 is not important in civil aviation. I feel it is. I know the problem caused by the creation of the mach 3 civilian plane in England has been of such a magnitude that the British are throwing all of their great aviation companies together in a consortium. They still figure they would not have money enough to take the plane from the planning stage to the production stage.

There have been indications that that may be done in the United States; that all our great aviation companies might join together, so that the free world might have a mach 3 civilian plane.

But to sit by and not do anything until the B–70 will be flying—perhaps not until 1970—before we start putting on paper a study with the slide rule, and begin to do the things that must be learned about the new element of flying, would, I believe, be somewhat foolhardy.

The distinguished Senator from Missouri has said there are 18 great aircraft companies. I do not know, but I understand they are almost broke. The airplane business has come upon sad days because it has not had orders. The work on jets has almost broken some of our finest and oldest companies—Convair with its great 880 and Douglas with its DC–8. I know the condition of those companies. I know of their workload. The result will be the almost tragic decline of a once great industry.

All this proposal does, as I understand, is to put the minds of America on the study of the problems which will be faced for the construction of a mach 3 civilian plane, to help get it underway in, perhaps, 5 years. I would never be in favor of building a plane with a Government subsidy or Government money; but I think, as we spend hundreds of millions, yes, even billions, in space, to determine the kind of space vehicle that can best serve us both militarily and in our scientific effort, then we should be doing something in the field of hemispheric transportation, because I have a hunch that our grandchildren will still be using planes instead of space capsules.

I feel that we must learn and plan. I guarantee the Senator from Missouri that if the study is completed, I will never support a single dime for the production of these aircraft for civilian operation. However, I think that if we expect to be there when the competition is heavy, we had better have our paperwork done. That is the purpose of the proposal.

I was doubtful about this, as was the Senator from Missouri, when I first learned of it; but I have tried to think through the question, Who will help us develop the planning and the study and the information we must have to reach mach 3 in civilian aviation. Wind tunnel tests show that mach 3 is the ideal speed for turbulence, swirls, and other factors with which I am not familiar. It takes less strain to travel at mach 3 than it does at mach 2 or mach 1.

In my opinion, we would be playing very carelessly with the time we might have and with the future of American aviation leadership, which has been preeminent in the last year or two.

The chart prepared by the distinguished junior Senator from California [Mr. ENGLE] emphatically illustrates, I believe, what might happen to American aviation. No longer do our planes constitute 98 percent of the air framework on the world's airports. We have slid down to less than 50 percent. It is time that we look ahead. No firm that I know of will be able to invest $10 million, and certainly not the full amount of the $50 million for complete studies. So we must either do this or not do it. I think it is worth a gamble, because the aviation industry sales, particularly of the $50 million for the whole study, is less than the price of ten 707's. Yet if someone else brings out a mach 3 plane—if Russia, Britain, or France does it—then the market is gone. It will be 10 years before we get it.

Mr. SYMINGTON. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. SYMINGTON. As the Senator from Oklahoma knows, I respect his opinion in everything, and especially with respect to commercial aviation. First, he says that the B–70 may fly in 1970. I do not know whether the year it will fly is classified, so I will not give it. But it will be many years before 1970, although based on these monetary cuts some of us have opposed, it will not be a weapons system.

In addition, it has been the history of aviation that our commercial planes are the result of the development of military planes. The B–52 and the KC–135 are as different from the 707 or the 720, almost as night from day. For the first time we would now be reversing the process, and putting commercial development ahead of military development.

The Senator from Oklahoma speaks about the tremendous impact this development will have on the airplane industry. I think we have already shown this afternoon that the total number of planes which would be bought is 200. So there will not be any radical increase in the aviation industry, even if everything about this development turns out satisfactorily.

There are some companies that have not done well in aviation. That is true of any industry I know of, whether it be steel or motors, or any business. I am dead certain one plane company's profits last year were more than half the total amount about which we are talking.

My basic point where the Senator from Georgia brought up the question of subsidy on the floor, was that I did not see how the American people could stop the development and production of a B–70 weapons system—military aircraft—at the same time they were subsidizing the development of a comparable commercial aircraft. That was my point.

The FAA, in my opinion, has many problems to consider, in addition to developing new airplanes for industry and airlines.

Mr. MONRONEY. The distinguished Senator from Missouri knows that the first responsibility for the development of civil aviation rests upon the Administrator of the FAA. The FAA has not attempted in any way that I know of, and neither have those who were interested in civil aviation, to reduce or to cut down the B–70 program. I have supported it consistently, as I have told the Senator. I feel certain the Senator from Washington, the chairman of the subcommittee on independent offices appropriations, has supported it. So the fact that the amount has been reduced is the result of activity by the Department of Defense, not by the Federal Aviation Agency.

We hope we shall learn something from the program, as we will learn undoubtedly from study and planning, and turn over to our manufacturers, if the planning shows it is possible to produce such civilian aircraft, the job of production, so that the United States will not lag behind.

I shall read from page 625 of the hearings. Mr. Najeeb Halaby, a competent engineer, a test pilot, a man of experience, testified:

The reason that the B–70 is not such an article is that the engine is designed for military missions and they make a very excessive noise for operation out of any commercial airport, first. Secondly, those engines are designed for very high bursts of speed to get away from targets, and the fuel consumption is extremely high from an economic standpoint. The fuel consumption of the engine would have to be developed from the standpoint of a commercial supersonic transport. And the airplane is designed for military reconnaissance.

Also the crew quarters that I have walked through are very small. The B–70 will teach us something about construction and about stability and control, about temperature effects—the engines of this airplane are so hot that you can see through portions of it when it is in operation. In other words, the opacity due to the heat and light radiation is such that you can actually see, like through an X-ray. The temperature of the engine is in the order of 500° C.—so the nuts and bolts and joints are going to have to be developed.

And we are going to learn a great deal about that when we first fly the B–70 test beds in about 2 years—

This is the test bed; it is not the finished plane.

actually the first flight would be January 1, 1963; we can learn a great deal about the technology of the supersonic, but we will not have anything resembling the supersonic airliner and North American is the first to agree—

This is the company that is making the B–70.

Mr. SYMINGTON. The first to agree——

Mr. MONRONEY. North American is the first company to agree that it will not have anything like an airliner in their production of the B–70.

Mr. SYMINGTON. Mr. President, let me say that only recently I have had a statement from North American, pointing out that a very great deal of the B–70 would be fully capable of being utilized in the development of a commercial airliner.

Mr. MONRONEY. I appreciate that. Two years ago I talked to North American, when they were very hopeful that there would be an airframe that could be developed.

Mr. SYMINGTON. I received my information this week.

Mr. MONRONEY. No doubt the Senator has received information more recent than that I received.

A month ago, some of the North American engineers whom I saw at the space conference at Tulsa told me they felt they could not make this one into a satisfactory plane.

Mr. President, I now complete the reading of the quotation from the hearings:

But this is not to say that we are not dependent upon the B–70—we are, and I hope it will continue.

Personally I believe it is a valuable and flexible adjunct to our deterrent power and as an agency we are counting on learning a great deal and without it it would cost more to develop a supersonic transport than it will with the B–70.

They are compatible. The question is whether we wish to say we have reached the end of all aviation development, now that we are in the jet age. I rather think that if we can afford to spend the amount of money we are spending on space exploration, we had better be interested in plane operation at from 70,000 to 100,000 feet above the earth, because that is where the long-range traffic will be moving in 5 or 10 years, at three times the speed of sound. Perhaps the plane that will be doing that will be an American plane; I hope it will be, or else we shall lose our air supremacy, because a mach 1 plane cannot compete with a mach 3 plane; and if foreign airlines are then using mach 3 planes, and if our airlines have nothing better than mach 1 planes, our airlines will be unable to compete. For instance, it is impossible to compete—as our airlines have found out—with Constellations, if the competitive lines are using prop-jets.

For these reasons, Mr. President, I think we need to do the necessary homework and make the necessary preparations. If we do not, we shall be delayed for a number of years.

Mr. ENGLE. Mr. President, I should like to associate myself with the remarks of the distinguished Senator from Oklahoma, who is one of the most knowledgeable men in the Nation in regard to commercial aircraft. He has stated the case precisely.

A short time ago I discussed this matter, here on the floor of the Senate; and at that time I submitted considerable data and presented charts. I regret that not more Members were present at that time.

The point is that today we have put $700 million into research on the B–70, and we are going to build it. There is no question about that. The President's budget calls for a prototype bomber. Some of us have appeared before the Appropriations Committee, with the support of my great friend, the Senator from Missouri [Mr. SYMINGTON], and have advocated an increasing amount of funds for the B–70. There is no question that we are going to build it. The only question is whether we shall utilize the developments from those vast expenditures, in order to obtain a plane which will enable us to be first in the field of commercial aircraft. We are providing $10 million for the use of the FAA in that field.

Heretofore we have provided planes on the basis of military prototypes. For instance, we did that with the Boeing 707. We converted the B–47, the B–52, and the C–135; and that worked fairly well. But every expert to whom I have talked says that when we get into the mach 3 field, we have new problems. One is with the engines. A military-plane engine which will work on the Boeing 707 and on our piston-driven aircraft will not work at all on a commercial supersonic jet. That is true because the B–70 engine is engineered to take off with full operation of the afterburners, and the noise is terrific. That can be handled satisfactorily on defense missions, flying from military fields far re-

moved from civilian populations. But such engines cannot be put into operation in commercial jets.

We have similar problems in connection with take-off from the airports at subsonic speeds; and we have the problem of acceleration into the supersonic area, where we get the supersonic boom. We cannot have commercial jets running around the country and knocking out vast numbers of windows in people's houses.

In addition, we have to design an engine of reasonable fuel consumption at both subsonic and supersonic speeds. That is important, because jet planes run out of fuel very quickly.

So the consensus of opinion among the experts is that we must have a new engine, and that the new engine will itself pace the progress of the model which comes out of the B–70.

They have made great progress with the B–70, and it is a good airplane. The research done on it will do a great deal to solve the problems we face. But we have to be able to fly the supersonic mach 3 jets at subsonic speeds, and we have to be able to change the wing slant—which is not true of the military version. The military version can be barreled off the runways and taken up to high altitudes, with the same wing slant at all levels. But that cannot be done with the commercial airplanes.

There are similar problems in regard to the contents of the hull. It is one thing to have a crew on a B–52 or B–58 in a pressurized cabin, wearing pressurized suits, so that if the plane's pressure is lost, there will be secondary features to take care of them.

These are some of the matters which have to be made the subject of very detailed and extensive research.

We know this is true; and we want the Congress to commit this money—$12 million—in this particular bill. The committee has limited the total to $20 million. We want the $12 million appropriated, in order to make it possible to review this situation and see what we can do to parallel the development of the B–70 with the necessary research on hulls, engines, and other scientific information, so as to make it possible to use the knowledge we obtain from the B–70 in the development of a supersonic jet commerical transport. And we must start now. The total for the development of this airplane is roughly estimated to be $500 million. The development cost of the DC–8 was almost enough to break the Douglas Company. All of us know that.

Then we shall have to face the problem of who will handle the development cost. We are not asking Congress to decide that now. At this time we are asking for $12 million, so as to make sure that we do not waste, insofar as the commercial jet transport is concerned, the $700 million, plus all the additional millions of dollars that we shall spend on the B–70. If we are intelligent about this, we can come out on top, at the end, as we have done in the past—in this case, as the country producing the first commercial jet airplane.

I have here chart No. 8, which shows the program we are facing and the time schedules. As compared with it, Senators will see the one for the B–47, the B–52, and the Boeing 707. We have learned some things; and the British have learned some things, too. They went into the Comet without the necessary background; and two or three of those planes blew up. That teaches us that we have to start ahead of time. We did that when we went to work on the B–707; but in that connection we had the benefit of the experience, back of us, of the work done on the B–47, the B–52, and the C–135.

We utilize that experience. What Mr. Halaby, of the FAA, is saying—and he is right—is that the time to start is now, and not wait 2 or 3 years, and find that Great Britain, or Russia, or some other country, has come into the field with supersonic jet aircraft, while we have had the first operational supersonic bomber in the free world, the B–52, because the B–70 will fly for the first time, in prototype form, in July 1962, if the schedule is met——

Mr. SYMINGTON. Mr. President, if the Senator will yield, did the Senator say the B–52 is supersonic?

Mr. ENGLE. No, it is not. I intended to say B–58. I wish to correct the record.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. ENGLE. Yes. First let me finish this thought.

Mr. YARBOROUGH. I am glad to hear what the Senator said.

Mr. ENGLE. It would be ridiculous for us to spend the kind of money we are spending in this research program, and then turn down "peanuts" to try to get a supersonic transport aircraft. I hope the Senate will not do it.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. ENGLE. I yield.

Mr. YARBOROUGH. I thank the Senator for yielding and for inserting the word "B–58" in the colloquy. There was another rather extensive colloquy held on the floor this afternoon, and other names of other planes were mentioned, but nobody mentioned the B–58, which is the only manned supersonic bomber in the free world today. It flies at twice the speed of sound. Yet the executive departments are recommending that no more be manufactured, when we have only two wings and have smaller planes. The B–58 flies at twice the speed of sound and is the only manned supersonic plane in the free world.

The B–70 is in the planning stage. Years from now we can look forward to its development. But to cut off the B–58 and destroy the assembly lines, in the midst of the threat we face today, would be the height of folly.

Mr. SYMINGTON. Mr. President, I want to say a very few words more about the proposed amendment. Since the B–70 program began, 3½ years ago, it has gone through 6 major changes, up and down, forward and backward. The recommendation of the previous administration, as mentioned earlier, was for $358 million. That amount has now been reduced to $220 million, although to the best of my knowledge, all the members on the committee believe it should be more instead of less. But for this commercial development, we not only have the $12 million item we are talking about, but also $8½ million in NASA, a total of $20½ million.

The able Senator from Washington pointed out testimony on the House side to the effect that they thought this entire research and development could be done for $20 million. But the head of the FAA was candid enough to say he did not think it could be done for that. He thought it would take $50 million.

We are only starting. This is only the beginning. That is what we are talking about.

Because of my devotion to, and memories of, my experiences in aviation, I would not protest this item if it was not for the fact that I do not see how the Government could refuse to acquiesce, which it is doing, in the development of a weapons system for the B–70, a military mach 3 aircraft, at the same time it subsidizes for industry a comparable commercial mach 3 aircraft. That sums it up.

Mr. SALTONSTALL. Mr. President, I am going to do something I would ordinarily hesitate to do; namely, having first voted to support the committee and the chairman, to vote on the floor of the Senate against what the committee has recommended.

I shall support the amendment of the Senator from Missouri for this reason. There are two questions involved. One is the development of mach 3 aircraft for commercial and military aviation—military first, and then commercial. The second is the amount of money involved. We are talking about the difference between zero and $12 million.

The House provided $10 million for this item. The Senate committee added $2 million more. Now the motion of the Senator from Missouri is to strike out the whole $12 million item. If we strike the amount and support the Senator from Missouri, and take the matter to conference and try to adjust the matter between now and the decision in conference, the conference can put $10 million back in the bill. So all that will be lost to the FAA, if we support the amendment of the Senator from Missouri, will be $2 million.

On the defense side of the question, the previous administration, the Eisenhower administration, requested $358 million for the development of the B–70. The present administration cut that amount to $220 million. The House put it back to $448 million. While the committee of the Senate has not reported yet, I have every reason to believe that the Senate committee is going to report an amount of $448 million for research and development for the B–70.

I agree fully that there are some commercial purposes that cannot be utilized out of the B–70 engine for military purposes. The Senator from California [Mr. ENGLE] stated that very clearly. But we get some information that the Defense Department may not spend all of the $448 million that will be provided. It is in the discretion of the Department

to do that. It is in their judgment. What they can do is spend a few more dollars for better and quicker development of the B–70 engine, and perhaps go into developments that will be helpful for commercial purposes, such as quieting the engine, changing the crew quarters, and other developments of that sort. So I think that, by voting to support the motion of the Senator from Missouri, we will send the matter to conference. The final difference will be a difference of $2 million, or ultimately the $12 million, if the House figure is cut out.

At the same time, if we support what I believe will be the position of the Senate Defense Appropriation Subcommittee, we will put back in the bill confirming the action of the House, $448 million for the development and research of the B–70, which is almost double what the present administration has asked for. How much more of that amount will be spent is a matter of judgment.

I think that is the sound, sensible thing to do, and I say it most respectfully. I have talked to the chairman of the committee, and he has told me he did not object to saying what I have now said, and to changing my position. I hope we will support the amendment of the Senator from Missouri.

Mr. MAGNUSON. Mr. President, I wish to take only a second or two. I am sure the objective of all of us on the Appropriations Committee, on the Armed Services Committee, and on the Defense Appropriations Subcommittee, is the same. We want to build as good an airplane as we can get for the future.

That objective was stated in the testimony several times. It was stated that the whole question was a matter of policy for the Congress. I am sure, whatever is done, the matter will come up again and we will have to have a definite policy in this field.

I may say to the technical experts in aviation that what bothers me is that I cannot see how developing the B–70, whether for military or civilian purposes, is not for the benefit of the whole program and why there has to be a separation. Apparently there are reasons why that is so. It seems to me we ought to go ahead on both programs, if we decide to, so we can have a good start in the new air era we are entering.

I probably could have taken the amendment of the Senator from Missouri, but I thought it was a matter on which the Senate should vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. SYMINGTON]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. BYRD], the Senator from Nevada [Mr. CANNON], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from Ohio [Mr. LAUSCHE], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PASTORE], the Senator from Rhode Island [Mr. PELL], the Senator from Massachusetts [Mr. SMITH], the Senator from New Jersey [Mr. WILLIAMS], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Wyoming [Mr. MCGEE] the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PASTORE], the Senator from Rhode Island [Mr. PELL], the Senator from Massachusetts [Mr. SMITH], the Senator from New Jersey [Mr. WILLIAMS], and the Senator from Ohio [Mr. YOUNG] would each vote "nay."

On this vote, the Senator from Virginia [Mr. BYRD] is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Virginia would vote "yea," and the Senator from Tennessee would vote "nay."

On this vote, the Senator from Alaska [Mr. GRUENING] is paired with the Senator from Maryland [Mr. BEALL]. If present and voting, the Senator from Alaska would vote "nay," and the Senator from Maryland would vote "yea."

On this vote, the Senator from Indiana [Mr. HARTKE] is paired with the Senator from Maryland [Mr. BUTLER]. If present and voting, the Senator from Indiana would vote "nay," and the Senator from Maryland would vote "yea."

On this vote, the Senator from South Carolina [Mr. JOHNSTON] is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from South Carolina would vote "nay," and the Senator from Indiana would vote "yea."

On this vote, the Senator from Oklahoma [Mr. KERR] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from Oklahoma would vote "nay," and the Senator from Arizona would vote "yea."

On this vote, the Senator from Minnesota [Mr. MCCARTHY] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from Nebraska would vote "yea."

On this vote, the Senator from Utah [Mr. Moss] is paired with the Senator from Kentucky [Mr. MORTON]. If present and voting, the Senator from Utah would vote "nay," and the Senator from Kentucky would vote "yea."

Mr. KUCHEL. I announce that the Senator from Colorado [Mr. ALLOTT] is absent because of death in his family.

The Senator from Maryland [Mr. BEALL], the Senator from Indiana [Mr. CAPEHART], the Senator from Illinois [Mr. DIRKSEN], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Maryland [Mr. BUTLER] and the Senator from Kentucky [Mr. COOPER] are absent because of illness.

The Senator from Nebraska [Mr. HRUSKA] and the Senator from North Dakota [Mr. YOUNG] are absent on official business.

The Senator from Kentucky [Mr. MORTON] is detained on official business.

On this vote, the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Colorado would vote "nay," and the Senator from Texas would vote "yea."

On this vote, the Senator from Maryland [Mr. BEALL] is paired with the Senator from Alaska [Mr. GRUENING]. If present and voting, the Senator from Maryland would vote "yea," and the Senator from Alaska would vote "nay."

On this vote, the Senator from Maryland [Mr. BUTLER] is paired with the Senator from Indiana [Mr. HARTKE]. If present and voting, the Senator from Maryland would vote "yea," and the Senator from Indiana would vote "nay."

On this vote, the Senator from Indiana [Mr. CAPEHART] is paired with the Senator from South Carolina [Mr. JOHNSTON]. If present and voting, the Senator from Indiana would vote "yea," and the Senator from South Carolina would vote "nay."

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from Oklahoma [Mr. KERR]. If present and voting the Senator from Arizona would vote "yea," and the Senator from Oklahoma would vote "nay."

On this vote, the Senator from Nebraska [Mr. HRUSKA] is paired with the Senator from Minnesota [Mr. MCCARTHY]. If present and voting, the Senator from Nebraska would vote "yea," and the Senator from Minnesota would vote "nay."

On this vote the Senator from Kentucky [Mr. MORTON] is paired with the Senator from Utah [Mr. Moss]. If present and voting, the Senator from Kentucky would vote "yea," and the Senator from Utah would vote "nay."

The result was announced—yeas 35, nays 35, as follows:

[No. 113]

YEAS—35

Anderson	Fulbright	Proxmire
Bennett	Gore	Robertson
Boggs	Hart	Russell
Bridges	Hickenlooper	Saltonstall
Bush	Hickey	Smathers
Carlson	Keating	Smith, Maine
Case, S. Dak.	Long, Mo.	Stennis
Church	McClellan	Symington
Cotton	McNamara	Talmadge
Curtis	Miller	Thurmond
Douglas	Morse	Williams, Del.
Dworshak	Mundt	

NAYS—35

Aiken	Fong	Mansfield
Bartlett	Hayden	Metcalf
Bible	Hill	Monroney
Byrd, W. Va.	Holland	Neuberger
Carroll	Humphrey	Prouty
Case, N.J.	Jackson	Randolph
Clark	Javits	Schoeppel
Dodd	Jordan	Scott
Eastland	Kuchel	Sparkman
Ellender	Long, Hawaii	Wiley
Engle	Long, La.	Yarborough
Ervin	Magnuson	

NOT VOTING—30

Allott	Goldwater	Morton
Beall	Gruening	Moss
Burdick	Hartke	Muskie
Butler	Hruska	Pastore
Byrd, Va.	Johnston	Pell
Cannon	Kefauver	Smith, Mass.
Capehart	Kerr	Tower
Chavez	Lausche	Williams, N.J.
Cooper	McCarthy	Young, N. Dak.
Dirksen	McGee	Young, Ohio

So Mr. SYMINGTON's amendment was rejected.

Mr. PROXMIRE. Mr. President, I call up my amendments designated "7–28–61—C," and ask unanimous consent that they be printed in the RECORD without reading.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

The amendments are as follows:

On page 4, line 9, strike out "$38,500,000" and insert in lieu thereof "$36,000,000".

On page 18, line 16, strike out "$194,546,500" and insert in lieu thereof "$181,325,000".

Beginning with the word "projects" on page 18, line 22, strike out all through line 12 on page 21, and insert in lieu thereof the following: "projects approved by the Public Works Committees of Congress in accordance with section 7(a) of such Act."

On page 21, line 19, strike out "$25,000,000" and insert in lieu thereof "$5,000,000".

On page 26, lines 6 and 7, strike out "$290,000" and insert in lieu thereof "$250,000".

On page 35, lines 16 and 17, strike out "$276,500,000" and insert in lieu thereof "$275,000,000".

On page 38, line 7, strike out "$47,053,000" and insert in lieu thereof "$37,053,000".

On page 38, line 8, strike out "$32,000,000" and insert in lieu thereof "$22,000,000".

On page 40, line 23, strike out "$77,500,000" and insert in lieu thereof "$75,000,000".

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, while Senators are in the Chamber, I ask for the yeas and nays on my amendments.

The yeas and nays were ordered.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. The amendments of the Senator from Wisconsin cover nine items in the bill. All those items refer to different sections of the bill, different activities of the Government, and different agencies. I ask the Senator from Wisconsin whether his request for a yea-and-nay vote is a request covering all nine items contained in his amendments, or whether he is asking for a yea-and-nay vote on each item in the group? It would be quite confusing to have one yea-and-nay vote on all nine different items.

Mr. PROXMIRE. Mr. President, in answer to the question of the chairman of the subcommittee, the principle of the amendments is very simple. They would reduce each appropriation to the budget request. That is all I am asking in my amendments. I have asked for one yea-and-nay vote. Wherever the Committee on Appropriations has recommended a higher appropriation for an item contained in the budget request, my amendment would reduce it to the amount requested by the President in the budget.

Mr. MAGNUSON. Some Senators may wish to vote to reduce particular items to the budget request, and others might wish to retain items as they are contained in the bill. I wish to have it clear, when we have a yea-and-nay vote on the amendments, whether we shall be voting for all items contained in the amendments.

Mr. PROXMIRE. I thank the chairman of the subcommittee for the clarification.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. RUSSELL. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. The fact that the yeas and nays have been ordered would not deny any Senator the right to demand a division of the question.

The PRESIDING OFFICER. Senators are entitled to demand a division.

Mr. RUSSELL. I thank the Chair. Therefore, if a Senator wishes to vote on an item separately, he has a right to demand a division of the question.

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. Mr. President——

Mr. PROXMIRE. Mr. President, I ask whether I have the floor.

The PRESIDING OFFICER. The Senator from Wisconsin has the floor.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

Will the Senator yield for that purpose?

Mr. PROXMIRE. I yield for a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. At what point in the proceedings may Senators ask for a division of the question?

The PRESIDING OFFICER. At any time before a vote.

Mr. JAVITS. May a Senator do so notwithstanding the fact that he does not have the floor? I wish to ask for a division on two of the items contained in the amendment.

The PRESIDING OFFICER. The Senator must have the floor.

Mr. JAVITS. Mr. President, will the Senator yield for that purpose so the Senator will know with what he is faced in a procedural sense?

Mr. PROXMIRE. Mr. President, I prefer to defer that question. I have a relatively brief explanation to make.

The President of the United States is everlastingly right to insist on firmness in Berlin. In this he obviously has the enthusiastic support of the Senate.

To substantiate our commitment in Berlin, the President recommended that we increase the size and adaptability of our conventional Armed Forces. Yesterday the Senate passed without dissent an authorization for nearly 1 billion increase in military spending for the fiscal year.

This sharp increase in budget outlays imposes upon us a most serious dual obligation:

First. To make absolutely certain that each dollar spent to augment our military strength is well spent; and

Second. To take a further long, hard look at all spending programs in order to reassess the priority of uses the taxpayers' dollars in the light of the Berlin crisis.

The seriousness of this obligation is clear when we examine the overall budget totals for the current fiscal year.

The President has stated that the expected deficit will be over $5 billion. He has expressed his commitment to the principle of a balanced budget, having pledged that the estimates he will present to Congress next January will balance income and expenditure.

Last year's budget deficit turned out to be a whopping $3.9 billion, it was announced last week—well beyond expectations. So we are presently in the position of planning in advance, of programing by clear statement of intent, a 2-year budget deficit of $9 billion.

This deficit comes at a time when personal income is running at an all time record rate of $416.7 billion per year, and steadily going up. At the very least this contrast of statistics should cause us to pause and reflect again on the spending activities to which we have been and are presently committing the U.S. Government and the American taxpayer.

Our concern of course, has to be focused where the spending is on the sharp rise in defense expenditure. Unless we couple our support for the President's requests with sharp-eyed scrutiny of every aspect of the military budget, this could turn out to be a season of great waste.

No one can deny that the military spending spurt provides a tempting opportunity for the lobbyist who wants his pet project, or obsolete weapon, back in operation and production.

A number of reforms should be adopted to give us a leaner, tougher defense—at a lower cost to boot. Among them are the following:

First. The share of budget-padding cost-plus contracts should be drastically reduced. Congress wisely requires that our enormous defense outlays should be subject wherever possible to the financial discipline of competitive bidding. Yet year after year both the total dollar amount and the percent of contracts let through noncompetitive cost-plus contracts goes up.

In 1951 only 13 percent of military contracts were cost plus, compared to 42 percent today. Another 45 percent are now fixed cost, and only a pathetic 13 percent by competitive advertised bidding. This is a subject which I discussed yesterday on the floor with the distinguished chairman of the Armed Services Committee, Senator RUSSELL. I was glad to hear that he would be "very much surprised" if a substantial number of

cost-plus contracts were awarded to procure the items contained in yesterday's authorization.

He said that there are "very few" items in the bill which would have to be procured by cost-plus contracts, and expressed the prediction that there will be a substantial decrease in the percent of cost-plus awards under the present administration.

This is a prediction which I most profoundly hope comes true.

Second. Yesterday the Senator from Arkansas [Mr. McCLELLAN] placed in the RECORD the text of a letter from Labor Secretary Goldberg describing the work of the Missile Sites Labor Commission. The letter stated:

> During 1960 a total of 86,000 man-days of work were lost because of strikes on missile and space sites. This averages out to over 7,000 man-days lost per month in 1960.

The letter goes on to describe the great improvement that has already been achieved in this situation. This is most heartening, and I hope it continues.

Our space program demands enormous outlays, and the kind of cynical abuse of the public interest indicated by these wanton work stoppages sours the fine achievements of our scientists and astronauts.

Third. Recently the Senator from Mississippi [Senator STENNIS], called attention to the serious implications of the fact that out of nearly 900,000 soldiers in our Army, we get only 14 divisions. The Soviet Union, which also has a modern army, has a much higher ratio of combat troops to support personnel.

Millions of us who served in the Armed Forces in World War II, or in the Korean war, know from firsthand experience about the serious waste of manpower. Endless months are consumed in training, frequently repetitive. Often there are three men to do the job of one.

Fourth. More vigorous action to shut down obsolete and unneeded facilities, and to halt further procurement of unneeded items. Vested interests cluster around any military project and try to keep it going—at public expense—as long as possible, even when there is no justification. Military leaders have an obligation ruthlessly to prune these totally unneeded drains on the Treasury.

Fifth. Tighten military accounting methods. Right now there is so much slack that Pentagon brass think nothing of diverting enormous sums from one purpose to another, with no regard for the clearly stated directives contained in the budget. The Comptroller General recently disclosed the fact that this kind of side-door financing hoodwinked the taxpayer into paying for $50 million worth of construction not specified in the budget.

If these and other needed reforms are adopted the useful strength of our forces can be greatly increased at minimum cost.

Careful ferreting out of military waste is essential. It can save literally millions of dollars.

However, the magnitude of the spending increase for defense purposes which has been requested by the President, and which the Senate yesterday unanimously authorized, will impose a heavy drain on the Treasury even if all these essential reforms are adopted.

I think it is incumbent, on us, therefore, to take another look at the broad range of nonmilitary spending programs for which we have been and are providing funds.

The President has spoken of sacrifice. If this word is to be more than rhetoric, I think we must scrutinize the many undertakings of the Federal Government which, no matter how worthwhile they may be, all contribute to the the large budget deficit that is contemplated.

The situation in Berlin is serious. The President has expressed the determination of our Nation to hold firm against the Khrushchev threat against the integrity of that city.

As an earnest of that determination he has asked for $3.45 billion above an already increased defense budget, to procure weapons and to increase the size of our Armed Forces.

These things are essential.

There are many activities of the Federal Government costing a great deal of money which, while extremely worthwhile, are not essential.

They are simply desirable.

I suggest that if "sacrifice" is to have meaning, if our determination to strengthen ourselves to meet cold-war emergencies is genuine, then we must be prepared to choose between what is essential and what is desirable.

In furtherance of this principle I have offered an amendment which, as I have already explained, reduces each item in the appropriation bill which is now pending before the Senate to the budget request, item by item. The agencies which are affected are the Office of Civilian and Defense Mobilization, Emergency Supplies and Equipment, which is cut from $38½ million to $36 million, a reduction of $2½ million. "GSA Construction of public buildings" is cut from more than $194 million to about $181 million, a saving in excess of $13 million. Supplies and expenditures for public building projects," is cut from $25 million down to $5 million, a saving of $20 million. "GSA administrative salaries and expenses" are cut from $290,000 to $250,000, a saving of $40,000. The National Science Foundation is reduced from $276½ million to $275 million. A reduction of $1½ million. "VA medical research" is cut from $47 million to $37 million, a saving of $10 million. "Construction of VA hospital facilities" is reduced from $77½ million to $75 million, a saving of $2½ million.

In every one of these cases, without exception, the administration had ample opportunity to come and ask for the funds they wanted and thought they could use and thought were essential. In every one of these instances the Appropriations Committee has asked to spend more than the administration's request by the amounts I have indicated.

Of course, it is up to Congress to decide how much to appropriate. We take great pride, and proper pride, in asserting that we decide how much money to appropriate. I believe we exercise discretion in reducing administration requests, which the Appropriations Committee has wisely done in the case of many of the items in the bill—in many more cases, indeed, than those in which increases have been granted.

Nevertheless, it seems to me, on balance, that if, as I say, sacrifices are going to mean anything, if we are going to cut any essential expenditures anywhere, that we should cut appropriations back to the level requested by the administration.

One more word, and I am through with my presentation of the bill. This is not a parsimonious administration. I believe many recognize that it is an administration which has been concerned about waste but almost no one would call it pennypinching. Certainly it has not been excessively cautious with public money. No one has said that. Therefore, it would seem to me to make sense that we live up to what the President has asked Congress to do, not to exceed his requests.

Many Senators have been Governors, and recognize the great advantage of an item veto. The President does not have that advantage. Many of us feel that he should have it. This amendment in effect gives the President an item veto, because it is an amendment which would reduce each one of the requests back to what the President asked the Congress to appropriate.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am happy to yield to the Senator from Connecticut.

Mr. BUSH. I congratulate the Senator from Wisconsin upon offering this amendment. I shall support it. I would like to ask him two questions. I assume that when he speaks of the President's budget requests, he means the revised requests of the budget, as reduced by the administration since the first of the year.

Mr. PROXMIRE. In many cases, of course, there was no reduction, but wherever there was a reduction, it is a cutback to the original request. This is the Kennedy budget.

Mr. BUSH. We are considering figures as revised by the Kennedy administration.

Mr. PROXMIRE. Yes.

Mr. BUSH. The other question that I should like to ask the Senator is whether he would not consider, in the absence of any comment from the White House, that the White House would naturally favor his amendment, because what he is doing is asking the Senate to do exactly what the White House wanted to be done.

Mr. PROXMIRE. I thank the Senator from Connecticut. It seems to me that it is overwhelmingly logical that they should. This is what they have asked for. The amendment gives them exactly what they have asked, and complies with the plea the President specifically made to Congress: "Please do not go above our budget requests."

Mr. BUSH. So, in the absence of any other word from the White House, we can assume that we are doing this with his blessings.

Mr. PROXMIRE. The Senator's logic is irresistible.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. JAVITS. It has been my intention to ask for a separate vote on a particular part of the amendment, which begins on line 5, page 1, relating to projects. These are projects approved by the Public Works Committees of Congress in accordance with section 7(a) of such act.

The reason is that I understand that these words are redundant, in this respect, that all of these projects which are listed in the bill have been approved. The language the Senator is using is a carryover from last year, when there was doubt whether they had been approved. All this will do is remand them for reconsideration to the Public Works Committee on every project which is listed in the bill.

Mr. PROXMIRE. The Senator from New York has an excellent point. I thought that point would come up. I believe the Senate could work its will and it could decide to let the Public Works Committee make its decision. On the other hand the Senate could provide that the administration shall have discretion to construct buildings that are listed in the bill, and we could perhaps limit the administration to a selection from the list. I have prepared an amendment to accomplish that purpose. I am ready to offer it. If the Senator has an amendment of his own, I would be delighted if he were to offer it.

Mr. MAGNUSON. Mr. President, I ask that under the rule all the amendments be voted on separately. It would be confusing if we voted on them together.

Mr. McCLELLAN. Does that require another unanimous-consent agreement?

Mr. MAGNUSON. Mr. President, I move——

Mr. PROXMIRE. It is my understanding that that requires unanimous consent. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. PROXMIRE. It is my understanding that the yeas and nays have been ordered on the amendment. Therefore, the amendment cannot be modified without unanimous consent, and that the vote would have to come on the amendment as it is presently printed, although of course another amendment could be offered.

The PRESIDING OFFICER. It is not a modification. It is a request for a division in the vote. Under rule XVIII there will be nine separate yea-and-nay votes.

Mr. PROXMIRE. I thank the Presiding Officer. I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the first amendment offered by the Senator from Wisconsin.

Mr. CLARK. Mr. President, before we vote on the amendment, I should like to ask the distinguished manager of the bill on the floor, the Senator from Washington [Mr. MAGNUSON], whether some explanation should not be forthcoming on what seemed to me to be the very cogent reasons why in the first instance the committee undertook to increase the amount of the appropriations requested by the President. I have made a cursory, not detailed, study of these matters, and in my opinion in each instance the committee was amply justified in going over the budget amount. I would not want the Senate to vote without an opportunity given to the committee to justify its position.

Mr. MAGNUSON. I intended to do that as soon as the Senator from Wisconsin had yielded the floor.

Mr. CLARK. I thought we were about to vote.

Mr. PROXMIRE. It is my understanding that the Chair has ruled there will be a separate yea-and-nay vote on each item. Therefore, the first yea-and-nay vote would be on reducing the appropriation for the Office of Civil Defense Mobilization from $38.5 million to $36 million.

Mr. MAGNUSON. That is correct. I intended to take each item in order. It became confusing when the amendments were considered together, dollarwise. There were different reasons for including the items separately in the bill. I shall discuss the items one by one.

On page 4, line 9, where the Senator from Wisconsin seeks to strike out $38.5 million and insert in lieu thereof $36 million, the item includes $2,500,000 for the Office of Civilian Defense Mobilization for a program of placing throughout the United States X thousand radiological detector machines. They are small, compact kits, which would be placed in strategic places, to enable the agency to learn about radioactive fallout and radioactive waste.

Mrs. NEUBERGER. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mrs. NEUBERGER. If there are to be nine separate votes, would it not be better to explain each item just before the vote?

Mr. ANDERSON. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. ANDERSON. Why does not the Senator ask the junior Senator from Wisconsin to void the order for a yea-and-nay vote and get down to votes on items which require votes? Nine yea-and-nay votes will keep us here until 10 o'clock tonight.

Mr. MAGNUSON. I did not ask for a roll-call vote.

Mr. ANDERSON. But the Senator asked for the procedure of a yea-and-nay vote on every item. Why not start over again?

Mr. MAGNUSON. Mr. President, I ask unanimous consent that I may withdraw my request for a yea-and-nay vote; then I shall proceed to explain why the nine items are in the bill.

The PRESIDING OFFICER. Is there objection?

Mr. WILLIAMS of Delaware. I object.

Mr. MAGNUSON. I move that there be one yea-and-nay vote on the nine amendments submitted by the Senator from Wisconsin [Mr. PROXMIRE].

Mr. JAVITS. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. As I understand, no such motion will lie, because any Senator is entitled to have a separate vote on each of these items. I do not care about having nine yea-and-nay votes, but I do want a separate vote on one of these items, an item which I believe will completely confuse the bill. That is the item on page 1, lines 5 to 9, inclusive. The Senator from Wisconsin himself has admitted that this item will confuse the bill. I do not see how we can operate in this way.

The PRESIDING OFFICER. The motion does not lie.

Mr. ANDERSON. Mr. President, I move to lay on the table the amendments of the Senator from Wisconsin; and on my motion I ask for the yeas and nays.

Mr. JAVITS. Mr. President, I have not had a ruling on my point of order.

The PRESIDING OFFICER. The motion does not lie.

The yeas and nays have been requested on the motion to lay on the table the amendments of the Senator from Wisconsin. Is there a sufficient second?

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico to lay the Proxmire amendments on the table. The motion is not debatable. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. BYRD], the Senator from Nevada [Mr. CANNON], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Oklahoma [Mr. KERR], the Senator from Ohio [Mr. LAUSCHE], the Senator from Minnesota [Mr. McCARTHY], the Senator from Wyoming [Mr. McGEE], the Sentaor from Utah [Mr. Moss], the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PASTORE], the Senator from Rhode Island [Mr. PELL], the Senator from Massachusetts [Mr. SMITH], the Senator from New Jersey [Mr. WILLIAMS], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ], is absent because of illness.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Wyoming [Mr. McGEE], the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PASTORE], the Senator from Rhode Island [Mr. PELL], the Senator from Massachusetts [Mr. SMITH], the Senator from New Jersey [Mr. WILLIAMS] and the Senator from Ohio [Mr. YOUNG] would each vote "yea."

On this vote, the Senator from Alaska [Mr. GRUENING] is paired with the Senator from Maryland [Mr. BEALL]. If

present and voting, the Senator from Alaska would vote "yea," and the Senator from Maryland would vote "nay."

On this vote, the Senator from Indiana [Mr. HARTKE] is paired with the Senator from Maryland [Mr. BUTLER]. If present and voting, the Senator from Indiana would vote "yea," and the Senator from Maryland would vote "nay."

On this vote, the Senator from South Carolina [Mr. JOHNSTON] is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from South Carolina would vote "yea," and the Senator from Indiana would vote "nay."

On this vote, the Senator from Oklahoma [Mr. KERR] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from Oklahoma would vote "yea," and the Senator from Arizona would vote "nay."

On this vote, the Senator from Minnesota [Mr. MCCARTHY], is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from Nebraska would vote "nay."

On this vote, the Senator from Utah [Mr. Moss] is paired with the Senator from Kentucky [Mr. MORTON]. If present and voting, the Senator from Utah would vote "yea" and the Senator from Kentucky would vote "nay."

On this vote, the Senator from Virginia [Mr. BYRD] is paired with the Senator from Nevada [Mr. CANNON]. If present and voting, the Senator from Virginia would vote "nay," and the Senator from Nevada would vote "yea."

Mr. KUCHEL. I announce that the Senator from Colorado [Mr. ALLOTT] is absent because of death in his family.

The Senator from Maryland [Mr. BEALL], the Senator from Indiana [Mr. CAPEHART], the Senator from Illinois [Mr. DIRKSEN], the Senator from Arizona [Mr. GOLDWATER] and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Maryland [Mr. BUTLER] and the Senator from Kentucky [Mr. COOPER] are absent because of illness.

The Senator from Nebraska [Mr. HRUSKA] and the Senator from North Dakota [Mr. YOUNG] are absent on official business.

The Senator from Kentucky [Mr. MORTON] is detained on official business.

On this vote, the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Colorado would vote "yea," and the Senator from Texas would vote "nay."

On this vote, the Senator from Maryland [Mr. BEALL] is paired with the Senator from Alaska [Mr. GRUENING]. If present and voting, the Senator from Maryland would vote "nay," and the Senator from Alaska would vote "yea."

On this vote, the Senator from Indiana [Mr. CAPEHART] is paired with the Senator from South Carolina [Mr. JOHNSTON]. If present and voting, the Senator from Indiana would vote "nay," and the Senator from South Carolina would vote "yea."

On this vote, the Senator from Maryland [Mr. BUTLER] is paired with the Senator from Indiana [Mr. HARTKE]. If present and voting, the Senator from Maryland would vote "nay," and the Senator from Indiana would vote "yea."

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from Arizona would vote "nay," and the Senator from Oklahoma would vote "yea."

On this vote, the Senator from Nebraska [Mr. HRUSKA] is paired with the Senator from Minnesota [Mr. MCCARTHY]. If present and voting, the Senator from Nebraska would vote "nay," and the Senator from Minnesota would vote "yea."

On this vote, the Senator from Kentucky [Mr. MORTON] is paired with the Senator from Utah [Mr. Moss]. If present and voting, the Senator from Kentucky would vote "nay" and the Senator from Utah would vote "yea."

The result was announced—yeas 46, nays 25, as follows:

[No. 114]

YEAS—46

Aiken	Fulbright	Monroney
Anderson	Gore	Morse
Bartlett	Hayden	Neuberger
Bible	Hill	Prouty
Bridges	Holland	Randolph
Byrd, W. Va.	Humphrey	Russell
Carroll	Jackson	Saltonstall
Case, N.J.	Javits	Schoeppel
Clark	Jordan	Smathers
Cotton	Kefauver	Smith, Maine
Dodd	Kuchel	Sparkman
Eastland	Long, Mo.	Stennis
Ellender	Long, Hawaii	Symington
Engle	Magnuson	Yarborough
Ervin	Mansfield	
Fong	Metcalf	

NAYS—25

Bennett	Hart	Proxmire
Boggs	Hickenlooper	Robertson
Bush	Hickey	Scott
Carlson	Keating	Talmadge
Case, S. Dak.	Long, La.	Thurmond
Church	McClellan	Wiley
Curtis	McNamara	Williams, Del.
Douglas	Miller	
Dworshak	Mundt	

NOT VOTING—29

Allott	Goldwater	Moss
Beall	Gruening	Muskie
Burdick	Hartke	Pastore
Butler	Hruska	Pell
Byrd, Va.	Johnston	Smith, Mass.
Cannon	Kerr	Tower
Capehart	Lausche	Williams, N.J.
Chavez	McCarthy	Young, N. Dak.
Cooper	McGee	Young, Ohio
Dirksen	Morton	

So the motion to lay Mr. PROXMIRE's amendments on the table was agreed to.

Mr. MAGNUSON. Mr. President, I do not like to vote for motions to lay on the table; and I seldom do vote for them, unless there has been ample debate. But in this case the situation is different, for now the Senator from Wisconsin can present each of his amendments separately, in dealing with the separate parts of the bill. In that way we shall have somewhat better order.

Mr. MORSE. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. MORSE. I am glad the Senator from Washington has made that statement, because I was about to propound a parliamentary inquiry in connection with the situation. But I believe the Senator's explanation has made the situation clear.

I wish the RECORD to show that I voted in favor of the motion to lay the amendment on the table, because I thought the amendments of the Senator from Wisconsin should be considered separately by the Senate. I may vote in favor of some of them, or I may vote in favor of all of them; but I want them to be handled separately. That is why I voted in favor of the motion to lay the amendments on the table.

Mr. AIKEN. Mr. President, will the Senator from Washington yield to me?

Mr. MAGNUSON. I yield.

Mr. AIKEN. I wish to ask the chairman of the subcommittee whether the bill as it is now on our desks contains appropriations for the Veterans' Administration for the activities of vocational rehabilitation and education?

Mr. MAGNUSON. It does.

Mr. AIKEN. The Senator from Washington may recall that 2 years ago an effort was made by the Veterans' Administration to remove those activities from most of the States, and to concentrate them in a very few locations—in many cases, hundreds of miles distant from the persons who would be using them. At that time the able Senator from Washington advised the Senate that it was intended and expected that these vocational rehabilitation and education activities should remain in the States where they were located.

Is that still the intention of the Committee?

Mr. MAGNUSON. That is still the intention of the committee; and I think the committee is more vigorous than ever in its support of retaining these facilities and activities where they are, because the field of vocational rehabilitation is becoming more and more important, and it is much harder to develop them if they are moved several hundred miles away.

Mr. AIKEN. I thank the Senator from Washington for that explanation.

Mr. MAGNUSON. I repeat that if it had not been for the hard work done by the Senator from Vermont [Mr. AIKEN] 2 years ago, and also 3 years ago, in insisting upon an equitable distribution, so that the veterans who need this help can get it, these places might have been shuffled around a very great deal. But we agreed with his premise.

Mr. AIKEN. Certainly the Senator from Washington handled the problem very efficiently and satisfactorily at that time.

Mr. MANSFIELD. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. MANSFIELD. I should like to ask the distinguished chairman of the Independent Offices Appropriations Subcommittee about the situation as it affects manganese and chrome in Montana. The chairman may recall that my colleague [Mr. METCALF] and I appeared before the committee, and the committee inserted certain language which we thought would be beneficial for the upgrading of stockpiled manganese and chrome. We should like to know what became of that language after it was approved by the committee.

Mr. MAGNUSON. Let me say to the Senator from Montana and to other

Senators who are vitally interested in this subject, including the junior Senator from Montana [Mr. METCALF] and other Senators who have followed the subject very closely, that the chairman of the subcommittee, who has only one vote in the subcommittee, and only one in the full committee, has always believed, along with a few other Members, that the manganese and chrome stockpiles in a raw state, situated in various parts of the country, should be upgraded.

We thought they could be stored better without deterioration, and that the cost of the upgrading would be justified if they could be stored without deterioration, so that if they should be released at any time, they would be worth that much more because of the upgrading process.

The Office of Defense Mobilization consistently contended that the deterioration has not been great. There has been testimony to the contrary. I think, if it is upgraded and can be stored and the value of the product is better, the cost of the upgrading will be compensated for.

The House committee put language in the bill reading:

> That during the current fiscal year materials in the inventory maintained under the Defense Production Act of 1950, as amended, shall be available without reimbursement, for transfer at fair market value to contractors as payment for expenses of refining, processing, or otherwise beneficiating materials, pursuant to section 3(c) of the Strategic and Critical Materials Stock Piling Act.

The Senate committee, after a great deal of discussion and hearing a great deal of testimony, struck that language out. It recommended the restoration of $10 million to the House allowance, to provide the budget estimate of $40 million for strategic and critical materials. The House allowed $30 million, and the Senate restored the budget estimate of $40 million. Of the restoration, the committee provided that $8,683,000 is to provide the amount of $16,667,000 for the rotation of the cordage fibers abaca and sisal, which the committee is advised cannot be delayed without impairing the quality of the stockpile.

For upgrading materials, the committee recommended the balance of the restoration, amounting to $1,317,000.

So far as I know now, this amount can be used for the upgrading of materials.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. METCALF. I was delighted to have this language in the report, which reads:

> The committee believes that savings could be effected through the upgrading of chrome and manganese into a more usable form than to allow the concentrates to waste away by wind and rain action.

As I understand the situation now, the manganese and chrome in the Defense Production Act inventory and in the national stockpile can be upgraded under the Defense Production Act, under the general law, and the money that is appropriated here for any of the other refining processes can be used for that purpose.

Mr. MAGNUSON. That is my understanding. The language for the exchange of material was stricken out of the House bill, but that takes us to conference.

Mr. METCALF. I understand.

Mr. MAGNUSON. In the conference we expect the Senate to follow up the recommendation of the Senate committee when we suggested that the $1,317,000 be used for that purpose.

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. MAGNUSON. I yield.

Mr. MANSFIELD. The Senator knows that my colleague [Mr. METCALF] and I considered offering an amendment on the floor during the discussion of the bill, but in view of the situation, and the promise made by the distinguished chairman of the committee that they would do all they possibly could, both in conference and in hearings which might later be held, at his request we are not offering the amendment, in the hope that something can be done to alleviate the condition of producers of manganese and chrome, as well as those who have stockpiles, because, as the Senator knows, those two minerals are important to the economy of the State of Montana.

Mr. MAGNUSON. As I understand from Mr. Cooper, the clerk, because this was technical language, the situation now is that we put back in the bill the budget amount, which adds $10 million to the House figure, making the total amount $40 million. We say that $8,683,000 will be used for the rotation of the cordage fibers, and so forth, leaving $1,317,000, which we suggest could be well used for the particular purpose of upgrading. But in order to have the language correct and send the question to conference, we struck out the House language on the exchange, so our language can be considered.

Mr. MANSFIELD. The Senator means so the language proposed by my colleague [Mr. METCALF] and myself could be considered in conference?

Mr. MAGNUSON. As it relates to this amount.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. METCALF. The bill refers to strategic and critical materials, which is reference to title 50, United States Code, sections 98–98(h). This money would be used for upgrading or beneficiating this material under section 90 of the act, under the order of OCDM, in order to provide a target for the Defense Production Act inventory or national stockpile, whether or not it was upgraded to have higher quality, if it was material determined to be necessary for the national defense.

Mr. MAGNUSON. That is correct.

Mr. METCALF. Mr. President, at this point in my remarks I ask unanimous consent to have printed the amendment which my colleague from Montana [Mr. MANSFIELD] and I had intended to offer to this bill.

Mr. MAGNUSON. We will take the language of this amendment.

Mr. METCALF. I ask unanimous consent to have it inserted in the RECORD.

Mr. MAGNUSON. We will take this language to conference. By striking out the House language, we can consider this language.

There being no objection, the amendment which was intended to have been offered by Mr. METCALF was ordered to be printed in the RECORD, as follows:

> The following amendment to be inserted following the comma on line 16, page 24, of H.R. 7445, as reported by the Senate Appropriations Committee: "for the upgrading and/or refining of low grade manganese ores and chrome concentrates held in the Defense Production Act inventory,".

Mr. WILLIAMS of Delaware. Mr. President, may I ask if the Senator was merely inserting the amendment in the RECORD? He was not offering it as an amendment to the bill.

Mr. MAGNUSON. No. The proposed amendment is merely being inserted in the RECORD for the purpose of the record.

Mr. PROXMIRE. Mr. President, the chairman of the subcommittee has suggested that I might offer these amendments separately. I defer that decision until Monday. The hour is late. It is questionable whether there will be any further rollcalls tonight. At this time I call up my amendments identified as "7–28–61–D," and I ask for the yeas and nays on them.

The PRESIDING OFFICER. The amendments offered by the Senator from Wisconsin will be stated.

The LEGISLATIVE CLERK. It is proposed on page 23, line 24, to strike out "$2,175,000", and insert in lieu thereof "$2,475,000".

Beginning with line 1, page 24, to strike out all to and including line 6, page 24.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. MANSFIELD. I understand that a Senator who is vitally interested in this amendment is not in the Chamber today because of a death in his family. Other Senators are also interested. I would like to ask the proposer of the amendment and the chairman of the committee if there is any possibility of arriving at a time limitation on this particular amendment and voting on it on Monday. If there is no disapproval of such action, I should like to make a unanimous-consent request that an hour be allotted for the consideration of this amendment, beginning at the conclusion of the morning hour Monday, 30 minutes to a side.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KEFAUVER. May we have 1 hour to a side?

Mr. MANSFIELD. Two hours would be satisfactory. I yield to the Senator from Oregon.

Mr. PROXMIRE. Mr. President, I yield to the Senator from Oregon.

Mr. MORSE. Mr. President, reserving the right to object, I quite agree

with the majority leader that we should not vote tonight. The amendment is of vital concern to several of our colleagues, including the one who cannot be here tonight because of an unfortunate death in his family. It is an amendment which I think will arouse a considerable amount of discussion. I think it is a very important amendment. It involves, in my judgment, not only the General Services Administration, but also other administrative agencies. I do not think we would use all the time, but I think we ought to err in the direction of including a generous amount of time under the unanimous-consent agreement, and then we can reduce our debate on Monday. I suggest there be one and a half hours on each side.

Mr. MANSFIELD. Mr. President, I am willing to make it 3 hours instead of 2 hours.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. DWORSHAK. Mr. President——

Mr. MANSFIELD. I yield to the Senator.

Mr. DWORSHAK. Mr. President, reserving the right to object, I should like to have some clarification as to whether we are planning to discontinue work now after those of us who have remained on the job—making exception, of course, for our colleague who has been called home because of a death in his family—have spent the better part of the day here. Are we to continue to work? Why not stay until midnight? If it is essential to have sessions on Saturday, let us work. Personally, I do not think it is necessary to have sessions on Saturday. We have been skipping day after day for many weeks. Those of us who come from far distant States have been required to remain here, though the Senate has been dragging its feet and not accelerating the legislative process.

I am not critical of my good friend the majority leader, but I think the time has come when some of us ought to be told in forthright language what we may expect in regard to Saturday sessions and the program during the week.

Mr. MANSFIELD. Mr. President, if I may comment on that, I think this is the first—and certainly no more than the second—Saturday session we have had this year. It was hoped that we could complete consideration of the two appropriation bills today, and proceed to the consideration of the foreign aid bill, but it looks as though we shall be delayed for several days.

The Senator from Idaho, who is my good friend of many years, has asked for a frank statement. It appears to me that because of the delay in the session today—it is a justifiable delay, because every Senator has a right to speak on any subject he wishes at any time and for so long as he desires—what we are doing is pushing back the time of adjournment from about Labor Day to about mid-September.

So far as I am concerned, I am willing to stay on or to quit.

I thought we would be doing something for an absent Senator who is vitally interested in this particular amendment, when I made the suggestion I made.

Mr. DWORSHAK. Mr. President, reserving the right to object, the majority leader has misinterpreted my remarks.

Mr. MANSFIELD. Not intentionally.

Mr. DWORSHAK. I do not object to Saturday sessions. I think perhaps we ought to remain in session until midnight tonight. I suggested that we dispose of this important appropriation bill, with the exception of the one amendment, which could go over until Monday, until the Senator who has been called home because of a death in his family can be back in the Senate for consideration of that very vital amendment.

Mr. MAGNUSON. I say to my friend from Idaho that the majority leader, in all good faith, called the Senate into session at 11 o'clock this morning. We thought we could finish consideration of the bill before us, and perhaps start on the appropriation bill for the Department of Health, Education, and Welfare. What time did we get started on this bill?

Mr. DWORSHAK. At 2:30.

Mr. MAGNUSON. At 2:30.

Mr. DWORSHAK. That is correct.

Mr. MAGNUSON. We were here 3½ hours and we could not even get the bill before the Senate. It is not the majority leader's fault that we have not passed the bill.

Mr. DWORSHAK. Mr. President, that is why I rose, actually in defense of the majority leader. We did not get into action on this important bill until 2:30 this afternoon, although we were called into session at 11 o'clock this morning. If the plan of the majority leader originally was defensible, we ought to dispose of the bill. Let us go forward and act on all the amendments with the exception of this one.

Mr. MANSFIELD. If there were no other amendments to be offered, I should be glad to agree to the Senator's suggestion, but I am becoming a little tired.

Mr. BRIDGES. Mr. President——

Mr. MANSFIELD. I yield to the Senator from New Hampshire, if the Senator from Wisconsin will permit.

Mr. BRIDGES. Reserving the right to object, why could we not do as the majority leader has suggested, in regard to having the amendment go over to Monday, and then ask unanimous consent that there be not to exceed, let us say, 20 minutes for each of the other amendments to the bill, to be divided 10 minutes to each side. Certainly any Senator who is intelligent can understand the argument on either side in 10 minutes. We could finish consideration of the bill in the next hour or two, so long as we are here on a Saturday, so that there would be only one thing left to do with regard to the bill on Monday.

Mr. HOLLAND. Mr. President, I object.

Mr. SPARKMAN. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I have an amendment to offer. I think it can be disposed of without too much time and without too much difficulty, and without a yea-and-nay vote.

I hope that I may have an opportunity to offer the amendment this afternoon.

Mr. MANSFIELD. Mr. President, I have made a unanimous-consent request. Is it agreeable to the Senate to accede to the request I made?

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. SCHOEPPEL. Mr. President, reserving the right to object——

Mr. MANSFIELD. The request is for 3 hours.

Mr. BRIDGES. Mr. President, reserving the right to object, I wish to make a parliamentary inquiry. To what did the distinguished Senator from Florida object? Did the Senator object to the request of the majority leader, or to the suggestion of the Senator from New Hampshire?

Mr. HOLLAND. Mr. President, I understood the distinguished Senator from New Hampshire to request a very limited time limitation with respect to all amendments which might be offered to the bill.

Mr. BRIDGES. Except for this amendment.

Mr. HOLLAND. I have seen some of the other amendments, which I should wish to discuss at some length. I think other Senators will wish to discuss them.

Mr. BRIDGES. The Senator from New Hampshire thinks the Senator from Florida is a very intelligent man who is quick-witted and quick-thinking, and who can absorb all there is to be said, under a 20-minute time limitation.

Mr. HOLLAND. Mr. President, I appreciate the gracious comments of my friend from New Hampshire, but I do not think he has read all of the amendments I have seen, or he would not make that suggestion.

Mr. MANSFIELD. Mr. President, I yield to the Senator from Kansas.

Mr. SCHOEPPEL. Reserving the right to object, I wish to make an inquiry of the majority leader, with respect to the amendment offered by the distinguished Senator from Wisconsin. Do I correctly understand that consideration of the amendment would go over until Monday, and that there would be a time limitation?

Mr. MANSFIELD. The amendment of the Senator from Wisconsin would go over until Monday. There would be 3 hours on that particular amendment, to begin at the conclusion of morning business.

Mr. SCHOEPPEL. Can the distinguished majority leader indicate whether there would be any time allowed to Senators who might desire to offer an amendment by way of a substitute for that amendment? I intend to offer such an amendment.

Mr. MANSFIELD. The time for that would be included within the 3 hours. The time would apply to the pending amendment and to all amendments thereto, under the regular procedure.

Mr. SCHOEPPEL. It would be understood, then, that an amendment in the nature of a substitute could be considered within the 3-hour time limitation?

Mr. MANSFIELD. That is my understanding.

Mr. SCHOEPPEL. I would not be precluded from offering that type of amendment.

Mr. MANSFIELD. That is correct.

Mr. CASE of South Dakota. Mr. President, reserving the right to object, what time does the majority leader have in mind for the Senate to meet on Monday.

Mr. MANSFIELD. At 12 o'clock noon.

Mr. PROXMIRE. Mr. President——

The PRESIDING OFFICER. The Senator from Montana has the floor.

Mr. PROXMIRE. Mr. President, it is my understanding that I have the floor.

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from Montana.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. SCHOEPPEL. Mr. President, further reserving the right to object, what time allocation would there be in the case of an amendment offered as a substitute?

Mr. MANSFIELD. What we would try to do would be to divide the time equally between those who are for and those against either the amendment or the substitute for the amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. HOLLAND. Mr. President, reserving the right to object—and I do not think I shall object—does the request relate only to the amendment of the Senator from Wisconsin now pending?

Mr. MANSFIELD. That is correct.

Mr. HOLLAND. I do not object.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and the unanimous-consent agreement is ordered.

The unanimous-conscent agreement, as later reduced to writing is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective on Monday, July 31, 1961, at the conclusion of routine morning business the Senate proceed to the further consideration of the bill, H.R. 7445, the Independent Offices Appropriation Act, 1962, and that debate on the pending amendment proposed by Mr. PROXMIRE (printed as 7–28–61—D) and all amendments thereto, except a motion to lay on the table, shall be limited to 3 hours, to be equally divided and controlled by Mr. PROXMIRE and the mover of any amendment thereto and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment, or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Mr. PROXMIRE. Mr. President——

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. PROXMIRE. Mr. President, it is my understanding that we can talk with respect to the amendment tonight after any yea-and-nay votes have been concluded. If Senators wish to stay and make insertions in the RECORD or speak on the amendment, they can do so.

Mr. MANSFIELD. Mr. President, for the benefit of the Senate I announce that there will be no further yea-and-nay votes tonight. Senators may talk on the amendment all they wish. Other amendments, if they are to be agreed to, will have to be agreed to by voice vote. That is the situation.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield to the Senator from Kansas [Mr. CARLSON] without losing my right to the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

Mr. CARLSON. Mr. President——

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. I wish to ask the Senator from Wisconsin if it is his intention, by continuing the session this evening, to have any of his amendments agreed to by voice vote.

Mr. PROXMIRE. Absolutely not. It is my understanding that an amendment is pending. It would be out of order to take up any other amendment without unanimous consent to do so. I shall speak for only approximately 10 minutes.

Mr. SALTONSTALL. I thank the Senator.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. JAVITS. I wish to state for the RECORD that I shall not call up my amendments tonight. Obviously the Senate is not in a mood to consider them in view of what has been said. I shall call them up on Monday.

GSA'S RIGHT TO INTERVENE IN UTILITY RATE CASES

Mr. PROXMIRE. Mr. President, my amendment would continue the authority of the General Services Administration to intervene in transportation and utility regulatory proceedings on behalf of the Federal Government as a major consumer of such services, without having its hands tied by an across-the-board prohibition on the kind and type of arguments and evidence which may be presented.

The bill as reported by the Appropriations Committee contains an amendment restricting use of funds, as follows:

No part of the funds appropriated by the act shall be used for the preparation or presentation of evidence or arguments before Federal and State regulatory agencies concerning the regulatory policies of such agencies on overall earnings level or total property evaluation of transportation or utility companies.

The committee also cut funds for this purpose by $300,000, which is about a 77 percent reduction. At the hearings before the subcommittee, GSA estimated expenditures for this purpose, including legal and agency overhead costs, in the following amounts for prior fiscal years—hearings, page 1298:

1961	$390,200
1960	368,700
1959	357,700
1958	338,500

The language of the limitation would clearly restrict GSA from seeking changes in policies of the regulatory agency. It would eliminate GSA from most of the important State utility cases, because the key issue in those cases most frequently is rate of return from increased rates. These increased rates apply to all consumer—including the U.S. Government as a consumer.

The cut in funds would further tie GSA's hands, by withholding the money needed to finance effective intervention in such cases.

The committee report states the objection of the committee to "participation in—rate—proceedings for the presentation of evidence and argument covering broad matters of regulatory policy such as valuation, rate of return, and other subjects related to overall regulatory policy of the various commissions," page 17.

It so states after first conceding "GSA's obligation to participate in major transportation and utility regulatory proceedings is not disputed, page 17.

In other words, it would be all right for GSA to appear in rate proceedings—but not to present arguments and evidence on the key issues in any rate increase: valuation and rate of return. And the reduction in funds would make even so hog-tied and hamstrung an appearance a pretty feeble one in terms of the number of individuals and the amount of time which could be expended by GSA staff on such a case.

No lawyer asked to represent a client in a rate proceeding would agree to so tie his hands by not permitting himself to discuss the key issues in dispute.

Yet that is precisely what the language of this bill, as reported out of committee, would do.

It is like saying, "You may go swimming—but do not go near the water."

The importance of this matter is clear. Not infrequently GSA has been the only spokesman for a "consumer" interest appearing in a regulatory or rate case. It is no surprise that this has been a source of irritation to those who would like to eliminate the consumer—any consumer—entirely from consideration in such proceedings.

By appearing in regulatory cases on behalf of the Government, GSA has saved the taxpayer millions of dollars, especially in cases involving the rate of return issue. For example, in 1956 Congress directed in 70 Stat. 1012, title 50, United States Code, section 491, that the Air Force be represented in SAGE cases under the GSA statute. In one of those cases, involving private leased communications lines—hearings, page 1139—GSA filed a petition for interim reduction of rates, and in 1958 the FCC ordered a reduction on the basis of excessive rate of return on investment—hearings, page 1141. That reduction is

saving the Government and the Air Force about $100 million in 10 years—hearings, page 1119.

On July 6, 1961, the FCC issued a tentative decision in the same case, to which exceptions may be filed on or before September 15, 1961. The tentative decision contains a proposal that "the proper level of private line earnings approximate 9 percent for Western Union and 7¼ percent for A.T. & T." This rate of return issue is important in the case, but if Congress enacts this limitation there is serious doubt whether GSA can say anything about the subject in its brief on exceptions.

The Government's monetary interest in utility charges amounts to about $817 million per year, plus $386 million for communications—hearings, page 1295—plus $2,106 million for transportation—fiscal 1961 budget data. Under the present system of the Government paying regulated tariff rates, if the Government did not appear in these cases, it would be doing nothing to protect itself against the amount of charges for utilities and communications services which are increased in the general revenue cases—hearings, page 1308.

The committee states in its report that GSA duplicates the activities of the regulatory agencies because its evidence and arguments on rate of return involve the same question which the regulatory agencies must decide. Whether or not this amounts to duplication, however, should give way to the basic theory of American regulatory practice—that decisions in rate cases should be based upon evidence of record, which is produced by witnesses for the regulated company, by witnesses for consumers, and, in some, but not all cases, by witnesses for public counsel of the regulatory agency.

All through the history of regulation public bodies have intervened and presented evidence in these cases. The Federal Government did so in its own consumer interest prior to creation of GSA in 1949—hearings, page 1248—and its statute specifically has authorized continuance of this function. In producing evidence in these cases, GSA merely adds facts to the record which the regulatory agency may consider in its decision. It appears as an advocate for the Government as a large, and often the largest, consumer in the same way that other large consumers, public and private, are represented, while commission staff or public counsel are charged with representing the general public interest, including that of the regulated industry or company.

The GSA statute authorizing this intervention in regulatory proceedings is section 201 of the Federal Property and Administrative Services Act, title 40, United States Code, section 481, which provides that the Administrator of General Services shall, "with respect to transportation and other public utility services for the use of executive agencies, represent such agencies in proceedings involving carriers or other public utilities before State and Federal regulatory agencies."

The amendment to the appropriation proposed by the committee is, in fact, a limitation in the exercise of this specific statutory authorization.

An attempt was made in 1958 to get GSA out of the transportation and public utility regulation business. It failed. Through the alertness of the distinguished senior Senator from Ohio [Mr. LAUSCHE] a point of order was made and sustained against an attempt to eliminate GSA's authority.

This time it is my understanding that a point of order against the proviso would not be valid.

Last night I made a point of order, which was not sustained by the Chair. After consultation with the Parliamentarian yesterday, it appears that the amendment is the only way in which the Government's right to appear and present full evidence and argue on principle can be protected.

I have therefore offered an amendment to eliminate it, and to restore the $300,000 cut by the committee.

I would like to point out that the committee amendment to this bill which my amendment would delete, is stated in terms of "funds appropriated by this act." The Presiding Officer yesterday evening, an advice of the Parliamentarian, sustained my interpretation that this language is so broad that it applies not just to the transportation and public utilities service of the GSA, but to every and any agency appropriated for in this bill.

While this may not have been the intention of the committee, I think it indicates how broad and sweeping a restriction of authority they have inserted into an appropriations bill.

I earnestly hope that the amendment will be adopted.

I yield the floor.

THE FUGITIVE FELON ACT

Mrs. NEUBERGER. Mr. President, I have objected today to the consideration of the amendment of the Fugitive Felon Act by the Senate because it raises a number of important questions. Unfortunately, I am not an attorney, and therefore am not so knowledgeable about some of these problems of S. 1654 as some of my colleagues are. Nonetheless, as I read the bill, it would have some interesting effects.

The proposed amendment makes it a Federal crime for a person to move or travel in interstate or foreign commerce with the intent to avoid prosecution for a crime or an attempt to commit a crime punishable by a term of more than 1 year under the laws of the State from which the fugitive flees. This measure has been submitted by the Attorney General as part of his program against organized crime.

I was curious to discover what effects this law might have on the State of Oregon, for I know that my State, like the rest of the States, has on its books a number of interesting and archaic provisions, the attempted violation of which would now make one a Federal criminal.

For example, one becomes a Federal criminal for the commission or the attempted commission of any of the following crimes in Oregon:

First. Defaming an insurance company, a bank, or a savings and loan association.

Second. Managing a steamboat or other craft in a manner that might endanger life. I suppose that this would apply to the captain of a boat pulling a vigorous water-skier.

Third. Breaking into the Oregon State Penitentiary.

Fourth. Skinning a carcass worth more than $75.

Fifth. Stealing harvested and threshed grain, and there is no statement of what amount.

Sixth. Possessing adulterated gold dust.

Seventh. Challenging another person to a duel. I might add that one also would violate the law if he used contemptuous language about any person who refuses to duel.

Eighth. Exposing of any person for public amusement in a state of trance or hypnotism.

Ninth. Finally, we have an antistinkbomb law which makes it a crime to place a stinkbomb in any place where a gathering is being held. This law would make an attempt to place a stinkbomb a Federal crime.

Some other States have some provisions of similar import. For example, Alabama has a statute making it a crime, punishable by not less than 2 years in jail for carrying a rifle walking cane. And, you can spend up to 10 years in jail for the mere possession of unlawful flags or emblems. Alabama, I might add, also has an antistinkbomb law with a 1-year minimum sentence.

In Georgia, you can go to jail for up to 4 years for stealing just one chicken. Or one hog. The theft of a bale of cotton can get you up to 5 years in a Georgia jail.

In Louisiana, the penalty is up to 5 years for abetting in bigamy, and the same penalty for miscegenation.

If you marry someone outside Mississippi who you may not marry in Mississippi because of that person's race, you can spend up to 10 years in a Mississippi jail.

The theft of two horses in North Carolina can put you in jail for 20 years and you can go to jail for 5 years for betting on prizefights.

In New York State, challenging a person to a duel is a crime with a 7-year penalty, and being intoxicated in a public place can put you in jail for up to 3 years. Joyriding is second degree larceny in New York with a maximum penalty of up to 5 years and locking your college roommate in a stable is kidnaping which carries a death penalty. Finally, in New York State, any person staging a masquerade or a masked ball without prior permission can be jailed for up to 2 years and in a law that seems clearly unconstitutional, if a New York resident manages or stages a masquerade or masked ball in any of the other 49 States, he could be imprisoned for up to 2 years.

Further research might bring to light other archaic laws of other States, the

violation of which would now make one a Federal criminal. Surely, it is not the intent of the Senate to enact such broad and sweeping legislation.

I have discussed the argument against this bill on the grounds of absurdity. Now, Mr. President, I would like to make another point. On the books of some Southern States, there are laws aimed specifically against the National Association for the Advancement of Colored People. They are so stated they can apply only to this organization. Some of these laws make it a crime to bring more than a certain number of actions against the State. Some make it a crime to fail to disclose information as to contributors or members of certain organizations, particularly organizations having out-of-State memberships, or headquarters. One marvels at the ability of lawmakers to invent ingenious methods to impede the progress of the NAACP.

However, merely because some jurisdictions uses its State laws to harass the NAACP and other advocates of civil rights, I see no reason why it should become a Federal crime punishable by 5 years in jail or a $5,000 fine, or both, to cross a State line to avoid prosecution for an attempt to commit a crime defined by a State law that may be questioned because of its constitutionality.

If the Attorney General needs the authority he claims, I have faith that the Justice Department can draft more artful statutory language than this.

I ask unanimous consent to include both the text of the current law and the proposed change at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TITLE 18, UNITED STATES CODE

(Existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman)

§ 1073. Flight to avoid prosecution or giving testimony.

Whoever moves or travels in interstate or foreign commerce with intent either (1) to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which he flees, [for murder, kidnaping, burglary, robbery, mayhem, rape, assault with a dangerous weapon, arson punishable as a felony, or extortion accompanied by threats of violence, or attempt to commit any of the foregoing offenses as they are defined either at common law or by the laws of the place from which the fugitive flees,] *for a crime or an attempt to commit a crime, punishable by death or imprisonment for a term exceeding one year under the laws of the place from which the fugitive flees,* or (2) to avoid giving testimony in any criminal proceedings in such place in which the commission of an offense punishable by imprisonment in a pentitentiary is charged, shall be fined not more than $5,000 or imprisoned not more than five years, or both.

Violations of this section may be prosecuted only in the Federal judicial district in which the original crime was alleged to have been committed or in which the person was held in custody or confinement.

Mr. HART. Mr. President, will the Senator yield?

Mrs. NEUBERGER. I am glad to yield to the Senator from Michigan.

Mr. HART. The several bills which have been described as the package of bills to more effectively fight organized crime were the subject of public hearings before the Committee on the Judiciary. Included, of course, was the fugitive flight bill. I share the belief just expressed so eloquently by the distinguished Senator from Oregon that it is not the purpose of the Department of Justice, in recommending the bill under discussion, along with the other crime package items, to do anything more than effectively arm America in its efforts to suppress, repress, and, if possible, destroy organized crime. As far as I can recall, there was no voice raised at any of the hearings on amending the Fugitive Felon Act which raised the possibilities recited by the Senator from Oregon; no opposition was filed if my memory is correct.

The Federal Government should not be in the business of seeking out the person who skinned a carcass in Oregon; nor certainly to enforce laws which reflect strong regional traditions but which offend the conscience of a majority of Americans. I can assure the Senator from Oregon that it is not the intention of the Department of Justice to move in these extreme cases. The suggestion of the Senator, that it might be possible to more artfully draft language in order to hit the target which all of us surely desire to hit, may be a very helpful suggestion.

The RECORD, I feel certain, will be read by all of us, including the Department. I thank the delightful—if it is permitted to use that word together with the traditional "distinguished"—Senator from Oregon for having so effectively made the point. I wish that voices in this tone had been raised while the committee was considering the question, because very frankly, I think the possibilities were noted by none of us.

I think it important, in our consideration of this question, to understand that in the institution of any proceeding under the fugitive felon law, the Department of Justice itself, by several of its regulations, spells out measures which may very well insure against some of the consequences which the Senator from Oregon indicated might be offensive. Indeed, the normal practice of the Federal Bureau of Investigation, when any U.S. attorney requests an investigation of a matter of doubtful propriety, is to bring to the attention of the appropriate division of the Department of Justice such a proposal, with a request that the Department express its views.

As we study the subject, let us remember that under the present law the Civil Rights Division of the Department of Justice administers and supervises the enforcement of the Fugitive Felon Act. This is the present arrangement. I am sure it would remain so in the event that this or any other appropriate amendment were agreed to. It is my understanding that the decision as to whether an indictment is to be returned in Fugitive Felon Act cases can be made only by the Assistant Attorney General in charge of the Civil Rights Division. All of this should be in our mind as we consider the bill and any appropriate amendment.

The leadership of the Attorney General, his determination to fight organized crime, is welcomed and will be given all support by the people of America. But what we want is to fashion a weapon which would damage the ranks of organized crime. The caution voiced by the Senator from Oregon [Mrs. NEUBERGER] I echo. I hope we can develop an effective weapon appropriate for the purpose but without putting the FBI and the Department of Justice in the business of taking up the burden of enforcing such peculiar local laws as recited by the Senator from Oregon, whose courtesy in yielding I appreciate.

Mrs. NEUBERGER. I appreciate the remarks of the distinguished junior Senator from Michigan. I know of his efficient work on the Committee on the Judiciary. I hope that language can be arranged, so that no undue hardship will be worked on anyone.

FTC SMOKESCREEN

Mrs. NEUBERGER. Mr. President, much has been said and written about the role which cigarette smoking may play as a possible cause of cancer. Claims and counterclaims have been made for plain and filter brands which have left the public in a most confused state, not knowing whom or what to believe.

One of the responsibilities of the Federal Trade Commission is to insure that national advertising is as accurate as possible. A recent article in the Reader's Digest suggests that the FTC ought to reexamine the cigarette tar-filter controversy and its relation to lung cancer. I ask unanimous consent that excerpts from the article entitled "Facts We're Not Told About Filter-Tips" be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[Excerpts from a Reader's Digest report to consumers]

FACTS WE'RE NOT TOLD ABOUT FILTER-TIPS

(By Lois Mattox Miller and James Monahan)

Early in 1960 everyone connected with cigarettes—except the 60 million Americans who smoke them—heard the news from Washington: the Federal Trade Commission had officially knocked the tar out of cigarette advertising.

For more than a year a number of tobacco companies had been loudly advertising "high-filtration" cigarettes. With the lung-cancer scare in mind, each advertiser claimed the smoke that came through his filters was low, lower, or lowest in tar and nicotine. But, the FTC found, the industry's advertising was long on claims, short on facts. So the Commission took action.

"There will be no more tar and nicotine claims in cigarette advertising," FTC Chairman Earl W. Kintner (since resigned) told an advertising convention in Washington. "These claims were confusing to the public and possibly misleading—in view of the absence of a satisfactory uniform test method and proof of advantage to the smoker. Rather than continue the apparent conflict in claims, the tobacco industry, through the aegis of the FTC Bureau of Consultation, decided to call a halt to the tar derby."

But when the "cleaned up" advertising appeared, the average smoker was more bewildered than ever. The razzle-dazzle about which brand "filters best" had disappeared. Now, reading the ads, you would never guess there was any difference between one high-filtration brand and some other brand that fired up plenty of tar and nicotine.

* * * * *

To prevent misleading claims, the FTC had ruled out facts altogether. Kintner considered this quite an achievement. "In my view," he said, "this is a landmark example of industry-Government cooperation in solving a pressing problem."

* * * * *

But the FTC watchdogs failed to see that these "clean" ads also were misleading—in what they did not say. For now an important development was influencing cigarette buyers. As evidence linking cigarette smoking and lung cancer piled up, sales of filter-tip cigarettes climbed until they accounted for nearly half the cigarettes consumed in the United States.

It seemed obvious that health-conscious smokers, wary of lung cancer and other respiratory and circulatory diseases, were switching to filter-tips for whatever protection they provided. Under the FTC rules, such health protection could not be claimed directly. But it was strongly implied in every ad that plugged a clean, pure, smooth, filtered smoke.

Therein lay the subtle falsity and deception. For at that time most filter-tips were of little value. Doctors suggested that real filters—those which reduced tar by 40 or 50 percent—might provide the smoker with some partial protection. Cigarette manufacturers privately admitted that such high-filtration, low-tar cigarettes were practicable, and already had been produced experimentally.

Why weren't they on the market?

"Ask the Federal Trade Commission," the manufacturers suggested. "We can't sell such cigarettes unless we can tell the public how they differ from other brands."

Then, in the summer of 1957, the Lorillard Co. jumped the gun in the filter-tip race and introduced the new high-filtration Kent. The FTC's "advertising guides" became meaningless, and its first "blackout" of cigarette advertising led to a rash of new and more extravagant claims.

The tar derby. Now rival tobacco companies rushed their high-filtration cigarettes out of the laboratories and into production. Soon cigarette ads shrieked conflicting claims about which brand filtered best.

The FTC faced a dilemma. Certainly it was in the public interest to let people know how much or how little tar and nicotine were in the cigarettes they smoked. But different companies, using different test methods, published conflicting figures that were confusing and frequently meaningless.[1] The obvious solution was to standardize on one test method, require all companies to use it, and to confine their claims to the laboratory-certified figures on the brand label.

In February 1958 the FTC Bureau of Consultation called a 2-day conference to consider standardization. * * * The consensus was that a standard method was desirable, practical, and available. There was even optimistic talk about "standardization within 60 days."

One year later the project was bogged down in confusion.

* * * * *

The tobacco chemists said such testing was possible. So did the National Bureau of Standards. The American Standards Association seemed surprised that the question should even be raised. "Certainly it's possible," said Technical Director J. W. McNair. "It is naive to quibble over small variations in results. No standard or test can be absolute, since no two items tested can be precisely alike. For this reason most standard methods make allowances for variations that may occur in results from two or more laboratories."

While the FTC temporized about testing, the big tobacco companies worked overtime to develop new filter tips that promised even lower tar delivery.

* * * * *

Thanks to FTC's "filter-tip blackout," there was no standard. The blackout still prevails. Meanwhile, the public continues to buy—and smoke—in ignorance.

One result is that much of the progress made by the introduction of filteration has been lost. The plain-tip brands are slugging hard and unashamedly to win back smokers lost to filter tips. The admen's imaginations are producing claims which nobody can prove true or false.

* * * * *

Where do we stand? The only bright spot in the blackout is this: no manufacturer took advantage of it to lower filter efficiency or to increase flavor (and tar) with a stronger blend. The latest tests made for the Reader's Digest show that the tar in most brands is still at 1959 levels. Nicotine is up slightly, but not significantly, probably because of the character of the tobacco crop.

* * * * *

The public has been alerted, and the demand for safer cigarettes will remain as long as people smoke and die of lung cancer.

In November 1959 the U.S. Public Health Service joined the long list of national and international health organizations that recognize smoking as a principal cause of lung cancer. But the Surgeon General's statement was also hard on filter-tips, presumably in deference to certain uncompromising scientists in the USPHS who believe that the only true safety lies in abstinence.

Scientists at the Sloan-Kettering Institute and the American Cancer Society, while agreeing that abstinence from smoking is the best safeguard, believe that filtration is a partial safeguard that must be provided for those people who cannot or will not quit smoking. Dr. E. Cuyler Hammond, director of the American Cancer Society's (more than a million enrollees) 6-year study of American health and habits, says the preliminary results show that filter-tips offer definite benefits to health, even apart from the question of lung cancer.

"Consider such common complaints as coughing and shortness of breath," Dr. Hammond said recently. "Our study shows that these complaints occur oftener and more severely among smokers than nonsmokers, and among cigarette smokers than among pipe and cigar smokers. The incidence and severity increase in proportion to the number of cigarettes smoked daily. But coughing and shortness of breath are far less common among filter-tip smokers, and least common among smokers who stick to the high-filtration brands."

Preliminary results of the ACS study have convinced Dr. Hammond and his associates that the search for safer cigarettes must be encouraged, and that cigarette manufacturers must be permitted or even required to disclose the tar and nicotine content of their products on labels and in advertising. (The Tobacco Institute spokesman immediately commented: "The suggestion is not feasible. There are no accepted standards for measuring the nicotine or other contents of cigarette smoke.")

The tobacco industy is still hoping that, sooner or later, the virus theory of cancer will be established, thus exonerating tobacco as a cause of lung cancer. This is a rather forlorn hope, many doctors maintain. Says Dr. Warren H. Cole, president of the American Cancer Society, "Many virologists, firm in their theory that viruses are involved in human cancer, are nevertheless convinced that regular cigarette smokers are 10 times more likely to get lung cancer than nonsmokers. Actually, there is no conflict between the two viewpoints. If it is demonstrated that the viruses are a causative agent in lung cancer, the carcinogens in cigarette smoke will certainly be found to act in concert with them. Today we have no means of eliminating the virus, even if it does exist. But there is a way you can avoid the cigarette tar—remove the cigarette from your mouth."

[1] See "The Facts Behind Filter-Tip Cigarettes," the Reader's Digest, July 1957; "Wanted—And Available—Filter Tips That Really Filter," August 1957; "Nicotine—The Smoker's Enigma," January 1958; "The Cigarette Industry Changes Its Mind," July 1958; "The Search for 'Safer' Cigarettes," November 1959.

WATER IN HAM

Mrs. NEUBERGER. Mr. President, last March the Secretary of Agriculture, Orville L. Freeman, stated:

I wish to emphasize that this administration is strongly concerned with the needs and problems of the consumer, and that this Department shall constantly seek to serve the best interest of the public.

I am sure that the consumers of this Nation would sincerely wish to believe this, but their patience must be wearing a little thin. I refer to the matter which has been pending before the Department of Agriculture for some months now, the question of water in hams. This case has been under review by the Department since March 17, and all the information has been in their hands since June 6. Yet no decision has been announced by Mr. Freeman. Meanwhile, the order allowing hams to be filled with 10 percent water remains in effect, and as there are no USDA regulations requiring the labels on hams to state the moisture content, consumers desiring nonwatered hams find it increasingly difficult to purchase them with confidence. And consumers are continuing to pay ham prices for this federally inspected water.

Each statement from the Department of Agriculture on the ham question has carried the comment from the Secretary "that the hearings were ordered to allow full opportunity for consumer groups to present recommendations to the Department." Well, the consumer has made his recommendation to the Department, and now he wants to know what the Department is going to do about it. He is growing tired of the Department words and he wants to see some action taken. The Department has a way with words. For example, the order last December 30, which authorized the water increase in hams, was stated thus:

Smoked hams * * * may not contain more than 10 percent added moisture.

This statement is true, of course. But what would be the effect if the Chief of Police of Washington, D.C., were to announce, "the District of Columbia Commissioners have issued an order

which establishes 10 percent as the maximum amount which may be taken from citizens by persons forceably demanding it of them."

When I appeared May 17 at the USDA ham hearings here in Washington to give a statement, I was concerned with the Department handling of the case, the claims made for the inclusion of the water in ham by the meat industry, and the right of the consumer to know the contents of what they are buying. I am still concerned; and my concern is not lessened by the announcement this week from the Department that it has taken the extraordinary procedure of appointing a special three-person independent review committee to recommend action to the Secretary on the question of water in hams. The Secretary has had the information. He has had the time. The public, after this last move, must be justified in wondering if the Secretary is really a freeman.

HIGH COST OF INNER SPACE

Mrs. NEUBERGER. Mr. President, the problems of the consumer in America have not been aired so well for years as they have in recent months. I have submitted a resolution to establish a Senate Select Committee on Consumers; discussion has been heard of a Consumer Council in the White House; the Department of Agriculture reopened its case on watered hams; the establishment of a Department of Consumers has been called for; and the Senate Antitrust and Monopoly Subcommittee most recently held hearings on deceptive packaging. These hearings have stimulated much attention across our Nation, striking an all too responsive chord in those who have braved the supermarket jungle of "jumbo's and giants" or have tried to compute the "fantastic savings" between two packages of peculiar weights. The Hartford Courant has published an excellent editorial commenting on this dilemma in deception. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HIGH COST OF INNER SPACE

Americans are not only paying billions to send missiles into outer space, but they are also losing millions each year on the purchase of unusable inner space. That was the gist of the recent testimony in Washington before a Senate Antitrust and Monopoly Subcommittee. Deceptive packaging and labeling were bitterly denounced by housewives, including Senator MAURINE NEUBERGER, of Oregon. Mrs. NEUBERGER declared she had received complaints of slack-filled packages, hard-to-find statements of net contents and weights, and suggested best buys by oversize packaging and misleading terminology.

All this will, of course, find a responsive chord in the hearts of all who purchased what appeared to be a king-size package of hair tonic, only to find that when the cardboard and other stuff has been removed from the container the bottle had shrunk to pigmy size. In fairness to manufacturers it must be pointed out that many packages do print plainly that even though a package's contents may shake down in transit, they are priced on the basis of weight, not bulk.

One of the principal causes of complaint, and a justifiable one, is the lack of uniformity so far as weights are concerned. There seems to be no rhyme or reason behind the weight of the majority of food packages. The housewife has to decide between two brands of crabmeat, for example, one weighing 5½ ounces, selling for 69 cents, and another weighing 6⅛ ounces, selling at 75 cents. Unless she is a pretty good mathematician, and prepared to work it out with paper and pencil, the decision of the housewife as to which is the cheaper may be hard to make. How do you figure it?

A great many industries have developed standardization of sizes and the development of uniform labeling. It should not be difficult for the principal food manufacturers to get together on such a program. Those who growl about government interference should have learned by now that unless needed things are done voluntarily, they are often made to be done by Federal authority. One large chain did some years ago embark on a frank, honest disclosure of weights and other pertinent materials on all canned goods. But for some reason, probably because others took advantage of it, it abandoned the practice. It must be a trade-wide development. All the signs and portents are that unless it is done voluntarily, remedial legislation will be asked for.

TRUTH IN LENDING

Mrs. NEUBERGER. Mr. President, in these times of the credit card, the charge-o-plate, the revolving charge account, and the pot-of-gold friendly finance company, it behooves us to reexamine the credit and lending practices now in use throughout our country. The Senate hearings on S. 1740, the truth-in-lending bill, have done much to illuminate the need for legislation to insure that the borrower know exactly how much he will have to pay. I ask unanimous consent that an article entitled "High Interest Costs Drive Workers Into Bankruptcy," published in Labor of July 29, 1961, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HIGH INTEREST COSTS DRIVE WORKERS INTO BANKRUPTCY

An unmarried factory worker in Milwaukee, Wis., bought himself some hunting guns, a TV set, a 1961 station wagon, and a hi-fi set—all on time. With his $111 weekly earnings, he was able to swing the payments all right. But then he was cut back to 4 days work a week. He fell behind on the payments.

"I got all my bills together on one note, like they advise on radio," he said, "but it didn't work." Finally, he discovered he was paying out 30-percent interest a year on the payments. But by then he was in bankruptcy court.

This story was told by AFL–CIO Legislative Director Andrew J. Biemiller last week as he urged Congress to pass the truth-in-lending bill sponsored by Senator PAUL H. DOUGLAS, Democrat, of Illinois, and other Senators, with the backing of the administration.

"I think it is high time," said Biemiller, "that all borrowers and buyers on time be let in on the secret of how much any given credit commitment is going to cost, both in dollars and cents and in terms of an annual rate."

That's what the truth-in-lending bill would require, Biemiller told a Senate subcommittee headed by DOUGLAS, and that's why the AFL–CIO urges the bill's prompt enactment.

The truth-in-lending bill is backed also by the Kennedy administration and by some bankers, last week's testimony showed. But most bankers and finance companies, as well as associations of auto dealers and other merchants, are fighting the bill.

The Milwaukee worker's plight is far from unique, Biemiller stressed. He noted that personal bankruptcies in the United States rose from 25,000 in 1950 to nearly 100,000 last year. "Such bankruptcies," he said, "are almost all of wage earners and often because of overcommitments on time buying."

"Many working families get sucked in," Biemiller said, "because quoted finance charges sound comfortably low, while the real interest rate is far higher. For example," he said, "an auto dealer may quote $8 per $100, a bank may quote 8 percent discount, a loan company may quote 3 percent a month." All these sound less than the real annual interest, Biemiller noted. Thus, 3 percent a month is 36 percent a year.

"If those who oppose this (truth-in-lending) bill have nothing to hide, as they so often assert, why do they insist on hiding it?" Biemiller demanded.

WHAT REVOLVING FUNDS COST

He got part of an answer from Senator WALLACE BENNETT, Republican, of Utah, a member of DOUGLAS' subcommittee and a former president of the National Association of Manufacturers.

"I'm not bragging, but I've been in business," said BENNETT. "Business has to have goodwill. If stores had to say their revolving credit fund operated at 18 percent interest per year, what would happen to goodwill? The customer has accepted 1½ percent a month."

"If you build business practices on deception you are building a house on sand," Senator DOUGLAS countered.

Meantime, DOUGLAS received a wire from Bernard M. Baruch, noted financier, declaring he "approved most heartily of the truth-in-lending bill." Baruch added: "Millions of people are being taken advantage of by loan sharks. I hope you get a bill through this session—one that will let the borrower know exactly what he has to pay."

BAPTISTS SPEAK OUT

Mrs. NEUBERGER. Mr. President, recently, 7,000 delegates and registered visitors of the American Baptist Convention met in Portland, Oreg., for its annual session. Crusader, the American Baptist news magazine, described the setting with these words:

Portland—large enough to be truly urban but small enough for delegates to make themselves seen and heard—proved its hospitality with adequate hotel space, fine service in the restaurants, and the best public transportation to the meeting site encountered in many years of conventioneering. There was generous local newspaper and radio-TV coverage; excellent sightseeing opportunities were close at hand before and after the sessions; and among the citizenry there was a very evident spirit of "we like you and we want you to like us."

During the session, and after some lively debate, the assembled convention passed several resolutions which I believe will be of interest to a larger audience. I ask unanimous consent that excerpts from certain of the resolutions be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

FAMILY LIFE

We urge American Baptists to encourage their Representatives in Congress and their Senators to consider carefully the problems of the cost of medical and hospital care for the aged, and to seek appropriate legislation to make it possible for them to meet such costs.

RACE RELATIONS

Membership in every Baptist church should be open to all people regardless of race or national origin. We request our churches to evaluate their own employment policies that persons may be called as staff members or employees on the basis of their qualifications and not on the basis of race. We urge our churches, church members and ministers to participate actively in organizations, to foster better race relations and to eliminate segregation.

MIGRATORY AGRICULTURAL LABOR

Use of migrant workers for business profit which results in substandard education, wages, transportation, and housing is unChristian. We urge that American Baptists support Federal legislation to provide financial aid to local public school districts in meeting their responsibility to educate the children of migrants and legislation to provide adequate standards of housing for migrants and make sure that the health and welfare services of the community and State are made available to migrants.

WORLD ORDER

We urge our Government to continue its efforts to reach an agreement for the cessation of nuclear testing based on an adequate system of enforcement control; renew its efforts to find a basis for agreement with all nations for the control and reduction of all types of armament.

CUBA

We further urge our Government to seek, through the Organization of American States and other channels, greater mutual understanding and a reconciliation between the people of the United States and the people of Cuba.

DEVELOPMENT OF SPACE EXPLORATION PROGRAM

Mr. DODD. Mr. President, the NASA appropriation, deserves and needs our full support for a number of reasons which I wish to briefly mention here.

At the outset, I should like to observe that NASA has made some compelling predictions with regard to accelerating the space exploration program which this appropriation is intended to finance.

In hearings before the Senate Committee on Aeronautical and Space Sciences, June 7 and 8, 1961, NASA Administrator James E. Webb and his Deputy Administrator Dr. Hugh L. Dryden made it clear that passage of this bill will speed space development by 6 years over the time anticipated under the budget request made earlier this year.

In January, Mr. Eisenhower asked for $1,110 million. Thereafter, in March, the present administration added $125 million to that request. This figure was subsequently reduced in the House of Representatives by $35,300,000.

Following that, on May 25, President Kennedy asked "the Congress and the country to accept a firm committment to a new course of action—a course which will last for many years and carry very heavy costs."

As a result of the President's May statement, NASA, in June, asked for an additional $549 million over the March request bringing the present total to $1,749 million. That is the accumulated package before the Senate today.

This is a staggering sum. But I do not see how we can avoid paying it. As the President has indicated, this represents but a downpayment. It is estimated the space program will cost the American people $33 billion over the next 10 years.

The exploration and research, which will become possible under this appropriation, is of long-range significance to the United States, the free world, and potentially to all mankind hereafter.

I do not think we should go overboard over the spectacular prospect of placing a man on the moon and getting him back, although that is a singularly exciting project. To me it has always seemed inevitable that one day man would be reaching for and arriving at greater distances into space as part of his inquisitive and explorative intellectual drive.

Every aspect of space discovery is directly linked with research and development which will have even greater significance in scientific improvement of daily life on earth. Harder, lighter, more heat resistant metals are needed. The development of compact requirements for space vehicles will result in smaller, more efficient mechanical commodities for future homes and offices.

Quite aside from the drama and incidental scientific consequences of placing a man on the moon, the space program gives promise of potential profits from at least two working projects.

The first of these, commercially operable space communications systems, is the object, presently, of vigorous competition among privately owned national and international communications enterprises—including A.T. & T. and General Electric Co.

General Electric Co. spokesmen have indicated that by the year 1980 annual revenue from commercial communications satellites may approximate as much as $2½ billion.

The second space program development which holds forth promise of important social benefits is known as Tiros weather satellites. Experts anticipate that benefits resulting from improved accuracy in weather forecasting may annually exceed the present cost of the entire space program.

But these are not the basic reasons for support of the President's space program. Primarily, my own support of this program is based on the fixed belief that there is no sound and safe alternative to maintaining a proper position of leadership and power. A nation which does not fully and urgently press its pursuit of scientific knowledge will soon lose its power and have no leadership role to exercise.

It is my opinion that we have no choice except to pursue those avenues of intellect and knowledge which become available to us along the road of our quest for truth.

In scientific development, the United States is offered an opportunity to lead the world in a special and beneficial way. We take this opportunity today. To do otherwise would be a repudiation of our whole basic deposit of accumulated knowledge and ability and a challenge to our right to lead.

Quite obviously, space exploration, as such, will not solve our pressing problems in foreign and domestic affairs. These problems must be met with all the energy required to maintain leadership wherever our leadership can be exercised.

But the struggles for supremacy and scientific leadership are continuing struggles. They exist on every front and at every time. Space has now become one of the fronts. On this front, as on others, we must prevail.

It is for these considerations, I feel, we must support this appropriation as essential to the success of NASA's mission.

REAPPORTIONMENT BY STATE LEGISLATURES

Mr. MILLER. Mr. President, in this morning's edition of the Washington Post the lead editorial is entitled "Minority Rule in Maryland." The editorial points out the problem of misrepresentation which exists in Maryland as a result of the failure of the legislature to reapportion itself. I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MINORITY RULE IN MARYLAND

The question whether representative government may be restored to Maryland has been laid before that State's court of appeals in very pointed fashion. The fact that representative government long since ceased to exist in the Free State can scarcely be regarded as being controversial.

The current brief of the Maryland Committee for Fair Representation points out that the suburban counties and the city of Baltimore, although they contain 76 percent of the State's population, have only 49 percent of representation in the house of delegates and 34 percent of the representation in the State senate. The votes which citizens cast for their legislators range from less than one-third of their fair value in one area to nearly 400 percent of their fair value in another.

In the initial proceeding Judge Duckett acknowledged this gross malapportionment of the general assembly but sustained Governor Tawes' demurrers on the ground that relief cannot be given by the courts. He acted on the assumption that "the elected representatives from the rural counties, if properly informed, will (not) fail to support legislation beneficial to the welfare of our State as a whole." But this is merely a sentimental illusion. The MCFFR is much closer to the truth when it says that reliance upon the general assembly for relief "is demonstrably, almost shockingly, futile."

So the court of appeals is confronted by the question whether a relatively small minority of the people may continue to deny the State representative government because

it elects a majority of the legislature. The 14th amendment guarantees to all citizens "the equal protection of the laws." Maryland's own declaration of rights also recognizes the "right of the people to participate in the legislature" as "the best security of liberty and the foundation of all free government" and to this end protects "the right of suffrage." But the right of suffrage can become virtually meaningless if one man's vote is permitted to count for 30 times as much representation as another's.

The discrimination against urban population is especially outrageous in Maryland because it is built into the State constitution. The people have a right to amend the constitution, and in 1950 they voted for a constitutional convention, but the general assembly dominated by the rural counties has consistently refused to convene it. Thus both routes to the restoration of representative government have been cut off. Governor Tawes has candidly conceded that any reapportionment of the general assembly under which representation would be reasonably related to population is a venture in the realm of the impossible.

In these circumstances the question is not whether the courts can apportion the legislature, as Judge Duckett seemed to assume. Of course they cannot; but their inability to take over the job of the legislature does not mean, on the other hand, that they must necessarily sit on the sidelines while an entrenched minority makes a mockery of popular government.

In this case a group of public spirited citizens is trying to restore the basic integrity of representative government in Maryland. They are not asking the courts to reapportion the State, they are asking only that the judiciary rule that the grossly discriminatory system now in effect may no longer be used because it has become a shocking affront to the principles of democracy. If the courts are going to say that they can do nothing to uphold the right to cast a vote that is reasonably equal to other votes, they will have to admit that there are some dangerous gaps in our constitutional system.

Mr. MILLER. Mr. President, the point I wish to make is one which I made in my own State of Iowa for many years; namely, that the problem of the reapportionment of a State legislature is not a partisan issue; it is a bipartisan problem.

For years, Iowa has had a Republican-controlled legislature. During various campaigns, charges were made by the minority party that because of Republican rule, the legislature had not been reapportioned. Finally, in the last session of the Iowa Legislature, a reapportionment bill was passed by the Republican-controlled legislature, placing one house on an area basis, and one house on a population basis, similar to the way in which the Federal Congress has been established.

The Maryland Legislature is under the strong control of the Democratic Party. Still, the problem of reapportionment exists in Maryland. So, I sincerely trust that the problem of reapportionment, to give full and fair representation, at least in line with the traditional concept of having one house on an area basis and the other on a population basis, will no longer be made a partisan issue, because it is certainly not that. The Republicans in Maryland could just as well say that the Democratically-controlled Maryland Legislature was responsible for the situation, as the Democrats in Iowa could say that the Republicans in control of the Iowa Legislature were responsible. But it was very interesting to notice that during the voting on reapportionment propositions in my home State of Iowa, the votes were not along party lines.

It seems to me that, basically, the problem is one between the rural interests and the urban interests, with the urban interests desiring to have at least one house on a population basis, but with the rural interests insisting that one house remain on an area basis.

I am pleased to report that the Iowa Legislature has taken action to place the Iowa Legislature in the traditional pattern of representative government in the United States.

BUDGET LESSONS

Mr. MILLER. Mr. President, in the July 25 edition of the Washington Evening Star appears a most appropriate editorial entitled "Budget Lessons." The editorial points out how, with respect to the fiscal year ended June 30, 1961, the budget deficit has finally been admitted to amount to almost $4 billion, although at one time there was hope for a slight surplus. This shows the danger of relying on hope, rather than on fact, in forecasting balanced budgets, and should be a warning to this administration that the best way to achieve a balanced budget for 1963 is, not to talk about it, but to take steps to achieve a balanced budget for 1962. The editorial wisely points out that there is no disposition to question our defense needs, but there is reason to question unrestrained spending on domestic programs in this period of world crisis. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BUDGET LESSONS

Announcement that the Federal budget deficit for fiscal 1961, ending last June 30, totaled $3.9 billion offers two lessons in these uncertain times.

One is the obvious difficulty, even risk in terms of impact on the public and political mind, involved in attempting long-term financial projections. The chronology in this case speaks for itself. In January 1960, President Eisenhower presented a 1961 budget showing a surplus of $4.2 billion. By October of last year, when it was evident that the new decade had not taken off with a boom, the estimate was scaled down to a surplus of $1.1 billion. In January of this year Mr. Eisenhower left a final surplus estimate of less than $100 million. Two months later, the administration of President Kennedy offered its first official calculation, namely, that the 1961 budget would show a deficit of about $2.2 billion. Addressing a National Press Club audience in June, only a few weeks before the books were closed, Secretary of Treasury Dillon said the deficit would "approach" $3 billion. So it is $3.9 billion.

These miscalculations were not, of course, attributed to carelessness or to political motivation. There was reasoned expectation that calendar 1960, on which the revenues of fiscal 1961 depend, would be a year of increased prosperity. When it did not work out that way, revenues went down substantially—more than $6 billion below the original estimate and nearly $1 billion below the Kennedy estimate in March. At the same times, fiscal 1961 expenditures rose above the calculations of both administrations to a total of $81.5 billion.

The second lesson to be studied in these final figures centers on the spending side—on the fact that continuing budget deficits add to the national debt, to the interest charges needed to carry it, to the danger of a new round of inflation, to decreasing confidence in the dollar at home and abroad, and to a further drain on our gold reserves. Between the March estimate and the June 30 computation, the largest single increase in spending was $651 million for defense. It is clear now that even greater increases in this category will be recommended, needed and granted in the current fiscal year. In effect, incidentally, Congress already has killed requested legislation to boost postal rates representing a loss of between $600 million and more than $800 million in needed Federal income, which has been unwisely included in revenue estimates.

There is no disposition anywhere to question the defense needs, or the fact that they will cost more money. There is more than ever, however, reason to question the advisability in this period of world crisis of relatively unrestrained spending on so-called welfare programs domestically. Military power alone is only part of the strength of the United States. It could become a thin and vulnerable shield with budget irresponsibility, or recourse to the alternative of repressive taxation, behind it.

COLD WAR ILLUSION

Mr. MILLER. Mr. President, during the debate on the marine sciences bill, yesterday, I pointed out that the proponents of nondefense spending measures are now taking the approach that these are inseparably connected, somehow, with national defense. Instead of being justified on the basis of so-called needs of the people, they are being justified as being necessary for the cold war. In the July 25 issue of the Wall Street Journal appears a discerning editorial which effectively relegates such arguments to the wastebasket. As the editorial so well states:

If there must be more guns, it is hardly justified to spread so thickly the butter of Federal handouts. In fact austerity might be more in keeping with our tougher military stance.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

COLD WAR ILLUSION

By accident or design, the administration's response to Berlin is building an impression of bristling military preparedness, what with talk of calling up reserves, expanding the draft and adding billions to the already beefed-up defense budget.

All this emphasis on additional military spending may leave some people perplexed. Defense, after all, has claimed some $400 billion in the past decade. What, one may wonder, could possibly be overlooked with that sort of budgeting?

But if enormous new outlays are essential to national security, one would expect corresponding cutbacks in nonessential civilian spending. That order of priority seems plain. Instead, the administration is pushing as hard as ever the argument that

practically every dollar the Government spends at home is also a response to the cold war challenge.

Take education, for example. In less perilous times, Government subsidy of schools and scholars would be called a handout, pure and simple, and an unnecessary one to boot. But ever since sputnik streaked across the political horizon, Uncle Sam's involvement in education has been urged as waging the cold war. One result is the National Defense Education Act which, among other things, hurls doctors of folklore and expert glassblowers into the front lines of the East-West conflict.

Cold war rhetoric also puts the farmer up front. In calmer days, the fantastic glut of unsalable foodstuffs piled up at a cost of billions would be proof that Federal subsidy of agriculture had failed. Nowadays, surpluses are extolled as a great asset—ammunition for the food-for-peace giveaway.

It's hard to find any civilian spending that isn't dressed up with a touch of patriotic olive drab. Highways, surely, are useful to the military. All the more excuse then for pulling out the stops on a budget-breaking Interstate Highway System. Even cities and suburbs are said to play a role in the cold war. "Bright and orderly urban development," said Mr. Kennedy earlier this year, enhances the U.S. image abroad. Hence Congress could discover a patriotic as well as political motive for passing the administration's $5.6 billion housing program.

Thinking in terms of a U.S. image, there's no limit to the pleasing ways we can wage the cold war. Indeed, every Government program, for anything at all, supposedly, polishes the image by showing the response of democratic government to people's needs. And every Federal dollar swells the gross national product which, as everyone knows, is the way we show the Soviets we can grow faster than they do.

Certainly, the U.S. economy must grow vigorously to strengthen the Nation and provide a firm base for diplomatic and military policy over the long pull of the cold war. But that is precisely the point: Domestic welfare spending and political handouts, contrary to the claims of the spenders, actually weaken the economy and retard real growth.

With a $3.9 billion Federal deficit just behind us and at least $5 billion of red ink immediately ahead, the administration is blithely piling up nonmilitary commitments that must eventually be bled from the economy. Instead of easing the oppressive tax burden and forestalling another round of self-destructive inflation, the administration talks of higher taxes and lays the groundwork for inflation.

That is surely putting luxury before necessity. For if there must be more guns, it is hardly justified to spread so thickly the butter of Federal handouts. In fact, austerity might be more in keeping with our tougher military stance. And the first luxury to be sacrificed ought to be the illusion that the more Government spends, the stronger we become.

FUTURE OF THE HEALTH CARE PLAN

Mr. MILLER. Mr. President, in the July 14 issue of the RECORD I inserted an article which points out the danger to the future of the social security system that will arise if the administration's medicare bill is passed; how future generations may react against the debt that will be saddled upon their shoulders, if some 14 million people are blanketed into the system without ever having paid for the benefits they will receive—benefits that would be paid regardless of whether they are rich or poor.

In the July 25 issue of the Wall Street Journal appears an article which relates that the Secretary of Health, Education, and Welfare, Mr. Ribicoff, now proposes to raise the social security wage base to $5,200, starting in 1962, because, so he said, "a closer study by his Department of the health care plan found the increase was needed because of upward revisions in nursing home and home health service costs."

The Secretary admitted that the question is not so much one of paying for a program to provide needed medical care to people, as it is one of how to pay for it. He believes that the social security system is the way. The trouble is that he would extend benefits to anyone on social security, whether in need or not. If, indeed, a need exists for a program in addition to that provided by the Kerr-Mills Act of last year, then for the sake of preserving the social security system from attack by future generations, angered over the debt this generation has saddled upon them, it would seem proper to suggest that the program be financed out of the general fund. Let us leave the social security system alone. There will be enough problems with it in the future as it is now, without endangering it by throwing in the President's medical-care program.

Mr. President, I ask unanimous consent that the article published on July 7 in the Wall Street Journal, to which I referred a moment ago, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HEALTH CARE PLAN COST ESTIMATE IS INCREASED 10 PERCENT—RIBICOFF PROPOSES RAISING SOCIAL SECURITY WAGE BASE TO $5,200 STARTING IN 1962—2 WEEKS OF HEARINGS BEGIN

WASHINGTON.—The administration put a 10 percent higher price tag on its proposal to provide medical care for the aged and asked Congress for a further increase in social security taxes.

Health, Education, and Welfare Secretary Ribicoff, testifying before the House Ways and Means Committee, said a closer study by his department of the health care plan found the increase was needed because of upward revisions in nursing home and home health service costs.

He proposed raising the wage base on which social security taxes are levied to $5,200 from the present $4,800, starting in 1962. The administration originally had proposed raising the wage base to $5,000.

The rest of the administration's financing plan remains as it was: A one-fourth percentage point increase in the social security tax rate starting in 1963. Counting the regular one-half point increase already scheduled for 1963 and the one-eighth point increase approved earlier this year to finance broader old-age benefits, this would bring the 1963 social security tax on a worker and his employer to 3¾ percent each.

PROPOSAL WOULD COVER 14 MILLION PERSONS

The administration's proposal would provide hospitalization benefits for some 14 million persons aged 65 and over. Mr. Ribicoff told the House committee that the issue is not "whether to pay these costs; the only issue is how to pay them."

The money brought into the social security fund by the tax increases, nearly $700 million in 1963 and more than $1 billion in 1964, would pay for the following benefits for persons aged 65 and over who are eligible for social security retirement payments:

Up to 90 days of semiprivate hospital care, but with $20 to $90 to be paid by the individual, depending on the length of his stay.

Up to 180 days of skilled nursing home care when such services are furnished following transfer from a hospital and are necessary for continued treatment of the illness for which the individual was hospitalized.

Up to 240 home health service visits in a calendar year.

Outpatient hospital diagnostic services, with the first $20 paid by the individual.

FINAL ACTION NOT EXPECTED THIS YEAR

The Ways and Means Committee is starting 2 weeks of hearings on the administration proposal, but final congressional action is not expected this session. Speaker RAYBURN, Democrat, of Texas, has declared the House will not vote on the matter this session. This fits in, however, with what many administration officials and congressional Democratic leaders think is the best strategy: Get the hearings out of the way this year and begin early next year to work the proposal through both Houses. Passage next year, the thinking goes, would give the Democrats a potent vote-getter in a congressional election year.

Mr. Ribicoff's presentation underlined the battle that has been raging since last year between liberal Democrats and the American Medical Association. Later in the hearings, the American Medical Association will get a chance to voice its protests.

Mr. Ribicoff was sharply critical of the American Medical Association in his testimony and also had some harsh words for the Federal-State cost-sharing medical program passed by Congress last year. The Secretary accused the American Medical Association of "doing the American people a disservice" in trying to discredit the administration plan as socialized medicine. "But 180,000 doctors are not going to defeat the purpose of 180 million Americans," he declared.

Mr. Ribicoff maintained that because the administration proposal does not provide for Federal payment to doctors, or include any benefits for physicians' services outside of those in connection with hospital care, there is nothing socialistic about the proposal. In fact, he asserted, the measure passed last year by Congress is socialistic because it does provide for Federal payments to doctors.

The medical care bill passed by Congress last year, called the Kerr-Mills bill after Senator KERR, Democrat, of Oklahoma, and House Ways and Means Committee Chairman MILLS, Democrat, of Arkansas, set up a twofold aid program. It supplies Federal funds on a matching basis to States for medical assistance, including doctor bills, for individuals aged 65 and over who are not now receiving old-age assistance but whose income is insufficient to pay medical costs. In addition, it provides for matching Federal-State sharing of medical costs up to $12 a month for each person now on Federal-State old-age assistance rolls.

Mr. Ribicoff called this a mechanism that could ruin this country. In effect, he said it hands the States a blank check for medical care. If extended to all the medically needy, he said, the plan could cost up to $1 billion a year or more with the Federal Government paying more than half.

Later in his testimony, however, Mr. Ribicoff softened his criticism of the Kerr-Mills program. "It's a lot better than nothing," he said, "but it's not going to do the job."

THE BERLIN CRISIS AND THE LONG STRUGGLE AHEAD

Mr. MILLER. Mr. President, yesterday the Senate passed two bills which were requested by the President. One was for additional procurement of military weapons; the other was for authority to call up thousands of Reservists, National Guardsmen, and draftees. I sincerely hope the President will use with restraint the latter authority. The mobilization of another 250,000 men would not have been called for, were it not for the Berlin situation. I am confident that this crisis will pass. Then what would we do—keep these additional men under arms? If so, for how long?

The President himself has said that we are in a long struggle for a great many years. Are we to be indefinitely in a state of semimobilization? I do not think we need to be. If the President will undertake the political and economic sanctions against our cold war enemy which I have previously suggested, I do not think there would be any Berlin crisis—so long as we maintain the deterrent nuclear capabilities we have. And I suggest that similar crises in the future can be similarly taken care of as long as Premer Khrushchev understands that we are not going to engage in an indecisive conventional war with him if he decides to continue his aggression.

In the July 20th issue of the Washington Post appeared a timely editorial entitled "The Long Struggle Ahead." I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE LONG STRUGGLE AHEAD

President Kennedy, at his news conference yesterday, tried to put the Berlin crisis in perspective as a part of the long struggle that faces the country. It is a theme to which, let us hope, he will return again and again, for there is entirely too great a disposition to treat Berlin as an isolated phenomena. And that disposition is hurtful in two ways.

It revives the old "die for Danzig" arguments of the most insidious, pernicious, and wishful kind. It warps forward planning to a shortrun objective when the meaningful preparations need to be aimed at longrun objectives.

This is not to minimize the Berlin crisis and its urgency; but only to say that even if the Berlin crisis subsides, as it did in 1949 and as it did in 1958, the central challenge will remain. And that central challenge does not spring from Berlin or Germany. It arises out of the aggressive urge of the new imperialism of Soviet Russia. That challenge will not be altered by saving Berlin; and what is of even more moment, it will not be removed by losing Berlin either. It is a better guess, on the contrary, that the loss of Berlin would make the challenge even more dangerous.

If we thought we could buy our safety by giving up Berlin, notwithstanding our commitments, we would be confronted by a moral problem of a different kind than that which confronts us. There is, however, no opportunity to purchase security by a betrayal so unworthy and ignoble. Berlin would be only the downpayment.

"The American people and this Government and the Congress must realize that we are in a long struggle which we will be involved with for a great many years against very powerful countries, with nearly a billion people in them," the President said. It is to be hoped that he will elaborate this theme in his forthcoming message to the country. No doubt he will.

It is no easy thing to tell a people, deep in the enjoyment of relative peace and all the good and rewarding things of life, that the way ahead, as far as the human eye can see, is filled with dangers of the gravest sort that threaten their very survival. It is not an easy thing to do; but it is a necessary thing to do so.

Mr. MILLER. Mr. President, in the Wall Street Journal of July 24, a most informative article, written by Mr. Louis Kraar, staff reporter, points out that this administration has its sights set on permanently larger Armed Forces. I do not doubt the authenticity of this article; but I certainly hope these plans are changed. Does not the administration realize that hot wars will be fought, more than ever before, with machines, rather than with men? Does it believe that we can match conventional forces controlled by the Soviets with conventional forces of the Western Alliance?

I ask unanimous consent that the Journal article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AFTER BERLIN: KENNEDY PLANNERS SET SIGHTS ON PERMANENTLY LARGER ARMED FORCES—THEY AIM TO BYPASS BOMBERS, BUILD UP FOR SMALL WARS—SEE NO U.S. MISSILE GAP—DRAFT CALLS TO BE STEPPED UP

(By Louis Kraar)

WASHINGTON.—Details of the new Kennedy defense proposals, which will be thundering in the news by midweek, could drown out the concepts behind them. So it would be well to understand in advance the intent of the steps to be taken.

Here is one sample of how coming headlines could be misread:

Announcement of National Guard and Reserve mobilization moves may well seem to imply a merely temporary boost in U.S. military manpower as the West heads for a 1961 showdown with the Soviet over the Berlin issue. It could suggest that when and if this crisis blows over, the manning of the Armed Forces will drop down to normal. Nothing could be further from the actual intent. Manpower boosts proclaimed this week will be part of a plan to lift the number of U.S. fighting men toward a permanently higher plateau. True, a particular National Guardsman from your hometown is likely to find himself called to duty only temporarily—but when he goes home his place will be taken by an extra draftee or volunteer signed up for a regular tour of duty.

This illustrates one key aspect of the program about to be unveiled. In weaponry as well as manpower, the proposals are intended to deal not merely with the Berlin episode—though they are designed to do that—but with dates and geography distant from this Berlin business.

A SWEEPING SPEED-UP

To a very large extent, the moves which are to be enunciated now are simply being hurried up. They are extracts from the proposals which the President would, by original schedule, have sent to Congress next January, in his budget for fiscal 1963.

Another big possibility for misunderstanding, when details of the newest batch of defense demands come out, will be the great emphasis on building up capacity to fight without using atomic weapons. This will seem paradoxical, since diplomats and military men agree the Berlin clash could lead to all-out nuclear war—and since an essential purpose of this week's defense revisions is to convince Khrushchev that holocaust is exactly what he risks if he persists in trying to squeeze off Berlin.

So it may come as a shock, and stir hot political controversy, when the nation discovers that the Kennedy proposals do not include schemes to rush construction of planes able to drop nuclear bombs on the Soviet. On Capitol Hill, tremendous steam is building up for augmenting the B–52 bomber fleet and for spurring the supersonic B–70 toward production; Air Force leaders have been publicly calling it vital. But in fact, unless its political instincts overcome its ideas of military strategy, the White House has no intention of including among its proposals to Congress on Wednesday any boost in bomber buying.

To understand this big negative fact—which may astonish not only Congressmen but many investors who've been bidding up aircraft stocks—it's necessary to know how the administration looks at its own strengths and weaknesses vis-a-vis the Communist bloc.

SEE NO MISSILE GAP

It has decided there is no gap whatever in present U.S. capacity to deliver nuclear warheads on strategic Red targets, either by rocket or aircraft. Quite the contrary, White House advisors calculate we have more than enough. The recent display of new Russian warplanes at the Tushino Air Show in no way altered the administration's estimate that America retains a clear superiority in atomic delivery. And it is firmly believed that Khrushchev is fully aware of this U.S. nuclear strength.

Hence it has been decided that just one major thing needs to be done to our nuclear capability as the Berlin showdown approaches: It must be put in a greater state of readiness for quick action.

For instance, the Strategic Air Command will sharply and swiftly increase the number of planes on runway alert, ready to take off for targets within a few minutes notice. The proportion of bombers on ground alert was in any case scheduled to increase gradually to one-half, from a previous one-third, by next summer. Now, this is to be done quickly, and if tensions warrant, the proportion on alert may be carried past the one-half mark. This will leave them less vulnerable to surprise assault, and with the same idea work will be rushed on new radar and other warning systems.

THE WEAKNESS OF THE WEST

The great weakness seen in the stance of the West, as it faces pressures on Berlin and other areas coveted by the Communists, is in non-atomic capacity. The view is that this lack could easily convince Khrushchev he can make grabs without fear of real resistance. He could reason that if he squeezes just a little at a time, no one squeeze would warrant a nuclear response from us. What Mr. Kennedy intends to buy with his new program is the option to make nonnuclear responses into initial squeezes at Berlin or elsewhere—responses sufficient to show we are able and willing to meet the Reds on every level of hostility, climbing on up to the nuclear if need be.

Let's see how this might work in the case of Berlin:

Trouble could start after a Soviet "peace treaty" with East Germany: the German Reds could announce they were closing down the Autobahn to Berlin for repair of potholes. The Administration plan would have the Allies respond not with atomic war but very likely by throwing military engineers in

to repair the road, with or without authorization. If this led to shooting, we would again respond not with atomic weapons but by throwing in conventional forces strong enough to lick the East Germany army. Then the Soviet would have to decide whether to commit its own troops—knowing that if it did so this would be war on a large scale, with the U.S. so deeply involved with so many soldiers that it would in the end employ nuclear weapons rather than accept defeat.

WRITING A BELIEVABLE SCRIPT

The thinking behind the administration program about to be unveiled is that if Khrushchev finds such a script plainly laid out in front of him, he is likely to back off without a fight, conventional or nuclear. But the script has to be credible, it is contended, and this means more money must be spent fast on bolstering allied capacity to do things short of fighting atomic war.

Thus the program about to be unveiled is intended to make material and men available for every lower step of a struggle. To give one small sample, it will include cargo trucks which could haul more goods into a beleaguered Berlin if rail traffic is cut off. Beyond that, it will boost permanently the number of military personnel, speed delivery of stocks of battlefield arms and equipment, and expand capacity for hauling troops and their armament into troubled areas. The American effort, along with companion moves demanded of the West Germans and other Allies, is plotted on a scale sufficiently large to engage the forces of the Soviet and its European satellites in really heavy conflict.

And the buildup is scheduled to be rapid. Though so many of its items are borrowed from a budget originally projected for fiscal 1963, it is figured that roughly 90 percent of the program unveiled this week will take practical effect within 12 months and a major proportion before the end of this year.

THE KENNEDY SPEECH

The precise contents of the President's talk to a national television audience tomorrow night and his message to Congress Wednesday are still being worked out, and it's likely not all of the Kennedy program will be spelled out in either one of them. The Chief Executive has been urged to hold back parts of it for later disclosure as sparring over Berlin develops.

But however partial and impromptu his announcements may appear, the administration views them differently than it did the "quick, dirty fixes" embodied in two previous sets of defense revisions—the first soon after taking office, and a second after reverses in Cuba and Laos. Although officials were proclaiming belief in bolstering conventional capabilities at the time they put through the first two, in fact the bulk of the dollars were thrown into rocketry and other aspects of nuclear power.

One reason for delay in pursuing its philosophy was that the Army's ideas on how to build up conventional power were rated unacceptable; they would have tied down large bodies of additional men at such spots as the Korean border, and they conceived of old-fashioned divisions packed with supply and support at the expense of combat. Civilian leaders wanted the Marines used as a model, with lean and mobile units consisting principally of fighting men. This is what they figure they're in position to get from the current revision.

So the Nation will put more men in uniform than the current 2.5 million. While additions to ground troops would enable some filling out of thinly staffed units overseas, and enable dispatch of new units to Germany, the major emphasis will go toward expanding units in this country that are highly trained and poised for rapid deployment to any foreign trouble spot.

One possibility: The Pentagon may add a fourth division to the Strategic Army Corps, the service's U.S.-based fire brigade units that maintain a portion of their men on full-time alert for possible limited war duty overseas.

Navy and Air Force strength will rise, too, to provide a balanced expansion of combat power, and to give the troops their airlift and sealift.

Plans have been drawn up for making available more aircraft for hauling troops and equipment to potential trouble spots. This could be done with or without buying extra planes since the Air Force could shift more routine transport to private lines under contracts and free more of its Military Air Transport Service planes for readiness to serve combat areas. Likewise, more sealift vessels could be obtained by taking some tankers and troop transport ships out of "mothballs" or storage.

LARGER DRAFT CALLS

The manpower requirement, of course, has implications for reservists and guardsmen. But it's also likely to require larger draft calls. Already, in fact, Selective Service officials have asked State draft boards to increase their pools of men ready for call to the 100,000 total that prevailed until 1959. Now the overall pool has slipped to about half that. Actual inductions have been relatively low, though they've climbed from around 1,500 monthly this spring to 6,000 for July and 8,000 set for August.

In a move to get results fast, officials aim to increase and speed deliveries of ammunition, guns, vehicles and other battlefield gear to men in the field. Though Mr. Kennedy's defense leaders have taken some earlier steps in this direction, there's now greater determination to relieve shortages and increase the flow of modern nonnuclear arms.

The pace and amount of training maneuvers, alert drills, and other such techniques for getting forces flexed for ready-crisis response will be stepped up. Military exercises involving airlift of ground troops to remote spots have been fairly limited till now due to the cost.

COST-CUTTING DRIVE IMPERILED

It's figured Congress and the American public will go along with almost any requested defense spending hike. In fact, the chief worry is that the Pentagon's efforts to squeeze waste out of the U.S. armament program will be brushed aside. Phones are already jangling with calls from Congressmen and others arguing that scheduled closings of unneeded bases should now be canceled, "because of the Berlin emergency."

"The pressures are tremendous to abandon these plans," comments one official. "The Berlin crisis is being used as an excuse for all sorts of special interest arguments, ranging from a plea to keep open a surplus arsenal to requests to expand weapon projects."

But defense policymakers plan to use the Berlin crisis themselves for quite the opposite purpose—to intensify their economy drive, as imperative at a time of rising spending. Determination is expressed that installations declared surplus will still be closed, and other unneeded ones will soon join the list slated for closing or curtailment. Steps toward greater centralization of procurement and demands for better and cheaper contractor performance will be pressed vigorously, too. Weapons deemed unnecessary for production will be curbed as relentlessly as before, officials insist.

Since the Soviets showed off some 11 new models of combat aircraft, including new bombers, at the Tushino Air Show outside Moscow a few weeks ago, pressures have been mounting for greater U.S. bomber production. The Kennedy administration sought no new funds this fiscal year, which began July 1, for B–52 or B–58 bombers, and requested only research and development money for the 2,000-mile-an-hour B–70 bomber project. Yet even before the Russian bomber display, the House voted $448.8 million more for long-range bomber procurement than the administration wants; now leading Senators are joining the plea for more bombers.

BOMBER PROGRAM OPPOSED

Administration leaders, however, adamantly oppose commitment of more funds for bombers now. In fact, some argue the Tushino show was partly designed to spur such a reaction from the United States, in the knowledge the creating a fleet of B–70's, for instance, would drain the United States ultimately of some $8 billion. Deputy Defense Secretary Roswell Gilpatric has publicly asserted that the more than 600 B–52's and 100 B–58's the United States will have between 1962 and 1970 "are sufficient to give us a manned bomber strength throughout the 1960's."

If the administration's problem at home is restraining the enthusiasts, its difficulty abroad is inducing allies to provide enough money and men to fill the portion of his program which Mr. Kennedy is assigning to them.

The White House considers it urgent that the nations of the North Atlantic Treaty alliance achieve in practice the strength they've already theoretically set as a desirable goal. Besides this, Washington wants a few special touches tailored to the Berlin crisis. This would be a big jump at a time when Europeans are anything but enthusiastic. The British have economic trouble, in their balance of payments. The French have military trouble, in Algeria and Tunisia. The Germans have political trouble, with an autumn election coming up.

Officials speak hopefully, rather than confidently, about this aspect of their planning. Demands will be pressed on all NATO lands—with the pointed argument that the peril to be faced is not merely the loss of Berlin but the consequent crumbling of the alliance and the loss of all Europe to communism. But the greatest fresh demands will be placed on West Germany, as most intimately concerned in the Berlin dispute and the best able to bear new burdens. The Germans are expected to chip in with more cash and extend their present 12-month draft term.

Mr. MILLER. Mr. President, all of this planning is a part of the new policy of "raising the threshold." As I have stated many times, I am not at all impressed by this policy—particularly if political and economic sanctions toward aggressive Soviet moves are not undertaken.

As has been so ably pointed out by the great Senator from South Carolina [Mr. THURMOND], the cold war is a total war. Unless we are willing to take decisive action in the political and economic area, as well as in the military area, we shall lose the cold war; because while we stand prepared with military power for a hot war, we may find that we have lost the cold war. Indeed, we may find that by our failure in these other areas, we shall have caused a miscalculation on the part of the Soviets and brought about a hot war.

FEDERAL AID TO EDUCATION

Mr. MILLER. Mr. President, there is not a Member of Congress who is not concerned over the continuation of a program of assistance to local school districts in what are termed "federally

impacted areas." Also, most Members are concerned over continuation of the program established under the National Defense Education Act. It is deplorable that these measures have been stymied as a result of the controversy over the President's program for Federal aid to education. Had the proponents of this measure been content to take the approach provided by the amendment offered by the distinguished Senator from New Hampshire [Mr. COTTON] and me during the debate in the Senate on the Federal aid to education bill, all of this trouble could have been averted. Under our proposal, Federal aid would have been granted by having the Federal Government transfer to each State directly three-fifths of the Federal cigarette tax collected within that State, or almost $700 million per year, to be used by the States for educational purposes. Under this proposal, there would be no controversy over Federal controls, Federal administrative costs, segregation, or aid to private schools. However, the proponents did not see fit to adopt this amendment, and now the legislation is hopelessly bottled up in the House Rules Committee as a result of these very controversies which the Cotton-Miller amendment would have eliminated. In the July 24 issue of the Post appears an article by the distinguished columnist, Roscoe Drummond, which points out very well the tragic errors made by the administration, including the President himself, over the Federal aid to education legislation. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SCHOOL BILL—WHO IS TO BLAME?

(By Roscoe Drummond)

Only a miracle can rescue what President Kennedy considers his most important piece of domestic legislation—aid to education.

At his weekly press conference the question was put to the President in these words: "The whole bundle of school legislation was torpedoed in the House Rules Committee and it is clear that one of the things that largely helped to sink it was the religious issue. * * * Have you just about given up on passing school legislation in this session of Congress?"

Mr. Kennedy is not giving up on aid to the public schools. He is intervening privately with members of the Rules Committee and others on the Hill. There are ways to overcome the blockade in the Rules Committee, which directs the traffic of bills to the floor of the House. But they are little used and rarely successful.

Even with White House prodding, the odds are against the administration.

The fact is that the school-aid bill now lies inert under not one, but three layers of determined opposition. It is presently locked, bolted, and barred by a combination of (1) those southern Democrats and Republicans who are determined to have no Federal aid to education, (2) those normally proadministration supporters who are determined to have much more aid to education, including long-term loans to church schools, and (3) some key administration leaders who, though not wholly opposed, have little heart for any of it.

That is a formidable triumvirate of opposition. You will probably recall what happened. The House Labor and Education Committee approved the main public-school bill May 24. The House Rules Committee has held it up ever since with a coalition of the opponents to school aid plus the advocates of loans to church schools. Then when the Rules Committee received the amended National Defense Education Act, including church-school loans, the church-school supporters cast the decisive vote to table all the aid-to-education bills on the ground that they did not have adequate guarantees that the NDEA bill would be reported out.

There is no doubt that the President is earnestly and energetically going to the rescue. But the Kennedy administration must bear large responsibility for this tangled, divisive, and unproductive mess.

Mr. Kennedy was unable to win the wholehearted support of either of the two principal Democratic leaders of the House, Speaker SAM RAYBURN and Majority Leader JOHN W. MCCORMACK. Mr. RAYBURN has never been warmly for the school-aid bill and Mr. MCCORMACK has been quite warmly against it unless he could get approval for some aid to religious schools.

The Democratic leadership took great credit for getting House approval to expand the House Rules Committee on the ground that this would assure the leadership's getting its bills onto the floor. The reformed Rules Committee cannot be considered very reformed if the leadership can't get the President's most important pieces of domestic legislation to a vote. It can't blame the Republicans. The Democrats are in control; they run the committee.

It seems to me that the President himself has somewhat contributed to the deadlock in the House Rules Committee by holding back his position on the nonadministration bill for church-school loans. This gave silent encouragement to advancing the bill which in the end helped to stymie the public-school bill in the Rules Committee. As I read the record of the campaign, Mr. Kennedy opposed as unsound public policy the appropriation of any public funds for church schools, but he has refrained from declaring himself since the election.

It seems to me that Mr. Kennedy should declare himself openly and decisively on this crucial issue.

It is a sad plight that 437 Members of Congress have to stand mute and immobile, unable to act because of the power of eight members of one committee.

Mr. MILLER. Mr. President, I am sure that most of my colleagues join with me in expressing the purpose that at the first opportunity an appropriate amendment will be offered to a House bill which will insure continuation of the federally impacted areas assistance program and the National Defense Education Act program. And I trust that the administration will see the error of its ways in sponsoring legislation giving rise to such controversies as the Federal-aid bill has caused and will take the approach which returns directly to the States a portion of the taxes paid by the people of each State, to be administered by the States with their own controls and without another Federal bureaucracy superimposed.

INDEPENDENT OFFICES APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 7445) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1962, and for other purposes.

Mr. KEFAUVER. Mr. President, I wish to say a few words in support of the motion of the Senator from Wisconsin [Mr. PROXMIRE] to restore the amount that would be stricken from the bill for the General Services Administration, on page 24 of the bill, amounting to $300,000, for the representation of the interests of the Government before Federal and State regulatory agencies.

This is an important issue, which should be fully understood by the public and by all Members of the Senate, not only because of the amount involved, but because of the principle involved.

For a long time we have been talking about the fact that in the Government of the United States we need to have someone who will protect the consumer; that the voices of interests pro and con are frequently heard; that Federal regulatory commissions sometimes become referees between conflicting interests, between companies that are trying to obtain franchises or permits; and that the interest of the public is overlooked.

I am a cosponsor of a bill, along with 29 or 30 other Members of the Senate, to establish a Department of Consumers. That bill is now pending.

Everyone but the consumer has someone to look after his interests. The consumer's interests are frequently overlooked. The biggest consumer in the United States is the Federal Government itself. One of the largest ways in which the Federal Government is the consumer is in the payment of telephone bills, electric bills, transportation charges, charges for shipping, and many other charges in which the Government has to pay billions of dollars a year as a consumer. This, of course, means that the Government is in the place of every taxpayer and every citizen of the United States, because they are in fact the people who are paying to the Government, which is in turn the direct consumer.

It so happens that in the act establishing the General Services Administration there is a provision for the protection of the consumer, when we speak of the Government. It is provided, in section 201(a), subsection (4) of the Federal Property and Administrative Services Act of 1949, as amended, as follows:

With respect to the transportation and other public utility services for the use of executive agencies, represent such agencies in negotiations with carriers and other public utilities, and in proceedings involving carriers and other public utilities before Federal and State regulatory bodies.

That is, the General Services Administration has the statutory requirement of representing, before Federal and State regulatory bodies, the interest of the U.S. Government as a consumer, to try to see that it does not pay an exorbitant rate, that the rate is fair, and that the Government saves as much money as it possibly can.

The requirement of the General Services Administration to represent the Government before agencies is also contained in other specific acts, such as the SAGE Act, and other acts affecting our Armed Forces.

The General Services Administration has performed well in this respect.

It will be found, from the Senate hearings, that the General Services Administration has made a total of 58 appearances in rate cases before regulatory agencies, 10 involving regulatory principles, which, of course, affect rates also, and 7 involving permits and operating certificates, and so forth. These appearances have been before the Federal Power Commission, the Federal Communications Commission, the Civil Aeronautics Board, and other Federal agencies, and also before State commissions.

It will be found, from page 1119, that whereas a great many of the cases are now pending and have not come to a final conclusion, in the past few years, in certain cases that have been pending, the General Services Administration has ascertained that over a 10-year period it has saved the U.S. Government in excess of $160 million by virtue of its appearances before regulatory agencies. The largest saving is in connection with private line telephone services, in which the American Telephone & Telegraph Co. was involved. The 10-year saving is listed as $100 million. On an annual basis, it is in excess of $16 million for the various cases.

If Senators will look at the digest of cases in which the General Services Administration has made an appearance, and which are now being contested before commissions, it will be seen there is quite a long list, beginning at page 1121 of the Senate hearings and continuing for more than 800 pages.

The amounts involved are stupendous, indeed. The possible savings to the Federal Government are very large. The loss to the Federal Government, if its interest is not adequately protected, will be very substantial, running into the hundreds of millions of dollars.

Mr. President, some of the utilities did not like this, and the principal one seemed to be the American Telephone & Telegraph Co. The utilities have been complaining that the General Services Administration has been representing the agencies of the Government in an effort to save the taxpayers from paying exorbitant charges. In one period of 10 years, leased-wire cases with American Telephone & Telegraph Co. involved $100 million.

In the hearings it was stated that not long ago there was a special committee of the National Chamber of Commerce. I am advised that the chairman was Mr. Ed Crosland, who in turn happens to be the vice president of the American Telephone & Telegraph Co. Senators will find the report at page 933 of the transcript of the hearings. This was the beginning of the effort to get the General Services Administration out of the picture. That report is printed, and covers a great number of pages. It is recommended in the report that the General Services Administration be restricted in its work or taken out of its work in representing the executive agencies, merely because the utilities do not like the fact that the representation of the General Services Administration is saving the Government hundreds of millions of dollars a year, which the utilities wish for their own. One cannot exactly blame them for that, but even when rates are reduced, the utilities receive very generous rates indeed. The average State commission permits a return of 6½ percent, or sometimes in excess of that, on the investment less depreciation, or on the invested capital of the company.

That is based upon the old legal case of Smythe against Aimes, which is on the investment of a company. The legal basis for allowing returns was somewhat changed by the Supreme Court in the Hope Gas case, decided in 1945, reported in 320 U. S., in an opinion by Justice Black, in which the intent to some extent was to give the consumer a little better break.

At any rate, valuation and rate of return are the two things discussed. They are the only two things which are important in the determination of what kind of charge the utility is entitled to make. The two things are valuation of property and rate of return.

To carry the story a little further, after Mr. Crosland, the vice president of A.T. & T. and his committee submitted the report, the lobby started to work. They have been working in the Nation's Capitol on both sides, to try to get something done.

Senators will find on page 24 of the House bill, H.R. 7445, a Senate amendment which reads, as follows:

> No part of the funds appropriated by this act shall be used for the preparation or presentation of evidence or arguments before Federal and State regulatory agencies concerning the regulatory policies of such agencies on overall earnings level or total property evaluation of transportation or utility companies.

This is the so-called Allott amendment. With all due deference to my colleague from Colorado, this is substantially what Mr. Crosland's chamber of commerce committee recommended. We know the reason why they were pressing for it.

Let us see what the amendment would do, Mr. President.

All of the reduction in the appropriation is to come out of the allocation for representing the interests of the Government before regulatory agencies. This will mean that the General Services Administration, before the Federal Power Commission, before the Federal Communications Commission, before the Civil Aeronautics Board, before the other Federal agencies, or before the State regulatory commissions, will not be able to introduce evidence or to make any representation, will not be able to present any evidence or arguments having to do with rate or valuation. That will mean they cannot represent the Government in a rate case, because those are the only two things involved.

If one would go to a rate lawyer and say, "You can represent me in this rate case, but you cannot present any arguments or any evidence or build up any case on rate or evaluation," the lawyer would say, "There is no use in my presenting the case. That is all I can talk about." Indeed, those are the only things involved in respect to the amount the utility is entitled to charge.

What we have before us is an amendment which naturally the American Telephone & Telegraph Co., the General Telephone Co., Western Union, and others would like to have agreed to. They wish to charge the Government very large amounts. The attorneys for the companies will be making their record as to why the utility should have the rate the utility is trying to charge, or why they should have a larger rate, or why the rate should not be reduced, but the General Services Administration would be prohibited from building up any record or from making any argument on behalf of the U.S. Government as to the injustice of the rate, as to why the rate should be reduced, as to why the rate should not be increased, or as to why the interests of the Government would not be protected if the position of the utilities should prevail. In other words, the utilities wish to have the plaintiff represented by counsel and to build up a record, but they do not wish to have the Government of the United States—the taxpayers, the people who pay—represented by any counsel to build up any record so that the overall merits of the two sides can be considered.

Of course, if an appeal is taken there will be no record as to evaluation or rates which would be brought out by the General Services Administration before the courts of the land.

Mr. President, we hear a great deal about saving money. These companies are doing very well. I am glad to see them doing well. They try to deprive the Government of representation to which it is entitled by statute under the Federal Property and Administrative Services Act, General Services Administration, for the protection of the public. They are going too far.

That is a very unfair, unwarranted, unprecedented, and unjustified step to be taken.

I invite attention of Senators to something else. It will be seen that the amendment provides:

> No part of the funds appropriated by this Act shall be used for the preparation or presentation of evidence or arguments before Federal and State regulatory agencies concerning the regulatory policies of such agencies on overall earnings level or total property evaluation of transportation or utility companies.

Under that language the act would apply to the Civil Aeronautics Board, the Interstate Commerce Commission, the Federal Communications Commission, the Federal Power Commission, and other regulatory agencies.

The argument of the proponents of the amendment is that the agencies are there to protect the interests of the Government, so why have someone especially named to protect the interests of the Government?

We all know that these agencies sit in a quasi-judicial position—and mostly judicial—with respect to hearing rate cases. Arguments are made on both sides.

These people would say to the Government that the General Services Administration should not present the arguments and evidence of the Government side, when the agency is supposed to be judicial.

Suppose that some conscientious commissioner on a commission wished to put something into the record, to have something printed, or to spend some money for a certain document to present the case of the Government. He would, under the amendment, be prohibited from doing so because it is stated:

No part of the funds appropriated—

For that agency—

shall be used for the preparation or presentation of evidence or arguments before Federal and State regulatory agencies.

Mr. HART. Mr. President, will the Senator yield?

Mr. KEFAUVER. I am happy to yield to the distinguished Senator from Michigan.

Mr. HART. Last night I was present in the Chamber when the Senator from Wisconsin [Mr. PROXMIRE] announced his intention to offer the admendment. At that time I expressed my appreciation to him that he would undertake the effort. We were delighted that the effort has been joined by perhaps the most eloquent and persistent voice in the Senate on the subject.

Mr. KEFAUVER. The Senator goes too far, but I appreciate his statement.

Mr. HART. It is true. I understood the Senator from Tennessee to say that those who would deny the requested funds for General Services argue, among other things, that the work would be a duplication of effort, because the commissions are there to protect the Government.

Mr. KEFAUVER. Yes. I suggest that the situation would be similar to what we see before us. Assume the Presiding Officer of the Senate is the commissioner; the lawyers for the utilities would be present on the Democratic side of the aisle. The commissioner is supposed to be sitting in a judicial position. He is supposed not to know all the outside evidence that might be produced by the lawyers for the Government. The GSA, which might be sitting on the Republican side, would be prohibited from presenting evidence or argument, or making any presentation, but would expect the court to know where to go, what to get, what might be relevant, and what should be put in the record. The court is supposed to be acting in a judicial capacity.

Mr. HART. I find it difficult to accept the concept described by the Senator. Unfortunately, the record does not support the description given by the Senator from Tennessee. How inconsistent it would be to expect that a commissioner could sit behind the table at one moment, rise, put something into the record, and jump back in a moment.

But the notion that the commissioners are to represent the Government raises an additional question in my mind. The commissioners are to represent the common good, the general public—all of us. Time and again in this Chamber it has been echoed that one trouble with the agencies is that they do not observe traditional procedures, and that they tend to go outside the record. It is argued that such action is wrong. Put in those words, I agree that it is wrong. Yet those of us who support the amendment are faced with the argument that such procedure is exactly what the commission should do, and in many cases, I am sure, for some voices which normally are raised in criticism of a commission which seeks to go outside the record.

Mr. KEFAUVER. I agree with the Senator from Michigan that the commission should use great judgment in what it might call for in the way of additional evidence, although I think in an effort to protect the public interest a commission, like a court, should be entitled to ask a question or ask for some document which might have some relevance to the case.

Mr. HART. What the Senator has stated is true. If the commissioner were to engage aggressively in the role of advocate, the Senate Chamber would echo to screams and howls of protest.

Mr. KEFAUVER. The Senator is correct.

What would have to be done by the Government in order to present properly the side of the Government as to whether a rate was reasonable or unreasonable? It would have to have appraisals made. It would have to make many audits of the books of the utility company. It would have to examine the figures submitted by the utility. It would have to look into what had been charged against expenses and costs to see whether they were justified.

It might want to examine into the reasonableness of some salaries that were being charged. A great body of evidence would be required to be presented on the side of the Government if there were to be a fair determination.

Apparently it is the idea of the sponsors of the amendment that either evidence will not be presented on the side of the Government, which would have to be presented in order to get a fair consideration, or that it would have to be the duty of the commission itself to get all the evidence and present it on the side of the Government. If such is done, it would take the commission out of the function that it is supposed to serve as an impartial referee or judge between the utility on the one hand and the consumer on the other, namely, the Government.

Furthermore, it is unconscionable to think that the Government should be deprived of its representation or that it would want to throw the whole burden on the commission, which it is not in a position to carry it.

Mr. HART. If I may be permitted one further observation, I am sure the Senator from Tennessee can recite at least some of the many efforts which he has made to establish an independent and separate voice for the consumer at the level of the Federal Government. For one reason or another—but never because of lack of effort on the part of the Senator from Tennessee—such a course has never been agreed to by the Congress. But that factor will not deter him or me from continuing the effort. But here we are talking about a situation in which the voice of the consumer can be more effectively represented. The program would not require the creation, as our opponents say, of an elaborate new agency. It is something which is within reach. It is feasible and understandable. Let us at least do that much.

Mr. KEFAUVER. I thank the Senator for his attitude and his forceful statement about it. The resolution to establish a Department of Consumers is growing in strength all the time. Year by year more Senators are supporting it. As the cost of living goes up and the consumer has a harder and harder time, there is more and more agitation and support for some agency in the Government that will look after the consumer. But it was never contemplated that the Department of Consumers would take the place of the General Services Administration and others who are supposed to protect the Government. The Department of Consumers would be there for the purpose of protecting consumers other than the U.S. Government. We have the largest consumer—by a thousand times over the biggest consumer, I would suggest—in all of the United States, to which a very large part of the taxpayers' money, of course, goes for services, and a very substantial part of it goes for the payment of bills to utilities, railroad companies, electric companies, telephone companies, Western Union, maritime companies, airplane companies, and the charge to the Government and to the taxpayers of the United States runs into billions of dollars on these items. The agency of the Federal Government which is given responsibility for defending the United States against unreasonable charges is the General Services Administration.

I have great respect for the Parliamentarian of the Senate, and of course for the ruling, but this language changes the construction of the language in title 2, the property management section, and other statutes. I believe the point of order should have been presented at greater length than it was.

It was also pointed out that if the General Services Administration and other agencies wanted to secure information, which of course would cost money—for audits, evaluations, analyses, financial reports—they would be unable to use one penny appropriated in this bill for doing so. That is made clear by reading the bill:

No part of the funds appropriated by this act—

Not by this title—

by this act shall be used for the preparation or presentation of arguments before State or Federal agencies.

The bill refers, of course, to "sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1962, and for other purposes."

Even the Panama Canal Company could be considered an independent

agency under this bill. I am not certain of that. Housing is. The Tennessee Valley Authority is another one. No part of the funds appropriated to any of them can be used to contest a matter of a valuation of property or the rate in a ratemaking case.

This is a far-reaching amendment which is not easily or readily understood from a reading of the bill. We do not know how far it goes. However, the cost to the U.S. Government will be hundreds of millions of dollars every year. The utilities would be enabled to present their side of the case without having the Government's side of the case and the side of the case of the taxpayers presented. It is very unthoughtful and unrealistic.

I wanted to make these few remarks this evening for the RECORD so that Senators who may read the RECORD will have these references to the situation when they come to a discussion of the bill on Monday.

I should also like to point out that in the House hearings at about page 1140—I have forgotten the exact page—there is brought out the connection of Mr. Crosland, the vice president of A.T. & T., with the incipiency and sponsorship of the very thing that we now see realistically presented, in an effort to take more money away from the U.S. Government and the taxpayers.

Mr. HART. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. HART. The Senator will agree, I am sure, that A.T. & T. constantly and quite properly urges that the Government operate soundly, reasonably, efficiently, and economically. They are often critical of our omissions in this regard. Is it surprising that in this case, this voice, which normally is insistent that we operate rationally, should suggest what seems to me to be an irrational course?

Mr. KEFAUVER. I suppose it depends on whether one expects to make a large profit by what he is doing. If the Senator will look at page 1121 of the hearings he will find a great many companies that are involved in these cases, in which the General Services Administration has intervened. They are the General Telephone Co., the El Paso Natural Gas Co., and Southern Gas Co. American Telephone & Telegraph seems to have most of them, involving the largest amounts. The Western Union Co., the West Coast Telephone Co., and the California Water & Telephone Co. are involved. Some navigation companies are involved also. There are a great number of cases.

I believe attention ought to be called also to the fact that even as matters have been going, the commissions have been very generous in what they have been allowing these companies. That they should try to take away protection from the Government in the future is most shocking.

For example, under the tentative decision by the Federal Communications Commission, leased lines of the telephone companies have been allowed a 7¼ percent return on investment, or on cost less depreciation. Western Union has been allowed 9 percent. Nobody will be trying to keep this down, nobody will present the side of the Government, unless the Commission can go out of its way. It is even prohibited under the bill from doing anything for these purposes.

THE HIGH COST OF DRUGS

Mr. KEFAUVER. Mr. President, there has been a great deal of interest in S. 1552, a bill which seeks to establish real price competition in the prescription drug manufacturing industry, to reduce the unusually high prices of these drugs, and to establish more positive methods of assuring the safety and usefulness of such drugs.

One of the Nation's fine newspapers, the Evening Star of Washington, D.C., has printed an editorial commenting on this legislation and on the hearings the Senate Antitrust and Monopoly Subcommittee has been holding on S. 1552.

I think that this editorial, which appeared in the Star on July 28, 1961, is a most thoughtful and well-considered observation and ask unanimous consent that it be placed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HIGH COST OF DRUGS

While much evidence is yet to be heard on its remedial proposals, the Senate Monopoly Subcommittee is making an increasingly persuasive case for the need of legislation which will reduce the unconscionably high prices of prescription drugs, while at the same time assuring their safety and usefulness. In general, we think the key provisions of the Kefauver bill designed to accomplish these results are on the right track.

As might be expected in a probe of an industry so vast and so complex, the Kefauver bill is full of controversial ramifications. Its main thrust, however, through a variety of means, is to induce more competition in the production and the sale of drugs, and thereby reduce their costs. The subcommittee record is replete with examples of drug costs (and of drug-company profits, as well), which are shockingly excessive by any standard of evaluation.

Among the intriguing goals of the bill is an effort to persuade doctors, in prescribing drugs, to a greater use of the generic (or official) names of drugs, rather than trade names which frequently command far higher prices for precisely the same product. Many doctors, according to the subcommittee, have refrained from this practice in the understandable fear that they might run the risk of placing an inferior drug in the hands of their patients. Other provisions of the Kefauver bill, however, are aimed specifically at assuring that such drugs in fact are not inferior, but that all drugs marketed are both safe and efficacious. This would be accomplished, in part, by authorizing the Food and Drug Administration (which now has the legal authority only to rule on the safety of drugs) to determine as well that they live up to the claims made for them as to usefulness.

A few weeks ago, at the start of the current round of hearings, we were impressed by the American Medical Association argument that every private physician must determine in the final analysis what drugs are useful for each patient, and that the new control proposed for the FDA might deny doctors access to drugs of possible value to one or another of their patients. In view of the testimony from individual doctors since that time, however, and in view of the explanations offered by Senator KEFAUVER, it is difficult to believe that useful drugs actually would be kept out of doctors' hands. In a very real sense, the FDA already is forced to consider the efficacy of drugs in certifying their safety, for there are few drugs in the entire armamentarium of medicine which do not have the potential for ill effects on someone. In practice, of course, the FDA must weigh these potentials for harm against the degree of curative benefit which each new drug possesses. We see no inconsistency, therefore, in broadening this evaluation of efficacy, or in the separate provisions of the bill which would impose tighter controls on misleading or false information which might be disseminated by drug companies to doctors in their extensive promotional campaigns.

There are other provisions—most particularly one which would modify product-patent rights on drugs—which require more testimony, especially that of patent experts. Indeed, the drug industry itself has not yet had an opportunity to present its side of the story. The subcommittee nevertheless has amassed a truly overwhelming amount of evidence in support of its charges.

ADJOURNMENT TO MONDAY

Mr. KEFAUVER. Mr. President, I move that the Senate adjourn until noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 47 minutes p.m.) the Senate adjourned until Monday, July 31, 1961, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 29, 1961:

U.S. ATTORNEY

Theodore L. Richling, of Nebraska, to be U.S. attorney for the district of Nebraska for the term of 4 years.

U.S. MARSHALS

Beverly W. Perkins, of Nevada, to be U.S. marshal for the district of Nevada for the term of 4 years.

John G. Chernenko, of West Virginia, to be U.S. marshal for the northern district of West Virginia for the term of 4 years.

Thomas W. Sorrell, of Vermont, to be U.S. marshal for the district of Vermont for the term of 4 years.

